UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 90th CONGRESS
SECOND SESSION

VOLUME 114—PART 18

JULY 24, 1968, TO JULY 30, 1968
(PAGES 22979 TO 24366)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1968

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of America

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SENATE—*Wednesday, July 24, 1968*

The Senate met at 12 noon, and was called to order by the President pro tempore.

Rev. Haskell R. Deal, minister, Eldbrooke Methodist Church, Washington, D.C., offered the following prayer:

Eternal Creator, our God and Father, we come to Thee in the faith that Thou art concerned in what we are doing, and seeking to do. We invoke Thy blessing upon us as Thy servants. Grant to us, we beseech Thee, wisdom and courage, as the duties and responsibilities of these troublesome times confront us. Be guidance for us as we seek solutions for our problems at home and abroad.

We pray for our leaders who are giving their lives and talents, in efforts to heal the ills of our own Nation and the nations of the world. Grant to their efforts the great blessings of peace, order, and good will everywhere.

For our own rich heritage, which has been glorious evidence of Thy guidance in our past, we thank Thee. We pray that we may continue to trust and follow Thy way, O Lord. Reveal Thy way to us and give us the insight and strength to walk in it, for Christ's sake. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, July 23, 1968, be dispensed with.

The **PRESIDENT** pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask that there be a brief period for the transaction of routine morning business, to be terminated at 12:15 p.m., under the order of yesterday, with statements made therein not to exceed 3 minutes.

The **PRESIDENT** pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On July 21, 1968:

S. 1129. An act for the relief of Demetra Lani Angelopoulos; and

S.J. Res. 157. Joint resolution to supplement Public Law 87–734 and Public Law 87–735 which took title to certain lands in the Lower Brule and Crow Creek Indian Reservations.

On July 23, 1968:

S. 1808. An act for the relief of Miss Amalia Seresly;

S. 3143. An act to amend the Commodity Exchange Act, as amended, to make frozen concentrated orange juice subject to the provisions of such act; and

S.J. Res. 172. Joint resolution extending the duration of copyright protection in certain cases.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The **PRESIDENT** pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 2908. An act to authorize the Secretary of the Army to quitclaim certain real property in Muscogee County, Ga.;

S. 3495. An act to authorize the Secretary of the Army to modify certain use restrictions on a tract of land in the State of Iowa in order that such land may be used as a site for the construction of buildings or other improvements for the Iowa Law Enforcement Academy; and

S.J. Res. 193. Joint resolution to designate the National Center for Biomedical Communications the Lister Hill National Center for Biomedical Communications.

The message also announced that the House had passed the joint resolution (S.J. Res. 181) to authorize the President to designate the week of August 4 through August 10, 1968, "Professional Photography Week," with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 18188) making appropriations for the Department of Transportation for the fiscal year ending June 30, 1969, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BOLAND, Mr. MCFALL, Mr. YATES, Mr. MAHON, Mr. MINSHALL, Mr. JONAS, and Mr. BOW were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 6729. An act to amend the Dependents Assistance Act of 1950 in order to make members of the Reserve and National Guard ordered to active duty for training for periods of 30 days or more eligible for quarters allowances and to make allotments;

H.R. 13720. An act to amend title 37, United States Code, to modify requirements necessary to establish entitlement to incentive pay for members of submarine operational command staffs serving on submarines during underway operations;

H.R. 15268. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use in the 1969 National Jamboree, and for other purposes;

H.R. 16254. An act to amend title 10, United States Code, relating to the authorized strengths and grades for certain medical, dental, veterinary, medical service, and biomedical sciences officers of the Armed Forces;

H.R. 17780. An act to direct the Secretary of Defense to pay the special pay authorized under section 310 of title 37, United States Code, to certain members of the uniformed services held captive in North Korea;

H.R. 18146. An act to amend title 10, United States Code, to correct an inequity affecting officers of the Supply Corps and Civil Engineer Corps of the Navy;

H.J. Res. 1299. Joint resolution authorizing the President to proclaim annually the week including September 15 and 16 as "National Hispanic Heritage Week"; and

H.J. Res. 1404. Joint resolution authorizing and requesting the President to proclaim the week of November 17 through 23, 1968, as "National Family Health Week."

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 6. An act to authorize the Secretary of the Interior to construct, operate, and maintain the initial stage of the Oahe unit, James division, Missouri River Basin project, South Dakota, and for other purposes;

S. 1532. An act to require that contracts for construction, alteration, or repair of any public building or public works of the District of Columbia be accompanied by a performance bond protecting the District of Columbia and by an additional bond for the protection of persons furnishing material and labor, and for other purposes;

S. 3456. An act to provide that the prosecution of the offenses of disorderly conduct and lewd, indecent, or obscene acts shall be conducted in the name of and for the benefit of the District of Columbia;

H.R. 25. An act to authorize the Secretary

of the Interior, in cooperation with the States, to conduct an inventory and study of the Nation's estuaries and their natural resources, and for other purposes;

H.R. 10673. An act to amend title III of the Packers and Stockyards Act, 1921, as amended; and

H.R. 18065. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 6729. An act to amend the Dependents Assistance Act of 1950 in order to make members of the Reserve and National Guard ordered to active duty for training for periods of thirty days or more eligible for quarters allowances and to make allotments;

H.R. 13720. An act to amend title 37, United States Code, to modify requirements necessary to establish entitlement to incentive pay for members of submarine operational command staffs serving on submarines during underway operations;

H.R. 15268. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use in the 1969 National Jamboree, and for other purposes;

H.R. 16254. An act to amend title 10, United States Code, relating to the authorized strengths and grades for certain medical, dental, veterinary, medical service, and biomedical sciences officers of the armed forces;

H.R. 17780. An act to direct the Secretary of Defense to pay the special pay authorized under section 310 of title 37, United States Code, to certain members of the uniformed services held captive in North Korea; and

H.R. 18146. An act to amend title 10, United States Code, to correct an inequity affecting officers of the Supply Corps and Civil Engineer Corps of the Navy; to the Committee on Armed Services.

H.J. Res. 1299. Joint resolution authorizing the President to proclaim annually the week including September 15 and 16 as "National Hispanic Heritage Week"; and

H.J. Res. 1404. Joint resolution authorizing and requesting the President to proclaim the week of November 17 through 23, 1968, as "National Family Health Week"; to the Committee on the Judiciary.

EXECUTIVE COMMUNICATIONS ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of Office of Civil Defense

A letter from the Director, Office of Civil Defense, reporting, pursuant to law, on property acquisitions of emergency supplies and equipment for the quarter ended June 30, 1968; to the Committee on Armed Services.

Report of Selective Service System

A letter from the Director, Selective Service System, transmitting, pursuant to law, their first semiannual report, covering operations of selective service during the period from July 1, 1967 to December 31, 1967 (with an accompanying report); to the Committee on Armed Services.

Report of Foreign Claims Settlement Commission of the United States

A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting, pursuant to law, the first annual report of its activities for the period ended December 31, 1967 (with an accompanying report); to the Committee on Foreign Relations.

Report of Grants to Nonprofit Institutions and Organizations for Scientific Research Programs

A letter from the Deputy Assistant Secretary of the Interior for Administration, transmitting, pursuant to law, a report for the Department covering grants made during the calendar year 1967 to nonprofit institutions and organizations for support of scientific research programs (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Commerce:

"S.J. Res. 9

"Joint resolution relative to the operation of foreign domiciled carriers in California

"Whereas, Congress has delegated to the Interstate Commerce Commission through Part II of the Interstate Commerce Act the power and authority to regulate transportation by motor carriers in foreign commerce; and

"Whereas, Motor carriers domiciled in Mexico are presently performing transportation service in foreign commerce within the territorial limits of the United States and the State of California by transporting goods between California and Mexico; and

"Whereas, Such motor carriers operating in foreign commerce within the territorial limits of the United States have failed to comply with the requirements of Part II of the Interstate Commerce Act and the rules and regulations promulgated by the Interstate Commerce Commission pursuant thereto; and

"Whereas, The Interstate Commerce Commission has not required such motor carriers to operate according to such laws and regulations; and

"Whereas, such carriers continue to operate outside the scope of applicable federal law and regulation; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the Congress of the United States to direct the Interstate Commerce Commission to restrain the illegal operation of foreign domiciled motor carriers within the territorial limits of the United States and the State of California; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the members of the Interstate Commerce Commission, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Finance:

"H. Con. Res. 31

"Concurrent resolution to memorialize Congress with respect to amendments to provisions of the Social Security law relating to determining the need of recipients of old age benefits from the states

"Whereas, Congress recently provided for an increase in social security benefits and, beginning in 1968, persons receiving social security benefits from the United States Government under the federal old-age, survivors, and disability insurance benefits laws began to receive this increase in the monthly payments, and

"Whereas, the increase in social security benefits was enacted by the United States Congress in recognition of the rapid increase in the cost of living index of all the people of the United States, and

"Whereas, in this state many persons over sixty-five years of age are receiving Old Age Assistance Benefits, and in most cases the total amount of social security benefits received from the United States Government plus the Old Age Assistance benefits paid to persons over sixty-five years of age is not adequate to meet the greatly increasing expenses incurred for day-to-day living necessities, and

"Whereas, under the provisions of federal old-age, survivors, and disability insurance benefits laws the various states, in determining the need of recipients of old age assistance benefits, are permitted to disregard not in excess of seven dollars and fifty cents of any income, including social security income of a recipient, and in addition, the state may disregard from earned income the first twenty dollars of eighty dollars per month, plus one-half of the remainder thereof, and

"Whereas, by placing this restriction upon the states in determining the amount of Old Age Assistance benefits recipients may receive, many persons over sixty-five years of age who have no substantial income and who depend upon the benefits received from social security payments and old age assistance benefits to pay for their basic needs of life, have found themselves in necessitous circumstances, and

"Whereas, it was the intent and purpose of the federal old-age survivors and disability insurance benefits laws that these benefits assist persons in meeting their ordinary expenses after they have reached retirement age, and

"Whereas, the members of the Louisiana Legislature now have under consideration a bill to require that the Louisiana State Department of Welfare increase the amount of any income which may be disregarded in determining the amount of need for recipients of Old Age benefits to the maximum amount now permitted by the federal law, which is only the seven dollars and fifty cents now permitted under federal law.

"Now therefore be it resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that the members of the United States Congress are hereby strongly urged and requested to consider legislation which would amend the social security laws so as to permit and require all states, in determining the need of old age recipients, to disregard from income not only the amount of the increase in social security benefits which became effective in 1968 but also any other increase in social security benefits which they may receive in the future.

"Be It Further Resolved that the Clerk of the Louisiana House of Representatives shall transmit copies of this Resolution without delay to the members of the Louisiana delegation in both houses of the United States Congress and to the presiding officer of each of the houses of the Congress.

"John S. Garrett,
"*Speaker of the House of Representatives.*
"C. C. Aycock,
"*Lieutenant Governor and President of the Senate.*"

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Government Operations, without amendment:

S. 3416. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the rendering of direct assistance to and performance of special services for the Inaugural Committee (Rept. No. 1450).

By Mr. RIBICOFF, from the Committee on

Government Operations, without amendment:

S. 3640. A bill to establish a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy (Rept. No. 1451).

By Mr. **SPONG**, from the Committee on the District of Columbia, without amendment:

H.R. 9606. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia (Rept. No. 1452).

By Mr. **TYDINGS**, from the Committee on the District of Columbia, without amendment:

H.R. 10213. An act to amend the Life Insurance Act of the District of Columbia, approved June 19, 1934 (48 Stat. 1125) (Rept. No. 1453).

By Mr. **HILL**, from the Committee on Labor and Public Welfare, with an amendment:

H.R. 15758. An act to amend the Public Health Service Act so as to extend and improve the provisions relating to regional medical programs, to extend the authorization of grants for health of migratory agricultural workers, to provide for specialized facilities for alcoholics and narcotic addicts, and for other purposes (Rept. No. 1454).

By Mr. **MONRONEY**, from the Committee on Post Office and Civil Service, with amendments:

H.R. 15387. An act to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes (Rept. No. 1455).

INTERGOVERNMENTAL COOPERATION ACT OF 1968—REPORT OF A COMMITTEE (S. REPT. NO. 1456)

Mr. **MUSKIE**. Mr. President, from the Committee on Government Operations, I report favorably, with an amendment, the bill (S. 698), to achieve the fullest cooperation and coordination of activities among the levels of government in order to improve the operation of our federal system in an increasingly complex society, to improve the administration of grants-in-aid to the States, to provide for periodic congressional review of Federal grants-in-aid, to permit provision of reimbursable technical services to State and local government, to establish coordinated intergovernmental policy and administration of development assistance programs, to provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs, to establish a uniform relocation assistance policy, to establish a uniform land acquisition policy for Federal and federally aided programs, and for other purposes. I ask unanimous consent that the report be printed.

The **PRESIDENT** pro tempore. The report will be received and the bill will be placed on the calendar; and the report will be printed, as requested by the Senator from Maine.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. **LONG** of Louisiana, from the Committee on Finance:

Edward C. Sylvester, Jr., of Michigan, to be an Assistant Secretary of Health, Education, and Welfare.

By Mr. **MONRONEY**, from the Committee on Post Office and Civil Service:

Thirty-three postmaster nominations.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. **DOMINICK**:

S. 3874. A bill relating to the assignment of a sole surviving son of a family to duty in a combat zone; to the Committee on Armed Services.

(See the remarks of Mr. DOMINICK when he introduced the above bill, which appear under a separate heading.)

By Mr. **NELSON** (for himself and Mr. BAYH, Mr. HARRIS, Mr. HARTKE, Mr. CHURCH, Mr. MONDALE, Mr. HART, Mr. MAGNUSON, Mr. METCALF, Mr. MOSS, Mr. PELL, Mr. RANDOLPH, Mr. RIBICOFF, Mr. WILLIAMS of New Jersey, Mr. YOUNG of Ohio, and Mr. McGOVERN):

S. 3875. A bill to establish a community self-determination program to aid the people of urban and rural communities in securing gainful employment, achieving the ownership and control of the resources of their community, expanding opportunity, stability, and self-determination, and making their maximum contribution to the strength and well-being of the Nation; to the Committee on Finance.

(See the remarks of Mr. NELSON when he introduced the above bill, which appear under a separate heading.)

By Mr. **PERCY** (for himself and Mr. BAKER, Mr. BOGGS, Mr. BROOKE, Mr. CASE, Mr. FONG, Mr. GRIFFIN, Mr. JAVITS, Mr. JORDAN of Idaho, Mr. KUCHEL, Mr. PEARSON, Mr. PROUTY, Mr. SCOTT, and Mr. TOWER):

S. 3876. A bill to establish a community self-determination program to aid the people of urban and rural communities in securing gainful employment, achieving the ownership and control of the resources of their community, expanding opportunity, stability, and self-determination, and making their maximum contribution to the strength and well-being of the Nation; to the Committee on Finance.

(See the remarks of Mr. PERCY when he introduced the above bill which appear under a separate heading.)

By Mr. **PROXMIRE**:

S. 3877. A bill for the relief of Alexandros Marlis; to the Committee on the Judiciary.

By Mr. **HARTKE**:

S. 3878. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act so as to provide certain exemptions from provisions of such acts relating to supplemental annuities; to the Committee on Finance.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

S. 3874—INTRODUCTION OF BILL RELATING TO THE ASSIGNMENT OF A SOLE SURVIVING SON OF A FAMILY TO DUTY IN A COMBAT ZONE

Mr. **DOMINICK**. Mr. President, I introduce, for appropriate reference, a bill to extend the sole surviving son clause to the last remaining son in a family that has incurred the loss of one of more of its members as a direct consequence of the hazards incident to service in a combat zone as a civilian officer or employee of the Federal Government.

We now offer this protection to families who have lost members while serving with the military service; however, we have continued to ignore the fact there are thousands of civilian, Government employees serving in a combat zone who are in as great a danger. The Agency for International Development is a case in point. The AID employees, working hand-in-hand with our military forces in many instances, provide health, educational, and community action services to the South Vietnamese. Yet, if an AID employee is killed while serving his country in Vietnam, his family is offered no security from having its sole surviving son assigned to Vietnam.

I think it is imperative this inequity be corrected, in the face of what seems to be a protracted involvement in Southeast Asia. As long as the area is designated a conflict area by the President, as it is now, our civilian employees should be accorded the same recognition as our military.

Mr. President, we insure that no one family carries too much of the military sacrifice for our Nation; we should insure that no one family carries more of the burden simply because its members are used by our Government in a civilian capacity.

Mr. President, I ask unanimous consent that my proposed bill be printed at this point in my remarks.

The **PRESIDENT** pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3874) relating to the assignment of a sole surviving son of a family to duty in a combat zone, introduced by Mr. DOMINICK, was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

S. 3874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 53, of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 1041. Limitation on assignments to combat zones

"Except during a period of war or a national emergency declared by the Congress after the date of enactment of this section, no member of the armed forces who is the sole surviving son of a family shall be assigned to duty in a combat zone, unless such member volunteers for such duty, if the father or mother or one or more brothers or sisters of such member (1) were killed in action or died in line of duty while serving in the armed forces, or subsequently died as the result of injuries received or disease incurred during such service, or (2) were killed as the result of hostile action while serving in a combat zone as a civilian officer or employee of the United States, or subsequently died as the result of injuries received or disease incurred during such service. As used in this section the term 'combat zone' means any area which the President by Executive Order designates as a combat zone for purposes of section 112 of the Internal Revenue Code of 1954."

SEC. 2. The table of sections at the beginning of chapter 53 of title 10, United States

Code, is amended by adding at the end thereof the following:

"1041. Limitation on assignments to combat zones."

S. 3875—INTRODUCTION OF BILL—COMMUNITY SELF-DETERMINATION ACT

Mr. NELSON. Mr. President, I am introducing, on behalf of myself and Senators Harris, Hart, Magnuson, Metcalf, Mondale, Moss, Pell, Randolph, Ribicoff, Williams of New Jersey, Young of Ohio, and McGovern, the Community Self-Determination Act of 1968. This act contains the hope of enormous benefits for the poor of this Nation. It can become a catalyst to draw all of society into the effort to eradicate poverty in the United States. Those of us sponsoring this measure consider it a creative self-help proposal which brings jobs to areas where they are needed, both rural and urban—and, equally important, control and operation of the program are at the local level in the hands of local people.

To be sure, there will be problems, but the criticisms of this concept that have been offered in the past simply do not hold up.

It has been said that the poor are unable to mobilize themselves for any massive self-improvement effort. This is not true. In the countryside, the overwhelming success of the REA program shows what rural residents can achieve once given the chance. In numerous cities throughout the country self-help projects have involved local citizens in constructive action. The Community Self-Determination Act would provide the mechanism for the active participation of the poor in their own development.

It has been said that private business in this country will not assume the risks of investing in poor areas. This is not true. Efforts by private enterprises in Rochester, N.Y., Washington, D.C., and many other cities show that business wishes to play a constructive role. This act would provide the incentive for the private sector to participate in the antipoverty effort without being asked to take unreasonable risks.

It has also been said that it is futile even to think of proposing bold new legislation in Congress, for no measure could get the necessary support. One of the remarkable things about this proposal is the broad bipartisan support it has received both within and outside the Congress from people of all walks of life representing all shades of political opinion.

In conclusion, I urge all Members of Congress and all concerned citizens in this country to respond positively to the Community Self-Determination Act. It is a measure of enormous worth which deserves to become an operating program as soon as possible.

Mr. President, I ask unanimous consent to have the following printed in the Record:

A joint statement by myself, the Senator from Illinois [Mr. Percy], the Senator from New York [Mr. Javits], and the Senator from Oklahoma [Mr. Harris] on the bill.

An article published in the New York Times on June 21, 1968, entitled "Negroes To Set Up Company Upstate."

A magazine article entitled "Cooperative Communities North and South: A Response to Poverty," written by Arthur Tobier.

There being no objection, the material was ordered to be printed in the Record, as follows:

JOINT STATEMENT BY SENATORS NELSON, PERCY, JAVITS, AND HARRIS ON COMMUNITY SELF-DETERMINATION ACT OF 1968, JULY 24, 1968

It is apparent that the United States is confronted with poverty on a massive scale. Its continued existence, in this the most affluent nation on earth, makes a mockery of our highest ideals. We used to refer to "pockets" of poverty; however, it is now clear that the metaphor is too limited. For poverty does not simply occur in pockets; it devastates huge segments of our cities and cripples vast areas of our countryside. We can no longer afford to think only in terms of prosperous America; we must face the fact that submerged America has dimensions that we are only now beginning to realize.

The past and present efforts of government, business and charitable institutions have had significant effects in certain localities, but they have not diminished the crisis proportions of the problem as a whole. Clearly, our response to poverty has been inadequate, not only in scale, but also often in direction.

We feel that a new approach is needed. Such an approach must take into account a number of basic facts:

Poverty stricken people do not wish to be guinea pigs, being constantly probed and tested, but without ever finding their trapped condition altered. Like everyone else, they want the chance to influence their own destinies—to be participants in the effort of building a more prosperous America.

Poverty is not an isolated phenomenon that can simply be cured from spot to spot. It does little good to raise employment and standards of living in the cities if new floods of migrants pour in from an economically devastated countryside. For an anti-poverty effort to be successful, it must be comprehensive. It must affect all occupational and ethnic groups in all areas of the country.

At the same time, we must recognize that every area has its own unique problems. A solution in St. Louis might be a disaster in Detroit, if applied rigidly and insensitively. The approach that we are espousing this morning solves this problem by leaving decisions on specific problems to people who live in, and intimately know, the areas involved.

Finally, it is clear that we do have the resources to overcome this problem. The question is not just one of quantity, though we must not shrink from necessary costs. It is also a question of establishing a system that will enable existing resources to be made available where they are most needed.

We feel that we have such a plan in the Community Self-Determination Act, which we and other Senators of both parties are introducing today.

This bill owes its existence to the dedicated efforts of nonpartisan citizen groups. The Congress of Racial Equality (CORE), in conjunction with Mr. Gar Alperovitz and Mr. John McClaughry while at the Harvard Institute of Politics, and distinguished lawyers and businessmen from many areas all worked diligently to produce a workable, effective proposal. More recently, this plan has earned the enthusiastic support of political leaders of both parties.

The Community Self-Determination Act is a comprehensive proposal to meet poverty wherever it exists. It is a program of business and finance that promotes the initiative of local residents and of the business community.

Any poverty community would be able to establish a Community Development Corporation to own and manage productive business enterprises. Any profits would be used to finance needed community social services. These corporations would be certified by a national Board established by the President, but decisions would be made by those with the greatest stake in the project: the local citizens themselves. It is a complex measure and will require thorough hearings and perhaps some modification. But citizen response in early community efforts of this kind shows the practicality of the project. Areas as diverse as Crawfordville, Georgia, and Rochester, New York, have demonstrated that local residents are eager to establish community enterprises.

But these early efforts also show the difficulties of each community acting only on its own. The Community Self-Determination Act would provide necessary help.

One element of assistance would be a network of Community Development Banks. Through these new banks, the Community Corporations would receive necessary investment funds. A new national development bank, patterned on the Domestic Development Bank which was previously introduced by Senator Javits and other Senators, would be created to serve as a secondary institution and to provide financial assistance directly where no community bank or corporation is in existence. A federal tax incentive program would encourage the private business sector to enter into Turnkey agreements with the local Community Corporations. In this way business and industry would be established in poor communities, with the community itself assuming the major portion of responsibility and direction.

The Community Self-Determination Act is a bold new step along an unfamiliar path. But we must not fear the innovative and prefer the established. For if this nation is to fulfill its great promise, it must never fall back on whatever happens to exist. It must never remain content with the present, but must always step forward confidently into the future.

[From the New York Times, June 21, 1968]

NEGROES TO SET UP COMPANY UPSTATE—ROCHESTER GROUP, AIDED BY XEROX, TO MAKE GOODS

(By John Kifner)

Rochester, June 20.—The Xerox Corporation and FIGHT, a militant Negro organization, announced plans today for a Negro-owned manufacturing corporation that is projected to grow into a $1-million-a-year business.

The new corporation will manufacture electrical transformers and metal stampings.

While many persons in the antipoverty field have been speaking increasingly of the need for economic development, efforts in the past have concentrated on job training programs or helping small-business men. Recently there have been proposals to induce private businesses to locate plants in the slums.

The new corporation, which is to employ about 100 people, is the first attempt by the Government and private industry to start a wholly Negro-owned and operated large-scale business.

The project was announced at a news conference this morning at FIGHT's storefront headquarters in a rundown Negro section, where the organization's leader, Minister Franklin D. R. Florence, called it "a first for the nation—more radical and militant than all the riots put together." FIGHT stands for Freedom, Integration, God, Honor, Today.

As Mr. Florence read his statement, a half dozen Xerox officials and other white businessmen in gray suits stood behind him in the sparsely furnished office, which is decorated with pictures of Stokely Carmichael, H. Rap Brown, Muhammed Ali and Che Guevara.

The project is the result of negotiations and planning that began last November between Xerox and FIGHT, formed here a little over three years ago with assistance from Saul D. Alinsky, the Chicago-based community organizer and "professional radical."

After studies by its executives and a FIGHT official, Xerox agreed to provide a full-time manufacturing expert and financial analyst as well as other technical advice, and to guarantee to purchase $500,000 worth of products for each of the first two years.

The corporation, to be called Fighton, will be supported by a $445,677 training grant from the Department of Labor, reportedly increased from a lower figure by Secretary Willard W. Wirtz.

Rochester Business Opportunities Corporation, an organization formed last January by local industries and banks to provide loans and banking to establish Negro businesses, will spend about $200,000 to buy and renovate a plant to lease to the new corporation, and will urge its members to purchase the new corporation's products.

The plant, now a boarded-up clothing factory, is in the predominantly Negro seventh ward, a few blocks from the scene of summer rioting in 1964.

G. E. Powell, manager of manufacturing for Xerox's system information division, and chairman of the study team that recommended establishing the new corporation, said that the studies projected a $1.2-million sales volume by 1970. The only question about the project, he said, "Why didn't we do it sooner?"

The establishment of the new corporation and other developments in this wealthy upstate industrial city appear to represent gains for FIGHT.

The Business Opportunities Corporation—which grew out of a proposal last fall from the Eastman Kodak Company and has already helped set up 10 small businesses—and efforts by local stores, often working with FIGHT to hire Negroes, appear to represent an increased involvement on the part of industry, coming, some businessmen concede as a result of FIGHT's challenges.

In an interview, Mr. Florence described the venture as "black capitalism" and said that the profits would go back to the community in day-care centers, remedial education and job-training programs.

He said the products had been chosen because of high demand, because production was unlikely to be automated, causing a loss of jobs, and because the manufacturing was largely suited to men.

"We are not talking about a shoddy product—that's tokenism," he said. "We're talking about highly competitive component parts. We have to get into the main stream."

Cooperative Communities North and South: A Response to Poverty

(By Arthur Tobier)

Eighteen months ago, neither the Bedford-Stuyvesant Community Cooperative Center nor Crawford Enterprises in Crawfordville, Ga., existed. A year from now it is conceivable though unlikely that they will no longer exist.* But they are important now because they represent—in varying stages of development—a major new approach to problems of American poverty and community organization that has been taking shape across the country. Further, they have found their form at a time when the government's conventional antipoverty measures and conventional corporate incentive approaches have met with growing disenchantment. For one thing, conservative opposition to government payments to the poor, or even special tax deductions for private corporate services for the poor, makes massive resource allocation through either channel unlikely. Secondly, recent experience with corporation involvement in slum activity has shown a deep reluctance on the part of such institutions to undertake operations of significant scale. And finally, the community militants themselves have indicated their suspicions of the large corporation, and may well hinder corporate efforts, if any are made. Given this situation, the prognosis for the present course is very spotty success at best, utter failure at worst, and the likelihood that we will still have a "ghetto" problem in 1975.

It is for these reasons that attention is now being turned to the self-help programs that have been successfully developed and are now operating in different parts of the country. There are, for example, community-controlled experimental public and private schools (Boston, Ann Arbor, Washington, D.C., New York); there are cooperatively owned housing projects, supermarkets, and credit unions (all powerful sources of capital accumulation); there are community-controlled health facilities, furniture factories, pharmacies, and electronics firms. For the most part, these experiments are not integrated in one locale or within one structure. But the obvious form of this structure—the community corporation—has already been established. In Columbus, Ohio, for example, ECCO (East Central Citizens Organization) compasses all inhabitants in a 20-square-block area. ECCO is similar in legal form to the typical cooperative, and it operates on a one-man one-vote basis. It now controls such community functions as recreational, teenage, and educational programs, and it is legally considered a corporation able to contract with the city to provide its own sanitation and some submunicipal police services.

What would happen, it is being asked by professional political planners, if the community corporation were taken a step further and hooked into the experiences of American industry on the one hand and the Israeli kibbutz on the other? Both—through loans, technical assistance, and profitmaking—achieve self-sustaining growth. Both pay back loans. A mixture of the two institutional ideas (drawn, interestingly, from both the conservative and radical traditions) would make use of no legal machinery or social arrangements which haven't already been proved in a variety of American experiments. These arrangements include a substantial body of existing and proposed tax law and legislaton connected with housing, foreign aid, depressed areas development, and agricultural coops. Such a mixture of profit-motive and cooperative enterprise might likely take the shape of community corporations. (Senator Robert Kennedy's Bedford-Stuyvesant program embraces two corporations but only one is community-based, and the economic component is set up to operate independent of community organization.) The first of these corporations could be profit-making, the second, nonprofit, and one would support the other. Thus, the first might own a community supermarket, a pharmacy, furniture store, gas station, furniture factory, bus and taxi service, day care center, housing development, housing repair service, and laundromat; while the second provided aid to welfare mothers, job training, community submunicipal police, teenage training, recreation, and a variety of other services to help draw the community together.

Further, what would happen if a mechanism were developed that kept the profit in the community, permitted the money to bypass the political process of reappropriation, and itself became the basis of local political power, with the community even assuming part of its own tax base (as Jefferson once proposed)?

The most vivid example of it is to be found in the rural South.

COUNTY ORGANIZATION

Crawfordville (Ga.) Enterprises grew out of one of the most bitter school desegregation battles in the South. In 1964, Negroes in Taliaferro County (population 3,500; located near Athens in the northeastern part of the state) asked the segregated school system to permit its 750 Negro school pupils the use of the county's only gymnasium, located in the white high school. The whites opposed sharing it, and the Negro communty began an all-out fight for desegregation. When the demonstration brought out whites fighting in the streets the Negroes asked Martin Luther King's Southern Christian Leadership Conference in Atlanta to send organizers to help them. Six months after the battle started, it ended with the school system ordered by the courts to integrate. In defiance, the whites took their children out of the Taliaferro County schools and sent them to public schools in adjoining counties. Normally that would have been all of it. But Randolph Blackwell, a rural economist, and one of the group sent to Crawfordville by SCLC, refused to let it end there.

SCLC and the United Presbyterian Church had funded a small silk screen operation in Crawfordville six months after the school fight, but it never developed because of a lack of technical help. Blackwell, having watched the project dwindle for a year and a half, became convinced of the need for a new approach. Moving with what now seems like absolute clarity, he set up the Southern Rural Action Project in September 1966, convinced the Citizens Crusade Against Poverty to fund it for 12 months (and then for another six months last October), and designated ten counties, including Taliaferro, in which to implement self-help projects.

The approach in all of the counties was the same but most of the time and energy was focused on Taliaferro County. Blackwell sought to combine all the elements of community development in one place and under one organization—from community-run businesses and credit unions to co-op housing, youth programs, and child care. With $5,200 from the National Council of Negro Women and a $5,000 grant from the Stern Family Fund, he set in motion Crawfordville Enterprises—community-based and community-run. A membership fee of 25 cents carried with it voting rights, but no property rights. The corporation was established as sole proprietor of its assets; everyone in the county was made eligible for membership. With money from the two grants, Blackwell got Crawfordville Enterprises to buy 24 industrial sewing machines, lease equipment, and pay a stipend to trainers. Then he subcontracted work orders with two manufacturers in North Carolina and Georgia. Power in Crawfordville Enterprises was vested in a nine-man board, with slots for three workers in the community corporation, three county residents, and three outsiders. A school teacher who had business training at a Southern Negro college, and who had been fired from his job for participating in the county school fight, was named board chairman of the corporation and manager of the garment plant, though he had never been in one before. The Georgia Labor Department expressed doubt to Blackwell that people in Crawfordville could be trained to operate industrial machines. But the plant opened on schedule in a log building that some 40 years before had been Taliaferro County's first public school for Negroes. A training course was begun and has been maintained; and new employees are brought through it regardless of their initial qualifications. So far none of the trainees has been unemployable, and only four have failed to become sewing machine operators.

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* This analyisis turns out to be optimistic. Two weeks after completion of this article the District Court padlocked the center permanently. Despite the increasing activity there, which is mentioned on page 17, it proved insufficient to overcome the financial difficulty. A.T.

In 40 years that separated the factory from the school nothing much had changed in the landscape of Taliaferro County. Then the weight and the tempo of the days altered. The garment plant turned over subcontracts several times, improving the profit position on each occasion, the OEO approved a $212,000 grant and 60 additional machines were added to the plant, employment now has risen there to some 70 workers, most of them women who, if they had ever been gainfully employed before, never earned more than $15 per week; an industrial silk screen processing operation was started in one part of the garment factory; a woodworking plant has begun turning out frames for box springs and by late spring it will employ more than fifty men, most of whom at this point are unemployed.

And now even the enduring landscape is giving way to further change. A new cement block plant with capacity for 100 industrial sewing machines has started to rise on part of a 52-acre tract of land Crawfordville Enterprises bought for $6,000. The new building will house expanded garment and silk screen operations. A commercial laundry will operate in the space vacated by the garment makers. And a spring stamping plant will be started shortly.

On the same tract of land, Crawfordville Enterprises will build 80 houses on half-acre sites, as well as a complex of commercial businesses, including the first restaurant in the county in which Negroes will be able to dine, a grocery store, and a beauty salon-barbershop. There might even be a drug store and a gas station.

Last September, the corporation started a day care center with 40 children and two teachers who had lost their teaching posts during the desegregation struggle. The children, most of whose mothers work in the garment factory, get standard preschool fare now. The children arrive at school with their parents (the plant is a short walk away), they eat their lunch in the plant lunchroom, and they leave in the late afternoon when the factory lets out. It is hoped that before long enrichment programs will begin on a more intensive basis, and an experiment in beginning reading is to be conducted this spring.

Meanwhile, the community action aspect of Crawfordville Enterprises has also started to take shape. A credit union and agricultural cooperative have formed. A youth program screens commercial films (a first for the county) every Thursday night, followed by audience discussion on the film's content and its relevance to their lives.

Seven committees have beeen formed dealing with every aspect of the community's life. As the committees develop programs, Blackwell says, Crawfordville Enterprises follows a natural progression, extending and organizing the community at the same time. What keeps the enterprise going is the dynamics of the situation, not any one person. Some of the women working on the sewing machines cannot quite comprehend in what way they own Crawfordville Enterprises, or how it came into being. Why now, they ask, after a lifetime of hard times? But in the morning, their children go off without fail to the day care center, and they themselves go off to their jobs. In the evening, they will go to one of a dozen meetings to discuss programs for Crawfordville Enterprises. Once in a while they get blocked on structural problems, Blackwell says. "Structure is important, but I tell them not to get lost in it. I tell them to act. They will acquire the experience and then they will understand."

Blackwell estimates that there are 1,000 manufacturing companies in Georgia alone that subcontract out their work, and he feels that he could convince at least one hundred of these to do business with the community coops in Taliaferro and the other nine counties. The latter are not as far along as Crawfordville, he says, but they all have the potential. If Southern Rural were to be closed down for lack of funds (a real possibility)—thus forcing Blackwell and the agent he has on his payroll to travel the South drumming up business for the ten projects—Blackwell believes that the momentum of the present enterprise would carry the corporation through. But he admits not being eager to gamble on the possibility.

Thus far there's been no wide path beaten to Crawfordville's door by eager investors. Foundation people have been by to look and to talk; but they say they don't understand, according to Blackwell. The experiment is simple and concrete, however, and it is built along lines that go back to the start of trade unionism in England, as well as to movements in Spain, France, and this country. By August, moreover, Crawfordville Enterprises expects to move their bookkeeping to the profit side of the ledger, and this just two years after its beginnings. Perhaps then, Blackwell says, it will be easier for people to understand.

"The trouble is that the ideas and the socially conscious entrepreneurs who could move the ideas have been imprisoned for the past 20 years in the structure and rationales of the poverty programs. The poverty officials have been trained to think programmatically but their programs are not viable and they cannot get beyond that. I don't even think you can make our mechanism work in the city anymore because we have permitted the city to become too large and unwieldy. We treat population flow as if it were sacrosanct, and so we've allowed rural America to stagnate and the cities to boil over. What we need is planning, on a national scale, of the population sizes of our cities, big and small. There'd be nothing remarkable about doing that. It's been accomplished elsewhere.

"I think the future of the cities depends on how well we develop rural America. There is no reason small towns in this part of Georgia cannot be made to support populations of 50,000 where they now have 2,000. The cities, on the other hand, have become economically, politically, socially, and culturally unviable because they have 10 million where they should have 5 million, and 2 million where there should be 1 million. When you know this country here," Blackwell said, recalling his own upbringing in the rural South and looking out over the soft green land, "and you know the places in the city where those who leave here must go, you have to know then that the man who makes that journey has been brought to an extreme state."

IN THE HEART OF THE HEART OF THE CITY

Air mileage between Crawfordville, Ga., and Bedford-Stuyvesant, New York City's most populous Negro community, is substantial but the social distance, for many, is slight. Yet what the Community Cooperative Center, a community-based but privately owned complex of child care facility, drug store, and gas station, has gone through during the past 18 months bears out most of Blackwell's thesis about community organization in the city. It has been almost an ad hoc enterprise, it has created enemies among local merchants, broken laws, been the victim of bureaucratic red tape and harrassment, experienced palace uprisings among its staff, and it probably comes close to enjoying popular obscurity in the 600-block section of the city it was created to serve. The problems, as real as they are or as much of a sell as they sometimes may appear to be for the people involved, do not deny the accomplishment of this effort. The day care group has put its hands on a key mechanism for dealing with poverty: it has caught the notion, perhaps the funny side of it but still the essence, of what no other antipoverty effort in Bedford-Stuyvesant has been able to get close to in the five years since the government and private sources started pouring some $20 million into the community.

The idea of a day care center supported by businesses was developed primarily through the efforts of two sociologists, Gerald Schaflander and Henry Estzkowitz, and about fifteen of their students. Together, they represent veterans of the civil rights movement, advocates of "action sociology," and the socially committed student who nevertheless is uncommitted on the left or right politically. In the fall of 1966, when the professional and intellectual communities started to acknowledge their disappointment with the government's poverty program as well as the wrenching fragmentation of the civil rights movement, Schaflander and Estzkowitz brought some of their students and friends together to organize an effort involving both blacks and whites. This effort would emphasize action more than organization, and from it the participants could learn something and develop their skills. Above all it would have an immediate effect on the lives of poor people. They hit on the idea of a day care center for children five weeks to five years old because it would fill a need. The New York City Health Code makes no provision and grants no health permits for child care centers that enroll children under three. Such a center would permit mothers to work and give their children experiences they might not normally have at home.

The original plan also called for setting up a supermarket. But the group did not have the equity capital nor their own manufacturers and suppliers, and when it tried to link up with the national cooperative movement it found an institution no more capable or anxious to involve itself in the slums, Schaflander said, than corporate enterprise. So for the business components of their enterprise they settled on a discount gas station and drug stores specializing in generic drugs. Both offered the potential of high volume business, their wholesale price structure permitted a good markup even at discounted retail prices, and the goods in which the businesses traded were essential to the community.

With a nucleus of some fifteen people comprising a temporary organizing committee, a corporate structure was laid down and a board of directors elected, half of them black and half white, and this racial ratio was written into the corporate bylaws with the stipulation that once the racial composition of the board came unbalanced corporate funds would be frozen. Little interest was shown in the project by community leaders. Money had to be raised from individuals, most of whom had been early contributors to CORE and SNCC. But money came in and a building was leased on Atlantic Avenue under an elevated Long Island Railroad spur not too far from the commercial center of Bedford-Stuyvesant. The building didn't come cheaply—according to one source monthly rental is more than $2,000—but it was the size of a small armory shell and adjacent to a gas station. With the help of youths from the community hired at $2 an hour, the building was renovated and opened as a day care center in February, charging $8.50 a week per child and permitting mothers without the money to work for it in the center. At the same time, the group took a $900 a month lease on the gas station. The drug store, built into the street level of the child care building by altering part of the frontage, was opened in June. A second drug store was opened around the corner on the main shopping artery. Community people were hired as baby attendants and kitchen personnel, and college students were taken on as instructors and counselors. The payroll, at its height, numbered about sixty and totaled $4,800 a week.

The day care center, as expected met an immediate need. But, as mentioned above, it virtually had to break the law to do it and operate without a health certificate. The number of children at the center fluctuated for reasons no one has had time to understand. Parents registered, withdrew, and reregistered as if following some cycle of seasons. At its busiest the center cared for 175 children. It has had as few as 30. Most of it was a babysitting operation with regular injections of enrichment: train rides, visits to parks, story-time. Twice a week, a staff psychologist, administered tests, advised parents, and put together sets of records for the eventual development of a curriculum. But unlike Crawfordville, there was never any attempt to organize the parents. They left their children in the morning beginning at 7 a.m., picked them up as late as 7 p.m. The staff worked on two shifts. Occasionally meetings on child development were held for parents. But that was all and it is not even certain the parents supported the businesses.

These latter promised to be and were troublesome from the start. Unbranded gas and generic drugs have a difficult time of it among the poor particularly. The poor want to know what they are getting for their money, even if what they know is no more than what advertising has told them. Thus it took more time than expected to build up gas sales. In addition a sign that advertised their gas as the least expensive in the area, the sale of which "helps care for babies," violated a city ordinance prohibiting the posting of advertising, other than the price of gas, at gas stations. So the center was hit with summonses which were ignored and which kept coming with increased fines.

The drug stores never really got off the ground, averaging $50 a day gross, even with some local advertising and prices that in some cases were 150–200 per cent cheaper than branded merchandise in nearby drugstores.

Last November, having spent a third of a million dollars, the Community Cooperative Center had itself declared bankrupt, worked out a settlement with its creditors, and reorganized, cutting staff sharply in the process. It also took about fifty children above two years of age off the rolls, and refocused on the infants. The retrenchment was taken in stride. In fact, enrollment is starting to increase again, business is picking up, and Schaflander plans to start a drugstone and gas station-supported child care center in the Roxbury section of Boston within a few months. He will use the same mechanisms established in Brooklyn. The Roxbury center, if it goes ahead according to plan, will be staffed by volunteer college students working in the gas station, drug store, and in three shifts at the center. Schaflander says 250 students have been recruited and trained. At the same time, the operation he says, will benefit from the past mistakes—which he feels were those of carrying a large payroll and taking in children under two.

By age two, the sociologist believes, the emotional problems of poor children are fixed. Head Start, in his view, is too late. What needs to be done is to build a new kinship institution, a total new family environment, a kibbutz, a black kibbutz, where the children are cared for 24 hours a day and the parents join them at meals and on the weekends.

After Roxbury, Schaflander looks forward (unrealistically to some) to organizing in Newark, Harlem, Watts, and Detroit. When they acquire the capital, they'll add supermarkets and clothing stores to the complex, and according to Schaflander, whatever other products meet basic needs which can be identified and marketed and it will all connect into a national network. As they develop these operations, some of Schaflander's younger associates predict, they will begin organizing the community in whichever way seems necessary and possible.

SKEPTICISM AND OPTIMISM

Among those professionals and laymen now laboring in urbia, poverty, planning and politics, there is general admiration for what self-supporting community corporations could do about organization. But the admiration goes with a good deal of skepticism about the mechanism's ability to cut through the social and political forces that called it into being. Where is the seed money going to come from if the channels to government and private sources are choked? More important, perhaps, how will such ventures contend with the high rate of small-business failure in the country.

There is a group now at the Institute of Politics of the John F. Kennedy School of Government at Harvard and at the M.I.T. city planning department trying to answer that question by developing models applicable to Negro, Polish, Irish, and Italian neighborhoods, as well as to stagnant rural communities whether in New Hampshire, Wisconsin, or the Deep South. The planning group plans to go into operation around Boston next fall.

They believe the twin community corporation form offers among other things a broad range of alternative political appeals, ranging from such conservative decisions as distributing all profits to shareholders to more radical ideas of cooperative use of all funds. If the basic form permits variations decided by the community, they argue, it can also draw on a wide range of political support: sentiment for self-help and local control on the right, participatory democracy on the left. Further, they feel that Congress, if it ever chose to support the mechanism with legislation, might add to the political appeal offering the community corporations incentives for each person it managed to get off the welfare rolls and into productive activity, and each dropout it managed to get back into school.

The Harvard-M.I.T. group sees the mechanism as a long-range solution. The first step is to find seed money. The experiments will then pursue alternative strategies and be costed out. If the experiments succeed, the group feels it can muster an argument for congressional action in four to five years. At that point, the principles evolved from a belief in self-help, community participation, and power for the poor will be redeemed and again be made part of the effort to eliminate poverty in America.

THE COMMUNITY SELF-DETERMINATION ACT

The Community Self-Determination Act is a fundamentally new approach to the problems of lower income communities. It is based not on governmental paternalism, but on local self-help, ownership, and decision-making. Instead of creating new government agencies, the Act creates a new institutional structure so that the people of poor communities can achieve economic development and the ownership of productive resources through their own efforts and under their own control.

The basic element in the program is the Community Development Corporation (CDC), a stock business corporation formed by the residents of any area which is substantially below national norms in income or employment. Every over-16 resident may become a stockholder by buying a $5 share or by earning it through contributed labor; each, however, is limited to one share and one vote.

The formative process, supervised by a Community Corporation Certification Board, involves pledge cards, escrow deposits, and community referendums, so that competition is preserved and the will of the community freely expressed.

The CDC owns and manages subsidiary businesses in the community, and conducts a broad range of social service programs as desired by its stockholders. It thus resembles both a modern conglomerate corporation and a charitable foundation. Its subsidiaries channel their profits to the CDC to finance both additional investment and the service programs.

Financing business requires capital and credit. The Act creates a system of CDC-owned Community Development Banks (CDBs). The CDBs resemble the National Land Bank Associations which for fifty years have been an important part of the national Farm Credit System. They are capitalized and owned by the CDCs themselves, and their initial capital is multiplied by the sale of income bonds backed by a special Federal Reserve escrow fund. A U.S. CDB is also created to serve as a secondary financial institution, similar to the Federal Home Loan Banks.

The plan contains a number of tax incentives to encourage outside companies, like GE, Safeway Stores, or Xerox, to come into the area, establish a new plant, train local people to manage it properly, then sell it at a profit to the CDC as a new subsidiary. Other provisions reduce taxation on profits utilized for necessary community services. An important provision authorizes SBA grants to CDCs to enable them to contract for competent management training.

Experiments are already under way in many parts of the country which embody some or all aspects of the proposed program. Notable are Arthur Fletcher's Self-Help Cooperative in East Pasco, Washington; Randy Blackwell's silk screen factory in Crawfordsville, Georgia; EG&G-Roxbury in Boston; and the Xerox-backed Fighton Company in Rochester. The program is adaptable to urban ghettos, depressed rural areas, and Indian reservations alike.

Total cost of the Act is estimated to be under $1 billion for Fiscal Year 1970. Benefits will phase out as communities develop economically. The basic legislation has been sponsored by a large number of Republican and Democratic Congressmen and Senators. It was developed through the initiative of the Congress on Racial Equality (CORE), with the cooperation of legislative technicians representing views from conservative to radical.

FINDINGS

Section 2. The Congress hereby finds that—

(a) despite the unsurpassed affluence of the United States, there exists today a nation within a nation composed of millions of Americans in urban slums and declining areas of the countryside who live in poverty, misery and despair. The United States cannot achieve its full potential until all of its people have a full and fair opportunity to earn, own, and enjoy their share of America's growth and prosperity, and to exercise effective control over their life situations.

(b) programs and policies which tax some to support others offer no hope and no opportunity to those who have the capacity to become productive, contributing citizens. Handouts are demeaning; they do violence to a man, strip him of dignity, and breed in him a resentment toward the total system. The nation must find ways, instead, to help presently non-productive citizens achieve the independence, self-respect, and well-being enjoyed by their more fortunate fellows.

(c) the people of poor urban communities and declining rural areas should be assisted in their efforts to achieve gainful employment and the ownership and control of the resources of their community, including businesses, housing, and financial institutions.

(d) the problems of our cities cannot be solved without dealing with the inseparably related problems of rural America. Special help should thus be offered for efforts which improve the economic conditions and standard of living of the people of declining and depressed rural areas, and which reduce their out-migration from such areas to the overcrowded and explosive urban centers.

(e) the private enterprise system and the independent sector should be offered new incentives to join with the people of a community in a partnership for individual and community improvement, especially in providing technical and managerial expertise, offering training for jobs with a future, providing investment capital, and building productive plants and facilities for sale to members of the community. Such a program should be designed to permit the people of a community to utilize a share of the profits of community-sponsored enterprises to provide needed social services, thereby reducing the burden of taxation upon the rest of society.

(f) programs designed to achieve these ends should also aim to restore to the people of local communities the power to participate directly and meaningfully in the making of public policy decisions on issues which affect their day to day lives. Such programs should aim to free local communities from excessive interference and control by centralized governments in which they have little or no effective voice.

(g) order, stability, and progress can be achieved only when the people of a community actively participate in, and are responsible for, their own affairs in such areas as education, neighborhood planning, economic development, recreation and beautification, and social services and welfare.

(h) to achieve these ends, the people of a community must organize for responsible action, in such a way as to reduce fragmentation, create order and stability, make optimum use of community resources, and maximize the opportunity for creative leadership and self determination.

(i) the role of government at all levels should be to reinforce, guarantee, and support individual and mutual self-help efforts to make their maximum contribution to the strength and wealth of the nation. As that goal is approached, government incentives should be correspondingly phased out and government investment repaid, leaving the once dependent people to make their way as independent, unsubsidized participants in our national life.

PURPOSE

Section 3. It is therefore the purpose of this Act to provide for the establishment of community development corporations, community development banks, and other supporting programs and provisions, in order to mobilize the talents and resources of the people of this "nation within a nation" to help they play a more meaningful and rewarding role in building a better, stronger, and more confident America.

Title I—Community development corporations

This title creates the basic mechanism for the community self-determination program, the Community Development Corporation, and outlines its organization process.

Part A—National Community Corporation Certification Board

This part establishes an independent agency of the Federal Government, to supervise the organization of Community Development Corporation—"CDC's". In many respects the Board will perform functions similar to those of the National Labor Relations Board in conducting union certification procedures.

The Board is composed of five members, appointed by the President with the advice and consent of the Senate for staggered 5-year terms. Board members are to be compensated at the same rate as members of the Federal Home Loan Bank Board.

The Board is empowered to perform a number of specified functions relating to the process of organizing community development corporations. These functions include: issuing provisional and final corporate charters, conducting and supervising referenda, providing counsel and technical assistance in the organization process, collecting and disseminating relevant information, developing appropriate forms for corporate charters and bylaws, and requiring annual reports of corporations so chartered. The Board also acts as a ministerial agent in releasing an initial seed-money grant to a CDC upon its final chartering, but does not administer a program in the usual sense.

A National Advisory Committee on Community Development is created to advise the Board on its policies and operations, and to exert a critical review of the Board's activities and the activities of CDC's chartered by it. The Board is required to make an annual report to the President and Congress.

Part B—Community Development Corp.

The Community Development Corp.—CDC—is a corporation organized by the people of an urban or rural community "for the purpose of expanding their economic and educational opportunities, increasing their ownership of productive capital and property, improving their health, safety, and living conditions, enhancing their personal dignity and independence, expanding their opportunities for meaningful decisionmaking, and generally securing the economic development and social well-being and stability of their community area."

The CDC is a regular stock corporation having the usual powers incident to a business corporation. The community area in which the CDC functions may range in population from 5,000 to 300,000 residents aged 16 and above, of whom 10 percent must be CDC shareholders.

Any resident of the community area may become a CDC shareholder by buying CDC stock, which is priced at $5 par value. "Sweat equity" may be accepted in lieu of cash purchase of stock. Each stockholder has one vote in the affairs of the corporation, as do class C stockholders of the Federal Banks for cooperatives.

FUNCTIONS OF THE CDC

The functions of the CDC would fall into six categories:

First. Neighborhod services and community improvement: basic education, child welfare, day care, preschool training, health, consumer education, home-ownership counseling, college placement assistance, job finding, recreation, legal aid, and so forth.

Second. Owner of stock of business enterprises in the CDC area.

Third. Sponsor, owner, or manager of housing in the community.

Fourth. Advocate planning for neighborhood renewal, model cities, and so forth.

Fifth. Representation of community interests in other areas of public policy and concern.

Sixth. Encouragement of business, labor, religious and other voluntary participation in the self-help efforts of the community.

FINANCING OF THE CDC

The CDC would, once in operation, be financed by—

First. Earnings from affiliated businesses;

Second. Contracts for services, with private sector and government agencies, on a cost-plus-fixed-fee basis; and

Third. Grants from the community development fund, earmarked for charitable and educational purposes, which would not be subject to Federal tax.

In the initial stages of CDC operation, before any substantial ownership of commercial businesses is achieved, primary reliance would be on the contract mode, due to its lower capital requirements, guaranteed profitably, and generation of capital. Later, dividends from commercial businesses could become the primary source of CDC income.

DIRECTORS

The stockholders would choose nine CDC directors—plus two more for each 10,000 stockholders in excess of 25,000—for 1-year terms, or for staggered 2-year terms, as specified in the CDC charter. The charter would include provisions for insuring fair and democratic operation, such as secret balloting, adequate notice, open and regular board meetings, and proxy procedures. At the option of the community, it could also provide for a Federal structure of representation for distinct groupings within the area.

Regular open meetings of the entire CDC stockholding membership would be held at least twice a year, and a petition of 20 percent of the membership could force a special meeting.

All records of the CDC would be open to inspection by members and the disclosures of related transactions would be required. The directors would appoint the executive officers of the CDC and the members of the business management board and the directors of the Community Development Bank. The directors would be required to make an annual report to stockholders—and also file with the NCCCB—covering the CDC activities and operations of the previous year.

BUSINESS MANAGEMENT BOARD

The function of the business management board is to provide overall management to CDC-owned businesses. It will be required to set and maintain reasonable standards to insure that they avoid both excessive retention of earnings and irresponsible distribution of required operating funds. That is, the BMB would exercise the rights of CDC as stockholder for each business, but would insulate business management decisions from immediate interference by CDC directors and stockholders. The responsibilities of the BMB, and the area in which it would have full management discretion, would be set forth in the CDC charter, as approved by the NCCCB.

The board would have nine members, appointed by the CDC directors to serve staggered 3-year terms. No more than three of the board members could simultaneously be CDC directors. The members would be bonded for faithful performance of their duties like any other persons with comparable fiduciary responsibilities.

The board, acting for the CDC, would purchase and hold the stock of community businesses, elect directors, and exercise general stockholders' prerogatives on CDC's behalf. The funds to finance the acquisition of stock would be transferred to the CDC for its use, in accordance with the CDC charter. The board could distribute income to the CDC or allocate it to reinvestment, provided that no more than 80 percent or less than 20 percent is distributed to CDC.

Part C—Organization of Community Development Corps

A CDC may be organized in any geographic area, if the residents of the area so desire, so long as the area has between 5,000 and 300,000 residents 16 years of age or older and has either a rate of unemployment that is proportionately greater than the national average or a median family income that is proportionately lower, as provided in section 138.

Any five or more residents of the community area—the "incorporators"—may apply for a charter as a CDC by filing articles of incorporation and certain other documents with the National Community Corporation Certification Board—the "Board."

The act's organizational provisions are

designed to guarantee to all the residents of any area in which a CDC is proposed, and to all representative groups thereof, a full and fair opportunity to participate in the process of organizing the CDC and influencing the direction that it will take once it has been finally chartered. Accordingly, the act provides that once one set of incorporators has taken the initial step toward the establishment of a CDC within a particular area a 60-day initial organization period must elapse before those incorporators may complete their application for a charter. During this initial organization period other sets of incorporators may take the initial step toward the establishment of competing CDC's within the same or any larger or smaller overlapping area and with the same or different goals. In this fashion, the act insures that all elements within an area will have equal opportunity to define the community and the objectives of the CDC that is proposed to be established.

Once the 60-day initial organization period has elapsed any such set of incorporators may complete its application for a charter as a CDC by filing its articles of incorporation and organizational certificate that will provide essential economic data with respect to the community proposed, and pledge cards personally signed by at least 5 percent of the residents of the proposed community.

The requirement that any such set of incorporators must at this stage submit pledge cards signed by 5 percent of the residents of that community is one of several organizational provisions designed to insure that there is community support for a CDC in any area in which one is proposed and that the residents of such an area actually consider themselves to be part of a community. Manifestly, any proposed CDC that cannot meet this threshold, 5 percent requirement should be eliminated at this stage and the act so provides.

Any and all CDC's proposed to be established in the potential community so-called, which is defined by section 135(a) as "the geographic area included within the combined perimeter" of the community proposed by the first set of incorporators and any other larger or smaller area proposed that includes any portion of the area first proposed, that satisfy the threshold 5 percent requirement and have otherwise submitted a proper application to the Board will ordinarily receive conditional charters not more than 30 days after the expiration of the initial organization period.

In order to further guarantee that there is support for a CDC in its community, the act contains further organizational requirements that all CDC's so conditionally chartered must pass. These further requirements are designed to disclose the largest geographic area in which there is community support for a CDC and to permit the residents thereof to determine by referendum which of the CDC's proposed to be established therein shall receive a final charter. If only one CDC has qualified to receive a conditional charter, it alone will be authorized to attempt to comply with the further organizational requirements of the act. However, not infrequently conditional certificates will be issued to more than one proposed CDC in more than one overlapping community and the act must provide a method of permitting the residents of these overlapping communities to determine the boundaries of the community that will yield a CDC with the broadest popular support.

The act's further organizational requirements can be best understood by observing that they are designed simply to permit the community to define itself and to create a CDC as it sees fit. These provisions may be summarized as follows:

First. A further 45-day organizational period follows the issuance of conditional charters to one or more proposed CDC's, during which they are required to submit, first, additional pledge cards to total 10 percent of the over-16 residents of the proposed community area; and second, satisfactory proof that at least 500 residents have actually paid in $5,000, in aggregate, for stock in the CDC. The act provides that sums so paid in to any conditionally chartered CDC are to be held in escrow by a State or National bank pursuant to an arrangement that will guarantee the return of such sums to those entitled thereto if the CDC does not receive a final charter. Any conditionally chartered CDC that fails to satisfy these requirements within the time allotted is forthwith to be dissolved by the Board.

Second. While this process is underway, the CCCB assembles data and computes the development index of the area. This number, which is a measure of the economic development of the area, is the lesser of two ratios, either the ratio of national unemployment rate to the area's unemployment rate times 100, or the ratio of the Nation's median family income to the area's median family income times 100.

Thus, for example, if the unemployment rate in a proposed CDC area was 12 percent, and the national average was 6 percent, the first ratio would be 50—six-twelfths—times 100. If the Nation's median family income is $7,000, and that in the area only $4,000, the second ratio would be 57—4,000 to 7,000—times 100. The lesser of these ratios, 50, would be the development index of the area. A special bonus of five points would be subtracted from the computed development index of rural areas to provide special consideration for areas from which outmigration is contributing to urban tensions.

If the development index of a conditionally chartered CDC is greater than 90, the CCCB would dissolve the corporation, as being too close to the national norm—100—to deserve special assistance.

Third. If only one such CDC satisfies these further requirements the Board, upon the expiration of the 45-day period, orders an election in the community the CDC has proposed at which the residents, whether or not shareholders, are asked whether they approve the final certification of that CDC. If a majority of those voting so approve that CDC receives a final charter; if not it is dissolved.

Fourth. If more than one such CDC satisfies the act's further organizational provisions a series of elections must be held in order to disclose an area in which a majority of the residents approve the establishment of a CDC and to determine which of the CDCs participating in such a referendum commands the greatest community support. The act is designed so that the first such referendum is held in the potential community and subsequent referenda, if any, are then held in the next largest community proposed by a conditionally chartered CDC participating therein. Such referenda continue until a CDC is finally chartered or it becomes clear that community sentiment opposes the establishment of a CDC in any of the proposed communities, in which case all are dissolved.

All such referenda are required by the act to be by secret ballot, and any resident who is 16 years or older is eligible to vote. The act states that no such referenda shall be valid unless at least 10 percent of the eligible residents actually participate. Clearly, if less than 10 percent of those eligible take the trouble to vote it can safely be assumed that real community interest in the establishment of a CDC is absent.

Subsequently, particular areas within or overlapping an area already served by a CDC may organize their own CDC, although the organizational requirements for such a latecomer are somewhat more stringent. The possibility of such subsequent organization should tend to encourage business aggressiveness and responsiveness to community desires.

Upon final incorporation, the CDC receives a one-time seed-money grant equal to its paid-in capital at the time of incorporation. This both provides initial operating funds and equity capital for a community development bank, and an incentive for the broadest participation in the community.

Part D—Authorization of Appropriations

This part authorizes appropriations for the expenses of the National Community Corporation Certification Board, and for the initial matching grants to newly organized CDC's.

Title II—Community Development Banks

This title adds a new chapter 19 to the National Banking Act, authorizing the creation of community development banks—CDB's—to provide the financial services required by CDC's and the independent businesses in CDC areas.

ORGANIZATION

CDB's would be organized by one or more CDC's in a manner similar to that of ordinary national banks. The participating CDC's would hold all the voting stock and appoint the bank's directors. The banks could be chartered only in CDC areas with a population of 25,000 or more. They would not offer a full range of banking services, but would concentrate on business financing in the area and the provision of ordinary consumer credit to CDC stockholders.

EQUITY CAPITALIZATION

The equity capital of the CDB would be provided by the sale of the bank's stock.

Class A nonvoting stock could be sold to the Secretary of the Treasury as authorized in appropriation acts. It is contemplated that this would be done only in extraordinary cases, however. A franchise tax payable out of net earnings, would afford a return to the Treasury on any investment of Federal funds. Class A stock would not yield dividends.

Class B stock could be issued to any purchaser except the Federal Government and CDC's. It would also be nonvoting, but would be eligible for up to 6 percent noncumulative dividends. It is expected that private organizations, churches, foundations, associations, and businesses, and perhaps state and local governments, would purchase stock in this category. Class B stockholders would have an option to redeem their stock at par over a period of 5 years, after having held it for 5 years.

Class C stock could be sold only to CDC's. It would be voting stock, but would not be eligible to receive dividends. The CDB thus becomes a financial mechanism, but not a source of income, for CDCs.

DEBT CAPITALIZATION AND SECURITY

In addition to equity capital represented by stock sales, the CDB would raise further capital through the sale to the public of income bonds on a 20-to-1 ratio to paid-in capital and surplus. It is contemplated that this will be done through the U.S. Community Development Bank created by title III, which would have authority to issue consolidated CDB bonds much as the Federal intermediate credit banks issue consolidated farm credit obligations.

In addition to normal banking reserves and a guarantee fund, CDB income bonds would be further secured by CDB's option to call bond retirement funds from a special Federal Reserve guarantee fund. This fund would be capitalized from the excess earnings of the 12 Federal Reserve banks, as was the Federal Deposit Insurance Corporation in 1933. The Federal Reserve surplus would be deposited into the fund each year and invested in long-term U.S. Treasury securities.

The amount of the Federal Reserve surplus added to the fund each year would be sufficient, when carried forward at compound interest, to cover the aggregate income bond obligations of all CDB's at maturity on a 1 to 4 basis. If a CDB's financial position precluded immediate satisfaction of its obligations to bondholders when due, the CDB could call in capital from the fund, just as the World Bank can call in subscriptions from member nations to meet emergencies. This right would assure private creditors of prompt payment of obligations when due.

Assuming CDB's issue an aggregate $2 billion in income bonds in 1969, and that the Treasury securities held by the fund bear 4 percent interest compounded quarterly over 20 years, some $236 million of the Federal Reserve System's excess earnings would suffice to produce $500 million in capital—1 to 4 coverage—in 1989. The estimated Federal Reserve excess earnings for fiscal 1969 is in excess of $2 billion, of which the amount put into the fund would be approximately one-eighth. The entire $2 billion, if similarly used, would cover aggregate CDB income bonds of about $17.7 billion.

In case the aggregate amount of CDB obligations exceeded the amount that the Federal Reserve surplus could legally cover, and assuming Congress did not appropriate additional funds to extend the coverage, priorities would be established to insure that the bonds of the CDB's located in the poorest areas would be covered before those of more affluent areas.

EARNINGS

A the end of ech fiscal year each CDB would apply its earnings in excess of operating expenses during the year to—in order: First, making up any losses in excess of its reserves and bad or doubtful debts; second, restoring the amount of impairment, if any, of its capital; third, creating and maintaining a reserve account for bad and doubtful debts; fourth, paying a franchise tax to the Treasury of up to 25 percent of the net earnings then remaining, not to exceed a rate of return on Treasury holdings of class A stock equal to the average annual rate of interest on all public issues of public debt obligations of the United States issued during the fiscal year ending next before such tax is due; fifth, paying dividends to other class A stockholders, at a rate not in excess of 6 percent; and sixth, purchasing stock in the U.S. Community Development Bank, the proceeds of which shall be used to retire any Government capital of that bank.

LOANS AND ELIGIBLE BORROWERS

The CDB may make loans and extend credit to eligible borrowers in a number of categories:

First, individual CDC stockholders—but not the general public—for normal consumer credit;

Second, small businesses in the community—partnerships, proprietorships, or corporations—which are at least 75-percent owned by resident CDC stockholders;

Third, small business concerns in the community owned less than 75 percent by CDC stockholders but whose owners have agreed to give the CDC the right of first refusal if the business is to be sold;

Fourth, subsidiaries of the CDC itself—at least 51 percent CDC owned;

Fifth, an outside corporation which has entered into a turnkey agreement with a CDC;

Sixth, a cooperative, at least 75 percent of the members of which are CDC stockholders; and

Seventh, a nonprofit, limited dividend or cooperative housing sponsor operating in the community.

LOAN TERMS AND LIMITATIONS

Business loans may be made only to eligible borrowers, and only when such borrower has demonstrated his capacity for managing the business—as evidenced by previous business performance—or has entered into a satisfactory technical assistance and/or training contract, under a turnkey arrangement or otherwise. Such loans may be made up to 90 percent of required capital, with up to 20 years for repayment. Housing sponsors in the community could obtain short-term, market-rate financing for front money, and where funds are not otherwise available for construction loans.

The CDB charter would include a statement of policy emphasizing CDB's responsibility to make capital available to promising but inexperienced borrowers, or for unorthodox business ventures, which would, if successful, yield significant benefits to the community.

The CDB would be fully authorized to make participation loans with regular commercial lenders to eligible borrowers, and its policy would be to seek to arrange such participations wherever possible.

The CDB would not be authorized to issue or deal in securities, engage in acceptable financing, sell insurance, offer credit cards or make credit guarantees. Its main purpose is to channel capital to businesses; its secondary purpose is to provide normal banking services to individual depositors within the community. It is not expected that the CDB would tie up its capital in mortgage loans, except under extraordinary circumstances.

CONFORMING AMENDMENTS

Sections 202 to 206 of the bill amend various provisions of other acts to facilitate the operation of the community development banking system.

Title III—U.S. community development bank

The purpose of this title is to create a U.S. Community Development Bank to serve as a secondary financial institution and as a source of technical, managerial and financial expertise to CDB's, and to promote the economic development of communities and areas where no CDB has been established. In the former respect, the USCDB would stand in relation to local CDB's as a Federal intermediate credit bank stands to production credit associations, or as a Federal home loan bank stands to local savings and loan associations. In the latter respect, the bank would resemble the World Bank and International Development Association.

This title would authorize the incorporation of the USCDB, which would not be an instrumentality of the U.S. Government. The President of the United States would appoint the incorporators and first board of directors. Six directors would always be Presidential appointees; the remaining twelve, initially Presidential appointees, would later be elected by CDB's holding stock in the bank. A community advisory committee, composed of from 15 to 21 persons from CDC and similar areas served by the bank, is created.

CAPITALIZATION

Class A stock of the USCDB would be purchased by the Secretary of the Treasury. It would be nonvoting stock and would not be eligible for dividends. Of the $2 billion of class A stock the Secretary is authorized to purchase, $1.5 billion would be specifically authorized by appropriation acts. The remaining $500 million could be purchased by the Secretary out of public debt proceeds only upon call of the bank to meet an emergency situation. This $500 million call feature, analogous to similar provisions in the Federal home loan bank statute and the World Bank charter, provides the security to creditors.

Class B stock in amounts up to $2 billion may be bought and held by any person or organization other than the Federal Government. Dividends of not to exceed 6 percent can be paid on this stock which shall have voting rights. At the end of each fiscal year, each CDB would be required to buy class B stock in the USCDB in an amount equal to its entire net earnings after meeting other requirements of title II. Whenever a CDB purchases such Bank stock, the Bank is directed to redeem an equal amount of class A stock held by the Secretary of the Treasury, at the Secretary's request. From the funds so received, the Secretary is directed to retire an equal amount of public debt.

BONDS AND INDEBTEDNESS

The Bank is authorized to issue and/or guarantee bonds, debentures, and other certificates of debt, up to an amount equal to five times its paid-in capital and surplus. In addition, it is authorized to issue consolidated bonds backed by CDB bonds, up to an amount equal to 10 times its paid-in capital and surplus. In addition, it is authorized to issue consolidated bonds backed by CDB bonds, up to an amount equal to 10 times its paid-in capital and surplus; this authority is intended to relieve local CDB's of the problems associated with entering the securities market.

FUNCTIONS

The USCDB is authorized to—

First, serve as a secondary banking institution for CDB's, through discounts, notes, loans, advances, and so forth;

Second, make, participate in, or guarantee loans for business and commercial facilities, or public development facilities, in low-income areas designated as "investment areas" by the Secretary of Labor;

Third, provide interim financing for construction of such facilities;

Fourth, plan, initiate, own, and manage such facilities until a suitable buyer can assume ownership;

Fifth, provide management training and technical and other supportive assistance to CDB's and other borrowers; and

Sixth, create investment opportunities by bringing together facilities, capital, and management.

The USCDB may establish branch offices to facilitate its activities.

EARNINGS

The net earnings of the USCDB shall be applied as follows:

First, to restoring any impairment of capital;

Second, to creating and maintaining a surplus account;

Third, to paying a franchise tax computed with reference to the amount of class A stock outstanding;

Fourth, to establish contingency reserves;

Fifth, to declare dividends on class B stock, up to 6 percent; and

Sixth, to retire class A stock held by the Treasury.

This retirement feature, built into the Federal farm credit system as early as 1916, assures that eventually all Government stock will be retired and the banks will be wholly owned by CDB's and other private stockholders.

MISCELLANEOUS

A number of operating principles are set forth, along with certain limitations on financing. An annual audit and report by the General Accounting Office is required, as is an annual report to Congress and the President. Technical amendments permit the participation of national banks as CDB stockholders.

Title IV.—Tax amendments

Part A—Community Development Corporations

Community development corporations, as business corporations, are subject to the provisions of the Internal Revenue Code. Since the purpose of the Act is to permit the use of business profits for social service programs under the control of the people of the community, instead of routing the tax revenues to Washington and then back in the form of grants, three special amendments are added to the Code. These amendments liberalize the tax treatment of CDC's until such time as the CDC area achieves a development index equal to the national average and maintains it over a period of 5 years.

First. Under present law a corporation pays a basic 22-percent income tax rate on all its taxable income. In addition, the Code imposes a surtax of 26 percent on taxable income in excess of $25,000. The $25,000 amount is known as the surtax exemption. A group of corporations, all of which are owned by a parent corporation—in this case, the CDC—have a choice in filing their returns: they can either file a consolidated return and use only one $25,000 surtax exemption for the group; or they can claim the exemption for each member corporation and pay a basic income tax rate of 28 percent, 6 percent over the normal rate. This bill would amend section 1563 of the Code to permit a group of CDC subsidiary corporations to retain all the individual surtax exemptions without paying the additional 6-percent tax.

Second. To effect the purposes of the act, the tax rates and surtax exemptions for CDC subsidiaries are liberalized, depending on the development index of the CDC area—see title I, part C. This tax treatment is available only to corporations wholly owned by a CDC or by an employee trust; hence no benefits from the tax treatment flow into individual pockets. In the case of an area at the national norm for unemployment and family income, no tax advantages would accrue. At the other extreme, CDC subsidiaries in a desperately poor CDC area would be eligible for a basic tax rate of zero percent on the first $50,000 of taxable income, 6 percent on the second $50,000, 12 percent on the next $50,000, and 22 percent—the basic rate—on amounts in excess of $150,000. In addition, CDC subsidiaries in the desperately poor area could claim a surtax exemption of up to $200,000. Less-poor areas would get reduced benefits in accordance with their development level. The surtax would remain at 26 percent for all corporations.

Third. Ordinarily, subsidiary corporations can pass dividends to their parent corporation, which can then deduct 85 percent of such dividends from its own gross income. An amendment to section 243 of the code permits the CDC to deduct a full 100 percent of its dividend income from subsidiaries.

Part B—Turnkey Tax Provisions

The purpose of these amendments is to encourage major businesses to establish profitable plants or facilities in CDC areas, to train community residents to manage and work in them, and eventually to divest them entirely to CDC ownership and management.

The outside company and the CDC would enter into a turnkey contract, specifying the obligations of both parties, and setting forth such items as a description of the productive facility, the training of CDC personnel to manage the business, the timetable for sale, and so forth. To make a turnkey contract attractive to an outside corporation, six amendments are made to the Internal Revenue Code.

First. The turnkey contractor can elect rapid amortization of the turnkey facilities, depending on the development index of the CDC area involved. This provision parallels the rapid tax amortization program for defense investment during and after the Korean war, and the similar provisions for amortization of grain storage facilities, reenacted by Congress in 1953. In desperately poor areas, turnkey facilities could be amortized in as little as 36 months.

Second. Ordinarily, when a corporation claims an investment tax credit toward the cost of machinery and equipment, and then sells the machinery or equipment, the corporation is subject to a tax credit recapture provision. A turnkey contractor, however, could sell the turnkey facility to a CDC and not be subject to recapture of the investment credit.

Third. The turnkey contractor could claim an additional tax credit of 10 percent of the wages and salaries of CDC stockholders employed in the turnkey facility. This credit, patterned after the Human Investment Act now before Congress, would extend to investment in employees the same tax advantage given to investment in machinery. The higher rate of the credit—10 percent versus 7 percent—is due to the impermanence of the investment in human skills as compared to that in tangible property owned by the company.

Fourth. Upon selling the turnkey facility to a CDC, the turnkey contractor would normally incur a capital gain subject to tax. Under the bill, if the proceeds of the sale are reinvested in another turnkey operation or in class B stock of a CDB, the capital gains are not recognized for tax purposes. This provision, designed to encourage continuous investment in turnkey projects, is analogous to transfer of basis upon selling an old home and buying a new one.

Fifth. When a turnkey contractor has elected rapid amortization of depreciable property, and then sells the property to the CDC, he would ordinarily be subject to a tax recapture of the benefits of the rapid amortization. The bill provides that when a turnkey sale results in nonrecognition of capital gain, by virtue of reinvestment in another turnkey project, then the recapture of depreciation is limited to the recognized gain only.

Sixth. To encourage the turnkey contractor to continue to assist the management of the turnkey facility even after its divestiture of CDC ownership, the bill provides for a sustained profitability tax credit, equal to 15 percent of the profits generated from the operation of the turnkey facility for 5 years after sale to the CDC.

Part C—Miscellaneous Tax Provisions

An additional tax feature of the bill includes three changes to facilitate the financing of CDC subsidiaries by employee benefit trusts. One would make it clear that an employee trust may borrow funds to purchase the stock of a CDC subsidiary without jeopardizing the trust's "exclusive benefits" status or conflicting with present tax regulations. A second would permit such a trust to distribute income currently to its employees, as an immediate profit-sharing incentive. A third change would protect the tax deductible status of CDC subsidiary contributions to employee trust, notwithstanding the fact that the contributions are used to repay a bank loan.

Finally, reporting requirements are included to facilitate Treasury analysis of the actual costs in foregone revenue of the turnkey and the CDC programs. The purpose of this is to ensure the availability of subsequent cost-benefit studies as needed for congressonal review.

Title V—Miscellaneous amendments

Part A—Small Business

This part makes two minor amendments to the small business title of the Economic Opportunity Act, and adds an important new section to provide technical and management assistance and training to CDC and turnkey facility personnel.

Section 501 amends the purpose clause of title IV of the Economic Opportunity Act to include CDC's among the business concerns to be strengthened and aided by the act.

Section 502 provides for the coordination of loan applications by business borrowers located in CDB areas. It adds a proviso to subsection 402(a) of the Economic Opportunity Act which prohibits economic opportunity loans to borrowers n CDB areas until their loan applications have been turned down by the CDB. The purpose of this amendment is to require business borrowers to work through the local CDB wherever possible.

Section 503 adds an important new section to the Economic Opportunity Act. It authorizes the Small Business Administrator to make grants of up to 90 percent of the costs of technical and management assistance and training programs contracted for by CDC's or their subsidiaries. The grants may be made for, among other things: First, the identification and development of new business opportunities, joint ventures, and turnkey agreements; second, market surveys and feasibility student; third, organizational plannng and research, including analysis of capital structure and requirements, costs and taxes, labor force availability, site evaluation, local government relations, and available governmental assistance; fourth, plant or facility design, layout, and operation; fifth, marketing and promotional assistance; sixth, business counseling, management training, and legal and other related services, with special emphasis on management training using the resources of private business, and of sufficient scope and duration to develop management expertise within the corporaton; and seventh, encouragement of subcontracting to CDC's by established businesses, and cooperative efforts to train and upgrade CDC personnel.

Using the proceeds of the grant, the CDC would enter into a contract with a firm, company, organization, educational institution, or governmental agency of its choice to obtain the specified assistance and training. The Small Business Administration could itself provide the assistance on a reimbursable basis, using its own personnel, if the CDC so decided. Provision is made for careful evaluation of the management or technical assistance provided by the contracting firm or agency. The President is authorized to transfer the program to the Department of Commerce if he sees fit, as with title IV of the Economic Opportunity Act.

Part B—Other Provisions

Section 511 requires the Secretary of Labor to collect and compile statistics on subemployment in the Nation, with the goal of eventually using this more sophisticated concept in the computation of the development index used in this act.

Section 512 amends section 701 of the Housing Act of 1954 to permit State planning agencies to provide assistance to CDC's in urban area planning, using 75 percent Federal matching funds.

Section 513 amends section 312 of the Housing Act of 1964 to permit the Secretary of Housing and Urban Development to make home and business rehabilitation loans in CDC areas, as well as in urban renewal areas and concentrated code enforcement areas, retaining the present provision that funds must be unavailable on reasonable terms from local sources.

Section 514 amends the Economic Opportunity Act of 1964 to permit the designation of CDC's as community action agenices, but prohibits community action grants to CDC's which have elected to be treated as normal business corporations, distributing dividends to stockholders.

Mr. NELSON. Mr. President, I send the bill to the desk and ask that it be appropriately referred.

The **PRESIDENT** pro tempore. The bill will be received and appropriately referred.

The bill (S. 3875) to establish a community self-determination program to aid the people of urban and rural communities in securing gainful employment, achieving the ownership and control of the resources of their community, expanding opportunity, stability, and self-determination, and making their maximum contribution to the strength and well-being of the Nation, introduced by Mr. NELSON (for himself and other Senators), was received, read twice by title, and referred to the Committee on Finance.

S. 3876—INTRODUCTION OF BILL ENTITLED "COMMUNITY SELF-DETERMINATION ACT"—AMENDMENT

Mr. NELSON. Mr. President, I yield 2 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 minutes.

Mr. PERCY. Mr. President, I appreciate the distinguished Senator from Wisconsin yielding to me. I am proud to sponsor the Community Self-Determination Act and to be joined by so many Senators on the Republican and the Democratic side of the aisle.

The idea for this bill has come from the Congress of Racial Equality—CORE—to the Congress. It is their suggestion as to how to approach the problems of the urban as well as the rural poor.

I am particularly pleased to be able to pay tribute to my distinguished colleague from New York [Mr. JAVITS], who will introduce the concept of a U.S. Community Development Bank, which he will introduce as an amendment to the Community Self-Determination Act. I am very pleased to have his counsel, guidance, and advice on a problem on which he is such an expert.

I am proud to sponsor the Community Self-Determination Act. This bill is based on an old American tradition—self help—which is too often preached and too seldom practiced. So many programs today, whether they be Government or private, are based on what the advantaged classes feel is needed for the disadvantaged, and we all know the sad results of this imposed will upon the poor—urban renewal has cruelly closed down once successful businesses and highways have torn down happy homes. And then to assist the individual who has been hurt by these programs we create a new set of programs which often only establish further grounds for grievance. The public keeps asking why all the billions spent on these programs seem to have gone up in smoke. Unfortunately, they never ask the poor who are the recipients of this misguided charity. If they did ask, they might find the answer is that most existing programs are based upon the premise that Washington knows best. I think it is about time that we frankly admitted this is not true. The community often knows better than anyone else what kind and form of help is needed to renew itself. It is this fact upon which the Community Self-Determination Act is based.

The bill which I am introducing today offers a sound basis for community development. It has come from the urban black community itself, but it is applicable to all races and rural communities as well as urban. It is not a wild scheme dreamed up by an onlooker—it is a carefully worked out program to provide the means whereby poor citizens organized in their community can truly help themselves. It provides the mechanism whereby established successful businesses can help those communities which want to help themselves, but it does so in a way which prevents outsiders from dominating the community will as expressed through the Community Development Corp. I know that American business will rally behind this concept for it permits business to play a partnership role, not a paternal role with the community organization.

Having worked for 2 years now in developing a homeownership program for lower income families. I know well the importance of ownership for disadvantaged individuals who in our rural and urban areas have not yet had the opportunity for ownership. If people own part of their community—whether it be their homes or their businesses—it is their community in every sense of the word and they will work and fight to make it a decent place in which to live, work, learn, and play.

Having stated the importance of a new, comprehensive, private enterprise, community oriented program, may I stress once again that the real significance in this bill is the element of self help. It is a program that rejects the old liberal philosophy of giving handouts and incorporates the best conservative philosophy of extending the helping hand. To those true conservatives in America who wish to conserve what is best in our Nation—independence, initiative, community spirit, hard work and self help—I invite them all to join me in supporting the Community Self-Determination Act of 1968. I am pleased to have the following Republican colleagues join in cosponsoring this act: HOWARD BAKER, of Tennessee; CALEB BOGGS, of Delaware; EDWARD BROOKE, of Massachusetts; CLIFFORD CASE, of New Jersey; HIRAM FONG, of Hawaii; ROBERT GRIFFIN, of Michigan; JACOB JAVITS, of New York; LEN JORDAN, of Idaho; JAMES PEARSON, of Kansas; WINSTON PROUTY, of Vermont; HUGH SCOTT, of Pennsylvania, and JOHN TOWER, of Texas.

We believe this is landmark legislation, which will open a new era of hope and progress in those areas of this land long bypassed by the affluence enjoyed by the majority of our people. Stated as simply as possible, we have designed a program which structures a major vehicle for marshaling the great potential of the people themselves in forging their own destiny. The method employs time-tested concepts of community action and internal capital formation within the impoverished community. The goal is local ownership of a substantial stake in the community for those who live and work there. The technique is involvement of the people, the private sector and the government in the traditional American partnership for the betterment of all.

Under our plan, the people themselves will contribute their labor and genius; the private sector will contribute its expertise and capital; and the Federal Government will contribute small sums of seed money and its economic strength as a guarantor of the loans made by the individual investor.

The community self-determination program seeks to provide a means for poor people to move up to increased economic security and human dignity through their individual and mutual efforts. It is a product of the experience gained during the 4-year existence of the community action programs of the war on poverty, and from a wide range of Federal, State, local, and private efforts to achieve the same goals.

There is widespread disappointment with the war on poverty, not only among conservative skeptics, but also among liberal intellectuals and the poor themselves, both of whom were early and enthusiastic advocates of the original programs. Three important conclusions can be drawn from the operating experience of the war on poverty:

First. The Federal Government cannot encourage genuine independence and decisionmaking at the community level, and at the same time hold the purse strings, pay the salaries, and compose the regulations, any more than it could manage the private enterprise system by centralized state planning, Russian style.

Second. Antipoverty programs have not drawn the poor into the American economic system as earners, producers, owners, and entrepreneurs, but only upholstered the poorhouse at the taxpayer's expense.

Third. Any effective community effort must be aimed on developing order, stability, and participation in a meaningful shared quest; to achieve this, the people must acquire the ownership of productive resources, control the profits, and make the decisions affecting their own environment and lives.

The community self-determination program adopts sharply contrasting emphasis and philosophy.

It is based on private local initiative and control, not Government paternalism.

It is based on multiplying the effects of self-help, not distributing endless benefits out of tax dollars.

It is based on bringing the aspiring poor into the American economic system as producers, earners, and owners, not on milking that system to provide Government benefits to nonparticipants.

It is based on eventual renunciation of initial Government assistance and subsequent individual profit, not perpetual nonprofit operation and dependence on Government regulations and expenditures.

It is based on the need for creating community stability and orderly progress, not perpetuating the fragmentation and leadership vacuum of the poor neighborhood.

It is based on widespread citizen participation, not meaningless role playing by self-styled leaders with little grassroots support.

It is based on generating indigenous leadership for positive, productive goals, not for the negative goal of demanding continuing Government action.

FINDINGS AND PURPOSE

This emphasis and philosophy is explicitly set forth in the congressional findings and purpose, contained in sections 2 and 3 of the bill:

FINDINGS

SEC. 2. The Congress hereby finds that—

(a) despite the unsurpassed affluence of the United States, there exists today a nation within a nation composed of millions of Americans in urban slums and declining areas of the countryside who live in poverty, misery and despair. The United States cannot achieve its full potential until all its people have a full and fair opportunity to earn, own, and enjoy their share of America's growth and prosperity, and to exercise effective control over their life situations.

(b) programs and policies which tax some to support others offer no hope and no opportunity to those who have the capacity to become productive, contributing citizens. Handouts are demeaning; they do violence to a man, strip him of dignity, and breed in him a resentment toward the total system. The nation must find ways, instead, to help presently nonproductive citizens achieve the independence, self-respect, and well-being enjoyed by their more fortunate fellows.

(c) the people of poor urban communities and declining rural areas should be assisted in their efforts to achieve gainful employment and the ownership and control of the resources of their community, including businesses, housing, and financial institutions.

(d) the problems of our cities cannot be solved without dealing with the inseparably related problems of rural America. Special help should thus be offered for efforts which improve the economic conditions and standard of living of the people of declining and depressed rural areas, and which reduce their out-migration from such areas to the overcrowded and explosive urban centers.

(e) the private enterprise system and the independent sector should be offered new incentives to join with the people of a community in a partnership for individual and community improvement, especially in providing technical and managerial expertise, offering training for jobs with a future, providing investment capital, and building productive plants and facilities for sale to members of the community. Such a program should be designed to permit the people of a community to utilize a share of the profits of community-sponsored enterprises to provide needed social services, thereby reducing the burden of taxation upon the rest of society.

(f) program designed to achieve these ends should also aim to restore to the people of local communities the power to participate directly and meaningfully in the making of public policy decisions on issues which affect their day to day lives. Such programs should aim to free local communities from excessive interference and control by centralized governments in which they have little or no effective voice.

(g) order, stability, and progress can be achieved only when the people of a community actively participate in, and are responsible for, their own affairs in such areas as education, neighborhood planning, economic development, recreation and beautification, and social services and welfare.

(h) to achieve these ends, the people of a community must organize for responsible action, in such a way as to reduce fragmentation, create order and stability, make optimum use of community resources, and maximize the opportunity for creative leadership and self determination.

(i) the role of government at all levels should be to reinforce, guarantee, and support individual and mutual self-help efforts to make their maximum contribution to the strength and wealth of the nation. As that goal is approached, government incentives should be correspondingly phased out and government investment repaid, leaving the once dependent people to make their way as independent, unsubsidized participants in our national life.

PURPOSES

SEC. 3. It is therefore the purpose of this Act to provide for the establishment of community development corporations, community development banks, and other supporting programs and provisions, in order to mobilize the talents and resources of the people of this "nation within a nation" to help them play a more meaningful and rewarding role in building a better, stronger, and more confident America.

TITLE I—COMMUNITY DEVELOPMENT CORPORATIONS

This title creates the basic mechanism for the community self-determination program, the Community Development Corporation, and outlines its organization process.

PART A—NATIONAL COMMUNITY CORPORATION CERTIFICATION BOARD

This part establishes an independent agency of the Federal Government, to supervise the organization of Community Development Corporation—"CDC's". In many respects the Board will perform functions similar to those of the National Labor Relations Board in conducting union certification procedures.

The Board is composed of five members, appointed by the President with the advice and consent of the Senate for staggered 5-year terms. Board members are to be compensated at the same rate as members of the Federal Home Loan Bank Board.

The Board is empowered to perform a number of specified functions relating to the process of organizing community development corporations. These functions include: issuing provisional and final corporate charters, conducting and supervising referendums, providing counsel and technical assistance in the organization process, collecting and disseminating relevant information, developing appropriate forms for corporate charters and bylaws, and requiring annual reports of corporations so chartered. The Board also acts as a ministerial agent in releasing an initial seed-money grant to a CDC upon its final chartering, but does not administer a program in the usual sense.

A National Advisory Committee on Community Development is created to advise the Board on its policies and operations, and to exert a critical review of the Board's activities and the activities of CDC's chartered by it. The Board is required to make an annual report to the President and Congress.

PART B—COMMUNITY DEVELOPMENT CORP.

The Community Development Corp.—CDC—is a corporation organized by the people of an urban or rural community "for the purpose of expanding their economic and educational opportunities, increasing their ownership of productive capital and property, improving their health, safety, and living conditions, enhancing their personal dignity and independence, expanding their opportunities for meaningful decisionmaking, and generally securing the economic development and social well-being and stability of their community area."

The CDC is a regular stock corporation having the usual powers incident to a business corporation. The community area in which the CDC functions may range in population from 5,000 to 300,000 residents aged 16 and above, of whom 10 percent must be CDC shareholders.

Any resident of the community area may become a CDC shareholder by buying CDC stock, which is priced at $5 par value. "Sweat equity" may be accepted in lieu of cash purchase of stock. Each stockholder has one vote in the affairs of the corporation, as do class C stockholders of the Federal Banks for cooperatives.

FUNCTIONS OF THE CDC

The functions of the CDC would fall into six categories:

First. Neighborhood services and community improvement: basic education, child welfare, day care, preschool training, health, consumer education, homeownership counseling, college placement assistance, job finding, recreation, legal aid, and so forth.

Second. Owner of stock of business enterprises in the CDC area.

Third. Sponsor, owner, or manager of housing in the community.

Fourth. Advocate planning for neighborhood renewal, model cities, and so forth.

Fifth. Representation of community interests in other areas of public policy and concern.

Sixth. Encouragement of business, labor, religious and other voluntary participation in the self-help efforts of the community.

FINANCING OF THE CDC

The CDC would, once in operation, be financed by—

First. Earnings from affiliated businesses;

Second. Contracts for services, with private sector and government agencies, on a cost-plus-fixed-fee basis; and

Third. Grants from the community development fund, earmarked for charitable and educational purposes, which would not be subject to Federal tax.

In the initial stages of CDC operation, before any substantial ownership of commercial businesses is achieved, primary reliance would be on the contract mode, due to its lower capital requirements, guaranteed profitably, and generation of capital. Later, dividends from commercial businesses could become the primary source of CDC income.

DIRECTORS

The stockholders would choose nine CDC directors—plus two more for each 10,000 stockholders in excess of 25,000—for 1-year terms, or for staggered 2-year terms, as specified in the CDC charter. The charter would include provisions for insuring fair and democratic operation, such as secret balloting, adequate notice, open and regular board meetings, and proxy procedures. At the option of the community, it could also provide for a Federal structure of representation for distinct groupings within the area.

Regular open meetings of the entire CDC stockholding membership would be held at least twice a year, and a petition of 20 percent of the membership could force a special meeting.

All records of the CDC would be open

to inspection by members and the disclosures of related transactions would be required. The directors would appoint the executive officers of the CDC and the members of the business management board and the directors of the Community Development Bank. The directors would be required to make an annual report to stockholders—and also file with the NCCCB—covering the CDC activities and operations of the previous year.

BUSINESS MANAGEMENT BOARD

The function of the business management board is to provide overall management to CDC-owned businesses. It will be required to set and maintain reasonable standards to insure that they avoid both excessive retention of earnings and irresponsible distribution of required operating funds. That is, the BMB would exercise the rights of CDC as stockholder for each business, but would insulate business management decisions from immediate interference by CDC directors and stockholders. The responsibilities of the BMB, and the area in which it would have full management discretion, would be set forth in the CDC charter, as approved by the NCCCB.

The board would have nine members, appointed by the CDC directors to serve staggered 3-year terms. No more than three of the board members could simultaneously be CDC directors. The members would be bonded for faithful performance of their duties like any other persons with comparable fiduciary responsibilities.

The board, acting for the CDC, would purchase and hold the stock of community businesses, elect directors, and exercise general stockholders' prerogatives on CDC's behalf. The funds to finance the acquisition of stock would be transferred to the CDC for its use, in accordance with the CDC charter. The board could distribute income to the CDC or allocate it to reinvestment, provided that no more than 80 percent or less than 20 percent is distributed to CDC.

PART C—ORGANIZATION OF COMMUNITY DEVELOPMENT CORPS

A CDC may be organized in a geographic area, if the residents of the area so desire, so long as the area has between 5,000 and 300,000 residents 16 years of age or older and has either a rate of unemployment that is proportionately greater than the national average or a median family income that is proportionately lower, as provided in section 138.

Any five or more residents of the community area—the "incorporators"—may apply for a charter as a CDC by filing articles of incorporation and certain other documents with the National Community Corporation Certification Board—the "Board."

The act's organizational provisions are designed to guarantee to all the residents of any area in which a CDC is proposed, and to all representative groups thereof, a full and fair opportunity to participate in the process of organizing the CDC and influencing the direction that it will take once it has been finally chartered. Accordingly, the act provides that once one set of incorporators has taken the initial step toward the establishment of a CDC within a particular area a 60-day initial organization period must elapse before those incorporators may complete their application for a charter. During this initial organization period other sets of incorporators may take the initial step toward the establishment of competing CDC's within the same or any larger or smaller overlapping area and with the same or different goals. In this fashion, the act insures that all elements within an area will have equal opportunity to define the community and the objectives of the CDC that is proposed to be established.

Once the 60-day initial organization period has elapsed any such set of incorporators may complete its application for a charter as a CDC by filing its articles of incorporation, and organizational certificate that will provide essential economic data with respect to the community proposed, and pledge cards personally signed by at least 5 percent of the residents of the proposed community.

The requirement that any such set of incorporators must at this stage submit pledge cards signed by 5 percent of the residents of that community is one of several organizational provisions designed to insure that there is community support for the CDC in any area in which one is proposed and that the residents of such an area actually consider themselves to be part of a community. Manifestly, any proposed CDC that cannot meet this threshold, 5 percent requirement should be eliminated at this stage and the act so provides.

Any and all CDC's proposed to be established in the potential community so-called, which is defined by section 135 (a) as "the geographic area included within the combined perimeter" of the community proposed by the first set of incorporators and any other larger or smaller area proposed that includes any portion of the area first proposed, that satisfy the threshold 5 percent requirement and have otherwise submitted a proper application to the Board will ordinarily receive conditional charters not more than 30 days after the expiration of the initial oganization period.

In order to further guarantee that there is support for a CDC in its community, the act contains further organizational requirements that all CDC's so conditionally chartered must pass. These further requirements are designed to disclose the largest geographic area in which there is community support for a CDC and to permit the residents thereof to determine by referendum which of the CDC's proposed to be established therein shall receive a final charter. If only one CDC has qualified to receive a conditional charter, it alone will be authorized to attempt to comply with the further organizational requirements of the act. However, not infrequently conditional certificates will be issued to more than one proposed CDC in more than one overlapping community and the act must provide a method of permitting the residents of these overlapping communities to determine the boundaries of the community that will yield a CDC with the broadest popular support.

The act's further organizational requirements can be best understood by observing that they are designed simply to permit the community to define itself and to create a CDC as it sees fit. These provisions may be summarized as follows:

First. A further 45-day organizational period follows the issuance of conditional charters to one or more proposed CDC's, during which they are required to submit, first, additional pledge cards to total 10 percent of the over-16 residents of the proposed community area; and second, satisfactory proof that at least 500 residents have actually paid in $5,000, in aggregate, for stock in the CDC. The act provides that sums so paid in to any conditionally chartered CDC are to be held in escrow by a State or National bank pursuant to an arrangement that will guarantee the return of such sums to those entitled thereto if the CDC does not receive a final charter. Any conditionally chartered CDC that fails to satisfy these requirements within the time allotted is forthwith to be dissolved by the Board.

Second. While this process is underway, the CCCB assembles data and computes the development index of the area. This number, which is a measure of the economic development of the area, is the lesser of two ratios, either the ratio of national unemployment rate to the area's unemployment rate times 100, or the ratio of the Nation's median family income to the area's median family income times 100.

Thus, for example, if the unemployment rate in a proposed CDC area was 12 percent, and the national average was 6 percent, the first ratio would be 50—six-twelfths—times 100. If the Nation's median family income is $7,000, and that in the area only $4,000, the second ratio would be 57—4,000 to 7,000—times 100. The lesser of these ratios, 50, would be the development index of the area. A special bonus of five points would be subtracted from the computed development index of rural areas to provide special consideration for areas from which outmigration is contributing to urban tensions.

If the development index of a conditionally chartered CDC is greater than 90, the CCCB would dissolve the corporation, as being too close to the national norm—100—to deserve special assistance.

Third. If only one such CDC satisfies these further requirements the Board, upon the expiration of the 45-day period, orders an election in the community the CDC has proposed at which the residents, whether or not shareholders, are asked whether they approve the final certification of that CDC. If a majority of those voting so approve that CDC receives a final charter; if not it is dissolved.

Fourth. If more than one such CDC satisfies the act's further organizational provisions a series of elections must be held in order to disclose an area in which a majority of the residents approve the establishment of a CDC and to determine which of the CDC's participating in such a referendum commands the greatest community support. The act is designed so that the first such referendum is held in the potential community and subsequent referendums, if any, are then held in the next largest community proposed by a conditionally chartered CDC participating therein. Such referendums continue until a CDC is finally chartered or it becomes clear that community sentiment opposes the establishment of a CDC in any of the proposed communities, in which case all are dissolved.

All such referendums are required by the act to be by secret ballot, and any resident who is 16 years or older is eligible to vote. The act states that no such referendums shall be valid unless at least 10 percent of the eligible residents actually participate. Clearly, if less than 10 percent of those eligible take the trouble to vote it can safely be assumed that real community interest in the establishment of a CDC is absent.

Subsequently, particular areas within or overlapping an area already served by a CDC may organize their own CDC, although the organizational requirements for such a latecomer are somewhat more stringent. The possibility of such subsequent organization should tend to encourage business aggressiveness and responsiveness to community desires.

Upon final incorporation, the CDC receives a one-time seed-money grant equal to its paid-in capital at the time of incorporation. This both provides initial operating funds and equity capital for a community development bank, and an incentive for the broadest participation in the community.

PART D—AUTHORIZATION OF APPROPRIATIONS

This part authorizes appropriations for the expenses of the National Community Corporation Certification Board, and for the initial matching grants to newly organized CDC's.

TITLE II—COMMUNITY DEVELOPMENT BANKS

This title adds a new chapter 19 to the National Banking Act, authorizing the creation of community development banks—CDB's—to provide the financial services required by CDC's and the independent businesses in CDC areas.

ORGANIZATION

CDB's would be organized by one or more CDC's in a manner similar to that of ordinary national banks. The participating CDC's would hold all the voting stock and appoint the bank's directors. The banks could be chartered only in CDC areas with a population of 25,000 or more. They would not offer a full range of banking services, but would concentrate on business financing in the area and the provision of ordinary consumer credit to CDC stockholders.

EQUITY CAPITALIZATION

The equity capital of the CDB would be provided by the sale of the bank's stock.

Class A nonvoting stock could be sold to the Secretary of the Treasury as authorized in appropriation acts. It is contemplated that this would be done only in extraordinary cases, however. A franchise tax, payable out of net earnings, would afford a return to the Treasury on any investment of Federal funds Class A stock would not yield dividends.

Class B stock could be issued to any purchaser except the Federal Government and CDC's. It would also be nonvoting, but would be eligible for up to 6 percent noncumulative dividends. It is expected that private organizations, churches, foundations, associations, and businesses, and perhaps State and local governments, would purchase stock in this category. Class B stockholders would have an option to redeem their stock at par over a period of 5 years, after having held it for 5 years.

Class C stock could be sold only to CDC's. It would be voting stock, but would not be eligible to receive dividends. The CDB thus becomes a financial mechanism, but not a source of income, for CDC's.

DEBT CAPITALIZATION AND SECURITY

In addition to equity capital represented by stock sales, the CDB would raise further capital through the sale to the public of income bonds on a 20-to-1 ratio to paid-in capital and surplus. It is contemplated that this will be done through the U.S. Community Development Bank created by title III, which would have authority to issue consolidated CDB bonds much as the Federal intermediate credit banks issue consolidated farm credit obligations.

In addition to normal banking reserves and a guarantee fund, CDB income bonds would be further secured by CDB's option to call bond retirement funds from a special Federal Reserve guarantee fund. This fund would be capitalized from the excess earnings of the 12 Federal Reserve banks, as was the Federal Deposit Insurance Corporation in 1933. The Federal Reserve surplus would be deposited into the fund each year and invested in long-term U.S. Treasury securities.

The amount of the Federal Reserve surplus added to the fund each year would be sufficient, when carried forward at compound interest, to cover the aggregate income bond obligations of all CDB's at maturity on a 1-to-4 basis. If a CDB's financial position precluded immediate satisfaction of its obligations to bondholders when due, the CDB could call in capital from the fund, just as the World Bank can call in subscriptions from member nations to meet emergencies. This right would assure private creditors of prompt payment of obligations when due.

Assuming CDB's issue an aggregate of $2 billion in income bonds in 1969, and that the Treasury securities held by the fund bear 4-percent interest compounded quarterly over 20 years, some $236 million of the Federal Reserve System's excess earnings would suffice to produce $500 million in capital—1-to-4 coverage—in 1989. The estimated Federal Reserve excess earnings for fiscal 1969 is in excess of $2 billion, of which the amount put into the fund would be approximately one-eighth. The entire $2 billion, if similarly used, would cover aggregate CDB income bonds of about $17.7 billion.

In case the aggregate amount of CDB obligations exceeded the amount that the Federal Reserve surplus could legally cover, and assuming Congress did not appropriate additional funds to extend the coverage, priorities would be established to insure that the bonds of the CDB's located in the poorest areas would be covered before those of more affluent areas.

EARNINGS

At the end of each fiscal year each CDB would apply its earnings in excess of operating expenses during the year to—in order: First, making up any losses in excess of its reserves and bad or doubtful debts; second, restoring the amount of impairment, if any, of its capital; third, creating and maintaining a reserve account for bad and doubtful debts; fourth, paying a franchise tax to the Treasury of up to 25 percent of the net earnings then remaining, not to exceed a rate of return on Treasury holdings of class A stock equal to the average annual rate of interest on all public issues of public debt obligations of the United States issued during the fiscal year ending next before such tax is due; fifth, paying dividends to other class A stockholders, at a rate not in excess of 6 percent; and sixth, purchasing stock in the U.S. Community Development Bank, the proceeds of which shall be used to retire any Government capital of that bank.

LOANS AND ELIGIBLE BORROWERS

The CDB may make loans and extend credit to eligible borrowers in a number of categories:

First, individual CDC stockholders—but not the general public—for normal consumer credit;

Second, small businesses in the community—partnerships, proprietorships, or corporations—which are at least 75-percent owned by resident CDC stockholders;

Third, small business concerns in the community owned less than 75 percent by CDC stockholders but whose owners have agreed to give the CDC the right of first refusal if the business is to be sold;

Fourth, subsidiaries of the CDC itself—at least 51 percent CDC owned;

Fifth, an outside corporation which has entered into a turnkey agreement with a CDC;

Sixth, a cooperative, at least 75 percent of the members of which are CDC stockholders; and

Seventh, a nonprofit, limited dividend or cooperative housing sponsor operating in the community.

LOAN TERMS AND LIMITATIONS

Business loans may be made only to eligible borrowers, and only when such borrower has demonstrated his capacity for managing the business—as evidenced by previous business performance—or has entered into a satisfactory technical assistance and/or training contract, under a turnkey arrangement or otherwise. Such loans may be made up to 90 percent of required capital, with up to 20 years for repayment. Housing sponsors in the community could obtain short-term, market-rate financing for front money, and where funds are not otherwise available for construction loans.

The CDB charter would include a statement of policy emphasizing CDB's responsibility to make capital available to promising but inexperienced borrowers, or for unorthodox business ventures, which would, if successful, yield significant benefits to the community.

The CDB would be fully authorized to make participation loans with regular commercial lenders to eligible borrowers, and its policy would be to seek to arrange such participations wherever possible.

The CDB would not be authorized to issue or deal in securities, engage in acceptable financing, sell insurance, offer credit cards, or make credit guarantees. Its main purpose is to channel capital to business; its secondary purpose is to provide normal banking services to individual depositors within the community. It is not expected that the CDB would tie up its capital in mortgage loans, except under extraordinary circumstances.

CONFORMING AMENDMENTS

Sections 202 to 206 of the bill amend various provisions of other acts to facilitate the operation of the community development banking system.

TITLE III—U.S. COMMUNITY DEVELOPMENT BANK

The purpose of this title is to create a U.S. Community Development Bank to serve as a secondary financial institution and as a source of technical, managerial, and financial expertise to CDB's, and to promote the economic development of communities and areas where no CDB has been established. In the former respect, the USCDB would stand in relation to local CDB's as a Federal intermediate credit bank stands to production credit associations, or as a Federal home loan bank stands to local savings and loan associations. In the latter respect, the bank would resemble the World Bank and International Development Association.

This title would authorize the incorporation of the USCDB, which would not be an instrumentality of the U.S. Government. The President of the United States would appoint the incorporators and first board of directors. Six directors would always be Presidential appointees; the remaining 12, initially Presidential appointees, would later be elected by CDB's holding stock in the bank. A community advisory committee, composed of from 15 to 21 persons from CDC and similar areas served by the bank, is created.

CAPITALIZATION

Class A stock of the USCDB would be purchased by the Secretary of the Treasury. It would be nonvoting stock and would not be eligible for dividends. Of the $2 billion of class A stock the Secretary is authorized to purchase, $1.5 billion would be specifically authorized by appropriation acts. The remaining $500 million could be purchased by the Secretary out of public debt proceeds only upon call of the bank to meet an emergency situation. This $500 million call feature, analogous to similar provisions in the Federal Home Loan Bank statute and the World Bank charter, provides the security to creditors.

Class B stock in amounts up to $2 billion may be bought and held by any person or organization other than the Federal Government. Dividends of not to exceed 6 percent can be paid on this stock, which shall have voting rights. At the end of each fiscal year, each CDB would be required to buy class B stock in the USCDB in an amount equal to its entire net earnings after meeting other requirements of title II. Whenever a CDB purchases such Bank stock, the Bank is directed to redeem an equal amount of class A stock held by the Secretary of the Treasury, at the Secretary's request. From the funds so received, the Secretary is directed to retire an equal amount of public debt.

BONDS AND INDEBTEDNESS

The Bank is authorized to issue and/or guarantee bonds, debentures, and other certificates of debt, up to an amount equal to five times its paid-in capital and surplus. In addition, it is authorized to issue consolidated bonds backed by CDB bonds, up to an amount equal to 10 times its paid-in capital and surplus. In addition, it is authorized to issue consolidated bonds backed by CDB bonds, up to an amount equal to 10 times its paid-in capital and surplus; this authority is intended to relieve local CDB's of the problems associated with entering the securities market.

FUNCTIONS

The USCDB is authorized to—

First, serve as a secondary banking institution for CDB's through discounts, notes, loans, advances, and so forth;

Second, make, participate in, or guarantee loans for business and commercial facilities, or public development facilities, in low-income areas designated as "investment areas" by the Secretary of Labor;

Third, provide interim financing for construction of such facilities;

Fourth, plan, initiate, own, and manage such facilities until a suitable buyer can assume ownership;

Fifth, provide management training and technical and other supportive assistance to CDB's and other borrowers; and

Sixth, create investment opportunities by bringing together facilities, capital, and management.

The USCDB may establish branch offices to facilitate its activities.

EARNINGS

The net earnings of the USCDB shall be applied as follows:

First, to restoring any impairment of capital;

Second, to creating and maintaining a surplus account;

Third, to paying a franchise tax computed with reference to the amount of class A stock outstanding;

Fourth, to establish contingency reserves;

Fifth, to declare dividends on class B stock, up to 6 percent; and

Sixth, to retire class A stock held by the Treasury.

This retirement feature, built into the Federal farm credit system as early as 1916, assures that eventually all Government stock will be retired and the banks will be wholly owned by CDB's and other private stockholders.

MISCELLANEOUS

A number of operating principles are set forth, along with certain limitations on financing. An annual audit and report by the General Accounting Office is required, as is an annual report to Congress and the President. Technical amendments permit the participation of national banks as CDB stockholders.

TITLE IV.—TAX AMENDMENTS

PART A—COMMUNITY DEVELOPMENT CORPORATIONS

Community development corporations, as business corporations, are subject to the provisions of the Internal Revenue Code. Since the purpose of the act is to permit the use of business profits for social service programs under the control of the people of the community, instead of routing the tax revenues to Washington and then back in the form of grants, three special amendments are added to the code. These amendments liberalize the tax treatment of CDC's until such time as the CDC area achieves a development index equal to the national average and maintains it over a period of 5 years.

First. Under present law a corporation pays a basic 22-percent income tax rate on all its taxable income. In addition, the code imposes a surtax of 26 percent on taxable income in excess of $25,000. The $25,000 amount is known as the surtax exemption. A group of corporations, all of which are owned by a parent corporation—in this case, the CDC—have a choice in filing their returns: They can either file a consolidated return and use only one $25,000 surtax exemption for the group; or they can claim the exemption for each member corporation and pay a basic income tax rate of 28 percent, 6 percent over the normal rate. This bill would amend section 1563 of the code to permit a group of CDC subsidiary corporations to retain all the individual surtax exemptions without paying the additional 6-percent tax.

Second. To effect the purposes of the act, the tax rates and surtax exemptions for CDC subsidiaries are liberalized, depending on the development index of the CDC area—see title I, part C. This tax treatment is available only to corporations wholly owned by a CDC or by an employee trust; hence no benefits from the tax treatment flow into individual pockets. In the case of an area at the national norm for unemployment and family income, no tax advantages would accrue. At the other extreme, CDC subsidiaries in a desperately poor CDC area would be eligible for a basic tax rate of 0 percent on the first $50,000 of taxable income, 6 percent on the second $50,000, 12 percent on the next $50,000, and 22 percent—the basic rate—on amounts in excess of $150,000. In addition, CDC subsidiaries in the desperately poor area could claim a surtax exemption of up to $200,000. Less-poor areas would get reduced benefits in accordance with their development level. The surtax would remain at 26 percent for all corporations.

Third. Ordinarily, subsidiary corporations can pass dividends to their parent corporation, which can then deduct 85 percent of such dividends from its own gross income. An amendment to section 243 of the code permits the CDC to deduct a full 100 percent of its dividend income from subsidiaries.

PART B—TURNKEY TAX PROVISIONS

The purpose of these amendments is to encourage major businesses to establish profitable plants or facilities in CDC areas, to train community residents to manage and work in them, and eventually to divest them entirely to CDC ownership and management.

The outside company and the CDC would enter into a turnkey contract, specifying the obligations of both parties, and setting forth such items as a description of the productive facility, the training of CDC personnel to manage the business, the timetable for sale, and so forth. To make a turnkey contract attractive to an outside corporation, six amendments are made to the Internal Revenue Code.

First. The turnkey contractor can elect rapid amortization of the turnkey facilities, depending on the development index of the CDC area involved. This provision parallels the rapid tax amortization program for defense investment during and after the Korean war, and the similar provisions for amortization of grain storage facilities, reenacted by Congress in 1953. In desperately poor areas, turnkey facilities could be amortized in as little as 36 months.

Second. Ordinarily, when a corporation claims an investment tax credit toward the cost of machinery and equipment, and then sells the machinery or equipment, the corporation is subject to a tax credit recapture provision. A turnkey contractor, however, could sell the turnkey facility to a CDC and not be subject to recapture of the investment credit.

Third. The turnkey contractor could claim an additional tax credit of 10 percent of the wages and salaries of CDC stockholders employed in the turnkey facility. This credit, patterned after the Human Investment Act now before Congress, would extend to investment in employees the same tax advantage given to investment in machinery. The higher rate of the credit—10 percent versus 7 percent—is due to the impermanance of the investment in human skills as compared to that in tangible property owned by the company.

Fourth. Upon selling the turnkey facility to a CDC, the turnkey contractor would normally incur a capital gain subject to tax. Under the bill, if the proceeds of the sale are reinvested in another turnkey operation or in class B stock of a CDB, the capital gains are not recognized for tax purposes. This provision, designed to encourage continuous investment in turnkey projects, is analogous to transfer of basis upon selling an old home and buying a new one.

Fifth. When a turnkey contractor has elected rapid amortization of depreciable property, and then sells the property to the CDC, he would ordinarily be subject to a tax recapture of the benefits of the rapid amortization. The bill provides that when a turnkey sale results in nonrecognition of capital gain, by virtue of reinvestment in another turnkey project, then the recapture of depreciation is limited to the recognized gain only.

Sixth. To encourage the turnkey contractor to continue to assist the management of the turnkey facility even after its divestiture of CDC ownership, the bill provides for a sustained profitability tax credit, equal to 15 percent of the profits generated from the operation of the turnkey facility for 5 years after sale to the CDC.

PART C—MISCELLANEOUS TAX PROVISIONS

An additional tax feature of the bill includes three changes to facilitate the financing of CDC subsidiaries by employee benefit trusts. One would make it clear that an employee trust may borrow funds to purchase the stock of a CDC subsidiary without jeopardizing the trust's "exclusive benefit" status or conflicting with present tax regulations. A second would permit such a trust to distribute income currently to its employees, as an immediate profit-sharing incentive. A third change would protect the tax deductible status of CDC subsidiary contributions to employee trust, notwithstanding the fact that the contributions are used to repay a bank loan.

Finally, reporting requirements are included to facilitate Treasury analysis of the actual costs in foregone revenue of the turnkey and the CDC programs. The purpose of this is to ensure the availability of subsequent cost-benefit studies as needed for congressional review.

TITLE V—MISCELLANEOUS AMENDMENTS

PART A—SMALL BUSINESS

This part makes two minor amendments to the small business title of the Economic Opportunity Act, and adds an important new section to provide technical and management assistance and training to CDC and turnkey facility personnel.

Section 501 amends the purpose clause of title IV of the Economic Opportunity Act to include CDC's among the business concerns to be strengthened and aided by the act.

Section 502 provides for the coordination of loan applications by business borrowers located in CDB areas. It adds a proviso to subsection 402(a) of the Economic Opportunity Act which prohibits economic opportunity loans to borrowers in CDB areas until their loan applications have been turned down by the CDB. The purpose of this amendment is to require business borrowers to work through the local CDB wherever possible.

Section 503 adds an important new section to the Economic Opportunity Act. It authorizes the Small Business Administrator to make grants of up to 90 percent of the costs of technical and management assistance and training programs contracted for by CDC's or their subsidiaries. The grants may be made for, among other things: First, the identification and development or new business opportunities, joint ventures, and turnkey agreements; second, market surveys and feasibility studies; third, organizational planning and research, including analysis of capital structure and requirements, costs and taxes, labor force availability, site evaluation, local government relations, and available governmental assistance; fourth, plant or facility design, layout, and operation; fifth, marketing and promotional assistance; sixth, business counseling, management training, and legal and other related services, with special emphasis on management training using the resources of private business, and of sufficient scope and duration to develop management expertise within the corporation; and seventh, encouragement of subcontracting to CDC's by established businesses, and cooperative efforts to train and upgrade CDC personnel.

Using the proceeds of the grant, the CDC would enter into a contract with a firm, company, organization, educational institution, or governmental agency of its choice to obtain the specified assistance and training. The Small Business Administration could itself provide the assistance on a reimbursable basis, using its own personnel, if the CDC so decided. Provision is made for careful evaluation of the management or technical assistance provided by the contracting firm or agency. The President is authorized to transfer the program to the Department of Commerce if he sees fit, as with title IV of the Economic Opportunity Act.

PART B—OTHER PROVISIONS

Section 511 requires the Secretary of Labor to collect and compile statistics on subemployment in the Nation, with the goal of eventually using this more sophisticated concept in the computation of the development index used in this act.

Section 512 amends section 701 of the Housing Act of 1954 to permit State planning agencies to provide assistance to CDC's in urban area planning, using 75 percent Federal matching funds.

Section 513 amends section 312 of the Housing Act of 1964 to permit the Secretary of Housing and Urban Development to make home and business rehabilitation loans in CDC areas, as well as in urban renewal areas and concentrated code enforcement areas, retaining the present provision that funds must be unavailable on reasonable terms from local sources.

Section 514 amends the Economic Opportunity Act of 1964 to permit the designation of CDC's as community action agencies, but prohibits community action grants to CDC's which have elected to be treated as normal business corporations, distributing dividends to stockholders.

Mr. President, I introduce my bill and ask for its appropriate reference.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3876) to establish a community self-determination program to aid the people of urban and rural communities in securing gainful employment, achieving the ownership and control of the resources of their community, expanding opportunity, stability, and self-determination, and making their maximum contribution to the strength and well-being of the Nation, introduced by Mr. PERCY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

Mr. JAVITS. Mr. President, will the Senator from Wisconsin yield?

Mr. NELSON. I yield 2 minutes to the Senator from New York.

The PRESIDENT pro tempore. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, I send to the desk as an amendment to the bill just introduced by the Senator from Illinois, a provision for a U.S. Community Development Bank.

This is the central financing element in the bill, and would establish an institution in the nature of a world bank for business and economic development in the slum and ghetto areas of the country.

I ask unanimous consent that when the bill introduced by the Senator from Illinois [Mr. Percy] is printed, this amendment be included as a part of it.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, one word of observation. This is a bipartisan effort which is most auspicious. It represents what has been called a Marshall plan for the cities. It will be the main thrust, once we get over the emergency period we are in right now, which can put the slums and ghettos of our cities on a program of self-help, Government aid, business aid, and various inducements and techniques which are here involved.

This is a splendid model of bipartisan cooperation and I hope all the presidential candidates will approve it. I believe there is an excellent chance they will and that we can go forward and put it into effect.

I join my colleagues in paying tribute to the CORE organization led by Roy Innis and Jim Farmer, and others, who have been instrumental in bringing about this really important and landmark bill with relation to the crisis in the cities. I think it is particularly significant that an important civil rights organization—CORE—should have played such a major role in shaping and drafting legislation. Their action represents a conviction that major change and progress can still be achieved in this country through the political and legislative process. I believe they are right and I shall do my utmost to prove them right, and I hope other groups in the black community will follow CORE's lead in joining the legislative effort to do something about the crisis in our cities.

My own role in this legislation has been centered on the development of the national banking institution which has been included to support the local banks and development corporations, and I want to concentrate my remarks on that aspect. Back in 1965, I first offered a proposal for an Economic Opportunity Corporation—modeled on Comsat—which would draw private money and effort into antipoverty programs. Then, for more than 18 months, that idea was studied and refined with private business and banking people and with Government agencies, and in October of last year I and 18 other Republican Senators introduced the Domestic Development Bank Act as an outgrowth of the earlier legislation. Our bill proposed to establish a domestic version of the World Bank and to provide financing for business and commercial ventures owned by poverty area residents or located in or near poverty areas and committed to providing employment opportunities for the hard-core unemployed. The plan was founded upon extensive research which showed that the provision of long-term, low-cost financing could be the key ingredient to launching the economic development of our central cities by slum residents themselves.

That bill was presented to my Republican colleagues in the House at a meeting with a number of high level bankers and commercial developers and we then began an effort to redraft it slightly to prepare it for House introduction. The young Congressman from Wisconsin, Mr. William Steiger, has taken a leadership role in working on this idea in the House, and I am grateful to him for his efforts and have been much impressed by his hard work and quick understanding on this matter. When the CORE proposal was being developed, it became apparent that a national financing vehicle would be necessary for that plan, so the United States Community Development Bank was developed, patterned closely on the Domestic Development Bank, to fill that need.

The function of the national bank in this bill would be to market and support the securities of the local banks and to provide financial and technical assistance to those banks and to the local development corporations. Since many communities throughout the country will not wish to organize local development corporations or banks, the national bank would provide assistance directly to commercial and business establishments in those areas, as set forth in the original domestic bank scheme.

I set forth this background not to try to attach any partisan stamp to the national bank idea. Rather, quite the opposite. This is now an idea which has been supported by both parties and by virtually all presidential candidates. Former Vice President Nixon has endorsed the domestic bank proposal. Governor Rockefeller has established an Urban Development Corp. in New York State and has suggested that that idea be duplicated on a national scale. Vice President Humphrey has called for an urban development bank modeled after the World Bank and has made that a central idea in his program for the cities. Indeed, I have learned that the Vice President raised the idea several years ago in a book he wrote.

So my hope is this. This is an idea whose time has now arrived. A national bank plan has been endorsed by numerous members of both political parties and by most of the presidential candidates. Accordingly, let us take this idea out of partisan politics and out of presidential politics and move forward on congressional hearings and action. I issue that call to the administration and to all Members of the House and Senate—let us join in a broad, bipartisan effort to create a national development bank to bring jobs and business opportunities for the poor of this country. This is one new proposal that need not await the outcome of the conventions and the election.

Mr. HARRIS. Mr. President, I am pleased to join in support of the bill and am pleased, of course, to be one of its cosponsors.

Mr. President, I ask unanimous consent to have printed in the Record the statement I made this morning on the occasion of the joint announcement of the introduction of the Community Self-Determination Act.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Fred R. Harris at the Introduction of the Community Self-Determination Act, July 24, 1968

I am pleased to lend my support to the introduction of a remarkable and tremendously promising new approach to the relief of poverty and unemployment in America. If that were this bill's only objective, however, we would have little new to talk about, since schemes to relieve poverty have been pretty common. But this bill offers, in addition, a partial solution to the problem of personal and community powerlessness, in both an economic and a political sense, which many deprived people and rejected minorities everywhere in America feel. Moreover, the bill is addressed not only to the economy of ghettos, but to that of rural areas, with which I have personally been especially concerned also. Most important of all, as this joint appearance and the introduction of the bill in the House confirm, this measure has the necessary bipartisan support—ranging across the entire spectrum of ideological views in the Congress—the absence of which has generally blocked new proposals in social and economic legislation in the past.

Although I did not have a hand in preparing this bill, I am pleased that it embodies several features of other bipartisan approaches I have supported to quite similar problems. The Rural Job Development Act, which was jointly introduced last year by Senator Pearson of Kansas and myself and which is now pending before the Finance Committee, provides tax incentives to private businesses to locate and expand their facilities in sparsely populated rural areas with high rates of unemployment and underemployment, and offers other tax inducements to those businesses to recruit, train and employ workers from poor families. The Community Self-Determination Act goes one important step beyond this measure in providing that enterprises developed by private industry will be sold to local cooperative business associations, controlled by and for the benefit of residents of the communities in which the facilities are located.

I would also like to point out that this measure very closely resembles two of the late Senator Robert Kennedy's tremendously innovative bills, which I supported and which would have offered tax incentives to private businesses to construct housing and expand employment in ghettos. The Bedford-Stuyvesant experiment in community control and management of local self-help progress and enterprises which Senator Kennedy personally initiated and continued to follow with deep interest is also, I believe, an important precedent for this bill, and perhaps a demonstration of the likely success of some of the bill's objectives.

As a member of the President's National Advisory Commission on Civil Disorders, I feel very deeply that the combination of three forces—racism, poverty, and powerlessness—in American society, has brought us to a most serious domestic crisis. What we must do in this country, first, is to eradicate every vestige of the discrimination and racial exclusion which have burdened us for so long; second, ensure a job for every person who is willing and able to work and a decent income for those who cannot work; and, third, allow a larger measure of decisionmaking power in our society to black people, the poor, and the young. I believe very strongly that the Community Self-Determination Act will go a long way toward meeting all three of these objectives.

Mr. TOWER. Mr. President, I am pleased to be included among the sponsors of this bill, the Community Development Corporation Act of 1968, for its provisions reflect an awareness of the missing link in a long chain of legislative efforts to remedy the pressing problems facing our cities and rural communities today.

This link is an awareness of the human factor—the individual and his desire to do for himself and his community if but given the opportunity.

The chance to participate, to be involved, to contribute and to be a part of the action is the promise of this bill.

This is a promise that has been beyond the reach of all too many of our citizens in the past, particularly those of limited financial means.

The delusion of a promise made but undeliverable has been the main characteristic of those proposals that would induce the individual to believe that his government should be his keeper.

This worn out philosophy has time and time again resulted in the subordination of initiative to total reliance.

The promise of this bill is that it offers an alternative and not a repetition of the past.

It would provide the mechanism for community betterment through community action and individual involvement. It would encourage an infusion of private capital into our country's rundown neighborhoods.

Our lower income citizens would be given the opportunity to benefit from their own efforts and ingenuity. They could at long last have a tangible part to play in the free enterprise process and provide for their own security.

They could become the owners, the managers, and the business entrepreneurs of their communities. And, the Federal Government would lend its backing to these local ventures in free enterprise, rather than itself competing with free enterprise.

S. 3878—INTRODUCTION OF BILL AMENDING THE RAILROAD RETIREMENT ACT

Mr. HARTKE. Mr. President, I am introducing a bill today to amend the Railroad Retirement Act in order to eliminate an inequity which presently afflicts both owners and workers in a very small segment of the railroad industry. I refer to the small railroads which are owned and operated by other corporations, such as steel companies and others.

The problem arises from the fact that in 1966, in contract talks between the industry organization—the National Railway Labor Conference—and the operating railroad brotherhoods, among the agreements arrived at was the establishment of a supplemental annuity program. The unions had for some years pressed for this, on the ground that most employees in other major industries—steel and autos are examples—provide supplemental pensions in addition to social security. In order to carry out their mutual agreement it was necessary to amend the Railroad Retirement Act. This was done by establishment of a new account in the Treasury, the Railroad Retirement Supplemental Account, financed by management contributions of 2 cents per man-hour. This is embodied in Public Law 89–699, which provides for this arrangement to continue for 5 years, when the matter will be opened again in labor-management negotiations.

The law as adopted applies to all railroad workers who are under the Railroad Retirement Act, which includes those on the small company-owned lines. Consequently these employers as well as major railroads have been paying the 2 cents per man-hour. But—and this is the point at which the inequity lies which this bill aims to correct—there is no additional benefit available to the workers because of these payments. The reason is that under the Railroad Retirement Act the new supplemental pensions must be reduced by an amount equal to any other supplemental pension benefit paid for by the employer.

In most of the cases of corporation-owned railroads, although the workers on them are Brotherhood members, rather than Steelworkers or Auto Workers or some other, they are covered by the supplemental plans affecting the entire bargaining unit. This is true because when the Steelworkers, for instance, obtain an improved supplementary pension, it applies to all employees including rail workers. With these supplementary annuity provisions larger than these provided by the Railroad Retirement Supplementary Account, the companies are putting in their 2 cents per hour for their railroad workers, who gain no benefit from these contributions.

This amendment allows an exemption where employees are covered by another supplemental pension plan, if the company applies for their exclusion within 90 days of passage. But this must be "with the concurrence of the labor organization concerned." This provision is highly pertinent, since the 1966 legislation was determined upon and mutually agreed to by both the rail labor unions and the rail management organization. It is my understanding that the union organizations see no detrimental results from this proposed change, although they have not taken a public stand.

Mr. President, it is my hope that consideration may be given to this bill promptly, in order to eliminate the present problem.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3878) to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act so as to provide certain exemptions from provisions of such acts relating to supplemental annuities, introduced by Mr. Hartke, was received, read twice by its title, and referred to the Committee on Finance.

ADDITIONAL COSPONSORS OF BILLS

Mr. BROOKE. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from New Jersey [Mr. Case] and the junior Senator from Rhode Island [Mr. Pell] be added as a cosponsor of the bill (S. 3727) to establish a Commission on Air Traffic Control.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Connecticut [Mr. Dodd], I ask unanimous consent that, at its next printing, the name of the Senator from Pennsylvania [Mr. Clark] be added as a cosponsor of the resolution (S. Res. 374) relative to Captive Nations Week.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Idaho [Mr. Jordan] and the Senator from Vermont [Mr. Prouty], be added as cosponsor of the bill (S. 698) to enact the Intergovernmental Cooperation Act of 1967.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF INVESTMENT COMPANY ACT OF 1940 AND THE INVESTMENT ADVISERS ACT OF 1940—AMENDMENT

AMENDMENT NO. 899

Mr. BENNETT submitted an amendment, intended to be proposed by him, to the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes, which was ordered to lie on the table and to be printed.

(See reference to the above amendment when submitted by Mr. Bennett, which appears under a separate heading.)

AMENDMENT OF TITLE 39, UNITED STATES CODE, RELATING TO DISCIPLINARY ACTION AGAINST EMPLOYEES IN THE POSTAL FIELD SERVICE—AMENDMENT

AMENDMENT NO. 900

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment to H.R. 15387, and I ask that it be printed and lie on the table; and I ask unanimous consent to have printed in the Record an explanation of the amendment.

The PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table; and, without objection, the explanation will be printed in the Record.

The explanation, presented by Mr. Williams of Delaware, is as follows:

Explanation of Amendment

The amendment changes the law relating to postmaster appointments so as to provide that in the future postmasters at post offices of the first, second, and third class will be appointed by the Postmaster General in the competitive service in accordance with civil service rules and regulations. Under existing law, appointments to these offices are made by the President by and with the advice and consent of the Senate.

The amendment also provides that in the appointment of postmasters of all classes, as well as in the appointment of acting postmasters and rural carriers, recommendations of Members of Congress or officials of politi-

cal parties may not be considered. The Postmaster General would be prohibited from seeking or accepting from Members of Congress or political officials, and Members of Congress and political officials would be prohibited from making, any recommendation or statement concerning an applicant for such a position. An applicant soliciting such a recommendation knowing of the prohibition would be disqualified for appointment.

Changes made by the amendment are made inapplicable to persons holding office on its effective date.

Except for the effective date, which is fixed as January 1, 1969, the provisions of the amendment are identical to provisions contained in the Legislative Reorganization bill (S. 355, Ninetieth Congress) as passed by the Senate in March, 1967.

EXTENSION AND AMENDMENT ON THE RENEGOTIATION ACT OF 1951—AMENDMENT

AMENDMENT NO. 901

Mr. McGOVERN (for himself, Mr. CHURCH, and Mr. NELSON) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 17324) to extend and amend the Renegotiation Act of 1951, which was ordered to lie on the table and to be printed.

ENROLLED BILLS SIGNED

The PRESIDENT pro tempore announced that on today, July 24, 1968, the Vice President signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 510. An act providing for full disclosure of corporate equity ownership of securities under the Securities Exchange Act of 1934;

S. 2445. An act to amend part I of the Federal Power Act to clarify the manner in which the licensing authority of the Commission and the right of the United States to take over a projector project upon or after the expiration of any license shall be exercised;

H.R. 272. An act to extend the period during which amounts transferred from the employment security administration account in the unemployment trust fund to State accounts may be used by the States for payment of expenses of administration;

H.R. 5815. An act for the relief of Lt. Comdr. William W. Gentry;

H.R. 10923. An act to authorize the Secretary of the Interior to convey the Argos National Fish Hatchery in Indiana to the Izaak Walton League;

H.R. 14330. An act to provide a comprehensive program for the control of drunkenness and the prevention and treatment of alcoholism in the District of Columbia, and for other purposes; and

H.R. 18340. An act to amend section 212 (B) of the Merchant Marine Act, 1936, as amended.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 24, 1968, he presented to the President of the United States the following enrolled bills:

S. 6. An act to authorize the Secretary of the Interior to construct, operate, and maintain the initial stage of the Oahe unit, James division, Missouri River Basin project, South Dakota, and for other purposes;

S. 510. An act providing for full disclosure of corporate equity ownership of securities under the Securities Exchange Act of 1934;

S. 1532. An act to require that contracts for construction, alteration, or repair of any public building or public works of the District of Columbia be accompanied by a performance bond protecting the District of Columbia and by an additional bond for the protection of persons furnishing material and labor, and for other purposes;

S. 2445. An act to amend part I of the Federal Power Act to clarify the manner in which the licensing authority of the Commission and the right of the United States to take over a project or projects upon or after the expiration of any license shall be exercised; and

S. 3456. An act to provide that the prosecution of the offenses of disorderly conduct and lewd, indecent, or obscene acts shall be conducted in the name of and for the benefit of the District of Columbia.

NOTICE OF RECEIPT OF NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, as acting chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the following nomination:

Barbara M. Watson, of New York, to be Administrator, Bureau of Security and Consular Affairs, Department of State.

In accordance with the committee rule, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

THE TOLL IN VIETNAM

Mr. BYRD of Virginia. Mr. President, for several weeks I have asked well-informed individuals, including some in Congress and in the Defense Department, a question all answered in the negative.

So today I ask the Senate: Do you realize that 38 percent of all U.S. casualties in Vietnam occurred during the past 6 months?

I am concerned that the Paris peace talks are lulling the American people into a false sense of security insofar as our Vietnam troops are concerned.

The United States has been involved in Vietnam one way or another for 7 years. We have been heavily involved militarily for more than 3 years.

During the entire period, going back to January 1, 1961, the United States has suffered 189,149 casualties.

The breakdown is as follows:

January 1, 1961 through July 13, 1968:	
Deaths	25, 940
Wounded	162, 031
Current missing	867
Captured or interred	291
Total	189, 149

For **1968** alone, the figures are as follows:

January 1, 1968 through July 13, 1968:	
Deaths	9, 918
Wounded	62, 469
Total	72, 185

Three little-known facts emphasize that conditions in Vietnam are getting worse instead of better.

Fact No. 1: For the 2-year period 1966 and 1967, U.S. casualties averaged 1,000 per week; **during 1968, U.S. casualties have averaged 2,600 a week.**

Fact No. 2: Of the total casualties for the entire war 38 percent—72,185—have occurred during the past six and a half months.

Fact No. 3: Of the total deaths from hostile action which the United States has suffered in Vietnam more than one-third, 38 percent—9,918—have occurred during this year of 1968. And this year is only a little more than one-half over.

So I say **Mr. President, that so far as** American troops are concerned, the conditions in Vietnam are getting worse instead of better.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Without objection, it is so ordered.

THE MANDATORY OIL IMPORT PROGRAM

Mr. BYRD of West Virginia. Mr. President, the Secretary of the Interior has seen fit to propose a change in the mandatory oil import program which would encourage the increased import of foreign oil. If he has his way, the present limitation on imports of foreign crude oil to 12.2 percent of domestic crude production would be pierced by up to 300,000 barrels daily within several years according to Interior's own estimates. That is 30 percent of the foreign crude oil that came into the eastern part of the Nation last year. This additional influx of foreign oil would come about through the granting of a bonus in the form of permission to import more crude oil—above any present allocation—to refiners who manufacture low-sulfur residual fuel oil for consumption along the eastern seacoast. Should the low-sulfur residual fuel oil have its origin in the Western Hemisphere, the refiner would be granted an additional one-half barrel of crude oil imports for each barrel of low-sulfur residual fuel oil he manufactured. If, on the other hand, the low-sulfur residual fuel oil had its origin in the Eastern Hemisphere, the bonus would be only one-fourth barrel of additional crude oil for each barrel of low-sulfur residual oil manufactured.

On July 8, I wrote Secretary Udall voicing my concern that, if such an artificial incentive be adopted to increase the availability of low-sulfur residual oil, the drive to develop methods of removing sulfur oxides from flue gases would suffer a drastic setback. Thus, if sulfur oxides are eventually proved to be injurious to health, the nationwide effort to do something about air pollution would have been seriously impaired. I told Secretary

Udall that I thought the situation was critical enough to call for a full scale public hearing on his proposal to change the oil import program. He has not yet announced such a hearing, but he did postpone until August 5 the time for interested parties to comment on the change he proposes.

Today, I have written the Secretary of State to ask his advice as to whether the Secretary of the Interior's proposal does not violate the General Agreement on Tariffs and Trade. Under GATT it would appear that restrictions on imports can be applied by the signators only on a nondiscriminatory basis unless such discriminatory measures are taken in the interest of national security. When he announced his proposal, the Secretary of the Interior did not claim, as he has in the past when proposing to change the oil import program, that he was doing so in the interest of national security. Instead, he said:

> The purpose of the proposal is to permit fuel oil users on the East Coast to meet Federal, State and local air pollution regulations . . . ."

By favoring Western Hemisphere over Eastern Hemisphere sources of the low-sulfur residual fuel oil, when the national security is not at stake, through the offering of different incentives to manufacture that fuel oil, it would seem that we are discriminating against some of the nations that are signatories to GATT. Thus, we have another reason for opposing the proposal under discussion—it is illegal.

To complete my statement, I ask unanimous consent to have printed in the Record at this point my letter of July 8 to the Secretary of the Interior and my letter of today to the Secretary of State.

There being no objection, the letters were ordered to be printed in the Record, as follows:

July 8, 1968.

Hon. Stewart Udall,
Secretary, Department of Interior,
Washington, D.C.

Dear Mr. Secretary: As you know from previous correspondence, I am greatly concerned with the potential impact of your proposal to encourage a greater availability of low-sulfur residual fuel oil for much of the nation by granting bonus import quotas for crude oil outside the present voluntary limitation of 12.2 per cent of domestic crude production.

In addition to those concerns, I have serious misgivings that should any artificial incentive (an incentive other than the competition of the market place) be adopted to increase the availability of low sulfur residual fuel oil, the drive to develop methods of removing sulfur oxides from flue gases would suffer a drastic setback. Thus, if sulfur oxides are eventually proved to be injurious to health, the nationwide effort to do something about air pollution would have been seriously impaired.

Should the proposed incentive work, and low sulfur residual fuel oil is made available in sufficient quantities to meet the demand, albeit at a higher price, along the eastern seaboard, there would be a lessening of the incentive to develop the practical methods of removing sulfur oxides from the products of combustion of fossil fuels—as well as the fostering of a potentially dangerous dependence upon foreign sources for an important part of our energy base. Without the strong support of consumers of large amounts of high-sulfur fuels on the east coast, the burden of shouldering an additional share of the cost of developing these processes would be shifted to fewer shoulders—namely coal-consuming utilities in the interior of the nation which cannot benefit from any increased availability of low-sulfur residual fuel oil. Any increase in the prorated costs of these research and development efforts would surely delay the day that a universal solution is found to the sulfur oxides problem.

It seems to me that the more logical approach—the one that would be most beneficial for the whole nation—is to concentrate the efforts of the Federal Government on an accelerated program to speed the development of practical methods of removing sulfur oxides from the products of combustion. In this way the whole problem would be solved, not just a part of it.

I know that you have heard from several others on the need for additional time to comment on the changes you have proposed in the Oil Import Program. I believe that the situation is critical enough to call for a full scale hearing by the Department of Interior on the proposal to change the program to provide an incentive to make more low-sulfur residual fuel oil available. In fact, I believe the proposal should be abandoned, and am convinced that public hearings will bear this out.

I look forward to an early reply.

Sincerely yours,

Robert C. Byrd,
U.S. Senator.

July 24, 1968.

Hon. Dean Rusk,
Secretary of State,
Washington, D.C.

Dear Mr. Secretary: As you are no doubt aware, the Department of the Interior has proposed changes in the Mandatory Oil Import Program which would encourage the manufacture of low-sulphur residual fuel oil for consumption on the East coast by granting bonus import quotas outside the present limitation of 12.2 percent of domestic crude production. Should the low-sulphur residual oil have its source in the Western Hemisphere, the bonus would be one-half barrel of additional crude oil imports for each barrel of low-sulphur residual oil manufactured. Should, on the other hand, the low-sulphur residual oil originate in the Eastern Hemisphere, the bonus would be only one-fourth barrel of additional crude for each barrel of low-sulphur residual oil manufactured.

I have previously expressed directly to the Secretary of the Interior my concern with the impact of these proposals on the nationwide effort to find practical methods of removing sulphur oxides from the products of combustion, as well as the potentially dangerous dependence upon foreign sources for our energy demands that would be fostered by such regulations. In addition to these concerns, I have serious doubts as to whether the proposed preference treatment to be given for the manufacture of low-sulphur residual oil from Western Hemisphere crude oil is authorized by our international commitments.

If my understanding is correct, the proposal advanced by Interior might violate the General Agreement on Tariffs and Trade. Under GATT it would appear that restrictions on imports can be applied by the signatories only on a non-discriminatory basis unless such discriminatory measures are taken in the interest of "national security."

Although the solution of air pollution problems is a domestic effort to which we are all committed, the Department of the Interior proposal, besides hindering rather than helping this effort, does not in any way indicate a national defense or security justification for the creation of preferences based on point of origin.

I believe that the situation is critical, and have therefore called upon the Department of the Interior to schedule a full-scale hearing on the proposal. While not yet responding to this request, it has recognized the need for additional time and has extended the time to comment until August 5.

Since, as I have outlined, the ramifications of the proposals touch upon international relationships for which the Department of State has responsibility, I solicit your comments on the point I have raised.

I look forward to an early reply.

Sincerely yours,

Rorert C. Byrd,
U.S. Senator.

Mr. BYRD of West Virginia. Mr. President, in conclusion, I would hope that my distinguished colleagues will also urge the Secretary of the Interior to hold a public hearing on his far-reaching proposal.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. RANDOLPH. Mr. President, I wish to commend my able colleague, the Senator from West Virginia [Mr. Byrd], for the discussion of this subject and the inclusion in the Record of correspondence that bears on a matter of vital importance. It is especially of concern to West Virginia because of the production of bituminous coal which is used in fueling so many boilers of heat- and energy-producing facilities.

My colleague and I have been working individually and cooperatively on the problem which Senator Byrd has described so accurately and understandably.

Mr. President, I ask unanimous consent to have printed in the Record correspondence with Secretary of the Interior Udall and Assistant Secretary Cordell Moore since April 16, 1968, on this subject.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

April 16, 1968.

Hon. Stewart Udall,
Secretary of the Interior,
Washington, D.C.

Dear Mr. Secretary: Before any regulation is promulgated or issued permitting unrestricted importation of foreign low sulfur content crude oil for fuel conversion, I hope Members of Congress from States with coal production as a vital part of their economy will be thoroughly briefed and afforded opportunities to ask many pertinent questions. As a beginning, and aside from questions we would ask concerning the impact on domestic coal economy—which we know would be substantial—we should inquire as to impact on our balance of payments. We may or may not have passed through the dollar crisis successfully. Why accentuate it at a critical time? What would be the impact on hemispheric relations? Indeed, Congress will need answers to such questions, and many more. Be assured that I must be persistent in regard to this subject.

Truly,

Jennings Randolph,
U.S. Senator.

U.S. Department of the Interior,
Office of the Secretary,
Washington, D.C., May 6, 1968.

Hon. Jennings Randolph,
U.S. Senate,
Washington, D.C.

Dear Senator Randolph: Thank you for your telegram of April 16 concerning the importation of low sulfur content crude oil.

Presidential Proclamation 3794 authorized the making of oil import allocations which would assure that adequate supplies of low sulfur residual fuel oil to be used as fuel would be distributed to users of this product. The provisions of this proclamation were implemented in District V (West Coast) on October 8, 1967, by Amendment 5 of Oil Import Regulation 1 (Revision 5). These regulations were issued in view of a serious and immediate air pollution problem in Los Angeles County, California, and were to be effective for a 15 month period.

We are now evaluating the experience gained with this program during the time these regulations have been in effect. Upon completion of this evaluation a determination will be necessary as to the future course of this program. Also, we must consider the advisability of implementing a program to supply adequate quantities of low sulfur residual fuel oil in other portions of the nation. It has been the policy of the Department to weigh carefully all the varied effects of any significant change in the mandatory oil import control program, and we will continue this practice.

You may be sure that we will be pleased to have your views and they will receive our very careful consideration in our evaluation of any proposed implementation of Presidential Proclamation 3794.

Sincerely yours,
Cordell Moore,
Assistant Secretary of the Interior.

U.S. Senate,
Washington, D.C. May 29, 1968.

Hon. Stewart L. Udall,
Secretary of the Interior,
Washington, D.C.

Dear Mr. Secretary: We have the Department of the Interior News Release of May 24, 1968. The leading paragraph is as follows:

"Secretary of the Interior Stewart L. Udall today announced that the Department's Oil Import Administration is proposing new regulations to encourage the production of low sulphur residual fuel oil for East Coast use."

Then, in the next paragraph, you are quoted as having said:

"The purpose of the proposal is to permit fuel oil users on the East Coast to meet Federal, State and local air pollution regulations . . . ."

What *Federal regulations* are involved? And isn't it an unusual precedent to change the national economic and national security policy to accommodate state and/or local *regulations?*

Concern has been expressed by segments of the domestic oil industry—integrated and independent—that the Mandatory Oil Import Program would be substantially compromised by the provisions of the projected new Section 10A of Oil Import Regulation 1 (Revision 5) as authorized by Presidential Proclamation 3279, as amended, and as modified by Proclamation 3794 (32 F.R. 10547) "in an effort to help abate air pollution." The purpose is not questioned. It is the method.

We share the concern of those who feel that you are moving by regulation to circumvent or to arbitrarily augment the national security purposes which are the basis of the Mandatory Oil Import Program as established by the Presidential Proclamation and as subsequently amended by Presidential Proclamation.

Very frankly, Mr. Secretary, your proposed actions could seriously aggravate our country's balance of payments problem, could accelerate domestic inflation on the East Coast (even though for air pollution abatement purposes), and could bring on recission in other sections and in important segments of the economy while contributing comparatively little to the abatement of pollution. Such an action would impose an extremely high price for perhaps a very small benefit. In fact, we believe the total costs would be vastly in excess of the gains those costs would purchase, and we solicit the opportunity to discuss this condition with you.

This kind of "shot gun" approach to implementation of the Air Quality Act could be seriously detrimental to the orderly establishment of air quality criteria and meaningful pollution abatement procedures based on *criteria yet to be established.*

This proposed unilateral action would, in effect, circumvent the intent of the Air Quality Act of 1967, which established orderly procedures for the development of ambient air quality criteria and accompanying technological information, on the basis of which State and regional air quality standards would be established.

The proposed oil import action would, in effect, recommend emission standards for certain localities on the eastern seaboard before the development of air quality criteria for sulphur dioxide. This is not compatible with the Congressional intent as expressed in the Air Quality Act of 1967.

The deadline of June 14, 1968, established by the Administrator of the Oil Import Administration for the submission of written comments, suggestions, or objections is an unrealistically short time away. We would hope, Mr. Secretary, that you can and will give assurances that nothing will be done to implement such a proposal as the new Section 10 A of Oil Import Regulations until at least August 1, 1968.

In the meantime, Mr. Secretary, we believe there are problems and policies which reach far beyond the area of decisionmaking that is within the sphere of the Oil Import Administrator alone. We seek the opportunity to discuss this facet of the subject. In fact, we request that you afford us and other Members of the Congress who may wish to comment and to ask questions the opportunity to confer with you, perhaps in company with business representatives and economic advisors. We urge that you set a date and place for such a conference or hearing.

Please know, however, that we will reserve the option of subsequently requesting the President of the United States to accord us opportunities to discuss this subject with him and to request that, until the President can have all the facts from both sides of the issue, the proposal be held in abeyance.

Respectfully submitted,
Jennings Randolph,
U.S. Senator.
Robert C. Byrd,
U.S. Senator.

The Secretary of the Interior,
Washington, June 26, 1968.

Hon. Jennings Randolph,
U.S. Senate,
Washington, D.C.

Dear Senator Randolph: Thank you very much for your letter commenting on the Department's proposed regulations with respect to the production of low sulphur residual fuel oil.

The deadline for commenting on these regulations has now been extended until July 15, 1968. I believe this should provide sufficient time for those who wish to comment on these regulations. There should be ample time to discuss these regulations with all interested parties before final judgments are made.

Sincerely,
(S) Stewart L. Udall,
Secretary of the Interior.

July 2, 1968.

Hon. Stewart L. Udall,
Secretary of the Interior,
Washington, D.C.

Dear Mr. Secretary: Thanks for your acknowledgment of the joint letter of May 29, 1968, signed by Senators from West Virginia. But why do you continue to avoid a public hearing or the minimum necessity of a question and answer conference with interested and affected leaders of the business community and members of Congress? The only date you have supplied is July 16 as a deadline for submitting views to Interior. Frankly, your crude oil import control relaxation proposals are too sweeping.

Truly,
Jennings Randolph,
U.S. Senator.

U.S. Department of the Interior,
Office of the Secretary,
Washington, D.C., July 12, 1968.

Hon. Jennings Randolph,
U.S. Senate,
Washington, D.C.

Dear Senator Randolph: This will respond to your telegram of July 5, 1968, concerning our proposed regulations on low-sulfur residual fuel oil.

The Secretary has determined that a further extension of the time for filing comments should be granted, and we have, therefore, fixed August 5, 1968, as the new deadline.

After all comments have been received and we have had adequate opportunity for digesting them, we shall be pleased to meet with you and discuss the subject, well in advance of issuing any regulations.

Sincerely yours,
J. Cordell Moore,
Assistant Secretary of the Interior.

Mr. RANDOLPH. Mr. President, I return to my original commendation of the Senator from West Virginia for having had printed in the Record his current correspondence with the Secretary of the Interior, Mr. Udall, and also the Secretary of State, Mr. Rusk. I think this is a matter which, as my colleague has indicated, is of interest and concern to the membership of the Senate generally. I hope those Senators who were not in the Chamber to hear the remarks of my colleague will read them, and also the correspondence which he has included as a part of his able presentation.

Mr. BYRD of West Virginia. Mr. President, I wish to thank my distinguished senior colleague for his comments. I also wish to call attention to the fact that he has been very active in regard to this important subject throughout his tenure in the Senate. I thank the Senator very much.

Mr. ALLOTT. Mr. President, I believe the junior Senator from West Virginia has performed a valuable service in bringing this question of the impact of these proposed changes in the mandatory oil import program before the Senate today.

Quite frankly, I am always troubled when the Department of the Interior moves in the way it does to arrogate to itself certain powers where it is clear that congressional authority otherwise intended. In this instance the proposal to encourage low-sulfur fuel oil production may have a very serious impact upon our domestic oil producers. Our domestic producers may well be confronted with a most serious problem with regard to their production position vis a vis imports of foreign crude oil. These proposed regulations, according to the Department's own figures, may well lead to a situation where in a few years there will be an import increase of up to 300,000 barrels per day. Obviously this new proposal with regard to the production of low-sulfur residual fuel oil for east coast use could well have a major impact upon the predictability of domestic production. It obviously raises some rather profound questions with regard to the adequacy of the present limitation on imports of up to 12.2 percent of domestic crude production. This is a serious question, and one which is not lightly swept aside by the Department's declaration that—

> Air pollution is one of this nation's most dangerous environmental hazards and the Federal Government is totally committed to control this hazard with all of its available resources including the oil import program.

In addition, Mr. President, I think the distinguished Senator from West Virginia has raised an interesting question with regard to the impact these proposed changes in the mandatory oil import program may have upon our position under the General Agreement on Tariffs and Trade. Since the Secretary of the Interior did not invoke those provisions of the GATT agreement in his announcement of May 24, 1968, to permit discriminatory measures to be applied against other signatories for reasons of "national security," I believe the Senator's comments are well taken when he says that these new changes may well be illegal if they are sought to be applied.

We certainly need to give Secretary Rusk time to comment on the questions raised by the Senator which he has just read to us. To permit these regulations to go into effect without a full explanation of their possible impact upon our GATT obligations may well be inviting chaos at a time when we are all trying to bring a little order to our foreign market opportunities and obligations.

Finally, Mr. President, as with so many of these proposed changes, we do need an opportunity for a full hearing on this question before we rush into the implementation of these proposed changes in our mandatory oil import program. Too often this Department has reminded me of the fellow out West who, when confronted with a crisis, ran outside, jumped on his horse, and rode off in all directions.

These questions with regard to pollution are not the sole bailiwick of the Department of the Interior. These are questions which concern every thoughtful American citizen today. Whenever new suggestions or solutions for pollution abatement control are developed, however, they must be subjected to adequate hearings in order to protect the public interest. This is not a question of delaying the implementation of a pollution prevention program; it is merely a commonsense effort to determine whether, under all the circumstances, this is a wise move at this time.

Again, I compliment the junior Senator from West Virginia on his thoughtful and timely discussion of this most serious problem as it pertains to the orderly functioning of our mandatory oil import program.

FORTAS HEARING UNDERSCORES SENATE'S ROLE

Mr. STENNIS. Mr. President, under date of July 21, 1968, the Sunday Star published an editorial entitled "Fortas Hearing Underscores Senate's Role." I believe this editorial is exceedingly well considered, and that it is sweeping in its analysis of various points, particularly the role of the Senate with reference to the confirmation of officials, and especially those of the court. Furthermore, the editorial is very penetrating in its analysis and wise in its comment on the role of the Supreme Court itself. I do not subscribe to all of the points made in the editorial, but I strongly subscribe to some of them.

Mr. President, in order that the editorial may be read by the American people who may be interested in this matter, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FORTAS HEARING UNDERSCORES SENATE'S ROLE

The Constitution confers upon the Senate the duty to confirm any presidential nomination of a federal judge. This is not a duty which should be discharged in pro forma fashion, especially in the case of a nomination to the Supreme Court. In recent years, however, the Senate has not been diligent in the exercise of this responsibility. As a consequence, there is a certain hollowness to senatorial complaints about the direction in which the Supreme Court and some of the federal circuit courts have been moving. It is too late to complain after a judicial nomination has been rubber-stamped.

Whatever else one may think of the proceedings, there was nothing perfunctory about the Senate Judiciary Committee's hearings this past week on the nominations of Justice Abe Fortas and Judge Homer Thornberry. Most of the questioning, especially of Fortas, was designed to probe his judicial outlook, to examine his philosophy and to evaluate how he could be expected to perform if he should be confirmed as Chief Justice. If the effort was not notably successful, at least the effort was made.

If history teaches anything, it is that the decision to confirm or to refuse confirmation should be based on all the available facts. It should not be an impulsive action stemming from prejudice or misconceptions. Two examples come to mind.

The circumstances surrounding the appointment of John Marshall as Chief Justice would be considered nothing less than scandalous today. In the fall of 1800 the Federalists under President Adams were badly beaten by Thomas Jefferson and his Republicans. But before the Republicans could take office on March 4, 1801, Adams, with the energetic assistance of Marshall, busied himself with the task of planting Federalists—the "midnight judges"—in the judiciary, where they were secure against anything except death or impeachment. Although Marshall had been sworn in as Chief Justice in February, 1801, he continued to serve as Secretary of State in the Adams cabinet. And it was while acting in this dual capacity that he neglected to deliver some of the judicial commissions signed by Adams, one of them being the appointment of a man named Marbury as justice of the peace in the District of Columbia. James Madison, the new Secretary of State, discovered these commissions when he moved into his office and, acting on instructions from President Jefferson, he refused to deliver them. This led to the celebrated case of Marbury vs. Madison. When the matter reached the Supreme Court, Marshall, despite his very questionable participation in the episode of the "midnight judges," did not disqualify himself, as he should have done. Instead he participated in the hearing and wrote the court's opinion—an opinion which he planted the seed of the doctrine that the court has the power to hold an act of Congress unconstitutional.

Any such judicial performance today would shock one's conscience. But most Americans think of Marshall as one of our great Chief Justices, if not the greatest.

The other example concerns the late Chief Judge John J. Parker of the Fourth Circuit Court of Appeals. His nomination to the Supreme Court in 1930 is the only one rejected by the Senate in this century.

Judge Parker, actually a distinguished and liberal-minded judge, was the victim of a senatorial lynching bee. The Senate Judiciary Committee refused to hear him. The "liberal," charging that the judge was antilabor, led the fight against confirmation. One of those who opposed him was the then Senator from Alabama, Hugo Black. In the end, Judge Parker failed of confirmation by one vote. He continued on the Fourth Circuit until his death, winning international acclaim for his superior judicial performance. Surely, many of the senators who vetoed his nomination must have lived to regret the injustice of their action.

To return to Justice Fortas. His testimony last week was not wholly satisfactory. As a member of the court, he could hardly have been expected to defend or explain Supreme Court decisions in which he participated. Those opinions should speak for themselves. Certainly he was right in refusing to answer Senator Thurmond's harassing questions about the Mallory decision, which freed a convicted rapist. We have always thought that Mallory was one of the worst decisions in recent years, and this despite the fact that it was handed down by a unanimous court. But Fortas was not a member of that court and had nothing to do with the case.

His activity since joining the court as a "summarizer" for the President in resolving major questions relating to such things as the war in Vietnam and the riot in Detroit is questionable. Even more questionable is his phone call to a "personal friend" protesting what Fortas thought to be an excessive prediction as to the cost of the Vietnam war. Fortas testified that he made this call, not as a member of the court, but as a "citizen." But he refused to say whether President Johnson had asked him to make the call. We do not understand why. It is one thing to refuse to be drawn into a defense of the court, something else to refuse to answer a question as to something he did as a "citizen." Our conclusion is that the President did ask him to make the call, and we do not think this was an appropriate thing for a Supreme Court justice to do.

Taken in its entirety, however, we see nothing in the Fortas testimony which is of sufficient gravity to justify a refusal to confirm him as Chief Justice. It is worth pointing out again that a Chief Justice, after all, has only one vote in arriving at a court decision. In the vital area of decision-making, we fail to see any important difference between the influence of Fortas as a member of the court and as Chief Justice. This gains force from the fact of Chief Justice Warren's announcement that he will return to the court in October if Fortas is not confirmed.

If the Fortas nomination should be confirmed at this session, the President's selection of Judge Thornberry to fill the vacancy on the court assumes crucial importance. For he, if confirmed, would cast the vote that could accelerate or moderate the "activist" trend of the court.

The information which we were able to obtain when his nomination was announced last month was favorable to Thornberry. Since then some doubts have arisen.

This is especially true of a statement submitted to the Judiciary Committee by Senator Griffin of Michigan, who is leading the Republican opposition to Fortas. Among other things, Griffin cited an excerpt from an opinion which Thornberry signed last April as a member of a three-judge court in the Fifth Circuit. On its face, that ruling, to say the least, is astonishing. And the Senate committee should be very much interested in any explanation which Thornberry may see fit to offer.

Some time ago the late Justice Robert H. Jackson wrote of the 1933 Supreme Court: "The court had not only established its ascendancy over the entire government as a source of constitutional doctrine, but it had also taken control of a large and rapidly expanding sphere of policy. It sat almost as a continuous constitutional convention which . . . could amend the basic law."

If that was true of the 1933 court it is far more true of the 1968 court. And this is ample reason why the Senate, if it is unhappy with the performance of the "Warren Court," should examine with great care, but not with prejudice, the judicial nominations which come to it from the White House.

DR. ROBERT Q. MARSTON SELECTED AS DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH

Mr. STENNIS. Mr. President, I am highly pleased by President Johnson's recent announcement that Dr. Robert Q. Marston has been selected to succeed Dr. Shannon as Director of the National Institutes of Health. Dr. Marston will bring to the post a rare combination of outstanding academic qualifications, wide professional experience, and remarkable administrative ability.

Dr. Marston was born in Virginia and received his education there and in England as a Rhodes Scholar. He served his internship at Johns Hopkins University, and his residency at Vanderbilt University and the Medical College of Virginia before entering the U.S. Army. Following his military service he began a brilliant teaching career which brought him eventually to the University of Mississippi.

From 1961 to 1966, Dr. Marston served as dean of the school of medicine. From 1961 to 1965 he was also director of the University of Mississippi Medical Center. In 1965 he became vice-chancellor of the university, a position he held until he joined the National Institutes of Health in 1966 as Associate Director for Regional Medical Programs.

Dr. Marston's tenure at the University of Mississippi marked one of the most active and productive periods in the history of the medical school. Under Dr. Marston's able and inspiring leadership, the University School of Medicine and the Medical Center rose to new heights of prominence in medical research and training. Dr. Marston has won the admiration and appreciation of every Mississippian for his dedicated service to the State, and they rejoice in the honor of his new appointment.

I want to add my own personal congratulations and best wishes to Dr. Marston and pledge him my support as he takes up his duties as Director of the National Institutes of Health. I am confident he will make a splendid Director and that his outstanding talents as scholar, doctor, and administrator will fully match the demands of his new office.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that all committees except the Committee on Labor and Public Welfare may be permitted to meet during the session of the Senate today.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

CRISIS IN THE SKIES

Mr. PROXMIRE. Mr. President, this morning's Washington Post included a lead editorial that deserves close reading for several very good reasons.

First, the point is made that more personnel and improved technology and equipment are needed to avert the ultimate crisis in the skies. The fact that Air Force 2 was lost to ground controllers during a recent flight in the eastern air-corridor gives us all some food for thought.

Second, the statement is made:

> Aviation has grown into too large and too prosperous an industry for the Nation's taxpayers, as a whole, to pick up the bill for these improvements. The Administration's proposal for increased users' taxes now before the Congres ought to be expanded and passed. It provides for a 5 per cent additional tax on airline tickets, increased taxes on aviation gasoline, and clears the way for higher landing fees. It ought to be expanded to include a tax on fuel for commercial jet planes.

Mr. President, for a long time, now, I have held that those using the Nation's airlines should be the ones to pay for that service. The industry is no longer a fledgling that needs to be subsidized the way it has been in the past. I look for the day when the FAA will no longer come before the Congress and ask for hundreds of millions of the average taxpayers' money to subsidize the travel of a comparative few of superior economic means.

I ask unanimous consent that the editorial be printed in the RECORD.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. Mr. President, anyone who has flown out of National Airport recently does not need to be told that there is a serious problem of overcrowding in our Nation's busiest airports.

Those lucky enough to be able to take off or land at Kennedy and La Guardia airports in recent days can give even more dramatic examples of serious congestion and frequent long delays.

This morning's Washington Post contains an excellent editorial pointing out the seriousness of this situation and suggesting some ways for alleviating the increasingly difficult burdens of our air traffic controllers.

I join the Senator from Wisconsin [Mr. PROXMIRE] in asking unanimous consent that the fine editorial to which he has referred be printed in the RECORD.

EXHIBIT No. 1

[From the Washington Post, July 24, 1968]

CRISIS IN THE SKIES

Last week's breakdown of the Nation's air transportation system came swiftly and overwhelmingly, in the manner of the high-school chemistry experiment when the last sugar crystal is dropped into a supersaturated sugar solution and the solution becomes instantly crystallized. It was like that with air traffic in large parts of the country. Suddenly it solidified and almost stopped. There were simply more people wanting to fly in more airplanes than the system could accommodate in its present thickened state.

Since the first of July, the skies over the Eastern United States have been especially jammed. In the second week of the month, seven airports in the so-called "Golden Triangle" of Washington, New York and Chicago handled 150,000 takeoffs and landings and about 5 million passengers. Delays of 30 minutes to four hours suddenly became commonplace. And the ultimate happened Friday when the key link between Washington and New York City—Eastern's Air Shuttle—went out of business during its peak hours primarily because there was no room for its planes to land at LaGuardia Airport.

This is a crisis because there is no simple solution. The conditions that brought it about can be alleviated but they will not go away. Perhaps the foremost factor behind the situation is neglect. During the recent years of fantastically rapid growth in air travel and in the number of airplanes, little was done to provide new space for them to land on or sophisticated facilities to control their paths in the air. This summer, the seasonal surge in travel, the unpredictability of the weather, and some unanticipated mechanical failures on the ground, all added to stress on the system.

And then came the critical final ingredient, the last sugar crystal, as it were. It came in the form of a slowdown by many of the hard-pressed air traffic controllers of the Federal Aviation Administration who have been working indecently long hours under terrible pressure, and cutting corners for years to keep the system operating. Led by the controllers in New York and Chicago, they decided to work like human beings instead of galley slaves and to enforce the rules strictly, as regulations in so life-and-death a matter ought to be enforced. The result was that air traffic, already sludgy over much of the Nation, began to crystallize.

The bill before Congress now to meet this crisis by giving the FAA funds to hire an additional 1900 controllers does not provide the answer. Under normal circumstances, a controller does not begin to carry his full weight until he has two years of training. By that time, the predicted increase in air traffic will bring the system back to where it was in late June even with those new controllers.

On a long-term basis, the crisis can be met only by a sudden spurt in the construction of airports and a vastly expanded and modernized system of air traffic control. The FAA thinks within the next 10 years the country needs 900 new airports and the expansion of more than 60 per cent of the 3200 publicly owned ones now in existence. To do these two things, large sums of money must be raised—$6 billion by FAA's estimate. Aviation has grown into too large and too prosperous an industry for the Nation's taxpayers, as a whole, to pick up the bill for these improvements. The Administration's proposal for increased users' taxes now before Congress ought to be expanded and passed. It provides for a 5 per cent additional tax on airline tickets, increased taxes on aviation gasoline, and clears the way for higher landing fees. It ought to be expanded to include a tax on fuel for commercial jet planes.

Though interim solutions can ease matters while long-range projects are begun, none of them is agreeable. Still, the FAA ought to start pushing both commercial and general (private and business) aviation for major changes. It may well be necessary to bar general aviation from using certain airports during peak hours. It is certainly necessary to force airlines to stop such nonsensical practices as scheduling 20 to 30 flights out of O'Hare Airport in Chicago at precisely the same second. In cities where there are alternative airports, like New York, Washington and Chicago, this may be the time to redistribute the traffic load by forcing the airlines to shift some of their operations into the lesser used fields.

Despite the great resistance it is certain to meet from the aviation industry, the FAA ought not to be hesitant in taking any or all of these steps. The people who own and fly the planes have not been able to agree on any system that will reduce the crowded conditions of the skies. The FAA, which is responsible for the safety of all those who fly, and its parent, the Department of Transportation, have an obligation to point the way out of the current crisis. When they do, they should win enough support from the public to withstand whatever the pressure, political as well as industrial, that may be brought against its proposals.

GARRISON DIVERSION IRRIGATION AND WATER DEVELOPMENT PROJECT

Mr. BURDICK. Mr. President, the groundbreaking for the Garrison diversion irrigation and water development project was one of the most important days in the history of North Dakota. Since Lewis and Clark journeyed through this territory, men have dreamed of diverting the waters from the Missouri River for use in the cities, in the towns, on the farms, and for the industries of our State. This dream is now nearing reality and the groundbreaking was one of the important milestones. I am pleased to commend to the attention of Senators the remarks which Vice President Humphrey had prepared for delivery on this day and which were read by Secretary Udall in his absence. I ask unanimous consent that they be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Vice President Hubert H. Humphrey at the Garrison Diversion Project, Minot, N. Dak., July 14, 1968, as Delivered by Secretary of the Interior Stewart Udall in the Vice President's Absence

Governor Guy, there is a great deal to celebrate here today:

The fact that the very old dream of harnessing the waters of the Missouri with the dry lands of North Dakota is coming another step closer to realization;

The fact that North Dakota is about to receive a well-deserved reward for its contribution to the Garrison and Oahe Reservoirs that make the Missouri Basin Development possible;

The beginnings of what will surely be a new era of opportunity for the people of North Dakota.

And it is a great day for me personally.

I grew up among the farm families of South Dakota. I was there to see the Depression and dust storms of the 30's wipe many of them out. I know what a steady water supply means not only to farmers, but to the communities that depend on them.

Harnessing the precious waters of the Missouri has been one of my personal causes ever since I went to the Senate in 1949. There could be no greater reward for me than what we do here today.

America has met the challenge of creating material plenty.

Our country is rich and getting richer. Our farms produce a greater abundance than any other farms in the world. That abundance will surely increase.

For the first time in the history of mankind there is a nation where material scarcity is not the limiting factor in national purpose and human achievement.

As we approach the 200th anniversary of our Independence, it is clear that America faces a new challenge—the challenge of using its material plenty to provide a full and free life for *all* its citizens.

That means building cities that are safe and clean.

It means eliminating the slums and joblessness, poor education and hopelessness that are part of our urban environment today.

To me—and I feel this very deeply—it means an urgent national effort to revitalize rural America and develop its full potential not only for those who live there, but for those who want an occasional chance to get away from the cities.

Right now, for every 175 rural youngsters who reach working age, there are less than a hundred jobs.

In 1960, 22 percent of all rural five year olds were in kindergarten. In the cities, the figure was 46 percent.

The average rural teenager completes about 9 years of school. The figure is over 12 in the cities.

A third of our rural housing is substandard.

What this means, particularly for our young people, is that the basic American right to freedom of choice—choice of where to live . . . choice of employment—is restricted.

Between 1950 and 1960, 11 million Americans migrated to the cities, and that trend continues. About 200,000 young Americans living in rural America today will have been drawn or forced into the city within a year.

Many want to go, it is true. But we cannot overlook a recent Gallup poll which showed a marked *increase* over just the last two years in the number of urbanites and suburbanites who would prefer to live in small towns or on farms.

What is happening in America's cities today is to a very large extent the result of what has *not* happened in many of our rural areas.

In-migration of people, many of whom are poorly trained and poorly prepared for urban life . . . intense crowding in both slums and suburbs . . . overcrowded, rundown schools . . . congested public facilities of every kind—indeed what we call the urban crisis has its roots to a very large extent in rural America.

So when America sets out to provide full and equal opportunity for every citizen—and that is a task I mean to see completed as nearly as possible by 1976—we have to mean *every* citizen young and old, black and white, rural and urban.

I am not talking about re-creating the mythical "good old days down on the farm." I mean extending the best in modern living and opportunity to all our rural areas and similar towns—places like the one where I grew up.

In the 30's modernization meant rural electrification and movie theaters in every town.

In the 1940's it meant well paved roads.

Now it means airports capable of handling short-hop jets; community colleges, modern hospitals and good doctors, the very best in elementary and secondary education. It means golf courses and ball parks. It means drama groups and art classes in addition to church socials.

It means economic viability—new investment, new job opportunties, a growing tax base, fully developed tourist facilities.

And it means full equity in the market place for American farmers and ranchers.

We have some public programs that provide an essential margin of income protection for agriculture—a price and income base to build on.

But farmers need better ways to increase bargaining power . . . to obtain long-term credit at reasonable interest rates . . . to expand market demand at home and abroad . . . to control rising land prices, taxes, and other production costs. This is some of the most urgent economic business before America today and I shall soon deliver a major address on it.

The Garrison Diversion is going to bring North Dakota a giant step closer to that kind of development.

It will mean a steady source of irrigation water which will allow North Dakota farmers to diversify their operations and take full advantage of your rich agricultural land.

It will mean water to support new industries and new towns.

It will mean communities that are vital, exciting, hopeful places to live.

And I believe it can and must mean that North Dakota becomes not just a prosperous part of America but part of a major recreation center for all America.

There is a chance now for a great recreation complex on the upper Missouri to include both Dakotas and Montana:

A Great Prairie Lakes National Recreation Area consisting of one million 300 thousand acres of lakes and lands, almost all of which is already federally owned;

A 110 miles scenic river area in Montana;

A 13,000 acre Lewis and Clark Prairie Reserve in South Dakota; and

A highway along the Missouri which would make the Dakotas a major access center to the Missouri reservoirs.

It would give the public access to about a billion dollars worth of land and water resources which they already own. It would bring 10 million visitors into the area by 1976, and tourist dollars potentially in the billions.

I strongly support this proposal.

The Upper Missouri has long provided power.

It has provided irrigation and will soon provide much more.

Today, it is America's greatest remaining recreational opportunity—pure water and more shoreline than the Great Lakes or the entire seacoast of the United States.

Let's put these resources to full use for the people of the Dakotas, Montana, and the people of America.

The purpose of America is not just efficiency and bigness. America's purpose is people—security for people . . . plenty for people . . . hope for people . . . freedom for people.

It is clean air and clean water.

It is the chance to see nature's uncluttered horizon, and to be away from the noise of machinery and motors.

It is schools that give our children a decent start in life—schools which, I believe, must now be made available to every child from the fourth year of life.

It is property—the pride of ownership.

It is the chance for old people to live out their lives in dignity and security.

Rural America has much of that already.

I believe it can have the rest.

And all America will be the better for it.

SUMMARY OF PROVISIONS OF EDUCATION MEASURES

Mr. MORSE. Mr. President, I ask unanimous consent that two short summary statements and tables appended thereto covering the principal provisions of S. 3769 and H.R. 18366, which passed the Senate last week, be printed at this point in my remarks. I feel sure that they can be helpful to Senators in answering inquiries.

There being no objection, the state-

ments and tables were ordered to be printed in the RECORD, as follows:

S. 3769, AS PASSED BY SENATE, JULY 15, 1968

TITLE I—EXTENSION OF EDUCATION PROGRAMS

Part A—Higher Education Act of 1965

Title I—Community service and continuing education programs: extended through fiscal year 1972, with authorizations of $50 million for fiscal years 1969 and 1970 and $60 million for fiscal years 1971 and 1972.

Title II-A—College library resources: extended through fiscal year 1972, with authorizations of $50 million for fiscal year 1969, $75 million for fiscal year 1970, and $90 million for fiscal years 1971 and 1972.

Title II-B—Library training and research: extended through fiscal year 1972, with authorizations of $15 million for fiscal year 1969, $28 million for fiscal year 1970, and $38 million for fiscal years 1971 and 1972.

Title II-C—Strengthening college and research library resources: extended through fiscal year 1972, with authorizations of $10 million for fiscal year 1969 and $11.1 million for fiscal years 1970, 1971, and 1972.

Title III—Strengthening developing institutions: extended through fiscal year 1972, with authorizations of $55 million for fiscal year 1969, $70 million for fiscal year 1970, $91 million for fiscal year 1971, and $96.5 million for fiscal year 1972.

Title IV-A—Educational opportunity grants: extended through fiscal year 1972, with authorizations for initial grants of $70 million for fiscal year 1969, $100 million for fiscal year 1970, and $140 million for fiscal years 1971 and 1972.

Title IV-A—Talent Search: extended through fiscal year 1972, with authorizations of $8.5 million for fiscal year 1969, $14 million for fiscal year 1970, and $16 for fiscal years 1971 and 1972.

Title IV-B—Insured loans to students: extended through fiscal year 1972.

College work-study program: extended through fiscal year 1972, with authorizations of $200 million for fiscal year 1969, $255 million for fiscal year 1970, and $285 million for fiscal years 1971 and 1972.

Title V—Education professions development: extended through fiscal year 1972, with authorizations of $492 million for each fiscal year after fiscal year 1970.

Title VI—Equipment for higher education: extended through fiscal year 1972, with authorizations of $10 million for each fiscal year for television equipment, $60 million for each fiscal year for other equipment, and $5 million for each fiscal year for faculty development.

Part B—Higher Education Facilities Act of 1963

Title I—Grants for undergraduate facilities: extended through fiscal year 1972, with authorizations of $936 million for each fiscal year.

Title II—Grants for graduate facilities: extended through fiscal year 1972, with authorizations of $120 million for each fiscal year.

Title III—Loans for construction of facilities: extended through fiscal year 1972, with authorizations of $400 million for each fiscal year.

Part C—National Defense Education Act of 1958

Title II—National defense student loan program: extended through fiscal year 1972, with authorizations of $250 million for fiscal year 1969, $275 million for fiscal year 1970, and $300 million for fiscal years 1970 and 1971.

Title III—Strengthening instruction in elementary and secondary education: extended through fiscal year 1972, with authorizations of $110 million for fiscal year 1969, $120 million for fiscal year 1970, and $130 million for fiscal year 1971; authorizations of $10 million for each fiscal year for State administration.

Title IV—National defense fellowship program: extended through fiscal year 1972, with authorization for 7,500 fellowships for each fiscal year.

Title V—Guidance, counseling, and testing: extended through fiscal year 1972, with authorizations of $30 million for fiscal year 1969, $40 million for fiscal year 1970, and $54 million for fiscal years 1971 and 1972 for State grants; authorizations of $7.25 million for each fiscal year for institute programs.

Title VI—Language development: extended through fiscal year 1972, with authorizations of $19 million for fiscal year 1969, $30 million for fiscal year 1970, and $38.5 million for fiscal years 1971 and 1972.

Title VII—Educational media: extended part B—Dissemination of information on new educational media—through fiscal year 1972, with authorizations of $5 million for each fiscal year.

Title X—Statistical services: extended section 1009 through fiscal year 1972, with authorizations of $2.8 million for each fiscal year.

Title XI—Institutes: extended through fiscal year 1972, with authorizations of $57 million for each fiscal year.

Part D—International Education Act of 1966

Extended through fiscal year 1972, with authorizations of $90 million for each fiscal year.

Part E—National Vocational Student Loan Insurance Act of 1965

Extended through fiscal year 1972.

Part F—National Foundation on the Arts and Humanities Act of 1965

Section 12—Financial assistance for strengthening instruction in the humanities and arts: extended through fiscal year 1972, with authorizations of $500,000 for each fiscal year.

TITLE II—STUDENT ASSISTANCE PROGRAMS

Part A—Amendments to part A of title IV of the Higher Education Act of 1965

Upon request of a State Governor, up to 15% of a State's Educational Opportunity Grant funds may be used in State scholarship programs, to be matched equally by State funds.

Grants and contracts authorized in Talent Search, which is broadened to include youths of financial or cultural need and exceptional potential; demonstration projects in student recruitment of other students added.

Grants or contracts with institutions of higher education for programs of special services for disadvantaged students authorized; Upward Bound transferred from the Office of Economic Opportunity effective fiscal year 1971; $15 million authorized for fiscal year 1970 and $80 million for fiscal years 1971 and 1972.

Part B—Amendments to student loan insurance program

Deferment of repayment of a State or privately insured loan during attendance at an eligible institution or during military, Peace Corps, or VISTA service authorized; interest during such period to be paid by the Federal government.

Coordination of maximum amounts of loans insured, issuance of installment obligations, and minimum amounts of repayment installments between non-Federal and Federal programs achieved.

Federal guaranty of 80% of sums in default under State or private loan programs authorized; $12.5 million authorized for advances to the reserve funds of State and nonprofit private student loan insurance programs, to be matched equally with non-Federal funds.

Interest rate maximum increased to 7%; interest subsidy paid by the Federal government increased to 4%; when State laws do not allow an interest rate of 7%, Commissioner may authorize an administrative cost allowance of up to 1% per year.

Payment of interest by the Federal government may be deferred until a single payment at the time of the last installment.

The Federal insurance premium is increased from ¼ of 1% to ½ of 1%.

Federal savings and loan associations authorized to invest in loans for vocational education.

Pension funds included as eligible lenders.

Part C—Loan forgiveness and payments on insured loans

NDEA loans cancelled at the rate of 25% per year for military service and at the rate of 20% per year for service as a teacher in a school serving a high percentage of children from low income families; Public Health Service Act loans cancelled at the rate of 25% per year for military service; amendments effective with respect to service performed after date of enactment, regardless of the date of the loan.

Insured loans paid off by Federal government at the rate of 25% per year for military service and at the rate of 20% per year for service as a teacher in a school serving a high percentage of children from low income families; Federal government pays amount owed in case of death or permanent and total disability of borrower.

Part D—Work-study program

Proprietary schools made elegible participants.

Matching continued on a 90–10 basis.

Part E—Cooperative education

Authorizes grants to institutions of higher education for planning, establishing, expanding, or carrying out programs of cooperative education—alternate periods of academic study and full-time public or private employment, designed to give the student work experience related to his academic or occupational objective, if practicable.

Authorizes appropriations of $8 million for fiscal year 1970 and $10 million each for fiscal years 1971 and 1972 for grants; authorizes appropriations of $500,000 for fiscal year 1969 and $750,000 for each of the next 3 fiscal years for training and research.

Part F—General provisions concerning student assistance

Provides for appointment of a Presidential commission in 1969 to submit a plan for providing universal educational opportunity at the postsecondary level.

Exempts benefits under this Act from nonduplication provisions of cold war GI bill.

Provides that nothing in the bill shall be construed to prohibit an institution of higher education from refusing to award, continue, or extend any financial assistance because of student misconduct.

Awards under this Act are not to be treated as income or resources under certain titles of the Social Security Act.

Authorizes $150,000 for a one-year study of new methods of testing secondary school students for capabilities for post-secondary education.

Adjusts cost of education allowance under NDEA and Higher Education Act fellowship programs to make it comparable with those of other federally supported programs.

Proprietary schools made eligible participants in NDEA loan program.

TITLE III—AMENDMENTS TO OTHER TITLES OF THE HIGHER EDUCATION ACT OF 1965

Part A—Community service and continuing education programs

75% Federal share continued through fiscal year 1970; 65% Federal share in fiscal year 1971 and 60% in fiscal year 1972.

Part B—College library assistance, research, and training

New colleges made eligible for library assistance in the fiscal year preceding the first year in which students are to be enrolled.

Eligibility of branch institutions to receive supplemental grants clarified.

Maintenance-of-effort requirement for special purpose grants revised to make it consistent with requirement for basic and supplemental grants.

Planning and development grants for library schools authorized.

Clarifies that short-term or regular-session institutes are among the courses of training for which grants may be made.

Clarifies authority of Librarian of Congress to purchase copies; increases authority to prepare catalog and bibliographic materials; authorizes Librarian to act as acquisitions agent for other libraries in the case of foreign materials not readily obtainable.

Part C—Strengthening developing institutions

Share for junior colleges increased from 22% to 24%.

Commissioner authorized to make grants to retired professors to encourage them to teach and conduct research at developing institutions.

Part D—Education professions development

Makes teaching in poverty areas of particular importance in statement of purpose.

Teaching assistants authorized to be added to Teacher Corps teams and to be given opportunity for school-related community work; Federal share of salary of teaching assistants and teacher interns not to exceed 90% of lowest rate paid by school or $75 per week + $15 per dependent, whichever is less.

Teacher Corps members otherwise lacking medical insurance coverage insured by Commissioner.

Requires that fellowships under title V–C be allocated equitably, taking into account State population 3–17, student enrollment in institutions of higher education, and number of low-income families in the State; distribution rule shall not apply when National Advisory Council on Education Professions Development determines an urgent need for a certain category of educational personnel, but exemption may not affect more than 50% of the fellowships.

Postsecondary vocational education added to eligible programs for teacher fellowships.

Clarifies that programs to prepare teachers of the disadvantaged should include training in elementary and secondary schools in areas having a high concentration of poverty.

Provides for equitable distribution of funds under title V–D, based on such factors as relative numbers of children 3–17 and numbers of low-income families in the State; requires that funds appropriated under title V–D, up to the amount appropriated for titles V–B and XI of NDEA for fiscal year 1968, be expended for teacher training in the categories specified by such titles.

Sets a minimum of $100,000 per State for title V–B, subpart 2.

Part E—Instructional equipment (title VI of the Higher Education Act)

Requires the Commissioner to consult with the National Science Foundation and other agencies to develop general policies on equipment acquisition.

Part F—General provisions amendments (title VIII)

Makes conforming definitions of "institution of higher education".

Defines "combination of institutions of higher education".

Establishes Advisory Council on Graduate Education; abolishes Higher Education Facilities Act Advisory Committee.

TITLE IV—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT

Broadens eligibility for grants under title I to allow expansion of an institution's student enrollment capacity if the Commissioner finds that such capacity would decrease if a facility were not constructed.

Authorizes contracts with institutions of higher education to provide grants equal to the difference between the interest rate charged under title III of HEFA and that at which the institution borrowed from other sources; limitation of 12½% of the funds to any one State; authorizes $6.75 million for fiscal year 1970, $13.5 million for fiscal year 1971, and such sums as necessary for the succeeding fiscal years to make payments pursuant to contracts entered into prior to fiscal year 1972.

TITLE V—AMENDMENTS TO THE NATIONAL DEFENSE EDUCATION ACT OF 1958

Provides for equitable geographic distribution of NDEA fellowships, based on such factors as college enrollments, population, and the number of faculty members who have not attained the PhD as compared with the number who have.

Allows the use of short-term training sessions on guidance and counseling under title V.

Includes the Trust Territory of the Pacific Islands in programs under titles III and V, and increases the set-aside from 2% to 3%.

TITLE VI—NEW EDUCATIONAL PROGRAMS

Authorizes a new title VIII to the Higher Education Act of 1965—*Networks for Knowledge*—to encourage colleges and universities to share their technical and other educational and administrative facilities and resources through cooperative arrangements; grants could be made directly to colleges or groups of colleges or, when deemed more effective, to other established public or nonprofit agencies or organizations; authorizes $4 million for fiscal year 1970 and $15 million for each of the next two fiscal years.

Authorizes a new title IX to the Higher Education Act of 1965—*Education for the Public Service*—establishing a program of grants and fellowships to improve the education of students attending institutions of higher education in preparation for entrance into the service of State or local governments, and the attraction of such students to the public service; authorizes $5 million for fiscal year 1970 (to be available for obligation for two years) and $13 million for each of the next two fiscal years.

Authorizes a new title X to the Higher Education Act of 1965—*Improvement of Graduate Programs*—for a program of grants to strengthen PhD or comparable degree programs (other than M.D. programs), not to exceed 90% of cost; authorizes appropriations of $5 million for fiscal year 1970 and $10 million for each of the two succeeding fiscal years.

Authorizes a new title XI to the Higher Education Act of 1965—*Law School Clinical Experience Programs*—for contracts with accredited law schools to pay up to 90% of the cost of establishing or expanding programs to provide clinical experience to students in the practice of law, with preference being given to programs providing such experience in the preparation and trial of cases; authorizes appropriations of $7.5 million for fiscal year 1970 and each of the three succeeding fiscal years.

TITLE VII—MISCELLANEOUS PROVISIONS

Provides that the College of Guam be deemed a land-grant college within the meaning of the first Morrill Act; amends the Bankhead-Jones Act to provide a permanent authorization of $152,250 for the College of Guam; authorizes appropriation to the territory of Guam $90,995 in lieu of a land grant; these amendments are effective in fiscal year 1970.

Provides that programs authorized by sections 303(a)(5) and 1009 of NDEA shall not be consolidated with the one authorized by title V of ESEA; sums appropriated for title V, up to the maximum authorized by those sections, shall be deemed to have been appropriated pursuant to the sections; this section is effective in fiscal year 1969 and shall remain effective until expressly and spefically amended by law.

Authorizes $1.7 million to carry out necessary planning and other activities relating to programs scheduled to begin operation in fiscal year 1970.

Requires that, to receive assistance, a local educational agency certify that it is taking all appropriate steps to enforce its State compulsory attendance law; orders the Secretary of Health, Education, and Welfare to study State laws relating to compulsory attendance and report to the President and Congress by July 1, 1969, his recommendations concerning possible Federal action to promote minimum education requirements throughout the country.

PROJECTED OBLIGATIONS, S. 3769, HIGHER EDUCATION AMENDMENTS OF 1968, AS PASSED BY SENATE

[In thousands of dollars]

	1968		1969		1970 authorization	1971 authorization	1972 authorization
	Authorization	Appropriation	Authorization	House appropriation			
TITLE I—EXTENSION OF EDUCATION PROGRAMS							
Pt. A—Higher Education Act of 1965:							
Title I—Community service and continuing education programs	50,000	10,000	50,000	(1)	50,000	60,000.00	60,000.00
Title II–A—College library resources	50,000	24,522	50,000	(1)	75,000	90,000.00	90,000.00
Title II–B—Library training and research	15,000	11,800	15,000	(1)	28,000	38,000.00	38,000.00
Title II–C—Strengthening college and research library resources	7,770	5,478	10,000	(1)	11,100	11,100.00	11,100.00
Title III—Strengthening developing institutions	55,000	30,000	55,000	(1)	70,000	91,000.00	96,500.00
Title IV–A—Educational opportunity grants:							
Educational opportunity grants	[2] 70,000	140,600	[2] 70,000	(1)	[2] 100,000	[2] 140,000.00	[2] 140,000.00
Talent search	Indefinite	4,000	8,500	(1)	14,000	16,000.00	16,000.00
Title IV–B—Insured loans to students: Interest	Indefinite	40,000	Indefinite	(1)	Indefinite	Indefinite	Indefinite
Title IV–C—College work-study program	200,000	134,300	200,000	(1)	255,000	285,000.00	285,000.00
Title V—Education professions development	318,000	48,500	385,000	141,900	492,000	492,000.00	492,000.00
Title VI—Equipment for higher education:							
Pt. A—Television	10,000	1,500	10,000	(1)	10,000	10,000.00	10,000.00
Pt. A—Other	60,000	13,000	60,000	(1)	60,000	60,000.00	60,000.00
Pt. B—Faculty	5,000	2,500	5,000	(2)	5,000	5,000.00	5,000.00

See footnotes at end of table.

PROJECTED OBLIGATIONS, S. 3769, HIGHER EDUCATION AMENDMENTS OF 1968, AS PASSED BY SENATE—Continued

[In thousands of dollars]

	1968		1969		1970 authorization	1971 authorization	1972 authorization
	Authorization	Appropriation	Authorization	House appropriation			
TITLE I—EXTENSION OF EDUCATION PROGRAMS—Con.							
Pt. B—Higher Education Facilities Act of 1963:							
Title I—Grants for undergraduate facilities	728,000	407,000	943,000	(1)	943,000	943,000.00	943,000.00
Title II—Grants for graduate facilities	120,000	50,000	120,000	(1)	120,000	120,000.00	120,000.00
Title III—Loans for construction of facilities	400,000	[4] 100,925	400,000	(1)	400,000	400,000.00	400,000.00
Sec. 408—Major disaster assistance	Indefinite		Indefinite		Indefinite	Indefinite	Indefinite
Pt. C—National Defense Education Act of 1958:							
Title II—National defense student loan program	225,000	190,000	250,000	(1)	275,000	300,000.00	300,000.00
Title III—Strengthening instruction in elementary and secondary education	110,000	80,280	110,000	(1)	120,000	130,000.00	130,000.00
State administration	10,000	2,000	10,000	(1)	10,000	10,000.00	10,000.00
Title IV—National defense fellowship program	(5)	86,600	(5)	(1)	(5)	(5)	(5)
Title V—Guidance, counseling, and testing:							
State grants	30,000	24,500	30,000	(1)	40,000	54,000.00	54,000.00
Institutes	7,250	7,250	7,250	(3)	7,250	7,250.00	7,250.00
Title VI—Language development:							
Language and area centers	18,000	12,700	19,000	(1)	30,000	38,500.00	38,500.00
Research		3,000		3,000			
Title VII—Educational media	5,000	4,400	5,000	(7)	5,000	5,000.00	5,000.00
Title X—Statistical services	2,800	(8)	2,800	(8)	2,800	2,800.00	2,800.00
Title XI—Institutes	57,000	30,000	57,000	(6)	57,000	57,000.00	57,000.00
Pt. D—International Education Act of 1966	40,000	0	90,000	0	90,000	90,000.00	90,000.00
Pt. E—National Vocational Student Loan Insurance Act of 1965: Interest	Indefinite	3,600	Indefinite	(1)	Indefinite	Indefinite	Indefinite
Pt. F—National Foundation on the Arts and Humanities Act of 1965: Sec. 12—Equipment	500	500	500	(1)	500	500.00	500.00
TITLE II—STUDENT ASSISTANCE PROGRAMS							
Pt. A—Amendments to pt. A of title IV of the Higher Education Act of 1965:							
Special services for disadvantaged students					15,000	80,000.00	80,000.00
Transfer of Upward Bound				(1)			
Pt. B—Amendments to student loan insurance program:							
Reserve fund			12,500	(1)			
Increase of Federal insurance premium [9]			(1,570)		(1,884)	(2,198.00)	(2,512.00)
Pt. C—Loan forgiveness and payments on insured loans:							
Increase in loan forgiveness for teachers			732	(1)	764	793.00	852.00
Forgiveness for military service			3,290	(1)	3,442	3,553.00	3,816.00
Payment of insured loans for teachers and military personnel			54,506	(1)	135,021	159,868.00	184,311.00
Pt. E—Cooperative education:							
Planning and operation					8,000	10,000.00	10,000.00
Training and research			500		750	750.00	750.00
Pt. F—General provisions concerning student assistance:							
Testing of secondary students			150				
Cost of education allowance [10]			3,185	(1)	5,240	2,055.00	
TITLE IV—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT							
Grants to reduce borrowing costs					6,750	13,500.00	[11] Indefinite
TITLE VI—NEW EDUCATION PROGRAMS							
New titles of the Higher Education Act of 1965:							
Title VIII—Networks for knowledge					4,000	15,000.00	15,000.00
Title IX—Education for public service					5,000	13,000.00	13,000.00
Title X—Improvement of graduate programs					5,000	10,000.00	10,000.00
Title XI—Law school clinical experience programs					7,000	7,500.00	7,500.00
TITLE VII—MISCELLANEOUS PROVISIONS							
College of Guam:							
Bankhead-Jones Act (increases) [12]					152.25	152.25	152.25
First Morrill Act					[13] 890.995		
Planning authorization			1,700				
Total	2,594,320	1,468,955	3,038,043	144,900	3,465,756.245	3,770,123.25	3,784,519.25
Grand total (authorizations, fiscal years 1969–72), $14,058,441.745.							

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[1] House of Representatives has taken no action on appropriation request.

[2] Plus continuation costs.

[3] Subsumed under pt. E of EPDA.

[4] Includes $100,000,000 carryover from fiscal year 1967.

[5] 7,500 new fellowships per year.

[6] Subsumed under pt. D of EPDA.

[7] Continued under the Cooperative Research Act as amended.

[8] Funded under title V ESEA.

[9] Income to Treasury.

[10] Amendments cover fellowship programs under pt. C of Education Professions Development Act for pt. C for which authorization for new awards expires June 30, 1970. Increased costs for title IV are included in total costs under pt. C, title I, of amendments which would extend programs for 4 years.

[11] Amounts necessary to carry out contracts approved prior to fiscal year 1972.

[12] Permanent authorization.

[13] One-time payment in lieu of land grant.

S. 3770—VOCATIONAL EDUCATION AMENDMENTS OF 1968, JULY 12, 1968

SUMMARY

The "Vocational Education Amendments of 1968" incorporates the Administration's "Partnership for Learning and Earning Act," repeals the George-Barden Act, and transfers all vocational education funds (including Smith-Hughes Act funds) to the new, consolidated vocational education program; establishes a National Advisory Council on Vocational Education; requires States to establish State advisory councils to qualify for Federal funds' reserves funds for research, exemplary projects, and State special emphasis programs; requires the submittal of State annual and long-range plans; authorizes grants for homemaking education; cooperative vocational education programs, and early education of handicapped children; and requires the Commissioner to prepare a catalog of all educational Federal assistance programs.

PROVISIONS

1. *Authorization of Appropriations:* Authorizes for the basic program of the Vocational Education Act $575 million in 1970, and $750 million each in 1971 and 1972: of which 70 percent shall be for grants to States for vocational education programs (Part B), 10 percent for research and training in vocational education, (Part C), 10 percent for exemplary programs and projects (Part D), and 10 percent for State special emphasis programs (Part E). Further authorizes such sums as may be necessary to pay the cost of administration of State plans, activities of advisory councils, evaluation and dissemination. Whenever appropriations are not in excess of $300 million, requires that 90 percent be for grants to States for vocational education programs, and 10 percent for research and training.

2. *National and State Advisory Councils:* Establishes a National Advisory Council on Vocational Education; requires each State desiring to receive a grant under this title to establish a State advisory council.

3. *State Vocational Education Programs (Part B):* Authorizes the Commissioner to make grants to States to assist them in conducting the vocational education programs for persons of all ages in all communities of the States which are designed to insure that education and training programs for career vocations are available to all individuals who desire and need such education and training. Requires State to submit a State plan, including a 3-to-5-year program plan, meeting detailed criteria. Except in certain instances, the matching ratio is 50/50. Earmarks at least 15 percent of State plan funds in each State for special needs of disadvantaged, 15 percent for post-secondary vocational education, and 10 percent for special

needs of physically and mentally handicapped.

4. Research and Training (Part C): Authorizes the Commissioner to make grants to and contracts with institution of higher education, public and nonprofit private agencies and institutions, State boards, and local educational agencies to encourage research and training in vocational education and the development of vocational education programs designed to meet special vocational education needs of youth and to provide education for new and emerging careers and occupations.

Enables the Commissioner to reserve from allocations under this part an amount not in excess of 50 percent for projects which are of national or regional importance. Authorizes Federal payment of up to 90 percent of program costs under this part.

5. Exemplary Programs and Projects (Part D): Authorizes the Commissioner to make grants to or contracts with State boards or local educational agencies, and other public and private agencies, for the purpose of assisting new ways to create a bridge between school and earning a living for young people who are still in school, who have left school either by graduation or by dropping out, or who are in postsecondary programs of vocational preparation, and to promote cooperation between public education and manpower agencies. Authorizes a Federal Share of up to 90 percent.

6. State Special Emphasis Activities (Part E): Authorizes the Commissioner to make grants to assist States in the establishment of special emphasis programs to meet special vocational education needs in the States. Authorizes a Federal share of up to 90 percent.

7. Homemaking Education: Authorizes State program designed to fit for homemaking, persons who have entered, or are preparing to enter, the work of the home, including consumer education programs, with special emphasis on programs for persons who are economically or socially deprived; provides for ancillary services, such as teacher training, program evaluation, and experimental programs. The Federal share would be 50 percent. Authorizes $25 million in 1970, $35 million in 1971, and $50 million in 1972.

8. Cooperative Vocational Education Programs: Authorizes grants to the States for programs of vocational education designed to prepare students for employment through cooperative work-study arrangements. The Federal share shall be up to 90 percent. Authorizes $25 million in 1970, $50 million in 1971, and $75 million in 1972.

9. Early Education of Handicapped Children: Authorizes the Commissioner to arrange by contract or grant with appropriate public agencies and private nonprofit organizations, for the development and carrying out of experimental preschool and early education programs for handicapped children. Such programs shall include activities designed to facilitate the intellectual and social development of children, and encourage the participation of parents. The Federal share of such programs shall be up to 90 percent. Authorizes $5 million in 1969, $10 million in 1970, and such sums as may be authorized in 1971.

10. Dissemination of Information: Requires the Commissioner to collect and disseminate complete information on programs of Federal assistance to education; develop liaison with representatives of American business and with services, labor, or other organizations to advance American education; provide technical assistance; prepare a catalog of all educational Federal assistance programs whether or not such programs are administered by him.

PROJECTED OBLIGATIONS, H.R. 18366, VOCATIONAL EDUCATION AMENDMENTS OF 1968; AS PASSED BY THE SENATE

[In thousands]

	1968		1969		1970 authorization	1971 authorization	1972 authorization
	Authorization	Appropriation	Authorization	House appropriation			
TITLE I—AMENDMENTS TO THE VOCATIONAL EDUCATION ACT OF 1963							
Pt. A—General provisions, residential vocational schools	[1] $35,000		$25,000		$30,000	$35,000	$35,000
Pt. B—Comprehensive State vocational education programs	259,652	$256,461	259,652	$255,377	402,500	525,000	525,000
Pt. C—Research and training in vocational education	22,500	11,550	22,500	11,550	57,500	75,000	75,000
Pt. D—Exemplary programs and projects					57,500	75,000	75,000
Pt. E—State special emphasis programs					57,500	75,000	75,000
Pt. F—Homemaking education	(2)	(2)	(2)	(2)	25,000	35,000	50,000
Pt. G—Cooperative vocational education programs					25,000	50,000	75,000
TITLE II—MISCELLANEOUS PROVISIONS							
Early education of handicapped children			5,000		10,000		
Total	317,152	268,011	312,152	266,927	665,000	870,000	910,000
Grand total (authorizations, fiscal years 1970-72), $2,470,000.							

[1] Combined authorization for residential schools and work study.

[2] Included in pt. B above.

S. 1035—PRIVACY AND CONSTITUTIONAL RIGHTS OF EMPLOYEES OF THE EXECUTIVE BRANCH

Mr. ERVIN. Mr. President, if a national referendum were to be held today on S. 1035, the measure to protect the constitutional rights of employees and prohibit unwarranted governmental invasion of their privacy, there is no doubt that the American people would vote their overwhelming approval. This would only reflect the approval registered by 90 Members of this body last September when we acted on the bill.

James Kilpatrick, an outstanding commentator on constitutional liberties, recently explained the need for this bill and noted that it has run into "squall conditions" in the House subcommittee.

I ask unanimous consent that his article, entitled "U.S. Employee's Private Lives Need Protection," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Evening Star, July 11, 1968]

U.S. EMPLOYEES' PRIVATE LIVES NEED PROTECTION

(By James J. Kilpatrick)

North Carolina's Sam Ervin Jr., one of the ablest members of the Senate, will be exercising his oratorical skills over on the House side of the Capitol this week. The senator is fighting for his bill to protect the constitutional rights of three million federal employees. Sad to say, he has his hands full.

Ervin's bill, bearing the names of 53 colleagues as co-sponsors, breezed through the Senate last September by a vote of 79–4. Subsequently, 11 absent members announced that they too would have voted for it. That is a remarkably impressive expression of senatorial conviction. You might think the House would be eager to join the parade.

Unfortunately, the bill has encountered squall conditions in a House subcommittee headed by Ervin's fellow North Carolinian, David Henderson. The Civil Service Commission, overwhelmed by the Senate vote ten months ago, is working feverishly to kill the Ervin bill, or at the very least to have it replaced by a toothless measure that Henderson himself has sponsored.

Those who have followed Ervin's indignant investigations, much as they may regret the additional bureaucracy that Ervin's bill would create, will urge that the House go along with the Senate. If the Civil Service Commission had done the job it should have done, in protecting federal workers against some of the outrageous invasions of their private lives disclosed in the record, the Ervin bill would not be required. Regrettably, the abuses continue. Apparently nothing but a stiff act of Congress will put an end to these infuriating practices.

Despite all the concern that has been manifested on the Hill, the National Aeronautics and Space Administration undertook to put newly hired professionals through a "biographical information inventory." This stupid questionnaire has been abandoned as "not conclusive," but while it prevailed, NASA demanded answers to such questions as: "Approximately how old were you when you first fell in love?" "To what extent were your parents affectionate toward each other?" "How often do you polish your own shoes?"

Ervin's investigations have turned up dozens of such impertinent examinations: "Do you have diarrhea once a month or more? . . . Do you dream about sex matters? . . . When was the first time you had intercourse with your wife? . . . How many times have you had sexual intercourse? . . . To what extent do you enjoy viewing still-life paintings? . . . Do you like and enjoy solitude? . . ."

These were actual questions put to prospective federal workers or to employees coming up for promotion. At the State Department, an 18-year-old college girl, seeking a summer job, was grilled by an investigator about her sex life. "Did this boy you're dating abuse you? Did he do anything unnatural with you? You didn't get pregnant, did you?"

The Ervin bill would bring these shenanigans to a grinding halt. The measure also would impose an absolute prohibition, subject to criminal penalties, on the old office shakedowns for political contributions and savings bond subscriptions.

The bill would provide new remedies for the personnel specialist in a large nondefense agency who was denied a security clearance on mysterfying grounds: It appeared that unnamed persons had told departmental investigators he had two friends with "questionable mannerisms."

The Civil Service Commission raises two main objections to the Ervin bill. First, it complains that Ervin's proposed "Board on Employee Rights" would be an expensive and unnecessary new agency. Second, it objects to a provision by which a federal employee, in certain circumstances, could go directly into federal court without exhausting intra-departmental grievance procedures.

Ervin's response is that the proposed board would be paid on a per diem basis, so the expense would be small; and he sees nothing in his bill that would interfere with normal grievance procedures—so long as these procedures are genuinely responsive.

There the matter stands. If Henderson's subcommittee seems determined to bottle up the bill, Ervin probably will try to attach his measure to some House-passed bill that the House especially wants. He is determined to see that federal workers have private lives to call their own. More power to him.

Mr. ERVIN. Mr. President, the fate of S. 1035 has also concerned two of the finest writers on civil service problems and employee complaints. Joseph Young in his column, "The Federal Spotlight," has prepared a perceptive analysis of the differences between S. 1035 and H.R. 17760, a measure endorsed by executive department officials as a possible substitute for S. 1035. I commend to the attention of the Senate this article and two others by Mr. Young from the Washington Evening Star relating to S. 1035, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Evening Star, June 14, 1968]

THE FEDERAL SPOTLIGHT: HENDERSON'S EMPLOYEE RIGHTS BILL MAINLY CSC'S WATERED-DOWN PLAN

(By Joseph Young)

There was this Alice in Wonderland atmosphere as the House Civil Service and Manpower subcommittee opened its long-promised hearings on the Senate-approved Ervin "bill of rights" for government employes.

The previous day the subcommittee chairman, Rep. David Henderson, D–N.C., who has been noticeably cool to the Ervin measure, sponsored his own bill.

The Henderson measure in effect is in the grand tradition of professing adherence to such things as country, flag, home and mother. It professed its adherence to the principle that federal employes should not be subjected to "unwarranted" invasion of privacy and violation of constitutional rights.

But it provided virtually nothing in the way to protect employes from agency snooping into their private lives or violation of their constitutional rights, leaving it up to the Civil Service Commission to protect them. The bill's language is extremely vague.

Actually, the Henderson bill is mainly the product of the CSC, which drafted it and wrote its provisions as an extremely watered-down substitute for the Ervin bill.

Yet, CSC Chairman John Macy, the first witness, testified with a straight face: "My initial reaction to the Henderson bill is favorable, but I would appreciate an opportunity to have the commission study it closely and submit a report within a week."

Henderson voiced his gratitude that the commission apparently was enamored with his bill. Employe leaders feel the Henderson bill in its present form would be useless. In fact, they feel it would be worse than useless because it would give employes the illusion of protection which wouldn't be there.

The Henderson bill states that employes are entitled to be protected against "unwarranted" invasion of privacy but doesn't state what kind of privacy. It also says employes have the right of free speech, association and assembly "compatible with their government employment." This is so vague as to water down even their present rights.

In contrast, the Ervin bill specifically lists the things that would be taboo—questioning employes on their sex life, religious views, racial and national origins, financial affairs of themselves and members of their families, an end to lie detector and psychological testing; pressure to contribute to charity drives, etc.

The heart of the Ervin bill is establishment of an independent board of employe rights to which employes could appeal and which would have the power to enforce its decisions if it ruled in employes favor. Also, employes would have the right to relief in the federal courts in cases where they believe their rights to privacy and constitutional rights are violated.

Macy's testimony was in decided contrast to his views expressed to Sen. Sam Ervin and the Senate Constitutional Rights subcommittee several years ago.

At that time, Macy said stories about employes rights being violated were grossly exaggerated. However, Macy now admits that there have been numerous cases of employes rights being violated, and he gives full credit to the Ervin group for having disclosed them. But having said this, Macy says the CSC has corrected these situations and has taken steps to see that they won't happen in the future.

Government employe leaders are extremely skeptical about this. They feel that many government agencies are just marking time these days, fearful that any reckless action on their part would only give impetus to the Ervin measure. The employe leaders say that if the Ervin bill doesn't become law, then agencies will go back to their methods of violating employe rights, as some of them have already.

It's interesting that the Henderson bill stresses as strongly the obligations employes owe their bosses as the obligations managers owe employes. No one argues that federal employes don't have obligations to the government and their employers, but these obligations are already spelled out in various laws, including the possible penalty of dismissal if these obligations aren't adhered to.

Hope seen—Yet, despite this strange hearing, there is hope for some kind of bill of rights for government employes, even though it may not be as strong as the Ervin bill in its present form.

Henderson said he definitely wants a bill enacted this year protecting federal employe rights. Equally important, Henderson said his group would amend the Senate-approved Ervin bill in order to save time and send the legislation to House-Senate conference once the House approves the bill.

Thus, in House-Senate conference some of the stronger provisions of the Ervin bill could be salvaged. The final product would not be altogether what employe leaders want, but it could be a satisfactory compromise.

[From the Washington (D.C.) Evening Star, July 17, 1968]

THE FEDERAL SPOTLIGHTS DEFEAT OF EMPLOYE "BILL OF RIGHTS" IN HOUSE UNIT APPEARS PROBABLE

(By Joseph Young)

The Senate-approved Ervin bill of rights for government employes apparently faces defeat at the hands of the House Civil Service and Manpower subcommittee this year.

The probability emerged at the group's session yesterday when angry members said they wouldn't be pressured into approving a bill without further study and investigation of cases involving charges of violations of employes' rights to privacy and constitutional rights.

The members were visibly angered when Vincent Connery, president of the National Association of Internal Revenue Employes, declared that "Federal employes don't believe this committee will come out with substantive legislation on the Ervin bill this year."

Rep. Charles Wilson, D-Calif., the subcommittee's ranking majority member, said:

"They are probably right. The Rules Committee has probably quit for the year. And this means we could only bring the bill up in the House under suspension of the rules and this would be very difficult."

Wilson added, "The full House Civil Service Committee will also probably want to hold hearings and get more information."

Rep. David Henderson, D-N.C. the subcommittee chairman, remained silent during Wilson's statement.

Afterward, he told reporters that the subcommittee definitely wants to report a bill this year, but that it was unlikely that the House could act before adjournment.

Wilson had previously attacked "irresponsible statements" concerning charges of agencies' snooping into the private lives of federal employes and violating their constitutional rights. He demanded more proof.

Employe-union witnesses replied that the Ervin Senate subcommittee on Constitutional Rights had furnished plenty of proof in its hearings and investigations.

However, Wilson, Henderson and other House subcommittee members have expressed skepticism that such violations of employe rights exist on a great scale throughout government and whether the Ervin bill would help solve the cases that do exist.

The various postal and federal employe unions strongly favor the Ervin bill. But unless they can come up with some "muscle" in the remaining weeks of this session of Congress to convince the House group to act, the bill's chances grow dimmer by the moment.

Postal job cuts—the job-cut provisions in the new economy law will mean the elimination of 83,238 postal jobs, many of them held by permanent employes, within the next four years.

Jerome Keating, president of the National Association of Letter Carriers, says that during this period the Post Office Department will be handling an increase of almost 9 billion pieces of mail. "This is impossible on the face of it," Keating noted. He said "The postal service will suffer the most monumental catastrophe in its history."

Meanwhile, department officials have told David Silvergleid, president of the National Postal Union, that 7,500 permanent postal employes will have to be dropped this year.

FAA controllers—Rep. Morris Udall, D-Ariz., chairman of the House Civil Service Compensation subcommittee, has sponsored a bill to provide liberalized overtime and standby pay for about 10,000 air traffic controllers of the Federal Aviation Agency.

Time-and-a-half overtime pay would be given to non-managerial controllers in critical assignments. At present some of them do not get premium overtime pay.

The legislation is supported by the Johnson administration and Udall's subcommittee is expected to hold hearings on it soon.

Peep holes—James Rademacher, vice president of the National Association of Letter Carriers, charges that all the largest post offices and stations in the country continue to maintain "peep holes" to spy on postal workers.

Although the "peep holes" are intended to uncover employes' dishonesty, the rate of thefts is no greater in big-city post offices than in small-city post offices where there are no "peep holes," Rademacher said.

"The peep holes have no effect on depradations; they have an effect only on employe morale," Rademacher told the House Civil Service and Manpower subcommittee. "The degree of honesty among postal employes is legendary," he added.

[From the Washington Evening Star, June 17, 1968]

THE FEDERAL SPOTLIGHT: HOUSE UNIT'S STUDY OF PAY SETUPS EXPECTED TO PRODUCE 1969 PROPOSALS

(By Joseph Young)

The House Civil Service Position Classification subcommittee has received an encouraging progress report from its staff on the study of the need to overhaul the government's various pay classification systems.

The subcommittee's original estimate was that it would take three to four years to make such a study and draft legislation to carry out the recommendations.

However, it will now appears that the study will be completed by the end of this year and legislative proposals will be made to the new Congress next year.

The group wants to determine what needs to be done to modernize the various government pay systems in classifying jobs, determining standards and other criteria in light of present federal employment and personnel problems.

For example, the Classification Act has not had a major overhaul since 1949. In the ensuing 19 years there have been tremendous technological and social changes that have made some job classification standards and criteria obsolete.

The subcommittee also is studying the postal field service pay system, as well as the salary systems of the Public Health Service, Veterans Administration's medicine and surgery, foreign service, Central Intelligence Agency, Atomic Energy Commission and National Security Agency. The wage board pay system for federal blue collar workers is not included in the study except for the question of whether some supervisors should be included under the Classification Act.

Government departments and agencies are being asked to make their suggestions, operating officials also are being asked their individual opinions and government employe unions also are submitting their recommendations.

The subcommittee still has to determine its findings in view of conflicting recommendations.

Some agency officials and employe leaders feel there are too many grades in the pay systems. Others say there are too few.

Some say that present job standards are too detailed, while others say there are not enough details to guide agencies.

There seems to be general agreement that many job standards are outdated. Some personnel and management people advocate dispensing with job standards and giving agencies wide latitude in determining salaries under broad standards that would be set by Congress.

"Intellectual pablum"—Sen. Sam Ervin, D-N.C., characterizes the watered-down Henderson bill on government employe rights as "namby pamby and intellectual pablum."

Ervin, sponsor of the strong bill of rights for government employes approved overwhelmingly last year by the Senate, served notice that he would not accept the watered-down substitute drafted by the Civil Service Commission and sponsored by Rep. David Henderson, D-N.C.

Ervin warned that if the Henderson subcommittee does not come up with a bill similar to his own to protect government employes against unwarranted invasion of privacy and violation of their constitutional rights, he will move to offer his measure as an amendment to any House-approved bill dealing with civil service.

Payroll deductions—The Senate Banking Committee has approved a bill to permit payroll savings deductions by federal employes for banks, savings and loan associations and credit unions.

The bill was approved earlier by the House containing only the authorization for credit unions. The Senate panel broadened it to cover other savings institutions.

Rejected—The Post Office Department has rejected unfair labor charges filed against it by the United Federation of Postal Clerks. The UFPC contended that many postmasters refused to bargain in good faith on new contracts.

The Post Office Department said it was willing to settle the dispute by arbitration.

Labor-management hearings—Postal and federal employe union leaders are hopeful that the Senate Civil Service Committee will soon schedule hearings on legislation to give government unions official bargaining rights. Meanwhile, the House Civil Service and Manpower subcommittee already has announced plans to hold hearings soon on similar legislation.

Human interest—The Civil Service Commission is seeking to humanize its next annual report.

It has retained the temporary services of John D. Weaver, well-known West Coast author, to write the annual report. Weaver plans to write the report in terms of people and their achievements, and delegate statistics to the back of the report.

Mr. ERVIN. Mr. President, John Cramer, in his column "9 to 4:30" provides a much needed service to Government and citizens alike by calling attention to individual cases of injustice as well as to favorable developments affecting employee rights. He has rendered some pithy replies to those who would oppose this employee rights bill, and I recommend them to any Members considering this legislation. I ask unanimous consent that his articles published in the Washington Daily News, of June 14, July 18, and July 23, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Daily News, June 14, 1968]

AGENCY RIGHTS BILL PONDERED

(By John Cramer)

The Administration yesterday renewed its attempt to knock down—or at least, water down—the Senate-approved Bill of Rights for Federal employes.

Civil Service Commission Chairman John Macy went before the House Manpower Subcommittee to indorse the bill's objectives—and denounce almost everything else about it.

The legislation, sponsored by Sen. Sam Ervin (D., N.C.), and passed by the Senate with only five dissenting votes, is designed to curb growing invasions of employe privacy by U.S. agencies.

UNWORKABLE

Mr. Macy argued that it's administratively-unworkable, and also unnecessary—because the Commission already is "committed to protecting employes against unwarranted invasions of their privacy."

As a substitute, he endorsed an innocuous, almost-meaningless measure introduced several days ago by Rep. David Henderson (D., N.C.), the Manpower Sub-committee chairman.

The Henderson bill is a feeble litany of pious hopes—one which confines itself to declaring it to be Government "policy" to protect employe rights.

Sen. Ervin yesterday branded it "namby-pamby . . . intellectual pablum."

He predicted his own bill will pass the House if it gets out of the Civil Service Committee. But if it doesn't, he said, he will ask the Senate to tie his bill to some House-approved measure.

MORE SPECIFIC

Earlier, during the Sub-committee hearings, Rep. Henderson had insisted he was not "trying to write anything out of the Ervin bill", and had expressed willingness to make his own measure more specific and meaningful.

As it stands, it's neither.

The Ervin bill among other things, would prohibit "coercion" in Federal employe charity campaigns and Savings Bond drives; would prohibit mandatory self-designation of race, creed or national origin, and would sharply restrict required disclosure of financial assets, and indiscriminate use of psychological tests and lie detector tests.

It would set up a Board of Employe Rights to hear complaints of alleged violations, and would give employes access to Federal Courts for redress of violations, or injunction against threatened violations.

Mr. Macy, attacking the philosophy behind the Ervin bill, professed himself as "disturbed by the current exclusive emphasis placed on the protection of individual rights with no concurrent recognition that individuals also have obligations."

Precisely how that comment applies to the Ervin bill is a little beyond me.

On more solid grounds, Mr. Macy argued:

That its "needless to create a totally new agency", such as the Ervin bill's proposed Board of Rights, to hear Federal employe grievances.

That the Ervin bill would provide unusually-easy access to the courts . . . would let employes into courts even before they exhausted their administrative remedies . . . and inevitably would result in a "flood of litigation."

On the other hand, he said:

"We are not opposed to legislation in this important area.

"We would, for example, be pleased to support legislation that expresses a positive policy for the Government as an employer with respect to both the rights and obligations of its employes; defines those rights and obligations in understandable terms; provides for the enforcement of employe rights thru grievance procedures with an appeal to the Civil Service Commission; and recognizes an employe's duty to honor the obligation he owes the Government as his employer."

It was here, as an example of the legislation he would be "pleased" to support, that he mentioned the meaningless Henderson bill.

[From the Washington Daily News, July 18, 1968]

New PO Deal Would Deny Strike Right

(By John Cramer)

BULLIES BACK UP

The House Manpower Subcommittee, which has nit-picked and even bullied witnesses for the Senate-approved Bill of Rights for Federal employes, dealt gently, gingerly yesterday with Larry Speiser, director of the D.C. office of the American Civil Liberties Union.

Probably because Mr. Speiser is a top lawyer much too able to be shoved around.

He indorsed the proposed Bill of Rights, chapter and verse. In the process, however, he escaped much of the picayune questioning which has become the hallmark of a sub-committee remarkably insensitive to the Federal worker problems on which it's supported to be expert.

Mr. Speiser didn't change the sub-committee mind. It's dead set against the Bill of Rights, sponsored by Rep. Sam Ervin (D., N.C.)

NO CONSIDERATION

The bill is designed to prevent invasions of U.S. employe privacy by Federal agencies. Mr. Speiser noted that privacy-invading practices "have multiplied with little or no consideration to the effect they have on the rights and privacy of Federal employes. They always come into being for good purposes. They are not the products of malevolent minds."

He quoted that wonderful quote from Justice Brandeis: "Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficient. Men born to freedom are naturally alert to repel invasions of their liberties by evil-minded rules. The greatest dangers to liberty lurk in the insidious encroachment by men of zeal, well-meaning, but without understanding."

Mr. Speiser had other things to say. I'll try to get back to him later.

[From the Washington Daily News, July 23, 1968]

An Apology to House Subcommittee

(By John Cramer)

I've had myself a think and decided I owe the House Manpower Sub-committee an apology for suggesting, the other day, that it has "bullied" the witnesses who went before it urging enactment of the Senate-approved Bill of Rights for Federal employes.

On second thought, it was an over-statement, not warranted by the record and unfair to the members.

It was prompted perhaps by my disappointment at the sub-committee's steadfast refusal to understand the very real need for the Bill of Rights—a need which the Senate recognized by an overwhelming 79 to 4 vote.

So I have no apology whatever for also saying the other day that the subcommittee has shown itself "remarkably insensitive" to the problems spotlighted by the bill.

It has.

I assume the sub-committee members would work up a mighty head of wrath if some leering Federal investigator asked their wives or daughters: "Have you ever had an abortion? Do you use birth control pills?"

STANDARD

But the subcommittee shows no concern whatever that such questions are virtually standard in certain types of Government investigations of Federal employes.

I suppose (I'm not sure) that members would become more than a bit irate if Government told private citizens they must not patronize certain stores . . . or threatened them with loss of jobs or promotions if they failed to buy saving bonds or contribute to specified charities.

It occurs that the members wouldn't like it a bit if Government required United Parcel Service drivers to disclose their financial assets AND those of their families—or face firing.

FARMERS

They wouldn't like it, either, if the Federal bureaucracy demanded that farmers reveal their national origins and submit to psychological-test questions about their religious beliefs in order to qualify for farm subsidies.

And they would be considerably unhappy if Government required their non-Federal worker constituents to campaign, outside office hours, for open housing legislation.

Yet these practices, all of them invasions of the Constitutional Rights guaranteed all citizens, are the name of the game in the Federal Civil Service.

The Bill of Rights, sponsored by Sen. Sam Ervin (D., N.C.), would prohibit or restrict these abuses—and several others just as obnoxious.

But it legislates only on constitutional issues, and only in areas where the abuses have been largest.

LESSER ABUSES

It would not attempt to deal with such scattered and lesser abuses as the posting of sick leave records on office walls . . . demands that employes report family size and family income . . . an order, in one agency, which prohibits employes from having a drink before lunch . . . the publishing of office phone directories complete with home addresses and phone numbers of employees . . . requirements, in many military units, that official parking stickers display home addresses and phone numbers . . . orders prohibiting employes from driving more than 250 miles in a weekend . . . Peeping Tom medical examination forms which ask questions such as: "Does your sister have syphillis?"

Well, the list could go on and on and on.

And tho these particular abuses are, indeed, scattered and lesser, they are thoroughly typical of a climate in which nit-wit bureaucrats, acting always in the name of some High Purpose, subject Federal employes to indignities which never would be tolerated in private employment.

So I say the sub-committee is "remarkably insensitive."

And for that I don't apologize!

Mr. ERVIN. Mr. President, the Wall Street Journal, which has supported this legislation since its introduction, again this week expressed its concern and suggested that this bill "to protect Government employees from administrative abuses of power be taken from its congressional pigeonhole and acted upon." Is ask unanimous consent that the editorial of July 22 be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 22, 1968]

A Case of Paranoia

If Senator Sam Ervin Jr. has his facts right—and he is not in the habit of going off half-cocked—he has caught hold of yet another instance in which somebody on the Federal payroll is being treated pretty shabbily. And it suggests that Senator Ervin's bill to protect Government employes from administrative abuses of power be taken from its Congressional pigeonhole and acted upon.

The case involves an electronics engineer in the U.S. Army's ammunition procurement and supply agency in Joliet, Ill. Classified as GS–12 ($12,500 a year), he had three years' military service in World War II, later served as an engineer on a top secret atomic project, and in private industry had undergone extensive psychological testing, emerging with high marks.

In 1965 the Army assigned him to a team of other experts to travel around the country evaluating contracts for munitions, most of which were destined for U.S. military personnel in Vietnam. In the course of his work he suggested how $250,000 could be saved on one contract, recommended methods of speeding production on others, and reported on a number of defects in materiel.

His zeal seems to have made his superiors uneasy, for he was urged to approve contracts with a little less diligence. He continued to scrutinize contracts in the same way, however, and after several more warnings was told he was fired. The charge: Being absent without leave.

Obtaining a hearing before the Civil Service Commission, the engineer proved there was no basis for the charge and the CSC ordered him reinstated. Which should have ended the matter, but it did not.

The Army then charged him with mental instability and ordered him to undergo a psychiatric examination—the first time in his career his mental fitness had come into question. And although such an examination usually is a lengthy and thorough affair, after questioning by a psychiatrist for about 30 minutes he was declared to be a "chronic paranoid." Paranoia is defined as a mental disorder characterized by delusions of persecution and of one's own greatness, sometimes accompanied by hallucinations.

At this point the engineer brought his case to the attention of Senator Ervin and his Senate Constitutional rights subcommittee; its members have documented scores of similar instances in which, on one pretext or another, Federal agencies have sought to railroad employes out of their jobs. The engineer's case still is pending while he shuffles papers awaiting an appeal to the CSC.

Plainly somebody is suffering from some sort of disorder, but the record as reported by Senator Ervin suggests that it is not the Army electronics engineer.

Mr. ERVIN. Mr. President, members of the American Federation of Government Employees in every State have been among the stanchest supporters of the proposed legislation. Recently, Mr. John Griner, president of the AFGE, eloquently explained the need for S. 1035 in an editorial published in the Government Standard.

I ask unanimous consent that this editorial and an article from the AFGE Washington Letter, reporting Mr. Griner's testimony before the House subcommittee, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

Constitutional Rights Need the Law's Protection

The House Civil Service and Post Office Subcommittee on Manpower, chaired by Rep. David N. Henderson (D-NC), is finally holding hearings on Senator Ervin's "Bill of Rights."

We all know the great need for this bill, so when I present AFGE's viewpoint July 11 to the Subcommittee, I aim to make the testimony as forceful as possible. In fact, my written statement already runs more than 54 closely typed pages, citing chapter and verse of infringements on Federal employees' Constitutional rights.

We are not going to let anyone paint a simple rosy picture of Federal employment. We are going to the Subcommittee to "tell it like it is," and also as it should be.

A full report of my testimony will appear in the next issue of the Government Standard but I would like to emphasize one point now. It concerns a statement by John W. Macy, Jr., Chairman of the Civil Service Commission.

Mr. Macy opposes the section of S. 1035 which would enable an employee to file a law

suit in Federal court when the employee believes his Constitutional rights are violated.

Chairman Macy told the Subcommittee:

"I am firmly opposed to this route of direct access to the courts as it will circumvent and negate already existing agency grievance procedures, many of which are the products of negotiated agreements between agencies and employee organizations.

"I see no justification for casting aside procedures which have been agreed to by management officials and union representatives, and dumping the raw and unreviewed complaints of employees into the lap of an overburdened judicial system."

Chairman Macy opposes the Ervin Bill; and although we strongly disagree with him, he has a right to this position.

But Chairman Macy has no right to imply the Ervin Bill will negate Union negotiated contracts.

I intend to make this clear to the Henderson Subcommittee.

In his testimony, Mr. Macy confused two very different kinds of rights; Constitutional rights and rights of Federal employees as Federal employees.

The first kind are unconditional and inviolable rights, while the second, "employee rights," are the type we negotiate in our contracts with management.

What Chairman Macy did, in his testimony, was to blur the distinction between these kinds of rights.

S. 1035 is concerned with codifying the Constitutional rights of American citizens who happen to be Federal employees.

It is of course a sad state of affairs that this is necessary, but the flagrant abuses of these Constitutional rights were so clearly documented in the voluminous hearings before the Senate Subcommittee on Constitutional Rights that S. 1035 passed the Senate by a vote of 79–4.

S. 1035 is in fact silent on the other, "employee rights." It does not interfere in any way with any existing laws, regulations, labor-management agreements under Executive Order 10988, grievance or appeals procedures.

Does Chairman Macy imagine that we would support legislation that would detract from our life-blood, from our negotiated contracts? Doesn't he know by now that AFGE and every other union is supporting the Ervin Bill?

But if Chairman Macy doesn't know better, you can rest assured that the Henderson Subcommittee will be clearly informed by me of our wholehearted support of S. 1035.

Passage of the Ervin Bill will still require our concerted efforts. And that success depends upon the strength of our AFGE.

Our National Convention in September is an important means of increasing this strength, because delegates meet there to democratically hammer out a program to guide our future course.

I remind you that this is not the case with some other Federal employee organizations. For example, one employee group has not, to my knowledge, held a national convention since 1964 despite their own Constitutional requirements that they be held every 3 years. No wonder that organization has such weak local leadership and must depend on a one-man road show.

AFGE will continue to develop democratically, and as long as I remain National President, I can assure you that our Union is going to remain of, for and by the membership.

So I urge all Lodges to elect their delegates, get early plane and hotel reservations, debate the issues fully in Las Vegas, arrive at our position, and go forward united in this great Union.

That's the way we will obtain the relief from injustice so urgently sought by Federal employees.

JOHN F. GRINER,
AFGE National President.

[From the Washington Letter of the American Federation of Government Employees, AFL–CIO, July 19, 1968]

AFGE AGAIN FIGHTS FOR ERVIN BILL—LEGISLATION FOR FEDERAL EMPLOYEES' BASIC RIGHTS ENCOUNERS OPPOSITION FROM CSC IN HOUSE HEARINGS

AFGE has once again thrown its support behind the Ervin "Bill of Rights" for Government employees in an effort to get it through the House, where it is encountering resistance.

National President John F. Griner, who was one of the bill's first and most vocal supporters when it was originally sponsored by Sen. Sam J. Ervin, Jr. (D–NC), is urging the House to adopt it rather than a watered-down version being pushed by the Civil Service Commission.

Ervin's bill, S. 1035, which was cosponsored by 53 Senators, breezed through the Senate, 79–4, last September, but faces a stiff test in the House.

Griner again emphasized the necessity for the Ervin Bill last week when he testified before the House Post Office and Civil Service Committee's Subcommittee on Manpower and Civil Service, chaired by Rep. David N. Henderson (D–NC).

At the outset of his House testimony Griner made a distinction between the two different kinds of rights possessed by American citizens who are Federal employees.

"The first kind of rights," Griner said, "are their Constitutional rights which belong to them purely and simply because they are American citizens living under the American Constitution.

"The second kind of rights are their rights as Federal employees.

"The first kind of rights they possess from the moment they are born or are naturalized as American citizens. Federal employees acquire the second kind of rights only if and when they accept Federal employment."

Griner pointed out that the Ervin Bill does not establish or grant any additional rights to Federal employees because they already possess all these rights simply by being American citizens.

He further explained that the bill does not take away from the Civil Service Commission any functions which it has previously exercised in protecting "employee rights" and enforcing "employee obligations."

S. 1035, in recognition of the sharp distinction between the "constitutional rights" and the "employee rights" of Federal employees sets up a separate Board of Employees' Rights whose sole function would be to proceed only in cases where the Federal employee's Constitutional rights and privacy have been invaded.

APPLY DIRECTLY

Section 4 of S. 1035 allows any person affected or aggrieved in the enjoyment of his Constitutional rights or privacy to apply for relief directly to a district court.

Griner briefly discussed H.R. 17760, introduced by Representative Henderson, and entitled "A Bill to recognize the rights and obligations of civilian employees of the executive branch of the Government of the United States, and for other purposes."

"Our organization," Griner said, "is impressed with the fact that the Bill (H.R. 17760) seeks primarily to codify in a succinct statutory form all those 'employee rights and obligations' which already exist in other laws and regulations in that wide area known as 'employees' rights and obligations."

NATIONAL SECURITY

In regard to national security Griner noted that S. 1035 already exempted from this Act, for certain purposes, the Central Intelligence Agency, the National Security Agency and the Federal Bureau of Investigation, if the Director of each respective agency, or his designee, "makes a personal finding with regard to each individual to be so tested or examined that such test or information is required to protect the national security."

AFGE is opposed to the granting of this power to heads of other departments or agencies if this were likely to be used in any way at all to cover up information which has nothing to do with national security.

"The 'security' classification," Griner said, "is too often used as a pretext to hamper the employees directly concerned or members of Congress or employee unions in obtaining the facts regarding the violations of the Constitutional, as well as the other, rights of employees."

"Our organization," Griner went on, "has received many complaints that the Dept. of Defense and the State Dept. have made it almost a general practice to invoke the claim of 'executive privilege' or use the 'national security' classification to 'cover up' situations embarrassing to these departments because of their own questionable, and sometimes even illegal, practices.

EXTENSIVELY DOCUMENTED

"This has happened in such areas as 'contracting out' of goods and services; 'security programs'; appeals procedures; and grievances involving the systematic harrassment of honest employees."

Griner then drew attention to the fact that the need for legislative corrective action in the area of Constitutional rights by Federal employees has been extensively documented. Volumes of material exposing the magnitude of the problem have been presented before committees and subcommittees of both houses of Congress.

"The fact that Federal employees in many, many departments and agencies of the Federal Government are today prevented from enjoying their Constitutional rights at their places of employment," Griner stated, "is the one single fact about the status of Federal employees which is more widely and generally documented and better known to members of Congress than perhaps any other single item of information one could cite about Federal employees."

Griner cited the Civil Service Commission's opposition to S. 1035, stating that, in three years of opposition to this Bill even when known as S. 3703 and S. 3779, the lot of the Federal employee, in the protection of his or her Constitutional rights has not improved at all.

LITTLE PROGRESS

"Such little progress," Griner said, "which has been made in some agencies, usually under the pressure of Congressional scrutiny or press disclosure, has been accompanied by serious retrogression in other agencies.

"The evidence against the Civil Service Commission has grown in these three years, revealing ever more clearly that the Commission does not have the statutory power to protect Federal employees in the enjoyment of their Constitutional rights.

"Even worse, there are cases which indicate that the Civil Service Commission cannot carry out the mission of protecting the Constitutional rights of employees since the Commission is publicly aligned with management."

After citing selected cases of harassment of Federal employees and "Gestapo" like situations existing in the Internal Revenue Services, Treasury Post No. 45 of the American Legion, the Office of Civil Defense, the State Department and Foreign Service, Griner had several supporting documents inserted into the Congressional Record.

"It is clear," Griner concluded "that ultimately the freedom of every American citizen, even of those who are not now and may never be Federal employees, may well be affected by the manner in which the Congress enables Federal employees to obtain effective protection for their Constitutional rights."

THE HIGHWAY BULLDOZER

Mr. YARBOROUGH. Mr. President, in my State, a great many people are outraged by recent House action that effectively will unleash the bulldozer on our public parks, historic sites, wildlife refuges, and recreation areas.

By section 4(f) of the Department of Transportation Act of 1966, the Secretary of Transportation is prohibited from approving any Federal highway project that would cut through these invaluable lands and sites, without first making an absolute determination that there is no feasible alternative. I was pleased to support actively the distinguished Senator from Washington [Mr. JACKSON] in putting section 4(f) into that 1966 act. Before that, I had placed similar protective language in the Federal-Aid Highway Act of 1966.

Now section 4(f) is in danger of being struck from the books by the House version of the Federal-Aid Highway Act of 1968. A section in that bill would eliminate the authority of the Secretary of Transportation to protect our cherished parklands and our historic areas from highway engineers who draw straight lines, seemingly unconcerned that they slash a park, city or national, smash a shrine, or destroy a wildlife refuge.

The Senate version of the Federal-Aid Highway Act of 1968, S. 3418, wisely retains the authority of the Secretary of Transportation to guard against the insensitivity of the highway bulldozer.

The bill presently remains in conference committee, where the very able Senator from West Virginia [Mr. RANDOLPH] is waging a valiant fight to maintain the Senate position in favor of our irreplaceable parklands and our historic treasures. I support his strong efforts there, and again I express my deepest concern that the Senate position on this issue prevail.

I was pleased to note that the Houston Post, on July 17, 1968, editorialized on the need to maintain the authority of the Secretary of Transportation to restrain the highway engineers. In the closing paragraph of the editorial, entitled "Bulldozer Brutality," the editors offer this observation:

> If so much is to go down before the bulldozer, who needs highways? There will be nothing left to go to see.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BULLDOZER BRUTALITY

> There is a strong move on in Congress to throw parks, wildlife preserves and historic sites to the bulldozer.
>
> On June 18, the House Committee on Public Works approved a bill to free the nation's highway engineers of all significant legal restraint against invasion of public parks, recreation areas, wildlife and waterfowl refuges and historic sites.
>
> Under the new law now making rapid progress through Congress, engineers can shoot a freeway through the Alamo, Hermann Park or the Grand Canyon without let or hindrance.
>
> This is a brutal reversal of the law passed by Congress two years ago which set a national policy of protecting natural and historic beauty from highway encroachment.
>
> Under the law of two years ago, the Secretary of Transportation was to withhold federal funds for highways being built in any such park lands and preserves "unless there is no feasible or prudent alternative."
>
> The new law, being pushed through Congress at ruthless speed, removes this restraint.
>
> The change will open the door to bulldozing of irreplaceable public properties. Apparently in anticipation of full congressional approval of their bill, the Public Works Committee deliberately wrote in a section requiring construction in Washington—this nation's capital—of a sprawling freeway grid on land which up to now has been safeguarded as part of the National Park System.
>
> The grid would menace or mar the Potomac gorge and palisades, the historic Chesapeake and Ohio Canal built by George Washington and his contemporaries, the river side of Georgetown Historic District, the Glover-Archbold nature preserve, the Lincoln Memorial and Reflecting Pool, the Tidal Basin where the Japanese cherry blossoms frame the Jefferson Memorial, the George Washington Memorial Parkway, the Rock Creek and Potomac Parkways and others.
>
> With Congressmen like this shaping our national laws, who needs alien enemies? Bombs would destroy no more beauty than the federal highway bulldozers.
>
> The protests have been immediate and vehement from leading Americans—and so far to no avail.
>
> Hubert Humphrey, vice president and chairman of the President's Council on Natural Beauty, and Laurance Rockefeller, chairman of the Citizens Advisory Committee to the President on Recreation and Natural Beauty, forcefully protested in behalf of their two groups. The legislation, they said in their telegram to the committee, "would severely handicap the Secretary of Transportation in his directive not to invade public parks, recreation areas, wildlife and waterfowl refuges or historic sites in the design and construction of transportation facilities unless there is no feasible and prudent alternative. We urge you . . . not to allow such an adverse provision to be included in the Federal Highway Act of 1968."
>
> The only hope left to American citizens at this point is that a majority of the members of Congress, in both House and Senate, will refuse to be railroaded into acceptance of this bill.
>
> If so much is to go down before the bulldozer, who needs highways? There will be nothing left to go to see.

THE HIJACKING OF THE ISRAEL AIRLINER BY ARAB TERRORISTS

Mr. CLARK. Mr. President, the hijacking of an Israel commercial airliner by Arab terrorists represents a serious and unprecedented escalation of the Arab cold war against Israel. It also represents a new and frightening threat to the security of air travelers of all nations. This was not the act of a madman or a deranged person. It was a preplanned act of piracy conceived against a sovereign nation, with the lives of innocent passengers—including Americans—hanging in the balance.

There is a point which this country and all the civilized nations of the world who have a stake in the security of air travel cannot permit to be overstepped by the fanatic adversaries of Israel. As far as I am concerned, this hijacking of an innocent airliner is one step over the brink. How would we react if the next hijacked plane belonged to Pan Am, and the hijacker were Chinese?

I hope the Government of Algeria will see to it that this airplane and all of its passengers and crew are released immediately, and that the hijackers are brought to trial for the crime of piracy and punished appropriately.

UTAH: IT TRULY WAS THE PLACE

Mr. BENNETT. Mr. President, 121 years ago today a small band of brave Mormon pioneers entered Salt Lake Valley to become the first permanent settlers of a region which encompasses the State of Utah.

Led by the colonizing genius of Brigham Young, whose familiar statue represents Utah in the U.S. Capitol, this vanguard of pioneers came by oxcart and on foot to escape religious persecution in the Middle West and to begin one of the great epics in human history.

Although it was nearly a half century later that Utah became the 45th State in the Union, Utahans generally look upon July 24 of 1847 as the Beehive State's real beginning. For those of us from Utah, July is thus a month to be doubly thankful for a heritage of freedom, won by the American Founding Fathers in 1776 and again by our noble pioneer forebearers in 1847.

It is instructive to know that the night the first pioneers began their long trek into the West, the temperature was 12° below zero. Because of the severity of conditions, hundreds of pioneers died and were buried in graves along the wagon trails during the ensuing months and years.

Upon arriving in Salt Lake Valley the Mormons began immediately to irrigate, plant crops, build forts and houses, explore and colonize thousands of square miles in the wilderness. Additional emigrants arrived by the thousands during the next few decades.

The Governor of the territory and pioneer leader, Brigham Young, during the 30 years from 1847 to his death in 1877, directed the establishment of more than 350 communities in Utah, Idaho, Nevada, Arizona, Wyoming, and California.

Today, through sweat and dogged determination of Utahans of all religions creeds, and races, the desert has in reality been tamed. Utah is proud of her unique heritage, but is also proud of her solid link in the chain and fabric of America.

On this day, while parades and celebrations in Utah commemorate the coming of the pioneers, I believe it is fitting that we too, in the Nation's Congress, should acknowledge this historic day and give tribute to the history, growth, and courage that has built the great State of Utah.

IT'S TIME TO ACT TO SAVE THE BIG THICKET

Mr. YARBOROUGH. Mr. President, the past few days have brought a flurry of encouraging support for my bill to create a Big Thicket National Park that would preserve for future generations the primitive beauty of that dense forest stretch of southeast Texas. The remarks of Secretary of the Interior Udall at a news conference recently backed up the need for a large park—one big enough to preserve for our grandchildren and other generations a real wilderness with examples of the diverse flora and wildlife there.

The Houston Chronicle has agreed with my sentiments and the Secretary's concerning the need for a full-sized Big Thicket National Park. The urgency of the situation is captured in the final sentence of that editorial:

> For posterity, we must act now to safeguard what we can before it is too late.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRESERVING THE BIG THICKET

Prospects that 75,000 acres or more of the Big Thicket area in East Texas will be set aside for a National Park became much brighter this week when the proposal won the endorsement of Interior Secretary Stewart Udall.

Proposed by Sen. Ralph Yarborough, the larger acreage for the park would take preference over a smaller sized national monument favored by U.S. Rep. John Dowdy and lumber interests in the area.

We believe that some plan can be worked out to preserve a considerable portion of the Big Thicket as a National Park without damage to the lumber industry.

The park proposal faces opposition from lumber interests and the problems were compared by Udall to those encountered in trying to preserve the Redwoods in California. The secretary expressed hope that the California problems would be solved soon and that perhaps that could serve as a guide to working out the Big Thicket park plan.

A plan similar to the "selective cutting" in Washington and Oregon, or the "patch cutting" adopted in Canada also might serve as guides to solve the problem with lumbering firms.

Selective cutting in National Parks allows lumber firms to cut certain trees at a particular stage of their growth or to "thin out" growths found to be too dense. Patch cutting allows certain areas to be cut over and then replanted.

What we must keep in mind is the fact that civilization continues to use up our remaining wilderness and undisturbed woodlands. For posterity, we must act now to safeguard what we can before it is too late.

DEATH OF MARGARET PRICE

Mr. HART. Mr. President, it was with much sorrow that I learned yesterday of the death of Margaret Price, vice chairman of the Democratic National Committee. She was a close friend, a political ally, and always at the vanguard of the Democratic Party. Her death ends an encompassing and deeply involved career in politics and community service.

When death comes to someone we know, there is a natural tendency to outline the good things they have accomplished, and to take comfort in those achievements.

But I am afraid that for all that Margaret Price accomplished, she will be sorely missed by her family and friends—and will be irreplaceable to the Democratic Party.

She had a tremendous ability to identify herself with individual problems—and although she rose to national stature her concern was always to return the discussions or the issues or the heart of the campaign to the local level.

When I remember Margaret Price, I remember a woman with a quiet grace that dispelled, at first impression, any evidence of her ingenious ability to organize a national movement. That same grace gave no hint of her capacity for total commitment to the causes in which she believed, and for which she dedicated her life.

Her remarkable political life began in Michigan, in Ann Arbor, about 1948. From the post of precinct delegate, she went on to become Michigan's national committeewoman in 1952. In 1960 she was elected vice chairman, shortly after John F. Kennedy's name was put in nomination.

Perhaps one of the most eloquent tributes to Margaret Price was paid by an Ann Arbor columnist, Connie V. Reed, who said of her:

> She is living proof that there is no substitute for imagination and fresh ideas to ward off organizational stagnation.

The vitality of the democratic organization is diminished by her death.

Even more, the loss to her husband, Hickman Price, known and respected by all of us, and to her son, Marston, is reflected in our grief, and in this time of personal sorrow we offer our sympathy and prayers.

MANNED VERSUS UNMANNED SPACE FLIGHTS

Mr. PROXMIRE. Mr. President, an article on the editorial page of the Evening Star of July 14, 1968, made the point that we are now spending vast sums of money and are backing into further manned space programs that will cost even larger sums of money, but that we will receive little data of scientific value for their price.

In the article, Mr. Hines, of World Book Science Service, states:

> Without men in the system, there is really no good reason to spend the $250 million a Saturn V super-rocket costs. Few, if any, unmanned payloads need to weigh the 50 tons a Saturn V can launch into deep space. Instrumented spacecraft can be launched by rockets costing only a few million dollars.

That is precisely the point I made back in June of this year during debate on my successful amendment to cut the NASA authorization approximately $360 million below the budget request.

I also concur in Mr. Hines observation that unless NASA becomes more realistic in its goals and in its budget requests, serious damage can be done to projects of great scientific merit that can be successfully carried out by unmanned flights. I would hate to see such programs killed because of a stubborn policy that keeps them wed to manned flights that can only have deep-space, manned flights as their ultimate goal.

Mr. President, I ask unanimous consent that Mr. Hines article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WORLD OF SCIENCE: AIR FORCE CAN RUN SPACEFLIGHT PROGRAM

(By William Hines)

The space program's salvation (if it is to have a salvation) will come when its leaders stop thinking big and start thinking small. The attitude that enables otherwise sober men to suggest in days like these that the nation should start planning expeditions to Mars can only be NASA's undoing.

It is already apparent that the space program will be in an operational vacuum after 1970, and many people believe a dismantling of the space program may follow the first manned lunar landing. This does not need to be the case if NASA presents feasible alternatives to the multi-billion-dollar dreams it has concocted to date.

There is no lack of such alternatives, provided manned flight programs are abandoned and serious scientific projects are substituted. While it might not support administrator James E. Webb's space empire in the style to which it is accustomed, $2 billion a year would be more than adequate for the kind of vigorous space effort this country could justifiably sustain.

Abandonment of the manned programs would not be inconsistent with NASA's role as spearhead of America's exploration and exploitation of space. Indeed, there are good precedents for NASA to relinquish such a going project and turn its attention elsewhere.

The space agency built and tested the Tiros series of weather satellites in 1960–65 and, having brought it to operational readiness, turned the Tiros program over to the weather bureau. NASA's experiments with communications satellites ended, for all practical purposes, when the Comsat Corp. was born.

The manned space program originated in science's deep uncertainty over the human organism's ability to survive—let alone function productively—in the hostile space environment. Project Mercury proved that survival is possible; Gemini answered the question of function. Apollo's purpose is more pragmatic: to get men to the moon.

It is now time for NASA to think about quitting the manned space business and turning it over to the Air Force, which already is pushing development of its post Apollo "Manned Orbiting Laboratory."

The logical timing for this changeover would be July 1970, which is the start of fiscal year 1971. Allowing a certain leeway for slippage in project Apollo, the first manned lunar landing will probably have been accomplished by then, leaving NASA no significant stake in the manned end of space. NASA has the momentum and the money to carry Apollo through fiscal '70, but that is about all.

It would not be surprising in the next few years to see the space agency's budget halved—from the present $4 billion to about $2 billion—if present difficulties at home and abroad persist, as seems likely. If this happens, NASA will be unable to do anything of consequence with men in the picture, but will be able to do quite a few interesting and challenging things using instruments only. Some space scientists and engineers are counseling a deliberate policy of "go small, go cheap" in order to wring the most scientific data out of every space dollar.

Without men in the system, there is really no good reason to spend the $250 million a Saturn V super-rocket costs. Few if any unmanned payloads need to weigh the 50 tons a Saturn V can launch into deep space. Instrumented spacecraft can be launched by rockets costing only a few million dollars.

Space engineer Maxwell W. Hunter II has been preaching the gospel of smallness for a long time. He has been active in the missile-space effort in and out of government for nearly 25 years and is widely respected throughout the industry.

Hunter contends that even the outer reaches of the solar system can be explored quite cheaply, if only we start thinking small. He envisions a rocket not much bigger than the original 1957-model Vanguard as a launching vehicle for unmanned flights to Jupiter, Saturn, and even distant, mysterious Pluto. The payload would not be merely grapefruit-sized, as was Vanguard's; Hunter envisions packages weighing more than 400 pounds.

If this seems improbable, it is only because we are accustomed to thinking along obsolete lines. The Saturn V is basically a monstrous scaling-up of rockets designed in the 1950s; in this fact lies its strength today—and its weakness tomorrow.

Hunter is not the only engineer with ideas about how to keep the space program going productively at some reasonable level of expenditure. Now what is needed is similar wisdom at the top in NASA's Washington headquarters.

THE REBELLIOUSNESS OF YOUTH

Mr. CLARK. Mr. President, there has been growing concern in this country about the rebelliousness of youth. We wonder why they are rioting at Columbia, why they are agitating at Berkeley, why they are fighting at Minneapolis. We criticize and condemn and call them foolish and say that they will eventually don the clothes of their fathers. But I do not believe this is totally true.

The fact is that the number of disaffected young people in this country is growing every day. They are tired of a war that drags on; they are tired of a Government which does not respond to the needs of the people; and they question whether it is even able to respond. And they are tired of being talked down to, of being told that they just do not understand. The point is that they do understand; they understand very well when a politician fields a question cleverly, when he sidesteps an issue to avoid taking a stand, when he talks out of both sides of his mouth. They want honest answers, not clever ones, and it is easy for them to make the distinction. It is not too difficult to understand why they flock to someone who says what others are thinking but are afraid to say.

So what can we do? One thing we can do is to start listening to youth and start taking some of their ideas seriously. We can try to understand better why they protest and demonstrate rather than simply make a call for law and order. We must realize that when students protest at a particular place, it goes much deeper than grievances against that particular place, for if it were only that, we need not be so concerned. Rather, these young people are disaffected with outmoded institutions and unresponsive administrators and a society which treats their ideas with little respect. We can call for law and order from here until doomsday, but it will only solidify the ever-increasing numbers of those who feel estranged from the system. Until we address ourselves to the problems which are deeply rooted in our society, we will only have more lawlessness and disruption and perhaps an end to our political system as we know it.

Recently President Johnson called for a constitutional amendment to lower the voting age to 18. This is fine idea; I have supported resolutions to this effect in the past, and I support the proposal now, but let us not fool ourselves into thinking that this will bring the disaffected into our system. If it does, youth will be leading the way, not following. Restless youth is not going into the Peace Corps anymore to spread the word; instead, it is staying home because it is losing faith in the word: They are not so sure anymore that America means opportunity for all, equal justice for all, or equality in the pursuit of happiness. When one feels this way, it is difficult to sell the American dream abroad.

What it comes down to is that youth deserves to be taken seriously, not dismissed with a remark about youthful idealism. If young people are disillusioned, it is mostly our fault, for politics as usual will not solve the problems of today. The dogmas of the past are not appropriate for the present; and so it is with the old tried and true ways, if they do not fit the needs of today. We must think in new ways when we confront new problems; we must be flexible and innovative and not tied to the past. Old cliches should have been buried long ago; they do little but insult those who suffer as a result of our inaction. These are the things which young people are telling us, and we should begin to listen.

MICE

Mr. GORE. Mr. President, these are critical times, characterized by the omnipresence of danger, the rapidity of change, and of constant surprise. We talk of the cataclysm of war, we hope for peace, we appropriate billions and, now and then, we engage in flights of promissory oratory.

Yet there are mundane problems of housekeeping that must claim our attention. In this latter reference, I ask unanimous consent to have printed in the RECORD a letter I have addressed to the Architect of the Capitol.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 23, 1968.

Mr. J. GEORGE STEWART,
Architect of the Capitol,
U.S. Capitol,
Washington, D.C.

DEAR MR. STEWART: You are hereby requested to consider and resolve a problem with which I have been unable to cope successfully. While it may not be of the magnitude of some others you face, such as the rebuilding of the West Front of the Capitol, it does promise to be at least as difficult of solution as the extension of the Capitol subway system.

To put the matter bluntly, mice are destroying the potted plants in my office.

Now, I do not mean to malign mice, and I have often read with sympathetic understanding the immortal words of Bobby Burns,

"I doubt na, whyles, but thou may thrive;
What then? poor beastie, thou maun live."

But I want these mice to thrive and live elsewhere. I want them removed from my office.

I have tried attrition by trapping. My kill ratio appeared to be satisfactory and, according to my computer, the mice have been eliminated. They are still infiltrating.

We have tried other orthodox methods of rat eradication, too. But these mice have resorted to a guerrilla type of warfare and after three years of optimism, I have concluded that it is impossible to win a classical victory with present methods and policies.

You will, perhaps, find this an unwelcome problem, but we must have a program of pacification in my office as these mice are undermining stability. What secretary can type flawless letters in their presence? On one occasion, we found one of our Nervous Nellies standing in her chair. In fact, I must admit that my own chain of thought has just been rudely interrupted by the emergence of one of these infiltrators from the air conditioning duct.

More importantly, they are eating my Philodendron.

So, please organize a search and destroy mission to rid my office of these pests.

Sincerely yours,

ALBERT GORE.

AMERICAN ENJOYMENT OF HUMAN RIGHTS PROTECTIONS IMPLIES A RESPONSIBILITY

Mr. PROXMIRE. Mr. President, we Americans enjoy the fullest measure of human rights and the protection of those rights of any people in history. We can say what we want, live where we want, work where we want, associate with whom we want, and worship God the way we want. But all reasonable men will agree that you cannot equate freedom with license. Every freedom or right carries with it a responsibility. Each individual in order to enjoy these rights for himself must take care that by asserting his own rights in one area he does not violate the rights of others in some other area. In other words, part of every right is a responsibility to protect that right not only for oneself, but just as importantly, for others.

The right to worship God the way one wants is meaningless if there is intolerance of the way others do so. The right to petition of grievances is worse than meaningless if the exercise of that right is marked by violence and disregard for the basic rights of others. All these rights carry responsibility.

But what responsibility is ours because we as Americans enjoy near fullness of human rights? What must we do to continue to enjoy these rights? The answer to that question, Mr. President, would seem to be that we must do everything in our power to see that these rights, which belong to every man by his very nature, are, indeed, enjoyed by every man.

It is said, with validity, that to deserve freedom a nation must continue to struggle for it. But Mr. President, that battle for human rights for all Americans has reached the point where practical implementation is needed instead of further legislation or formal declaration.

However, there are many countries today where there exist official policies of mass exploitation and inhuman violations of the rights and freedoms we take for granted. It is there, Mr. President, that we must focus our efforts. Through international protective mechanisms and fora of discussion, we must take the lead in this struggle in behalf of the rights of all men—for all men.

Mr. President, we are now witnessing

in Nigeria-Biafra violations of basic human rights unequalled in horror since World War II. Yet, the Senate has still failed to ratify the Genocide Convention and other conventions which could provide a basis for protecting the violated rights of these innocents. Here, in the U.S. Senate the responsibility now rests to begin anew that world movement toward guaranteeing those rights that belong to a man, because he is a man. This is how, Mr. President, we guarantee continued enjoyment of these rights and freedoms for ourselves: help insure that they are shared by others.

Ratify the genocide and other conventions now.

THE NEWLY APPROVED FIREARMS CONTROL LAW FOR THE DISTRICT OF COLUMBIA

Mr. DODD. Mr. President, the Mayor and the City Council of the Nation's Capital have now approved a firearms control law and a firearms registration law for this city.

I commend them for this action, and I certainly hope that Mayor Washington and the Police Department will move as rapidly as possible to implement these new regulations.

As a part of my concern with the crime and juvenile delinquency problem in the Nation, I have had a special interest regarding the crime situation here in the District.

I have said in the past that the Capital must be our showcase to the world, but it has been apparent in recent years that Washington's own residents, not to speak of the world, are afraid to move about this city. We have now reached a situation where it is a dangerous occupation in Washington to be a cab driver after dark and where the transit company's bus operators will not, and in fact cannot, carry money.

These are signs that at night the law of the jungle and not the order of man has come to govern this Capital of the most advanced of the civilized nations of the world.

These are the conditions that leave us no doubt that the District as well as other parts of the Nation needs firearms controls to help save and protect the lives of our citizens.

We cannot allow armed rioting hoodlums to practice political extortion on the U.S. Government. We certainly cannot allow them to do this in the Nation's Capital.

Since I became concerned with the problem of guns in riots, I sought evidence to determine the firearms situation in the District of Columbia during the recent riots.

After the disorders and rioting in Washington in April of this year, I asked the Metropolitan Police Department and the FBI for background information on those offenders arrested on weapons charges during the riot.

I wanted to determine to what extent these people had criminal records.

I wanted to know what kinds of people were roaming our streets during these disorders in violation of the curfew and in violation of the District's gun law.

I found out what kinds of people they were. They were thieves, robbers, rapists, and murderers.

They were the hoodlums, the drunks, the vagrants and the narcotic offenders. From any point of view, they were the most unstable element in our society. Some had served time in the penitentiary. Some were robbers who had used force and violence in these crimes. Some had shown a criminal involvement spanning almost half a century. And at least one has acquired a new murder charge several months after his scrape with the law during the riot.

Of 60 cases that I have checked, more than half had prior-arrests records on file with the FBI. And 18 of these offenders appeared to be hardened felons who would and should be denied a firearm even under the most lenient gun control laws imaginable.

All of these men had one thing in common. They had been arrested with a gun in their possession some time between April 4 and April 9 of this year.

These men exemplify the hoodlum gunman not only in Washington but, as our previous studies show, in other cities that have been rocked by violence and disorder.

These men are the criminal element in our society who terrorize peaceful citizens with guns in their hands, with crime in their minds and with violence in their hearts.

They are the last people who should have a firearm, but they happen to be the first to acquire one, in one way or another.

The gun laws we have had thus far have not disarmed them and that is the main reason we need additional regulations such as the registration and licensing provisions now before Congress and such as the new law enacted in the District of Columbia.

Only when we can account for every pistol, every revolver, every rifle, and every shotgun in the Nation will we have the capability to keep them out of criminal hands.

We now have a licensing and registration law for our Capital before we have passed it for the rest of the Nation. This is as it should be.

The Capital can be our showcase to the world and an adequate firearms law is one of the most important steps toward achieving this.

I believe that this law will be adequate because it contains the vital provisions I have found to be necessary in my own effort to design a nationwide measure.

I am pleased to see that this law covers the long arms because my review of the Metropolitan Police records revealed cases where the April rioters with serious criminal backgrounds were apprehended with rifles or shotguns or with sawed-off long arms.

For example, one man's record dates back to 1955 and includes convictions for auto theft and arrests for burglary and assault and battery. Another long gun toter's record began in 1949 and includes convictions for assault and felonious assault in addition to investigation for homicide and arrests for policy slips. During the riot he was charged with carrying a deadly weapon, possession of stolen property and curfew violation.

And I am pleased that the law covers the sale of ammunition since this in effect helps to prevent the use of unregistered weapons.

For these reasons I congratulate Mayor Washington for signing this new legislation. And I commend the City Councilmen for their approval of the law.

I hope that the Mayor will now direct the Police Department to take immediate steps to assure that the law will be fully operational soon after its effective date.

These steps should include an assessment of the extent of firearms ownership in the District.

They should include an educational effort to advise the public of the provisions of the law and of the protection it will provide.

And they should include a public relations effort in the community to achieve maximum compliance with the law among District citizens.

I have full confidence in Mayor Washington and in the Metropolitan Police Department. And I know that they will move to implement this new law with the utmost degree of speed and efficiency.

I want to add, however, that to be fully effective the District's law should be supplemented by similar licensing and registration provisions in the counties surrounding Washington.

I see no reason why each of the surrounding counties cannot enact such provisions and I urge the county governments to take this action to prevent the criminal element in the District from acquiring guns in the adjoining jurisdictions.

Our studies have convinced me that we need these controls for the entire Washington area.

I believe that the adoption of these laws can and will mark a turning point for our Nation's Capital from a crime torn and riot prone metropolitan area to a peaceful and dignified city that can symbolize the greatness of our land to the other nations of the world.

CHEROKEE HILLS RESOURCE CONSERVATION AND DEVELOPMENT PROJECT

Mr. HARRIS. Mr. President, eastern Oklahoma is fortunate to have in operation at the present time the Cherokee Hills resource conservation and development project. This project is doing the kind of things that need to be done for the growth and development of eastern Oklahoma and is providing jobs for previously unemployed Oklahomans.

An outstanding article was recently published in Oklahoma Orbit, the magazine section of the Sunday Oklahoman newspaper. I ask unanimous consent that this article be printed in the RECORD, so that Senators might be able to review the outstanding accomplishments of the Cherokee Hills resource conservation and development project.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW SKILLS, BETTER JOBS

(By Ed Montgomery)

Thomas Foreman of Jay has gone back to school at the age of 43. He's learning how to run a bulldozer.

People all over the country will be interested in seeing how Thomas Foreman and others like him come out.

They're part of a pilot project designed to train local people to fill new jobs being created in rural America through 41 self-help projects scattered around the country.

The trail-blazing Oklahoma effort, a $1½ million special training program, got started this spring. During the first phase, a $300,000 grant from the U.S. Department of Labor will enable 164 unemployed Oklahomans to learn a variety of specialized jobs.

Thomas Foreman and 14 others are members of the first class to start training under the program. They are undergoing 20 weeks of classes in a school at Bull Hollow, near Jay, Delaware County.

The training site and equipment for the school are furnished by the Cherokee tribe. Most of the trainees are Cherokees.

Eight other courses, now begun or about to start, will train unemployed workers in tractor and implement repair, combination welding, machine tool operation, farm maintenance and small motor repair. Also included are two other classes for bulldozer operators and a stenographer refresher course.

The combination welding and machine tool operating courses will be taught at Northeastern State College, Miami. The rest will be at sites within the Cherokee Hills Resource Conservation and Development Project, which embraces Cherokee, Adair and Delaware counties.

Forty other resource conservation and development projects in other states will adopt their own job-training programs based on the Oklahoma pilot project if results seem to warrant that action.

An application has been submitted for a second Oklahoma RC & D program which would include Pittsburg, Latimer, LeFlore and Haskell counties in southeastern Oklahoma.

The job training and retraining program in the Cherokee Hills area is one important integral part of the over-all project.

The list of project aims includes measures to solve soil and water problems, get more and better recreation areas, attract new industries and find new markets and processors for farm products as well as to provide trained employes for an expanded rural economy.

A number of federal and state agencies are involved in the project.

Orville L. Freeman, U.S. secretary of agriculture, has given this description of the RC & D projects:

"Each of them is multi-purpose in the broadest sense of the word; each conserves resources in an integrated, well-planned manner; each brings jobs to local communities, conserving the human and economic base of rural America."

The Cherokee Hills demonstration project was chosen partly on the basis of successful bulldozer operator courses conducted at Bull Hollow and Candy Mink Springs. Those courses, like the current ones, were offered under the Manpower Development and Training Act.

They, too, were held on land furnished by the Cherokees and with the use of surplus governmental equipment acquired by the tribe.

Delight (pronounced Daylight) Cochran, a 40-year-old Cherokee from Kansas, Delaware County, graduated from one of the courses in February.

He had held various jobs, including one across the state line at Siloam Springs, Ark., where he remembers he started at 95 cents an hour. His last one before he attended the school paid him $1.25 an hour, not much for a married man with four children.

After graduating from the bulldozer school, he went to work for a construction company at Gentry, Ark. Later he took a job with a contractor who does brush-clearing jobs, so he could easily commute to his work from his home.

He's now making $2.25 an hour.

Deciding to attend that school, he agrees, has made a big difference in his life.

Courses offered in the training program are keyed to surveys of job needs in the area. Ralph W. Agnew of Pryor, area representative of the Oklahoma State Employment Service, has followed upon employment records of the last class of bulldozer operators which graduated in February, a bad time of year for finding jobs in that field.

At last check, six graduates of the 15-man class were working as heavy equipment operators. A welder, two chain-saw operators, a farm tractor operator and a plumber's helper are doing jobs related to their training.

Two other graduates were working as rough carpenters, one as a laborer and another in a job of an undetermined nature at an ordnance plant in Kansas.

Some or all of those will presumably find jobs as heavy equipment operators now that a better season for outside work is here.

The mere fact that all 15 graduates of the class are working is encouraging, because all were unemployed when they enrolled in the class.

Recruiting of trainees is handled by the state employment service. Screening, based on aptitude tests and other factors, is apparently thorough, because the dropout rate has been almost nil.

The State Division of Vocational Education designs the courses, hires instructors and furnishes materials. Both the instructors at Bull Hollow—Herschel Benge of Grove and Woodrow Wilson of Jay—have years of experience as heavy equipment operators.

Legal sponsors of the RC & D project are the soil and water conservation districts of the three counties, united to form the Cherokee Hills Council, which is a division of state government. The council elects a 24-man executive committee.

C. M. Lefler, Grove rancher, heads the council. Dan Draper, superintendent of schools at Colcord, is chairman of the executive committee.

Allen Moss, a native of Vici and an employe of the Soil Conservation Service, has been project coordinator for the Cherokee Hills effort with headquarters at Tahlequah since it was first authorized in 1965.

He's enthusiastic about the future of the area and the RC & D project's contribution to it.

The three-county area is handy to the Arkansas Basin project scheduled to be opened to navigation in a few years. It is expected to furnish many of the job-holders for industrial development of the basin.

The training and retraining program is scheduled to equip 750 unemployed men and women to do jobs available in a changing world which has made many jobs obsolete. The $1.5 million program will be spread over three years.

Moss says the program is flexible enough that it can be tailored to specific needs of major employers.

Most of the men attending the job-training courses are victims of the changing times. They were raised in rural areas, and they want to stay in rural areas. But the jobs they could have filled in an earlier time no longer exist.

There will be middle-aged men who have never held regular jobs in their lives.

Agnew, the employment service man, tells of the fairly typical case of a 41-year-old man who had raised his family almost entirely on welfare payments. He attended one of the bulldozer schools and went to work immediately after graduation making $2.50 an hour on a job only 10 minutes from his home.

Trainees must be at least 22 years old and unemployed. A trainee, during training, is entitled to $30 a week plus $5 for each dependent up to six, or a maximum of $60. He also gets five cents a mile for transportation to the school.

Thomas Foreman, the 43-year-old trainee in the Bull Hollow course, hopes to go to work as a heavy equipment worker for some branch of the government when he completes training.

He has spent six years, off and on, driving a truck for the Bureau of Indian Affairs. He also has a total of eight years in the army and navy, so he's hopeful of qualifying for a government pension in 18 or 20 years.

He's not ruling out the possibility of going to work for a construction company, however. Wages of $4 an hour aren't unusual for bulldozer operators on some jobs.

Foreman says he likes the school, likes the instructors and figures he's learning a lot.

He's spent a lot of time working on construction jobs over the years, he explains, but he never had the technical training to qualify for one of the better-paying positions. He figures things are going to be different now.

Local leaders hope things will be different in the future for a lot of people in their area, which has more than 8 percent of its labor force without a job.

Dan Draper, now chairman of the executive committee, has been active in the RC & D project since its earliest planning stages.

He says the training program has moved faster than he hoped for, and he has high hopes for its results.

"Our only salvation," he sums it up, "is to train trainable people to fit into the skills we have."

That, briefly, is what all those governmental agencies are doing for Thomas Foreman and his friends and neighbors in the Cherokee Hills. And what they'll be doing in rural areas all over the country if this first one pans out.

"We still have a long way to go," Secretary Freeman has said, "before rural America is on par with urban America in jobs, housing and income. But we've made a good start.

"We are well on our way to making rural America as attractive economically as it is now in terms of natural beauty, clean environment and unharried living."

HUMAN RIGHTS EDUCATION NEEDED IN UNITED STATES

Mr. PROXMIRE. Mr. President, for 2 years now, I have addressed the Senate on human rights and the pressing need for Senate ratification of the various conventions that guarantee these same rights to all men. Every day the Senate has been in session, I have spoken out on this national disgrace and international scandal. I have discussed this issue with every Senator by phone, in person, or by letter.

As a matter of fact, they had better prepare themselves for an escalation, for I plan to begin a public education campaign that will bring before the American people the pressing need for ratification of the Human Rights Conventions. I would rather not spread our dirty wash out for all the neighbors to view but if the Senate fails to act, then the people should be made aware of that failure and their aid enlisted in securing a favorable vote on all the conventions.

I think the most effective means of enlisting the support of all Americans is to point out what might not have happened in Biafra or Rhodesia or South Africa were there now existing an international mechanism that would have brought world opinion to bear effectively and peacefully.

What would not have happened, had there been a world forum before which these conflicts would have to be brought? What action could the U.N. have taken had the leadership and strength of the United States been instrumental in creating this mechanism and supporting U.N. action against violators of the conventions and those who refuse to bring alleged violations to the U.N.?

Mr. President, the American people have the right to have their Government formally backing up the rights guaranteed in the various conventions. The American people have a right to know that their Government, through international cooperation, will be able to prevent future crimes against human nature. I assure the Senate I plan to apprise the people of these rights of theirs, should the Senate adjourn this year without ratifying the Human Rights Convention.

MRS. GLADYS AVERY TILLETT, AN OUTSTANDING AMERICAN

Mr. ERVIN. Mr. President, I shall later ask unanimous consent to have printed in the RECORD a statement given recently by an outstanding woman from my State of North Carolina before a United Nation's Commission at the U.N. headquarters in New York. The statement was delivered by Mrs. Gladys Avery Tillett, U.S. representative on the U.N. Commission on the Status of Women, and is entitled: "Civic and Political Education of Woman in the United States."

As a loyal citizen of her country and as a leading member of the Democratic Party, Mrs. Tillett has long been valued and recognized as an articulate spokesman for the changing status of women in national life. In addition, she has continually contributed her time, energy, and intelligence to become one of North Carolina's outstanding public servants.

As a woman in private life, Mrs. Tillett is the mother of three children and the widow of Charles W. Tillett of Charlotte, former president of the North Carolina Bar Association and once chairman of the section on international law in the American Bar Association.

One of the most important aspects of Mrs. Tillett's career has been her devotion to the United Nations. Her association with the United Nations began with the founding of that organization. An observer at the conference in San Francisco which produced the U.N. Charter, she later organized meetings throughout the United States in support of ratification.

She was a member of the 1949 Conference of the United Nations Educational Scientific and Cultural Organization—UNESCO.

Mrs. Tillett was appointed as U.S. representative on the U.N. Status of Women Commission by President Kennedy in March 1961 and confirmed by the Senate. She was reappointed by President Johnson.

She was appointed a member of the U.S. delegation to the United Nations General Assembly, 1961–65, serving as alternate delegate in 1961 and again in 1964 with the rank of Ambassador.

She was spokesman on behalf of the U.S. Government in the Third Committee of the General Assembly in 1961 and again in 1962 on the U.N. Convention on Free Consent to Marriage, Minimum Age for Marriage, and Registration of Marriages.

She was appointed by the President to sign the Marriage Convention on behalf of the United States at the United Nations, December 10, 1962.

Prior to the presentation of the draft resolution on the Marriage Convention in the Third Committee, she participated in U.S. Government policy discussions which resulted in the adoption of revised U.S. policy whereby each U.N. convention is examined and supported or rejected on its merit. Mrs. Tillett's persevering effort and liaison with the U.S. Senate were contributing factors in the adoption of this policy.

Among resolutions establishing new programs on the status of women and on which, as U.S. representative, Mrs. Tillett gave leadership, are those on family planning, free consent to marriage, minimum age for marriage, and registration of marriages, the declaration on the elimination of discrimination against women, slavery and civic and political education of women.

Mrs. Tillett has participated in international conferences and seminars on various aspects of women's status in every region of the world, and has conferred with government officials in many developing countries. She served as consultant to UNESCO on the development of women's programs, attending meeting in Paris, July 1964; U.S. observer to U.N. regional seminar on Participation of Women in Public Life in Ulan Bator, Mongolia, August 1965; U.S. observer in U.N. regional seminars on Women in Family Law in Tokyo, 1962; and in Lome, Togo, 1964; U.S. participant and vice chairman in the Western Hemisphere seminar at Bogotá, 1963; traveled in Latin America as State Department grantee in 1963, visiting 15 countries and Puerto Rico, conferring with government officials, meeting with women leaders and members of women's nongovernmental organizations in various countries; traveled in Southeast Asia and elsewhere on a State Department grant, January–March 1962, conferring with government officials and leaders of women's voluntary organizations; official guest of German Federal Republic in June 1962, for visits to Berlin and other German cities; attended Educational Conference for Women in Ibadan and Lagos, Nigeria, 1961; and met with women leaders and members of nongovernmental organizations in Nigeria; U.S. observer in regional seminar on long-term program for the advancement of women in Manila, Philippines, December 1966; U.S. observer on the U.N. regional seminar on Civic and Political Education of Women in Helsinki, Finland, 1967.

She has written numerous articles on the status of women which have appeared in connection with her role as the U.S. delegate to the U.N. Commission. These articles include: "Elimination of Discrimination Against Women," "Family Law and the Women of Africa," "The Status of Woman in Family Law," and "Family Planning Is a Human Right."

Mrs. Tillett brought to U.N. work a background of experience in civic and political affairs in the United States. She was founder of the first County League of Women Voters in North Carolina and early president of State league; active in a number of other voluntary organizations, including the United Church Women, the national board of the United Nations Association of United States of America, the Charlotte board of the YWCA and for 12 years a member of the national board of the YWCA; active in the Conference of Christians and Jews; the AAUW; the Business and Professional Women; National Council of Women; presently serving on the International Affairs Committee of the national board of the YWCA; served on the Inter-racial Committee of the Charlotte YWCA. She is responsible for the erection of a Negro Presbyterian Church in Charlotte and the founder of two day nurseries for Negro children of working mothers.

Mrs. Tillett's contribution to the Democratic Party has been important not only for the party itself, but for women, who have now come into their own as a vital part of their party. Mrs. Tillett expressed this achievement in a dedication she wrote in 1945 for the women's division of the Democratic National Committee:

> Dedicated to the Democratic women in precinct, county, state, and the nation who have accepted the responsibilities as well as the privileges of suffrage and who have worked unceasingly and faithfully during the quarter of a century that women have had the vote to bring about the participation of women in their Party and in their Government. To these valiant women, and to the men who have assisted them in their march forward, the Women's Division of the Democratic National Committee pays tribute.

Mrs. Tillett served as vice chairman of the Democratic National Committee from 1940 to 1950. She directed the national campaign for women in the Roosevelt-Truman campaign of 1944 and was the keynote speaker for women at the 1944 National Democratic Convention. She was a member of the National Democratic Advisory Political Committee from 1953 to 1959.

In 1960 she was North Carolina cochairman for the Kennedy-Johnson campaign committee. For the first time in a presidential campaign religion was an unavoidable issue and one which Mrs. Tillett disarmed in a speech given in North Carolina entitled, "Religious Freedom and the Ballot Box." In support of Senator Kennedy, a Catholic, Mrs. Tillett mentioned that Vice President Nixon was a Quaker:

> Do you think the fact that some Quakers are pacifists should be examined in this campaign or that voters should begin to fear that the Vice-President, a Quaker, might not be willing to go to the Mat with the enemies of our country?
>
> Your answer, and mine is, of course, a resounding "no". Then why in the name of justice and freedom can't you and I, and all the rest of us, grant the same right to Senator John Kennedy, namely; the right to render

> unto Caesar the things that are Caesar's, and to God the things that are God's?
>
> In a Democracy we can't ration religious freedom—just parcel it out to you and me. Democracy is not only a government—it is philosophy, a way of life. We can't have freedom of religion in your house and my house and not have it in the White House!

As vice chairman of the Democratic National Committee, Mrs. Tillett set as her goal, and was successful in getting, qualified women appointed to the U.S. delegation of each United Nations Conference held prior to the San Francisco Conference which produced the Charter.

The following women were appointed and were "firsts" for women:

First woman to be named on any United Nations Conference. Served as U.S. delegate to United Nations Conference on Food and Agriculture, Miss Josephine Schain, who had wide experience and training in the international field.

First women named on U.S. delegation to United Nations Conference on Relief and Rehabilitation, Mrs. Ellen S. Woodward, Mrs. Elizabeth Conkey. Mrs. Woodward was member of Social Security Board. Mrs. Conkey was commissioner of public welfare in the city of Chicago.

First woman named U.S. delegate to Conference of Allied Ministers of Education, Dean C. Mildred Thompson, of Vassar College.

Only woman member of U.S. delegation to United Nations Monetary and Financial Conference, Dr. Mabel Newcomer, of Vassar College.

Only woman member of U.S. delegation to United Nations Conference on International Organization, Dean Virginia C. Gildersleeve, of Barnard College.

Mrs. Tillett holds an A.B. degree from the University of North Carolina. She served as trustee of the University of North Carolina for 8 years and was recipient of the L.L.D. from both the University of North Carolina at Chapel Hill and the University of North Carolina at Greensboro.

In June 1948, Mrs. Tillett received the honorary degree of L.L.D. from the University of North Carolina. The citation says:

> Composite of the highest qualities of daughter, wife, mother, responsible citizen in the local precinct and leader of women in the nation. This keeper of the home is also the keeper of the commonwealth. She would have politics without demagoguery, excellence without arrogance, and democracy without vulgarity. Her organizing ability, imagination and drive as chief of the women's division of a major national party is, in a large part, responsible for the information and activity of legions of American women in public affairs; for their informed support of a great American President in the years of depression and war; and for the organization of two thousand meetings of women in 48 states for the staunch participation of the United States in the United Nations as a chief hope for peace in our broken and bewildered world. By vote of the Faculty and the Trustees of the University of North Carolina we confer upon you the degree of Doctor of Laws.

The Greensboro News paid her this tribute:

> She stands today as one of North Carolina's finest ornaments in the field of public service. She is a credit to her home, her community and her state, as well as the nation she represents on an important United Nations Commission.

Mr. President, Mrs. Tillett's life and work are the eloquent expression of a woman who has been totally involved in the world around her. She is both an outstanding individual and an exceptional woman. I ask unanimous consent to have printed in the RECORD Mrs. Tillett's statement before the United Nations Commission and an earlier manuscript by Mrs. Tillett entitled "A Historical Sketch of the Leadership of Democratic Woman from 1936 to 1945."

There being no objection, the statement and manuscript were ordered printed in the RECORD, as follows:

CIVIC AND POLITICAL EDUCATION OF WOMEN IN THE UNITED STATES

(NOTE.—Following is a statement by Mrs. Gladys Avery Tillett, U.S. Representative on the UN Commission on the Status of Women which was delivered at the 21st session of the UN Commission on the Status of Women meeting at UN Headquarters in New York January 29–February 19, 1968.)

In the United States women have been voting for a half century. For the same period they have been holding public office and exercising political rights without being discriminated against. They have been working members of political parties and voluntary organizations; they have long been influential in shaping government policy from the community to the national level.

One source of political know-how and skill in leadership in the United States is to be found in voluntary organizations. I cannot take time to name the hundreds of voluntary organizations in the U.S. but taken all together some fifty million women in the United States belong to these organizations. They include the wives and mothers of America; young women and mature women; women of all races and religions; the women who work on assembly lines, farm women and city women; professional women and executives; nurses and teachers; office workers and homemakers, and women who serve in the armed forces. Records show that volunteers give from as little as one hour a day, a week or a month or less, to as much as fourteen hours daily seven days a week.

One of the benefits of voluntary work is the enrichment of the life of the volunteer. One organization states that its purpose is "to foster interest among its members in the social, economic, educational, cultural and civic conditions of the community and to make efficient their volunteer service".

In this spirit, voluntary groups in the U.S. have become reservoirs of influence and initiators of action, and have a considerable influence over public opinion and political decisions.

Many of the volunteer leaders make the transition from civic to political party leadership. Because our elections are usually on the basis of geographic districts and by majority vote, not by proportional representation, political groupings have tended to merge into two major political parties, the Democratic Party and the Republican Party. Other Parties exist, but on a small scale. All citizens, men and women alike, enjoy the right to belong to the party of their choice and to change party affiliation if they wish to do so. The Parties themselves are organized along democratic lines, with leadership elected by the members.

Women's Divisions of both major political parties have long had active programs of political eduaction for women. Both have focused on developing women leaders who understand public issues, are informed on party policies and equipped with political know-how to organize the party from the community to the national level. With the cooperation of men, women have become integrated into political party organizations. This puts them in line for elective or appointive office by the party.

In addition, the parties have developed auxiliaries such as women's clubs and youth groups and special groups which serve as educational arms of party organization and from these women often move to political office.

There is another fact that should be noted. One school of thought holds that women who gravitate only toward so-called women's concerns, such as health, child-care and social welfare, stereotype the woman in politics as more a woman and less a political leader. In the United States both Mrs. Eleanor Roosevelt, a world figure, and Senator Margaret Chase Smith, who ran for the Vice-presidential nomination have been held in high regard by both sexes. This stems to a large extent from their not being this stereotyped variety of woman politician. As has been often noted these two women took all human problems for their province. They demonstrated that there is nothing unwomanly about being interested in foreign policy or in taxes, or in outer space, and nothing unmanly about being interested in child welfare or family law.

In the United States women are now getting an early start in politics. Many colleges and universities have a lively program which contributes to the development of leadership in the community. Of particular interest is the program of one college. This college offers courses as a part of its liberal arts curriculum which provide field work. This in turn gives students the kind of intellectual background and experience which they find carries over in their communities after graduation.

1. The "parties and politics" course requires students to participate in political campaigns by working for the candidate and party of their choice. They work as regular members of the campaign staff.

2. The public policy course, a seminar directed toward the analysis of federal legislation, includes three days of conferences in Washington when the students meet with policy makers in the Senate and the Congress and in Departments of Government. They also confer with members of the press.

3. A course in state and community government emphasizes planning. Here the students conduct public opinion polls and make use of other devices to learn what the community is thinking.

4. The summer workshop in politics allows a student to study her community as an independent project. One of the purposes is to acquaint her with her own political leaders. She writes an extensive paper at the end of the summer.

5. The college participates in the Washington internship program, usually with 20 to 30 students working for members of Congress, top level administrators in the government, and members of the press.

Finally, let me say that women will rise to new heights in civic and political affairs when they proceed on the basis that ". . . the art of self-government does not come to men and women by nature. It has to be learned; the art of self-government has to be acquired by practice."

A HISTORICAL SKETCH OF THE LEADERSHIP OF DEMOCRATIC WOMEN FROM 1936–45: DEMOCRATIC WOMEN MARCH ON

(By Gladys Avery Tillett)

Playing a role in national politics is no new story for Democratic women, for they were active in party work years before they had the right to vote. Recognized in 1944 as casting a larger vote than the men, and given greater responsibilities than ever before with so many men in the armed forces, the women of the country feel definitely that at last they have "come of age" politically.

To many this has been a long, slow road, but the accomplishments since suffrage was granted in 1920 are many. Most of these advancements have come about in the face of opposition, although in many instances the men in the party have stood shoulder to shoulder with the women, as they asked for greater recognition.

In recent years Democratic women have averaged from three to five hundred delegates at the national conventions—a far cry from 1900 when Mrs. Elizabeth M. Cohen, of Utah, was the only woman delegate. It is interesting to read of her part in the proceedings of that convention in Kansas City:

"Mrs. Elizabeth M. Cohen, the lady delegate from Utah, was escorted to the platform by Senator Raulins of that state.

"She was introduced by Chairman Richardson, who said:

" 'Gentlemen of the Convention, you have before you one of the delegates from the State of Utah. When that state was called, true to her sex, she was too modest to present herself. I now take pleasure in presenting this delegate, Mrs. Cohen, from Utah!'

"Mrs. Cohen was greeted with a great round of applause. She said:

" 'Mr. Chairman, and Gentlemen of the Convention, on behalf of the State of Utah I desire to second the nomination of that grand and noble exemplar of all that is good and holy in domestic and political life, Hon. William Jennings Bryan. And the Democrats of Utah pledge 25,000 majority for Mr. Bryan in November'."

The only other mention of Mrs. Cohen concerned her being among the Honorary Secretaries selected by the delegations representing the states. It took courage to be the first woman to go to a national convention and no doubt there were many raised eyebrows at such boldness.

It was 1908 before women were again among the delegates but this time, instead of one, there were two, and three alternates to give them support. Utah again sent a woman delegate, Mrs. H. J. Hayward; Colorado was the other "bold" state, sending Mrs. Mary C. C. Bradford, as delegate-at-large. Mrs. K. M. Cook of Colorado was alternate-at-large and Wyoming sent Mrs. Harriet Hood as an alternate-at-large. These women of western states were allowed to vote, and shared the responsibility of making national party decisions.

Again in 1912 Colorado sent two women, Mrs. Anna B. Spitzer as a delegate, and Miss Gene Kelly as an alternate. Washington sent the only other woman, Miss May Awkwright Hutton, as an alternate. This was the Baltimore Convention that nominated Woodrow Wilson as the standard-bearer of the party.

By the time 1916 came around people had awakened to the rising demand for woman suffrage. Already Utah, Colorado, Wyoming, Washington, California, Kansas, Oregon, Arizona, Montana, Nevada and Alaska had granted women the right to vote, and Illinois allowed them to cast a presidential ballot. As a result, when the convention met in St. Louis, 11 women alternates and 11 delegates voted in the balloting that nominated Woodrow Wilson for a second term. Miss Mary Foy had the distinction of serving on the important Credentials Committee.

"WOMEN'S STATES" WON IN 1916

Among the ardent women workers in the party at this time was Mrs. George Bass, who was among those sent to notify President Wilson of his nomination, and who had become chairman of the new Woman's Bureau of the Democratic National Committee in 1916. Since only women in the western states and Illinois could vote, Mrs. Bass was in the Chicago headquarters during the campaign, but in 1917 established offices in Washington, D.C. Incidentally, it was Mrs. Bass' "women's states"—the western states—that won the election for President Wilson.

The Democratic Convention had gone on record in 1916 favoring woman suffrage, and on September 30, 1918, President Wilson made a personal appeal to the Senate to pass the resolution making the Nineteenth Amendment a possibility. Republican Senators Borah and Wadsworth were the only Senators representing suffrage states who voted against it. When it was finally passed, it was too late for the 1919 legislatures to act on it, and the women despondently wondered if they would have any real say-so in the 1920 Convention and election.

A SAY IN PARTY AFFAIRS BY 1919

In January 1918, however, Mrs. Bass had offered a resolution at the meeting of the Democratic National Committee urging them to appoint women as associate members of the committee from each state. Her resolution was accepted, and at the 1920 Convention in San Francisco the gallery just above the platform was assigned to those associate members of the National Committee. Mrs. Bass sat on the platform below them. One day the gavel was handed to her to preside over a session—a distinct tribute to the "Lady Democrats", as many called them. Twenty-five states and territories had sent women as delegates and six others had sent women alternates—299 in all. Fifteen women were on the roster of officers of the convention, and about thirty had places on committees.

It was also at this convention that Mrs. Izetta Jewel Miller seconded the nomination of John W. Davis for the Presidency—another "first" for women.

Among other contributions, the women had drawn up and submitted four planks for the Platform Committee. When Senator Carter Glass read the platform with these four planks he leaned forward and shouted, "And if there is anything else the women want, we are here to give it to them."

Unfortunately, it was not as easy as that. This same convention, however, was urged by Attorney General Homer S. Cummings to go home and adopt the fifty-fifty plan of organization, giving women equal representation with men in all party councils. Colorado had led the way in 1910, but some states were slow to follow—and some have not granted "50–50" yet!

Throughout the San Francisco Convention there was an under-current of excitement as the women worked for the ratification of the Nineteenth Amendment, impressing upon all of the delegates the necessity of having their states ratify it immediately if they had not already done so. One of the most active of these women was Miss Charl Ormond Williams, delegate from Tennessee, who had been elected to serve with Cordell Hull on the Democratic National Committee, and who in 1920 was elected the first woman Vice Chairman of any major political party.

After the convention Miss Williams went to Dayton, Ohio, to attend the notification ceremony of Governor John M. Cox for the Presidency, and while there she received a telegram from the Governor of Tennessee telling her that he was afraid Tennessee was not going to ratify the Nineteenth Amendment and to come at once. By then, thirty-five states had ratified, and one more would give the women of the United States the vote. Miss Williams hurried home and became chairman of a steering committee which pushed the amendment through to victory on August 18, 1920. Thus, sixteen million women achieved voting status.

"NONE, THANK GOD!"

In the spring of 1922, Mrs. Emily Newell Blair of Missouri came into the Women's Division (successor of the Woman's Bureau) of the Democratic National Committee to build up an organization for the coming Congressional campaign. As is often the case in political organizations, all of Mrs. Bass' records had been destroyed, and Mrs. Blair began to build from scratch. She wasn't exactly swamped with encouragement. Out of 3,000 letters she sent to county chairmen asking for the names of women on their committees, she received *seven* replies. Of these, one said, "None, thank God!", while another said, "We haven't any, and don't propose to have any." So Mrs. Blair turned to the Democratic women's clubs to get out the women's vote that year. In addition they began the publication of a fortnightly paper, The Bulletin; had Monthly Information Meetings to discuss the issues, and conducted Schools for Democracy in 17 states.

Mrs. Blair refused to be discouraged easily and was largely responsible for fifty-fifty in her home state—making Missouri the next state after Colorado to pass this law. Others soon followed. In addition, at a meeting of the National Committee which preceded the 1924 Convention she asked that the states name eight delegates-at-large to the convention, each with one-half a vote, and that half of these delegates be women. Her resolution was passed and a total of 492 delegates and alternates were on hand when the convention opened at Madison Square Garden that June. Again Mrs. Izetta Jewel Miller seconded the nomination of John W. Davis, and this time her candidate was the choice of the convention.

THE WOMEN WAIT IT OUT

Not being members of the Platform Committee, but having such a large membership among the convention delegates, the women decided to have their own platform committee. Mrs. Franklin D. Roosevelt, who was chairman, tells the story of sitting all night outside the closed door of the room where the Platform Committee was meeting, waiting to get some man to take her sheeet of paper inside and present the women's suggestions to the members.

It was at this convention that many more precedents were broken. Mrs. LeRoy Springs of South Carolina not only was made Chairman of the Credentials Committee, but her fellow delegates placed her name in nomination for Vice President. Following the convention, Mrs. Blair, as the woman Vice Chairman of the National Committee, was asked to preside at the notification of Charles Bryan for Vice President. She was the first woman to be elected *First* Vice Chairman of the Committee and served as head of the Women's Division until 1928. Before the convention in Houston in 1928 the Democratic National Committee passed a resolution asking that women be admitted to membership on the Platform Committee, but that was still more than the men were willing to grant, and nothing came of it.

Ex-Governor Nellie Taylor Ross of Wyoming, now Director of the United States Mint, was elected First Vice Chairman to succeed Mrs. Blair. With her came Miss Sue White of Tennessee as Executive Secretary. The women who were active in party circles became aware that there was a great deal of educational work to be done, and set out to widen the scope of women's interests. Mrs. Ross was particularly interested in young voters, and still considers herself the godmother of the Young Democrats.

Work during all of these years when the party was out of power was unusually difficult, but more and more the women leaders became aware of the growing restlessness and the desire of the people for new leadership. Mrs. Ross visited forty-six states, urging the women to seek representation in the party organization and to maintain their interest and to build up strength for the 1932 convention. The Bulletin continued to be a valuable tool, and throughout the four years Mrs. Ross was with the National Committee the Women's Division carried on its philosophy of liberalism and continued to stress the importance of being informed and of working for the advancement of human welfare.

A VOICE IN THE PLATFORM OF 1932

When the Democrats met in Chicago in 1932 for their convention, they came knowing that they had a good chance to win if they could get a strong candidate. They did. They nominated Franklin D. Roosevelt. Four hundred and seventy-eight women delegates and alternates helped to make this choice. They were on hand to applaud Senator Alben Barkley of Kentucky loudly when he declared to the Convention that "the Democratic Party is made of men and women." Evangeline Booth of the Salvation Army delivered the invocation that officially opened the Convention, the first woman to officiate in that capacity, and Mrs. Jean Springstead Whittemore of Puerto Rico was the first woman member appointed by any political party to the Platform Committee. The late Mrs. Caroline O'Day, Congresswoman from New York, offered the only amendment to the platform that was accepted. It put the party on record as being in favor of "continuous responsibility of government for human welfare—especially for protection of children."

EDUCATION TO RESPONSIBILITY

After Governor Roosevelt's nomination in 1932, Miss Mary W. Dewson (Molly Dewson to all of her friends) came to the National Committee to become "Jim" Fariey's right hand and to direct the women's campaign—and to set the pattern of organization for women throughout the Roosevelt Administration.

Miss Dewson came to her job with a wealth of experience, having worked with and for women for many years. Her greatest asset in her new position was knowledge gained in the 1928 campaign when she had been a Vice Chairman of the Central Regional Headquarters in Chicago. Miss Dewson said she came out of that national campaign with the following ideas:

"1. The run of the mill voter has more sense than he ever gains credit for. He is worth educating. When both party platforms sound pretty much alike there is nothing to educate him about, but given a party with a straight-forward program he wants to know the whys and wherefores.

"2. No glamour boy can be sold on emotional appeal and glittering generalities if his opponent's record and specific ideas stand up and are known by the rank and file of voters.

"3. The attention of the public mind wanders when presented with undigested facts wrapped in a cotton batting of words and words and words. The public mind is confused by too much detail on too many subjects all at once. It prefers swing music on the air to vehement politicians. It enjoys movies more than political gatherings.

"4. The men's organizations, if their leaders are not balky, will work hard to keep party voters in line and see that they vote. These efforts account for about forty per cent of the voters. But men's organizations do not know what to do about footloose voters—the twenty per cent that decides elections. They put their trust in conventional old-fashioned methods, big meetings, spellbinding, dull 'literature,' newspaper publicity, billboard advertising, sunflowers and whatnot and let it go at that. All these things are grand for party enthusiasts, but leave the independent voter cold even if they ever reach him.

"5. Women are not an important factor in a campaign if they are auxiliaries in political clubs. Eternal bickering for prominence can be brought to the irreducible minimum only when women are given acknowledged party posts with definite responsibilities. Clubs have served their day, doing valuable work in interesting women when first given the vote, and giving confidence to those enlisted.

"6. Incidentally, regional headquarters are folly."

RAINBOW FLIERS

Miss Dewson brought with her, in addition to her "ideas," one of the most effective campaign tools yet found—the Rainbow Flier—short, simple, to-the-point compilation of facts on vari-colored sheets of paper. These fliers were first tried out in Roosevelt's campaign for reelection as Governor of New York in 1930 when Miss Dewson had charge of women's activities upstate, and it was her proud boast that "we carried upstate New York for the first time for a Democratic governor." In 1936 eighty-three million fliers were distributed, and "Charlie" Michelson said that these fliers saved the Democratic National Committee "a cool million dollars".

The orders came in from the men so fast that practically little other literature except reprints of Roosevelt's speeches was sent out by the National Committee.

In each campaign since 1932 one of the first demands of party workers is, "Send us some Rainbow Fliers". They are now recognized as much a part of the Women's Division as the two famous slogans, "Campaigns Are Won Between Elections" and "Elections Are Won in the Precincts."

It was also Miss Dewson who first through the Reporter Plan, and later through the Six-Point Program, began the most intensive plan of educating women to their responsibilities of citizenship ever inaugurated by any political party. In the Reporter Plan each woman informed herself on one of the branches of government, and used every opportunity to "report" to others, and met regularly with other "reporters", thus bringing about the exchange of a wealth of information.

Miss Dewson insisted that women concentrate more on being in the regular party organization, using clubs as auxiliaries. She picked up the battle for fifty-fifty plan of organization, pointing out the advantages to all—men and women alike—in having women recognized equally with men on all party committees—national, state, county, and precinct. It was largely through her efforts that Democratic women can point to many of the eighteen states having full fifty-fifty, right down through the precinct. In addition, twenty-one states have partial fifty-fifty. Unfortunately, nine states still have no provision for fifty-fifty either by law or by party rule, although in some instances women are given party recognition. This concentrated effort on fifty-fifty did result in many more women state, county, and precinct vice chairmen.

When the campaign was over Miss Dewson took it upon herself to see that the women who had helped put the Democrats in power should receive recognition, and "not be forced to content themselves with token payments as they had in the three Republican Administrations" since women had the vote. As she said, "The President (Roosevelt) appreciates women's native ability more than any man I know." Her success is recorded in the Milestones of Democratic Women.

THE DEMOCRATIC DIGEST

In 1934, Mrs. James H. Wolfe of Salt Lake City, became Director of the Women's Division, bringing with her Mrs. June Fickel of Iowa as Assistant Director. Miss Dewson, as Chairman of the Advisory Committee to the Women's Division, continued her untiring activity in behalf of women. Mrs. Wolfe did much to extend the Reporter Plan, thereby acquainting the women of America with the plans and policies of the New Deal. Also, during the time that she was director of women's activities, the Woman's National Democratic Club, which had edited The Bulletin, transferred it to the Women's Division where it became known as The Democratic Digest, and an official party organ. Mrs. Wolfe also inaugurated the Donkey Bank plan, believing that women should raise at least part of the money to carry on their party activity, and convinced that all women wanted to contribute to the things in which they believe.

The Chicago Convention had seen Democratic women continuing their political progress, and in Philadelphia in 1936 even greater strides were made. The women got to work early, and, at their request, Governor McNutt of Indiana presented the resolution which they had written to the convention, requesting that each state name a member and an alternate member of the Platform Committee, of opposite sex. When the resolution was presented there was not a dissenting voice and, as Miss Harriet Elliott said, "the walls of Jericho" had at last fallen. The North Carolina delegates immediately called a caucus and elected Miss Elliott alternate to the Platform Committee. It was a well-deserved honor, for Miss Elliott had been an ardent worker for woman suffrage, and in the early days of the Reporter Plan had traveled across the country introducing it to Democratic women everywhere. The principles of seven of the eight planks prepared by this Women's Advisory Committee were written into the party platform. In addition, Mrs. Whittemore of Puerto Rico was again on the Platform Committee as a full member instead of an alternate, and of the sixteen Vice Chairmen named to the National Committee one-half were women.

THE PROGRAM EXPANDS

From 1937 through 1940 Mrs. Thomas F. McAllister of Michigan was Director, and Mrs. May Thompson Evans of North Carolina, Assistant Director of the Women's Division. Mrs. McAllister previously had served as State Chairman of the Reporter Plan in Michigan, had been appointed to innumerable state commissions, and was widely known as a national speaker for the party. Mrs. Evans resigned the dual directorship of the North Carolina State Employment Service and National Reemployment Service to accept the position with the Women's Division. She had been active in the North Carolina Young Democrats previously, having been the first woman in the country to be elected state president.

These two women were untiring in their efforts to extend the educational program, and under Mrs. McAllister's leadership the Reporter Plan reached new proportions. Regional meetings served as a means of getting the facts to the voters, and their efforts bore fruit in May, 1940, when a National Institute of Government was held in Washington with five thousand women from every state in the union attending. When the call was issued, it had been expected that five hundred would possibly attend. As the reservations poured in, every plan had to be expanded, larger meeting places secured, and pleas made to home-owners to open their doors to house the throngs. They came by train, plane, bus, and caravan, and proved to Washington that Democratic women not only had learned about their government, but wanted to see it in action.

Mrs. Evans conducted a constant campaign to secure new readers of The Democratic Digest, and through her intensive drive the list rose to 25,000 paid subscribers. That was a rapid rise from the 1,600 readers the clubs turned over with The Bulletin in 1935.

Much work was also done to stimulate interest in the remaining divisions of the Six-Point Program—radio, publicity, and speakers, and the money-raising donkey bank plan. In addition to this latter plan the women, at Mrs. Roosevelt's suggestion, began in 1939 to celebrate September 27 as Democratic Women's Day, a special fund-raising day. This day was chosen to commemorate the day in 1919 when the Executive Committee of the Democratic National Committee, anticipating the suffrage amendment admitted women to membership.

In her speech to the National Convention in 1940 Mrs. McAllister summarized her program when she said:

"The principle of the recognition of women in party organization has been fundamental in the Democratic Party. The Democrats gave women equal representation with men on their National Committee four years before the Republicans. In 1936, the Democratic Convention made it possible for women from every state to participate as alternate members on the Platform Committee.

"This year, in Washington, the full membership of the Democratic National Committee unanimously adopted a resolution recommending to this convention that there be two members on the Platform Committee from every state, one man and one woman. And at this convention this afternoon there is to be presented a resolution to give women equal representation with men on the National Platform Committee. As a representative of the Women's Division of the Democratic National Committee, I sincerely ask of all the delegations a unanimous vote in favor of this resolution. Women work as hard as men in a political campaign—they cast 50 per cent of the vote. With the men of the party, we carry on the fight, side by side. We ought to have equal voice in what we fight for. And we are satisfied that this convention, following Democratic principles, will give us an equal voice.

"And speaking of the fight to be carried on this year—the women of the Democratic Party have been building their organization for the past four years on the principle that campaigns are won between elections. They are fortified with facts to fight the campaign. They know the record of this Administration and 30,000 New Deal reporters are ready to tell this record to the voters. In every state of the Union the women of the Democratic Party have carried on a program of organization and education, so that today in the files of the Women's Division we have the names of 109,000 women who are ready to go into this campaign, to fight for our victory for democracy and the Democratic Party.

"We have 1,500 volunteer directors of publicity in the states and counties to answer false propaganda.

"We have 1,200 directors of radio who are ready to go into this campaign to notify the voters when our leaders go on the air.

"We have 850 directors of speakers' bureaus who are training and informing the campaigners who will go into the rural villages as well as the large cities to bring the message of the New Deal to the people.

"And we have 2,000 discussion groups meeting regularly every month.

"And we have the Democratic Digest, our official publication, with 25,000 subscribers, going into every state of the Union informing precinct, county, city and state leaders of the facts and achievements of our party.

"We have already published and circulated 10,000,000 Rainbow Fliers for this campaign which set forth graphically and simply on a single page the record of our national Administration, and clarify the issues of this campaign.

"These are a few of the activities directed by the Women's Division of the Democratic National Committee."

THE GREATEST ADVANCE

The women at the 1940 Convention were determined to demand equal representation on the Platform Committee and to get it, yet even at the last minute it looked as if the "die-hards" might defeat them. Mrs. McAllister and Mrs. Evans discovered the night before the Platform Committee was to be named that there was danger of a movement developing against equal representation for women on the committee. They organized their forces and worked until daybreak contacting individuals and delegations. At the sessions the next day after the resolution had been offered by Mrs. Thomas Buckley of Massachusetts, and seconded in a stirring appeal by Hon. Mary T. Norton of New Jersey—the Speaker of the House, William Bankhead (presiding) settled the issue once and for all as he put the question and then bringing down his gavel with resounding finality, announced: "The ayes have it. The resolution is adopted".

This victory was called by political reporters "the greatest advance in women's political history since suffrage." This had indeed been a precedent-breaking convention, for in addition to the Platform victory, Franklin Delano Roosevelt had been drafted for a third term; Mrs. Roosevelt had been the first wife of a President to address a political convention; and Mrs. McAllister had been the first woman to speak to a convention on a matter of general policy, presenting to the assemblage the point of view of Democratic women.

WARTIME ORGANIZATION

Mrs. Charles W. Tillett (Gladys Avery Tillett) of North Carolina came to Washington in January, 1941, as Assistant Chairman of the Democratic National Committee and as head of the Women's Division.

Mrs. Tillett brought to the task a background of wide experience in party work, which was to stand her in good stead in making the difficult and unprecedented adjustments necessary in party organization work under wartime conditions. Her experience included political organization from the precinct to the National Committee, as she had headed each unit in the party setup. She had served as a delegate in the three national conventions which had nominated Franklin D. Roosevelt. Long interested in women assuming their obligations as citizens, she had presented in her own state, and succeeded in having passed, the resolution providing for equal precinct representation for women in the party setup. She headed the National Speakers' Bureau for the Women's Division in the '36 campaign, and Jim Farley and Molly Dewson said of her: "The only person who ever ran a National Speakers' Bureau without a headache for herself or anyone else." Mrs. Tillett headed the Speakers' Bureau again in the '40 campaign.

With Mrs. Tillett, came Miss Lorean Hickock, as Executive Secretary. Miss Hickock, a well-known newspaper woman, had served in the Publicity Department with Mr. Michelson before joining the Women's Division staff. A reporter for twenty-five years, many of them with the Associated Press, she knew how to present the most complicated subject with simplicity, and yet with drama and force.

The Women's Division, starting out to develop further the organization and educational program of the party, held Regional Conferences in all sections of the country. There was, however, a new note in the conference programs indicative of things to come—it was the added emphasis on Foreign Policy.

In addition to the Regional Conferences, the Women's Division scheduled meetings in many of the states; presenting panel discussions on Foreign Policy. Thousands attended these meetings and much was accomplished in creating an informed public opinion on international affairs as the war clouds were gathering over Europe.

Pearl Harbor changed the picture and the Women's Division joined the rest of the nation in an all-out war effort. In addition to their party work, groups of Democratic women throughout the country put their energies into war work. Regional Conferences and even state meetings became of necessity things of the past as gasoline rationing and restricted travel became accepted parts of American life, and in their stead there was greater emphasis on county and precinct meetings.

Through study groups in counties throughout the country and through The Democratic Digest, a concentrated effort was made to continue laying the foundation of knowledge necessary to support an Administration in power during the most critical time in our country's history. Under the editorship of Miss Virginia Rishel, who came to the Digest when Mrs. Wolfe was Director of the Women's Division, and remained until June, 1945, the magazine continued to be the best means of getting the issues and the Administration's point of view before the people. Democratic women gave all-out support to the Administration in its effort toward winning the war and the peace.

Mrs. Tillett was quick to realize that the war presented one of the most difficult problems with which any political party had to deal. Not only were many young party leaders in service, but many hundreds of thousands had moved from their homes to do war work. It was clear, too, as the war progressed, that the women's organization would have to be a key factor in the heavy, detailed organization job to be done before the 1944 election.

The shifting wartime registration task was staggering, and the small vote in the 1942 Congressional elections aroused party officials to the tremendous job ahead. The Women's Division began the registration drive early, working through regular party organization channels. Too much cannot be said in praise of the efforts of Democratic women in city and county organizations for their patient, persistent and effective effort in registering block after city block of war workers who had moved with their families to jobs in shipyards, airplane factories, and munitions plants. They knew that footwork was as important as brainwork, and they didn't spare their shoe leather.

To aid in this registration drive, the Women's Division, with the assistance of Mrs. Alice Cameron, an authority on voting laws, prepared two booklets on registration and voting—one for civilians, and then after the various state legislatures had acted, one for those in the armed forces.

In the period that the Women's Division worked on organization and registration, looking toward the 1944 election, Mrs. Tillett visited 44 states holding conferences and making organization plans with state and local leaders.

In addition to holding conferences on organization, Mrs. Tillett spoke in all sections of the country, to Democratic women's organizations, labor groups, Negro women's clubs, state conventions, Jackson Day Dinners, to independent and civic groups, such as, Federated Clubs, League of Women Voters, Business and Professional Women's Clubs, at educational institutions and before International Relations Councils. She took part in forums with leading Republican women, both on the radio and on programs of women's national organizations. By the time 1945 came around she had chalked up more than 1,000 speeches since the first Roosevelt Administration.

In 1944, women in every state gave unstintingly of their time to bring about a Democratic victory. Many women campaigned as never before, and outstanding among these women was Mrs. Emma Guffey Miller, National Committeewoman of Pennsylvania who led all other national speakers in the number of meetings covered.

In wartime organization work there was greater emphasis on radio than ever before. The stimulation of registration and voting, so important to the Democratic campaign, was regarded as a public service by many of the women commentators. During the campaign the Women's Division placed hundreds of radio transcriptions for use by State Committees throughout the country. This backbreaking job in the radio field was done under the able direction of Mrs. India Edwards, who later joined the staff of the Women's Division as Executive Secretary when Miss Lorena Hickok resigned because of ill health. Precinct rallies featured the 1944 observance of Democratic Women's Day with some 40,000 local meetings tuned in to the nationwide broadcast.

In 1943 Mrs. Tillett was elected Vice Chairman of the Democratic National Committee. In 1944 Mrs. Dorothy McElroy Vredenburgh of Alabama was appointed Secretary of the Democratic National Committee by Chairman Robert E. Hannegan, the first woman to hold that post. Following the 1944 Convention, Mrs. Tillett was again elected Vice Chairman, the first woman vice chairman to be reelected. Mrs. Vredenburgh was elected Secretary. During this wartime period the effort for recognition of women continued unceasingly. Women were, for the first time in history, appointed as delegates to Conferences of the United Nations; to serve as members of War and Defense Agencies and in increased numbers in policy-making positions in government.

WOMEN GET GREATER RECOGNITION

Prior to the 1944 Convention, women served in equal numbers with the men on the Arrangements Committee, helping to choose the keynoter and make other plans. Those serving were the following National Committeewomen: Mrs. Elizabeth Conkey, Illinois; Mrs. Marguerite Peyton Thompson, Colorado; Mrs. Daphna Nygaard, North Dakota; Mrs. Albert E. Hill, Tennessee; Mrs. Margaret Sullivan, Rhode Island; Mrs. James H. Wolfe, Utah; Mrs. Mildred R. Jaster, Ohio; Mrs. Polly Rose Balfe, Florida.

Women were also on the Convention Executive Committee in equal numbers with the men, and included Hon. Mary T. Norton, Congresswoman and National Committeewoman of New Jersey; Mrs. Helen Gahagan Douglas, National Committeewoman of California; Mrs. Daphna Nygaard, Mrs. James H. Wolfe, Mrs. Albert E. Hill, and Mrs. Lennard Thomas, National Committeewoman of Alabama.

Women also served as Co-Chairman of all the major Convention Committees: Hon. Mary T. Norton, Platform and Resolutions; Mrs. James H. Wolfe, Rules and Order of Business; Mrs. Margaret Sullivan, Credentials, and Mrs. Clara D. Van Auken, National Committeewoman of Michigan, Permanent Organization.

At the 1944 Convention, women were given more recognition than at any previous Convention. For the first time an equal number of women were appointed to serve with the men on the sub-committee of the Platform Committee. Hon. John McCormack, Congressman from Massachusetts, served as Chairman of the Platform Committee and Hon. Mary T. Norton served as Co-Chairman. The other members of the sub-committee were:

Mrs. Julia Porter, California; Miss Doris I. Byrne, New York; Mrs. W. T. Bost, North-Carolina; Mrs. Scott Stewart, Utah; Mrs. Albert E. Hill, Tennessee; Mrs. N. T. Stewart, Kansas; Mrs. Charles G. Ryan, Nebraska; Mrs. Nellie Tayloe Ross, Wyoming; Mrs. Fred Vinson, Kentucky; Mrs. Sue Ruble, Oklahoma, and Mrs. Mildred R. Jaster, Ohio.

Again the Platform Committee was made up of one man and one woman from each state.

In addition to these gains, Mrs. Tillett and Mrs. Helen Gahagan Douglas, now a member of Congress from California, made major addresses at evening sessions of the Convention. Women came away convinced they had played a major role in the nomination of Franklin D. Roosevelt and Harry S. Truman.

While at the Convention, delegates had an opportunity to learn in the Women's Division "Campaign School" how best to win votes in a wartime campaign. This was the first time a political party had conducted a "Campaign School" at a National Convention, and the plans paralleled those outlined in Tools for Democratic Victory, organization handbook prepared by the Women's Division and distributed to party workers throughout the nation. Party leaders who had done outstanding work in their own states in registration and getting out the vote, fund-raising, publicity and speaking, assisted in the "Campaign School" sessions.

Candidates who had used the Women's Division idea of the neighborhood meeting focused attention on the importance of the small meeting—in apartment house foyers, street corners, front porches, or backyards. It was a new emphasis on the Women's Division slogan: "Elections Are Won in the Precinct". A majority of all of the special stories during the Convention played up women's activities—publicity which they lived up to by getting out the largest women's vote in history. It would not be possible to count that vote accurately. But it was estimated in the *New York Times* two days after the election that 50.3 per cent of the ballots were cast by feminine voters and it is probable that this figure is low rather than high.

The year 1944 saw many signs of women's unusual participation in party organization in all parts of the country. At the Wisconsin State Convention, for the first time in its history, a joint session was turned over to the women. Women stepped into leadership in the party as never before, with approximately one hundred serving as county chairmen and many more as precinct chairmen and registration chairmen, jobs usually held by men. An increasing number of women ran for public office—offices on the national, state, county and city tickets. Democrats in Lawrence County, Indiana, even had an all-woman county ticket!

In addition to electing four Democratic Congresswomen—Hon. Mary T. Norton, of New Jersey, serving her twenty-first year in the House; Hon. Chase Going Woodhouse, of Connecticut; Hon. Emily Taft Douglas, Congresswoman-at-large from Illinois, and Hon. Helen Gahagan Douglas, of California, large numbers of other women were elected to key state offices—three Secretaries of State, three State Superintendents of Education, one State Treasurer, and one State Auditor. Fifty-nine women have reported their election to state legislative bodies, and indications are that this is an incomplete list. Countless others were elected to county and city offices.

RECONVERSION BEGINS

As Democratic women entered 1945 they were deep in plans for study of the Dumbarton Oaks Proposals, the first step towards an enduring peace. April 4 was designated by the Women's Division as "Dumbarton Oaks Day", and it was celebrated with over 2,000 meetings in all parts of the country. Other organizations participated in making this the biggest concerted effort women had yet made to voice their determination to have peace and to lend their support to President Roosevelt in a plan for world organization.

When the news came of President Roosevelt's death in the late afternoon of April 12, a stunned nation staggered, and then, regaining its confidence, marched ahead. From President Truman down to thousands of precinct workers came the pledges of a united party, determined to carry out the Roosevelt plans to win the war as speedily as possible and to work untiringly for a world security organization. President Truman's first act was to declare that the San Francisco Conference would open on April 25, as President Roosevelt had planned. His spirit dominated the Conference and from San Francisco emerged the Charter of the United Nations Organization.

Representing the Women's Division at the Conference of the United Nations in San Francisco were Mrs. Charles W. Tillett and Mrs. India Edwards.

Again, the Women's Division prepared literature on the Charter and held meetings. Democratic women gave their utmost support to this plan for a world peace organization.

Now, with hope in their hearts for a peaceful world, Democratic women are beginning plans for the 1946 elections and the strong support of President Truman.

MILESTONES IN DEMOCRATIC WOMEN'S PROGRESS—IN THEIR PARTY . . . AND THEIR GOVERNMENT

1869

Wyoming gave women the vote for the first time.

1908

Women attended Democratic National Convention in Denver as delegates for the first time in either political party.

1910

Colorado became first state to give women equal representation with men on political party committees.

1916

Women's political influence recognized by Democratic Party when Woman's Bureau of Democratic National Committee was established to work with women in the western states where they had the vote.

President Wilson made a number of outstanding women's appointments, most important of which were: Mrs. Annette Abbott Adams, Assistant Attorney General; Miss Mabel Boardman, Commissioner, District of Columbia; and Mrs. Helen Gardner, Commissioner, United States Civil Service Commission. (Mrs. Lucille Foster McMillan now holds the post of U.S. Civil Service Commissioner.)

1918

September 30. President Wilson made a personal appeal to the Senate in favor of woman suffrage.

1919

The Executive Committee of the Democratic National Committee, anticipating the ratification of the Constitutional Amendment permitting women to vote, voted on September 27, 1919, to admit women to membership. It was not until four years later that the Republicans gave women this recognition.

1920

Women became associate members of the Democratic National Committee—four years ahead of the Republicans. At one session of the San Francisco Convention, Mrs. George Bass presided. Women delegates served on committees and as convention officers, and Mrs. Izetta Jewel Miller seconded the nomination of John W. Davis for President. Women also presented their platform planks to the convention.

Miss Charl Ormond Williams was elected Vice Chairman of the Democratic National Committee—the first woman of any political party so honored.

August 18. Nineteenth Amendment became law when Tennessee ratified the amendment, making it possible for 16 million women to vote.

1922

The first woman ever appointed to the United States Senate was Mrs. Rebecca L. Felton of Georgia.

1924

Democratic National Committee passed resolution asking states to send eight delegates-at-large to convention—half of them to be women.

First Democratic woman elected to Congress—Honorable Mary T. Norton of New Jersey. Later—(1931)—she was first woman to serve as Chairman of a House Committee. Since 1937 she has been Chairman of the powerful House Committee on Labor.

Mrs. LeRoy Springs of South Carolina served as first woman chairman of Credentials Committee, and was also the first woman presented for the Vice Presidency.

At this convention the women had their own platform committee, with Mrs. Franklin D. Roosevelt as chairman.

1925

First woman elected governor of a state—Mrs. Nellie Tayloe Ross, Wyoming.

1932

First woman elected to United States Senate—Mrs. Hattie W. Caraway, Arkansas.

First woman named member of Platform Committee—Mrs. Jean Springstead Whittemore, Puerto Rico.

1936

Philadelphia Convention passed resolution requesting each state to appoint a member and alternate to Platform Committee—of opposite sex.

1940

Chicago Convention passed resolution asking each state to appoint two members of the Platform Committee—one to be a woman—four years ahead of the Republicans.

For the first time a woman made a major speech to a National Convention—Mrs. Franklin D. Roosevelt.

For the first time the Director of the Women's Division addressed a National Convention on policy—Mrs. Thomas F. McAllister.

1943

Mrs. Charles W. Tillett elected Vice Chairman of the Democratic National Committee.

1944

Mrs. Dorothy McElroy Vredenburgh appointed Secretary of the Democratic National Committee, by Chairman Robert E. Hannegan—the first woman to hold this post.

Mrs. Charles W. Tillett elected Vice Chairman of the Democratic National Committee, the first woman Vice Chairman to be reelected. Mrs. Dorothy Vredenburgh elected Secretary.

Mrs. Charles W. Tillett, Vice Chairman, addressed the National Convention in Chicago at the first evening session.

Mrs. Helen Gahagan Douglas addressed the National Convention in Chicago at the second evening session.

Women served in equal numbers with men on Arrangements Committee and Convention Executive Committee.

Women served as Co-Chairmen on all the major Convention committees.

Equal number of women appointed to serve with men on the subcommittee as well as on the Platform Committee. For the first time a woman was appointed as Temporary Assistant Chairman of the Convention and elected Permanent Assistant Chairman of the Convention—Mrs. Charles W. Tillett.

For the first time a woman was appointed as Temporary Secretary of the Convention and elected Permanent Secretary of the Convention—Mrs. Dorothy Vredenburgh.

TRIBUTE TO NEVADA MORMONS

Mr. **BIBLE**. Mr. President, today marks an important anniversary in the distinguished history of a great religious faith. It was on July 24, 1847, that the first Mormon pioneers arrived in Utah's Salt Lake Valley to build the foundations of a prosperous and beautiful State.

But the creative influence of the Church of Jesus Christ of Latter-day Saints extended far beyond the borders of Utah. There were adventurers among those bold pioneers who paused only briefly at Salt Lake before pushing forth to open the frontiers of the entire West. They battled the fiercest elements of nature and man to build settlements in the territories of Nevada, Arizona, and New Mexico. They moved west to the Pacific Ocean and north to the Canadian border.

Nevada owes much to the Mormon pioneers. The history of our State, in large part, is a splendid heritage of their courage, devotion, and determination. Nevada's first settlement—Mormon Station—was founded by these pioneers. And the State's largest city, Las Vegas, was settled by Mormons exactly 100 years ago this month.

Recently, the six stakes of the Las Vegas region of the Latter-day Saints Church joined in presenting a musical and dramatic production which paid tribute to the many contributions of those early pioneers. Entitled "Promised Valley," the pageant dramatized their movement across the great plains to the wilderness of the West. More than 100 talented men, women, and children took part in the presentation, which drew large and enthusiastic crowds for each of four performances at Las Vegas High School. Without exception, the southern Nevada news media hailed it as an artistic and cultural triumph.

Equally successful was the "Pioneer Parade" and other events climaxing the 4-day celebration on Saturday, July 13, in downtown Las Vegas. Many thousands attended these final activities, and many thousands came away with a deeper appreciation of the great contributions of those early Mormon settlers to Nevada's permanent heritage.

Mr. President, I was highly honored to receive an invitation to take part in this 4-day celebration, and I salute the 30,000 residents of southern Nevada who proudly hold membership in the Latter-day Saints Church. Like their forebears, they are fine citizens who are actively engaged in efforts to build a better community and a better State. Their creative influence has been felt in every worthwhile endeavor.

I would particularly commend the presidents of the six stakes of the Las Vegas region—Reed Whipple, James K. Seastrand, Samuel M. Davis, Rulon A. Earl, James I. Gibson, and Grant Bowler. Certainly, their tireless efforts contributed in no small measure to the tremendous success of the celebration.

On July 12, 1968, the Las Vegas Review-Journal published an editorial commemorating the contributions of the Mormon pioneers. I believe it properly captures the spirit that motivated those courageous Americans. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

MORMONS COMMEMORATE FIRST LAS VEGAS SETTLEMENT

In the summer of 1855, Las Vegas Valley was a barren, hot and unfamiliar place. But there was water here if men had the courage and stamina to look for it. And crops would grow if men had the ambition and the faith to plant them.

Such was the beginning of a settlement in this valley. The men, 30 of them, were Mormons sent out from Salt Lake City. They were charged with the responsibility of establishing a fort in this harsh land. They were also told to teach the Indians and plant the crops. The crops were vital for their survival and part of their plan to provide a station where weary travelers might find food and rest.

The Las Vegas Springs provided water and the meadows of the lower valley offered a natural site for farming and building. Each man took two-and-a-half acres for himself and began to cultivate it. By the fall of 1855 the settlers were rewarded with corn, melons, pumpkins and squash. The fort was nearly completed and the Indians were friendly. A community had been established.

This week Las Vegas' 30,000 Mormons, some of them possibly descendants of those 30 pioneers who settled in the valley, will mark the anniversary with four days of activity sponsored by the five stakes of the LDS church in the Las Vegas Valley.

A musical entitled "Promised Valley" will be offered Wednesday through Saturday at 8 p.m. at the Las Vegas High School auditorium to commemorate the arrival of the Mormons in the Valley. A "Pioneer Parade" is scheduled Saturday at 10 a.m. along with other events.

It is a celebration worth joining. It is a time for pausing and marvelling at the courage and conviction of those men who made a wild valley bear fruit more than 100 years ago.

BANKS AND DROPOUTS

Mr. **PERCY**. Mr. President, the Chase Manhattan Bank in New York is doing an outstanding job in training unskilled high school dropouts for white-collar jobs in the banking industry. On the basis of the bank's initial success in this area, they are now planning to open a training center in lower Manhattan where 700 young men and women will be provided remedial and technical skills for entry level jobs.

This is a very worthwhile project, including a private sector approach to a public sector problem. I ask unanimous consent that an article from the New York Times, of July 14, be printed in the Record at this point for the guidance of other organizations that might be like minded in objectives.

There being no objection, the article was ordered to be printed in the Record, as follows:

BANKS AND DROPOUTS, NOW GETTING ACQUAINTED, ARE FINDING THEY LIKE EACH OTHER

(By Leonard Sloane)

Last December, the Chase Manhattan Bank began a program for training unskilled high school dropouts. The initial results of its work with these "unemployables" have been so successful that the bank now says it will train 1,000 in the next three years.

In two weeks, the First National City Bank will open a training center in lower Manhattan, where it will provide remedial and technical skills for entry-level jobs for the hard-core unemployed. Some 700 young men and women will receive this instruction in the next 18 months under a contract between the bank and the United States Department of Labor.

And just last week, the American Institute of Banking began classes in basic education and banking terminology for ghetto residents who are employed by 34 commercial and savings bank in the New York area. It's goal is to provide this training for more than 700 members of minority groups over the next year.

These programs are indicative of what the banking industry is beginning to do across the nation to make the phrase "equal opportunity" in employment more meaningful. Other banks working through different means to achieve a greater rapport with the Negro community include the Bank of America in California, the nation's largest, and the Industrial National Bank in Rhode Island, the biggest in that state.

Why are the banks, both locally and nationally, taking such an interest in finding the unemployed and training them for jobs they are presently unqualified for? For one thing, banks are highly visible institutions and their employment of Negroes and Puerto

Ricans is usually obvious to the public, unlike the situation in most manufacturing industries whose factories are not normally visited by passersby.

"Banks draw their employe and customer populations from the city," says a veteran banker. "You just can't pick up your bank and move it to the suburbs as some other companies can. So if you have to stay locked in with the city and its working class, you have to be aware of who the people are."

But why are banks going in for these various programs at this time when the population mix in the big cities has already been changing for many years? One banking official puts it this way:

"Training minorities for employment has just become respectable with the formation of the National Alliance of Businessmen and the leadership of such men as Henry Ford [chairman of Ford Motor Company] and J. Paul Austin [president of the Coca-Cola Company]. And since banks see themselves as the capstones of business anyway, they figured that this is the time to do something in that area."

One of Chase's "somethings" is its training program for young men between the ages of 17 and 22 who are unable to meet the bank's qualifications for white-collar employment. The men are referred by social agencies, bank liaison officers, employment interviewers and others and have in common a basic motivation to succeed as bank employes.

"We're looking for the young men who have some potential that can be tapped and who want to go to work," says Arthur J. Humphrey, a Chase assistant treasurer and director of the program. "We don't mind his being skeptical but we want that will to win."

PHASES DESCRIBED

There are three phases to the remedial program in reading, language skills and mathematics that Mr. Humphrey and other bank officials have worked out with the six teachers employed by Chase. The first encompasses a six-week, all-day session during which trainees receive a nontaxable training allowance of $1.60 an hour.

During phase two, employes are placed in entry-level jobs at which they earn about $75 a week but return to the 28th floor training center at 1 Chase Manhattan Plaza for up to two hours of remedial education a day. The final phase is geared to make the young men better qualified for promotions as they open up at the bank.

"I love it because it's a lot different from school," says Gilbert Rivera, 17 years old, who dropped out of high school in the 10th grade. "You get more individual instruction here."

"We have more confidence in the teachers than we did at school," adds Rudy Martinez, 21, who has completed phase one and is now working as a tape feed clerk in the domestic money transfer department. "They're not like teachers, they're more like friends."

Venise Greene, an 18-year-old from Brooklyn who left high school last March, points out that "in school they didn't start at the root of things. Here they start at the root and go on up."

One reason for this unusual teacher-student relationship is the small class sizes of 10 to a group. Another is the informality that prevails with teachers called by their first names and students able to walk out of the room at any time for personal reasons. And then there is the fact that students even help to organize the curriculum by selecting their own books to read.

For instance, one poem read by the students in the Chase program is "The Ballad of the Landlord," by Langston Hughes. Educational critic Jonathan Kozol was dismissed from the Boston school system in 1965 for reading this poem to his students because of its alleged antiwhite tone.

CENTER BEING SET UP

As Linda Kunz, a teacher of language arts, observes, "We have no set syllabus here. Content is geared in two directions, toward their own backgrounds and toward anything to do with banking. The students should not deny their own backgrounds nor should they only get into the banking area when they start their jobs."

At First National City, two floors are being outfitted at a building on Canal Street and Broadway for the first two 20-student classes in its training program for the unemployed and underemployed. Over a 16-to-22-week period, these young men and women will be given remedial skills and technical training for such jobs as general clerk, typist and check-processing machine operator.

While they are being trained by the bank—as part of the Federal Government's Job Opportunities in the Business Sector program—the students are bank employes and are paid a salary of $65 a week. Upon completion of their training, they receive an increase of at least $10 a week and move into a beginner's job at the bank.

Robert W. Feagles, a City Bank senior vice president, emphasizes that "the entry-level position is not the end of the road. These men and women have career opportunities absolutely on a par with any other employes. Our whole purpose is to erase the hard-core stamp and make them nonidentifiable as anything but employes of the bank."

This will be accomplished even at the new training center through the immediate establishment of an employer-employe relationship, rather than a continuation of any government aid situation. The environment, moreover, will be that of work—with 9-to-5 day punctuality and its dress requirements, etc.—instead of a high school for adolescents.

Funds for the students in the J.O.B.S. program were provided by the Government to the tune of more than $1.5-million. However, the bank figures that more than $150,000 of its own money is involved in providing administrative and other services not covered by the training contract.

According to Mr. Feagles, this money is well spent. "Social problems are only resolved in an atmosphere of economic equality and well-being. We have been aware of the need to do more as we re-examined our criteria for entry-level jobs. This is a major step toward the first requirement, economic equality.

ADDITIONAL SCHOOLING

The classes at the American Institute of Banking are providing, in effect, for a consortium of banks what giant institutions like Chase and City Bank are doing on their own. Students with average fifth to eighth-grade achievement levels will be given six weeks of training to lay the educational and career foundations for bank employment.

Afterwards the students will return to A.I.B. classrooms for nine hours a week of additional training. "This instruction plus departmental bank experience will point the successful trainee directly toward the mainstream of departmental promotability and a successful banking career," says the institute.

While the A.I.B. is providing its facilities at the Woolworth Building for the classes, the actual teaching and counseling will be done by the Board of Fundamental Education, a nonprofit organization that designs programs for the disadvantaged. Bankers from the participating institutions—such as the Morgan Guaranty Trust Company, the Bowery Savings Bank and Brown Brothers Harriman & Co.—will also conduct panel discussion with the trainees.

MORMON PIONEER DAY

Mr. CHURCH. Mr. President, today the people of my State and our sister State of Utah commemorate the 121st anniversary of the settlement of our region by the Mormon pioneers. On July 24, 1847, a small company of Mormon men and women emerged from a canyon overlooking the Great Salt Lake Valley. Brigham Young, the leader of the church, looked out upon the arid valley from his sick bed in one of the lead wagons, and declared an end to the long and arduous search for sanctuary:

> It is enough. This is the place.

From Salt Lake Valley, the Mormons, formally known as the Church of Jesus Christ of Latter-day Saints, soon established settlements in more than seven Western States, stretching as far as San Bernardino, San Francisco, and Sacramento in California. Samuel Brannan, the founder of San Francisco, and John Sutter, the owner of the famed Sutter's mill where gold was first discovered in California, were members of the Latter-day Saints Church. Agricultural communities in Idaho, Arizona, New Mexico, Colorado, Wyoming, and Oregon sprang up under the direction of one of history's greatest settlers, Brigham Young.

The Latter-day Saints wisely shunned the promise of quick fortunes in the mines of the burgeoning West. It is said that President Young counseled the Latter-day Saints against developing the rich copper deposits at Bingham, Utah, only 20 miles from Salt Lake City. President Young emphasized, instead, the more lasting vocations of farming, milling, teaching, craftsmanship, and merchandising. Following the precept, "The glory of God is intelligence," the arts and education also flourished. The University of Utah, the oldest school of higher education west of the Missouri River, was founded in 1850. Other schools were soon established in northern Utah and southeastern Idaho. Ricks College, now one of the fastest-growing private colleges in the United States, was founded in my State at Rexburg in 1888. At that time, Idaho had not yet achieved statehood and the principal industries were still trapping and mining.

The Latter-day Saints left their comfortable homes in Illinois for the rigors of the Rocky Mountains due to religious persecution. In the first 20 years of the church's history, the faithful were forced to move more than six times. From New York to Ohio, Missouri, Illinois, and finally to Utah. Their arrival in Utah however, did not end the persecution. They became the object of punitive legislation several times before the turn of the century. In my home State, some Latter-day Saints, along with Orientals and Indians, were discriminated against in exercising their right to vote.

But today, the Latter-day Saints occupy a prestigious position in American life. One of their members was a front-runner this year for the Republican nomination for President of the United States. Others have played prominent roles in the legislative and executive branches of the Federal Government.

As I have said on numerous previous occasions, the prestige now enjoyed by the Latter-day Saints was not achieved by accident. They have a strong commitment to hard work and wholesome living. They maintain a membership of 2,500,-

000 without a paid clergy, relying on the voluntary efforts of the workers, farmers, housewives, and professional people who comprise their congregations. Over 12,000 young Latter-day Saints men and women now are voluntarily giving 2 years or more of their lives to serve missions for their faith. Church activities permeate the social structure of Mormon communities, providing care for the needy, the sick, the aged, as well as recreational and cultural programs for the young. The Latter-day Saints sponsor the world's largest baseball and basketball tournaments, as teams from the wards are matched each summer and winter. Indeed, their programs provide examples worthy of emulation in other communities racked with restlessness, idleness, and violence.

For these reasons, I am proud to pause with the people of my State to pay tribute to the Mormon pioneers. I hope that our descendants will be able to look back upon the accomplishments of our day with the same pride.

HEADSTART

Mr. DOMINICK. Mr. President, on Wednesday, July 17, 1968, by a vote of 60 to 29, the Senate approved my amendment to transfer the Headstart program from OEO to the Office of Education.

Since that time, a great deal of misinformation has been circulating as to the contents of the amendment, its purposes, and its effect.

An unfortunate example is an article which was published on the front page of a local newspaper while I was in Colorado and was brought to my attention when I returned to Washington last evening. The article is entitled "Senate Setback Laid to White House Lag—Johnson Moves To Rescue Headstart." It was carried by the Washington Post on July 22, 1968. I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE SETBACK LAID TO WHITE HOUSE LAG—JOHNSON MOVES TO RESCUE HEADSTART

(By Eve Edstrom)

The Senate last week crippled the poverty war's most popular child—Head Start—while the White House reportedly stood still.

If the Senate action stands, Head Start would be turned over to the states. Its most innovative ingredients would almost surely be wiped out. Its neediest beneficiaries—the children of the poorest Southern Negroes, Indians and migrants—would be all but shut out.

Yet Head Start supporters say their appeal for White House aid early last week was brushed aside on the grounds that the Senate amendment didn't have a chance of passage.

But after it was adopted by a whopping 60 to 29, the White House actively began trying to undo the damage. Visits were paid to key Congressional leaders in an effort to overturn the Senate action when it goes to conference.

Actually, if there had been any coordinated Administration strategy during last Wednesday's hasty Senate debate, an acceptable compromise might have been worked out. But the issues were so obscured that even sensational charges against a Chicago street gang were used to hamstring Head Start.

At first glance, the Senate amendment to the Vocational Education Bill would appear to result in nothing more than a long-expected bureaucratic shift.

The popular Head Start program for preschoolers would be taken away from the Office of Economic Opportunity (OEO) and given to the Office of Education, effective next July.

But neither the Office of Education nor its parent, the Department of Health, Education and Welfare (HEW), wants Head Start under the conditions which the Senate imposed.

This is because Head Start money would be channeled through state school agencies and the Office of Education would not even have the final power to disapprove a state plan for Head Start funding.

As explained by the chief mover of the Senate amendment, Sen. Peter H. Dominick (R-Colo.), school officials "would, therefore, state by state, be in charge of this program."

Sen. John Stennis (D-Miss.) immediately applauded the move to give Head Start to state educators. He long has fought OEO-supported Head Start projects in Mississippi which operated outside of the schools to get innovative programs to the poorest Negro children.

An end to such projects is almost certain if the Senate amendment passes. Similarly, it is doubtful that states will give up funds for Head Start projects on Federal Indian reservations or for children of migrants.

Furthermore, the argument that Sen. Wayne Morse (D.-Ore.) made in support of the amendment is strongly contested by both OEO and HEW officials. Unlike Morse, they do not believe Head Start is strictly an educational program and should therefore be in the Office of Education.

In a letter that was made part of the Senate debate, HEW Secretary Wilbur J. Cohen said:

"Head Start was imaginatively developed by the Office of Economic Opportunity as part of a broad-scale and coordinated attack on the many social problems—nutritional, medical, psychological as well as educational—which contribute to the cycle of poverty.

"In this comprehensive format, Head Start has functioned exceedingly well under the Office of Economic Opportunity and, consequently, we believe that its assignment there should be continued."

This should not be interpreted to mean that Cohen does not want Head Start within HEW if it could be operated under the same flexible guidelines that exist at OEO.

In fact, both OEO and HEW are in general agreement that Head Start should be transferred, either as an independent agency directly under the HEW Secretary supervision or as a compoment of the Children's Bureau.

This was a principal reason why Jule M. Sugarman, the creator and developer of Head Start, left OEO in April to become associate chief of the Children's Bureau. His job is to weld together all health, educational and welfare services for pre-school children.

Such a coordinated attack on the problems of preschoolers, along with the continuing involvement of parents that has characterized Head Start programs, has been a chief aim of Secretary Cohen. But the Senate debate did not focus on these aspects of Head Start. Instead, Morse in becoming a strong ally of Republican proponents of the amendment, emphasized how OEO programs in his state have been beset by "inefficiency, by waste and by maladministration." OEO sources say Morse is piqued because Congressional fund cutbacks forced the closing of a Job Corps center in Oregon.

Sen. Frank J. Lausche (D-Ohio) said he would vote for the transfer because he had read how OEO had supported a Chicago street gang project that was controlled by "thugs, thieves, hippies, drug addicts."

Southern Democrats, angered because OEO used discretionary powers to fund projects in their states, found themselves in the unusual position of giving Head Start to one of their chief whipping boys, Education Commissioner Harold Howe II, former enforcer of HEW school desegregation policies.

Thus, the Senate vote can be interpreted as stemming from broad anti-OEO feeling, rather than any considered judgment of how Head Start can best be operated.

The Head Start transfer has not been the subject of hearings, and did not come up in the House when the Vocational Education Bill passed.

Senate conferees, who have been appointed to resolve the matter, are split right down the middle—five voted for the transfer and five voted against it.

They will meet with yet-to-be-selected House conferees. However, a majority of the House conferees will reflect the sentiments of House Education and Labor Committee Chairman, Carl D. Perkins (D-Ky.).

Perkins is dead set against the transfer, but no one is predicting how the battle will come out.

Mr. DOMINICK. Mr. President, with all due respect to the writer, I must say that the article is not an objective reporting of the facts, nor is it accurate.

In all fairness, a news item should present both sides of an issue. Certainly that is our object during Senate debate. I was, therefore, particularly surprised, and, frankly, dismayed, as the author of the amendment, to see that in an article of this length no effort was made to mention any of the arguments which I made on the Senate floor in describing the rationale for the change. Indeed, there was only a single sentence passing reference which was pulled out of context to support a conclusion which was itself not correct.

The entire character of the article is thrust to the front with the statement in the third paragraph that "Headstart supporters," I repeat, "Headstart supporters," appealed to the White House for aid to stop the amendment. The inference, of course, is that the 60 Senators who decided that the program should be shifted to the Office of Education are not supporters of Headstart. Nothing could be further from the truth.

We have been cast in the role of wearing black hats. But the amendment was offered to strengthen Headstart, not to cripple it. I believe, as do other Senators, that Headstart is a strong program. I also believe, as do other Senators, that Headstart can be an even better program. This was brought out in the debate, but you will not find it in this newspaper article or in the memorandum being distributed at taxpayer's expense by the Acting Director of the Office of Economic Opportunity to poverty agencies throughout the country.

Some contend that Headstart should forever be locked into OEO, but they would do well to read again the words of Acting OEO Director Harding, who said:

> It is longstanding OEO policy that projects should be shifted to other agencies when they have been fully developed and when the interests of poor people are adequately safeguarded by the provisions for transfer, thereby freeing OEO to innovate new approaches to the elimination of poverty.

It was the conclusion of the Members of this body of Congress that the program was fully developed and those interests were protected by the language of my amendment.

The article refers to a "hasty Senate debate." But as the Senators well know, this is a smokescreen. I offered an almost identical amendment 2 years ago. Last year the amendment was thoroughly debated on the floor of the Senate. The transfer has been discussed time and again in our Senate committee and witnesses have been questioned in companion hearings.

Very misleading is that part of the article which states:

> The Office of Education would not even have the final power to disapprove a state plan for Headstart funding.

The amendment, of course, sets forth in detail, and with much forethought the standards which any State plans must meet. All State plans are specifically subject to the approval of the Office of Education. Not only may a plan be disapproved upon failure to meet these criteria, but the Commissioner may reject a State plan which he believes indicates a desire on the part of State officials to prevent operation of any acceptable program. If criteria in addition to those already set out in the amendment are desired by some. I would be happy to receive them for consideration and discuss them with the conferees.

Completely overlooked was the portion of the amendment which would earmark $375 million to be used solely for Headstart. We were successful in earmarking funds for the program 2 years ago. Last year, however, Headstart ran into funding problems because OEO opposed specific funding of Headstart. Instead, they sought, and obtained, lump-sum funding of community action programs along with discretion to allocate money among the different sectors. Headstart suffered at the hands of the OEO Director.

The article states that an end to projects, such as those in Mississippi, which are operated outside of the schools "is almost a certainty" under my amendment. This is simply not true. The amendment provides in section 802(a) (2) that the State plan must be one which: "sets forth a program under which funds paid to the State from its allotment under section 801 will be used to make grants to community action agencies (established pursuant to the Economic Opportunity Act of 1964), and public agencies or private nonprofit agencies or organizations, including local educational agencies, to assist them in carrying on preschool programs, which, under subsection (b), are eligible for assistance under this title."

The language of the amendment, as well as the floor debate, demonstrate emphatically that Headstart agencies operated outside the schools are and will continue to be eligible. The changes made by the amendment are at the administrative level—in the coordination department—not at the day-to-day operational level.

Equally important is that part of the amendment which allows the Office of Education to bypass a State educational agency which is hampering the conduct of an acceptable program. Section 804 (c) reads as follows:

> In the event a State shall, within a reasonable time fail to submit a State plan, or shall fail to submit an acceptable State plan under circumstances that the Commissioner believes indicate a desire on the part of State officials to prevent operation of any acceptable program under this title within the State, the Commissioner is authorized to contract directly with qualified community action agencies, and public agencies or private nonprofit agencies or organizations, including local educational agencies, to implement programs under this title within such State.

I do not believe, nor do other Senators with whom I have discussed this matter, that Headstart is strictly an educational program. This is a favorite allegation against us by those who oppose the transfer. But the article did not bring out the fact that one of the congressional guidelines which would be required of any State plan would be that it: "provides a balanced program to meet the educational, nutritional, health, clothing, and other unique needs of children from impoverished backgrounds in order for them to function at optimum levels in relationship to other children."

Certainly it is not accurate to even imply that my amendment contemplates Headstart should be strictly an educational program and hence, in the Office of Education.

Mr. President, since I have asked that the article be printed in the Record earlier in my remarks, I think that for the purposes of clarity it would be helpful to make the text of the amendment a part of the Record as well. I therefore ask unanimous consent that pages 138–146 of the vocational education bill which contains my amendment be printed in the Record.

There being no objection, the pages were ordered to be printed in the Record, as follows:

"Title VIII—Preschool Programs for Children of Low-Income Families

ALLOTMENTS TO STATES

"Sec. 801. From the sums appropriated to make basic grants under this title for any fiscal year, the Commissioner shall allot not more than 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. He shall also reserve not more than 10 per centum of those sums for allotment in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the average number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families with incomes of less than $1,000 in each State as compared to all States. For purposes of the preceding sentence, the term 'State' does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands. That part of any State allotment which the Commissioner determines will not be needed may be reallotted, on such dates during the fiscal year as the Commissioner may fix, to other States, in proportion to their original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallotted among the other States.

"STATE PLANS

"Sec. 802. (a) Any State which desires to receive grants under this title shall submit to the Commissioner, through its State educational agency, a State plan, in such detail as the Commissioner deems necessary, which—

"(1) provides that the State educational agency will be the sole State agency for the administration of the State plan;

"(2) sets forth a program under which funds paid to the State from its allotment under section 801 will be used to make grants to community action agencies (established pursuant to the Economic Opportunity Act of 1964), and public agencies or private nonprofit agencies or organizations, including local educational agencies, to assist them in carrying on preschool programs, which, under subsection (b), are eligible for assistance under this title;

"(3) provides that effective procedures will be adopted for acquiring and disseminating to teachers and administrators significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects;

"(4) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any funds paid by the State, if any, to any other agency) under this title;

"(5) provides for making such reports, in such form and containing such information, as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(6) provides a balanced program to meet the educational, nutritional, health, clothing, and other unique needs of children from impoverished backgrounds in order for them to function at optimum levels in relationship to other children;

"(7) provides a standard of poverty for individuals and families in the State that takes into account the number of children, dependents, and other special circumstances substantially affecting the ability of individuals and families to be self-sustaining; and

"(8) sets forth policies and procedures which give satisfactory assurance that Federal funds made available under this title for any fiscal year will not be commingled with State funds.

"(b) A preschool program shall be eligible for assistance under this title if (1) it is designed to prepare educationally deprived children in areas having high proportions of children from low-income families to successfully undertake the regular elementary school program, (2) it is carried on by, or under contracts or arrangements with, a community action agency or a public agency or private nonprofit agency or organization, including a local educational agency, and (3) it is limited to participation by children from families meeting the poverty standards established under section 802(a) (7).

"(c) The Commissioner shall approve any State plan and any modification thereof which meets the requirements of subsection (a).

"PAYMENTS TO STATES

"Sec. 803. (a) From the amounts allotted to each State under section 801, the Commissioner shall pay to each State an amount equal to the Federal share of the expenditures made such State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments and underpayments. Non-Federal contributions may be made by the State or, at the discretion of the

State, by the community action agency, and public agency or private nonprofit agency or organization, and may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

"(b) For purposes of subsection (a), the Federal share for each State shall be 90 per centum for the fiscal year ending June 30, 1970.

"ADMINISTRATION OF STATE PLANS

"SEC. 804. (a) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State educational agency administering the plan reasonable notice and opportunity for a hearing.

"(b) Whenever the Commissioner, after reasonable notice and opportunity by hearing to such agency, finds—

"(1) that the State plan has been so changed that it no longer complies with the provisions of section 802(a), or

"(2) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

"(c) In the event a State shall, within a reasonable time fail to submit a State plan, or shall fail to submit an acceptable State plan under circumstances that the Commissioner believes indicate a desire on the part of State officials to prevent operation of any acceptable program under this title within the State, the Commissioner is authorized to contract directly with qualified community action agencies, and public agencies or private nonprofit agencies or organizations, including local educational agencies, to implement programs under this title within such State.

"JUDICIAL REVIEW

"SEC. 805. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 802(a) or with his final action under section 804(b), such State may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Commissioner, if supported by substantial evidence shall be conclusive; but the court, for good cause shown may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 806. The Commissioner shall carry out the programs provided for in this title during the fiscal year ending June 30, 1970. There is authorized to be appropriated $375,000,000 for the fiscal year ending June 30, 1970, to make grants to States for preschool programs under this title."

(b)(1) Section 222(a) of the Economic Opportunity Act of 1964 is amended by striking out paragraph (1) and by redesignating paragraphs (2), (3), (4), (5), (6), and (7), as redesignated by section 210(a) of this Act, and references thereto, as paragraphs (1) through (6), respectively.

(2) The amendments made by subsection (b) shall apply with respect to fiscal years ending after June 30, 1969, which provide assistance for a Headstart program. After June 30, 1969, the Director of the Office of Economic Opportunity may not enter into any contract or make any grant to carry out a program similar to any program carried out under title VIII of the Elementary and Secondary Education Act of 1965.

(c)(1) Section 901 (as redesignated by subsection (a) of this section) of the Elementary and Secondary Education Act of 1965 is amended by striking out "and VII" in the matter preceding clause (a) and inserting in lieu thereof "VII and VIII".

(2) Such section 901 is further amended by striking out "and VII" in clause (j) thereof and inserting in lieu thereof "VII and VIII".

REGULATION OF MAXIMUM RATES OF INTEREST PAID ON TIME AND SAVINGS DEPOSITS

The PRESIDING OFFICER. Under the order of yesterday, the Chair lays before the Senate the unfinished business, which will be stated by title.

The BILL CLERK. A bill (S. 3133) to extend for 2 years the authority for more flexible regulation of maximum rates of interest or dividends, higher reserve requirements, and open market operations in agency issues.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on the amendment offered by the Senator from Alabama.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be equally charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, I yield 10 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. LAUSCHE. Mr. President, it is my opinion that pending before the Senate at this time is a measure of great significance, although there seems to be indifference given to it. In my judgment the measure before the Senate, if adopted, would constitute the first invasion upon the authority and the responsibilities vested in the Federal Reserve Board to help in the management of our economy so as to insure growth, employment, and purchasing power, while at the same time guaranteeing the stability of the purchasing power of the dollar. The function of the Federal Reserve System has been to make possible the flow of credit and money which will foster orderly economic growth, a stable dollar. An efficient monetary mechanism is indispensable to the steady development of the Nation's resources and a rising standard of living.

The Federal Reserve System was established in 1913 and has been in existence for 55 years. When the System was established, it was proclaimed as a great achievement in the Wilson administration, recognizing that the management of the monetary system of this Nation would be taken out of politics and placed in an independent agency, free from the frequent evil influences that political ambitions bring upon public officials.

In the 55 years' existence of the Federal Reserve Board, there has never been an invasion of its authority and responsibilities. In my judgment, the provisions of the present bill constitute the first time that an invasion is happening and a curtailment of the powers of that Board are being sought to be put into effect. The pending bill provides that the Federal Reserve Bank shall be obligated to purchase securities issued by any agency of Government.

Denial will be made that it is an obligatory responsibility but I want to negate that denial by reading from the bill.

The bill reads:

> It is the sense of Congress that the authority conferred by paragraph 2 be used when alternative means cannot effectively be employed to permit financial institutions to continue to supply reasonable amounts of funds to the mortgage market during periods of monetary stringency and rapidly rising interest rates.

Mr. President, in paragraph 2 the language is permissive. In subparagraph (b) of paragraph 2, it is declared that it is the sense of Congress that the Federal Reserve Board buy mortgage paper from the Home Loan Bank so as to stimulate the mortgage industry.

Now I want to read what Mr. William McChesney Martin said on this subject:

> Such a directive—

That is a directive to the Federal Reserve Board to buy paper to stimulate the mortgage business—

> would violate the fundamental principle of sound monetary policy in that it would attempt to use the credit creating powers of the central bank to subsidize programs benefiting special sectors of the economy.

Mr. President, I want to reread what I just read:

> Such a directive—

That the Federal Reserve Board begin buying securities to stimulate activities in one section of the economy—

> would violate a fundamental principle of sound monetary policy in that it would attempt to use the credit creating powers of the central bank to subsidize programs benefiting special sectors of the economy.

I read further from Mr. Martin's statement:

> There are, of course, legitimate grounds for concern about the mortgage market, just as there are many other areas in which Federal support programs may be called for. But, thus far, the Congress very wisely has refrained from attempting to finance such programs through creation of money by the central bank. At a time when our confidence in our ability to manage our financial affairs responsibly is being severely tested, we simply cannot afford to create the impression that we are about to embark on a new sup-

port program to be financed in such a fashion.

Mr. President, there are many segments of the economy that might want special consideration in a period when the economy is too hot and the Federal Reserve Board has applied restraints to cool the economy.

What about the States of the Union selling bonds?

What about counties selling bonds?

What about municipalities selling bonds?

What about small businesses selling bonds?

What about the farm loan aid program?

Why should not one of these entities in the future say, "Extend to me the same unprecedented treatment you are giving to the mortgage loan industry"?

Mr. President, what is the paradox here?

In this period of test, whether we can meet our fiscal and monetary responsibilities, we passed a bill imposing a 10-percent surtax. In the same bill, we reduced Government expenditures by mandatory order in the sum of $6 billion.

In one instance, we are trying to cool the economy and by the pending bill we will heat it. When restraints are imposed by the Federal Reserve Board, it is calculated that between $8 billion to $10 billion is taken out of the mortgage market. The mortgage market industry says to the Congress, "Treat us as a special child."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. May I have 3 minutes?

Mr. BENNETT. Mr. President, I am happy to yield to the Senator from Ohio 3 more minutes.

Mr. LAUSCHE. In effect, the mortgage industry says to the Congress, "Call upon the Federal Reserve Board to do what it has never done before, and require it to buy bonds to be issued to stimulate the mortgage business."

When I began my statement, I said what is sought to be done here is unprecedented. It has never happened before. In 1946, of course, the full employment bill was passed, but that has no relevance to what we are trying to do here.

In my judgment, eventually this will be the ruination of what has proved for 55 years to be a system of monetary management that has been successful. We cannot appropriate money to the building and loan associations. Since we will not do that, because it would show up in the balance sheets, this indirect method is being used, making it mandatory upon the Federal Reserve Board to buy $2 billion worth of bonds that will supposedly be issued under the Sparkman amendment.

Mr. President, I yield the floor.

Mr. PROXMIRE. Mr. President, what we are concerned with now is the Sparkman amendment. The Sparkman amendment should have the support of every Member of the Senate, whether he is for or against the provision in the bill that directs the Federal Reserve Board, under certain circumstances, to buy obligations of the Home Loan Bank Board and FNMA.

The Sparkman amendment would moderate that provision. It would limit the amount that the Federal Reserve Board could purchase from the Home Loan Bank Board or FNMA to $2 billion in any one year. So it would meet the principal objections made by Governor Martin, Governor Robertson, and the other Federal agency officials.

Any reading of the testimony makes it clear that what they were primarily concerned with, if the bill is passed in its original form, unamended, was that it might be necessary for the Federal Reserve Board to buy many billions of dollars of obligations of FNMA and the Home Loan Bank Board, and in doing so it would have an inflationary impact, and if they attempted to moderate that inflationary impact by sale of Federal obligations, they might have to sell so many that it would bring prices down and force interest rates to such a high level that it would be expensive to the Government.

This objection is well met by the Sparkman amendment. I really and sincerely feel that if the Sparkman amendment had been attached to the bill when it left the committee, while there may still have been some opposition, there may not have been very much. I think it would have been very slight, if any.

Certainly the opposition of the administration would have been greatly moderated. I think the administration might conceivably have supported the bill. This would mean the action the Fed is directed to take under the bill to help the housing industry avoid a catastrophic depression in the event of super-tight money would be so limited that it would not be inflationary.

The Fed could very easily sell $2 billion of Treasury bills to neutralize any possible inflationary effect of the $2 billion in purchases of agency issues.

I say that on the basis of what the Fed buys and sells every quarter of the year in its open market operations. The addition of $2 billion in the sale of Treasury bills would not result in upsetting this market. After all, it constitutes only 4 percent of the total volume of Treasury bills held by the public.

The argument that this would result in much lower prices and higher interest rates for Treasury obligations simply would not stand the test of any scrutiny.

So it is believed that any inflationary effect of this relief for the housing industry would be eliminated by the Sparkman amendment, but the bill would still be effective because this $2 billion would be added to the $2 billion of liquidity the Home Loan Bank Board has now. This housing industry is in a better position than it was in 1966—not sufficiently better to counter all tight money conditions, but in a better position. These combined resources would mean the $4 billion that is available for housing would certainly have sharply reduced much of the 1966 credit crunch on housing, although housing would still have to bear a large portion of the restriction.

I would like to say to the Senator from Utah that there has been no effort on the part of the Senator from Alabama [Mr. SPARKMAN] or the Senator from Wisconsin to insulate housing or safeguard housing from any impact of monetary restriction. Housing would have to bear a big share, but it would not have to bear an overwhelming share. Here is an industry that constitutes 4 percent of our total gross national product. Governor Maisel testified housing suffered between 60 and 70 percent of the cutback. That is not fair. It may still suffer, under our language, but to have it suffer 60 or 70 percent of the restraint, when business is expanding is not appropriate or fair.

The Sparkman amendment should certainly have the support of all these agencies, including the Federal Reserve Board, the Treasury, and so forth. Whether they would support the bill if the Sparkman amendment were adopted is a question, but there is no question that the Federal Reserve Board would like to have that restriction. There is no question that the Treasury would like to have it. There is no question that the administration or the Federal Reserve Board, if they could vote, would vote for the Sparkman amendment.

In view of the unlikelihood of the substitution of Treasury bills for savings and loan funds without a very sharp increase in Treasury bill rates, and in view of the similar unlikelihood of the substitution of Treasury bills for mortgages without a sharp hike in Treasury bill rates, this amendment knocks out the likelihood that such a substitution would take place.

The Senator from Utah argues that this is self-defeating. The minority report says it is self-defeating. They attempt to show what would happen if the Treasury sells Treasury bills. It is alleged that the raising of Treasury bill rates would mean that people would get out of mortgages and savings and loan shares and buy Treasury bills. In actuality, people would be very reluctant to do so, because those who buy Treasury bills are not the people who put their money into savings and loans. These are different markets. People who invest money in mortgages are long-term investors, and the people who invest in Treasury bills are 90-day investors. Most obligations of the Treasury are for less than a year.

So there would not be much of a substitution in any event, and if the Sparkman amendment is adopted, so that the amount of agency issues bought by the Federal Reserve Board would be limited to $2 billion, the amount of Treasury bill sales would likewise be limited. It is clear that the interest effect on Treasury bills would be so slight that there would be very little, if any, substitution at all.

Mr. SPARKMAN. Mr. President, will the Senator yield briefly?

Mr. PROXMIRE. I am glad to yield to the author of the amendment and chairman of the committee.

Mr. SPARKMAN. I just want to call attention to the fact that the amendment which I have offered is a limitation amendment upon the amendment that was adopted in the committee.

Mr. PROXMIRE. That is correct. That fact has been obscured because the opponents of the amendment—and I cannot understand the logic of the opposition to the amendment—are those who oppose the basic provision. This amendment limits that basic provision.

Mr. SPARKMAN. Some of the criticism—not necessarily here, but we did hear it in other places—to the amendment which the Senator proposed in committee, and which is a part of the bill, was that it was going to require the Fed to purchase an enormous amount of agency issues. Figures as high as $8 billion to $10 billion were used.

Mr. PROXMIRE. That is correct.

Mr. SPARKMAN. I have come in with the limitation that under no conditions shall there be more than $2 billion used for this purpose; is that not right?

Mr. PROXMIRE. That is right. That would be exactly the effect of the Sparkman proposal.

Mr. SPARKMAN. It seems to me that the Senator from Ohio and the Senator from Utah would be supporting an amendment to provide a limitation such as this; does not the Senator agree?

Mr. PROXMIRE. I agree. I cannot see why the Senator from Ohio is not an enthusiastic supporter of it. He should vote for the Sparkman amendment, and so should the Senator from Utah.

Mr. LAUSCHE. Mr. President, the reason I am not supporting it is that the pending amendment will be putting a chocolate flavor on a pill that is full of disaster as far as the people of the Nation are concerned.

Mr. PROXMIRE. May I say to the Senator from Ohio, if he likes chocolate, he can have all the chocolate he wants; he does not have to take the pill. He can vote for the Sparkman amendment and for the Bennett amendment also, if he wishes.

Mr. LAUSCHE. It is sweetening a thing that ought not to be sweetened. The basic essence of the proposal is bad, and I am not going to be misled by putting a sweet flavor upon an essence that is bad for the Nation.

Mr. SPARKMAN. Mr. President, will the Senator from Wisconsin yield further?

Mr. PROXMIRE. Yes, indeed.

Mr. SPARKMAN. The Senator knows, I am sure, that the language which the committee adopted was dictated by the Treasury Department. I do not know what my attitude would have been on this amendment had I known at the beginning that they were opposed to it. But they did not lead us to believe they were opposed to it. Did we ever hear from the Federal Reserve Board, during the 2 or 3 weeks the matter was pending in committee?

Mr. PROXMIRE. I do not remember hearing from them.

Mr. SPARKMAN. I do not believe we did.

Mr. PROXMIRE. I am sure we did not.

Mr. SPARKMAN. I believe it was after the amendment was acted upon, or perhaps about a day before the amendment was acted upon, before we had any word from them at all; and when I did find out they were opposed, and they were discussing this big figure, I said, "Let us limit this, so it will not be that big." And I add one further point: The Federal Reserve Board is in the process right now—and I want the Senator from Ohio to hear this—according to the newspapers of Sunday and Monday, of making an expansion of credit running to the commercial banks of the country, of as much as $3.8 billion. My limitation would hold it down to a little bit more than half of that amount for thrift institutions. I do not see how Senators can argue against a proposal that would make it possible for the housing industry to continue, only in adverse circumstances, only when there is a crisis going on; and that is the language of the amendment.

Mr. PROXMIRE. And only when the Federal Reserve Board itself, on the basis of its own judgment, decides that there is a crisis and there are no alternative means.

Mr. SPARKMAN. Yes.

Mr. PROXMIRE. So the Federal Reserve Board takes the initiative.

Mr. SPARKMAN. That is correct.

Mr. PROXMIRE. In the case of the discount window, the initiative is that of the member banks.

Mr. SPARKMAN. That is true; and there is no such extreme language as that, I submit, so far as that $3.8 billion is concerned.

Mr. PROXMIRE. The Senator is correct.

Mr. President, in my view, monetary policy, which is very important, of course, is one of the two major weapons that our Government has to try to encourage the growth of our economy and stabilize our economy. Monetary policy could be more effective with the Sparkman amendment, as it modifies the provision in the bill, because it would be possible for the Nation's money managers to provide at least a partial offset for housing when they jam on the monetary brakes generally.

Monetary policy has been seriously handicapped exactly because they could not do this. The big restraining force on the Federal Reserve, I am sure, in 1967 and 1968, has been that they were afraid that if they had put the brakes on the way they thought they should do in this inflationary period, the result would have been disastrous for housing.

After all, it is the fact that we have been in a period of escalating inflation for the last 12 months at least, and the Federal Reserve Board, during much of that period, has been pouring more and more money into the economy. They have been taking inflationary action.

When you ask them why, their first answer is, "If we do not do this, housing will suffer."

What this proposal would do is give them a weapon, so they could cushion the housing industry, in part, from the impact of their restraint. That would make it possible for them to have a more effective monetary policy, to cool down inflation, it seems to me, much more sharply, because it would be possible for them to provide that housing would not suffer the devastating effect that it suffered in 1966.

We cannot get away from the fact that in 1966, we had the situation in which the Federal Reserve Board jammed on the brakes, and an industry representing 4 percent of our gross national product suffered between 60 to 70 percent of the cutback. That is not right.

I ask the Senator from Utah and the Senator from Ohio, when they secure the floor on their own time, if they will, to state how they can justify that kind of situation for the housing industry. It is true that some things have been done for the housing industry since then, but the housing industry still is not in good shape. From all indications, they cannot possibly do the job the President of the United States has charted for them. They cannot possibly provide the funds for 26 million housing starts over the next 10 years, unless they have more liberal provisions for financing than they have under the present law.

Mr. President, I yield the floor, and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LAUSCHE. Mr. President, I would like to answer the Senator from Wisconsin.

Mr. BENNETT. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 16 minutes.

Mr. BENNETT. I yield myself 10 minutes.

Several things have been stated that I think need to be straightened out. As late as 12 o'clock today, or 45 minutes ago, Governor Robertson of the Federal Reserve System, who is sometimes referred to as the most liberal member of that Board, repeated his unalterable opposition to the Sparkman amendment, and he made it perfectly clear to me that he wanted it opposed.

I would also like to answer the last comment of the Senator from Wisconsin. We are not trying to turn back to 1966. We are looking at the situation in 1968, and, as I carefully detailed yesterday, the housing industry has $15 billion worth of new liquid resources to call upon, more than it had in 1966.

When we talk about a program to add $2 billion, under the Sparkman amendment, by forcing the Federal Reserve Board to accept responsibilities that it should not accept, of course, the thing is completely out of balance.

I was interested in the statement that the language in the bill was suggested by the Treasury. It is my understanding that after the language was written, it was referred to the Treasury, and the general counsel suggested alternative language, but when the authors of the bill came to change their original language, they changed the Treasury's alternative.

So the language in the bill, as I understand it, is not the Treasury language.

Mr. SPARKMAN. Mr. President, will the Senator yield at that point?

Mr. BENNETT. I yield.

Mr. SPARKMAN. Since I am the one who handled it, I would like to state just what happened, if I may.

Mr. BENNETT. Mr. President, I am not sure I have enough time.

Mr. PROXMIRE. I yield the Senator from Alabama whatever time he may require for this answer.

Mr. BENNETT. All right.

Mr. SPARKMAN. On the morning this was to be called up, I received a telephone call from one of the highest officials in the Treasury Department, who said to me, "Give us language under which we can live." Those were his words. I did not evoke them.

So I suggested to him that he get up language for us. When I went to the committee, I asked Lewis Odom, the staff director of the committee, to go to the telephone and call this official, and tell him that we would like to have language from the Treasury Department.

The Treasury official had the general counsel call Mr. Odom, and the counsel dictated the language that was used. There was only one word which was different. He wanted, in lieu of the word "effectively," to use "appropriately." However, Mr. Odom told him that we wanted to use "effectively." That is exactly the language written into the bill. That is the only word on which there was any discussion at all.

Mr. **BENNETT**. Mr. President, the Senator from Utah and the Senator from Alabama are in agreement. It was the General Counsel of the Treasury that suggested the language. And the committee changed the word "appropriately" to "effectively", which substantially increased the severity of the requirement.

Mr. **SPARKMAN**. But those two words were discussed between Mr. Odom and Mr. Smith.

Mr. **BENNETT**. But the Treasury did not accept it. We went ahead in defiance of the Treasury.

Mr. **SPARKMAN**. I think that the correct way to say it is that the Treasury would have preferred to use "appropriately."

Mr. **BENNETT**. The Treasury, of course, did not have the final say.

Mr. **SPARKMAN**. No; of course not. Under our legislative system, Congress has the final say.

Mr. **BENNETT**. The Secretary of the Treasury wrote the committee after that, indicating their continued strong opposition to the proposition.

Mr. **SPARKMAN**. The Senator is correct. We had a letter from the Treasury Department and also from the Federal Reserve after the amendment had been put in.

Mr. **BENNETT**. The Senator is correct. So, the Treasury is still in opposition to the proposition.

Mr. **SPARKMAN**. Mr. President, I want to make it very clear that I have never contended that the Treasury was in favor of this. I did say that they said, "Give us language under which we can live." And they dictated the language. The only discussion was whether to use "appropriately" or "effectively."

Mr. **BENNETT**. Mr. President, I cannot support the Sparkman amendment as an alternative to one which I have offered to strike all of section 3 of this bill. It is true that it would limit the use of Federal Reserve direct purchases to support the mortgage market through savings and loan associations to $2 billion a year. We are so used to talking in billions that $2 billion seems to many as if it were an insignificant amount. I cannot agree. More important than the exact amount, in this instance, however, is the fact, as has been pointed out repeatedly, that if the housing industry is granted direct access to the moneymaking power of the Federal Government to finance its operations in periods of restrictive monetary policy, it will only be a matter of time until other segments will demand the same privilege.

What about the small business community that is hurt as badly and as immediately as the housing industry? What about the programs for the elderly? What about the educational groups? Once we breach this wall, there is no limit to the pressure that will be brought to continue this special treatment.

I support housing and homeownership. I represent a State that probably has a higher degree of homeownership and holds homeownership in higher regard than any other State in this country. Yet, I cannot support this provision because I believe it to be only a limited version of an unwise activity by the Federal Reserve System.

The Sparkman amendment is a limitation only in that the committee amendment had no limit. It was pointed out by its sponsor, however, very emphatically that he did not intend that the amount involved would exceed $2 billion. Now this amendment places a ceiling at the very top of the amount that was expected under the other provision. I do not call that a compromise.

Just last week in our housing conference, we agreed that we would not provide back-door financing of a flood insurance program in the amount of $500 million of lending authority. Now, the following week, we are being asked by the same individuals who agreed to that action to provide for back-door financing limited to the sum of $2 billion. I sense an inconsistency here.

Let me also add, it is already agreed that the Senator from Alabama will offer another amendment recommended by the Federal Home Loan Bank Board which could provide additional liquidity of $6 billion to be used in periods of stress. On yesterday I counted up a total of $15 billion. That figure included this amount.

The proposal will set up a wider variety of liquidity instruments, including assets of a short-term nature which members could utilize on a more flexible basis and which would be more profitable than their present choice of either cash or Government obligations. These instruments would include, with Board approval, time and savings deposits in Federal Home Loan Banks and commercial banks, and such obligations, including special obligations of the United States, a State, or a political subdivision, agency, or instrumentality of any one or more of the foregoing, and bankers' acceptances. The provision would also give the Federal Home Loan Bank Board authority to set liquidity requirements for member institutions from 4 to 10 percent instead of from 4 to 8 percent, as at present, and to control the mix of instruments held for liquidity purposes. By raising and lowering the percentage of savings to be held in the eligible instruments, the Board could assure that ample liquidity was built up in periods of easy money which could be released to the mortgage market in periods of restrictive monetary policy.

As an example of what the Board could accomplish through this means, in the period from 1961 through 1964, when mortgage money was easy, the Board could have required that associations hold 10 percent of their savings in a liquidity pool with 6 percent in relatively short-term instruments. It would then have been possible in 1966 to reduce the requirement from 10 percent to 4 percent. This action could have released about $6 billion for use in the housing market during the credit squeeze of 1966. The additional credit would have more than offset the entire drop as stated by the Senator from Wisconsin yesterday in his remarks.

I intend to support that amendment when it is offered. I think it is a much better alternative than the pending amendment. I believe that we established the Federal Home Loan Bank System for the purpose of supplying funds to the savings and loan industry during periods of stress. It has been pointed out by the Senator from Wisconsin that it was unable to do so in 1966 in sufficient amounts to meet the requirement. My answer is that if it was not, then we should readjust its authority so that it cannot take that responsibility away from the System and require the Federal Reserve to take on the additional responsibility.

Mr. President, we are dealing here, as has been said over and over again, with the first attempt to breach the responsibilities of the Federal Reserve System to provide special benefits for one particular segment of the economy. If that breach is made, we can find ample emotional and economic reasons to let others in through the same hole. And soon we will have destroyed the power of the Federal Reserve System to impose more credit restraint.

Yesterday the Senator from Wisconsin talked about the experience of other countries and said, in effect, that they were smarter than we are because they do have such selective credit controls. The Senator mentioned several countries. The record is very interesting.

Look at this problem in terms of the capacity of their central banks to control inflation in the face of the laws they have, compared with what the Federal Reserve Board can do here.

The Senator mentioned Belgium. Between 1960 and 1967, inflation ate up 22 percent of value of the Belgian franc. In France, it was 27 percent. In Italy, it was 32 percent. In Sweden, it was 35 percent.

We had inflation in our country which in my view is not acceptable especially in the last few years, but with the Federal Reserve powers intact in the period, our inflation was a much lower 14 percent. So I do not think these figures demonstrate that the boys in Europe were smarter than we were, or that by setting up and copying the European pattern in this country, we would be helping our problem of inflation.

Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER**. The Senator from Utah has 5 minutes remaining. The Senator from Wisconsin has 11 minutes remaining.

Mr. **BENNETT**. Mr. President, I reserve the remainder of my time.

Mr. LAUSCHE. Mr. President, will the Senator yield me 2 minutes?

Mr. BENNETT. Mr. President, I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. The Senator from Wisconsin asked a question concerning what our answer is to the proposal that aid be given to the mortgage industry through backdoor financing that has never been done before.

I wish to repeat what McChesney Martin said:

> Such a directive would violate a fundamental principle of sound monetary policy, in that it would attempt to use the credit creating powers of the central bank to subsidize programs benefiting special sectors of the economy.

My answer is that if we want to subsidize, do it directly by appropriations. Do not do it by backdoor financing imposed upon the Federal Reserve System in a manner never done in the 55 years of the history of that institution. If we are going to subsidize this business, put it in the budget. Let the budget show that we are subsidizing by $2 billion. Let the people know about it. And do not put it in the manner of violating the very essence of the creation of the bank. Keep our hands off that institution. Let it stand inviolate. Do not break it down.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. I yield 2 minutes to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I just wish to say this. I believe it is most unfortunate that Mr. Martin, the very able man he is, used the word "subsidy." I cannot understand—if I know the meaning of "subsidy"—how any subsidy is involved in this matter. It is using the monetary system of the United States in extreme cases to help this particular industry.

I believe it is likewise unfortunate—I do not understand that Mr. Martin used this term—that the term "backdoor financing" has been used here. No backdoor financing is involved. This is the use of the monetary powers vested by Congress in the Federal Reserve Board to help relieve the mortgage market in dire distress.

I have pointed out that certainly no one would claim that the Fed's proposed liberalization of the discount window, which would extend up to $3,800 million to the commercial banks, involves any subsidy. Nobody would claim that any backdoor financing is involved in that; and neither is any subsidy or backdoor financing involved in this proposal.

Furthermore, I point out that my amendment would be a limitation upon this provision.

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes.

Mr. President, I believe the words of the Senator from Alabama should be considered very carefully. The argument has been made over and over again: Suppose some people vote against the Sparkman amendment on the ground that there is some subsidy involved in this whole operation. If there is a subsidy, then every time a bank goes to the discount window, to the Federal Reserve Board, to get a loan, that is a subsidy, because this is precisely the same kind of financing by the Federal Reserve Board. As the Senator from Alabama has said so well, this has never been called a subsidy. Indeed, the Federal Reserve Board, on Monday, announced it is going to widen the discount window broadly to the extent of $3.8 billion and provide this additional financing to the commercial banks.

Mr. President, the prime argument of the Senator from Utah has been that we have done enough for the housing industry and we are doing enough for the housing industry, that they are getting a substantial increase in funds on the basis of measures that either have been acted on in 1966 or are being acted on in this year. I believe we are doing something for the housing industry, as I have said repeatedly in this debate. But if we are doing enough, so that there is a reasonable amount of funds for housing, then the Federal Reserve Board will never be called upon to act.

This is an insurance policy. This is only in the event funds are not available for housing in reasonable amount. And who determines that? The Federal Reserve Board determines it. Congress will not determine it. The Home Loan Bank Board will not determine it. The savings and loan institutions will not determine it. The Federal Reserve Board will determine it. Certainly, the Federal Reserve Board is not going to determine this on the basis of something that is likely to be discriminatory against the banks or in favor of inflation.

Let me read very carefully the short provision about which we are talking:

> It is the sense of the Congress that the authority conferred by paragraph (2) of section 14(b) of such act be used, when alternative means cannot effectively be employed—

And who determines whether it is effective? The Federal Reserve Board determines whether it is effective—

> to permit financial institutions to continue to supply reasonable amounts of funds—

Who determines reasonable? The Federal Reserve Board determines reasonable—

> to the mortgage market during periods of monetary stringency and rapidly rising interest rates.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I yield myself two additional minutes.

All of the argument of the Senator from Utah—that we have already done something for the housing industry; they are not in as bad straits as they were in 1966—adds up to the probability that we are less likely to use this insurance policy, that housing is not going to be so desperate as to make it necessary for the Federal Reserve Board to act. They only act—this is something the Senator from Ohio and the Senator from Utah have not answered—when the Federal Reserve Board determines there are not alternative means that can be used effectively and that reasonable amounts of funds are not available.

What in the world is wrong with that? We are trying to help the housing industry. I do not know how we can help them if we say they cannot have funds, when even the Federal Reserve Board determines there are no other effective ways of getting them funds and even when the Federal Reserve Board determines housing does not have funds in a reasonable amount.

As to the word "reasonable," let us put that in proper perspective. "Reasonable" relates to the particular economic situation which confronts the United States at the time. When we are in an inflationary situation, of course it is necessary for housing to bear a substantial share—and probably a disproportionate share, unfortunately—of restraint; but certainly not the kind of restraint they suffered in 1966, when the Governor of the Federal Reserve Board testified that housing can afford 4 percent of the gross national product, that housing bore between 60 to 70 percent of the cutback. The industry was devastated. Unemployment was increasing at a time when we had an expanding economy. Business was investing more than it had ever invested, in the history of this Nation, in plant and equipment, and we went down to 850,000 housing starts a year. That kind of situation should not prevail again, and this provision tries to correct it.

I point out that the Sparkman amendment simply sets a limitation on the application of this provision, the limitation being $2 billion. As I have said over and over again, I do not know how anybody can object to a limitation of something they consider dangerous.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. LAUSCHE. What would be the situation if the Federal Reserve Board wrote to Congress and said there is an effective method of stimulating the market in mortgages by Congress appropriating to the Federal Home Loan Bank $2 billion to feed into the market, instead of having the Federal Reserve Board, for the first time in 55 years, enter into the field of financing? What would we say?

Mr. PROXMIRE. In the first place, I disagree with almost every part of the assumption of the Senator from Ohio. The fact is that we would say, of course, unless Congress acts to provide an appropriation under those circumstances, that is not an effective means that is available.

What we have been doing for years is to provide that any member bank that wants to borrow money from the Federal Reserve Board can do so from the discount window. Now we are providing that the Federal Home Loan Bank Board, if the Fed thinks it is necessary, when the Fed says it is reasonable, can have something like the same privilege, although it would be limited.

Mr. LAUSCHE. It would be the first time in history that this would be done. If we ought to do it to help the mortgage industry, appropriate $2 billion to the Federal Home Loan Bank Board to finance the buying of mortgages, and do not break the precedent that has been in existence for 55 years.

Mr. PROXMIRE. I wish to ask the Senator if he opposes the discount practice that has been in effect for 55 years?

Mr. LAUSCHE. No.

Mr. PROXMIRE. Why, then, should we not require Congress to appropriate money to individual banks when they come to the discount window to borrow from the Federal Reserve?

Mr. LAUSCHE. It has never been done before. We are placing on the Federal Reserve System an obligation that may spread into disastrous proportions when other segments of the economy are involved.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 1 additional minute.

Mr. PROXMIRE. Mr. President, the argument of the Senator from Ohio has been consistent that, one, we should not do this because it has never been done before and two, we may lose our heads and spread the practice throughout the economy, and that that would be a catastrophe.

First, if we were to follow the first argument, we would never change anything. We have a clear injustice and a very serious economic problem in the field of housing. Everybody knows that. We cannot help correct that situation effectively unless we provide that the housing industry, through the Home Loan Bank Board and FNMA, would be able to receive money from the Federal Reserve when the Federal Reserve considers it and finds, under the provisions of this bill, that no alternative means can be used and two, it is necessary to supply reasonable amounts of funds to the mortgage market.

Mr. LAUSCHE. Mr. President, may I be recognized for one-half minute?

Mr. BENNETT. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Utah has 3 minutes remaining.

Mr. BENNETT. I yield 1 minute to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I wish to repeat that all we have to do is appropriate $2 billion to the Federal Home Loan Bank and tell them to use that amount to stimulate the mortgage industry. We can do it directly and put it in the budget; but now we are trying to do it indirectly by establishing a policy that has never been in existence before.

Mr. BENNETT. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I think the purpose of this amendment should be clear. It became obvious to the sponsor of the original amendment that his amendment is not desirable, so he is attempting to salvage it by putting this ceiling on, which has no significance. If their proposal is wise, it is too low to handle an emergency; and if the proposal is unwise, the ceiling does not make it wise.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. DIRKSEN. Mr. President, to me it is strange that the Fed, the Federal Home Loan Bank Board, and the Treasury are all opposed to this proposal. How can it be said they are sympathetic when they are opposed to it?

Mr. BENNETT. I do not think there is any answer to that question.

Mr. President, I am ready to yield back the remainder of my time if the Senator from Wisconsin is ready to yield back the remainder of his time.

Mr. PROXMIRE. Mr. President, I yield myself 30 seconds.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, this is the Sparkman amendment we are voting on and not a provision in the bill. It is a limitation; therefore, anyone who opposes the bill should in good sense vote for the Sparkman limitation. I hope that is fully understood by the Senate when Senators vote.

I am prepared to yield back the remainder of my time.

Mr. BENNETT. I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. RANDOLPH (after having voted in the negative). On this vote I have a live pair with the Senator from Alaska [Mr. BARTLETT]. If he were present, he would vote "yea." I have already voted "nay." I withdraw my vote. If I were at liberty to vote, I would vote "nay."

Mr. BYRD of West Virginia. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Alaska [Mr. GRUENING], the Senator from Michigan [Mr. HART], and the Senator from Hawaii [Mr. INOUYE] are absent on official business.

I also announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], and the Senator from Minnesota [Mr. MCCARTHY] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Alaska [Mr. GRUENING], and the Senator from Michigan [Mr. HART] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Michigan [Mr. GRIFFIN] is detained on official business.

Mr. MONTOYA. Mr. President——

Mr. KUCHEL. Regular order.

The PRESIDING OFFICER. The regular order has been called for.

Mr. YARBOROUGH. Mr. President, a parliamentary inquiry before the regular order is called for.

The PRESIDING OFFICER. The regular order has been called for.

Mr. YARBOROUGH. My parliamentary inquiry is whether when a Senator has asked for recognition before the call for the regular order, he is entitled to recognition. The Senator from New Mexico asked for recognition before the Chair said the regular order had been called for. Which takes priority—the call for recognition by the Senator from New Mexico or the subsequent call for the regular order?

The PRESIDING OFFICER. Does the Senator from New Mexico seek recognition?

Mr. MONTOYA. Mr. President, the matter would be moot anyway, because I had more or less withdrawn my request for recognition.

The PRESIDING OFFICER. The Chair will announce the vote.

The result was announced—yeas 44, nays 44, as follows:

[No. 237 Leg.]

YEAS—44

Bayh
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Clark
Dodd
Fong
Gore
Harris
Hartke
Hatfield
Hayden
Hill
Jackson
Javits
Long, La.
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Mondale
Monroney
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Ribicoff
Russell
Sparkman
Spong
Talmadge
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NAYS—44

Aiken
Allott
Anderson
Baker
Bennett
Boggs
Brooke
Carlson
Cooper
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Hansen
Hickenlooper
Holland
Hollings
Hruska
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
Metcalf
Miller
Montoya
Morton
Mundt
Murphy
Pearson
Percy
Prouty
Scott
Smathers
Smith
Stennis
Symington
Thurmond
Tower
Williams, Del.
Young, N. Dak.

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Randolph, against.

NOT VOTING—10

Bartlett
Brewster
Fulbright
Griffin
Gruening
Hart
Inouye
Kennedy
Long, Mo.
McCarthy

So Mr. SPARKMAN's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 897

Mr. BENNETT. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read the amendment, as follows:

On page 2, beginning with line 14, strike out all through line 5, page 3.

The language proposed to be stricken by the amendment is as follows:

SEC. 3. (a) Paragraph (2) of section 14(b) of the Federal Reserve Act (12 U.S.C. 355) is amended to read as follows:

"(2) Under the direction and regulations of the Federal Open Market Committee, to buy and sell in the open market, or to deal directly with the issuing agency in the purchase and sale of, any obligation which is a direct obligation of, or fully guaranteed as to principal and interest by, any agency of the United States."

(b) It is the sense of the Congress that the authority conferred by paragraph (2) of section 14(b) of such Act be used, when alternative means cannot effectively be employed, to permit financial institutions to continue to supply reasonable amounts of funds to the mortgage market during periods of monetary stringency and rapidly rising interest rates.

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. BENNETT. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BENNETT. Mr. President, the purpose of my amendment is to strike from the bill the amendment written into it in committee by the Senator from Wisconsin, which in effect would give a mandate to the Federal Reserve System to purchase paper supplied to it by the Federal Home Loan Bank Board and the Federal National Mortgage Association in terms of participation certificates or other obligations if it were necessary to maintain a flow of mortgage funding.

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Utah may proceed.

Mr. BENNETT. Mr. President, the purchase of participation certificates or similar instruments is intended to supply added liquidity to the mortgage market. The effect of the bill as it now stands is to provide a special treatment of funds intended for mortgages and to restrict the power of the Federal Reserve Board to operate in its responsibility to stabilize the monetary system of the United States. By rejecting the Sparkman amendment, we return to the original Proxmire amendment.

Mr. President, every emotion has been appealed to by the Senator from Wisconsin in his support of this proposal to change the responsibility of the Federal Reserve System from one of dealing strictly with broad, overall monetary policy while considering all of the effects of that policy to a segmented approach in which the Federal Reserve would be required to take action to assure that any restraint on the economy is equally levied against all sectors. I have stated earlier, and I state again, that I do not support such a change and feel strongly that it would not prove to be in the best interest of the economy of this Nation.

The Senator has suggested that a crisis such as we had in 1966 "might very well recur during the last half of 1968." While nearly anything is possible, the facts at hand do not even suggest that such a situation may recur. The fiscal action taken on the other hand has been such as to make it possible for interest rates to be lower than they otherwise would have been. The Senator from Wisconsin himself on many occasions has said that he expects not inflationary pressures, but a slowdown as the tax measure takes purchasing power from the economy and the social security tax and other measures become effective. If a slowdown is really expected, then it is obvious that the Federal Reserve would not react with restrictive monetary policy. In other words, the two positions are inconsistent.

The prediction of crisis in my view is simply an attempt to muster support for this unnecessary and unwise provision.

The Senator suggested that "a tight money policy is supposed to restrain the economy by cutting back on all investment." I have yet to read or hear the statement that it is or has been the intent of general monetary policy to cut back on all investment.

Mr. LAUSCHE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Chair will say to the attachés that the Chamber will be cleared if there is any more talking among the attachés. The Chair will request, too, that Senators refrain from talking, so the Senator from Utah may make his speech.

Mr. BENNETT. Mr. President, in a system where money flows to those uses which are willing to pay the most for it, a cutback will never be equal on all segments unless a specific system of rationing and controls is put into effect, and, I might add, experience indicates that even strict controls are not highly effective.

I might add, experience has indicated that even strict controls are not highly effective.

The Senator properly argues that savings and loan associations are limited in their liquidity because most of their investments are in long-term mortgages and therefore are "locked in" during a period of rising interest rates. This is the nature of mortgage lending, and savings and loan associations were specifically set up and given tax advantages so that they could provide mortgage money. The amendment for which the Senator from Wisconsin is arguing would, according to his words, require the Fed to "purchase the obligations of the home loan banks on such terms as would permit relending to savings and loans at rates which savings and loans were able to pay, given the current average yield on their earning assets." Some of the loans made by savings institutions were made when interest rates were much lower than they are at the present. Then the Senator goes on to say that "the rate charged by the Fed could be less than the market rate." Later in his remarks the Senator argued, and the Senator from Alabama argued also, that this is "not a subsidy." I do not understand his reluctance to admit that a subsidy is involved. The definition of subsidy, according to Webster's New International Unabridged Dictionary is: "To aid or promote, as a private enterprise, with public money." There is no doubt that this section of the bill would be to aid private enterprise and that it would be through the use of an interest rate differential brought about by the Federal monetary authority. We call it a subsidy when 3 percent money is made available for the REA, we call it a subsidy when the Federal Government makes money available at lower rates than would be available from the money market for all other recipients, so there is no logical reason not to term this differential and preferential treatment a subsidy. Why not just admit it?

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. BENNETT. I yield.

Mr. LAUSCHE. If the Federal Reserve Bank is forced and mandated to buy securities to finance the mortgage industry, is it not a fact that the interest rate that would be charged to those institutions might be different from the interest rate being charged in the general open market?

Mr. BENNETT. If it were not so, there would not be any point in requiring the Federal Reserve to step in, because they could get the money in the open market if they were willing to pay the interest.

Mr. LAUSCHE. That would mean that the interest rate that would be paid to the Federal Reserve System would be less than the interest rate that would have to be paid in the open market?

Mr. BENNETT. That is my understanding.

Mr. LAUSCHE. And if it is less, to the extent that it is less, it would be a subsidy?

Mr. BENNETT. I think there is no question about it.

The Senator from Wisconsin argues that the purchase of $1 billion to $2 billion of Federal Home Loan Bank Board obligations allowing that amount of money to be distributed by the System to savings and loan associations would have provided substantial relief for housing. Indeed, as I have pointed out, the Home Loan Banks now have that much greater liquidity with which to assist. In addition, if one were to total the other liquidity and assistance provided through other measures approved by the Congress or soon to be approved, the amount would be in the neighborhood of $15 billion with the funds intended in this bill. If, as the Senator from Wisconsin has stated, the total drop in 1966 was $5 billion, and that he does not intend that the whole drop be offset then, certainly, the additional $15 billion, which is three times the whole reduction, should be able to take care of the situation without bringing Federal Reserve direct purchases of obligations into the picture.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question at that point?

Mr. BENNETT. I am happy to yield.

Mr. LAUSCHE. How have we generated a $15 billion available fund to support the mortgage market?

Mr. BENNETT. Yesterday I listed bills that have been passed in the last 2 years and other action which has contributed to that total. I do not want to take the time to repeat the list.

Mr. LAUSCHE. They are contained in the Senator's statement?

Mr. BENNETT. They are contained in yesterday's RECORD and my statement of today.

The Senator from Wisconsin states that if this authority is granted and enforced, it would assure that the "housing sector will not be called upon to bear a disproportionate share of the cutbacks as it was in 1966." I suggest that every segment of our economy bears a different share of the restraint, depending on its willingness to bid for money. I just wonder what housing's proportionate share would be and how the Federal Reserve would justify a specific burden on housing as compared to other segments.

The Senator uses to bolster his statement that the poor are the ones to be disadvantaged when housing is restricted, the statement that the Bureau of Census data "show the average cost per unit rising during periods of tight money." This does not support the point made by the Senator. It should be remembered that the very reason for the restrictive policy by the Federal Reserve is to hold inflationary costs. Therefore, the increase in prices for construction are one of the reasons the Fed tightens money. The higher prices are not, therefore, the effect but the cause.

The Senator claims that the amendment would only partially redress the competitive imbalance between banks and savings and loan associations. Of course, the two types of institutions are not equal competitively in all respects. In some competitive factors, savings and loan associations have a competitive edge, and in others, banks have an edge because of their different purposes and functions. I might state that the housing bill which has been reported from the conference committee granted significantly broader powers to the savings and loan industry against bank opposition. We cannot be accused of legislating in favor of commercial banks to the disadvantage of savings and loan associations this year.

The Senator suggests that the Federal Reserve is already involved in politics because of its present responsibilities of adjusting its policies in an effort to approach full employment, stable prices, and economic growth. It should be pointed out that all these goals span the entire economy and are not limited to any one segment, such as housing.

Mr. LAUSCHE. Mr. President, will the Senator yield at that point?

Mr. BENNETT. I am happy to yield.

Mr. LAUSCHE. Is it not a fact that what was done by the 1946 full employment program sponsored by the distinguished and honorable former Senator Douglas, of Illinois, was, in substance, in conformity with what the purpose of the Federal Reserve System was declared to be, to promote the economy and to stabilize prices? When you promote the economy, you promote employment and the growth of population.

Mr. BENNETT. I do not know that any one man is entitled to the entire credit for that very important bill, but it certainly is true that a major part of it was the responsibility to stabilize the economy.

This authority and congressional mandate that the Senator from Wisconsin is championing is an entirely different matter. It does specifically assist one segment to the detriment of competing segments.

The Senator discusses briefly welfare economics, and comes to the conclusion that "private market rates will not necessarily direct resources to their most efficient use." One cannot argue with that statement, but who is to determine what is the best use? Thus far, in our system, we have allowed great freedom of choice to individuals over the expenditures which they feel important. Some other societies have decided that the allocation of resources can better be made through centralized planning of their Government. I prefer the system we have over theirs, even if it does allow some economic inefficiencies. By the same reasoning, no one can claim that a democratic system is the most efficient, but I still consider it to be far superior to those which stifle or ignore the desires of individual citizens.

The Senator also mentions several countries which have various rediscounting arrangements through their central banks. I have not had time to study each of these systems, but I have taken the time to see what has happened to price levels in these countries over the past few years, and, as I expected, in every one of them, price levels have not been as stable as they have been in this country. I have no doubt that the stability which we have had, and it is nothing to brag about, has been greatly due to the efforts of the Federal Reserve to hold prices. The countries mentioned by the Senator as examples and their price levels are:

COST OF LIVING

[In percent]

	1960	1967	About
Belgium	102	124	22
France	110	140	27
Italy	102	135	32
Sweden	105	139	32
United States	102	116	14

On the basis of these examples, the Senator states:

> Thus, in opposing the amendment before us, the Federal Reserve Board is not reflecting the revealed wisdom of modern day central banking.

I do not feel that this implied criticism of the Federal Reserve Board members is justified. On the other hand, I suspect that they are fully aware of the actions taken by other central bankers and understand their systems, and, as a matter of deliberate judgment, have refused to follow them.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BENNETT. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized for 3 minutes.

Mr. BENNETT. The Senator states that "there are times, Mr. President, when even the Federal Reserve Board acknowledges that it has a special responsibility to the housing sector of the economy and to thrift institutions which supply much of the necessary mortgage credit." Indeed, all sectors are taken into consideration, and although special segmented treatment is not granted, overall policy, as stated by Governor Mitchell and quoted by the Senator, is adjusted to meet major needs and avoid major problems of various segments.

The Senator brought the report of a committee of the Federal Reserve System regarding the discount mechanism into the discussion to support his amendment. One would be led to believe from his remarks that the mechanism provided in this bill is analogous to the discounting privileges of commercial banks. It is not, and in fact in the majority report on this bill, the access to the discount window was specifically listed as an alternative which would make this amendment unnecessary. Certainly, this alternative should be explored, but it is not now before us.

I would like to point out, however, that the use of the discount privilege by banks is not to maintain a rate of long-term lending as is anticipated in this bill. Remember that mortgages run from 20 to 40 years. Once the Federal Reserve commits money for this purpose, it is committed for that period. Discounts to banks are only to carry the banking institution over crisis periods of very short duration, a matter of days usually. There is, in fact, an administrative ruling in effect which precludes retailing operations in Federal Reserve credit obtained through the discount window.

The Senator criticizes the fact that the discount rate during 1966 was below the short-term money market rates. Indeed, I am sure that he will recall that the Fed was accused of increasing all interest rates because they are based on the discount rate. We cannot have it both ways.

Mr. President, I have not dealt with all of the statements made in support of this legislation with which I cannot agree. Others which I have omitted have been covered in the minority views, and time does not permit a proper discussion of some of the more technical ones.

Let me say in conclusion that all of the arguments used in favor of this provision do not change the fact that it is special treatment for one industry and it will involve a subsidy and it will restrict the flexibility of the Federal Reserve to carry out its major responsibility of maintaining stability in the economy through monetary policy. This issue is that simple when all of the arguments are summarized.

I strongly recommend that the Senate reject the committee amendment.

Mr. PROXMIRE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 5 minutes.

Mr. PROXMIRE. Mr. President, I do not expect to take very much of my time. I expect to yield back a substantial amount of time. I hope that we can have a vote by about 2:15, and certainly before 2:30.

Mr. President, this issue has been debated at great length yesterday and today. I will do my best to summarize it without being too repetitive and try to answer some of the arguments raised in the last few minutes by the distinguished Senator from Utah.

Mr. President, the Senator argued that this provision which specifies that the Federal Reserve Board under certain, unusual conditions, if it deems it necessary, shall buy obligations of the Federal Home Loan Bank Board and FNMA would restrict the Federal Reserve Board in monetary policy. He is very emphatic in arguing that this practice would restrict the Federal Reserve Board.

In my view, it would give the Federal Reserve Board a very useful tool. As I shall try to emphasize in my remarks, the greatest restraint at the present time on monetary policy and the reason the Federal Reserve Board is not able to restrict the economy, as it should be doing now, and as it should have been doing last year and during the period of expansion, is its fear of throttling the housing industry. Certainly we should not have been pumping money into the economy at the rapid rate of 8 to 10 percent, as we were doing last year. Why was it done? It was done because it was believed if they did not do it, interest rates would rise so rapidly that housing would suffer and suffer disastrously.

This gives the Federal Reserve Board a tool which they can use when they find on the basis of their own judgment that other means are not effective, when they determine on the basis of their own judgment that reasonable amounts of money are not available for the housing industry. Only then would they be in a position to purchase the securities of the Federal Home Loan Bank Board.

So, in my view, this does not impair the Federal Reserve Board monetary policies. It improves them. It means, for example, that if we had had this provision in effect last year, we could have had a lesser rate of inflation and we would have had a healthier situation in the housing industry. We would have had some restraint. We should have had restraint, and we would have had it. We would have had a healthier situation, and we would have had a situation in which we would have had more restraint on the rest of the economy.

I think that is perfectly consistent and perfectly appropriate.

The distinguished Senator from Utah argued that the proposal in the pending bill is inappropriate inasmuch as I have said that I expect a slowdown to result from the tax increase and the spending reduction. That is correct. I do expect a slowdown. I could be wrong. I have been wrong in the past. I suppose I have been as wrong in estimating the economic future as other people have been. If I am wrong this time we could certainly have an inflationary situation in which the Federal Reserve Board would jam on the monetary brakes. And they should, and if they do, the housing industry will be hit again and hurt.

The important point is that this provision is a new proposal. It will be used only when it is necessary. It will be used only if all of the measures developed so well by the Senator from Utah are not enough. It will be used only when the Federal Reserve Board itself decides the measures are not enough, when the Fed decides that reasonable amounts of money are not available and there are not effective means necessary.

Mr. President, the Senator from Utah contended that the discounting which banks can do in going to the Federal Reserve Board and borrowing money on their own initiative is not analogous to the money which the Federal Reserve Board would make available through the savings and loan associations to the housing industry for mortgages on the grounds that the discounting is for short periods and that the mortgages are for long periods.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for an additional 3 minutes.

Mr. PROXMIRE. Mr. President, the fact is that this discounting procedure has recently been broadened. It will be for 6 months, with an additional 3 months if necessary for seasonal operations. Well, the provision in the pending bill would also be for a short period of time, only during periods of a serious credit crunch on housing.

If this provision had been in effect in 1966, for example, the Federal Reserve Board would have purchased obligations of the Federal Home Loan Bank Board and held those obligations for a few months, probably not more than 6 months. It would then have sold the obligations.

The argument made by the Senator from Utah that the Federal Reserve's funds would be frozen in the mortgages for 20 to 40 years is not any part of the bill. It is not any part of our intention.

The Federal Reserve Board can turn these obligations over as soon as the situation has been alleviated. In the past, the situations have been of brief duration. They have been for a limit of a few months.

The argument of the Senator from Utah does not stand up.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JAVITS. Mr. President, the Senator spoke about a limited time. There is no time limit under the Senator's amendment relating to the action by the open market committee. I understand the Senator's proposal and the legislative draft to be that this authority will be limited to a 2-year period.

Mr. PROXMIRE. The Senator is correct. We consulted with the committee counsel about this, and their construction of this provision is that, since the bill itself is limited to 2 years, this particular provision of the bill relating to the purchase directive to the Federal Reserve Board would also be limited to 2 years.

Mr. JAVITS. That is critically important, because one limitation having failed—to wit, the monetary limitation which Senator Sparkman proposed—it is a fact, however, that the 2-year term persists in the amendment as it is before the Senate.

Mr. PROXMIRE. That is correct.

Mr. JAVITS. Second, is there anything mandatory about this on the Federal open market committee except that it gives them a set of directions, which we expect they will follow? But do they not have a very wide discretion as to where, when, how, the amounts, and so forth?

Mr. PROXMIRE. The Senator from New York is correct. The provision is that when alternative means cannot effectively be employed—who determines whether they are effective? The Federal Reserve Board. It is a guideline for them to permit financial institutions to continue to supply reasonable amounts. Who determines whether the amounts are reasonable? The Federal Reserve Board. It is their judgment that is a guideline.

Mr. JAVITS. Nothing in the provision would change the autonomy of the Federal Reserve Board or its independence. Am I correct?

Mr. PROXMIRE. The Senator is correct.

Mr. JAVITS. Is there any sanction on the Federal Reserve Board if it acts in a way with which the Senator from Wisconsin or any other Member of Congress—or even the entire Congress—disagrees?

Mr. PROXMIRE. No, indeed.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. I yield myself 3 additional minutes.

As the Senator from New York well knows, the Federal Reserve Board always has been a center of controversy. They are in the unenviable position of finding that at least some people always disagree with them. Some people think they should stimulate the economy more by pumping money into it; that unemployment is too high. Others argue that inflation is too serious and that the Federal Reserve Board should act to restrain the economy more.

There will be people in and out of Congress who will disagree with the Federal Reserve Board. But the Federal Reserve Board has this discretion. No action, no criticism of any kind, by the Committee on Banking and Currency of the House or the Senate, no action by the Senate or the House as a whole—unless, of course, we change the law—can restrain or restrict or interfere with the freedom of the Federal Reserve Board.

Mr. JAVITS. After the purchase or sale of Treasury obligations, are housing obligations the largest single item of financing or guarantee by the United States?

Mr. PROXMIRE. That is my understanding.

Mr. JAVITS. So that the only precedent set is that they now have the power in Treasury securities, and now it is being opened up to the guarantees of housing obligations, and whether it is opened further than that is up to Congress?

Mr. PROXMIRE. That is correct.

Mr. JAVITS. In other words, this is only a precedent, if we use it as a precedent, and we can vote "yea" or "nay."

Mr. PROXMIRE. The Senator is correct.

It has been argued that once we do this, we might do all kinds of other things. That is not so. This is for 2 years only. It is up to the Federal Reserve Board to use its judgment in following the guidelines, not the judgment of any Member of Congress.

Mr. JAVITS. Finally, although the limitation of Senator SPARKMAN's amendment did not prevail—I wish it had—is it the Senator's intention, as the author of this and the manager of the bill, that the Federal Reserve Board shall operate in this field to a greater extent than that specified in the Sparkman amendment—that is, about $2 billion?

Mr. PROXMIRE. The intention of the author of this provision in the bill has been consistently as the Senator from Utah said earlier, that we should operate within a $1.5 to $2 billion authorization. I do not feel the Federal Reserve Board should exceed $2 billion.

Mr. JAVITS. So if the Federal Reserve Board met with this rule, it would certainly not face any opposition from the chairman of the Senate committee or from the manager of the bill, and it would be entirely consonant with the policy that the author of the amendment and the manager of the bill, in proposing it to the Senate, ask be carried out.

Mr. PROXMIRE. The Senator is correct. It is a very important construction, because in the vote that will come up, I believe this will be the intention of many Members of the Senate who support the amendment, that it should be applied with moderation.

The **PRESIDING OFFICER.** The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. I yield myself 3 additional minutes.

Mr. JAVITS. When the Senator speaks of moderation, he speaks of 2 years' autonomous discretion within the request and the authority granted by Congress. That is point 2.

Point 3: a limited figure of $1½ to $2 billion to the ambit of its use.

Mr. PROXMIRE. The Senator is correct. I thank the Senator.

Mr. President, I should like to conclude my remarks by emphasizing the fundamental point that housing in this country is in distress, that housing needs more financing, and that it suffered greatly in 1966 and it can suffer again.

The burden of the remarks by the Senator from Utah is that housing has been taken care of; that we have done a great deal to provide more funds for housing and have provided enough.

One argument I made is that this provision is an insurance policy, only to be used if the Federal Reserve Board finds that the facts indicate that we have not done enough.

The second point: What do the facts show? They show that since 1963 the net flow of savings to banks, which that year was 50 percent of all net savings in the country, increased to 60 percent in 1967.

I point out that many of the provisions argued by the Senator from Utah were put into effect in 1966. Yet, in 1967 the net flow to banks had increased over the 1963 level by that much.

What happened to savings and loan? Savings and loan, which in 1963 had a net flow of savings of 39 percent, dropped down to 27 percent in 1967.

Mr. Horne, in testifying before the House committee, said the net flow in savings in the first half of this year, 1968, had not been good for the savings and loan, that it had been adverse. It is true that the net flow of savings to banks has not been as good as in the past; but in relationship to savings and loan, savings and loan—which, of course, is important to the housing industry—has suffered, and suffered seriously.

The **PRESIDING OFFICER.** The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. I yield myself 2 additional minutes.

Therefore, even allowing for all the arguments of the Senator from Utah, even recognizing that we have done something for the housing industry and that it is somewhat better off, we must recognize that what we have done has not been enough; that the amount of funds going to the savings and loan, the heart and soul of our housing financing, has been declining and will continue to decline, unless we act.

We passed a housing bill this year in which all Members of Congress can rightly take pride. I believe it is one of the most important measures in this field enacted in the last decade. But if it really is to be effective, if there is to be the money to provide the housing starts envisioned in that bill, some provision such as this is required.

Mr. President, I have no requests for time on this side, I reserve the remainder of my time.

The **PRESIDING OFFICER.** Who yields time?

Mr. BENNETT. I yield 6 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, the fact should be clearly considered that the agencies of the Federal Government dealing with price stability, soundness of the market, full employment, and other aspects that mean much to the population of our country, are all opposed to this bill. Not one agency of the Federal Government vested with the responsibility of developing a sound economy supports the measure. The Federal Reserve Board is opposed to it. The Treasury Department is opposed to it. The Federal Deposit Insurance Corporation and the Federal Home Loan Bank are opposed to it.

In the Committee on Banking and Currency of the House, a vote was taken on the proposal, and nine were against it and two for it.

Thus, we begin with the base that not one agency of the Government vested with the responsibility of protecting the people favors this measure.

Mr. President, I shall read further from what Mr. McChesney Martin had said about any efforts to impose upon the Federal Reserve System the obligation of buying Federal securities.

Mr. McChesney Martin in his testimony before the House committee, on June 27 stated:

> There are, of course, legitimate grounds for concern about the mortgage market—

However, he went on to say further:

> just as there are many other areas in which Federal support programs may be called for. But thus far the Congress very wisely has refrained from attempting to finance such programs through creation of money by the central bank. At a time when confidence in our ability to manage our financial affairs responsibly is being severely tested, we simply cannot afford to create the impression that we are about to embark on a new support program to be financed in such a fashion.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. BENNETT. The Senator was depending on my poor memory for the figures he quoted. The House vote was 22 to 9.

Mr. LAUSCHE. The vote was 22 to 9.

Mr. BENNETT. Yes; against this provision.

Mr. LAUSCHE. I thank the Senator very much.

Mr. McChesney Martin further stated:

> Recognizing the dangers inherent in excessive extensions of credit by the Federal Reserve—

And I wish to emphasize he limits his statement to the Federal Reserve—

> the Congress has carefully limited the authority of the System to purchase obligations directly from the Treasury. Not only is there a statutory limit on the amount of such purchases, but the authority is temporary, subject to renewal by Congress every two years, and the legislative history established in the course of numerous extensions has repeatedly emphasized that the authority is to be used sparingly, and only for extremely short periods. Thus Congress has sought to prevent Federal Reserve credit from expanding to meet the Treasury's needs for funds at the expense of overall stabilization goals, and the Treasury has never borrowed more than $1.3 billion under the authority at any one time. Indeed, in the past decade the authority has been used only five times, and then for no more than 3 days, nor more than $207 million, at any one time.

To explain, in 10 years for a period of 3 days only the sum of $207 million has been borrowed.

The **PRESIDING OFFICER.** The Senator's 6 minutes have expired.

Mr. BENNETT. Mr. President, I yield 1 additional minute to the Senator.

The **PRESIDING OFFICER.** The Senator is recognized for 1 additional minute.

Mr. LAUSCHE. Mr. President, the Sparkman amendment contemplated borrowing $2 billion; the original bill contemplated borrowing $8 to $10 billion.

Mr. President, the Federal Reserve Board has done a good job. I stated earlier today let the Congress keep its hands off this institution. If we want to subsidize, do it within the budget; let it be known to the world we are subsidizing. But do not do it through the back door of pretending you are serving the country by calling upon the central bank, the Federal Reserve System, to do the financing in the manner contemplated by the bill.

The **PRESIDING OFFICER.** Who yields time?

Mr. BENNETT. Mr. President, I understand the Senator has 5 minutes remaining.

The **PRESIDING OFFICER.** The Senator is correct.

Mr. BENNETT. Mr. President, I yield myself 1 minute.

The **PRESIDING OFFICER.** The Senator from Utah is recognized for 1 minute.

Mr. BENNETT. Mr. President, all of these arguments have been made and remade in various forms, but I wish to comment on the situation in which we find ourselves. The Senate rejected the proposal to permit the setting up of this new power to draw on the Federal Reserve by limiting it to $2 billion. I interpret that to mean that this is essentially a vote against the extension of this power and that, therefore, some of my colleagues must have voted for the limitation rather than the proposal.

I would hope that Senators would recognize we are now facing the fundamental problem and would vote for the amendment which I have offered and against the requirement contained in the committee amendment.

The PRESIDING OFFICER. Mr. President, who yields time?

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 2 minutes.

Mr. PROXMIRE. Mr. President, I wish to say that the heart of this provision is that the committee amendment expresses the sense of Congress that the authority be used by the Federal Reserve Board "to permit financial institutions to continue to supply reasonable amounts of funds to the mortgage market during periods of monetary stringency and rapidly rising interest rates." would be given complete authority to The keyword is "reasonable." The Fed interpret reasonable levels of assistance consistent with sound monetary policy.

How in the world that restricts the Federal Reserve Board monetary policy is beyond me. They determine what is reasonable and it does not interfere, as the Senator from New York brought out so well in colloquy, with their autonomy or independence. It sets guidelines, as Congress is bound to do under the Constitution, but it does not interfere with administration or policy and it does provide that the housing industry will have this insurance policy in the event the provisions we have made, in the last 18 months or so, to improve the situation for housing are not adequate.

Mr. President, in conclusion, I wish to say that the advantages of the amendment may be summarized as follows:

First, while it would not completely insulate housing from tight money it would prevent housing from bearing the entire brunt of the cutback. Second, it helps slum dwellers become homeowners but it does not confine it to the poor. It means many people who cannot now own a home could own a home. Third, it improves the efficiency of the homebuilding industry and lowers housing costs. This is a very important element we have ignored so far in the debate, today. Whenever you have a situation in which there are wide swings in housing, so that resources are drained off, then it is very costly to get those resources back. A major reason for the increase in costs in 1967 was the fact that we had a terrific deterioration in housing starts in 1966.

Also, this provision maintains confidence and stability in the savings and loan associations by providing an emergency source of funds in a crisis, by making it clear that they will have the funds whenever the Federal Reserve Board determines there is reasonable need and no alternative means are available.

Finally, to help maintain competitive equality of competition between financial institutions, by giving thrift institutions indirect access to Federal Reserve Bank credit.

Mr. President, I yield back the remainder of my time.

Mr. BENNETT. Mr. President, before I yield back the remainder of my time, there are a number of Senators who will need a little notice to come into the Chamber for the vote, and I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. Will not the Senator yield back the remainder of his time before the suggestion of the quorum?

Mr. BENNETT. Yes, Mr. President, I yield back the remainder of my time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back.

The question is on agreeing to the amendment of the Senator from Utah [Mr. BENNETT].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. GRUENING] and the Senator from Hawaii [Mr. INOUYE] are absent on official business.

I also announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], and the Senator from Minnesota [Mr. MCCARTHY] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT] and the Senator from Alaska [Mr. GRUENING] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. FANNIN] is detained on official business, and if present and voting would vote "yea."

The result was announced—yeas 46, nays 45, as follows:

[No. 238 Leg.]

YEAS—46

Aiken
Allott
Baker
Bennett
Boggs
Brooke
Byrd, Va.
Carlson
Cooper
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fong
Griffin
Hansen
Hickenlooper
Holland
Hruska
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
McClellan
Miller
Morton
Mundt
Murphy
Pearson
Percy
Prouty
Randolph
Russell
Scott
Smathers
Smith
Stennis
Symington
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—45

Anderson
Bayh
Bible
Brewster
Burdick
Byrd, W. Va.
Cannon
Case
Church
Clark
Dodd
Gore
Harris
Hart
Hartke
Hatfield
Hayden
Hill
Hollings
Jackson
Javits
Long, La.
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Ribicoff
Sparkman
Spong
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—8

Bartlett
Fannin
Fulbright
Gruening
Inouye
Kennedy
Long, Mo.
McCarthy

So Mr. BENNETT'S amendment was agreed to.

Mr. KUCHEL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENNETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PROXMIRE. Mr. President, I yield such time as he may require to the chairman of the committee, the Senator from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. SPARKMAN. I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of Mr. SPARKMAN is as follows:

At the end of the bill insert:

"SEC. 4. Section 5A of the Federal Home Loan Bank Act is amended to read as follows:

" 'SEC. 5A. (a) The purpose of this section is to provide a means for creating meaningful and flexible liquidity in savings and loan associations which can be increased when mortgage money is plentiful, maintained in easily liquidated instruments, and reduced to add to the flow of funds to the mortgage market in periods of credit stringency. More flexible liquidity will help support two main purposes of the Federal Home Loan Bank Act—sound mortgage credit and a more stable supply of such credit.

" '(b) Every member shall maintain liquid assets in such aggregate amount as, in the opinion of the Board, is appropriate. The requirement prescribed by the Board pursuant to this subsection (hereinafter in this section referred to as the "liquidity requirement") shall not be less than 4 per centum or more than 10 per centum of the obligation of the member on withdrawable accounts and borrowings payable on demand or with unexpired maturities or one year or less or, in the case of members which are insurance companies, such other base or bases as the Board may determine to be comparable.

" '(c) The amount of the liquidity requirement shall be calculated in such manner as the Board shall prescribe. The Board may prescribe from time to time different liquidity requirements, within the limitations specified herein, for different classes of members, and for such purposes the Board is authorized to classify members according to type of institution, size, location, rate of withdrawals, or, without limitation by or on the foregoing, on such other basis or bases of differentiation as the Board may deem to be reasonably necessary or appropriate for effectuating the purposes of this section.

"'(d) Any deficiencies in compliance with such requirements shall be computed, in such manner as the Board shall prescribe, on the basis of the average daily net amounts of the member covering such periods as may be established by the Board, and the Board may make provisions with respect to nonbusiness days, or similar days, occurring in such periods.

"'(e) For any deficiencies in compliance with the liquidity requirement, the Board may, in its discretion, assess penalties which shall consist of the payment by the member to the Federal Home Loan Bank of which such member is a member of such sums as may be assessed by the Board but not in excess of a rate equal to the highest rate on advances of one year or less, plus 2 per centum per annum, on the amount of any average deficiency for the period with respect to which any such deficiency existed. The right to assess or recover, or to assess and recover, any such penalty shall not be abated or affected by a members' ceasing to be a member. The Board may authorize or require that, at any time before collection thereof, and whether before or after the bringing of any action or other legal proceeding, the obtaining of any judgment or other recovery, or the issuance or levy of any execution or other legal process therefor, and with or without consideration, any such penalty or recovery be compromised, remitted, or mitigated in whole or part. Any such penalties shall be cumulative to any remedies or sanctions which would be available in the absence of this subsection.

"'Whenever the Board deems it advisable in order to enable a member to meet withdrawals or to pay obligations, the Board may, to such extent and subject to such conditions as it may prescribe, permit such member to reduce its liquidity below the minimum amount. Whenever the Board determines that conditions of national emergency or unusual economic stress exist, the Board may suspend any part or all of the liquidity requirements hereunder for such period as the Board may prescribe. Any such suspension, unless sooner terminated by its terms or by the Board, shall terminate at the expiration of ninety days next after its commencement, but nothing in this sentence shall prevent the Board from again exercising, before, at, or after any such termination, the authority conferred by this subsection.

"'(g) The Board is authorized to issue such rules and regulations, including definitions of terms used in this section, to make such examinations, and to conduct such investigations as it deems necessary or appropriate to effectuate the purposes of this section. The reasonable cost of any such examination or investigation, as determined by the Board, shall be paid by the member. In connection with any such examination or investigation the Board shall have the same functions and authority that the Federal Savings and Loan Insurance Corporation has under subsection (m) or section 407 of the National Housing Act, and for purposes of this subsection the provisions of said subsection (m), including the next to last sentence but not including the last sentence, and the provisions of the first sentence of subsection (n) of said section shall be applicable in the same manner and to the same extent that they would be applicable if all references therein to said Corporation were references to the Board and all references therein to said section 407 or to provisions thereof were references to this subsection.

"'(h) As used in this section, "Board" means the Federal Home Loan Bank Board, "member" means any member as defined in subdivision (4) of section 2 of this Act and any institution which is an insured institution as defined in subdivision (a) of section 401 of the National Housing Act, "liquid assets" means (1) cash, (2) to such extent as the Board may approve for the purposes of this section, time and savings deposits in Federal Home Loan Banks and commercial banks, and (3) to such extent as the Board may so approve, such obligations, including such special obligations, of the United States, a State, or a political subdivision, agency, or instrumentality of any one or more of the foregoing, and bankers' acceptances, as the Board may approve, and "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States."

"Sec. 6. Section 5(c) of the Home Owners' Loan Act of 1933 is amended by adding, immediately after the colon at the end of the second proviso, the following new matter: '*And provided further*, That any such association may also invest in any investments which, at the time of the making of such investment, are assets eligible for inclusion as liquid assets toward the satisfaction of any liquidity requirement imposed on such association pursuant to section 5A of the Federal Home Loan Bank Act, but only to the extent such investments are permitted to be so included under regulations issued by the Board pursuant to said section 5A'."

Mr. SPARKMAN. Mr. President, this is an amendment concerning liquidity which would be applicable to all members of the Federal Home Loan Bank System and an additional amendment to authorize Federal savings and loan associations to invest in investments which are eligible as such liquidity. The Federal Home Loan Bank Board favors this proposal because it would provide a flexible tool which would be very helpful to the mortgage market. It would work as follows:

First. It would provide for a wider variety of liquidity instruments including assets of a short-term nature which members could utilize on a more flexible basis and which would be more profitable than their present choice of either cash or Governments;

Second. It would give the Board authority to set the liquidity requirement from 4 to 10 percent instead of from 4 to 8 percent and to control the mix of instruments held for liquidity purposes;

Third. By raising and lowering the percentage of savings to be held in the eligible instruments, the Board could assure that ample liquidity was built up in periods of easy money which could be released to the mortgage market in periods of tight money.

For example, in the period from 1961 through 1964 when mortgage money was very easy, the Board could have required that associations hold 10 percent of their savings in a liquidity pool with 5 percent in relatively short-term instruments. It would then have been possible to reduce the requirement from 10 to 8 or 5 percent, depending upon conditions, to release from $2 to $5 billion for use in the housing market during the credit squeeze of 1966.

This type of release of liquidity would have greatly reduced the pressure on the mortgage market and would have helped not only the members of the Federal Home Loan Bank System but homebuilders and homebuyers as well.

Mr. President, this is a matter which is fully understood by the Senator from Utah and the Senator from Wisconsin. It is identical, except for the introductory paragraph—which simply states the purpose—with material to which the House and Senate conferees agreed in the housing bill, but which we were later told would be stricken on a point of order in the House of Representatives; and it was decided that it would be proper to offer it here.

I offer the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, I yield myself 1 minute to say that, since the Senate has previously approved this proposal on the housing bill, I see no reason why it should not be approved on the pending measure. I am perfectly happy to support the chairman of the committee on his amendment, and I hope that the Senate will agree to it.

The PRESIDING OFFICER. Does the Senator from Alabama yield back the remainder of his time?

Mr. SPARKMAN. I yield back the remainder of my time.

Mr. BENNETT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, I send to the desk another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. SPARKMAN. I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN's amendment is as follows:

Add the following new section:

"Sec. 7. Subsection (d) of section 404 of the National Housing Act, as amended, is amended (1) by substituting a colon for the period at the end of the proviso, and (2) by adding, immediately after that proviso, the following additional provisos: '*Provided further*, That, except to such extent as may be otherwise provided by regulation of the Board, in the calculation of any such net increase for any such calendar year beginning after the date of enactment of this proviso there shall be subtracted (but not so as to produce a negative amount from the amount of such accounts at the end of such calendar year the highest amount of such accounts at the end of any previous calendar year beginning with 1966: *Provided further*, That the Corporation may provide, by regulation or otherwise, for the adjustment of payments made or to be made under this subsection and subsections (b) and (c) of this section in cases of merger or consolidation, transfer of bulk assets or assumption of liabilities as defined by the Corporation by regulation or otherwise for the purposes of this sentence, and similar transactions, as so defined'."

Mr. SPARKMAN. Mr. President, this amendment is similar to the other, and arises under the same conditions.

Section 404(d) of the National Housing Act, as amended, requires an insured institution to pay to the Federal

Savings and Loan Insurance Corporation additional insurance premiums in the nature of a prepayment of future premiums equal to 2 percent of the net increase of all accounts during the next preceding calendar year, less an adjustment for the required purchase of Federal Home Loan Bank stock. That section does not provide for an offset or other equitable treatment for increases in years following years of net savings decreases.

The inequity can be demonstrated in the following example. During 1967 an insured institution grows $5 million and prepays its required 2 percent premium of $100,000. The following year the association sustains a net decrease of $4 million in savings and it is not required to make any prepayment, since it has no increase in accounts. In the succeeding year, the insured institution attracts new savings in the amount of $4 million. Under existing law, the institution must again prepay a future premium on this growth even though its savings are now at the same level as they were 2 years preceding.

The attached amendment would eliminate this double payment. It permits an insured institution which sustains a net decrease in savings to cease making prepayments until its savings as of the end of the preceding calendar year are restored at least to its earlier high level.

Mr. BENNETT. Mr. President, I yield myself one-half minute to say that my attitude is the same on this amendment as to the other amendment of the Senator from Alabama, and I hope that the Senate will agree to it.

The PRESIDING OFFICER. Do the Senator from Alabama and the Senator from Utah yield back the remainder of their time?

Mr. SPARKMAN. I yield back the remainder of my time.

Mr. BENNETT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. PROXMIRE. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

Mr. PROXMIRE. I ask unanimous consent that the reading of the amendment be dispensed with, and that the amendment be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Proxmire's amendment is as follows:

At the end of the bill, add the following new section:

"Sec. 4. (a) The first sentence of the eighth full paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 347) is amended by striking out 'secured by such notes, drafts, bills of exchange, or bankers' acceptances as are eligible for rediscount or for purchase' and inserting in lieu thereof 'secured by such obligations as are eligible for rediscount or for purchase'.

"(b) The last full paragraph of such section (12 U.S.C. 347c) is amended by inserting before the period at the end of the first sentence the following: 'or by any obligation which is a direct obligation of, or fully guaranteed as to principal and interest by, any agency of the United States'."

The PRESIDING OFFICER. The Senate will be in order. The Senator from Wisconsin may proceed.

Mr. PROXMIRE. Mr. President, the amendment is a technical amendment which has been recommended by the Federal Reserve Board, I am happy to say.

Section 4(a) of the proposed amendment would amend the Federal Reserve Act to permit advances to member banks to be secured by any obligation eligible for rediscount or for purchase by Federal Reserve Banks. This would broaden such lending authority to include as eligible collateral all of the direct obligations of Federal agencies, as well as obligations guaranteed as to principal and interest by such agencies.

Section 4(b) broadens in similar fashion, the types of collateral authorized for Federal Reserve Bank loans to individuals, partnerships, and corporations under section 13 of the Federal Reserve Act. The collateral for such advances now may consist only of the direct obligations of the United States. The amendment would also include Federal agency obligations.

The amendment, I understand, has been cleared by the distinguished Senator from Utah.

Mr. BENNETT. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, this is another amendment to which I give my complete concurrence. I hope the Senate will accept the amendment.

I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3133) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act of September 21, 1966 (80 Stat. 823), as amended by the Act of September 21, 1967 (81 Stat. 226), is hereby amended by striking "two-year" and inserting in lieu thereof "four-year".

Sec. 2. (a) The first sentence of section 19(j) of the Federal Reserve Act (12 U.S.C. 371b.) is amended by striking out "limit by regulation" and inserting in lieu thereof "promulgate rules governing the payment of interest on deposits, including limitations on".

(b) The second sentence of section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by striking out "limit by regulation" and inserting in lieu thereof "promulgate rules governing the payment of interest on deposits, including limitations on".

(c) The first sentence of section 5B of the Federal Home Loan Bank (12 U.S.C. 1425b.) is amended by striking out "limit by regulation" and inserting in lieu thereof "promulgate rules governing the payment of interest or dividends on deposits, shares, or withdrawable accounts, including limitations on".

Sec. 3. (a) The first sentence of the eighth full paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 347) is amended by striking out "secured by such notes, drafts, bills of exchange, or bankers' acceptances as are eligible for rediscount or for purchase" and inserting in lieu thereof "secured by such obligations as are eligible for rediscount or for purchase".

(b) The last full paragraph of such section (12 U.S.C. 347c) is amended by inserting before the period at the end of the first sentence the following: "or by any obligation which is a direct obligation of, or fully guaranteed as to principal and interest by, any agency of the United States".

Sec. 4. Section 5A of the Federal Home Loan Bank Act is amended to read as follows:

"Sec. 5A. (a) The purpose of this section is to provide a means for creating meaningful and flexible liquidity in savings and loan associations which can be increased when mortgage money is plentiful, maintained in easily liquidated instruments, and reduced to add to the flow of funds to the mortgage market in periods of credit stringency. More flexible liquidity will help support two main purposes of the Federal Home Loan Bank Act—sound mortgage credit and a more stable supply of such credit.

"(b) Every member shall maintain liquid assets in such aggregate amount as, in the opinion of the Board, is appropriate. The requirement prescribed by the Board pursuant to this subsection (hereinafter in this section referred to as the 'liquidity requirement') shall not be less than 4 per centum or more than 10 per centum of the obligation of the member on withdrawable accounts and borrowings payable on demand or with unexpired maturities of one year or less or, in the case of members which are insurance companies, such other base or bases as the Board may determine to be comparable.

"(c) The amount of the liquidity requirement shall be calculated in such manner as the Board shall prescribe. The Board may prescribe from time to time different liquidity requirements, within the limitations specified herein, for different classes of members, and for such purposes the Board is authorized to classify members according to type of institution, size, location, rate of withdrawals, or, without limitation by or on the foregoing, on such other basis or bases of differentiation as the Board may deem to be reasonably necessary or appropriate for effectuating the purposes of this section.

"(d) Any deficiencies in compliance with such requirements shall be computed, in such manner as the Board shall prescribe, on the basis of the average daily net amounts of the member covering such periods as may be established by the Board, and the Board may make provisions with respect to nonbusiness days, or similar days, occurring in such periods.

"(e) For any deficiencies in compliance with the liquidity requirement, the Board may, in its discretion, assess penalties which shall consist of the payment by the member to the Federal Home Loan Bank of which such member is a member of such sums as may be assessed by the Board but not in excess of a rate equal to the highest rate on advances of one year or less, plus 2 per centum per annum, on the amount of any average deficiency for the period with respect to which any such deficiency existed. The right to assess or to recover, or to assess and recover, any such penalty shall not be abated or affected by a member's ceasing to be a member. The Board may authorize or require that, at any time before collection thereof, and whether before or after the bringing of any action or other legal proceeding, the obtaining of any judgment or other recovery, or the issuance or levy of any execution or other legal process therefor, and with or without consideration, any such penalty or recovery be compromised, remitted, or mitigated in whole or part. Any such penalties shall be cumulative to any remedies or sanctions which would be available in the absence of this subsection.

"(f) Whenever the Board deems it advisable in order to enable a member to meet withdrawals or to pay obligations, the Board may, to such extent and subject to such conditions as it may prescribe, permit such member to reduce its liquidity below the minimum amount. Whenever the Board determines that conditions of national emergency or unusual economic stress exist, the Board may suspend any part or all of the liquidity requirements hereunder for such period as the Board may prescribe. Any such suspension, unless sooner terminated by its terms or by the Board, shall terminate at the expiration of ninety days next after its commencement, but nothing in this sentence shall prevent the Board from again exercising, before, at, or after any such termination, the authority conferred by this subsection.

"(g) The Board is authorized to issue such rules and regulations, including definitions of terms used in this section, to make such examinations, and to conduct such investigations as it deems necessary or appropriate to effectuate the purposes of this section. The reasonable cost of any such examination or investigation, as determined by the Board, shall be paid by the member. In connection with any such examination or investigation the Board shall have the same functions and authority that the Federal Savings and Loan Insurance Corporation has under subsection (m) or section 407 of the National Housing Act, and for purposes of this subsection the provisions of said subsection (m), including the next to last sentence but not including the last sentence, and the provisions of the first sentence of subsection (n) of said section shall be applicable in the same manner and to the same extent that they would be applicable if all references therein to said Corporation were references to the Board and all references therein to said section 407 or to provisions thereof were references to this subsection.

"(h) As used in this section, 'Board' means the Federal Home Loan Bank Board, 'member' means any member as defined in subdivision (4) of section 2 of this Act and any institution which is an insured institution as defined in subdivision (a) of section 401 of the National Housing Act, 'liquid assets' means (1) cash, (2) to such extent as the Board may approve for the purposes of this section, time and savings deposits in Federal home loan banks and commercial banks, and (3) to such extent as the Board may so approve, such obligations, including such special obligations, of the United States, a State, or a political subdivision, agency, or instrumentality of any one or more of the foregoing, and bankers' acceptances, as the Board may approve, and 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States."

SEC. 5. Section 5(c) of the Home Owners' Loan Act of 1933 is amended by adding, immediately after the colon at the end of the second proviso, the following new matter: "*And provided further*, That any such association may also invest in any investments which, at the time of the making of such investment, are assets eligible for inclusion as liquid assets toward the satisfaction of any liquidity requirement imposed on such association pursuant to section 5A of the Federal Home Loan Bank Act, but only to the extent such investments are permitted to be so included under regulations issued by the Board pursuant to said section 5A."

SEC. 6. Subsection (d) of section 404 of the National Housing Act, as amended, is amended (1) by substituting a colon for the period at the end of the proviso, and (2) by adding, immediately after that proviso, the following additional provisos: "*Provided further*, That, except to such extent as may be otherwise provided by regulation of the Board, in the calculation of any such net increase for any such calendar year beginning after the date of enactment of this proviso there shall be subtracted (but not so as to produce a negative amount) from the amount of such accounts at the end of such calendar year the highest amount of such accounts at the end of any previous calendar year beginning with 1966: *Provided further*, That the Corporation may provide, by regulation or otherwise, for the adjustment of payments made or to be made under this subsection and subsections (b) and (c) of this section in cases of merger or consolidation, transfer of bulk assets or assumption of liabilities as defined by the Corporation by regulation or otherwise for the purposes of this sentence, and similar transactions, as so defined."

The PRESIDING OFFICER. The amendment to the title is rejected.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RADIATION CONTROL FOR HEALTH AND SAFETY ACT OF 1968—ORDER FOR REPORTING BILL

Mr. HILL. Mr. President, on Wednesday, July 17, the distinguished senior Senator from Washington [Mr. MAGNUSON] asked and received unanimous consent that the Committee on Labor and Public Welfare be instructed to report H.R. 10790, the Radiation Control for Health and Safety Act of 1968, before the close of business on Thursday, July 25, 1968.

I ask unanimous consent that that order be amended to provide for reporting the bill before the close of business August 1, 1968.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGISTRY OF BLIND PERSONS IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1224.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1224) to establish a register of blind persons in the District of Columbia, to provide for the mandatory reporting of information concerning such persons, and for other purposes which was, strike out all after the enacting clause, and insert:

That the Commissioner of the District of Columbia shall establish and maintain a register of blind persons residing in the District of Columbia. Such register shall, under regulations prescribed by the District of Columbia Council, provide information of such nature as will or may be of assistance in the planning of improved facilities and services for blind persons and in the restoration and conservation of sight.

SEC. 2. Each—

(1) health, educational, and social service agency or institution operating in the District of Columbia and having in its care or custody (either full or part time), or rendering service to, any blind person,

(2) physician and osteopath licensed or registered by the District of Columbia who has in his professional care for diagnosis or treatment such a person, and

(3) optometrist licensed by the District of Columbia who, in the course of his practice of optometry, ascertains that a person is blind,

shall report in writing to the Commissioner the name, age, and residence of such person and such additional information as the Council may, by regulation, require for incorporation in the register referred to in the first section. Such register and reports shall not be open to public inspection. The Commissioner may make available in the form of statistical abstracts or digests information contained in such register and reports if the identity of persons referred to in such register or reports is not disclosed in such abstracts or digests.

SEC. 3. For the purpose of this Act—

(1) the term "blind person" means, and the term "blind" refers to, a person who (A) is totally blind, (B) has impaired vision of not more than 20/200 visual acuity in the better eye and for whom vision cannot be improved to better than 20/200, or (C) who has loss of vision due wholly or in part to impairment of field vision or to other factors which affect the usefulness of vision to a like degree,

(2) the term "Commissioner" means the Commissioner of the District of Columbia or his designated agent, and

(3) the term "Council" means the District of Columbia Council.

SEC. 4. Any person who in good faith makes a report pursuant to this Act or pursuant to any regulation promulgated under the authority of this Act, shall not, by reason thereof, be personally liable in damages.

SEC. 5. This Act shall take effect on the first day of the first month which begins on or after the thirtieth day of the date of its enactment.

Mr. MORSE. Mr. President, the amendment of the House is acceptable. We have cleared it with both sides.

The bill establishes a Register of Blind Persons in the District of Columbia. The House passed the bill with technical amendments to conform the language of the bill to the new Commissioner-City Council form of government.

I move that the Senate concur in the House amendment.

The motion was agreed to.

CONSTRUCTION AND MODERNIZATION OF HOSPITALS IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1228.

The PRESIDING OFFICER laid before the Senate the amendment of the

House of Representatives to the bill (S. 1228) to authorize projects grants for construction and modernization of hospitals and other medical facilities in the District of Columbia, which was, strike out all after the enacting clause, and insert:

That this Act may be cited as the "District of Columbia Medical Facilities Construction Act of 1968".

AUTHORIZATION OF APPROPRIATIONS FOR GRANTS

SEC. 2. There are authorized to be appropriated for the fiscal year ending June 30, 1969, and for each of the next three fiscal years, such sums as may be necessary, not to exceed in the aggregate to $40,052,000, to enable the Secretary of Health, Education, and Welfare (hereafter in this Act referred to as the "Secretary"), to make grants to assist in meeting the cost of projects for the modernization of public or nonprofit private hospitals and in meeting the cost of projects for the construction or modernization of public health centers, long-term care facilities, including extended care facilities, diagnostic or treatment centers, rehabilitation facilities, facilities for the mentally retarded, and community mental health centers in the District of Columbia. Sums so appropriated shall remain available until expended.

LOANS FOR THE CONSTRUCTION OR MODERNIZATION OF HOSPITALS AND OTHER HEALTH FACILITIES

SEC. 3. (a) The Secretary may make loans to assist in meeting the cost of projects for the construction or modernization of any hospital or other facility referred to in section 2 of this Act. The Secretary may make a loan under this section only if he determines that the applicant for the loan is unable to obtain the amount of such loan for the project from other public or private sources at reasonable rates of interest. The amount of any loan made under this section may not exceed 50 per centum of the cost of the project for which the loan is sought.

(b) Any such loan may be made only on the basis of an application submitted to the Secretary in such form and containing such information and assurances as he may prescribe.

(c) Each such loan shall bear interest at the rate of 2½ per centum per annum on the unpaid balance thereof and shall be repaid over a period determined by the Secretary to be appropriate, but not exceeding 50 years.

(d) There is authorized to be appropriated $40,575,000 to carry out the provisions of this section.

APPROVAL OF APPLICATIONS

SEC. 4. (a) An application for a grant or loan with respect to any project may be approved by the Secretary under this Act only if an application for a grant with respect to such project has been filed under a Medical Facilities Act (which for purposes of this Act means title VI of the Public Health Service Act or, where appropriate, title II or part C of title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963) and—

(1) has been approved under a Medical Facilities Act and the application filed under this Act is for additional funds in connection therewith, or

(2) has been denied under a Medical Facilities Act because insufficient funds are available from the allotments of the District of Columbia under the applicable Medical Facilities Act to permit approval of the application.

In determining whether to approved an application for a grant under a Medical Facilities Act for any project in the District of Columbia, the availability of additional funds for such project under this Act shall be taken into consideration. Approval of such application may be made contingent upon the approval of an application or applications with respect to such project under this Act and upon such additional funds being made so available.

(b) The Secretary shall establish criteria for determining the order in which to approve, under this Act, applications for grants and loans with respect to projects. Such criteria with respect to construction projects for the same type of facility (or for modernization projects) shall be the criteria developed by the State Agency of the District of Columbia pursuant to the State plan approved under the applicable Medical Facilities Act.

(c) In the case of any project with respect to which an application for a grant or loan is filed under this Act and with respect to which an application for a grant has been denied under a Medical Facilities Act, such application under this Act may be approved only if there is compliance with the same terms and conditions (including determination, in accordance with the applicable State plan, that the project is needed) as are applicable to applications for grants under the Medical Facilities Act, other than the availability of sufficient funds in the appropriate allotment of the District of Columbia.

(d) An application for a grant or loan under this Act with respect to any project may not be approved unless an opportunity to review the application has been afforded to a body, found by the Secretary to be a responsible metropolitan areawide planning body, and any recommendations of such body that were timely made have been considered by the appropriate State agency of the District of Columbia and have been submitted to the Secretary in connection with the application.

PAYMENTS

SEC. 5. (a) Payments under this Act with respect to any project shall be made in the manner provided under the applicable Medical Facilities Act for payment of the Federal share of the cost of projects for which applications are approved under such Act; except that payments under this Act shall also be subject to such reasonable conditions as the Secretary deems appropriate to safeguard the Federal interest.

(b) The total of the payments of grants made under this Act with respect to any project, together with any payments made with respect thereto under a Medical Facilities Act, may not exceed—

(1) in the case of a construction project for a long-term care facility, including extended care facilities, a diagnostic or treatment center, or a rehabilitation facility, 66⅔ per centum of the cost of such project; and

(2) in the case of any other project (including a modernization project), 50 per centum of the cost of such project.

RECOVERY OF PAYMENTS

SEC. 6. (a) Payments of grants under this Act shall be subject to recovery or recapture under the same conditions and to the same extent as is provided under the applicable Medical Facilities Act with respect to payments made thereunder.

(b) If, at any time before a loan made under this Act has been repaid in full, an event occurs for which (if a grant had been made under a Medical Facilities Act) recovery by the United States would be authorized, the unpaid balance of the loan shall become immediately due and payable by the applicant, and any transferee of the facility for which such loan was made shall be liable to the United States for such repayment.

MEANING OF TERMS

SEC. 6. The terms used in this Act shall have the same meaning as when used in the applicable Medical Facilities Act.

And amend the title so as to read: "An act to authorize project grants and loans for construction and modernization of hospitals and other medical facilities in the District of Columbia."

Mr. MORSE. Mr. President, the bill S. 1228, as passed by the House, authorizes supplementary Federal assistance for the District of Columbia government for modernization of public or nonprofit private hospitals, and for the construction of such health centers, long-term and extended care facilities, diagnostic or treatment centers, rehabilitation facilities, community mental health centers, and facilities for the mentally retarded.

The bill provides Federal project grants in addition to those now available under various programs provided by the Medical Facilities Acts.

Also, the bill authorizes Federal loans, not to exceed 50 percent of the cost of any project for which a grant is made under the bill, to those recipients of such grants who do not have the matching funds required under the act and are unable to obtain such funds for this purpose from other public or private sources at reasonable rates of interest.

Briefly, this legislation establishes the administrative and programing machinery for this intended or supplemental aid for projects required to be approvable under construction aid programs—the Hill-Burton program.

The bill, as it passed the Senate, authorized a grant authority of $36,227,000. Evidence supporting a program increase necessary to fit the intent and basic purpose of this legislation required an adjustment of $3,825,000 in the grant portion, made by the House of Representatives. This increase allows the Georgetown University Hospital Medical Center to provide an integrated diagnostic and treatment, mental retardation, and outpatient facility program as an essential part of the areawide community service.

While certain program adjustments were in the planning stages at the time the Senate considered the bill, they were not included in the bill because of the interim status of Georgetown University, private consultants report. As the result of the report, a substantially increased program in mental retardation and outpatient facilities was accepted by Georgetown University as its part of the Washington community health responsibility. The Georgetown University program was approved by the Washington Health Facilities Planning Council. I am informed that this has substantially increased the cost of the overall hospital construction program.

In the case of the District of Columbia, private local resources are unable to provide these necessary matching requirements for two principal reasons, namely, a lack of area industry and the transient nature of the population of the Washington area.

For this reason, most of the matching funds would necessarily have to be borrowed by the participating institution in the District, in order that this badly needed backlog program of construction may be started within a reasonable time.

The current prevailing high rates of

interest make it impractical for hospitals to borrow money on the private market, for to do so would necessitate increasing per diem hospital patient charges to even more unreasonably high levels.

Therefore, it is my judgment that the only practical solution to this problem of matching fund requirements is the authorization of long-term, low-interest-rate Federal borrowing, as a method comparable to that offorded by other States, counties, and cities by their programs of grants, bonds, and loans, and comparable also to other Federal programs in the fields of education and college housing.

I am informed that a precedent for the 2½ percent, 50-year loan subsidy program for hospitals in the District of Columbia presently exists.

I am also advised that the Public Health Service Act provides for loans to certain hospitals nationally at 2½ percent over a period of 50 years.

The rural electrification program, I am informed, has the present interest rate of 2 percent.

The Foreign Aid Assistance Act—Public Law 89–171—provides for an interest rate of 2½ percent and was amended by Public Law 90–137 to reduce the rate to 2 percent over a period of years.

The committee is advised that the college housing program—Public Law 81–475, as amended—provides for a rate of 3 percent and that the Higher Education Facilities Act—Public Law 88–204—provides for loans at 3 percent.

The above specific existing laws demonstrate that Congress has recognized the necessity of low-interest rates where special needs have been demonstrated. In my judgment, such a special need has been demonstrated in the District of Columbia.

I strongly believe that S. 1228 as passed by the House will serve the public interest and that the House amendment should be adopted by the Senate.

Mr. President, on page 12 of the House committee report we have the essence of the House amendment that is acceptable to the Senate.

The language reads:

> The amendment to S. 1228 adopted by your Committee involves two substantive changes in the bill as it was approved by the Senate on December 15, 1967.
>
> The first of these changes is an increase in the total authorization of grants under the bill from $36,227,000 to $40,052,000. The reason for this increase is that since the Senate approved the bill, the Georgetown University Medical Center has started the construction of diagnostic and treatment facilities as a planned part of their hospital bed renovation program, Also, they have started construction of associated clinical instruction space for the professors and medical and dental students.
>
> The cost of these facilities at Georgetown Medical Center, undertaken as part of its planned efforts to help provide adequate health services to the District of Columbia and the entire metropolitan area, is $12,461,000. Of this amount, Georgetown University is in critical need of $3,825,000 which your Committee feels should be provided in the grant portion of this bill.
>
> The other change is the addition of the loan authority, which your Committee regards as essential to the successful implementation of the legislation.

Mr. President, the amendment of the House is acceptable. I have cleared it with both sides. I move that the Senate concur in the House amendment.

The motion was agreed to.

FOREIGN AID

Mr. MORSE. Mr. President, the Committee on Foreign Relations has not yet reported the foreign aid bill. It will probably do so tomorrow. We hope so. However, I want to say to the majority leader that it will come to the floor of the Senate as a highly controversial bill. It may be the most highly controversial aid bill to date.

The votes in the committee on issue after issue have been exceedingly close. Sometimes it was a vote of 9 to 8, and sometimes it was a vote of 9 to 7. There is a great division of opinion in respect to the bill.

As the majority leader knows, the House bill substantially reduced the amount asked for by the administration. In round numbers, it was about $1 billion. In the opinion of the senior Senator from Oregon, the reduction was not nearly enough. Some of the votes in the committee have sustained portions of the House bill by votes of 9 to 8 or 9 to 7.

When the measure gets to the floor of the Senate, many amendments will be offered to reduce the bill further. There will be great controversy as far as the senior Senator from Oregon is concerned. And I speak for those who have been voting with me in seeking to cut further the military assistance program. Let us not forget that the military assistance program is not the defense budget program. It is over and above what is already being provided under the defense program. Moreover, military assistance to South Vietnam and others engaged in that war is not in this bill. It is in the regular Defense Department program.

But what concerns me is the time schedule for considering this bill. I believe now is the time to make clear, so the leadership will at least know what the parliamentary problem is, that in my judgment any attempt to get this bill through the Senate prior to a substantial number of Republican Senators leaving for the Republican convention on August 4 or 5, would simply be wishful thinking.

At the same time, I do not want to be misunderstood as to my opposition to the bill as it will be reported by the Committee on Foreign Relations tomorrow. I believe it is a fair prophecy that it will be reported tomorrow. I strongly endorse parts of this bill. I should like to see us hammer out on the anvil of conscionable compromise, on the floor of the Senate, a bill which we can approve. It will take time. I am not going to get myself in the parliamentary box in which we will not have adequate time for the minority to seek to turn itself into the majority. To do that will take debate and discussion, and a great deal of it; because, as I said in the Committee on Foreign Relations this morning, I do not believe we can possibly justify, in view of American public opinion, the emphasis on military assistance that characterizes this bill.

Mr. President, the people of this country know what their domestic and fiscal problems are, and I am satisfied that there are millions and millions of Americans who will not look with approval upon a bill that seeks to give huge military assistance, for example, to Greece, Turkey, and South Korea; to continue to give great assistance to Taiwan, which is in one of the strongest fiscal positions of any country in the world; to give military assistance to Africa, when we have these serious problems that confront us at home.

There are honest and sincere men, just as dedicated to principle as I am, who hold opposite points of view in regard to this question. What the senior Senator from Oregon is trying to do this afternoon, in making this record for the consideration of the leadership of the Senate, is to try to forewarn that any attempt to get this bill through the Senate, with the short period of consideration that would be involved, in a unanimous-consent agreement to limit time, would, in my judgment, not be in the interest of the people of this country. I believe we must have adequate time to debate this bill.

Therefore, I respectfully urge—I do not ask for any statement or ruling from the majority leader at this time—that the leadership of the Senate discuss this matter in the respective policy committees of the two parties; but that it be understood that, as of here and now, I serve notice that I shall object to any unanimous-consent agreement that seeks to limit the time for debate on the foreign aid bill. I believe that what we should do is come back after the conventions in September and debate the foreign aid bill for whatever period of time an adequate consideration of it will require.

Furthermore, Mr. President, I believe the people of this country are entitled to have the two parties at the conventions make a statement as to where they stand on foreign aid. I do not believe that the two parties should be put in the position in which Congress passes on foreign aid prior to the conventions. Both parties should be put on the spot at those conventions with respect to foreign aid for this year, for this particular bill. That is another reason why I believe it is in keeping with our democratic processes to postpone consideration of the foreign aid bill until after the conventions.

Mr. President, I was very much in favor—and still am, if it could be done—of obtaining a sine die adjournment of Congress before the conventions. But if we are not going to do so, then the foreign aid bill should be a major matter of discussion before Congress after the conventions.

My leadership knows I always try to cooperate by giving advance notice of my parliamentary intentions, so it is only fair that I notify my leadership this afternoon that I will not even be susceptible to persuasion in regard to a time limitation on foreign aid prior to the conventions.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1331, S. 3724.

I do this so that the bill will become the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

UNION POLITICAL GIFTS

Mr. WILLIAMS of Delaware. Mr. President, in the Wall Street Journal of July 19, 1968, appeared an article entitled "Union's Political Gifts Follow Administration Aid to Fugitive Official."

This article calls attention to the fact that the Seafarers Union contributed $100,000 to the Democratic campaign fund after receiving a favorable decision from the State Department.

Section 610 of the Corrupt Practices Act specifically prohibits unions from making contributions, and accordingly I am today calling this allegation to the attention of the Attorney General and asking what steps the Department of Justice is taking to enforce this law.

At this point I ask unanimous consent to have printed in the RECORD, first, an article published in the Wall Street Journal of July 19, entitled "Union's Political Gifts Follow Administration Aid to Fugitive Official—Seafarers Give Democrats $100,000 After Rusk Vetoes Canadian Extradition Bid"; second, a copy of section 610 of the Corrupt Practices Act, which specifically prohibits unions from making political contributions; and, third, a copy of my letter to the Attorney General asking what steps are being taken to enforce the law.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 19, 1968]

A FRIEND IN COURT?—UNION'S POLITICAL GIFTS FOLLOW ADMINISTRATION AID TO FUGITIVE OFFICIAL—SEAFARERS GIVE DEMOCRATS $100,000 AFTER RUSK VETOES CANADIAN EXTRADITION BID—SECRETARY DENIES PRESSURE

(By Jerry Landauer)

WASHINGTON.—On a busy Friday afternoon some months ago, seven lawyers gathered in Secretary of State Dean Rusk's inner office over glasses of sherry to discuss a complicated extradition case that could seriously embarrass Hubert Humphrey in his race for the White House.

The lawyers argued discreetly about a Canadian government request that the U.S. surrender Harold C. Banks, former boss of the Canadian district of the Seafarers International Union. He had jumped bail in Canada and fled south across the border to avoid serving a five-year jail term on a conviction for hiring goons to beat up a rival labor leader.

At the informal hearing in the Secretary of State's office, Canada's lawyers sought Banks' return. But Secretary Rusk, rejecting the conclusions of his legal adviser and overruling a U.S. Commissioner, declined to issue an extradition warrant. To surrender Banks, then in Federal custody, would have violated "my own sense of old-fashioned justice," Mr. Rusk says. Instead, the Secretary let Banks go free. He also rejected a Canadian appeal for international arbitration of the dispute.

Then a noteworthy thing happened. Within days after the Rusk decision, but unknown to the Secretary, checks totaling $100,000 started flowing into Democratic Party campaign coffers from Seafarers Union headquarters in Brooklyn. The Seafarers' gift is the single biggest union contribution known to have been made in this Presidential election year. It came in two equal packets of 10 checks each—and each of the 20 checks was for exactly $5,000. Half the money was earmarked for Vice President Humphrey's campaign; the rest went to groups that had been working for President Johnson's reelection.

POLITICALLY MINDED UNION

Conceivably, this sequence of events represents sheerest coincidence. At any rate, Secretary Rusk emphasizes that no political pressure was applied from any source to influence his decision.

It's conceivable, too, that the union's campaign donations represent nothing more than a gesture of gratitude by Seafarers President Paul Hall, on whose yacht Banks found temporary refuge after he became a fugitive from Canada. ("He is a field general in tough waterfront wars," Mr. Hall has said of Banks.)

Or, as one insider speculates, Mr. Hall may have been misled by Democratic fund raisers into believing that political pull set Banks free. The Seafarers president has always assumed that pouring money into political campaigns achieves results; though numbering just 80,000 members, the union hopes to spend $1 million for politics this year, most of it labeled as voluntary donations by seamen since use of union dues to help candidates for Federal office is illegal.

The Seafarers decline to make any comment on their political contributions that followed Banks' release or to give any reasons for them; the union refuses even to tell when it sent the ten $5,000 checks to Humphrey campaign committees.

Mr. Hall knew, at any rate, that Secretary of Labor Willard Wirtz had put in a good word for Banks in a memorandum to Cabinet colleague Rusk. Mr. Wirtz had been urged to intervene by AFL–CIO officials and, according to one participant's recollection, by an attorney for Banks; his well-connected lawyers included Myer Feldman, a former special counsel to Presidents Kennedy and Johnson, and Abram Chayes, former State Department legal adviser. But the timing of the Seafarers donations and the manner in which they were made tend to raise the question of whether there was a prearrangement with Democratic fund raisers.

CHRONOLOGY OF EVENTS

For one thing, Mr. Hall waited to unzip his union's bulging purse (June 1 balance for political activity: $460,671) until the Banks case had been decided to his satisfaction. He contributed nothing to Lyndon Johnson when the President was under fire during the New Hampshire Democratic primary, and he held back even after Robert Kennedy, an arch-foe of Mr. Hall, jumped into the Presidential fray in mid-March.

The chronology of subsequent events seems to underline the question about a prearrangement. On March 13, Secretary Rusk informed the Canadian Embassy that he wouldn't issue the surrender warrant. The next day Ottawa said it would ask for reconsideration—and international arbitration. On March 25, Mr. Rusk rejected the appeal, saying it wouldn't be wise to permit arbitration. Then on Sunday, March 31, President Johnson surprised the nation by announcing his intention not to run for reelection.

Yet on or about Wednesday, April 3, the Seafarers Political Activity Donation Committee wrote 10 consecutively numbered checks for $5,000 each—nearly all to Democratic committees that had been working for LBJ's reelection. One possible explanation: Somebody had struck a bargain with Seafarers President Hall while the Banks case was pending—a bargain he executed to the letter even though the candidate he intended to support had retired from the race.

In any case, Mr. Hall needed advance advice from Democratic fund raisers about how to write the checks. Federal law sets an annual $5,000 limit on contributions to committees supporting candidates for Federal office. To avoid that legal limit—and often to avoid identifying contributors—financiers of both parties make arrangements to divide big gifts among numerous dummy committees set up in distant places.

Accordingly, these first 10 checks went to the President's Club, the Democratic National Committee, the President's Club of New York Democratic Citizens of New York, Citizens for Johnson-Humphrey of Rhode Island, the President's Club of Illinois, Citizens for Johnson-Humphrey of Illinois, the President's Club of Texas, Citizens for Johnson-Humphrey of Texas and the Democratic City Club of Texas in Austin.

It is pertinent to note that neither Rhode Island nor Illinois nor Texas requires political committees operating within those states to disclose receipts and expenses. And because they are deemed to operate solely in those states, the recipient committees needn't report under Federal law. Moreover, the two New York committees needn't file reports in Albany until early 1969. Hence, just $10,000 of the first $50,000 contributed by the Seafarers appears on any Democratic committees report; $40,000 can be spent or sent to Washington without any public accounting.

But $25,000 of the $40,000 can be traced, and the route it took strengthens the impression that Seafarer Hall had agreed to open his union's purse at about the time Banks was freed. On April 11, the Democratic City Club of Texas, the President's Club of Texas and the Citizens for Johnson-Humphrey of Texas each transferred $5,000 to the Washington offices of Citizens for Johnson-Humphrey, a now defunct committee. Five thousand dollars more arrived in Washington April 18 from the President's Club of Illinois, and on April 23 $5,000 came in from Citizens for Johnson-Humphrey of Rhode Island. Most of the $25,000 was used to pay off expenses that had been incurred on the President's behalf in late March during the Wisconsin primary campaign; Wisconsin Democrats voted on April 2, just two days after LBJ's retirement announcement.

Some time later on, the Seafarers delivered the second packet of ten $5,000 checks to committees supporting Vice President Humphrey's Presidential aspirations. Of the ten recipient committees only two—United Democrats for Humphrey and Citizens for Humphrey—are actually functioning. And because the Federal disclosure law doesn't cover primary elections, neither committee is required to file an accounting of receipts and expenditures.

The eight other Humphrey committees to which the union donations went exist mostly on paper; none has obtained or applied for telephone service. Their titles are: Humphrey for President Committee, D.C. Volunteers for Humphrey, Election Committee for Humphrey, National Humphrey for President Committee, National Committee for Humphrey, Humphrey Campaign Committee, Friends of Humphrey Committee and Unite With Humphrey Committee.

The co-chairman of Citizens for Humphrey is David Ginsburg, law partner of Mr. Feldman, who along with Mr. Chayes, represented fugitive Banks in the informal hearing in Secretary Rusk's office. Mr. Feldman says he knows nothing about Seafarer political contributions. The United Democrats, for their part, decline to disclose when the union gifts were received; "We're just not going to go into individual contributions," a spokesman says.

Labor Secretary Wirtz, a Humphrey supporter and friend, also says he was unaware of any big Seafarer contributions following Banks' release from Federal custody. "It worries me greatly, and I intend to find out about it," Mr. Wirtz says, expressing concern that the size and timing of the donations could hurt Mr. Humphrey. Mr. Wirtz adds that he wrote the memo on Banks' behalf primarily to acquaint Secretary Rusk with the history of maritime violence involving the Canadian union of which Banks was president.

For his part, Secretary Rusk doesn't recall that any official in the Johnson-Humphrey Administration except Mr. Wirtz wrote or spoke to him about Banks (in addition to the memo, Mr. Rusk vaguely recalls a brief conversation about the case with Mr. Wirtz during or after a Cabinet meeting). "No one tried to use inducement or threat with me regarding this case," the Secretary adds, vowing to throw out any visitors who might try.

"No one at the Democratic National Committee ever communicated with me on this matter. No one at the White House ever attempted to influence my decision. Nor did any Senator or Congressman. This matter rested solely with the Secretary of State."

In deciding whether to extradite Banks, Secretary Rusk had to interpret the Webster-Ashburton Treaty. It was signed in 1842 by the U.S. and by the British government on behalf of Britain and its colonies, which then included Canada. As the State Department explains it, Canada's request presented a "unique problem" for non-lawyer Rusk. In 1964, Banks was convicted in Canada for conspiring to commit assault. The court determined that he paid $1,000 to "Big John" Kasper, former bodyguard to ex-Teamsters boss Dave Beck. Kasper assertedly was hired to thrash a certain Capt. Henry Walsh of the Canadian Merchant Service Guild, a rival union. Whoever administered the beating did it thoroughly, inflicting a double rupture and a fractured skull.

A GOVERNMENT UNDER PRESSURE

Banks failed to appear on the day set for his appeal to the court of appeals in Quebec. Instead, he forfeited a $25,000 cash bond and fled to the U.S., presumably knowing that assault is not among the extraditable crimes listed in the Webster-Ashburton Treaty. Almost immediately Canada's Conservative Party assailed the Liberals for letting Banks slip away. Among other epithets, the Conservatives called Banks the "pampered pet of Liberalism." Hence, the Liberal government was under pressure to prove that it hadn't pampered fugitive Banks.

Finally, in August 1967, Ottawa asked Washington to surrender Banks on a charge of perjury, an extraditable crime under the treaty. Canada alleged that the fugitive had lied four years earlier to a royal commissioner in denying knowledge of the beating inflicted on Capt. Walsh. The commissioner had been assigned to investigate union strife and disruptions of shipping along the Great Lakes; his report concluded, among other things, that labor leader Banks is a man whose "violence is compulsive."

After being scooped up by Federal authorities in Brooklyn, Banks was taken before U.S. Commissioner Salvatore T. Abruzzo. There the fugitive's lawyers protested that the new perjury charge was part of a political campaign by the Canadian government to "get Banks." Commissioner Abruzzo dismissed this contention and also rejected Banks' plea that he had been deprived of rights against self-incrimination. At that point, Banks switched lawyers, engaging Mr. Chayes, Secretary Rusk's former legal adviser, who then brought in former White House aide Feldman.

The fugitive's new lawyers could have continued the fight against extradition in U.S. district court and on up to the Supreme Court. Instead, as is permitted under extradition procedure, they chose a direct appeal to Secretary Rusk.

In the 75-minute session over sherry in the Secretary's office, Messrs. Feldman and Chayes argued that extradiction processes shouldn't permit the Canadian government to accomplish indirectly what it couldn't achieve directly—that is, to retrieve Banks for skipping bail on the nonextraditable assault charge.

A "POLITICAL ELEMENT"

"To say this is not to impugn the motives of the Canadian government or to charge it with any improper action," according to Mr. Chayes' 43-page brief. "Everyone knows that there is a large political element in the law enforcement process, especially when it involves a well-known public figure like Mr. Banks."

This argument didn't impress the Canadian government's U.S. counsel, New York attorney Richard H. Kuh, nor did it sway Mr. Rusk's current legal adviser, Leonard C. Meeker. But "because the charge of perjury arose directly out of a denial of guilt of a nonextraditable offense," according to the State Department, "the Secretary concluded that it would not be compatible with the overall design and purpose of the extradition treaty, which is limited and not universal in its coverage of offenses, to agree to extradition on the unique facts of this case."

Mr. Rusk, saying "one could put a strong argument either way," frames the issue involving Banks more simply: "He denied having committed a nonextraditable offense. I thought he should have a chance to deny it and not be extradited for his denial. . . . A man has the right to protest his own innocence. . . . Whatever he may be, I had the case of a human being in front of me."

Though Mr. Rusk limited his decision to the particular facts of the case, he may have established a diplomatic precedent of sorts. The State Department says it can't find another instance where extradition was denied on the ground that the fugitive's alleged offense arose from another crime that wasn't subject to extradition. The department further says it can't find another case involving Canada where a lower magistrate's ruling was overturned on appeal to the Secretary of State.

Mr. Rusk's aides explain that he delves deeper into extradition matters than most predecessors. "You'd be surprised how deeply involved he gets," one official says. "Probably it's because these cases involve individuals, not broad concepts like disarmament."

But the Canadians are still simmering, arguing that American courts often permit convictions for perjury when the crime from which the perjury flowed isn't within reach of the law.

FEDERAL CORRUPT PRACTICES ACT, 1925, AS AMENDED

SEC. 610. It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization to make a contribution or expenditure either directly or indirectly in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a delegate or Resident Commissioner to Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section. Every corporation or labor organization which makes any contribution or expenditure in violation of this section shall be fined not more than $5,000; and every officer or director of any corporation, or officer of any labor organization, who consents to any contribution or expenditure by the corporation or labor organization, as the case may be, and any person who accepts or receives any contribution, in violation of this section, shall be fined not more than $1,000 or imprisoned not more than one year, or both; and if the violation was willful, shall be fined not more than $10,000 or imprisoned not more than two years, or both. For the purposes of this section "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

U.S. SENATE,
Washington, D.C., July 23, 1968.

Hon. RAMSEY CLARK,
Attorney General of the United States,
Washington, D.C.

MY DEAR MR. ATTORNEY GENERAL: Enclosed is a copy of an article which appeared in The Wall Street Journal of July 19, 1968, entitled "Union's Political Gifts Follow Administration Aid to Fugitive Official." This article calls attention to a $100,000 gift to a political campaign fund.

In view of the fact that Section 610 of the Corrupt Practices Act specifically prohibits unions from making political contributions please advise what steps are being taken to enforce the law.

Yours sincerely,

JOHN J. WILLIAMS.

POPULAR ELECTION OF GOVERNOR OF GUAM

Mr. BURDICK. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 449.

The **PRESIDING OFFICER** laid before the Senate the amendment of the House of Representatives to the bill (S. 449) to provide for the popular election of the Governor of Guam and for other purposes which was, strike out all after the enacting clause, and insert:

That section 6 of the Organic Act of Guam (64 Stat. 384, 386; 48 U.S.C. 1422), is amended to read as follows:

"SEC. 6. The executive power of Guam shall be vested in an executive officer whose official title shall be the 'Governor of Guam'. The Governor of Guam, together with the Lieutenant Governor, shall be elected by a majority of the votes cast by the people who are qualified to vote for the members of the Legislature of Guam. The Governor and Lieutenant Governor shall be chosen jointly, by the casting by each voter of a single vote applicable to both offices. If no candidates receive a majority of the votes cast in any election, on the fourteenth day thereafter a runoff election shall be held between the candidates for Governor and Lieutenant Governor receiving the highest and second highest number of votes cast. The first election for Governor and Lieutenant Governor shall be held on November 3, 1970. Thereafter, beginning with the year 1974, the Governor and Lieutenant Governor shall be elected every four years at the general election. The Governor and Lieutenant Governor shall hold office for a term of four years and until their successors are elected and qualified.

"No person who has been elected Governor for two full successive terms shall again be eligible to hold that office until one full term has intervened.

"The term of the elected Governor and Lieutenant Governor shall commence on the first Monday of January following the date of election.

"No person shall be eligible for election to the office of Governor or Lieutenant Governor unless he is an eligible voter and has been for five consecutive years immediately preceding the election a citizen of the United States and a bona fide resident of Guam and will be, at the time of taking office, at least thirty years of age. The Governor shall maintain his official residence in Guam during his incumbency.

"The Governor shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of Guam. He may grant pardons and reprieves and remit fines and forfeitures for offenses against local laws. He may veto any legislation as provided in this Act. He shall appoint, and may remove, all officers and employees of the executive branch of the government of Guam, except as otherwise provided in this or any other Act of Congress, or under the laws of Guam, and shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of Guam and the laws of the United States applicable in Guam. Whenever it becomes necessary, in case of disaster, invasion, insurrection, or rebellion, or imminent danger thereof, or to prevent or suppress lawless violence, he may summon the posse comitatus or call out the militia or request assistance of the senior military or naval commander of the Armed Forces of the United States in Guam, which may be given at the discretion of such commander if not disruptive of, or inconsistent with, his Federal responsibilities. He may, in case of rebellion or invasion, or imminent danger thereof, when the public safety requires it, proclaim the island, insofar as it is under the jurisdiction of the government of Guam, to be under martial law. The members of the legislature shall meet forthwith on their own initiative and may, by a two-thirds vote, revoke such proclamation.

"The Governor shall make to the Secretary of the Interior an annual report of the transactions of the government of Guam for transmission to the Congress and such other reports at such other times as may be required by the Congress or under applicable Federal law. He shall have the power to issue executive orders and regulations not in conflict with any applicable law. He may recommend bills to the legislature and give expression to his views on any matter before that body.

"There is hereby established the office of Lieutenant Governor of Guam. The Lieutenant Governor shall have such executive powers and perform such duties as may be assigned to him by the Governor or prescribed by this Act or under the laws of Guam."

SEC. 2. Section 7 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422a), is deleted and replaced by the following new provision, also designated section 7:

"SEC. 7. Any Governor of Guam may be removed from office by a referendum election in which at least two-thirds of the number of persons voting for Governor in the last preceding general election at which a Governor was elected, vote in favor of recall and in which those so voting constitute a majority of all those participating in the referendum election. The referendum election shall be initiated by the legislature of Guam following (a) a two-thirds vote of the members of the legislature in favor of a referendum, or (b) a petition for such a referendum to the legislature by registered voters equal the number to at least 50 per centum of the whole number of votes cast for Governor at the last general election at which a Governor was elected preceding the filing of the petition."

SEC. 3. Section 8 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422b), as amended, is amended to read as follows:

"SEC. 8. (a) In case of the temporary disability or temporary absence of the Governor, the Lieutenant Governor shall have the powers of the Governor.

"(b) In case of a permanent vacancy in the office of Governor, arising by reason of the death, resignation, removal by recall, or permanent disability of the Governor, or the death, resignation, or permanent disability of a Governor-elect, or for any other reason, the Lieutenant Governor or Lieutenant Governor-elect shall become the Governor, to hold office for the unexpired term and until he or his successor shall have been duly elected and qualified at the next regular election for Governor.

"(c) In case of the temporary disability or temporary absence of the Lieutenant Governor, or during any period when the Lieutenant Governor is acting as Governor, the speaker of the Guam Legislature shall act as Lieutenant Governor.

"(d) In case of a permanent vacancy in the office of Lieutenant Governor, arising by reason of the death, resignation, or permanent disability of the Lieutenant Governor, or because the Lieutenant Governor or Lieutenant Governor-elect has succeeded to the office of Governor, the Governor shall appoint a new Lieutenant Governor, with the advice and consent of the legislature, to hold office for the unexpired term and until he or his successor shall have been duly elected and qualified at the next regular election for Lieutenant Governor.

"(e) In case of the temporary disability or temporary absence of both the Governor and the Lieutenant Governor, the powers of the Governor shall be exercised, as Acting Governor, by such person as the laws of Guam may prescribe. In case of a permanent vacancy in the offices of both the Governor and Lieutenant Governor, the office of Governor shall be filled for the unexpired term in the manner prescribed by the laws of Guam.

"(f) No additional compensation shall be paid to any person acting as Governor or Lieutenant Governor who does not also assume the office of Governor or Lieutenant Governor under the provisions of this Act."

SEC. 4. (a) Effective on the date of enactment of this Act, the second and third sentences of subsection (a) of section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c(a)) are deleted.

(b) The first sentence of subsection (b) of section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c(b)) is deleted.

(c) A new sentence is added at the end of section 9(a) of the Organic Act of Guam reading as follows: "Members of boards of election and members of school boards, which entities of government have been duly organized and established by the government of Guam, shall be popularly elected.".

SEC. 5. Effective on the date of enactment of this Act, the Organic Act of Guam is amended by adding immediately after the end of section 9 (64 Stat. 384, 387; 48 U.S.C. 1422c) the following new section 9–A:

"SEC. 9–A. (a) The Secretary of the Interior shall appoint in the Department of the Interior a government comptroller for Guam who shall be under the general supervision of the Secretary of the Interior and shall not be a part of any executive department in the government of Guam, and whose salary and expenses of office shall be paid by the United States from funds otherwise to be covered into the treasury of Guam pursuant to section 30 of this Act. Sixty days prior to the effective date of transfer or removal of the government comptroller, the Secretary shall communicate to the President of the Senate and the Speaker of the House of Representatives his intention to so transfer or remove the government comptroller and his reasons therefor.

"(b) The government comptroller shall audit all accounts and review and recommend adjudication of claims pertaining to the revenue and receipts of the government of Guam and of funds derived from bond issues; and he shall audit, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the government of Guam including those pertaining to trust funds held by the government of Guam.

"(c) It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the Governor of Guam all failures to collect amounts due the government, and expenditures of funds or uses of property which are irregular or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the government of Guam, and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial Federal revenues which are covered into the treasury of the government of Guam are properly accounted for and audited.

"(d) The decisions of the government comptroller shall be final except that appeal therefrom may, with the concurrence of the Governor, be taken by the party aggrieved or the head of the department concerned, within one year from the date of the decision, to the Secretary of the Interior, which appeal shall be in writing and shall specifically set forth the particular action of the government comptroller to which exception is taken, with the reasons and the authorities relied upon for reversing such decision.

"(e) If the Governor does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of Guam if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the Governor, on behalf of the head of the department concerned, may seek relief by suit in the District Court of Guam, if the claim is otherwise within its jurisdiction.

"(f) The government comptroller is authorized to communicate directly with any person or with any department officer or person having official relation with his office. He may summon witnesses and administer oaths.

"(g) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the Governor of Guam and the Secretary of the Interior an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government. The Secretary of the Interior shall submit such report along with his comments and recommendations to the President of the Senate and the Speaker of the House of Representatives.

"(h) The government comptroller shall make such other reports as may be required by the Governor of Guam, the Comptroller General of the United States, or the Secretary of the Interior.

"(i) The office and activities of the government comptroller of Guam shall be subject to review by the Comptroller General of the United States, and reports thereon shall be made by him to the Governor, the Secretary of the Interior, the President of the Senate and the Speaker of the House of Representatives.

"(j) All departments, agencies, and establishments shall furnish to the government

comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, **have access to and the right to examine any books, documents, papers, or records of any such department, agency, or establishment."**

Sec. 6. (a) **Effective on the date of the enactment of this Act, section 18 of the Organic Act of Guam (64 Stat. 384, 388; 48 U.S.C. 1423h) is amended to read as follows:**

"Sec. 18. **Regular sessions of the legislature** shall be held annually, commencing on the second **Monday in January** (unless the legislature shall by law fix a different date), and shall continue for such term as the legislature may provide. The Governor may call special sessions of the legislature at any time when, in his opinion, the public interest may require it. **No legislation shall be considered at any special session other than that specified in the call therefor or in any special message by the Governor to the legislature while in such session. All sessions of the legislature shall be open to the public."**

(b) **Effective on the date of enactment of this Act, section 12 of the Organic Act of** Guam (64 Stat. 384, 388; 48 U.S.C. 1423b) **is amended by adding after the last sentence thereof the following: "The quorum of the legislature shall consist of eleven of its members. No bill shall become a law unless it shall have been passed at a meeting, at which a quorum was present, by the affirmative vote of a majority of the members present and voting, which vote shall be by yeas and nays.".**

Sec. 7. Effective on the date of enactment of this Act, section 25(b) of the Organic Act of Guam (48 U.S.C. 1421c(b)) is repealed.

Sec. 8. (a) Section 19 of the Organic Act of Guam (64 Stat. 384, 389; 48 U.S.C. 1423i) is amended by deleting its fourth, fifth, sixth, seventh, eighth, and ninth sentences and by substituting therefor the following: "When a bill is returned by the Governor to the legislature with his objections, the legislature shall enter his objections at large on its journal and, upon motion of a member of the legislature, proceed to reconsider the bill. If, after such reconsideration, two-thirds of all the members of the legislature pass the bill, it shall be a law."

(b) Effective on the date of enactment of this Act, section 19 of the Organic Act of Guam (48 U.S.C. 1423i) is further amended by deleting the last sentence thereof.

Sec. 9. (a) Effective on the date of enactment of this Act, subsection (c) of section 26 of the Organic Act of Guam (64 Stat. 384, 391; 48 U.S.C. 1421d(c)) is repealed.

(b) Effective January 4, 1971, the remainder of section 26 of the Organic Act of Guam (64 Stat. 384, 391; 48 U.S.C. 1421d), as amended, is amended to read as follows:

"Sec. 26. The salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of Guam, and the members of the legislature, shall be paid by the government of Guam at rates prescribed by the laws of Guam."

Sec. 10. Effective on the date of enactment of this Act, section 5 of the Organic Act of Guam (64 Stat. 384, 385; 48 U.S.C. 1421b), is amended by adding at the end thereof the following new subsection (u):

"(u) To the extent not inconsistent with the status of Guam as an unincorporated territory of the United States, the provisions of the Constitution of the United States of America **and all its amendments** shall have the same force and effect within Guam as in the United States."

Sec. 11. **Effective on the date of enactment of this Act, chapter 15 of the General Military Law (70A Stat. 15, 16; 10 U.S.C. 331–334) is amended by adding at the end thereof the following new section 335:**

"Sec. 335. **For purposes of this chapter, 'State' includes the unincorporated territory** of Guam."

Sec. 12. (a) Section 3 of the Organic Act of Guam (64 Stat. 384; 48 U.S.C. 1421a), as amended, is further amended by deleting all after the words "Federal Government" and inserting in lieu thereof the words "in all matters not the program responsibility of another Federal department or agency, shall be under the general administrative supervision of the Secretary of the Interior."

(b) Section 28(c) of the Organic Act of Guam (64 Stat. 384, 392; 48 U.S.C. 1421f(c)), as amended, is amended by deleting the words "head of the department or agency designated by the President under section 3 of this Act," by deleting from the proviso the words "head of such department or agency," and by substituting in each such instance the words "Secretary of the Interior".

Sec. 13. Those provisions necessary to authorize the holding of an election for Governor and Lieutenant Governor on November 3, 1970, shall be effective on January 1, 1970. All other provisions of this Act, unless otherwise expressly provided herein, shall be effective January 4, 1971.

Sec. 14. This Act may be cited as the "Guam Elective Governor Act."

Mr. BURDICK. Mr. President, I move that the Senate concur in the amendment of the House with an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 7 of the amended bill, beginning at line 4, delete subsection (c) of section 4.

On page 13, Section 10, beginning at line 7, delete the text of the new subsection (u) and in lieu thereof substitute the following:

"(u) The following provisions of and amendments to the Constitution of the United States are hereby extended to Guam to the extent that they have not been previously extended to that Territory and shall have the same force and effect there as in the United States or in any State of the United States: Article I, section 9, clauses 2 and 3; Article IV, section 1 and section 2, clause 1; the First to Ninth Amendments inclusive; the Thirteenth Amendment; the second sentence of section 1 of the Fourteenth Amendment; and the Fifteenth and Nineteenth Amendments.

"All laws enacted by Congress with respect to Guam and all laws enacted by the Territorial legislature of Guam which are inconsistent with the provisions of this subsection are repealed to the extent of such inconsistency."

Mr. BURDICK. Mr. President, the proposed amendment to replace the provision adopted in the House extending provisions of the Constitution of the United States to Guam specifies that certain provisions of the Constitution are extended to the extent they have not been previously extended to the territory, and they shall have the same force and effect there as in the United States or in any State of the United States.

Specifically, article I, section 9, clauses 2 and 3, provides that a writ of habeas corpus shall not be suspended unless in the case of rebellion or invasion public safety may require it, and that no bill of attainder or ex post facto law shall be passed.

Also, article IV, section 1 and section 2, clause 1, would apply. The first section states that full faith and credit shall be given in each State to the public acts record and judicial proceedings of every other State. The second section provides that citizens of each State shall be entitled to all privileges and immunities of citizens in the several States.

The first through the ninth amendments to the Constitution, inclusive, relating to the freedom of religion, press, speech, right to bear arms, shall also apply in Guam.

The 13th amendment, relating to slavery and involuntary servitude, and the second sentence of section 1 of the 14th amendment, which is the privileges, immunities, and due process provision, are also extended to Guam. In addition, both the 15th and 19th amendments relating to the rights of citizens to vote and equal suffrage are applicable.

The amendment makes clear that all laws enacted by Congress with respect to Guam and all laws enacted by the territorial legislature of Guam which are inconsistent with the provisions of the amendment are repealed to the extent of such inconsistency.

It is believed that by enumerating and specifying which portions of the Constitution shall be effective in the territory we are avoiding problems. In recent correspondence with the Department of Justice concerning the language of the House, the Deputy Attorney General stated that the effects of the House language was doubtful, and that there was uncertainty as to what extent the language would actually benefit the inhabitants of the territory, and that on the other hand it could cause substantial harm.

I ask unanimous consent that the letter to the chairman of the Subcommittee on Territories, dated July 16, 1968, from the Deputy Attorney General be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Office of the Deputy
Attorney General,
Washington, D.C., July 16, 1968.

Hon. Quentin N. Burdick,
Chairman, Subcommittee on Territories, of Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

Dear Senator: The Attorney General has asked me to reply to your letter of June 21, 1968, requesting his views on the possible effects of the House amendments to section 9 of S. 449, 90th Cong., 1st Sess., and section 11 of S. 450, 90th Cong., 1st Sess. These bills provide for the popular elections of the Governors of Guam and the Virgin Islands, respectively. For the sake of simplicity our comments are limited generally to section 9 of S. 449, the Guam bill. However, they would apply equally to section 11 of S. 450. That section is identical to section 9 of S. 449, except for its reference to the Virgin Islands.

As passed by the Senate, section 9 provided:

"Sec. 9. Effective on the date of enactment of this Act, section 5 of the Organic Act of Guam (64 Stat. 384, 385; 48 U.S.C. 1421b), is amended by adding at the end thereof the following new subsection (u):

"'(u) The provisions of clause 1 of section 2 of article IV and section 1 of amendment XIV of the Constitution of the United States shall have the same force and effect within the unincorporated territory of Guam as in the United States or in any State of the United States.' "

Section 9 is derived in part from section 7 of the Act of August 5, 1947, 61 Stat. 772, providing for the popular election of the Governor of Puerto Rico, 48 U.S.C. 737. According to the Senate report on that legislation, the purpose of section 7 was to "make Puerto Rico subject to paragraph 1 of section 2 of article 4 of the Federal Constitution, commonly known as the comity clause. The purpose of this addition is to assure that citizens of the United States not residing in Puerto Rico will have the same treatment in Puerto Rico as local residents. This right is guaranteed by the Constitution to citizens of the various States but has been held not to apply to Puerto Rico. Legislation in Puerto Rico has discriminated against nonresident American citizens." S. Rept. 422, 80th Cong., 1st Sess., pp. 3–4.

Section 9 was to have the additional purpose of extending to Guam the due process and equal protection clauses of the Fourteenth Amendment. S. Rept. 216, 90th Cong., 1st Sess., p. 7. In this connection it may be pointed out that the Virgin Islands already enjoy the benefits of due process and equal protection clauses analogous to those contained in the Fourteenth Amendment. See the Bill of Rights contained in section 3 of the Revised Organic Act of the Virgin Islands of July 22, 1954, 68 Stat. 498, 48 U.S.C. 1561. Hence, the reference to the Fourteenth Amendment in section 11 of S. 450 would appear to have been unnecessary.

The House of Representatives renumbered section 9 as section 10, and amended it to read:

"(u) To the extent not inconsistent with the status of Guam as an unincorporated territory of the United States, the provisions of the Constitution of the United States of America and all its amendments shall have the same force and effect within Guam as in the United States."

The committee report explains that amendment as follows:

"Section 10 provides that the Constitution of the United States and all its amendments shall have the same force and effect in Guam as in the United States to the extent that this is not inconsistent with the status of Guam as an unincorporated territory of the United States. (A memorandum from the Legislative Reference Service, Library of Congress, on the effect of making the Constitution applicable to an offshore territory upon its unincorporated status is reproduced in an appendix to this report.)." H. Rept. 1521, 90th Cong., 2d Sess., p. 9.

A memorandum attached to a letter from Assistant Secretary of the Interior Anderson to Chairman Aspinall of the House Committee on Interior and Insular Affairs, dated April 30, 1968 (H. Rept. 1521, p. 18), indicates that the amendment was prompted by the concern sometimes voiced that the people of Guam were second-class citizens of the United States.

Analysis of the full potential import of the House amendments in question involves difficult questions, resolution of which appears uncertain. This is due in part to the circumstance that the status of unincorporated territories has never been fully judicially defined. (See in this respect the memorandum of the Legislative Reference Service of the Library of Congress, H. Rept. 1521, pp. 34–36.) The most that could be said with any degree of certainty is that an unincorporated territory has not received a promise that it will ultimately be admitted as a State, and that it need not be included in the customs and tax area of the United States. *Downes* v. *Bidwell*, 182 U.S. 244.

Since the House of Representatives did not declare the purpose of its amendment it is difficult to anticipate how the latter will be interpreted. At its narrowest, the general effect of the House amendment may well fail to confer any benefit upon the inhabitants of Guam. Many, if not most, of the provisions of the Constitution relate to the States and inhabitants of States. Hence, it could be said that the extension to Guam of any Constitutional provision relating to States would be inconsistent with the status of Guam as an unincorporated territory, since Guam is not a State. Therefore the language of the amendment would render such provisions inapplicable to Guam.

If broadly interpreted, the amendment could be read as rendering applicable to Guam all those provisions of the Constitution which can be extended to a territory by simple legislation, short of admitting it as a State. Patently, it would be difficult to define precisely what portions of the Constitution would come within the ambit of such a broad legislative purpose.

One specific possible effect should also be noted. *Downes* v. *Bidwell, supra*, stands for the proposition that unincorporated territories *need* not be included in the customs territory of the United States since such territories are not part of the United States within the meaning of Article I, section 8, clause 1 of the Constitution ("all duties, imposts and excises shall be uniform throughout the United States"). However, such inclusion in the mainland customs system is not prohibited by that decision and would not be inconsistent with the status or concept of an unincorporated territory. Hence, the House amendments could possibly have the effect of rendering the uniform imposts requirement applicable to Guam and the Virgin Islands. We do not know whether such an interpretation would have a serious impact on Guam. It would appear, however, that extension of the customs laws to the Virgin Islands could have serious effects on its economy.

In sum, the effects of the House amendments are doubtful. It is not certain whether and to what extent the amendments will actually benefit the inhabitants of Guam and the Virgin Islands. On the other hand, they may cause them substantial harm. We therefore are inclined to recommend that the Senate language of section 9[10] of S. 449 and of section 11 of S. 450 be restored. This would preclude discrimination against nonresident citizens of the United States, and would avoid the problems referred to above.

Sincerely,

WARREN CHRISTOPHER,
Deputy Attorney General.

Mr. BURDICK. The substitute language now before the Senate has been drafted by and is approved by the Department of Justice, and I understand also has the endorsement of the Department of the Interior.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota.

The motion was agreed to.

POPULAR ELECTION OF GOVERNOR OF THE VIRGIN ISLANDS

Mr. BURDICK. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 450.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 450) to provide for the popular election of the Governor of the Virgin Islands, and for other purposes which was, strike out all after the enacting clause, and insert:

That, effective on the date of enactment of this Act, section 7(a) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 500; 48 U.S.C. 1573(a)), as amended, is amended to read as follows:

"(a) Regular sessions of the legislature shall be held annually, commencing on the second Monday in January (unless the legislature shall by law fix a different date), and shall continue for such term as the legislature may provide. The Governor may call special sessions of the legislature at any time when in his opinion the public interest may require it. No legislation shall be considered at any special session other than that specified in the call therefor or in any special message by the Governor to the legislature while in such session. All sessions of the legislature shall be open to the public."

SEC. 2. Effective on the date of enactment of this Act, section 9, subsection (a) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 501; 48 U.S.C. 1575(a)) is amended by deleting the first sentence and by substituting therefor the following: "The quorum of the legislature shall consist of eight of its members."

SEC. 3. Section 9, subsection (d), of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 502; 48 U.S.C. 1575(d)) is amended by deleting its fifth, sixth, seventh, eighth, ninth, and tenth sentences and by substituting therefor the following: "When a bill is returned by the Governor to the legislature with his objections, the legislature shall enter his objections at large on its journal and, upon motion of a member of the legislature, proceed to reconsider the bill. If, after such reconsideration, two-thirds of all the members of the legislature pass the bill, it shall be a law."

SEC. 4. Section 11 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1591) is amended to read as follows:

"SEC. 11. The executive power of the Virgin Islands shall be vested in an executive officer whose official title shall be the 'Governor of the Virgin Islands'. The Governor of the Virgin Islands, together with the Lieutenant Governor, shall be elected by a majority of the votes cast by the people who are qualified to vote for the members of the legislature of the Virgin Islands. The Governor and Lieutenant Governor shall be chosen jointly, by the casting by each voter of a single vote applicable to both officers. If no candidates receive a majority of the votes cast in any election, on the fourteenth day thereafter a runoff election shall be held between the candidates for Governor and Lieutenant Governor receiving the highest and second highest number of votes cast. The first election for Governor and Lieutenant Governor shall be held on November 3, 1970. Thereafter, beginning with the year 1974, the Governor and Lieutenant Governor shall be elected every four years at the general election. The Governor and Lieutenant Governor shall hold office for a term of four years and until their successors are elected and qualified. No person who has been elected Governor for two full successive terms shall be again eligible to hold that office until one full term has intervened. The term of the elected Governor and Lieutenant Governor shall commence on the first Monday of January following the date of election.

"No person shall be eligible for election to the office of Governor or Lieutenant Governor unless he is an eligible voter and has been for five consecutive years immediately preceding the election a citizen of the United States and a bona fide resident of the Virgin Islands and will be, at the time of taking office, at least thirty years of age. The Governor shall maintain his official residence in the Government House on Saint Thomas during his incumbency, which house, together with land appurtenant thereto, is hereby transferred to the government of the Virgin Islands. While in Saint Croix the Governor may reside in Government House on Saint Croix free of rent.

"The Governor shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of the Virgin Islands. He may grant pardons and reprieves and remit fines and forfeitures for offenses against local laws. He may veto any legislation as provided in this Act. He shall appoint, and may remove, all officers and employees of the executive branch of the government of the Virgin Islands, except as otherwise provided in this or any other Act of Congress, or under the laws of the Virgin Islands, and shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of the Virgin Islands and the laws of the United States applicable in the Virgin Islands. Whenever it becomes necessary, in case of disaster, invasion, insurrection, or rebellion or imminent danger thereof, or to prevent or suppress lawless violence, he may summon the posse comitatus or call out the militia or request assistance of the senior military or naval commander of the Armed Forces of the United States in the Virgin Islands or Puerto Rico, which may be given at the discretion of such commander if not disruptive of, or inconsistent with, his Federal responsibilities. He may, in case of rebellion or invasion or imminent danger thereof, when the public safety requires it, proclaim the islands, insofar as they are under the jurisdiction of the government of the Virgin Islands, to be under martial law. The members of the legislature shall meet forthwith on their own initiative and may, by a two-thirds vote, revoke such proclamation.

"The Governor shall make to the Secretary of the Interior under section 30 of this Act an annual report of the transactions of the government of the Virgin Islands for transmission to the Congress and such other reports at such other times as may be required by the Congress or under applicable Federal law. He shall have the power to issue executive orders and regulations not in conflict with any applicable law. He may recommend bills to the legislature and give expression to his views on any matter before that body.

"There is hereby established the office of Lieutenant Governor of the Virgin Islands. The Lieutenant Governor shall have such executive powers and perform such duties as may be assigned to him by the Governor or prescribed by this Act or under the laws of the Virgin Islands."

Sec. 5. Section 12 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1593) is deleted and replaced by the following new provision, also designated section 12:

"Sec. 12. Any Governor of the Virgin Islands may be removed from office by a referendum election in which at least two-thirds of the number of persons voting for Governor in the last preceding general election at which a Governor was elected vote in favor of recall and in which those so voting constitute a majority of all those participating in the referendum election. The referendum election shall be initiated by the legislature of the Virgin Islands following (a) a two-thirds vote of the members of the legislature in favor of a referendum, or (b) a petition for such a referendum to the legislature by registered voters equal in number to at least 50 per centum of the whole number of votes cast for Governor at the last general election at which a Governor was elected preceding the filing of the petition."

Sec. 6. Effective on the date of enactment of this Act section 13 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1594) is hereby repealed.

Sec. 7. (a) Section 14 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1595), is amended to read as follows:

"Sec. 14. (a) In case of the temporary disability or temporary absence of the Governor, the Lieutenant Governor shall have the powers of the Governor.

"(b) In case of a permanent vacancy in the office of Governor, arising by reason of the death, resignation, removal by recall or permanent disability of the Governor, or the death, resignation, or permanent disability of a Governor-elect, or for any other reason, the Lieutenant Governor or Lieutenant Governor-elect shall become the Governor, to hold office for the unexpired term and until he or his successor shall have been duly elected and qualified at the next regular election for Governor.

"(c) In case of the temporary disability or temporary absence of the Lieutenant Governor, or during any period when the Lieutenant Governor is acting as Governor, the president of the legislature shall act as Lieutenant Governor.

"(d) In case of a permanent vacancy in the office of Lieutenant Governor, arising by reason of the death, resignation, or permanent disability of the Lieutenant Governor, or because the Lieutenant Governor or Lieutenant Governor-elect has succeeded to the office of Governor, the Governor shall appoint a new Lieutenant Governor, with the advice and consent of the legislature, to hold office for the unexpired term and until he or his successor shall have been duly elected and qualified at the next regular election for Lieutenant Governor.

"(e) In case of the temporary disability or temporary absence of both the Governor and the Lieutenant Governor, the powers of the Governor shall be exercised, as Acting Governor, by such person as the laws of the Virgin Islands may prescribe. In case of a permanent vacancy in the offices of both the Governor and Lieutenant Governor, the office of Governor shall be filled for the unexpired term in the manner prescribed by the laws of the Virgin Islands.

"(f) No additional compensation shall be paid to any person acting as Governor or Lieutenant Governor who does not also assume the office of Governor or Lieutenant Governor under the provisions of this Act."

(b) Section 15 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1596), is repealed.

Sec. 8. (a) Subsection (a) of section 16 of the Revised Organic Act of the Virgin Islands, as amended (68 Stat. 497, 504; 48 U.S.C. 1597(a)), is further amended by deleting therefrom the last sentence and inserting in lieu thereof the following sentence: "Members of school boards, which entities of government have been duly organized and established by the government of the Virgin Islands shall be popularly elected."

(b) Subsection (c) of section 6 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 499; 48 U.S.C. 1572(c)), is amended by changing the period to a colon and inserting the following: "*Provided, however*, That members of boards of elections, which entities of government have been duly organized and established by the government of the Virgin Islands, shall be popularly elected."

Sec. 9. Effective on the date of the enactment of this Act, section 17 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1599) is amended to read as follows:

"Sec. 17. (a) The Secretary of the Interior shall appoint in the Department of the Interior a government comptroller for the Virgin Islands who shall be under the general supervision of the Secretary of the Interior and shall not be a part of any executive department in the government of the Virgin Islands, and whose salary and expenses of office shall be paid by the United States from funds derived by transfer from the internal revenue collections appropriated for the Virgin Islands. Sixty days prior to the effective date of transfer or removal of the government comptroller, the Secretary shall communicate to the President of the Senate and the Speaker of the House of Representatives his intention to so transfer or remove the government comptroller and his reasons therefor.

"(b) The government comptroller shall audit all accounts and review and recommend adjudication of claims pertaining to the revenue and receipts of the government of the Virgin Islands and of funds derived from bond issues, and he shall audit, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the government of the Virgin Islands, including those pertaining to trust funds held by the government of the Virgin Islands.

"(c) It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the Governor of the Virgin Islands all failures to collect amounts due the government, and expenditures of funds or uses of property which are irregular or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the government of the Virgin Islands, and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial Federal revenues which are covered into the treasury of the government of the Virgin Islands are properly accounted for and audited.

"(d) It shall be the duty of the government comptroller to certify to the Secretary of the Interior the net amount of government revenues which form the basis for Federal grants for the civil government of the Virgin Islands.

"(e) The decisions of the government comptroller shall be final except that appeal therefrom may, with the concurrence of the Governor, be taken by the party aggrieved or the head of the department concerned, within one year from the date of the decision, to the Secretary of the Interior, which appeal shall be in writing and shall specifically set forth the particular action of the government comptroller to which exception is taken, with the reasons and the authorities relied upon for reversing such decision.

"(f) If the Governor does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the Governor, on behalf of the head of the department concerned, may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction.

"(g) The government comptroller is authorized to communicate directly with any person or with any department officer or person having official relation with his office. He may summon witnesses and administer oaths.

"(h) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the Governor of the Virgin Islands and the Secretary of the Interior an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government. The Secretary of the Interior shall submit such report along with his comments and recommendations to the President of the Senate and the Speaker of the House of Representatives.

"(i) The government comptroller shall make such other reports as may be required by the Governor of the Virgin Islands, the Comptroller General of the United States, or the Secretary of the Interior.

"(j) The office and activities of the government comptroller of the Virgin Islands shall be subject to review by the Comptroller General of the United States, and reports thereon shall be made by him to the Governor, the Secretary of the Interior, President of the Senate, and the Speaker of the House of Representatives.

"(k) All departments, agencies, and establishments shall furnish to the government comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall, for all the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department, agency, or establishment."

Sec. 10. Section 20 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 505; 48 U.S.C. 1592, 1598, 1641), as amended, is amended to read as follows:

"Sec. 20. The salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of the Virgin Islands, and the members of the legislature shall be paid by the government of the Virgin Islands at rates prescribed by the laws of the Virgin Islands."

Sec. 11. Effective on the date of enactment of this Act, section 3 of the Revised Organic Act of the Virgin Islands (68 Stat. 497; 48 U.S.C. 1561) is amended by adding at the end thereof the following new paragraph:

"To the extent not inconsistent with the status of the Virgin Islands as an unincorporated territory of the United States, the provisions of the Constitution of the United States of America and all its amendments shall have the same force and effect within the Virgin Islands as in the United States."

Sec. 12. Effective on the date of enactment of this Act, chapter 15 of the General Military Law (70A Stat. 15, 16; 10 U.S.C. 331–334) is amended by adding at the end thereof the following new section 336:

"Sec. 336. For the purposes of this chapter, 'State' includes the unincorporated territory of the Virgin Islands."

Sec. 13. Section 2 of the Revised Organic Act of the Virgin Islands (68 Stat. 497; 48 U.S.C. 1541) is amended by adding at the end thereof the following new subsection (c):

"(c) The relations between such government and the Federal Government in all matters not the program responsibility of another Federal department or agency shall be under the general administrative supervision of the Secretary of the Interior."

Sec. 14. Effective on the date of enactment of this Act, section 19 of the Revised Organic Act of the Virgin Islands (68 Stat. 505; 48 U.S.C. 1632) is hereby repealed.

Sec. 15. Effective on the date of enactment of this Act, section 8(b)(1) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 500; 48 U.S.C. 1574(b)), as amended, is further amended by (a) deleting the third and fourth sentences thereof, and (b) by deleting the eighth and ninth sentences thereof and substituting in lieu thereof the following sentence: "The bonds so issued shall bear interest at a rate not to exceed that specified by the legislature, payable semiannually.".

Sec. 16. Those provisions of this Act necessary to authorize the holding of an election for Governor and Lieutenant Governor on November 3, 1970, shall be effective on January 1, 1970. All other provisions of this Act, unless otherwise expressly provided herein, shall be effective January 4, 1971.

Sec. 17. This Act may be cited as the "Virgin Islands Elective Governor Act".

Mr. BURDICK. Mr. President, I move that the Senate concur in the amendment of the House with an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 13, section 11, of the amended bill, beginning on line 18, delete the following:

"To the extent not inconsistent with the status of the Virgin Islands as an unincorporated territory of the United States, the provisions of the Constitution of the United States of America and all its amendments shall have the same force and effect within the Virgin Islands as in the United States."

And in lieu thereof substitute the following:

"The following provisions of and Amendments to the Constitution of the United States are hereby extended to the Virgin Islands to the extent that they have not been previously extended to that Territory and shall have the same force and effect there as in the United States or in any State of the United States: Article I, section 9, clauses 2 and 3; Article IV, section 1 and section 2, clause 1; the First to Ninth Amendments inclusive; the Thirteenth Amendment; the second sentence of section 1 of the Fourteenth Amendment; and the Fifteenth and Nineteenth Amendments: *Provided, however,* That all offenses shall continue to be prosecuted in the District Court by information as heretofore, except such as may be required by local law to be prosecuted by indictment by grand jury.

"All laws enacted by Congress with respect to the Virgin Islands and all laws enacted by the Territorial legislature of the Virgin Islands which are inconsistent with the provisions of this subsection are repealed to the extent of such inconsistency."

Mr. BURDICK. Mr. President, the proposed amendment to replace the provision adopted in the House extending provisions of the Constitution of the United States to the Virgin Islands specifies that certain provisions of the Constitution are extended to the extent they have not been previously extended to the territory, and they shall have the same force and effect there as in the United States or in any State of the United States.

Specifically, article 1, section 9, clauses 2 and 3, provides that a writ of habeas corpus shall not be suspended unless in the case of rebellion or invasion of public safety may require it, and that no bill of attainder or ex post facto law shall be passed.

Also, article 4, section 1 and section 2, clause 1, would apply. The first section states that full faith and credit shall be given in each State to the public acts, record, and judicial proceedings of every other State. The second section provides that citizens of each State shall be entitled to all privileges and immunities of citizens in the several States.

The first through the ninth amendments to the Constitution, inclusive, relating to the freedom of religion, press, speech, and right to bear arms, shall also apply in the Virgin Islands.

The 13th amendment, relating to slavery and involuntary servitude, and the second sentence of section 1 of the 14th amendment, which is the privileges, immunities, and due process provision, are also extended to the Virgin Islands. In addition, both the 15th and 19th amendments relating to the rights of citizens to vote and equal suffrage are applicable.

The amendment makes clear that all laws enacted by Congress with respect to the Virgin Islands and all laws enacted by the territorial legislature of the Virgin Islands which are inconsistent with the provisions of the amendment are repealed to the extent of such inconsistency.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota.

Mr. ALLOTT. Mr. President, before this matter is agreed to I wish to make a brief statement.

I have not seen the amendment. I wish to ask the Senator how this measure now differs from the version in the Senate bill.

Mr. BURDICK. I might say, first of all, that this amendment was cleared with the Senator from Oregon [Mr. HATFIELD], the ranking minority member of our subcommittee.

In this bill and the bill just previously acted upon, the House added a provision which apparently was intended to apply the entire Constitution of the United States to the Virgin Islands and to Guam. The Attorney General of the United States through his Deputy gave an opinion indicating certain mischief arise and possibly result in a lack of protection to the islands. The Department of Justice felt it would not be advisable to adopt this provision, added by the House. Therefore, the Attorney General has provided language in the amendment so that it would do no mischief or harm in the Virgin Islands, and the same thing applies to Guam. We are advised that this language is acceptable to the chairman of the House committee and to the other Members of the House who have been involved in this legislation.

The Senate has gone on record in support of both of these bills by passing them last year by an overwhelming margin. I think that at a time when our democratic institutions are being sternly tested at home and around the world, these bills will do much to affirm our belief in the principle of self-government. I urge the Senate to approve this amendment.

Mr. ALLOTT. Mr. President, I wish to make a brief statement on this matter before the vote is had.

I must confess that I did not attend all of the hearings on this matter this year for the reason that I am not a member of the subcommittee here involved. However, I have long had a very deep interest in the various bills concerning government both for the territory of Guam and for the Virgin Islands. I have had occasion within the last year to go into considerable detail with respect to the situation in Guam. I am perfectly satisfied with the situation in Guam and with the bill in that respect.

I am not satisfied, however, with the situation in the Virgin Islands. The political situation in the Virgin Islands since the appointment of the present Governor, Governor Paiewonski, has been one in which the Governor not only is almost the sole political power on the island but also is in control of a great portion of the island's economies. It is not a healthy situation.

Last year I called to the attention of the Civil Service Commission various allegations involving Federal employees who had participated actively in the 1966 elections in the Virgin Islands. I think a good portion of that material has already been placed in the RECORD under a series of remarks made by me last year when S. 450 was debated here on the floor of the Senate.

The net result of it was a complete whitewash by the Commission. Even though some violations of the Hatch Act were admitted, the Commission held that the violations were not serious enough to merit the employees being punished or removed from the Federal payroll. I am sure the influence of the present Governor and his machine had considerable to do with that decision.

So we stand in a position where we have as severe an autocracy in the Virgin Islands as there is anywhere outside of Cuba. I, for one, think the Senate is making a very grave error in respect to the governorship and in the election of a Governor in the Virgin Islands.

Mr. President, these remarks are not made for the first time here today. My position and views have been known to the committee for a period of several years. They were known at the time that Governor Paiewonski's original confirmation came up before the Senate. Unfortunately, through an accidental death in my family at that particular time I could not appear on the floor of the Senate and actively fight that nomination. However, I would have done so if it had been at all possible to do so, and I would have fought it with all the resources of my command because I think the situation in the Virgin Islands is morally wrong, economically wrong, and politically wrong.

For this reason I shall vote against the acceptance of the amendment, even though my personal feelings are that those portions with respect to Guam should be passed. I realize that I could not hope to change the sentiment of the Senate at this time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I would like to query the distinguished majority leader about the program for the balance of the day and tomorrow.

Mr. MANSFIELD. Mr. President, the pending business is S. 3724, a bill to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes. It is my understanding there will be a good deal of discussion on this measure.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees except the Committee on Labor and Public Welfare be permitted to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, following the disposition of S. 3724, the pending business, it is anticipated that the Senate will then turn to the legislation reported by the Committee on Post Office and Civil Service yesterday having to do with the exemption of Post Office employees from the Federal employment limitation proposal passed by the Congress.

Then, it is hoped, with a little luck, it might be possible to bring up the bill sponsored by the distinguished Senator from Mississippi [Mr. STENNIS] Calendar No. 1426 S. 3865, to clarify the status of National Guard technicians and for other purposes, but that has not as yet been cleared.

Then, there are other matters that will be brought up from time to time.

I had thought that the appropriation bill for State, Justice, Commerce, and Judiciary would be marked up by the full committee today. I understand that will not happen until tomorrow. That means, under the 3-day rule the joint leadership intends to enforce, the bill will go over until next week for consideration unless clearance is given by those having a vital interest in the measure.

That is the outlook as of now.

Mr. DIRKSEN. In view of the action taken by the Committee on the Judiciary this morning, and in view of my conversations with the distinguished majority leader, he may like to say something about the consideration of the gun control bill which was voted upon by the Committee on the Judiciary this morning.

Mr. MANSFIELD. Mr. President, the gun bill will be referred to the Committee on Commerce, upon its being reported by the Committee on the Judiciary, under a longstanding agreement. As of this moment, I believe it will be reported by the Committee on Commerce before the end of this month. However, it all depends upon when the Judiciary Committee reports the bill so that the referral to the Committee on Commerce and action by that committee can take place. In any event, I am confident that the bill will be on the calendar and ready for consideration soon enough for the leadership to schedule the matter as expeditiously as possible upon the Senate's return after Labor Day.

It is also hoped at that time that it will be possible to take up the Fortas nomination if it has been reported favorably by the committee.

It is also anticipated that the Department of Defense appropriations bill will not be taken up until after the Senate returns after Labor Day, because it is my understanding the House will not be prepared to take it up until such time as will give the Senate time enough to consider it.

On the basis of what the distinguished Senator from Oregon [Mr. MORSE] has said, it looks like it will be around that time, too, that the foreign-aid authorization bill will be taken up.

Thus, it appears to me, let me say to my distinguished colleague the minority leader, that, as of now, we have more work facing us in the post-convention period than we have had up to this date.

I would suggest to my colleagues that they get a good rest next month, if possible, and not be fooled by a 2-week or a 2-month return but to come back refreshed and prepared to stay the rest of the year. At the rate we are going, we will be lucky to finish in that length of time.

Mr. BYRD of West Virginia. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. BYRD of West Virginia. Would the majority leader not agree that the Senate will likely consider at least three appropriations bills next week; namely, HEW; State, Justice, and Commerce; and District of Columbia?

Mr. MANSFIELD. The Senator is correct. I did not get too much into next week's schedule, but I anticipate that the first one will be State, Justice, and Commerce; then HEW; and the third, which will be under the chairmanship of the distinguished Senator from West Virginia, who has just spoken, the District of Columbia appropriation bill.

Mr. DIRKSEN. I thank the distinguished Senator from Montana.

Mr. STENNIS. Mr. President, I want to thank the distinguished majority leader for his efforts in getting set on S. 3865, a bill of great interest throughout the country, which pertains to National Guard technicians. The bill has been carefully worked on over the year and was reported by the Armed Services Committee with a unanimous vote except for one member.

It must go to the House of Representatives but promises have been made to get the legislation moving. That was a year ago. We have got the bill in acceptable form now. I appreciate the efforts of the majority leader in getting the bill up.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

Mr. SPARKMAN. Mr. President, S. 3724, the proposed Investment Company Amendments Act of 1968 contains comprehensive amendments to the Investment Company Act of 1940, the Investment Advisers Act, the Securities Exchange Act, and the Securities Act of 1933. This proposed legislation also contains many provisions intended to update and modernize our Nation's securities laws so that they will be better suited for an ever-expanding investment company industry. It is a result of over 14 months of extensive hearings and review by the full Banking and Currency Committee and 10 years of research and study by the Wharton School of the University of Pennsylvania and the Securities and Exchange Commission.

The only purpose of this legislation is to assure the 4 million Americans who have entrusted their savings to mutual funds and the many millions more who will do so in the future, adequate consumer protection. This is not a technical financial measure. It is, as Miss Betty Furness, the President's Special Assistant for Consumer Affairs, has said, a bill to protect consumers. These consumers who comprise many of our small investors are the backbone of a healthy national economy.

S. 3724 has three primary objectives: First, it amends the sections of the Investment Company Act pertaining to investment company management fees, mutual fund sales commissions, and periodic payment plan sales commissions. Second, it amends various provisions of the securities laws to permit banks to operate commingled, managed agency accounts in competition with mutual funds. In this area, the bill would also clarify the status of bank collective funds and separate accounts established by insurance companies. Third, the bill contains a large number of amendments to the Federal securities laws, which would facilitate, update, and improve the administration and enforcement of these acts. These amendments have widespread support throughout the securities industry.

The function of a mutual fund is to pool the money for many different people into a single investment in securities, usually common stock. They are, however, unique in their corporate organization. First, most mutual funds are always ready to buy back their shares from investors. Therefore, they must continually promote the sale of new shares so that capital will be available. The second and most unique characteristic of a mutual fund, is its corporate organization which is far different from that of a typical industrial company, bank or insurance company. Mutual funds do practically none of their own work. Instead of hiring staffs of their own, they rely entirely on other people's employees.

MANAGEMENT FEES

A typical mutual fund is formed, controlled, and managed by a separate company called an investment adviser. The adviser's services are paid for by a fee which is calculated on a percentage of the fund's total assets. In the past the traditional fee has been one-half of 1 percent. Most fees still cluster around this figure although in recent years some have been reduced.

In 1940, at the time of the original Investment Company Act, most funds were relatively small in size and advisory fees did not present special problems. However, over the last 10 years, mutual fund ownership has gained increased public acceptance. Advisers now manage funds whose assets amount to billions of dollars. The traditional fee of one-half of 1 percent charged on $3 million in 1940 was $15,000 and amounted to $150,000 on a fund with $30 million in assets. Such charges were relatively modest and did not attract critical attention. Presently, however, the fee of one-half of 1 percent on $3 billion in assets amounts to an annual charge of $15 million for each and every year. Obviously, elementary safeguards are necessary so that these fees may be objectively reviewed.

This need is even more pressing due to the fact that management fees are not fixed by price competition or by arms-length bargaining. The men who control the investment adviser also normally control the fund. Therefore, the relationships between mutual funds and their advisers are not the same as those that usually exist between buyers and sellers or in conventional corporations.

In 1940 it was impossible for the Congress to foresee the explosive growth in mutual funds or the increased compensation that their investment advisers would receive. The requirements written into the original act that advisory contracts be approved by shareholder vote, by unaffiliated directors, or both—intended to provide adequate shareholder protection—has had the opposite effect. Courts have held that because of these statutory requirements allegedly excessive management fees are subject to judicial review only under the test of "corporate waste" or when they shock the conscience of the court. This standard has been characterized by an eminent jurist as meaning that fees are subject to attack only when they are "excessively excessive."

This proposed legislation would cure that deficiency. I am sure all agree that the Congress can not determine whether any particular management fee is reasonable or unreasonable. Such a determination can only be made on the concrete facts of a particular case. It is, however, essential to establish a clear standard so that the determination can objectively be made. This bill would put into the act an express requirement that management fees be reasonable which would be enforceable in the courts. If the Securities and Exchange Commission wished to challenge a particular fee as unreasonable, it would, like any other plaintiff in a law suit, be required to prove its case by a fair preponderance of evidence.

This legislation is not intended to replace the judgment of corporate directors with that of the courts. Under this section a court would be required to give substantial weight to the judgment of the fund's directors, as it now must in all suits attacking corporate fees or salaries. These directors are in most instances conscientious and able in performing their functions.

SALES COMMISSIONS

In addition to management fees, the sales commissions paid by investors purchasing mutual fund shares are of great concern. The man who invests $10,000 in a mutual fund usually pays a sales commission of 9.3 percent of the total amount invested, or $850. This amount is far greater than the sales charges prevailing in other areas of the securities business. For example, the normal stock exchange commission is approximately 1 percent. Over-the-counter securities transactions executed on an agency basis are the same as stock exchange commissions. When the dealer acts as principal, the commission is usually between 2 percent and 3 percent, and is limited to not more than 5 percent by the self-regulatory rules of the National Association of Securities Dealers.

Nowhere else in the securities business are sales charges as high as for mutual funds. There are, however, many industries in which a 9-percent sales charge would be considered modest. Indeed, there are many in which such a charge would be unfair, not to the buyer but to the seller. The securities business does not fall into such a category, and it is to the securities business that we must look for comparisons.

Mutual fund shares, like other securities, are not similar to automobiles that one buys to drive, clothing which one buys to wear, or a house which is bought to live in. Mutual fund shares are merely pieces of paper that involve risks and which are bought solely for an investment return. To that extent, fund sales charges should be somewhat similar to those of other securities.

Mutual fund sales charges are, however, protected by section 22(d) of the Investment Company Act. This section provides for a unique scheme of retail price maintenance whereby all dealers are prohibited by law from cutting the sales charge fixed by the mutual fund underwriter. Price cutting of mutual fund shares is a Federal crime.

Partially because of this section, and because of the way in which mutual fund shares are sold, competition has tended to operate in reverse—raising prices rather than lowering them. This has occurred because mutual fund shares are not sold on a competitive basis as are ordinary securities. In contrast, each fund competes for the favor of dealers and salesmen by offering higher sales compensation.

Your committee, rather than adopting a maximum 5 percent sales charge on mutual fund shares as recommended by the SEC, has decided to take a more conservative and more traditional approach. In the securities industry the protection of investors against excessive sales charges has always been left to industry self-regulation, subject to appropriate Government oversight. For example, brokerage commissions on the stock exchanges and in the over-the-counter market are governed by commission rate schedules which are set by the industry. A similar approach is recommended for mutual fund sales commissions by permitting the National Association of Securities Dealers to adopt rules prohibiting excessive sales charges.

The NASD has expressed the willingness to accept this function and to subject itself to the same type of SEC review as is provided in section 15A(k)(2) of the Securities Exchange Act. I am confident that the NASD and the SEC will work together to arrive at a result which is fair and reasonable both to the sellers of mutual fund shares and to the investing public. This type of approach is fully consistent with the concept of cooperative regulation which has heretofore worked successfully throughout the securities industry.

FRONT-END LOAD

Many investors of relatively modest means purchase mutual funds shares by investing small amounts of money at monthly intervals. These investors pay the same sales commission as purchasers of ordinary mutual funds except for one significant factor—the "front-end load" method of collecting the sales charge.

The essential characteristic of the front-end load is that half of the investor's first year's payments are deducted for sales commissions. Obviously, this type of arrangement is detrimental to the investor, particularly if he discontinues his payments at an early date. Unless the stock market rises rapidly, he is certain to lose money. A study made by the NASD shows that, on the average front-end load, payments must be made for at least 5 years before an investor is able to profit.

To make matters worse, contractual plans are sold mostly to lower- and middle income people, who have the most to lose if they discontinue their payments. They are usually sold on a door-to-door basis, with potential purchasers being solicited in their homes and offices. While the front-end load is fully disclosed in the prospectus, studies have shown that most investors are still unaware of this feature.

Mr. President, I would like to also say that, in my opinion, very few low- and middle-income investors ever take the trouble to wade through a lengthy prospectus to see just what the provisions are, particularly those that are in fine print.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. BENNETT. Is it not the SEC itself that requires that detail in the prospectus?

Mr. SPARKMAN. That is correct. I am just mentioning that it is there. May I say that I have read many prospectuses but I have never had the patience to finish reading one of them.

Mr. BENNETT. Maybe we need to pass a law requiring the SEC to condense its requirements.

Mr. SPARKMAN. I wish that not only the SEC, but all Government agencies and departments, could learn to shorten—probably to lessen would be the better word—their requirements. I agree with the Senator on that.

In fact, Mr. President, I might inject, as a side thought, that I agree with the Senator from Utah on many things, in fact on most things. Moreover, I believe that as to most of the provisions in this bill the committee as a whole is in agreement. There is one section on which I know there is controversy, but I believe that on most of the rest of the bill there is substantial agreement.

Mr. BENNETT. Yes. I was tempted, when the Senator opened up this question of too much prolixity in prospectuses, to say that perhaps there ought to be some limit imposed on those of us who use the floor of the Senate to express ourselves, but I think that would kick back on me as well, so I had better be quiet.

Mr. SPARKMAN. Mr. President, I will do my best not to be——

Mr. BENNETT. I was not referring to the Senator from Alabama.

Mr. SPARKMAN. No, I realize that. I will do my best, however, I will say to the Senator, neither to prolix nor to proliferate.

Mr. BENNETT. Good.

Mr. SPARKMAN. In addition, if an investor is to make money, he must be able to forecast his ability to continue making payments over a period of several years. It has been shown that few small investors have been able to achieve this result. Over half of all contractual plan purchasers have failed to complete their payments on schedule.

In this area and as with ordinary mutual fund sales charges, a comparison to sales commissions in other fields such as life insurance, which is bought for protection against untimely death, would be totally inapplicable. In buying a security the investor looks toward long term capital gains. Over the years, our tax laws have recognized this objective by affording special treatment for profits made on the sale of securities. Therefore we cannot look to the sales charges on entirely different items in order to rationalize the exorbitant front-end load.

The original legislation considered by this committee would have abolished front-end load sales charges. This bill does not follow that recommendation. The abolition of the front-end load would make it uneconomical for salesmen to induce small investors to the concept of systematic investment in equity securities. Therefore, this legislation merely proposes to spread out the front-end load over 4 years with no more than 20 percent of any 1 year's payments being deductible for sales charges. The total commissions paid to the salesman over the life of the plan would not be reduced by this proposal. I would also like to note that our counrty's largest distributor of mutual fund shares has voluntarily chosen to operate on this basis and has done so successfully.

This bill will in addition, provide a monetary incentive for salesmen to encourage increased investor persistence in completing their plans. The present system under which the salesman receives most of his commission during the first year of the plan has unfortunately failed to provide such results. The spread load by reducing the initial commission will also allow purchasers to have more money actually invested in underlying securities and thus minimize the possibility of serious financial loss if payments are discontinued during the early years of the plan.

This section is of the utmost necessity if we are to provide adequate consumer protection. The front-end load is found only in installment plans sold to people who have little accumulated capital reserves. These are the people whom this bill is intended to protect. Present law which permits the deduction of half of the investor's money for sales charges, unfortunately does not afford such protection.

BANKS AND INSURANCE COMPANIES

This bill deals with another major concern of the Congress—the need to clarify the status of bank administered collective investment funds under the Federal securities laws and the various banking statutes. These proposals are intended to clarify the numerous statutes governing this area and will also assure equal treatment for similar collective investments offered by insurance companies.

In recent years, banks and insurance companies have entered the mutual fund field by pooling the individually limited resources of large numbers of investors into collective investment funds and separate accounts. Recent developments have, however, raised difficult questions under existing Federal securities laws. One Federal district court has held that banks are precluded from operating managed agency accounts. The uncertainty caused by this decision, which is currently being appealed, has unduly impeded banks from competing with mutual funds on an equal footing. This bill would remove that unwarranted comparative disparity.

The bill also exempts bank collective trust funds and insurance company separate accounts for corporate pension plans from all but the fraud provisions of the Federal Securities Acts—an approach which the SEC has in the past taken through administrative action. Provisions are also contained which exempt bank collective funds and insurance company separate accounts—Smathers-Keogh, H.R. 10 Plans—from the Investment Company Act, but not from the disclosure provisions of the securities laws.

The entry of banks into the mutual fund field and the increased activity of insurance companies will provide the American investing public with a wide choice among different equity investments. This increased competition for investor favor is an important step toward insuring healthy and viable securities markets. In this connection it is extremely significant that the bill prohibits banks from charging any commissions on the sale of their mutual funds. In addition, both banks and insurance companies will be covered by all of the provisions contained in this legislation including the section which provides for reasonable management fees. The American Bankers Association has indicated that this standard is a familiar one under which banks have always been able to operate without undue burdens and has wholeheartedly endorsed each and every provision of S. 3724.

In conclusion, this proposed legislation is a moderate measure intended to deal with the serious problems which have arisen in the investment company industry over the last 28 years. It is built on the traditional practices of existing securities laws. It does not include radical measures such as the compulsory internalization of the mutual fund industry or the repeal of section 22(d) which would open mutual fund sales commissions to the normal competitive operations of the marketplace. It embodies a program of governmental regulation which is the bare minimum needed to provide adequate consumer protection and to update the Investment Company Act to the needs of today's economy.

Mr. President, I wish to add just a thought or two to my prepared remarks.

One is that, as I said in the beginning, this legislation was proposed to us by the Securities and Exchange Commission as a result of a long, drawn-out study, and a voluminous report which was made nearly 2 years ago. The committee has spent considerable time on this legislation, and the bill that we are presenting to the Senate is not the same bill as the SEC proposed. It is a bill that has been worked out in committee, and, which has also been worked out to a large degree with the securities industry. In this connection, I wish to express my appreciation to the Senator from Utah [Mr. BENNETT], the ranking minority member of the committee. He worked hard on this proposal. He and I together—and we were sustained by other members of the committee—insisted from time to time, and postponed consideration of the bill from time to time, in an effort to push together the industry and the Securities and Exchange Commission.

A large part of this pending bill was agreed to between the industry and the Securities and Exchange Commission. Neither side liked some of the features in the bill. However, the bill does represent a compromise and I think it is the best and most equitable compromise we could work out concerning this complex and complicated problem.

I certainly hope the Senate will pass the bill as it was reported from the Committee on Banking and Currency.

Mr. MOSS. Mr. President, I take this occasion to commend the SEC for its consumer-protection efforts which have restored and maintained confidence in this Nation's securities markets. Now, more than ever before, this Congress has recognized the needs of consumers in our complex, industrial society. Few of us may realize, however, that since Congress created the SEC in 1934, that agency has been a pioneer in developing protections for investors who are the consumers of the securities markets. The SEC has contributed much to build investor confidence and maintain that confidence in the Nation's securities markets which is the keystone of our private enterprise.

Under the SEC's administration of the Federal securities laws, public participation in securities markets has seen unparalleled growth and the securities industry has enjoyed unparalleled prosperity. When the Commission was created in 1934 public confidence in the securities markets was at rock bottom. Since that time the Nation's securities markets have grown at a rate even faster than our economy. More and more Americans are realizing that securities investments merit their confidence, and they have responded by investing their savings in corporate securities.

No part of the securities industry has grown faster and realized the benefits of Commission regulation more than the mutual fund industry. In 1940 when the Investment Company Act was passed by this Congress and the Commission assumed regulatory jurisdiction over the mutual fund industry, the industry was plagued with pervasive abuses and a serious loss of public confidence. Since that time these abuses have been eliminated and public confidence in mutual funds is at an all-time high. The industry has grown over 100 times since 1940 and its growth continues at an accelerating pace. Over 4 million Americans own mutual fund shares and the numbers are increasing daily.

In view of this record of public confidence and industry prosperity under the SEC's regulation, I am disappointed to learn how many people have forgotten the lessons of history—that public confidence is essential to the continued health of the securities markets and the industry and that public confidence can only be maintained by an adequate system of Government regulation.

The SEC's administration of the Federal securities laws has been notable not merely because it has administered those laws with a vigorous concern for the interests of investors and consumers. It also is notable because this agency has established a tradition of continuing reexamination of its regulations and the legislative basis for these regulations. When the SEC has found that its regulation has not kept pace with the dynamic growth and change it has not hesitated to ask Congress for appropriate legislation.

The bill before you today arises from this tradition. It has been the result of many years of intensive study of the mutual fund industry and the adequacy of present protections for mutual fund investors. The bill recognizes that the solutions for the infant investment company of 1940 are no longer adequate for the $45 billion industry of today.

In my opinion passage of this bill is essential if the confidence of over 4 million mutual fund investors is to be maintained. The opposition to the bill today recalls the opposition to the original securities law in the 1930's. The opponents then said if these laws are passed, "grass will grow on Wall Street." History has proven how wrong they were then, and the lessons of history teach us how wrong they are now.

I find particularly disappointing the opposition to the provisions of the bill dealing with the front-end load on so-called contractual plans. These plans offer small investors the opportunity to buy mutual fund shares on an installment basis over a period of 10 to 15 years. The industry recognizes that they are essentially long-term investment plans and not for those who cannot or are unwilling to invest their savings periodically for many years.

I fully recognize that the contractual plan is a useful means for attracting the savings of small investors into the Nation's equity security markets. But under the present law, up to 50 percent of each of the first 12 payments can be deducted for sales loads. The salesmen thus obtain most of their commissions from the first 12 payments and very little commissions from the remaining payments. The result is that the salesmen have great incentives to urge investors to make the first 12 payments under their plans. But they have little incentive to encourage investors to develop a habit of investing periodically in mutual fund shares on a long-term investment program.

This bill does not outlaw contractual plans or the front-end load. Nor does it reduce the total amount of the commissions that can be deducted over the first 4 years of the plan. It only requires that the front-end load deductions be spread more evenly over the first 4 years of scheduled payments. During these 4 years the sales deductions from any single payment can be as high as 20 percent and can average as much as 16 percent. Instead of providing the salesman with virtually all his compensation from the first 12 payments, it will provide him with a high level of sales compensation for the first 4 years of payments. It will give him a greater incentive to encourage investors to continue their payments under their plans. I might mention that one of the largest distributors of mutual fund shares in the country has for several years been successfully selling contractual plans which meet the tests laid down in this provision of the bill.

In my opinion this provision is a minimum measure to maintain the confidence of millions of mutual fund shareholders who are attempting to provide for their retirement and their children's education by investing small amounts each month in contractual plans. Many of these investors are persons of very modest means who never before have invested in securities or in mutual fund shares. The industry's own statistics show that under the present front-end load system a majority of these investors never complete their plans as scheduled and a high proportion of them fail to make payments on their plan beyond the first 12 payments. Even in these days of rising securities markets, many of these investors suffer a loss on their contractual plan investment, and many of them are sadly disillusioned by their first experience with investing in securities and mutual funds.

I strongly urge you to support this bill's provisions relating to the front-end load. The amendment offered by the opposition is little more than a charity plan which would permit investors to obtain a refund of their front-end load if they are hospitalized or draw unemployment compensation during the first year of their plan. This proposal would not reach the great numbers of people who are unable or unwilling to continue investing in a plan for many other reasons. Furthermore, the millions of thrifty Americans who invest in contractual plans do not want or need charity; they need adequate protection from the distortion of economic incentives inherent in the existing front-end load system.

Mr. McINTYRE. Mr. President, I thank the distinguished Senator from Utah. I believe at one time he was an attorney with the Securities and Exchange Commission.

Mr. MOSS. The Senator is correct. I worked for approximately a year with the SEC, soon after I was admitted to the bar. I worked in the legal section.

Mr. McINTYRE. Mr. President, I find myself in agreement with the Senator from Utah's analysis of this bill, as the remarks I am about to deliver will indicate.

The Senator from Utah is undoubtedly aware that in 1940, when the Investment Company Act was passed together with the Investment Advisors Act, the specific provisions in the law at that time pointed out that the SEC should, in the following years—because the industry was a mere infant at the time—keep a sharp eye on it. It was as a result of this that the SEC in 1958, I believe, commissioned the Wharton School of Finance and Commerce at the University of Pennsylvania to make a thorough analysis of what was developing in an industry that had grown from something like $400 million in 1940 to an industry today that has $45 billion worth of assets.

Mr. MOSS. Mr. President, I am happy that the Senator has recalled that.

One of the great phenomenons in our time is the development of the mutual fund. As the Senator has pointed out, it has grown to almost unbelievable size in economic value. In view of the changing times, in view of the growth of this fund, and in view of the fact that we started off sort of feeling our way, in the first place, it certainly is time that Congress took another look and tried to refine and perfect the law. As I indicated in my remarks, I believe this bill will do that admirably, and it will be a great step forward to maintain the confidence in the mutual funds and in the securities market in general.

Mr. McINTYRE. I thank the Senator from Utah for his remarks. I assure him that the Committee on Banking and Currency, both the majority and minority members, have wrestled with this problem for a long time. It has been a very difficult bill, with a great deal of pressure for inaction.

As I shall indicate later, I am not completely happy with the bill, but I believe it represents a viable compromise. It will result, as the Senator has indicated, in keeping a watchful eye on the very important and very successful mutual fund industry.

Mr. MOSS. I thank the Senator. I compliment him and the members of the committee for working out this very difficult problem.

Mr. McINTYRE. Mr. President, I should like to begin by congratulating the distinguished chairman of the Banking and Currency Committee, and indeed, the committee itself, for reporting the bill which is now before the Senate. My colleagues should know that the proposed legislation has been opposed by a vigorous, well-financed lobbying effort. But the committee, under the courageous leadership of the Senator from Alabama, has not permitted itself to be intimidated and has pressed forward to bring this bill to the Senate.

I wish I could find it possible in my opening remarks to say the same words of tribute about the Securities and Exchange Commission. While it is true that the Commission, under the brilliant leadership of its Chairman, deserves much credit for originating the bill we consider today, it is equally true that this measure reflects a considerable surrender of the Commission's original position. It is regrettable that the bill which finally received SEC approval, while a definite improvement in the protections offered investors, is in many respects a bare and watered-down version of an ideal regulatory instrument for mutual funds.

I must confess that I am rather surprised not merely by the degree of opposition which still exists to this bill, but by the fact that there is any opposition at all.

Based on the evidence introduced at the hearings conducted by our committee, I would have thought that the only complaint which Senators could raise would be that the bill is inadequate to deal fully with the extremely serious defects in the structure of the mutual fund industry which were disclosed to us.

MANAGEMENT FEES AS PRODUCTS OF CONFLICTS OF INTEREST

I invite the Senate's attention to the subject of management fees.

The committee decided that present laws do not provide investors adequate protection from excessive management fees. It is my belief that what we have recommended, while it will prove to be effective in controlling the faults found to exist, does not go far enough in controlling the cause of excessive fees—the built-in conflicts of interest which give rise to the excessiveness.

Let me explain to the Senate what is involved here.

Mutual funds are financed by shareholders who entrust their money to individuals who serve as officers of their funds with the expectation that the funds will be invested with better results than could be attained if the fund's shareholders did it themselves. The shareholders pay an annual fee—deducted from that equity in the fund—called a management fee, as compensation for the investment advice, research, and other services rendered.

One might expect that the officers of the fund would take the management fee and provide advice in return. Nothing could be further from the truth, for the majority of American mutual funds.

What generally happens is that the officers of the fund, as such, have absolutely nothing at all to do with making the investment decisions for their fund. The normal practice is for the officers to find a professional organization, known as an investment adviser, which enters into a contract with the fund to provide investment advice. The management fee is negotiated between officers of the fund and officers of the investment adviser, and then paid to the adviser as compensation for its advice.

The investment adviser, in turn, typically supplements its own research capabilities by drawing on the research departments of securities brokers who receive commission income from executing sales of securities on behalf of the fund. The extent of the investment service received from the broker is also a matter of negotiation between the brokerage firm and the investment adviser.

The expense of the commissions, of course, is borne by the fund shareholders.

This all may seem straightforward enough. It may be a bit surprising that the officers of a mutual fund do not really provide any management of their fund, but turn it over to an outside firm. This is, I believe, unique in American industry.

Still, the pattern of negotiation, with the fund officers bargaining in good faith on behalf of their shareholders, would seem to provide adequate protection for the shareholder's interests. That is, it would seem to provide such protection if we did not look carefully at the identities of the men doing the bargaining.

Take, for example, one of the largest mutual funds in the world, the Dreyfus Fund, with assets of some 2 billions of dollars.

Each 2 years, the president of the Dreyfus Fund, a Mr. Howard Stein, sits down at a table to negotiate the amount of the management fee which his shareholders will pay to the fund's investment adviser, the Dreyfus Corp. Beside Mr. Stein will probably be seated Mr. Robert Price, the vice president of the fund. There to give advice will probably be other fund officers, such as the fund's controller, Mr. Julian Smerling, and the secretary of the fund, Mr. Lewis Kaplan.

These gentlemen were the principal officers of the fund at the time of the most recent proxy statement, issued in connection with the annual meeting held last April 9.

On the other side of the table, bargaining for all they are worth, will be the officers of the Dreyfus Corp.—the president, executive vice president, controller, and secretary.

Let us see who these gentlemen are.

The president of the Dreyfus Corp. is a Mr. Howard Stein. The executive vice president is Mr. Robert Price. The controller is Mr. Julian Smerling. The secretary is Mr. Lewis Kaplan.

In short, these gentlemen are in the happy position of negotiating with themselves for their own compensation, to be paid, of course, by the shareholders of the fund.

I might point out that the salaries received by these gentlemen for their services to the fund are paid to them by the corporation. Yet they are expected to give their primary attention to protecting the interests of the fund.

This is the situation which gives rise to what the committee refers to in its report as "conflicts of interest." This is also the situation which has resulted in shareholders of the Dreyfus Fund paying perhaps the most unreasonable management fees in the entire industry.

What makes a management fee unreasonable, Mr. President?

Surely it cannot be size alone. The five managers of one fund, the Massachusetts Investors Trust, each take home approximately a half a million dollars every year. And yet, the committee has been informed that, as far as large funds go, the management fee rates paid by shareholders of the Massachusetts Investors Trust are by far the very lowest rates which exist in the industry.

If the MIT rates are low, how do the managers of other mutual funds fare?

The committee was informed that, in 1965, the funds managed by Investors Diversified Services paid advisory fees of more than $19.1 million, United Funds more than $7.3 million, Insurance Securities Trust Fund more than $6 million, and so on.

In all, there were 34 funds which paid fees of more than $1 million that year. And fees have increased since that time as the funds have grown in size.

In the case of the funds just mentioned, unlike Massachusetts Investors Trust, the committee was unable to determine what individuals received as compensation, because the managers had formed themselves into separate corporations to provide their serivces to the fund. In many cases, the managers then capitalized their future advisory fees by selling shares in the management firm to the public. In the case of Dreyfus Fund for example, the managers received more than $41 million—all taxable as a capital gain—and they continue to receive their fees or salaries as officers of the management company.

Ambrose Bierce once defined a corporation as an instrument for obtaining individual profit without individual responsibility. I feel that this description is far too harsh to apply to corporations indiscriminately, but it certainly fills the bill when applied to mutual funds. Through the device of the separately incorporated management company, fund managers truly obtain lucrative individual incomes while totally avoiding any individual responsibility.

But, Mr. President, as I said before, the fact that the fund managers are getting very rich at the expense of their shareholders does not mean by itself that their fees are unreasonable. The fact that the fees are determined by negotiations fraught with built-in conflicts of interest does not mean per se that the fees are unreasonable.

The committee did have before it an exceptionally persuasive document which dealt with the extent of the unreasonableness of many present management fees. I refer to the report of the SEC on the "Public Policy Implications of Investment Company Growth," printed as House Report 2337 of the 89th Congress.

One of the most revealing items in the SEC report was the comparison of the typical industry charge of one-half of 1 percent with the fees charged by what I can best describe as "sophisticated mutual funds."

At the time the report was prepared, there were five mutual funds which had been formed to provide centrally managed investments for financial institutions. That is, the only shareholders of the funds concerned were themselves financial institutions, principally savings banks. These five funds, with assets ranging from $128.8 million to $21 million, were charged management fees ranging from a high of 0.18 percent of net assets to a low of 0.04 percent. This compares, of course, with the 0.50 percent typically charged ordinary mutual funds of comparable size.

Even more revealing, and particularly indicative of the conflict of interest problem, is the report's treatment of the fees charged clients other than mutual funds by advisory organizations which also had mutual fund clients.

I would like to quote from the report:

> One investment advisor whose operations were examined by the staff charged fees to a mutual fund under its management that were more than double the fees that would be charged under its advisory fee schedule for "full normal services" to nonfund clients.

I would point out that, typically, the services involved appear to be more complex and demanding for nonfund clients than for funds. Nevertheless, the funds pay more. I would suggest that this result is inevitable when good faith bargaining does not exist, as it cannot exist when the fund and the adviser are represented by the same people.

Thus, looking at the fees charged by advisers for similar services to other clients, it would appear to me that many fund management fees are indeed unreasonable.

There is yet another way of looking at the reasonableness of management fees. The test is whether the management made an effort to pass along to its shareholders the benefits realized from economies of size. A number of studies, particularly the study of mutual funds conducted by the Wharton School of Finance and Commerce in 1962, have adequately demonstrated that substantial economies of size exist in the mutual fund business. This simply means that expenses do not increase as quickly as assets managed, and this conclusion is generally agreed to by the industry.

Nevertheless, the industry has generally been unwilling to share these economies with its own shareholders. The Dreyfus Fund, which in some ways mirrors the basic faults of the entire industry, is a good case in point. From the year 1961 through the first 9 months of 1965, the net assets of the Dreyfus Fund increased from $171 million to $1.1 billion. Advisory fees increased from $1.2 million to $3.4 million, an increase of approximately $2.2 million. Operating expenses, however, increased from $469,000 to $846,000, an increase of $377,000. Dreyfus Corp., however, refused to pass on the increased efficiencies to its shareholders, and has persisted in holding on to these excess profits to the present time.

Another test of reasonableness might well be the value of the services performed. During the hearings, I conducted an experiment with a dart board and a list of stocks. I discovered that by selecting a portfolio of stocks with a dart I was able to outperform, on paper, most of the mutual funds whose managers appeared before us. And the total cost of my "management service" amortized over a 10-year period amounted to only 29½ cents per year.

Does this mean that the real value of most mutual fund management firms is less than 29 cents per year? I would not want to say so, but the acid test of a free market would seem to bear this hypothesis out.

There are a number of closed-end mutual funds in existence, which are not supported by substantial sales efforts. By and large, these mutual funds, which are traded daily in the securities markets, sell at substantial discounts from their net asset value. This, I believe, strongly indicates that sophisticated investors tend to place a negative value on management service.

I would not want to carry this line of thought too far. Still, on the assumption that professional management does have some value, that value should be related to the expenses incurred, to charges for similar services to other investors who in fact do negotiate their fees, and to similar reasonable standards.

In view of this background, I would have assumed that the SEC would recommend a basic restructuring of the industry to eliminate the built-in conflicts of interest. Instead they came in with a mild proposal for court review of the reasonableness of fees, which our committee has surrounded with numerous safeguards and limitations.

DISTINCTION BETWEEN SALES LOAD AND SALES COMMISSION

Mr. President, I have noticed some confusion among my colleagues regarding the proper usage of the words "sales load" and "sales commission." The confusion is understandable, and it results from another of the unique aspects of the mutual fund business.

Throughout the rest of the securities business, a sales commission is an amount computed by finding a percentage of the amount to be spent on the underlying security. Thus, if a customer purchases $1,000 worth of securities in which a 1-percent commission is to be imposed, he will pay an additional $10 in commission and his total cost will be the amount of the commission added to the amount of the value of the securities; that is, $1,010.

In the mutual fund business, which uses a sales load, the percentage of the load is applied to the entire cost to be charged, not just to the value of the securities purchased. Thus, if $1,000 worth of fund shares are to be purchased, and a 1-percent load is to be charged, the customer will pay out a total of $1,011.11. The 1-percent load results in a higher cost to the consumer than a 1-percent commission.

Of course, these figures are unusual in one sense. It is true that a 1-percent commission is not at all unusual in the remainder of the securities business, for small purchases. In the mutual fund business, the typical load on a purchase of $1,000 is generally 8.5 percent. Senators will note that an 8.5-percent load is approximately equal to a 9.3-percent commission.

FEDERAL LAW WILL CONTINUE TO PROHIBIT FREE COMPETITION IN SALES LOADS

Section 22(d) of the Investment Company Act of 1940 makes it a Federal crime for a salesman of mutual funds to offer a lower price to his customers than that offered by competing salesmen selling the same fund. The testimony before our committee clearly demonstrated that, because of these anticompetitive restrictions, sales loads have been maintained at levels completely out of line in any other part of the securities business.

The SEC had recommended to us that we adopt a flat 5-percent maximum ceiling. In fact, we initially voted to eliminate the anticompetitive provisions of the present law, but were beseiged by industry representatives who told us that the mutual fund business could not hope to survive in a competitive framework. Since they had initially been granted this protection from the antitrust laws in 1949, they told us, their entire industry was no longer capable of adapting to a free market in commissions.

I personally did not find these arguments very persuasive.

However, the committee then voted, over my objection, to reinstate the anticompetition law, and to refer the entire question of sales loads to the National Association of Securities Dealers. I have some doubts about the wisdom of this course, but the reluctance of the SEC to press vigorously for free competition in this area has made it necessary for us to go along. I hope that the SEC will show considerably more enthusiasm in asserting its responsibilities of oversight over the NASD with respect to sales loads.

In this connection, I might mention that one of the provisions of this bill which the mutual fund industry most vigorously opposes is the provision making it clear that banks are entitled to offer their customers interests in commingled managing agency accounts, which are investment vehicles comparable to mutual funds.

While some of the industry arguments were based upon a misreading of the Glass-Steagall Act, the real reason for the opposition is that banks, which will be required to make these investment opportunities available without any sales commission at all, are the most serious threat to the continuation of the rigid, high price structure of the mutual fund industry.

These provisions were supported by all of the witnesses charged with representing the public interest, the SEC itself, the Federal Reserve, and the Treasury Department. Their enactment, supported overwhelmingly by your Committee on Banking and Currency will, for the first time, provide effective competition directed toward pushing down the heavy costs borne by mutual fund shareholders for purchasing their shares.

Parenthetically, I would like to observe yet another benefit to the public following the adoption of the banking amendments. In all probability, many of the banks offering these services are those with offices abroad. It is not inconceivable that the sale of participations in managing agency accounts overseas could eventually result in a flow of funds which would favorably affect the U.S. balance of payments by as much as a billion dollars each year. This, of course, is considerably more than many of the other balance-of-payments measures which have been proposed could reasonably bring, such as the harassment of American tourists through new taxes on travel.

FRONT-END LOADS WILL CONTINUE TO BE TOLERATED IN FEDERAL LAW

The third major item in the bill reported out of the committee deals with the so-called front-end load on periodic payment plans. The SEC found this particular operation so outrageous that they recommended its abolition.

The words "front-end load" were used to describe a system of extraction under which customers—typically with low incomes and little understanding of securities—are induced to pay as much as $52 in commission, fees, and charges for the privilege of purchasing $48 worth of mutual fund shares.

The viciousness of this particular practice stems from the fact that, in almost each and every case, the same $100 outlay could be used to purchase a minimum of $91.50 worth of shares, but the hapless customer is practically never told of this possibility.

The word "contractual," which is sometimes added to descriptions of front-end load plans, implies that the customer is under some sort of obligation to continue purchasing fund shares. This implication is completely false, for the only contractual obligations incurred under a "contractual plan" are incurred by the seller. His obligation generally consists of a promise to continue to accept the customer's money in the future according to the schedule set out in the prospectus. I have actually heard an industry spokesman refer to this contractual liability as a generous offering to the customer.

The committee report deals adequately with the problems posed by the front-end load, so I feel no obligation to discuss it at length. There are, however, two points which I feel must be emphasized.

The first is that this area of legislation is one in which the States have taken a considerably more advanced and enlightened position than the Federal Government. Four States—California, Illinois, Ohio, and Wisconsin—have effectively outlawed the typical front-end load plan. I believe that the Congress should follow the lead of these States and act to protect the other investors of America from what is so clearly an inferior investment that it has been banned as contrary to the public interest by some States.

The second is that the basic argument advanced by the front-end load industry for permitting its continuance is based upon a phony premise. I would point out in passing that no one has ever seriously defended the front-end load plan as a good investment. The only serious argument advanced from the investors' point of view is that the penalties provided in the plan will impose a sort of discipline for making periodic payments.

In fact, the only discipline which I can see resulting from the front-end load stems from the incentive offered salesmen to get people signed up and to make as large a downpayment as possible. Salesmen have no substantial incentive in getting investors to continue their plans beyond the first year or two.

The figures in the SEC report showed that, for Hamilton Management Corp., one of the large sellers of front-end load plans, only 22 percent of the people who had opened plans in the year 1951 had completed them by October 31, 1963. More than 20 percent of them had paid less than 3 years' installments. In none of the situations studied by the SEC had as many as half of the investors completed payments on their plans over their stated life.

Let me repeat that statement, Mr. President.

In none, absolutely none, of the situations studied by the SEC had even one-half of the investors concerned completed their plans within the stated life of the plans. And yet this industry claims as its main justification that it uniquely provides a discipline to investors to complete their plans. It is no wonder that the committee was not convinced.

The industry, however, seems to have recognized the weakness of its own position. Its principal lobbyist, when informed of the committee's action in reducing the front-end load, promised the Wall Street Journal that the industry "would do whatever is necessary" to force Congress to ignore the recommendations of the Banking and Currency Committee. I am not aware of what is "necessary" to convince the Congress to overlook reason and logic, but I sincerely hope it has not, and cannot, be done.

The committee has already gone out of its way to strike a compromise on this issue. Although no clear or convincing reasons were given us for permitting this industry to continue to absorb the savings of millions of Americans, we have permitted the front-end load to continue. Furthermore, we have permitted it to continue at a level more than adequate to finance sales forces. Still, it will provide a measure of added protection to investors.

Mr. President, it is getting rather late in the session, and so I have decided to go along with the provisions regarding contractual plans recommended by the committee. If it should happen that this legislation is not enacted into law during the present year, and that it comes before us next year, I would like to go on record as stating that I intend to do everything possible to convince the Congress of the desirability of completely eliminating contractual plans with front-end loads from the American financial scene.

If the bill before us should be enacted into law this year, I will probably have to resign myself to waiting for another 28 years before the Congress again considers mutual fund legislation.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. McINTYRE. I am happy to yield to the chairman of the committee.

Mr. SPARKMAN. I was interested in hearing that last statement by the distinguished Senator from New Hampshire, who was of great assistance in committee in preparing this legislation for the Senate floor. I believe so strongly in this legislation that, if it does not become law this year, it will be my intention, upon the reconvening of the Congress in January, to introduce a bill that will be exactly the same as this bill.

Mr. McINTYRE. This may very well give me the opportunity—unless the House shows some alacrity—to try to amend the bill at that time to eliminate what I consider to be a type of inferior investment that four States have already restricted. As we recall the testimony in California, the front-end loads were eliminated by law. Yet no State exceeded California in the sale of mutual fund shares in this country. So the mere fact that front-end loads were eliminated by the California law did not hurt or injure the rest of the mutual fund industry.

Mr. SPARKMAN. I believe the facts and figures before us showed that some of the most successful mutual funds are those which charge no loads at all. I believe some have no sales forces and are sold out of banks. We are specifically providing that the banks shall not charge any sales fees.

Mr. McINTYRE. I was happy to note in the opening statement of the Senator from Alabama on this bill that he referred to the banks and the fact that they will be prohibited from charging any sale commission or load charges. As I have said in my statement here, the important thing is that the banks coming into the picture will lend a happy competitive factor, which, in my opinion, and that of the committee, in the long run will insure that the fellow we are primarily interested in, who is the shareholder, will be getting a better break. The committee report indicates it was the general feeling that there was no finding by us that all fees were excessive; only that there was a desire to set a gage as to whether the fees charged are reasonable.

With that, Mr. President, I yield the floor.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT NO. 899

Mr. BENNETT. Mr. President, I send to the desk an amendment and ask that it be printed.

The **PRESIDING OFFICER.** The amendment will be received and printed, and will lie on the table.

Mr. MAGNUSON. Mr. President, mutual fund reform is an important item in the President's program for protection of investors. In his consumer protection message of February 16, 1967, the President referred to the SEC's report on the "Public Policy Implications of Investment Company Growth," which he described as "a thoughtful and exhaustive analysis." He noted that the Commission's studies had raised serious questions as to whether mutual fund investors were receiving their fair share of the great economies of size resulting from the growth of the funds and as to whether the sales charges that these investors pay are "unnecessarily high."

The President concluded:

> The Commission's study concludes that mutual fund shareholders need additional safeguards . . . and that protections under present law should be extended.
>
> I urge the Congress to give careful consideration to the Report and recommendations of the Securities and Exchange Commission. In my judgment, they provide a sound basis for measures which will be beneficial to the investing public and promote the health and stability of the industry itself.

The bill before us today is not as strong as the SEC's original proposals, which the President commended. Nevertheless, this is a most significant measure.

There may once have been a time when legislation about securities, investments, investment companies, and kindred matters could be viewed as being of direct concern only to an affluent minority of Americans. Today, when 24 million Americans have invested in corporate stocks, questions relating to the securities markets and to the protection of investors are of broad public concern. In contemporary America, investors are an important and growing class of consumers.

S. 3724 deals with investment companies. And the investment company, especially the type of investment company called a mutual fund, has become a significant means for pooling the savings of large numbers of people—most of them of modest means—for the purpose of security investment.

More than 4 million Americans have now committed their savings to these institutions. We in the Congress have a responsibility to see to it that these investors are dealt with fairly. Indeed, our predecessors of a generation ago recognized that responsibility and sought to discharge it by the Investment Company Act of 1940.

The draftsmen of that statute tried to protect investors in a variety of ways. Among the most important of those ways was their decision to require that investment company boards include a specified percentage of directors "unaffiliated" with the management group. The idea of "unaffiliated" directors to represent the shareholders in their dealings with the fund managers and promoters was a bold new concept in consumer protection.

A generation of experience under the act has shown that the promise of this reform has not been borne out in practice.

In practice, the unaffiliated directors are almost always chosen by the managers with whom they are supposed to bargain. This bargaining position is further weakened by the peculiar external management structure of the funds where the actual management of the typical fund is contracted out to a separate investment advisory company which is almost always controlled by the very same people who founded and who continue to dominate the board of directors of the fund.

The 1940 act did not lay down an explicit standard for gaging the propriety of the manager's compensation. It would have been simple enough to say that such compensation must be reasonable. But this was not done. And the data assembled in the Commission's report on "Public Policy Implications of Investment Company Growth" and in the Wharton School's "Study of Mutual Funds" show that mutual fund investors have paid, and are paying, a heavy price for this omission. This bill tries to correct that omission in a very modest way. It simply states that the adviser's fees must be reasonable and that those fees are subject to impartial judicial review. The industry argues, however, that this small step is too much, and that we should continue to rely on the unaffiliated directors to control management fees. But these gentlemen have indicated their inadequacy for the task, both by their performance—or lack of it—over the years, and by their own testimony in the hearings on the bill. I do not believe we can permit this unsatisfactory situation to continue.

Turning to sales charges, we find that under existing law, mutual fund sales charges are totally insulated from price competition. In fact, under the Investment Company Act it is a Federal crime for a dealer to cut the sales load on a mutual fund share. The result has been that mutual fund sales charges have soared to levels completely out of line with those that prevail elsewhere in the securities business.

This bill will do a little—in my judgment, much too little—to see to it that the Government's extensive interference with the normal forces of competition on behalf of the seller is balanced by at least some concern for the welfare of the buyers. This bill will apply to mutual fund sales loads, the concept of self-regulation that governs other parts of the securities business. The industry itself will make rules to protect its customers against unreasonable sales charges. But the SEC will have a watchdog function, and I trust that it will be vigilant in exercising that function.

One significant and extremely acute aspect of the sales-load problem calls for a remedy more fundamental than mere self-regulation.

This is the front-end load, the almost unbelievably heavy sales charge paid by many of the smallest and least sophisticated investors. These people are persuaded to sign up for plans under which they will invest $10 or $25 or $50 a month in fund shares for a period of 10 to 15 years. The sales load on the entire plan is limited by law to 9 percent, but the law permits the deduction of up to one-half of each of the first 12 monthly payments for sales load.

It is true that the buyer who makes all his payments on schedule winds up paying an aggregate sales charge not much higher than that paid by other mutual fund investors.

But few front-end load buyers make all of their payments on schedule. Lots of them never get beyond the first 12 payments. They find themselves in a position where they cannot possibly come out even, let alone realize any return on their investment, unless the stock market doubles.

I agree with the SEC that the law should not continue to sanction sales charges of this magnitude. I also agree with the Commission that the thing to do about the front-end load is to abolish it.

But this bill does not do that. It merely spreads the burden of this type of sales charge over a longer period. Under present law the selling organization can take a half of the investor's early payments. Under the bill, it will be unable to take more than 20 percent of any one payment, or an average of 16 percent of the first 48 monthly payments. This is ample—in my view, more than ample—

incentive for selling effort. The present system subsidizes and fosters indiscriminate, high-pressure selling that disregards the long-range interests of the investor or his ability to complete a plan.

In summary, while this bill falls short of providing what I would consider a fully adequate level of protection for mutual fund investors, it would be a considerable improvement over the present situation.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President.

S. 1941. An act to prevent, abate, and control air pollution in the District of Columbia, and for other purposes;

S. 2908. An act to authorize the Secretary of the Army to quitclaim certain real property in Muscogee County, Ga.; and

S. 3495. An act to authorize the Secretary of the Army to modify certain use restrictions on a tract of land in the State of Iowa in order that such land may be used as a site for the construction of buildings or other improvements for the Iowa Law Enforcement Academy.

OPERATION OF HEW GUIDELINES IN COLUMBIA, S.C.

Mr. THURMOND. Mr. President, I wish to call to the attention of the Senate the incredible havoc which the policies of the Department of Health, Education, and Welfare have created. In order to illustrate the high-handed and dictatorial methods pursued by HEW and to illustrate the tragic results of these policies, I should like to relate to the Senate the facts concerning the very serious problems in Columbia, S.C.

Over a year ago, representatives of Health, Education, and Welfare traveled to Columbia to survey the school system in that city. The schools in Columbia had been operating under freedom-of-choice plans in which parents of schoolchildren could decide which school they wished their children to attend, regardless of race. The representatives of Health, Education, and Welfare decided that the pace of integration was not rapid enough under this plan and this summer met with the Columbia School Board No. 1 for the purpose of setting down guidelines to be followed by the local school boards. The members of the board were able to get a few concessions from HEW, primarily, postponement of school district rezoning for junior high and high schools until 1969. However, HEW insisted that the freedom-of-choice plan be completely eliminated for elementary schools.

This involved the "pairing" of four elementary schools by combining the first through third grades in two of the schools and the fourth through the sixth grades in the other two.

Last night, the Columbia School Board No. 1 held a hearing at which parents affected were allowed to present their views. About 500 parents attended the hearing, which was described by the news media as stormy. The parents were indignant and were shocked to discover that they were unable to decide which school their young children should attend. They were told, in effect, that the decisions as to where their child should go to school were being made by the officials of Health, Education, and Welfare in Washington.

As a result of these guidelines, parents who have purchased homes in order to be near an elementary school, perhaps even next door to a school, have discovered that their children will be forced, in many instances, to walk long distances to other schools. First-graders will be walking 1½ miles; if the distance is longer than 1½ miles, they will be bused. In some instances, they will be bused as much as 8 miles in order to achieve the "racial balance" required by Health, Education, and Welfare.

Parents who were pleased that their young children could attend an elementary school in their neighborhood are discovering they will not only have to walk long distances, but in many cases cross main highways and railroad tracks to reach other schools in strange neighborhoods. Parents have discovered that young brothers and sisters who were able to attend the same school near their home will now be separated with the first- through third-graders attending one school and the fourth through sixth grades attending another.

Mr. President, it is incredible that we have reached a situation where local school boards cannot even determine that young children may attend a school near their home. It is further disturbing because Congress has made clear its intent that Federal funds not be used for busing to achieve racial balance. Yet, through arrogant assumption of power the bureaucrats of Health, Education, and Welfare have ignored the wishes of Congress and proceeded to require all manner of rezoning and busing by local authorities. I believe the Senate should be aware of the activities of this agency in order that something be done to prevent the complete takeover of local schools by the Federal bureaucracy. It has become increasingly clear that HEW is not inclined to be sympathetic to the problems of local officials in these matters. I have often suggested to citizens in my State that consideration be given to taking these matters into the courts. While there may be little hope of success in the courts, there is certainly no hope of relief from HEW.

Mr. President, I hope that when the appropriations bill for HEW comes before the Senate, that this body will exercise its wisdom by including the provision prohibiting use of Federal funds to force busing to achieve racial balance. This provision was passed by the House and was reported out of the Appropriations Subcommittee this week. In this way we can serve notice on HEW that Congress will not tolerate such high-handed interference in local school matters.

I also call to the attention of my colleagues two bills which I introduced earlier which deal with the authority of HEW in its role of enforcing the Federal laws on desegregation. S. 3569 and S. 3570 would amend the Civil Rights Act of 1964 and the Elementary and Secondary Education Act of 1965 in a way to make it absolutely clear to everyone that Congress is not only opposed to discrimination, but is also opposed to forced integration. These two measures have been appropriately referred to Senate committees, and I am hopeful that hearings can be held and these bills will be reported for consideration by the full Senate.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(At this point, Mr. BYRD of West Virginia took the chair as Presiding Officer.)

WHAT HAPPENED TO THE GREEK ARMY

Mr. CLARK. Mr. President, I have just received a copy of an interesting article published in the Hellenic Review for June 1968. This review is published by Eloni Vlachon in London. She is a well-known journalist, and a conservative journalist at that, who left Athens some time ago because her right of freedom of the press had been impinged and, in fact, destroyed by the current Greek junta.

The article is entitled "What Happened to the Greek Army." It shows the name, date of birth, the branch of service, and the date of compulsory retirement of a large number of officers in the Greek Army, running from the rank of lieutenant general down to the rank of first lieutenant.

It shows very clearly the purge that has taken place to entirely revise the officer corps in the Greek Army in order to eliminate officers who had some interest in Greek democracy and to replace them with stooges of the junta who are determined on maintaining the Fascist control of that country which the former colonels exercise.

Mr. President, I ask unanimous consent that a copy of the article to which I have referred be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

What Happened to the Greek Army?

We publish here a full list of the Greek Army officers who have been placed on enforced retirement—effectively dismissed—since the April 1967 coup. The list, published for the first time, is impressive for sheer numbers, and also for the threat which is plainly implied for the organisation and efficiency of the Greek Army in the concentrated purge of so many experienced and talented Army leaders.

The damage thus inflicted on the quality of the Greek Army as a whole can be understood if, from the blank mass of names and ranks, we single out just a few of the officers whose outstanding qualities of skill and leadership will not easily be replaced: Lieutenant-General D. Arbouzis. Trained in Greece and in the Military Academy of the U.S.A. Fought in the Albanian campaign, at Rimini, and in the civil war against the communists in 1947. As First Commandant of the Greek Battalion in Korea, he was cited by the Americans as an officer with exemplary powers of leadership. Major-General A. Zalachoris. Trained in Greece and at the NATO Academy. Fought in the Albanian campaign, the Middle East, and the civil war. Deputy Commandant of the Greek Battalion in Korea. Brigadier E. Zacharakis. Trained in military academies of Greece, America and Germany. Served in the Albanian campaign, the Middle East (in the Sacred Regiment) and the civil war, when he received promotion for valour. Brigadier D. Zafiropoulos. Fought in the Albanian campaign and the Middle East (in the Sacred Regiment). One of the founders during the civil war of the Mountain Corps, in which he was wounded several times and of which he was Commander when arrested on 21 April 1967. Colonel P. Papathanassiou. Trained in academies of Greece and the U.S. Fought in the Albanian campaign and the Middle East (Sacred Regiment). Promoted for valour in the civil war Mountain Corps, of which he was a founder-member. Lieutenant-Colonel A. Drossovannis. Trained in Greece and America. Fought in the Middle East, the civil, war, the Sacred Regiment and the Mountain Corps. Major-General A. Demoulitsas. An officer of outstanding ability and record in every sphere. Generally believed before the coup to be a future Chief of General Staff.

The following list gives (a) Name, (b) Date of Birth, (c) Branch of Service, and (d) Date of compulsory retirement.

LIEUTENANT GENERAL

1. Marandos, B., 1910, Artil., 23.4.67.
2. Katsadimas, J., 1910, Armour, 23.4.67.
3. Papadatos, Ch., 1910, Inf., 23.4.67.
4. Andriotis, D., 1910, Artil., 23.4.67.
5. Arbouzis, D., 1912, Inf., 23.4.67.
6. Kolonias, K., 1904, Inf., 9.11.67.
7. Redzepis, P., 1910, Inf., 9.11.67.
8. Christopoulos, P., 1908, Inf., 9.11.67.
9. Karavelas, D., 1911, Inf., 9.11.67.
10. Vallis, G., 1912, Eng., 9.11.67.
11. Malikourtis, J., 1912, Inf., 9.11.67.
12. Xenos, M., 1909, Artil., 9.11.67.
13. Nicolaou, L., 1912, Artil., 9.11.67.
14. Moronis, G., 1911, Inf., 9.11.67.
15. Giannopoulos, B., 1911, Inf., 9.11.67.

MAJOR GENERAL

16. Polyzopoulos, A., 1912, Signal, 11.5.67.
17. Fassois, Chr., 1915, Artil., 11.5.67.
18. Kritsellis, D., 1914, Artil., 11.5.67.
19. Psarakos, P., 1913, Inf., 11.5.67.
20. Bechrakis, D., 1915, Inf., 11.5.67.
21. Loumakis, K., 1915, Inf., 11.5.67.
22. Fardoulakis, A., 1914, Artil., 11.5.67.
23. Manolarakis, P., 1915, Artil., 11.5.67.
24. Papaloucas, L., 1948, O.B., 11.5.67.
25. Pagouropoulos, A., 1912, T.B., 11.5.67.
26. Skylakakis, N., 1914, T.B., 11.5.67.
27. Gorgoyannis, S., 1909, M.C., 11.5.67.
28. Petritis, K., 1912, T.B., 11.5.67.
29. Konstantopoulos, 1914, Inf., 12.5.67
30. Katsoulis, E., 1907, Inf., 12.5.67.
31. Zeikos, A., 1910, T.B., 12.5.67.
32. Paion, E., 1910, M.J., 12.5.67.
33. Kostelletos, D., 1915, Artil., 1.7.67.
34. Chalkiadakis, Em., 1915, Artil., 1.7.67.
35. Chaidemenakis, A., 1915, Artil., 1.7.67.
36. Papadopoulos, D., 1914, Artil., 1.7.67.
37. Karyofilis, E., 1915, Artil., 1.7.67.
38. Stylianopoulos, A., 1916, Signal, 1.7.67.
39. Bistas, K., 1914, Inf., 1.7.67.
40. Galiotos, P., 1914, Inf., 1.7.67.
41. Kontoleon, M., 1911, Artil., 18.9.67.
42. Karatassos, E., 1911, Armour, 18.9.67.
43. Mandjikopoulos, K., 1916, Artil., 4.10.67.
44. Boukouris, G., 1915, Artil., 4.10.67.
45. Chalkoutsakis, J., 1915, Artil., 4.10.67.
46. Kirmidjakis, J., 1907, F.C., 4.10.67.
47. Rombotis, K., 1911, Inf., 4.10.67.
48. Papadopoulos, S., 1906, M.C., 4.10.67.
49. Piperis D., 1913, O.B., 28.11.67.
50. Stavroyanopoulo, K., 1912, T.S., 28.11.67.
51. Vourdas, A., 1909, Inf., 15.12.67.
52. Delivorias, P., 1909, Artil., 15.12.67.
53. Makedon, B., 1914, Artil., 15.12.67.
54. Chaidos, B., 1910, O.B., 15.12.67.
55. Kriezis, K., 1910, Armour, 15.12.67.
56. Zalachoris, N., 1914, Artil., 24.1.68.
57. Liarakos, S., 1916, Inf., 24.1.68.
58. Ninas, G., 1916, Artil., 24.1.68.
59. Mantzos, K., 1916, Armour, 24.1.68.
60. Martzoukos, Ch., 1910, Inf., 24.1.68.
61. Mainos, K., 1912, Artil., 24.1.68.
62. Kechayas, E., 1913, Inf., 24.1.68.
63. Zalachoris, A., 1913, Inf., 24.1.68.
64. Dimoulitsas, A., 1916, Artil., 24.1.68.
65. Dessypris, G., 1914, Artil., 24.1.68.
66. Papayannakis, E., 1911, Inf., 24.1.68.
67. Charvalakis, Th., 1910, Armour, 25.1.68.

LIEUTENANT GENERAL

68. Spandidakis, Gr., 1908, Armour, 14.12.67.
69. Manettas, J., 1910, Eng., 24.1.68.
70. Kollias, K., 1909, Inf., 24.1.68.
71. Peridis, G., 1916, Inf., 24.1.68.
72. Voudouroglou, J., 1913, Inf., 24.1.68.

BRIGADIER-GENERAL

73. Papas, E,, 1909, Inf., 6.5.67.
74. Mikroulis, S., 1912, Inf., 6.5.67.
75. Zafiropoulos, P., 1910, Inf., 6.5.67.
76. Bouzianas, B., 1911, Inf., 6.5.67.
77. Tzotzolakis, 1909, Inf., 6.5.67.
78. Fininis, G., 1911, Art., 6.5.67.
79. Xirios, K., 1909, Eng., 6.5.67.
80. Koulouris, T., 1911, Inf., 6.5.67.
81. Kotsopoulos, G., 1911, Artil., 6.5.67.
82. Georgakopoulos, A., 1916, Inf., 12.5.67.
83. Emirtzas, E., 1916, Inf., 12.5.67.
84. Zacharakis, E., 1915, Artil., 12.5.67.
85. Panourgias, P., 1917, Armour, 12.5.67.
86. Miliarakis, A., 1916, Inf., 12.5.67.
87. Yannimaras, B., 1916, Artil., 12.5.67.
88. Koroneos, D., 1915, Signal, 12.5.67.
89. Petropouleas, M., 1911, Signal, 12.5.67.
90. Konstantinou, A., 1912, O.B., 12.5.67.
91. Georgopoulos, K., 1915, T.C., 12.5.67.
92. Karavas, A., 1911, Inf., 19.5.67.
93. Chatzivassiliou, B., 1912, Inf., 19.5.67.
94. Michaelidis, J., 1915, Inf., 19.5.67.
95. Liouxas, J., 1915, Inf., 19.5.67.
96. Karayannis, J., 1912, Artil., 19.5.67.
97. Siassanis, G., 1912, Artil., 19.5.67.
98. Papakonstantinou, K., 1919, Inf., 19.5.67.
99. Delidakis, E., 1914, T.S., 19.5.67.
100. Themelis, A., 1909, M.S., 19.5.67.
101. Papamastorakis, 1910, M.S., 19.5 67.
102. Golfinopoulos, P., 1910, T.S. 19.5.67.
103. Tzannidis, P., 1908, Inf., 19.5.67.
104. Adrimis, S., 1909, Artil., 4.10.67.
105. Voutsadopoulos, N., 1915, Inf., 4.10.67.
106. Kyriakopoulos, K., 1909, Artil., 4.10.67.
107. Karapiperis, D., 1909, Inf., 4.10.67.
108. Kotsaris, CH., 1914, M.J., 4.10.67.
109. Danassis, D., 1914, Inf., 4.10.67.
110. Xirotyris, N., 1909, Inf., 4.10.67.
111. Armatas, S., 1911, M.C., 4.10.67.
112. Damvakakis, E., 1912, —, 4.10.67.
113. Kintzios, K., 1910, Inf., 9.11.67.
114. Fotiou, O., 1913, O.B., 28.11.67.
115. Papadakis, A., 1916, Inf., 28.11.67.
116. Vitsaxakis, K., 1909, M.C., 28.11.67.
117. Detsikas, J., 1912, Inf., 15.12.67.
118. Tsoukias, N., 1911, Inf., 15.12.67.
119. Damianos, J., 1911, Inf., 15.12.67.
120. Papayannopoulos, D., 1913, Artil., 15.12.67.
121. Romanas, A., 1911, Inf., 15.12.67.
122. Kavathas, T., 1911., Inf., 15.12.67.
123. Skoulas, N., 1910, M.C., 15.12.67.
124. Vavaroutsos, E., 1917, Inf., 15.12.67.
125. Komninos, J., 1915, Inf., 24.1.68.
126. Vidalis, O., 1917, Artil., 24.1.68.
127. Papageorgiou, K., 1917, Inf., 24.1.68.
128. Zafiropoulos, D., 1917, Inf., 24.1.68.
129. Demestichas, N., 1916, Inf., 24.1.68.
130. Erselman, A., 1916, Armour, 24.1.68.
131. Tsangos, N., 1917, Inf., 24.1.68.
132. Perivoliotis, G., 1914, Inf., 24.1.68.
133. Tavernarakis, G., 1915, Inf., 1.2.68.
134. Bouras, A., 1915, Inf., 1.2.68.
135. Mandakas, N., 1917, Inf., 1.2.68.
136. Spilios, S., 1915, Inf., 1.2.68.
137. Karadimitropoulos, A., 1915, Inf., 1.2.68.
138. Telis, G., 1912, Artil., 1.2.68.
139. Kitsos, B., 1917, Inf., 1.2.68.
140. Maravelias, G., 1910, O.B., 25.1.68.
141. Chondropoulos, E., 1912, Artil., 12.5.67.

COLONEL

142. Pirpilis, S., 1908, F.B., 12.5.67.
143. Rozakeas, M., 1912, F.B., 12.5.67.
144. Tsamassiotis, S., 1911, Inf., 12.5.67.
145. Bouzalas, B., 1910, Artil., 19.5.67.
146. Assimakopoulos, M., 1918, Inf., 19.5.67.
147. Vafiadakis, J., 1917, Inf., 19.5.67.
148. Papanayotou, N., 1916, Inf., 19.5.67.
149. Mourgelas, G., 1917, Inf., 19.5.67.
150. Vavaroutsos, E., 1917, Inf., 19.5.67.
151. Mavrochis, D., 1915, Inf., 19.5.67.
152. Nikitas, G., 1911, Inf., 19.5.67.
153. Kyriakopoulos, A., 1913, Artil., 19.5.67.
154. Nikiteas, S., 1917, Armour, 19.5.67.
155. Boukouris, G., 1915, Armour, 19.5.67.
156. Karakostas, P., 1910, M.C., 19.5.67.
157. Kotsaridas, S., 1910, M.C., 19.5.67.
158. Nicolopoulos, A., 1910, M.C., 19.5.67.
159. Mantzoros, A., 1918, N.P., 19.5.67.
160. Damvounelis, A., 1917, Armour, 19.5.67.
161. Tsimtsiklis, P., 1912, O.B., 19.5.67.
162. Mylonakos, B., 1912, O.B., 19.5.67.
163. Lobotessis, K., 1910, O.B., 19.5.67.
164. Ermochenis, K., 1910, O.B., 19.5.67.
165. Baladakis, K., 1909, O.B., 19.5.67.
166. Kabilis, J., 1909, M.B., 19.5.67.
167. Iconomakos, A., 1909, O.B., 19.5.67.
168. Theofanidis, N., 1912, O.B., 19.5.67.
169. Karkalis, A., 1916, M.J., 19.5.67.
170. Vratsos, E., 1915, M.J., 19.5.67.
171. Fourtis, G., 1913, T.C., 19.5.67.
172. Panagou, T., 1911, Inf., 18.9.67.
173. Antonopoulos, TH., 1919, Inf., 17.10.67.
174. Metallinos, J., 1913,Armour, 17.10.67.
175. Opropoulos, D., 1918, Inf., 17.10.67.
176. Skaleos, G., 1916, Armour, 17.10.67.
177. Trikatzopoulos, E., 1915, T.C., 17.10.67.
178. Kontaxis, P., 1913, Inf., 17.10.67.
179. Papapanou, S., 1916, Inf., 17.10.67.
180. Liourdis, S., Artil., 4.11.67.
181. Nikitas, Th., 1912, Inf., 28.11.67.
182. Antonatos, S., 1909, M.C., 15.12.67.
183. Bechrakis, K., 1909, M.P.O., 11.1.68.
184. Papathanassiou, P., 1917, Inf., 24.1.68.
185. Bratsos, J., 1918, Inf., 24.1.68.
186. Apostolakis, N., 1915, Signal, 24.1.68.
187. Yacoumis, G., 1918, Armour, 24.1.68.
188. Papatheodorou, E., 1919, Armour, 24.1.68.
189. Tzanetis, K., 1919, Artil., 24.1.68.
190. Karageorgas, A., 1919, Inf., 24.1.68.
191. Zervoyannis, N., 1919, Artil., 24.1.68.
192. Theologitis, K., 1919, Inf., 24.1.68.
193. Yannakopoulos, P., 1918, Inf., 24.1.68.
194. Chouchoulis, P., 1918, Inf., 24.1.68.
195. Varsos, J., 1921, Armour, 24.1.68.
196. Armou, N., 1921, O.B., 24.1.68.
197. Banos, S., 1914, Signal, 24.1.68.
198. Mitsovoleas, N., 1914, Inf., 24.1.68.
199. Kalamakis, P., 1919, Inf., 24.1.68.
200. Tsikouras, A., 1917, Signal, 24.1.68.
201. Biblis, K., 1913, Inf., 24.1.68.
202. Alexandrou, J., 1920, Artil., 24.1.68.
203. Papanikolaou, N., 1920, Inf., 24.1.68.
204. Matzaras, E., 1921, Inf., 24.1.68.
205. Panas, M., 1921, Inf., 24.1.68
206. Mavrokefalos, K., 1912, O.B., 24.1.68.
207. Tsarbopoulos, P., 1921, Armour, 24.1.68.
208. Veneris, K., 1917, Inf., 1.2.68.
209. Matzavakos, A., 1918, Inf., 1.2.68.
210. Leventidis, S., 1917, Inf., 1.2.68.
211. Rouchotas, E., 1917, Eng., 1.2.68.

LIEUTENANT COLONEL

212. Marcou, A., 1912, —, 1.2.68.
213. Moutoussis, N., 1921, Inf., 31.1.68.
214. Pavlantis, A., 1916, Inf., 31.1.68.
215. Polyzogopoulos, B., 1920, Signal, 31.1.68.
216. Tsoutsouras, S., 1915, Inf., 31.1.68.
217. Yannopoulos, A., 1914, Inf., 31.1.68.
218. Kondilis, D., 1920, Signal, 19.5.67.
219. Fakos, A., 1911, Inf., 19.5.67.
220. Assariotakis, G., 1912, Inf. 19.5.67.
221. Serafimidis, D., 1914, O.B., 19.5.67.
222. Plapoutas, K, 1911, O.B., 19.5.67.
223. Chrissafidis, P., 1912, O.B., 19.5.67.
224. Theodorou, S., 1913, T.B., 19.5.67.
225. Vlachopoulos, S., 1912, T.B., 19.5.67.
226. Ioannou, P., 1914, T.B., 19.5.67.
227. Genias, G., 1915, T.B., 19.5.67.
228. Kapralos, A., 1911, T.B. 19.5.67.
229. Stragalas, D., 1915, Inf., 19.5.67.
230. Kovitis, A., 1917, Inf., 19.5.67.
231. Karouzakis, E., 1913, Inf., 19.5.67.
232. Balafas, K., 1915, Inf., 19.5.67.
233. Amanatidis, G., 1915, Inf., 19.5.67.
234. Thanos, J., 1915, Inf., 19.5.67.
235. Bels, A., 1921, Inf., 1.7.67.
236. Yannopoulos, J., 1915, Inf., 1.7.67.
237. Klaoudatos, G., 1920, Inf., 1.7.67.
238. Alamanos, A., 1914, Inf., 1.7.67.
239. Makryannis, A., 1909, Artil., 18.9.67.
240. Karydis, L., 1909, M.D., 18.9.67.
241. Kontogiorgis, J., Signal, 18.9.67.
242. Lidakis, S., 1918, Artil., 18.9.67.
243. Tsokanas, S., 1919, Artil., 18.9.67.
244. Frangos, J., 1913, Eng., 18.9.67.
245. Trivizas, Th., 1915, Signal, 18.9.67.
246. Bouras, A., 1918, Inf., 18.9.67.
247. Loukas, L., 1918, Signal, 18.9.67.
248. Kypiakopoulos, K., 1921, Artil., 18.9.67.
249. Stellos, N., 1921, Signal, 18.9.67.
250. Giatas, A., 1919, Inf., 18.9.67.
251. Dolgiras, M., 1922, Inf., 18.9.67.
252. Fiotakis, S., 1919, Artil., 18.9.67.
253. Floridis, Ch., 1921, Armour, 4.10.67.
254. Giannakos, Z., 1916, Artil., 4.10.67.
255. Bairaktaris, B., 1919, Inf., 4.10.67.
256. Tsoussis, D., 1920, Inf., 4.10.67.
257. Drossoyannis, A., 1922, Inf., 4.10.67.
258. Topalis, F., 1922, Artil., 4.10.67.
259. Tsandouklas, K., 1919, Signal, 4.10.67.
260. Manoussakis, Ch., 1920, Inf., 4.10.67.
261. Kalatzakis, E., 1918, Inf., 4.10.67.
262. Skordakis, J., 1915, F.B., 4.10.67.
263. Liveris, Ch., 1918, F.B., 4.10.67.
264. Platsakis, S., 1912, F.B., 4.10.67.
265. Platakos, Ch., 1911, T.C., 4.10.67.
266. Antoniadis, M., 1915, Armour, 4.10.67.
267. Tsonas, Th., 1911, Inf., 4.10.67.
268. Goranitis, D., 1910, O.B., 4.10.67.
269. Siskos, A., 1913, T.B., 4.10.67.
270. Stamkos, A., 1914, T.B., 4.10.67.
271. Androulidakis, J., 1913, T.C., 4.10.67.
272. Daskalopoulos, K., 1917, T.C., 4.10.67.
273. Zantidis, K., 1917, Inf., 4.10.67.
274. Kertemelidis, P., 1921, Inf., 4.10.67.
275. Markoyannakis, M., 1917, Inf., 4.10.67.
276. Moros, N., 1920, Inf., 4.10.67.
277. Chrissostalis, S., 1921, Inf., 4.10.67.
278. Grondidis, Ch., 1916, Inf., 4.10.67.
279. Zacharopoulos, P., 1921, Inf., 4.10.67.
280. Yannakakis, A., 1918, Inf., 4.10.67.
281. Lamnatos, Th., 1918, Artil., 4.10.67.
282. Vlachos, G., 1918, Artil., 4.10.67.
283. Vlachakis, B., 1921, Armour, 4.10.67.
284. Kotakis, K., 1915, F.B., 4.10.67.
285. Alexandrakis, K., 1913, Inf., 4.10.67.
286. Grigorakakis, P., 1911, Inf., 11.1.68.
287. Mentzas, N., 1911, Inf., 11.1.68.
288. Zoidis, A., 1911, T.B., 11.1.68.
289. Papapanos, E., 1911, T.B., 11.1.68.
290. Vardakis, E., 1911, O.B., 11.1.68.
291. Sarlis, B., 1911, M.C., 11.1.68.
292. Leontis, J., 1911, M.C., 11.1.68.
293. Mansolas, D., 1911, M.C., 11.1.68.
294. Kakavelas, S., 1924, Armour, 24.1.68.
295. Poulakakis, J., 1922, Inf., 24.1.68.
296. Dimadis, O., 1918, Inf., 24.1.68.
297. Koutsangelou, N., 1927, Inf., 24.1.68.
298. Levakos, N., 1919, Inf., 24.1.68.
299. Bissias, J., 1920, Inf., 24.1.68.
300. Sakellariou, K., 1922, Inf., 24.1.68.
301. Souravlas, J., 1921, Inf., 24.1.68.
302. Chrissikos, K., 1917, Signal, 31.1.68.
303. Yannopoulos, A., 1914, Signal, 31.1.68.
304. Georgopoulos, Th., 1918, Signal, 31.1.68.
305. Rangos, J., 1921, Inf., 31.1.68.
306. Sarantopoulos, B., 1915, Artil., 31.1.68.
307. Yakoumis, D., 1920, Eng., 31.1.68.
308. Dendramis, K., 1910, Inf., 31.1.68.
309. Theodoridis, N., 1916, Inf., 31.1.68.
310. Karakolis, N., 1920, Armour, 31.1.68.
311. Karamazakis, J., 1912, Inf., 31.1.68.
312. Kontoyannis, G., 1919, Inf., 31.1.68.
313. Matzarlis, B.,, 1927, Inf., 31.1.68.
314. Alexandropoulos, G., 1917, Inf., 31.1.68.
315. Somarakakis, S., 1915, Inf., 31.1.68.
316. Matzarlis, Th., ——, Inf., 31.1.68.

MAJOR

317. Sdralis, A., 1917, Signal, 19.5.67.
318. Sitaras, A., 1915, Signal, 19.5.67.
319. Vourvos, A., 1914, Artil., 19.5.67.
320. Leontidis, A., 1914, Inf., 19.5.67.
321. Bombos, G., 1914, Inf., 19.5.67.
322. Constantinou, E., 1914, Artil., 19.5.67.
323. Dangonakis, N., 1914, Artil., 19.5.67.
324. Chrissochoou, A., 1914, Q.B., 19.5.67.
325. Papadopoulos, G., 1913, Artil., 19.5.67.
326. Chadziantoniou, P., 1913, T.B., 19.5.67.
327. Denekos, S., 1915, T.B., 19.5.67.
328. Keratsopoulos, K., 1915, T.B., 19.5.67.
329. Papas, D., 1913, T.B., 19.5.67.
330. Angeloyannis, E., 1914, T.B., 19.5.67.
331. Pavlidis, K., 1915, T.B., 19.5.67.
332. Iliodromitis, D., 1914, T.B., 19.5.67.
333. Mamatas, N., 1913, T.B., 19.5.67.
334. Theologitis, K., 1914, Signal, 19.5.67.
335. Viklis, M., 1917, Inf., 19.5.67.
336. Stamoulis, S., 1915, Inf., 19.5.67.
337. Margarlitis, J., 1913, T.B., 19.5.67.
338. Kotoulás, N., 1915, T.B., 19.5.67.
339. Marselos, G., 1915, T.B., 1.7.67.
340. Kounelis, K., 1912, Inf., 1.7.67.
341. Mylonas, K., 1912, O.B., 1.7.67.
342. Orfanos, J., 1918, Eng., 4.10.67.
343. Chadziandreou, A., 1920, Inf., 4.10.67.
344. Gialelis, Ch., 1915, Eng., 4.10.67.
345. Lelakis, M., 1916, Inf., 4.10.67.
346. Meletis, J., 1915, Inf., 4.10.67.
347. Lekas, B., 1920, Eng., 4.10.67.
348. Delithanassis, A., 1920, Inf., 4.10.67.
349. Koronelos, J., 1925, Inf., 4.10.67.
350. Kasvikis, N., 1916, Inf., 4.10.67.
351. Papadimitriou, E., 1914, Inf., 4.10.67.
352. Stavropoulos, A., 1917, Inf., 4.10.67.
353. Saloufakos, Th., 1926, Inf., 4.10.67.
354. Tyrakis, E., 1926, Inf., 4.10.67.
355. Vlachos, S., 1920, Inf., 4.10.67.
356. Skouras, G., 1915, Inf., 4.10.67.
357. Fratzeskakis, E., 1915, Inf., 4.10.67.
358. Skouras, D., 1913, Inf., 4.10.67.
359. Roumbeas, K., 1914, Inf., 4.10.67.
360. Rachiotis, G., 1914, Inf., 4.10.67.
361. Constantatos, A., 1915, Inf., 4.10.67.
362. Perakis, G., 1915, Inf., 4.10.67.
363. Lolos, Ch., 1914, Inf., 4.10.67.
364. Daverakis, B., 1917, Inf., 4.10.67.
365. Ploumidis, M., 1914, Inf., 4.10.67.
366. Kladissios, G., 1915, Inf., 4.10.67.
367. Amarantos, Th., 1916, Inf., 4.10.67.
368. Papadakis, G., 1915, Inf., 4.10.67.
369. Kassionis, S., 1917, Inf., 4.10.67.
370. Zervakis, M., 1917, Inf., 4.10.67.
371. Kedrakas, D., 1916, Inf., 4.10.67.
372. Papamikroulis, G., 1915, Inf., 4.10.67.
373. Liapis, D., 1917, Inf., 4.10.67.
374. Kanellos, Th., 1918, Inf., 4.10.67.
375. Galanis, N., 1913, Inf., 4.10.67.
376. Periferakis, G., 1925, Inf., 4.10.67.
377. Koumantakis, E., 1915, Artil., 4.10.67.
378. Vassilakis, M., 1915, Artil., 4.10.67.
379. Schistos, J., 1915, Artil., 4.10.67.
380. Vrachas, D., 1917, Artil., 4.10.67.
381. Ermidis, G., 1915, Armour, 4.10.67.
382. Chadzikranitotis, G., 1915, Armour, 4.10.67.
383. Gialelis, P., 1925, Inf., 4.10.67.
384. Vlachos, S., 1926, Inf., 4.10.67.
385. Anastassiou, N., 1925, Inf., 4.10.67.
386. Pagonis, S., 1927, Inf., 4.10.67.
387. Konsolas, S., 1926, Inf., 4.10.67.
388. Antoniou, Th., 1926, Inf., 4.10.67.
389. Palatzas, A., 1925, Inf., 4.10.67.
390. Politis, G., 1924, Inf., 4.10.67.
391. Senis, J., 1925, Armour, 4.10.67.
392. Athanassopoulos, J., 1926, T.B., 4.10.67.
393. Sifakis, G., 1917, O.B., 4.10.67.
394. Kormbos, P., 1920, O.B., 4.10.67.
395. Voudouris, N., 1914, O.B., 4.10.67.
396. Anagnostidis, K., 1915, Artil., 4.10.67.
397. Tirsilis, D., 1915, T.C., 4.10.67.
398. Triantafillidis, N., 1914, T.C., 4.10.67.
399. Katilianos, N., 1915, T.C., 4.10.67.
400. Chatzaras, G., 1913, Armour, 4.10.67.
401. Plastiras, K., 1915, T.C., 4.10.67.
402. Apostolakos, N., 1914, Inf., 4.10.67.
403. Kavroudakis, J., 1920, Inf., 17.10.67.
404. Antonopoulos, D., 1918, Inf., 17.10.67.
405. Aretakis, E., 1915, Inf., 17.10.67.
406. Drougas, N., 1926, F.B., 17.10.67.
407. Xanthakis, N., 1919, Armour, 17.10.67.
408. Chaloulos, S., 1926, Inf., 17.10.67.
409. Kostopoulos, K., 1921, Inf., 17.10.67.
410. Kelaidakis, E., 1916., Inf., 17.10.67.
411. Stassinopoulos, P., 1920, Inf., 17. 10.67.
412. Chatziyannis, G., 1918, Inf., 17.10.67.
413. Chondrokoukis, P., 1916, Armour, 17.10.67.
414. Nikiforiadis, B., 1924, Inf., 17.10.67.
415. Chethas, L., 1925, F.B., 17.10.67.
416. Bellos, N., 1914, T.B., 9.11.67.
417. Yachnis, M., —, Eng., 28.11.67.
418. Moustaklis, S., —, Inf., 4.11.67.
419. Scouros, K., —, Signal, 29.12.67.
420. Zervakis, G., 1913, Inf., 11.1.68.
421. Chatzistylianos, N., 1913, Inf., 11.1.68.
422. Tzanes, P., 1913, Inf., 11.1.68.
423. Kontopoulos, N., 1913, Inf., 11.1.68.
424. Papaikonomou, J., 1913, Inf., 11.1.68.
425. Pardos, K., 1913, Artil., 11.1.68.
426. Andreadis, A., 1913, Artil., 11.1.68.
428. Vougiouklakis, G., 1913, O.B., 11.1.68.
429. Lemonakis, N., 1913, O.B., 11.1.68.
430. Boukalis, A., 1913, O.B., 11.1.68.
431. Cheizanoglou, E., 1913, Signal, 11.1.68.
432. Delopoulos, E., 1913, Signal, 11.1.68.
433. Irinidis, K., 1913, Signal, 11.1.68.
434. Gravanis, D., 1913, T.B., 11.1.68.
435. Frangiadakis, G., 1913, T.B., 11.1.68.
436. Dolkas, K., 1913, T.B., 11.1.68.
437. Gekas, E., 1913, O.B., 11.1.68.
438. Bolossis, P., 1913, O.B., 11.1.68.
439. Paparas, G., 1913, T.C., 11.1.68.
440. Chaliassos, A., 1913, O.B., 11.1.68.
441. Markoulidis, D., 1913, M.C., 11.1.68.
442. Pispas, P., 1913, M.C., 11.1.68.
443. Mozeras, A., 1913, —, 11.1.68.
444. Papandreou, G., 1925, Inf., 31.1.68.
445. Avrameas, M., 1927, Signal, 31.1.68.
446. Demestichas, D., 1927, Inf., 31.1.68.
447. Fountoulakis, G., 1917, Inf., 31.1.68.
448. Karoussos, G., 1925, Inf., 31.1.68.
449. Pnevmatikos, A., 1928, Inf., 31.1.68.
450. Vamvakas, Ch., 1930, Artil., 31.1.68.
451. Kourkafas, B., 1925, Inf., 31.1.68.
452. Papanikolaou, K., 1926, Inf., 31.1.68.
453. Polichroniou, D., 1922, Signal, 31.1.68.
454. Kapelaris, D., 1926, Inf., 31.1.68.
455. Zissis, D., 1928, Inf., 31.1.68.
456. Lelos, G., 1924, Inf., 31.1.68.
457. Mantakos, P., 1926, Inf., 31.1.68.
458. Bouros, D., 1928, Eng., 31.1.68.
459. Chamartos, J., 1928, Signal, 31.1.68.
460. Kotsakis, N., 1911, Inf., 31.1.68.
461. Kastrinakis, S., 1918, Inf., 1.2.68.

CAPTAIN

462. Triantafillou, P., 1928, Signal, 19.5.67.
463. Katsaris, Th., 1917, Signal, 19.5.67.
464. Theodorou, Ch., 1918, Signal, 19.5.67.
465. Mathioudakis, A., 1935, Inf., 19.5.67.
466. Chatzianastassiou, D., 1917, T.C., 19.5.67.
467. Spanos, K., 1925, Artil., 4.10.67.
468. Mathioudakis, B., 1927, Artil., 4.10.67.
469. Tsagris, B., 1931, Artil., 4.10.67.
470. Petropoulakis, B., 1930, Artil., 4.10.67.
471. Zarkadas, A., 1931, Artil., 4.10.67.
472. Yannopoulos, J., 1930, Artil., 4.10.67.
473. Chaloftis, J., 1933, Artil., 4.10.67.
474. Chondroyannis, K., 1922, Inf., 4.10.67.

475. Korkalis, S., 1926, Inf., 4.10.67.
476. Kalaitzakis, E., 1928, Inf., 4.10.67.
477. Violakis, E., 1930, Inf., 4.10.67.
478. Korkoliakos, D., 1928, Inf., 4.10.67.
479. Leounakis, J., 1928, Inf., 4.10.67.
480. Matzos, A., 1926, Inf., 4.10.67.
481. Stergiopoulos, E., 1928, Inf., 4.10.67.
482. Xiftilis, E., 1932, Inf., 4.10.67.
483. Karaberis, G., 1931, Inf., 4.10.67.
484. Archakis, A., 1930, Inf., 4.10.67.
485. Papadongonas, D., 1924, Inf., 4.10.67.
486. Kanterakis, S., 1919, Inf., 4.10.67.
487. Kostopoulos, M., 1926, Inf., 4.10.67.
488. Katsiyannis, D., 1931, Inf., 4.10.67.
489. Zervas, Ch., 1933, Inf., 4.10.67.
490. Palatzas, D., 1928, Eng., 4.10.67.
491. Michalakis, G., 1928, Signal, 4.10.67.
492. Angelakis, J., 1925, Signal, 4.10.67.
493. Chatzidakis, E., 1926, Signal, 4.10.67.
494. Spanoudakis, Th., 1929, Armour, 4.10.67.
495. Yannissis, N., 1930, Armour, 4.10.67.
496. Melistas, G., 1932, Armour, 4.10.67.
497. Kyvelos, E., 1931, Armour, 4.10.67.
498. Minakidis, G., 1933, Armour, 4.10.67.
499. Katerinis, A., 1927, T.B., 4.10.67.
500. Androulidakis, B., 1931, T.B., 4.10.67.
501. Armonis, G., 1927, T.B., 4.10.67.
502. Skrivanos, S., 1928, T.C., 4.10.67.
503. Vorvolakos, N., 1931, Armour, 17.10.67.
504. Gerakitis, J., 1931 Inf., 17.10.67.
505. Karoyannis, A., 1934 Armour, 17.10.67.
506. Koroneos, G., 1934, Armour, 17.10.67.
507. Koutsoyannakis, J., 1933, Artil., 17.10.67.
508. Machas, P., 1933, Inf., 17.10.67.
509. Paradissianos, S., 1933, Inf., 17.10.67.
510. Polyzos, N., 1932, Inf., 17.10.67.
511. Sermakezis, S., 1930, Inf., 17.10.67.
512. Terzakis, Ch., 1930, Inf., 17.10.67.
513. Trambakoulos, N., 1931, Inf., 17.10.67.
514. Tsiridis, A., 1930, Inf., 17.10.67.
515. Grivis, K., 1924, Inf., 17.10.67.
516. Koutsodimitropoulos, 1930, Inf., 17.10.67.
517. Prassas, E., 1931, Inf., 17.10.67.
518. Papassimakopoulos, N., 1930, Signal, 17.10.67.
519. Papaspirou, E., 1932, Signal, 17.10.67.
520. Patsiadis, P., 1926, F.B., 17.10.67.
521. Rangakos, E., 1933, Armour, 17.10.67.
522. Charissis, X., 1932, Armour, 17.10.67.
523. Aletras, G., 1934, Armour, 17.10.67.
524. Bardanis, M., 1936, Armour, 17.10.67.
525. Chronis, J., 1936, M.C., 17.10.67.
526. Ziras, K., —, Inf., 4.11.67.
527. Psaros, S., 1933, Artil., 9.11.67.
528. Papaefthimiou, J., — O.B., 29.12.67.
529. Kallitsounakis, E., 1915, Inf., 11.1.68.
530. Laskos, Ch., 1915, Inf., 11.1.68.
531. Petrakis, A., 1913, Adm., 11.1.68.
532. Romanos, N., 1913, Adm., 11.1.68.
533. Krystalis, N., 1913, Adm., 11.1.68.
534. Boretis, N., 1913, Adm., 11.1.68.
535. Katsiyannis, E., 1913, Adm., 11.1.68.
536. Drakopoulos, N., 1913, Adm., 11.1.68.
537. Antonakos, L., 1913, Adm., 11.1.68.
538. Nissiotis, A., 1915, Artil., 11.1.68.
539. Milionis, Th., 1915, T.C., 11.1.68.
540. Agorastos, A., 1915, M.C., 11.1.68.
541. Ioannou, A., 1915, V.C., 11.1.68.
542. Grinitzakis, J., 1915 V.C., 11.1.68.
543. Partheniou, N., 1915 V.C., 11.1.68.
544. Nikoloudakis, J., 1913, V.C., 11.1.68.
545. Koukouvlos, D., 1928, Inf., 31.1.68.
546. Skourkeas, S., 1932, Inf., 31.1.68.
547. Papageorgopoulos, G., 1933, Inf., 31.1.68.
548. Koufalitakis, E., 1927, Armour, 1.2.68.
549. Kanellos, A., 1919, T.B., 1.2.68.

FIRST LIEUTENANT

550. Rimikis, N., 1925, Inf., 19.5.67.
551. Kazalakis, G., 1920, Inf., 19.5.67.
552. Loukianos, J., 1925, Inf., 19.5.67.
553. Karlis, G., 1934, Inf., 19.5.67.
554. Tsoumbas, A., 1942, Eng., 9.11.67.
555. Mastoras, Ch., 1917, Mus., 9.11.67.
556. Sideris, A., 1940, Signal, 31.1.68.

COLONEL

557. Neroutsos, A., 1911, Inf., 19.5.67.
558. Vassiliadis, G., 1911, Artil., 19.5.67.

(At this point, Mr. CLARK took the chair as Presiding Officer.)

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF SECRETARY RUSK

Mr. PELL. Mr. President, I rise to congratulate our Secretary of State, and for the way in which our policy has been conducted in connection with the current crisis in Czechoslovakia. I believe that Secretary Rusk is absolutely right in emphasizing to the Soviet Government that any alleged "imperialist" activity in Czechoslovakia has nothing whatsoever to do with the United States and in emphasizing, too, that the United States intends to stay on the sidelines.

We should not provide the Soviets with even the shadow of an excuse for intervening forcefully in Czechoslovakia. They—and they alone—must bear the responsibility for their own actions. Our greatest contribution can be forebearance, although at the same time I think it worth noting that any use of force by the Soviets in Czechoslovakia would have very great repercussions in this country, as I am sure the Soviet Government realizes.

I have recently returned from a week's visit to Czechoslovakia, a country with which I have had strong personal ties all of my adult life. I have traveled there since before the Second World War. My first assignment in the Foreign Service took me 22 years ago to Prague and then to Bratislava where I established the American consulate general and where I served before and after the Communist putsch in 1948. Since then I have returned to Czechoslovakia several times.

My observations as a result of my most recent visit to Czechoslovakia are contained in a report to the Committee on Foreign Relations which was issued this morning. I would like to recapitulate these observations because I believe that they are particularly timely today.

When I arrived in Prague to begin my first assignment as a Foreign Service officer, I did not, of course, know at the time that Czechoslovakia was soon to become a Communist country solidly entrenched within what was then known as the Soviet bloc. Now, more than 20 years later, Czechoslovakia is still a Communist country and still closely allied to the Soviet Union through the Warsaw Pact. But its leaders are attempting to reform Czechoslovakia's Communist society to make it more democratic and more humanistic—more responsive to the will of the Czech and Slovak peoples, more tolerant of dissent, and more progressive socially, economically, and culturally—than it has been at any time during the 20 years of Communist rule.

They have, however, obviously no intention of replacing the present Communist regime with a non-Communist regime of any sort. For there is a central political fact of life governing Czechoslovakia's fate that is as permanent as the baroque architecture of Czechoslovakia's capital city. It is that Czechoslovakia is a small, Central European state and that its fortunes—for better or for worse—must thus lie with the dominant force in Central Europe. From 1938 until 1944 that dominant force was Nazi Germany. Since 1945, that dominant force has been the Soviet Union.

Czechoslovakia's new leaders obviously understand this fact of life. Nevertheless, the country's new liberal and reform-minded leadership, which assumed power in January by obtaining the support of a majority of the Communist Party's central committee, has succeeded in bringing about a greater degree of personal freedom in the country than at any time since 1948. Thus, I found on my recent visit that people would see me who had not been willing to see me for 20 years, that people would say things to me that they have not been willing to say for 20 years and that people now dare to hope for a future for which they have not dared to hope for 20 years.

But the new personal freedom in Czechoslovakia confronts the Government with a problem of potential internal political pressure. The new government must keep the most active and aggressive reformers—notably the students and intellectuals—under control and make sure that they do not exceed the bounds which would threaten internal stability or jeopardize the basis of Czechoslovakia's relations with the Soviet Union.

The new Government must thus face the difficult task of satisfying the desire for political expression while keeping the Communist Party firmly in control. It has often been argued that a nation cannot be partially free—that the desire for freedom is so contagious that once it is allowed to be expressed it cannot be limited or controlled. The people of Czechoslovakia presently seem to be aware of the fact that, for them, history has dictated that whatever freedom they enjoy must be somewhat circumscribed. The greater question is whether the forces of freedom can be kept on the present tight leash or whether they will become unleashed and provoke a Soviet response. Can the genie of freedom be let go?

This, then, is the overriding question for Czechoslovakia today—How far will the Soviets permit the new Government to go in remaking a socialist society? What reforms do the Soviets believe that they can tolerate in a Communist country which would not endanger their security either directly or—and far more importantly—indirectly, through example; an example they do not yet want to see followed in other countries or indeed in their own country? The Kremlin's conservatives are worried by the domino effect following in other Eastern European countries because of the events in Czechoslovakia.

It seems generally recognized in Czechoslovakia that this concern of the Soviet regime—shared by the Polish, East German, and Bulgarian regimes and, to a somewhat lesser degree, by the Hungarians—means that there are very definite limits to the reform movements which must be observed. These limits are that first, Czechoslovakia cannot withdraw from, or show infidelity, to the Warsaw pact; second, the Communist Party must maintain its "leading role" which means that there can be no real opposition political parties or true multiparty system; and, third, there can be no return to private ownership of the means of production and, thus, to a non-Communist society.

The Czechoslovaks believe that they are free to operate within these three limits. But it seems to me that whether the Soviets are willing to settle even for these conditions remains very much an open question. In this connection, there have been, and continue to be, ominous signs in Czechoslovakia, in the Soviet Union, and in other Warsaw pact countries which have been reported in the American press and thus do not need to be cataloged at this time.

In this morning's press, for example, there are reports of an impending confrontation between the Politburo of the Communist Party of the Soviet Union and the Presidium of the Communist Party of Czechoslovakia and reports of large-scale maneuvers of Soviet troops near the Soviet-Czechoslovak frontier. And meanwhile thousands of Soviet troops remain in Czechoslovakia, even though the Warsaw pact maneuvers for which purpose they originally entered Czechoslovakia ended almost 1 month ago.

In the past few weeks, there has been a suddent improvement in the atmosphere as far as our relations with the Soviet Union are concerned. Instruments of ratification of the Consular Convention have exchanged. The Nonproliferation Treaty has been signed. The Soviets have agreed to begin discussions on offensive and defensive strategic weapons. Air service between Moscow and New York has finally begun. And a new Soviet-American cultural agreement has been concluded.

These developments are most welcome indeed, but they should not distract our attention from the march of events in Czechoslovakia and should in no way allow the Soviets to conclude that, having strengthened their relations with us, they are thus free to intervene in Czechoslovakia with impunity and without serious consequences. It should be obvious to Soviet leaders that an intervention involving naked armed force would be a most damaging blow to their relations with the United States, as well as to East-West détente in Europe. West German refusal to accede to the Nonproliferation Treaty might well be one specific result. Second thoughts in the United States about participating in strategic weapons talks with the Soviet Union might be another.

Certainly I would find it difficult to support efforts to reach agreements with the Soviet Union on matters involving forebearance in the use of force if, at the same time, force was being used in Central Europe. I have no doubt that many of my colleagues would share my feelings.

The Munich agreement of 1938 sold out Czechoslovakia for the illusory price of continued peace with Nazi Germany. There is now the danger of a second Munich in Europe—that is, even a tacit agreement with the Soviet Union which would sell Czechoslovakia down the river for the price, again the illusory price, of continued détente.

And there is another historical parallel to bear in mind. The surrender of Czechoslovakia into Hitler's hands through the Munich agreement was the precursor to the Second World War. Czechoslovakia's conversion to communism in 1948 signaled the real beginning of the cold war. Now 20 years later, any attempt by the Soviet Union to use force to repress the efforts of Czechoslovakia's new leaders to reform the Communist system—to reform it, but not replace it—could revive the cold war and bring on a new ice age in Europe.

MARITIME AUTHORIZATION—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15189) to authorize appropriations for certain maritime programs of the Department of Commerce. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of July 26, 1968, p. 23713, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow, following the prayer and the disposition of the Journal, there be a period for the transaction of routine morning business not to exceed 30 minutes; that immediately following the period set aside for the transaction of routine morning business, there be 30 minutes on the pending conference report, with the time to be controlled by the Senator from Washington [Mr. MAGNUSON], and the Senator from Delaware [Mr. WILLIAMS]—15 minutes to a side; and, further, that the vote on the conference report occur not later than 1 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, reserving the right to object—and I shall not object—I want the RECORD to show that the reason we are doing this is that we need some expeditious action on the conference report because the committee is ready to mark up the appropriation bill for the Departments of State, Justice, and Commerce and, it cannot do so until we act upon the maritime appropriations which are now involved in the Commerce Department.

The committee is ready to do this, but action has been postponed, not once but twice. I therefore appreciate the cooperation of the Senator from Delaware in this matter to get this done early.

The unanimous-consent agreement reduced to writing is as follows:

> *Ordered,* That the Senate proceed to vote on the conference report on H.R. 15189, a bill to authorize appropriations for certain maritime programs of the Department of Commerce, not later than 1 p.m., Thursday, July 25, 1968, and that the 30 minutes following the routine morning business (which period shall not exceed 30 minutes) shall be equally divided and controlled by the Senator from Washington [Mr. MAGNUSON] and the Senator from Delaware [Mr. WILLIAMS].

RECOGNITION OF SENATOR JAVITS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that during the period for the transaction of routine morning business on tomorrow, the distinguished Senator from New York [Mr. JAVITS] be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FORTHCOMING RETIREMENT OF JEROME KEATING, PRESIDENT, NATIONAL ASSOCIATION OF LETTER CARRIERS

Mr. MONRONEY. Mr. President, when the Postmaster General announced a few days ago proposed curtailments in the postal service, one of the first to speak up was Jerome Keating, president of the National Association of Letter Carriers. He said:

> These are people that we are dealing with. You can't stop the postal service because it means people.

That remark typifies the attitude which Jerome Keating has had during his long and distinguished service as a letter carrier in the postal service and as an officer and president of the National Association of Letter Carriers.

The needs of the people, the good of

the postal service, and the importance of the mail messenger to American life have always been uppermost in his mind. I have never known a representative of any organization who has done a better job in representing his members and of acting with great leadership and true statesmanship than Jerome Keating.

I was amused last year to read in the Postal Record, the official monthly magazine of the National Association of Letter Carriers, an editorial from the March 1907 issue. It said:

> President Roosevelt has signed the pay bill into law. This is the first pay raise in 19 years and it increases the top wage of carriers and clerks to $1,200 a year. Substitutes have been raised to 30¢ an hour. The entrance salary remains at $600 and that is not going to attract many able young men into the service.

And a little farther down the page, an excerpt from the Postal Record of March 1917, 10 years later, which said:

> The pay raise passed 10 years ago has worn a little thin.

We have come a long, long way from those days. Last year Congress guaranteed pay comparability for postal employees and other Federal employees with their counterparts in private enterprise. Pay raises for postal employees today are enacted annually to keep abreast of modern economic and social needs and realities. In his 25 years in Washington, Jerome Keating has, more than any other Federal employee representative, helped achieve that goal. He has been a good friend, a trusted adviser, and a most effective legislative advocate for the welfare of all Federal employees. For many years he was one-half of the great postal workers team of "Big Bill" Dougherty and Jerry Keating, who made the letter carriers organization the biggest, the best known, and the most effective champion of the ordinary Federal employee.

In 1962 he was elected president of the national association, and has continued more effectively than ever before as a leader for Federal employees. He has helped Congress develop the following big programs that make the Federal Government an attractive employer:

The civil service retirement program enacted in 1956, which was the product of the Senate Committee on Post Office and Civil Service; and we sought his advice and counsel in the consideration of that legislation to offer a fair and attractive retirement plan to Federal employees;

The Federal employees group life insurance program, enacted when the committee enjoyed the leadership of the distinguished senior Senator from Kansas, Senator CARLSON, a program to fill the void existing at that time when postal employees had no insurance protection except what they could buy with inadequate salaries;

The Federal employees group health insurance program, again was the product of the Senate Committee on Post Office and Civil Service, enacted in 1959, which offers the Government-sponsored health plan for all Federal employees. Jerome Keating's advice and counsel in the development of that plan was invaluable because the National Association of Letter Carriers had for many years offered their members health insurance protection where the Federal Government had failed to provide one;

And finally, the principle of salary comparability which was enacted in 1962, and after several difficult years, finally fulfilled last year with the enactment of Public Law 90–206.

Jerome Keating has consistently supported the needs of an improved postal service. When the unpopular necessity arises to increase postage rates he has willingly stepped forward to recognize the necessity for additional funds in order to provide improved service and meet the needs of our 80-billion-piece mail volume. He has testified before the Appropriations Subcommittee on Treasury and Post Office supporting increased appropriations for vital postal services, and he has, whenever possible, supported the policy and programs of the administration and helped line up support for legislation that was in trouble.

In 1965 and 1966 he reluctantly, but loyally, supported the President, and, I might add, the chairman of the Senate Committee on Post Office and Civil Service, in sticking with the economic necessity of the time and accepting a 3.6- and a 3.2-percent pay increase in those years. His prestige, his ability, his intelligence, and his integrity are so well known in the House of Representatives and in the Senate that his advocacy, support, opposition, or silence carry great weight on both sides of the aisle.

Jerome Keating will retire as president of the Letter Carriers this year. I hope that we will be able to benefit from his continued interest in the people of the postal service and the function of the post office in the future as much as we have in the past. I extend to him and to his lovely wife, Marion, my very best wishes for their continued happiness and good health.

CHEROKEE HILLS RESOURCE CONSERVATION AND DEVELOPMENT TRAINING AND RETRAINING PROGRAM

Mr. MONRONEY. Mr. President, nothing succeeds like success. Unfortunately, in many parts of our country, and particularly in the less developed areas, success is hard to come by for a great number of people. Not only is the principal force of our economy bypassing these sections, but so are the means and methods of that forceful economy.

It is, therefore, a great thrill to me to get information concerning successful programs to bring our human resources into line with the economic necessities of preparedness for opportunity. Just such a project is described in the Cherokee Hills resource conservation and development training and retraining program in Oklahoma. The progress being made through that project has been very well written up by Ed Montgomery of the Daily Oklahoman in the "Oklahoma Orbit" on June 9, 1968. I ask unanimous consent that this article be placed in the RECORD as illustrative of progress in the development of our human resources.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW SKILLS, BETTER JOBS

(By Ed Montgomery)

Thomas Foreman of Jay has gone back to school at the age of 43. He's learning how to run a bulldozer.

People all over the country will be interested in seeing how Thomas Foreman and others like him come out.

They're part of a pilot project designed to train local people to fill new jobs being created in rural America through 41 self-help projects scattered around the country.

The trail-blazing Oklahoma effort, a $1½ million special training program, got started this spring. During the first phase, a $300,000 grant from the U.S. Department of Labor will enable 164 unemployed Oklahomans to learn a variety of specialized jobs.

Thomas Foreman and 14 others are members of the first class to start training under the program. They are undergoing 20 weeks of classes in a school at Bull Hollow, near Jay, Delaware County.

The training site and equipment for the school are furnished by the Cherokee tribe. Most of the trainees are Cherokees.

Eight other courses, now begun or about to start, will train unemployed workers in tractor and implement repair, combination welding, machine tool operation, farm maintenance and small motor repair. Also included are two other classes for bulldozer operators and a stenographer refresher course.

The combination welding and machine tool operating courses will be taught at Northeastern State College, Miami. The rest will be at sites within the Cherokee Hills Resource Conservation and Development Project, which embraces Cherokee, Adair and Delaware counties.

Forty other resource conservation and development projects in other states will adopt their own job-training programs based on the Oklahoma pilot project if results seem to warrant that action.

An application has been submitted for a second Oklahoma RC & D program which would include Pittsburg, Latimer, LeFlore and Haskell counties in southeastern Oklahoma.

The job training and retraining program in the Cherokee Hills area is one important integral part of the over-all project.

The list of project aims includes measures to solve soil and water problems, get more and better recreation areas, attract new industries and find new markets and processors for farm products as well as to provide trained employees for an expanded rural economy.

A number of federal and state agencies are involved in the project.

Orville L. Freeman, U.S. Secretary of agriculture, has given this description of the RC & D projects:

"Each of them is multi-purpose in the broadest sense of the word; each conserves resources in an integrated, well-planned manner; each brings jobs to local communities, conserving the human and economic base of rural America."

The Cherokee Hills demonstration project was chosen partly on the basis of successful bulldozer operator courses conducted at Bull Hollow and Candy Mink Springs. Those courses, like the current ones, were offered under the Manpower Development and Training Act.

They, too, were held on land furnished by the Cherokees and with the use of surplus governmental equipment acquired by the tribe.

Delight (pronounced Daylight) Cochran, a 40-year-old Cherokee from Kansas, Delaware County, graduated from one of the courses in February.

He had held various jobs, including one across the state line at Siloam Springs, Ark., where he remembers he started at 95 cents an hour. His last one before he attended the school paid him $1.25 an hour, not much for a married man with four children.

After graduating from the bulldozer school, he went to work for a construction company at Gentry, Ark. Later he took a job with a contractor who does brush-clearing jobs, so he could easily commute to his work from his home.

He's now making $2.25 an hour.

Deciding to attend that school, he agrees, has made a big difference in his life.

Courses offered in the training program are keyed to surveys of job needs in the area. Ralph W. Agnew of Pryor, area representative of the Oklahoma State Employment Service, has followed up on employment records of the last class of bulldozer operators which graduated in February, a bad time of year for finding jobs in that field.

At last check, six graduates of the 15-man class were working as heavy equipment operators. A welder, two chain-saw operators, a farm tractor operator and a plumber's helper are doing jobs related to their training.

Two other graduates were working as rough carpenters, one as a laborer and another in a job of an undetermined nature at an ordnance plant in Kansas.

Some or all of those will presumably find jobs as heavy equipment operators now that a better season for outside work is here.

The mere fact that all 15 graduates of the class are working is encouraging, because all were unemployed when they enrolled in the class.

Recruiting of trainees is handled by the state employment service. Screening, based on aptitude tests and other factors, is apparently thorough, because the dropout rate has been almost nil.

The State Division of Vocational Education designs the course, hires instructors and furnishes materials. Both the instructors at Bull Hollow—Herschel Benge of Grove and Woodrow Wilson of Jay—have years of experience as heavy equipment operators.

Legal sponsors of the RC & D project are the soil and water conservation districts of the three counties, united to form the Cherokee Hills Council, which is a division of state government. The council elects a 24-man executive committee.

C. M. Lefler, Grove rancher, heads the council. Dan Draper, superintendent of schools at Colcord, is chairman of the executive committee.

Allen Moss, a native of Vici and an employe of the Soil Conservation Service, has been project coordinator for the Cherokee Hills effort with headquarters at Tahlequah since it was first authorized in 1965.

He's enthusiastic about the future of the area and the RC & D project's contribution to it.

The three-county area is handy to the Arkansas Basin project scheduled to be opened to navigation in a few years. It is expected to furnish many of the job-holders for industrial development of the basin.

The training and retraining program is scheduled to equip 750 unemployed men and women to do jobs available in a changing world which has made many jobs obsolete. The $1.5 million program will be spread over three years.

Moss says the program is flexible enough that it can be tailored to specific needs of major employers.

Most of the men attending the job-training courses are victims of the changing times. They were raised in rural areas, and they want to stay in rural areas. But the jobs they could have filled in an earlier time no longer exist.

There will be middle-aged men who have never held regular jobs in their lives.

Agnew, the employment service man, tells of the fairly typical case of a 41-year-old man who had raised his family almost entirely on welfare payments. He attended one of the bulldozer schools and went to work immediately after graduation making $2.50 an hour on a job only 10 minutes from his home.

Trainees must be at least 22 years old and unemployed. A trainee, during training, is entitled to $30 a week plus $5 for each dependent up to six, or a maximum of $60. He also gets five cents a mile for transportation to the school.

Thomas Foreman, the 43-year-old trainee in the Bull Hollow course, hopes to go to work as a heavy equipment worker for some branch of the government when he completes training.

He has spent six years, off and on, driving a truck for the Bureau of Indian Affairs. He also has a total of eight years in the army and navy, so he's hopeful of qualifying for a government pension in 18 or 20 years.

He's not ruling out the possibility of going to work for a construction company, however. Wages of $4 an hour aren't unusual for bulldozer operators on some jobs.

Foreman says he likes the school, likes the instructors and figures he's learning a lot.

He's spent a lot of time working on construction jobs over the years, he explains, but he never had the technical training to qualify for one of the better-paying positions. He figures things are going to be different now.

Local leaders hope things will be different in the future for a lot of people in their area, which has more than 8 percent of its labor force without a job.

Dan Draper, now chairman of the executive committee, has been active in the RC & D project since its earliest planning stages.

He says the training program has moved faster than he hoped for, and he has high hopes for its results.

"Our only salvation," he sums it up, "is to train trainable people to fit into the skills we have."

That, briefly, is what all those governmental agencies are doing for Thomas Foreman and his friends and neighbors in the Cherokee Hills. And what they'll be doing in rural areas all over the country if this first one pans out.

"We still have a long way to go," Secretary Freeman has said, "before rural America is on par with urban America in jobs, housing and income. But we've made a good start.

"We are well on our way to making rural America as attractive economically as it is now in terms of natural beauty, clean environment and unharried living."

CRISIS IN AIR TRANSPORTATION

Mr. MONRONEY. Mr. President, I take this occasion to praise one of the outstanding leaders in American civil aviation, Mr. Tillinghast, president of the vast TWA airline system, which, as Senators know, is one of the leading overseas and domestic airlines of the country.

Recently we have been plagued with unusual and difficult airport delays because of the overcrowding of our airways and congested airport facilities. I have complained long and loud against these delays, which sometimes run as long as 3 hours between important, high-density traffic areas, because of the clogging of the airways, which can permit only so many planes an hour, and because of the clogging of runways, which can accommodate only so many airplanes at any given time.

I have complained because these delays have been occasioned by fictitious scheduling—that is, scheduling 10, 12, or 20 planes to depart from the same airport at the same hour of a high density period. This time comes between 4 and 6 o'clock in the evening, when persons from metropolitan areas are seeking to return to their homes after transacting business in some of our metropolitan areas. Obviously, 15 or 20 airplanes cannot take off simultaneously from the same airport at 5 o'clock.

I have complained about the unrealistic scheduling that results in unusual delays and causes people to sit in planes whose engines are running, waiting on the taxiways for the towers to clear the planes so they may complete their flights. I have emphasized in the past, and say now, that passengers are entitled to leave airports at the scheduled times. This means the time which is listed on the timetables for the takeoff of the planes. Yet, some 15 or 20 are scheduled to take off at that same moment.

This has resulted in the problem that a plane scheduled to take off has to wait for some time for tower clearance, because of incoming planes or because of planes scheduled to take off for another place at the same time.

Mr. Tillinghast has made an interesting proposal to the Civil Aeronautics Board, which I would like to quote. I am reading now from a letter which he submitted to the Civil Aeronautics Board, which reads:

> Accordingly Trans World Airlines, Inc. respectfully requests pursuant to the Federal Aviation Act of 1958, and particularly Sections 204(a), 412 and 414 thereof, approval of the CAB to engage in joint discussions with American, Eastern, Pan American and United and other U.S. and foreign scheduled airlines authorized to serve New York City, Chicago, Los Angeles, Washington and other critical air transport centers for the purpose of exploring and, subject to Board approval, agreeing on means by which the carriers can alleviate the critical air traffic congestion problem now adversely affecting flight operations in those areas. The exploration of all possible solutions should be authorized including the possibility of rescheduling or eliminating schedules during congested traffic periods and the use of fare differentials between peak and low volume periods just to name two possibilities.

The letter continues:

> We recognize that industry discussions relating to the highly competitive area of scheduling and fare structure and any agreements that might result therefrom may be undertaken only in instances where the Civil Aeronautics Board determines that overriding public interest considerations so require. The public inconvenience and adverse economic consequences now being caused by airways and airport congestion in metropolitan areas are apparent and intolerable. These circumstances require in the public interest that those carriers charged with the statutory duty of providing adequate service take the initiative and determine what they can do individually and in concert to alleviate what has been fairly called a crisis in air transportation.

Mr. President, this is not only a matter of great interest and convenience to members of the traveling public whose planned flight schedules are disrupted, but I say in all sincerity it is in the interest of air safety; and we cannot and must not tolerate the overcrowding of our airways and airport systems to the point beyond which they are unsafe.

The FAA, with its power of air traffic control, necessarily must hold these planes on the ground until clearance of air space and possibly landing space is taken into account.

For that reason, I strongly compliment Mr. Tillinghast for taking the lead in calling his competitors together to see if this matter cannot be solved by joint conference and a reduction in the numbers of planes scheduled to take off from our metropolitan airports at the same hour, whether it be from 8 to 10 o'clock in the morning, from 4 to 6 in the evening, or at any other time when congestion appears to be certain, and thus likely, to necessarily delay or disrupt the flight which a passenger has contemplated making.

ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 44 minutes p.m.) the Senate adjourned until tomorrow, Thursday, July 25, 1968, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate July 24, 1968:

OFFICE OF ECONOMIC OPPORTUNITY

Padraic M. Kennedy, of the District of Coumbia, to be an Assistant Director of the Office of Economic Opportunity, vice William M. Crook.

DEPARTMENT OF STATE

Barbara M. Watson, of New York, to be Administrator, Bureau of Security and Consular Affairs, Department of State.

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion from class 1 to the class of career minister:

Charles W. Adair, Jr., of Virginia.
John H. Burns, of Oklahoma.
John A. Calhoun, of California.
Ridgway B. Knight, of the District of Columbia.
Miss Carold C. Laise, of the District of Columbia.
Edwin W. Martin, of Maryland.
Robert M. McBride, of the District of Columbia.
Dwight J. Porter, of Nebraska.
Joseph John Sisco, of Maryland.
Walter J. Stoessel, Jr., of California.
William H. Sullivan, of Rhode Island.
Philip H. Trezise, of Michigan.

IN THE NAVY

Having designated Rear Adm. David C. Richardson, U.S. Navy, and Rear Adm. James W. O'Grady, U.S. Navy, for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, I nominate them for appointment to the grade of vice admiral while so serving.

Vice Adm. Frederick L. Ashworth, U.S. Navy, for appointment to the grade of vice admiral on the retired list in accordance with the provisions of title 10, United States Code, section 5233.

IN THE COAST GUARD

The following-named Reserve officer to be permanent commissioned officer of the Coast Guard in the grade of lieutenant commander:

Alan F. Miller.

The following-named Reserve officers to be permanent commissioned officers of the Coast Guard in the grade of lieutenant:

Charles G. Hill, Jr.
James H. Donahue
Richard W. Werner
Roland W. Breault, Jr.
Lawrence A. Minor

The following-named officer to be a member of the permanent commissioned teaching staff of the Coast Guard Academy as an assistant professor in the grade of lieutenant commander:

Thomas D. Combs.

The following-named temporary officers to be permanent commissioned officers of the Coast Guard in the grade of lieutenant (junior grade):

John N. Malsom, Jr.
Francis N. Harrell
Brent Malcolm
Stanley E. Bork
Willis E. Lawrence III
Robert C. White
James V. O'Neill
Robert F. Doughty
Paul G. Smith
Frank M. Chliszczyk, Jr.
Alvin K. Sumner
William N. Rohrer
John M. Lewis
Marvin E. Wilmoth
John F. Overath
Robert H. Stracenter
Charles J. Robinson
George E. Ellis
Daniel R. Irving
Paul J. Swisher
Preston H. McMillan
Herbert L. Johnson
Thomas L. Young
Wallace S. Worthington
William S. Ricks
William S. Vinson
Ronald W. Wililams
Donald C. Myers, Jr.
Melvin L. Sellers
William W. Carothers
Douglas R. Herlihy
Richard E. Bruce
Arthur L. Ruedisueli
Laurence J. Murphy
Robert E. Beatty
James F. Vanvranken
Edward Stadnicar
Walter C. Parker
Donald C. Hibbard
Vernon A. White
William T. Foran
Ted G. Walters
Cassius L. Lisk
James O. Alexander
Rohlin D. Anderson
Marcel D. Bujarski
Darwyn D. Buettner
Donald J. Green
Johnnie C. Erikson
John R. Kallenbach
Robert E. Harrington, Jr.
Richard E. Casey
John T. Potts, Jr.
Harry D. Hamilton
Harold L. Brown
Rodger G. Lockhart
Eugene C. Conway
Duane H. Gullixson
Walter N. Smith
Paul D. Litts III
Mortimer D. Hendrickson
Frank R. Brock
Carl T. Johnson
Ralph F. Lutz
Ray C. Hiner
John D. McCormack
Keith L. Indermuehle
James V. Timmerman
George D. Davis
Malcolm R. Smith
James M. Loomis
James E. Kenney
Lee F. Bellar
Richard A. Bundy
Kenneth J. Hamilton
David B. Simpson
Robert L. Neild
Everett A. Howe
Carrol D. Christianson
Harry L. Immer
Larry K. Lewark
Wade A. Johnson
W. S. McClure

The following-named officers of the Coast Guard for promotion to the grade of lieutenant:

John N. Malsom
Francis N. Harrell
Brent Malcolm
Stanley E. Bork
Willis E. Lawrence III
Robert C. White
James V. O'Neill
Robert F. Doughty
Paul G. Smith
Frank M. Chliszczyk, Jr.
Alvin K. Sumner
William N. Rohrer
John M. Lewis
Marvin E. Wilmoth
John F. Overath
Robert H. Stracener
Charles J. Robinson
George E. Ellis
Daniel R. Irving
Paul J. Swisher
Preston H. McMillan
Herbert L. Johnson
Thomas L. Young
Wallace S. Worthington
William S. Ricks
William S. Vinson
Ronald W. Williams
Donald C. Myers, Jr.
Melvin L. Sellers
William W. Carothers
Douglas R. Herlihy
Richard E. Bruce
Arthur L. Ruedisueli
Laurence J. Murphy, Jr.
Robert E. Beatty
James F. Vanvranken
Edward Stadnicar
Walter C. Parker
Donald C. Hibbard
Vernon A. White
William T. Foran
Ted G. Walters
Cassius L. Lisk
Richard F. Johnson
Dennis W. Kurtz
Wayne W. Becker
David H. Amos III
William M. Simpson, Jr.
John D. Spade
Thomas E. Yentsch
Anthony F. Finizio
Robert T. Luckritz
Thomas J. Lucey
John A. Pierson, Jr.
David K. Duffy
Norris R. Harod
Cecil W. Allison
David K. Rutherford
Robert W. Mason
Kipling E. Grassit
Eugene K. Johnson
Arcangelo V. Arecchi
William Schorr
James R. Wilburn
James S. Andrasick
Michael J. O'Connor
William H. Blanchard
Michael E. Koloski
Ronald J. Wetzel
Edward A. Chazal, Jr.
William H. Norris
Michael D. Trammell
Neil B. Johnson, Jr.
Stanley Kruszewski, Jr.
Frederick M. Hamilton
Samuel J. Dennis
William C. Riley
Thomas R. Pennington
James A. White
William C. Carr
Douglas H. Teeson
Robert M. Stephan, Jr.
Carl Josephson
Stephen L. Brundage
Raymond V. Cicirelli
Kent H. Williams
Robert C. Walker
Laurence H. Somers
Peter T. Poulos
Jerry M. Payne
Lindon A. Onstad
Russell T. Hebert
Leonard F. Sanders
Martin C. Hoppe
Gerry W. White
John W. Carbin
Glenn E. Serotsky
Michael G. Meany
Richard D. Manning
Paul M. Blayney
Donald S. Jensen
Philip R. Fuller
Joe M. Hibbs III
Peter A. Rutski
Carl H. Helman III
Ronald E. Fritz
Joseph R. Offutt, Jr.
Robert A. Brunette
Howard Newhoff
Darvy M. Cohan
James A. Sanial, Jr.
Ralph E. Anderson
Robert J. Gray
Randall D. Peterson
Terry W. Brady
Paul N. Samek
Walter S. Viglienzone
Gerald J. Zanolli
Robert W. Staton III
Roger T. Rufe, Jr.
Bartholomew J. Hennessey
Richard W. Walton
Thomas E. Omri
Anthony J. Pettit
James D. Morgan
John E. Schwartz
David T. Livingston
Jeffrey N. Hall
Richard B. Chapman
Delgene O. Phillips
Joseph P. Coleman
Andrew T. Horsey
Gene E. Bowen
Holmes M. Dillian
Roger W. Kushla
Ronald M. Gipson
James R. McDermott, Jr.
Joseph M. Rogers
Gerald A. McGill
John P. Fagg
Francis J. Wright, Jr.
Carl H. Pearce
Richard E. Ruhe, Jr.
Lloyd F. George
Robert W. Christiansen
William T. Sigler
Robert L. Storch, Jr.
David A. Faurot
David M. Labuda
Larry R. Greif
Robert W. Scobie
Stephen H. Cox
James O. Alexander
Rohlin D. Anderson
Marcel D. Bujarski
Darwyn D. Buettner
Donald J. Green
Johnnie C. Erikson
John R. Kallenbach
Robert E. Harrington, Jr.
Richard E. Casey
John T. Potts, Jr.
Harry D. Hamilton
Harold L. Brown
Rodger G. Lockhart
Eugene C. Conway
Duane H. Gullixson
Walter N. Smith
Paul D. Litts III
Mortimer D. Hendrickson
Frank R. Brock
Carl T. Johnson
Ralph F. Lutz
Ray C. Hiner
John D. McCormack
Keith L. Indermuehle
James V. Timmerman
George D. Davis
Malcolm R. Smith
James M. Loomis
James E. Kenney
Lee F. Bellar
Richard A. Bundy
Kenneth J. Hamilton
David B. Simpson
Robert L. Neild
Everett A. Howe
Carrol D. Christianson
Harry L. Immer
Larry K. Lewark
Wade A. Johnson
W. S. McClure

HOUSE OF REPRESENTATIVES—*Wednesday, July 24, 1968*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God hath made of one blood all nations of men to dwell upon the face of the earth that they should seek the Lord and find Him.—Acts 17: 26, 27.

O God, our Father, who hast made of one blood all nations of men to dwell upon the face of the earth and who dost call us to live together as Thy children, cleanse our national life of the spirit of discord and division; our racial life of the spirit of discrimination and disunion; and our personal lives of the spirit of disbelief and disillusionment.

Let our opinions of others be as thoughtful as our opinions of ourselves, our attitudes toward others be as good as our attitudes toward ourselves, and our relationships with others be as wise as our relationship with ourselves lest in bitterness and ill will we destroy each other.

In the midst of so many tragedies beyond our control but not beyond our compassion, may we place the weight of our influence upon the side of life and liberty and the pursuit of happiness for all men. Lead us and the nations of our world into the paths of peace and unity for Thy name's sake. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10915. An act to amend section 202 of the Agricultural Act of 1956; and

H.R. 18188. An act making appropriations for the Department of Transportation for the fiscal year ending June 30, 1969, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 18188) entitled "An act making appropriations for the Department of Transportation for the fiscal year ending June 30, 1969, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. PASTORE, Mr. MONRONEY, Mr. COTTON, Mr. MUNDT, Mrs. SMITH, and Mr. HRUSKA to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 15794) entitled "An act to provide for United States standards and a national inspection system for grain, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. HOLLAND, Mr. JORDAN of North Carolina, Mr. MONTOYA, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. BOGGS to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1941. An act to prevent, abate, and control air pollution in the District of Columbia, and for other purposes.

PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION MAKING CONTINUING APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it be in order on Friday, July 26, or any day thereafter, for the House to consider a joint resolution making continuing appropriations.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, I believe that this is a proper matter to be called up on Friday, but I would like to inquire of the distinguished majority leader as to what the plans are for the consideration of the three appropriation bills that were on the whip notice, because I think it is highly important that those three bills be considered this week if at all possible.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the distinguished majority leader.

Mr. ALBERT. In response to the inquiry of the distinguished gentleman, we do have a schedule, as the gentleman well knows, which we hope to follow. But we do intend to bring up the Department of Defense appropriation bill, probably on Friday, or in any event this week.

In order to bring the other two bills up, I think we would have to meet Saturday, and it may be that a Saturday meeting will be necessary, although I hope not personally, but I think the House ought to be advised that that may be necessary. Otherwise, we would have to postpone those bills to the following week. Incidentally I am talking about the other two appropriation bills.

Mr. GERALD R. FORD. Mr. Speaker, is it the intention to go down the list on the whip notice at the conclusion of the gun bill?

Mr. ALBERT. Mr. Speaker, following the gun bill, we are going on with the Higher Education Act and the Joint Industry Labor Promotion Act. Then we will take up the Department of Defense Appropriation Act. We ought to be able to do all of those if we finish the gun bill today, but in any event, we will take up the Department of Defense appropriation bill on Friday, as well as the continuing resolution, if the matter is made in order.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from North Carolina.

Mr. JONAS. Mr. Speaker, of course I am not a part of the House leadership, and have no responsibility in deciding how the program is arranged, but I would respectfully call attention to the fact that there are some requirements in law for the agencies and the departments and the Director of the Bureau of the Budget to make apportionments. The Director cannot comply with the law with respect to appropriation bills that have not been cleared and enacted into law. I mention this in the hope that we will be able to get these appropriations bills through the Congress and signed into law at the earliest date, so the Budget Bureau Director can proceed to make the apportionments required by law before the first quarter ends.

Mr. ALBERT. Mr. Speaker, will the genteman yield?

Mr. GERALD R. FORD. I yield to the majority leader.

Mr. ALBERT. Mr. Speaker, I think on that matter the gentleman from North Carolina knows well that any matter of 2 or 3 days on these appropriation bills will have nothing to do with the ultimate disposition through the Congress of these bills.

Mr. JONAS. I admit that but nevertheless believe the appropriations bill now ready for House action should be programed as soon as possible.

Mr. ALBERT. The gentleman's point is well taken.

Mr. JONAS. Mr. Speaker, I thought for the record it should be well for us all to understand that these bills are ready now for House action, and I hope we can complete them as soon as possible.

Mr. GERALD R. FORD. Mr. Speaker, is the gentleman from North Carolina saying that until these appropriation bills become law, the Bureau of the Budget and the executive branch of the Government are not carrying out the provisions in the tax increase-spending cut that was approved about a month ago?

Mr. JONAS. No, I am not saying that. The Director has assured us that directives have gone out to all the agencies and departments to comply with that law. I am merely saying the Director cannot act affirmatively in making apportionments as is required by other statutes until the bills are enacted and he knows how much is to be apportioned.

Mr. GERALD R. FORD. But in effect the Director is carrying out the intent of the Congress as far as the spending reductions of $6 billion are concerned?

Mr. JONAS. I am sure the distinguished chairman of the Committee on Appropriations will affirm my understanding on this and that the Director has assured us that he is moving aggressively to see that there is strict compliance with the provisions of the Revenue and Expenditure Control Act.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the chairman of the Appropriations Committee.

Mr. MAHON. Mr. Speaker, it is true

that we have received solid assurance from the Budget Director that the executive branch is taking steps in compliance with the Revenue and Expenditure Control Act. I believe that this attitude will continue, but, of course, we must get these bills enacted into law as soon as possible for the reasons set forth by the gentleman from North Carolina, and for other reasons.

Mr. GERALD R. FORD. Mr. Speaker, may I get a reaffirmation or clarification from the distinguished majority leader as to the program as we can best foresee it for the rest of the week. We hope to finish the gun bill some time this afternoon, and if we finish it by midafternoon or at a reasonable time, then we would move into the higher education bill, the general debate, at least, this afternoon?

Mr. ALBERT. The gentleman is correct.

Mr. GERALD R. FORD. Then we would go through and finish that tomorrow and then take up the employer contributions for joint industry-labor promotion bill?

Mr. ALBERT. The gentleman is correct.

Mr. GERALD R. FORD. And finish that hopefully tomorrow?

Mr. ALBERT. Correct.

Mr. GERALD R. FORD. Under the circumstances, the Defense Department appropriation bill will come up Friday?

Mr. ALBERT. That is our understanding. I ask the gentleman's indulgence, that he not press me further with respect to the remainder of the program. We want to get these appropriation bills through as fast as possible. We want to act on the food stamp bill and the agriculture bill as soon as possible. As a practical matter it seems to me at least those last two bills will have to come early next week.

Mr. GERALD R. FORD. That is what I was going to ask. If we do not get to the other two appropriation bills, for the District of Columbia and for military construction, this week, they would be programed for Monday and Tuesday of next week?

Mr. ALBERT. I would ask the gentleman's indulgence not to press that point at this time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. It seems to me that we have here an issue of priorities. I do not understand, for the life of me, why appropriation bills, at this stage of this session of Congress, are being put back of such bills as higher education and employer contributions for joint industry promotion.

Mr. ALBERT. If the gentleman will yield, no decision of that kind has been made. The gentleman is not going to put words in my mouth.

I have just stated that we would like to consult with the minority leader and others before we rearrange the program which we have already announced following the disposition of the Department of Defense appropriation bill.

Mr. GROSS. Mr. Speaker, I insist that appropriation bills at this stage ought to take precedence over any other legislation, except that of an emergency nature.

Mr. ALBERT. They generally do, and they probably will; but we do not know whether we are going to meet Saturday or not.

Mr. GROSS. That still does not give appropriation bills priority over these two bills on the program.

Mr. ALBERT. I should think next Saturday we would take up the two appropriation bills.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Illinois.

Mr. ARENDS. I should like to ask the majority leader if he would do everything possible, within his power, to see if we cannot expedite the work this afternoon and finish consideration of the gun bill. I have talked with the gentleman from Alaska who has numerous amendments at the desk and he assures me that consideration of such amendments will not require undue time. If we can obtain some cooperation, this afternoon we can finish in good time today.

Mr. ALBERT. I assure the gentleman he will have my cooperation.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MAHON]?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 18188, DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1969

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 18188) making appropriations for the Department of Transportation for the fiscal year ending June 30, 1969, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the bill on which the other body placed an amendment which would except the Department of Transportation or a division of the Department of Transportation from the requirements of the recently passed tax bill with respect to Government personnel and the reduction thereof?

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I understand the Senate did pass an amendment which affects the Federal Aviation Administration with respect to personnel ceilings; yes.

Mr. GROSS. This, it seems to me, would be the proper time and place if a motion were deemed to be necessary to instruct the conferees to support the House position. This would be the time and place to do that, would it not, so as not to accept the Senate amendment?

Mr. BOLAND. I would say to the gentleman, the subcommitttee on the Department of Transportation appropriations is meeting this afternoon at 2 o'clock for the purpose of going over some of the amendments which were offered by the Senate, and that matter will be discussed at that time.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

Mr. PUCINSKI. Mr. Speaker, further reserving the right to object, I should like to ask the gentleman a question.

Is this the bill that does have the Senate version of an appropriation to hire 1,996 additional controllers for the airports of this country.

Mr. Speaker, I was interested in the statement made by the gentleman from Iowa. The fact of the matter is we are in a very serious crisis with our airports in this country. Every major airport has huge delays, taking anywhere from 45 minutes to 3 hours to get in and out, simply because we do not have enough controllers at the airports. It is my hope that the committee will favorably consider the hiring of these additional men and waive the provisions placing limitation on hiring which were added to the tax bill with the waiver applying only to airport controllers.

Mr. MINSHALL. Does the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman.

Mr. MINSHALL. The gentleman from Illinois was one of those individuals who about a year or so ago, if I remember correctly, strongly objected to the traffic being diverted to Dulles. That is one of the major reasons that is contributing to the delay at National Airport now.

Mr. PUCINSKI. If the gentleman will permit me——

Mr. MINSHALL. Let me finish my statement.

That is what is contributing to the delays at National Airport now. We in the Transportation Subcommittee gave them every employee and every traffic controller, 1,600 they asked for in this budget. It is not a question of personnel but is a question of schedule stacking and people, airlines, the FAA, and CAB must be educated to the fact that the air traffic scheduling must be spread out—even to the point of offering inducements to travel at off-peak hours, by offering "coach fares" at reduced prices—by the airlines. At O'Hare field alone, they have about 20 commercial flights scheduled to depart at exactly 5 p.m.

Mr. PUCINSKI. I call the attention of the gentleman to the letter which I put in the RECORD the other day from Mr. David Thomas, Acting Administrator of the FAA, and the argument is not with the gentleman from Illinois, who tried to preserve flights from Chicago at National, but the argument is with all of these shuttles coming in from New York to National Airport. The airlines just keep adding these shuttle flights on. If you want to divert aircraft to Dulles Airport, I direct your attention to this shuttle traffic and suggest some of the shuttle service be transferred to Dulles so we in the Midwest can continue to enjoy some of the service at National.

Mr. MINSHALL. I think we should divert some shuttle traffic to Chicago.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Ohio.

Mr. HAYS. The problem is not the amount of traffic, either. It is a deliberate slow-down on the part of some people in the control tower. I came here last Thursday in a private plane and they stacked us up for 30 minutes. I listened to the instructions being given about the plane we were to follow and the plane following us. We landed and we taxied to Page. I got out of the plane after the propellors stopped, of course, and walked through Page and was on the 14th Street Bridge when the plane following us was coming across that bridge about 10 minutes behind us. There was little traffic at National, but there was a deliberate and obviously a successful attempt on the part of the controller to slow us down. For what purpose I do not know. I suppose they want more money or something. But if the head of the FAA cannot fire some of these characters we had better get legislation so somebody can.

Mr. PUCINSKI. I have the highest regard for the gentleman from Ohio, but I have to disagree with his conclusions.

Mr. HAYS. You can disagree if you want to.

Mr. PUCINSKI. The records are there and they are available for the gentleman to examine. He can go to National Airport or to O'Hare and he will see they are operating, in some instances, at 40-second intervals. It is not a slowdown.

Mr. HAYS. No. They were not last week.

The **SPEAKER.** Is there objection to the request of the gentleman from Massachusetts? The Chair hears none, and appoints the following conferees: Messrs. BOLAND, MCFALL, YATES, MAHON, MINSHALL, JONAS, and BOW.

A BILL TO AMEND THE MILITARY SELECTIVE SERVICE ACT OF 1967

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HUNGATE. Mr. Speaker, today I am introducing a bill to amend the Military Selective Service Act of 1967 to defer law-enforcement officers from training and service under that act.

This measure would provide needed support for our law-enforcement officers who are saddled with the difficult and often thankless task of preserving order while protecting life and property.

Our policemen are performing a vital service in their own communities, dealing with crime hour by hour, when and where it occurs. Deferring law-enforcement officers would aid our counties and cities in their continuing battle against crime and violence.

I CALL FOR LAW AND ORDER

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, a horrible thing happened last night in the city of Cleveland, when 10 people, including three police officers, met their deaths and approximately 41 others were wounded by sniper fire from M–1 carbines, M–16 automatics, shotguns, pistols, and apparently other long guns. Undoubtedly, some of these guns came into the city through interstate commerce and certainly the ammunition did.

Yesterday, the House of Representatives riddled effective gun controls by weakening amendments, including one which exempts ammunition from the application of the law.

Like everyone else, I call for law and order. But I am just sick and tired of hearing some of my colleagues deplore violence and call for law and order when I have seen them go through teller votes time and time again and vote for amendments which would strike down adequate gun control laws. A vote on these important matters should be in the open and on the record.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 274]

Ashley
Brown, Calif.
Conyers
Cunningham
Diggs
Esch
Evins, Tenn.
Hawkins
Herlong
Holland
Karsten
Moorhead
O'Hara, Mich.
Resnick
Rhodes, Pa.
Teague, Tex.
Tunney
Udall
Willis

The **SPEAKER.** On this rollcall 412 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE INCREASE IN SIZE AND WEIGHT OF TRUCKS ON THE INTERSTATE HIGHWAY SYSTEM

Mr. GUDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GUDE. Mr. Speaker, I would like to take this opportunity to express my grave reservations about S. 2658 which has been approved by the House Committee on Public Works and cleared for floor action by the Rules Committee.

My reservations begin with the manner in which this bill was considered in the Senate and here in the House. Seven Senators were on the floor at the time the bill was being debated and voted on. The testimony before the Senate and House Public Works Committees was inadequate and in the House committee, lasted only 40 minutes. It is obvious that the implications of this legislation were not fully explored before it was reported out for floor action. In a time when the hazards of our highways are at a peak, a bill to increase the size and weight limitations of trucks which use the Interstate Highway System is flagrantly inconsistent. Two sections of this system, the Beltway and 70S, pass through my district. I share my constituents' concern about the increased danger of putting larger vehicles on our already crowded roads. Of no small concern to those who live adjacent to interstate highways, is the increased clatter and din of these larger behemoths of the highways allowed by this bill.

Perhaps one of the most important factors which has been overlooked in the hasty consideration of this bill is the increased burden on existing roads and highways which are not part of the interstate system. Many of these roads are State roads and are presently inadequate to carry increased loads.

With these reservations in mind, I urge that more complete consideration be given to all the possible implications of this proposal.

TO DESIGNATE THE NATIONAL CENTER FOR BIOMEDICAL COMMUNICATIONS THE LISTER HILL NATIONAL CENTER FOR BIOMEDICAL COMMUNICATIONS

Mr. ANDREWS of Alabama. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 193) to designate the National Center for Biomedical Communications the Lister Hill National Center for Biomedical Communications.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 193

Whereas, during his long and distinguished career in the Congress, Senator Lister Hill has achieved more forward-looking legislation relating to improved health and educational opportunities for the American people than any other individual in the history of this body; and

Whereas, Senator Hill's legislative interests in health, in education, and in libraries are epitomized in the National Library of Medicine, to whose establishment and development Senator Hill has paid particular attention during the course of his career; and

Whereas, a National Center for Biomedical Communications to be constructed and located as a part of this Library has been proposed by two legislators of the House, the late John E. Fogarty of Rhode Island, and Paul G. Rogers of Florida; and further that this Center has been strongly endorsed by representatives of the scientific community as an urgently required facility for the improvement of communications necessary for health education, research, and practice; and further that this Center would function to contribute enduringly to the life-long objectives of Senator Hill's legislative career: Be it therefore

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this Center be named and designated as the Lister Hill National Center for Biomedical Communications, thus perpetuating the name of the distinguished Senator from Alabama, and the legislative interests of his long and fruitful career in the United States Senate.

Mr. ANDREWS of Alabama. Mr. Speaker, in my opinion, there could be no more fitting name for the National Center for Biomedical Communication than the Lister Hill Center. The research, discoveries, advances—the National Institutes of Health facilities themselves—have long been championed by Alabama's distinguished senior Senator, Lister Hill.

Senator Hill, a native Alabamian, is a graduate of Starke University School in Montgomery. Continuing his education at the University of Alabama, he graduated from that fine institution in undergraduate work and law. Additionally, he graduated from law school at Columbia University, New York City. As expected, Senator Hill greatly distinguished himself in his formal education and is a member of Phi Beta Kappa.

The energies of Senator Hill are boundless—and so beneficial to all of our citizens—he concentrated them into three vital areas: medicine, education and libraries. In recognition of his efforts in these fields he has been awarded honorary LL.D. degrees by University of Alabama, Alabama Polytechnic Institute, Woman's Medical College of Pennsylvania, Columbia University, and Washington University to name a few. To further honor Senator Hill and recognize his efforts in the field of health and medicine, he has been awarded the honorary Sc.D. degree by Hahnemann Medical College, New York Medical College, and Jefferson Medical College; he is an honorary member of American Dental Association, an honorary fellow in the International College of Surgeons and American Psychiatric Association.

Mr. Speaker, Senator Hill's record speaks for itself; he has done more for medical research, health services, medical facility availability and the general field of medicine than probably any person to ever serve in our great Congress. It is only fitting and proper that his name be added to that institution recognized as the U.S. source of great medical research and achievement—the National Institutes of Health.

The name Lister Hill, like National Institutes of Health, is almost synonymous with medical research and dedication. For this reason, it is an honor and privilege for me to sponsor before the House, Senate Joint Resolution 193, calling for naming the National Center for Biomedical Communications the Lister Hill Center.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDREWS of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject matter of this joint resolution.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama?

There was no objection.

U.S. SILENCE ON CZECH CRISIS

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, nothing illustrates more dramatically and painfully the low-estate of American influence in Europe than the silence of our Government in respect to the Soviet military threat against the liberalized Czechoslovakian Government.

Has our Government completely and permanently written off Eastern Europe as a part of the Soviet empire?

The least we could do—and should do—is plainly and publicly warn the Soviet Union that further discussion of disarmament and consideration of the nuclear nonproliferation treaty are out of the question until Soviet interference in Czech affairs ends.

STATE FIREARMS CONTROL ASSISTANCE ACT OF 1968

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 17735) to amend title 18, United States Code, to provide for better control of the interstate traffic in firearms.

The **SPEAKER**. The question is on the motion of the gentleman from New York.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 17735, with Mr. Rooney of New York in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN**. When the Committee rose on yesterday, the bill had been considered as read and open for amendment at any point.

Are there further amendments?

Mr. CELLER. Mr. Chairman, we have debated this bill for quite a number of days and I am anxious, as I am sure most of the Members are, to conclude its consideration as soon as possible. Therefore, I ask unanimous consent that all debate on this bill in its entirety and all amendments thereto conclude no later than 2 p.m.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, let me say that I am as anxious as the chairman and the gentleman from Ohio that this House conclude this bill with reasonable expedition. However, instead of 2 o'clock, might I suggest 2:30?

Mr. CELLER. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto conclude at no later than 2:30.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

Mr. DINGELL. Mr. Chairman, reserving the right to object, may I simply ask how many amendments there are pending at the Clerk's desk, so we might ascertain how much time we will have on each?

The **CHAIRMAN**. The Chair will state that there are approximately 15 amendments at the desk.

Mr. DINGELL. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

Mr. POLLOCK. Mr. Chairman, reserving the right to object, I would like to make the point that I do not know how many amendments there are at the desk. I personally have 14 amendments which have been 3 days at the desk. I recognize the difficulty under which the Chairman has to labor to conduct the Committee, and there has been a very marvelous feeling throughout to give everyone a chance to be heard on this important piece of legislation.

However, I would point out that with the exception of about four instances the people who have been recognized have been members of the committee, and they have been recognized on a number of occasions, while some of the rest of us have not had an opportunity to be heard on amendments that we have worked on and been prepared on.

Mr. CELLER. If the gentleman will yield, is it not true that the gentleman is going to offer at least four or five of those amendments en bloc?

Mr. POLLOCK. In one instance, I will say to the gentleman, yes, if I can get the recognition of the Chairman, I have one group of five amendments en bloc.

Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. SIKES

Mr. SIKES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Sikes: On page 14, line 11, strike out the words "or local law" and insert in lieu thereof the following: "law or any published ordinance" and on line 14, strike the word "or" and on line 15 strike out the words "local law" and add "law or any published ordinance."

Mr. SIKES. Mr. Chairman, the House is familiar with the mushrooming growth of new incorporated towns throughout the land. In Florida, for instance, a tax break comes to a local corporate city from certain State taxes. This provides an incentive for a community to declare itself a town and to get a corporate charter. Whatever the reason, there are thousands upon thousands of small towns. Each of them has local laws and the average citizen cannot possibly know all of these laws nor can he possibly avoid infringing upon some of them. We cannot expect a dealer or a prospective purchaser of weapons or ammunition to go to the clerk's office in the city where he seeks to purchase a gun and acquaint himself with all of the local laws passed by the town council down through the history of the town unless they are published. At least, we should give them the break of being able to ascertain that there are published ordinances affecting firearms and we should give them the break of knowing that there is a reasonably accurate listing of published ordinances with which to comply. I feel that this is an entirely reasonable request. If a local law is worth obeying it should be available in published form.

Mr. CELLER. Mr. Chairman, will the gentleman yield

Mr. SIKES. I yield to the gentleman.

Mr. CELLER. I thank the gentleman for yielding.

The gentleman says "published." Would the gentleman kindly explain what he means by that term, so that the legislative history will be complete?

Mr. SIKES. What I have in mind by the term "published" is that local ordinances should either be published in newspapers where they are available in bound copies, or should be published in pamphlet form so that they can be referred to rather than being passed, filed and forgotten, but still in effect.

Mr. CELLER. There would be no need for a compilation of these?

Mr. SIKES. I do not request a compilation, and my amendment does not require it.

Mr. CELLER. I have no objection to the amendment.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to gentleman from Florida.

Mr. PEPPER. Mr. Chairman, I thank the able gentleman for bringing up this matter for clarification.

The city of Miami Beach, which I now share in representing with the distinguished gentleman, the gentleman from Florida [Mr. FASCELL], has an ordinance now requiring registration of guns.

Now under your amendment, would that be the governing law for the people who live in that area?

Mr. SIKES. Of course, it would. However, let me stress that. What I am asking is that ordinances be published in a form in which they would be available to a dealer or to a buyer.

Mr. PEPPER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SIKES].

The amendment was agreed to.

The CHAIRMAN. For what purpose does the gentleman from Ohio [Mr. McCULLOCH] rise?

Mr. McCULLOCH. Mr. Chairman, I rise to strike out the last word.

Mr. Chairman, I yield to the gentleman from Alaska [Mr. POLLOCK].

Mr. POLLOCK. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The Chair must advise the gentleman that the gentleman from Ohio cannot yield to the gentleman from Alaska for the purpose of offering an amendment.

The Chair will recognize the gentleman from Alaska as soon as the Chair gets an opportunity to do so. The Chair asks that Members be patient.

AMENDMENT OFFERED BY MR. ANDERSON OF TENNESSEE

Mr. ANDERSON of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Tennessee: On page 14, line 7, strike out the period and insert the following: ", except that this paragraph shall not apply to the sale or delivery of any firearm or ammunition to members of the Armed Forces (including reserve components thereof) who are on active duty, to members of the National Guard who are on authorized training or duty, or to veterans who are not discharged or released under dishonorable conditions."

Mr. ANDERSON of Tennessee. Mr. Chairman, I can explain this amendment I believe very quickly.

All this amendment does is exempt the members of the armed services on active duty from the age requirement relating to the purchase of guns or ammunition.

The reason for it is that we have a large number of young men who volunteer at the age of 18 or who are drafted at the age of 19. Some of these young men have a personal preference for a particular type of pistol, to take to Vietnam with them to use as their personal weapon, and they ought to be able to go to a store and purchase such a gun.

We also could have the situation where a young man could be wounded and lose an arm in Vietnam at the age of 19 under heroic combat conditions, who could be decorated with a medal of honor at the White House, and be medically discharged, and go to settle on a remote ranch in Texas, and be told at a store that he cannot purchase a pistol, while previously finding it very easy to be issued to fight for his country in Vietnam.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Tennessee. I yield to the gentleman.

Mr. JOELSON. Would you exempt any veteran who has not been dishonorably discharged under this amendment?

Mr. ANDERSON of Tennessee. That would be the impact of it.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Tennessee. I yield to the gentleman.

Mr. CORMAN. As I understand the effect of the gentleman's amendment, if a young man of 18 or 19 years of age goes into the service and it turns out he is not psychologically fit for military service and he is discharged for that reason, he would then qualify to purchase a pistol or a revolver?

Mr. ANDERSON of Tennessee. Is it not true that other provisions of the bill cover the responsibility of the gun dealer not to sell to a person who is mentally incompetent?

Mr. CORMAN. If he has been adjudged mentally incompetent by a court of competent jurisdiction, that is true. But there is a long distance between those two situations. I sympathize with the gentleman's concern over the veteran's ability to buy a gun, but I doubt the advisability of an amendment such as the one proposed. It seems to me that a young man who is a veteran before he is of the age of 21 may very probably have been released because he was not thought psychologically fit for military duty, and he would be the last one we would want to authorize to buy a pistol. A veteran who is a minor cannot buy a drink of whisky and he usually cannot vote.

Although I respect the gentleman's concern for the veteran, I really think that this amendment would not be advisable.

Mr. ANDERSON of Tennessee. I appreciate the comments of the gentleman. In regard to psychotics, State laws and other laws would apply so that the psychotic person would not be a proper purchaser of a gun, this amendment notwithstanding.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Tennessee. I am happy to yield to the distinguished chairman.

Mr. CELLER. Under the amendment anyone in the military service or any veteran under 21 could buy a revolver or pistol is that correct?

Mr. ANDERSON of Tennessee. Anyone in the military service under 21, if he were serving on active duty.

Mr. CELLER. A revolver is the one weapon that is most used in committing crimes, is that true?

Mr. ANDERSON of Tennessee. The chairman knows far better than I do. I assume the question answers itself. But the impact of this amendment is related to those who are serving honorably on active duty or who are discharged——

Mr. CELLER. What would be the need for a veteran under 21 to have a revolver? What would be the need for it?

Mr. ANDERSON of Tennessee. Mr. Chairman, as I pointed out, I know for a fact, based on past experience, that young men going into the service and who are on leave preparing to go to Vietnam may want to go out and do a little pistol shooting. He may want to purchase a gun so he can learn to better defend himself. They may have another purpose for securing a particular weapon. They may want to take it to Vietnam to defend their lives.

Mr. CELLER. If they are in the military service, and are having target practice with revolvers, under those circumstances they are under some restraint, under some discipline, under some control. But under your amendment they could have a revolver willy-nilly to do anything they wished with it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. ANDERSON of Tennessee) there were—ayes 27, noes 50.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Alaska [Mr. POLLOCK].

AMENDMENT OFFERED BY MR. POLLOCK

Mr. POLLOCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POLLOCK: On page 20, line 23, strike out "$500" and insert in lieu thereof the following: "$50".

On page 21, line 6, strike out "$500" and insert in lieu thereof the following: "$50".

Mr. POLLOCK. Mr. Chairman, I think there is very little that needs to be said here, except that the provisions now in the bill require payment of an annual fee of $500 for a license for a manufacturer or importer. This is unwarranted. It is prohibitive, and it should be changed to $50. One amendment is for the manufacturer of firearms other than destructive devices, which calls for a fee of $50 rather than $500 per year, and the other amendment is for a license for an importer of firearms other than destructive devices, and calls also for a fee of $50 rather than $500 per year.

It is my understanding that the intent of this legislation is to control manufacturers and importers, and they will be subject to all the controls of the bill whether it requires a $1 license or a $1,000 one. I happen to think the intent of the $500 fee in the bill is to drive some small concerns out of business. I do not think that should happen. I have some small businesses in my district who would be adversely affected and this provision would hurt them very much. I do not think they could survive the $500-per-year permit for the privilege of doing business.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman reserves 1 minute.

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment. We have already adopted the license fees that are set forth in the instant bill. When we passed the omnibus crime control and safe streets bill, we provided that the license fee of a manufacturer was to be $500, and the license fee of an importer was to be $500. Now, they seek to reduce those fees.

It seems rather anomalous that we would reduce the fee of a large operator like Remington Arms or any of these very large manufacturers of rifles or guns or revolvers. It is rather anomalous that we would reduce the fee of the importers who are reaping a whirlwind now and are bringing an avalanche of all kinds of cheap revolvers into this country at this very moment, trying to take advantage of the interval before the Omnibus Crime Control Act provisions become effective. Now ought we to give this advantage to them and only impose a paltry $50 fee as a reward? I do not think that is fair.

Mr. Chairman, I hope the amendment is defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. MCCULLOCH].

Mr. McCULLOCH. Mr. Chairman, I thank the Chair for the recognition.

Mr. Chairman, I rise to support the amendment. There is no objection thereto from those in charge of the bill on this side of the aisle.

I should like to say to the members of the Committee that before the passage of the Safe Streets Act, the license fee for a manufacturer under the Federal Firearms Act law, which had been the law since 1938, was $25.

The amendment would double that fee. This fee is not for the purpose of raising revenue, in my opinion. There are no members of the committee, or few members of the committee, who believe it is such a measure.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. POLLOCK].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. CASEY].

Mr. CASEY. Mr. Chairman, I ask unanimous consent that my time be reserved until later.

The CHAIRMAN. It will only cause difficulty if time is reserved. The gentleman is recognized.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank my good friend from Texas for yielding to me.

Mr. Chairman, shortly I shall be offering two more small amendments to correct some of the things I have found, on careful overview of the amendment offered by me yesterday, to need conforming amendments. These have been cleared by me with my good friend, the gentleman from New York [Mr. CELLER], and will assure that the collectors' amendment which was offered on yesterday will have the appropriate technical changes needed in other parts of the bill to conform the bill to what has already been done.

I would point out that on page 14, line 20, it would simply state that a person could not deliver firearms to persons who were collectors at places other than their residences.

At page 23, line 22, it would change the bill so that in the case of licensed collectors they would have to have a clearly identified and identifiable residence which would be on file with the Secretary.

These amendments should have been offered yesterday as a part of the conforming amendments, but that was not done.

I particularly thank my good friend from Texas for yielding to me, and I should like to ask my good friend from New York, with whom I have cleared these amendments, if they will be acceptable when offered at a later time?

Mr. CELLER. That is agreeable.

Mr. DINGELL. I thank my friend from Texas, and I will at the appropriate time offer the amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MACGREGOR].

(By unanimous consent, Mr. MACGREGOR yielded his time to Mr. MCCULLOCH.)

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, I was just looking at the news ticker and I saw this item:

> Snipers shooting from rooftops, windows, and behind bushes launched a reign of terror that left 10 persons dead on Cleveland's East Side.

I should like those Members who yesterday told us about the precious right of the American people to have guns to realize that this precious right has left 10 people dead on the streets of Cleveland.

I also saw on the wire reports that one of our Members, identified as a member of the National Rifle Association, expressed his pleasure with this bill as now amended and said, "We can live with it."

I would just like to say that tens of thousands of Americans can die with it, because it is just not strong enough.

I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. MCCLURE].

(By unanimous consent, Mr. MCCLURE yielded his time to Mr. POLLOCK.)

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. DICKINSON].

(By unanimous consent, Mr. DICKINSON yielded his time to Mr. POLLOCK.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I am going to support this legislation, because we certainly need it, but I believe millions of Americans will be bitterly disappointed if this House does not face up to its responsibility of bringing out a meaningful and effective gun control bill. No one suggests that placing limitations on the mail order sale of rifles, Federal registration and licensing of guns will be a panacea to cure the mounting crimewave in this country. But I believe each of these measures would be part of an overall effort necessary to strengthen crime detection enforcement, and prosecution at all levels.

Last week we passed a juvenile delinquency bill here in this Chamber. Several months ago we passed the Safe Streets Act. Now we are trying to strengthen gun control legislation. When you take all of these legislative efforts and put them into one package, then you can begin to hope that we will finally make some meaningful contribution toward reducing crime in this country.

The type of tragedy which occurred in Cleveland yesterday may not be averted by this or any other legislation, but the fact of the matter is that for most criminals, taking a gun in their hands has become a way of life in our Nation. Criminals have little fear of the law, so we have this carnage occurring in the streets of America. During debate on this bill, you recall it was brought out that 900,000 crimes were committed last year in this country, 160,000 of them involving the use of guns. Until we can come together in this House and pass meaningful legislation all across the line so that we can start giving some meaning to laws and to prosecution in this country, we will not make a significant contribution to the war on crime.

Mr. Chairman, I am sure that I express the disappointment of millions of Americans who have written to all of us here in the Nation's Capital with regard to strong gun control legislation. I know I received tons of mail on this matter, just as the rest of us did, from decent Americans saying, "Please do something about the wholesale slaughter occurring in the streets of America." I can see how disappointed they will be when we conclude action here and find that Congress has voted only a shadow of the needs of what America needs. For those who have fought us on major amendments, it will be difficult to explain to the man on the street that this assembly did not face up to its responsibility of passing good, strong laws.

During debate on this bill, I fought hard to make carrying a gun in the commission of a felony a Federal crime subject to a 10-year jail sentence for a first offense. On three occasions we were beaten down. How could anyone object to the proposal when last year 6,500 Americans were killed by criminals using guns.

Mr. Chairman, it is a sad day for America when the overwhelming will of our people, urging and demanding strong gun control legislation, can be frustrated by the special interests who have continually protected the gun lobby in the country.

I know that the ligitimate sportsman and gun collectors in this country join us in urging effective gun control legislation. It is a tragedy of our time that this Chamber refuses to recognize the gravity of the situation. My conscience is clear, Mr. Speaker, because I have supported every amendment to strengthen this bill.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Michigan [Mr. Dingell].

AMENDMENTS OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

> Amendments offered by Mr. Dingell: On page 14, line 20, immediately after "business" insert the following: "or, in the case of a licensed collector, his residence".
>
> On page 23, line 22, immediately after "applicant" insert the following: "(other than a collector)".

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that I be permitted to use 1 minute of my time now and reserve the balance thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Chairman, these are the amendments that I have just discussed with the gentleman from Texas [Mr. Casey] when he yielded to me. They are amendments that have been submitted to the committee and which have the approval of the chairman of the committee. They are purely technical in nature and are designed to correct two other minor points contained in the bill which need to be corrected in order to conform to the other amendments which we adopted with reference to the gun collectors amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan [Mr. Dingell].

The amendments were agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Corman].

Mr. CORMAN. Mr. Chairman, we will soon conclude our work on this bill. I think the most damaging amendment that has been passed so far is the one that opens a wider hole in the bill and that is the amendment to exempt ammunition to permit its continued sale through the mails.

I would hope that the House will have an opportunity to have a rollcall vote on that amendment.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the distinguished chairman of the Committee on the Judiciary.

Mr. CELLER. I will state to the gentleman from California that it is the purpose of the chairman to ask for a separate vote on the so-called MacGregor amendment and a separate vote on the so-called Sikes amendment which would permit the members of the National Rifle Association to be exempt from the provisions of this bill.

Mr. CORMAN. I thank the distinguished gentleman for his remarks.

Mr. Chairman, I have here a newspaper of July 19 which shows a young American that was shot down. He was not out shooting ducks. He was in the act of holding up the American Security & Trust Co. with a shotgun and it shows him with the shotgun in his hands. I do not know whether the gun was loaded with buckshot or was loaded with birdshot.

However, I would like to hope that when we conclude this bill that young men such as this could not obtain ammunition with which to load guns and to hold up banks.

Mr. Chairman, there may be a lot of people who may be unhappy about what we have done, but I think we can undo some of what we have done and I seriously hope that the House will reject the amendment on a rollcall vote.

Mr. MacGREGOR. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I am happy to yield to the gentleman from Minnesota.

Mr. MacGREGOR. I thank the gentleman from California for yielding to me. I am not sure whether it is relevant to what the gentleman has just said, but I would like the members of the committee to know that our sister body through its Committee on the Judiciary this morning approved by a vote of 9 to 3 a long gun control bill and the language of the MacGregor amendment definition of ammunition which we adopted in the House yesterday.

Mr. CORMAN. Well, hope springs eternal for effective gun control laws.

Mr. Chairman, I well recall that we had a 16-to-16 vote in our committee the other day on the provisions of this bill and several days later we had a 29-to-6 vote on what I believe started out to be a pretty reasonable and effective bill.

We have a couple of big holes in it, and I hope we can close those holes before we conclude our work today.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from New York [Mr. Horton].

Mr. HORTON. Mr. Chairman, I rise to support this Firearms Control Act, H.R. 17735, which is now before the House for final passage. It is high time that Congress acted to strengthen the efforts of the Federal Government for reasonable and realistic controls of firearms.

The Judiciary Committee took the first steps when it reported out its bill. For the past week, we have been deliberating the measure. It is now time to act positively.

I want to express appreciation to my colleagues for accepting my amendment to ban the importation of foreign military surplus long guns. I felt strongly that this was an area overlooked in the committee. It has been an area long overlooked by Government agencies which could have moved to stem the flow of weapons across our borders.

Section 414 of the Mutual Security Act of 1954 provides the machinery to halt the flow but, apparently for reasons of expediency to the administration's foreign relations and military policies, nothing has been done to exercise this authority.

For too long these low-priced foreign weapons have been dumped on the American market, available for purchase by practically anyone—criminal dissident or psychopath.

It is even possible today, for an extra fee, to import surplus guns from Communist countries. Although this kind of practice could be stopped under the Mutual Security Act, it has not been stopped.

My amendment will ban the import into the United States of foreign surplus military rifles and shotguns, removing the discretion, which the Federal agencies have chosen not to exercise.

The problem of crime and violence in America is far too serious for us to ignore in the so-called interest of convenience and expedience in our foreign military and policy dealings.

The American people should not be subjected to a flood of inexpensive foreign weapons, most of which have little or no value to the sportsman.

The American people by the millions have written to and are looking to Congress to do something about gun control.

Not long ago, on the floor of the House my distinguished friend and neighbor, Representative Barber Conable, pointed out that the administration has not given strong or even adequate enforcement to the gun legislation already on the books.

Congress must do its duty and legislate the necessary controls for the protection of the people. The intent of Congress—our mandate to the Government agencies—must be made crystal clear. The agencies cannot be left to enforce, or not enforce, the laws at their own discretion.

The public must be protected and it is our job to do it since the administration and its agencies have failed to act. Because the discretionary measures given the agencies have not been acted upon by them, we must take the steps of barring the weapons outright.

My staff and I have interviewed sportsmen, gun dealers, and police officials about these added controls on imports. All of these we have contacted expressed approval of this measure.

One gun dealer in the Washington area said a ban on imported foreign military surplus long guns was 20 years overdue.

We must approve this bill and then turn our efforts toward active support of the measure so that it is not another 20 years before these safeguards we have enacted are put into force.

Mr. Chairman, I ask unanimous consent that I may be permitted to allot my remaining time to the gentleman from Ohio [Mr. McCulloch].

The CHAIRMAN. The Chair understands that the gentleman from New York has an amendment at the Clerk's desk.

Mr. HORTON. Mr. Chairman, I withdraw that amendment. It was handled earlier.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Rumsfeld].

Mr. RUMSFELD. Mr. Chairman, I support this legislation. As reported out, this bill was basically a sound bill, although a modest one. I also intend to support the position of the chairman of the full committee [Mr. Celler], by opposing on the separate votes, the MacGregor amendment and the Sikes amendment.

It has been disappointing to me that we have not seen more effective enforcement of the law—Federal, State, and local—currently on the books, more effective enforcement could have at least in part helped to alleviate the situation at which this legislation is aimed.

Second, it is regrettable that it took a number of years of increasing damage to the fabric of our society before the Government began to move and the Congress began to perform its responsibility. Third, it has been disappointing to me that this bill has been amended in several respects which I believe will weaken our capability to deal with this problem area.

Finally, I would merely reiterate what I said yesterday, that I was disappointed that several of the amendments which were offered during the debate that I thought would strengthen the legislation and assist in more effectively dealing with the problem that this legislation is addressed to, were rejected here in the committee of the whole.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. RUMSFELD. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, in an orderly society, a compact is made between citizens and their government, whereby the citizen forgos his efforts to take the law into his own hands in return for which the Government presumes to provide such protection as the citizen may require for his liberty, his person, or his property.

But where the Government fails or refuses to perform its solemn obligation to furnish the measure of protection necessary for common safety and civil order, the compact is broken and the citizen has no alternative but to resort to self-help for protection. Not only has this Government allowed a serious breakdown in law enforcement, it has encouraged the lawless. Every time the Supreme Court speaks, it becomes harder to convict the criminal. Our leaders encourage civil disobedience. Listen to what they have been saying. The Democrat champion of the fifties, Adlai Stevenson, once declared:

> In the great struggle to advance civil rights . . . even a jail sentence is no longer a dishonor, but a proud achievement.

The Democrat President in 1963 said:

> In too many parts of the country, wrongs are inflicted on citizens for which there are no remedies at law. Unless Congress acts, their only remedy is in the streets.

The then Democrat Attorney General, Robert Kennedy, once proclaimed:

> The more riots that come to college campuses, the better the world for tomorrow.

The likely Democrat standard bearer, Hubert Humphrey, just recently allowed that he has enough spark left in him to lead a mighty good revolt.

While the Congress is asked now to require the registration of arms, once their location is thus determined, when the next tragedy occurs, we will be asked in the knee-jerk fashion of the latter-day liberal to impose confiscation and the public will be left at the mercy of the mob.

The second amendment to the Constitution does not cause violence. Indeed, the right of the people to keep and bear arms may well be the only instituted right which stands between the American people and the jungle, if today's trend continues.

Until the Government is willing to accept its obligation to insure domestic tranquility, it would be wrong, shamefully wrong, to deprive the public of its last hope for security against elements bent on instant self-aggrandizement by violence, if necessary, and failing in this civilization suicide.

We need law enforcement—not more laws. If guns are outlawed then only outlaws will have guns.

Mr. RUMSFELD. Mr. Chairman, I ask unanimous consent that the remainder of my time be allotted to the gentleman from Illinois [Mr. McClory].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Dingell].

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Dingell: On page 15, line 17, after the period, insert the following:
>
> "Paragraph (1) of this subsection shall not apply to the sale or delivery of any firearm or ammunition to members of the Armed Forces (including Reserve components thereof) who are on active duty."

Mr. DINGELL. Mr. Chairman, this amendment was drafted by my good friend from Tennessee [Mr. Anderson], and he would have offered it had the parliamentary situation so permitted, and had he been able so to do.

This amendment simply says that members of the armed services on active duty can purchase revolvers and pistols and ammunition therefor, when they are under the age of 18.

I see no harm or any damage whatsoever in allowing a man who is old enough to serve his Nation in our armed services to have under the custody of the U.S. Army a fully automatic weapon or antitank gun or cannon or bazooka and to handle mine explosives and demolition equipment—and yet to say that when he travels to Vietnam he cannot purchase a pistol, that he cannot buy ammunition for it, or that he cannot carry a revolver which he purchased on his own behalf.

I yield to my friend, the gentleman from Tennessee [Mr. Anderson].

Mr. ANDERSON of Tennessee. I appreciate what the gentleman has done and he has stated the case far more eloquently than I could.

Mr. Chairman, I hope that the amendment will be adopted.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my friend, the chairman of the Committee on the Judiciary.

Mr. CELLER. Is this not similar to the amendment that was just defeated?

Mr. DINGELL. No.

Mr. CELLER. That is, except that your amendment now only applies to members of the armed services on active duty?

Mr. DINGELL. Only to members of the armed services, and those who are on active duty.

Mr. CELLER. In other words, that means that anybody in the armed services who is under the age of 21 could acquire any weapon?

Mr. DINGELL. If he is under the age of 21, he may do so.

Mr. CELLER. That is, the gentleman's amendment means that anybody in the armed services who is under the age of 21 could buy a pistol?

Mr. DINGELL. That is right.

Mr. CELLER. Or also if anyone is over the age of 18 he could buy a shotgun or rifle?

Mr. DINGELL. That is correct.

Mr. CELLER. I must point out to the gentleman that his amendment militates against one of the basic parts, the theory of this bill—which is the limitation on age.

Mr. DINGELL. I would point out to the gentleman that the armed services issues weapons, fully automatic weapons, and issues cannons and antitank guns to these same young men. It issues them pistols and revolvers. I can see no reason why a young man should not be able to purchase one to take with him to Vietnam, if he needs it.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. CORMAN. I would remind the gentleman that the armed services have trouble with young unqualified men, arming themselves with weapons, when they are not prepared to use them. Just going into the service does not qualify them in that respect.

Mr. DINGELL. I think the answer to that is when they are issued such weapons as I have mentioned in the armed services, they ought to have this right under the vigorous controls which the armed services impose on private ownership of weapons and their possession and use.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. DINGELL].

The question was taken; and on a division (demanded by Mr. DINGELL) there were—ayes 24, noes 44.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Alaska [Mr. POLLOCK].

Mr. POLLOCK. Mr. Chairman, I have a number of amendments which will later be read, and I will not for lack of time have an opportunity to discuss the merits of them. Some of them are obvious on their face, and I believe will require very little explanation.

However, there are several other amendments which I hope to have read en bloc. These will require some explanation.

Mr. Chairman, I ask unanimous consent that my amendments which are identified at the desk as numbers 2, 2-A, 4, 9 and 16, be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments to be considered en bloc.

Does the gentleman from Alaska wish to ask unanimous consent to dispense with the reading of these amendments?

Mr. POLLOCK. No, Mr. Chairman, I ask that they be read en bloc at that time.

AMENDMENTS OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the amendments offered by the gentleman from Alaska [Mr. POLLOCK].

The Clerk read as follows:

Amendments offered by Mr. POLLOCK: On page 8 between lines 4 and 5, insert a new paragraph to read as follows, and renumber all succeeding paragraphs:

"(13) The term 'licensed transferee' means any person who is licensed under the provisions of this chapter to purchase and receive shipment of a firearm or ammunition in interstate commerce from a licensed importer, licensed manufacturer, or licensed dealer or to purchase a firearm outside of his State of residence from a licensed importer, licensed manufacturer, or licensed dealer."

On page 10, line 23, page 11, line 23, page 12, line 24, insert the words "licensed transferee," before "licensed importer"; and on page 15, line 17, change the period to a comma and add "nor to transactions between these licensees and a licensed transferee."

On page 11, between lines 22 and 23, insert a new paragraph to read as follows:

"(D) Notwithstanding the provisions of subdivisions (a)(3) and (b)(3) of this section, this paragraph shall not be held to preclude a licensed transferee from purchasing a firearm by mail order from a licensed importer, licensed manufacturer or licensed dealer inside or outside his State of residence, or from purchasing a firearm in person from a licensed importer, licensed manufacturer or licensed dealer outside his State of residence, but the licensed transferee shall nevertheless be subject to all other provisions of this act, other firearms laws and regulations of the United States and of his State and political subdivision of residence; except that when a nonresident of a State purchases a firearm as a licensed transferee, he shall not take delivery of said firearm sooner than two days next following completion and submission of the purchase documents for said firearm, and the licensed importer, licensed manufacturer, or licensed dealer shall at the time of the initial sales transaction notify the local police authorities of the intended purchase, if such is required by the law of the State or local subdivision where the purchase is made. The notification may require the submission by the licensed transferee of such information as is required under the provisions of section 923(i) of this act."

On page 14, line 16, after the word "person" add the words "other than a licensed transferee."

On page 27, between lines 10 and 11 insert a new paragraph to read as follows:

"(i) The license for the licensed transferee referred to in section 922 shall be issued to an applicant pursuant to the law of his State of residence provided such application shall—

"(1) be signed by the applicant;

"(2) include a photograph and fingerprints of the applicant, except that the law of said State may provide that this requirement of the act is not practicable in certain situations or certain areas of the State and may be waived, or that the applicant may be granted exemption from the requirement;

"(3) be accompanied by a statement dated within 6 months of the date of the application and signed by the chief law enforcement officer (or his delegate) of the locality of the residence of the person, which states that to the best of the officer's knowledge the applicant is not prohibited by any provision of Federal, State or local law from purchasing a firearm and ammunition;

"(4) contain such additional information as may be prescribed by law; and

"(5) be accompanied by a reasonable fee required to be paid to the State for obtaining such a transferee license and for such certified copies thereof as may from time to time be required. The licensed transferee shall be required to furnish the licensed importer, licensed manufacturer or licensed dealer with a certified copy of the transferee licensed at the time of purchase of a firearm by mail order or in person outside his State of residence."

Mr. POLLOCK. Mr. Chairman, the reading of the amendments sounds long and complicated, but I want to tell you very simply what they relate to. This is a policy question to which the House must address itself. We have absolutely prohibited in the legislation any interstate commerce in firearms or ammunition by mail order or where a person wished to purchase a firearm or ammunition outside of his State of residence.

Under the preamble, which has been stricken from the bill, the essence of this legislation is to control the flow of firearms in interstate commerce. We are supposed to be trying to assist the States to do their job. Thus it seems to me, instead of having an outright prohibition for mail-order sales of firearms, and instead of having an absolute prohibition for anyone going from one State to another to purchase firearms, what we should do is to control this and do it through a means of properly licensing individuals who wish to so trade in interstate commerce. We will then be able to know exactly who is purchasing and under what circumstances.

In this manner we can eliminate all the people who need to be eliminated. We can eliminate the mentally incompetent; we can eliminate the felon, or the person with a criminal record, or the person with a dishonorable discharge. We can eliminate all of these people, and we can still control the sales as completely as we are contemplating doing now, but it would not be an outright prohibition.

The reason there are so many places in the bill where amendments have to be inserted is that we have to establish a new category of licensee and address our attention to inclusion of this new category in the several places in the bill that would be affected if the policy is that we should regulate rather than prohibit. Then we have to have under the section on definitions a new category, which I choose to call a "licensed transferee." Under the law, as it is now written, we have a licensed manufacturer, a licensed dealer, and a licensed importer. I am saying we should create one other category, and that is a licensed transferee, a person who can have the opportunity of purchasing by mail order or in person in another State, so long as the State of his residence allows it and knows who he is and gives him the proper document to do so, and so long as he is not going to be violating the laws in the State in which he purchases.

A law-abiding citizen, not otherwise disqualified should be given a license to do this. This is why he is called a licensed transferee. He would use the certified copies of the licensed transferee document to send with the mail order or to present in person if he happens to be in another State.

If he purchases a gun in another State, we would want the proper kind of control to make sure he complies with the laws of that State; and the best way to do that is not to allow him to pick up the firearm for 2 days, and to require the person from whom he purchases it to notify the police and indicate the man has a certified copy of his licensed transferee licensee, indicating it is legal for him in his State of residence to purchase the firearm, and otherwise qualifies under the law, so that if there is no objection at the local level to his doing so, he would be allowed to make the purchase. If this would violate the State law in the State where he wanted to make the purchase, he could not do so, of course.

What I am saying is if we cover a licensed transferee in the definition and licensing sections, and in the unlawful acts section, the remaining en bloc amendments proposed are but conforming amendments. Instead of outright prohibition, we should have a means under which individuals might be able to purchase by mail order or purchase in another jurisdiction so long as in both States the authorities know about it, and the individual is not otherwise prohibited from possessing or purchasing a firearm.

I want to say that in my State of Alaska—and I know there are other States that have the same problem—there are many people who are located in wilderness areas—many of them live there—and they are there on a continuing basis, but do not have stores where they can go and purchase firearms.

The only way they can purchase firearms is by ordering through the mail, under controlled conditions, or they will be forced to make an airplane flight for great distances at a cost of several hundred dollars, in order to purchase a firearm or ammunition and then again charter an aircraft to return home. I think this is an undue abridgement of a man's right to have a firearm, if it is otherwise legal for him to have it.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. POLLOCK. I yield to the gentleman from New York.

Mr. CELLER. Mr. Chairman, the amendment of the gentleman would permit any State to set up a separate class, which the gentleman calls licensed transferees.

Mr. POLLOCK. Yes, sir.

Mr. CELLER. That would be able to buy by mail order and to mail guns of all sorts, and they would be immunized from the operation of the act.

Mr. POLLOCK. No, sir; the amendments specifically provide the people will be subject to every provision of the act except as to the amendments which are here considering. They could buy by mail order or out of State, but only under carefully controlled conditions.

If I might add, Mr. Chairman, the amendments require certain things for the licensed transferee to do. He must be photographed, he must be fingerprinted; he must sign the application and provide requested information; and there must be a supporting statement by the local police authority attesting to the fact that there are no disqualifying reasons the applicant should be denied a license, and so forth.

Mr. CELLER. I understand that, but he is immunized against prohibition from buying by mail, and he is immunized against prohibition against purchasing outside his State.

Mr. POLLOCK. That is all.

Mr. CELLER. That is the very thrust of this act. In other words, we are trying to control guns by reducing the accessibility of guns, and this would open up the act so people would have easy access all over the country.

Beyond that, this is a new concept, allowing a State to immunize the State from a Federal statute.

Mr. POLLOCK. Mr. Chairman, I do not have much time, so I cannot yield further to the gentleman from New York. I would like to express that this does not open up everything in the act. What this does is allow a person who wishes to utilize mail order for purchase, to do so. It does not open it up. An applicant would be licensed under controlled conditions. They would be quite tightly controlled. It is simply a question of whether this body wants to absolutely prohibit everybody from making such purchases in interstate commerce, or whether we want to permit properly licensed applicants to do so under carefully controlled conditions.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

The Chair recognizes the gentleman from Virginia [Mr. Hardy].

(By unanimous consent, Mr. Hardy yielded his time to Mr. Pollock.)

Mr. POLLOCK. Mr. Chairman, I am not going to talk too much longer on this one proposition. It is just a matter of policy whether we want to make an outright prohibition or whether we want to give an opportunity to those people who will be hurt by an outright prohibition to legally and lawfully buy a gun under controlled conditions, because of a remote location or a unique situation. I emphasize, this will give them an opportunity, under very strictly controlled conditions, to be able to make legal sales by mail order or in another State.

These amendments provide the machinery, through requiring the licensed transferee to present a certified copy of his licensing document to the mail-order house, or to the licensed dealer, importer, or manufacturer in the other State. If he purchases in another State, there is a waiting period required and a requirement for notifying the local police. There is very adequate control. It is simply a question of whether we want to prohibit or to control.

Mr. Chairman, aside from those amendments, which are going to be presented en bloc, I have several others.

If we are going to put requirements upon gun dealers all over the country because of the provisions of this act, then there should be a provision for the Secretary to provide a copy of the laws which the individual dealer, manufacturer, or importer is going to be held accountable for. This is covered by my amendment identified as No. 8.

I have another amendment which simply would strike out lines 5 and 6 on page 23, and redesignate the numbers of the succeeding paragraphs.

This would remove the prohibition for anyone under 21 years of age from engaging in the gunsmithing business. I believe the effect of the bill as it now reads is going to mean that no one can ever get into this business unless he is already mature and probably trained in another profession or trade. We have to provide some means for people, again under lawfully controlled conditions, to learn the art of gunsmithing. I hope we have not decided that gunsmithing is to be illegal. We only want to control it. Why prohibit anyone from getting into the business at all unless he is 21 years of age?

I believe there are a number of areas in this bill where there are unintentional inclusions which cause needless confusion and require clarification by amendment. I indicated this in my discussion of a previous amendment. There are a number of important areas not covered, like the transfer of possession or title, by intestate succession, or by will, or by gift. The ex post facto provisions of the act, as to prior acquisitions of firearms out of State, and other significant things have not been covered in the bill. This seems to me to be a very serious problem.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

Mr. CONTE. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentlman from Massachusetts rise?

Mr. CONTE. Mr. Chairman, I ask unanimous consent to yield my 3 minutes to the gentleman from Alaska.

The CHAIRMAN. The gentleman from Massachusetts does not have 3 minutes.

Mr. CONTE. I had them.

The CHAIRMAN. The gentleman had them.

Mr. CONTE. The gentleman has not spoken.

The CHAIRMAN. The Chair called the name of the gentleman from Massachusetts, and he was not present.

Mr. CONTE. I thank the Chair for his generosity.

The CHAIRMAN. The Chair cannot do a thing about it, and the gentleman should know that.

Mr. CONTE. I know about it, all right.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. Eckhardt].

Mr. ECKHARDT. Mr. Chairman, I yield to the gentleman from Illinois [Mr. Rostenkowski].

Mr. ROSTENKOWSKI. Mr. Chairman, I would like, at this time, to offer my support of H.R. 17735 and state what I believe is the proper attitude on the question of gun controls. I am not new to the sponsorship of gun control legislation, having introduced H.R. 15051 on February 1 of this year. Before that time, I must confess, I was not overly concerned with the arguments for gun control because I and my family have had guns for as long as I can remember and in the midwest, hunting is second nature to most of us.

In the beginning of the year, the Chicago City Council proposed a gun registration ordinance to cut down on the tremendously increasing rate on crimes of violence. The main tool of this ordinance lay in its registration provisions. The idea was to keep track of all weapons and prohibit sales to certain categories of individuals—minors, alcoholics, dope addicts, mental incompetents and felons.

When this proposal first came to my attention I was repelled by the idea that Government was carving out the rights given in the second amendment to the Constitution and trying to control something which I had always taken for granted. After looking into the question of gun control as it is practiced all over the world and after studying many gun control bills I came to a different conclusion.

I noticed that in England, a person needs a certificate from the local police in order to own or buy a rifle or a pistol. Since few people in England except farmers, hunters, and members of shooting clubs can give any valid reason for wanting these guns, such certificates are rarely issued. This tight control has had a significant effect upon death from crimes of violence there. In recent years in Britain, where over 400,000 criminals were brought to book, only 159 were carrying guns. The death rate from firearms was one-half of 1 percent of the firearm death rate in the United States.

In the Netherlands, no gun can be purchased without a permit. There has been no gun homicide there for the last several years which strongly shows that the casual connection between control of guns and crime is not to be gainsaid.

In Italy the strict control of firearms follows the same pattern; that is, almost no deaths from guns.

There are different methods, to be sure, in the countries of the world. In under the vigorous controls which the armed services impose on private ownership of weapons and their possession and use.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Dingell].

The question was taken; and on a division (demanded by Mr. Dingell) there were—ayes 24, noes 44.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Alaska [Mr. Pollock].

Mr. POLLOCK. Mr. Chairman, I have a number of amendments which will later be read, and I will not for lack of time have an opportunity to discuss the merits of them. Some of them are obvious on their face, and I believe will require very little explanation.

However, there are several other amendments which I hope to have read en bloc. These will require some explanation.

Mr. Chairman, I ask unanimous consent that my amendments which are identified at the desk as numbers 2, 2-A, 4, 9 and 16, be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments to be considered en bloc.

Does the gentleman from Alaska wish to ask unanimous consent to dispense with the reading of these amendments?

Mr. POLLOCK. No, Mr. Chairman, I ask that they be read en bloc at that time.

AMENDMENTS OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the amendments offered by the gentleman from Alaska [Mr. Pollock].

The Clerk read as follows:

Amendments offered by Mr. Pollock: On page 8 between lines 4 and 5, insert a new paragraph to read as follows, and renumber all succeeding paragraphs:

"(13) The term 'licensed transferee' means any person who is licensed under the provisions of this chapter to purchase and receive shipment of a firearm or ammunition in interstate commerce from a licensed importer, licensed manufacturer, or licensed dealer or to purchase a firearm outside of his State of residence from a licensed importer, licensed manufacturer, or licensed dealer."

On page 10, line 23, page 11, line 23, page 12, line 24, insert the words "licensed transferee," before "licensed importer"; and on page 15, line 17, change the period to a comma and add "nor to transactions between these licensees and a licensed transferee."

On page 11, between lines 22 and 23, insert a new paragraph to read as follows:

"(D) Notwithstanding the provisions of subdivisions (a)(3) and (b)(3) of this section, this paragraph shall not be held to preclude a licensed transferee from purchasing a firearm by mail order from a licensed importer, licensed manufacturer or licensed dealer inside or outside his State of residence, or from purchasing a firearm in person from a licensed importer, licensed manufacturer or licensed dealer outside his State of residence, but the licensed transferee shall nevertheless be subject to all other provisions of this act, other firearms laws and regulations of the United States and of his State and political subdivision of residence; except that when a nonresident of a State purchases a firearm as a licensed transferee, he shall not take delivery of said firearm sooner than two days next following completion and submission of the purchase documents for said firearm, and the licensed importer, licensed manufacturer, or licensed dealer shall at the time of the initial sales transaction notify the local police authorities of the intended purchase, if such is required by the law of the State or local subdivision where the purchase is made. The notification may require the submission by the licensed transferee of such information as is required under the provisions of section 923(i) of this act."

On page 14, line 16, after the word "person" add the words "other than a licensed transferee."

On page 27, between lines 10 and 11 insert a new paragraph to read as follows:

"(i) The license for the licensed transferee referred to in section 922 shall be issued to an applicant pursuant to the law of his State of residence provided such application shall—

"(1) be signed by the applicant;

"(2) include a photograph and fingerprints of the applicant, except that the law of said State may provide that this requirement of the act is not practicable in certain situations or certain areas of the State and may be waived, or that the applicant may be granted exemption from the requirement;

"(3) be accompanied by a statement dated within 6 months of the date of the application and signed by the chief law enforcement officer (or his delegate) of the locality of the residence of the person, which states that to the best of the officer's knowledge the applicant is not prohibited by any provision of Federal, State or local law from purchasing a firearm and ammunition;

"(4) contain such additional information as may be prescribed by law; and

"(5) be accompanied by a reasonable fee required to be paid to the State for obtaining such a transferee license and for such certified copies thereof as may from time to time be required. The licensed transferee shall be required to furnish the licensed importer, licensed manufacturer or licensed dealer with a certified copy of the transferee licensed at the time of purchase of a firearm by mail order or in person outside his State of residence."

Mr. POLLOCK. Mr. Chairman, the reading of the amendments sounds long and complicated, but I want to tell you very simply what they relate to. This is a policy question to which the House must address itself. We have absolutely prohibited in the legislation any interstate commerce in firearms or ammunition by mail order or where a person wished to purchase a firearm or ammunition outside of his State of residence.

Under the preamble, which has been stricken from the bill, the essence of this legislation is to control the flow of firearms in interstate commerce. We are supposed to be trying to assist the States to do their job. Thus it seems to me, instead of having an outright prohibition for mail-order sales of firearms, and instead of having an absolute prohibition for anyone going from one State to another to purchase firearms, what we should do is to control this and do it through a means of properly licensing individuals who wish to so trade in interstate commerce. We will then be able to know exactly who is purchasing and under what circumstances.

In this manner we can eliminate all the people who need to be eliminated. We can eliminate the mentally incompetent; we can eliminate the felon, or the person with a criminal record, or the person with a dishonorable discharge. We can eliminate all of these people, and we can still control the sales as completely as we are contemplating doing now, but it would not be an outright prohibition.

The reason there are so many places in the bill where amendments have to be inserted is that we have to establish a new category of licensee and address our attention to inclusion of this new category in the several places in the bill that would be affected if the policy is that we should regulate rather than prohibit. Then we have to have under the section on definitions a new category, which I choose to call a "licensed transferee." Under the law, as it is now written, we have a licensed manufacturer, a licensed dealer, and a licensed importer. I am saying we should create one other category, and that is a licensed transferee, a person who can have the opportunity of purchasing by mail order or in person in another State, so long as the State of his residence allows it and knows who he is and gives him the proper document to do so, and so long as he is not going to be violating the laws in the State in which he purchases.

A law-abiding citizen, not otherwise disqualified should be given a license to do this. This is why he is called a licensed transferee. He would use the certified copies of the licensed transferee document to send with the mail order or to present in person if he happens to be in another State.

If he purchases a gun in another State, we would want the proper kind of control to make sure he complies with the laws of that State; and the best way to do that is not to allow him to pick up the firearm for 2 days, and to require the person from whom he purchases it to notify the police and indicate the man has a certified copy of his licensed transferee licensee, indicating it is legal for him in his State of residence to purchase the firearm, and otherwise qualifies under the law, so that if there is no objection at the local level to his doing so, he would be allowed to make the purchase. If this would violate the State law in the State where he wanted to make the purchase, he could not do so, of course.

What I am saying is if we cover a licensed transferee in the definition and licensing sections, and in the unlawful acts section, the remaining en bloc amendments proposed are but conforming amendments. Instead of outright prohibition, we should have a means under which individuals might be able to purchase by mail order or purchase in another jurisdiction so long as in both States the authorities know about it, and the individual is not otherwise prohibited from possessing or purchasing a firearm.

I want to say that in my State of Alaska—and I know there are other States that have the same problem—there are many people who are located in wilderness areas—many of them live there—and they are there on a continuing basis, but do not have stores where they can go and purchase firearms.

The only way they can purchase firearms is by ordering through the mail, under controlled conditions, or they will be forced to make an airplane flight for great distances at a cost of several hundred dollars, in order to purchase a firearm or ammunition and then again charter an aircraft to return home. I think this is an undue abridgement of a man's right to have a firearm, if it is otherwise legal for him to have it.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. POLLOCK. I yield to the gentleman from New York.

Mr. CELLER. Mr. Chairman, the amendment of the gentleman would permit any State to set up a separate class, which the gentleman calls licensed transferees.

Mr. POLLOCK. Yes, sir.

Mr. CELLER. That would be able to buy by mail order and to mail guns of all sorts, and they would be immunized from the operation of the act.

Mr. POLLOCK. No, sir; the amendments specifically provide the people will be subject to every provision of the act except as to the amendments which are here considering. They could buy by mail order or out of State, but only under carefully controlled conditions.

If I might add, Mr. Chairman, the amendments require certain things for the licensed transferee to do. He must be photographed, he must be fingerprinted; he must sign the application and provide requested information; and there must be a supporting statement by the local police authority attesting to the fact that there are no disqualifying reasons the applicant should be denied a license, and so forth.

Mr. CELLER. I understand that, but he is immunized against prohibition from buying by mail, and he is immunized against prohibition against purchasing outside his State.

Mr. POLLOCK. That is all.

Mr. CELLER. That is the very thrust of this act. In other words, we are trying to control guns by reducing the accessibility of guns, and this would open up the act so people would have easy access all over the country.

Beyond that, this is a new concept, allowing a State to immunize the State from a Federal statute.

Mr. POLLOCK. Mr. Chairman, I do not have much time, so I cannot yield further to the gentleman from New York. I would like to express that this does not open up everything in the act. What this does is allow a person who wishes to utilize mail order for purchase, to do so. It does not open it up. An applicant would be licensed under controlled conditions. They would be quite tightly controlled. It is simply a question of whether this body wants to absolutely prohibit everybody from making such purchases in interstate commerce, or whether we want to permit properly licensed applicants to do so under carefully controlled conditions.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

The Chair recognizes the gentleman from Virginia [Mr. HARDY].

(By unanimous consent, Mr. HARDY yielded his time to Mr. POLLOCK.)

Mr. POLLOCK. Mr. Chairman, I am not going to talk too much longer on this one proposition. It is just a matter of policy whether we want to make an outright prohibition or whether we want to give an opportunity to those people who will be hurt by an outright prohibition to legally and lawfully buy a gun under controlled conditions, because of a remote location or a unique situation. I emphasize, this will give them an opportunity, under very strictly controlled conditions, to be able to make legal sales by mail order or in another State.

These amendments provide the machinery, through requiring the licensed transferee to present a certified copy of his licensing document to the mail-order house, or to the licensed dealer, importer, or manufacturer in the other State. If he purchases in another State, there is a waiting period required and a requirement for notifying the local police. There is very adequate control. It is simply a question of whether we want to prohibit or to control.

Mr. Chairman, aside from those amendments, which are going to be presented en bloc, I have several others.

If we are going to put requirements upon gun dealers all over the country because of the provisions of this act, then there should be a provision for the Secretary to provide a copy of the laws which the individual dealer, manufacturer, or importer is going to be held accountable for. This is covered by my amendment identified as No. 8.

I have another amendment which simply would strike out lines 5 and 6 on page 23, and redesignate the numbers of the succeeding paragraphs.

This would remove the prohibition for anyone under 21 years of age from engaging in the gunsmithing business. I believe the effect of the bill as it now reads is going to mean that no one can ever get into this business unless he is already mature and probably trained in another profession or trade. We have to provide some means for people, again under lawfully controlled conditions, to learn the art of gunsmithing. I hope we have not decided that gunsmithing is to be illegal. We only want to control it. Why prohibit anyone from getting into the business at all unless he is 21 years of age?

I believe there are a number of areas in this bill where there are unintentional inclusions which cause needless confusion and require clarification by amendment. I indicated this in my discussion of a previous amendment. There are a number of important areas not covered, like the transfer of possession or title, by intestate succession, or by will, or by gift. The ex post facto provisions of the act, as to prior acquisitions of firearms out of State, and other significant things have not been covered in the bill. This seems to me to be a very serious problem.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

Mr. CONTE. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentlman from Massachusetts rise?

Mr. CONTE. Mr. Chairman, I ask unanimous consent to yield my 3 minutes to the gentleman from Alaska.

The CHAIRMAN. The gentleman from Massachusetts does not have 3 minutes.

Mr. CONTE. I had them.

The CHAIRMAN. The gentleman had them.

Mr. CONTE. The gentleman has not spoken.

The CHAIRMAN. The Chair called the name of the gentleman from Massachusetts, and he was not present.

Mr. CONTE. I thank the Chair for his generosity.

The CHAIRMAN. The Chair cannot do a thing about it, and the gentleman should know that.

Mr. CONTE. I know about it, all right.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. ECKHARDT].

Mr. ECKHARDT. Mr. Chairman, I yield to the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Chairman, I would like, at this time, to offer my support of H.R. 17735 and state what I believe is the proper attitude on the question of gun controls. I am not new to the sponsorship of gun control legislation, having introduced H.R. 15051 on February 1 of this year. Before that time, I must confess, I was not overly concerned with the arguments for gun control because I and my family have had guns for as long as I can remember and in the midwest, hunting is second nature to most of us.

In the beginning of the year, the Chicago City Council proposed a gun registration ordinance to cut down on the tremendously increasing rate on crimes of violence. The main tool of this ordinance lay in its registration provisions. The idea was to keep track of all weapons and prohibit sales to certain categories of individuals—minors, alcoholics, dope addicts, mental incompetents and felons.

When this proposal first came to my attention I was repelled by the idea that Government was carving out the rights given in the second amendment to the Constitution and trying to control something which I had always taken for granted. After looking into the question of gun control as it is practiced all over the world and after studying many gun control bills I came to a different conclusion.

I noticed that in England, a person needs a certificate from the local police in order to own or buy a rifle or a pistol. Since few people in England except farmers, hunters, and members of shooting clubs can give any valid reason for wanting these guns, such certificates are rarely issued. This tight control has had a significant effect upon death from crimes of violence there. In recent years in Britain, where over 400,000 criminals were brought to book, only 159 were carrying guns. The death rate from firearms was one-half of 1 percent of the firearm death rate in the United States.

In the Netherlands, no gun can be purchased without a permit. There has been no gun homicide there for the last several years which strongly shows that the casual connection between control of guns and crime is not to be gainsaid.

In Italy the strict control of firearms follows the same pattern; that is, almost no deaths from guns.

There are different methods, to be sure, in the countries of the world. In some, though they require a person to obtain a permit, they limit the amount of ammunition which he can obtain for it. In Japan, the only type of gun you can purchase is a rifle or a shotgun and registration is an annual event. The Japanese also require that before a hunting license will be issued a person must take instructions in gun handling and pass a written test. Japan also requires that all of the hunters' unused ammunition must be turned in at the end of the season.

Canada requires strict registration of all handguns and licensing of dealers. This latter requirement is true of most other countries.

In this great country where no restrictions are imposed, except locally, the deaths through use of firearms have totaled 750,000 civilians since 1900. This figure was taken from official records which were incomplete. It is estimated that corrected figures since the turn of the century would show a civilian death toll of well up in the millions. This incomplete figure exceeds all of our military dead from the Revolutionary War to Vietnam, that figure coming to 530,000.

As we stand here today, these deaths from shooting are going on at the rate of 50 every day. They exceed the gun death rate of other countries by 5 to 10 times.

I do not like to trade in enthymemes or syllogisms which may not have a distributed middle term but a conclusion from looking around us would indicate that controls on guns will reduce the carnage more than no controls.

From an unbeliever prior to January of this year, I became a believer in some form of controls simply by taking a closer look at the problem. The bill I introduced would:

First, require that any mail-order sale of firearms be channeled through a licensed dealer doing business in the State of residence of the purchaser;

Second, require a mail-order purchaser to submit to the out-of-State dealer or manufacturer from whom he is ordering a firearm a sworn statement containing certain required information;

Third, require any dealer making an interstate mail-order sale to forward certain information to the local law enforcement officer of the place where the purchaser resides—then observe a 7-day waiting period before making shipment; and

Fourth, prohibit any person from possessing in the State locality where he resides, a firearm purchased outside the State if it would be unlawful for him to purchase or possess such firearm in the State or locality.

I am glad to see that H.R. 17735 makes use of my suggestion to channel the interstate shipment of guns through licensed dealers only. This way, there is the doublecheck that no unauthorized person will be able to obtain guns through the use of false and misleading documents but must actually come to the licensed dealer and properly identify himself before delivery will be made.

H.R. 17735 will not inconvenience the hunters and sportsmen too much despite all the furor which has been made. Persons who want to go hunting will still be able to. They can carry their weapons and ammunition with them or they can ship it ahead. There will be no restrictions on the purchase of ammunition for out-of-State hunters and no limitations on the shipping or transporting of their guns and ammuntion back home.

Gun collectors and those interested in "antique firearms" will still be able to engage in their hobby and target enthusiasts will still be able to engage in interstate competition.

I commenced this statement by saying that I would put forward what I thought the proper attitude on gun controls should be.

I believe that the Constitution providing "the right of the people to keep and bear arms, shall not be infringed" means what it says.

I further believe that for every right there is a corresponding duty. The reasonable attempt by the Government to keep track of the weapons in this country cannot be said to infringe on the right to bear arms and there should be a duty of the citizen to advise of his weapon.

It is my belief that the Government has the right and indeed the duty to divert dangerous instrumentalities from the hands of incompetents. No right granted by the Constitution is absolute in every respect—as Justice Holmes said on the question of free speech:

> Freedom of speech does not give one the right to cry "Fire" in a crowded theatre.

That same principle applies to the right to bear arms. No one would say that, because of the second amendment, the inmates of St. Elizabeths should carry guns, or that the prisoners in jail should have them.

This right, not being absolute in all respects, must be regulated with reason and knowledge so as to give full effect to the constitutional provision while still protecting the common good.

I, therefore, believe that regulations of the sale and possession of guns should at all times take into consideration the rights afforded by the second amendment.

It is my view that the bill before us today does not infringe any constitutional rights and will promote the common good. I, therefore, urge its swift passage.

(By unanimous consent, Mr. ECKHARDT yielded his remaining time to Mr. CELLER.)

Mr. POLLOCK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from New York yield to the gentleman from Alaska for a parliamentary inquiry?

Mr. CELLER. I yield.

The CHAIRMAN. Of course, the time will come out of the gentleman's time.

Mr. POLLOCK. Mr. Chairman, I will withhold it. I just wanted to know if we would have a vote on my amendments.

Mr. CELLER. Mr. Chairman, I rise to oppose the amendment offered by the gentleman from Alaska which would establish a new category in this bill called "a licensed transferee." Under the terms of the proposed amendment "a licensed transferee" would be free to purchase firearms across State lines and to acquire firearms through the mail.

The crux of my opposition to the proposed amendment of the gentleman from Alaska is that it drastically alters the entire regulatory fabric of the instant bill. It creates a new exempt class of persons whose favored status would not be determined by Federal authority. I agree with the notion that States should undertake regulation of firearms, purchase and possession. Indeed, I believe that to be the objective of this legislation, but the goal here is to encourage States to regulate within their borders and not to give extraterritorial effect to a particular State's grant of immunity. By undercutting the proposed Federal regulatory scheme the amendment strikes at the very heart and purpose of the legislation.

That is exactly what this amendment does. It says that the State of Alaska, let us say, can by law set up a favored class which is called "licensed transferees." They have a roving license to go anywhere in this country and purchase guns, revolvers, shotguns, or what have you, and they can disregard the prohibitions which we have in this act. Under this roving license all mail-order restrictions of the bill are disregarded.

Mr. Chairman, I think we should pause long before we give authority of that sort to set up this exempt class by order of or authority of a State. We have never done that. It is unprecedented, and I would certainly ask the Members not to support any proposal of that sort.

In a word, I might say that Alaska is willing to take all the grants, all the subsidies, and all the appropriations we make for it, but the import of this amendment is that when it comes to responsibility, the responsibility of reducing violence and murder by guns, Alaska says: "No, we will not share that responsibility; we are going to set up a favored class, a favored few, who will have rights way beyond the rights of other citizens."

Therefore, I do hope that the amendment will be defeated.

Mr. Chairman after I obtain permission in the House to do so I shall insert in the RECORD the comments of the Attorney General on various sections of the bill, which comments the gentleman from Illinois [Mr. RAILSBACK] referred to on yesterday.

The comments referred to follow:

In your letter of July 12, 1968 you inquired as to the purpose and effect of section 922 (a) (3) of H.R. 17735. As reported by the Committee on the Judiciary, that section provides:

"§ 922. Unlawful acts

"(a) It shall be unlawful—

* * * * *

"(3) for any person, other than a licensed importer, licensed manufacturer, or licensed dealer to transport into or receive in the State where he resides (or if the person is a corporation or other business entity, in which he maintains a place of business) any firearm purchased or otherwise obtained by him outside that State: *Provided, however,* That this paragraph shall not preclude any person who lawfully acquires a firearm by bequest or interstate succession in a State other than his State of residence from transporting the firearm into or receiving it in that State, if it is lawful for such person to purchase or possess such firearm in that State: *Provided further, however,* That this paragraph shall not apply to transportation or receipt of a rifle or a shotgun obtained in conformity with the provisions of subsection (b)(3) of this section."

Section 922(a)(3) complements sections 922(a)(5) and 922(b)(3) which prohibit sales of firearms to unlicensed nonresidents. The basic purpose of the legislation is to channel the acquisition of firearms to sources within the purchaser's state of residence, thus enabling the states to effectively regulate and control firearms within their borders. The provision does not make illegal the transport by an individual of legally acquired firearms from one state to another for lawful purposes—such as a resident of one state transporting a firearm to another state for temporary use there for hunting, target shooting, or other lawful purposes. The section only applies to persons who have acquired firearms outside of their state of residence and who are attempting to transport such firearms back into their state of residence.

In answer to your specific questions:

1. *Does section 922(a)(3) apply to firearms owned, by reason of purchase or other legal means, prior to the date of enactment of the proposed bill or only to firearms acquired after the date of enactment?* The section is prospective in effect both as to the date of transportation and as to the date of acquisition of the firearm. Firearms acquired prior to the effective date of the act (or, in the case of handguns, prior to the effective date of Title IV of P.L. 90–351) would not be subject to the prohibition.

2. *Does section 922(a)(3) bar the transport of legally acquired firearms from one state to another on the part of an individual having a residence in each of two or more states?* The phrase "State where he resides" as used in section 922(a)(3) is not specifically defined in the statute. However, similar language is frequently used in statutes and is construed by the courts in each instance to reflect the purpose of the particular statute. See, for example, *Downs* v. *Commissioner*, 166 F. 2d 504, 508 (9th Cir. 1948), *In re National Discount Corp.*, 196 F. Supp. 766, 769 (W.D.S.C. 1961), and *Gallagher* v. *Carroll*, 33 F. Supp. 945, 946 (E.D.N.Y. 1939). The purpose of limiting sales to "residents", and of prohibiting transportation into one's state of residence of firearms purchased outside that state is to enable states to control access to firearms by persons permanently or for substantial periods of time physically located within their borders. The term "residence" is used rather than the term "domicile" to make clear that a person's residence is not limited to the place where he may vote, or pay taxes. At the same time, the term "resident" would not include transients, but only persons who live in a place for a substantial period of time. Thus, if a Member of Congress lives in the District of Columbia during the legislative session, he could lawfully purchase a firearm there and transport it to his home state when he returns there.

This interpretation is also reasonable from the point of view of dealers. When a dealer asks for proof of residence, he may rely on commercially reasonable identification—such as a driver's license or credit cards showing a person's residence address. The dealer will be making a factual rather than a legal determination. If a person has residences in two states, firearms dealers in both states may lawfully sell to him.

3. *Does section 922(a)(3) bar the transport of legally acquired firearms from one state to another on the part of an individual who has changed, or is in the process of changing, his state of residence?* At the time of purchase, such a person resided in the state in which the purchase was made. When he transports the firearm into a new state of residence, he is not transporting into the state a firearm acquired in a state of which he was not a resident. Accordingly, the person would not be prohibited from transporting the firearm into the new state of residence.

Yours very truly,

RAMSEY CLARK,
Attorney General.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. FRASER].

Mr. FRASER. Mr. Chairman, I wonder if the gentleman from Alaska would yield for a question?

Mr. POLLOCK. I will be happy to.

Mr. FRASER. Under your amendment could a State license a person convicted of a felony?

Mr. POLLOCK. No, sir.

Mr. FRASER. Or a person who is declared incompetent?

Mr. POLLOCK. No, sir.

Mr. FRASER. Under your amendment, therefore, the restraints written into this bill are carried over as a prohibition with respect to any State licensing that might occur?

Mr. POLLOCK. They are indeed. They are fully covered. Every controlling and regulating provision of the act pertains. Every safeguard is written into the series of amendments. It does not create a privileged class for the State of Alaska at all. The chairman of the Judiciary Committee made this statement, but it is incorrect, and the chairman knows that it is incorrect. The en bloc amendments provide a means of licensing and controlling interstate mail-order sales for anyone who will subject himself to this licensing provision with all of the full controls.

Mr. FRASER. I got your earlier message on this. I understand this, I am sure, but the other question I want to ask you is, in the event of a purchase by mail, would it be required that the ammunition or firearms be sent to the address identified in the license or could the licensee ask that it be sent somewhere else?

Mr. POLLOCK. I would presume they would have to go to the place covered by the license, because I do not think there would be any further authority for the mail-order house or, in the case of the individual, to send it anywhere else.

Mr. FRASER. Is that made explicit in your amendment?

Mr. POLLOCK. The particular point is not specifically mentioned. The amendments authorize a particular individual under controlled conditions to get a license, and a certified copy of that license is required to be furnished to the mail-order house or to the out-of-State licensed dealer, manufacturer, or importer.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Illinois.

Mr. McCLORY. I think what this amendment lacks is the significance and the importance of licensing gun owners. If this were a comprehensive amendment that would license all gun owners it would seem to me to have some merit even under this legislation. There will be no prohibition it seems to me against mail-order sales or over-the-counter sales intrastate, but only would affect interstate sales which is the only subject which the gentleman from Alaska attempts to cover.

Mr. Chairman, I think it is interesting to note that Alaska has the highest murder rate of any State in the Union. There were only 26 murders, if I have the figure correct, in the entire whole of Great Britain or in England with its great population as contrasted to the population of Alaska.

Mr. FRASER. I was disposed toward the gentleman's amendment, but I fear that without more scrutiny and without checking further into the problems which may exist, and we do not have a chance to really investigate it carefully, I cannot support it. But I like the idea of the amendment.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The question is on the amendments offered by the gentleman from Alaska [Mr. POLLOCK].

The question was taken; and on a division (demanded by Mr. POLLOCK) there were—ayes 41, noes 45.

Mr. POLLOCK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. POLLOCK and Mr. TENZER.

The Committee again divided, and the tellers reported that there were—ayes 68, noes 71.

So the amendments were rejected.

The CHAIRMAN. The Chair wishes to make an announcement at this point.

The Chair called the names of quite a number of Members who were not present when their names were called. If there is time left over the Chair wishes to state that these gentlemen will be recognized.

I trust they will remain in the Chamber.

The Chair recognizes the gentleman from Texas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, this bill came out of the Committee on the Judiciary without the necessary hearings, and without a majority approval of the people of this country, at least, without a majority of the approval of the people of my part of the country.

I hope that when the proper time comes the Members will support the motion to recommit that will be offered by the gentleman from Alaska [Mr. POLLOCK] and send the bill back to the committee.

Mr. Chairman, I reserve the balance of my time.

Mr. McCARTHY. Mr. Chairman, I do not share the views of the gentleman from Illinois who said that this bill is without value. I think it is a reasonably good bill, if we can hold the line on the committee bill and plug the two big loopholes punched in the bill by the gentleman from Minnesota and the gentleman from Florida.

We lost on registration, the true value of which would have been to assist in the apprehension of murderers.

We lost on the licensing provision.

But fortunately 40 Governors have advised the President that they favor strengthening their State laws.

Governor Hughes has said that New

Jersey's strong law is being subverted by mail-order sales of firearms coming into his State.

Massachusetts officials have told us that 87 percent of the weapons picked up in crimes come from out of the State of Massachusetts.

So it seems to me the next step is up to the States. If this bill prevails their borders will be sealed and they can move to enact State laws that can at last be effective.

So far as the MacGregor amendment goes, I think this is a very serious thing. It would exempt ammunition controls for about 90 percent of all firearms. It would exempt ammunition that was used to murder Senator Robert F. Kennedy. It would exempt ammunition that was used to murder President John F. Kennedy. It would exempt ammunition that was used to murder the Reverend Martin Luther King.

I hope that when the rollcall vote occurs, we will be able to hold the line on this bill and defeat the MacGregor amendment.

The other amendment that I think hurts the bill seriously is the amendment of the gentleman from Florida [Mr. SIKES] which would exempt NRA, that is the National Rifle Association affiliated clubs.

Now we have heard how these clubs have been infiltrated by extremist groups in and around my State, for example. This whole program I think is on that question.

The Arthur D. Little Co. study showed that only 3 percent of Army inductees had benefited from this training. That is the whole rationale behind it.

So if we could possibly overturn both the Sikes and the MacGregor amendments, I think we could present the American people with probably the strongest bill that this Congress is capable of coming up with.

The tragedy of it all is that it took the murder of the junior Senator from my State to bring us to the enactment of this measure.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. EDWARDS].

Mr. EDWARDS of Alabama. Mr. Chairman, this has been a long debate. Many amendments have been offered. Some have been adopted and others have been rejected. But in the final analysis this bill still has the one overriding failure of penalizing the law-abiding citizen.

The bill does have one provision that attempts to go after the criminal thanks to the efforts of the gentleman from Virginia [Mr. POFF] and the gentleman from Texas [Mr. CASEY]. This is a good provision, Mr. Chairman, and I commend these gentlemen for their very proper approach to the crime problem. I hope that the legislatures of the various States will now consider adopting State laws which will follow the principle of the Poff amendment providing for mandatory sentences for criminals convicted of a felony who used a firearm in the commission of the felony.

But, Mr. Chairman, as desirable as the Poff amendment is, the balance of the bill has not been changed materially since it came out of committee. It still infringes on the rights of the citizens of this country. It still places too much emphasis on the law-abiding element of society. It still is contrary, in my opinion, to the constitutional right to keep and bear arms.

Therefore, Mr. Chairman, I have no alternative but to vote against the bill.

Mr. Chairman, I ask unanimous consent that my remaining time may be allotted to the gentleman from Alaska [Mr. POLLOCK].

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

AMENDMENT OFFERED BY MR. DOWDY

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. DOWDY].

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DOWDY: On page 25, line 25, after the first comma, insert: "in interstate or foreign commerce," and on page 26, line 22, after the word "ammunition", insert: "in interstate or foreign commerce".

Mr. DOWDY. Mr. Chairman, the purpose of this amendment is to make it clear that the Congress, in legislating in this field, is careful of its duty to stay within its constitutional authority to regulate interstate and foreign commerce. We should not leave this open to question. If the bill is constitutional and proper, it certainly would not be impaired by inserting the phrase, "in interstate or foreign commerce."

If anyone should oppose this amendment, the burden of proof is on him to show why a bill which is predicated upon the authority of the commerce clause should not contain the words "in interstate commerce."

My amendment should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DOWDY].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DOWDY

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DOWDY: On page 8, line 13, strike lines 13 through 23 and insert the following:
>
> "(15) The term 'antique firearm' means any firearm manufactured in or before 1898 (including any matchlock, flintlock, percussion cap, or similar early type of ignition system or replica thereof, whether actually manufactured before or after the year 1898) and also any firearm using fixed ammunition manufactured in or before 1898, for which ammunition is no longer manufactured in the United States and is not readily available in the ordinary channels of commercial trade."

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. DOWDY. Mr. Chairman, this amendment merely changes the definition of antique firearm to conform to the definition adopted by this Congress earlier this year, which was signed into law only last month, in the so-called Safe Streets Act.

Assuming that the Congress knows what it is doing, I would think it is too early to be rewriting a definition.

Furthermore, in any collection of antique firearms, it would certainly be incomplete were it not to include redesigned weapons, which would be necessary to show the development of firearms from inception to modern times.

We should not place additional burdens on accumulation of such collections, to the detriment of exhibitions and museums as well as collectors in general.

Mr. Chairman, I urge adoption of the amendment.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Texas.

Mr. ROBERTS. I thank the gentleman for yielding. I merely wished to ask the gentleman this question: All you are doing is substituting the exact language that is in the crime bill, or in this bill—the exact description of an antique firearm?

Mr. DOWDY. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DOWDY].

The question was taken; and on a division (demanded by Mr. DOWDY) there were—ayes 40, noes 53.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, I reserve the balance of my time.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I believe we are going to enact a gun law. As a truly representative body, we represent what the people want at this time. I believe the philosophy is accepted that guns do not kill people, people kill people. I think that is the same logic that would apply to the statement that men do not have babies. Women have babies—although some people think there is a causal connection.

Of course, there are many more serious problems in the law where we should take action to prevent wrongful deaths. We have automobile accidents, and we have poisonings, drownings, stabbings, and so on. So perhaps it is no more important to take prompt and strict action on the gun laws, than it is in other areas where wrongful deaths occur.

We all remember how Abraham Lincoln was run over by an automobile, Garfield was poisoned, McKinley drowned at the beach, and John F. Kennedy stabbed to death. Or perhaps shooting deaths are only a substantial threat to people in public life. Perhaps the most serious casualty is our free and democratic system of government with ready access to our public officials. Perhaps firearms assassination is just an occupational hazard of political life. Perhaps that is our most serious loss, and perhaps some may suggest the only problem is that they tend to shoot the wrong fellow.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I want to point out that just last night a horrible thing happened in my city, where 10 people were killed by sniper fire, including three police officers. Forty-one people were injured. This would not have happened if the guns were not available to irresponsible persons. I think it is time to call a domestic disarmament conference and reduce the shocking level of gun violence.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from California [Mr. CORMAN].

Mr. CORMAN. Mr. Chairman, one of the amendments on which I hope we have a separate vote, and perhaps a separate record vote, is on the Sikes amendment. Members will want to look carefully at what that amendment did. So far as I can tell, it gives carte blanche to the NRA.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, that is not at all the purpose of the amendment, and that is not what it does.

My amendment permits marksmanship training to be carried on in marksmanship clubs under the auspices of the National Board for the Promotion of Rifle Practice. That is exactly what is being done at present. The program could not be carried on without my amendment. The amendment is a very simple one. It contains no reference whatsoever to the National Rifle Association, and I resent the tactics which are being followed when this amendment is referred to as "the NRA amendment." Whether or not a member of a marksmanship club is a member of the NRA is incidental. I see nothing wrong with such membership, but let me stress the fact that the person is not required to be a member of NRA in order to engage in marksmanship training in a civilian marksmanship club. As a matter of fact, 80 percent of those participating in marksmanship clubs are not members of NRA.

Let me stress also the fact that this program is fully regulated by the Secretary of the Army. He is empowered to eliminate any programs or to change any policies which in his opinion are not in the public interest.

The gentleman has stated the situation completely erroneously, and I know the gentleman does not intend to be unfair. Nevertheless, I must state again that my amendment is not intended to set aside the National Rifle Association as a special group outside the law, nor does it do so.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. CABELL].

Mr. CABELL. Mr. Chairman, may I say first, I extend my apologies to my colleague from Texas [Mr. DOWDY] for inadvertently attempting to take the gentleman's time a while ago.

Mr. Chairman, for the last several days and for many, many hours we have been debating a bill that has been facetiously referred to as a "bucket of worms." May the RECORD reflect that I prophesy at this moment that whatever measure is passed from the floor of this House to conference with the other body will return not as a "bucket of worms" but as a "bucket of snakes" that we would like to have no part of.

I say that because throughout the debate, nearly every hour of which I have been present on this floor, I have seen no disposition on the part of those members of the Committee on the Judiciary—who unquestionably will be members of the conference committee—to support or protect the position taken by a majority of this Committee.

I have seen token opposition—token only—to amendments that have been overwhelmingly defeated, and by the same token, I have seen vigorous opposition to the amendments that have been overwhelmingy adopted.

Consequently, there is no indication that from this Committee on the Judiciary, this body will receive support for its position from any conference committee that might be appointed to confer with the other body.

So I say to the Members of this body, that to avoid a repetition of what we have gone through for the last number of days, and to avoid having a conference report that we do not want rammed down our throats, our only recourse will be to defeat, and to defeat decisively, this bill in its entirety, when the final question occurs.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. CABELL. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, I associate myself with the remarks of the gentleman in the well.

Mr. CABELL. Mr. Chairman, I thank the gentleman for his comments associating himself with me on that point.

Mr. RANDALL. Mr. Chairman, if I have interpreted the remarks of the gentleman from Texas correctly, he meant to infer or imply that in far too many instances in the past the House of Representatives, through the action of its conferees and by other procedures to which we in the House seem to acquiesce, we have made of ourselves the lower body of the Congress in the worse sense of that description. I have listened to many students of our Constitution who have stated and who have written that in their opinion, the intent of the Founding Fathers was that the House of Representatives be not simply the coequal of the other body of Congress, but that in truth and in fact because of the 2-year term provided for the House by the Constitution we would thereby be the body closest to the people and thus the most responsive to the people. For such reasons we should therefore be the most important body of the Congress.

I had not intended to embark upon a dissertation of the relative importance of our House and the other body of Congress. I intended instead and I shall address myself to a comment made by the gentleman in the well a moment ago when he described the bill under consideration as a bucket of worms.

I have tried to follow carefully the debate of this measure both under the time allowed by the rule for general debate and under the 5-minute rule. I am beginning to wonder just what kind of a gun law it is that most of the membership want. In terms of a broad analysis, we could start at the one extreme in terms of a Federal law prohibiting all ownership or possession of all firearms. For all practical reasons, that is neither possible or workable. Then, as a more reasonable step, we could move ahead to consider a bill which would have some realism by providing for controls over handguns. This we did when this body passed the safe streets and omnibus crime bill in June of 1968. At that time we approved restrictions against altering or obliterating serial numbers. We made illegal the possession of handguns by convicted felons, mental incompetents, and aliens. We prohibited the sale of firearms to individuals under 21 years of age.

Following the passage of our safe streets bill in June, the Post Office Department imposed administrative restrictions which provided that guns going through the mail must be clearly labeled "firearms." They provided that the receiving clerk must notify law enforcement officials in the area of the recipient. By administrative ruling, the Post Office Department provided that firearms less than 26 inches in length are now mailable or deliverable only to certified law enforcement officials.

Shortly thereafter on about June 20, the Air Transport Association adopted new rules for firearms moving as air freight. After that date all boxes containing guns must be specifically marked as firearms. Each piece or package of a shipment must be prominently marked "firearms." Before a carrier will accept a firearms shipment, the shipper must submit for inspection and mailing by the carrier a letter or postcard addressed to the chief law enforcement official in the receiver's community, listing the contents of the shipment, the date the shipment was offered to the airline and the receiver's name and address. All of the foregoing seems reasonable and a realistic approach to the problem of imposing some restrictions on the interstate shipment of firearms.

Now if we can take a moment to move along the spectrum from the position of absolute prohibition of the possession and ownership of firearms. We pass through the central area or middle ground which contains the reasonable provisions I mentioned above. These include all of the good provisions contained in the National Firearms Act of 1934 and the reasonable provisions of the Federal Firearms Act of 1938. Let us not forget that the act of 1934, which is still the law today, provided for a moderate tax and thus a record to be kept of transactions of all fully automatic firearms, as firearms, as well as rifles with barrels less than 16 inches in length and of shotguns with barrels less than 18 inches in length. Remember too a record had to be kept of all handguns with attached shoulder stocks. In addition there was and is a special tax and a special registration provision for all silencers or mufflers.

In the Federal Firearms Act of 1938 all manufacturers, importers and dealers had to obtain a license. Such manufacturers, importers and dealers had to maintain a complete record of the production, receipt and disposition of all firearms. This 1938 act covered prohibitions on firearms from which serial numbers had been removed, altered or obliterated. Let us not forget both of these enactments provided for the keeping of records by the Federal taxing authority and also by the dealers and of the purchasers involved. All of the foregoing provisions seemed to be reasonable. They could be effective today if only they were enforced.

If not in this debate then separately and in the press, it has been proposed that we go to the extreme in another direction in our efforts to control firearms. It has been proposed that all weapons be turned in and the Government pay the reasonable value to the owner. One extreme suggestion for control provided that all firearms, handguns as well as rifles and shotguns belonging to private owners, should be periodically turned in to a central depository and a receipt issued to the owner. This suggestion provided the owner could later on draw the gun out again for his use, much as a library book is withdrawn from a library and returned. My comment on such a suggestion is simply how ridiculous can suggestions become?

Occupying the middle ground, or somewhere between the extreme provisions of a Federal law prohibiting possession or ownership of all firearms, and the other extreme requiring owners to turn in their guns to a central depository and later draw them out for use, have been some reasonable proposals. I supported these reasonable proposals which were included in the enactment of the safe streets and omnibus crime control bill. I have never demonstrated any desire to oppose a commonsense or a workable regulation of firearms. I have and will support any provision that will become a deterrent against the criminal to commit a crime while armed with a gun. I submit many of the proposals have been unworkable. It is for such reasons I have a feeling I know what the gentleman from Texas had in mind when he said, some of these extreme suggestions seemed to resemble a can of worms.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I ask unanimous consent that I may be permitted to yield 2 minutes to the gentleman from Minnesota [Mr. MacGregor], and that I may be permitted to reserve the other minute for one of the other amendments that is to follow.

The CHAIRMAN. Is here objection to the request of the gentleman from Iowa?

There was no objection.

Mr. MacGREGOR. I thank the gentleman from Iowa very much for yielding.

Mr. Chairman, we have heard a great deal of talk about mail-order sales of ammunition. If we read through the Record for yesterday, we find that even members of the ad hoc committee which considered this legislation refer to mail-order sales of ammunition. The distinguished gentleman from California [Mr. Corman], the distinguished gentleman from Illinois [Mr. Railsback], and I referred to the receipt of ammunition through the mails.

I wish to apologize to all of you for all of us being so misinformed. There are no mail-order shipments of ammunition. There are none in America today, and there has been none for 15 years or more. It is against the law. This information, of course, would have come to light if we had held hearings.

It is against the law to send any live ammunition through the mail. It has been for more than 15 years, by regulations of the U.S. Post Office Department.

Specifically, it is against the law to send .22-caliber rimfire ammunition through the mail. It is against the law to send any metallic rifle ammunition through the mail. It is against the law to send shotgun shells through the mail. It has been for more than 15 years.

We have been debating in this Chamber on the basis of a circumstance which does not exist. We have been saying how tragic it would be to permit a 10-year-old boy to order and receive through the mail some rifle ammunition. He cannot do it. Nobody would ship it to him. It is against the Post Office regulations.

The only thing one can ship through the mail is: inert materials, such as unprimed hulls of shotgun shells—that is, a raw hull that has no primer in it—or wads or pellets. One cannot now ship, I repeat, under regulations of the Post Office Department, any live ammunition through the mail.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The Chair recognizes the gentleman from New York [Mr. Bingham].

Mr. BINGHAM. Mr. Chairman, I regret very much that the amendments proposed by the gentleman from Illinois [Mr. McClory] for registration and licensing, and my amendment for overall registration, were defeated.

In spite of that, I believe this bill is needed as a part of an overall firearms control program. Indeed, this bill represents substantially what I asked this House to consider last year when we first dealt with the crime bill. I offered it as an amendment at that time, but it was ruled out of order. I hope the bill will be passed overwhelmingly.

At this time, I should like to speak on two amendments which were passed yesterday, which will come up again on rollcall votes, and I want to direct my remarks primarily to the gentlemen on my side of the aisle, who I hope will be reelected. Of course, I cannot prevent the gentlemen on the other side of the aisle from overhearing what I have to say.

I say to my friends over here, on this rollcall vote, please do not put yourselves in the position where your opponent this fall can say to your constituents: "This man voted to exclude from the gun control bill the kinds of ammunition that were used to kill President Kennedy, Senator Kennedy, and Dr. Martin Luther King, Jr."

Please do not let your opponent say that you voted to allow the sale of rifle and .22-caliber ammunition to narcotics addicts, because that is what the MacGregor amendment will do.

As for the Sikes amendment, please do not let it be said, my friends over here, that you voted for an amendment which would exempt the members of the National Rifle Association from the provisions of this act. I heard the remarks of the gentleman from Florida [Mr. Sikes] as to his intention. His intention may be one thing, but the language of the amendment is another. Please look at the Sikes amendment as it appears on page 22783 of the Record for yesterday. As worded, this amendment clearly excludes all shipments, not just shipments by the Government, but all shipments of firearms to those to whom the Secretary of the Army may lawfully send ammunition. If you tie that in with title 10, United States Code, section 4308(a)(5), the wording of the amendment means that all the members of the NRA would be excluded from all the provisions governing shipment of firearms under this act.

I hope these two amendments will be defeated.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Florida [Mr. Sikes].

Mr. SIKES. Mr. Chairman, I rise to make a unanimous-consent request to correct the amendment offered earlier by me and adopted.

On page 14, line 11, where it was intended to strike the words "local law" the amendment as handed to the Clerk failed to specify that these words "local law" should be stricken. Therefore, I ask unanimous consent that the Record be corrected accordingly, and then the amendment will read:

> On page 14, line 11, strike out the words "or local law" and insert in lieu thereof the following: "law or any published ordinance"; and on line 14, strike the word "or" and on line 15 strike the words "local law" and add "law or any published ordinance."

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. BOLLING. Mr. Chairman, reserving the right to object, will the gentleman explain the significance of his unanimous-consent request?

Mr. SIKES. I will be glad to attempt to explain it to the gentleman.

What I had sought earlier in offering the amendment was to provide that in local communities where local ordinances may have been passed providing restrictions on the purchase or sale of weapons or ammunition that they be available in published form and available for study; published in a newspaper, published in pamphlet form; at least available so that the buyer and seller could know what local laws control the sale or the purchase of weapons in the community. As the bill is written now the term "local law" is used. The words "local law" do not appear to be sufficiently clear. In some communities, particularly the smaller ones, there may have been ordinances passed but not published. It is felt it is desirable from every standpoint if there can be a reliable reference for both the buyer and the seller so that they can know what laws control these transactions in the respective communities.

Mr. BOLLING. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Florida?

Mr. CORMAN. Mr. Chairman, further reserving the right to object, if I may ask the maker of the rquest, this does not in any way change the place of publication? There is no requirement that it be published in the Federal Register, I assume.

Mr. SIKES. None whatever.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Florida?

There was no objection.

The **CHAIRMAN.** The Chair recognizes the gentleman from New York [Mr. Kupferman].

Mr. KUPFERMAN. Mr. Chairman, I rise in support of the committee version of this bill. I think it is a fair minimum of the legislation needed.

Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentleman from Illinois [Mr. Railsback].

The **CHAIRMAN.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAILSBACK. Mr. Chairman, first of all I want to thank the gentleman from New York for yielding to me and also to say I find myself speaking on something I had not intended to speak on; namely, the MacGregor amendment with respect to ammunition sales.

I do not know what a mail order sale of firearms means to most of you, but I know what it means to me. It means that somebody can order through the mail and can send an order blank through the mail without any kind of identification or appearing in person to be recognized or checked for age or anything else and be able to receive through the mail a firearm.

I want to admit here that I did not know the facts which the gentleman from Minnesota was kind enough to disclose, namely, that right now ammunition sales through the mail are not legal. The thing that bothers me when we talk about mail order sales is that someone is able to send an order blank through the mail and then receive a shipment of firearms.

So, what he discloses in my opinion does not in any way change my opinion. Therefore by changing the definition of '"ammunition" not to include .22-caliber bullets or .30-.30-caliber bullets or these other types of ammunition that can be used in lethal weapons, his last statement does not in any way affect my feelings about the amendment.

Mr. BIESTER. I would point out to the gentleman that the Government having enacted some 15 years ago legislation to prohibit the transshipment of all ammunition by mail, should now extend that ban, by this bill, to all such traffic, whether by mail or other means.

Mr. CORMAN. It is clear that when one orders by mail the delivery may be made by some other common carrier.

Mr. RAILSBACK. It does not matter how it is delivered, whether it is shipped by train or anything else. The thing we are trying to avoid is mail-order sales.

Mr. CORMAN. The manner in which it is shipped has no bearing at all.

The **CHAIRMAN.** The Chair recognizes the gentleman from Pennsylvania [Mr. Biester].

Mr. BIESTER. Mr. Chairman, I wish to join in the remarks of my colleague from Illinois who has just spoken and also point out if as the gentleman from Minnesota has just suggested there is no information on the disposition through the trucking of interstate traffic of ammunition, that is one condition which indicates that this Congress should act to prohibit any such traffic from occurring.

I also rise, Mr. Chairman, perhaps prematurely, to address myself to amendment No. 17 which I expect to be offered by the gentleman from Alaska [Mr. Pollock] which would permit a State by appropriate State action to remove itself from the provisions of this bill.

It is my opinion that such an amendment would be very devastating to the total effect of this bill. It would shatter the Federal protection system which we are trying to build into this bill and weaken it enormously.

Mr. Chairman, I would urge that when it does come to the floor that it be opposed.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. BIESTER. I yield to the gentleman from Illinois.

Mr. RAILSBACK. If I can get the attention of the gentleman from California with respect to gun shows—and many of us have gun shows in our district—I would like to get the gentleman's opinion since he has checked with the Treasury Department today on the matter. Nothing in this bill will cause the discontinuance of the system in respect to licensing for permission to hold gun shows?

Mr. CORMAN. Nothing other than the requirements relating to sales to persons through licensed dealers.

Mr. RAILSBACK. It is my understanding that nothing would deprive a dealer from having a licensed location in some other area other than his regular place of business?

All that is necessary in order to hold a gun show is that you have to obtain one Federal license and pay one $10 fee.

Mr. CORMAN. That is my understanding.

The **CHAIRMAN.** The Chair recognizes the gentleman from Missouri [Mr. Randall].

Mr. RANDALL. Mr. Chairman, I shall try to be as brief as possible.

I had planned to offer an amendment which would call for the act to become effective, not less than 1 year nor more than 2 years after the date of enactment and then only if the Attorney General determines existing laws relating to firearms controls have been ineffective and only if and when he reports that determination to Congress within the period of not less than 1 year nor more than 2 years. This would require the Attorney General to determine how effective all the other legislation is we have passed over the years, starting in 1914, resuming in 1934, 1938, and now 1968 and to determine the effect of the 1968 enactment of the safe streets bill after it becomes operative near January 1 of next year.

I have decided against introducing such an amendment because I might be accused of delaying tactics.

However, we should remember that in 1965 our own Committee on Ways and Means held extensive hearings. At that time this committee asked the Attorney General to make a report on all then existing legislation which had been enacted theretofore. I am reliably informed that as of this time there has been no such report made by the Justice Department pursuant to that 1965 request.

We should all know by now, Mr. Chairman, that no matter how we slice it or how we lay it out, after all is said and done, all that we are doing by this bill today is to limit the interstate shipment of long guns. This we have already done in the past. We have even required registration back in the 1934 act and in the 1938 acts, where provisions were made for the keeping of records. All of these provisions are parts of former enactings. Then in June of this year, we passed the enactment covering handguns. Today, all we are really doing is to extend the prohibition to the shipment of long guns by mail. But with all this what, if any, assurance do we have that all the enactments already on the books either have been enforced or will be enforced.

If I may make one observation, Mr. Chairman, it is that all of the Members should take the time to read the constitution of their own States on the right to bear arms and then to look at some of the statutes of their own States. If there are any doubts about the meaning of the second amendment to the U.S. Constitution covering the right to bear arms, the Missouri constitution is very plain and without equivocation. I feel certain the constitution of many of our States is equally clear and plain.

For the benefit of my colleagues of the Missouri delegation, I refer to section 23 of article I, which provides that the right of every citizen to keep and bear arms in defense of his home, person and property, shall not be questioned. Our constitution provides this shall not justify the carrying of concealed weapons. It should be remembered that this provision is identical to one that appears in the old constitution of 1875 and was not changed in substance or suffered from change when the new constitution of Missouri was adopted by the vote of the people in 1945. The entire constitution was revised in 1964 and this identical section providing for the right of every citizen to bear arms in defense of his home, person and property remains unchanged as it has been for 100 years.

Moreover, in Missouri we have a strong statute against concealment. We have a statute against making it an offense for an intoxicated person to carry a deadly weapon. We have penalties for selling, delivery of or loaning a deadly weapon to a minor. We have provisions that all guns must have a trademark or serial number on them and a provision that no person can buy, sell, borrow, loan, or give away a firearm to a person without a permit authorizing the possession of such weapon; and such permits may be issued by the sheriff only after he is satisfied the applicant is of good moral character and that the granting of the permit will not endanger the public safety, under the foregoing constitutional restriction.

I mention the foregoing Missouri provisions only to emphasize that while they may be restrictive in nature they are operative on the local level where it is proper and fitting they should have been enacted and where they can be enforced, rather than being enacted by the Federal Government and enforced by a Federal bureaucracy.

Mr. Chairman, the amendment which I would have offered was not a dilatory or delaying one. It would have been only a vehicle for giving the Treasury Department or Justice Department one more opportunity to enforce the statutes already on the books. In many respects the National Firearms Act of 1934 and the Federal Firearms Act of 1938 are better laws than the measure we are debating today. Coupled with this is the fact that the Safe Streets Act of 1968 contains within it strong gun provisions that have not yet become effective and cannot become effective until the act becomes operative at end of this year.

This much I do know, that either with or without the provisions of the Safe Streets bill which was signed into law only a few weeks ago, the two laws of the 1930's, if adequately enforced, will provide all the protection we can hope to bring to the public, without infringing on the personal rights of our citizens and the States to enact and enforce the control of firearms.

I submit that the short title of the bill we are debating today, referred to as the "State Firearms Control Assistance Act of 1968," is grossly misleading and is really a sort of Madison Avenue gimmick. It is the very furtherest from assistance to the States. In fact, it is an act which will deprive the States from making those laws they need for the effective regulation of firearms laws for their citizens.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, I believe that this bill has been so cut up during debate, and there has been so much questioning, with no real answers, given in the debate concerning it, and I do not believe there is a man on the floor who knows what is in it, as it is at present.

Therefore, I believe this bill should be sent back to the committee for hearings and there should be a codification of the existing laws so that we can find out just where we are going because there are many gun laws that are not being enforced now.

PREFERENTIAL MOTION OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Preferential motion offered by Mr. DINGELL: Mr. DINGELL moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. DINGELL. Mr. Chairman, I rise reluctantly to offer this preferential motion. I do so only because of the limitations that have been imposed on time, and because my friend, the gentleman from New York [Mr. TENZER], has been circulating a document on the floor.

I rise to discuss this with the gentleman from New York, and ask him first—and I will yield to him briefly for this purpose—to explain where this circular that he has been circulating on the floor comes from.

Mr. TENZER. Mr. Chairman, will the gentleman yield for a reply?

Mr. DINGELL. Yes, I yield to the gentleman.

Mr. TENZER. From the Justice Department.

Mr. DINGELL. Has the gentleman taken the trouble to read this document?

Mr. TENZER. Yes, I did.

Mr. DINGELL. Does the gentleman know whether the remarks he makes in there are true?

Mr. TENZER. I believe them to be true.

Mr. DINGELL. The gentleman knows of his own knowledge that they are true?

Mr. TENZER. I believe them to be true.

Mr. DINGELL. How does the gentleman know that they are true? Has the gentleman checked to determine whether the facts that he states in this document are true?

Mr. TENZER. The reason——

Mr. DINGELL. I ask the gentleman, now, he is a lawyer, and he has made a serious statement about something important to the bill before us. He is a member of the Committee on the Judiciary. I am yielding to the gentleman to tell me whether as a lawyer and a scholar of the law he has reviewed these facts and he knows the facts that are asserted in this document to be true?

I yield to my friend from New York. Just a yes or no answer is sufficient.

Mr. TENZER. I will not make a yes or no answer, but let me say to the gentleman from Michigan, my very good friend, that it is not necessary when he addresses me to point his finger at me.

Mr. DINGELL. I am not going to yield to my good friend from New York to talk about pointing a finger. I want the gentleman from New York to tell me whether or not he knows that these facts are true or not?

Mr. TENZER. I will say to the gentleman from Michigan that also it is not necessary for him to ask questions with machinegun-like rapidity without giving time for an answer.

Mr. DINGELL. I have been trying with some diligence to get an answer.

Mr. Chairman, I ask for regular order, because I have only 5 minutes.

Since the gentleman from New York is not able to tell me whether or not the statements made are true, I will proceed now, if I may, Mr. Chairman, to very briefly try to enlighten him.

The title of it is "Vote Against the NRA Exemption Amendment."

Down here under this appears the words:

> It exempts not just organizations, but also persons who are members of such organizations.

That is, members of the National Rifle Association would be exempt from the whole act and could purchase by mail order.

I will make the statement for the benefit of my friend, the gentleman from New York, that the amendment offered by the gentleman from Florida [Mr. SIKES] does not make such an exemption and I will yield to my friend, the gentleman from New York, to rebut my statement if he so chooses—and if he does not do so, I will assume that he concedes the rectitude of what I say.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. No, I do not yield to the gentleman from New Jersey.

He goes on to state:

> It exempts such persons from all aspects of the act, *whether or not they are engaged in any military activity.*

Now I will make the flat statement again to my friend from New York that that statement is totally, completely and irretrievably false. I yield to him, if he chooses, again to deny it. If he does not, I will assume that he admits the truth of what I say.

Mr. TENZER. I will say to the gentleman from Michigan that his last statement is not true.

Mr. DINGELL. All right.

Mr. TENZER. I mean your statement.

Mr. DINGELL. All right.

Mr. TENZER. Now if you will read the record.

Mr. DINGELL. The gentleman is entirely in error.

Mr. TENZER. And if you read the text of the amendment.

Mr. DINGELL. Mr. Chairman, I decline to yield further.

Mr. TENZER. The record will show, Mr. Chairman, that the gentleman from Michigan declines to yield for an answer.

Mr. DINGELL. Mr. Chairman, I decline to yield further and demand the regular order.

The CHAIRMAN. The gentleman from Michigan declines to yield to the gentleman from New York.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Yes, in just a minute. This statement further goes on to say:

> It will continue to subsidize the NRA by making it advantageous for many persons to become members of the NRA simply in order to evade the basic regulatory purposes of the act.

I will again make the statement that this is a falsehood and that the gentleman from New York should have a sufficient knowledge of the legislation in his committee and from the full committee and the legislation printed upon the public record for this Congress for 1 day and he should know better than to circulate a document that is so irresponsible.

This statement that I am reading from further goes on to say:

> Such a continued subsidization will help finance the very organization which has been most responsible for blocking meaningful gun control laws for nearly half a century.

The fact of the matter is that gun control laws have not been passed because the people of this Nation have not wanted them.

Now I will yield to my friend, the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, I consider it most unfortunate that the gentleman from New York has circulated this document. In the first place, there is no subsidy to the National Rifle Association from the National Board for the Promotion of Rifle Practice, and there never has been. The National Rifle Association pays its own way and receives no compensation from the board in support of the program for the promotion of rifle practice.

The material which is being circulated is erroneous from top to bottom. It is a calculated attack on the National Rifle Association in an attempt to throw a smoke screen around the efforts to defeat the amendment and eventually to take firearms away from the American people. Perhaps, it is more than a little significant that the Worker, the official Communist Party publication, also is circulating material against the marksmanship program, and I have that publication's release before me.

The statement which is being circulated against my amendment makes no attempt to follow the truth. It is prejudiced and inaccurate, and deserves no consideration from the Members of the House. Eighty percent of those participating in the marksmanship clubs are not members of NRA, and by no stretch of the imagination could this be labeled an amendment to benefit NRA. Those who call it an NRA amendment are simply ignoring the facts. My amendment is intended to carry on a good program. It will do that and nothing more.

Mr. DINGELL. I would point out further that such matters and such shipments as we are concerned about hereunder are fully and completely regulated by the Secretary of the Army.

Mr. TENZER. Mr. Chairman, I will respond to the gentleman from Michigan, my good friend, JOHN DINGELL, by saying that the Sikes amendment adopted by teller vote on Tuesday, which reads as follows:

SIKES AMENDMENT

> Nothing contained in this chapter shall be construed to prevent shipments of *firearms and ammunition to institutions, organizations, or persons* to *whom such firearms and ammunition* may be *lawfully delivered by the* Secretary of the Army, nor to prevent the transportation of such firearms and ammunition so delivered by their lawful possessors while they are engaged in military training or in competition (emphasis added).

This amendment seeks to exempt shipments of firearms and ammunition to certain "institutions, organizations or persons." The "institutions, organizations or persons" are not specified but rather they are described as those who are entitled to receive firearms or ammunition from the Secretary of the Army under another statute.

In order to ascertain which "institutions, organizations or persons" are entitled to the exemption we are required to read the Sikes amendment in conjunction with title 10, United States Code section 4308(a)(5) which describes who may be benefited by the amendment:

> The Secretary of the Army, under regulations approved by him upon the recommendation of the National Board for the Promotion of Rifle Practice, shall provide for . . . (5) *the sale to members of the National Rifle Association, at cost,* and the issue to clubs organized for practice with rifled arms, under the direction of the National Board for the Promotion of Rifle Practice, of the arms, ammunition, targets, and other supplies and appliances necessary for target practice.

Mr. Chairman, I respectfully call the attention of my distinguished colleague from Michigan, for whom I have a very high regard, that the four statements which appear at the foot of the memorandum being circulated for the information of Members of the House are expressions of opinion. The four items are introduced with the following language:

> This amendment should be voted down because:

My colleague from Michigan may differ with these opinions or he may argue that the opinions are based on faulty assumptions, but it is not in good taste for him to say that matters stated in a memorandum are "irretrievably false," as the gentleman from Michigan has charged. The fact is that the opinions as expressed in the memorandum are solidly based on the language of the Sikes amendment and in the language of title 10 cited above.

The name of the National Rifle Association is specifically mentioned in title 10, and the sales of firearms and ammunition to NRA members is a subsidy by the Federal Government paid for at the expense of 200 million Americans. That portion of the text of the memorandum containing the four reasons why the Sikes amendment should be voted down reads as follows:

> This amendment should be voted down because:
>
> It exempts not just organizations but also *persons who are members of such organizations;* thus, any member of the NRA would be *exempt from the whole act, and could purchase by mail order,* etc.
>
> It exempts such persons from all aspects of the act, *whether or not they are engaged in any military activity.*
>
> It will continue to subsidize the NRA by making it advantageous for many persons to become members of the NRA simply in order to evade the basic regulatory purposes of the act.
>
> Such a continued subsidization will help finance the very organization which has been most responsible for blocking meaningful gun control laws for nearly half a century.

Mr. BOLLING. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I had no intention of engaging in this debate. I said what I had to say in the discussion on the rule.

But I have been here, I think, for virtually every minute of the debate during the amendment stage and I was interested in the last 5 minutes of debate in particular because, in effect, our friend, the gentleman from Michigan [Mr. DINGELL] was challenging the good faith of the gentleman from New York [Mr. TENZER] in circulating certain material.

I gather that in that challenge he was being supported by the gentleman from Florida [Mr. SIKES].

I would make no charges as to intentions, but I wish to discuss briefly the results of the action of the gentleman from Florida and the gentleman from Michigan the other day, on Monday July 15, when we had a matter before us under suspension of the rules. When there was a piece of legislation that purported to be of general interest and dealt with the question of appropriating or authorizing to be appropriated a half million dollars of the public's money for purposes ill-defined so far as I can determine with regard to hunting on military reservations.

I watched that matter with considerable interest because one of the gentlemen was the author of the legislation and the other gentleman was the manager of the legislation.

You know that under suspension, a matter comes up without really much opportunity for debate and unless a second is demanded by somebody who is opposed to the bill, there is no debate in opposition except at the wish of the person who calls it up by agreement.

I watched with considerable interest as the gentlemen proceeded to let the bill go through without any explanation. Our friend from New York [Mr. CAREY] made an attempt to have a rollcall on the matter. I am not expert in the matter, but I do know that it is a piece of legislation in the interest of a very limited number of people which these gentlemen maneuvered through the House, and maneuver is legitimate. They maneuvered it through the House without giving the House the benefit of the facts with regard to the bill.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I am delighted to yield to the gentleman from Florida.

Mr. SIKES. I welcome the opportunity to spell out the purpose and the significance of H.R. 11026, the bill to implement conservation programs on military reservations to which the gentleman has made reference. This is a bill which is intended to provide better recreational facilities for every person in the military—all 3½ million of them—and their families. The advantages which are sought from this bill will also be available to civilians and to civilian families. By no stretch of the imagination could this bill be considered as intended to benefit a privileged few. Every person in uniform and his family could benefit. Every civilian who desires could benefit.

The bill was reported unanimously by the Committee on Merchant Marine and Fisheries after complete hearings were held. It was explained in detail to the Rules Committee. Full information on the bill and its contents were available on the floor throughout the day that the bill was considered. Anyone who had an interest in learning more about it could have obtained this information without difficulty.

Now let me tell what the bill would do. It would improve recreation and conservation programs on military reservations. That means hunting, fishing, camping, boating, swimming, hiking, and all the other things that people like to enjoy in the great outdoors. There is ample opportunity for the development and expansion of such programs. The U.S. Government owns 30 million acres of land at 250 military installations. Under existing law, there is a program which permits these areas to be developed for conservation and recreational purposes, but the amount of development is limited to fees which are paid for permits to use the area. On some of the bases, the number of permits purchased is sufficient to provide adequate revenue for sound programs. In others, the recreational assets are so meager that there is nothing to generate the purchase of permits in sufficient number to insure the development of better conservation and recreational programs. These areas need a shot in the arm. A small appropriation is authorized in H.R. 11026 to provide this shot in the arm and to get improved conservation and recreational programs into motion. By this procedure, we hope to make the programs on additional reservations self-supporting, and to provide expanded conservation and recreational opportunities.

Yes, the generals use these reservations. Privates use them also. Civilians use them. There are many more privates and civilians than there are generals, and generals have access to many recreational advantages that are not available to privates and civilians.

I am sure that no one who has troubled himself to become familiar with the bill would want to deny the use of these improved recreational and conservation programs to men in uniform and to their families. Where wholesome recreation is not available at military bases, we simply are sending men in uniform to town for their recreation, and the kind of recreation they find there is not likely to be as wholesome. Some men in uniform have been known to join in demonstrations and in marches.

I trust that this will be sufficient explanation to remove any doubts which may exist about the need for the programs which will be encouraged by H.R. 11026.

Now to the matter of procedure. The gentleman is fully aware of the fact that a bill which is under consideration under suspension of the rules need not be debated unless there is desire on the part of the membership that this be done. There was no such indicated desire in the case of H.R. 11026. The Speaker did what is normal in completing the passage of the bill, and obviously his procedure had the approval of the House.

Mr. BOLLING. Mr. Chairman, I refuse to yield further. The gentleman has had an opportunity to explain his position in the matter. Before I yield back the balance of my time, I would point out that that is the fullest explanation made on this matter to date. If the House finds it satisfying—and I do not—let the House so judge. I yield back the balance of my time.

The **CHAIRMAN.** The question is on the preferential motion offered by the gentleman from Michigan [Mr. DINGELL].

The preferential motion was rejected.

The **CHAIRMAN.** The Chair recognizes the gentleman from Ohio [Mr. MCCULLOCH].

Mr. McCULLOCH. Mr. Chairman, since Wednesday last, when we first started to discuss gun legislation, every person who really wished to speak has had an opportunity to speak, and almost all of the members of the committee have had an opportunity to speak not once but two, three, four, five, and six times. Of course, this legislation is complex. There are many conditions and exemptions in it. I have come to believe that almost every member of the committee, even the person speaking now, thinks that he or she is an expert on gun legislation, on sportsmen and the like. Through all the work of the committee we have tried to give to the committee effective legislation that would meet at least some of the needs of the time. I am convinced, Mr. Chairman, that this legislation will meet most of the needs of our time.

I heard only the latter part of a statement made earlier today, at least without justification, so far as I am concerned.

In the first place, I am responsible to my conscience for what I say and how I vote in the House, or in the committee, and then I am responsible to my constituency, and then to the rest of the people of the United States, and I vote in accordance with that principle. It was so nobly and so lastingly said by the great Edmund Burke that it is the rule for most parliamentarians in free governments everywhere.

The gentleman who spoke earlier today, saying that the members of the Committee on the Judiciary or the members of a conference committee would not be responsive to the will of the House, is without authority and without fact in making that statement. I have been here a long time, and I do not remember a single occasion when I did not try, as best I could, in a conference committee, to represent the interests of the House as expressed by the House.

I should like to say to that gentleman—whose name I do not now recall—that one of the amendments to which the gentleman must have referred was adopted by a vote of 168 to 89, and the other amendment was adopted by a vote of 179 to 84. It would be my purpose and it would be my bounden duty as a spokesman for the House—if I became one—to reflect that vote, not the reverse of it.

Finally, Mr. Chairman, this legislation on the whole is good legislation. It will make dangerous weapons less accessible than ever before in modern America. It will not solve all deaths by firearms but it can and will decrease the number of such deaths. I urge all members of the committee to support it.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from New York.

Mr. CELLER. Mr. Chairman, I just received a very interesting communication from David E. McGiffert, Acting Secretary of the Army and chairman, National Board for the Promotion of Rifle Practice, with reference to the so-called Sikes amendment, which benefits the members of the National Rifle Association, and this gentleman states as follows about the exemption created by the Sikes amendment:

> The exemption is certainly not required in order to enable the Army to carry out the purposes of 10 U.S.C. 4308. Moreover, if and to the extent the amendment can be construed as exempting shipments of weapons to NRA members from sources other than the Army, it has nothing to do with the Army's marksmanship program under 10 U.S.C. 4308 and would appear simply to discriminate in favor of NRA members without regard to their participation in the program.

Mr. Chairman, I will include the entire letter in the RECORD, after I obtain permission in the House to do so.

The letter referred to follows:

DEPARTMENT OF THE ARMY,
Washington, D.C., July 24, 1968.

Hon. EMANUEL CELLER,
Chairman, Committee on Judiciary,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I have noted the amendment to H.R. 17735 offered by Mr. Sikes and adopted yesterday by the House. Mr. Sikes' amendment would provide an exemption from the provisions of the bill for "ship-Board for the Promotion of Rifle Practice in stitutions, organizations or persons to whom such firearms and ammunition may lawfully be delivered by the Secretary of the Army, nor to prevent the transportation of such firearms and ammunition so delivered by their lawful possessors while they are engaged in military training or in competitions."

The stated purpose of Mr. Sikes' amendment was to prevent the bill, if enacted, from requiring that the activities of the National Board for the Promotion of Rifle Practice in supporting marksmanship clubs be conducted through licensed dealers. I have examined the bill, and have also thoroughly explored the arrangements under which the marksmanship club program of the Department of the Army is conducted. The amendment which Mr. Sikes offered is not necessary to permit the Department of the Army to continue effectively to operate the marksmanship club program and any related program.

This position of the Department of the Army is consistent with that taken last year, when similar questions arose in connection with H.R. 5384. I am attaching a copy of my April 17, 1967 letter, setting forth this Department's position at that time, a position which applies with equal force with respect to H.R. 17735.

I note also that the amendment refers not only to shipments of firearms and ammunition to "institutions" and "organizations" but also to "persons" and that it exempts transportation of such firearms by their "possessors" engaged in competitions. The Army's marksmanship club program involves delivery of weapons to clubs (i.e., organizations) rather than to individuals and therefore I believe that the reference to "persons" and to "possessors" is not pertinent to the stated purpose of the amendment. As far as I can see, these references are either inadvertent or they are intended to refer to the individual members of the National Rifle Association who may be eligible to purchase excess military firearms under 10 U.S.C. 4308 whether or not they participate in the Army's marksmanship club program. In any event, the exemption is certainly not required in order to enable the Army to carry out the purposes of 10 U.S.C. 4308. Moreover, if and to the extent the amendment can be constructed as exempting shipments of weapons to NRA members from sources other than the Army, it has nothing to do with the Army's marksmanship program under 10 U.S.C. 4308 and would appear simply to discriminate in favor of NRA members without regard to their participation in the program.

Sincerely,

DAVID E. MCGIFFERT,
Acting Secretary of the Army and Chairman, National Board for the Promotion of Rifle Practice.

April 18, 1967.

Hon. Emanuel Celler,
Chairman, Subcommittee No. 5, Committee on the Judiciary, House of Representatives, Washington, D.C.

Dear Mr. Chairman: In testifying before your Subcommittee on April 10th on the State Firearms Control Assistance Act (H.R. 5384), Mr. Franklin L. Orth, the Executive Vice President of the National Rifle Association, indicated that the proposed legislation threatened the existence of the Army's Civilian Marksmanship Program. Specifically, on p. 739 of the transcript, he said that failure to include in the legislation an exemption for firearms and ammunition lawfully provided by the Secretary of the Army to organizations and individuals "could spell the end of that extremely valuable contribution to our national establishment."

We have examined H.R. 5384, and have concluded that, contrary to the above statement, the Civilian Marksmanship Program would not be adversely affected by the enactment of the Bill in its present form. The Secretary of the Army stated on May 19, 1965, before the Senate Committee on the Judiciary, that we strongly favor the enactment of firearms control legislation. We continue to do so and specifically, we support H.R. 5384.

I would appreciate your including this letter in the record of the hearings.

Sincerely,

David E. McGiffert,
Under Secretary of the Army.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I am interested in the remarks of the gentleman from Ohio [Mr. McCulloch] with reference to the amendments that have succeeded in the House, or amendments which have been defeated in the House, and the effect this should have upon the conduct of conferees. I am interested to know whether the gentleman's remarks would apply to all conference reports and all conferees on all legislation.

Mr. McCULLOCH. Mr. Chairman, I had expressed a rule by which I try to live and by which I have lived so far as I can remember.

Mr. MacGREGOR. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from Minnesota.

Mr. MacGREGOR. Mr. Chairman, I support this bill. I support the controls on rifles. I support its controls on shotguns. I support its controls on destructive device ammunition, and I support its controls on pistol and revolver ammunition.

Mr. Chairman, by the terms of this bill, the bill does not go into effect until some time in March or April of next year. We have had absolutely no hearings on ammunition controls, and we got into difficulty because we attempted to cover sending of ammunition through the mails when that is already prohibited. We got into difficulty because there were no hearings. We will have ample time, Mr. Chairman, to hold hearings early next year, before this bill even goes into effect, on the question of control on .22 caliber rimfire ammunition, shotgun shells, and metallic ammunition suitable for use only in rifles.

I thank the Members of this Congress who have listened to the argument on my amendments yesterday, and I thank them for voting for the amendment which was adopted. I ask for their vote on the rollcall on the amendment today.

Mr. CORMAN. I should like to make a comment.

Mr. McCULLOCH. I yield for a comment.

Mr. CORMAN. I support all of the things the gentleman from Minnesota just recited. In addition, the one thing I support which he apparently does not is some kind of control over the more than 50 million guns which are presently in the hands of America citizens. That simple control is some control over the availability of ammunition.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from Florida [Mr. Pepper].

Mr. PEPPER. Mr. Chairman, I join my colleagues in commendation of this measure. While at the present time and with the present temper of the country I believe we are not yet ready to adopt a Federal bill requiring registration and licensing of all guns. I do believe public opinion demands that there be effective legislation punishing separately the perpetration of a felony under the laws of the States as well as under Federal law with the use of a firearm.

While this House in its wisdom did not see fit to adopt the Casey amendment or my amendment to that effect, I was invited by the able chairman of the Committee on the Judiciary to offer proposals relative to that subject to his distinguished committee, and that I propose to do.

The country would be far better satisfied with this measure if we had added mandatory imprisonment—effective punishment—for those who use firearms in the perpetration of crimes in the several States of this country. But this bill is a good beginning. I hope we can properly build on this foundation.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Indiana.

Mr. MYERS. I have a question I should like to ask the gentleman from Florida or some member of the committee. This is not clear to me.

I refer to the case of a hunter who possesses his own weapon, who owns that weapon, who goes beyond the State, to a contiguous State to hunt in another State.

Mr. PEPPER. I am not a member of the committee. The gentleman would better ask a member of the committee.

Mr. MYERS. Would the gentleman yield for that purpose?

Mr. PEPPER. Yes.

Mr. MYERS. My question is, does the man have the right to take that weapon beyond the boundary of the State into a contiguous State for hunting?

Mr. CORMAN. That is right. There is no limit as to taking the weapon wherever he wishes, if the acquisition of the weapon in the first place was proper.

Mr. MYERS. What if it should become damaged, or if he should lose it? How could he replace it?

Mr. CORMAN. He could borrow one. He could rent one. He could get the temporary use of one.

The limitation is that he cannot acquire one permanently and take it back to his own State. He could make arrangements to have the gun transported through a licensed dealer to his own State and acquire it there.

The dilemma in which we are placed is if we take away that right to control the out-of-State acquisition then we in truth destroy the effectiveness of the bill.

The CHAIRMAN. The time of the gentleman from Florida has expired.

The Chair recognizes the gentleman from Illinois [Mr. McClory].

Mr. McCLORY. Mr. Chairman, I intend to vote for this bill. I believe it is the best bill at this time we can get.

I do want to emphasize that in my opinion either of the amendments which I offered would have provided us with stronger legislation than this bill will or the gun control provisions of the omnibus crime bill we have already passed.

Mr. Chairman, I gave thoughtful consideration to the subject of a motion to recommit this bill to the committee, with instructions to report the bill back with an amendment to require the registration of handguns or with an amendment to require States to license owners of guns, or both.

The tragedy of last night in the city of Cleveland emphasizes the need for the strictest possible gun legislation in order to protect the freedoms which are inherent under our Constitution.

The unrestricted sale of guns to persons without a determination of their fitness and the failure to pass legislation to require the registration of at least handguns seem to me to militate against the legitimate ownership and possession of firearms by private individuals.

Certainly there is no absolute freedom in this Nation for persons bent on rioting or murder, or other unlawful activities, to have the unrestricted right to purchase and own firearms in order that they may carry out their unlawful objectives.

The increase in the sale of firearms in the past 4 years, particularly the great increase in the number of revolvers and pistols that have gone into private hands, should raise serious questions in the minds of the Members of this body, as it has in the minds of the American public, concerning the wisdom of Federal legislation which fails to direct the licensing by the States of gun owners, and fails to require the registration of handguns.

Mr. Chairman, I believe that many Members of this Congress have miscalculated the desires of the American people regarding the licensing of gun owners and the registration of handguns. Perhaps in the months between now and November 5, we will have occasion to learn more about these desires.

Meanwhile, I wish to commend Col. John Glenn and the Emergency Committee on Gun Control, and all of the organizations and individuals representing a broad cross-section of the American people, who have cooperated in focusing attention on the need for strong Federal gun control legislation. In my opinion, this effort at public enlightenment and congressional awareness has been constructive and useful.

I would persist in my intention to offer a motion to recommit with instructions, were it not for the fact that I am aware that the House Judiciary Committee has not conducted hearings on these proposals.

I am assured by the gentleman from New York [Mr. Celler], chairman of the House Judiciary Committee, that he intends that hearings on gun registration and gun owner licensing shall be held in the near future. I feel confident that this intention will be carried out by whomever serves as chairman of the Judiciary Committee at the next session of the Congress.

May I add that this plan would provide an ample opportunity for all of those who expressed support for stronger Federal gun control legislation to submit their views to the committee, to the end that meaningful and comprehensive legislation may be brought at an early date to the floor of the House of Representatives.

Mr. Chairman, on that basis, and with that kind of assurance, and in recognition of the fact that the outcome of a motion to recommit with instructions at this time would not produce the desired result, I have elected not to offer such a motion.

I would like to add that I am grateful to those who supported the amendments which I offered, and I am hopeful that following the recess or during the early days of the next Congress, our action begun at this session will be continued, and that this action will be successful.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman.

Mr. KAZEN. I was very interested in the remarks the gentleman made about this bill having an effect on what happened last night in Cleveland. How would this bill have affected that situation?

Mr. McCLORY. In answer to the gentleman from Texas [Mr. Kazen], I do not believe that the pending bill would have much effect. However, I believe sincerely that adoption of either of the amendments which I offered would provide the kind of information and machinery which would be of great assistance to the law-enforcement officials in apprehending the criminal elements involved in the Cleveland slayings.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Ohio [Mr. Latta].

AMENDMENT OFFERED BY MR. LATTA

Mr. LATTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Latta: On Page 12, strike out the period at the end of line 13 and insert the following: ": *Provided further*, That this paragraph shall not preclude any person who is participating in any organized rifle or shotgun match or contest, or is engaged in hunting, in a State other than his State of residence and whose rifle or shotgun has been lost or stolen or has become inoperative in such other State, from purchasing a rifle or shotgun in such other State from a licensed dealer if such person presents to such dealer a sworn statement (A) that his rifle or shotgun was lost or stolen or became inoperative while participating in such a match or contest or engaged in hunting in such other State, and (B) containing the identity of the chief law enforcement officer of the locality in which such person resides. Such licensed dealer shall forward by registered mail the sworn statement to the chief law enforcement officer identified in such statement."

Mr. LATTA. Mr. Chairman, this amendment attempts to correct one of the inconsistencies of this bill which I pointed out when it was before the Committee on Rules; namely, that this bill discriminates against certain sections of the country. My amendment attempts to make all sections equal in the application of the law.

For example, a person who goes hunting in a contiguous State and loses his rifle or shotgun or has it stolen or it becomes inoperative, under the terms of this bill as reported and now written, could go in to a licensed dealer's gun store and purchase another gun. However, a person under the same circumstances, hunting in a noncontiguous State, by the terms of this bill would be prohibited from so doing.

My amendment attempts to give the same rights to all regardless of where they may live. I believe that sportsmen in the eastern part of the United States, where there is very little large game, desiring to go into the Midwestern or Western States to hunt should have the same rights under this bill as are afforded to the people who live in these immediate areas.

Mr. Chairman, this amendment, however, puts greater restrictions on this individual than the bill does on persons hunting in contiguous States.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Missouri.

Mr. HUNGATE. What would the restrictions be?

Mr. LATTA. The restriction is that the individual must certify and sign an affidavit that the rifle or shotgun has been lost, stolen, or become inoperative. Such an affidavit would then be presented to a licensed dealer at the time the purchase is made. After the sale is made, the dealer would have to forward the statement to the chief law enforcement agency of the residence of the individual who purchased the gun.

Mr. Chairman, if we really mean what we say in the title of this bill—and I refer to the following: "It is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens on law abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trap shooting, target shooting, personal protection, or any other lawful activity, and that this title is not intended to discourage or eliminate the private ownership or use of firearms by law abiding citizens for lawful purposes, or provide for the imposition by Federal regulations of any procedures or requirements other than those reasonably necessary to implement and effectuate the provisions of this title," we will adopt my amendment.

Mr. Chairman, I am under the impression that the minority has agreed to accept this amendment and I yield to the ranking minority Member to make his position clear on the matter.

Mr. McCULLOCH. Mr. Chairman, I have no objection to this amendment. I think it is even stronger from the standpoint of the protection of the general public than my good friend from Ohio [Mr. Latta] has already stated, because a sworn statement has to be forwarded back to the chief law enforcement officer of the political subdivision in which the applicant lives. Therefore, Mr. Chairman, I am for the amendment.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from Michigan [Mr. Gerald R. Ford].

Mr. GERALD R. FORD. Mr. Chairman, in the limited time which I have I simply want to indicate my support for the legislation. I have almost without exception supported the bill which came from the committee. I believe it is about the only legislation in this controversial area that can be approved. I further believe that it is constructive. I think it is forward looking. I believe it is basically legislation from which we can build if and when the need is proven for further legislation in this field.

(By unanimous consent Mr. Gerald R. Ford yielded the remainder of his time to Mr. Pollock).

The CHAIRMAN. The gentleman from Alaska [Mr. Pollock] will be recognized for 2 additional minutes.

The question is on the amendment offered by the gentleman from Ohio [Mr. Latta].

The question was taken; and on a division (demanded by Mr. Latta) there were—ayes 72, noes 57.

Mr. CORMAN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Latta and Mr. Corman.

The Committee again divided, and the tellers reported that there were—ayes 111, noes 69.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. Sandman].

Mr. SANDMAN. Mr. Chairman, I propose to vote for the bill. However, I think we should apprise ourselves on what we are about to do before we vote on this legislation.

I have heard enough from some people who say that if this bill were the law prior to now, that probably the 10 people would not have been killed in Cleveland last night and that President Kennedy and Rev. Martin Luther King and Senator Robert Kennedy would not have been assassinated.

I do not believe that any of these terrible incidents would have been stopped by this bill. In fact, I think the thing that has drawn all of our attention to all of these things is the fact that over the last 7 or 8 years crime has been rapidly on the rise.

The greatest volume of crime, of the 1,600,000 offenses that were committed last year were crimes that dealt with assault, battery, robbery, rape, and the like. Very few dealt with murder.

In answer to all of this, we are trying to do many things. The main thing we have not done is to try to get a better system of law enforcement.

I would say to the gentleman from Cleveland who said previously that if this bill were the law, maybe the 10 people would not have died in Cleveland last night—I may say to him there are two other laws that can be applied to those offenses.

No. 1—the first thing—the people in Cleveland are interested in, I am sure, is to convict the persons who caused that riot and send that bunch of bums for 5 years in the Federal prison which the antiriot law provides.

The second thing they can do is get murder indictments. I am sure the city of Cleveland as well as every other place in the United States has a law against murder. Those snipers committed murder in the first degree and the people of this country are interested to know how many of them are going to be caught and how many of them are going to be indicted and how many of them are going to be convicted.

The people in my State are still wanting to know who shot the fireman in the back, during the Newark riots and how many rioters were arrested and convicted.

The first thing organized groups attempted after the Newark riots was a statewide regimentation of attorneys to defend the more than 2,600 people who were the defendants, many of them held in the armories. But there was almost no attempt of any sort by the "do-gooder" groups to try to find out who caused the trouble.

I am voting for this bill only because it will help my State have an effective gun bill of its own—not because I have any illusions that it will stop or even curtail crime on the streets or the assassination of important people, which I am sure it will not do. The real key to curtailing crime is adequate enforcement of the State criminal laws.

The CHAIRMAN. The Chair recognizes the gentleman from Alaska [Mr. POLLOCK].

Mr. POLLOCK. Mr. Chairman, I ask unanimous consent that I may extend my remarks on each amendment—which amendments are yet to be read—in the RECORD immediately following the reading of the amendment.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. POLLOCK. Mr. Chairman, I have a number of amendments and very little time to discuss them. The one I want to talk about, my amendment identified as No. 17, is an amendment which would give the State the option not to be bound by the provisions of this bill if the legislature so determines, and the Governor so certifies.

One of the members of the Committee on the Judiciary has already talked against this amendment. But I would like to say in November of last year, 1967, the Celler gun bill, H.R. 5384, was voted out by a subcommittee of the Committee on the Judiciary by a vote of 7 to 6 with a provision by the chairman of the Judiciary giving the States the right to exempt themselves for interstate prohibitions on long guns. The chairman suggested this provision to his own bill. This is precisely the same thing I am now seeking, but the chairman and other members of the Judiciary have now reversed their positions. The situation is so vastly different in various parts of the United States. Why force Alaskans to be bound by restrictions which they do not want, but which New Yorkers or Pennsylvanians feel they should have in their more populated areas? If these matters were left to State determination instead of imposing Federal laws in this area on everyone, we would not be faced with this frustrating dilemma.

Several statements have been made in this Committee of the Whole House today to which I must respond at least briefly.

The gentleman from Ohio made the remark that we must now move to disarm all of America, and should call for a domestic disarmament conference. How utterly ridiculous. How extremely dangerous. I again ask the rhetorical question: Who would have the most to gain from an unarmed America? Obviously, if the law-abiding citizen and the patriot is disarmed we aid the enemies of this Nation and we aid the criminal. When America can no longer defend itself, it will no longer be free. If the private citizen is deprived of the means to protect himself and his home, he becomes powerless and a fearful pawn of the criminal, of the enemies of this Nation which prey within as well as hover without. What has happened to our constitutional guarantees to keep and bear arms without abridgment? What has happened to just plain old-fashioned Americanism? I am appalled and truly fearful when I hear such blatant proposals to lay America and Americans helpless. Oh, the poor harassed private citizen. I cannot believe the collective judgment of this body could so lay bare the breast of America. If this should ever come to pass, then surely we will have the heartbreaking experience soon after, in our sunset years, of telling our children and our children's children what it once was like in America when we were free.

And now, I must respond to the indictment of Alaska made by the gentlemen from Illinois [Mr. MCCLORY] when he remarked that Alaska has the highest murder rate of any State in the Union. This is an unfair and very misleading statement, and is a deceptive misuse of figures. The fact is that in 1965—the latest figures I have available, taken from pages 487 and 488 of the report on the anticrime program hearings before Subcommittee No. 5 of the House Committee on the Judiciary, first session, 90th Congress, March and April 1967—Alaska had 11 homicides with firearms out of 5,634 in the Nation. Need I say more?

Mr. Chairman, if I am recognized at the proper time and am given the opportunity to do so, I intend to submit a motion to recommit H.R. 17735 to the Judiciary Committee to conduct hearings and for further study.

Mr. Chairman, it might interest you to know that there are 4,600 years of accumulated service in the U.S. House of Representatives by the present Members of this body, a truly amazing figure. Yet in all the years of service of each and every Member, I believe no one issue has generated more constituent response, more citizen involvement and concern than has this matter of gun legislation. And, certainly, the voters stand divided on this issue. In spite of this, and notwithstanding the momentous departure from the course we have pursued for the 192 years of our Nation's history in protecting the right of law-abiding citizens to keep and bear firearms without undue harassment and abridgment of their constitutionaly safeguarded rights, the Judiciary Committee has not seen fit to hold hearings of any nature on this extremely important piece of legislation—a procedure which is traditional for every important piece of legislation which is considered by this body.

There will have been about 80 amendments offered during some 22 hours of actual debate on the floor by concerned Members to try to improve this mischievous legislation which may well become law. Many of these amendments have been offered by members of the Judiciary Committee itself—which demonstrates a great lack of unanimity of opinion by the members of the committee as to provisions concerning H.R. 17735 which should be included or excluded or modified, and which demonstrates further the diversity of opinion as to the meaning of provisions or the impact of omissions as to items which are integral parts of this legislation. Nevertheless, the Judiciary Committee has uniformly opposed, with few exceptions, virtually every attempt to amend, regardless of the merits of the proposed changes.

I have personally offered no less than 18 amendments or substitutes to amendments for the purpose of giving this body an opportunity to work its will as to the policy which should be adopted by the Congress for various portions of this legislation.

The Judiciary Committee has refused proposals for inclusion of items on which the bill is silent, on the premise that these important aspects will be covered in the legislative history by reference to a letter from the Attorney General. Is this not ridiculous? None of us knows what that letter will contain. No one has seen this letter which will concern the omissions in this bill which the Judiciary Committee hopes it will cover. The letter is not yet in existence. Is this not tantamount to a Member coming before this body and saying, "Will you pass the essence of a bill, and then trust me to write in the specific provisions later."

I personally believe we are making an historic blunder, and that we are shirking our responsibility to our constituents if we allow the Attorney General, by a letter yet to be written, to try to cover all of the omissions in this bill, and to do so in a manner which he sees fit to further his own objectives and those of the President.

In my humble estimation, this proposed gun bill is as full of holes as a piece of swiss cheese. I cannot in good conscience justify this haphazard means of enacting legislation without committee hearings on a matter so grave in its implications that it will overturn the traditions of this country which have withstood the test of time for nearly 200 years, since the Declaration of Independence and before.

I hope there are enough Members of this body who share my grave concern that this piece of legislation should never be enacted into law. It is folly for us to do so. Each of us will have to answer to our constituents, yes, and to our conscience, for the decision we make today. Whether you be for the enactment of some controls or against them, I think the American people deserve better representation than we give them if we pass this mischievous and harmful piece of legislation without ever having given the opponents and proponents the opportunity to appear before the Judiciary Committee to present well-studied amendments which deserve the unbiased consideration of all members of the committee. This has not been done.

Accordingly, Mr. Chairman, I do indeed hope to have the opportunity to offer the motion to recommit the bill to the Judiciary Committee for the conduct of hearings and for further study and for amendment.

Notwithstanding my comments above, I do want to commend the chairman and members of the Judiciary Committee and the full Committee of the House for their forebearance through these trying 4 days in attempting to hear the proposals for improvement of H.R. 17735. At least, for the most part, there has been little attempt to prevent Members from having an opportunity to be fully heard here on the floor.

Nevertheless, a motion to recommit H.R. 17735 to the Judiciary Committee would unquestionably be the finest course for this body to pursue.

The CHAIRMAN. The hour of 2:30 p.m. having arrived, all time for debate on the bill and all amendments thereto has expired.

The Clerk will report the first amendment offered by the gentleman from Alaska [Mr. POLLOCK].

AMENDMENT OFFERED BY MR. POLLOCK

The Clerk read as follows:

Amendment offered by Mr. POLLOCK: On page 23, strike out lines 5 and 6 and redesignate the succeeding paragraphs and all references to such paragraphs accordingly.

Mr. POLLOCK. Mr. Chairman, my amendment strikes the Federal requirement that a person be 21 years of age before he can take up the business of gunsmithing, handloading, selling, or importing sporting arms and ammunition. I would just briefly remind the Members of this body that only 2 weeks ago the President of the United States submitted to Congress a proposed constitutional amendment which would provide 18-year-olds the right to vote in national elections. Many Members of both bodies of Congress support this concept.

Mr. Chairman, a sizable number of Members stood up recently and advised this body that the 18-year-old today is better educated than ever before, is more responsible, can make more intelligent and wiser decisions than ever before and made many other statements in full, unqualified, and complete support of the 18-year-old vote. How can we in one breath say at age 18 one is sufficiently responsible to vote for President of the United States, and old enough to risk his life in the the Armed Forces of our Nation but is not old enough to engage in the legitimate business of gunsmithing or handloading? Are we not being a little inconsistent? Mr. Chairman, again I proudly point out that Alaska is leading the way. In Alaska, any resident may vote at age 19, and we feel at that age an Alaskan should be allowed to be a gunsmith. Mr. Chairman, I urge adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. POLLOCK].

The question was taken; and on a division (demanded by Mr. POLLOCK) there were—ayes 70, noes 84.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. POLLOCK: On page 17, line 4, change the period to a semicolon, and add the following: "except that any passenger who owns or legally possess a firearm or ammunition being transported aboard any common or contract carrier for movement with the passenger in interstate or foreign commerce may deliver said firearm or ammunition into the custody of the pilot, captain, conductor, or operator of said common or contract carrier for the duration of the trip without violating any of the provisions of this Act."

Mr. POLLOCK. Mr. Chairman, my amendment is simple and self-explanatory. It provides clarification in yet another area of the pending bill which is otherwise silent. The amendment makes it clear that a person traveling by commercial carrier to another State may lawfully transport his firearm and ammunition with him by placing them in the custody of the pilot, captain, conductor, or operator of the interstate common carrier.

Mr. Chairman, I urge adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. POLLOCK].

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 99, noes 65.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. POLLOCK: On page 21, immediately after line 14, insert the following: "All fees received by the Secretary for Licenses issued under this section shall be covered into the Federal aid to wildlife restoration fund created by section 3 of the Act entitled 'an Act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes', approved September 2, 1937 (50 Stat. 16 U.S.C. 669b)."

Mr. POLLOCK. Mr. Chairman, my amendment provides that all Federal revenues derived from the Federal licensing of manufacturers, importers and dealers of ammunition and firearms be deposited in the Federal Aid to Wildlife Restoration Fund established by Congress in 1937. This is appropriate for two reasons.

First the 1937 act provided a Federal excise tax on all sporting firearms, ammunition and ammunition components. These Federal taxes are then redistributed to the State Fish and Game agencies for use in the improvement and enhancement of public hunting.

Second, this is the very source of money the President proposes to withhold should the States elect not to have Federal registration of all firearms and Federal licensing of all firearms owners—as contemplated in H.R. 18110 now pending before the Judiciary Committee.

Mr. Chairman, if the President deems it appropriate to have a connecting link between the 1937 act to aid State wildlife agencies and Federal gun controls then it is equally appropriate that any Federal fees derived from Federal licenses under this bill be credited to the worthy purpose of preserving the Nation's wildlife for the use and enjoyment of all our citizens.

All funds generated by this bill would otherwise go to the Federal Treasury, to the credit of miscellaneous receipts. Mr. Chairman, my amendment would in a very small measure compensate the millions of sportsmen, birdwatchers, and others who in some measure enjoy America's abundance of wildlife for the inconvenience that will be wrought should this mischievous bill become Federal law.

Mr. Chairman, I urge the adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. POLLOCK].

The question was taken; and on a division (demanded by Mr. POLLOCK) there were—ayes 74, noes 92.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. POLLOCK: On page 10, after line 11, insert the following:

"(c) For the purposes of this chapter a member of the armed forces on active duty is a resident of the state in which his permanent duty station is located."

Mr. POLLOCK. Mr. Chairman, my amendment is for the purpose of making it abundantly clear that military personnel who are permanently stationed at a military base in a State shall, for the purposes of this act, be immediately considered a resident. Mr. Chairman, during the 4 days that this bill has been debated we have been informed by the distinguished members of the Judiciary Committee that the intent of the bill is to include this or to include that. We have been told several times that the Attorney General will interpret by letter as to the meaning of certain provisions where the bill is silent.

Mr. Chairman, it is time for the Members of this House to decide precisely what is intended in this antigun bill. Adoption of my amendment will clarify the fact that our service men and women are entitled to possess a firearm which is otherwise lawful in the State where they are stationed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. Pollock].

The question was taken; and on a division (demanded by Mr. Pollock) there were—ayes 108, noes 56.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. Pollock: On page 15, line 8, delete "or ammunition to any person" and in lieu thereof insert the following, "To any individual or ammunition to any person not a resident or domiciliary in the state in which the licensee's place of business,".

Mr. POLLOCK. Mr. Chairman, my amendment simply provides that intrastate sales of ammunition need not be federally recorded.

The complete constitutional nexus for the whole of the administrations antigun bill rests on the interstate commerce clause. Mr. Chairman, I am at a complete loss to understand how the interstate commerce clause of the Constitution can be so stretched as to cover a matter which is purely within a State's borders. I know the members of the Judiciary Committee feel that it is necessary for the Federal Government to know who everyone is who purchases ammunition. I do not agree. My amendment does not prevent the State of New Jersey or the State of New York or any other State from requiring all people purchasing ammunition within their borders to be fingerprinted, photographed or whatever else the State may deem appropriate. My amendment does not infringe upon the right of each and every State to determine whether, in fact, they need to know the name, address, social security number or anything else of ammunition purchasers.

Mr. Chairman, I urge adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. Pollock].

The amendment was rejected.

AMENDMENT OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. Pollock: On page 31, between lines 2 and 3, insert a new paragraph to read as follows:

"(e) The Governor of a State may certify action of the State legislature to the Secretary that application of this Act or of certain portions of this Act is not practicable or would cause undue hardships for certain classes of residents of that State, or of a specific area of that State, and that the State accordingly does not elect to be bound by the provisions of this Act or by specific portions of this Act. Upon receipt of such certification, the Secretary shall grant to such State or to the residents of a specific area of that State exemption from the application of all or appropriate parts of this Act."

Mr. POLLOCK. Mr. Chairman, my amendment is taking the title of this antigun bill literally. It is grandly called the State Firearms Control Assistance Act of 1968. It is obvious that this bill has not been carefully considered particularly since there were no hearings. This is supported by the fact that there have been some 80 amendments proposed during the debate of this far-reaching bill.

Simply stated my amendment provides that through action of its legislature a State may elect to not be bound by any portion of this act, maybe the restrictive provisions of this act, when it causes severe hardship or would be impracticable to administer as in remote areas which are hundreds of miles from the nearest population center. My amendment would not adversely affect the interstate character of this bill.

Mr. Chairman, this is supposed to be a State assistance program. If the States truly need Federal assistance to control their internal affairs, then let them elect to be bound. There is nothing to fear by adopting my amendment.

Mr. Chairman, I urge adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. Pollock].

The amendment was rejected.

AMENDMENT OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. Pollock: On page 12, lines 21 through 25, and lines 1 through 10 of page 13 delete paragraph (5) and in lieu thereof substitute the following:

"(5) For any person other than a licensed importer, licensed manufacturer, or licensed dealer to transfer, sell, trade, give, transport, or deliver any firearm to any person (other than a licensed importer, licensed manufacturer, or licensed dealer) who the transferor knows or has reasonable cause to believe resides or is domiciled in any State other than that in which the transferor resides or is domiciled (or in which his place of business is located if the transferor is a corporation or other business entity), except that this provision shall not apply to a licensed transferee, nor to the transfer, transportation, or delivery of a firearm as a gift or to carry out a bequest or acquisition by intestate succession, so long as said transferee is permitted to acquire or possess a firearm under the laws of the State of residence; nor shall this provision apply to the transfer, transportation, or delivery of a firearm to said transferee within the State in which the transferor resides or is domiciled, if said transfer is for purposes of bailment for a short period of time for hunting or other sporting purposes."

Mr. POLLOCK. Mr. Chairman, the amendment again clarifies the language of the bill in areas where it is otherwise silent.

First, it incorporates the ex post facto provision which my good friend from Michigan, Mr. Dingell, proposed and the House adopted yesterday.

Second, it clearly provides that bailment of a firearm through loan or rental for lawful hunting or sporting purposes is authorized. Again the members of the Judiciary Committee have told us that bailment is not prohibited, but, Mr. Chairman, I ask the question if it is not intended to be a prohibited act under this bill, why not specifically include language which says so?

Third, my amendment specifies that domicile and residence both may be included for the purposes of this bill. We are told by the members of the Judiciary Committee that the Attorney General will be liberal in his interpretation of residence, but this is simply not the way to enact legislation.

Fourth, my amendment specifies that acquisition by gift, devise, or descent would be legal. Again the bill is silent on these matters.

Mr. Chairman, I urge adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. Pollock].

The amendment was rejected.

AMENDMENT OFFERED BY MR. POLLOCK

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. Pollock: On page 14, strikes lines 8 through 15, and in lieu thereof insert the following:

"(2)(A) Any firearm or ammunition to any person in any State where the purchase or possession by such person of such firearm or ammunition would be in violation of the State or published political subdivision law applicable at the place of sale, delivery, or other disposition, and which has been published in the Federal Register under subparagraph (B) of this paragraph, unless the licensee knows or has reasonable cause to believe that the purchase or possession would not be in violation of such State or published political subdivision.

"(B) Upon the request of the principal governing body of a political subdivision of a State (made in accordance with such procedures as the Secretary may provide), the Secretary shall publish in the Federal Register any law of such political subdivision which regulates the purchase, sale, transfer, or possession of firearms. On or before January 31 of the second calendar year beginning after the effective date of this chapter and each calendar year thereafter, the Secretary shall publish in the Federal Register a list of all such laws published in the Federal Register in the preceding calendar year and shall furnish a copy of such list to each licensed importer, licensed manufacturer, and licensed dealer."

Mr. POLLOCK. Mr. Chairman, the amendment provides that State and local laws, as well as Federal laws and regulations, which the federally licensed dealer, manufacturer, and importer must know are to be furnished to him by the Attorney General, so that he will be able to comply with the provisions of this bill, for it makes his failure to comply a Federal crime, punishable by a fine of not more than $10,000 or by imprisonment of not more than 10 years, or both.

My amendment also provides that the Secretary of the Treasury publish the non-Federal gun laws in the Federal Register upon the request of the principal non-Federal governing body having jurisdiction.

Mr. Chairman, my amendment will avoid placing the entire firearms industry in jeopardy of inadvertently breaking a local law and thereby being subjected to severe Federal punishment. It is not good to place a criminal burden upon those who intend to abide by myriad laws, but have no knowledge of them.

I urge adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. Pollock].

The question was taken; and on a division (demanded by Mr. POLLOCK) there were—ayes 58, noes 98.

So the amendment was rejected.

Mr. **DOWDY**. Mr. Chairman, during this debate, a great many accusations have been made that the National Rifle Association is nothing but a gun lobby. As I understand our form of government, any organization, any member thereof, or any private individual has a constitutional right to make his views known on any legislative proposal. However, I have doubts about the propriety of the use of tax funds for lobbying purposes. Repeated reports have been received that James V. Bennett, since his retirement from the position of Director, Bureau of Prisons, has been retained as a consultant in the Department of Justice.

During this period he has been prominent among the organizers of the self-styled National Council for a Responsible Firearms Policy—an organization which by its name might appear to presume preemption of the field of interest in seeking responsibility and effectiveness and reason in regard to firearms control. Mr. Bennett has repeatedly appeared at meetings on the subject of firearms control at one place or another. This presupposes, in addition to the considerable per diem pay of a consultant, expenses for travel and sustenance.

Mr. Chairman, in my opinion, the Congress should request the Department of Justice to furnish the facts as to, first, the amount of taxpayers money which has been spent for the employment and activities of Mr. Bennett with the Department of Justice since his retirement from the Bureau of Prisons; second, the duties and responsibilities of Mr. Bennett in the Department of Justice over the same period; and third, the total amount of tax funds spent by the Justice Department and other agencies, including time and miscellaneous expenses of all Government employees involved in the effort to obtain passage of gun control legislation during the past 5 years, and any other activities involving the creation, operation, and publicity of the antigun lobby.

Mr. **THOMPSON** of New Jersey. Mr. Chairman, early today I sent the following telegram to the president of the National Rifle Association. It is now time for final action on the bill and I have had no response. The Sikes amendment should be defeated.

JULY 24, 1968.

HAROLD W. GLASSEN,
President, National Rifle Association,
1600 Rhode Island Avenue NW.,
Washington, D.C.:

Today the House is scheduled to take final action on the gun control bill. As you know, an amendment proposed by Rep. Sikes to make the bill's regulations on interstate shipments not applicable to organizations to which firearms and ammunition may be delivered by the Secretary of the Army was approved. According to Representative Celler, the "sole beneficiary" of this amendment will be the NRA. I urgently request an immediate answer to this question. Is the NRA prepared to take the responsibility that every one of its members is competent to receive firearms without being subject to the same restrictions which the bill would make applicable to all other citizens?

Congressman FRANK THOMPSON, Jr.

Mr. **BROWN** of Michigan. Mr. Chairman, if the mail of my colleagues here in the House of Representatives even approaches the amount I have been receiving, the subject of gun-control legislation must be the most provocative legislative issue this House has seen in some time. I have found that it is an issue upon which everyone seems to have an opinion, irrespective of how well versed he or she may be regarding what we have already enacted in the way of gun-control legislation; what is proposed and what is needed; or, conversely, what is undesirable.

My mail on this issue falls into two categories. Those of my constituents who favor gun-control legislation usually urge that we enact "stronger" gun legislation. I am quite sure these proponents of stronger gun-control legislation are not really familiar with the gun-control legislation which has already been passed, especially that which was included in H.R. 5037, the Crime Control and Safe Streets Act of 1968, nor are they completely aware of the proposals being debated here today.

My constituents who oppose gun-control legislation in turn advocate no legislation whatsoever, but on the occasions I have had an opportunity to talk with constituents who have opposed such legislation, I find they feel that much of the legislation which has either been enacted or proposed is really quite reasonable and even desirable.

But what are the facts upon which the present demand for Federal gun control legislation is based? Is it based on the fact there have been three assassinations of prominent national figures, two of which have occurred within the past 3 months? Is it because the Government is trying to disarm the law-abiding public? No; I think it is neither of these although the assassinations have made passage of such legislation seem more urgent.

Rather, Mr. Chairman, the push for stricter gun-control legislation is prompted by several facts or phenomena. First, the crime rate where a gun is used in the commission of a crime has increased disproportionately in recent years. The availability of guns has increased and the mail-order traffic is greater. Guns have been made more accessible and their purchase encouraged through active advertising campaigns. Second, accidental injuries and deaths caused by guns are disproportionately greater than in the past. Third, too many intentional and accidental deaths and injuries are caused by individuals who are immature or unsound physically or mentally when the harm is done.

In view of these developments, it seems to me two conclusions must be reached. First, although gun-control legislation is a matter which should properly fall within the police powers and jurisdiction of the States, it is becoming increasingly appparent that States cannot control unlawful acquisition, possession, and use of firearms with respect to persons or activities outside the State's boundaries. Second, although gun-control legislation may not significantly lessen the incidence of violence, it will make it more difficult for the lawless, the immature, and unsound to obtain the implements of their death, injury, and destruction.

But if gun-control legislation is properly within the jurisdiction of the States, what is the role of the Federal Government? It seems to me the role of the Federal Government is to assist in every way possible the enforcement by the States of each State's gun-control legislation. In addition, the Federal Government should impose restrictions upon the interstate movement of firearms, especially the mail-order traffic in these weapons, so that enforcement within the States can be effective.

With this background, let us examine the proposals or propositions that have been offered as well as the laws presently on the books.

The Civil Rights Act and the Crime Control Act, already passed by the Congress this session but not yet fully implemented, contain "gun-control" legislation. As a result, the mail-order sales of handguns are prohibited and purchase age requirements have been set in addition to stricter licensing requirements for dealers and other related regulations.

Since the new legislation we are now considering incorporates all existing law, plus stricter and broader controls on sales of guns, close scrutiny of this legislation and its merits should be made. In the legislation before us, it is proposed that: First, sales of all guns—rifles and shotguns as well as handguns—be prohibited in interstate commerce; second, sale of guns "over the counter" would be denied to nonresidents of a State with a proposed exception as this provision would relate to residents of an adjacent State; third, sales of handguns could not be made to a person under 21 years of age, nor could long guns—rifles and shotguns—be sold to persons under 18 years of age; fourth sales of guns could not be made to several categories of people including fugitives, felons, drug addicts, and mentally defective persons; fifth, restrictions are imposed on the sale of ammunition; and sixth, sales could only be made by licensed dealers who would be closely regulated and who would be required to maintain records regarding sales of guns.

The foregoing, somewhat oversimplified, are the provisions of the House Judiciary Committee bill we are now considering. It has received the support of the majority of my colleagues, I believe, and the additional blessing of at least the Republican Party leadership in the House of Representatives.

Other proposals that have been offered include: First, Federal registration of all guns; second, Federal licensure of gunowners; and third, mandatory minimum prison sentences for all criminals convicted of a crime in which a firearm is used.

Based upon the mail I have received, the responses to my questionnaire, consideration of all of the statements, materials, and statistics I have seen, and judicious review of all of the arguments pro and con on the subject, I have reached the conclusion that the committee bill should be supported with an amendment providing stricter penalties for the unlawful use of firearms and that

I should oppose Federal registration and Federal licensure of firearms and their owners.

I have already indicated that I believe restrictions upon the interstate traffic in firearms is both necessary and desirable, and I consider the committee bill reasonable legislation in this regard. Had there been support for such propositions, I would have favored an exception to the complete prohibition against interstate sales to the effect that firearms could be obtained in interstate commerce upon the furnishing of a certificate from the chief local law-enforcement officer authorizing such purchase; in turn, I have thought it might be desirable to provide for a cooling-off period as to over-the-counter purchases by even residents of the same State in the absence of such a certificate from the local law-enforcement officer.

I believe there are some very fundamental valid objections to the proposed Federal registration and Federal licensure of firearms and firearms owners, and it is not enough to argue that since we license automobiles, dogs, barbers, and beauticians that we should also license owners of guns. We are here talking about Federal licensure, not State licensure. No one is required to get a Federal license for his automobile, or a Federal motor vehicle operator's license, nor do we federally license dogs, barbers, or beauticians. In fact, the argument along this line really supports the contention of those who oppose Federal licensure, for in all of these cases the prerogatives and authority are exercised by the State and that is what is advocated by the opponents of Federal licensure. Likewise, not only do I believe that Federal registration of all firearms would present an almost insurmountable task for Federal authorities both with respect to the mechanics of registration and with respect to the enforcement by Federal authorities of a Federal registration act, but I seriously doubt that the effectiveness of such legislation would justify the enforcement problems and cost. Again, the question before us here in the Congress is not so much one of registration and licensure, as it is a question of Federal registration licensure. I would urge all of those who support the registration of firearms and the licensure of firearms owners to take appropriate steps so that meaningful legislation in these areas could be brought to the attention of the several State legislatures. What might be very workable legislation for New York might be unworkable in Wyoming. The local and State officials are in a much better position to effectively provide for the registration of firearms, if it is desirable, and for the enforcement of registration and licensure laws, than is the Federal Government.

Many may interpret the position I have taken and recited herein as a position against gun legislation while as many may interpret it as one of support for gun legislation. I would suggest that the ways in which the term "gun legislation" has been used would permit of either interpretation. Yet, a reasonably careful examination of this position paper leaves little or no room for doubt as to what I consider to be proper legislation in this area. The room for doubt, if it exists, stems from the too general way in which this subject has been discussed rather than from any generalizing of my position.

For the foregoing reasons, it is doubtful that the position I have taken with respect to this legislation will please all, or even most. However, I am satisfied that passage of this legislation will meet the objectives of most, as those objectives have been related to me. We will have taken a giant step toward preventing firearms from getting into the hands of those who should not possess them. At the same time, we will not have unreasonably restricted the accessibility of firearms to the law-abiding citizen and sportsman. And, importantly, in doing so, we will have recognized in this legislation, as we should in all legislation, the proper roles to be played by our levels of government by granting and charging to the Federal Government that which should be the authority and responsibility of the Federal Government and reserving to the States that which should be the authority and responsibility of the States.

Mr. DONOHUE. Mr. Chairman, as we move ahead here, on these strengthening amendments, toward a final determination of this bill, H.R. 17735, I think we should keep foremost in our minds the fact that the majority of the American people want Federal enactment of the strongest gun and ammunition sale and use control measure that the majority of this body can legislatively achieve; we must, and I hope we will, appreciate that they will not accept any legislative stalemate, they have given loud and clear evidence that they want rigid Federal controls placed upon the sale and use of all guns and ammunition.

On this score I am pleased to observe that the legislature in my own Commonwealth of Massachusetts very recently approved a "tight" gun control measure which the Governor termed, "One of the finest pieces of legislation ever signed. This puts us—Massachusetts—in the forefront of gun-control legislation in this country."

The provisions of our Massachusetts State bill include issuance of identification cards to persons owning weapons after a check to screen out felons, mental incompetents, and habitual drug addicts; the licensing of persons who sell ammunition; reporting of sales and purchases of rifle and shotguns within 7 days to the Department of Public Safety; establishment of penalties for false swearing to obtain a permit card; designation of theft of a firearm as an automatic felony; and new and increased penalties for the unlawful use of rifles, shotguns, BB guns, and air rifles. In signing the measure the Governor further emphasized, the bill "does not hurt the legitimate sportsman—it is a model for the country."

I realize full well that there are many earnest and sincere Members here who share the legislative objective of our people but who are also deeply troubled about the possibility of intruding too much upon the constitutional rights of individual citizens and imposing too much upon our already over-burdened and harassed taxpayers through increased expense or with more procedural redtape.

Our legislative challenge here is, as it is, indeed, on every critical issue, to reach, in an atmosphere of calm judicial temperament and disposition, majority approval of a genuine control measure that will effectively and efficiently do the job of protecting the lives of American citizens by keeping all kinds of guns and ammunition out of the hands of criminals, psychopaths, drug addicts, and juveniles; by providing much sterner penalties for violations and by requiring the strictest possible enforcement of the law and fulfillment of the penalties. These were among the chief factors I stressed here last June 6 in advocating approval of the Omnibus Crime Control and Safe Streets Act of 1968.

Therefore, I urge every Member here to thoroughly and sympathetically consider, for acceptance, every amendment designed to achieve this objective and thereby carry out the will of the American people. I am sure that on the final determination here that each Member will speak his own conscience and I hope that each Member, in doing so, will remember that the public conscience has already spoken in no uncertain voice.

Mr. SIKES. Mr. Chairman, I think it is time to clear the atmosphere; to dispel apprehensions which may have been created. I regret to state that a propaganda campaign is in progress, which is as inexcusable as it is false, to defeat the amendment adopted on yesterday to continue the work of the National Board for the Promotion of Rifle Practice.

I do not know who is the prime mover. One completely erroneous sheet is attributed to an unnamed person in the Department of Justice—an agency prohibited by law from lobbying in Congress. Another sheet speaks out more boldly. It attacks the work of the National Board and it is from the Worker—the official Communist publication in the United States—I hold both in my hand. Those who oppose my amendment have a choice on the source of their objection.

Let us be honest. My amendment benefits only the program of the National Board for the Promotion of Rifle Practice in its marksmanship training programs. I consider it important that this work be carried on. I do not seek to benefit the National Rifle Association. There is not one word about NRA in my amendment. Any member of NRA who benefits would do so incidentally and I do not object to this. NRA is a patriotic organization which stands for a strong America. But it must be remembered—if we are to be fair—that 80 percent of those engaged in the marksmanship training program are not—I repeat—not members of NRA.

NRA receives no subsidy or payment from the National Board. What it contributes to marksmanship training is at its own expense and is a patriotic service.

Very obviously my amendment does not exempt NRA members from the requirements of the bill before the House;

nor is it intended to. It does not in any way help NRA.

I do not like tactics of desperation, whether in the House of Representatives or elsewhere. I suggest that there be an end to untruths and misstatements; that we vote on the merits of my amendment. A vote for it will also help to insure that those who oppose it, will enjoy on tomorrow their right to choose for or against efforts for a stronger America. My amendment will help insure a stronger America now.

Mr. RARICK. Mr. Chairman, the antigun lobby proved to me that the American citizen needs his firearm—not for game nor sportsmanship but for protection of his person and property.

If the citizen does not possess a firearm, he would best go out, buy one and learn to use it with precision and safety.

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The liberals fail to understand the protest of the American people. The protest is not against guns per se—it is against murder, violence, and crime that the liberals and their cohorts and half-baked experiments have unleashed upon the American people. If citizens are arming themselves it is because of the fright and libertinism unleashed on the people because the police, the symbol of protection to the average American, is under attack and professes inability to protect life or property because the same liberal element would make the peace officer the criminal. What more reason for the American to arm himself.

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All in all our forefathers' reason for the second amendment right of the citizen to keep and bear arms was the only fruitful result of the gun bill arguments.

The Father of our Country, George Washington, said, "Eternal vigilance is the price of liberty." When and if we are able to overcome the revolutionists—and the threat against individual liberty has subsided, our people will have trust and again look to their police for protection, The arming of the citizenry will go out of style.

Until then the American citizen is duty-bound to arm himself and to be able to proficiently use his weapon with safety. I encourage him to attend a police or NRA safety-oriented class or school on the use of firearms.

Mr. RANDALL. Mr. Chairman, I will, with some reluctance, oppose the final passage of H.R. 17735.

I entered into the debate of H.R. 17735 with high hopes that some really tough provisions could be put into the bill going against the criminal. It remains my belief that the main objective and even the entire purpose of this measure should be directed to the reduction of crime and violence. Much fun has been made of the expression that guns do not kill people, but people kill people. Although this may provide some measure of merriment for a few who can deny it is the man behind the gun that is to blame for crime.

It is for such reasons that I had hoped that we could strike at the cause of crime and violence, which is really at the criminal rather than the firearm. It was for this reason that I hoped that we could adopt some real deterrence in the form of really tough mandatory sentences for the use of guns connected with a crime. It was for that reason that I so enthusiastically supported strong mandatory penalties in the so-called Casey approach, providing for 10 years minimum sentence for the first offense and 25 years for the second or subsequent offenses.

On one of the final rollcall votes I supported the so-called Poff substitute which was some improvement over the original bill because it provided for no probation and no suspended sentences, and with the provision to have sentences run consecutively rather than concurrently. But unfortunately it was watered down to where the mandatory sentence for the first offense was left at only 1 year and for the second offense a mandatory sentence of only 5 years. This, in my opinion, was not only a retreat but sort of like running headlong away from the true target of this legislation, which should be the punishment of the criminal. None of us are interested in punishment for punishment's sake. Yet strict and even severe mandatory sentences are needed if the criminal is going to be made to realize that if he is intent upon a course of crime he had better leave his gun at home, else if he is caught with a gun he faces sure and certain mandatory sentence of long duration.

In addition, my objection to the Poff approach is that it would extend only to those purely Federal offenses involving firearms, rather than the approach of the Casey amendment which would extend the provision beyond purely Federal provisions and provide concurrent jurisdiction in the Federal courts over offenses heretofore existing as only State offenses.

Under the procedure of the House the membership is said to be protected by what is called a teller count in the Committee of the Whole. Unless an observer is sitting in the gallery, it may never be known how a Member votes unless he makes the announcement himself. Unlike a rollcall vote there is no record.

In connection with the Committee of the Whole's consideration of H.R. 17735, there were several teller counts on pending amendments. In my opinion the two most important teller counts were on the registration amendment and the licensing amendment.

Although I am on the record in several thousand instances from correspondence on this subject answered by my office, I wish to make it plain now and to leave no doubt that on Friday, July 19, in the teller count on the registration amendment offered by the gentleman from Illinois [Mr. McClory], which was rejected by a vote of 89 ayes to 168 nays, I walked through the teller count in opposition to this amendment and was one of the 168 in opposition.

Similarly, I wish to make it plain and to leave no doubt that on Tuesday, July 23, when the gentleman from Illinois [Mr. McClory], offered his amendment on licensing, which was rejected by the teller count of 84 ayes and 179 nays, I walked through the teller line in opposition to the McClory amendment for licensing and was one of the 179 nays counted against the amendment.

As we near the conclusion of this debate, I wish to make it clear I have never taken an adamant or unbending stand on the issue of firearms regulations. It is quite true I have questioned such extreme proposals as that prohibiting the possession of all firearms by all individuals. This I regard as a ridiculous proposal.

I have studied the proposed bill with an open mind. I have carefully considered its provisions. There certainly has been no lack of communication between our constituents and the office of their Congressman on this subject. There were approximately 5,000 letters or cards which arrived at our office in the first week following the memorial services for the late Senator Kennedy. Then in the weeks which followed, three or four times that number of constituents urged their Congressman not to react emotionally to the tragedy that happened in Los Angeles.

I want to state positively and with emphasis that I have never been a member of the National Rifle Association. There has never been a lobbyist from that association visit my office, call on the phone, or write a letter. I do not receive their magazine. I have never been placed under pressure by any person who has identified himself as a member of that organization.

I must agree that had I been one of those who at the beginning was in favor of the very strongest type of firearms control, I would have reason to oppose the result on final passage because the final version contained none of the hoped for accomplishments. It is generally innocuous. After all the amendments have been adopted, nothing is left except the one provision against interstate shipment of long guns. In other words, nothing is left which could not be reached by

strict enforcement of already existing legislation.

The truth of the matter is that no matter how you describe it or how you slice it, about all that has been added by H.R. 17735 is the imposition of a ban against the interstate shipment by individuals of so-called long guns over 26 inches in length. I submit that this is not really an earth-shaking accomplishment as far as control of crime is concerned, because of the difficulty of concealing a long gun. It has been facetiously said that you can carry a long gun in a violin case, but if you do, it means it is in a disassembled state and it must be taken out and reassembled before it can be used. I cannot recall who was responsible for the remark some place in the course of discussion of firearms legislation, but someone said about the only way a person could conceal a long gun is to run it down his trouser leg, and if that is done it is somewhat awkward to walk around in such a condition, and with it all it would be a poor method of concealment.

It is my sincere belief about all we are doing on the final passage of H.R. 17735 is simply to restate some of the provisions of former Federal enactments which have not been enforced. Having said this we mean the bill can be of only very small accomplishment but at the same time it may do damage or injury by impairing the rights of individuals accorded them under the second amendment of our U.S. Constitution and to the rights of many under their separate State constitutions.

As to the urgent need on the ban of mail order sale of long guns, FBI statistics show that long guns are involved in 1.5 percent of the total of violent crimes. The further fact is that long guns are not readily concealable and are cumbersome.

Among some patent faults or criticisms of this measure is that while this bill makes it unlawful to obliterate or alter serial numbers, it makes no provision at all that firearms have serial numbers in the first place. True, the bill forbids dealing in stolen firearms but there are already statutes forbidding in the dealing in stolen firearms of all kinds. As another omission, the entire bill has presented its thrust toward prohibitions against the transportation of long guns yet there is little or nothing I have been able to pinpoint in the bill against the transportation of component parts of firearms.

When all other surplusages have been stripped away, it would seem what we are really trying to do with this bill is to force the criminal, through provisions of law, to acquire his gun and ammunition in a lawful and legal manner. Only those who are naive can ever be made to agree that this can be accomplished. The truth is that it will just never happen. No act of Congress with a few good-intentioned restriction can ever cause this to be. If any progress is made by firearms legislation, to reduce crime and violence to any marked extent it will be from the creation of strong deterrents in terms of severe punishment.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 17735) to amend title 18, United States Code, to provide for better control of the interstate traffic in firearms, pursuant to House Resolution 1249, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. CELLER. Mr. Speaker, I demand a separate vote on the so-called MacGregor amendment on page 8 restricting the coverage of ammunition and a separate vote on the so-called Sikes amendment on page 8 exempting the National Rifle Association and its members from the provisions of this act.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. GERALD R. FORD. Mr. Speaker, I demand a separate vote on the Poff substitute to the Casey amendment on page 28 after line 2.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. CORMAN. Mr. Speaker, I demand a separate vote on the amendment at page 12, line 13, the so-called Latta amendment to provide for the purchase of weapons by out-of-State residents.

The SPEAKER. The Chair would like the attention of the gentleman from New York [Mr. CELLER].

Would the gentleman from New York identify further his demand for a separate vote on the so-called Sikes amendment?

Mr. CELLER. I demand a separate vote on the Sikes amendment which appears on page 28.

The SPEAKER. Page 28?

Mr. CELLER. Yes, Mr. Speaker. The other amendment on which I demand a separate vote appears on page 8 of the bill.

The SPEAKER. The Chair will state that separate votes have been demanded on the so-called MacGregor amendment on page 8, the so-called Sikes amendment on page 28, the so-called Poff amendment on page 28, and the so-called Latta amendment on page 12.

Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Speaker, would the Chair announce the order in which the amendments will be voted upon?

The SPEAKER. The Chair will state in response to the parliamentary inquiry of the gentleman from Michigan that the amendments will be voted on in the order in which they appear in the bill.

The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 8, strike out line 24 and all that follows down through and including line 2 on page 9 and insert in lieu thereof the following:

"(16) The term 'ammunition' shall include only ammunition for a destructive device and pistol or revolver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22 caliber rimfire ammunition."

The SPEAKER. The question is on the amendment.

Mr. CELLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 218, nays 205, not voting 9, as follows:

[Roll No. 275]

YEAS—218

Abbitt
Abernethy
Adair
Albert
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Aspinall
Ayres
Baring
Battin
Belcher
Berry
Betts
Bevill
Blackburn
Blanton
Blatnik
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Ohio
Broyhill, N.C.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Carter
Casey
Cederberg
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Colmer
Cramer
Curtis
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Denney
Dickinson
Dingell
Dole
Dorn
Dowdy
Downing
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Everett
Fisher
Flynt
Fountain
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Gray
Griffin
Gross
Gurney
Hagan
Haley
Hall
Halleck
Hamilton
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Henderson
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Kazen
Kee
King, Calif.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Kyros
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
Lukens
McClure
McMillan
MacGregor
Mahon
Marsh
Martin
Mathias, Calif.
May
Mayne
Miller, Ohio
Mills
Mize
Montgomery
Moore
Morris, N. Mex.
Morton
Mosher
Myers
Natcher
Nelsen
Nichols
O'Konski
Olsen
O'Neal, Ga.
Passman
Pelly
Perkins
Pettis
Poage
Poff
Pollock
Price, Tex.
Pryor
Purcell
Quie
Quillen
Randall
Rarick
Reifel
Reinecke
Rhodes, Ariz.
Rivers
Roberts
Roudebush
Roush
Ruppe
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Okla.
Snyder
Stafford
Staggers
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tuck
Ullman
Utt
Vander Jagt
Waggonner
Walker
Wampler
Watkins
Watson
Watts
Whalley
White
Whitener
Whitten
Wiggins
Willis
Wilson, Bob
Winn
Wright
Wyatt
Wyman
Young
Zion
Zwach

NAYS—205

Adams
Addabbo
Anderson, Ill.
Annunzio
Arends
Ashley
Barrett
Bates
Bell

nor is it intended to. It does not in any way help NRA.

I do not like tactics of desperation, whether in the House of Representatives or elsewhere. I suggest that there be an end to untruths and misstatements; that we vote on the merits of my amendment. A vote for it will also help to insure that those who oppose it, will enjoy on tomorrow their right to choose for or against efforts for a stronger America. My amendment will help insure a stronger America now.

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The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 17735) to amend title 18, United States Code, to provide for better control of the interstate traffic in firearms, pursuant to House Resolution 1249, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. CELLER. Mr. Speaker, I demand a separate vote on the so-called MacGregor amendment on page 8 restricting the coverage of ammunition and a separate vote on the so-called Sikes amendment on page 8 exempting the National Rifle Association and its members from the provisions of this act.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. GERALD R. FORD. Mr. Speaker, I demand a separate vote on the Poff substitute to the Casey amendment on page 28 after line 2.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. CORMAN. Mr. Speaker, I demand a separate vote on the amendment at page 12, line 13, the so-called Latta amendment to provide for the purchase of weapons by out-of-State residents.

The SPEAKER. The Chair would like the attention of the gentleman from New York [Mr. CELLER].

Would the gentleman from New York identify further his demand for a separate vote on the so-called Sikes amendment?

Mr. CELLER. I demand a separate vote on the Sikes amendment which appears on page 28.

The SPEAKER. Page 28?

Mr. CELLER. Yes, Mr. Speaker. The other amendment on which I demand a separate vote appears on page 8 of the bill.

The SPEAKER. The Chair will state that separate votes have been demanded on the so-called MacGregor amendment on page 8, the so-called Sikes amendment on page 28, the so-called Poff amendment on page 28, and the so-called Latta amendment on page 12.

Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Speaker, would the Chair announce the order in which the amendments will be voted upon?

The SPEAKER. The Chair will state in response to the parliamentary inquiry of the gentleman from Michigan that the amendments will be voted on in the order in which they appear in the bill.

The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 8, strike out line 24 and all that follows down through and including line 2 on page 9 and insert in lieu thereof the following:

"(16) The term 'ammunition' shall include only ammunition for a destructive device and pistol or revolver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22 caliber rimfire ammunition."

The SPEAKER. The question is on the amendment.

Mr. CELLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 218, nays 205, not voting 9, as follows:

[Roll No. 275]

YEAS—218

Abbitt
Abernethy
Adair
Albert
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Aspinall
Ayres
Baring
Battin
Belcher
Berry
Betts
Bevill
Blackburn
Blanton
Blatnik
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Ohio
Broyhill, N.C.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Carter
Casey
Cederberg
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Colmer
Cramer
Curtis
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Denney
Dickinson
Dingell
Dole
Dorn
Dowdy
Downing
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Everett
Fisher
Flynt
Fountain
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Gray
Griffin
Gross
Gurney
Hagan
Haley
Hall
Halleck
Hamilton
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Henderson
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Kazen
Kee
King, Calif.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Kyros
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
Lukens
McClure
McMillan
MacGregor
Mahon
Marsh
Martin
Mathias, Calif.
May
Mayne
Miller, Ohio
Mills
Mize
Montgomery
Moore
Morris, N. Mex.
Morton
Mosher
Myers
Natcher
Nelsen
Nichols
O'Konski
Olsen
O'Neal, Ga.
Passman
Pelly
Perkins
Pettis
Poage
Poff
Pollock
Price, Tex.
Pryor
Purcell
Quie
Quillen
Randall
Rarick
Reifel
Reinecke
Rhodes, Ariz.
Rivers
Roberts
Roudebush
Roush
Ruppe
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Okla.
Snyder
Stafford
Staggers
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tuck
Ullman
Utt
Vander Jagt
Waggonner
Walker
Wampler
Watkins
Watson
Watts
Whalley
White
Whitener
Whitten
Wiggins
Willis
Wilson, Bob
Winn
Wright
Wyatt
Wyman
Young
Zion
Zwach

NAYS—205

Adams
Addabbo
Anderson, Ill.
Annunzio
Arends
Ashley
Barrett
Bates
Bell

nor is it intended to. It does not in any way help NRA.

I do not like tactics of desperation, whether in the House of Representatives or elsewhere. I suggest that there be an end to untruths and misstatements; that we vote on the merits of my amendment. A vote for it will also help to insure that those who oppose it, will enjoy on tomorrow their right to choose for or against efforts for a stronger America. My amendment will help insure a stronger America now.

Mr. RARICK. Mr. Chairman, the antigun lobby proved to me that the American citizen needs his firearm—not for game nor sportsmanship but for protection of his person and property.

If the citizen does not possess a firearm, he would best go out, buy one and learn to use it with precision and safety.

The hysteria offered at the hearings prove but one thing—the league of antigun comrades are not interested in preventing criminal violence—their goal is disarming the average American citizen and leaving him at the mercy of the revolution some are trying to provoke a few do-gooders to avoid.

Had I have been a disinterested middle-of-the-roader during the fright peddling of the leftwing trying to scare Congressmen into denying constitutionally protected rights, I would have insisted that Congress pass a law requiring every American own a firearm and that every child in school be taught how to use firearms proficiently and with safety. Why not? The argument was made that autos are registered, but then we can teach our children how to operate autos in school for safety. And besides there is no constitutional right to keep and house autos.

The liberals fail to understand the protest of the American people. The protest is not against guns per se—it is against murder, violence, and crime that the liberals and their cohorts and half-baked experiments have unleashed upon the American people. If citizens are arming themselves it is because of the fright and libertinism unleashed on the people because the police, the symbol of protection to the average American, is under attack and professes inability to protect life or property because the same liberal element would make the peace officer the criminal. What more reason for the American to arm himself.

Could any commonsense individual buy the sob story that capital punishment and prison do not deter crime. After all, how would the college professors and news editors know—they have not been in prison, yet—and one thing is certain—punishment may not be proven as a deterrent but certainly lack of punishment has many times been proven as not being a deterrent. For every one rehabilitated by the social adjusters 100 are repeaters in crime and violence. Must we continue to punish society for one or free society by ridding it of the 100?

All in all our forefathers' reason for the second amendment right of the citizen to keep and bear arms was the only fruitful result of the gun bill arguments.

The Father of our Country, George Washington, said, "Eternal vigilance is the price of liberty." When and if we are able to overcome the revolutionists—and the threat against individual liberty has subsided, our people will have trust and again look to their police for protection. The arming of the citizenry will go out of style.

Until then the American citizen is dutybound to arm himself and to be able to proficiently use his weapon with safety. I encourage him to attend a police or NRA safety-oriented class or school on the use of firearms.

Mr. RANDALL. Mr. Chairman, I will, with some reluctance, oppose the final passage of H.R. 17735.

I entered into the debate of H.R. 17735 with high hopes that some really tough provisions could be put into the bill going against the criminal. It remains my belief that the main objective and even the entire purpose of this measure should be directed to the reduction of crime and violence. Much fun has been made of the expression that guns do not kill people, but people kill people. Although this may provide some measure of merriment for a few who can deny it is the man behind the gun that is to blame for crime.

It is for such reasons that I had hoped that we could strike at the cause of crime and violence, which is really at the criminal rather than the firearm. It was for this reason that I hoped that we could adopt some real deterrence in the form of really tough mandatory sentences for the use of guns connected with a crime. It was for that reason that I so enthusiastically supported strong mandatory penalties in the so-called Casey approach, providing for 10 years minimum sentence for the first offense and 25 years for the second or subsequent offenses.

On one of the final rollcall votes I supported the so-called Poff substitute which was some improvement over the original bill because it provided for no probation and no suspended sentences, and with the provision to have sentences run consecutively rather than concurrently. But unfortunately it was watered down to where the mandatory sentence for the first offense was left at only 1 year and for the second offense a mandatory sentence of only 5 years. This, in my opinion, was not only a retreat but sort of like running headlong away from the true target of this legislation, which should be the punishment of the criminal. None of us are interested in punishment for punishment's sake. Yet strict and even severe mandatory sentences are needed if the criminal is going to be made to realize that if he is intent upon a course of crime he had better leave his gun at home, else if he is caught with a gun he faces sure and certain mandatory sentence of long duration.

In addition, my objection to the Poff approach is that it would extend only to those purely Federal offenses involving firearms, rather than the approach of the Casey amendment which would extend the provision beyond purely Federal provisions and provide concurrent jurisdiction in the Federal courts over offenses heretofore existing as only State offenses.

Under the procedure of the House the membership is said to be protected by what is called a teller count in the Committee of the Whole. Unless an observer is sitting in the gallery, it may never be known how a Member votes unless he makes the announcement himself. Unlike a rollcall vote there is no record.

In connection with the Committee of the Whole's consideration of H.R. 17735, there were several teller counts on pending amendments. In my opinion the two most important teller counts were on the registration amendment and the licensing amendment.

Although I am on the record in several thousand instances from correspondence on this subject answered by my office, I wish to make it plain now and to leave no doubt that on Friday, July 19, in the teller count on the registration amendment offered by the gentleman from Illinois [Mr. McCLORY], which was rejected by a vote of 89 ayes to 168 nays, I walked through the teller count in opposition to this amendment and was one of the 168 in opposition.

Similarly, I wish to make it plain and to leave no doubt that on Tuesday, July 23, when the gentleman from Illinois [Mr. McCLORY], offered his amendment on licensing, which was rejected by the teller count of 84 ayes and 179 nays, I walked through the teller line in opposition to the McClory amendment for licensing and was one of the 179 nays counted against the amendment.

As we near the conclusion of this debate, I wish to make it clear I have never taken an adamant or unbending stand on the issue of firearms regulations. It is quite true I have questioned such extreme proposals as that prohibiting the possession of all firearms by all individuals. This I regard as a ridiculous proposal.

I have studied the proposed bill with an open mind. I have carefully considered its provisions. There certainly has been no lack of communication between our constituents and the office of their Congressman on this subject. There were approximately 5,000 letters or cards which arrived at our office in the first week following the memorial services for the late Senator Kennedy. Then in the weeks which followed, three or four times that number of constituents urged their Congressman not to react emotionally to the tragedy that happened in Los Angeles.

I want to state positively and with emphasis that I have never been a member of the National Rifle Association. There has never been a lobbyist from that association visit my office, call on the phone, or write a letter. I do not receive their magazine. I have never been placed under pressure by any person who has identified himself as a member of that organization.

I must agree that had I been one of those who at the beginning was in favor of the very strongest type of firearms control, I would have reason to oppose the result on final passage because the final version contained none of the hoped for accomplishments. It is generally innocuous. After all the amendments have been adopted, nothing is left except the one provision against interstate shipment of long guns. In other words, nothing is left which could not be reached by

strict enforcement of already existing legislation.

The truth of the matter is that no matter how you describe it or how you slice it, about all that has been added by H.R. 17735 is the imposition of a ban against the interstate shipment by individuals of so-called long guns over 26 inches in length. I submit that this is not really an earth-shaking accomplishment as far as control of crime is concerned, because of the difficulty of concealing a long gun. It has been facetiously said that you can carry a long gun in a violin case, but if you do, it means it is in a disassembled state and it must be taken out and reassembled before it can be used. I cannot recall who was responsible for the remark some place in the course of discussion of firearms legislation, but someone said about the only way a person could conceal a long gun is to run it down his trouser leg, and if that is done it is somewhat awkward to walk around in such a condition, and with it all it would be a poor method of concealment.

It is my sincere belief about all we are doing on the final passage of H.R. 17735 is simply to restate some of the provisions of former Federal enactments which have not been enforced. Having said this we mean the bill can be of only very small accomplishment but at the same time it may do damage or injury by impairing the rights of individuals accorded them under the second amendment of our U.S. Constitution and to the rights of many under their separate State constitutions.

As to the urgent need on the ban of mail order sale of long guns, FBI statistics show that long guns are involved in 1.5 percent of the total of violent crimes. The further fact is that long guns are not readily concealable and are cumbersome.

Among some patent faults or criticisms of this measure is that while this bill makes it unlawful to obliterate or alter serial numbers, it makes no provision at all that firearms have serial numbers in the first place. True, the bill forbids dealing in stolen firearms but there are already statutes forbidding in the dealing in stolen firearms of all kinds. As another omission, the entire bill has presented its thrust toward prohibitions against the transportation of long guns yet there is little or nothing I have been able to pinpoint in the bill against the transportation of component parts of firearms.

When all other surplusages have been stripped away, it would seem what we are really trying to do with this bill is to force the criminal, through provisions of law, to acquire his gun and ammunition in a lawful and legal manner. Only those who are naive can ever be made to agree that this can be accomplished. The truth is that it will just never happen. No act of Congress with a few good-intentioned restriction can ever cause this to be. If any progress is made by firearms legislation, to reduce crime and violence to any marked extent it will be from the creation of strong deterrents in terms of severe punishment.

The **CHAIRMAN**. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 17735) to amend title 18, United States Code, to provide for better control of the interstate traffic in firearms, pursuant to House Resolution 1249, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER**. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. **CELLER**. Mr. Speaker, I demand a separate vote on the so-called MacGregor amendment on page 8 restricting the coverage of ammunition and a separate vote on the so-called Sikes amendment on page 8 exempting the National Rifle Association and its members from the provisions of this act.

The **SPEAKER**. Is a separate vote demanded on any other amendment?

Mr. **GERALD R. FORD**. Mr. Speaker, I demand a separate vote on the Poff substitute to the Casey amendment on page 28 after line 2.

The **SPEAKER**. Is a separate vote demanded on any other amendment?

Mr. **CORMAN**. Mr. Speaker, I demand a separate vote on the amendment at page 12, line 13, the so-called Latta amendment to provide for the purchase of weapons by out-of-State residents.

The **SPEAKER**. The Chair would like the attention of the gentleman from New York [Mr. CELLER].

Would the gentleman from New York identify further his demand for a separate vote on the so-called Sikes amendment?

Mr. **CELLER**. I demand a separate vote on the Sikes amendment which appears on page 28.

The **SPEAKER**. Page 28?

Mr. **CELLER**. Yes, Mr. Speaker. The other amendment on which I demand a separate vote appears on page 8 of the bill.

The **SPEAKER**. The Chair will state that separate votes have been demanded on the so-called MacGregor amendment on page 8, the so-called Sikes amendment on page 28, the so-called Poff amendment on page 28, and the so-called Latta amendment on page 12.

Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

Mr. **GERALD R. FORD**. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER**. The gentleman will state his parliamentary inquiry.

Mr. **GERALD R. FORD**. Mr. Speaker, would the Chair announce the order in which the amendments will be voted upon?

The **SPEAKER**. The Chair will state in response to the parliamentary inquiry of the gentleman from Michigan that the amendments will be voted on in the order in which they appear in the bill.

The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 8, strike out line 24 and all that follows down through and including line 2 on page 9 and insert in lieu thereof the following:

"(16) The term 'ammunition' shall include only ammunition for a destructive device and pistol or revolver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22 caliber rimfire ammunition."

The **SPEAKER**. The question is on the amendment.

Mr. **CELLER**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 218, nays 205, not voting 9, as follows:

[Roll No. 275]

YEAS—218

Abbitt
Abernethy
Adair
Albert
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Aspinall
Ayres
Baring
Battin
Belcher
Berry
Betts
Bevill
Blackburn
Blanton
Blatnik
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Ohio
Broyhill, N.C.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Carter
Casey
Cederberg
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Colmer
Cramer
Curtis
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Denney
Dickinson
Dingell
Dole
Dorn
Dowdy
Downing
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Everett
Fisher
Flynt
Fountain
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Gray
Griffin
Gross
Gurney
Hagan
Haley
Hall
Halleck
Hamilton
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Henderson
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Kazen
Kee
King, Calif.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Kyros
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
Lukens
McClure
McMillan
MacGregor
Mahon
Marsh
Martin
Mathias, Calif.
May
Mayne
Miller, Ohio
Mills
Mize
Montgomery
Moore
Morris, N. Mex.
Morton
Mosher
Myers
Natcher
Nelsen
Nichols
O'Konski
Olsen
O'Neal, Ga.
Passman
Pelly
Perkins
Pettis
Poage
Poff
Pollock
Price, Tex.
Pryor
Purcell
Quie
Quillen
Randall
Rarick
Reifel
Reinecke
Rhodes, Ariz.
Rivers
Roberts
Roudebush
Roush
Ruppe
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Okla.
Snyder
Stafford
Staggers
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tuck
Ullman
Utt
Vander Jagt
Waggonner
Walker
Wampler
Watkins
Watson
Watts
Whalley
White
Whitener
Whitten
Wiggins
Willis
Wilson, Bob
Winn
Wright
Wyatt
Wyman
Young
Zion
Zwach

NAYS--205

Adams
Addabbo
Anderson, Ill.
Annunzio
Arends
Ashley
Barrett
Bates
Bell

Bennett
Biester
Bingham
Boggs
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Celler
Chamberlain
Cohelan
Collier
Conable
Conte
Conyers
Corbett
Corman
Cowger
Culver
Daddario
Daniels
Dawson
Delaney
Dent
Derwinski
Devine
Diggs
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Halpern
Hanley
Hanna
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Horton
Hosmer
Howard
Hungate
Irwin
Jacobs
Joelson
Karsten
Karth
Kastenmeier
Keith
Kelly
Kirwan
Kluczynski
Kupferman
Leggett
Long, Md.
McCarthy
McClory
McCloskey
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
Macdonald, Mass.
Machen
Madden
Mailliard
Mathias, Md.
Matsunaga
Meeds
Meskill
Michel
Miller, Calif.
Minish
Mink
Minshall
Monagan
Moorhead
Morgan
Morse, Mass.
Moss
Murphy, Ill.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Philbin
Pickle
Pike
Pirnie
Podell
Price, Ill.
Pucinski
Railsback
Rees
Reid, Ill.
Reid, N.Y.
Resnick
Reuss
Riegle
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roybal
Rumsfeld
Ryan
St Germain
St. Onge
Scheuer
Schweiker
Schwengel
Smith, Iowa
Smith, N.Y.
Springer
Stanton
Steiger, Wis.
Stratton
Sullivan
Taft
Teague, Calif.
Tenzer
Thompson, N.J.
Tiernan
Udall
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
Widnall
Williams, Pa.
Wilson, Charles H.
Wolff
Wydler
Wylie
Yates
Zablocki

NOT VOTING—9

Cunningham
Evins, Tenn.
Hawkins
Hébert
Herlong
Holland
Murphy, N.Y.
Rhodes, Pa.
Tunney

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Tunney against.

Mr. Herlong for, with Mr. Hawkins against.

Until further notice:

Mr. Murphy of New York with Mr. Holland.

Mr. Evins of Tennessee with Mr. Rhodes of Pennsylvania.

Mrs. BOLTON and Messrs. FOLEY, NEDZI, BROYHILL of Virginia, BYRNES of Wisconsin, CULVER, and ECKHARDT changed their votes from "yea" to "nay."

Messrs. RHODES of Arizona, STAFFORD, HUTCHINSON, CEDERBERG, VANDER JAGT, and O'KONSKI changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment: On page 12, strike out the period at the end of line 13 and insert the following: ": *Provided further*, That this paragraph shall not preclude any person who is participating in any organized rifle or shotgun match or contest, or is engaged in hunting, in a State other than his State of residence and whose rifle or shotgun has been lost or stolen or has become inoperative in such other State, from purchasing a rifle or shotgun in such other State from a licensed dealer if such a person presents to such dealer a sworn statement (A) that his rifle or shotgun was lost or stolen or became inoperative while participating in such a match or contest or engaged in hunting in such other State, and (B) containing the identity of the chief law enforcement officer of the locality in which such person resides. Such licensed dealer shall forward by registered mail the sworn statement to the chief law enforcement officer identified in such statement."

The SPEAKER. The question is on the amendment.

Mr. CORMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment upon which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 28, after line 2, insert a new subsection as follows:

"(c) Whoever—

"(1) uses a firearm to commit any felony which may be prosecuted in a court of the United States, or

"(2) carries a firearm unlawfully during the commission of any felony which may be prosecuted in a court of the United States, shall be sentenced to a term of imprisonment for not less than one year nor more then ten years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to a term of imprisonment for not less than five years nor more than twenty-five years. The execution or imposition of any term of imprisonment imposed under this subsection may not be suspended, and probation may not be granted. Any term of imprisonment imposed under this subsection may not be imposed to run concurrently with any term of imprisonment imposed for the commission of such felony."

And redesignate the following subsection accordingly.

The SPEAKER. The question is on the amendment.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays

The yeas and nays were ordered.

The question was taken; and there were—yeas 412, nays 11, not voting 9, as follows:

[Roll No. 276]

YEAS—412

Abbitt
Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Arends
Ashbrook
Ashley
Ashmore
Aspinall
Ayres
Baring
Barrett
Bates
Battin
Belcher
Bell
Bennett
Berry
Betts
Bevill
Biester
Blackburn
Blanton
Blatnik
Boggs
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Celler
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Colmer
Conable
Conte
Corbett
Corman
Cowger
Cramer
Culver
Curtis
Daddario
Daniels
Davis, Wis.
Dawson
de la Garza
Delaney
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Dingell
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Everett
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Fisher
Flood
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gude
Gurney
Hagan
Haley
Hall
Halleck
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyl
Kyros
Laird
Landrum
Langen
Latta
Leggett
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
Lukens
McCarthy
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mailliard
Marsh
Martin
Mathias, Calif.
Mathias, Md.
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Podell
Poff
Pollock
Price, Ill.
Price, Tex.
Pryor
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, Ill.
Reifel
Reinecke
Resnick
Reuss
Rhodes, Ariz.
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
St Germain
St. Onge
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan

Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Udall
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watkins
Watson
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—11

Bingham
Burton, Calif.
Conyers
Davis, Ga.
Diggs
Dow
Matsunaga
Reid, N.Y.
Rosenthal
Ryan
Wiggins

NOT VOTING—9

Cunningham
Evins, Tenn.
Hawkins
Hébert
Herlong
Holland
Murphy, N.Y.
Rhodes, Pa.
Tunney

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Evins of Tennessee with Mr. Tunney.

Mr. Hébert with Mr. Rhodes of Pennsylvania.

Mr. Murphy of New York with Mr. Herlong.

Mr. Holland with Mr. Hawkins.

Mr. **SCHEUER** and Mr. **FALLON** changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The **SPEAKER**. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 28, line 13, immediately after "(a)" insert the following: "(1)".

On page 28, after line 18, insert the following:

"(2) Nothing contained in this chapter shall be construed to prevent shipments of firearms and ammunition to institutions, organizations, or persons to whom such firearms and ammunition may be lawfully delivered by the Secretary of the Army, nor to prevent the transportation of such firearms and ammunition so delivered by their lawful possessors while they are engaged in military training or in competitions."

The **SPEAKER**. The question is on the amendment.

Mr. **CELLER**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 225, nays 198, not voting 9, as follows:

[Roll No. 277]

YEAS—225

Abbitt
Abernethy
Adair
Albert
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Aspinall
Ayres
Baring
Battin
Belcher
Bennett
Betts
Bevill
Blackburn
Blanton
Boggs
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson
Burton, Utah
Bush
Cabell
Carter
Casey
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Cramer
Curtis
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Denney
Dent
Devine
Dickinson
Dingell
Dole
Dorn
Dowdy
Downing
Edmondson
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Evans, Colo.
Everett
Fascell
Fisher
Flood
Flynt
Fountain
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Gray
Griffin
Gross
Grover
Gurney
Hagan
Haley
Hall
Halleck
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Hays
Henderson
Hosmer
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Mo.
Jones, N.C.
Kazen
Kee
Keith
King, Calif.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
McClure
McEwen
McMillan
Mahon
Marsh
Martin
Mathias, Calif.
May
Mills
Mize
Montgomery
Moore
Morgan
Morris, N. Mex.
Morton
Mosher
Myers
Natcher
Nelsen
Nichols
O'Hara, Ill.
Olsen
O'Neal, Ga.
Passman
Pelly
Pepper
Perkins
Pettis
Pickle
Poage
Poff
Pollock
Price, Tex.
Pryor
Purcell
Quillen
Railsback
Randall
Rarick
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Rivers
Roberts
Rogers, Fla.
Roth
Roudebush
Ruppe
Satterfield
Saylor
Schadeberg
Scherle
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Okla.
Snyder
Stafford
Staggers
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Taylor
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tuck
Udall
Utt
Vander Jagt
Vigorito
Waggonner
Walker
Wampler
Watkins
Watson
Watts
Whalley
White
Whitener
Whitten
Widnall
Willis
Wilson, Bob
Winn
Wright
Wyatt
Wylie
Wyman
Young
Zion

NAYS—198

Adams
Addabbo
Anderson, Ill.
Annunzio
Arends
Ashley
Barrett
Bates
Bell
Berry
Biester
Bingham
Blatnik
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Broomfield
Brown, Calif.
Burke, Fla.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Celler
Cohelan
Conable
Conte
Conyers
Corbett
Corman
Cowger
Culver
Daddario
Daniels
Dawson
Delaney
Derwinski
Diggs
Donohue
Dow
Dulski
Duncan
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Esch
Fallon
Farbstein
Feighan
Findley
Fino
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gude
Halpern
Hamilton
Hanley
Hanna
Hathaway
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Horton
Howard
Hungate
Irwin
Jacobs
Joelson
Jonas
Karsten
Karth
Kastenmeier
Kelly
Kirwan
Kluczynski
Kupferman
Kyl
Kyros
Leggett
Long, Md.
Lukens
McCarthy
McClory
McCloskey
McCulloch
McDade
McDonald, Mich.
McFall
Macdonald, Mass.
MacGregor
Machen
Madden
Mailliard
Mathias, Md.
Matsunaga
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Monagan
Moorhead
Morse, Mass.
Moss
Murphy, Ill.
Nedzi
Nix
O'Hara, Mich.
O'Konski
O'Neill, Mass.
Ottinger
Patman
Patten
Philbin
Pike
Pirnie
Podell
Price, Ill.
Pucinski
Quie
Rees
Reid, N.Y.
Resnick
Reuss
Riegle
Robison
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Rumsfeld
Ryan
St Germain
St. Onge
Sandman
Scheuer
Schneebeli
Schweiker
Schwengel
Smith, Iowa
Smith, N.Y.
Springer
Stanton
Steiger, Wis.
Stratton
Sullivan
Taft
Talcott
Teague, Calif.
Tenzer
Thompson, N.J.
Tiernan
Ullman
Van Deerlin
Vanik
Waldie
Whalen
Wiggins
Williams, Pa.
Wilson, Charles H.
Wolff
Wydler
Yates
Zablocki
Zwach

NOT VOTING—9

Cunningham
Evins, Tenn.
Hawkins
Hébert
Herlong
Holland
Murphy, N.Y.
Rhodes, Pa.
Tunney

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Hébert for, with Mr. Tunney against.

Mr. Herlong for, with Mr. Murphy of New York against.

Until further notice:

Mr. Evins of Tennessee with Mr. Rhodes of Pennsylvania.

Mr. Hawkins with Mr. Holland.

Mr. **GIAIMO** changed his vote from "yea" to "nay."

Messrs. **BROWN** of Michigan and **BROTZMAN** changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The **SPEAKER**. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. **POLLOCK**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER**. Is the gentleman opposed to the bill?

Mr. **POLLOCK**. I certainly am, Mr. Speaker.

The **SPEAKER**. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. POLLOCK moves to recommit the bill H.R. 17735 to the Committee on the Judiciary.

The **SPEAKER**. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The **SPEAKER**. The question is on the motion to recommit.

The motion to recommit was rejected

The **SPEAKER**. The question is on the passage of the bill.

Mr. **CELLER**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 305, nays 118, not voting 9, as follows:

[Roll No. 278]

YEAS—350

Adair
Adams
Addabbo
Anderson, Ill.
Annunzio
Arends
Ashley
Ayres
Barrett
Bates
Bell
Bennett
Berry
Betts
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Brock
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burton, Calif.
Bush

Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Casey
Cederberg
Celler
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Conable
Conte
Corbett
Corman
Cowger
Cramer
Culver
Daddario
Daniels
Davis, Wis.
Dawson
Delaney
Dellenback
Denney
Dent
Derwinski
Devine
Diggs
Dole
Donohue
Dow
Downing
Dulski
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gurney
Hall
Halleck
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Hardy
Harvey
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Joelson
Jonas
Jones, Mo.
Karsten
Karth
Kastenmeier
Keith
Kelly
King, N.Y.
Kirwan
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyl
Kyros
Laird
Latta
Leggett
Lipscomb
Long, Md.
Lukens
McCarthy
McClory
McCloskey
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
Macdonald, Mass.
MacGregor
Machen
Madden
Mailliard
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Minish
Mink
Minshall
Mize
Monagan
Moore
Moorhead
Morgan
Morse, Mass.
Morton
Mosher
Moss
Murphy, Ill.
Myers
Nedzi
Nelsen
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
O'Neill, Mass.
Ottinger
Patten
Pelly
Pepper
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Podell
Poff
Price, Ill.
Pucinski
Quie
Railsback
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Resnick
Reuss
Rhodes, Ariz.
Riegle
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
St. Onge
Sandman
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Schwengel
Shriver
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Stanton
Steiger, Wis.
Stratton
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tunney
Udall
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Watkins
Watts
Whalen
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Zablocki
Zwach

NAYS—118

Abbitt
Abernethy
Albert
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Aspinall
Baring
Battin
Belcher
Bevill
Blackburn
Blanton
Bray
Brinkley
Brooks
Buchanan
Burleson
Burton, Utah
Cabell
Carter
Colmer
Curtis
Davis, Ga.
de la Garza
Dickinson
Dingell
Dorn
Dowdy
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Everett
Fisher
Flynt
Fountain
Gardner
Gathings
Gettys
Griffin
Hagan
Haley
Hammerschmidt
Hansen, Idaho
Harrison
Harsha
Henderson
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Kazen
Kee
King, Calif.
Kleppe
Landrum
Langen
Lennon
Lloyd
Long, La.
McClure
McMillan
Mahon
Marsh
Martin
Miller, Ohio
Mills
Montgomery
Morris, N. Mex.
Natcher
Nichols
Olsen
O'Neal, Ga.
Passman
Patman
Perkins
Pollock
Price, Tex.
Pryor
Purcell
Quillen
Randall
Rarick
Rivers
Roberts
Roudebush
Satterfield
Saylor
Scott
Selden
Shipley
Sikes
Smith, Okla.
Snyder
Staggers
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Teague, Tex.
Tuck
Waggonner
Walker
Wampler
Watson
Whalley
White
Whitener
Whitten
Willis
Wyatt
Young
Zion

NOT VOTING—9

Conyers
Cunningham
Evins, Tenn.
Hawkins
Hébert
Herlong
Holland
Murphy, N.Y.
Rhodes, Pa.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Murphy of New York for, with Mr. Hébert against.

Until further notice:

Mr. Evins of Tennessee with Mr. Rhodes of Pennsylvania.

Mr. Hawkins with Mr. Conyers.

Mr. Herlong with Mr. Holland.

Mr. DAVIS of Georgia changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN H.R. 17735, AS PASSED

Mr. CELLER. Mr. Speaker, because of the number of amendments adopted to the bill just passed, I ask unanimous consent that the Clerk, in the engrossment of the bill, be authorized and directed to make such changes in section numbers, cross-references, and other technical and conforming corrections as may be required to reflect the actions of the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 17903, PUBLIC WORKS APPROPRIATIONS, 1969

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on H.R. 17903, the public works appropriation bill for the fiscal year 1969.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. CONYERS. Mr. Speaker, on rollcall No. 278 on final passage of H.R. 17735, the Firearms Control Assistance Act of 1968, I was called off the floor under emergency conditions on several matters of greatest urgency involving the First Congressional District and I unavoidably missed this rollcall. As the record will amply reflect, I have spoken in support of the strongest kind of legislation that could be enacted in this area, and had I been present, I would have voted in the affirmative.

APPOINTMENT OF CONFEREES ON H.R. 15147, AMENDED IMMIGRATION AND NATIONALITY ACT

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15147) to amend the Immigration and Nationality Act to provide for the naturalization of persons who have served in combat areas in active-duty service in the Armed Forces of the United States, and for other purposes, with the Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

Mr. HALL. Mr. Speaker, reserving the right to object, will the gentleman tell the Members of the House whether this has been cleared with the subcommittee, and there is agreement with the ranking minority member thereof?

Mr. FEIGHAN. It has been.

Mr. HALL. Mr. Speaker, further reserving the right to object, has this been done since we convened this morning and since we have been in session this afternoon, or is the situation still the same as it was at the time we convened at 11 a.m. this morning?

Mr. FEIGHAN. This matter was in the process of consideration for a couple of weeks, and it was definitely cleared a few minutes after we met at 11 o'clock.

Mr. HALL. Mr. Speaker, unless there is assurance given that this has been cleared by the subcommittee, by request——

Mr. FEIGHAN. It has been approved by the full committee; it has been approved by the subcommittee. I thought you wanted to know whether it was cleared with the other side of the aisle for this unanimous-consent request. The latter step was taken since we convened at 11 o'clock.

Mr. HALL. That is what I wanted to know.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? The Chair hears none, and appoints the following conferees: Messrs. FEIGHAN, RODINO, DONOHUE, DOWDY, MOORE, CAHILL, and MACGREGOR.

THE HIGHER EDUCATION AMENDMENTS OF 1968

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1259 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1259

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15067) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related Acts, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill and read by titles instead of by sections. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentlewoman from Ohio.

(By unanimous consent, Mrs. BOLTON was allowed to speak out of order.)

CIVIL DISTURBANCE IN CLEVELAND

Mrs. BOLTON. Mr. Speaker, I think the House is not unaware of the fact that Cleveland had a very serious incident last night. It was absolutely unprovoked. The police went out to get a car they had been ordered to get, which had been left by mistake, and they were fired upon by five men in black with carbines.

Three police officers were killed and seven citizens. Fifteen others were in hospitals. About 2 miles of both sides of Superior Avenue were burned. This noon firemen were still putting water on the fire.

It was a very serious incident. One reason why I wanted to bring it to the attention of the House today is because our State adjutant, General Del Corso, of our Ohio National Guard, feels very strongly and says he has the authority to speak of it, that this is without any question a conspiracy that crosses the entire continent, and that attacks are going to be made on every single major city in some such way.

This is exceedingly serious, and I felt I must call it to the attention of the House today.

Mr. PUCINSKI. Mr. Speaker, will the gentlewoman yield?

Mrs. BOLTON. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, the Associated Press today reported that Mayor Carl B. Stokes said the FBI had told him 48 hours in advance, before this holocaust out in Cleveland, that this was going to happen.

Does the gentlewoman agree with me that perhaps the FBI ought to make public to the American people exactly what is going on, tell what they know, if indeed they know it is a national conspiracy? Does the gentlewoman believe they ought to tell about that?

Mrs. BOLTON. Mr. Speaker, that is a very difficult question to answer, because I do not believe the FBI should make everything public. Otherwise its usefulness would come to an end.

I happen to have had a very close association, an action and interaction with the FBI in the last 2 weeks, and had they not been doing it undercover, so to speak, it would have been useless.

Mr. Speaker, I thought the Members should have this called to their attention, and I thank the Members for their attention.

Mr. SISK. Mr. Speaker, House Resolution 1259 provides an open rule, waiving points of order, with 2 hours of general debate for consideration of H.R. 15067 to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts. The resolution also provides that it shall be in order to consider without the intervention of a point of order the amendment in the nature of a substitute, and such substitute shall be considered as an original bill for the purpose of amendment and shall be read under the 5-minute rule by titles instead of by sections.

The waiver of points of order against the bill was granted for the following reasons: There is a transfer of funds in section 406 of the bill—page 128—section 407(c)(2)—pages 132–133—and section 416(c)(2)—page 145. Section 1501 of the bill—page 230—amends the Economic Opportunity Act of 1964, as amended, and a point of order against this amendment might lie on the grounds that it is not germane.

H.R. 15067 provides for the extension and/or modification of programs originally authorized under the Higher Education Act of 1965. The bill proposes the continuation through fiscal year 1973 of title I of the act, providing support for community service programs and continuing education; title II, designed to strengthen college library resources and to expand and improve training opportunities in librarianship; title III, designed to assist in raising the academic standards in developing colleges; title IV, authorizing grants for exceptionally financially needy college students and guaranteed loans for other college students; and title VI, providing grants to colleges and universities for the acquisition of instructional equipment. The bill authorizes an appropriation for each program for fiscal years 1969 and 1970.

In addition to certain modifications proposed for existing programs, the bill also proposes a consolidated program which will provide comprehensive, strengthened and coordinated services to expand and to make more meaningful the higher educational opportunity of disadvantaged students. The consolidated program authorizes activities and services previously authorized under two separate authorities—Talent Search and Upward Bound—and brings them together with a new program designed to strengthen remedial and other special services necessary for disadvantaged students during their enrollment in college. Title V of the act, now known as the Education Professions Development Act, was extended and substantially modified last year, and there is no need to extend it at this time.

Mr. Speaker, I might say that I have in my possession a two-page letter from the chairman of the Committee on Education and Labor explaining the extent of the need for waiving points of order, for which I ask unanimous consent that it may be included as a part of the RECORD along with my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The letter referred to follows:

COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C., July 11, 1968.

Hon. WILLIAM M. COLMER,
Chairman, Committee on Rules,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with your letter of May 13, I am submitting the following statement in support of the request to grant a rule on H.R. 15067 waiving points of order against the bill. The following sections of the bill necessitate the request that such a rule be granted:

1. Section 406 of the bill (page 128) permits an institution of higher education to transfer educational opportunity grant funds be allocated to it to the institution's college work-study program. It could be argued that this provision constitutes a change in the purpose for which funds were appropriated and therefore might be subject to a point of order on such grounds. It should be noted, however, that this provision does not apply to previously appropriated funds. The Committee has recommended this provision so as to allow institutions of higher education sufficient flexibility in the administration of the various federally financed institutionally based student assistance programs.

2. Section 407(c)(2) (pages 132–133) requires the transfer of any unobligated funds appropriated in FY 1969 to the Office of Economic Opportunity and allocated by such office for Upward Bound programs to the United States Office of Education for use in a new program which includes support of Upward Bound activities. This section may also be subject to a point of order on the grounds that it constitute a change of purpose for which funds were appropriated, even though there has not to this date been a FY 1969 appropriation for the Office of Economic Opportunity. This provision is a part of a Committee-approved consolidation of two existing authorities and a program of new activities. The Committee's intention is to provide for

a coordinated and comprehensive program of services to disadvantaged college students or potential students. To carry out the Committee's intention that there be a coordinated program, it is necessary that the Upward Bound program currently administered by the Office of Economic Opportunity be transferred to the United States Office of Education in whom the new consolidated program authority would be vested. The required transfer of unobligated funds is a necessary component of the Committee's proposed consolidated program.

3. Section 416(c)(2) (page 145) provides for the transfer of the assets and liabilities of the vocational student loan insurance fund established pursuant to the National Vocational Student Loan Insurance Act of 1965 to the student loan insurance fund established by section 431 of the Higher Education Act of 1965. As you know, these programs are similar in nature and it is the Committee's intention that the programs be merged to eliminate unnecessary duplication and confusion which now results from the administration of two separate but very similar programs. The transfer of the assets of the Vocational Student Loan program is a necessary component provision of the proposed merger, however, it too, may be subject to a point of order on the same grounds as the sections discussed above.

4. Section 1501 of the bill (page 230) amends the Economic Opportunity Act of 1964, as amended, to prohibit the establishment of age quotas by administrative action in youth work and training programs authorized by such Act. A point of order against this amendment might lie on the grounds that it is not germane to the bill. As you know, the Committee is concerned that by administrative action, that is through regulations, there have been certain limitations placed on the number of 14-year-old and 15-year-old youths who can participate in the Neighborhood Youth Corps. Because these objectionable regulations are effective this summer and may be effective during the coming academic year, the Committee wished to correct this matter through an amendment at this time.

Your consideration of this request is greatly appreciated.

Sincerely,

CARL D. PERKINS,
Chairman.

Mr. SISK. Mr. Speaker, I urge the adoption of House Resolution 1259 in order that H.R. 15067 may be considered, and I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from California [Mr. SISK] has ably stated, House Resolution 1259 makes in order for consideration H.R. 15067 under an open rule with 2 hours of general debate, waiving points of order.

The purpose of the bill is to authorize appropriations in fiscal 1969 and 1970 of a large number of grant-in-aid programs which assist in improving and expanding higher education. These programs are contained in the Higher Education Act of 1965 and the National Defense Education Act of 1958. A number of them expired with fiscal 1968 and are reauthorized by the bill.

Authorizations for fiscal 1969 total $914,770,000; for 1970 the figure is $1,254,230,000.

The programs covered by the bill include assistance to college libraries, for the training of librarians, and for assistance in cataloging present library materials; assistance to new and developing colleges and universities to improve the quality of education at such institutions; student loan programs and grant-in-aid assistance to needy students; and a new program, consolidating several existing ones, which aims to identify and assist students entering college who need such assistance as remedial reading courses to fully prepare them for college work.

All these programs, aimed at improving the quantity as well as the quality of our higher education efforts are combined in one bill although several existing acts are included in the authorizations contained herein.

There are no minority views.

I feel that this is a good bill and I recommend the adoption of the rule.

I have no further requests for time, but I reserve the balance of my time.

Mr. Speaker, I yield to the gentleman from Kansas [Mr. DOLE].

Mr. DOLE. Mr. Speaker, I urge passage of the Higher Education Amendments of 1968. This legislation, as reported by the Committee on Education and Labor, reaffirms the intent of Congress to work in partnership with States and local authorities to provide high quality college education for every child capable of receiving and understanding the material. Cicero said:

> What greater gift can we offer the Republic, than to teach and instruct our youth?

Today, the demands upon the student and his teacher have increased a hundredfold since that ancient time. The entire fund of human knowledge used to double every 10,000 years; now, it doubles every 15 years. Today's engineering degree becomes obsolete in 10 years. Clearly, the educational system maintains facilities and instructors capable of dealing with this extraordinary progress only at great effort and expense. Facilities and teachers must be able to impart this vast wealth of human understanding to the American student.

PRECEDENT OF FEDERAL AID

Since the landmark National Defense Education Act of 1958 was enacted under President Eisenhower, the Federal Government has each year directed a small portion of its budget toward better college facilities, better student opportunity, and the development of quality instruction on the campus. It is only proper the Federal Government should have such a role, for the interstate movement of the population has proliferated to an astounding extent. The white collar worker changes jobs and residence an average of three times during his working lifetime. He brings the skills acquired in one State system to another State; he carries with him his aptitude, his ideas, and his capabilities. All States are vitally interested in quality education in all other States.

Through several enlightened programs, the Federal Government has been able to provide assistance to higher education without demanding Federal direction and control of the system.

Through these same enlightened programs, the Government provides assistance for the deserving college student.

Mr. Speaker, the legislation known as the Higher Education Amendments of 1968 extends and improves the Federal effort. It is essential for the Congress to pass this bill before adjournment this year.

PROVISIONS OF THE BILL

This legislation extends and amends four extremely successful acts: the National Defense Education Act (NDEA), Higher Education Facilities Act of 1963, Higher Education Act of 1965, and National Vocational Student Loan Insurance Act of 1965.

Additionally, several new programs designed to complement these efforts are here introduced for the first time. In my opinion, these authorizations are necessary if we are to meet the challenges of educating 9 million college students by 1975. Indeed, these expenditures are necessary if we are to meet next year's challenge of some 6 million students.

PROGRAMS EXTENDED AND IMPLEMENTED

The major programs extended under the legislation as reported by committee, and the proposed money authorizations can be tabulated as follows:

[In millions of dollars]

Program	Fiscal 1969	Fiscal 1970
Community service—Higher Education Act, title I: This provides funds for universities to assist in solving community problems and to establish continuing education programs for adults	$10.0	$50.0
Library resources—Higher Education Act, title II–A: Provides for acquisition of books and other materials for college libraries	25.0	35.0
Developing institutions—Higher Education Act, title III: Provides aid to predominantly Negro colleges which have high potential but no money	35.0	55.0
Scholarships—Higher Education Act, title IV–A: Provides educational opportunity grants to colleges and universities for needy students	70.0	70.0
Work study—Higher Education Act, title IV–C: Provides Federal matching funds to pay wages of students who work while in college	225.0	275.0
Higher education equipment—Higher Education Act, title IV: Provides funds for laboratory and special equipment, including closed-circuit TV	14.5	14.8
NDEA loans—NDEA title II: Direct loans to needy college students and cancellation of repayment for certain students going into certain occupations	210.0	275.0
NDEA fellowships—NDEA title V: Provides for graduate fellowships	(1)	(1)
NDEA institutes—NDEA title V–B: Provides institutes for persons planning to work in guidance and counseling	30.0	40.0
Construction—Higher Education Facilities Act	1,100.0	1,100.0
Guaranteed loans—Higher Education Act, title IV–B: Provides Federal aid for State and private agencies which insure loans from private lending sources, and provides, in some cases, Federal insurance of the student loans	(2)	(2)
Equipment—NDEA title III: This provision provides grants to elementary and secondary schools for equipment	110.0	110.0

[1] 7,500 new fellowships per year.

[2] $10,000,000 for 2 years.

NEW PROGRAMS

In addition to the benefits previously listed, this legislation provides for the development of several new programs of great merit. These activities, after refinement and experiment, will provide additional excellent supplements to our educational system.

These new programs include:

Advanced funding: Permits funds for fiscal year 1970 to be appropriated in fiscal year 1969 appropriations bill;

Equipment grants: Provides $84.4 million for 1969 and $160 million for 1970 in new grants to elementary and secondary schools, with emphasis on schools in poverty areas;

Universal education: Provides for the establishment of a Universal Education Opportunity Commission to study plans for greater educational attainment for all citizens;

Cooperative education: Provides for new programs of work and study by the student;

Student disorders: States that institutions having serious student disorders are required to withhold aid from the students participating in such disorders;

Public service: Provides funds for fellowships and grants in the area of public service; and

Networks for knowledge: The bill provides funds to encourage colleges to share facilities and other resources.

STATE AND LOCAL RESPONSIBILITY GREATEST

This legislation will greatly benefit higher education. Much is also being accomplished under the Elementary and Secondary Education Act. But everyone must realize: the great burden of educating America's children rests squarely upon the shoulders of local and State officials, parents, and the people. Federal participation is an attempt to accommodate certain narrowly defined needs which develop, in spite of the best efforts of local authorities.

KANSAS FACTS

My home State of Kansas receives a fair share of Federal funds for education programs. But local and State funds still represent a full 91 percent of the entire educational revenue for the Kansas school year. Nationally, Federal participation averages only 7.7 percent of the entire outlay for educational programs. This participation is small, but the effect is great. Federal programs do have a significant impact. Often a needy student is able to obtain a guaranteed loan or grant to continue his education. Often classrooms are built with funds otherwise unobtainable.

Kansas schools received over $37 million from the Federal Government for educational purposes during fiscal year 1968. This included significant outlays for higher education facilities, student loans and grants, and undergraduate instructional resources. In all, programs extended and improved by the Higher Education Amendments of 1968 provided Kansas with nearly $25 million in assistance during fiscal 1968.

This $25 million was needed, for Kansas colleges and universities are growing at record rates. The Center for Regional Studies of the University of Kansas estimates the enrollment of Kansas colleges and universities will reach 122,000 by 1975. Complementing our great State university system, there are 24 privately sponsored institutions of higher learning in Kansas.

Thus, Kansas—and all other States—have a vital job to perform: the building of facilities and the securing of instructors to carry the increased load of the 1970's just ahead.

The final and ultimate responsibility for education rests with the States and local communities. But I am pleased the Congress has the opportunity to consider legislation of the quality of the Higher Education Amendments of 1968, and I urge passage at the earliest possible time.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I reserve the remainder of my time.

Mr. SISK. Mr. Speaker, I urge the adoption of the resolution.

I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15067) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15067, with Mr. Vanik in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. Perkins] will be recognized for 1 hour, and the gentleman from Ohio [Mr. Ayres] will be recognized for 1 hour.

The Chair recognizes the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, the record of the Congress in dealing with higher education is a distinguished one. As President Johnson stated in his education message earlier this year:

> The prosperity and well-being of the United States . . . and thus our national interest—are vitally affected by America's colleges and universities, junior colleges, and technical institutes.

Beginning with the Morrill Act of 1862, there has been an impressive series of legislative enactments which reflect Congress recognition that indeed the prosperity and well-being of the country is directly related to the quality and availability of American higher education.

Under the present administration—and through the untiring efforts of the Special Subcommittee on Education under the able chairmanship of the distinguished gentlelady from Oregon [Mrs. Green]—the Higher Education Facilities Act of 1963 and the Higher Education Act of 1965 have become part of this legislative tradition.

The bill before us today is also a part of that tradition as H.R. 15067 proposes to renew and refine a number of successful elements in existing law. In addition, the bill proposes the establishment of certain new and necessary programs which will result not only in a more effective utilization of our educational resources but also in meeting one of the most critical manpower shortages this Nation is experiencing—that is, the shortage of qualified personnel for careers in public service at the various levels of government.

H.R. 15067 affects virtually every higher education program within the jurisdiction of the Committee on Education and Labor. It is a distinct pleasure to bring before you today a major piece of legislation which was reported unanimously by the committee. The consensus on this bill was developed only after extensive and careful consideration by the Special Subcommittee on Education, under the chairmanship of Mrs. Green. May I take this opportunity to extend congratulations and my personal appreciation to Mrs. Green, Mr. Brademas, the ranking majority member of the subcommittee, and Mr. Quie, the ranking minority member, and all the members of the subcommittee—for their excellent work on this bill.

The legislation is based on 26 days of hearings conducted in 1967 and this year. Many of the provisions in H.R. 15067 are related to recommendations contained in the study of the U.S. Office of Education recently completed by the Special Subcommittee on Education. Many of the student assistance provisions are similar to provisions already approved by the House during its consideration of H.R. 16729. The Special Subcommittee on Education met 17 times in executive session before reporting H.R. 15067 to the committee, and in committee, an additional five executive sessions were held on the bill.

Mr. Chairman, the extensive hearings record on H.R. 15067 provides unqualified support for President Johnson's statement that "higher education needs help." The total number of students enrolled in colleges and universities in 1960 numbered 3,772,000. This fall there will be twice as many—approximately 7½ million college students. Enrollments will continue to grow to an estimated 9,700,000 by 1975.

College costs have spiraled upward at a comparable rate. As one parent recently stated, "Paying for a college education is like buying a second home." In 1960 it cost an average of $913 to attend a public institution and $1,673 to attend a private college. Today it costs 15 percent more, or $1,052 to attend a public institution, and 31 percent more, or $2,187 to attend a private institution. In 1975, it will cost $2,686 per year to attend a private college or university—approximately 64 percent more than it did in 1960, and it will cost $1,193 to attend a public institution—approximately 33 percent more than it did in 1960. The projected increase in college costs will make it even more difficult in meeting the often stated intent of Congress that no student of ability should be denied a college education because of financial need.

Mr. Chairman, the successes which have been achieved under existing legislation are adequately documented by the hearing record on H.R. 15067. May I take just a few moments to discuss achievements under the three college-based student assistant programs, as these, perhaps, best demonstrate what may be accomplished under the higher education legislation we have enacted.

The national defense student loan program initiated in 1958 has assisted over 2 million student borrowers during the 10 years of its existence. The average annual loan has increased gradually each year from $383 in 1959 to approximately $575 in 1967, and to almost $600 in 1968. More importantly, Mr. Chairman, the evidence indicates that approximately 60 percent of these loans are made to students from families with gross incomes of less than $6,000.

Based on the most recent data available, approximately 83 percent of the students employed under the college work-study program come from families with less than a $7,500 income. More than two-thirds come from low-income families, a family of three with an income of $3,200 or less. On the average, students employed under the program earned $475 each during 1967, and an estimated $500 in 1968. During this last academic year, 310,000 students participated in the program.

During the last academic year, there were 226,800 student recipients of the educational opportunity grants. Twenty-eight percent of the recipients come from families whose incomes were less than $3,000, and 42 percent where incomes were between $3,000 and $6,000. The average size of an educational opportunity grant was $377 in 1967 and is estimated to be $450 in 1968 and $480 in 1969.

Mr. Chairman, I could recite many more accomplishments. These are important matters, and in no sense should they be overlooked. Nevertheless, the overriding consideration with which we must deal as a Congress is that today, higher education is in need of help. President Kirk of Columbia University recently stated:

> The plain fact is that we are facing what might easily become a crisis in the financing of American higher education. . . .

That the Federal Government must continue providing assistance to higher education was never questioned or challenged during the extensive hearings on H.R. 15067. Nor do I believe there will be question or challenge today to those provisions of H.R. 15067 which propose the continuation and improvement of selected programs carried on under the NDEA of 1958, the Higher Education Act of 1965, and the Facilities Act—the three most important acts affecting higher education.

Under the bill, certain programs carried on under the NDEA will be continued and modified. These include:

Title II, the student loan program;

Title III, authorizing grants and loans for the acquisition of instructional equipment;

Title IV, the national defense graduate fellowship program;

Title V, providing grants to strengthen counseling and guidance services; and

Title VI, providing support to strengthen foreign language instruction.

Because activities previously supported under titles V–B, VII, section 1009, and title XI of the NDEA are now eligible for support under other Federal programs, the continuation of these titles as separate programs is not being requested.

It is proposed also that programs under the Higher Education Act of 1965 be continued and modified. These include:

Title I, providing support for community service programs;

Title II, designed to strengthen college library resources;

Title III, the program of grants to assist in raising the academic standards of developing institutions;

Title IV, providing educational opportunity grants for needy students and guaranteed loans for other students, and the college work-study program; and

Title VI, providing support for the acquisition by colleges and universities of instructional equipment.

In addition, the bill authorizes three new promising and much-needed programs—networks for knowledge, education for the public service, and support for cooperative education. There is also proposed a consolidated program which will include Talent Search authority, presently contained in the Higher Education Act, Upward Bound authority, presently contained in the Economic Opportunity Act, and new authority for support of programs and activities designed to provide special and remedial services to disadvantaged students while they are in college.

Other major provisions in the bill extend the International Education Act and the authorization contained in section 12 of the National Arts and Humanities Foundation Act for grants to local educational agencies to assist in the acquisition of equipment for instruction in the arts and humanities. The bill further proposes a new authorization of appropriations for a program to assist local educational agencies in the acquisition of equipment to be used in school programs designed to meet the special needs of educationally deprived children; authorizes the next President to appoint a Universal Educational Opportunity Commission to study the feasibility of providing universal post-secondary educational opportunity; and provides for certain prohibitions against the awarding of loans or grants to students involved in campus rioting.

In summary, Mr. Chairman, 19 existing programs are continued and modified; a new consolidated program composed of two existing authorities and a new authority is established; and four new programs are recommended.

The legislation is absolutely necessary at this time as there is no fiscal year 1969 authorization of appropriations for programs carried on under the National Defense Education Act and, with the exception of title V, for programs carried on under the Higher Education Act of 1965. Further, there is no authorization of appropriations for section 12 of the Arts and Humanities Act. For those programs which are being continued, H.R. 15067 establishes a total fiscal year 1969 dollar authorization of $768,350,000. I think it should be noted that the fiscal year 1969 proposed authorization for these programs is $132,920,000 less than the amount authorized for the same programs in fiscal year 1968.

Mr. Chairman, taking into account the new programs being proposed for fiscal year 1969, and the continuation of those programs which do not already have fiscal year 1969 authorizations, the bill proposes new total dollar authorizations for fiscal year 1969 of $905,270,000.

When one considers all of the authority and programs affected by the bill, H.R. 15067 proposes what I think is a very modest increase—but a necessary increase to allow for needed growth and healthy development. Again emphasizing that I am speaking about all programs affected by the bill, in fiscal year 1968 there was a total authorization of $2,196,270,000. In fiscal year 1969, taking into account the new authorizations being proposed and the authorizations already enacted, the total amount for all programs—is $2,458,270,000. For fiscal year 1970, the dollar authorizations total—$2,788,730,000. You will note from what I have said that H.R. 15067 proposes an increase of approximately $300 million per year in the total amount authorized. I must stress again, however, that we are talking about 25 or more programs.

Mr. Chairman, I cannot discuss the authorization levels for programs affected by this legislation without expressing my deep concern about the pending appropriation requests, particularly for the student assistance programs. I mentioned a moment ago that the total authorization for both new authority and existing authority for programs in fiscal year 1969 amounts to $2.4 billion. The pending appropriation request for funds pursuant to that authority is $995.8 million. Much of the disparity is due to the very small request for funding of programs carried on under the Facilities Act. A substantial portion is due to the disparity between the authorization levels proposed by this bill and the pending appropriation request to carry out the college-based student assistance programs.

I mentioned the successes which have been accomplished with the three student assistance programs, and if we are to continue to provide adequate support, we must provide for an increased appropriation for this current fiscal year. Recently, I received a number of telegrams from universities and colleges in Kentucky on this matter.

Dr. Robert R. Martin, president of Eastern Kentucky University, had this to say about the need for additional student assistance funds:

> Eastern Kentucky University will only meet needs of 50 percent of initial year awards freshmen. Will meet needs of 85 percent of other students. Expecting $65,000 in loan collection to meet present commitments to previous recipients. Total of 433 new students who qualified for program have been denied because of lack of funds. Projected needs for 1969 and 1970 in excess of $203,000 above present 1968–69 level. Have advised students to reapply spring semester in hopes of additional funds. Urge your fullest consideration.

Roger L. Wilson, vice president of student affairs, and Elmer D. Anderson, director of student financial aid, Morehead College, Kentucky, advised me as follows:

> We should like to call your attention to why Congress should act favorably on an increase

> in the appropriation to finance the EOG, the NDEA loan, and the college work-study program during the fiscal year 1969.
>
> During the 1968 fiscal year which ended on June 30, we employed over 700 students and our Federal appropriation was approximately $335,000. In our application for the 1969 fiscal year we requested approximately $470,000 and expect to employ 850 students. However, the regional panel saw fit to cut our appropriation to approximately $400,000, which was actually an increase of something like $90,000. However, if we are not able to receive any more than we received during fiscal year 1968, some 150 to 175 students will not be able to have enough money to stay in school. Under the EOG program for fiscal year 1968, we are allotted $176,000. These are students from the Appalachian area, who would not be able to go to college without this type of assistance. On the basis of anticipated increase in enrollment, and the area which these initial recipients will be coming from, we anticipate to have approximately 275 new EOG recipients during fiscal year 1969. We requested $124,600 and the regional panel recommended this amount; therefore, you can see that if we are not able to receive this increase in the Federal appropriation, it may be that some 275 students will be missing from the freshman class here at the university when registration is completed in September.
>
> Under the NDEA loan program during the fiscal year 1968, our Federal allocation was $318,410. This amount, combined with institutional matching money and collections from students repaying their loans, we are able to make loans to approximately 1,100 students in the amount of $400,000. However many of these students who borrowed under this program were not able to borrow the amount they needed. We were very fortunate in being able to secure money under the Kentucky guaranteed student loan program to help these students stay in school. For fiscal year 1969, we applied for approximately $560,000 Federal money. The panel recommended $443,000. However the final allocation figure is approximately $337,000 which is only $19,000 more than we received during the past year and certainly with some 275 freshman plus the transfer students from junior colleges and other institutions of higher learning we have some 200 students who borrowed money under the State loan program, but we now find that many banks have quit participating in the program and many of these students have applied for an NDEA loan in order to finance their college education for the coming year. We beg of you as our Congressman, to exert every effort to get the Congress to provide an increase in appropriations for funding these three student aid programs during fiscal year 1969. It is imperative that this amount of money be increased and that they be funded early. Late funding is very demoralizing to students planning to enter college in the fall when the institution is unable to make a definite commitment to them. This causes many to postpone furthering their education and go out in the world untrained and unprepared to earn a living. These are the people who eventually end up on the public assistance rolls or some other type of welfare program.

From Kelly Thompson of Western Kentucky University, came the following information:

> Based on the following Western Kentucky University urges favorable consideration for additional funds for national defense student loans educational opportunity grants and college workstudy. Less than 65 percent of eligible applicants to date have been approved for awards because funds have been totally committed for two months and applications are still being received. Some of these being rejected are applicants identified by project talent search and special programs under public assistance. We have currently on file with HEW a letter requesting $52,780 in additional educational opportunity grant funds.

Mr. James E. Ingle, administrator, office of student financial aid at the University of Kentucky, sent the following telegram:

> Urge favorable consideration to funding of National Defense student loans, educational opportunity grants, and college work-study program. All available funds at UK for NDSL and EOG exhausted. Must rely on $65,000 in NDSL collection to meet present commitments. Letter on file in USOE requesting $20,000 additional EOG. No new applications for EOG and NDSL can be accepted. Estimate eighty-five percent of request met.

I should like to spend a few more minutes on the specific programs proposed for extension and improvement.

For title I of the Higher Education Act of 1965, providing support for community service projects, the bill establishes an authorization of $10 million in fiscal year 1969 and $50 million in fiscal year 1970. The program would also be modified to waive the present requirement for a statewide system of community service programs, to permit the funding of a limited number of such projects when this is necessary because of reduced funding.

The college library assistance program would be continued with a $25 million authorization for fiscal year 1969 and $35 million for fiscal year 1970. The bill further extends authorizations for library training and research and the authorization to strengthen college and research library resources through the Library of Congress shared cataloging program.

The program of grants to assist in strengthening developing institutions would be continued with an authorization of $35 million in fiscal year 1969 and $55 million in fiscal year 1970.

The higher education instructional equipment program under title VI of the Higher Education Act of 1965 has made available some $44 million over the past 3 years to colleges and universities for the acquisition of modern equipment and materials to improve undergraduate instruction. The bill proposes that title VI–A of the Higher Education Act of 1965 be amended to permit, for the first time, the use of title VI funds for the acquisition of certain types of computers. It was the committee's intention that this expansion be limited to instructional computers such as the so-called desk-top computers in view of the limited funds which will be available for the title.

In addition to other modifications designed to facilitate better administration of the program at the State and institutional levels, H.R. 15067 extends the equipment grant program for fiscal years 1969 and 1970 at an authorized level of $14.5 million and $14.8 million respectively.

The bill also will help elementary and secondary schools acquire needed educational equipment under title III of the NDEA. Authorizations for grants to local educational agencies and loans for private elementary and secondary schools for this purpose are extended at a level of $110 million for both fiscal years 1969 and 1970. In addition, the bill authorizes a new program of grants to local educational agencies for the acquisition of equipment to be used in ESEA title I type programs and services for educationally deprived children—$84.4 million would be authorized for the new program in fiscal year 1969, and $160 million in fiscal year 1970.

Other tried and tested NDEA programs extended by H.R. 15067 are: First, the title IV graduate fellowship program for prospective college teachers; second, the title V–A program of grants to strengthen guidance, counseling, and testing services; and third, the title VI program of grants for the expansion and improvement of modern foreign language instruction.

Twenty-five million dollars would be authorized in fiscal year 1969 for title V and $16,050,000 for title VI. In fiscal year 1970, $30 million would be authorized for title V, and $25 million for title VI. Because activities previously supported under title V–B, title VII, section 1009 and title XI of the NDEA are now eligible for support under other Federal programs, the continuation of these titles as separate programs is not being requested.

In permitting the title V–B program of counseling and guidance training institutes and the title XI program of advanced training institutes for teachers to expire, it was the committee's intention that these two programs be continued under part D of the Education Professions Development Act, at a level of funding at least equal to that which they received for the fiscal year ending June 30, 1968.

H.R. 15067 further provides for the continued growth of student assistance programs. Many of the provisions contained in H.R. 16729 approved by the House earlier this year are duplicated in the legislation we are considering today. Under this bill, the national defense student loan program would be continued with an authorization of $210 million in fiscal year 1969 and $275 million in fiscal year 1970.

The college work-study program would be continued at an authorization level of $225 million in fiscal year 1969 and $275 million in fiscal year 1970. The educational opportunity grant program would be continued at the existing authorization level; that is, with an authorization of $70 million for initial year grants for the current fiscal year and also for fiscal year 1970. The bill would improve these institutionally based student assistance programs in a number of respects.

The loan cancellation provision under the national defense student loan program would be revised to provide cancellation of 10 percent for the first or second year of teaching in schools serving predominantly low-income students or handicapped children, and 15 percent for each year thereafter. Private vocational schools are made eligible to participate in the college work-study program, and in the national defense student loan program when the appropriation exceeds $190 million. Institutions participating in the educational opportunity grants program are given authority to transfer allotted funds to the college work-study program.

With regard to this latter provision, I wish to make clear that my views are identical to the discussion of this issue in the committee report. I agree with the approach in H.R. 16729 which does not set an arbitrary percentage limitation—let us say, 15, 20, or 25 percent—on the amount an institution may transfer from its grant program to the college work-study program—but in saying this, I do not wish to be interpreted as approving of a transfer which even approaches 15 percent. Unquestionably the administration of the educational opportunity grant program is difficult, because it means that an institution of higher education must actively search out and motivate underprivileged but promising young students.

If an institution does not wish to participate in the program, then there is no requirement that they do so. No institution, however, should volunteer as a participant in order to obtain additional funds for its college work-study program.

H.R. 15067 contains amendments to the guaranteed loan program which are quite similar to those contained in the House-passed bill, H.R. 16729. These provide for first, the extension of the Federal loan insurance program and a liberalization of the terms under which Federal loan insurance may be extended; second, Federal insurance of student loans guaranteed under State and nonprofit private student loan programs; third, an authorization of $10 million for additional advances to reserve funds of State student loan insurance programs; the merger of the national vocational student loan insurance program with the guaranteed program under the Higher Education Act and the repeal of the direct Federal loan program for vocational students; fifth, an increase from 6 to 7 percent of the maximum interest rate applicable to guaranteed student loans; and sixth, the extension and modification of authority for payments to reduce student interest costs so as to continue the interest subsidy only during periods in which the borrower is in school or in which the loan is accorded a deferment status.

The legislation before us would also authorize a new cooperative education program that will afford students the opportunity to earn, through alternating periods of employment, funds required for continuing their education. Grants to institutions for this purpose are authorized at a level of $8.75 million in 1969 and $10.75 million in 1970.

Another important new program authorized under H.R. 15067 would make available to institutions of higher education grants for providing special counseling and remedial services to enrolled disadvantaged students. This program, together with the consolidation of the Talent Search and Upward Bound programs mandated under the bill, will greatly increase the availability of higher education to young people from low-income families: $41.68 million is authorized for the combined program in fiscal year 1969, and $56.68 million in fiscal year 1970.

Mr. Chairman, I share the view of many that perhaps the most important higher education program we have enacted is the grant and loan program to assist in the construction of academic facilities. Likewise, I share the deep concern of college administrators that the projected level of financing of this program during the current fiscal year is totally inadequate to meet the increasing need to expand and improve facilities for undergraduate education. H.R. 15067 extends the Facilities Act by providing an authorization for fiscal year 1970 which is identical to the existing fiscal year 1969 authorization. Under the bill, therefore, $7 million would be authorized for State planning and administration, $120 million for grants to assist in construction of graduate facilities, $936 million for grants to assist in the construction of undergraduate facilities, and $400 million for construction loans.

The legislation also suggests a number of needed improvements in the various facilities programs, most important of these being an increase in the maximum permissible Federal share under the undergraduate and graduate program from the existing limit of 33⅓ percent to one-half of the eligible cost.

The bill contains two other amendments to the facilities program. The first would broaden the eligibility standards for the undergraduate construction program. This is a necessary liberalization, one which will permit the use of Facilities Act funds for the improvement of obsolete facilities on numerous college campuses.

Another amendment would provide for upward adjustments in the interest rate for the facilities loan program. Presently, the maximum interest charge on a title III loan is 3 percent. Under the proposed revision, institutions borrowing today would pay approximately 4½ percent.

I have already mentioned one of the new administration proposals authorized by the committee's bill—special services for disadvantaged students. There are two others.

The Networks for Knowledge Act is designed to improve the quality of higher education across the Nation by encouraging colleges and universities to share expensive human and physical resources. Grants will be made to institutions for planning, developing, or carrying out a wide variety of joint use programs involving facilities, library resources, electronic equipment, and faculty: $500,000 is authorized for 1969 and $10 million for 1970.

The last new program, education for the public service, is designed to improve the education of students attending institutions of higher education in preparation for entrance into the service of State, local, or Federal Governments, as well as to attract such students into the public service. The program will encompass grants, contracts, and fellowship awards at an authorized level of $500,000 in 1969 for planning, and $15 million in 1970 for the first operational year of the program.

In order to insure that the many Federal programs in higher education are utilized with maximum effectiveness, H.R. 15067 establishes in the Office of Education two broadly based advisory councils. The bill provides for an advisory council on student financial aid and an advisory council on graduate education.

The bill further requires the Commissioner of Education to disseminate reports and information concerning the programs operating under its various titles—$2 million authorized in 1970—and authorizes the appropriation of funds specifically for program planning and evaluation—$1.117 million in 1969, $1.9 million in 1970. The Secretary is required to submit an annual report to Congress evaluating the results and effectiveness of the various higher education programs and recommending needed changes.

To further promote efficiency in the planning and administration of higher education programs, provision is made for appropriating funds 1 year in advance of the year in which they are to be obligated.

Finally, Mr. Chairman, the proposals contained in this legislation do not call for dramatic new levels of funding, but they do provide for the continuation and do promise the more effective use of existing authorities. I join with many of my colleagues in affirming that the bill before us deserves our enthusiastic support.

Mr. QUIE. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. CAHILL].

Mr. CAHILL. Mr. Chairman, I have taken this time, thanks to the gentleman from Minnesota, to discuss what I understand was an amendment offered by the gentleman from New York providing funds to meet the special educational needs of disadvantaged children by providing grants for the purchase and acquisition of educational materials and equipment.

I would merely like to bring to the attention of the Committee the fact that I hope when this program is implemented it will not simply result in pouring money into outmoded educational systems but, rather, in providing a stimulus for truly innovative programs.

Mr. Chairman, I read with a great deal of interest the speech of the Secretary of the Department of Health, Education, and Welfare delivered upon the 150th anniversary of the founding of the Philadelphia public schools on July 2, 1968, and in that speech he discussed research and innovative methods and said that too often the result of experiments are delayed in application or ignored completely.

Mr. Chairman, it is clear that our Nation's school system has not been operationally successful for vast numbers of children from our urban population centers. These are the academically and culturally disfranchised youth, the economic and social dropout.

Enough specific research has been done in laboratories throughout the Nation to suggest that it is not merely the curricula and teachers, but the present reinforcement system and educational environment that are responsible for the production and maintenance of these educational failures. The basic use of language and mathematics are required skills for a technological society whether it be suburban or urban, middle class or economically deprived. It appears that the payoff needed to maintain learning behaviors which may be exhibited in a classroom—which generally is available in a middle-class community—does not exist in sufficient strength within the economically deprived groups of the urban ghetto.

Special funds are needed to rectify this problem, but it should not be invested in the old concepts of brick and mortar schools and classrooms. Good educational environment must be supported by an ecology equipped to go along with the initial investment. Just as it requires a healthy and active industrial system to support the automobile that we drive—gasoline, road surfaces, laws—good educational environment, for example, a classroom filled with teachers and textbooks, are tied to and maintained by a supporting environment.

Attempts to correct the present school system generally start by testing, classifying, and grouping the youngsters. Unfortunately, however, educators have tended to accept 19th century concepts of student abilities as defined by averaging IQ tests, and, on the basis of these we have established remedial programs which segregate these young people into immutable tracks.

For example, there has been acceptance in the past that an 18-year-old with a low IQ, reading at the fifth-grade level, could not academically advance, and that this was too late for individual progress. Thus, we have tended not to encourage such youngsters to consider re-entrance into the academic world.

The present national testing and labeling practice, rather than being used as recordkeeping, has long been used for prediction. This practice has permitted brain straining and intellectual discrimination, for it has attempted to predict based upon the child's past performance in a particular system that the brain of the tested individual is limited. What is in practice today in America is the most insidious kind of discrimination. This labeling assumes that only certain men can learn certain tasks.

This form of discrimination is dangerous and not within the concept of equal rights which we have guaranteed to our citizens because it labels human learning potential on the basis of a system which is not justified by present educational knowledge. Using this outmoded approach has further alienated an already hostile group whose economic conditions have not been changed by our system of welfare. Moreover, it is apparent that the present welfare system does not move them forward towards economic stability.

The Case projects, as reported by Mr. Harold L. Cohen, executive director, Institute for Behavioral Research, Silver Spring, were carried out with delinquent young dropouts. By using a new curricula, incorporating programed instruction and money as general payment for academic work performed at a 90 percent or better level, he has already proven that the youngster, whether white, black, poor, urban, Puerto Rican, and so forth, between the age of 13 to 18, can in fact learn the complex academic task to which the academicians previously stated he was unable to perform. The data speaks for itself.

In a group of 24 students tested, pre and post, the average IQ increase on the Army Revised Beta was a mean gain of 16.2. One student registered an increase of approximately 25 points.

FURTHER DESCRIPTION OF THE PROJECT

The goals of the Case II—Model project were designed to increase the academic behaviors of all of its students, no matter at what level they were, and to prepare as many students as possible within an operational year for their return to the public school system from which they were dropped or to pass a high school equivalency exam.

To fulfill this objective, the project undertook the following: First, it converted an old cottage on the Training School grounds into a 24-hour learning environment, established new systems of operations and an economy based on academic achievement, schedules of reinforcement, and hired the students to work for the Case II—Model administration. Each student was called a student educational researcher and worked on programed courses and regular text, and attended programed classes and lecture classes. They were working for the Case II—Model "corporation." Their product was intellectual wealth in general and academic work in particular. They were paid when they performed on tests at 90 percent or better accuracy. The staff planned to new curriculum with the bulk of the subject matter being taught through individual programed instruction or programed texts.

A banking system and four timeclocks for accurate accounting of point earnings, and distribution and spending and detailed time function records were the basic measurement tools used to operationally examine the daily operation. Also, a new evaluation method for parole was established, based upon objective academic measurement and recordable—observable—social behaviors.

The project environment was designed to increase the choices and prerequisites normally available to the average wage-earning American, but not available to these youth in a prison. The students paid for their room, clothing, and gifts; and they paid an entrance fee and tuition for special classes. They became, through their own academic achievement, working and paying members of the Case II—Model society.

Those students who did not have sufficient funds, or who did not wish to do their schoolwork, were forced to go on relief. They lost their privileges, slept on open bunks, ate their meals on metal trays, and could not participate with wage-earning students. No one remained on relief for more than 2 weeks.

The increase in academic skills, as measured by national tests, the positive attitudinal change in the students, the increase in IQ, and the effective systems employed, have given strong indications that the principles employed in the Case projects would be effective in the American public school and in Federal and State welfare systems.

The Case system proved that where students had free choice as to the subject matter that they could study and the length of time they would spend, put under an economic system, brought the grade level gains per month of use, as follows:

All data refers to the rate for a student who is being motivated by middle-class environment and standards: Twice the normal rate of learning in paragraph meaning; over three times the rate for language usage; over twice the rate for spelling; over twice the rate for arithmetic reasoning; normal rate for arithmetic computation; twice the rate for science; and normal rate for social studies.

Out of the eight students from that project, still on a voluntary basis, who took the high school equivalency examination, all eight passed.

All this was accomplished with very little more money than it would take to use conventional methods to educate the students at the National Training School for Boys. In fact, the difference was $2.50 per day per student, which covered research personnel and other operations that are not normal to an ongoing educational system.

This project has clearly demonstrated that young people can be motivated by the same factors in the environment that motivate and maintain the middle-class youngster of America.

It is not wise for us to think of pieces of equipment and buildings as solutions for our educational problems, but rather to consider contingency systems which will initiate the learning process and help maintain and increase the motivation of these youth, whose past history of failure and lack of motivation has eroded their sense of self-confidence, dignity, and the feeling that they can make it in the American scene.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. CAHILL. I yield to the gentleman.

Mr. CAREY. I thank my colleague for yielding at this point because I certainly concur with the important statement he has just made.

I will read with care and great attention the material which he intends to place in the RECORD when we are in the House.

Let me also call attention to a recent article, a very well written and carefully documented article that appeared in the New York Times magazine just 2 weeks ago written by Mr. John Leonard talking about the use of techniques that are now proving so effective in terms of media impact in television and carrying forth those techniques into the school systems as a matter of regular practice especially for the benefit of the disadvantaged child.

It pointed out, and we cannot deny it any longer, that the greatest effect upon our children, yours and mine, comes from that 800-line grid in the pattern on the screen that he watches and not from the two or three lines in the old McGuffey reader that he cannot master in the classroom.

I think this is a great forward step that this committee on the part of the House has made to recognize that the industrial technology and the educational technology can come together at this point and helped to improve education in the modern scientific way.

I again congratulate the gentleman for his statement.

Mr. QUIE. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio [Mr. AYRES] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AYRES. Mr. Chairman, it was 10 years ago that a closely divided Congress approved the National Defense Education Act which had been proposed by President Dwight D. Eisenhower. This commenced an era of steady development of Federal concern for education, and of action on our part to help bring educational quality up to the level demanded by these times. Today we shall extend that act, and a number of other programs enacted since then, with scarcely a trace of the division and apprehension we experienced in 1958. We tend not only to forget the doubts expressed then, but also the enormity of the achievement of overcoming those doubts.

The success of the programs of the National Defense Education Act is a monument to the judgment and leadership of President Eisenhower. Its original enactment also called forth the persuasive powers and leadership of Vice President Richard M. Nixon, who argued forcefully with his former colleagues in the House and Senate that the national interest required action to improve the quality of education and to make it more readily available to all who could profit from such opportunities.

I am proud to have been among those who supported this legislation from its inception, and I support its extension today.

This is not to say that Federal aid for education is without problems and possible dangers. As we get more involved in the support of education we must exercise more and more restraint and greater care that Federal programs do not distort or disrupt the educational mission of schools and colleges, or interfere with or replace established patterns of educational financing. We must also take increasing care that Federal education funds are spent with prudent concern for producing the maximum educational impact. We cannot permit good legislation to become a grab bag of benefits unrelated to educational needs. I regret that there is something of that tendency in the bill before us, and to a much greater extent in the companion bill passed in the other body.

I feel strongly, too, that we must be prepared to reexamine all of these programs in the light of changing needs and conditions, and to consider new patterns and new forms of assistance. We might well consider, for example, a system of institutional grants to replace the multitude of single-purpose aids available today. Just a few days ago I met in my office with a group of students—a very fine group of young men and women—from the only college in America named in honor of our late President John F. Kennedy. These young people were searching for some means of helping their college overcome a severe financial crisis. In fact, the college, a 4-year liberal arts institution located in Nebraska, needs a few hundred thousand dollars in operating funds or it may not survive. Yet I had to tell these earnest young people, who were acting unselfishly and at their own expense, that the Federal Government has several billion dollars in funds for higher education but not a penny for operating capital for their college.

The legislation before us today is good legislation, Mr. Chairman, but it will not help the John F. Kennedy College in the way it most needs help. I offer this as a single example of the reason we must reconsider these aid programs from time to time and be willing to change them to meet educational needs as they develop.

Mr. PERKINS. Mr. Chairman, I yield 10 minutes to the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, first of all may I express my appreciation to the distinguished chairman of the committee for the fine leadership and the effort that he has made to bring this legislation to the floor as well as my appreciation to the ranking Republican member on the committee, the gentleman from Minnesota [Mr. QUIE]. The gentleman from Minnesota is one of the hardest working and most knowledgeable individuals in this country in regard to legislation in the field of education. His contributions have been many and great.

This bill comes to the floor of the House with full bipartisan support. I would express my great appreciation to my colleagues on the subcommittee who have worked many long hours. Each one can be proud of the work he has done—the contributions made toward offering greater educational opportunities.

Mr. Chairman, this bill was voted out of the subcommittee by a unanimous vote and it was also voted out of the full committee by a unanimous vote.

The consideration of this legislation started during the 90th Congress. During the time that hearings were held more than 120 witnesses appeared before the committee.

As the distinguished chairman has already indicated, this bill provides for a 5-year extension or a 5-year authorization of the various programs involved in the Higher Education Act, the Higher Educational Facilities Act, and the National Defense Education Act.

We authorize funds for 2 years and extend the programs for an additional 3 years with "such sums as may be authorized by the Congress."

I think one of the most desirable parts of the bill also is that language similar to that provided in the Elementary and Secondary Education Act, ESEA, which provides for forward funding so that the colleges and universities across the country would have some indication of the amount of money they can plan on, not only for the immediate months ahead but also for the following year.

Mr. Chairman, the Special Subcommittee on Education began consideration of this legislation early in the first session of the 90th Congress. The first witness to appear before the subcommittee on a bill similar to H.R. 15067 was the then Secretary of the Department of Health, Education, and Welfare, the very distinguished John Gardner. He said:

> More than in any other place or at any other time in history our citizens and our society depend upon the general vitality of our institutions of higher learning.

The four subsequent volumes of hearings substantiate and underscore Secretary Gardner's statement. The hearing record fully documents the necessity for continued, strengthened and expanded programs of assistance to higher education. H.R. 15067 responds—responds meaningfully—to the needs, the issues and problems discussed by the more than 120 witnesses who appeared before us and reaffirms the congressional commitment to expand both the quantitative and qualitative aspects of higher education. It does this essentially in three ways. It provides, first, for the extension and minor revision of certain higher education programs; second, for the establishment of four new programs; and most importantly, third, for the extensive modification and restructuring of a number of existing programs, particularly those providing financial assistance to students.

With respect to the extension and minor revision of existing programs, H.R. 15067 provides for the continuation of programs carried on under the Higher Education Act of 1965. These include title I—support for community service programs; title II—designed to strengthen college library resources; title III—providing support for cooperative arrangements designed to raise the academic standards of developing institutions; and title VI—which helps institutions in the acquisition of instructional equipment.

Programs carried on under the National Defense Education Act are also extended. These include the title III program of grants to local educational agencies for the acquisition of equipment; title IV—the National Defense graduate fellowship program; title V—the program of grants to strengthen guidance and counseling services; and title VI—providing support for the support for the expansion and improvement of foreign language instruction.

Mr. Chairman, many of these programs are modified so as to facilitate more effective administration either at the local level or at the national level. An example of the kind of amendment to which I refer affects title VI of the Higher Education Act. Heretofore, essentially two separate programs have been carried on under this title; one providing support for the acquisition of instructional equipment and the other providing support for the acquisition of television equipment. Under H.R. 15067, this unnecessary and paperwork-producing distinction in the program is eliminated.

Extension of the International Education Act and the program of grants to assist in the acquisition of instructional equipment for the arts and humanities is also proposed.

With respect to all of the programs which I have mentioned, Mr. Chairman, the bill establishes authorizations of appropriations for fiscal year 1969. These recognize the stringent budgetary controls which are in effect and are for the most part in line with the pending appropriations requests. The bill further establishes authorizations for fiscal year 1970. These are generally in line with the 1968 authorizations which reflect more adequately the actual dollar needs of the programs being extended.

Mr. Chairman, the bill also proposes the extension and modification of the Higher Education Facilities Act of 1963, which I feel is the most beneficial and necessary component of Federal assistance to higher education.

Information brought to the attention of the subcommittee indicates that the 1963 act has enabled more than 300,000 students to attend college. Clearly the program has been a success, but I must also point out that even with the Facilities Act, there has been an increase between 1964 and 1967 in the deficiency in the number of needed student places on college and university campuses. The deficiency has almost doubled from 600,000 in 1964 to 1,100,000 in 1967. Between 1964 and 1967 there has been an increase in enrollment of 1.6 million students. Thus, in 1967 colleges and universities did not have adequate space to accommodate approximately 70 percent of the newly enrolled students.

H.R. 15067 establishes an authorization of appropriations for the facilities program which is identical to the 1969 authorization. The bill also provides for a necessary liberalization of the program to permit funds for the improvement of facilities on college campuses where enrollments are not expected to increase. One feature of the bill, however, Mr. Chairman, is of particular concern to me. The effect of the amendment will be to increase the interest rate on facilities loans from the current 3-percent maximum rate to approximately 4.5 percent. I question whether, during periods of substantially reduced funding for the grant program and during periods of increasing college enrollments, such a provision is desirable.

Mr. Chairman, there will be a great deal of discussion today about the new programs being proposed. The urgent requirement for more and better trained persons for public service demands the enactment of the Education for the Public Service Act. Two additional programs—networks for knowledge and cooperative education—will, through a small initial investment on the part of the Federal Government at this time, result in far-reaching and significant benefits to higher education.

A fourth program will make a substantial contribution toward meeting the purpose of a number of recently enacted programs which focus on meeting the special education needs of deprived children. Under the program, local educational agencies will be assisted in the acquisition of instructional equipment to be used in title I ESEA-type programs.

These are important and necessary additions to our overall program of Federal assistance, but I am convinced that the most significant amendments proposed in H.R. 15067 are those which provide for more economical, effective, flexible and coordinated administration of existing programs and resolve many of the problems and issues which have been discussed in the past.

Let me give you a few examples of what I mean. The bill proposes a more flexible and coordinated approach for the administration of student assistance programs. Separate provisions in the three college-based student aid programs for measuring institutional maintenance of effort and for reimbursement of administrative expenses have caused complex and duplicatory administrative work at the institutional level. H.R. 15067 standardizes and consolidates the separate provisions. There would be a common requirement for continuation of institutional expenditures and a common provision with regard to the administrative overhead allowance. The fund distribution pattern for the three programs would be altered from the three separate allotment formulas which differ in each program to a national pool funding basis.

There is also proposed a more rational system of advisory committees to assist the Office of Education in carrying out its mission. Resulting from the bill will be a reduction in the number of overlapping advisory committees.

The bill does not request that certain educational statutes be extended when newer and broader authorities will do the job just as well. For example, the educational media research authority under NDEA need not be extended as these activities are more logically funded under the broad authority of the Cooperative Education Act. So, too, title XI of the NDEA providing support for advanced training of teachers need not be extended, since support is now available under the comprehensive program contained in the Education professions Development Act.

There is an additional facet of the pending legislation which deserves highlighting: the consolidation of Upward Bound with Talent Search. Currently, these two programs, even though they are similar if not identical in purpose and in program, are administered through two different agencies. H.R. 15067 provides for a logical resolution of this illogical arrangement—by placing the two programs in the Office of Education and providing additional authority to continue special and remedial services to disadvantaged students during their college enrollment. The three-pronged approach is a comprehensive one and one which will provide for a full cycle of complete programing. By coordinating the three programs as is proposed, funds provided under each program will be used more effectively to assist individual students participating in one or more combinations of the three.

Finally, Mr. Chairman, the bill proposes to do something about those provisions in existing law which are costly provisions but which do not meet the purposes for which they were intended. For some years in committee we have debated that provision in the national defense student loan program under which a portion of a loan may be forgiven for service in the teaching profession. Throughout that debate, there has not been one shred of evidence to indicate that the provision has attracted people to the teaching profession. There is some evidence, however, that the provision might be effective in motivating teachers to choose certain schools. Everyone is concerned about the inability of schools serving the inner cities and the rural poor to attract and retain teachers. H.R. 15067 makes what I consider to be a long overdue change in existing law by providing forgiveness only for service in schools serving our most disadvantaged students.

In a similar vein, the bill proposes the deletion of the interest subsidy payments during the repayment period of a guaranteed student loan. No one will question the desirability and in fact necessity of extending interest subsidy payments on a loan while a student is still in college. On the other hand, almost all of the evidence brought to our attention indicates that the continuation of interest subsidy payments while borrowers are in the repayment stage—that is, after they have completed college and begun their careers—is unnecessary, undesirable, and will be exceedingly costly. I share this view of many that the amount which the Federal Government would be obligated to pay in interest subsidy payments under existing law could far more effectively be used in a program like the facilities program, or the educational opportunity grant program, or in other programs of direct assistance.

The bill provides for the merger of the guaranteed loan program and the national vocational student loan program—thus in still another instance, proposes the elimination of unnecessary duplication and paperwork.

Mr. Chairman, H.R. 15067 is truly an outstanding example of Congress meeting its obligation to oversee existing programs and to correct deficiencies. The chairman of the Committee on Education and Labor, the gentleman from Kentucky [Mr. Perkins], has cooperated fully with the subcommittee in bringing this bill to the floor today. May I take this opportunity to thank him and the other members of the subcommittee and the full committee for their cooperation in designing legislation which will have a lasting and beneficial impact on higher education.

Mr. PERKINS. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to my distinguished chairman, the gentleman from Kentucky [Mr. Perkins].

Mr. PERKINS. Mr. Chairman, I wish to again compliment the gentlewoman from Oregon [Mrs. Green], for this excellent piece of legislation. Likewise I compliment the entire subcommittee, including Mr. Brademas, and all of the majority members of the subcommittee, as well as the members of the minority under the leadership of the ranking minority member, the gentleman from Minnesota [Mr. Quie], all of whom took such an interest in this bill and helped to bring it to the floor. I certainly feel that the bill commands attention and support of all the Members. The gentlewoman from Oregon certainly is to be complimented for doing such an outstanding job.

Mrs. GREEN of Oregon. Mr. Chairman, I thank the chairman of the committee very much for his gracious comments. I might also add it would be impossible for the members of the subcommittee to operate without the extremely competent help we have received from the staff. We are extremely fortunate to have the professional assistance of Mr. Gaul and Mr. Rockefeller working with us on this subcommittee. They are very helpful and are to be complimented.

Mr. PERKINS. Mr. Chairman, I yield to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, I would like at this time to congratulate the chairman of our subcommittee, the gentlewoman from Oregon [Mrs. GREEN], for her fine leadership and her persevering and splendid efforts to bring this bill to the floor.

Also I would like to congratulate our Republican colleagues who worked long and hard hours and always in a completely bipartisan spirit to bring this bill to the floor. We never could have had this fine bill today had it not been for the leadership of the gentlewoman from Oregon and the completely sympathetic and helpful and cooperative efforts of the Members on the other side of the aisle.

Mr. Chairman, I enthusiastically support this omnibus bill. I am pleased that it includes legislation which I introduced myself last session. The legislation, now title XIII of this omnibus higher education bill, will make a major step forward toward enabling our Nation to realize the goal of equal educational opportunity for all Americans. It requires the President to appoint a commission that shall, within 9 months of the effective date of this bill, submit to the Congress and the President a plan for providing universal educational opportunity at the post secondary level.

The Honorable RALPH YARBOROUGH, senior Senator from the State of Texas and a distinguished member of the Senate Committee on Labor and Public Welfare, introduced a similar measure last month as an amendment to the Senate Higher Education Act Amendments of 1967.

The value of universal higher education is dramatically demonstrated by the results of several measures which have moved us toward this goal—the GI bill, the Korean GI bill, the vocational rehabilitation program, the junior GI program, the National Defense Act, and the Higher Education Act. Each of these bills has had dramatic returns, far exceeding the initial investment, not simply in economic terms, but also in educational and social dividends.

As a result of the GI bill, the average educational level of the veterans of the Second World War and Korean war is 2 years ahead of nonveterans. Specifically, 14,200 teachers, 88,400 doctors, 32,200 dentists, 18,800 nurses, 142,500 lawyers and judges, 45,800 clergymen and 46,100 policemen and firemen have been educated and trained as a result of the first and second GI bills. Economists estimate that the GI bill, which cost this Nation $14.5 billion, in tuition fees and subsistence has already paid for itself in the 15 years since it became law in the form of increased tax payments. They estimate that the individuals who benefited from the bill will repay the initial investment two or three times over in the higher taxes during their lifetime resulting from their GI bill financed, post-secondary education.

The importance of universal higher education has been demonstrated by educators who have pointed to the direct correlation that exists between a person's economic status and the amount of education he has received, and by economists who have estimated that 60 percent of America's economic growth can be attributed directly to education. The Council of Economists annual report substantiated this estimate.

But all these estimates of education are only estimates. We have few, if any, hard-nosed cost-benefit analysis of our educational programs.

Economists and educators have been able to demonstrate the benefits of educational programs, but they have no specific figures on which programs would provide the most benefits.

We are living today in the world of PPBS, but there is not as yet a cost-benefit analysis of the GI program.

At the hearings on the higher education amendments of 1967, last August, two of the key administration witnesses, Joseph Barr, Under Secretary of the Treasury, and Harold Howe, U.S. Commissioner of Education, both agreed that there was an urgent need for better economic analysis of our educational programs.

Title XIII of this bill would use economic analysis and facilitate the use of PPBS within the Office of Education.

The Commission will be required to project the cost effectiveness of the various alternative suggestions for a universal postsecondary education program.

The economic analysis will be expected to show both the short-term and the long-term benefits of the programs. When the Commission reports, we should have a clearer picture of the economic benefits of education. With this knowledge we can then weigh the various social and educational benefits of the various programs.

We must not let the ever-increasing costs of postsecondary education price it clear out of the market for millions of young Americans. To date there has never been a comprehensive evaluation of the numerous proposals for universal postsecondary education, and no recommendation of any favored proposal to the Congress for its deliberations.

Mr. Chairman, we must move quickly and decisively to see to it that post-secondary vocation and academic education is made available to every young American who desires to work hard to achieve the optimum development of his capabilities and talents.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BRADEMAS].

Mr. BRADEMAS. Mr. Chairman, I rise in support of H.R. 15067, a measure which represents many hours of serious and careful consideration in subcommittee and in committee and in large measure reflects the testimony presented during the hearings last year and this year.

Also, Mr. Chairman, I take this opportunity to congratulate the distinguished chairman of the Committee on Education and Labor, the distinguished gentleman from Kentucky [Mr. PERKINS] and the chairman of our subcommittee, the gentlewoman from Oregon [Mrs. GREEN] for their untiring efforts to bring to the floor this bill, a bill which today can and should be supported by every Member of this House.

I want as well to add to what the gentlewoman from Oregon [Mrs. GREEN] has said about our staff, to add a further word of appreciation to them. I think that Members have taken a look at the report on this bill will appreciate what a thorough and carefully prepared explanation of the bill it is. I think it is a good model for all of our committees to emulate.

Mr. Chairman, H.R. 15067 represents a major advance in education. Many existing higher education programs are continued and modified and new programs are recommended. Certain other programs are consolidated.

We all know, Mr. Chairman, that our colleges and universities have grown both quantitatively and qualitatively at an unprecedented rate. And we all know that higher education must continue to grow to accommodate the ever-increasing number of students who will be seeking a college education. The quest for improvement in the quality of education will continue. And more and more our institutions of higher education will be asked to share their competencies and unique skills with local communities, business, and industry and government at every level.

So, Mr. Chairman, as I have indicated, we can view the past and the impressive achievements in higher education with the knowledge that our colleges and universities have responded well in meeting the demands placed upon them. But Mr. Chairman, based on the information brought to our attention in connection with the higher education amendments, we cannot be so certain about the future of American higher education. A recent statement of the Association of American Universities places the problem in proper context. It reads:

> Potentially, the Nation's system of higher education possesses the capability to carry out these responsibilities with at least the vigor and purposefulness it has exhibited over the past two decades. It faces, however, a severe and worsening fiscal crisis.

The increasing financial strain being felt by universities and colleges in every congressional district can be readily understood after a review of the past and projected operating expenditures of higher education institutions. In 1959–60, colleges and universities expended approximately $6.3 billion dollars for operating expenses. The amount expended increased to approximately $15.2 billion dollars during the last academic year—

an increase of 141 percent. It is estimated that by 1976–77 expenditures will increase to $25.8 billion dollars—an increase of 310 percent over the 1959–60 level.

Mr. Chairman, there is appearing this month in almost every college alumni journal an article by Editorial Projects for Education, in which the future financing of higher education is discussed and analyzed in depth. Because of the relation of this question to the bill under consideration here today, I commend the article to the attention of my colleagues. I should like to also share with my colleagues at this time certain statements contained therein. In preparing the article, over 500 college and university presidents were asked how they viewed the future of their institutions. Here are just a few of the responses:

From the president of a large State university:

> A good many institutions of higher learning are operating at a deficit. First, the private colleges and universities: they are eating into their endowments in order to meet their expenses. Second, the public institutions. It is not legal to spend beyond our means, but here we have another kind of deficit: a deficit in quality, which will be extremely difficult to remedy even when adequate funding becomes available.

From a university in the Ivy League:

> Independent national universities face an uncertain future which threatens to blunt their thrust, curb their leadership, and jeopardize their indepedence. Every one that I know about is facing a deficit in its operating budget, this year or next. And all of us are hard-put to see where we are going to get the funds to meet the educational demands of the coming decade.

From a municipal college in the Midwest:

> The best word to describe our situation is "desperate." We are operating at deficit of about 20 per cent of our total expenditure.

From a private liberal arts college in Missouri:

> Only by increasing our tuition charges are we keeping our heads above water. Expenditures are galloping to such a degree that I don't know how we will make out in the future.

From a church-related university on the west coast:

> We face very serious problems. Even though our tuition is below-average, we have already priced ourselves out of part of our market. We have gone deeply into debt for dormitories. Our church support is declining. At times, the outlook is grim.

From a State university in the Big Ten:

> The budget for our operations must be considered tight. It is less than we need to meet the demands upon the university for teaching, research, and public service.

From a small liberal arts college in Ohio:

> We are on a hand-to-mouth, "kitchen" economy. Our ten-year projections indicate that we can maintain our quality only by doubling in size.

From a small college in the Northeast:

> For the first time in its 150-year history, our college has a planned deficit. We are holding our heads above water at the moment—but, in terms of quality education, this cannot long continue without additional means of support.

From a State college in California:

> We are not permitted to operate at a deficit. The funding of our budget at a level considerably below that proposed by the trustees has made it difficult for us to recruit staff members and has forced us to defer very-much-needed improvements in our existing activities.

These comments and recent statements by such respected and honored citizens as McGeorge Bundy, president of Ford Foundation, and Alan Pifer, president of the Carnegie Foundation, underscore the necessity not only for continued but also for increased Federal support to higher education. The record clearly indicates that we must continue assistance to institutions of higher education to carry on community service programs, to assist them in strengthening their library resources, to assist in raising the academic standards of developing institutions, and to assist in the acquisition of needed instructional equipment. H.R. 15067 proposes the continuation and improvement of these programs originally authorized by the Higher Education Act of 1965.

We must continue and strengthen, as H.R. 15067 also proposes, our several student assistance programs: the national defense student loan program; the educational opportunity grant program; the college work-study program; and the guaranteed student loan program. H.R. 15067 further reflects the testimony that an initial investment in cooperative education on the part of the Federal Government would be wise and fruitful.

Mr. Chairman, I strongly support other provisions of the bill which are designed to: First, extend proven programs authorized originally in the 1958 National Defense Education Act; second, to extend and broaden the Higher Education Facilities Act of 1963; third, support special and remedial services to disadvantaged college students; fourth, extend the International Education Act; and fifth, establish a Universal Educational Opportunity Commission to explore the desirability and feasibility of providing universal educational opportunities at the postsecondary level.

Mr. Chairman, there are two remaining provisions of the bill which I believe are deserving of special attention and consideration. I refer to the proposed public service education and the networks for knowledge titles.

Mr. Chairman, let me here cite the statement of Dr. Stephen Bailey, Dean of the Maxwell Graduate School of Citizenship and Public Affairs, at Syracuse University, in his testimony before the subcommittee. Speaking of relative merits, Dean Bailey said:

> I honestly can't believe there is any higher priority, and I mean this in terms of both international relations and domestic problems, than bringing into the public service the highest quality people we can possibly bring in. This seems to me the sine qua non of effective government abroad and at home. This becomes really dimensional, and, if we don't have adequately trained people to run these problems, and they are becoming more complex all the time, it doesn't make any sense particularly to allocate billions of dollars to the carrying out of a series of programs for which there is not adequately trained manpower. It seems to me that if you are looking at priority questions, the major question which ought to confront the Congress at the moment is how can we do better than we are doing presently in the conduct of public affairs and international affairs.
>
> If this is the central question, then it seems to me that this title XII deserves a very high priority.

Mr. Chairman, the American brand of federalism implies that State and local, as well as regional, governments be viable partners in the political system. We cannot solve every problem from Washington nor should we try to do so. We must therefore, set ourselves to the task of revitalizing government at all levels. The problems we face today in our States, our cities, and our metropolitan areas are growing with extraordinary swiftness and their complexity is staggering.

Yet the shortage of adequately trained and qualified professional manpower for government service is one of the most serious dilemmas encountered by every level of governmental operations. The Bureau of Labor Statistics has estimated that by 1975, 4 million additional personnel will be needed by approximately 90,000 units of government in the United States. The impact of this immense manpower demand will be hardest on local and State governments. Between 1945 and 1965, the growth in State and local government employment was four times the growth of employment in the entire Nation's economy and seven times that of the National Government. This trend is expected to continue. Between now and 1975, there will be a demand of 3 million new people to enter into the service of State and local government. The need for administrative, professional, and technical employees in this sector will approximate 250,000 new employees per year.

Yet our colleges and universities are not fulfilling the demand for public service careers and will not be able to do so in the foreseeable future. The Council on Graduate Education for Public Administration reports that member institutions awarded 670 masters degrees and 70 doctoral degrees in 1967. Because that many of these graduates were already employed by a unit of government and others sought academic positions, the number of entrants into public service probably did not exceed 500. It has been estimated that the State of California alone could have employed 1,000 people in 1966 with backgrounds in public administration. New York State has never filled its quota for this type of personnel.

The problem is simple—the demand for people trained in public administration is enormous but the supply is exceedingly small. H.R. 15067 makes a two-pronged attack on the problem. Part A of the title authorizes the Secretary of Health, Education, and Welfare to make grants to or contracts with institutions of higher education—and other designated public or private agencies in special circumstances—to assist them in preparing graduate or professional students to enter the public service, or for research into, or development of improved methods of training students or faculty.

Grants or contracts would be equitably distributed throughout the United States among institutions that will be able to use the funds effectively, except that preference could be given to program designed to meet an urgent national need.

Part B of the bill authorizes the Secretary to award fellowships for graduate or professional study for persons who plan to pursue a career in public service. Fellowships would be equitably distributed throughout the United States among institutions of higher education that have, or are developing, programs of high quality intended to educate persons for the public service or which contribute to the meeting of a significant and continuing need in the public service, except that preference could be given to programs designed to meet an urgent national need. The fellowships would carry a stipend consistent with prevailing practices under comparable federally supported programs, and a cost of education allowance to the institution.

Finally, Mr. Chairman, I should like to discuss title IX of the bill which is designed to aid in the development of an educational information network—a network for knowledge. Through a variety of Federal higher education programs, we have encouraged institutions of higher education to participate in interinstitutional cooperative arrangements. In 1963, with the passage of the Higher Education Facilities Act, we attempted through title II to stimulate the establishment of cooperative graduate centers. Title XII of the Higher Education Act of 1965 is designed to assist in raising the academic standards of developing institutions through cooperative arrangements which involve established universities which are willing to share their competencies and resources with developing institutions. Certain provisions of title II of the Higher Education Act of 1965 are designed to provide special benefits for institutions which are willing to enter into cooperative library ventures.

Mr. Chairman, I believe our efforts have been reasonably successful. A recent study by the U.S. Office of Education shows the existence of nearly 1,300 consortia between institutions of higher education across the country. These cooperative arrangements involve as few as two colleges and as many as 80 or more. The testimony before the Special Subcommittee on Education fully supports Commissioner Howe's statement that—

> Such inter-institutional cooperation must be encouraged if we are to insure that college students receive the best possible education.

The basic purpose of networks for knowledge is to promote the sharing of educational and related resources among colleges and universities, a program which is certain to have a profound effect on higher education by making a wider range of materials available to individual institutions. Title IX will do this by providing a means of tying scarce university resources together, by reducing duplication, by marshaling the available means to meet the increasing educational needs of our country and by providing an organizational umbrella for intelligent planning. Specifically, the Commissioner will be authorized to enter into contracts and to make grants to projects for the planning, development, or carrying out of such arrangements as the joint use of facilities such as classrooms, libraries, or laboratories, and of books, materials or equipment. The main emphasis is on the development of electronic or other rapid transmission systems. Specifically mentioned in connection with title IX is the establishment and joint operation of closed-circuit television or the equivalent transmission facilities and of electronic computer networks and programs.

But it should be pointed out that the networks for knowledge have no particular value in themselves, but because of what they enable institutions to do. They can make it possible to implement and strengthen other portions of the Higher Education Act. Properly designed, communications systems that enable institutional cooperation can be used for library training, research, exchange of library resources, strengthening developing institutions, providing instructional materials, and language development all of which are important elements of the present efforts in Federal assistance to higher education.

All the testimony received by the subcommittee concerning the networks for knowledge program alluded to the fact that a rapid transmission system is a necessity if higher education is to maintain its high standards.

Dr. John W. Meaney, professor of communication arts, and assistant to the academic vice president for educational media, University of Notre Dame, has best illustrated the significance of the networks for knowledge upon higher education and the Nation:

> It seems to us appropriate that the networks for knowledge proposal be considered as an amendment to the Higher Education Act of 1965 because our institutions for higher education seem to be ready, willing, and able to take leadership in this type of development. They have important facilities to share. They are showing increasing interest in inter-institutional cooperation. They have a constantly deepening commitment to participate in the affairs of the communities they serve. Therefore, we urge the Congress to begin here, to place this building block as the cornerstone upon which can be constructed a full network knowledge which will have the capacity not only to connect the junior college with the university, but the high school with the college, the kindergarten with the school of education, the hospital with the medical school, municipal services with those of other cities, rural villages with the opera house, and each with the other—a network for knowledge which will eventually serve not only higher education but all of the health, education, and welfare needs of our Nation.

A half million dollars is authorized for the networks for knowledge program for fiscal year 1969; $10 million is authorized for fiscal year 1970. Mr. Chairman, though I would stress that every section of H.R. 15067 deserves our attention and support, I believe that the networks for knowledge programs stand out. If we make this program a reality, we will be able to say with full justification that we have made a major contribution to academic excellence and educational innovation.

Mr. Chairman, I hope that H.R. 15067 is pressed with strong support from both sides of the aisle.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. PERKINS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I am glad to yield to the gentleman from Illinois.

Mr. McCLORY. I should like to ask the gentleman whether any additional hearings were held by the subcommittee or the committee with regard to the so-called International Education Act of 1966, for which the Appropriations Committee has never appropriated any funds.

Mr. BRADEMAS. No additional hearings were held directed specifically to that aspect of the bill. I am very glad to say, however, that there was very strong support on both sides of the aisle for extending the authorization of that measure in spite of the difficulties we have had in securing appropriations for it.

Mr. McCLORY. If the gentleman will yield further, I should like to comment that I opposed the bill when it was called up under a suspension of the rules procedure 2 years ago. It seems to me this is distinctly a low-priority item—just as it was when the measure passed on the suspension calendar by a narrow margin.

I feel personally, as the gentleman knows, that certain provisions of this act which are intended to promote international education and greater international understanding are misdirected. A great deal more value could be obtained through other types of programs of greater benefit to American citizens. There is danger of extravagances through the exercise of authority under the act as it is now set up. It also seems to lack any authority for cooperation with the programs and work of UNESCO and other international efforts or multinational efforts at international education. I want to indicate that I expect to offer an amendment to delete the authorization of $180 million from this part of the bill.

Mr. BRADEMAS. I might observe in commenting on what the gentleman from Illinois said that I think he has not completely or adequately represented the principal purpose of this title of the act. It is not an international aid bill. It is not a foreign-aid measure or a multinational aid measure, nor is it intended to be. The principal purpose of the International Education Act is to strengthen the colleges and universities here in the United States, in the gentleman's State and in my own State and in all of the States here in our own country in the important field of international studies and research.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PERKINS. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. BRADEMAS. I am aware of the gentleman's interest in UNESCO, but this title of the act is not a UNESCO title and I hope it will not be made into a UNESCO title. I am sympathetic to the deep interest which I know the gentleman from Illinois has in combating illiteracy around the world. I have indicated to him earlier that I would be very glad to work with him in putting together some sensible measure to attack that problem, but let us not mix apples and oranges. We are not talking about foreign aid in this bill. I am afraid the name of the title, "International Education," may be a misnomer. This is a bill to aid education in the United States.

Let me cite an instance to the gentleman of what concerns me. One of our distinguished scholars in the United States in the field of Asian studies said at an international conference of orientalists some months ago that we did not have in this country, I believe he said, three senior academic scholars on the subject of Vietnam. This, as we all know, is the principal foreign policy headache which has been facing the people of our country for some time. Yet we do not have very many people here in the United States who know very much in any great depth about this part of the world. It is to remedy some of our deficiencies in our understanding of other peoples of the world at colleges and universities in this country, to help prepare people for careers in private business as well as in public service and in other areas of life that this measure is directed. I hope the gentleman from Illinois will regard it as one more part of the spectrum of support for colleges and universities that we have supplied in this country during the last several Congresses with very strong support from his side of the aisle and mine.

Mr. McCLORY. Mr. Chairman, will the gentleman yield further?

Mr. BRADEMAS. Yes.

Mr. McCLORY. I would like to comment that the gentleman has emphasized a number of the shortcomings of this legislation. It seems to me the bill which I offered as an amendment to this act should have had a hearing and been considered by the committee, because it would fill a number of the gaps in this program. This bill will not be much help to understand the language or the customs of the people of Vietnam, which is one of the major problems we have.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. QUIE. Mr. Chairman, I yield the gentleman from Illinois 1 additional minute.

Mr. McCLORY. I thank the gentleman for yielding, because I want to emphasize that I am extremely interested in this subject. I am very interested in our gaining a profound knowledge of foreign peoples and languages and customs. We will not do it through additional university programs established here or through an educational elite traveling abroad with their families, or by visiting professors spending short periods over here. We will do it by massive exchanges of students and by providing opportunities for our students to study at regional centers and by providing regional centers in other lands where we can acquire the kinds of information and talent which is so sorely needed. Through such imaginative and innovative steps we could enhance the language and other abilities that we need in order to become a nation with a greater capacity for international understanding of peoples everywhere.

It is my objective to stop, look, and listen here, but the idea of my proposal is not carried out in any sense when we keep on going authorizing large expenditures of money to be proliferated among programs already in existence in our universities with very little increase in knowledge and information.

Mr. BRADEMAS. Mr. Chairman, I am afraid I must reluctantly note that my good friend, the gentleman from Illinois, has simply misstated the purpose of this section.

Mr. QUIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of this bill. I believe we have a measure here that our colleagues can support. This bill is absolutely a bipartisan measure as are all the bills coming from the Special Subcommittee on Education of the Committee on Education and Labor.

Mr. Chairman, it is because of the special interest and direction of the distinguished gentlewoman from Oregon [Mrs. GREEN] that we are able to bring out this carefully reasoned and justified piece of legislation with which to meet the needs of our educational system and in order to meet the needs of those diverse individuals and institutions which make up the higher education establishment.

Mr. Chairman, this bill reflects the judgment of the committee on how we allocate limited Federal funds.

The other day we passed the vocational education bill, which in my opinion is the most important piece of legislation which has been developed and passed at this session of the Congress. I say this because it expands upon the good background legislation of the Smith-Hughes, George-Barden Acts and the 1963 Vocational Educational Act.

Mr. Chairman, there are not a great many new programs in the higher education bill. It extends programs which have been contained in the law for some time.

For 1969, the authorization in terms of money is not the largest sum which has been authorized for these diverse purposes. Actually, this bill reduces some of the authorizations that were contained in the educational program in 1968, to the level of the budget request. In the area of undergraduate academic facilities, however, there was recommended a reduction but the bill the sum of $936 million. We did not reduce that to the budget request of $67 million because our committee felt strongly, as I do, about that $936 million for wholly academic purposes in the area of academic facilities. In my opinion this is one of the best higher education assistance programs ever adopted.

Mr. Chairman, there was generally a reduction of funds because of the financial crisis. However, I feel it is unwise to slow down the construction of higher educational facilities. I say this because the number of young people who are now coming of age and who will attend an educational institution of higher learning is increasing every year. If we defer the development of the facilities required to meet this need, they are lost and we cannot regain them. We can defer construction of public works projects and many of these projects are not greatly damaged. However, we cannot defer these projects in the area of education without severe damage to the future of our youngsters. During the course of the committee hearings we had some questions on our side of the committee as to whether we ought to pass a "networks-for-knowledge" program at this time or the program for the training of public employees. A compromise was reached that this would be deferred until 1970, with the exception of some money for 1969 for planning. We think the sum of $500,000 for planning in each of these two programs is adequate. We made some amendments to remove authority for funding such things as I call the "lonesome professor" such as, for instance, the professor of humanities who receives a visit from some other professor in the humanities. That has been removed from the bill.

Mr. Chairman, I believe by and large this is an acceptable measure. I will support amendments if they are offered to make the loans for building dormitories in the housing bill recently passed. It was a much greater subsidy on the part of the Federal Government than I would like to have seen, but I believe that the two bills ought to be consistent. At the present time, the housing bill as passed this body and the other body for dormitories are the same with regard to liberalized loan features both for loans acquired from the direct Federal program.

Also in the other body, in the higher education bill, the Higher Education Facilities Act amendments, the same sort of loan is made available. I believe both bills ought to conform, and I just want to indicate that when that amendment is offered I will support it.

This bill provides for a 5-year authorization, but only 2 years of money authorizations are included, so in 2 years' time our committee will be able to look at the legislation and see what is needed. We believe that we still need a careful and periodic congressional oversight on the higher education legislation than we have had in the past, and this is the way we are able to do it.

We feel strongly that we ought to provide in this legislation for advanced funding, just as we did in the ESEA. We hope that it will be included in the vocational education bill as well. I believe that as regards Federal educational assistance, the schools and institutions should know at least a year ahead of time what money would be made available under these programs so they can provide adequate planning. The criticism anyone might have of the money not being used as wisely as it might be stems from the fact that we often pass authorizing legislation and then appropriation legislation after the school year begins. We know they need advanced planning, at least planning in the spring, or considerably earlier than that, in order that the best possible programs can be devised.

As you know, the House HEW appropriations bill carries advance funding for ESEA. Advance funding, if actually utilized, should go far toward affording the responsible State, local, and Federal administrators concerned adequate planning time for best utilization of available Federal assistance for education. To that extent, it will help to overcome one of the many efficiencies of the present categorical grant system which were so eloquently pointed out to us on June 25 of this year by our esteemed colleague from Delaware [Mr. Roth]. We remain in his debt for his comprehensive efforts to describe and analyze the operation of Federal assistance programs. As a member of the committee directly concerned with the Office of Education and its maze of programs, I remain acutely aware of the fundamental defects of the categorical assistance approach now used, notwithstanding the device of advance funding. I hope we can in the future move to simplify and make more rational the design and operation of Federal assistance to education.

There are a few new programs in this bill that I believe will be extremely interesting to the Members in providing for the best possible assistance to students. I would like to point out one specifically which provides for cooperative educational programs.

We have enacted legislation for work study in the past, but we have some aid money in here in order that more colleges and universities can take part in programs such as are now conducted by Antioch College, Northeastern University, and Cincinnati University, where the students spend a certain period of time working in their area of studies, and another part in the actual studies. This provides funds for the students as they work in private enterprise, but it does not and will not require Federal expenditures to subsidize the students to the extent that other student assistance programs will.

We believe we will get more for our money in this cooperative program than we will in almost any other program.

We believe we made a wise move in amending the forgiveness to teachers under the direct loan program. Instead of expanding this to more and more occupations we now limit it to teachers who teach in the extremely deprived areas; that is, those schools in which 50 percent are title I ESEA students. We believe that in tightening up on the forgiveness, it will function in a way that the Federal Government will secure future benefits for the money that is in effect lost when the loan is forgiven that cannot come back into the direct loan revolving fund again.

Apropos of the discussion of our colleagues from Indiana and Illinois as to the International Educational Act, it is true there is little encouragement from the amount of money so far provided to carry out the International Educational Act. But I have long felt that this is a good piece of legislation, and is essential for the United States if we are going to provide the leadership in the world that is necessary today. I would like to see it funded more adequately than it has been in the past.

The reason why we extend it now, even though it does not expire, is to indicate in this bill that our committee feels strongly, and I hope the House feels strongly, that this legislation ought to be extended, and that when money is available that we can begin to utilize this authority so that the colleges and universities can utilize that authority.

As reported, H.R. 15067 proposes total authorizations of $2,458,270,000 for fiscal year 1969, and $2,788,730,000 for fiscal year 1970. This compares with a total authorized amount of $2,196,270,000 for the fiscal year just ended. The increase from last year's total comes to $262,000,000. Of this, some $95,240,000 represents proposed funding of totally new authority, as follows:

Proposed authority to make grants to institutions of higher education for the planning, establishment or expansion or carrying out of programs of cooperative education—includes authority to make grants and contracts for research and training in cooperative education—$8,750,000.

Proposed authority to make grants to local educational agencies to acquire equipment and materials for use in programs and projects designed to meet special educational needs of educationally deprived children, $84,373,000.

Proposed authority to make contracts or grants to pay all or part of the costs of planning, developing, or carrying out cooperative arrangements for sharing of facilities and resources of colleges and universities, $500,000.

Proposed authority to make grants, loans, contracts, or other payments for the expenses of planning and evaluating programs authorized under any other provision of the bill, the National Defense Education Act, or the Higher Education Facilities Act, $1,117,000.

Proposed authority to make contracts and grants to assist programs to prepare students for public service, and to award fellowships for graduate or professional study for public service careers, $500,000.

The balance of this year's increase over last year's amount—$166,760,000—represents, first, $208 million, the difference between last year's and this year's authorization under the Higher Education Facilities Act, which as presently enacted—that is, without the changes proposed by H.R. 15067—increases by such amount the authorization for grants for undergraduate facilities construction; plus, second, $50 million, the difference between last year's and this year's authorization under the International Education Act, which had not expired increases from $40,000,000 to $90,000,000; plus, third, $41,680,000, the proposed authorization for the modified and consolidated Talent Search and Upward Bound authority, for which no specific amounts have previously been authorized; less, fourth, $132,920,000, the net reduction in dollar authorizations for titles I, II, III, IV, and VI of the Higher Education Act, and titles II, III, IV, V, and VI of the National Defense Education Act of 1958, as extended by the bill—excluding the proposed new authority described earlier.

Mr. Chairman, I will not take any more time to explain this bill. It has such strong support in our committee, complete bipartisan support, that I will yield to my colleagues in the hope that we can finish the debate before too long.

The CHAIRMAN. The gentleman from Minnesota has consumed 9 minutes.

Mr. PERKINS. Mr. Chairman, I yield such time as he may require to the gentleman from Washington [Mr. Meeds].

Mr. MEEDS. Mr. Chairman, I rise in support of this legislation and in very strong support of it.

I commend the gentlewoman from Oregon [Mrs. Green] and her committee on higher education.

Mr. Chairman, one of the measures of an effective democratic society is the ability of citizens to involve themselves in the new directions which this country must take. This is true in many fields. It is particularly true in the field of education.

For this reason, and remembering Thomas Jefferson's admonition that any civilization that expects to be both ignorant and free expects what never was and never will be, it is a pleasure to rise in support of H.R. 15067.

This bill contains many of the recommendations made at an educator's conference by some of the outstanding educators and other public-spirited citizens in my State of Washington last November. Today I would like to direct my comments toward some aspects of the Higher Education Amendments of 1967 which should go a long way toward meeting the needs of the students and parents of the Nation and Washington State.

Both of these groups of people are confronted with increasing enrollments on all levels of education. But, as we all well know, the trend in higher education toward increased costs, increasing enrollments, has given us a compelling need to find some effective means to alleviate parental burdens.

The Committee on Education and Labor has done much—this year and in past years—in strengthening student financial assistance and in providing for the needs of vocational education. Today we again reaffirm our commitment—made in the Higher Education Act of 1965, most specifically, that we have made toward helping the colleges and universities of our country.

I find it especially gratifying to note that this legislation before us embodies many of the recommendations made last November at the educators' conference in my congressional district.

This conference was held to evaluate the effects of Federal assistance and to get specific comments and suggestions on changes and improvements that can be made in Federal programs.

I would like to briefly turn to some of these recommendations and comment on the portions of the higher education amendments which will go a long way toward strengthening programs of support to individuals and to institutions.

One of my deep concerns as a Member of Congress for the past several years, perhaps my major interest in the area of higher education, is finding some ways of guaranteeing a college education. This is true not only for low-income students. Many families, pressed by fantastic burdens of college costs, find it mandatory to turn to outside sources of financial support. The Higher Education Act of 1965 contained new programs and the guaranteed student loan program was an enactment that offered a new means of insured loans for college students, guaranteed in the sense that the Federal Government underwrites the loan. It is a sound program. It is a combined program of Federal, State, and private partnership that has generated new loans to many middle-income families. Yet, to strengthen the program and involve more guaranteeing agencies such as lending institutions and banks, the committee has recommended an increased interest rate.

This will increase the volume of loans. It is a sound provision to help the credit situation with banks. It should make the guaranteed loan program reasonably competitive—at least on a break-even basis—with other uses of lenders' funds. For that reason, the committee has recommended a 1-percent increase in the interest rate from 6 to 7 percent. In fiscal year 1969, Washington State will receive an estimated State amount of $152,950 under the insured loan program and this relatively modest amount of funds will help additional students defray or pay for their college costs.

Washington State's higher education institutions have always played a vigorous role in strengthening social progress, economic development, in training and research, and in extension services. Most importantly, however, the colleges in the country have provided an opportunity to our young men and women for an education that may lead to a rewarding and productive life in our society. The guaranteed loan program and the strengthened interest rates for lending institutions will increase participation in this program, and I am happy to note the inclusion, in H.R. 15067, of this provision.

Now, I would like to briefly discuss the new provision in H.R. 15067 for grants and contracts to improve education for the public service. This will establish a new program, too, of public service fellowship awards for colleges already having such programs of education for the public service.

Our national need for manpower to help State and local governments and increase the capacity of existing schools of public administration on the college and university level increases the merit of these relatively modest new programs which, in the House version, carry an authorization of $500,000 for 1969; and $15 million in 1970.

One of the outstanding members of the American Society for Public Administration and chairman of the Council for Graduate Education for the Public Service is Brewster Denny of the University of Washington who testified both before the House and the Senate on the Education for the Public Service Act which has been incorporated into H.R. 15067 and also the Senate version of the higher education amendments.

Denny succinctly stated the need for this legislation in his testimony, noting:

> We may talk of programs, budgets, offices, departments, branches and divisions, personnel and staff count, management systems, planning-programming and budget systems. But people—their skill, their training, their integrity, their loyalty and their energy—are the heart and life of our domestic government. People, not agencies or Bureaus, not even computers, make decisions, dream, plan, make judgments, pass laws, administer, lead, and follow.

This provision will, through uplifting the general area of education for the public service give us the trained individuals to work on programs in the public interest.

Finally, Mr. Chairman, I would like to endorse the full scope of this legislation in meeting the national need for more libraries, laboratories and classrooms.

This legislation extends the Higher Education Facilities Act of 1963 which provided matching grants and loans for construction, rehabilitation, and improvement of academic facilities.

College and university enrollments, as the committee report notes, have risen from 2.4 million in 1954 to 5.4 million in 1965. They are expected to pass the figure of 8 million by 1973.

The Higher Education Facilities Act of 1963, it is true, was a sound investment in this country's future and the extension of the various titles contained in this legislation is helpful. Too, the expansion of title I which provides a program for undergraduate institutions, not only 4-year institutions but public community colleges and technical institutes.

The higher education conference section of my November educators' conference in Washington State last year noted the need to increase the academic facilities grants until title I and to increase the matching funds provision.

An estimated authorization for Washington State contained under title I alone, for fiscal 1970, would mean a total State amount of $17,666,447. The needs of tomorrow are so pressing, so urgent, that I hope the full amount will be appropriated for construction of academic facilities next year.

Mr. Chairman, nothing we do in this legislative body is more important than what we do to assure this country an increasing and trained supply of individuals, educated to distinguish between those aspects of our society which can hopefully make this country grow and prosper or tear our society asunder.

Mr. Chairman, I believe that a sound education is one route toward increasing national respect for the system of American ideals which has made this country strong.

The Higher Education Amendments of 1967 is another measure that—on all fronts—will help our colleges and universities. It merits our strong support.

Mr. REID of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, I rise also in support of the bill, H.R. 15067—but not completely and unqualifiably.

There are parts of this bill that I would hope might be amended before the bill is passed.

Our subcommittee did work long and hard on this bill, with some interruptions.

I would like to outline a few parts of the bill that I consider to be the major portions of the bill.

First of all, I agree wholeheartedly with the proposed merger of the talent search that now lies in the Office of Education and Upward Bound which is now operated by the Office of Economic Opportunity together with the new program and services for the disadvantaged student.

These three programs, two existing programs and one new program, would all be lodged in the Office of Education and I am certain would benefit from the economy of administration.

It only makes sense that these programs that are parallel and sometimes overlapping and competing be merged so that they can be operated together and so eliminate conflicts and overlaps.

Probably the most important part of the entire bill is the guaranteed student loan program, at least to my way of thinking. Over the years we have added many student assistance programs, plus the private funds that are available to those who seek higher education.

The one area that had been, I believe, neglected until the guaranteed student loan program was passed was the area of the middle-income student, the student from the middle-income family. The guaranteed student loan program has filled this gap.

This bill will continue the program with some very worthwhile changes. In this time of the budget squeeze it is important that we tighten up this program, and we are doing that by the elimination of the interest subsidy during the repayment period. This will not impair any present commitments to those who have loans and have been guaranteed that there will be a partial subsidy for interest during the repayment period. But new loans that will be made will not provide for an interest subsidy during the repayment period.

Further, we are going to make the program more widely available through two other amendments: First, Federal reinsurance of the State- and private-guaranteed plans. This will expand the amount of guarantees available, the amount of loans available to the eligible student seeking the loan.

Second, the provision for an additional $10 million of seed money to the guaranteed student loan programs in the States will again expand the available guarantees, and therefore the available loans for those seeking these loans.

A very controversial part of the administration's recommendation of this program was the inclusion of a placement fee or conversion fee for each of the loans. The administration recommended a $35 fee, or a fee up to $35 per transaction, that is, for each loan or for the conversion at the time the pay-out period began.

I think the committee acted wisely in rejecting this proposal, and instead increasing the permissible interest rate from 6 to 7 percent. Again I think a very worthwhile provision in this bill is the merger of the vocational student loan insurance program with the guaranteed student loan insurance program.

We are again making the program more widely available and more funds available by expanding the eligible institutions, those eligible to make loans, to include credit unions and the Federal savings and loan institutions.

The extension of the college work-study program is again an important part of this bill. The college work-study program has had a very good history and has had extremely extensive support among Members of the Congress. A controversial area in the work-study program has been the provision for matching. The original program called for 90–10 matching—90 percent Federal, 10 percent from the institutions or the employer. We built into that original program a cutback to 85–15, 80–20, and ultimately 75–25. This has been controversial. It was last year in the extension of the program; it was again this year in the bobtail bill that our committee brought out on the floor earlier in the year.

I think we have finally in this bill reached a good compromise of fixing the matching at 80–20 as it is currently in this fiscal year with an escape clause that in those situations where hardship would occur by the application of the 80–20 provision, that under applicable rules and regulations the Commissioner of Education could either decrease the amount of matching necessary by the institution or the employer or to eliminate it altogether.

Those portions of this bill that I do not support are the new programs. This bill cuts drastically the funds available for educational facilities. At a time when we can see in the future more and more demand for space in colleges and universities, and yet we find the administration coming to us with a bill that drastically cuts the amount of funds that will be made available for educational facilities, and at the same time we are in this bill creating new programs, I think our priorities have not been established properly when we take this direction of cutting facilities and then starting new programs, some in my mind of questionable worth.

One new program has been mentioned by a prior speaker, and that is the program for cooperative education. Unlike the other two programs I will mention later, this program does not start out at a low level and increase to the funds allowed in 1970, but it starts at a figure of $8 million for the current fiscal year 1969 and provides $10 million for fiscal year 1970.

It has been pointed out by the gentleman from Minnesota that some colleges and universities already have established cooperative education. I cannot understand what requires this sort of Federal commitment for this extension of the idea of cooperative education into other institutions.

Therefore, in face of the tightness of our budget and the lack of complete support for educational facilities, I do not think our priorities should be placed at this time in this sort of program.

The next program that I cannot support—and I would hope at the proper time to have an opportunity to offer an amendment for its deletion, as I did in subcommittee and in full committee—is the networks for knowledge.

This program, by the way, is overlapping other programs in existence. It provides for the sharing to a great extent of libraries and library equipment, funds for the creation of interinstitutional catalogs of library materials. In the section of the bill that gives funds for higher educational library facilities, we already have ongoing programs where institutions are encouraged to get together and have an institutional catalog and make their library facilities available between institutions.

This new program, networks for knowledge, would create just another program for sharing of library facilities and institutions cataloging.

Networks for knowledge would also provide funds for the establishment and joint operation of closed-circuit television for educational purposes, and also the establishment and joint operation of electronic computer networks for financial and student records, student course work, and for the transmission of library materials. I know there already have been research programs in this area, or at least in the area of transmission by electronic means of library materials, most of which have been ineffective.

This program is funded at a low level for 1969 of $500,000, but then it jumps to $10 million for fiscal year 1970.

Lastly, the other new program, education for the public service—this has appeal, no doubt, but at this time of budget priorities, I do not think our priorities are set properly when we begin a program such as this and again are cutting the funds available for educational facilities.

Just to end on a more positive note, I will point out one or two other aspects of the bill that I do support. There is a provision in this bill similar to that in ESEA for the advance funding of the various programs for higher education contained in the bill. This proposition of advance funding I think is the answer to a very perplexing problem of the disparity, I should say, between the fiscal year, the congressional session year, and the educational year. We found in higher education as well as in the primary and secondary education, that our funds which we are making available for the schools just were not made available in time so that they could be used wisely. I think the experience particularly in the first year of the operation of ESEA was that much of the Federal funding was wasted because the funds were not given at the proper time.

The educators did not know in time how much they were going to get for what purposes so that they could plan to use the funds properly. I would hope that this theory of advance funding would be accepted in this act, as it has been in the Elementary and Seconday Education Act, so that we can see a better utilization of the funds made available from the Federal Treasury to the colleges, universities, and other schools.

Mr. QUIE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. STEIGER].

Mr. STEIGER of Wisconsin. Mr. Chairman, I want to join my distinguished colleagues in paying tribute to the chairman of the subcommittee, the gentlewoman from Oregon [Mrs. GREEN], the ranking minority member, the gentleman from Minnesota [Mr. QUIE], and the chairman of the full committee, the gentleman from Kentucky [Mr. PERKINS], for their role in bringing this bill to the House.

Mr. Chairman, I rise in support of the Higher Education Amendments of 1968, H.R. 15067. Adoption of this bill will assure the continuation of our fundamental student assistance programs, the Higher Education Facilities Act of 1963, and other major education authority. I was pleased to have had an opportunity to work on this bill as a member of the full committee.

At the same time, however, I must note my reservations to the inclusion of some new programs in the proposed act. I do so not because of any lack of merit for these endeavors, but because their inclusion in this year's omnibus bill seems to me somewhat inappropriate.

For example, the proposed new part B of title III of the National Defense Education Act, establishing a program of grants to elementary and secondary schools for acquisition of instructional equipment, authorizes in the current fiscal year some $84,373,000, the very amount cut from the requested appropriation for title I of the Elementary and Secondary Education Act. In other words, the committee proposal disagrees with the judgment of the Appropriations Committee on the proper level of funding of title I, ESEA, and now proposes a new authority to circumvent the cutback. In this time of fiscal belt-tightening, it strikes me as out of tune with the tenor of this body to suggest that there should be another program which would earmark funds for further equipment and materials acquisitions, when the basic program in title I, ESEA would be the normal, and I submit, the only appropriate vehicle.

Let me examine the problem of launching this new program, and several other authorities at this time in another context.

H.R. 15067 extends through fiscal year 1970 the current authorizations under the Higher Education Facilities Act for grants and loans to institutions of higher education for construction of "academic facilities." Thus, for title I, construction grants for undergraduate facilities, there is authorized $936 million this year and next; for title II, construction grants for graduate facilities, there is authorized $120 million; and for title III, loans for construction of academic facilities, there is authorized $400 million.

The administration requests for funding of these titles is a mere fraction of the basic authority; $67 million for title I grants; $8 million for title II grants; and $100 million for title III loans. Last year, by way of comparison, the appropriations under these titles was $450 million for title I, $50 million for title II, and $200 million for title III.

In the face of these severe reductions by the Administration, there is the following testimony of Dr. John W. Oswald, president of the University of Kentucky, on February 29 of this year before the Subcommittee on Education:

> The academic facilities grant program, supplemented by the facilities loan program, is the one major, noncategorical program which is directed at helping colleges and universities accommodate increased numbers of students, including veteran students and economically disadvantaged students, and at the same time reducing the burden on institutional revenues which has forced colleges to charge students more and more.
>
> We are greatly distressed at the budgetary recommendation to cut new obligational authority for the undergraduate facilities program to $67 million for the coming year, and for the graduate program to $88 million. It has been indicated that this decision was in part based on the necessity of controlling inflation.
>
> However, because of the time lag between appropriation of new funds, processing applications, making awards, and letting contracts, we are talking about the inflationary effect 2 or 3 years from now, and not in the current situation.
>
> A report issued by the Division of College Facilities, Bureau of Higher Education, U.S. Office of Education, early last November state that academic space per student in U.S. colleges and universities is definitely the lowest since 1952 and probably the lowest at any time in U.S. history.
>
> The report was hopeful that we would start gaining on the situation if the Federal program was kept at the levels of recent years.
>
> Following the issuance of that report, funds available for the current year (1968) were cut by one third (they were already substantially below the previous year's levels), and the 1969 level slashed far below that.

Mr. Chairman, Dr. Oswald suggested that the responsibility for the cutbacks were essentially budgetary in their origin. If this were so, I would still question the sense of priorities which led to making such cutbacks, while proposing the addition of various new program authorities, which the committee majority duly accepted and reported to the floor in H.R. 15067.

But that is not the full picture. The committee was in receipt of a 5-year projection of budgetary requirements for the various programs established or extended by H.R. 15067, and those estimates tell a different story. For fiscal year 1969, the estimates were the full amounts authorized by HEFA under present law—that is, $936 million for title I, $120 million for title II, and $400 million for title III. So, at the time the Office of Education prepared these estimates, the Presidential ax had not yet fallen. But, look at what the Office of Education proposed to do with these programs over the next 4 years—through fiscal year 1973:

Title I would be funded in fiscal year 1970 at $382 million and decline to $336 million in fiscal year 1973.

Title II would be funded in each year, fiscal years 1970 through 1973, at $50 million.

Title III would be funded in each year, fiscal years 1970 through 1973, at $200 million.

Independently of any Bureau of the Budget action, therefore, the Office of Education decided to reduce the future outlays for these most essential grants and loans to keep our colleges and universities functioning, substantially below the 1968 appropriations.

Mr. Chairman, I submit that the sense of priorities of the U.S. Office of Education, as reflected in its cavalier treatment of the Facilities Act, grant and loan programs, coupled with its support for other new program authority, would seriously impair the future well-being of our colleges and universities. Indeed, its own study of the space need of these institutions, and the conclusion that the student acadamic space ratio is at an all-time, cramped level, indicated where our priorities should rest.

I feel confident that the Members of this body will want to exercise their judgment in this critical area, and avoid a worsening of an already critical situation in the area of higher education.

There are a number of items which I believe deserve a few moments attention. I would propose at this time to touch on those.

One of them relates to title II of the college library assistance and library training and research part of this bill. H.R. 15067 has made what I consider to be an important change, in that it will allow funds to be made available to branches of institutions of higher education which are located in communities other than the parent college or university. Making these institutions eligible for supplemental grants and special purpose grants will make it far more easy for communities such as those in Wisconsin which have branch campuses or university extensions in Menasha, West Bend, Sheboygan and Fond du Lac to provide better training and to have improved opportunities for higher education for the young men and women who will attend or who are now attending those branches of the University of Wisconsin and the Wisconsin State University system. Library resources are an integral part of quality higher education.

Let me also, Mr. Chairman, call the attention of the Committee to the amendment which has been made to that portion of the bill having to do with title I of the Higher Education Facilities Act of 1965 relating to health centers.

H.R. 5793 is the legislation introduced by the distinguished gentleman from California [Mr. SISK] to amend the Higher Education Facilities Act of 1963 to permit funding for the construction of student health centers. In the committee report Members will find that the effectiveness of this amendment, which I offered along with the gentleman from Indiana [Mr. BRADEMAS] which was adopted by the full Committee on Education and Labor, is conditioned on the full financing of title I. In the report it states that the committee feels that the construction of student health centers should be eligible for assistance under the Facilities Act and accordingly recommends a revision of the definition of academic facilities to accomplish this purpose.

At the appropriate time I intend to offer an amendment to more fully implement the definition of student health centers to allow it to take effect immediately rather than having it be conditioned upon the full funding of title I as is presently the case in the bill before us. The director of Student Health Services of Wisconsin State University, Oshkosh, Dr. C. R. Lyons, wrote to me as follows:

> WISCONSIN STATE UNIVERSITY,
> *Oshkosh, Wis., April 26, 1967.*
> Congressman WILLIAM STEIGER,
> *House of Representatives,*
> *Washington, D.C.*
>
> DEAR BILL: I would appreciate your support of H.R. 5793 "To amend the Higher Educational Facilities Act of 1963, to permit the construction of Student Health Centers." The law as now written does not permit grants for the construction of Student Health Centers as a part of facilities which are otherwise eligible for federal assistance.
>
> With our increasing enrollment here at Oshkosh, we are already in need of new Health Service facilities, and are using space where it can be found until somehow funds can be found to build an adequate facility. This is a problem facing many universities at this time, and there seems to be no solution until state or federal funds can be made available.
>
> Your assistance in this cause would be appreciated.
>
> Very truly yours,
> C. R. LYONS, M.D.,
> *Director of Student Health Services.*

There is also a further question which I hope will be given consideration by the Committee in its deliberations under the 5-minute rule. That relates to title I of the Higher Education Act in which the Committee on Education and Labor turned down an amendment that I offered during the consideration of that portion of the bill in the full committee which would have increased the matching funding requirements from 50-percent funding by the Federal Government and 50-percent matching by the institution to 75–25. I will insert, under general leave, some letters on this question which do point out that there is a problem that does exist, in my judgment at least, if we do not try to make some change in the matching requirement. Mr. Chairman, the letters referred to I insert at this point:

> WISCONSIN STATE UNIVERSITY,
> *Oshkosh, Wis., March 6, 1968.*
> Congressman WILLIAM A. STEIGER,
> *Longworth Office Building,*
> *House of Representatives,*
> *Washington, D.C.*
>
> MY DEAR BILL: Your real question was what our own views in Oshkosh are and what our experience with Title I has been with particular reference to the question of how the language of the Act might be improved and its administration tightened up. Yes, some of the projects are a bit exotic and less than widely useful. However, there are two moods here which are more evident. I have consulted with several people and report that while we feel Title I has a substantial potentiality for being of future assistance to us, we are inclined to guess on a more short-term basis, that:
>
> (1) The vast majority of projects likely to be funded in the next several fiscal years in Wisconsin will probably be projects involving the inner core of Milwaukee because of (a) Wisconsin Title I priority on Milwaukee's inner-core problems and (b) national interest in "doing something" about metropolitan core problems. Even a plausible and high-priority project on for example, the training of policemen in Cshkosh to deal with Oshkosh "inner-core" problems isn't likely to qualify.
>
> (2) The Federal requirement for a 50% matching formula tends to price small col-

leges and rapidly growing institutions like WSU-Oshkosh "out of the market". The reason is that both small colleges in many cases and a rapidly growing institution i.e. WSU-Oshkosh have budgets which are either very small or are exremely tight without any appreciable contingency-fund flexibility to permit them to come up with matching money without causing gross financial dislocations.

The result is that "the rich get richer" and the gap between rich and poor institutions of higher education grows wider. The University of Wisconsin or fairly well endowed private institutions having large budgets, the availability of trust funds or the yield from certain bequests can often find the money with which they can match the federal grant of Title I money. This can also be done in institutions with unusual budgetary flexibility permitting sweeping transfers of funds.

The Wisconsin State University system, however, has budgets which are tighter than a drum head. These schools usually are in more desperate need of supplementary or auxiliary programs for "enrichment" or to achieve "excellence" than is the University of Wisconsin or well endowed institutions, but don't have a figurative "dime" to cover their need for federal grant-in-aid matching requirements. With a 10%, 15%, 20% or even 25% matching requirement the WSU's can occasionally "afford" to apply for a Title I grant, but with a 50% matching requirement, we simply can't "afford" to even apply for a federal grant because we simply don't have and have no real chance of obtaining matching money.

Cordially,

DR. CHARLES D. GOFF,
Professor, Political Science.

MADISON, WIS.,
March 23, 1967.

WILLIAM STEIGER,
House Office Building,
Washington, D.C.:

State Advisory Council for title one of the Higher Education Act and 80 liaison representatives from Wisconsin Institutions of Higher Education unanimously urge lowering matching requirements for fiscal 1968 from scheduled 50 percent to 10 percent because only 10 million dollars of authorized 50 million dollars was appropriated for the first two years. Colleges and universities not yet prepared to move to 50 percent matching. Advisory Council requests support in having matching requirements reduced.

James H. Albertson, Richard Bailey, Dean Kenneth Crowell, Fred Harvey Harrington, Eugene H. Kleinpell, J. Martin Klotsche, Norman P. Mitby, John Nash, George Parkinson, Rev. John Raynor, A. J. Phelen, Advisory Council, Title One Higher Education Act of 1965.

THE UNIVERSITY OF WISCONSIN,
Madison, Wis., May 9, 1967.

Hon. WILLIAM A. STEIGER,
Longworth House Office Building,
Washington, D.C.

DEAR BILL: We appreciate your following-through with Edith Green on the question of matching requirements for Title I.

We are aware of the amendment being considered which would extend the 25% match level for two more years, to June 30, 1969. This would be very helpful.

Our telegram requesting consideration of reducing the match requirement to 10% grew out of problems which many institutions face in coming up with even the 25% match. Participation by these institutions—state universities, private colleges and universities and technical institutes—is now restricted by the 25% match requirement and might be almost curtailed at a 50% level.

Another thing could happen which we also consider undesirable—in order to come up with matching funds, institutions which participated at all would be inclined to focus on income producing programs (fees), and this would negate the objective of involving institutions in community problem solving programs which are usually non-income producing.

We are more convinced than ever as a result of our brief experience with Title I that institutions of higher education can and will make significant contributions to community problem solving. What has been done so far has been at a 25% match level. We can continue to make progress at this 25% level but could do a better job of involving institutions at the 10% level.

Cordially,

GEORGE R. FIELD,
Executive Assistant to the President.

The other body in the bill they have had under consideration does keep the 75–25 matching requirement which was at one point in the law and then was dropped in this fiscal year, through the end of fiscal year 1970, and then drop it to 65 percent in fiscal year 1971, and 60 percent for the fiscal years thereafter.

Title I provides funds to help solve community problems and to meet the continuing education needs of those whose formal education has been terminated or interrupted. During fiscal year 1967, 314 colleges and universities developed 602 projects in 53 States and territories. These projects, serving 425,000 persons, were supported by more than $12 million in Federal and local funds. Nearly 60 percent of the programs supported by title I dealt with the problems of the city; another 15 percent were directed toward the solution of problems common to urban and suburban areas.

So the matching requirement of 75–25 is maintained by the other body and a slowly declining basis is used rather than the severe drop contained in this legislation.

Last, Mr. Chairman, let me touch on that portion of the bill which relates to the Higher Education Facilities Act of 1965 amendments. Under the bill we would propose to use a maximum Federal share of 50 percent for grants which would help to accomplish two important objectives: One, it would serve to remedy the loss of continuity in planned expansion resulting from reductions in appropriations for the fiscal years 1968 and 1969; second, it would serve to bring the Federal level of participation in approved projects closer to the levels originally intended, and would thus provide a margin of difference needed for increasing numbers of financially struggling institutions to be able to participate in the programs. I was particularly proud to sponsor this amendment in the full committee in cooperation with the gentlewoman from Oregon [Mrs. GREEN].

As the committee report clearly points out, Mr. Chairman:

> Funds actually made available under each title of the act, pursuant to appropriation requests from the Office of Education, consistently have been substantially less than the amounts authorized. Three results of this pattern are readily identifiable: (1) Many eligible applications for assistance, representing urgently needed construction, have not been funded at all; (2) Federal participation in total construction costs for those applications which were funded has tended to be substantially less than was contemplated by the Congress; and (3) in some States, the requests received have not provided any meaningful indication of actual needs because the institutions, knowing that Federal funds were insufficient, have not filed applications which they knew had no chance of being funded.
>
> Under title I of the act, for example, a Federal share of 40 percent of eligible costs has been provided for a public community college and public technical institute projects. However, according to Office of Education data, funds available for community college construction met only 59 percent of the eligible requests in fiscal year 1966, 61 percent in 1967, and 36 percent in 1968. Federal shares for those community college projects which were approved in fiscal year 1967 averaged only 27.11 percent, about two-thirds of the level of participation anticipated by the initial legislation. Only a fraction of the eligible title I requests received in fiscal year 1969 will be met by the requested funds, even if all requested funds are made available.
>
> The committee is very much aware of the results of the inadequate levels of funding for construction of higher education facilities. One result is that many projects are delayed in starting construction with an increase in construction costs experienced during the interval. Another result is that many projects are placed under construction with less than adequate Federal participation, or with no Federal participation at all.
>
> This situation is well described in a recent Office of Education report:
>
> "The fact that so much needed construction has been and is being provided with non-Federal funds is not necessarily an indication that the available Federal funds have been adequate. What this fact does reflect is a desperate response by State governments and private institutions to the problems of booming enrollment pressures and inadequate facilities—the quantity gap and the quality gap.
>
> "The non-Federal funds, however, are being provided at an obvious price. Much of the cost of academic facilities is being provided from debt financing which gets converted into increased student charges and depressed expenditures for faculty, and for instructional equipment and materials.
>
> "In addition, experience under title I of the act appears to indicate that many nonpublic institutions tied up their matching capacity for several years in connection with projects submitted in the first 2 years of the program * * *."
>
> Quite obviously, the reduced levels of construction assistance in fiscal year 1968 and projected for fiscal year 1969 have created serious problems for many institutions of higher education.
>
> The Office of Education presented analysis indicating that a substantial restoration of construction funding levels beginning in 1970 would be needed to prevent a regression to the severe college space shortage which was prevalent in 1964, and has been only partially mitigated in recent years by the assistance provided through the Higher Education Facilities Act.
>
> These Office of Education estimates, moreover, are predicated upon continuation of the current high levels of non-Federal effort for higher education construction, an effort which is increasingly placing colleges and universities under severe financial strain.

Many Wisconsin institutions of higher education have been the beneficiaries of assistance under this provision. The Fond du Lac branch campus of Wisconsin State University, Oshkosh, has just recently received funds for its building program and is eligible for added assistance. A limiting factor has been the 40 percent matching formula which, under my amendment now in the bill, will be raised to 50 percent. A further limiting factor has been section 302 of the Higher Education Facilities Act, which imposes a 12½ percent maximum for any State. Wisconsin is, according to the information I have, the only State which has applications pending which exceed that limitation. In conversations with the chairman of the subcommittee, Mrs. Green, I have asked that the subcommittee study whether that limit is necessary. She has indicated that this will be done and I am hopeful that further amendment to this section will be made. We have, I might note, removed a similar limitation in other higher education legislation.

Mr. QUIE. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. Dellenback].

Mr. DELLENBACK. Mr. Chairman, I join with my colleagues in supporting H.R. 15067.

I not only wish to commend my special colleague and friend from the State of Oregon [Mrs. Green], the chairman of the subcommittee that dealt with this measure, and Mr. Quie, the ranking member of the subcommittee from Minnesota, but also each of the other members on both sides of the aisle who is serving on that particular subcommittee for a job very well done.

It was apparent to those of us who do not serve on that particular subcommittee, at the time that the full committee undertook the study and the action on this particular bill, that the subcommittee had gone into it thoroughly and that there were many very desirable changes made in higher education legislation by this bill.

Mr. Chairman, as my friend and colleague from Illinois [Mr. Erlenborn] pointed out earlier, there are some points of dispute or some amendments which may still be proposed on which reasonable people can differ. The full House will have an opportunity to decide on these particular points. But, as Mr. Erlenborn himself said, this bill is a good bill and whether we succeed in making some relatively minor amendments to the bill or not, I would urge my fellows in the House to support this very important piece of legislation.

Those who preceded me and discussed this particular measure have dealt with some of the specifics. I will comment only on one particular section, title IV, which deals with the matter of student assistance. I think this very important section of the bill shows in its very length the careful consideration that has been given to what we consider to be an extremely important part of higher education. This title is the longest single title in the bill and deals with many aspects of student assistance. There will be some amendments proposed and I intend to propose one amendment myself to this particular title. I will include as a part of the extension of my remarks a memorandum concerning this proposed amendment to the work-study program. But let me say here, to those who will be reading this Record in preparation for debate on amendments tomorrow, that the particular amendment which I intend to propose is brought about by the fact that at the present time it is impossible for a student during the summer vacation to work full time and at the same time to secure credit for courses taken during the summer.

We find that during the summer period, which is the vacation period, it is often necessary for students to work full time in order not only to support themselves in the summer but to obtain sufficient funds to go on into the fall and winter and spring terms.

Mr. Chairman, the experience that has been had by certain universities and certain cities, most particularly New York City, has shown that it would be desirable for us to amend this section of the bill to permit a student qualified under the work-study program to work full time during summer vacation and at the same time take and receive credit for one or two courses taken during the summer vacation.

Mr. Chairman, the experience in New York City certainly has demonstrated that students can do this effectively and well, not only profiting from doing it but blending it in well with their scholastic efforts as this particular amendment contemplates.

Mr. Chairman, I shall have a fuller explanation and shall go into this at some length when we open this bill up for consideration under the 5-minute rule for amendments.

I close my remarks, Mr. Chairman, by indicating that I support H.R. 15067 and I would urge that the Members of the Committee of the Whole House also support this bill and that we pass it in the House when it comes up for final action tomorrow.

EXPLANATION OF AMENDMENT TO WORK-STUDY PROGRAM—H.R. 15067, HIGHER EDUCATION AMENDMENTS OF 1968

Section 406(b)(2) of H.R. 15067 as originally introduced allowed students in the work-study program, employed full time during summer vacations or other similar time periods, to take one or two courses "in accordance with criteria established by or pursuant to regulations of the Commissioner." Under the program as previously enacted, a student who took a course during the summer was limited to working 15 hours per week.

The proposed modification in the program is valuable because it would allow a student who must work or is interested in working during the summer to obtain some academic credit at the same time. Otherwise, an extreme hardship is imposed on the student who is required to go to summer school and also needs to work to provide funds for the following year's education. He must choose either to work full time or to go to school, but he is denied the chance to work full time while taking one or two courses needed.

The program originally had a blanket work limitation of 15 hours per week for students taking courses for academic credit to protect impoverished students from overextending themselves by going to school full time and working full time simultaneously. However, it has been found in New York City, for example, that it is extremely valuable for a student working full time during the summer to take a course or two related to his experience. This not only broadens his outlook but substantially increases his incentive to pursue his education.

New York City's Urban Corps program expands from its year-round enrollment of 300 students to approximately 2,000 in the summer. These students all work in various city agencies and departments, learning about the problems of the cities while fulfilling an important manpower need.

The city has an arrangement with Baruch College, Fordham University, and Queens College whereby evening courses related to the summer's work are offered. Unfortunately, academic credit cannot be offered for these courses because the students work more than the 15 hours allowed under the act. Furthermore, pilot summer educational programs receiving foundation support will be continued only if academic credit can be offered.

The universities are willing and anxious to offer credit. What is needed now is an amendment to the present work-study program allowing students working full time during the summer to receive some academic credit at the same time for courses taken.

Mr. QUIE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. Reid].

Mr. REID of New York. Mr. Chairman, I rise in strong support of the Higher Education Act Amendments of 1968 as contained in H.R. 15067.

I extend my particular compliments to our distinguished committee chairman, the gentleman from Kentucky [Mr. Perkins], the chairman of the subcommittee, the gentlewoman from Oregon [Mrs. Green], and the ranking minority member of the subcommittee, the gentleman from Minnesota [Mr. Quie], as well as other members on the committee who have worked hard and thoughtfully on a very complex and important piece of legislation.

Most of the titles of the Higher Education Act and the National Defense Education Act require new authorizations to extend them beyond June 30, 1968. This bill makes authorizations for these programs for subsequent years, at a total cost of $3.4 billion over the next 2 years, and also establishes a number of new programs.

Mr. Chairman, this legislation has special significance this year as it is the 10th anniversary of the National Defense Education Act, one of the highlights of the education programs of the Eisenhower administration in that it was the first major Federal legislation which provided financial assistance to all levels of education. As the emphasis of our educational needs has grown and changed over the intervening years, this bill makes certain modifications and extensions of NDEA programs.

Since 1958, the number of colleges and universities participating in these student aid programs has doubled, from 1,100 to 2,200, and the number of programs themselves has vastly increased, chiefly as a result of the Higher Education Act of 1965.

Yet even the progress made by these

bills and the projected assistance to be offered by the measure before us today does not go far enough. There are some 2.5 to 3 million high school graduates each June, and yet on the basis of the 1969 projections, only 1,172,000 students—less than one-half will receive NDEA or guaranteed loans. Similarly, college enrollment is expected to reach 8 million by 1973—or almost double in the previous 10 years—and yet the reduced levels of assistance for higher education facilities construction prevalent for 1968 are not increased meaningful. The Office of Education fears that this might lead to a situation similar to that which existed in 1964 in which colleges experienced a severe shortage of space.

Clearly, the extension of existing programs and the creation of new ones is important and leads often to better ways of solving the problems of higher education. But, as I have pointed out on this floor too many times in recent days, the underfunding of excellent programs and clear national commitments is a major mistake in human and educational terms. Applications pour in as educators are encouraged by the prospect of a program tailored to meet their needs and then their hopes are dashed when they learn that funds are available to support only a portion of the applications, or to assist more of them at a lower level. What is worse, the students, whose lives we are trying to enrich, are again faced with overcrowding, lack of adequate personnel and facilities, and insufficient money for scholarship assistance.

Specifically, aside from extensions, there are three new programs contained in the bill, networks for knowledge, education for public service, and remedial programs for disadvantaged college students. The bill provides new authorizations for grants and contracts to improve education for the public service and public service fellowship awards for colleges having such educational programs, as well as stipends to students enrolled in the programs. In addition, it authorizes new funds for special services for disadvantaged students in institutions of higher education, amends the educational opportunity grant program to give institutions authority to transfer funds to work-study programs, and eliminates the State allotment formula.

With reference to networks for knowledge, I would comment in particular that Dr. Samuel Gould, chancellor of the State University of New York, feels that the planning money provided for the networks for knowledge is a very important step forward and that it will make it possible to share educational and research resources and facilities.

Mr. Chairman, there are a number of colleges and universities which are now involved in this program. Dr. Gould points to certain items of educational equipment and need that some colleges cannot duplicate or cannot obtain, such as library resources and research facilities. In the State of New York we are now operating a program similar to the networks for knowledge which is moving forward with very appreciable success.

Five universities—Buffalo, Syracuse, Rochester, Binghamton, and Cornell are now participating in the program, in which the cooperating institutions endeavor to send material back and forth between universities as there is a need for it. There is growing awareness of the necessity of sharing vital resources not alone in the library field, but in the field of biomedical sciences, where work has been started on a unified catalog program. Other medical institutions are trying to study how these resources can be shared in this move for the future.

Beyond that, I would merely call the attention of the Members to a very thoughtful and prescient report that was sent to me by Kingman Brewster, the president of Yale University. It is the report of the Association of American Universities entitled "The Federal Financing of Higher Education." Very briefly, this report points out that the past few decades have seen rapid growth in higher education. Specifically, total enrollments have grown by approximately 3.5 million students since 1930. The total annual expenditures have increased from $508 million to $14.9 billion. Research expenditures have increased from $18 million to $2.2 billion.

The report, which commands the support of a broad spectrum of universities, both tax- and tuition-supported, also suggests certain needs, certain lines of thought and certain areas to which the Congress and the Federal Government in general ought to give attention. It points to the needs of the maintenance of the private institution as well as the State university or college, 2-year colleges and institutes, 4-year colleges and institutes, and institutions with graduate and professional programs. The association also points out that in the years ahead we are going to need to train 100,000 doctors between 1965 and 1975; 80,000 engineers, and 30,000 scientists will have to receive bachelors degrees each year during the next decade to preserve just the existing ratios with the other educated professions.

For these and other reasons enrollments in higher education are expected to climb from some 5.6 million in 1965 to approximately 8 million in 1975, and to between 13 million and 16 million at the end of the century.

The association's report continues:

> Similarly, unless recent trends alter radically, graduate enrollments will grow from 314,000 in 1960 to 1 million in 1975 and 2 million or 2.5 million by the year 2000. To accommodate this demand, total current expenditures on higher education must increase from $11.9 billion in 1965 to between $15 billion and $21 billion in 1975. Further construction needs for this decade, 1965 to 1975, are estimated at $15–$22 billion—i.e., an annual average of at least $1.5 billion and perhaps of $2.2 billion. Moreover, the history of past projections suggests that all of these figures may represent under-estimates of the true increases.

The colleges and universities will be asked, increasingly, to attack society's most difficult problems with research and action programs. They will be expected to help make urban life productive and satisfying, while assisting America's disadvantaged to participate more fully in the benefits and responsibilities of the society at large.

I therefore strongly support these amendments to the Higher Education Act and to the National Defense Education Act. And beyond this, we must be prepared to do much more in support of students, facilities, research, computing services, international education, the arts and humanities, and consideration must be given to direct institutional grants.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to the distinguished gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, I thank the gentleman for this additional time.

I have been asked some questions in regard to the reasons for transferring Upward Bound to the Office of Education, and at the appropriate time, Mr. Chairman, I am going to put several items in the RECORD.

I believe that one of the reasons that Upward Bound should be transferred to the Office of Education is that the original intent of the legislation is not being followed by the Director of Upward Bound or the Office of Economic Opportunity. The purpose of Upward Bound, as presented to our committee by OEO representatives, is to help the disadvantaged student, so that he or she could continue secondary and postsecondary education if that student had the potential.

Before the committee, no one from the Office of Economic Opportunity ever requested funds for Upward Bound so that dropouts could enjoy a summer abroad at the taxpayers' expense. The program, supposedly was designed to help motivate, help provide tutorial services, help with financial aid for the disadvantaged student.

Recently I received a letter from one of the professors of Oregon State University which reads as follows:

OREGON STATE UNIVERSITY,
Corvallis Oreg., May 15,1968.

Hon. EDITH GREEN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN GREEN: You undoubtedly know that the Upward Bound program has tied in with the Experiment in International Living at Putney, Vermont, and that the chosen people from Upward Bound will be visiting in various countries. I did not realize this until May 12, when I received a bill from this Experiment in International Living for one of the people in Upward Bound, who is living in Eddyville. He is going to have his Experiment in International Living in Mexico and Upward Bound is paying the bill. Among other things, he will have pocket money of $100 and altogether the bill is a rather sizable sum.

I suppose we should be tremendously pleased that this is taking place, but unfortunately I am not. It seems that this boy or others in Upward Bound are to be selected for outstanding service, but it seems to be that the amount of money that is being expended through the Experiment in International Living could be better spent by giving them scholarships to American institutions of higher learning. I can well imagine that the same experience of living with a Mexican family might be supplied by letting him go down to New Mexico, Arizona, or even California. The question is whether this is needed.

It appears to me that with the march of the poor on Washington and satellite marches

> to state capitols, that we ought to be thinking much more seriously how this money is to be spent. This is one more reason why I would certainly agree with your bringing in the Office of Education. As long as OEO is able to have another organization run Upward Bound then it is possible for this other organization to get around government regulations with impunity. I have no idea how you feel about this, but I hate to see this type of thing taking place in the so-called Poverty Program.
>
> Very truly yours,
>
> FRANKLIN R. ZERAN,
> *Professor of Education.*

Mr. Chairman, a number of Upward Bound enrollees are headed for a summer abroad. How did they qualify for this very special program? First, by being in great financial need; and second, by not doing well in school and either being a dropout or a potential dropout. If a student is highly motivated, is working hard, and making satisfactory or good grades in school that student is not eligible for Upward Bound and, therefore, could not possibly have the opportunity to spend the summer abroad at the taxpayer's expense.

I recall very vividly a letter which was written to me by a high school youngster in Massachusetts. She wrote that her family was very poor and that her brother had applied for Upward Bound hoping to have some help to go on to college. However, he was not admitted to Upward Bound because his grades were too good—they averaged B-plus. This girl reflected an attitude which I think we are seeing more often and something which I regret very much and yet which I can understand very well. She said:

> What does a person have to do to get into Upward Bound and receive help to go on to college? Does he have to flunk all of his subjects? Does he have to commit burglary and rape and burn down a building? If he had done these things he probably would have been found eligible for government help!

Mr. Chairman, is it not high time that we had a few Federal programs to help those who show initiative, who work hard and who obey the rules. But this is not the criteria by which one is judged for spending the summer abroad. I suspect that there would be thousands of high school students who would love to have a chance to be in Mexico or Brazil or Chile or some other country with all expenses paid and spending money in their pockets, but the youngsters from families of middle income cannot enjoy this experience; only their parents can pay higher taxes to send the disadvantaged student abroad for a year.

I would hope that the transfer of the Upward Bound program from the Office of Economic Opportunity would bring about a much wiser administration of the program because the Office of Education has never had the luxury of versatile funds that OEO has. I would hope that a new Administrator in the Office of Education would have better judgment on the expenditure of the limited funds made available to try to further the secondary education of the disadvantaged students.

Mr. Chairman, 57 enrollees from Upward Bound are spending the summer in the following countries: Canada, Chile, Costa Rica, Mexico, Panama, Peru and Brazil. I repeat, this was not the congressional intent when funds were provided to try to help a culturally or economically disadvantaged child to complete his high school work satisfactorily.

Mr. Chairman, another reason why the Upward Bound program should be transferred to the Office of Education is based on my belief that there would be a thorough review and evaluation of the programs. It has never been the congressional intent of the Upward Bound program to try to bring about massive social reform. Rather it was to help youngsters who have failed in school to be able to achieve academically by remedial reading courses or special counseling and guidance and yet, Mr. Chairman, in my considered judgment we are actually financing with Federal tax dollars the activities of revolutionaries and I do not say these words on the floor of the House without having considered them very carefully.

I believe that there is mounting evidence that we have in the Upward Bound program some paid employees who have certainly not been directing their efforts in such a way as to help youngsters to return to high school to continue their education and to prepare themselves to take advantage of the unlimited opportunities which could be available to them in the years ahead.

To have Upward Bound instructors preach hate and revolution and to have Upward Bound instructors write articles on what a terrible country the United States is, is a misuse of the Federal tax dollars which pay their salaries. I include at this point a statement which was made at a public meeting by the codirector of an Upward Bound program in Portland, Oreg. This man, on the faculty as an instructor in the Upward Bound program admitted to me in the presence of two other individuals that he had said the following in a speech at a public meeting:

> I disagree about getting out of this. I think we ought to get every cent, to take every god-damn cent, rotten cent, that's there—I work for the OEO and I'll take $50,000 a year if they want to give $50,000 to me and I'll take it until I damn well please and I am going to support revolution with it. I think that there is room for white revolutionaries and I think when I use the term, I mean—revolution means to me only one thing. That is get in and blow it up.

Now, Mr. Chairman, when I brought this to the attention of the Director of the Upward Bound program several months ago Tom Billings, the Director, defended the program and refused to make any changes in it until the term of the contract expired some months later.

Mr. Chairman, I also include at this point an article written by one of the instructors of the Upward Bound program carried on at the Oregon State Prison. First I include an article written by a congressional intern of mine last year who had the privilege of serving as one of the Doorkeepers in the House of Representatives. Dennis Stephens was a student at Portland State College and wrote an article for his school paper, "Washington Intern Returns No Cynic." This is followed by the article written by one of the tutors Ace Hayes—to the Upward Bound program at the State prison.

LIBERAL VERSUS RADICAL: DEMOCRACY AND REALITY—WASHINGTON INTERN RETURNS NO CYNIC

(EDITOR'S NOTE.—Is democracy a reality in America? Is it the best system by which to organize society? With the war in Vietnam, poverty in the ghettos and increasing police control, these questions have stirred a debate between liberals and radicals on college campuses across the nation.

(Here, Portland State junior Dennis Stephens, just returned from an internship with Oregon Congresswoman Edith Green, and radical-in-residence Ace R. Hayes, a PSC graduate student, offer contrasting opinions. Hayes had an opportunity to see Stephens' article before writing his.)

(By Dennis Stephens)

A year spent in Washington, D.C. has two possible effects on an observer. He can become the grittiest cynic, convinced that this country is not ready for self-government, or he can come away a democrat whose faith in American government is strengthened. I think the latter is the more mature conclusion, and the best basis from which to work for real social progress in this country.

I spent last year as a doorkeeper at the U.S. House of Representatives and as a Congressional staff member. Both areas of work helped convince me that American democracy, both in practice and in theory, shows the greatest promise of any government yet organized by men for guiding a large mass of people toward a more open and egalitarian society.

This belief is given some validity simply by the fact that this way of government has stood the tests of time and circumstance. The endurance of the American republic is due to no illusion on the part of the people. It is due to the fact that this system has done the most for the most people.

We cannot compare this government, nor any other in existence, with the theoretical accomplishments of a theoretical utopian system. We must compare it rather with the governments men have indeed put into practice, as they exist in the real world. The revolutionary who has been able to put his theories into practice has too often seen his dreams for the people turn into ashes, as they suffer under bureaucracy more oppressive than before. The Russian experiment is a plaintive illustration.

In the context of our present dilemmas, we question the soundness of a government that follows a policy of destruction in Vietnam, instead of construction here at home; a government that seem unresponsive to the feelings of a large percentage of its citizens, and grimly reactionary to the pleas of others.

The fault lies not in the stars, but in ourselves; not in the structure, but in the personalities leading the structure.

The fact that there is anarchy implicit in the reactions of some to present policy seems to me the greatest tragedy. Those who feel themselves so powerless as to espouse anarchy as a panacea commit a serious offense: in their frustration they would deny their fellow men the political order with which to order their lives. To the vast majority, any order is better than no order at all.

"A majority," Lincoln wrote, "is the only true sovereign of a free people. Whoever rejects it does, of necessity, fly into anarchy or despotism. Unanimity is impossible; the rule of a minority, as a permanent arrangement, is wholly inadmissible; so that, anarchy or despotism in some form is all that is left."

My confidence in America's ability to recognize the majority as her only sovereign is based, first on confidence in the people. Rousseau's warning, ". . . As soon as any man says of the affairs of the State, 'What does it matter to me?' The State may be given up for lost," cannot yet apply to the American, who still knows that it matters to him.

And second, my trust rests on confidence in the system. Good laws nurture better laws; bad laws lead to worse. The American system consistently produces good laws.

Whether the function of government is to enable the aggrandizement of its citizens, or to protect them from each other's aggrandizement; whether it is to "prevent crime and enforce contracts," as Lord Melbourne wrote, or simply, as Brendan Behan said, to keep the roads in repair and make the lives of old people more comfortable, democracy is the best means of providing a viable society of any alternative system yet devised.

But democracy demands of us what few have—patience. Totalitarianism provides more expeditious government (Hitler cleared German slums and built autobahns) but we cannot rely upon a more benevolent dictator to cure our blights, then in turn our destiny, free of blemish, over to us again.

Even more than patience, democracy demands courage. Jane Addams, a 1931 winner of the Nobel Peace Prize, wrote, "It requires an unfaltering courage to act year after year in the belief that the hoary abominations of society can only be done away with through the steady impinging of fact on fact—of interest on interest—of will on will."

Patience and courage, in spite of the sicknesses of our time, and in spite of the weaknesses in our social orientation, are not lacking in the American spirit. The resources to make change through anabolic reform, rather than catabolic revolution, are also not lacking in the American spirit. If it can be done with men's insight, our problems will be confronted, and our system of government will be reinforced. If we cannot succeed through our insight, no system of government can endure.

Radical Contends Democracy Farce

(By Ace R. Hayes)

Mr. Stephens has blended fallacies, contradictions, presumptions and his emotional needs into an article which purports to prove: A) America is good; B) even if it isn't, it is one hell of a lot better than any other country and thus C) no one has any reason to do anything which violates the rules of the "greatest little old society in the history of the world's honey child."

The preceding is an example of the informal fallacy known as the ad hominem. It is the one Mr. Stephens missed.

I will not quote anyone no matter how irrelevant, nor will I restate my faith in seven different ways hoping to persuade by repetition. I will not say that the fault for America's problems lies with ourselves and our leaders and that I have confidence in the people. I will not say that the Russian experiment failed because its bureaucracy is more oppressive than before the revolution. I will not say that the American system consistantly produced good laws because I would then have to say that all of America's laws are good.

I will not espouse anarchy as a panacea but I will suggest that democracy, if it is to exist, must have substance to go with the form and that if it does not, then substance must be achieved by whatever means are necessary, not excluding violent revolution.

The assumption that a condition exists merely because it is called by a particular title is no more valid than to assume that it exists because it feels good to believe so. Democracy, as applied to this country, is a title rather than a descriptive term. Consider for a moment the imperious statements of the governing officials, whether military, political or economic, wherein they clearly proclaim that what is good for G.M. or LBJ or the CIA is good for the USA. I would have begun to suspect that oligarchy was a more accurate description of our system, even if they had gone no further than arrogant verbal pomposities.

They have gone further, however. They have instituted anti-bad thought-laws and are reinforcing thought police. The McCarren Act and its ilk, the enlargement of the National Guard, police forces and such point, along with recent indictments, draft manipulations and explicit threats, to clarification or distrust between oligarchy and the people.

Not even Mr. Stephens believes that the directorate of this country is trustworthy and I therefore do not trust them—even if he does.

The question of democracy in America is answerable only in terms of "for whom?" Has the Negro, Spanish, Oriental, Puerto Rican, Indian, female, student or young person been accorded the prerogatives of democracy? No, they have not for they still have no power in the political, economic or military aspects of this country. The white, male, over 30, certificated, corporated class have some power, but really not much. Because both the under and upper class are at the mercy of the oligarchy, as it controls the policies controlling information, money and troops.

Can us niggers or our white betters find out how much money the CIA spent for what? Why crucial evidence from the assassination of Kennedy was locked from public view for 75 years? Why the US Board of Prisons is keeping concentration camps in good repair for the 'Justice' Department? How many special forces troops are really fighting in South America? Try.

Can any of us, under or upper class, do anything about the Pentagon's having a thousand billion dollars in the first 20 years of its own cold war and can we do anything about the thousand billion dollars it will have gotten in the third decade of its cold war? Try.

Troops? The oligarchy will need them more and more. The niggers—of all colors—are learning not to want into that upper class because all it has to offer is better pay. The issue is no longer finding a safe place in the last white, Western empire; it is to crush that empire and the oligarchy which controls it so that power can be redistributed to the people of their respective countries.

The degree of democracy present in Guatemala, Bolivia, Thailand, South Korea, Congo, Union of South Africa, Watts and Mississippi is about the same and thereby the peoples have the same enemy as it is the American military, political, economic oligarchy which runs them all.

Next, Mr. Chairman, I include in the RECORD a letter from George W. Randall, the administrator of the corrections division in the Oregon State Board of Control. I would ask again, Mr. Chairman, if it is the congressional intent to use Federal tax dollars to distribute such pamphlets as those listed by Mr. Randall.

CORRECTIONS DIVISION, OREGON STATE BOARD OF CONTROL,
Salem, February 9, 1968.

MARKO L. HAGGARD,
Coordinator, Economic Opportunity Programs, Agriculture Building, Salem, Oreg.

DEAR MR. HAGGARD: As per your request I am sending you a copy of a sample of the literature that was distributed at the prison by members of the Upward Bound staff. In addition to this publication, the following books and pamphlets were also distributed by Upward Bound members:

The Warfare State, by Fred J. Cook. Collier Books—The MacMillan Company, New York. 1964.

The Wretched of the Earth, by Frantz Fanon, A Negro Psychoanalyst's Study of the Problems of Racism and Colonialism in the World Today. Grove Press, Inc., New York. 1966.

Vietnam International Bulletin, Vol. 1, No. 10, April 3, 1967—An emergency project of the International Confederation for Disarmament and Peace. Vietnam International, 3 Hendon Avenue, London N3.

Appeal to the American Conscience, by Bertrand Russell, Honorary President, International War Crimes Tribunal.

Aims and Objectives of the International War Crimes Tribunal, Published by the International War Crimes Tribunal, 11A Warmwood Street, London, E.C. 2

Very truly yours,

GEORGE W. RANDALL,
Administrator.

Mr. Chairman, if it is possible I also ask that the attached poster be included. Mr. Randall included this as one of the items distributed at the prison by members of the Upward Bound staff.

Uncle Sam Wants You, Nigger

Become a member of the world's highest paid black mercenary army!

Fight for Freedom . . . (in Viet Nam)

Support White Power—travel to Viet Nam, you might get a medal!

Receive valuable training in the skills of killing off other oppressed people!

(Die Niggier Die—you can't die fast enough in the ghettos.)

Mr. Chairman, I am also advised that individuals connected with an Upward Bound program in Portland distributed the following instructions on how to construct a Molotov cocktail and incendiary time bomb.

Molotov Cocktail

A bottle (any type of bottle) is filled with ⅔ gasoline and ⅓ oil. A fuse (even a rag-type fuse will work) is inserted into the bottle so that it reaches from the bottom of the bottle out through its neck. The bottle is stoppered with cork, paper, or fabric. The fuse is lit and, after it begins to burn, the bottle is thrown against the object which is intended to burn. On breaking, the bottle sprays the gasoline and oil on the objective and the fuse ignites it. The ensuing large flame and small explosion will not endanger the thrower, even though he is close to it. The bottle with its lighted fuse NEVER EXPLODES! This point is stressed to insure the thrower that he is never in any danger.

Recommended: Practice with a bottle filled with water, lighting the fuse as though it really contained gasoline. Practice throwing such bottles to develop confidence and accuracy.

In an actual attack on a building, it might be wise to first smash with a brick a window of the room to be hit, then to throw a very fragile bottle through the resulting hole to insure that the bottle shatters inside the building. As soon as the firebomb explodes inside the building, several other fragile bottles of gasoline and oil can be quickly tossed in to feed the flames and to make the fire hotter, thus insuring major damage. Of course, one must know in advance that there is something in the room which will catch fire and burn.

As Always: Do not attempt this type of action in areas or at times where one can be easily spotted and arrested. Study the setups in several different towns for months if necessary, before taking an action. Remember, *we're no good to anyone in jail.* We must do this again and again until it begins to really hurt Selective Service or until the government is forced to station guards on 24-hour duty around all draft board offices, induction centers, and recruiting offices and booths.

To Set a Simple Fire

A lighted cigarette is placed in a book of matches and left on combustible material.

To Sabotage Automobile Tires

Spread nails, tacks, etc. on SS parking lots or parking areas at night. Also around tires of members of draft boards. All nails and tacks should be painted black so as not to reflect light, thus making them difficult to spot until *after* a flat.

To Sabotage Automobile Gas Lines

Pour a little water or sugar into gas tanks.

Incendiary Time Bomb

A cardboard or iron tube is filled with a mixture consisting of ¾ Potassium Chlorate and ¼ sugar and is sealed. A glass vial is filled with sulphuric acid and stoppered with paper. To arm the bomb, insert the vial, stoppered end down, into the tube. The acid will eat through the paper and ignite the potassium chlorate-sugar mixture.

A good deal of experimentation with small models of this bomb should be carried out to determine how long it takes for the sulphuric acid to eat through various types of stoppers. In this way, it will be possible to estimate (to within an hour or two) when a given incendiary bomb will ignite. (In a given building it is wise to place the device near combustible materials, such as paper, etc.)

A warning: The $KClO_3$ used as an oxidizer in this incendiary bomb tends to decompose quite easily and to yield its oxygen to any fuels with which it is mixed. This in turn may result in an unexpected, uncontrolled detonation. Therefore, experiment first with small quantities and familiarize yourself with the reaction, before attempting to build a larger bomb that will give off a flame hot enough to start a major fire when placed near combustible material in a building.

Mr. Chairman, I also raise the question as to the content of the courses in the Upward Bound programs which have come to my attention. I ask, therefore, to have included in the Record a letter from a highly respected gentleman in my State of Oregon—a man who has received his B.A., and his master's degree in social welfare in counseling from Portland State College. He is currently working full time with the State welfare and mainly with juvenile cases before resuming his pursuit of a doctorate. One who knows him very well writes:

> Mr. Henry is extremely intelligent and perceptive. He is highly dedicated to his work and is definitely an idealist. You can rely on his report for objectivity and integrity.

His letter and my reply to him follows:

November 9, 1967.

Mrs. Edith Green,
House Office Building,
Washington, D.C.

Dear Madam: May I take this opportunity to introduce myself. I am Mel Henry, a social worker and member of the National Association of Social Workers. Currently I am employed by Oregon State Public Welfare Commission in the Clackamas County Office. I have a deep interest in the programs sponsored by the Office of Economic Opportunity and sincerely believe that the basic intent of these programs is good.

Because of the nature of my duties, I had the opportunity to be indirectly involved with the Project Upward Bound on the campus of Reed College, Portland, Oregon, this summer (1967). As a result of my involvment, I am constrained to send you the following information and am optimistic that there will be some positive results. This letter represents my personal views and I am solely responsible for its content.

Enclosed please find: (1) Copies of pamphlets which were given to me by a student who attended the Upward Bound Program on the campus of Reed College this summer; (2) A copy of a letter I wrote to the Director of the Reed College program recently; and (3), A recent article from the Oregon Journal.

These are examples of the type of literature distributed to students for dissemination on their return to their various schools and communities. This particular student had a foot locker filled with pamphlets, and generated the enthusiasm of a neophyte in an attempt to sell the neighborhood children on this new persuasion, namely, a conscientious objector. Initially, after a short period of time, this student decided that healthy peer-group relationships at school and in the neighborhood were more important than selling ideas which were somewhat beyond some adolescents' comprehension.

I am not being critical of the literature per se because it does represent an honest point of view, but I am strenuously opposed to the "indoctrination" of adolescents who are not presented with choices. The purpose of Project Upward Bound, as I understand it, is basically that of helping an adolescent to internalize some new values in order that he might be brought back into "the main stream of society." I am not quite sure how this literature and the strong thrust of dissemination will contribute positively toward the goal of the Upward Bound Program.

Also, I am strenuously opposed to the manner in which public funds are being used to support a program which in turn "stabs it in the back." It is my understanding that the summer program officially ended in August, 1967. However, there is a follow-up program in which students who are supposedly experiencing difficulties with their academic work are assigned specific tutors. These students, I am told, are given $5 per week and the tutors $65. One mother, who refused to send her child to the weekly tutoring sessions because she saw them as "indoctrination sessions," referred to this weekly $5 grant as "cigarette money" and the tutors' salary as a "fraud." This mother wondered why, in spite of the fact that her child is no longer associated with the program, does the money continue to come. No one has ever contacted this mother directly nor indirectly.

The question of transportation has been raised by some concerned parents. Apparently, certain vehicles are assigned to the project. It is alleged that these vehicles are used to conduct private business, pleasure trips, and activities which are not connected with the general welfare of the program. Also, operators are known to have been under the influence of alcohol while transporting students.

One student told me of a "legitimate" trip to Canada and the experiences the student had. The most memorable experience was the difficulty minors had in procuring beer, wine and cigarettes in Canada. This problem was solved, however, when the tutor purchased these items for them. Apparently, this student thought it was rather funny. Incidentally, the parent of this particular student did not know about this Canadian trip until weeks after the trip had ended.

Based on my experiences with this program, the following conclusions seem warranted:

1. The Reed College Upward Bound Program has not been fulfilling the intended purposes of the National Program.
2. This program has been conducting activities contrary to and inimical to the best interests of its National Program and the public which it seeks to serve.
3. Persons who are described as tutors are being paid weekly salaries for *positions* and not for *production*.
4. There is no communication between the program and the parents of students who are in attendance.
5. I question the caliber and experience of the tutors and local administrators and wonder about the types of models these people are setting for students who so desperately need positive identification figures.

I am interested to learn more about the degree of communication and contact the National Office has with the local offices and the degree of autonomy which the local office possesses.

Thank you for your kind attention.

Very truly yours,

Mel Henry.

Clackamas, Oreg.

November 20, 1967.

Mel Henry,
Clackamas, Oreg.

Dear Mr. Henry: Thank you very much for taking time to inform me of your views on the Upward Bound program at Reed. And yes, you are quite correct in believing that the Congress did not intend that Upward Bound become a propaganda vehicle for any individual or group of whatever persuasion.

As I am sure you are well aware, there is always something of a gap between legislative intent and administrative result. In the Economic Opportunity Act, this gap is more apparent than in other areas of national legislation. Since passage of the Act in 1964, I and many of my colleagues in Congress have sought to provide stricter agency adherence to the provisions of the Act, and we have continued to write into the language of the Act amendments that will not destroy the good while rooting out the bad effects of this legislation. This is a delicate operation.

The Education and Labor Committee, in 1967, adopted several amendments I proposed in the spirit of my remarks above, chief among them the so-called Green Amendment that makes Community Action Agencies a "State or a political subdivision of a State." The intent of this provision is to provide fiscal and administrative accountability in Community Action Programs by making elected officials responsible for agency actions. Since Upward Bound comes under Title II of the Economic Opportunity Act, i.e., that Title controlling Community Action Programs, I am hopeful that the actions of some groups and individuals—as you describe in your letter—will come under the judgment and control of people who are "on the scene."

In addition, I am now quite certain that in Senate/House conference, the conferees will accept the Senate language concerning Upward Bound. The important passage runs: "Financial assistance for such projects may be provided directly to institutions of higher learning, but the projects must be closely coordinated with activities of community action agencies and with the Higher Education Act of 1965." It is my belief that this new language will help correct conditions of funding and operation such as you describe.

I agree with most of your conclusions, although I am wary of hearsay evidence given in the heat of anger when a parent has lost track of a child. I certainly agree that the selection of tutors should be an extremely cautious process, not to weed out those who dissent from majority views, but to ensure competence in the classrooms. Teaching is a delicate art, not to be confused with propagation of one-sided opinion.

The permissive atmosphere you describe is not, I believe, strictly attributable to a given program. Nor is it possible to make corrections in this area from the banks of the Potomac. It is a cliche by now, but it is nevertheless true that many of our young citizens have a fine disregard for the rules of social conduct we hold as self-evidently true. We can see to it that we do not finance irresponsible dissent. But we cannot legislate on the morality of our sons.

I would be most interested in receiving a copy of any reply from Upward Bound personnel at Reed—if, of course, it is not sent to you in confidence. And permit me to extend again my thanks.

Sincerely,

EDITH GREEN.

P.S.—I've had several other serious complaints about the administration of the Upward Bound program. I have had major policy disagreements with the former National Director of the program, Dick Frost. In my judgment the congressional intent was not carried out.

I also enclose copy of a pamphlet to which he refers and a copy of the letter which he wrote to the director of the Reed College program.

No! we won't go! we won't fight in Vietnam:

This war can be stopped if men refuse to allow themselves to be sucked into fighting it. That is why we are here today—we have pledged that we will not allow ourselves to be drafted into the insanity of Vietnam—and that we will help anyone else who doesn't want to go either.

End this lousy war.

Resist the draft.

For help contact: Portland Draft Resister's Union. Write:

Phone: 235-1264 or 232-7274.

CLACKAMAS COUNTY PUBLIC
WELFARE COMMISSION,
Oregon City, Oreg., August 17, 1967.

Mr. HOWARD WASKOW and
Mr. RONDAL SNODGRASS, *Director,*
Project Upward Bound, Reed College,
Portland, Oreg.

DEAR SIRS: This letter is an attempt in behalf of the Clackamas County Public Welfare Commission to seek some explanation and/or clarification pertinent to certain criticisms which were leveled at the Program Upward Bound, which terminated on the Reed College campus on August 5, 1967.

There are several reasons for my concern at this time. As a social agency, we are responsible to the community and to the Clackamas County Juvenile Court for those children who are placed in our custody, supervision, and care. At least one of our girls participated in your program. Also, this agency is answerable to the parents or guardians of those children who are directly in its care. The "normal" growth and development of the individual in a safe and healthy environment is our responsibility. In order for us to fulfill our responsibilities and obligations to the above named sources, it is necessary that we have more detailed knowledge of your program and its operation.

In addition to those functions named above, this agency serves as a referral agency to your project. Knowledge of various aspects of your program is necessary for agencies such as ours if they are to provide prior information to prospective students and help them choose discriminatingly.

The criticisms which were leveled at your program came from three sources; namely, (1) personal observation on the part of this writer; (2) reports from dissatisfied parents; and, (3) directly from students who were involved in the Project Upward Bound.

On July 6, 1967, I visited the Reed College campus to observe the operation of Project Upward Bound. The primary purpose of my going was to determine the adjustment of a girl for whom this agency has supervision and care and whom we had given permission to enroll in the project. Also, I visited the project as an interested social worker and one who is a proponent of the Upward Bound Program.

I was quite shocked at the permissiveness, license, and the general lack of structure which I saw in the lounges, on the campus, and in the classrooms. Specifically, I observed heavy "petting and necking", smoking, verbal obscenity, unconventional and distasteful dressing, and lack of respect for the privacy of others, lack of regular hours, and rules in general. Not only were students tardy for classes, but very disruptive as they struggled in, dazed from lack of sleep. In the classes which I attended aggressive students dominated the scene and leaders did nothing to encourage the shy or passive student. There was a complete breakdown of the group process.

As I learned more about the program and its operation, I questioned the content of the courses, the vagueness of stated goals, the experience and qualifications of the tutor-instructors, and the general values that were being imparted to these students.

At that time I spoke with Mr. Snodgrass, one of the directors, who explained what the program was attempting to accomplish. In general, I was unimpressed with the total operation of the program. After returning to my office, I agreed that something should be done, but was unsure of how to proceed; consequently, I dropped the subject. However, my interest was revitalized when I had two telephone calls from irate parents requesting that some action be taken in regard to this program.

On August 1, 1967, I had a call from a mother of one of the students who was enrolled in the program. She reported the following incident: The previous day she had visited the campus and "was so shocked at the carrying on that she brought her daughter home that evening". She reported that she saw two boys who were in a drunken stupor from sniffing glue and who were being locked in a room by other students so as to disturb the campus. She also heard that two girls in one dormitory were pregnant; many girls had stayed out all night; five boys entered the room of a girl who was sleeping in the nude; lectures were being given on birth control and contraceptive devices were available to the girls; racial conflicts were started due to the presence of a Black Power advocate on the campus; and a general lack of discipline and control which caused students to be mere boarders and not active participants in the project.

This mother was extremely upset and actually blamed this agency for permitting the child to attend "such a wild place". She indicated that under no circumstances would she permit this child to return to the project next year.

Another irate mother reported that she visited the project one afternoon but was unable to see her daughter because "she was out on her free time". She was informed that the students had the right to leave the project at certain times. No one was able to answer this mother's questions as to her daughter's whereabouts and the expected time of her return. The frustrated mother made several futile attempts to contact her daughter that evening. The following day she learned that her daughter "had spent the night at a friend's home in Portland". After voicing strong disapproval of the program, this mother said, "I suppose that since she is already in the program, I will let her continue, but I will definitely not send her next year".

One student was very dissatisfied with one course in Negro history. She said, "All I heard was Black Power and more Black Power." This student felt that the instructor of this course was a very militant advocate of Black Power and indoctrinated the class accordingly. He used obscene words at times to describe "whitey" and his speech was offensive to some of the "white girls". Apparently this student's observation had some validity because the instructor, in particular, namely Colden Brown, was arrested the evening of July 31, 1967, in the Albina area and charged with disorderly conduct, according to the press. The press report also stated that, "Mr. Brown helped organize the Black Arts and Culture Rally" scheduled for Irving Park the afternoon before the racial disturbance in the Albina area.

There is no doubt that some of these reports may be grossly exaggerated, oversimplifications, or mere generalizations; however, the fact that such criticism could be leveled at the Project Upward Bound should be cause for deep concern. To please parents, schools, social agencies, and the community at large is not the main thrust of your program, I am aware; however, to encourage behavior which is not acceptable in the home, school, or community would be a great disservice to all concerned and a questionable way to expend public funds.

It is a noble and idealistic effort on your part to eliminate traditional rules, to have student involvement in the decision-making process, to encourage flexibility by the elimination of structure, organization, and controls, and to gear programs for the individual wishes; but let us not forget that these students will be returning to their cultural milieu which is still traditional. Short term exposure to unconventional systems could have deleterious effects on the students in their attempts to cope with the "old system." Continued stimulation and reinforcement are necessary to help students resolve conflicts which, of necessity, will arise when they begin to exercise their new freedom and pseudo-sophistication in their own school system.

Programs designed to help adolescents should be consistent with the theoretical and experiencial knowledge available in the field. To expose adolescents to certain situations for which they are not intellectually, emotionally, socially, and psychologically equipped to handle will result in greater insecurity, frustration, and confusion. Extreme care must be taken to insure that programs designed to help the individual return to the main stream of his society do not reinforce and perpetuate negative behavior which will further alienate that person from his society. There are still many adolescents who are crying out for structure and control and who are very uncomfortable were they to function autonomously. In order to meet their needs, boundaries, and limits are necessary.

I am sure that you can understand the case for my concern and shall be most happy to hear from you at an early date. If there are any questions pertinent to this letter, please do not hesitate to contact me.

Very truly yours,
CLACKAMAS COUNTY PUBLIC WELFARE
COMMISSION,
(Miss) BERNICE THOMAS,
Administrator.
MEL HENRY, *Social Worker.*

The third reason that I believe there should be a transfer of the Upward Bound program to the Office of Education is that I question the way the program has been administered and the contract given to Educational Associates.

In June, 1967, a corporate entity called Education Projects spun off a new corporation—private and "nonprofit"—that was called Educational Associates. It is very interesting to note, Mr. Chairman, that on July 1, 1967, Educational Associates received a contract from OEO, Upward Bound, to review proposals coming from applicants for Upward Bound programs.

The following pages are taken from that contract:

CONTRACT No. OEO-4108

SCHEDULE

Clause I. Statement of work

The Contractor shall provide the necessary qualified personnel, facilities, materials and services to accomplish the following work:

1. Assist in the preparation of revised

Guidelines, standards, forms and announcements pertaining to Project Upward Bound. Submit recommendations for these revisions to the Project Manager.

2. Provide for the duplication and dissemination of the OEO Guidelines, standards, forms and announcements.

3. Provide staff members and consultants who shall visit eligible institutions in order to provide them with assistance and advice in the preparation of proposals for Upward Bound programs.

4. Receive proposals for Upward Bound projects from eligible institutions. Staff members shall process, review and evaluate these proposals.

5. Provide a group of outside educators experienced in Upward Bound programs, if requested by the Project Manager, representing each region of the United States. Panels, consisting of three (3) members each, shall be established to review proposals and provide a written evaluation of each proposal received.

6. Submit to the Project Manager a written evaluation of each proposal received. Prepare, as requested by the Project Manager, a Highlight Memorandum and such other pertinent forms for all proposals which the Project Manager recommends for funding.

7. Provide all of the above evaluations and necessary documents for funding in time to meet all reasonable deadlines set by the Project Manager.

8. Provide national or regional meeting for Upward Bound Project Directors and teachers where experts in the various areas of curriculum will demonstrate innovations in teaching, such as the use of video tape, film and sound tapes, in addition to the use of books, providing better methods of appealing to disadvantaged students whose verbal ability is poor but whose native intelligence is average or above.

9. Provide a sufficient number of consultants who are specialists in the various subject disciplines as well as specialists in film making, the use of sound tapes, or in psychiatry and counseling, who shall be available upon request to visit Upward Bound projects to provide assistance in the preparation or strengthening of their programs.

10. Provide, as requested by the Project Manager, technical consultative and coordinating assistance in proposal preparation and in other matters which will enable Upward Bound centers to operate effectively.

11. Conduct regional conferences of the grantee Project Directors and/or potential Project Directors, as directed by the Project Manager.

12. Conduct special conferences, such as conferences concerning Indians, Negroes, Mexican-Americans, Spanish-Americans, migrants and other minority groups who will be involved as students in Upward Bound programs.

13. Make available to Project Directors information on recruiting, teaching, counseling, and placing students participating in Upward Bound, subject to the approval of the Contracting Officers.

14. Provide special studies and research pertinent to the effective operation of Upward Bound programs, as required and approved by the Project Manager.

15. Maintain weekly communication with Upward Bound projects in order to provide the Project Manager with a factual up-to-date report on any potentially serious problems, so that the Project Manager may provide the necessary assistance to prevent any disruption of an Upward Bound program's success in preparing youngsters for college.

16. Provide to all Upward Bound Project Directors information on admission policies, regulations and procedures, and information on all financial aids for Upward Bound students enrolling in college. The Contractor shall maintain a staff of consultants from among the best financial aids and admissions officers in colleges around the country who shall be available to assist Upward Bound Project Directors.

17. Provide assistance to all Upward Bound projects by supplying information from individual projects; new ideas in curriculum, successes in obtaining volunteer services and supplies and local publicity, to all other projects.

18. Make available to the Project Manager such lists and other pertinent information as required by the Project Manager, which will enable Upward Bound programs to operate more effectively.

19. Submit progress reports, monthly, in triplicate, to the Contracting Officer and the Project Manager, detailing the work accomplished during the reporting period, any problems encountered and the method of solving them.

Clause II. Period of performance

The Contractor shall accomplish the work hereunder during the period 1 July 1967 through 30 June 1968.

Clause III. Contractor personnel standards

The Contractor shall determine that all Contractor personnel of every category shall be personally and professionally qualified for the assignment to be undertaken. The Director, CAP, shall have the authority to disapprove the appointment, or continued assignment, of the senior staff.

Clause IV. OEO project manager

Performance of the work hereunder shall be subject to the surveillance and technical direction of a representative of the Government to be known as the Project Manager. As used herein, technical directions are directions which furnish details associated with the technical or professional work set forth herein, or otherwise complete the description of the content of the technical or professional work under this contract and do not contain authority to change the work to be performed under this contract, the compensation, or the period of performance of this contract. For the purpose of this contract, subject to unilateral change by the Contracting Officer, the Project Manager shall be the Director, Project Upward Bound.

Clause V. Consideration and payment

The estimated cost for the performance of this contract is $766,413.00 plus a fixed fee of $22,992.00. Payment of the Contractor's costs shall be made on a monthly basis in accordance with the clauses of the General Provisions entitled "Limitation of Cost" and "Allowable Cost, Fixed Fee and Payment" and in accordance with Subpart 1–15.2 of Part 1–15 of the Federal Procurement Regulations. Subject to these General Provisions and regulations, the Contractor shall be paid a pro-rata portion of its fee with each payment of its costs in the ratio that such costs bear to the estimated cost specified above.

The Government shall reimburse the Contractor for subsistence and lodging expenses in an amount not to exceed Sixteen Dollars ($16.00) per person, for each calendar day or major portion thereof during the period such Contractor personnel, including consultants, are performing services under this contract while in a travel status at locations other than the usual one of employment. The Government shall also reimburse the Contractor for the reasonable and actual cost to it for travel of its personnel assigned to perform the work under this contract, not to exceed the cost of first class travel. Every effort should be made to travel at the most economical rate available. Travel expenses by motor vehicle other than common carrier shall be reimbursed at a rate not to exceed ten cents (10¢) per mile, per vehicle, plus necessary tolls.

Clause VI. Contract number identification on data

The Contractor agrees to utilize the number of this contract on all correspondence, communications and data concerning the contract or delivered hereunder.

I might say, Mr. Chairman, that the only contract, the only source of revenue that Educational Associates has, at least as of last night, is a contract with the Office of Economic Opportunity for Upward Bound.

When we look at their papers, we find that they were incorporated on April 24, 1967, and on July 1 they were given their only contract—a contract with the Office of Economic Opportunity in connection with Upward Bound of $780,405. We were told that they were awarded this contract on a competitive bid basis.

I state again—this was on July 1, 1967, that they were given a contract of $789,405.

Then we find on July 1, 1967, the same date, that there was a supplemental agreement which increased the amount by $150,000.

I think that is very interesting for a competitive low bidder to be given the contract on the basis of that bid and then on the same date that the contract is awarded to have a supplemental agreement which increases the amount by $150,000. But this is not all, Mr. Chairman. On July 3 there is another supplemental agreement.

Then on July 16 there was a supplemental agreement which increased the amount by another $45,595.

Then we find on July 19 there was another supplemental agreement and this was for another $436,932.

So, Mr. Chairman, we find the total amount of the contract within a period of 20 days increased from $789,405 to $1,398,940.

This private agency has the general supervision of all the Upward Bound programs. They are even involved in the guidelines and they review various applications that come in and they send out their recommendations to the OEO.

I suggest that this is something that should be looked at very carefully not only by our Committee on Education and Labor of the House of Representatives but by the Committee on Government Operations and by the Appropriations Committee of the House.

I include copies of the original agreement and supplemental agreements:

NEGOTIATED CONTRACT

Contract No. OEO–4108. Date: 1 July 1967.

Purchase Authority: P. R. No: CAP 68–7112.

Negotiated Pursuant to 41 USC 252(c)(10) and Section 602(n) of the Economic Opportunity Act, 1964, as amended.

Contract type: Cost plus fixed fee.

Issuing agency: Office of Economic Opportunity, Procurement Division, 1200 19th Street, NW., Washington, D.C.

Contractor: Educational Associates, Inc., 1739 Connecticut Avenue, NW., Washington, D.C.

Contract for: Services in connection with Project Upward Bound.

Amount (estimated): $789,405.00.

Accounting and appropriation data: 1180500 CL–1.

Mail invoices to (in quintuplicate): (see Clause XIX of the schedule hereof).

Type of business: A corporation, incorporated in the District of Columbia.

The United States of America (hereinafter called the Government), represented by the Contracting Officer executing this contract, and the individual, partnership, joint venture, or corporation named above (hereinafter called the Contractor), mutually agree to perform this contract in strict accordance with the Schedule and the General Provisions identified below, and the specifications, drawings, and conditions enumerated in the Schedule or identified below. If there are inconsistencies between the Schedule and the General Provisions and any specification, drawing, or other condition, the Schedule and the General Provisions shall control. If there are inconsistencies between the Schedule and the General Provisions, the Schedule shall control.

The Contractor represents (a) that he has not employed or retained any company or person (other than a full-time bona fide employee working solely for the Contractor) to solicit or secure this contract, and (b) that he has not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely by the Contractor) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract; and agrees to furnish information relating to (a) and (b) above as requested by the Contracting Officer.

Name of contractor: Educational Associates, Inc.: 7/1/67.

United States of America: 7/1/67.

Executed by both parties on 1 Jul 1967.

JOHN A. DONOHUE,
Contracting Officer.

[OEO form 107, August 1966.]

SUPPLEMENTAL AGREEMENT

Effective date: July 1, 1967.

Page 1.

Number of pages: 1.

Purchase authority: P.R. No. CAP-7112.

Contract No.: OEO-4108.

Modification No.: 2.

To: Educational Associates, Inc., 1739 Connecticut Avenue, NW., Washington, D.C.

Issued by Office of Economic Opportunity, Contracts Division, Washington, D.C.

Accounting and appropriation data: 1180500 CL-1 ($150,000.00 increase).

The above-numbered contract is modified as follows: An amount of $150,000.00 is hereby added to the estimated cost of the performance of this contract set forth in Clause V entitled *Consideration and Payment*, making a new total estimated cost of $916,413.00. This addition to costs is necessary for the added evaluation and studies to be performed in accordance with the "Proposal for Sub-Contract-Characterization of Upward Bound Project" dated June 7, 1967.

Except as hereby modified, all terms and conditions of said contract as heretofore modified remain unchanged and in full force and effect.

This Supplemental Agreement is entered into pursuant to the authority of 42 U.S.C., Chapter 34, as amended October 9, 1965.

EDUCATIONAL ASSOCIATES, INC.,
By ROBERT E. CHRISTIN,
President.
UNITED STATES OF AMERICA,
By JOHN A. DONOHUE,
Contracting Officer.

JULY 1, 1967.

SUPPLEMENTAL AGREEMENT

Effective date: July 3, 1967.

Page No. 1.

Number of pages: 1.

Purchase authority: P.R. No: N/A.

Contract No.: OEO-4108.

Modification No.: 1.

To: Educational Associates, Inc., 1717 Massachusetts Avenue, Washington, D.C.

Issued by: Office of Economic Opportunity, Contracts Division, Washington, D.C.

Accounting and appropriation data: N/A.

The above-numbered contract is modified as follows:

By adding the following Clause to Statement of Work: Clause XXI. *Advance payments:*

"The Government agrees to make an advance payment to the Contractor in the amount of $200,000.00, for which the Contractor shall submit a voucher citing this clause. The Contractor shall use said funds to establish a special account, wherever possible, in a member bank of the Federal Reserve System, or an "insured" bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, 49 Stat. 684, as amended; 12 USC 264). Contractor shall use said funds solely for payment of supplies, services, salaries and other expenses required to perform its objectives under this contract. Contractor shall continue to bill regularly for reimbursement to restore the amount in the special account to the $200,000.00 level. The Contractor agrees to pay to the Federal Government any interest earned on such funds and to maintain such records in connection with use of these funds as required by the Contracting Officer.

"When the sum of all payments under this contract, other than advance payments and earned interest, plus the unliquidated amount of advance payments and interest charges, if any, are equal to the total estimated amount of this contract, the Government shall thereafter withhold further payments to the Contractor and apply any amounts so withheld against the Contractor's obligation to repay such advance payments and interest charges, if any, until such advance payments and interest charges, if any, shall have been fully liquidated. If upon expiration or termination of this contract all advance payments and interest charges, if any, have not been fully liquidated, the balances thereof shall be deducted from any sums otherwise due and any deficiency shall be paid by the Contractor to the Government upon demand."

Except as hereby modified, all terms and conditions of said contract as heretofore modified remain unchanged and in full force and effect.

This Supplemental Agreement is entered into pursuant to the authority of 41 USC 252(c)(10) and Section 602(n) of the Economic Opportunity Act, 1964, as amended.

EDUCATIONAL ASSOCIATES, INC.
UNITED STATES OF AMERICA.

SUPPLEMENTAL AGREEMENT

Effective date: July 16, 1967.

Page No.: 1.

No. of pages: 1.

Purchase authority: P. R. No.: CAP-7112.

Contract No.: OEO-4108.

Modification No.: 3.

To: Educational Associates, Inc., 1717 Massachusetts Avenue, Washington, D.C.

Issued by: Office of Economic Opportunity, Contracts Division, Washington, D.C.

Accounting and appropriation data: 1180500 CL-1 ($45,595.00 increase).

The above-numbered contract is modified as follows:

An amount of $45,595.00 is hereby added to the estimated cost of the performance of this contract set forth in Clause V entitled *Consideration and Payment,* making a new estimated cost of $962,008.00. This addition to costs is necessary for the added evaluation and studies to be performed in accordance with the "Proposal for Sub-Contract-Characterization of Upward Bound Project" dated 7 June 1967. The fixed fee is not changed and remains at $22,992.00.

Except as hereby modified, all terms and conditions of said contract as heretofore modified remain unchanged and in full force and effect.

This Supplemental Agreement is entered into pursuant to the authority of 41 USC, 252(c)(10) and Section 602(n) of the Economic Opportunity Act, 1964, as amended.

Educational Associates, Inc.
United States of America

Executed by both parties on July 18, 1967.

SUPPLEMENTAL AGREEMENT

Effective date: 7-19-67.

Page No.: 1.

No. of pages: 1.

Purchase authority: P. R. No: CAP-7112 and 8120.

Contract No.: OE0-4108.

Modification No.: 4.

To: Educational Associates, Inc., 1717 Massachusetts Avenue, Washington, D.C.

Issued by: Office of Economic Opportunity, Procurement Division, Washington, D.C.

Accounting and appropriation data: Program Acc. 27, 1180500 RJ7 ($436,932.00 increase).

The above-numbered contract is modified as follows:

An amount of $436,932.00 is hereby added to the estimated cost of the performance of this contract set forth in Clause V entitled *Consideration and Payment,* making a new estimated cost of $1,398,040.00. This addition to costs is necessary for the conducting of additional conferences, additional site visits and subcontracts necessary for operation of the "Upward Bound Project". The fixed fee is not changed and remains at $22,992.00.

Executed by both parties on July 19, 1967.

Except as hereby modified, all terms and conditions of said contract as heretofore modified remain unchanged and in full force and effect.

This Supplemental Agreement is entered into pursuant to the authority of 41 USC, 252(c)(1) and Section 602(n) of the Economic Opportunity Act, 1964, as amended.

EDUCATIONAL ASSOCIATES, INC.
By ROBERT E. CHRISTIN,
President.
UNITED STATES OF AMERICA,
By JOHN A. DONOHUE,
Contracting Officer.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman.

Mr. STEIGER of Wisconsin. Would the gentlewoman be willing at this point to indicate whether or not she might concur that it would be appropriate to take from the bill the authority which is granted in the legislation now before us, the provision under the transfer of Upward Bound to contract out for the services of Upward Bound or to enter into contracts with public and private nonprofit agencies and organizations.

I seriously consider offering such an amendment during the time that is available to us for this purpose.

Mrs. GREEN of Oregon. I must state to the gentleman that all of this evidence had not been called to my attention, in fact, until late yesterday and it was not until yesterday that I could get all these papers in my hands.

I certainly would support such an amendment. I think the evidence is abundantly clear that some kind of limitation should be made by the Congress in regard to this.

Mr. HALL. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman.

Mr. HALL. I certainly want to commend the gentlewoman for her forthright statement about her reasoning for garnering to the Office of Education this program. I would like to refer particularly to the first reason. Outside of the fact that we are always glad to see anyone get out of the poverty business and into the proper Cabinet branches of the Government, I wonder if the gentlewoman has information as to whether or not the students who are traveling overseas are still traveling on a higher priority for both the military and commercial aircraft than service personnel on leave or their dependents on a space-available basis in aircraft.

Mrs. GREEN of Oregon. I would not have the answer to that question, except that in previous personal experience with Job Corps enrollees in the OEO program—certainly at times such people have been traveling with higher priority than military personnel. But I would not know the answer to your question. That is another part of this that should be examined.

Now, Mr. Chairman, the director and staff at OEO argue that one of the great qualities about Upward Bound is the autonomy which they have and the high degree of flexibility which they enjoy working with "high risk" youngsters. I suggest that the risk is one we are taking—not they. We, as Members of Congress, who have authorized this legislation are going to be held responsible on the kinds of programs we finance and the way the dollars are spent.

In the last few days, some of you may have received telegrams or letters urging you to vote against the transfer of Upward Bound to the Office of Education. I suggest that you contact the individual who might have sent the telegram to see if it came at the prompting of one of the Office of Economic Opportunity people or the former director of Upward Bound—Mr. Richard Frost. I say this for two reasons: First, I include at this point a letter from the project director of an Upward Bound program who had received a telegram from Richard Frost urging him to write immediately. He wrote, but the contents of the letter are probably not exactly what Mr. Frost had in mind. Following his letter is the telegram which Mr. Frost had sent—one of several according to the Western Union code: "book message," at the top of the telegram.

The letter and telegram follow:

JULY 9, 1968.

Representative EDITH GREEN,
House of Representatives,
Washington, D.C.

DEAR MRS. GREEN: I am enclosing a telegram received from Dr. Richard Frost, Reed College, concerning O.E.O. As a former Director of an Upward Bound program, I was vocal in opposing the operation of the program while working hard to make my program an effective instrument for the achievement of the goals of equal opportunity. I was appalled at the infantile behavior of my fellow educator intoxicated by the leap from unknown academic status and rank to director of a national educational effort.

It made no sense at all to have a man of this position travelling around the country telling obscene stories in a negro jargon to demonstrate his lack of prejudice and understanding of the "negro."

The crisis mentality of these people quickly locked the program into sacred guidelines that violated the spirit of their propaganda about innovation, flexibility, and creativity. Translated, it meant sing the sacred words of "turning kids on."

I am all for equal opportunity for all under a government by law. I am dead set against special programs operated by unexperienced administrators under the self-righteous banner of civil rights or any other unquestioned do-goodistic philosophy.

Dismantle O.E.O. and make those agencies originally created to serve the needs of the people do their job or answer to the people.

Sincerely,

——— ———.

PORTLAND, OREG.

PROJECT DIRECTOR,
Upward Bound,
Wisconsin State University at Eau Claire,
Eau Claire, Wis.:

You should know that Congresswoman Green and Senator Morse of my own State are trying to begin the dismantling of OEO by transferring Upward Bound to the Office of Education in HEW. This assault on the whole war on poverty is very serious and must be resisted. I strongly urge you to wire your opposition to your Congressman and Senators immediately with copies to Honorable CARL PERKINS, chairman, House Committee on Education and Labor and Senator Wayne Morse, United States Senate. Do not use project funds to do so or we will all go to jail. Lots of love.

DICK FROST,
Former National Director of Upward Bound.

The second matter is really insignificant in the scheme of things, yet very interesting and amusing. I requested certain materials from the Office of Economic Opportunity, and by mistake, they included a paper on the back of which one of the OEO staff had written the note:

> Get him to call all the PD's (Program Directors) he knows to find out if they have responded to the Green memorandum—can be very effective.

Other than being amused by the mistake in sending to me the paper that this message was written on, and obviously not for my eyes—would only agree with the very distinguished and very able Senator from my State, Senator WAYNE MORSE, who said in regard to a similar matter:

> In my many years in the Senate, I have observed a good many examples of Government officials who have suffered lapses of good judgment. . . . but this letter shows that Mr. Harding is not aware of the rights and prerogatives and duties of the Congress of the United States to tell the Executive branch of the government where the administration of legislation passed by Congress shall be vested. I want Mr. Harding to understand that that happens to be a legislative prerogative and duty on the part of Congress and does not fall within the purview of the jurisdiction of the Office of Economic Opportunity or any other department or agency of the executive branch downtown. (Found on page 22030 of the CONGRESSIONAL RECORD for July 18, 1968.)

Now, I am not sure that Mr. Harding was the one who wrote this memorandum that was mistakenly sent to me, but the Senator's good advice is still appropriate. So, I would say to my colleagues, if any of the project directors have responded to the telephone calls or the telegrams urging them to contact you, you might ask if it represents their real views.

Mr. Chairman, I will ask the General Accounting Office to make an investigation of certain contracts and certain Upward Bound programs. This Congress has the responsibility and the duty to know how the money is being spent—and if there has been any conflict of interest on the part of any individuals.

And finally and most importantly, Mr. Chairman, the Upward Bound program should be transferred to the Office of Education because it would bring about the possibilities of better coordination of three programs all dealing with essentially the same youngsters—youngsters who are dropouts or potential dropouts—youngsters who are underachievers—youngsters who come from economically or culturally disadvantaged homes. It just makes good administrative sense. Through a wise and understanding administration—a new administration of the programs, there could be developed courses of study and ways to really help these youngsters to become self-supporting. There could be a reduction in administrative expenses—leaving more funds to be spent to help boys and girls through Talent Search, Upward Bound, and Special Help to Disadvantaged Youngsters.

I hope the Members of this House will support the recommendations of the subcommittee and the full committee on this matter.

Mr. QUIE. Mr. Chairman, I yield myself 3 minutes.

I commend the gentlewoman from Oregon for bringing to our attention some of the problems that now exist in the contracting of the Upward Bound program by the Office of Economic Opportunity. I certainly question the legality of OEO's use of contract personnel and replacing regular civil service employees.

We raised this question a number of times as to this utilization.

Second, there is the question of the avoidance of personnel ceilings that have been established for the agency, which is especially apropos this year when we have the financial crisis.

Third, there is the question of the cost to the Government in performing these contracted services. We find they go up extremely high, from the statistics that the gentlewoman put in her remarks and some additional that I shall put into mine.

Last, whenever a nonpublic agency is involved in this, we have the question of competitive bidding. Here there was no question of competitive bidding. In fact, some personnel involved who had heretofore been employed by OEO were themselves intimately involved in the affairs of the contracting organization, Education Associates, Inc. Such activities are certainly of such a highly questionable nature that we ought to look at them. It surely points to the need to shift Upward Bound to the Office of Education so that it can be properly administered and incorporated with the programs of institutions of higher learning, like Talent Search, and the special services program to help them retrain disadvantaged students who otherwise might become college dropouts.

I believe Upward Bound can be an excellent program, and there have been instances where it has been utilized with great benefit to students. But if scandals such as those referred to are permitted to exist, the whole program surely will be in question.

The proposed merger of overlapping and complementary authorities designed to assist our Nation's disadvantaged to secure and succeed with an opportunity for higher education has long been advocated by the minority. Although the leadership in this instance came from the distinguished Congresswoman from Oregon, we were happy to support her proposal. The merger includes specific provision for special services to such students following their enrollment, to enable them to continue their education.

For the record, I would like to note that the current contract issued by the Office of Economic Opportunity with Educational Associates, Inc., a private firm which has virtually administered the Upward Bound project for OEO, will be unaffected by the consolidation. Incidentally, the basic contract, OEO-4108, covering fiscal year 1968, estimated a cost to the Government of $789,405, on a cost-plus-fixed-fee basis. However, the very day it was executed, on July 1, 1967, $150,000 was added to the estimated cost of performance for additional "evaluation and studies," making a new total estimated cost of $916,413. Just 17 days later, on July 18, a further modification added $45,595 for the same additional "evaluation and studies," raising the new total cost estimate to $962,008.

Apparently this was not sufficient. The very next day, on July 19 of last year, yet another modification of the contract added the sum of $436,932 to the contract price estimate, making a total of $1,398,940. The modification states, and I quote:

> This addition to costs is necessary for the conducting of additional conferences, additional site visits and sub-contracts necessary for operation of the Upward Bound project.

Finally, on June 6, 1968, OEO extended the contract for 1 year—through June 30, 1969—at an estimated cost of $1,194,000.00. I am so far unaware of any "modifications," Mr. Chairman.

Mr. Chairman, as I suggested earlier, the relationship of OEO to a private contractor of services, Educational Associates, Inc., raises several serious questions which must concern each of us.

First, there is the question of the legality of OEO's use of contract personnel as a replacement for regular civil service workers. There is increasing concern at the Civil Service Commission about the growing practice of performing work with contractor supplied personnel. This practice, if unchecked, will undermine the merit system in Government. In this regard, when we go back into the House I will ask for unanimous consent to insert a recent column by John Cramer in the July 9 issue of the Washington Daily News, describing recent legal opinions of the CSC bearing on this practice.

Second, there is the question of avoidance of personnel ceilings established for the agency. By the simple device of a contract this attempt at control of personnel costs of Government agencies is being thwarted.

Third, there is the question of the cost to the Government of performing with contracted services work of a nature normally performed by Government personnel at a far lower cost per hour. It seems to me the burden of proving the desirability of contracting for services can only be met by the OEO if that agency can demonstrate significant cost savings by such a device. I do not think such proof is easily made, and I question the economics of OEO's practice as well as its legality.

Fourth, there is the question of competitive bidding for any public contract. The original contract executed on July 1, 1967, was bid against one other firm—the prior year's contractor—by Educational Associates. In evaluation of the two bids, it was decided by OEO that while prices were comparable, the EAI proposal was superior. But it is necessary to ask—What justification can possibly be made for revision of the contract price on the very day of its execution, and again 17 days later and 18 days later? On July 1, the Government had a contract whose estimated cost was $789,405. Less than 3 weeks later, the Government had agreed to revise the estimated cost to nearly $1.4 million. All of us must be impressed with the bargaining skill of Educational Associates. I am equally impressed by OEO's apparent inability to assess the true costs of its contract for services and to evaluate competing proposals more critically. In short, it appears that the Government, and the American public, have been victimized by OEO acceptance of a grossly underbid proposal.

With this kind of precedent for the operation of Upward Bound, and mindful of the renewal of the contract for the current fiscal year, this time at a starting price of $1,194,000, it would be a most unfortunate circumstance were such practices to continue. One reason why they may not is the transfer of Upward Bound authority to the U.S. Office of Education. I am hopeful that that agency will see fit to perform the necessary services through its own resources and personnel. But a more certain remedy would be to remove the authority to contract with private organizations, profitmaking or nonprofitmaking.

The following information is offered as further background on the OEO handling of Upward Bound.

Almost all Federal agencies, including OEO, are subject to general procurement regulations (41 CFR chapter 1) relating to contracts for services and materials. As a general rule the regulations require that all Government contracts must be competitive to the maximum extent possible. The requirement of competition is met either by formal sealed bidding, publicly advertised, or by negotiated procurements, where a request for a proposal is advertised among potentially interested parties.

At the same time the regulations have been interpreted to allow an agency to resort to "sole source bidding"—no competition—in exceptional circumstances. Examples of situations where sole source bidding is permitted are the following:

First. A company submits an unsolicited proposal to conduct research in an area the nature of which, if advertised for competitive bids, might interfere with the proprietary rights of the company.

Second. A company is the only one having the expertise to perform the work required by the agency.

Third. There is an urgent need to obtain delivery of a particular material or service.

Contracts for services are generally negotiated rather than submitted to formal bidding. Thus, OEO has negotiated for services to conduct the Upward Bound project. It should be pointed out that nothing said here should be construed as suggesting that it was proper for OEO to decide in favor of contracting the entire project rather than conducting it with Government personnel. The history of OEO contracts for this project is as follows:

> First contract (sole source), 9/27/65–6/30/66, Institute for Services to Education.
>
> Second contract (sole source), 7/1/66–9/30/66, Educational Projects, Inc. (a single purpose corporation).
>
> Third contract (sole source), 10/1/66–6/30/67, Educational Projects, Inc.
>
> Fourth contract (competitive bid), 7/1/67–6/30/68, Educational Associates, Inc. (a single purpose corporation organized by individuals formerly associated with EPI; incorporated on 4//27/67), $1,398,940 (after modification.))
>
> Fifth contract (sole source), 7/1/68–6/30/69, Educational Associates, Inc., $1,194,000 (as of July 1, 1968.)

The current contract with EAI to conduct the Upward Bound project is a sole source contract; that is, OEO did not seek bids from any other party before renewing the original contract which ended June 30, 1968. However, OEO apparently has no objection to such renewals where the original contract was submitted to competition. The competition on the original contract awarded to EAI was between that firm and EPI. The evaluation of the proposals noted that while prices were comparable the EAI proposal was considered superior. Three modifications of the EAI contract price which came within 20 days after that contract was executed raised the price by over $600,000 from $789,405 to $1,398,940. It seems quite obvious that such modifications made a mockery of the competitive bidding between EAI and EPI.

Presumably the current contract would be justified by OEO officials on the basis of the second set of circumstances described above—sole expertise. In this connection, however, it is significant that the OEO attorney who reviews all contracts did not have the opportunity to review the proposed renewal in June of this year. It was renewed at a time when he was in the midst of a great rush of contract drafting and negotiations and he apparently did not have time to review the EAI situation or to raise any objection to the noncompetitive renewal.

The general counsel of OEO has stated that he frowns on sole source bidding since "obviously you get a better deal if it is competitive." Where was he during the various negotiations of contracts to conduct the Upward Bound project?

The entire history of OEO's handling of Upward Bound project through private contractors, closely related and, in the case of EAI, able to renegotiate the price within days after winning a competitive bid, suggests a serious compromise of the Government's interests and favoritism to a particular individual or group of individuals.

The July 9, 1968, newspaper column referred to by Mr. Quie follows:

PELLERZI OPINION GETS TEETH

(By John Cramer)

Civil Service Commission today clarified—and toughened—its landmark Pellerzi opinion of last October, which sharply challenged the legality of Government's use of contract personnel as a replacement for regular Civil Service workers.

The Commission acted by releasing a supplementary opinion by new General Counsel Anthony Mondello. In all effect, it said the original Pellerzi ruling meant everything it said—and even more.

At issue in both opinions, is a growing practice, which threatens the very heart of the merit system in Government—the increasing use by U.S. agencies of contractor-supplied employes, perhaps several hundred thousand in total, to perform work ordinarily handled by Civil Service employes.

The original opinion came from Ex-CSC General Counsel Leo M. Pellerzi, now an Assistant Attorney General.

BASIC LAW

It rested on basic Civil Service law which says that jobs involving Federal functions, performed under Federal supervision, must be filled by Federal employes.

It held, as did a still-earlier opinion, that it's illegal to assign a contract employe to a Federal function if he works under Government supervision in an employe-employer relationship.

But the Pellerzi ruling went much further. Its essence was a list of six key elements to be considered in deciding whether any particular contract for personal service creates the illegal relationship. The six:

Contract work performed on Government premises.

For long periods (i.e., more than a year).

Using Government tools-equipment.

Involving work directly related to an agency mission.

Involving work of a type performed by Civil Service personnel in that agency or other.

Work of requiring Government supervision to protect Government's legitimate responsibility and interests.

ILLEGAL

The Pellerzi ruling said that "realistically-viewed" contracts which contain "all" of these elements "to any substantial degree" are illegal.

Because such contracts set up the prohibited employer-employe supervisory relationship.

Here, however, are at least two reasons why it is reasonable to say the Mondello supplement is even tougher.

The Pellerzi original said the presence of "all" six elements make a personal service contract illegal. It did not say—or, at least, did not emphasize—what would be the legal situation if some elements were lacking.

The Mondello supplement does say:

"The absence of any one or a number of these elements would not mean that supervision does not exist, but only that there is less likelihood of its existence.

"Moreover, any single element may not be significant unless its presence is felt to a substantial degree.

"For example, sporadic, unauthorized supervision over an occasional one of a much greater number of contractor employes might reasonably be ignored; whereas, relatively continuous supervision over a substantial number of contractor employes would have to be taken into account."

The Pellerzi original defined one of the six elements as contract work continuing more than a year. The Mondello supplement put it this way:

"The suggestion that a need for service which lasts beyond a year must be filled by use of Civil Service personnel does not mean that contracts for briefer periods are invariably permissible..

"A contract for service to fill a temporary need of 30–60 days, but which involves continuous supervision of contractor employes by Government employes, would be proscribed."

I can read these things only as toughening and tightening the Pellerzi opinion.

KEY QUESTION

Over and over, the Mondello supplement insists, as did the Pellerzi opinion, that the key question always must be:

Does the contract—in words or operation—create an illegal employer-employe relationship?

But let Mr. Mondello say it in his supplement:

"Performance of the contract work by contractor employes on Government premises ordinarily facilitates supervision by Government employes. The simple question to be determined is whether the proscribed supervision that can be expected from this circumstance has occurred.

"Use by contractor employes of Government-furnished equipment creates the same facility for supervision and warrants similar close inquiry.

"Since Government agencies are responsible for accomplishing their missions, application of contract services to agency efforts integral to accomplishment of the basic mission is apt to be closely supervised. And where that need is felt, it can be expected that most agencies will be filling the need with properly-appointed Civil Service personnel."

I translate that to say properly-appointed personnel supervising improperly-hired Contract personnel.

The Commission administers Civil Service law. Until revised, abandoned, or judicially-overruled, the Pellerzi-Mondello opinions have the force of law.

Next question: Can the Commission enforce them? I think it's ready for the good try.

Mr. QUIE. Mr. Chairman, I ask if the gentleman from Kentucky has any other requests for time.

Mr. PERKINS. Mr. Chairman, we have one further request for time.

Mr. QUIE. Mr. Chairman, I have one further request for time.

Mr. PERKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. Carey].

Mr. CAREY. Mr. Chairman, I thank my distinguished chairman for yielding to me at this time in order that I can enter into the spirit of the debate, the contentious spirit of the debate on this very important bill. I use the word "contentious" advisedly. The only contending that I can recall during this very interesting debate has been the contention among Members on both sides to see who could bestow the most deserved and the most loquacious compliments on the chairman of the full committee, the chairman of the subcommittee, the ranking minority member, and others on both sides. I think in all seriousness these are utterly well deserved, and the fact that this bill comes to the floor essentially with a bipartisan countenance is because the gentlewoman from Oregon and all of the members of the subcommittee, by my witness, have not relaxed in their devotion to more effective aids to higher education. They have persisted throughout the life of this bill in attempting to better the bill in every possible way, and the betterment of the bill has been due to the access to experts in the field. This is from those who are participating in programs like the student loan program and the work-study educational opportunity grants.

So we find that instead of the bill doing as some Federal programs are wont to do, meander down myriad ways and dissipate their effect, this program continues more precisely and more effectively to move toward the target of higher education excellence for as many young people as possible under the Federal-aid programs.

The longer we continue to do this, the more certain we can be that we can at last look with satisfaction in our country at one program that is doing a great deal to strengthen our Republic in terms of improving the possibilities and the probabilities of future generations.

I point to only one evidence which I think is most controlling on this fact, and that is we saw the Government of France, which was really the cradle of academic and educational freedom in the 13th century, come to its knees and almost disintegrate. Why? Because they had neglected to a very serious extent the improvement of higher education.

It seems the Frenchman can tolerate anything in terms of disintegration of French society, but when the Sorbonne had not built a new building in more than 30 years, that was too much for France, and it triggered a revolution in that country.

We have not had revolution in our country in higher education, but we have had evolution mainly due to the leadership of our chairman and the gentlewoman from Oregon and the Members of the other body in improving this legislation, constantly trying to keep pace with the welcome demands of higher education.

Mr. QUIE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. Schwengel].

Mr. SCHWENGEL. Mr. Chairman, I rise to announce I intend to support this legislation. I do so because I am interested in education. I have always been interested in education. I am a former teacher. I taught school for 7 years. After that I served in the Iowa Legislature and had the privilege to fight for education at every level. Under the leadership of the education committee I headed in Iowa, we began the State aid program. We took education out of politics to the extent that we could. We set up a model program for the superintendent of public instruction, and we did many things to improve the atmosphere of teachers and the opportunities for boys and girls in Iowa.

I have been interested in education here and I have supported generally all the education bills that have come before the House, but I support them, each of them, with less enthusiasm and with the conviction that in spite of the dedicated effort that is put forth by the members of the committee—I want to say now on behalf of the Education and Labor Committee that, as it deals with education, it has applied its talents. It has had fine cooperation on both sides, and always we made some improvements. But my studies—and my studies were done with the help of educators, with students, with graduate students, and sometimes with some special studies on my own—have absolutely convinced me that in the long run this Federal approach, this route we are taking, will never be adequate, and will never really meet, the challenge.

The threat of Federal control is always there. The fact that we have a philosophy of separation of church and State will always present a problem, and will never allow the private institutions to have an equal opportunity to participate and benefit from Federal programs. What then is the answer? I am not sure I have the answer, but I am more certain all the time that we do need other and better answers in the field of education for, as we move further in this age of technology and move further into the time when America has to take a greater and more important lead in the world, we are going to have to have a more effective approach to the solution of the problems of education.

Several times before I have stood in this well and talked to the Members about the Iowa plan as a solution to the problems of education. I will not have time to tell much about it, but let me just prick your ears for a moment and challenge your thinking on an idea which would put $25 to $28 billion into a revolving fund, all dedicated to education beyond high school.

How do we do it? We do it by changing the tax law and applying a principle in education we have applied in business, by giving a tax credit to an individual when he deposits money for his son's or daughter's education.

Our proposal would suggest that we start out with a plan which would give every parent an opportunity when his child is born, to put up $50 a year in his hometown bank. In return for this $50 the parent would be given a certificate which would be negotiable only at an institution of higher learning.

Fifty dollars a year over an 18-year period, at 4 percent interest, would make available to every boy and girl in America $1,400 in cash upon graduation from high school.

Phase two of the plan would make available $200 a year tax credit to every student who goes to school beyond high school, if he makes his grades, through a tax credit for the parent or for the child.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. QUIE. Mr. Chairman, I am glad to yield the gentleman 2 additional minutes.

Mr. SCHWENGEL. This, then, would make $550 a year in cash available to every boy and girl who goes to school beyond high school.

For those students who would find this not enough, with what they could get from home or what they could earn on their own, there would be an opportunity to borrow at least $1,000 a year more for education.

That would then make available to every boy and girl who had a need up to $6,000 for a 4-year period to pay for education.

How do we take care of the institutions of higher learning and their problem? Our plan suggests the setting up of a committee within each State or within an area which would reflect the interest of that area or State, which would deal with the problems of education in that area. They would be given authority to make loans to colleges for whatever needs they might have for loans, provided they could prove to this committee that they had the capability to repay with interest and had the need. There would be at least $15 billion available in that loan program for institutions of higher learning.

This plan would take care of the church-state conflict under the Constitution because this would take it out of the realm of government.

Time will not permit me to go into much more detail, but I suggest there are other and better approaches to the total solution of the problem of education. I invite the Members to give consideration to the Iowa plan. We have a substantial amount of information on this, and any who are interested in education I shall be glad to talk with about it. In fact, I should like to talk with the committee about it at some time and allow the committee an opportunity to ask questions about it. We have given this much thought. I believe it has merit and should be considered.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. SCHWENGEL. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. I have been very interested in the comments the gentleman has made. I would call his attention to page 227 of the bill, in which there is a provision for the establishment of a commission: "It shall be the responsibility of the Commission to conduct a study of financing higher education and alternative plans for providing financial assistance to institutions of higher education," and "Such plans shall include but not be limited to—."

One of the provisions is "the use of the income tax such as through credits or deductions, and work-study or cooperative education systems." So I congratulate the gentleman from Iowa for his very imaginative and yet realistic approach. I hope he will make his views known to the members of that Commission if they undertake that study.

Mr. SCHWENGEL. I thank the gentlewoman very much.

I was aware of that section but did not have an opportunity to comment on it. I do commend you for putting it in here and will certainly take advantage of the opportunity to talk to this Commission if we pass the bill and it is formed.

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the gentlewoman from Hawaii [Mrs. MINK] may extend her remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mrs. MINK. Mr. Chairman, I am pleased to join my colleagues today in support of H.R. 15067, the Higher Education Amendments of 1968. Not only is the reauthorization of this program essential and urgent, but I believe it is vital to the future of our country.

H.R. 15067 authorizes two worthy new programs: First, networks for knowledge, which permits that grants be made to colleges and universities for the sharing of resources, including joint use of facilities, closed-circuit television and electronic computer networks; and second, education for public service—which authorizes grants and contracts to improve education for public service and permits the award of public service fellowships for colleges having such educational programs and stipends to students enrolled in the programs.

The bill also extends authorizations for the Higher Education Act of 1965, the National Defense Education Act of 1958, the Higher Education Facilities Act of 1963, and the International Education Act of 1966. It also authorizes new appropriations to purchase equipment for educationally deprived children and it authorizes the next President to appoint a Universal Educational Opportunity Commission to study the feasibility of providing universal postsecondary educational opportunities.

It has been estimated that Hawaii will receive $6.3 million from the various programs under this legislation. The effect of Federal assistance legislation to students and institutions of higher learning is the best evidence of its value. In the past 10 years since the initiation of the National Defense Education Act, the number of colleges and universities participating in these student aid programs has doubled, from 1,100 to 2,200. The dollar amount of funds provided to students has increased tenfold, from $59 million in loans in the first full year of the NDEA program to over $400 million in fiscal year 1968. In the three college-based programs of NDEA loans, student employment and educational opportunity grants, the number of students served by these programs has increased nearly sevenfold over the 115,000 borrowers in the first year of the NDEA student loan program.

The popularity of these programs to students can be clearly seen from this statement contained in the committee report which accompanies the legislation:

> Of more recent establishment and in a somewhat different context than the three institutionally based programs are the guaranteed student loan programs. Despite rising costs of money and consequent upward pressures on interest rates, over 796,000

guaranteed student loans were made from the inception of the programs in November, 1965, to March, 1968.

H.R. 15067 continues the authorization of programs offered under titles I through IV and title VI of the Higher Education Act through fiscal 1973. Under the title I authorizations of $10 million for fiscal 1969 and $50 million for fiscal 1970, Hawaii is due to receive an estimated $117,557 and $263,864, respectively.

COMMUNITY SERVICES—TITLE I

The legislation recognizes that title I is not merely a subsidy program for regular university extension and continuing education classes of colleges and universities. Instead, this title is designed to provide assistance in making available to the community the unique resources and expertise of institutions of higher education. The State commissions which carry out these programs must reflect this need to be urban oriented and that the program must consist principally of activities and services rather than extension classes.

It is significant that the legislation will permit State commissions on title I to suspend, during periods of reduced funding, the requirements for a statewide system of community service programs.

LIBRARIES—TITLE II

There is authorized for title II, a program to strengthen libraries, $25 million for matching grants under part A for fiscal 1969 and $35 million for fiscal 1970. Moreover, the legislation authorizes branches of colleges and universities, such as the Hilo campus of the University of Hawaii, to apply for matching supplemental and specific purpose grants.

Part B of title II, assistance in training librarians and for research in librarianship, has an authorization of $11.8 million for fiscal 1969 and $28 million for fiscal 1970. I am pleased to say that fellowships for education in graduate librarianship that have been awarded under title II–B of the act to the University of Hawaii have helped us as a means of upgrading the quality of the university's student body and have made it possible for students who could not otherwise have attended the university full time to complete their education. The administrative support funds that accompany these scholarships have helped the university in upgrading its teaching and have permitted it to bring to Hawaii some outstanding librarians from the mainland.

The support from this program has been of great assistance to the university in getting a new graduate program on a sound footing and continuance of this support will help to make orderly progress over the next several years.

I am pleased to see the authorizations of $5.5 million and $11.1 million set for title II–C—the shared cataloging program—for fiscals 1969 and 1970 and authorization of $35 million and $55 million for title III—developing institutions—for the same years.

SCHOLARSHIPS FOR NEEDY STUDENTS

Students with exceptional financial needs are the beneficiaries of title IV, the educational opportunity grants. Grants now range from $200 to $800 a year, and if the financial need continues, the student may receive renewal grants for a maximum of 3 additional years, allowing the completion of the postsecondary education. There is authorized $70 million for initial year opportunity grants in fiscal years 1969 and 1970. Beginning in September 1969, a total of 150,000 students are to obtain initial year grants and 275,000 students would receive assistance in the form of continuation grants.

Hawaii is estimated to receive $246,451 for initial year awards for fiscal 1969.

Hawaii received 100 percent of its requested funds for EOG in fiscal 1968 amounting to $106,000. It is important to point out that this legislation recommends the flexibility of transferring funds allocated under this program to the work-study program when it becomes clear that a larger number of students may be benefited from Federal assistance by work experience. Moreover, under the work training, the college or university must match the Federal funds that are used. Also, I am pleased that the legislation recommends an increase in the maximum opportunity grant from $800 to $1,000 to the needy student and that funds be allocated to the States according to the needs of the institutions, rather than on a complex formula. Up to 3 percent of these EOG funds may be spent for administrative expenses which for the 3-year college-based student assistance programs may not exceed $125,000 in any one year.

GUARANTEED STUDENT LOAN PROGRAM

Part B of title IV relates to the guaranteed student loan program and the national vocational student loan program. The vast popularity of this student assistance program in Hawaii was so great that in August 1967, all of the seed money initially allocated in 1966 was expended and thus the direct Federal insured loan program had to be extended to continue the program. Eighteen other States were in the similar predicament.

This legislation authorizes a 2-year extension of title IV–B including Federal loan insurance and modified authority for payments to reduce student interest costs. There is also included an authorization of $10 million to be used for additional advances to strengthen the reserve funds of State programs. It is important to note this bill now requires that the Federal advances be matched on an equal basis by the States. It has been estimated that Hawaii will receive $45,456 in fiscal 1969 in new seed money and when matched by the State should fund over $5 million in new loans.

Students expecting to apply for low-interest loans are advised that this new legislation amends the Higher Education Act by raising the interest rate on these loans to 7 percent. The old rate was 6 percent. This was necessarily recommended in order to encourage the banks to grant these loans. In Hawaii almost no bank is currently participating. Hopefully, with the increase of interest rates more banks will accept this program as part of their community service responsibility. This legislation recommends the merger of vocational student loan program with the college loan program. This will centralize the handling of these loans and make for ease of administration.

I regret that the legislation also proposes the elimination of the interest subsidy on guaranteed student loans during the period in which the borrower is making payments on the loans. This new restriction applies only to loans made after the enactment of this legislation. I voted against this provision in the bill and hope that it will be eliminated by this House.

States having guaranteed loan programs of their own are being encouraged to include in their program provisions for deferral of repayment on loans during periods when a borrower is a full-time student, a member of the Armed Forces for a period up to 3 years, and a member of the Peace Corps for a period up to 3 years.

Federal savings and loan associations are authorized by this legislation to make guaranteed loans to students in vocational schools. To do so, the legislation amends the Home Owners Loan Act of 1933.

This legislation extends to institutions the right to make loans to nonresident students who are otherwise unable to secure loans in their States of residence.

WORK-STUDY PROGRAM

In title IV–C we have one of the most effective aids to students—the college work-study program and I am pleased to see that this bill will authorize an expenditure of $225 million for fiscal 1969 and $275 million for fiscal 1970 with an estimated 605,000 students expected to participate in the program in fiscal 1970.

Hawaii is expected to receive an estimated $744,311 for work-study activities in fiscal 1969.

The bill authorizes 80-percent funding by the Federal Government of this work-study program for needy students with 20-percent matching funds from the institution.

I am pleased that the legislation accepts my amendment to provide funds for this program to students from American Samoa and the Trust Territory of the Pacific Islands who are studying in the United States and who are in special need for work opportunities. Funds will be specially set aside for their benefit.

UPWARD BOUND

I regret that H.R. 15067 recommends the consolidation and revision of two existing authorities—talent search, presently authorized in title IV of the Higher Education Act; and Upward Bound, presently authorized as a community action "national emphasis" program in the Economic Opportunity Act. It recommends also that a new program to provide for special services to disadvantaged students already enrolled in college become a part of this amalgum, all to be administered by the Office of Education.

We are told that the objectives of the consolidated program are to provide support, principally for institutions of higher education; to identify disadvantaged students through talent search activity; to provide concentrated services to disadvantaged students to motivate and prepare them for entrance into college through Upward Bound type activities; and to provide special and remedial services to such students during their college career. I believe that this consolidation will reduce the vitality needed by parent and community involved and that run by the universities, this will become another ivy tower program. For this reason, I voted against this amendment to our existing program.

NDEA

In considering the National Defense Education Act, there is much to be optimistic about the $210 million authorization for student loans under title II for fiscal 1969 and $275 million for fiscal 1970. The funds to be distributed in Hawaii under this program in fiscal 1969 have been estimated at $739,237.

NDEA LOANS

Many new students should benefit from the provision to extend these loans to students in private vocational schools, although the authority is dependent upon adequate appropriations. I look forward to the early availability of these funds to students in these schools.

Another regret that I have about this legislation concerns the modification of the "forgiveness" clause of the loans. It was decided that the existing rate of forgiveness has not been an incentive to students to enter the teaching profession. Accordingly, this provision was revised to apply only to teachers of the handicapped or those in schools where the enrollment is 50 percent or more of students from economically disadvantaged families. In these cases, the rate of forgiveness will be 10 percent annually for the first 2 years and 15 percent annually for each year of service thereafter. All other partial forgiveness of repayment of loans has been repealed.

NDEA EQUIPMENT

The acquisition of NDEA equipment is contained in title III of the NDEA for which there is authorized $110 million for fiscal years 1969 and 1970.

Hawaii is expected to receive $434,304 in fiscal year 1969 for the acquisition of materials under title III and another $1,741 for equipment under the parallel National Foundation on the Arts and Humanities Act programs.

Recognizing the growing problem of providing adequate facilities for children of disadvantaged families, the legislation revises the method of allocating these funds and establishes a new program of grants for the acquisition of equipment in part B of title III. Under this program the Commissioner of Education must allot funds to local educational agencies in the same percentage as the amounts they receive under title I of the Elementary and Secondary Education Act. The funds allocated under title III–B are not subject to the matching provisions of the regular title III program.

I agree with my colleagues on the Education and Labor Committee that this new grant program is a necessary and desirable adjunct to title I of the Elementary and Secondary Education Act.

NDEA GRADUATE PROGRAMS

The graduate fellowship program contained in title IV of the NDEA is one of the most effective forms of assistance to scholars and I am pleased to see that the legislation proposes a 5-year extension, authorizing a maximum of 7,500 new fellowships for each year.

Guidance, counseling, and testing are also important to students and H.R. 15067 continues title V grants to States providing authorizations of $25 million and $30 million for fiscal years 1969 and 1970, respectively.

Hawaii's estimated allocation for fiscal 1969 has been placed at $97,675 and at $117,283 for the succeeding year.

Title VI of the NDEA has provided assistance in improving the quality and has increased the number of Americans trained in modern foreign languages and related area studies. H.R. 15067 justifiably proposes the 5-year extension of title VI and establishes an authorization of appropriations of $16,050,000 for fiscal 1969 and $25 million for fiscal 1970.

HIGHER FACILITIES ACT

The Higher Education Facilities Act is greatly responsible for the expansion of classroom and laboratory facilities in our colleges and universities. By its grants and loans, our institutions of higher learning have been able to keep abreast with the increasing demand for classrooms and research areas. Unfortunately, the demand for loan funds has been greater than the funds which could be made available for these services.

For this reason, I offered an amendment in committee which is identical to the amendment I successfully added to the Housing and Urban Development Act of 1968. It will provide a Federal subsidy on interest that must be paid by schools on private funds that are borrowed. In other words, schools will still pay the 3-percent interest on these loans as they would on a loan from the Government under title III of the Higher Education Facilities Act. The Federal subsidy will make up the difference in the interest payment.

Mr. Chairman, I will offer this amendment again today for consideration by this House. To indicate the need for this additional assistance, I am informed that the U.S. Office of Education had applications on file as of June 30, 1968, at the close of the fiscal year 1968, with requests for loan funds totaling $110 million. Those were applications which could not be approved and they represent a backlog of new classroom facilities valued at $110 million.

At the rate that the applications are being filed, the Office of Education expects to consider requests for some $300 million in loan funds for classroom facilities during fiscal 1969. As the House has allowed only $100 million for title III loans in its fiscal 1969 appropriation bill, and there is a $50 million carryover from frozen fiscal 1968 appropriations, it appears that the Office of Education may only be able to approve loans totaling $150 million—one-half of the expected demand.

Let me state some statistics about this picture. Title III loans may be used to construct classrooms, laboratories, libraries, physical education facilities, and administrative offices. The Office of Education estimates that applications for $300 million in loans probably represent 18 million square feet of new construction. At the estimate of 150 square feet of construction per student, the $300 million in loan requests mean new facilities for about 120,000 students.

Unless we approve this amendment, probably only one-half of the demands, or $150 million in loan funds, will be authorized. At this rate, we will lose highly necessary educational facilities for about 60,000 students.

Mr. Chairman, I urge my colleagues to join with me in approving H.R. 15067 which will expand our efforts to aid higher education and which will add another step in our forward march to make higher education an open opportunity for every American child.

Mr. FRASER. Mr. Chairman, the higher education amendments are offered at a critical impasse for American higher education. Colleges and universities face growing enrollments and increasing demands for services while students encounter higher tuitions and rising costs. Now is the time to reinforce our commitment to provide our youth with the opportunity for higher education.

Some of the provisions of H.R. 15067 are particularly relevant to the needs of colleges and students in my district of Minneapolis. In fiscal 1968, the Minneapolis campus of the University of Minnesota was able to provide students with $875,000 for work-study programs, $748,000 for educational opportunity grants and $1,102,033 for national defense loans. The university is depending on a continuation of these programs in order to assist thousands of needy students.

A campus renewal program has been formulated by the University of Minnesota in order to provide adequate facilities and space for increasing numbers of incoming students. Many of the present facilities are well over 50 years old. During the past year, money authorized by titles I and II of the Higher Education Act has contributed to the construction of a chemistry building, a horticulture building, and the O. Meredith Wilson Library. Federal funds are essential for future developments such as a combined performing arts and educational television center, an electrical engineering building, and a health services center.

Federal appropriations for fiscal year 1969 for university construction projects are set well below existing needs. We must at least pass the proposed higher education amendments while aiming at more adequate measures in the future. Without continued Federal help in providing space and facilities, the University of Minnesota will simply be forced to close its doors to many qualified students.

Past Federal programs have created educational opportunities for many qualified and willing students. However, our country's educational accomplishments still lag far behind our needs. Many students are still denied the opportunity to expand their possibilities and fulfill their potential. The money which we spend now for higher education represents an investment and expression of faith in America's future. I enthusiastically lend my support to the higher education amendments.

Mr. GUBSER. Mr. Chairman, I rise in support of H.R. 15067, the higher education bill.

Insofar as it is possible for this generation to provide for the continued strength and vitality of our Nation, the attention we devote now to education is surely the shrewdest, most vital investment we can make. The minds of our young people represent our most important natural resource. If nurtured, the potential benefits are unbounded. If neglected, the damage done is often irreparable.

The higher education bill before us today is one important phase of this investment. Generally speaking, its object is to make available the means by which each individual can maximize his own potential.

When we make it possible for each individual to fully develop his talents and resources there are obvious, measurable collective benefits—such as increased technological innovation and competence and the higher levels of economic activity which generally follow.

And there is the undeniable fact that often education is the only effective means of breaking the frustrating cycle of poverty and despair.

But perhaps of equal importance are some of the less measurable aspects of the educated mind. The satisfaction one can derive from increased self-awareness; and, from this, a tolerance of others.

I believe many of the problems we face as a Nation today are particularly susceptible to being solved by a greater emphasis on increased educational opportunity—problems such as the quality of our lives, and loss of identity in a sprawling, computerized society. The emphasis of education on individual development can do much to counteract these.

The fascinating—and perhaps even beautiful—aspect of our efforts to maximize educational opportunities is that we can never quite anticipate the total magnitude of the results of our efforts. The elements of creativity and inspiration are simply not measurable until they blossom into accomplishment progress and a better life for all mankind.

This is one of the year's most important bills. Let us pass it overwhelmingly.

Mr. PERKINS. Mr. Chairman, I have no further requests for time.

Mr. QUIE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will read by title the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Amendments of 1968".

TITLE I—AMENDMENTS TO COMMUNITY SERVICE PROGRAM PROVISIONS

EXTENSION OF GRANT PROGRAM

SEC. 101. (a) The first sentence of section 101 of the Higher Education Act of 1965 is amended (1) by striking out "and" after "1966," and (2) by inserting before the period at the end of such sentence the following: ", $10,000,000 for the fiscal year ending June 30, 1969, and $50,000,000 for the fiscal year ending June 30, 1970".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) The second sentence of section 106(a) is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "six succeeding fiscal years".

MODIFICATION OF REQUIREMENT FOR COMPREHENSIVE, COORDINATED, AND STATEWIDE SYSTEM OF COMMUNITY SERVICE PROGRAMS

SEC. 102. Section 105(a)(2) of the Higher Education Act of 1965 is amended by inserting before the semicolon at the end thereof the following: "(except that if a comprehensive, coordinated, and statewide system of community service programs cannot be effectively carried out by reason of insufficient funds, the plan may set forth one or more proposals for community service programs in lieu of a comprehensive, coordinated, and statewide system of such programs)".

TITLE II—AMENDMENTS TO COLLEGE LIBRARY ASSISTANCE AND LIBRARY TRAINING AND RESEARCH PROGRAMS

PART A—COLLEGE LIBRARY RESOURCES

EXTENSION OF PROGRAM

SEC. 201. (a) The first sentence of section 201 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$25,000,000 for the fiscal year ending June 30, 1969, and $35,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

ELIGIBILITY OF BRANCH INSTITUTIONS FOR SUPPLEMENTAL AND SPECIAL PURPOSE GRANTS

SEC. 202. (a)(1) The first sentence of section 203 (a) of such Act is amended by inserting after "institutions of higher education," the following: "(and to each branch of such institution which is located in a community different from that in which its parent institution is located)".

(2) The second sentence of such section is amended by inserting "(or branch)" after "institution".

(b) Section 204(a)(2)(A) of such Act is amended by inserting after "institutions of higher education" the following: "(or to branches of such institutions which are located in a community different from that in which the parent institution is located)".

(c) Section 204(a)(2)(B) of such Act is amended by inserting after "institutions of higher education" the following: "(or to such branches)".

REVISION OF MAINTENANCE-OF-EFFORT REQUIREMENT FOR SPECIAL PURPOSE GRANTS

SEC. 203. (a) Section 204(b)(2) of the Higher Education Act of 1965 is amended by inserting after "June 30, 1965" the following: ", or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is less".

(b) The amendment made by subsection (a) shall be effective with respect to applications for grants payable on or after the date of the enactment of this Act.

PART B—LIBRARY TRAINING AND RESEARCH, AND LIBRARY SCHOOL DEVELOPMENT

EXTENSION OF PROGRAM

SEC. 221. (a) The first sentence of section 221 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$11,800,000 for the fiscal year ending June 30, 1969, and $28,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

AMENDMENTS TO LIBRARIANSHIP TRAINING PROVISIONS

SEC. 222. The second sentence of section 223(a) of the Higher Education Act of 1965 is amended—

(1) by striking out "to assist in covering the cost of courses of training or study for such persons, and" and inserting in lieu thereof "(1) to assist in covering the cost of courses of training or study (including short term or regular session institutes) for such persons, (2)"; and

(2) by inserting before the period at the end thereof the following: ", and (3) for establishing, developing, or expanding programs of library and information science".

PART C—STRENGTHENING COLLEGE AND RESEARCH LIBRARY RESOURCES THROUGH LIBRARY OF CONGRESS

EXTENSION OF PROGRAM

SEC. 231. (a) Section 231 of such Act is amended by striking out "and" after "1967," and by inserting after "1968," the following: "$5,500,000 for the fiscal year ending June 30, 1969, and $11,100,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

CLARIFYING AUTHORITY TO PURCHASE COPIES; INCREASING AUTHORITY TO PREPARE CATALOG AND BIBLIOGRAPHIC MATERIALS; AUTHORIZING LIBRARIAN TO ACT AS ACQUISITIONS AGENT

SEC. 232. Section 231 of the Higher Education Act of 1965, as amended by section 231 of this Act, is further amended—

(1) in paragraph (1), by inserting "copies of" before "all";

(2) in paragraph 2, by striking out "for these materials promptly after receipt, and distributing bibliographic information" and inserting in lieu thereof "promptly and distributing this and other bibliographic information about library materials", and by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) enabling the Librarian of Congress to pay administrative costs of cooperative arrangements for acquiring library materials published outside of the States and not readily obtainable outside of the country of origin, for institutions of higher education or combinations of thereof for library purposes, or for other public or private nonprofit research libraries."

TITLE III—EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

SEC. 301. (a) Section 301(b)(1) of the Higher Education Act of 1965 is amended by striking out "and" after "1967," and by inserting after "1968," the following: "the sum of $35,000,000 for the fiscal year ending June 30, 1969, and the sum of $55,000,000 for the fiscal year ending June 30, 1970,".

(b) Such section is amended by adding at the end thereof the following new sentence: "For the fiscal year ending June 30, 1971, and the two succeeding fiscal years there may be appropriated to carry out the provisions of this title only such sums as the Congress may hereafter authorize by law."

TITLE IV—STUDENT ASSISTANCE

PART A—AMENDMENTS TO EDUCATIONAL OPPORTUNITY GRANT PROGRAM

EXTENSION OF EDUCATIONAL OPPORTUNITY GRANT PROGRAM

SEC. 401. Section 401(b) of the Higher Education Act of 1965 is amended—

(1) by striking out "two succeeding fiscal

years" in the first sentence and inserting in lieu thereof "four succeeding fiscal years"; and

(2) by striking out "1969, and for the succeeding fiscal year" in the second sentence and inserting in lieu thereof "1971, and for the two succeeding fiscal years".

MAXIMUM AMOUNT OF EDUCATIONAL OPPORTUNITY GRANT; TREATMENT OF WORK-STUDY ASSISTANCE FOR MATCHING PURPOSES

SEC. 402. Effective July 1, 1968, the first sentence of section 402 of the Higher Education Act of 1965 is amended by striking out all that follows "which amount" and inserting in lieu thereof the following: "shall not exceed the lesser of $1,000 or one-half of the sum of the amount of student financial aid (including assistance under this title, and including compensation paid under a work-study program assisted under part C of this title) provided such student by such institution and any assistance provided such student under any scholarship program established by a State or a private institution or organization, as determined in accordance with regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 403. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 406 of the Higher Education Act of 1965 is repealed.

(2) Section 405 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 405. The Commissioner shall allot funds appropriated to carry out this part to institutions of higher education with which he has an agreement under section 407, in accordance with section 463 of this Act."

ADMINISTRATIVE EXPENSES

SEC. 404. Effective for fiscal years ending on or after June 30, 1970, part A of title IV of the Higher Education Act of 1965 is amended by inserting after section 405 the following new section:

"EXPENSES OF ADMINISTRATION

"SEC. 406. An institution of higher education which has entered into an agreement with the Commissioner under this part shall be entitled payment for administrative expenses, in accordance with section 464 of this Act."

REVISION OF MAINTENANCE OF EFFORT PROVISION

SEC. 405. Effective for fiscal years ending on or after June 30, 1970, section 407(a)(4) of the Higher Education Act of 1965 is amended to read as follows:

"(4) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);".

AUTHORITY FOR INSTITUTION TO TRANSFER FUNDS TO WORK-STUDY PROGRAM

SEC. 406. Section 407 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new subsection;

"(c) An institution which has in effect an agreement to carry out a work-study program under section 443 of this Act may use to carry out such work-study program any of the funds paid to it from sums appropriated under the first sentence of section 401(b) of this Act for the fiscal year ending June 30, 1969, and the succeeding fiscal years. The requirement in section 444(a)(6) of such Act shall apply to any funds used under the authority of this subsection for such purpose."

CONSOLIDATION AND REVISION OF TALENT SEARCH AND UPWARD BOUND PROGRAMS; SPECIAL SERVICES TO DISADVANTAGED STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

SEC. 407. (a) Section 408 of the Higher Education Act of 1965 is amended to read as follows:

"IDENTIFYING QUALIFIED LOW-INCOME STUDENTS, PREPARING THEM FOR POST-SECONDARY EDUCATION; SPECIAL SERVICES FOR SUCH STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

"SEC. 408. (a) To assist in achieving the objectives of this part the Commissioner is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), to make grants to, or contracts with, institutions of higher education for the purposes of planning, developing, or carrying out one or more of the programs described in subsection (b). For such purposes, the Commissioner also is authorized (without regard to such section 3709)—

"(1) to make grants to or enter into contracts with public and private nonprofit agencies and organizations, including professional and scholarly associations, and

"(2) to enter into contracts with any private agency or organization,

when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

"(b) The programs referred to in subsection (a) are—

"(1) programs designed to—

"(A) identify qualified youths of exceptional financial need and encourage them to complete secondary school and undertake post-secondary educational training.

"(B) publicize existing forms of student financial aid, including aid furnished under this title, and

"(C) encourage secondary-school or college dropouts of demonstrated aptitude to reenter educational programs, including post-secondary-school programs;

"(2) programs (A) which are designed to generate skills and motivation necessary for success in education beyond high school and (B) in which enrollees from low-income backgrounds and inadequate secondary-school preparation participate on a substantially full-time basis during all or part of the program; or

"(3) programs of remedial and other special services for students with academic potential who are enrolled or accepted for enrollment at the institution which is the beneficiary of the grant or contract, and who, by reason of deprived educational, cultural, or economic background, are in need of such services to assist them to initiate, continue, or resume their higher education.

"(c)(1) Programs under paragraph (2) of subsection (b) must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. Such programs must include necessary health services. Enrollees in such programs may not receive stipends in excess of $30 per month. The cost of carrying out any such program may not exceed $150 per enrollee per month. Federal financial assistance by way of grant or contract for such a program may not be in excess of 80 per centum of the cost of carrying out such program. Such programs shall be carried on within the States.

"(2) Programs carried on under paragraph (3) of subsection (b) may provide, among other things, for—

"(A) counseling, tutorial, or other educational services, including special summer programs, to remedy such students' academic deficiencies,

"(B) career guidance, placement, or other student personnel services to encourage or facilitate such students' continuance, or reentrance in higher education programs, or

"(C) identification, encouragement, and counseling of any such students with a view to their undertaking a program of graduate or professional education.

"(d) There are authorized to be appropriated to carry out this section $41,680,000 for the fiscal year ending June 30, 1969, and $56,680,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this section only such sums as the Congress may hereafter authorize by law."

(b) Section 222(a) of the Economic Opportunity Act of 1964 is amended by striking out paragraph (5) and by redesignating paragraphs (6), (7), and (8) (and references thereto) as paragraphs (5), (6), and (7).

(c)(1) The amendments made by this section shall apply with respect to fiscal years ending after June 30, 1968, except that the Director of the Office of Economic Opportunity may carry out contracts, entered into prior to the date of enactment of this Act, which provide assistance for an Upward Bound program. After the date of enactment of this Act, the Director of the Office of Economic Opportunity may not enter into any contract to carry out a program comparable to any program carried out under section 408 (b)(2) of the Higher Education Act of 1965.

(2) Any sums which are appropriated prior to the date of enactment of this Act for the purpose of carrying out Upward Bound programs, or which are allocated for such purpose from any appropriation made prior to such date, shall be available (to the extent not obligated on the date of enactment of this Act to carry out contracts described in paragraph (1)) to the Commissioner for carrying out section 408 of the Higher Education Act of 1965.

(3) For purposes of this subsection the term "Upward Bound program" means a program carried out under section 222(a)(5) of the Economic Opportunity Act of 1964 (as so designated prior to the amendment made by subsection (b) of this section) or a comparable program carried out under section 221 of such Act.

PART B—AMENDMENTS TO INSURED STUDENT LOAN PROGRAM

EXTENSION OF AUTHORITY FOR PAYMENTS TO REDUCE STUDENT INTEREST COSTS; ELIMINATION OF AUTHORITY TO MAKE SUCH PAYMENTS DURING REPAYMENT PERIOD

SEC. 411. (a) Paragraph (4) of section 428 (a) of the Higher Education Act of 1965 is amended by striking out "1968" and inserting in lieu thereof "1970", and by striking out "1972" and inserting in lieu thereof "1974".

(b)(1)(A) The portion of the first sentence of section 428(a)(1) which follows subparagraph (C) is amended by striking out ", over the period of the loan,".

(B) The first sentence of section 428(a)(2) of such Act is amended by striking out ", and 3 per centum per annum of the principal amount of the loan (excluding interest which has been added to principal) thereafter".

(2) The amendments made by this subsection shall apply to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965. An application for a certificate of insurance or of comprehensive insurance coverage pursuant to section 429 of such Act shall be issued or shall be effective on or after such sixtieth day with respect to loans made prior to such sixtieth day without regard to such amendments.

EXTENSION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 412. Subsection (a) of section 424 of the Higher Education Act of 1965 is amended (1) in the first sentence by striking out "and" after "1967," and by inserting after "June 30, 1968" the following: ", and each of the two succeeding fiscal years"; and (2) in the second sentence by striking out "1972" and inserting in lieu thereof "1974".

FEDERAL GUARANTY OF STUDENT LOANS INSURED UNDER NON-FEDERAL PROGRAMS

SEC. 413. (a) Section 421(a) of the Higher Education Act of 1965 is amended by striking out "and" before "(3)", and by inserting before the period at the end of that subsection the following: ", and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C)".

(b) Section 428 of such Act is amended by adding after subsection (b) the following new subsection:

"(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default, death, or permanent and total disability of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

"(2) The guaranty agreement—

"(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program;

"(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

"(D) shall provide that 80 per centum of such amounts as may be made as payments of principal on loans in default, and with respect to which the Commissioner has made payments under the guaranty agreement, shall be paid over to the Commissioner for deposit in the insurance fund established by section 431, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary; and

"(E) may include such other provisions as may be necessary to promote the purposes of this part.

"(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer. Nothing in this subsection shall be construed to require collection of the amount of any loan by the insurance beneficiary or its insurer from the estate of a deceased borrower or from a borrower found by the insurance beneficiary or its insurer to have become permanently and totally disabled.

"(4) For purposes of this subsection—

"(A) the terms 'insurance beneficiary' and 'default' shall have the meanings assigned to them by section 430(e), and

"(B) permanent and total disability shall be determined in accordance with regulations of the Commissioner.

"(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date."

(c) Section 431 of such Act is amended (A) by inserting in the first sentence of subsection (A) ", or in connection with payments under a guaranty agreement under section 428(c)," after "insured by him under this part"; (B) by inserting in the third sentence of subsection (a) ", or in connection with such guaranty agreements," after "insured by the Commissioner under this part"; and (C) by inserting in the first sentence of subsection (b) ", or in connection with any guaranty agreement made under section 428 (c)" after "insured by the Commissioner under this part".

(d) Section 432(a)(5) of such Act is amended by inserting "or any guaranty agreement under section 428(c)" after "such insurance".

FEDERAL ADVANCES TO RESERVE FUNDS OF NON-FEDERAL STUDENT LOAN INSURANCE PROGRAMS

SEC. 414. (a) Section 421(b) of the Higher Education Act of 1965 is amended by striking out "and" at the end of paragraph (2); by striking out the period at the end of the first sentence of that subsection and inserting in lieu thereof ", and"; and by adding thereafter the following new paragraph:

"(4) there is authorized to be appropriated the sum of $10,000,000 for making advances under section 422 during the two-fiscal-year period ending June 30, 1970, for the reserve funds of State and nonprofit private student loan insurance programs."

(b) Section 422(a) of such Act is amended—

(1) by striking out "caluse (3)" in the first sentence of paragraph (1) and inserting in lieu thereof "clauses (3) and (4)", and by striking out "of the fiscal years ending June 30, 1966, June 30, 1967, or June 30, 1968," and inserting in lieu thereof "fiscal year" in the second sentence of such paragraph; and

(2) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term 'unencumbered non-Federal portion' means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in such fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans."

(c) Section 422(b) of such Act is amended by inserting "(1)" after "(b)", by inserting "prior to July 1, 1968" before "pursuant to subsection (a)" where it appears in the first and third sentences, by deleting the last sentence of such subsection, and by adding at the end of such subsection the following new paragraphs:

"(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b)(A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $20,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $20,000) the amount available for advances to each of the remaining States.

"(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him."

INCREASE OF MAXIMUM INTEREST RATE UNDER STUDENT LOAN INSURANCE PROGRAMS

SEC. 415. (a) Section 427(b) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and all that follows and inserting in lieu thereof "7 per centum per annum on the unpaid principal balance of the loan."

(b) Section 428(b)(1)(E) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and inserting in lieu thereof "7 per centum".

(c) Section 428 of such Act is amended by adding at the end thereof the following new subsection:

"(d) No provision of any law of the United States (other than this part) or of any State (other than a statute establishing a State student loan insurance program), which limits the rate or amount of interest payable on loans shall apply to a loan—

"(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 per centum per annum, and

"(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit private institution or organization under a program covered by an agreement made pursuant to subsection (b) of this section."

MERGER OF NATIONAL VOCATIONAL STUDENT LOAN INSURANCE ACT OF 1965 WITH STUDENT LOAN INSURANCE PROGRAM OF HIGHER EDUCATION ACT OF 1965

SEC. 416. (a) Section 435 of the Higher Education Act of 1965 is amended—

(1) by redesignating subsections (a), (b), (c), (d), (e), and (f) as (b), (d), (e), (f), (g), and (h), respectively;

(2) by inserting before subsection (b) as so redesignated the following new subsection:

"(a) The term 'eligible institution' means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.";

(3) by striking out in subsection (b) as so redesignated "eligible institution" and in-

serting in lieu thereof "institution of higher education", by striking out in the second sentence of such subsection "any institution outside the States which is comparable to an institution described in the preceding sentence and which has been approved by the Commissioner for the purposes of this title, and also includes"; and

(4) by inserting after subsection (b) the text of subsection (a) of section 17 of the National Vocational Student Loan Insurance Act of 1965 amended as follows:

(A) Strike out "(a)" and insert in lieu thereof "(c)",

(B) Strike out "eligible institution" and insert in lieu thereof "vocational school",

(C) Strike out "Act" in clause (4)(C) and insert in lieu thereof "part".

(b)(1) Section 425(a) of such Act is amended by striking out "(1)" after "Sec. 425. (a)" and by striking out paragraph (2).

(2) Section 427(a)(2)(C)(i) of such Act is amended by striking out "institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner" and inserting in lieu thereof "eligible institution".

(3) Section 428(a)(6) of such Act is repealed.

(4) Section 434 of such Act is amended by striking out "10 per centum" and inserting in lieu thereof "15 per centum".

(5) Section 436(a) of such Act is amended by striking out "title and the National Vocational Student Loan Insurance Act of 1965" and inserting in lieu thereof "part".

(c)(1) The National Vocational Student Loan Insurance Act of 1965 is repealed.

(2) All assets and liabilities of the vocational student loan insurance fund established by section 13 of the National Vocational Student Loan Insurance Act of 1965, matured or contingent, shall be transferred to, and become assets and liabilities of, the student loan insurance fund established by section 431 of the Higher Education Act of 1965. Payments in connection with defaults of loans made on or after the sixtieth day after the date of enactment of this Act and insured by the Commissioner (under the authority of subsections (d)(3) or (d)(4) of this section) under the National Vocational Student Loan Insurance Act of 1965 shall be paid out of the fund established by such section 431.

(d)(1) Except as provided in paragraphs (2), (3), and (4):

(A) This section (and any amendment or repeal made thereby) shall apply to loans made on or after the sixtieth day after the date of enactment of this Act; and the terminal date applicable under the first sentence of section 5(a) and under section 9(a)(4) of the National Vocational Student Loan Insurance Act shall, instead of June 30, 1968, be deemed to be (i) the day immediately preceding such sixtieth day, or (ii) with respect to any particular State or nonprofit private agency to which paragraph (3) relates, the last day of the period required for modification or termination of, or refusal to extend, the Commissioner's agreements with such agency.

(B) In computing the maximum amounts which may be borrowed by a student who obtains an insured loan on or after such sixtieth day, and the minimum amounts of repayment allowable with respect to sums borrowed by such a student, there shall be included all loans, whenever made (i) insured by the Commissioner, or a State, institution, or organization with which the Commissioner has an agreement under section 428(b) of part B of title IV of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, or (ii) made by a State under section 428(a)(2)(B) of such part or section 9(a)(2)(B) of such Act, or by the Commissioner under section 10 of such Act.

(2) Clause (i) (attendance at eligible institution) of section 427(a)(2)(C) of the Higher Education Act of 1965, shall apply to loans made by the Commissioner and, with the consent of the lender, loans insured by the Commissioner, to students for study at vocational schools, which are outstanding on the sixtieth day after the enactment of this Act, but only with respect to periods of attendance occurring on or after such sixtieth day.

(3) This section (and any amendment or repeal made thereby) shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to the sixtieth day after enactment of this Act, under the Higher Education Act of 1965 or the National Vocational Student Loan Insurance Act of 1965, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965. The Commissioner of Education shall undertake to obtain necessary modifications of agreements entered into by him pursuant to section 428(b)(1) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965 and in force upon the date of enactment of this Act so as to conform the provisions of such agreements to the requirements of such section 428(b)(1). If, however, such modifications cannot be obtained because a party to such an agreement is subject to a statute of a State that prevents such party from complying with the terms of such modification, the Commissioner shall not, before the fourth month after the adjournment of such State's first regular legislative session which adjourns more than sixty days after enactment of this Act, exercise his authority to terminate, or to refuse to extend, such agreement.

(4) A certificate of insurance or of comprehensive insurance coverage pursuant to section 11 of the National Vocational Student Loan Insurance Act of 1965 may be issued or made effective on or after the sixtieth day after the date of enactment of this Act with respect to loans made prior to such sixtieth day without regard to any amendment or repeal made by this section.

AUTHORIZING DEFERMENT OF REPAYMENT OF NONFEDERALLY INSURED LOANS DURING MILITARY OR PEACE CORPS SERVICE, OR ATTENDANCE AT ELIGIBLE INSTITUTION; FEDERAL PAYMENT OF INTEREST ACCRUING DURING SUCH ATTENDANCE OR SERVICE; ELIMINATION OF DEFERMENT FOR VISTA SERVICE UNDER FEDERAL INSURANCE PROGRAM

Sec. 417. (a)(1) Section 428 of the Higher Education Act of 1965 (as amended by this Act) is amended by adding at the end of such section the following new subsection:

"(e) The Commissioner shall encourage the inclusion, in any State student loan program or any State or nonprofit private student loan insurance program meeting the requirements of subsection (a)(1)(B) or (a)(1)(C), of provisions authorizing or requiring that in the case of student loans covered by such program periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an eligible institution, (2) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, or (3) not in excess of three years during which the borrowers is in service as a volunteer under the Peace Corps Act. In the case of any such State or nonprofit private program containing such a provision any such period shall be excluded in determining the period specified in subsection (b)(1)(C)(ii), or the maximum period for repayment specified in subsection (b)(1)(D)."

(2)(A) Section 428(b)(1)(C)(ii) of the Higher Education Act of 1965 is amended by inserting after "(ii)" the following: "except as provided in subsection (e) of this section,".

(B) Section 428(b)(1)(D) of such Act is amended by inserting after "subject to subparagraph (C)" the following: "of this paragraph and except as provided by subsection (e) of this section".

(b) The first sentence of section 428(a)(2) of such Act is amended by inserting before "; but such portion" the following: ", or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a)(2)(C)".

(c) Section 427(a)(2)(C) of such Act is amended by inserting "or" before "(iii)", and by striking out "or (iv) not in excess of three years during which the borrower is in service as a volunteer under title VIII of the Economic Opportunity Act of 1964,".

(d) Deferment of repayment of principal, as provided in the amendments made by subsection (a) of this section, may be authorized (but not required) with respect to loans meeting the requirements of subparagraph (B) or (C) of section 428(a)(1) of the Higher Education Act of 1965 which are outstanding on the sixtieth day after the date of enactment of this Act, but only with respect to periods of attendance or service occurring on or after such sixtieth day. The amendments made by subsection (b) shall become effective on the sixtieth day after the date of enactment of this Act. The amendments made by subsection (c) shall apply with respect to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day.

PARTICIPATION BY PENSION FUNDS AND FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Sec. 418. (a) Section 435(g) of the Higher Education Act of 1965 (as so redesignated by section 416 of this Act) is amended by inserting before the period at the end thereof the following: ", or a pension fund approved by the Commissioner for this purpose".

(b) The third paragraph of section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "expenses of college or university education" and inserting in lieu thereof "expenses of college, university, or vocational education".

ACCESS TO FEDERAL LOAN INSURANCE PROGRAM

Sec. 419. (a) Section 423 of the Higher Education Act of 1965 is amended by striking out "The" after "Sec. 423." and inserting in lieu thereof "(a) Except as provided in subsection (b), the"; and by adding at the end thereof the following new subsection:

"(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

"(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an advance under section 422 for the benefit of students in such State), or

"(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers."

(b) Section 421(a)(2) is amended by inserting "or lenders" before "who do not have reasonable access".

PART C—AMENDMENTS TO COLLEGE WORK-STUDY PROGRAM

TRANSFER OF WORK-STUDY PROVISIONS TO HIGHER EDUCATION ACT OF 1965

SEC. 431. (a) Title IV of the Higher Education Act of 1965 is amended by striking out part C thereof. Part C of title I of the Economic Opportunity Act of 1964 is transferred to the Higher Education Act of 1965 and inserted as part C of title IV of such Act.

(b) Part C of title IV of the Higher Education Act of 1965 (as amended by subsection (a) of this section) is further amended—

(1) by redesignating sections 141 through 145 (and references thereto) as sections 441 through 445, respectively; and

(2) by designating the section of such part which follows section 445 (as so designated) as section 446; and

(3) by amending section 442(a) to read as follows:

"SEC. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of such sums shall be allotted among the States as provided in subsection (b)."

(c) Any reference to any provision of part C of title I of the Economic Opportunity Act of 1964 in any law of the United States shall be deemed to be a reference to the corresponding provision of part C of title IV of the Higher Education Act of 1965 as amended by this section.

EXTENSION OF WORK-STUDY PROGRAM

SEC. 432. Section 441 of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by adding "; APPROPRIATIONS AUTHORIZED" at the end of the section heading, by inserting "(a)" after "SEC. 441.", and by adding at the end of such section the following new subsection:

"(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970, to carry out this part. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated, to carry out this part, only such sums as the Congress may hereafter authorize by law."

ELIGIBILITY OF AREA VOCATIONAL SCHOOLS

SEC. 433. (a) Part C of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by striking out the terms "institution of higher education" and "institutions of higher education" wherever they appear (except in section 442(b)(1)) and inserting in lieu thereof "eligible institution" and "eligible institutions", respectively.

(b) Section 443(b) of such Act (as added by section 431 of this Act) is amended to read as follows:

"(b) For the purposes of this part the term 'eligible institution' means an institution of higher education (as defined in section 435(b) of this Act), or an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963)."

(c) Section 444 of such Act (as added by section 431 of this Act) is amended by inserting "(a)" after "SEC. 444."; by redesignating paragraphs (a) through (h) as paragraphs (1) through (8), respectively; by redesignating subparagraphs (1), (2) and (3) of paragraphs (1) and (3) (as so redesignated) as subparagraphs (A), (B), and (C), respectively; and by adding at the end of such section the following new subsection:

"(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a), a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designated to prepare the student for gainful employment in a recognized occupation."

REVISION OF MATCHING PROVISIONS

SEC. 434. Section 444(a)(6) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;"

SET-ASIDE FOR RESIDENTS OF AMERICAN SAMOA OR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 435. (a) The first sentence of section 442(a) of the Higher Education Act of 1965 (as amended by this part) is amended by inserting "(1)" before "allot not to exceed 2 per centum", and by inserting before the period at the end thereof the following: ", and (2) reserve the amount provided by subsection (e)".

(b) Such section 442 is further amended by adding at the end thereof the following new subsection:

"(e) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 436. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 446 of the Higher Education Act of 1965 (as added by section 431 of this Act) is repealed.

(2) Section 442 of such Act (as amended by this part) is amended by striking out so much of such section as precedes subsection (e), by redesignating subsection (e) as subsection (b), and by inserting in lieu of the matter stricken out the following:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 442. (a) The Commissioner shall allot the funds which are appropriated to carry out this part, and which are not reserved under subsection (b), to eligible institutions with which he has entered into agreements under this part, in accordance with section 463 of this Act."

REVISION OF MAINTENANCE OF EFFORT REQUIREMENT

SEC. 437. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(5) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(5) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);"

ADMINISTRATIVE EXPENSES

SEC. 438. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(2) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out all that follows "administrative expenses" and inserting in lieu thereof "in accordance with section 464 of this Act;".

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

SEC. 439. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 443(b) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out "or" after "higher education," and by inserting before the period at the end thereof the following: ", or a private vocational school (as defined in section 461(b) of this Act)".

(2) Section 444(a)(1) of such Act (as amended by this part) is amended by inserting after "work for the institution itself" the following: "(except in the case of a private vocational school),".

PART D—COOPERATIVE EDUCATION PROGRAMS

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION FOR PROGRAMS OF COOPERATIVE EDUCATION; GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH IN COOPERATIVE EDUCATION

SEC. 441. Title IV of the Higher Education Act of 1965 is amended by redesignating part D as part F, by redesignating sections 461 through 467 as sections 491 through 497, respectively, and by inserting after part C the following new part:

"PART D—COOPERATIVE EDUCATION PROGRAMS

"APPROPRIATIONS AUTHORIZED

"SEC. 451. (a) There are authorized to be appropriated $8,000,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective.

"(b) There are further authorized to be appropriated $750,000 each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year, to enable the Commissioner to make training or research grants or contracts pursuant to section 453.

"(c) For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"(d) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

"GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

"SEC. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

"(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

"(1) set forth programs or activities for which a grant is authorized under this section;

"(2) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

"(4) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

"(c) No institution of higher education may receive grants under this section for more than three fiscal years.

"(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

"GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

"SEC. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

"(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section."

Part E—General Provisions Relating to Student Assistance

AMENDMENTS EFFECTIVE UPON ENACTMENT

SEC. 451. (a) Title IV of the Higher Education Act of 1965 is amended by inserting after part D the following new part:

"Part E—General Provisions Relating to Student Assistance Programs

"Subpart 1—General Provisions

"DEFINITIONS

"SEC. 461. (a) For purposes of this title, the term 'State' includes the Trust Territory of the Pacific Islands.

"(b) For purposes of part C of this title and title II of the National Defense Education Act of 1958, the term 'private vocational school' means a school (1) which provides not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (2) which meets the requirements of section 801(a)(1) and 801(a)(2) of this Act, (3) which does not meet the requirement of section 801(a)(3) of this Act, (4) which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose, and (5) which has been in existence for at least five years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

"ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

"SEC. 462. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

"Subpart 2—Advisory Council on Financial Aid to Students

"ESTABLISHMENT OF COUNCIL

"SEC. 469. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act, or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institution.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government Service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b) Section 433 of the Higher Education Act of 1965 (relating to Advisory Council on Insured Loans to Students) is repealed.

AMENDMENTS EFFECTIVE FOR FISCAL YEAR 1970 AND THEREAFTER

SEC. 452. Effective for fiscal years ending on or after June 30, 1970, part E of title IV of the High Education Act of 1965 (as added by section 451 of this Act) is amended by inserting after section 462 the following new sections:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 463. (a) The Commissioner shall from time to time set dates by which institutions with which he has entered into agreements under part A or part C of this title must file applications for allotments to such institutions of funds appropriated to carry out programs established under such parts. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions as will most effectively carry out the purposes of the program for which the agreement was made.

"(b) The amount of any allotment made under subsection (a) to carry out a program for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment to carry out the same program in accordance with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year.

"EXPENSES OF ADMINISTRATION

"SEC. 464. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under this part. The payment for fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

"(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

"MAINTENANCE OF EFFORT

"SEC. 465. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditure per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement."

Part F—Amendments to National Defense Education Act

SUBPART 1—AMENDMENTS TO NATIONAL DEFENSE STUDENT LOAN PROGRAM

EXTENSION OF NATIONAL DEFENSE STUDENT LOAN PROGRAM

SEC. 471. (a) Section 201 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$225,000,000", (2) by inserting after "June 30, 1968," the following: "$210,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970;", (3) by striking out "and such sums for the fiscal year ending June 30, 1969" and inserting in lieu thereof "and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1971", and (4) by striking out "July 1, 1968" and inserting in lieu thereof "July 1, 1970".

(b) Sections 202(a) and 202(b) of such Act are each amended by striking out "1968" and inserting in lieu thereof "1969".

(c) Section 206 of such Act is amended by striking out "1972" each time it appears in subsections (a), (b), and (c) of such section, and inserting in lieu thereof "1974".

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 472. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 203 of the National Defense Education Act of 1958 is repealed.

(2) Section 202 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 202. (a) The Commissioner shall from time to time set dates by which institutions of higher education with which he has entered into agreements under this title must file applications for allotments to such institutions of funds appropriated pursuant to section 201. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions of higher education as will most effectively carry out the purposes of this part. The Federal capital contribution to an institution shall be paid to it from its allotment under this section from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title.

"(b) The amount of any allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment in accordance with the equitable criteria established pursuant to subsection (a). Any amount realloted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year."

(2) Section 203 of such Act is repealed.

ADMINISTRATIVE EXPENSES

Sec. 473. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 204 of the National Defense Education Act of 1958 is amended by inserting "(a)" after "Sec. 204.", and by striking out in paragraph (3)(C) "routine expenses" and all that follows down through "whichever is the lesser," and inserting in lieu thereof "administrative expenses as provided in subsection (b)".

(2) Section 204 of such Act is amended by adding at the end thereof the following new subsection:

"(b) An institution of higher education that has entered into an agreement with the Commissioner under section 203 shall be entitled for each fiscal year during which it makes any student loans from a student loan fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 464(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year."

REVISION OF TEACHER CANCELLATION PROVISION

Sec. 474. (a) Section 205(b)(3) of the National Defense Education Act of 1958 is amended to read as follows:

"(3) part or all of such loan may be canceled for certain service as a teacher, in accordance with section 208;".

(b) Section 208 of such Act is amended to read as follows:

"CANCELLATION FOR CERTAIN SERVICE AS A TEACHER

"Sec. 208. (a)(1) A percentage (specified in paragraph (2)) of the total amount of any loan made after the date of enactment of the Higher Education Amendments of 1968 from a student loan fund established under this title shall be canceled for each complete academic year of service by the borrower—

"(A) as a full-time teacher in an elementary or secondary school described in paragraph (3), or

"(B) as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system.

"(2) The percentage of a loan which may be canceled under paragraph (1) is—

"(A) 10 per centum for the first or second academic year of service described in paragraph (1),

"(B) 15 per centum for each academic year of such service thereafter.

For purposes of this paragraph, an academic year for which the borrower received the benefits of section 205(b)(3) (A) or (B) of this title (as in effect immediately before the date of enactment of the Higher Education Amendments of 1968) shall be considered a year of service described in paragraph (1).

"(3) A teacher may receive cancellation of a loan under subparagraph (A) of paragraph (1) only for service in an academic year in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children described in clause (A), (B), or (C) of section 103(a)(2) of title I of the Elementary and Secondary Education Act of 1965, as amended (using a low-income factor of $3,000) exceeds 50 per centum of total enrollment of the school.

"(b) In the case of a loan made before the date of enactment of the Higher Education Amendments of 1968, not to exceed 50 per centum of such loan shall be canceled for service as a full-time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States, at the rate of 10 per centum of the total amount of such loan for each complete academic year of such service, except that (1) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which there is a high concentration of students from low-income families, except that the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year, (2) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system, and (3) for the purposes of any cancellation pursuant to clause (1) or (2), an additional 50 per centum of any such loan may be canceled.

"(c)(1) If for any academic year any portion of a loan is canceled under subsection (a) or (b), the entire amount of interest on such loan which accrues for such year shall be canceled.

"(2) Nothing in this section shall authorize refunding any repayment of a loan.

"(3) For purposes of this section, the term 'academic year' means an academic year or its equivalent (as determined under regulations of the Commissioner).

"(d) In addition to the payments otherwise authorized to be made pursuant to this title, the Commissioner shall pay to the appropriate institution, at such time or times as he determines, an amount which bears the same ratio to the interest which has been prevented from accruing and the portion of the principal which has been canceled on student loans pursuant to this section (and not previously paid pursuant to this subsection) as the total amount of the institution's capital contributions to such fund under this title bears to the sum of such institution's capital contributions and the Federal capital contributions to such fund."

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

Sec. 475. (a) Section 103(b) of the National Defense Education Act of 1958 is amended—

(1) by striking out "and also includes" in the second sentence and inserting in lieu thereof "; any private vocational school as defined in section 461(b) of the Higher Education Act of 1965; and" ; and

(2) by inserting after "requirements of clause (5)" in the third sentence the following: "(but meets the requirements of clause (4))".

(b)(1) Effective with respect to the fiscal year ending June 30, 1969, section 203 of such Act (as in effect prior to the amendment made by section 472 of this Act) is amended by adding at the end thereof the following new sentence: "The aggregate amount of Federal capital contributions paid under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000."

(2) Effective for fiscal years ending on or after June 30, 1970, the second sentence of section 202(a) of such Act (as amended by section 472 of this Act) is amended by adding before the period at the end thereof the following: "; except that the aggregate amount of funds allotted under this section to private vocational schools (as defined in section 461(b) of the Higher Educatoin Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000".

ELIMINATION OF REQUIREMENT OF SPECIAL CONSIDERATION FOR STUDENTS OF SUPERIOR ACADEMIC BACKGROUND

Sec. 476. Section 204 of the National Defense Education Act of 1958 is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

WAIVING OATH OF ALLEGIANCE REQUIREMENT FOR RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

Sec. 477. Section 1001(f)(1) of the National Defense Education Act of 1958 is amended by inserting after "any individual" the following: "(other than a permanent resident of the Trust Territory of the Pacific Islands)".

Subpart 2—Amendments to National Defense Fellowship Program

EXTENSION OF PROGRAM

Sec. 481. (a) Section 402(a) of the National Defense Education Act of 1958 is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof "seven succeeding fiscal years".

(b) Section 403(a) of such Act is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "eight succeeding fiscal years".

INCREASING MAXIMUM LENGTH OF FELLOWSHIP FROM THREE TO FOUR YEARS IN SPECIAL CIRCUMSTANCES, AND REQUIRING INSTITUTIONAL EFFORT TO ENCOURAGE RECIPIENTS TO ENTER OR CONTINUE TEACHING

Sec. 482. (a) Subsection (a) of section 402 of the National Defense Education Act of 1958 is amended by inserting "(1)" after "except" in the second sentence thereof, and by inserting immediately before the period at the end of such sentence the following: ", and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this title would most effectively be served thereby".

(b) The Commissioner may in his discretion increase, in accordance with the amendment made by subsection (a), the maximum periods of fellowships awarded prior to the date of enactment of this Act.

(c) The second sentence of section 403(a) is amended by striking out the period at the end of clause (2) of such sentence and inserting ", and" in lieu thereof; and by adding the following new clause:

"(3) that the application contains satisfactory assurance that the institution will make reasonable continuing efforts to encourage recipients of fellowships under this title, enrolled in such program, to teach or continue to teach in institutions of higher education."

(d) The amendment made by subsection (c) of this section shall apply with respect to fellowships awarded on or after the date of enactment of this Act.

REQUIRING STIPENDS TO BE SET IN AN AMOUNT CONSISTENT WITH THOSE AWARDED FOR COMPARABLE FELLOWSHIPS

SEC. 483. (a) Section 404 of the National Defense Education Act of 1958 is amended to read as follows:

"FELLOWSHIP STIPENDS

"SEC. 404. (a) The Commissioner shall pay to persons awarded fellowships under this title such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

"(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amounts as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for any such person."

(b) The amount of any stipend payable with respect to a fellowship awarded prior to the date of enactment of this Act shall not, during the period for which such fellowship was awarded, be less with respect to any year of study than the amount that would in the absence of the amendment made by subsection (a) of this section be payable with respect to such year.

TITLE V—EDUCATION PROFESSIONS DEVELOPMENT (AMENDMENT TO TITLE V OF HIGHER EDUCATION ACT OF 1965)

PROVISION OF MEDICAL INSURANCE COVERAGE TO TEACHER CORPS MEMBERS NOT OTHERWISE COVERED

SEC. 501. Section 514 of the Higher Education Act of 1965 is amended by adding immediately following subsection (d) thereof the following new subsection:

"(e) The Commissioner is authorized to provide medical (including hospitalization) insurance for members of the Teacher Corps who do not otherwise obtain such insurance coverage either under an arrangement made pursuant to subsection (d) of this section or as an incident of an arrangement between the Commissioner and an institution or a State or local educational agency pursuant to section 513."

AUTHORIZING STATE EDUCATIONAL AGENCIES TO ADMINISTER DIRECTLY PROGRAMS OF TEACHER AND TEACHER AIDE RECRUITMENT AND TRAINING

SEC. 502. (a) Subsection (a) of section 518 of the Higher Education Act of 1965 is amended by inserting after "teacher shortages" the following: ", or the efforts of State educational agencies,".

(b) Subsection (a) of section 520 of such Act is amended—

(1) in paragraph (2), by inserting after "local educational agencies" the following: "or of the State educational agency, or both,"

(2) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) with respect to so much of the State program as is to be carried out by local educational agencies, (A) provides assurance that every local educational agency whose application for funds under the plan is denied will be given an opportunity for a fair hearing before the State educational agency and (B) sets forth the policies and procedures to be followed in allocating Federal funds to local educational agencies in the State, which policies and procedures shall insure that such funds will be allocated to local educational agencies having the most urgent need for teachers and teacher aides;" and

(4) by redesignating paragraphs (5) through (10) as paragraphs (4) through (9), respectively.

FELLOWSHIPS FOR SCHOOL ADMINISTRATORS

SEC. 503. The third sentence of section 521 of the Higher Education Act of 1965 is amended by inserting after "become such teachers," the following: "a career in the administration of such schools,".

TECHNICAL CORRECTIONS

SEC. 504. Section 524(a) of the Higher Education Act of 1965 is amended by inserting in paragraphs (1) and (4) "or postsecondary vocational education" after "career in elementary and secondary education".

INCREASE IN COST-OF-EDUCATION ALLOWANCE

SEC. 505. Section 525(b) of the Higher Education Act of 1965 is amended to read as follows:

"(b) The Commissioner shall (in addition to stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for each such person."

TITLE VI—INSTRUCTIONAL EQUIPMENT AND MATERIALS

PART A—EQUIPMENT AND MATERIALS FOR HIGHER EDUCATION (AMENDMENTS TO HIGHER EDUCATION ACT OF 1965)

EXTENSION OF PROGRAM; TECHNICAL AMENDMENT

SEC. 601. (a) Subsection (b) of section 601 of the Higher Education Act of 1965 is amended by striking out all of such subsection after "1967," and inserting in lieu thereof "$60,000,000, for the fiscal year ending June 30, 1968, $14,500,000 for the fiscal year ending June 30, 1969, and $14,800,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants to institutions of higher education, and to combinations of institutions of higher education, pursuant to this part for the acquisition of equipment and for minor remodeling described in section 603(2)."

(b) Such section 601 is further amended by striking out subsection (c) thereof.

(c) Subsection (d) of such section is amended by redesignating it as subsection (c), and by striking out "1969, and for the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(d)(1) The first sentence of section 602(a)(1) of such Act is amended by striking out "and (c)".

(2) Section 602(b) of such Act is amended by striking out "(1)" after "(b)"; by striking out "(A)" after "section 603(2)"; and by striking out paragraph (2).

(3) Section 603(2) is amended by striking out "(A)" after "methods"; by inserting "(A)" before "for the acquisition of laboratory"; by striking out "(B)" for determining relative priorities of eligible projects", and inserting in lieu thereof "and (B)"; and by striking out "(C)".

ACQUISITION OF CERTAIN COMPUTERS; TECHNICAL AMENDMENT

SEC. 602. Section 603(2) of the Higher Education Act of 1965 is amended by striking out "objective", and by inserting after "special equipment" the following: ", including instructional computers".

PART B—EQUIPMENT AND MATERIAL FOR ELEMENTARY AND SECONDARY EDUCATION (AMENDMENTS TO TITLE III OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

SEC. 621. (a) The first sentence of section 301 of the National Defense Education Act of 1958 is amended by striking out "and" before "$110,000,000" and by inserting after "June 30, 1968," the following: "and $110,000,000 each for the fiscal years ending June 30, 1969, and June 30, 1970,".

(b) Section 301 of such Act is amended by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this section, only such sums as the Congress may hereafter authorize by law.

EQUIPMENT FOR EDUCATIONALLY DEPRIVED CHILDREN

SEC. 622. (a) Title III of the National Defense Education Act of 1958 is amended by inserting immediately below the center heading thereof the following:

"PART A—GRANTS TO STATES"

(b) Title III of such Act is amended (1) by striking out "this title" wherever it appears and inserting in lieu thereof "this part"; and (2) by adding at the end thereof the following new part:

"PART B—GRANTS TO LOCAL EDUCATIONAL AGENCIES

"APPROPRIATIONS AUTHORIZED

"SEC. 311. There are hereby authorized to be appropriated, for carrying out this part, $84,373,000 for the fiscal year ending June 30, 1969, and $160,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"ALLOTMENTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 312. From the sums appropriated pursuant to section 311 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A). From the remainder of such sums the Commissioner shall allot to each local educational agency (other than local educational agencies of States which receive their allotments under this part as provided in subsection 1008(A)) an amount which bears the same ratio to the amount of such remainder as the amount received by such agency from funds appropriated for the preceding fiscal year for grants under title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 874, Eighty-first Congress, as amended) bears to the amount received by all local educational agencies from such funds for such year.

"APPLICATION OF LOCAL EDUCATIONAL AGENCY

"SEC. 313. (a) A local educational agency may receive a grant under this part for any fiscal year only on application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

"(1) that payments under this part will be used for the acquisition of equipment and materials referred to in section 303(a)(1) to be used in programs and projects designed to meet the special educational needs of educationally deprived children in school attendance areas having a high concentration of children from low-income families;

"(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provisions for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which will afford such children the benefits of the equipment and materials provided under this part;

"(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this part, and that title to equipment and materials acquired therewith, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and equipment and materials; and

"(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this part, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

"(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

"STATE APPLICATION

"SEC. 314. (a) Any State desiring to participate under this part shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

"(1) that payments under this part will be used only for programs and projects which have been approved by the State educational agency pursuant to section 313, and that such agency will in all other respects comply with the provisions of this part, including the enforcement of any obligations imposed upon a local educational agency under section 313.

"(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

"(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this part (including such reports as he may require to determine the amounts which local educational agencies of that State are eligible to receive for any fiscal year) and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(b) An application submitted under this section shall be deemed a State plan for the purposes of sections 1004 and 1005.

"PAYMENTS

"SEC. 315. (a) The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this part. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

"(b) From the funds paid to it pursuant to subsection (a) each State educational agency shall distribute to each local educational agency of the State which has sub- to section 313(a) the amount for which such mitted an application approved to pursuant application has been approved, except that this amount shall not exceed its allotment for the fiscal year under section 312."

(c) Paragraph (2) of section 1004(c) of the National Defense Education Act of 1958 is amended, (1) by striking out "title III or V" and inserting in lieu thereof "part A or B of title III or under title V"; and (2) by inserting "part or" before "title or section" each time these words appear in such paragraph.

PROVISION FOR WITHIN-STATE EQUALIZATION IN STATE-IMPOSED REQUIREMENTS FOR FINANCIAL PARTICIPATION OF PROJECT APPLICANTS

SEC. 623. Subsection (a) of section 303 of the National Defense Education Act of 1958 is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and by inserting at the end of such subsection the following new paragraph:

"(6) sets forth any requirements imposed upon applicants for financial participation in projects assisted under this part, including any provision for taking into account, in such requirements, the resources available to any applicant for such participation relative to the resources for participation available to all other applicants."

PAYMENT OF STATE ADMINISTRATIVE EXPENSES OUT OF PROJECT FUNDS IN LIEU OF SEPARATE FUNDING

SEC. 624. Effective with respect to fiscal years beginning after June 30, 1968, title III of the National Defense Education Act of 1958 is amended as follows:

(a) Paragraph (1) of subsection (a) of section 303 is amended by striking out "and" before "(B)" and by inserting the following before the semicolon at the end thereof: ", and (C) administration of the State plan, except that the amount used for administration of the State plan for any years shall not exceed an amount equal to 3 per centum of the amount paid to the State under this part for that year, or $50,000, whichever is greater".

(b)(1) Paragraph (5) of such section 303 (a), the second sentence of section 301, subsection (b) of section 302, and subsection (b) of section 304 are repealed.

(2) Section 302 is amended by striking out "the first sentence of" in subsection (a)(1); striking out "or (b)" in the first sentence of subsection (c); striking out "subsections (a) and (b)" in the same sentence of such subsection and inserting in lieu thereof "subsection (a)"; striking out "or (b)" in the second sentence of such subsection; and redesignating such subsection (c) as subsection (b); and references elsewhere to such subsection (c) are redesignated accordingly.

(3) Subsection (a) of section 304, and references thereto, are redesignated as section 304; and there is deleted from section 304 "as provided in paragraph (4) of section 302(a)".

(4) Section 304 is further amended (A) by striking out "for projects for acquisition of equipment and minor remodeling referred to in paragraph (1) of section 303(a) which are carried out", and (B) by inserting the following after "except that": "(1) such payments with respect to expenditures for administration of the State plan shall not exceed the limitation established by paragraph (1)(C) of section 303(a), and (2)".

(5) Paragraph (6) of section 303(a), as added by section 623 of this Act, is redesignated as paragraph (5).

PRIVATE SCHOOLS: AUTHORIZING REALLOTMENT OF SET-ASIDE FOR LOANS; REPEALING LOAN ALLOTMENT FORMULA

SEC. 625. (a) Section 305 of the National Defense Education Act of 1958 is amended by striking out "SEC. 305." and all that follows down to but not including subsection (b)(1) and inserting in lieu thereof the following:

"SEC. 305. From the sums reserved for each fiscal year for the purposes of this section under the provisions of section 302(a), the Commissioner is authorized to make loans to private nonprofit elementary and secondary schools in any State. Any such loan shall be made only for the purposes for which payments to State educational agencies are authorized under the first sentence of section 301, and—".

(2) Paragraph (3) of such section is amended by striking out "the current average yield on all outstanding marketable obligations of the United States" and inserting in lieu thereof "the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans".

(b) Section 302(b) of such Act (as so redesignated by section 624 of this Act) is amended to read as follows:

"(b) The amount of any State's allotment under subsection (a) of this section for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to the other States in proportion to the original allotments to such States under subsection (a) of this section, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reserved for any fiscal year for making loans under section 305 which the Commissioner determines will not be required for that purpose for such year shall be available for allotment among the States in the manner provided in the preceding sentence for reallotments. Any amount allotted or reallotted to a State under this subsection during a year from funds appropriated pursuant to section 301 shall be deemed part of its allotment under subsection (a) of this section for such year."

(c) The amendment made by subsection (a)(2) shall apply with respect to loans made after the date of enactment of this Act.

PART C—FINANCIAL ASSISTANCE FOR STRENGTHENING INSTRUCTION IN THE HUMANITIES AND ARTS

EXTENSION OF PROGRAM

SEC. 631. (a) The first sentence of section 12 of the National Foundation on the Arts and Humanities Act of 1965 is amended (1) by striking out "two succeeding years" and inserting in lieu thereof "four succeeding fiscal years", and (2) by striking out "June 30, 1969" and inserting in lieu thereof "June 30, 1971".

(b) Such section is further amended, (1) in subsection (b), by striking out "allotted" and inserting in lieu thereof "reserved, allotted, and reallotted", and by striking out "and (c)" and inserting in lieu thereof "and (b)"; and (2) in subsection (f), by striking out "allot and".

TITLE VII—GUIDANCE, COUNSELING, AND TESTING (AMENDMENTS TO PART A OF TITLE V OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

SEC. 701. (a) Section 501 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$30,000,000" and by inserting after "two succeeding fiscal years," the following: "$25,000,000 for the fiscal year ending June 30, 1969, and $30,000,000 for the fiscal year ending June 30, 1970,", and (2) by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this subsection only such sums as the Congress may hereafter authorize by law."

(b)(1) Section 504(a) of such Act is

amended by striking out "eight succeeding fiscal years" and inserting in lieu thereof "thirteen succeeding fiscal years".

(2) Section 504(b) of such Act is amended by striking out "nine succeeding fiscal years" and inserting in lieu thereof "fourteen succeeding fiscal years".

TITLE VIII—LANGUAGE DEVELOPMENT (AMENDMENTS TO TITLE VI OF NATIONAL DEFENSE EDUCATION ACT, 1958)

EXTENSION OF PROGRAM

SEC. 801. (a) Subsections (a) and (b) of section 601 of the National Defense Education Act of 1958 are each amended by striking out "1968" and inserting in lieu thereof "1973".

(b) Section 603 of such Act is amended (1) by striking out "and" before "$18,000,000" and by inserting after "1968," the following: "$16,050,000 for the fiscal year ending June 30, 1969, and $25,000,000 for the fiscal year ending June 30, 1970,", and by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the provisions of this title, only such sums as the Congress may hereafter authorize by law."

TITLE IX—NETWORKS FOR KNOWLEDGE

SHARING OF EDUCATIONAL AND RELATED RESOURCES AMONG COLLEGES AND UNIVERSITIES

SEC. 901. The Higher Education Act of 1965 is amended by redesignating title VIII as title IX, and sections 801 through 804 (and references thereto however styled in such Act, or any other Act, including such references heretofore made in this Act) as sections 901 through 904, respectively. The Higher Education Act of 1965 is further amended by inserting after title VII the following new title:

"TITLE VIII—NETWORKS FOR KNOWLEDGE

"SHARING EDUCATIONAL AND RELATED RESOURCES

"SEC. 801. (a) To encourage colleges and universities to share to an optimal extent, through cooperative arrangements, their technical and other educational and administrative facilities and resources, and in order to test and demonstrate the effectiveness and efficiency of a variety of such arrangements, the Commissioner is authorized to enter into contracts and to make project grants for all or part of the cost of planning, developing, or carrying out such arrangements. Such grants may be made to public or nonprofit private colleges or universities. When in the Commissioner's judgment it will more effectively promote the purposes of this title, the Commissioner may make grants to other established public or nonprofit private agencies or organizations, including professional organizations or academic societies and he may enter into contracts with established private agencies and organizations.

"(b) Projects for the planning, development, or carrying out of such arrangements assisted under this title may, subject to the provisions of subsection (c), include—

"(1) (A) joint use of facilities such as classrooms, libraries, or laboratories, including joint use of necessary books, materials, and equipment; or (B) affording access to specialized library collections through preparation of interinstitutional catalogs and through development of systems and preparation of suitable media for electronic or other rapid transmission of materials;

"(2) establishment and joint operation of closed-circuit television or equivalent transmission facilities; and

"(3) establishment and joint operation of electronic computer networks and programs therefor, to be available to participating institutions for such purposes as financial and student records, student course work, or transmission of library materials.

"(c) (1) Grants pursuant to clause (B) of paragraph (1) of subsection (b) may not be used to pay the costs of electronic transmission terminals.

"(2) In the case of a project for the establishment and operation of a computer network, grants may not include—

"(A) the cost of operating administrative terminals or student terminals at participating institutions; or

"(B) the cost, or any participating institution's pro rata share of the cost, of using the central computer facilities of the network, except (i) such costs of systems development and programing of computers and transmission costs as are necessary to make the network operational, (ii) the administrative and program support costs of the central facilities of the network, and (iii) the line-access costs incurred by participating institutions.

"APPROPRIATIONS AUTHORIZED

"SEC. 802. There are authorized to be appropriated, for grants under section 801, $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for such grants only such sums as the Congress may hereafter authorize by law.

"SHORT TITLE

"SEC. 803. This title may be cited as the 'Networks for Knowledge Act of 1968'."

TITLE X—AMENDMENTS TO TITLE VIII (GENERAL PROVISIONS) OF HIGHER EDUCATION ACT OF 1965 AND TO TITLE I (GENERAL PROVISIONS) AND TITLE X (MISCELLANEOUS PROVISIONS) OF NATIONAL, DEFENSE EDUCATION ACT OF 1958

ESTABLISHMENT OF ADVISORY COUNCIL ON GRADUATE EDUCATION; ABOLITION OF HIGHER EDUCATION FACILITIES ACT ADVISORY COMMITTEE

SEC. 1001. (a) The Higher Education Act of 1965 is amended by adding after the section redesignated by section 901 of this Act as section 904 the following new section:

"ADVISORY COUNCIL ON GRADUATE EDUCATION

"SEC. 905. (a) There is hereby established in the Office of Education an Advisory Council on Graduate Education (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, of one representative each from the Office of Science and Technology in the Executive Office of the President, the National Science Foundation, and the National Foundation on the Arts and the Humanities, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall be selected from among leading authorities in the field of education, except that at least one of them shall be a graduate student.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to graduate education.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b) (1) Section 203 of the Higher Education Facilities Act of 1963 is repealed.

(2) Paragraph (1) of section 202(c) of such Act is amended to read as follows:

"(1) The Commissioner shall not approve any application for a grant under this title until he has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate such applications."

DISSEMINATION OF INFORMATION

SEC. 1002. The Higher Education Act of 1965 is further amended by adding after section 905 (as added by this title) the following new section:

"DISSEMINATION OF INFORMATION

"SEC. 906. (a) **For the purpose of carrying out more effectively the provisions of this Act, the National Defense Education Act of 1958, the Higher Education Facilities Act of 1963, and other Acts administered by him in the field of higher education (including those administered by him by delegation), the Commissioner—**

"(1) shall prepare and disseminate to institutions of higher education, State agencies concerned with higher education, and other appropriate agencies and institutions (A) reports on programs and projects assited under such Acts and other programs and projects of a similar nature, and (B) catalogs, reviews, bibliographies, abstracts, analyses of research and experimentation, and such other materials as are generally useful for such purpose;

"(2) may upon request provide advice, counsel, technical assistance, and demonstrations to institutions and agencies referred to in paragraph (1) undertaking to initiate or expand programs or projects under such Acts in order to enhance the quality, increase the depth, or broaden the scope of such programs or projects, and shall inform such institutions and agencies of the availability of assistance pursuant to this paragraph;

"(3) shall from time to time prepare and disseminate to institutions and agencies referred to in paragraph (1) reports setting forth developments in the utilization and adaptation of projects carried out pursuant to such Acts; and

"(4) may enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this section.

"(b) There are authorized to be appropriated to carry out the provisions of this section $2,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law."

CONFORMING DEFINITIONS OF INSTITUTIONS OF HIGHER EDUCATION IN HIGHER EDUCATION ACT OF 1965 AND IN NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 1003. (a) Section 901(a) of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting after "if not so accredited," in clause (5) the following: "(A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B)".

(b) The second sentence of such paragraph (a) is amended by striking out "Such term also includes any business school or technical institution" and inserting in lieu thereof "Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and".

INSERTION OF DEFINITION OF "COMBINATION OF INSTITUTIONS OF HIGHER EDUCATION" IN HIGHER EDUCATION ACT OF 1965

SEC. 1004. Section 901 of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting at the end thereof the following:

"(j) The term 'combination of institutions of higher education' means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf."

PROVISION IN NATIONAL DEFENSE EDUCATION ACT OF 1958 FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS, FOR SCHOOLS OF DEPARTMENT OF INTERIOR FOR INDIAN CHILDREN, AND FOR OVERSEAS DEPENDENT SCHOOLS OF DEPARTMENT OF DEFENSE

SEC. 1005. (a) Section 1008 of the National Defense Education Act of 1958 is amended to read as follows:

"ALLOTMENTS TO TERRITORIES AND POSSESSIONS

"SEC. 1008. The amounts reserved by the Commissioner under sections 302, 312, and 502 shall, in accordance therewith, be allotted among—

"(A) Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for the type of assistance furnished under the part or title in which the section appears, and

"(B) in the case of amounts so reserved under sections 302 and 502, (i) the Secretary of the Interior, according to the need for such assistance in order to effectuate the purposes of such part or title in schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance in order to effectuate the purposes of such part or title in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title."

(b) Sections 302(a)(1) and 502(a) of such Act are each amended by striking out "2 per centum thereof, as he may determine for allotment as provided in section 1008," and inserting in lieu thereof "3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B);".

(c) Section 103(a) of such Act is amended (1) by striking out "or" each time it appears before "the Virgin Islands", (2) by inserting after "the Virgin Islands," as it first appears "and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands," and (3) by inserting before the period at the end thereof "or the Trust Territory of the Pacific Islands".

(d) The amendments made by this section shall be effective with respect to fiscal years ending after June 30, 1968.

PROVISIONS FOR ADEQUATE LEADTIME AND FOR PLANNING AND EVALUATION IN HIGHER EDUCATION PROGRAMS

SEC. 1006. The Higher Education Act of 1965, as amended by this Act, is further amended by adding after section 906 the following new sections:

"PROGRAM PLANNING AND EVALUATION FOR HIGHER EDUCATION PROGRAMS

"SEC. 907. There are authorized to be appropriated $1,117,000 for the fiscal year ending June 30, 1969, and $1,900,000 for the fiscal year ending June 30, 1970, to be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, loans, contracts, or other payments, for (1) planning for the succeeding year programs or projects authorized under any other provision of this Act or any provision of the National Defense Education Act of 1958 or the Higher Education Facilities Act of 1963, and (2) evaluation of programs or projects so authorized. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law.

"ADVANCE PLANNING

"SEC. 908. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, loans, contracts, or other payments under any Act referred to in section 907 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under any such Act will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"EVALUATION REPORTS AND CONGRESSIONAL REVIEW

"SEC. 909. (a) No later than March 31 of each calendar year, the Secretary shall transmit to the respective committees of the Congress having legislative jurisdiction over any Act referred to in section 907 and to the respective Committees on Appropriations a report evaluating the results and effectiveness of programs and projects assisted thereunder during the preceding fiscal year, together with his recommendations (including any legislative recommendations) relating thereto.

"(b) In the case of any such program, the report submitted in the penultimate fiscal year for which appropriations are then authorized to be made for such program shall include a comprehensive and detailed review and evaluation of such program (as up to date as the due date permits) for its entire past life, based to the maximum extent practicable on objective measurements, together with the Secretary's recommendations as to proposed legislative action.

"AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

"SEC. 910. Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any Act referred to in section 907, may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year."

TITLE XI—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT OF 1963

EXTENSION OF PROGRAM

SEC. 1101. (a)(1) Section 101(a) of the Higher Education Facilities Act of 1963 is amended by striking out "seven" and inserting in lieu thereof "nine".

(2) Section 101(b) of such Act is amended (A) by striking out "for the fiscal year ending June 30, 1969" and inserting in lieu thereof "each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year"; and (B) by striking out "1970 and the succeeding fiscal year" and inserting in lieu thereof "1971 and the two succeeding fiscal years".

(3) Section 105(b) of such Act is amended (A) by striking out in the first sentence "two succeeding" and inserting in lieu thereof "three succeeding", and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(b) Section 201 of such Act is amended (1) in the first sentence thereof by striking out "seven" and inserting in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years", and (B) striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) Section 303(c) of such Act is amended (1) in the first sentence by striking out "seven" and insert in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years" and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

BROADENING ELIGIBILITY FOR CONSTRUCTION GRANTS

SEC. 1102. Effective with respect to the first fiscal year for which there is appropriated the full amount authorized for such year by section 101(b) of the Higher Education Facilities Act of 1963—

(1) Section 2 of such Act is amended by striking out "accommodate" and inserting in lieu thereof the following: "to expand and improve the facilities available for the education of".

(2) Section 106 of such Act is amended to read as follows:

"ELIGIBILITY FOR GRANTS

"SEC. 106. An institution of higher education shall be eligible for a grant for construction of academic facilities under this title only if the project is needed and will be efficiently utilized by the institution (1) to provide for increased student enrollments; or (2) to provide a needed expansion of extension, continuing education, or community service programs of the institutions; or (3) to remedy existing or developing deficiencies in the instructional, extension, research, student counseling or student health programs of the institution; or (4) to provide administrative, maintenance, storage, or utility services necessary for the continued operation or expansion of the institution; or (5) for a combination of such purposes."

(3) The first sentence of section 401(a)(1) of such Act is amended by inserting "or for student health facilities," after "or for administration of the educational or research programs,".

ADJUSTMENT OF INTEREST RATES ON LOANS

SEC. 1103. (a) Section 303(b) of the Higher Education Facilities Act of 1963 is amended to read as follows:

"(b) A loan pursuant to this title shall be secured in such manner, and shall be repaid within such period not exceeding 50 years, as may be determined by the Commissioner; and shall bear interest at a rate per annum that is not less than the amount by which—

"(1) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of the 1 per centum, exceeds

"(2) a rate of not more than 1 per centum per annum, as determined by the Commissioner."

(b) This section shall apply to all loans approved, or for which a commitment is made, on or after the date of enactment of this Act.

EXTENDING AUTHORIZATION FOR HIGHER EDUCATION FACILITIES CONSTRUCTION ASSISTANCE IN MAJOR DISASTER AREAS

SEC. 1104. Section 408(a) of the Higher Education Facilities Act of 1963 is amended by striking out "July 1, 1967," and inserting in lieu thereof "July 1, 1969,".

INCREASING FEDERAL SHARE

SEC. 1105. (a) Sections 107(b) and 401(d) of the Higher Education Facilities Act of 1963 are each amended (1) by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum" and (2) by striking out "40 per centum" and inserting in lieu thereof "50 per centum".

(b) Section 202(b) of such Act is amended by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum".

MINIMUM TITLE I ALLOTMENTS TO STATES AND TERRITORIES

SEC. 1106. (a) Title I of the Higher Education Facilities Act of 1963 is amended by inserting after the second sentence of section 103 and after the first sentence of section 104 the following: "The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000."

(b) The amendments made by this section shall apply with respect to fiscal years ending on or after June 30, 1969.

TITLE XII—EDUCATION FOR THE PUBLIC SERVICE

TITLE

SEC. 1201. This title may be cited as the "Education for the Public Service Act".

PURPOSE

SEC. 1202. It is the purpose of this title to establish a program of grants and fellowships to improve the education of students attending institutions of higher education in preparation for entrance into the service of State, local, or Federal governments, and to attract such students to the public service.

PART A—GRANTS AND CONTRACTS TO STRENGTHEN AND IMPROVE EDUCATION FOR THE PUBLIC SERVICE

PROJECT GRANTS AND CONTRACTS

SEC. 1203. The Secretary of Health, Education, and Welfare (hereafter in this title referred to as the "Secretary") is authorized to make grants to or contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects (1) for the preparation of graduate or professional students to enter the public service or (2) for research into, or development or demonstration of, improved methods of education for the public service. Such grants or contracts may include payment of all or part of the cost of programs or projects for—

(A) planning for the development or expansion of graduate or professional programs to prepare students to enter the public service;

(B) training and retraining of faculty members;

(C) strengthening the public service aspects of courses or curriculums leading to a graduate or professional degree;

(D) conduct of short-term or regular session institutes for advanced study by persons engaged in, or preparing to engage in the preparation of students to enter the public service; and

(E) research into, and development of, methods of training students or faculty, including the preparation of teaching materials and the planning of curriculum.

The Secretary may also make grants to other public or private nonprofit agencies and organizations, including professional and scholarly associations, or contracts with public or private agencies or organizations, to carry out the purposes of this section when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

APPLICATION FOR GRANTS OR CONTRACT; ALLOCATION OF GRANTS OR CONTRACTS

SEC. 1204. (a) A grant or contract authorized by this part may be made only upon application to the Secretary at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it—

(1) sets forth programs, activities, research, or development for which a grant is authorized under this part, and describes the relation thereof to any program set forth by the applicant in an application, if any, submitted pursuant to part B;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(3) provides for making such reports, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall allocate grants or contracts under this part in such manner as will most nearly provide an equitable distribution of the grants or contracts throughout the United States among institutions of higher education which show promise of being able to use funds effectively for the purposes of this part, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need.

(c)(1) Payments under this section may be used, in accordance with regulations of the Secretary, and subject to the terms and conditions set forth in an application approved under subsection (a), to pay part of the compensation of students employed in public service, other than public service as an employee in any branch of the Government of the United States, as part of a program for which a grant has been approved pursuant to this section.

(2) Departments and agencies of the United States are encouraged, to the extent consistent with efficient administration, to enter into arrangements with institutions of higher education for the full-time, part-time, or temporary employment, whether in the competitive or excepted service, of students enrolled in programs set forth in applications approved under subsection (a).

PART B—PUBLIC SERVICE FELLOWSHIPS

AWARD OF PUBLIC SERVICE FELLOWSHIPS

SEC. 1211. The Secretary is authorized to award fellowships in accordance with the provisions of this part for graduate or professional study for persons who plan to pursue a career in public service. Such fellowships shall be awarded for such periods as the Secretary may determine but not to exceed three academic years.

ALLOCATION OF FELLOWSHIPS

SEC. 1212. The Secretary shall allocate fellowships under this part among institutions of higher education with programs approved under the provisions of this part for the use of individuals accepted into such programs, in such manner and according to such plan as will insofar as practicable—

(1) provide an equitable distribution of such fellowships throughout the United States, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need; and

(2) attract recent college graduates to pursue a career in public service.

APPROVAL OF PROGRAMS

SEC. 1213. The Secretary shall approve a graduate or professional program of an institution of higher education only upon application by the institution and only upon his findings—

(1) that such program has as a principal or significant objective the education of persons for the public service, or the education of persons in a profession or vocation for whose practitioners there is a significant and continuing need in the public service as determined by the Secretary after such consultation with other agencies as may be appropriate;

(2) that such program is in effect and of high quality, or can readily be put into effect and may reasonably be expected to be of high quality;

(3) that the application describes the relation of such program to any program, activity, research, or development set forth by the applicant in an application, if any, submitted pursuant to part A; and

(4) that the application contains satisfactory assurance that (A) the institution will recommend to the Secretary, for the award of fellowships under this part, for study in such program, only persons of superior promise who have demonstrated to the satisfaction of the institution a serious intent to enter the public service upon completing the program, and (B) the institution will make reasonable continuing efforts to encourage recipients of fellowships under this part, enrolled in such program, to enter the public service upon completing the program.

STIPENDS

SEC. 1214. (a) The Secretary shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Secretary shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

FELLOWSHIP CONDITIONS

SEC. 1215. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Secretary finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employments approved by the Secretary by or pursuant to regulation.

PART C—GENERAL PROVISIONS

DEFINITIONS

SEC. 1221. As used in this title—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State exclusive of an institution of any agency of the United States, which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose. For purposes of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "public service" means service as an officer or employee in any branch of State, local, or Federal Government.

(d) The term "academic year" means an academic year or its equivalent, as determined by the Secretary.

(e) The term "nonprofit" as applied to an institution, agency, or organization, means an institution, agency, or organization owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

COORDINATION OF FEDERAL ASSISTANCE

SEC. 1222. In administering this title, the Secretary shall give primary emphasis to the assistance of programs and activities not otherwise assisted by the Department of Health, Education, and Welfare, or by other agencies of the Federal Government, so as to promote most effectively the title's objectives.

METHOD OF PAYMENT

SEC. 1223. Payments under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

LIMITATION

SEC. 1224. No grant, contract, or fellowship shall be awarded under this title to, or for study at, a school or department of divinity. For the purposes of this section, the term "school or department of divinity" means an institution or department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

UTILIZATION OF OTHER AGENCIES

SEC. 1225. In administering the provisions of this title, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution, on a reimbursable basis or otherwise in accordance with agreements between the Secretary and the head thereof.

FEDERAL CONTROL OF EDUCATION PROHIBITED

SEC. 1226. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, or the selection of library resources by an educational institution, or over the content of any material developed or published under any program assisted pursuant to this title.

AUTHORITY TO ESTABLISH ADVISORY COMMITTEE

SEC. 1227. The Secretary may without regard to the civil service and classification laws, appoint a committee to advise him on matters of general policy arising in the administration of this title. Members of the Committee, who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Committee or otherwise engaged in the business of the Committee, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Committee away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

REPORT

SEC. 1228. The Secretary shall include in his annual report to the Congress, a report of activities of his Department under this title, including recommendations for needed revisions in the provisions thereof.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1229. There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $15,000,000 for the fiscal year ending June 30, 1970, to carry out the purposes of this title. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the purposes of this title, only such sums as the Congress may hereafter authorize by law. Funds appropriated for the fiscal year ending June 30, 1969, shall be available for obligation pursuant to the provisions of this title during that year and the succeeding fiscal year.

TITLE XIII—AMENDMENTS TO INTERNATIONAL EDUCATION ACT OF 1966

EXTENSION OF AUTHORIZATION FOR APPROPRIATIONS

SEC. 1301. Section 105(a) of the International Educational Act of 1966 is amended by striking out "and $90,000,000 for the fiscal year ending June 30, 1969," and inserting in lieu thereof "$90,000,000 for the fiscal year ending June 30, 1969, and $90,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and each of the two succeeding years, there may be appropriated to carry out the purpose of this title, only such sums as the Congress may hereafter authorize by law."

SEC. 1302. Section 105(b) of such Act is amended by striking out "April 30, 1967" and inserting in lieu thereof "April 30, 1969", and section 105(c) of such Act is amended by striking out "January 31, 1968" and inserting in lieu thereof "January 31, 1969".

TITLE XIV—UNIVERSAL EDUCATIONAL OPPORTUNITY COMMISSION

SEC. 1401. (a) It is the intent of Congress to explore the desirability and feasibility of providing universal educational opportunity at the postsecondary level through appropriate governmental assistance.

(b)(1) Not later than February 28, 1969, the President shall appoint an eleven-member Commission, to be known as the "Universal Educational Opportunity Commission" by and with the advice and consent of the Senate. The Chairman of the Commission shall, within nine months of the effective date of this section, submit to the Congress and the President a plan, or alternative plans, for providing universal educational opportunity at the postsecondary level. The Commission shall include, but not be limited to, individuals familiar with or representatives of vocational schools, business schools, junior colleges, four-year private colleges and universities, four-year public colleges and universities, and State universities, and shall include individuals outstanding as economists, sociologists, and representatives of business and labor organizations. It shall be the responsibility of the Commission to conduct a study of financing higher education and alternative plans for providing financial assistance to institutions of higher education and to students. Such plans shall include, but not be limited to—

(A) universal educational opportunity at the postsecondary level made available through grants to students or to institutions;

(B) various systems of loans to students or to institutions on behalf of enrolled students;

(C) the use of the income tax such as through credits or deductions, and work-study or cooperative education systems; and

(D) existing programs of financial assistance, including the cold war GI bill, and programs formerly in effect, including the World War II and Korean bills.

(2) The study to be made by the Commission shall include, but not be limited to, such factors as—

(A) the actual or projected cost effectiveness of alternative plans;

(B) the immediate and the longrun economic impact of alternative plans;

(C) financial and social implications to individual students participating under alternative plans;

(D) institutional implications for postsecondary education or training facilities under alternative plans;

(E) the relative contributions of Federal, State, and local governments, industry, students, and other sources, to the financing of higher education in the United States; and

(F) the appropriate role of agencies within the Federal Government for implementing various segments or phases of plans or alternative plans.

(3) The Chairman of the Commission is authorized—

(A) to appoint and fix the compensation of such staff personnel as he deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and

(B) to procure temporary and intermittent services to the same amount as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

(4) The Chairman of the Commission is authorized to enter into contracts with Federal, State, or local agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of his duties under this title.

(5) Members of the Commission shall, while attending meetings or conferences of the Commission or while otherwise engaged in the business of the Commission, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding $100 per diem (or, if higher, the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code), including traveltime, and while so serving on the business of the Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(6) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Chairman of the Commission, upon request made by him, such information as he deems necessary to carry out his functions under this title.

(c) This title shall be effective on January 21, 1969.

TITLE XV—MISCELLANEOUS

AGE QUOTAS IN YOUTH WORK AND TRAINING PROGRAMS

SEC. 1501. Section 124 of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"(f) In the case of a program under section 123(a)(1), the Director shall not limit the number or percentage of the participants in the program who are fourteen or fifteen years of age."

ELIGIBILITY FOR STUDENT ASSISTANCE

SEC. 1502. (a)(1) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution may deny any further payment to, or for the benefit of, such individual under any of the following programs:

(A) The student loan program under title II of the National Defense Education Act of 1958.

(B) The educational opportunity grant program under part A of title IV of the Higher Education Act of 1965.

(C) The student loan insurance program under part B of title IV of the Higher Education Act of 1965.

(D) The college work-study program under part C of title IV of the Higher Education Act of 1965.

(E) Any fellowship program carried on under title II, III, or V of the Higher Education Act of 1965 or title IV or VI of the National Defense Education Act of 1958.

(2) Nothing in this subsection shall be construed to limit the freedom of any student to verbal expression for individual views or opinions.

(b) No loan, guarantee of a loan or grant under a program authorized or extended by this Act shall be awarded to any applicant within three years after he has been convicted by any court of record of any crime which was committed after the date of enactment of this Act, and which involved the use of (or assistance to others in the use of) force, trespass or the seizure of property under control of an institution of higher education to prevent officials or students at such an institution from engaging in their duties or pursuing their studies, by an institution or person having knowledge of such conviction.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the substitute committee amendment be dispensed with, that it be printed in the RECORD, and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Chairman, reserving the right to object, will this only be the first title?

Mr. PERKINS. The whole bill. I asked unanimous consent that the whole bill be considered as read.

Mr. GROSS. That the whole bill be considered as read and open to amendment at any point?

Mr. PERKINS. Yes.

Mr. GROSS. Does not the rule provide that it first be considered by title?

Mr. PERKINS. Mr. Chairman, I amend my unanimous consent request and ask unanimous consent that the bill be considered as read by titles and that all of the titles be considered as read, the entire bill, and that it be printed in the RECORD and the bill be open to amendment at any point.

Mr. GROSS. Mr. Chairman, reserving the right to object—and I believe I shall object to that—I do not mind dealing with the bill title by title as being read and open to amendment at any point if the gentleman wants to amend his request to that.

Mr. PERKINS. Let me say to the gentleman that I am trying to get along here. I will amend the request, naturally, if I am forced to do it.

Mr. GROSS. I will only say to my friend from Kentucky that we had a pretty severe gag rule applied to us the last time the gentleman had a bill of any magnitude on the House floor. At that time I believe I said the next time the same opportunity comes up, if I can prevent it, I will do so.

Mr. PERKINS. I will amend my request. I am hopeful tomorrow that I may renew the unanimous-consent request for the remaining titles of the bill to be considered as read, but as of now I ask unanimous consent, Mr. Chairman, that title I be considered as read and open to amendment at any point, and that the entire bill be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VANIK, the Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15067) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts, had come to no resolution thereon.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H.R. 15067 and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

DESIGN AND CONSTRUCTION OF BUILDINGS FINANCED WITH FEDERAL FUNDS TO BE ACCESSIBLE TO THE PHYSICALLY HANDICAPPED

Mr. KLUCZYNSKI filed a conference report and statement on the bill (S. 222) to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped.

HOUR OF MEETING ON TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HALL. Mr. Speaker, reserving the right to object, can the distinguished majority leader give us a little more information about the planned program under these unusual circumstances?

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, the hope is to finish this bill and the bill which immediately follows it, and to pass over until next week the food stamp and agricultural bill and thereby get as many of the appropriation bills completed this week as possible.

Mr. Speaker, there are three reasons for this request. With reference to two of the appropriation bills, I believe members of the Republican platform committee are members of the subcommittees reporting these bills and they plan to meet next week.

Mr. HALL. I understand that. But what I am more interested in is a general priority program. I am always sorry when any individual Member is inconvenienced. However, there are about 430-some-odd of the rest of us who are inconvenienced from changes in the program.

Is there any intention to complete the three appropriation bills that are calendared this week?

Mr. ALBERT. Mr. Speaker, if the gentleman will yield further, it is hoped that we may complete these bills.

The gentleman from Texas [Mr. MAHON] has expressed a desire that above all others, the Defense Department appropriation bill be finished, and if possible, that the District of Columbia appropriation bill be finished next and, of course, the other one, if time permits. That is the order in which the gentleman from Texas has stated that he wants the bills to be brought up.

Mr. HALL. Do I understand the distinguished majority leader to say that if we finish these bills, we are going over until Monday upon the completion of business tomorrow night?

Mr. ALBERT. If the gentleman will yield further, the gentleman is correct.

Mr. HALL. What is wrong with working on Saturday around here? The other body worked last Saturday.

Mr. ALBERT. I wish the gentleman would ask that question of a lot of Members who ask me what is right with working on Saturday when we are not going to adjourn on August 2 as we originally hoped to do. We will have some time in September when we will have to be waiting on the other body to complete its work.

Mr. HALL. I will say to the distinguished majority leader that I am sure those Members who ask that we not work on Saturday are not interested in completing the session of this Congress at the earliest possible date.

Mr. ALBERT. I see no reason why we will not finish most of the important bills on the schedule next week.

Mr. HALL. Is there any plan for the

consideration of the appropriation bill on foreign aid in the following week?

Mr. ALBERT. I have no information on that.

Mr. HALL. Well, Mr. Speaker, I see no reason why we should come in at 10 o'clock in the morning and forfeit our committee meetings and other plans and arrangements that have been made just to convenience those who do not want to work on Saturday and who do not want to complete this session of the Congress at the earliest possible date.

I cannot find it within the reasons of the priorities of meeting, or within the reasons, as the gentleman says, of those who ask that we not work on Saturday.

Mr. ALBERT. The main reason is that we can finish most of the important legislation before or by the 2d of August—that is the main reason—without meeting on Saturday, and by meeting only 2 hours earlier tomorrow we can dispense with the entire Saturday afternoon.

The **SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

Mr. HALL. Mr. Speaker, I object.

The **SPEAKER.** Objection is heard.

Mr. ALBERT. If the Speaker would permit me to continue for just one more moment: I am informed that I inadvertently said we would go over from tomorrow until Monday. I meant that we would go over from Friday night. I did not know that I was misunderstood on that point. As I say, I understand that I inadvertently asked that we go over from Thursday night; however, I do not recall saying that. I meant that we would go over from Friday night until Monday.

The **SPEAKER.** Does the gentleman from Missouri insist upon his objection?

Mr. HALL. I do for that hour, Mr. Speaker. I will be glad to concur in the same hour as we did today, but I am not going to forfeit my privilege for those who refuse to complete the chores that we have in hand, or arrange the proper priorities.

The **SPEAKER.** Objection is heard.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a.m. tomorrow.

The **SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ROBERT C. MOOT—A CHAMPION OF THE PUBLIC INTEREST

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, an outstanding public servant, Mr. Robert C. Moot, is relinquishing his post as Administrator of the Small Business Administration, to take on a new, challenging, and important task as Assistant Secretary of Defense. I would like to pay him a brief tribute.

The country is fortunate that it is not losing his services, but for my part, I regret that I shall not as often again have the opportunity of dealing with him in my capacities as a Congressman, as chairman of the Banking and Currency Committee, and as a strong fellow advocate in support of small business.

During his service the past year with SBA, I have had numerous occasions to call upon him to explain the Agency's activities, to develop new approaches, to assist our House committee in strengthening the vital role of small business in the Nation. He has always been completely responsive, helpful, cooperative, and imaginative in our common task. Together, the Banking and Currency Committee and the Small Business Administration have been able to make steady progress toward ever strengthening and encouraging the small business community.

Mr. Moot was never content to rest on his or his agency's laurels. Whatever the idea, the commitment, the program, it always received his closest analysis, and inevitably, an extra surge of power to make it grow, work better, do more.

He early learned that a program for the people, especially the small people, can achieve success only if the people in need can tell of their troubles, and offer suggestions as how to solve them. He took the grassroots approach and the results were as excellent as we thought they would be with him at the head of SBA.

He leaves behind a flourishing agency staffed with enthusiastic, dedicated personnel. We regret that we will not in the future have as close contact with him as before, but he shall long be remembered as a superb public servant with outstanding qualities of kindness, tolerance, and understanding. I know the House joins me in wishing him continued success in his new position.

Mr. Speaker, as a further indication of the fine qualities always exhibited by Mr. Moot, and his remarkably outstanding cooperation with Members of this House, may I append hereto his letter to me of July 19. The Federal service is indeed honored by the continued presence of this exceptionally qualified administrator.

U.S. GOVERNMENT,
SMALL BUSINESS ADMINISTRATION,
Washington, D.C., July 19, 1968.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Serving as Administrator of the Small Business Administration has been a deeply rewarding experience. In fact, it has been the richest, most challenging service of my long federal career.

Under the mission shaped for us by the Congress, this Agency makes a profound contribution to both the economic and social progress of the nation. At the root of its effectiveness lies the deep appreciation you and other Members of your Committee, as well as the other Committees close to our operation, have for small business as a bulwark of our system. The Congressonal interest in small business has been a constant source of inspiration to me.

I have enjoyed working with you and your Committee, and I will always follow the progress of SBA with intense interest.

I am deeply grateful for your personal support.

Sincerely,

ROBERT C. MOOT,
Administrator.

THE NATIONAL LABOR RELATIONS BOARD'S HANDLING OF THE NATIONAI CASH REGISTER CO. BARGAINING SITUATION

Mr. WHALEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WHALEN. Mr. Speaker, the National Labor Relations Board, due to incredible ineptness, has precipitated an economic crisis and created serious frustration among 14,000 families in the Dayton area.

Here is the history of unbelievable bungling by that Federal agency.

For approximately 30 years employees of the National Cash Register Co. have been represented at the bargaining table by the Employees' Independent Union. On September 1, 1966, as a result of union-management negotiations, NCR workers received a wage increase. For the reasons outlined below, this is the last economic improvement accorded NCR employees.

On September 1, 1967, the then current collective bargaining agreement between the company and the Employees' Independent Union expired. Approximately 3 months prior to this contract's expiration—on June 5, 1967, to be exact—the United Steelworkers—USW—filed a representation petition with the Ninth Region, National Labor Relations Board. In this petition the USW asked the Board to conduct an election among production and maintenance employees at NCR plants in Dayton and Washington Court House, Ohio.

At the time this petition was filed the company was preparing for the commencement of negotiations leading to a new collective bargaining agreement with the Employees' Independent Union. Under existing law, the filing of this representation petition by USW precluded further contract negotiations.

The NLRB held a hearing on the USW petition at Dayton, Ohio beginning July 12 and concluding on July 17, 1967. At the commencement of this hearing—July 12, 1967—the International Union of Electrical Workers—IUE—intervened and became a party to the proceeding.

The Board did not issue its decision directing an election until December 15, 1967, 5 months after the hearing was concluded and 3½ months after expiration of the existing union-management contract. Federal statutes provide that, until a bargaining agent is certified, employees and management cannot engage in wage negotiations.

The election at NCR, pursuant to the December 15, 1967 NLRB decision, was held in the Dayton and Washington Court House plants on January 19, 1968. Employees had five options. They could vote for the Employees' Independent

Union, the United Steelworkers, the International Union of Electrical Workers, the International Brotherhood of Bookbinders, or "no union."

The tally of ballots issued by the Board at the conclusion of the election showed 13,569 valid votes cast. The Independent Union polled 6,760 votes. The IUE was second with 4,867 votes. The Steelworkers received 1,719 votes. The Bookbinders received 64 votes and there were 113 challenged ballots.

On January 26, the Regional Director for the Ninth NLRB Region announced that he was issuing a corrected tally of ballots which reduced the Independent Union vote from 6,760 to 6,660 ballots. He said that 100 IUE votes had been counted for both the IUE and the Independent Union.

Not only had the NLRB created an unnecessary delay in holding the election, but, if the regional director is correct, also mishandled the actual conduct of the election.

The Independent Union and the company immediately filed objections to the issuance of this corrected tally of ballots. On March 11, 1968, the regional director issued a report on election, objections to election, challenged ballots and recommendations to the Board. In this report, he overruled the objections to the corrected tally, ordered the entire election set aside, and ordered a new election.

On March 21, 1968, the company and the Employees' Independent Union filed exceptions to this report. These exceptions were sustained by the Board by order dated April 10, 1968. The Board thus rejected the recommendations of the regional director and ordered the regional director to hold a public hearing on the issues presented by the various objections. This hearing commenced in Cincinnati, Ohio, on May 14, before Trial Examiner Ramey Donovan and was concluded in Dayton, Ohio, on May 24, 1968. The briefs of the company, the IUE, and the Employees' Independent Union were received by the trial examiner on Monday, June 24. A decision is now awaited from the trial examiner.

It is evident from the forementioned facts that the Board, and not the company and the three competing unions, must accept responsibility for the long delays which have occurred in the processing of this election.

In summary, the National Labor Relations Board:

First. Took 5 months to decide to call a bargaining election.

Second. Set the dates of the bargaining election 3½ months after the expiration of the existing union-management contract.

Third. By its own admission, miscounted 100 votes cast during the certification election.

Fourth. After 6 months, still has not determined the outcome of that election.

The effect of this ineptness upon 14,000 NCR employees and their families has been:

First. Failure to receive a wage or benefit increase since September 1, 1966.

Second. Consequent loss of buying power in the wake of ever-advancing prices since that date.

Third. A feeling of hopelessness regarding the prospects for any future salary settlement.

LEGISLATION TO END TAX DISCRIMINATION FOR VICTIMS OF NATURAL DISASTERS

Mr. CULVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include extraneous matter.

Mr. Speaker, I have introduced legislation which will insure that individuals and families who are forced to vacate their homes as a result of fire, flood, windstorms, or other casualties are not penalized by increased taxes as a result of insurance benefits received.

I have prepared the legislation as a result of reports from my constituents who, displaced by fires and other disasters, have found themselves with unexpected taxes to pay on insurance benefits they receive. I am concerned that the victims of the recent tornadoes and floods we have experienced in our area, and in much of the rest of the country, may be faced with similar discriminatory tax considerations.

My proposal would overrule an Internal Revenue Service ruling that the benefits an individual receives from his insurance company to cover additional living expenses when he is forced to flee his home are taxable.

Nothing in existing law specifically states that these are taxable, but the Internal Revenue Code gives a very broad and all-inclusive definition of gross income, and the IRS has held that such tax is required under existing law.

Exclusion of these payments is justifiable on the same grounds as deductions for personal casualty losses—they are beyond the control of the taxpayer and, while they account for a very small percentage of total deductions, they are important to the victims of a disaster. Moreover, the cost to the Government is small compared to the equity obtained.

Exemption of these insurance benefits would also be more in conformity with our generally accepted "ability to pay" principle of taxation. An individual's ability to pay taxes is substantially the same whether he is living in his own home or has been forced to move temporarily to a motel. Yet, under present law, he must pay more taxes if he is reimbursed for these additional living expenses.

Present law specifically cites life insurance proceeds, benefits received under health and accident insurance policies, and workmen's compensation payments as excludable from gross income. To continue taxation of insurance payments legitimately received for additional living expenses is therefore highly discriminatory, and places unreasonable burdens on the individual at the very time when he is least able to afford them, when he is trying to recover from the effects of a disaster.

I urge the House to approve this legislation, and request that the text of my bill be inserted at this point in the RECORD:

H.R. 18801

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income insurance proceeds received by an individual to cover additional living expenses during a period when he has lost the use of his residence by reason of fire, wind, flood, or other casualty

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by adding at the end thereof the following new section:

"Sec. 124. Insurance proceeds covering additional living expenses

"Gross income does not include amounts received by an individual through casualty insurance to compensate him for additional living expenses paid or incurred by him for himself or members of his family for any period during which he was not able to use his residence by reason of fire, wind, flood, or other casualty which damaged or destroyed such residence."

(b) The table of sections for such part III is amended by adding at the end thereof the following new item:

"Sec. 124. Insurance proceeds covering additional living expenses."

SEC. 2. The amendments made by the first section of this Act shall apply—

(1) to amounts received in taxable years ending after the date of the enactment of this Act, and

(2) notwithstanding any other law or rule of law, to amounts received in any prior taxable year with respect to which, at the time claim for credit or refund is made, the period of limitations for making such claim has not run.

STEAMFITTER STEW

Mr. HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, Life magazine this week carries an article entitled "Ex-Con Who Spends Big on Candidates."

This report of the inside workings of the St. Louis Steamfitters Union and the method by which it has infiltrated the Democrat machine in the State of Missouri and indeed throughout much of the Nation should be a source of grave concern, not only to every Missourian but to every American.

As one who called repeatedly on the Attorney General of the United States to investigate possible violations of the Federal Corrupt Practices Act by this union and its leader, Lawrence Callanan—the information in this article does not come as any great shock to me, except that it confirms the worst suspicions that may have existed.

If the "Teapot Dome" scandal rocked the Harding administration, the "steamfitters stew" cannot help but shake the very foundations of the Johnson-Humphrey administration.

Consider just a few of the implications. Life charges that the "pipefitters voluntary political, educational legislative charity, and defense fund" is about as voluntary as a notice of induction. There

is no question, Life points out, but what every pipefitter had to contribute at least $1 a day for every day worked, while members of other pipefitter locals wishing work in eastern Missouri had to "volunteer" $2 per working day. Anyone objecting, Life goes on to point out, "was transferred to a short-duration job and shortly was out of work."

With the help and assistance of a law firm now represented on the Supreme Court of the United States and others, a Presidential pardon was given to Mr. Callanan, following his conviction for racketeering, and he was shortly back in business as usual.

The favor did not go unnoticed, for as Life points out, the "steamfitters stew" then served as a conduit to bestow funds on friendly candidates across the land including $57,000 to President Lyndon Johnson.

After spelling out in detail the web of corruption spun by the Democrat-union boss partnership, Life goes on to question the "loaded" trial which appears to be shaping up next month.

It is a sad, sorry, and sickening mess; and we must ask the question where is America headed, if it cannot be stopped?

FOREIGN TRADE: COMPETE OR RETREAT? SPEECH OF DAVID ROCKEFELLER TO SOUTHERN GOVERNORS CONFERENCE

Mr. WIDNALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WIDNALL. Mr. Speaker, on June 18, 1968, Mr. David Rockefeller, president of the Chase Manhattan Bank, addressed the Southern Governors Conference in Charleston, S.C., on the subject of foreign trade. Mr. Rockefeller's speech confronted one of the most difficult and complex issues facing the country and the Congress American foreign trade policy.

Noting that every sector of the country has a stake in exporting goods to foreign markets, Mr. Rockefeller documented this for the Southern States. He noted that in 1966, the 16 States ranged under the south Atlantic, east south-central and west south-central regions exported an estimated $2 billion of agricultural products. In 1967, the $6 billion of farm production sold abroad by American agriculture as a whole represented 14 cents of every dollar earned in the agricultural field, and for some items, the amount ran as high as 35 cents.

Speaking to the southern Governors whose States have made enormous strides in industrialization in recent years, Mr. Rockefeller pointed out that the South's new relationship to world markets could be seen in the progress of southern ports. A recent University of South Carolina study, he said, showed that port improvement could produce an additional $300 million per year in State tax revenues by 1975, provided that there were "no major unforeseen changes in tariffs and other barriers to international trade with major trading countries."

In detailing the interrelationship between both export and import trade policy conditions, Mr. Rockefeller makes a point which is of importance not only to the South, but to the country as a whole. While he and a larger majority of the American business community support a policy of freer world trade competition, Mr. Rockefeller makes it clear that they are also sympathetic to industries facing real problems in meeting foreign competition. He cites the work of the Emergency Committee for American Trade, a group of 53 corporations with plants in every State in the Union, who have come together to encourage a trade policy which would provide the country with protection from the loss of foreign markets, from a loss of dynamic competitive strength at home, and protection for the thousands of jobs that are created by the Nation's export industries.

The speech referred to follows:

FOREIGN TRADE: COMPETE OR RETREAT?

(Address by David Rockefeller, president, Chase Manhattan Bank at Southern Governors' Conference, Charleston, S.C., June 18, 1968)

I come before this assemblage of political leaders as something of an anomaly in this election year—a nonpolitical Rockefeller!

And it is my avowed intention to make a nonpolitical speech!

Actually, I find this nonpolitical stance easier to maintain than you might think. In fact, there are times when it becomes absolutely essential just to keep peace in the family!

As some of you know, I have a nephew running for Secretary of State in West Virginia under a party label which our family used to mention only in hushed tones!

But I guess that it is perfectly all right for me to say it aloud now that I'm in what my brother Win likes to call "the formerly Solid South!"

From time to time, I've been asked whether I thought the "political virus" running through our family was "catching," and I've always responded negatively. Besides, I'm sure I don't have to tell this audience that any family with two members in the Governors' mansions can surely use "a friend at Chase Manhattan!"

While of course I welcome the opportunity to address such a distinguished audience, I must confess that I was a little surprised at the topic suggested for my remarks. I was asked to discuss American trade policy in light of recent developments at home and abroad. As you know, this is an increasingly controversial subject these days, and I have made no effort to conceal my own position which I suspect is at variance with that of some in this room. If you find me speaking out perhaps somewhat bluntly for my own point of view, I hope you will excuse it as further evidence of my being a banker and not a political aspirant who would never strengthen any of your state tickets!

For the past 20 years, our system of international trade and monetary arrangements has performed remarkably well, I think, considering that some 120 sovereign nations are involved in the operation. But now monetary and trade complications are threatening to run ahead of remedies.

I believe the current monetary difficulties could actually prove healthful in the long run as nations find in this crisis the will to move forward with reforms that are clearly in order, particularly the creation of new international reserves. However, no reforms or innovations can save the system if key nations like the United States will not—in their own self-interest—pursue non-inflationary fiscal and monetary policies at a time of high employment when prices are rising steeply, imports are being sucked in and exports are hard-pressed.

Here at home, I certainly hope that the House of Representatives will face up to its responsibilities this week and pass the bill to increase taxes and cut back on expenditures. I know of no single step that would do more to restore confidence in the dollar throughout the world than prompt approval of a tax increase.

The system we are trying to save could also be undone by misguided moves in trade policy. There is a danger today that the liberal policies of our own nation and of our trading partners could be turned around in short-sighted efforts to obtain temporary trading advantages or to benefit particular industries.

The disappointing trade figures for the first few months of this year should not obscure the fact that in the past 20 years, the United States has exported some $80 billion more than we have bought from the rest of the world. These surpluses were one of the few bright spots in our balance of payments which, in 17 of the past 18 years, has been in deficit. This means, of course, that we have been spending more dollars overseas than we earned from trade and from other black-ink entries in our account book. The biggest outflow was for national security purposes. And, after all, that is one of the things money is for—to defend freedom, to make the world a little less dangerous, a little more hopeful.

There is no question about our ability to expand exports if we restrain inflation at home and vigorously seek markets abroad. There is, unfortunately, grave questioning around the world as to whether we will follow this course or repeat the mistakes of a dreary past and return to protectionism.

Last fall, almost before the ink was dry on the Kennedy Round of trade negotiations, a drive began in Congress to impose a grid of import quotas on America's foreign trade.

In the face of this threat, I joined with a group of business leaders from all parts of the United States in the Emergency Committee for American Trade. We came together to protect the only trade policy that has given our country genuine protection.

The Committee now consists of more than fifty of America's leading businessmen whose companies have plants in every state of the nation. For example, in Alabama, there is International Paper; in Arkansas, Singer, Boise Cascade, McDonnell-Douglas, Continental Can and others; in Louisiana, Boeing and West Virginia Pulp and Paper; in Florida, Quaker Oats and Honeywell; in Georgia, Scott Paper; and in North Carolina, IBM. Texas Instruments is a founding member. The list is a long one but it is not the number or economic significance of our membership that should bear on the issue but, rather, the soundness of our reasoning.

Like any other businessmen, the members of the Emergency Committee do not relish disagreement with some of their colleagues. Indeed, we are anything but unsympathetic to industries that face real problems in meeting foreign competition. We recognize that this is not an ideal world and that it may not be possible for the United States to follow, fully and easily, the instructions that Robert Toombs issued to William L. Yancey and the other two special commissioners to Europe. They were to say about the Confederate States that "in their traffic with foreign countries, they intend to act upon that wise maxim of political economy: 'Buy where you can buy cheapest and sell where you can sell dearest'."

What we cannot believe, however, is that a wave of protectionism here, followed promptly by retaliation from abroad possibly touching off a trade war, can be anything but a misfortune for all Americans.

There are few Southerners who are not familiar with the earlier failures of protectionism. In 1930, tariffs on dutiable goods were raised to an average of over 50 per cent. We tried to protect our industries, other nations tried to protect theirs—and the race was on. As Secretary of State Cordell Hull commented some years later:

"Through that ill-starred action, we helped to set into motion a vicious spiral of retaliation and counter-retaliation, and to start a race for a forcible contraction of international trade on a stupendous scale. . . . Our export trade became the victim of the formidable array of economic armament created by other nations, just as the export trade of other nations became the victim of our thrust into the heights of super-protectionism."

American exports dropped to $2 billion annually. To the South, this meant five-cent cotton and the strangling of new industry.

In 1934, Secretary Hull's reciprocal trade program permitted us to bargain with other nations to lower tariffs and prohibit quotas. His program worked and in the intervening years we have gone from $2 billion annually in exports to more than $30 billion.

The progressive opening of world markets has meant much to the South. Perhaps most significantly, it has assisted the agricultural revolution that has brought this sector of the Southern economy to a level of efficiency and productivity beyond even the planners' dreams of a few years ago.

Agriculture is still the single biggest business in the United States, and one of our greatest money-makers in international commerce. In 1967, American farms exported over $6 billion of produce that gave us a surplus in agricultural trade of about $2 billion. This means that 14 cents of every dollar earned in agriculture came from exports, and for some items the amount ran as high as 35 cents.

Department of Agriculture figures for 1966 show that the 16 states ranged under the South Atlantic, East South Central and West South Central regions exported an estimated $2 billions of agricultural products. Tobacco led the list, followed by cotton, wheat, feed grains, soybeans, rice, fruits and poultry.

The importance of these exports and their vulnerability to retaliation by other nations if the United States adopts protectionist measures bring us back to the shadow of 1930. You'll recall that the Smoot-Hawley tariff was part of a worldwide wave of protectionism in which no fewer than 50 nations adopted embargoes, quotas, special import duties, higher tariffs and exchange controls, with disastrous effects on our exports.

In foreign trade policy, a retreat readily becomes a rout. Of course, it need *not* happen. Rather than retreat, we can continue to compete—and we can come out ahead.

It is no secret that American workers earn more than workers in other countries. We also know that workers in some states and some regions of America earn more than in others. Our own experience shows that well-paying farms and industries can usually compete quite well in their area of competence with products from less affluent areas.

Exports in 1967 increased dramatically over previous years in those industries that pay the highest wages in America, and benefit most from our advantages in research and development, and innovation in management, production and marketing. In that year our exports of scientific instruments rose 11 per cent, office machines and computers rose 27 per cent, aircraft and parts 40 per cent. These are, of course, the kinds of industries the South needs and is now developing. As Professors Clark and Kirwan have noted in their very thorough survey, the South has "the resources to develop one of the most intensely diversified economies in the continent."

They also describe how North Carolina organized the facility known as the Golden Triangle which drew on the specialized talents of scholars at North Carolina State University, the University of North Carolina and Duke University. When Kentucky followed with the Spindletop Research Center, supported by the University of Kentucky, it was able to pool the extensive research services of industries already in the state with those considering moving there. The results of these bold programs are being watched nation- and worldwide as are other harbingers of Southern progress such as the great space industry crescent sweeping from Houston through Huntsville to the Florida Coast.

I believe the record will show that Southerners are well aware of the opportunity to play a greater role in world trade. Governor McNair spoke for the entire region when he said recently, "We're in the world market."

One indication of this intention can be seen in the progress of Southern ports. The 2,700 miles of Southern coastline is more than half that of continental United States. A recent study, made at the University of South Carolina, showed that port improvement "could produce by 1975 an additional $300 million per year in state tax revenues." The study was based on the assumption that there would be "no major unforeseen changes in tariffs and other barriers to international trade with major trading countries."

Other ports have made similar studies. One by the University of Virginia concluded that "one out of every eight employed persons in Virginia holds a job that is either directly or indirectly related to the activities associated with the state's ports and harbor activities." The Port of Houston has publicized the analysis that "thirty-three cents out of every dollar spent to give Houston the highest building and sales index in the South and one of the highest in the nation stems, directly or indirectly, from the Port of Houston and its allied activities."

In light of this continuing awareness on the part of so many Southern leaders of the importance of foreign trade, it is curious that many journalists and others have come to accept the notion that the South has turned to protectionism because of the new industries situated here.

While there is certainly protectionist sentiment in the South, as elsewhere, the record does not support this pessimistic thesis. A recent study by Charles Lerche of Southern votes on foreign policy issues shows that your Congressional delegations supported the Trade Expansion Act in 1962 by even wider margins than they had given the two previous extensions of the Reciprocal Trade Program, in 1958 and 1955. The figures for 1962 show 85 per cent of the delegation voting for the Trade Expansion Act. Only Mississippi produced a majority against it. In Arkansas, Kentucky, Tennessee and Virginia the support was unanimous.

Today, it is Chairman Wilbur Mills of Arkansas who is conducting the most thorough and deliberate hearings on trade policy since the Trade Expansion Act was approved six years ago.

Every American depends on imports to some extent. Even competitive imports are important to our economy and their availability serves as a brake on inflation and an accelerator to efficiency. Without competitive imports, how many fewer families could afford a transistor radio—possibly one made in the United States under a technology developed to overcome import competition?

Of all competitive imports, none has produced as much acrimony as textiles—the first important product manufactured in America. Textiles were among the first products in our nation to enjoy a protective tariff under the "infant industry" argument. Textiles have been the cause of sectional bitterness in America, first as the South resented buying back its own cotton in the form of finished goods from the North, and later as Northern states saw almost a whole industry migrate to the Carolinas and Georgia and other Southern states.

During transitional periods, individuals have suffered, particularly workers who had a lifetime invested in skills that were no longer needed. This so-called adjustment process is, in the view of the Emergency Committee for American Trade, poorly provided for in existing law. I am urging, as are fellow-members of the Committee, that the new and more clearly defined system proposed in the Administration's Trade Expansion Act of 1968 will be approved by Congress.

Welcome as the new proposals are, it must be our hope that imports will not displace workers in our great textile industry. Fortunately, since 1960, nearly 200,000 new American jobs have been created in the combined textile and apparel industries, in spite of a rapid rise in labor productivity.

By almost any standard, the textile industry in America is doing well today. It is indeed changing and change is not always easy. Last month a prominent investment house highly recommended the purchase of shares in two leading textile firms whose combined annual sales in 1967 exceeded $2 billion. We have come a long way from the days of the infant industry.

There is, of course, no question that imports of textiles have been increasing. So have domestic sales—by six times as much in the past six years. The textile industry—more than some others— has ups and downs and those in favor of import quotas can find statistics at certain times that appear alarming. But I strongly suggest that these statistics should be viewed in perspective.

Wages, profits and production have been rising steadily in the textile industry. The latest government estimates on profits are considerably higher than those the industry predicted only a short time ago. Most important, it seems to me, is the confidence those seeking import protection have in their own industry. In 1965, '66 and '67, they were investing at an annual rate of close to $1 billion, roughly double the 1960–61 average.

Although more than half of America's textile workers are in the South, it is interesting to note that New York still has more workers in the industry than any state but North Carolina. Important as jobs and profits are, we must also remember that every American is a consumer of textiles and import competition benefits all consumers by keeping prices down.

Today, the broad issues involved in trade policy effect many American interests. The textile quota proposals, for example, would give other countries a deadline within which to agree to restrict shipments to the United States. This is hardly the way to negotiate any kind of agreement.

Recently, the Emergency Committee for American Trade called on business organizations in Europe to support proposals for speeding up their Kennedy Round tariff cuts to benefit American exports. We are pleased that the Europeans have now made such an offer and we strongly hope an agreement on it can be reached. We intend to continue to press business leaders abroad for fairer treatment of American goods and to urge our government officials to intensify their efforts to this end.

We regret, however, that some European countries found it necessary to include in the offer a provision that it would be withdrawn if the United States took protectionist moves or failed to carry out a portion of the Kennedy Round agreement that pledges this country to attempt to repeal the American Selling Price system.

If we resent such conditions being placed on a generous offer by other countries, we must ask ourselves how they would feel if we passed legislation telling them they must agree to give up an important part of their export business by a certain time or else. This is the stuff that retaliation and trade wars are made of.

We must remember that retaliation is not something made up by importers or the State Department to scare Americans. In just the past few years, the Belgians retaliated against our exports of plastics and other products that were reaching growing markets—and we hit the Europeans as hard as we could when they hurt our chicken exports. The proposals now before the Congress would start a spiral of retaliation that would look like the 1930's all over again.

There is no question that sustaining a liberal trade policy is difficult in the face of strong temptations to seek a solution to industrial problems by shutting off foreign competition.

But this is an issue that is being joined in open and honest discussion. If we are willing to face up to the facts, candidly and resolutely, we have an opportunity to turn back the protectionist threat—both here and abroad—and, so doing, contribute immeasurably to the economic strength of all our states.

In the pursuit of this goal, I earnestly hope that you—the Governors of the Southern States—will join with men of conscience and good will all over the country in preserving the momentum toward a freer trade which has benefited our country so greatly over the past two decades.

AFTER VIETNAM: SHALL WE ATTEND TO OUR PRESSING DOMESTIC PRIORITIES, OR SHALL WE THROW IN THE SPONGE BECAUSE UNPLUGGED TAX LOOPHOLES DIMINISH OUR REVENUES, AND INCREASED MILITARY EXPENDITURES CROWD EVERYTHING OUT?

The **SPEAKER** pro tempore (Mr. GIBBONS). Under a previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, during the Vietnam war, there has been much talk about the big postwar attack on our critical domestic problems of housing, education, health, welfare, the environment; of building a Nation fit for heroes; of the new millennium coming; and so on.

I must confess that I have been indulging in some of this talk myself. Vietnam costs some $30 billion a year. When the war is over, why will not these savings, plus the $12 billion increase in Federal revenues we shall be receiving every year just from the growth in the economy, be enough to enable us to finance those great priorities of domestic need which have been so grievously shortchanged recently?

But it turns out we have all been living in a fool's paradise. Post-Vietnam revenues will be held down, we are told, because we cannot afford to offend the tax avoiders by plugging tax loopholes. Military expenditures will continue to rise because we cannot afford to offend the military-industrial complex. And therefore, domestic priorities will continue to be shortchanged.

Let us look first at the claims of the Pentagon in the post-Vietnam world.

It is being said that military demands, which take almost half the budget, have so far been very modest. With Vietnam out of the way, military stockpiles will have to be rebuilt, and new long-range military programs liberally funded. As Defense Secretary Clifford said on July 11:

> It is a mistake to assume that when the war is over in Vietnam, there will be a sharp and substantial drop in defense expenditures.

As Under Secretary of the Treasury Joseph W. Barr said in a Los Angeles speech on June 25, 1968:

> If the Defense Department is to maintain its current mission in the world—a mission that is defined by our diplomatic objectives—I would seriously doubt that any sizable reduction can be made in the defense budget in the foreseeable future.

After reviewing the activities of the Department of State and the Department of Defense, Secretary Barr mildly concludes:

> I'm not going to throw any rocks today at the Department of State or the Department of Defense.

So much for the executive branch. The Congress, too, seems to recognize that the great days of defense spending are still to come, now that that stingy McNamara has been moved out of the Pentagon. In the rococo prose of the House Committee on Armed Services in its July 5, 1968, report on the military authorization bill:

> The relationship between the Congress and the Department of Defense is, it seems quite clear, on the threshold of a revolution of rising expectations. This is brought about by a new atmosphere, an ambiance of cooperation that foretells what the Committee on Armed Services has always sought: a truly synergistic alliance with the Secretary of Defense.

The "rising expectations," of course, refer to the hopes of the military-industrial complex. As Dr. Arthur Burns, Chairman of the President's Council of Economic Advisers from 1953 to 1956, recently said:

> The scale of defense expenditures has, to a significant degree, become a self-reinforcing process. Its momentum derives not only from the energy of military planners, contractors, scientists, and engineers. To some degree it is abetted also by the practical interests and anxieties of ordinary citizens. Any announcement that a particular defense installation will be shut down, or that a particular defense contract will be phased out, naturally causes concern among men and women who, however much they abhor war and its trappings, have become dependent for their livelihood on the activity whose continuance is threatened. With a large part of our economy devoted to defense activities, the military-industrial complex has thus acquired a constituency including factory workers, clerks, secretaries, even grocers and barbers. Local politicians and community leaders may not find it easy to plead for the extension of activities that no longer serve a military purpose. Many, nevertheless, manage to overcome such scruples. Indeed, candidates for Congress have been known to claim that they are uniquely qualified to ward off military closings or even to bring new contracts to their districts, and their oratory has not gone unrewarded by the electorate. The vested interest that numerous communities have acquired in defense activities may therefore continue to run up costs on top of the rising budgets generated by the momentum of competing military technologies.

Our military expenditures in fiscal 1969 will be around $83 billion. Back in 1965, before the Vietnam escalation, our military expenditures were around $50 billion. With Vietnam out of the way, and allowing for price increases since 1965, it should be possible to have a defense program of pre-Vietnam dimensions comfortably for around $60 billion annually, leaving some $23 billion to be transferred to urgent domestic programs.

But the military-industrial complex is all set to gobble up this $23 billion post-Vietnam saving, and more.

For example, the anti-ballistic-missile system which we are now in the process of adopting could cost some $40 billion. The Air Force's new manned strategic bomber would cost some $8 billion. The proposed F–12 Air Force 2,200-mile-per-hour interceptor would cost out at something like $6 billion. Additional billions would be claimed by the larger and more powerful intercontinental ballistic missile for which the Joint Chiefs of Staff have been pressing.

So it is said that ending the war in Vietnam will not result in any military savings—new military programs will claim it all, and more.

We dreamers of a better postwar world answer, "Yes, but what about the $12 billion annual increase in Federal revenues—isn't even that going to be available for our high priority domestic programs?"

Here the fashionable answer is that our national budget is operating at an intolerable $20 to $30 billion deficit. Though this has been partially and temporarily alleviated by the tax surcharge, the surcharge will lapse next June 30. The American people, it is agreed, will not stand for a permanent income tax increase. Thus, we will once again be running an intolerable deficit. The $12 billion annual "fiscal dividend," it is urged, will be needed to reduce this deficit. So there will be no revenues for additional domestic needs.

But are we in fact powerless to raise revenues?

Instead of acting as if there were no way of increasing our revenues except by imposing an unconscionable tax increase on the already overburdened moderate-income taxpayer, why do we not get around to plugging the tax loopholes which now make a mockery of our tax structure?

Plugging such loopholes as the oil depletion allowance, the capital gains device, and the municipal bond exemption, could raise additional revenues of at least $7 billion annually. Coupled with the $12 billion annual "fiscal dividend" under the present tax structure, this would allow for an adequate reduction of the budget deficit. It would do so in a way least likely to bring about increased unemployment due to insufficient overall demand. And there would be left over sufficient new revenues to finance vitally needed domestic programs.

This means a recognition, which the administration has not so far come to, that a loophole-plugging tax reform is an excellent way to increase overall governmental revenues. For years, the administration has talked tax reform. It has so far failed to send up to Congress a bill to achieve it.

A tax reform program worthy of the

name is one that would yield around $7 billion a year additional revenue. This is to be distinguished from a so-called tax reform—one that opens up as many new loopholes as it closes old loopholes, or one that sanctifies existing loopholes by retaining them and simply charges the tax avoider a 50 percent "user's fee" for profiting by the loophole.

Let me now recapitulate the conventional wisdom that is being disseminated. Domestic priorities will be shortchanged after Vietnam, as they are today, since the military will claim all the savings from ending the war in Vietnam, and since reducing the deficit will claim all the $12 billion annual growth in an unreformed tax system.

Thus, Americans who have been going around dreaming that Sunday after the war would include better homes, expanded education, adequate health and welfare, clean air and water, will just have to forget about their dreams.

In short, Mr. Speaker, we are asked to surrender now to the military-industrial complex, and to the tax avoiders. To have our dreams come true, we are told, would seriously offend the Pentagon on the one hand, and those who profit by the tax loopholes on the other hand.

Mr. Speaker, to those who demand that we surrender on these two fronts, I suggest the word of Bastogne: "Nuts."

On the military expenditure side, our security will not be enhanced by the endless and mindless escalation of our military expenditures. Let us instead work to improve East-West relations. Let us work with those in the Soviet Union who are beginning to deplore, out loud, the reckless arms race. Let us put into deep freeze these new and fantastically expensive defense mirages, starting with the ABM. Let us get on with the task of negotiating a mutual reduction of arms with the Soviet Union.

On the tax avoidance side, consensus government surely does not require that existing tax loopholes be considered unpluggable. Quite the contrary—if we are to expect the moderate-income taxpayer to respect the tax system, we must take immediate steps to make a fair tax system.

What we need is national leadership dedicated to the goal of meeting our domestic priorities. The only way that goal can be met is by keeping military expenditures under control, and by plugging tax loopholes.

Unless these two things are done, as we have seen, there will be no money to meet urgent domestic needs.

If military expenditures are returned to the pre-Vietnam level, adjusted for inflation, of around $60 billion a year, this would free some $23 billion. Adding to the $12 billion annual "fiscal dividend" the $7 billion to be raised from plugging tax loopholes would produce $19 billion in additional revenues.

From this $42 billion could be found enough markedly to reduce the budgetary deficit, and still leave adequate sums for domestic priorities.

We can meet these domestic priorities if we so determine. But somebody will have to stand up to the military spenders and the tax avoiders. This is the issue that faces us in 1968, and beyond.

INSTANT SOLUTIONS—A NATIONAL MALADY

Mr. CLEVELAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, during the past 6 weeks, all of us in Congress have been swamped by a flood of mail on gun controls. For myself, I have received nearly 4,000 letters, telegrams, telephone calls, and petitions on the subject, 10 times more than on any other single issue since I came to Congress 6 years ago.

I might add parenthetically that the second biggest mailing came over the civil rights bill passed last April.

Many people across the Nation reacted to the tragic and senseless assassination of Senator Robert Kennedy with the demand for Federal registration of firearms, to halt crime and violence in our land. This was followed by somewhat of an overreaction that registration of guns is a first step toward their confiscation and a Communist takeover of America.

Fortunately, not everybody overreacted. One such person was Senator Eugene McCarthy, whose quiet words that Congress should consider gun control legislation in an orderly, thoughtful manner, and not under panic conditions, has won him respect from Members on both sides of the aisle.

Mr. Speaker, I would like to insert into the Record at this point an editorial which appeared in the Colebrook, N.H., News and Sentinel, praising Senator McCarthy for his reasoned approach. I also wish to add a word of praise for Judge Frederick Harrigan, the author of the editorial, for his pointing out:

> This whole gun business is all too symptomatic of the American predilection for "instant solution."

Too many people have been deceived by a lot of fancy rhetoric and have gotten the impression that all you have to do to solve a complex and difficult problem is to get Congress to pass a law. My only regret is that there are not more people in this country who will heed the wisdom of these words echoing out of the hills of the New Hampshire north country.

Thanks, Senator McCarthy

Amidst the furor over guns which has been going on since the Martin Luther King and Robert Kennedy assassinations, we have been reluctant to speak out if only from fear of guilt by association. The near hysteria generated by this particular question has been of such intensity that one ran the risk of automatic classification as one of the bad guys by so much as a word of dissent. The National Rifle Association and some of the conservative news media have, understandably, reacted with what amounts to overkill in their turn, making things more than difficult for the citizen who tries to maintain any kind of a sane and balanced attitude. As between Mr. Glassen of the N. R. A. on the one hand, and Senator Dodd, on the other, the choice has not been a happy one.

A voice of sanity has come from the best of all sources, Senator Eugene McCarthy. If there is anybody who cannot be accused of being a reactionary, it is this same Senator McCarthy, an accredited liberal and the current darling of the youth set. Of gun legislation, Senator McCarthy says, "We ought to consider it in an orderly way—not to panic—and it wasn't a question of the overall picture, it was what happened over the assassination, and I don't think there is any question but what the immediate response was a kind of panic response in the entire country." He went on to say that restriction of guns is more a "practical problem" than one of principle.

Here is a sane position everybody can endorse. Even the most fervent gun fan, or advocate of individual rights, will concede that better regulation is needed. Anti-gun enthusiasts have not been as ready to admit that guns out in the rural countryside are quite a different matter than guns in the crowded city, or that the sheer paper work involved would be massive and costly. A long look at the whole problem in a calm and cool manner is obviously what is needed, just as Senator McCarthy says.

Among other things, this whole gun business is all too symptomatic of the American predilection for "instant solutions". The national conscience was badly seared by the incidents in Memphis and San Francisco, and rightly so. It cannot be assuaged to any lasting effect by simply passing tough gun laws, then walking away in the happy assurance that the particular problem is solved.

BILL TO CREATE A CATALOG OF FEDERAL ASSISTANCE PROGRAMS

Mr. WIDNALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WIDNALL. Mr. Speaker, I am introducing today a bill which would create a catalog of Federal assistance programs. The purpose of the bill is to assist potential beneficiaries of the various Federal programs by listing all existing Federal assistance programs wherever administered and by supplying a centralized source of relevant information on each program so that each potential beneficiary can better determine whether he qualifies for Federal assistance.

My bill is identical to that introduced by my Republican colleague from Delaware [Mr. Roth]. It is a compliment to the initiative and leadership of Representative Roth that his bill has earned the support of 108 cosponsors. The work that he and his staff undertook in compiling the catalog of assistance programs which he inserted into the Congressional Record on June 25, 1968, is nothing short of remarkable.

In light of the present information crisis of the Federal Government, I believe this legislation is urgently needed to help Federal agencies open up constructive channels of communications to State and local government, private organizations, and individual citizens. Today there is no central comprehensive repository where meaningful information on all federally operated or assisted programs can be found. Yet $20 billion a year is being spent for these programs. There are countless cases where a school or association qualifies for Federal assistance yet does not receive such help because it does not know of the program under which it qualifies. The present lack of available information results in the game of grantmanship, where massive amounts of money are spent by non-Federal Government officials and private organizations, just to find out what Federal assistance is available and whether they qualify for it.

The situation can be more vividly illustrated by a recent National Association of Counties survey which showed that full time county development coordinators spend 50 percent of their time securing, analyzing, and distributing information on Federal grant programs. Educators are also affected by the present information gap on Federal assistance programs. To be fully informed of all available Federal aid, universities must often hire consultants who specialize in acquiring the kind of information which my bill would provide as a matter of normal procedure. As a result, the smaller and less richly endowed universities and schools are discriminated against since they often can not afford to hire special consultants or to spend the time researching for Federal assistance information.

My bill could aid both the executive branch and the Congress as well as potential beneficiaries. It could provide meaningful information with which to determine whether duplication, overlap, and lack of coordination exist and whether Federal programs can be better unified, coordinated, and streamlined. In addition, this catalog provides information which can be used as a basis for proposing new programs in the future.

The Program Information Act would require that the President transmit to the Congress during the first days of each regular session a catalog which would set forth the required information for each Federal assistance program. For each Federal assistance program the catalog shall identify the program, describe the program structure, state the level of funding, state the costs to the recipient of assistance or support, identify the appropriate officials to contact, describe the mechanics of application, and identify related programs. The catalog will be updated by the President at monthly intervals.

While other attempts to compile a catalog have been made, notably by the Office of Economic Opportunity, they have been incomplete as shown by the listings compiled by Congressman Roth in the Congressional Record of June 25, 1968. The responsibility for compiling the catalog should rest with the Bureau of Budget, since it is much more administratively convenient for the Bureau to compile this data when it serves as a clearinghouse for all programs which require Federal expenditures. Other agencies such as OEO are limited in their access to the relevant information.

The information gap between the Federal agencies and the potential beneficiaries should not be allowed to continue. Under present conditions, Federal programs lack maximum effectiveness and the taxpayers are not getting their money's worth. Enactment of the legislation I have proposed would be a constructive step in ending waste, increasing efficiency, and achieving the goals set for Federal assistance.

CRISIS IN THE SKIES

Mr. PICKLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKLF. Mr. Speaker, every link in the chain that holds our air transportation system together is stretched to the breaking point, and unless something is done immediately, I am afraid Congress will suffer the full blame for the nonfeasance.

News reports over the past weekend give strong evidence that when the Federal Aviation Administration air traffic controllers follow the book in handling air traffic, the result is that the system simply boggs down. If this charge proves true, or for that matter, even if it does not, I feel we simply must give consideration to every possible remedy to the airport congestion problem.

The alternatives for action are spelled out very clearly in an editorial in this morning's Washington Post. In broadest terms, they involve three things: Better use and allocation of traffic among existing airports, and better aid programs for construction of new airports; more air traffic controllers; and more and better traffic control equipment in the towers.

Mr. Speaker, on the issue dealing with the utilization of existing and new airports, I spoke to the House on June 27 this year and appealed for prompt consideration of all of the airport bills now pending before the Congress. Perhaps the ideal bill has not yet been introduced on airport aid, but I say we certainly should roll up our sleeves, dig into the bills now before us, and come up with the best possible one. This should be done this year.

To improve the conditions under which air traffic controllers now work, I feel we should take a closer look at their operations. Presently, they work under the most adverse conditions, and I do not think enough credit is given to them. But they need more than just credit. They need help, they need upgrading, and they need the professional status their work requires.

There are a number of proposals before Congress on the subject of air controllers. There is a move afoot callling for a special and separate civil service category for controllers; there are bills to create a Commission on Air Traffic Control; and there is the DOT appropriations bill calling for funds for 1,631 new workers in the general field of air traffic control, 1,213 of whom would actually be in the towers. Probably, some consideration should also be given to the overtime compensation of controllers, and to assure that their numbers will not suffer from the latest Government personnel cutbacks.

As to the final point for improving the situation, securing the latest equipment, I am encouraged to see that the DOT appropriation bill as passed by the House allowed full funding for the equipment modernization or radar control equipment. The alphanumeric and transponder systems are available, and we should get them into regular use as quickly as possible. New flight parameter systems should also give us new insight into the causes of air disasters.

Mr. Speaker, at this point, I insert the editorial referred to earlier in my remarks:

Crisis in the Skies

Last week's breakdown of the Nation's air transportation system came swiftly and overwhelmingly, in the manner of the high-school chemistry experiment when the last sugar crystal is dropped into a supersaturated sugar solution and the solution became instantly crystallized. It was like that with air traffic in large parts of the country. Suddenly it solidified and almost stopped. There were simply more people wanting to fly in more airplanes than the system could accommodate in its present thickened state.

Since the first of July, the skies over the Eastern United States have been especially jammed. In the second week of the month, seven airports in the so-called "Golden Triangle" of Washington, New York and Chicago handled 150,000 takeoffs and landings and about 5 million passengers. Delays of 30 minutes to four hours suddenly became commonplace. And the ultimate happened Friday when the key link between Washington and New York City—Eastern's Air Shuttle—went out of business during its peak hours primarily because there was no room for its planes to land at LaGuardia's Airport.

This is a crisis because there is no simple solution. The conditions that brought it about can be alleviated but they will not go away. Perhaps the foremost factor behind the situation is neglect. During the recent years of fantastically rapid growth in air travel and in the number of airplanes, little was done to provide new space for them to land on or sophisticated facilities to control their paths in the air. This summer, the seasonal surge in travel, the unpredictability of the weather, and some unanticipated mechanical failures on the ground, all added to stress on the system.

And then came the critical final ingredient, the last sugar crystal, as it were. It came in the form of a slowdown by many of the hard-pressed air traffic controllers of the Federal Aviation Administration who have been working indecently long hours under terrible pressure, and cutting corners for years to keep the system operating. Led by the controllers in New York and Chicago, they decided to work like human beings instead of galley slaves and to enforce the rules strictly, as regulations in so life-and-death a matter ought to be enforced. The result was that air traffic, already sludgy over much of the Nation, began to crystallize.

The bill before Congress now to meet this crisis by giving the FAA funds to hire an additional 1900 controllers does not provide an answer. Under normal circumstances, a controller does not begin to carry his full weight until he has two years of training. By that time, the predicted increase in air traffic will bring the system back to where it was in late June even with those new controllers.

On a long-term basis, the crisis can be met only by a sudden spurt in the construction of airports and a vastly expanded and modernized system of air traffic control. The FAA thinks within the next 10 years the country needs 900 new airports and the expansion of more than 60 per cent of the 3200 publicly owned ones now in existence. To do these two things, large sums of money must be raised—$6 billion by FAA's estimate. Aviation has grown into too large and too prosperous an industry for the Nation's taxpayers, as a whole, to pick up the bill for these improvements. The Administration's proposal for increased users' taxes now before Congress ought to be expanded and passed. It provides for a 5 per cent additional tax on airline tickets, increased taxes on aviation gasoline, and clears the way for higher landing fees. It ought to be expanded to include a tax on fuel for commercial jet planes.

Though interim solutions can ease matters while long-range projects are begun, none of them is agreeable. Still, the FAA ought to start pushing both commercial and general (private and business) aviation for major changes. It may well be necessary to bar general aviation from using certain airports during peak hours. It is certainly necessary to force airlines to stop such nonsensical practices as scheduling 20 to 30 flights out of O'Hare Airport in Chicago at precisely the same second. In cities where there are alternative airports, like New York, Washington and Chicago, this may be the time to redistribute the traffic load by forcing the airlines to shift some of their operations into the lesser used fields.

Despite the great resistance it is certain to meet from the aviation industry, the FAA ought not to be hesitant in taking any or all of these steps. The people who own and fly the planes have not been able to agree on any system that will reduce the crowded conditions of the skies. The FAA, which is responsible for the safety of all those who fly, and its parent, the Department of Transportation, have an obligation to point the way out of the current crisis. When they do, they should win enough support from the public to withstand whatever the pressure, political as well as industrial, that may be brought against its proposals.

LEGISLATION FOR THE DEVELOPMENT OF URBAN AND RURAL COMMUNITIES

Mr. REINECKE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. REINECKE. Mr. Speaker, there are profound and rapid changes occurring in the attitudes of people of all political persuasions toward approaches to the improvement of life in poor urban and rural communities in the United States. The policies and practices and coalitions of a generation are in disarray, and new and promising policies are emerging to take their place. I am proud to contribute to the development of new approaches to community development through cosponsorship of the community development corporation legislation.

The policies of the past generation toward poverty and community development were conditioned by the great depression and New Deal legislation. These policies were based upon premises that are no longer satisfactory or appropriate to changed social conditions and needs.

The first premise of these policies was that poverty is a matter to be met by legislation affecting the national economy on the one hand, and legislation explicitly directed to the welfare of the individual within the national economy on the other. This premise did not encompass the possibility that poverty is not always a product of conditions that affect the Nation as a whole. This premise did not encompass the possibility that poverty is not always a matter of personal incapacity or misfortune. This premise did not encompass the fact that poverty can be a product of conditions that peculiarly affect particular geographical and social and economic communities.

The second premise was that poverty is a temporary condition that can be met by "temporary" direct aid programs, rather than a chronic social condition that must be met by significant changes in social and economic organizations and by changes in the incentives to and opportunities for productive economic action.

The third premise was that poverty can be met by centralized bureaucratic activity rather than by decentralized activity that makes effective use of individual initiative in the context of community initiative and control.

Legislation and administrative action based upon these premises have had calamitous consequences. This legislation and this administrative activity have created a presumption of guilt and second-class citizenship that has been indiscriminately imputed to those who have been unable as well as those who have been unwilling to participate in economically useful activity.

In the name of altruism, governments have been induced to perpetuate intolerable invasions of the dignity and privacy of those who have been unable fully to participate in economic life. The legacy of the past has undermined individual initiative and generated bitter disillusionment with the American political and economic system. The economy has been denied the productive efforts of thousands upon thousands of persons, and potential producers of tax revenue have been converted into consumers—often unwilling consumers—of tax supported services. Many people have disastrously been excluded from healthy participation in the American economic and social system.

Whatever their merits in the past, by all reasonable social, moral, and economic standards, these premises no longer meet the needs of our time.

The various activities carried on under the label of the war on poverty were supposed, at least in part, to open new dimensions for participation by deprived people in American economic life. Unfortunately, the war on poverty too often has perpetuated the obsolescent premises of the past rather than generated new premises for action in the future. Judged as an experiment, however, the war on poverty may be regarded as a success to the extent that it has revealed the inadequacy of outmoded beliefs and the dangers of ideological rigidity. The war on poverty has brought into focus the premises upon which future action must be based.

First, poverty—economic, social, and spiritual—is a community problem as much as it is a national and individual problem. The community as a social and economic entity must be the focus of future effort.

Second, the basic public policy structure of economic incentives and opportunities must be shifted from a welfare consumption orientation to a production orientation.

Third, ownership, responsibility, and control of productive resources must be vested in the community itself rather than in outside organizations. Piecemeal consumption assistance must be supplemented and where possible replaced by wholesale capital investment in productive resources.

Fourth, centralized bureaucratic control must be replaced by decentralized citizen participation in economic affairs. The risk of failure must be commensurate with the opportunity of success.

In light of these observations, I am proud to cosponsor the community development corporation legislation, H.R. 18715. This legislation will authorize the organization of stock business corporations in poor urban and rural communities to finance, acquire, own, and manage productive business enterprises in the communities. The profits will be used to finance community educational and social service programs. The corporations will work with and through subsidiary consumer and service corporations. Community development banks will insure the availability of adequate capital. The entire operation will be privately controlled and not subject to bureaucratic domination. Citizen participation will be insured through citizen ownership of voting stock and other forms of participation in corporate activity.

This legislation is important not only in itself but also as an expression of a renewed determination to change the basic premises of public policy in response to changing conditions and needs and create new opportunities for the revitalization of community life in a manner consistent with the basic economic values of the country and the dignity and value of the individual. For these reasons I urge all Members of the House to join me in supporting this proposed legislation.

AIR POLLUTION

Mr. DADDARIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DADDARIO. Mr. Speaker, I have recently had correspondence with Secretary Wilbur J. Cohen of the Department of Health, Education, and Welfare which emphasizes the importance of proven health effects in bringing timely abatement action against air pollution. I believe these letters to be of interest to all persons working for improved environmental quality. Accordingly, I insert them into the Record at this point:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 9, 1968.
Hon. EMILIO Q. DADDARIO,
Chairman, Subcommittee on Science, Research, and Development, Committee on Science and Astronautics, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I have been reading press reports about your Subcommittee's position regarding the organizational status of the air pollution control program.

You are undoubtedly aware that we have recently acted on a reorganization of our environmental health activities, which, among other important steps, upgraded and strengthened the air pollution control activity.

We believe very strongly that an effective strategy for clean air requires the concerted efforts of engineering, science, and medicine directed across these areas: (1) the acceleration of research to better understand the effects of pollution on human health, including the development of knowledge of long-term health effects of small quantities of contaminants to which people are chronically exposed; (2) application of both experimental and proven techniques to air pollution control through large scale engineering development in cooperation with the private sector; and (3) the development of regulatory and control authorities principally at the State and local level to assure prompt and universal use of known technology.

It has long been my belief that the health effects of air pollution are the principal basis for regulation and research; even though the economic losses caused by air pollution are substantial. It is for this reason that the air pollution program belongs in a healthy agency where it can draw upon the resources and talents of co-workers at the National Institutes of Health, the Communicable Disease Center, the Food and Drug Administration, and other health units.

Our new organizational structure will enable the engineering and applied technology aspects of the program to build on the biomedical and physical sciences with the goal of rapid application of control techniques to bring air pollution under control.

I am attaching a recent address by Dr. Philip R. Lee, Assistant Secretary of Health and Scientific Affairs, which comments in detail on the goals and objectives of the Department in environmental health.

Sincerely,

WILBUR J. COHEN,
Secretary.

JULY 12, 1968.

Hon. WILBUR J. COHEN,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: I am pleased to have received your letter of July 9, 1968, and to comment on the questions raised concerning our subcommittee's position. Since I am uncertain as to the extent the press reports you read may have distorted our views, I am enclosing a copy of the recent report "Managing the Environment." This document is based on recent hearings and studies but also reviews over three years of investigation by the subcommittee and staff.

I would call your attention to recommendations C.2, C.3, and A.2.

"C.2. The hearings record suggests that the major environmental engineering operations of all Federal agencies should be placed together in the Department of the Interior. For example, the domestic environment related activities of the Corps of Engineers should be transferred from the Department of Defense. The nonhealth programs of the National Center for Air Pollution Control and the Solid Waste Division within the Department of Health, Education, and Welfare should be separated and transferred to the Department of the Interior.

"It is recommended that the appropriate committees of the Congress (including the Subcommittee on Executive and Legislative Reorganization of the House Committee on Government Operations and the Subcommittee on Executive Reorganization of the Senate Committee on Government Operations) should immediately undertake the study which will be necessary to implement this suggestion in its organizational detail. The Executive Office of the President should consider initiating reorganization plans which may be necessary.

"C.3. Human health criteria for environmental contamination (including air and water) should continue to be constructed and published under the direction of the DHEW, but with the full participation of all interests in an open manner characterized by the scientific method.

"A.2. Hazards to human health from environmental degradation cannot be the sole basis of policy (although research to elucidate these relationships should be accelerated). Legally useful cause-and-effect data may be so difficult to obtain that dependence on human health as the determinant of abatement action may delay management progress."

I am personally convinced that the health effects of air pollution should be verified and used as a basis for regulation in a realistic manner. The construction of criteria for judgment of air pollution-human health relationships is clearly the function of the Department of Health, Education, and Welfare.

At the same time, I believe that with many important air contaminants there are other equally important reasons for abatement. For example, the recent meeting on air quality criteria held in New York on June 4 and 5 suggests that nitrogen oxides be reduced to a level *below* the health effect threshold for the reason of maintaining visibility. Particulate matter should be reduced because of the soiling expense and nuisance which it imparts. Hydrocarbons which are converted to photochemical smog should be controlled because of eye irritation. Carbon monoxide should be reduced on the basis of engine efficiency and as a companion to hydrocarbon reduction. Sulfur oxides are corrosive, they damage plants, and may interact with particles to affect human health—but it appears that sulfur recovery from stack gases may provide a profit motive for abatement.

Therefore, I would think that to move quickly ahead in cleaning up the air, an economic-engineering strategy is necessary. Time is important, and we are all aware that the health-based criteria called for in the 1963 Clean Air Act have been difficult to produce. If we delay further in awaiting these descriptions, abatement costs will increase and economic losses will continue to accumulate. On the other hand, if arbitrary standards are set locally in the absence of Federal criteria, they may impose unwarranted expenditures on industries, municipalities, and consumers.

It may be that the legislation itself must be modified to allow criteria to be developed on other bases than human health effects. The term "Protection of the public health and welfare" is certainly broad enough, but the current emphasis on human health seems to have overshadowed some realistic opportunities for immediate abatement action on other grounds.

The details of administration and organization certainly need to be discussed at greater length and I am suggesting that the appropriate bodies of the Congress take up this subject. In the meantime, I will continue to urge funding support for research on health effects, and in fact, the entire air quality program.

Sincerely,

EMILIO Q. DADDARIO,
Member of Congress.

THE NATIONAL SCIENCE FOUNDATION ACT OF 1968

Mr. DADDARIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DADDARIO. Mr. Speaker, a few days ago, on July 18, the President signed the National Science Foundation Act of 1968—a bill conceived in the Congress, shaped by a cooperative and concerted effort of both legislative and executive branches, and approved overwhelmingly by the House and Senate on a bipartisan basis.

This act, the main features of which are described below, was enacted and signed with little fanfare.

It carried none of the emotional or political fervor to which we have become accustomed while dealing with such trying matters as crime, urban redevelopment, welfare, foreign aid, pollution, gun control, and the like.

Yet, to my mind, this bill which is now Public Law 90-407, deals with issues no less significant. Indeed, without the kind of research and frontier thinking for which the new law provides, it seems unlikely that we will solve the sobering dilemmas—physical or social—which now face us.

On June 5, I expressed my philosophy in regard to the science-environmental relationship on the floor of the House, and I do not wish to restate that philosophy in detail. Nonetheless, I feel it is important to emphasize that new and fundamental knowledge must be obtained in all fields of science if we are to make any real progress toward a better life for our citizens. In fact, we will require improved knowledge and understanding merely to keep our present standard of living from crumbling.

Only research will give us the tools we must have to do the job.

That is why the new law is so important—for it streamlines and restructures along functional lines the organization, the operation, and, to some degree, the mission of the National Science Foundation. And NSF is the only Federal agency devoted exclusively to development of the basic research which is so crucial to our well-being.

Lest I be misunderstood on the point, let me reiterate that the intent of Congress in passing this law is not to alter the fundamental character of the Foundation but to permit NSF to do its job with greater economy, efficiency, flexibility, and precision.

I commend my colleagues for their vision and cooperation in helping those of us who spent nearly 4 years developing the legislation to put it into effect.

I am confident our Nation, and every State, will benefit from it.

Mr. Speaker, I submit for the RECORD at this point the comments of NSF's Director, Dr. Leland Haworth, upon the occasion of the signing of the act.

NATIONAL SCIENCE FOUNDATION AUTHORITY BROADENED BY LAW AMENDING NATIONAL SCIENCE FOUNDATION ACT

The bill signed into law by President Johnson on July 18, 1968, amending the National Science Foundation Act of 1950, provides for significant broadening of the Foundation's authority, and strengthening of the position of the National Science Board as a policymaking body.

Important functional provisions of the Act:

Add the social sciences to those disciplines explicitly designated for support;

Authorize NSF to support applied research in addition to basic research;

Give the Foundation a special mandate to foster computer technology for research and education;

Assign to the National Science Board and the Director specific responsibility to recommend and encourage national policies for the promotion of basic research and education in the sciences;

Require the Board to render an annual report to the Congress through the President on the state of American science;

Broaden the authority of the Foundation in international science activities.

The Act is the result of the first thoroughgoing review of the Foundation since its establishment in 1950. The review was initiated late in 1964 by the Committee on Science and Astronautics of the House of Representatives, chaired by Congressman George P. Miller of California. Extensive hearings were conducted by the Subcommittee on Science, Research and Development, headed by Congressman Emilio Q. Daddario of Connecticut, who introduced the original bill in 1965.

In the Senate, the Committee on Labor and Public Welfare under the leadership of Senator Lister Hill, and its Special Subcommittee on Science under the chairmanship of Senator Edward M. Kennedy, added to the long work carried out in the House, and introduced several important amendments incorporated in the final Act.

"The new law presents the National Science Foundation with many challenges and many opportunities," said Dr. Leland J. Haworth, Director of the Foundation. "Most of the provisions in this final version received the warm support of both the National Science Board and myself. We look forward to continuing our work under our revised and expanded charter, which gives NSF the tools to be of greater service to the Nation and to science in the future."

FUNCTIONS OF THE FOUNDATION

The Act authorizes or directs a number of new NSF activities:

Support for applied research at academic and nonprofit institutions is authorized, at the discretion of the Foundation. The Act also authorizes the support of applied research through profit-making organizations when directed by the President in connection with national problems involving the public interest.

The Foundation is specifically directed to give support to the social sciences. The authority for such support already existed by virtue of general language, but the new Act expressly states the will of Congress that the Foundation support this field on a co-equal basis with other sciences.

A new section is added providing that NSF foster and support the development and use of computer and other scientific methods and technologies, primarily for research and education in the sciences.

NSF is authorized to undertake on its own initiative, or at the request of the Secretaries of State or Defense, the support of scientific activities relating to international cooperation. This authority joins that previously provided for work to be supported when requested by the Secretary of Defense, but the new authority is discretionary rather than mandatory. Any such activities done at the request of either Secretary must be financed by funds transferred by the requesting Secretary, must be unclassified, and must be identified as being supported as a result of such a request.

NSF is currently required to collect and collate data on national scientific and technical resources. The Act provides that the Foundation is to analyze and interpret the data as well. By scientific "resources", are meant scientific and technological manpower and training, facilities, and information.

NSF is given a new task of ascertaining how much Federal money is received each year by each educational institution and appropriate nonprofit organization in the United States.

STATUTORY FUNCTION REMOVED

The Act removes the specific statutory basis for the Foundation's activities in the area of weather modification. However, with its new authority to support applied research, NSF retains authority to continue its broad research support in the area of weather modification. Therefore, the major deletions of substance relate to authority to require reporting to NSF of private weather modification activities and the NSF power to compel testimony on such activities.

COMPOSITION AND ACTIVITIES OF THE NATIONAL SCIENCE BOARD

The Act clarifies and broadens a number of the National Science Board's responsibilities and duties.

The National Science Board continues to be responsible for establishing the policies of the Foundation.

The Board is to be consulted by the Director in the formulation of new programs and is expected to review NSF programs on a selective basis.

The Board is authorized to delegate to the Executive Committee or to the Director, or both, such of its functions including policymaking as it may deem appropriate.

The Act specifically provides that "the Board and the Director shall recommend and encourage the pursuit of national policies for the promotion of basic research and education in the sciences."

The Board has been given a major new responsibility—that of rendering an annual report to the Congress through the President on the status and health of American science and its various disciplines. This requirement should not be confused with the Annual Reports that the Foundation makes on its activities, which will be continued.

NSF DIRECTOR AND STAFF

The Act makes a number of important changes in the responsibilities of the Director.

All residual authority not specifically assigned to the Board is vested in the Director.

In organizing the Foundation's internal structure, the Director is to consult with the Board.

The Director is given specific statutory authority to delegate such of his duties and powers as he deems appropriate. The Director may not, however, redelegate any policymaking functions which may have been passed on to him by the Board.

The Director is given authority for making contracts and awarding grants and fellowships except for those involving a total commitment of $2,000,000 or more, or at an annual rate of $500,000 or more, or for such lesser amounts and subject to such other conditions as the Board may determine; in these cases the Director must secure the prior approval of the Board.

The Act elevates the Director from level III to level II of the Federal Executive Salary Schedule. This puts him at the same level as the Chairman of the Atomic Energy Commission, the Administrators of Veterans Affairs and the National Aeronautics and Space Administration, the Secretaries of the Air Force, Army, and Navy, and others.

The Act provides for appointment of an NSF Deputy Director by the President and with the advice and consent of the Senate and elevates the office from level V to level III of the Executive Salary Schedule.

The Act provides for four Assistant Directors. These officers, at level V, are to be assigned to their duties by the Director. They will be appointed by the President and subject to Senate confirmation.

ANNUAL AUTHORIZATIONS

The Act authorizes appropriations up to $525 million for the current fiscal year and provides that for the fiscal year ending June 30, 1970, and each subsequent fiscal year, only such sums may be appropriated for NSF as the Congress may hereafter authorize by law. This provision replaces the former continuing authorization which authorized such amounts as Congress might appropriate.

DENVER BUILDS CITYWIDE HEALTH NETWORK

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROGERS of Colorado. Mr. Speaker, it has been brought to my attention that the May issue of Modern Hospital Monthly featured an extensive story on the Office of Economic Opportunity's successful neighborhood health centers program.

I was especially interested in the article, since the project administered by the Denver Department of Health and Hospitals was highlighted. The Eastside Neighborhood Health Center was funded by OEO in 1965 to handle 450 patients per week. It found itself serving an average of 1,600 patients in its first year of operation. Since that time, Denver's Office of Economic Opportunity grant was increased to establish an equally as effective second neighborhood health center in west-central Denver.

This is an example of an outstanding project initiated by the Office of Economic Opportunity which, when proved successful, gained support from other Federal agencies as well. You will notice that the Children's Bureau now aids in sponsoring the center.

I would like to bring the report on Colorado's health center in the Modern Hospital Monthly article to the attention of my colleagues. The article calls for an increase in programs utilizing this concept of reaching the poor through comprehensive health aid.

I insert this impressive article at this point in the RECORD:

DENVER BUILDS CITYWIDE HEALTH NETWORK

(By Beverly Collins)

Although it faces the same health problems that confront other inner cities in America, imaginative leadership by Denver's Department of Health and Hospitals has resulted in the establishment of a citywide Neighborhood Health Program. The program provides family-centered, comprehensive health services to low-income Denver residents in facilities located as close as possible to the people who need care. Funds from three federal projects support the integrated health program, which is now about 60 per cent operative.

When fully implemented, the program will consist of a three-tiered pyramid of decentralized health facilities, all administered by the Department of Health and Hospitals. Twelve small health stations will be located within walking distance for most patients and will be backed up by two larger neighborhood health centers, which offer a wider range of services, and by three participating hospitals, which provide specialized treatment and consultative services.

Nurses from the public health division's visiting nurse service staff all health program facilities, and other heads of services in the department recruit personnel and supervise their work. The hospital's facilities provide back-up laboratory and x-ray work, the hospital pharmacy supplies packaged medications on order, and the department's physical plant crew is responsible for maintenance at neighborhood facilities.

The Denver program currently is providing care for low-income persons, but this kind of health practice is obviously transferable to all income groups. "As more health professionals are trained to work in such groups and the health care consumer becomes better able to pay for his health needs," said Dr. Samuel Johnson, director of the Neighborhood Health Program, "private groups may well take over many of the health facilities currently operated by local government."

Most of the 130,000 residents of Denver's poverty area, which comprises about one-fourth of the city, suffer from low incomes, little education, inadequate housing, and unemployment.

Health conditions in the poverty area were illustrated by a 1965 Head Start survey which revealed that only 17 per cent of the 5 year olds enrolled in the program had polio and diphtheria-tetanus immunizations which were up to date. Babies born to mothers living in the low-income area were more likely to have low birth weights and faced an infant mortality rate 70 per cent higher than in the rest of the city.

Health care for the poverty segment of Denver's population was episodic, fragmented and uncoordinated. The few charity clinics available were severely crowded and had long waiting periods, and only 10 of the 1,370 physicians in metropolitan Denver practiced in the poverty area. Most of the low-income residents used Denver General both for emergency hospitalization and as as substitute for a private physician. Designed to handle 70,000 to 80,000 outpatient visits a year, the hospital was forced to make room for more than 200,000 outpatient visits annually, an overload which often resulted in long waits for care and crowded outpatient clinics.

The Eastside Neighborhood Health Center, funded in August 1965 by a grant from the Office of Economic Opportunity, opened in March 1966 in a remodeled apartment house located near the population center of an eight-census-tract depressed area in north-central Denver—a neighborhood with a population of about 40,000, almost half of whom are Negroes.

The center operates on a full-staff basis each weekday from 8 a.m. to 10 p.m. and from 8 a.m. to noon on Saturdays. Emergency treatment is available from noon to 10 p.m. Saturdays and Sundays. Services available to the 20,000 indigent residents of the target area include medical, dental, maternity, visiting nurses, social services, mental health, environmental health, health education, nutrition, pharmacy, x-ray and laboratory.

Budgeted for a projected case load of 450 patient visits a week, the health center soon was recording 1,600 visits a week. More than 14,500 patients made 67,000 visits to the center during its first year of operation.

Additional federal funds were made available for remodeling the building, utilizing previously vacant areas of the second floor to expand the center so it will not deteriorate into the stereotype of a charity clinic. During the remodeling, which started in October, patient load at the center continued to build to a total of more than 9,000 patient visits a month. By the end of October 1967, almost 20,000 patients had made 115,145 visits to the center in the 19 months since its opening. Center expenditures (excluding remodeling and equipment costs) for the period from Oct. 1, 1965, through Oct. 31, 1967, totaled $1.5 million, making the cost per patient visit approximately $13.

Children under 15 account for about half of the total patient visits to the center, with the pediatric percentage declining slightly as more of the adults in the area come to the center.

After the patient response to the Eastside Neighborhood Health Center became evident, Denver's O.E.O. grant was increased to establish a second neighborhood health center, in west-central Denver, to serve approximately 20,000 people living in 11 census tracts.

About the same time in 1965 that the first neighborhood health center was funded, the Denver Department of Health and Hospitals received a Maternal and Infant Care Project grant from the Children's Bureau of the Department of Health, Education and Welfare to provide prenatal and postpartum services for low-income women and further treatment for high risk mothers and infants. This project now operates five neighborhood clinics, one of which is located in the Eastside Neighborhood Health Center.

Another grant from the Children's Bureau in September 1966 supplied funds for Denver's Project CHILD, which is designed to provide comprehensive preventive health care for children under 19. Under the Project CHILD plan, 12 health stations are being established throughout the low-income areas to offer the type of health services available in a physician's office as well as the help of a nutritionist and social worker.

The funding of Project CHILD completed a basic health care system—health stations, health centers, and participating hospitals—which could be used to provide comprehensive health care in neighborhood facilities for the whole family. The success of the comprehensive approach to health care at the Eastside Center had convinced Denver planners that integration of services not only was more convenient for patients but also offered health program personnel a better opportunity to understand and ameliorate the interrelated health problems which so often are a part of low-income life. Agreement from O.E.O. to fund adult care at the 12 health stations made it possible to bring together the three projects—maternal, adult and child—to form an integrated program of family-centered health care.

For most patients, the health stations are the point of primary contact with the health program. From the stations, which are open from 9 a.m. to 6 p.m. each week-day, patients are referred if necessary to a larger neighborhood health center or to one of the backup hospitals for more definitive treatment. When the program is fully operational, it is anticipated that geographic boundaries can be done away with and health program facilities will be open to all indigent Denver residents. Services are available without charge to families whose incomes are under a certain level, depending on family size; for example, a family of five with an annual income of less than $6,600 is eligible for free care.

Patient registration and treatment in the health program are conducted on a total family basis. When one member of a family comes in for care, other members are registered and scheduled for appointments. The importance of preventive check-ups and immunization is emphasized—especially in the case of children. The clinic chart for each family member is accompanied by information on the entire family. Thus a health station social worker consulted by the public school about a child with learning problems has at hand results of the child's developmental screening tests as well as information about conditions in his home which might be influencing his behavior at school.

Response of the neighborhood residents to the health stations has been as enthusiastic as that evidenced for the larger neighborhood health center. At the Mariposa station, which opened in March 1967, almost half the 1,100 patient visits in the first six weeks of operation were made by children despite the fact that maternal and family planning services had been established in the neighborhood for more than a year before the full-scale station opened. In November, pediatric visits at the station averaged 50 a day. After 10 months of operation the station had charts for 4,000 patients, and the total population of the target area is only about 9,000.

The unexpectedly heavy patient load at the health stations led program planners to design a model health station. Optimum size for these small, neighborhood facilities seems to be about 4,000 square feet, preferably all on one level to allow better access to records and more flexibility in utilization of exam rooms, equipment and personnel. Operations of the five existing stations has enabled administrators to estimate staff needs for conference and meeting space and a desirable plan for patient flow through the facility. Three of the stations will house mental health teams from the Department of Health and Hospitals. Two other teams will be stationed at the neighborhood health centers.

Experience in all health program facilities has indicated the importance of full-time physicians to the program's goal of continuous, comprehensive care. The Eastside Neighborhood Health Center now has four full-time pediatricians, six full-time physicians, and four full-time dentists. Of 510 physician-hours a week at the health center, 400 are provided by full-time personnel who range from general practitioners to fully qualified board specialists in several fields. The part-time staff members who provide the remaining services consist mostly of third-year medical residents and specialty fellows who frequently work at the center because they are stimulated by and interested in the health program. The same policy of recruiting full-time physicians applies in the health stations. At all facilities, patients see the same doctor on each visit, and even the schedules of the part-time physicians are arranged so this is possible.

Development of a new professional role—the pediatric nurse * * * value in the Denver program. These public health nurses have completed a special four-month course at the University of Colorado Medical Center and are continuing inservice training under the supervision of health program pediatricians. They perform the time-consuming duties of history-taking, anticipatory guidance, and physical evaluation, making it possible for the supervising pediatricians to see more patients.

One of the most encouraging aspects of the health program's operation thus far—and a basic factor in its success—has been the extensive participation of indigenous personnel. Seventy-eight of the 200 employes at the Eastside Neighborhood Health Center are residents of the center's service area, and neighborhood residents are working in the other facilities.

All the neighborhood personnel in the health program are employed under a special training category. Neighborhood Aide Trainee, created by the city's Career Service Authority. General orientation for their work is provided under an O.E.O. grant by a special training service in the Department of Health and Hospitals. Department administrators are working closely with personnel of the local War on Poverty agency to develop job opportunities for these people.

The neighborhood personnel have performed exceptionally well in relatively structured situations such as on the clerical staff and as aides to nurses, dentists, nutritionists, lab technicians, mental health teams, and social workers. They also have been of great service to the health program and its patients as neighborhood representatives and family health counselors.

In the latter roles, they serve as liaison between the health facility and its patients, informing neighborhood residents about services available and informing the staff of how the patients feel about the care they have received. In this way, they help administrators keep the health program responsive to the needs of the patients. Both counselors and representatives also help individual patients solve their health related problems, first by informing them what aid is available from other public or private agencies to help them in social, legal or educational problems and second, by offering that bit of personal support which so often can make the difference between success and failure for a patient who has experienced a lifetime of frustration and rejection.

Health conditions among these poverty area residents are characterized more by previous lack of treatment than by any unusual incidence of a particular disease.

For example, one 3 year old girl who had never walked before was equipped with braces and crutches and taught to walk, and physical therapists at Denver General are hopeful she soon can walk without braces. An 11 year old boy, considered mentally retarded and never enrolled in public school, was found to be deaf in health program screening. Fitted with a hearing aid, the boy, whose intelligence is above average, now can lead a normal life.

Other cases are not so dramatic, but program administrators are convinced that better prenatal and interconceptual care for low-income women can result in fewer premature, damaged newborns, that higher immunization rates and better preventive care can mean fewer children disabled by rheumatic fever or by complications from childhood diseases, and that treatment for adults with chronic or acute ailments can mean alleviation of at least one problem which is a source of stress in the home.

Two-thirds of the children seen in the health program have never been to a dentist; those who have been usually received only emergency treatment. The eight-chair dental sections at the two neighborhood health centers plus the main dental clinic at Denver General can mean prevention of many young dental cripples and relief for many school children who have lived with daily pain from decayed teeth.

Besides health care, the Neighborhood Health Program provides for many patients their first friendly link with the world outside the isolation of poverty. In their overwhelmingly favorable comments about the program, patients have indicated that they appreciate almost as much as the care itself the personal relationship possible with staff members. Said one patient: "I have a feeling they care if you get well."

GUN CONTROL LEGISLATION

Mr. BINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BINGHAM. Mr. Speaker, the action of the House of Representatives in recent days leaves effective gun control legislation still on the list of unfinished congressional business. The bill that was approved by the House today, when combined with the controls enacted in the omnibus crime bill, is only one of several steps that must be taken to provide a comprehensive Federal gun control program—a program that must include national gun registration and gun owner licensing before any existing gun controls can be fully effective and before the responsibilities of the Congress on this issue can be said to have been fulfilled.

House action to date on gun control has been well chronicled and analyzed by editorials in the New York Times and the Washington Post. I am submitting copies of these editorials for inclusion in the Record at the conclusion of my remarks.

The failure of my efforts and those of my colleague from Illinois [Mr. McClory] to add provisions for licensing gun owners and registration of guns to the legislation passed by the House should be only a temporary setback in the drive for a comprehensive program of Federal gun controls. There is still a chance that the Senate will approve such a program. But whether or not the Senate acts, new efforts will have to be launched in the House to gain wider support for stronger gun control provisions. I was gratified to hear that the chairman of the Judiciary Committee would hold hearings on these bills.

I shall support and do whatever I can to lead and assist this renewed gun control effort, just as I have supported and assisted past efforts. I wish to serve notice and to pledge to my constituents in the 23d District of New York—and especially the more than 1,000 of them who have written to me in support of strong gun legislation—that I will continue to fight in this and, hopefully, future sessions of Congress for further consideration and approval of Federal gun control legislation. I shall continue to do everything I can to insure that the failure by the House to provide anything more than a partial and inadequate solution to the firearms problem will not be the final chapter in the struggle for a truly effective and comprehensive gun control program.

The editorials mentioned above follow:

[From the New York Times, July 19, 1968]

Drop Those Guns

Congress would make a major contribution to the health and sanity of the American people in this tense, troubled season by enacting a *comprehensive* gun control law. The threat of violence hangs like a heavy pall over the nation. The next outbreak could come anywhere and at any time from a political terrorist, a suddenly angered crowd on a street corner, or the quiet man next door gone berserk.

The threat is real and terrifying because in the United States the ruthless, the angry, and the mentally sick find it so easy to get their hands on guns. No other advanced industrial society in the rest of the world permits such easy access to deadly weapons. Americans suffer the consequences of their laxness. As former Justice Arthur Goldberg pointed out yesterday in announcing the formation of the New York State Emergency Committee for Gun Control, an American is killed or wounded by gunfire an average of every two minutes of every day.

Congress can cut down this carnage. The House of Representatives is scheduled to vote today on a bill to ban the interstate mail order sale or rifles and shotguns, a companion measure to the ban enacted earlier on the interstate sale of pistols and revolvers. This measure is all right so far as it goes, but it does not go nearly far enough.

It is imperative that Congress approve the bipartisan amendments sponsored by Representatives McClory of Illinois and Bingham of New York to require the registration of every gun and the licensing of every gun owner with the police. The prattle about "hardships" for sportsmen is silly. Gun registration would be no more of a hardship than is walking to the post office to buy stamps or applying to the State Department for a passport.

Let no Congressman think that he will have done his duty by voting for a mail order ban on rifles and shotguns. This issue is not going to go away until registration and licensing are required by law.

[From the Washington Post, July 19, 1968]

A Guide to a Good Gun Bill

The parliamentary process being what it is, it is perhaps not too presumptuous of us to offer a short guide to today's House voting on gun legislation, for those members who want a good gun bill.

Before the House will be a measure providing limited gun controls by extending to rifles, shotguns and ammunition the mail order ban and other sales restrictions which Congress recently applied to pistols and revolvers. As we have noted this would not be bad for openers. Still, it is a rather modest compromise and not nearly as good a bill as the country deserves and the situation demands. So for those who would like to go the distance, traveling first class, you might say, there will be a splendid opportunity to do so in today's voting.

It will come in this fashion. First, there will be a motion by Rep. McClory to amend the basic measure by adding a provision calling for the registration of all hand guns. This is a sound idea for the same reason that a ban on mail order sales of hand guns was sound; these weapons are used by private citizens for practically no other purpose than killing people. But even this is not as good as it would be if registration were extended to long guns as well, thus putting sportsmen and target shooters in the same category as, say, owners of automobiles or dogs. A motion to do just this, in effective fashion, will be offered by Rep. Bingham, as an amendment to Congressman McClory's amendment. After that, Mr. McClory will come back with a further amendment to provide for meaningful licensing of gun owners, comparable to the licensing requirements imposed on operators of beauty parlors or bars.

An affirmative vote on all three proposals would send to the Senate a gun bill based on the recommendations of the John Glenn Committee and the Justice Department. It would open the way for the kind of sound and sensible gun controls which this country needs and most of the world's most advanced nations already have.

[From the New York Times, July 20, 1968]

Cutting Down a Gun Law

In complete disregard of the pleas of aroused citizens and responsible law-enforcement officers, the House of Representatives yesterday made an easy target of the bill for an effective firearms law. It was simple to shoot down: all that had to be done was follow the aim of the National Rifle Association. And the House did so in two teller votes, on amendments offered by Representative McClory of Illinois and Representative Bingham of New York. The McClory amendment to register handguns lost by 168 to 89, and the Bingham amendment to register rifles and shotguns as well as handguns lost by 172 to 68.

That leaves what Attorney General Clark has well described as a "flyspeck" bill, merely banning the interstate sales of long guns. But where does it leave the American public? Waiting for the next trigger to be pulled by an unknown madman, holding an unregistered gun.

EXEMPT POST OFFICE FROM EXPENDITURE CUT

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORGAN. Mr. Speaker, I fully appreciate and support the necessity of cutting back Government expenditures whenever and wherever possible. However, let us be reasonable; let us be realistic.

We must not attempt cures that are worse than the illness.

The proposal to force the postal service to reduce employment to the level of June 1966 will not help the Nation's economy. Instead, it will harm it.

There is a direct relatioinship between the economic growth of this country and the amount of mail generated by business activity. If we hamper this vital flow of communications, we block one of our most important economic avenues.

In 1966, the Post Office handled 75.6 billion pieces of mail. This year it is anticipated that 84 billion pieces will be processed. I do not see how anyone can seriously expect that this increased volume can be handled by the same number of postal employees used in 1966. Yet that is what is being proposed. I say it cannot be done, and must not be tried.

It is clear that the Post Office, which has accepted a $169 million cut in its appropriations, cannot possibly absorb the additional handicap of a reduction in personnel without a drastic deterioration in postal service.

I thereafter urge my colleagues on both sides of the aisle to join with me in support of Congressman Dulski's bill to exempt the Post Office from the employment cut imposed by the tax bill.

THE STATISTICAL FIGHT AGAINST CRIME

Mr. GREEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN of Pennsylvania. Mr. Speaker, I am today introducing a bill to amend title 5, United States Code, to facilitate the collection of statistics with respect to the incidence of crime and to provide for the establishment of a National Crime Stastistics Center. Cosponsoring this bill with me are Mr. Nix, Mr. Olsen, Mr. Waldie, Mr. White, and Mr. Scott, who are all members of the Subcommittee on Census and Statistics, of which I have the honor to be chairman.

The bill is a direct result of the hearings recently concluded by the subcommittee on the need to create a National Crime Statistics Center as recommended by the President's Commission on Law Enforcement and the Administration of Justice. A Center which, in the words of the Commission, "should have clear statutory and executive branch authority to oversee and coordinate all Federal criminal statistical programs, including both the collection of statistics from the States and the collection of data relating specifically to Federal crimes."

The many distinguished witnesses who appeared before the subcommittee concurred, without exception, in the objectives of this recommendation, including the Honorable Fred M. Vinson, Jr., testifying for the Department of Justice, and Dr. Raymond T. Bowman, Assistant Director for Statistical Standards, Bureau of the Budget.

In my own opinion and that of the subcommittee, the need for and potential usefulness of a National Crime Statistics Center has been clearly and unarguably demonstrated by the testimony presented at the hearings. There is no question but that accurate crime statistics will supply a vital "missing link" in the fight against crime.

The salient features of the bill follow. It is my hope that each Member of the House will wish to join with me in cosponsoring this legislation.

First. Authorization for the President to establish a National Crime Statistics Center within the executive branch of the Government, headed by a Director to be appointed by the President with the advice and consent of the Senate.

Second. Authorization for the Center to execute the statistical responsibilities of the Attorney General as authorized in title I of the Safe Streets Act of 1968—Public Law 90–351—including collection of data from Federal, State, and local agencies in the criminal justice system; assisting in the development of adequate statistical systems at the State and local levels; and the development of uniform standards of data collecting and reporting. All reports which identify any person shall be confidential.

Third. Authorization for the Center to make grants to States for the establishment of State crime statistics centers—the grant being conditioned upon agreement by the State that it will participate cooperatively in a coordinated nationwide statistical system. The sum of $10 million is provided for this purpose for fiscal year ending June 30, 1970.

Fourth. The creation of a Crime Statistics Council—whose members serve without compensation—to aid in developing plans and review the activities of the Center.

Fifth. Annual reports to the Congress indicating the progress being made in achieving the objectives of the Center, including the application of the statistics collected toward the reduction of crime.

More than 35 years ago, the Wickersham Commission on Crime, noting that "accurate data are the beginning of wisdom," called for a comprehensive crime statistics collection. Perhaps there would be less crime and violence today if this recommendation had been acted upon at that time.

PLIGHT OF THE POSTAL SERVICE

Mr. STEED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, there is widespread and growing concern throughout the country and in Congress regarding the curtailment of mail service brought about by the personnel cutback requirements contained in the recently passed tax bill.

At the very outside let me make one thing clear: This cutback in service is not required for lack of funds.

It is simply a matter of the Post Office Department having to comply with an unnecessary, asinine, and harmful ceiling on manpower for an agency that is undergoing a continuing impact from two directions: mail volume increase and an unprecedented increase in the "drops" or addresses where the mail must be delivered.

If this ceiling is not removed, if the Postmaster General is required to continue filling only three out of each four vacancies until he has cut his total work force back to the 1966 level, restrictions on mail service will have to become so severe as to virtually wreck the postal service.

We know this will not be permitted to happen. We know that at some point Congress is going to feel the fire become so hot that adjustments will be made. Then why not do it now and avoid even a partial crippling of service? To follow any other course condemns Congress as being irresponsible and indifferent in an area that affects the entire economy of our Nation.

It is not enough to say that many other Federal agencies are being unduly and unwisely hurt by the same restrictive requirement. There is overwhelming evidence that this is true. In my opinion, the best and wisest course would be to wipe the entire cutback restriction. It will not save any money and it will do great harm if it is permitted to remain in force much longer.

But my first concern is with the postal service. Not the least of my reasons for making this service first in my consideration is the fact that the mail users are paying for this service and they should get what they pay for.

As chairman of the House Subcommittee on Appropriations which handles the postal budget, and having had more than 12 years connection with this Department at the appropriations level, I think I know some of the facts that spell out why this drastic restriction is the last word in legislative folly.

First, there has been an increase of more than 8.4 billion pieces of mail annually since 1966. Obviously, our mail handlers cannot absorb this mountain of extra work without extra help. This, despite the fact that a combination of events has increased the per man capacity to handle mail by more than 100 percent in recent years. In 1955, the average clerk handled about 84,000 pieces of mail a year. Today, the average clerk is handling 214,000 pieces. This has been made possible by creating more career clerks, adding ZIP code, and provision of sorting machines and other modern equipment. But the growth in mail volume has outstripped the ability of the employees to cope with it through increased productivity alone.

If we do not permit the Department to add new clerks as volume makes necessary, management must find the jobs by eliminating other functions, such as cutting out fourth-class offices and curtailing delivery. Overtime also will help bridge some of the gap, but this is the most expensive way to handle the mail. Our subcommittee has worked for years to revise and modernize the Department's use of overtime. We have a good program now. How silly to knock all these gains in the head by an ill-advised manpower restriction.

Now let us turn to the other major cause of employment impact on the Department: delivery. Today there are about 4,100,000 more places to deliver mail to than existed in 1966. The Department now takes mail each day to more than 67,000,000 addresses, as against 63,000,000 in 1966. New ones are being added daily. Since a carrier can average only 300 addresses a day, obviously, new employees must be added, or an embargo on extending service to the new homes and offices will have to be invoked. Absorption by attrition in other activities and in the use of overtime can cover only a small fraction of the total need.

There are numerous other increasing functions that make additional manpower necessary, but compared to the mail volume and the addresses to be served, these are fairly minor. They just make it more difficult for the Department to cope with the problems that these restrictions are imposing.

Let me call the attention of the Members to another limitation that the Postmaster General endures because of the will of Congress. On the first day of the fiscal year he is required by law to divide his operating budget into four budgets, one for each quarter of the year. He cannot exceed this budget once it has been made and certified to the Bureau of the Budget. Hence, he cannot wait until later in the fiscal year to begin to absorb his manpower drain. He must do it progressively every day of the year. That is why he had to take action already ordered, and that is why each month will see new restrictions applied if we fail to remove this handicap.

Of course, there is another way this cutback can be met by the Department. That is by embargoing some of the nonfirst-class mail. As a matter of fact, I urged this course upon the Postmaster General when he was compelled to take steps to cope with his curtailment problems. He disagreed and decided that curtailment of service was the best course at the moment. Both curtailment and mail embargo will have to come in the near future if we persist in this legislative madness.

I find that some of my colleagues are not aware of the organic mission of the Department. The postal service was created with a mandate to deliver first-class mail only. Permission to deliver other classes of mail was given the Postmaster General if and when he had the resources to do so, and if it was in the public interest. He has power to embargo.

Congress also gave the Postmaster General the right to retain all his collections for postage and other services and to use these funds to pay his operating costs. He must ask and be limited by Congress on how much additional money he can withdraw from the U.S. Treasury to pay his bills. Congress in recent years also has mandated the Department to provide numerous public services for which service fee collections are not to be made. The postal deficit in the area of collecting and delivery of the mail is about one-seventh of the postal deficit. The remainder covers the free services decreed by Congress.

In total, the postal cost impact on the Federal expenditures is less than a billion dollars annually. The expenditures problem has been of great concern here of late, but many fail to understand how little impact the total postal program makes in that area. Hence, even if manpower cutbacks did save money—which it will not—only a small part of it would provide any relief to the expenditures problem.

Therefore, with nothing to be gained, with service in an indispensable public service area being impaired, and with a mail embargo that would wreck a large segment of the economy, why on earth there is any hesitancy on the part of Congress to relieve the Department of this handicap is beyond my comprehension.

I appeal to my colleagues to join in helping remove these restrictions.

If we do less, we are entitled to get a special consideration at the hands of our constituents back home in November.

A final word in defense of the Postmaster General. He must take an oath of office different from that of any other public official, including the President. If you will read the words of his oath you can readily see why he must act as he is doing, or go to jail.

The blame for this mess is on Congress. Let us remove it.

FIREARMS CONTROLS

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, I support H.R. 17735, the firearms bill, as it came from the Committee on the Judiciary.

The committee gave this important legislation thorough consideration and has come up with a final recommendation which merits the support of this House.

I feel that the essential need at this time is to provide a framework of Federal law which will provide the incentive which is needed to bring about enforceable State regulations.

Following is an editorial published in the Buffalo, N.Y., Evening News:

[From the Buffalo (N.Y.) Evening News, July 22, 1968]

GUN-LAW PRIORITY

The top-heavy House defeat of proposals for federal gun registration should be the signal now for prompt passage of the less controversial extension of mail-order bans to rifles and shotguns.

It was to assure adoption of the latter that such advocates of stronger gun controls as Rep. Celler (D., N.Y.), while favoring the administration's later and tougher proposal for firearms registration and licensing, had agreed to sacrifice this for the present rather than get no bill at all.

Congress, plainly, is not ready to accept the more restrictive approach of registration and licensing. The House, however, did vote to require mandatory prison terms for persons convicted of committing federal felonies while using a gun.

While a registration and licensing requirement well may prove the ultimate national need, we cannot share in the judgment of some ardent gun-law advocates who scornfully discount the importance of obtaining at least a full ban on mail-order sales of lethal weapons.

This is, to be sure, a limited measure. In itself, it does not prohibit either intrastate shipments through the mail or over-the-counter sale of firearms to felons, drug addicts, the mentally ill, and juveniles.

Nevertheless, the enactment of a complete mail-order prohibition, extending to long arms as well as hand weapons, is an immediate critical priority. State and municipal gun-regulation measures now are undercut by the absence of any federal curb on accessibility of weapons through the mails.

Perfectly illustrating this point, New Jersey's Gov. Hughes charges that the state's two-year-old weapons control statute has been "subverted" by the absence of federal mail-order restrictions. He notes that some 1600 applicants, found ineligible for gun purchases by reason of criminal records or other disqualifications, can easily obtain from dealers in other states the weapons denied them by New Jersey law.

Thus in the absence of the federal interstate ban, the states and cities can now excuse inaction on their own registration and licensing initiative on grounds of ineffectiveness.

The urgent need, in short, is a framework of federal law providing the incentive essential for enforceable state regulations. Let the handicaps be removed on those states—especially the big urban states under proper pressures to protect their people and to cut the appalling homicide rate. Doing at least this much—and doing it now, before Congress adjourns, without crippling amendments—need in no way imply any abandonment of efforts to write more comprehensive gun controls in the absence of vigorous actions by the states.

U.S. PARTICIPATION IN CERTAIN INTERNATIONAL EXPOSITIONS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, at the request of the executive branch, I am today introducing in the House a bill to provide for Federal Government recognition of and participation in international expositions proposed to be held in the United States and for other purposes.

This action on my part does not represent a commitment regarding the scope and the wording of this proposed legislation which will be studied carefully by the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs.

The text of the bill follows:

H.R. 18881

A bill to provide for Federal Government recognition of and participation in international expositions proposed to be held in the United States and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that:

(a) International expositions, when properly organized, financed, and executed have a significant impact on the economic growth of the region surrounding the exposition and under appropriate international sanction, are important instruments of national policy, particularly in the exchange of ideas and the demonstration of cultural achievements between peoples;

(b) In view of the widely varying circumstances under which international expositions have developed in the United States, the different degrees to which the Federal Government has assisted and participated in such expositions, and the increasing number of proposals for future expositions, the national interest requires that Federal action concerning such expositions be given orderly consideration; and

(c) Such orderly consideration is best achieved by the development of uniform standards, criteria, and procedures to establish the conditions under which the Government hereafter will (A) recognize international expositions proposed to be held in the United States, and (B) take part in such expositions.

SEC. 2. Federal recognition. (a) Any international exposition proposed to be held in the United States shall be eligible on application from its sponsors to receive the recognition of the Federal Government upon a finding of the President that recognition will be in the national interest. In making such a finding the President shall consider:

(1) a report by the Secretary of Commerce which shall include (A) an evaluation of purposes and reasons for the exposition, and (B) a determination that guaranteed financial and other support has been secured by the exposition from affected State and local governments and from business and civic leadership of the region and others, in amounts sufficient in his judgment to assure the successful development and progress of the exposition;

(2) a report by the Secretary of State that the proposed exposition qualifies for consideration of registration by the Bureau of International Expositions (hereafter referred to as BIE); and

(3) such other evidence as the President may consider to be appropriate.

(b) Upon a finding by the President that an international exposition is eligible for Federal recognition, the President may take such measures recognizing the exposition as he deems proper including, but not limited to:

(1) presenting of an official request by the United States for registration of the exposition by the BIE;

(2) providing for fulfillment of the requirements of the Convention of November 22, 1928, as amended, relating to international expositions; and

(3) extending invitations, by proclamation or by such other manner he deems proper, to the several States of the Union and to foreign governments to take part in the exposition, provided that he shall not extend such an invitation until he has been notified officially of BIE registration for the exposition.

(c) The President shall report his actions under this section promptly to the Congress.

SEC. 3. Federal participation. The Federal Government may participate in an international exposition proposed to be held in the United States only upon the authorization of the Congress. If the President finds that Federal participation is in the national interest, he shall transmit to the Congress his proposal for such participation, which proposal shall include:

(a) evidence that the international exposition has met the criteria for Federal recognition and, pursuant to section 2 of this Act, it has been so recognized;

(b) a statement that the international exposition has been registered by the BIE; and

(c) a plan prepared by the Secretary of Commerce in cooperation with other interested departments and agencies of the Federal Government for Federal participation in the exposition. In developing such a plan, the Secretary shall give due consideration to whether or not the plan should include the construction of a Federal pavilion and, if so, whether or not the Government would have need for a permanent structure in the area of the exposition. In the event such need is established, the Secretary may include in his plan a recommendation that, as a condition of participation, the Government should be deeded a satisfactory site for the Federal pavilion, in fee simple and free of liens or other encumbrances. The Secretary shall seek the advice of the Administrator of the General Services Administration to the extent necessary in carrying out the provisions of this subsection.

SEC. 4. Establishment and Publication of Standards and Criteria.

(a) The Secretary of Commerce is hereby authorized and directed to establish and maintain standards, definitions, and criteria which are adequate to carry out the purposes of Sec. 2(a)(1) and Sec. 3(c) of this Act;

(b) Standards, definitions, and criteria established by the Secretary and such revisions in them as he may make from time to time shall be published in the Federal Register.

SEC. 5. The President may withdraw Federal recognition or participation whenever he finds that continuing recognition or participation would be inconsistent with the national interest and with the purposes of this Act.

SEC. 6. Nothing in this Act shall affect or limit the authority of Federal Departments and Agencies to participate in international expositions or events otherwise authorized by law.

SEC. 7. Section 8 of Public Law 89–685 is hereby repealed.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

CAPTIVE NATIONS WEEK

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, during the 9 years we have observed Captive Nations Week in the United States we have been well aware of the Communist enslavement of the peoples of Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Hungary, the Ukraine, and other nations. Under Soviet dictatorship these freedom-loving peoples have all been to a very substantial degree isolated from the free world of which they were once a part, and have been forced instead to live under the oppressive controls which typically mark the Soviet brand of dictatorship.

This year, Mr. Speaker, as we pause to observe Captive Nations Week, 1968, the situation has suddenly changed. All of a sudden we see one of these captive nations, a member of the Soviet bloc of Communist-dominated countries, Czechoslovakia, suddenly beginning to throw off the shackles of tight and oppressive communism, and trying to open a new era for itself of greater freedom and less restraint. As we pause today to observe Captive Nations Week the Czech people and the Czech leaders are in the process of trying to break out of their captivity.

No one knows what the end result will be. A meeting is already underway between Soviet Politburo members and the presidium of the Czech Communist Party. Soviet troops are in the process of conducting hastily called logistic maneuvers along the borders of Czechoslovakia, obviously in an effort to conduct a war of nerves against the Czech people by threatening the same kind of military invasion against Czechoslovakia that was carried out by the Red army against Hungary back in 1956 when the Hungarian people also tried to break out of their bonds of captivity but were brutally crushed by the Red dictatorship.

Nobody knows what the outcome of all these events will be. Nobody knows whether the Soviets will invade Czechoslovakia as they invaded Hungary or whether the courage of the Czech people and the pressures of public opinion will force the Soviets to back off this time and allow a new and relaxed and freer kind of regime to flourish in Czechoslovakia. I am sure that all Americans join me in the hope that Czechoslovakia will be successful in winning its freedom, and that we shall not again see Soviet tanks moving into the streets of Prague as they moved into the streets of Budapest 12 years ago.

But what the events of the past few weeks do make crystal clear, Mr. Speaker, is that the desire for freedom is still a very real and vital force in Eastern Europe today, despite all these long years of Soviet oppression. People still do seek freedom. They still seek to govern their own affairs. They still want to get out from under the cruel domination of the U.S.S.R.

Well, this is just what those of us who first helped to create Captive Nations

Week 9 years ago have been saying all these years. This is the result we have been pointing to. And now that we see these fresh signs of a real stirring for peace within the Communist bloc, it is more urgent than ever that we in this country should do all we can to promote these changes and push through to full freedom.

This is the very least we can do. If we start to do it now, as we celebrate Captive Nations Week 1968, perhaps we can look forward sooner than we had previously dared to hope, to the day when not only Czechoslovakia, but also Poland, Lithuania, Estonia, Ukrainia, and all the other captive nations, will be free once again at last.

Now more than ever, Mr. Speaker, it makes sense for this House to create the Captive Nations Committee to oversee this whole process for which my resolution, House Resolution 100, provides. I urge its immediate adoption by this House.

TO SOLVE A PROBLEM

Mr. BATTIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. BATTIN. Mr. Speaker, a personal friend of mine and an alternate delegate to the Republican Convention in Miami, Fla., has been swamped with communications from Nelson Rockefeller and his supporters. Some 22 letters, telegrams from New York, N.Y., Washington, D.C., Portland, Oreg., Helena, Mont., and Kalispell, Mont.

Mr. L. O. Aleksich sent the following telegram to the Governor of New York.

> BILLINGS, MONT.,
> *July 20, 1968.*
>
> NELSON ROCKEFELLER,
> *New York, N.Y.:*
>
> Urge consideration of my four-point plan to bring peace to Republican Party.
>
> 1. Halt all bombing of Montana delegates with Rocky propaganda. Escalation of campaign blitz only stiffening resistance of delegates.
>
> 2. Immediate withdrawal to DMZ—north of Pennsylvania until delegates have had opportunity to catalog, sort, read and study deluge of literature received to date.
>
> 3. Call on Generals Hall, Miller and others to discontinue infiltration into Nixon territory immediately. Ask UM (United McCarthyites) or other third party to keep both sides from violating agreement.
>
> 4. Request both sides to meet in Miami August 5th to start negotiations and direct negotiators to consider coalition government of Nixon and Rocky.
>
> LOU ALEKSICH,
> *Delegate to National Convention.*

NATO HAS GREAT VALUE

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, once again we are hearing proposals to cut our troop commitment to NATO and once again it is important to point out the danger to this Nation and our allies that would result if this recommendation were put into effect.

NATO has got over the traumatic effects of President de Gaulle's ouster and the French withdrawal. It has survived the move to Belgium and the loss of its French installations and the removal of many of its troops.

It is, therefore, a particularly inappropriate time for us to even consider a further reduction in force over what we have cut in the last year.

First of all, the Russians have moved in strength into the Mediterranean where they are playing dangerous games with our ships and threaten the eastern flank of NATO. They have established bases in the UAR and elsewhere and are pressing for a role in the Persian Gulf with all its strategic implications.

The most important reason not to change the balance of forces at the present time is the dramatic demonstration of the value of the unified Western force that is NATO in the changes which the Czechs are carrying through in their own country and the defiance which they have put forward to Russian attempts at reversal. It is indeed difficult to conceive of this Czech boldness without the presence of the North Atlantic Treaty Organization.

Lastly, we must not forget the effect upon Germany which a reversal of our NATO policy would have. A cut to 50,000 men, for example, would be nothing less than a termination of our commitment, a cessation of sufficient conventional forces for ground defense, and an abrupt shift in our past undertakings. If this were to happen, what further interest could Germany have in the West which would prevent her from seeking safety in accommodation with the U.S.S.R.?

The fallacy of the balance-of-payments argument should be emphasized. While the adverse cost to the United States of maintaining air troops in Europe has been estimated at $1.5 billion, the sales of arms to NATO members has averaged approximately this amount for a 5-year period. In addition, Germany has shouldered certain new direct costs while the British have committed additional troops and equipment—naval and air units—to European duty. Surely, we should not penalize this helpful move by our associates by pulling the entire rug out from under them.

I would agree, of course, that this is not a time when one can simply oppose reduction. We must admit the changes in the situation in Europe without overestimating their importance. We must recognize the alteration in the attitudes of our partners. At the same time, there is a common admission of the need for NATO and a general acceptance of the fact that the changes which we have seen behind the Iron Curtain would not have been possible without NATO.

It is clear, therefore, that we must think about the future and in this connection I should like to call Members' attention to a recent report "Cooperation between Europe and the United States" of the Assembly of Western European Union. Under the leadership of Messrs. Blumenfeld, chairman of the General Affairs Committee, and Kirk, Rapporteur, this document carefully analyzes the present status of European-United States relationships and candidly and sympathetically states the lines along which movement, in the opinion of the reporters, must be made to revive the combination.

They discuss the need for U.S. economic and management techniques and for improvement in administrative practices in Europe, the coincidence of basic interests and historical background, the need for the U.S. presence on the continent, the Russian threat in the Mediterranean, the balance-of-payments crisis in the United States, U.S. investment in Europe, and foreign aid.

Important is the recommendation that Europe help the United States to shoulder some of its burden overseas in defense and development and the need for the consideration of an improved international monetary system as well as the harmful effect in Europe of a reduction of U.S. investment there.

The report concludes with a call for a reexamination of NATO and its underlying assumptions, a development of closer and more frequent consultation, joint action in foreign aid, defense of developing countries and the sponsorship of travel and study among the young people of the countries of the Alliance.

I refer to this report not because it has all the answers, but because it asks some questions and tries to answer them. For example, it does not discuss the need for rejuvenated leadership and the development of a new echelon of directors, but it covers significant ground and the discussion of its main points should be the urgent business of the military and political representatives of the NATO countries.

TO INCREASE TRUCK SIZES AND WEIGHTS

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, Congress is extremely fortunate to have the benefit of a high quality research effort on S. 2658, a bill to increase truck sizes and weights.

John W. Fuller III, of Washington State University, Pullman, Wash., has just completed his doctoral dissertation entitled, "Current Issues in the Regulation of Motor Vehicle Sizes and Weights."

In his conclusions, Mr. Fuller states:

> The recent proposals for size and weight increases at the Federal level, and the numerous proposals at the State level that appear continuously, do not appear economically justifiable.

The first four chapters of Dr. Fuller's paper have already appeared in the CONGRESSIONAL RECORD. Today I offer for the

benefit of my colleagues, the fifth chapter entitled, "The Effects of Increased Size and Weight Standards on the Private Costs of Motor Carriage":

CHAPTER V. THE EFFECTS OF INCREASED SIZE AND WEIGHT STANDARDS ON THE PRIVATE COSTS OF MOTOR CARRIAGE

It is a major premise of the motor carrier interests, when advocating revision of size and weight standards, that increased maximum motor vehicle size and weight limits for use on the public highways will allow the operation of motor vehicle equipment having a substantial potential for carrier cost reduction. According to California's State Senator Randolph Collier, "If axle and tandem-axle weights are increased and such increases are accompanied by appropriate gross-weight provisions, it becomes obvious that more freight can be carried at a lower unit cost." [1]

The assertion that carrier costs will decline through the use of heavier and larger equipment will be investigated in this chapter to the fullest extent allowed by the available public and private cost data. Such an investigation is essential to the quantification of the possible carrier cost savings for each proposed size or weight change, and such a quantification must be a prime ingredient of the benefit-cost determination of the overall economy or diseconomy to society from revised size and weight standards.

This chapter presents the evidence pertaining to the economies of scale in equipment sizes and weights and concludes with an estimation of the size of the potential private carrier savings. This estimate of the benefit of cost savings to highway carriers will be contrasted with an estimate of the probable increase in public highway and social costs which would result from the operation of heavier, wider, longer, and higher equipment. Estimates of the quantifiable public highway and social costs and a discussion of the non-quantifiable cost aspects will be developed in Chapter VI.

The cost structure of motor freight transport

The total carrier costs of the motor freight or passenger transport firm may be divided into two categories, fixed costs and variable costs. Fixed costs are incurred regardless of the firm's level of business and continue even when operations are completely, but temporarily, suspended. Variable costs, on the other hand, increase or decrease directly with the volume of business. In large part, the costs of trucking and bus operation are variable with output.[2] The length of time required for replacement of vehicles is relatively short and motor carriers have relatively few capital resources other than vehicles (those few include owned terminals and administrative offices). Also, there is a high ratio of labor to capital resources in the motor carrier productive process.

Typically some 50 to 60 percent of total trucking costs are found in line-haul operations, carriage undertaken between terminals.[3] All of these line-haul costs are variable with output over a short period of time, because the vehicles and labor involved for any particular carrier can easily and quickly be placed in alternative employments. In particular, the sunk public costs of the highway plant, although certainly of a fixed nature, are variable to the motor carrier through the payment of user fees predicated on the purchase and operation of vehicles, including replacement tires and parts. Short-haul, pick-up and delivery costs are essentially of the same nature as line-haul costs, although at a higher level per ton-mile of freight transported, and therefore also vary with the volume of traffic in the short run. Terminal costs, including administration and billing where applicable, are highly variable in the aggregate with output, although they do contain fixed elements. No study has convincingly shown that economies of scale in firm size exist to any substantial degree in trucking.[4]

The behavior of costs in the bus industry, is similar to that which occurs in trucking. The bus industry cost structure also contains a substantial component of line-haul costs which is variable with output, and large terminal costs, few of which are fixed for any lengthy period of time.

Private carrier costs affected by size and weight revision

The carrier costs in highway transportation which are directly affected by motor vehicle size and weight revision lie primarily in the line-haul category. If larger or heavier vehicles can carry the same volume of traffic between terminals as smaller, currently legal, vehicles, but with a reduced expenditure of carrier resources (i.e., expenditures for line-haul labor, fuel, and vehicle costs), then private economies of scale in equipment size and weight may exist. Some economies may also be produced because certain vehicle configurations may enable carriers to improve operating schedules or flexibility and provide better service. "One tractor may, for example, draw two different types of semi-trailers in doubles [or triples] operation. One unit may be for dry freight, while the other is refrigerated. A flat-bed trailer may be coupled with an open top." [5]

Other motor carrier operating costs are less likely to be influenced by equipment size or weight. For instance, pickup and delivery costs can be considered as relatively unaffected by proposed increases in motor vehicle size and weight limits because the size of vehicle utilized in these operations is controlled mainly by the number of shipments that can be delivered or picked up by a driver during one work shift.[6] Likewise, buses in local services, accounting for over 90 percent of the total bus population, ". . . do not enter into the consideration of maximum sizes and weights to any great extent." [7] These buses are limited by local conditions of maneuverability on congested and narrow urban streets.

Terminal costs may be influenced in a diverse manner by increased vehicle sizes and weights. Longer vehicles may increase space requirements for docking operations and reduce vehicle maneuverability in negotiating terminal approaches and exits. On the other hand, heavier vehicles may decrease the labor needed per ton to load a large-volume, multiple-unit shipment. The carrier may use three short trailers in triples combination and leave one unit at a shipper's dock to be loaded or unloaded while continuing the trip with the remaining trailers.

Under the assumption that motor freight pick-up and delivery costs and bus operations in local service are relatively unaffected by increased sizes and weights, the extent of private economies of scale in equipment size depends on the line-haul cost savings obtained as supplemented or offset by the net incremental terminal costs. Thus, a finding of economies of scale in equipment size cannot be established solely on the basis of a study of line-haul cost behavior, even though line-haul costs comprise the largest portion of total carrier costs.

The Relation of Line-Haul Costs and Carrier Revenue to Commodity Density

Within any given matrix of maximum vehicle size and weight allowances for freight carriage, line-haul carrier costs do not appear to rise linearly with size of load. Ton-mile costs decrease to some extent with the progression of vehicle size. Industry sources claim that certain line-haul costs, and labor costs in particular, have little direct relation to the type of equipment employed. For example, the driver of a doubles combination which pulls two 27-foot semitrailers may draw more pay than the driver of a single 27-foot semitrailer, but his wages are not twice as high. The basic carrier labor expense consists of the threshold labor and supplemental employment costs of utilizing the driver, and these expenses, being incurred on a mileage basis, do not vary substantially with the size of the vehicle. In the opinion of carriers, other line-haul costs, such as fuel, tire, and oil expenditures, behave in a similar manner. They do not rise in proportion to freight carriage capacity and the utilization of capacity in tons of freight transported per trip. Thus, to obtain the greatest possible return in line-haul operations, the highway freight carrier is concerned with using the largest practicable equipment and filling it with revenue payload to the fullest extent possible, given the legal size and weight restrictions.[8]

The carriers have found that certain commodities, such as ores, manufactured metals, rock, sand, and gravel, are of such very high density (in weight per cubic foot) that legal weight limits are met before utilizing the full cubic capacity of any given truck or truck-tractor combination that would be allowed under a typical set of length, width, height, and weight restrictions. Likewise, such commodities as automobiles, livestock, hay, and light-weight manufactured goods are of such low density that a completely full vehicle, so far as cubic capacity is concerned, carries only a portion of the allowable legal weight. Of course, for the most economical haul of goods, the ideal is a load which just fills the available vehicle capacity and simultaneously meets the weight limit for that particular size vehicle. In order to obtain such an advantageously sized load, the carrier attempts to increase his cubic capacity or his payload weight. But the ideal load, one that fully utilizes both the maximum size and the maximum weight limits, is rare.

Lighter motor carriers equipment, employing aluminum, for example, rather than steel, has been increasingly used in van construction to allow greater payloads of high-density freight, and perhaps also to allow equipment manufacturing economies incidental to weight saving.[9] Too, truck-tractor cabs have been moved forward over the front axle of combinations to better utilize the gross-weight allowances.[10] Special modifications have been made for between-axle loadings of certain commodities (drop-center or dromedary equipment) in order to increase payload capacity. In short, for every pound of tare weight saved and replaced with cargo, or every increase in usable cubic capacity, revenue can be improved from the situation existing when carriers already utilize full legal size and weight limits.

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[1] Randolph Collier, "The Impact of Size and Weight Restrictions on the Economics of Highway Transportation" (derived from material delivered to the Western Interstate Committee on Highway Policy Problems, Western Conference of the Council of State Governments, Albuquerque, N.M., October 30, 1963), p. 3.

[2] John R. Meyer, *et al., The Economics of Competition in the Transportation Industries* (Cambridge, Mass.: Harvard University Press, 1960), pp. 91–92.

[3] Only from 0 to 10% of motor carrier costs are fixed. See Ford K. Edwards, "Cost Analysis in Transportation," *American Economic Review*, XXXVII, No. 2 (May 1947), 450, 452.

[4] James C. Nelson, "The Effects of Entry Control in Surface Transport," in *Transportation Economics, A Conference of the Universities—National Bureau Committee for Economic Research* (New York: National Bureau of Economic Research, 1965), pp. 398–412 and 420–22, especially pp. 406–07 and 421. See also M. L. Burstein, *et al., The Cost of Trucking: Econometric Analysis* (Dubuque, Iowa: Wm. C. Brown Company Publishers, 1965).

[5] "Double Bottoms Help Carriers Control Their Costs," *Transport Topics*, March 25, 1968, p. 44.

[6] H. Doc. 354, pp. 50, 52.

[7] *Ibid.*, p. 49.

[8] For a typical industry discussion of costs and revenues in relation to equipment capacity see *Doubles* (Portland, Ore.: Freightliner Corporation [1966]).

Carriers argue that the potential for revenue improvement from the above sources is limited. For that reason, highway freight carriers of light-density commodities desire increased motor vehicle size limits, allowing more cubic capacity, while carriers of the denser traffic seek increased weight limits. As was estimated in Chapter II, perhaps 15 percent of the presently-produced ton-mile output of intercity freight traffic in the U.S. could be carried in vehicles of increased dimensions and weights in the event that maximum legal size and weight limits were to be raised. It will be assumed in this thesis that the transport of light-density items, in which carriers are unable to fill their equipment to the maximum legal weight limits, comprises about 60 percent of the ton-miles that could be carried in larger and heavier motor-freight equipment (or 9 percent of the total ton-mile output of intercity motor freight in the U.S.). Heavy-density freight carriage, in which operators cannot fill the entire volume of their vehicles while still meeting legal weight limits, will be assumed to comprise the remaining 40 percent of intercity motor freight ton-miles that could be carried in larger and heavier vehicles (or 6 percent of the total U.S. ton-mile output of intercity motor freight). However, because an increase in any particular size or weight standard maximum creates a disequilibrium situation which produces carrier pressure for increases in other dimensions, and because cargo composition varies over time for any particular carrier, all motor freight carriers have a propensity to support legislation for inceased size and weight limits.

Measures of the benefits from increased size and weight maxima

Which benefits from the operation of larger and heavier vehicles should be included in the benefit-cost calculations?

As Chapter III made clear, any social gains which may result from the use of larger and heavier vehicles should be reflected in a more efficient utilization of all scarce resources involved in rendering highway transport services. The true test of efficient resource use in this case comes only when the resultant benefits to the motor carriers are netted against the highway capital and maintenance costs and the social costs occasioned by the introduction of larger and heavier vehicles. Because this paper views the social efficiency criterion as controlling, the only benefits of size and weight revision to be summed will be those direct benefits which result from private carrier operating-cost reductions. Indirect benefits can be given consideration, but they are extremely difficult to quantify and sum.

Operating cost reductions include the total annual savings in line-haul and terminal costs for common, contract, and private motor carriers of freight, and for buses. Highway improvement studies often include vehicle travel time savings as a benefit to carriers,[11] but there can be no case for travel time savings through the use of larger and heavier trucks or buses. To the extent that the use of inadequate engines reduces acceleration and speeds on grades, commercial vehicle travel times may increase with size and weight revision. To the extent that operation of larger units means less freight (or passenger) service to smaller communities which cannot send or receive volume shipments, the commodity travel time as reflected in service to shippers may increase. Smaller communities could suffer increased social costs due to neglect by operators of large and heavy vehicles.[12] Conceivably, any increase in travel times might be considered an offset to operating cost reductions. However, the evidence for increased truck travel time is contradictory and the incremental time increases would most likely be slight.[13] Therefore, carrier operating and terminal cost savings, without offsets for variance in travel times, will be construed as benefits in this study.

Some would propose that secondary and developmental benefits should also enter the benefit-cost calculus.[14] Certainly the improvement of transportation infrastructures has been an important factor in economic development. The economic growth in the western United States was greatly enhanced by the infusion of private railroad capital in the 19th century.[15] Developing countries today seek improved transportation as a necessary condition for and stimulus to increased productivity and industrial advancement. However, except for regional pockets, the United States enjoys a developed economy with an adequate and efficient transport network.[16] Even if revised size and weight maxima allow lower carrier costs, it is doubtful that lower trucking or bus rates will bring about the mobilization of great quantities of new resources and substantial multiplier effects on income and employment. Furthermore, the inclusion of such secondary benefits when dealing with a developed economy could easily give rise to double-counting of purely carrier benefits. Therefore, the existence of arguments for the inclusion of developmental and secondary benefits does not change the decision of this study to consider only cost savings to carriers as the benefits to be reasonably expected in the United States from the utilization of equipment with greater sizes and weights.

The sum of carrier operating cost savings may provide a biased estimate of total available benefits, nonetheless. To the extent that reduced carriage costs enable the motor carriers to take traffic from other, inherently lower-cost modes, due to uneconomic regulation which prevents the free play of market forces, the benefits to motor carriers would simply be transfers from those other modes.[17] This possibility will be treated in Chapter VI as a social cost of revising size and weight maxima.

Evidence from industry studies of economies of scale in motor vehicle equipment size and weight

The motor carrier industry itself has published little quantitative information concerning the benefits of increased vehicle dimensions and weights.[18] Perhaps this is not too surprising in view of the competitive nature of the industry. Healthy competition tends to make secrecy desirable to the business firm. In addition, motor carrier firms are predominantly small relative to firms in many other American industries. Such limited size inhibits the development of extensive research staffs and keeps management concerned with day-to-day operating matters. A reliable study of vehicle operating costs is a considerable undertaking. Likewise, few studies of the cost effects of size and weight revisions have been forthcoming from shipper and academic sources. A sampling of the available evidence pertaining to the economies of scale in equipment size and weight will, however, be evaluated in this section; this evidence will throw light on the carrier's perception of the magnitude of obtainable cost savings.

An additional reason for the relative lack of research by carriers and shippers in the operating cost field is the existence of extensive and painstaking research on motor vehicle costs by the Highway Research Board, an arm of the National Academy of Sciences. A committee of that Board published a report in 1961, entitled *Line-Haul Trucking Costs in Relation to Vehicle Gross Weights.*[19]

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[9] For example, see George Brumbaugh, *Design Weight Reduction and Attendant Economies* (New York: Society of Automotive Engineers, Inc., 1964).

[10] This is because the front axle of a truck-tractor combination can rarely approach the typical 18,000- or 20,000-lb. single-axle weight allowance. A 9,000- or 10,000-lb. loading is more common. Therefore, in order to obtain the maximum payload with a set of given gross-weight allowances, manufacturers attempt to move some of the engine, cab, and load weight to the front axle, thereby freeing other axles for support of additional cargo.

[11] For an example, see Ann Fetter Friedlaender, *The Inter-State Highway System, A Study in Public Investment* (Amsterdam: North-Holland Publishing Company, 1965), pp. 37–45.

[12] The evidence is not clear. Possibly the operation of triples combinations with relatively small units can prevent isolation of small communities. A common carrier could leave a 24- to 27-ft. van trailer for loading or unloading to be picked up subsequently by another tractor. However, such operations may add to terminal costs through necessitating redeployment of trailers at each stop to forestall poor braking characteristics.

[13] Such is not the case for increased automobile travel times, due to impedance from slow trucks. These may be large and disturbing. See Chapter VI, *infra*.

[14] For example, see U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, Office of Research and Development, Economics and Requirements Division, *Highways and Economic and Social Changes* (Washington, D.C.: Government Printing Office, November, 1964).

[15] See Robert W. Fogel, *The Union Pacific Railroad, A Case in Premature Enterprise,* Johns Hopkins University Studies in Historical and Political Science, LXXVIII, No. 2 (Baltimore, Md.: The Johns Hopkins Press, 1960).

[16] Any special regional problems, including those related to income distributional matters, might be handled by special operating permits, possibly with added special fees to defray in part the additional public investment costs.

[17] For a discussion of the manner in which regulation has prevented the economic distribution of freight traffic, see James C. Nelson, "Effects of Public Regulation of Railroad Performance," *American Economic Review,* L, No. 2 (May, 1960), 495–505.

[18] Industry sources are more likely to describe these benefits in qualitative terms, such as found in the following editorial note to a report concerning experimental test runs of triples combinations:

"The safety, efficiency and economy records compiled during several milllion miles of turnpike operation by twin 40's, have proved beyond question the advantages of longer combinations. Now, through the use of 27′ triples, carriers are providing shippers with faster service, fewer OS&D claims and greater equipment versatility." "Triples on the Turnpike," *Western Trucking-Motor Transportation,* XLVI, No. 8 (August, 1967), 28.

[19] Highway Research Board, *Line-Haul Trucking Costs in Relation to Vehicle Gross Weights,* Highway Research Board Bulletin

The results of that report, upgraded to reflect 1964 cost conditions, provide the analyst with the most comprehensive cost data currently obtainable and a standard of comparison against which to measure the results of less extensive research. However, the independent findings by industry and academic researchers that will be cited are also important in their own right to the extent that they reflect operating costs of vehicle sizes and weights which were not studied by the Highway Research Board. The private industry studies are also perhaps more indicative of industry perceptions of potential carrier savings from the operation of larger and heavier motor vehicles.

Cost Study by the Pacific Logging Congress

A few studies have been made and published by nongovernment researchers who have investigated the influence of motor vehicle sizes and weights on the cost of trucking particular products. The results of studies by the timber industry are particularly interesting because firms engaged in logging often maintain private logging roads utilized by very heavily loaded vehicles. The following statement indicates a typical case:

"Within our private Tree Farm areas wood is hauled over private roads, and wherever economically feasible, we have extended those roads to water transportation transfer points. On such private roads we have found that we can use multiple trailers safely and with great efficiency in hauling logs over unsurfaced roads which, of necessity, include steeper grades and sharper curves than those presently used on State or even County road construction." [20]

The applicability of specific cost figures based on haulage conditions obtained on private logging roads are almost always built to low standards and used only in good weather, to mention just two differences in private road operations compared with operations on public roads that affect private trucking costs. Yet it is possible that any percentage levels of cost difference resulting from increased weight loadings on vehicles operated on these private roads can be transferable to the general public roads case. If, for example, vehicles loaded to 90,000-pound gross for use on private roads were to obtain ton-mile costs to 10 percent under the level for the same vehicles loaded to 70,000-pound gross and run on the same routes, it would appear that close to a 10-percent reduction in private carrier ton-mile costs could be expected for public highway operations of 90,000-pound trucks as opposed to 70,000-pound gross vehicles. Of course, the savings in carrier costs that might occur were heavy logging trucks to be allowed the use of the public highways provides only one aspect to be weighed in determining the economic feasibility to society of such a move. The private cost savings could well be offset by the need for extra lanes on hills, and other added highway features necessitated by large and slow-moving vehicles traveling in conjunction with automobiles on the public highways. Such highway features would not necessarily be required on public truck roads or public highways designed exclusively for the operation of commercial motor vehicles.

One timber industry study was undertaken in 1955 for the Pacific Logging Congress. Data were complied to show the influence of gross vehicle weight on the cost of hauling logs one-way out of the forest. The results were reported verbally to the Logging Congress in 1957 by J. Kenneth Pearce, professor of logging engineering at the University of Washington, and his report was incorporated into the Congress' proceedings.[21]

The Logging Congress study gathered cost figures for carriage by an estimated 489 vehicles which hauled 1.5 billion board feet for an aggregate distance of 5.5 million miles. The carriage took place in California, Idaho, Montana, Oregon, Washington, and the province of British Columbia, both on public highways and on private logging roads. The results were summarized by Pearce according to vehicle weight classes. One class was composed of all vehicles engaged exclusively in hauls on the public highways. The licensed gross combination weight (GCW) for those vehicles averaged 70,000 pounds. The study does not mention the extent, if any, to which actual combination weights varied from licensed or designated weights. The several off-highway or private road weight classes for which data were gathered are as follows: (1) an 80,000-pound class, including vehicles from 76,000 to 84,000 pounds GCW; (2) a 100,000-pound class, including vehicles from 90,000 to 105,000 pound GCW; (3) a 115,000-pound class, including vehicles from 110,000 to 121,000 pounds GCW; and (4) a 150,000-pound class, including vehicles from 140,000 to 175,000 pounds GCW. Additionally, a 90,000-pound class was interpolated between the 80,000- and 100,000-pound classes. Most of the data for the 150,000-pound class were received from British Columbia operators, whereas the data for the other classes were obtained from operators in the five U.S. states listed above as well.[22]

The study presents its findings as a series of curves which indicate the cost of haulage in cents per thousand board feet of timber, by the distance of haul, for each GCW class. The cost per thousand board feet extends from a low of 12 to a high of almost 40 cents per mile; the length of haul varies from under 10 up to 50 miles.[23] The study makes no mention as to which expenses are included as haulage costs. Whether these data report line-haul costs only, or whether they include terminal expenses as well, is not ascertainable.

The Logging Congress study found the average haul for trucks used on the public highways was 40 miles; on the average, 12 of those miles involved travel on gravel roads, and 18 involved travel on paved highways. The average haul was 18 miles for trucks used for off-highway hauls.[24] Although the most commonly occurring type of road utilized for off-highway hauls is not given in the published report, it is assumed that off-highway carriage of logs took place almost entirely on gravel and dirt roads.

According to Pearce, the following results were obtained from the Logging Congress study:

"When you get hauls over thirty miles the 80,000 pound class curve runs up to eleven per cent under the highway vehicle cost curve; the 90,000 pound class curve runs twenty-two per cent under, and the 100,000 pound class thirty-three per cent under, or an average of eleven per cent for each additional 10,000 pounds of gross combination weight." [25]

Given these results, Pearce concludes that the savings to logging truck operators from using 90,000-pound vehicles to haul two and one-half billion board feet of logs in Washington State could total five million dollars annually.[26] However, it should be noted that the additional public highway or private road costs for construction, maintenance, and operations must be considered as offsets to the five million dollars annual savings. No accounting of these cost offsets was included in the Pearce study.

The five million dollar saving found by Pearce apparently came about from the following calculation. With a 40-mile haul, using vehicles of 90,000-pound gross weight in place of vehicles of 70,000-pound gross, log carriage costs could be expected to decline $1.84 per thousand board feet of payload. Applying the $1.84 saving to the estimated sustained yield capacity of the logging regions served by roads in Washington State that had been proposed for designation as "National Resource Roads" would produce the aggregate savings to loggers.[27]

The Logging Congress study results for 40-mile hauls are summarized in the second column of Table 19. From these figures, it would appear that vehicles of the higher gross-weight levels do obtain substantial carrier economies in the haulage of logs. Indeed, the figures show a one-third reduction in carrier costs for an increase in gross weight from 70,000 to 100,000 pounds.

Table 19 also contains estimates by the author for carriage costs in cents per mile for hauls of 20 miles. These estimates have been taken from the curves presented in the *Loggers Handbook*.[28] A 20-mile haul, rather than the 40-mile figure used by Pearce, more nearly approximates the average length of off-highway hauls (18 miles). These estimates are extended to the heavier combinations, allowing the cost curves for 115,000- and 150,000-pound vehicle combinations to be compared with cost curves of the more lightly loaded combinations.[29]

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301 (Washington, D.C.: National Academy of Sciences—National Research Council, 1961). Hereinafter referred to as Bulletin 301.

[20] Letter from H. W. Peterson, Logging Manager, Northwest Timber Operations, Crown Zellerbach Corporation, Portland, Oreg., to Nelson A. Maxwell, Western Highway Institute, San Francisco, Calif., March 9, 1966, attachment, p. 1.

[21] "Economic Log Truck Sizes," in *Loggers Handbook* (Portland, Oreg.: Pacific Logging Congress, 1957), pp. V, XVII.

[22] *Ibid.*, p. V.

[23] *Ibid.*

[24] *Ibid.*

[25] *Ibid.*, p. XVII.

[26] *Ibid.* The 2.5 billion board feet used in the estimation was about 55% of the annual timber harvest in Washington in 1957. *Ibid.*

[27] *Ibid.* However, the calculations of this thesis, using Pearce's methods, show a savings of only $4.6 million. Thus 2.5 billion bdf times $1.84 equals $4,600,000.

[28] *Ibid.*, p. V.

[29] The reason for the author's calculation of percentage cost reductions using 20-mi. hauls rather than 40-mi. hauls may be understood by taking a closer look at Pearce's methods. Pearce found the carriage cost per 1,000 bdf/mi for 70,000-lb. vehicles hauling logs on public highways for an average of 40 mi. per haul to be 20.7¢. He compared this average cost figure with the cost per 1,000 bdf/mi for 90,000-lb. vehicles hauling logs on private roads. The latter cost figure was 16.1¢. The cost differential is 4.8¢ per 1,000 bdf/mi. Pearce suggested that total possible savings in Washington for the use of 90,000-lb. vehicles in place of 70,000-lb. vehicles could be found by multiplying 4.8¢ savings by 2.5 billion bdf harvested annually in the state, and multiplying the product times an average 40-mi. haul. However, there is no reason to suspect the average length of off-highway haul to rise from 18 to 40 mi. simply because somewhat larger vehicles would be introduced. Therefore, Table 19 contains estimates by the author of carrier costs and cost savings for 20-mi. hauls for vehicles of all sizes studied. The average cost per mi. per 1,000 bdf is not the same for every length haul (average unit costs decrease with length of haul), or no problem would have arisen. The author used 20-mi. hauls as the nearest approximation to 18-mi. hauls; the Logging Congress charts cannot be read accurately for 18-mi. hauls.

TABLE 19.—COSTS OF LOG CARRIAGE BY GROSS VEHICLE WEIGHT CLASS[1]

GVW[2] class (pounds)	Pacific Logging Congress cost estimates for 40-mile hauls (¢/1,000 bdf/mi)[3]	Percent cost reduction (per 10,000 lbs. GVW)	Cumulative percent cost reduction (per GVW class)	Revised cost estimates for 20-mile hauls (¢/1,000 bdf/mi)[4]	Percent cost reduction (per 10,000 lbs: GVW)	Cumulative percent cost reduction (per GVW class)
70,000	20.7			29		
80,000	18.5	10.6	10.6	25	13.8	13.8
90,000	16.1	13.5	24.1	24	4.0	17.2
100,000	14.0	13.0	37.1	23	4.2	22.7
115,000				22	2.9	24.2
150,000				18	5.2	37.9

[1] Source: "Economic Log Truck Sizes," in Loggers Handbook (Portland, Oreg.: Pacific Logging Congress, 1957), p. XVII.

[2] GVW=gross vehicle weight.

[3] ¢/1,000 bdf/mi=cents per 1,000 board feet per mile.

[4] Estimated by author from "Economic Log Truck Sizes," chart, p. V.

The percentage cost reductions per 10,000-pound gross-weight increment for the 20-mile haul, as shown in Table 19, are greatly reduced in comparison with Pearce's estimates. In fact, for the range of weights utilized by off-highway vehicles, there appears to be a linear reduction of about 4 percent per 10,000-pound gross-weight increase, in comparison with the 11-percent average announced by Pearce.[30]

Calculation of ton-mile cost reductions with increased gross weights using Logging Congress data.—A rough calculation of the carrier cost savings in cents per ton-mile obtained by the heavier logging trucks can now be made, without at this point questioning the derivation of the Logging Congress data. The significance of the carrier savings found, if any, can then be viewed in relation to average motor truck operating costs per ton-mile. Finally, the figures obtained can be used to investigate the existence of increasing, decreasing, or constant returns to scale in equipment size, and applied to the estimated volume of carriage which might utilize increased weight standards, in order to quantify the possible cost savings available to carriers through the use of heavier motor vehicle equipment.

From Table 19, the 100,000-pound gross-weight vehicle can be seen to save loggers 2 cents per 1,000 board feet of timber carried a mile, given 20-mile hauls, over the cost of moving logs with 80,000-pound vehicles. For 40-mile hauls the savings equals 4.5 cents. Assume as a suitable approximation that 60 percent of the Washington State log yield consists of Douglas fir, larch, and spruce, and that the remaining 40 percent is composed of Ponderosa, Jeffrey, and other pines, and western hemlock.[31] The applications of conversion factors per 1,000 board feet of green logs (with bark attached) of 6,000 pounds for the pine species and 6,200 pounds for the firs, produce an estimated weight of 3.04 tons per 1,000 board feet of logs.[32] Thus, the ton-mile carrier cost savings for 100,000-pound vehicles would lie between 0.66 and 1.48 cents.[33]

The ton-mile cost savings to the carriers calculated above can be compared with total motor carrier costs per ton-mile. The average revenue per ton-mile for regulated motor carriers in 1964 was 6.12 cents, according to the Interstate Commerce Commission, and the average revenue for contract carriers was 5.23 cents.[34] Contract carrier revenues and costs would seem fairly representative of logging carrier revenues and costs. Assuming an operating ratio of .95, a surrogate of 4.97 cents may be found for average logging truck costs per ton-mile.[35] The 0.66 to 1.48 cent range of carrier savings calculated per ton-mile of logs hauled on 100,000-pound gross-weight equipment rather than 80,000-pound gross equipment equals from 13 to 30 percent of average ton-mile costs. Thus, for a 20-percent increase in vehicle gross weight (and a larger but uncalculable percentage increase in payload), there appears to be an approximately equal decline in carrier costs.

Analysis of methods used in the Logging Congress study.—Despite the author's revised findings for 20-mile hauls, showing considerably smaller cost savings than reported by the Logging Congress for representative hauls, the logging study results are certainly of interest. In particular, they provide evidence of the successful operation of very heavy vehicles on privately-owned and maintained roads. Further, at least one observer has suggested that: ". . . where roads exist that are capable of handling the high-axle loads typical of 'off-highway' equipment, the economies of short-haul highway transport may be very close to those of a new rail branch-line situation."[36] The economic question, though, is whether, if such heavy-duty roads do exist in any appreciable mileage, the savings obtained are worth the cost of construction plus all social cost disadvantages placed on other traffic.

However, the methodology used by the Logging Congress researchers appears to be of questionable validity. The study findings are therefore of limited applicability to the general case of paved public roads, and of limited aid in answering the economic questions that must be considered by society. The questionable aspects of this study will be delineated below as representative of the difficulties encountered by large-scale data-gathering studies in the motor vehicle size and weight field.

The published findings as discussed by Pearce are unfortunately scanty and in that they do not permit investigation of the composition of log haulage costs. If both terminal and line-haul expenses are included in the average cost figure per output unit, and there is no way to discern which expenses are included from the published data, then the difference in average haul between truck-tractor combinations used on public highways and those used only on private roads produces an analytical problem. If both terminal and line-haul costs were lumped together in the Pearce study, as this author suspects, the average 40-mile haul by on-highway vehicles would spread the terminal expense over a greater distance in comparison with the 18-mile average haul for off-highway vehicles. Thus, the average cost point for 40-mile hauls on the on-highway cost curve would provide an artificially low indication of carrier costs in comparison with the average cost point for 18-mile hauls located on the off-highway curve. Accurate comparison of relative on-highway and off-highway mileage costs simply using these two points would be impossible. This is a general problem which would arise if vehicles of different weights were to have significantly varying average lengths of haul; it can be solved only by comparing costs for hauls of the same length.

Lack of knowledge of the composition of costs presents the analyst with additional questions. Do the costs in this logging study include highway use taxes? If so, this is contrary to accepted Highway Research Board procedure (as will be explained later in this chapter) and all cost levels would be artificially high, although perhaps not significantly so because user fees are a small part of total vehicle costs. If the cost findings include user taxes for on-highway vehicles but not for off-highway vehicles, another difficulty arises. Would the cost levels be comparable? If driver wage or fringe benefit costs (together the largest cost element) differ as between on-highway and off-highway operations, might not this introduce a difference which tends to invalidate use of the cost reduction figures for the general on-highway case?

The possibility that wage level and other cost differences exist between hauls of varying weights points to an important failure of the Logging Congress study. The Logging Congress did not follow basic scientific principles of experimental design. Typically, scientific research attempts to test theoretical statements. The hypothesis to be tested may state that an increase in motor vehicle gross weights will reduce motor vehicle operating costs more than proportionately. Perhaps the hypothesis is believed to be true over the entire spectrum of vehicle weights, perhaps only within a certain weight range. To test the hypothesis for a given range of weights, the researcher would change the observable item, vehicle gross weight. At the same time, he would keep constant all other variables or conditions which might affect operating costs. Then he would note whether his hypothesis regarding the dependent operating cost variable was fulfilled. If, for example, per unit operating costs rose instead of fell with an increase in weight, or fell less than proportionately, he would reject his hypothesis of decreasing costs.

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[30] Of course, a calculation using 20-mi. hauls would reduce the aggregate $5 million cost savings found by Pearce for 40-mi. hauls just as it reduced the percentage savings estimates. The assumption that all log hauls were for 20 mi. rather than 40 mi. would yield the following annual cost savings in the state of Washington. Take 2.5 billion bdf hauled annually, times a 5¢ savings (for 90,000-lb. versus 70,000-lb. vehicles). Multiply by the average haul of 20 mi. The result is $2,500,000. Pearce found $4,600,000 by the product of 2.5 billion bdf, 4.6¢ savings, and 40 mi.

However, there is no way to determine which mileage figure is the more appropriate to use, 20 mi. as an approximation to the off-highway haul or 40 mi. as the average on-highway haul. The average figures for *all* hauls with current-sized equipment is somewhere in between. The average figure for all hauls with larger vehicles may be something else again, although most likely not greater than the upper limit (40 mi.). Therefore, in all calculations to follow, the author will utilize a 20 to 40 mi. range for all figures requiring mileage data.

[31] These percentages were estimated from live sawtimber volumes for the Pacific Northwest region. See U.S., Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1964* (Washington, D.C.: Government Printing Office, 1964), p. 682.

[32] Conversion factors supplied by John Talbott, associate wood technologist, Engineering Research Division, Washington State University. Figures in short tons—2,000 lbs.

[33] Derived as follows: 4.5¢ savings per mi., divided by 3.04 tons, yields 1.48¢ savings per ton-mile; 2.0¢ savings per mi., divided by 3.04 tons yields 0.66¢ savings per ton-mile.

[34] U.S., Interstate Commerce Commission, Bureau of Economics, *Transport Economics, Monthly Comment* (August, 1967), p. 3.

[35] See U.S., Interstate Commerce Commission, *80th Annual Report*, p. 170. This operating ratio is adopted as currently representative for regulated carriers.

[36] Donald P. MacKinnon, "Trends in the Transportation of Industrial Materials," *Canadian Mining and Metallurgical Bulletin*, LX, No. 666 (October, 1967), 1167.

Now if such controlled experimentation were impossible, as is usually the case in economic research, and if the data could not be structured or selected so as to control extraneous factors, the experimenter would be forced to allow in his analysis for all known influences on cost other than the independent variable of weight. The experimenter would need to be aware of the exact connection between operating costs and each of the variables he was unable to hold constant. It would be his task to estimate and allow for the impact of those variables upon operating costs.[37]

But the Logging Congress cost comparisons between on-highway and off-highway carriage do not attempt to maintain all factors constant except weight. Rather, all data are accepted without sorting or constraint. Nor is there to be found any statement of the effect of cost-occasioning variables other than weight on operating expenses. Therefore, the variance of costs with weight could be ascribed in part to such factors as differences in highway, vehicle, or travel conditions for on-highway movements as opposed to private road hauls. For example, the average 40-mile haul by on-highway vehicles is found to take place in part on gravel roads (12 miles or 30 percent), partly on paved roads (18 miles or 45 percent), and presumably, partly on dirt roads, or roads of an unspecified nature (10 miles or the remaining 25 percent). It is doubtful, however, that any major portion of the private logging roads utilized by off-highway vehicles was paved.[38] Certainly private roads were not paved in 45 percent of the cases. Herein is found a significant difference between on- and off-highway carriage because the operating cost effects of dirt and paved roads are vastly different.

How do operating costs differ for travel on dirt as opposed to gravel roads? Engineers report: "Gravel- or dirt-surfaced roads greatly increase truck rolling resistance and hence increase fuel consumption and travel time compared to asphalt- or concrete-surfaced roads."[39]

The quotation suggests that line-haul operating costs for vehicles using private roads may be higher per mile than line-haul costs for vehicles using public highways, because of the rougher road surfaces. Yet, this may be an oversimplification of the cost relationship because effects of the rate of speed on fuel consumption are neglected. Private road operations over rough surfaces most likely take place at a lower average speed than do operations on public highways, and hence trucks using private roads may burn fuel at a lower rate. The complexity of the situation resulting from a lack of controlled experimentation and data selection becomes even more clear, however, when it is recognized that the lower rate of fuel consumption may be only a partial offset to higher tire and maintenance costs resulting from operations on rougher roads. Consider, too, that lower speeds result in lower vehicle utilization rates, thereby increasing carrier costs, because of the greater travel times which are necessitated. It is also generally to be expected that private logging roads have greater rates of rise and fall than do public roads, and therefore private-road operations occasion greater costs due, for example, to the need for more gear changes than on level roads.[40] On the other hand, vehicles on public roads meet different operating requirements stemming from the presence of non-commercial traffic. The presence of automobiles in the traffic stream may force trucks to use higher operating speeds and to accelerate more rapidly, thus necessitating increased investment for truck-tractor power plants and greater expenditures for fuel.

Conclusions drawn from the Logging Congress study.—In short, conditions of vehicle operation may easily vary significantly as between on- and off-highway use. Any study which lumps together or makes comparisons between travel undertaken on roadways of decidedly different cost-occasioning characteristics is open to criticism. As the above discussion has suggested, it becomes very difficult without proper experimental control to predict even the probable direction of error which might be involved in evaluating travel as between on- and off-highway vehicles. Especially with regard to a a comparison of carrier costs between 70,000-pound gross-weight combinations and vehicles of higher gross weights, the lack of emphasis on controlled conditions makes the findings of the Pacific Logging Congress study suspect.

However, the carrier cost differentials between vehicles of 80,000-pound gross weights and those exceeding that level may be of greater reliability. All vehicles in the 80,000-pound class and above operated only on private logging roads. The factor would suggest a better control of many road- and travel-condition variables, and improved likelihood that weight variances may indeed reliably produce cost variances.

The cost-weight relationship still remains doubtful for the 150,000-pound gross weight class, because vehicles in that class were operated predominantly in British Columbia. The British Columbia costs could differ from U.S. costs due to the use of different types of vehicles or because national price or wage trends are dissimilar in Canada.

From this analysis of the Logging Congress data, it can be concluded that on- and off-highway findings cannot be mixed unless careful control is instituted and careful measurement and specification of the dependent variable, costs, is obtained. Only in the 80,000- to 115,000-pound gross-weight classes does the study provide even an approximately reliable measure of cost savings as related to increased vehicle weight. Over the 80,000- to 100,000-pound range, for typical 20- to 40-mile hauls, there exists an average carrier cost savings possibility of from 0.66 to 1.48 cents per ton-mile.[41] If this cost reduction were to be applied to the approximately 6 percent of total ton-miles of intercity freight carriage which might move via motor vehicles of greater weights than presently authorized, the aggregate yearly savings to U.S. vehicle operators could equal from $145.2 to 325.6 million.[42]

Freightliner Corporation Estimates

A 1966 report by the Freightliner Corporation, a vehicle manufacturer located in Portland, Oregon, suggests the incremental carrier cost savings obtainable via utilization of 40-foot doubles and 27-foot triples combinations in place of 40-foot semitrailers and 27-foot doubles combinations.[43]

Freightliner assumes weight allowances based on the 1964 Bureau of Public Roads formula for gross weight[44] and on 20,000-pound single- and 34,000-pound tandem-axle weights. The report includes typical values for purchase cost, maintenance cost, and fuel usage for typical pieces of motor carrier equipment. Maintenance cost is considered to include fuel and oil expense but not depreciation nor driver break-down expense. No labor cost figures were provided.[45]

Table 20 presents the Freightliner data and estimated average line-haul costs per payload ton-mile, as calculated by the author. The Freightliner report on which Table 20 is based comprehensively presents the requisite vehicle costs, except for labor expense, needed to determine the line-haul cost differences per payload ton-mile between 27-foot triples and doubles, and between 40-foot doubles and singles. The report permits calculation of equipment purchase and maintenance expense based on the proper-sized tractors for the larger gross-weight tows. For instance, Table 20 is based on utilization of a 290 brake horsepower (bhp) engine with 40-foot semitrailers; figures for the 40-foot doubles combination are based on the 420 bhp engine required to maintain operating speeds and acceleration capabilities with such heavy loads as these doubles would carry. Although no labor cost data are provided by Freightliner, the requisite figures are readily obtainable for line-haul carriage (see Table 20). Nor does the Freightliner report include data for carrier overhead expense, but this expense item might not vary substantially with vehicle size and weight.

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[37] For discussion of experimental design and measurement, see E. Bright Wilson, Jr., *An Introduction to Scientific Research* (New York: McGraw-Hill Book Company, Inc., 1952), pp. 27–28 and 36–43; Warren S. Torgerson, *Theory and Methods of Scaling* (New York: John Wiley & Sons., Inc., 1958), pp. 1–12; and Milton Friedman, *Essays in Positive Economics*, Phoenix Books (Chicago: University of Chicago Press, 1966), pp. 7–16.

[38] For a description of typical government roads provided primarily for logging purposes, and quite generally unpaved, see E. R. Huber, "Forest Service Roads in the Southwest," in *1961 Proceedings, Western Association of State Highway Officials* (n.p.: 1961), pp. 305–309.

[39] Roy B. Sawhill and Joseph C. Firey, "Predicting Fuel Consumption and Travel Time of Motor Transport Vehicles," in *Vehicle Characteristics*, Highway Research Board Bulletin 334 (Washington, D.C. National Academy of Sciences—National Research Council, 1962), p. 46.

[40] Letter from H. W. Peterson, attachment, p. 1.

[41] See *supra*, p. 180.

[42] In 1965 a total of 359.2 billion intercity ton-miles of freight was transported via motor carrier in the U.S. See U.S., Interstate Commerce Commission, Bureau of Economics, *Transport Economics, Monthly Comment* (January, 1968), p. 8. From the discussion in Chapter 11, *supra*, it can be assumed that some 15% of the total traffic (54 billion ton-miles) might be expected to utilize larger and heavier vehicles. It will be assumed in the calculations to follow in this chapter that 9% of this traffic (32 billion ton-miles) will primarily seek vehicle size increases and thus greater cubic capacity, while 6% (22 billion ton-miles) will primarily seek vehicle weight increases and thus greater weight capacity for heavy commodities. An unknown but probably small part of the total traffic, which utilizes both the available cubic capacity and the maximum weight capacity, will desire increases in both size and weight limits. The product of 22 billion ton-miles and 0.66¢ yields $145.2 million and 1.48¢ times 22 billion ton-miles equals $325.6 million.

[43] Roger W. Sackett, "Supplement to Research and Development Report 15–62, Vehicle Combination Comparisons" (Freightliner Corporation, Portland, Oreg., April 18, 1966).

[44] $W=500(LN/N-1+12N+36)$. See H. Doc. 354, p. 5.

[45] Sackett, p. 2. Driver break-down expense is assumed to refer to the cost of time spent by the driver in waiting while his equipment is being removed for repair or repaired on the spot after a break-down on the highway.

TABLE 20.—EQUIPMENT DESCRIPTIONS AND ESTIMATES OF LINE-HAUL CARRIER COSTS BASED ON FREIGHTLINER CORP. DATA, BY TYPE OF DIESEL TRUCK-TRACTOR COMBINATION, 1966[1]

Equipment description	Length (feet)	Cubic capacity (cubic feet)	Weight (pounds)		
			Gross	Tare	Maximum payload
		40-foot trailers			
5-axle, 40-ft. semitrailer	50	2,680	76,000	25,000	51,000
9-axle, 40-ft. doubles combination[2]	97	5,360	123,700	42,500	81,000
		27-foot trailers			
5-axle, 27-ft. doubles combinations[3]	65	3,620	84,000	29,600	54,400
7-axle 27-ft. triples combination[4]	95	5,430	117,000	40,500	76,500

Mileage per gallon	Line-haul costs (cents per vehicle-mile)				Average line-haul operating cost (cents per payload ton-mile)
	Equipment depreciation[5]	Equipment maintenance	Labor[6]	Total operating	
		40-foot trailers			
4.7	6.4	7.9	12.2	26.5	1.04
3.4	9.4	14.6	14.5	38.5	.95
		27-foot trailers			
4.5	6.8	11.6	13.4	31.8	1.17
4.4	8.9	16.4	14.5	39.8	1.04

[1] Source: Except as noted, Roger W. Sackett, "Supplement to Research and Development Report 15 62, Vehicle Combination Comparisons" (Freightliner Corp., Portland, Oreg., Apr. 18, 1966). (Xeroxed.)

[2] With tandem-axle dolly.

[3] With 1 single-axle dolly.

[4] With 2 single-axle dollies.

[5] Calculated by author from prices presented by Sackett. Assumes: 40-ft. semi—6 by 4 tractor, 290 brake horsepower; 40-ft. doubles—6 by 4 tractor, 420 brake horsepower; 27-ft. doubles—4 by 2 tractor, 290 brake horsepower; 27-ft. triples—4 by 4 tractor, 318 brake horsepower; 100,000 vehicle-miles yearly; straight-line depreciation at 5 years, 10 percent salvage value, 8 percent simple interest.

[6] Calculated by author at mileage rates as given in Hoy Stevens, "Line-Haul Trucking Costs Upgraded, 1964," in Line-Haul Trucking Costs and Weighing Vehicles in Motion, Highway Research Record No. 127 (Washington, D.C.: National Academy of Sciences—National Research Council, 1966), p. 9. Mileage rates for triples and for 40-ft. doubles were increased 1 cent by the 1967 Teamsters' contract. See "The New Teamsters Contract," Western Trucking—Motor Transportation, XLVI, No. 6 (June 1967), p. 27. All mileage rates were further increased by 15 percent to include employer supplemental benefit expenses. See Highway Research Board, Line-Haul Trucking Costs in Relation to Vehicle Gross Weights, Highway Research Board Bulletin 301 (Washington, D.C.: National Academy of Sciences—National Research Council, 1961), p. 58.

The author's estimates in Table 20, using Freightliner data and wage data from other sources, permit the calculation of ton-mile cost savings to vehicle operators. These estimates suggest that, under the very favorable circumstances of fully loaded hauls in both directions, average costs per ton-mile of payload would decline only 0.09 cent for double 40-foot combinations, as compared with 40-foot semitrailers. That amounts to an 8.6-percent reduction per ton-mile of output. Average costs would decline 0.13 cent per ton-mile for triple 27-foot combinations as compared with double 27-foot combinations. This is an 11.1-percent reduction.

Using the line-haul cost reductions shown in Table 20, and assuming that 6 percent of today's highway freight ton-miles (i.e., 22 billion) would travel via heavier combinations rather than in the current heavy-duty motor freight equipment, an approximate aggregate savings in carrier costs can be calculated. A further assumption is made that half of the ton-miles (11 billion) would be produced by operation of the 27-foot triples combinations in place of 27-foot doubles, and the other half (11 billion) by operation of the 40-foot doubles combinations in place of 40-foot semitrailers. Under those conditions, annual carrier cost savings could equal $24.2 million.[46]

The estimates utilizing the Freightliner Corporation data appear far more reliable indicators for relative operating cost levels than other industry cost findings. Most importantly, operating cost components for each type combination have been composed on a comparable basis. Thus, although the validity of the maintenance and running cost figures cannot be gauged due to lack of information, the relative cost levels for different-sized combinations can be judged quite representative of the values to be expected in the event that vehicles of increased weight are permitted to use the public highways.

Other Industry Cost Estimates

Industry sources have published a relatively few additional cost estimates and descriptions of the savings obtainable from larger and heavier trucks, buses, and truck-tractor combinations.[47] None of the estimates, where a basis for quantification is provided, are predicated on a data-gathering effort as extensive as that undertaken by the Pacific Logging Congress, nor are the estimates based on such carefully selected and analytically useful data as those produced by the Freightliner Corporation. Where industry sources merely describe the probably effects of changed vehicle size and weight maxima, no quantification is possible. Nevertheless, short descriptions of several additional industry studies are provided in the following section to illustrate the study methods used and the results obtained as indicative of industry perception of the possible cost savings.

The University Research Center's estimates.—One research firm, in what appears to be a sales brochure describing the costs of leasing and operating private trucks versus the costs involved in owning vehicles outright, attempted to qualify vehicle operating costs. According to Matthew Goodfellow, executive director of the University Research Center (which university this center is affiliated with, if any, is not specified in the brochure), this group based its estimates on a survey of accounting data from 1,338 firms that owned and operated 7,359 trucks, plus data from the records of three major truck leasing networks which supply some 38,000 vehicles to private carriers.[48]

The University Research Center had a frustrating search for usable data, finding only about 5 percent of the firms studied kept records detailed enough for analysis.[49] The Center's decision was to select data from just two representative firms. Selection was on the basis of reliability of records, existence of a fleet size close to the average, and the fact that one firm operated light vehicles while the other used heavy truck-tractor combinations.[50]

The findings of the University Research Center reveal that the small-truck fleet, operating 16-foot vans with 16,800-pound gross weights (GVW) an average of 15,000 miles a year, developed average vehicle gross ton-mile costs of 3.53 cents.[51] The fleet of large vehicles, consisting of diesel tractors hauling combinations of 72,000-pound GVW an average of 100,000 miles yearly, had average vehicle gross ton-mile costs of 0.53 cents—but these costs did not include the expense of procuring and maintaining the trailers.[52]

The above findings do not permit comparison of costs per payload ton-mile between light and heavy vehicles. The operating conditions and ton-mile output of the two fleets described are in no way similar. For example, a likely reason for finding the small-truck fleet's ton-mile costs almost seven times those of the large-truck fleet is that the small-truck fleet operated its vehicles only 15 percent of the mileage of the other fleet; capital costs are spread over fewer miles. The University Research Center estimates are useful only as an example of the typical small-scale study produced by the motor carrier interests and their affiliates and cannot be used to support the position that ton-mile costs for small vehicles are, for example, seven times the level of ton-mile costs for the largest gross-weight combinations presently legal.

Western Highway Institute estimates.—The Western Highway Institute is a research and promotional agency for the state motor carrier associations and private carriers located in the western U.S. and Canadian provinces, with particular interest in the long-haul trucks. The WHI has been active before state legislatures in support of increased size and weight limits since its founding shortly after the Second World War.

One example of the WHI's work was a

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[46] The $. 4.2 million potential annual savings (S) to carriers is calculated as follows:

S = .09¢ (11,000,000,000 ton-mi.) + 13¢ (11,000,000,000 ton-mi.)
S = $9,900,000 + $14,300,000
S = $24,200,000.

[47] Certainly, the industry representatives testifying before the Senate Roads Subcommittee in 1968 in support of S. 2658 did not introduce extensive factual evidence of expected savings to support their case for revised standards. Of course, this lack of evidence could have been a deliberate industry attempt to avoid higher user fees by not quantifying savings. Thus, no profit or savings basis would exist on which to predicate fee increases. Whether or not this would be a workable strategy, it is the author's opinion that the paucity of data was due to a lack of industry research of carrier cost savings. See Chapter IV, *supra*.

[48] *Truck Costs, A Comparison of Private Ownership and Full-Service Leasing* (Chicago: University Research Center, 1965).

[49] *Ibid.*, p. 6.

[50] *Ibid.*, p. 14.

[51] *Ibid.*, calculated by author from Chart I, p. 16.

[52] *Ibid.*, calculated by author from Chart II, p. 23.

staff member's article in *Western Trucking* magazine concerning the carrier cost benefits obtainable by using 27-foot doubles combinations in place of 40-foot semitrailers.[53] The staff member compared the critical cost-related dimensions of both vehicle types and concluded that the typical doubles combination would cost $1,500 more (6 percent) and weigh 3,500 pounds more (13 percent) than the semitrailer. Maximum payloads would be almost identical. However, cubic capacity of the doubles combination would exceed that of the semitrailer by 900 cubic feet (33 percent).[54] Therefore, with light-density cargo, the doubles combination could carry more payload than the semitrailer. As commodity density rises (in weight per cubic foot), the doubles-combination's advantage diminishes until, at 19.6 pounds per cubic foot, it has disappeared.[55]

Although the data obtained above are not directly applicable to the case of vehicle combinations which exceed currently legal size and weight maxima, the article did indicate how, under present size and weight restrictions, light-density commodities may be hauled more economically in high-cubic-capacity vehicles.

Some explanation of possible procedures for estimating the expenses of triples combinations, with gross weights exceeding current maximum legal limits, was described in a letter to a trucking firm by a WHI staff member. It was there suggested that a 27-foot triples combination, hauling such light cargo that the addition of one more trailer to a doubles combination adds 50 percent to net loading, encounters a 25 percent increase in total line-haul operating costs.[56] Loading and revenue would improve by half, while line-haul costs would increase by only a quarter. "Other costs," however, such as administration, pickup and delivery, and billing, are estimated to increase by 50 percent, the same percentage as the payload increase.[57]

The WHI letter did not make clear how these cost estimates were developed. Nor did the letter explain what portion of the nation's freight traffic might profitably utilize such abnormally low-density classes. The WHI letter and magazine article cited above provide no general estimates for the variance of line-haul costs with vehicle size or weight. The Institute also fails to establish quantitatively the extent of any terminal cost reductions or increases which might result from the operation of large and heavy vehicles.[58]

American Paper Institute and American Pulpwood Association estimates.—The paper and pulpwood groups calculated estimates to the U.S. economy of potential carrier cost savings expected to result from size and weight increases. The estimates are found in an impressive-appearing statement that the wood-products groups submitted to the Senate Roads Subcommittee.[59]

The American Paper Institute estimated that trucking costs the paper industry $800 million annually, not including the expense of trucking pulpwood. Yet savings of about 1 percent, or $8 million, might result if the higher size and weight limits contained in S. 2658 were adopted. Moreover, this Institute would expect benefits totaling $14.5 million to result in the haulage of pulpwood.[60] The Paper Institute and the Pulpwood Association together assert the possibility of a total $23 million savings annually in transporting both paper and pulpwood, if the size and weight limits proposed in S. 2658 were made lawful.[61]

More specifically, these advocates of greater sizes and weights suggest that an approximate 6-percent width increase (from 96 to 102 inches) could produce a 6-percent decline in the costs of pulpwood transport ($6 million). They also suggest that a conservative estimate of 1 percent, or $1 million, would prove more probable. This savings is calculated from figures provided by a 1965 Paper Institute survey that found 24.3 million cords of pulpwood hauled by truck in the U.S. at an average cost of $4 per cord. Total pulpwood transportation costs reached $97.3 million.[62] As for paper transport, the paper industry would be expected to save $3 million annually from a 6-inch width increase because many paper products are of light density.[63] The figures on which this savings calculation was based were not cited.

An increase in weight maxima of the magnitude provided in S. 2658 is expected by these wood-products groups to bring about savings equaling 10 percent of the cost of hauling pulpwood, although the industry representatives admit a ". . . more realistic saving would be approximately one-half this percentage or about $5 million based on the 1965 figures, and a potential $12 million by 1969."[64] A carrier cost savings of another $5 million is expected in the transport of paper and paper mill products under higher weight limits, due to the great density of primary paper and paperboard.[65]

The paper and pulpwood groups broadened their focus in order to appraise the value to the entire U.S. economy of the limits proposed by S. 2658. These groups suggest a 6½-percent savings could take place in freight carriage, amounting to ". . . $1.8 billion of the $28 billion freight bill for intercity truck traffic and $3.3 billion of the $51 billion bill for all truck transportation."[66]

Little credulity should be attached to the paper and pulpwood groups' aggregate savings estimates. Certainly the $28 and $51 billion freight-bill figures are far in excess of the yearly U.S. expenditures on freight vehicle operating costs; the $28 billion figure works out to a cost per ton-mile of intercity freight of about 8 cents, far in excess of the ICC's findings for carrier *revenues* per ton-mile.

As Chapter II of this thesis carefully documented, only a small portion of the nation's total traffic moves today by the maximum-sized vehicles; only a minor part of the total traffic could be expected to move via vehicles using the maximum allowable limits even if sizes and weights were to be increased.

Therefore, the 6½-percent savings figure cannot be applied to the total freight bill. Not only that, but the 6½-percent figure is itself suspect. Why should carrier cost savings equal 6½ percent? No basis is given for this estimate in the statement before the Roads Subcommittee. Presumably, the estimate was developed from the 6¼-percent[67] width increase proposed in S. 2658, under the misapprehension that a volume increase of this magnitude would allow motor vehicles to carry 6½ percent more freight. But, as discussed earlier in this chapter, heavy-density traffic is governed by weight limitations.[68] Therefore, the heavier commodities might be more heavily loaded on motor freight vehicles, but more heavily loaded according to the increased weight provisions of S. 2658 (which exceed 6½ percent), not the increased volume limits. However, an allowance for 6½ percent more carriage—or any other percentage advance—does not mean a possible savings in carrier costs of that same magnitude. Added loadings and benefits to carriers are not the same thing, because costs do not hold constant. There are numerous offsets to higher weight allowances in the form of increased carrier investment and running costs, not to mention the increased highway construction and maintenance costs and the extra social costs imposed on other traffic.

The Paper Institute and Pulpwood Association also miscalculated the gains to their own industries from size and weight limit expansion. The two groups projected a total savings of $23 million annually if the limits proposed by S. 2658 were instituted. The $23 million is the sum of $8 million from paper carriage and the $14.5 million from pulpwood haulage. The savings in paper transport include $3 million resulting from the width limit increase and $5 million from the weight increases.

Although it is impossible to tell how those savings were calculated from the information presented by these groups, at least 3 plus 5 add to 8. And, paper products are of such varying density that both volume and weight advances may be put to use in moving paper to provide carrier cost savings.

But the carrier gains in the haulage of pulpwood were variously stated to be either $1 or $6 million for the width increase and either $5 or $10 million for the weight increase. There is no way for these figures to add to $14.5 million! In fact, if the "realistic savings" suggested by these groups were to be adopted as feasible carrier gains resulting from extra weight, the total would equal $6 million. However, even $6 million is an erroneous estimate. Volume increases will not allow pulpwood carriers to add more wood to their vehicles. Pulpwood is quite dense and loadings are governed by weight limits exclusively.[69] Therefore, the $1 to $6 million savings claimed to result from increased width are highly doubtful. Moreover, the remaining $5 to $10 million savings and the $8 million savings in paper transport are further suspect. As has been already pointed out, loadings and carrier cost savings are not the same, despite the claims of advocates. In summary, the Paper Institute and Pulpwood Association estimates, which include the only industry figures for economy-wide potential savings expected from passage of S. 2658, cannot be used in this paper as a basis for predicting carrier cost savings.

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[53] Nelson A. Maxwell, "The Economics of Doubles," *Western Trucking—Motor Transportation*, XLV, No. 6 (June, 1966), 50–54, 67.

[54] *Ibid*, p. 51.

[55] *Ibid.*, p. 52.

[56] Letter from Nelson A. Maxwell, Western Highway Institute, San Francisco, Calif., to Wilfred E. Jossy, Bend-Portland Truck Service, Portland, Oreg., June 30, 1966, p. 1.

[57] *Ibid.*, p. 3.

[58] An additional indication of WHI opinion as to the variance of motor vehicle operating costs with size and weight is provided by a recent term paper by a University of Denver undergraduate. That paper, which acknowledges WHI aid, presents figures showing a 28.3% decrease in line-haul operating costs per ton-mile for the operation of double 40-ft. or triple 27-ft. combinations as opposed to the operation of single 40-ft. semitrailers. A reduction of 14.9% is claimed for triple 27-ft. or double 40-ft. combinations versus double 27-ft. semitrailers. See Ian D. Scott, "Motor Carriers: Length, Weight, Safety and Efficiency" (unpublished paper, University of Denver, 1967).

No calculations or rationale were given for these assertions by Scott. No reason was mentioned for the cost equivalency between double 40's and triple 27's. From the type of illustrations used and the manner of presentation, there can be little doubt that the figures were developed by the WHI rather than by Scott. However, the correctness of these percentage cost reductions can only be established by reference to the methods and data used in their calculation; Scott's paper presented neither.

[59] Hearings on S. 2658, pp. 287–96.

[60] *Ibid.*, p. 290.

[61] *Ibid.*, p. 291.

[62] *Ibid.*, p. 289.

[63] *Ibid.*, p. 290.

[64] *Ibid.*, p. 291. However, the $12 million figure, a 140% rise in annual savings from 1965 to 1969, is questionable when compared with the expected industry gain in pulpwood transport for the same period of 26%. *Ibid.*, p. 289.

[65] *Ibid.*, p. 291.

[66] *Ibid.*, p. 290.

[67] 102″−96″/96″=6¼%.

[68] See pp. 163–64, *supra*.

[69] Malcolm F. Kent, "The Freight's the Weight," in *Proceedings of the 37th Annual Meeting of the Highway Research Board* (Washington, D.C.: National Academy of Sciences—National Research Council, 1958), pp. 21–44. However, light-density wood chips may be capable of using increased volume, and this traffic provides an increasing portion of total pulp input in the northwest segment of the industry. See *Economic Survey, 1947, 1961 and 1956 through 1966* (Seattle, Wash.: Northwest Pulp and Paper Association [1967]), p. A–1.

Turnpike triples tests.—The carrier benefits of increased vehicle length are rarely quantitatively estimated, but motor common carriers believe them to be substantial. The strength of this belief is illustrated by the number of tests currently being made with triples combinations.

Great Lakes Express Company (GLX) made one such test in 1966. GLX is a common carrier trucking firm operating 475 tractors, 900 trailers, and 23 terminals; its routes are located in the upper Midwest. The carrier made an experimental round trip, Chicago to Cleveland, carrying a 63,000-pound payload of general commodities. The equipment used was a 94-foot, 108,500-pound gross weight combination of three 27-foot semitrailers. This test was witnessed by representatives of the Ohio and Indiana Turnpike Commissions and the ICC.[70]

According to the report of this experiment in *Western Trucking* magazine, the witnesses saw a test that was "trouble-free," with the grades encountered surmounted at speeds "well above" the minimum.[71] The driver found handling to be "'. . . no more difficult than handling two conventional 40-foot trailers.'"[72] However, the trouble-free operation came about only after a repositioning of the trailers was conducted because of excessive trailer away.[73]

The carriers' interest can be better understood when it is realized that, according to the magazine article, ". . . no modification of GLX's standard 27′ bottoms was required."[74] No added carrier costs were reported in moving triples combinations as compared with moving double 27-foot trailers. On the other hand, the carrier obtained a one-third increase in payload ton-miles.

This report is hardly a complete analysis of the carrier benefits from vehicle length. It does no more than point up the extreme possibilities of gain, with light-density freight, which may be anticipated by the carrier. Unquestionably triples using standard equipment would encounter added carrier costs in comparison with doubles, such as greater fuel consumption, a rise in tire wear, and increased travel times. These increased costs would tend to offset the extra cubic capacity made available for revenue loadings. A more analytic procedure for ascertaining the value to carriers of increased cubic capacity will be described in the next section.

Western Trucking magazine estimates.—In 1965, this magazine estimated the value to carriers, in terms of increased net revenues which might accrue, of using 27-foot doubles combinations rather than 40-foot semitrailers.[75] The doubles provide greater cubic capacity than semis and, in the magazine's opinion, are highly desirable for the operators because low-density traffic has become a ruling factor in common carrier operations by motor vehicles. This view is in decided contrast with the situation as recently as 1954, when the Bureau of Public Roads found that weight, not cube, was a controlling factor in all but perhaps 9 percent of total highway freight tonnage.[76] Today, however, loads carried on the highways are believed to fill the cargo vehicle to cubic capacity more often than not, without reaching legal load-limits. In these circumstances, an increment of vehicle size which allows more cubic capacity can increase revenues.

From the figures given by the trade for the typical cubic capacity of over-the-road equipment it is possible to calculate the increases in cube which can become available through changes in maximum size dimensions for motor vehicles. The *Western Trucking* data suggest that a width change of 96 to 102 inches would expand cubic capacity of the typical 40-foot semitrailer by 5.9 percent. The 27-foot doubles combination would expand cubic cargo capacity by 6.3 percent.[77] Six percent would seem a reasonable overall estimate.[78]

Perhaps, as *Western Trucking* believes, the Bureau of Public Roads' finding is outmoded. It may be that low-density commodities, the type for which cubic capacity is reached before weight limits are exceeded, comprise more than 9 percent of the total traffic.[79] But there is no proof of this claim, and no studies of traffic composition by density have been undertaken since 1954. Therefore, for the calculations to follow, an assumption of 9 percent for the low-density share will be used by this author.

A width increase would permit the nation's current truck tonnage of freight traffic in the low-density category to be moved with the use of fewer trucks and truck-tractor combinations than presently required. Low-density motor vehicle traffic would therefore be transported at less total cost than with current size restrictions, unless the added carrier, public, and social costs required for vehicle provision and operation, highway construction and maintenance, and compensation of effects on other traffic more than offset the cubic capacity gains. To approximate the aggregate cost savings obtainable via a 6-inch width increase, it will first be assumed that no offsetting carrier cost increases exist in the form of added fuel expenses or higher vehicle purchase prices. The maximum conceivable carrier savings in ton-mile costs can then be computed. These savings are measured by the ton-miles of light-density cargo transported times the savings in ton-mile costs. Secondly, a reasonable increase in carrier costs will be estimated, and these costs will be subtracted from the aggregative carrier revenue gain to find the net carrier savings (if any).

The current volume of traffic being moved in highway vehicles which have reached cubic capacity limits is estimated herein as the product of total intercity ton-miles by highway (360 billion)[80] and the percentage currently reaching cubic limits (9 percent). The total cost of that portion (32 billion ton-miles) can be established by the product times the average cost per ton-mile (5.814 cents).[81] These calculations yield $1,860,480,000. But given the 6-percent width increase, 33.92 billion ton-miles of low-density freight (an added 6 percent) could be carried, rather than the present 32 billion ton-miles. If 33.92 billion ton-miles were transported, with no additional costs, the average ton-mile cost would be 5.196 cents. Therefore, each of the 32 billion ton-miles would be transported at a savings of 0.312 cents. In the aggregate, this savings might total $105,280,000. The $105.3 million figure is the maximum conceivable carrier savings that would result from the allowance of 102-inch widths.

However, the probable savings must take account of extra carrier expenses required to provide extra cubic capacity. Unfortunately, the author has been unable to discover any estimates of these costs. Assuming, for want of better data, that the extra cost would equal 2 percent of current carrier expenses (for example $800 extra in initial cost of a $40,000 doubles combination for structural expansion, prorated over the life of the vehicle), and that such extra expense would be required for one-fourth of the nation's truck fleet, the annual carrier operating cost of providing an extra 6 inches of width would equal $93,024,000. Therefore, a better estimate of the carrier gains from a 6-inch width increase would be the net annual carrier savings, or $12,256,000. This figure does not consider offsets in the form of additional highway expenditures to widen old roads and bridges and construct new highways to higher standards. Nor does it consider required compensation to other highway users harmed by wider commercial vehicles.

The *Western Trucking* data have enabled the author to estimate a range of carrier cost savings by which to evaluate cubic capacity gains obtained via a revision in the legal motor-vehicle width maximum from 96 to 102 inches. The maximum potential carrier cost savings, allowing no offsets through increased carrier costs, could equal $112 million. There is no way with available data to estimate the magnitude of the offsetting carrier costs, but the pressures exerted for greater width suggests that savings to carriers of some magnitude is possible; under the assumption of a 2-percent increase for one-fourth of the vehicles, the most likely estimate of savings is $12.3 million. Thus, the savings range is from some positive number (greater than 0) to $105.3 million, with the most probable savings estimate for greater width being $12.3 million.

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[70] "Triples on the Turnpike," p. 28.

[71] *Ibid.*, p. 29.

[72] Conventional, that is, for certain limited toll-road operations. *Ibid.*

[73] *Ibid.*

[74] *Ibid.*, p. 28.

[75] "What Is Cube Worth?" *Western Trucking—Motor Transportation*, XLIV, No. 8 (August, 1965), 21–27.

[76] Kent, "The Freight's the Weight," pp. 21–44.

[77] "What Is Cube Worth?" p. 23.

[78] The 6%-figure accords closely with an estimate of 7% provided by Sackett, p. 3. An estimate of 6% is also made by Robert S. Reebie, "Highway Equipment Innovation for Improved Public Service and Carrier Profits," in *Papers—Eighth Annual Meeting, Transportation Research Forum* (Oxford, Ind.: The Richard B. Cross Company, 1967), p. 189.

[79] However, the BPR study found little change in shipping densities from 1942 to 1954, a period longer than that from 1954 to 1965, the date of the *Western Trucking* article. See Kent, "The Freight's the Weight," p. 7.

[80] See n. 42, *supra*, p. 188.

[81] Much of the light-density freight probably moves by common carrier. Thus, the average common carrier revenue per ton-mile, 6.12¢, less 5% to take the operating revenue into account, equals 5.814¢, which will be adopted as average ton-mile costs for light-density traffic. See *Transport Economics, Monthly Comment* (August, 1967), p. 3, and n. 42, *supra*, p. 180. The calculations for the remaining figures in this paragraph are found as follows. Given are average carrier costs per ton-mile ($AC_1 = 5.814$¢), and total motor carrier output of low-density traffic in ton-miles ($TP_1 = 36{,}000{,}000{,}000$ ton-miles). To be found are the total cost of transporting low-density products with current equipment (TC_1), the total (TC_2) and average (AC_2) cost of trucking low-density products with 102-in. wide equipment, and the average (AS) and total (TS) savings to carriers. Assume $TC_1 = TC_2$. Thus:

$$TC_1 = (AC_1) \cdot (TP_1)$$
$$TC_1 = \$.05814 \cdot 32{,}000{,}000{,}000 = \$1{,}860{,}480{,}000$$
$$TP_2 = (1 + .06) \cdot TP_1$$
$$TP_2 = (1.06) \cdot 32{,}000{,}000{,}000 = 33{,}920{,}000$$
$$TC_1 = TC_2 = AC_2 \cdot TP_2$$
$$AC_2 = \frac{TC_2}{TP_2} = \frac{\$1{,}860{,}480{,}000}{33{,}920{,}000} = 5.485¢$$
$$AS = AC_1 - AC_2 = 5.814 - 5.485 = 0.329¢$$
$$TS = TP_1 \cdot AS = \$.00329 \cdot (32{,}000{,}000{,}000) = \$105{,}280{,}000.$$

Evidence from Government studies of economies of scale in motor vehicle equipment size and weight

The number of studies by government and government-related researchers and agencies seeking to estimate the variance of motor vehicle costs with equipment size and weight is smaller than those undertaken by industry groups. But the government studies range even more widely in comprehensiveness. A recent paper by a transportation engineer with the California Public Utilities Commission stated the view that economies of scale in equipment size clearly exist, as follows:

"Economies of scale are readily available in truck transportation. In line haul operations, vehicle operating costs rise only slightly and driver labor costs may remain nearly constant as the size of vehicle and load increase. Revenues from transporting many types of commodities, on the other hand, will increase directly with each increment of load carrying capacity added." [82]

However, no factual support was given for this strong statement, either from experimental studies or by citation from the available literature.

On the other hand, Jan De Weille, writing for the World Bank, has done extensive research in the literature on vehicle cost savings, over a narrow range of vehicle sizes.[83] As De Weille has investigated government and industry sources from many countries, reference will be made to his work. In the U.S. the Highway Research Board of the National Academy of Sciences has prepared what is without question the most extensive collection of experimental and accounting data available on the subject from United States sources.[84] Considerable dependence will be placed on the HRB studies in this thesis.

The De Weille report for the World Bank

The De Weille report is primarily concerned with estimating the effects of road improvement on the development of a country.[85] It is essentially similar to the Odier report for the United Nations, published in 1962 by the French government, but more recent and more comprehensive.[86]

The De Weille report finds that the most important of the benefits of road improvement is the cost savings to road users. Thus, De Weille devotes himself mainly to obtaining satisfactory figures, applicable under a wide variety of conditions, with respect to the economic significance of savings to road users. An attractive feature of the report is its reference to very recent studies of motor vehicle costs made in several underdeveloped countries. It has also given more attention than many other studies to describing the cost deviations as they are related to vehicle types. Yet, De Weille's study utilizes a quite limited range of vehicle weights.

For the typical vehicles shown in that study, the behavior of line-haul operating costs is presented in Table 21. For vehicles larger than pick-ups, the average operating costs for a vehicle ton-kilometer appear to decline at a rate of about 1.5 percent with each increment in vehicle size of 1,000 pounds gross weight. This rate was almost the same for an increase from a vehicle of 57,000 pounds gross weight to a vehicle of 71,000 pounds gross as it was for an increase from a vehicle of 14,000 pounds gross weight to one of 57,000 pounds gross. However, the rate equivalency could have been influenced by the 71,000-pound vehicle being deisel-powered.

TABLE 21.—LINE-HAUL OPERATING COSTS BY GROSS VEHICLE WEIGHT [1]

Gross vehicle weight (pounds)	Operating costs [2] (cents/vehicle-kilometer)	Operating costs [3] (cents/gross weight ton-kilometer)	Percent reduction in operating costs [3] (per 1,000-lb. increment of gross weight/kilometer)
6,000	3.56	1.19	
14,000	5.13	.73	4.8
57,000	7.92	.28	1.4
71,000	7.78	.22	1.5

[1] Source: Jan De Weille, Quantification of Road User Savings, World Bank Staff Occassional Papers, No. 2 (Baltimore, Md.: The Johns Hopkins Press for the International Bank for Reconstruction and Development, 1966), table 1, p. 14; p. 30.

[2] On paved roads at an average speed of 72 km./hr, no. stops.

[3] Calculated by author (short tons).

The De Weille study generally confirmed industry opinion on the effects of larger and heavier vehicles on line-haul operating costs. As summarized by him, the results were as follows:

"They indicate that vehicle operating costs per kilometer increase with the size of the vehicle, but less than proportionately. Operating costs for trucks on a per ton basis decrease therefore with increasing truck sizes." [87]

Of course, it would be necessary to convert from vehicle-mile costs to net ton-mile costs in order to determine the effects of vehicle weight on the ton-miles of commodities transported. Then conclusions could be made regarding economics of vehicle weight once load factors were taken into account.

Highway Research Board Studies of Carrier Costs as Affected by Vehicle Weight

The Highway Research Board, an arm of the private and prestigious National Academy of Sciences since 1920, has long been interested in the relationship of motor vehicle operating costs to equipment size and weight. The Highway Research Board's Committee on the Economics of Motor Vehicles Size and Weight has undertaken studies on gasoline consumption and travel time as affected by vehicle and highway characteristics,[88] the relationship of cargo weight and volume to vehicle capacity,[89] and the effect of vehicle gross weight on line-haul trucking costs.[90] This section will first describe a controlled experiment of the effect of gross weight on operating costs in which the Board was involved. It will then analyze the findings of an extensive accounting cost study undertaken by the Board. These findings will be discussed in relation to total carrier cost savings estimated to be obtainable from weight increases.

The AASHO Road Tests.—The most recent of a long series of test road investigations into the relationship of motor vehicle operations to the capability of highways to withstand and accommodate them took place at Ottawa, Illinois, from 1958 to 1960. The Ottawa road tests of the American Association of State Highway Officials were planned experiments, directed toward an objective analysis of the effects of traffic of known weights and applications or frequencies upon carefully constructed highways of varying surface and subbase specifications. In addition, vehicle performance and operating cost data were gathered for gross and axle weights far in excess of the currently permitted loadings on public highways. The relative costs of operating these vehicles may well be indicative of the values which might be obtainable if the state and Federal vehicle weight limits were to be raised for the Interstate Highway System. The Highway Research Board played an important part in the administration and operation of the AASHO road test costing $27 million. The results of the test are related to vehicle costs were presented in the Highway Research Board's Special Report 73.[91]

The Illinois Road Test's vehicle cost results.—The AASHO Road Test at Ottawa, Illinois, obtained vehicle cost results in the areas of gasoline and diesel-fuel consumption rates, oil-consumption rates, tire costs, and maintenance expenses.[92] The results were for the operation of vehicles with single-axle weights ranging from 2,000 to 30,000 pounds; tandem-axle loads from 24,000 to 48,000 pounds; and gross weights from 4,200 to 108,600 pounds.[93]

In summary, the road test results found gasoline-consumption rates per 1,000 payload ton-miles ". . . decreased from 233 gal for 4,200-lb single-unit trucks to approximately 14 gal for 54,800-lb tractor semitrailer combinations." [94] From the data presented, there appear to be distinct carrier economies of equipment size in gasoline consumption as gross vehicle weight rises, including within the 40,000- to 50,000-pound range. No gasoline-powered vehicles of weights exceeding the current Federal gross maximum were tested.

On the other hand, the carrier fuel economies for diesel-powered vehicles of the larger sizes appear considerably more limited. The report on the AASHO road test findings stated: "Diesel fuel consumption rates per 1,000 gross ton-miles decreased only slightly from 5.8 to 5.0 gal in the range of 70,100- to 108,600-lb loaded gross weights operated on the Road Test." [95]

Economies of vehicle size also appear to take place in oil consumption, although the rate of fall in quarts used per 1,000 ton-miles decreased for the larger diesel-powered vehicles. The AASHO report concluded as follows:

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[82] Eric Mohr, "Size and Weight Regulation," in *Papers—Eighth Annual Meeting, Transportation Research Forum* (Oxford, Ind.: The Richard B. Cross Company, 1967), pp. 247–48.

[83] Jan De Weille, *Quantification of Road User Savings*, World Bank Staff Occasional Papers, No. 2 (Baltimore, Md.: The Johns Hopkins Press for the International Bank for Reconstruction and Development, 1966).

[84] Bulletin 301.

[85] De Weille, p. xiii.

[86] The Odier report, written for the United Nations as a guide toward measuring the economic effects of road construction and improvements in underdeveloped countries, investigates the relationship of vehicle operating costs to vehicle speed and acceleration, road gradients, curves and pavement, and travel time. Cost variations with respect to these factors depend as well on the vehicle's size and weight. Although Odier presents data for passenger cars separately from trucks, and for trucks by size class up to 10 and 20 tons, no cost figures are provided for vehicles in the heavier weight classes. Perhaps this is because smaller trucks may be more useful on the generally poor roads of the underdeveloped countries. Nor does Odier bring out operating cost differences as related to vehicle height, length, or width. Therefore, his study is of far less utility for calculations involving very large and heavy vehicle combinations than are the ones to be examined and commented on in the following sections. See Lionel Odier, *The Economic Benefits of Road Construction and Improvements*, trans. by Noel Lindsay (Paris: Publications ESTOUP [1962]).

[87] De Weille, p. 30.

[88] C. C. Saal, *Time and Gasoline Consumption in Motor Truck Operation*, Highway Research Board Special Report 9A (Washington, D.C.): National Academy of Sciences—National Research Council, 1950).

[89] Kent, "The Freight's the Weight."

[90] Bulletin 301.

[91] *The AASHO Road Test, Proceedings of a Conference Held May 16–18, 1962, St. Louis, Mo.*, Highway Research Board Special Report 73 (Washington, D.C.: National Academy of Sciences—National Research Council, 1962).

[92] Malcolm F. Kent, "AASHO Road Test Vehicle Operating Costs Related to Gross Weight," in *ibid.*, pp. 150–51.

[93] *Ibid.*, p. 152.

[94] *Ibid.*, p. 153.

[95] *Ibid.*

"The trend line . . . for oil added per 1,000 ton-miles decreased rapidly from 0.43 qt at 4,200-lb loaded gross weight to 0.12 qt at 54,800-lb for gasoline-powered vehicles. The trend line for oil added then tended to level off for diesel-powered vehicles from 0.10 to 0.08 qt per 1,000 ton-miles from 70,100 to 108,600-lb loaded gross weights."[96]

Tire costs are complicated to measure and the results obtained depend on the output measure chosen. The AASHO report found tire costs to appear relatively constant per ton-mile for vehicles of rising weights. But the constancy of tire costs with ton-miles of operation existed side-by-side with rising tire costs with respect to tire loads.[97] The overall vehicle weight was found to be not nearly so important a cost determinant as the load the tire itself must carry. The more wheels that are placed on a truck to support a given load, the lower the ton-mile cost of tires appeared to be.

However, motor vehicle repair expense, as measured by the frequency of component replacements, appears to exhibit *diseconomies* of vehicle weight. The AASHO report stated: "There is a general trend with one exception (28,900-lb gasoline engine) towards fewer miles per engine replacement as loaded gross weight increases."[98] The heavier vehicles also appeared to require replacement of transmissions and rear springs more often than the lighter vehicles.

The AASHO road test results do not suggest the relative importance of the several cost categories. Nevertheless, the following conclusions appear to be supported for the heavier vehicles. The heaviest vehicles, largely those powered with diesel fuel, exhibit slight economies in fuel and oil consumption. They exhibit diseconomies in replacement frequency of engine, transmission, and spring components. The heaviest vehicles encounter constant costs, with gross vehicle weight, in tire wear. The most important of these several cost categories appears to be repair costs, followed by fuel and then tire costs. Economies in fuel and oil costs alone will not bring about reductions in total operating expenses because fuel and oil expenditures represent but a minor part of total carrier costs.[99]

The above findings do not involve the entire range of vehicle maintenance and operating costs. In particular, the labor costs per ton-mile were not included. Further, the relationships which were investigated may not be representative of general commercial operations for the following reasons:

1. Operating speeds were limited to a constant 35 miles per hour on straight stretches and 5 miles per hour on turn-arounds; operations on public highways average higher and more variable speeds than these.

2. The test road rates of rise and fall were relatively low.

3. Test vehicles were fully loaded at all times.

4. Tire wear on turnarounds was more severe than would be encountered in normal highway operations.

5. Stops and starts were relatively few.

6. Special differentials and gear ratios were selected for the test vehicles (with the view of providing optimal fuel economy).

7. All diesel and some gasoline vehicles were left running during short rest periods in cold weather.

8. The pavements were rougher than to be expected in usual operation.

9. The vehicles used were limited in configuration compared with the wide range of commercial bodies and axle spacings which are available.

10. The vehicles used were general commercial models, not specially constructed to handle extra-heavy loads.[100]

The HRB's line-haul trucking cost study using carrier accounting cost data.—The Illinois road test was a fairly small-scale study (so far as the vehicle cost aspects were concerned).

The road test attempted to formulate functional relationships between vehicle size and several line-haul carrier cost elements. The HRB undertook an extensive study of an entirely different sort, however, in the late 1950's in order to obtain cross-sectional data of average vehicle costs as related to vehicle weight classes. This accounting cost study utilized data from the records of 611 motor carriers (common, contract, exempt, and private) which operated in 1955 and 1956.[101] The accounting study gathered data on all aspects of line-haul operating costs of 17,737 gasoline-powered and 5,647 diesel-powered vehicles with gross vehicle weights extending from 22,500 pounds to 192,000 pounds. Loadings and unloading, pick-up and delivery, and road user fee costs were not included in the study.[102] Carriers were excluded if their regular operations did not include travel on rural roads and if their daily runs were not predominantly in excess of 150 miles.[103]

The HRB accounting study cites numerous variables which affect vehicle operating costs within a given gross-weight group. These include types of fuel and engine sizes, types of trailer combinations and cargo bodies, average daily vehicle mileage and average road speeds, degree of loading and types of commodities hauled, and highway quality, surfaces, and gradients. Equipment size differences in general were not considered as important as weight differences and were not evaluated.[104]

The overall results of the Highway Research Board accounting study suggest that motor vehicle line-haul operating costs exhibit steeply decreasing average costs per gross ton-mile, as loaded gross vehicle weights rise from 22,500 to approximately 40,000 pounds. The rate of decline in cents per gross ton-mile was found to slow with additional increments of weight beyond the 40,000-pound level, and gross ton-mile costs became almost constant past the 100,000-pound mark. However, due to a reduced ratio of tare to gross weight, *payload* ton-mile costs continued to decline slightly to the 192,000-pound level (the limit of vehicle weight investigated in this study).[105] According to scattergrams of gross operating costs versus weights of similar trailer combinations grouped together in 743 categories, ". . . the spread of the data is not excessive . . . and . . . trends of the means of the values in the different gross weight intervals are consistent."[106]

The line-haul cost study develops these results on the basis of two different operating conditions. The first involves full payloads on both legs of the carrier's journey; the second is with one leg empty, and exhibits net ton-mile costs almost twice as high as the first. Both conditions produce curves of similar slope.[107]

The overall results of the study are separated into two parts by type of engine to show the differences between gasoline and diesel engines. The payload ton-mile costs for gasoline engines appear to continue to decline up to the 105,000-pound level of loaded gross weight. However, the data for gasoline-powered engines do not extend beyond this weight level. The payload ton-mile costs for diesel engine combinations decline continuously, but only slightly, beyond 140,000-pounds gross weight.[108]

Total gross operating costs are broken down, by each engine type, into six categories in the accounting study. They are: repair, servicing, and lubricant costs; tire and tube costs; fuel costs; driver wage and subsistence costs; indirect and overhead costs; depreciation and interests costs. Each cost category varies as a percentage of total costs by loaded gross-weight level. It can be assumed that current heavy-duty trucks operate at approximately 60,000- to 70,000-pounds gross weight; under proposals now before Congress, maximum gross weights for operation on the Interstate System would normally extend to about 100,000 pounds. Do the elements of operating cost vary for 60,000- or 70,000-pound vehicles as opposed to 100,000-pound vehicles?

According to Table 22, for gasoline-powered combinations, tire and tube expenses are a relatively higher part of total operating costs for the higher gross-weight levels. Indirect and overhead costs make up a relatively lower portion. Thus, tire and tube expense is one portion of costs which rises greatly with vehicle weight for gasoline-powered combinations; indirect and overhead costs, on the other hand, decline relative to other costs. Similarly, with respect to diesel-powered combinations, indirect and overhead exhibit a relative decline with increased vehicle weight. So do driver wage and subsistence costs. Repair, servicing, and lubricant costs for diesels appear to rise rapidly with weight, while tire and tube costs rise slightly.

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[96] *Ibid.*, p. 155.

[97] *Ibid.*, p. 156.

[98] *Ibid.*, pp. 156–58.

[99] For these cost categories, see Table 22, *infra*, p. 222.

[100] Kent, "AASHO Road Test . . .," p. 155.

[101] Bulletin 301, pp. 1–2.

[102] *Ibid.*, p. 1. Road user fees were not included because they were considered payments for the highways, according to the HRB. Certainly, user fees are also elements of carrier costs. However, the HRB's position seems to consider the addition of user fees to other carrier costs premature without first determining the highway costs attributable to vehicles of various sizes. The addition of present fee payments would, in effect, prejudge the desired level of user fee payments in the opinion of the HRB. See *ibid.*, pp. 45–46.

It is a minor factor, but the author believes that such a procedure makes the heavier vehicles appear less costly than they are actually found to be by their operators. If tire, tube, depreciation, and replacement parts expenditures were to remain constant proportions of total costs as vehicle weight rose, assuming no graduation in user fees with weight, then operators of light vehicles would pay the same user fee percentages of total costs as operators of heavy vehicles (user charges are paid as percentages of these expenditures). *But* operators of heavier vehicles pay the same user fee rates on *larger* portions of total carrier costs because the tire, etc., expenditures increase with vehicle size while labor costs, for example, decrease (see Table 22, *infra*, p. 222). Also, of course, some user fees (such as registration fees) are graduated. Thus, heavier vehicles in reality pay relatively higher user fees than small vehicles; neglect of this fact contributes to the HRB finding of economies in equipment weight for heavier vehicles.

It is desirable that heavier vehicles pay higher fees because they occasion high levels of public highway and social costs. In fact, if user fees were predicated on the findings of incremental cost allocation studies made by responsible researchers for the various states, the user fees for large and heavy trucks would be even higher, and a procedure of calculating equipment scale economies leaving out user fees would be even more misleading. However, in determining the practical benefits of greater sizes and weights to the carriers, the theoretically desirable user fees are extraneous; but neglect of the higher level of actual user fees paid by the heavier vehicle does misrepresent the economies of scale in equipment size.

[103] *Ibid.*, p. 29.

[104] *Ibid.*, p. 39.

[105] *Ibid.*, p. 82.

[106] *Ibid.*, p. 80.

[107] *Ibid.*, pp. 82–83.

[108] *Ibid.*, pp. 84–86.

TABLE 22.—OPERATING COST ELEMENTS AS PERCENTAGES OF TOTAL LINE-HAUL OPERATING COSTS FOR 60,000-LB. AS OPPOSED TO 100,000-LB. GROSS-WEIGHT COMBINATIONS [1]

GASOLINE ENGINES

Gross combination weight (pounds)	Cost elements (percent)						Total costs (percent)
	Repair, servicing, lubrication costs	Tire and tube costs	Fuel costs	Driver wage and subsistence costs	Indirect and overhead costs	Depreciation and interest costs	
60,000	16	6	11	24	27	16	100
100,000	16	9	11	23	23	18	100

DIESEL ENGINES

Gross combination weight (pounds)	Repair, servicing, lubrication costs	Tire and tube costs	Fuel costs	Driver wage and subsistence costs	Indirect and overhead costs	Depreciation and interest costs	Total costs (percent)
60,000	16	6	8	27	27	16	100
100,000	22	8	8	22	22	18	100

[1] Source: Highway Research Board, "Line-Haul Costs in Relation to Vehicle Gross Weights," Highway Research Board Bulletin 301 (Washington, D.C.: National Academy of Sciences—National Research Council, 1961), pp. 91–92. Percentages calculated by author from estimated cost data.

These findings are in general accord with the results of the AASHO Road Test experiment. That study also discovered an increasing cost situation for repair expense and perhaps slightly increasing costs for tire and tube expenses; the Road Test results, though, disclosed economies of vehicle weight in fuel costs. Bulletin 301 does not separate repair and oil costs, as was done in the AASHO Road Test, so increasing repair costs may be offset in Table 22, for gasoline-powered combinations, by decreasing oil costs.

Table 22 also shows relative cost compositions for diesel as opposed to gasoline-powered combinations. Most noticeable are the higher proportionate gasoline fuel costs at both weight levels and the higher repair, servicing, and lubricant costs for diesel combinations of 100,000-pound gross weights.

Line-haul trucking costs revised.—The Highway Research Board's continuing interest in the relation of operating costs to vehicle gross weights resulted in an addendum to Bulletin 301.[109] Revised cost figures were published in 1966 which brought total costs and the six operating costs elements in line with 1964 price data. The primary indices used were the relative costs from Interstate Commerce Commission expense accounts for 1962 versus 1956. Except for driver wage and subsistence costs, there were few changes in cost elements during 1963.[110] The revised data were thus assumed to be typical for 1964.[111]

Table 23, from "Line-Haul Trucking Costs Upgraded, 1964," compiled figures on operating cost reductions per gross ton-mile of line-haul operation for vehicles of gross weight ranging from 60,000 to 140,000 pounds. The data are unfortunately presented in tabular form only in the case of loaded two-way hauls. Other loading situations by direction of haul must therefore be established by inspection from the curves supplied in that supplement for such loadings. As imperfectly derived in this manner, the data for the more common case of a two-thirds (average) loading are presented in Table 23 for comparison with the data on two-way hauls.

Applications of the ton-mile cost savings to motor carriers shown in Table 23 for the average freight loadings yields a total possible reduction in carrier line-haul costs for the U.S. of $185.9 million yearly. This calculation assumes that 6 percent of the total intercity ton-miles of motor carrier freight produced annually is now transported via combinations in the 70,000-pound range and, further, that this traffic would be carried on 100,000-pound gross weight combinations subject to a 17-percent cost reduction if vehicle weight restrictions were raised on the Federal-aid highway system.[112]

TABLE 23.—TRUCK-TRACTOR COMBINATION GROSS OPERATING COSTS PER LINE-HAUL TON-MILE, IN RELATION TO LOADED GROSS WEIGHT [1]

Loaded gross weight (pounds)	Cost per payload ton-mile of freight hauled, loaded both ways (cents)	Percent reduction per 20,000-lb. increase of loaded gross weight	Cost per payload ton-mile of freight hauled,[2] average loading (cents)	Percent reduction per 20,000-lb. increase of loaded gross weight
60,000	2.1		3.1	
80,000	1.7	19	2.5	19
100,000	1.6	6	2.3	8
120,000	1.5	6	2.1	9
140.000	1.4	7	2.0	5

[1] Source: Hoy Stevens, "Line-Haul Trucking Costs Upgraded, 1964," in Line-Haul Trucking Costs and Weighing Vehicles in Motion, Highway Research Record No. 127 (Washington, D.C.: National Academy of Sciences—National Research Council, 1966), pp. 59, 11–15.

[2] Estimated by author from ibid. Average loading equals ⅔ loading.

Evaluation of the Highway Research Board accounting study.—The HRB study, like the Pacific Logging Congress work, may be questioned to the extent that the vehicles in the higher gross-weight ranges for which cost data were obtained were utilized under decidedly atypical conditions compared with those in operation on the general public roads. It is doubtful that this difficulty is of as great a magnitude as in the case of the Logging Congress study. This is because the HRB obtained cost data from carriers operating on high-quality public toll roads to calculate operating cost figures for vehicles of the higher weights, as well as data from such private-highway users as logging transporters, dump-truck operators, and tank-truck carriers, all of which operated on gravel roads not built for all-weather travel. The fact that all the vehicle operations were not on roads comparable with paved public highways could still produce biased operating-cost results for the largest vehicles. Significantly, large vehicles using private roads need not be powered by large and expensive engines. Rather, especially where over-all terrain is fairly level, larger vehicles using all-truck roads may utilize small engines and low speeds on grades that would not be tolerable for passenger cars sharing the public highways.[113] The HRB study did not consider all the increased travel-time costs resulting from the use of low-power engines.

Other difficulties appear with the Highway Research Board methods. For one thing, questionable extensions are made of the driver wage and subsistence costs. Although the trend line of wage costs may be upward,[114] the upward-sloping curve cannot logically be used to determine vehicle-mile wage costs for the heavier-weight vehicles. Wage costs are a step-function of vehicle-miles. Since 1964, trucker wages have been set by contract for line-haul travel at specific rates for different vehicle configurations. The basic wage costs increase per vehicle-mile for doubles operation as compared with semitrailer operation and, since 1967, for triples or double 40-foot operation compared with conventional doubles.[115] The use of trend lines in this and other instances in Bulletin 301 as revised, may result in logical errors when estimating the costs of heavier vehicles.

In summary, however, the Highway Research Board's study provides the most carefully prepared accounting cost results that are available. Especially for the light- and medium-weight vehicles, the HRB's accounting study findings in Bulletin 301 and the findings under controlled experimental conditions (AASHO Road Test, see pp. 213–17, *supra*) were consistent in direction. This consistency in the two studies lends credence to the findings of the HRB in Bulletin 301. Still, the $185.9 million savings may understate possible carrier gains from increased weight limits due to the exclusion of small

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[109] Hoy Stevens, "Line-Haul Trucking Costs Upgraded, 1964," in *Line-Haul Trucking Costs and Weighing Vehicles in Motion*, Highway Research Record No. 127 (Washington, D.C.: National Academy of Sciences—National Research Council, 1966), pp. 1–21.

[110] A recalculation of Table 22, *supra*, p. 222, based on the revised data, shows major changes only in higher wage costs for gasoline-powered vehicles, lower fuel costs for all vehicles, lower tire costs for 100,000-lb. gasoline-powered vehicles, and higher repair costs for diesel-powered vehicles.

[111] Hoy Stevens, p. 14.

[112] 6% of the current traffic is 22 billion ton-miles. See n. 42, *supra*, p. 188. The 17% line-haul cost reduction for 100,000-lb. as opposed to 70,000-lb. vehicles is interpolated from Table 23, *infra*, p. 225. The cost per ton-mile for contract carriers (4.97¢) was adopted as applicable for this calculation, see p. 188, *supra*. Thus, the possible annual savings (S) is calculated as follows:

$S = (.17) \cdot (\$0.0497) \cdot (22{,}000{,}000{,}000)$

$S = \$185{,}878{,}000.$

[113] Travel times are substantially higher for heavy vehicles with small engines. See Malcolm F. Kent, "Time and Fuel Consumption Rates for Trucks in Freight Service," *Public Roads, A Journal of Highway Research*, XXXI, No. 1 (April, 1960), 28.

[114] See Hoy Stevens, pp. 10–11.

[115] See "The New Teamsters Contract," *Western Trucking—Motor Transportation*, XLVI, No. 6 (June, 1967), 27. Wage costs for local drivers and helpers, though, are on a quite different basis and vary greatly throughout the country. Local drivers and helpers are generally paid on an hourly wage-scale basis. See U.S., Department of Labor, Bureau of Labor Statistics, *Union Wages and Hours: Motortruck Drivers and Helpers, July 1, 1966 and Trend 1936–66*, Bulletin No. 1548 (Washington, D.C.: Government Printing Office, May, 1967).

vehicles (such as dump-trucks) and travel on urban roads from the calculations; the savings may be overstated due to inaccurate estimates of costs for the heavier vehicles.

House Document 354—The Bureau of Public Roads Report

The Bureau of Public Roads released an influential study in 1964, in which the Bureau attempted to measure the vehicle cost savings and the public investment requirements likely to be occasioned by increases in the motor vehicle size and weight limitations. The BPR assumed that size and weight economies exist and the 1964 report made the statement that:

"Increases in the permitted sizes and weights of commercial freight vehicles have long been recognized as an important factor in reducing highway freight costs. The major question has been whether the decreases in truck operating costs would be affected by a marked increase in highway costs." [116]

The report found that in recent years line-haul trucking equipment has been improved in terms of more powerful and efficient engines, better brakes, and reduced vehicle tare weights. The report then observed the consequence in the following terms:

"The net result of the improvement in highway freight vehicles is that the trailer combinations and single-unit trucks are now capable of carrying heavier payloads. The advantages of heavier gross weights to trucking operations are restricted however by existing size and weight regulations." [117]

BPR sources of data and methods.—The BPR performed no original study of carrier size and weight economics. Rather, quantification of the economies of increased sizes and weights relied entirely on the Highway Research Board accounting cost study described earlier.[118]

The BPR report balanced the cost savings to carriers from greater size and weight allowances against the increased construction and maintenance expenditures required to build new highways to standards which could withstand the greater weights. In determining these relative costs, the BPR utilized an analytical framework which placed the carrier cost savings on the same basis as the highway cost increases. The method involved, first, the calculation of the increased costs per vehicle-mile of operation that would result from heavier vehicle loadings. The increased costs are shown by vehicle body class (and presumably based on the average-weight vehicle in each class) in Tables 41 and 45 of the BPR report.[119] Secondly, having determined the higher vehicle-mile costs entailed by heavier vehicles, the BPR calculated the number of vehicles in each vehicle class required to transport a given volume of freight. The number of vehicles required was determined for each of several successively higher weight-limit assumptions, starting from 18,000-pound single- and 32,000-pound tandem-axle load-limits.[120] These vehicle-number figures are also shown in Tables 41 through 45 of the BPR report.

In effect, given a specific amount of freight, successively fewer vehicles would be needed to transport that freight with each successively higher level of allowable vehicle weight. Thus, the BPR calculations resulted in several arrays (at different levels of allowable weights) of vehicle-mile operating cost figures by vehicle class combined with the numbers of vehicles in a typical traffic stream to which the costs would apply. These BPR figures may be used to establish an estimate of the possible aggregate carrier cost savings to be gained from utilizing greater weight limits. The author has made the necessary calculations and the results are presented in Table 24.

Estimates of carrier cost savings on the basis of BPR data.—Table 24 presents the author's calculations of possible carrier cost savings based on data contained in the BPR's report and figures for annual vehicle-miles of travel by vehicle class of trucks and truck-tractor combinations in the highest weight groups. The vehicle-mile figures are taken from the Highway Cost Allocation Study's Supplemental Report (1965), prepared by the BPR, and adjusted for travel on the rural Federal-aid system.[121]

TABLE 24.—OPERATING COSTS, VEHICLE-MILES OF TRAVEL, RATIOS OF VEHICLE REQUIREMENTS, AND SAVINGS, FOR MOTOR-FREIGHT VEHICLES, UNDER 18/32,000 VERSUS 20/36,000 LB. SINGLE- AND TANDEM-AXLE LOAD LIMITS [1]

Vehicle type and fuel	Operating cost (cents per mile)		Vehicle-miles of travel, 1964, rural Federal-aid systems [2] (thousands)	Ratio of vehicle requirements for any given traffic volume, 20/36,000 to 18/32,000 lb. load limits [3]	Annual vehicle-miles of travel required under 20/36,000 lb. load limits [4] (thousands)	Operating cost (dollars per year)		Annual saving (dollars)
	18/32,000 lb. load limits	20/36,000 lb. load limits				18/32,000 lb. load limits [5]	20/36,000 lb. load limits [6]	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Single-unit trucks:								
2-axle, 6-tire, gas and diesel	29.0	29.0	[8] 1,323,877	0.96285	1,274,695	383,924,205	369,661,421	14,262,784
3-axle, gas and diesel	30.7	31.4	[9] 916,074	.75000	687,056	281,234,733	215,735,584	65,499,149
Combinations with semitrailers:								
3-axle:								
Gas	31.3	31.5	[10] 1,129,425	.91316	1,031,346	353,510,098	324,873,973	28,636,125
Diesel	29.2	29.4	[10] 89,125	1.00000	89,125	26,024,496	26,202,746	(178,250)
4-axle:								
Gas	33.0	33.5	[11] 2,331,511	.88235	2,057,209	769,398,550	689,164,853	80,233,697
Diesel	31.1	31.8	[11] 1,108,514	.88108	977,487	344,747,710	310,840,941	33,906,769
5-axle or more:								
Gas	34.8	35.1	[11] 1,000,890	.94444	945,281	348,309,732	331,793,474	16,516,258
Diesel	33.8	34.2	[11] [12] 2,215,098	.94495	2,093,157	748,703,206	715,859,723	32,843,483
Combinations with full trailers:								
4-axle:								
Gas	32.6	32.7	[10] 113,452	1.00000	113,452	36,985,296	37,098,748	(113,452)
Diesel	30.6	30.8	[10] 9,651	1.00000	9.651	2,953,263	2,972,565	(19,302)
5-axle or more:								
Gas	34.7	35.4	[11] 230,041	.85714	197,177	79,824,194	69,800,751	10,023,444
Diesel	33.7	34.6	[11] 647,241	.86440	559,475	218,120,114	193,578,300	24,541,814
Total			11,114,899	.90285	10,035,111	3,593,735,597	3,287,583,078	306,152,519

[1] Source: Except as noted, U.S. Congress, House, Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems, H. Doc. 354, 88th Cong., 2d sess., 1964, p. 153 Excludes Alaska and Hawaii.

[2] Calculated by author from U.S. Congress, House, Supplemental Report of the Highway Cost Allocation Study, H. Doc. 124, 89th Cong., 1st sess., 1965, pp. 53, 54, 59.

[3] Calculated by author from U.S. Congress, House, Maximum Desirable Dimensions and Weights of Vehicles on the Federal-Aid Systems, p. 153.

[4] Col. 4 times col. 5.

[5] Col. 2 times col. 4.

[6] Col. 3 times col. 6.

[7] Col. 7 minus col. 8.

[8] Vehicle-miles for vehicles having registered gross weights of 26,000 lbs. and over.

[9] Vehicle-miles for vehicles having registered gross weights of 40,000 lbs. and over.

[10] Vehicle-miles for vehicles having registered gross weights of 50,000 lbs. and over.

[11] Vehicle-miles for vehicles having registered gross weights of 60,000 lbs. and over.

[12] Includes doubles combinations.

The first column of Table 24 lists vehicle descriptions. The second two columns of that table contain BPR estimates of vehicle-mile costs by vehicle type. In the second column are presented cost figures for vehicles under 18,000-pound single- and 32,000-pound tandem-axle limits, the maximum axle weights now generally allowed on the Interstate System. The third column contains cost per vehicle-mile estimates assuming 20,000-pound single- and 36,000-pound tandem-axle limits; as was explained in Chapter II, those are the limits sought by Senator Magnuson's original bill (S. 2658). The fourth column contains estimates of annual vehicle-miles of travel in 1964, by type of vehicle, on rural Federal-aid highways.[122] The product of column two and column four provides an estimate of the total present operating cost, throughout the U.S., of each vehicle type (see column seven for the result). An estimate of what total operating costs would amount to, were 20,000-pound and 36,000-pound limits to be allowed, is found in the eighth column. Data in the intervening columns, five and six, are needed to obtain the figures of column eight. Column five contains the ratios of the numbers of vehicles required to carry a given volume of traffic under 20,000- and 36,000-pound axle-weight limits to the numbers required under 18,000- and 32,000-pound limits. These ratios have been calculated for each vehicle type using BPR data. Column six lists the number of vehicle-miles needed to transport that given volume of freight traffic under the higher axle-load limits. (Column six was obtained by multiplying column four by column five.) Finally, column nine presents the annual carrier cost savings, by vehicle class, which may be expected, using the BPR figures, from utilization of 20,000- and 36,000-pound axle-load limits in place of the present limits. (Column nine is the difference between columns seven and eight.)

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[116] H. Doc. 354, p. 41.

[117] *Ibid.*, p. 54.

[118] Another study that used the HRB data, in that case to evaluate the Interstate System as a public investment, using a benefit-cost framework, is Friedlaender's.

[119] H. Doc. 354, pp. 153–57.

[120] The number of vehicles in each vehicle-type class was determined at the 18,000- and 32,000-lb. level according to 1959 loadometer studies. See *ibid.*, p. 158.

[121] H. Doc. 124.

[122] *Ibid.*, pp. 53, 54, 59.

The final result, the sum of the savings figures in column nine, shows a potential overall carrier cost reduction of $306.2 million. However, this figure should be reduced by 9 percent to allow for those larger vehicles which meet cubic capacity limitations prior to reaching the maximum weight limits. This reduction lowers the potential savings to $278.6 million. Almost half these savings may be expected to result from the operation of three-axle, single-unit trucks and four-axle, gasoline-powered, truck-tractor semitrailers. Table 24 shows slightly higher costs to operators in three vehicle classes; if these were to be disregarded under the assumption that operators would not increase vehicle loads if such increases would bring about higher costs per ton-mile, the potential carrier savings would be about $300 thousand higher annually.

It should be noted that the vehicle-mile data in Table 24 (columns four and six) do not include all vehicle-miles of travel on U.S. highways undertaken in 1964 by freight vehicles. Rather, only vehicle-miles of travel of the heavier vehicles in each vehicle-type class for rural Federal-aid highways are totaled and used in the calculations of that table. This is because the lighter vehicles, including but not limited to pick-up trucks, do not presently utilize the maximum load-limits. Thus, increased load limits would make no difference to the average freight tonnage carried by the lighter vehicles.[123] Cost savings estimates for travel in urban areas are not made because the HRB findings do not apply to urban operations. Too, urban savings are expected to be small. The HRB finds that: "Although the maximum permitted sizes and weights of vehicles are of great importance in the business of transporting freight in line-haul service, they have much less effect on local retail delivery and on utility services." [124] And further, ". . . most trucking for both city delivery and rural peddle services has little need for any change in size and weight limits." [125]

Critical analysis of the BPR report and the findings using BPR data.—In several respects the calculations made on the basis of the data and methods of the BPR report are suspect. Possibly the vehicle distribution data (from which column 5, Table 24, was derived) do not apply to today's conditions because the loadometer studies on which they were based may no longer be fully typical of the composition of traffic on U.S. highways. Numbers of vehicles in each vehicle type and average gross weight were determined from 1959 loadometer studies which the Bureau requested from the state highway departments. For one thing, the vehicle types found in those studies do not include doubles combinations; yet changes in state length laws have resulted in the operation of doubles in half the states in 1968. Too, if carrier assertions concerning the trend towards high-cube freight are correct, the average gross-weight figures may also have changed somewhat over the past decade.

Table 24 assumes, as did the BPR analysts in House Document 354, that motor freight traffic will almost immediately adapt to higher weight limits upon their authorization.[126] This is a questionable assumption, because equipment varies in ability to handle heavy loads without excessive strain. Thus, although Table 24 may provide a suitable estimate of carrier cost savings in later years, to the extent that the BPR assumption does not hold, the 278.6 million figure is probably too high an estimate of the first year's cost savings.

If traffic were to adapt immediately to higher weight limits, the savings estimates in Table 24 are still too high by an indeterminant amount, because the BPR estimates do not allow for increased carrier costs resulting from the greater strain on current vehicles from greater loads. Transporting heavier loads without regard for vehicle structural capabilities will have the effect of wearing vehicles out more rapidly, just as neglecting the load-carrying capabilities of a highway will produce early and excessive wear. Consequently, depreciation rates must be increased, effectively raising average vehicle-mile costs for every vehicle class. If freight traffic is assumed to adapt to higher limits over a span of time, cost offsets must be raised for another reason—stronger trucks must be built to carry the increased loads. It is well to remember that the Highway Research Board study, on which the BPR based its analysis, was concerned to a large extent with vehicles *already* built for higher weight limits (for example, cost-savings data for the heaviest vehicles were taken to a large extent from vehicles operated on private roads and built, by job-shop methods, for the load conditions under which they operate).

Table 24 neglects the effect on carrier savings of increased traffic due to lower rates, and for good reason. If operators of larger and heavier vehicles than are currently authorized can, indeed, obtain reduced operating costs, competition between firms in the motor carrier industry and between regulated and private carriers can be depended on to bring about reduced rates to shippers. Since the demand for freight transportation by motor carrier versus other modes is relatively elastic with respect to price, motor vehicle freight traffic should grow with rate reductions, providing service is not impaired.

But the growth of carriage induced by lower operating costs does not increase the aggregate of vehicle operating cost savings. Without the existence of lower rates, this added traffic might never have appeared for the motor carriers. At least in the first several years after a size or weight change, no savings in comparison with the cost for carriage on smaller or lighter vehicles should enter the aggregate savings calculation. Such a procedure may neglect savings to freight traffic resulting from normal economic growth. On the other hand, to the extent that the added motor freight traffic is taken from other carriers with lower economic costs of operation than the highway mode, there is an added cost to society which is not measured or discussed by the BPR. This cost will be treated in the next chapter.

However, the BPR analysts suggest an opposite approach. They include savings from all added traffic with no offsets for social costs in later calculations.[127] As their report states: "Since each ADT [average daily traffic] is expected to increase after the first year, the first year decrement in cost (road-user savings) is increased by the equivalent uniform annual increment of savings resulting from ADT growth." [128]

Table 24 applies the cost reductions found by the Highway Research Board for line-haul operations on main rural roads to all intercity freight traffic of the higher weights transported in 1964 on the rural Federal-aid System. Such an application probably produces too low an estimate of savings through not including savings for travel in urban areas. The neglect of urban-area travel by the heaviest vehicles is unavoidable because cost savings have not been quantitatively estimated by the BPR for urban streets, roads, and highways separately from intercity savings estimates. In fact, the Highway Research Board did not obtain data from carriers whose routes were predominantly in urban and suburban areas.[129] It could well be that travel by the heavier vehicles is often restricted, due to roadway design and congestion factors, to a small part of the urban street network, and is high-cost and low-speed travel. At any rate, the BPR does not believe that much urban freight carriage will switch to larger and heavier vehicles in the event of size and weight limit revision.[130]

On the other hand, Table 24 applies to all line-haul motor freight traffic in only 48 states and the District of Columbia. While the savings estimates are thus a bit low due to the exclusion of Alaska and Hawaii, the total savings are probably overstated because the vehicle miles include travel of freight carriers in states among the 48 with limits already in excess of 18,000- and 32,000-pounds. Thus, the estimated savings of $278.6 million is a fairly accurate figure of total U.S. freight carriage by the heavier vehicles, despite neglecting Alaska, Hawaii, and urban-area savings.

Nevertheless, from the above discussion, the author believes the figure of $278.6 million which was derived from Table 24 is somewhat too high to represent the possible total annual cost reductions obtainable from general use of 20,000-pound single- and 36,000-pound tandem-axle loads. It is certainly too high an estimate of the first year's savings. However, for a complete size-and-weight revision proposal such as that made by the User Panel of the Transportation Association of America (see Chapter II), total carrier savings would not necessarily be less than the BPR estimate. The BPR analysts did not calculate carrier cost savings for vehicle size dimensions such as width and length; nor were terminal cost aspects considered in the weight savings estimated by the Bureau.

The Oi and Hurter Estimates for Terminal Costs

The studies listed and described thus far have concentrated on estimating percentage and aggregate line-haul cost reductions as vehicle weights are raised. However, carrier sources have suggested that size and weight increases may allow reduced terminal costs as well. [131]

A quantification of the manner in which terminal costs vary with shipment weight is made by Oi and Hurter in a study for the Transportation Center at Northwestern University. That study was devoted mainly to determining the effect of proprietary trucking on for-hire carriage and disclosing the characteristics of a firm's transport requirements that lead it to employ private carriage.[132]

Oi and Hurter found that with very small line-haul vehicles it is possible for motor carriers of general freight to enjoy quite low terminal costs because shipments do not pass over freight platforms. Rather, shipments are often picked up and delivered at the shippers' door. The line-haul cost advantages of larger vehicles overshadow the terminal cost savings from using very small vehicles in door-to-door service, though, and the majority of intercity freight moves via truck-tractor combinations. The larger the freight vehicle, however, the more necessary it is to employ terminals. But once vehicles are large enough to necessitate terminals, their terminal costs per ton shipped decline thereafter with rising shipment weight. Oi and Hurter found that as shipment weight grows, terminal costs will vary according to the following functional relationship:

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[123] The author has chosen the following cut-off points for vehicle weights included in the vehicle-mile figures (in lbs.): 2-axle, single-unit, 26,000; 3-axle, single-unit, 40,000; 3-axle, semi, 50,000; 4-or-more axle semi, 60,000; 4-axle full combination, 50,000; 6-or-more axle full combination, 60,000.

[124] H. Doc. 354, p. 52.

[125] *Ibid.*, p. 53.

[126] *Ibid.*, p. 168.

[127] See tables in *ibid.*, pp. 164–66.

[128] *Ibid.*, p. 166.

[129] Bulletin 301, p. 29.

[130] See p. 234, *supra*.

[131] See, for example, the arguments of Reebie, pp. 181–93. Also, "Are Bobtails Doomed?" *Heavy Duty Trucking*, XLVII, No. 1 (January, 1968), 20–24. (Formerly *Western Trucking—Motor Transportation*.)

[132] Walter Y. Oi and Arthur P. Hurter, Jr., *Economics of Private Truck Transportation* (Dubuque, Iowa: Wm. C. Brown Company Publishers, 1965).

$$Y_0 = 26.72 + 0.607X$$

where: Y_0 equals terminal costs per shipment in dollars and X equals shipment weight.[133] The authors included platform handling, pick-up and delivery, and billing as elements of terminal costs and found that their sum accounts for 30 to 50 percent of the total costs of the for-hire motor carrier.[134]

Let it be assumed that an increase in motor vehicle equipment payload capacity would permit an equivalent expansion in shipment size, and that the above equation correctly describes the behavior of terminal costs with shipment size. Under these conditions, knowledge of the present shipment size, projections of potential vehicle payload capacities, and estimates of the portion of freight traffic that would utilize heavier and larger vehicles would allow the possible terminal cost savings from revision of size and weight restrictions to be estimated. In other words, the equation permits approximating the amount carriers might save by shipping the freight which must now move by large vehicles, requiring terminals, by means of even larger vehicles. Are there terminal economies of scale in shipment size?

Table 32, in the appendix (not printed in the RECORD) contains the calculations used to estimate the current average shipment size for motor carriers, 16.5 tons. The average does not consider small-shipment, common-carrier traffic. With an equipment gross-weight increase from the current maximums to 100,000 pounds, an increase in vehicle payload weight capacity would result such that average shipment size could rise to 20 tons. Under the condition that 15 percent of the current volume of motor vehicle freight traffic would use the larger and heavier vehicles, the possible per-shipment cost savings to the motor carriers would be:

$$Y_o = 0.607\ (20 - 16.5) = \$2.12$$

Where: Y_o = terminal cost savings per shipment in dollars.

With an average shipment weight of 20 tons, an average shipment distance of about 200 miles,[135] and 54 billion intercity ton-miles by motor carrier (15 percent of 360 billion), the possible terminal cost savings is $28.6 million annually.[136]

However, only a part of the ton-miles transported by vehicles now reaching either cubic- or weight-capacity limits resorts to terminals. Some of this traffic is truck-load and direct from shipper to destination. To represent the traffic for which such terminal economies might be derived, the savings figure can be approximately reduced by half (to $14.3 million).

Even this reduction may well produce an estimate that is too large. A rise in vehicle capacity, allowed by changed regulatory limits, does not imply that an impetus is supplied for all shipment weights to rise. Indeed, only shipments in the uppermost size ranges might be expected to increase. (That is, only shipments that now are made in two or more parts because a single motor vehicle is either too small in cubic capacity or too limited by weight maxima for their carriage.) Thus, the total possible terminal cost savings can be more accurately estimated as perhaps one-third the theoretical maximum, or $5 million annually. Due to the numerous uncertainties involved in this calculation, and the lack of empirical work on terminal costs as related to vehicle weight and size, even $5 million could be too high an estimate.

A synthesis of total carrier cost savings estimates from industry and Government studies

After a survey of the field, it seems reasonable to believe, as carrier and shipper spokesmen and researchers do, that larger and heavier motor vehicles are capable of developing more transport output for lesser total input of *carrier* resources. Assuredly, the aggregative data support the view that average gross ton-mile carrier costs fall with vehicle weight up to a fairly high gross-weight plateau, and thereafter remain constant. This cost behavior occurs even though individual cost items may exhibit an increasing rate of rise for certain high-gross equipment. But these carrier cost reductions are very difficult to quantify in any exact manner, and they do not take into account the cost of the vehicle way nor the various social costs occasioned by larger, wider, and heavier vehicles operated on the public highways. Indeed, while opening the door to greater use of large and heavy trucks may result in lower carrier costs and greater profits to operators, immense external effects can arise to negate those benefits when the broader economic criteria for society as a whole are applied. Certain users of the transport system may gain at the cost of imposing negative effects on other users of the system. Quantification of costs is basic.

This is because society has no firm grounds for allowing motor vehicle operators to populate the commonly-used highways with large freight vehicles, which save private costs only at the result of producing public expenses and discomfort to other traffic, unless there is reasonable certainty that the carrier cost savings are sufficient to outweigh any and all added costs needed to provide for the new equipment and to compensate those who are directly disadvantaged.

The studies cited and analyzed in this chapter clearly illustrate numerous ways of approaching the determination of carrier cost savings. The methods shown, together with the resulting estimates of carrier cost savings, just as clearly give varying aggregative results. The possible annual line-haul carrier cost savings from weight increases, found for example in the case of motor vehicles operated in the 100,000-pound range, compared with the heaviest vehicles presently allowed on the public highways in regular operations, could be as much as $325.6 million or as little as $24.2 million, depending on the study or method adopted. This wide range of carrier gains was calculated by applying unit gains to the movement of U.S. motor freight traffic that is thought likely to adapt to carriage by larger and heavier highway vehicles. The following sections draw on these many studies in providing the best quantitative estimates of carrier cost savings possible, with available data, in connection with the proposed changes in motor vehicle size and weight dimensions.

Carrier Cost Savings Obtainable With Increased Width Allowances

A width increase from the present 96 inches to 102 inches would permit additional carrier cubic capacity for light-density freight. A 6-inch width increase would allow an approximate 6-percent increase in cubic capacity. The best estimate of the carrier gains from such an increase, allowing for the author's estimate of offsetting carrier cost increases, is $12.3 million per annum.

No carrier cost savings are suggested for buses with increased widths, because bus width increases will not provide added passenger loadings through more seats. However, there will be positive service effects and additional cubic capacity for freight or luggage. Nevertheless, intercity bus service is a very small part of total motor vehicle travel and any possible bus savings are thus neglected.

Carrier Cost Savings Obtainable with Increased Weight Allowances

The studies covered in this chapter range widely in the estimates of possible line-haul cost savings with increased vehicle weights that may be calculated from their data. The highest estimates, $325.6 million, made using Logging Congress data and $3.3 billion made by the American Paper Institute and American Pulpwood Association, do not appear tenable. In the judgment of the author, the Logging Congress methods are not reliable. The paper and pulpwood groups' estimate has revealed no analytical basis.

The Highway Research Board findings and the Bureau of Public Roads estimates which utilize those findings are developed from more scientifically formulated studies. While the estimates from those studies ($185.9 million for the HRB and $278.6 million for the BPR) are of greater reliability, as the discussion in this chapter has pointed out these estimates may not be valid parameters of true carrier cost savings.

The figures developed from the HRB and BPR data may be over-estimates, but the estimates made from Freightliner Corporation data are most likely too low. This is because the Freightliner calculations do not consider the medium-heavy combinations and single-unit trucks. As the BPR report showed, some savings are found even for the smaller vehicles. If the Freightliner figure of $24.2 million for the savings from utilization of very large combinations were added to the BPR data for the savings accruing to single-unit trucks and three- and four-axle combinations of all classes ($202.2 million),[137] the resulting $226.4 million would appear a superior estimate, more closely approximating the estimates from the BPR and HRB data (although the $202.2 million figure is subject to the same criticisms as the BPR estimate).

Thus, taking the above factors into account, perhaps a best estimate of the annual carrier cost savings from weight increases from 18,000 to 20,000 pounds for single axles and from 32,000 to 36,000 pounds for tandem axles, with attendant gross-weight additions, would be a savings range from $185 to $225 million. This range, applicable to savings in intercity motor freight traffic, allows for some deflation of the BPR findings.

Carrier terminal cost savings

The one study discussed which gives some basis for the evaluation of terminal cost variance with vehicle gross weight allowed the author to find an annual savings of $5 million. This figure, more than any other, is open to serious question. Terminal cost savings could be negative—or could run into the tens of millions. Much depends on the type of trucking operation. However, in lieu of a more exact figure, $5 million will be adopted as the estimated annual carrier terminal-cost savings which could accrue as a result of increased axle- and gross-weight allowances.

Summary

Motor carriers possibly could save in the aggregate, with the present volume of U.S. freight traffic, from approximately $200 to

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[133] *Ibid.*, p. 165.

[134] *Ibid.*, p. 163.

[135] U.S., Interstate Commerce Commission, Bureau of Economics, *Transport Economics, Monthly Comment* (January, 1968) p. 1.

[136] From the following calculation: 54,000,000,000/20 (200) ($2.12) = $28,620,000.

[137] See Table 24, *supra*, p. 231. $202.2 million is derived from the sum of the savings in rows 1, 2, 3, 4, 5, 6, 9, and 10 ($222.5 million), less a 9% adjustment to reflect vehicles meeting cubic capacity.

$250 million annually through the use of vehicles of increased sizes and weights. This amount, the sum of probable carrier cost savings from greater weights, widths, and terminal economies, represents the best overall estimate that this study can obtain on the basis of available information on the effects of increased size and weight maxima as currently proposed by the motor carrier interests. The $200 to $250 million range does not include an estimate for bus savings or for operator savings resulting from increased vehicle lengths or heights. It should be noted that the actual savings could possibly vary from the estimate by a factor of 50 percent (i.e., $100 million to $375 million) due to the numerous uncertainties involved in this calculation.

Although $200 and $250 million are substantial amounts, neither is even 2 percent of the total calculated cost of the 360 billion ton-miles of interstate truck traffic carried in 1965.[138] In addition, the desirability on economic grounds of adjusting size and weight limitations to permit motor carriers to obtain gains in reduced operating costs of that magnitude cannot be judged until the offsetting additional costs for highway construction, maintenance, and operation are considered, and further until an adequate evaluation is made of the social costs caused by allowing higher, heavier, wider, and longer truck-tractor combinations on the public highways.

PUBLIC WORKS APPROPRIATIONS—CONFERENCE REPORT

Mr. **KIRWAN** submitted a conference report and statement on the bill (H.R. 17903) making appropriation for public works, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Snyder (at the request of Mr. Gerald R. Ford), for the balance of the week, on account of official business.

Mr. Wampler, for tomorrow, July 25, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Reuss, for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. Adair, for 60 minutes, on Tuesday, July 30; and 60 minutes, on Wednesday, July 31; to revise and extend his remarks and include extraneous matter.

Mr. Don H. Clausen (at the request of Mr. Schwengel), for 60 minutes, July 30.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Tenzer to revise and extend his remarks immediately following his colloquy with Mr. Dingell today.

Mr. McClory during his remarks in general debate on the bill H.R. 15067.

(The following Members (at the request of Mr. Schwengel) and to include extraneous matter:)

Mr. Rhodes of Arizona in five instances.
Mr. Ashbrook in two instances.
Mr. Scherle.
Mr. Steiger of Wisconsin.
Mr. Pollock.
Mr. Rumsfeld in two instances.
Mr. Carter in two instances.
Mr. Bob Wilson in two instances.
Mrs. Reid of Illinois.
Mr. Morse of Massachusetts.
Mr. Thompson of Georgia.
Mr. Findley.
Mr. Don H. Clausen.
Mr. Reifel.
Mr. Hunt.
Mr. Whalen.
Mr. Lukens.
Mr. Blackburn.
Mr. Whalley.
Mr. Roudebush.
Mr. Gurney.

(The following Members (at the request of Mr. Kluczynski) and to include extraneous matter:)

Mr. Resnick.
Mr. Culver.
Mr. Matsunaga.
Mrs. Kelly in three instances.
Mr. Rarick in four instances.
Mr. Jacobs.
Mr. Moss.
Mr. Stephens in two instances.
Mr. Ottinger in two instances.
Mr. Fascell.
Mr. Brasco.
Mr. Hanna in three instances.
Mr. Morris of New Mexico in two instances.
Mr. Fisher in two instances.
Mr. Edwards of California.
Mr. Kyros in two instances.
Mr. Philbin in two instances.
Mr. Wolff in two instances.
Mr. Hagan.

SENATE ENROLLED BILLS SIGNED

The **SPEAKER** announced his signature to enrolled bills of the Senate of the following titles:

S. 1941. An act to prevent, abate, and control air pollution in the District of Columbia, and for other purposes;

S. 2908. An act to authorize the Secretary of the Army to quitclaim certain real property in Muscogee County, Ga.; and

S. 3495. An act to authorize the Secretary of the Army to modify certain use restrictions on a tract of land in the State of Iowa in order that such land may be used as a site for the construction of buildings or other improvements for the Iowa Law Enforcement Academy.

BILLS PRESENTED TO THE PRESIDENT

Mr. **BURLESON**, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval bills of the House of the following titles:

H.R. 25. An act to authorize the Secretary of the Interior, in cooperation with the States, to conduct an inventory and study of the Nation's estuaries and their natural resources, and for other purposes;

H.R. 272. An act to extend the period during which amounts transferred from the employment security administration account in the unemployment trust fund to State accounts may be used by the States for payment of expenses of administration;

H.R. 5815. An act for the relief of Lt. Comdr. William W. Gentry;

H.R. 10673. An act to amend title III of the Packers and Stockyards Act, 1921, as amended;

H.R. 18065. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations;

H.R. 10923. An act to authorize the Secretary of the Interior to convey the Argos National Fish Hatchery in Indiana to the Izaak Walton League;

H.R. 14330. An act to provide a comprehensive program for the control of drunkenness and the prevention and treatment of alcoholism in the District of Columbia, and for other purposes; and

H.R. 18340. An act to amend section 212(B) of the Merchant Marine Act, 1936, as amended.

ADJOURNMENT

Mr. **KLUCZYNSKI**. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 4 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, July 25, 1968, at 11 o'clock a.m.

COMMITTEE EMPLOYEES

July 23, 1968.

Select Committee on Small Business

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1968, to June 30, 1968, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Bryan H. Jacques	Staff director and general counsel.	$13,527.42
Justinus Gould	Counsel	11,627.88
Myrtle Ruth Foutch	Clerk	6,271.38
Barbara R. McLane	Secretary	3,568.00
Henry A. Robinson	Counsel	11,627.88
Beth Suzanne Schultheis	Secretary	4,181.04
Harry A. Olsher	Consultant	12,075.96
Thereas A. O'Connell	Secretary	3,396.36
Gregg R. Potvin	Counsel	12,551.58
Gertrude Maxine Dean	Secretary	3,923.28
Duane G. Derrick, Jr	Research analyst	3,771.30
William A. Keel, Jr	do	12,672.48
Patricia Anne Bishop	Secretary	3,553.50
Worth Crowley	Counsel	4,721.22
Charles E. O'Connor	do	12,437.04
Carol Ann Kopp	Secretary	3,553.50
Evelyn M. Blomquist	do	2,334.08
Donna M. Santoro	do	459.20
John J. Williams	Minority counsel	8,917.26
Maxine M. Porter	Secretary, minority	3,141.00
Norman L. Yost	Staff assistant, minority.	7,373.28
Nancy R. Painter	Secretary, minority	2,722.74
Funds authorized or appropriated for committee expenditures		$715,000.00

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[138] Calculated assuming 37% motor carriage by common carriers, 63% by private and contract carriers. Further assuming common carrier ton-mile costs to equal 5.508¢ and contract carrier and private carrier costs equal to 4.71¢:

Total Costs=(5.75¢)·(132.9 billion ton-miles)+(4.97¢)·(226.3 billion ton-miles)

TC=$7.642 billion+$11.247 billion

TC=$18.889 billion

Thus, $200/$18,889=1.1%, and $250/$18.-889=1.3%. See U.S. Interstate Commerce Commission, Bureau of Economics, *Transport Economics, Monthly Comment* (January, 1968), pp. 8–9.

Amount of expenditures previously reported	302, 055. 60
Amount expended from Jan. 1, 1968, to June 30, 1968	155, 603. 55
Total amount expended from Jan. 3, 1967 to June 30, 1968	457, 659. 15
Balance unexpended as of June 30, 1968	257, 340. 85

JOE L. EVINS,
Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2084. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation for the relief of certain civilian employees of the Bureau of Reclamation; to the Committee on the Judiciary.

2085. A letter from the Administrator of the National Aeronautics and Space Administration, transmitting a report on the positions established as of June 30, 1968, pursuant to the authority provided in section 203(b)(2) of the National Aeronautics and Space Act of 1958 (72 Stat. 426, 429) submitted pursuant to section 206(b) of the act of October 4, 1961 (75 Stat. 785, 791); to the Committee on Post Office and Civil Service.

2086. A letter from the Chairman of the U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend title 5, United States Code, to repeal the reporting requirement contained in subsection (b) of section 1308; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee on Government Operations. Report entitled "Investigation of Wheat Exports Financed Under Government Program" (32d report by the committee) (Rept. No. 1786). Referred to the Committee of the Whole House on the State of the Union.

Mr. GRAY: Committee of conference. S. 222. An act to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped (Rept. No. 1787). Ordered to be printed.

Mr. KIRWAN: Committee of conference. H.R. 17903. An act making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes (Rept. No. 1788). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HUNGATE:

H.R. 18879. A bill to amend the Military Selective Service Act of 1967 to defer law enforcement officers from training and service under such act; to the Committee on Armed Services.

By Mr. FARBSTEIN:

H.R. 18880. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. FASCELL:

H.R. 18881. A bill to provide for Federal Government recognition of and participation in international expositions proposed to be held in the United States and for other purposes; to the Committee on Foreign Affairs.

By Mr. KUPFERMAN:

H.R. 18882. A bill to require that a passport issued by the United States shall contain either the bearer's date of birth or a statement that the bearer is 21 years of age or older; to the Committee on Foreign Affairs.

By Mr. POLLOCK:

H.R. 18883. A bill to amend title 13, United States Code, to limit the categories of questions required to be answered under penalty of law in the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REUSS:

H.R. 18884. A bill to provide for U.S. participation in a free trade association, and for other purposes; to the Committee on Ways and Means.

By Mr. STEED:

H.R. 18885. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Seminole Tribe of Oklahoma in docket Nos. 150 and 248 of the Indian Claims Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of Georgia:

H.R. 18886. A bill to amend chapter 89 of title 5, United States Code, relating to enrollment charges for health insurance; to the Committee on Post Office and Civil Service.

By Mr. WIDNALL:

H.R. 18887. A bill to create a catalog of Federal assistance programs, and for other purposes; to the Committee on Government Operations.

By Mr. WINN:

H.R. 18888. A bill to establish the Commission for the Improvement of Government Management and Organization; to the Committee on Government Operations.

By Mr. LLOYD:

H.R. 18889. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if certain relatives of such member died while serving in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. MILLER of Ohio:

H.R. 18890. A bill to establish the Commission for the Improvement of Government Management and Organization; to the Committee on Government Operations.

By Mr. McDADE:

H.R. 18891. A bill to provide for a program of summer employment on highway work for college students; to the Committee on Public Works.

By Mr. ROYBAL:

H.R. 18892. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. ZWACH:

H.R. 18893. A bill to provide for a study of the need for increased expenditures for public works in smaller urban areas as a means of reversing the migratory trend toward large metropolitan areas; to the Committee on Public Works.

By Mr. ADDABBO:

H.R. 18894. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. CHAMBERLAIN:

H.R. 18895. A bill to create a catalog of Federal assistance programs, and for other purposes; to the Committee on Government Operations.

By Mr. DON H. CLAUSEN (for himself, Mr. CRAMER, Mr. BLATNIK, Mr. HARSHA, Mr. WRIGHT, Mr. CLEVELAND, Mr. MCEWEN, Mr. EDMONDSON, Mr. JOHNSON of California, Mr. DUNCAN, Mr. SCHWENGEL, Mr. SCHADEBERG, Mr. SNYDER, Mr. MCDONALD of Michigan, Mr. KEE, Mr. HAMMERSCHMIDT, Mr. MILLER of Ohio, Mr. WYATT, Mr. KLEPPE, Mr. POLLOCK, Mr. BURTON of Utah, Mr. BATTIN, Mr. DENNEY, and Mr. BROWN of Ohio):

H.R. 18896. A bill to provide for a study of the need for increased expenditures for public works in smaller urban areas as a means of reversing the migratory trend toward large metropolitan areas; to the Committee on Public Works.

By Mr. GREEN of Pennsylvania (for himself, Mr. NIX, Mr. OLSEN, Mr. WALDIE, Mr. WHITE, and Mr. SCOTT):

H.R. 18897. A bill to amend title 5, United States Code, to facilitate the collection of statistics with respect to the incidents of crime and to provide for the establishment of a National Crime Statistics Center, and for other purposes; to the Committee on the Judiciary.

By Mr. PHILBIN:

H.R. 18898. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,200 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 18899. A bill to amend Public Law 394, 84th Congress, to authorize the construction of supplemental irrigation facilities for the Yuma Mesa Irrigation District, Arizona; to the Committee on Interior and Insular Affairs.

By Mr. BEVILL:

H.R. 18900. A bill to amend section 201 of the Revenue and Expenditure Control Act of 1968; to the Committee on Ways and Means.

By Mr. HUNT:

H.R. 18901. A bill to prohibit any State from levying incomes taxes on nonresidents of the State; to the Committee on the Judiciary.

By Mr. WATTS:

H.R. 18902. A bill to clarify the treatment processes considered as mining in the case of ball and sagger clay; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 18903. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. BROOMFIELD:

H.J. Res. 1417. Joint resolution proposing an amendment to the Constitution of the United States relating to the nomination and election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. GARDNER:

H.J. Res. 1418. Joint resolution proposing an amendment to the Constitution of the United States to provide a method for nominating and electing Judges of the Supreme Court; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 18904. A bill for the relief of Gilda and Arturo Canestraro and minor children, Sandro and Mirena Canestraro; to the Committee on the Judiciary.

H.R. 18905. A bill for the relief of Leonardo Di Giovanna; to the Committee on the Judiciary.

By Mr. BURTON of California:

H.R. 18906. A bill for the relief of Giana Antonietta; to the Committee on the Judiciary.

H.R. 18907. A bill for the relief of Rosalie Alcantara Belen; to the Committee on the Judiciary.

H.R. 18908. A bill for the relief of Gaetano Biradelli; to the Committee on the Judiciary.

H.R. 18909. A bill for the relief of Tetsuko Hori; to the Committee on the Judiciary.

H.R. 18910. A bill for the relief of Edward Victor Howard; to the Committee on the Judiciary.

H.R. 18911. A bill for the relief of Hyun Oak Kim; to the Committee on the Judiciary.

H.R. 18912. A bill for the relief of Tuen Kwok; to the Committee on the Judiciary.

H.R. 18913. A bill for the relief of Yolanda Alamares Malasmas; to the Committee on the Judiciary.

H.R. 18914. A bill for the relief of Estela Villarojo Maracha (also known as Estela E. Villarojo); to the Committee on the Judiciary.

H.R. 18915. A bill for the relief of Roberta Figueroa Mercado; to the Committee on the Judiciary.

H.R. 18916. A bill for the relief of Bartolome M. Moreto; to the Committee on the Judiciary.

H.R. 18917. A bill for the relief of Jose Aquino Ruperto; to the Committee on the Judiciary.

H.R. 18918. A bill for the relief of Cecelia Hsiao-Teh Wu; to the Committee on the Judiciary.

H.R. 18919. A bill for the relief of Kiyoko Yoshizawa; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 18920. A bill for the relief of Kan Tat King; to the Committee on the Judiciary.

By Mr. FASCELL:

H.R. 18921. A bill for the relief of Nicola Di Lorenzo; to the Committee on the Judiciary.

By Mr. GURNEY:

H.R. 18922. A bill to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands located in the State of Florida to the record owner or owners of such lands; to the Committee on Interior and Insular Affairs.

By Mr. HELSTOSKI:

H.R. 18923. A bill for the relief of Mr. and Mrs. Giovanni Bagnato; to the Committee on the Judiciary.

By Mr. KEITH:

H.R. 18924. A bill for the relief of Margrethe Kristensen; to the Committee on the Judiciary.

By Mr. LONG of Maryland:

H.R. 18925. A bill for the relief of Dr. Nieva Gorospe Valle; to the Committee on the Judiciary.

By Mr. McCARTHY:

H.R. 18926. A bill for the relief of Humberto A. Revollo; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 18927. A bill for the relief of Yung Hoo; to the Committee on the Judiciary.

H.R. 18928. A bill for the relief of Aldora Maria Moreira Ramos; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 18929. A bill for the relief of Simplicio Velasco; to the Committee on the Judiciary.

By Mr. PICKLE:

H.R. 18930. A bill to confer U.S. citizenship posthumously upon Pfc. Joseph Anthony Snitko; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 18931. A bill for the relief of Mrs. Marjorie Christian; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 18932. A bill for the relief of Arshalouys Kevork Boyadjian; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 18933. A bill for the relief of Atanasio Perez; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 18934. A bill for the relief of Antonino Calamina, his wife, Antonina Calamina, and their minor daughter, Claudia Calamina; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

383. The SPEAKER presented a petition of the Rochester Police Locust Club, Inc., and the Lake City Police Club, of Oswego, N.Y., relative to denying any citizen the right of free speech, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

CULVER PROPOSES LEGISLATION TO REDUCE AIR FARES FOR SENIOR CITIZENS

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. CULVER. Mr. Speaker, I have introduced legislation—H.R. 18800—which would provide reduced air fares for older citizens on a standby basis, similar to the special fares already available for young people and military personnel.

In an age of rapid air travel, many of our senior citizens are caught in a cruel dilemma. On the one hand, they have more time than any other group to visit their friends, relatives and, in particular, their children and grandchildren. Yet many are unable to do so because of high travel costs and their own fixed low incomes.

At least half of the 4.7 million older people living alone or with nonrelatives had 1965 incomes of less than $1,348 a year, and are faced with serious financial difficulties that require careful budgeting of essential items. Reduced air fares would therefore open up the opportunity to travel to a large number of this segment of our population.

The measure would benefit the air carriers as well, since the bill authorizes fare reductions on a standby basis. Thus, the majority of fare cuts would be made on nonpeak flights, and otherwise empty seats will be filled.

In addition, the bill I have introduced will insure that reduced fares are continued for youth, students, and military personnel. At the present time, the Civil Aeronautics Board permits air carriers to experiment with various reduced fare programs, even though the Federal Aviation Act has no specific provisions authorizing such fares. The question has thus been posed as to whether these lower fares are legal, and my proposal would resolve that question by specifically writing the necessary authorization into the law.

Mr. Speaker, in the past 4 years the Congress has demonstrated its commitment to the objective of providing for our senior citizens, who have contributed so much to their communities and their Nation over the years, security and self-respect during their retirement. We have enacted the medicare program, increased social security benefits and liberalized requirements, and established an Administration for the Aging within the Federal Government.

I urge the House of Representatives to follow through on that commitment again, and to enact this legislation to help alleviate the enforced immobility and the consequent isolation and loneliness of many of our older citizens.

DRUG ADDICTION

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 24, 1968

Mr. SCOTT. Mr. President, the problem of drug addiction is of national concern, as evidenced by the distribution of an educational booklet entitled "Drugs and People" to all 50 States. The booklet, published by the Pennsylvania Health Council, 105 North Front Street, Harrisburg, Pa. 17101, is described by an article recently published in the Patriot, of Harrisburg, Pa. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COUNCIL ON HEALTH DISTRIBUTING BOOK ABOUT DRUG ABUSE

An illustrated booklet "Drugs and People," designed to educate people on the dangers of drug usage, is being distributed by the Pennsylvania Health Council.

Mrs. Catherine B. Bauer, PHC president, said copies of the booklet have been sent to all 50 states through their health departments and educational bureaus with the information that they may order them from the Pennsylvania organization.

The booklet was prepared and published in Toronto, Ont., by the Alcoholism and Drug Addiction Research Foundation. Its success was immediate in Canada and the health council realizing its educational value as an informative piece for people of all ages, secured sole rights for publication in the United States.

Speaking for the health council, Mrs. Bauer said:

"For a number of years we have been most interested in helping member groups to recruit people interested in a career in the health field. While we are still interested in this vital function, we realize that we have other pressure problems, such as public health education, and to this end have otbained publishing and distributing rights to the booklet dedicated to the facts about drug abuse."

The booklet is a 31-page publication which illustrates the effects of various drugs and their role in history. It includes illustrations on the use of alcohol, tobacco, cocaine, heroin, LSD, and other drugs.

"I do not feel that we are a sick society as so many people say today," Mrs. Bauer said. "If through our efforts we can get this book into the hands of many elementary and high school students and thereby inform them and their parents of the dangers of drug abuse, I feel that we will have helped in the overall solution to this current and serious problem.

"The understanding of drug abuse certainly is a large step forward to its control."

The council is a nonprofit group of individuals, organizations and institutions interested in health.

POPE PAUL VI APPOINTS RT. REV. MSGR. FRANCIS J. MUGAVERO AS BISHOP OF BROOKLYN

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mrs. KELLY. Mr. Speaker, the diocese of Brooklyn has a new bishop-designate, with the announcement that Archbishop Bryan J. McEntegart has resigned, due to ill health and advancing years. To Bishop McEntegart, I wish to express my tribute for his years of dedicated service to God, the community, and the people.

The news of his retirement was accompanied by the announcement of the elevation of the Right Reverend Monsignor Francis J. Mugavero to the post of bishop of Brooklyn. I extend to him my prayers and best wishes that he may continue to have the courage, stamina, and spirit of brotherly love necessary to meet the far-reaching challenges of the church in these changing times.

Bishop-designate Mugavero is the first native of Brooklyn to be elevated to head the largest diocese in the country. Mr. Speaker, in order that my colleagues might become a little more familiar with the background and personal attributes of the new bishop who will be consecrated on September 12, I would like to place in the CONGRESSIONAL RECORD an article by Frank DeRosa from the Tablet of July 18, 1968, entitled, "He Accomplishes Much Sans Noise":

HE ACCOMPLISHES MUCH SANS NOISE

(By Frank DeRosa)

The things high school yearbook editors say about their classmates don't always stand the test of time. Here is what the "Gargoyle" of Cathedral Prep said in 1934 of Francis J. Mugavero:

"He has the rare faculty of accomplishing much, sans noise and turmoil. Mild in demeanor and ever unassuming, his affable nature has secured for him the affectionate regard of all."

Thirty-four years later, the reaction of the people of the Diocese to the announcement of Msgr. Mugavero as their bishop-elect reflects the long-range perception of the "Gargoyle's" observations.

Priests and laity who have worked with Msgr. Mugavero speak of him in superlatives, a rare occurrence in an era of dissent. They stress his kindness, friendliness, diplomacy and warmth.

Father Arthur W. Pote, who resided with Msgr. Mugavero at St. Vincent de Paul Rectory in Brooklyn, said he is "terribly interested in serving the people."

"He was influenced by two great men," he said, "Msgr. Ottavio Silvestri at St. Joseph Patron and Msgr. Leopold Arcese at Nativity."

"Both priests stressed the importance of serving the people—'serve, serve, serve' Msgr. Silvestri would almost shout to his curates—and their example helped him form his approach to the priestly ministry."

HIS FATHER WAS A BARBER

Bishop-elect Mugavero was born in Brooklyn, June 8, 1914, one of six children of Italian immigrants Angelo and Rose Pernice Mugavero. They lived in an apartment in a building at 617 DeKalb Ave. which also housed Angelo's barbershop.

He studied under the Sisters of St. Joseph at St. Ambrose School and was an altar boy for a young priest named Father Joseph Wiest, who later was archpriest at his first Mass.

Describing some of his activities at the prep seminary, the "Gargoyle" said: "He has found time to be one of the 'Gargoyle's' mainstays, a zealous member of the Achille Ratti Society, an ad-getter extraordinaire, and a French linguist, to mention but a few."

From Cathedral he went on to Immaculate Conception Seminary in Huntington.

Ordained May 18, 1940, he was assigned to St. Joseph Patron parish on Suydam St., where he led the Confraternity of Christian Doctrine and Sodality. Sixteen months later he was transferred to Nativity of the Blessed Virgin Mary in Ozone Park.

While he was at Nativity, Father Mugavero began graduate studies at Fordham's School of Social Service. He later earned a master's degree.

In addition to following a heavy academic schedule, Father Mugavero headed two units of the Third Order of St. Francis at Nativity, conducted the CCD, guided the altar boys and took part in a parish building drive.

In 1944, he began a long and distinguished career in social welfare when he was named director of the Ferrini Welfare League and associate director of Queens Catholic Charities.

Recalling Msgr. Mugavero's days with the league, one of his associates said: "He was a superb counsellor. He communicated with the people and the people went crazy over him."

Four years after joining Catholic Charities in Queens he became the county director and in 1961 Archbishop McEntegart named him his secretary for Charities.

As secretary for Charities, Msgr. Mugavero directed one of the largest private welfare operations in the country.

In its report for 1967, Charities revealed that it had spent $44 million for health and welfare programs that served more than 350,000 people.

Both of Msgr. Mugavero's parents and a brother Michael are deceased. A brother Joseph lives in Rego Park. Two sisters live in Manhattan's Stuyvesant Town: Marie and Josephine (Mrs. George) Kramer, and one in Massapequa, Rose (Mrs. George) Wynn.

One of the bishop-elect's ten nieces and nephews is Josephine's son Donald, now Brother Berard, a Franciscan novice at Upper Brookville, L.I.

For the last 22 years, Msgr. Mugavero has resided at St. Vincent de Paul rectory in Brooklyn where he has become a close friend of dozens of priests who lived there with him.

They know him as a "Confessor par excellence," as one said. They know him for his sense of humor. They know the pride he has in the men who were ordained with him 28 years ago.

And now they know him as the most illustrious member of his cherished "famous class of '40."

CRIME GAMESHIP

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. LONG of Maryland. Mr. Speaker, I would like to call to the attention of my colleagues an excellent review which appeared in today's issue of the Washington Post. In an analysis of "The Crime War," by Robert M. Cipes, the Washington attorney and author, Ronald L. Goldfarb, gets at the core of perhaps the most urgent domestic issue facing this Nation—the need to find "a fresh and sensible approach to the endless and evolving problems of crime and law enforcement." The review is a commentary on our seeming inability, in spite of all the declarations of war against crime, to cope effectively with these problems. Mr. Goldfarb points out the danger of looking for simple solutions, and he deplores the emphasis on finding a scapegoat, which prevents a realistic assessment of how best to deal with crime. I would like to place this review in the RECORD at this time:

CRIME GAMESMANSHIP

(By Ronald L. Goldfarb, Washington attorney and author)

(Book Review: "The Crime War," By Robert M. Cipes (New American Library, 190 pp., $5.50)).

Crime is the hot domestic issue. "Law and Order" is on the six-cent stamp and the campaign trails. And beyond our periodic crime commission reports, FBI statistics annually lamenting rising crime rates, seasonal declarations of war on organized crime and continuous attacks on the Supreme Court for "coddling criminals" at the expense of public safety, the country lately has been made grimly aware of the deep and brooding sickness of crime by dramatic episodes of riot, assassination, violence and civil disobedience.

While there is a special need to rise above platitudes and myths and knee-jerk reactions in facing the present crime problem, there is little evidence that partisans in the cops-and-robbers debate are prepared to replace rhetoric with reason.

Instead, the hunt is on for scapegoats. Conservatives want us to forsake permissiveness and bleeding-heart leniency by the courts and get tough. Yet scientists tell us that sex crimes are not related to dirty books or movies; the U.S. Attorney General, our chief prosecutor, advises that court decisions can no more cure crime than aspirin can cure cancer, and studies by academicians and law enforcement officials have shown that purportedly crippling constitutional procedures have not cut down police efficiency, confessions or conviction rates.

Meanwhile, liberals pooh-pooh crime statics, blame everything on poverty and prejudice and denounce the police, while city dwellers are terrorized and fleeing urban life; rioters and demonstrators are making rapproachment almost impossible, even with those in sympathy with them, and the police are given extraordinary social tasks without the corresponding training, salary or sympathies required. How can this lead to the realistic, balanced, principled law enforcement system so desperately needed in a free society?

This book does not help the quandary along. Cipes is a good writer and a knowledgeable criminal lawyer. His book synthesizes some of the recent literature of crime in a breezy fashion which will interest the uninformed person who has chosen sides and needs ammunition. But the book does no more than quickly put its author in the liberal camp and then pick away at the standard targets: J. Edgar Hoover and the FBI, the late Robert Kennedy's drive to convict Jimmy Hoffa, headline hunting DAs and conviction-happy cops, the bleakness of the world of the lower criminal courts, the high political stake in attacking racketeering and the senselessness of our penal institutions. That he may be right in his judgments and his condemnations of excess does not improve matters. Cipes knows better than to serve up cliches—"In a world of often unbearable complexity and uncertainty, the thirst for simple solutions is enormous"—yet he concludes, "America's problem is not really crime, though it may yet become that. The problems are race and poverty."

We are going to have to do better than this. We can agree, for instance, that prisons breed crime and still be concerned with rising recidivism rates and the absence of a workable alternative for rehabilitation. We can't put criminals out of a bad system until we devise a better one. We can agree with those who have pointed out the inadequacy of crime statistics and still be properly concerned with the amount of crime—detected and undetected. We may be offended by convictions based on the testimony of criminals and undesirables and by the use of privacy-invading devices, while remaining honestly perplexed about how to prove a white slavery case without the testimony of a prostitute, how to disassemble a vast underworld empire without the use of undercover agents or how to prove a national telephone-based bookmaking operation without using wiretaps or eavesdropping.

The point is that in a very real and existential sense there is a crime problem and we are going to have to cope with it in a more satisfactory way. The first step may well be to stop treating it as a "war" between liberal and conservative ideologues. It does no good to argue (as many liberals do) that crime is a matter of symptoms and we should be dealing with diseases; the patient cannot be left to suffer or die because we failed to treat the symptoms. Nor is it any use to witchdoctor the problem (as many conservatives do) by exorcising devils invented to prove the sickness. If we are to control the crime problem so that our society may become more viable, amenable and sociable, we are going to have to drop the gamesmanship which this book typifies and get at it. The "good guys" and the "bad guys" approach, always simplistic, is now downright dangerous.

Needed are scientific assessments of traditional problems, better measurements of the effectiveness of our programs and our policies, better people in the business, the refinement of our priorities. Our criminal laws, sentencing practices, penal institutions and moral commitments need re-evaluation. Toward these ends, all political camps need to drop the jargon and the false, quick formulas and seek a fresh and sensible approach to the endless and evolving problems of crime and law enforcement.

FIELD MARSHAL MONTGOMERY'S COMMENTS ON VIETNAM

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. RYAN. Mr. Speaker, Field Marshal Viscount Montgomery of Alamein, the British hero of the desert campaign of the Second World War and a man well versed in modern warfare, recently gave an interview to the New York Times regarding America's policy in Vietnam.

I hope my colleagues will consider the views of this distinguished statesman and warrior. The article from the New York Times of July 3, 1968, follows:

MONTGOMERY CALLS ON THE UNITED STATES TO WRITE OFF THE WAR IN VIETNAM

LONDON, July 2.—At the age of 80, Field Marshal Viscount Montgomery of Alamein is still a man of strong opinions and pungent language.

In a recent interview, the famed commander expressed his views on a wide variety of world issues. He eschewed politics, but he was willing to talk on matters touching his profession of arms, including Vietnam.

Lord Montgomery believes that the United States should write off the war and accept the idea of a Communist-controlled government there.

"You have got to stop this war," he said. "You can't win. What is the point of all these casualties?"

As a first step, Lord Montgomery said, he would stop the bombing of North Vietnam. Then he would try to get the leaders of North and South Vietnam together for talks—but without illusions about the possible results.

ONE GOVERNMENT FORESEEN

"You have got to realize that there will be in the whole of Vietnam one government which will be Communist-controlled," he said. "I don't think it matters. You [the United States], would have to accept it."

The Field Marshal was asked how he would deal with the military advice, repeatedly given to President Johnson, that a complete bombing halt without a reciprocal gesture from Hanoi would increase American casualties.

"The generals must do as they are told," he replied. "The higher conduct of war has got to be in political hands. Once war gets in the hands of generals, you are done.

"They are not winning and they can't win on the battlefield. They have lost the damn war already."

The hero of El Alamein, who became a great popular military figure during and after the war, is still distinguished by that familiar clipped speech and deep-set blue eyes.

It was at El Alamein, in the northern Egyptian desert, that the British stopped Field Marshal Erwin Rommel's eastward advance and then, in October, 1942, launched the great counterattack that routed the Axis forces and ended the threat to Alexandria, 65 miles away, and the Suez Canal.

The interview with Lord Montgomery took place in his beautiful old house, Isington Mill, near Alton in Hampshire, in the country about 50 miles from London. Spotted about the room were signed photographs of the great—General Eisenhower, Marshal Tito, Queen Elizabeth II. Winston Churchill.

Lord Montgomery set his views on Vietnam in the framework of a general theory about the Far East. This was that "in the long run"—after 20 or 25 years—Communist China would inevitably dominate mainland Asia.

"America can't stop it," he said. "Nor can anybody else. All the nations from Burma right round to Korea will look to Peking as they used to in the old days."

Lord Montgomery visited Communist China in 1961, met Chairman Mao Tse-tung and was feted by the Government. After a tour he said that "the whole population is solidly united," and he praised "the tremendous accomplishments of the past 12 years under Mao Tse-tung."

Lord Montgomery was critical of the United States position in Vietnam in part because, as he saw it, the war did not fit into any political strategy that took account of Asian realities.

RULES OF WAR CITED

"The United States has broken the second rule of war," he said. "That is: don't go fighting with your land army on the mainland in Asia. Rule one is, don't march on Moscow. I developed those two rules myself.

"You are learning now how important this second rule of war is. It is very difficult for a great nation which has made a mistake to come out.

"But you aren't the policemen of the world, you Americans, are you?"

Another reason given by Lord Montgomery for his criticism of the Vietnam war was its effect on the United States' reputation.

"The whole of world opinion is against you on this issue," he said. "You are becoming a very unpopular nation, which I think is a tragedy.

"If you think of what your nation did after the war to help the nations recover, the generosity of the United States was unprecedented. And now you are becoming one of the most hated people in the world."

Lord Montgomery was asked how he would deal with the evident concern of other non-Communist Asian nations, such as Thailand, that an American withdrawal from Vietnam would endanger their status.

The United States should continue its alliances in Asia, he answered, and the Southeast Asia Treaty Organization should go on. But, he said, the United States must not commit land forces to the mainland and instead should emphasize naval supremacy.

"The Western world must make quite certain that it has complete domination of the oceans," he asserted.

Lord Montgomery insisted that Chinese domination of the Asian land mass was inevitable. He said this would happen "not by military conquest but by ideological and economic pressure."

He said the countries bordering China—but he excepted India—"will all go." By that he meant, he added, that they would look to Peking for leadership and would be ideologically tuned to Asian Communism.

"Half the people in the world today are Communists," he went on. "That is a fact, and another fact to understand is that the Communism in that part of the world [Asia] is not the Communism of Marx and Lenin.

"It is a new brand which they like and it suits them. If they want to be a Communist and don't push it on us, let them. I don't think anything can prevent that."

CURRENT ISSUES IN THE REGULATION OF MOTOR VEHICLE SIZES AND WEIGHTS

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. CLEVELAND. Mr. Speaker, recently our distinguished colleague, the gentleman from Massachusetts [Mr. MOORHEAD], brought to our attention the first chapter of a seven-chapter doctoral dissertation entitled, "Current Issues in

the Regulation of Motor Vehicle Sizes and Weights," researched by John W. Fuller III, Ph. D.

Dr. Fuller concludes:

> The very great excess of public and social costs over the private benefits discovered by this thesis suggests that any general motor vehicle size and weight increase at this time would be a grave mistake in public economic policy. The recent proposals for size and weight increases at the Federal level, and the numerous proposals at the state level that appear continuously, do not appear economically justifiable. Passage of a bill such as S. 2658 could result in a serious drain on U.S. resources. These economic resources could be used to far greater advantages elsewhere in the economy.

I might point out that Dr. Fuller spent the summers of 1966 and 1967 with the Western Highway Institute, an arm of the American Trucking Association in the West. As a transport economist, he performed economic research involving the transportation characteristics of several important western industries, notably lumber and wood products, livestock, grain, fruits and vegetables, and the nature of intermodal transport competition for the products of these industries.

The Western Highway Institute has published two of his works, "Transportation in the Western Livestock Industry," March 1967, and "Transportation in the Western Forest Products Industry," August 1967.

I call my colleagues' attention to the second chapter of Dr. Fuller's dissertation:

CHAPTER II. THE CURRENT STATUS OF SIZE AND WEIGHT REGULATION

This chapter will describe the present state and Federal legislative standards concerning sizes and weights under which motor vehicles may operate in the United States. It will also introduce and evaluate the factors which are influencing the demand by various segments of the transportation industry for revised size and weight standards. First, however, it is important to place in perspective the significance of size and weight standards to motor carriers and to the flow of traffic in general. How many motor vehicles are affected by maximum vehicle standards? What portion of the nation's freight and passenger traffic do they carry?

Motor vehicles affected by maximum size and weight limitations

Most motor vehicles operated on United States highways are in no way limited by current vehicle standards. As Table 1 illustrates, only 16 percent of all motor vehicles registered in 1965 were trucks. Only 0.3 percent of all registrations were by buses. The number of very large and very heavy vehicles is even smaller than these figures would indicate because the great majority of trucks is composed of pick-ups used mainly for farm work and personal transportation and small intracity delivery vehicles. The majority of buses consists of smaller school buses. Only the very largest vehicles in use approach the size and weight limit maxima.

TABLE 1.—STATE MOTOR VEHICLE REGISTRATIONS, 1965[1]

Vehicle type	Number registered	Percent of registrations
Automobiles	75, 260, 847	82. 026
Buses	314, 284	. 342
(Diesel commercial buses)	(61, 159)	(. 066)
Motorcycles	1, 381, 956	1. 506
Trucks	14, 795, 051	16. 125
(Tractor-trucks)	(736, 302)	(. 802)
Total, motor vehicles	91, 752, 138	100. 000

[1] Source: U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, Highway Statistics, 1965 (Washington, D.C.: Government Printing Office, April 1967), pp. 33, 35c.

An approximation to the number of vehicles currently near maximum dimensions and weights can be obtained by adding the number of truck-tractors and the number of diesel commercial buses. The addition yields 797,461 vehicles for 1965, or 0.87 percent of total registrations. That number is only roughly indicative because a few gasoline-powered buses approach maximum size and weight limits, just as do most of the diesel buses, and some single-unit vehicles[1] (such as cement trucks) approach legal limits in certain particulars, just as do truck-tractor combinations. Therefore, 1 percent of all registered vehicles would appear to be a reasonable estimate of the percentage of motor vehicles in the highest size and weight categories. The 1-percent estimate may be too high a figure because many diesel-powered buses are in intracity operation and limited in size more by city street configurations or maneuverability requirements than by size and weight laws. In addition, the greater proportion of truck combinations is composed of small 3- and 4-axle truck-tractor semitrailers and only about one-third of all single-unit trucks are larger than pick-up size.[2] Clearly, then, only a small percentage of presently operated motor vehicles approaches the maximum allowable size and weight standards; only operators who now have a need for vehicles at or near the maximum presently-allowable limits are likely to utilize increased standards.

However, the number of vehicles now present in size and weight categories close to the maximum allowances is only one indicator of the number of vehicles which might utilize increased standards, and is an inadequate indicator of the economic effect revised standards would have on highway transportation. Larger vehicles are likely to be operated more intensively than smaller vehicles. They perform different tasks, and the larger vehicle represents a greater investment of the transport firm's funds.

TABLE 2.—ESTIMATED MILES OF MOTOR VEHICLE TRAVEL IN THE UNITED STATES, BY VEHICLE CATEGORY AND ROAD TYPE, AND COMMERCIAL BUS AND COMBINATION TRAVEL AS A PERCENT OF TOTAL TRAVEL, 1963 AND 1965[1]

Road type and year	Travel by vehicle category (million vehicle-miles)							Bus and combination travel (percent of total travel)
	Commercial buses	All passenger vehicles	Single-unit trucks	Truck-tractor combinations	All cargo vehicles	Total, bus and combination	Total travel	
Main rural roads:								
1963	877	232, 817	50, 043	19, 900	69, 943	20, 777	302, 760	6. 86
1965	922	256, 584	56, 832	21, 994	78, 826	22, 916	335, 410	6. 83
All rural roads:								
1963	1, 047	322, 775	76, 024	21, 202	97, 226	22, 249	420, 001	5. 30
1965	1, 106	355, 188	85, 210	23, 389	108, 599	24, 495	463, 787	5. 28
Urban streets:								
1963	1, 794	327, 079	49, 729	8, 614	58, 343	10, 408	385, 422	2. 70
1965	1, 815	358, 796	55, 949	9, 108	65, 057	10, 923	423, 853	2. 58
All roads:								
1963	2, 841	649, 854	125, 753	29, 816	155, 569	32, 657	805, 423	4. 05
1965	2, 921	713, 984	141, 159	32, 497	173, 656	35, 418	887, 640	3. 99

[1] Source: U.S.. Department of Transportation, Federal Highway Administration, Bureau of Public Roads, "Highway Statistics, 1965" (Washington, D.C.: Government Printing Office, April 1967), p. 54.

The larger vehicle used intensively (usually in line-haul service), with high yearly mileage, has a short working life and is depreciated rapidly. Thus, as shown by Table 2, commercial buses and all truck-tractor combinations, which represent approximately 1 percent of the total number of vehicles in use, produce about 4 percent of the total vehicle-miles of travel in the U. S. Their travel is relatively the greatest on main rural roads and relatively the least on urban streets.

An even better indication of the importance of vehicles likely to be affected by increased maximum size and weight standards is provided by the ton-miles and passenger-miles of output produced by vehicles in the higher size and weight categories. The cargo ton-mile, defined as cargo weight times distance, and the passenger-mile, defined as number of passengers times distance, are the best physical measures of carrier output. According to the Bureau of Public Roads, only about 30 percent of all freight ton-miles hauled on main rural roads in 1961 moved by single-unit truck. The remainder was carried on truck-tractor combinations and, in comparison with 1951 figures, increasingly moved via the larger combinations which operate closest to maximum size and weight limitations. The very largest and heaviest 5-or-more-axle truck-tractor units carried approximately 27 percent of the intercity ton-miles hauled on main rural roads in 1961.[3] Considering the entire Federal-aid system, the very largest and heaviest vehicles transported perhaps 15 percent of the total motor-vehicle freight ton-miles of traffic in 1964.[4] While bus registrations make up less than 0.4 percent of all registrations, the passenger-miles of commercial bus travel equaled 2.75 percent of all motor vehicle passenger-miles traveled in 1965.[5] Thus, the percent share in cargo ton-miles of freight and passenger-miles of travel produced by the largest and heaviest vehicles overshadows their numbers. Far greater importance should be attributed to the role of larger and heavier vehicles in motor transport than is indicated by their numbers or vehicle-miles of travel.

Placed in the larger perspective of total intercity ton-miles and total intercity passenger-miles of travel by all modes however, the economic role of the larger and heavier vehicles is reduced. According to Table 3, the motor vehicle share of intercity freight traffic has remained quite constant during the 1960's at about 22 percent of the total. Applying the 15-percent figure derived above for the percentage of total intercity motor-freight traffic borne by the 5-or-more-axle truck-tractor combinations, slightly over 3 percent of the total volume of intercity freight carried by all modes might be transported by the very largest and heaviest vehicles, those most likely to be affected by revised size and weight allowances.[6]

Footnotes at end of article.

TABLE 3.—VOLUME OF INTERCITY FREIGHT TRAFFIC, PUBLIC AND PRIVATE, BY TRANSPORT AGENCY, 1960-66, SELECTED YEARS[1]

Year	Railroad	Motor vehicles	Inland waterways (including Great Lakes)	Pipelines (oil)	Airways	Total
	Millions of ton-miles					
1960	579, 130	285, 483	220, 253	228, 626	778	1, 314, 270
1962	599, 977	209, 407	223, 089	237, 723	1, 289	1, 371, 485
1964	666, 207	356, 298	250, 165	268, 655	1, 504	1, 542, 829
1965	780, 700	359, 218	262, 421	306, 393	1, 910	1, 638, 642
1966	750, 762	380, 917	265, 000	332, 916	2, 252	1, 831, 847
	Percentages of annual total					
1960	44. 06	21. 72	16. 76	17. 40	0. 06	100
1962	43. 75	22. 56	16. 27	17. 33	. 09	100
1964	43. 18	23. 09	16. 21	17. 41	. 10	100
1965	43. 25	21. 92	16. 01	18. 70	. 12	100
1966	43. 35	21. 99	15. 30	19. 22	. 13	100

[1] Source: U.S. Interstate Commerce Commission, Bureau of Economics, Transport Economics Monthly Comment (November-December, 1967), p. 5.

Intercity buses, according to Table 4, were a minor factor in total intercity passenger transport with 2.48 percent of the total passenger-miles of travel in 1965. However, the bus percentage does represent a significant portion of the 10.85-percent public carrier segment of intercity passenger transport.

TABLE 4.—INTERCITY PASSENGER-MILES, BY MODE OF TRAVEL, 1965[1]

	Automobiles	Motor coaches	Total, motor vehicles	Railroads (revenue passengers)	Inland waterways	Airways (domestic revenue services)	Total
Passenger-miles (billions)	838. 1	23. 3	861. 4	17. 5	3. 1	58. 1	940. 1
Passenger-miles (percent)	89. 15	2. 48	91. 63	1. 86	0. 33	6. 18	100. 0

[1] Source: Automobile Manufacturers Association, Inc., "1967 Automobile Facts and Figures" (Detroit, Mich.: Automobile Manufacturers Association, Inc., 1968), p. 43.

Alternative monetary measures of relative traffic shares are often advocated to illustrate comparative standings of the different modes. Ton-miles and passenger-miles are suitable output measures, but the vehicle shares derived do not directly take into consideration the relative costs of shipment by different modes. One measure which could surmount this difficulty would be value added by mode per unit of output. Since in practice value-added figures are difficult to find, especially for the large non-regulated area of transport, revenue figures must be utilized. However, data on the revenue shares by vehicle size in freight transport, to compare with vehicle-mile or ton-mile shares, are not available; such data are simply not compiled. The best obtainable estimates from government sources (see Table 5) suggest the revenue share for regulated motor carriers of passengers relative to combined motor passenger and total air carrier operations (primarily passenger) was 19.7 percent in 1965. This is a substantially greater amount than the bus share of intercity passenger-miles produced by all modes, but, of course, does not include operating and ownership costs of private auto traffic or the revenues of rail and inland water passenger carriage in the denominator. The bus share of bus and air revenues, 19.7 percent, is substantially the same as the bus share of public carrier intercity passenger-miles, 22.9 percent.[7] A more complete measure of the bus revenue share has been developed by the Transportation Association of America, which estimates that intercity bus passenger expenditures were $700 million in 1965, less than 1 percent of total highway passenger expenditures of $71,330 million.[8] Accepting this latter approximation as more nearly representative, the relative role of highway passenger transport via the largest currently legal motor vehicles is under 1 percent in value terms.

TABLE 5.—TOTAL OPERATING REVENUES OF CARRIERS SUBJECT TO FEDERAL REGULATION AND PERCENT SHARE BY MODE, SELECTED YEARS, 1960-65[1]

[Revenues (in thousands of dollars) and percent share]

	Railroads[2]	Motor carriers of passengers	Motor carriers of property	Total, motor	Waterlines[3]	Pipelines (oil)	Airlines	All carriers
1960:								
Revenues	10, 225, 554	667, 033	7, 213, 911	7, 880, 944	427, 408	770, 417	2, 129, 311	21, 433, 634
Percent share	47. 71	3. 11	33. 66	36. 77	2. 00	3. 59	9. 93	100. 0
1962:								
Revenues	10, 134, 848	728, 905	8, 131, 117	8, 860. 022	394, 204	810, 605	2, 497, 900	22, 697, 579
Percent share	44. 65	3. 21	35. 82	39. 03	1. 74	3. 57	11. 00	100. 0
1964:								
Revenues	10, 602, 853	802, 064	9, 154, 776	9, 956. 840	405, 032	865, 079	3, 094, 628	24, 924, 432
Percent share	42. 54	3. 22	36. 73	39. 95	1. 63	3. 47	12. 42	100. 0
1965:								
Revenues	11, 066. 942	885, 125	10, 068, 243	10, 953. 638	425, 683	903, 817	3, 608. 495	26, 958, 305
Percent share	41. 05	3. 28	37. 35	40. 63	1. 58	3. 35	13. 39	100. 0

[1] Source: All data except airline from U.S. Interstate Commerce Commission, Bureau of Economics, "Transport Economics, Monthly Comment" (November-December 1967), p. 22. Airline data (domestic scheduled) from U.S. Federal Aviation Agency, Office of Management Services. Data System Division, Statistical Services Branch, "FAA Statistical Handbook of Aviation: 1966 Edition," by Sylvia M. Goring (Washington, D.C.: Government Printing Office, August 1966). p. 183.

[2] Rail revenues include those of steam and electric railways, switching and terminal companies, Alaskan and Hawaiian companies, REA Express, and the Pullman Co.

[3] Domestic traffic.

In order to obtain an outside approximation of the portion of freight traffic revenue from intercity operations which could be involved in a change of size and weight limits, the Bureau of Public Roads' 70-percent ton-mile approximation for freight carriage on main rural roads via motor vehicles in the upper size and weight brackets can be applied to the 1965 revenue figure for motor carriers of property given in Table 5. This procedure yields a figure of $7,047,701 thousand or 26.1 percent of total revenues for all carriers subject to Federal regulation.

There are two reasons why this figure is far too high to represent the revenue share of all transport, including nonregulated transport, produced by larger and heavier freight vehicles. For one thing, the biggest vehicles carry less than a 70-percent share because a portion of the ton-miles attributed to them was actually produced by small combinations and because the 70-percent figure is not typical of minor rural roads and urban streets. (About one-third of all commercial bus and combination travel was

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Footnotes at end of article.

produced on urban streets and minor rural roads.[9]) A second reason is that heavier vehicles have lower operating costs per ton-mile carried. Therefore, under competitive conditions, the existence of lower rates for heavier vehicles in reflection of these cost differentials would yield a lower revenue share per ton-mile for carriers using heavier vehicles than for those using smaller and lighter ones. These anticipated lower costs are a reflection of and a reason for the typical employment of larger and heavier vehicles in line-haul operations. The 70-percent ton-mile share would result in a 70-percent revenue share only if revenue per ton-mile were the same for vehicles of all sizes and weights.

A better estimate of the share of intercity motor-freight revenue that might be affected by revised size and weight limits can be calculated using the 15-percent ton-mile approximation for the largest truck-tractors. For 1965, this procedure yields a figure of $1,510,236 thousand, or 5.6 percent of total revenues for all Federally-regulated carriers.

In summary, if higher sizes and weights were to be allowed, and if their utilization resulted in lower carrier costs and rates without offsetting public highway and social costs, it is possible that the ton-miles produced and revenue share earned by larger combinations would rise. This might occur under the stated circumstances either through attraction of traffic from other modes or by attraction of traffic presently carried by smaller motor vehicles due to a higher operating cost differential over smaller vehicles. Presently, however, the larger and heavier motor vehicles constitute no more than 1 percent of the total number of motor vehicles. They are involved in perhaps 4 percent of all motor-vehicle miles of travel, carry less than 3 percent of all intercity passenger-miles of travel, and transport slightly over 3 percent of the intercity freight ton-miles. The intercity bus share of passenger expenditures is under 1 percent of total expenditure for intercity passenger travel, and the share of the total freight operating revenue earned through carriage by larger and heavier trucks and combinations is less than 6 percent of the intercity total. While it is not the purpose of this section to neglect the responsiveness of demand for transportation services to price changes, from the statistics cited it appears clear that by any reasonable measure, the motor vehicle classes utilizing vehicles of sizes and weights likely to be affected by legislative revision are responsible for a small part of total intercity traffic and revenue in the United States.

An enumeration of present size and weight standards

Federal Standards

The provisions of the 1956 Federal-Aid Highway Act (P.L. 84-627) specifying the maximum width and weights of motor vehicles which may lawfully be operated on the 41,000-mile Interstate Highway System are as follows: Width, 96 inches; single-axle weight, 18,000 pounds; tandem-axle weight, 32,000 pounds; total gross weight, 73,280 pounds.

Subject to forfeiture of its share of funds authorized by that Act, no state may permit the use of its Interstate System mileage by vehicles or combinations exceeding the above limits, with the exception that states may retain any higher maximums permitted as of July 1, 1956. If a state maximum was below a Federal limit in 1956, the state was given permission to raise its standard on the Interstate System mileage to the Federal level. The exceptions allowed by the grandfather clause were numerous. They are summarized in Table 6.

Footnotes at end of article.

TABLE 6.—STATES HAVING GREATER SIZE AND WEIGHT MAXIMUMS FOR USE ON THE INTERSTATE SYSTEM THAN THE FEDERAL PROVISIONS, AS OF JULY 1, 1956 [1]

	State maximum
Width (inches):	
Hawaii	[2] 108
Rhode Island	102
Single-axle weight (pounds):	
Alabama	19,800
Connecticut	22,400
Delaware	20,000
District of Columbia	22,000
Florida	20,000
Hawaii	[2] 24,000
Maine	22,000
Maryland	22,400
Massachusetts	22,400
New Hampshire	22,400
New Jersey	22,400
New Mexico	21,600
New York	22,400
Ohio	19,000
Pennsylvania	22,400
Rhode Island	22,400
South Carolina	20,000
Vermont	[3] 22,400
Tandem-axle weight (pounds):	
Alabama	36,000
Colorado	36,000
Connecticut	36,000
Delaware	36,000
District of Columbia	38,000
Florida	40,000
Georgia	36,000
Maryland	40,000
Massachusetts	36,000
New Hampshire	36,000
New Mexico	34,320
New York	36,000
North Carolina	36,000
Pennsylvania	36,000
Rhode Island	(4)
Utah	33,000
Vermont	36,000
Wyoming	36,000
Gross weight (pounds):	
Alaska	[5] 76,800
Arizona	76,800
Arkansas	[6] 74,000
California	76,800
Colorado	[7] 85,280
Hawaii	[2] 73,600
Idaho	76,800
Louisiana	[8] 68,000
Michigan	[9] 81,000
Montana	76,800
Nevada	76,800
New Mexico	86,400
Ohio	78,000
Oregon	[10] 76,000
Rhode Island	88,000
Utah	79,900
Wyoming	73,950

[1] Source: Commerce Clearing House, State Motor Carriers Handbook (Chicago, Ill.: Commerce Clearing House, November 1965) pp. 1007-09.

[2] As of Feb. 1, 1960.

[3] As of Feb. 28, 1964.

[4] No limit specified.

[5] As of July 1, 1959.

[6] 56,000-pound maximum on load-bearing axles; up to 18,000 pounds may be placed on front axle.

[7] Only on designated highways allowing 65-foot combinations.

[8] Plus front axle.

[9] Practical maximum. Depends on number and spacing of axles.

[10] Only on highways designated by the State highway commission.

Federal width and weight regulations, it is important to note, apply only to the 41,000-mile Interstate System; the Interstate is a small portion of the total U.S. road and street plan of 3,689,666 miles (in 1965).[10] However, the states do take Federal limits into account when regulating sizes and weights on other highway systems.

As Table 6 illustrates, when 8-foot width standards were adopted by the Federal government for the Interstate System, only one state exceeded that limit. Under the grandfather clause, Hawaii was allowed to retain a 108-inch limit when admitted to statehood in 1960. Little variance in widths exists in state maximums; 8 feet has long been the standard for state highway systems. Seventeen states and the District of Columbia exceeded the single-axle weight standard which was adopted; nine of those allowed 22,400 pounds rather than 18,000. The largest deviation was by Hawaii, with 24,000 pounds allowed at the time of statehood in 1960. The Federally adopted tandem-axle weight limitation was also exceeded by 17 states and the District of Columbia. Twelve of those 18 jurisdictions had adopted 36,000-pound limits by July 1, 1956. Much the same set of states, primarily those located in the New England and Middle Atlantic areas, exceeded both axle-weight limits. Sixteen states had adopted higher gross-weight limits at the time Federal standards went into operation and most of those states were located in the far West. Six of the 16 had chosen 76,000 pounds. The highest gross weight allowed by any state, however, was authorized in Rhode Island. That state's 1956 limit for a straight truck and full trailer was 88,000 pounds, almost 15,000 pounds above the Federal limits.

State Standards

State regulation is not limited to motor vehicle widths and weights, but encompasses vehicle lengths and heights as well. The following sections will explain the technical reasons for state regulation of the several vehicle dimensions and weights. Tables will be presented to enumerate state regulatory standards by region. Average maximum standards will then be compared by region.

Vehicle width limitations.—Vehicle widths are limited for economic, physical, and psychological reasons. As wider vehicles are allowed on a highway system, lane widths must be increased from previously planned dimensions in order to accommodate vehicles of greater width while still permitting safe passing distances. Especially at high speeds, drivers desire substantial clearances between passing vehicles and will react to narrow lanes by driving on highway shoulders; such action is unsafe and may damage the roadway. Whenever vehicle width standards are increased, added public expenditures must be made to widen lanes and shoulders, or passing clearance will shrink. In the absence of additional expenditures, the capacity throughput of heavily utilized highways could fall, with investment costs rising per unit of highway output. The number of accidents per vehicle-mile could increase.

Table 7 illustrates the current situation with regard to the legal maximum vehicle widths allowed by the states. Only four state limits differ from the general 96-inch maximum (the same as the Federal limit), although numerous exceptions from the maximums are allowed by the several state administrative bodies. The most common width exceptions are for rear vision mirror and safety equipment extensions, minor load overhang, tire bulge, and movement of overwidth vehicles under special permit. Occasionally a state's legislation allows extra width for buses (from 102 to 108 inches), especially for buses in metropolitan service, and short trips made by wider farm vehicles or road building machinery are generally allowed without requiring special permits. Special width exemptions are occasionally made for carriers of products deemed important to the state's economy (i.e., hogsheads of tobacco in North Carolina, beehives in Nevada, and hay or straw almost everywhere).

TABLE 7.—SUMMARY OF STATE MOTOR VEHICLE WIDTH MAXIMUM IN EFFECT AS OF JAN. 1, 1968, BY U.S REGION[1]

Northeastern region		Southern region		Midwestern region		Western region	
State	Width maximum (inches)	State	Width maximum (inches)	State	Width maximum (inches)	State	Width maximum (inches)
Connecticut	102	Alabama	96	Illinois	96	Alaska	96
Delaware	96	Arkansas	96	Indiana	96	Arizona	96
District of Columbia	96	Florida	96	Iowa	96	California	96
Maine	[2] 102	Georgia	96	Kansas	96	Colorado	96
Maryland	96	Kentucky	96	Michigan	96	Hawaii	108
Massachusetts	96	Louisiana	96	Minnesota	96	Idaho	96
New Hampshire	96	Mississippi	96	Missouri	96	Montana	96
New Jersey	96	North Carolina	96	Nebraska	96	Nevada	96
New York	96	South Carolina	96	North Dakota	96	New Mexico	[3] 96
Pennsylvania	96	Tennessee	96	Ohio	96	Oregon	96
Rhode Island	102	Texas	96	Oklahoma	96	Utah	96
Vermont	96	Virginia	96	South Dakota	96	Washington	96
		West Virginia	96	Wisconsin	96	Wyoming	96

[1] Source: U.S., Congress, Senate, Subcommittee on Roads of the Committee on Public Works, "Vehicle Sizes and Weights," Hearings before the Subcommittee on Roads of the Committee on Public Works, Senate, on S. 2658, A bill to amend sec. 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations, 90th Cong., 2d sess., 1968, fold-in facing p. 238.

[2] 96 ins. on the Interstate System.

[3] 102 ins. allowed on designated State highways.

Vehicle height limitations.—Vehicle height is limited by statute in order to insure sufficient clearance of structures such as bridges, overpasses, underpasses, and tunnels. Height must also be limited to insure stable vehicle operation at high speeds, in winds, and on sharp turns. Height allowances interact with width limits because high vehicles become more stable the wider the vehicle. The narrower the vehicle, the less height can be allowed for safe operations.

Extremely large investments would be required to rebuild highway structures if height allowances were substantially increased. Alternatively, the operation of taller vehicles could be restricted to systems containing structures of sufficient height for safe clearance.

There are practical height limits which most transporters of general freight might generally observe even were the states not to regulate in this area. The general freight transporter cannot load freight to an unrestricted height without damaging items on the lower levels. Nor can he load excessively without exceeding maximum gross-weight and axle-weight limitations. Indeed, as the Bureau of Public Roads has reported:

"Only light density commodities, generally those below 25 pounds per cubic foot, may be loaded to fill a cargo body with an overall height of 13½ feet. These commodities . . . constitute only 9 percent by weight of all commodities hauled on highways."[11]

Table 8 shows that the states generally concur in restricting motor vehicle height to 13 feet 6 inches. Two states, Nevada and Massachusetts, do not restrict height and three states, California, Idaho, and Utah, allow operation of 14-foot tall motor vehicles. Delaware restricts heights to 12 feet 6 inches and Hawaii prohibits heights exceeding 13 feet.

TABLE 8.—SUMMARY OF STATE MOTOR VEHICLE HEIGHT MAXIMUMS IN EFFECT AS OF JAN. 20, 1968, BY U.S. REGION

Northeastern region		Southern region		Midwestern region		Western region	
State	Height maximum	State	Height maximum	State	Height maximum	State	Height maximum
Connecticut	13 ft. 6 in.	Alabama	13 ft. 6 in.	Illinois	13 ft. 6 in.	Alaska	13 ft. 6 in.
Delaware	13 ft. 6 in.	Arkansas	13 ft. 6 in.	Indiana	13 ft. 6 in.	Arizona	13 ft. 6 in.
District of Colombia	12 ft. 6 in.	Florida	13 ft. 6 in.	Iowa	13 ft. 6 in.	California	14 ft.
Maine	13 ft. 6 in [1]	Georgia	13 ft. 6 in.	Kansas	13 ft. 6 in.	Colorado	13 ft. 6 in. [2]
Maryland	13 ft. 6 in.	Kentucky	13 ft. 6 in. [2]	Michigan	13 ft. 6 in.	Hawaii	13 ft.
Massachusetts	(3)	Louisiana	13 ft. 6 in.	Minnesota	13 ft. 6 in.	Idaho	14 ft.
New Hampshire	13 ft. 6 in.	Mississippi	13 ft. 6 in.	Missouri	13 ft. 6 in.	Montana	13 ft. 6 in.
New Jersey	13 ft. 6 in.	North Carolina	13 ft. 6 in.	Nebraska	13 ft. 6 in.	Nevada	(4)
New York	13 ft. 6 in.	South Carolina	13 ft. 6 in.	North Dakota	13 ft. 6 in.	New Mexico	13 ft. 6 in.
Pennsylvania	13 ft. 6 in.	Tennessee	13 ft. 6 in.	Ohio	13 ft. 6 in.	Oregon	13 ft. 6 in. [5]
Rhode Island	13 ft. 6 in.	Texas	13 ft. 6 in.	Oklahoma	13 ft. 6 in.	Utah	14 ft.
Vermont	13 ft. 6 in.	Virginia	13 ft. 6 in.	South Dakota	13 ft. 6 in.	Washington	13 ft. 6 in. [5]
		West Virginia	13 ft. 6 in.	Wisconsin	13 ft. 6 in.	Wyoming	13 ft. 6 in.

[1] Load may extend 6 in. above vehicle structure.

[2] Allowed only on designated highways. Kentucky allows only on toll roads and the Interstate with permit.

[3] No limit specified.

[4] No restriction.

[5] Automobile transporters allowed 14 ft.

Source: Summary of Size and Weight Limits and Reciprocity Authority (Washington D.C.: American Trucking Associations Inc. Revised Jan. 20 1968).

The trend has been toward increased height allowances since the end of World War II. Table 9 illustrates this trend. In 1946, when the American Association of State Highway Officials (AASHO) recommended height limits of 12 feet 6 inches as suitable for the then-current highway plant, the U.S. average limit was just that. AASHO revised its recommendation in 1964 and again in 1968; today the U.S. average is at that newly recommended level, 13 feet 6 inches.

TABLE 9.—AVERAGE PERMITTED HEIGHTS FOR TRUCKS, TRUCK-TRACTOR COMBINATIONS, AND BUSES, BY U.S. REGION, SELECTED YEARS, 1946-68[1]

[In feet]

Year	U.S. regions				
	Northeastern	Southern	Midwestern	Western	Total United States
1946	12.5	12.5	12.5	13.0	12.6
1951	12.8	12.6	12.6	13.2	12.8
1956	12.8	12.6	12.8	13.2	12.8
1962	12.8	13.2	13.4	13.6	13.3
1968 [2]	13.4	13.5	13.5	13.6	13.5

[1] Source: U.S. Congress, House, "Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems," H. Doc. 354, 88th Cong., 2d sess., 1964, p. 91. Mean 1968 figures calculated by author from table 8, supra, p. 35.

[2] 1968 averages include 48 States and District of Columbia. Massachusetts and Nevada have no restriction on height. The earlier years do not include Alaska and Hawaii.

Table 10 compares state height limits in 1968 with the 1968 AASHO policy standard. There is minimal regional difference in vehicle height at the present time, but in the past the western states usually allowed slightly greater limits than states in other regions.

Exceptions exist to the state height limits for motor vehicles. Many states allow vehicles at the maximum height only on designated highways containing structures built to the highest standards. Occasionally, a single structure limits vehicle heights on a particular road. Designated highways for exceptions normally include the Interstate System, because the Department of Defense has recommended minimal vertical clearances of 16 feet on that system, and on other highways leading from Interstate routes to major ports, to meet military needs. In 1961 there were only 158 structures, 0.7 percent of the total, with less than a 14-foot clearance in the Interstate System.[12]

Footnotes at end of article.

TABLE 10.—STATE MOTOR VEHICLE HEIGHT MAXIMUMS IN 1968, COMPARED WITH 1968 AASHO POLICY STANDARD[1]

Comparison with AASHO standard	Number of States, by U.S. region[2]				
	Northeast	South	Midwest	West	Total, United States
Above	0	0	0	3	3
Same as	10	13	13	8	44
Below	1	0	0	1	2
Not specified	1	0	0	1	2
Total	12	13	13	13	51

[1] Source: Calculated by author from data of table 8, supra, p. 35, relative to 1968 American Association of State Highway Officials (AASHO) policy standard for maximum vehicle height of 13 feet 6 inches.

[2] Includes the District of Columbia.

There are fewer relaxations of state height maximums than is the case with most state size and weight restrictions. States sometimes allow automobile transporters to carry 14-foot loads. Road construction and maintenance machinery and farm equipment are generally excepted for short trips. Special permits are often allowed, and states on occasion exempt fire equipment, buses, and special state products (Maryland, for example, allows higher limits for plate glass and hay transport) from the overall height maximums.

Vehicle length limitations.—Motor vehicle length limitations are essential to prevent reduction of designed highway capacities and to promote safe, convenient, and rapid operation of dissimilar vehicles in the same traffic stream. Without restriction of motor vehicle and combination lengths, the utilization of longer vehicles may lead to difficult and complicated driver behavior problems during passing maneuvers. Longer vehicles and combinations may require wider paths for turning operations. (This phenomena is known as offtracking.) In addition, longer vehicles may exhibit poor braking and stability characteristics unless operated with specalized equipment modifications.

Table 11 lists the varied state restrictions of length for single-unit trucks and buses and the maximum length limits for combinations that were in effect on January 1, 1968. The state limits for single-unit vehicles are the same for buses as they are for trucks in 29 states and the District of Columbia. In 15 states, single-unit trucks are limited to 35-foot lengths and buses are allowed an additional 5 feet. The remaining six states have the following limitations: Oklahoma allows a 5-foot differential between trucks and buses (40 and 45 feet); a 4-foot differential is permitted in Indiana (36 and 40 feet); Alaska and Ohio allow buses 5 feet less length than the maximum for trucks (40 and 35 feet); Kansas permits 42.5-foot trucks but limits buses to 35 feet; and a 10-foot differential for trucks over buses has been set in Wyoming (40 feet for buses, with 50 feet allowed single-unit trucks).

TABLE 11.—SUMMARY OF STATE MOTOR VEHICLE LENGTH MAXIMUMS IN EFFECT AS OF JAN. 20, 1968, BY U.S. REGION AND STATE

U.S. region and state	Length maximums		
	Single-unit vehicle		Maximum combination (feet)
	Truck (feet)	Bus (feet)	
Northeastern:			
Connecticut	55.0	55	55
Delaware	40.0	40	60
District of Columbia	40.0	40	50
Maine	55.0	55	55
Maryland	55.0	55	[1] 65
Massachusetts	35.0	[1] 40	55
New Hampshire	35.0	40	55
New Jersey	35.0	35	55
New York	35.0	40	55
Pennsylvania	35.0	40	55
Rhode Island	40.0	40	55
Vermont	55.0	55	55
Midwestern:			
Illinois	42.0	42	[1] 65
Indiana	36.0	40	65
Iowa	35.0	[2] 35	60

TABLE 11.—SUMMARY OF STATE MOTOR VEHICLE LENGTH MAXIMUMS IN EFFECT AS OF JAN. 20, 1968, BY U.S. REGION AND STATE—Continued

U.S. region and state	Length maximums		
	Single-unit vehicle		Maximum combination (feet)
	Truck (feet)	Bus (feet)	
Midwestern—Continued			
Kansas	42.5	[2] 35	65
Michigan	35.0	40	[1] 65
Minnesota	40.0	40	55
Missouri	40.0	40	[1] 65
Nebraska	40.0	40	65
North Dakota	[2] 35.0	[2] 35	[1] 65
Ohio	40.0	[2] 35	65
Oklahoma	40.0	45	65
South Dakota	35.0	40	[1] 65
Wisconsin	35.0	40	[3] 55
Southern:			
Alabama	40.0	40	55
Arkansas	40.0	40	65
Florida	[2] 35.0	40	55
Georgia	55.0	55	55
Kentucky	[4] 35.0	[4] 35	[4] 55
Louisiana	35.0	40	65
Mississippi	35.0	40	55
North Carolina	35.0	[2] 35	55
South Carolina	[2] 35.0	[2] 35	[3] 55
Tennessee	40.0	40	55
Texas	40.0	40	65
Virginia	35.0	40	55
West Virginia	[3] 35.0	[2] 35	[1] 55
Western:			
Alaska	40.0	[2] 35	65
Arizona	40.0	[2] 40	65
California	40.0	[5] 40	65
Colorado	35.0	40	[1] 65
Hawaii	40.0	40	65
Idaho	35.0	[1] 40	[6] 65
Montana	35.0	40	[7] 35
Nevada	40.0	40	[6] 70
New Mexico	40.0	40	65
Oregon	35.0	[1] 40	[8] 65
Utah	45.0	45	65
Washington	35.0	[2] 35	65
Wyoming	50.0	40	[9] 65

[1] Allowed only on designated highways. Illinois and Maryland, allowed on 4-lane roads.

[2] 40 ft. for 3-axle vehicles.

[3] 60 ft. allowed auto transporters; 65 ft. in Wisconsin with annual permit.

[4] Allowed only on designated toll roads and the Interstate System by permit. In Kentucky, trucks limited to 26.5 ft. and buses limited to 30 ft. on non-State maintained highways.

[5] 60 ft. for articulated buses only.

[6] 98-ft. triples to be permitted in Idaho on designated roads. 105-ft. triples allowed in Nevada on designated roads.

[7] 70 ft. plus 5-ft. overhang for stinger-steered auto transporters with permit.

[8] Oregon State Highway Commission may authorize 105-ft. triples combinations by resolution or permit.

[9] 68 ft. for auto transporters.

Source: Summary of Size and Weight Limits and Reciprocity Authority (Washington, D.C.: American Trucking Associations, Inc., revised Jan. 20, 1968), except for bus data, from U.S. Congress, Senate Subcommittee on Roads of the Committee on Public Works, Vehicle Sizes and Weights, hearings before the Subcommittee on Roads of the Committee on Public Works, Senate, on S. 2658, a bill to amend sec. 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations, 90th Cong., 2d sess., 1968, fold-in facing p. 238.

Table 12 illustrates the median lengths of single-unit trucks and buses. According to that table, the Northeast and South permit 35-foot truck lengths, on the average, while the Midwest and West commonly allow length maxima exceeding 35 feet. The median permitted bus length is the same in all regions of the country.

TABLE 12.—MEDIAN PERMITTED LENGTHS FOR TRUCKS, BUSES, AND TRUCK-TRACTOR COMBINATIONS, BY U.S. REGION, 1968[1]

U.S. region	Median length maxima by vehicle type		
	Single-unit vehicles		Maximum combination (feet)
	Trucks (feet)	Buses (feet)	
Northeast	35	40	55.0
South	35	40	55.0
Midwest	38	40	65.0
West	40	40	65.0
Total U.S	40	40	62.5

[1] Median lengths calculated by author from data of table 11, supra, pp. 39–40.

Table 13 shows that few states exceed the 40-foot AASHO recommendation for the length of single-unit trucks. Almost half of the states have decided on 35 feet as the desirable limitation. About two-thirds of the states adhere to the 40-foot AASHO standard for buses.

TABLE 13.—STATE MOTOR VEHICLE LENGTH MAXIMUMS IN 1968 COMPARED WITH 1968 AASHO POLICY STANDARDS[1]

Comparison with AASHO standard	Number of States by U.S. region[2]				
	Northeast	South	Midwest	West	Total United States
	Single-unit truck length				
Above	4	1	2	2	9
Same as	3	4	5	6	18
Below	5	8	6	5	24
Total	12	13	13	13	51
	Single-unit bus length				
Above	4	1	2	1	8
Same as	7	8	7	10	32
Below	1	4	4	2	11
Total	12	13	13	13	51
	Truck-tractor combination length				
Above	0	0	0	1	1
Same as	0	3	10	12	25
Below	12	10	3	0	25
Total	12	13	13	13	51

[1] Source: Calculated by author from data of table 11, supra, pp. 39-40, relative to 1968 American Association of State Highway Officials (AASHO) policy standards for single-unit vehicle length of 40 ft. and maximum truck-tractor combination length of 65 ft.

[2] Includes the District of Columbia.

The maximum legal operating length for vehicle combinations is also shown in Table 11. These length restrictions apply to combinations consisting of a truck-tractor motive unit plus one or more semitrailers or full trailers. Combinations are generally, but not always, allowed greater lengths than single-unit trucks, perhaps mainly because combinations are more maneuverable. As will be noted in Chapter VI, the longer combination containing two trailer units may offtrack less than single semitrailers of lesser total length.

The median upper limit for combination length permitted in the U.S. is 62.5 feet, as shown in Table 12. As the median figures indicate, the eastern half of the country generally limits combinations to 55 feet (allowing a single semitrailer towed by a truck-tractor) while the western half more commonly permits 65-foot combinations (two semitrailers are normally allowed). From Table 13 it may be seen that the states are split almost equally in number between those adhering to the 1968 AASHO standard, which suggests a 65-foot maximum for combinations, and those which allow shorter combinations. Nevada, which had no length limitation until 1967, permits 70-foot doubles combinations; under special permit Nevada allows 105-foot triples combinations, as does Oregon. Idaho passed permissive legislation for 98-foot triples combinations in 1967 but has not as yet designated highways for their use.[13]

In most states, vehicles longer than the state maximums are allowed to operate under special permits. Certain categories of vehicle are often excepted from length restrictions without special permit, such as trucks transporting logs or poles. Farm machinery and emergency public equipment are usually allowed to exceed state maximums. Some states permit the load to overhang the vehicle (up to 12 feet total, front plus rear, in Louisiana). Many states allow operation of longer equipment by transporters of commodities believed especially important to that state's economy. Thus, longer vehicles may be used to carry cotton in California; motor vehicles or vehicle bodies in Michigan; flax fiber in Minnesota; oil field equipment in Oklahoma; and boats for use in intercollegiate rowing contests in Maryland.

Vehicle weight limitations—rationale.—Highway construction standards and maintenance requirements for pavements and structures are directly predicated on the axle weights of vehicles expected to use the highways and on the frequency with which those weights occur. According to the Bureau of Public Roads, the effects of excessive weights are as follows:

"A modest increase in axle weights can decrease the serviceability and shorten the life of the structure. A significant increase in axle weights can cause serious deterioration in the structure with failure imminent if it is not quickly reconstructed or replaced. The establishment of vehicle weight standards greater than those for which a highway system has been designed can require (1) the additional surfacing or reconstruction of the pavement structures; (2) the strengthening or replacement of bridge structures; (3) the increased levels of maintenance; and (4) increased financial burdens and commitments of public funds." [14]

According to the Ottawa, Illinois, road tests concerning the effects of axle loads on pavements, with given serviceability and thickness indexes," . . . the effect of a single truck axle conforming to present Federal standards (18,000 pounds) is similar to that produced by considerably more than 3,000 axles of a conventional automobile (2,000 pounds) . . ." [15]

Heavy trucks and combinations may produce excessive stress on bridges and other highway structures with consequent risk of failure. Bridge structure capacity is predicated upon gross vehicle weights in relation to the manner in which that weight is concentrated on the structure. Weight, as a cost occasioning parameter for highway structures, must be evaluated in conjunction with axle loads and axle spacings. While high weight by itself may not be a factor in bridge failure, vehicle configurations which produce no undue wear on pavements can overstress structures by concentrating weight in too limited an area of a bridge.[16]

Thus it appears that gross vehicle weights, coupled with specified axle loadings, axle spacings, and frequencies of axle loadings, may serve as valid parameters of highway structure and pavement construction and maintenance costs. In order to protect the public investment in highways and to provide least-cost construction commensurable with economic needs of commerce, the states have undertaken regulation of vehicle axle and gross-weight characteristics.

Vehicle weight limitations—practices.—There are distinct regional differences in state axle-weight limits for motor vehicles, as shown in Table 14. Uniformly, except for Delaware, the northeastern states permit 22,400-pound loads on single axles. The District of Columbia and 9 of 11 states in that region permit tandem-axle loads in excess of 32,000 pounds. On the other hand, no midwestern state allows axle weights in excess of 19,000 pounds for single axles and 32,000 pounds for tandems. Only 3 of the 26 southern and western states permit single-axle loads exceeding 20,000 pounds and only 9 of 26 have legalized tandem-axle loads of more than 32,000 pounds.

TABLE 14.—SUMMARY OF STATE MOTOR VEHICLE SINGLE-AXLE, TANDEM-AXLE, AND GROSS-WEIGHT MAXIMUMS IN EFFECT AS OF JAN. 1. 1968, BY U.S. REGION AND STATE[1]

U.S. region and State	Weight maximums (pounds) Single-axle	Tandem-axle	Gross
Northeastern:			
Connecticut	22,400	36,000	73,000
Delaware	20,000	36,000	73,280
District of Columbia	22,000	38,000	70,000
Maine	22,000	[2] 32,000	73,280
Maryland	22,400	40,000	73,280
Massachusetts	22,400	36,000	73,000
New Hampshire	22,400	36,000	73,280
New Jersey	22,400	32,000	73,280
New York	22,400	36,000	71,000
Pennsylvania	22,400	36,000	73,280
Rhode Island	22,400	(3)	88,000
Vermont	22,400	36,000	73,280
Midwestern:			
Illinois	[4] 18,000	32,000	73,280
Indiana	[5] 18,000	[5] 32,000	73,000
Iowa	18,000	32,000	73,280
Kansas	18,000	32,000	73,280
Michigan	18,000	[6] 26,000	[4] 102,000
Minnesota	18,000	32,000	73,280
Missouri	18,000	32,000	[4] 73,280
Nebraska	18,000	32,000	73,280
North Dakota	18,000	32,000	73,280
Ohio	19,000	[7] 24,000	78,000
Oklahoma	18,000	32,000	73,280
South Dakota	18,000	32,000	73,280
Wisconsin	18,000	32,000	73,000
Southern:			
Alabama	18,000	36,000	73,280
Arkansas	18,000	32,000	73,280
Florida	20,000	40,000	73,271
Georgia	18,000	36,000	73,280
Kentucky	18,000	[4] 32,000	73,280
Louisiana	18,000	32,000	76,000
Mississippi	18,000	28,650	[4] 73,280
North Carolina	18,000	36,000	73,280
South Carolina	20,000	32,000	73,280
Tennessee	18,000	32,000	72,000
Texas	18,000	32,000	72,000
Virginia	18,000	32,000	70,000
West Virginia	18,000	32,000	73,280
Western:			
Alaska	20,000	24,000	90,000
Arizona	18,000	32,000	76,800
California	18,000	32,000	76,800
Colorado	18,000	36,000	76,000
Hawaii	24,000	32,000	80,000
Idaho	18,000	32,000	76,800
Montana	20,000	34,000	76,000
Nevada	18,000	32,000	76,800
New Mexico	21,600	34,320	86,400
Oregon	[8] 18,000	[8] 32,000	76,000
Western—Continued			
Utah	18,000	33,000	79,900
Washington	18,000	32,000	72,000
Wyoming	18,000	32,000	73,950

[1] Source: U.S. Congress, Senate, Subcommittee on Roads of the Committee on Public Works, "Vehicle Sizes and Weights," hearings before the Subcommittee on Roads of the Committee on Public Works, Senate, on S. 2658, a bill to amend sec. 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such legislation, 90th Cong., 2d sess, 1968, fold-in facing p. 238.

[2] 36,000 lbs. allowed on State highways.

[3] Not specified.

[4] Allowed only on designated highways.

[5] On designated highways: single axle, 22,400 lbs.; tandem axle, 36,000 lbs.

[6] 32,000 lbs. on designated highways.

[7] 32,000 lbs. on axles over 4 ft. but less than 8 ft. apart: 38,000 lbs. if more than 8 ft. apart.

[8] Oregon State Highway Commission may grant 20,000-lb. single- and 34,000-lb. tandem-axle weights on all State highways be resolution or permit.

The situation with gross vehicle weight allowances is quite the opposite. Only Rhode Island of the northeastern states permits gross weights to exceed 73,280 pounds. Louisiana alone of the southern states and only 2 of 13 midwestern states allow gross weights of more than 73,280 pounds. However, only 1 of 13 western states limits maximum gross weight to 73,280 pounds or less, and that state (Washington) permits 76,000 gross on certified routes.[17]

Vehicle weight limitations—exemptions.—Perhaps in no area of state size and weight regulation are there more exceptions from the standard maximums than are found in the case of axle loads. These exceptions specify weights both higher and lower than nominal state maximums. In the case of low-grade highways and in certain seasons, motor vehicles are held to lower weights. On the other hand, axle-load maximums are raised above the standard limits in numerous instances. In many states, every vehicle operator has a built-in exemption in the form of either a 3- or 5-percent tolerance in axle weights; which percentage depends on the state. Sometimes, tolerance is expressed in terms of pounds, as when 500 or 1,000 pounds excess weight is allowed for a single axle and 2,000 or 4,000 pounds for tandems. Special exemptions are allowed for a list of carriers and commodities including, but not limited to, petroleum, tobacco, milk, livestock, general agricultural products, logs, ore, sand, concrete, construction vehicles, and refrigerated trucks. Buses are sometimes given special exemptions.

Gross-weight limits seem to have been the subject of fewer exemptions for special products. But perhaps such exemptions are not needed, because gross weights are often allowed to exceed legal maximums by greater tolerances than are allowed axle weights. Tolerances may be stated in pounds (such as 4,000 pounds above a 70,000-pound gross) or as a percent. They range upward from 3 percent to 5, 10, and 15 percent of gross.

In summary, as may be seen by reference to Table 14, axle-weight allowances are highest in the Northeast, while the highest modal gross weights are permitted in the West. As listed in Table 15, in relation to the 1968 AASHO weight standards, 33 state maximums are less than the recommended 20,000-pound single-axle loading. In 29 states, tandem-axle maximums equaled the 32,000-pound recommendation. Only three states equaled or exceeded the recommended gross-weight maximum of 86,500 pounds.

Footnotes at end of article.

TABLE 15.—STATE MOTOR VEHICLE WEIGHT MAXIMUMS IN 1968 COMPARED WITH 1968 AASHO POLICY STANDARDS[1]

Comparison with AASHO standard	Number of States by U.S. region[2]				
	Northeast	South	Midwest	West	Total United States
	Single-axle weight				
Above	11	0	0	2	13
Same as	1	2	0	2	5
Below	0	11	13	9	33
Total	12	13	13	13	51
	Tandem-axle weight				
Above	9	4	0	5	18
Same as	2	8	11	8	29
Below	0	1	2	0	3
Not specified	1	0	0	0	1
Total	12	13	13	13	51
	Gross weight				
Above	1	0	1	1	3
Same as	0	0	0	0	0
Below	11	13	12	12	48
Total	12	13	13	13	51

[1] Source: Calculated by author from data of table 13 supra p. 43 relative to 1968 American Association of State Highway Officials (AASHO) policy standards for single-axle weight of 20,000 lbs. tandem-axle weight of 32,000 lbs. and maximum gross weight of 86,500 lbs.

[2] Includes the District of Columbia.

Directions of change in vehicle standards

The brief survey of state size and weight maximums has illustrated the similarity of state standards, especially those pertaining to vehicle height and width. It has also brought out the general patterns of diversity in weights and lengths. Long vehicle combinations are general in the West; longer single-unit trucks are common in the Northeast. High gross weights are permitted in the West; high axle weights are characteristic of the Northeast.

Not apparent in the preceding tables is the direction of change in state size and weight limits over the past decade. There has been a general trend toward increased state size and weight limits. State legislatures are pressed by highway users to continually review their existing standards and to consider relaxation of size and weight limits to allow general use on state highways of longer, wider, taller, or heavier commercial vehicles. In addition, operators frequently ask for specific commodity or route exemptions from the general standards.

The apparent general trend toward relaxed motor vehicle size and weight limits is exemplified by the American Association of State Highway Officials' recommended standards. AASHO, which began in the 1930's to establish what its members felt were desirable overall limits for use on U.S. highways, promulgated standards for weights and size dimensions in 1946, in 1964, and again in 1968. Over this 22-year period, increases were recommended in two of three weight categories (single-axle and gross weights) and in all major size dimensions (height, single-vehicle and combination length, and width). As the following table shows, the recommended increases were major ones.

TABLE 16.—INCREASES IN AASHO POLICY STANDARDS, 1946-68[1]

	Width	Height	Length		Weight		
			Single vehicle	Maximum combination	Single axle	Tandem axle	Gross
Amount of increase	6 ins	12 ins	5 ft	5 ft	2,000 lbs		14,600 lbs.
Percent increase	6.3	8	14.3	8.3	11.1		20.3

[1] Source: U.S. Congress, Senate, Subcommittee on Roads of the Committee on Public Works, "Vehicle Sizes and Weights," hearings before the Subcommittee on Roads of the Committee on Public Works, Senate, on S. 2658, A bill to amend sec. 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations, 90th Cong., 2d sess., 1968, fold-in facing p. 238.

In all cases except vehicle height, the 1968 AASHO recommendations exceed the current 1968 median state limits. They also exceed the Federal standards established in 1956 for single-axle weights, gross vehicle weights, and widths.

In practice, certan dimensions have been static while the maximums for others have been raised by the states rapidly. Of all the limits, the most rapid change has taken place in vehicle lengths. State maximums for truck-tractor combinations have risen greatly, beginning with the western states and spreading to the Midwest and South. In the four years from January 1, 1964, to January 1, 1968, 19 states passed legislation authorizing the operation of 65-foot doubles combinations. Prior to the last few years, 65-foot doubles had been authorized only in eight western states. Today, doubles may be operated on designated state highways and the Interstate System in 27 states and on a limited mileage of public toll roads in three additional states. The states involved are set forth in Table 17.

TABLE 17.—TRENDS IN THE EXTENSION OF 65-FOOT DOUBLES COMBINATIONS BY AUTHORIZATION OF STATE LEGISLATURES[1]

States allowing 65-ft. doubles operation on Dec. 31, 1963	States legalizing 65-ft doubles operation from Jan. 1, 1964, to Jan. 1, 1968		Additional States allowing operation of 65-ft. doubles on public toll roads
Arizona.	Alaska.	Michigan.	Massachusetts (Massachusetts Turnpike).
California.	Arkansas.	Missouri.	New York (New York Thruway).
Idaho.	Colorado.	Nebraska.	Pennsylvania (Pennsylvania Turnpike).
Montana.	Delaware.	North Dakota.	
Nevada.	Hawaii.	Ohio.	
New Mexico.	Illinois.	Oklahoma.	
Oregon.	Indiana.	South Dakota.	
Washington.	Kansas.	Texas.	
Wyoming.	Kentucky.	Utah.	
	Maryland.		

[1] Source: Western Highway Institute, "Increasing Interest in Doubles Combinations," Research Summary Series (Western Highway Institute, San Francisco, Calif., Aug. 4, 1967), pp. 1-2. (Mimeographed.) Also, personal letter from Fred J. Myers, research director, Western Highway Institute, San Francisco, Calif., Feb. 21, 1968.

The most recent and controversial change in combination lengths has been the authorization of triples combination operations in Idaho and Oregon, at the discretion of the state highway commissions. Nevada, which had no vehicle length limits until 1967, also presently allows triples operations, as has been the case for years. Longer combinations (70 to 108 feet) are permitted to be operated on several eastern toll roads, in addition.

Federal size and weight limits have not been changed since they were placed in effect in 1956. However, as will be brought out in the next section, proposals are currently before Congress for increased width and weight limitations on motor vehicles operating over the Interstate System.

Arguments by highway user interests for revised standards

Why have standards been increased in the past decade and why are there now extensive legislative efforts to raise the Federal and state maximums? The answer of the Bureau of Public Roads in its report to Congress on sizes and weights is as follows:

"The pace of technological development of both highway facilities and vehicles is dynamic. If the Nation is to fully utilize these developments, the standards for highways and vehicles cannot remain static for long periods but should be continuously reexamined."[18]

Vehicle operators have long argued that larger and heavier vehicles allow them to haul freight or passengers at lower ton-mile and passenger-mile costs. Operators are not very explicit about the magnitude of private cost savings resulting from their use of larger and heavier vehicles, but in general their arguments that private cost savings often result have not been seriously contradicted.

If the social costs and the additional costs of providing highway facilities are not taken into account, it is probably true that the private costs of the line-haul operations of highway carriers can be lowered through the adoption of heavier and larger vehicles and vehicle combinations. However, in any

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Footnotes at end of article.

economic assessment of the effects of relaxed size and weight limitations on operating economy, consideration must also be given to the social and highway costs as well as to lower vehicular costs. Cost data and information on social and highway costs will be presented later in this study.

The existence of exemptions from state maximums for the carriage of beehives in Nevada and for highway transport of oil field equipment in Oklahoma appears sufficient evidence that carrier and producer arguments for lower maximums are sometimes accepted by state legislative bodies. Such revised standards to benefit particular groups are presumably adopted as being in the public interest. The pressures of special highway user interests in the political arena might be expected to result in some expansion of legislative maximums over time, even when, all factors considered, such expansion does not serve overall economic efficiency.

However, the trucking and bus interests have presented some special reasons for extensions of general size and weight limitations at this time. These factors were stated in the report of the Bureau of Public Roads on optimal sizes and weights of motor vehicles permitted to use the Interstate Highway System. This report was requested by the Federal-Aid Highway Act of 1956 and recommended standards for the Interstate Highway System based on road test findings. Quoting from industry sources, the BPR stated the following:

"Marketing procedures are undergoing a revolution. New techniques call for the shipment of products directly from mill to user. Examples include steel, textiles, wood products, builders' supplies, and items of defense.

"Present limitations on sizes and weights contribute to uneconomical operation. Costs are constantly rising. The only way to keep abreast of these increasing costs is to carry more freight per vehicle.

"In the last 2 to 3 years, the average freight movement in the United States was 240 tons per family or 70 tons per individual per year. Considering the population growth our country is undergoing, it is obvious that more freight movement is going to be required to serve the public. It behooves us to accomplish this as efficiently as possible." [19]

The Bureau of Public Roads reported the opinion of the National Association of Motor Bus Owners in the following terms:

"An increase in vehicle width is essential in the interest of safety and passenger appeal and comfort. As to safety, the increase would permit a lower center of gravity, wider brake drums and more space between dual tires to reduce heating hazards. The additional 6 inches is essential to permit slightly wider seats and aisles; under present limits the former are too narrow for real comfort for some passengers and aisles should be wider both for safety and comfort.

"It is necessary constantly to improve bus design in the interest of safety and passenger appeal. It is impossible without complete reengineering, which is patently impractical, to add further refinements to those made in recent years without running the risk of exceeding an 18,000-pound load on the rear axle of single-deck coaches. The addition of rest rooms, now considered essential, and the transfer of air-conditioning equipment from a separate unit to the propulsion engine in the rear aggravate this problem despite the use of lighter weight materials. While the deck-and-a-half buses have tandem axles, this is impractical for single-deck coaches. It is also necessary to provide for accumulations of mud, snow, and ice which cannot always be removed frequently, particularly in the case of transcontinental runs. Modern bus design makes it impossible to put much over a third of the weight on the front axle." [20]

It appears that carrier sources at the time of the 1964 report by the Bureau of Public Roads were utilizing three principal arguments for increased standards. These were: (1) costs are rising, therefore technical change in vehicle size and weights is needed to keep unit costs down; (2) greater sizes and weights will allow carriers to provide better service; and (3) industry and consumer demands for transportation are growing and these demands should be met as efficiently as possible.

One argument used by the trucking industry, in line with the third point above, is illustrated by the following statement of Senator Warren G. Magnuson (Washington):

"It is true that some changes have been made since 1956 in those States where standards were below the Federal limits. But the fact today is that since 1963 all States are at a standstill as far as the effective size and weight improvements are concerned. Thus, while mile after mile of new highway has been laid down in large part with enormous tax payments made by the trucking industry, the Nation's truck fleet has been denied the opportunity to combine increased truck efficiency with improved highway standards." [21]

A further reason for the interest of truckers in expanding size and weight maximums surely must be the renaissance of the railroads in recent years. The rail share of total intercity freight traffic, which fell dramatically for many years to the truckers' gain,[22] has held approximately steady since 1960.[23] The motor carrier share has ceased to rise. The implicit argument of motor carriers must therefore be that, unless allowed to operate with larger legal payloads, trucking's competitive position will be threatened. Of course, to evaluate the soundness of such an argument, it would be necessary first to inquire whether all other avenues of cost reduction had been pursued. Secondly, it would be necessary to determine the level of excess profits in the trucking industry and the price elasticity of demand. If trucking's relative traffic share could be retained through reduced rates, no threat would exist (assuming the revenue composition of the share remained unchanged). The only threatened parameter would be the level of excess profits.

Thus, because of changed cost conditions, increased intermodal competition, and improvements in highway plant, motor carriers have argued that substantial increases should be made in the maximum permitted size and weight standards applicable to the Interstate System and to other systems of state highways. Arguments to the contrary by other groups will be recognized in detail in Chapter IV; that chapter also summarizes and discusses more recent statements by advocates of greater size and weight standards.

Proposed motor vehicle standards

Cost increases and highway improvement factors, as described in the above section, have led to several proposals for revised size and weight standards. This section will set forth the major proposals directly presented by highway users or indirectly resulting from their pressure for changes.

Transportation Association of America

The User Panel of the TAA has suggested a set of limits to govern use of the Interstate System by commercial vehicles. These limits are shown in Table 18. The recommended maximums were the result of the efforts of an advisory committee consisting of representatives of the American Trucking Associations, the Rubber Manufacturers Association, the National Highway Users Conference, the Truck Trailers Manufacturers Association, the Private Truck Council of America, and the Automobile Manufacturers Association. All the above are business interests highly dependent on highway facilities. The TAA's limits were first presented to the public in November, 1967.

American Association of State Highway Officials

The AASHO standards listed in Table 18 come from that group's 1964 recommendations for maximum sizes and weights to be used on the Interstate and other Federal-aid systems. Those maximums reflect the positions of state highway engineers and officials. The only AASHO recommendations which differ in a major way from current state practice are the 88,000-pound gross-weight limits (86,500 pounds in 1968) and the 102-inch width maximum.

TABLE 18.—RECOMMENDED MOTOR VEHICLE SIZES AND WEIGHTS BY SPONSORING GROUP, AS OF JAN. 1, 1968

Size and weight dimensions	Recommendations by sponsoring group			
	1964 Bureau of Public Roads report[1]	AASHO [2]	TAA [4]	Magnuson bill, S. 2658 [5]
Width (inches)	102	102	102	102
Height (feet)	13½	13½	13½	(6)
Length (feet):				
Single-unit vehicle	40	40	40	(6)
Maximum combination	65	65	70	(6)
Axle weights (pounds):				
Single axle	20,000	20,000	20,000	20,000
Tandem axle	32,000	32,000	36,000	36,000
Maximum gross weight (pounds)	104,000	[3] 88,000	102,200	[7] 150,000

[1] Source: U.S. Congress, House, "Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems," H. Doc. 354, 88th Cong., 2d sess., 1964, pp. 2–6.

[2] Source: "Report, A Monthly Commentary from the Transportation Association of America," Nov. 21, 1967, p. 4.

[3] Gross weight proposal of 86,500 lbs., February 1968. U.S. Congress, Senate, Subcommittee on Roads of the Committee on Public Works, "Vehicle Sizes and Weights," hearings before the Subcommittee on Public Works, Senate, on S. 2658, A bill to amend sec. 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations, 90th Cong., 2d sess., 1968, fold-in facing p. 238.

[4] Source: "Motor Vehicle Size and Weight Limitations Proposal," TAA background paper (Washington, D.C.: Transportation Association of America, November 1967), attachment E.

[5] Source: U.S. Congress, Senate, "A Bill to Amend Section 127 of Title 23 of the United States Code Relating to Vehicle Weight and Width Limitations on the Interstate System, in Order to Make Certain Increases in Such Limitations," S. 2658, 90th Cong., 1st sess., 1967.

[6] No recommendation.

[7] Calculated by author, given 75 ft. triples combinations. Gross weight in this proposal depends entirely on the following formula:

$$W=500\left(\frac{LN}{N-1}+12N+40\right)$$

where L=wheel base
and N=number of axles.

Footnotes at end of article.

Bureau of Public Roads

The 1964 standards of the Bureau of Public Roads stem from research by that agency and the Highway Research Board. According to then-Secretary of Commerce Luther Hodges, the recommended sizes and weights ". . . are justified on the basis of present research as well as on projected improvements in the Interstate System. They will bring great benefits to the public generally and to the motor carrier industry specifically." [24] The BPR standards shown in Table 18 differ from current practice mainly in allowing greater gross weights. However, it should be noted that the BPR's recommendations include Federal standards on height and length; the 1956 Federal-Aid Act placed limitations only on width and weight characteristics. Moreover, the width proposal of 102 inches is 6 inches wider than the most common state width standard.

Interestingly, the 1964 report of the BPR also suggested imposition of vehicle performance standards (described and evaluated in Chapter VI) relating to power, braking, and trailer linkage.

Magnuson Bill

The Magnuson bill seeks to amend size and weight standards in Section 127 of Title 23 of the U. S. Code (the Federal-Aid Highway Act of 1956). This bill, S. 2658, was adopted in an amended form by the Senate on April 4, 1968.[25] Senator Magnuson's bill does not suggest additional standards for height and length as do the other proposals given in Table 18. Instead, his bill would increase widths and axle loads similarly to the TAA's proposal and increase gross weight on the basis of a formula, yielding a far higher gross-weight limitation.

The formula in the Magnuson bill makes gross-weight limits dependent upon vehicle wheelbase and the number of axles. In states allowing 65-foot doubles combinations, maximum weights could lie in the vicinity of 90,000 pounds,[26] but maximum gross allowances could rise to 150,000 pounds in states permitting 75-foot triples combinations or even more in states permitting 105-foot triples. These figures are far above the gross-weight maximums obtainable under other current proposals.

Summary and conclusions

Unquestionably, the motor carrier industry is quite interested in immediate upward revision of present size and weight standards. Point number 1 on the 1968 "Program for Progress" of Chairman Orrin Fraley of the Regular Common Carrier Conference (ATA) was ". . . liberalized sizes and weights in commercial trucking operations over Federal and state highways." [27] Chairman Fraley makes the following statement.

"We enter 1968 with interstate trucking operations over the most advanced highways restricted to sizes and weights which were recommended in 1946 for all streets and highways. In 1956, under the Federal Interstate Defense Highway Act, certain of these recommendations were adopted as national standards. The effect of this has been to 'freeze' size and weight limitations at levels which are unrealistically low for modern highways and are now more than two decades behind the times.

"This condition amounts to a restraint of trade since many thousands of miles of improved highways, both Federal and state, could now safely accommodate commercial vehicles of larger sizes and weights. Legislation has been introduced to thaw this freeze; its passage in 1968 would increase motor carrier efficiency and benefit all who depend upon commercial transportation." [28]

In a year-end statement, William Bresnahan, the managing director of the American Trucking Associations, Inc., stated the industry's case as follows:

"Liberalization of size and weight regulations of motor carriers will be a major concern of the industry during the coming year. The need for greater productivity to offset continued increases in labor and other costs makes this imperative. Legislation has been introduced in Congress to thaw the freeze in size and weight limits imposed on the states in 1956. The proposed legislation would permit using the Interstate and Defense Highway System, commensurate with the greater capabilities of modern highways." [29]

The position of the commercial motor vehicle users seems abundantly clear. They are the demanders of increased maximums. Associated with these repeated demands, of course, will be additional highway construction and maintenance costs, or lower standards of safety and convenience for other highway users. Thus the question must be raised: Will the demanders be willing—or receive sufficient benefits so that they are able—to pay for these additional costs?

This chapter has introduced the current situation with regard to state and Federal motor vehicle size and weight standards, listed several current proposals for standards revision, and pointed out the arguments used by highway interests to demand increased maximums. The remainder of this study will attempt to evaluate the economic soundness of the proposed size and weight standards revisions, not only from the viewpoint of the concerned highway users, but also from society's more comprehensive and significant interest in an efficient use of economic resources. Before the facts necessary for such an evaluation can be presented, the next chapter will place the relevant economic issues in sharper focus and describe the methods of economic analysis which this study will utilize.

FOOTNOTES

[1] 2-axle, 6-tire and 3-axle vehicles.

[2] That is, 2-axle, 4-tire size.

[3] U.S., Congress, House, *Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems*, H. Doc. 354, 88th Cong., 2d sess., 1964, p. 47. Hereinafter referred to as H. Doc. 354.

[4] For 1964, the gross ton-miles produced by 5-or-more-axle combinations operating on the Federal-aid systems totaled 143 billion. The total produced by all trucks and combinations on those highways was 892 billion, or 776 billion eliminating the travel by 2-axle, 4-tire trucks. Assuming a ⅔ load factor (67%) and tare weight equal to 40% of gross, those gross ton-mile figures reduce to cargo ton-mile figures of 47 and 312 billion respectively. Thus, 47 billion ton-miles carried by the largest and heaviest combinations equals 15% of the total freight traffic on the Federal-aid system. This 15%-figure can be assumed generally correct for the intercity share of the maximum-sized vehicles because traffic on the non-Federal-aid system is a small part of total intercity freight ton-mileage, and because the largest vehicles also utilize the non-Federal-aid system in about the same proportion. See U.S. Congress, House, *Final Report of the Highway Cost Allocation Study*, H. Doc. 54, 87th Cong., 1st sess., 1961, p. 276. Hereinafter referred to as H. Doc. 54.

[5] See Table 1 and Table 4.

[6] Motor vehicle share of 22%, times truck-tractor combination share of 15%, yields 3.3%.

[7] The bus share of bus and air revenues is obtained from Table 5: 3.28%/16.67% = 19.7%. The bus share of intercity passenger-miles for hire is obtained from Table 4: 2.48%/10.85% = 22.9%.

[8] Frank A. Smith, "Relative Role of Highway Transport in the U.S. Economy," in *Freight Transportation Economics*, Highway Research Record No. 175 (Washington, D.C.: National Academy of Sciences—National Research Council, 1967), p. 30.

[9] Commercial bus and combination travel in 1965 of 22,916 billion vehicle-miles on main rural roads, divided by total travel of the above vehicles on all road types, equals 64.7%. See Table 2, *supra*, p. 17.

[10] U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, *Highway Statistics/1965* (Washington, D.C.: Government Printing Office, April, 1967), p. 140.

[11] H. Doc. 354, pp. 92–93.

[12] *Ibid.*, pp. 91–92.

[13] Personal letter from R. B. Christensen, Assistant State Highway Engineer, Idaho State Department of Highways, February 27, 1968.

[14] H. Doc. 354, p. 26.

[15] *Ibid.*, pp. 27–28. Engineering assumptions were made of a present serviceability index (measuring road condition and service life) of 2.5 and a thickness index (measuring surface, base, and subbase) of 1.0. These road tests were experiments conducted at Ottawa, Illinois, from 1958 to 1960, sponsored by AASHO and financed by the 48 contiguous states, Hawaii, the District of Columbia, Puerto Rico, the Bureau of Public Roads, the Automobile Manufacturers Association, the American Petroleum Institute, and the American Institute of Steel Construction. These AASHO road tests were administered and directed by the Highway Research Board of the National Academy of Sciences; some assistance was given by the Department of Defense.

[16] *Ibid.*, p. 105.

[17] *Summary of Size and Weight Limits and Reciprocity Authority* (Washington, D.C.: American Trucking Associations, Inc., Revised January 20, 1968).

[18] H. Doc. 354, p. 22.

[19] *Ibid.*, p. 58.

[20] *Ibid.*, pp. 58–59.

[21] U.S. Congress, Senate, Senator Warren G. Magnuson introducing a Bill Related to Vehicle Weight and Width Limitations on the Interstate System, S. 2658, 90th Cong., 1st sess., November 15, 1967, *Congressional Record*, CXIII, 186.

[22] For a full description, see James C. Nelson, *Railroad Transportation and Public Policy* (Washington, D.C.: The Brookings Institution, 1959), pp. 8–13.

[23] See Table 3, *supra*, p. 19.

[24] H. Doc. 354, p. 11.

[25] The amended S. 2658 provided for 34,000-lb. tandem axles rather than 36,000 lbs. and for a gross-weight formula as follows:

$$W=500\left(\frac{LN}{N-1}+12N+36\right)$$

This formula allows 2,000 lbs. less gross weight for each combination size than did the formula in the original bill.

[26] "New Federal Size, Weight Limits Proposed," *Western Trucking—Motor Transportation*, XLVI, No. 12 (December, 1967), 22.

[27] "Motor Common Carriers Foresee Business Improvement in 1968," Regular Common Carrier Conference News, a press release (Regular Common Carrier Conference, Washington, D.C. [December, 1967]), p. 2. (Mimeographed.)

[28] *Ibid.*

[29] William A. Bresnahan, "Year-end Statement," For the Press, a press release (American Trucking Associations, Inc., Washington, D.C., December 18, 1967), p. 2. (Mimeographed.)

THE "PUEBLO": HOW LONG, MR. PRESIDENT?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. SCHERLE. Mr. Speaker, this is the 184th day the U.S.S. *Pueblo* and her crew have been in North Korean hands.

AN ADMINISTRATIVE DEFICIENCY THREATENS ECONOMY OF TIMBER-BASED COMMUNITIES

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. ULLMAN. Mr. Speaker, I am introducing today a bill to correct an administrative deficiency that threatens the economy of many timber-based communities in the West and the livelihood of thousands of people dependent upon the wise use of public timber resources for their employment.

This situation has come about because of the extraordinary demands of the Japanese economy for wood and fiber. This demand has driven the market on wood products in Japan to heights undreamed of in this country. While it would appear to be a very attractive market for manufactured lumber and wood products from the Pacific Northwest, the fact is that the market for finished products has been effectively closed off to U.S. producers, and the Japanese have instead injected themselves into our competitive log market for raw materials that are ultimately processed in Japan. The value of the end product in Japan makes it possible for exporters to bid far beyond what our domestic lumber market will allow for the cost of raw materials.

In a situation where the parity between log resources and domestic plant capacity is rapidly shifting to a position of chronic shortage, this has placed an impossible burden upon timber industries dependent upon public timber for their supply. Prices for logs are being bid up, and the supply for domestic manufacture has been further reduced.

The drain of resources from the Pacific Northwest is aggravated by the fact that every other area in the North Pacific rim, including Canada, Alaska, and Japan itself, have strict regulations to prevent the export of timber resources vital for domestic use. In April of this year, the Secretaries of Agriculture and Interior recognized the growing pressures on Pacific Northwest forests by announcing similar protection for the coastal regions of Oregon and Washington. I regret that this was done only after years of desperate effort by representatives of a damaged timber industry and through an all-out, unified demand by congressional representatives and State and local officials. It is unfortunate that the Forest Service could not foresee or even recognize what was happening in time to use the authority granted by law to alleviate the problem.

This belated action represents the piecemeal approach of Federal administrative agencies to this economic threat. The too-little, too-late restrictions on log exports have merely shifted the pressures of export buyers from one area to another. My bill would extend this protection to all public timber in the United States and would effectively prescribe the limits of log exports. It would resolve the problem for all timber-producing areas—in a fashion patterned after what other nations do to protect their natural resources.

I think it is very regrettable that this Government has said, in effect, to American industries, "Show us that you've been hurt bad, and we will take action to fix the damage at a constant level."

It is time that the burden of proof be shifted to the Federal agencies, and that the Congress take appropriate action to see that this Nation's requirement for wood and fiber receive the attention it deserves.

With log export restrictions in effect in other countries, it is apparent that the Pacific Northwest is viewed by Japanese trading companies as a tree farm for the Japanese lumber, plywood, and paper pulp industries. From a slight beginning in 1961, log exports from the region have grown to approximately 2 billion board feet a year. As a result many sawmills went out of production, many went on single shifts, and thousands of employees were laid off. Efforts by the industry to secure a primary processing restriction on Federal logs were unsuccessful.

In 1966, the growing rate of exports became so critical that it was obvious that extraordinary action was required. Last year, a series of meetings and hearings were conducted in the region and in Washington, D.C., among spokesmen for the industry, affected labor groups, Senators, Congressmen, and administration officials to build the case for direct negotiations with the Japanese and for ultimate action to relieve the impossible pressures on log prices and supply.

A meeting with Japanese officials here in December 1967, was inconclusive.

Senator Morse convened hearings of the Senate Small Business Subcommittee to compile the record of severe damage that was occurring in the region. The testimony presented at those hearings could leave no doubt that protection was required for all public timberlands in the Pacific Northwest. However, following a meeting in Tokyo with Japanese Government representatives and industry spokesmen, Secretary Freeman, on April 17, announced an order imposing primary processing restrictions only on Oregon and Washington forests west of the Cascade Range. This was admittedly the area of most severe economic hardship, but it nevertheless stunned those of us representing areas east of the Cascade Mountains in Oregon, Washington, Idaho, and Montana, and those from northern California—all of which were under the immediate threat of log export pressures, and some of which were already feeling the effects.

The response of the administration was clearly unacceptable to me and was an obvious and more intensive threat to the economy of inland regions. I sent a letter to Secretary Freeman asking him to extend the order to cover all public timber in the region. The letter was also signed by Senators Wayne Morse, Mark Hatfield, Henry Jackson, Warren Magnuson, Len Jordan, and Frank Church, by Congressmen Wendell Wyatt, Edith Green, John Dellenback, Tom Foley, Lloyd Meeds, Don Clausen, Harold Johnson, Arnold Olsen, James McClure, and George Hansen.

In reply to this letter, Secretary Freeman offered to arrange a meeting between Forest Service Chief Ed Cliff and the concerned Members of Congress. I attended this meeting in the hopes that a full and open discussion of the problem might open the door to an acceptable course of action. I was disappointed.

Because of the continuing gap in communications between administration officials and those of us who are concerned with the problems of local communities and individuals dependent upon public timber, I asked Chief Cliff for an explanation of the precise conditions under which he would act to extend the primary processing order. I specifically asked for information about the procedure the Forest Service is using to identify bidders for export at public timber sales, and also what actions the Forest Service would take when their criteria for economic damage were met. I would like to submit his reply for the Record at this point:

U.S. Department of Agriculture,
Forest Service,
Washington, D.C., July 17, 1968.

Hon. Al Ullman,
House of Representatives.

Dear Mr. Ullman: This responds to your letter of June 20 concerning criteria the Forest Service would expect to use in determining at what point to recommend to Secretary Freeman and, in turn, to the other concerned Departments the extension to other parts of the Northwest of the requirement for domestic processing of timber cut from the National Forests in that part of the country.

Mr. Edward Cliff told the meeting on June 19 it clearly is undesirable to wait until the forest industry in the other areas has been significantly hurt before making recommendations. Secretary Freeman has publicly stated that he stands ready to consider the facts that are relevant to a decision whether to extend the area covered by the domestic manufacture requirement.

Specific criteria, if such were to be developed for general concurrence within the Government, would need to express some way to assess impacts on at least the following, singly or in combination:

1. The prospects of domestic sawmills or plywood mills being partially or completely shut down because of logs being unavailable for processing.
2. The prospects of domestic sawmills or plywood mills being placed in a serious cost-price squeeze because of increased cost of logs from National Forests traceable to activities of purchasers for non-domestic manufacture.
3. The prospects that these or other conditions of threatened injury to the domestic forest industry are likely to occur at more than isolated locations within a major part of the Region and are likely to be of more than incidental or passing occurrence.
4. The prospect of some significant new shift in the economics of log harvest and transport which would change the previously existing economics of log harvest and transport in a major part of a Region.
5. The prospects of crippling a viable domestic forest products industry essential to proper management of the National Forests.

Internally within the Forest Service, we believe these are the factors we should take into consideration, and which we are following closely in the National Forest areas involved. There necessarily is some judgment in the way such criteria would be used and combined. Some species of logs are lower in domestic demand than others, and this varies from one part of the west to another.

There are some bona fide insect control needs that could be benefited by increased rates of harvest in specific localities.

We are now attempting to keep informed of the plans of bidders. By means of such interviews, we think it will be feasible to keep in touch with the developing situation rather than waiting until statistics are available after the fact.

When we laid our disagreements before the Japanese at the meeting of last December concerning the situation in the Douglas-fir region of western Washington and western Oregon, we estimated for that area that the average stumpage price of hemlock and other white woods had increased by about $10 per thousand since 1961 due in part to the competition of the export market. Similarly, Douglas-fir increased by about $14. The figure of 350 million board feet which is now exempted from the domestic processing requirement in that area represents about 9 percent of the National Forest allowable cut for the year 1967, and about 5 percent of the cut for the Bureau of Land Management administered lands in western Oregon. In our opinion, these are more than top limits. These are figures that are beyond the limits that should be considered as outside guidelines for the other major producing areas. We think a volume impact averaging as high as 5 percent, depending on species, would be a real danger signal. So would the amount of price increase, that would probably go with such a volume impact.

It also seems to us that in the event of a recommendation to extend the area covered by the requirement for domestic processing, there should be included as part of it some additional volume that would be exempt from the requirement for domestic processing, such as 5 percent of the programed sales of each working circle to be assigned in the species and sizes that best suit export needs.

We are intensifying the system of reporting on softwood log and lumber exports and will be preparing monthly summaries of the most relevant information in addition to the quarterly summaries that have been prepared for some years now.

To answer the specific questions in your letter:

1. We are obtaining from field offices current information on bidding.

2. We have tried to explain our response to this question in the first part of this letter.

3. We have interviewed bidders and expect to continue doing so. We know of no other way to try to obtain advance information about what National Forest timber is likely to go into the export "pipeline."

4. We will keep the Secretary of Agriculture currently informed as often as there are specific facts on which to base information. We feel a very keen sense of obligation to try to interpret such information properly and to present to the Secretary, and to other Departments, the problems the forest industry faces in dealing with the pressures resulting from the export market.

Sincerely yours,

A. W. GREELEY,
Associate Chief, Forest Service.

The only conclusion I can draw from this letter, Mr. Speaker, is that the people of the Northwest are expected by their Government to pay a price of 5 percent of their most valuable natural resource to secure a degree of protection to which they are already entitled by law and by custom. And let me remind you that it would be a price exacted not once, but over and over for each and every year that such a disastrous policy remains in effect. It is totally unacceptable, and it is an affront to the people of a region already suffering from the burden of opposition, procrastination, and misrepresentation by an agency of the Federal Government. Such a policy of extortion must not be permitted.

Early this month, a meeting with Secretary Freeman for the purpose of presenting actual evidence of Japanese export interest and activity in inland and northern California regions was held. The response was unacceptable to those of us who believe that the Department has a responsibility under law to protect the economy of timber-dependent communities.

Last week, Senator MORSE resumed hearings of his subcommittee for the purpose of making this record unmistakably clear, although it is a record that is readily available and well known by the Forest Service. Testimony was heard from industry delegations led personally by the Governors of Idaho and Oregon and by a representative of the Governor of Montana.

Mr. Speaker, the evidence is obvious. The reluctance of the administrative agencies to take appropriate action under existing authority is also obvious. I think it is incumbent upon us to establish guidelines that will not permit the continued disregard of vital domestic interests. The bill I have introduced will assure that objective.

Also, Mr. Speaker, I want to express my full support for the amendment offered by Senator MORSE to the foreign aid authorization bill and which has been approved by the Foreign Relations Committee. I hope it is approved by the Senate. It would accomplish essentially the same purpose as my bill. In fact, it is also being introduced today by some of my colleagues from the Pacific Northwest who are concerned with this problem. I join in their support for the Morse amendment, as they have joined me in sponsoring this bill today.

CAPTIVE NATIONS WEEK

HON. CHARLOTTE T. REID

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1968

Mrs. REID of Illinois. Mr. Speaker, I wish to join with my colleagues in the House in once again observing Captive Nations Week.

The 10th anniversary of this occasion gives us a fitting opportunity to once more reassure those who still look to the free world for hope and encouragement that we here in the United States have not forgotten their dream of freedom—that we have not abandoned our fight for the right of independence for all nations.

During the 89th Congress, I wholeheartedly supported House Concurrent Resolution 416 which urged the President to direct the attention of world opinion at the United Nations and other appropriate international forums to the denial of the rights of self-determination for the peoples of the Baltic States and to seek restoration of these rights. Let me take this opportunity to reaffirm my support of this objective. In so doing, I know I speak for many in my own State of Illinois whose ancestral homeland is in one of the captive nations and who continue to pray that liberty will soon be restored to these gallant and long-suffering people. I know, too, that I speak for many Americans of all nationalities who share this same dream.

AN EXCELLENT STATEMENT ON AFRICA

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. FRASER. Mr. Speaker, I recommend to every Member of the House the following observations, on Africa, from the July 21 Washington Post, by Ross K. Baker, a former research associate at the Brookings Institution and now an assistant political science professor at Rutgers:

OUR TWISTED CONCEPTION OF AFRICA

Africa lends itself to superlatives. It is the rare scholar who has not superimposed the map of the Congo on Europe and marveled at the fact that the distance between Kinshasa and Bukavu is greater than the distance between Madrid and Munich. There is also a fascination in the number of tribes or the number of dialects, or the height of mountains and the breadth of desert.

This type of exercise merely adds to the hazy and distorted picture most Americans have of Africa. Raised on a diet of Tarzan (or his TV incarnation "Ramar of the Jungle"), most Americans simply refuse to take Africa seriously. The national leaders have bizarre and exotic names which lend themselves to caricature. The violence which attended and followed independence is regarded by the casual observer as an update of savages in loincloths battling in an old Stewart Granger movie on the late show. Africa is unreal for these people.

There is another group of Americans for whom Africa is also unreal. These are the "Old Africa hands"—the missionaries and the Foreign Service officers whose perceptions are less fanciful but nonetheless distorted. For these people, Africa's importance is in direct relationship to the extent that Africans emulate Europe.

To the adherents of this school, the only Africans of any consequences are the products of Oxford, the Sorbonne or Louvain. These are the "civilized men’ to whom Cecil Rhodes would have accorded equal rights. In the former French colonies, they are the évoulés (the "evolved ones").

Implicit in the formulations of this group is that the colonial period was, on balance, a beneficial thing and that it provided the necessary preconditions for modernization. The corollary to this is that any African state denied the advantages of colonial dependency is inhibited in its modernization process.

Ethiopia and Liberia alone had no sustained period of colonial rule, and since both states remain relatively retarded in their economic and political growth, there appears, according to this analysis, a prima facie case for the benefits of colonialism. The past agonies of the Congo and the present travail of Nigeria—states which endured long periods of colonial rule—appear not to nullify this conviction.

ENFORCED MELTING POT

There is yet another group of observers and experts. These are the proponents of "theories of integration" which hold that despite the relative arbitrariness of colonial border drawing which divided ethnic groups out of ignorance, convenience or ease of exploitation, Africans should create viable nations out of hopelessly heterogeneous territories.

This group, composed mainly of modern social scientists, by implication condones the authoritarian regimes required to hold these divergent groups together in something approaching a nation-state. The probability exists, however, that only a handful of the presently constituted African states will be exempt from the tensions and violence which this enforced melting pot entails.

There is yet another group of Americans who, from the perspective of their own self-interest, should have a clearer picture of Africa than they do. These are the Senators and Congressmen who are normally sensitive to the power of bloc voting and whose pilgrimages to Rome, Dublin, Tel Aviv and Warsaw in quest of the so-called "nationality vote" are part of American political folklore. Yet according to a speech by Sen. Edward M. Brooke of Massachusetts, only 2 per cent of the travel budget of legislators is spent for trips to Africa.

Africa is the ancestral homeland of 22 million Americans and a visit there might be both instructive and politically profitable. Yet the only legislators who evince consistent interest in Africa are those Senators and Representatives who serve on committees that deal directly with it or who happen to be Negro. It would be difficult to sustain the argument that the only lawmakers to visit Rome are Italian-Americans.

Africa is an area of major concern for the black people of America. They wish to re-establish a relationship with a culture that was once theirs. Perhaps their picture of Africa is somewhat idealized, but of all American observers, they alone are entitled to romanticize.

A FORM OF RACISM

All the other schools of thought about Africa are victims of a pernicious form of ethnocentrism—looking at unfamiliar societies with Western perspectives and attributing to them the same problems and potentialities that prevail in Western cultures. There is a subtle form of racism at work here. It shows up in the belief that the struggles and rivalries in Africa are somehow less noble and less important than those which prevailed in Europe at a comparable level of development.

One hears a great deal about "tribalism" or "ethnic particularism"—forces which tend to tear apart the African state whose borders were drawn by Europeans. Why is the battle for independence of the Ibo people in eastern Nigeria regarded as tribalism and the assertion of Czechoslovakian autonomy characterized as "nationalism"? Is the emergent movement of black men in southern Sudan against the Arab north any less consequential or high-minded than the historical struggle of the Poles against Russian domination?

Europe created Africa in its own image. In the heyday of dynastic politics, polyglot empires and multinational kingdoms, the European boundary-drawers believed that what was good for Austria-Hungary must surely be acceptable to the Congo. What we see in Africa today is the consequence of the European's perception of his own political and cultural superiority—the tropical empire.

The British, French and Belgians left behind empires and designated or accepted black men to preside over them. The Europeans departed content in the knowledge that Nigerian, Congolese or Ugandan nationalism was a reality. For a brief time, the Africans themselves believed this, and a fortunate few still do—and can.

It rapidly became clear, however, that after the European soldiers and police who had imposed a century of artificial serenity on Africa had departed, most of the empires born of European fantasy were fragile illusions. The Africans were left to pick up the pieces and Africa must now sort itself out.

Whether or not Biafra as an Ibo homeland can emerge out of the ramshackle federation of Nigeria, or whether Eritrea can become independent of Ethiopia, are important only as straws in the wind. Africa will see more secessions, autonomy struggles and ethnic independence movements before its borders are again secured.

A MASK FOR DEPENDENCE

There are other unresolved issues left over from the colonial period. The principal one is what should be the relationship between the former colony and the former colonial power. At the end of the first decade of independence, most African states have chosen to retain some form of economic, political or military affiliation with the old metropolitan powers.

In some cases, these are arrangements of convenience or necessity based on perceived mutual interest. In others, independence remains a mask for an African state's total dependency on the former colonial power.

In Gabon, Senegal and the Ivory Coast, the French presence in all sectors except upper-level government posts is as great or greater than during the colonial period. In countless enterprises from banking houses to construction teams, an African fulfills the function of "front man" for a European in whom real decisionmaking power is vested.

Those African chiefs of state like President Senghor of Senegal and President Houphouet-Boigny of the Ivory Coast who encourage or tolerate large-scale European involvement are designated as "pragmatic" leaders. The argument runs that long-term benefits are to be gained by association with France in terms of the number of Africans trained, physical modernization and economic stability.

In return for European benefits, however, the African state must pay the cost in currency controls, foreign supervision of business and factories, import-export restrictions and, ultimately, self-respect. The Europeans and the pragmatists answer that unless there is significant involvement by expatriate talent and resources, the African states are doomed to falling income, industrial and agricultural retardation and political unrest.

Guinea, which alone of the former French colonies rejected massive French aid, has experienced all of these setbacks and is now seeking affiliation with the franc zone and significant overseas assistance. Guinea's experience is cited as proof that African states cannot progress without massive foreign investment. Perhaps this is true, but one is compelled to ask why the sources of foreign assistance and involvement must be incompatible with African self-esteem.

It is true that Africans are being trained, but the amount of real decision-making vested in Africans in European-owned companies is limited. In the crucial sector of middle-level supervisory personnel, the European is dominant. Africa is the temporary home for hundreds of thousands of overseas Europeans whose subsidized security would disappear if the Africans under their tutelage really obtained the training that was required for national development.

One might be inclined to ask why the African leaders do not go elsewhere for assistance rather than rely on the former colonial power. U.S. economic and technical assistance, with the exception of the Peace Corps, is in a process of retrenchment due to the imbalance of payments and an intensifying drive to limit foreign commitments. There is always the USSR, whose promises have invariably exceeded its ability to deliver, and China, whose resources simply do not allow a broad aid-coverage in Africa. But the presence of large numbers of Chinese and Russian causes an uncomfortable feeling in all but the most radical African leaders.

Is Africa, then, to be left alone to settle its unresolved problems of nationality and to cope with its quest for modernization? What, moreover, should be the policy of the U.S. Government toward Africa? What kind of influence can we hope to exert and what developments should we encourage?

There is very little that the United States can do to rectify boundaries, mollify antagonistic nationalisms or mediate in civil wars. This is the task of the Africans themselves. The United States quite rightly decided against involvement in the Nigerian civil war. The Soviet Union openly sided with the federal forces against secessionist Biafra and was chastised in other parts of Africa.

In those disputes which are not purely internal, such as the mercenary activities in the Congo, the United States would do well to follow the precedent it set last summer when it sent three Air Force transports to provide logistical support to the Congolese army against the mercenaries. It was a splendid symbolic act in which the United States placed itself squarely on the side of an African government in its attempt to rid itself of a disruptive alien army. Despite congressional fears that the dispatch of these planes was a prelude to a Vietnam-style commitment, the planes were withdrawn, the Congolese were appreciative and the United States looked like a friend.

In the refusal to send the aircraft carrier Franklin D. Roosevelt to Capetown, we symbolized our unwillingness to confer the prestige of the United States on a government whose racial policies are anathema to black Africans, whose friendship, in both the long and short run, is more important to us than the amity of the Republic of South Africa. It is rare that a country in the conduct of its foreign policy can uphold its own noblest professions.

A PRACTICAL CONTRIBUTION

Beyond the provision of psychic support, what can the United States do to help Africa sort out its problems? If we are willing to commit resources, we should initiate a vast program of technical assistance by tripling the number of Peace Corps volunteers and AID personnel in the field.

This is a form of person-to-person assistance that will benefit Africans regardless of the political structures which emerge.

Understanding from the American people and a reluctance to condemn or ridicule struggling Africans is what individuals can do. The confusing list of new states which perplexes Americans will probably become even more complex as new republics split away from old ones. The military coups, countercoups, ethnic warfare and secessions will continue as long as African states resemble multinational empires rather than nation-states. Given the heterogeneity of these states, it is a tribute to African leadership that so few of them have gone the way of Nigeria and Sudan.

African states are not melting pots like America, in which immigrants are cut off from old institutions and beliefs and diluted by a new culture. The traditional beliefs which form ethnic affinity reside within the state itself. Even the migration to the cities in Africa has resulted in transportation of the village cultures rather than a rejection of them. The primordial village lies just "up-country" and the African periodically renews these ancient ties. Urbanization is not necessarily a precursor of nation-building in the ethnically heterogeneous state.

The conflicting pressures of ethnicity, the generation-gap, the paucity of resources, the irrational economic arrangements confound even those African leaders whose appeals are broadly based. Unable to process conflicting or excessive demands, the ruling elite adopts a self-serving philosophy which holds that if mass improvement is not feasible, self-enrichment is. This attitude was characteristic of the latter years of Ghana's Nkrumah regime.

One may draw from this an image of unmitigated despair, but Africa has a great deal going for it. There is great strength in the African kinship system: the extended family in which several generations live under one roof and care for each other; the obligations to one's relatives which decrees that if one family member "makes it," he helps out the others. The land-tenure system insures that no man is without a plot to farm because land is held in common by the village.

The traditional human institutions of Africa are what gives this continent its strength, not the European facades and accretions which we magnify in order to make the Africans seem "more like us." Africans will borrow from us what they feel is worthwhile or useful—our skills, our technology and our highest principals. We should not expect them to adopt capitalism or American-style democracy. The political problems of Africa are susceptible of Africans solutions only.

MY SON, DEAD IN VAIN

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. RARICK. Mr. Speaker, how can any man answer such anguish by a mother over the brutal murder of her soldier son in the service of our country?

But Congress can use its power and its voice to assure all mothers that such a loss is not in vain.

How can any thinking, loyal American, breathing the free air through the sacrifice of our young men, applaud Communist dignitaries, or affront the memory of our heroes by attending collaboration meetings such as the interchange of Soviet-United States airlines, or the installation of Communist consuls?

Any person who could participate in such demoralizing activity while our loyal sons give their lives for our liberty is unworthy of the cause for which our countrymen fight. I fear such collaboration will cost the needless slaughter of even more of our best before we awaken to the true threat that America's danger is not as much from Communists as from our own leaders. Leaders who do not understand communism or if knowledgeable of the danger are afraid to act. How long? How long?

Mr. Speaker, under unanimous consent, a letter from a mother, Mrs. Bessie Crickenberger, of Lynchburg, Va., addressed to me, her letter to the Lynchburg News, and an editorial from the News, along with reports in a magazine with nationwide circulation on the United States-U.S.S.R. airline exchange follows:

JULY 20, 1968.

HON. JOHN R. RARICK,
House of Representatives,
Washington, D.C.

HON. CONGRESSMAN RARICK: This letter was published exactly as I wrote it to the newspaper. This is exactly as I and so many other mothers feel.

This boy graduated from high school in June of 1967. The draft was waiting for him, so he had to sign up for some branch of service.

These young boys have to die fighting communism in Asia. Then we see in the newspapers articles about the Communists being tolerated here in the United States, and even that jet flights have been started between the U.S. and Russia, and Soviet Dignitaries are feted in this country.

It is a national disgrace and absolute treason against our military men to allow this trade to go on with a country that supplies weapons to our enemy.

Respectfully,
MRS. BESSIE TREVEY CRICKENBERGER.
LYNCHBURG, VA.

LETTERS TO THE FORUM: "MY SON DIED IN VAIN"

To the EDITOR OF THE NEWS:

SIR: On May 26th, my son Marine PFC Richard W. Crickenberger was killed in Vietnam. "Dicky" was a mine specialist with a road sweep-team, and he was killed by mortar as they entered Khe Sanh. Killed at Khe Sanh, where the ground is indelibly stained with the blood of our boys. Now, our "brave" government decides to abandon Khe Sanh, as not worth the effort.

Last week a Marine Captain presented Dicky's young wife with his medals; but there should have been another medal, one stating: "Our Hero, but he died in vain, a victim of our own Congressional stupidity." Our government is not supporting our military men. If this so-called "police-action" were left entirely to the military leaders, and they were turned loose to really fight, this war would have been over long ago. But their hands are tied by the President and his "advisors." How many of those "advisors" have Communistic tendencies?

Our asinine President allows the military to bomb far north of the DMZ, but by-passing or using only small bombs on the area ten miles wide just north of the DMZ. That area is where the North Vietnamese are massed; that area the North Vietnamese have to pass through. That area is where the North Vietnamese sit with their mortars and shell our boys incessantly day and night. Our boys are "sitting-ducks" for the VC mortar, and can only try to find trenches in which to wait it out. Why does not our President allow our military to use small atomic bombs, and blast that area off the face of the earth? In the smallest hamlet in this United States, the sheriff would have the courage to go after a bunch of gangsters terrorizing his town; but our Congressional leaders will not let our men go into North Vietnam after those yellow devils.

How many of the Viet Cong weapons have come from "neutral" countries? And how many were made from materials shipped to those countries by big American companies? So long as our government allows trade with these countries, our government is indirectly slaughtering our very own men. Any friend of Hanoi is our enemy. Why does not Congress cut off all trade and loans of any kind to these "neutral" countries? Are the big American traders putting on political pressure?

In mid-April, Dicky sent home a picture of a Russian-made mine which he uncovered along Highway 9 to Khe Sanh. A Russian mine waiting for our men in Vietnam. Yet, we are friendly with Russia? England, our supposed ally, still trades with Hanoi. These are "neutral" countries?

Unless Congress cuts off all trade whatsoever to any country that deals with Hanoi, I can only believe that this "police-action" is kept going purely for economical and political reasons. Are our boys being slowly "fed" to the Viet Cong? Extermination for economy? Or, are our Congressmen and our President just gutless cowards? Is that why they do nothing about the admitted Communists in this country? Are they afraid to arrest these Communists and try them as traitors? Why are we not fighting Communism in this, our own country?

Our flag no longer represents freedom. It represents the tyranny in Washington; the tyranny of a draft that condemns our boys to death in Vietnam before they are old enough to vote. The colors of the flag have changed altogether in their meaning. The red is for our sons' blood spilling out on foreign soils to fulfill our "commitments." The white is for the cowardly flag of truce which our President is waving in front of Communism. The blue is for the sadness and heartbreak of the mothers and widows left behind.

Our country has the weapons and the military men to win this "controlled" war. Why have we not been able to take over a country smaller than some of our States? Why? Because our Congressional leaders will not turn our men loose to win! Is this "war" actually "extermination for economy"? Or, are our "Great Society" leaders just gutless cowards? Which?

BESSIE T. CRICKENBERGER.

(A heartbroken mother and one filled with utter contempt for the "Demo-Commie" tyrants in Washington.)

LYNCHBURG.

[From the Lynchburg (Va.) News, July 14, 1968]

SOME QUESTIONS RAISED

The lead letter in today's Forum on this page poses some questions to the President, and to Congress, about the policy prevailing in the Vietnam War. It is a poignant letter, and one which untold thousands, even millions, of American citizens would strongly support. The reason for it is that under prevailing policy the dead and wounded Americans in this war are considered needless sacrifices, for they represent a force in uniform on foreign soil committed to battle and privation and sacrifice in a war they are not supposed to win.

The same situation existed in the war in Korea, which continues as an armistice with frequent forays by the enemy and their apparent intention of not having given up and continued intent to take over South Korea. A major war without determination to victory imposes sacrifice on only a part of the people. In a war to which the entire country is committed with the determined objective of victory, everybody is involved, the risk potential is shared as a nation, and loss of a family member is part of a national sorrow.

When we all share, each one can better accept loss.

The News is pleased that this letter was written and that we are able to publish it.

[From Life magazine, July 26, 1968]

AEROFLOT OUT TO MAKE THE GOING GREATEST

It took the Soviets only one flying day to modify an image which seasoned travelers had expected would keep Aeroflot jets half empty on flights across the Atlantic. The image was of indifferent or nonexistent service. For the inaugural trip to the U.S., the Russians picked a crack crew which included Meritorious Flier of the U.S.S.R. Boris Yegorov as captain and Hero of Socialist Labor Aleksandr Vitkovsky as copilot. They also picked the prettiest and most efficient Aeroflot stewardesses—"the sort," one American reporter traveling on the plane wrote, "who have vanished from most U.S. airlines: smiling kids interested in passengers." The stewardesses poured tea for the queasy, vodka for the venturesome. The button-sewing was quick, and there was caviar and pressed chicken. At journey's end the 97 aboard (including 53 Soviet VIPs and 44 paying passengers, nine of the Americans) had congratulations for Aeroflot. In return the airline promised that any child born on any flight would get one Aeroflot ticket free every year of his life.

The first Soviet IL–62 to arrive in New York was met by a diverse band of dignitaries, as were the two Pan Am Boeings in Moscow. In New York were Najeeb Halaby, president of Pan Am; Jacob Malik, Soviet Ambassador to the U.N.; Aeroflot's A. V. Bessedin; Eugene Rostow, U.S. Under Secretary of State. In Moscow: General Boris Bugayev, Deputy Minister of Civil Aviation and official greeter; Pan Am Chairman Harold Gray, and Llewellyn Thompson, U.S. Ambassador to Moscow.

There was human drama of a high order with the arrival of the Aeroflot jet in New York. Shmul Pobrebinsky, 65, who lives in Tashkent, was met by his brother, Samuel Bensky, 80, of Hillside, N.J. They have not seen each other since 1920. Until 1964 Bensky believed his brother had been killed during World War II.

At take-off in Moscow the Aeroflot pilots and stewardesses had a lot to smile about: after 10 years of negotiations stalled by cold war flare-ups, direct U.S.–U.S.S.R. air service was about to become a reality. There was one in-flight problem, and what U.S. traveler could not have foreseen it? Thirteen hours and 5,000 miles out from Moscow, the Ilyushin jet flew 95 minutes in New York air traffic before getting clearance to land. Later two Pan Am jets left for Moscow to carry out the U.S. half of the exchange.

Over the Atlantic, Yegorov dropped back to discuss progress with Russian travelers including Aeroflot executive Vladimir Vasilyev. Copilot Vitovsky took over the controls. Stewardesses like Vera Alimochkima were kept busy pinpointing the Ilyushin 62's location on a flight map for passengers.

Approaching New York, Captain Yegorov, 43, showed fatigue. Concerning the delay caused by air traffic congestion, he said later, "In Moscow everything is on time." At Montreal the plane picked up FAA representative Matthew Warren who guided Yegorov through U.S. traffic patterns.

Challenge to the West for Global Business

Aeroflot advertisements boast that the airline is the world's largest carrier. Measured by route miles flown in 1967 (350,000) and passengers flown (55.1 million), the claim stands up. Flight SU 03 made the U.S. the 46th foreign country to be served by Aeroflot, which already flies to nearly all European capitals as well as to Peking and Cairo. Clearly the Soviets have set out to compete all over the world, matching the best that Americans and Europeans have to offer.

The reciprocal agreement between Aeroflot and Pan American starts with only one round trip a week for each carrier. (For the time being Aeroflot will stop in Montreal and Pan American in Copenhagen to pick up and discharge passengers.) With the New York link established, Aeroflot expects soon to be a genuine round-the-world line like Pan Am and BOAC and, in particular, challenge U.S. domination of Pacific routes to Tokyo. Aleksandr V. Bessedin, the amiable chief of international air services in the Soviet Ministry of Civil Aviation (which *is* Aeroflot), laid it on the line: "We want tourists, and we expect to carry about 50,000 a year from the U.S. within a few years. We expect to carry 65 million passengers in 1968, and that's about one quarter of all the people who will fly in the world this year."

Aside from political troubles, the opening of direct Moscow-New York service may have been delayed because the Russians wanted to have their own aircraft which could compete in comfort and speed with Western jet liners. The Ilyushin 18 medium-range turboprop, workhorse of Eastern Europe's airports, was not good enough, but the IL–62 is. Passengers on the New York flight found that the seats were wider and more comfortable than on Western jets, and the location of the four engines in the rear (after the fashion of the British VC–10) made for a quieter ride.

Indeed the IL–62 seems to indicate the end of Aeroflot's dependence on military hand-me-downs. Aeroflot has had jet service since 1955, but the planes were all modified bombers with uneconomically high rates of fuel consumption. No foreign airline wanted to buy them, and until recently the Russians did not appear to care much about selling them. It is different now. As in so many areas of the changing Soviet economy, Aeroflot's managers are deadly serious about making money; they have already leased one of their proud new IL–62s to Air France. They expect to have their own supersonic jet in operation by 1970 or 1971, about the time the Anglo-French Concorde goes into service, and well ahead of the U.S. supersonic timetable. They are prepared to offer that plane on tempting terms to foreign carriers (e.g., Pakistani International), thus biting into a market dominated by Western manufacturers.

JERRY HANNIFIN.

INDUSTRY PILOTS SCHOOL FOR JOBLESS

HON. BOB CASEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. CASEY. Mr. Speaker, it is hard for us to imagine a person supporting a family on less than $100 a month in welfare money. It is hard to imagine but it does happen—right here in America.

A recent article in the Christian Science Monitor focuses a workable approach to help the hard-core unemployed stand on their own two feet in the job world and earn a decent wage, which is the right of every American.

This article features a pilot program in Houston, Tex., which shows how American business and government are cooperating to help the hard-core unemployed become productive citizens.

Under this program funded by the U.S. Department of Labor, private business recruited 450 of the hard-core jobless for training and, 12 months later, 300 of them have been placed in jobs.

The results of this project illustrate most clearly how business and government can work effectively together to solve the problems of serious disadvantage that plague so many of our fellow citizens.

And these results—coupled with results coming in from across the country—indicate that the goal of the new JOBS program to hire and train 500,000 of the hard-core unemployed will be achieved.

I think my distinguished colleagues will benefit from the encouraging evidence in this article. I, therefore, include the July 2, 1968, Christian Science Monitor feature in the RECORD, as follows:

Industry Pilots School for Jobless

(NOTE.—Business and staff writers of The Christian Science Monitor have taken a hard look at the throes of American business as it tackles the problem of employing those who don't meet minimum hiring standards. This article introduces a new series on hiring the hard-core jobless.)

(By Richard A. Nenneman)

BOSTON.—"We took down the mathematics sign; they had all failed in math.

"We put up one that said measurement; everyone wants to be able to measure."

Partly because he turned a lot of advice upside down and acted according to his own understanding of human nature, John Donley has just finished, well ahead of schedule, a pilot program in training hard-core unemployed people in Houston.

"They told us to be gentle with these people," he says, "because society had been hard on them. They even suggested we pick them up if necessary to get them to school. Instead, I spent the first day explaining the Houston bus schedules and then told them if anyone missed more than three days [of the eight-week course] he would be out." There was hardly a drop-out among the entire 450 men and women.

Mr. Donley was talking about a pilot Manpower Administration program of the Labor Department in which private companies were given contracts in 10 different cities to train the hard-core unemployed. His project is one of so many different programs today that only the experts can keep track of them all.

ASSIGNMENTS ASKED

Northern Natural Gas Company asked for assignments in three cities—Houston, Detroit, and Los Angeles—and got all three. Mr. Donley, who at that time was director of the United States Commerce Department office in Pittsburgh, went with a Northern subsidiary, Northern Systems, to take on the Houston training job.

His task was to train 450 people over an 18-month period and get two-thirds of them placed in jobs. Twelve months later he has finished the training and already has placed more than 300 (39 percent were male, and all of these have been placed). The group was 72 percent Afro-American and 17 percent Mexican-American.

The eight-week program included grounding in English, in basic mathematics, in tool familiarity, and attention to the social skills. Simple things were covered such as how to get along with other people and learning not to panic if asked to take a written test.

The result, says Mr. Donley, is that a group of people, who before the program were drawing less than $100 a month from a combination of welfare programs, have now moved up to an average wage of $281. Moreover, he is satisfied that they have been placed in jobs where they will have the opportunity to continue learning and to advance.

BREAKTHROUGH ACHIEVED

Among other things, he scored a breakthrough in getting women hired as utility meter readers in the Houston area.

Mr. Donley was asked why the program had worked so well. He thinks it was largely a matter of the relationship between the teachers and the jobless. The responsibility was put on the unemployed individual to find his own job.

"We never told a new student we would find him a job. We said, 'We'll help train you. We'll open some doors for you.' But the worker remained the job seeker, and he knew it."

Thus, little things like the bus schedule were stressed, not to be hard on people, but to open up each person's sense of responsibility for himself.

Mr. Donley had realized that finding a job for a man would not in the long run be as important as finding what motivated him—in learning how to "turn him on."

Some of the nuances in this pilot program could be important for others to hear about. For in this summer 1968, as American business gets involved in a big way for the first time with the problem of the hard-core unemployed, everyone is looking for the best technique.

CHALLENGE ACCEPTED

Americans have, by and large, accepted a new challenge. Together they grope for the best answers to it.

Some conclusions of this series of articles are:

Big business is definitely in business to solve the hard-core unemployment problem. Smaller businesses will increasingly be joining in, too.

Business still lacks sufficient ground rules as to the extent or direction of its involvement. Not long ago, any corporate activity that didn't contribute directly to profits was suspect. Now business is asked to go full speed ahead.

But profits cannot be neglected. The largest corporations can look on some of their ghetto involvement as corporate giving. Even that has its limits. And smaller companies can do little hard-core work at net cost to themselves.

Huge sums of money are going to be needed to solve the hard-core problem. Much of this will probably have to come from the government, either through outright training subsidies or in the form of tax incentives.

VIEWPOINT SUGGESTED

The most hopeful way to look on the 1967–68 period is that it has been a tooling up for the massive work to be done from now until 1971, if 500,000 hard-core jobless are to become usefully employed.

Various programs will need to be compared, on the basis of relative costs and relative effectiveness. What about prejob training such as the Houston program, compared with on-the-job training? Or what about ghetto plants, as opposed to providing transport for ghetto residents to major suburban industrial areas, as has just been started in Boston?

Whites need to become more sensitive to black attitudes. They are training blacks in two ways: to gain particular job skills and to work with others for the first time in large industrial situations. Working with others, for instance, involves the demands of a production line. These demands are neither white nor black.

But black men used to be approached in a way that takes into account their particular background. Many a migrant from the South, for example, has never been in a factory and knows nothing of the importance of punctuality to a mass operation.

RESERVATIONS INDICATED

While corporations are quite willing to talk about their hard-core involvement, (1) they are not entirely sure themselves of the effectiveness of all they are doing, and (2) some are concerned about the black reaction if their particular programs don't work out well.

If it is admitted the United States is still in a "tooling up" phase, there is a need to examine present programs for their deficiencies as well as their strong points.

Some black leaders are concerned that too much attention is being given to labor-intensive jobs, in which the need for so many workers will diminish in a few years.

Says Ralph Hoagland, a white discount-store executive working full time in various ghetto programs in Boston, "I ask corporations if they are training the hard-core so they have a chance to make $7,500 within two years. If they aren't, they're wasting their time."

OPPORTUNITY DEMANDED

Anyone who talks with the black community knows this is not an extreme statement. Blacks are demanding full opportunity to achieve job equality. Hard-core programs cannot stop with labor-intensive employment, they say, nor with permanent assignment to menial jobs.

Jobs aren't the whole story, of course. There is general education, better housing, nursery programs, and other community improvement. Business is involved here also.

But business is most tangibly connected with employment. Access to full and meaningful employment and an equal chance for advancement are prerequisites to welding together the broken links between the white man and the black man in America.

A "WORST BOOK OF THE YEAR" NOMINEE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. DERWINSKI. Mr. Speaker, we are aware of the stubborn policy of the Johnson administration to embrace and coexist with the Soviet Union. Therefore, it is necessary that we maintain a proper interpretation of history so as to effectively judge the actions of the Soviet Union. Its totalitarian misrule by dictators of the Soviet empire has, unfortunately, been accepted as commonplace and its daily abuses shrugged off. Therefore, I was especially intrigued by a book review by associate editor Harry Dembkowski of the Polish American in Chicago which very properly reviews Soviet policy since the bloody Bolshevik Revolution:

A "WORST BOOK OF THE YEAR" NOMINEE

(By Harry E. Dembkowski)

Several days ago while browsing through some of the recent acquisitions of the Chicago Public Library, I made a surprising discovery—namely, the book "Russia Re-Examined," by someone named William Mandel—which undoubtedly deserves a place on anyone's "worst books of the year" list.

Written in a literary style apparently intended for the average American high school student and illustrated by countless pictures of smiling workers (with ne'er frown to be encountered from cover to cover), "Russia Re-Examined"—supposedly an objective examination of life in Russia since the Bolshevik Revolution of 1917—is little more than a prolonged apologia for that regime.

A few excerpts, taken almost at random, should raise the question of why the Chicago Public Library, in view of its very limited funds, ever acquired the volume in the first place.

The Soviet Union's atrocious behavior during the first months of World War II, for instance, is casually explained away with a few glib passages.

"In 1938, England and France appeased Hitler at Munich by compelling Czechoslovakia to surrender to Germany without resistance . . . The Soviet Union decided it was not going to be left holding the bag, and signed a nonaggression pact with Germany.

"Hitler launched World War II in September, 1939. Upon the collapse of the Polish government, the Red Army marched into the western Ukraine and western Belorussia, which had been in Polish possession . . . Stalin further strengthened his borders by retaking the Baltic states of Estonia, Lithuania, and Latvia, as well as the territory of Bessarabia then in Rumanian possession. He also made war on Finland to push back the Finnish border from Leningrad."

Were any of these acts immoral or at least improper? What of the material aid, including oil, supplied to Hitler by Stalin during this period, at a time when German armies were overrunning Denmark, Norway, Holland, Belgium and France? Never a word from our "objective" author.

Russia's subsequent military efforts against Nazi Germany are glorified, neither the Katyn Forest Massacre nor the Yalta Conference ever mentioned, and Stalin's post-war expropriation of half of Europe is viewed in this extraordinary context:

"Soviet policy in Europe since the war has been protection against the possibility of a third invasion in this century across the open plains from the west. Soviet forces are maintained in Germany, in Poland along the supply line to Germany, and in Hungary. In the years immediately after the war, chiefly in 1946, the U.S.S.R. withdrew its forces from Norway, Finland, Denmark, Czechoslovakia, Yugoslavia, Rumania, Bulgaria, Iran, Manchuria and Korea.

"United States Lend-Lease aid to Russia was stopped as soon as the fighting ended. The U.S.S.R. was not given a reconstruction loan such as the United States granted to all its non-Communist allies . . . The U.S.S.R. regards these policies as the beginning of the cold war."

The U.S.S.R.'s violation of practically all of its treaty agreements with the West, its forcible imposition to totalitarian dictatorships upon the historic states of Eastern and Central Europe, Stalin's rejection of President Truman's proposal for United Nations' control of all atomic weapons—these and the other actual causes of the Cold War are never even mentioned by Mr. Mandel in his Pravda-esque parody of recent history.

One of the most disappointing chapters in Russia Re-Examined, something entitled "Party, Government, and People," reveals more about the author's own feelings than about the political system he purports to be examining.

"It is important to realize that Soviet people simply do not think about government in the same manner that Americans or Englishmen or, say, Italians, do. Every Soviet citizen is raised from childhood to regard the Party leadership as deserving the credit for his country's progress. Usually the people he respects most are among the twelve million Party members."

Yes, Mr. Mandel, fifty years of totalitarian rule can sometimes distort one's political judgment. But what is your excuse?

HEALTH CONSERVATION AND PROTECTION FOR THOSE WHO WORK

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. MOORHEAD. Mr. Speaker, I wish to speak in behalf of the American workers who have no spokesman or protector. I am referring to those millions of American citizens who are employed in small plants and businesses which neither are unionized nor have any sort of management supported occupational safety and health programs.

They could tell you that things are not any safer or healthier on the job now than they were in the past. Take, for example, the young foundry worker described recently in Business Week—hardly a radical publication: He works in a "shadowy furnace room where nauseating zinc oxide fumes hover above roaring furnaces filled with molten brass."

The owners were aware that the workers got the "brass shakes"—metal fume fever—and "laughed about it." What they did not know was that the workers were also being exposed to excessive levels of copper and lead fumes and high concentrations of silica dust. Nor would they have known if it had not been for an inspection by the Pennsylvania Occupational Health Department.

Small industry workers in Pennsylvania are fortunate, for the occupational health program there is one of the best in the Nation. But there are foundries in the other States where the situation is quite different. Eight States have no occupational health programs at all and others like Texas and Illinois, hardly rural in character, have one- or two-man operations.

Pittsburgh is also fortunate in having the headquarters of the Industrial Hygiene Foundation, a nonprofit organization, which has served its member companies for over 30 years in a broad spectrum of environmental health and safety matters, and who will be prepared to lend their industrial expertise and objective evaluation and research under the provisions of this legislation.

No one knows, Mr. Speaker, exactly how many of our working citizens have no management-supported programs, no union, nor State agency to protect them against health hazards on the job. But I can assure you that the number is not small and that they will continue to be exposed to the whole range of industrial hazards unless this Congress does something about the situation.

H.R. 17748, the Occupational Safety and Health Act of 1968, helps fill this vital need. It provides grants to the States to help them develop or improve their occupational safety and health programs, research into the cause and prevention of occupational diseases and accidents, Federal standards to assure that workers in every State get equal protection, and training programs to make up for the existing shortage of personnel. This bill will not solve all of our problems, but it is certainly a long overdue first step in reducing the tragic toll of occupational accidents and diseases among all of our employed citizens.

I feel that the additions of the permanent advisory committee and the provisions for judicial review by the States in the bill recently reported by the committee have improved, this legislation which I am pleased to support in the interest of controlling hazards on the job, and promoting good health practices.

CAPTIVE NATIONS WEEK

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1968

Mr. McCLORY. Mr. Speaker, during this month when we celebrate our American independence, it is entirely fitting that we also pause to remember the plight of our brothers in spirit of the captive nations of east-central Europe whose battle for freedom is not yet won. This week, all Americans, many of whom have relatives and friends among the 100 million Europeans living under Communist regimes, wish to reaffirm their strong support of and faith in these captive peoples and the democratic principles and ideals they embrace.

This year marks the 50th anniversary of the proclamation of independence of the three Baltic States of Latvia, Lithuania, and Estonia. For the Balts, 22 years of increasing prosperity and a bright future were erased by the Russian annexations of their three countries following a violent takeover in 1940. Since that year, these Baltic peoples, along with the natives of the other east-central European countries under Soviet rule, have been forcibly held captive by an oppressive system which denies them their right of self-determination in even the most rudimentary local matters.

Millions of Americans have very personal reasons for being concerned with the plight of these captive peoples. For many, the Second World War and the subsequent Iron Curtain which divided the Eastern European people from the free Western Nations meant separations from loved ones that have now lasted over 28 years. Today, Americans of Albanian, Bulgarian, Czechoslovakian, Estonian, Hungarian, Latvian, Lithuanian, Polish, and Rumanian descents, have dedicated themselves to helping to speed up the liberation of their fatherlands from Soviet occupation. More importantly, the problem of the captive people of this world should concern all thinking, conscientious Americans. No man dedicated to the principles of freedom and liberty for all can ignore the dehumanized totalitarianism that exists behind the Iron Curtain. To use a well-known euphemism, "As long as one man is in bondage, is any man truly free?" As Americans with consciences, who believe in the democratic ideals as set down by our Founding Fathers in the Declaration of Independence and our Constitution, we must answer in the negative, and then lend at least our moral support to people who are struggling for the same ends which U.S. citizens achieved almost 200 years ago. This support can be demonstrated in two important ways.

First of all, by making the annual commemoration of Captive Nations Week a significant and meaningful event in which the entire country participates, we would renew the confidence of these captive people that they, too, will some day benefit by a political system such as we now enjoy based on liberty and freedom for all men.

Second, and more important, by its very existence and continued prosperity in today's modern world, the United States stands as a symbol of hope and encouragement to captive people living in Communist-controlled areas because it provides tangible evidence that government by the people has not become obsolete. Therefore, we must all work to remain an excellent example of a worthwhile, viable democracy which all oppressed people suffering under totalitarianism may strive to emulate.

Men of free spirit everywhere are inseparably intertwined in the quest of their democratic ideals. This week, we remind the people of the captive nations that we Americans are their brothers in spirit and their moral comrades as they wage their battle against totalitarianism and the age-old foe, injustice.

Mr. Speaker, National Captive Nations Week was dramatized last Saturday in the State of Illinois when public leaders and patriotic citizens joined together to combine two themes: "150 Years of the Good Life in Illinois," and "Freedom and Independence for All Nations." My friend, Viktor Viksnins, of Chicago, general chairman of the Chicago captive nations program organized this significant observance.

I commend my friends and constituents in Illinois who participated in this successful program. I know that this program, combined with many other efforts exerted in behalf of the people of the captive nations, will provide encouragement and hopefully an early liberation of their respective countries.

EMPLOYING THE UNEMPLOYABLES

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. DADDARIO. Mr. Speaker, the June issue of Supervisory Management carries an article on "Employing the Unemployables" by John D. Dewhurst, president of the Arrow Tool Co., in my own State of Connecticut.

I am proud to report that Mr. Dewhurst, with Labor Department assistance under the Manpower Development and Training Act, has for some time been hiring and successfully training men from the disadvantaged segment of our society.

In talking about the so-called hard-core unemployed, Mr. Dewhurst states:

> No matter what their limitations, with proper handling they *can* be trained to become productive. . . . But there is a far more compelling reason for teaching a trade to the disadvantaged. . . . The social problem of teaching them to take their rightful places in a competitive world is one which we *must* solve.

Mr. Dewhurst's article contains much helpful advice for those now becoming involved in training the hard-core unemployed. Under unanimous consent I include the entire article, "Employing the Unemployables," in the RECORD:

EMPLOYING THE UNEMPLOYABLES

(By John D. Dewhurst)

More and more companies are concerning themselves with one of our most pressing national problems: the hard-core unemployed. As business and industry, in cooperation with government, are finding ways to successfully hire and train the "unemployables," supervisors in increasing numbers are faced with the challenge of managing them. A report on our experience at Arrow Tool may provide some helpful guidelines for supervisors.

A NEW SOURCE OF LABOR

Several years ago, we urgently needed a new source of labor for our growing business of making machined parts for the computer industry. With Labor Department assistance under the Manpower Development and Training Act, we set out to hire and train men from the group now popularly called hard-core—men with little or no work experience, no special job skills and a limited educational background. They were rejects of a society that has been generally uninterested in salvaging them. Many of them were from minority groups seriously handicapped by discrimination. Some were alcoholics and addicts, ex-convicts and chronic drifters. Each brought with him all the personal problems that had contributed to his previous failures in the working world. To even bring these men up to the level where they could qualify for *training* as apprentice machinists, we had to send them to an intensive pre-apprenticeship course at a Hartford vocational school.

How do you prepare an organization to accept and work with this kind of employee—the employee who, until now, would never have been considered for a job with your company?

THE SUPERVISOR'S KEY ROLE

Whatever the size of the company and the extent of management's commitment, the supervisor will play a key role in determining the success of employing the hardcore. He should have a clear understanding of their attitudes and problems.

He should know that because little has been asked of them in life—and little given—they often lack a sense of responsibility. For many, the very process of living has been so difficult and so fraught with disappointments that they have lost faith in themselves and in those who sincerely want to help them. Many have simply stopped trying and have developed what would seem to the casual onlooker a compulsion to fail. When you hire a member of the hard-core, you can usually count on having to take these personal problems along with the task of training him.

For example, a hard-core employee may take his first paycheck and put it down on a $1,300 hi-fi set, disregarding the fact that he can't really afford the monthly payments. This may lead to garnishment problems later.

The employee's supervisor may wonder why he doesn't realize the limitations of his income. The answer is that he's never had experience with personal budgeting—he only knows that he's always wanted a hi-fi set and can get one by simply signing on the credit merchant's dotted line.

REVAMPING COMPANY POLICY

Despite the problems they bring with them to the job, hard-core people can ultimately be of value to the companies that hire them. No matter what their limitations, with proper handling they *can* be trained to become productive. That's the dollars-and-cents reason for involvement.

But there is a far more compelling reason for teaching a trade to the disadvantaged. It is a reason that none of us in management can any longer afford to ignore. For in our changing society, these people have made their presence known to all of us. The social problem of teaching them to take their rightful places in a competitive world is one which we *must* solve.

Our policy is to give a job to any man who really wants to work. At Arrow Tool, testing is used to "select in" rather than to "select out"—to provide the training director or the foreman with knowledge of a man's weaknesses as well as his strengths.

In line with that policy, we've deliberately taken on a number of tough cases over the past few years—men who wouldn't stand a chance of making it without the individual attention we're prepared to provide.

A CASE HISTORY

Donald W. is an employee I never thought would work out. He came into the apprenticeship program after working for years at three different jobs—a total of 18 hours a day—to support his wife and seven children.

During Donald's pre-apprenticeship training, the instructor noticed that he was inattentive in class, but attributed that to the fact that he was still working nights as a cab driver to make ends meet.

After Donald started on the job, the foreman worked closely with him, trying to help him to make the grade. But the man still lacked self-confidence, and seemed uninterested in his work.

The turning point came the day we put Donald on as a substitute truck driver and found that he did the job faster and better than the regular man. Back in a job he could master, his self-confidence returned. My foreman talked with him again and concluded that Donald just wasn't meant to be a machinist.

With that information, we transferred him to the plating room. Now, less than two years later, Donald is head man in our plating department, making between $150 and $200 a week, including overtime. Evenings, instead of driving a cab he's taking a course at Yale University which will help to further his career.

THE SUPERVISOR'S ATTITUDE

One thing that we have learned is that the attitude of the supervisor—positive or negative—can make or break the hard-core employee. We realize that the supervisor does have a problem. We give him a man from the bottom of the employment barrel and he still has his machines to keep going, his parts to make to a quality standard. He doesn't want to see his production hurt and his materials scrapped.

To help them over the hurdle, we've given our foremen and supervisors classes in human relations, supervisory practices and communications. Thorough training is the best way to brace our foremen for the task they face.

The value of such training, particularly in the area of human relations, has been amply proved. For example, among our apprentices is a fiery-tempered young Puerto Rican. He's blown up and walked out on the job several times, but we are convinced that his talent is worth saving.

After his supervisor, Carmelo Renna, took the human relations course, he studied the young man and decided his chief problem was that he was a perfectionist and couldn't tolerate having anybody tell him he'd made a mistake. So Renna talked with his protégé, and explained that no one liked to make mistakes but that he could only learn by having his errors pointed out. The result is that the young man's attitude has improved markedly and he's well on his way to becoming one of our most valued employees.

From the practical application of his human relations training, Carmelo Renna has concluded that in working with the disadvantaged, "a supervisor has to bend more, has to choose his words carefully and use them wisely."

THE EXTRA EFFORT COUNTS

Ben Libera, foreman of our numerical control units, admits that handling the disadvantaged is sometimes difficult but he is aware that this labor market must be tapped. Says Libera, "The foreman must realize that these people have problems. Then he must study his men and handle each individually."

Louis Kolakowski, foreman of our tool room, points out that any good foreman must have the ability to motivate. It just takes a little extra motivation in working with some of the hard-core.

Kolakowski has been so successful with his last group of trainees that he managed to get them all a raise after just one month on the job. After three months, he reported proudly, "Some of them are already doing jobs that I didn't think they would be doing for the next year and a half."

Kolakowski's statement is convincing evidence that—with a little extra effort on the part of foremen and supervisors—our disadvantaged citizens *can* make the grade.

Many industries have taken the lead in utilization of the hard-core, and have proved the value of these employees. In shipbuilding and aircraft manufacturing, electronics and food service, as well as in the machine tool industry, disadvantaged men and women have been successfully trained in a variety of skills. Taking their places in business and industry beside workmen with better educational backgrounds, they have proved that given the opportunity—and the understanding of helpful first-line supervisors—the hard-core unemployed *can* become productively employed members of society.

OCCUPATIONAL HEALTH AND SAFETY ACT OF 1968

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. OTTINGER. Mr. Speaker, the New Republic of June 15 carried an interesting and informative article by Ralph Nader and Jerome Gordon on the subject of the occupational health and safety bill. In order that my colleagues may read this article for themselves and adjudge the nature of the bill and its opposition, I include it in the RECORD:

[From the New Republic, June 15, 1968]

SAFETY ON THE JOB

(By Ralph Nader and Jerome Gordon)

"Imagine yourself sitting in your office a few months from today. A young man barges in. You recognize him as a man you once refused to hire. He had no education and no potential you could use. His main experience consisted of cashing welfare checks. But he shows you he's now a representative of the federal government—an inspector with the Department of Labor. And he threatens to padlock your gates and have you fined $1,000 a day if you don't do as he says."

With minor historic adjustments, the foregoing remarks could have issued from the business barons of the McKinley era. Actually, they were written two months ago by the U.S. Chamber of Commerce as a call to obstruction by U.S. business of the Johnson Administration's worker health and security bill. With a lobbying effort, in conjunction with such other major trade associations as the National Association of Manufacturers, that has led the Chamber to unfurl its true colors, there is a growing probability that Congress will not act by the end of this session. That would mean another year without a comprehensive federal program designed to end colossal inaction and penury by our society in dealing with the following conditions:

Every working day 55 workers die, 8,500 are disabled and 27,200 are injured (a case can be made that these data are underenumerated by at least 25 percent annually.)

Unlike traumatic injuries which are relatively visible, the longer range injuries causing insidious deterioration of the human body come from exposure to coal dust, abestos, lead, cadmium, beryllium, cotton dust, carbon monoxide, chemicals, dyes, radiation, pesticides, benzene and thousands of other toxic materials. Industrial uses of chemicals are growing so rapidly that voluntary exposure limits have been set for only 400 of the 6,000 chemicals in substantial use.

The federal government at present has no authority to issue mandatory safety standards for various private occupations, with few exceptions like longshoremen, stevedores, maritime and to a smaller extent, coal miners and soon, uranium miners. Adverse health and safety conditions have been worsening in the past decade, while workmen's compensation benefits have not kept up with living costs. (One third of the labor force is not covered by any workmen's compensation).

Paralleling this deterioration is the pathetic and industry-indentured performance of the states, who traditionally have had exclusive jurisdiction over worker health and safety. Only 1,600 state safety inspectors are around, some tied by ambition, laziness or lucre to winking at violations. By contrast, the states retain at least double that number of fish and game wardens. Overall, the states' worker safety programs spend an average of 40 cents a year per non-agricultural worker, with Texas and Oklahoma, for example, spending about two cents per non-agricultural worker. Further, of the 1,600 state inspectors, about 700 inspect boilers, elevators and mines, leaving the remainder for general safety inspection, construction, safety promotion and education, health and industrial hygiene. Four states have no inspection staff at all; 17 states have fewer than 11 safety inspectors. More dismaying, only three states have staff specializing in the area of occupational health and industrial hygiene.

Over, underneath, and around this fragile state framework are the representatives of industry and commerce making certain that there is no applied sanctions to even the meek laws and controlling the process of developing standards, through their so-called United States Standards Institute of America (until 1966 the American Standards Association) whose promulgations are hurried into state statutes or regulations. Even data collection reflects the omnipresence of business: in 1966, less than half the states required employers to report all accidents and less than two-thirds of the states require employers to keep accident records. Just what constitutes work injury is defined for states by industry through the USA Standards Institute (USASI). The present standard 216.1 vests considerable authority in plant medical personnel in determining whether an injury constitutes an "injury," and does not count third-party fatalities in an industrial catastrophe as "industrial fatalities," even if they were employees in nearby establishments.

The factory climate surrounding data collection makes deep skepticism the minimal response to the Chamber of Commerce's claims of progress and superiority over other industrial nations. Accident and injury reporting in many industries, such as steel and autos, is deliberately aborted in numerous cases. Testimony before the House Education and Labor Subcommittee earlier this year by Public Health Service employees and medical professors cited cases such as a man bodily carried from his hospital and given a bed at the work place in order to eliminate lost time accidents. Less extraordinary but far more frequent are "make work" activities after injuries or "no-work" such as sitting the worker at a table doing nothing. Data on occupational diseases such as respiratory and liver ailments from toxic exposures are woefully incomplete, according to a report by the Department of Health, Education and Welfare.

One of the major canons of medical science—free communication—is severely undermined by the subordination of professional dictates to corporate expediencies. Dr. Hawey A. Wells, a pathologist and professor at the University of West Virginia Medical School, offers two illustrations of little-known corporate censorship:

"A Dr. John Zalinsky told us about 30 cases of a chronic lung disease caused by exposure to 'safe' levels of beryllium dust. He was told by his company's management that if he published these cases in the medical literature he would have to look for another job. He was torn between professional honesty and personal security—he had had one heart attack and would have difficulty in finding another job. Before he was able to resolve this dilemma, he died from another heart attack. His material has never been published.

"I have personal knowledge of a plant which uses manganese, long known to be a toxic metal. Through bitter experience, management recently found that it poisoned the nervous system, causing permanent brain damage in exposed workers. They are now using a simple test, no more complicated than a prick on the finger, to detect exposure to manganese long before permanent nerve injury occurs. Hundreds of other companies who now use manganese do not have the advantage of knowing about this simple test because it has not been published in this country.

"Unless each physician, each industrial hygienist, and safety engineer has available to him the research experience of all of those who preceded him in his profession, he must duplicate the research in every case, often at the cost of human life."

Under-reporting of occupational diseases is also related to inadequate state laws permitting health officials to have a right of entry into the plants. One plant in Pennsylvania (a right of entry state) was using the chemical beta naphthylamine, which a health specialist learned was causing carcinoma of the bladder. The plant promptly moved to Georgia (no right of entry state) and resumed operations unhindered.

Under-reporting has other harmful consequences. Not knowing the patient's occupational exposure, a physician can produce a mistaken diagnosis. For instance, the Public Health Service two years ago reported three "pneumonia" deaths that were later traced to the use of silver solder containing deadly cadmium.

Definitional absurdities have resulted in these abuses uncovered by the N.Y. State Department of Labor:

A plant employing over 2,000 persons did not consider reportable any injuries that did not entail lost time, nor did it report any temporary injuries that fell within the seven-day workmen's compensation waiting period. The corrected injury frequency rate was almost triple that originally reported by the firm.

Another firm, employing over 10,000, was reporting a low rate of injury by comparison with the rest of the large companies in the same industry, until it was discovered that it was reporting only compensable cases. This practice may require revising our notion that big plants are safer than small plants.

With both industry and the states grievously deficient in defining new hazards and in collecting adequate data, the cumulative toll annually of 500,000 disabled by occupational diseases, over two million disabled by occupational accidents and over seven million injured must be considered a substantial understatement. And we haven't begun to measure the deleterious effects of noise, artificial light, vibration and other assaults on man's physiological integrity.

The insurance industry, taking in $2.3 billion in workmen's compensation premiums in 1967, spent an unspecified $35 million on industrial safety and inspection. This relatively tiny sum has resulted in little loss prevention work and no significant contributions to data collection and retrieval. Contrary to popular impression, workmen's compensation insurance is enormously profitable to most companies with a range of between 10 and 35 percent gross margin profits in the past 20 years. Their public relations to the contrary, such insurance carriers have not been eager to publicize new worker hazards in any forum and have not shared their knowledge with governmental authorities as befits good corporate citizenship. The highly touted safety record adjustment or "merit rating experience" applies for only 20 percent of all insurance risks. The underwriters have shown almost no interest in plugging loopholes in state laws—for example, only 18 state laws cover all employment. Others have exemptions of varying scope, such as all work activity *except* mining and construction.

Against such a background, it is not surprising that the Chamber and the National Association of Manufacturers are moving to block the federal bill by delaying it through the session or proposing a study commission in the alternative. Failing that, they will strive to strip it of meaningful penalties, surround it with advisory committees and demand usage of industry standards via USASI. Big business benefits from the do-little symbolic states laws with their financially starved administrators, and from the lower costs of insuring against risks of industrial injury that are possible with incomplete reporting of accidents, injuries and disease.

As now proposed by the Administration, the worker safety and health bill provides for setting mandatory standards applicable to employers affecting interstate commerce (roughly 50 million employees). The bill authorizes the Secretary of Labor to inspect the premises, issue cease and desist orders, and invoke other civil and criminal sanctions where necessary. Compliance with such standards can be made a condition of continuing federal contracts with the firm. The bill provides for grants up to 90 percent of the cost to the states to upgrade their role in data, inspection, enforcement and general administration. The Department of Health, Education, and Welfare is given a mission in research, training of personnel and developing safety criteria. The projected total cost over the next five years is estimated at $300 million, or approximately $30 million a year beyond current levels. Compare this sum with the cost in 1966 of work accidents and illnesses—$6.8 billion.

Americans far from the blue-collar world have absorbed a decisive image of industry as gleaming, one-story, antiseptic space-age firms where rates of injuries and disease are not far from zero frequency. Unfortunately, work is getting more complex and dangerous all the time, not just for the blue-collar worker but for the white-coated scientist or laboratory technician handling exotic materials. Dr. Miriam Sachs told the House Subcommittee in February something of this trend when she described the "shift from a mechanical to a broadly diversified array of new hazards," including many new agricultural hazards flowing from the use of synthetic chemicals as fertilizers or as pesticides.

Secretary of Labor Wirtz, in perhaps the most feeling testimony of his career, told the Senate subcommittee on Labor what the grisly evidence points to as the central issue:

"It is whether the Congress is going to act to stop a carnage which continues for one reason, and one reason only, and that is because the people in this country don't realize what is involved, and they can't see the blood on the food that they eat, and on the things that they buy, and on the services they get."

Secretary Wirtz has the facts, enough in themselves for action, but pointing to a larger dimension of industrial neglect than was thought possible a year ago. One datum in his testimony: half of the nation's 137,000 coal miners suffer from the cruel dust disease—pneumoconiosis of the lungs; they breath with difficulty and spit black sputum daily. Not many Americans know of this human depletion when they receive the benefits of coal energy. That's what Secretary Wirtz is talking about and that is what the Chamber of Commerce doesn't want us to hear.

BUSINESS LED THE FIGHT FOR LIBERTY

HON. JOHN O. MARSH, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. MARSH. Mr. Speaker, inasmuch as we are in the bicentennial period of the American Revolution, I particularly wanted to call to the attention of the House an article that appeared in the April issue of Nation's Business by Bob Considine entitled "Business Led the Fight for Liberty."

In 1767, the English Parliament adopted the hated Townshend Acts and other measures such as this that would manage to crystallize opinion in the American Colonies 200 years ago.

The article is as follows:

BUSINESS LED THE FIGHT FOR LIBERTY

(By Bob Considine)

It all started long before the shot was fired that was heard around the world.

Businessmen in the then boisterous seaport of New York struck many of the American colonies' first blows for liberty years before the revolution.

What galvanized those early merchants to action was more than threats to commerce. It was the longing to rid themselves of a tyranny that oppressed the very spirit of the colonies.

Resentment of British rule surged in waves as the Crown placed more and more restrictions on trade and issued its edicts in high-handed manner in the New World. But it was the Stamp Act, imposing unreasonable taxes, which finally stung the colonies like a lash.

The so-called Stamp Act Congress convened in New York's City Hall Oct. 7, 1765, gaveled into session by Mayor-businessman John Cruger Jr. Twenty-seven delegates from nine of the 13 colonies attended.

Cruger proved himself to be the catalyst between the Congress's hawks and doves. Though he was mayor of a rowdy and hardly cultural town of 200,000 he was a man of great dignity and prudence. He and his brother, Henry, were pillars in the city's chief industry. Their fleet of ships engaged in general trade with England and the West Indies.

The Congress deliberated under the gun. Nov. 1 had been designated by London as the day the stamps must be used. A ship carrying the hated stickers, bearing the chop of King George III, dropped anchor in the harbor while the delegates were in caucus.

His Majesty's lieutenant governor of the colony took the occasion to inform the Congress, and the city at large, that the Act would be enforced. Lieut. Gov. Cadwallader Colden was known to be a man of his word, too. And he had a Fort George at the tip of Manhattan to back up that word.

In those tense hours, John Cruger wrote, and the Congress voted in favor of, a Declaration of the Rights and Grievances of the Colonists in America. It asserted that all subjects of the King in America had the same rights and liberties as those in Britain. Taxation without consent was a violation of those rights, it continued, and inasmuch as Parliament's doors were closed to colonists, the colonies, and the colonies alone, must levy their own taxes through their legislatures.

This momentous document preceeded the Declaration of Independence by more than 10 years.

This was followed by a boycott on British imports, which blocked the issuance of the dreaded stamps and brought about a shake-up in British political circles.

But the triumph over the Stamp Act was tempered abruptly. Fresh, harsh new orders were issued from London.

The Townshend Acts of 1767 placed import duties on glass, lead, paints, paper and tea, while at the same time reducing taxes in Great Britain.

Greatly disturbed, as a patriot and businessman, John Cruger resolved that only through the establishment of an organization of New York business leaders could the city and the colony hope to protect itself against the Townshend Acts and other impending encroachments.

Accordingly, he called a meeting of 19 other like-minded merchants at Bolton & Sigell's Restaurant, also known as Fraunce's Tavern, at Broad and Pearl Streets, on April 5, 1768. From that assembly, historic in its vision and sense of high purpose, came the now 200-year-old document which established the "New York Chamber of Commerce."

THE CHAMBER'S FIRST PRESIDENT

Cruger was elected the first president, Hugh Wallace, vice president, Elias Desbrosses, treasurer, and Anthony Van Dam, secretary.

The Chamber's early rules and regulations reveal the seriousness of the undertaking. The disciplines invoked reflect the nature of the founder; the positions it took were those that followed the dictates of his conscience.

That he knew how to conduct a seemly assembly may be seen through the rule that decreed that any member failing to rise and address the chair when he had a proposal to make, or interrupting another member while speaking, should forfeit one shilling.

Those who absented themselves from a meeting, or arrived late or left early without the consent of the president, were fined. Sickness or being six miles away from the city were considered reasonable excuses for being absent.

The minutes of early meetings of the Chamber show that lenience was extended to certain absentees who, on meeting nights, found themselves marooned in such outposts as "Jerseys," "Setauket," and "flat Bush."

The Chamber fought vigorously and usually successful for sounder money, purer food, standardized weights and measures and, always, it campaigned for equal rights with other subjects of the King.

Thomas Paine was to write, eight years after the formation of the Chamber, that those were the times that tried mens souls. The soul of John Cruger had long since been tried and found trustworthy.

Everything in his all too slender dossier suggests a man beset by warring devotions. He respected the Crown; he revered liberty. Let the militant Sons of Liberty shout in the dockside taverns of the city, and brawl on occasion with the troops of the Fort George garrison, Mayor Cruger would find some middle road, some honorable way to achieve the land's just rights without the spilling of blood.

Two of his moves especially typify his hope of averting an open break with the mother country.

On May 2, 1769, while doubling as Speaker of the General Assembly, he spearheaded a resolution which put the Assembly on record as a solid front against further British arrogations.

It took the form of a letter to the merchants of the city and the colony expressing "the thanks of the House for their repeated disinterested, public-spirited and patriotic conduct in declining the importation of goods from Great Britain until such Acts of Parliament as the General Assembly had declared unconstitutional and subversive of the rights and liberties of the people of this colony should be repealed."

It gave the merchants the status of militiamen, even minutemen.

CHAMBER GETS ITS CHARTER

But on Feb. 15, 1770, with the approval of the Chamber, Cruger requested Lieutenant Governor Colden to grant a charter incorporating the organization. The lieutenant governor was delighted by the application.

"I think it a good institution and will always be glad to promote the Commercial Interests of this City, and shall deem it a peculiar happiness that a society so beneficial to the General good of the Province is incorporated during my administration," he wrote.

The royal charter, heavy with King George's seal, arrived within the next month. Merchant-Mayor Cruger repaired to Fort George, with the consent of his colleagues, thanked Lieutenant Governor Colden for the aid he had rendered, and read as follows:

"We beg leave to assure your Honour that our utmost Ambition is to approve ourselves useful members of the Community, submissive to the Laws, zealous for the Support of Government, and our happy Constitution, and firmly attached to our most Gracious Sovereign; and that we will exert ourselves on all occasions to promote the General Interest of the Colony, and the Commerce of this City in particular; that the Utility of the Institution and the Wisdom of its Founder may be equally applauded by the latest Posterity."

The original royal charter said in part:

"Whereas, a great number of merchants in our City of New York, in America, have, by voluntary agreement, associated themselves for the laudable purpose of promoting the trade and commerce of our said province; and whereas, John Cruger, Esq., the present President of the said Society . . . hath represented to our Lieutenant-Governor, that the said Society (sensible that numberless inestimable benefits have accrued to mankind from commerce; that they are, in proportion to their greater or lesser application to it, more or less opulent and potent in all countries; and that the enlargement of trade will vastly increase the value of real estates, as well as the general opulence of our said colony) have associated together for some time past, in order to carry into execution among themselves, and by their example to promote in others, such measures as were beneficial to those salutary purposes. . . .

"Therefore, we being willing to further the laudable designs of our said loving subjects, and to give stability to an institution from whence great advantages may arise, as well as to our kingdom of Great Britain as to our said province . . ."

In substance, the monarch approved of the articles previously adopted by the Chamber and tossed its members additional crumbs: They and their successors might acquire real estate to the value of £3,000 sterling, mint a common seal and build a meeting place of their own, now that their numbers were swelling.

THE WAR YEARS

Hugh Wallace, an Irish-born merchant followed Cruger as Chamber president. He was to embrace the British cause when the revolution broke out.

Wallace's tenure as president was brief.

He was followed by Desbrosses, a rich realtor of Huguenot descent who was one of the founders and strong supporters of the French Episcopal Church of St. Esprit, in Pine Street and a vestryman and warden of Trinity Church.

Henry White succeeded to the presidency in May, 1772. He, too, was intensely loyal to the Crown.

As war neared, John Cruger's "cool"—as it came to be known a long time later—was sorely tested. A profile of him, written years later, defines his torments:

"His course during the eventful period of

1775, when patriotic blood boiled . . . on receipt of the news of the Lexington outrage, was marked by a calm, dignified courage and self-reliance; and while he did not take an active part in the beginning of the contest, from conscientious scruples which his official position (Mayor and Speaker) imposed upon him, his sympathies were nevertheless with the people in their efforts to secure redress for the wrongs done them by the mother country."

Evidence of his desire for peace is shown in a letter to General Gage, the British commander, May 5, 1775, in which Cruger pleaded for moderation.

But hotter heads than Cruger's prevailed. For a period, mobs drove him out of the City Hall and took over, during which time several British merchantmen were seized in the harbor and their goods stolen or burned.

In April, 1776, New York was taken by Gen. Israel Putnam. George Washington moved his headquarters to the city, not long after that.

In August of that same year, British Adm. Richard Howe's fleet appeared, laden with the human and mechanical hardware of war.

The British fought their way ashore at Gravesend Bay Aug. 22, took Brooklyn Heights Aug. 27. The big push, however, was yet to come. Gen. Washington, having pulled his troops into the city from Long Island, braced for it. But his men were no match for the troops Howe landed at Kips Bay, on the East Side of what is now mid-Manhattan.

They stretched their lines across the islands to the Hudson, a line that became Thirty-fourth Street. But Washington broke through and took up a new and impregnable position on Harlem heights.

John Cruger went with Washington's men in his moment of truth. He had gone for broke.

Cruger lived to see Washington's triumphant return to New York, the ecstasy of independence and the rebirth of his beloved Chamber.

SOVIET PERSECUTION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. RARICK. Mr. Speaker, one advantage granted the Soviets by ratification of the Communist Consular Treaty has been a license to intimidate foreign-born American citizens in the United States.

I am in receipt of letters from Mr. Tedis Zierins, an American of Latvian descent, who exposes a program of conspiratorial harrassment so that the American people may know the threats from Soviet-United States bridge building.

Even more frightening, our citizens are forced to exposure by controlled propaganda to sell the idea that the flying of Communist airlines to and from our country is of historic importance in some cause of world peace.

Are we to believe that Russian jets piloted by Soviet military officers are so routed as not to fly over our defense systems? What a ruse to authorize the Russian air force firsthand knowledge of our skies and facilities.

Mr. Speaker, I ask that Mr. Zierins' letters follow my comments. I think by his courage and fearless exposure of the Communist exploitation of our friendship Mr. Zierins is entitled to the gratitude of every loyal American. The question really posed by Mr. Zierins is "What happens if Soviet consuls kidnap Americans of foreign extraction and whisk them by the convenient jet airliners behind the Iron Curtain?"

[From the Aurora (Ill.) Beacon-News, July 16, 1968]

SOVIET PERSECUTION

At the same time as ratification documents of the consular treaty between the United States and the Soviet Union were signed at the White House by Soviet Ambassador Dobrynin recently, the consular division of the Soviet Embassy asked some American citizens why they are "still lingering" in the United States. While the Soviet "Committee on Cultural Exchange with Countrymen in Foreign Countries" was inviting all in sweet words to visit the capital of occupied Latvia, the consular division of the Soviet Embassy in Washington was requesting information of the former addresses of visitors to Latvia, who had returned to the United States after visiting there.

About one such occasion you can read also in Latvian language newspaper "Laiks" (published in New York by loyal American citizens) on June 26, 1968:

"On May 30, the 3rd secretary of the Soviet Embassy, V. Muratov," wrote to Mrs. C. Lapins, East Rockaway, N.Y.: (the letter is written in Russian language).

"Dear Mrs. Lapins,

"We ask you to notify us as to the reasons which retain you in the U.S.A. and about your future plans. If you intend to remain in the U.S.A., send to our address a personal certificate, stating and explaining in it the reasons which have caused your stay in the U.S.A. and your former address in Soviet Union."

It is self evident that the receiver of this letter, who already for 16 years is a citizen of the United States, was angered to the utmost degree by such Soviet provocation.

She explains:

"I have never had the slightest intention to return to the Soviet Union, and I have not voted for the annexation of Latvia to the Soviet Union. When in 1940 the Soviet army invaded Latvia, I was a student at the art academy. The Soviet agent who was in charge of supervising the activities there, wanted to expel me, because I was interested in sacral paintings. In 1941, during June 13 and 14, when the mass deportations took place in Latvia and its neighbors Lithuania and Estonia, they searched for me at my apartment in order to deport me to Siberia, but I was not at home and thus escaped.

"I am a citizen of the United States for 16 years, and I cannot understand why the Soviet Embassy bothers me with a letter asking me to return to the Soviet Union."

That is only one example how Soviets bother American citizens who once have lived under the Communist tyranny.

To some others they send Soviet newspapers with smear articles about the receivers or their friends. For instance, several times Soviet newspaper "Dzimtenes Balss" (Voice of Homeland) has attacked me for writing letters to the editors of American newspapers.

No matter how long we are loyal American citizens, Moscow still considers us Soviet citizens.

TEDIS ZIERINS.

CHICAGO, ILL.

[From the Chicago (Ill.) Community Publications, July 17, 1968]

PEOPLE HERE MISLED BY RUSSIAN RABBI

Yehuda Leib Levin was the first rabbi from the Soviet Union to visit the United States. His trip was very well prepared. Rabbi Levin declared "Jewish people receive in the Soviet land their rightful place to live and to contribute to the advancement of our country and the happiness of the Jewish people as a whole."

To support this statement Rabbi Levin had a movie which shows his Moscow's Grand Choral Synagogue gleaming and artistically faultless, filled with well dressed, happy looking parishioners.

But this one example of beauty and imposing tradition does not convince those people who know that the Communist regime ruthlessly continues its drive to eliminate all belief in God, whether Jewish, Christian, Moslem or others.

Since 1956 alone the Soviets have closed almost 400 synagogues. Now there are only 60 synagogues left for 3 million Jews in the Soviet Union, while here in the United States, there are almost 5,000 synagogues for 5.7 million Jews.

In Moscow there are more Jews than in the greater Chicago area, but besides the Levin's beautiful synagogue, which the Kremlin uses as a showplace for foreign visitors, there is only one other smaller synagogue.

How can one speak of rightful place for his people, if there are only two synagogues for 300,000 Jews in Moscow? How can one speak of happiness of his people if they are forced to abandon their houses of worship? That is not happiness, that is spiritual genocide and Moscow has sent Rabbi Yehuda Leib Levin to mislead the people here.

No wonder that the U.S. Communist party official newspaper "The Worker," June 25, 1968, calls everybody, rightwing extremist and holligans, who refuses to accept Rabbi Levin's misleading statements.

TEDIS ZIERINS.

TO LIMIT MANDATORY REPLIES TO CERTAIN QUESTIONS IN THE DECENNIAL CENSUS TAKING

HON. HOWARD W. POLLOCK

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. POLLOCK. Mr. Speaker, today I am introducing a bill which would curb the ever-expanding invasion of our citizens' right to privacy when the U.S. census is taken. My bill would limit mandatory replies to only seven questions asked by the census taker, leaving any answers to any remaining questions strictly on a voluntary basis. It becomes increasingly apparent that the census data are being used to provide business indexes, whether washing machines or other household appliances are owned, or other matters which are not related to the day-to-day operation of the Federal Government.

To require, under Federal penalty, mandatory replies to such census questions is to me a very serious invasion of our citizens' right to privacy. I urge my bill be referred to the appropriate committee for action. Hearings have been held on similar bills already and I would hope that the distinguished chairman of the Census and Statistics Subcommittee, the gentleman from Pennsylvania [Mr. GREEN], will consider bringing this measure out of committee when Congress reconvenes after the nominating conventions.

A. L. ALFORD: A GREAT EDITOR

HON. FRANK CHURCH

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Wednesday, July 24, 1968

Mr. CHURCH. Mr. President, last Saturday one of Idaho's great editors and publishers, A. L. Alford, died, the victim of a cerebral hemorrhage. Bud Alford, as he was known to his hundreds of friends, had been editor of the Lewiston Morning Tribune since 1928, and publisher since 1946. In the many years he was associated with the Tribune, he built for his paper a reputation for integrity and intelligence. It may well be the best newspaper of its size in the country today.

As the Idaho Daily Statesman said in commenting upon the loss Idaho has sustained in Bud Alford's death:

> From the time he became managing editor in 1928 until the day he died, A. L. Alford was dedicated to making the Tribune an extension of himself—independent, demanding of accuracy and a total record of the day.

Bud Alford shunned publicity. In the words of the Tribune's lead editorial the day after he died:

> That was partly because he was a modest man, but mostly because he didn't consider it professional for newspapermen to celebrate themselves.

Mr. President, Idaho journalism has lost a leader. I have lost a valued and trusted friend.

I ask unanimous consent to have printed in the Extensions of Remarks an article on the life and work of Bud Alford, which was published in the Lewiston Tribune of July 21, and two editorials, one by Bill Hall, of the Tribune staff, the other by James Golden, of the Idaho Daily Statesman, in Boise.

There being no objection, the article and editorials were ordered to be printed in the RECORD, as follows:

[From the Lewiston (Idaho) Morning Tribune, July 21, 1968]

A. L. ALFORD, TRIBUNE EDITOR, DIES

Albert L. (Bud) Alford, 61, editor and publisher of the Lewiston Morning Tribune since 1946, and an executive of the newspaper since 1928, died at 5:15 p.m. yesterday at Sacred Heart Hospital, Spokane, from the effects of a cerebral hemorrhage suffered Friday night at 11 at his home, 1402 8th Ave.

Alford was stricken on the patio of his home a few minutes before he had planned to retire for the night. He also sustained a skull fracture when he fell.

He was taken to St. Joseph's Hospital from his home by ambulance and flown to the Spokane hospital for emergency treatment at 7:30 yesterday morning. He never regained consciousness.

One of the Pacific Northwest's best known editors, Alford was widely respected in national journalism circles. Under his leadership, the Lewiston Morning Tribune became one of the most widely read small city daily newspapers in the United States, and is used as a study guide in university journalism schools.

Alford's 43-year association with the Tribune began in the spring of 1928 when his uncle, Albert H. Alford, the Tribune managing editor, died. Alford returned to Lewiston from Washington & Lee University, Lexington, Va., to assume the managing editorship.

He immediately began to attract attention both for the clarity of his editorials and the quality and depth of the news columns. As managing editor, Alford guided the Tribune and its readers through the depression and World War II.

He became editor and publisher in April, 1946, upon the death of his father, E. L. Alford—who with Albert H. Alford founded the newspaper as a weekly in 1892.

DUTIES INCREASE

As editor and publisher, the scope of his duties became greater, but he maintained intimate contact with all departments and personnel in supervising daily production of the Tribune.

In his capacity as a newspaper executive, Alford was a leading figure in American journalism. He was elected in 1966 to membership in the American Society of Newspaper Editors, the leading professional organization for editors, and was a past president of the Utah-Idaho Associated Press.

Alford was twice nominated as a director of the Associated Press, the international news gathering organization of which the Tribune has been a member since 1898.

He was a member and former director of the Pacific Northwest Newspaper Ass'n and a former director of the Allied Daily Newspapers of Washington.

Alford was nominated four times to attend the press siminars conducted by the American Press Institute at Columbia University, New York.

Alford made two Pacific cruises as guest of the Secretary of Navy.

He was a member of the Palouse Empire Chapter of Sigma Delta Chi, a national journalism society.

Both as managing editor and editor and publisher, Alford's paramount interest was in the prosperous development of the Lewiston-Clarkston region based upon its geographic location and natural resources.

He was a key figure in the opening of the Snake River through a series of dams which would bring year-round navigation between Portland and Lewiston and in the Lewis & Clark Highway linking Lewiston with Missoula, Mont.

Both these campaigns were successful. The dams on the lower Snake River will bring slackwater navigation to Lewiston-Clarkston in the early 1970s and the Lewis & Clark Highway was finished in 1962.

He also had a deep interest in the history of Lewiston and all of Idaho. He was chairman of the Idaho Historical Society board at the time of his death and frequently attended society meetings at Boise.

From its inception in 1935 until early this year, Alford was a director of the Lewiston Roundup Ass'n. In retiring from the board, he said that it was time for younger men to assume responsibility for the Roundup. He was the oldest member of the board in terms of service at the time he retired.

SERVED ON DRAFT BOARD

Alford was appointed to the Nez Perce County Selective Service Board when it was organized in 1940 and continued as a member until 1950.

In 1961, at the time the Tribune moved into the present building at 505 C St., Alford was presented an outstanding achievement award by the Greater Lewiston Chamber of Commerce. In a speech presenting the award, Dr. Donald K. Worden, a former Lewiston mayor, said he had only been misquoted once during eight years as mayor.

"Such a record and such devotion to accuracy reflects not only good policy but good training and supervision," Dr. Worden said.

A lifelong Democrat of independent persuasion, Alford had attended every Democratic and Republican national convention since 1932 and had been planning to go to the Democratic convention at Chicago and the Republican convention at Miami Beach this summer.

At each convention, he wrote dispatches for the Tribune readers on convention progress, with particular emphasis on the Idaho delegations, including small details not included in general press coverage. He was an official Idaho delegate at several Democratic conventions.

Alford was a guest of President John F. Kennedy at a White House luncheon for editors held in 1962.

As a combined editor and publisher, Alford recognized that a newspaper pursuing excellence must strike a balance between news and advertising, and that revenue in advertising must be allied with news columns of quality and thoroughness.

In striking this balance for the Tribune, Alford employed a greater number of editorial employes than most newspapers with comparable size and circulation.

Although duty required him to supervise total production, Alford's chief interest remained in the newsroom he reluctantly left in 1946.

Blessed with a phenomenal memory and a passion for minuscule detail, Alford read each morning's issue of the Tribune from the back page to the front page with a thoroughness none of his staff members could match. From the news columns he dredged ideas for future stories and logged them in his date book. Much of each day's issue of the Tribune including today's and many days to come was based upon his voluminous recording of the life and times of the residents of the Lewiston-Clarkston region.

BRIEFS BEST READ

Of particular importance to Alford was the News In Brief column, which he considered the best read section of the Tribune. He wrote his own news briefs, provided tips on others and expected his staff members to do the same.

His office was not that of a business executive, but of an editor keeping abreast of the news. The working space on his desk was reduced through the years to a small bare patch surrounded by mounds of paper, each sheet of which bore some relation to the operation of the Lewiston Morning Tribune.

Perhaps Alford summed up his own philosophy as a newspaperman best in 1961 when he wrote in a special edition of the Tribune at the time the newspaper moved to its present home:

". . . fortunately a newspaper does not live in or for the past. It must live in the present, the breathing, pulsating, living present. It must be prescient and ever look forward into the future which, in this case, we confidently believe is full of promise and the challenge of limitless achievement.

"This newspaper has faith that the Lewis-Clark Empire is on the threshold of an era of new and sustained progress and improvement without parallel in its history. It aspires to continue to grow with this great country and to be worthy of its opportunities for service.

PLEDGE FOR FUTURE

"For this future, the Tribune's pledge is that we shall continue to do our best to deserve continued public confidence and support. We shall endeavor to print the news fully and impartially, interpreting the chronicle of the passing days to the best of our ability and with due regard for the common interest, and in joining the strength of our influence with all other forces for advancement."

Alford was born at Lewiston Jan. 7, 1907, the son of Mr. and Mrs. E. L. Alford.

He graduated from Lewiston High School in 1924 and attended the University of Idaho for two years, where he was a member of the Sigma Nu fraternity and worked on the staff of the student newspaper, the Argonaut. He transferred to Washington & Lee University in 1926, and studied there until returning to Lewiston in 1928.

He was married to the former Catherine Hahn Jan. 10, 1931, at Lewiston. She died Sept. 8, 1964.

He married the former Mary E. Wagner Aug. 25, 1966, at Lewiston.

Alford was a member of the Presbyterian Church, the Lewiston Elks Lodge, the Lewiston and Clarkston country clubs and Phi Chi social fraternity.

In addition to his widow, he is survived by two sons, Charles H. Alford, advertising manager of the Tribune, and A. L. Alford, Jr., general manager of the Tribune; his mother, Mrs. E. L. Alford; two sisters, Mrs. Eugenia Hamblin and Mrs. John H. Matlock; a stepdaughter, Shelly Wagner, and three grandchildren, Albert L. Alford III (Brid), and Gordon H. Alford, sons of Mr. and Mrs. Albert L. Alford, Jr.; and Catherine Alford, daughter of Mr. and Mrs. Charles H. Alford. His younger brother, George Gordon Alford, was killed in an airplane crash during World War II.

The body is being brought to the Vassar-Rawls Funeral Home. Funeral arrangements are pending.—T.W.C.

[From the Lewiston (Idaho) Morning Tribune, July 21, 1968]

A. L. ALFORD—A NEWSPAPERMAN

There is an unwritten rule in this business that we shouldn't talk too much about our own.

Telling the public about newspapers and newspapermen can get out of hand. It becomes self-serving, even vain.

Thus, we examine in minute detail the personalities of those in other walks of life, but sometimes overlook the substance of the few genuine giants in our own business.

One of them was A. L. (Bud) Alford, the editor and publisher of this newspaper. There has been no more rigid adherent to the unwritten rule against self-glorification than he. By any measure, he was an important and significant figure in this state and region, a man of broad personal acquaintance with the minor and the mighty. But he shunned personal publicity. That was partly because he was a modest man, but mostly because he didn't consider it professional for newspapermen to celebrate themselves.

So there is probably no other man in this state of equal influence and substance who has had so little written about him.

But death, unexpected, untimely and unfair, has repealed that unwritten rule for the moment. It is time now to talk about Bud Alford.

He was what many of us are afraid is a vanishing breed—the independent and really quite fearless publisher of a home-grown, home-owned newspaper.

Many of the smaller independent dailies across the nation have been disappearing in recent years into what someone once called chain store journalism. They have been acquired by corporations looking for good investments and are run from afar in home distant head office by men generally ignorant of the communities in which their properties are located.

The executives dispatched from headquarters to operate these chain store properties are primarily businessmen. Bud Alford was a rarity among publishers today, paradoxically, because he was first and foremost a newspaperman.

The newspaper business was his work, his hobby, his life. He was in the office seven days a week, working in his shirtsleeves behind a desk heaped incredibly high with file folders, clippings, old newspapers and everything else he needed (and much that he didn't), all at his finger tips. It was a splendid mess, the way a real newspaperman should always keep his desk.

From behind that wall of papers he fired a daily barrage of terse directives and critiques to his staff in the style of a traditional ramrodding city editor. He read every line of the paper almost every day. The corporations would call it quality control.

The coverage he demanded and usually received from his staff was intensive and detailed for a community this large. It is understood in the newspaper business that a weekly paper can do a story every time somebody sneezes, but not a daily in a community this size. However, someone forgot to tell Bud Alford it was impossible. So we did it. The readers expected it.

You might say he was a perfectionist, and he probably was, but that word conjures up inaccurate visions of some sort of frantic efficiency expert with a whip in his hand. Bud Alford was a quiet, even a shy man, in love with his newspaper and his community and loyal to both. The simplest way to explain his idea of running a newspaper is to say hé ploughed more of the profits back into the product than he had to or anyone else would have.

Those who tried to go over the head of a staff member and tattle about real or imagined grievances to the boss were wasting their time. The boss stood behind his employes.

Would-be sacred cows were invited to leave. The rare case of an advertiser threatening economic retribution for an editorial was met with the explanation that "our opinions are not for sale." And neither were the news columns.

In short, the Tribune was run the way a newspaper should be, by a newspaperman who knew more about its operation than any member of his staff and didn't deviate from his own high standard of ethics.

A part of Lewiston-Clarkston from his birth, he kept it that way. He carried on in the family tradition that made this community a part of the Tribune and vice versa.

From his guidance and example the same spirit is deeply imbued in those who will carry on. That is his legacy to the readers and the profession he served.

[From the Boise (Idaho) Daily Statesman, July 22, 1968]

A. L. ALFORD: A SINGULAR NEWSMAN

Outside the cubicles of power in this state and the fraternal gatherings of newspapermen Bud Alford was not well known in Southern Idaho. He was editor and publisher of the Lewiston Morning Tribune at the time of his death at 61 Saturday. Mr. Alford had been publisher since 1946.

From the time he became managing editor in 1928 until the day he died A. L. Alford was dedicated to making the Tribune an extension of himself—independent, demanding of accuracy and a total record of the day. Mr. Alford personally kept a daily compendium of births, anniversaries and other personal events in Lewiston and Clarkston and filed much of it in his impressive memory.

A liberal in the best sense of the word, Bud Alford believed in change and time after time in the face of entrenched conservatism in North Idaho put the Tribune on the line in favor of progress. It is not an overstatement to say that he was as nearly fearless as an intelligent and sensitive man can be.

Bud Alford had two principal interests in newspapering and he maintained an intense and demanding concern for them. One was his editorial page. The other was the local news columns. He reviewed every editorial after he became publisher. He wrote some in that flowing style of his—always unidentified. When he did write one, the newspaper staff instantly recognized his work. It was usually about some good friend or associate, written in a warmth that one did not notice until he knew him well.

Bud Alford had a newspaperman's perfect combination of toughness and courtliness. He wanted nothing less for the Tribune than to make it the best newspaper of its size in the nation.

Errors, however trivial, were abhorrent to him, and every one hurt Bud Alford a little. There are college students by the dozen who have known the wrath of the publisher for a misspelled name, a lazy attempt at getting a middle initial or a sloppy story. He read every word of the Tribune every day and turned out a sheet swiftly isolating errors.

He taught newspapermen who stuck it out the importance of accuracy and fairness. At the Tribune they learned or they left.

The lingering stigma of a foolish mistake is cut into every Tribune graduate. Bud Alford was neither a vindictive man nor—generally—unforgiving. He forgot long before the reporter or editor who perpetrated the misdeed.

In addition to being a perceptive businessman, civic leader and political progressive, Bud Alford worked quietly to improve Idaho journalism. He was chagrined at times by some untrained college graduate who bent to the task of producing his newspaper, but he saw in them the future and he did not flinch from maintaining an arduous training program.

Alumni of the Tribune are scattered throughout the state, many on newspapers—including The Statesman.

Two sons remain to carry on the Alford newspaper tradition that goes back to 1892.

So singular was Bud Alford, so great was his impact on Idaho journalism at its best, he merits far more than a ritual farewell from his contemporaries. He is a part of the Tribune and the Tribune was an abiding part of his life.

MOVE AFOOT TO UNTIE MILITARY GAG

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

MOVE AFOOT TO UNTIE MILITARY GAG

(By Edith Kermit Roosevelt)

A move is afoot to restore the Joint Chiefs of Staff to its traditional role as the top echelon defense planning board.

The House Armed Services Committee stated it will establish in the next Congress a manpower subcommittee to oversee the extent to which the Pentagon is overstaffed by "some policy-making civilians" who "seem to know the cost of everything but the value of nothing."

The committee declared in its report on the military authorization bill, "There is an ever-increasing gargantuan bureaucracy now in existence in the Department of Defense that has almost unlimited power to defer, delay, overstudy, or cancel weapons systems."

As a result, the legislators said, "morale among the officers of the armed services has been steadily eroding.

One way to reverse this trend is to substantially curtail the authority and number of those who have been trained throughout their adult lives in the art of defense."

The committee recommended a 10 percent across the board reduction in the number of civilian employes in defense agencies, especially in policy-affecting areas. Specifically, it recommended "substantial reductions" in the office of the assistant secretary of defense (systems analysis) and office of the assistant secretary of defense (public affairs).

The issue is whether the battlefield-experienced military officers should be paramount on military matters, or whether as now, a nonmilitary civilian staff shall hand down the decisions on the basis of non-battlefield theories.

The National Security Act of 1947 plainly established the Joint Chiefs of Staff as the top military planning agency of government, but beginning with Secretary of Defense Robert McNamara its recommendations on defense matters have been consistently overridden. This has been justified in the name of civilian control of the military.

The concept of civilian control of the military, which military men like other Americans strongly support, refers to control of the military establishment by a legitimately elected government. However, this concept has been twisted to mean civilian command of the military.

Under the practice of civilian command of the military, civilian analysts at the Pentagon give detailed directions to military forces concerning matters which are operationally and constitutionally a military responsibility.

Ever-thickening layers of civilian bureaucracy are blanketing military views.

A survey showed 2,157 civilians and 810 military personnel just in the single office of the secretary of defense. In the organization of the Joint Chiefs of Staff there were 483 civilians and 1,375 military personnel.

Section 143 of title 10, United States Code, provides for the Joint Chiefs of Staff to select a staff of 400 officers with the approval of its chairman.

Directly under the office of the secretary of defense are: the Defense Atomic Support Agency, the Defense Communications Agency, the Defense Contract Audit Agency, the Defense Intelligence Agency, the Defense Supply Agency and other agencies. These activities employ more than 70,000 civilians and almost 10,000 military personnel.

The "unified" staff agencies bypass the Joint Chiefs of Staff and report directly to the secretary of defense. The experienced military officers have become little more than figureheads under these procedures.

The office of the assistant secretary of defense for international security affairs runs the military assistance program, and in this capacity has the final word (short of the secretary of defense and the President) in making military decisions on Vietnam.

Senior civilians juggle troops and plan air strikes on the basis of their supposedly superior "policy" knowledge, and justify this by manipulation of the principle of "civilian control of the military."

The United States is on a course that, unless drastically changed, will destroy our nation.

Surely, this deserves our most sober attention irrespective of all political considerations.

GEORGE WASHINGTON'S FINEST HOUR

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 24, 1968

Mr. SCOTT. Mr. President, Sol Feinstone, of Washington Crossing, Pa., has spent a lifetime studying the life and career of George Washington, and today possesses an outstanding historical collection of Washington documents and holograph letters.

The Syracuse University Press this year published an article entitled "Ten Days That Changed the World," written by Mr. Feinstone, which underscores the significance of George Washington's 10-day battle at Trenton and Princeton in New Jersey. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEN DAYS THAT CHANGED THE WORLD—GEORGE WASHINGTON'S FINEST HOUR

(By Sol Feinstone)

When the American reporter, John Reed, was visiting Russia in late 1917, he witnessed the seizure of power by Lenin from the weak Kerensky provisional government, and recorded the success of this Bolshevik Revolution in a volume entitled *Ten Days That Shook the World*, originally published in 1919.

The instant and shocking conversion of Czarist Russia into the Soviet Union did indeed shake the world to its roots.

This event undoubtedly prolonged World War I and fostered the development of Fascist Italy and Nazi Germany, both of which provoked World War II. During the post war period Soviet activities and influence resulted in the communization of China, North Korea, North Vietnam and Cuba, and currently are keeping the Far East and the Near East and some portions of Africa in a constant state of turmoil and confusion. The system that has its foundation in the tragic events of October and November, 1917, now threatens the Free World from pole to pole.

Fortunately, before the ten days described by John Reed, there had been ten other days that turned the tide in the American Revolution from apparent defeat to ultimate victory. Much has been written about these ten days in Trenton and Princeton, from Christmas Day 1776 to January 3, 1777, but the passage of time has worn away the true significance of this great period in the history of our country.

Unfortunately, some historians deal unjustly with the makers of history and events of their lifetimes. Myths and legends that distort the character of the hero are spread and widely accepted as fact. As a collector of original manuscripts and documents, I first learned that the American Revolution, which was led to success by George Washington, was not primarily commercial or economic, but *basically the struggle of Free Men to remain free*. These manuscripts revealed to me that Washington was not a haughty aristocrat, ambitious to become a duke or king, but on the contrary, was a warm-hearted, sometimes temperamental, self-disciplined gentleman who maintained the welfare of the American people and the future greatness of our country as his primary concern and determination.

By the summer of 1775, the thirteen British colonies in America had begun military resistance to the tyranny they had experienced within the Imperial System. In July, 1776, these colonies declared themselves politically independent of the mother country. King George III and some of his Parliamentary leaders determined to crush this rebellion quickly and decisively. During the spring and summer of that year the revolutionary forces under Washington suffered defeat after defeat. The rebels were beaten at Long Island, Manhattan, White Plains and driven from New York state as the enemy captured both Fort Washington and Fort Lee. The British chased Washington across New Jersey, but the Americans escaped over the Delaware River into Pennsylvania and prevented the enemy from following by seizing all river craft within a forty mile area.

The American Cause was at its lowest ebb in December 1776. The small and tired American army was encamped along the Delaware River from Bristol to Coryell's Ferry, now called New Hope. General Charles Lee, considered by many critics of Washington to have been the ablest American Field Commander, had been taken prisoner under suspicious circumstances. The Continental Congress had fled from Philadelphia to Baltimore. The British Commander, General William Howe, had threatened to cross the river with superior forces for the final blow in the spring or sooner.

On December 18, 1776, from his camp near the Falls of Trenton, General Washington wrote to his brother, John Augustine, as follows: ". . . between you and me, I think our Affairs are in a very bad situation; not so much from the apprehension of Genl. Howe's Army, as from the defection of New York, Jerseys, and Pennsylvania. In short, the Conduct of the Jerseys has been most Infamous. Instead of turning out to defend their Country and affording aid to our Army, they are making their submissions as fast as they can . . . if every nerve is not strain'd to recruit the New Army with all possible expedition, I think the game is pretty near up . . . No man, I believe, ever had a greater choice of difficulties and less means to extricate himself from them. However, under a full persuasion of the justice of our Cause I cannot but think the prospect will brighten . . ."

Washington did not know how the prospect would brighten, but he did know that he could not wait for spring to take a stand, which he hoped would stop defections to the Crown and stimulate new enlistments for the Cause. Having already received unlimited powers from the Continental Congress, he was entirely and solely responsible. He was compelled to plan for immediate action. He alone had to decide.

Historians say that Washington ordered his staff and field officers to convene as a council of war and give their opinions on the appropriate and immediate course of action. Years following this event, various writers "discovered" the so-called "House of Decision"—in four conflicting locations, each close to General Washington's own headquarters. There is no shred of evidence, however, that Washington ever went near any farmhouses in which his officers were billeted. An examination of his correspondence indicates that up to mid-day of December 23 he had not decided on a course of action. It was not until late that evening that Washington announced his orders to return to New Jersey and fight. It was at this time that George Washington unhesitantly took up the challenge and launched the ten-day "enterprise," ten days of courage and heroism, ten days that ripped the tide from defeat to victory, ten days that changed the world for Freedom.

The ten-day epic began with the recrossing of the Delaware on the night of December 25. Historians do not know definitely whether the Commander-in-Chief crossed by ferry, which is more likely, or in a Durham boat. One thing is certain to students of Washington; regardless of the type of craft used, he was certainly not concerned with his own appearance nor was he at all mindful of being a posing figure while General John Glover's Marblehead mariners were working to keep the craft on course through the floating ice. Later artists who have tried to recreate the scene in various media have failed to capture the real character of the man leading the expedition through the stormy night.

On the second day, December 26, Washington defeated the surprised Hessians at Trenton, taking more than 900 prisoners and inflicting some 20 to 30 casualties on the enemy with only two Americans dead and three wounded. On the 27th he returned to his Newtown, Pennsylvania camp, but recrossed the river to Trenton three days later, on the 30th, to join Colonel John Cadwalader's brigade on Assunpink Creek. In the battle of January 2, 1777, General Howe cornered Washington's army on the Creek and was ready to "capture the Fox" and finish the rebellion in the morning. Washington fooled the enemy and "escaped the Hounds" by leaving a small contingent at camp, with fires burning, and led the main force to outflank and defeat the British at Princeton on the last day of his enterprise.

This tenth day was Washington's finest hour.

At the critical moment after General Hugh Mercer was bayoneted near the Quaker Meeting House and Cadwalader's Philadelphia militiamen were fleeing with Mercer's men in a shameful retreat, the Great Washington rode into the "militia mob" and reversed the stampede, crying, "Follow me and hold fire." The Americans, observing their Commander-in-Chief, instantly turned and followed him through smoke and fire and heard him shout, "Bring up the troops. The Day is Ours!"

This day was indeed ours—ours for Freedom.

The British in Nassau Hall at Princeton lay down their arms, and the tenth day terminated in glory for George Washington and eventually in ultimate victory at Yorktown.

RACE WITH CATASTROPHE

HON. DONALD RUMSFELD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. RUMSFELD. Mr. Speaker, again it has been suggested that the Post Office be operated as a corporation, and this time the recommendation has been advanced by the President's Commission on Postal Organization, which has studied the continued deterioration of our postal service, despite the increased costs being borne by postal patrons. When this proposal was first advanced, Mr. Speaker, I expressed my strong agreement with this concept and urged that prompt and favorable action be taken to implement the formation of a postal corporation.

I am inserting in the RECORD the following editorial from the New York Times which reflects my views on this matter which is of real importance to every citizen of this Nation:

RACE WITH CATASTROPHE

With its technological and managerial sophistication, this country ought to be able to provide the best, rather than one of the worst postal services in the world. That dream probably could be realized if Congress enacted the substantive recommendations of the President's Commission on Postal Organization as set forth in the splendid report *Towards Postal Excellence.*

There is no secret about the fact that the United States Post Office is in a "race with catastrophe." In 1963 and again in 1966, to cite the most egregious examples, operation of the Chicago Post Office—world's largest postal facility—came to a complete halt.

The increasing volume of mail in this country, about 80 billion pieces this year, is moving more slowly than ever; fewer home deliveries are contemplated; postage rates go higher. The crisis is graphically summarized in the commission's statistics on postal productivity. In the private sector of the economy, a unit of capital and labor in 1967 produced 34 per cent more output than it did in 1958. But over the same 1958–67 period, the increase in mail service per unit of capital and labor was only 2.5 per cent.

Why did the efficiency of the private economy grow nearly fourteen times faster than that of the Post Office? The answer lies in the massive capital investments that embody new technology, the rising educational attainment of the labor force and advanced managerial practices. While the private sector forged ahead, the Post Office, with some notable exceptions, continued to operate very much as it did a century ago. It is at this point, the failure to exploit new technology, that one comes to the heart of the problem.

The man charged with managing the postal service exercises virtually no managerial control: his title of Postmaster General carries with it powers that are about as circumscribed as those of a company commander. He has little or no power over the hiring or firing of personnel, the rates that are charged for postal services or over spending for new capital equipment.

The commission's solution is to vest a single authority with the powers necessary to provide an efficient postal service. It proposes the chartering of a Government-owned Postal Corporation empowered to hire and promote personnel on a nonpolitical basis, to determine rates of compensation according to competitive standards, to set postal rates, subject to Congressional veto, and to borrow money in the private capital markets for new postal facilities.

The commission's proposal that postal rates reflect the true cost of service would not necessarily preclude subsidies that may in fact be socially desirable. But if subsidies are to be granted, they should be through direct Government subvention, not by setting charges below the incremental cost of the service. The advantage of subvention is that it would be open to public scrutiny and be periodically subject to Congressional review.

Does the goal of postal efficiency conflict with the need to provide employment for people with little education and few skills, especially members of the disadvantaged, nonwhite minorities who are now attracted to the postal service? Not if the costs of sorting and transporting mail are drastically reduced through automation. The labor that is thus saved in post offices should make it economically feasible to employ more postmen for more frequent home deliveries.

The need to vest the power to manage the Post Office in a single authority is clear, and the Postal Corporation proposal advanced by Frederick R. Kappel and his colleagues seems promising. Instead of the non-committal comment it received from the President, it deserves strong support from the Administration, Congress and a public suffering under the intolerable postal system of today.

ADDRESS OF MR. DAVID BRADEN

HON. JOHN G. TOWER

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Wednesday, July 24, 1968

Mr. TOWER. Mr. President, recently Mr. David Braden, the outgoing president of the Oak Cliff Lions Club in Dallas, Tex., delivered an address to the members which I believe deserves special attention.

I ask unanimous consent that his address be printed in the Extensions of Remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Last week as we met to have our Installation Party, a man assumed a station in a kitchen corridor in Los Angeles. Later that evening he shot and killed a U.S. Senator, Robert Kennedy, a candidate for the Presidency of this Nation.

The next day, as I contemplated this tragic and horrible event, it occurred to me that while spending a pleasant and amusing evening, I had done little then (or in this year for that matter) that you could wrap some serious thought around—I have left that to the guest speakers at this rostrum.

Blackie Sherrod, of the Dallas Times Herald, pointed out in his column of Monday evening that it is time for all those who have a podium to use it; be it a service club, or a sign on the back of a city bus. For two more weeks this is my soap box, and today I shall use it in a serious vein.

Lest I be remembered only as a clown, I would like to remind you today of the motto of Lions International: "Liberty, Intelligence, Our Nation's Safety." It is in that regard that I make this statement. I make it that someone might speak for the common man of this Nation: Who leads a common life; earns a common salary; has a common ambition; a common dream; and pays common taxes.

I speak to you as the forum of common men everywhere, and as a representative.

All America has been told this past week—over and over again—that we are a sick society.

Gentlemen, I propose to you that I am sick—maybe you are sick too.

I am sick to death of being told I am sick:

By Government officials who will not enforce law. . . .

By politicians who dance to the tune of minority groups;

By those in the pulpit and on the college lecture platform who use their office to project the socialistic creed of radicals.

I am sick to death of being told I am sick:

By idealistic aggressive news reporters and evaluators (of whatever media), who have the audacity to tell me I should believe whatever they believe—knowing I have no vehicle to publicly voice my disagreement.

I am sick of being told I am sick:

By foppish entertainers draped in Nehru Jackets, feminine necklaces, and a cloak of pseudo intellectualism.

I am sick of cynical attitudes toward patriotism and our American institutions.

I am sick of sacrificing the cream of Amercan manhood in political wars we are not fighting to win.

I am sick of the decline in integrity and personal honor in this nation.

I am sick of the permissive attitude, laxity, and tolerance to pressure groups and the criminal element that is bringing this nation to its knees in lawlessness.

I am sick of seeing law enforcement agencies and the laws of this nation emasculated by a supreme court and administrators who make their personal creeds the law of the land.

I am sick of dirty, unwashed, foul-mouthed—whether you call them hippies, beatniks, or pseudo poor people.

I am sick of not being able to take my family to a movie because it is loaded with extraneous offensive matter whose only purpose is to shock.

I am sick of seeing the same phrases in the popular literature of the day that I see scrawled on the walls of public toilets.

I am sick of so called educators and leaders too weak kneed themselves to understand the value of discipline in the character of a man.

I am sick of a congress which legislates out of emotionalism rather than reason, thereby taking away the rights of all.

I am sick of being told I am sick with violence because of assassinations by mentally deranged men, fed on a steady diet of violence and perversion by the nations periodicals, press, television and movies, all condoned, even aided, by courts which permit license in the name of freedom.

I am sick of riots, of marches, and those who force themselves and their ideologies down my throat without qualification.

I am sick of those who say I owe them everything, because of the sins of my forefathers, when I have looked down both ends of a machine gun barrel to defend them and their right to be here.

Take note gentlemen in high places, you will not see me in the streets with a plac-

ard or a gun; you will hear the thunder of the common man at the polling place, casting a vote for Liberty, Intelligence, Our Nation's Safety.

ON THE NONPROLIFERATION TREATY: AMEN, BROTHER

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 22, 1968

Mr. HOSMER. Mr. Speaker, for months I have contended that the Nuclear Nonproliferation Treaty now before the other body for ratification has not been subjected to a cost-benefit analysis by this administration. I have repeatedly charged that the Nonproliferation Treaty has been approached as if it were motherhood and intrinsically good.

Now, Dr. William R. Kintner, deputy director of the Foreign Policy Research Institute at the University of Pennsylvania, has written an analysis of the Nonproliferation Treaty for the National Observer. His analysis concludes that the Nonproliferation Treaty is indeed full of loopholes which, if not potentially dangerous to the United States, at least would render the treaty meaningless.

Because of the importance of this issue to all Americans, particularly at this moment in history, I have obtained permission for Dr. Kintner's analysis to be set forth, as follows:

A FOREIGN POLICY ANALYST SEES TREATY PROBLEMS: HOW THE NUCLEAR NONPROLIFERATION PACT MAY UNDERMINE NATO

(By William R. Kintner)

(Note.—William R. Kintner, who wrote this analysis, is deputy director, Foreign Policy Research Institute, University of Pennsylvania. He is also professor, International Relations and Political Science Departments, at that university. He served 21 years in the U.S. Army and has been a member of the planning staff of the National Security Council. The nuclear nonproliferation treaty is now before the U.S. Senate for ratification.)

President Johnson, on the occasion of the signing of the nonproliferation treaty on July 1, called the treaty "the most important international agreement since the beginning of the nuclear age." The triple signature ceremonies in Washington, London, and Moscow brought to an end more than six years of diplomatic efforts.

Since January 1964, when the United States and the Soviet Union both proposed a nonproliferation agreement among the partial arms measures they presented at Geneva, each power has argued that such an instrument would serve the cause of international peace and stability. The United States frequently offered the following reasons as to why the nonnuclear states should continue to abstain from the nuclear course: (1) Expansion in the size of the nuclear club will further complicate the already complex problem of nuclear disarmament. (2) Such expansion would increase the risk of technical accident, unauthorized use, strategic miscalculation, or uncontrolled escalation from limited war, and thus make for a less stable world. (3) Small national nuclear forces are costly and detract from development. (4) Such forces are provocative, accident-prone, become obsolescent quickly, and lack both credibility and military utility.

No prudent statesman can blink at the fact that the atom has two faces—one warlike, and one peaceful. These two faces, like those of Janus, are very closely connected. The use of civilian nuclear reactors for generating electric power is expanding at a rate which makes some form of control appear imperative. It has been estimated that by 1980 their annual output, world-wide, of plutonium as a by-product will be in the neighborhood of 100,000 kilograms. This is enough to make about 15,000 "elementary" atomic bombs per year.

Paradoxically, the United States has done more than any other nation to facilitate the spread of technology and information that would make the proliferation of national nuclear weapons capabilities possible. This perhaps constitutes an important motive in the minds of those who deem a nonproliferation treaty a "matter of life and death."

SHAPING THE DECISION

Nevertheless, as the U.S. Senate now embarks upon a debate over ratification of this treaty, certain fundamental concepts of decision-making ought to be kept in mind. Decision-making in the political as in all other orders involves a weighing of probable gains and probable costs.

One of the difficulties of the public discussion of the treaty heretofore is that its advocates have been a bit too ardent. In their zeal, they have exaggerated the potential assets of the treaty while brushing its potential liabilities under the rug. Yet whether the nonproliferation treaty constitutes a net benefit to the United States and the Western alliance is something which should not be taken for granted but which ought to be discovered—if it is true—through a process of honest, intelligent inquiry.

American policy-makers should have sufficient humility to admit that what strikes them as a logical necessity might not compel the assent of all the non-nuclear states, nor even the small number of critical "threshold powers" whose assent the treaty has really been designed to obtain.

Three-score states subscribed to the treaty in Washington on the day of the signing, and others will undoubtedly approve it. Yet there are some politically important states which harbor serious misgivings over the present treaty.

WITHHOLDING AGREEMENT

Mr. Morarji Desai, the deputy prime minister of India, said that his country's decision not to sign the nonproliferation treaty in its present form was taken after mature consideration. Japan is also expected to take a long, hard look before reaching a decision. Authoritative sources reported that Israel, although approving the treaty in principle, was not yet ready to sign the document because of "certain reservations." The West German government indicated that it had no immediate intention of signing the treaty until a "whole series of problems," including East German harassment of access routes to West Berlin and several other East-West questions had been resolved. The position of each of these countries merits some attention.

India is generally regarded as the most likely new candidate for the nuclear club. Although India stands committed to atomic energy only for peaceful purposes, the Indian capacity to follow China into the realm of nuclear weapons is well known. India wants iron-clad guarantees from either the Soviet Union or the United States, or both, to protect her against any threatened Chinese Communist use of nuclear weapons against her, if India does not find satisfactory answers to her security problems, India may not sign the treaty and will keep open the option of developing her own nuclear weapons to neutralize the Chinese Communist nuclear threat. If India does not sign the treaty, it is unlikely that Pakistan will.

Officially, the Japanese have favored the nonproliferation treaty, but they advocate that the existing nuclear powers should take subsequent steps leading to the abolition of nuclear weapons. At the same time, Japan wishes to retain the option to develop its own nuclear explosives if it should wish to do so. Such actions could result in Japan's acquiring a weapons capability.

Israel is another country that has both the technical means and a strong motivation for building nuclear weapons. There are many circumstances in Israel's strategic situation which logically dictate development of nuclear weapons. In this respect, she could not afford, even for a few days, to run second. Thus, although Israel voted for the resolution supporting the nonproliferation treaty in the U.N. General Assembly, she has felt compelled to hedge on signing.

If the United States tries to pressure Israel into signing the treaty, this country may have to pay a high price—a public bilateral security pact with Israel which might result in the more or less permanent alienation of the United States from the Arab world.

William C. Foster, director of the U.S. Arms Control and Disarmament Agency, long ago recognized the adverse implications which a nonproliferation agreement might have upon the North Atlantic Treaty Organization (NATO), and especially upon West German-U.S. ties, in a controversial article which appeared a month before this country presented a 1965 draft treaty to the Geneva Conference. In negotiating the nonproliferation treaty, the United States has seemed in the eyes of many knowledgeable Europeans to be placing the objective of promoting a *detente* with the Soviets ahead of alliance cohesiveness. Allied disagreements concerning the NPT reflect a growing awareness that there is now a certain incompatibility of United States foreign-policy objectives, all official denials to the contrary notwithstanding.

TWO VITAL INTERESTS

The United States, during the three-year course of the negotiations over the text of the treaty, made concessions to the Soviet Union which had a bearing on two vital interests of the European allies—nuclear sharing within NATO and the possibility of a European community deterrent. Both concepts, and U.S. support for them, were implicit in the text of the original draft treaty submitted by the United States to the Geneva Conference in August 1969:

"Each of the nuclear States Party to this Treaty undertakes . . . not to take any other action which would cause an increase in the total number of States and other organizations having independent power to use nuclear weapons [and] not to assist any non-nuclear State in the manufacture of nuclear weapons."

Given the wording of the article in the 1965 draft treaty it was possible to envisage the emergence of a joint European atomic deterrent in which one of the existing West European national deterrents (the British and the French) or both of them would be merged into a collective grouping. Nevertheless, after arousing the Europeans' interest in a NATO nuclear force and after advancing the "European option," the United States dropped both concepts from the text of its draft treaty.

In its final form, Article I reads:

"Each nuclear-weapon State Party to this Treaty undertakes not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly, or indirectly."

There can be no doubt that the compromises which have been struck, during the negotiation of the treaty, at the cost of pro-NATO and pro-European positions once held by the United States have had a most adverse effect upon the political mood of our major alliance system. There is every reason to believe that the Soviets have taken advantage of the protracted negotiations at Geneva in order to undermine the confidence of the West Europeans in the whole NATO structure.

For 19 years the destruction of NATO has been a major goal of Soviet foreign policy.

The alienation of West Germany from NATO has beckoned Soviet diplomacy as the most appropriate method for bringing about the collapse of the alliance and the withdrawal of U.S. power from Western Europe. The very efforts to negotiate a nonproliferation treaty have provided Moscow with the opportunity to deepen divisions within the Atlantic Alliance and increased the likelihood that no NATO nuclear force would ever be created. The Soviets have been given an indirect voice in future NATO strategic policy. Whenever the subject of nuclear sharing ever comes up again in NATO, the Soviets will be able to raise the treaty issue.

WEAKENING THE TIES

The fact that the United States, despite repeated assurances to the contrary, has accepted the nonproliferation treaty without the European clause is likely to strengthen those groups in Europe—especially in the Federal Republic—seeking to free themselves from heavy reliance on the United States. In Germany, the NATO guarantee will appear less and less relevant to German security. National solutions to the problems of German security may find broader appeal than ever before in the Federal Republic. The strengthening of rightist forces demanding national solutions is likely to call forth leftist opposition, thus increasing the polarization of German political life and the strains upon the still fragile political structure of the Federal Republic.

The fact must be faced that the greatest doubts about the nonproliferation treaty are to be found among some of the strongest European supporters of the NATO alliance, a fact that the Soviet government knows only too well.

According to Adrian S. Fisher, deputy director of the Arms Control and Disarmament Agency, the United States has taken the lead in developing the treaty: "We initiated the negotiations. We had to drag the Soviet Union to this." We are also the ones who insisted upon inspection and control safeguards. The inspection clauses of this treaty are much more relevant to U.S. objectives than to Soviet objectives. Article II of the treaty text, which was supposed to deal with international control and inspection, was for a time left blank because of differences over the watch-dog roles to be assigned to the International Atomic Energy Agency (IAEA) and the European Atomic Energy Community (Euratom).

By January 1968, the United States and the Soviet Union had agreed to an inspection article, which is now in the treaty. There is considerable doubt, however, whether Article III provides for any more real inspection than the blank version of August 1967.

The Soviets insisted that if we demand inspection in the treaty, they would demand IAEA inspection for all non-nuclear weapons states. Yet for many years the Soviets would have nothing to do with the agency's safeguards system. The Soviets knew that by holding out for IAEA safeguards they would place the United States in an embarrassing position vis-a-vis our West German allies, who believed that Euratom inspection safeguards were quite adequate.

DELAYING THE AGREEMENTS

The final compromise on inspection in Article III says that parties to the treaty, either individually or in groups, "shall conclude agreements" with the Vienna Agency—negotiations to commence within 180 days from the treaty's entry into force and the agreements to enter into force no later than 18 months after the start of negotiations. In effect, the signatories would be promising to reach agreements *after* signing the treaty that they cannot reach *before* signing.

Only if negotiations with the IAEA are completed within two years after the nonproliferation treaty enters into force will Article III be a binding international obligation upon the parties to the treaty.

Disregarding the legal uncertainty of the treaty's inspection clause, the question remains as to whether the IAEA has the capacity to conduct the inspection envisioned.

As to this point, Congressman Craig Hosmer has testified: "To speak of IAEA safeguards as something which exist and can be relied upon to enforce this treaty is ridiculous to the point of absurdity. Anyone familiar with the primitive capabilities, either technological or financial, of IAEA in the safeguards area knows this."

In a statement made in the July 1 signing of the nonproliferation treaty, President Johnson said:

"If a state which has accepted this treaty does not have nuclear weapons and is a victim of aggression or is subject to a threat of aggression involving nuclear weapons, the United States shall be prepared to ask immediate Security Council action to provide assistance in accordance with the charter."

STRETCHING THE UMBRELLA

If this statement means what it says, the United States nuclear umbrella will be expected to cover over twice as many nations as it now does. Yet how this broadened commitment is to be made credible has not been explained, except for the Security Council resolution of March 7, whereby the two superpowers recognized "that aggression with nuclear weapons or the threat of such aggression against a non-nuclear-weapon state would create a situation in which the Security Council, and above all its nuclear-weapon-state permanent members, would have to act immediately in accordance with their obligations under the United Nations Charter." What would happen if Moscow and Washington could not agree on what action should be taken, or which party was responsible for provoking a threat of aggression, can only be conjectured.

The draft treaty is also deficient in other important aspects. The obvious conflict between the Project Plowshare objective of using nuclear explosives for peaceful purposes and the provisions of the 1963 test ban is replicated in the draft nonproliferation treaty. Article V of the draft treaty has sought, with only partial success, to minimize the conflict between Plowshare and the nonproliferation treaty.

The difficulties created by Plowshare's objective appear to be more easily soluble in a framework of foreseeable arms control agreements than some of the other problems. The changes made in the treaty as a result of the U.S. debate "commit the nuclear powers more explicitly to provide peaceful nuclear assistance to non-nuclear treaty signatories. The non-nuclear countries are to be provided access not only to information but, as the Euratom countries have insisted, to 'equipment' and 'materials'—plus Plowshare explosions, when feasible." But if nations are to have access to nuclear explosives, why not to nuclear weapons? Furthermore, nuclear excavations which might be used to cut a sea-level canal across Panama will require revision of the partial test-ban treaty.

The draft treaty has also ignored the significance of certain scientific research with respect to the objectives of the treaty. This is particularly true of research on pure-fusion explosives; i.e., nuclear explosives that are devoid of fissionable materials. Article III of the draft states that "Procedures for the safeguards required by this Article shall be followed with respect to *source of special fissionable material. . . .*"

FUSION RESEARCH GOES ON

The nonproliferation treaty excludes fusion materials from inspection. Consequently, nuclear research on fusion techniques with potential weapons implications can go on under the treaty. S. T. Cohen of the RAND Corp. published a paper in 1967 which briefly discussed the neutron bomb, related pure-fision explosives to peaceful uses, and described pure-fusion explosive research being conducted under Euratom auspices at the Laboratori Nazionali De Frascati Del Comintato Nazionale Nucleare (Frascati, Italy). The implications the Cohen paper raised for the nonproliferation treaty and for the U.S. Plowshare program have been pointedly ignored by both the United States and the Soviet Union. In effect this neglect opens the door for any technologically advanced nation to develop pure-fusion explosives.

There may come a day when fusion explosives can be used for both peaceful and military purposes. Whether this development will occur during the proposed life span of the treaty is debatable. Nevertheless, the implications of this for nuclear-weapon proliferation may be great, and such research should have been taken into account in deliberations over the nonproliferation treaty.

The non-nuclear-weapon states outside the Atlantic world are deeply concerned over the future relationships between the nuclear-armed and the nuclear-naked. Their spokesmen contend that no treaty which perpetuates the division of the world into atomic lords and beggars can prove effective in the long run. They worry also about their future security. It gives many of them small comfort, in the wake of the failure of the United Nations to prevent the 1967 Middle East war, to hear the United States say it will counter nuclear blackmail under guidelines to be worked out by that body.

Rather than labor a universal nonproliferation treaty, the United States might have sought to halt the spread of nuclear weapons in other ways. For example, the United States could refuse to sell fissile material to nations outside Europe which refuse to submit their reactors to inspection by the International Atomic Energy Agency. As a matter of fact, it has threatened to do so in order to pressure recalcitrant nations to sign the draft treaty. Without the treaty, Euratom could continue to inspect European power reactors. The United States has voluntarily agreed to IAEA inspection of its power reactors and in the absence of the treaty it could ask nations to whom it has furnished reactors and nuclear fuel to do the same. The Soviet Union has refused to subject its reactors to IAEA inspection.

The Soviet Union will not jeopardize in any way its relations with its Warsaw Pact allies by their adherence to the non-proliferation treaty. In fact, it is difficult to see any Soviet disadvantage from signing the treaty, except the oft-repeated argument that it will offend the Chinese Communist regime. It is doubtful, however, that this treaty will impair Moscow-Peking relations nearly as much as it has already harmed Washington-Bonn relations.

The Soviets are so happy with the treaty that they now dispute Adrian Fisher's assertion that it was made in the U.S.A. and claim its parenthood. As Soviet Foreign Minister Gromyko asserted: "The draft treaty has been approved by the United Nations General Assembly, and the Soviet Union, as the initiator of the treaty, will be one of the first to sign it."

Despite its disputed parentage, the nonproliferation treaty will be effective only if it reflects a genuine international political consensus. The consensus supporting the treaty was brought about by heavy-handed U.S., Soviet, and British pressures which affronted many of the more important non-nuclear powers. A consensus so achieved is not likely to be very durable.

CHINA'S BACKING NEEDED

In the long run it will prove idle to hope that nuclear proliferation can be averted simply by a nondissemination agreement among three of the five existing nuclear powers. For one, Communist China would have to adhere to the treaty if it is to have any long-term validity. No international treaty is likely to endure unless strong sanctions inhibit its abrogation. These do not exist. It can be abrogated in the future by nations, such as India, who believe that their own security requires the development of nuclear weapons.

Simultaneously with the President's announcement, Premier Kosygin in Moscow announced the following urgent measures for an end of the arms race in the near future:

1. A ban on the use of nuclear weapons;
2. Measures on ending the manufacture of nuclear weapons, reducing and liquidating their stockpiles;
3. Limitation and subsequent reduction of means of delivery of strategic weapons;
4. Ban on flights of bombers, carrying nuclear weapons, beyond national frontiers. Limitation of zones of voyages of submarines carrying missiles;
5. Ban on underground tests of nuclear weapons;
6. Ban on the use of chemical and bacteriological weapons;
7. Liquidation of foreign military bases;
8. Measures on regional disarmament;
9. Peaceful uses on the sea bed and ocean floor.

It should be noted items 1 and 2 are standard Soviet propaganda ploys, that the limitation and subsequent reduction of strategic weapons was listed as number 3, and that items 4, 5, and 7 are specifically directed against the United States and item 8 is directed against Isreal. The hope, therefore, of reaching agreement on arms-control measures that might be negotiated following the ratification of the nonproliferation treaty should be tinged with caution.

HON. HENRY H. FOWLER, SECRETARY OF THE TREASURY, DEDICATES GAINESVILLE, GA., NATIONAL BANK BUILDING

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. STEPHENS. Mr. Speaker, on Monday, July 15, 1968, an impressive crowd gathered in Gainesville, Ga., to witness the dedication by Secretary of the Treasury, Henry H. Fowler, of the new, beautiful, Georgia marble bank building erected by the Gainesville National Bank. As a member from Georgia of the House of Banking and Currency Committee, I had the honor of being invited to attend the occasion, along with the Honorable PHIL LANDRUM, who has most ably represented the Ninth District of Georgia for many years and in whose district the new bank building was built.

Among the invited guests and dignataries were Georgia's State treasurer, Jack B. Ray; superintendent of Georgia banks, William M. Jackson; the president of the Independent Bankers of America, T. H. Milner, Jr., who is also president of the National Bank of Athens, Ga.; Assistant Secretary of the Treasury Joe Bowman, a native Georgian; and W. Ray Houston, president of the Georgia Bankers Association, from East Point.

Dr. Ed Shannon, of Gainesville, a director of the Gainesville National Bank, acted as master of ceremonies. Congressman PHIL LANDRUM welcomed Secretary Fowler to the dedication, and in introducing the Secretary pointed out the latter's wisdom and courage in exerting the national leadership necessary to preserve the value of the American dollar both at home and abroad. It was pointed out that the oak podium from which the ceremony was being launched was the same one originally used when President Franklin D. Roosevelt came to Gainesville in the late 1930's to review rehabilitation after the disastrous Gainesville tornado and was the same podium used by President Lyndon B. Johnson when he also visited Gainesville in 1964.

After the address of Secretary Fowler, which I have found so noteworthy, I now ask permission to set it out in full below. Response and welcome were made by Oscar J. Lilly, president, and Ed Kimbrough, board chairman, of the Gainesville National Bank.

REMARKS BY THE HONORABLE HENRY H. FOWLER, SECRETARY OF THE TREASURY

It is an honor and a pleasure to be in Gainesvlle this afternoon.

It is an honor because the implied approbation of the kind of people who run banks is something I cherish both personally and as Secretary of the Treasury. And it is a pleasure simply because Georgia is the kind of place one likes to visit and Georgians the kind of people one likes to call friends.

However, there are additional reasons for my being here—aside from the honors and pleasure. One is that your able and, outstanding Congressman who is my very good friend, Phil Landrum, asked me to come to Gainesville. Now I know you all here are familiar with the distinguished record of Congressman Landrum and with the high esteem in which he is held in Congress. But he also happens to be a key member of the House Ways and Means Committee, the most powerful committee in the House, whose jurisdiction includes much of our national economic and financial policy. So, in so far as analogies to the present situation may be appropriate, you may assume that Phil is a key member of the Board of Directors to whom the Secretary of the Treasury must look for authorty and support to do his job in paying the nation's bills.

As I contemplated coming to Gainesville, it seemed particularly fitting and symbolic for a Secretary of the Treasury to participate in the dedication of a fine new bank building. I notice my other Cabinet colleagues participating in the launching of facilities created by public funds—a school, a highway, power dam, park, a space center, or a defense project.

But a Secretary of the Treasury can enter more enthusiastically in the spirit of things by helping to launch an enterprise such as the Gainesville National Bank—that will house and secure the people's private savings—that will help put those savings to work in supplying goods and services for a people with the highest and most rapidly advancing standard of living in the world—that will facilitate the creation of new jobs, and more incomes and profits.

For a Secretary of the Treasury never forgets that it is by siphoning a fairly good cut of that flow of funds through the banking system in the form of taxes and borrowings that he is able to pay the bills for the United States Government.

Indeed I can think of no institution more fundamental to our way of life in the sense of complete identification with the progress and well being of the people of a community—a local, state or national community—than the banks that serve it. We simply cannot manage without them.

Moreover, there is no question in my mind that the nation's banks are a cardinal element in the prosperity and productivity of these United States. First of all, of course, our banks are the repository of our savings—and thrift is still one of America's foremost virtues. Let no one suggest that Americans have forgotten how to save, not when the nest egg they have husbanded in time and savings accounts in commercial banks increased from $57 billion in 1957 to $185 billion in 1967, a rise of 224 percent.

But primarily, I suppose, our banks are so plainly among the great sinews of the economy because they are such effective instruments for the responsible utilization and diffusion of credit. It is no accident that when the management of the international development finance organizations such as the World Bank, the Inter-American Development Bank, the Asian Development Bank and our own foreign aid officials begin making loans and giving advice to poor nations on how to develop their economies, the creation of the machinery of credit is among the highest priorities. We Americans learned that lesson well when our own country was itself poor and undeveloped. The creation of an effective dual banking system in which a national banking system vies with state banking systems to effect the most efficient, secure and yet dynamic means of handling money and credit has made our miraculous development possible.

But neither should we forget one of the great intangible benefits that America's banks bring to communities both large and small, to Main Streets no less than Wall Street. By which I mean the prominent examples banks set or, if you like, the so-called "image" they project to most people. For to me banks as they are managed in this country stand for the great attributes of integrity and responsibility, of meaning what one says, of doing what one promises, of accepting the consequences of one's actions.

And finally let me say in praise of the managers of the great national network made up of banks like this one that they have surely kept up with the times in the matter of how their services are purveyed. The day happily is gone when the status of banks seemed to depend on the size of the pillars out front, the massiveness of interior grillwork hiding the almost anonymous people who worked inside, and the sense of solid impregnability conveyed by the great safe at the rear to which admission was reserved only to those initiated into some arcane rite. Today's bankers have taken banking to the people and both have profited. The trend that has created attractive and functional facilities like the one we are dedicating this afternoon is all to the good.

But banks, after all, are not ends in themselves. They only serve an end, which is to help make our economy work. And in the final analysis it is the state of the national economy that largely determines what we find in our pay envelopes, the price and quality of what the money will buy, and the security and durability of our savings.

So let us pause a moment and draw from recent history some conclusions that will light our way along the best future path.

The points I want to make are four in number:

First, that the United States is enjoying—right now, today—the longest and most materially rewarding period of sustained prosperity in the history of any nation.

Second, that although the basis of this growth is the energy of Americans and the productive capacities they have created and mastered, it did not take place automatically. It occurred because of the responsible partnership of government and the private sector—business, labor, agriculture and finance—and because of consciously adopted policies and programs that worked.

Third, that there is a consensus among economists and the fraternity of economy-watchers as they peer down the road ahead that this growth can continue if we continue to utilize and adapt these policies to the demands of the times, observing the priorities that must be observed lest in an effort to do too much at once, we overstrain our capacity.

Fourth, Americans have made this progress that is the envy, example, and ambition of the rest of the world—despite comments of frustrated office seekers and unfriendly critics in foreign capitals—by a renewed national dedication as a people to our ancient national goal handed down by the founding fathers in the Preamble to the Constitution—and that effort must continue. We have used and are using, actively and with vigor, the instrumentality of our federal system of government to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity. As a nation in this decade of the 60s, we are facing up to and tackling our problems at home, not hiding them under the rug. As a nation we are accepting the share of international responsibilities that is consonant with our position of leadership and strength in an interdependent world and the harsh but established fact of history that tranquility abroad, as well as at home, cannot be insured unless there is law and order, wholesome respect for the rights, security and property of others, and shared opportunity.

Going back to my first point, what, then, are the dimensions of the sustained prosperity which as I talk is well into its 89th consecutive month?

Ten million new jobs were opened up in the last eight-year period.

In 1961 the national rate of unemployment was seven percent. By 1966 it had been moved down to four percent, and has remained generally at that rate, or below it, ever since.

In 1961 there were 30 major labor market areas in which unemployment was 9 percent or more. Today, there are only two such areas.

American income—money after taxes and allowing for price increases—has gone up 40 percent in the past eight years.

In terms of current prices, the value of the amount added to our Gross National Product in the period since 1961 is $320 billion. This national product *gain* of $320 billion in the United States since 1961 is more than the total national product in 1966 of the United Kingdom, France, and Italy. It repsents an average annual rate of growth of about 5.2 percent, as opposed to a rate of a little over 2 percent in the late fifties, when there was concern about a stagnant economy.

Prices in the past eight years have averaged an annual rate of increase of 2 percent. And this price record has been accomplished during a war, and without price controls, wage controls, rationing, material controls, or any of the other red-tape-creating controls you'll remember from Korea and World War II. Among the 21 industrialized nations which make up the Organization for Economic Cooperation and Development, the United States has had the best record of price stability since 1961. Since 1961 prices have risen 15 percent in the United States. In the other 20 nations of the OECD prices have risen 38 percent since 1960.

Now these recent achievements contrast very strongly with past history in *one more* very important respect. The past eight years constitute a period of unbroken economic prosperity unmarked by the recessions that had come to be expected as inevitable.

Why was this? How has the new record been achieved?

The key factor has been the flexible use, over the past eight years, of fiscal and monetary policies to give direction to the economy.

In 1962, 1964 and 1965, the Congress enacted tax reductions totaling about $24 billion at present levels of income.

An oppressive permanent tax rate structure was broken down. A web of highly discriminatory excise taxes was torn away from the economy.

Rules of depreciation of old machinery and plant equipment was liberalized.

Investment credits—tax credits to industries which invested in *new* plants and new equipment—were provided as an incentive to the economy.

All these things meant that American industry was enabled to work—and I repeat, in a free market economy, without the harassment of oppressive taxation and controls—to create new and better products; to sell them at competitive prices; to use more people, opening up new jobs; to raise living standards.

The year 1966 brought, with these accomplishments, a new set of economic and financial challenges which were basically problems of a prosperity that bordered on the excessive, a military operation that created new imbalances in the budget and balance of payments, and an unsustainable boom in one segment of the economy—the capital goods area—that strained the system.

The most notable economic achievement in 1966 was our ability, in the framework of a free market economy, to withstand the demands and dislocations of the Vietnam conflict and increased civilian needs without resort to the harsh economic controls imposed during previous military involvements.

Vigorous monetary and fiscal actions—both general and selective—combined with continued record-breaking increases in employment and high modern production facilities—made it possible for the nation to shoulder all these burdens.

Price pressures and credit demands, which reached a peak late in the summer of 1966, abated and the nation experienced a return in late 1966 and early 1967 to more stable price movements, more relaxed financial markets and some lowering of interest rates.

As you all know, in the late summer of 1967 the cessation of a sharp inventory readjustment downward combined with a continuing upward creep of military outlays and a rapid expansion in consumer purchasing power and a resumption of strong activity in the housing sector combined to present a new test to our national will.

We were challenged to forge new policies designed to pay the nation's bills and order our economic and financial affairs in such a manner as to reverse sharply a trend toward increasing deficits in our Federal budget and in our international balance of payments, increasing interest rates and an unacceptable degree of inflation with a wage-price spiral.

The strength and stability of the dollar and the economic system on which it was based was threatened. And all the world watched with bated breath to see whether or not the United States was capable of acting decisively to remove this threat to its national prosperity and the international monetary system which is so dependent upon the dollar.

The indicated instrumentality was the imposition of fiscal restraint in the form of a tax increase plus federal expenditure reductions—both symbols of declining expectations that are unpopular and unwelcome.

What was at issue was nothing less than a test of representative government in the vital but too little understood world of economic affairs. The decisive votes taken last month when the Congress approved the legislative package that contained both a temporary 10 percent tax surcharge and substantial reductions in Federal appropriations and expenditures—both unpopular measures in an election year—should go far to sustain confidence in the dollar, the economy on which it is based, and our system of government.

It took courage and foresight for President Johnson to initiate these tax proposals and to insist month after month that they be adopted.

It took a high sense of public responsibility for leaders of the business and financial community to put the public weal above short-run personal and corporate interest and urge that their taxes be increased in the national interest.

It took courage for the Members of Congress who voted for this measure. They deserve and should receive the appreciation of their constituents for demonstrating a high sense of fiscal responsibility and being willing to displease some of their constituents rather than harming all of them.

It took the give-and-take that characterizes our system of separation of powers, particularly in fiscal affairs, to arrive at a package that fully satisfied none but was acceptable to all—to the Administration and to both Houses of the Congress—the tax writing committees and appropriation committees—and the responsible leadership of both parties as represented in the Congress.

We are used to crunches and crises in this country. They are part of the democratic process. My point is that, although obtaining passage of this needed measure of fiscal restraint was something of a serialized cliff-hanger, the enactment was a victory for representative democracy as well as responsible free enterprise capitalism. And I also entertain the hope that in the process we learned a good deal more about fiscal policy and our economic system and the importance of a strong sound dollar to the world as well as the United States.

Now that we have the legislation and the policy that will arrest the excessive demand pressures on our economy that give rise to unwelcome inflation, and the government has put its house in order, it is incumbent upon business and labor to exercise the voluntary restraint in wage-price decisions that will reduce the cost-push type of inflation. Both anti-inflation approaches are needed to enable the economy to return to the pattern of stability in costs and prices that characterized the first half of this decade.

Moreover, we must continue to act firmly and courageously to correct our international balance of payments account as we have in dealing with our domestic deficit, but hopefully with greater dispatch.

We must stop spending more overseas than we take in. We must cut down—not necessarily on going abroad, but on the number of dollars per day we spend while abroad. We must more effectively promote foreign tourism in the United States.

We must reduce government expenses overseas or neutralize their impact by reciprocal action by the countries in which they are expended.

We must hold down temporarily on financing capital investments abroad from U.S. dollars.

Most important, we must boost sales of our products abroad and restore an increasing competitive advantage by returning to stability in costs and prices.

And, in this connection, while I have dwelt at a little length on the recent history of the domestic economy, I must remind you that America also has a role of leadership to play in the vital field of international monetary affairs. While we were meeting our responsibilities to put our own economic house in order we also were working with other nations to modernize the international monetary system that has served America and the Free World so well since the Bretton Woods agreement in 1947 in the greatest era of expanding trade and development in recorded history.

There is not time today to discuss the extended negotiations among the chief trading nations that are leading to the creation of those Special Drawing Rights in the International Monetary Fund. This new facility, hopefully, will be operable early next year and can be expected to lead to orderly expansion of reserves for which traditional reliance on monetary gold, the dollar and the British pound sterling has for some years appeared patently inadequate.

I shall simply content myself in saying that with patient hours of persuasion and bargaining at an extended series of international financial conferences, with the understanding and ultimate approval of the Congress, and with the foresight and good will of our principal financial partners, the basis for continued sound expansion of world trade and development in which we Americans have a large stake, has been wisely laid.

It was my privilege this morning before leaving Washington, acting as the United States Governor of the International Monetary Fund, to sign and transmit the official certification that "The Government of the United States of America accepts the proposed amendment to the Articles of Agreement of the International Monetary Fund approved by the Board of Governors on May 31, 1968, and Resolution No. 23-5, and undertakes all of the obligations of a participant in the special drawing account in accordance with United States law and has taken all steps necessary to enable the United States to carry out these obligations."

This act authorized by the Congress and the President makes the United States one of the first countries on record officially approving this new and significant improvement in the international monetary system.

But again I must make my point that the international monetary system, like the U.S. economy, will not run itself. Like the domestic economy, it too must be the object of our closest study, and wisest and most timely action. For inaction by a leader, as someone has rightly said, is also a kind of action. And it leads, on the record, to disaster. Yet no one single act, such as the creation of a Special Drawing Rights facility, will suffice.

That is why one of the greatest assets for people everywhere—in the United States, in the developed countries, in the less developed countries—is the increasing capacity and disposition for international financial cooperation which emerged in the wake of World War II and has been greatly intensified in recent years. For we are witnessing and participating most actively in a quiet offensive to strengthen the institutions and patterns of conduct that make this international financial cooperation viable and effective.

The action and attitudes of the Central Banks and governments represented, which were reflected in the communiques of meetings in Washington on March 17 and in Stockholm on March 30, have opened the way for a thoughtful and considered approach to the future role of gold in the international monetary system based on the present official price of $35 an ounce. There are fruitful areas for further exploration which become inviting in a monetary world where Special Drawing Rights and a more effective or acceptable adjustment process for payments imbalances are a reality. Moreover, these accords in March and April strengthened the close cooperation between governments as well as between Central Banks to stabilize world monetary conditions.

During the past week the Central Banks of the major financial nations, with the support of the governments involved—including the United States—have taken new, important and imaginative initiatives designed to shore up and stabilize the financial situation of two important countries and currencies, Britain and the pound, France and the franc.

Now, if we are watchful and wise and decisive, if we do all that we should do, what can we expect to happen to that pay envelope, and what its contents will buy, which I mentioned earlier? The consensus among private economists, I am happy to say, is that the future is indeed bright. What they think may be fairly summarized thus:

By 1975 the Gross National Product may reach $1 trillion—which I will tell you, before you check the dictionary, is one thousand billion dollars. This means, among other things, that the average yearly income of the U.S. family can be on the order of $10,000 in terms of today's buying power—compared to about $7,500 in 1967. It also means steady growth rates for our economy of up to 4½ percent annually, and the continued status of the dollar as the world's strongest and most stable currency.

But, as I have tried to say, there is a very large IF written plainly on this prediction and it has been expressed by, among others, the Joint Economic Committee of the Congress which, in presenting the projections I have used, said, and I quote:

"This higher rate of growth will not be achieved automatically, but will require improvements and adjustments of economic policies, both public and private, *if* it is to be achieved in a manner that does not generate undesirable inflationary by-products."

I come to the fourth and final point.

It is not enough for a national government to promote economic and financial policies designed to assure an economic environment in which our economy can flourish—however fundamental that task may be to all else.

The Founding Fathers desired an active, energetic federal system in areas other than commerce. They were dissatisfied with the passive and negative pattern of the Articles of Confederation.

They established a federal system—that included a strong national government of granted powers—to achieve objectives set forth in the Preamble of the Constitution—to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity.

Today, this nation under the leadership of President Johnson, with the support of an effective Congress, is using that federal system actively and with vigor to achieve these objectives. And that effort must be continued. There must be no retreat. There must be priorities. We cannot do everything at once. But there is a vast difference between priorities and paralysis.

We are using and must continue to use the federal system—the active cooperation between the national government and State and local bodies—to provide more effective law and order and a deeper and more abiding respect for the rights, security and property of others. Without these the nation cannot establish the full justice and assured measure of domestic tranquility contemplated by the founding fathers. These are fundamental to conserving the progress the nation has made for most, and broadening the participation to include all.

But that is only one side of the coin. Without a sharing of ever increasing opportunity that is implicit in the promotion of the general welfare, we will not achieve at home the full measure of these constitutional objectives.

That is why we have undertaken and must continue action programs by the national government, working in conjunction with state and local authorities, to improve elementary and secondary education, and to assist our higher institutions in providing an opportunity for every young American who wants and is capable of using a college education.

That is why the nation has undertaken and must continue an effective program of Federal, state and local cooperation for improved health facilities, including Medicare for the aged and Medicaid for the helpless.

That is why we must bring the opportunities for home ownership and suitable housing conditions to those elements of our society who in past years have not shared this opportunity.

That is why we are tackling and must continue to tackle the problems of poverty—not by a dole or outworn welfare systems—but by increasing the opportunities for training and developing the attitudes that are conducive to securing and holding a good paying job—and mobilizing an enlightened private business community to see to it that the job opportunity follows the training.

That is why we are tackling and must continue to tackle through Federal, state and local cooperation, the new and emergent problems of life in the heart of our great cities—with the zeal and skill that we brought in the Thirties to making life on the land more productive and rewarding.

And let no one mistake the fact that the objectives embodied in the Preamble to our Constitution must have a validity in the *international* as well as the national sphere.

There must be in the world at large an increasing pattern of law an order that involves the wholesome respect for the rights, security, and property of other nations. Otherwise the blessings of liberty we are seeking to assure for ourselves and our posterity, and the peace in the world that is complementary to domestic tranquility at home, will be threatened.

This nation has sought and is seeking today—through the peace-keeping machinery of the United Nations, through regional alliances, through the practice of direct diplomacy—to make its contribution to the march toward world peace through security, order, and respect for the rights of others.

We have helped arrest aggression and the use of violence or the threat of violence—open or concealed—to destroy freedom and self-determination of countries large and small—in two world wars, in Iran, in Greece, in Turkey, in Berlin, in Korea, in Lebanon, in Taiwan, in the Congo, in Laos, in India, in the Middle East.

And now we are carrying on in South Vietnam.

And we must not let those, who would beat a retreat, thereby rewarding and encouraging aggression and violence, speak for America.

But again that is one side of the coin of achieving peace and security in the international sphere. The other side is again the sharing of increasing opportunity. We are using and must continue to use our influence and wealth, our hands and our hearts, in a dedication to shared opportunity in an interdependent world, that promises a large-scale attack on poverty, illiteracy and disease.

We have sought and struggled to make these concepts universal within the framework of the United Nations and outside it. We are providing direct aid. We have encouraged, provided leadership for, and sought to expand the cooperative effort of all the developed nations to promote, through multilateral development organizations, for the less developed nations, the progress and stability essential to meeting the needs and demand of their people. We must continue that effort. Just as we cannot turn our backs on aggression and the challenge to national self-determination in Southeast Asia, so we cannot turn our backs on our responsibility to participate in the development of other less fortunate countries.

That is why the notion of a moratorium on foreign aid or a refusal to replenish the funds of a successful multilateral institution, such as the International Development Association of the World Bank, would be a drastic retreat from responsibility.

If these remarks of mine have conveyed the idea that these are difficult times and that their challenges are very great, this is no less than the truth. But I would remind you that these United States are within a decade of being two hundred years old and that their Constitution is perhaps the oldest written document governing a modern nation. Which is merely another way of saying that we achieved the heights we occupy by addressing and solving problems that in their time loomed as large as any that confront us now.

I, for one, am proud today to be an American—living in a free society, that is

tackling its problems at home and helping to promote security and development abroad.

It is up to us whether we build upon this heritage, reaping the benefits of this course while savoring its high adventure, or supinely rest upon it to take the usual consequences of irresponsibility.

AMERICA IS AWAKE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. **BOB WILSON**. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

AMERICA IS AWAKE

(By the Reverend Robert B. Watts, LL.D., D.D.)

(NOTE.—Dr. Watts is a lawyer, having been a Federal prosecutor, General Counsel of the National Labor Relations Board and Vice President of General Dynamics Corporation; a Priest of the Episcopal Church; and a widely travelled speaker on Americanism.

(For three consecutive years he has been awarded the George Washington Medal by The Freedoms Foundation at Valley Forge "for outstanding achievement in bringing about a better understanding of the American Way of life": 1966, for "The Armour of God"; 1967, for "The Sound of the Trumpet"; and 1968, for "The Just Cause."

He is a biographee listed in "Who's Who in America.")

The Holy Scriptures are full of words of warning, of prophecy and of bugle-clear exhortation.

One example of such exhortation, filled with a sense of the urgency of the hour, is to be found in the 13th Chapter of St. Paul's Letter to the Romans. He wrote—in words perfectly tuned for America today, *"—now it is high time to awake out of sleep—The night is far spent, the day is at hand: let us therefore cast off the works of darkness, and let us put on the armor of light."*

In this month which marks the anniversary of the Declaration of Independence of our Country, I say to you, my fellow countrymen, that America has indeed heeded these inspired words. For America is awake!

She has suffered agonies through the long night. She has struggled with the works of darkness. But now the day is at hand. She is wide awake to her danger, and she has buckled on the armor of light—of truth—of understanding and of determination. And in the words of St. Paul, "it is high time" that this has come about. Particularly after the past three years, since outbursts of rioting, looting, destruction and what Governor after Governor has characterized as "armed insurrection" have spread smoldering ruins over city after city, perhaps it is time to look again at this incredible experience which has been America's.

Long ago, concerned persons—and I am one of them—pointed out that the pernicious doctrine of obeying only those laws which happened to please each individual was the cause of much of this shocking violence. This doctrine was dressed up under the name of "non-violent civil disobedience"—and as such deceived many of the naive "pseudo-intellectuals" and clergy, who saw in it only a show of protest over one kind or another of asserted evil.

And so among others we saw various members of the clergy joining others of all sorts and conditions in public picketing, marching and in loud assertions that the law of the land was no longer to be controlling.

The people of America, the great bulk of whom had been brought up to be decent, law-abiding citizens, saw and heard this uproar—and were confused and all too often rendered quiescent about it because of their instinctive respect for those who now openly defied any law which they disliked. Meanwhile, new slogans such as "police brutality" were being created and cast at the sworn guardians of the peace until they were so ridiculed, suspected and attacked as to be put on the defensive. It mattered little that these charges and these slogans were almost always false—that upon close inspection they turned out to be complaints about such things as "disrespectful remarks" allegedly addressed to citizens apprehended in the very act of committing violations of the law.

Inevitably, this twin campaign of disdain for law and unrelenting accusation of peace officers of every type, diligently fostered and encouraged by those who seek to destroy our Nation, brought forth its aftermath of increasing crime. Once assured of relative safety from prosecution, the law of the jungle emerged, rendering no one safe in person or property.

Violent crimes increased to almost unbelievable proportions. Official statistics of the Federal Bureau of Investigation recently furnished to Congress show that from 1960 to 1967, recorded crimes in the United States rose by 88 percent. Violent crimes went up 72 percent. And property crimes increased by 90 percent. The official figures for the first three months of 1968 show steady rises in crime over the rates for 1967. "The violent crimes of murder, forcible rape, robbery and aggravated assault as a group rose 18 percent." Nor can these chilling figures be explained away, as has been attempted, by asserting that this increase in crime merely reflected an increase of population; for in the seven year period which these official statistics cover, population in the United States increased by only 10 percent.

The difference was the result of disdain for law, and let us never forget it.

But that disdain of law is now being recognized in America. Ordinary people are realizing that the very reason for having any government is to protect the safety of all by requiring all to respect the rights of others as provided by government. Men and women are telling their office-holders and their peace officers that they want and expect the laws to be applied to everyone equally. And they are saying that the carnival days for criminals are over.

The "innocent ones"—the parading clergy, the "pseudo-intellectuals" and the "go-alongers"—are getting the message. For one thing, they are frightened by the monster which they helped let loose. And again, the fun of marching is largely gone. Sense in government is returning.

But like the measles, the itch to be in the public eye is hard to control—and very contagious.

So we all have had to suffer through the small-boy nose thumbings against our most sacred beliefs and possessions. "God is dead," was the new shout, and again "the innocents" followed along—ready to concede that centuries-old truths held by the Church were probably now outmoded. Like the manufactured cry of "police brutality," the expounders of the new heresies (all still clinging tightly to their clerical collars and livings) soon began to admit that perhaps God wasn't really dead, or wholly dead, but that they had just lost sight of him in the excitement of the world. Some have continued to assail our faith. One Bishop has not only publicly jettisoned Christ, and all of the Creeds of his own church, but also the Bible—and goes about lecturing on what he calls "facts"; meanwhile dabbling in the occult and describing to a fascinated press his experiences with mysteriously moved physical objects. But "the innocents have largely smelled the "works of darkness." They have found themselves again "put on," and are already off on other pursuits.

"Academic freedom" and "freedom of speech" next sounded enticing notes, and attracted the innocent activists to new areas of kleig lights and television exposure. All of us have been watching this syndrome.

From issues draped in academic trappings, the unwary soon found themselves again being manipulated—this time to support wild and unrestrained demands for literal control of our great universities. These demands were followed by physical seizure of university properties, brutal imprisonment of senior college personnel, and wanton destruction of records, personal effects and even the results of life-time intellectual inquiry.

Meanwhile, of course, in addition to the criminal actions involved, the rights of thousands of decent students to attend classes and the rights of hundreds of decent teachers to teach have been wholly ignored.

Tragically, many University faculty members and especially many well-paid graduate teaching assistants have been openly supporting, advising and encouraging these excesses.

American flags torn down and burned on our campuses have become all too common, as their places have been taken by flaunted enemy flags and piles of enemy propaganda. And all this in the plain view of the American citizens whose taxes pay for and support the whole state academic structure. Once again, "the innocents" smell trouble from an outraged America which has indeed awakened and is putting on its "armor of light"—and they are scampering to new areas of self-advertisement.

One of their latest enchantments has been in the area of basic obstruction of the selective service laws—upon which our Country has traditionally depended for the selection of its citizens whose service is needed for the support of the Government, in military or other tasks.

Let me pause here to comment upon how ridiculous it really is for physicians and clergymen—neither group weighted down by a particle of technical training in the law—to attempt to decide matters relating to the legality of these selective service statutes. How outraged these worthy innocents would be if a practicing attorney, devoid of medical or theological training, were to undertake to inject their patients with a drug, the name of which the lawyer fancied—to expound with asserted authority the most complex teachings of the Scriptures or the Church!

But to proceed. Here again the same inevitable excesses which have characterized the far spent night of our Country's darkness in so many other areas, have taken place. Witness, in shame, the convicted Chaplain of Yale University, branded a criminal by a jury of his peers for conspiring to interfere with laws relating to the defense of his Country. Look again and see that other convicted priest, already found guilty of criminal entry and the befouling of Government draft records with blood—and now caught again in similar aggravated criminal actions.

Where are "the innocents," while these revolting actions are fresh in mind? They are still holding meetings. They are learning about havens abroad for draft dodgers. Some have been hiding such draft dodgers in their churches. Others say that they want "to advise young men on the draft," to use one euphonious phrase. I suggest that if they aren't careful, some of these brethren will have the Bar Association on their necks for practicing law without a license—or, for that matter, without any legal knowledge.

Probably this phase is nearing an end, too. Once the sentences are announced on a few of those already convicted, the dupes will hear the ominous words "the day is at hand," and be off and running again.

Where will they turn up next? Who knows? And, indeed, in a very real sense, who now cares?

For the essence of this quick scanning which I have been doing is to make clear the point that these flitting leaders, these noisy breast-beaters, are no longer fooling America. They may continue to fool themselves for a time—but the solid majority of Americans has had about enough. That majority is no longer going to be fooled by trick phrases, or by the shrill cries of the publicity seekers.

America is awake! The majority of Americans believe in God—the Father Almighty and Creator of the Universe. They believe in His holy words as recorded in the Scriptures. They believe in their Government—the United States of America—and they are not about to let anyone, or any group, or any organization (no matter what they call themselves) strike down that Government.

The majority of Americans want everyone to have an equal opportunity to make of themselves whatever they can, and wherever they wish to do so. But they are not going to submit to threats, nor flinch before violence, nor surrender their rights to freedom in any of its forms.

They are willing to work. They are willing to pay taxes. They are willing to see that everyone who wants a job may have one. But they are not willing to support those who refuse to work when able.

The majority of Americans are sick and tired of the flood of crime in their cities. They love their families and their homes. And they are not going to let any vicious breed of criminals continue to roam their streets and spit at the law. And whatever it takes in force to achieve this most basic of all freedoms—the freedom to live peacefully—that force they will supply.

America is awake!

"The night is far spent, the day is at hand," and we see our fellow-countrymen "put on the armor of light."

As they do so, let us never lose sight of the dangers of which we are now aware. Let us pray, in Kipling's mighty words:

"Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!"

THE "PUEBLO" CREW

HON. ROBERT T. ASHMORE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 22, 1968

Mr. ASHMORE. Mr. Speaker, 6 months ago this week the U.S.S. *Pueblo,* her officers, and crew were seized by North Korea. All attempts thus far to negotiate a safe return appear to have been futile. We cannot let these brave men think we have neglected them or that our resolve to obtain their release has weakened.

Therefore, it is an honor for me to join with many of my colleagues in the House in saluting the courageous men of the *Pueblo* for the sacrifices they have made in the name of their country.

I am prayerful for the *Pueblo* men and their families, who have been so deeply burdened in recent months, but I am equally proud of their valiant contribution to our mission of freedom.

If an apology to the North Koreans by the administration is necessary to secure the return of the crew, then I reluctantly agree that such an apology should be made. Any further delay must not be tolerated.

I, too, urge all concerned Americans to fly their flags this Sunday, July 28, in a tribute to the noble crewmen and their captain, Lloyd M. Bucher. It is essential that we not forget them and the service they and all the individuals in our Armed Forces are rendering to the cause of this Nation and the freedom of all mankind.

We must remember them—with both pride and prayer—and make certain their safe return to the shores of this land without delay.

LAW, ORDER, AND THE HIGH COURT

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. CARTER. Mr. Speaker, the remarks of Chief Justice Bell of the Supreme Court of Pennsylvania seem very appropriate at this time. General dissatisfaction throughout our country with decisions reached by the present U.S. Supreme Court has been expressed on many occasions.

When a man of the stature, education, legal ability, and attainments of Justice Bell feels as he does concerning the decisions of the U.S. Supreme Court, it is my opinion that the people of our country should have the benefit of his vast knowledge and experience in this particular field. At this point, I include the article by Chief Justice Bell, taken from the U.S. News & World Report, dated July 22, 1968:

LAW, ORDER, AND THE HIGH COURT—A STATE CHIEF JUSTICE SPEAKS OUT

(NOTE.—Why the increasing disrespect for law and order in America? Are the rulings of the Supreme Court in recent years the cause of it all? A distinguished State jurist examines the problem—and suggests a course of action to help eliminate it.

(Text of an address by Chief Justice John C. Bell, Jr., of the Supreme Court of Pennsylvania, to the District Attorneys' Association of Pennsylvania in Philadelphia, Pa., on July 8, 1968)

The land of law and order—the land which all of us have loved in prose and poetry and in our hearts—has become a land of unrest, lawlessness, violence and disorder—a land of turmoil, of riotings, lootings, shootings, confusion and Babel. And you who remember your Genesis remember what happened to Babel.

Respect for law and order—indeed, respect for any public or private authority—is rapidly vanishing. Why? There isn't just one reason. There are a multitude and a combination of reasons. Many political leaders are stirring up unrest, discontent and greed by promising every voting group heaven on earth, no matter what the cost. Many racial leaders demand—not next year, or in the foreseeable future, but right now—a blue moon for everyone with a gold ring around it.

Moreover, many racial leaders, many church leaders and many college leaders advocate mass civil disobedience and intentional violation of any and every law which a person dislikes.

We all know, and we all agree, that there is a need for many reforms, and that the poor and the unemployed must be helped. However, this does not justify the breaking of any of our laws or the resort to violence, or burnings and lootings of property or sit-ins, lie-ins, sleep-in students, or mass lie-downs in the public streets, or the blockading of buildings, or rioting mobs.

Television shows which feature gun battles—of course, unintentionally—add their bit to stimulating widespread violence. Furthermore, the blackmailing demands of those who advocate a defiance of law and order under the cloak of worthy objectives, and commit all kinds of illegal actions which they miscall civil rights, are harming, not helping, their cause.

Let's face it—a dozen recent, revolutionary decisions by a majority of the Supreme Court of the United States in favor of murderers, robbers, rapists and other dangerous criminals, which astonish and dismay countless law-abiding citizens who look at our courts for protection and help, and the mollycoddling of lawbreakers and dangerous criminals by many judges—each and all of these are worrying and frightening millions of law-abiding citizens and are literally jeopardizing the future welfare of our country.

Is this still America? Or are we following in the foosteps of ancient Rome, or are we becoming another revolutionary France?

Let's consider some of these problems one by one. In the first place, we cannot think or talk about crime and criminals without thinking about the newspapers and other news media. Our Constitution, as we all remember, guarantees the "freedom of the press," and this freedom of the press means an awful lot to our country, even though it isn't absolute and unlimited.

We all know that newspapers are written, edited and published by human beings, and therefore it is impossible for a newspaper to be always accurate or always fair or always right. Nevertheless, the newspapers and other news media are terrifically important in our lives, and particularly in showing up incompetent or crooked public officials and dangerous criminals. Indeed, it is not an exaggeration to say that they are absolutely vital and indispensable for the protection of the public against crime and criminals.

No matter what unrealistic people may say, the only way it is possible for law-abiding persons to adequately protect themselves against criminals is to be informed of a crime as soon as it happens, and all relevant details about when and where and how the crime occurred, together with pertinent data about the suspected criminal or criminals.

I repeat, this is the quickest and surest way, although, of course, not the only way our people can be alerted and protect themselves.

For these reasons, it is imperative that we must resist constantly and with all our power, every attempt to "muzzle" the press by well-meaning and unrealistic persons who mistakenly believe that this press coverage with its protective shield for the public will prevent a fair trial.

I need hardly add that if the press publicity so prejudices a community that a fair trial for the accused cannot be held therein, the courts possess, and whenever necessary exercise, the power to transfer the trial of such a case to another county in Pennsylvania.

Let's stop kidding the American people. It is too often forgotten that crime is increasing over six times more rapidly than our population. This deluge of violence, this flouting and defiance of the law and this crime wave cannot be stopped, and crime cannot be eliminated by pious platitudes and by governmental promises of millions and billions of dollars. We have to stop worshiping Mammon and return to worshiping God, and we next have to change, if humanly possible, the coddling of criminals by our courts.

The recent decisions of a majority of the Supreme Court of the United States, which shackle the police and the courts and make it terrifically difficult—as you well know—to protect society from crime and criminals, are, I repeat, among the principal reasons for the turmoil and the near-revolutionary conditions which prevail in our country, and especially in Washington.

No matter how atrocious the crime or how clear the guilt, the Supreme Court never discuss in their opinions or even mention the fact that the murderer, robber or dangerous criminal or rapist, who has appealed to their court for justice is undoubtedly guilty, and they rarely ever discuss the rights and the protection of the law-abiding people in our country. Instead, they upset and reverse convictions of criminals who pleaded guilty or were found guilty recently or many years ago, on newly created technical and unrealistic standards made of straw.

Although I do not doubt their sincerity, most judges, most lawyers and most of the law-abiding public believe that they have invented these farfetched interpretations of our Constitution with a Jules Verne imagination and a Procrustean stretch which out-Procrustes; and either legally or constitutionally they must be changed!

Now, here is where you come in. The people of Pennsylvania need, as never before in our history, district attorneys who will without fear or favor act promptly, vigorously and, of course, fairly, to prosecute and convict the lawless, the violent and the felonious criminals who are alarming and terrifying our society. How can you do this? There are several ways which occur to me, and I am sure numerous additional ones will occur to you.

The first is: You must prosecute as quickly as possible all persons who violate any law, no matter how or under what cloak of sheep's clothing they may attempt to justify their criminal actions.

"NEWLY CREATED RIGHTS" OF CRIMINALS

Second: Study—and you will have to study as never before—all of the many United States Supreme Court decisions handed down in the last few years concerning crime and criminals, their confessions and their newly created rights. These are so numerous that I will not have time to analyze and discuss them. However, I will capsulize my feelings with respect thereto by the following quotations from the dissenting opinions in *Wesberry v. Sanders* [on apportioning congressional districts so one person's vote is equal to another's] which said, inter alia: ". . . The constitutional right which the Court creates is manufactured out of whole cloth;" and in the dissenting opinion in *Lucas v. Colorado General Assembly* [on apportioning the Colorado legislature on the basis of population], where one of the dissenting opinions said:

"To put the matter plainly, there is nothing in all the history of this Court's decisions which supports this constitutional rule. The Court's Draconian pronouncement, which makes unconstitutional the legislatures of most of the 50 States, finds no support in the words of the Constitution, in any prior decision of this Court, or in the 175-year political history of our federal union. . . ."

In the very recent case of *Witherspoon v. Illinois,* which was decided on June 3 of this year, the dissenting Justices went even further, and said that the majority opinion was completely without support in the record and was "very ambiguous." With these conclusions I strongly agree.

However, what is more important is the question of what *Witherspoon* really holds. The majority opinion thus summarizes it:

"Specifically, we hold that a sentence of death cannot be carried out if the jury that imposed or recommended it was chosen by excluding veniremen for cause simply because they voiced general objections to the death penalty or expressed conscientious or religious scruples against its infliction. . . . Nor does the decision in this case affect the validity of any sentence other than one of death. Nor, finally, does today's holding render invalid the conviction, as opposed to the sentence, in this or any other case. . . . We have concluded that neither the reliance of law-enforcement officials nor the impact of a retroactive holding on the administration of justice warrants a decision against the fully retroactive application of the holding we announce today."

Third: You will have to more carefully and more thoroughly prepare your cases than ever before, especially on the question of the voluntariness and admissibility of confessions, in order to avoid new trials, now or 25 years from now.

WHY RECORDS ARE IMPORTANT

Fourth: You will have to personally make sure that a complete, detailed record is kept of all the trial and pretrial and postconviction proceedings in every case, in order to adequately answer and refute, immediately or many years after the trial, a convict's contentions that he was deprived of a number of his constitutional rights.

These allegations of unconstitutionality may include a contention that his confession or guilty plea was coerced or involuntary; or that he did not have a lawyer at the taxpayers' expense at the time of his confession, or any time to adequately prepare his case; or that he was not advised or did not understand all his rights at every critical stage of the trial and pretrial proceedings, including his right to remain silent; and all his other required constitutional warnings; or that he was not competent to stand trial; or that he was insane; or that his lawyer was incompetent; or that he was not advised of his right to appeal and to have a tax-paid lawyer represent him in his appeal; and also every imaginable lie which he can invent; as well as every technical defense which an astute criminal lawyer can, after the trial or after many postconviction proceedings, conceive.

Fifth: You will have to aid, of course, diplomatically, every trial judge, in order that his rulings and his charge to the jury and his statement of the law and the facts are accurate, adequate, fair and comply with all the recently created technical standards.

Sixth: And this is very, very, very important—I strongly recommend:

First, that your association state courteously and publicly the position of the District Attorneys' Association of Pennsylvania with respect to every decision of the Supreme Court of the United States and of an appellate court of Pennsylvania, which the association is convinced is unfair to our law-abiding people and is unjustified by the Constitution or by any statutory law, together with the reasons and the legal authorities which support your position; and that you simultaneously send a copy of all of the association's recommendations, resolutions and criticisms to the Supreme Court of the United States, and to the appellate courts of Pennsylvania.

Second, that each of you write, and likewise be sure to see the members of the State legislature from your district and your Congressman and your two United States Senators about the association's recommendations and resolutions and criticisms, and the reasons for the association's opinions and convictions.

Finally: You must fight with all your might and power and as never before for all the law-abiding people of our wonderful State who are consciously or unconsciously relying upon you and the courts to protect them from felonious criminals and from all lawbreakers.

A FLAG FOR THE "PUEBLO"

HON. CHARLOTTE T. REID

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 22, 1968

Mrs. REID of Illinois. Mr. Speaker, I was pleased that Members of the House and the other body had an opportunity yesterday to greet Mrs. Lloyd M. Bucher, the wife of the captain of the U.S.S. *Pueblo,* during the reception held in her honor in the Longworth Building.

Mrs. Bucher's visit to Capitol Hill emphasized even more the widespread interest throughout the Nation in the welfare of the surviving 82 officers and crewmen of the *Pueblo*. Let me again express the hope that Americans everywhere will join in flying their flags in a salute to these courageous men next Sunday, July 28.

THE FORD FOUNDATION AND THE ENVIRONMENT

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. OTTINGER. Mr. Speaker, I received a booklet in the mail this morning that I would very much like to share with my colleagues. The booklet was published by the Ford Foundation and written by Mr. Gordon Harrison, program officer in charge of projects relating to our resources and environment.

Mr. Harrison's text provides as clear and concise a statement as I have seen on what conservation is about, and what conservationists are properly concerned with protecting. The point that he makes is that man survives and prospers because of his ability to disrupt his environment selectively—encouraging those things that are beneficial and weeding out those that are not. The correlative problem is that we are seldom aware of the long-range consequences of our activities until long after they have been set in motion; by that time it is often too late.

If there is a way to break out of this impasse, it lies in our ultimate ability to recycle our resources, restoring to nature those things which we have taken, used and discarded, in a manner that will permit their reabsorption into a useful and productive environment. The Ford Foundation is making a serious effort to point out areas in which society's efforts can be properly directed to this end, and the booklet provides a valuable insight into this effort.

I commend it to the attention of my colleagues, many of whom are very much concerned with the problems that this report describes.

THE ECOLOGICAL VIEW

Of all the creatures who over the eons have inhabited this planet, man has been unique in his ability deliberately to alter the environment.

One striking way in which he has done so has been to reduce disease by making the man-occupied world less hospitable for parasites and their insect transport. Technological success here has lowered death rates much faster than society could adjust to the implications. Hence, to simplify slightly, the world population began to grow cancerously.

In the unindustrialized world this sudden imbalance faces millions with starvation. Family-planning programs cannot achieve results quickly enough to avert the food crisis. Technical efforts to increase food supplies, despite some dramatic successes, are too meager to do the job, and it is not certain that even an all-out effort could succeed. The typical conservationist approaches to warn of a developing imbalance between resources and consumption while trying both to save the resource and rationalize the patterns of consumption—these have little relevance at this late hour. Many observers believe that millions of people will starve in the 1970s, victims of our failure to recognize that we are not masters of the living system on which we depend for our life but parts of it, just as much as cells are parts of a body.

That lesson of folly is infinitely more tragic than any we face immediately in the developed world. We here are nevertheless pursuing a course that is similarly at odds with our circumstances aboard a small planet, similarly heedless of natural constraints on consumption, and therefore finally catastrophic as surely as if a man were to spend his days gorging himself without stop.

The most obvious symptom of our own approaching crisis is pollution. By pollution I mean not only the poisoning of air and water by the wastes of production but equally the splurge of metropolis, the needless engrossment of some of our most productive farmlands for suburban housing, and the cavalier destruction of landscape by strip mines, highways, power lines, billboards, as though man did indeed live by these alone. Pollution in this sense is often regarded like famine as another direct consequence of over-population, and there is no question that increased numbers of people and especially their concentration in urban areas have made pollution critical and highly visible. Pollution, however, is not caused by too many people. It is the result of human disturbance of the cycling of energy and materials in natural systems.

That cycle in outline is well known: Primary producers (chiefly green plants) with energy from the sun synthesize their own organic food out of carbon dioxide, water, and minerals. All other living creatures feed on these plants either directly by grazing or indirectly by grazing the grazers as carnivores or parasites. A part of the food eaten is excreted; all of it is returned in one form or another to the environment. The organic discard passing through a variety of scavengers is eventually broken down by bacteria into its inorganic components which are thus made available to the plans as raw materials once more.

Man's intervention is radically disruptive. When a farmer clears a wood and plows a field he functions with respect to nature like a natural catastrophe—indeed generally more effective than fire, earthquake, or tornado. He exterminates a system of interrelated plants and animal life which over a long period of time had become mutually adapted to the physical environment and to each other in such way that each creature was just making a living.

In a natural system, fully developed as in a primeval forest, for instance, the input of sunlight is used to maintain the community of organisms. While individuals come and go within it and populations of species fluctuate so that at times there may be more oak and less hickory or more mice and fewer owls, the total quantity of living matter remains constant; that is to say the system ideally yields no net biological product. Net biological product—a crop—however, is just what the farmer wants. He therefore destroys the balanced system and creates a deliberately unbalanced one whose cycle from plowed field to seed to crop to harvest and back to plowed field is completed in a single season. He does this essentially by simplification, suppressing on his farm as many of the living things as possible that would compete with his planted crop for energy and minerals. He weeds; he fences; he sprays against pests.

The result is a system that in nature's terms is disturbed. The excess product—the developing crop—represents unexploited environmental opportunities, or in the ecologist's jargon, unfilled niches. Pests arrive on the scene to take advantage of these unusual opportunities. Unlike men, they cannot cart away the crop; they can only multiply in numbers to consume it. If left alone they would make off with the feast and then move on, or starve down to numbers adapted to lower supplies of food, or provide a bonanza for predators who obeying the same law of nature might increase in their turn to exploit it. By many complicated interactions over time populations feeding on each other would come once more into balance. Balance of course is never a static condition but rather a moderated pattern of ups and downs around a mean, much like temperature fluctuations in a thermostatically controlled room, although immensely more complicated.

It is clear that the simpler a natural system is the more unstable it must be. Consider a three-part food chain: grass, rabbits, and lynx. Suppose drought destroys the grass crop. Then rabbits wholly dependent on it will die off and so will lynx who are wholly dependent on rabbits. But if among the grass were drought-resistant plants and rabbits were adapted to eat them, then at least a proportion of plants, rabbits, and lynx would be likely to survive prolonged dry spells. The system would be made hardier still if chipmunks were added to feed on nuts and could be caught perhaps by more skillful lynx who would then not entirely die out for lack of rabbits but might produce a cleverer strain better able in the future to handle environmental adversity. In any event the more alternative ways there are of eating and being eaten the better the chance a living system has to avoid massive fluctuations in the birth and death of species. Variety thus appears to be nature's grand tactic for survival.

Man is the only creature who values wealth because only he can achieve it. An important consequence of the farmer's productive system is that it enables him to capture excess produce from the soil, more than he needs at once to consume. He can exploit that wealth by storing it and that leads to the settled life, to villages, and at last to cities. It is in permanent human settlements that off-premise consumption produces the specifically human problem of garbage and wastes. Waste is in fact only a symptom that geographically the metabolic cycle has been split: Production has occurred at one place, consumption and excretion at another. The byproducts of human use that would in nature return immediately as food for other organisms in the cycle are, as it were, left high, dry, and a nuisance out of their natural context. Civilization so far has been more impressed with the nuisance than with the anomaly that processes which on the land sustain life, in town can poison it.

Currently this nation devotes a lot of energy and money (though not nearly enough) to seeking a technological fix for the waste problem. So long as this technology explores essentially for more sophisticated holes in which to throw things away, it may be immediately useful in changing the locus of the nuisance—garbage is after all more tolerable on the town dump than in the bedroom—but in the long run it is doomed. Let it be noted again that all the materials by weight extracted and processed for human consumption are breathed away or end up as waste. The concepts of use and discard therefore are simply irrelevant to the facts of life within a system that is closed so far as materials are concerned. The traditional focus on production and consumption looks at only one segment of the indivisible circle: Consumption, if it is to continue, must be tied to production at both ends, accepting the product and giving up the raw materials for new products.

The problem of waste disposal is not the focal or even necessarily the most important issue for conservation, but it serves as well as any to illustrate the principles of interdependence that make it necessary for man in all regards to pay more attention to his impact on his environment and vice versa. The concept of the natural system, along with the recognition that nature has a tactic realized by maximum stability while man embraces an opposite tactic aimed at maximum production, provides the essential philosophic context within which it becomes possible to see what conservation can and cannot, should and should not do.

THE FOUNDATION PROGRAM

Wildlife and wilderness preservation

Someone has described a conservationist as one who wants more wilderness for more voices to cry in. An uncompromising defense of the wild is an ostentatiously minority view. From what has been said it is clear that preservation of nature as is directly frustrates man's tactics. It says to him: "Here in this place or with respect to this plant or animal you shall not gather the product of earth." In general this is a flat proscription against man's economic self-interest.

There may be excellent reasons, however, to heed the proscription selectively: One is aesthetic. Many people find a spiritual refreshment in wilderness and wild creatures which they do not need to explain or justify any more than artists need to apologize for liking painting. Many other people insufficiently stirred to actually hike in the wild like to look at it from afar or at least imagine it. Few of us would not feel poorer to know that we lived in a world that had nothing wild in it.

A second more universal reason is scientific. As Darwin among others observed: Life is process and ultimately one; we have strange ancestors and a lot of living cousins. To wipe out the wild and thus push to extremes the process of simplifying the living environment reduces the pool of actually and potentially useful living things (penicilin mold is creature as well as the malaria pasmodium) and cuts down the number of living systems the comparative study of which throws light on ourselves.

A third reason is prudence. Wherever to date we have engineered major changes in the face of the earth, unforeseen and generally unwished consequences have followed. That record suggests caution in making over any more of the world for man's special convenience than is necessary.

The anguish with which some conservationists contemplate the imminent disappearance of the whooping crane can be overdone. Yet essentially and properly they deplore the impoverishment of nature which is typically the result of man's engineering skills. And the tears are not shed only for the crane. The more we bulldoze variety, the more we make places look, feel, and function alike, the more we reiterate the Pittsburghs, the Scarsdales, and the Jones Beaches, the fewer the species of wild creatures that will survive and the fewer the varieties of men.

The Foundation has been especially responsive to the scientific need for natural areas to study and has helped a few institutions acquire some. A grant of $375,000 allowed the Smithsonian Institution to buy 329 acres on the Chesapeake Bay for a biological field station to be used by it and the Johns Hopkins and Maryland universities. The Foundation also assisted the Museum of Comparative Zoology at Harvard to set up a biological field station in nearby Concord with a grant of $250,000. A $500,000 matching grant to the University of California is helping the university proceed more rapidly with a statewide system of natural areas for both research and teaching. In addition a grant of $550,000 provided four-year administrative support for the Nature Conservancy, an organization wholly devoted for the past twenty years to the acquisition and preservation of natural areas of scientific importance.

On two occasions the Foundation made grants simply for land preservation without direct tie to scientific use: To the Save-the-Redwoods League it gave $1.5 million in matching funds to help round out the system of California state redwood parks; $232,000 in matching funds were granted to National Audubon Society to enlarge the Corkscrew sanctuary in Florida and so safeguard it against encroaching subdivisions.

Knowledge and skills for resource managers

Provided human populations can stabilize at sustainable numbers, then the key to balancing the system of which man is a part is to find ways to reconcile his tactics with nature's. Man must be able to manage a productive imbalance in those parts of the system which yield him a living; nature must be assured elsewhere a stability sufficient to minimize catastrophic fluctuations in the populations of other species. To begin to work out the necessary compromises we need to know a lot more than we now do both about how natural systems work and about what viable alternatives are open to man in his exploitation of natural resources.

Take one simple example: Farmers using pesticides normally aim at total extermination of the target pest and locally they sometimes succeed. It is by no means certain, however, that even from a narrow economic point of view this is the wisest policy. It might for instance pay to accept a percentage of crop loss for the sake of reducing applications of a lethal chemical or using alternative controls that would spare birds, fish, and soil organisms. That choice might be rational if (1) the direct damage to other creatures involved economic loss, destruction of trout, for instance, in a fishing stream; or (2) the productivity of the farm were reduced by selective killing of certain organisms essential to the metabolic cycle as, for instance, in the soil; or (3) natural reactions to the disturbance developed pesticide-resistant individuals or recolonized the empty environmental niche with another, hardier species of pest. To know what tactic in fact is preferable one needs to know what reactions to expect from the natural system and also the social costs and benefits of the farmer's alernatives.

For the required information and insight one has to look chiefly to ecology and resource economics, to the first for primary knowledge of the tactics of nature, to the second for primary analysis of the tactics of man. Resources for the Future first funded by the Ford Foundation in 1953 and wholly supported since by a series of five-year grants has lately devoted an increasing proportion of its research toward the design of resource management models. The staff under the lead of Allen Kneese took stream pollution as a convenient problem and set themselves the task of analyzing the social costs and benefits of managing the stream to achieve selected standards of water purity. The analysis is obviously immensely complicated since nearly every factor affecting stream quality may at a cost be varied. The nuisance of wastes may be abated by diluting them with increased flow of water, or bacteria may be helped to degrade faster by mechanical aeration giving them more oxygen for the job, or their work may be hindered by raising the temperature of the water with heated effluent from power plants, or without changing the total volume of effluent bacteria may be assisted by better spacing of sewage outfalls not to create exorbitant demands for oxygen in any one reach of the river. Controls on the inputs of wastes are still more variable: One may calculate for a single factory the alternative social costs of requiring treatment of sewage to various standards of purity or of relocating the factory or changing its production methods to deliver a different kind of waste, burnable or buriable perhaps, or reusable.

Through such analysis it is theoretically possible to develop a series of differential equations expressing management alternatives for an entire river basin and then, provided data are available, to compute the costs and benefits for any combination of choices. R.F.F. researchers and others, many of whom have had R.F.F. grants-in-aid, have already gone a long way toward developing such models for decision. In 1964 the Foundation made R.F.F. a supplementary four-year grant of $1.1 million to push this line of investigation into other environmental problems that appeared to be susceptible of similar analysis: air pollution, pesticides, and urban sprawl. All of these questions are being researched by R.F.F. in a new integrated program concerned with the quality of the environment.

On the biological side a younger generation of ecologists is making some progress in analyzing and modeling natural systems. Progress is relatively slower (1) because of the inherent complexities (the data relevant to the interaction of just two populations—prey and predator for instance—are bafflingly numerous, and even a very simple real system—the arctic tundra for instance—comprises scores of interacting species); (2) because too few first-rate minds have been studying the problem (natural history and its derivatives have a bad name in science as forms of stamp collecting, and modern biology showing spectacular results has tended to monopolize the best students); (3) because training, which properly requires a large component of mathematics, has been inadequate.

There are two overriding requirements to do better in the future: One is for more ecologists of all kinds from those working on the most basic problems of nature's strategy (the direction of evolution and rules of adaption, competition, predation, and so on) to those with something to say directly to the managers of a forest, a farm, or a fishery. The second is for a focus on human problems. Too much ecology in the past has examined nature with man left out. Such ecologists for the most part have either found nothing relevant to say to farmers, developers, environmental engineers, or have simply resisted men's works in much the same spirit as some sentimental conservatives resist all change.

To encourage the basic science and spotlight its importance grants totaling $1,408,000 were made to Princeton and Chicago in support of expanded graduate programs in ecology and population biology (the biology of populations, not family planning). These were intended to establish centers of excellence gathering supporting professional talent and top quality graduate students around two of the most outstanding young men in the field, Richard Lewontin, population geneticist at Chicago, and Robert MacArthur, ecologist at Princeton. One of the terms of these grants was that so far as possible both universities would encourage interaction with more applied field biologists, by bringing in visiting lecturers and standing ready to send students to other institutions for exposure to practical problems.

Other grants in this area aim at encouraging ecological training for those more directly concerned with problems of managing resources: $909,655 to the Yale School of Forestry, and $587,695 to the University of Washington School of Fisheries, both emphasizing the importance of mathematical training; $470,000 to Stanford University for a new graduate program in the biology of human populations; $858,000 to Johns Hopkins University for a new graduate program in geography and environmental management; $420,000 to the Missouri Botanical Garden for an expanded graduate program in biophysical ecology; and $483,200 to the University of British Columbia for a new interdisciplinary program of graduate education in resource science. Two grants have been made to bring ecological principles and techniques directly to bear on real resource problems: $174,000 to the University of California at Davis for a case study of the social costs of increasing population growth in California; and $62,000 to Colorado State University for a case study of the potential ecological impact of weather modifications.

Space for people

In some important respects the most ill-managed of all our natural resources has been living space. Until recently development of land has been left almost entirely to individual choice as though community had no physical reality deserving communal concern. The democratic principle that one man's liberty ends where another's begins has never been applied to constraints on the use of land except when gross nuisances have been redressed at law, and even that remedy has been left ill-defined. Zoning until a few years ago has been the only systematic device to control land use with any general acceptance. Lately government has made some cautious moves to forbid visual pollution along some roads. Some states and localities have experimented with negative easements or use restrictions on privately owned land for which the owner generally is paid. A few developers have been encouraged to cluster houses and deed open space within the subdivision to the property holders collectively.

America's failure to discipline the private exploitation of land to social needs results partly from the normal conservatism of institutions, partly from the shortage of planners and leaders who understand what is at stake and what alternatives are feasible, and partly from a paucity of instruments to control land use in harmony with our traditions, or prejudices, if you will. Recently the School of Fine Arts of the University of Pennsylvania, under the leadership of Ian McHarg revamped its graduate courses for professional planners to try to correct a common engineering notion that the physical environment is a perfectly malleable, passive material. McHarg believes that the needs of the living environment ought not only to be recognized as constraints on planning but as guides to laying out the works of man for his greater satisfaction and smaller cost. Subdivisions, for instance, that respect the natural machinery for cycling water and keeping it pure are likely, he thinks, both to avoid pollution and provide environments in other respects more fit for human dwelling. The Foundation made a grant of $200,000 to Pennsylvania to develop and extend McHarg's efforts to bring up a new breed of planner.

The principle of respecting nature which McHarg calls the "ecological imperative" has been applied by some of his colleagues at Pennsylvania to a design for controlling the development of a small watershed in Chester County near Philadelphia. Those designing the project have had two main objectives: To restrict land use in the basin (21,000 acres in extent) so that the flow and purity of the stream are maintained; and to effect those controls by relatively untried legal tools, each of which would forbid uses of private land deemed damaging to the public interest, but, unlike zoning, would compensate the owner for the estimated loss in value resulting from the restrictions. With a grant of $240,000 in 1966 the Foundation has helped support the planning and continuing efforts to get the plan accepted.

Local governments often encourage maximum development on the assumption that larger populations, and larger industry payrolls, necessarily prosper the community whereas undeveloped and untaxed lands in parks or open space necessarily represents net economic loss. Such reckonings generally take no account of the rising cost of social services in a crowded community or of the real value of attractive living conditions for which people are willing to pay in higher prices for land. A grant of $59,000 to People for Open Space has financed a study of the economics of open space in metropolitan San Francisco with a view to assisting local governments in making more realistic estimates of the real costs of "unused" land.

New legal instruments of land use control attempt to remedy two of the three notable weaknesses of zoning: Its tendency to homogenize neighborhoods rather than preserve their amenity (not always the same thing); and its susceptibility to dent under private pressure often without any chance for the public interest at issue to be defined or heard. The third weakness of zoning, its localism, can be got at only through new political arrangements. The Foundation with consultants has been studying the possibilities of creating recreation and amenity districts that would check in certain regions the trend toward the continuous city and provide national park opportunities for people in megalopolis without assembling huge blocks of publicly owned land.

Conservation and the citizen

Citizen education and organization—the twin fundamentals of the conservation movement—are unfortunately at least as difficult to advance as they are important.

Two sallies have been made by the Foundation in response to this need for greater citizen enlightenment. One is a grant to the University of Michigan to enable conservation educator William Stapp to devise and test a correspondence course in water pollution. Stapp wants to find out whether it is possible by direct education to change adult attitudes toward issues of immediate local interest, and, if so, whether changed attitudes will result in effective action. The other is a grant to the Conservation Foundation to help them work with the state and local educators on programs eligible for Federal support under Title I of the Education Act. The Conservation Foundation would place its own staff expertness at the disposal of local groups who want to take the Title I opportunity to offer education in environmental issues but don't know how.

The Conservation Foundation is in many other ways engaged in public education and often simultaneously in efforts to organize citizens for sustained action in defense, for instance, of a clean river or a regional plan. We provided this year $450,000 to support some of these activities for three years, in addition to the special project grant noted above. Established in 1948 and wholly dependent on other foundations and individuals for support, the Conservation Foundation has occupied a lonely eminence as the only national organization dedicated to the whole range of conservation concerns. That loneliness underlines the dual fractionation of the conservation movement in local societies and in special interest associations. Dozens of towns in Connecticut, for instance, have incorporated nature groups all independent of one another. On the national scene hunters and fishermen are banded together in the National Wildlife Federation, more purist fishermen in the Izaak Walton League, and the purest of all in Trout Unlimited. Even in one state and on one issue involving only principles universally agreed, sister societies often fall out as they did recently over the Redwood National Park in California.

Much of the fragmentation is inevitable and not all of it is bad. A committee to save the green foothills composed of fired-up residents of the green foothills will work a lot harder to preserve their environment than could a local branch of the national society for the defense of humane living. Furthermore it is a good thing to have special interests, the bird-watchers for instance, specially represented if only because they are sources of both funds and political influence that could probably not otherwise be tapped.

An ingenious and even promising way to have the best of both unified and fractured worlds is being tried out by the Massachusetts Audubon Society, a state organization wholly independent of National Audubon. Massachusetts Audubon, under the energetic leadership of Allen Morgan, is experimenting with a Conservation Services Center, which the Foundation funded for four years in 1966 with a grant of $375,000. The center is set up to furnish a quarterly magazine, newsletters, membership solicitation letters, pamphlets, and other educational materials on such issues of general concern as the preservation of wetlands, to both private groups and public bodies like the town conservation commissions which exist in 300 Massachusetts towns. A major difficulty in organizing citizens for conservation is that people do not want to join or contribute to a society that has nothing immediately to offer. By providing such groups with an instant capacity for professional service, the center can assist them over the initial recruiting hurdle and put them in a position to attract an influential board and sign up members.

PROJECTIONS

In general most of the grants that have been made address problems of continuing interest to the Foundation. The Foundation's major programmatic interests now are:

(1) Selective support on a reduced scale for training and research in environmental sciences, including ecology, engineering, planning and design, and the relevant social sciences. The Foundation will also investigate the possibilities of effective encouragement of undergraduate education in this field.

(2) Sharpening of legal tools for conservation. The emphasis here will be on efforts to gather and disseminate information on both common law and legislation affecting land use and other conservation issues, to draft model legislation, and do other research or help provide such legal services as may be needed to redress a little the imbalance between the resources available to the citizen to defend the environment and those available to the developer to exploit it.

(3) Continued exploration of the possibilities of effective environmental education at the primary-secondary level. Most of what is now taught in public schools as conservation—and there is a lot of it particularly in the midwestern states—is probably ineffective in itself and certainly ill-adapted to present needs. Most of it is essentially conservation of the 1930s for country kids, focusing on soil erosion, forest management and wildlife; it is on the whole didactic and moralistic. If primary and secondary education can contribute to a more reasonable attitude on the part of the American people toward the environment (and that is not to be taken for granted), it obviously has to aim at children in the city where most of them are, and it should probably try to inform as a basis for intelligent action rather than propagandize.

THE MONOLITH

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. ROUDEBUSH. Mr. Speaker, the current unrest in the Communist slave empire has inspired an editorial comment in the Indianapolis Star which merits the attention of the entire 90th Congress.

The editorial follows:

THE MONOLITH

One of the major myths in the Communist propaganda arsenal, a myth perpetually being foisted upon gullible leftish Americans, is that "Communism is not a monolith."

What is happening in Czechoslovakia right now is a revealing test of that prize Cold War (and Hot War) myth.

Red myth hawkers and their activist dupes point endlessly to each squabble and spat between the members of the Communist power-structure to "prove" their point.

They say Red China and Soviet Russia are at odds. Red Poland and Red Yugoslavia do not always see eye to eye. Red Albania and Red Hungary have differences.

And of course they are right. This is all true. But it does not prove their point. And it does not disprove the significant fact that the Communist power-structure is truly monolithic, that its aggressions are carried out by means of unified planning by the top leaders and that its conspiracies and subversions have a common objective—the eventual destruction of the United States of America and the communization of the planet.

Members of the Politburo and the Red Army general staff no doubt have fights with their wives and arguments with one another, as do members of the Cosa Nostra, the Red Chinese party hierarchy and the members of any mortar squad or artillery battery. These do not diminish their danger to those they choose to destroy or conquer.

The deadly machinery of the Soviet Union is now poised at the vitals of Czechoslovakia.

Its rumbling can be heard all the way to the Kremlin and around the world.

Czechoslovakia is a nation sitting on a doomsday machine. The control wire leads to the Kremlin and somewhere deep within its guarded inner chambers the humorless, cold-eyed, robot-like men who rule the hundreds of millions of serfs of the Red empire from Vladivostok to Murmansk and from the North Sea to the Black Sea and the Mediterranean hold the trigger in their hands.

There is little doubt the Soviet armed might would have rolled into its oppressive action sooner if the Kremlin bosses had not been concerned with trying to preserve their fake "dove" image, the "good guy" masquerade that is such an important factor in their brilliantly successful campaign to divide America on the Vietnam issue.

But now the iron fist outline is visible beneath the velvet glove, the snouts of machineguns and artillery pieces are poking from the heaps of dove feathers and the clank of armor can be heard over the cooing of the artificial doves.

Czechoslovakia is waiting.

The world is watching.

The Czechs made the mistake of reaching out for just a little freedom.

And now the monolithic giant in dove's feathers is trying to figure out a way of stamping out this little glimmer of freedom without seeming un-dove-like.

BAY STATE AUDUBON SOCIETY

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. PHILBIN. Mr. Speaker, each year, as developers' bulldozers level more and more trees, and as our rivers, lakes, streams, and air become more and more

polluted, the work of dedicated conservationists becomes increasingly important.

The Massachusetts Audubon Society, the oldest and largest organization of its kind in the country, has been very much in the forefront of the constant struggle to preserve the bountiful natural resources of our State and country from those who would destroy all in the name of progress.

With permission, I insert in the Congressional Record a feature story from the May 26 issue of the Worcester, Mass., Sunday Telegram in which staff writer, Jane Miller, very competently explores the growth of this society and examines the ever-broadening scope of its projects.

The material follows:

Conservationists With a Punch, Those Audubon People Are Fighting for All Outdoors

(By Jane Miller)

Today, one of spring's happy sights is a plump and sleek robin giving the heave ho to a worm.

But the spring of 1896 was different.

Boston meat markets were selling robins.

In protest, Boston citizens banded together to rally round the robin—and the Massachusetts Audubon Society was hatched.

This was the very first of the Audubon societies. It is now the largest. From a fledgling organization largely concerned with initiating game protection laws, Mass. Audubon has grown until it now has a yearly budget of $1 million—and horizons that extend far beyond their stereotyped image as "bird watchers."

Their budget covers an education and research program, 10 camps, and 36 sanctuaries—12 with resident personnel and another 11 with major open spaces.

Six sanctuaries are in Worcester County. Cook's Canyon in Barre and Wachuset Meadows in Princeton are staffed, while Laurel Woods in Holden, Burcoat Pond in Spencer, and Rutland Brook in Petersham, are open spaces. This summer, Lincoln Woods in Leominster will open a day camp.

However, almost all of the staff of 143 full-time employees, and an additional 100 part-time workers arrived at their present focus on wildlife conservation, and concern with water and air pollution, through an initial interest in bird watching.

The statistics are impressive, considering that what we've got going for us here in Massachusetts is an enterprise on a state level that is half the size in budget and staff of the program carried on by the National Audubon Society.

Mass. Audubon is an independent organization, however, although it was in on setting up the national society and cooperates with it, as it does with other state Audubon societies.

The Bay State Society shares its handsome magazine by generalizing articles to fit all the New England states, then affixing an individual state's cover.

Allen H. Morgan is the organization's young, hustling executive vice president—in effect, the chief operating executive. He's a real go-getter, who keeps an eagle-eye on all activities from headquarters in Lincoln.

Members of Worcester's Forbush Bird Club delightedly recall the time he drove himself here to speak at their annual meeting—with his leg in a cast, the result of a skiing accident.

In the 10 years he's been with the society, membership has jumped from 5,800 to 14,000.

Hearing him talk, it's hard not to absorb his enthusiasm.

"Given a choice," he said, "any intelligent person would rather have good-looking surroundings, a healthy place for kids to play, unpolluted air and water.

"There just aren't many more places to go for clean water. Boston's system already is as far out as Quabbin Reservoir. Soon we may meet Chicago in their search for water," Morgan said wryly.

"We're in big trouble right now. For one thing, we're releasing carbon dioxide into the air faster than green plants can absorb it.

"We're crowding people and industry too close. The result is biologically explainable. Laboratory animals show marked stress and irritability from crowding and the resulting air pollution."

Pollution has already killed off birds—a reliable barometer. "Remember how coal miners took canaries with them into the mines?" Morgan asked. "When the canary keeled over—boy, it was time to get out."

And it was not long ago, Thanksgiving of 1966, that a stagnant air mass that hung over Boston was directly charged with causing several hundred human deaths.

"Mass. Audubon's aim," Morgan said, "is to enlighten the public, so they'll realize that open space is not a luxury, but a necessity."

And he believes what he says.

In 1953, while he was still an insurance salesman, Morgan got six friends to join him in setting up a nonprofit organization called Sudbury Valley Trustees.

"The public supported us to an incredible degree," he recalled. "We raised $100,000 from 1,000 members." And then they bought open lands, with ponds and swamps, necessary to assure a water supply and flood control.

"This was one of the first land conservation trusts," he said. "I know of only one other that preceded it, and that was for historic houses."

Morgan is deeply concerned over indiscriminate land use.

Houses have been built over gravel in swamps. "Some are in an area I've seen flood to what would now be the second-story ceiling of the houses.

"A swamp is a sponge, a place for water to collect," he continued. "If it's filled with gravel, the water runs downstream, instead of being held in the swamp by vegetation. And then other houses get wet, too.

"Builders have been known to construct houses in a river's flood plain—an area which floods at intervals. Then they want the government to bail them out with multimillion-dollar dikes. It's happened right here in Massachusetts.

"Besides often wasting our tax money, dikes mean ruin for the river's wildlife," Morgan said. "Also, dikes speed up the flow of the river, and can compound the problem by increasing flood danger downstream."

Mass. Audubon keeps an eye cocked for situations where its knowledge can be helpful. Four years ago the city of Worcester halted the spraying of elm trees with DDT until it could investigate advice from the society that DDT was harmful to wildlife—and of little help to the trees. Worcester now sprays twice a year, but with another chemical, according to the Parks Department, since the state ruled against DDT last year.

The U.S. Department of the Interior and the Federal Aviation Agency came to Mass. Audubon for research on herring gulls, which were interfering with commercial airlines.

The project involved catching gulls in different areas of the state, and spray-painting their necks—either red, green, orange, blue or black.

When gulls of rainbow hues descended on Boston's Logan International Airport, the Audubon researchers concluded that they were attracted by the increasing amount of garbage, residue from fish cleaning and raw sewage dumped into the ocean. A program of pollution control was the answer.

At the request of the Army Quartermaster Corps, the state society researched the hearing of spiders and owls to see if their sensitive response to vibrations could be valuable for adaptation in military equipment.

And still another research project, for the U.S. Air Force and National Science Foundation, used radar equipment of the nation's defense system to track migrating birds.

Research can be glamorous, but Mass. Audubon considers one of its most rewarding functions is educating our youngsters to appreciate their natural environment.

The society now has 26 full-time teachers in one-third of the state's school systems.

"We've been in an additional one-quarter of the state's elementary schools in the past," Morgan said.

"These latter schools, which previously had nothing in the way of field demonstrations of natural science, set up programs of their own." Ruefully he added, "And they frequently hired our staff away from us!"

"We were the first society to get into conservation education in public schools—in 1939—I believe. Mass. Audubon is still the only private agency doing this."

Worcester leads the state in number of teachers sent by Audubon to add zest to the study of natural science and conservation. Mrs. Charles Thomas, of Ashland, and Mrs. John Holbrook, and Mrs. Zellick Jackson, both of Worcester, work full time rotating among Worcester's 5th-grade classes.

This is a popular program for the youngsters, who happily respond to seeing "for real" what they had previously just read about in books.

The regular teaching staff is enthused too. "And we hope it's for more than their getting a 55-minute coffee break while the Audubon teacher takes over," Morgan added with a grin.

He sees tremendous possibilities for exciting a youngster's interest in learning by exposing him to the out-of-doors. Biology, mathematics, social studies, chemistry—all could be vividly related to what's found at a pond, for instance.

"Just imagine the incredible story a history teacher might weave from a stone wall in the suburbs," he said. "She could explain that as stones were cleared from the fields, agriculture began. The class could puzzle over the weathering of the rocks and their growth in lichen."

Pupils show their interest in other ways.

Not only Massachusetts school classes, but others—a half-dozen from as far away as Florida and California—have already sent in contributions after The New York Times picked up the story that Mass. Audubon is about to launch a $2- to $3-million campaign to refurbish "Laughing Brook," near Springfield, into a full-fledged sanctuary.

This was the home of the late Thornton Burgess, author of whimsical animal stories for children.

Burgess characters—Peter Rabbit, Reddy Fox, and Jerry Muskrat, for instance—will cavort alongside a series of nature trails, which will even at times lead underground.

"Since most animals can't see red light, visitors will be able to see them acting naturally in their dens", Morgan explained.

"We also hope to research new curriculum techniques, and have a small group of educators at 'Laughing Brook' to conduct intensive workshops for elementary school teachers.

"We're still just getting into the designing stage," he said, "but we're counting on a nationwide reservoir of public affection for Burgess and his stories."

Also in the offing is a local fund drive to step-up the society's program at Drumlin Farm Sanctuary, just across the road from their headquarters in Lincoln. The farm attracted 65,000 visitors last year.

"We've got a regular study program for children at the farm," Morgan said, as he enumerated the 16 courses offered—the "poultry tour," for instance, the "Woodlot Tour," the "Wildlife Tour," and so on.

For 3rd and 4th graders who've never been out of Boston, a visit to Drumlin Farm comes as a real treat.

"Ten to 20 per cent of them have never seen a live chicken," he explained. "They think that eggs come from cardboard cartons."

Visitors get to look at a Chinese jungle fowl, a wild, pheasant-like bird, the granddaddy of all modern chickens. When youngsters consider the mere 12 eggs a year laid by this fowl, they are mighty impressed that man has modified nature to develop the modern chicken, which can lay over 300 eggs a year.

Also at Drumlin are two demonstration plots of land—one with healthy green grass; the other, eroding from overgrazing.

"The general consensus now is that the Sahara was man-made," Morgan said. "It's thought to have been a grassland 3,000 years ago. But now we know that if you break the turf of semiarid soil by plowing, the wind will blow the soil away."

Mass. Audubon has a lot to tell—and it is now approaching the end of its largest grant to spread the word. The Ford Foundation supplied $375,000—over a four year period—to hire additional writers, artists and other public relations experts to aid smaller societies, town conservation commissions and so on, to get their stories across to the public.

"This was so we could, in effect, dangle a carrot before smaller conservation organizations, to encourage them to get off the seat of their pants," Morgan said.

But there's no sitting still for the society. It's been the gadfly behind much state conservation legislation.

Massachusetts had the first pesticide control board. The Audubon Society's research director served on the governor's pesticide study committee, which resulted in some of the first pesticide legislation in the country.

Massachusetts was also the first state to pass salt-water-marsh legislation, and the outlook seems promising for fresh-water-marsh legislation soon. Both are the result of the society being the first to alert the public and officials to their importance.

However, since the Massachusetts Audubon Society is a tax-free organization, it has strict limits on the time it can spend on legislative matters.

"We raise the public consciousness—and then provide the background music only," Morgan said.

All in all, it would seem, Mass. Audubon has plenty to crow about.

THE REAPPRAISAL OF THE FEDERAL RESERVE DISCOUNT MECHANISM

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. HANNA. Mr. Speaker, the Board of Governors of the Federal Reserve System has in the past few days released the results of a 3-year study which proposes substantial redesign and liberalization of Federal Reserve discount window policy. While reaffirming some of the basic principles that have guided Federal Reserve lending policy in the past, it recognizes that changes are in order so that its goals may be attained.

The study stresses that the basic function of the discount window is to serve as a means of cushioning the strains of intramonthly and seasonal reserve adjustments for individual member banks by providing short-term credit. The need for such a mechanism in a banking system such as ours, with its large number of individual institutions distributed over a wide geographical area, is clear. Swings in the flow of funds, while not disruptive in the aggregate, can produce abrupt pressures on individual banks or regions. Without an effective source of short-term credit, the individual banks must limit their lending in order to maintain sufficient liquidity, and the efficiency of these banks in serving the credit needs of the businessmen, farmers, and other members of their communities is correspondingly reduced.

In recent years, the discount window has not been meeting these needs. Indeed, the current regulations explicitly encourage other forms of borrowing before using the discount window, and banks have been reluctant to use the facilities for even small amounts of borrowing because of the fear that such borrowing would bring interference with the individual bank's management decisions. The alternative means of maintaining liquidity have not been satisfactory because they have restricted the banks' ability to provide credit to their communities.

It is with these factors in mind that the study proposes changes in the discount window policy. The most important change involves the formalization and liberalization of the terms under which funds may be obtained for short-term adjustment purposes. A "basic borrowing privilege" is to be established for each bank, whereby the bank will have access to the discount window on a virtually no-questions-asked basis up to precisely stated limits as to amount and frequency. A bank's borrowing prvilege will be based on a fixed percentage of its capital stock and surplus, and a larger percentage will be allowed on the first $1 million of capital stock and surplus than will be allowed on additional amounts. This means that smaller member banks, which have less access to alternative sources of short-term credit, are assured of ready access to discount window funds—and that the funds will not be depleted by the larger banks. The granting of such a privilege assumes the basic soundness of the institution and the avoidance of net sales in the Federal funds market during the loan period. It will, however, greatly reduce the amount of administrative surveillance involved in the granting of credit and encourage the use of the discount window. Since it is recognized that the basic borrowing privilege may not always completely satisfy a particular bank's need for funds, provision is made for the granting of larger amounts of credit over longer periods. This would be subject to administrative examination similar to that presently imposed.

Also proposed is the establishment of a "seasonal borrowing privilege." This is designed primarily to aid banks in smaller communities which possess a specialized economic base that creates great seasonal strains on the bank's reserves. It would be negotiated on a yearly basis, and when granted would assure the member bank of access to the needed credit in excess of a specified percentage of its average deposits in the preceding year. The granting of this provision would not be a factor in determining a bank's eligibility for the basic borrowing privilege, and would not preclude a bank from applying for additional credit to meet anticipated needs.

The Reserve banks would continue to serve as a source of emergency credit for member banks, subject to more extensive administrative scrutiny to assure the solvency of the bank and that steps are being taken to find a solution to its problems. Additionally, the report recognizes and affirms the role of the central bank as a lender of last resort. It will provide assistance to nonmember institutions or distressed markets in extreme situations where there is a threat of significant disturbance of the Nation's financial structure.

In order to achieve maximum effectiveness of the proposals, the report contemplates a change in the discount rate policy as well; it will become more flexible, undergoing smaller and more frequent changes to keep it more closely alined with general money market rates. Thus, the discount rate would not be as heavily relied on as a means of control over borrowing.

The Federal Reserve Board is to be commended for its work on these proposals—for its willingness to reexamine long-standing policies, and for the soundness of the proposals presented. The report recognizes that as our Nation's financial structure expands and matures, the central monetary authorities must come forward with new, more creative policies. We must have policies which take account of the basic soundness of our financial institutions and which seek, through closer cooperation with member institutions, to increase the efficiency of the adjustment mechanisms in our fast-paced economy so that the individual institutions can remain responsive to the needs of the communities they serve.

I am confident that after appropriate consideration the Board of Governors will adopt the proposals in the study. And I am hopeful that other bodies charged with the responsibility of exercising control over our financial institutions, particularly the Federal Home Loan Bank Board, are also evaluating their own policies so that they may maximize their efficiency, remain competitive, and continue to play an effective role in the financial structure.

A CITY MOURNS

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. HAGAN. Mr. Speaker, responsible Americans are appalled at the steady increase of violence and lawlessness in this country over the past year. Some of our finest police officers have been victims of this violence, most of them in the line of duty. Just last weekend in Savannah, Ga., a 7-year veteran of the police force, 29-year-old Detective Frank W. Mobley, was killed with his own revolver, by a suspect arrested for attempting to sell a stolen automobile.

In similar incidents in other localities in this country, some citizens have stood by and watched police officers abused, assaulted, and, in some cases, murdered, without lifting a hand to help them. But this was not the case in Savannah last Saturday, I am proud to say. In action that I believe exemplifies the attitude toward law enforcement held by the citizens of the First District of Georgia, several eyewitnesses came to the assistance of Officer Mobley. While some used his police radio to call headquarters for help, others, with complete disregard for their own lives, chased the murderer to a nearby house, where he was wounded and captured by Savannah police officers.

The Mobley family has a proud tradition in public service; Officer Mobley's father is police chief in Hinesville, Ga.

Like the majority of the police officers in this country, Officer Mobley was not deterred in his devotion to duty by the encumbrances of long hours and danger for inadequate pay, and the lack of public support faced by some police departments. His widow and three small children can find some comfort in the pride of knowing that Officer Mobley gave his life in the performance of a difficult job. The community has responded by establishing the Frank W. Mobley Memorial Fund, which will form the basis for a pension fund for policemen.

The Savannah Morning News paid tribute to Officer Mobley, with an editorial entitled "A City Mourns":

A CITY MOURNS

Savannah mourns the loss of a public servant, Detective Frank W. Mobley, who was killed in the line of duty last weekend.

As suggested by Mayor Curtis Lewis, "we should pay tribute to all policemen, who have a hazardous and thankless job."

We can start by making the profession of law enforcement less thankless, although it is likely always to be hazardous. It is each citizen's public duty to respect and obey the laws of the nation, state and city—which policemen are pledged by profession to enforce. Thus a policeman's business is every citizen's business, and only through full public cooperation can law enforcement be effective.

Fortunately, Savannahians for the most part have cooperated with local police in the performance of their duties. Even in the incident which cost Mr. Mobley his life, citizens on the scene risked their own safety and lives by pursuing the assailant and notifying other authorities. This is in contrast to incidents in other cities recently in which citizens refused "to get involved" in the business of enforcing the law.

Beyond full cooperation with police, something should be done by all of us—city government and private citizens as well—about making our policemen more financially secure while they are alive and in the public service. Each policeman is in daily risk of his safety and life, and it is time the pay matched the hazard of the job.

A local philanthropist, John W. Middleton, has donated $1,000 to a memorial fund for Mr. Mobley. Contributions, which will be used to establish a pension fund for policemen, should be sent to the Frank W. Mobley Memorial Fund, in care of the Chief of Police, P. O. Box 1600, Savannah. We urge generous contributions and support of this fund.

The police department also should be challenged by Mr. Mobley's death to continue to move toward what City Manager Picot Floyd called "the highest tradition of Savannah police service." There is no room for mediocrity or lack of professionalism in our police departments in this time when activists who would destroy our laws, our system of government and our rights as free men are seeking to first destroy the institution necessary to preserve them—the police department. These activists do not hesitate to use distortion and falsehood to destroy the effectiveness of law enforcement; so there must be nothing less than the best law enforcement for them to observe. Thus local policemen should follow Mr. Mobley's lead in service "of the highest tradition."

That would be the highest tribute that could be paid to Frank W. Mobley.

CAPTIVE NATIONS

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. PHILBIN. Mr. Speaker, on July 10 President Johnson issued a proclamation setting aside the week of July 14–20 for the 10th observance of Captive Nations Week.

That man's inhumanity to man seems to have manifested itself so largely in our lifetime upon the beleaguered Eastern Europeans, makes it particularly necessary to keep this sad state of affairs ever present in the consciousness of free men everywhere, lest they come to accept the unnatural enslavement of some 100 million Europeans as a normal way of life.

Of course, nothing is normal about conditions in Eastern Europe, and even under the strictest controls, widespread and deep dissatisfaction with years of Communist domination finds a way to make itself felt.

The latest events in Poland, Czechoslovakia, and Rumania prove that the desire for freedom lives on among the people, and it is the hope of all of us that these significant changes will soon benefit all the long-suffering peoples living under Communist rule.

This singling out of a particular minority for special persecution seems to be the current practice behind the Iron Curtain, one that is sanctioned and condoned by the Soviet Union, so much so that it serves to inspire its satellites to follow in their inhuman treatment of Jewish citizens.

The spread of anti-Semitism throughout Eastern Europe is most alarming and bears closest surveillance by this Nation and all free peoples everywhere.

As far back as 1962, I officially brought to the attention of the Subcommittee on Europe of the House Foreign Affairs Committee during its Captive Nations hearings the various anti-Semitic activities underway in the Soviet.

I alerted the subcommittee at that time about the atheistic propaganda campaign being waged against the Jews in Russia by Soviet officials in their attempts to engender and promote racial and religious hatred and strife. In fact, an examination of the hearing record shows that I was among the first Members of this House to urge that the committee investigate and fully explore what was then the latest example of Communist intolerance and assault upon human dignity and rights.

It is truly shocking that the God-given right of freedom can be withhheld from so many people by the will of so few. It is particularly appropriate that in this year of 1968, which has been designated as Human Rights Year by the United Nations, that we in the Congress should renew our pledges and support of all efforts to foster the fundamental human rights of freedom, dignity, justice and self-determination for the captive nations of Eastern Europe.

CONVENTIONS AND CANDIDATE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. EDWARDS of California. Mr. Speaker, as a member of the congressional steering committee of Senator EUGENE MCCARTHY'S campaign for the Democratic nomination for the Presidency, two articles in the upcoming—August—issue of the Progressive strike me as particularly timely. In their lead editorial, "New Politics and Old Pros," the editors decry the fact that "both parties appear doomed to nominate for the Presidency candidates who command the cynical support of professional politicians, and both reject the rival candidates who have demonstrated in primaries or polls that they have won the allegiance of the people." The editors go on to point out the convention strength and popular weakness of each of our last two Vice Presidents.

In another article in the same issue, James A. Wechsler of the New York Post ably states "The Case for EUGENE MCCARTHY." In this brief piece, Mr. Wechsler captures much of the spirit and movement of the McCarthy campaign, clearly demonstrating the urgency of validating this crucial exercise in participant democracy next month in Chicago.

I heartily commend these articles to my colleagues, and present them here for consideration:

[From the Progressive, August 1968]

NEW POLITICS AND OLD PROS

The curtain is about to go up on Act II of what is doubtless one of the great political dramas in all American history. The Republicans assemble soon, August 5, in Miami Beach, and a fortnight later, the Democrats convene in Chicago to discharge their quadrennial responsibility to nominate candidates for President and Vice President and to write their party platforms.

In these days before the first hurrahs are heard, it seems evident that a common denominator runs through the self-defeating strategy of Republicans and Democrats: On the basis of the arithmetic of the "experts," both parties appear doomed to nominate for the Presidency candidates who command the cynical support of professional politicians, and both reject the rival candidates who have demonstrated in primaries or polls that they have won the allegiance of the people.

The death-wish is an ancient ailment of the Republican Party. Except for the period of 1952–1958, when a weary electorate that wanted nothing so much as to be let alone sent a genial and relatively harmless war hero to the White House, the GOP has not captured the Presidency in forty years.

Once the "Grand Old Party," which largely dominated the national politics of America from the Civil War to the Great Depression, the Republican Party has fallen to miserable estate in our lifetime, in large measure because it has persisted in playing the politics of conservatism that served it so well—and the country so ill—in the Nineteenth Century. A recent Harris Survey revealed that only thirty-one per cent of the electorate regards itself as Republican. A Gallup Poll last month brought more bitter news to the GOP: This more comprehensive survey showed that only "twenty-seven per cent of all adults classify themselves as Republicans, forty-six per cent as Democrats, and twenty-seven per cent as Independents." Even more devasating to the GOP must have been the Gallup disclosure that despite the rising tide of criticism of the Democratic Administration's policies at home and abroad during the past six months, the Republicans *have not picked up a single percentage point of approval by the electorate in that period*.

Our man from Mars would assume that the GOP, confronted with this melancholy evidence, would rally around a standard-bearer who might command the support of many of the Independents and of the disaffected Democrats—of whom there may be a record number this year. But our man from Mars would be dead wrong. Every poll and survey we have seen makes former Vice President Richard M. Nixon the runaway choice of the Republican politicians who will do the choosing in Miami Beach—this despite the fact that his opponent for the nomination, Governor Nelson A. Rockefeller, has demonstrated that he has vastly more appeal among liberal Democrats and Independents.

Two Harris Surveys released in July confirm this conclusion:

One survey reported that "since he began his all-out campaign, Rockefeller has gained ground among Democrats and Independents, but has lost strength among rank-and-file Republicans. The closer he comes to demonstrating that he might be the one Republican to win in November, the weaker he becomes in his own party."

The second survey disclosed that in the process of capturing GOP convention delegates, Nixon "has been slipping as a Presidential candidate among voters in general. The paradox of Nixon's present standing in the public opinion polls is that he has never been stronger with Republicans and rarely been weaker with the rest of the country."

Clearly, the GOP cannot hope to win without a significant chunk of "the rest of the country." But no matter. Nixon has not won an election in his own name since 1950; Rockefeller has never lost an election, and twice he won the governorship of New York against what seemed like improbable odds. But no matter. The polls in mid-July showed Humphrey ahead of Nixon, but Rockefeller winning over Humphrey. But no matter. The Republican delegate-types just feel more comfortable with Nixon, who is cold, cautious, and conservative. They feel uneasy—when not downright hostile—with Rockefeller, who is warm, boldly innovative, and moderately progressive.

We have little hope that the GOP delegates will heed the advice of a magazine named *The Progressive*. But we cannot refrain from suggesting to them that Rockefeller is not only the winningest horse they have in their stable; he is the only Republican in contention who senses the mood of a deeply troubled America and would have the guts to act on the causes of conflict if he were elected President.

It is true Rockefeller has not been an especially heroic figure these last few years—indeed, since his finest hour that dramatic night at the GOP convention in San Francisco in 1964, when he gave the racists and the right-wing extremists in his party the lashing no other Republican dared or cared to apply. He vacillated endlessly this year about whether he should or should not become a candidate. He hibernated for several years on the great issues of Vietnam, and when his candidacy, announced at long last, compelled him to speak up, he was for a time ambiguous and evasive.

But as his campaign has gathered momentum, if not delegates, Rockefeller has spoken out in forward-looking terms that make Nixon sound like McKinley and look like Coolidge. Thus:

Nixon acclaimed Congress for insisting on a $6 billion cut in the Federal budget; Rockefeller expressed alarm that the slash might imperil vital programs in the nation's ghettos.

Nixon warned the Johnson Administration against reducing military expenditures, as part of the $6 billion cut, because he feared such a step would imperil "America's strategic superiority" around the world; Rockefeller cautioned against the "over-extension" of U.S. military power and the "over-commitment of our role as policeman of the whole world."

Nixon dismissed U.S. acceptance of a Vietnam coalition government, which would include the Vietcong and the National Liberation Front, as "simply the first step toward a surrender to the Commuists;" Rockefeller, while avoiding direct mention of coalition, asserted that "we should accept in South Vietnam's political life any group that seeks its objectives through the political process" and we should neither accept nor impose "any solution dictated by force."

In late June and early July, Rockefeller peeled off his kid gloves and began to hammer hard at Nixon, who remained tactically silent and strategically invisible—doubtless holed up in his apartment counting and recounting his delegates. In Chicago, the New York Governor demanded to know: "What does Mr. Nixon now think of the military [escalation] strategy he so confidently proclaimed [for Vietnam] two years ago? I profoundly disagree with him."

In another speech, Rockefeller denounced Nixon's statements that the U.S. Supreme Court has given a "green light" to crime and that poverty has been exaggerated as a cause of crime. And then he hit Nixon where it hurts the hardest by recalling Nixon's 1960 campaign performance in the big cities:

"He carried Illinois until he got to Chicago, and then he lost the state. He carried Pennsylvania until he got to Philadelphia, and then he lost the state. He carried New York until he got to New York City, and then he lost the state."

It is this kind of truth-telling, and all the political philosophy and program implicit in it, that infuriates the Republican professionals, especially those on the town, village, and county level whose party regularity, aided by machine manipulation of caucuses and conventions, makes them kings for a day—the day they cast their considerable and conservative bloc of votes for the Republican nomination for President. Some of them are right-wing crackpots, but most of them are hard-shelled conservatives who know "the other America"—the America of poverty and racism and frustration—only from what they see on television, and what they see they fear and hate.

We have suggested that Rockefeller, far more than Nixon, appeals to Independents and dissident Democrats whose votes the GOP will urgently need in November. But it is worth noting, before we leave the Republicans, that events may enable Nixon to put together a winning coalition of his own—a negative coalition rooted in fear, frustration, and an overpowering hunger to "get the war over with in Vietnam."

Nixon could win the election if a combination of all or most of these possibilities dominate the mood of America this fall; if the black ghettos boil over in bloodshed again and whip up a new white backlash; if middle-class Americans succumb to the myth that crime in the streets can be checked by so-called "law-and-order" repression and attacks on the U.S. Supreme Court, rather than by striking at the underlying causes; if enough Americans, weary of so much conflict in our country, decide it is time to crack down on student revolt, war resisters, and adult dissenters; if the ten per cent surtax tears a big enough hole in the taxpayers' pockets; and, most important of all, if Nixon can persuade a war-weary country that he can end the war quickly—and, as a Nixon bonus, achieve "victory" as well—if we greatly increase our military devastation of Vietnam.

Now what of the Democratic convention? We have devoted so much space to the Republican goings-on in this essay because we feel we have short-changed them—in handing out advice and guidance these many months—in contrast to our obsessive preoccupation with the problems of the Democrats. In every issue of *The Progressive* since November, indeed before Senator Eugene McCarthy formally announced his candidacy, we have argued the case for his candidacy and we here reaffirm our steadfast and unequivocal commitment to the man and his cause. Elsewhere in this issue, James A. Wechsler powerfully sums up the case for McCarthy, and Gus Tyler puts Vice President Humphrey's best foot forward.

But we do have a few final reflections of our own as the convention nears. First off, we are deeply troubled by the steamroller tactics employed by the forces supporting Vice President Humphrey. Mary McGrory, the perceptive analyst for *The Washington Star*, noted that "Humphrey is claiming victory at the convention, but he is running scared." So scared, in fact, that his lieutenants have been bludgeoning some state conventions into robbing McCarthy of his rightful share of the delegates, and the Administration machine in Washington has handed all the key convention posts to Humphrey supporters. The Humphrey organization has acted as though the New Hampshire, Wisconsin, Oregon, California, and New York primaries simply couldn't have turned out the way they did, and as though all the polls of public opinion, which emphasize McCarthy's strength, are merely annoying and meaningless intrusions by the electorate trying to muscle in on the ritualistic prerogatives of the political pros.

In Connecticut, where Democratic state chairman John M. Bailey, who is also President Johnson's boy as chairman of the Democratic National Committee, the machine performance was so raw—McCarthy was given nine of the forty-four delegates in a state where his strength is great—that Senator Abraham Ribicoff, a friend and supporter of Humphrey, felt obliged to say: "This is a perfect example of how to lose an election without really trying." He was sufficiently disturbed to offer his own place on the convention delegation to the Reverend Joseph Duffey, leader of the McCarthy forces. Later, Ribicoff was overheard on the Senate floor saying to Senator Daniel Inouye, Hawaii, the Humphrey-chosen convention keynoter; "You tell your friend, the Vice President, he is going after it like a Chicago alderman."

In all fairness to the Vice President, whose shortcomings as a contender for the Presidency do not include a reputation for political swindling, it must be noted that his over-zealous aides have resorted to the kind of skulduggery he would not himself countenance, although he has not publicly repudiated their blackjack efficiency in delivering the delegates.

In at least one major state, New York, the evidence seems persuasive that it was the Kennedy clan, more than the Humphrey forces, that deprived McCarthy of his fair share of the delegates-at-large. Murray Kempton, the brilliant columnist for the *New York Post*, who is a McCarthy convention delegate, reported that "in New York the job was done on the McCarthy group by the heirs of Senator Kennedy. . . . Frank O'Connor, Humphrey's campaign manager, seems in fact to have gone along with State Chairman John Burns's original plan to give McCarthy as many as twenty-eight of the sixty-five at-large delegates . . . They were overruled by . . . the three strongest of the Kennedy regulars. The slate ultimately forced on Burns is thus far more Kennedy's than Humphrey's although likely, from the melancholy facts of life, to be Humphrey's in the end." It is noteworthy, too, that Humphrey is not known to have objected to the robbery; nor did he speak up in censure at the time.

As we have often suggested in the past, the fundamental problem that confronts Hubert Humphrey—and he understands it better than we do—is the question of identity and ideology. Is he still Mr. Johnson's servant, trapped into defending the rejected record of the Administration? Or is he a free agent bent on breaking with the past and forging his own program, however much that might involve repudiation or amendment of the Administration's tragic policies in Vietnam and the accompanying distortion of priorities that have led the country to run away from the challenge of social revolution at home?

There is no clear answer. The Vice President has often insisted that he is not chained to the past, that he is free to strike out on his own with new and bolder variations of social programs that once made his name synonymous with indigenous American progressivism. And if we know the man, he genuinely believes he means to do precisely that.

But, to our knowledge, he has yet to repudiate a single policy of the discredited Administration whose number two man he has been for nearly four years. On the contrary, on the major issue of Vietnam, he spoke with laudable if revealing candor when he told syndicated columnist Carl T. Rowan June 18 that, as Rowan paraphrased it, he was "not going to disavow the Johnson Administration policies in Vietnam—this week or ever." Said Humphrey: "I can stand people opposing me because they think I am wrong, even stupid, but I will not have anyone oppose me because they think I am a hypocrite." In Oklahoma City, June 27, he declared that the American people would not want him to "repudiate a government or a policy" of which he had been a part in order to gain votes. "I have tried to be a faithful and loyal Vice President," he said in a full measure of truth, "and that's what I thought you wanted when you elected me." He did not mention the fact that his Chief and he were elected on one platform and proceeded to govern—on the basic issue of Vietnam—on the platform of the Republican ticket the country so overwhelmingly rejected that year.

Does Mr. Humphrey harbor private doubts about his recent role and present predicament? He does not tell us; in fact, he seems to deny that he does. But we know of occasions on which he privately expressed reservations about White House policy in Vietnam and suggested he had sought, unsuccessfully, to win the President's approval for a degree of de-escalation. Having failed, he loyally supported the Boss; actually his exuberance led him to borrow more royalist than the crown.

Reflecting on this pivotal dilemma of his old friend and fellow-Minnesotan, Senator McCarthy made this pertinent comment: "Everyone has private doubts, but there comes a time when the private doubts of a public man must become his public doubts."

While Humphrey accepts imprisonment in his past, McCarthy has been free to strike out at the myths and assumptions that constitute the sandy foundation on which the Administration has erected its tottering policies. As Tom Wicker of *The New York Times* pointed out, McCarthy "now is challenging not just the war, not just American policy in the world, but the whole basis for that policy." It was in that connection that McCarthy said of Humphrey in San Francisco: "Not only did he defend the war but he defended the assumptions which produced it."

The primaries and the polls, for all their shortcomings as computers of public opinion, leave little doubt that the country is most unhappy with the record of the Johnson-Humphrey Administration and wants a massive reordering of our policies and priorities at home and abroad. Eugene McCarthy, more than any other candidate, understands—and personifies—this restlessness in the land and he holds out the brightest hope of coping creatively with the causes of that restlessness—a restlessness which even now is escalating to the proportions of rebellion and may, if ignored, explode in revolution.

It is our grim and unhappy judgment that if Nixon and Humphrey are nominated, there will be trouble in the country—plenty of trouble, serious trouble.

[From the Progressive, August 1968]

THE CASE FOR EUGENE MCCARTHY

(By James A. Wechsler)[1]

What the Democratic convention will resolve in the final week of August is something more than the question of whether Eugene McCarthy or Hubert Humphrey is to be the nominee. It will determine whether the democratic process has any relevance to the processes of the Democratic Party.

As these lines are written, James Reston has just reported in *The New York Times* that Vice President Humphrey's managers have counted heads and are convinced that he is "sure" of the designation; they admit only—as well they might—a nagging concern over his chances for victory in November.

Is it really all over? Will the Democrats finally tell us that they totally missed the meaning of everything that has happened in 1968? The matter cannot be quite so simple; if it were, the Humphrey camp would not have exhibited the tactics of desperation—in New York, Minnesota, Connecticut, Indiana, and other places—in seeking to prevent a true McCarthy representation at Chicago.

But any summation of the case for McCarthy involves a paradox. For in the end it must be addressed not to his millions of supporters but to the 2,624 delegates assembled at the convention, so many of them chosen not by any popular voice but by backroom connection and special interests. Eugene McCarthy has come all this way without the support of a single political boss, big farm lobbyist, major labor statesman, Southern Bourbon, or, indeed, of any entrenched bloc.

He has no investments in the errors of the past and no debts to any power-broker. His obligations are entirely matters of conscience, related to those who compromised his coalition of the "concerned"—and especially to the young rebels who chose to rally under his lonely banner rather than drop out from democratic society. He could campaign for the Presidency, and occupy the office, with a degree of freedom and independence rarely, if ever, won by a serious political figure in modern times. He has no balancing-act to perform. In state after state he has defied the orthodox rules, survived a thousand premature obituaries, humiliated the experts, and transformed the wasteland of American politics into a spirited battleground.

But what, then, can McCarthy offer to those many politicos and their deputies who will assemble at Chicago and for whom he has rendered existence so uncomfortable? Only this: the best prospect of a successful candidacy against the probable rivalry of Richard Nixon and, to those who retain some romantic vision of their own lives, a chance to rise above usual political business and achieve at least a footnote in history as participants in the McCarthy miracle. Perhaps the first consideration will touch those for whom the second appears out of this world.

It seems almost an embarrassment to elaborate other phases of the argument for McCarthy so ably summarized last month in this magazine's lead editorial, "Will the Real Hubert Humphrey Please Sit Down?" Nothing has significantly changed except the extraordinary expression of pro-McCarthy—and anti-Administration—sentiment manifested in New York's primary, and the further evidence of his strength in the national polls.

But the perplexity of this exchange, written without advance viewing of Gus Tyler's remarks, is to try to anticipate the nature of the brief he will offer for the Vice President in this issue of *The Progressive*.

In early winter, before the New Hampshire upheaval, the national board of Americans for Democratic Action endorsed McCarthy. Tyler was among a group of laborites who promptly resigned from ADA, protesting its allegedly quixotic defiance of the political "reality" that Lyndon B. Johnson was the certain Democratic choice. His thesis, like that of other practical men, was that ADA had become embroiled in a hopeless "one-issue" venture, thereby imperiling the historic "liberal-labor coalition," giving aid and comfort to the reactionary Republican enemy, and imitating the disruptive tactics of the German Communists in the months before Hitler's advent.

Soon it became apparent that this analysis was as faulty as it was obsolete. The evidence accumulated that the "one-issue" thrust was spurious; as McCarthy—and Robert Kennedy—repeatedly contended, that issue overshadowed everything else. It poisoned the American air. It wrecked the war against poverty. It alienated a whole generation of undergraduate and graduate students, including some of the most promising and thoughtful leaders on the most ivy-laden American campuses. It demoralized the Peace Corps—for whose existence Hubert Humphrey can justly claim large initiative. It intensified intolerances. It squandered life without apparent purpose or gain. It estranged our allies and imperiled the quest for detente. And it finally led, in the face of the McCarthy challenge, to Mr. Johnson's abdication.

To dismiss it, as Mr. Tyler and other Administration ideologues once tried to do, as an incidental inadvertence must be described as a miscalculation almost as large as the fantasies of the escalation advocates.

The Humphrey record of the past four years is crowded with his frenzied defenses of our Vietnam policy, his acceptance of the basic Ruskian doctrine that Saigon is the Prague of our day, and that a coalition regime in that war-torn land would hurl "the fox into the chicken coop." He is also both wise and sensitive enough to recognize that those who portray him as a Vice President who knew better but kept his public silence through nearly four long years dishonor him more than those who insist that he accept responsibility for his partnership with the President in this American disaster.

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[1] James A. Wechsler is editor of the editorial page of The New York Post and one of its featured columnists. Mr. Wechsler was one of the founders of Americans for Democratic Action and was a member of its executive board. Among his books are "Revolt on the Campus," "Labor Baron," "Confessions of a Middle-aged Editor," and "The Age of Suspicion."

There is no authentic escape from the Vice President's dilemma. More than 25,000 young Americans are dead, Vietnam is devastated, and—by testimony of U Thant and others—chances for earlier peace negotiations have been repeatedly fumbled by this Administration. If Mr. Humphrey had been profoundly convinced that we were following the wrong course, he had no excuse for silence—even if speech required the surrender of his high office.

On one point there can be no serious disagreement: In virtually every test of popular judgment, the supporters of Eugene McCarthy and Robert Kennedy overwhelmed the Administration's war policies and cried out for a new direction. In primary tests from New Hampshire to California, the McCarthy-Kennedy opposition to the Johnson-Humphrey war policies piled up some eighty per cent of the Democratic vote.

These adversary words about Humphrey are written in a low-key McCarthy spirit, by one who views Humphrey as a victim of a world and a war he never made. There is a long sentimental association; I was there at the time of the civil rights rebellion of 1948, and I have high regard for Humphrey's intelligence, warmth, and imagination. If life is reduced to a choice between Humphrey and Nixon, I have no doubt that I will support the present Vice President against the former one, out of a vague combination of faith, nostalgia and affection—as well as well-founded hostility to his opponent. But I have few illusions about the venture, and many apprehensions about it. Those of us who remember Humphrey at Philadelphia in 1948 will find it hard to evoke any shock of recognition from the young voters of 1968, or to translate memories into contemporary language.

This is hardly to suggest that he has done nothing useful thereafter. It is to emphasize anew that the Vietnam debacle, no matter when or how it is terminated—even on the day before the Democratic convention begins—has been the central fact of life for most of the Johnson-Humphrey era, and only McCarthy's willingness to stand up and fight has provided a glimpse of sanity and hope.

McCarthy goes to Chicago in 1968 in a setting resembling—but far more dramatic than—the Humphrey-led civil rights upsurge of two decades ago. It has been said often, but it requires urgent repetition: For multitudes of Americans, McCarthy's fate provides a crucial trial of the viability of our political system. The primaries he has won—and his emergence as the man from nowhere into a celebrated world political figure—cannot be brushed off as a repetition of Senator Estes Kefauver's insurgence of 1952. The issues were in no way comparable in magnitude or intensity, and Adlai Stevenson had a magic of his own. Those who denigrate the primaries now, and point out that Humphrey has fared reasonably well in the polls, underestimate the qualitative factor of commitment expressed in the McCarthy insurgence. The murder of Robert Kennedy has given a new emotional dimension to that aspect of the battle.

No one should presume to know what advice Kennedy would give his adherents now if he were able to communicate with them. His personal relations with McCarthy (for reasons rooted in disparity of temperament as well as the political in-fighting in 1960) were at best remote and on occasion abrasive. Yet one must also recall the record of Kennedy's last night on earth when he spoke of the "common cause" in which Kennedy and McCarthy supporters were allied. It is hard to visualize any level on which his mission would be fulfilled if a machine-run convention were to stamp out the fires of the McCarthy-Kennedy protest and reassert the supremacy of the political elders, and of their aged politics. That, barring some wholly unforeseeable event, is what Humphrey's nomination will mean to the aroused Americans who staged the lawful insurrection of this turbulent year. Nor would the ceremonies be significantly more blessed, in my judgment, if Humphrey were to solicit successfully the companionship of Senator Edward Kennedy.

In effect, the Democrats would be saying to McCarthy and all those—inside and outside of their party—who had enlisted in his crusade that their efforts were a commendable exercise in citizenship, but that a convention was far too serious a business to be influenced by unconventional political conduct. The consequences of such a rebuff could be long and lasting in this explosive time; few could envy Hubert Humphrey the leadership of the ensuing campaign.

The case for McCarthy? How often must it be remembered that he undertook this lonely voyage not because of any dream of grandeur (indeed his detractors accuse him for inadequate lust for power) but because there was literally no one else of any stature prepared to come forward and risk the fury of the Johnson legions? I know from private conversations how close Senator Robert Kennedy came to making that first step; it is peculiarly sad that some of those who timidly advised against it—including Edward Kennedy and Theodore Sorensen—should so gracelessly remain aloof from McCarthy's effort in the aftermath of the assassination.

For some McCarthy will never incite the emotional affection that Kennedy evoked (and there were also those in McCarthy's ranks whose anti-Kennedyism had irrational overtones). But any personality contest was brutally ended by an assassin's bullet; the great issues remain.

Certainly we learned long ago that any dogmatic forecast of Presidential performance is a hazardous proceeding. One need only recall the predictions of national disaster that accompanied Harry Truman's accession. And those of us who backed the Johnson-Humphrey ticket in 1964, primarily because we feared the avowed escalation strategy of Barry Goldwater, must endure a special humility. History could repeat itself, for Mr. Humphrey has himself acknowledged in his celebrated interview in May with *U.S. News & World Report*, that he and Richard Nixon would have little ground for debate over Vietnam if they were the opposing candidates. As he put it: "If Nixon and Humphrey should be the candidates in the general election, I don't think our views of the war would be too far apart."

It is in fact Humphrey's greatest weakness that on the two great national issues on which Nixon can be most effectively fought—the challenge to freedom posed in the era of Senator Joseph R. McCarthy and the Vietnam war—Humphrey's own failures stand cruelly exposed. In the period when Joe McCarthy's power was at its peak, Humphrey, in effect, sought to escape the demagogue's wrath by advocating legislation more repressive than any that had been offered by the right-wing rabble-rouser.

This hardly makes Humphrey and Nixon identical twins. But neither can it be denied that Eugene McCarthy emerges from both periods with memorable distinction, and without need for apologia. In two of the loneliest interludes in our political annals, when profiles in courage were few, he spoke out against Joe McCarthy's vigilantism as he has done against the flag-waving futility of Vietnam.

These are moments that loom larger than any detailed legislative "batting averages." I am hardly disposed to write off all of Humphrey's positive works because of these blackouts, or to picture McCarthy as proof that we can find perfectibility in man. I do confess a certain impatience with those (including, alas, some of Robert Kennedy's less scrupulous and more frenetic researchers) who have tried to distort McCarthy's record on such issues as the poll tax, oil depletion allowances, aid to agricultural workers, rent supplements, and Senate ethics. Analysis of his votes on such questions shows beyond dispute that his record is "flawed" only where irrelevant or diversionary amendments were attached. I am fully prepared to concede that, in my view, he has been far too permissive about the National Rifle Association. It is also a matter of record that, for better or worse, he has sometimes slipped away from the Senate chamber when matters of intolerable boredom were being interminably pursued.

But apart from such lapses and heresies, he remains the man who early dared to question the supersecret operations of the Central Intelligence Agency, long before that was deemed a province of defensible scrutiny. He has, almost from the start of his primary campaign, let it be known that he is unintimidated by J. Edgar Hoover and regards his services—along with those of Dean Rusk and General Lewis Hershey—as dispensable.

These were long unthinkable thoughts in American politics. McCarthy has shown a rare gift for stating the most audacious propositions as reasonable, plausible, and almost obvious ideas; he displays a gay irreverence for sacred cows.

He has been accused of inadequate responsiveness to the ordeal of the ghettos. But the notion that this reticence proved that he didn't "care" is one of those ghastly demagogies of political partisans. At the risk of white backlash McCarthy took one of the most courageous—and least noticed—positions of his campaign: He called for increased Negro employment and residence in suburbia, which happens to be where much of the new industrial action is. One of the few genuine points of controversy in his California contest with Kennedy was on that point.

I do not want to labor the quarrel now, when Kennedy is beyond reply. But it did seem to me that McCarthy was quietly fighting the spreading sickness of separatism, and doing so with full appreciation of the political risk—both in terms of his own considerable constituency in the suburbs and the sloganeering of black power militants. And what is perhaps most remarkable is that, on this as on so many other subjects, he was able to say what needed to be said in tones that commanded respect if not always assent.

In a notable but little reported speech in Davis, California, on May 28, McCarthy offered a seven-point program designed to achieve an "open America." Among the minimum essentials, he called for honorable work or assured incomes for all Americans, a leading role for slum dwellers in running local institutions, modern mass transit systems so that slum dwellers can reach jobs in outer metropolitan areas, and implementation of the recommendation of the Kerner Commission for six million housing units in five years. Several weeks later, in an address to Negro publishers, McCarthy reaffirmed his commitment to a significant role for blacks in the life of America. The nation, he said, could not solve its urban, poverty, and racial problems "until power and responsibility are democratically shared." Blacks, he said, "have suffered special injustices, developed over a long period of history, in a kind of colonial existence."

McCarthy has time and again warned of the vast and menacing power of the military-industrial complex. In speeches in many states that received scant attention in the press, he pointed out that the armaments complex was undermining our politics, our economy, our universities and other institutions, and diverting our national resources from constructive, compassionate programs at home and abroad. Hubert Humphrey, to my knowledge, has yet to present a comparable challenge to the power and influence of the military-industry alliance.

There has been a tendency among critics of McCarthy to dismiss him as a retarded liberal. In this connection it is worth noting that ten years ago, during the liberal doldrums of the Eisenhower era, it was Gene McCarthy who organized "McCarthy's Marauders"—later known as the Democratic Study Group in the House—who revived the flagging spirits of liberals in the national legislature and laid the groundwork for welfare programs enacted in the Kennedy and Johnson Administrations.

Moreover, during ten years of service in the House and a nearly equal period in the Senate, the Minnesota Democrat has fought for and voted for the extension of civil rights, less flamboyantly but often more effectively than some of his colleagues.

Certainly much of the McCarthy phenomenon may be ascribed to the timing and boldness of his advent; it was his voice that was heard when a nation was restively groping for some alternative to the prospect of a Johnson-Nixon race in 1968 and a seemingly indefinite prolongation of the Vietnam stalemate. But McCarthy also brought distinctive qualities of style, intellect, and wit to the firing line. At the outset he was widely disparaged for his quiet, sometimes almost muted manner and subtle asides; the professionals dismissed him as some species of moody dreamer, much as many of them tended to ridicule Adlai Stevenson because, like McCarthy, he injected the touch of the the poet into the discordant sloganeering of the political stage. (Indeed, the secret was finally bared that the Minnesota Senator actually set down verse himself.)

Yet as spring followed winter and McCarthy refused to disappear, it began to occur to at least some of the old pros and their mouthpieces in the press that this man possessed some uncanny political intuitions; they were even disposed to recall that he had never lost an election. It was increasingly clear that he understood something about the mood of America that others had failed to grasp—about its longings and frustrations and its weariness with stereotyped political rhetoric. He could offer radical critique of a materialist culture and still evoke a congenial image in suburbia. His candidacy crystallized a deep unease in the American spirit, and the discontents were not confined to the ghettos. His subdued, measured words cut across party lines and generational gaps; the reconciliation he preached was not one of sedation but a common striving for something better than the mixed-up, bloodied world we have inhabited too long.

Slowly his campaign liberated the country from the politics of fatalism and "inevitability" and gave new dignity to the national dialogue. Throughout it all he refused to pander, or to retreat from positions that the timid called "dangerous." On the crucial issue of peacemaking, he made it plain time and again that there could be no realistic expectation of peace in Vietnam without the creation of a coalition regime in South Vietnam. What had once been branded sinister subversion is now acknowledged in many places as the only basis for eventual solution; it was McCarthy who dared to say it aloud. But could Hubert Humphrey or Richard Nixon accept a proposition they have both scorned so often?

McCarthy has made his case on many fronts in many trials. He has done so, as suggested at the start, with minimal help from any entrenched interest—or even from political men who privately saluted his courage and initiative. There are no longer any great tests for him to pass; the test confronts the Democratic convention. Its verdict may not only shape the politics of 1968 but the future of the American political system. To reject McCarthy would be to assert that there is no place for honorable rebellion within the American house. It would be not only to invite defeat for a party, but demoralization for the country and disenchantment in the world.

A CRITICAL LOOK AT FOREIGN AID

HON. THOMAS G. MORRIS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. MORRIS of New Mexico. Mr. Speaker, once again Congress must confront the question of foreign aid. In one form or another, this hardy perennial has featured American foreign policy since before World War II ended. It has been analyzed and reanalyzed, organized, and reorganized, proposed, propounded, programed, and projected. It has been advanced as the sovereign remedy for the ills of the world by some. Others have stressed their convictions that such aid is indispensable to the national interest.

I am well aware that every administration has supported foreign aid since the Lend-Lease Act, and subsequent U.S. assistance to the United Nations Relief and Rehabilitation Administration. I am equally aware that what has been administration policy has been party policy, insofar as foreign aid is concerned. But I am also aware that sincere and honest men, men in this country, have not hesitated to differ with an administration of their own party on this issue, and indeed, have recorded their opposition by voting against the foreign aid legislation which these administrations have proposed.

I am sure that the administration, and the Members who favor foreign aid, are convinced that that program is essential, and that it is in the best interests not only of our country, but of the recipient countries as well. I regret that I cannot agree. Foreign aid, as I see it, is not bringing benefits to the U.S. world position, or to the people in the recipient countries, that is close to being commensurate with the tremendous expenditure it entails, or with the tremendous burden it lays on the back of the sorely-tried American taxpayer.

According to AID's own figures, from July 1, 1945, through June 30, 1966, the foreign aid agencies of this country had granted and loaned to foreign countries, for military and economic assistance, over $122 billion. When repayments and interests were deducted, AID still came up with a figure of over $108 billion. For fiscal 1967 Congress appropriated almost 3 billion additional dollars. There are those who disagree with AID's accounting system, and would argue that the total is still higher. But no matter how you look at it, Uncle Sam has not exactly been miserly in underwriting recovery and development all around the world.

I wish I could say that we had received value for our money. But sad to say, that does not seem to be the case. I have read that Confucius once said, "Why do you dislike me—I have never done anything to help you?" The great Chinese sage probably never envisioned the kind of world we have today, but his words ring true, nonetheless. American kindness has been repaid with hostility, American generosity has been repaid with spite.

This country has been trying to buy friendship for 20 years. I know the policymakers deny it, but that is what it amounts to. For 20 years this country has turned the other cheek, while those nations who have benefited from U.S. assistance have either lectured us on the immorality of attaching any strings to that assistance, or have simply acted against U.S. interests in full confidence that the aid would continue to flow.

The bill of particulars is long and melancholy. France, which was saved from communism in considerable part by Marshall plan assistance, pursues a policy that is difficult to describe as anything other than anti-American, not only in Europe, but in every quarter of the globe. India, which proclaimed the virtues of nonalinement, only to turn to the United States in desperation after the Chinese attack in 1962, used American-supplied arms chiefly against Pakistan instead. Pakistan, which this country saw as a bulwark against communism, used American-supplied arms against India. Egypt, which is so desperately poor that it hovers on the verge of bankruptcy, has had to seek U.S. assistance to feed its people, even while devoting pitifully scarce resources to its bloated military machine. Yugoslavia and Poland have received about $3 billion in U.S. aid between them. This has not made Tito any less a believer in communism, nor brought a more favorable Yugoslav voting pattern in the U.N. It has not loosened Poland's ties to the Warsaw Pact as Gomulka made clear to De Gaulle.

Commonsense would dictate that when a policy is not successful, the Government should abandon it. When a commodity does not sell, the retailer drops it, and if enough retail outlets experience the same reaction, the manufacturer stops production of the item in question. The policy of trying to buy friendship has not succeeded. It is time to retool the assembly line.

But there is an aspect of this question that goes beyond the political alinement of the recipient countries. There is, after all, the human dimension. Aid is for people; the whole idea is to help people. If all U.S. assistance succeeds in doing is supporting the prestige projects of a particular government, or shoring up the position of a dictatorship, or increasing the size of a bureaucracy, then it is not achieving its purpose. I fear that in too many instances our aid may not be getting down to the people who really need it.

My reason for saying this is that very often the materials we send abroad are turned over to the recipient government, and sold by it to its own people. An AID publication, "Principles of Foreign Economic Assistance," puts it this way:

> Domestic purchasers in an aid-recipient country pay local currencies for American goods financed under the A.I.D. and Food for Peace Programs. The United States controls in varying degrees the use of these local currency or counterpart funds generated by Supporting Assistance grants, agricultural commodities sold under Public Law 480, and non-project loans.

The counterpart funds described by this writer have been an essential part of the mechanism of foreign aid ever since the program began. The United States has always sought to exercise a substantial measure of control over these funds, with a view to their use for purposes first of recovery, and now of development.

But the whole concept of counterpart funds illustrates what I believe is one of the crucial weaknesses in our method of administering foreign aid. That is, it is a government-to-government operation. American goods, American food, and even American capital are channeled through the receiving government. This means they can be subjected to time-consuming bureaucratic procedures—ours and the recipient nations. The difficulties inherent in the process are often compounded in the case of developing countries by an inefficient, corrupt, or untrained bureaucracy. When wheat or machinery is sold to the person who finally uses them, he may never understand that they originated in the United States as a gift. The receiving government may allocate assistance to those who favor its policies, and withhold it from the opposition. A local businessman may want to build a factory that is particularly needed in his area, but his factory does not fit in with the national plan, so he gets neither a loan nor machinery. The liberating energies of individual initiative can thus be stifled by doctrinaire adherence to the philosophy of centralized planning. Sometimes American goods disappear into thin air, only to reappear on a black market, or even in some unfriendly country.

I know that the proponents of foreign aid will assert that there are ample safeguards in the legislation to prevent diversion, to prevent black marketing, to insure distribution of American bounty on a nonpolitical basis, and to assure rational development planning. But whatever the legislation says, I would remind my listeners that there is a practical limit beyond which the United States cannot go in insisting that its conditions be observed. If those limits are surpassed, this country is quickly called a colonialist and dictatorial, labels to which too many nations around the world are willing, and sometimes eager, to give credence.

Furthermore, I fail to see where the United States has an obligation to assist those countries which do not take adequate measures to assist themselves. I am referring specifically to the question of taxation. To my mind it is not enough to argue that the generation of local counterpart funds is a good thing, because it makes additional resources available for development. It would be a lot better if some of the receiving States instituted adequate systems of taxation instead. Let them raise the funds for their development from those people within their own countries best able to pay. There is no reason why the U.S. taxpayer should subsidize the foreign landowner, or the foreign industrialist, who manipulates the tax laws of his own country, or simply declines to pay at all, knowing he is too powerful to be punished. I find it disturbing that in many developing countries tax laws are either honored in the breach, inadequate to begin with, or, where adequate, inefficiently administered. I fail to see why the United States must make good the gap in development funds which the "third world" countries could provide if they passed and enforced equitable tax laws.

I understand, and applaud, the motives of those who support foreign aid. But good motives are not enough. Foreign aid has to be considered in terms of the total national interest. By that standard it is failing. Military and economic assistance have often stimulated conflict where the U.S. objective was stability. U.S. aid has too often made the rich richer and the poor poorer, in those very countries where the chasm between rich and poor yawns wide and deep. Military regimes which stifle freedom, and centralized economic planning which stifles initiative, have received U.S. assistance. The program has, in many instances, simply enlarged the problems it was designed to combat.

The American commitment in Vietnam costs roughly $25 billion a year. This year's Federal deficit may reach as high as $30 billion. In fact, we now have a surtax on personal and corporate income, in order to meet the tremendous expenditures that the Vietnamese conflict has engendered, and to prevent inflation. Meanwhile our cities are in turmoil, and proposals to cope with urban unrest usually encompass the expenditure of additional billions. Where is it all going to end?

I say that we must reorder our priorities. Faced with unprecedented demands on the Nation's resources, we must engage in a major reallocation. It is more vital to save our cities than to assist in the development of countries all over the globe, many of which barely meet the rudimentary requirements of nationhood. Logic and morality both dictate that the time has come to put first things first, to put our own house in order. Let the American people derive the primary benefit from their sacrifices. Let other countries take up the foreign aid slack, if they feel it is necessary. It is time, in fairness to our own people, to stop carrying the world on our backs.

HEALTH BENEFITS

HON. FLETCHER THOMPSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. THOMPSON of Georgia. Mr. Speaker, there has been a growing trend in American industry whereby health benefits are provided at no expense to the worker and are considered part of the expense of employment.

Already many of the most successful firms in America follow this practice, however, we in government have been taking a reverse course.

In recent years rather than working toward providing better health benefits for Federal employees the cost of which should be considered a part of employment there has been a trend whereby the cost of health benefits to Federal employer has become increasingly greater and the Federal employee rather than sharing a smaller percentage of the total cost of the health benefits as has been the trend in private industry has been faced with the situation whereby he, over the past several years, has been forced to share an ever increasingly larger portion of the cost of health benefits.

Mr. Speaker, it is my personal conviction that the concept of comparability in government employment should carry out not only as to wages but also fringe benefits.

It is for that reason I have introduced today a bill which provides that over a 6-year period the amount of financial burden on the Federal employee will gradually be lessened, so far as health benefits are concerned, and at the expiration of the 6-year period the Federal employee will be on par with the employees of many of the most successful American firms in that the cost of health benefits coverage will be borne 100 percent by the employer.

HEADSTART HELPS KIDS OPEN BIG DOOR

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. JACOBS. Mr. Speaker, I recently read an article in the Indianapolis News which described with enthusiasm one of our local Headstart projects. A particular sentence in the article leads me to call to the attention of my colleagues the entire story. That was the sentence stating that the particular Headstart project under discussion is held at the All Saints Episcopal Church.

One of Headstart's greatest strengths is the diversity of its program sponsorship. Headstart programs are operated by churches, private school systems, and private nonprofit agencies such as neighborhood centers and settlement houses. Yet the phrasing of the amendment to transfer Headstart from the Office of Economic Opportunity to the Office of Education would jeopardize the operational mandate of these private agencies. This would seriously weaken the entire Headstart effort. Mr. Speaker, I want no part in the approval of this proposed transfer. I urge my colleagues to work with me in strengthening the Headstart program as it exists now under the Office of Economic Opportunity.

Mr. Speaker, with permission I include at this point in the Record, the Indianapolis News article, written by one of the really bright and rising young stars in the world of journalism, Bob Basler:

HEADSTART HELPS KIDS OPEN BIG DOOR

(By Bob Basler)

Can a child who doesn't know "London Bridge Is Falling Down" hope to have the same chance in school as one who does?

While kindergarten is usually regarded as the beginning of organized learning, it has recently been realized that, even in this basic, grass-roots institution, some standard knowledge is presupposed.

From this realization, it was a short step to the observation there were youngsters who didn't even know that "Old MacDonald had a Farm," much less what he had on it.

To help bridge the "London Bridge" gap, the Office of Economic Opportunity came up with a plan known as Operation Head Start. Aimed at the 3, 4 and 5-year-olds from the inner city, its purpose is to fill the children in on what would be expected when they opened the big door leading to education.

HIGH SCHOOL STUDENTS INVOLVED IN PROGRAM

Specifically, the children learn such things as colors, stories, songs, body parts and shapes. They learn, also, through about 200 high school student volunteers involved with the program, to be cared for by someone who has time especially for them.

Seeing is learning for the children, who, as part of the program, go on field trips to the airport, a farm, the zoo and other places of interest. "When we mentioned zebra in a story, the kids didn't know what we were talking about," said Miss Joan Engert, Broad Ripple senior. "So, we took them to the zoo to show them."

And that's the way the program goes for the children. Much of the credit for the project also goes to the parents. "The parents are very concerned about whether the children act correctly," said Miss Engert. And other volunteers agree the parents go out of their way to get the children to their classes.

CHILDREN SEEM TOTALLY INVOLVED

Snack time at one of Head Start's recent morning sessions at All Saints Episcopal Church had ended, and the group broke into song. "Have you Seen the Muffin Man?" seemed to totally involve the children and the volunteers, bringing back memories of their own preschool days.

Miss Lenni Cartwright, a senior at Broad Ripple, is one of the volunteers.

"I really get attached to these kids. I know that because of their color they haven't had the same opportunities I've had. I guess I'm working so that eventually they'll have the same advantages my friends have," she said.

"We wipe their noses, tie their shoes, and comfort them, and we're getting more out of the program than the kids," added Miss Janni Steel, a Lawrence Central junior.

EUGENE TIMOTHY KINNALY

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 18, 1968

Mr. ROONEY of New York. Mr. Speaker, what a pleasure it is for me to be able to join in the tribute to Eugene Timothy Kinnaly who is marking his 50th anniversary of service in this House. Of course, Gene Kinnaly is well known to all of us and how could he help but be after 40 years as administrative assistant to our beloved Speaker, in addition to 10 years of serving the Speaker's predecessor, the late Honorable James Gallivan, of Massachusetts' Ninth Congressional District. But we all know and admire Gene Kinnaly for much more than just his hard work. He is truly an extraordinary man; never too busy through the hectic days we have here for the kind word, a smile or a calm, informed reassurance for those seeking one. We know too of his warmth and feeling, his sincere friendship and the depths of his belief in his God and his country. Gene is, in summation, Mr. Speaker, quite a man.

STATEMENT IN SUPPORT OF RICHARD M. NIXON

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. FULTON of Pennsylvania. Mr. Speaker, one of Pennsylvania's outstanding public spirited citizens, Attorney Charles W. Wolf, has prepared an excellent statement of reasons for supporting his choice at the Republican National Convention, Richard M. Nixon. Because I feel his reasoning and judgment deserve a wide consideration, I am inserting in the RECORD the statement exactly as read by David Eisenhower, grandson of the 34th President of the United States, at a public meeting in Gettysburg, Pa.:

STATEMENT BY CHARLES W. WOLF, DELEGATE TO THE REPUBLICAN NATIONAL CONVENTION FROM THE 19TH CONGRESSIONAL DISTRICT INCLUDING ADAMS, CUMBERLAND, AND YORK COUNTIES

For the following reasons I support Richard M. Nixon for the Presidency:

First, Dick Nixon is a man with hopes and dreams for a better tomorrow for this country. But he is also a man who knows that today's hopes and dreams will remain only hopes and dreams until the critical problems presently confronting this nation are decisively defined, firmly met and effectively solved.

Second, Dick Nixon's service in the House of Representatives and in the United States Senate and his eight years of loyal, able and energetic service as Vice President during the two Eisenhower administrations have given him a unique knowledge, appreciation and awareness of the awesome responsibilities of the Presidency. I agree with John Eisenhower who in New Jersey last month said that probably no Vice President ever took so active a part in an Administration as did Mr. Nixon during the Eisenhower years.

Third, Dick Nixon has since 1960 traveled extensively throughout the United States and all parts of the world. He has seen and heard and has a first hand awareness and understanding of the grave problems facing our Nation today, including our fiscal and monetary problems, our loss of gold, our balance of payment deficits, the shrinking stature of our international leadership.

Fourth, Dick Nixon has demonstrated his vote getting ability during the recent Primaries. It is unfortunate that he was not openly challenged in all of the Primaries by other seekers of the Republican nomination. It is worthy of note that Governor Rockefeller chose not to meet him at the ballot box in the Primary of a single state; and it was only recently that Governor McCall of Oregon felt that Nixon couldn't possibly obtain more than fifty percent of the Republican vote in his State when in fact Dick Nixon wound up with seventy-three percent of the vote.

I regret that Governor Rockefeller has seen fit to make personal attacks on Dick Nixon which will divide our Party and injure our cause in November. I hope that he will stop this and pursue another course, directing his attacks on our opponents.

Fifth, I am convinced that the Nation will give Dick Nixon a clear and substantial majority of votes in 1968, because it will see in him, more than in anyone else, the ability to define, grasp and equitably solve the critical problems that stand between what America is today and what it must be tomorrow if it is going to continue to flourish and fulfill its destiny as an example of hope and inspiration for the world.

Sixth, in the Pennsylvania Primary this spring the state-wide vote for Dick Nixon was approximately three and one-half times the vote for Rockefeller. The vote in the Nineteenth Congressional District was about four to one for Nixon, and in Adams County—among our own neighbors—the vote was approximately five to one.

Consequently, because of my own convictions and the judgment of my fellow-citizens, I intend to vote for Richard M. Nixon on the first ballot at the Republican National Convention.

I hope all other Pennsylvania delegates will give serious consideration to the thoughts I have expressed.

STATE FIREARMS CONTROL ASSISTANCE ACT OF 1968

HON. BENJAMIN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. BLACKBURN. Mr. Speaker, today the House is considering H.R. 17735, the State Firearms Control Assistance Act of 1968. All congressional offices have received numerous letters, resolutions, and petitions on this act.

Recently, I had the pleasure to receive a copy of a resolution which was passed by the Republican Party of De Kalb County. This resolution reflects the views of a number of Republicans in De Kalb County.

For the information of my colleagues, I hereby insert this resolution into the Record:

Whereas, under the Second Amendment to the United States Constitution it is stated that the right to keep and bear arms shall not be abridged; and

Whereas, basic police powers properly reside in the States rather than the Federal Congress; and

Whereas, some of those States having the strictest gun laws are among States that have the highest per capita crime and murder statistics; and

Whereas, no conclusive evidence exists to prove that gun registration control laws have appreciably decreased or will appreciably decrease crime and violence; and

Whereas, criminals have confessed that they do not usually purchase guns used in the commission of crime, and that such gun control laws will not hinder their obtaining, manufacturing, or using such weapons; and

Whereas, tyrannical governments throughout the history of this world have utilized gun registration laws, or similar laws, to subjugate peoples: Therefore; be it

Resolved, The Republican Party of De Kalb County, Georgia does hereby urge and petition all members of the United States Senate and the House of Representatives to keep inviolate the rights guaranteed under the Second Amendment; and be it

Resolved, The Republican Party of De Kalb County, Georgia urges the United States Congress to leave to the individual States the right and responsibility to enact legislation not in conflict with the United States Constitution concerning gun control or penalties for using guns in the commission of crimes, all according to the wishes of the electorate in the individual States; and be it further

Resolved, That the Chairman of this Committee be directed to make known the contents of this Resolution to the press, to all members of the Georgia Delegation to Congress, and to Senator James O. Eastland, Chairman, Judiciary Committee, The President of the United States, Senator Everett Dirksen, Senator Mike Mansfield, and Representative Gerald Ford.

FANATIC JOURNALISM

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. RARICK. Mr. Speaker, had any Member of this House taken to the well during the height of debate and hysteria over the gun legislation and exclaimed: "If you have some trading stamps accumulated, a few books of them will get you a perfectly satisfactory gun. And then, you know, if you really want to make a name for yourself, all you have to do is select some deserving newspaper editor or columnist for martyrdom."

I am satisfied every news editor and journalist in the Nation would have blasted such Member as encouraging violence—and even assassination.

It must be a poor loser who expresses contempt and hatred merely because like a spoiled child it did not get its way.

Yet, such an editorial appeared on the editorial page of the Washington Post of Washington, D.C., for July 23, possibly intent on expressing the dissatisfaction of the editor with defeat of the gun bill but being overly suggestive. Sarcastic, yes, but can any thinking individual not appreciate the inflammatory implications?

Does freedom of the press include the Stokely Carmichael type of irresponsibility to incite murder without liability? No responsible newspaper would approve of such hate literature.

Under unanimous consent I submit the editorial for inclusion in the CONGRESSIONAL RECORD, as follows:

SUCCESS STORY

Disconsolate? Feeling unequal to the demands of life? Irritated with your wife's relatives or the clods at the office? No need to surrender to your sense of inferiority, you know. You too can prove yourself superior to those who have scorned you. A well-placed bullet or two will show them all just who you are and teach them to appreciate you.

Although it is true that Congress in its spoilsport way has recently made it difficult to order a revolver or automatic by mail, it has put no impediment whatever in the way of obtaining a carbine or shotgun. The same mail-order gun peddlers who outfitted the late Lee Harvey Oswald so efficiently continue to do business at the same old stand and will be glad to supply you with the same tested equipment for killing. No questions asked, of course; or at least no serious questions. And, like Mr. Oswald, you can, of course, use an alias if you would prefer not to have your name involved in the transaction.

A carbine is, to be sure, slightly more awkward than a six-shooter. But it is really easy to handle and even more deadly. Any child or simpleton—even the mentally defective—can learn to use it in a matter of minutes. A word of caution is, however, perhaps in order. Congress is working on a bill which would make it difficult to obtain even carbines and shotguns by mail order. It might be best, therefore, to place your order promptly. At the same time, there's no need to panic about it. Congress is not going to act precipitately in this matter. There are ample stocks in the mail-order houses; and, indeed, if you have some trading stamps accumulated, a few books of them will get you a perfectly satisfactory gun.

And then, you know, if you really want to make a name for yourself, all you have to do is select some deserving Senator or Congressman for martyrdom.

U.S.S. "PUEBLO" AND CREW SEIZED 6 MONTHS AGO

HON. EDWARD J. GURNEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 22, 1968

Mr. GURNEY. Mr. Speaker, today makes 6 months that the 82 men of the *Pueblo* crew have been captive in North Korean prisons. On January 23, 1968, in an aggressive, unprovoked act of piracy, the North Korean Government seized the U.S.S. *Pueblo* in international waters. It confiscated the ship and imprisoned her crew.

The Communists are illegally using these men for propaganda purposes. Their parents and loved ones have received no definitive word as to the true health and welfare of these men. North Korea has not even allowed them to be visited by members of the International Red Cross.

Six months of negotiation for their safe return through peaceful, diplomatic means have thus far proven unfruitful. On this anniversary of their seizure, we need to reassure them that we will not be satisfied until they are home again. I want to join with the other Members of this body who have spoken to assure and reassure the families of these men and to tell the world that the *Pueblo* and its men shall not be forgotten.

The *Pueblo* and her crew are still being held by the North Koreans 6 months after our President termed its seizure "an act of war." It is unfortunate that the administration did not take immediate military action when the incident occurred, and, in my opinion, the failure of the administration to show strong and decisive leadership initially resulted in our losing our tactical advantage. If the United States is going to continue to meaningfully fulfill its role of holding the line against Communist aggression in those areas where we have chosen to hold firm, such as Korea in the past, now in South Vietnam, then it is imperative that we back up our foreign policy with the appropriate action.

I am deeply concerned with the delay by our country in securing the release of the *Pueblo* men. The time for diplomacy is over. The time for positive action is long past due. I call upon the administration to show some will and courage to accomplish the release of these men as soon as possible. To do less would be an injustice to our fighting men who are securing the cause of freedom around the world.

MRS. HICKMAN (MARGARET) PRICE, JR., VICE CHAIRMAN, DEMOCRATIC NATIONAL COMMITTEE

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mrs. KELLY. Mr. Speaker, I was sorry to learn early yesterday of the death of Mrs. Margaret Price, the vice chairman of the Democratic National Committee. I have known Margaret Price since I was first elected to the post of Democratic national committeewoman for the State of New York in 1956, and I have served with her on the committee since that time. She was a dedicated public servant who served the people of this country and the members of the Democratic Party with loyalty, intelligence, and forcefulness and, therefore, her election in 1960 to the vice chairmanship of the Democratic National Committee came as no surprise to all who knew her.

Mr. Speaker, I wish to extend to Margaret Price's husband, Hickman, and their son, Marston, my sincere sympathies at this time.

I wish also, Mr. Speaker, to place in the CONGRESSIONAL RECORD the text of an article which appeared in the Evening Star last night which recounts the many worthwhile activities of benefit to many of us in which Mrs. Price employed her numerous talents.

MRS. HICKMAN PRICE, JR., DEMOCRATIC AID, DIES

Mrs. Hickman Price Jr., 55, vice chairman of the Democratic National Committee and director of its Office of Women's Activities, died today in Harkness Pavilion in New York City. She had been hospitalized since January.

Her husband is a former assistant secretary of agriculture. They lived at 5025 Lowell St. NW.

The former Margaret Bayne of New York City, Mrs. Price considered Michigan her home state. She began her political career in Ann Arbor Township in 1948 and subsequently served as county chairman, congressional district chairman and was a member of the governor's Political Advisory Committee.

STATE PARTY CHAIRMAN

In 1952 and 1956, Mrs. Price was Michigan state chairman of the Stevenson for President campaign. She was serving her third term as national committeewoman when elected vice chairman of the Democratic National Committee in August 1960, the day after John F. Kennedy was nominated for president of the Democratic National Convention in Los Angeles.

Mrs. Price, a founder of the Democratic Advisory Council, was a council member from 1956 to 1960. She became the first woman chairman of a national convention standing committee when she headed the permanent organization committee of the 1960 convention.

Active in youth affairs, Mrs. Price was chairman of the YWCA World Emergency Fund in the early 1940s, chairman of the Michigan Youth Commission for seven years and a delegate to the White House Conferences on Children and Youth in 1950 and 1960. She also was a delegate to the White House Conferences on Education in 1955 and 1965, and was appointed in 1955 to the executive board of the National Mid-Century Committee for Children and Youth.

In 1961, Mrs. Price originated Operation Support, a national program designed to promote understanding and backing for the President's legislative proposals. During the last presidential election she directed "4 for 64," a program which provided volunteer campaign workers.

CONFERENCE ORGANIZER

Other programs in which Mrs. Price was active were the "flying Caravan," which sent teams of women government officials and wives of administration officials from coast to coast in 1964 and 1966; "Tell-A-Friend," a 1964 telephone campaign to encourage voter registration and participation, and "Coffee with the First Lady," a 15-minute color television program featuring Mrs. Lyndon B. Johnson and Mrs. Hubert H. Humphrey.

Every two years Mrs. Price organized a national Campaign Conference for Democratic Women here. More than 3,500 women attended the three-day session two years ago.

She was a board member of the Brazilian American Cultural Institute and was a member of the Women's National Democratic Club, the National Capital Democratic Club, the American Newspaper Women's Club and League of Women Voters. She was formerly a member of the Michigan Historical Society, Michigan Welfare League and the National Conference of Social Workers.

In 1963, she was special ambassador and personal representative of President Kennedy to the inauguration of President Stroessner in Paraguay, who awarded her the Decoration of the National Order of Merit the next year.

She also received the National Order of the Southern Cross from the government of Brazil for her work in Brazilian-American understanding. She and her husband formerly lived in Brazil, where he was associated with the automobile industry.

She also leaves a son, Marston, a student at the University of Miami, Fla. Another son Hickman III, then a 20-year-old Stanford University student, died in 1963.

RESULTS OF 1968 PUBLIC OPINION QUESTIONNAIRE

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. HUNT. Mr. Speaker, following the significant and enthusiastic response by residents of the First District to my 1967 public opinion questionnaire, I felt it imperative to maintain this medium of communication again this year in an effort to solicit the views of all my constituents on current domestic and foreign issues of grave concern to everyone.

At no other time, Mr. Speaker, have I witnessed such deep unrest, concern, and interest in the conduct of the myriad affairs of our Nation. The return of almost 14,000 questionnaires, or 10.7 percent, is in itself significant. More than this, however, were the large number of letters accompanying the poll in which individual views were expressed in depth on particular issues. Obviously, it would be a monumental task to answer each letter with a personal reply, and I have, therefore, found it necessary to prepare a statement to those constituents who responded, each of whom, where a return address was provided, will receive the tabulation of the 1968 poll in order that they are apprised of the opinions of their fellow citizens.

The full context of my statement and tabulation of the responses follow:

CONGRESS OF THE UNITED STATES,
House of Representatives,
Washington, D.C.:

I appreciate your returning my 1968 public opinion questionnaire and the supplemental views of those who have felt it necessary to enlarge upon particular issues.

As you know, I established this medium of communication in 1967, during my first year in the House of Representatives, and by postal patron delivery, have attempted to draw upon the views of every constituent in the First Congressional District which I have the privilege to represent. While I realize that no questionnaire can cover any subject to the degree that would precisely reflect everyone's views, the issues listed are those which I consider to be most pressing based on a large volume of constituent mail over a period of time. The results of the 1967 questionnaire proved to be most enlightening, and again in 1968, your interest in responding to those domestic and foreign issues of grave concern provides an invaluable guide which I feel represents the attitudes of the majority of Americans throughout the country.

To cite the more significant highlights of the 1968 poll, the Vietnam war, the "credibility gap", and civil disorders lead the list. Of almost 14,000 responding, 74.4 percent feel that the United States should not trade with nations aiding North Vietnam; 66.2 percent do not believe they are getting sufficient information from the government on vital foreign and domestic issues to allow them to vote intelligently; and an overwhelming 77.2 percent feel that stricter handling of rioters and demonstrators by the police and the courts must be employed in dealing with civil disorders.

For your interest, the complete tabulation follows:

[Results in percent]

1. Do you approve of the President's order for a limited bombing pause over North Vietnam?

Yes	49.0
No	41.0
Undecided	4.2
No response	5.8

2. Should this bombing pause not produce meaningful peace negotiations, would you favor:

(a) Resuming and intensifying full scale air attacks;

(b) Increasing U.S. troop commitments to insure a military victory;

(c) Gradually decreasing U.S. troop commitments and shifting more responsibility to South Vietnam forces.

(a)	38.5
(b)	8.8
(c)	45.6
No response	7.1

3. Should the United States continue to trade with nations that are aiding North Vietnam?

Yes	13.9
No	74.4
Undecided	6.4
No response	5.3

4. Do you believe the American people are receiving sufficient information from the Government on vital foreign and domestic issues to allow them to vote intelligently?

Yes	21.4
No	66.2
Undecided	6.9
No response	5.5

5. Do you support the Administration's proposed increase in taxes?

Yes	30.3
No	58.9
Undecided	5.5
No response	5.3

6. Do you believe that Federal spending on domestic programs should be reduced?

Yes	51.7
No	37.3
Undecided	5.4
No response	5.6

7. Should industries which install equipment to reduce air and water pollution be granted tax credits by the Federal Government to offset part of the expense involved?

Yes	49.4
No	40.7
Undecided	4.3
No response	5.6

8. Do you favor returning a percentage of the tax money collected by the Federal Government to State and local governments to be used as they see fit?

Yes	54.0
No	32.5
Undecided	7.7
No response	5.8

9. Should the U.S. encourage trade with Communist nations?

Yes	28.1
No	57.9
Undecided	8.4
Ne response	5.6

10. Do you favor the Poverty program?

Yes	29.9
No	53.9
Undecided	10.1
No response	6.1

11. Should the U.S. spend about $50 billion for anti-missile defense against possible Soviet attack?

Yes	40.9
No	36.8
Undecided	16.5
No response	5.8

12. In dealing with civil disorder, do you favor:

(a) Stricter handling of rioters and "demonstrators" by police and the courts; or

(b) More programs for improvement of slum areas.

(a)	77.2
(b)	16.4
No response	6.4

Source: Tabulation prepared by Teledyne, Inc., Earth Sciences Division, 314 Montgomery Street, Alexandria, Va. 22313. A private, non-federal organization.

It is gratifying to have had this high a response and indicative of the growing interest in the conduct of the affairs of the Nation. I encourage you to share your views with me on these and other issues, many of which have and will continue to demand responsible legislative action by the Congress in the months and years ahead.

Sincerely,

JOHN E. HUNT,
Member of Congress.

NORTH AMERICAN ROCKWELL OFFERS JOBS TO UNEMPLOYED

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. HANNA. Mr. Speaker, it has become clear in the past few years that one of the major tasks before both Government and private enterprise is that of providing jobs for the hard-core unemployed. I rise today to recognize and commend the North American Rockwell Corp. of Los Angeles, Calif., for its efforts in dealing with this challenge.

Beginning July 16, Nartrans, a new subsidiary of North American Rockwell Corp., initiated a program designed to provide employment for people previously considered unemployable. Already there are some 125 such persons employed by Nartrans, and the number is designed to increase to 175 by August, and to 225 during the next 12 months.

Employees at Nartrans will perform machine-shop operations, drafting, typing and key punching, and will produce plastic bags, shipping pallets and crates. They will be employed at North American Rockwell's five southern California divisions. A planned program of advancement is included for these employees, for once they have attained a minimum level of skill they can move to better jobs at these divisions, remain at Nartrans, or go on to other companies. In addition to on-the-job training, employees will be offered remedial training in such things as reading, arithmetic, and office practices.

An important feature of the program is the fact that a police record will not bar an individual from obtaining employment. Indeed, at the present time some 40 percent of the production people at work in Nartrans have arrest records, and another 15 percent speak little or no English. The work force is divided evenly between Negroes and Mexican-Americans.

Mr. Speaker, it is my hope that other companies will follow the excellent example set by North American Rockwell in dealing with our cities' unemployed. Nartrans is showing that a workable program of employment can be a reality rather than a hope. For this we should be greatly indebted to them.

A POSITIVE PROGRAM OF DECENTRALIZATION

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. DON H. CLAUSEN. Mr. Speaker, today I am introducing legislation that I will describe as our reverse migration bill, designed to initiate a positive program of decentralization.

What I want to discuss with you here, is one of the truly great problems of our time—one which has descended on us almost unnoticed—and one which all Americans can help with.

In every major urban area in the United States, a game of musical chairs has been going on for years. Our population is exploding and people are on the move. First, they flee to the big city, and from there many move on to the suburbs. And, while we view with alarm what is taking place in America, this tremendous shuffle of people goes on—from city to city, suburb to suburb, and even from State to State. Each month, 33,000 new people come into California and each year, more than 500,000 people find their way from rural America into the big cities.

In my judgment, the most significant trend on our domestic scene in that 20-year period since World War II—has been the abandonment of rural America. And, if you have any misgivings in this regard, you merely need to go out into the countryside and take a look for yourself. Along with this migration to the big cities and their environs, have come a host of side effect problems that collectively, account for roughly 80 percent of our most pressing domestic issues as we "round out" the year 1968 and look ahead to 1969.

A very significant factor that emerges from any close examination of our major domestic problems is that most of them stem from the same root cause—overcrowding. Moreover, practically any inventory of our urban potentials today will, inevitably, result in the same basic findings—crowded schools, crowded living space, crowded hospitals, crowded highways, and crowded transportation facilities. The pressures which have developed and continue to mount from this "urban unrest" which we have witnessed, have literally exploded across the face of our major metropolitan centers. And crowding, I would remind you, is not the only problem. Conditions in the cluttered cities are appalling. People are being stacked on top of each other like cordwood. Around San Antonio, Phoenix, and New Orleans, for example, more than half of the migrants who arrived last year are still looking for jobs—or have simply given up trying to find them. And, more than a quarter of the labor force in Harlem is unemployed. The image of the typical central city has become well known—grimy housing, smelly air, polluted water, children with no place to play, a mounting crime rate, a declining morality, garbage, rats—and always, despair. This is not a very pleasant picture, but it is, nevertheless, the face of the central city.

WHAT DOES ALL THIS MEAN?

At the turn of the century, when our population totaled 75 million, the vast majority of our people lived in a rural environment. Today, we are a nation of nearly 200 million and over 70 percent of them live in urban areas. What does all this mean? Quite simply, it means that 70 percent of the people in America live on only 1 percent of the land. This, in my opinion, is shocking and totally out of balance.

And where has this overcrowding been felt the most? Right in the heart of the central city—the very focal point of social unrest in America today. For, it is here that the majority of the untrained, unskilled, and unemployed people from the rural areas wind up. And these are the people who seldom, if ever, make it to the suburbs. Lacking the funds to return to the place they left, these are the same people who find themselves trapped and who are, in the final analysis, paying the price of life in the big city. Drawn there in search of a better life, countless thousands of migrating Americans too often find only disappointment and the sad realization that they were better off where they came from. Too often, their only recourse is to swell the ranks of the unemployed or the legions on welfare. The thought of once-productive citizens transformed into wards of the State—is indicative of this migratory trend which has brought with it a new word—megalopolis.

As most of you well know, this mass migration to the cities has had a tremendous impact on technology, on our entire society, and on our whole economy. City leaders and urban planners are beset with employment and housing problems that are rapidly approaching the "nightmare" stage. Educators and law enforcement officials are, literally, throwing up their hands in dismay at the complexities they face. And union leaders and industrialists just do not know where to turn next in meeting the choking demands being placed on them.

On the other side of the fence, we have the rural areas. Here, progress, such as it is, has practically passed rural America by. Once the backbone of our Nation, rural areas are rapidly taking on the appearance of a vast ghost town that is only vaguely reminiscent of a once young America in search of new frontiers. Boarded up store fronts, closed schools and churches, ill-kept frame houses surrounded by weeds, and an obvious absence of young people. This—is the face of rural America today.

Here, industry and private enterprise find opportunities for expansion nearly impossible. Everywhere they turn—land acquisition, tax incentives, available transportation, available labor force—they find the door being slammed in their face.

With this centralization of people, we have also witnessed a corresponding centralization of fiscal resources and Government authority—away from the towns and cities, away from the counties and States—to the very seat of the Federal Government in Washington, D.C. Caught in this vacuum, local and State governments have fought desperately to retain some vestige of autonomy. Over the years, however, it became apparent that, in competing with the Federal Government, the States faced a stacked deck. Government assistance or aid invariably results in some degree of Federal control and, once relinquished, authority and control are seldom, if ever, recovered. These just happen to be the hard political facts of life that sooner or later we are all going to have to face.

WHAT HAS BEEN DONE THUS FAR?

But, what are we doing about this total centralization? From Washington comes the reply—more money, more programs, more control. And from the big cities has come a similar reply—"build 'em bigger, wider, and higher." To meet the threat posed by urban unrest, the Federal Government has responded, in the main, by attempting to inject a series of programs with high sounding titles but highly disappointing results. You have all heard of urban renewal, rat control, the war on ignorance, the war on poverty, and the war on crime. You would think that with a major hot war going in Southeast Asia, the administration would shy away from that word—but what have been the results?

It does not take any expert to realize that crime in America is steadily rising, unemployment and poverty are both up, urban renewal in places like New York and Baltimore amount to little more than stacking people up in high rise ghettos. And while we have appropriated millions to exterminate rats—six programs in four different Federal agencies—no one has yet thought that to kill rats, you should remove their source of food.

In managing your public affairs, we find more people trying to govern the State of California from Washington than from Sacramento. More of California's problems are being ruled on in Washington than in the courthouses and city halls of Los Angeles or San Francisco. And, regrettably, more of California's young minds with imagination, wind up in Washington than remain here where they are needed most and where they belong.

WHAT IS THE OUTLOOK?

Whether we speak about centralization of our people or of our Government, both are interrelated with almost identical symptoms. The question is—why should the best jobs and the highest wages for those who qualify, be found only in Washington, D.C., or other large metropolitan areas? And, who says it has to remain that way?

Are growth, rejuvenation and more money programs the answer? I do not think so. The mayor of New York City estimates—nobody knows for sure—that $50 billion will be required to rejuvenate and expand New York. And, herein, lies the irony. Where can New York go and what will growth bring? In my judgment, this all adds up to merely attracting more people. I sincerely believe that we will be committing a very costly error if we continue to view our urban problems, as simply a matter of cleaning out and patching up. If more money and more growth result in attracting more people, then I ask—how long will it be before we will have to rejuvenate and expand again? Surely, there is a better way than to compound the existing problems in our cities.

As I see it, the answer does not lie in Federal expenditures alone, nor does it rest solely with the Federal Government. The key in my view, rests with the States. Cities need outside help to be sure—and they need self-help also. But neither the cities acting alone or in concert with the Federal Government—which is the present arrangement—can provide the help that is really needed.

WHAT IS NEEDED?

The "pipe dreams" of our social planners notwithstanding, I submit that it is time for a positive program to decentralize America—a program of action that will first stop—then reverse the present flow to the big cities on the one hand, while—at the same time—returning the control of government to the people.

But let us make no mistake about it. I have no false allusions about the fact that such a program will require a fantastic effort—not the least of which, is a complete reversal in present thinking and philosophy. Here the big question is—are we big enough to take that all-important first step?

For years we have talked about tax reforms in this country and about how all the tax "loopholes" must be "plugged." And, while many efforts have been made in this direction, the sad fact is that our tax structure is grossly archaic and completely unrealistic. In this regard, I further believe its time we stop talking about tax reform and start talking about a tax revision—a complete overhaul of our entire tax structure from top to bottom that includes all levels of government—Federal, State and local.

Tax incentives for private enterprise—especially the small businessman—and tax sharing with the States could be the very foundation on which revision is based and on which decentralization is launched. For, if decentralization is ever to become a reality, every effort must be made to bolster both the public and private sectors of our economy with the capital needed to revitalize rural America.

Along with a major tax revision, must come an integrated program of improved transportation within rural America, relocating and expanding industry, developing greater opportunities for home building and recreation, and creating jobs in Washington must, likewise, be returned to the States from whence they came, along with the duties and responsibilities that are inherent in those jobs.

THE ROAD AHEAD

The State must, once again, become the dominant center of political and governmental influence in America. The urban challenge, in my judgment, is truly the Governor's challenge for only the States have the legal authority and resources to act in a manner that will reverse present trends toward continued centralization. Here is the opportunity for the States to take the bull by the horns and provide the leadership necessary to bring the cities out of their "cement wilderness."

As we approach the 1970's, our primary objective must be to make America more livable—not less livable. Surely, in an age when we can experiment with life in space, we can also summon and direct our energy and our expertise to the task of providing a more civilized existence for man here on earth.

A rapidly shrinking, war-torn, weary, and somewhat bewildered world still looks to the United States for leadership. Thus far, and out of necessity, our example has been limited to a display of restrained power to meet an ever-prodding and insatiable Communist threat.

The concept for a positive program of decentralization that I have briefly outlined here today, could well provide a new chapter in the great American experiment which, years ago, captured the imagination of the entire world. Seemingly, everyone talks about solving our domestic problems as an alternative to conflict but, thus far, talk is all that has come of it.

Think, for a moment, of the truly great challenge this concept holds for the youth of America who, today, face so many uncertainties. To literally rebuild the face of America is a call never before heard by the youth of America and one which may be sounded only once in our lifetime. I think it goes, without saying, that if we can carry out this noble concept of decentralization, the same principles can be applied in central and southern Europe, Latin and South America, and in the densely populated areas of Asia—already feeling the acute pains of an exploding population and overcrowded cities.

What better way to put communism on the defensive, for a change, than to engage them in peaceful economic competition for the general uplift of mankind? What better way to nullify the twisted appeal of communism, than to virtually eliminate the conditions on which it thrives? By changing the face of America—we will be throwing "ice water" in the face of communism. This, I believe, we can do by demonstrating to the entire world, wherein our true strength lies and that strength is derived from building within the framework of the public, private, and independent sectors of our free enterprise system. Like freedom, however, free enterprise is never free. But that system, I would remind you, is still soundly intact.

What I am calling for here today, is a complete realinement of our national priorities and a new and more realistic set of goals that will lead America out of its concrete jungle. We must now reject those policies that, for too long, have appealed only to the weaknesses of man and replace them with ideals and goals that appeal to the strengths of man.

This legislative proposal being introduced today is directed toward carrying out this concept. I hope my colleagues will give it serious thought and consideration. In this way, I believe we can resolve the problems of both urban and rural America and hopefully promote peace and tranquillity in all communities of America.

JESSE FREIDIN: IN MEMORIAM

HON. THEODORE R. KUPFERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. KUPFERMAN. Mr. Speaker, Jesse Freidin, Esq., my constituent and friend, was a well-known lawyer active in labor relations.

His passing leaves a void not only for his family and associates, but also in the area of collective bargaining, both public and private, for he was involved in some of the most complex and important labor problems during and since his service with the National War Labor Board of World War II.

The following obituary from the New York Times of Friday, July 19, gives some measure of the man:

JESSE FREIDEN, 58, LAWYER, IS DEAD—REPRESENTED INDUSTRIES AND CITY IN LABOR DISPUTES

Jesse Freidin, a lawyer active in labor-management relations here for more than 20 years, died of a heart attack Wednesday night at Lenox Hill Hospital. He was 58 years old and lived at 179 East 70th Street.

Mr. Freidin, who represented various industries in major labor disputes, was senior partner in the firm of Poletti Freidin Prashker Feldman & Gartner at 777 Third Avenue.

Last August he was named by Mayor Lindsay as one of the city's two representatives in the Office of Collective Bargaining, which attempts to resolve contract and other disputes between the city and its employes.

ARTICULATE SPOKESMAN

Mr. Freidin, a trim, gray-haired man, impressed colleagues with his articulate presentation of complex issues.

Herbert L. Haber, New York's director of labor relations, said yesterday that the "city has lost an able and effective representative" who had provided "perceptive counsel."

The chairman of the Office of Collective Bargaining, Arvid Anderson, said that Mr. Freidin had been "a source of strength, encouragement and inspiration."

As a management representative, Mr. Freidin, dealt with the organizational strikes of workers at New York private hospitals in 1959–1960; a dispute involving the pilots and engineers on major United States airlines in 1961–62; and the threatened musicians strike against the Metropolitan Opera on the eve of its 1966 opening.

He was also involved in developing collective bargaining procedures for city teachers in 1961.

ADVISED WAR LABOR BOARD

Mr. Freidin was born here on July 27, 1909, and was graduated from Rutgers University and the Harvard Law School. He served as law secretary to State Supreme Court Justice, Charles Poletti and when Mr. Poletti became Lieutenant Governor, Mr. Freidin was named his counsel. The two became law partners in 1946.

Mr. Freidin's interest in labor-management matters began during World War II, when he served as general counsel and public member of the National War Labor Board.

During the city's strike of sanitationmen last winter, Mr. Freidin was appointed by Governor Rockefeller to a five-man mediation board. He was the only member to vote against the Governor's compromise proposal designed to end the strike. The Governor's proposal was also opposed by Mayor Lindsay.

TAUGHT AT WISCONSIN

Mr. Freidin was a trustee and chairman of the executive committee of the New School for Social Research. He also had been a trustee of the Jewish Guild for the Blind, general counsel to the Industrial Relations Research Association, a member of committees of the American Arbitration Association and a visiting professor of law at the University of Wisconsin.

He is survived by two sons, John, who teaches at Middlebury College in Vermont, and Ralph, who attends the Washington University School of Medicine in St. Louis; a daughter, Mrs. Leslie Lillian Cooper, and two sisters.

A funeral service will be held at 1 p.m. today at the Central Synagogue, Lexington Avenue and 55th Street. Burial will be at Linden Hill (Queens) Cemetery.

MR. MARIO T. NOTO APPOINTED EXECUTIVE DIRECTOR OF THE AIRPORT SECURITY COUNCIL

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. BRASCO. Mr. Speaker, I am pleased to announce to my colleagues in the House the appointment of Mr. Mario T. Noto, a distinguished public servant and fellow New Yorker, to the post of executive director of the Airport Security Council.

Mr. Noto, a top-ranking Federal investigative officer, is eminently qualified to fill this position. A fine lawyer, he has been associated with the U.S. Immigration and Naturalization Service of the Justice Department for some 20 years, and has served as Associate Commissioner since February of 1962. Since 1963, he has also served as consultant to the Secretary of State in the Bureau of Educational and Cultural Affairs.

In announcing Mr. Noto's selection as executive director of the Airport Security Council, Joseph L. Schmit, council president, said:

> Mr. Noto's vast experience in the investigative, legal and administrative field will enhance the airline industry's effectiveness in crime prevention, as well as aiding in our close cooperation with law enforcement agencies.

The Airport Security Council is a newly formed organization whose efforts will be directed toward the fight against, and the prevention of, crime at New York's major airports. As industry coordinator, Mr. Noto and his staff will standardize security policies for all airlines belonging to the Airport Security Council, and will work closely with all law-enforcement agencies with jurisdiction over New York airports, or air cargo transportation.

I wish to commend the Airport Security Council for its wisdom in selecting such an outstanding individual for this executive post; and to Mr. Noto, sincere best wishes for a long and productive tenure as executive director of the council.

CONGRESSMAN WHALEN SALUTES LOREN M. BERRY ON HIS 80TH BIRTHDAY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. WHALEN. Mr. Speaker, today, one of Dayton's leading citizens, Loren M. Berry, celebrates his 80th birthday. As a grade and high school classmate of his daughter, Martha—Mrs. John P. Fraim, Jr.—I have had the privilege of knowing Mr. Berry for the past 38 years.

Recently I have had the pleasure of active association with Mr. Berry both in the fields of banking and government.

For the past 12 years we have served together as directors of the Third National Bank & Trust Co., of Dayton. Time and again I have admired this man's calm, shrewd judgement of the matters which have come before this body.

Also, Mr. Berry has been actively engaged in the affairs of the Republican Party. He was an elector from the State of Ohio in 1952 and 1956. A frequent Florida visitor, he was elected an officer of the Florida State Republican Committee. Perhaps Mr. Berry's political contributions were best summarized by Mr. Howard G. Young, chairman of the Montgomery County, Ohio, Republican Executive Committee, who once stated, "When the Lord created Loren Berry, he threw away the mold."

I join Mr. Berry's many friends in saluting him today on his outstanding contributions and successes as a businessman, financier, and public servant.

I insert herewith an excellent article from the July 21 edition of the Dayton Daily News which summarizes Mr. Berry's career:

EIGHTIETH BIRTHDAY WEDNESDAY—YELLOW PAGES PIONEER IS STILL A BUSY MAN

(By Fred Robbins)

Advertising and salesmanship has been Loren M. Berry's life.

He got his start early as business manager for the monthly high school publication in his home town of Wabash, Ind., where his father was a school principal.

"They knew I was interested in advertising and besides, there was nobody else to do the job of selling the advertising," recalls the chairman of the board of L. M. Berry and Co., telephone directory advertising firm.

The new wealthy industrialist, also a director of banks and other concerns, who recently negotiated the control of Super Foods Services, Inc., will be honored Monday night at the Bicycle club on the occasion of his 80th birthday on Wednesday.

Interviewed in his air-conditioned study at his comfortable Oakwood home, Berry recalls he ran out of cash after a year at Northwestern university.

Married in 1910, he traveled through some 25 towns in the Midwest selling ads for interurban timetables and sells vest pocket timetables that would carry advertising.

Asked how he selected Dayton for what turned out to be his permanent home, Berry said:

"I had the list of about 25 towns in the Midwest and decided Dayton was the best town to get settled. I was impressed with NCR."

The Berrys moved into a boarding house on W. Second St., a block west of Ohio Bell where "my wife and I paid $12 a week for room and board."

Berry started in business with a rented desk in the old U.B. (now Knott) building, with the Ohio Guide Co., still in the interurban timetable business. He made a verbal contract with the old Dayton Home Telephone Co. to sell advertising for the directory.

He later formed a partnership with George Craven, who also had a desk (his own) in the U.B. building and Craven & Berry was born. "I insisted Craven's name be first. It looked better as he was 20 years older than me."

Their operations expanded to telephone companies in other states until the 1920s when changes brought about mergers.

"A law was passed in 1921 that encouraged phone companies to get together and merge. There was overlapping service, two companies in one town. It was felt to be in the interest of the public," Berry stated.

"After the mergers we made contracts with small independents all over, but we got our first Bell contract in Dayton and surrounding territory in 1931," said the man who pioneered the Yellow Page advertising concept.

Meanwhile, after a series of moves to the Keith building, Ohio Bell Telephone building and Hulman building before the present headquarters were established on Kettering Blvd., Berry bought out his partner Craven and carried on the business with the help of other salesmen.

At first the Bell companies had their own advertising salesmen, but "we convinced them we could sell more advertising and they all came step by step. We told them Berry could do it cheaper."

His business association over the years with the telephone companies convinced him the securities were a good investment.

"One firm owed me money and gave me stock worth about $1,500. A second also gave me stock, and later I had stock in four or five. Mergers increased the value," Berry recalls.

He also has been interested in radio and built WONE, which was later sold. He is shareholder and director in Mutual Broadcasting Corp. in which a son-in-law, John P. Fraim Jr., is chairman of the operating company.

Among Dayton's wealthiest men, Berry bought into Super Food three years ago. He is also a director of Third National Bank and Trust Co. and of a Fort Myers, Fla. bank and United Utilities, Inc. the second largest independent phone company.

"Donald Fox (son-in-law) said Super Foods has good possibilties. He knows the food business and is known over the country. He showed ways to improve it."

The still active industrialist has not relinquished leadership in his company, which was incorporated four years ago, but has turned the reins of active operation over to his son John W. Berry, president of the nationally known firm.

His home since 1929 is on land formerly owned by Orville Wright, whose last residence is about a block away, and an oak tree said to be 300 years old, where Orville and his sister Katherine, had picnics, still stands outside of Berry's study window.

STATISTICS: OVERWHELMING MAJORITY FAVORS SMOKING WARNINGS

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. MOSS. Mr. Speaker, the sentiment in our Nation continues to grow with regard to the enactment of more stringent legislation concerning cigarette packaging and advertising. For the benefit of my colleagues, I insert in the RECORD at this point an item which appeared in Rodale's Health Bulletin:

STATISTICS: OVERWHELMING MAJORITY FAVORS SMOKING WARNINGS

Almost two-thirds of the American public—including smokers—agree that health warnings should be required on cigarette packages, as at present, and also in advertising. Further, 48 per cent felt a stronger worded label was needed, according to a recently completed survey by the Opinion Research Corporation, Princeton, New Jersey. The survey was sponsored jointly by the American Cancer Society and the Federal Trade Commission. An overwhelming majority (76 per cent) of those surveyed voiced approval of the FTC's "Fairness Doctrine," which requires stations selling commercial time to advertise cigarettes to provide a "reasonable amount" of time to health warnings on cigarette smoking. In addition, 62 per cent of those queried favored printing the amount of tar and nicotine on the package.

However, the public did not feel that health warnings on cigarette packages would result in helping smokers to kick the habit. Forty-six per cent of those asked said the label, "Warning: Cigarette Smoking is Dangerous to Health and May Cause Death From Cancer and Other Diseases," would influence a "few smokers" to quit. Twenty-five per cent felt the label would influence "some" smokers to quit and 20 per cent said the label would have "little or no effect." The Federal Trade Commission has incorporated the results of the ORC survey into its recent report to Congress on smoking and health.

MINORITY VIEWS ON OCCUPATIONAL SAFETY AND HEALTH, H.R. 17748

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. STEIGER of Wisconsin. Mr. Speaker, an increasing amount of attention has been paid recently to the legislation H.R. 17748, the Occupational Safety and Health Act of 1968.

This legislation, which has been approved by the Committee on Education and Labor, is the successor to the original bill H.R. 14816. H.R. 17748 is substantially and substantively changed from the original proposal, but there are nonetheless some serious weaknesses which I believe should be corrected before the bill is enacted into law.

For the benefit of my colleagues I will include as a part of my remarks at this point the text of the minority views on this legislation, contained in House Report 1720, in order that they may have the views of a number of the members of the House Committee on Education and Labor on this proposal.

The minority views on H.R. 17748 follow:

MINORITY VIEWS ON H.R. 17748

Although we do not oppose the basic objectives of the committee bill, and find ourselves in substantial agreement with a number of the proposals it contains, we are convinced that the measure reveals several serious weaknesses which should be corrected before the bill is enacted into law. Attempts were made in the committee to remedy these defects but our efforts were rejected by the majority. As a result, we were compelled, despite some of the desirable programs for which the bill provides and of which we approve, to vote against the measure in the form in which the majority in the committee ordered it reported.

We wish to emphasize that the hearings before the subcommittee were not only quite extensive but extremely illuminating as well. Most of the witnesses were genuinely impressive. All in all, the testimony developed a first-class record which fully supports our objections to certain aspects of the committee bill.

Before we begin our discussions of these significant shortcomings, a brief résumé of the genesis and evolution of the measure is helpful in demonstrating why it was incumbent on us to oppose it in the form in which it was reported. The bill (H.R. 14816) as sent to the Congress by the administration and as originally introduced, contained provisions establishing two main programs.

The first was a complete regulatory program covering virtually all of the Nation's places of work engaged in activities affecting interstate commerce, the broadest sweep of the constitutional power of Congress to regulate interstate and foreign commerce.

This program, to be exclusively administered by the Secretary of Labor, included the setting of occupational safety and health standards and their enforcement through a system of inspections, remedial administrative orders, summary administrative stop-work orders, and substantial civil monetary penalties as well as denial or termination of Government contracts for enterprises found by the Secretary to be in violation.

Moreover, despite these drastic sanctions the original bill was sadly lacking in adequate judicial or even administrative safeguards. Hence, we concluded that this regulatory portion of the proposal was wholly lacking in equity and constituted an imminent threat of undeserved economic hardship, even disaster, for an incalculable number of employers and their employees.

However, the other portion of the bill contained many features which are beneficial, and in large part, quite acceptable. As the Secretary of Labor observed, available information on the nature and frequency of occupational injuries and diseases is inadequate. The original bill sought to meet this problem by authorizing the Secretary of Health, Education, and Welfare to undertake research geared to the prevention of such diseases and accidents, and by authorizing funds to improve the reporting procedures regarding their nature and frequency.

Similarly, there can be little doubt that there is an insufficient supply of trained, competent personnel sufficiently conversant with the problems of occupational health and safety to help educate employees and employers in the most effective preventive practices or to inspect places of work with an eye to uncovering safety or health hazards. The original bill recognizes this shortage, and provided for the training of needed personnel, and for the establishment of a program to educate employees and employers in matters affecting on-the-job safety and health.

And finally, the original bill provided for grants to the States to assist them in identifying their needs and responsibilities in the area of occupational safety and health and in developing plans for (1) establishing systems for the collection of pertinent and useful information and data; and (2) for increasing the number and skills of occupational health and safety personnel. We found this part of the original bill substantially acceptable, and it is embodied in the bill as reported by the committee but with the significant addition which we proposed, to wit, providing grants to the States for aiding them in administering and enforcing their approved plans.

As a matter of fact, not only do we not oppose this nonregulatory portion of the committee bill; it is our firm belief that these nonregulatory programs constitute the proper sphere for Federal activity in the field of safety and health, and that the primary, or at the very least, a coequal role, in the regulatory sphere is the proper function of the States, as it has always been heretofore.

Unfortunately, the original bill would have eventually eliminated the regulatory functions of the States with respect to occupational safety and health. We are delighted that the committee bill amended the original to make possible the preservation of these functions by the States.

At this point, it is appropriate for us to point out that the changes made by the committee bill in the first 13 sections of the original bill constitute, in effect, an entirely new and different measure bearing little resemblance to the original in all but a very few respects.

These 13 sections are devoted to the regulatory role of both the Federal Government and of the States. We have no reluctance in adding that most of these changes have significantly improved the measure and that they were brought about, in the main, as a result of amendments and suggestions which we offered in the committee.

Our quarrel with the committee bill revolves around the rejection by the committee's majority of several of our proposals. These, although few in number, are nevertheless essential to make the bill truly equitable as well as genuinely effective, and to help achieve these goals not only by the threat of sanctions and punishments but by providing incentives and inducements to that end.

The bill, as reported, now contains provisions which enlist the active participation of professional experts and organizations specially qualified in the safety and health field. Due process by means of judicial review is assured at every stage of the regulatory process. The States may, if they so desire, assume important responsibilities in occupational safety and health, even to the extent of taking over the exclusive exercise of the regulatory functions of the Federal Government, and may receive financial aid from the Federal Government if they choose to do so. As we have stated, these indispensable features were not in the original bill—their inclusion in the measure before us is our contribution to the proposed legislation.

However, we are deeply disturbed by the committee's refusal to accept three of our amendments. We are pleased that they constitute only a very small number of the many we offered, the overwhelming majority of which were approved. But these three we regard as indispensable to achieve the objectives for which the bill was allegedly designed.

Summarized briefly, we proposed that the bill be modified in the following respects:

1. The complete replacement of the Secretary and the Department of Labor in the administration and enforcement of the regulatory provisions of the bill by an independent Occupational Safety and Health Board, a majority of whose members would be chosen from individuals who by training and experience were professional experts in the field of occupational safety and health.

2. The provision of a limited exemption from the coverage of the legislation for those enterprises which clearly demonstrate that they are effectively meeting health and safety performance requirements and that their record in this respect is outstanding.

3. The bill, as reported, contains a provision giving the Department of Labor's inspector exclusive and virtually unrestricted authority to order the summary removal of all employees from any place of work in which he finds that a violation of a health or safety standard may reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated. Such an order, when carried out, will, in most cases, result in substantial financial damage to the employer and to the employees involved. The sole remedy the bill provides for such damage is a right to sue the United States in the Court of Claims but only if the stop-work order was issued arbitrarily, capriciously, or without reasonable cause. We proposed that recovery in such a suit for the damages actually suffered should also be permitted if the order is set aside by the appropriate court as erroneous.

At this point we shall discuss each of these three rejected proposals in some detail for the purpose of demonstrating both their desirability and their necessity.

I. AN INDEPENDENT OCCUPATIONAL SAFETY AND HEALTH BOARD

If there is one conclusion that the hearings on the bill have established beyond any reasonable doubt, it is the failure of the Department of Labor effectively to administer and enforce those occupational safety programs over which it now has statutory authority, and in one case, at least, the Walsh-Healey Act, has had such authority for many years.

On this score the testimony, regardless of its source—labor, management, professional safety experts—the witnesses without exception were in agreement. Typical of them all was one witness who cannot be suspected of any hostility toward either the Secretary or the Department of Labor and who in fact supported the bill. Nevertheless, Mr. George Meany, the president of the AFL–CIO, made the following comment in his apperance before the subcommittee:

"I would be less than fair to the States if I did not point out the shortcomings of the Federal Government to meet its responsibilities to improve the working environment within its area of jurisdiction.

"For many years, the Walsh-Healey and the Longshoremen and Harbor Workers' Compensation Acts have not been adequately enforced. It is only recently that a beginning in that direction has been made under the latter act by the Labor Department.

* * * * *

"Finally, within the Federal executive branch, itself, the Safety 70 program [for which the Labor Department has the primary responsibility] has fallen far short of its goal of reducing lost-time accidents among Federal employees by 30 percent.

"The record unfortunately shows that the Federal Government has also failed to consider worker health and safety as a matter of prime importance and has failed to do something significant about it."

Paradoxically, despite this long record of inadequacy in the occupational health and safety field, the Department of Labor drafted the original administration bill without consulting a single one of the outside non-Federal organizations, institutions, or individuals who have long experience in dealing with the problems of safe and healthful working conditions and who are universally recognized as professionally expert in such matters. Virtually every witness was asked and all of them, with only a single exception, denied having been consulted by the Department. Even that exception, Mr. Meany, did not unequivocally declare that the AFL–CIO has been so consulted. All he would say was, and we quote:

"I can't give you a detailed answer but I am quite sure that we have a very active legislative department. I am quite sure some of our people got a look at this thing. Whether they were consulted in the sense that they had a hand in the drafting, I don't know, but I would not be surprised if that were true."

Strangely enough, only a few years ago, the Labor Department, having decided that the Walsh-Healey Act's requirement of a safe and healthful working place for the employees of Government contractors ought to be implemented after many years of almost total neglect, asked for guidance from industrial safety and health agencies of some of the States. Nothing could be more revealing of the complete lack of expert "know-how" with respect to occupational health and safety which characterizes the Labor Department. This episode also strongly indicates the Department's awareness of its own deficiencies in this respect.

One can only wonder at its failure similarly to consult these State agencies, or anyone else for that matter, in its preparation of the administration bill, as originally introduced. The submission of that legislative monstrosity was an insult, probably not consciously intended, to the intelligence of the Congress, and we are happy that our committee, in the reported bill, has already transformed it almost beyond recognition.

One major theme that was repeated during the hearings by virtually all of the expert witnesses was the extreme shortage of highly qualified professional personnel in the health and safety field. The administration bill indicates cognizance of such a shortage by its inclusion of provisions designed to provide means for increasing the supply.

As a matter of fact, when the Secretary of Labor testified on February 1, he was asked if it would not be desirable to provide training in occupational health and safety skills. He responded by declaring that "my answer to your question would be an unqualified affirmative."

Obviously, in view of the fact that the Department of Labor has at its disposal hundreds of millions of dollars to provide training for the unemployed under the MDTA program, the CEP program, and certain phases of the antipoverty programs, all subject to the authority and control of the Secretary of Labor, it would seem reasonable to expect that among these manifold training activities, a few at any rate, would be in the occupational health and safety field where both the need and the short supply of qualified personnel are so great.

On March 14, a month and half later, the subcommittee conducting the hearings on health and safety was asked by the minority members to inquire formally of the Secretary of Labor if any training activities in occupational health and safety were being conducted in any of the numerous training programs within his jurisdiction. The Secretary's subsequent reply address to the subcommittee chairman which appears in the hearing record without a date reads as follows:

"DEAR ELMER: Jim Harrison called concerning the forthcoming hearings on occupational safety, and asked that we let you know for inclusion in the hearing record, if anything has been done under MDTA to train people in the field of occupational health and safety.

"A thorough check of our manpower programs reveals that nothing specific has been pursued in this area.

"Sincerely,

"WILLARD WIRTZ,
"*Secretary of Labor.*"

It should be noted that MDTA has been on the statute books since 1962, the Economic Opportunity Act since 1964, and that the shortage of and need for qualified personnel in occupational health and safety antedated both statutes, and that the existence of both the need and the shortage has been widely recognized for many years. It is quite obvious that an agency whose right hand seems to be entirely unaware of what its left hand is doing inspires little confidence in its ability to administer effectively the activities carried on by either hand.

A final consideration in reaching the conclusion that the Department of Labor has not even the most elementary qualifications for administering and enforcing an occupational safety and health program, is its total lack of experience or appropriate knowledge in the field of occupational health as distinguished from that of safety. Although both have as their objectives the protection of workers against the bodily harm which may be incurred in their places of work, technically and scientifically they are utterly different and the skills and expertise for dealing effectively with each have virtually nothing in common.

The Public Health Service in the Department of HEW has both the skills and the experience for handling the problems of occupational health hazards. Nevertheless, under the committee bill, its role is wholly subordinate, merely consultative to the Secretary of Labor. As pointed out by the Industrial Medical Association in its testimony:

"The legislation proposes that the Secretary of Labor prescribe the standards after appropriate consultation with other Federal agencies. It is our belief that the role of the Department of Health, Education, and Welfare in establishing standards in occupational health should be much broader than providing consultation. We recommend that the Secretary of Health, Education, and Welfare and the Secretary of Labor concur in the prescribed standards."

This subordinate role of HEW which has all the expertise in the occupational health field, to the Department of Labor which knows nothing about occupational health and little enough about occupational safety, constitutes an incomprehensible anomaly.

All the professional experts are agreed that American industry has done extremely well in dealing with the hazards of occupational accidents, and that most of the remaining problems in that area involve human error. But all agree with equal emphasis, that although much progress has been made in dealing with environmental health problems, even more is still unknown, as Secretary of Labor Wirtz conceded, and that these problems have become far more important than physical and mechanical accidents. They conclude, therefore, that the primary and major efforts for achieving the protection of the worker in his place of work should be directed at environmental health. Nevertheless the committee bill hands the entire job to the Department of Labor, which as we have shown, has demonstrated its complete lack of qualifications for performing it.

Hence we concluded that a matter of such tremendous national importance as occupational health and safety should not be entrusted to an already overburdened and obviously unqualified Department of Labor. We proposed in committee, and intend to do the same on the floor, to establish a continuing full-time independent Occupational Safety and Health Board, a majority of whose members would be distinguished by their contributions and experience in the field of occupational health and safety. Together with a permanent staff consisting of professional experts selected from both the health and safety fields in the proper proportions, and the assistance of advisory committees chosen on a similar basis as well as the advice and recommendations from the appropriate agencies at all levels of government, such a Board would be charged with both the promulgation of the necessary standards and regulations and their enforcement.

The fact that the proposed legislation is concerned with workers is not sufficient reason for placing the program under the Department of Labor. The Federal Mediation and Conciliation Service, the National Mediation Board, and the National Labor Relations Board, for example, are wholly concerned with matters pertaining to labor—nevertheless, they are entirely independent of the Department of Labor. Thus, there is ample statutory precedent for our proposed independent Safety and Health Board.

But even more significant is this. A majority of the members of the Board will not be appointed because they are Democrats or Republicans, or spokesmen for management or for labor, an approach which, unfortunately, has all too often been followed in the making of appointments to important Federal public positions. The problems to be dealt with are not political, they are not primarily economic, they do not deal with issues where there are deep differences concerning policy. To the contrary, these problems are almost entirely technical, and highly technical at that. The appointment of an independent Board, a majority of whose members must be highly competent professional experts in a field where the subject matter is almost wholly objective and susceptible of genuinely scientific and technical analysis, judgment, and decision, would inspire the utmost confidence in every segment of the American public.

And finally the creation of a Board of this kind would more than meet the recommendations for a national advisory commission or some variation thereof constituted along similar lines, which were made by the leading professional organizations in the health and safety field, such as the National Safety Council, the American Industrial Hygiene Association, the American Academy of Occupational Medicine, the Industrial Medical Association, the American Society of Safety Engineers, and several of the State health or industrial safety agencies which testified in the hearings.

II. EXEMPTIONS BASED ON PERFORMANCE

In most Federal legislation of a regulatory nature which provides for exemptions from the legislation's coverage, the exemptions are usually granted based on the size of the enterprise measured by volume of sales or the number of employees; or, as is too often the case, as a result of the political or economic strength and influence of the various forces or interests which either favor or oppose the particular exemption. Obviously, the results contain a large degree of irrationality or arbitrariness, and leave in their wake numerous disgruntled, dissatisfied, and unhappy elements.

Moreover, and we know of no exceptions to this, Federal regulatory legislation seems always to seek to achieve its objectives through sanctions, punitive in nature, either civil or criminal, and frequently both. The committee bill is no exception. We strongly believe that certainly, in a field like occupational safety and health, without discarding the punitive sanctions in the committee bill, there should be added thereto, inducements to employers to so perfect their health and safety programs as to approximate the ideal goal of total elimination of all hazards in the work environment.

This, we are convinced can be done effectively through the granting of exemptions from the application of the committee bill to enterprises which can show, objectively, that they have succeeded in maintaining the best possible health and safety conditions in their work premises for a period sufficiently extended to demonstrate that their success is permanent and not temporary, intermittent, accidental, or unreliable. This would be entirely consistent with the position of the National Safety Council that the important test for success in the health and safety field should be based on "safety performance."

We arrived at this conclusion on the virtually unchallenged testimony given by many witnesses at the hearings of the extraordinary record of American industry in reducing occupational injuries and illnesses.

Certainly the evidence in the hearings reveals the excellent progress that has been made through the voluntary efforts of employers, employees, and private professional organizations aided by State safety programs and State health and safety officials. According to the National Safety Council, the Nation's leading authority in the field of health, and safety, accidental deaths connected with work dropped from 17,000 in 1947 to 14,200 in 1967; disabilities were reduced from 4,090,000 in 1947 to 2,200,000 in 1967. This impressive decrease in deaths and disabilities occurred during a period when the work force was increasing by over 10 million employees.

Moreover, the reported death and disability totals give a grossly exaggerated picture of occupational hazards in industry. Of the 14,500 "occupational" deaths in 1966, 3,200 (21 percent) occurred in motor vehicle accidents, 2,900 (or 20 percent) occurred among agricultural workers, and 3,200 (or 21 percent) among service or government (including Federal Government) workers.

(In this connection it is pertinent to point out that Secretary of Labor Wirtz, in his testimony before our subcommittee, cited the 14,500 figure for "occupational" deaths, but failed to mention that the national injury ratios for Federal employees were higher than those for private industry, and failed to give the breakdown of the 14,500 figure that we have set forth above. It is obvious that automobile accidents, even though considered work-connected if they occur in the performance of the employee's work duties, have no more connection with safe or healthful working conditions than automobile accidents that are wholly unrelated to a job. It is cause for considerable concern to us that unless our proposal for an independent board is adopted, administration and enforcement of the committee bill will be left to an agency, which in addition to all of its shortcomings, which we have already described, fails either through ignorance or deliberation, to provide the Congress with the necessary relevant information and data.)

Dramatic improvement in industrial safety is also shown by the sharp drop in the occupational accident rate over the years. The fatality rate has dropped from 42 deaths per 100,000 workers in 1936, to 31 in 1946, to 20 in 1966. In 1926 there were 31.9 disabling injuries for every million man-hours of work; by 1946, this was reduced to 14.6; and by 1966, this was cut to 6.9 per million man-hours.

Moreover, it is unchallengeable that the working conditions of the American wage earner are the safest and most healthful in the world—no other country anywhere even comes close. Such industries as steel, chemicals, and petroleum, which years ago were accurately regarded as among the most dangerous in which to work, have achieved a degree of occupational health and safety which is so miraculous as almost to defy belief. And finally, the statistical record makes it plain that the American worker is far safer at his job than he is at home or on the highway.

In face of this magnificent record, if only to provide a reward for a task well done and constantly improving, American enterprise should be offered the incentive of an exemption from Federal regulation (it would continue subject to the State laws) if it continues its upward progress. In any event, there is another important factor worthy of serious consideration—it would lessen the impossible task of the administering and enforcing Federal agency (whether the Labor Department or an independent board) of policing all of American enterprise.

It has been estimated that the inspection force alone which would be needed to handle the job would cost the Federal taxpayer at the very least $175 million. Confronted with a much smaller task, the National Labor Relations Board on its own administrative initiative has refused to assert its jurisdiction in certain classes of cases which, in its opinion, are of lesser importance in achieving the statutory policy. Without a statutory exemption in the committee bill, we will inevitably wind up with an administrative exemption based on the judgment of the executive branch rather than on the decision of the Congress based on the objective standard of demonstrated superior performance.

III. THE PROPER BASIS FOR DAMAGE SUITS

As we have indicated, the committee bill provides for a summary proceeding for, in effect, shutting down an employer's operations in whole or in part. The only relief provided for an employer in the subcommittee bill was a suit in the Court of Claims for damages against the United States if the shutdown order was issued arbitrarily or capriciously.

We pointed out that such a remedy was entirely inadequate. In the first place, given the extremely broad discretion granted to the Secretary of Labor, the normal difficulty of proving arbitrariness or capriciousness would be compounded geometrically. Moreover, we pointed out, why should an employer whose operations have been summarily closed down with substantial losses to him, remain uncompensated if it ultimately develops, in the final judgment of the court, that the action of the Secretary (or the board), although not arbitrary or capricious, was nevertheless erroneous on the law or the facts.

After all, under the bill's provisions, such a stop-work order, effective temporarily, can be secured ex parte, that is, without an opportunity to the employer to submit his defense. We, therefore, proposed an amendment granting such employer the right to sue and recover if the stop-work order were set aside by the appropriate court. There is nothing unusual in our proposal. Recovery of damages where the agency action is unwarranted or erroneous would accord with law governing review of agency action in section 706 of title 5, United States Code. This section states that the reviewing court shall set aside agency action where it is found to be "unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court."

Nevertheless, our proposal was rejected. Instead, the committee adopted in its place an amendment adding to the permissible grounds for the damage suit—arbitrary or capricious—a third ground, issuance of the stop-work order without reasonable cause. This sounds impressive but it is sheer eye wash and adds nothing at all to the section. Even if such amendment were not included in the bill, such an order issued without reasonable cause would clearly be held by any court in the land to be arbitrary or capricious or both. Its adoption not only adds nothing, but is misleading in creating the false impression that something has been done in behalf of the damaged enterprise. We will, therefore, offer our amendment to the whole House when the bill reaches the floor.

In conclusion, we strongly urge our colleagues to support our three proposals. If they do and are added to the committee measure, we will have succeeded in producing an occupational health and safety bill which will permit the necessary job to be done while providing adequate safeguards for all whom its provisions affect.

William H. Ayres,
Albert H. Quie,
Charles E. Goodell,
John M. Ashbrook,
John Dellenback,
Marvin L. Esch,
Edwin D. Eshleman.
William A. Steiger.

HON. HORACE KORNEGAY

HON. JAMES M. HANLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 1968

Mr. HANLEY. Mr. Speaker, this is indeed a sad day for me as we pay departing tribute to Horace Kornegay. Horace has been both a close friend and a mentor to me since my arrival in the House of Representatives.

The fact that Horace has decided to sacrifice a brilliant career in public service to spend more time with his wife and family speaks more eloquently of the man than I could ever do. And considering his tremendous dedication to the cause of our Government, I can only say that his absence will provide quite a vacuum in the House of Representatives.

Mr. Speaker, the people of North Carolina's Sixth District are the real losers in his decision, even though I feel a great personal loss myself. They are losing one of the most dedicated men I have met in the House. They are losing one of the finest gentlemen ever to grace the Halls of Congress.

I have had many occasions to seek Horace's counsel during my 4 years in Congress. To say the least, he has on each occasion been gracious, helpful, responsive, and understanding. These, I submit, are the qualities of a good friend.

I shall miss Horace Kornegay as I am sure every Member of this body will. I bid him well and trust that the future will provide him with good health, happiness, and frequent cause to return to the Hill.

"PUEBLO" PARALYSIS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. DULSKI. Mr. Speaker, I hope sincerely that a flag will fly in front of every American home next Sunday to tell everyone everywhere that we do remember the U.S.S. *Pueblo*.

More than 6 months have passed, and the *Pueblo* and its crew are still in the hands of the North Koreans.

It is essential that our Government press every effort to obtain the immediate release of the men and our ship.

I include with my remarks an editorial from the July 15 edition of the Buffalo, N.Y., Evening News:

> "Pueblo" Paralysis
>
> Every American must sympathize with the understandable impatience and anguish expressed by mothers and other members of the families of the 82 Pueblo crew members held captive for almost six months in North Korea.
>
> But sympathy, of course, won't free the hapless victims of what the administration was denouncing in late January as an unacceptable "act of war." Their families have all too much reason to fear that they are undergoing privation and intimidation. Pictures of some crewmen and statements attributed to them support such fears. So do the experiences of U.S. military personnel who underwent torture as North Korean prisoners during the Korean war.
>
> To their families' pleas for stronger action, including the use of force if necessary, the State Department responds—in the words of one spokesman last month—that such actions "might demonstrate that we are a strong nation, but we see no advantage to bringing out a charred hull and 82 corpses."
>
> A realistic assessment this may well be—at least now, if not in the immediate aftermath when the Pueblo seizure was prompting Washington threats of reprisal for an "act of piracy." Today's very contrast with that mood, indeed, is what causes the administration's posture now to inspire so little confidence that its diplomatic efforts will be availing.
>
> For what makes this episode so frustrating—and almost certainly a major political albatross for the administration in the election campaign—is the plaguing doubt that all possible diplomatic pressure is being exerted. By all appearances, the Pueblo has sunk into a kind of oblivion, with the administration persistently clamming up on questions about any signs of progress in the 18 or so diplomatic talks with the North Koreans, and with reports of other efforts to resolve the deadlock getting noncommital answers. To a degree, in this as in all diplomatic matters, such a closed-mouth attitude may be proper, especially if a deal with the North Koreans might involve any third-party efforts by Moscow.
>
> The fact remains, however, that the nation's unwillingness to risk any military force, together with an impression of diplomatic helplessness that has gone uncountered, suggests all too much that the Pueblo's men may become pawns in the cold war. But the public will not forget the Pueblo; and lacking all the facts to judge the vigor and earnestness of the administration's rescue attempts, it can only hope that this chapter will not go down as a reverse of the Teddy Roosevelt advice about speaking softly and carrying a big stick.

PRESIDENT JOHNSON—A VETERANS PRESIDENT

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. TEAGUE of Texas. Mr. Speaker, as we near the end of our work in the 90th Congress, as chairman of the Committee on Veterans' Affairs, I would like to give credit to our President for the outstanding role he has played in providing benefits to our veterans of all wars. Lyndon B. Johnson, himself a veteran of World War II, is the first President who has thought enough of this great segment of our population to send comprehensive messages to Congress dealing solely with veterans' affairs.

First, in 1967, President Johnson sent us a list of proposals which he felt were absolutely necessary if America were to fulfill its obligations, not only to the veterans of the Vietnam era, but also to those who had served in previous conflicts. Again this year, on January 31, 1968, we received another impressive message which reflected his concern and his desire to provide meaningful benefits to all who have served this Nation in time of conflict.

In addition to these two unprecedented messages, the President became the first Chief Executive actively to seek and advocate legislation on behalf of our veteran population. Over the years we have provided many benefits, and Presidents have signed into law legislation originating here in Congress. But never before have we had the guidance, the planning, and the unwavering support of a Chief Executive to help formulate and encourage our efforts.

After his second message to Congress, one nationally known veteran publication commented on President Johnson's concern in this manner:

> Year after year, the only mention of veterans in an Administration message was an inference that veteran programs should be absorbed in the general welfare systems. When Congress did begin legislative action, the role of the various Administrations seemed to be an intent to kill the measure, or, failing that, to water it down to the lowest possible dollar sign. Then on Jan. 31, 1967, a surprising thing happened. President Johnson sent Congress a message actually urging the solons to enact many needed benefits for veterans and servicemen. As our editorial noted at that time, "It is believed that this special message pertaining to veteran legislation is the first that any President has ever sent to the Congress." . . . We have had to fight so long and so hard for mere crumbs of recognition of the just rights of veterans that it is difficult to realize that the day of the veteran may have come at last. But there is no denying the impressive facts of the record written in recent years. And on the basis of this record there can be no denial of the fact that President Johnson has shown

great concern and initiative on behalf of veterans.

We here in Congress welcomed this change on the part of the administration as much as did the veterans throughout the country. President Johnson called for an extension of service to our veterans beyond anything that had been previously known. In his second message alone, he made 15 legislative and administrative proposals.

Even before we received these messages from the President, Congress had received his support in enacting many new laws for veterans and servicemen. Congress had provided two military pay raises since August 1965. We had passed a new third-generation GI bill to speed the readjustment of returning servicemen through new education, training, medical, and home loan benefits. We had increased the hostile fire pay in combat zones. We had provided a comprehensive military medicare program. And we had passed a $177 million annual increase in compensation for our service-disabled veterans. We had enlarged the benefits for surviving children and dependent parents of those who died as a result of service-connected injury.

These actions alone made an impressive record for the Johnson administration. But this was only the beginning.

In his message of January 31, 1967, President Johnson asked Congress—

First. To remove the inequities in the treatment of veterans of the present conflict in Vietnam.

Second. To enlarge the opportunities for educationally disadvantaged veterans.

Third. To boost educational allowances under the GI bill.

Fourth. To increase the amount of servicemen's group life insurance.

Fifth. To increase the pensions received by 1.4 million disabled veterans, widows, and dependents.

Sixth. To make certain that no veteran's pension would be reduced as a result of increases in Federal retirement benefits, such as social security.

Congress responded by legislating compensation, pension, medical, and other benefits that put Vietnam veterans on an equal footing with veterans of earlier wars.

We also liberalized and increased educational benefits for veterans, and we provided pension increases and an increase in the subsistence allowance paid to veterans receiving vocational rehabilitation training.

In this message, the President also ordered a comprehensive study of veterans' programs, and the Administrator of Veterans' Affairs named a special Commission which traveled throughout the United States hearing testimony from veterans and other interested individuals and groups. This Commission, the U.S. Veterans' Advisory Commission, has provided us with a comprehensive report, and already many of their major recommendations are being converted into law. I am sure that the report will serve as a basis for future legislation in the years to come.

The President's concern for veterans was equally apparent in his second message. He asked again for an increase in servicemen's group life insurance and legislation to protect the veteran against disproportionate pension losses that could result from increases in other income such as social security.

In his second message, he then proceeded to recommend a whole slate of changes and new proposals. He asked that Congress increase the maximum guarantee on GI home loans. Congress has responded by increasing the guarantee to $12,500, and has provided other incentives which will make it easier for a veteran to secure a GI loan.

The President proposed that benefits of vocational rehabilitation be extended to service-disabled veterans on a part-time as well as full-time basis. We have responded to that request.

But the President did not depend on legislative changes alone. He insisted on a level of service to veterans never known before. At his direction, the Veterans' Administration was already counseling service personnel in Vietnam, in military hospitals, and at many separation centers. All of these efforts were stepped up by order of the President, and to date the VA has briefed more than 336,000 men at six military bases in Vietnam, has provided bedside counseling to 78,000 disabled servicemen in 176 military hospitals, and is providing benefits orientation to men being separated at all of the 287 regular military separation points.

In his message of last January, he ordered into operation brandnew, one-stop service centers to be staffed by all Federal agencies in any manner concerned with veteran matters. In the short span of 3 weeks, the first such centers were placed in operation under the leadership of the VA, and 21 of the centers are now functioning in our major cities. Their mission is to reach out to newly discharged veterans through telephone calls and home visits in addition to interviews conducted at the centers. Already nearly 40,000 Vietnam-era veterans have received this personalized assistance.

The President ordered the expansion of Project 100,000, and its continuation by the Department of Defense. He also continued Project Transition, which aids a veteran in preparation for a job of consequence in industry and Government. These programs for the educationally disadvantaged veteran have proved most successful and a great help to many thousands of veterans.

President Johnson was disturbed that some veterans returning from service to their country had difficulty in finding jobs. He took steps to alter this situation, and veterans are being contacted by the State employment offices offering their help in securing a meaningful job if they were unable to find one on their own.

His Executive order permitted the offering of civil service transitional appointments up to the grade 5 level to veterans who would complete their education while working for the Government.

One of the major concerns of Congress and the veteran organizations had for years been the deteriorating situation in our national cemetery systems. The President courageously pointed up this problem, and asked that positive steps be taken to insure the right of every veteran to burial in a national cemetery near his home. Action is already underway in the Congress to transfer activities of the cemetery systems to the VA and to make sure that the President's request is fulfilled.

The President's concern was no place more graphically pointed out than in the budget requests for the VA. In each of the past 4 years the VA budget request has increased by about $300 million annually. This year's budget will total $7.3 billion. The medical budget of the VA has been expanded over the $1 billion mark, and is up this year $58 million over last year's budget, which was equally unprecedented. The largest medical research budget in history is planned for fiscal year 1969.

I would like to point out that during the past 4 years—the 89th and 90th Congresses—37 new laws have been passed for the benefit of our veterans, and three more await the President's signature. It is also important to note that many of these laws are multipurpose—they have many provisions.

President Johnson has been a President of vision. He has made full use of every facility in getting these vital programs into action. He realized the necessity for changes in order to fulfill our commitment and obligation to our veterans. At the same time, he knew the impact that such programs would have on our Nation.

He knew that an increase in pensions and compensation would fulfill the financial needs of our veterans, but at the same time would spur our economy with increased purchasing power. He realized the absolute necessity of providing educational benefits to our veterans, and he realized the impact that an educated citizenry could have on our Nation. He knew that medical care in our VA hospitals must be the best in the world, but at the same time he realized the magnificent contributions to all of mankind such care could produce.

My fellow Texan has been a great President for veterans. The benefit of his accomplishments will continue to be reaped for many years to come by all segments of our population. But there is no one group who will remember with gratitude the actions of a compassionate President more than the veterans of this Nation. He created what will be remembered as the era of the veteran. He will be remembered as the veteran's President.

He has been the veteran's President not only because he recognized fully the imperishable nature of the Nation's obligation to its veterans, but also because he recognized the continuing nature of the strength and stability infused into our national life by veterans in time of peace as well as in war.

This latter belief he described vividly at a reception held in the White House on November 15, 1967, when he said of our veterans.

> They are a very great, tremendous, natural resource—and national resource. We ought to realize that and recognize it. Their energies, their ambitions, and their efforts are

going to determine what kind of a country we live in and the kind my grandson lives in.

The President has a constant awareness of what veterans have done and what they can do to build a greater America. So much so that I suspect he is thinking right now—and will be right up to his last day in office—of additional ways he might be able to express our national appreciation of the contribution made by our veterans.

NATIONAL FAMILY HEALTH WEEK

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. CARTER. Mr. Speaker, on the 23d of July, a resolution sponsored by myself, the Honorable THOMAS E. MORGAN and the Honorable ROBERT DOLE passed the House. This action has been asked by the American Academy of General Practice, which is an organization composed of the family physicians of our country.

Under unanimous consent I submit a National Family Health Week statement for inclusion in the CONGRESSIONAL RECORD, as follows:

NATIONAL FAMILY HEALTH WEEK—AN ACTION PROGRAM FOR THE AMERICAN ACADEMY OF GENERAL PRACTICE

I. THE ROLE OF THE ACADEMY

American medicine today is in a state of ferment characterised by doctor shortages, rising hospital costs, new technical developments, and increased demand for more efficient health care. In an effort to resolve much of this confusion and unrest, the American Academy of General Practice has embarked on a program aimed at establishing the new specialty of Family Medicine. This adaptation to the needs of a changing society places the Academy in the ideal position of being able to emerge from the present medical chaos as an entity respected for its guidance and activities, and sought after for its demonstrated leadership.

A major problem familiar to the members of our fast-paced society is that as time and energy are claimed by each day's variety of activities, good health is often taken for granted, and efforts to maintain good health are casually neglected. A great lack of public interest and concern for good health is painfully exposed every time smokers nonchalantly accept the dangers of cancer, city-dwellers ignore their needs for fresh air and physical exercise, and the nation's populace still for the most part ignores the simple precaution of an annual physical checkup.

In the light of these realities, now is the appropriate time for the Academy's doctors to initiate a massive educational campaign that will remind people of the blessings of good health, that will stress the importance of maintaining good health, and that will motivate people to strive for good health. Naturally, this would also make the family physician the focal point of national interest in better health care.

II. AN OPPORTUNITY FOR LEADERSHIP

A "National Family Health Week" would be the cornerstone of such an endeavor. It would be an excellent vehicle for mustering doctors, writers, educators, government officials, and other opinion leaders in a unified, respected effort to upgrade national attitudes toward health care. It would be the beginning of a continuing program to make citizens more aware of the virtues and benefits of the present health care system. It would also be a time for mobilizing individuals to rectify the inadequacies of today's system. It would make people more conscious of the need for preventive health care measures. Furthermore, it would reinforce the family doctor's role as a valuable and respected community member who tirelessly serves his patients and their families. Finally, it would reap impressive local and national publicity for the Academy, its goals and objectives.

THE U.S. JUSTICE DEPARTMENT—A JOKE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. RARICK. Mr. Speaker, Ramsey Clark, U.S. Attorney General, and his staff have initiated their vendetta against what they feel to be the criminal threat to America—that is, white racism in home development.

In their search to uncover the bogeyman—"white racism"—Clark's storm troopers grant special concessions to the exclusive all-white neighborhood in the ultraprivate Lake Barcroft area of Falls Church, Va., where Ramsey Clark and family live a segregated peaceful life. After all, he and his liberal neighbors rationalize their immunity from white racism—they would not think of barring anyone because of color. The segregation of "balancism," viz., balance of the bank account does a much better job of neighborhood protection. And Mr. Clark is a gentleman—he would not think of upsetting his white neighbors by suing them as segregationists.

So the controversial Attorney General—who could find no crime while 500 blocks of Washington, D.C., was looted and burned; who saw no criminal threat when the Vice Commissioner of the District of Columbia Council labeled the murder of a white police officer by a black man as "justifiable homicide"; who can find no racial discrimination in his own backyard—was compelled to travel 1,000 miles to my hometown, Baton Rouge, La., to initiate his first open-housing suit against what he regards as evil southern whites. What a sad disappointment—anyone can find racism in the South—we are a national whipping boy.

Now Mr. Clark, who believes in his personal disobedience to the law—he morally objects to the use of wiretap evidence as authorized by Congress to prosecute organized crime and narcotics racketeers, possibly because Abe advises him also—covers it all over by presenting himself as an egalitarian.

Mr. Clark's extremism for equal rights apparently extends to equal riots and disorders. This may explain why he disapproved of initiating his open housing assaults in northern Virginia, Chicago, Detroit, New York, or California. You see, these areas have their equal share of racial disorder while tranquil Baton Rouge has had no riots, burning, or looting. Mr. Clark merely wanted to make sure Baton Rouge has reason to rise up and demonstrate its "racism," as an example of what he and his race mixers call "reactionism." Or, we might explain his personal discretion by his deep prejudice and hatred for the people of the Deep South in refusing to start his racist action in the North and elsewhere where Congressmen approved of open housing for their constituents by voting for it. It may be he simply wanted to display the raw power of his non-elected office against the law-abiding southerners whose congressmen do not like property stealing any better than horse stealing. Then, too, to undertake open housing suits in the North might defeat Mr. Clark's congressional friends who favorably voted for the socialistic housing experiment. That would go against party loyalty.

Can anyone be so naive as not to understand that the complainant, Paul J. Brown, is not a Louisiana resident, but a Texan, an employee of the U.S. Department of Labor. What a gimmick this is—a taxpayer's servant, a Federal blockbuster in league with the Attorney General's office—and from Texas.

Then again this might be the only program by which the Great Society team—the unholy three—can foresee success and acceptability for their dreamchild, a Socialistic Federal housing program under HUD. Possibly they feel they must destroy, by bankruptcy, private builders and developers; then as private construction disappears, their financiers have an uncompetitive chance to educate the people to accept the debacle of socialist housing.

World opinion will judge his action and know what a small, hateful man he must be to loose his vengeance on his own people. If only he could overcome his antiwhite prejudice long enough to prosecute Communists and criminals, what a peaceful country this could be. His problem must be that his colored maid was a student of Dr. Spock and as of yet he has not been able to overcome the handicap.

As it is, his fascism is showing. His motivating interests are never law and order, but such punishments and excuses as he prefers to mete out.

Tyrants are made, not born. In Germany, after Hitler, judges and attorneys general were tried for their crimes of personal discretion against their people. We deal at arms length.

Mr. Speaker, I include in the RECORD the news clipping from the front page of the Washington Post for July 23, and other news clippings of crimes of violence which seem in no way to motivate our U.S. Attorney General into action—his interest lies only in school and housing crimes from white racism.

The clippings follow:

[From the Washington (D.C.) Post, July 23, 1968]

UNITED STATES FILES FIRST SUIT FOR OPEN HOUSING

NEW ORLEANS, July 22.—Developers of three Baton Rouge subdivisions were charged today with discriminating against Negroes in the first lawsuit filed under the new Federal open housing act.

The suit, filed in U.S. District Court here by the Justice Department, named six Baton

Rouge firms and five of their top officials as defendants.

They were charged with selling houses in the developments only to white persons and engaging "in a pattern or practice of racial discrimination" in their sale.

Durwood Gully, president of Gully Agency, Inc., said in a telephone interview that the allegation in the suit is "untrue" as applied to his firm.

Gully said the person responsible for the charges was Paul J. Brown, whom he described as an executive in the U.S. Department of Labor. He said Brown was shown a house in one of the three subdivisions, Jefferson Terrace, which he wanted to buy with a 100 per cent Veterans' Administration loan.

"The sales person stated that the particular house he mentioned was not available under FHA (Federal Housing Administration) or VA because of the mortgage discount rate, then 7½ or 8 per cent," Gully said.

"That particular house was not advertised as being available under FHA or VA," Gully said. "Thus the allegation per se is untrue." He said there were no Negroes in Jefferson Terrace.

The other two subdivisions are Sherwood Forest Place and Brusilla Place. One of the developers of Sherwood Forest Place said no Negroes had attempted to buy a home there.

Other firms named in the suit were Knippers and Day Real Estate, Inc.; Town and Country Homes, Inc.; K & B Enterprises, Inc.; Myer-Yarbrough Realty, Inc.; and Myer Development Corp.

The Government asked for an injunction to end the alleged discrimination and sought to require that the defendants take "reasonable steps to correct the effects of past discrimination."

Single-family homes will not be covered by the open housing law until Jan. 1, 1970. But the Justice Department was able to use the law because many of the builders' homes in the Louisiana developments were covered by Federal mortgage guarantees.

The law's provisions outlawing discrimination by builders and developers in housing developments constructed under Federal financing or Federally guaranteed loans went into effect immediately when President Johnson signed the bill into law April 11. Homes that individuals have purchased with Federal finnacing are not covered until 1970.

[The Supreme Court ruled in June that an 1866 law forbids all racial discrimination in the sale and rental of housing. But this law is enforceable only after an individual has filed a suit and won a court order. The 1968 act, under which the Justice Department acted, provides specific enforcement machinery.]

[From the Washington (D.C.) Evening Star, July 23, 1968]

Bank Holdups Continue as Three Rob Chillum Unit

Three men robbed a bank at Eastern Avenue and Chillum Road in Prince Georges County today in the ninth area bank holdup since last Wednesday and the fourth in 24 hours.

Today's holdup was at the Riggs Plaza branch of the Central Bank of Maryland, 5823 Eastern Ave., in the Riggs Plaza shopping center just across the District line. It was the third robbery there since January, an official said.

The robbers got an estimated $1,500 today. The previous eight bank robberies netted bandits more than $104,000. Some $36,000 was taken in three holdups yesterday, one in the District and two in Prince Georges County.

ALL ARE ARMED

In today's robbery, the bandits entered the bank about 10:10 a.m., each armed. One vaulted over a counter while the other two herded three employes and a customer into a back room.

The manager, Bernard Kane, and the unidentified customer each were hit on the head with a gun and suffered superficial injuries.

After the bandits had ransacked four tellers' cages and had ran out the door, those in the backroom came out and the manager saw the men in the parking lot. He ran out after them as they drove off, and shouted to employes at a nearby gas station, "Get the license number!"

The bandits fled in what was described as a maroon-colored car with either Maryland or New Jersey license plates. A police lookout said the men were Negroes in their 20s. One was about 5 feet 9, wearing sports clothing and armed with a .38-caliber gun. Another was about 6 feet, wearing a straw hat, sunglasses and carrying a revolver.

The third was described as about 5 feet 3.

The National Bank of Washington branch at 3850 South Capitol St. was the first struck yesterday when three bandits entered about 10:30 a.m. They escaped with an estimated $16,800.

The other two banks held up yesterday were Prince Georges County branches of the Citizens Bank of Maryland. One, at Sheriff Road and George Palmer Highway near the Landover industrial complex, was robbed of $11,212 by four men at 11:50 a.m. The other, at Indian Head Highway and Audrey Lane in the Eastover shopping center in Oxon Hill, was hit about 7:10 p.m. by five men who fled with $8,402.

HELD AT GUNPOINT

In the District holdup, three employes and several customers were held at gunpoint by one bandit while two others vaulted the counter and started putting money in a brown paper bag.

The robbers then ran from the bank and disappeared.

During the robbery at the Sheriff Road bank branch, two employes were hit on the head and face with guns, but neither required hospital treatment, according to Prince Georges County police.

Three of the bandits carried revolvers and wore beards or goatees. They told three employes to lie on the floor and directed a fourth to open two cash drawers. After getting the money, they herded the employes into a back room, then fled in a white and maroon car, police said.

[From the Washington (D.C.) Daily News, July 24, 1968]

FBI Report Follows Death Details: Ballistic Tests May Unsnarl Inquest Mystery

(By Nicholas Horrock)

An FBI ballistics expert is expected today to report on which pistol or pistols fired the bullet that last July 14 killed Theodore R. Lawson seconds after he was questioned by police during a looting investigation at 14th and U-sts nw.

It is known that the FBI Laboratory checked five police service revolvers including those carried by two officers transferred to station duty after Mr. Lawson's death and the pistol checked out to 13th Precinct Pvt. Alfred S. Cassinelli.

MISSING WITNESS

Meanwhile Pvt. Cassinelli and Pvt. Gerald W. Adams told newsmen that a key witness to substantiate their version of the confrontation with Mr. Lawson has not been located.

Missing, they said, is Jackson Gilbert Mitchell, of 1825 Vernon-st nw, who Pvt. Adams has testified first called attention to Mr. Lawson's car as the officers investigated the looting of a Safeway Store branch at 1931 14th-st nw.

According to Pvt. Adams, Mr. Mitchell, described as a heavy set Negro man wearing a wide-brimmed straw hat, told him that he saw stolen goods from the looted Safeway placed in Mr. Lawson's car parked a few hundred feet south of the store.

The testimony is crucial because under police regulations officers may fire at a fleeing felon or in defense of their own lives. If the officers had reason to believe that Mr. Lawson had looted the Safeway (a felony) it might substantiate the use of their guns under present police rules.

Pvt. Cassinelli claimed the informant has been threatened. He did not identify the source of threats. Coroner Richard Whelton issued a plea that "anyone knowing his (Mr. Mitchell's) whereabouts is urged to step forward."

As the hearing before the six-member coroner's jury closed its third day yesterday. Dr. William J. Brownlee, deputy coroner, testified that Mr. Lawson's body had four bullet holes, but none of them showed signs of powder burns.

A large group of civilian witnesses have testified that one police officer held his pistol inside Mr. Lawson's car and fired at the Prince Georges County resident at point-blank range.

Dr. Whelton explained, however, that Dr. Brownlee's testimony did not rule out close-range shooting because the powder flash may have scorched the clothes of the victim and not touched the skin. The body was nude when examined by Dr. Brownlee, testimony revealed. In other cases the clothes have been held by homicide detectives for separate analysis.

Dr. Brownlee said Mr. Lawson died of a bullet which entered his back near the midpoint about 15½ inches from the top of his head and left the body after following a slightly "downward" path from the victim's chest. Two other bullet wounds, neither of which would have been fatal, were found in the victim's shoulder and back. A fourth bullet passed thru Mr. Lawson's forearm, Dr. Brownlee said.

THREE IN THE BACK

He testified that three of the four bullets clearly entered Mr. Lawson's body from the back and that only one slug had actually been recovered in the body. He said Mr. Lawson had an alcohol content in his blood of .2, higher than the level judged as intoxication in automobile cases. Mr. Lawson also apparently had taken a cold tablet or tablets before his death, which Dr. Brownlee acknowledged might have effected the degree of his intoxication.

Also expected to testify today are detectives from the homicide squad who may be able to confirm whether the trunk of Mr. Lawson's car actually contained goods stolen from the store and whether any of these goods bore his fingerprints.

In the first three days of the hearing a strange pattern of sharply contradictory testimony has emerged. A series of civilian witnesses have claimed that Mr. Lawson was first shot by Pvt. Cassinelli seconds after he stepped into his car.

Pvt. Cassinelli, on the other hand, firmly denied last Friday that he fired his pistol during the incident. No civilian witness as yet has been able to identify a single other policeman who fired at the car.

[From the Washington (D.C.) Daily News, July 24, 1968]

Murphy Cites Problems in Police Integration: Mixed Police Patrols Favored

(By Carole Shifrin)

Public Safety Director Patrick V. Murphy said yesterday that all-Negro police patrols in the District's all-Negro areas was an impossibility at this time.

"The numbers game alone precludes elimination of all white patrols in Negro areas," he said. "I certainly favor integrated patrols and we have been increasing them."

He pointed out that the police force is still only about 23 per cent Negro even tho half the recruits in May and June were Negro. "We're closing the gap but it's a slow process because it's a large department," he added.

He said so far he has preferred that the precincts "voluntarily" integrate their patrols. "That's not to imply that I won't take stronger measures," he said, adding that he would be reviewing it soon.

His comments came at a press conference with Mayor Walter E. Washington, in which the mayor talked at length about police-community relations.

"Police-community relations is a critical problem—one that needs attention, one that needs action," Mayor Washington said. But he declined to say what specific actions he would take.

He also declined to comment on recent Black United Front proposals urging more stringent regulations on police use of guns and the employment of Negro policemen in the city's Negro communities.

Mr. Murphy said a lack of good police community relations was a "problem of not thoroly understanding complex problems . . . The police don't understand all the problems in the community and the citizens don't understand the complexities of law enforcement . . . They are unhappy with much of the system where the policeman is a visible sign of that system, or of government."

During the press conference, Mr. Murphy also said:

He had received a report from Police Chief John B. Layton on the pros and cons of Chemical Mace and that a decision on its further use in the District would be made soon.

Shotguns are still being carried in a limited number of police cars, mostly those of top officials.

He had asked for a study on whether bank robberies have occurred in institutions where there are armed guards.

Some 150 unemployed District youths will be trained for jobs in police and security work as guards, communications officers, fingerprint technicians and researchers under a newly-approved Labor Department grant.

[From the Washington (D.C.) Daily News, July 24, 1968]

TEN DEAD, 18 WOUNDED IN CLEVELAND RIOT: GUARDSMEN DISPATCHED TO SCENE OF SNIPER BATTLE

CLEVELAND, July 24.—Snipers with automatic weapons fought police thru the night and early today, turning a major section of the city's predominantly Negro East Side into a battleground in what was described as a nationwide Black Power plot.

A force of 2600 National Guardsmen, using armored personnel carriers and borrowed trucks from Brink's, Inc., moved into the area at sunrise with orders to "shoot to kill snipers."

Ten persons were killed by gunfire, including three police officers, three snipers and four Negroes apparently caught in the crossfire.

Eighteen other persons, 10 of them policemen, were wounded. Two of the wounded officers are in critical condition.

Police made 53 arrests.

Firebombing, looting and assaults on civilians were widespread.

It was the nation's worst racial disorder since the destructive Washington rioting which followed the assassination of Dr. Martin Luther King Jr. in April.

MANY FIRES

Apartments, stores and cars were set afire. For two miles along both sides of Superior av, a major thorofare, firemen braved sniper fire to battle blazes ignited by molotov cocktails.

The flames ranged from East 105th st, in the area where the snipers were holed up, to the city limits two miles away.

The shooting lasted more than five hours last night and early today. It subsided during a driving rainstorm, then erupted again at an intersection in the heart of a five-block area where the disturbançes first broke out.

Mayor Carl B. Stokes, the first Negro ever elected head of a major American city, believed the violence may have been planned.

"There is a definable group involved," he said. "We've been running it down since yesterday afternoon. We were trying to ascertain just what the fragments of information were."

Police said the snipers were using automatic carbines, at least one machinegun, M1 rifles and shotguns.

RELENTS

Gov. James A. Rhodes mobilized the state's 15,200 national guardsmen and sent 4000 of them to Cleveland. Mr. Stokes first requested the troops be kept from the area of violence to give the Negroes a chance "to see if they can control their community." Moments later, he relented and 2000 troops took to the streets.

(Mr. Stokes earlier had phoned Gov. Rhodes, who was in Cincinnati at the National Governors' Conference. The Governor then rushed out of the ballroom during a speech by President Johnson. For the Governor's story, see Page 7.)

Fred "ahmed" Evans, a Black Nationalist leader arrested by three policemen before dawn, told officers he and 17 others instigated the shooting.

"If my carbine hadn't jammed I would have killed you three," police quoted him as saying. "I had you in my sights when my rifle jammed."

BOASTS

Patrolman David Hicks said Evans boasted that he and 17 other men began firing at officers because "you police have bothered us too long." When told that three snipers had been slain, Mr. Evans said, "they died for a worthy cause," according to Mr. Hicks.

"We asked him where his weapon was," said Sgt. Ronald Heinz." He pointed to busses in front of a house. We found a loaded carbine, five boxes of ammunition and a first-aid kit."

"I believe this is a conspiracy by black militant groups to cause disturbances not only in Ohio but all across the U.S. to prove they are a power to be reckoned with and that they can do anything they want at any time," said State Adj. Gen. S. T. Del Corso, commander of the Ohio National Guard.

FARM BILL LOBBYING

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. FINDLEY. Mr. Speaker, today I mailed the following letter to my House colleagues:

Re H.R. 17126, Extension of Food and Agricultural Act of 1965.

DEAR COLLEAGUE: "Ho-hum. Here comes another Findley memo on the farm bill . . ."

If that's your reaction, I couldn't blame you a bit! The bill still may not make the House floor, but rumors stir once more. The stakes are so high, in terms of cost to taxpayer and damage to our agricultural market system, that I ask your indulgence once more.

Amendments to limit payments will be offered (mine puts the ceiling per recipient at $10,000). A limit at some level is long overdue. Payments can be justified only in terms of income support (welfare) for the individual farmer. The present system is backwards: the bigger the farm, the bigger the payments, and vice versa.

You may wish to examine the self-interest of those lobbying *for* extension of the programs and against limitation on payments.

To illustrate, last week John H. Butterfield, Pana, Ill., stopped to see me with that message. He identified himself as vice-president of the National Corn Growers Association of Boone, Iowa. After he left, I checked public records and found that in 1966 he got $15,543 in payments.

Last Saturday I got 59 telegrams from Texas people urging extension of the bill without amendment.

A typical message warning that my amendment would "ruin the economy of this country" was from Ercell Givens, Abernathy, Texas.

In 1967 his payments came to $163,150. An impressive "guaranteed annual income" at taxpayers' expense, wouldn't you agree? Of course, he didn't put the government-payment figure in his telegram. Neither did the others.

So it goes.

Sincerely yours,

PAUL FINDLEY,
Representative in Congress.

P.S.—You can easily check on how big the payments were to those lobbying your office. Ask the document room for: Part 3, Senate hearings on H.R. 10509 (lists individual payments in 1966); Part 2, Senate hearings on H.R. 16913 (lists individual payments in 1967). Fascinating reading.

NEXT HEALTH DIRECTOR: ROBERT QUARLES MARSTON

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. KYROS. Mr. Speaker, as a member of the Subcommittee on Health and Welfare, I would like to express my great satisfaction with the recent appointment of Dr. Robert Q. Marston as Director of the National Institutes of Health. I am familiar with the fine work that Dr. Marston has done as director of the regional medical program and as Administrator of the Health Services and Mental Health Administration, and I can say with confidence that NIH has a Director who is more than equal to the challenges that will be facing him in the coming years. A recent New York Times article outlining Dr. Marston's credentials gives ample evidence to support my expectations and further demonstrates the reason why we in Congress should be appreciative that such an eminently qualified man has accepted this very important post. I submit this article for the RECORD, as follows:

NEXT HEALTH DIRECTOR: ROBERT QUARLES MARSTON

WASHINGTON, July 18.—On Feb. 1, 1966, Dr. Robert Quarles Marston, a physician and dean of a medical school, took command of a new Federal enterprise that was distrusted and feared by many American doctors. In the 2½ years that have intervened he has so far assuaged these fears that today the regional medical programs on heart disease, cancer and stroke have gained almost nationwide acceptance and—more important—cooperation.

This triumph of diplomacy was one of the reasons the gray haired, soft-spoken Virginian has been named the next director of the National Institutes of Health, one of the world's greatest and most influential institutions for medical and biological research.

At a news conference today, Wilbur J. Cohen, Secretary of Health, Education and Welfare, cited Dr. Marston's "splendid handling" of the Institutes' division of Regional Medical programs. Dr. Marston will become director Sept. 1 when Dr. James A. Shannon retires after 13 influential years in the post.

ANNOUNCED BY THE WHITE HOUSE

The new appointment was announced yesterday by the White House.

In 1966, Dr. Marston came to his first major administrative post at the National Institutes of Health from the University of Mississippi, where he had been vice chancellor and dean of the medical school. Just a few days before his 43d birthday he took on the job of administering the federally supported enterprise that grew out of the President's commission on Heart Disease, Cancer and Stroke.

It is widely believed that this new group of regional programs would serve to set up a network of regional centers where patients would be given the most up-to-date treatment for these major diseases.

This was the basis for distrust of the program by doctors across the country. They saw the Regional Medical Programs as another Federal intrusion that would take away many of their private patients. Congress had already deleted from the law any possibility that such a network would exist. But the fear remained.

By tireless diplomacy and persuasion, and by drawing critics into the planning of regional programs, Dr. Marston managed to convince most persons that the enterprise was really a series of regional cooperative programs to update the treatment of heart disease, cancer and stroke by education and training.

The new appointment will take Dr. Marston from another important Federal health post that he has held only since April 1. On that date he was named administrator of the new Health Services and Mental Health Administration, a part of the Department of Health, Education and Welfare that has been accorded status equal to that of the National Institutes of Health.

"I find as I look back over the last three or four years that I apparently am having increasing difficulty holding a job," Dr. Marston said today.

From a glance at his biography, no one would judge that lack of talent had anything to do with that difficulty. He was born in Toana, Va., on Feb. 12, 1923 and graduated from Virginia Military Institute in 1943 and the Medical College of Virginia in 1947.

He was a Rhodes Scholar, studying in England under the Nobel Prize-winner, Prof. Howard Florey; served an internship at Johns Hopkins Hospital in Baltimore and a residency at Vanderbilt University and then worked at the Institute on the role of infection after whole body irradiation.

As a Markle Fellow he served at the Medical College of Virginia and then at the University of Minnesota, with subsequent faculty posts at Virginia and the University of Mississippi where he became dean of medicine in 1961.

He is married to the former Ann Carter Garnett. They have three children, Ann, Robert and Wesley and despite work-days that begin early in the morning at his office in Bethesda and end late in the evening, often with conferences at his home, he does find time for family affairs.

This spring, for example, he was able to salvage enough time from his administrative post to take the family on a sailing and camping vacation in the Caribbean.

Dr. Marston, a spare man of above average height, has gray hair of a shade that could reasonably be called "distinguished."

"We did that to him," said an aide at the National Institutes of Health. A friend denied that this was so. There has been gray in his hair since medical school and the pace of administrative duties in the Department of Health, Education and Welfare seems only to have increased it somewhat.

ROBERT ACOSTA: BLINDNESS WAS NOT HIS GREATEST HANDICAP

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. CORMAN. Mr. Speaker, in a school district the size and quality as that of the city of Los Angeles, there is bound to be a number of highly gifted, dedicated teachers. Robert Joseph Acosta, a teacher at Chatsworth High School, located in the San Fernando Valley section of Los Angeles, numbers among the best.

Yet, years ago when, after completion of two academically distinguished years at the University of California at Los Angeles, he applied for entrance into the school of education, school authorities resisted. They acknowledged his accomplishments: though born into an often maligned minority group in California as the son of Mexican-American laborers, he was a fine athlete, a camp counselor, a superior scholar, a member of the student council and of several student societies at his high school as well as vice president of his senior class there, and an A-average student at UCLA. But he suffered from what officials choose to call an insurmountable handicap. You see, Robert Acosta is blind. No blind person had ever earned a teaching credential from UCLA. "It could not be done."

What UCLA officials did not realize is that it could be done. It took an extraordinary young man to prove it, and Robert Acosta is such a man.

In spite of a congenital birth defect that left him 100-percent blind in both eyes, young Acosta joined the YMCA, learned to swim at an early age, participated in wrestling, track, weight lifting horseback riding, water skiing, hiking, touch football, basketball, and even archery.

After the sixth grade he attended a regular junior and senior high school where he proved his leadership ability and achieved the academic distinction I have just mentioned.

Acosta did not despair or change his goal of becoming a teacher after having been refused admission to the school of education at UCLA. He continued his campaign and finally was accepted—with some reluctance—by the school of education at California State College at Los Angeles. Their attitude was one of skeptism—unjustified, it seems, because Acosta maintained an A average and became the first totally blind student to earn a teaching credential from the school.

Mr. Speaker, time does not permit my mentioning every obstacle faced by this extraordinary young man before he convinced school authorities to give him a classroom. Suffice to say that his greatest handicap was not his blindness, but the skepticism of those in the sighted world.

Manteca High School in northern California finally agreed to take a chance, and Robert Acosta embarked upon his professional career.

As a teacher, a professional, and a blind man, there was a lot to be done. The road was not easy, but he more than achieved his goal of being a "good" teacher. Administrators of Chatsworth High School, where he now teaches, describe him as a "very remarkable young man, an inspiration to all, ability well above the average, outstanding for a young teacher, certainly as good or much better than the majority of teachers."

Mr. Speaker, these words make no mention of Robert Acosta's blindness, or of the fact that he is the first blind teacher in the Los Angeles elementary and secondary school system. He is simply another who has joined the ranks of those who rate as superior among the teachers in the Los Angeles school system—he is but another who has furthered his education by earning a masters degree, by achieving a relationship with his students based on mutual respect. Like other "good" teachers the esteem with which he is held can be measured by the number of additional responsibilities he is asked to shoulder. And so, Mr. Speaker, in addition to his classroom duties, Acosta has been and is an adviser to several student organizations, including the Future Teachers of America.

Robert Acosta is not satisfied with simply being successful at his chosen profession for he knows of the problems he faced in becoming a teacher and is determined to overcome the negative attitudes of the sighted world. To help change this attitude among sighted people and to instill drive and ambition among young blind people, he has founded the Blind College Students of Southern California, an organization devoted to working out the students' problems with continuing education and future employment. He is also founder and chairman of the Blind Teachers of Southern California organization, and has founded a chapter of the California Council of the Blind. Last year he organized and chaired a conference of blind teachers and students in Los Angeles. The purpose of this conference was to share experiences, problems, and strengths between the blind delegates, and to educate the many school officials who attended to the fact that blind teachers can do well.

Mr. Speaker, Robert Acosta is not seeking to serve as an inspiration to anyone—teacher, Mexican-American or blind person—though his demeanor and his success are, indeed, inspirational. Rather, he seeks to prove that with courage and determination, with self-help rather than with charity his fellow blind contemporaries can become independent, contributing citizens. He is taking dynamic, positive action as a leader and worker to make his belief a reality. By helping build pride and self-confidence in the blind, Robert Acosta is taking them out of darkness.

THE STEEL INDUSTRY

HON. DONALD E. LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. LUKENS. Mr. Speaker, I recently had the occasion to write a letter to the chairman of the House Ways and Means Committee regarding a vital aspect of this Nation's economy—the steel industry.

Under unanimous consent I include the text of this letter in the RECORD at this point:

JULY 12, 1968.

Hon. WILBUR D. MILLS,
Chairman, Committee on Ways and Means, Washington, D.C.

DEAR CHAIRMAN MILLS: Seventeen members of the Congressional delegation from the great State of Ohio, along with 78 members from other states on both sides of the aisle, and in the Senate 36 Senators have introduced or sponsored legislation for the orderly control and fair trade on Iron and Steel Imports.

I personally am vitally interested in this critical and important legislation in my District I have the Executive Headquarters of a large steel company as well as a large steel plant which employs in excess of 6000 people. Seventeen percent of all the steel produced in the United States originates in Ohio, it is a vital part of the economy of the State, only the State of Pennsylvania produces more.

Over 100,000 people are employed in Ohio steel plants, making the steel industry the second largest employer in the state (outranked only by the automotive industry). The steel industry has the second largest payroll in the state—nearly $1 billion in hourly wages and salaries annually. This is an important group of taxpayers.

It is quite clear that what happens to steel in Ohio, is not only important to all of us in Ohio, but to all in the United States. You can rest assured what happens to steel in Ohio will also happen to the steel industry in other states.

In 1957 imports of steel mill products were 1.2 million tons and accounted for 1.5 percent of the market in the United States. By 1967, imports reached 11.5 million tons—representing 12.2 percent of the domestic market. While imports increased tenfold during this period exports decreased 68 percent—from 5.3 million tons in 1957 to 1.7 million tons last year, of which about one-third were government financed A.I.D. programs. At the present levels, the adverse balance of trade in steel mill products is approximately $1 billion. It is estimated the 11.5 million tons of imported steel in 1957 reduced employment opportunities in the basic industry in this country by some 70,000 jobs.

It is alarming to note recent reports that in the first five months of 1968 steel imports amounted to 6,651,500 tons with a value of $735,563,000. The percentage change over the same period of 1967, represents an increase of 56%.

I would like to quote for the record information recently received from the American Iron and Steel Institute.

"On an annual basis the rate of imports during the first five months this year is equivalent to a record-shattering 16 million tons, said the Institute. The highest previous annual total was nearly 11.5 million tons during 1967.

"Meanwhile, exports of steel mill products from the United States declined to 132,000 net tons during May and 623,000 tons during the first five months this year, indicating an annual total of about 1.5 million tons, against nearly 1.7 million tons last year.

"In April 1968 the export figure was 136,504 tons. During the first five months last year the figure was 853,081 tons.

"The valuation of steel imports exceeded the valuation of steel exports by almost $582 million during the first five months of this year, against a difference of more than $296 million during the first five months of 1967. These figures do not include freight charges, insurance and allowance for government-financed exports, which, if included, would further increase the dollar deficit in this country's steel trade.

"The valuation of imports during May was a record $187,427,000, an increase of over 63 percent from $114,949,000 in May 1967, and almost $162 million in April 1968. The total for the first five months of 1968 was $735,563,000, against $498,319,000 during the comparable part of last year, an increase of almost 48 percent. Export valuations were: $32,528,000 in May 1968, and $153,737,000 in the first five months of 1968.

"The May 1968 import tonnage was up nearly 72 percent from 1,030,079 in May 1967.

"The tonnage increase in the first five months of 1968 was 2.4 million tons, from 4,266,007 tons arriving during the identical part of last year.

"May was the sixth consecutive month in which the import figure exceeded 1 million tons."

On June 18th, Mr. Thomas Patton, Chairman of Republic Steel Corporation and Mr. I. W. Abel, President of the United Steel Workers of America appeared before your Committee and gave complete and thorough information on the critical need for immediate action and adoption by Congress of the Iron and Steel Orderly Trade Act. I have had the opportunity of reading their testimony and am in complete support and congratulate these gentlemen on their excellent statement.

We are faced, Mr. Chairman, with a real challenge in the United States today. We have reason for great concern over our balance of payments deficit. Restricting steel imports would prevent further increases in the adverse balance of trade in steel mill products which have grown at a rate averaging $155 million a year over the last ten year period.

A ready supply of a wide variety of steel mill products is essential to our national security. So long as steel is a material which is essential to our economy and our national security, can we afford to depend on foreign sources for these vital needs? To supply our requirements, the steel industry must be capable on short notice to produce the entire range required. Unless the rising trend in steel imports is soon arrested, can the steel industry make the capital investments to provide necessary additional producing and processing equipment required to prevent serious bottlenecks in time of war? Even if funds were available—in the event of a national emergency—precious time would be required to build and install the required facilities, and additional time to secure, train and develop the skills of the people required to operate the facilities. Can we afford as a Nation to be in this position?

An article in *The Wall Street Journal* of March 22nd, under the title, "Detroit vs. Imports"—states as follows:

"Imported cars once more are causing U.S. auto makers to press the panic button. Import sales soared to 773,000 cars last year up 17% from 1966. So far this year imports are selling at an annual rate of a million cars."

This represents additional importation of foreign steel, with further impact on our steel producers, jobs and employment of American workers.

In conclusion, I strongly urge your Committee to report out legislation immediately as provided in the Iron and Steel Orderly Trade Act. Not a foreign trade barrier, not free trade but fair trade and an Act to control and regulate the importation of steel and the sharing of our growth in these markets with foreign producers on an orderly basis.

Thank you for your consideration and any assistance you can give.

Sincerely,

DONALD E. LUKENS.

TETSUO TOYAMA: LIVING PROOF OF THE AMERICAN DREAM

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. MATSUNAGA. Mr. Speaker, from its birth, America has been the mecca for immigrants. People have come to our shores from all parts of the world, seeking—and usually finding—a new life.

In the process, they have contributed to the greatness of the United States through their energies and talents.

During the recent celebration of the 100th anniversary of the arrival of the first Japanese immigrants in Hawaii, tribute was paid to those first brave voyagers who ventured from their homes in Asia to the Hawaiian Islands. The contributions which these pioneers from the Far East have made to life in Hawaii will always be a part of the unique culture found in the Island State.

One of the most distinguished and well-known elder members of Hawaii's Japanese community is 86-year-old Tetsuo Toyama, who helped to plan the 100th anniversary celebration. Mr. Toyama has played a major role in improving the status of the immigrant in Hawaii, and for this he was recently presented an award by the Emperor of Japan. A strong advocate of the American way of life, Mr. Toyama helped to organize the Naturalization Encouragement Association of Honolulu shortly after the passage of the Walter-McCarran Act in 1952 to assist immigrant residents in obtaining American citizenship. Then to lend further assistance to the newly naturalized citizens, he organized the Citizens Study Club of Oahu. Both of these organizations have been noted for their dynamic programs and have remained active to this day. Proud of his American citizenship, this remarkable octogenarian is also the author of a soon-to-be published book entitled "Hachijyunen Kaiko-Shi"—"My Life, 80 Years." The English version of the book will be called "Free Life in Hawaii."

I believe my colleagues will find of great interest the reminiscences of this revered Hawaii citizen, and I submit for inclusion in the CONGRESSIONAL RECORD the feature article about Mr. Toyama written by Honolulu Advertiser staff writer Patsy Matsuura which appeared in the June 9, 1968, edition of the Sunday Star-Bulletin and Advertiser.

I am also pleased to submit for inclusion in the Record a very warm and poignant salute "To the Issei—first generation—from Nisei—second generation—by Andrew Matsunaga, from the June 20, 1968, issue of the Citizen:

[From the Sunday Star-Bulletin & Advertiser, Honolulu, June 9, 1968]

Tetsuo Toyama Came a Long Way: Poverty to Plenty

(By Patsy Matsuura)

Tetsuo Toyama is a man of action—a real livewire. At 86 when most people are turning to the comforts of their rocking chairs, he is editing a newspaper, "The Citizen," and waiting for his book, "Hachijyunen Kaiko-Shi" (My Life—80 Years), to be published in August.

When we called at his Puunui home one afternoon Toyama was rummaging through stacks of magazines, photographs and newspapers. He only stopped long enough to grant us an interview.

Leaning back in a comfortable chair, he recalled his life before he left Okinawa, his birthplace.

"Okinawa very poor," he began. "I wanted to get away, but my mother stopped me. She said I already fought in the Russian-Japanese War and was shot in the arm so she didn't want anything else to happen to me.

"So I took a test given by the police department, but I flunked on purpose so that I didn't have to stay in Okinawa anymore. My mother gave up. She said, 'You go if you like.' "

NEW LIFE

That was the beginning of a new life for young Toyama, then 24. He sailed on the Siberia-Maru with 12 other Okinawans to work in the cane fields of Kekaha, Kauai. The year was 1906.

"We worked hard," he recalled. "We kachi-cane . . . hoe hana . . . hapai-ko (cut, weed and carry the cane). We make only seven cents an hour . . . 70 cents a day. Sunday we holoholo (go out for pleasure)."

One day Toyama said the plantation managers told him if he could find 30 laborers to work in the fields, they would pay him $20 a month.

He accepted the offer and began an endless search for workers on all the Kauai plantations. In Kaola they accused him of stealing the men and sent the plantation policeman after him.

"I run out on the public highway," he chuckled. "You can't get arrested once you're on public property.

"I search all over and find only six men. I need 24 more, so I go back to my camp and write to Nippu Jiji (now The Hawaii Times) in Honolulu.

"My article came out in the paper. It read, 'Welcome to Kekaha . . . beautiful place. We pay $20 . . . all other plantations pay only $18.

"We end up with 400 men!" he exclaimed. "We form the Kehaha Okinawa Kenjin-kai (social club comprised of people who came from Okinawa). I was the first president."

Because he successfully recruited the men, Toyama was paid $20 a month thereafter. He was not required to work.

"I don't like to holoholo so I cook for the men," Toyama said. "And I open a furo-ba (bath house) and become 'furo boss.'

STRIKE AGAINST HIM

"One day the men learned that I was being paid $20 for doing nothing so they became jealous. They make 'against Toyama' strike. Everybody quit."

The plantation managers and the Kuramoto Store where Toyama's Okinawan friends patronized, asked him to stay on despite the strike.

"But I quit," he said firmly. "Then the strike pau. I go Hanapepe to become a fisherman. But I had hard luck. The storm and big waves hit my boat . . . it broke. This time I go Honolulu and stay one week. Then I go Pauuilo, Hawaii, to work on the sugar plantation. One day my friend, Katsuren Yamato, who was working in the sugar mill, fell into the big pot of boiling sugar and died. Oh, it was terrible," he said sadly.

Toyama left the plantation and became a salesman for Miyasaki Grocery Store in Pahau, Hawaii. In the mornings he cut sugar cane leaves which were fed to the 11 horses that the Miyasakis owned, and in the afternoons he took orders from the customers and delivered the goods.

In 1912 he returned to Honolulu and started the magazine, "Jitsugyono Hawaii Journal" (Industry of Hawaii) in an office located on King Street.

PICTURE BRIDE

Two years later he married a young woman from Okinawa. "She was a picture bride," Toyama explained. "When my parents sent me her picture I said to myself, 'Ah, this nice.'

"We write letters for one year. I am a Christian so I tell her to get baptized before she come here. We married Nov. 30 at a Methodist Church on River Street. My wife, Sada, taught school in Okinawa and at Kalihi Japanese School for many years."

Toyama said when Hawaii was attacked on Dec. 7, 1941, he was among the Japanese people sent to Relocation Camps. During that time he said he attended Union College in Nebraska and studied American history, English, Bible Doctrine and the New Testament.

Because his son, Sadao, was serving with the 100th Infantry Battalion, Toyama was released after two and a half years at the Relocation Center.

Writing has always been his favorite hobby so in 1954 he started the newspaper, "The Citizen," for those who can read Japanese as well as English, and for those who are eligible for citizenship. His wife assists in the business.

PRESENTED AWARDS

Because of his valuable contributions to the community, Toyama has been presented many plaques and awards. He visited the Ryukyu Islands in 1960 to receive an award "for his contribution to the guidance of the compatriot immigrants in Hawaii and the improvement of their social status." It was signed by Seisaku Ota, chief executive of the government of the Ryukyus.

Another award was given to him by William F. Quinn, then governor of Hawaii, who praised Toyama for accepting the grave responsibility of establishing "The Citizen."

He received a medal from the American Legion in 1953 for being the outstanding adult school student at Farrington where he was studying to become an American citizen. A plaque was presented to him in 1960 in recognition of his being chosen the outstanding citizen.

In 1958 when 150 people were naturalized in Judge Frank McLaughlin's court, Toyama said he was asked to give a talk in English. "I told them I only speak broken English, but they say that's okay. I was scared.

"Next morning the Japanese paper had a story about me," he said unfolding an old clipping. In the article was a small paragraph written by the court secretary and printed in English. It read in part . . . "You made a better speech than if we had warned you. It was meant right from the heart and you meant every word of it."

CHURCHGOERS

The Toyamas are devout Christians and attend Aiea Seventh Day Adventist Church every weekend. They have a son and daughter, both married.

"I have faith in Jesus Christ," he emphasized. "He saved my life many times. I used to drink one gallon of sake every day from six in the night to five in the morning until I was 50, but I was able to give it up because of my faith in Jesus Christ. Today I think I am the luckiest man in the world.

"If our young people get a good education, attend church and have faith they won't go wrong," he said when asked his views about the generation gap.

What about the collegians who are conducting themselves so shamefully?

"They're sick . . . they're communistic," he retorted. "I hate Communists. My newspaper has been fighting communism for 40 years."

What is his aim in life?

"I want to work toward a good government . . . a good Hawaii. And I want to see more young Japanese people turn out to be like Dan Inouye and Spark Matsunaga."

Regarding his soon-to-be published book, Toyama said it took him three years to assemble. It would have been ready sooner, but he said he decided to insert the Japanese Centennial celebration events in the book.

The edition, being published in Japan, will have about 1,000 pages—700 in Japanese and 300 in English with 100 pictures to illustrate the story. The English version will be called "Free Life in Hawaii."

A LITTLE SAD

Referring to the 100th anniversary celebration, Toyama said he is happy, but at the same time a little sad when he thinks about the Isseis (first generation) who toiled in the cane fields.

"Women work hard, too," he emphasized. "They tie babies on their backs and hoe hana all day, then go home to cook and wash clothes.

"I'm glad I lived long enough to observe the centennial. This will be our first and last," he said with a trace of sadness in his voice.

Yes, Tetsuo Toyama the citizenmaker has come a long way since he left the poverty of Okinawa for the paradise of the Pacific.

Today at 86, his head is partially bald and whatever hair is left has turned completely gray, but he hasn't lost his zip nor his wit. He's truly a remarkable man . . . he's "Ichiban" (number one).

[From the Citizen, June 20, 1968]

A Salute to the Issei From Nisei

(By Andy Matsunaga)

The centennial celebration of the Japanese immigrants' arrival in Hawaii poses a poignant hour in the lives of the niseis, sanseis, and yonseis of Hawaii. It is the last conventional celebration we may ever have together. It is our last chance to pay tribute to them together. It is time to say our last "arigato."

An old man long past the age of "Kanreki," in fact age 86, standing straight upon his feet, head up high, looking straight into the eye—asked, "What do you young people think is the most valuable gift we isseis leave behind for Hawaii?—And we are as a child, unable to make known the sudden surge of emotion within; feeling faint at the task of trying to explain.

Coming to these remote volcanic islands under a three year labor contract, these young bachelors came to work. Reminiscent of the men of the Bounty on Pitcarn Island, these young, virile, travelers came abandoning themselves to follies, no time to care about morality or ethics, so long as they lived within the laws for the next three years. Then—they would return to their homes in Japan with the fruits of their labor to live out their normal lives. Their's was a topsy-turvy community based upon this dizzy dream.

Today, these men—those who survived—are in the trough of their lives, aged and weak, but proud, and thankful to the Almighty God who led them to this land; showed them the spark of hope, and enabled them to face many difficulties through days of loneliness, sorrow, joy, sunshine, darkness and horror.

By characteristics a nature loving, song loving and God oriented people, the immigrant families left a refrain of nostalgic, interpretive music called the "hole hole bushi" which tell the tale of longing, hard labor, languishing and drifting and of drowning their dreams, getting drunk on "sake" and Okolehau.

The availability of alcoholic spirits and the frightening scarcity of women set the stage for lawlessness, fighting, callousness and immorality. The setting was rife for the natural story of the race of man, exposed to the sun and the sea, being beckoned by the "beautiful siren" of debauchery and degradation and disease.

Here emerged the spirit of the frontiersman, just as we read of the American settlers:

"His echoing axe the settler swung"
  Amid the sea of solitude,
And rushing, thundering, down were flung,
  The Titans of the wood."

We have reports of the second Consul General of Japan drinking and gambling all night, and his brave, dutiful wife taking out the wooden tubs of some rare and precious "sake" which had just been sent from the immigrants ship, "Wakanoura Maru" and how she destroyed and drained every drop of it. There was great wrath and emotion in the man but the courage of the act of the little woman brought him back to his senses and helped him back to leading a sober and examplary life.

We know of the Unionization and the tragic strikes and the heros who staked their lives and fortunes for peace and understanding between Plantation and labor, when sentiments ran high among the different races in labor.

In the "passing parade," we see the sterling character of a school teacher offering his life to the education of the Japanese children, working for no pay. The picture-bride parade, the mysterious Flu epidemic which threatened to wipe-out the entire population. The struggle for hospitals and School buildings. The touchy question of ex-patriation of their children, and the Americanization of the non-American Isseis.

Out of the confusion or infusion of Buddhism, Shintoism, Kahuna and Confucius evolved a lay religion of understanding and tolerance and a respect for the other man's worth, and this mutual respect was like a leaven unto the races. Out of this infusion of the races you did all within your power to perpetuate the best customs of your cultural background. You emphasized education for your children. Built schools and libraries even you struggled to pay the assessment. Much of your discipline, manners and courtesies were more caught than taught.

So much of your censure and your sacrifices were for love of your children, the influence of your steadiness of purpose and your ability to change and to face-up to and adapt to the newer aspects of life, the spirit of good faith, and loyalty you had instilled in your young had stood them in good stead as they were faced with their choice in their Valley of Decision.

Today the complex world demands the highest type men to lead it through the morass of mixed-up ideologies, highly sophisticated technology, and from your offspring America has begun to reap the benefits of the wisdom and foresight and courage of such Americans as Senator Dan Inouye and Congressman Spark Matsunaga and an array of men and women in high places of the nation and the world.

This is your legacy, this is what History shall claim of you. For history can claim no greater gift than this you have given to Hawaii and the world, your children, to whom you had shown the ways from which they shall not depart.

I looked up into the eyes of the old man and there were tears.

FOR THE PROTECTION OF FOREIGN SERVICE AND FUTURE USIA INFORMATION OFFICERS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. ASHBROOK. Mr. Speaker, scheduled for consideration by the House this week is S. 633, a bill to establish a Foreign Service Information Officer Corps similar to the Foreign Service system which now exists in the Department of State. This measure would grant to USIA officers the right of tenure similar to that of Foreign Service officers. As the House knows, this so-called tenure is far inferior to the tenure given to other civilian employees of the Government who have available to them statutory appeals and grievance procedures. This is hardly the best way to recruit qualified people for USIA, and corrective legislative amendments are clearly in order.

I have introduced H.R. 16408 which is essentially the same as S. 633 with two amendments added. The original version of S. 633 contained a veterans' preference provision which was later modified. My first amendment would reinstate the original veterans' preference arrangement.

Second, an appeals procedure would be established to give USIA Foreign Service information officers, along with Foreign Service officers a means of redress in the event of selection out of the agency involved.

An illustration of the merit of these amendments can be gleaned from the Otto Otepka and Stephen Koczak cases which I have dealt with at length in the recent past. While both men were veterans, Otepka has appeal rights while Koczak had no such recourse. The explanation is that Foreign Service officers in the State Department have no appeal rights and can be selected out without redress, which is exactly what happened to Koczak. In the case of Otto Otepka, had he been in the Foreign Service instead of holding a position covered by civil service his case would have been brushed under the rug by the State Department without the ensuing embarrassment. The Veterans' Preference Act is the statutory basis for the appeals procedure. Later, by Executive order, this was extended to nonveteran employees. Unfortunately for Koczak, the Foreign Service is still without this basic recourse.

If the following article is an indication, I wonder just how helpful the appeals procedure will be in Otto Otepka's case. The Government Employees Exchange of July 24 quotes our present Ambassador to the United Nations, George Ball, as having said that if he becomes Secretary of State, Otepka will not even get into the State Department Building, let alone retain the security position for which he is so well qualified. If the Civil Service rules in favor of Otepka and he is reinstated to his former security position, a future Secretary of State Ball would presumably be hamstrung in bouncing Otepka. However, in view of the sordid machinations which have taken place to date in the Otepka case, it would not be surprising if Ball found a way.

Under unanimous consent I include the article, "Ball for Rusk if H. H. H Elected," from the Government Employees Exchange of July 24 in the Record at this point:

Ball for Rusk if H. H. H. Elected—"Troublemaker Otepka" Not To Get Into State

George Wildman Ball has informed his closest friends that Otto F. Otepka would "not ever return" to his post as top Security Evaluator at the State Department if Hubert Humphrey is elected President of the United States, *The Exchange* learned from a high source who attended a meeting with Mr. Ball abroad.

According to the authority, who met Mr. Ball overseas, Mr. Ball was "furious" with *The Exchange* and with Senator Strom Thurmond for "embarrassing" him during the Senate proceeding leading to Mr. Ball's confirmation by a 3–2 voice vote as the United States Ambassador to the United Nations.

Mr. Ball had explained he was especially troubled because, as a result of the attending publicity about his role in connection with the State Department's electronics laboratory, it looked "for a time" as if Mr. Humphrey might decide to revise his present intention to groom Mr. Ball to succeed Dean Rusk as Secretary of State.

ELECTRONICS LAB

However, the source was informed, Mr. Ball now considers that the "danger of further congressional interest" in the State Department's electronics laboratory has passed and that he, once again, has every reason to hope that he would be the next Secretary of State.

"That trouble-maker Otepka will not even get into the building when that happens," Mr. Ball was reported as confiding to his closest friends.

DOCUMENTARY PROOF

Readers of this newspaper will recall that Mr. Ball's "embarrassment" arose over the fact that *The Exchange* had submitted documentary evidence in the form of a building diagram clearly showing that an "electronics laboratory" did exist at the State Department, and it provided other evidence that the laboratory was controlled by Mr. Ball during his incumbency as Under Secretary of State.

(Reluctant at first to admit reporters to see the "electronics laboratory," the State Department finally consented. It was explained away by guides that it was an "electronics repair shop.")

Although the original source of *The Exchange's* information was a former Central Intelligence Agency Officer who had helped in setting up the laboratory, *The Exchange* submitted documentary evidence to Senator J. William Fulbright, Chairman of the Senate Foreign Relations Committee, and to Representative John Ashbrook, only after Mr. Ball had challenged the veracity of this newspaper by denying the existence of the facility.

BALL'S DENIAL

During the hearings of the Senate Foreign Relations Committee, on May 3, Senator Fulbright asked Mr. Ball whether the information contained in *The Exchange* was correct. Mr. Ball replied as follows: "I certainly would have been aware of it had there been such a room, had there been such a device and there was none. There is none.

Following these events, on May 13, during a long, detailed statement on the Senate floor reviewing Mr. Ball's role in "bugging" Mr. Otepka's telephone, and about the documentation supplied by *The Exchange*, Senator Thurmond announced that he would vote against Mr. Ball's confirmation.

CONDONE FALSEHOOD

In further reviewing Mr. Ball's role in connection with the resignation under threat of perjury charges of former Assistant Secretary of State, John Reilly, Mr. Thurmond stated that Mr. Ball's proceedings in the perjury case of the three State Department officials was "not the course of action that would be followed by a man who is interested in being straight-forward with the Congress."

Senator Thurmond added that, in Mr. Ball's case, "the effect of these actions is to condone falsehood."

HUMPHREY'S PLANS

Asked to elaborate about Mr. Ball's "hope" to be the next Secretary of State, the source revealed that Mr. Ball had disclosed to friends that his "sudden" appointment by President Johnson as the United States Ambassador to the United Nations and Mr. Goldberg's "sudden" departure were the result of the intervention of Vice President Humphrey, who had informed the President that Mr. Ball would be his choice for Secretary of State if he were elected.

HUGHES REPLACING KATZENBACH

Mr. Ball further confided to his friends that Mr. Humphrey now is considering appointing Thomas L. Hughes, currently the State Department's Director of Intelligence and Research, as the Under Secretary of State, to replace Nicholas deBelleville Katzenbach. Mr. Hughes had previously served with Mr. Humphrey as Legislative Counsel when the Vice President was Senator, the source said.

RIELLY TO WHITE HOUSE

Questioned whether Mr. Ball or the source had any information about other plans of Mr. Humphrey regarding top appointments, the informant revealed that Mr. Ball was already communicating with the Vice President on a regular basis through John Rielly, currently Mr. Humphrey's Staff Assistant on Foreign Policy. It is anticipated Mr. Rielly would assume a position in the White House similar to the one President Kennedy assigned to McGeorge Bundy, the source said.

In an aside, the informant told *The Exchange* that Mr. Humphrey reportedly regretted very much the departure from the State Department of William J. Crockett, the controversial former Deputy Under Secretary of State for Administration.

CROCKETT ESTEEMED

Mr. Crockett, the source stated, has proved to be very sympathetic to the needs of Mr. Humphrey in the past, by placing close associates of the Vice President on the State Department payroll as "domestic foreign service reserve officers." Among these was John Rielly, serving in the immediate office of the Vice President in the new Senate Office Building but then and currently paid by the State Department as a "foreign service" employee.

THE HAYS BILL

Readers of *The Exchange* will recall that, besides establishing without congressional approval a new category, "domestic" foreign service reserve officer, Mr. Crockett was the principal advocate of the Hays Bill, which would have subjected all civil service employees to conversion to foreign service status, and make them subject to "selection-out" without any appeals procedure. The Hays Bill would have also removed the protection of the Lloyd-LaFollette Act, allowing Federal employees to petition Congress, and the Veterans Preference Act from Civil service employees at the State Department.

The Hays Bill was defeated by the Senate in a joint resolution before the Senate Foreign Relations Committee. The American Federation of Government Employees, the American Civil Liberties Union, the veterans of Foreign Wars and this newspaper opposed the bill.

THE KOCZAK CASE

The only foreign service officer who testified was "selected out" Stephen A. Koczak, a former Foreign Service Officer. Mr. Koczak had asked for an appeals procedure, citing his own efforts in vain to obtain confrontation, and cross-examination of, his superiors.

Readers of this newspaper will recall that Mr. Koczak alleges his record contains forged, back-dated papers substituted for original pages removed by his superiors and destroyed. He also claims that the then Chief of Mission in Berlin, Ambassador E. Allen Lightner, Jr., had written falsely that Mr. Koczak had read the entire efficiency report when in fact, Mr. Koczak asserts, he had not.

LEGISLATIVE QUESTIONNAIRE RESPONSE

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. HANNA. Mr. Speaker, I recently submitted to my constituents a nine-part legislative questionnaire dealing with topics of national concern. My office received nearly 20,000 responses. I would like to take a few minutes today to briefly correlate the response from these voters with legislation which has been or is currently under the consideration of this Congress.

VIETNAM

With reference to the Vietnam war, one of the most important issues facing this Nation, 2 out of 3 voters in my district opposed any further escalation of the war effort. Twenty-five percent of those comprising this cross section of opinion sought a political solution to the current conflict. Another 22 percent of the people said that we must maintain our present level of military and diplomatic efforts; 13 percent favored an immediate withdrawal of all U.S. troops and personnel.

In contrast to this group, 33 percent of those polled believed that the United States should declare war on North Vietnam and its allies and then proceed to use all our forces, including nuclear weapons, at our command to win the war. Nine percent did not know or were uncertain of what action should be taken.

GUN CONTROL

Mr. Speaker, I would like to move now to another area, one that has aroused much thoughtful debate amongst my colleagues. This questionnaire was sent to my constituents prior to the assassination of the late Senator Robert Kennedy. Yet the response indicates that there was a general recognition then, of the need for more preventive crime measures. Over half, 54 percent of those polled, said that the interstate sale of firearms should be regulated.

LAW ENFORCEMENT

Legislative action on more stringent law-enforcement measures was also strongly supported by the voters. Over half of those polled said that stricter drug abuse laws are required, 46 percent believed that grants should be allocated to expand and strengthen the local police force and 33 percent said more FBI agents and prosecuting attorneys are needed. While the recent passage of the anticrime bill has strengthened these areas, it is my own conviction that we must continue to legislate new measures which will assist our law-enforcement agencies in their struggle against the growing crime rate.

CONGRESSIONAL REFORMS

A heavy majority of the respondents favored congressional reforms under consideration of the House. A strong code of ethics to be strictly enforced was favored by 64 percent. Nearly half of the voters thought that a full disclosure of all financial assets by Congressmen is desirable. Action which would evoke the retirement of Congressmen and Senators at age 70 and extend the term of office for Representatives from 2 to 4 years was favorably considered by 37 percent of my constituents from the 34th District of California.

TAX INCREASE

While some form of tax increase was deemed necessary by the voters, there was some disagreement over the means of implementing that increase. Thirty-six percent supported a reduction in nonmilitary spending combined with an increase in taxes. A tax increase was advocated by 27 percent. Twenty-one percent of the respondents wanted a 10-percent surcharge.

AIR AND WATER POLLUTION

My constituents expressed a strong concern for the problem of air and water pollution. Sixty-six percent supported legislative action that would seek new means to control, and, if possible, eliminate, the pollution of our skies and waters by unnecessary waste substances. Although the passage of the Oil and Hazardous Substance Pollution Control Act of 1968 and the Water Quality Improvement Act of 1968 are genuine efforts in this direction, I would suggest to my colleagues that this is an area which merits continued research and congressional consideration.

HARD-CORE UNEMPLOYED

I found that in the area of general domestic programs, my constituents were almost evenly divided among those who thought that expenditures on domestic programs should be increased, decreased, or maintained at the present levels. However, there was overwhelming support of programs directed at training the hard-core unemployed, a group today comprising 2 million unemployed and 15 to 20 million underemployed. In response to this concern, I submitted last week, a measure which would enlist the assistance of private industry in the creation of new job opportunities for these hard-core unemployed. The Human Investment Act of 1968 will provide incentives for individuals and business concerns that create both new jobs and job-training opportunities.

Mr. Speaker, I am submitting the results of this questionnaire to the consideration of my colleagues in the hope that the sampling of voter opinion expressed here will assist them in determining their individual courses of action. I believe that the response to this legislative questionnaire clearly outlines those areas where we must continue seeking new and better legislative measures, to meet the needs of our growing population.

THE CRISIS IN OUR SKIES

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. OTTINGER. Mr. Speaker, a little less than a year ago, I warned the Congress, the FAA, and the aviation industry that unless a comprehensive program was undertaken immediately to promote safety and reduce the congestion in our most crowded air corridors and at our principal airports, we would face a crisis of major proportions. In the past 3 months, that prediction has unfortunately been realized.

The air traffic control system and the facilities of airports in major metropolitan areas are saturated during prime hours. La Guardia Airport in New York recently set a single-day record for flight operations and the centers at Chicago and Los Angeles are rapidly approaching a new peak. Delays in takeoff and landing at airports such as La Guardia, Kennedy, Los Angeles, and O'Hare are running from 30 minutes to 3 hours.

There are six basic causes for this dangerous, costly, and aggravating situation:

First, the inability of the FAA and CAB several years ago to anticipate the current boom in aviation and plan accordingly for personnel, facilities, and equipment. The FAA just 2 years ago actually boasted of personnel reductions as an economy move. The shortage of trained air traffic controllers is now desperate. Our airports and equipment are ages behind meeting current requirements.

Second, the failure of the airlines to voluntarily schedule flights in a manner that would ease congestion. Each airline, in a mad dash for the passenger's dollar and with little regard for his safety or comfort, tries to cram in as many peak-hour flights as possible.

Third, the inability or unwillingness of the Civil Aeronautics Board, in consultation with the FAA, to put an end to this practice and require more dispersed airline scheduling.

Fourth, a deliberate, albeit thoroughly justified campaign by the air traffic controllers for strict adherence to safety regulations with a resulting slowdown in flight operations. Of course, this campaign raises serious questions about the compromises with safety permitted by the controllers heretofore.

Fifth, the reluctance of the FAA to set aircraft capability and pilot proficiency standards for each major airport and air corridor in the Nation, a step I urged 10 months ago. Positive control is now a must in these corridors, yet still is not required. Pilot ratings and aircraft equipment standards must be established to be compatible with corridor and airport control systems, also yet to be accomplished.

And sixth, the inordinate delay in construction of additional airport facilities for both general and carrier use, including new runways at existing airports and provisions of adequate towers, instrument landing systems, and radar equipment.

A number of immediate steps are in order to alleviate the congestion problem:

First, the FAA should be exempted from employment ceilings imposed by the recent tax bill. Congress should appropriate whatever funds may be necessary to fill air traffic control positions and relieve controllers of the 6-day workweek and heavy overtime schedule which has been forced upon them.

Second. The FAA, CAB and Air Transport Association should attempt to work out a voluntary program for spreading out airline schedules. If such a program cannot be achieved voluntarily, the CAB, with specific congressional authority, should impose upon the commercial carriers scheduling requirements that will insure the safety and convenience of the traveling public, not only today, but in the days ahead, when aviation's boom will reach new peaks.

Third. The FAA should immediately restrict the space around major airports, at least during periods of defined congestion, to controlled aircraft. Steps should be taken to set standards for each airport and air corridor.

Fouth. A program of construction of airport facilities and installation of towers, instrument landing systems and radar should be embarked upon to catch up with current requirements.

I think it would be worthwhile, in terms of air safety in the long run, for congressional hearings to be conducted on the role and problems of air traffic controllers. I would be particularly interested in developing a record which will demonstrate conclusively the type of conditions these men work under and their effect on aviation safety. Also, Congress and the Nation should know precisely what liberties were taken with safety regulations before the current "going by the book" campaign went into effect.

There is an urgent necessity for immediate and positive action. Every segment of the aviation industry, every agency of government with jurisdiction over air transportation, must meet its responsibility.

SENATE—*Thursday, July 25, 1968*

The Senate met at 12 noon, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of grace and God of glory, trusting only in Thy mercy would we seek Thy face. For in Thy mercy there is a wideness like the wideness of the sea. Grant us the grace to keep our hearts with diligence, knowing that out of them are the issues of life.

In these days of tension and crisis, as we gird the might of the Nation, and that of our allies, to defend threatened liberties, may we take care to strengthen the spiritual foundations of our democracy, knowing that without these verities we but build on sinking sand.

Help us to lay aside every weight of prejudice or of selfish pride, and with glad and eager feet to march with the armies that go to free, not to bind, to develop and not to rule, to cooperate and not to dominate, until the knowledge of the Lord, who is no respecter of persons, shall cover the earth as the waters now cover the sea.

For Thine is the kingdom and the power and the glory. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, July 24, 1968, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I understand that there will be a period for the transaction of routine morning business up to 12:30 p.m., and that thereafter the distinguished Senator from New York [Mr. JAVITS] will be recognized for not to exceed 15 minutes.

The PRESIDENT pro tempore. The Senator is correct.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The bill clerk read the nomination of Edward C. Sylvester, Jr., of Michigan, to be an Assistant Secretary of Health, Education, and Welfare.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

POSTMASTERS

The bill clerk proceeded to read sundry nominations of postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The **PRESIDENT** pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The **PRESIDENT** pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. **MANSFIELD.** Mr. President, I move that the Senate resume consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

SENATOR KENNEDY'S ROLE IN THE IMPENDING ELECTION

Mr. **MANSFIELD.** Mr. President, a short time ago, a Governor of a great State expressed the view that the Senator from Massachusetts [Mr. KENNEDY] might not be a qualified Democratic candidate for Vice President this year. Shortly thereafter, a mayor of a great city counterpoised the view that the Senator would be a most suitable Democratic candidate for the vice presidency.

I happen to agree, Mr. President, not with the Governor, but with the mayor. In my judgment, Senator KENNEDY would make an excellent candidate of the Democratic Party for the vice presidency or for any other public office which he might seek. Yet, it would be my hope that the Senator from Massachusetts will not become a candidate for the vice presidency in the impending election. I say that with all due respect for the office as well as for the outstanding personal qualities and the qualifications of the Senator from Massachusetts.

TED KENNEDY has been an exceptional Senator. For 6 years he has served in the Senate with a profound understanding of the Nation's problems at home and abroad and with a deep dedication to its people. In my judgment, he has a great future in the Senate. If he so chooses, moreover, he will have a great future elsewhere in the service of the people of the Nation.

The choices, however, ought to be Senator KENNEDY's to make. It is a disservice to him in this year of all years to press him, to urge him, to importune him in the name of party victory or even in the name of the Nation. The obligations between nation and a public-spirited citizen cannot always be in one direction. The Nation, too, owes something to this dedicated man for what he has given of himself in public service and in personal tragedy. In my judgment, that debt can best be repaid by leaving TED KENNEDY, in the name of decency, to his own quiet and counsel at this time.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The **PRESIDENT** pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 15147) to amend the Immigration and Nationality Act to provide for the naturalization of persons who have served in combat areas in active-duty service in the Armed Forces of the United States, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FEIGHAN, Mr. RODINO, Mr. DONOHUE, Mr. DOWDY, Mr. MOORE, Mr. CAHILL, and Mr. MACGREGOR were appointed managers on the part of the House at the conference.

EXECUTIVE COMMUNICATIONS, ETC.

The **PRESIDENT** pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION TO AUTHORIZE THE ISSUANCE OF INSPECTION WARRANTS TO INSPECTORS OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

A letter from the Assistant to the Commissioner, Executive Office, government of the District of Columbia, transmitting a draft of proposed legislation to authorize the issuance of inspection warrants to inspectors of the government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

REPORT ON ACTIVITIES IN CERTAIN COUNTRIES RELATING TO APPLICATIONS FOR CONDITIONAL ENTRY

A letter from the Commissioner, U.S. Department of Justice, Immigration and Naturalization Service, pursuant to law reporting on activities in certain countries relating to applications for conditional entry, for the period January 1, 1968, through June 30, 1968; to the Committee on the Judiciary.

AGENCY TRAINING REPORTS TO THE PRESIDENT AND THE CONGRESS

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend title 5, United States Code, to repeal the reporting requirement contained in subsection (b) of section 1308 (with accompanying papers); to the Committee on Post Office and Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest and requesting action looking to their disposition (with accompanying papers); to a Joint Committee on the Disposition of Papers in the Executive Departments.

The **PRESIDENT** pro tempore appointed Mr. MONRONEY and Mr. CARLSON members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 3866. A bill to extend the provisions of the Commercial Fisheries Research and Development Act of 1964 (Rept. No. 1457); and

H.R. 11026. An act to amend the act of September 15, 1960, for the purpose of developing and enhancing recreational opportunities and improving the fish and wildlife programs at reservations covered by said act, and for other purposes (Rept. No. 1458).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 3269. A bill to consent to the New Hampshire-Vermont Interstate School Compact (Rept. No. 1460).

By Mr. ERVIN, from the Committee on the Judiciary, without amendment:

H.R. 8391. An act for the relief of Adel Lessert Bellmard, Clement Lessert, Josephine Gonvil Pappan, Julie Gonvil Pappan, Pelagie Gonvil Franceour de Aubri, Victore Gonvil Pappan, Marie Gonvil, Lafleche Gonvil, Louis Laventure, Elizabeth Carbonau Vertifelle, Pierre Carbonau, Louis Joncas, Basil Joncas, James Joncas, Elizabeth Datcherute, Joseph Butler, William Rodger, Joseph Cote, four children of Cicili Compare and Joseph James, or the heirs of any who may be deceased (Rept. No. 1462).

By Mr. TYDINGS, from the Committee on the Judiciary, without amendment:

H.R. 9391. An act to amend section 376(a) of title 28, United States Code (Rept. No. 1464).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

H.R. 10321. An act for the relief of Mrs. Claudette C. Donahue (Rept. No. 1463).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

H.R. 1648. An act for the relief of Martina Zubiri Garcia (Rept. No. 1467):

H.R. 2281. An act for the relief of Dwayne C. Cox and William D. Martin (Rept. No. 1468);

H.R. 6195. An act for the relief of Peter Balinas and Lee Balinas (Rept. No. 1469);

H.R. 6655. An act for the relief of Mary Jane Orloski (Rept. No. 1470);

H.R. 10327. An act for the relief of Louis J. Falardeau, Irva G. Franger, Betty Klemcke, Wineta L. Welburn, and Emma L. McNeil, all individuals employed by the Department of the Army at Fort Sam Houston, Tex. (Rept. No. 1471);

H.R. 11381. An act for the relief of E. L. Townley, Otis T. Hawkins, and Leo T. Matous (Rept. No. 1472);

H.R. 12119. An act for the relief of Joseph M. Hepworth (Rept. No. 1473); and

H.R. 14167. An act for the relief of Lydia M. Parsley (Rept. No. 1474).

By Mr. BURDICK, from the Committee on the Judiciary with an amendment:

S. 908. A bill for the relief of William D. Pender (Rept. No. 1466).

By Mr. TYDINGS, from the Committee on the Judiciary, with an amendment:

S. 1704. A bill to amend title 28, United States Code, section 1491, to authorize the Court of Claims to implement its judgments for compensation (Rept. No. 1465).

By Mr. MUNDT, from the Committee on Government Operations, with an amendment:

S. 2886. A bill to provide for the operation of the William Langer Jewel Bearing Plant at Rolla, N. Dak., and for other purposes (Rept. No. 1475).

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.R. 17522. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes (Rept. No. 1459).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Phillip B. Baldwin, of Texas, to be an associate judge of the U.S. Court of Customs and Patent Appeals;

Louis H. Martin, of California, to be U.S. marshal for the northern district of California;

John H. Kamlowsky, of West Virginia, to be U.S. attorney for the northern district of West Virginia;

Sidney I. Lezak, of Oregon, to be U.S. attorney for the district of Oregon;

Theodore Jaffe, of Rhode Island, to be a member of the Foreign Claims Settlement Commission of the United States;

Lewis R. Morgan, of Georgia, to be U.S. circuit judge, fifth circuit;

Alexander A. Lawrence, of Georgia, to be U.S. district judge for the southern district of Georgia;

Orma R. Smith, of Mississippi, to be U.S. district judge for the northern district of Mississippi;

Samuel M. Rosenstein, of Kentucky, to be judge of the U.S. Customs Court; and

Hugh H. Bownes, of New Hampshire, to be U.S. district judge for the district of New Hampshire.

Mr. YOUNG of Ohio. Mr. President, from the Committee on Armed Services I report favorably the nomination of Lt. Col. Haywood R. Smith, USMC, for temporary appointment to the grade of colonel, to hold such grade while serving as Armed Forces aide to the President. I ask that this nomination be placed on the Executive Calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The nomination, ordered to be placed on the Executive Calendar, is as follows:

Lt. Col. Haywood R. Smith, U.S. Marine Corps, for temporary appointment to the grade of colonel, to hold such grade while serving as Armed Forces aide to the President.

Mr. YOUNG of Ohio. Mr. President, in addition, I report favorably 96 appointments in the Regular Army in the grade of major and below. Since these names have already been printed in the CONGRESSIONAL RECORD, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

William C. Hunt, and sundry other persons, for appointment in the Regular Army; and

John A. Bushnell, and sundry other distinguished military students, for appointment in the Regular Army of the United States.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 3879. A bill to amend the Fair Labor Standards Act of 1938 to provide an exemption from the provisions of such act for morticians; to the Committee on Labor and Public Welfare.

By Mr. JAVITS:

S. 3880. A bill for the relief of Mr. Eiichiro Sakata; to the Committee on the Judiciary.

By Mr. WILLIAMS of Delaware:

S. 3881. A bill to establish the Commission for the Improvement of Government Management and Organization; to the Committee on Government Operations.

By Mr. SCOTT:

S. 3882. A bill for the relief of Angelo Luciano Colavita, his wife, Maria Carmela Colavita, and their two sons, Michelino Colavita and Antonio Colavita; to the Committee on the Judiciary.

By Mr. SPONG (by request):

S. 3883. A bill to authorize the Government of the District of Columbia to convey interests in certain property owned by the District of Columbia in Prince William County, Va., and for other purposes; to the Committee on the District of Columbia.

By Mr. PASTORE (for himself and Mr. ANDERSON) (by request):

S. 3884. A bill to amend the Communications Satellite Act of 1962 with respect to the election of the board of the Communications Satellite Corp.; to the Committee on Commerce.

ADDITIONAL COSPONSORS OF BILL

Mr. LONG of Louisiana. Mr. President, on behalf of the Senator from Washington [Mr. MAGNUSON], I ask unanimous consent that, at its next printing, the names of the senior Senator from Oregon [Mr. MORSE], the senior Senator from California [Mr. KUCHEL], the senior Senator from Michigan [Mr. HART], the junior Senator from Maine [Mr. MUSKIE], and the senior Senator from Maryland [Mr. BREWSTER] be added as cosponsors of the bill (S. 3866) to extend the provisions of the Commercial Fisheries Research and Development Act of 1954.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 78—CONCURRENT RESOLUTION FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS (S. REPT. NO. 1461)

Mr. EASTLAND, from the Committee on the Judiciary, reported the following original concurrent resolution, and submitted a report thereon, which report was ordered to be printed and the concurrent resolution was placed on the calendar:

S. CON. RES. 78

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien thereunder named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended (66 Stat. 204; 8 U.S.C. 1251):

A–1472909, Baglieri, George.
A–6816735, Funk, Thomas Fredrik.
A–6563286, Nebelsky, Manfred Robert.
A–8106820, Eha, Elmar.
A–10681050, Salinas-Villalta, Jorge Alberto.
A–1473222, Asencio-Placencio, Pedro.
A–7216780, Kowal, John.
A–4679692, Quong, Wong.
A–17140325, Chin, Kay Ming.
A–2691116, Hagglund, Nils Ture.
A–5633712, Valencia-Sanchez, Enrique.
A–3253579, Riccioli, Paoli,
A–6474478, Viveros, Nazario Geniz.
A–9702536, Ying, Ah Sing.
A–10491431, Wong, Yen Kwong.
A–9765182, Yim, Chee.
A–10476667, Lok, Wai Ching.
A–12644334, Gee, Yook Shiu.
A–5227719, Lee, High Suey.
A–13069928, Fong, Shue Kee.

SENATE RESOLUTION 381—RESOLUTION AUTHORIZING THE PRINTING OF THE REPORT ENTITLED "SAFETY FOR MOTOR VEHICLES IN USE" AS A SENATE DOCUMENT

Mr. MAGNUSON submitted the following resolution (S. Res. 381); which was referred to the Committee on Rules and Administration:

S. RES. 381

Resolved, That a report to Congress entitled "Safety for Motor Vehicles in Use," submitted by the Secretary of Transportation, pursuant to the National Traffic and Motor Vehicle Safety Act of 1966 (P.L. 89–563), be printed with illustrations as a Senate document and that there be printed two thousand additional copies of such document for the use of the Committee on Commerce.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 25, 1968, he presented to the President of the United States the following enrolled bills:

S. 1941. An act to prevent, abate, and control air pollution in the District of Columbia, and for other purposes;

S. 2908. An act to authorize the Secretary of the Army to quitclaim certain real property in Muscogee County, Ga.; and

S. 3495. An act to authorize the Secretary of the Army to modify certain use restrictions on a tract of land in the State of Iowa in order that such land may be used as a site for the construction of buildings or other improvements for the Iowa Law Enforcement Academy.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1969

AMENDMENTS NOS. 902 THROUGH 907

Mr. McCLELLAN submitted the following notice in writing:

AMENDMENT No. 902

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely: Page 14, after line 2, insert the following:

"SEC. 106. Existing appointments and assignments to the Foreign Service Reserve in the Department of State which expire during the current fiscal year may be extended in the discretion of the Secretary of State for a period of one year in addition to the period of appointment or assignment otherwise authorized."

Mr. McCLELLAN also submitted an amendment, intended to be proposed by him, to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McCLELLAN also submitted the following notice in writing:

Amendment No. 903

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely: Page 28, on line 16, after the word "including,", insert the following: "purchase (one),".

Mr. McCLELLAN also submitted an amendment, intended to be proposed by him, to House bill 17522, supra, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McCLELLAN also submitted the following notice in writing:

Amendment No. 904

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely: Page 23, after line 13, insert the following:

"Sec. 207. Investigative and other essential positions which are financed by appropriations in this Act for the Federal Bureau of Investigation which are determined by the Director of the Federal Bureau of Investigation to be essential to the operations of the Federal Bureau of Investigation may be filled without regard to the provisions of section 201 of Public Law 90-364, and such positions shall not be taken into consideration in determining numbers of employees under subsection (a) of that section or numbers of vacancies under subsection (b) of that section."

Mr. McCLELLAN also submitted an amendment intended to be proposed by him, to House bill 17522, supra, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McCLELLAN also submitted the following notice in writing:

Amendment No. 905

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely: Page 22, on line 9, after the word "purchase", insert the following: "for police-type use, without regard to the general purchase price limitation".

Mr. McCLELLAN also submitted an amendment, intended to be proposed by him, to House bill 17522, supra, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McCLELLAN also submitted the following notice in writing:

Amendment No. 906

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely: Page 33, after line 19, insert the following:

"RESEARCH AND DEVELOPMENT

"For expenses necessary for research, development, fabrication, and test operation of experimental facilities and equipment; collection and dissemination of maritime technical and engineering information; studies to improve water transportation systems; $6,700,000 to remain available until expended, of which $3,400,000 shall be for operation of the N.S. *Savannah*: *Provided*, That none of the funds appropriated herein are to be used for a layup of the N.S. *Savannah*: *Provided further*, That transfers may be made to the appropriations for the current fiscal year for 'Salaries and expenses' for administrative expenses (not to exceed $931,000) and any such transfers shall be without regard to the limitation under that appropriation on the amount available for such expenses: *Provided further*, That transfers may be made from this appropriation to the 'Vessel operations revolving fund' for losses resulting from expenses of experimental ship operations."

Mr. McCLELLAN also submitted an amendment, intended to be proposed by him, to House bill 17522, supra, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McCLELLAN also submitted the following notice in writing:

Amendment No. 907

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely: page 32, after line 13, insert the following:

"SHIP CONSTRUCTION

"For construction-differential subsidy and cost of national-defense features incident to construction of ships for operation in foreign commerce (46 U.S.C. 1152, 1154); for construction-differential subsidy and cost of national-defense features incident to the reconstruction and reconditioning of ships under title V of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1154); and for acquisition of used ships pursuant to section 510 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1160); to remain available until expended, $119,800,000: *Provided*, That transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative and warehouse expenses (not to exceed $3,150,000) and for reserve fleet expenses (not to exceed $700,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses."

Mr. McCLELLAN also submitted an amendment, intended to be proposed by him, to House bill 17522, supra, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICE OF HEARINGS ON NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that public hearings have been scheduled for Thursday, August 1, 1968, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nominations:

Shirley M. Hufstedler, of California, to be U.S. circuit judge, ninth circuit, vice a new position created under Public Law 90-347 approved June 18, 1968.

James L. Latchum, of Delaware, to be U.S. district judge, district of Delaware, vice Caleb R. Layton III, retired.

At the indicated time and place persons interested in the hearings may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas [Mr. McClellan], the Senator from Nebraska [Mr. Hruska], and myself, as chairman.

AIR SAFETY PRACTICES

Mr. DOMINICK. Mr. President, for some time now on the floor of the Senate and otherwise I have been urging the FAA to take action to require the installation of emergency locator beacons on general aviation aircraft.

Finally, after a considerable amount of discussion and colloquy, they put out a proposed notice of rule-making which stated that the emergency locator beacons would be required only when flying over mountainous territory, unpopulated areas, or over water.

The difficulty with such a limited proposal rests both in its enforcement and in determining where, when, and how one is to install the beacon.

We had a meeting with the radio technicians in April during which the same subject was brought up. I believe we had a very full discussion. The Federal Aviation authorities were there, and they are now reconsidering their position.

Mr. Larry Ulrich has written a fine article on the need for mandatory aviation locator beacons, entitled "Lost or Found," appearing in the May-June issue of Aero, and an editorial on the subject, entitled "Air Safety Practices Imperative," was published in the Longmont, Colo., Daily Times-Call of July 8. I ask unanimous consent that these two articles, reinforcing the position I have taken, be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Longmont (Colo.) Daily Times-Call, July 8, 1968]

Air Safety Practices Imperative

We live in an age where time is money. Speed is important to everyone—from the businessman crossing the nation to complete an important deal to the working man who wants to squeeze a vacation into a long weekend.

In order to fulfill our desires, we have shrunk the world by using the airways more and more for travel. Airplanes have become a common mode of travel. And their safety is of vital importance to all of us.

Here at the jumping off point for the high mountains to the west we seem to be in the center of a dangerous area for light airplane travel. Longmont Airport has become the headquarters for Civil Air Patrol searches for missing planes, so we are aware of the many small planes that are lost crossing the peaks.

We have also read of the problems around metropolitan airports or have waited at one of the big landing fields for what seemed like hours for a late airplane having problems getting into the landing pattern.

Just last week the Professional Air Traffic Controllers group announced it will cut landings and takeoffs at major airports to 50 per cent in order to conform to federal safety regulations. The group reports that controllers have permitted violation of regulations to expedite landings and takeoffs during rush hours.

Sen. Peter Dominick of Colorado, a pilot himself for more than 30 years, has again issued a call for greater air safety, outlining two proposals to accomplish the job.

Dominick in the past has urged that all aircraft be equipped with an emergency locator beacon. He has again advocated the installation of the beacons, which would become mandatory in all new aircraft if the Senator has his way.

Dominick urged that the beacon be required by the FAA in all new planes sold, so that a gradual phase-in of the system could begin immediately.

The beacon would be coupled with simple receivers installed in each airliner to receive signals from downed planes. "Untold millions of dollars plus many lives would be saved by this simple procedure," Dominick stated.

Air searches are costly. And St. Vrain Valley residents know of the many hundreds of hours of search time spent in hunting two craft lost over the mountains around the first of the year. One of these craft was found by a fisherman just recently and the second is still missing.

With emergency beacons, it is probable these planes could have been found much sooner, reducing the enormous cost of money and man-hours spent in the search.

Dominick's other proposal is to divide air space around the airports into approach and departure segments. Then planes would be separated by categories, with each classification coming in at a prescribed direction, altitude and speed.

The Senator maintains this would minimize holding delays, sharply decrease safety problems presented by the mixed aircraft now using the airways, and provide benefits for the fast moving aircraft of the future.

The plan seems reasonable and the FAA should begin preparation for such a procedure if it will do what the Senator says.

The emergency beacons should be required in small aircraft especially. We hear much about flight plans and their needs. A flight plan does little in helping locate a missing plane. While it may still be desirable in many cases, the use of emergency beacons should be mandatory in all cases.

The cost would be quickly offset in dollar savings alone—and it could save many lives which cannot be valued in dollars.

Lost or Found

(By L. A. Ulrich)

The fact that aviation accidents are still front-page news attests to their rarity in an age when thousands die each year on the highways. In fact, the safety record general aviation has achieved is on a par with the outstanding safety record established by the airlines in recent years.

Nevertheless, the handful of aircraft accidents which occur tend to attract considerable attention, especially when an aircraft is missing for any length of time.

Nowadays there's absolutely no reason why any aircraft should remain missing for more than a few hours. We live in a wonderful electronic age. Out of this technology we have developed a system for *immediately* locating downed aircraft through simple, proven, electronic devices which are now being widely used in Viet Nam to locate and rescue our downed pilots within a few hours.

Yet general aviation continues to rely on the same old search methods we've been using since before World War I! We spend countless hours and millions of dollars each year flying (weather permitting) over the approximate area in which the aircraft is presumed to be missing, looking down at mile after mile of brush, timber, swamp, or rough terrain hoping to catch a "glimpse" of "something."

This procedure is not only absurdly ineffective as a means of finding survivors in time to save them from exposure or starvation but in many cases it has completely failed to turn up any trace of the airplane, even after years of searching!

Survivors of such accidents usually live for at least 24 hours before succumbing to exposure or injuries. After the first 48 hours the chances of their continued survival are less than 25%! If time is ever "of-the-essence," it's during the crucial hours immediately following a forced landing. Our experience with quick medical evacuation in Viet Nam has proven time and time again that quick evacuation is the difference between life and death.

In 1966 of 143 crashes in the U.S., involving a search, at least 109 occupants survived the first 24 hour period. Many of these later perished from injuries, hunger, or cold before they were found, yet, if they'd been located within 24 hours nearly all of them might have lived.

Most of the inexpensive locator beacons currently available could have pinpointed the exact location of each of these downed aircraft *within two to three hours* by utilizing 3 or 4 search planes *flying safely above the terrain* and *over the weather*.

Compare this with our present visual search methods which, according to Gloria Health of the Guggenheim Aviation Safety Center at Cornell University, (in a report to be published soon) require an average of *171 flight hours per downed aircraft!* These are depressing statistics when help is usually needed within 24 hours to survive! Moreover, the longer the search extends, the more difficult it becomes to find the missing aircraft due to successive snow cover, etc.

Paradoxically, the adverse weather which often causes an accident frequently prevents a visual search from beginning until it's too late. By contrast, *one plane flying 240 miles per hour at 25,000 feet can search 200 square miles every minute provided the downed aircraft is using a locator beacon!* This means, an area the size of the entire state of California can be searched completely by only 5 airplanes in less than three hours! Modern electronic search techniques permit the entire search to be conducted above the weather or at night (as was the case in a recent crash near Stampede Pass in central Washington). The missing aircraft was located electronically at night by a search aircraft flying on top of an overcast. The crash was never seen by the searching aircraft but its location was pinpointed and its victim was evacuated within a few hours from a wilderness area in sub-zero temperatures. He was wearing tennis shoes and levis but he lived thanks to the modern miracle of electronically locating a downed aircraft.

By contrast, we're all familiar with the tragic story of the Olen family who lived in the wreckage of their airplane in northern California for several weeks before finally succumbing to starvation. Although it was impossible to spot their wreckage from the air, dozens of airplanes flew overhead each day, any one of which *could* have received an emergency beacon signal on their regular comm., transceiver.

At the AOPA, RTCA, FAA sponsored National Conference on Locator Beacon Implementation, which was held this April 3rd and 4th in Washington, D.C., many excellent low-cost emergency radio beacons were displayed.

These beacons ranged in price from $50 to $700 (with an *average* cost of around $200) *and they work!* Viet Nam has proven their amazing reliability and value as a means of saving lives.

Many of these beacons have been available to general aviation for years but their manufacturers complain that they just don't sell (except in Viet Nam) for the same reason that most people didn't *voluntarily* install seat belts in their cars until Ralph Nader and federal legislation came along. It's our belief that it will take similar legislation to overcome the "it can't happen to me" attitude of most pilots. The FAA has "actively encouraged" the "Voluntary" use of these devices since 1964 (FAA AC–170–4) with *noticeable lack of success* which should provide ample evidence that extensive voluntary use is unlikely. Safety legislation requiring the use of these proven life-saving devices is needed if such devices are ever to be widely utilized. The FAA has taken preliminary steps towards such legislation in their advanced notice of proposed rule making docket #8744, notice #68–4 which was issued March 1, 1968.

The proposed legislation would "require that a crash locator beacon be carried on general aviation aircraft when operating over large bodies of water, mountainous terrain, or remote and sparsely populated areas."

The FAA seems to be suggesting either a beacon rental system or limited installation based on geographic location which, when applied to anything as *mobile* as an airplane, just isn't realistic.

As commendable as the proposed regulation is *we do not feel it is sufficiently broad, or enforceable, in its present form, to solve the problem. Yet only the FAA* has the full legislative authority to take *whatever* steps are necessary to alleviate this needless problem, by modernizing our search technology.

Rental beacons aren't the answer because pilots wouldn't be anymore inclined to rent these than they are to rent maps, first aid kits, or parachutes! Ask any fixed base operator how successful he's been renting any of the foregoing items. What's more, to be fully effective the beacon must be permanently or semi-permanently affixed to the aircraft in such a way that it will survive and be impact actuated by a crash. Such special installations don't lend themselves to rental.

Limiting beacon installations to certain geographic areas is also an idealistic (and probably unenforceable) half-way solution to a problem that gets worse each year as the general aviation fleet grows. For example in 1965, 27 planes were lost which have never been found, in 1966 an additional 31 aircraft disappeared.

The distribution of these missing planes is not limited to "mountainous terrain" and "sparsely populated areas" as can be seen from the map which was compiled with great dedication by Colorado's Senator Peter H. Dominick, who strongly supports any legislation which will contribute to the elimination of this tragic (and now-a-days needless) problem. The miniature airplanes indicate the approximate area and date in which 56 airplanes (some of them missing since 1959) are presumed to be located. None of these have ever been found. Note how evenly these missing aircraft are distributed across the country with aircraft permanently missing in such flat or well populated states as Missouri, Kentucky, Ohio, Michigan, Arizona, Texas, New York state, and Massachusetts. By contrast there are none permanently missing in Idaho, Utah, and Montana! This problem is clearly not limited to "mountainous" or "sparsely populated areas."

We should not lose sight of the fact that more people buy and use airplanes to go places. Thus, an Iowa *based* plane will likely fly regularly over the barren badlands of the Dakotas, the wilderness of northeastern Minnesota, or the Rockies enroute to California or Las Vegas. Similarly, a plane *based* in Atlanta is most likely operated by someone who travels frequently over Alabama, Mississippi, or Louisiana (4 planes missing) the Carolinas (9 planes missing) or Fla. (8 planes missing). It's noteworthy that the populous northeast has more than its share of missing planes, several of which have gone down in dense population areas (like the plane that was finally found within the sight of the Conn. turnpike 6 days and 55 search missions later).

In how many of these accidents would quick location of the aircraft have saved lives? There is considerable evidence that *many* survive the crash only to succumb later to starvation, injuries and exposure.

Even in those accidents which are immediately fatal, the emergency locator beacon would save lives . . . *those of searchers* whose lives have all too frequently been lost while conducting low-level "needle in the haystack" visual searches. Six CAP searchers were killed in 1962 and 1963 alone. Some of these volunteer searchers have never been found such as the CAP pilot who's been missing since 1959 in Colorado. Flying very low and very slow over hazardous terrain and in the marginal weather often associated with aircraft accidents inevitably results in additional tragedies.

In addition to the human lives *needlessly lost* through our failure to institute modern search methods, tremendous amounts of money are squandered each year conducting dangerous and inefficient "needle-in-the-haystack" visual searches. The CAP alone has flown 104,175 hours in a 5 year period from Feb. '61 to Jan. '67. Air Force, Coast Guard, and FAA Search and Rescue costs amounted to a staggering 59 million dollars in fiscal 1966 alone! Despite this tremendous expenditure of time, money, and human effort an uncomfortable high percentage of the airplanes which were being searched for have never been found.

The foregoing facts clearly indicate that a voluntary locator beacon system *or a system based on limited geographical application will fail to provide the desired results.*

It has been suggested that certain types of aircraft (such as training planes) don't need beacons. This argument is based on the popular misconception that such planes don't ever get far enough from an airport to need such a device. The fact is that sooner or later most training ships are flown cross-country by *in*experienced pilots. Such pilots are the very ones *most likely to get lost*. Even where an aircraft is flown within eyesight of its airport it can become lost, like the Ohio Cessna 150 which crashed in trees 4 miles from its airport while in a local "touch-and-go" pattern. This plane wasn't found for two days in spite of extensive search efforts.

Similar accidents have occurred in many parts of the country. A letter which appeared recently in Aero West Magazine read, "You can remove my husband's name from your mailing list. He was killed in 1965. I note in your editorial that it would be possible to install an electronic marker beacon in the tail of every plane. If such equipment is available . . . it is unthinkable that it should not be required. Such equipment could have saved a week of fruitless searching for the plane in which my husband crashed with three passengers. The crash occurred only about 33 miles from our home airport . . . Searchers estimated they flew over the spot at least 20 times, but could not see a sign of the plane . . . Even when ground vehicles pointed out the crash after it had been discovered, air searchers could not see it."

However, one could logically ask, "If I put an emergency locator beacon in my airplane, will anybody be listening for its distress signal?"

Many of the beacons currently available transmit a dual signal simultaneously on both 121.5 and 243. 243 mhz is monitored constantly by all military aircraft. This roving fleet of military aircraft literally provides a listening umbrella over our heads.

Further, if emergency beacons become widely used, the FAA has offered to broadcast a "downed aircraft notam" every 30 minutes on its regular weather broadcast, advising pilots in the vicinity to monitor 121.5. Any aircraft with a standard VHF receiver can receive a locator beacon distress signal.

Many airlines have indicated a willingness to extend a helping hand when needed by establishing a listening watch on 121.5 while flying over an area in which an aircraft is known to be down.

Ideally, airliners, gen. aviation aircraft, and military planes should all be equipped with a simple one-channel (121.5) full-time emergency beacon receiver operating a single indicator light which would be activated whenever an emergency signal was received. A simple position report or "ident" is all that would be required to report an emergency signal when received.

However, waiting until such receivers are installed would waste valuable time and fail to provide an *immediate* solution to the problem. Even without this ideal full-time "listening watch" we already possess enough elements to constitute a successful *systems approach*. Our present gen. aviation and airline receivers can be tuned to 121.5 when an aircraft is known (via a flight plan) to be missing.

Thus our roving fleet of gen. aviation aircraft and airlines crisscrossing the country already provide the immediate capability for establishing a 24 hour all-weather listening watch over a given area, when a plane equipped with an emergency beacon is reported missing.

All Air Force Search and Rescue (SAR) planes and many FAA planes are equipped with VHF homers and have pledged their full and immediate support. Within minutes after an emergency beacon signal is reported by any passing aircraft an SAR or FAA plane equipped with VHF homer, would be dispatched to "home-in" on the distress signal and to provide immediate aid via paradrop, helicopter evacuation, or whatever else may be required. Even without a VHF homer a simple audio homing technique can be followed by any plane with a standard VHF receiver.

Finally, in discussions of emergency locator beacons the author inevitably hears non-pilots (and even a few pilots) and local newspapers conjecture that "if the missing aircraft were on a flight plan it could have been located!" This is a misleading oversimplification as is proven by the fact that of the 56 planes missing nationwide many were on flight plans (yet they've never been found). In 1966 alone of the 137 planes which were missing for more than 24 hours, *81 were on flight plans!*

Although flight plans provide an invaluable means for alerting the FAA that an aircraft *is* missing, they usually prove inadequate as a means for pinpointing the exact location of the missing aircraft.

After all, an aircraft can be missing anywhere along the approximate route of its flight plan or, if weather or mechanical problems arise, the aircraft is often forced to deviate substantially from its presumed course. Thus a flight plan can (and has) actually sidetracked searchers in some cases.

Further, there is, *at best, a 3 to 12 hour delay before a search is begun* once an aircraft fails to complete its flight plan. If the weather is adverse or if no flight plan was filed, a search may be delayed even longer.

By comparison, the search for an emergency locator beacon can begin immediately, even at night or in bad weather as previously illustrated.

The flight plans' value as a means of sounding the alarm is unquestioned—this valuable (and free) service should be fully utilized, but its function should not be confused with that of the locator beacon. *It should be used in addition to, not instead of updating our search and rescue techniques thru the utilization of sophisticated devices such as emergency locator beacons which enable us to take full advantage of our modern technology.*

Why can't a pilot use the radios in his downed aircraft as a locator beacon? Aside from the obvious answer that aircraft avionics are relatively fragile and not designed to be crash resistant, there's the additional problem that most aircraft transmitters have power requirements which can't be supported for long without the aircraft alternator or generator operating. An electrical short anywhere in the aircraft's system (which is very likely following a forced landing) will sever or drain off what little battery power remains. Thus, even if the radios survive the G loads normally associated with a hard forced landing, sustained transmission is most unlikely.

In addition, the survivors of an accident are often incoherent. Most passengers don't know how to operate aircraft radios and even if they could, an intermittent voice transmission is not as easily heard (nor can it be homed in on as readily) as the steady distress signal emitted by an emergency locator beacon.

A properly designed emergency locator beacon system would operate regardless of the condition of the pilots and passengers. Such units are built to withstand the high G loads associated with forced landings, and crashes. They are designed to transmit efficiently with very low power requirements over a protracted period of time and in such a manner that their signal can easily be homed in on by other aircraft.

However, such devices must be built to very high standards which should be immediately established by the FAA to meet the dual objectives of *low cost and high reliability*. A beacon which fails to function when needed could in some cases prove worse than no beacon at all and thus it is strongly recommended . . . that the FAA require all beacons to meet the following requirements:

A. Simple impact *and* manual actuation.

B. A minimum of 48 hours broadcasting life at 0 degrees fahrenheit.

C. A minimum of ¼ watt power.

D. Impervious to the high summertime temperatures encountered inside aircraft and on the ramp.

E. Designed to withstand the high impact "G" loads associated with accidents and forced landings.

Many manufacturers currently offer beacons which meet most of the properties listed above. Among these Magnavox, Micro Electronics, Mar Tech, Garrett, ACR, and many others have done extensive research and are now manufacturing products which are immediately available. Many other manufacturers have shown interest in designing and building such devices if pilots will buy them in quantity.

If our present fleet of over 107,000 active general aviation aircraft were equipped with these devices the cost per unit could be lowered to a fraction of their $200/300 average price.

Widespread installation of these beacons would soon save the government substantial sums of money which are currently being expended through thousands of inefficient and costly hours of visual searching each year.

It would seem therefore, that a portion of the cost to install these beacons in our present gen. aviation fleet might conceivably be borne by the government out of its search and rescue fund because quickly implementing this program is as much to the government's advantage (from a cost standpoint) as it is advantageous to the individual aircraft owner, from a safety standpoint.

With these basic economics in mind, it is our proposal that a portion of the cost to equip all *existing* general aviation aircraft with these devices be borne by the government. Their installation would become mandatory for aircraft manufactured after a certain date and their cost after that date would be included in the basic purchase price of the airplane (just as seat belts and other safety equipment is now included in the standard price of each new plane). Subsidy of this program would be limited to all aircraft manufactured before the stated date for required installation. By the time this date is attained the cost per unit will be significantly lower due to the widespread installation of these units in existing aircraft. This cost should, therefore, result in an almost negligible increase in the basic price of new airplanes.

However, even if the government is unwilling or unable to subsidize a portion of the cost of these devices, they could well be the cheapest life insurance one might buy and a necessary consideration which all pilots, aircraft owners, and corporations owe to themselves and their passengers now that such proven devices are available to civilian pilots at reasonable prices.

There are currently 56 aircraft missing somewhere in the United States (not including Alaska) with 98 souls on board. Millions have been spent looking for them. *If* the beacon had been available, and *if* their planes had been so equipped, our experience with missing planes in Viet Nam suggests that many would not have perished. Can it happen to you? Is there a better way?

If you think our present horse-and-buggy search methods are good enough no further action is needed. But if you think there's a better, more modern way to conduct our searches for downed aircraft and to rescue their survivors, your comments directed to the FAA will help bring about such a system. Paragraph 3 of the FAA Advance Notice and Proposed Rule Making states "interested persons are invited to participate in the making of the proposed rule." Write FAA Office of the general counsel, attention rule docket GC–24, docket No. 8744, Notice No. 68–4, 800 Independence Ave. SW, Washington, D.C. 20590, Attention Gen. William F. McKee or Mr. Dave Thomas.

(NOTE.—The author is a native of Colorado and has been active in gen. aviation sales and fixed base operations for 15 years. He has flown extensively in the west since 1956 and has personally participated in many searches including the Dr. Lovelace search.)

EXTENSION OF AUTHORITY TO MAKE INDEMNITY PAYMENTS TO CERTAIN DAIRY FARMERS

Mr. ELLENDER. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3638.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3638) to extend for 3 years the authority of the Secretary of Agriculture to make indemnity payments to dairy farmers for milk required to be withheld from commercial markets because it contains residues of chemicals registered and approved for use by the Federal Government which were, strike out all after the enacting clause and insert:

> That the Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Such indemnity payments shall continue to each dairy farmer until he has been reinstated and is again allowed to dispose of his milk on commercial markets.
>
> SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.
>
> SEC. 3. The authority granted under this Act shall expire June 30, 1969.

And amend title so as to read: "An act to provide indemnity payments to dairy farmers."

Mr. ELLENDER. Mr. President, I move that the Senate disagree with the House amendments and request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. HOLLAND, Mr. JORDAN of North Carolina, Mr. MONTOYA, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. BOGGS conferees on the part of the Senate.

PRESIDENT JOHNSON'S GREAT ACHIEVEMENT

Mr. YOUNG of Ohio. Mr. President, along with a group of other Senators I was present on July 1 in the East Room of the White House witnessing the signing of the Nuclear Nonproliferation Treaty by top representatives of 56 nations, including Ambassador Dobrynin of the Soviet Union seated at a series of desks appearing as one huge desk. This treaty, while not guaranteeing that nuclear weapons will never be used in war, may mark the beginning of the end of international anarchy.

The limited nuclear test ban treaty achieved by President John F. Kennedy restricted the environment where nuclear bombs could be tested. The outer space agreement limited the areas where they could be stationed. Now, the nonproliferation nuclear weapons treaty proposed by President Johnson limits the spread of nuclear weapons. The United States and the Soviet Union are the only real nuclear powers. Great Britain, France, and China also have some capability to produce crude nuclear missiles. As more nations develop them, the possibility of nuclear war will increase. Therefore, this treaty is of utmost importance in ending the momentum of the arms race.

The recent announcement by Soviet leaders of their willingness to negotiate with the United States on limiting both offensive and defensive nuclear weapons proposes another gigantic step toward freeing the world from the terrifying threat of nuclear war. This was a never to be forgotten dramatic, historic event. Secretary Rusk and Ambassador Dobrynin addressed the 200 or more gathered in the East Roor and millions viewing on television and listening on radios. President Johnson's address ending the ceremony will be regarded by future historians as one of his finest—a historic state paper. In part he said:

> After nearly a quarter century of danger and fear—reason and sanity have prevailed to reduce the danger and to greatly lessen the fear. Thus, all mankind is reassured. For this Treaty is evidence that amid the tensions, the strife, the struggle and sorrow of these years, men of many nations have not lost the way—or have not lost the will—toward peace. The conclusion of this Treaty encourages the hope that other steps may be taken toward a peaceful world.

This Congress recently authorized $227 million for construction of the Sentinel antiballistic missile system. This, in addition to hundreds of millions of dollars previously appropriated for this ABM system. The Senate rejected my amendment to strike this Sentinel authorization from the military construction bill. It would seem unthinkable that the President would embark on this further escalation of the arms race when there is a possibility of reaching a workable arms control agreement. The Sentinel proposal should not be frozen. The President should and probably will announce that not one cent for the ABM system will be spent now that leaders of the Soviet Union have agreed to negotiate in good faith toward nuclear weapons control. This would be an act of statesmanship on his part.

ORDER OF BUSINESS

The PRESIDING OFFICER. Pursuant to the previous order the Chair recognizes the Senator from New York [Mr. JAVITS] for a period not to exceed 15 minutes.

VIETNAM MYTHS, PRIORITIES AND THE ELECTIONS

Mr. JAVITS. Mr. President, President Johnson's second Honolulu conference with General Thieu—anticipated as possibly moving further toward peace and furthering the initiative taken by the President on March 31 which brought the delegates of North Vietnam to Paris, actually has turned out to be a reaffirmation of old war policies which have failed so conspicuously in the past

The communique issued at the end of the conference can only be read as a revalidation of General Thieu's "veto" over U.S. peace efforts which was given at the first Honolulu conference in February 1966 and took so long to undo. As such, the second Honolulu conference dims the Nation's hopes for peace and an early end to the fighting.

The United States cannot surrender its freedom of action and its national options to the government in Saigon. Yet, at Honolulu President Johnson "again affirmed" that the Thieu government would play "a leading role" in discussions of a settlement and that the United States and the Government of South Vietnam" would act in full consultation—both in the present phase and throughout."

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the communique to which I have referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Mr. President, it is difficult to understand why President Johnson shows a greater responsiveness to the protestations of the South Vietnamese Government than he does to the overwhelming desire of the American people for an end to this war.

Apparently the same old delusions and wishful thinking that victory is "just around the corner" still dominate administration thinking. But they are not sufficient justification for asking the Nation to go on paying an unacceptably high price in blood, treasure and domestic strife in a vain effort to vindicate past mistakes in Vietnam. The President's remarks to the Governors' conference in Cincinnati confirm the view that the second Honolulu conference shifted U.S. policy back in the direction of the pre-March 31 hard line on the war.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks the President's statement to the Governors' conference in Cincinnati.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 2.)

Mr. **JAVITS**. Mr. President, by constantly reiterating ill-considered and unrealistic slogans of the past, the administration is trying to lock the Nation into positions on Vietnam which have nothing more to recommend them than the sad fact that they were first mistakenly uttered some years ago. Persistence in errors of the past is not an attribute of statesmanship nor does it enhance the prestige of a great power.

The administration stubbornly persists in trying to portray the Vietnam war in language and concepts that are largely fictional. If the central problem in Vietnam really is "aggression from the north," as Secretary Rusk tirelessly proclaims, we would have won a military victory long ago.

The failure of U.S. military forces to achieve victory in Vietnam is not the result of any deficiency in their military performance—which in fact has been excellent. Rather, it is because our military forces are being asked to fight a war which exists—in the terms which the administration uses to describe it—only in the imagination of certain highly placed hardliners who would plan on the basis that Ho Chi-Minh in Vietnam is a new Adolf Hitler leading the war for the vastly powerful legions of Communist China.

It is very clear that the people of South Vietnam do not see either the Vietcong or the government in Saigon in the same terms which the administration uses to describe them. Moreover, it is a bitter irony that the U.S. efforts in Vietnam, which is officially justified as "repelling aggression," is viewed by many of our oldest and closest friends as being itself an "aggression" which disrupts the broader search for order and peace in the world.

Our Nation is suffering grievously from a distortion of priorities. We are paying a very high price for this distortion both at home and abroad. In important respects, the Vietnam war—as the administration has conducted it over the past several years—is the principal cause of the distortion of our national efforts domestically as well as internationally. President Johnson's policy of steady military escalation has, like the egg of the cuckoo bird, hatched into a monstrosity which threatens to eat our cupboard bare.

Putting the Vietnam genie back in the bottle should be the first order of national business. Only then will we be free to get on with the great business of this century at home and abroad.

It is clear that the Paris peace talks are now as stalemated as the ground war in Vietnam. Hanoi's belief that the United States is prepared to reach a settlement which takes some cognizance of its objectives and aspirations concerning the future political organization of South Vietnam—aspirations that were kindled by President Johnson's March 31 speech—will surely be dampened by the kind of backsliding into the jargon of the past in the communique issued after the second Honolulu conference. In this respect, the communique must be viewed as lessening the chances for an early compromise settlement of the war.

It is widely recognized that the war in Vietnam is stalemated and that a military victory cannot be achieved within any limits that are acceptable to the Congress and the American people.

So, while we cannot get what we want on the battlefield, neither can we compel North Vietnam to accept our terms.

Something must be done to break this double stalemate—in Vietnam or in Paris. Since the Nation has overwhelmingly rejected further military escalation, Paris is the proper place for the next move.

It is time the administration got down to business in Paris and announced a halt to all bombing of North Vietnam. Since it is clear that the Nation is in no mood to condone either a break-off in Paris talks or expanding the war, it is futile to have Ambassador Harriman keep asking for unattainable objectives, since Hanoi knows the overall situation as well as we do. Our massive bombing of Hanoi's crude supply lines up to the 20th parallel is just not the negotiating "blue chip" which the administration thinks it is.

Accordingly, we should unconditionally stop all bombing north of the demilitarized zone. We should couple this with a call for a cease-fire and we should announce it in the same way as the President announced the rollback of the bombing to the 20th parallel on March 31. In that announcement the President set this condition and I make it part of my recommendation as well:

> We assume that during those talks Hanoi will not take advantage of our restraint.

Stopping the bombing of the rest of North Vietnam has several advantages. Hanoi—as well as the Soviet Union—has publicly pledged its word that serious peace negotiations would begin once all bombing of North Vietnam stops. In the eyes of world opinion, the peace ball will thus be in the Communist court. As a minimum, we will get a chance to smoke out Hanoi's real terms for deescalation and a settlement, if only in private talks where they will have a face-saving chance to move away from the harsh and unrealistic rhetoric of their propaganda.

One further point is vital in connection with such an announcement of cessation of the bombing; if we may immediately face substantive negotiations for peace, we shall have to be prepared to state our peace terms definitively. We must also be prepared to face a moment of truth with the Government of South Vietnam. It will come when peace terms can be obtained which we feel we can accept but which the government in Saigon does not wish to accept. We know that at that point U.S. interests must prevail in our own decision; but we should be sure that the Government of South Vietnam understands this as well.

Once negotiations begin in earnest, following a halt in the bombing of the north, the United States should seek as the first order of business a cease-fire in the south which would include a halt to our bombing there. Such a cease-fire could be of a self-enforcing nature. Only those units fired upon would return the fire. Hopefully, it would prevail in most if not all sections. The incentive to Hanoi and the Vietcong for observing and maintaining the cease-fire would be the gradual withdrawal of U.S. troops, as warranted by progress toward an overall settlement at the negotiating table.

Those who argue that a complete halt in the bombing of North Vietnam entails some risks, should remember that it is a risk for peace.

If the security of any of our forces is jeopardized by such a bombing halt, those forces could and should be redeployed to relieve that jeopardy. I see nothing sacrosanct in the present philosophy of U.S. troop deployment. If Khesanh is to be abandoned after so much valor and bloodshed by our marines, and so many high claims about its indispensability to the defense of South Vietnam, I see no reason why troops in other highly exposed areas could not be redeployed for security reasons in conjunction with a bombing halt.

If the President fails to move forward now along the path to peace in Vietnam, or if he intends to act boldly in Paris only according to a timetable dictated by the stale consideration in the latest Honolulu communique, he will be doing himself and the Nation a grave disservice. He has bought dearly—with his own political withdrawal—a moratorium in the fierce domestic strife that had been raised to a fever pitch by his old Vietnam policies and the attendant neglect of more pressing needs in our cities and the deterioration of our international economic and political position.

That moratorium can be squandered only at the gravest risk. This Nation can again be torn apart by controversy over the Vietnam war if the present double stalemate, in both fighting and negotiations, is not broken before the election campaign moves into full swing. For this reason, there is an urgency to the need for a full halt to the bombing and the initiation of substantive peace negotiations.

Mr. President, I wish to express my great appreciation to the majority leader who, in the midst of an extremely busy schedule, has given me the opportunity to express a point of view which I think needs to be expressed and discussed at this time.

I have done my utmost, in turn, in deference to the Senator from Montana, to make these remarks as brief as possible and, at the same time, to carry the essential point which I wished to project to the Senate and the country today.

EXHIBIT 1

TEXT OF THE JOHNSON-THIEU COMMUNIQUE IN HAWAII

(Text of a joint communiqué issued today by President Johnson and President Nguyen Van Thieu of South Vietnam)

HONOLULU, July 20.—President Nguyen Van Thieu of the Republic of Vietnam and President Lyndon B. Johnson of the United States of America met in Honolulu, Hawaii, U.S.A., on July 19 and 20.

The meeting was held at President Thieu's suggestion, in light of the fact that the pressing military situation did not permit him to be absent from South Vietnam for the longer time required for a state visit and made it necessary for him to request the postponement of the state visit to a later time this year.

The primary purpose of the meeting was to allow the two leaders to discuss current military and diplomatic developments in South Vietnam and Paris. Their discussions were chiefly private, though they drew on the assistance of senior members of their respective Governments.

The two Presidents once again declared that their common objectives, both in Vietnam and in East Asia and the Pacific, were those stated in the Manila Declaration of 1966:

To be free from aggression.

To conquer hunger, illiteracy and disease.

To build a region of security, order and progress.

To seek reconciliation and peace throughout Asia and the Pacific.

They reaffirmed their deep belief that the struggle to defeat aggression and to restore an honorable and secure peace in Vietnam was vitally related to these broader objectives, and had already contributed to confidence and constructive efforts by other nations in Asia.

THIEU VOICES GRATITUDE

President Thieu expressed to President Johnson the abiding gratitude of the South Vietnamese people for the sacrifice of the American people in the cause of freedom in South Vietnam and peace in Southeast Asia. President Thieu further expressed his gratitude for the significant military contributions of the five other Asian and Pacific nations with military forces in the Republic in Vietnam.

President Thieu stated his Government's determination to continue to assume all the responsibility that the scale of the forces of South Vietnam and their equipment will permit, while preparing the Vietnamese nation and armed forces for the important and decisive role that will be theirs in the coming stages of the struggle.

REVIEW OF THE SITUATION

The President reviewed the course of events since their December meeting in Canberra: the treacherous Communist attack at Tet; President Johnson's speech of March 31, and the resulting Paris talks, being conducted on the United States side by Ambassadors Harriman and Vance.

They noted that the last months have revealed a major and continuing change in North Vietnamese strategy. With greatly stepped-up infiltration of men and modern equipment from the North, Hanoi has sought and continues to seek military and psychological successes that would shift the balance of the conflict in its favor in a relatively short period. In spite of its failure in February and May this year, this strategy continues.

The two Presidents noted the tremendous losses suffered by the other side during 1968. These are being increasingly replaced by North Vietnamese infiltration, rather than by local recruitment. As a result, it now appears that North Vietnamese comprise over 70 per cent of the main force battalions on the other side, as compared to 26 per cent in late 1965.

Level of infiltration

Reviewing the current situation in the light of these significant basic changes, the two presidents noted that the rate of infiltration from the North—evidenced by massive movement in North Vietnam and Laos—continues at a high level. They agreed that the pattern of military activity on the other side continues to indicate renewed offensive action at some time in the next two months. Military factors—enemy regrouping and effective allied spoiling actions—appear to account for the drop in the level of fighting over the last two to three weeks, including the lull in indiscriminate attacks on the civilian population in Saigon.

The two Presidents noted the negative position of North Vietnamese negotiators at Paris. They also reviewed the evidence together and concluded there had been no response to the major limitation of bombing put into effect on March 31, which freed 90 per cent of the people of North Vietnam and 78 per cent of its territory from attack.

Hanoi appeared to be continuing to follow the policy of "fighting while negotiating," long foreshadowed in North Vietnamese strategic documents. The two Presidents called on the authorities in Hanoi to respond to the substantial de-escalation initiated on March 31 and open the door to serious peace negotiations.

The two Presidents agreed that in the face of this North Vietnamese strategy the fundamental aims of the Government of the Republic of Vietnam and its allies must be:

A. To meet and defeat whatever military and terrorist actions might be initiated by the other side, under direction from Hanoi.

B. To strengthen the South Vietnamese armed forces.

C. To continue to seek a reduction in the level of hostilities and an honorable and secure peace that would assure the right of the South Vietnamese people to decide their own affairs without external interference, be in accord with the essential principles of the Geneva accords of 1954 and provide for full compliance with the Geneva accords of 1962 respecting Laos.

SOUTH VIETNAM

The two Presidents reviewed the basic military dispositions and strategy of South Vietnamese and allied forces, on which President Johnson had just received a full report from Secretary Clifford. It was agreed that the measures being taken provided a solid basis for confidence that further major attacks by the Communist side would be repelled.

The two Presidents then devoted major attention to the steps under way to increase the numbers and improve the fighting power of the South Vietnamese armed forces. President Thieu reported that the increase in volunteers, the extension of the draft to 18 and 19-year-olds, and the calling back to service of veterans and reserve officers, have brought the armed forces of South Vietnam to a level of 765,000 men in June—some 48,000 more than the original goal for this date. With the mobilization law enacted at the end of May, it is expected that the total will exceed 800,000 men by the end of 1968—the equivalent in population ratio of some 15 million men in the United States.

It is also anticipated that an additional 200,000 men will be made available at the end of 1968 in auxiliary and paramilitary forces, such as the police and self-defense forces.

Johnson encouraged

President Johnson expressed himself as encouraged by these efforts, and reviewed the joint program under way to equip South Vietnamese armed forces with improved weapons, accelerated technical training programs and financial assistance. M-16 automatic rifles have already been provided to all regular Vietnamese infantry, airborne, marine and ranger battalions. The supplying of these weapons to paramilitary troops, down to the hamlet level, is proceeding on a high priority basis. Increased production of the M-16 should make it possible to get the weapon into the hands of all South Vietnamese forces during 1969.

Military authorities would consult further on a program to work in this direction, and that additional items would be programmed in the near future toward this end. President Thieu then reviewed significant developments in the strengthening of the South Vietnamese Government and in key areas essential both for war and peace.

Specific points noted

He specifically noted:

The formation of a new Cabinet in May under Prime Minister Tran Van Huong, with a broader political base,

The actions of the National Assembly in passing a series of important measures—including tax increases, war-risk insurance, and the mobilization law—and in developing the necessary spirit of cooperation between legislative and executive,

The progress being made in dealing with corruption and ineffective administration,

The resiliency shown by the economy in recovering from the damage caused by enemy action, and the high percentage of refugees and evacuees now rehoused,

The dramatic success achieved in spreading new and improved rice seed, the measures being taken to assure an adequate return to the farmer even under wartime conditions, and the progress of the program directed toward a more equitable distribution of land,

The substantial recovery of the pacification and security program in the countryside, after the setbacks incurred at Tet.

President Thieu expressed the policy of his Government to support fully the program of revolutionary development, cadre and, to an increasing degree, regional and popular forces—with the continued support of regular forces wherever required.

EXHIBIT 2

REMARKS OF THE PRESIDENT AT THE NATIONAL GOVERNORS CONFERENCE, CINCINNATI, OHIO

Governor and Mrs. Rhodes, Governor and Mrs. Volpe, Distinguished Governors and First Ladies: There are three reasons that I hoped that I could come here and be with all of you tonight.

The first was to thank you personally for this kind resolution which was passed yesterday and for this beautiful plaque.

You know, so many resolutions are just simply empty rhetoric, but this one deeply impressed me with its poetry and its accuracy and its very great wisdom.

Another reason I wanted to come here tonight to be with you is that this is a political year. Many of you are involved in campaigns for reelection.

You have my sympathy. For, somehow, I know just how trying that can be.

Finally, I guess I must be frank and just say to you that I realize that it would be somewhat safer for me to deliver a message to you personally than to send it by wire.

The honor that you have done me tonight is one I treasure.

Your understanding and your active support have been vital elements in the passage of so much landmark legislation during the past five years. And as we meet here tonight, for perhaps our final session together, we know that a nation has been changed—and that nation has been changed for the better—because of the hard work and the vision that so many of us have shared.

We have brightened the classrooms and the prospects of the 12 million poor boys and girls through the Elementary-Secondary Education Act.

College gates have opened for 1½ million young men and women because of the grants and loans and work study programs under the Higher Education Act.

Seven and one-half million of the nation's grandparents have received the hospital treatment they need under Medicare.

Thirty-one million children have already been vaccinated aganst killing and crippling diseases and 5½ million Americans have been lifted out of poverty.

The shameful barriers that have kept our 20 million Negro citizens from full participation in the American promise have at long last begun to fall.

Nearly 800,000 acres of warm beaches and scenic forest lands have been added for the pleasure of our children and American people—and put within their easy reach.

But these proud accomplishments do not mean that our work—even for this year—is over.

Pending before the Congress now are more than 50 major bills which I believe are essential to the well-being of all of the American people.

On this list of unfinished work are proposals to:

Protect our teenagers against the peril of dangerous drugs.

To protect our people from guns in criminal hands.

To protect our city dwellers and farmers alike against the hazards of unemployment and low prices.

To protect our workers against hazards to life and limb and health on the job.

To preserve our forest and our scenic trails and rivers.

To begin immediately the vital task of putting a decent roof over every family's head.

To help stop the spread of nuclear weapons around the world by ratifying the Non-Proliferation Treaty which has been negotiated.

I seek your help tonight in moving these measures through the Congress so that they can become the law of the land.

On this silver plaque which you have etched your faith in the new concept of Federalism which we have forged—the active partnership in which the Federal and State Governments work together to meet the needs of the American people.

No effort that I have made during my years as President has commanded a higher priority than the alliance which unites us in common endeavor. I am deeply mindful of the high importance of your office. I am deeply aware that State government is the very cradle of our democracy. I had my first glimpse of public service at my father's side at the State House at Austin.

I have worked closely with Governors and State Legislators all of my adult life. One of my first acts in the first week of my Presidency was to meet with all the Governors so we could chart together a road to progress from an hour of national tragedy. Since then, I have conferred with you—individually and together, in regional groups—more than 700 times.

I hope that my successor, whoever he is and whatever party he represents, will continue this very close relationship. I am convinced that no future President can effectively administer the network of grant-in-aid programs without the cooperation of the Governors of the States of this Union.

One question that we are going to have to look to and look to very soon—is how we can simplify the relationship and liaison not only between the White House and the Statehouse but between the Federal and State bureaucracies.

Tonight, we are all aware that some voices are calling for drastic modification in our alliance—a smaller role for the Federal government, and a larger role for the States. This is an important issue, and one on which much of our future will turn.

In less than a decade, we will begin our third century as a nation.

Our second century, which began with the industrial revolution, was marked by an expanding Federal role in the affairs of our citizens.

At no time in that century was the Federal Government eager to take on increasing responsibilities. In some cases, in fact, the Federal Government delayed assuming responsibility until it was almost too late. Our cities decayed almost to the point of obsolescence. Our Negro citizens waited for tomorrow's justice—and tomorrow seemed to never come.

Responsibility was passed to the Federal Government by default—after and only after, it became clear that the States would not or could not solve the problems that pressed in on all their sides.

Tonight, there might not be any Federal—
Hill-Burton law for hospital construction,
Any Federal Medicare,
And Federal Minimum Wage Standards,
Any Federal Civil Rights Acts,
Any Federal Aid to Elementary or Secondary Education or Higher Education.

That is, if the States, in the course of that second century of our development has responded to the emerging need of the people. But even the states—and in most instances led by their governors—urged Congress to pass these landmark measures because the local entities of the Government had not been able to meet the needs that the people felt had to be met.

So the questions that confront us tonight are these: What direction will America take in its third century? What will the role of our Government be?

The answer, I believe, is that the Government will be just as active, and just as powerful, as the states and the people in the states compel it to be.

By 1976 our population will reach 222 million, an increase of 11%.

26 million new housing units will have to be built.

6 million acres of land will be given over to the development of new suburbs and highways and industrial complexes. And unless forceful action is taken, the opportunity of city children to enjoy open spaces will be lost forever.

By 1976, our annual birth rate will be 5.3 million per year. Each of these children, born into this land of medical miracles, should have the right to start life with as sound a body and mind as science can give him.

By 1976, our classrooms will have to accommodate more than 62 million students—that is four million more students than in school today. This will be necessary if we are ever to realize our dream of every American child getting all the education that he can take—regardless of his family condition, or the accident of his place of birth.

As our industries grow and our economy expands, a constant fight will have to be waged to provide our American citizens with air that is fit to breathe and water that is safe to drink.

In the next decade we must increase our farm production by 25 to 30 percent to meet the needs of our growing nation and to meet the needs of America's export markets.

Who is going to solve these problems? And where will they be debated and where will they be resolved?

If anyone doubts that the questions pose a dilemma, let him consider the issue of crime in America at this very hour. Our Constitution, and the tradition of our land, make it abundantly clear that law and order are the responsibilities of the state and local governments.

Yet, when the crime rate soars, Americans in every section of the country—and even many of their local leaders—look increasingly to Federal Government for solutions.

The Federal Government does not seek and has never sought the responsibility of policing out streets—and I hope and I pray it will never accept it.

But if the American people look to Washington in a matter so clearly defined as this, by Constitution, it could betray a weakness in our partnership.

Hard decisions confront this partnership, and they cannot be postponed.

I believe that every governor is going to have to examine closely his state's system—particularly property taxes—to make sure that the system encourages rather than inhibits improvements in the cities.

A solution is going to have to be found in every state to the vexing problem of how to use the tax base of the metropolitan area to improve the central city.

More effective ways will also have to be found to use the State Employment Services which have been aided by the national Government but must not be replaced by the national Government.

This year, in the last few months, we have launched the most ambitious efforts in our nation's history to find private jobs in priate industries for the hard core unemployed in our cities. Already, industry has pledged, in the last few weeks, 162,500 jobs for men who never had a job before.

But before those jobs can be filled, the unemployed have to be located and they have to be matched to the available jobs. This just never can be done in the Nation's Capital.

The State Employment Agency is the only working instrument. I am sorry to say, only 35,000 of these 162,000 have been finally located to take over the work that is ready for them. So, if those 162,000 jobs are to be filled, and if men and women who have lost hope are to be given a new chance in life, the State Employment Agencies will have to secure results on a much more massive scale.

It is those same Employment Agencies that must find jobs for our returning servicemen who are unprepared for civilian employment.

The one clear fact of our time is that solutions are going to be found to these problems.—Now they are going to be found in one way or the other. The needs of our people are going to be met.

The only question is how are they going to be met. The next question is, who will meet them.

Either together we are going to find jobs for our unemployed and our returning veterans—or they are going to make their demands on the Federal Government.

Either together we are going to make our Model Cities program an outstanding success—or the U.S. Government will have to make it a success.

Either together we are going to protest our infants against mental and physical disease—or the people will look to the National leaders to again expand the Nation's medical role.

Either together we are going to provide the loans and scholarships and part-time jobs to make college education possible for every boy and girl who wants it—or the National Government will have to do it alone.

I hope and I believe the answer to these challenges can be and will be met by the kind of cooperation and the joint action that we have taken together during the past five years.

I appreciate so much what each Governor and each state, with the cooperation of Governor Price Daniel and the other three Governors who have worked with him, have done in trying to make this cooperation a success.

The answer must never lie entirely with the Federal Government. I have always believed and I know that you believe that the best Government is the Government which is closest to the people. And you Governors can supply that closeness. That is your strength and that is really the strength of our Nation.

I want to conclude tonight by giving you a report on this country's search for peace.

If any fact is clear, it should be this: Everybody in America wants peace. Our Government wants peace, our men in Vietnam want peace, your President wants peace.

Yet some among us seem to feel that I, or we alone can bring peace to the world and peace in Vietnam. They seem to ignore the presence and the irreconcilability of the enemy.

I said in a speech on the night of March 31 that America would use restraint on the battlefield as we sought for peace at the bargaining table.

We have employed that restraint. We have kept that promise.

We are doing everything that we know how to do to get the enemy to meet us at least half way. Up to now, they have shown no disposition to do that.

We are willing to go as far as honor and safety to our soldiers will permit us to go. But we are not going to impose a coalition government—or for that matter, any kind of government—on the people of South Vietnam. Nor are we going to let the totalitarians impose a Communist government of their direction upon the people of South Vietnam, either.

So the days that we are going through and the days ahead are going to be difficult. We are determined to press the search for peace, even as we resist aggression on the battlefield. We are going to continue to try to resist the efforts to split our country wide open and divide our citizens.

And with all the power at my command, I am going to try to do my duty as I see it, regardless of the pressures and the strains that come longer in any political year.

When President Thieu and I met last week in Honolulu, we tried to make our position clear. We are determined that a cease fire could be a part of a final peaceful settlement—and that such a cessation will be possible whenever the government of North Vietnam is prepared earnestly to examine the arrangements required. Effective controls and guarantees will be necessary.

We agreed that an honorable and secure peace will assure the right of the South Vietnamese people to decide their own affairs without any external interference. It will be in accord with the essential principle of the Geneva Accords of 1954 and will provide full compliance with the Geneva Accords of 1962, regarding Laos.

Now, that is the position of the United States Government. That position is a fair position. That position is a just position. That position is a reasonable position. I am here tonight to the extent that I can to assure you that position is a firm position of the United States Government as long as I am in office.

So, we do not get peace just because we wish for it. We hope and we always pray for the peace, but we must be prepared for what comes.

I am very sorry that this is the last time that I will attend one of your sessions as President.

When I look back over the long road that we have traveled together over the last five eventful years, I feel a sense of accomplishment and satisfaction.

But then I look ahead—not just to January 20, but down the long road that our Republic has yet to go, into our third century of independence.

Then I get a somewhat different feeling. It can best be described by telling you this story that I read about Winston Churchill—which may or may not be true.

It seems that at the height of World War II, amidst great danger, the Prime Minister was visited by a delegation of temperance ladies.

They came to complain about Mr. Churchill's drinking habits.

"Mr. Prime Minister," one of the ladies said, "if all the brandy that you drank in a year was poured into this room, it would come half way up to the ceiling." And she held up her hand to illustrate to the Prime Minister.

The Prime Minister looked solemnly at the floor. Then he looked at the ceiling. Then he looked at the little lady's hand at the mid-mark.

And he muttered sadly, "So little done. So much yet to do."

So in spite of how far we have come, we have so far yet to go. In spite of all that we have done together, we have not done nearly enough. In spite of all we have accomplished the problems that face our men in Vietnam tonight as they struggle to protect the things we believe in, and that face our leaders here at home who try to serve us the best they can—in spite of all those things, we must reach up to the heights and do a better job for this country.

I have not the slightest doubt that it is the desire and the determination of every Governor at this Conference to represent his State and his people and his country as best he can.

In my 37 years of active political participation, I have never seen any man in any party who ran on a platform of doing what he thought was wrong. We all think we are doing what is right. Sometimes we make mistakes and misjudge what is right and what is wrong. But we all try to do our best.

In the days ahead, we are going to be required to make better judgments, to have greater wisdom, to be possessed with more vision. We have the greatest nation in all the world, and we must rise up in this critical hour to meet these challenges, inventory our resources, list our needs and try to reach progressive, prudent judgments that will result in the greatest good for the greatest number.

When I first entered political life I was asked my philosophy. I shall try to keep that philosophy to the end. First of all, I want to be a free man. Second, I want to be an American. Third, I want to be a public servant and try to serve all the people of all nations and all creeds without fear. Fourth, because I believe I can best serve my country, I want to be a Democrat—all in that order: man. American, public servant, and finally a Democrat.

For those Governors of both parties who have given me their hand in friendship, who have gone with me in the hours of trial and the hours of sunshine, I have come here to express my deep gratitude on behalf of myself and my family, but particularly on behalf of the 200 million people that we are all privileged to serve. They give so much. They ask for so little.

We have got to preserve the freedom that they cherish and we will.

Thank you.

Mr. MORTON subsequently said: Mr. President, I read with great interest the remarks of my colleague from New York given earlier today. I am sorry I could not be here, because of an important committee meeting, at the time he presented his remarks to the Senate. I certainly am in complete concurrence with him.

I think that we are back in the same old straitjacket, so far as Vietnam is concerned, that we found ourselves in some 6 months ago. As all Members of this body, I had hoped the cease-fire conferences in Paris would be productive. I am afraid they are not, and I feel sure that the recent meeting in Honolulu makes those conferences more counterproductive. I commend the Senator from New York for what he has said, and I trust the American people will indeed give further thought to the dilemma in which we now find ourselves.

Mr. JAVITS. Mr. President, I am grateful to my colleague for his very gracious comments, especially considering his fine experience in the foreign relations field and his very important experience as a former high official in the State Department and as a Senator.

Mr. HATFIELD. Mr. President, I want to commend the very able and distinguished Senator from New York on his remarks about the Vietnam war and the stalemate—the double stalemate—which exists in Vietnam and in the peace talks in Paris. I believe that Senator Javits has given us a well-reasoned and thoughtful argument to support the unconditional halt of all bombing north of the demilitarized zone. As one who has spoken in opposition to the Johnson administration's policy in Vietnam for more than 4 years, I would like to add a few words of my own to those already offered by Senator Javits.

To be perfectly frank about our position in Vietnam, I think we should all fully understand that we have lost this war in every way but militarily. And the irony appears to be that we cannot win the Vietnam war militarily. At this point I have little or no hope that we can achieve a "just and honorable" peace on the President's terms.

So what should we do? Instead of haggling back and forth for months or perhaps even years over various phases and steps of our extrication from Vietnam, instead of granting piecemeal all of those things which we will have to concede in the end anyway, why not openly confront the real issues. We should tell the North Vietnamese that we will stop all bombing of the north and immediately remove all of our troops and bases from the South with only one condition: That they agree to hold an internationally supervised election in South Vietnam open to all citizens and parties so the South Vietnamese can choose, themselves, who will be their legitimate leaders. We should pledge, further, that if the elections are honest and the results accepted by the North Vietnamese and NLF, we will give up to $1 billion in economic aid yearly for a specified number of years to whatever government is elected to aid in the restoration of a country which we have helped to destroy. This aid to the new government should also be predicated on the condition that whoever wins the election shall not take political reprisals against the losers.

We would also have to be willing to protect these people who would fear for their lives once the shield of American power is removed. We should grant them political asylum and help them resettle in the United States or in some other country where they are welcome.

I would like to add, Mr. President, that I am acutely aware that for some Americans, particularly those who have lost someone in the Vietnam war, that it will not be the least bit easy to admit our mistakes and rationally decide to cut our losses. There will be a continued temptation to up the ante, so to speak, just one more time in a desperate gamble to recoup our losses. But continued blood letting in Southeast Asia, in my judgment, is no way to give meaning to the sacrifices already made. Our debt to those who have given their lives cannot be paid with more dead Communists or with more of our own comrades, but with peace.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering nominations which were reported earlier today from the Committee on the Judiciary. This meets with the approval of the distinguished minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. DISTRICT JUDGES

The legislative clerk read the nomination of Alexander A. Lawrence, of Georgia, to be U.S. district judge for the southern district of Georgia vice Frank M. Scarlett, retiring, and Orma R. Smith, of Mississippi, to be U.S. district judge for the northern district of Mississippi vice Claude F. Clayton, elevated.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

U.S. CIRCUIT JUDGE

The legislative clerk read the nomination of Lewis R. Morgan, of Georgia, to be U.S. circuit judge, fifth circuit, vice Elbert P. Tuttle, retired.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. CUSTOMS COURT

The legislative clerk read the nomination of Samuel M. Rosenstein, of Kentucky, to be judge of the U.S. Customs Court vice Webster J. Oliver, retired.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. COURT OF CUSTOMS AND PATENT APPEALS

The legislative clerk read the nomination of Phillip B. Baldwin, of Texas, to be an associate judge of the U.S. Court of Customs and Patent Appeals vice I. Jack Martin, deceased.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. YARBOROUGH. Mr. President, I congratulate the Senate for its vote to confirm Mr. Phillip Baldwin of Marshall, Tex., to be an associate judge of the U.S. Court of Customs and Patent Appeals. He is excellent judicial material.

Phillip Baldwin has served his country and his fellow citizens well. As an Air Force pilot in World War II, he received numerous decorations in both the Asiatic and Pacific campaigns. As a district attorney for 7 years he prosecuted with great fairness, assuring that the basic right of all of those he served were adequately protected.

I have had the pleasure of knowing Phillip Baldwin and his family well. He is a vigorous civic worker, an active participant in his church, and his loyalty and integrity are beyond reproach. I congratulate the President on his nomination and my fellow Senators for their confirmation.

U.S. ATTORNEYS

The legislative clerk read the nomination of John H. Kamlowsky, of West Virginia to be U.S. attorney for the northern district of West Virginia for the term of 4 years, and Sidney I. Lezak, of Oregon, to be U.S. attorney for the district of Oregon for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

U.S. MARSHAL

The legislative clerk read the nomination of Louis H. Martin, of California, to be U.S. marshal for the northern district of California for the term of 4 years vice Edward A. Heslep, retired.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES

The legislative clerk read the nomination of Theodore Jaffe, of Rhode Island, to be a member of the Foreign Claims Settlement Commission of the United States for a term of 3 years from October 22, 1968.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL GUARD TECHNICIANS ACT OF 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1426, Senate bill 3865.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3865) to clarify the status of National Guard technicians, and for other purposes.

Mr. MANSFIELD. Mr. President, it is my understanding that the bill has been cleared on both sides, and on that basis it is being brought up at this time.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

PURPOSE

Mr. STENNIS. Mr. President, the pending bill entitled "The National Guard Technicians Act of 1968" is one of the most complex legislative items to be considered by the committee in the past few years. The complexity of this matter is due to the multiple mission of the technician program as a part of the National Guard which, as the Members of the Senate realize, serves both a State and National purpose.

The basic purpose of this bill, Mr. President, is to provide Federal employee status for the technicians thereby establishing for them a uniform and adequate retirement and fringe benefit program and at the same time provide for statutory administrative authority at the State level for the technician program in recognition of the military requirements and State characteristics of the National Guard.

DESCRIPTION OF TECHNICIANS

Mr. President, I should first like to describe the present technician program. The technicians, formerly known as caretakers and clerks, are full-time civilian employees of the National Guard. About 95 percent are required to hold concurrent National Guard membership as a condition for their civilian employment. In a legal and technical sense, they are civilian employees of the State concerned. However, they receive their salaries wholly from Federal funds and are required to meet all the mental and physical standards, as well as the professional qualifications, prescribed by the military departments for membership in the National Guard.

The concept of the technician program is that the technician guardsman will serve concurrently in three different ways. First, perform his full-time civilian work in his unit; second, perform his military training in his unit; and, third, be available at all times to be called to active Federal service. The technicians serve in about 750 different jobs throughout the Guard involving all phases of training, administration, and maintenance of equipment.

The problem giving rise to this bill is the fact that there is no uniform national retirement and fringe benefit system for the technicians who are presently State employees. About 16,000—40 percent—are covered under State retirement systems and about 38,000—92 percent—are covered under social security. Of this total, however, 24,000 are dependent on social security alone for their civilian retirement coverage. Fringe benefits, such as group health and life insurance, depend on State coverage.

LEGISLATIVE ISSUES CONSIDERED BY THE COMMITTEE

Mr. President, last year the committee conducted extensive hearings on H.R. 2.

Title II of this bill in effect would have converted the technicians to Federal employee status but with 100-percent recognition for past technician service for civil service retirement purposes and with limited statutory administrative controls at the State level for the technicians. As we all know, until the National Guard is called into active Federal service, it is, under our system of government, an organization of the States and, in effect, under the command of each Governor. If the technicians were to become Federal employees and thereby come under all of the Federal civil service rules which have been established without regard to any authority of the States, there would certainly be no clear-cut lines of authority regarding the supervision of the National Guard.

The committee was therefore concerned last year on the effect of the bill on the entire Federal-State relationship of the National Guard. The second issue was the cost implications on the civil service retirement fund involved in granting full credit for past technician service for civil service retirement purposes. Because of these and other problems, Mr. President, the committee decided to make a fresh start on this legislation. The bill before the Senate is a committee bill, what we term an original bill. I should also emphasize that this bill before you was unanimously agreed to by the Committee on Armed Services.

OTHER ALTERNATIVES EXAMINED

In reexamining this entire matter, I should like to call to the attention of the Senate two alternatives which were considered. First, the committee requested rather detailed information from all of the various Governors with a view toward possible legislation which would encourage a greater number of States to bring the technicians under their State retirement systems. In the final analysis this alternative appeared impractical, Mr. President, in view of the many different systems for State retirement, the varying costs, and the fact that there is no means of compelling States to accept technicians into their systems.

The committee also examined what might be termed the State "militia" approach. Under this concept the technicians in lieu of becoming Federal employees would have been placed on State military duty, but paid Federal civilian salaries based on comparable general schedule and wage board rates. In addition, technician benefits would have been identical to those of career active military members and a new retirement system would be established closely related to the military system with the technicians retiring in their military rank rather than a civilian status.

The committee did not adopt this approach, principally because of the complexities arising out of the establishment of a retirement system which would be unrelated to the technicians' civilian earnings. There was also the matter of the additional cost of this program as compared to the bill now before the Senate.

SUMMARY OF BILL

Mr. President, the bill before the Senate in the unanimous view of the committee represents the most practical and equitable approach to the technician problem. In summary, the bill will convert the technicians to Federal employees as a matter of law resulting in their receiving Federal job descriptions, salaries, and fringe benefits. At the same time, the bill enumerates supervisory controls which will remain at the State level. With respect to past technician service the bill recognizes such service in full for certain fringe benefit purposes, in full for civil service eligibility, and to the extent of 55 percent for the purpose of civil service retirement computation.

I shall now discuss in some detail the principal features of the bill.

BROADENED STATUTORY SCOPE FOR TECHNICIAN EMPLOYMENT PROGRAM

For many years the permanent provisions of law relating to technicians which define them as "caretakers and clerks" and contain other limitations with respect to grades and numbers, have been suspended under various appropriation acts.

The bill deletes the obsolete permanent law provisions and provides authority under which technicians may be employed for two broad purposes—first, the administration and training of the National Guard; and, second, maintenance and repair of equipment and supplies for the Guard or the Armed Forces. The language of the bill will not enlarge the technician program but will provide by law what is presently being done as a matter of regulation.

In addition, Mr. President, the bill provides that unless the Secretary makes an exception, military membership in the National Guard will be a condition for civilian employment. About 95 percent of the technicians would be in this category. Moreover, the positions requiring military membership would be outside the competitive Civil Service due to the requirement for concurrent National Guard membership.

PERMANENT STATUTORY CEILING OF 42,500 ON THE NUMBER OF TECHNICIANS

Mr. President, the bill provides that the number of technicians who may be employed at any one time may not exceed 42,500. The Department of Defense budget request for the technician end-strength for June 30, 1969, calls for 42,173. This limitation therefore will not cause any reduction in the present technician program.

The committee fully recognizes that the technicians are an essential element of the National Guard. At the same time, as we all know, there is a tendency toward expansion in any Government employment program. Greater efficiencies and economies can be achieved if there is a numerical limit within which it is known the program must operate. I might observe, Mr. President, that from 1955 through what is proposed for June 30, 1969, the paid drill strength of the National Guard will have increased from about 420,000 to 485,000 or an increase of 15.5 percent. During this same period, however, the number of technicians will have increased from 25,000 to about 42,000 or an increase of about 68 percent. These figures therefore emphasize the necessity for a numerical ceiling.

CONVERSION TO STATUTORY FEDERAL EMPLOYEE STATUS

Mr. President, under the bill technicians on the effective date of the act and those to be employed in the future will become Federal employees as a matter of law. Their job descriptions will be converted to general schedule or wage board positions. They will receive the Federal salaries of their new grade although no substantial increases or decreases are anticipated since they already receive comparable Federal wages. In addition they will be covered in the same manner as other Federal employees for the various fringe benefit programs including group health and life insurance, and the other benefits provided by statute.

CREDIT FOR PAST TECHNICIAN SERVICE FOR FRINGE BENEFIT PURPOSES

Mr. President, the bill provides that past technician service will be counted in computing the technicians length of service with regard to certain specified fringe benefits, which are group health and life insurance, leave, severance pay, tenure, status, and compensation for injury and death. The significance of past service credit for these purposes is discussed in detail in the committee report on pages 6 and 7.

RECOGNITION OF PAST SERVICE WITH RESPECT TO CIVIL SERVICE RETIREMENT

Mr. President, for the entire technician force the average amount of past technician civilian service is about 8 years and the past active military service 3 years, totaling about 11 years of past service. The spread of past service ranges from 1 to 30 years. In trying to arrive at a solution fair to both the Government and the individual with regard to credit for past service for civil service retirement purposes, the committee had a choice ranging from nothing to 100 percent. The formula contained in the bill is as follows:

First. Full credit for all past active military service for all retirement purposes. Existing law which already provides this recognition would not be amended.

Second. Past civilian technician service would be recognized in full for civil service retirement eligibility.

Third. For civil service retirement computation, however, recognition would be extended to the extent of 55 percent for each year or fraction thereof.

On page 8 of the committee report is a discussion of the formula and on page 30, chart 3, are examples of the effect of the formula on technician retired pay.

The committee was of the unanimous opinion that this was a fair proposal both for the technician and the Government.

I should observe, Mr. President, that a total of $77,954,000 has already been paid in Federal funds as the employers' share on behalf of technicians either to the social security fund or to State retirement funds. Had the present technicians been under the civil service system during this same period of time from fiscal year 1955 through June 30, 1968, the Federal Government would have paid into the civil service retirement fund $142,805,000. A strong case could be made therefore that the Government has already invested 54.59 percent—$77,000,000 out of $142,000,000—with a remaining contribution owed therefore of 45.41 percent. Rather than limit the contribution to 45 percent, however, the committee is recommending that 55-percent past technician service be creditable.

In not adopting the approach of giving 100-percent credit for past service as contained in the House-passed bill of last year, I should observe that about 20,000 of the technicians have already acquired a vested interest in future social security payments because of having completed 40 quarters of coverage. Furthermore, about 4,400 have acquired a vested interest to a future State annuity because of past service. Finally, all of the technicians, if they complete the required 20 years of Reserve service, will be eligible for Reserve retired pay at age 60. This program is available to any reservist but deserves special mention in this regard since it is a part of the normal technician employment program.

EFFECT ON CIVIL SERVICE RETIREMENT DEFICIT

Mr. President, I would like to make the following observations regarding the cost of past technician service to the civil service retirement fund. Based on salaries as of January 1, 1968, and assuming that appropriations are made when retired pay is paid, the cost to the civil service retirement fund based on the 55-percent credit formula will be $750,000,000 assuming an average age at retirement of 60 years. If the average age is 55 on the same assumptions, the past service cost will be $1,000,000,000.

If 100-percent credit had been authorized, the cost for past service based on an average age of 60 would have been $1,157,000,000 and with the average age of 55, $1,542,000,000. The 55-percent formula therefore reduces the cost to the fund by $407,000,000 assuming an average age at retirement of 60 years and by $542,000,000 assuming a 55 average age of retirement. Mr. President, these figures undoubtedly understate the probable cost since they are based on January 1, 1968, pay rates. The charts on pages 28 and 29 set forth all the details of past service costs.

UNPAID DEPOSITS

Mr. President, the basic civil service laws provide that creditable service must be matched with a contribution by the individual. If the individual does not make the 6½-percent contribution or deposit, there is an annuity penalty made against the person's retired pay equal to 10 percent of the unpaid deposit plus interest. The bill does not alter this basic formula but does contain language which conforms the required deposit to the 55-percent formula.

SUPERVISORY AUTHORITY AT THE STATE LEVEL

Mr. President, I shall now discuss the statutory controls which the committee felt were essential in order to recognize the military requirements and State characteristics of the National Guard. The underlying premise of these controls which would supersede the normal civil service rules and regulations is the fact that the National Guard until it is called into active Federal service is a State organization subject to the sole command and control of the Governor concerned. It is essential that the technicians who constitute only about 8 percent of the total National Guard force be subject to the same rules as the remaining National Guard elements. Furthermore, I would reiterate that 95 percent of the technicians hold a dual military status in the form of both a State military rank and a Federal Reserve rank. In order therefore to avoid conflicting statutory provisions as well as to insure efficient supervision, the bill provides for certain specified supervisory authority in the adjutants general concerned. All of this authority I would emphasize, Mr. President, will be subject to uniform regulations by the Department of Defense.

The bill provides for specific statutory administrative authority as follows:

First. That the Secretaries shall designate the adjutants general to employ and administer the technicians. He will therefore be the sole agent for these purposes.

Second. That the adjutants general may separate technicians from civilian employment in instances involving loss of the required military Guard membership, failure to meet military security standards, or separation for cause.

Third. That the adjutants general will accomplish any actions regarding reductions in force, removal, or adverse action involving discharge, suspension, reduction in rank or compensation.

Fourth. That the right of appeal with respect to any of the foregoing actions shall not extend beyond the adjutants general of the jurisdiction concerned.

The foregoing provisions, Mr. President, which are discussed in detail in the committee report, are necessary to insure an efficient operation of the technician program. I would also emphasize that these provisions conform to the present operation of the program which is controlled only by regulation.

OTHER FEATURES OF BILL

Mr. President, I shall refer briefly to certain other features contained in the legislation.

First. There is language providing that persons now under a State retirement system may elect with the consent of the State to remain in the State retirement system in lieu of coming under the Federal civil service retirement system. This election, once made, is final.

Second. There is special authority under which the Secretary of the military department may prescribe the hours of work with the further requirement that the Secretary grant compensatory time off for any overtime work in lieu of overtime pay. Irregular hours are normal in the National Guard and are therefore inherent in all technician jobs. This is a normal aspect of technician employment. The compensatory time off feature will continue under law what is the existing practice under regulation.

Third. The bill provides that the so-called veterans preference provisions will not be applicable to technicians and will therefore continue what is the present practice in this regard. The committee is of the firm view that the dual nature of technician employment along with the necessity for supervision at the State level would make it very difficult to apply the concept and rules of veterans preferences to the technician program.

Fourth. That for technicians employed at air defense sites additional annual premium pay in an amount not to exceed 12 percent of the level of a GS-10 will be authorized. There are about 5,100 technicians employed at air defense sites of whom about 4,500 average duty-hours of 62 hours per week as a part of their normal work week. For this group, the Secretary concerned would authorize an additional 12 percent in pay.

COST AND EFFECTIVE DATE

Mr. President, the additional annual cost in the defense budget for this legislation would be $13.4 million. With an effective date of January 1, 1969, the cost for the current fiscal year would be $6.9 million. The effective date of January 1, 1969, is recommended in view of the administrative details necessary for implementing this program of converting the 42,000 technicians to Federal employee status.

FINAL COMMENT

Mr. President, I have discussed the major features of this legislation. The committee report further amplifies these matters and covers the other details of the legislation.

The bill before the Senate is a long-considered and carefully drawn measure aimed at providing a fair solution for all of the issues involved. I urge the Senate to unanimously pass S. 3865.

Mr. President, I ask unanimous consent to proceed for not to exceed 5 minutes in further presentation of the bill.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

Mr. **STENNIS**. Mr. President, this bill was originally title II of H.R. 2 that we passed last year. It was passed by the House of Representatives last year with title I and title II. When the bill came to the Senate, the Senate deleted title II which dealt with the subject matter of this bill.

We have worked on the matter a great deal since then, and have gotten together now a bill that the Armed Services Committee thinks meets the requirements and meets the conditions, and at the same time is restricted and limited. It keeps these technicians, in effect, under State supervision, even though they are in the federal system as employees.

Mr. President, the pending bill was studied a long while by the full committee, and it came out of the full Armed Services Committee with a unanimous vote, although a member or two of the committee had some reservations about it that they may want to express on the floor. It represents the thought that this is the best bill possible under the circumstances applying to the problem.

Mr. **BURDICK**. Mr. President, will the Senator yield?

Mr. **STENNIS**. I am glad to yield to the Senator from North Dakota. I may say that we have a time problem here, and there is another matter coming up. I received 5 minutes.

I am glad to yield to the Senator from North Dakota.

Mr. BURDICK. The Senator said the pending bill was really title II of old H.R. 2?

Mr. STENNIS. Yes.

Mr. BURDICK. This feature of H.R. 2 was delayed for further consideration?

Mr. STENNIS. Yes.

Mr. BURDICK. Did the committee give consideration to having the effective date of this bill the same as H.R. 2?

Mr. STENNIS. No.

Mr. BURDICK. What was the effective date of H.R. 2?

Mr. STENNIS. July 1, 1967. It was passed last year and made retroactive because of its particular subject matter. The pending bill could not be backdated. It involves money and payments, and it would be highly impractical. I will say, with all respect, to try to backdate it.

Mr. BURDICK. There was no support in committee to backdating it to make it concur with H.R. 2?

Mr. STENNIS. No; there was not. When we got into it, we found it was impossible to do it that way. We even had to place the date forward in order to get ready to carry it out. This is a very comprehensive plan, involving among other things, converting the technician jobs to Federal classified on wage board positions. The effective date will be January 1, 1969.

Mr. BURDICK. Would there be any disposition on the part of the able Senator to consider an amendment to place the date back?

Mr. STENNIS. It would throw the whole plan out of line and would very substantially alter the plan adopted by the committee. I am sorry, but I could not agree to the amendment.

Mr. BURDICK. I thank the Senator.

Mr. STENNIS. I thank the Senator from North Dakota.

Mr. THURMOND. Mr. President, last fall when the Senate acted on title I of the Reserve bill of rights, the legislation was passed by a vote of 83 to 0. At that time the members of the Armed Services Committee acknowledged that more study was needed before the committee could bring to the floor a suitable bill for title II—Reserve technician retirement.

National Guard technician retirement is one of the most complicated aspects of the entire Reserve situation. The technicians are full-time employees of the National Guard, and also hold National Guard membership. They are State employees, but in many States they are not eligible for particiation in State retirement systems or fringe benefits.

Because of these varied employment situations by locality, the Armed Services Committee found it difficult to construct retirement legislation for all technicians without encountering unexpected windfalls or preferential or discriminatory treatment. Yet it was obviously a problem that required attention. National Guard authorities reported that the absence of an adequate retirement system militated against recruitment and retention of men that the Guard needed badly.

In this regard, I would like to quote from a letter that I received from a supervisor in the program. He said:

> In past years, as a supervisor, I have seen many highly skilled, experienced and very desirable persons refuse National Guard Technician employment because of no retirement benefits. Also, those employed, after receiving very costly training, experience and time, leave for employment elsewhere having retirement and other benefits. In most cases, this imposed very serious setbacks in meeting essential operational requirements.

It is the unanimous opinion of the members of the Armed Services Committee that the National Guard technicians bill, S. 3865, which is now being considered, will greatly aid technician recruitment and retention. This bill not only provides adequate retirement and fringe benefits, but it also recognizes the requirements of the National Guard as a military and State organization.

The State adjutant general is the sole agent for employment and supervision of the technician program. In other words, under regulations issued by the service Secretary concerned, the adjutant general does the hiring and firing of technicians and represents the final level of appeal in certain adverse personnel actions.

In the committee deliberations on this bill, there was minor disagreement over the amount of previous technician service that would be granted for purposes of civil service retirement. Some members advocated 50 percent, and others—including myself—supported 60-percent credit. In view of this difference and in consideration of costs to the Government as well as the rights of the individual technician, the committee settled on 55-percent credit for past service.

There are many other provisions of the bill which apply to hours of work, leave, specific fringe benefits and conversion of technician positions to classified or wage board Federal positions. These are necessary and spelled out in detail and fully discussed in the report.

I think that this bill is an excellent piece of legislation. It required an unusual amount of staff work and expertise to prepare it. In this regard I should like to commend Mr. T. Edward Braswell for his diligent performance and contributions to the preparation of the legislation and its accompanying report.

Mr. President, I support this bill S. 3865 and recommend wholeheartedly that it pass. It is badly needed and needed now.

Mr. McINTYRE. Mr. President, I rise today in support of S. 3865, the National Guard Technician Act of 1968.

This legislation is long overdue and goes far toward correcting obvious inequities in the status of the 41,000 men who keep our National Guard forces in top readiness.

Many hours and much hard work have gone into our study of this legislation; and I am pleased that it has been reported favorably by the Committee on Armed Services.

I wish to congratulate the distinguished Senator from Mississippi [Mr. STENNIS] for his deligence and searching examination of the many problems that faced this particular bill.

I want to express my appreciation to Mr. Harry Bunting a congressional fellow currently serving my office for his long hours of study and research into the maze of details that confronted us as a committee.

The purpose of S. 3865 is to clarify the status of civilian technician employees of the Army and Air National Guard. Specifically, the bill would confer Federal employee status on civilian technicians employed by the National Guard in the 50 States and Puerto Rico, thus making them eligible for the various Federal employee benefits and better enabling Guard units to continue to maintain an adequate, stable force of capable, efficient and dedicated career employees.

As of June 30, 1968, there were 41,320 technicians authorized for employment by the National Guard—24,520 in the Army National Guard and 16,800 in the Air Guard. Their precise legal status is quite unclear. Although, on the surface, it might appear that they are employed by the States with salaries paid by the Federal Government, courts have ruled otherwise, and, in several cases, have refused to consider them as either State or Federal employees.

During peace time, the National Guard is under the aegis of the Governor of each State; and the National Guard technicians are employed by the State adjutants general. In that capacity, however, the adjutants general are acting only as designees of the Secretary of the Army and the Secretary of the Air Force. Technicians are hired under regulations promulgated by the two service secretaries, who fix their numbers and compensation. The technicians receive a Federal check from a Federal finance officer. Their cost-of-living pay adjustments are determined by a Federal wage board. Employer contributions of up to 6½ percent of individual compensation are authorized by Federal statute and paid from federally appropriated funds for social security and/or State retirement coverage, where such coverage is authorized by individual States. For workmen's compensation and unemployment compensation purposes, and for Government service awards, the technician is a Federal employee.

Yet he is not recognized by either State or Federal courts and is left in a legal "no man's land." Technicians are denied State civil service status, in all but 19 States, on grounds that the States do not fix their number, their compensation, their conditions of employment, or appropriate the funds to pay them. The States do not even participate in the salary payment process since disbursement is made directly to the technicians by the Federal Government.

Lacking any employer identity—State or Federal—the National Guard technician has no uniform retirement system, no employer-sponsored life or health insurance program, no merit promotion system, and no career plan.

Since the entire technician program serves the fundamental purpose of providing a constantly ready force capable of responding immediately to meet military requirements, civilian technicians are required to maintain a military position in the Guard, supplemental to their

own regular civilian position. The technician is confronted with the hazard of losing his essential National Guard membership, however, by virtue of ill health or length of service and the time-in-grade attrition provisions of the Reserve Officer Personnel Act. With the loss of his Guard membership, he then automatically loses his civilian employment as a National Guard technician.

Consequently, the lack of any adequate retirement and employee benefits program for the technician is particularly inequitable and detrimental to the capability of the National Guard to maintain an adequate force of dedicated, professional, career employees.

The Reserve Forces do not have this problem. Army and Air Force Reserve civilian technicians are already Federal employees—as are, of course, the District of Columbia Guard technicians. But the National Guard civilian technician is without such status.

Some States do provide some sort of retirement plan for their guard technicians. At present, however, State plans are in effect in only 19 States and Puerto Rico, and cover only about 40 percent of the total number of technicians in this country. Some 60 percent of the technicians, therefore, located in some 31 States, have Social Security Act coverage only. Moreover, of the 40 percent, or about 16,000 technicians covered by State plans, over 70 percent, or about 12,000, have no vested interest at this time.

Social security was authorized by Congress in 1954 for National Guard technicians. Although some 92 percent of these technicians are covered, only half, or about 20,000, have any vested interest at this time.

Under this legislation, all guard technicians would become Federal employees, essentially on a noncompetitive basis. All guard technicians in States providing no retirement coverage, and all civilian technicians employed after the effective date of this legislation, would be automatically covered under the Federal Civil Service Retirement Act. Those having State plans would have to elect between the two systems, unless their rights to the State plan had already vested.

This is not a new concept. It is the same principle contained in title II of H.R. 2 as passed by the House last year. That bill was supported by the Department of Defense, the Civil Service Commission, the Bureau of the Budget, the Governor's Conference, the Adjutants General Association, the National Guard Bureau, the Association of Civilian Technicians, the National Federation of Federal Employees, and almost every State.

The current legislation follows the general philosophy of H.R. 2, but with certain specific modifications.

The bill broadens the statutory scope of the technician program, eliminating limitations on grades, numbers and terminology and authorizes the employment of technicians for: First, the administration and training of the National Guard; and second, the maintenance and repair of supplies of the National Guard or the Armed Forces.

The bill, however, also includes language in the form of an authorization or specific statutory ceiling with respect to technicians.

It provides that the number of technicians employed at any one time may not exceed 42,500. This figure was arrived at in recognition of the fact that the number requested for fiscal year 1969 in the Defense Department appropriations bill was 42,173 as compared to 41,320 for fiscal year 1968. All technicians would become Federal civilian employees as a matter of law. The secretaries concerned would have the express authority to require National Guard membership as a condition for civilian employment, in much the same manner as the present regulation system.

There are certain modifications of the H.R. 2 approach to employment controls.

The bill provides that the Secretaries concerned will designate the State adjutants general as the sole employing agents for technicians.

In order to insure the continued complete state military controls so essential to effective operation of the National Guard, the bill provides that the final right of appeal for all technicians, including those with veterans' preference, shall not extend beyond the adjutants general with respect to a reduction in force or adverse actions involving discharge from technician employment, suspension for more than 30 days, furlough without pay or reduction in rank or compensation. Under this bill, a technician may be separated from his technician employment for cause by the adjutant general of the jurisdiction concerned. About 95 percent of the technicians would be in a noncompetitive Federal employee status with the requirement of military National Guard membership as a condition for employment. The bill provides that any technician who is separated from the National Guard or who ceases to hold the specified military grade shall be separated from his technician employment after 30 days' notice. Any technician whose position requires military membership and who fails to meet security standards established by the military department for the reserve components may be separated from his civilian employment as a technician and concurrently discharged from the National Guard.

The bill specifies that the right of appeal involving employment termination because of the loss of military grade, failure to meet security standards, or separation for cause would not extend beyond the level of the adjutants general. There is one other provision of the bill which permits officer technicians to be retained until age 60 despite the provisions of ROPA in the discretion of the Secretary concerned. Such discretionary authority is in existing law for National Guard officers assigned to State headquarters.

With respect to salary, all technician positions would be converted to either Federal classified or wage board positions at rates not less than their present salaries. The military departments will prescribe the hours of work for technicians; no added compensation is authorized for irregular or overtime work. but only compensatory time off shall be granted. This statutory arrangement conforms with existing practices in the technician program.

About 4,500 technicians employed at air defense sites average 62 hours per week, and some 200 others average 50 hours per week. The Department of Defense proposes premium pay of 12 percent for the former group and 8 percent for the latter. This bill authorizes premium pay in the amount of 12 percent of annual wages for those employed at air defense sites but such pay would be limited to the pay level not to exceed that of a GS-10.

As to fringe benefits, all technicians would be authorized the various health, life insurance, and other programs provided for all other Federal employees.

With respect to retirement, about 92 percent of the technicians are presently covered under the social security system as State employees. As Federal employees, technicians would not accrue credits under the social security system. About 50 percent of the technicians, however, some 20,000 men, already have a vested interest in future social security payments because of having completed at least 40 quarters of coverage. The remainder could add to their social security credits by virtue of their annual military training duty but not as Federal civilian employees.

About 40 percent or about 15,000 technicians are presently covered under some State retirement systems. A total of 4,500 technicians have acquired vested rights to future State annuities. Some would probably withdraw their contribution and be disqualified. The remainder, unless electing to remain under the State system, with the State's consent, would necessarily lose their future State coverage upon becoming Federal employees.

The bill would not affect the present program regarding eligibility under the Reserve retirement laws.

Of course, the key element of the bill is that by making the technicians Federal employees automatic coverage is provided under the civil service retirement system for technician service. Full credit for past technician service would be authorized for civil service eligibility purposes, but for retirement computation purposes past service would be limited to 55 percent. The unfunded liability of the civil service retirement fund is not affected by whether the technician makes a deposit to the fund for his unpaid contribution since by existing law his annuity is reduced annually by 10 percent of the unpaid deposit.

The rationale for arriving at the 55-percent figure for compensation for past services is that for the present technician population the Federal Government for fiscal years 1955 through 1968 contributed $58 million as the employer's share to the social security trust fund, and, since 1961, some $19 million to the various existing State retirement plans as the employer's 6½-percent retirement fund share. This $77 million Federal contribution to the technician

program is precisely 55 percent of what the Government would have contributed to the civil service retirement fund had the technicians been Federal civil servants all along. Since it is possible that the Department of Defense may be able to somehow recover part of the uncommitted payments to the State funds, however, and recognizing that these particular expenditures in no way actually affect the individual technicians, it was determined by the committee not to penalize the technicians the full 55 percent but rather only 45 percent, a figure much closer to the actual equitable balance owed, as it were, if only the past Federal contributions to social security, which benefited all technicians, were counted.

The credit for past technician service other than retirement would be limited to leave, workmens' compensation, group life and health insurance, severance pay, tenure, and status. Finally, the bill specifies that in order to receive past credit for civil service retirement purposes a person must be a technician either on the effective date of the act or at some future date.

That is the gist of this bill. Its effective date will be January 1, 1969. It is extensive and complicated and has been carefully combed and refined by the Armed Services Committee over the past year. I urge its acceptance and passage by the full Senate.

In every State of the Union, hundreds and thousands of National Guard civilian technicians, the backbone of the Guard, are dependent on the enactment of this equitable and just legislation. I urge its speedy passage.

Mr. CANNON. Mr. President, this bill is a fair solution to a complex problem and will be far less expensive than the House proposal. Technicians in the past have had no real incentive to regard their employment as anything but temporary since the majority have insufficient retirement protection. This bill would make technician service desirable and for the first time enhance it as a career. Such action is far past due since without an incentive, as normally provided by industry, the retention of the skills necessary to maintain highly complex mechanical equipment such as aircraft and munitions is very difficult.

Many of the technicians have been holding on with the hope that corrective action will eventually be taken. Should we fail to recognize this hope a mass exodus from the technician program will most assuredly follow. The record of the National Guard is a proud one. They not only serve the various States in time of emergency but the Federal Government as well. My State, the State of Nevada, has Guard units serving on active duty at the present time and so do many of the other States. These modern Minutemen need the wherewithall to do the job and the paramount requisite is qualified manpower. I have personal knowledge of the competition our Guard air units are receiving from the aviation industry where tenure and retirement benefits are prevalent. We have lost too many technicians in the past at the expense of National Guard combat potential.

I am sure the same applies to our ground units since they too are highly mechanized. As a member of the Armed Services Committee my colleagues and I have given this bill a great deal of study and feel that it will correct the mistakes of the past. I urge my colleagues to support this most important legislation.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 3865) was passed, as follows:

S. 3865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Guard Technicians Act of 1968".

Sec. 2. Title 32, United States Code is amended as follows:

(1) Section 709 is amended to read as follows:

"§ 709. Technicians: employment, use, status

"(a) Under regulations prescribed by the Secretary of the Army or the Secretary of the Air Force, as the case may be, and subject to subsection (b) of this section persons may be employed as technicians in—

"(1) the administration and training of the National Guard; and

"(2) the maintenance and repair of supplies issued to the National Guard or the armed forces.

"(b) Except as prescribed by the Secretary concerned, a technician employed under subsection (a) shall, while so employed, be a member of the National Guard and hold the military grade specified by the Secretary concerned for that position.

"(c) The Secretary concerned shall designate the adjutants general referred to in section 314 of this title, to employ and administer the technicians authorized by this section.

"(d) A technician employed under subsection (a) is an employee of the Department of the Army or the Department of the Air Force, as the case may be, and an employee of the United States. However, a position authorized by this section is outside the competitive service if the technician employed therein is required under subsection (b) to be a member of the National Guard.

"(e) Nothwithstanding any other provision of law and under regulations prescribed by the Secretary concerned—

"(1) a technician who is employed in a position in which National Guard membership is required as a condition of employment and who is separated from the National Guard or ceases to hold the military grade specified for his position by the Secretary concerned shall be promptly separated from his technician employment by the adjutant general of the jurisdiction concerned;

"(2) a technician who is employed in a position in which National Guard membership is required as a condition of employment and who fails to meet the military security standards established by the Secretary concerned for a member of a reserve component of the armed force under his jurisdiction may be separated from his employment as a technician and concurrently discharged from the National Guard by the adjutant general of the jurisdiction concerned;

"(3) a technician may, at any time, be separated from his technician employment for cause by the adjutant general of the jurisdiction concerned;

"(4) a reduction in force, removal, or an adverse action involving discharge from technician employment, suspension, furlough without pay, or reduction in rank or compensation shall be accomplished by the adjutant general of the jurisdiction concerned;

"(5) a right of appeal which may exist with respect to clause (1), (2), (3), or (4) shall not extend beyond the adjutant general of the jurisdiction concerned; and

"(6) a technician shall be notified in writing of the termination of his employment as a technician and such notification shall be given at least thirty days prior to the termination date of such employment.

"(f) Sections 2108, 3502, 7511, and 7512 of title 5, United States Code, do not apply to any person employed under this section.

"(g)(1) Notwithstanding sections 5544(a) and 6102 of title 5, United States Code, or any other provision of law, the Secretary concerned may, in the case of technicians assigned to perform operational duties at air defense sites—

"(A) prescribe the hours of duties;

"(B) fix the rates of basic compensation; and

"(C) fix the rates of additional compensation;

to reflect the unusual tours of duty, irregular additional duty, and work on days that are ordinarily nonworkdays. Additional compensation under this subsection may be fixed on an annual basis and is determined as an appropriate percentage, not in excess of 12 percent, of such part of the rate of basic pay for the position as does not exceed the minimum rate of basic pay for GS–10 of the General Schedule under section 5332 of title 5, United States Code.

"(2) Notwithstanding sections 5544(a) and 6102 of title 5, United States Code, or any other provision of law, the Secretary concerned may, for technicians other than those described in clause (1) of this subsection, prescribe the hours of duty for technicians. Notwithstanding sections 5542 and 5543 of title 5, United States Code, or any other provision of law, such technicians shall be granted an amount of compensatory time off from their scheduled tour of duty equal to the amount of any time spent by them in irregular or overtime work, and shall not be entitled to compensation for such work.

"(h) In no event shall the number of technicians employed under this section at any one time exceed 42,500.

(2) The analysis of chapter 7 is amended by striking out the following item:

"709. Caretakers and clerk."

and inserting in place thereof the following item:

"709. Technicians: employment, use, status."

(3) Section 715(a) is amended by striking out "caused by a person employed under section 709 of this title acting within the scope of his employment;".

Sec. 3. (a) A claim accrued under section 715 of title 32, United States Code, before the effective date of this Act by reason of the act or omission of a person employed under section 709 of title 32, United States Code, may, if otherwise allowable, be settled and paid under section 715 of title 32, United States Code.

(b) Except as provided in this Act and in the amendments made by this Act, and notwithstanding any law, rule, regulation, or decision to the contrary, the positions of persons employed under section 709 of title 32, United States Code, existing on the day before the effective date of this Act, and the persons holding those positions on that day, shall, on and after that effective date, be considered to be positions in and employees of the Department of the Army or the Department of the Air Force, as the case may be, and employees of the United States to the same extent as other positions in and employees of the Department of the Army or the Department of the Air Force. Such positions shall be outside the competitive service, if, as a condition of employment, the persons employed therein were, on the day before the effective date of this Act, required to be members of the Army National Guard or the Air National Guard.

(c) All service under section 709 of title 32, United States Code, or prior corresponding provision of law, performed before the effective date of this Act shall be included and credited in the determination of length of service for the purposes of leave, Federal employees death and disability compensation, group life and health insurance, severance pay, tenure, and status. This subsection shall apply only in the case of persons who perform service under section 709 of title 32, United States Code, on or after the effective date of this Act.

(d) Annual leave and sick leave to which a technician was entitled on the day before the conversion of his position, as provided in subsection (b) of this section, shall be credited to him in his new position.

SEC. 4. Section 2105(a) of title 5, United States Code, is amended—

(1) by striking out "or" at the end of clause (1)(D);

(2) by adding "or" at the end of clause (1)(E); and

(3) by adding the following new subclause (F) at the end of clause (1);

"(F) the adjutants general designated by the Secretary concerned under section 709(c) of title 32, United States Code;".

SEC. 5. (a) Section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of clause (4);

(2) by striking out the period at the end of clause (5) and inserting in place thereof "; and"; and

(3) by adding the following new clause:

"(6) employment under section 709 of title 32, United States Code or any prior corresponding provision of law."; and

(4) by adding at the end thereof the following:

"Service referred to in paragraph (6) is allowable only in the case of persons performing service under section 709 of title 32, United States Code, on or after the effective date of the National Guard Technicians Act of 1968."

(b) Section 8334(c) of title 5, United States Code, is amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this subsection, the deposit with respect to a period of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be an amount equal to 55 per centum of a deposit computed in accordance with such provisions."

(c) Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(l) In determining service for the purpose of computing an annuity under each paragraph of this section, 45 per centum of each year, or fraction thereof, of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be disregarded."

(d) Clause (4) of subsection (a) of this section and subsections (b) and (c) of this section do not apply to any person employed prior to the effective date of this Act under section 709 of title 32, United States Code, whose employment under that section was covered by subchapter III of chapter 83 of title 5, United States Code.

SEC. 6. (a) Notwithstanding section 709(d) of title 32, United States Code, a person who, on the date of enactment of this Act, is employed under section 709 of title 32, United States Code, and is covered by an employee retirement system of, or plan sponsored by, a State or the Commonwealth of Puerto Rico, may elect, not later than the effective date of this Act, not to be covered by subchapter III of chapter 83 of title 5, United States Code, and with the consent of the State concerned or Commonwealth of Puerto Rico, to remain covered by the employee retirement system of, or plan sponsored by, that State or the Commonwealth of Puerto Rico. Unless such an election, together with a statement of approval by the State concerned or the Commonwealth of Puerto Rico, is filed with the Secretary of the Army or the Secretary of the Air Force, as appropriate, on or before the effective date of this Act, the person concerned is covered by subchapter III of chapter 83 of title 5, United States Code, as of that date.

(b) A member of the National Guard of a State or the Commonwealth of Puerto Rico who was employed as a technician under section 709 of title 32, United States Code, or prior corresponding provision of law, who—

(1) was involuntarily ordered to active duty after January 1, 1968, from that employment and has not been released from that duty prior to the effective date of this Act; or

(2) is on active duty under section 265, 3015, 3033, 3496, 8033 or 8496 of title 10, United States Code, on the effective date of this Act;

and was covered by a retirement system or plan of a State or the Commonwealth of Puerto Rico, may, if he is reemployed within sixty days under section 709 of title 32, United States Code, make the election described in subsection (a) of this section, within thirty days following the date of his reemployment.

(c) In the case of any person who files a valid election under this section to remain covered by an employee retirement system of, or plan sponsored by, a State or the Commonwealth of Puerto Rico, the United States may pay the amount of the employer's contributions to that system or plan that become due for periods beginning on or after the effective date of this Act. However, the payment by the United States, including any contribution that may be made by the United States toward the employer's tax imposed by section 3111 of the Internal Revenue Code of 1954, as amended (26 U.S.C. 3111), may not exceed the amount which the employing agency would otherwise contribute on behalf of the person to the Civil Service Retirement and Disability Fund under section 8334(a) of title 5, United States Code. Notwithstanding section 8332(b) of title 5, United States Code, as amended by section 5 of this Act, the service under section 709 of title 32, United States Code, or prior corresponding provision of law, of a person who has made an election to remain covered by the employee retirement system of, or plan sponsored by, a State or the Commonwealth of Puerto Rico, shall not be creditable toward eligibility for or amount of annuity under subchapter III of chapter 83 of title 5, United States Code. A person who retires pursuant to his valid election shall not be eligible for any rights, benefits, or privileges to which retired civilian employees of the United States may be entitled.

SEC. 7. The fourth sentence of section 218(b)(5) of the Social Security Act, as amended (42 U.S.C. 418(b)(5)), is amended to read as follows: "Persons employed under section 709 of title 32, United States Code, who elected under section 6 of the National Guard Technicians Act of 1968 to remain covered by an employee retirement system of, or plan sponsored by, a State or the Commonwealth of Puerto Rico, shall, for the purposes of this Act, be employees of the State or the Commonwealth of Puerto Rico and (notwithstanding the preceding provisions of this paragraph), shall be deemed to be a separate coverage group.".

SEC. 8. (a) Except as provided in section 709(g) of title 32, United States Code, the Secretary concerned shall fix the rate of basic compensation of positions existing on the date of enactment of this Act in accordance with the General Schedule set forth in section 5332, or under the appropriate prevailing rate schedule in accordance with section 5341 of title 5, United States Code, as applicable. In fixing such rate—

(1) If the technician is receiving a rate of basic compensation which is less than the minimum rate of the appropriate grade of the General Schedule, or which is less than the minimum rate of the appropriate grade or compensation level of the appropriate prevailing rate schedule, as applicable, in which his position is placed, his basic compensation shall be increased to that minimum rate.

(2) If the technician is receiving a rate of basic compensation which is equal to a rate of the appropriate grade of the General Schedule, or which is equal to a rate of the appropriate grade or compensation level under the appropriate prevailing rate schedule, as applicable, in which his position is placed, he shall receive basic compensation at that rate of the General Schedule, or at that rate under the prevailing rate schedule, as applicable.

(3) If the technician is receiving a rate of basic compensation which is between two rates of the appropriate grade of the General Schedule, or which is between two rates of the appropriate grade or compensation level under the appropriate prevailing rate schedule, as applicable, in which his position is placed, he shall receive basic compensation at the higher of those two rates under the General Schedule or appropriate prevailing rate schedule, as applicable.

(4) If the technician is receiving a rate of basic compensation which is in excess of the maximum rate of the appropriate grade of the General Schedule, or which is in excess of the maximum rate of the appropriate grade or compensation level of the appropriate prevailing rate schedule, as applicable, in which his position is placed, he shall continue to receive basic compensation without change in rate until—

(A) he leaves that position, or

(B) he is entitled to receive basic compensation at a higher rate,

but, when any such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in the manner provided by applicable law and regulation.

(b) The conversion of positions and employees to appropriate grades of the General Schedule set forth in section 5332 of title 5, United States Code, and the initial adjustment of rates of basic compensation of those positions and technicians, provided for by this Act, shall not be considered to be transfers or promotions within the meaning of section 5334(b) of title 5, United States Code, and the regulations issued thereunder.

(c) Each technician on the effective date of this Act whose position is converted to the General Schedule set forth in section 5332 of title 5, United States Code, or to the appropriate prevailing rate schedule, as applicable, who prior to the initial adjustment of his rate of basic compensation under subsection (a) of this section, has earned, but has not been credited with, an increase in that rate, shall be granted credit for such increase before his rate of basic compensation is initially adjusted under that subsection.

(d) Each technician on the effective date of this Act whose position is converted to the General Schedule set forth in section 5332 of title 5, United States Code, or to the appropriate prevailing rate schedule, as applicable, shall be granted credit, for purposes of his first step increase under the General Schedule or prevailing rate schedule, for all satisfactory service performed by him since his last increase in compensation prior to the initial adjustment of his rate of basic compensation under subsection (a) of this section.

(e) An increase in rate of basic compensation by reason of the enactment of subsection (a) of this section shall not be considered to be an equivalent increase with respect to step increases for technicians whose positions are converted to the General Schedule set forth in section 5332 of title 5, United States Code, or the appropriate prevailing rate schedule under authority of this section.

SEC. 9. Title 10, United States Code, is amended as follows:

(1) Sections 3848(c) and 3851(c) are each amended to read as follows:

"(c) Notwithstanding subsections (a) and (b) of this section, the Secretary of the Army may authorize the retention in an active status until age 60 of any officer of the Army National Guard of the United States who would otherwise be removed from an active status under this section and who—

"(1) is assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia; or

"(2) is employed as a technician under section 709 of title 32, United States Code, in a position for which Army National Guard membership is prescribed by the Secretary."

(2) Sections 8848 and 8851 are each amended by adding the following new subsection:

"(c) Notwithstanding subsections (a) and (b) of this section, the Secretary of the Air Force may authorize the retention in an active status until age 60 of any officer of the Air National Guard of the United States who would otherwise be removed from an active status under this section and who is employed as a technician under section 709 of title 32, United States Code, in a position for which Air National Guard membership is prescribed by the Secretary."

SEC. 10. Regulations prescribed by the Secretary of the Army and Secretary of the Air Force under this Act shall be approved by the Secretary of Defense and shall, so far as practicable, be uniform.

SEC. 11. This Act become effective January 1, 1969, except that no deductions or withholding from salary which result therefrom shall commence before the first day of the first pay period that begins on or after January 1, 1969.

NLRB CHAIRMAN McCULLOCH'S SPEECH: MORE ALICE IN WONDERLAND?

Mr. ERVIN. Mr. President, earlier this spring the Subcommittee on Separation of Powers conducted an initial round of hearings on the problem of congressional oversight of administrative agencies. The object of this study is to determine how well the administrative agencies are applying legislative intent and what devices can be employed by the Congress to insure that statutory policy is fully and adequately administered by the agencies established to implement these laws. A major portion of 10 days of testimony was devoted to an examination of one agency, the National Labor Relations Board, and its administration of the Taft-Hartley Act. It is the subcommittee's intention in the next Congress to examine other agencies to determine how well they may be applying congressional policy.

The National Labor Relations Board was selected as the first agency of our study for a number of reasons, the most important of which was that a large portion of the public, including lawyers, judges, academics, and organizations of labor and management have been concerned about the fidelity of the Board to congressional will. This concern is not new. The Board from its very inception has been charged, first by one side and then by another—and sometimes from all sides—with failing to apply the law as written.

Recently, Chairman McCulloch of the National Labor Relations Board had occasion to comment on these hearings in a speeech before the Alabama Bar Association in Tuscaloosa. The chairman's speech, delivered on July 19, 1968, speaks for itself. However, I do not believe that it can be regarded as a complete or objective evaluation of some 1,400 pages of testimony presented by 3 dozen witnesses. The entire hearing record and many of the Board's decisions must be read to get the full flavor of this agency's performance over the years.

The questions raised in the hearings cannot be dismissed by making passing obeisance to the right of criticism, and then by equating this criticism with an attack on the Taft-Hartley Act. Surely it is hyperbole to equate criticism of the Board with an attack on the rule of law. It is a most enthusiastic defender who ascribes to the National Labor Relations Board such a fundamental place in the fabric of our constitutional system as to suggest that our system totters with every unkind word addressed to this agency. Rather, I would think there is more danger to constitutional government if five Government officers can rewrite national labor policy to suit their own conceptions regardless of what Congress determined and then suggest that criticism amounts to a form of "civil disobedience" aimed at destroying the "rule of law."

I would like to insert in the RECORD the text of Chairman McCULLOCH's speech and, in order to give another perspective to the problem, to insert along with it the opinions of Judge Aldrich, chief judge of the First Circuit Court of Appeals, in *NLRB* v. *Bilen Shoe Co.* decided July 2, 1968, 68 LRRM 2699; and *Wyman-Gordon Co.* v. *NLRB*, decided June 12, 1968, 68 LRRM 2483. These opinions illustrate two areas which were discussed at the subcommittee's hearings but not touched on in the chairman's speech. They suggest that others besides anarchists are disturbed by the way the NLRB administers the law.

I ask unanimous consent to have printed in the RECORD the text of Chairman McCULLOCH's speech, together with the two opinions which I have just cited.

There being no objection, the speech and opinions were ordered to be printed in the RECORD, as follows:

REMARKS OF FRANK W. McCULLOCH, CHAIRMAN, NATIONAL LABOR RELATIONS BOARD (OFFICIAL TEXT)

(NOTE: The following remarks were prepared for delivery July 19, 1968 before the Alabama Bar Association, Tuscaloosa, Ala.)

INTRODUCTION

The privilege of speaking to a gathering of experienced lawyers, such as this, offers the temptation to discuss important, recent developments in the law. This temptation is especially inviting for one whose work lies in the field of labor relations law, a field characterized by constant change in response to an ever-changing economy and ever-new industrial relations practices, not to mention ingenious legal counsel. A number of reasons, however, prompt me today to make an overall and broad assessment of the contribution of the National Labor Relations Act to American life.

As we need hardly be reminded, many American institutions today are being severely challenged. The Nation faces urgent problems: in race relations; in housing; in foreign affairs; in agriculture; in public education; in dealing with the many sides of poverty; in controlling crime; in providing for the population explosion; in making our cities livable; in restraining inflation; and in other critical areas, too.

This is a national election year, and responsible candidates for high public office have properly addressed themselves to each of these problems. But my own list of national problems does not include a crisis in labor relations. Nor do I know of any major candidate for public office who asserts that there is a labor relations crisis in our society today. Unsolved issues, yes. Crisis, no. Why not?

The answer, I believe, is that to a remarkable extent our society has found a long-term and generally satisfactory solution for dealing with labor-management problems. The solution is composed of several main elements: freedom of choice; rule of the majority; and participation in industrial life through free collective bargaining and voluntary agreements. Together these elements constitute a "rule of law" for industrial peace which, in our lifetime, has in increasing measure furnished a foundation for the structures and processes to resolve one of America's oldest and most vexatious social conflicts. The success of this experience might be relevant and instructive as we search for long-term approaches to today's urgent unsolved problems.

THE NATIONAL LABOR RELATIONS ACT DECLARES THE RULE OF LAW

A generation ago, on July 5th, 1935, President Franklin D. Roosevelt signed the National Labor Relations Act. This enactment was historic because it substituted the principle of majority rule and the peaceful, rational procedures of collective bargaining for the regime of lawlessness and naked power in labor-management disputes.

Congress declared that workers must be legally free to join unions of their choice, and that employers must bargain in good faith with unions chosen by majority rule. To implement this rule of law for interstate labor relations, Congress established affirmative rights for employees; provided for secret ballot election machinery; proscribed certain acts by employers as unfair labor practices; and created the National Labor Relations Board to administer the law, subject to extensive judicial review.

Senator Lister Hill, your venerable senior Senator who has served the Nation with great distinction as Chairman of the Senate Committee on Labor and Public Welfare, said last year:

> We have come a long way in labor-management relations since the pre-NLRB days and the healthy state of our economy suggests that not only has it brought lawful, peaceful ways to adjust differences, but also unprecedented industrial growth and prosperity.[1]

Senator Hill was surely right in his historical assessment. But the law which Congress fashioned in 1935 did not emerge effortlessly. It had painful antecedents. It emerged from crisis and controversy.

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[1] CONGRESSIONAL RECORD, vol. 113, pt. 4, p. 4871.

HISTORICAL NOTE ON THE BIRTH OF THE LABOR ACT

Many young Americans today know the mid-1930's as the lawless era of *Bonnie and Clyde*, a strangely popular movie which glamorizes the violent careers of two young gangsters. Those of us who are older or who have a better sense of history recall that violence and disorders in the 1930's were also the product of pervasive social and economic ailments.

Unemployment was dangerously high. Farmers, hoping to boost prices, blockaded highways to prevent the delivery of agricultural products to city markets. Labor disputes were widespread, often to achieve recognition of the right of unions to represent striking employees. Veterans marched on the Capitol, demanding bonuses to help them survive those bitter days. Indeed, most sectors of the economy were suffering from the most acute, general depression in modern history.

Extremists of the left and extremists of the right advocated radical solutions for the Nation's ills. And abroad, the lights of liberty were being violently extinguished, by fascism in Western Europe and the Far East, by communism in Russia.

Against this tapestry of social tension and economic depression, Congress in 1935 faced the worsening labor-management crisis, a crisis which deeply affected the public interest. To describe the crisis in over-simple terms, it was this: The Norris-LaGuardia Act of 1932 limited the injunctive power of the federal courts over labor disputes in interstate commerce, and in doing so Congress recognized the legal right of employees to organize collectively into labor unions and the companion right to engage in peaceful strikes and other kinds of economic self-help. But federal law set no positive standards under which unions could become legally entitled to serve as the exclusive bargaining representatives of employees, and the law placed no duty on employers to deal with majority representatives of their employees. Moreover, the law expressed no policy which encouraged labor and management to resolve their differences through good faith negotiations.

One student of that period says that the law "regarded organizational campaigns as economic struggles between unions and employers with practically no holds barred.[2] In the absence of legal standards establishing basic rights and duties, the law was essentially irrelevant to the conduct of labor relations, and in consequence every labor dispute was indeed a naked power struggle. Strikes conducted in this atmosphere, often accompanied by excesses on both sides, were both widespread and inevitable.

In fashioning a rule of law to deal with this turbulent situation, Congress rejected solutions which were extreme and undemocratic. Instead, Congress drew upon America's traditional values: self-government, free choice, majority rule and good faith dealings.

The introduction of the rule of law in labor relations was more of a promise than a panacea. It was not accepted immediately, not even by lawyers. The American Liberty League, for example, attacked the statute as unconstitutional and said that it presaged the end of free enterprise. A prominent lawyer for the League counseled employers to engage in civil disobedience against the new law. He said: "When a lawyer tells a client that a law is unconstitutional, it is then a nullity and he need no longer obey that law."[3] Others, like Bernarr Macfadden in *Liberty* magazine, attacked the law savagely: "The Wagner Labor Law has industry by the throat."

A massive effort was made to impede the operation of the new law. Over 80 injunction actions were brought to prevent implementation of its machinery, and for two years the law was defied and ignored, while industrial strife continued. The constitutional attacks came abruptly to an end in April of 1937 when the Supreme Court upheld the law; Chief Justice Charles Evans Hughes said:

> Experience has abundantly demonstrated that the recognition of the right of employees to self-organization and to have representatives of their own choosing for the purpose of collective bargaining is often an essential condition of industrial peace. Refusal to confer and negotiate has been one of the most prolific causes of strife. This is such an outstanding fact in the history of labor disturbances that it is a proper subject of judicial notice and requires no citation of instances.[4]

THE RULE OF LAW TAKES ROOT IN DAILY EXPERIENCE

Neither declarations of Congress nor approval of the Supreme Court brought automatic acceptance of the rule of law. Employers and employees had to learn to accept the result of the industrial ballot box, as they accepted the result of the political ballot box. They had to learn to work and live with the concept of joint participation, through collective bargaining, in the mutual adjustment of wages, hours and working conditions.

For labor the enjoyment of new legal rights was accompanied by new responsibilities. As Justice Brandeis had said in 1916:

> The employees must have the opportunity of participating in the decisions as to what shall be their condition and how the business shall be run. They must learn also in sharing that responsibility that they must bear to the suffering arising from grave mistakes, just as the employer must. But the right to assist in making the decisions, the right of making their own mistakes, if mistakes there must be, is a privilege which should not be denied to labor. We must insist upon labor sharing the responsibilities for the result of the business.[5]

In time, and gradually, management and labor began the slow and often difficult process of shared participation and shared responsibility for industrial self-government. Strikes for recognition—so common before the Labor Act—sharply declined in number. The ballot box became a substitute for the recognition strike. The labor agreement—setting wages, hours and working conditions mutually agreed upon—came to be valued by both labor and management as the standard by which they would judge each other's conduct. Contract disputes were increasingly submitted to impartial arbitration, without resort to force or compulsion. The dire predictions that free enterprise could not survive the rule of law in labor relations proved quite wrong, for the economy began to prosper as never before.

AMENDMENTS TO THE LAW

Following World War II, a wave of major economic strikes and the intervening growth and power of the labor movement brought a legislative reaction. In 1947 Congress enacted a series of amendments embodied in the Taft-Hartley Act. The Labor Act of 1935 condemned only unfair labor practices by employers. In 1947, Congress proscribed unfair labor practices by unions as well. The new amendments protected affirmatively the right of employees to refrain from union activities, curtailed the use of certain economic weapons by unions such as the secondary boycott and the jurisdictional strike, outlawed the closed shop, and imposed on unions the same duty to bargain in good faith imposed on employers in 1935.

Unions accepted the Taft-Hartley amendments no less gracefully than employers accepted the basic Labor Act in 1935. Unions labeled the new law as a "slave labor" law, and some were openly rebellious for a period of time.

In 1959, responding in part to the disclosure of misconduct by some unions in their internal affairs, Congress enacted the Labor-Management Reporting and Disclosure Act. This law mainly establishes standards for the internal conduct of union affairs, but it added several new amendments to the Labor Act which, *inter alia*, limit certain kinds of picketing practices.

THE CONTRIBUTIONS OF THE LAW TO LABOR PEACE

The three decades since the passage of the Labor Act—introducing the rule of law to American Labor relations—have witnessed substantial, regular, measured achievement in the pursuit of industrial peace, as the concepts of majority rule and free collective bargaining have taken root in our industrial system. While the formula of the law may not work perfectly in solving all labor-management problems, the law is not a laboratory science, and perfection is not its goal.

Fairness and justice are its goals. These goals have surely been achieved in labor relations today more fully than ever before.

Last year in Washington a modest celebration was held to honor the symbolic casting of the 25 millionth vote in N.L.R.B. secret ballot elections since 1935. Representatives of labor and management, as well as members of the Congress, joined with the Agency in this celebration. The Vice President of the United States described the occasion as "a milestone in the development of industrial democracy in this great democracy of ours." And he added that the right of employees to cast a secret ballot vote to decide whether or not they wish to be represented by a union for purposes of collective bargaining "is now so commonplace in America that we seldom even talk of it."

Since 1935, the N.L.R.B. has conducted over 200,000 elections, now at the rate of approximately 8,000 elections each year, with over half a million employees casting ballots each year. Labor and management voluntarily work out consent agreements in 75 to 80 percent of these situations, with 90 percent of the eligible employees voting.

The Board's unfair labor practice work is best known when individual, controversial cases capture the headlines. Unfortunately, it is less well known that the overwhelming number of unfair labor practice charges filed with the Board each year is voluntarily adjusted or dismissed on the administrative level without litigation, extended controversy or headlines.

The plain fact is that each year the N.L.R.B., with the cooperation of labor management, helps to resolve 30,000 potential labor disputes in interstate commerce through secret ballot elections and through the peaceful and orderly adjudication of unfair practice charges. This is a remarkable record of success, but the very fact of its success in achieving substantial labor peace is too little known, too little understood and appreciated.

I am not pollyannishly suggesting that all is well in the best of all possible labor relations worlds. The backlog of pending cases always threatens to engulf us. The volume of work necessarily produces unfortunate delays in litigated cases and an unwelcome burden of review for the Courts of Appeals. There are important economic and contract problems to be solved by labor and management themselves and others to be solved by the law. Breakdowns of negotiations and resultant stoppages in some key industries are too well-known to require recounting here. In addition we still see bold defiance of the basic law by some employers and some unions. Nevertheless, the procedures of the law, based on extensive and responsible participation by labor and management in working out their own problems, are highly effective in a complex area of modern life.

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[2] Gregory, *Labor and the Law* (1949 ed.) 224.

[3] Auerbach, *Labor and Liberty: The La-Follette Committee and the New Deal* 55.

[4] *N.L.R.B.* v. *Jones & Laughlin Steel Corp.*, 301 U.S. 1, 42.

[5] Testimony of Louis D. Brandeis before U.S. Commission on Industrial Relations, 64th Cong., 1st Sess., S. Doc. 415, Vol. VIII, 1916, pp. 7659–60, quoted in Bakke, Kerr and Anrod, *Unions, Management and the Public* 233.

A recent series of articles in the *Washington Evening Star* concluded with this comment:

> The fact is that 90 percent of the N.L.R.B.'s case load is settled in regional offices [of the Board] in 45 days or less. This has kept the wheels of the American economy moving for more than the last three decades and neither labor nor business, when it gets down to brass tacks, wants to change drastically a workable system.

RECENT EXAMPLES OF THE LAW'S DAILY CONTRIBUTIONS TO LABOR PEACE

Congress' broad policy for resolving the causes of industrial strife is well-stated in Section 1(a) of the Labor Act:

> Industrial strife . . . can be avoided or substantially minimized if employers, employees, and labor organizations each recognize under law one another's legitimate rights in their relations with each other, and above all recognize under law that neither party has any right in its relations with any other to engage in acts or practices which jeopardize the public health, safety, or interest.

Let me sketch several recent examples from the decisional work of the Board to illustrate the day-by-day role of the law in helping to achieve Congress' purposes.

A recent case involved an employee in the laminating department of the Continental Can Company in Mt. Vernon, Ohio.[6] Through the union which represented plant employees, he had been instrumental in processing a grievance under the labor agreement requesting a wage increase for employees in his department for the reason that the employer had recently installed new machinery which had increased production and decreased material waste. The employer denied the grievance, and the union refused to carry the grievance to arbitration because the union believed that the case could not be won before an arbitrator.

The employee, however, was dissatisfied with the union's unwillingness to proceed to arbitration. He talked to some of his fellow workers about seeking to decertify the union through the N.L.R.B.'s election procedures. A union agent, learning of the decertification talk, threatened to "fire" the employee and further threatened him in these words: "I'll bring in the big boys from New York and chop you up if you try to decertify this Union." The employee filed a charge against the union with the N.L.R.B. complaining about the threats.

After a full hearing, a Trial Examiner and the N.L.R.B. held that the union agent's threats were unlawful under Section 8(b)(1)(A). The union was ordered to cease its unfair labor practices and to post a remedial notice. The Court of Appeals for the Sixth Circuit, with one modification, affirmed the Board's decision and order several weeks ago.

This case merited no headlines, for by newspaper standards it was a routine decision. To labor law specialists, it is viewed as just a run-of-the-mill credibility case. But below the surface of this seemingly routine case, one can see a great deal about the philosophy of the law in its daily application:

The employee's rights to join the union and to be represented for collective bargaining with his employer were protected in the first instance.

The employee's participation in the collective bargaining process to attempt to adjust his wages, in response to the introduction of new technology, was protected through the grievance machinery.

The union exercised responsibility not only by processing the grievance but also by refusing to take to arbitration what it believed was a losing case.

The employee's right to dissent from the union's decision not to take the case to arbitration was protected, as was his right to seek to decertify this union and to replace it with another union.

The employee was protected from threats to his job.

Each of these elements was potentially a cause for industrial strife, but the procedures of the law offered orderly alternatives. For each such case which is litigated before the Board itself, more than a dozen are quickly settled or adjusted in the Board's regional offices. And for each charge which is filed with the Board's regional offices, countless incipient violations are adjusted by the parties themselves without resort to the formal mechanism of the law in voluntary compliance with the law. This multiplying factor—the relationship of decided cases to informally settled or privately adjusted cases—helps to explain the law's contribution to industrial peace.

Another recent case illustrates the role of the law in resolving a very different kind of labor dispute.[7] At a General Electric plant in San Jose, California, a unit of production and maintenance employees is represented by the I.U.E. The plant is located on a tract of 57 acres which is fenced and posted. Several union members stationed themselves at the main gate, which is located on the company's property, to solicit funds from fellow workers to support grape workers who were on strike against nearby farms in Delano, California. The employer prohibited this solicitation on the ground that it violated a company rule against solicitation by employees without prior permission, even on non-working time and in non-working areas. The company contended that its employees should have solicited funds off the company's premises entirely. Moreover, the company argued that it was entitled to prohibit this solicitation on its own property because the purpose of the solicitation was not of benefit to its own employees but was intended to support employees of farm employers who had no relationship to G.E. or G.E.'s employees.

The Board held that the employer's prohibition of this solicitation violated Section 8(a)(1). In doing so, the Board said first that the statutory right of employees to engage in "concerted activities for the purpose of . . . other mutual aid or protection" embraces activities to assist employees of other employers. This has been the view of the Board and the courts for over 25 years.

But this did not end the case, for the Board has long been sensitive to the competing right of an employer to control his private property in relationship to the right of employees to engage in activities protected by the statute. The Board, therefore, is required to balance "all attending circumstances" in accommodating the respective rights of employees and their employer.

In the past, this employer had permitted solicitation by outside charitable groups, even in working areas of the plant. Moreover, the place chosen by the union for its solicitation, the plant's main gate, was well suited to the purpose, and there was no evidence that the union's activities interfered with the employer's business by causing any disruption of production or discipline. The union could not have conducted its solicitation at the public highway entrance to the plant without creating a public safety hazard. Nor could the union practically have solicited funds from employees at their homes which were scattered over 4 counties in a 20 mile radius. Weighing the competing considerations, the Board concluded that the employees' right to engage in concerted activities on the employer's premises in these circumstances outweighed the employer's interest in maintaining exclusive control over its premises.

The task of weighing competing interests under the law is reflected in the most difficult cases which come before the Board. Though the law has been continuously administered and interpreted for 33 years, complex issues are still being explored. An important example involves the use of the lockout by employers as an offensive economic weapon in collective bargaining.

Several years ago the Supreme Court, reversing the Board, held that economically motivated, offensive employer lockouts are lawful unless they are "inherently . . . prejudicial to union interests and . . . devoid of significant economic justification." [8] Two recent Board cases suggests the thorny dimensions of this problem.

Darling and Company,[9] a St. Louis employer, has engaged in collective bargaining with unions for over 20 years. It conducts a seasonal, fertilizer business, with 70 percent of its annual shipments being made from mid-March through May. Over the years its employees had engaged in several strikes, the most recent one, at the peak shipping season in 1962, lasted for 4 months. A major issue in that strike and in later contract negotiations involved work assignments.

In October of 1965, negotiations began for a new contract. The issue of work assignments was prominent again. Through 2 months of bargaining the parties were unable to reach agreement. The work assignment issue was a major obstacle, the union having said that it might be a strike issue.

In mid-December the employer locked out its employees for economic reasons: to support its bargaining position, and to avoid a strike during the busy, spring shipping season. Negotiations continued during the lockout, however, and a contract was reached in mid-February at which time the employees were recalled.

The Board's Trial Examiner found that the lockout was unlawful. It was his view that the Supreme Court's leading lockout case, *American Ship Building*, had determined that employer lockouts to achieve economic objectives are lawful only after a bargaining impasse. The facts of *American Ship Building* involved a post-impasse lockout, and the Supreme Court said that its holding was limited to the facts of the case before it. Because there was no impasse in bargaining when this lockout occurred, the Examiner found that it was an unlawful interference with employees' statutory rights. The Board in a 4–1 decision disagreed.

Notwithstanding that the particular facts of the *American Ship Building* case involved a post-impasse lockout, the Board concluded that the Supreme Court was not announcing a mechanical rule but was, instead, directing that all relevant circumstances be weighed. The Board said this:

> . . . we do not find that the absence of an impasse renders the [Supreme Court's] test *per se* inapplicable. The court indicated that a careful evaluation of all the surrounding circumstances must be made to determine whether there was unlawful motivation in the lockout. The absence of an impasse is one of the surrounding circumstances, but it does not necessarily require a conclusion that the lockout was unlawful on that ground alone.

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[6] *United Papermakers and Paperworkers (Continental Can Company)*, 160 NLRB 1108, enforced in part F.2d 68 LRRM 2642 (C.A. 6).

[7] *General Electric Co.,* 169 NLRB No. 155.

[8] *American Ship Building Co.* v. *N.L.R.B.,* 380 U.S. 300, 311.

[9] *Darling and Company,* 171 NLRB No. 95.

While the finding of an impasse in negotiations may be a factor supporting a determination that a particular lockout is lawful, the absence of an impasse does not of itself make a lockout unlawful any more than the mere existence of an impasse automatically renders a lockout lawful.

Finding, additionally, no evidence that this lockout was calculated to discourage union activity or to evade the employer's bargaining duty, or that it was inherently prejudicial to union interests and lacking in significant economic justification, the Board dismissed the complaint against the employer.

Different circumstances in the recent *Tonkin Corporation*[10] case produced a different result. Unlike *Darling and Company* where the employer's motive was simply to advance his own legitimate economic interests in bargaining, the employer in Tonkin locked out his employees in order to prevent their joining a union to which the employer was opposed. The employer made his unlawful motivation quite plain by two statements to employees and also by discriminatorily discharging an employee leader. The Ninth Circuit in a recent decision enforced the Board's order finding this lockout to be illegal.

Many of the Board's cases are difficult because they pose complex issues of statutory construction, while others are difficult because they pose knotty problems of factual analysis. I regret that there are still many other cases which come before us year after year involving neither complicated issues of law nor of fact, but involving obvious and unmistakable—even deliberate and conscious—violations of the law. Most disturbing of all are the plain violations committed by "repeat violators," employers and unions who have committed the same kinds of violations in a succession of similar cases over the years. Congress has entrusted the Board with wide latitude to prevent unfair labor practices, but, regrettably, some employers and some unions are neither deterred from violations by the sanctions of the law, nor motivated to act responsibly by the dictates of our society expressed in law.

RECENT SUPREME COURT LITIGATION

One measure of the variety and significance of issues which continue to be resolved under the procedures of the Labor Act is litigation before the Supreme Court. In the October 1966 Term of the Court, the Board was a party to six cases, involving quite diverse issues. The Board's position prevailed in each case. In the October 1967 Term of the Court, just concluded, the Board was a party to three cases; again the Board won each case.

Of course we are not without pride that the Agency's record before the Court has been good. The basis of our pride has little to do with the private litigants' satisfaction in winning cases, for our responsibility is to administer a major Congressional statute fairly and even-handedly. A perfect record in the Supreme Court, in nine important cases in two Terms of the Court, signifies that the Board's interpretation of the law has been faithful to the intent of Congress, tested by the system of judicial supervision which Congress provided for review of the Agency's decisions.

In the 1966 Term, the following issues were decided by the Supreme Court, upholding Board decisions:

That an employer unlawfully instituted a premium pay plan without prior consultation with an exclusive bargaining agent. (*N.L.R.B.* v. *C & C Plywood Corp.*, 385 U.S. 421.)

That an employer unlawfully refused to bargain by failing to provide a union with information necessary for intelligent processing of a grievance. The Court held that the availability of an arbitration clause in the labor agreement did not foreclose the Board's exercise of jurisdiction to remedy this unfair labor practice. (*N.L.R.B.* v. *Acme Industrial Co.*, 385 U.S. 432.)

That a union did not violate Sections 8(e) and 8(b)(4) by entering into a contract which granted its members the right to refuse to handle prefabricated materials where the object of the clause in dispute was to preserve traditional job opportunities for bargaining unit employees. (*N.L.R.B.* v. *National Woodwork Manufacturers Association*, 386 U.S. 612.)

That a sister local union did not violate the Act under similar circumstances as in *National Woodwork*. (*N.L.R.B.* v. *Houston Insulation Contractors Association*, 386 U.S. 664.)

That a union did not violate Section 8(b)(1)(A) by imposing a fine on a member who crossed its picket line by seeking to enforce payment through court action, rather than through interference with job rights. (*N.L.R.B.* v. *Allis-Chalmers Manufacturing Co.*, 388 U.S. 175.)

That an employer violated Sections 8(a)(1) and (3) by discriminating against striking employees when the employer denied vacation pay to strikers under the terms of an expired contract while giving such benefits to nonstrikers and to strikers who returned to work. (*N.L.R.B.* v. *Great Dane Trailers*, 388 U.S. 26.)

In the October 1967 Term of Court the following issues were decided:

That an employer violated Sections 8(a)(1) and (3) by refusing to reinstate economic strikers before new hires when jobs become available, absent business justification. (*N.L.R.B.* v. *Fleetwood Trailer Co., Inc.*, U.S. 66 LRRM 2737.)

That "debit agents" of the employer in question were "employees" rather than independent contractors. (*N.L.R.B.* v. *United Insurance Co.*, U.S. , 67 LRRM 2649.)

That a union violated Section 8(b)(1)(A) by expelling an employee from membership in the union because he filed a charge against the union with the N.L.R.B. without first exhausting internal union remedies. (*N.L.R.B.* v. *Marine & Shipbuilding Workers*, U.S. , 68 LRRM 2257.)

THE VERBAL STRUGGLE AGAINST THE POLICIES OF THE LAW

Despite the real success of the rule of law in American labor relations and despite universal acclaim for the institution of free collective bargaining, an unresolved verbal battle against the policies and administration of the law has been carried on by some parts of the American community and their lawyers for over 30 years. Their slogan, which has not changed in a generation of constant change, is that the National Labor Relations Board has ignored the will of Congress in administration of the law.

This slogan, with the arguments which usually accompany it, as I view it, is a rather unstatemenlike way of quarreling—not so much with the Board's decisions, which are subject to extensive review in the federal courts—but with Congress's basic policies. In the months just past, it has reached a new intensity.

Recently I had occasion to compare a pamphlet issued by a major trade association in 1939 on the subject of "labor law reform" with a pamphlet issued by the same trade association on the same subject in 1967, a generation later. The language of the two pamphlets, the claims of biased administration of the law, were strikingly similar, without a word to recognize the immense progress which has occurred in labor relations in the intervening years.

In the spring of this year, a subcommittee of the Senate Committee on the Judiciary held hearings on the "separation of powers" under the Constitution. One phase of its hearings was concerned with administrative agencies, although the single agency whose role the subcommittee has thus far investigated is the National Labor Relations Board. The hearings offered an important opportunity for thoughtful, constructive appraisals of the operation of the rule of law in American labor relations.

The Subcommittee's witnesses were leading academic authorities on labor relations law from the Nation's finest law schools; representatives of the government; and spokesmen for labor and management.

What was the response to this opportunity for an informative dialogue about the operation of the law? Nine out of 10 of the objective, academic authorities praised the law as an instrument for peaceful and orderly resolution of labor-management differences. In general, they expressed the belief that the law is being fairly and honestly administered, that the statutory system of judicial review works quite satisfactorily, and that the charge that the N.L.R.B. and the courts have ignored the will of Congress is without substance.

The union witnesses and a few management witnesses also said that the law is working effectively. As litigants who have lost cases, they frankly admitted their disagreement with the Board and the courts in specific cases, but they acknowledged that honest and reasonable lawyers could disagree. They, too, like the independent scholars, rejected the suggestion that the Board and the courts have flouted the will of Congress.

Some management lawyers, however, chose to attack the policies of the law through its administration. Some charged the N.L.R.B. with ignoring the will of Congress and with rewriting the Labor Act. Some charged a bias against management. Some charged the N.L.R.B. with weakening the fabric of free enterprise and with encouraging, if not actually causing, strikes.

If one could believe that all of these criticisms of the N.L.R.B. were accurate and straight forward, one would have to be concerned that they seem irreconcilable with the views of independent students of labor relations law and are at odds with decisions of the federal courts, including the Supreme Court. While I have the greatest respect for America's able management lawyers and study the products of their professional skills almost every working day, an articulate few have taken public platforms to attack the N.L.R.B. and the system of labor relations law in our Nation because they have apparently enlisted in a public relations campaign to rewrite the fundamental policies of the law. Of course, they are entitled to believe that the law and its administration should be changed. But one may, nevertheless, question whether they are serving their clients' and the public interest by unbalanced and misleading attacks on the administration of the law.

Let me quote from several recent newspaper articles which describe the tenor of the emerging campaign to rewrite out labor laws:

The Washington Evening Star, July 10, 1968:

To prepare public and congressional opinion, the business community—the National Association of Manufacturers speaking for bigger firms and the U.S. Chamber of Commerce for the smaller ones—has launched an intensive publicity campaign of public criticism of the NLRB. Legislative groundwork was also laid in testimony in recent hearings by the Senate Subcommittee on Separation of Powers.

The Houston Chronicle, June 30, 1968.

Now there is rising business sentiment that the time has come for Congress to throw out the umpire—or at least give him a new set of rules . . . For the last two months, the focus of the business community's stepped-up attacks on the NLRB has been a little publicized series of hearings by an obscure Senate subcommittee . . .

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[10] *Tonkin Corporation, d/b/a Seven-Up Bottling Company*, 158 NLRB No. 110, enforced F.2d 67 LRRM 2953 (C.A. 9).

The St. Louis Post-Dispatch, May 19, 1968:

Failing to bend the National Labor Relations Board to their will, business interests are hatching a plan to scuttle the agency as "pro-labor."

The Wall Street Journal, March 29, 1968:

[A] rallying cry was issued recently by the American Association of Manufacturers at a Cleveland meeting of businessmen. It's part of an increasingly intensive attack by the business community on the National Labor Relations Board and the law it administers in umpiring disputes between labor and management.

Before the Senate Judiciary Subcommittee, one lawyer after another attacked specific N.L.R.B. decisions and contended that they evidenced the Board's indifference to Congress's true purposes. Yet the very cases most criticized had been affirmed in the Court of Appeals and in the Supreme Court. This, in turn, led some lawyers to make unseemly attacks on the courts, too.

Now I recognize that public discussion and criticism are an essential part of American life—of the law—and of any free society.

In an area of life where interests are so sharply opposed and convictions so deeply held and conflicts so bitter, criticism and controversy are here to stay. They are part of the democratic process. They keep us humble, point up our errors, reveal misunderstandings, point up real issues. We study them thoughtfully, especially when they come from the courts, and endlessly seek to accommodate our work more closely to the will and purpose of Congress which has laid down the charter of labor law. Out of the free play of ideas and observations, we hope to distill a greater truth.

I question only whether this process is served by attacks that are exaggerated, misleading, or based on carefully selected lists of cases and misinterpretation of Board and Court decisions. The fears and distrust generated by misinformation can poison the wells of understanding and lead persons to neglect interests that deserve assistance under the law or to undermine the tribunal set up to protect them.

Of course, lawyers are entitled to their opinions and are no less entitled to express them. But, if lawyers attack the very system of law which we all serve, and if lawyers challenge the procedures and integrity of the agencies of government and the courts, what hope is there that the "rule of law" will be respected and obeyed by non-lawyers? And where the concerted objective of that drive is to revise the law and alter its institutions in fundamental ways, as seems apparent in the stepped-up attacks of 1968, it is essential that lawyers who are guardians of the public interest should look to the realities and assess anew the great practical values in our society of the labor law and institutions under fire.

Only when we join together again in common acceptance of the basic assumptions of the legal frame-work will it perhaps be possible to move for those improvements in the operation of the law which lawyers customarily propose and persuade our legislatures to adopt. I think specifically in our field of the proposals by the temporary Administrative Conference of 1961–1962 to delegate greater decisional authority to our Trial Examiners, subject to Board review (Recommendation #9), and to expedite final disposition of Labor Board litigation by making its orders self-enforcing (Recommendation #18).

In the current issue of the *American Bar Association Journal*, the President of the A.B.A., writing on the subject of civil disobedience, had words of relevance both for those who now attack the integrity of the agencies and courts of law and those who would tear down the structure of the rule of law in labor relations:

In our society the rule of law serves as the basis for all social action. Constitutions, legislation, administrative rulings and court decisions are the genesis of and the guidelines for this rule of law. Through them we seek to utilize law rather than force, reason rather than violence, to settle disputes, punish wrongs, and redress grievances. The rule of law prohibits private, personal vengeance and imposes restraints on each of us, and by so doing it maintains a state of order that makes progress—for the individual as well as for society—possible.[11]

PARTICIPATION AND THE RULE OF LAW

In some of our great cities today, the law is under severe strain from those for whom our society has not yet found long-term or generally satisfactory solutions. Those who live in poverty, who find the doors of opportunity closed because of their race, who send their children to inadequate schools, who are inadequately fed, who have inadequate medical and health care, and who otherwise do not enjoy the abundance which surrounds them in American life have less respect for the rule of law than others.

On the campuses of some of our great universities today, the law is also under strain from children of middle class, affluent families. Their civilly disobedient behavior is directed against rules imposed on their personal conduct, in whose formulation they have had little participation, and against standards which govern their studies, in whose shaping they have had little participation and for which they apparently feel little responsibility.

As lawyers and as concerned citizens, it may not be enough merely to inquire into the merits of the grievances of the poor or the complaints of rebellious students. The merits of such matters are always difficult to evaluate because they are very subjective. In the long-term it may not even be very important how the grievances of today are resolved on their merits. More important, perhaps, is the task of finding peaceful, voluntary, and rational ways for the poor and for students to participate in procedures for reaching agreements which relate to the causes of their grievances. In order to secure a greater sense of responsibility and a truer devotion to civil obedience from them, should they not be given responsibility for helping to shape decisions which affect their lives in vital ways?

I cannot claim that the notion of meaningful participation and shared responsibility in decision-making is my own. On the contrary, it underlies the success of democratic government itself. More specifically, it is the basis of the extraordinary success in America's long-term commitment to the rule of law in labor relations. Nor am I alone in believing that increased participation is an important element in what will be the long-term solution to the pressing problems of our cities and the problems of our rebellious students.

John W. Gardner, former Secretary of Department of Health, Education and Welfare and presently Chairman of the Urban Coalition, has written of this in a recent article for the National Association of Manufacturers:

Today, no one leadership segment can solve the problem alone. City Hall can't go it alone. The business community can't solve the city's problems single-handedly. There must be collaboration among all significant elements that hold power or veto power within the community. . . .

These elements in the community who are used to exercising power have to learn that paternalism is dead and that the search for solutions must be shared enterprise. All elements in the community have to learn to collaborate rationally in seeking solutions, each yielding some of its pet views.[12]

CONCLUSION

The solution to America's labor relations crisis of a generation ago may, indeed, be relevant in our search for solutions to very different crises of today. But while our society struggles in its search for solutions to its present problems, must we not be wise enough not to unsettle solutions which were painfully found a generation ago and which contribute so much to more orderly, peaceful, responsible relations for meaningful participation by millions of our fellow citizens in shaping their working lives.

WYMAN-GORDON CO. *v.* NLRB—U.S. COURT OF APPEALS, FIRST CIRCUIT (BOSTON), WYMAN-GORDON COMPANY ET AL. *v.* NATIONAL LABOR RELATIONS BOARD, NO. 7000, JUNE 12, 1968

LABOR MANAGEMENT RELATIONS ACT—ELECTIONS—EXCELSIOR RULE—VALIDITY—62.252—40.10

Excelsior rule of NLRB (61 LRRM 1217), which is a substantive rule compelling employers to furnish a list of names and addresses of employees in representation election cases, and which is a future rule that did not apply to the parties before Board in the case in which it was enunciated, is invalid because the rule was promulgated in disregard of notice and publication requirements of Administrative Procedure Act.—Wyman-Gordon Co. v. NLRB (CA 1, 1968) 68:2483.

Appeal from the U.S. District Court for the District of Massachusetts (65 LRRM 2763, 270 F.Supp. 280). Judgment set aside with direction.

Quention O. Young, with whom Herrick, Smith, Donald, Farley & Ketchum, Boston, Mass., was on brief, for appellants.

Solomon I. Hirsh, with whom Arnold Ordman, General Counsel, Dominick L. Manoli, Associate General Counsel, Marcel Mallet-Prevost, Assistant General Counsel, and Bernard Dworski, were on brief, for appellee.

Before Aldrich, Chief Judge, and McEntee and Coffin, Circuit Judges.

Full text of opinion

Aldrich, Chief Judge:—This is an appeal from an order of the district court enforcing compliance with a National Labor Relations Board subpoena which ordered an employer to furnish names and addresses to its employees. The issuance of the subpoena stems from efforts of two unions, the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, AFL–CIO (Boilermakers), and the United Steelworkers of America, AFL–CIO (Steelworkers), to represent some 1750 production and maintenance employees at appellant's plants in three Massachusetts communities. The Board's Regional Director, after investigation and hearing, ordered an election and directed appellant, in accordance with the rule announced in Excelsior Underwear, Inc., 1966, 156 NLRB 1236, 61 LRRM 1217, to furnish the Board a list of the names and addresses of all employees eligible to vote. Appellant agreed to furnish a list of names, but refused to supply addresses. Notwithstanding this refusal, the election was held, resulting in 226 votes for the Boilermakers, 555 for the Steelworkers, and 903 against any union.

On objection by both unions, the Regional Director set aside the election and ordered a new one. The Board affirmed this decision. Again the Regional Director demanded an Excelsior list, and again appellant refused.

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[11] Morris, American Society and the Rebirth of Civil Disobedience, 54 A.B.A. Journal 653, 656.

[12] Gardner, *Urban Coalition Tackles Problems of Cities*, 13 N.A.M. Reports No. 29, pp. 13–14. July 15, 1968.

The subpoena then issued. The Board filed a complaint seeking enforcement of the subpoena or, alternatively, a mandatory injunction directing appellant to comply with the Excelsior requirement. The district court ordered enforcement of the subpoena, and this appeal, followed. By it appellant has launched a broadside attack against the Excelsior rule, challenging its substance, the procedure of its promulgation, and the statutory basis of the subpoena power invoked to enforce it.

The court is of one mind in not being greatly impressed by the arguments challenging the wisdom of the Excelsior rule, but this is a matter on which the majority of the court does not feel called upon to make a decision. We mention briefly the Board's concern in insuring an informed employee electorate, and in balancing management's right of access to employees in the plant through the mails with a right on the part of unions—and anti-union employees—to have access to the addresses of a constantly changing roster of employees. It is unnecessary to repeat the Board's responses in Excelsior to the contentions that its authority to compel disclosure is limited to cases where other channels of information do not exist and that such compulsory disclosure invades the privacy of employees. Likewise we are not greatly impressed by the contention that compelling a list of names and addresses forces appellant to "interfere" with a labor organization, in violation of 29 U.S.C. § 158 (a) (2), and to give a "thing of value" to a labor organization, in violation of 29 U.S.C. § 186. The former statute, as is indicated by the cases cited to us by appellant, is concerned with acts of favoritism. It is difficult to think that supplying the Board with information, pursuant to a Board order, which the Board will give to all persons alike who show a legitimate interest, would be considered a proscribed gift.

Validity of Excelsior Rule

A threshold question, however, is raised by appellant's claim that the Excelsior rule is invalid because, concededly, it was promulgated in disregard of the notice and publication requirements of the Administrative Procedure Act, 5 U.S.C. §§ 552, 553.[1] In the opinion of the majority of the court this issue is determinative.

Events leading to the establishment of the rule grew out of two consolidated cases coming before the Board on union challenges of elections on the ground that the employers had refused to supply the unions with lists of names and addresses of employees so that the unions might answer a campaign letter sent by the company to the employees. Recognizing the problem to be one affecting more than just the parties before it, the Board chose to solicit the assistance of selected amici curiae, and, ultimately, to establish a rule which not only did not apply to the parties before it, but did not take effect for thirty days.[2] In so doing we consider that the Board, to put it bluntly, designed its own rulemaking procedure, adopting such part of the Congressional mandate as it chose and rejecting the rest.

In presently justifying its position the Board does not seek to carve out for itself the special defense suggested by our brother Coffin is dissent, but asserts that what it did was proper administrative action approved by the Court in SEC v. Chenery Corp., 1947, 332 U.S. 194. It is, of course, true that the Court there recognized that an adjudicatory administrative body may promulgate rules through decision as well as through more formal rulemaking procedures. This is a necessary and inevitable consequences of adjudication. Normally the Board must decide cases between party and party, as the Commission did in Chenery. The result, if stare decisis is to mean anything, is that any principle, once decided, stands as a guide for the future and may be spoken of as a rule. Examples are legion. Sometimes, until the Board spoke, all parties may have thought the "rule" was the other way. This may be unfortunate, but it is normally unavoidable, as Chenery demonstrates.

Future Rule

In Excelsior, however, the Board did not decide a case between party and party, or, more exactly, it decided a case one way, and took occasion to lay down a future rule the other way. Chenery in no fashion suggests approval of this. On the contrary, to the extent the Board was not deciding a case, this is precisely where Congress had instructed it as to the procedure it should adopt. The Board has chosen to disregard Congress.

Although the first time in this circuit, this is neither the first nor the most severe instance of Board action approximating contravention of the APA in this manner. It has been long and severely criticized, eg., Peck, The Atrophied Rule-Making Powers of the National Labor Relations Board, 70 Yale L.J. 729 (1961); 1 Davis Administrative Law § 6.13 (Supp. 1967), with no apparent effect. We regret that the matter comes before us in connection with a rule to which we see little or no objection and for which there is much to be said. Yet, to blink at this procedure in this instance because we may approve of the result, we believe would be neither honest nor wise.[3] Congress provided no exception in the APA for rules improperly promulgated, but which some court, in a case between the agency and some individual, was persuaded were sound. To recognize such an exception would be to emasculate the statute.

We read Judge Coffin's dissent as disagreeing on this matter only in that he believes the rule promulgated to be "procedural" within the APA definition and therefore not subject to the requirement that advance notice of the intended rulemaking, and the substance of the rule, be given and that interested parties be afforded an opportunity to comment. 5 U.S.C.A. § 553. If the rule related simply to the mechanics of conducting an election, to superintending or checking the voters, we would agree. The Excelsior opinion makes the suggestion that this is one of the purposes. 156 NLRB, supra, at 1242–43, 61 LRRM 1217. However, the Board's decision effectively contradicts its own declaration. The Board already had a valid rule requiring the employer to furnish a checklist. The additional requirement of the Excelsior rule is expressly stated not to apply when the time interval is "too brief . . . for the union to be able to make any meaningful use of this information." Id at 1242, fn. 14. We can only conclude that Excelsior's purpose is what it appears to be on its face, a provision requiring the employer to furnish interested parties with affirmative assistance in conducting their election campaigns.

Substantive Rule

Such assistance is substance, not Board procedure. It differs only in degree and not in kind from a requirement, for example, that an employer having an assembly hall or a printing press should make it available to groups requesting it. The Board's contentions that furnishing a mailing list is not expensive or seriously burdensome, or is required only because the union has no effective substitute, may well be justifications for the rule, but they do not change its character. Judge Coffin's emphasis on the relative lack of burden, and comparing the compilation of the list with affording space on a bulletin board, suggests factual determinations in each case that seem to us unnecessary at best. His desire to resolve questions of doubt in favor of a procedural label loses importance to us when one considers that its only purpose is to avoid affording interested parties an opportunity to present their views as to what is, quite apparently, a controversial rule.

It is also true that compliance with the rule may well increase the fairness of the election. This, however, is a conclusory argument. Many actions by the employer may add to the fairness of the election. This does not mean that ordering them to be done is procedural. We are particularly unmoved by our brother Coffin's suggestion that the fact the rule sets up a positive as distinguished from a negative requirement is indicative that it is not substantive.

The judgment of the district court is set aside and the court is ordered to dismiss the complaint.

Dissenting opinion

Coffin, Circuit Judge (dissenting):—For the purpose of deciding the applicability of the notice provision of the Administrative Procedure Act, 5 U.S.C.A. § 1003(a), I view the Excelsior rule as procedural and thus valid despite absence of advance notice. I recognize that this is a ground not relied on by the Board, which seemed to assert a standard defense to a standard assault. But the same shoe fits both parties, for the distinction which divides this court was obviously far from the concern of appellant, which said in its brief, ". . . it is clear the Board recognized that it was establishing a new rule or procedure in the conduct of election proceedings under Section 9 of the Act."

The legislative history suggests to me that in grey areas doubt about the nature of a rule should be resolved in favor of applying the procedural label. In the first place, the few attempts to define terms equate substantive rules with "rules issued pursuant to statutory authority to implement statutory policy, as by fixing rates or defining standards", Attorney General's Manual on the A.P.A. (1947) 13 n. 5, or with rules "other than organizational or procedural . . . which implement the statute, as, for example, the proxy rules issued by the Securities and Exchange Commission pursuant to . . . 15 U.S.C. 78n." Manual, supra at 30. I read the language and these examples as giving restrictive rather than expansive meanings to "substantive rule".

In addition, the Senate Committee on the Judiciary made clear that in exempting procedural rules from the notice requirement it was seeking to encourage such rules because "those types of rules vary so greatly in their contents and the occasion for their issuance that it seems wise to leave the matter of notice and public procedures to the discretion of the agencies concerned." Legis. Hist. of the A.P.A. (1946), 18,313.

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[1] We are not here concerned with the effect of failure to publish rules, themselves properly arrived at, in compliance with 5 U.S.C.A. § 552(a)(1). In this respect we agree with the views of Judge Friendly speaking for the court in United States v. Aarons, 2 Cir., 1962, 310 F.2d 341, 347–48, that such rules are valid as against one with actual notice of them. See 1 Davis, Administrative Law § 6.10 (1958).

[2] Thirty days is the period which must elapse between publication and effective date of a rule promulgated in accordance with APA procedures. 5 U.S.C.A. § 553(d).

[3] We are not unmindful that two circuits have supported the Excelsior rule. NLRB v. Rohlen, 7 Cir., 1967, 385 F.2d 52, 66 LRRM 2481; NLRB v. Hanes Corp., 4 Cir., 1967, 384 F.2d 188, 66 LRRM 2264, cert denied 390 U.S. 950, 67, LRRM 2632. However, so far as appears, the Board's failure to comply with the APA was not brought to the courts' attention. The courts were concerned with whether the substance of the rule was within the Board's rule-making power, not whether it was properly adopted.

Procedural Rule

The Excelsior rule itself seems to me to be clearly on the procedural side. It sets up a positive requirement of furnishing addresses as well as names of employees, to be applicable in every election. In this respect it differs from the proscription of selectively directed acts of coercion which are more appropriately accomplished through the unfair labor practice procedures.

That the requirement looks toward action the effect of which reaches beyond relations between a party and the Board ought not to be a controlling consideration, any more than it is with reference to the requirement in 29 C.F.R. § 101.19 (the Board's "Statements of Procedure" governing elections) that elections "be adequately publicized by the posting of official notices in the establishment. . . ." Indeed, the natural home of the Excelsior rule would seem to be in § 101.19.[4]

It is also, I think, a factor of relevance to the substance vs. procedure issue that the burden on the employer's time, efforts, or property in being compelled to furnish addresses of employees is inconsequential. I do not share the court's conclusion that this requirement "differs only in degree and not in kind" from one that would force an employer to make an assembly hall available on request. I would say that we are dealing with a dichotomy where difference in degree can result in a difference of kind or difference in categorization. This, I think, is illustrated by the above noted procedural requirement that notices of election be posted "in the establishment"—in itself a minimal encroachment on the employer's domain.

While it may be that forcing employers to share with unions their previous monopoly on knowledge of addresses may have a net result of strengthening union power generally, such a result cannot be said to alter substantive "rights" unless the employer's prior easy access to addresses rises to the dignity of a right. Cf. Sibbach v. Wilson, 312 U.S. 1, 14 (1941). Moreover, the Excelsior rule by its terms applies to "all parties"—which include employees hostile to a new union or seeking decertification of an old one. Cf. Wallace Murray Co., 1968–1 CCH NLRB Dec. ¶ 22,256, 67 LRRM 1431.

Enforcement of Rule

I would, for the above reasons, hold that the Excelsior rule was valid. But this would not have been an end to the case. There remains the difficult question—how, if at all, can Excelsior be properly enforced?[5] The district court ordered that the subpoena be honored. The Board's power lies in the statutory language granting "the right to copy any evidence of any person being investigated or proceeded against that relates to any matter under investigation or in question. . . ." 29 U.S.C.A. § 161(1).

The authorities which have upheld the subpoena power as available to procure an Excelsior list[6] have defined the proceedings leading to representation certification as an investigation and have tortured the concept of "evidence" into something which is helpful in "facilitating a fully informed electorate". NLRB v. Rohlen, supra at 57. A scrutiny of 29 U.S.C.A. § 161 yields the impression that "evidence" is used throughout in its more traditional sense as data relevant to the proof of a fact in issue.[7] I am sympathetic with the courts which have not been willing to make this leap. NLRB v. Q–T Shoe Co., Civil No. 140–67, 67 LRRM 2356 (D. N.J., filed Jan. 19, 1968); NLRB v. Montgomery Ward, Inc., 54 CCH Lab. Cas. ¶ 11659, 64 LRRM 2061 and 2299 (M.D. Fla. 1967).

A second solution, suggested by Q–T Shoe Co., supra, is that the only way to enforce the Excelsior rule is first to secure a determination that refusal by an employer to provide a list of names and addresses of employees constitutes an unfair labor practice under 29 U.S.C.A. § 158(a)(1), and then to seek the aid of the court under 29 U.S.C.A. § 160(e). This would seem plausible until the statutory definitions of unfair labor practices are examined. The Board in Excelsior wisely refrained from saying whether refusal to disclose names and addresses of employees would constitute "interference, restraint, or coercion" within the meaning of 29 U.S.C.A. § 158(a)(1). I would say that it is at least doubtful that any one of the effective verbs would cover such a case. "Interfere" is the most adaptable, but its entire thrust is aggressive, not passive. According to Webster's International Dictionary (3d int. ed. 1961, it means such things as "intervene", "intermeddle", and "interpose".

It cannot be said with assurance that a refusal to respond to the Excelsior rule—unless, perhaps a repeated refusal—would predictably be denominated an unfair labor practice.[8] Moreover, constant litigation would ensue over the issue whether, in a given case, the refusal to provide a list had any effect at all on the representation proceeding. For example, in the case at bar appellant moved to quash the subpoena, citing as one ground that the unions already had employee mailing lists.

Remedy of Injunction

This leads to the remaining mode of enforcing the rule, if indeed there is any way at all. This is the injunction. The Congress has indicated by statute that the Board has authority to prescribe "regulations and rules of decision" governing consent elections. 29 U.S.C.A. § 159(c)(4). The Supreme Court has made it clear that "The control of the election proceeding, and the determination of the steps necessary to conduct that election fairly . . . [are] matters which Congress entrusted to the Board alone." NLRB v. Waterman S.S. Corp., 309 U.S. 206, 226, 5 LRRM 682 (1940).

While there is a step between statute and rule, not present in United States v. Feaster, 330 F.2d 671, 56 LRRM 2018 (5th Cir. 1964), I see no difference in principle. If, in Feaster, the statutory right to have access to books and records supported an injunction compelling access to names, addresses, and job classifications of employees, so here a rule predicated on statutory authority to regulate elections and carrying out Congressional policy should support the same remedy. Or, to go back to the observation in Walling v. Brooklyn Braid Co., 152 F.2d 938, 941, 5 WH Cases 685 (2d Cir. 1945), we should "consider whether the injunction is reasonably required as an aid in the administration of the statute, to the end that the Congressional purposes underlying its enactment shall not be thwarted."

Assuming, therefore, the validity of the Excelsior rule, I see no other certain way in which it can be enforced than by injunction. And while the absence of other remedy is no adequate justification for judicial invention, I feel that enforcement of the rule lies well within the equity powers of the district court. I would therefore remand the case for consideration of the Board's alternative prayer for an injunction.

NLRB *v.* BILLEN SHOE CO., U.S. COURT OF APPEALS, FIRST CIRCUIT (BOSTON)

National Labor Relations Board v. Billen Shoe Company, Inc., No. 7062, July 2, 1968.

DISCRIMINATION—DISCHARGE OF EMPLOYEE—EVIDENCE—52.2724—52.2704.

NLRB held not warranted in finding that employer violated LMRA by discharging employee who was a union organizer, in view of the discharged employee's own testimony that shows him to have been overbearing, insolent, and insubordinate from the moment he was appointed a union organizer.—NLRB v. Billen Shoe Co. (CA 1, 1968) 68:2699.

DISCRIMINATION—DISCHARGE OF EMPLOYEE—BURDEN OF PROOF—52.16

When good cause for discharge of employee appears, the burden which is on NLRB is not simply to discover some evidence of improper motive on the part of employer, but to find an affirmative and persuasive reason why the employer rejected the good cause and chose a bad one, and mere existence of anti-union animus is not enough.—NLRB v. Billen Shoe Co. (CA 1, 1968) 68:2699.

On petition for enforcement of an NLRB order (65 LRRM 1597, 166 NLRB No. 19). Order enforced in part and denied enforcement in part.

Laurence J. Hoffman, with whom Arnold Ordman, General Counsel, Dominick L. Manoli, Associate General Counsel, Marcel Mallet-Prevost, Assistant General Counsel, and Gary Green, were on brief, for petitioner.

Irvin Isaacson, Lewiston, Me., for respondent.

Before Adrich, Chief Judge, and McEntee and Coffin, Circuit Judges.

Full text of opinion

Aldrich, Chief Judge:—This is a petition for enforcement of a Labor Board order. Respondent took no exception to part of the order. The balance we find totally unsupported. The trial examiner, affirmed without comment by the Board, 166 NLRB. No. 19, 65 LRRM 1597, reached his conclusions essentially by ignoring substantial evidence from

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[4] All of this only refers to the primary objective of Excelsior, to achieve better elections. The fact that a secondary purpose, the expeditious handling of challenges of voter eligibility, is uncontrovertedly procedural is an added factor of some significance. While a procedural secondary rule could not save a rule otherwise clearly substantive, it would seem that a primary purpose of ambiguous effect might be aided, insofar as notice is concerned, by such a secondary purpose.

[5] While what follows goes beyond the issue which divides the court, the writer feels obliged to explore the problem of enforcement which has led to conflicting and often strained statutory interpretation.

[6] NLRB v. Rohlen, 385 F.2d 52, 66 LRRM 2481 (7th Cir. 1967); NLRB v. Hanes Corp., 384 F.2d 188, 66 LRRM 2264 (4th Cir. 1968), cert. denied March 4, 1968; NLRB v. British Auto Parts, 266, F.Supp. 368, 64 LRRM 2786 (C.D. Cal. 1967); Swift v. Solien, 56 CCH Lab Cas. ¶ 12140, 66 LRRM 2038 (E.D. Mo. 1967); NLRB v. Teledyne, Inc., 56 CCH Lab Cas. ¶ 12229, 66 LRRM 2408 (N.D. Cal. 1967); NLRB v. Beech-Nut, Inc., 56 CCH Lab. Cas. ¶ 12237, 66 LRRM 2327 (S.D. N.Y. 1967).

[7] A similar approach would be to define more narrowly the particular "investigation" as the quest for the names and addresses of the employees. With this frame of reference, the list of such names and addresses could be considered more traditionally as "evidence" relevant to the proof of the object of the investigation. Indeed the subpoena served on appellant contemplated a hearing before the Regional Director at which appellant's president was to testify from corporate books and records concerning the names and addresses of employees. In lieu of such books, a list would be received but only after Board agents had "verified its contents by examination of the subpoenaed books and records". In short, the list is arguably evidence tending to establish the true names and addresses being sought. The difficulty with this approach is that it tortures the word "investigation" into something quite different from its use in 29 U.S.C.A. § 159.

[8] I would add that I would prefer some lesser sanction for enforcement of procedural rules than that stemming from an unfair labor practice proceeding.

General Counsel's own witnesses whose favorable testimony he uncritically accepted. On the basis of the testimony he did accept he drew inferences contradicted by the very witnesses whose testimony he depended upon.

Because posterity would not benefit from our detailed review of the facts in this case we are placing it in an appendix, which is not to be printed. Suffice for present purposes that the discharged employee's own testimony shows him to have been overbearing, insolent and insubordinate from the moment he was appointed a union organizer, and that the final incident of insubordination would have made the most patient employer risk an unfair labor practice charge. By the same token, the decision reveals, unfortunately, how great is this risk, no matter how undeserved.

We may say that our principal criticism, so far as this particular case is concerned, may be merited by the Board only on the basis of respondent superior. If it regarded the examiner's report as accurate, the result may not have been unwarranted. If its counsel advised the Board as Board counsel have sought to advise us, the Board would equally have been misled. In this respect, however, we wish the Board to know what we expect of its counsel in this court. Naturally we want counsel to be an advocate. However, not unlike what is demanded of the United States Attorney, we expect a presentation that is full and fair to the court. Rather than doing this, counsel argued to the court that certain prior criticisms of the dischargee were "manifest fabrications," when the ignored testimony even of the Board's own witnesses showed they were not. So, also, repetitious references to an incident in which the dischargee was told to "watch out," with no mention of the testimony of the Board's own witness, who had "impressed" the examiner as "quite truthful," that the dischargee had, on a number of occasions, given cause not merely for criticism, but for discharge. Both of these matters were vital to the case. It should not have to be the duty of this court to scrutinize the record to discover that the Board's brief is colored and one sided. It may be good advocacy to hope that the court will not discover this and we will add in fairness to present counsel who impressed us favorably as an individual that he may have felt obligated to do what he did because the trial examiner who was affirmed by the Board had done the same thing. However particularly from government counsel it is a standard that we will not accept.

Commenting briefly on further aspects of the case, the trial examiner's concern with whether there were posted notices against profanity, when the offense was not the use of profanity, but unprovoked swearing at his supervisor in an act of gross, public insubordination, shakes any confidence we might have in the expertise applied to this case, and his reliance upon the fact that the supervisor did not discharge the employee until he had checked with respondent's president, shows lack of application of analytical judgment. It also shows lack of impartiality, in that the examiner did not even mention the reason for the short delay. Finally, the fact that the foreman testified that he would have forgiven the swearing if the dischargee had not persisted in ignoring his instructions does not mean that the entire incident was not serious, or was not truly regarded as such.

We have, on prior occasions, agreed with the Board that an employer who is unhappy about a union must, perforce, subject even his most legitimate conduct to scrutiny for improper motives. This does not mean, however, that a union organizer can do as he pleases and that the Board's findings are beyond reach because anti-union animus is all that is needed to support the inference of employer impropriety. See NLRB v. Almeida Bus Lines, Inc., 1 Cir. 1964, 333 F.2d 725, 727, 56 LRRM 2548. When good cause for discharge is clearly established, it is especially important to remember that the burden of proof is on the Board. NLRB v. United Parcel Service, Inc., 1 Cir., 1963, 317 F. 2d 912, 53 LRRM 2408; NLRB v. Prince Macaroni Mfg. Co., 1 Cir., 1964, 329 F.2d 803, 55 LRRM 2852. We have only too frequently had to remind the Board that a decision on the issue of motive is particularly one which requires consideration of all the evidence, and not bits and pieces which support a decision unfavorable to the employer. See, e.g., Raytheon Co. v. NLRB, 1 Cir., 1964, 326 F.2d 471, 55 LRRM 2101.

If we were to draw a further lesson from this case, and too many others like it that we have had, it is that it is all too easy to say that adequate cause for discipline was seized upon as pretextual in the case of union representatives. The fact is that adequate cause for discharge is of peculiarly legitimate concern in such instances; management cannot run its plant if union organizers can ride roughshod on the basis of their position. When good cause for criticism or discharge appears, the burden which is on the Board is not simply to discover some evidence of improper motive, but to find an affirmative and persuasive reason why the employer rejected the good cause and chose a bad one. The mere existence of anti-union animus is not enough. The fact that the employer may be pleased to effectuate the discharge does not mean that this was his primary motive. See NLRB v. Lowell Sun Publishing Co., 1 Cir., 1963, 320 F.2d 835, 842, 53 LRRM 2480.

The order of the Board will not be enforced except as to a separate matter as to which respondent took no exception.

THE NOMINATION OF JUSTICE FORTAS

Mr. GORE. Mr. President, when before the Senate Judiciary Committee on public hearing on his nomination to be Chief Justice, Mr. Justice Fortas was confronted with a number of decisions by the U.S. Supreme Court. Since Justice Fortas was in no position to discuss or defend the decisions, and no member of the committee interrupted so to do, some might draw an unwarranted conclusion from the record of the hearings that all these cited decisions were in error.

The distinguished Senators who cited the cases and alleged error therein are well versed in the law, and they martialed precedents to support their view. There is, however, another side which it might be well for the record to show. And when the facts, the law, the precedents, and the power of reason are all considered, it might well be that most lawyers and citizens would hold the questions to be close ones that could only be resolved by the most careful reasoning and consideration of all factors. Indeed, Mr. President, this is characteristic of most cases that reach the Supreme Court.

The Supreme Court of the United States deals exclusively with controversy. It is the function of the Court to decide justiciable controversies involving a Federal question.

Lawsuits arise only when there is disagreement either about what the law is or about what the facts are. By the time a lawsuit reaches the Supreme Court the facts have been determined. Thus, the only way in which a lawsuit may reach the Court for decision is when there is strong disagreement between opposing attorneys as to what the law is when applied to the facts as they have been determined. A decision to press a case all the way to the highest Court is not taken lightly or without regard for the effort and expense involved.

Just as it is to be expected that the Justices will disagree in interpreting the law as applied to a particular situation, so also is it to be expected that citizens, lawyers, and Senators will disagree as to the wisdom of a particular decision. I doubt if even the most ardent friend of the Court would agree with all its decisions, and the Justices themselves in their dissenting opinions sometimes use language that is biting if not bitter when commenting on the views expressed by the majority.

This is our system, Mr. President. We argue about what the law is and we go to court to find out. When the Supreme Court has spoken, we may continue to argue about the wisdom of the decision, but we do not argue further about what the law is, as applied to the facts of the specific case.

If any Senator has reason to conclude that a nominee is not qualified to serve as Chief Justice, or as an Associate Justice, he not only has a right, he has a duty to oppose the nomination.

While I do not question the right of Senators to be opposed to Justice Fortas' nomination, this does not mean that I accept the validity of the arguments they have advanced.

Disagreement as to the correctness of Supreme Court decisions in major cases is not limited to the Justices themselves, to Senators, or to average citizens. Law professors and constitutional scholars also find themselves on both sides of the fence when discussing both the results achieved by a decision and the reasoning which led the Court to its conclusion. Advocates of both points of view are easy to find with respect to all of the cases that have been cited in the hearings before the Committee on the Judiciary.

It is not my purpose to undertake to defend the correctness of all the Supreme Court decisions in which Justice Fortas has concurred in the Court's opinion. I have by no means studied all of them in detail. If I did, it would not be surprising to me to find myself in vigorous disagreement with some of his opinions or some of the opinions in which he concurred.

I do wish to discuss briefly one of the cases that has been cited by my beloved friend, the very able senior Senator from North Carolina [Mr. ERVIN], himself an eminent lawyer and jurist, in opposition to the pending nomination. I refer to *Katzenbach* v. *Morgan*, 384 U.S. 641, which was decided by the Court in 1966. The senior Senator from North Carolina called the Morgan decision "the most astounding decision ever handed down by the Supreme Court of the United States." I do not suggest that the qualifications of Justice Fortas should be determined altogether by an analysis of this opinion, but it does seem to me that this case may be of particular interest to Senators as they exercise their constitutional responsibility in the confirmation process.

In Katzenbach against Morgan, the

court upheld the constitutionality of section 4e of the Voting Rights Act of 1965. Although section 4e was clearly of general application, its principal objective was to override a provision of the Constitution of the State of New York which required literacy in English as a condition of eligibility to vote. The effect of the New York law was to disenfranchise, among others, several hundred thousand citizens of New York who had migrated, or whose ancestors had migrated, from Puerto Rico and who were admittedly literate in the Spanish language, but who were not literate in English.

Section 4e provided that no person who demonstrates that he has completed the sixth primary grade in any public school in, or in a private school accredited by, any State, the District of Columbia, or the Commonwealth of Puerto Rico, where the predominant classroom language was other than English, shall be denied the right to vote because of his inability to read, write, understand or interpret any matter in the English language.

In effect, section 4e provided that where literacy tests are imposed as a voting qualification, literacy in a language other than English suffices, provided that the individual had received his primary education in such other language in an "American-flag" school.

Registered voters of the State of New York challenged the constitutionality of section 4e. They urged that under pertinent provisions of the U.S. Constitution, determination of the qualifications for voting was reserved to the States, and that Congress was granted no constitutional power to override valid State requirements. A three-judge district court, one judge dissenting, sustained the petition and granted an injunction against enforcement of section 4e. The Supreme Court, two Justices dissenting, as I have noted, reversed the district court, holding that section 4e is a valid exercise by Congress of the power granted to it by section 5 of the 14th amendment, and that under the supremacy clause, the New York English literacy test cannot be enforced to the extent that it is inconsistent with section 4e of the Voting Rights Act of 1965.

Prior to enactment of the Voting Rights Act of 1965, the New York English literacy requirement had been challenged unsuccessfully in both New York State courts and in Federal court on grounds that it was discriminatory and therefore unconstitutional.

In Morgan, the Supreme Court did not base its decision on a holding that the New York law, either per se or in its application, constituted invidious discrimination which rendered it unconstitutional. Rather, the court based its decision on the power of Congress by appropriate legislation to implement and enforce the 14th amendment, such power having been granted to Congress in section 5 of that amendment.

The decision of the court, as might have been expected, was controversial. As I have observed, two of the justices dissented. Although I agree with the Court's opinion, I would not expect to be able, and therefore I will not try, to convince all those who disagree.

But, Mr. President, to the extent that opponents of Justice Fortas' nomination rest their case on his concurrence in Katzenbach against Morgan. I wish to remind Senators that the Senate has already considered substantially the same contention and has rejected the argument by the decisive vote of 48 to 19.

During debate in the Senate on section 4e, the distinguished senior Senator from North Carolina presented with ability and eloquence virtually the same arguments which he now advances in inveighing against the decision in Morgan. In essence, he insisted during that Senate debate, that the proposed section 4e was unconstitutional. Although I have not examined the briefs submitted in Morgan, I dare say that the attorney for the appellees in that case cited as precedents the same authorities cited to the Senate by the senior Senator from North Carolina.

As I have said, this argument against the amendment was not accepted by the Senate. The vote in the Senate, I repeat, was 48 to 19 for adoption of the amendment.

Senators, as are Supreme Court Justices, are mindful of their oaths to uphold and defend the Constitution. Senators, I am convinced, will not vote for a provision they believe to be unconstitutional. Obviously, by a margin of more than 2 to 1, the Senate was convinced of the constitutionality of section 4e at the time it voted to add that section to the Voting Rights Act of 1965.

The Court's refusal in the Morgan case to abrogate a reasonable congressional judgment reflects a view that the Supreme Court should afford wide latitude to congressional determinations in sensitive areas of constitutional law. As many assert, and I concur, it is Congress—not the Supreme Court—to whom is entrusted the legislative function in our system of government. The role of the Court, in my opinion, is to strike down only those legislative actions that are clearly violative of constitutional provisions.

What it all boils down to, Mr. President, is that in Katzenbach against Morgan, Justice Fortas agreed with the Senate. To me, it would be quite anomalous should the Senate now take the position that because of his agreement with the Senate, Justice Fortas is somehow not qualified to serve as Chief Justice of the United States.

I am confident, Mr. President, that the Senate, when the time comes to vote, as it will come, will take no such position. I am confident that a substantial majority of Senators will vote to confirm this nomination.

I do not wish to imply that those who oppose the nomination on the basis of sincere convictions that Justice Fortas has not in their view properly interpreted the Constitution will base their case solely on Katzenbach against Morgan. Neither do I base my support of the nomination solely on my agreement with the result of that decision. Katzenbach against Morgan is by no means a weak reed on which to lean, but there are many more, and, in my opinion, they are persuasive.

What do we look for in a nominee for appointment as a Supreme Court Justice, and in particular, for appointment as Chief Justice? There is no written job description to guide us. Rather, we must look to the framework of our governmental institutions, to our concept of justice, and to the freedoms which we enjoy and seek to preserve.

We must seek men or women who, first of all, have the intellectual capacity to understand the grave and complex issues that will come before the Court; we must seek those with courage to implement their convictions and to discharge their duty as they see it; we must seek those who are dedicated to the law, to their country, and to their fellowmen.

Justice Abe Fortas is such a man.

THE PLIGHT OF THE GRAIN FARMER

Mr. SYMINGTON. Mr. President, time and again on the floor of the Senate I have watched representatives of urban areas vote against farm programs.

The Washington Evening Star of July 22 contains a thought-provoking article entitled "Bread Gap at Record," written by Miss Porter, in which she states:

> The spread between what we pay for bread and what the farmer gets for his grain is at a new peak of 18.9¢. . . .
>
> Since 1947, the price of bread has jumped from 12.5¢, a rise of almost 10¢. But the farmer is getting 3–10¢ less than he was getting roughly 20 years ago.
>
> Farmers again are being forced into an intolerable squeeze. . . . As matters shape up now, the "farm problem" is sure to be an issue in the 1968 elections.

STUDY BY EX-AGRICULTURE DEPARTMENT OFFICIAL RAISES SERIOUS QUESTIONS REGARDING WORLD FOOD POLICY

Mr. PROXMIRE. Mr. President, Bob Lewis, who recently left the Department of Agriculture, has come up with a study of world food policy that raises a number of provocative questions regarding the wisdom of the policy our Government is presently following in dealing with the world hunger problem.

Mr. Lewis fears that we may perpetuate massive slum-ghetto problems of the type we face here in our own country by encouraging underdeveloped nations to modernize their agricultural sector without giving consideration to what those countries will do with the millions of people who would be forced off the land by such modernization. His thesis is that these nations must be prepared to offer those displaced by agricultural modernization employment in other sectors of their economy. Thus he believes that industrialization is at least as important to the economy of these countries.

Mr. Lewis also believes that advanced nations, including the United States, are more than able to provide enough food to feed the world population. The problem, he asserts, lies not in supply but in demand—that is, in the generation of enough wealth in underdeveloped countries to enable their people to afford the modest cost of an adequate diet.

All of these opinions are bolstered by an impressive array of facts and statistics. I hope that Senators will have an opportunity to take a look at the study, which may be obtained from Mr. Lewis, whose address is 3512 Porter Street NW., Washington, D.C. 20008.

I ask unanimous consent that an outline of the study, which touches upon a number of other points I was unable to make in this brief statement, be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Claims by United States AID officials that major less-developed countries are nearing "self-sufficiency in food production" fall short of true nutritional adequacy by "at least several hundred per cent," according to a study released today by a Washington economist.

The study warns that pressures by the U.S. government on the developing countries to strive for self-sufficiency in food production is repeating "on a vastly enlarged scale" the conditions that led to crowded slums and "explosions of rioting, arson, and civil disorder" in American cities.

"America's urban agonies may be only a small foretaste of the horrors that would result if the developing countries speed up the modernization of their agriculture before they create jobs for more people in the cities, before the farmers who are to be displaced are able to earn their livings some other way," the study warns.

Author of the study is Robert G. Lewis, until recently a high-ranking administrator in the U.S. Department of Agriculture and consultant to the Agency for International Development. Sponsors of the study include several leading national farm organizations and major commodity trading firms, food processors, and farm producer associations. They are:

Cargill, Inc., Minneapolis, Minnesota;

Central Cheese Co., Marshfield, Wisconsin;

Continental Grain Co., New York, N.Y.;

First Interoceanic Corporation, Minneapolis, Minnesota;

National Association of Wheat Growers, Washington, D.C.;

National Corn Growers Association, Boone, Iowa;

National Farmers Organization, Corning, Iowa;

National Farmers Union, Denver, Colorado.

In his study, Lewis calls for a turn-around in U.S. farm adjustment, food aid, and trade policies calculated to translate "the present day population explosion" into " a tremendous boom" in the world's farming and food business. This, he said, would require the U.S. to move:

"Toward the expansion of demand, rather than contraction of supply;

"Toward aggressive market-building for American farm products, rather than withdrawal of substantial American farming resources from competition in world markets;

"Toward enterprise, imagination and innovation in efforts to enable potential customers to buy more of the food that they need and which we can supply economically, rather than encouraging them to adopt inefficient self-sufficiency national economic and trade policies."

The report notes that Congress has already approved a limited trial of one of Lewis' key proposals to expand the use of United States "Food for Peace". Called the "Food for Work" amendment, it was suggested by Lewis at hearings of the Agriculture Committee in March, while his study was underway. As Lewis describes it:

"The United States Government now receives foreign currencies for food aid shipments far in excess of what it needs or can use. The Food for Work amendment authorizes the government to exchange these currencies for dollars. In this way, our government can obtain enough money from private businessmen and investors to offset the additional cost of shipping additional food overseas instead of paying farmers for not producing it.

"The private interests that buy the foreign currencies would be allowed to use them to pay wages on construction projects within the importing country. Thus the purchasing power for food would be expanded in direct relationship to the increase in the quantity of food imported.

"This plan would enable the United States to increase the volume of 'Food for Peace' shipments without increasing U.S. budget costs, and it would improve the United States balance of payments."

Many of Lewis' conclusions run counter to widely-held beliefs about world food needs and the best ways to meet them. Among his major findings are these:

1. The numbers of both hungry and malnourished people on earth are increasing each year. Half a billion people—nearly one out of six—need *more food* than they can get to eat. Altogether, half of the humans on earth need to have *more good quality food* in their diets in order to overcome the health-destroying, energy-depleting effects of malnutrition.

2. The volume of U.S. food aid is declining. The value of shipments in the current year will be some $200 million below a few years ago.

3. World food "surpluses" are growing. Contrary to official forecasts made only a few years ago, authoritative recent studies indicate that world grain production capability will continue to exceed market demand by a large and increasing margin. Even if less than half of the acreage which American farmers are now being paid to withhold from the growing of crops is returned to production, *the additions each year to the world grain surplus would exceed the total surpluses on hand at the time the peak in U.S. and world grain stocks was reached in 1961.* If the additional 36 million acres now withheld from production were also to be returned to crops, *the annual world grain surplus would be approximately double the record total accumulated as of 1961.*

4. Hunger does not spur people to work harder. On the contrary, hunger and malnutrition *retard* economic development. Studies show that poor diets, resulting in undernutrition and malnutrition, reduce working efficiency by decreasing resistance to disease, increasing the rate of absenteeism, causing lethargy, lack of initiative and drive, and higher accident rates.

5. Adequate diets must come before birth control in efforts to check population growth. Married couples will not adopt artificial birth control practices until they can be made confident that even if they limit the number of births, a child or two or three will live until maturity. Malnutrition must be substantially corrected in order to reduce infant mortality so as to engender the confidence of parents that their babies that are born will survive.

6. The present United States recommendation to less developed countries to strive for "national self-sufficiency in food production" is contrary to the interests both of the United States and of most of the developing countries.

7. It is *demand* for food, not *supply,* that is the truly limiting problem. The world's modern scientific farmers can produce all the food that will be needed throughout the century if market prices are raised moderately. And there is no other way that as much additional food can be obtained as quickly or as cheaply.

Lewis contends that as a general rule, developing countries should be encouraged to assign their first and highest priorities to expanding their manufacturing sectors rather than their agriculture.

"These countries' real comparative advantage lies in their low-wage labor, whereas modern agriculture is highly capital- and skills-intensive. Moreover, world market prices for harm commodities are chronically low, so that labor earnings from old-fashioned farming methods are bound to be particularly low. Even worse, farm prices are vulnerable to chronic weakness in overburdened world commodity markets," Lewis contends.

Declaring that recent "explosions of rioting, arson, and civil disorder" in American cities are "in large measure a delayed-action cost of America's gains in agricultural efficiency," Lewis warns that "the very success of efforts around the world to improve agricultural efficiency is bound to result in massive displacements of human labor out of farming." He argues that prosperous urban sectors are needed in the developing countries to support adequate education, health care, and nutrition for the children of poverty-stricken peasants to fit them for jobs and life in the city before displacement of labor out of farming should be pressed.

Lewis contends that as the world's greatest agricultural producing and exporting nation, "The United States ought to seek improvement in the earning power of the world's hungry billions as its central international economic policy." He claims that other American exporters of capital-intensive, sophisticated manufactured goods and services would benefit also.

Lewis notes that "the present-day population explosion would translate directly into a tremendous boom in the world's food business if 'effective demand' were to reflect the growth in population numbers. More food, and better food, are top-priority wants for hundreds of millions of people. But the potential boom in the food business has not appeared. The reason is that buying power lags far behind needs and wants. The United States and other advanced countries apply their highest tariff barriers against the products that the unskilled workers of developing countries could sell to earn the means for buying more and better food.

SENATOR TYDINGS MEETS THE PRESS

Mr. BYRD of West Virginia. Mr. President, the distinguished junior Senator from Maryland [Mr. Tydings] appeared as guest on the television program "Meet the Press" on Sunday, June 9, to discuss the general question of the gun control proposals which have been before the Congress during this session.

I have this week had the privilege of reviewing a transcript of the program on which the Senator was questioned, and I have read it with great interest. While my own views on this important matter do not always coincide with the views of the Senator from Maryland, I nevertheless feel that the questions which he answered on "Meet the Press" contribute in a valuable way to the discussion which has been going on.

It is quite obvious to me that my colleague has devoted a great deal of his time and his considerable talents to the question of gun control. He buttresses his arguments for strict control with facts which bear directly on the problem—an important issue to which I know all of the Members of this body have been giving their closest attention.

I wish to commend the Senator for his diligence, his perseverance, and for his persuasive presentation in support of the legislation to which he has devoted so much time. His statements deserve careful consideration of all of the Members of the Congress.

I ask unanimous consent that the transcript of the Senator from Maryland's appearance on "Meet the Press" be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

[Broadcast, June 9, 1968]

MEET THE PRESS

Produced by Lawrence E. Spivak.

Guest: Senator Joseph D. Tydings (Democrat of Maryland).

Mr. Spivak. The House of Representatives passed and sent to the President this week an omnibus anti-crime bill. President Johnson criticized its gun control provision as a half-way measure and called upon Congress to give the country the gun control law it needs.

Our guest today on Meet the Press is Senator Joseph D. Tydings, Democrat of Maryland, a leading advocate of strong gun control legislation.

Senator Tydings is a member of the Senate Judiciary Committee and a former U.S. Attorney for the District of Maryland.

We will have the first questions from Carl Stern of NBC News.

Mr. Stern. Senator, despite the alleged half-way gun control measures in the Crime Control Bill, plus whatever constitutional infirmities it might have, would you recommend the President sign it?

Senator Tydings. Yes, I would. I didn't support all measures of the bill, but I think he should sign it.

Mr. Stern. Additional gun control measures reaching to long guns are to be introduced in the Congress this week, but how could any of these proposed gun limits have helped to avoid the shooting of Senator Kennedy?

Senator Tydings. The specific legislation, which would be a mail order ban on long guns, which the President has proposed, which we tried to amend to Title IV in the Senate, wouldn't go far enough in my judgment. I think that we need a responsible, sane gun policy in this country which would require the registration of all guns, just as automobiles, and which would require a license to purchase a gun, preferably issued by your local law enforcement officer. It is just tragic that in all of the western civilization the United States is the one country with an insane gun policy. Our gun murder death is 54 times as great as Great Britain, 67 times as great as Japan. In 1962 there were almost 5,000 gun murders in the United States and less than 30 in Great Britain. It just doesn't make sense.

Mr. Stern. This is also a country, though, that has had big city disorders. This has produced a desire in many people to obtain a gun. Has this hurt efforts to curb guns?

Senator Tydings. I don't think so. I think—a responsible licensing provision where your local police chief would have to approve your license first; a license could be issued for legitimate supporting purpose, for home protection, a legitimate purpose. That is all we ask. A responsible gun law. I don't think it would bother the persons who want to protect their home.

Mr. Stern. Does not the Defense Department, with the authorization of Congress, still sell surplus guns and ammunition at bargain prices?

Senator Tydings. They did until three months ago, and it was a national disgrace. Now the Pentagon has finally stopped selling surplus guns. In Detroit last summer 400 police officers couldn't buy surplus carbines until they joined the NRA at $5 a year. Fortunately, I think the Pentagon has come to their senses

Mr. Stern. Has the criticism of the NRA been fair? Have you personally been under any harassment from the NRA?

Senator Tydings. The NRA is the National Rifle Association. As you know, they don't pay taxes. They have income of some $5 million a year, 25 per cent of that income comes from advertisements sold in their magazine, most of which are purchased by munitions makers and so forth. Ostensibly they represent the sportsmen, but actually they are the voice of the munitions makers and the gun sellers in the United States. They have a tremendous amount of power in the Congress, unfortunately, in state legislatures. They have always opposed any type of responsible, effective gun legislation.

It is interesting to note that in the past three decades only one state, New Jersey, has ever been able to pass a strong gun control measure over NRA opposition. Of course, one of the unfortunate aspects, by-products, is that many conservation organizations don't really look into the matter themselves and just blindly follow the lead of the NRA in gun regulation matters.

Mr. Downing. Senator Tydings, public sentiment over the years has favored strong gun control legislation. I believe a poll in the thirties showed that 84 per cent of the people favored a strong bill, and last year another poll showed that 73 per cent favored guns and shotguns being registered. The National Association of Police Chiefs has supported strong legislation, as has F.B.I. Director Hoover.

With all this apparent support, how is it possible for the Congress to ignore?

Senator Tydings. The National Rifle Association and the other fronts for the various gun makers have been able to confuse sportsmen. And let me say here that I learned to shoot ducks at my father's knee. I still have the shotgun my father gave me on my 21st birthday. I love to shoot ducks and geese. I shoot all over Maryland. But the average sportsman or hunter has been so confused and misled by the National Rifle Association and their various propaganda missiles that they violently react against any type of responsible or sane gun legislation without even realizing what is in it. They have been able to—the NRA and the various gun lobbies—have been able to control state legislatures and to in effect control really the national Congress so that it has been impossible to get responsible or sane gun legislation through any legislative body, with a few exceptions, in this country.

Mr. Downing. The President of the NRA, Harold Glassen is recently quoted as saying that the Association is not a lobby and that it has not spent a single dollar over the years for lobbying operations.

Senator Tydings. The Association has, as I have indicated, over $5 million in revenue. They keep a tremendous bureaucracy or hierarchy, the NRA, working here in Congress. As far as I am concerned, their principal job is to conduct surveillance on all responsible gun legislation and to do whatever they can to defeat it. They spend millions of dollars on their magazine and their various mailings they send out to hunters across the United States, many of which are primarily directed at efforts to kill legislation. I consider them, and I think most responsible legislators, despite the fact that they don't register under the Lobbying Act, to be one of the most powerful lobbies in the United States.

Mr. Frankel. Senator, I'd like to ask you about the nature of this lobbying, but first are you saying that your fellow Senators, like the sportsmen, are also confused, or are they just timid?

Senator Tydings. I think many of them are actually confused. Of course, bear in mind that Congressmen and legislators represent their constituency, and if the great majority of your constituents who support sane gun legislation remain silent and only your very vocal sportsmen write in, call in and talk to you, you are likely to be responsive to your vocal constituents.

Mr. Frankel. Tell us about this lobbying. How does it really work in terms of pressure——

Senator Tydings. I'll give you the specifics:

The way it would work, the minute a bill is introduced—for instance, both Senator Kennedys, myself and others, have introduced each year responsible gun legislation, mail order ban on sale of pistols and rifles. The minute that bill is introduced, they send a bulletin to all their some 900,000 members giving the bill and giving their views on it and what ought to be done, and the way I know the response is because the NRA misspelled my name. They put it T-i-d-i-n-g-s, instead of "Ty," and I got literally thousands of letters and postcards from my constituents all misspelling my name and all giving the line that was in the propaganda issued by the NRA. And this is done with every state legislator, every city councilman and every congressman across the nation, and meanwhile your average taxpaying moderate citizen sits back and does nothing.

Mr. Frankel. But is it the function of—let's say Senator Mike Mansfield, a national figure, the Majority Leader of your party—is it his function merely to respond to a volume of mail, especially if he should recognize it as being essentially organized? Does his thinking on an issue stop at that point?

Senator Tydings. Of course not, but it is bound to be an influence, particularly if you are a state which is small in population, and if a great majority of the people are misled in that state, or some of them, or the leaders, you are bound to be affected by it.

Mr. Frankel. Even if, as the polls suggest, four out of five voters feel the other way?

Senator Tydings. Unfortunately it is not the polls that count; it is the constituents or your people back home who take the trouble to contact you.

Mr. Barth. Senator, just following up Max Frankel's question, would it be useful to Congress to have some mail from people who aren't members of the National Rifle Association? Would that be an effective thing?

Senator Tydings. I think absolutely. It is high time. Particularly in the southern states and in the western states where your NRA is so powerful or your right wing extremists which oppose any type of sane gun law are strong. I think it is absolutely mandatory that we get some support at the grass roots level.

Mr. Barth. You know that there are something like 100 million guns in private possession, in private hands in the United States?

Senator Tydings. That is a conservative figure.

Mr. Barth. Can anything effective be done about the gun problem without some measures designed to dry up the availability of guns in private hands.

Senator Tydings. As I indicated earlier. Mr. Barth, I think the legislation which we passed and which the President proposes, which we tried to pass, is a minimal step. I think to have responsible, sane gun legislation, we have to do what the rest of the civilized western nations do, have gun registration laws and require a license for the purchase of a fire-arm.

You notice yesterday when they picked up the assassin of Martin Luther King, or at least a man accused of being involved with Martin Luther King, they picked him up on the charge of possessing an uncertificated, unregistered firearm. I think that is the least we can do in this country.

Mr. Barth. Registration, it seems to me, is fairly minimal too.

Senator Tydings. Plus licensing.

Mr. Barth. What do you think about confiscation of available firearms, particularly pistols, and a pistol permit program under which these deadly weapons would be allowed in the hands only of military personnel and police authorities and citizens who are determined to have a need of them, say for self-protection?

Senator Tydings. Mr. Barth, the Japanese have a law which prohibits anyone owning a pistol except a police officer. I wouldn't propose to go that far. What I would propose—and incidentally, I am drafting legislation which I intend to introduce next week, sane gun legislation, which would require a license. It would give a period of time for the states to set up their own enabling legislation, because the states should do it, but if they don't, would require each person to register his firearm and to secure a license for it.

In the case of a hand gun, the license would have to be issued by your local law enforcement officer, and you would have to use it either for a hunting purpose or you would need it to protect your house or your property. You couldn't have a criminal record, and the police would have a chance to check it out.

I think that is a minimum step, a responsible step, and if you couldn't meet those requirements, then I think that the government shoulld pay you just compensation and you should turn it in. A person, say, who is an alcoholic, who has a record of conviction involved in riots or a felony, they shouldn't be permitted to own a gun. The gun should be turned in and confiscated.

Mr. Spivak. Senator, may I ask you a question? If you are against the gun control provisions of this anti-crime bill, why do you want the President to sign the bill? Why doesn't—

Senator Tydings. I am not against it. I fought for them, Mr. Spivak. I was one of the floor leaders. I fight for every step I can get.

Mr. Spivak. You think they are not strong enough?

Senator Tydings. Definitely they are not strong enough, but I think they are much better than nothing. I fought too long in the Senate trying to get just this minimal safeguard for the American people to want the President to veto it. I think we neeed all the protection we can get, and I urge him to sign it.

Mr. Spivak. But the state of public opinion today being what it is, if you started all over again, wouldn't you be more likely to get a strong bill if he vetoed it and you started all over again?

Senator Tydings. I don't know, Mr. Spivak. That is always a possibility, but that is a little illusory and I just don't want to take the chance. I would rather try to strengthen what we have got rather than lose that minimal safeguard, as minimal as it is.

Mr. Stern. A criminal by definition is someone who breaks the law. It is said of what value would more laws be if in fact criminals will continue to get guns anyway?

Senator Tydings. It is not a question of more laws. It is keeping a pistol or a deadly weapon out of the hands of a criminal.

Take Detroit last summer. Michigan has a law which says you can't sell a pistol to a convicted felon, and yet all they had to do in Detroit—and the weapons confiscated after the riots show that, I think—70 or 80 per cent of the individuals involved had prior criminal records, couldn't purchase a weapon in Michigan, so they hopped in their car, sped over the state line into Ohio, bought a Saturday night special for eight or ten bucks at the store down there in Ohio, Toledo, and came back in and used it for whatever purpose they wanted.

We have got to try to keep the guns out of the hands of individuals.

You hear the argument, the NRA and the gun lobby say, well, just make the penalty greater on the possession of guns. That is a lot of baloney. We have the toughest penalties in the world for guns involved in a murder or robbery or anything, and yet we have 67 times the rate of gun murder deaths here that they do in Japan, where they keep the guns out of the hands of criminals, or 54 times as great a murder rate as they do in Great Britain. I mean the answer is to limit the possession of firearms, to stop them from getting into the hands of criminals, narcotics addicts, alcoholics, before—

Mr. Stern. Last July during hearings of the Senate Subcommittee on Juvenile Delinquency, Senator Hruska of Nebraska pointed out that only 17,000 New Yorkers, for example, have guns legally. He said, "The intruder breaking into an apartment has it made because he knows there is no one to shoot back." In essence, he is saying restrictions on guns encourage crime. What is your response to that?

Senator Tydings. Well, that is a misleading argument.

First of all, in New York, with the Sullivan law, you are permitted to have a pistol for the safety of your home or your store, so that wipes that argument right out.

In New York they say you can't purchase a pistol if you have a criminal record, and they give the police an opportunity to check your criminal record and the background. I might point out that in New York both the murder rate and the gun murder rate are far below that of western states and southern states that don't have any responsible gun regulation.

In the last five years in the United States, I think there were 335 police officers murdered. 96 percent of them were shot down with guns. In all of the eastern states, all of the northeastern states, there were less than 60 police officers killed. In the southern states where they have little or no gun regulation, 151 police officers were killed, shot down with guns.

I mean it shows that where you even take minimal efforts—and certainly the northeastern states have a long way to go, but even minimal efforts help.

Mr. Downing. Senator, opponents also maintain that there is no relationship between the gun control laws and the level of crime. They say the target is wrong, that the real causes are social and economic, so why pick on them?

Senator Tydings. Let me say this, no one, least of all myself, would advocate that gun law is the answer to crime. It is a tremendous first step. It has been requested as a matter of fact begged for, by police chiefs from all over the country. I do think that if we are going to meet the problems of crime, in addition to responsible gun legislation we have got to pay decent salaries to our law enforcement officials, give them decent education and back them up. And in the long run if we are going to do anything we have got to try to do something about the environment which makes it so likely that crime is going to take place.

A little more long-winded answer to your question: We have a great quarterback with the Baltimore Colts, John Unitas. If John Unitas in the first play of a practice game were to have his arm broken, a compound fracture, with bones sticking out in three places, the first thing we would have to do, or the trainer would do, is try to get him some sedative or novocain to deaden the pain. That is the immediate problem with crime. We have got to beef up the police force, do something about the law enforcement officer on the beat, help him, pay him. But if they ignore the broken arm, if the doctor didn't come in and set that bone, put it in a cast, John Unitas could never play football again. And if we sit back and don't do anything about the conditions in the cities, about job opportunities, about providing a decent education for the children in the ghettoes, about providing decent housing, we are never going to solve the problem of crime, and of course I think that is in the long run. That is of course the major approach we have to make.

Mr. Frankel. Senator, the things you just said were reminiscent, of course, of Senator Robert Kennedy and the things he was saying, and I am sure that is no accident because you were close to him. Is it too soon to ask what happens now to the people who were allied with him and who felt that he stood for things that other people in the Party did not?

Senator Tydings. I don't know that anyone at this particular time, any of us who were close to Senator Kennedy, really knows what we are thinking, what we are doing. Yesterday, as you know, was just too much. But I do know this: I don't see how we can just go back to politics as usual, how we can just support somebody or anybody who is not willing to speak up courageously as he did about the problems which divide our society, about the problems of racial hatred, of black against white, about the disaffected groups within our society, about the problem of this ghastly war in Vietnam. I just don't see how we can go back to that "politics as usual."

Mr. Frankel. Are you suggesting that neither the President in his way or the Vice President in his—that they are politics as usual?

Senator Tydings. I am not suggesting anything, Mr. Frankel, I am just telling you how one man who was inspired by Robert Kennedy and his brother feels, and it is difficult to say anything today, particularly after yesterday.

Mr. Frankel. Let me ask you: the President seemed to feel that the horror of this shooting at least might galvanize the Congress, at least in this small respect, on beefing up the gun bill. Is it your judgment after the fights that you have been through in this same cause in the Senate—and that you lost, really, on the way to moving this bill through—that the shooting was enough to change enough votes?

Senator Tydings. No, I think the President was wrong. Nothing is going to move the Congress, nothing is going to move the state legislatures across the country except a most tremendous outpouring of demands from the citizens of this country. It is only the people who are going to do it. The Congress is not going to change; we are not going to get a bill through the Senate unless the people themselves get on the telephone and get hold of their Senators and say, "We demand action." I think the President is dead wrong.

Mr. Frankel. Do you think the Administration and the President may have done enough to arouse that kind of support?

Senator Tydings. I think—I am delighted with the statement that the President made yesterday but generally the leadership—and I might say the Republican leadership—has not met its responsibilities. Richard Nixon just several weeks ago issued a white paper on crime. It took six pages of fine print in the Congressional Record. He talked about everything, and he conspicuously avoided any mention whatsoever of gun control.

If we have that kind of leadership and timidity and fear of the gun lobbies, we are never going to get a responsible legislative program.

Mr. Spivak. Gentlemen, we have less than two minutes.

Mr. Barth. I'd like to ask something about the legal problems involved in gun legislation.

You spoke earlier of a permit system for the possession of pistols and the registration of firearms. Can the Federal Government, under the commerce power, I suppose, act effectively in this field, or must a part of the control be left to local legislation?

Senator Tydings. No, we can constitutionally act. It has been passed by the Supreme Court, the Federal Firearms Act of 1934 and again in 1938. My proposal would be to give the states a period of time to act. Hopefully they would, but if they didn't, then we have a responsibility to act.

Mr. BARTH. Could the Federal Government confiscate guns, take them away from people who ought not to have them?

Senator TYDINGS. Oh, I think they could, yes.

Mr. SPIVAK. Senator, the United States has been called the most lawless nation in the world. Do you think that is so?

Senator TYDINGS. I don't know all the statistics, but insofar as gun murders are concerned, I would have to answer, that is correct.

Mr. SPIVAK. Gentlemen, on that note, I am afraid we must end.

I am sorry to interrupt but our time is up.

Thank you, Senator Tydings, for being with us today on Meet the Press.

MONDAY HOLIDAY BILL WILL BENEFIT ALL

Mr. SMATHERS. Mr. President, Sylvia Porter, the syndicated columnist, is an extremely knowledgeable writer on business and financial affairs. She was among the first of the nationally known columnists to recognize the benefits of Monday holiday legislation and has on many occasions written clearly and lucidly in behalf of such a bill. As one who sponsored legislation in the Senate to establish a Monday holiday plan, I was pleased to be present on June 28, 1968, when the President signed into law H.R. 15951, an act to provide for the uniform annual observances of certain legal public holidays, beginning on January 1, 1971.

In a column published in the Washington Evening Star of July 18, 1968, Miss Porter set out the benefits that will accrue from this legislation. At the same time, she dispelled some of the myths and misconceptions about what uniform Monday holidays will do. In my view, this column is an excellent presentation on the Monday holiday plan and deserves the attention of Senators. I therefore ask unanimous consent that Miss Porter's column, entitled "Monday Holiday Benefits," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONDAY-HOLIDAY BENEFITS

(By Sylvia Porter)

Whether you have four extra three-day weekends each year, from this date on, will depend on where you live. Now that President Johnson has signed the Monday Holiday Law for federal employees and District of Columbia residents beginning Jan. 1, 1971, the states will be stumbling over each other to beat this deadline.

Massachusetts has already put through a Monday Holiday law to begin in 1969—the first of its kind in the United States. The legislatures of 47 states will meet next year and it's a cinch that Monday Holiday laws will get high priority.

Here's what's ahead:

Washington's birthday will be celebrated on the third Monday in February;

Memorial Day will be the last Monday in May;

Veterans Day will be observed the fourth Monday in October;

And a new national holiday, Columbus Day, will always fall on the second Monday in October.

Over and above the obvious benefit of multiplying the number of long weekends we will have will be significant fringe benefits. For instance, the law will:

1. Provide tens of thousands of new jobs in the $40-billion-a-year U.S. travel industry. Many, if not most, of these jobs will be for the unskilled and the semi-skilled, and thus the law could become an important new weapon in the national war on poverty.

2. Mean substantial sums of extra tax money in towns and cities throughout the United States, in the form of local taxes paid by tourists and travelers on gasoline, cigarettes and other purchases.

3. Be an important boost for virtually every segment of the travel industry, an industry which has become one of the top three income-producers in every one of the 50 states. According to a study by the National Association of Travel Organizations, a recent three-day holiday weekend boosted business for one major airline 19 percent, for a resort hotel 16 percent, for a sightseeing firm 40 percent. According to Vermont's Gov. Philip Hoff, simply switching George Washington's Birthday celebration to a Monday would mean an extra $1 million for that state's ski industry.

4. Slash absenteeism at businesses and schools by eliminating the costly problem of midweek shutdowns.

5. Expand today's multibillion-dollar do-it-yourself industry, which will in turn benefit all types of gardening and home remodeling products.

The law could even help to narrow the gap in our international balance of payments. Four extra long weekends each year would probably encourage millions of American families to take "vacationettes" in the United States. As a result, they would spend a larger proportion of their vacation money at home instead of spending all of it on a trip abroad.

It would NOT mean a periodic blood bath on the highways. According to the National Safety Council, the single mid-week holiday, when millions are racing to get to their destinations and back in just 36 hours or so, is far more dangerous than the more leisurely three-day weekend.

The law, in sum, will give us much more than a welcome increase in opportunities to travel, visit friends and family away from home, putter around the house and just plain sit. It will also give our economy major fringe benefits.

THE AIR PIRACY DILEMMA

Mr. PEARSON. Mr. President, just last week the public suffered yet another airline hijacking in an incredible series that appears to have no end. A number of proposals have been offered to curb these acts of piracy, including one by me last year to seal off the pilot's cabin and arm the flight crew, but really no definitive solutions have been found as yet.

Public Law 87–197 which was passed by Congress in 1961 provides for the death penalty to be imposed on anyone who commits or attempts to commit aircraft piracy, though when a plea of guilty or when a plea of not guilty with a waiver of the right to a jury trial has been made, a minimum alternative penalty of 20 years imprisonment may be applied.

Now these are rather stiff forms of punishment to say the least, yet their deterrent effect has apparently been almost nil. What more can be done? Providing armed guards would not only be expensive, but would also invite a gunfight, which at 30,000 feet in a pressurized plane, is a sure route to disaster. Another approach would be to search all passengers, perhaps even with the aid of a metal detector. But this system too would be expensive. In addition, the delays imposed by such a time-consuming operation would worsen the already serious problem of flight scheduling and might greatly hamper the continued growth of our airline industry.

In sum, there may be very little that can be done immediately to halt the current outbreak of aircraft hijackings, most of which involve people who want to go to Cuba. In the long-term, however, perhaps the prospects for successful action are better. For example, the State Department has told the Cuban Government that the United States is willing to allow Cubans who want to return home to do so, perhaps using the twice daily shuttel flights that are now bringing refugees from Cuba to the United States and returning largely empty. This would provide a legitimate means of return rather than forcing homesick Cubans to resort to illegal methods, such as hijacking, in order to get back.

Another even longer range approach involves a careful study of the types of individuals who commit such acts. This type of examination might better enable the authorities to prevent rather than suppress these crimes. Again it might not. But surely a thorough survey of the problem will lead to some constructive alternatives that can provide security without raising risks in other areas.

It is this belief which has led me to ask the Secretary of Transportation, Mr. Alan Boyd, to undertake an immediate investigation to look into these and other questions while reviewing of current measures being to curtail acts of "skyjacking."

Mr. President, these are at best hazy suggestions to a problem that demands the most thorough investigation. Even in the long-term the obstacles are formidable. As Virginia Prewett noted in a recent article in the Washington Daily News, the hijackers plaguing U.S. airlines have been an odd lot. In fact, many of those forcing planes to Cuba have not been Cubans, but mental cases and fugitives from American justice. One hijacker believed himself to be a reincarnated pirate from the Spanish Main. The difficulties of preventing or dissuading such a person from acting are overwhelming—short of administering psychological examinations to every potential airline passenger.

Aside from the almost impossible difficulty of deterring, let alone detecting mixed-up hippies, fugitives, political extremists and psychopaths, we must also contend with the fact that even such a mild proposal as the one to allow Cubans to go home is unlikely to succeed. Any such suggestion is dependent upon Castro's willingness to cooperate. If he refuses to permit it, then all our good intentions are to no avail. Even if he does accept our offer, it would probably not satisfy the derranged minds most likely to hijack airplanes anyway. And it certainly would not halt air piracy by Americans, as they would not be qualified for any regular repatriation flights to Cuba.

We have been lucky so far. No one has been killed, and our planes have been returned. We might not be so fortunate in the future unless we act decisively now to reduce the threat. Most of the suggestions offered to date are imperfect. But at least they are a start. With them as a foundation a top priority task force ought to get results.

Mr. President, I ask unanimous consent that the article written by Virginia Prewett, and published in the Washington Daily News, a companion story on the most recent air piracy incident, and my letter to Secretary Boyd be printed in the Record.

There being no objection, the items were order to be printed in the Record, as follows:

[From the Washington Daily News, July 18, 1968]

Skyjack Comedown—"Grenade" Was a Shave Lotion

Miami, July 18.—The big American jetliner taxied to a stop at the Havana airport and Cuban soldiers quickly rushed aboard. A grin spread across the face of a dark-skinned youth clasping a package.

With a flourish, he unwrapped the package and held up its contents for the other 63 passengers and crew members to see. The "hand grenade" which the youth had used to hijack the Los Angeles-to-Miami flight was a bottle of after shave lotion.

Smiling, the youth in a polo-shirt and tight pants stuck a .38 caliber pistol into his pocket and walked off the plane in a show of comradeship with the soldiers.

Thus was completed yesterday the 13th hijacking this year of a plane to Cuba. Even the Cubans appeared to be wearying of the incidents.

"They told me they don't want the people of America sending just anybody down here," said the pilot of the National Airlines plane, Capt. Sidney L. Oliver. "They said they want to know who these people are before they come here."

The passengers, who returned aboard a Cuban refugee flight several hours after the jetliner came back with only its crew, indicated they were not given the red-carpet treatment usually accorded hijacked flights.

One passenger recovering from a spinal surgery collapsed aboard the plane and was taken off at Havana in a stretcher. John Morgan, 42, of San Francisco, returned with the other passengers to Miami, walking with the aid of a cane. He said, "My nerves just went to pieces for a minute."

HAS NO ANSWER

Capt. Oliver said on his return that he had no answer to the problem of air piracy.

"I don't think there's anything that can be done, except searching everybody getting on a plane, and that's impossible," said Capt. Oliver, a veteran of 23 years with the airline.

Washington officials have said much the same thing. Their only step toward stopping hijackings has been an offer of letting homesick Cubans fly back to their island on the southbound leg of the daily "freedom flights" for refugees from the Castro regime. Yesterday's hijacker hadn't heard of the offer, and Castro hasn't agreed to it anyway.

The hijacker was a young Cuban who told Spanish-speaking stewardess Kathleen Dickinson he was 23, had a family in Cuba he was anxious to see again, and that "Fidel Castro ordered me back to Havana dead or alive."

He gave his name to the airline as R. Hernandez. He boarded the Houston-New Orleans-Miami flight at Los Angeles at the last minute. He paid for his ticket in cash. He didn't have a reservation.

Ten minutes after the takeoff from Houston, Capt. Oliver said, the man showed Miss Dickinson the gun and waved the handkerchief-wrapped "hand grenade" in his left hand. He motioned toward the cockpit.

SEES THE GUN

Flight engineer Charles J. Vile looked thru a viewing hole in the cockpit door when he heard the loud knocking, and saw the gun. He opened the door.

Using Miss Dickinson as an interpreter, the hijacker ordered the plane to Havana and then allowed a refueling stop at New Orleans.

"The 'grenade' was in his left hand, a pistol in his right hand, and he was waving them both around," Capt. Oliver said. "He gave us 30 minutes to get the plane fueled. We were on the ground 28 minutes."

[From the Washington Daily News, July 18, 1968]

Fugitives, Hippies: Hijackers Are an Odd Lot

(By Virginia Prewett)

Psychopaths, fugitives from justice, disturbed hippies, unbalanced political extremists, losers, ex-convicts, juvenile delinquents and mystery men fleeing from we know not what—these are the hi-jackers who take U.S. planes to Cuba.

Fidel Castro's regime fears them as possible U.S. agents. Most have been detained and given tough interrogation on arrival. Two were bounced back to the U.S. to face prosecution. Another wants desperately to return.

"Nuts and bolters," an airline pilot calls them. "You'd have to be nuts to do it." The U.S. would like to give all potential hijackers a free ride to Cuba as the "Freedom Flight" planes return empty from Miami to Havana. But Castro must agree, and Castro may balk.

Here are the hijackers:

May 1, 1961: a Cuban exile named Elphi Crosisi, who imagined himself the reincarnation of a Spanish Main pirate named Cofrisi; a National Airlines flight out of Marathon, Fla. As with all hijacked planes and passengers and all pilots but one, Castro quickly sent airplane and victims to the U.S. Crosisi was popped into jail.

July 24, 1961: Antulio Ramirez Ortiz, a pro-Independence Puerto Rican who said he must get to Cuba to warn Castro that Dominican Dictator Rafael Trujillo had offered him $100,000 to kill Castro; an Eastern Airlines flight out of Miami. The Cubans scoffed at him and detained him for days under hard interrogation.

Aug. 3, 1961: ex-convict Leon Beardon and his 14-year-old son, Cody; a Continental Airlines flight from Los Angeles to Houston. FBI agents shot the plane's tires as it refueled at El Paso. Beardon was sentenced to 20 years.

April 13, 1962: Leonard M. Oeth, 28, alias James Aestham, and David Healy, 22, alias Harold Moore, drifters; a chartered plane out of Miami. Castro bounced them back as alleged CIA agents. Both were prosecuted.

Feb. 18, 1964: two Cuban exiles, Enrique Costella Caijas and Reinaldo Lopez Lima, said by Washington officials to be wanted on bad check charges; a chartered plane in Florida. Like all hijackers except Oeth and Healy, they were permitted to remain in Cuba.

Oct. 25, 1965: Luis Median Perez, weeping that he wanted to get his family out of Cuba, tried to hijack a National Airlines plane out of Miami. He used a toy pistol and was overpowered.

Nov. 17, 1965: Thomas Robinson, 16, son of a Texas college professor, tried to hijack to Cuba a National Airlines plane flying from New Orleans to Miami. He was overpowered after shooting into the plane floor and is in a correctional institution.

Nov. 20: "Luis Gabor", who claimed to be a Russian, but is believed by authorities to be an American fugitive; a small rented plane in Florida.

Feb. 17, 1968: Thomas James Boynton, week-end hippie and University of Michigan instructor married to a Negro go-go dancer; a chartered plane in Florida. The Cubans put him to cutting cane after detention and later hospitalized him for mental disturbance. He wants out desperately now.

Feb. 21, 1968: Lawrence Wilson Rhodes, wanted for armed robbery in West Virginia; a Delta Airlines DC–8 en route from Chicago to Miami.

March 12, 1968: James Armentero, Ramon Donate and Alberto Carranza, three "homesick" Cuban exiles; a National Airlines flight out of Tampa. One changed his mind in flight, got drunk on passengers' cocktails and was dragged off the plane in Havana sobbing for help.

June 20, 1968: "E. H. Carter," a tall, thin American Negro with a wispy beard, still unidentified; a Southeast Airlines DC–3 out of Marathon, Fla. The pilot, Jorge Prellezo del Barrio, was detained by Cuba.

July 1, 1968: Mario Velazquez Fonseca, a Cuban exile who said he was homesick for his family in Cuba; a Northwest Airlines flight out of Chicago.

July 12, 1968: "Stephen Van Dyck", who proved to be Leonard S. Bendicks of Williamsport, Pa., where his contract as a teacher was not renewed because of "the instability of his social behavior"; a small plane out of Marathon, Fla. And also: O. D. Richards, a disturbed forklift operator, tried unsuccessfully to hijack a Delta flight out of Philadelphia. He is a former mental patient.

July 17, 1968: Details of hijacker not yet revealed; National Airlines DC–8 bound from Houston to Miami, forced by gunman to refuel at New Orleans and fly to Havana.

U.S. Senate,
Washington, D.C., July 25, 1968.

Hon. Alan Boyd,
Secretary of Transportation,
Washington, D.C.

Dear Mr. Secretary: As you are no doubt well aware, the airlines of our country are being increasingly menaced by an unprecedented outbreak of "skyjackings." This year alone 13 instances of air piracy have occurred. The American airline passenger and the American airline industry deserve more protection against these outrages than they have received to date.

It is this surgent need which prompts me to request that your Department undertake an immediate review of all steps which are now being taken to control this growing threat to airline safety. I would also urge this task force to carefully study the various alternative measures which might be implemented.

I would appreciate a response to this request as soon as possible.

Very truly yours,
James B. Pearson,
U.S. Senator.

THE FIGHT AGAINST PERMISSIVE ANARCHY—ADDRESS BY JAMES G. STAHLMAN

Mr. BYRD of Virginia. Mr. President, James G. Stahlman, president and publisher of the Nashville, Tenn., Banner says the "greatest need today is leadership."

He also warns against permissive anarchy and urges a fight for respect for authority in the home, in the schools, on campuses, and in the churches.

Mr. Stahlman, an outstanding editor and former president of the American Newspaper Publishers Association, offered some patriotic and pungent comment on the Nation's problems and future in the keynote speech at the 50th anniversary convention of the Tennessee American Legion.

As a veteran of both world wars and one of the outspoken leaders among newsmen, he has some worthwhile advice for his fellow Americans.

I ask unanimous consent that Mr. Stahlman's address at Memphis be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Commander, distinguished guests, ladies of the American Legion Auxiliary and fellow Legionnaires:

For the second time I have been honored by the privilege which you have extended me to talk to the annual convention of the Department of Tennessee.

Nineteen-sixty-eight is the golden anniversary of the American Legion. I note with pardonable pride that I am on the eve of my fiftieth year of continuous membership in this great organization. I am doubly grateful to you and am extremely glad to be with you. My time has been limited because your time is not unlimited, so I'll step out on the double, with the hope that I shall transgress neither your graciousness nor your patience.

While I speak to you as a fellow-Legionnaire, I wear no medals for heroism under fire, but I have one distinction which few, if any, veterans possess. Because "The Book" said I should weigh 127 pounds when I actually weighed 119, I was twice dismissed from the Second Officers Training Camp at Fort Oglethorpe and as a result I hold three separate honorable discharges from the United States Army in World War I. I am probably the only self-admitted surviving buck private of that conflict, late of the 383rd Infantry. Add to these my service as an officer in the Tennessee National Guard and for 20 years in the United States Naval Reserve, with four years on active duty in World War II, you have my feeble claim to military fame. Like all of you, I have simply tried to serve my country.

HEIRS OF BRAVE MEN

You are the heirs of the men whose blood stained the snows with Washington at Valley Forge. You are the same breed of Tennessee squirrel shooters who, at Andrew Jackson's command, decimated Pakenham's red-coats from behind the cotton bales at Chalmette. You are the counterpart of those who charged the heights at Chapultepec and those who marched and fought under Lee and Grant in that later tragic fratricidal strife. You are the legatees of the First Tennessee Infantry who stood with Colonel W. C. Smith in the Philippines and of the Fourth Tennessee with Cordell Hull in Cuba.

Many of you saw distinguished service in the 30th Division or in other units of the AEF and the United States Navy in World War I. Many of you likewise served under Eisenhower, Nimitz or MacArthur in World War II. You younger men won battle stars and scars at Inchon and Pusan, and still some of an even younger breed may be here who have returned from the war in Southeast Asia, still in progress.

As men and women who have demonstrated their love of country and their willingness to serve it, I am certain that you are more than ordinarily concerned for our country and its future. It is well that we should be concerned, for it behooves all of us to use our collective judgment and joint determination to bring about the changes necessary in our own affairs if we are to preserve our democratic processes, our governmental institutions and the freedoms which we too often take for granted, which can so readily pass from us.

Let's take a look at some of the things which have produced these forebodings.

ACCENT ON YOUTH

If I am qualified to judge one trend which has been in vogue for quite some years, I would assert my firm belief that there has been entirely too much "accent on youth." This is not to derogate the young, for I recall only too well my own devilish mischief when I was an adolescent.

All too infrequently, in my opinion, there is too little accent on maturity.

There is likewise too little accent on respect for authority—in the home, formerly emphasized by the proper application of the back side of a hair brush to our own back sides, by parents who had not been brainwashed by Dr. Spock or hornswoggled and browbeaten by their own defiant, unruly offspring.

In the school—where teachers were not afraid of being fired from their tutorial duties because they were occasionally required to apply a ruler or a switch to some recalcitrant student, for his own good, for the preservation of decorum in the classroom and in some more recent instances, for the protection of their own lives from youthful switchblade maniacs bent upon mayhem and sometimes murder.

CAMPUS HOODLUMS

On college and university campuses where intellectual slobs and hairy hoodlums are undeterred by faculty leftist sympathizers and administrators cowed by fear of phony charges of violation of "academic freedom" and the equally ridiculous assumption of "student rights," to disrupt, disgrace and destroy hallowed and respected institutions of higher learning, simply for the hell of it.

It might be well to suggest a return to those intellectual disciplines which for so long were an established fundamental in our higher educational processes, now discarded in favor of the New Left's doctrines of unrestrained activism and dissent. Dissent? Yes! But never overdone to the detriment of institutions, accepted democratic processes and large, but less vocal segments of society.

At the collegiate level it might not be amiss and could prove quite profitable, if not convincing, for proper investigative authorities to delve into and endeavor to ascertain the source of direction and financial support for such organizations as Students for a Democratic Society, Southern Student Organizing Committee, the Student Non-Violent Coordinating Committee and the Southern Conference Educational Fund, directed by the notorious subversives, Carl and Anne Braden, and kindred groups dedicated to disruption and destruction of the fundamentals in our political, educational, economic and sociological apparatus.

In the churches—where a super-liberal clergy consider the teaching of the old-time religion as modern heresy and the preachment that God is Dead as today's Sermon on the Mount.

There has been far too little accent on respect for civil authority and obedience to the laws of God and man. Some courts, from the highest to the lowest, have helped downgrade the law as the protector of person and property, to the point where police, grand juries and attorneys general find themselves bound in legal frustration which sometimes produces a laxity in rigid application of the statutes.

LAW AND ORDER BASIC

In my concept of law and order, there is and can be no racism. Respect for and observance of the law applies to every man, woman and child, regardless of color. And the obligation to preserve order lies upon the white man, as well as the black.

There is no room in our enforcement agencies for timid souls as spineless as a wet noodle or as gutless as a bull butterfly.

It is most heartening, however, to have two outstanding Federal judges speak out, loud and clear, through this gap. The first is the distinguished jurist occupying the U.S. District judgeship in Middle Tennessee, the Honorable William E. Miller. The second is Federal Judge Francis J. W. Ford of Boston. In sentencing a convicted draft dodger, Judge Miller sounded a strong note with his declaration: "It is not given to individuals to decide for themselves what laws they will and will not obey."

At the conclusion of the trial of Dr. Benjamin Spock, Yale Chaplain William Sloane Coffin, Jr., and two others convicted of conspiracy, in counseling young men to violate the draft law, Judge Ford said: "There is no freedom to conspire to violate a law of the United States with impunity. Persons cannot rightfully engage in conduct in violation of the law either to state their desire for peace or in attempts to change national policy."

Thank God for Federal judges like Miller and Ford!

If recent decisions of the Supreme Court upholding the constitutionality of the law forbidding the burning of draft cards, and another supporting the right of police to search the person of reasonably-suspect characters, it would appear that at last, Nine Old Men have heard the voice of the people and the will of the Congress. It's about time.

POLITICAL PANDERERS

Add to all these the sycophantic holders of public office who pander to the whims and quail before the threats of the bully-boy leaders of ungrateful recipients of the nation's largesse.

Now no honorable citizen, black or white, would deny legitimate and proper relief to the poor and needy, but even the Congress recognizes that much of our welfare programs have failed, not because of the unwillingness to provide or for insufficient funds, but because of wholesale maladministration, proven corruption, the misuse of funds, wasteful projects, ill-conceived, with the resultant creation and maintenance of an ever growing class of indolent deadbeats who have come to believe that the world or somebody owes them a handsome living, for which, up to now, they have displayed no willingness to work.

It's time to take the dolts off the dole.

It is at this point that we arrive at our own present intolerable state of national peril, produced by those political, professorial and pulpit pied pipers of permissive anarchy, with all its disastrous concomitants.

We have seen our cities put to the torch, looting run rampant and murder become a way of life.

NO NATIONAL SICKNESS

Don't let me hear any of you complain of suffering from a guilt complex. Hogwash! And if you fall for the guff about our national "sickness," let me tell you that there is no public sickness which can't be quickly cured by hard work, patience, tolerance and charity, coupled with an honest, earnest, rigid enforcement of the laws already on the books.

And you may add to that—a return to personal and political morality, the tenets of common decency, and full recognition of the rights of the other fellow too frequently trespassed by the howling mob.

These and other attributes might then help restore that character without which neither this nation nor any other can ultimately survive.

Now don't let anybody tell you that the three assassinations which have shocked peoples everywhere were the isolated acts of deranged individuals. Each of them fits into an overall pattern which no commission, however sacrosanct, can, with honesty, brush over with a rationale of verbal shellac, too thin and too transparent to hide the evidence of alien direction and finance.

It has been, is now, and always will be my firm conviction that Lee Harvey Oswald was the Marxist agent of Fidel Castro. I am equally convinced that Sirhan Sirhan was the Arab stooge of Communist design, and it should take no crystal ball to categorize the case of James Earl Ray.

PATTERN OF REVOLUTION

The result of these three slayings was the production of national and international racial and political turmoil, fitting into a program of global revolution which could contribute to ultimate Communist world domination.

If this be Red baiting, witch hunting, or looking for pink spooks under the bed, make the most of it. Call it what you will, it cannot be disguised. To me it is as clear as God's sunlight. It makes no difference from where the signs emerge, if revolution should succeed it will little matter whether it were incubated in Cuba, Red China, North Vietnam or Soviet Russia. It will bear the single label of the hammer and sickle and its wreckage will be total and irreparable.

We are now engaged in another war, half a world, almost five years, countless casualties, and billions of dollars away. But before I go any further I might tell you that I have two grandsons, the eldest just about ripe for Sam to beckon with that long finger of his. There are two things I can tell you with certainty about both these boys—if either one ever entered a plea of "conscience" against service in the armed forces of his country, I would forever disown him as my own flesh and blood. And if he ever burned a draft card, I would be the first to take him by the scruff of his neck and haul him into the Federal Court to receive his just desserts as a traitor to his country and a disgrace and dishonor to his heritage.

To the "Hell, No; we won't go!" of anti-war rebels, the Legion promptly and effectively has countered with its ringing "Damn right, we'll fight."

OBLIGATIONS OF YOUTH

This is the time of all times for the youth of this Nation to accent for themselves a redemptive recognition of their individual and collective responsibilities: to revere the Lord, God almighty, love this Nation, respect its flag, obey its laws and serve it faithfully and honorably wherever and whenever military or civil duty may call.

May God give an overwhelming majority of them the wisdom and the courage to take this stand. They are not only the last best hope of America, they are also the last best hope of earth.

Neither I nor my newspaper favored military entry into Vietnam. We vigorously opposed it from the outset, as "McNamara's War." Remember him? He is the whiz kid who produced the Edsel. He is the fellow with the computerized brain, who fathered the ill-fated TFX. He is the great strategist who ignored the Joint Chiefs of Staff and hamstrung "Westy" Westmoreland and his thousands upon thousands of American men who have fought, bled and died in the rice paddies, the mountain passes, the rubble of Saigon and in the skies over Vietnam. He is the man who tried to destroy the National Guard and the Ready Reserve. Remember him? He is the fellow who was booted upstairs to the World Bank, after liquidating Uncle Sam's military superiority in the air, on the sea and in space. This country will not soon recover from McNamara's bungling, too long permitted and acquiesced in by the President and his administration.

WAR NOT LYNDON'S BABY

But remember this! Vietnam was not Lyndon Johnson's baby. It was left on his doorstep. Now he knows, and most of you who know me and my newspaper know, that we didn't support his candidacy in 1964 and we haven't supported many of the President's domestic programs. We are still not enamored of some of them and we are quite fearful of the prospective results of some others.

But there is one thing that Lyndon Johnson knows, and that is that my newspaper and I, unlike some members of the United States Senate, once the war was joined, have supported him in his efforts to bring the war to an honorable conclusion and a lasting peace.

If there is one thing which this Nation should have learned by now it is that we can't buy friendship and respect. We can't put out every fire and we can't save everybody's bacon. It's high time, however, that we started saving our own.

SOME THINGS TO STOP

It's time we stopped frittering away our substance in hopeless global boon-doggling. It's time we stopped trying to make over other nations in our own image. It's time we started improving the image of Uncle Sam, both at home and abroad. And in my opinion one of the first steps in that direction would be to stop meddling with everybody else's business.

As men and women who love this nation as I do, men and women who have worn the uniform, who revere the Flag and who are not ashamed to sing "The Star Spangled Banner," you know the obligations which the rights of citizenship impose upon us as individuals and as Legionnaires in the mass.

You were true to your oath to preserve and protect this nation, taken when you were sworn into the service, no matter which war. That oath is equally binding upon you in times of peace. And never within our lifespan has this nation so badly needed your love, your devotion, your fullest duty.

HYSTERIA OVER GUNS

Keep up your vigilance. Support every agency whose function it is to preserve law and order. Tell your congressmen and your senators that American citizens are entitled to protect their persons and property with their own fire arms if necessary and that no gun law passed in a period of national hysteria should remove that right, especially in the face of threatened revolution. Ban on mail order sale—positively! Registration—doubtful. Licensing—No! Confiscation—never!!

At the same time let the Congress know that it should pay no heed to the demands from certain quarters for the abolition of ROTC units in our colleges and universities. These groups are the only source of trained officer personnel needed by all branches of our military, which the national academies cannot possibly furnish.

Turn a deaf ear to demagogues and blatherskites. Make certain you use your ballot with intelligence and sound judgment, in favor of candidates best qualified for leadership at all levels of government, for the greatest need today is leadership.

On that all-important subject I would like to read you a short chapter from one of the most thrilling books I have ever read, entitled "Of Spies & Stratagems." It was written by Dr. Stanley P. Lowell, one of Bill Donovan's most valuable officers in the OSS.

He wrote:

I will never forget March 18, 1943, when General Donovan asked me to represent him at an intimate birthday luncheon for Sir John Dill, Chief of the British Imperial General Staff.

After liqueurs, someone said, "Sir John, I think you owe us a story. What has been the most unforgettable day of your distinguished career?"

"That is easy to select," he said. "I'm an Ulsterman and that means an army life for us. The Boer War, Indian and African service, but my career appeared ended when I publicly opposed the remilitarization of the Rhineland and Chamberlain's appeasement at Munich. Then, in May 1940, Winston Churchill came to power and picked me to head up our armed forces.

"Barely three weeks later he phoned me to fly to France with him and General Ismay. We knew things were in poor shape over there. In Paris we met with Marshal Petain, General Weygand and Premier Paul Reynaud. They threw the bad news at us.

"Churchill asked, 'Aren't you going to resist in the South of France?'

" 'No. It's impossible.'

" 'But you'll keep the African colonies and fight from there, won't you?'

" 'No. We surrender them.'

" 'But the fleet. Darlan will put to sea and deliver it to us—that will be saved?'

" 'No. It's complete surrender to Hitler. After the way you British abandoned us by running home at Dunkirk, you left us no other choice.'

SIR WINSTON SHOCKED

" 'So France is deserting us completely!' Churchill exclaimed.

" 'Just as you did to us,' answered Petain.

"The Prime Minister rose. We were driven to our Flamingo and flown back to London. Not a single word was spoken on the return flight, and I was too deeply upset to care much if our escort of Hurricanes showed up or not.

" 'I'm all alone tonight, Sir John,' he said. 'Come keep me company at 10 Downing Street.' It was late and we washed a sandwich down with some brandy and soda.

" 'Sir John,' he said as he walked about the room, 'I have no choice but to address Parliament in the morning. I'll have to tell them and the nation that France has gone over to Hitler lock, stock and barrel. You and I know it's impossible to defend this island against the full force of that Austrian bastard. It's Napoleon all over again, but Napoleon never had the German air force, and we have few guns and less ammunition. This may be the last night of the British Empire—it may be.'

"I could have wept for him and for Britain. At last he said, 'There are two things we can do, Sir John. Write the speech that will actually ask Hitler for terms of surrender—or go to bed and sleep on it. I propose to sleep. Goodnight, Sir John. My man will show you to your bedroom. See you at breakfast.'

LAST NIGHT OF EMPIRE

"He may have slept—he took a part bottle of brandy with him—but I know I didn't. The end of the British Empire was coming tomorrow!

"At breakfast—perhaps our last as a free people—I was sober and glum. Winston Churchill ate everything set before him. Finally, he pushed his chair away at an angle and said, 'Sir John, I have to tell Parliament the bad news—I can't avoid that, but I do not have to suggest negotiating with those Nazi madmen.

" 'Yes, France has fallen, the United States is pacifist and won't help us, but, all alone, by God, we'll fight 'em on the beaches, we'll fight 'em at the hedge rows, we'll fight 'em on our village greens!' He paused, 'By heaven, that's damned good, Sir John.'

"He pulled a pad of paper out of his breakfast jacket pocket and started writing down the greatest speech since your Gettysburg address. That, gentlemen, was my most unforgettable day."

An unforgettable day for myself was this sixty-second birthday for Sir John Dill. He had told us of a day on which the freedom of mankind had balanced on one man's courage.

CLARION CALL TO DUTY

This is the type of determined leadership, of supreme courage, of just one clear voice to summon the American people from their lethargy, back to sanity and to unity, if this nation of ours is to be preserved. The quality and character of that leadership may determine the future of America and the civilized world for a thousand years and beyond.

Decision day is here! Stand up!!

May the bugle call of honor drown out the raucous bull-horn of sedition!

I am certain that there will be no "conscientious objectors" among the loyal, courageous and patriotic members of the American Legion, for you continue to serve as an everlasting bulwark against all enemies, foreign and domestic.

To you I raise my hand in respectful salute.

PROGRESS FOR PROTECTION OF HUMAN RIGHTS IN BIAFRA IS ESSENTIAL

Mr. PROXMIRE. Mr. President, all the world deplores the civil war in Nigeria-Biafra, but even more the world is stunned by the news stories, filmed sequences, and interviews with those in the area that clearly show mass starvation.

I do not speak today to indict any one side for what is going on in that area. Rather, I wish to add my voice again to the call of many others that all involved in this dispute moderate their positions so that aid can be rushed overland in sufficient quantities to save these millions of human beings.

There are signs of hope, in that talks may soon result in agreement—agreement that will permit the many innocents in Biafra to be fed and receive medical attention. But time is running out and every week thousands will be added to this necrology of the innocent.

The United Nations, the United States, the Pope, the International Red Cross, and many others, have made food, medicine, and other items available, but the political impasse will not allow them to reach the starving in sufficient quantities. The Pope has even started regular flights of a "Biafra airlift."

Mr. President, it is clear that progress in reaching an understanding in Nigeria-Biafra is essential to protecting the rights to live of many innocent men, women, and children. But this unfortunately is the microcosm.

Throughout the world there is mass violations of all the natural and inalienable rights of men. We can bring political and economic pressure to bear on the combatants in Nigeria-Biafra and soon perhaps sanity will again return to that area. But to do this around the world is something that must be accomplished on an international scale by an international agreement that will provide effective human rights protections.

In the various human rights conventions to which this country is signatory, we have the beginnings of such practical protections. Yet the Senate has not ratified them.

Mr. President, this also is a tragedy. We must act now to ratify the Genocide Convention and other conventions so that really effective protection of human rights can be guaranteed to all men.

NASSER SHOWS HIS TRUE COLORS ONCE AGAIN

Mr. MONTOYA. Mr. President, there are apologists for every enemy our Nation possesses. There are defenders of the Communists. We find those who excuse the acts of those who openly make war against the United States. We even find those who eagerly seek to excuse the most avowed enemy our Nation has in the so-called third world. In this case I refer to the Egypt of Gamal Abdel Nasser.

Here is a national leader who has shown deliberately and consistently that our Nation comes first on his hate list and last on his preferred list. He has lost no opportunity to hinder our interests and advance those of our enemies.

These acts have been cataloged again and again. They have ranged from insults to our flag and destruction of American property to vilification of our Nation and aid to our enemies.

Whenever Americans of various persuasions have called attention to this man and his policies, they have been browbeaten with hackneyed arguments that have been proven to be more illogical with time.

Whenever those same citizens have sought to cut off aid and assistance to this international freebooter, they have been told that he will see the light and "return to the fold." This, of course, has not been the case.

Time after time Nasser has given the lie to his American apologists. As they have sought to defend him to an outraged American people, he has been busily preparing his next series of blows or insults at us.

Just the other day this body voted approval of a measure to deprive any nation breaking diplomatic relations with our country unilaterally of its right to trade with this Nation in extra-long staple cotton. This would of course affect Nasser. Some leaped to his defense with the usual arguments, chief among them the hope that good relations with Egypt would eventually come should we only cease and desist from efforts to take action in retaliation. Nasser gave his reply in short order.

It took the form of a virulently anti-American diatribe in Cairo in which Nasser formally linked Egypt's destiny with the Soviet Union. Damning this Nation in the severest terms, he praised the Russians for seeking to further his bloodthirsty aims of conquest.

Discarding the idea of negotiating a peaceful solution to the Mideast situation, he again sounded the clarion call to arms and another bloodletting. Such is the man we are dealing with. Such are the aims he espouses. Such are the allies he chooses. Such is the course he steers.

The handwriting is on the wall. Woe unto those who will not see. Woe unto those who will not hear. Woe unto those who will not act. These acts on his part are not of our causing. Rather, they are his deliberate policy of revenge, hatred, persecution, and despotism.

The article reporting this latest speech of his appeared in the Washington Star of July 24, 1968. I ask unanimous consent for its inclusion in the RECORD now for the enlightenment of other Members of this body.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NASSER TIES FATE TO RUSSIA, ABUSES UNITED STATES, BANS PEACE TALK

(By Andrew Borowiec)

CAIRO.—President Gamal Abdel Nasser has formally linked Egypt's destiny with that of Russia.

In a 1½-hour speech yesterday marking the 16th anniversary of his military revolt, the Egyptian leader also heaped abuse on the United States as the major force behind Israel and its chief supplier.

Once again he discarded the idea of negotiated solution to the Mideast problem and vowed "there is no alternative to victory." It was a strong and yet confusing address, with which Nasser greeted the newly elected congress of his ruling Arab Socialist Union.

He repeated Egypt's desire for peace at the same time as he rejected negotiations. He called for military victory while admitting his army's lack of offensive capability. He described Egypt's economic situation as "sound" even while pointing out "problems" in virtually every economy field.

SOVIET REFERENCE APPLAUDED

The most significant part of his speech, greeted by thunderous applaus was his reference to the Soviet Union, which rushed to Egypt's aid after last year's defeat.

He went to Russia recently, Nasser said, to find out what Egypt can do in exchange for arms and assistance. He pointed out that until now Egypt has paid nothing because "we could not have paid anyway." "Without the Soviet Union we would have found ourselves facing the enemy without arms," he said. "The United States would not give us a single bullet. In fact, the United States gives everything to Israel."

"We and the Soviet Union have the same aim—to face imperialists. The Soviet Union is anxious to stand against imperialism of the southern flanks of its frontiers."

In what was perhaps his first public reference of the Soviet fleet in the Mediterranean, Nasser said:

"Free People in this zone have welcomed the appearance of the Soviet fleet." He described it as a counterbalance to the U.S. 6th Fleet, which he said is "in strategic position to supply Israel."

Nasser stressed that Russia "has never tried to impose any conditions on us. It never asked for anything. I asked them in Moscow whether there was anything we could do and they said no."

His speech constituted another step in Egypt's public acknowledgment of its growing debt of gratitude to Russia. It was also a formal linking of the Mediterranean policies of the two countries.

His references to the United States were rough, not presaging any immediate diplomatic thaw. "Nobody can speak of friendship with the United States," he said.

By providing arms to Israel, Nasser said, the United States was "consolidating Israeli occupation of Arab land."

"America is not only supporting Israel but conniving with it," he added.

As far as a solution in the Mideast he reiterated that "there is no negotiation with Israel, no armistice, there will be no bargaining."

The only solution, he said, was Israel withdrawal according to last year's United Nations resolution.

Nasser warned that it will take a long time to give offensive capability to the Egyptian army and called for patience. Repeatedly he praised the army's effort, saying it had done more in the past year than a normal army in five years.

Describing Egypt's economic situation, he admitted difficulties in fields of balance of payment, foreign currency reserves and investment, but vowed "economic pressures will not bring Egypt to its knees."

A VETERANS' COMMITTEE

Mr. McGOVERN. Mr. President, I observe that the minority leader notified the Senate yesterday that the minority policy committee has entertained a resolution calling for action in this session of Congress on Senate Resolution 13 to create a Veterans' Committee.

I occasionally find myself in accord with the gentlemen on the minority side of the aisle, and I agree with them very warmly in this instance.

As coauthor of a resolution to establish a Senate Veterans' Committee, I had hoped that this would come about through adoption of the Legislative Reorganization Act, which the Senate has approved. It is apparent, however, that the House does not expect to approve that measure in this Congress. Therefore, after 5 years of waiting, I think the Senate should act unilaterally to establish such a committee.

The House of Representatives has a Veterans' Affairs Committee which expedites the handling of veterans' legislation. In my opinion, the Senate should not delay further in taking up the resolution already reported by the Rules Committee and on the calendar, to create its own Veterans' Committee.

FOREIGN AID APPROPRIATIONS

Mr. MOSS. Mr. President, within a few days, the Senate will be taking action on the foreign aid appropriations bill, a bill which already contains less money than any foreign aid bill since World War II.

There certainly will be attempts to cut even further the funds which have already been slashed by the House of Representatives. I hope that the Senate will resist these attempts to cut further the funds which benefit foreign nations but also have direct importance to the well-being of the United States of America. After all over 80 percent of all foreign aid money is spent for U.S. goods and products.

The opponents of foreign aid have done a good job of fooling a lot of the American people into believing that this money is merely poured down a rathole somewhere and disappears without helping anyone, least of all the American taxpayer.

I was very much pleased to notice an editorial in the Deseret News from my hometown of Salt Lake City, express what I feel is the proper tone for handling the foreign aid bill. The Deseret News is well known for its strong stands against unnecessary Federal spending, which makes their position in this editorial that much more impressive.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Foreign Aid Cutters Risk Going Too Far

Over the years America's foreign aid program has been riddled with waste and corruption, has on occasion made enemies instead of friends, and has contributed to the deficit of our international balance of payments.

So there can be no arguing that foreign aid isn't a legitimate target for congressional economizers who last year cut the administration's aid request by 29 percent and this year are working on cuts of at least 20 per cent.

Even so, economizing should be carried out not with a meat ax but with a scalpel. With this week's talk in Congress of imposing a one-year moratorium on both economic and military aid abroad, it's clear that some economizers are going much too far.

In political terms, as Secretary of State Dean Rusk has noted, such drastic cutting of foreign aid would:

Deny the new President, during his first months in office, a primary instrument of American foreign policy in the developing countries while confronting him with a series of crises around the world.

Give a propaganda victory to America's enemies, who have contended that when the going got tough the U.S. would fail to stand by the free nations of the world.

Endanger the Paris peace talks by collapsing the economies and governments of South Vietnam and Laos.

Threaten America's access to important bases and facilities in a number of developing countries.

In economic terms, a moratorium on foreign aid could:

Lose a critical year in the race to help developing countries feed themselves before famine overtakes them.

Break the momentum that has been built up in bolstering production and improving the investment climate in the less developed countries.

Create administrative chaos by forcing the U.S. Agency for International Development to bring home many of its 6,500 overseas technicians for a year.

Force substantial cutbacks in voluntary, nongovernmental programs—such as CARE, Project HOPE, and the International Executive Service Corps—which depend on AID grants for crucial parts of their overseas work.

As President Johnson observed in his latest foreign aid message, peace will never be secure as long as seven out of 10 people on earth cannot read or write, tens of millions of children are stunted by malnutrition, and diseases long conquered by science still ravage villages around the world.

That being the case, Congress should cut foreign aid only as much as it takes to eliminate the fat—but not so deeply that the program bleeds to death.

IS THE SURTAX AN ECONOMIC BOOMERANG?

Mr. HARTKE. Mr. President, on April 2 I spoke at some length in order to set forth the reasons for my continued opposition to the tax increase measure then before us in the Senate. I concluded that "tax increases at this time tend more toward killing than curing the patient."

In fact, I contended that economic experience has now shown us the truthfulness of the "new economics" in the insistence that a tax reduction may have the paradoxical effect of increasing tax revenues by its stimulus to the economy. By the same token, I said, the tax increase before us would not have the desired results. Rather, I said:

> The results will be the converse of a tax reduction which means that instead of stimulation of the economy there will be a slowdown—perhaps fit medicine for inflationary attack, but not when the inflation is as illusory as it is today.

The Tax Adjustment Act of 1968, however, moved on through the legislation process and was signed into law by President Johnson on June 28. July payrolls have seen the application of the new personal income tax withholding tables. People are discovering the size of the bite, and there is a trembling uncertainty in the economy. The downward trend of the stock market this week—including a further loss of several points today on the Dow-Jones index—is a reflection of the fears engendered by the new tax, coupled with the new Federal Reserve Board stringencies which are adding a credit squeeze to the economy. What is the present outlook?

One answer is that of the well-known financial columnist Joseph R. Slevin. Writing in the Washington Post on Tuesday of this week, he began by pointing to the danger of a recession as early as this fall. He points to the surtax as part of the cause of the "dramatic business slowdown" which seems impending. We do not yet have a recession, and we may yet escape it. Certainly I would be delighted if our experience shows that I have been a false prophet in the interpretation I have made of our fallacies of tax policy.

Mr. Slevin's entire article deserves to be read. I therefore ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Surtax, Credit Squeeze Push Premature Recession Threat

(By Joseph R. Slevin)

The U.S. economy is rapidly swinging from a riproaring boom to the brink of a recession and it will take only a little push to shove it over the edge.

The recession threat is erupting many months ahead of schedule. Government economists had feared that business might turn down early in 1969 but the danger now is that a slump could begin this fall.

A tough Federal Reserve System credit squeeze and the recently enacted Vietnam surtax are responsible. The one-two punch is about to cause a dramatic business slowdown. While the Federal Reserve is starting to make money easier, the combined impact of tight money and higher taxes still could touch off an early recession.

"We want to show economic activity but the question is whether we may be slowing it too much," a high official declares. "We could be slowing it past the stalling point. If we do, there will be a recession."

"This is tricky," a worried Government forecaster agrees. "You're trying to get into quieter water and you want to stay there. But if things don't work right, you'll get too much and you'll sink into a recession."

The economic managers are working with thin margins in their attempt to halt the boom without precipitating a slump. They predict that business activity will climb at a 5 per cent clip during the months ahead but the trouble is that higher prices will account for most of the apparent rise.

Real production will go up 1 per cent or less. It would take very little to change that tiny 1 per cent gain into an actual decline. A small dip in consumer buying could spell the difference. So could a skid in homebuilding, or in business purchases of new equipment, or in spending for inventories.

While the administration and the Federal Reserve are desperately anxious to get control of the inflation spiral, they neither wanted nor expected that their stabilization measures would bring the economy to the brink of a recession by fall.

Something went wrong and it was the always unpredictable American consumer who tripped up the experts.

He took off on a buying spree last winter. They thought he would spend heavily through the spring and into the summer. But the consumer fooled the forecasters by increasing his savings instead.

The sudden consumer switch wiped out a $3 billion cushion that the experts had expected the country to have during the summer months.

The disappearance of the $3 billion cushion spells the difference between a gradual, orderly business slowdown and the worrisome approach to a near-recession that now is taking place.

Employment will quickly feel the impact. The number of jobs will fail to show an anticipated rise. Unemployment will increase by more than a normal seasonal amount.

Incomes will grow less sharply than they have in recent months. Profits will be squeezed. Sales and production will soften.

When the economic planners look ahead, their gravest fear is that the weaknesses will start to feed on themselves in classic, recession fashion. A fresh cut in consumer buying, for example, could trigger business decisions to reduce production and could swiftly obliterate the thin margin that, by fall, may be all that will stand between the U.S. and a full-scale slump.

The experts are not predicting that there will be a slump. They say the odds are at least 50–50 that we will slide by, but they believe it should be plainly understood that we will come perilously close to a downturn and that no one can give hard and fast assurances that the worst will not happen.

NOMINATION OF ASSOCIATE JUSTICE FORTAS TO BE CHIEF JUSTICE OF THE UNITED STATES

Mr. MOSS. Mr. President, it is certainly not my custom to seek permission to place in the RECORD items which have been printed in Republican publications. In fact, I debated whether or not I should admit receiving any such publication in my office. But the July 27 issue of "The Elephant's Roar, A Gazette for Republican Leaders," which is published in Washington, D.C., contains an article which I believe should receive wide attention.

The irony that such an article should appear in the Republican paper stems from the fact that 19 of their number in the Senate, along with former Vice President Richard Nixon, have joined together in a pact which I like to call the "lonely 20" to oppose the confirmation of the appointment of Associate Justice Abe Fortas as Chief Justice of the United States.

This is not the only article from this issue of "The Elephant's Roar" concerning the Fortas appointment. Almost all of page 2 contains an article which the author Phyllis Schlafly sinisterly calls "The Truth Behind Warren's Resignation." This article is full of intrigue and backroom deals made at past Republican conventions and praise for Republican opposition to the Fortas appointment.

But the article I refer to is a book review by John F. Satterlee on Justice Fortas' book "Concerning Dissent and Civil Disobedience."

Before asking unanimous consent that the entire article be entered into the RECORD, I would like to read the opening and final three paragraphs:

> Anyone who imagines that Abe Fortas, as Chief Justice of the Supreme Court—if confirmed, would be soft on such assorted miscreants as rioters, looters, agitators, criminals or Communists is sadly mistaken.
>
> * * * * *
>
> Further quotations could be made to show that while he has a reputation as an ultra-liberal, Justice Fortas has a majestic conception of our Republic and its Constitution of which no ultra-conservative should be at all ashamed;
>
> All in all, whether Justice Fortas is confirmed or not, we highly recommend his *Concerning Dissent and Civil Disobedience* to Republican leaders.
>
> If they read it, they might know what they're talking about for a change.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

FORTAS: "VIOLENCE IS NEVER DEFENSIBLE"

(Book Review by John F. Satterlee)

Anyone who imagines that Abe Fortas, as Chief Justice of the Supreme Court—if confirmed, would be soft on such assorted miscreants as rioters, looters, agitators, criminals or Communists is sadly mistaken.

In this tract "Concerning Dissent and Civil Disobedience", published as a Signet Broadside and currently available on the newsstands, he makes it abundantly clear that, despite a permissive attitude up to a point, he definitely knows how to draw a line and lower the boom.

In the point-counterpoint style of the tract, it emerges that he simply believes in giving enough rope to permit a judicial hanging where deemed necessary. In other language, his approach seems to be that of the iron hand of immutable legal principle in the velvet glove of liberal politics.

Although he makes easily misunderstood statements such as "If I had lived in Germany in Hitler's days, I hope I would have refused to wear an armband . . ." or "If I had been a Negro living in Birmingham or Little Rock or Plaquemines Parish, Louisiana, I hope I would have disobeyed the state law that said I might not enter the public waiting room reserved for 'Whites'.", on the very next page appears the unequivocal statement "Each of us owes a duty of obedience to the law."

Interspersed with minor qualifications and recitations of circumstances which alter cases there follow, throughout the entire tract, similar unequivocal statements of legal and constitutional principle—statements that, on other lips, would be branded as "ultra-conservative".

For brief random examples:

"There are limitations, however, on the freedom of speech."

"The individual's conscience does not give him a license to indulge individual conviction without regard to the rights of others."

"If the participants" (in a mass demonstration) "unlawfully prevent the movement of traffic or if they unlawfully and needlessly trespass on private property, the fact that their speech is constitutionally protected will not necessarily shield them from arrest for the traffic violation or the trespass."

"Suppose the Supreme Court had decided that the laws" (regarding segregated waiting rooms) "were constitutional. . . . I would have been consigned to jail, with no possible remedy except the remote prospect of a pardon."

"Rioters should be arrested, tried and convicted."

". . . each individual is bound by all of the laws under the Constitution. He cannot pick and choose. He cannot substitute his own judgment or passion, however noble, for the rules of the law."

He cites as examples of "criminal" activity, whether called civil disobedience or not, such things as "physical attacks upon police; assaults upon recruiters for munitions firms and for the armed services; breaking windows in the Pentagon and in private stores and homes; robbing stores; trespassing on private and official premises; occupying academic offices; and even pillaging, looting burning and promiscuous violence." adding "Agitators and provocateurs, whatever their object, must be identified, and any move they make toward violence must be quickly countered."

Much of Justice Fortas' thesis turns upon niceties of definition.

For instance, he defines and qualifies civil disobedience as follows:

"It is only in respect to such laws—laws that are basically offensive to fundamental values of life or the Constitution—that a moral (although not a legal) defense of law violation can possibly be urged. Anyone assuming to make the judgment that a law is in this category assumes a terrible burden . . . He should be prepared to submit to prosecution by the state for the violation of law and the imposition of punishment if he is wrong or unsuccessful. He should even admit the correctness of the state's action in seeking to enforce its laws . . ."

Even more succinctly, he recognizes "Civil disobedience is violation of law. Any violation of law must be punished, whatever its purpose . . ."

Personally, would have been much happier had he also stressed in this connection that the Constitution is essentially a rule of prohibition to the state, not a grant of privilege to the individual; and that anyone having in mind a challenge on Constitutional grounds should have not only a deep moral conviction but a well founded legal conviction, adequately supported competent legal counsel, as well, before he proceeds. This could prevent a lot of grief and perhaps suggest more effective remedies.

Speaking of the Communist conspiracy, he makes a clear distinction between permissible advocacy and impermissible action.

He says, "That state may and should act if the protest includes action directed at carrying out an attempt to overthrow the government by force and violence . . ."

At another point he says bluntly, "Violence is never defensible."

At still another, he says, "The Constitution does not protect subversive acts. It does not shield sabotage. It does not tolerate espionage, theft of national secrets or interference with the preparation of the nation's defense or its capacity to wage war."

Perhaps he could have added somewhere at this point that unpopular Supreme Court decisions, indeed appelate court decisions in general, are probably more often the result of erroneous writing of laws than their reckless interpretation by the appellate courts.

Further quotations could be made to show that while he has a reputation as an ultra-liberal, Justice Fortas has a majestic conception of our Republic and its Constitution of which no ultra-conservative should be at all ashamed;

All in all, whether Justice Fortas is confirmed or not, and whether we agree with him entirely or not, we highly recommend his Concerning Dissent and Civil Disobedience to Republican leaders.

If they read it, they might know what they're talking about for a change.

A CONTROVERSIAL VIEW OF COMMUNIST CHINA

Mr. PELL. Mr. President, I recently read a controversial, but interesting article by a McGill professor, Paul Lin, which appeared in the Halifax Chronicle-Herald.

While not endorsing Professor Lin's views, I do think that his article is most provocative and worth reading.

Accordingly, I ask unanimous consent to have this article placed in the CONGRESSIONAL RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Recognize Red China, Ease Cold War—Professor

(By Sheila Urquhart)

Deep Cove.—Canada could play a constructive part in reducing cold war tensions by recognizing Red China, says a Canadian expert on Chinese affairs.

But there should be no strings attached if this country really means business, according to Paul T. K. Lin, who teaches Chinese and East Asian history at McGill University and is chairman of McGill's Committee on East Asian Studies.

This would mean recognition of the People's Republic of China under Chairman Mao Tse-tung and the end of relations with Chiang Kai-shek and his Formosa regime.

During an interview this weekend at Deep Cove, where he was the guest of Cyrus Eaton, Prof. Lin advocated following the rules and usage of international law . . . "which say you simply recognize a successor government and that no recognizing government (like Canada) has the right to change the territorial limits of the state."

"Preferably, and legally, we should discontinue our relations with Chiang Kai-shek."

Prof. Lin, the Vancouver-born son of an Anglican minister spent 15 years behind the Bamboo Curtain between 1949 and 1964 writing, teaching and traveling.

He is critical of what he calls Canada's "conditional recognition" proposal, which External Affairs Minister Mitchell Sharp explains as a "one China, one Formosa" formula.

It is all very well for Canada to decide to recognize both regimes, thereby creating a separate state out of Formosa, but Canadian government leaders are ignoring the fact that neither Peking nor Taipei would ever be likely to accept this dual relations proposal, contends Prof. Lin.

Breaking off relations with Chiang Kai-shek would not mean Canadian desertion of Formosa—still a province of China—or desertion of the people on the island, says the historian.

MORE HUMANE?

He claims the Communist mainland government is much more humane than Chiang Kai-shek's "police state" against which he believes most Chinese on Formosa are struggling.

"Most people on the island would probably be happier under the administrative control of Peking, regardless of their political partisanship," says Prof. Lin.

Considering the advantages to Canada of recognition of Red China, Prof. Lin predicts China has the greatest long-term market potential in the world and believes Canada's trade with the People's Republic would increase with official recognition of Mao's government.

ENHANCE PRESTIGE

"And politically, Canada can enhance her prestige by playing a constructive role in reducing cold war tensions and increasing communications between peoples . . . not just governments . . . but peoples."

From a purely practical point of view, Canada should be trying to get in on the ground floor before the Americans, says Prof. Lin. He would not be surprised to see the United States begin trading with Red China in the near future.

If that happens before Canadian recognition . . . "we'll be left flat-footed."

But above all, the Chinese historian feels recognition is "a very human question." Mainland China, with its 800,000,000 people, was the oldest, largest country in the world, undergoing greater change in a shorter space of time than any other country "and inevitably it must affect the rest of us."

Prof. Lin believes Canada will recognize Red China "in the next few years" and that Prime Minister Pierre Elliott Trudeau, "once he becomes cognizant of the facts," will take the same position as about 50 other governments including those of France and Great Britain that have recognized the Peking regime.

The McGill historian has learned that he may be among leading academics in Canada with whom the Prime Minister has indicated an interest in consulting in the near future on the China issue.

Prof. Lin doubts if there would be any actual reprisal against Canada from the United States if this country decides to recorgnize Red China.

He says there is a very strong segment of opinion in the United States in favor of friendship with China.

LACK PERSPECTIVE

"I think they (the United States will realize that reprisals won't do them very much good. After all, we forget we have as much of an economic lever toward them as they have toward us."

The man who returned to Canada with the primary hope of improving understanding between the Chinese and Canadian people, says people here lack a historic perspective on China.

He says Canada has an enormous amount of people-to-people goodwill to draw on in China through the posthumous influence of Canadian surgeon Dr. Norman Bethune, whose courageous efforts on behalf of China during the war against Japan have made his exploits required reading in all Chinese schools.

LIAISON ROLE

Prof. Lin, who says he is not committed to any particular political doctrine, sees Canada in the role of liaison . . . "a middle power". . . who could serve as a bridge of understanding between the East and the West.

"We should not be so involved in the Cold War and we should not be caught in the poisonous crossfire of hate between the United States and China."

He claims Canada is affected by the "Communist bogie".

"I'm not saying one side is right or wrong . . . but we have no right to deny other people their right to experiment. We experimented. We made mistakes. The solution is not to try to impose an atmosphere of hatred and fear."

Cyrus Eaton calls Lin "number one in the world" in the area of understanding and interpretation of the situation in Red China.

The Millionaire industrialist said Saturday Western nations should consult with Prof. Lin in affairs relating to China.

"I know of no one better informed and more sincere in his desire to see friendship among nations than he," Mr. Eaton said.

PUBLIC WANTS TO KNOW VIEW OF JUSTICES ON NEW "RIGHTS"

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to insert in the Record an editorial, which appeared in the Huntington, W. Va., Advertiser on July 23, 1968, entitled "Public Wants To Know View of Justices on New 'Rights.' "

There being no objection, the editorial was order to be printed in the Record as follows:

Public Wants To Know View of Justices on New "Rights"

Senators who questioned Supreme Court Justice Abe Fortas in an effort to determine his qualifications for the post of chief justice only skirted the major points of most public concern.

Millions of Americans alarmed at the increasing rate of crime want to know whether Chief Justice-designate Fortas and Judge Homer Thornberry, chosen to succeed him as justice, will give priority in deciding cases to the court's newly created rights for defendants or to the search for truth and the determination of whether the accused is guilty.

In a series of unprecedented decisions the court has reversed the conviction of defendants by creating new technicalities for annulling confessions.

In 1957, before Justice Fortas received his appointment, a majority of the justices upset the conviction of James Mallory on a rape charge only because he confessed while being held for seven and a half hours between his arrest and his arraignment.

Later the court annulled a murder confession and freed Danny Escobedo because police had refused his request to confer with his attorney during the interrogation.

The character of the men thus released was indicated by the fact that Mallory went to Pennsylvania and assaulted another woman and Escobedo was convicted this year and given a long sentence on a dope charge.

In its most far-reaching, sensational and objectionable case, the court on the unlucky day of June 13, 1966, upset the convictions of four defendants by annulling confessions on new technicalities even though in at least three cases the evidence pointed inexorably to guilt.

Justice Fortas stood with the majority in this 5–4 decision that imposed rigid restrictions on police during their questioning of suspects in custody.

One of the suspects was Ernesto Miranda, from whom the case took its name. He not only had confessed that he had kidnaped and raped an 18-year-old girl but had been identified by the victim.

Michael Vignera confessed robbing a Brooklyn dress shop and was identified by the shop owner and a saleswoman. He was found guilty and was later adjudged a third-felony offender.

The conviction was reversed because the defendant had not been advised of what the Supreme Court called his "Fifth Amendment privilege" or "his right to have counsel present" during the questioning.

Carl Calvin Westover was arrested by Kansas City police as a suspect in two robberies. He was questioned by police that night and again the next morning.

About noon the police turned him over to two FBI agents for questioning in connection with two robberies in California, one a bank and the other a savings and loan association.

The FBI agents told him before questioning began that he need not talk, that anything he said could be used against him and that he had a right to the presence of a lawyer during the interrogation.

Westover confessed both robberies, was convicted and sentenced to 15 years on each count, the sentences to run consecutively. The conviction was upheld on appeal until the case reached the Supreme Court.

There the five majority justices held that there was no evidence the police had properly informed the suspect of his rights, that "the impact on him was that of a continuous period of questioning," and that there was no "evidence of an articulate waiver of rights after the FBI commenced their interrogation.

The conviction was reversed.

In the fourth case disposed of in the so-called Miranda decision, Roy Allen Stewart was pointed out to Los Angeles police as the endorser of dividend checks taken in one of a series of purse-snatch robberies in which a victim had died of injuries.

Police arrested Stewart at his home. With his consent they searched the house and found various items taken in the five robberies. During nine interrogations over a period of five days the prisoner admitted that he had robbed the person who had died but said he had not meant to hurt her.

The prisoner was charged with kidnaping to commit robbery, rape and murder. In his trial the confession was admitted as evidence. The jury found him guilty of robbery and first degree murder and fixed the penalty at death.

On the basis of the Supreme Court's Escobedo decision the Supreme Court of California reversed the conviction because the defendant had not been advised of his right to remain silent and his right to counsel during the questioning.

The Supreme Court affirmed the reversal.

As a tragic sequel to these decisions, scores of vicious criminals have been released to continue their depredations against society.

In one New York case a man who had confessed murdering his wife and five children was turned loose. In another a man who had terrorized a section for months by a series of sex crimes was relieved of two murder charges.

Senators on the Judiciary Committee were frustrated in their inquiry into Justice Fortas's views because he declined to answer questions about court decisions.

Congress itself, however, has constitutional authority to regulate court action. It should restore by amendment to the recently enacted omnibus crime law the stricken out clause that would forbid the court to annul a voluntary confession accepted by a state court and upheld by the state's highest appellate court.

No Supreme Court in history since the adoption of the Bill of Rights 176 years ago had ever held that police had to recognize these newly created constitutional rights for prisoners before taking a confession.

Until Congress acts to nullify the unprecedented decisions of the Warren court, its own members who support the decisions will be as responsible for encouraging crime as the five justices who made the hitherto uncharted excursion into constitutional law.

UNWORKABLE PROPOSAL

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to insert in the RECORD the following news stories:

An article entitled "Proposal on Police Control Is Planned by Black Front," which appeared in the Washington Evening Star of July 17, 1968; and an article which appeared in the Washington Evening Star of July 24, 1968, entitled "Front's Police Plan Gets Neighborhood Backing."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Evening Star, July 17, 1968]

PROPOSAL ON POLICE CONTROL IS PLANNED BY BLACK FRONT

The Black United Front has called a full membership meeting tonight to discuss what it describes as "black control" of the Metropolitan police force in Negro neighborhoods.

Tonight's meeting grew out of a steering committee meeting last night when several members of the Front discussed the recent fatal shooting of a looting suspect by police.

Earlier yesterday, the Human Relations Council in asking the City Council for hearings on how the city should be policed, urged the city council to ban the use of deadly weapons by police "except to protect and preserve life."

The group also charged that the D.C. police department has failed to take "satisfactory action" on a large number of complaints by citizens and Negro officers.

And it also urged U.S. Atty. David G. Bress to present to a grand jury evidence in the fatal shooting of a suspect, Theodore Lawson, by police near 14th and U Streets NW early Sunday.

An inquest into the shooting during the looting of a store is scheduled for Friday.

The Human Relations Council recommendation was decided on Monday in the wake of the shooting and after it was given a report on "unresolved grievances and areas of tension" by Mrs. Ruth Bates Harris, council executive director.

In making public its recommendations late yesterday, the council charged that there is a "vast accumulation of unresolved complaints" against the police department. It listed a number of cases including complaints by Negro policemen.

Copies of the report were delivered to Mayor Washington and members of the city council, which has authority to write regulations governing the conduct of police.

The report cited "justifiable homicide" as a problem, saying, "Several recent cases of black persons being shot and killed by white police have been ruled justifiable homicide and questioned by many segments of the community."

Meanwhile, the Chairman of the D.C. Democratic Central Committee has issued a personal condemnation of the shooting.

Bruce Terris, the committee chairman, called for an investigation by the District Human Relations Council and renewed a call made earlier by the committee for neighborhood hearings on police-community relations.

"There is no justification for killing a man who is suspected of stealing groceries," Terris said at a committee meeting last night.

The shooting of Lawson, a Negro, who police said refused to stop for questioning by three white policemen, continued to draw angry protests yesterday.

A small number of pickets demonstrated last night in front of the Safeway store at 1931 14th St. where the looting report was being investigated.

The pickets carried homemade placards demanding that Safeway "pay" compensation to Lawson's widow for the death of her husband.

One source at last night's Black United Front meeting said he had received a number of telephone calls asking the organization to speak out on the most recent police shooting.

Earlier this month, the Front brought itself into a storm of controversy when it labeled the slaying of a District policeman "justifiable homicide."

A committee has been appointed to work on the resolution, the source added, that will offer "an actual apparatus" to set up the police reorientation. "This will be a concrete mechanism; we are not discussing proposals," he said.

Tonight's meeting will be held at 9 p.m. in the New Bethel Baptist Church, where the Rev. Walter E. Fauntroy, vice chairman of the city council, is pastor. Fauntroy, who has been criticized for his work with the Front, was at last night's meeting.

At 7 p.m. today, several members of the Front are expected at a rally in Meridian Hill Park where speakers will discuss Sunday's shooting on 14th Street.

Some of the others attending last night's meeting were Stokely Carmichael, founder of the group; Sterling Tucker, Washington Urban League director; C. Sumner Stone, Mrs. Willie Hardy, Charles Cassell, Kenneth Kennedy and Reginald Booker.

[From the Washington (D.C.) Evening Star, July 24, 1968]

FRONT'S POLICE PLAN GETS NEIGHBORHOOD BACKING

(By Paul Delaney)

The Black United Front's plan for community control over police received solid backing last night at a hearing marked by dissension over whether white persons and newsmen should be excluded from the series of neighborhood hearings.

Halfway through the 2½-hour meeting, Sterling Tucker, head of the Washington Urban League and one of a half-dozen Front panelists presiding over the hearings, walked out of the hearing after ushers had escorted some whites out of the building.

"I had no alternative but to withdraw from the hearings," Tucker said today. "I'm opposed to closed hearings on issues affecting the public, and I didn't want to be a party to it."

JACKSON BACKS PLAN

Tucker said, however, that he "favored very much" the Front proposal for citizen control over police precincts. He also said he would remain a member of the Front. "That's not an issue of consideration now," he said.

At the end of the session at John Wesley AME Zion Church, 1615 14th St. NW, in the 2nd Precinct, the Rev. E. Franklin Jackson, outgoing Democratic national committeeman from the District, announced his unqualified support for the BUF proposal. He is also the church's pastor.

Fifteen neighborhood spokesmen favored the plan, which would give elected community boards the power over hiring policemen in their precincts.

Prior to that, Jackson had a running skirmish with ushers over whether whites should be permitted to remain. Some 50 white persons, excluding white newsmen, were in the audience of about 300.

City Council Vice Chairman Walter E. Fauntroy, who presided at the meeting, said whites would be permitted to stay and he and and Jackson ordered the ushers to "cease and desist" from putting them out. However, the ushers, identified as members of the Student Nonviolent Coordinating Committee, continued to escort out those whites who didn't insist on staying.

Later, the issue was brought into the open again by J. Edward Jones a SNCC member, who protested that he didn't "feel right with all the TV lights and all these honkies around." He said one of the black man's problems "comes from associating with those pigs."

Fauntroy was out of the room at the time, and a front member ordered all newsmen out of the church. However, Jackson grabbed the microphone and shouted, "The church doors were opened to everyone. . . . The church doors are closed if this isn't an open meeting."

JACKSON BACKS PROPOSAL

Fauntroy returned to the room and conferred with front members. He said the press members could stay, but the lights would have to go out because citizens said they (lights) inhibited them.

At the end of the 2½-hour meeting, Jackson said he agreed with the proposal.

"As president of the NAACP, I clamored and clamored and clamored and clamored for such things in the proposal," Jackson stated. "I condemned the police review board.

"I said back then (in 1949, to white leaders) if you listen and try to put these things into effect, things won't blow."

Regarding the admission of whites to the hearing, Jackson said there are "any number of white persons who need to hear what you have to say. . . . The white man needs to know, since we're going to live with them. They need to know how we feel."

At the end of the meeting, Fauntroy said front members will iron out today the ground rules for admission of whites and the press. He said he didn't know who the "ushers" were who were putting whites out.

Tucker said he did not know whether he would rejoin the panel running the hearings. "This whole matter of closed meetings has to be reviewed," he said, voicing disappointment over last night's "spur-of-the-moment decisions."

MEETING TOMORROW

Tomorrow's meeting, in the 9th Precinct, will be at Douglas Memorial Methodist Church, 11th and H Streets NE, at 8 p.m.

The comments by citizens last night ranged from "love and understanding" as the answer to the race-police problem to a threat by Stokely Carmichael that Negroes will get control of their communities if they have to "take it by any means necessary."

"Some of us are going to see to it that the black community controls itself or die in the street," Carmichael commented to a youth who asked what role is there for youths. "Are you with us?"

Much of the testimony dealt with personal experiences with the police. Front members attempted to keep the discussions on the subject, with several persons, mainly Fauntroy and Carmichael, asking direct questions, mostly whether the citizens supported the proposal and whether they had any suggestions. Several did.

Jones recommended that District policemen reside in the District; that persons with arrest records, but not with felony convictions, be allowed to serve on the force; that no white officers be permitted to patrol black communities and that policemen in black communities be disarmed.

WANTS BLACKS IN COMMAND

Leonard McCants noted that the front's proposal says nothing about the necessity of firing Safety Director Patrick V. Murphy and Police Chief John B. Layton. McCants recommended that black officers be placed in charge of every precinct; that the City Council freeze all promotions so black officers could be promoted; that the DC National Guard be disarmed and placed under command of a black officer, and elimination of the front's proposal that citizens wishing to run for the community boards submit petitions with signatures, because Negroes don't have time to solicit signatures.

MARITIME AUTHORIZATION—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, what is the pending business?

The **PRESIDING OFFICER.** Pursuant to the unanimous-consent agreement, the Senate has now before it the conference report on H.R. 15189.

The Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15189) to authorize appropriations for certain maritime programs of the Department of Commerce.

The **PRESIDING OFFICER.** The time between now and the hour of 1 p.m. is equally divided.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, the time to be taken equally from both sides.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, the pending order of business is the conference report on H.R. 15189, the maritime authorization bill. I have a short statement on that conference report I wish to make.

Mr. President, the purpose of this bill is to authorize appropriations for certain maritime programs of the Department of Commerce. To put it in more familiar terms, this bill would authorize for fiscal year 1969 appropriations for the principal activities of the Maritime Administration in carrying out our national maritime policies.

The bill, which would require authorization of funds for certain programs of the Maritime Administration in the Department of Commerce to precede the making of appropriations, was approved by the President on September 5, 1967, and became Public Law 90–81.

There were two items of disagreement between the two Houses on the bill, H.R. 15189. These two items related to construction-differential subsidy and research and development.

The budget submission by the administration for the Department of Commerce for fiscal year 1969 called for $119,800,000 for construction-differential subsidy and $6,700,000 for research and development. The House passed bill called for $237,470,000 and $11,000,000, respectively. The effect of the Senate amendment, which passed during the Senate debate by a vote of 48 to 32, reduced both the amount authorized for appropriation for construction-differential subsidy and research and development to the amounts requested by the administration.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill, H.R. 15189, agreed to the following: $200,000,000 for construction-differential subsidy and $10,960,000 for research and development.

As of December 31, 1967, Mr. President, the national defense reserve fleet consisted of 1,128 ships. Of this number, 292 were dry cargo vessels, all of which were over 20 years old. By 1971, 255 of the 292 vessels now listed will no longer be in the reserve fleet, leaving 37 dry cargo American-flag vessels available in our reserve fleet.

Mr. President, I believe that adds up to some kind of a mandate that we ought to be building more ships. Under the 1936 act, of course, it is required that Congress support construction subsidies—that is the law—to build an adequate number of ships to keep the merchant marine adequate.

As of the last available statistics, American-flag ships were carrying 5.6 percent of our exports and imports. That is a pretty sad picture, when you relate it to the rate of depletion and decline of the American merchant marine. We ought to be carrying at least 20 or 25 percent, or, like other maritime nations, about 40 percent of our imports and exports, at least. If we were now equipped with new, modern ships, we could do a great deal about reducing the subsidies. Other countries subsidize their merchant fleets by various means. We do so by law—a 1936 act which has not been repealed.

Mr. President, those figures point up the desperate need for ships. I frankly believe the small amount included in the budget this year came about because we were in the process of trying to establish new merchant marine policies. For some time we have been engaged in controversy over where to place the administration of the American merchant marine under the 1936 act. It is now, by law, under a maritime administrator in the Department of Commerce. It used to be under an independent agency. The administration has suggested that it go under the Department of Transportation, not unlike the ICC, which remains intact, or the CAB, which deals with surface transportation and aviation.

The Committee on Commerce only last Tuesday reported out a bill to reestablish an independent agency to handle merchant marine policies. So the whole matter has been in a sort of limbo.

In the meantime, however, we need to continue to build enough ships to keep the American merchant marine adequate, not only for peaceful purposes but for defense as well, for it is the fourth arm of our defense. Only a meager 5.6 percent of our tonnage of exports and imports is now carried in American ships. The trend has been toward an even greater reduction of the percentage I have mentioned.

In contrast, by 1970, the Russian merchant fleet will carry more than 50 percent of its foreign commerce. The United States is behind more than 100 ships even in the matter of keeping up with the block obsolescence in its merchant fleet, most of which was built during World War II. At the time, because we did not have an adequate merchant marine, we had to spend over $14 billion to hastily build a fleet to carry our troops and equipment overseas. American ships carried more than 90 percent of that tonnage. Now, with the Vietnam war, we are carrying well over 90 percent of the tonnage to that area. So a merchant marine is necessary.

The House of Representatives increased the budget amount to a total of $237,470,000, which they thought was an adequate but minimum figure to achieve the desired result while we work toward achieving, also, a new policy as far as our merchant marine is concerned. The House voted almost overwhelmingly in support of its figure.

The conferees felt that the national security and the national economy required that the quality and composition of the American merchant marine must be improved. This is the only way to improve it, under the law as it now stands. The House conferees were adamant, for a time, on their own figure, but we finally got it down to the $200 million.

I believe we should be authorizing funds to build about 50 ships a year to accomplish the minimum objective of which I am speaking. The conference figure of $200 million would come nowhere near meeting that objective, but at least it would be a step forward from the figure of approximately $120 million recommended by the Senate. The national security and the economy require that the quality and composition of the American merchant marine must be improved.

Mr. President, I have finished my statement. The Senator from Delaware desires to speak. We are limited to 15 minutes to a side, as I understand.

The **PRESIDING OFFICER.** The Senator from Delaware has 12 minutes remaining.

Mr. WILLIAMS of Delaware. That is correct.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield me 10 minutes?

Mr. WILLIAMS of Delaware. I yield 10 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. Mr. President. I wish to speak directly and unambiguously on this subject. It is true that our merchant marine has not kept up with the times. The reason why it has not kept up with the times is the subsidy the taxpayers have provided for it. An opiate has been given to the merchant marine industry by Congress. It has lost all sense of dynamism. It has not attempted to develop its own strength. It is languishing. It is languishing because the operators and the labor leaders are taking advantage of the fact that the taxpayers will put up the money for the indifference and the extravagant operations of the system.

In 30 years, the taxpayers have provided $3.5 billion to this segment of our industry. Whenever a passenger crosses the ocean and buys a round-trip ticket, the taxpayers put up $275 of the price of each ticket as a subsidy.

When the program was adopted, it was said that the competitive position of the United States would improve in the course of time and that the subsidy would be eliminated. We are now paying a subsidy of 55 percent for the building of ships. Russia is buying ships from foreign builders and is not trying to build them herself under her subsidy program.

The time is at hand when the robbery of the taxpayers for this program should be stopped, not expanded. It is one of the most disgraceful operations in the Government. A year ago it was proposed to establish a Department of Transportation and to place within its jurisdiction the airlines, the pipelines, the inland water carriers, the truckers, the railroads, and the merchant marine. All of them were placed under one roof except this "sacred cow," the merchant marine segment of American industry. The operators of the merchant marine said they did not want their industry to go under one roof; they insisted upon staying apart.

Last week, contrary to the will of the administration, contrary to the will of the Department of Transportation, the Committee on Commerce, in my absence, reported a bill to place the supervision of the merchant marine in an independent agency.

We provided it with $3 billion in subsidies. We have given it the privilege of carrying all of our military equipment on American ships.

I come now to what, in my opinion, is absolutely indefensible. The administration has asked that when our merchant marine makes excessive charges for the carrying of military equipment, the President be allowed in his discretion to hire foreign ships to carry the equipment.

I ask my colleagues to listen to this statement. Two weeks ago the Committee on Commerce voted favorably on a bill which would give the President the discretionary power to hire foreign ships when domestic ships are charging excessively. When that measure was voted from the committee, the chairman of the committee said: "The bill will never get out of the policy committee." I repeat. He said: "The bill will never get out of the policy committee." I do not know how he was able to tell in advance that it would not get out of the policy committee.

On Tuesday, the bill was recalled by some process. So, it will not get to the floor of the Senate. I want to repeat what the bill provides. It provides that when the President determines that the domestic merchant marine makes excessive charges, he may engage foreign ships to do the carrying. Mr. President, that bill is not going to get out of the Commerce Committee. I cannot understand how we can defend that course of action.

When the domestic merchant marine charges the taxpayers and the Government excessively for the transportation of goods, the President could hire foreign bottoms in which to carry the goods under the legislation to which I have referred. That bill obviously is going to die in the Commerce Committee. I wish that someone would explain to me the justice of that type of approach to the problem. It cannot be done.

We have said: "Hold the line on spending." The Senate cut the subsidy in the shipbuilding program to bring it down to the figure presented by the President. It went over to the House and they put it in. They now come back and say, "Instead of $237 million, we will give them $210 million." That is $90 million more than the President requested.

This industry has been protected inordinately. It has been a sort of sacred cow. The consequence has been a complete deterioration of a service which ought to be a great service to our country.

Mr. President, it was again stated by the chairman of the committee in the Tuesday meeting with relation to the bill to grant the President discretionary power to hire foreign bottoms when excessive charges are made by the domestic merchant marine, that the bill would not get out of the policy committee. How did he have the authority to make that statement? Who told him that the policy committee would not release the bill?

I beg the indulgence of my colleagues for making these direct statements. But I am a Senator vested and burdened with responsibilities. And I do not like the idea of being brushed aside on a matter that is so vital and being told in advance: "If the Commerce Committee sends the bill back to the Senate with a favorable report, I let you know in advance that the policy committee will not let it get to the floor."

God help our country.

Mr. MORSE. Mr. President, will the Senator yield me a couple of minutes?

Mr. WILLIAMS of Delaware. I do not believe that I have enough time.

Mr. MAGNUSON. Mr. President, how much time do I have?

Mr. LAUSCHE. May I ask the Senator from Washington, did he or did he not——

Mr. MAGNUSON. I do not yield for that purpose.

Mr. MANSFIELD. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator from Delaware has 3 minutes remaining. The Senator from Washington has used all his time.

Mr. MAGNUSON. Mr. President, as long as my name has been mentioned, I ask unanimous consent that we each have an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, will the Senator yield me 2 minutes?

Mr. WILLIAMS of Delaware. I will yield to the Senator later.

Mr. MAGNUSON. Mr. President, first, the bill that the Senator from Ohio is talking about was reported and the members of the committee are now working on the report.

Second, the bill was not discussed at the last meeting. It was not brought up. The Senator from Ohio was not present. The bill mentioned by the Senator from Ohio was not brought up.

Third, the Senator is completely in error when he talks about folding this into the Transportation Department. The railroads are not included in that department. It is only the safety division. The ICC still serves in policymaking on all surface transportation, railroads and otherwise.

Fourth, the airlines seriously resisted going into the Department of Transportation. The Civil Aeronautics Board is an independent agency. Only the safety features of the FAA went into the Department of Transportation. The Senator from Ohio is completely in error there.

The independent Federal Maritime Administration bill (H.R. 159) was passed in the House by a vote of 324 to 44.

We discussed the matter as a House bill. The distinguished Senator from Alaska has been handling the hearings on the maritime matters. He is now ill, as the Senate knows. I am substituting for him in reporting the bill. The Senator from Alaska would have been the chairman of the conference committee if he had not been ill.

Fifth, the Senator from Ohio talks about the exaggerated operation of the merchant marine.

The 1936 act is explicit about merchant marine operations and profits. We have a recapture clause, by which the Treasury recaptures a great deal of money when some line rarely happens to make a profit—a subsidized line. Only one-third of our merchant marine is subsidized, and they must assume responsibilities for a berth-to-berth operation between different countries and have to run whether they are filled or not. This was one of the conditions precedent to getting an operational subsidy. The law is there. It is a 1936 act. I did not write it. It has not been repealed.

The Committee on Commerce reported the independent agency bill unanimously. The Senator from Ohio was not there, although due notice of the hearing was given long before. The Senator from Ohio may have had a very good reason for not being there.

At the policy committee meeting I said I think the policy committee may not pass this bill. The Senator from Ohio forgot to use the word "think." I do not control the policy committee. I am a member of it. We discuss many things in the committee. We discuss proposed legislation; we discuss whether or not the Senate would pass it.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. MAGNUSON. I yield myself 2 additional minutes.

The **PRESIDING OFFICER**. The Senator has 2 minutes remaining.

Mr. MAGNUSON. We discuss many things informally in executive session—whether or not we should report a bill perhaps late in the session, whether or not the House might take it up. Sometimes a Member will volunteer the information that he has spoken with a Member of the House on a particular bill, and his best information is that the House would not take it up, and we so advise the committee. This is part of the consideration. It happens in all Senate committees.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. No; I will not yield for a question.

The committees of both Houses have on many occasions turned down, almost unanimously, the theory of foreign building. There have been arguments pro and con, and we are now discussing the subject on some new merchant marine policy. The Secretary of Transportation appeared before Senator BARTLETT's subcommittee and suggested that we allow some foreign building. The committee turned it down unanimously.

The Senator from Ohio may have different views, and he is entitled to his views, but I do not believe the entire committee should be berated for their opinion on these matters, nor should they be berated for an honest motive in what they think about things.

The Senator from Ohio thinks there should not be a subsidy for the American merchant marine. Any member of the committee can make a motion to repeal the 1936 act, and we will consider it. It is as simple as that. We do have the act. We do have to supply these moneys under the operational subsidy and the construction subsidy. Until the act is repealed, we have some responsibility for the merchant marine.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. MAGNUSON. I could say many things about what the Senator from Ohio said, but I will not demean myself to talk that way about committees of Congress that are operating, I believe, in a very fair and impartial way, with everyone having his conscientious views.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. No; I do not yield.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I do not yield.

Mr. WILLIAMS of Delaware. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER**. The Senator from Delaware has 7 minutes remaining.

Mr. WILLIAMS of Delaware. I yield 2 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, I thank the Senator from Delaware, who once again is demonstrating his cooperation, in extending to me every possible courtesy.

I say to my friend, the Senator from Ohio [Mr. LAUSCHE] and to my equally dear friend the Senator from Washington [Mr. MAGNUSON] that I do not wish to participate in any dispute that may have arisen as to what did or did not happen in any other committee. I rise only to support the Senator from Washington in connection with the substance of the conference report.

For 24 years in the Senate I have fought for and supported subsidy for the American merchant marine. The word "subsidy" never scares the Senator from Oregon. It is important, in the interest of the American people, that we subsidize some of our domestic programs in order to offset some of the losses that the American people suffer from other subsidies that we give to foreign governments and to foreign interests.

Sit with me on the Committee on Foreign Relations and take witness of the billions of dollars of American taxpayers' money that has been used to subsidize foreign governments which in turn follow an economic course of action detrimental to the welfare of the American people. I have just come from a meeting of the Committee on Foreign Relations, where we reported another foreign aid bill, which I voted against, not because there are not many good features in the bill, but because there are so many bad things in the bill that I had to vote against it.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. MORSE. I ask the Senator from Delaware to yield me 1 additional minute.

Mr. WILLIAMS of Delaware. I yield 1 additional minute to the Senator from Oregon.

Mr. MORSE. The merchant marine is vital to the security of the Republic, and of course we should subsidize it, as we do the railroads, the airlines, and a good many other subsidy beneficiaries in this country. But when we contrast what we do to keep the merchant marine strong in order to serve the American people in time of peace and war, and then when we think of the billions of dollars we have been wasting in various forms of subsidies to foreign governments, there is no question about the merits of the substantive nature of the conference report.

The senior Senator from Oregon wants to go on record as complimenting the Senator from Washington for bringing this conference report to the floor of the Senate and I shall vote for it enthusiastically.

Mr. WILLIAMS of Delaware. Mr. President, do I have 4 minutes remaining?

The **PRESIDING OFFICER**. The Senator from Delaware has 4 minutes remaining.

Mr. WILLIAMS of Delaware. I yield myself 4 minutes.

Mr. President, this is not a question of whether we should or should not subsidize the American merchant marine. As the Senator from Washington has pointed out, that formula is outlined in the law. The question before us is to what extent the American taxpayers should or can afford to subsidize this industry.

The administration, through the Director of the Budget, submitted to Congress a request that $119.8 million be appropriated this year to subsidize the American merchant marine. The committee reported a bill increasing that amount to $237,470,000.

Mr. LAUSCHE. Mr. President, may we have order?

The **PRESIDING OFFICER**. The Senate will be in order.

Mr. WILLIAMS of Delaware. The budget request was practically doubled, a 100-percent increase.

On a rollcall vote on an amendment offered by the Senator from Ohio [Mr. LAUSCHE] and myself, the Senate rejected by a strong vote the increase as recommended by the committee and reduced the figure to the amount approved by the budget—namely, $119.8 million.

In conference this was increased to $200 million, which is almost back to the figure that was originally rejected by the Senate. That represents an increase of $80,200,000 in this conference report for the subsidy of the American merchant marine over what the administration has recommended.

Congress has passed a bill proposing a 10-percent increase in taxes. Included in that bill was a requirement that we cut the budget appropriations for fiscal 1969 by $10 billion below what had originally been recommended in the budget. It is up to Congress to name where these budget reductions are going to be made; and in the event we do not name them the responsibility is delegated to the President. To the extent that Congress fails to cut or, as in this example, when we add $80 million to the budget, it means that either Congress or the President must find some other area in which to make those cuts, some other programs. I need not remind the Senate that thus far the Senate has not made these cuts. Insofar as Congress is concerned we are delegating our responsibility to the President.

I certainly am not carrying the torch for the President of the United States, but I do not believe it is fair for Congress to approve all these increased appropriations and thereby pass the buck to the President, expecting him to make the cuts. We too have a responsibility. If, however, we shirk our responsibility. I do not believe any Member of the Senate or the House should criticize the President if he makes those cuts in an area with which we disapprove.

I think the place to make cuts is here in the Congress. We are not going to get that $10 billion reduction unles we make the start.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. Pres-ator from Delaware has 12 minutes remaining.

Mr. WILLIAMS of Delaware. That is correct.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield me 10 minutes?

Mr. WILLIAMS of Delaware. I yield 10 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. Mr. President. I wish to speak directly and unambiguously on this subject. It is true that our merchant marine has not kept up with the times. The reason why it has not kept up with the times is the subsidy the taxpayers have provided for it. An opiate has been given to the merchant marine industry by Congress. It has lost all sense of dynamism. It has not attempted to develop its own strength. It is languishing. It is languishing because the operators and the labor leaders are taking advantage of the fact that the taxpayers will put up the money for the indifference and the extravagant operations of the system.

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We provided it with $3 billion in subsidies. We have given it the privilege of carrying all of our military equipment on American ships.

I come now to what, in my opinion, is absolutely indefensible. The administration has asked that when our merchant marine makes excessive charges for the carrying of military equipment, the President be allowed in his discretion to hire foreign ships to carry the equipment.

I ask my colleagues to listen to this statement. Two weeks ago the Committee on Commerce voted favorably on a bill which would give the President the discretionary power to hire foreign ships when domestic ships are charging excessively. When that measure was voted from the committee, the chairman of the committee said: "The bill will never get out of the policy committee." I repeat. He said: "The bill will never get out of the policy committee." I do not know how he was able to tell in advance that it would not get out of the policy committee.

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Mr. MORSE. Mr. President, will the Senator yield me a couple of minutes?

Mr. WILLIAMS of Delaware. I do not believe that I have enough time.

Mr. MAGNUSON. Mr. President, how much time do I have?

Mr. LAUSCHE. May I ask the Senator from Washington, did he or did he not——

Mr. MAGNUSON. I do not yield for that purpose.

Mr. MANSFIELD. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator from Delaware has 3 minutes remaining. The Senator from Washington has used all his time.

Mr. MAGNUSON. Mr. President, as long as my name has been mentioned, I ask unanimous consent that we each have an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, will the Senator yield me 2 minutes?

Mr. WILLIAMS of Delaware. I will yield to the Senator later.

Mr. MAGNUSON. Mr. President, first, the bill that the Senator from Ohio is talking about was reported and the members of the committee are now working on the report.

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The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **MAGNUSON.** I yield myself 2 additional minutes.

The **PRESIDING OFFICER.** The Senator has 2 minutes remaining.

Mr. **MAGNUSON.** We discuss many things informally in executive session—whether or not we should report a bill perhaps late in the session, whether or not the House might take it up. Sometimes a Member will volunteer the information that he has spoken with a Member of the House on a particular bill, and his best information is that the House would not take it up, and we so advise the committee. This is part of the consideration. It happens in all Senate committees.

Mr. **LAUSCHE.** Mr. President, will the Senator yield for a question?

Mr. **MAGNUSON.** No; I will not yield for a question.

The committees of both Houses have on many occasions turned down, almost unanimously, the theory of foreign building. There have been arguments pro and con, and we are now discussing the subject on some new merchant marine policy. The Secretary of Transportation appeared before Senator BARTLETT's subcommittee and suggested that we allow some foreign building. The committee turned it down unanimously.

The Senator from Ohio may have different views, and he is entitled to his views, but I do not believe the entire committee should be berated for their opinion on these matters, nor should they be berated for an honest motive in what they think about things.

The Senator from Ohio thinks there should not be a subsidy for the American merchant marine. Any member of the committee can make a motion to repeal the 1936 act, and we will consider it. It is as simple as that. We do have the act. We do have to supply these moneys under the operational subsidy and the construction subsidy. Until the act is repealed, we have some responsibility for the merchant marine.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **MAGNUSON.** I could say many things about what the Senator from Ohio said, but I will not demean myself to talk that way about committees of Congress that are operating, I believe, in a very fair and impartial way, with everyone having his conscientious views.

Mr. **LAUSCHE.** Mr. President, will the Senator yield for a question?

Mr. **MAGNUSON.** No; I do not yield.

Mr. **LAUSCHE.** Mr. President, will the Senator yield for a question?

Mr. **MAGNUSON.** I do not yield.

Mr. **WILLIAMS** of Delaware. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER.** The Senator from Delaware has 7 minutes remaining.

Mr. **WILLIAMS** of Delaware. I yield 2 minutes to the Senator from Oregon.

Mr. **MORSE.** Mr. President, I thank the Senator from Delaware, who once again is demonstrating his cooperation, in extending to me every possible courtesy.

I say to my friend, the Senator from Ohio [Mr. LAUSCHE] and to my equally dear friend the Senator from Washington [Mr. MAGNUSON] that I do not wish to participate in any dispute that may have arisen as to what did or did not happen in any other committee. I rise only to support the Senator from Washington in connection with the substance of the conference report.

For 24 years in the Senate I have fought for and supported subsidy for the American merchant marine. The word "subsidy" never scares the Senator from Oregon. It is important, in the interest of the American people, that we subsidize some of our domestic programs in order to offset some of the losses that the American people suffer from other subsidies that we give to foreign governments and to foreign interests.

Sit with me on the Committee on Foreign Relations and take witness of the billions of dollars of American taxpayers' money that has been used to subsidize foreign governments which in turn follow an economic course of action detrimental to the welfare of the American people. I have just come from a meeting of the Committee on Foreign Relations, where we reported another foreign aid bill, which I voted against, not because there are not many good features in the bill, but because there are so many bad things in the bill that I had to vote against it.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **MORSE.** I ask the Senator from Delaware to yield me 1 additional minute.

Mr. **WILLIAMS** of Delaware. I yield 1 additional minute to the Senator from Oregon.

Mr. **MORSE.** The merchant marine is vital to the security of the Republic, and of course we should subsidize it, as we do the railroads, the airlines, and a good many other subsidy beneficiaries in this country. But when we contrast what we do to keep the merchant marine strong in order to serve the American people in time of peace and war, and then when we think of the billions of dollars we have been wasting in various forms of subsidies to foreign governments, there is no question about the merits of the substantive nature of the conference report.

The senior Senator from Oregon wants to go on record as complimenting the Senator from Washington for bringing this conference report to the floor of the Senate and I shall vote for it enthusiastically.

Mr. **WILLIAMS** of Delaware. Mr. President, do I have 4 minutes remaining?

The **PRESIDING OFFICER.** The Senator from Delaware has 4 minutes remaining.

Mr. **WILLIAMS** of Delaware. I yield myself 4 minutes.

Mr. President, this is not a question of whether we should or should not subsidize the American merchant marine. As the Senator from Washington has pointed out, that formula is outlined in the law. The question before us is to what extent the American taxpayers should or can afford to subsidize this industry.

The administration, through the Director of the Budget, submitted to Congress a request that $119.8 million be appropriated this year to subsidize the American merchant marine. The committee reported a bill increasing that amount to $237,470,000.

Mr. **LAUSCHE.** Mr. President, may we have order?

The **PRESIDING OFFICER.** The Senate will be in order.

Mr. **WILLIAMS** of Delaware. The budget request was practically doubled, a 100-percent increase.

On a rollcall vote on an amendment offered by the Senator from Ohio [Mr. LAUSCHE] and myself, the Senate rejected by a strong vote the increase as recommended by the committee and reduced the figure to the amount approved by the budget—namely, $119.8 million.

In conference this was increased to $200 million, which is almost back to the figure that was originally rejected by the Senate. That represents an increase of $80,200,000 in this conference report for the subsidy of the American merchant marine over what the administration has recommended.

Congress has passed a bill proposing a 10-percent increase in taxes. Included in that bill was a requirement that we cut the budget appropriations for fiscal 1969 by $10 billion below what had originally been recommended in the budget. It is up to Congress to name where these budget reductions are going to be made; and in the event we do not name them the responsibility is delegated to the President. To the extent that Congress fails to cut or, as in this example, when we add $80 million to the budget, it means that either Congress or the President must find some other area in which to make those cuts, some other programs. I need not remind the Senate that thus far the Senate has not made these cuts. Insofar as Congress is concerned we are delegating our responsibility to the President.

I certainly am not carrying the torch for the President of the United States, but I do not believe it is fair for Congress to approve all these increased appropriations and thereby pass the buck to the President, expecting him to make the cuts. We too have a responsibility. If, however, we shirk our responsibility, I do not believe any Member of the Senate or the House should criticize the President if he makes those cuts in an area with which we disapprove.

I think the place to make cuts is here in the Congress. We are not going to get that $10 billion reduction unles we make the start.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **WILLIAMS** of Delaware. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

Mr. MANSFIELD. Mr. President, in view of the difficulty we had in connection with the limitation of time, I ask unanimous consent that the Senator be permitted to proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. I thank the Senator. I shall not need that much time.

Mr. President, I do not believe we should establish the precedent here of adding 60 percent to a budget request. Let us at least hold the line on the budget. For that reason I shall oppose this conference report. If this report is agreed to and should the appropriation bill come out carrying a figure higher than that requested by the budget and as originally approved by the Senate, then I will be here again to debate the issue. We must carry on the fight if we expect to maintain any degree of fiscal restraint.

I do not think we can in good conscience go on record as favoring cuts in overall appropriations of $10 billion and then turn around and increase this merchant marine subsidy program by $80 million. This would represent about a 40-percent increase over and beyond the amount the Bureau of the Budget recommended in connection with the subsidy for the American merchant marine.

As the Senator from Ohio pointed out, this is an industry which already has been riding on the taxpayers' backs for a number of years. There is a great question in my mind whether we can afford the existing rates of subsidy. At a time when we are asking all segments of the American economy to hold the line on their expenditures and at a time we are asking the American taxpayer to dip into his pocket and pay an increase of 10 percent in taxes, it is not the time to increase the subsidy for this particular industry. We have just closed a fiscal year with a $25 billion deficit.

In line with the statement of the Senator from Ohio, we had the question of extending the Renegotiation Act before our committee; it has been reported and is on the calendar. During its consideration we had the request, which was rejected I am glad to say, that the American merchant marine be exempted from any auditing under the Renegotiation Act. Their exemption was not justified in the opinion of the committee, and it rejected their request. This maritime industry has been well taken care of by the American taxpayers; in fact, to a greater degree than they can afford.

I hope the conference report which increases the subsidy by 40 percent beyond even the administration recommendation will be rejected.

Mr. MAGNUSON. Mr. President, will the Senator yield to me for one-half minute?

Mr. WILLIAMS of Delaware. If I have the time, I yield to the Senator from Washington.

The PRESIDING OFFICER (Mr. DODD in the chair). The Senator from Washington is recognized.

Mr. MAGNUSON. Mr. President, I have no idea what the Committee on Appropriations will do in connection with this matter.

We should understand that this was a House increase. The Committee on Appropriations is meeting today and is marking up the appropriation for State, Commerce, and Justice. I have no idea what they will put in it.

Mr. WILLIAMS of Delaware. Mr. President, the Senator is correct. It was a House figure. However, if the Senate approves this conference report it becomes a Senate figure of $200 million. The conference report should be rejected.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. WILLIAMS of Delaware. Mr. President, I yield back the remainder of my time.

Mr. HARTKE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The question is on agreeing to the conference report. [Putting the question.]

The conference report was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MORSE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title:

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

FOREIGN AID AUTHORIZATIONS

Mr. MORSE. Mr. President, I wish to make a very brief statement in regard to the foreign aid bill. Yesterday I made a statement on the floor of the Senate in which I said because of the status of the foreign aid authorization bill I did not think it should have early consideration on the floor of the Senate, and that I would not enter into any agreement for a limitation of time in regard to the bill.

We had our final session on the foreign aid bill this morning, and I want to say it was greatly improved over its status as of yesterday. It was so much improved that, in my judgment, it would not be fair for the Senator from Oregon, in his relationship with the leadership of the Senate, to seek to prevent early consideration of the bill. Any amendments that any of us wish to offer can be offered on the floor of the Senate once the bill is taken up on the floor of the Senate.

Mr. President, although the bill was not sufficiently improved so that I felt I could vote for it, the cut in military aid was a substantial improvement. I now want the record to show that as far as I am concerned I am ready to have the bill come before the Senate at any time, and the leadership will receive my cooperation in an early consideration of the bill, including a unanimous-consent agreement to limit time for debate on the bill if the unanimous-consent agreement provides sufficient time, as I know it will, for adequate consideration of further amendments that will be offered.

I think we must realize the realities that face Congress. We should dispose of every bit of business we can before there is a temporary recess or adjournment pertaining to the holding of the Republican and Democratic Conventions. We will come back, I understand, after those conventions to consider a great deal of legislation and appropriations, including the foreign aid appropriation, that cannot be disposed of between now and the recess for the conventions.

CONFERENCES ON EDUCATION MEASURES

While I am on my feet, and in connection with a matter related to this subject—and I see the chairman of the Committee on Labor and Public Welfare in the Chamber—the indications are we will not be able to have any conferences on the two major education bills. They are the most detailed and massive of all the education bills we have ever considered. They are vital to passage before adjournment sine die, but there is practically no chance of getting a conference before the political conventions. The reason is that several of the conferees in the House side on the Republican side are leaving Sunday for Miami because they have important positions on convention committees, and they are needed there to make plans for the Republican Convention. Therefore, we have reached an impasse for any conference because the House, as of this morning, had not taken final action on the education bill; conferees had not been appointed on the vocational bill and those on the higher education bill could not be appointed until that bill is passed.

With these Republican leaders leaving Sunday, and we have learned there is no hope of a conference tomorrow, nor could the matter be handled in one day, I am confident that the conference on higher education will not occur until after both conventions.

At the same time, there is no chance for a conference on the vocational education bill.

FOREIGN AID AUTHORIZATION

Therefore, because we have those major pieces of legislation, the Supreme Court matter, gun control legislation, and other vital matters, we cannot possibly get to before the conventions, we could, here in the Senate, get to the foreign aid bill if it is decided to bring it up.

The Senator from Oregon now makes clear once again that I will not be an impediment to my majority leader and the minority leader in the earliest possible consideration of the foreign aid authorization bill now that it has been reported by the Committee on Foreign Relations in much better substantive form than it was in at the close of the markup yesterday, following which I came to the floor of the Senate and expressed my strong disapproval of the bill in that form. It was greatly improved this morning by the action taken.

Therefore, let the record show that I would be willing at any time before or after the conventions to proceed to the consideration of the foreign aid bill and agree to a reasonable unanimous-consent agreement for limitation of time on that bill.

Mr. MANSFIELD. I appreciate the statement just made by the distinguished Senator from Oregon. It will take a little of the load off my shoulders.

Mr. MORSE. Mr. President, I ask unanimous consent that there be printed in the RECORD at the end of my remarks a letter which I have received from Mr. John J. Sheehan, legislative director of the United Steelworkers of America, together with a recent article which Mr. Sheehan enclosed from the newspaper, Steel Labor, headed "Helping Build Latin America's Alliance."

The article describes the work of the American Institute for Free Labor Development and particularly the support which AIFLD receives from the United Steelworkers.

Mr. Sheehan's letter to me was prompted by the recent publication by the Subcommittee on American Republics Affairs of the study "Labor Policies and Programs." This study was prepared by the staff of the Committee on Foreign Relations as a part of the subcommittee's overall survey of the Alliance for Progress. The staff study, together with a report of the Comptroller General which was published at the same time, raises basic questions concerning the role of the AIFLD and U.S. policies toward Latin American labor.

At this time, I want to repeat what I wrote in the foreword to the study—namely, that the study and the General Accounting Office report "are published at this time solely as the basis for discussion and further inquiry. The points of view expressed do not necessarily reflect the opinions of the subcommittee or any member thereof."

I am glad to receive Mr. Sheehan's contribution to the discussion on behalf of the United Steelworkers. The problems of U.S. policies and programs concerning Latin American labor will undoubtedly receive further attention from the Subcommittee on American Republics Affairs in the months ahead as the subcommittee pursues its survey of the Alliance for Progress.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

UNITED STEELWORKERS OF AMERICA,
Washington, D.C., July 19, 1968.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: The recent study of the staff on Labor Policies and Programs in Latin America casts extreme doubt on AIFLD's union-to-union co-operation. A recent article in our newspaper, *Steel Labor*, emphasizes the value which we have placed upon the work of AIFLD. If possible, I should like to request that the article be placed in the Congressional Record.

Sincerely,

JOHN J. SHEEHAN,
Legislative Director.

Enclosure.

[From Steel Labor, July, 1968]

HELPING BUILD LATIN AMERICA'S ALLIANCE

From remote jungle settlements and inaccessible mountain villages high in the Andes to the great metropolitan centers of South and Central America and the Caribbean, hundreds of thousands of trade union members are participating in the peaceful revolution known as the Alliance for Progress.

Undoubtedly one of the greatest revolutionary movements of social reform and economic reconstruction in history, the Alliance for Progress has enlisted USWA members among many from North American trade unions in the program to introduce industrial democracy to Latin America. With an often violent tradition of military coups, ruling oligarchy and exploitation by bigger powers, the challenge has been great.

The trade union phase of this democratic revolution is being mobilized openly and frequently with the full support of the governments involved as well with significant support from enlightened local business interests. Signs and banners being publicly displayed today at hundreds of trade union schools, labor seminars and varied social projects benefiting workers throughout Latin America and the Caribbean area identify the rallying point of the inter-American labor movement's participation by its Spanish initials—"IADSL."

The organization thus identified is the American Institute for Free Labor Development, a unique undertaking set up by the AFL–CIO in 1962 which is supported jointly by labor, business and government. The Institute was created by the United States labor movement as a vehicle through which it could lend its support to the objectives of the Alliance for Progress by helping Latin American workers build strong, free and democratic trade unions, so that they will be able to win higher wages, raise their standards of living and participate more fully in the benefits of their countries' development.

AIFLD is unique in many ways. Although only six years old this June, it already has become the largest institution of adult and worker education in Latin America with national institutes in 21 countries and a graduate school in operation the year round at Front Royal, Va. It is one of the largest builders of low-cost workers' housing in the southern half of the hemisphere, having already completed or begun construction on new modern homes for over 65,000 people and with units to house about 11,000 more in various stages of preparation. Its housing operations are only one phase of its varied social projects activities, which involve literally hundreds of projects ranging from the construction and operation of Campesino Service Centers serving thousands of rural workers, to small community service undertakings.

In the field of finance, it helped to establish the first workers' housing bank in Latin America, a multi-million dollar institution which already has become the fastest growing savings and loan association in Peru. AIFLD's strength and effectiveness stems from the fact that it operates on a worker-to-worker basis, seeking to make available the greater resources, experience and leadership skills of the United States labor movement to the workers of Latin America and the Caribbean in their efforts to build their own strong and independent unions. The Institute is engaged in a widely varied program of direct assistance to workers and their organizations, all on a self-help basis.

Where a lack of funds is hampering unions' plans for a headquarters and meeting hall, a clinic or other projects, AIFLD technicians are helping them to work out means for their realization. This may involve aid in establishing a credit union, or a consumers' or producers' cooperative where funds can be saved or earned or even a great workers' housing bank such as one in Peru which already has deposits of millions of dollars and has financed more than 500 housing units for its members. Other AIFLD technicians and graduates of its labor leadership training schools are showing workers how they can help their communities to meet their needs on a self-help basis by enlisting voluntary labor.

Are campesino villages lacking in medical care? AIFLD technicians, working with the Union of Nurses in Honduras, for example, have enlisted the voluntary services of doctors and nurses, and donations of medicines from local manufacturers, for regular Sunday visits of medical brigades to these communities. Is a rural town being economically handicapped by its lack of an access road or a bridge? AIFLD representatives have repeatedly enlisted the workmen of such places to contribute the labor and other self-help needed to overcome this handicap.

In every case, the project is sponsored by a local union of workers, and AIFLD supplies the necessary technical know-how and other help needed. The entire program of the Institute rests on the concept that United States workers, having common problems, can best understand and help working people in these other countries. From the beginning, the United Steelworkers of America has lent its full support to the AIFLD and its programs. USWA President I. W. Abel is a member of the Institute's Board of Trustees, and four members of the Steelworkers currently hold responsible posts of leadership on its staff. In addition, USWA International Affairs Director Meyer Bernstein and USWA Legislative Director John Sheehan both regularly serve as guest lecturers at AIFLD's graduate Front Royal Institute.

At the Washington headquarters, Angelo Verdu, formerly a staff representative for the Steelworkers, has been actively directing the Institute's far-flung operations as assistant to the administrator for the last 15 months, and Sam Haddad, former Steelworker organizer and ex-president of Local 4194 in New Castle, Pa., was the Institute's first director of education and now serves as regional director over the northern region and the Caribbean area. In these posts, Verdu and Haddad exercise general administrative authority over most of the Institute's operations.

Two other Steelworkers today are serving in important field assignments. Robert Cazares, from Local 1011, East Chicago, Ind., now is the Institute's education officer in Peru, following previous assignments in El Salvador, Argentina and Costa Rica. Michael Verdu, a former member of the Steelworkers in Salt Lake City, Utah, is presently serving as AIFLD's program officer in the Dominican Republic. Another Steelworker, Raymond Sarocco, staff member from the Chicago area, has been program officer in Sao Paulo, Brazil, until recently when the program was completed.

By the end of 1967, AIFLD had spent approximately $16 million in carrying out all of its various programs, and loans arranged by the Institute to finance its various workers' housing projects in some 14 countries are expected ultimately to involve a total additional investment of $65 million. All of this money has been provided for the free trade unions of Latin America and their members under a direct union-to-union program, with no strings attached.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

HOUSING AND URBAN DEVELOPMENT ACT—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3497) to assist in the provision of housing for low- and moderate-income families, and to extend and amend laws relating to housing and urban development. I ask unanimous consent for the present consideration of the report.

The **PRESIDING OFFICER.** The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of July 26, 1968, pp. 23636–23682, CONGRESSIONAL RECORD.)

The **PRESIDING OFFICER.** Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

PRIVILEGE OF THE FLOOR

Mr. SPARKMAN. Mr. President, I ask unanimous consent that members of the staff of the Committee on Banking and Currency and the Subcommittee on Housing be allowed the privilege of the floor.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I submit a report of the committee on conference on the disagreeing vote of the two Houses on S. 3497, the Housing and Urban Development Act of 1968. I ask unanimous consent for the present consideration of the report.

Mr. President, I should like to make a statement on the conference report on the housing bill. I do not believe it necessary that my remarks be in great detail because there is a printed report on the desk of each Senator giving full text of the agreed-upon legislation and a statement of managers on the part of the House, explaining the differences between the House bill and the legislation agreed to in conference.

Before I comment on the details, I want to say how pleased I am with the fine job done by the members of the conference committee from both Houses of Congress.

Despite the fact that the bill approved by each House of Congress was basically the same, there were significant differences of a total of 64 items, some of which had many subtopics which had to be resolved by the conferees.

Each year as the Congress takes up housing legislation, we are made more aware of the increasing complexities of housing and urban development legislation. This year, the housing bill was the most comprehensive and far-reaching bill that the Congress has ever considered. The Senate bill contained 15 titles; the House bill contained 14 titles; and the conference committee finally agreed on a bill containing 17 titles.

In resolving the differences, the conference committee worked together with speed, and a spirit of good will and cooperation. However, as conferees usually do, there were compromises between the two sides. On the part of the Senate, we remained adamant on several items, and the same thing was true with the House. All in all, the conferees were satisfied that the final product represented the best interests of all concerned, and I am pleased to report that every member of the conference committee signed the report.

I would like now to comment on some of the significant items which were in conference.

One of the most significant provisions of the bill is the homeownership program for lower-income families which, provides Federal assistance to enable lower-income families to become homeowners. Under this new program, interest subsidy payments would be made to help lower income families meet their monthly housing costs. The primary difference between the Senate and House passed bills involved the eligibility as far as family income was concerned. The House bill limited eligibility to families whose incomes did not exceed 130 percent of the local public housing continued occupancy level. The Senate limited eligibility to families whose incomes did not exceed 70 percent of the level established under the FHA section 221(d)(3) below market interest rate program in a particular locality. Also allowances of $300 were made for each minor child and 20 percent of the funds appropriated would be made available to families whose income were in excess of the basic level mentioned above. The conferees agreed on a compromise which limits eligibility to families with incomes not in excess of 135 percent of public housing admission levels with an allowance of $300 per minor child and authority for 20 percent of the funds to be available for families whose incomes are in excess of the basic level but not exceeding 90 percent of the 221(d)(3) BMIR levels.

Admittedly, this is a complex formula, but the main intent is to limit the benefits of this program to families of the lower income category and, in fact, the law specifies that priority will be given, insofar as practicable, to the lowest income families who can achieve homeownership under the program.

Another item of significant difference between the Senate and House bills involved eligibility of the interest subsidy program to families purchasing existing standard housing. Both Houses agreed that the primary emphasis of the program was to provide subsidy for families purchasing new or rehabilitated housing. The Senate bill permitted a small part of the funds to go to families who would buy existing standard housing; the House bill placed no limit on the amount of funds which could be used for this purpose. The conferees agreed to the Senate version.

Similar issues were faced by the conference committee in resolving the differences under the new rental housing program for lower income families. This program, which provides an interest subsidy to lower income families for rental housing, was made consistent with the corresponding income ceiling provision contained in the new homeownership program. Existing public housing and rent supplement programs were also broadened to make them more flexible and more workable under today's housing conditions.

Under the Federal Housing Administration insurance operations, I should like to mention two significant items. The Senate bill contained an authorization for FHA to insure mortgages for the financing of seasonal homes. The House bill contained no similar provision. During discussion of this item, the Senate conferees pointed out that authority would be limited to certain areas where there was no shortage of mortgage credit for year-round housing and that such housing would contribute to the economic development of the areas. The House conferees accepted the Senate provision.

The other item about which there was a great deal of discussion involved authority of the FHA to deduct discounts in paying insurance claims under certain circumstances. This was an amendment proposed on the Senate floor which I agreed to take to conference with the understanding that I would consult with the mortgage credit and homebuilding industries and Government officials and to determine what difficulties, if any such a provision would impose upon the FHA programs.

Very strong objections were made both by Government officials and by all segments of industry, who claimed that such a provision would place a serious cloud over the FHA program, the result of which would be to reduce the amount of mortgage credit available for this program upon which we are depending so much to carry out our 1968 housing bill. Because of the way the provision would work, there is very little possibility that it would in any way deter the discount practices now current in FHA mortgage lending. The only possible benefit of this provision would be to deter unscrupulous mortgage lenders who might be tempted under current conditions to engage in precipitous foreclosures in order to reap a profit. We were assured by the FHA Commissioner that he already had adequate statutory and administrative procedures to eliminate this kind of unscrupulous practice and that the provision in the Senate bill would not be necessary. In view of these considerations, the Senate conferees had no choice but to recede on this provision.

The Senate bill contained authority for the Housing Department to finance the development of new communities by the issuance of FHA-insured bonds. The House bill contained no similar provision, and the conferees agreed to accept the Senate provision with some minor amendments.

Under the urban renewal provisions of

both bills, the most significant item involved the extent to which the rebuilding of urban renewal areas would be of primary benefit to families of low and moderate income. Both bills required that a majority of housing built in urban renewal projects be for low and moderate income families. However, the House bill contained a further requirement that 20 percent of such housing within any one community should be for families of low income. The conferees agreed with the House provision with an amendment that the 20-percent requirement would not be mandatory in any community if the Secretary of Department of Housing and Urban Development made a finding that such housing was not necessary.

The principal difference in the Senate and House bills relating to the expansion of the Federal National Mortgage Association to establish a new privately oriented facility, was the amount of special assistance authorization. The Senate bill authorized $250 million while the House bill authorized $500 million. The conferees agreed to the provision in the House bill.

Under the 701 urban planning program, both the Senate and House bills contained a provision which permitted the use of this program for the development of rural districts. The primary purpose of this is to encourage the development of small towns and rural areas to provide better living and working conditions, the effect of which will be to take a great deal of pressure off the cities by reducing the constant migration from rural areas to the cities. The differences between the two bills involved the eligibility of certain areas already being given Government support. The conferees in general agreed with the House provision.

On the rural housing program, the principal difference between the two bills involved a self-help provision in the House bill not contained in the Senate bill. Such a provision would authorize financial assistance to enable families to build their own communities and homes with technical assistance provided by the Department of Agriculture. The Senate receded to the House on this provision.

One important provision contained in the House bill but not in the Senate bill authorized a new program of FHA insurance for the construction of nonprofit hospitals. The conference committee agreed to accept the House provision.

Under the urban insurance program, the principal difference between the House and Senate versions involved the establishment of a national insurance development corporation to administer the program which was contained in the Senate bill. The House bill did not include such a provision, but provided that the program would be administered within the Department of Housing and Urban Development. The conferees agreed that the program would be administered within HUD and provided that a Federal Insurance Administrator would be appointed to administer the urban insurance and the flood insurance programs.

Another item of significant difference under the urban insurance program and the flood insurance program was the matter of Treasury support to finance extraordinary losses which may occur. The Senate bill, under the urban insurance program, provided no limitation on the borrowing authority, whereas the House bill placed a $150 million limitation with authority to obtain further sums as may be determined by congressional joint resolution. The conferees agreed on a $250 million limitation on the Treasury borrowing authority with authority to obtain additional sums after agreement by the Congress.

On the same issue involving the flood insurance program, the Senate bill limited the Treasury borrowing authority to the unused balance under the Federal Flood Insurance Act of 1956. The House bill limited the borrowing authority to $150 million and rescinded the unused borrowing authority under the 1956 act. The conferees agreed to a limit of $250 million and, in addition, rescinded the unused borrowing authority in the 1956 act.

In addition to the conferees agreeing to a national urban insurance program, they agreed to a provision contained in the House bill making the District of Columbia eligible for benefits under the urban insurance program. By this action, the District of Columbia will be able to develop its own FAIR plan and establish a joint underwriting association to facilitate the provision of the basic property insurance program in the District of Columbia.

The Senate bill contained a new interstate land sales program which would provide that the Secretary of Housing and Urban Development develop procedures to register and supervise the sale of undeveloped land engaged in interstate commerce. There was no similar provision in the House bill and the conferees agreed to accept the Senate provision.

Both the House and Senate bills contained provisions involving expanded mortgage lending authority by financial institutions. A group of amendments in the Senate bill broadening authority of commercial banks to make mortgage loans was accepted by the House conferees and, correspondingly, several amendments in the House bill involving wider borrowing and lending powers by Federal savings and loan associations were accepted by the Senate conferees. The net effect of these provisions is to encourage both banks and savings and loan associations to increase their activity and provide more mortgage credit to finance the expanded housing needs of our Nation.

One Senate floor amendment which I took to conference with the promise that I would do all I could to get agreement from the House conferees involved Federal assistance for victims of natural disaster. The House conferees remained adamant on these items and the Senate had no choice but to recede.

Another provision in the Senate bill about which the House conferees remained adamant and on which the Senate conferees had to recede was section 1520 of S. 3497. Section 1520 concerned certain notifications which mortgage lenders would be required to give veteran mortgagors and also provided automatic cancellation of the VA guarantee on mortgages for failure to give such notices. This was another floor amendment that we had not had any opportunity to study and one that, after study, showed that it would not accomplish intended purposes and furthermore would place a cloud on VA home loan mortgages. I ask unanimous consent at this point in my remarks to place in the Record a letter to the chairman of the Veterans' Affairs Committee of the House of Representatives from the Administrator of the VA concerning this amendment was circulated to House conferees and after they understood the implications of the amendment, they were adamant about including section 1520 in the conference report.

There being no objection, the letter was ordered to be printed in the Record, as follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, D.C., June 28, 1968.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: The following comments are submitted in response to your request for a report by the Veterans Administration on a Senate-adopted amendment to S. 3497, 90th Congress, which passed the Senate on May 28, 1968. The bill is designed "to assist in the provision of housing for low and moderate income families, and to extend and amend laws relating to housing and urban development." The amendment on which you requested a report directly relates to the Veterans Administration home loan program.

The provision, section 1520 of the bill, amends section 1817 of title 38, United States Code, which relates to release of liability of veterans to the VA on a GI home loan when he sells his home. Section 1817 presently provides that upon Application a veteran may be released from liability to the VA if (1) the loan is current, and (2) purchaser of the property qualifies from a credit standpoint and obligates himself to purchase such property and to assume full liability for repayment of the loan balance; and assumes by contract all of the obligations of the veteran under the terms of the instruments creating and securing the loan.

Section 1520 of S. 3497 would add a new subsection to section 1817 of title 38, United States Code, to assure that any veteran who disposes of his home will be informed of the release provisions of the present section 1817. Section 1520 contains three basic provisions. It would require the holder of the security instrument for a GI loan to advise the veteran "before such holder agrees to permit any third person to assume the obligations of the veteran under the terms of such instrument" that he has the right to a release of liability from the Veterans Administration and of the possible consequences of failure to obtain such release. It further provides that if the holder fails to give the veteran the required notification the VA guaranty will be cancelled. Cancellation of the guaranty would have the effect of releasing the veteran from any liability to the Veterans Administration. The notification requirements would apply to loans made, guaranteed, or insured after the enactment of this provision. A third provision of the amendment would require the Administrator of Veterans' Affairs to take whatever action he deems appropriate to enable all veterans to benefit from the notification procedures. This apparently would apply to loans previously made, guaranteed, or insured.

In assessing the impact of enactment of Section 1520 of S. 3497 it should be noted that the prime inducement to private lenders to invest in GI mortgage loans is the protection the VA guaranty affords investors against loss. As a practical matter, investors consider the VA guaranty of up to $12,500 to be the equivalent of a cash downpayment by the borrower. It is this guaranty protection that enables lenders to make 100% GI loans. Automatic loss of the VA guaranty by the holder by reason of failure to notify a veteran seller of his right to obtain a release of liability at a specific point in time introduces a new element of risk into GI loans which, so far as we know, does not exist in respect to any other comparable mortgage investment. Loss of the guaranty in the early years of a GI loan would have the result of leaving financial institutions such as banks and savings and loan associations with ineligible loans on their books as well as subjecting such holders to losses in many cases in the event of default by the borrower and consequent costs of foreclosure, property management, and resale. In our judgment there is the gravest possibility that many lenders would withdraw from participation in the GI loan program if section 1520 were enacted and would invest their available funds in other types of mortgages which do not contain the onerous element of risk imposed by such section.

For the same reasons it is our view that enactment would also adversely affect the marketability of GI loans in the secondary market with resulting reduction in investment funds normally channeled from this source into the GI program. Such loan purchasers who are willing to assume the risk would, prior to purchase, find it necessary to require proof that a property sale had not occurred or that the proposed requirements had been satisfied in the event of a sale. It is highly doubtful that many secondary market outlets would want to assume such burden.

In examining the specific language of section 1520 to determine the exact nature of the duties to be imposed upon the holders of GI loans the key language requiring interpretation is the clause reading "before such holder agrees to permit any third person to assume the obligation of the veteran under the terms of such instrument." It is not clear whether this is intended to apply only to a contractual obligation between the third person and the holder or is intended to include an assumption of the original veteran's liability to both the holder and the Veterans Administration. In addition, it is not clear how the specified language would apply to situations in which the purchaser from the veteran seller acquires the property "subject to" the mortgage indebtedness and does not assume direct personal liability on the debt.

Bearing in mind the apparent objective sought under section 1520 of the bill we can only conclude that the procedure prescribed for notification appears to be based on the assumption that a veteran who proposes to sell his property and allow his VA guaranteed mortgage to continue on the property must obtain the prior agreement of the mortgage holder "to permit any third person to assume the obligations of the veteran." Neither the governing law nor VA regulations require any such agreement. As a matter of fact, section 1802(c) of chapter 37, title 38, United States Code, provides that nothing in the governing law shall preclude the assignment of any guaranteed loan or the security therefor. Consistent with such provision in the existing law, VA regulations provide, in effect, that a veteran may transfer his property to any person of his choice under any terms agreeable to the parties without the consent of the mortgage holder or this agency. We consider this freedom of alienability to be highly desirable generally, and particularly from the standpoint of the veteran homeowner.

Further, as a practical matter, the holder of the guaranteed mortgage often does not learn of the transfer of title to a purchaser until after the transaction has been completed. Permission for a third person "to assume the obligations of the veteran" at that point in time is not meaningful insofar as notification to the veteran of his right to apply for a release of liability from VA is concerned since no inducement or consideration exists for the new owner to assume the veteran's loan obligations (including his indemnity obligation to VA) once he owns the property. The VA's experience is similar with respect to its portfolio loans. In the light of the foregoing we believe that the proposed requirement for notification to the veteran seller by the holder of a GI loan at the point in time contemplated would not be feasible or productive in many, if not most, instances.

In connection with the problem to which the amendment is directed, it is appropriate to indicate the extent to which the VA goes in informing veterans of their rights to obtain a release of liability from the VA if and when they sell their homes. They are first advised through the issuance to them of VA pamphlets at the time they obtain their Certificate of Eligibility, which ordinarily is the first step taken by a veteran contemplating a GI loan. At the time a loan application is submitted the veteran acknowledges in writing that he understands his rights and obligations if he obtains a GI loan. Again, at the time the VA guarantees the loan a letter and VA pamphlets are sent to the veteran which contain information as to his rights and obligations, including the release of liability procedure. We have also instituted a procedure in cooperation with the Department of Defense whereby the latter has agreed to furnish servicemen who are to be transferred a copy of another VA pamphlet which contains advice concerning release of liability. Lastly, lenders are encouraged to advise veterans of their rights to obtain a release of liability from the VA through the use of this same pamphlet when they receive requests for "pay-off" figures or otherwise become aware that a veteran is contemplating selling his home.

In respect to direct loans, we furnish the veteran with the same information regarding the obligations he will assume, including the release of liability provisions, as is furnished veterans obtaining a guaranteed or insured loan. We also have instructed our field stations to furnish the veteran with information regarding release of liability whenever a request for "pay-off" information is received by us.

In addition to the foregoing, release of liability information is periodically made the subject of press releases and spot announcements in all available public media.

We believe the existing provisions of section 1817, title 38, United States Code, are sufficiently liberal and fair to both veterans and the Government and that veterans are being adequately advised of their right to obtain release from liability to the Veterans Administration.

If the amendment became law, it would have no fiscal impact on loans outstanding or on debts already established as a consequence of claims previously paid. It may have some fiscal impact several years in the future. Because of many unknown factors, however, it is not possible to accurately determine to what extent this may be.

Inasmuch as enactment of the proposed amendment is likely to have the effect of discouraging investor participation in the VA Home Loan Guaranty Program and thereby impair the ability of veterans to obtain GI home loan financing, we are unable to recommend favorable consideration of section 1520 of the Senate passed bill.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

W. J. Driver,
Administrator.

Mr. TOWER. Mr. President, the Housing and Urban Development Act of 1968 has traveled a long road prior to the point at which we find it today.

The bill's many innovative provisions represent an extended bipartisan effort since last summer to come to grips with the critical housing needs facing our country today, with a particular emphasis on housing families of low income.

The bill is a large one by any measure. While I am concerned with some of its provisions, both as to scope and potential cost, I have at all times during its formulation been equally concerned over the strong and compelling need made plainly evident to the Committee on Banking and Currency for an aggressive effort toward overcoming the problems of those families who must have assistance if they are to be decently housed.

The bill will create several innovative mechanisms that have the potential of assuring progress in this area. Government assistance will be available to qualified families for both occupant-owned and rental housing.

The national goal of a "decent home and a suitable living environment for every American family" has long been realizable for those of our citizens financially able to fulfill their housing needs. The promise of this bill is the realization of this goal for families in less fortunate financial circumstances.

While the means for progress in this area will be made possible by this bill, in the final analysis, we will have to look to the proper administering of its provisions. If the families who truly need assistance receive the bill's benefits, the deteriorated neighborhoods that these families are trapped in will be benefited and upgraded at the same time.

This is the goal of this bill as I envision it. The fruition of this goal can be expected if the "declaration of policy" which prefaces the bill is adhered to, for it states that the new programs "are designed to assist families with incomes so low that they could not otherwise decently house themselves." It calls for the "highest priority" for these families.

If the new programs are implemented in this context, as I hope and expect that they will be, then the Government's role in housing will not be misdirected. Program implementation must be prudent in this regard.

We are a Nation whose people have historically housed themselves through their own efforts and initiative. This is the pattern that must be continued. Only where this is not possible should the Government enter the picture.

In spite of the reservations I have about some aspects of the bill, I believe that the good outweighs the evil. I fervently hope that the Senate will act favorably on the conference report, and I urge it to do so.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Texas yield?

Mr. TOWER. I yield.

Mr. WILLIAMS of Delaware. When this bill was before the Senate a proposal was approved by a yea-and-nay vote—unanimously as I recall—which would have stopped the Federal Housing Administration from insuring the so-called point system, by spelling out that the mortgage company would be insured only up to the amount he actually paid for the mortgage. Will the Senator state what happened to that amendment?

Mr. TOWER. That amendment was discussed not once, but on two separate occasions during the course of the deliberations of the conference committee, which lasted over 5 days.

I assure the Senator from Delaware that the distinguished chairman of the committee [Mr. SPARKMAN] and I and other Senators tried to cause the Senate to prevail on this amendment. However, there was considerable fear on the part of the Members of the House that the amendment would have deleterious effect from the standpoint of the conduct of the program.

I think there was quite general agreement that we would like to see the point system ameliorated in some way. Although we lost to the House on this issue, I do feel that there is a favorable climate for the consideration in the future of some means of dealing with the point system.

Mr. WILLIAMS of Delaware. I am sorry we lost the amendment. I think this was a means whereby we could have eliminated the system, at least to a substantial degree.

I realize, as I stated at the time the Senate agreed to the amendment, that the administration has been opposed to any correction of this abuse. I have been disappointed that we have been unable even to get the Administrator of the FHA interested in correcting this point system, which in my judgment has been one of the greatest rackets and abuses ever imposed on the individual homebuyer.

As the system operates today the moneylenders make more money on bad credit risks than on good credit risks, which is the most absurd situation I have ever seen, even in Great Society government. Certainly such a practice would not be condoned in private industry.

The point system is only a means of increasing the lender's income or the interest rates; we all realize that. Suppose, for example, that the maximum rate on a mortgage is fixed at 6 percent. The lender feels that he wants 6.25 percent. The additional .25 percent amortized over 40 years would mean a discount of 10 points on the mortgage. The homebuyer is the one who pays that 10 points; there is no question about that.

If the homeowner is a good credit risk and pays his mortgage out over 40 years as contemplated, it means that the lender collects an additional one-quarter percent per year spread out over the 40 years. On the other hand, suppose the purchaser defaults on the mortgage after only 10 years; the lender can amortize his 10 points over the 10 years, and he picks up an additional 1 percent on his money. As one of the lenders told me in conversation, "If I am lucky—and I use the word lucky advisedly—and I happen to take the mortgage of a homebuyer who will default in only 2 years I can get an extra 5 percent, which means a total of 11 percent interest." If the lender is extremely fortunate and gets a real bad credit risk, one that will default in 1 year, he can pick up all the 10 points the first year, or a total of 16 percent interest.

This is the most absurd situation I have ever seen—and to think that this racket is not only condoned but actually defended by the Johnson administration. The law in my State provides that if a banker had loaned money the way FHA is doing today they would have put him in the penitentiary, because we have a law in Delaware that if a bank purports to lend an individual $1,000 and insists on the individual's giving a $1,000 note but only giving him $900 in cash, it is an illegal transaction. Yet this bucket shop racket is condoned by the Federal Housing Administration. I do not understand it. The FHA was established for a noble purpose: to help the individual citizen acquire a home. Yet too often that purpose is frustrated, and the law works for protection of the profits of the builder and the lender.

I know the Senator from Texas was strongly in favor of my proposal and supported it in the Senate. I realize the position he is in as one of the conferees. Just as in my case, he does not always get his way.

But I regret very much, not only as the author of the amendment but from the standpoint of protection for the millions of home buyers who will continue to be hooked as a result of this point system, that the Senate conferees did not succeed in saving that provision for us.

Mr. TOWER. Mr. President, I share the Senator's regret, and give him my assurance that I will continue to work toward the amelioration of the point system, which I am sure none of us is pleased with.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. The Senate conferees did try very hard to win approval by the House of Representatives of the amendment offered by the Senator from Delaware to eliminate this vicious windfall practice which he has been hammering away at so long and so faithfully on the floor of the Senate. There is no question but that it is a very bad practice. As the Senator so well states, what it does is encourage investments by unscrupulous persons in loans that they feel, at the time they make the investments, will be in default, and, in fact, to have every reason to encourage the default. Perhaps under some circumstances they might even work actively to secure default, because they do get a windfall when default is achieved.

We were told that administration of such a provision as the Senator from Delaware proposes would be impossible. I propose an amendment in the nature of a compromise, to try at least to eliminate the windfall element over a period of years. But we could not succeed on that; the House of Representatives was absolutely adamant in its position.

I believe the Senator from Delaware deserves support, and I hope he will continue to hammer away on this issue, because he is absolutely right about it. There is no question but that there is a windfall, and I think it should be eliminated.

Mr. WILLIAMS of Delaware. I thank the Senator from Wisconsin.

It is in recognition of the effort which the conferees did make to retain this amendment—and I know they delayed action on the conference report for several days in an effort to achieve agreement to this amendment—that I am not opposing the conference report. I simply regret that the Johnson administration takes the position against this one amendment which would have gone far toward giving the home buyer the protection he deserves.

Mr. President, this is an unsound business principle for any industry. The fire insurance industry, for example, would not operate that way. If one has a piece of property with a building which originally cost $50,000, he may insure it for near that amount. For some reason or other it depreciates in value, and Joe Smith comes along and buys it for $30,000. No insurance company in the world would insure that building for $50,000, or pay him a $20,000 profit should he have a fire the next month.

It is an unwritten rule in all insurance programs that I have ever heard of that they will not under any circumstances insure beyond the cost or the actual value of the property. That is the rule of all insurance companies.

The amendment I sponsored provided that the Government of the United States would not insure a mortgage for one penny more than the lender actually paid for the mortgage.

That is simply a sound business practice, such as would be followed by any private insurance company. Only the Government of the United States or some spendthrift bureaucrat who thinks there is a bottomless pit to the U.S. Treasury would ever condone such an unsound operation. I hope that we can someday get this matter corrected.

The man in this administration who is defending this unsound business practice would never qualify for the job of managing a peanut stand in private industry.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. JAVITS. Mr. President, I have a few questions to ask the Senator from Alabama. Was the amendment with relation to college housing and the guarantee of the interest rate retained?

Mr. SPARKMAN. I assure the Senator that it was.

Mr. JAVITS. The other matter concerns the new program for homeownership by low-income families. I gather that is retained in the bill with the underwriting of interest at 1 percent.

Mr. SPARKMAN. The Senator is correct.

Mr. JAVITS. It is a very creative bill. A lot more can be done than is being done in respect of housing in the core cities of the country. But I do think that a very important amount of progress is being made here.

The Senator and I have discussed this before when I was a member of the Committee on Banking and Currency. This time, the concentration was upon the new ownership policy, which I think is very commendable and displays real initiative and the techniques such as underwriting the interest rate on which the Senator accommodated me. It was my own contribution on college housing.

I might tell the Senator that we now have such a provision in the bill for teaching facilities in the colleges. We also have such a provision in the hospital modernization bill. It is a very important breakthrough. And the Senate committee gave it the legitimacy which is now carrying it into other fields.

I suggest to the Senator—and of course, I am with him on confirming the report—the possibility of very carefully reviewing the whole renovation question. And whatever may be the arguments of the bulldozer versus the renovator—and that question rages in the city of New York very extensively because the mayor and the Governor, for example, are not of the same mind on the question—I think that a tremendous amount of the housing stock can be consistently saved, even with neighborhood planning.

We are now installing, for example, in a very congested part of New York, in the Bedford-Stuyvesant Park section, a linear park which would break up the traditional sidewalk concept. I hope the Senator next year could give some consideration to renovation on the neighborhood basis structure. It is clear that in many areas, by a tremendous acceleration of the whole problem of housing for the people of slums and ghettos, additional advantages might be obtained through renovation. A good deal of housing stock in some areas has to come down. There is no way out of that. However, much of the housing stock could be preserved with new techniques and with research. I think many areas can be dealt with so there will not be the traditional box pattern, but the houses will be merged into a good pattern, consistent with renovation.

I hope the Senator will keep that in mind.

Mr. SPARKMAN. Mr. President, I believe the President knows that we have given a great deal of attention to both of these matters. The Senator mentions renovation and rehabilitation, with respect both to individual buildings of neighborhoods and communities. I think we made some headway this year in expanding and making more workable the rehabilitation program particularly.

I assure the Senator that we will continue to give thoughtful consideration to the matter.

Mr. JAVITS. Mr. President, the Senator may remember that we had an amendment agreed to, again when I was a member of the committee. I think it was my amendment. I worked it out with former Senator Paul Douglas of Illinois. The amendment dealt with conditions of code enforcement and code writing. And we conditioned a certain amount of very important assistance to communities in the housing field upon their engaging in the code program.

I think it would be very useful to Congress if, in the exercise of legislative oversight, the staff might work up the information. We deferred its applicability for several years.

Mr. SPARKMAN. Mr. President, I remember quite well. The Senator was a pioneer in advocating that provision. The Department of Housing has met with some difficulty in trying to work out a satisfactory formula to carry out the intent of the provision that local communities strengthen their local code requirements and actively enforce them. I understand satisfactory progress is being made but some communities are having difficulty meeting the strict requirements of the law which you sponsored.

Mr. JAVITS. It would be very useful if, even on the staff level, we could have a résumé from the committee as to what happened.

Mr. SPARKMAN. We would be very glad to do that. In this connection I would like to remind the Senator that a related provision in the law written about the same time the Senator from New York's provision was approved is also working very well. That provision provides Federal assistance for concentrated code enforcement within specified areas of our cities. I am very proud that the city of Birmingham was the first to go into the program.

Mr. JAVITS. I am very glad to hear that.

Mr. SPARKMAN. We will start to work on your suggestions.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. BYRD of West Virginia. Mr. President, when the bill was under consideration on the floor, I was able to get an amendment agreed to which would allow the local public housing authorities to participate in the bill's low-income homeownership interest-rate provisions. Did that amendment remain intact?

Mr. SPARKMAN. That amendment remained intact in the bill. It is just as the Senator had it agreed to on the Senate floor.

BOLD NEW STEPS IN HOUSING

Mr. MUSKIE. Mr. President, our Nation and our Government have been searching for better homes for our people and a better way of life within our communities for many years.

At no time in our history has the pursuit of that goal been as strong as it has in the years since President Lyndon B. Johnson has been in the White House. Four major housing acts, including such creative new programs—as model cities, rent supplements, and incentive grants for metropolitan development—and the establishment of a Cabinet-level Department of Housing and Urban Development are witness to the concern of this administration for better housing and better cities.

However, over the years, our achievements have not been entirely even. While the programs of the FHA and the VA have increased our housing supply enormously and made it possible for middle class America to achieve an unprecedented rate of homeownership, there are today 20 million Americans condemned to intolerable, substandard housing.

And, over the years, we have not kept pace with our growing population and changing problems. Our cities are decaying, our transportation systems are clogged, our facilities are worn and outdated.

Nothing is so clear to me as the fact that changing times, changing problems, changing population demands new approaches, new goals, new solutions. Mr. President, the legislation before us today meets these demands. It involves new concepts, new programs, and the revision of existing programs to meet new problems.

For the first time, Mr. President, we have before us not just a goal but a well defined, workable program to reach that goal within the next 10 years. President Johnson in his message on the cities last February set forth the goal—to build 26 million new homes and apartments in the next 10 years and to abolish the 6 million substandard dwellings where 20 million Americans live.

The Housing and Urban Development Act will move us 3 years toward that goal.

HOMEOWNERSHIP

For the first time, Mr. President, this act brings homeownership within the reach of millions of lower income Americans. Under title I families whose incomes fall within the range of $3,000 to $6,500 per year would be eligible for a Federal assistance payment that could reduce the cost of their home mortgage to as low as 1 percent. By paying 20 percent of its monthly income toward principal, interest, taxes, insurance and mortgage insurance premium a family could have a decent home of its own.

RENT SUPPLEMENTS

For the first time, Mr. President, an almost identical system would be used to make decent rental housing available to those American families in the same income range who are unable or unwilling to undertake the responsibilities of homeownership and to help the elderly and handicapped in their quest for good housing at a reasonable price.

EXPANDED ROLE FOR PRIVATE ENTERPRISE

For the first time, Mr. President, we will rely primarily upon the talents and energies of private industry in reaching the mammoth construction goals needed to house our people. The national policy on housing set forth in the Taft-Wagner-Ellender Act of 1949 stated that "private enterprise shall be encouraged to serve as large a part of the total—housing—need as it can" and "governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need. S. 3497 will make it possible, for the first time, to implement those statements fully.

The housing units produced under these new programs will be constructed by private builders. It will be sponsored and owned by private groups and individuals. The funds will come primarily from the private investment market.

Involvement of private groups achieving greater production of low- and moderate-income housing will also be encouraged by other provisions of S. 3497:

A National Homeownership Foundation will be established and will be authorized to make grants and loans to these groups to help defray organizational and administrative expenses, necessary preconstruction costs and costs of services to families that will be served.

The Secretary of Housing and Urban Development will be authorized to provide substantial technical assistance to groups that wish to sponsor housing under the programs of titles I and II and may make 80 percent interest-free loans to these nonprofit sponsors to cover certain preconstruction costs of these federally assisted programs.

Title VIII of this bill authorizes the creation of a national housing partnership to mobilize private investment and the application of business skills in the job of creating low- and moderate-income housing in large volume.

NEW FHA PROGRAMS

For the first time, Mr. President, the Federal Housing Administration, which has served middle income America so long and so well, will be given some new tools to enable it to aid lower-income Americans in achieving homeownership and to save inner cities from further deterioration. S. 3497 authorizes FHA to insure mortgages for families—who presently are not acceptable risks because of poor credit histories or because of irregular income patterns caused by seasonal employment.

Section 103 of the bill before us allows the Federal Housing Administration to insure mortgages for purchase, repair, and rehabilitation of homes that, because they are located in older, declining areas of a city, might not meet all of the usual insurance requirements. Mr. President, many have leveled charges of "redlining" at the FHA. This section of the bill will give the Administration authority to act to prevent further deterioration of neighborhoods where low- and moderate-income families may find good housing and good lives.

NEW DIRECTIONS IN PUBLIC HOUSING AND URBAN RENEWAL

For the first time, Mr. President, existing programs such as public housing and urban renewal have been substantially revised to meet human needs.

For the first time, Federal funds are authorized to assist local housing authorities in providing desperately needed social services to tenants of low-rent public housing projects.

Many public housing residents are new to the city, unable to cope with its complexities, and unaware of many social aids available.

Many local authorities have attempted to provide aid to tenants in such areas as counseling on housekeeping and diet and money management and have sought to aid tenants in seeking job training and placement, educational opportunities, and health services.

It has been proved that these services can have a substantial effect upon resident's lives. However, it is impossible for local authorities to finance these services adequately. The $20 million authorized for fiscal 1969 and $40 million for fiscal 1970 will do much to humanize the often isolated existence of the public housing resident.

For the first time, other means have been sought to provide something more than a roof and four walls to the public housing resident:

High rise public housing projects for families with children is prohibited in most cases;

The problems of very large families with very low incomes are acknowledged and an additional annual support of $120 is authorized for units where these families live.

Tenants will be able to purchase any low-rent housing unit suitable for individual ownership, rather than only the detached or semidetached units in the present law.

For the first time, a new neighborhood development program will make it possible for a city to speed up the renewal process and show visible accomplishments in short periods of time.

I could go on, Mr. President, for there are other "firsts" in this legislation. However, I believe the most important fact is that we have acknowledged the problems, seen the need to involve all the varied elements of our society in solving them and, through this legislation, provided the tools to begin the job.

In closing, Mr. President, I want to pay tribute to the distinguished chairman of the Senate Committee on Banking and Currency, the Senator from Alabama [Mr. SPARKMAN], for his leadership in the Senate and in conference in bringing the legislation to such a successful conclusion. In addition, I wish to direct some praise to the Secretary of Housing and Urban Development, Dr. Weaver, and to his associates for the imagination, administrative accomplishment, and new directions they have provided in the past several years, all of which has made this legislation possible.

DISTRICT OF COLUMBIA INSURANCE PLACEMENT ACT

Mr. TYDINGS. Mr. President, immediately following the riots which swept through Washington, Baltimore, and other cities in April, the Subcommittee on Business and Commerce, of which I am chairman, of the Senate District of Columbia Committee conducted a series of hearings regarding the steps that should be taken to rebuild the city and to restore the confidence and the livelihoods of its merchants and residents.

One particularly grave problem was highlighted in these hearings—the problem of obtaining adequate property insurance in the riot-affected areas. Numerous witnesses testified that insurance in center city areas was becoming impossible to obtain, and that cancellations were taking place at an alarming rate. It was clear that unless immediate action were taken to remedy this problem, businesses and homeowners would be forced to leave the center city. They cannot function without insurance. Without insurance, homeowners cannot borrow to improve their properties. New businesses cannot be started and existing ones cannot expand or even survive. Adequate insurance is critical to the success of every private, Federal, and District of Columbia program to revitalize the city and provide more goods, services, jobs, and better housing, and thus to alleviate the conditions which have led to the riots. Thus it was clear that unless means were found to guarantee access to property insurance for the center city, the devastation wreaked by the April riots would become merely a prelude to a more thorough economic devastation of the center city of Washington.

During the course of our hearings, the Senate Banking and Currency Committee was considering, as part of the national housing bill, a proposal to provide Federal reinsurance for risks of loss from riots or civil disorders. It was quite clear that congressional passage of this proposed program was the key to solving this insurance problems, in Washington in Baltimore and in cities throughout the country. For that reason, I strongly supported this proposal in the Senate, and I am delighted that the program is now embodied in the national housing bill, now before the Senate, which the full Congress is about to approve.

When we were conducting our hearings, it was not yet evident that the Congress would approve this Federal reinsurance program. But the need for action was so urgent that we resolved not to wait for ultimate congressional action before the District of Columbia Committee would act to permit the District to participate in the national reinsurance program, if finally approved. Accordingly, while the national bill was pending on the Senate floor, I introduced S. 3556, a bill to establish a basic property insurance placement plan and joint underwriting association to guarantee the availability of basic property insurance in the District of Columbia. Immediate committee action on this bill was a necessary if the District were to be able to take full advantage of the national program this year, and to stem the rising tide of insurance cancellations.

Following conclusion of our hearings, and extensive consultations with residents, merchants and insurers, the Subcommittee on Business and Commerce on July 8 approved a somewhat amended version of S. 3556. These amendments were designed to insure that the program would work equitably and effectively to guarantee fair access for all to property insurance.

On July 10, Congressman PATTEN, of New Jersey, offered S. 3556, as approved by my subcommittee, as an amendment to the national bill then pending on the House floor. The House accepted this amendment, and the District of Columbia Insurance Placement Act was adopted as title XI of the national bill. In conference on the national bill, the Senate conferees accepted the new title XI, and thus the bill which is now pending before the Senate contains, as one of its provisions, the District of Columbia Insurance Placement Act which I originally introduced in the Senate.

By adopting this bill as a separate title of the national bill which establishes the Federal reinsurance program for civil disorder risks, I believe the Congress express is a judgment that this is model enabling legislation which each State should accept. The most important aspect of this model bill is, I believe, the broad authority vested in the District of Columbia government to regulate the terms by which property insurers in this jurisdiction guarantee fair access to insurance. In the course of hearings on S. 3556, spokesmen for the insurance industry offered a counter-proposal—as a so-called model bill—which would have significantly limited the authority of the District government to supervise and to regulate the operation of the industry placement facility and joint underwriting association created by the bill. Although the subcommittee, in considering S. 3556, made a number of changes to guarantee that the insurance industry would be adequately consulted in the formulation of rules and regulations, we firmly rejected proposals to give the industry any manner of veto authority over these rules and regulations. Since the national bill provides a governmental backup to cover the risks of civil disorders, we believe that it was necessary and proper that the local government have ample authority to insure that this Federal backup is not simply a windfall to insurers, and that answers will in fact give full and fair access to insurance to all residents and merchants. The wide authority given to the District of Columbia government in this regard is a vital feature of the bill, and the Congress in enacting the measure as part of the national bill endorses this principle in particular.

SUMMARY OF THE PROGRAM

The District of Columbia Insurance Placement Act of 1968 would help the District of Columbia resolve its insurance problems in two ways. First, it would authorize the Commissioner to develop and adopt plans to assure property owners fair access to basic property insurance and to establish, if necessary, a joint underwriting association. Second, it would make it possible for insurers in the District to participate in the national reinsurance program.

DETAILED ANALYSIS OF THE BILL

SHORT TITLE

The enacting clause provides that the bill may be cited as the "District of Columbia Insurance Placement Act."

DECLARATION OF PURPOSE

Section 2 states that the purposes of the act are to, first, assure stability in the District of Columbia property insurance market; second, assure the availability of basic property insurance; third, encourage the maximum use of the normal insurance market to provide basic property insurance; and fourth, provide for the equitable distribution among insurers of the responsibility for insuring qualified property by authorizing the establishment of a joint underwriting association.

DEFINITIONS

Section 3 defines first, "Commissioner" to mean the Commissioner of the District of Columbia or his designated agent; second, "basic property insurance" to mean fire and extended-coverage insurance and such other property insurance coverages, including, but not limited to, vandalism and malicious mischief, burglary, theft, and robbery for such types, classes, and locations of property, for which national reinsurance for riot or civil disorder loss is available, as may be designated by the Commissioner, except insurance on automobiles; third, "environmental hazard" to mean any insurance hazards beyond the control of a property owner; fourth, "inspection bureau" to mean the rating bureau or other organization designated by the Commissioner to perform inspections required under the act; fifth, "Industry Placement Facility" to mean the facility formed to assist agents, brokers, and applicants in securing basic property insurance; sixth, "premiums written" to mean gross direct premiums changed for basic property insurance with respect to properties in the District of Columbia including the basic property insurance components of multi-peril policies, less all premiums and dividends returned, paid, or credited to policyholders or the unused or unabsorbed portions of premium deposits; and, seventh, "property owner" to mean any person having an insurable interest in real, personal, or mixed real and personal property.

It should be noted that the Commissioner has discretion as to the types of coverages to include in the definition of "basic property insurance" in addition to fire and extended coverage. We recognize that there are specialized underwriting problems connected with certain coverages. It cannot be emphasized too strongly, however, that the primary purpose of this bill is to permit the Commissioner to take the necessary steps to assure all responsible property owners in the District of Columbia fair access to property insurance. Therefore, it is expected the Commissioner will include as many optional lines in the term "basic property insurance" as he can, consistent with the needs of property owners and the specialized problems involved. It is also expected the Commissioner will use the flexibility in the definition to specify the types, classes, and locations of property for which additional coverages are to be provided to move forward rapidly in providing coverages to property owners where these specialized problems are less severe.

INDUSTRY PLACEMENT FACILITY

Section 4(a) requires all property insurers in the District of Columbia to establish an Industry Placement Facility within 30 days after the effective date of the act. This facility is to fomulate and administer a program to provide for the equitable apportionment among insurers of applications for basic property insurance on risks which meet reasonable underwriting standards. This program is to be subject to disapproval by the Commissioner and the legislation gives the widest possible latitude for the formulation of the most effective and equitable program. On the request of an agent, broker, or property owner the facility is to seek to place with one or more of its members an application for insurance up to the full insurable value of the risk, subject only to deductibles, percentage participation clauses, and other underwriting devices as are necessary to meet special problems of insurability.

We believe it is important to give all responsible owners the opportunity to insure their property for its full insurable value. Otherwise, property owners may be left exposed to considerable loss. Indeed, an owner with a substantial mortgage may stand to lose his entire equity in his property. Further, the inability to obtain insurance to value may prevent some persons from being able to obtain needed credit to purchase or improve property, precisely the conditions this bill is designed to eliminate.

Section 4(b) of the bill was added to make clear that the facility may, subject to the approval of the Commissioner, provide for the equitable distribution of commercial risks and dwelling risks among its members.

Section 4(c) requires each insurer to participate in the Industry Placement Facility in accordance with its established rules as a condition of its authority to transact business in the District of Columbia. In lieu of revoking or suspending the certificate of authority of any company for any failure to comply with any of the rules of the facility, the Commissioner may fine a company not more than $200 for each violation of such rules if such action would best serve the public interest. We amended this section to make clear that it does not permit the Commissioner to merely fine a company that fails to become a participant in the facility. Such a company is to be ineligible to do basic property insurance business in the District of Columbia until such time as it becomes a participant.

FAIR ACCESS TO INSURANCE REQUIREMENTS

Section 5(a) requires the Industry Placement Facility on its own motion, or within 30 days after a request by the Commissioner, to submit to the Commissioner such proposed rules and regulations applicable to insurers, agents, and brokers, deemed necessary to assure all property owners in the District of Columbia fair access to basic property insurance. These rules and regulations could, among other matters, cover first, the manner and scope of inspections of risk; second, the preparation and filing of inspection reports and reports of actions taken in connection with inspected risks; and, third, the operation of an Industry Placement Facility.

We amended this section to make clear that the rules and regulations with respect to the Industry Placement Facility could, among other matters, cover first, the basic property insurance coverages of such facility; second, the reasonable effort to obtain insurance in the normal commercial market required by an applicant before recourse to the facility; and, third, the appeals procedure within the facility for any applicant for insurance regarding any ruling, action, or decision by on behalf of the facility. This amendment is not intended to restrict the rulemaking authority of the Commissioner.

Subparagraph (a) makes clear that the Commissioner may adopt rules with respect to the types of basic property

insurance coverage to be placed by the facility which differ from types of basic property insurance coverages subject to other programs adopted by the Commissioner. Subparagraph (b) makes clear that the Commissioner may adopt rules permitting the facility to specify that a property owner who applies for insurance may be required to attempt to obtain insurance through an agent or through a broker before the facility is required to use its resources to locate insurance for the owner. The facility, however, would not be permitted to require an agent or broker to attempt to place an application for insurance with an insurer, since to do so in the face of the agent or broker's judgment with respect to the acceptability of the risk to insurers he represents would only invite delay in obtaining insurance for the applicant. Subparagraph (c) makes clear that the Commissioner may adopt rules permitting the facility to review the decisions by its employees before such decisions are appealed to the Commissioner under section 10. This review is to be accomplished promptly and should not be permitted to materially delay an appeal to the Commissioner.

Section 5(b) provides that the Commissioner may adopt such of the proposed rules submitted by the facility as he approves. If the Commissioner disapproves any proposed rule, he shall state his reasons and shall require, in consultation with him, the facility to submit to him a revision of the rule. The revision must be submitted within 10 days or within such greater period of time as may be designated by the Commissioner. If the facility fails to submit a proposed rule, or a revision thereof, within the designated time, or if a revised rule is unacceptable to the Commissioner, the Commissioner may adopt rules covering the same general subject matter as he may deem necessary to carry out the purposes of the act.

As introduced, the bill would have authorized the Commissioner to adopt rules and regulations without discussion with the industry. By providing the facility with the option to prepare drafts of any rules deemed appropriate by the Commissioner the industry will be given an opportunity to present its views to him. We do not expect that this procedure will significantly delay the adoption of appropriate rules.

The rulemaking authority provided by this section will permit the Commissioner to adopt the provisions of the FAIR plan—for fair access to insurance requirements plan—as set forth in the report of the President's National Advisory Panel on Insurance in Riot-Affected Areas and in the national reinsurance legislation. Basically, the FAIR plan is designed to assure that no property owner is denied basic property insurance by an insurer, agent, or broker without a careful inspection of his property by an impartial and disinterested expert and a full evaluation of the risk by insurers to determine whether it meets reasonable underwriting standards at an unsurcharged premium rate. If it does not, the owner informed of the specific defects in his property which must be improved to bring the property up to insurable condition at an unsurcharged rate. The Commissioner could also adopt additional requirements that may be necessary or desirable to help responsible District property owners obtain basic property insurance as promptly and at a low a cost as possible, consistent with the condition of the property to be insured.

An essential feature of the FAIR plan is the requirement that insurers must give their policyholders sufficient notice prior to cancellation or nonrenewal to allow the policyholder to seek a new policy under the plan or through the Industry Placement Facility. We expect the Commissioner to include such a provision in any plan adopted under the section to assure responsible District property owners continuity of basic property insurance coverage.

JOINT UNDERWRITING ASSOCIATION

Section 6(a) authorizes the Commissioner to establish by order a joint underwriting association if he finds, after notice and opportunity for hearing, that the association is necessary to carry out the purposes of the act. Such hearing may be based on oral or written testimony, or both. The association is to consist of all District insurers writing basic property insurance on a direct basis and would provide reinsurance for its members.

Section 6(b) requires insurers to comply with all the requirements of membership in the association as a condition of authority to transact business in the District. **In lieu of revoking or suspending the certificate of authority of a company for failure to comply with any of the requirements of membership, the Commissioner is authorized to fine a company not more than $200 if he believes such action would best serve the public interest. We amended this section to make clear, however, that the section does not permit the Commissioner to merely fine a company which fails to become a member of the association. Such a company could not conduct basic property insurance business in the District of Columbia until it becomes a member of the association.**

Section 6(c)(1) requires the association to submit a proposed plan of operations to the Commissioner within 60 days after the Commissioner orders the formation of the association. The plan is to provide for the economical, fair, and nondiscriminatory operation of the association and for the prompt and efficient provision, without regard to environmental hazards, of reinsurance on such basic property insurance as may be designated by the Commissioner.

Section 6(c)(2) provides that the plan of operation of the association is subject to approval by the Commissioner. If the Commissioner disapproves all or any part of the proposed plan of operation, he shall state his reasons and consult with the association, which is given another 30 days to devise an acceptable plan. If it does not, the Commissioner is authorized to promulgate a plan of operation.

Section 6(c)(3) provides that the association may amend the plan of operation on its own initiative, subject to approval by the Commissioner. The association, however, must amend the plan at the direction of the Commissioner if he finds such action is necessary to carry out the purposes of the act.

Section 6(d) provides that all members of the association are to participate in its writings, expenses, profits and losses, or in such categories thereof as may be separately established by the association, in accordance with such formula as may be devised by the association. The categories and formulas established by the association are subject to approval by the Commissioner.

Section 6(e) provides that the association is to be governed by a board of 11 directors, elected annually, by cumulative voting of the members of the association. The votes of each member of the association are to be weighed in accordance with the proportionate amount of each member's net direct premiums written in the District of Columbia during the preceding calendar year. The first board is to be elected within 30 days after the Commissioner's order at a meeting of the members at a time and place designated by the Commissioner.

The purpose of the association is to allow an insurer to reinsure a risk which meets reasonable underwriting standards as established by the Commissioner but which does not meet the underwriting standards of the insurer, for example, because of environmental hazards. In this way, the risk of loss on property which meets reasonable underwriting standards will be borne by all District insurers through the reinsurance mechanism rather than by an individual insurer. It is expected that the Commissioner, in evaluating the plan of operation, will make every effort to assure that it will not operate to inordinately encourage or discourage companies to reinsure policies rather than retaining the risk themselves.

We expect the Commissioner to make a careful and continuing evaluation of the results of the Industry Placement Facility and other measures designed to improve the availability of basic property insurance immediately after their adoption to be in a position to determine promptly whether a joint underwriting association is necessary to make basic property insurance available to all responsible owners in the District of Columbia, up to the full insurance value of property which meets reasonable underwriting standards, subject to deductibles and other appropriate underwriting devices.

It should be noted that the association may be ordered to be formed by the Commissioner to provide any or all types of coverages included in the definition of "basic property insurance." This flexibility will allow the Commissioner to move forward rapidly, where necessary, to utilize the association in order to provide those types of coverages which individual insurers find difficult to provide without association reinsurance because of specialized problems of insurability and therefore are not reasonably susceptible to sale on a wide basis through the Industry Placement Facility or other programs designed to place insurance with individual insurers.

EXAMINATION BY COMMISSIONER

Section 7 provides that the inspection bureau, Industry Placement Facility, and any joint underwriting association are to be subject to supervision, regulation, and examination by the Commissioner. Further, it authorizes the Commissioner to summon and qualify witnesses under oath with respect to the operation of such facilities.

WAIVER OF LIABILITY

Section 8 provides that no cause of action shall arise against insurers, the inspection bureau, Industry Placement Facility, or any joint underwriting association or their agents or employees, or any officer or employee of the District of Columbia, as the result of any statements made by them in good faith concerning the insurability of property. Reports and communications with respect to individual properties are not to be available for public inspections.

This provision will allow persons involved in inspecting or evaluating a risk to speak freely and honestly about the nature and condition of the risk without fear of subsequent legal action.

ANNUAL REPORT BY ASSOCIATION

Section 9 requires the joint underwriting association to file an annual report with the Commissioner containing information with respect to its transactions, condition, operations, and affairs during the preceding year and such other information in such form as the Commissioner may prescribe. The Commissioner may also require the association to furnish him with such information from time to time as he may require to evaluate the scope, operation, and experience of the association.

APPEALS

Section 10(a) permits any applicant for insurance or any affected insurer to appeal to the Commissioner any ruling, action, or decision by or on behalf of the inspection bureau, Industry Placement Facility, or joint underwriting association after exhaustion of remedies available within the bureau, facility, or association. It is expected that the Commissioner will dispose of all appeals on an expedited basis.

Section 10(b) provides that all final orders or decisions of the Commissioner made pursuant to the bill are reviewable by the District of Columbia Court of Appeals.

REIMBURSEMENT OF FEDERAL INSURANCE FUND

Section 11(a) authorizes the Commissioner to assess each insurer authorized to do business in the District of Columbia an amount sufficient to provide a fund to reimburse the Federal reinsurance fund, as required by the national bill. The assessment would be based on the proportion of the premiums earned in the District of Columbia during the preceding year on lines of insurance reinsured by the Corporation during the current year whether or not the particular company was reinsured by the Corporation. Such fund could be added to or created by appropriations.

Under the national reinsurance program, each State, including the District of Columbia, has the responsibility of assuming a portion of the losses reinsured under the program in the State, in excess of the amount of premiums paid by the insurance industry for reinsurance in the particular State. The amount to be assumed by the State is to be not more than 5 percent of the premiums earned in the State by all insurers there on those lines of insurance reinsured under the national program. If the District does not assume this portion of reinsured losses within 1 year after the enactment of the national reinsurance program insurers in the District would be ineligible for national reinsurance.

Section 11(b) requires insurers to add to the premium rate on insurance coverages for which the assessment is made an amount, to be approved by the Commissioner, sufficient to recover within not more than 3 years, any amounts assessed under subsection (a) during the preceding calendar year. The amount added to the premium rate for this purpose is to be stated as a separate charge made in addition to the premium and no commission of any form is to be paid or allowed on the separate charge to any agent or broker producing or selling the policy of insurance.

DELEGATION

Section 12 authorizes the Commissioner to delegate any or all the functions vested in him by the bill. The Commissioner has informed us that he intends to delegate these functions to the Superintendent of Insurance.

JUDICIAL REVIEW

Section 13 would amend section 11-742 (a) of the District of Columbia Code to make all final orders and decisions of the Commissioner under the act reviewable by the District of Columbia Court of Appeals.

Mr. McGEE. Mr. President, we all know that the Nation's cities are facing unprecedented problems today. The need for improving living conditions in the inner city has been forcefully demonstrated in a number of our metropolitan centers during the past 16 months.

The crying need for adequate and suitable housing for America's lower income families is not of recent origin. It has been developing for a number of years with an increasing tempo of urgency. But not until the unfortunate events of the past year and a half have we as a nation come to realize the desperate plight of so many of our disadvantaged citizens.

The primary purpose of the Housing and Urban Development Act of 1968 is for the short range, to alleviate this situation and for the long range, the elimination of our housing problems. The act constitutes a giant step toward insuring that America will not only be able to preserve its reputation of having the best housed people on earth but will even further embellish its No. 1 ranking.

Specifically, it will help us achieve the goal of 26 million new homes and apartments in the next 10 years. Six million of these are earmarked as replacements for substandard units which now house more than 20 million people.

And to meet immediate needs, 300,000 units that will provide decent housing for more than 1 million people who require Government aid, are slated to be started in the year ahead.

The act also provides further authorization for the model cities program, which is designed to substantially improve or eradicate slum conditions in many of our cities.

One of the most important provisions will make practically every family's cherished goal of owning a home of its own a practical reality. Families earning as little as $3,000 a year will be able to afford homeownership with the mortgage subsidies under this plan.

The act also provides for Government rental assistance to be expanded by a mortgage interest rate subsidy to organizations providing new or rehabilitated apartment units for lower income families. Families living in subsidized units would have to pay at least 25 percent of their income as rent. It is estimated that this new subsidized plan will assist about 700,000 apartment units to be built or rehabilitated over the next 3 years.

It also recognizes the chaotic condition that resulted in the business communities directly affected by riots by establishing a new National Insurance Redevelopment Corporation which would reinsure policies for property damage in ghetto areas.

One of the more important provisions of the new act that is expected to have a strong impact on the ghetto areas enables the Federal Housing Administration to insure mortgages for buyers who cannot meet ordinary credit standards, and it could make insured loans available in deteriorating neighborhoods in an effort to upgrade them.

Another significant part provides for the ownership of the Federal National Mortgage Association's Secondary Market Operations to be transferred fully to private hands. The $155 million of Fannie Mae preferred stock held by the Treasury would be retired. The 8,500 holder of common stock who provide $145 million of the corporation's capital then would have sole equity in the Association's $6.5 billion mortgage portfolio.

A new agency, the Government National Mortgage Association—GNMA or Ginny Mae—would be established to continue administering the "special assistance" programs.

Therefore, in view of these meaningful, well-thought-out provisions designed to carry America's vital housing program forward for the next decade it is my judgment that this is without question the most comprehensive and best housing act we have ever had.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

FLOOD INSURANCE ACT

Mr. DODD. Mr. President, I am most gratified that the conference report on the housing bill which was agreed to by the Senate today contained the Flood Insurance Act which has been pending in conference for some time now.

Adequate Government backing of flood insurance is something which we have long needed and which I am pleased to see is finally about to become a reality.

I have long been interested in the problems of the insurance industry and its policyholders but my interest in disaster insurance is particularly strong and goes back many years.

Twelve years ago as a Congressman in the House of Representatives I introduced a bill which established insurance and loan programs to provide protection against all kinds of natural catastrophes.

These programs were to be financed entirely by the Federal Government, but they would have been administered, at least partially, by the private insurance companies.

The bill which we have before us today is less comprehensive in scope than the one which I introduced in the House. However, the present bill has been refined and improved; and it is designed to deal only with damage by water, which is probably the most prevalent form of natural disaster.

The bill which I introduced in 1956 provided insurance against floods, hurricanes, earthquakes, tornadoes, duststorms, snowslides, and many other types of natural disasters.

It called for a Federal corporation which would provide direct insurance as well as reinsurance contracts for private insurance companies and it provided non-interest-bearing loans for disaster victims.

My bill authorized combinations of insurance and loans in such combinations that would be deemed appropriate by the Federal corporation to meet certain disasters.

As the present bill does to a great degree, my bill also demanded that private insurance companies be used as agents wherever possible and authorized that the corporation provide only that insurance which private insurance companies could not provide.

We were successful in our efforts to enact natural disaster insurance legislation in 1956, and I was fortunate in getting the loan features of my bill, known as the Dodd plan incorporated into the final act. But because of appropriation and implementation failures the act, much to my dismay, never achieved its potential.

I am confident that the bill now before us will not have the same difficulties because it is a substantial improvement over the 1956 act and is sufficiently fortified against the obstacles which that act encountered.

There is no question that floods present the greatest risk to the property owners of this country as a group. Destruction wrought by water is usually more extensive and more complete than other forms of property damage.

A flood can sweep away whole neighborhoods and spread its ugly destruction over entire communities, towns, and cities as far as the eye can see.

Moreover, a homeowner who has had his house taken from him in this fashion is often faced with burdens even greater than the replacement of the domicile which he has lost.

In many cases, homes destroyed by water are heavily mortgaged, and the individual who has lost his home must not only somehow provide for a new one, but he must also continue to make payments on a house which no longer exists.

This is enough the break the spirit of even the strongest of men.

Unfortunately, the private insurance industry has not been able to cope with the tremendous risk which flood insurance presents.

Because damage by floods is so extensive it has been impossible for insurance companies to make any sensible statistical evaluation of the risk presented to them by the possibility of serious floods.

The resources of the private insurance industry have never been sufficient to enable them to offer flood coverage on their own. They simply do not possess the financial capacity to assume the entire burden of this "unspreadable" risk.

The flood insurance provisions of this bill offer a truly sensible solution to this long-standing problem in that they establish a joint effort of Government and industry working together to set up and administer a marvelous new system of flood insurance.

This system has some very creative and practical features. It contains a new and sophisticated system of rate determination. This particular system is extremely flexible and if properly implemented and administered, it could provide the Government with sufficient funds to adequately back the program and yet not result in exorbitant rates to the individual homeowners.

Another unusually appealing feature of these flood insurance provisions is the establishment of a long-range program of regulation of land use.

This program is designed to provide that the property in certain areas with high flood risk will become over the years less prone to flood damage.

Theoretically, land in these areas will be developed in such a way that its usefulness cannot be severely damaged by flood.

As this happens, the premium rate necessary to cover the full costs of providing insurance coverage in the area will decrease so that it is closer to the reasonable amount which can be paid by any customer.

As a result, because the risk of flood damage in these areas will be lower, the private insurance companies will be able to bear most of the burden of the risk themselves, and the Government's expenditures in the program will drop off.

I am hopeful that the insurance industry will fully cooperate with the Government in forming the insurance pool called for by the bill and that the many details of setting this program up can be quickly worked out so that the homeowners of this country may once and for all have flood insurance protection for their homes.

The absence of this protection has long been the cause of great hardship to the victims of natural disasters.

Too many inland homeowners have watched in grief as their uninsured home were washed away by roaring rivers, swollen by torrential rains or by the heavy snows of a cold winter.

Too many coastal homeowners have had their life's investment destroyed by storm-driven ocean waters.

Too many towns and cities have seen their entire community become a disaster area as a result of destructive floods.

Let us hope that this measure finally agreed to by the Senate today will at last put an end to this serious problem.

EXECUTIVE SESSION

Mr. McINTYRE. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering a nomination which was reported earlier today from the Committee on the Judiciary.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

U.S. DISTRICT JUDGE

The legislative clerk read the nomination of Hugh H. Bownes to be U.S. district judge for the district of New Hampshire.

The **PRESIDING OFFICER.** Without objection, the nomination is confirmed.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. McINTYRE. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. HOLLINGS in the chair). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, quite late, I hope, this afternoon or evening, the Senate stand in adjournment until 10 o'clock tomorrow morning.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate tomorrow, except the Committee on Labor and Public Welfare.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

Mr. BENNETT. Mr. President, for proposed legislation to receive the support of those who have not been involved in its development, several things seem to be very important these days. First, it must be presented in such a way that it can be referred to as protecting consumers, especially those with lower incomes. Second, it must be billed as nothing radical, but rather a moderate or even a conservative measure which can be claimed to be the minimum needed to begin to deal with existing problems that suddenly are claimed to be serious. Third, if one can also say that the bill only requires that the industry be regulated to produce reasonable management fees and reasonable sales charges and that these will be decided by a disinterested or impartial governmental agency, it would appear that there would be no basis for opposition.

This is just what is claimed for the proposed legislation before the Senate today, which would make grave new inroads of Government intrusion into the management of private business institutions. Proponents, while not discussing this fact, have never denied it, nor can they deny that this bill does in fact provide for new and greater Federal control over a long-established industry which already has ease of entry, many competing firms, and vigorous price competition among these firms.

Contrary to what proponents would like Members of this body to believe, this bill is dealing with an extremely technical problem. There is nothing simple about the regulation of mutual funds. Even the 1940 Investment Company Act, which it is now claimed does not deal with the industry of today, was characterized by the Securities and Exchange Commission as a "complex and elaborate piece of legislation, calling for a great variety of administrative procedures and techniques." With this bill, we would now add 73 pages of amendments and then make the soothing claim that the result is not a technical financial measure. However, if one desires to understand it and takes the time to consider its far-reaching provisions, its complexity becomes very obvious. Moreover, when it is studied carefully, one finds that the provisions of the bill actually also represent a major change in the philosophy and purpose for which the Securities and Exchange Commission was established, moving the purpose of that Commission from requiring full disclosure of information regarding securities to the making of judgments on the appropriateness of sales charges and management compensation for investment advice and other services. To do this, it asks the power to intervene and control the terms of private contracts.

Shorn of its camouflage, which is created by the use of terms such as "reasonable," "moderate," "impartial," and "consumer interest," the bill does the following things:

First. It rejects totally a now well-established congressional concept of consumer protection by substituting a principle of rigid administrative regulation for the traditional principle of full disclosure.

Second. By providing for an unprecedented governmental intrusion into business decisions, the bill rejects the basic representational structure of the legally tested corporate form by which the Nation's business corporations have been managed for two centuries.

Third. It grants a Government agency unparalleled power of ratemaking over an area of competitive private enterprise.

I find such an intrusion of Federal regulation unjustifiable on the basis of the facts that have been presented to the committee. I also find this bill somewhat incongruous with a statement of the Chairman of the Securities and Exchange Commission just last year in hearings before our committee, when he said:

> The genius of the securities law, and the genius of this statute is that they do not and would not interfere with management or investor decisions.

We obviously were not referring to Securities and Exchange Commission proposals for changes in the investment company industry, but I feel that the reference to the genius of the securities law being that it provides for the disclosure of pertinent information but does not interfere with management or investor decisions is correct and should be maintained. Therefore, I object to the reversal of that concept which this bill would produce.

The basic reason for Government regulation in the securities business is that securities are a "special" kind of consumer merchandise. The value of a security depends on a vast conglomeration of economic facts and of people. Congress long ago enacted truth-in-securities provisions to assure the public of the availability of information deemed by Congress to be adequate to inform the consumer of the economic facts. This was, of course, the Securities Act of 1933—not the first disclosure statute enacted by Congress, but certainly the best known and most used.

The disclosure requirements to which the investment company business is already subject far exceed those imposed upon any other industry in the United States.

In addition to the disclosure provisions of the 1933 act, special legislation was enacted in 1940 because of the unique structure of the investment company industry.

The purpose of an investment company is to sell the investment advice of professionals to small investors who otherwise would not be able to afford this service. Traditionally, this has been accomplished by the establishment of an investment company in corporate form with a contractual arrangement with an investment adviser, often the man or men who founded the investment company, to render the necessary investment advice. It should be recognized and emphasized that in almost every instance the investment adviser has from its inception been inextricably associated with the investment company, and that the investor, in purchasing shares of the investment company, is in reality relying upon and purchasing the reputation and the proven record of the investment adviser used by the company. Because of the unique relationship of the investment company and the investment adviser and the abuses that took place in the 1920's and 1930's in some companies as a result of this relationship, the Investment Company Act of 1940 was enacted with its pervasive regulatory scheme. The Securities and Exchange Commission itself described that act as a "complex and elaborate piece of legislation, calling for a great variety of administrative procedures and techniques." The act was considered somewhat revolutionary when it was passed in that it imposed a rather large degree of regulation upon a private industry, but this regulation was specifically justified on the basis that it was necessary to remedy rather flagrant abuses of fiduciary relationships deemed by Congress then to exist. It would seem to me to be essential to recognize that the 1940 act, even in the light of these past abuses, assiduously preserved the traditional concept of directorial responsibility for the management of the corporation while providing certain safeguards against its abuse.

One of the safeguards established by the 1940 act was a requirement that at least 40 percent of the investment company directors be independent of any conflicting relationship with the investment adviser, and that these independent directors have authority to disapprove management contracts.

One of the reasons given by the Chairman of the Securities and Exchange Commission for his recommended abandonment of the concept of directional responsibility for corporate management is that the so-called "independent directors" who have complete control over the continuation in force of the management contract "lack effective bargaining power because they ordinarily have no alternative but to accept terms insisted upon by the investment adviser." There is no real evidence in any report of the Commission or in any of the material submitted to the hearings which provides a basis for this conclusion. This conclusion is, in fact, supported only by another unrelated conclusion, namely, that the investment advisory contract is almost invariably renewed as a matter of course. And the same reasoning is applied to the relatively routine ratification of the contract's renewal by the shareholders of the investment company. There is every reason to expect that the management contract should be routinely renewed if the results were satisfactory and absent, of course, the abuses to which Congress addressed itself in 1939 and 1940, and which Congress sought to end by the adoption of the scheme of oversight by independent directors. The reason why renewal might be expected to be routine lies in the very nature of the investment company itself. The consumer in purchasing his shares in a mutual fund is purchasing its management—by name. To mention but a few of the best known, he is purchasing Fidelity, or Wellington, or Tsai, or Vance, Sanders, or Keystone, he is purchasing them as a long-range investment, and he is aware of the fee to be paid for their management. By law, this fee is brought to his attention at the time of purchase and at least three times a year thereafter. The repeated renewal of the management contract, therefore, does not lead to the conclusion that both the directors and the stockholders are without remedy or impotent.

I have absolutely no argument with supporters of this bill in their desire to assure that management fees are reasonable. In committee I offered with the support of all of the minority members an amendment which would have guaranteed reasonable fees with court oversight, but which would have left directors and management of the investment companies in a position to operate their businesses according to their best judgment as long as they fulfilled their fiduciary responsibilities to their shareholders. The courts would be empowered to determine the reasonableness of their actions in those positions of trust.

Our solution would preserve the basic principles of corporate responsibility and avoid the transfer of that responsibility to a Federal ratemaking body, while establishing a method through which the Federal courts could effectively enforce the responsibilities of independent directors to approve only reasonable fees.

To accomplish that goal, we suggested that the percent of the directors of investment companies unaffiliated with the management company be raised from 40 to 60 percent—which gives them effective control—and that they be specifically charged with the responsibility of representing shareholder interest. The courts could then adjudicate whether or not they have discharged that fiduciary responsibility. Directors would be subject to lawsuits regarding the reasonableness of their actions in approving a fee that was considered by some to be too high. Thus we believe the unaffiliated directors in this situation would have a particular personal interest in seeing to it that only reasonable fees were approved.

I should add at this point that there was no real evidence presented to our committee that management fees are presently too high. Even the Chairman of the SEC suggested that they are generally reasonable. We add to his statement that of the majority in their report that—

> This does not mean either that all fees must be reduced or that all fees are reasonable or unreasonable. Your Committee does not believe itself qualified to make such judgments. Nor is it contemplated that the Commission will seek a general reduction of fees on an industrywide basis.

The plain fact is, neither the committee nor the Commission nor the courts have a clear definition of what is and what is not reasonable, and although the word sounds good, it cannot be set out in specific terms.

At my request, the SEC sent me a listing of all funds registered with that agency, and according to the figures they supplied, advisory fees range from a low of one-tenth of 1 percent to 1 7/10 percent. Some of the large funds have high fees and some are much lower. Some funds have better performance than others one year and others perform better the following year. Because of this complexity, the determination of fees would be far better left to competition between funds and the business judgment of the directors and managers of the funds with the courts judging on their performance for their shareholders, rather than to give the SEC or the courts the power to upset every management contract, and then set the fees, as this bill does.

The bill rejects this alternative in favor of direct fee setting by a Federal body. To insure that the responsibility was shifted and that a Federal agency had final power, the bill specifically provides that—

> The fact that compensation or payments paid or to be paid may have been approved or ratified by a vote of the shareholders of such investment company or a determination by the board of directors of such investment company, or by a majority of directors who are not interested persons of the investment company that such compensation or payments are reasonable shall not affect the requirement that such compensation or payments be reasonable . . ." (Section 8(d); page 24, line 20 through page 25, line 3.)

In simple straightforward language, that just means that a vote by shareholders and a determination of directors is to be superseded by the judgment of the Federal agency.

Recognizing the practical facts in the situation, there is a group of hungry lawyers ready to pounce on every mutual fund the minute this bill is passed. This would be one of the greatest invitations to litigation that this Congress would ever have passed. All that would be needed would be one disgruntled shareholder to say he thinks the fee is unreasonable and then the process would begin.

I say Federal agency because even though the bill is written in terms of the courts determining the reasonableness of management fees, in practice that determination will be made by the Securities and Exchange Commission. Indeed, it will be an exception or an unusual case where that is not so. This is brought about by the fact that the bill gives the Commission first refusal on bringing of a lawsuit against the recipient of unreasonable compensation. A shareholder may bring a suit only if the SEC has refused or failed to take legal action within 6 months after a request by a shareholder.

When that happens, of course, with 6 months to go, the SEC will start working on the funds saying, "You do not want to go to court. You do not want to face the costs of litigation. Just agree with the suggestion we make and you will save all that trouble."

I ask the Members of this body to take a quick glance at the partial list of unaffiliated directors put in the record of our hearings by the junior Senator from Illinois and appearing on pages 204 through 210. When one realizes the stature of these directors as executives of major corporations, public officials, academicians, and attorneys, he is led to the conclusion that the mere threat of the commencement of litigation by the Securities and Exchange Commission, with its accompanying publicity in the financial press, is in itself enough to transfer full ratemaking authority to the Securities and Exchange Commission. Since the amendments would give the Commission power to go to court to enforce the vague standards of reasonableness, the practical result would be a forced consultation with the staff of the Securities and Exchange Commission concerning all executive salary schedules and management fees. The staff would have the bargaining power inherent in the threat of litigation by a Government agency; and the scope of the Commission's regulatory and litigating power and the relatively overwhelming bargaining strength of its staff are such that its determination in virtually every instance would be final.

I think there is no single thing that tends more to destroy the credibility and reputation of a corporation than to have an article written about it in the newspapers or in magazines that the corporation is being attacked by the Securities and Exchange Commission.

Indeed, Chairman Cohen admitted this coercive power in the hearings when he said:

> We do have a coercive power in the sense that, of course, if we think the fee is unreasonable, that we would discuss it with the company, and if didn't resolve the issue, as we do most issues, we would have authority to bring action.

The bill does not contain guidelines to be used by the Securities and Exchange Commission in its use of this coercive power, nor do the proponents of the measure discuss this problem. They avoid it completely by considering that all decisions will be made by the courts and then refer to the fact that the "court" will consider all of the factors in reaching a determination of reasonableness. The report reads:

> While the ultimate finding as to whether a fee is reasonable is for the court, a determination by the board of directors or the shareholders is not to be ignored. This section specifically provides that a determination by the directors is to given substantial weight.

Of what value is such precatory language if the case never gets to the court as will be true in most instances. Moreover, in the event that a mutual fund does not bow to the wishes of the Securities and Exchange Commission, "substantial weight" is a term that can mean just about anything one desires it to mean. Webster's Unabridged New International Dictionary has dozens of definitions of the word ranging all the way from "of or pertaining to the substance or main part of anything," which would indicate that a decision by stockholders and directors would have overriding importance in the decision by the court, to "not illusive," which could mean that the court would just recognize that such action had been taken.

I cannot agree with action that would shift the power to determine compensation for management of a private firm in a competitive industry from the board of directors and the shareholders to a government body whether it be the Securities and Exchange Commission or a Federal court, and there is no doubt in my mind that a shift in the final authority is the ultimate intent and purpose of this proposed legislation and will be its inevitable effect. At the proper time, I intend to offer an amendment that will limit that power.

Now, let me move to another provision of the bill which may have serious consequences. I say may, because no data has been presented to the committee on the basis of which a flat statement can be made. By the same token, the proposal has also been made without any consideration of the possible economic effects it may have on the industry to which it pertains.

The committee report states:

> Your committee believes that the abolition of the front-end load would make it uneconomical for salesmen to introduce investors who lack accumulated savings to the concept of systematic investment in equity securities through mutual funds. Your committee in its proposed legislation has attempted to provide salesmen with adequate economic incentive to solicit small installment purchasers while at the same time protecting these purchasers from overly harsh penalties in the event of their inability or unwillingness to make all of their payments on schedule.

It is difficult for me to understand how the majority of the committee could feel that it had accepted a provision that allows adequate economic incentive when there is no basis in any economic study for believing that the determination will in fact do that.

Section 16 of the bill would reduce by more than one-half the amount of sales commission presently permitted to be deducted from the first 12 monthly payments on variable annuity contracts and mutual fund contractual plans. This sales commission is commonly called the "front-end load." I have serious reservations about the wisdom of this drastic cut.

In this section I believe the committee has wisely reaffirmed the principle it enunciated in its report on the Investment Company Act 28 years ago when it found that a "front-end load" is economically necessary to meet front-end costs in selling and setting up a worthwhile installment investment program. The issue remaining, then, is whether the proposed 20-percent level spanning 3 years, accepted by the committee, is reasonable. Since this is a price-fixing or ratemaking measure, we have a responsibility to study not only its effect on the investor, but also to investigate the relationship between the seller's costs and the ceiling we apply on his early commissions. I think we also have a responsibility to understand and weigh its overall effect on the distribution of mutual fund securities. This has not been done.

The committee's amendment to limit the front-end load to 20 percent in the first year was specifically rejected by both the SEC and the mutual fund industry involved. The proposal is patterned after one which was put into effect by one of the large investment companies with its own controlled sales force. I suggest that it has not been in effect for a sufficient time to allow a determination to be made of its overall effect on the company's operations, and further, I do not feel that the experience of one firm in any event can be successfully transferred to companies of a smaller size and completely different sales operation. Most disturbing of all, the possible economic consequences of this action to the industry and to millions of potential installment investors in the future has not been investigated.

In the absence of an economic analysis of the level of first-year commissions required to sustain the front-end costs of contractual plan distributors, I find a comparison in the life insurance industry which casts strong doubt upon the wisdom of this Committee recommendation. Various types of life insurance compete directly with contractual plans, both for the installment investor's savings dollar and for the services of trained salesmen.

I have heard all of the arguments that insurance and mutual funds are different, and I agree that there are important differences. Regardless of the differences from the buyer's point of view between life insurance or annuities, on the one hand, and contractual plans or variable annuities, on the other, it is clear to me from the recent entry of over 60 life insurance companies into the mutual fund field that, in the economic sense, this direct competition is very much a reality and that a comparison of the respective sales commission structures therefore is meaningful. Indeed, increasing numbers of salesmen are being licensed to sell both mutual funds and life insurance simultaneously, or in a combined package.

With respect to permanent life insurance, the usual first-year front-end load is generally 100 percent, twice that on contractual plans under present law and five times higher than section 16 would permit. Even on monthly premium annuity contracts, which contain no death benefit at all, the first-year front-end load deducted by life insurance companies is customarily at the 50 percent level.

The reason for this becomes obvious if one views the salesman's compensation in actual dollars. On a $25 per month contractual plan, he gets about $6 per month during the first year after he has completed his work. Under section 16 of this bill his share would be limited to $2.50 per month, for a total of $30 in a year, unless his employer had the resources to advance the difference to him under some sort of financing plan. In contrast, the salesman on most permanent life policies receives over $12 from each first-year payment of the same $25 monthly premium.

With the seller's monthly commission in the competitive market five times higher per first-year payment on a permanent life insurance policy than it would be on contractual plan first-year payments under section 16 of this bill, I submit there are ample grounds to believe the 20 percent ceiling could not stand the scrutiny of a responsible cost analysis which our tradition of jurisprudence has always required in ratemaking legislation of this kind.

The fact that the proposal could disrupt sales to low-income persons does not concern the SEC, however. The SEC position was that the contractual plans with a front-end load be completely abolished. The basis for this position is summed up in a statement by the Chairman of the SEC in our hearings:

> The financial incentives to the salesman created by the front-end load are thus inconsistent with the best interests of the small investors to whom these plans are sold.

This is, of course, a matter of judgment. I agree that some purchasers of contractual plans who are unable to complete them or decide not to complete them pay a higher rate of sales charge. But without a full investigation of contractual plan purchasers and the results received on their investments, in my opinion, there is insufficient factual basis for making a judgment that the sales commissions under present practices result in more harm than good to small investors.

In the President's 1967 consumer message to Congress, he mentioned only one aspect of the front-end load as a cause for concern. Referring to planholders, he stated:

> . . . they may face a substantial loss if financial difficulties force them to withdraw from the plan at an early date.

I expressed the same concern in a speech to the Senate nearly a year ago. In discussing the matter, I explained that—

> These plans are ones in which the purchaser decides to undertake a program of investing a certain amount monthly in order to attain a specific investment goal over a period of 10 or more years. The monthly payments are quite low, and, in order to provide a reasonable incentive income to the salesman, the plans provide that up to 50 percent of the first year's payments may go for sales commission. This results in an offsetting lower commission throughout the remaining years of the plan, so that the commission throughout the remaining years of the plan, so that the commission over the period is virtually the same as it would have been in a plan in which the sales commission represents a fixed proportion of each payment.
>
> I do not doubt that there are some individuals who do not complete their plans and therefore pay a higher-than-normal commission. If a person pays for only 1 year and then cancels, half of his payments would be absorbed by the salesman's commission.

> In virtually all cases of cancellation, within the first year or two the purchaser would cancel at a substantial loss. However, there are many advantages which offset this risk for those who can hold on to contractual plans, and elimination of this investment alternative is not the answer. I am sure that some plan can be found to mitigate the loss should one be unable to complete his personal commitment which would not eliminate the whole program, as the SEC proposal would. Already various firms have reimbursement and insurance features that meet part of the need, and with some sympathetic assistance from the Securities and Exchange Commission, it is my view that the industry will be able to work out some additional reasonable programs.

I regret to say that no sympathetic assistance was forthcoming from the Securities and Exchange Commission. Despite the lack of SEC cooperation, however, responding to this problem, companies accounting for over 98 percent of the contractual-plan business have voluntarily adopted and put into effect a comprehensive program of refunding the entire sales commission to such persons as well as to all new planholders. Specifically, this program includes:

First. Refund as an absolute right within 60 days of purchase of the full amount of the first two payments, including the full amount of sales charge, and the net asset value of any additional payments made plus the full amount of the sales charge on such additional payments.

Second. Refund within the first 12 months after purchase of the full amount of the sales charge if the planholder chooses to withdraw by reason of financial hardship caused by disability as a result of injury or illness of the planholder which prevents him from engaging in gainful employment for 30 consecutive days; the illness or injury to a dependent member of the planholder's family which requires the hospitalization of such dependent member for a period of 30 consecutive days; or unemployment for 30 consecutive days of the planholder or the head of the household of the planholder.

It seems to me that any borderline hardship case which does not qualify for this refund privilege is more than adequately taken care of by three kinds of flexibility which have traditionally been provided in all contractual plans:

First. Monthly payments may be either "stretched out" or indefinitely postponed, without penalty, in order to tide over periods of other more urgent cash needs;

Second. For ready cash, up to 90 percent of any planholder's net asset value may be withdrawn at any time and also reinvested later at any time, all without any charge whatever; and

Third. Planholders, like all other mutual fund investors, may terminate their plans and redeem their shares for cash at net asset value at any time, again without any charge whatever.

This voluntary refund program of responsible business self-regulation is a reasonable attempt to solve the problems of the "front-end load" brought about through early involuntary withdrawal. It is calculated to reduce to a minimum both the risk of and the amount of dollar loss to the one out of 10 contractual planholders who may experience loss through hardship, as indicated by past experience.

For these reasons, I am opposed to the imposition of an arbitrary 3-year, 20-percent "spread" of the present first-year commissions on contractual plans before the industry's voluntary refund program has been afforded a reasonable opportunity to demonstrate by actual experience its ability to meet the needs of the investing public, which has voiced little objection to the present sales commission structure.

I have some concern about another major provision of the bill. In committee, I agreed to the section amending section 22 of the Investment Company Act providing for self-regulation of sales charges on the basis that any action taken by the Securities and Exchange Commission in performing their oversight function would be on the basis of economic facts and that the sales load would allow for reasonable compensation for sales personnel, broker-dealers, and underwriters in addition to taking into consideration the interests of the purchaser of the investment company shares.

This becomes especially important in light of the fact that the Securities and Exchange Commission is authorized to alter or supplement the decision of the self-regulating industry association and to issue rules and regulations superseding the rules of the association.

I am even more concerned when I find that some proponents of this bill seem to think that the original proposal of the Securities and Exchange Commission that an arbitrary 5-percent maximum be placed on sales loads is not a bad idea.

There is no justification for a 5-percent ceiling. In fact, it has been admitted that the 5-percent figure was chosen arbitrarily and that 6 percent, or 7 percent, or perhaps 4 percent or 3 percent, could have been chosen with equal justification. The 5 percent happens to be the maximum on over-the-counter securities, but, again, our hearings pointed out clearly that mutual funds cannot properly be compared with other securities, because other securities are "bought" and mutual funds, in the main, are "sold."

Because the SEC has already proposed that sales loads be limited to 5 percent—a recommendation that was not approved by the committee—members of the committee wanted to be assured that after the industry self-regulatory body had made its study and on the basis of investigation set standards to be followed, the SEC did not arbitrarily reject that decision and establish another level without full economic justification.

I find that the question of compensation for sales personnel, broker-dealers, and underwriters is being presented in a light that would indicate that underwriter compensation from sales loads is insignificant. Moreover, it is suggested that high sales loads do not result in higher incomes to salesmen. In fact, it is suggested that lower loads may result in higher incomes because it would result in fewer salesmen. And to top it all off, it is suggested that appropriate weight will be given to these factors by the self-regulatory body of the industry.

The committee decided unanimously against the 5-percent ceiling. It decided that the determination of the level that is appropriate should be based on economic factors and specifically that it provide for "reasonable compensation for sales personnel, broker-dealers, and underwriters."

I believe that the record should be made clear on this point and would ask that the chairman of the committee express his views on the matter of reasonableness of compensation, and also that other members of the committee express their understanding.

Mr. President, the Securities and Exchange Commission is now holding hearings on commission rates for the exchanges. The results of these hearings could have a serious effect on the income of regional exchanges and on broker-dealers throughout the country. We have authorized and the House has concurred in a study of the entire structure of institutional investment. I do not think that the enactment of provisions as far reaching as those contained in this bill are wise at this point in time and under these circumstances. We would be well advised to delay action until we have a clear picture of what changes are needed in light of the information which is now lacking and which these studies should supply.

Mr. President, I have mentioned only two or three of the 30 to 40 provisions of this bill. It is true that they are the most significant and the most controversial, but the other proposals also contain substantive changes in authority and regulation.

I seriously disagree with the "carte blanche" acceptance without any consideration by the committee itself of 35 provisions on which agreement had been reached by the Securities and Exchange Commission and the Investment Company Institute representing the industry. We did consider one of the 36 agreed-upon items and decided against the industry-agency agreement. This leads me to believe that other items might well have been considered also and rejected by the committee.

The fact that the committee majority would not agree to withhold the official ordering of the report on the bill even until we were able to look over a clean bill representing the action that had been taken by the committee makes it evident that the committee was in no mood to spend any more time on the bill other than on the major provisions. I do not know what the determination of the committee would have been, but industry comments on some of those provisions lead me to suggest that they may well have been worthy of more consideration.

I do not intend to embarrass members of the committee by asking questions about these many provisions. I am sure that some of them have not even come to the attention of some of the members. I may say, however, that it is not a desirable practice to relinquish our responsibility as legislators to the industry and the Federal agency. Neither of them is elected nor accountable to the people for legislation, and I am of the strong opinion that we should be completely aware of what we are approving. That is not the case with some sections of this bill.

This is an industry of some 4 million shareholders which has been held up before the public for over a year in the press, usually under the headlines proclaiming "Reform Legislation" and "A Fair Shake for Shareholders." Yet, there has been a total absence of enthusiasm on the part of the public for any legislation at all.

I asked the Chairman of the Securities and Exchange Commission to furnish me with copies of all the letters he had received from the public. He developed 400 out of an industry of 4 million shareholders.

There would seem to be no doubt that the vast majority of shareholders of mutual funds, including those large pension funds, profit-sharing plans, educational institutions, religious bodies, whose shareholdings run into millions of dollars, knew what they were paying, know what it is costing them for management, are perfectly happy with the results of their investment and would much prefer us to leave their future to the operation of private enterprises. Perhaps no one has expressed this sentiment quite so clearly as the secretary of the Sam Rayburn Foundation, in Bonham, Tex., whose entire endowment fund has for sometime consisted solely of shares of mutual funds. After expressing his great satisfaction with the results of these investments, this gentleman wrote:

> When the SEC tells me that I need their protection and that I should give them authority to go to the managers of these funds and demand that they reduce their fees, my answer to the SEC is please stay at home. I don't want anyone bothering the managers of the funds. The fee I am paying them is low for the results I am obtaining.

Mr. President, I shall now turn to a consideration of such statements as were made on the floor of the Senate yesterday by the supporters of the bill which I feel require a reply from me.

One of the proponents, after explaining how "the industry has grown over 100 times since 1940 and its growth continues at an accelerating pace" and that "over 4 million Americans on mutual fund shares and the numbers are increasing daily" then goes on to say that this legislation is necessary in order to maintain public confidence in the industry.

Facts speak louder than words. Any industry which did not have public confidence would certainly not increase its size more than 100 times in a period of 28 years. Indeed, public confidence is important to the mutual fund industry and that confidence has been maintained by the lack of abuses since the 1940 act became effective. I might add that there is no public outcry for this legislation. As I said a moment ago, I requested the SEC to send me all of the communications favoring and opposing this legislation because all of my mail was opposed to it.

I did receive from the SEC less than 400 communications in which some comment which could be considered favorable to some legislation in the mutual fund industry was given. I do not consider 400 letters out of more than 4½ million shareholders—less than 1 in more than 10,000—as representing a consumer outcry for the proposed legislation.

It is suggested that the opposition to the bill today is the same as the opposition to the original securities law in the 1930's, and that the "opponents then said if these laws are passed, grass will grow on Wall Street." I know of no opponent of the bill that has even intimated that grass will grow on Wall Street, although a little green in that industrialized area might be welcomed.

Now to move to some of the more pointed comments made in the discussion yesterday. It was suggested that Members of the Senate "should know that the proposed legislation has been opposed by a vigorous, well-financed lobbying effort." Under our system, I find nothing which denies any group from opposing legislation which would be detrimental to its operations. I do not know how much money has been spent either by the opponents or the proponents of this legislation, but I would suggest that if the facts be known, it would certainly not be one sided with opposition lobbying.

I remember the great deal of time that I have spent listening while personal pressure was being exerted by the Chairman of the Securities and Exchange Commission in an attempt to force me to change my position. Maybe that does not qualify as lobbying.

It was also suggested that the committee "has not permitted itself to be intimidated and has pressed forward to bring this bill to the Senate." If there was any one act by any opponent to this legislation which bordered on intimidation of the committee, I would like to have that made known. If there was not, I suggest that the word is improperly used.

It was suggested that this bill is "a bare and watered down version of an ideal regulatory instrument for mutual funds." If by "ideal," the speaker means an instrument which would completely control the management, the sales charges, the method of operation, and the salaries received by all involved in the industry, then indeed this is a "bare and watered down version." I personally do not feel that such regulation of an industry in which there are presently at least 300 competitors and which is receiving additional competition daily is "ideal." I have always felt that the American way was to allow industry to operate so long as it did not either defraud the public or in some way operate illegally, and the proponents of this legislation cannot find abuses on which to base such a charge.

It was stated that it is surprising "that there is any opposition at all" to this legislation. This reminds me of the comment of a man with a live fish which he had caught and which was wiggling when he said, "Hold still, little fish, all I intend to do is gut you." Of course, it is not surprising that there is opposition to this bill, and the proponents know that it is not surprising. It is suggested that "the bill is inadequate to deal fully with the extremely serious defects in the structure of the mutual fund industry which were disclosed to us." Indeed, the structure of the mutual fund industry is somewhat different as I have explained in my remarks and as was explained by the chairman of the committee in his remarks and has been explained many times, but I would like to point out that the differences are not necessarily "extremely serious defects." And I would like to add that the bill proposed by the Securities and Exchange Commission did not recommend that the structure of the mutual fund industry be alerted.

It is obvious from the statement made yesterday that the speaker feels that fees are excessive. No such statement was made anywhere in the report of the committee nor were individual views added by the Senator from New Hampshire, explaining that he did not agree with the majority report. Instead, the report states:

> This does not mean either that all fees must be reduced or that all fees are reasonable or unreasonable. Your committee does not believe it is qualified to make such judgments.

Apparently, the Senator has made such judgments, and it may be that he is qualified to do so. But I would be interested to know that basis on which he has made such a judgment.

Continuing on, he suggests:

> One might expect the officers of the fund would take the management fee and provide advice in return.

He then adds:

> Nothing could be further from the truth, for the majority of American mutual funds.

If there is any truth in that statement, it is only because of the organizational arrangement whereby mutual funds receive advice from outside sources. Indeed, as an attorney, the Senator knows that advice is often received from outside organizations, and that an attorney may remunerate those who have provided him with advice and is credited with providing the advice himself to his customers. This is just what happens in the case of a mutual fund, and I suggest that advice is received by the shareholder in return for the fee.

The Senator then claims that—

> The normal practice is for the officers to find a professional organization, known as an investment adviser, which enters into a contract with the fund to provide investment advice.

This is a very interesting statement, particularly in light of the fact that just a moment later, he indicates that the president of a specific fund and the secretary and the controller are the same individuals as the fund's investment adviser personnel. The fact is that when a fund is established, it does not go looking for an adviser. An adviser is part of the whole organization and generally sets up funds which he then, with his staff, advises.

The Senator then claims:

> This is also the situation which has resulted in shareholders of the Dreyfus Fund, paying perhaps the most unreasonable management fees in the entire industry.

Again, we have this problem with his determination of "reasonable" or "unreasonable." I would like to point out, Mr. President—and it is not my intent to indicate "reasonableness," or "unreasonableness"—that an investor who invested $10,000 on January 1, 1958, in the fund mentioned by the Senator, and reinvested dividends and capital gains distributions would own shares on December 31, 1967, with a value of $50,304, and that increase in value would have cost the investor a fee of one-half of 1 percent of the amount he had invested during that period. His assets would then have been multiplied 5 times. I personally would be willing to pay that amount of advisory fee for that type of growth any day of the year. And I suggest that the Senator would also find that the fee paid would be next to insignificant when compared with the results.

If one does not like that type of investment, he could put his money in a savings and loan account or purchase any stock which he desires and manage it for himself. Or, as the Senator says later in his statement, if he so desires, he may throw darts at a list of stocks, and I would be willing to guarantee that if he bases his purchases on dart throwing, his performance will, over the long term, not equal that of the management provided by these professionals in the industry.

The Senator then uses a sleight of hand operation to make it appear that the advisers of funds which do not have internal management are receiving greater salaries than are received by a specific fund which has internalized management. I do not think it is appropriate to make this a personal matter to discuss individuals and name names, but since he has named the Massachusetts Investors Trust and stated that the five managers of the fund each take home approximately half million dollars each year, I suppose that my discussion of the situation would be appropriate. The Senator adds:

> The committee has been informed that, as far as large funds go, the management fee rates paid by shareholders of the Massachusetts Investors Trust are by far the very lowest rates which exist in the industry.

The obvious intent of this statement is to infer that other managers receive even greater remuneration than do those of the Massachusetts Investors Trust, which he says received $500,000 each every year. In fact, he brings this out specifically in saying:

> If the MIT rates are low, how do the managers of other mutual funds fare?

I can assure the Senate that managers of other funds which are externally managed and to which the provisions of this bill apply do not receive fees even in the same ballpark with those mentioned by the Senator.

In other words, the comparison made by the Senator is an unfair one, and it means nothing in my view. The very fact that he mentions that 34 funds paid fees of more than $1 million shows the inaccuracy of his statement. One must realize that these managers are not just throwing darts; that they have legitimate expenses for research and for services performed, in addition to the important decisions of what investments to make.

The Senator then adds that, "unlike Massachusetts Investors Trust, the committee was unable to determine what individuals received as compensation" in these other funds. I would just like to suggest that the SEC has authority to receive information on salaries paid in any corporation which is registered with them, and I would like to add that several of the witnesses before our committee who are advisers of major funds did give indication that their salaries were not comparable with the ones which had been suggested, nor do I recall any witness saying that he would not make information on his salary available to our committee. When the Senator says the committee was unable, I think he must be referring only to information to which he had access without any special effort.

I am appalled that the Senator would use a quotation attributed to Ambrose Bierce, who defined "a corporation as an instrument for obtaining individual profit without individual responsibility," and say that "it certainly fills the bill when applied to mutual funds." I do not intend to discuss this statement further, except to say that the Senator must certainly be aware that directors of mutual funds, which are corporations, are subject to responsibilities which are common knowledge to those who are at all familiar with corporate law. Not being an attorney, I do not pretend to know all of the details of these responsibilities, but I do think that the Senator must be aware of these, and therefore, I wonder why he makes such a broad statement.

Further on in his statement, the Senator says:

> It would appear to me that many fund management fees are indeed unreasonable.

Again, this is a judgment that the Senator may well be able to make. But I would suggest that a person buying a fund and who is by law informed of the fee which will be charged is also capable of making a judgment, and he is risking his money on his judgment. If he determines, as many investors have determined, in the case of Dreyfus and other funds, that the gains of over 400 percent in less than 10 years are worth a management fee of one-half of 1 percent per year, then I think his judgment is pretty good, and that we should not decide that he must be protected by the determination of either a Federal Government agency or the courts.

Indeed, the Senator continues:

> The Dreyfus Fund, which in many ways mirrors the basic faults of the entire industry, is a good case in point.

If the Senator considers it "a basic fault" to operate a fund in such a way that a person can receive the increase in value that has been received in the Dreyfus Corp.—and I mention that one only because the Senator referred to it—then I would suggest that what we need in this industry is more "basic faults," by the Senator's definition.

Further on in the statement, the Senator straight out stated that the Dreyfus Corp. is "holding on to these excess profits to the present time." Since in this case the Senator has mentioned a specific company as having excess profits, I would ask him to show me the criteria and the examination on which he determines that these profits are excessive.

Then we come to the point in his statement where the Senator discusses his experiment with a dart board and a list of stocks. He explains that the costs connected with management of that type would be only 29½ cents per year, amortized over a 10-year period. He then asked the question:

> Does this mean that the real value of most mutual fund management firms is less than 29 cents per year?

And then he answers his own question, by saying:

> The acid test of a free market would seem to bear this hypothesis out.

I completely disagree with any such conclusion. I do not know how he got the free market involved in this statement nor how he decided that some acid test was involved in his little experiment. It has no statistical accuracy and is, in fact, nothing but a charade when we are discussing what in my view is an extremely serious matter involving about $50 billion of investors' money and an entire industry.

If I were to decide that such a discussion had any value to the decision made by this body on this important matter, I could suggest that we put all of the suggested alternative legislative proposals dealing with the mutual fund industry on a sheet of paper and that some Member of this body be chosen, without knowing where any of the provisions were, to throw darts, and we would accept the results of his dart throwing. I would hope that the deliberations of the Members of this body have more value than that. I am sure that they do, just as I am sure the intelligent management of a mutual fund far exceeds the use of a dart board or a random selection, as indicated by such a charade.

With respect to the mutual funds and the services they perform for the customers, I would point out that if an investor had put his money into any one of the 30 blue chip stocks that comprised the Dow Jones average at the start of January 1, 1958, and left it there for 10 years, his chances were one out of four that at the end of 10 years he would have had a net loss. If an investor had put his money at the same time in any one of the 125 mutual funds then in existence and left it there for 10 years, his chances of having had a loss were exactly zero.

The Senator then goes on to suggest that because some closed-end mutual funds sell at a discount, he believes that this "strongly indicates that sophisticated investors tend to place a negative value on management service." The conclusion does not follow from the fact. The Senator must realize that closed-end funds sell at a discount because they do not provide the investor with one of the unique attributes of a mutual fund; that is, the ability to redeem the share to the mutual fund at net asset value at the time of redemption and without any commission or charge of any kind. Closed-end funds do not provide the opportunity for full redemption and thus are treated at a discount reflecting this lack of liquidity. In fact, nowhere does the Senator discuss the redemption feature of the mutual funds, which is a

unique and most valuable benefit for the small investor.

Mr. President (Mr. CANNON in the chair), in the interest of time, I will have to hurry on and skip many of the statements made by the Senator, because I do not consider it appropriate to comment on them. However, I must comment on several. He suggests that the committee reversed itself on section 22(d) because it was "beseiged by industry representatives who told us that the mutual fund business could not hope to survive in a competitive framework." The Senator neglects to bring out the real reason why the industry opposed a repeal of section 22(d), and I do not intend to take the time of the Senate to do so; but there is a legitimate reason, and it is borne out by the fact that the Securities and Exchange Commission also recommended against that action. The Senator suggests:

> One of the provisions of this bill which the mutual fund industry most vigorously opposes is the provision making it clear that banks are entitled to offer their customers interests in commingled managing agency accounts, which are investment vehicles comparable to mutual funds.

Nowhere in our record of hearings is there any such testimony by the mutual fund industry.

As I listened to the testimony of the mutual fund industry and if I correctly understood their arguments, they were not opposed to the entry of the banks as such into the mutual fund business, but argued only that if the banks were to compete, the ground rules of the competition should be the same—that is, the same fabric of Federal regulation and law should apply so that banks and mutual funds could compete on equal terms.

They also did question whether this did not fly in the face of the intent of Congress as stated in the Glass-Steagall Act. The Glass-Steagall Act forbids the banks to enter the securities business and what would be done by the enactment of this bill, let no one be mistaken, would be to repeal that fundamental provision of Glass-Steagall. I hasten to add that the abuses which led to the great depression are in my judgment no longer valid as a bar to the entry of the banks into the security business, nor have I opposed that provision in the bill. I simply say that Senators should recognize, contrary to the comments of the Senator from New Hampshire, precisely what we are doing. I would also call attention to the fact that what the Senator referred to as a misinterpretation was the interpretation as declared by the court. The Senator's characterization of it as a misinterpretation could represent only the Senator's personal view as a disagreement with what the courts have declared.

The Senator then said what, to me, is very interesting. He states that the real reason for the opposition is that banks will not charge a sales commission and that they will be "the most serious threat to the continuation of the rigid, high-price structure of the mutual fund industry."

If, indeed, this is true, and I do not contend with the Senator on this competitive aspect, then I would conclude that there is no reason why the SEC and the courts must be empowered to determine prices in this industry. The new competition of the banks would result in additional pressure to create the proper price structure. The Senator adds to my case when he says that the enactment of the provision in the bill which he sponsored, "will, for the first time, provide effective competition directed toward pushing down the heavy costs borne by mutual shareholders for purchasing their shares."

Indeed, healthy competition is good. I do not believe this is the first time that there has been competition in the mutual fund industry. The possibility of choosing between over 300 funds by an investor, to me, is competition.

In discussing the front-end load problem, the Senator uses such words as "outrageous," "a system of extraction," and other such terms. Then he goes on to say that the customer is practically never told of the possibility of purchasing a similar investment for a lower cost. I do not know of any industry in which a salesman is required to tell customers of competing alternatives. I suggest that this is foreign to our whole marketing system and that if it were required, the whole system would break down. How could anyone advertise his product? How could any salesman be informed of all other alternatives?

The Senator then suggests that "the basic argument advanced by the front-end load industry for permitting its continuance is based upon a phony premise." "Phony" is a pretty strong word, and I suggest that there is at least some merit to what the industry has said. In connection with this same point, he says, referring to the front-end load, "we have permitted it to continue at a level more than adequate to finance sales forces." I would like the Senate to know that to my knowledge, no factual information has been made available which would provide a basis on which to make this type of a statement. Certainly, none was presented to our committee in our hearings, and if such economic information is available, I would ask the Senator to supply it to me so that my decision on this would be based on all the information available.

I believe the Senator remarked that there are presently four States in which contractual plans with the front-end load are not permitted to be sold; namely, California, Illinois, Wisconsin, and Ohio. While this is true with respect to the first three, I believe my colleague would find upon more recent examination that a number of companies are registered in Ohio to sell typical contractual plans under the Bond Investment Act of that State and that contractual plans are actively sold in Ohio now. It is true that for many years they could not be sold in Ohio, but a relatively recent change has corrected that situation there.

I might add that Ohio is not the only State which has recently made it possible to sell front-end load contractual plans within its borders. I believe careful scrutiny of this matter will reveal that in the last 2 or 3 years two other States have followed the same path as Ohio in opening their doors to this valuable investment medium; namely, Michigan and New Hampshire.

The second point made by the gentleman from New Hampshire yesterday was to allege that the industry justifies the front-end load from the investor's point of view because it "imposes a sort of discipline for making periodic payments." No one from the industry has justified its existence by such a contention to me. It is an interesting thought, however—this idea of self-discipline on the investor's part.

My distinguished colleague from Utah [Mr. MOSS] mentioned the value of payment persistency to the investor during his remarks on this subject yesterday. While approving the way the present front-end load encourages salesmen to urge investors to keep up their payments during the first year, he expressed regret that there is little incentive to regularity of payments thereafter and pointed out the desirability of the habit of regular investing. It seems to me that Mr. MOSS disagrees with the Senator from New Hampshire on whether an incentive to payment regularity is desirable from the investor's point of view. Yet the Senator from New Hampshire said "I find myself in agreement with the Senator from Utah's analysis of this bill.

The argument the industry has made to me on behalf of the present front-end load is that without it there would be fewer if any salesmen in some firms to tell the periodic investor about the contractual plan, which even my colleague [Mr. MOSS] admits is "a useful means for attracting the savings of small investors into the Nation's equity securities markets." Few if any salesmen would keep on bringing to the public any product if they had to wait at least 3 years to receive the bulk of their commission. This is an idea without precedent in the American economy, for just that reason. The benefit of the front-end load to the customer is simply that it makes it possible for a salesman to tell a person about this means of investing—something the typical contractual plan investor would otherwise never know about because of the necessary limitations upon advertising under the securities laws.

The Senator quoted from the Wall Street Journal a statement attributed to a person whom he refers to as the "principal lobbyist" for the front-end load industry. The Senator does not say that he checked with that person to see if he were quoted accurately nor did he mention that the person personally called the committee to explain and apologize for the quote that appeared.

Mr. President, I am not a contentious individual. I do not like to be in a position of contending with my colleagues whom I enjoy working with. But, I did feel it important that the RECORD be complete on these important matters.

Mr. President, I had asked my friend, the Senator from New Hampshire [Mr. MCINTYRE] that I not be interrupted. He has graciously done that, and now I am happy to attempt to answer any questions the Senator may wish to ask.

Mr. McINTYRE. Mr. President, the Senator is correct. The Senator from Utah had asked me to refrain from questioning him during the presentation of his excellent speech. Now, I do wish to ask a few questions. We strive here to bring to the mutual fund industry what I feel is protection for its ultimate consumer, the shareholder.

Was not the Senator from Utah impressed during the hearings when the uniqueness of this industry became apparent? I have reference to the relationship between fund and the advisory management corporation where there are coincident directors and the officers of each group sit down at the table and pretend to bargain over the question of management fees. Was not the Senator impressed with that?

Mr. BENNETT. My friend should remember these funds were established in such a way that the fund was generally set up by the man who was going to be the manager. The bargaining between the directors of the fund and the manager is done by the independent directors, not those others who might have a relationship with the manager. That is why the independent directors were put in there.

Mr. McINTYRE. By "independent directors" does the Senator mean unaffiliated directors?

Mr. BENNETT. Unaffiliated directors.

Mr. McINTYRE. Can the Senator say on the floor of the Senate that he thought the work of the unaffiliated directors was one of keen management and objectivity in the determination of management fees?

Mr. BENNETT. Let me say, first, that a categorical answer cannot be given to that question because it would be going to the objectivity and sense of responsibility of each man who accepts the obligation to become an independent director.

Early in my remarks, I made the point that I felt that the number of independent directors should be increased to 60 percent of the board so they would have control of the board when necessary. But when one wishes to question the objectivity of independent directors he finds himself faced with men such as these men. The first name on my list is former Vice President Nixon. The Senator may not quite agree with his capabilities. [Laughter.] Then, there is Dr. Vannevar Busch, Ambassador Maxwell Taylor, Dr. Arthur Burns, Allan Dulles, former Senator, and majority leader of this body, Scott Lucas, Representative EMANUEL CELLER of the other body, Dr. Grayson Kirk, of Columbia University, Dean Charles Abbott, Dean Emeritus Brooks, Sinclair Weeks, Jr., Fred Lazarus, Gen. Mark Clark, Charles G. Mortimar.

I must say to my friend that I believe the organizational structure is sound. I believe in most cases the men invited to serve as independent directors have been men of responsibility. I am not prepared to say these men or other men like them engaged in a conspiracy with the advisory group to bilk the shareholders of the fund.

Mr. McINTYRE. Does the Senator from Utah know of more than one instance in the history of the mutual fund industry—as we heard it testified to in the numerous days of hearings—where the unaffiliated directors took a position which was at odds with the interest of the directors?

Mr. BENNETT. The Senator, of course, does not have an intimate knowledge of the inner workings of the 300 funds so his answer must be that I do not know of even one instance, and I do not think the record developed by the hearings would indicate that this represents a widespread problem. We hire an agent and he does us a good job, so we do not fire him just for the sake of creating the illusion that we are independent.

Mr. McINTYRE. Who hires the unaffiliated or independent directors? How do they get their jobs on the mutual fund board?

Mr. BENNETT. They are selected by the other directors, but they have to be approved by the shareholders. In the last analysis, under our corporate system, the shareholders have the final power and responsibility in the corporation.

Mr. McINTYRE. Well, the Senator and I know that the approval of 500,000 shareholders on the small print of a small proxy statement really does not amount to any intelligent appraisal by the shareholders. But I wanted to ask just one further question, although I believe the Senator from Utah has the floor, as I understand it.

Mr. BROOKE. Mr. President, will the Senator from Utah yield?

Mr. BENNETT. Does the Senator wish to talk about this one question? Would he defer until this has been discussed?

Mr. BROOKE. I want to say, on this one question, that the Senator from New Hampshire has said that this information is given on a small proxy card. But when the names of the independent directors are sent to the shareholders for ratification or approval, not only is the name of the director listed, but all information about that director is also listed and they are given the opportunity to look into the qualifications of that director before they send in their card which states their approval or disapproval of the director.

Mr. McINTYRE. The Senator does not deny this at all.

Mr. BROOKE. This is full disclosure.

Mr. McINTYRE. As a matter of common experience, the Senator and I know that a holder of five shares of Axe Houghton fund does not look at that proxy and study it or worry about who the unaffiliated director is. That is the point I want to make. If we are going to hire someone to watch another man, do we allow the man who is going to be watched to do the hiring? That is the situation.

Mr. BENNETT. Would the Senator suggest an alternative to still preserve the corporate form? Would he let the SEC select the independent directors, or are we going to let the President nominate and approve them on the floor of the Senate?

Mr. McINTYRE. No. We will try to pass a bill which will establish a formula and a standard by which the fees agreed upon between the two groups can be tested in the courts, which are time-proved as the final tribunals for testing reasonableness in many contexts.

Mr. BENNETT. The Senator from Utah suggested in the committee that the bill before us contain a provision which would allow the courts to test the responsibility of the directors, which I think more nearly meets the question the Senator raises; but, instead, the bill wipes out the responsibility of the directors and allows the SEC to take the whole matter of fees, first, under its own study and then, later, to the courts so that no matter what contract the directors may make with the advisers, the final decision will be made either by the SEC or in the courts.

To me, this completely destroys the corporate concept. We might as well have no directors. We might as well have one man who says, "I have organized a mutual fund, Mr. SEC, and will you now please come in and determine what fee I should pay my manager; or, if necessary, I will set a fee in which the adviser is paid one-half of 1 percent, knowing that you will come in and change it."

Mr. BROOKE. Is there anything in the Senator's amendment which will take away from the shareholder the right to go to court if he feels that he has been aggrieved by an abusive or excessive fee?

Mr. BENNETT. The Senator is referring to the amendment which I have at the desk but which has not been called up and may not be called up, but there is nothing in that amendment which would prevent the shareholder from going into court on any action of the directors except this one particular, new bit of law which this bill——

Mr. BROOKE. In other words, the Senator does not take away from the shareholder any of his existing rights?

Mr. BENNETT. It would take none of the existing rights of the shareholder away. We simply say—well, I do not want to bring the amendment up at this time.

Mr. BROOKE No. I understand. I thank the Senator.

Mr. McINTYRE. What is actually in the proposed amendment, which is at the desk, is a reversion back, so far as I can see, to the very same test with which we are confronted today.

Did I ask the Senator, does he know how many shareholders' suits have been brought in this industry which have been successful?

Mr. BENNETT. So far as I know, none has been successful.

Mr. McINTYRE. None. And why?

Mr. BENNETT. Because in the setup with respect to the management fees—many of which have been filed—there has been no prohibition against suits. But in every case, the court has determined that on the basis of the information available, the fee was reasonable or at least within the law. In other words, the fees have always been determined by the courts to be within the law.

Mr. McINTYRE. The test today, under the law, is the test that they must establish in a suit against a mutual fund for what they have claimed was an excessive management fee. They have to prove corporate waste, do they not?

Mr. BENNETT. Corporate waste or gross abuse of trust.

Mr. McINTYRE. I realize that the Senator from Utah is not a member of the bar, but I will leave it to those Senators who are members of the bar as to what a difficult criterion this is to try to establish corporate waste.

I wanted to ask the Senator if he is familiar with the holding by the Delaware Chancery Court in Saxe against Brady, which is considered a leading case involving management fees?

Mr. BENNETT. The Senator has already established the fact that I am not an expert legal witness, so my answer is "No." Turning to my good friend from Massachusetts, who is a lawyer, he does not recognize it.

Mr. BROOKE. What case is that?

Mr. McINTYRE. The case of Saxe against Brady, the Delaware Chancery Court case. If I may, I should like to read from the holding of the court in the leading case involving management fees.

The court said:

> A management fee of one-half of one percent involving $2,780,000 was not by itself excessive.

But the court further said:

> Under the doctrine of corporate waste—

The standard of the Bennett amendment—

> the compensation received must be so inadequate in value that no person of ordinary sound business judgment would deem it worth what the corporation has paid.

That is the criteria that the mutual fund shareholders face today.

We can argue about this all night long, but I have referred to the fact that during the hearings, I was quite impressed with the unique character that grew up in the industry, and I was quite perturbed about the conflicts of interest which seemed to be rampant in this dual setup of the fund versus management corporation advisers. It is evident that the Senator, yesterday, listened with a great deal of attention to my talk, but I want to direct his attention to the further testimony revealed in the hearings; first, that we found this peculiar situation that involves, as I say, conflicts of interest in determination of what would be considered a reasonable management fee. Then the testimony brought out, what did we find had actually occurred in practice?

The Senator will recall that yesterday I pointed out the difference between the nonfund client and what he is paying—this is the man with $4 or $5 million, who turns it over to an adviser—and the Senator will remember the contrast between the management fee formula; in one company I think it was one twenty-fifth of 1 percent——

Mr. BENNETT. My statement today contains a reference to an arrangement from one-tenth of 1 percent to 1.7 percent. I recognize that there is a range and there are many perfectly legitimate reasons for the differences.

Mr. McINTYRE. Our investigation, as a committee of the Senate, was directed to try to determine what was being actually charged. We found that the nonfund clients were being charged less. The sophisticated institutions were being charged considerably less than what is being charged today, the average of which, as I understand it, is 0.48 percent.

The Senator will remember I made the point that this industry has grown like Topsy, from a $400 million industry back in 1937 or 1938, to an industry holding $45 billion in assets today.

We found, as a matter of convincing testimony, that the costs of these mutual funds went up at a much lesser rate than the actual assets of the fund went up, and we found that the resulting economies had not been passed on to the mutual fund holders.

It is because the Senator made reference to it that I would like to speak for a moment about the little episode of the dart board. It was never the intention of the Senator from New Hampshire to indicate to the Senator from Utah or to anyone else that that is the manner in which a person should select his portfolio of stocks. We were simply trying to get to the root of whether or not these fees are in fact excessive. We found in a rising market, such as we have had for the past two decades, that this fact is probative of and tends to undermine, to a certain extent, the high fees and commissions the industry has been charging the shareholders for the past 20 years.

Mr. BENNETT. First, I would like to say that the Senator in choosing to discuss Dreyfus chose one of only two firms of the largest 25 that has not reduced its management fee as it has grown. Then discussing the "dart theory"; to the Senator from Utah, it is that anybody is a fool who would pay a mutual fund anything, because all he needed to do was to take a dart, throw it at a board, and he would get the same result. That is the impression the Senator's statement made on me.

Mr. McINTYRE. The Senator was there the day I made the statement. I specifically indicated I did not advise people to select their stocks that way. All I was saying was that in the last 20 years one could not miss.

Mr. BENNETT. Then why pay anybody money to advise one?

The Senator talks about conflict of interest. If there is a mutual fund with an in-house adviser, an officer of the corporation, and a contract is made with him by the directors to pay him one-half of 1 percent in-house, is there any conflict of interest?

Mr. McINTYRE. The Senator speaks of an internally managed fund?

Mr. BENNETT. An internally managed fund. They name, say, an executive vice president and say to him, "We will pay you one-half of 1 percent as a fee to manage the assets of this corporation." Would that be a conflict of interest?

Mr. McINTYRE. I would say there would be no conflict of interest. The ones I saw were between the external advisory corporation and the fund; but I know of no such instances as the Senator has related.

Mr. BENNETT. I know of none, either, yet Massachusetts Investors Trust to which you referred is internally managed and pays what some may consider exorbitant salaries for management. I only make the point that the effect on the shareholders is the same. The decision is made by the directors to pay a fee to the manager of the fund. I think the Senator is straining a little bit when he says it becomes a conflict of interest when they make a contract with a related company to do the same thing, rather than say, "Come on over and we will make you an executive vice president and pay you the same fee."

Mr. McINTYRE. We must bear in mind what the obligation of the president of the fund is. Is he thinking in terms of what the advisory management is going to do, or is he thinking in terms of the fund and the shareholder? That is where the conflict of interest comes.

Mr. BENNETT. I think he is thinking of the shareholders, because, probably, while this may never have happened, it can happen. The shareholders' holdings can be disposed of, and people can move out of his fund. Without notice, the shareholders can get the value of their investment by turning in their stock and move over to another fund.

The Senator from New Jersey [Mr. CASE] has been patiently trying to get my attention. I yield to him.

Mr. CASE. I thank the Senator. I really want some education, if I may get it, from my two colleagues who have gone into this matter so deeply.

Frankly, I am very surprised by the wording of the Delaware chancery case that the Senator cited. It had been my impression that in situations where control de facto existed, as well as complete legal control, the courts would impose a trust relationship in dealings between, in this case, the investment company and the sponsor, and that one did not have to show gross fraud or gross negligence or mismanagement of a gross character, but that if anyone showed a conflicting position, he could get recovery. I would be surprised if this case is typical and if this principle is supported in the legal decisions of our courts. I would like to have that matter clarified, if I may.

Mr. McINTYRE. I think what the Senator from New Jersey is thinking about is the normal fiduciary relationship that exists in the normal type of corporate arrangement, but in this instance the device of separate management is designed to evade the fiduciary duty.

Mr. CASE. I do not see how it can if, in fact, there is common control. It should always be competent for a stockholder in an investment company to show that any company with which the investment company has business relations is in fact a controlling company or is under common control so that a trust relationship should be imposed and enforced. Am I not right about this as a legal matter?

Mr. McINTYRE. As I understand it, the device of the separate management corporation is set up for the specific purpose of avoiding the fiduciary relationship which would exist with the fund alone as an internally managed fund.

Mr. CASE. I cannot imagine any case

in which the facts actually involved either a common control or control by the sponsoring company, management company, service company, or what you will, with the investment company, in which the courts would not hold that a trust relationship existed if control did in fact exist. The courts are not stupid and would be able to see through any such arrangement if that were the kind of control which in fact existed. I would like to be assured as to the alertness of the courts in this matter.

Mr. SPARKMAN. Mr. President, if the Senator will yield to me, I would like to reply to the Senator from New Jersey.

Mr. CASE. I am after information.

Mr. BENNETT. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, the courts should not be condemned for their holdings because it is written into the law that there must be corporate waste or, in other words, gross misconduct.

Does the Senator believe or understand that any other trust relationship would have to show such a test?

Mr. CASE. I do not think that one would, either.

Mr. SPARKMAN. It is in the law.

Mr. CASE. Which law?

Mr. SPARKMAN. The Investment Company Act of 1940.

Mr. CASE. When I was a very young man, I tried to practice in the courts, but that law was passed after I stopped that practice. It was the last of a series of acts which were beneficial, but, I must say, often to the company itself rather than the stockholders.

Mr. SPARKMAN. Certainly, lawyers and accountants differ. I do not think that this is good law.

Mr. CASE. That is exactly what we are trying to remedy.

Mr. SPARKMAN. We are trying to set up a trust relationship, which the courts will enforce.

Mr. CASE. If they can.

Mr. SPARKMAN. They are limited by law.

Mr. CASE. They cannot be stopped.

Several Senators addressed the Chair.

Mr. BENNETT. Mr. President, I have the floor.

Mr. BROOKE. Mr. President, I would just like to answer the point of the Senator from Alabama. I think, since the Saxe case has been mentioned by the Senator from New Jersey, we ought to know what test was applied by the Court in the Saxe against Brady case. It was not just gross abuse or gross misconduct. The Court said:

> When the stockholders ratify a transaction, the interested parties are relieved of the burden of proving the fairness of the transaction. The burden then falls on the objecting stockholders to convince the court that no person of ordinary, sound business judgment would be expected to entertain the view that the consideration was a fair exchange for the value which was given.

If that is the test that was applied by this court, that certainly is not the test of gross abuse or gross misconduct, as the distinguished Senator from Alabama has pointed out. I would agree with the Senator that the law as stated does mention gross misconduct and gross abuse.

Mr. SPARKMAN. It is the only standard laid down in the Investment Company Act.

Mr. CASE. But does that apply where you have a trust relationship involving the investment company, or the service company or companies under common control, or is that just a test to be applied in a stockholder suit against directors generally?

Mr. SPARKMAN. The only test laid down here is the one which I have mentioned.

Mr. CASE. I know, but it is a situation of common control, so that a trust is ordinarily created.

Mr. SPARKMAN. It seems to me that the ruling in the leading case, the Delaware case, is to that effect.

Mr. President, I ask unanimous consent to have printed in the Record at this point the decision in the case of *Sidney Saxe and Harriet K. Saxe* v. *William G. Brady, Jr.*, et al., 184 Atlantic (2d) 602. Then we can all read it in the Record.

There being no objection, the decision was ordered to be printed in the Record, as follows:

Sidney Saxe and Harriet K. Saxe, Plaintiffs, *v.* William G. Brady, Jr., Hugh W. Long, Thomas F. Chalker, Clarence J. Reese, John S. Tilney, Donald L. Kemmerer, Fundamental Investors, Inc., Hugh W. Long and Company, Incorporated, Morris M. Townsend and Townsend Corporation of America and Investors Management Company, Julian K. Roosevelt, T. Kennedy Stevenson, Roger Tuckerman, William H. Lough, S. W. Smith, Howard C. Sheperd and William M. Spencer, Defendants

[Court of Chancery of Delaware, New Castle, Sept. 10, 1962, Reargument Denied Sept. 24, 1962]

Action by shareholders in open-end investment company against company's directors, its investment adviser, and the parent company of its investment adviser. The Court of Chancery, Seitz, Chancellor, held that payment by open-end investment company, pursuant to contract with its investment adviser, of an amount equal to one-half of one per cent of average daily net assets of the fund was reasonable percentage under all circumstances, and the dollar amount, being $2,780,000, was not by itself excessive.

Complaint dismissed.

1. Corporations 🔑312(7): Waste of corporate assets may not be ratified without unanimous stockholder consent.

2. Banks and Banking 🔑314: Evidence by shareholders of investment company, suing directors of company, its investment adviser and parent corporation of investment adviser, failed to show that allocation of expenses between investment adviser and its parent corporation resulted in material misrepresentation of investment adviser's profit as shown on investment company's proxy statement which was claimed to be so misleading as to nullify shareholders' ratification of investment adviser's contract.

3. Corporations 🔑316(4): When stockholders ratify transaction interested parties are relieved of burden of proving fairness of transaction and burden falls on objecting stockholders to convince court that no person of ordinary, sound business judgment would be expected to entertain view that consideration was fair exchange for value which was given.

4. Corporations 🔑312(7): Where waste of corporate assets is alleged, the court, notwithstanding independent stockholder ratification, must examine facts of situation, but its examination is limited to discovering whether corporation has received consideration so inadequate in value that no person of ordinary, sound business judgment would deem it worth what corporation has paid, and if it can be said that ordinary businessmen might differ on sufficiency of terms then court must validate transaction.

5. Banks and Banking 🔑314: Shareholders of open-end investment company who claimed that compensation paid under investment advisory contract was legally excessive had risk of non-persuasion.

6. Evidence 🔑22(1): It is a matter of common knowledge that compensation for advisory services in mutual fund industry is paid on percentage basis.

7. Banks and Banking 🔑314: Payment by open-end investment company, pursuant to contract with its investment adviser, of an amount equal to one-half of one per cent of average daily net assets of fund was not unreasonable percentage under all circumstances, and the dollar amount, being $2,780,000, was not by itself excessive. Investment Company Act of 1940, §§ 1 et seq., 15, 47(a), 15 U.S. C.A. §§ 80a–1 et seq., 80a–15, 80a–46.

8. Banks and Banking 🔑314: Investment advisory company under contract to provide investment advice to investment company was entitled to make profit aside from salaries paid to executive personnel.

Ernest S. Wilson, Jr., Wilmington, and Stanley L. Kaufman, Irwin M. Taylor and Shephard S. Miller, of Kaufman, Taylor & Kimmel, New York City, for plaintiffs.

Robert H. Richards, Jr., of Richards, Layton & Finger, Wilmington, and Alfred Jaretzki, Jr., and Marvin Schwartz, of Sullivan & Cromwell, New York City, for defendants Fundamental Investors, Inc., Reese, Stevenson, Lough and Spencer.

Richard F. Corroon, of Berl, Potter & Anderson, Wilmington, and Milton Pollack and Paul Baris, New York City, for defendants Hugh W. Long & Co., Inc., Investors Management Co., Brady, Long and Chalker.

The other defendants are not before the court.

Seitz, Chancellor.

Plaintiffs became investors in 1952 in Fundamental Investors, Inc. ("Fund"), a Delaware corporation registered as an open-end investment company under the provisions of the Investment Company Act of 1940. They have brought this action on its behalf against its directors, investment adviser, and parent of its investment adviser.

Plaintiffs charge that the fees paid to Fund's investment adviser pursuant to a contract whereby the latter receives annually an amount equal to ½ of 1% of the average daily net assets of the Fund are "unreasonable, excessive and an illegal waste and spoilation of the Fund's assets". The payment of the fees and annual renewal of the contract are said to have resulted from breaches of fiduciary duty by the individual defendants in this suit.

The corporate defendants, Investment Management Company ("IMC") and Hugh W. Long and Company, Incorporated ("Long Inc."), are charged with having colluded with the individual defendants in negotiating the advisory contract and having shared in the unlawful profits thereby derived. IMC is the investment adviser of the Fund and Long Inc. its principal underwriter.

The advisory relationship between the Fund and IMC arose in 1939 (Fund was organized in 1933) and has continued since that time. In 1941, Long Inc. became the underwriter of Fund's shares, and that relationship also has remained unbroken. In 1950, Long, Inc. acquired part ownership of IMC. By further acquisition of IMC's shares, IMC became by 1954 a wholly-owned subsidiary of Long Inc. Therefore, at all times relevant to this controversy (plaintiffs have limited their claims to fees paid in the period 1955–1960) Long Inc. has been the underwriter of the Fund and IMC, its wholly-owned subsidiary, the investment adviser.

The relationships which Long Inc. and IMC perfected with Fund have been duplicated in every material respect with two other mutual funds, Diversified Investment Fund, Inc. ("DIF") and Diversified Growth Stock Fund, Inc. ("DGSF"). The advisory contract with these two funds was acquired by IMC in 1954 at the same ½ of 1% rate. Both these funds however are considerably smaller in net asset value, and the fees earned under the contracts have consequently been less. The persons who serve as directors and officers of Fund serve in the same capacity with DIF and DGSF. Also, any investor in Fund, DIF, or DGSF has the privilege of exchanging his investment in the shares of that fund for the shares of one of the others.

In 1960, IMC and Long Inc. organized a fourth fund known as Westminister Fund Inc. ("WF") for certain specialized investment purposes. The advisory fee is charged at the same ½ of 1% rate. Investors in WF, a considerably smaller fund, cannot convert their shares into those of one of the three other funds.

The structure of Fund as an investment company and the terms of the advisory contract between Fund and IMC complied in every way with the formal requisites of the Investment Company Act. It is conceded by plaintiffs that only four of the ten directors of Fund are "affiliated" directors within the language of § 15 of the Act. 15 U.S.C.A. § 80a–15. At least three of these directors have a substantial stock interest in Long Inc., a publicly-held corporation. The contract itself containing both the compensation arrangement and certain provisions whose inclusion was required by law was approved by Fund's stockholders in March 1954. At that time 99.3% of the shares actually voting voted in favor of the contract. Thereafter, Fund's stockholders received periodic reports which disclosed both the rate and the dollar amount of the fee for the particular year.

In April 1960, the contract was submitted again to the stockholders for their approval. The accompanying proxy statement disclosed the pendency and nature of the present litigation. It also disclosed the affiliations of Fund's directors, the relationship between IMC and Long Inc., and the profits of the IMC-Long Inc. combined enterprise as well as the rate and dollar amount of the advisory fee. Of the 76% of Fund's shares participating in the vote, 99.1% ratified and approved continuance of the contractual arrangement theretofore existing.

Plaintiffs say that "formal" compliance with the Act and "formal" ratification do not bar plaintiffs' right to recover in Fund's behalf. Plaintiffs attack each of the many factors which defendants contend will insulate them from liability. Thus, plaintiffs say either the so-called "non-affiliated" directors were in fact dominated by the interested directors, or, if they were not so dominated, they failed affirmatively to protect Fund's pecuniary interest by passively renewing the annual contract. Plaintiffs argue that the Investment Company Act cast a distinct burden on the non-affiliated directors to exercise vigilance in Fund's behalf.

IMC and the affiliated directors are said to have acted selfishly and in their own interest without regard for the Fund to which they all owed a fiduciary's loyalty. They are said to have manipulated the nonaffiliated directors to their own ends either by direct control or by use of misleading or incomplete information. It is claimed that Long Inc. participated in the alleged wrongs.

[1] Finally, plaintiffs challenge the validity of the purported ratification in April 1960. Plaintiffs correctly state the well-settled rule to be that a waste of corporate assets is incapable of ratification without unanimous stockholder consent. Whether a waste of assets is present here is of course the very issue for decision.

Plaintiffs also say that ratification was ineffective for another reason. In effect they argue that the information submitted to the stockholders in the 1960 proxy statement did not fully set forth all the material facts. Plaintiffs point to a plethora of factual material which they contend, if presented to the stockholders, would have enabled them accurately to assess the merits of a continued contractual relation with IMC. Failure to supply this information they say vitiates the effect of the ratification.

I think it can fairly be said that the central issue to be decided is whether the fees paid to IMC under the advisory contract were "legally excessive" or not. Cf. Meiselman v. Eberstadt (Del. Ch.), 170 A.2d 720. Plaintiffs do not contend that there is any other ground for liability.

In this type of case a court first looks to the nature of the director action. There is no allegation or proof of actual fraud on the part of any of the directors, or indeed any of the defendants. No cause of action is asserted based on the provisions of the Investment Company Act. Plaintiffs' case therefore rests on the charge that certain of the defendants were illegally benefited by the continuance of the advisory contract and that these parties by various means obtained approval of the contract by the non-affiliated directors who under federal law were obligated to guard the Fund's interest against any such abuse.

Assuming without deciding that the action of the nonaffiliated directors in approving the management contract must be considered as the action of an interested board, what is the effect here of the purported stockholders' ratification?

Plaintiffs contend that there was no valid ratification because the information submitted to the stockholders in the 1960 proxy statement was incomplete and misleading. They argue that the omissions were of such a nature that the court must disregard the vote of the stockholders and leave the burden of proof of fairness upon the defendants. In making such contention plaintiffs have proceeded on the tacit premise that ratification is applicable either to all of their claims or none. The court adopts the same approach.

[2] Plaintiff's principal objection to the proxy statement is that it failed to reveal the extent of the profits being made by IMC under its advisory contracts with the group of funds that it managed. Therefore, it is said, the stockholders of Fund were unable to determine the cost to IMC of providing advisory services. The proxy statement does in fact contain the profit figure of IMC for the year 1959 as it appears on IMC's books. Apparently what plaintiffs are contending is that by an improper allocation of part of the expenses of Long Inc. to IMC, IMC was able to understate the true amount of its profits.

The dispute with regard to the accuracy of the profit figures arises in the following manner: Prior to the consolidation of Long Inc. and IMC in 1954, separate financial records were maintained by Long Inc. and IMC. This same system of separate records was maintained even after Long Inc. purchased the balance of the outstanding shares of IMC. It appears that no effort was made at that time to re-examine the existing allocations of expenditures expected to be incurred on behalf of the combined enterprise. Since management considered itself to be dealing with a single enterprise encompassing both IMC and Long Inc., financial reports were thereafter issued on a consolidated basis alone. Thus, after 1954, no balance sheet or profit and loss statement was prepared which reflected the accounts solely of IMC. Defendants contend that before 1959, the Board of IMC never had occasion to consider the propriety of the expense allocations which existed at the time of the consolidation.

In the early part of December 1959, Long Inc.'s management received word that the S. E. C. might soon require that proxy statements sent to investors in mutual funds contain both the balance sheet and profit and loss statement of the advisory organization. Consequently, according to defendants, a "job analysis" was made in order to determine what part of the salaries theretofore paid exclusively by Long Inc. were allocable to IMC as a cost of the advisory function. The same process was carried out with regard to non-salary expenditures. Ultimately the amount allocated at the end of 1959 for the purpose of meeting the rumored S. E. C. requirement was $818,000.

When the proxy statement for the April 21, 1960 stockholders' meeting was prepared, it was approved by Fund's board, subject to any alterations or additions requested by the S. E. C. Thereafter, the S. E. C. required the inclusion, inter alia, of a statement of IMC's net profits. The Commission imposed no requirement with regard to a disclosure of IMC's profit and loss statement.

Plaintiffs argue that the profit figure of $663,410 for 1959 stated in the proxy statement constituted a material misrepresentation. They contend that the allocation of $818,000 to IMC at the end of 1959 and a further allocation of $160,416 as part of the expenses of the so-called "Share Accumulation Account" were improper and that the profits of IMC should be increased by these amounts.

Assuming that the profits of IMC were a material factor in the stockholders' decision to ratify the contract, was there in fact a misrepresentation? It is conceded that the statement of profits were accurate if the allocations of expenses to IMC were proper.

I turn first to the allocation of part of the expenses of the Share Accumulation Account to IMC. This "Account" provides a systematic method by which investors may purchase shares of the Fund. The investor appoints the First National Bank of Jersey City as his agent to receive sums from him for the purchase of shares, to receive dividends, and to reinvest the proceeds. The expenses of the custodian are charged to the Fund, but the expenditure is borne by the Long Inc.-IMC combined enterprise. Since 1954, the whole of the cost has, in the first instance, been charged to IMC, though 20% was subsequently allocated to Long Inc. Plaintiffs contend (1) that IMC was not obligated to pay this amount under its advisory contract and (2) that the Share Accumulation Account relates wholly to the underwriting aspect of the mutual fund business, and therefore IMC could not properly be charged with any part of the expense. Thus, these expenses were removed by plaintiffs' accountant from his computation of IMC's overall profit.

I find that with respect to this expense the court cannot permit plaintiff's re-computation. It appears from the record that this particular allocation was made on IMC's books on a yearly basis beginning in 1954. Plaintiffs do not argue that the amount was not actually paid by IMC. Rather, they contend that this was not an expense that IMC was obligated to pay under its advisory contract with Fund. I am of the opinion that in determining whether this expense was properly chargeable to IMC, management was not bound to limit itself to those amounts which it was legally required to pay under the contract. In Krieger v. Anderson (Del.Ch.), 182 A.2d 907, the Supreme Court of Delaware implicitly recognized the corporate status of the management company separate and apart from the fund itself. If such a company pays a legitimate item of expense, I think it can properly charge the amount of that expense against its income.

Plaintiffs argue secondly that even though it is found immaterial whether IMC was obligated to pay this amount under the contract, it is still relevant to consider whether this expense is at all chargeable against advisory income. Plaintiffs say that the costs involved relate to the maintenance of stockholder records and that since the custodian is in effect purchasing new shares for investors, these costs should be chargeable to the underwriter rather than the investment adviser. The question then is whether this expense is properly attributable to the underwriting or to the advisory function. It is conceded that the obligation in the first instance is that of the Fund. It is agreed that neither Long Inc. nor IMC is specifically bound to pay this amount under the terms of its particular contract. Ultimately, then, plaintiffs are challenging the judgment of management in charging 80% of this expense to IMC.

In order to sustain plaintiffs' position on this point the court would be required to rule that the allocation undertaken was unreasonable. Was this allocation within the range of management's discretionary power? Contrary to plaintiffs' argument, I cannot say that these expenses were wholly unrelated to investment-management or advisory services. Management chose to categorize these amounts as the cost of maintaining certain stockholder accounts, a managerial function, rather than as a cost of selling shares. I do not think that its conception of the nature of these expenses was clearly wrong or that the court should overturn its judgment. Certainly this is so at least for purposes of deciding whether the treatment of this item resulted in a misrepresentation of profits in the proxy statement.

Next, I turn to the end-of-year allocation of $818,000 in 1959. The challenge to the propriety of this allocation must be viewed from two separate aspects. First, plaintiffs seek to impugn the allocation by showing that the motive which prompted it arose other than from a desire to set out more faithfully the "true" expenses of IMC's operations. Secondly, plaintiffs argue that even if the motive was pure, the allocations themselves were wholly unreasonable having no relation to IMC's purported function as investment adviser.

The facts underlying this allocation are as follows: After the 1954 consolidation of IMC and Long Inc. no effort was made by the directors of either company to reapportion expenses between them. Since the combined enterprise was treated as a single taxpayer, there was no necessity for preparing separate reports of any nature for IMC. Defendants claim that only the rumor of impending S.E.C. regulation moved them to reconsider the existing allocations of expenses of Long Inc. and IMC. The $818,000 end-of-year charge to IMC is said to be a reasonable allocation of expenses which were paid by Long Inc., but were properly attributable to IMC.

On the issue of motive plaintiffs claim that it was fear of exposure that prompted the allocation, not any concern for a proper adjustment. Plaintiffs argue that when bills were presented to the enterprise, someone in the organization had to decide which company would pay them. When this was done, plaintiffs say, a judgment was thereby made as to the propriety of allocation. Thus, plaintiffs point out that IMC had periodic charges in nearly every category of expense from depreciation to salaries. They contend that defendants have shown no reason why these original apportionments were not entirely proper in determining the expenses of IMC. Plaintiffs also demonstrate that with regard to salaries Long Inc. was already making certain monthly allocations to IMC. Plaintiffs say that this proves that management was cognizant of the allocation problem and was taking adequate steps to remedy whatever errors might have occurred. These monthly allocations were not part of the end-of-year allocation of which plaintiffs complain. Also, it has been shown that end-of-year allocations were made in both 1957 and 1958 of $72,000 and $150,000 respectively.

Does the evidence on the question of motive indicate a consciousness on the part of the managers that the books of IMC were in proper order before the $818,000 allocation and a determination thereafter falsely to shrink IMC's profits? I do not believe such a finding can be made on this record. Defendants' evidence is uncontradicted that at the time Long Inc. gained control of IMC no effort was made to make a rational reapportionment of expenses. Thereafter there seems to have been no necessity for them to do so. Defendants meet plantiffs' argument that the monthly allocations of salary indicate recurring attention to the problem of adjusting expenses between the two companies by showing that these allocations were made at a lower level in the bookkeeping department. Defendants say that until 1959, neither the board of IMC nor its executive officers ever took notice of the bookkeeping process. Are the allocations in 1957 and 1958 inconsistent with defendants' explanation? The record here apparently does not indicate when those two allocations were made. Defendants readily admit there is no rational basis for either of them in amount and say that they have no knowledge when or how they were made.

Viewing all the evidence in the case, I cannot find that the motive underlying the 1959 allocation was a desire to state improperly the accounts of IMC. It is true as plantiffs suggest that the circumstances under which the allocation was made provided a certain incentive to allocate costs so as to minimize IMC's profits. Nevertheless, on the whole, I am satisfied that serious thought was given to the problem of allocating expenses only in 1959 when the interest of the S.E.C. became known. Consequently, management had a legitimate reason for re-examining the books at that time. The court, therefore, cannot infer that the whole of the allocation should be disallowed on the ground that previous adjustments reflected the true state of affairs and that the 1959 allocation was wholly unjustified.

Next, having found the 1959 allocation consistent with a proper purpose, I am then faced with the question whether the allocations made with regard to each item of expense were proper. Plaintiffs take the position that even if IMC's management acted with a proper purpose, the amounts finally allocated do not accurately reflect the expenses attributable to IMC's operations in 1959. Therefore, the court is asked for purposes of the "misrepresentation" issue to strike down that part of the allocation which cannot be charged to IMC. For convenience the whole of the allocation may be broken down into two categories—salary and non-salary expenditures.

Plaintiffs' attack on non-salary expenditures involves a sampling of the various expenses paid by Long Inc. during the year. Apparently, management allocated a percentage of the whole of each category of expense on Long Inc.'s books to IMC. Many of these items were allocated on a basis of 80% of the expense on Long Inc.'s books to IMC, while 20% remained with Long Inc. In several cases a lesser percentage was charged to IMC. The amounts which were allocated to IMC in this process were added to amounts which had already been placed on IMC's book during the course of the fiscal year. In the cases of some categories of expense no amounts appeared on the books of IMC prior to the end-of-year allocation from Long Inc.

I am of the opinion that upon this record the evidence is insufficient to show that the allocation as between Long Inc. and IMC was clearly improper. Admittedly the vouchers submitted to the court as evidence were but samples of the total number of vouchers available. They were admitted for the limited purpose of permitting the court to determine what weight should be accorded the allocation of expenses made by plaintiffs' witness. That witness, Mr. Putterman, stated that his computation was based on Long Inc.'s handling of similar vouchers in prior years, the terms of the advisory contract, and the nature of the function which IMC performed. The merit of the first two considerations has already been dealt with in the discussion of the Share Accumulation Account. The third consideration upon which Mr. Putterman based his computation brought him necessarily in the realm where judgment was to be exercised. In effect Mr. Putterman, by using the three tests which he thought relevant, found that Long Inc.'s allocations were improper and therefore substituted his own judgment for that of the management.

I cannot find sufficient evidence on this record to overturn management's allocation. The vouchers submitted may be taken to present plantiffs' case in its strongest light. As substantive evidence they are not so clearly attributable to the underwriting function that one can infer that any allocation to IMC of the expenses contained therein was improper. Thus, standing alone, they are persuasive neither that the allocations were improper nor that Mr. Putterman's judgment as to these matters was free from doubt.

But by refusing to overturn these allocations, the court does not thereby affirmatively approve them. The area of corporate affairs here involved is one in which an element of judgment is always present. In this case the difficulty is compounded by the reluctance of the court to interfere where the allocation was effected between a parent company and its wholly-owned subsidiary. In short, the inquiry is not as meticulous as one where liability is predicated solely upon the propriety of allocations between two companies. In the present case, upon the record before me, I conclude that the allocations did not result in a material misrepresentation in the proxy statement.

The foregoing discussion is applicable to the allocations of salaries as well, with the added qualification that plaintiffs' case is even weaker on this question. Defendants were able to show that Long Inc. had paid the salaries of at least seven Fund executives which thereafter were not allocated as expenses to IMC until 1959. IMC was obligated to pay salaries to these executives under the advisory contract. Plaintiffs say that Fund's board had never voted these men any salaries, but it is not contended that they did not perform any services. One can readily appreciate in the case of a combined enterprise involving a wholly-owned subsidiary the indifference toward any allocation of the salaries of the top officials. On this score defendants' case is considerably strengthened. While again there is some question whether, standing alone, an allocation to IMC of 80% of the expenses for salaries on Long Inc.'s books was appropriate, the record as a whole does not permit the judgment of management to be overruled.

Parenthetically, it should be noted that the profit figure appearing in the proxy statement represents IMC's profits from all income sources, not merely from the contract with Fund.

Plaintiffs also point to other alleged omissions or misrepresentations. I have reviewed them and find that these further objections are without merit. I therefore, conclude that plaintiffs' claims must be tested by legal standards applicable to stockholder ratification cases.

[3] When the stockholders ratify a transaction, the interested parties are relieved of the burden of proving the fairness of the transaction. The burden then falls on the objecting stockholders to convince the court that no person of ordinary, sound business judgment would be expected to entertain the view that the consideration was a fair exchange for the value which was given.

Gottlieb v. Heyden Chemical Corporation, 33 Del.Ch. 177, 91 A.21 57; Kaufman v. Schoenberg, 33 Del.Ch. 211, 91 A.2d 786. While the cited cases involved stock options, one of the fundamental issues there presented, viz., the relationship of the value received by the corporation to the benefit bestowed, is also present here. The test which the court must apply in this area has recently been restated in Beard v. Elster, (Del.Ch.), 160 A.2d 731. While the Supreme Court was not there concerned with interested board action, it took occasion to review the Gottlieb decision and reaffirmed the principles expressed therein.

[4] Where waste of corporate assets is alleged, the court, notwithstanding independent stockholder ratification, must examine the facts of the situation. Its examination, however, is limited solely to discovering whether what the corporation has received is so inadequate in value that no person of ordinary, sound business judgment would deem it worth what the corporation has paid. If it can be said that ordinary businessmen might differ on the sufficiency of the terms, then the court must validate the transaction.

Therefore, I now consider the question whether the compensation paid under the advisory contract was in fact legally excessive under the controlling test. Plaintiffs apparently limit their claims to amounts paid in the period 1955–1960. In 1954, IMC undertook the management of DIF and DGSF. Consequently, its total fees from three advisory contracts and its net profits showed substantial increases in the following year.

Preliminarily, several observations should be made about the nature of the inquiry that the court will undertake. A court is confronted with inherent difficulties in determining whether payments for services are "reasonable" or "excessive". The value of services is obviously a matter of judgment on the part of the person who must pay for them. Thus, courts are often shielded by presumptions which wisely cause them to defer to decisions of directors or stockholders. Nevertheless, it is clear both in law and in fact that compensation payments may grow so large that they are unconscionable. See Meiselman v. Eberstadt (Del.Ch.), 170 A.2d 720; Lieberman v. Becker (Del.Supreme Ct.), 155 A.2d 596.

What "yardstick" can the court bring to its task? In Meiselman v. Eberstadt, supra, the court examined the facts from plaintiff's point of view and then undertook to compare the results with amounts paid to other persons performing the same kind of services. Failing to find any "shocking disparity" between these two sums, even though the amounts paid to defendants exceeded the industry average, the court concluded that the amounts paid were not "legally excessive".

What is the magnitude here of the sums in question? In 1952, when plaintiffs purchased their shares, Fund had total net assets of approximately $130,000,000. At ½ of 1% the advisory fee paid to IMC amounted to $680,000. Thereafter, the Fund grew progressively larger. In 1954, the last year in which plaintiffs are willing to concede the reasonableness of the fee, IMC received $1,019,000. By 1960, the value of Fund's assets had reached $590,000,000. The fee, computed at the same contract rate, amounted to $2,780,000. It is plaintiffs' contention that in each of the years after 1954, the dollar amount of the annual fee was so large that it bore no reasonable relation to the value of the advisory services then being rendered by IMC; and thus, presumably, no person of ordinary, sound business judgment would deem the services worth what Fund had paid for them.

Taking into account all the financial data contained in the record, can the court find that the challenged payments have in fact exceeded the range of reason? Admittedly the task is not an easy one, nor is it free from doubt. Resolution of the question ultimately depends on the weight to be attributed to each of the very many economic factors argued to the court.

[5] In reaching its decision, the court is cognizant of the fact that the risk of nonpersuasion rests with plaintiffs.

What support for their position can plaintiffs draw from the rate of the advisory fee? First it may be observed that if the flat ½ of 1% rate prevailed throughout the industry, this would be a very weighty consideration in determining the question of excessiveness. Defendants show that 58.3% of all funds active as of June 30, 1961 were charged a flat ½ of 1%, while 29.1% were paying more than that rate. Together these groups controlled 68.9% of all mutual fund assets. Plaintiffs do not challenge these figures. Instead they claim that comparisons based on the industry as a whole are misleading. Plaintiffs restrict the basis for their comparison to eighteen of the largest funds. It is their contention that the larger a fund grows the cheaper it is to manage per dollar of invested assets. See, Jaretzki, "The Investment Company Act: Problems Relating to Investment Advisory Contracts", 45 Va. L. Rev. 1023.

The eighteen funds chosen for comparison are those having $200,000,000 or more of assets as of December 31, 1960. Of these, twelve were charged less than an aggregate ½ of 1% annually for advisory services. Plaintiffs would further restrict the basis for comparison to funds having assets in excess of $500,000,000. In this category of six funds, however, three funds (including Fund) charge a flat ½ of 1% while three charge variable rates which are adjusted downward as the amount of assets increases. Plaintiffs point to the fact that the fees paid by the two mutual funds grouped with Fund are similarly under minority stockholder attack on the ground of waste.

Based on the rate of payment alone, plaintiffs' claim of excessiveness hardly seems conclusive. The most that may be said is that there is a tendency for the rate among the larger funds to be less than a flat ½ of 1%. Nevertheless, among these funds that rate is neither extraordinary nor uncommon. It may be argued that all these larger funds paying fees of ½ of 1% are subject to judicial attack on the ground of waste and further that the directors of each of these funds should not be permitted to justify the advisory contract of their fund by pointing to the rate paid by any of the others. In effect an argument of this type would challenge the validity of any test based on comparisons of funds of the same size. The answer to this must be that the court cannot assume that each of these comparable funds paying ½ of 1% is thereby wasting its assets. Nor can it conclude from the mere fact that others of these funds are paying less, that any increase in their payments for advisory services would necessarily constitute waste. Both are but factors to be considered under the governing test. In the present case an overwhelming majority of Fund's stockholders ratified previous payments and authorized future ones. Surely, this is some indication that under all the circumstances the rate paid to IMC was a commercially realistic one.

[6, 7] I am of the opinion that under all the circumstances the rate paid to IMC must favor a finding of reasonableness. It is a matter of common knowledge that compensation for advisory services in the mutual fund industry is paid on a percentage basis. This provides an incentive for the manager to increase the size of the Fund. Growth in the value of a fund's assets benefits the stockholders. If a particular fund evidences a history of continued growth for a period of years with a consequent increase in the amount of compensation, courts will not readily find in retrospect that the compensation paid was beyond the range of reason. Where the rate of payment has remained unchanged, one must recognize both a legitimate expectation on the part of the managers and reasonable notice to the stockholders that payments are likely to increase.

Next, plaintiffs say that notwithstanding the fact that the rate standing by itself is not unreasonable the dollar amounts paid under that arrangement were in fact excessive.

Plaintiffs choose for comparison purposes the three funds having over $500,000,000 in assets that pay less than a flat ½ of 1% in fees. The following chart indicates the relevant facts with regard to these funds as of December 31, 1960:

	Net assets	Fee rate	Fee payable
(1) Affiliated	$632,728,854	½ of 1 percent annually for 1st $50,000,000; ⅜ of 1 percent on next $50,000,000 and ¼ of 1 percent on balance.	$1,769,322
(2) MIT	1,508,349,600	Variable, declining formula resulting in payment of 2.52 percent of gross earnings.	[1]1,248,000
(3) Wellington	1,087,130,246	½ of 1 percent on 1st $70,000,000; ⅜ of 1 percent on next $50,000,000 and ¼ of 1 percent on balance.	2,592,974

[1] Trustees' commission.

If Fund were paying fees at the same rates as these funds, its payments in 1959 and 1960 would have been:[1]

	1959	*1960*
Fund's assets	$599,400,000	$590,800,000
(1) Affiliated's rate	1,686,000	1,664,500
(2) M.I.T.'s rate*		
(3) Wellington's rate	1,736,000	1,714,500

*Not calculable from available data.

It appears from the charts set out above that Fund pays approximately $1,000,000 more for advisory services than it would have paid had it adopted the rate scale of either Affiliated or Wellington. Also, it will be noted that while Affiliated nearly matched Fund in size, Wellington owned almost twice the amount of assets. The two funds not shown on plaintiffs' chart are Investors Mutual and Investors Stock with assets of 1599.20 and 713.10 million dollars respectively. These, of course, though under stockholder attack, also pay ½ of 1% annually. Therefore, the dollar amounts of fees paid by these funds exceed even those paid by Fund to IMC.

Plaintiffs say that the court should disregard the amounts paid by Investors Mutual and Investors Stock and trim Fund's fees in accordance with the rates paid by Affiliated or Wellington. There are several reasons why the court may not do so. First, it cannot be assumed that the fees of Affiliated or Wellington automatically establish the legitimate outer limit of payments for advisory services. Secondly, there is nothing in the record to indicate that the services rendered to these funds are the same in quality or quantity as those rendered by IMC to Fund. Plaintiffs have submitted a chart derived from Weisenberger, Investment Companies, (1951 ed.) which compares the performance over a ten-year span of eighteen funds with assets in excess of $200,000,000. On that chart Fund is tied for seventh place, while Affiliated ranks tenth and Wellington fifteenth. I am not suggesting that a complaining stockholder cannot prevail in a suit of this type unless he demonstrates in detail that the services performed by his fund's investment adviser are exactly comparable to those of another fund's adviser. Nor do I suggest that performance is a "touchstone" in determining whether the amounts paid are reasonable. Nevertheless these factors do tend to indicate that a large degree of variation in the amounts paid is unexceptionable and that fees falling in the higher range are not necessarily excessive. Here Fund's fees in 1959 and 1960 exceeded those of Affiliated and Wellington by about 60%. I do not think that the amounts on their face were clearly excessive.

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[1] These formulas were applied to Fund's net asset value at the end of each respective year rather than to the average daily net assets. Thus, to a certain extent the resulting figures are inaccurate.

Plaintiffs next say that if the dollar amounts of the fees standing by themselves do not establish "excessiveness", then the amount of profit earned by IMC under the contract will demonstrate that fact.

I think it well to keep in mind the fact that the profits of IMC can never be more than an "indicator" of excessive payments. Large profits themselves would not be determinative. The question is whether the cost to Fund of obtaining advisory services bears some reasonable relation to the value of the services rendered. The payments are made to IMC pursuant to the contract. If the amounts paid are not "excessive" at the time of payment, the allocation of receipts between Long Inc. and IMC or the extent of IMC's profits are of no legal concern to Fund's stockholders.

What then were the "profits" of IMC during the period in question that can be attributed to Fund's contract?

Plaintiffs argue that the proper way to view IMC's "profits" is to compare the amount of the fee paid by Fund in each year with the amount of profit attributable to that fee after payment by IMC of all proper expenses including salaries. Determining the amount of profit attributable to this particular contract involves in the present context the resolution of two distinct problems. First, the court must decide what part of the allocations from Long Inc. can be allowed to IMC as a proper charge against income. Secondly, the court must arrive at some formula whereby the total allowable expenses may be apportioned among each of IMC's sources of advisory income. Once it is determined what amounts are expended by IMC in fulfilling its obligation to Fund, the dollar amount of profit attributable to the contract with Fund can easily be computed.

In order to simplify the matter the following charts are drawn in a light most favorable to plaintiffs by disallowing, arguendo, as an expense to IMC any part of the allocations from Long Inc. (which amounted in 1959 to almost one million dollars).

The first chart below shows (1) the total amount of fees of IMC received from all sources and (2) IMC's net profits before federal income taxes:

	(1)	[2] (2)
1952	$806,000	$478,000
1953	875,000	652,000
1954 (11 mos.)	1,210,000	657,000
1955	1,890,000	1,228,000
1956	2,305,000	1,610,000
1957	2,415,000	1,706,000
1958	2,538,000	1,837,000
1959	3,530,000	2,543,000
1960	3,742,000	[3] 2,740,000

[2] The net income of IMC was inflated in each year by plaintiffs' removing from IMC's expenses amounts attributable to the Share Accumulation Account (1954–1960) and the end-of-year allocations from Long Inc. in 1957, 1958, and 1959 of $72,000, $150,000 and $818,000 respectively.

The tabulation reflects charges against income resulting from payments by IMC to one, Melhado, of $50,000 a year for the years 1952–1957. Plaintiffs attack the propriety of such charges. These amounts have been retained as expenses, because they were deemed to be detrimental to plaintiffs' present contention. In any event, even if plaintiffs' treatment were adopted, my basic conclusion would not be altered.

[3] No allocation was in fact made in this year. Instead those expenses which in 1959 had been allocated to IMC at the end of the year were charged directly to IMC's books when paid. Thus, plaintiffs could not determine the amount of expenses which were to be considered as improperly attributed to IMC. Consequently, the 1960 profit-before-tax figure was obtained by estimating the challenged expenses to be $818,000 (an amount equal to the 1959 allocation).

The next chart illustrates what plaintiffs deem to be the crucial issue, viz., (1) the dollar amount of the annual fee paid by Fund alone as compared with (2) the profit of IMC attributable to that fee (before federal income taxes):

	(1)	(2)
1952	$680,000	$408,000
1953	757,000	417,000
1954 (11 mos.)	915,000	473,000
1955	1,425,000	896,000
1956	1,789,000	1,232,000
1957	1,899,000	1,332,000
1958	1,998,000	1,437,000
1959	2,789,000	1,999,000
1960	2,780,000	[4] 1,965,386

[4] Here, again, aside from the Share Accumulation Account the amount deemed by plaintiffs to be improper charges against IMC's overall income was estimated at $818,000.

In determining the portion of the total expenses of IMC (less federal income taxes) which were attributable to the contract with Fund, the court adopted a procedure suggested by plainiffs. Plaintiffs found that for the period 1952–1959 the fees paid by Fund to IMC represented 80% of all fees received by IMC from all sources. Thus, 80% of the total expnses of IMC were deemed to be the cost to IMC of providing advisory services to Fund. Admittedly, the application of such a formula is a "rule of thumb", since it does not account accurately for those expenses of IMC which are of direct benefit only to a particular fund. Nevertheless, it is no less accurate than any other formula suggested to the court.

In their brief, plaintiffs suggested another method of dividing IMC's expenses in this particular situation. By this method the total expenses of IMC would be divided into aliquot shares depending on the number of funds managed. Plaintiffs' rationale is that each of the funds is receiving expert investment advice of the same quantity and quality, and therefore the expenses are attributable to each fund in equal shares.

Two objections may be offered to such an approach. First, IMC offers much more than just investment advice. It is obligated to carry out under each of its contracts active management of every phase of the fund's business—except for the underwriting function. The costs of managing Fund, by far the largest of the funds, are necessarily greater than those incurred with regard to the others. Secondly, although arguably it may be true that each fund receives the same investment assistance, it does not follow that IMC's total expenses should be apportioned equally among them. Perhaps, a substantial part of the total expenses of IMC should be apportioned to each fund—even though the sum total of these "expenses" would exceed the actual cash expenditure of IMC. In Krieger v. Anderson (Del. Ch.), 182 A.2d 907, the Supreme Court acknowledged the fact that these management companies are themselves organized for profit. It would seem to follow that the "work product" of such a company is its own property until it contracts to sell it to a particular fund. Thus, from the point of view of the fund purchasing that service, the profits of the management company attributable to the particular contract are the dollar amounts paid by the fund less the "objective cost" of producing the service. From the point of view of the fund, the "profits" from the particular contract would not increase even if the management company were to succeed in selling its product to another fund. The "objective cost" would remain the same.

Since plaintiffs' argument in favor of an equal apportionment of IMC's expenses cannot be accepted, the court therefore for purposes of this decision has adopted plaintiffs' 80%–20% division of IMC's total expenses, 80% to be attributed to the services rendered to Fund.

Based on the rulings and assumptions made, can it be said that IMC's profit on the contract with Fund are indicative of legally excessive payments by Fund under its management agreement for 1959?

[8] What "devices" may a court employ in answering this difficult question. First of all, I re-emphasize that under the present state of the law the management company is entitled to make a profit apart from salaries paid to its executive personnel. Next, it must be emphasized that the very nature of the compensation arrangement (percentage of asset value) lends itself to the payment of sums having no necessarily reasonable relationship to the "value" of such services if tested by compensation standards usually applied in the business community. Yet, such an incentive arrangement is not to be condemned for that reason alone, since it is not unusual to adopt compensation arrangements which attempt to compensate in terms of a percentage of the assumed total benefit. However, under this type of management agreement payments are made regardless of growth and are also calculated not only on the growth from appreciation of assets, but also on the proceeds received from sales of shares to new investors. It is also inherent in the "percentage-of-assets" approach that at some point the relationship between admittedly reasonable expenses and net profits can become so disproportionate as to be shocking by any pertinent standard. The various factors mentioned must be kept in mind as we try to evaluate the particular profits here involved.

One approach to resolving the difficult question would be to compare IMC's net profits from the Fund contract for 1959 with the profits earned by other management companies on a contract with a single fund. Unfortunately, the net profits of other management companies arising from the management of particular funds are not part of this record, if indeed they exist as a matter of public information. Consequently, one cannot indulge in what would be an important comparison.

Or, one might compute IMC's ratio of expenses incurred in providing services to Fund to profits earned on that contract and compare that ratio with those of similar management companies. Once again, however, the record unfortunately does not permit such a comparison.

As has already been mentioned, performance is not of decisive importance on the issue posed.

Plaintiffs claim that in 1959 IMC was rendering only the same services it rendered in 1954 for a substantially smaller fee, even with due allowance for a legitimate increase in administrative service. Thus, plaintiffs say the vast increase in profits from 1954 to 1960 cannot be justified on the basis of a comparable increase in the quality or quantity of service rendered. They cite cases where courts have announced the principle that large salary increases to a man continuing to render substantially the same services constitutes waste. Defendants counter these cases by claiming that the quality of the operation has vastly improved even though the increase in the number of analysts has remained about the same.

It seems clear at once that it is difficult to apply the cases relied upon by plaintiffs to a fund-management company arrangement. First of all we are not dealing with a straight salary agreement but with a "percentage of assets" arrangement. The two may produce substantially different results. Moreover, one cannot assume that the profit in 1954 represented the upper limit of reasonable profit for the services in that year. Thus, I cannot conclude that a comparison of some or all of the organization in 1954 with its composition in 1959 is of decisive importance in evaluating the extent of the profits here. I do concede that it is relevant to that issue and is a factor which I consider in making my ultimate determination.

What of the profits? If we accept plaintiffs' re-allocation of expenses as between Long, Inc. with IMC, IMC's profits from its contract with Fund rose dramatically in 1959. I emphasize that this is making a "large" assumption in plaintiffs' favor. The profits have been on the rise because the Fund has been growing. But can I say that the profits before taxes from the Fund contract alone, amounting to $2,000,000 for 1959 and the same for 1960, were so great, either in an absolute sense or when compared with such material as here exists, that they indicate a waste of Fund's assets? Considering the size of this Fund, about $600,000,000, the substantial organization provided by defendants to implement the management contract and the other factors herein mentioned, I am unable to conclude that the payments, while large, warrant a finding of waste. After all, if this Fund was to do its own work and make all compensation payments to its own personnel, a court would be reluctant to say that total expenses of about $3,500,000 to administer a fund of $600,000,000 indicated waste. It is true that other funds obtain the same for less, but that is not decisive. Certainly Fund does not stand alone. Nor is it unusual to find service companies making large profits with relatively small costs. If the fund-management company format is to be legally questioned, such inquiry must come from some other place. It obviously permits those providing management advice to obtain at least some of their compensation on a long-term capital gains basis (hopefully). But this approach is neither condemned nor unknown in the business world.

In reaching my decision I have here assumed, without deciding, that an independent board was not present and thus that the board's action must be evaluated on principles applicable in stockholder ratification cases. Since the management contract must be re-evaluated by the board of the Fund at fixed periods, ideally a truly independent and active board would be expected to be alert to the factors I have mentioned. In other words, it is not to be assumed that an independent board would wait until the fees paid under the management contract warranted a finding of waste before attempting to negotiate a better deal. Based on the 1959 and 1960 figures the profits are certainly approaching the point where they are outstripping any reasonable relationship to expenses and effort even in a legal sense. And this is so even after making due allowance for incentive and benefit presumably conferred. This is not to say that no payment is justified after a fund reaches a particular size. It is only to say that the business community might reasonably expect that at some point those representing the fund would see that the management fee was adjusted to reflect the diminution in the cost factor.

After such consideration as can be accorded the issue on this record, I conclude that plaintiffs have not sustained their burden of establishing under governing legal standards that the fees for the years mentioned should be characterized as legally excessive. Thus, the complaint must be dismissed.

Present order on notice.

On Motion for Reargument

The first ground of plaintiff's motion for reargument is that the court erroneously decided that the stockholders of Fund ratified the advisory agreements for the period 1955 through 1960. I emphasize that the ratification issue was treated by plaintiffs and considered by the court as applying to each of the years in question. Plaintiffs say that § 15 of the Investment Company Act of 1940 prevents retroactive ratification or approval of such agreements. They further contend that that provision may not be waived in view of § 47(a) of the Act, 15 U.S.C. § 80a–46. Thus they contend that the stockholder ratification principle was improperly applied in this case. These reasons were not heretofore advanced by plaintiffs. The answer is that the "ratification" and "approval" with which the Court was concerned in its opinion had nothing to do with compliance with § 15. The Court's concern was merely with the placing of the burden of proof on the waste issue. Consequently, no question of waiver of compliance with the requirements of § 15 arises.

The second ground of plaintiffs' motion is that the court erred in concluding that the effect of the ratification was to shift to plaintiffs the burden of proof as to the excessiveness of the management fees charged to Fund by IMC. Again, plaintiffs rely on § 15 of the Investment Company Act to support their position. As noted before the court was not concerned with an alleged violation of § 15. The "ratification" found in the opinion gave the court the benefit of the stockholders' view on the excessiveness charge with the legal consequence of shifting to plaintiffs the burden of proof on the issue of waste under Delaware law.

The third ground of plaintiffs' motion is that the court erred in concluding that plaintiffs had the burden of proof as to the propriety of the 1959 allocation of expenses between Long Inc. and IMC. The allocation claim was made in connection with their argument that IMC's 1959 profits were misstated in Fund's 1960 proxy statement. They argue that the alleged misrepresentation prevented the application of the burden of proof rule otherwise applicable to stockholder ratification cases. Plaintiffs further say that the conduct of IMC and Long Inc. with respect to the proxy representations is to be measured not by the rule of ordinary judgment but by the highest fiduciary standards.

First of all, the court did not impose the burden of proof on plaintiffs with respect to the allocations. The court necessarily pointed out the areas where plaintiffs charged the defendants with actions which resulted in the alleged misrepresentations, but this was only to identify the issues. The appropriate defendants were presumed to have the burden of showing that the proxy statement was adequate to justify the application of the stockholder ratification rule. Schiff v. RKO Pictures, 34 Del.Ch. 329, 104 A.2d 267, 278. Moreover, the court agrees that the conduct of those responsible for the representations in the proxy statement had to be measured by standards applicable to fiduciaries.

The trouble in this case was that the area of concern involved one of the most troublesome of all problems—judgment concerning the allocation of expenses as between closely related entities whose functions intimately impinge upon one another. The court reviewed the judgments made and concluded that it had no reasonable basis to substitute its judgment for that employed. Compare Schiff v. RKO Pictures, above. This was so even though the pertinent fiduciary standard was kept in mind. This was certainly not to say that the burden was on the plaintiffs. Rather, I concluded that defendants carried their burden on the record before me.

The motion for reargument is denied.

Mr. CASE. I appreciate the Senator's doing that. I do not quarrel with the judgment, if it is that. I really am only interested in verification and understanding, because situations in which there is, in fact, a dealing with oneself, are a thing that has bothered me all my life, in business areas of every sort.

I cannot believe that in the Investment Company Act—and if this is so, I am crazy—that standard which is the ordinary standard of liability of a director or people in control, when it is not a trust, would not apply as in a situation where there was common control. Does not the Senator agree?

Mr. SPARKMAN. Let me suggest to the Senator from New Jersey that in the morning he read the decision which is in the Record.

Mr. CASE. I will. We will have a colloquy tomorrow, and clarify it so that we understand it.

Mr. SPARKMAN. May I say to the Senator from New Jersey that, in fact, common control does exist.

Mr. CASE. If that is a matter for proof, if it does exist, then the requirements for a trust relationship will be imposed?

Mr. SPARKMAN. But the device of ratification by independent directors operates to negate the influence of common control.

Mr. CASE. Mr. President, you cannot do this by a device. If that is a device, then that is an element of proof in a court, for a ruling as to whether it is a device or an effective exercise.

Mr. SPARKMAN. Will the Senator read——

Mr. CASE. Yes; I shall read it.

Mr. SPARKMAN (continuing). The proposed amendment, and see if it does not constitute a device to take away the good law that the Senator from New Jersey has laid down?

Mr. CASE. I must say that I have not read the amendment yet. I am now trying to understand what the facts are to see whether I think the bill reported by the Committee on Banking and Currency is a justified operation. If it is, I shall support it. If the amendment relates to what the Senator says it does, a device of a nature through which the courts will not or cannot look, I will not be for such a device. If it is, in fact, a useful and helpful instrument to protect people who would otherwise be without protection, I presume I shall be for it.

Mr. SPARKMAN. I suggest that the Senator read the amendment.

Mr. BENNETT. Mr. President, I do not want to lose my right to the floor. I would not want this colloquy to take it away from me.

Mr. SPARKMAN. I thank the Senator from Utah for yielding.

Mr. BENNETT. In the debate in committee and in the amendment offered in committee, the Senator from Utah was willing to settle for the word "reasonable" with respect to the management fee. But the Securities and Exchange Commission was not willing to go on that basis.

Mr. President, I am ready to yield the floor, unless there are more questions.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. BENNETT. First, I should like to have the attention of the Senator from New Hampshire and the Senator from Alabama. At the appropriate time, I shall move to recommit the bill to committee with instructions to report back after the committee has had an opportunity to consider the measure in the light of the report that the SEC is required to make and which is due not later than September 1, 1969. I think that would be the best way to resolve a situation which is now deteriorating into an argument based on an interpretation of law and which is, therefore, over my head.

Mr. SPARKMAN. Mr. President, will the Senator further yield?

Mr. BENNETT. I yield.

Mr. SPARKMAN. In connection with the suggestion that the Senator from Utah seeks another postponement, I may say that the committee has been working on this bill for 16 months. Before that there was 10 years of study and investigation of the entire problem, made by some of the best people in the field. I am not talking only about officials of the SEC, but also about other groups such as the Wharton School of the University of Pennsylvania who have made studies and reports on which we have proceeded.

Every other regulatory agency in the Government has a provision for court action based upon reasonableness. We are seeking to have that done in this instance.

I have heard statements that such a provision would produce lawsuits; that it was so complex that the courts could not handle the volume of work that would result throughout the Nation. But suits are brought all the time in which judges cannot make decisions by themselves, but appoint masters or referees to hear them. Some of the biggest suits have arisen from the rules of regulatory agencies. No escape is provided from them in this bill. They are required to go to court and to stand the test. The standard of reasonableness has been used by the courts in numerous regulatory agency suits. It has been used as a yardstick for rate fixing and agency review. It has never been considered so bereft of substance or content as to leave a supervisory agency without a remedy to guide it.

To back up that statement, I cite *Interstate Commerce Commission* (49 U.S.C. 1 and 316); *Federal Aviation Act of 1958* (49 U.S.C. 1374); *Communications Act of 1934* (47 U.S.C. 201); *Federal Power Commission* v. *Hope Natural Gas Company* (320 U.S. 591); and others. It is the practice.

By the way, that statement will hold true, I believe, of all regulatory commissions. This practice is true throughout private industry, when a judge or a court handles the case. Of course, the courts have to appoint commissioners, referees, or masters to help them. The matter has been handled in that way, and has been handled satisfactorily. There is no reason why it should not be done in this instance.

Mr. BENNETT. Mr. President, the Senator from Massachusetts is prepared to speak. However, I want to make one final observation, and I hope that my friend, the Senator from New York, will listen.

My status as a nonlawyer has been already certified to. However, it is my understanding that if my amendment is offered and agreed to, it will not deprive any stockholder of any power that he now has to sue, for any reason, the directors and officers of the company.

It would merely provide that, under a certain limited condition, he could not sue with respect to the management fee.

With that, Mr. President, I yield——

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BENNETT. No; I am not prepared to discuss the matter.

Mr. JAVITS. If the Senator will yield, I assure him that I appreciate that fully. The Senator from Utah knows very well that I would not take advantage of him.

I would like merely to put three questions in the RECORD. The Senator from Massachusetts [Mr. BROOKE], a very fine lawyer, will speak to those questions.

I would not expect the Senator from Utah to answer the questions. I think that he would be reckless if he were to attempt to.

First, can the finding of the directors, even though unanimous, and the two-thirds of the stockholders be contested in the litigation to which the Senator referred on the ground that the fees charged are unreasonable?

Second, is the suit which would be allowable under the amendment solely confined to whether a specified number of directors and a specified number of stockholders would agree?

Third, does the amendment of the Senator also allow a later suit against directors for malfeasance or misfeasance in giving the consent which they did give by a directors' meeting?

Those are questions of law which the Senator from Massachusetts can very well answer. The reason I ask the questions is that I have already informed the Senator from Utah and others that I believe a fair settlement of this controversy will occur if we take the amendment of the Senator from Utah and allow it—from what I know of it, as the Senator says, it is not actually before the Senate—to operate to the extent of shifting the burden of proof to anyone, including the Commission, who would allege that the charges are unreasonable. So, if 100 percent of the noninterested directors and two-thirds of the stockholders have accepted the proposal which they feel is all right, anybody may nonetheless come in and assume the burden of proof to show that the charge made is unreasonable.

I refer those questions to the Senator from Massachusetts for answers.

Mr. BENNETT. Mr. President, I am glad the questions are in the RECORD. It will give me time to study them and not only depend on the statement of my friend, the Senator from Massachusetts, but also get some other legal counsel. And at the appropriate time, when the amendment has been offered, we will attempt to provide answers.

Mr. BROOKE. Mr. President, in fairness to the Senator from Utah, the amendment has not been called up as yet. I do not know whether the Senator has made a final decision as to whether to call up the amendment.

Mr. BENNETT. I have not.

Mr. BROOKE. Until such time as he does, in fairness to the Senator from Utah, we ought to postpone the answers to the very pertinent questions raised by the Senator from New York.

Mr. JAVITS. I think that is very fine.

Mr. BROOKE. Mr. President, as a member of the Banking and Currency Committee, which reported S. 3724, I wish to speak in opposition to this bill.

The purported intent of S. 3724 is consumer protection. Whenever the Congress is asked to consider consumer protection legislation, three questions must be considered:

First. Does the consumer have a need for protection that justifies Government regulation?

Second. Does the recommended regulation provide consumer protection?

Third. If the first two questions can be answered affirmatively, then one must review the legislation carefully in order to ascertain whether the regulation so inhibits the freedom of the industry that its operation is hindered and hence the consumer himself is ultimately injured.

Mr. President, I do not think that these three questions were given adequate consideration in the drafting of S. 3724. The legislation sent to the Congress last May was the outgrowth of three separate studies—the Wharton report, the "Special Study of the Securities Markets," and the SEC report on "Public Policy Implications of Investment Company Growth." None of these studies showed that the investment company industry had exploited the consumer; on the contrary, the consumer had profited handsomely from his investment in mutual funds. As the majority report on S. 3724 itself says, "on the whole the investment company industry reflects diligent management by competent persons."

These studies did show that the investment company industry had increased tremendously in size, from 300,000 owners of shares in mutual funds with assets of $450 million in 1940 to over 3½ million investors in funds with assets of $38.2 billion in 1965. The studies questioned whether this tremendous growth did not justify a thorough review of the industry and the Government regulations to which it is already subject, with particular concern for whether the so-called economies of size were being shared with the investor.

Mr. President, as I pointed out in my "additional views," I do not question the need for this study. In fact, I agree that the unique structure of the mutual fund industry may well justify a special kind of regulation which goes beyond the simple disclosure provisions of most consumer legislation. My contention is with the particular form of regulation provided by S. 3724 in three areas: management fees, sales charges, and contractual plans. In each case, I believe the committee failed to consider adequately the three questions I raised about consumer protection legislation.

The SEC report showed that in 1966, the advisory fees paid by the 57 externally managed funds with assets of $100 million ranged from 0.23 to 0.74 percent, charged by the 56th and 52d largest funds, respectively. The median fee was 0.45 percent with 20 funds paying 0.50 percent or more. These statistics seem to indicate that in some, but by no means all, cases "economies of size" are not being shared with the consumer. Thus, we may conclude that the need for consumer protection justifies Government regulation.

Does the provision of S. 3724 offer the consumer protection? Section 8 provides that management fees must be "reasonable." On its face, this provision seems unassailable, but further investigation shows that there are far-reaching implications. The requirement of "reasonableness" is to be enforced by the courts. Section 8 thereby "puts the courts into the business" of establishing management fees.

Mr. President, I question the wisdom and the desirability of this kind of judicial ratemaking. Surely, our courts are not equipped with the technical, economic know-how that is needed to make this kind of decision. In addition, our courts are already overburdened. Finally, I submit that the practical effect of this provision will be the negotiation of fees with the SEC. Fearful of potential law suits, meritorious or not, mutual funds will feel compelled to obtain the approval of the SEC before signing a management contract.

I repeat that none of the three studies found conclusive evidence that management fees were too high; certainly there was no evidence of gross abuse. Surely these circumstances do not justify ratesetting by the courts or the SEC. In the interest of so-called consumer protection, this provision of S. 3724 unnecessarily restricts the freedom of the mutual fund, to the potential harm of the consumer.

I have joined with the members of the minority in endorsing a proposal which would increase the number of unaffiliated directors from 40 to 60 percent and require that the actions of the directors, in establishing the management fee, be reasonable. The courts would then be given authority to determine whether the actions of the directors, rather than the fee which they set, were reasonable. How much more reasonable is it to ask the courts to determine the reasonableness of a man's action than to ask that they determine the reasonableness of a figure? In addition, this proposal would avoid ratesetting by the SEC.

At the present time the "sales load" on most mutual fund sales is 8½ percent. The SEC report concluded that this amount was "too high"; the legislation submitted to the Congress would have reduced the charge to 5 percent. The industry testified that 8½ percent was not too high, stressing that mutual funds, unlike conventional securities on which there is a much lower charge, require a great selling effort. The rapid growth of the industry does indicate that a lowering of the sales charge might be justified on the basis that growing public knowledge has somewhat reduced the need to sell the public on the idea of purchase of fund shares. However, it is clear that the sales charge must not be made so low that salesmen will be discouraged from selling fund shares. A sales level must be maintained at all times so that redemptions do not exceed sales and force liquidation of the fund's portfolio securities.

Your committee wisely chose, on the basis of previous successful securities industry self-regulation, to provide for self-regulation of mutual fund sales charges by the NASD. S. 3724 also provides, however, that the SEC may alter or supplement the decision of the NASD. I hope that the legislative history of this bill will clearly show that the Congress did not intend to give the SEC license to insist that the charge be reduced to 5 percent. Rather, it is hoped that a balance will be struck between the benefit to the consumer of a reduced sales charge and the need to maintain a high level of sales in order to insure a healthy mutual fund, which is profitable for the consumer. This would indeed be consumer protection.

The front-end load feature of contractual plan sales has always been controversial. Under present law, 50 percent of the first year's payments for a mutual fund purchase "on the installment plan" may be deducted as sales charge. The SEC proposed the abolition of the front-end load and reduction of the present maximum 9 percent total charge to 5 percent.

Undeniably, because of the front-end load, the individual who withdraws from a plan in the first year or shortly thereafter loses as much as 50 percent of his investment, and even the individual who completes his payments has only half his money "working for him" the first year. However, it is also true that contractual plans require a genuine selling effort. The potential buyer does not have a great deal of money—usually the plans call for $25 a month—and he has a variety of choices as to how he will spend it. Clearly, the salesman must sell the customer not only the idea of purchasing fund shares but the very idea of securities investment itself. Such a salesman can be said to perform a service by offering the average American an opportunity to participate in the securities market without the great risk, not to mention the large sums, which would be required if he did so on his own.

The problem thus becomes one of balancing the desire to do away with the ill effects of the front-end load on the consumer with the need to make contractual plan sales worthwhile for the salesmen, so that he will continue to try to make these sales. Shortly after the SEC legislation was introduced, the industry implemented a plan under which, in hardship cases, full refunds are available to anyone who withdraws within the first year, while full refunds are required for withdrawals for any reason within the first 60 days. The refund plan represents a genuine attempt on the part of the industry to meet the objections raised by the SEC concerning the individual who withdraws before completing the plan. In addition, it meets the contentions of those who claim that salesmen pressure individuals to buy who really cannot afford to do so, since full refund can be obtained by anyone during the first 60 days.

Section 16 of S. 3724 provides for a "spread load" of 64 percent over the first 4 years, no more than 20 percent to be deducted each year. This provision is opposed by both the SEC and the industry. It is based upon the sales charge system used by one very large fund which has its own captive sales force and adequate ready capital to compensate its sales force. The committee chose to add the "spread load" to the bill despite the industry's institution of the refund plan. Admittedly, the refund system still does not meet the problem of the loss of investment in the first year, but the "spread load" devised by the committee may well result in such a financial burden for some brokers that their salesmen will be unable to sell fund shares on the contractual plan. This means the proposed legislation would result in an actual loss to the consumer.

Surely, in view of the institution of the refund plan, Congress would do better to permit the SEC and the industry to continue their negotiations concerning front-end load so that a formula can be established which will provide adequate compensation for salesmen.

The failure to allow the SEC and the industry to complete their negotiations is the real failure of S. 3724. Admittedly, these negotiations were late in starting and have been protracted. But, in my opinion, the measure which has been reported to the Senate regulates the mutual fund industry in a manner which is not only unwarranted but potentially harmful to the funds. Thus, rather than providing consumer protection, this legislation may well be harmful to the consumer. For in the purchase of a mutual fund share, unlike the purchase of an article, the benefit of the consumer depends exclusively on the continued health and prosperity of the industry.

Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TYDINGS in the chair). Without objection, it is so ordered.

Mr. PELL. Mr. President, I rise to express my regret that the committee did not hold the line on the original recommendation that provided for the abolishment of the front-end load. I would be glad to support any restoration of this feature, as I believe the whole front-end load concept is poor.

However, when it comes to the reviewing, or what is to all practical effect, the setting, of management fees by the Securities and Exchange Commission with the provision that the Federal judiciary be given a fallback responsibility, I find I can not agree with the committee and so I shall vote against this provision.

Although I have never been a director of a mutual fund management company, I was a director of a mutual fund before I came to the Senate and I am, accordingly, familiar with the subject matter. I have thought about it a good deal and I have come to this conclusion.

Mr. McINTYRE. Mr. President, I wish to thank the Senator from Rhode Island, especially for his remarks about the front-end load, with which I wholeheartedly agree. It seems to me, upon examination, that this is a very serious situation. I regret the committee backed down on it.

I am sorry the Senator feels as he does about the remainder of the bill.

Mr. President, Senators know of my high admiration and respect for the senior member of the minority on our committee, the distinguished senior Senator from Utah. His wise understanding of the issues which come before our committee makes all of us listen to his words with more than usual respect.

It was, therefore, with some surprise that I read the amendment which he has sent to the desk. This amendment, very simply, guts and makes meaningless the single most important provision of the committee bill. It removes the single most important safeguard which we have tried to protect for shareholders; namely, the right to go to court to protect their own interests under a fair system of procedure.

The amendment offered by the Senator from Utah is deceptively simple. It provides that, when two conditions are met, shareholders will be denied their rights to justice which are granted them earlier in this bill. These two conditions, in my opinion, offer absolutely no protection at all to shareholders. In fact, they so thoroughly tip the balance against the shareholders, that if they are adopted, I would just as soon see all of the section dealing with management fees deleted from the bill.

What are these two conditions? First, there is a requirement that management fees be approved by a vote of two-thirds of the outstanding shares. Now, on the surface, this would appear to offer protection to shareholders, but this appearance is deceptive.

The experience of shareholders and the Securities and Exchange Commission during the 28 years since the enactment of the Investment Company Act has amply demonstrated that shareholder approval of management fees is a meaningless gesture. First, this is so because shareholders are never, I repeat that, never, given any choice other than approval or rejection of a package presented to them by management. It is similar to the voting procedure employed in the Soviet Union, where voters are presented with the candidates of the Communist Party on a take-it-or-leave-it basis. I must emphasize that under the procedure given such importance by the Senator from Utah shareholders will not be offered any alternatives or any choice for their vote.

Second, the Senator requires that the affirmative vote be that of two-thirds of all of the outstanding shares. In all probability this will require the managers of many funds to send out extensive literature, brochures, proxy statements, and so forth, to convince their shareholders of the importance of casting a vote. This is a fine and commendable result, but what the Senator's amendment does not inform us is that the entire cost of this solicitation will be charged to and borne by the shareholders themselves through the fees which they pay the adviser. And if the management decides to hire professional proxy solicitors, this expense too will be paid by the shareholders—whether they vote for or against management—they will pay the bills.

So, Mr. President, I do not believe that the two-thirds vote requirement in this amendment is a meaningful protection. This kind of voting is not the same kind that we engage in each day in the Senate, nor is it the kind that the American people engage in when they go to the polls in November. Voting on management fees is, in my opinion, an entirely different situation for the reasons which I have discussed.

UNAFFILIATED DIRECTORS DO NOT PROTECT SHAREHOLDER INTERESTS IN MANAGEMENT FEE DECISIONS

Mr. President, the other condition which would be imposed by the Senator from Utah before shareholders could be stripped of their rights is that the management contract be approved by the unanimous vote of the unaffiliated directors.

This immediately raises the question of how effective unaffiliated directors are in representing any views which may be in conflict with the management adviser. There are two schools of thought on this subject—the industry and everyone else who has ever looked at this situation.

The industry position was ably explained to the committee by Mr. John R. Haire, of New Jersey, who testified before us on behalf of the Investment Company Institute. He told us that—

> Anyone who has had any experience with a board of directors of any corporation knows that the directors, the outside directors, have substantial influence over the management policies of the company.
>
> In the case of the independent directors of mutual funds, these gentlemen have an obligation to the shareholders of the funds to see that the adviser is providing a service of quality at a rate which is acceptable to shareholders of the fund and to themselves.

Later, in reference to management fees, Mr. Haire stated:

> In order to determine whether any particular management fee for the management of a particular fund is reasonable, you have to know all of the facilities and services that are offered. This is a judgment which we believe the nonaffiliated directors are well equipped to make.

Mr. Haire, in addition to being an officer of the Investment Company Institute, the principal lobbying organization for the entire industry, also serves as the president of Fundamental Investors, Inc., which is a mutual fund. In view of Mr. Haire's assertion that unaffiliated directors are both well equipped to make management decisions and in fact do exert substantial influence over management, I thought it might be interesting for the Senate to examine the role of unaffiliated directors in Mr. Haire's own mutual fund.

Fortunately for my own research, the qualifications of Mr. Haire's unaffiliated directors are a matter of public record, resulting from court action against the fund by dissatisfied shareholders. The record of the case demonstrates conclusively how little influence the unaffiliated directors of Fundamental Investors were able to bring to the question of management fees.

Between 1954 and 1960 the advisory fee paid by Fundamental Investors increased from three-quarters of a million dollars to $3½ million. The court, while holding that fees were not so shockingly excessive as to constitute a "waste" of corporate assets, stated:

> Based on the 1959 and 1960 figures the profits are certainly approaching the point where they are outstripping any reasonable relationship to expenses and effort even in a legal sense. And this is so even after making due allowance for incentive and benefit presumably conferred. This is not to say that no payment is justified after a fund reaches a particular size. It is only to say that the business community might reasonably expect that at some point those representing the fund would see that the management fee was adjusted to reflect the diminution in the cost factor.

One of the directors was asked whether he had "ascertained what part of that differential was used for improving the investment advisory services." He answered that he "didn't think that was a function belonging to the directors of the fund." He later conceded that the first time he learned anything about the adviser's cost of rendering management and advisory services to the fund was when the adviser had gone public and sent out its prospectus to prospective shareholders.

Another director of Fundamental was also the director of a smaller fund which used the same investment adviser as Fundamental.

The latter fund paid an annual fee of $400,000—Fundamental paid $3,500,000. Though he admitted that he received no more services from the adviser as the director of one fund than as director of the other, he stated he had never investigated the reason for this discrepancy in the fees charged.

One of the affiliated directors was asked whether a reduction in the advisory fee had ever been suggested by the unaffiliated directors:

> Q. How long has someone wanted to reduce the scale on the Board and how long has the management company been saying no?
>
> A. Nobody on the Board has ever made a serious campaign. . . .
>
> Q. Will you specify when these directors, or director, for the first time requested that a sliding scale be put in?
>
> A. Nobody has requested it. The matter has been discussed as to whether it wouldn't be a good thing to do it. Nobody has suggested it, put it forward aggressively at all. If I gave you that impression, I'm sorry. It has been discussed, is all I said.

The director was then asked to give his recollection of the substance of the discussion on reducing the advisory fee:

> A. (One of the unaffiliated directors) said, wouldn't it be possible to have the company absorb some of the corporate administrative expenses from the management company, take those off the management company, in order to make it possible to have an escalator reduction put into effect.
>
> Q. Where would you put it when you took it off the management company?
>
> A. Put it in the fund and reduce the management fee by that amount or some amount.
>
> Q. If you put the same amount in the fund that you were reducing the fee by, the fund wouldn't benefit, would it?

> A. It wouldn't if that's all you did, that's right.

On this point the judge interrupted the questioning:

> I just want to be clear on this. (This) suggestion, was that just for public consumption, then, what he had in mind?

The director admitted:

> I think (he, the unaffiliated director) was thinking about competitive influences. He wanted to have some kind of escalator fee, for the improvement of our public relations, perhaps. That's all.

The director went on to say that there had been no subsequent discussions on this and that the director's original "suggestion" had never been renewed.

Another unaffiliated director was asked if he had ever suggested to the adviser that the fee was unreasonable:

> A. Oh, no. I have never heard such a suggestion made at a meeting of the board by myself or anyone else.
>
> Q. Have you ever heard such a suggestion made outside a meeting of the board?
>
> A. Not until this complaint was served in this trial.
>
> Q. The thought had never crossed your mind. Is that correct?
>
> A. It doesn't exist now, for that matter.

Although he realized that some funds were charged lower fees, he did not think the fee his fund was being charged was "open to serious question" and he thought that "inquiries as to whether satisfactory services could be obtained from some other investment manager besides—the one being used—would have been highly improper."

The investment adviser of the fund, almost contemporaneous with the litigation, had done a study purportedly to provide the nonaffiliated directors with a sound informational basis for determining whether the advisory agreement should be extended. One of the unaffiliated directors was asked whether he considered it prudent to permit a study to be made by the person whose services were being evaluated:

> A. When the figures are easily checked.
>
> Q. Did you check all those figures?
>
> A. I didn't check all those figures. I checked some of them.

Another unaffiliated director was also questioned on this study:

> Q. Do you have any recollection as to how much time you might have spent prior to the meeting in examining the dates?
>
> A. No.
>
> Q. Do you know whether the time consisted of one hour or less?
>
> A. It would have been less than an hour, I can assure you.
>
> Q. Would it have been less than half an hour?
>
> A. I would estimate it would have been about a half hour.

Certainly one of the reasons that these unaffiliated directors did not exert more influence in the management of the fund was that they had for the most part been picked by the affiliated directors who would hardly have chosen someone they thought likely to question their compensation. One of the unaffiliated directors was the son of the chairman of the board of the investment adviser. Another had been receiving compensation from the adviser for a study he was doing. One of the six independent directors had apparently attended only one meeting in the 3 years preceding the trial. Finally, another of these directors was in such delicate health that he could neither give a deposition nor appear at the trial.

Mr. MURPHY. Mr. President, will the Senator from New Hampshire yield?

Mr. McINTYRE. I am happy to yield to the Senator from California.

Mr. MURPHY. The recitation which the Senator is expounding seems to be an objection on the part of the witness as to the manner in which this particular mutual fund was conducted; is that not correct?

Mr. McINTYRE. It is an interrogation by counsel involving a case against Fundamental Investors Fund.

Mr. MURPHY. In other words, a member of the fund or an investor in the fund had brought suit against the fund; is that not correct?

Mr. McINTYRE. Yes, that is right.

Mr. MURPHY. Was it finally proved that there was no illegal action? Did the investor in the fund achieve any damages from his suit? I am sorry that I have interfered at this point.

Mr. McINTYRE. I want to give the Senator an accurate answer. The verdict was for the defendant.

Mr. MURPHY. Were there any damages?

Mr. McINTYRE. No damages.

Mr. MURPHY. There is some question, so far as I am concerned, being a nonlawyer, as to the complaint reasons in the suit. First of all, may I ask, is it not always possible for the investor, whenever he or she feels that there are sound reasons, fees too high, or any other characteristic of bad management, to withdraw?

Mr. McINTYRE. I would think, yes. Mutual fund shareholders could sell their shares.

Mr. MURPHY. They could sell their shares.

Mr. McINTYRE. Sometimes they do so at a loss, but they could sell them.

Mr. MURPHY. If it was done at a loss, I would think then, that they could bring suit for damages.

Mr. McINTYRE. No. That would not have any effect.

Mr. MURPHY. That would not have any effect. In other words, this is a situation where the investor objects to the management, or objects to the amount of money being paid either to the directors or to the advisory groups that are selected by the directors, and they can always withdraw. There is no compulsion for them to stay within that mutual fund other than the hope that they can benefit from the experience, the expertise, the knowledge, and the capability of the people who may be being paid exorbitant salaries, in some people's judgment, which may not be exorbitant, in other people's judgment. Is that not the situation?

Mr. McINTYRE. Certainly, to the extent of the Senator's remarks that he indicates the mutual fund shareholder can sell out any time, he certainly could. But the Senator must keep his eye on the ball. What we are talking about here is that we are trying to show that the management fees being charged in the mutual fund industry are not subject to a satisfactory test, a formula, something that would give a fair or reasonable break to the shareholder and to others.

Mr. MURPHY. If the Senator will forgive me, I have heard the word "reasonableness" used continously here and it immediately occured to me, who decides what is reasonableness? Is the salary paid to the president of General Motors reasonable? In some people's minds, it would be. I think it is pretty high.

The salary paid to my old boss at Metro-Goldwyn Mayer pictures, Mr. Louis B. Mayer, I thought, was very unreasonable, but they have never been able to find another man in the industry to replace him, so perhaps it was very reasonable. Perhaps, he had a unique and particular talent that made what seemed to some an unreasonable salary to others to be competely reasonable and practical.

My question goes to the point of who decides what is reasonable; and, since the mutual funds operate not as a public utility but in the free marketplace, I would think that the capability, the reputation, the results, the progress of the particular fund would decide its continuance or whether it should go out of business. If the shareholders are permitted to join or leave at any time, I would think they would be the ones who should make that decision.

My main objection is that we suddenly find the Government in this instance becoming an agency to set fees within an industry that operates in a free market. I object to that on principle. I am not an expert in mutual funds or banking or financial matters. I have never had to become one. I have never been blessed with that much money. But I do know I object to the Government's entering into areas of further regulation and restriction, into the private enterprise or free enterprise or incentive system. I think it is too much into it now.

It was based on that feeling that I was elected by my constituents in California. Therefore, based on the promises I made, I intend to object to this procedure as long as I can think of reasons to object.

I asked the Senator a question as to the remarks he was making a few moments ago to bring out the point that it is a question of who decides what is reasonable or not reasonable. In a free market that has always been decided by the progress or lack of progress of an industry or a company or a mutual fund or a bank, or whatever it is. If they are doing their business well, they will have great success. If they are doing it badly, if they are charging too much, the fees are too high, someone is getting too much salary, or someone is not paying attention to the business, they will not last in business. That word will spread through the banking business and the investment business very quickly, and they will be out of business. That was the reason why I asked the question.

I thank the Senator for graciously allowing me to interrupt him.

Mr. McINTYRE. The Senator interrupted me with a question when I was in the midst of a long discussion of the independent director, who was injected into the law of 1940 to try to give this matter a sense of fairness, rationality, and lack of conflict of interest. These unaffiliated directors, with due regard to these highly esteemed people—I do not mean to be derogatory of these people, but they in their busy lives are hired——

Mr. MURPHY. Mr. President, if the Senator will yield.

Mr. McINTYRE. Let me complete my thought, and then I shall be happy to yield to the Senator, but the Senator has made many statements, and I would like to make this statement. I believe the unaffiliated director, in his testimony before the Banking and Currency Committee, revealed himself as a rather poor substitute for what was originally thought of in 1940.

When the Senator mentions General Motors, that is not a comparable organization. The Senator realizes that in the 1940 Investment Act we have section 22 (d), which has to do with price fixing, in which the Government protects the mutual fund underwriters in their distribution of their funds, by holding the price at a certain level, so nobody can bring to bear the free forces of competition. Senators realize that what we are talking about is a conflict of interest, which I think, as a member of the committee, showed itself very strongly.

I do not object to a particular director of one of these mutual funds taking home $750,000 as his annual salary. More power to him. What I am trying to say is that the mutual fund industry has not responded responsibly to its own growth over the last 20 years, and the fees they are charging are excessive. We say we want a new test, and we want the test of reasonableness. We want that test applied, after adopting safeguards proposed by the minority members, to be determined by the court.

Do you know what the test today is that any shareholder or stockholder or mutual fund holder must come into court with? To prove the impossible. To prove gross waste. That is why I think the amendment of the Senator from Utah does not do the trick.

We think this is a good bill and that we are not putting an undue burden on the mutual fund industry.

Mr. MURPHY. Mr. President, if the Senator will yield, I would like to ask him another question. Has the Senator ever been a director of a corporation?

Mr. McINTYRE. Yes.

Mr. MURPHY. I assume, then, that the Senator knows, in his own experience, as I have found, that very often some directors of corporations, along with some consulting directors, one might call them, sometimes play a unique and distinct role. It would be very easy to go into court in some cases that I can recite and approve conclusively that this man's presence, this man's knowledge, this man's expertise, can be very well done without. However, conversely, I can prove that, under certain instances and circumstances, there may be one very slight bit of knowledge or one very—at the moment—unimportant expression of opinion by that particular man that might have made the entire difference and a far greater difference than would be true of the entire board of directors who had busied themselves directly over a number of years.

I can recite case after case, in connection with my former industry, where a matter of judgment sometimes became most important as to the financial standing and as to the welfare and benefits accruing to the stockholders at the end of the year.

I did not mean to interrupt the Senator. I thank the Senator. I will take whatever other time the Senator from Utah [Mr. Bennett] will later yield to me.

Mr. McINTYRE. I thank the Senator. I have concluded my statement.

The statements that I was reading from, from the unaffiliated directors, are the sworn statements of men who actually served in these independent unaffiliated directorships. It is obvious that they have not been adequately informed, and are not in any position to bring effective judgment to bear on the size of the management fees charged to Fundamental Investors. And yet the president of Fundamental, Mr. Haire, appears quite satisfied with their functions.

From Mr. Haire's point of view, he should be satisfied. From his shareholders point of view, however, their unaffiliated directors offer no protection at all. And today, the Senate is being asked to deliver its judgment that unaffiliated directors can and do fight effectively in the interests of shareholders.

The entire purpose of this section of the bill, as reported by the committee, was to make explicit the concept which has always existed regarding shareholders' rights to go to court over unreasonable fees. This amendment, at the desk, however, is a step backward. It actually has the effect of giving even more protection to management. It goes a great distance in placing new restrictions on shareholder's rights to sue.

I yield the floor.

Mr. BENNETT. Mr. President, earlier, during my discussion of the bill, I indicated that at the proper time I intended to make a motion to recommit. I make that motion at this time, and ask the majority leader when he thinks we might come to a vote on it.

Mr. MANSFIELD. Mr. President, I have discussed this matter with the distinguished senior Senator from Utah; the manager of the bill, the distinguished Senator from New Hampshire [Mr. McIntyre]; and other Senators, as well as the minority leader.

I would like to make the following unanimous-consent request.

ORDER FOR ADJOURNMENT TO 9:30 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business this evening, it stand in adjournment until 9:30 tomorrow morning.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR MILLER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Iowa [Mr. Miller] be recognized, after the disposition of the Journal tomorrow, for not to exceed 30 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a vote at 12 o'clock on the pending motion to recommit, and that the time be equally divided between the distinguished senior Senator from Utah [Mr. Bennett] and the distinguished Senator from New Hampshire [Mr. McIntyre].

The PRESIDING OFFICE. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on my amendments after that, there be a time limitation of 1 hour, the time to be equally divided between the same two Senators, and that there be a limitation of 2 hours on the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Does the Senator desire the usual form of agreement?

Mr. MANSFIELD. Yes; the usual form.

The PRESIDING OFFICER. Without objection, the order is entered.

The unanimous-consent agreement was subsequently reduced to writing, as follows:

Ordered, That effective on Friday, July 26, 1968, the Senate proceed to vote at 12 noon on the motion by the Senator from Utah [Mr. Bennett] to recommit with instructions the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes, with the time from 10 a.m. to be equally divided and controlled by the Senator from New Hampshire [Mr. McIntyre] and the Senator from Utah [Mr. Bennett]: *Provided further*, That during the further consideration of the bill, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the Senator from New Hampshire [Mr. McIntyre]:

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

DESIGNATION OF "PROFESSIONAL PHOTOGRAPHY WEEK"

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 181.

The **PRESIDING OFFICER** laid before the Senate the amendment of the House of Representatives to the joint resolution (S.J. Res. 181) to authorize the President to designate the week of August 4 through August 10, 1968, "Professional Photography Week" which was strike out the preamble.

Mr. MANSFIELD. I move that the Senate concur in the House amendment.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, it is the intention of the joint leadership, when the pending business is disposed of, to call up Calendar No. 1438, H.R. 15387, an act to amend title 39, United States Code, to provide a disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes.

AMENDMENT OF TITLE II OF MARINE RESOURCES AND ENGINEERING DEVELOPMENT ACT OF 1966

Mr. PELL. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13781.

The **PRESIDING OFFICER** laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 13781) to amend title II of the Marine Resources and Engineering Development Act of 1966 and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PELL. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Magnuson, Mr. Pell, and Mr. Javits conferees on the part of the Senate.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

Mr. BENNETT. Mr. President, it has been called to my attention that when I made the motion to recommit, I was not as specific as when I served notice earlier that I intended to make the motion. So I shall make the motion again.

I move that the bill be recommitted to the committee with instructions to report back after the Securities and Exchange Commission report of the current investigation of mutual fund fees has been made public. The report is due not later than September 1, 1969; therefore, the requirement to recommit is subject to that limitation.

Mr. McINTYRE. Mr. President, will the Senator from Utah indicate whether that report is due very soon?

Mr. BENNETT. It is due not later than September 1, 1969.

Mr. McINTYRE. In 1969?

Mr. BENNETT. That is correct.

Mr. McINTYRE. I thank the Senator.

Mr. BENNETT. I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

CONSIDERATION OF CERTAIN BILLS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1432, S. 3416; Calendar No. 1434, H.R. 9606; and Calendar No. 1435, H.R. 10213.

The **PRESIDING OFFICER.** Without objection, it is so ordered. The clerk will state the first bill.

AMENDMENT OF THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

The bill (S. 3416) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the rendering of direct assistance to and performance of special services for the Inaugural Committee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 210(a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(a)) is further amended by inserting immediately after paragraph (14) thereof the following new paragraph:

"(15) to render direct assistance to and perform special services for the Inaugural Committee (as defined in the Act of August 6, 1956, 70 Stat. 1049) during an inaugural period in connection with Presidential inaugural operations and functions, including employment of personal services without regard to the civil service and classification laws; provide Government owned and leased space for personnel and parking; pay overtime to guard and custodial forces; erect and remove stands and platforms; provide and operate first-aid stations; provide furniture and equipment; and provide other incidental services in the discretion of the Administrator."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1450), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

This legislation would authorize the General Services Administration to reimburse the government of the District of Columbia for performing certain services during the presidential inaugural period.

BACKGROUND INFORMATION

The Presidential Inaugural Ceremonies Act, as amended, authorizes the Commissioner of the District of Columbia to perform certain services and functions during the inaugural period and to be reimbursed therefor.

Enactment of this legislation, which is part of the legislative program of the General Services Administration, will specifically authorize the General Services Administration to make payments not to exceed $150,000 every 4 years for such services as may be rendered by the District of Columbia government. The General Services Administration has, in the past, provided such assistance, but that agency notified the committee it has no specific authorization to make such a reimbursement and, therefore, asks for enactment of the legislation.

EXEMPTION FROM TAXATION OF PROPERTY OF THE NATIONAL SOCIETY OF THE COLONIAL DAMES OF AMERICA

The bill (H.R. 9606) to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1452), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 9606 is to exempt from taxation certain real property in the District of Columbia, as well as any improvements which may be erected thereon, owned by the National Society of the Colonial Dames of America. The 81st Congress granted the Society a tax exemption for Dumbarton House in Georgetown in the District of Columbia, the national headquarters of the National Society of the Colonial Dames of America. The property which H.R. 9606 seeks to exempt from District of Columbia taxation consists of two parcels of vacant land, located at the northwest corner of 27th and Q Streets NW., and designated as lots 813 and 814 in square 1285. This land is immediately adjacent to Dumbarton House, and was given to the National Society of the Colonial Dames of America by its former owner.

BACKGROUND

Public Law 77–846, approved December 24, 1942 (56 Stat. 1098), as amended the following year by Public Law 78–29 (57 Stat. 61), is the general statute on real estate tax exemptions in the District of Columbia. This act provides tax exemption for all properties belonging to the United States or the District of Columbia Governments, as well as to real property belonging to certain categories of owners such as religious organizations, hospitals, schools operated not for profit, cemeteries, and so forth. Also, this general statute provides tax exemption for the real properties of 10 specific organizations in the District, with a total value of $32,889,976, and a resulting tax loss to the District of Columbia of some $953,809 per year.

In addition, 33 other organizations have been granted exemption from District of Columbia real estate taxation by special acts of Congress. Of this number, nine would have qualified under the general exemption statute; however, these had been granted exemption by special legislation prior to the enactment of the latter. Thus, tax exemption has been granted on the properties of 24 organizations which would not qualify under the terms of the general statute, but which the Congress from time to time has deemed to deserve such exemption by reason of the philanthropic nature of their purposes and their work.

One of these properties is the Dumbarton House, national headquarters of the National Society of the Colonial Dames of America. The property is valued at some $212,000 and was exempted from taxation by Public Law 81–299 (63 Stat. 694), approved September 1, 1949.

PROVISIONS OF THE BILL

H.R. 9606 seeks to amend Public Law 81–299, under which Dumbarton House is exempted from taxation, so as to include this newly acquired vacant land and any improvements which the organization may erect thereon, under such exemption. This property is presently assessed for taxation at a value of $111,000, and the current taxes are $3,246.60 per year.

The National Society of the Colonial Dames of America was founded in 1891 for the following purposes:

"To collect and preserve manuscripts, traditions, relics, and mementoes of bygone days; to preserve and restore buildings connected with the early history of our country, and to diffuse healthful and intelligent information concerning the past, to create a popular interest in our colonial history, to stimulate a spirit of true patriotism and a genuine love of country, and to impress upon the young the sacred obligation of honoring the memory of those heroic ancestors whose ability, valor, suffering, and achievements are beyond all praise."

In accordance with these objects of the society, its work is educational, philanthropic, historical, and patriotic. The 14,600 members in the 42 corporate societies work on such projects as the following:

A. HISTORICAL AND EDUCATIONAL

Acquiring, restoring, and furnishing more than 60 museum houses and rooms in 42 States, opening them to the public; and interpreting their history for the education of students and other visitors.

Survey of county courthouses in 42 States. Presented to Library of Congress in October 1966.

Collecting and preserving important historical documents. Publication of important books on historical subjects. Publications of the corporate societies include many which are authoritative works in their fields; i.e. "Forges and Furnaces in the Province of Pennsylvania"; "Church Music and Musical Life in Pennsylvania in the 18th Century"—3 volumes; "American War Songs." Comment by Dr. Julian Boyd: "I know of no other society that has done as outstanding work in the field of publication of historical books."

B. EDUCATIONAL AND PATRIOTIC

Grants-in-aid to scholars preparing to teach American history. One State society awards a $2,500 grant for a candidate for a doctoral degree, who is writing his dissertation. Other societies award smaller annual grants for this purpose. $119,287 has been given to 359 students in 251 colleges to further the study of American history.

Funds are provided for hospital training of Indian girls who plan to return to help their own people.

New citizens are welcomed and entertained at the time of their citizenship ceremony.

Citation and medal awarded by Freedoms Foundation for work in patriotic service.

Patriotism stimulated by audiovisual education. In one State alone, 250,000 young students are constantly shown slides of American historical subjects.

Essay contests on patriotic subjects are run, with substantial prizes awarded to the winners.

C. PATRIOTIC SERVICE

Contributions and service to military forces in all wars, beginning with the Spanish-American War for the hospital ship *Solace*, in World War I to the hospital ships *Comfort* and *Mercy*, in World War II and the maintenance of the USO headquarters in Ketchikan, Alaska, and sending several ambulances to England. In the present Vietnam conflict, all Red Cross recreational activities on the U.S. hospital ships *Repose* and *Sanctuary* are being provided by the national society, with more than $43,000 having been contributed so far for this purpose. The society's contributions in support of our men fighting in Vietnam, which are increasing at a rapid rate, will be greater this year than ever before.

HEARING

On June 20, 1968, the Subcommittee on Fiscal Affairs held a public hearing on H.R. 9606.

CONCLUSION

It is the opinion of your committee that the widely recognized philanthropic and patriotic service of this organization, which led the 81st Congress to grant tax exemption for the Society's national headquarters, justifies the extension of this exemption to include the addition to that property.

AMENDMENT OF THE LIFE INSURANCE ACT OF THE DISTRICT OF COLUMBIA

The bill (H.R. 10213) to amend the Life Insurance Act of the District of Columbia, approved June 19, 1934, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1453), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 10213 is to amend section 11 of Chapter 11 of the Life Insurance Act of the District of Columbia (48 Stat. 1125) to eliminate a technical provision which adversely affects alien life insurance companies operating in the District of Columbia.

PRESENT LAW

Title 35 of the District of Columbia Code includes the Insurance Code, and Chapter 4 thereof sets forth the District of Columbia Department of Insurance requirements with respect to life insurance companies. Section 35–410 of the District of Columbia Code, 1961 edition, prohibits an alien life insurance company (that is, a life insurance company not domiciled in the United States) doing business in the District from including in its advertising information as to its financial condition other than the capital stock and assets held by its United States branch. The total financial condition of such a company, as included in its annual report to the policyholders of its domicile, may be revealed in the District of Columbia only to the company's policyholders in the District. This latter permission was granted these alien life insurance companies by amendment to this section in 1963 by Public Law 88–193 (77 Stat. 347).

Section 35–410 was again amended in 1966, by Public Law 89–599 (80 Stat. 705), which permitted life insurance companies in the District, both alien and domestic, to issue public announcement of their financial condition at any time, on a current basis rather than on the basis of the data in its next preceding annual report to the District of Columbia Superintendent of Insurance.

This latter amendment, constructive though it was and in the interest of the buying public, did not in any way alleviate the problem confronting these alien life insurance companies in the District of Columbia in not being allow to inform the public, other than their own local policyholders, as to their complete financial condition.

PROVISION OF THE BILL

The bill, H.R. 10213, is designed to eliminate this problem, by relieving an alien life insurance company from that prohibition in all cases where such company maintains in the United States, as required by law, assets held in trust for the benefit of its U.S. policyholders in an amount not less than the sum of its required capital deposit and the amount of its outstanding liabilities arising out of its insurance transactions in the United States. In short, this proposed amendment to section 35–410 of the District of Columbia Code would permit the public, policyholders, and prospective policyholders alike, the benefit of full information concerning the capital stock and assets of an alien life insurance company, when sufficient of these assets are held in trust in the United States for the proper protection of the U.S. policyholders.

H.R. 10213 would allow alien companies, which by law maintain trustees assets in the United States, to use their total business figures in their operations in the District of Columbia. In this respect, these companies then would be allowed to represent themselves on the same basis as other life insurers here and elsewhere.

REASONS FOR LEGISLATION

Your committee is informed that this bill affect only eight alien insurance companies operating in the District of Columbia, all of which are domiciled in Canada.

There companies are:

The Canada Life Assurance Co.	Toronto, Ontario
Confederation Life Association	Do.
Crown Life Insurance Co.	Do.
The Great-West Life Assurance Co.	Winnipeg, Manitoba
The Manufacturers Life Insurance Co.	Toronto, Ontario
The National Life Assurance Co. of Canada	Do.
North American Life Assurance Co.	Do.
Sun Life Assurance Co. of Canada	Montreal, Quebec

The Canadian companies are required by the laws of all the States in which they operate to maintain at all times in the United States trusteed assets sufficient to meet their obligations to U.S. policyholders, plus a required capital deposit. In actual practice, your committee is advised, the companies maintain deposits which substantially exceed these requirements.

These companies naturally need to conduct a certain amount of advertising in the United States if they are to compete on even terms with United States companies. The District Code, as it now stands, handicaps these companies in the conduct of their business in the District in that they are not permitted to advertise, publish, or give out their total financial results as published in their annual reports. In fact, the present law can be interpreted to prohibit an annual report being given to a prospective new policyholder, even on request. Two or three States do have special requirements somewhat similar to those in the District. However, these States have adopted a simple routine which allows the Canadian companies to advertise total business figures without restriction.

Practically all State laws, and those of the District, contain a prohibition against the use of misleading information in advertising, but State insurance departments have not construed this provision as requiring any limitation on the publication of total business figures by the Canadian companies. The Canadian companies naturally prefer to be in a position to draft advertisements in the United States which can be used nationwide. It is obvious that to make adjustments for an individual jurisdiction, as the District of Columbia, is a costly procedure, and should not be required unless some useful purpose is served thereby.

Your committee is informed that Canada allows complete freedom to United States life insurance companies to advertise their total business figures. This situation exists despite a requirement for the filing of figures of Canadian business similar to the treatment of the United States business of Canadian companies. Indeed, the extent of the Canadian operations alone of United States companies is rarely emphasized and total business figures appear in substantially all publications.

HEARING

A public hearing on H.R. 10213 was held by the Subcommittee on Business and Commerce on June 24, 1968. No opposition was expressed to the enactment of the bill.

CONCLUSION

It is the opinion of your committee that the enactment of this proposed legislation will result in making available to prospective policyholders more information than is available to them under present law.

ORDER OF BUSINESS

Mr. **MANSFIELD**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT—RECOGNITION OF SENATOR YOUNG OF OHIO AT 9:15 TOMORROW MORNING

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the Senate, when it completes its business today, stand in adjournment until 9:15 tomorrow morning, and that the distinguished Senator from Ohio [Mr. YOUNG] be recognized for not to exceed 15 minutes, to be followed by the distinguished Senator from Iowa [Mr. MILLER], as provided in the order previously granted, to proceed for a period of not to exceed one-half hour.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

THE 1968 APPROPRIATION FOR THE OPERATION OF SCHOOLS IN AREAS WITH LARGE NUMBERS OF FEDERAL EMPLOYEES

Mr. **SPONG**. Mr. President, for many months, Members of both the House of Representatives and the Senate have been working on the fiscal 1968 appropriation for the Public Law 81-874 program which provides Federal aid for the operation of schools in areas with large numbers of Federal employees. This year, as in years past, there have been attempts by the administration to reduce this appropriation, which has such widespread support among school officials throughout the Nation. This year, again as in years past, the Congress is on record as favoring full entitlement for the program.

The struggle this years has, as usual, been a long one. Last October, Congress provided $416.2 million for the Public Law 81-874 program. As a result of the passage of Public Law 90-218, however, the appropriation was reduced to $395.3 million and the Office of Education notified school districts that they would receive only 80 percent of the amount they were entitled to under the Public Law 81-874 formula. Understandably, school districts were dismayed—partially because of the loss of funds in general, but more importantly because of the timing of the reduction—in the middle of the school year. As in the past, however, Congress once again provided a supplemental appropriation for the program. Although one attempt to add the funds in the House failed, both the House and the Senate later added the $90.9 million needed to provide almost 100-percent entitlement.

Now, however, a new problem has been added. Despite the congressional appropriation—an appropriation backed by rollcall votes in both Houses of Congress—the Bureau of the Budget has not released the money to the Office of Education for obligation. The problem is compounded by two factors.

First. The appropriations language states that the supplemental funds will be available only until July 31, 1968. If the Bureau of the Budget does not release the amount by then, it is most unlikely that the funds can ever be used for this program.

Second. Some school districts have been paid 90 percent of their full entitlement, rather than 50 percent, and these districts have been informed that they will either have to refund some of the money they have received or have the amount of the "overpayment" deducted from whatever sum they might otherwise expect to receive in fiscal 1969.

Although reductions in the program have been proposed a number of times, the Congress is solidly on record in favor of the full entitlement or a sum very close to it. I would argue now, as I argued prior to passage of the supplemental appropriation, that if a program such as this is to be reduced, it should be reduced prior to the beginning of the school year. It would have been negligent to curtail the program in the midst of the year, but it is nothing short of irresponsible to reduce it after the termination of the school year for which it was appropriated. It is, of course, true that school districts have not received their final checks for this school year, but it is also true that they received their estimated entitlements, which since 1951 they had received almost in toto and they planned their school budgets about a year ago.

For these reasons, I think that it is imperative that the Bureau of the Budget release these funds. I know that this is a time of general reductions in expenditures and I recognize our responsibility to do so. At the same time, I have constantly pointed out the need for priorities and I believe that we must exercise responsibility for determining where and when we will make our reductions as well as simply enunciating a policy of reduction. I cannot believe that the Federal Government can withhold this $90.9 million and also meet its fiscal obligations to the 4,500 affected school districts in our Nation.

Mr. **LONG** of Louisiana. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **LONG** of Louisiana. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. YOUNG of Ohio in the chair). Without objection, it is so ordered.

ADJOURNMENT UNTIL 9:15 A.M. TOMORROW

Mr. **LONG** of Louisiana. Mr. President, in accordance with the order previously entered, I ask unanimous consent that the Senate stand in adjournment until 9:15 a.m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 1 minute p.m.) the Senate adjourned until tomorrow, Friday, July 26, 1968, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate July 25, 1968:

INTERSTATE COMMERCE COMMISSION

Kenneth H. Tuggle, of Kentucky, to be an Interstate Commerce Commissioner for the term of 7 years expiring December 31, 1975 (reappointment).

Wallace R. Burke, of Connecticut, to be an Interstate Commerce Commissioner for the term of 7 years expiring December 31, 1974, vice William R. Tucker, term expired.

ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Environmental Science Services Administration:

To be lieutenants (junior grade)

Robert J. Barday
Victor E. Delnore, Jr.
Christopher Rojahn
Albert J. Semtner, Jr.

To be ensigns

John C. Albright
Gerald J. Cinpinski
Charles R. Condon
Glenn H. Endrud
Bruce W. Fisher
Gregory R. Gillen
Ted G. Hetu
Robert C. Husted, Jr.
Douglas F. Jones
Michael Kawka
Kenneth E. Lilly, Jr.
Richard S. Moody, Jr.
Michael J. Moorman
David S. Morgan
Richard Olson
John S. Snooks
Gordon F. Tornberg
James P. Travers

IN THE ARMY

I nominate Lt. Gen. John William Bowen, O18904, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of lieutenant general under the provisions of title 10, United States Code, section 3962.

IN THE NAVY

Vice Adm. John T. Hayward, U.S. Navy for appointment to the grade of vice admiral on the retired list in accordance with title 10, United States Code, section 5233.

Having designated Rear Adm. Richard G. Colbert, U.S. Navy for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, I nominate him for appointment to the grade of vice admiral while so serving.

In the Marine Corps

The following named officers of the Marine Corps for temporary appointment to the grade of major general, subject to qualification therefor as provided by law:

Robert G. Owens, Jr.
Earl E. Anderson
Michael P. Ryan
John R. Chaisson
Oscar F. Peatross
Edwin B. Wheeler

In the Air Force

The following Air Force officer for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duty indicated, and with date of rank to be determined by the Secretary of the Air Force:

To be first lieutenant (Judge Advocate)

Flowers, Raymond R., Jr., FR3154525.

The following Air Force officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be major

Adams, Charles D., FV3006724.
Adams, Dale F., FV3018848.
Adams, Glen L., FV3004093.
Adams, John D., FV3007253.
Adams, Robert S., FV3004932.
Adams, William H., FV3012156.
Albers, Burnell L., FV3009082.
Albers, Gayard W., FV3002469.
Aldrich, Theodore B., FV2227099.
Allen, William E., FV3025618.
Anders, Loyd J., Jr., FV3004951.
Anderson, Arthur H., FV3006718.
Anderson, Douglas W., FV3025866.
Anderson, Floyd R., FV3023908.
Anderson, James T., FV2216154.
Andrews, Merle R., FV3022615.
Andrews, Robert W., FV2235397.
Angstadt, Ralph H., FV3034774.
Annis, James W., FV3025888.
Anunson, Gary W., FV3026215.
Aragon, John B., FV3019486.
Armstrong, Albert E., FV0941891.
Armstrong, Charles W., FV3035022.
Armstrong, Howard D., FV3026077.
Armstrong, Robert T., FV3023283.
Arndorfer, Thomas F., FV3025850.
Arnold, Franklin G., FV2228113.
Arth, Donald L., FV3023329.
Arthur, Alan W., FV3035498.
Arthur, Gerard, FV3006723.
Ashworth, Paul G., FV3004707.
Askin, Theodore S., FV3014244.
Asselanis, George K., FV3015654.
Atkinson, Richard L., FV2225151.
Audette, Albert D., Jr., FV3006310.
Avinger, Ronald Q., FV3034654.
Aycock, Robert E., FV3035426.
Babb, Herbert A., FV2236989.
Babcock, Walter C., FV3014454.
Bagnani, Valentino, Jr., FV3034330.
Baillie, Ronald K., FV3023259.
Baker, Elmo C., FV3026432.
Baker, Willard D., FV3033995.
Balazs, Joe R., FV3005955.
Ball, Charles E., FV3021739.
Barnett, James H., FV2227725.
Barry, John F., FV2252622.
Barry, Richard K., FV3005838.
Bates, Francis L., FV3026383.
Bates, Stephen C., FV3024044.
Bauman, Paul J., FV2235386.
Baxter, Paschal H., FV2228281.
Bell, James L., FV3004038.
Bell, Roger B., FV3034310.
Bennett, William G., FV2228007.
Benvenuti, John R. D., FV2247480.
Berent, Mark E., FV3021953.
Bergh, Raymond G., Jr., FV3021903.
Beutler, Leo D., Jr., FV2228206.
Bevacqua, Anthony P., FV3025780.
Bidner, Arthur, FV2255849.
Bjerken, Lennart H., FV3016599.
Blease, Paul E., FV3024683.
Bloomcamp, Franci W., FV3005338.
Boehm, Charles E., FV3021792.
Boerschig, Charles A., Jr., FV3023086.
Boettcher, Gary G., FV3022789.
Botto, David C., FV2227413.
Bradbury, Gordon H., FV2249854.
Bradford, William T., FV3004852.
Bratfisch, Carl E., FV3005867.
Bratton, Paul R., III, FV3007271.
Braue, George C., FV2226823.
Bray Dwight A., FV3008184.
Brichetto, John N., Jr., FV3034139.
Bristow, Harrold L., FV2220974.
Brooks, Kenneth D., FV3014083.
Broomall, William L., Jr., FV3025729.
Brost, Joseph R., FV3007799.
Brown, Charles N., FV3017390.
Brown, Frederick D., Jr., FV3023184.
Brown, Geoffrey C., Jr., FV3025499.
Brown, Herbert L., FV3005959.
Brown, Robert G., FV3017979.
Brown, Ronald D., FV3004594.
Brubaker, Eugene V., FV3011172.
Brummett, Jack D., FV3024982.
Bruner, Harlan K., FV3022430.
Bruner, Paul V., FV3007287.
Bruns, William T., FV3016427.
Budde, Ralph C., FV2226890.
Buford, Carrol D., FV2227938.
Bunch, Clyde F., FV3005250.
Bures, Eugene F., FV3005057.
Burleson, Jesse A., FV2254894.
Burnett, Roy P., FV3024924.
Burns, Winfield S., Jr., FV3009069.
Burrows, Keith M., FV2237281.
Buschette, Edwin A., FV3022715.
Byrd, J. C., FV3025276.
Calkins, Roland N., Jr., FV3021905.
Callahan, Leo F., FV3026387.
Campfield, William, Jr., FV2246376.
Candee, Leslie W., FV3034404.
Carpenter, Gordon L., FV2252742.
Carroll, Gene E., FV3002884.
Chamberlain, Richard E., FV0940133.
Chamberlain, Robert M., FV2247911.
Chamberlain, David D., FV3023382.
Chambers, Charles M., FV3033736.
Chapman, Kenneth L., FV2226794.
Cheek, Fleming A., FV3020693.
Cheney, Glen M., FV3026339.
Chestnut, James M., FV3034573.
Chetelat, Larree D., FV3019023.
Clark, Andrew J., FV3006497.
Clark, Jimmie R., FV3024314.
Clarke, Clarence S., FV3034271.
Claypool, Robert B., FV3003526.
Clements, James A., FV3021015.
Clervi, Eugene A., FV3003913.
Clothier, Norman F., FV2230404.
Cochran, Charles W., FV3003418.
Colbrunn, John D., FV2223024.
Coleman, Fred T., FV3026443.
Collins, Wayne C., FV3007826.
Combs, Albert E., FV3007307.
Comstock, Donald W., FV3023171.
Condra, Donald M., FV3022325.
Conlon, James M., FV3005684.
Coon, William H., FV3005892.
Cooney, James P., FV2224920.
Copeland, Charles L., FV2245345.
Copeland, H. C., FV3015953.
Copin, Charles R., FV3026341.
Coppedge, Charles M., FV3005060.
Corrick, Donald W., Jr., FV3012798.
Corum, Delbert M., FV3025900.
Costello, Leo F., FV2221022.
Cowgill, Orval, A., FV3004973.
Crabb, Derwyn C., FV2237407.
Craner, Robert R., FV3034313.
Creamer, William E., Jr., FV3004711.
Cress, Kermit I., FV3026264.
Crisp, William D., FV2221032.
Crissy, Gene E., FV2237070.
Cronkhite, Carleton E., FV3023334.
Crooks, Elvis E., FV3005091.
Crossman, David A., FV3011537.
Crotwell, Clarence H., Jr., FV3025397.
Crouch, Walter L., FV3023111.
Crowley, Louise N., FV3007565.
Crozier, Ronald J., FV3023059.
Crutchfield, Lewis M., FV2224149.
Culp, Gerard H., FV3007839.
Cutrell, Charl C., Jr., FV3022770.
Dahl, David C., FV3021554.
Daigle, Charles F., FV3018798.
Dale, John A., FV3026087.
Dart, Maurice E., FV2227571.
Davidson, Howard H., FV2226593.
Davidson, Robert L., FV3007328.
Davis, Floyd G., FV3015094.
Davis, James L., FV3013584.
Dawson, Robert E., FV3026390.
Dehart, James S., FV3024815.
Delfosse, Lyle E., FV3024379.
Demaar, John R., Jr., FV3026163.
Deming, Charles H., FV3022535.
Dennis, Jeptha W., Jr., FV2248603.
Desing, Richard M., FV3005928.
Dirl, Wesley R., FV3020438.
Dixon, Clarence, FV2254998.
Dixon, Jacob, Jr., FV3018621.
Dixon, Robert L., FV3033806.
Dodds, John W., Jr., FV3020186.
Doglione, John A., FV3026164.
Dolan, Larry J., FV3010021.
Doran, Richard I., FV2228173.
Doran, Richard J., FV3005246.
Doucette, Richard E., FV3025361.
Doyle, Patricia M., FV2251616.
Drelling, Michael S., FV3021957.
Drennan, Harry E., FV3016312.
Drew, Allan N., FV3005846.
Duff, Donald G., FV3005167.
Duffy, Richard E., FV3034315.
Dunbar, William B., FV2227872.
Dunwoody, Richard H., FV3034792.
Durette, John C., FV3024796.
Dyer, Frank J., FV1904584.
Edwards, David J., FV3034294.
Edwards, Eugene R., FV3021533.
Egan, Thomas F., FV3007859.
Eichler, Frank M., FV2227454.
Eimer, Robert A., FV3003072.
Ellington, Robert F., FV3023764.
Elliott, Arlie R., FV3022809.
Elliott, David L., FV3024640.
Ensley, Grover L., FV2226446.
Erickson, William D., FV3026194.
Fahlgren, William A., Jr., FV3003740.
Falk, Jimmie D., FV3023835.
Farrar, Coy W. Jr., FV3017017.
Farris, Thomas E., FV2227146.
Fass, Alfred W., FV3025580.
Fazio, Vincent S., FV3018698.
Fields, Samuel E., FV3023583.
Finaly, Richard H. E., FV3012249.
Fisher, Grady F., FV3013743.
Fortney, Gale W., FV3006501.
Fournier, Thomas J., FV3022517.
Foust, Thomas J., FV3006154.
Frank, Kenneth G., FV3005829.
Franks, Robert J., FV3019841.
Free, Donald L., FV3004838.
Frei, James R., FV3006276.
Freitag, Theodore C., FV3025117.
Furth, Kenneth D., FV3012061.
Gainer, Giles W., FV3025049.
Galli, Vincent A., FV3012654.
Gardner, Arthur T., FV2251793.
Gardner, Robert D., FV3023704.
Garland, Edgar L., FV0934715.
Gary, Oscar K., Jr., FV3020349.
Gassman, James O., FV3034148.
Gearhart, John R., FV3023065.
Geehan, Elmer R., FV2248475.
Geer, Charles W., FV3023337.
George, John M., FV3024219.
Gerard, Marvin E., FV3035466.
Giese, Carl R., FV2249748.
Gifford, Richard W., FV3021743.
Gill, Edgar A., Jr., FV3033709.
Gill, Jack A., FV3004141.
Gillespie, Patrick J., FV2227841.
Gilmore, Paul J., FV3024589.
Giordano, Richard, FV3026094.
Glover, James P., FV3021699.
Goldfein, William M., FV3023898.
Goodnough, Ronald E., FV3019532.
Goodwin, Harold M., FV3007393.

Gordon, George A., Jr., FV3022048.
Gowans, Robert V., FV3005169.
Graff, Neil A., FV3034590.
Gratch, Archie W., FV2225376.
Gray, Glyn J., FV3006502.
Green, Gene E., FV3034591.
Griffin, Michael D., FV3004841.
Guenther, Elmer W., Jr., FV3024621.
Guerra, Jose A., FV3034667.
Gugin, William P., Jr., FV3025906.
Gulig, Leonard C., FV3034592.
Gustavson, Arthur M., FV3019474.
Guy, Frank W., FV3005701.
Hackley, William A., FV1854347.
Hackworth, Robie, FV3004145.
Hafner, Robert R., FV3004604.
Hagan, Joseph H., FV2227572.
Hale, Hugh C., FV3005966.
Hall, William C., FV3016992.
Harmon, William F., FV3003051.
Harris, Howard T., FV3025585.
Harris, Paul L., FV3035524.
Harrison, William F., FV2227420.
Hart, Walter M., Jr., FV3011082.
Harty, Charles J., FV3025458.
Haselhorst, Delbert J., FV3034419.
Hayes, Herman G., FV3033810.
Heath, Donald J., FV3025512.
Heath, Harold, FV3006924.
Hedding, Truman J., FV2220590.
Heflin, Frank E., FV3003420.
Heggen, Keith R., FV3033939.
Heinbaugh, Jimmie B., FV3010176.
Heiniger, Keith D., FV3020648.
Hemby, William R., Jr., FV3009080.
Hendrickson, Rich C., FV3007928.
Henney, Rodney B., FV3023449.
Hensley, Boyd W., FV3021778.
Herring, John B., FV3025461.
Hess, Ted H., FV3013341.
Hightower, Calvin D., FV2226844.
Hill, George F., FV2248166.
Hilton, Alton L., FV2227003.
Hinsen, David E., FV3034341.
Hires, Robert J., FV3024500.
Hlavac, Robert J., FV3024365.
Hobart, Donald W., FV2225343.
Hodges, Bill S., FV3024559.
Hodges, William C., FV3005595.
Holley, Janera L., Jr., FV3033889.
Holley, Richard E., FV2229187.
Hollfelder, Donald C., FV2227005.
Holliday, George F., FV3010005.
Holman, William G., FV3025792.
Holton, Carl E., FV2225775.
Hopkins, Robert S., II, FV0938204.
Hornaday, Bobby L., FV2225379.
Horne, Stanley H., FV3022810.
Houston, Edwin C., FV2237004.
Howard, Michael J., FV3022407.
Hudock, Michael, FV3009285.
Huggins, Norman P., FV3006007.
Hunt, Joseph B., Jr., FV3034595.
Hurst, John F., Jr., FV2227212.
Husted, James T., FV3006383.
Hutchinson, Douglas W., FV2230390.
Hutchison, Ronald L., FV3025748.
Innes, Neil F., FV3022963.
Jacobs, Frederick R., Jr., FV2227213.
James, Alan E., Jr., FV2246933.
Jensen, John R., FV2237508.
Jepson, Wayne A., FV3004200.
Johnson, Jerry R., FV3033890.
Johnson, Richard C., FV2229555.
Johnson, Wallace A., FV2234388.
Johnson, William M., Jr., FV3025463.
Johnston, William F., Sr., FV3023160.
Jolly, Donald L., FV3025464.
Jones, Gilbert E., FV2224782.
Jones, Robert H., FV3006588.
Jones, William H., FV2229859.
Jonker, Donald E., FV3022774.
Joyner, Donald A., FV3024237.
Kaeslin, Ronald G., FV3025167.
Kaplan, Alan M., FV2225657.
Karalus, Peter H., FV3025372.
Kardong, Gabriel A., FV3023926.
Kavookjian, Sarkis H. FV3004705.
Keener, James C., FV3006009.
Kent, Gaylord S., FV3004048.
Kerns, Benjamin E., FV2085795.
Kerr, Robert M., FV2226375.
Kessler, Maurice G., FV3024099.
Kilborn, Richard F., FV3023993.
Kimball, Richard D., FV3034221.
Kimmel, Richard L., FV3005099.
King, Robert E., FV3008361.
King, Thomas F., FV1860610.
Kirby, Eugene W., FV3024677.
Kirk, William L., FV3026398.
Klein, Harvey, FV2237953.
Knoebel, Russell P., Jr., FV2222678.
Knutson, Sever B., FV3026301.
Koger, Robert L., Jr., FV3035229.
Kreese, George T., Jr., FV3022635.
Kukla, Paul, FV2217069.
Ladds, Jack E., FV3012190.
Lakins, Charles R., FV2226244.
Lamb, Frank L., FV3002976.
Lange, Melvin L., FV2227884.
Langerud Clarence I., FV3025594.
Larson, Phillip E., FV3005470.
Larson, Thomas P., FV3024678.
Lassman, Bert D., FV3005174.
Latham, William H., FV3023656.
Lau, Bosan, FV0591377.
Lawrence, Joseph J., FV2227322.
Lawrence, William A., FV3011140.
Lazare, Oliver A. L., FV3035046.
Lee, Dwendon M., FV3020083.
Lee, Herbert A., FV3035322.
Lee, John F., FV2253032.
Lee, Ralph E., FV3025019.
Legamaro, Salvatore J., FV3024989.
Lehman, August C., FV3006012.
Leight, John A., FV3025126.
Leiss, Joseph W., Jr., FV3022201.
Lemay, Lowell A., FV3025327.
Lewis, Robert G., FV3004849.
Lewis, Robert P., FV3019066.
Lewis, Roger L., FV3026401.
Libengood, Lewis L., FV3022314.
Lichtwardt, Richard D., FV2221226.
Ligman, Donald L., FV2231940.
Linthicum, Willia B., FV3003236.
Liske, Robert A., FV3025821.
Little, Norman R., FV2246947.
Livermore, John R., FV3023724.
Lockhart, Lemuel E., III, FV3025328.
Lohner, James H., FV3007005.
Loiselle, Raymond L., FV3034166.
Long, Francis M., FV3034535.
Long, Richmond N., FV2226567.
Lorenzo, Peter Jr., FV3024417.
Lowe, Leroy W, FV3019469.
Lowell, Rial D., FV2228156.
Ludwick, Jack W., FV3021471.
Lundy, Theodore R., FV2227156.
Maccammond, Kenneth M., FV0939156.
Maccann, Henry E., FV3024863.
Mack, Robert J., FV2225777.
Maddalena, Ignaceous J., FV3023522.
Madden, Charles R., FV3004487.
Madero, Ralph P., FV3035437.
Madry, James A., FV2228539.
Madsen, Ronnie C., FV3006281.
Maginn, George S., FV3021473.
Mali, Robert C., Jr., FV3033979.
Malloy, Jerry G., FV3023851.
Mallozii, Cosimo B., FV3034299.
Malone, John E., Jr., FV3020467.
Malott, Carringto L., FV2215197.
Mankins, Harry R., FV3023748.
Manly, Basil, III, FV2246724.
Manning, Thomas E., Jr., FV2226057.
Mansfield, Ernest G., Jr., FV3022315.
Marois, Henry L., Jr., FV3009086.
Marsey, Donald L., FV3004076.
Marshall, Robert R., FV3026065.
Martin, Carl F., FV1863599.
Martin, Samuel H., III, FV3024782.
Massingill, John L., FV2226703.
Mathison, Solomon D., FV2227548.
Maus, Thomas H., FV3020499.
Mayo, Roy D., FV3023497.
McCall, William F., FV3034377.
McCann, Rubert D., FV2225045.
McCarthy, William J., FV3026109.
McCarthy, Billie S., FV2220247.
McClure, Robert C., Jr., FV3008003.
McCollum, William A., FV3024387.
McConnell, Gene D., FV3006559.
McDonald, Gerald, FV3025291.
McGilvray, Will., FV3034950.
McGowan, Clifford E., FV3007029.
McHale, Edward M., FV3023929.
McKee, Roger G., FV3025527.
McKinney, Harold E., FV3026066.
McKinney, Ronald H., FV2244709.
McLeaish, John H., Jr., FV2229956.
McWhorter, Charles E., FV3003074.
Meadows, Donald D., FV3022063.
Means, Richard D., FV2254697.
Mehringer, John J., Jr., FV3005687.
Melanson, John R., FV3005834.
Melsness, Robert N., FV3022504.
Mendonca, Richard J., FV3035471.
Mesler, Neil V., FV3006693.
Meyer, Winfred D., FV3014953.
Micksch, Anton J., FV3033870.
Millard, Charles K., Jr., FV3021895.
Miller, Frederick R., FV3006111.
Miller, William I., Jr., FV3026112.
Miner, Robert G., FV3013392.
Minnix, Joseph C., FV3006589.
Mitchell, Albert C., FV3005755.
Mitchell, Bert E., FV3033905.
Mitchell, David K., FV3021538.
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Monk, John M., Jr., FV3006285.
Montgomery, Lawson B., FV3018712.
Mooney, Gene A., FV2225533.
Moore, Donald J., FV3034429.
Moore, Harrell M., FV3025760.
Morgan, James S., FV3026413.
Morris, Guentin J., FV3021939.
Morris, Richard D., Jr., FV2227431.
Morris, Thomas E., FV3007055.
Mortine, Weldon D., FV3015389.
Moser, Richard E., FV3033848.
Moser, Wendell C., FV2226714.
Moulton, John R., FV3034544.
Mucci, Joseph A., FV3006563.
Mulberry, Eugene W., FV2237999.
Murata, Isamu, FV2230133.
Murdock, Clifton C., FV2224794.
Murray, Denny F., FV2238527.
Murray, Kenneth W., Jr., FV3033907.
Nakano, Albert S., FV3024827.
Napoleon, Fred V., Jr., FV2229607.
Nason, Leonard B., FV3005803.
Nicholls, Norman G., FV2237520.
Nielson, Roger W., FV2229757.
Nikolauk, John, FV3034237.
Norris, William D., FV3034908.
Obara, Edward F., FV3022932.
Obel, Ray C., FV3025922.
O'Brien, Robert W., FV3002862.
O'Connor, Peter N., FV3014404.
Oechsle, Edward H., FV3012384.
Oetinger, Revilo R., FV3010713.
Oliver, Elmer E., FV3007577.
Opfell, Ronald F., FV2251266.
O'Rourke, Edward G., FV3035530.
Osborne, Carl D., FV3018840.
Osteraa, Finn W., FV3023712.
Owen, Edward W., FV3026308.
Owen, Jesse R., Jr., FV3022216.
Palenius, Gordon, FV3023424.
Parker, James R., FV2244862.
Parr, Thomas, III, FV2252757.
Parrella, Frank S., FV3024819.
Paskoski, John J., FV3025652.
Patterson, Richard B., FV3024902.
Pearce, Warren C., FV3024369.
Pearson, Frederick R., FV2225430.
Pence, Ray, FV3005776.
Pennington, Charles R., FV3003205.
Perkins, Harold C., FV3034605.
Perry, Joseph K., FV3008064.
Person, Arnold L., FV3021706.
Peters, William H., FV3013148.
Pettis, Cecil R., FV3009829.
Phillips, John W., FV2225664.
Philson, Arland L., FV3006238.
Phipps, Paul W., FV2204431.
Picht, Floyd T., FV3026030.
Pielin, Robert D., FV3022797.
Pinard, Robert N., FV3035244.
Pitts, Charles R., FV3025138.
Plass, Glenn L., FV3025925.
Pointon, Vernie R., FV3034804.
Polglase, Donald W., FV3019229.

Poole, Bobby R., FV2228091.
Potter, John P., FV2224951.
Powers, Peter J., Jr., FV3026032.
Price, Clark T., FV3023167.
Price, Philip B., Jr., FV3008080.
Prigge, Diedrich, III, FV3006511.
Pritchett, Thaddeus C., FV3018087.
Purcell, Edward J., III, FV2248578.
Quelch, William H., Jr., FV2254988.
Rademacher, Harol W., FV2225878.
Rainbolt, Stephen W., FV3024508.
Rasmussen, Ronald D., FV3008084.
Ravenelle, Richard L., FV3003010.
Ray, Robert G., FV2224963.
Redwine, Kyle C., FV2224656.
Reed, James A., FV3033685.
Rega, Michael J., FV3024223.
Reighard, Eugene, FV3005793.
Reinkoester, Edward C., FV2250984.
Reynolds, William W., FV3003985.
Rhyner, Daryl A., FV3034275.
Richards, Carl S., FV3034608.
Richardson, Dewey E., FV3022885.
Richardson, William J., FV3024370.
Rickey, Alfred J., Jr., FV2226384.
Rickman, Milton V., FV3005156.
Riddering, Harold, FV3025765.
Rigg, Harold M., FV3004903.
Riley, Joseph D., Jr., FV3025864.
Roberts, David W., FV3017284.
Robins, Norman E., FV3008405.
Robson, Lawrence, FV3026374.
Rock, Edward T., FV3022369.
Rogers, Johnny M., FV3018772.
Rogers, Lawrence D., FV3014861.
Rogers, Price, Jr., FV3014113.
Rokuhara, George, FV2230332.
Ropka, Lawrence, Jr., FV3034757.
Roseborough, Edward, FV3025810.
Ross, John C., FV3024996.
Ross, Troy G., FV3025704.
Rosselot, Gene E., FV2226077.
Ruffo, John S., FV3034678.
Ruhman, Bryant L., FV3033953.
Ruiz, Carlos M., FV3024005.
Saccone, Joseph D., FV2249475.
Sakamoto, Sadayoshi, FV3024835.
Sammut, Charles J., FV2227960.
Sanders, Laurence A., FV3002948.
Savage, Myron L., FV3005822.
Scallorn, Ben G., FV3018961.
Schafer, David F., FV3019913.
Schaller, Donald R., FV3021786.
Schermerhorn, Monte G., FV2220801.
Schlight, Robert J., FV2225568.
Schneidenbach, Robert T., FV3009574.
Schwanbeck, Marvin E., FV3034831.
Scott, William W., FV3018534.
Senkel, Bernard W., FV3023858.
Sevel, David J., FV3006269.
Shaffer, William M., FV3034287.
Shattuck, Fred W., Jr., FV3025812.
Shaw, Hayden J., Jr., FV3034248.
Shinn, David A., FV2225052.
Simpson, Samuel N., FV2226636.
Sirockman, James D., FV3016595.
Sirotnak, Eugene J., FV2227131.
Skinner, Hosea L., FV2222407.
Skipper, George E., Jr., FV3022739.
Smith, Henry L., FV3034807.
Smith, Paul G., FV2244912.
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Snyder, Leroy F., FV2226412.
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Sonick, John M., FV3035107.
Sonnenberg, Nolan S., FV2216475.
Soucia, Charles J., FV3021565.
Sovinsky, Leo V., FV2246829.
Speyerer, David E., FV2246273.
Spragg, Donald V., FV2228097.
Staples, Donald G., FV3022742.
Starling, Philip J., FV3024258.
Steinke, Harold J., Jr., FV3035540.
Stewart, Alexander F., FV3022743.
Stewart, Otto M., FV3021545.
Stoneburner, James J., FV3023611.
Stouffer, Lyle E., FV3009231.
Stuart, Robert D., FV2245427.
Sullivan, Dwight E., FV3025678.
Sullivan, James T., FV2226201.
Sundquist, John W., FV3025814.
Sutphen, John T., FV3004543.
Sutton, Charles A., FV3024031.
Taliaferro, William, FV3018089
Taylor, John F., FV3034441.
Taylor, William M., FV3003426.
Terlouw, Garret W., FV3023531.
Terpening, Russell D., FV3022014.
Thayer, Richard H., FV2245979.
Theriot, Antoine, Jr., FV3020810.
Thomas, Joel J., FV3025202.
Thomas, Florence K., FV2250227.
Thomas, Robert L., FV2247590.
Thompson, Ervin Jr., FV3007187.
Thompson, Leslie G., FV2225818.
Thornton, Earl L., FV3034442
Thorpe, Deloy A., FV2230315.
Throckmorton, Robert W., FV2228340.
Totten, Floyd M. Jr., FV3006341.
Turner, William H., Jr., FV3008168.
Ulring, Donald L., FV3026014.
Vangerpen, Myron D., FV3024548.
Vanriper, Gerrit S., FV3024935.
Vanwagener, Benjamin W., FV2226816.
Vaughan, Duane C., FV3021546.
Vennitti, Joseph B., FV3004025.
Villotti, James S., FV2250980.
Vissotzky, Raymond W., FV3006144.
Vogel, Daniel J., FV3005887.
Waddell, Donald R., FV3026212.
Walker, Robert W., FV3022073.
Wallace, James L., FV2254755.
Walston, Elza L. Jr., FV0941848.
Ward, Harrison M. Jr., FV2236979.
Wasmer, Roger K. F., FV3009446.
Weber, Arnold F., FV3021754.
Weiger, William F., FV3021569.
Weiss, Richard H., FV3025092.
Wessale, Emil E., FV3034058.
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Whitaker, Darrell D., FV3033651.
White, Howard K., FV1856361.
White, Lincoln L., FV2220888.
White, Ralph L., FV2252909.
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Woody, Charles L., FV1909885.
Wootton, Louis A., FV3026380.
Wright, Thomas W., FV3024111.
Wuest, Willys D., FV2249202.
Wyman Harlan C., FV3023672.
Xiques, Paul A., FV3006596.
Yarwood, Curtis H., FV3010770.
Yost, Louis J., Jr., FV3009449.
Youngblood, Robert C., FV2237733.
Youse, Ronald B., FV3035063.
Zarambo, Stanley, FV3009076.
Zefo, Roche M., FV3023778.
Zenick, Francis J., FV3034741.
Zeschke, Richard A., FV3009335.
Zimmerman, Donald B., FV2248666.
Zoubul, Socrates M., FV3021525.

To be captain

Abram, Gerald D., FV3035620.
Acosta, Javier F., FV2210486.
Adams, James E., Jr., FV2208125.
Allen, Marshall E., FV3037060.
Allen, Maurice W., FV3035584.
Anderson, James R., FV3035551.
Anderson, Kenneth D., FV3037344.
Andrews, Herbert L., Jr., FV3036492.
Apperson, Earl A., FV3008552.
Arbuckle, Donald E., FV3036429.
Ashburn, Richard J., FV3036922.
Ashley, Clifford B., FV2228114.
Bandarrae, Frederick J., II, FV3035912.
Banick, Theodore J., FV3037021.
Bartels, Peter H., FV3023355.
Bartenetti, John G., FV3030259.
Bartolutti, Leonard F., FV2205054.
Bass, Jackie N., FV2210236.
Bauer, Eugene L., FV2204656.
Baxter, James L., FV3037782.
Beck, Robert J., FV3009107.
Beckers, Lyle L., FV3037062.
Behrend, Curtis L., FV3036300.
Bell, Clarence P., FV3036791.
Benson, Edgar C., Jr., FV3036108.
Benson, Walter C., FV3036554.
Berg, Allan G., FV3035896.
Biggs, Richard J., FV3035860.
Boyd, Denzil H., Jr., FV2206136.
Bradfield, Sidney C., FV3036793.
Brimm, James S., FV3035768.
Brooks, William O., FV3008441.
Brown, Luther J., FV3036494.
Browning, Donald G., FV2208337.
Bruner, Gordon C., FV2245539.
Burke, Michael D., FV3036929.
Burnfield, Watson D., FV2206075.
Burton, Conrad L., FV2207683.
Christian, William C., FV3037825.
Clever, Larry A., FV3036306.
Cockayne, William A., FV3034291.
Cole, Norman S., FV3037535.
Coleman, James D., Jr., FV3036889.
Collins, Gerald J., FV3036723.
Conley, Edward C., FV3034216.
Coppi, Quintin J., FV2210178.
Corbett, Lon P., FV2204500.
Cork, Clifford D., FV3037558.
Cox, Kenneth L., FV2207361.
Coyle, Francis N., FV3008572.
Crawford, Jack R., FV2206198.
Cregger, Arthur E., FV3037319.
Crotty, Paul V., FV3037238.
Cullen, Edward R., FV2207214.
Curtis, Donald R., FV3036311.
Delong, George W., FV3030636.
Devick, James H., FV3036993.
Disante, Albert F., FV3036370.
Doughty, Daniel J., FV3037760.
Douglass, William W., Jr., FV3037068.
Dromsky, Boleslaw J., Jr., FV3036848.
Duffack, William C., FV2204585.
Duffer, Harold E., FV3008577.
Dunham, Richard A., Jr., FV3036008.
Dunn, Richard F., FV3037129.
Durham, Kenneth W., FV3020950.
Duvall, William D., FV3036038.
Ebert, David G., FV3035941.
Estes, Thomas B., FV3024080.
Fergus, John E., FV3036132.
Fisher, Robert F., FV3031574.
Friedman, Lawrence L., FV3036373.
Gardner, Harvey S., Jr., FV3026237.
Garrison, John L., FV2206455.
Gibbons, James R., FV3036043.
Gibson, James V., FV3035811.
Glamm, David W., FV2209920.
Govan, Robert A., FV3036636.
Graber, Jack L., FV3037323.
Graf, Richard A., FV3035918.
Graham, Joseph W., FV3025855.
Grill, George W., Jr., FV3037409.
Grischkowsky, Edgar R., FV3036777.
Gruntorad, Dennis L., FV3037010.
Gunter, Lucian A., III, LV3036686.
Haag, Richard G., FV3036637.
Hamer, Breeden J., Jr., FV3037047.
Hamilton, Wallace J., FV3037011.
Haney, Charles W., FV3032697.
Haney, Robert E., FV3036080.
Hanson, Jerry L., FV2208207.
Harding, Donald E., FV3008589.
Harris, Jerry L., FV3035384.
Harvey, Charles E., FS2205073.
Harwell, Aubrey L., FV3008592.
Hashimoto, Richard A., FV2207367.
Heberer, Ray H., FV3035920.
Helmer, Donald E., FV3005940.

Henderson, Page H., FV3037569.
Henderson, Phil M., FV3025165.
Henderson, William R., FV3036146.
Herman, James W., FV2206100.
Hinson, Joshua M., FV3008596.
Holberg, Weston L., FV3036953.
Hollopeter, Billy W., FV3036498.
Holloway, Wendell M., FV2207085.
Hood, William M., FV3032009.
Humphrey, William R., FV1858228.
Hyre, Frederick G., FV30118704.
Ingold, Larry G., FV3009128.
Jacobs, Richard K., FV2204643.
Johnson, Arthur E., Jr., FV2207574.
Johnson, Frank D., FV3036188.
Johnson, George R., FV3037251.
Johnston, Paul G., FV2206465.
Jurosky, George F., FV2204743.
Katz, Sherman, FV3036049.
King, William J. L., FV3036616.
Kirker, Kenneth A., FV2207326.
Klepper, Stanley O., FV3037667.
Kling, David P., FV3036330.
Lachance, James G., FV3036288.
Lehman, John H., FV3036189.
Lewis, Gordon E., FV3037521.
Lewis, James R., Jr., FV3037299.
Lovering, Peter B., FV3036420.
Luck, Glenn M., FV3037473.
Luedeke, Kenneth D., FV3037000.
Mack, Jerold R., FV3035700.
Maguire, Robert J., FV3035865.
Maheras, James G., FV3037050.
Mann, Harry A., FV2209428.
Mannion, Thoma J., Jr., FV2207233.
McAneny, John D., FV2208022.
McCachren, Robert J., FV3037206.
McCann, Robert C., FV3036806.
McGovern, Gerald, FV2209498.
McGraw, Donald C., Jr., FV3036338.
McHalek, Edward D., FV3035671.
McLean, James P., FV3037475.
McLeod, Louis H., Jr., FV2205292.
McMahon, Roger J. F., FV3036908.
McNicholas, James D., FV3037207.
McNiff, Frank L., FV3035598.
Metzner, Alexander, Jr., FV3025700.
Miles, George S., FV3037210.
Miller, Carl D., FV228186.
Miller, Douglas M., FV3006084.
Millspaugh, Gene A., FV3037271.
Mitchell, Lloyd L., Jr., FV3008505.
Morgenstern, Michael H., FV3018728.
Moses, Clinton H., FV3037033.
Mullen, Albert M., Jr., FV3037213.
Musgrove, William D., Jr., FV3036769.
Nagle, Charles J., FV3037747.
Neitzke, Frederic W., FV3009132.
Newhart, William H., Jr., FV2206230.
O'Connell, William T., FV3036235.
O'Connor, John, FV3036587.
O'Dell, Jesse K., FV3036391.
Oliver, George W., FV3035783.
Oliver, Lewis M., FV3035885.
Oliver, Marvin E., FV3036342.
Orenic, Edward J., FV3008517.
Oryall, Orland O., FV3008623.
Oshima, Raymond M., FV3008519.
Pair, Lee R., FV2205759.
Palmer, Edward J., Jr., FV2208604.
Parker, Gilbert E., FV3036205.
Paschall, Jim B., FV3035604.
Patton, Charles O., Jr., FV3009157.
Penney, Ralph S., FV3036020.
Peterson, Donald H., FV3035357.
Phillips, Osbert, FV3037276.
Pink, Gordon S., FV3037376.
Pochurek, Leonard J., FV2206115.
Powell, Lee R., FV3030877.
Priest, James L., FV3035607.
Priest, Robert D., FV3035608.
Prieto, Ronald A., FV3033684.
Pruitt, John H., FV3036977.
Rager, Clarence A., FV3036621.
Reese, Wendell D., FV3037774.
Reinbold, Buddie R., FV3036784.
Reis, George, Jr., FV3008632.
Ritenour, Donald L., FV3035359.
Robinette, Patrick L., FV3036785.
Schuster, Jack H., FV3035329.
Scoggins, Wilton E., FV3008640.
Scott, Andrew N., FV3036530.
Seanor, John W., FV3025023.
Sears, Thomas B., FV3035829.
Shouse, James V., FV3035853.
Smith, Joseph E., FV2204525.
Sorensen, Jake I., FV3037381.
Stirm, Robert L., FV3036919.
Stroud, Albert E., FV3008648.
Sturman, Jack L., FV3037680.
Sullivan, John F., FV2209630.
Tanaka, Abraham K., FV2206782.
Thomas, John R., FV3035579.
Toeniskoetter, Robert L., FV3033765.
Townsend, George N., Jr., FV3008536.
Trainer, Maxie L., FV3035956.
Ueunten, Henry A., FV3036507.
Vondrak, Richard B., FV2216800.
Vought, Edward L., FV3026211.
Walker, Jack F., FV3037177.
Weyant, Terry P., FV3112242.
Wilkerson, Clarence Y., Jr., FV3036644.
Wubker, Robert J., FV3037388.

In the Navy

The following-named officers of the U.S. Navy, for temporary promotion to the grade of captain in the Medical Corps, subject to qualification therefor as provided by law:

Alspach, Rodger L.
Anderson, Richard R.
Arnest, Richard T., Jr.
Arthur, Ransom J.
Barrick, Richard H.
Beckwith, Frederick D.
Bennett, Wayland
Bernstine, Richard L.
Bishop, Calvin F.
Brodine, Charles E.
Brown, Dudley E., Jr.
Brown, Herbert R., Jr.
Brown, Jacob V.
Cady, Gerald W.
Carson, William E.
Cole, Buell C.
Cox, John W.
Davis, Richard G.
Delave, Daniel P.
Dobel, Gerald F.
Easterday, Robert H.
Edens, Fred R.
Ewing, Channing L.
Feeley, Donald R.
Fitchett, Vernon H.
Flynn, John W.
Fowler, Robert R.
Gaines, Kenneth A.
Gebhardt, Hellmut C.
Getzsen, Lindsay C.
Good, Daniel C.
Gorsuch, George E.
Gossett, Clarence E.
Gregg, Paul C.
Grisamore, Jennings M.
Grote, Arthur J.
Hart, George R.
Hayes, James W.
Hemness, Edwin M.
Herrmann, Louis A.
Hinds, Paul A.
Hinton, Benjamin F.
Horgan, Joseph T.
Howard, David S.
James, Arthur D.
Jauchler, Gerard W.
Johnson, Burt C.
Jones, Warren R.
King, Lawrence M., Jr.
Kirk, Robert F.
Kitrinos, Nicholas P.
Kornblum, William A.
Latham, Wilbur D.
Lynch, Mary T.
Maughon, James S.
McMahon, Edmund B.
Mitchell, Russell H.
Mitchell, George D.
Museles, Melvin
Ninow, Earl H.
Nuredini, Skender
O'Connell, Patrick F.
O'Connell, Fred H.
Osgood, Morgan F.
Peace, Dewey W., Jr.
Ralston, John C., Jr.
Reichardt, Kenneth H.
Richter, Tor
Roberts, Franklin M.
Rotner, Melvin B.
Rucci, Eustine P.
Sacher, Edward C.
Simpkins, Carl N., Jr.
Sode, Jonas
Spaulding, Raymond C., Junior
Stevenson, Andrew W., Junior
Tabor, Richard H.
Trabaudo, Lawrence E.
Trettel, Raymond J.
Trostle, Henry S.
Turner, James E., Jr.
Turner, Thomas W.
Ulshafer, Thomas R.
Valdivieso, Jorge R.
VanHouten, Robert J.
Voss, Marlyn W.
Wilson, Almon C.
Wilson, George L.
Wilson, James E., Jr.
Wire, George E., Jr.
Wurzel, John F.

In the Army

The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under provisions of title 10, United States Code, sections 593(a) and 3384:

To be major general

Brig. Gen. John L. Boros, O405754.
Brig. Gen. Leonard W. Cronkhite, Jr., O405134.
Brig. Gen. Ray D. Free, O331127.
Brig. Gen. Herman H. Hankins, O387472.
Brig. Gen. Norbert J. Hennen, O331461.
Brig. Gen. Herbert T. Johnson, O336101.

To be brigadier general

Col. William T. Archibald, O418917, infantry.
Col. Thomas F. Butt, O366194, Judge Advocate General Corps.
Col. Joseph P. D'Arezzo, O2275114, artillery.
Col. Harold A. Hyde, O556949, infantry.
Col. Albert B. Jones, O365579, armor.
Col. Robert D. Partridge, O370382, civil affairs.
Col. Richard S. Payne, O366067, infantry.
Col. Eugene Phillips, O378935, armor.
Col. Conrad D. Philos, O1305471, Judge Advocate General Corps.
Col. James M. Roberts, Jr., O287809, infantry.
Col. Moise B. Seligman, Jr., O410535, infantry.
Col. Harry L. Willard, O901311, Corps of Engineers.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under provisions of title 10, United States Code, sections 593(a) and 3385:

To be major general

Brig. Gen. Kenneth W. Brewer, O411361.
Brig. Gen. Edward F. Logan, O408471.
Brig. Gen. Hugh B. Mott, O1056820.

To be brigadier general

Brig. Gen. James H. Biddy, O390683, Adjutant General's Corps.
Col. Erle H. Bridgewater, Jr., O395400, Corps of Engineers.
Col. William T. Burgoyne, O166239, artillery.
Brig. Gen. Jack K. Elrod, O2091158, Adjutant General's Corps.
Col. Carl E. Lay, O1292546, armor.
Col. Andrew W. H. McKenna, O421008, armor.
Col. Narvol A. Randol, O360088, Corps of Engineers.
Col. Vahan Vartanian, O403398, artillery.
Col. Walton K. Weltmer, O360986, artillery.

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier general

Col. Harry W. Barnes, O1307936, Adjutant General's Corps.
Col. Robert F. Wilson, O2020777, Adjutant General's Corps.

In the Navy

Having designated Rear Adm. Elmo R. Zumwalt, Jr., U.S. Navy for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, I nominate him for appointment to the grade of vice admiral while so serving.

In the Marine Corps

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general:

Robert F. Conley
Fred E. Haynes, Jr.
Lawrence F. Snoddy, Jr.
Ross T. Dwyer, Jr.
Samuel Jaskilka
Kenneth J. Houghton
Joseph C. Fegan, Jr.
Leslie E. Brown
Jay W. Hubbard

CONFIRMATIONS

Executive nominations confirmed by the Senate July 25, 1968:

U.S. Circuit Judge

Lewis R. Morgan, of Georgia, to be U.S. circuit judge, fifth circuit.

U.S. DISTRICT JUDGE

Alexander A. Lawrence, of Georgia, to be U.S. district judge for the southern district of Georgia.

Orma R. Smith, of Mississippi, to be U.S. district judge for the northern district of Mississippi.

Hugh H. Bownes, of New Hampshire, to be U.S. district judge for the district of New Hampshire.

U.S. ATTORNEY

John H. Kamlowsky, of West Virginia, to be U.S. attorney for the northern district of West Virginia for the term of 4 years.

Sidney I. Lezak, of Oregon, to be U.S. attorney for the district of Oregon for the term of 4 years.

U.S. MARSHALL

Louis H. Martin, of California, to be U.S. marshal for the northern district of California for the term of 4 years.

U.S. COURT OF CUSTOMS AND PATENT APPEALS

Phillip B. Baldwin, of Texas, to be an associate judge of the U.S. Court of Customs and Patent Appeals.

FOREIGN CLAIMS SETTLEMENT COMMISSION

Theodore Jaffe, of Rhode Island, to be a member of the Foreign Claims Settlement Commission of the United States for a term of 3 years from October 22, 1968.

U.S. CUSTOMS COURT

Samuel M. Rosenstein, of Kentucky, to be judge of the U.S. Customs Court.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Edward C. Sylvester, Jr., of Michigan, to be an Assistant Secretary of Health, Education, and Welfare.

POSTMASTERS

CALIFORNIA

Norma J. Carter, Clearlake Park.

GEORGIA

Charlotte D. Bridges, Pineview.
Carlton T. Warmack, Fairmount.

INDIANA

Nelson R. Beer, Aurora.
Russell T. Delp, Brookston.
Olive L. Johnson, Etna Green.
Glenward P. Glenn, Newburgh.
Lantia V. Lawyer, Oolitic.

MASSACHUSETTS

Russell A. Pejouhy, Jr., North Pembroke.

MICHIGAN

Edward L. Downey, Jr., Marquette.

MISSISSIPPI

Henry G. Miley, Pulaski.
Eloise B. Barefield, Madison.
Nannie T. Bailey, Pachuta.

MISSOURI

George J. DeLaney, Baring.
James H. Lafler, Goodman.

NEW HAMPSHIRE

Marion E. Boyce, Hill.

NEW JERSEY

Roy J. Adams, Bridgeport.
Alice L. Ordille, Clarksboro.
Helen D. Glutting, Mullica Hill.

NORTH DAKOTA

Allen R. Janz, Enderlin.
Leona M. Schwab, Rogers.

OHIO

Leona E. Tuel, Fly.

TENNESSEE

Jack O. Lambert, Alamo.
Margaret M. Toomey, Delano.
Lena M. Shannon, Green Brier.

TEXAS

Roy H. Byars, Blanco.
Robert G. Brown, Crawford.
Richard C. Brown, Jr., Cross Plains.
William E. Flaherty, Happy.
Fred A. Strange, Silverton.
Daniel B. O'Connell, Van Vleck.
Bobbye J. Cave, Wall.

WEST VIRGINIA

Robert L. Noll, Martinsburg.

SENATE—*Thursday, July 25, 1968*

The House met at 11 o'clock a.m.

Rabbi Seymour Stauber, Ahavas Sholom Synagogue Center, Randallstown, Md., offered the following prayer:

Our Father in Heaven, we lift our hearts unto Thee in prayer. In the past century, we have uncovered the veiled secrets of our universe. We have unlocked the treasure chest of vital scientific knowledge. We have learned to span continents; we are conquering outer space. Universal Supreme Father, we pray that we can, as well, span a bridge uniting all citizens of this our great land—uniting them in true equality and brotherhood. Assembled in this huge auditorium are ordinary people with an extraordinary purpose, to guide and lead the destiny of this land.

O, Lord, we pray, grant to them not tasks equal to their powers; but powers equal to their tasks. May your spirit dwell richly in them. Inspire them to labor zealously and unflinchingly for the perpetuation of the American way of life, so that equality of opportunity may be assured for all who live under the blessed banner of the Stars and Stripes.

King of Kings, bless the President of the United States. Shield him from illness and peril. Grant to him and all the constituted officers of our Government, loving hearts and faithful hands that their work might go forward. Enable us and liberty-loving men the world over to witness the fulfillment of the vision of Thy prophets, "Nation shall not lift up sword against nation, neither shall men learn war anymore." And to this do we say, Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1224. An act to establish a register of blind persons in the District of Columbia, to provide for the mandatory reporting of information concerning such persons, and for other purposes; and

S. 1228. An act to authorize project grants for construction and modernization of hospitals and other medical facilities in the District of Columbia.

The message also announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title:

S. 449. An act to provide for the popular election of the Governor of Guam, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House with an amendment to a bill of the Senate of the following title:

S. 450. An act to provide for the popular election of the Governor of the Virgin Islands, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3133. An act to extend for 2 years the authority for more flexible regulation of maximum rates of interest or dividends, higher reserve requirements, and open market operations in agency issues.

THE LATE HONORABLE JOE RICHARD POOL OF TEXAS

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, the sudden and tragic death of our colleague, JOE RICHARD POOL, has taken from our midst a man at the height of his powers, a man who had come to mean a great deal to millions of people beyond the confines of his congressional district, to millions of Texans, and to millions of Americans, because he was a lifetime patriot whose courageous, outspoken, unstinting love of country has become a transcendent symbol of loyalty and devotion to one great cause—the United States of America. He was a champion and defender of democracy without peer in our land, he was a dedicated and devoted worker on those committees of the House where he served with vigor and great understanding, because no man who loved his country so well could fail to love his fellow men with equal ardor and compassionate concern.

To the bereaved wife and fine sons of JOE RICHARD POOL I extend the deepest sympathy on behalf of myself and the members of the Texas delegation. He is in our thoughts and our prayers this day. May all of us in our sorrow take comfort from the knowledge that his work and accomplishments are a historic monument that over the years to come will give ever-increasing significance and meaning to a life whose epitaph is this—JOE POOL, of Texas, a great and loyal American.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Speaker, I join my colleague, the distinguished dean of the great Texas delegation, and other Members of the House in expressing my feeling of sorrow and loss over the death of my good friend, JOE POOL. I have known JOE a long time. I met him in Dallas long before he became a Member of Congress. He was a friend of relatives of mine who live in Dallas.

Joe was a fine man, lovable and personable, friendly and kind. He was always willing to lend a helping hand to others.

Joe Pool was a real American; a foe of the enemies of our country. He believed in the institution of our country and worked incessantly to preserve them. He died at work for his country—died, like many great historic figures of the Lone Star State, with his boots on.

I extend to Mrs. Pool and her children over the loss of a loving husband and father, a great Texan, a great Congressman, a great American, and great man.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, Joe Pool was a real patriot. He was greatly interested in our national security. He was greatly concerned about elements in this country that he felt were undermining our national security at home and subverting our form of government. Joe Pool was a fine gentleman, an able Member. He was dedicated to his responsibilities as a Member of this body. His loss will be felt.

I extend, as others have, our deepest condolences to his wife and family.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Louisiana.

Mr. BOGGS. I would like to join with the remarks made by the distinguished gentleman from Texas and the majority leader and the minority leader in paying tribute to our late colleague, Joe Pool. He was indeed dedicated to the service of his country, to eliminating those elements which have and do seek to destroy the institutions which make our country what it is. He died in the service of his country.

I think it is always sad to see a man in the prime of his life die under any circumstances, but I was particularly sorry that he had a heart attack while he was traveling about the country and that he could not be home with his family at least.

I want to join the others in expressing the sympathy of Mrs. Boggs and myself to Mrs. Pool and their children.

Mr. CABELL. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas [Mr. Cabell].

Mr. CABELL. Mr. Speaker, any statement that I might make on behalf of my colleague, the late Congressman from the Third District of Texas, Joe Pool, is deeply colored by many years of friendship at all levels. As a businessman I knew Joe Pool's record of public service and frequently consulted with him during his years in Austin. Our sons attended the same school and were friends. In my first race for mayor of the city of Dallas, Joe Pool also ran as a member of the city council and both our views and our opposition were similar. When I offered for the office of Congressman, Joe Pool represented the State as Congressman at Large and made significant contributions to my campaign. His support was constant. And, upon my election, he and his office staff were friendly, generous, and helpful. In the years we have served together from Dallas County, there have been many times when cooperation and understanding were necessary. We have worked together.

I believe that no assignment Joe Pool ever filled meant so much to him or gave him such pleasure as the opportunity to serve both his beloved country and his revered community here in Washington. He gave to the job all that he possessed. His efforts were known and deeply appreciated in Dallas and we all know that the place that he has occupied will be hard to fill.

All of us love this great Nation and would defend it against its enemies, but for Joe Pool this was a responsibility that could never be taken lightly or for granted. He flew his flag at all times, he was always ready to salute, his ear was cocked for the roll of the drum or the blast of the trumpet.

He was a man ready to give of all that he had for a country he deeply loved. For those who knew him best, it is a sad note to realize this call has come and to feel that the call was far, far too soon.

My sympathies are extended to his wife, to his family, to those many residents of Dallas who loved him and appreciated the principles for which he stood.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the distinguished Speaker of the House of Representatives.

Mr. McCORMACK. Mr. Speaker, I extend to Mrs. Pool and her loved ones my deep sympathy and the deep sympathy of all the Members of the House in the unexpected and tragic loss of her beloved and distinguished husband.

Joe Pool was one of the most active and interested Members of the House of Representatives. It was only the day before he died, or within a day or two, that he was up at the rostrum discussing some matter with me. He went out to California on official duties, and he was on his way back to Texas when the attack came which resulted in his death. It can truly be said that Joe Pool died in the line of duty.

Joe Pool made a profound impression upon his colleagues, not only because of his dedicated work as a Member of the House of Representatives in Congress, but because of his fine personality and broad understanding mind and outlook on life. He was one of the foremost men of the country in fighting for those causes that represented the best interests of the United States of America and the ideals for which our country stands. He was always fighting as a Member of this body for legislation that would strengthen our institutions of government, always supporting legislation and appropriations that would provide for a powerful national defense, and always combating the efforts of elements within our country which would undertake, if they had the power to do so, to subvert our institutions of government.

I again extend to Mrs. Pool and her loved ones my deep sympathy in their great loss and sorrow.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas [Mr. Wright].

Mr. WRIGHT. Mr. Speaker, words are always inadequate vessels with which to convey what is in our hearts when a friend is taken from our midst so unexpectedly and so suddenly.

We shall sorely miss Joe's presence in the House, his never-failing spirit of good humor, his conviviality, his congeniality, his jovial countenance. The Nation will miss him, as will his district and his hosts of friends.

Those of us who knew him and called him friend extend to his bereaved widow and their children our most earnest condolences and hope they may find solace and consolation in the memory of the life that he lived and the certainty of his reward.

Mr. CASEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas [Mr. Casey].

Mr. CASEY. Mr. Speaker, I thank the gentleman for yielding so that I might join with the gentlemen, our distinguished dean of the Texas delegation, and the Speaker, and the leadership of the House, and my fellow Texas colleagues in paying tribute to our late departed friend and colleague, the Honorable Joe Pool.

I was privileged to know Joe Pool for more than 20 years. Joe was truly a dedicated public servant. His service in the Texas Legislature was marked by his vigor and dedication. We all knew the vigor with which he pursued his duties here in the House of Representatives. We will always remember Joe Pool as a man of a keen sense of humor, one who loved friends, one who loved people, and one who dearly loved his country. I remember him well as a patriot and a great public servant, and best I will remember him as my warm friend.

He will truly be missed as a Member of this House. His district will really know his worth now that he is gone.

My wife, Hazel, joins me in extending to Joe Pool's wife, Elizabeth, and their fine sons our most sincere and deepest sympathy on this most untimely loss of this fine friend and colleague.

Mr. YOUNG. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas [Mr. Young].

Mr. YOUNG. I thank the gentleman.

Mr. Speaker, I rise to join my colleagues in paying tribute to our departed distinguished friend and able Member of this House, the Honorable Joe Pool, Congressman from the State of Texas.

I want to extend my condolences to his wonderful wife and his fine young boys.

Congressman Joe Pool was a remarkable man in many ways. He was an able Member of this body and was indeed a warm and close friend to us all. I think, however, Joe Pool had no peer in his determination to stand up for what he saw as the right. He was fiercely patriotic and this great Hall as well as the committee rooms and corridors of this legislative assemblage have rung loudly with his words in defense of this country against those who, while claiming the protection of its laws, would tear down its institutions from within.

To chronicle the many fine attributes of our departed colleague in the time available here would be impossible, and words could not begin to express the feeling of our loss. But suffice it to say, our State and our Nation are the better off for Joe's having lived, and no man can leave a better legacy. His good wife and his fine boys; will experience times of difficult sorrow, but they will meet it with the same courageous determination that was so typical of Congressman Joe Pool.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas [Mr. Fisher].

Mr. FISHER. Mr. Speaker, I fully share the admiration of the late Joe Pool which has been expressed here. He was a dedicated, uncompromising patriot who loved his country and its institutions. In the Congress he voted his honest convictions without regard to political consequences. He was courageous and skillful in the performance of his legislative duties.

As an individual, Joe was affable, friendly, and jovial. He always seemed to be more concerned with the welfare of others than with himself. His unselfishness added to his universal popularity among those who value devotion to others as the quality of a gentleman.

Joe Pool left his mark here. He did his duty as he saw it, and he always measured his conduct in terms of the public interest. I feel that in the loss of Joe Pool I have lost a personal friend, and I know the Nation has lost a faithful servant. To Mrs. Pool and the family I extend my deepest sympathy in their bereavement.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas [Mr. Eckhardt].

Mr. ECKHARDT. I thank the gentleman.

I rise to join my colleagues in paying tribute to Congressman Joe Pool and expressing to his family my deepest condolences. In so doing, I wish to recognize another facet of his character.

I have known the Honorable Joe Pool, of Texas, since he was in the Texas Legislature. If there is a trait of character which is most commonly and generally necessary to make the wheels of Government and of law turn, it is the kind of affability and generosity in conduct which permits disagreement with good humor, which preserves the possibility of compromise without the sacrifice of a fervent and forceful presentation of one's views. In this most needed trait of character the Honorable Joe Pool excelled.

Mr. de la GARZA. Mr. Speaker, the sense of shock and sorrow which swept over me when I received the news of Joe Pool's untimely passing was deeply personal.

Joe Pool was my friend of many years' standing. We served together in the Texas Legislature and were deskmates in the State House of Representatives. When I came to Congress, Joe had preceded me and because of his friendship and counsel and assistance, I found Washington a far warmer and less strange place in my early days here than I had expected. He remained my loyal friend and good companion until the last. It is difficult indeed for me to believe that I will not again walk into his office and receive his warm greeting. He was a friendly type—whimsical—the master of the quip which provided a laugh for the day.

In mourning the loss of a friend, I mourn also the passing of a man who was deeply dedicated to the internal security of America, a patriot who was not ashamed to let his patriotism show, an apostle of the principle that if the people are given light they will find the right way. In his official duties as a member of this House, Joe Pool met his responsibilities fully and without flinching. He was devoted to the service of the people he represented here, laboring wisely and well for their interests, but his service was not confined to his constituents. He worked for all the people of the America he loved, never faltering in the courage of his convictions, never hesitating to lift his hand in defense of the freedom that he was determined must endure in our land.

Mr. Speaker, I salute the memory of Joe Pool, a great and fearless American.

Mr. GONZALEZ. Mr. Speaker, today's special orders for the purpose of evoking the memory of a fallen comrade has a special, personally tinged sadness to it.

It was my shocked surprise two Sundays ago to be greeted upon my arrival at Dulles Airport from my district, with the news that my colleague and friend, Representative Joe Pool, had suffered a heart attack in Texas and the Braniff agent was trying to locate Mrs. Pool but did not have her residence telephone number. I then supplied this number and was then informed that my friend had not only suffered a heart attack but had passed on. It took a few minutes for the implication of this news to sink in.

I then waited for Mrs. Pool and her three younger children and saw them off to Dallas. But as I stood there I reviewed in my mind the friendship that had developed between Joe Pool and myself. I went back to 11 years ago when I first attended my first session as a State Senator in the Texas Senate. Joe was serving in the House. We stood poles apart on a tremendous issue. But the one thing that stands out is that Joe could disagree with you without being disagreeable. Though our philosophies could hardly be said to be alike, there was a mutual personal respect and esteem.

My memory recalled an incident that took place just last autumn. We were in session, as you will recall, and I found myself visited by another distinguished Texan, indeed, a fellow San Antonian, Maury Maverick, Jr.

I invited Maury to lunch in the House restaurant, and as we were returning to my office, walking down the "tunnel" Joe Pool saw us and called Maury. They renewed their friendship and recalled some hot issues both had confronted when they both served in the Texas House of Representatives, Joe Pool said: "Maury, remember when I invited you to lunch at Schlotz' after we had had that terrible argument? I told you then that we could shake hands and that I wanted to sit down and have a leisurely lunch with you in order to see what made you tick." Maury said: "Yes, Joe, I remember, because I wanted to see what made you tick." We proceeded to walk about 2 minutes worth down the tunnel without a word, then both looked around and simultaneously said: "You know, I still do not know what makes you tick." They both burst out laughing at the coincidence of their parallel thinking. Naturally, I could not control my own laughter.

I regret the loss of Joe Pool. He was a gentleman at all times. We differed, but always in the give and take of the legislative arena; never on a personal basis.

I shall always remember Joe Pool for his amiable and kind friendship and pray that the Almighty will grant him peace and eternal rest and his family the sufficient strength to bear this great loss.

Mr. BROOKS. Mr. Speaker, on Sunday, July 14, my Texas colleagues and I suffered the loss of a good friend and a distinguished member of our delegation. Joe Pool was always a pleasure to be with and was an enjoyable and most affable companion. In spite of the fact that he might disagree most strongly with an individual's position, he nevertheless always maintained his sense of fairplay and native good humor.

He was a dedicated and hard-working public servant who pursued with great diligence the causes of the Texans he represented. He was always a strong adovocate of the principles in which he believed.

We in the Texas delegation and all of my colleagues here in Congress have lost a good friend. Our hearts are filled with deepest sympathy for his wife Elizabeth and their four sons.

Mr. WHITE. Mr. Speaker, it was my great pleasure to serve with the late Joe Pool over a period of nearly 8 years. For two terms we served together in the Texas State Legislature, and we have served together for nearly two terms in the House of Representatives. We have been fellow committee members on the Post Office and Civil Service Committee. And, of course, we have been fellow members of the Texas delegation.

It was my privilege to know, I believe, the kind of man Joe Pool was, and to have a basic understanding of the things that he stood for. He was a man of great courage and firm convictions. He had no hesitancy in speaking out firmly for the things he believed in. He was basically a tolerant man. He knew that politics is a mixture and a distillation of many divergent viewpoints and he respected the rights of those who might disagree with him. There were some basic things which he would not tolerate—and they included activities which he believed were undertaken for the purpose of undermining our free Government and destroying its basic institutions.

Personally, and on behalf of my district, I owe much to Congressman Pool.

He was already at work, when I came to Congress, on a bill to establish a great new national park in the Guadalupe Mountains of my district. The work he had already done made it easier for me to carry this project forward to final approval, and by public law the project has now been authorized.

In many other ways, Joe Pool was helpful to me, as a new Congressman in representing my district. I will always be grateful to him, and I know there are many of my constituents who join me in this tribute to a capable, honest, and courageous representative of the people of Texas.

Mr. KAZEN. Mr. Speaker, with heavy heart I rise today to pay tribute to our departed colleague, Joe Pool, Representative from Texas. It was my privilege to have known Congressman Pool for many years. I first made his acquaintance some 20 years ago when we served in the Texas House of Representatives. During our tenure in the Texas Legislature we became warm, personal friends. I learned to respect and admire Joe Pool because of his wholehearted devotion and dedication to his constituency and his State. He was a man who had strong convictions and opinions and who fearlessly voiced them. He was a tenacious advocate of the American way of life. During my many years of association with him I learned that he could be a valuable ally if he was on your side and a very worthy opponent if he was against you and, needless to say, I much preferred to be on his side.

He earned an enviable reputation throughout the State of Texas as a most capable and dedicated legislator and these qualities served him in good stead when he decided to run for the Congress of the United States. For Joe Pool came to this Congress under the most difficult of situations. He ran for the at-large seat and the people of Texas elected him overwhelmingly. Later on, when the legislature redistricted the congressional seats, he was reelected by the people of his county of Dallas and had served from that district with great distinction until his untimely death.

Mr. Speaker, Dallas County, the State of Texas, and the Nation have lost an outstanding American and I have lost a good friend. I wish to extend to his widow, Elizabeth, and to their sons my deepest sympathy and pray that the Good Lord gives them the strength to bear their tremendous loss.

Mr. PICKLE. Mr. Speaker, always there is the sudden shock and disbelief and quiet sadness that comes upon us when we learn that one of our colleagues have been taken from our midst. Always, there is a quick assertion within ourselves that he was a great and good man. Always, there is the recalling of all the many good and fine qualities that endear a man to us.

But, Mr. Speaker, that anguish and that sadness runs deeper when you have lost one of your close, personal friends. When we lost the Honorable Joe Pool, I feel I have lost one of my oldest and closest confidants and warm friends for we have been good friends since the University of Texas days in the early 1930's. The grief within us today is still deep.

Joe Pool was one of the best liked men in the entire House. By nature, he was cordial and pleasant. Because, Mr. Speaker, Joe Pool was more like people than anyone else in the House of Representatives. He had an innate instinct—a special sense—to say what people were thinking and to act accordingly. He was colorful and delightful, and he was honest to a fault about his role as Congressman of Dallas, the city he loved with all his heart.

Joe Pool made no bones about whom he represented. He did not try to give the impression he was out to save the world. He represented his district, his home folks. He had a side, Mr. Speaker, and Joe Pool was always on this side with his friends and neighbors of Dallas.

Yet he also attained national prominence. He served with distinction as chairman of the House Un-American Activities Committee and the Post Office the Civil Service Committee. As chairman of HUAC, he fought every element of the communistic hierarchy. As a ranking member of the Post Office and Civil Service Committee, he has openly, strongly, and without fail helped better the lives of every member of the Post Office and Civil Service departments. Many of the gains which millions of little people in Government service today enjoy have come as a result of Joe Pool's strong dedication to them.

Mr. Speaker, we will miss the color and the flare and the flamboyance of Joe Pool. The Government will miss his able and dedicated contribution, and the Texas delegation will sorely miss our friend who was one of the best liked of all of our delegation. To his family, we send our heartfelt sympathy, but as we do it, we also send our appreciation for having the chance to work with such a good-hearted, yet two-fisted, loyal American, who loved his country as fiercely as any man could, and who rendered it great service.

Mr. Speaker, if politics is the joy of happiness, Joe Pool was the best example of that philosophy. He loved his work; he loved people, and people responded by loving jovial, able Joe Pool. He, too, was the Happy Warrior.

Mr. ICHORD. Mr. Speaker, I join with the Texas delegation as a friend of Joe Pool in paying final tribute to his memory this morning. I was privileged to be a member of the official delegation attending his funeral and witnessed the multitude of mourners who came to pay their last respects to their devoted and dedicated servant and Government representative. They saluted Joe Pool whose tenure in the House of Representatives was characterized by his deep concern for the well being of those he represented in the Congress and the country in which he lived.

The House stands today bereft of one of its stalwarts.

I served with Joe Pool on the House Committee on Un-American Activities for 5 years and found early in my friendship and association with him that he was a thoughtful man, a forceful individual, quick with wit, and always kind and accommodating and faithful in the discharge of his duties. I looked upon him as one who was attentive to all his associates and respectful of the views of others even though in conflict with his own convictions.

In the course of his 6 years in the Halls of Congress, Joe Pool devoted himself unselfishly and relentlessly to issues and purposes beneficial to the needs of the people, to strengthening American traditions, to the security of the Nation, and to the welfare of all the people. A dedicated legislator working hard and serving well, Joe Pool at this hour and during his years of public service, will be remembered in this body not only for his hard-earned records of service, but also for his friendly and warm countenance, his good humor, and a vibrant personality and affection for his fellow men.

The House of Representatives will mourn him as a man with deep faith and humility. I add my praise to his memory and extend heartfelt sympathy to his sorrowing family.

May Mrs. Pool and his four courageous sons take some measure of comfort in the fact that numerous friends share their grief and bereavement.

Mr. DOWDY. Mr. Speaker, I join millions of Texans and Americans everywhere, who, with bowed heads and hearts, mourn the loss of a great patriot, the late Congressman Joe Pool, of Dallas, Tex. Our loss was felt immediately and the full extent can only be determined with the passage of time. To many of us, it is also a personal loss.

When Congressman Pool was sworn in as a freshman Congressman, he had already been a member of the Texas State Legislature for 6 years. During his three terms of distinguished service in the Texas House, he served on its most powerful and important committees including appropriations, revenue and taxation, and State affairs. While serving in Austin, it became apparent to all that this was a man who could be counted on to stand for the right without regard to political or other consequences. The people of Texas quickly perceived his fervent dedication to duty and the ideals of our beloved country and promoted him to the U.S. Congress in 1962, where he has so ably served since. It has been said of Congressman Pool that he was a contrast to apathy and that he cared too intensely to stand idly by on any issue. Everyone knew his unwavering stand and that he sincerely fought for what he believed to be right and equitable. As a member of the House Committee on Un-American Activities, he was no shirker or slackard when it came time to investigate persons and organizations which threatened the security of our system and those things that make America great. He was a man of decision, with high intelligence, a decisive mind and nearly inexhaustible energy who loved his neighbor as himself. Even at the time of his death, Congressman Pool was returned from a trip in the interest of our country. Mr. Pool's political philosophy, which caused him to put country above all else, included his dedication to fairness for all, keeping in touch with the people, and having faith in them, and above all, to have commonsense and use it. His record of dedicated public service bears this out; once he undertook to do anything, it was done well or he would not do it at all.

The House, and the Nation, has lost a pillar of strength, in the passing of our friend and colleague, Joe Pool. I extend my sincere condolences to his bereaved family and join his many friends in mourning his loss.

Mr. SLACK. Mr. Speaker, among the many words of praise for our late colleague Joe Pool, of Texas, much emphasis will rightly be placed on his courage, his devotion to principle, and his deep-seated conviction that the laws and traditions of these United States represent the "last, best hope of men."

His responsibility as a Congressman was of such a nature that he was unavoidably thrust into the limelight from time to time, and was an obvious primary target for organized groups who disliked his insistence upon a public accounting for their efforts to influence the course of this Nation's history.

His permanent place in the history of the House of Representatives has been earned not only by his deeds, but also by the caliber of his most vocal opponents in public controversy. But among those of us who knew him personally, there will always be an image and remembrance of firm convictions based on principle, but with no malice toward an opponent, and a warmness of personality which will not soon be forgotten.

I join with those extending deepest sympathy to his family in their bereavement.

Mr. PURCELL. Mr. Speaker, I feel, as I know all of us do, a great sense of personal loss at the death of Joe Pool. This tragic event has taken away far more than just another individual, for Joe Pool was not an "ordinary man," as the term is usually known. I do not say this to imply that he was not able to relate to common people, for all of us here today know that this was one of his personal strongpoints. The downtrodden looked to him as a champion; he was their friend, their "man in Washington."

Certainly, he was a loving husband and father. He was also a most capable Representative, and a trusted friend to all of us. But these aspects of his life, when joined together in the vibrant personality and method that was peculiarly his, added up to much more than the mere sum of the parts. It added up to a truly fine, unique man, whose presence will not walk the earth again.

To his constituents, he was an effective Representative, always willing to work diligently on any matter that was brought to him. It was typical that the night of his tragic death found him with notes on how best to help a serviceman's family, whose husband and father was missing in Vietnam. He never shrank from controversy, and was never known to shrink from voicing what he truly believed. His constituents knew this, and trusted him for just this reason.

To the Nation, he represented one of the most effective voices for preserving the traditional strengths and individual constitutional freedoms that have brought us to our present position as a bastion of freedom. Americans from every walk of life knew his effective work on the House Committee on Un-American Activities and knew that he would watch for threats to the security of the Nation from within its borders.

When I was present in Dallas, to attend his funeral along with several of my colleagues of the Texas delegation, I heard a term used to describe him that, to me, best brings together all the various aspects of his life and his work.

That term was "Joe Pool, American." I like that, and I think Joe would have liked it too. No flowery adjectives, no great rambling tomes that are customarily used to describe men more cautious, more compromising. I, or any of us here today, would be happy to be known that way, but the description belong particularly to Joe Pool.

Joe Pool has passed away, leaving a legacy for the Nation of freedom and strength. Others, undoubtedly, will come to these Halls, and seek to emulate him. But I am convinced that few can succeed, because they will not have the gifts and determination that he possessed and used so wisely.

Thank you, Mr. Speaker.

Mr. MAHON. Mr. Speaker, I wish to be counted among those who paid tribute today to the memory of our departed friend and colleague, Joe Pool. I shall not extend my remarks at this time, but I would like to make reference to the remarks which I made in the House of Representatives on July 15, the day after he died, when it became my sad duty to announce to the House the passing of our late friend and colleague.

Mr. ROBERTS. Mr. Speaker, the city of Dallas and the State of Texas have lost an able spokesman. All of his colleagues in Congress, and especially his friends in the Texas delegation, will miss Joe Pool. We were all saddened by his untimely and sudden death.

Joe was a great friend of mine, going back to 1955 when we were members of the Texas Legislature. He maintained a business in my home county, also. Joe Pool was a courageous man—he loved his country and had no use for any individual who did not. He had the courage to stand for his convictions, even when it was unpopular. So long as I have known him, he never failed to stand up and be counted for what he believed was the best for his country, his State, and his district.

Those of us who served with him have lost a good friend, and the country has lost a dedicated legislator.

His wife, Elizabeth, and his four fine sons have my sincerest and heartfelt sympathy.

Mr. EDWARDS of California. Mr. Speaker, when I first came to the House of Representatives in January 1963, I was assigned room 136 in the Old Cannon House Office Building. Seeking to move in several days before Congress convened, I found my office not ready; my predecessor was late in moving out; it had not as yet been painted.

So I had no place to put my things—no telephone—it was extremely inconvenient for a few hours until the new Congressman in the next office found out about my predicament and insisted, with warm southern hospitality, that I double up with him until my office was ready.

This I did; and there began that day, a friendship with Joe Pool that continued until Joe's tragic death on July 14.

We will all miss Joe Pool. He was invariably kind and friendly in his relations with each of us. One never asked a favor of Joe that he did not go out of his way to respond. Many of us had political views entirely different from those to which Joe was dedicated; yet our debates with him were always carried on without rancor or high personal feelings. If Joe's side had the votes we would congratulate him at the end of the battle in all friendliness, and when we prevailed, Joe would always do the same to us.

Joe was always noted in the House of Representatives for the splendid work he did for his constituents. For the first years his constituency included all of the people of the great State of Texas. The last few years Joe represented a portion of Dallas, and no problem brought to him by any constituent, regardless of political affiliation, did not receive the instant and skilled attention Joe offered his people.

My condolences go especially to Joe's charming widow, Elizabeth. Joe and Elizabeth were a loving couple whose happiness in marriage and as parents was an inspiration to all of his colleagues.

Mr. MATSUNAGA. Mr. Speaker, I join with the members of the Texas delegation and others in expressing sorrow over the untimely passing of our colleague, the Honorable Joe R. Pool.

Joe Pool and I were members of the 88th Congress Club, and in our years of service together I found him to be one of the most hardworking and energetic Members of the House. I valued his friendship very highly through the years when our work on the House Committee on Post Office and Civil Service brought us into frequent association.

Joe's genial personality and generous instincts will be missed by all the Members. He fought hard for the causes in which he believed deeply, and he applied himself diligently to the task of serving the people of his district, the State of Texas, and the Nation.

To the members of his bereaved family, I extend my profound condolences, and hope that they will find some measure of comfort in the fullness of his life's services to his fellowmen.

Mr. BURLESON. Mr. Speaker, during the years I have served in the House of Representatives, many of our associates with whom we have served here in this Chamber are gone for one reason or another.

In the cloakroom and here on the floor their names are often mentioned and, really, none of them are ever forgotten. With no disparagement to any of them, some are naturally missed more than others, simply because of their nature, their disposition, and other characteristics which may more definitely identify them.

Joe Pool is one who will be missed as one possessing unusual characteristics. As evidenced here, he had many friends. His personality was such that offended no one but which drew people to him. He

He was already at work, when I came to Congress, on a bill to establish a great new national park in the Guadalupe Mountains of my district. The work he had already done made it easier for me to carry this project forward to final approval, and by public law the project has now been authorized.

In many other ways, Joe Pool was helpful to me, as a new Congressman in representing my district. I will always be grateful to him, and I know there are many of my constituents who join me in this tribute to a capable, honest, and courageous representative of the people of Texas.

Mr. KAZEN. Mr. Speaker, with heavy heart I rise today to pay tribute to our departed colleague, Joe Pool, Representative from Texas. It was my privilege to have known Congressman Pool for many years. I first made his acquaintance some 20 years ago when we served in the Texas House of Representatives. During our tenure in the Texas Legislature we became warm, personal friends. I learned to respect and admire Joe Pool because of his wholehearted devotion and dedication to his constituency and his State. He was a man who had strong convictions and opinions and who fearlessly voiced them. He was a tenacious advocate of the American way of life. During my many years of association with him I learned that he could be a valuable ally if he was on your side and a very worthy opponent if he was against you and, needless to say, I much preferred to be on his side.

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Mr. PICKLE. Mr. Speaker, always there is the sudden shock and disbelief and quiet sadness that comes upon us when we learn that one of our colleagues have been taken from our midst. Always, there is a quick assertion within ourselves that he was a great and good man. Always, there is the recalling of all the many good and fine qualities that endear a man to us.

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Mr. ICHORD. Mr. Speaker, I join with the Texas delegation as a friend of Joe Pool in paying final tribute to his memory this morning. I was privileged to be a member of the official delegation attending his funeral and witnessed the multitude of mourners who came to pay their last respects to their devoted and dedicated servant and Government representative. They saluted Joe Pool whose tenure in the House of Representatives was characterized by his deep concern for the well being of those he represented in the Congress and the country in which he lived.

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I served with Joe Pool on the House Committee on Un-American Activities for 5 years and found early in my friendship and association with him that he was a thoughtful man, a forceful individual, quick with wit, and always kind and accommodating and faithful in the discharge of his duties. I looked upon him as one who was attentive to all his associates and respectful of the views of others even though in conflict with his own convictions.

In the course of his 6 years in the Halls of Congress, Joe Pool devoted himself unselfishly and relentlessly to issues and purposes beneficial to the needs of the people, to strengthening American traditions, to the security of the Nation, and to the welfare of all the people. A dedicated legislator working hard and serving well, Joe Pool at this hour and during his years of public service, will be remembered in this body not only for his hard-earned records of service, but also for his friendly and warm countenance, his good humor, and a vibrant personality and affection for his fellow men.

The House of Representatives will mourn him as a man with deep faith and humility. I add my praise to his memory and extend heartfelt sympathy to his sorrowing family.

May Mrs. Pool and his four courageous sons take some measure of comfort in the fact that numerous friends share their grief and bereavement.

Mr. DOWDY. Mr. Speaker, I join millions of Texans and Americans everywhere, who, with bowed heads and hearts, mourn the loss of a great patriot, the late Congressman Joe Pool, of Dallas, Tex. Our loss was felt immediately and the full extent can only be determined with the passage of time. To many of us, it is also a personal loss.

When Congressman Pool was sworn in as a freshman Congressman, he had already been a member of the Texas State Legislature for 6 years. During his three terms of distinguished service in the Texas House, he served on its most powerful and important committees including appropriations, revenue and taxation, and State affairs. While serving in Austin, it became apparent to all that this was a man who could be counted on to stand for the right without regard to political or other consequences. The people of Texas quickly perceived his fervent dedication to duty and the ideals of our beloved country and promoted him to the U.S. Congress in 1962, where he has so ably served since. It has been said of Congressman Pool that he was a contrast to apathy and that he cared too intensely to stand idly by on any issue. Everyone knew his unwavering stand and that he sincerely fought for what he believed to be right and equitable. As a member of the House Committee on Un-American Activities, he was no shirker or slackard when it came time to investigate persons and organizations which threatened the security of our system and those things that make America great. He was a man of decision, with high intelligence, a decisive mind and nearly inexhaustible energy who loved his neighbor as himself. Even at the time of his death, Congressman Pool was returned from a trip in the interest of our country. Mr. Pool's political philosophy, which caused him to put country above all else, included his dedication to fairness for all, keeping in touch with the people, and having faith in them, and above all, to have commonsense and use it. His record of dedicated public service bears this out; once he undertook to do anything, it was done well or he would not do it at all.

The House, and the Nation, has lost a pillar of strength, in the passing of our friend and colleague, Joe Pool. I extend my sincere condolences to his bereaved family and join his many friends in mourning his loss.

Mr. SLACK. Mr. Speaker, among the many words of praise for our late colleague Joe Pool, of Texas, much emphasis will rightly be placed on his courage, his devotion to principle, and his deep-seated conviction that the laws and traditions of these United States represent the "last, best hope of men."

His responsibility as a Congressman was of such a nature that he was unavoidably thrust into the limelight from time to time, and was an obvious primary target for organized groups who disliked his insistence upon a public accounting for their efforts to influence the course of this Nation's history.

His permanent place in the history of the House of Representatives has been earned not only by his deeds, but also by the caliber of his most vocal opponents in public controversy. But among those of us who knew him personally, there will always be an image and remembrance of firm convictions based on principle, but with no malice toward an opponent, and a warmness of personality which will not soon be forgotten.

I join with those extending deepest sympathy to his family in their bereavement.

Mr. PURCELL. Mr. Speaker, I feel, as I know all of us do, a great sense of personal loss at the death of Joe Pool. This tragic event has taken away far more than just another individual, for Joe Pool was not an "ordinary man," as the term is usually known. I do not say this to imply that he was not able to relate to common people, for all of us here today know that this was one of his personal strongpoints. The downtrodden looked to him as a champion; he was their friend, their "man in Washington."

Certainly, he was a loving husband and father. He was also a most capable Representative, and a trusted friend to all of us. But these aspects of his life, when joined together in the vibrant personality and method that was peculiarly his, added up to much more than the mere sum of the parts. It added up to a truly fine, unique man, whose presence will not walk the earth again.

To his constituents, he was an effective Representative, always willing to work diligently on any matter that was brought to him. It was typical that the night of his tragic death found him with notes on how best to help a serviceman's family, whose husband and father was missing in Vietnam. He never shrank from controversy, and was never known to shrink from voicing what he truly believed. His constituents knew this, and trusted him for just this reason.

To the Nation, he represented one of the most effective voices for preserving the traditional strengths and individual constitutional freedoms that have brought us to our present position as a bastion of freedom. Americans from every walk of life knew his effective work on the House Committee on Un-American Activities and knew that he would watch for threats to the security of the Nation from within its borders.

When I was present in Dallas, to attend his funeral along with several of my colleagues of the Texas delegation, I heard a term used to describe him that, to me, best brings together all the various aspects of his life and his work.

That term was "Joe Pool, American." I like that, and I think Joe would have liked it too. No flowery adjectives, no great rambling tomes that are customarily used to describe men more cautious, more compromising. I, or any of us here today, would be happy to be known that way, but the description belong particularly to Joe Pool.

Joe Pool has passed away, leaving a legacy for the Nation of freedom and strength. Others, undoubtedly, will come to these Halls, and seek to emulate him. But I am convinced that few can succeed, because they will not have the gifts and determination that he possessed and used so wisely.

Thank you, Mr. Speaker.

Mr. MAHON. Mr. Speaker, I wish to be counted among those who paid tribute today to the memory of our departed friend and colleague, Joe Pool. I shall not extend my remarks at this time, but I would like to make reference to the remarks which I made in the House of Representatives on July 15, the day after he died, when it became my sad duty to announce to the House the passing of our late friend and colleague.

Mr. ROBERTS. Mr. Speaker, the city of Dallas and the State of Texas have lost an able spokesman. All of his colleagues in Congress, and especially his friends in the Texas delegation, will miss Joe Pool. We were all saddened by his untimely and sudden death.

Joe was a great friend of mine, going back to 1955 when we were members of the Texas Legislature. He maintained a business in my home county, also. Joe Pool was a courageous man—he loved his country and had no use for any individual who did not. He had the courage to stand for his convictions, even when it was unpopular. So long as I have known him, he never failed to stand up and be counted for what he believed was the best for his country, his State, and his district.

Those of us who served with him have lost a good friend, and the country has lost a dedicated legislator.

His wife, Elizabeth, and his four fine sons have my sincerest and heartfelt sympathy.

Mr. EDWARDS of California. Mr. Speaker, when I first came to the House of Representatives in January 1963, I was assigned room 136 in the Old Cannon House Office Building. Seeking to move in several days before Congress convened, I found my office not ready; my predecessor was late in moving out; it had not as yet been painted.

So I had no place to put my things—no telephone—it was extremely inconvenient for a few hours until the new Congressman in the next office found out about my predicament and insisted, with warm southern hospitality, that I double up with him until my office was ready.

This I did; and there began that day, a friendship with Joe Pool that continued until Joe's tragic death on July 14.

We will all miss Joe Pool. He was invariably kind and friendly in his relations with each of us. One never asked a favor of Joe that he did not go out of his way to respond. Many of us had political views entirely different from those to which Joe was dedicated; yet our debates with him were always carried on without rancor or high personal feelings. If Joe's side had the votes we would congratulate him at the end of the battle in all friendliness, and when we prevailed, Joe would always do the same to us.

Joe was always noted in the House of Representatives for the splendid work he did for his constituents. For the first years his constituency included all of the people of the great State of Texas. The last few years Joe represented a portion of Dallas, and no problem brought to him by any constituent, regardless of political affiliation, did not receive the instant and skilled attention Joe offered his people.

My condolences go especially to Joe's charming widow, Elizabeth. Joe and Elizabeth were a loving couple whose happiness in marriage and as parents was an inspiration to all of his colleagues.

Mr. MATSUNAGA. Mr. Speaker, I join with the members of the Texas delegation and others in expressing sorrow over the untimely passing of our colleague, the Honorable Joe R. Pool.

Joe Pool and I were members of the 88th Congress Club, and in our years of service together I found him to be one of the most hardworking and energetic Members of the House. I valued his friendship very highly through the years when our work on the House Committee on Post Office and Civil Service brought us into frequent association.

Joe's genial personality and generous instincts will be missed by all the Members. He fought hard for the causes in which he believed deeply, and he applied himself diligently to the task of serving the people of his district, the State of Texas, and the Nation.

To the members of his bereaved family, I extend my profound condolences, and hope that they will find some measure of comfort in the fullness of his life's services to his fellowmen.

Mr. BURLESON. Mr. Speaker, during the years I have served in the House of Representatives, many of our associates with whom we have served here in this Chamber are gone for one reason or another.

In the cloakroom and here on the floor their names are often mentioned and, really, none of them are ever forgotten. With no disparagement to any of them, some are naturally missed more than others, simply because of their nature, their disposition, and other characteristics which may more definitely identify them.

Joe Pool is one who will be missed as one possessing unusual characteristics. As evidenced here, he had many friends. His personality was such that offended no one but which drew people to him. He was a man who, in his actions as a proponent or opponent on an issue, could hold the respect and esteem of those on the other side. He was strong in his convictions and had the courage to execute them. He was loyal to his friends and dedicated to his duties here in the Congress. The country, our State, and his constituents need men of this sort of dedication and he will be missed for this reason as well as personal ones.

My heart goes out to his family, and particularly his wife, Elizabeth, by reason of his untimely death.

Mr. POAGE. Mr. Speaker, Joe Pool is already missed. Probably every Member of this House knew him and loved him regardless of the violent differences of opinion which often centered around him. Joe was a friend who made friends. He had friends all across Texas as well as here and in his home in Dallas.

He also made enemies. Every man who does anything makes enemies. Joe was no exception but he had the happy faculty of making political not personal enemies.

He was indeed a "man of the people." He knew his people and he knew their views and their wishes. Very few men have ever served here who sought so diligently to represent the views of his people. Before he came to this House he had represented his people at Austin, and if we believe in the election returns as the voice of Democracy, Joe always detected and reflected their views.

He was an urban man. Unlike many of his colleagues, especially from Texas, he claimed no rural connections. He was born in Fort Worth but lived almost all of his life in Houston and Dallas, the two largest cities of his native State. He used this very urban background to be elected Congressman at Large and carried most of the rural areas as well as the cities.

For the last several years he has represented his hometown—at least a part of it. He represented all of Oak Cliff, the part of Dallas where he lived, as well as the downtown section. He was always challenged but never defeated for reelection.

He left a wife and four fine boys. All Texas shares with them the loss of this vigorous, genial, and hardworking leader. Frances and I join in extending our sympathy and our best wishes.

Mr. OLSEN. Mr. Speaker, the sudden passing of our colleague and friend, Joe Pool, is sad and shocking. Joe Pool symbolized life itself. He was an affable and energetic man filled with warmth who had the courage of his convictions. When convinced of the rightness of a cause he stood firm in the fray. For this he had the respect of all the Members of the House of Representatives.

I knew Joe Pool well through his whole Congressional tenure. We served together on the Post Office and Civil Service Committee for 5½ years. His knowledge of postal matters and his concern for the interest of postal patrons never failed to impress me. He was a valuable colleague and served the committee with great distinction.

The city of Dallas and the State of Texas, as well as this body of Congress, has lost a valuable servant and a true friend. Mrs. Olsen joins me in extending our deepest sympathies to Mrs. Pool and her four sons.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and service of the late lamented Honorable Joe Pool.

The **SPEAKER.** Without objection, it is so ordered.

There was no objection.

PERMISSION FOR ECONOMIC DEVELOPMENT SUBCOMMITTEE, COMMITTEE ON PUBLIC WORKS, TO SIT DURING GENERAL DEBATE TODAY

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent that the Economic Development Subcommittee of the Committee on Public Works be permitted to sit today during general debate.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 16913, DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1969

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on H.R. 16913, the Department of Agriculture appropriation bill for the fiscal year 1969.

The **SPEAKER.** Is there objection to the request of the gentleman from Mississippi?

There was no objection.

INSERTION OF TRANSCRIPT FROM DEBATE OF YESTERDAY, JULY 24

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include transcript of floor debate.

The **SPEAKER.** Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, on yesterday I participated in the debate on the gun legislation. During my remarks the gentleman from Florida [Mr. Sikes] asked me to yield. I did so. At approximately 4 o'clock yesterday afternoon I turned over the transcript of our remarks to him for correction. I note from the Congressional Record that those remarks were not delivered to the Government Printing Office in time for inclusion in the daily Record. I include herewith the uncorrected text of these remarks as I received them from the reporters.

The transcript follows:

Mr. BOLLING. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I had no intention of engaging in this debate. I said what I had to say in the discussion on the rule.

But I have been here, I think, for virtually every minute of the debate during the amendment stage and I was interested in the last 5 minutes of debate in particular because, in effect, our friend, the gentleman from Michigan [Mr. Dingell] was challenging the good faith of the gentleman from New York [Mr. Tenzer] in circulating certain material.

I gather that in that challenge he was being supported by the gentleman from Florida [Mr. Sikes].

I would make no charges as to intentions, but I wish to discuss briefly the results of the action of the gentleman from Florida, and the gentleman from Michigan, the other day, on Monday, when we had a matter before us under suspension of the rules.

When there was a piece of legislation that purported to be of general interest and dealt with the question of appropriating, or authorizing to be appropriated, a half million dollars of the public's money for purposes ill-defined, so far as I can determine, with regard to hunting on military reservations.

I watched that matter with considerable interest because one of the gentlemen was the author of the legislation, and the other gentleman was the manager of the legislation.

You know that under suspension, a matter comes up without really much opportunity for debate and unless a second is demanded by somebody who is opposed to the bill, there is no debate in opposition except at the wish of the person who calls it up by agreement.

I watched with considerable interest as the gentlemen proceeded to let the bill go through without any explanation. Our friend from New York [Mr. Carey] made an attempt to have a rollcall on the matter. I am no expert in the matter, but I do know that it is a piece of legislation in the interest of a very limited number of people which these gentlemen maneuvered through the House, and maneuver is legitimate. They maneuvered it through the House without giving the House the benefit of the facts with regard to the bill.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I am delighted to yield to the gentleman from Florida.

Mr. SIKES. On the bill to which the gentleman refers, it certainly was not my fault that there was no rollcall vote in the House. The bill is not intended to benefit a few. It is intended to benefit every person in uniform and the family of every person in uniform and every civilian who wants to pay a small fee to use the 30 million acres in 250 military reservations throughout our Nation. Everyone who is in uniform would have access to it.

Mr. BOLLING. Mr. Chairman, I refuse to yield further. The gentleman has had an opportunity to explain his position in the matter. Before I yield back the balance of my time, I would point out that that is the fullest explanation made on this matter to date. If the House finds it satisfying—and I do not—let the House so judge. I yield back the balance of my time.

PERMISSION FOR SUBCOMMITTEE ON FISHERIES AND WILDLIFE, COMMITTEE ON MERCHANT MARINE AND FISHERIES, TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fisheries and Wildlife of the Committee on Merchant Marine and Fisheries may sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HALL. Mr. Speaker, reserving the right to object, I know because the distinguished majority leader makes this request, that it has been cleared with the minority side; but, is it not unseemly and strange that we have requests for unanimous consent to come in early in order to perform the business of the House, and then immediately we discharge the various committees from attendance so that they may go about their various hearings after it has been stated further that this work is not necessary because the Committee on Rules has closed off additional legislative efforts other than for emergencies for the balance of this session?

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, of course, this will not be operative until the higher education bill is disposed of, because there is no more general debate on that matter. As I understand it, the gentleman from Maryland [Mr. MORTON], is interested in this matter, but I cannot testify as to its emergency nature.

Mr. HALL. I wish the gentleman to understand I have absolutely no objection to the subcommittee sitting, but in principle I wish to state I do object to our coming in early and granting unanimous consent for that and then turning around and freeing the various committees to hold sessions because of prior obligations or for any other reason. I wish to serve notice now that we will probably not have it hereafter.

The SPEAKER. The Chair understands that this request is made only during general debate.

Mr. ALBERT. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

EMBARGO ON SHIPMENT OF GUNS THROUGH THE MAILS

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, yesterday when I learned from reports that some of the guns used in the massive Cleveland snipings were mailed into the city by servicemen stationed in Vietnam, I requested the Post Office Department to impose an immediate embargo on the shipment of guns through the mails.

Today, I was shocked to learn that such shipments can still be made and that the Post Office Department has no power to halt them. I have just received the following statement from Mr. Timothy May, General Counsel of the Post Office Department:

> The Post Office Department is absolutely powerless under the present law to prevent the delivery of long-arms, even into a riot area. The Department has a regulation which requires the Postmaster to notify the law enforcement officers of the name and address of the recipient of a long-arm; but the Department may not withhold delivery of that firearm, even though requested by the police.

Until Congress meets this problem with meaningful legislation, I urge the Department of Defense to prohibit the shipment of weapons into the United States by members of the armed services. Guns of every type are easily available in Vietnam. If there are no restraints on their entry to the United States, they are certain to fall into irresponsible hands and add to the toll of casualties from gun violence.

SUCCESSFUL CARRIER TESTS OF THE F-111B

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. Mr. Speaker, in one of the interesting ironies of our time, the F-111B which was canceled at the request of the Navy before its long-awaited carrier test could be conducted, yesterday successfully completed those carrier tests aboard the U.S.S. *Coral Sea* off the coast of California.

In a very successful test operation the F-111B completed a total of 10 arrested landings, eight touch-and-go landings, and was launched by catapult nine times from the *Coral Sea*.

The successful test also included flight deck landings of the aircraft.

It is significant that the *Coral Sea* is a smaller carrier than that from which the F-111B had been originally scheduled to be deployed.

It is also extremely significant that these tests were carried out by two pilots, neither of whom had had more than 12 hours of flight time in the aircraft, proving its great ease of handling.

The plane thus clearly demonstrated that it works well, and it works well aboard aircraft carriers, in spite of all the highly publicized misgivings to the contrary.

COLLOQUY WHICH WAS HELD YESTERDAY BETWEEN THE GENTLEMAN FROM FLORIDA, MR. SIKES, AND THE GENTLEMAN FROM MISSOURI, MR. BOLLING

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, since the gentleman from Missouri [Mr. BOLLING], has chosen to communicate with me by way of the microphone in the well of the House, I presume I am expected to respond in kind.

Let me assure the gentleman from Missouri that I have no desire whatever to keep his contribution from the RECORD. I did turn in his comments and mine. They were turned in late because I am a very busy man with a lot of work to do. I represent a district which expects results from its Congressman. Possibly this prevented publication in yesterday's RECORD which is now before us. If that is what happened I am sure both statements will be printed in today's RECORD, and will be available to the membership on tomorrow. This is not an unusual situation.

Mr. Speaker, I hope this has not resulted in keeping too much that is important information from the Members of the House. I think the membership will find my statement both interesting and revealing.

But since the gentleman from Missouri denied me the courtesy common between Members of the House of sufficient time to give more than the barest description of the purposes of the bill he chose to attack in such an unwarranted and inaccurate manner, I shall include in my Extensions of Remarks the purpose and the significance of H.R. 11026, the bill to implement conservation programs on military reservations which the gentleman attacked. This is a bill which is intended to provide better recreational facilities for every person in the military—all 3½ million of them—and their families. The advantages which are sought from this bill will also be available to civilians and to civilian families. By no stretch of the imagination could this bill be considered as intended to benefit a privileged few. Every person in uniform and his family could benefit. Every civilian who desires could benefit.

The bill was reported unanimously by the Committee on Merchant Marine and Fisheries after complete hearings were held. It was explained in detail to the Rules Committee. Full information on the bill and its contents were available on the floor throughout the day that the bill was considered. Anyone who had an interest in learning more about the bill could have obtained this information without difficulty.

Now let me tell what the bill would do. It would improve recreational and conservation programs on military reservations. That means hunting, fishing, camping, boating, swimming, hiking, and all the other things that people like to enjoy in the great outdoors. There is ample opportunity for the development and expansion of such programs and they are needed. The U.S. Government owns 30 million acres of land at 250 military installations. Under existing law, there is a program which permits these areas to be developed for conservation and recreational purposes, but the amount of development is limited by fees which are paid for permits to use the area. On some of the bases, the number of permits purchased is sufficient to provide adequate revenue for sound programs. In others, the recreational assets are so meager that there is nothing to generate the purchase of permits in sufficient number to insure the development of conservation and recreational programs. These areas need a shot in the arm. A small appropriation is authorized in H.R. 11026 to provide this shot in the arm and to get the conservation and recreational programs into motion. By this procedure, we hope to make the programs on additional reservations self-supporting, and to provide expanded conservation and recreational opportunities.

Yes, the generals use these reservations. Privates use them also. Civilians use them. There are many more privates and civilians than there are generals, and generals have access to many recreational advantages that are not available to privates and civilians.

I am sure that no one who has troubled himself to become familiar with the bill would want to deny the use of these improved recreational and conservation programs to men in uniform and to their families. Where wholesome recreation is not available at military bases, we simply are sending men in uniform to town for their recreation, and the kind of recreation they find there is not likely to be as wholesome. Some men in uniform have been known to join in demonstrations and in marches.

I trust that this will be sufficient explanation to remove any doubts which may exist about the need for the programs which will be encouraged by H.R. 11026.

Now to the matter of procedure. The gentleman is fully aware of the fact that a bill which is under consideration under suspension of the rules need not be debated unless there is desire on the part of the membership that this be done. There was no such indicated desire in the case of H.R. 11026. I did not see the gentleman seeking recognition. The Speaker did what is normal in completing the passage of the bill and I have seen nothing to indicate that the House takes exception to the Speaker's action.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS TO FILE CONFERENCE REPORT ON S. 3418, FEDERAL-AID HIGHWAY ACT OF 1968

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a conference report on the bill S. 3418, the Federal-Aid Highway Act of 1968.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

POVERTY AMONG INDIANS

Mr. BERRY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Speaker, we had another interesting experience this morning.

A group interested in getting a defense contract on a Midwest Indian reservation got together to see what could be done to put it on this reservation, because of the advantage given under this law to seriously depressed areas.

This reservation is seriously depressed. It has 90-percent unemployment and poverty, but the plant could not be located there because of the high transportation costs.

The fact is, Mr. Speaker, the Federal Government is deliberately keeping the reservation area Indian a third- or fourth-class citizen, because it refuses to provide a tax incentive to industry locating on these remote reservations to offset these transportation differences.

We do not need to expand the Bureau of Indian Affairs; we do not need to appropriate vast sums to keep the unemployed Indian alive—all we need is to provide a tax exemption to an industry that will move onto the reservations and provide jobs and employment.

This is what will make first-class citizens out of these people. Give them a chance; they will lift themselves by their own bootstraps.

OPERATION OF THE WILLIAM LANGER JEWEL BEARING PLANT

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 15864) to provide for the operation of the William Langer Jewel Bearing Plant at Rolla, N. Dak., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

H.R. 15864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is authorized to provide for the operation, by contract or otherwise, of the William Langer Jewel Bearing Plant, located at Rolla, North Dakota, to produce jewel bearings and related items for Government use or for sale, at prices determined by the Administrator to be sufficient to cover the estimated or actual costs of production, including depreciation.

SEC. 2. There is hereby authorized to be established on the books of the Treasury a separate fund, which shall be available for use by or under the direction and control of the Administrator, without fiscal year limitation, for expenses necessary for the operation of the plant, including personal services and travel; advancement of production technology; materials, supplies, and services; maintenance, repair, improvement, and purchase of machinery, tools and equipment; transportation and other utility services; maintenance, repair, alteration, and improvement of existing buildings; provision of working capital, and other necessary manufacturing, general, and administrative expenses.

SEC. 3. Upon the termination of the existing lease of the plant, the Administrator is authorized to transfer to the said fund, at values established by him, the William Langer Jewel Bearing Plant, including land, buildings, machinery, equipment, tools, raw materials, work in process, finished goods, accounts receivable, the balance of the direct order rental account established under said lease, and any other assets of the Government related to said plant. There are authorized to be appropriated to said fund any additional sums which may be required for the operation of the plant which, together with the value of the assets transferred to the fund by the Administrator pursuant to this section, shall constitute the capital of the fund.

SEC. 4. The fund shall be credited with the proceeds of all transfers, sales, advances, refunds, and recoveries resulting from the operation of the plant and the fund, including the net proceeds of disposal of surplus personal property of the fund and receipts from carriers and others for loss of, or damage to, property of the fund.

SEC. 5. As of the close of each fiscal year, any net income of the fund, after making provision for prior year losses, if any, shall be transferred to the Treasury of the United States as miscellaneous receipts.

With the following committee amendment:

On page 3, line 10, insert:

"SEC. 6. In the event the plant is operated by contract, advances from the fund may be made to the contractor for the purposes set forth in section 2, and the proceeds and receipts referred to in section 4 may initially be credited to a special subsidiary fund established by the contractor for that purpose in accordance with procedures prescribed by the Administrator."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. PHILBIN. Mr. Speaker, H.R. 15864, a bill to provide for the operation of the William Langer Jewel Bearing Plant at Rolla, N. Dak., is an unusual bill. While it is complicated in its nature, its purpose is relatively simple; that is, it would provide the necessary authority to adequately finance the operation of this leased Government-owned facility and at the same time clarify the basic authority of the General Services Administration to make a management-operation contract.

The plant itself is the only facility in the continental United States capable of producing jewel bearings in quantity. It was established in 1952 and subsequently placed in the national industrial reserve created by the National Industrial Reserve Act of 1948. Currently, it is leased to the Bulova Watch Co. as operators on a no-profit, no-fee basis. All jewel bearings for the stockpile are obtained from this plant on a contract basis for cost plus $1 a year. In addition, this plant makes jewel bearings for sale commercially on a job-order arrangement. Since no inventory can be accumulated and work is done only through job orders, the cost is considerably above that for jewel bearings imported from Switzerland. In essence, this bill would permit a more orderly method of operation with the ultimate objective of reducing the cost of such jewel bearings.

Sales made by Bulova to Government contractors and subcontractors pursuant to the requirements of the Federal Procurement and Armed Services Procurement Regulations under the terms of the present lease, are at fixed prices approved by the Government. These fixed prices are periodically adjusted and are designed to cover estimated production cost. As part of the lease-rental agreement, any excess of total sales income over actual cost on nonstockpile sales is placed in a "direct order rental account" to serve as further rental payments to the Government. The lease provides that the direct order rental account may be used under limited conditions to meet operating losses including uncollectable accounts resulting from sales other than to the stockpile. Obviously, the operator has not been satisfied with this arrangement since the plant is being operated on a no-profit basis.

The funding arrangements which I have just described impose several implicit limitations on the operations of the plant. There is no direct and orderly means of financing the cost of raw material, work in process, supplies, and other operating expenses. The facility is, therefore, operated as a "job shop" and except for bearings required under the stockpile contract, is unable to plan its production schedule on a rational basis. Because of the absence of normal working capital funds, the plant is unable to maintain appropriate inventories of finished bearings. This not only limits unduly the ability of the plant to fill orders requiring immediate delivery, but also results in higher unit costs. From time to time, the Office of Emergency Planning has made findings that the plant is an essential part of the national mobilization base, and that its continued operation as an integrated facility in being as a domestic source of jewel bearings is in the interest of the United States but that the present method of operation is unsatisfactory to the Government and to the present lessee; thus, the reason for this bill.

Section 1 of the bill specifically authorizes the Administrator of General Services to provide for the operation of this plant by contract or otherwise, to produce jewel bearings and related items for Government use or for sale. Prices would be fixed so as to recover all applicable operating costs, including depreciation of buildings, machinery, and equipment.

Section 2 authorizes the establishment of an operating fund and makes the fund available for use by the Administrator of General Services without fiscal year limitation, for all necessary operating expenses of the plant.

Section 3 authorizes the transfer of the plant and its assets to the fund upon termination of the existing lease. The lease expired on June 30, 1968, but has been renewed on a month-to-month basis. The transfer would include the balance of the direct order rental account as established under the present lease. While this section authorizes appropriations to the fund, it is not now anticipated that any such appropriations will be necessary.

Under section 4, all receipts from the plant operation would be credited to the fund, permitting availability of such receipts to finance operation.

Section 5 provides that any net income of the fund after provision for prior year losses, if any, shall be transferred to miscellaneous receipts following the close of each fiscal year, and this controls the growth of capital originally authorized.

Section 6 was added by the subcommittee as an amendment at the suggestion of the Comptroller General of the United States. In a letter from the Comptroller General, it was stated:

> We have no objection to the enactment of the proposed legislation which would clarify the basic authority of the General Services Administration to make a management-operation contract for the plant and create a revolving fund in the Treasury, to finance its operations.
>
> It apparently is contemplated that the plant will be operated by a private contractor financed through advances from the revolving fund and from proceeds of sales by the contractor. Receipts from sales by the present contractor are placed in a direct order rental account available to the contractor to meet any losses, including uncollectible accounts, resulting from nonstockpile sales, and it is our understanding a subsidiary account of this nature is contemplated under the proposed legislation. We believe that this procedure would not be authorized under the provisions of H.R. 15864, as introduced, and therefore suggest the bill be amended by adding a new Section 6.

We have incorporated that amendment in the bill that we are reporting. In essence, this amendment would permit advances from the fund to be made to the contractor for the purposes set forth in section 2 of the bill, and that the proceeds and receipts referred tc in section 4 may initially be credited to a special subsidiary fund established by the contractor for that purpose in accordance with procedures prescribed by the General Services Administration.

That is the bill and, as complicated as it may sound, it really provides for an orderly method of operation of this important adjunct to our national defense posture.

AMENDING THE CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 18786) to amend the Central Intelligence Agency Retirement Act of 1964 for certain employees, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

H.R. 18786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 291 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1043; 50 U.S.C. 403 note) is amended to read as follows:

"SEC. 291. (a) On the basis of determinations made by the Director pertaining to per centum change in the Price Index, the following adjustments shall be made:

"(1) Each annuity payable from the fund on January 1, 1967, shall be increased on that date by (a) 12.4 per centum for annuities which commence on or before January 1, 1966, or (b) 4.9 per centum for annuities which commence on or between January 2, 1966, and January 1, 1967.

"(2) Each month beginning with November 1966, the Director shall determine the per centum change in the price index. Effective the first day of the third month which begins after the price index shall have equaled a rise of at least 3 per centum for three consecutive months over the price index for the base month, each annuity payable from the fund which has a commencing date not later than such effective date shall be increased by the per centum rise in the price index (calculated on the highest level of the price index during the three consecutive months) adjusted to the nearest one-tenth of 1 per centum.

"(b) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the fund as of the effective date of an increase, except as follows:

"(1) Effective from its commencing date, an annuity payable from the fund to an annuitant's survivor (other than a child entitled under section 221(c)), which annuity commences the day after annuitant's death and after January 1, 1967, shall be increased by the total per centum increase the annuitant was receiving under this section at death; or if death occurred between January 1, 1967, and date of enactment, the per centum increase the annuitant would have received.

"(2) Effective from its commencing date, an annuity payable from the fund to a child under section 221(c), which annuity commences the day after annuitant's death and after January 1, 1967, shall be increased by (a) 2 per centum if the annuity from which it is derived commenced on or before January 1, 1966, or (b) 1 per centum if the annuity from which it is derived commenced on or between January 2, 1966, and January 1, 1967.

"(3) For the purposes of computing an annuity which commences after January 1, 1967, to a child under section 221(c), the items $600, $720, $1,800, and $2,160 appearing in section 221(c) shall be increased by 10.2 per centum plus the total per centum increase allowed and in force under section 291(a)(2) for employee annuities, and, in the case of a deceased annuitant, the items 40 per centum and 50 per centum appearing in section 221(c) shall be increased by the total per centum increase allowed and in force under this section to the annuitant at death; or if death occurred between January 1, 1967, and date of enactment, the per centum increase the annuitant would have received.

"(c) Any annuity increased under this section shall be decreased by the amount of increase in force and effect with respect to that annuity under section 291 prior to the date of enactment of this subsection.

"(d) The term 'price index' shall mean the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics. The term 'base month' shall mean the month of October 1966 for the first increase under section 291(a)(2) and thereafter the month for which the price index showed a per centum rise forming the basis for a cost-of-living annuity increase.

"(e) No increase in annuity provided by this section shall be computed on any additional annuity purchased at retirement by voluntary contributions.

"(f) The monthly installment of annuity after adjustment under this section shall be fixed at the nearest dollar, except that such installment shall, after adjustment, reflect an increase of at least $1."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. PHILBIN. Mr. Speaker, this bill, H.R. 18786, represents a matter of simple equity and justice.

The Congress has passed legislation which permits civil service employees to have their retirement adjusted as the cost of living rises. A relatively few people who are employed by the Central Intelligence Agency do not, for reasons that I will describe, receive these same benefits. This bill will correct this situation and place these CIA people in the same position as their counterparts in the civil service.

Very simply stated the situation is this: Civil service employees receive a cost-of-living increase in their retirement after any 3 months of 3-percent increase in the Consumer Price Index. The few people in the CIA that this bill covers receive such an increase only when the 3-percent increase extends over a period of a whole year and even then they do not get it until April of the succeeding year. There is no rhyme or reason why these people in the CIA should not be treated in the same fashion as civil service employees and it is only, in a sense through an inadvertence that this situation exists. Last year for example, these CIA people missed a cost-of-living increase by only two-tenths of 1 percent.

The bill before you will once more bring the cost-of-living provisions in the agency retirement system back into phase with the similar provisions of the Civil Service Retirement Act and will provide the same increases that have been provided since 1965 in the civil service system.

CIA personnel serve under two retirement systems. About 75 percent are covered by the civil service system. The remainder are covered by the CIA retirement system enacted in 1964 as Public Law 88-643. At that time both systems contained similar provisions for cost-of-living adjustment of annuities.

Public Law 87-793, approved in October 1962, established the first cost-of-living adjustment formula for the civil service retirement system. As a part of the cost-of-living adjustment concept that law also provided 1965 civil service retirees a 2-percent annuity adjustment—1 percent for 1966 retirees. No such adjustment was provided for personnel covered by the CIA system.

In September of 1965 the civil service provision was changed by Public Law 89-205 so that the minimum period for measuring percentage increases to trigger an adjustment was compressed from 1 calendar year to 3 consecutive months. Thus an actual increase could occur after any 3 months of 3 percent increase in the Consumer Price Index as against the old requirement of an average 3-percent increase for a full calendar year plus a 3-month waiting period. Furthermore, the December 1965 increase under the new civil service formula reflected the accumulated increases in the CPI since 1962.

The more responsive civil service formula has generated a total of three increases whereas the formula for the CIA system, passed in October 1964, has produced only one increase. This is clearly illustrated by applying actual increases in force and effect under each system to a typical retirement case. An employee who retired in July 1965 under the civil service system with a $6,000 basic annuity receives $7,009 per annum at present as a result of automatic annuity adjustments. In contrast, an employee retiring at the same time under the CIA system and with the same basic annuity is now paid $6,276 per annum. I intend to insert in the RECORD as part of my statement charts which graphically illustrate inequities which now exist and which would be corrected by this bill.

The bill affords equitable treatment to CIA retirees by providing them the same increases already granted civil service retirees. It also assures that future cost-of-living adjustments under the CIA retirement system are in consonance with future increases granted under the present civil service retirement law. That is all it does.

The charts referred to follow:

CHART 1.—COST-OF-LIVING ADJUSTMENTS TO AN ASSUMED $6,000 ANNUITY FROM JULY 1, 1965

Date	Civil service, existing law	CIA, existing law	CIA, H.R. ——
July 1, 1965	Annuity of $6,000	Annuity of $6,000	Annuity of $6,000.
Do	2 percent increase equals $120 (Public Law 87-793), $6,120.	None	None.
Dec. 1, 1965	6.1 percent increase equals $373 cost-of-living adjustment (including 1.5 percent, Public Law 89-205), $6,493.	do	Do.
Jan. 1, 1967	3.9 percent increase equals $353 cost-of-living adjustment, $6,746.	do	12.4 percent increase equals $744 cost-of-living adjustment, sec. 291(a)(1), $6,744.
Apr. 1, 1967	None	4.6 percent increase equals $276 cost-of-living adjustment, $6,276.	Existing 4.6 percent increase offset, sec. 291(c).
May 1, 1968	3.9 percent increase equals $263 cost-of-living adjustment; current annuity, $7,009.	None; current annuity, $6,276	3.9 percent increase equals $263 cost-of-living adjustment, sec. 291(a)(2); current annuity, $7.007.

CHART 2.—COST-OF-LIVING ADJUSTMENTS TO AN ASSUMED $6,500[1] ANNUITY FROM JULY 1, 1966

Date	Civil service, existing law	CIA, existing law	CIA, H.R. ——
July 1, 1966	Annuity of $6,500	Annuity of $6,500	Annuity of $6,500.
Do	1 percent increase equals $65 (Public Law 87-793), $6,565.	None	None.
Jan. 1, 1967	3.9 percent increase equals $256 cost-of-living adjustment, $6,821.	do	4.9 percent increase equals $319, sec. 291(a)(1), $6,819.
May 1, 1968	3.9 percent increase equals $266 cost-of-living adjustment; current annuity, $7,087.	None; current annuity, $6,500	3.9 percent increase equals $266, sec. 291(a)(2); current annuity, $7,085.

[1] Amount of assumed annuity for 1966 is increased $500 over the amount shown for 1965 in chart 1 to reflect probable increase based on higher high-5 average salary.

CHART 3.—COST-OF-LIVING ADJUSTMENTS TO AN ASSUMED $7,000[1] ANNUITY FROM JULY 1, 1967

Date	Civil service, existing law	CIA, existing law	CIA, H.R. ——
July 1, 1967	Annuity of $7,000	Annuity of $7,000	Annuity of $7,000.
May 1, 1968	3.9 percent increase equals $273 cost-of-living adjustment; current annuity, $7,273.	None; current annuity, $7,000	3.9-percent increase equals $273 cost-of-living adjustment, sec. 291(a)(2); current annuity, $7,273.

[1] Amount of assumed annuity for 1967 is increased $500 over the amount shown for 1966 in chart 2 to reflect probable increase based on higher high-5 average salary.

Mr. BRAY. Mr. Speaker, will the gentleman yield?

Mr. PHILBIN. I yield to the gentleman from Indiana.

Mr. BRAY. Mr. Speaker, what H.R. 18786 will do has been well described by the gentleman from Massachusetts [Mr. PHILBIN].

The bill is of course very simple indeed. It merely places a few people in CIA who are engaged in what is called rotational service abroad or are engaged in hazardous duties in the same position as the regular civil service people and our 3½ million military people who receive cost-of-living increases under existing law.

The people who are involved in this bill represent a small percentage of the employees of the Central Intelligence Agency. They may retire at age 50 with 20 years of Government service, 10 years of which must be with the CIA.

In virtually every respect this retirement system is the same as that for FBI agents and other law-enforcement personnel.

The reasons for this special system are obvious. The personnel must be in a younger age group because of their duties in support of clandestine operations or other hazardous duty and they almost by necessity must be retired at an earlier age than the mandatory retirement age of 70 provided for civil service employees.

The bill will not do one single thing other than bring these people into the same position as the civil service retirees and the military retirees.

Of course the House has already passed this legislation in a more extensive bill back in 1966. The Senate failed, however, to take action on this bill which contained the legislation we are considering today along with a number of other provisions.

In the fewest possible words, what the bill will do is change the minimum period for measuring cost-of-living percentage increases from 1 calendar year to 3 consecutive months—and this is the situation today with respect to our other military and civilian people who are retired.

THE HIGHER EDUCATION AMENDMENTS OF 1968

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 15067) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts.

The **SPEAKER.** The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 15067, with Mr. VANIK in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN.** When the Committee rose on yesterday, it had agreed that title I of the committee substitute amendment ending on page 20, line 21, would be considered as read and open to amendment at any point.

Are there any amendments to title I? If not, the Clerk will read.

The Clerk read as follows:

TITLE II—AMENDMENTS TO COLLEGE LIBRARY ASSISTANCE AND LIBRARY TRAINING AND RESEARCH PROGRAMS

PART A—COLLEGE LIBRARY RESOURCES

EXTENSION OF PROGRAM

SEC. 201. (a) The first sentence of section 201 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following; "$25,000,000 for the fiscal year ending June 30, 1969, and $35,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

ELIGIBILITY OF BRANCH INSTITUTIONS FOR SUPPLEMENTAL AND SPECIAL PURPOSE GRANTS

SEC. 202. (a)(1) The first sentence of section 203(a) of such Act is amended by inserting after "institutions of higher education," the following: "(and to each branch of such institution which is located in a community different from that in which its parent institution is located)".

(2) The second sentence of such section is amended by inserting "(or branch)" after "institution".

(b) Section 204(a)(2)(A) of such Act is amended by inserting after "institutions of higher education" the following: "(or to branches of such institutions which are located in a community different from that in which the parent institution is located)".

(c) Section 204(a)(2)(B) of such Act is amended by inserting after "institutions of higher education" the following: "(or to such branches)".

REVISION OF MAINTENANCE-OF-EFFORT REQUIREMENT FOR SPECIAL PURPOSE GRANTS

SEC. 203. (a) Section 204(b)(2) of the Higher Education Act of 1965 is amended by inserting after "June 30, 1965" the following: ", or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is less".

(b) The amendment made by subsection (a) shall be effective with respect to applications for grants payable on or after the date of the enactment of this Act.

PART B—LIBRARY TRAINING AND RESEARCH, AND LIBRARY SCHOOL DEVELOPMENT

EXTENSION OF PROGRAM

SEC. 221. (a) The first sentence of section 221 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$11,800,000 for the fiscal year ending June 30, 1969, and $28,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

AMENDMENTS TO LIBRARIANSHIP TRAINING PROVISIONS

SEC. 222. The second sentence of section 223(a) of the Higher Education Act of 1965 is amended—

(1) by striking out "to assist in covering the cost of courses of training or study for such persons, and" and inserting in lieu thereof "(1) to assist in covering the cost of courses of training or study (including short term or regular session institutes) for such persons, (2)"; and

(2) by inserting before the period at the end thereof the following: ", and (3) for establishing, developing, or expanding programs of library and information science".

PART C—STRENGTHENING COLLEGE AND RESEARCH LIBRARY RESOURCES THROUGH LIBRARY OF CONGRESS

EXTENSION OF PROGRAM

SEC. 231. (a) Section 231 of such Act is amended by striking out "and" after "1967," and by inserting after "1968," the following: "$5,500,000 for the fiscal year ending June 30, 1969, and $11,100,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

CLARIFYING AUTHORITY TO PURCHASE COPIES; INCREASING AUTHORITY TO PREPARE CATALOG AND BIBLIOGRAPHIC MATERIALS; AUTHORIZING LIBRARIAN TO ACT AS ACQUISITION AGENT

SEC. 232. Section 231 of the Higher Education Act of 1965, as amended by section 231 of this Act, is further amended—

(1) in paragraph (1), by inserting "copies of" before "all";

(2) in paragraph 2, by striking out "for these materials promptly after receipt, and distributing bibliographic information" and inserting in lieu thereof "promptly and distributing this and other bibliographic information about library materials", and by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) enabling the Librarian of Congress to pay administrative costs of cooperative arrangements for acquiring library materials published outside of the States and not readily obtainable outside of the country of origin, for institutions of higher education or combinations thereof for library purposes, or for other public or private nonprofit research libraries.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read and open to amendment at any point.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The **CHAIRMAN.** Are there any amendments to title II?

AMENDMENT BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: Insert on page 122 after line 20, a new section to read as follows:

"SEC. 204. (a) The first sentence of section 202 of the Higher Education Act of 1965 is amended (1) by striking out 'and' and inserting in lieu thereof a comma, and (2) inserting after 'such institutions' the following: ', and, in accordance with criteria prescribed by regulation, new institutions of higher education in the fiscal year preceding the first year in which students are to be enrolled'.

"(b) The amendments made by subsection (a) shall be effective with respect to appropriations for grants under title II of the Higher Education Act of 1965 for fiscal years beginning after June 30, 1969."

The **CHAIRMAN.** The Chair would like to know to what line the amendment is directed to on page 122.

Mr. STEIGER of Wisconsin. After line 20.

The **CHAIRMAN.** After line 20.

Without objection, the amendment will be so modified.

There was no objection.

The **CHAIRMAN.** The Chair recognizes the gentleman from Wisconsin [Mr. STEIGER].

Mr. STEIGER of Wisconsin. Mr. Chairman, this amendment is offered in light of the fact that a similar amendment has been adopted in the other body.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. PERKINS. Mr. Chairman, I think the amendment offered by the gentleman is a good amendment. I certainly see no objections to the amendment.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the distinguished gentlewoman from Oregon.

Mrs. GREEN of Oregon. I have asked the gentleman to yield for the purpose of directing an inquiry as to the language of his amendment.

Would this do away with the accreditation requirements that appear throughout the bill in the different titles and for different purposes?

Mr. STEIGER of Wisconsin. My answer to the gentlewoman from Oregon would be that it would not do away with the accreditation requirements in light of the fact that it would only be done in accordance with criteria prescribed by the regulations.

Mrs. GREEN of Oregon. Then it would be the gentleman's intention that the criteria issued by a commissioner of education would definitely include a provision that they must in effect meet other accreditation requirements as prescribed in the law?

Mr. STEIGER of Wisconsin. Yes, I think the gentlewoman is absolutely correct. If you did not do that, you would not be keeping faith with either the young men or young women in this country or with the need to insure that an institution is an accredited institution as prescribed by the law and regulations.

Mrs. GREEN of Oregon. I would join

my chairman in his support of the gentleman's amendment.

Mr. STEIGER of Wisconsin. I thank the gentlewoman.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Missouri.

Mr. HALL. I wonder if the gentleman could just tell us in a short summarizing sentence exactly what his amendment does to the library assistance portion of this bill for colleges and universities.

I listened carefully to the reading of the amendment, but I am not quite sure what the ultimate intent is.

Mr. STEIGER of Wisconsin. This section would amend section 202 of the Higher Education Act relating to basic grants to institutions of higher education for the acquisition of books and other library materials so as to make them eligible in accordance with the criteria prescribed by regulation for new institutions of higher education in the fiscal year preceding the first year in which students are to be enrolled.

This amendment would be effective with respect to appropriations for grants under title II, the library title of the Higher Education Act, for the fiscal year 1970 and thereafter.

Mr. HALL. I appreciate the gentleman's answer. Essentially what it means is that a new institution coming into being might not now be included in library assistance. The gentleman's amendment would make such assistance in order.

Mr. STEIGER of Wisconsin. The gentleman is correct.

Mr. HALL. I thank the gentleman.

Mr. STEIGER of Wisconsin. The reason is, may I say to the gentleman from Missouri, that present guidelines require that the institution be in operation, and therefore, when money is needed more than possibly at any other time in the life of the library of that institution before it opens, so that the library can be available to the institution, it is denied to them at the present time. I certainly would hope that the amendment would be accepted so that new institutions can participate at a time that is vital to them in the building up of their library.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. STEIGER].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I find the report accompanying this bill most unusual and intriguing, and for the reason that the introductory explanation to each title, and even parts of titles, contains a foreword by an educator, or even a banker in at least one instance. I do not believe during my time in Congress I have ever seen a report in which every title or parts of titles is introduced by some pooh-bah in the field of education, banking, or some other area. How do you explain that?

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Kentucky.

Mr. PERKINS. I believe the gentleman well knows that every banker in the Nation is involved in connection with the guaranteed loan program, and this legislation is far reaching. It covers a variety of subjects.

Mr. GROSS. Do you charge space rates for the remarks of those individuals, or do they get their remarks printed in the report free?

Mr. PERKINS. I am sorry that that is the gentleman's interpretation.

Mr. GROSS. At any rate, you have given me a suggestion. Being on the Foreign Affairs Committee, and never enthusiastic about the foreign giveaway bill, I think that next year I will try to get in that report statements such as that made by an official of India the other day, who, when apprized of the fact that aid to India might be reduced if Congress cut the aid bill, said, in effect, that "maybe it would be a good thing for the people of India to learn to stand on their own feet." Statements like that, introducing the various areas of the foreign aid bill, ought to be a novel and effective way of bringing the bill to the floor of the House.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS. The gentleman from Iowa is a very pragmatic individual. I think he must realize he would have little chance to get that in the report.

Mr. GROSS. I was hoping the gentleman would say that he would join me in providing an unusual and unique committee report next year.

Mr. HAYS. Even if I did, still we would have little chance of getting it in the report.

Mr. GROSS. I am afraid the gentleman is correct. At any rate, it is worth exploring.

The CHAIRMAN. Are there any further amendments to title II? If not, the Clerk will read.

Mr. ABERNETHY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-one Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 279]

Arends
Blanton
Cleveland
Cunningham
Davis, Wis.
Eckhardt
Evins, Tenn.
Fraser
Galifianakis
Gardner
Hanna
Hardy
Hawkins
Hébert
Herlong
Holland
Karsten
Kirwan
Moore
Rarick
Resnick
Rhodes, Pa.
Snyder
Stephens
Wampler

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VANIK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 15067, and finding itself without a quorum, he had directed the roll to be called, when 407 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read title III.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that title III be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any amendments to title III?

If not, the Clerk will read.

The Clerk read as follows:

TITLE IV—STUDENT ASSISTANCE

PART A—AMENDMENTS TO EDUCATIONAL OPPORTUNITY GRANT PROGRAM

EXTENSION OF EDUCATIONAL OPPORTUNITY GRANT PROGRAM

SEC. 401. Section 401(b) of the Higher Education Act of 1965 is amended—

(1) by striking out "two succeeding fiscal years" in the first sentence and inserting in lieu thereof "four succeeding fiscal years"; and

(2) by striking out "1969, and for the succeeding fiscal year" in the second sentence and inserting in lieu thereof "1971, and for the two succeeding fiscal years".

MAXIMUM AMOUNT OF EDUCATIONAL OPPORTUNITY GRANT; TREATMENT OF WORK-STUDY ASSISTANCE FOR MATCHING PURPOSES

SEC. 402. Effective July 1, 1968, the first sentence of section 402 of the Higher Education Act of 1965 is amended by striking out all that follows "which amount" and inserting in lieu thereof the following: "shall not exceed the lesser of $1,000 or one-half of the sum of the amount of student financial aid (including assistance under this title, and including compensation paid under a work-study program assisted under part C of this title) provided such student by such institution and any assistance provided such student under any scholarship program established by a State or a private institution or organization, as determined in accordance with regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 403. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 406 of the Higher Education Act of 1965 is repealed.

(2) Section 405 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 405. The Commissioner shall allot funds appropriated to carry out this part to institutions of higher education with which he has an agreement under section 407, in accordance with section 463 of this Act."

ADMINISTRATIVE EXPENSES

SEC. 404. Effective for fiscal years ending on or after June 30, 1970, part A of title IV of the Higher Education Act of 1965 is amended by inserting after section 405 the following new section:

"EXPENSES OF ADMINISTRATION

"SEC. 406. An institution of higher education which has entered into an agreement with the Commissioner under this part shall be entitled payment for administrative expenses, in accordance with section 464 of this Act."

REVISION OF MAINTENANCE OF EFFORT PROVISION

SEC. 405. Effective for fiscal years ending on or after June 30, 1970, section 407(a)(4) of the Higher Education Act of 1965 is amended to read as follows:

"(4) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);".

AUTHORITY FOR INSTITUTION TO TRANSFER FUNDS TO WORK-STUDY PROGRAM

SEC. 406. Section 407 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new subsection:

"(c) An institution which has in effect an agreement to carry out a work-study program under section 443 of this Act may use to carry out such work-study program any of the funds paid to it from sums appropriated under the first sentence of section 401(b) of this Act for the fiscal year ending June 30, 1969, and the succeeding fiscal years. The requirement in section 444(a)(6) of such Act shall apply to any funds used under the authority of this subsection for such purpose."

CONSOLIDATION AND REVISION OF TALENT SEARCH AND UPWARD BOUND PROGRAMS; SPECIAL SERVICES TO DISADVANTAGED STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

SEC. 407. (a) Section 408 of the Higher Education Act of 1965 is amended to read as follows:

"IDENTIFYING QUALIFIED LOW-INCOME STUDENTS, PREPARING THEM FOR POST-SECONDARY EDUCATION; SPECIAL SERVICES FOR SUCH STUDENTS IN INSTITUTIONS ON HIGHER EDUCATION

"SEC. 408. (a) To assist in achieving the objectives of this part the Commissioner is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), to make grants to, or contracts with institutions of higher education for the purposes of planning, developing, or carrying out one or more of the programs described in subsection (b). For such purposes, the Commissioner also is authorized (without regard to such section 3709)—

"(1) to make grants to or enter into contracts with public and private nonprofit agencies and organizations, including professional and scholarly associations, and

"(2) to enter into contracts with any private agency or organization.

when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

"(b) The programs referred to in subsection (a) are—

"(1) programs designed to—

"(A) identify qualified youths of exceptional financial need and encourage them to complete secondary school and undertake post-secondary educational training.

"(B) publicize existing forms of student financial aid, including aid furnished under this title, and

"(C) encourage secondary-school or college dropouts of demonstrated aptitude to reenter educational programs, including post-secondary-school programs;

"(2) programs (A) which are designed to generate skills and motivation necessary for success in education beyond high school and (B) in which enrollees from low-income backgrounds and inadequate secondary-school preparation participate on a substantially full-time basis during all or part of the program; or

"(3) programs of remedial and other special services for students with academic potential who are enrolled or accepted for enrollment at the institution which is the beneficiary of the grant or contract, and who, by reason of deprived educational, cultural, or economic background, are in need of such services to assist them to initiate, continue, or resume their higher education.

"(c)(1) Programs under paragraph (2) of subsection (b) must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. Such programs must include necessary health services. Enrollees in such programs may not receive stipends in excess of $30 per month. The cost of carrying out any such program may not exceed $150 per enrollee per month. Federal financial assistance by way of grant or contract for such a program may not be in excess of 80 per centum of the cost of carrying out such program. Such programs shall be carried on within the States.

"(2) Programs carried on under paragraph (3) of subsection (b) may provide, among other things, for—

"(A) counseling, tutorial, or other educational services, including special summer programs, to remedy such students' academic deficiencies,

"(B) career guidance, placement, or other student personnel services to encourage or facilitate such students' continuance, or reentrance in higher education programs, or

"(C) identification, encouragement, and counseling of any such students with a view to their undertaking a program of graduate or professional education.

"(d) There are authorized to be appropriated to carry out this section $41,680,000 for the fiscal year ending June 30, 1969, and $56,680,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this section only such sums as the Congress may hereafter authorize by law."

(b) Section 222(a) of the Economic Opportunity Act of 1964 is amended by striking out paragraph (5), and by redesignating paragraphs (6), (7), and (8) (and references thereto) as paragraphs (5), (6), and (7).

(c)(1) The amendments made by this section shall apply with respect to fiscal years ending after June 30, 1968, except that the Director of the Office of Economic Opportunity may carry out contracts, entered into prior to the date of enactment of this Act, which provide assistance for an Upward Bound program. After the date of enactment of this Act, the Director of the Office of Economic Opportunity may not enter into any contract to carry out a program comparable to any program carried out under section 408 (b)(2) of the Higher Education Act of 1965.

(2) Any sums which are appropriated prior to the date of enactment of this Act for the purpose of carrying out Upward Bound programs, or which are allocated for such purpose from any appropriation made prior to such date, shall be available (to the extent not obligated on the date of enactment of this Act to carry out contracts described in paragraph (1) to the Commissioner for carrying out section 408 of the Higher Education Act of 1965.

(3) For purposes of this subsection the term "Upward Bound program" means a program carried out under section 222(a)(5) of the Economic Opportunity Act of 1964 (as so designated prior to the amendment made by subsection (b) of this section) or a comparable program carried out under section 221 of such Act.

PART B—AMENDMENTS TO INSURED STUDENT LOAN PROGRAM

EXTENSION OF AUTHORITY FOR PAYMENTS TO REDUCE STUDENT INTEREST COSTS; ELIMINATION OF AUTHORITY TO MAKE SUCH PAYMENTS DURING REPAYMENT PERIOD

SEC. 411. (a) Paragraph (4) of section 428 (a) of the Higher Education Act of 1965 is amended by striking out "1968" and inserting in lieu thereof "1970", and by striking out "1972" and inserting in lieu thereof "1974".

(b)(1)(A) The portion of the first sentence of section 428(a)(1) which follows subparagraph (C) is amended by striking out ", over the period of the loan,".

(B) The first sentence of section 428(a)(2) of such Act is amended by striking out ", and 3 per centum per annum of the principal amount of the loan (excluding interest which has been added to principal) thereafter".

(2) The amendments made by this subsection shall apply to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965. An application for a certificate of insurance or of comprehensive insurance coverage pursuant to section 429 of such Act shall be issued or shall be effective on or after such sixtieth day with respect to loans made prior to such sixtieth day without regard to such amendments.

EXTENSION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 412. Subsection (a) of section 424 of the Higher Education Act of 1965 is amended (1) in the first sentence by striking out "and" after "1967," and by inserting after "June 30, 1968" the following: ", and each of the two succeeding fiscal years"; and (2) in the second sentence by striking out "1972" and inserting in lieu thereof "1974".

FEDERAL GUARANTY OF STUDENT LOANS INSURED UNDER NON-FEDERAL PROGRAM

SEC. 413. (a) Section 421(a) of the Higher Education Act of 1965 is amended by striking out "and" before "(3)", and by inserting before the period at the end of that subsection the following: ", and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C)".

(b) Section 428 of such Act is amended by adding after subsection (b) the following new subsection:

"(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default, death, or permanent and total disability of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

"(2) The guaranty agreement—

"(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program;

"(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(C) shall set forth adequate assurance that, with respect to so much of any loan, insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

"(D) shall provide that 80 per centum of such amounts as may be made as payments of principal on loans in default, and with respect to which the Commissioner has made payments under the guaranty agreement, shall be paid over to the Commissioner for deposit in the insurance fund established by section 431, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary; and

"(E) may include such other provisions as may be necessary to promote the purposes of this part.

"(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer. Nothing in this subsection shall be construed to require collection of the amount of any loan by the insurance beneficiary or its insurer from the estate of a deceased borrower or from a borrower found by the insurance beneficiary or its insurer to have become permanently and totally disabled.

"(4) For purposes of this subsection—

"(A) the terms 'insurance beneficiary' and 'default' shall have the meanings assigned to them by section 430(e), and

"(B) permanent and total disability shall be determined in accordance with regulations of the Commissioner.

"(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date."

(c) Section 431 of such Act is amended (A) by inserting in the first sentence of subsection (A) ", or in connection with payments under a guaranty agreement under section 428(c)," after "insured by him under this part"; (B) by inserting in the third sentence of subsection (a) ", or in connection with such guaranty agreements," after "insured by the Commissioner under this part"; and (C) by inserting in the first sentence of subsection (b) ", or in connection with any guaranty agreement made under section 428 (c)" after "insured by the Commissioner under this part".

(d) Section 432(a)(5) of such Act is amended by inserting "or any guaranty agreement under section 428(c)" after "such insurance".

FEDERAL ADVANCES TO RESERVE FUNDS OF NON-FEDERAL STUDENT LOAN INSURANCE PROGRAMS

SEC. 414. (a) Section 421(b) of the Higher Education Act of 1965 is amended by striking out "and" at the end of paragraph (2); by striking out the period at the end of the first sentence of that subsection and inserting in lieu thereof ", and"; and by adding thereafter the following new paragraph:

"(4) there is authorized to be appropriated the sum of $10,000,000 for making advances under section 422 during the two-fiscal-year period ending June 30, 1970, for the reserve funds of State and nonprofit private student loan insurance programs."

(b) Section 422(a) of such Act is amended—

(1) by striking out "clause (3)" in the first sentence of paragraph (1) and inserting in lieu thereof "clauses (3) and (4)", and by striking out "of the fiscal years ending June 30, 1966, June 30, 1967, or June 30, 1968," and inserting in lieu thereof "fiscal year" in the second sentence of such paragraph; and

(2) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term 'unencumbered non-Federal portion' means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in sunch fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans."

(c) Section 422(b) of such Act is amended by inserting "(1)" after "(b)", by inserting "prior to July 1, 1968" before "pursuant to subsection (a)" where it appears in the first and third sentence, by deleting the last sentence of such subsection, and by adding at the end of such subsection the following new paragraphs:

"(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b)(A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $20,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $20,000) the amount available for advances to each of the remaining States.

"(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him."

INCREASE OF MAXIMUM INTEREST RATE UNDER STUDENT LOAN INSURANCE PROGRAMS

SEC. 415. (a) Section 427(b) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and all that follows and inserting in lieu thereof "7 per centum per annum on the unpaid principal balance of the loan."

(b) Section 428(b)(1)(E) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and inserting in lieu thereof "7 per centum".

(c) Section 428 of such Act is amended by adding at the end thereof the following new subsection:

"(d) No provision of any law of the United States (other than this part) or of any State (other than a statute establishing a State student loan insurance program), which limits the rate or amount of interest payable on loans shall apply to a loan—

"(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 per centum per annum, and

"(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit private institution or organization under a program covered by an agreement made pursuant to subsection (b) of this section."

MERGER OF NATIONAL VOCATIONAL STUDENT LOAN INSURANCE ACT OF 1965 WITH STUDENT LOAN INSURANCE PROGRAM OF HIGHER EDUCATION ACT OF 1965

SEC. 416. (a) Section 435 of the Higher Education Act of 1965 is amended—

(1) by redesignating subsections (a), (b), (c), (d), (e), and (f) as (b), (d), (e), (f), (g), and (h), respectively;

(2) by inserting before subsection (b) as so redesignated the following new subsection:

"(a) The term 'eligible institution' means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.";

(3) by striking out in subsection (b) as so redesignated "eligible institution" and inserting in lieu thereof "institution of higher education", by striking out in the second sentence of such subsection "any institution outside the States which is comparable to an institution described in the preceding sentence and which has been approved by the Commissioner for the purposes of this title, and also includes"; and

(4) by inserting after subsection (b) the text of subsection (a) of section 17 of the National Vocational Student Loan Insurance Act of 1965 amended as follows:

(A) Strike out "(a)" and insert in lieu thereof "(c)",

(B) Strike out "eligible institution" and insert in lieu thereof "vocational school",

(C) Strike out "Act" in clause (4)(C) and insert in lieu thereof "part".

(b)(1) Section 425(a) of such Act is amended by striking out "(1)" after "SEC. 425. (a)" and by striking out paragraph (2).

(2) Section 427(a)(2)(C)(i) of such Act is amended by striking out "institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner" and inserting in lieu thereof "eligible institution".

(3) Section 428(a)(6) of such Act is repealed.

(4) Section 434 of such Act is amended by striking out "10 per centum" and inserting in lieu thereof "15 per centum".

(5) Section 436(a) of such Act is amended by striking out "title and the National Vocational Student Loan Insurance Act of 1965" and inserting in lieu thereof "part".

(c)(1) The National Vocational Student Loan Insurance Act of 1965 is repealed.

(2) All assets and liabilities of the vocational student loan insurance fund established by section 13 of the National Vocational Student Loan Insurance Act of 1965, matured or contingent, shall be transferred to, and become assets and liabilities of, the student loan insurance fund established by section 431 of the Higher Education Act of 1965. Payments in connection with defaults of loans made on or after the sixtieth day after the date of enactment of this Act and insured by the Commissioner (under the authority of subsections (d)(3) or (d)(4) of this section) under the National Vocational Student Loan Insurance Act of 1965 shall be paid out of the fund established by such section 431.

(d)(1) Except as provided in paragraphs (2), (3), and (4):

(A) This section (and any amendment or repeal made thereby) shall apply to loans made on or after the sixtieth day after the date of enactment of this Act; and the terminal date applicable under the first sentence of section 5(a) and under section 9 (a)(4) of the National Vocational Student Loan Insurance Act shall, instead of June 30, 1968, be deemed to be (i) the day immediately preceding such sixtieth day, or (ii) with respect to any particular State or nonprofit private agency to which paragraph (3) relates, the last day of the period required for modification or termination of, or refusal to extend, the Commissioner's agreements with such agency.

(B) In computing the maximum amounts which may be borrowed by a student who obtains an insured loan on or after such sixtieth day, and the minimum amounts of repayment allowable with respect to sums borrowed by such a student, there shall be included all loans, whenever made (i) insured by the Commissioner, or a State, institution, or organization with which the Commissioner has an agreement under section 428(b) of part B of title IV of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, or (ii) made by a State under section 428(a)(2)(B) of such part or section 9(a)(2)(B) of such Act, or by the Commissioner under section 10 of such Act.

(2) Clause (i) (attendance at eligible institution) of section 427(a)(2)(C) of the Higher Education Act of 1965, shall apply to loans made by the Commissioner and, with the consent of the lender, loans insured by the Commissioner, to students for study at vocational schools, which are outstanding on the sixtieth day after the enactment of this Act, but only with respect to periods of attendance occurring on or after such sixtieth day.

(3) This section (and any amendment or repeal made thereby) shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to the sixtieth day after enactment of this Act, under the Higher Education Act of 1965 or the National Vocational Student Loan Insurance Act of 1965, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965. The Commissioner of Education shall undertake to obtain necessary modifications of agreements entered into by him pursuant to section 428(b)(1) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965 and in force upon the date of enactment of this Act so as to conform the provisions of such agreements to the requirements of such section 428(b)(1). If, however, such modifications cannot be obtained because a party to such an agreement is subject to a statute of a State that prevents such party from complying with the terms of such modification, the Commissioner shall not, before the fourth month after the adjournment of such State's first regular legislative session which adjourns more than sixty days after enactment of this Act, exercise his authority to terminate, or to refuse to extend, such agreement.

(4) A certificate of insurance or of comprehensive insurance coverage pursuant to section 11 of the National Vocational Student Loan Insurance Act of 1965 may be issued or made effective on or after the sixtieth day after the date of enactment of this Act with respect to loans made prior to such sixtieth day without regard to any amendment or repeal made by this section.

AUTHORIZING DEFERMENT OF REPAYMENT OF NONFEDERALLY INSURED LOANS DURING MILITARY OR PEACE CORPS SERVICE, OR ATTENDANCE AT ELIGIBLE INSTITUTION; FEDERAL PAYMENT OF INTEREST ACCRUING DURING SUCH ATTENDANCE OR SERVICE; ELIMINATION OF DEFERMENT FOR VISTA SERVICE UNDER FEDERAL INSURANCE PROGRAM

Sec. 417. (a)(1) Section 428 of the Higher Education Act of 1965 (as amended by this Act) is amended by adding at the end of such section the following new subsection:

"(e) The Commissioner shall encourage the inclusion, in any State student loan program or any State or nonprofit private student loan insurance program meeting the requirements of subsection (a)(1)(B) or (a)(1)(C), of provisions authorizing or requiring that in the case of student loans covered by such program periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an eligible institution, (2) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, or (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act. In the case of any such State or nonprofit private program containing such a provision any such period shall be excluded in determining the period specified in subsection (b)(1)(C)(ii), or the maximum period for repayment specified in subsection (b)(1)(D)."

(2)(A) Section 428(b)(1)(C)(ii) of the Higher Education Act of 1965 is amended by inserting after "(ii)" the following: "except as provided in subsection (e) of this section,".

(B) Section 428(b)(1)(D) of such Act is amended by inserting after "subject to subparagraph (C)" the following: "of this paragraph and except as provided by subsection (e) of this section".

(b) The first sentence of section 428(a)(2) of such Act is amended by inserting before "; but such portion" the following: ", or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a)(2)(C)".

(c) Section 427(a)(2)(C) of such Act is amended by inserting "or" before "(iii)", and by striking out "or (iv) not in excess of three years during which the borrower is in service as a volunteer under title VIII of the Economic Opportunity Act of 1964,".

(d) Deferment of repayment of principal, as provided in the amendments made by subsection (a) of this section, may be authorized (but not required) with respect to loans meeting the requirements of subparagraph (B) or (C) of section 428(a)(1) of the Higher Education Act of 1965 which are outstanding on the sixtieth day after the date of enactment of this Act, but only with respect to periods of attendance or service occurring on or after such sixtieth day. The amendments made by subsection (b) shall become effective on the sixtieth day after the date of enactment of this Act. The amendments made by subsection (c) shall apply with respect to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day.

PARTICIPATION BY PENSION FUNDS AND FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Sec. 418. (a) Section 435(g) of the Higher Education Act of 1965 (as so redesignated by section 416 of this Act) is amended by inserting before the period at the end thereof the following: ", or a pension fund approved by the Commissioner for this purpose"

(b) The third paragraph of section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "expenses of college or university education" and inserting in lieu thereof "expenses of college, university, or vocational education".

ACCESS TO FEDERAL LOAN INSURANCE PROGRAM

Sec. 419. (a) Section 423 of the Higher Education Act of 1965 is amended by striking out "The" after "Sec. 423." and inserting in lieu thereof "(a) Except as provided in subsection (b), the"; and by adding at the end thereof the following new subsection:

"(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

"(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an advance under section 422 for the benefit of students in such State), or

"(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers."

(b) Section 421(a)(2) is amended by inserting "or lenders" before "who do not have reasonable access".

PART C—AMENDMENTS TO COLLEGE WORK-STUDY PROGRAM

TRANSFER OF WORK-STUDY PROVISIONS TO HIGHER EDUCATION ACT OF 1965

Sec. 431. (a) Title IV of the Higher Education Act of 1965 is amended by striking out part C thereof. Part C of title I of the Economic Opportunity Act of 1964 is transferred to the Higher Education Act of 1965 and inserted as part C of title IV of such Act.

(b) Part C of title IV of the Higher Education Act of 1965 (as amended by subsection (a) of this section) is further amended—

(1) by redesignating sections 141 through 145 (and reference thereto) as sections 441 through 445, respectively; and

(2) by designating the section of such part which follows section 445 (as so designated) as section 446; and

(3) by amending section 442(a) to read as follows:

"Sec. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of such sums shall be allotted among the States as provided in subsection (b)."

(c) Any reference to any provision of part C of title I of the Economic Opportunity Act of 1964 in any law of the United States shall be deemed to be a reference to the corresponding provision of part C of title IV of the Higher Education Act of 1965 as amended by this section.

EXTENSION OF WORK-STUDY PROGRAM

Sec. 432. Section 441 of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by adding "; APPROPRIATIONS AUTHORIZED" at the end of the section heading, by inserting "(a)" after "Sec. 441.", and by adding at the end of such section the following new subsection:

"(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970, to carry out this part. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated, to carry out this part, only such sums as the Congress may hereafter authorize by law."

ELIGIBILITY OF AREA VOCATIONAL SCHOOLS

Sec. 433. (a) Part C of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by striking out the terms "institution of higher education" and "institutions of higher education" wherever they appear (except in section 442(b)(1)) and inserting in lieu thereof "eligible institution" and "eligible institutions", respectively.

(b) Section 443(b) of such Act (as added by section 431 of this Act) is amended to read as follows:

"(b) For the purposes of this part the term 'eligible institution' means an institution of higher education (as defined in section 435 (b) of this Act), or an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963)."

(c) Section 444 of such Act (as added by section 431 of this Act) is amended by inserting "(a)" after "Sec. 444."; by redesignating paragraphs (a) through (h) as paragraphs (1) through (8), respectively; by redesignating subparagraphs (1), (2) and (3) of paragraphs (1) and (3) (as so redesignated) as subparagraphs (A), (B), and (C), respectively; and by adding at the end of such section the following new subsection:

"(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a), a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designated to prepare the student for gainful employment in a recognized occupation."

REVISION OF MATCHING PROVISIONS

Sec. 434. Section 444(a)(6) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;"

SET-ASIDE FOR RESIDENTS OF AMERICAN SAMOA OR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Sec. 435. (a) the first sentence of section 442(a) of the Higher Education Act of 1965 (as amended by this part) is amended by inserting "(1)" before "allot not to exceed 2 per centum", and by inserting before the period at the end thereof the following: ", and (2) reserve the amount provided by subsection (e)".

(b) Such section 442 is further amended by adding at the end thereof the following new subsection:

"(e) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students."

ELIMINATION OF STATE ALLOTMENT FORMULA

Sec. 436. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 446 of the Higher Education Act of 1965 (as added by section 431 of this Act) is repealed.

(2) Section 442 of such Act (as amended by this part) is amended by striking out so much of such section as precedes subsection (e), by redesignating subsection (e) as subsection (b), and by inserting in lieu of the matter stricken out the following:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"Sec. 442. (a) The Commissioner shall allot the funds which are appropriated to carry out this part, and which are not reserved under subsection (b), to eligible institutions with which he has entered into agreements under this part, in accordance with section 463 of this Act."

REVISION OF MAINTENANCE OF EFFORT REQUIREMENT

Sec. 437. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(5) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(5) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);"

ADMINISTRATIVE EXPENSES

Sec. 438. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(2) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out all that follows "administrative expenses" and inserting in lieu thereof "in accordance with section 464 of this Act;".

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

Sec. 439. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 443(b) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out "or" after "higher education," and by inserting before the period at the end thereof the following: ", or a private vocational school (as defined in section 461(b) of this Act)".

(2) Section 444(a)(1) of such Act (as amended by this part) is amended by inserting after "work for the institution itself" the following: "(except in the case of a private vocational school),".

PART D—COOPERATIVE EDUCATION PROGRAMS

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION FOR PROGRAMS OF COOPERATIVE EDUCATION; GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH IN COOPERATIVE EDUCATION

Sec. 441. Title IV of the Higher Education Act of 1965 is amended by redesignating part D as part F, by redesignating sections 461 through 467 as sections 491 through 497, respectively, and by inserting after part C the following new part:

"PART D—COOPERATIVE EDUCATION PROGRAMS

"APPROPRIATIONS AUTHORIZED

"Sec. 451. (a) There are authorized to be appropriated $8,000,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective.

"(b) There are further authorized to be appropriated $750,000 each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year, to enable the Commissioner to make training or research grants or contracts pursuant to section 453.

"(c) For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"(d) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

"GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

"Sec. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

"(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

"(1) set forth programs or activities for which a grant is authorized under this section;

"(2) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

"(4) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

"(c) No institution of higher education may receive grants under this section for more than three fiscal years.

"(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

"GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

"Sec. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

"(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section."

PART E—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

AMENDMENTS EFFECTIVE UPON ENACTMENT

Sec. 451. (a) Title IV of the Higher Education Act of 1965 is amended by inserting after part D the following new part:

"PART E—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

"SUBPART 1—GENERAL PROVISIONS

"DEFINITIONS

"Sec. 461. (a) For purposes of this title, the term 'State' includes the Trust Territory of the Pacific Islands.

"(b) For purposes of part C of this title and title II of the National Defense Education Act of 1958, the term 'private vocational school' means a school (1) which provides not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (2) which meets the requirements of section 801(a)(1) and 801(a)(2) of this Act, (3) which does not meet the requirement of section 801 (a)(3) of this Act, (4) which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose, and (5) which has been in existence for at least five years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

"ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

"SEC. 462. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

"SUBPART B—ADVISORY COUNCIL ON FINANCIAL AID TO STUDENTS

"ESTABLISHMENT OF COUNCIL

"SEC. 469. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act, or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institution.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government Service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b) Section 433 of the Higher Education Act of 1965 (relating to Advisory Council on Insured Loans to Students) is repealed.

AMENDMENTS EFFECTIVE FOR FISCAL YEAR 1970 AND THEREAFTER

SEC. 452. Effective for fiscal years ending on or after June 30, 1970, part E of title IV of the Higher Education Act of 1965 (as added by section 451 of this Act) is amended by inserting after section 462 the following new sections:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 463. (a) The Commissioner shall from time to time set dates by which institutions with which he has entered into agreements under part A or part C of this title must file applications for allotments to such institutions of funds appropriated to carry out programs established under such parts. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions as will most effectively carry out the purposes of the program for which the agreement was made.

"(b) The amount of any allotment made under subsection (a) to carry out a program for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment to carry out the same program in accordanace with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year.

"EXPENSES OF ADMINISTRATION

"SEC. 464. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under this part. The payment for fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

"(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

"MAINTENANCE OF EFFORT

"SEC. 465. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditure per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement."

PART F—AMENDMENTS TO NATIONAL DEFENSE EDUCATION ACT

SUBPART 1—AMENDMENTS TO NATIONAL DEFENSE STUDENT LOAN PROGRAM

EXTENSION OF NATIONAL DEFENSE STUDENT LOAN PROGRAM

SEC. 471. (a) Section 201 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$225,000,000", (2) by inserting after "June 30, 1968," the following: "$210,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970;", (3) by striking out "and such sums for the fiscal year ending June 30, 1969" and inserting in lieu thereof "and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1971", and (4) by striking out "July 1, 1968" and inserting in lieu thereof "July 1, 1970".

(b) Sections 202(a) and 202(b) of such Act are each amended by striking out "1968" and inserting in lieu thereof "1969".

(c) Section 206 of such Act is amended by striking out "1972" each time it appears in subsections (a), (b), and (c) of such section, and inserting in lieu thereof "1974".

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 472. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 203 of the National Defense Education Act of 1958 is repealed.

(2) Section 202 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 202. (a) The Commissioner shall from time to time set dates by which institutions of higher education with which he has entered into agreements under this title must file applications for allotments to such institutions of funds appropriated pursuant to section 201. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions of higher education as will most effectively carry out the purposes of this part. The Federal capital contribution to an institution shall be paid to it from its allotment under this section from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title.

"(b) The amount of any allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment in accordance with the equitable criteria established pursuant to subsection (a). Any amount realotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year."

(2) Section 203 of such Act is repealed.

ADMINISTRATION EXPENSES

SEC. 473. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 204 of the National Defense Education Act of 1958 is amended by inserting "(a)" after "SEC. 204.", and by striking out in paragraph (3)(C) "routine expenses" and all that follows down through "whichever is the lesser," and inserting in lieu thereof "administrative expenses as provided in subsection (b)".

(2) Section 204 of such Act is amended by adding at the end thereof the following new subsection:

"(b) An institution of higher education that has entered into an agreement with the Commissioner under section 203 shall be entitled for each fiscal year during which it makes any student loans from a student loan fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 464(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year."

REVISION OF TEACHER CANCELLATION PROVISION

SEC. 474. (a) Section 205(b)(3) of the National Defense Education Act of 1958 is amended to read as follows:

"(3) part or all of such loan may be canceled for certain service as a teacher, in accordance with section 208;".

(b) Section 208 of such Act is amended to read as follows:

"CANCELLATION FOR CERTAIN SERVICE AS A TEACHER

"SEC. 208. (a)(1) A percentage (specified in paragraph (2)) of the total amount of any loan made after the date of enactment of the Higher Education Amendments of 1968 from a student loan fund established under this title shall be canceled for each complete academic year of service by the borrower—

"(A) as a full-time teacher in an elementary or secondary school described in paragraph (3), or

"(B) as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emo-

"(b) For the purposes of this part the term 'eligible institution' means an institution of higher education (as defined in section 435 (b) of this Act), or an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963)."

(c) Section 444 of such Act (as added by section 431 of this Act) is amended by inserting "(a)" after "SEC. 444."; by redesignating paragraphs (a) through (h) as paragraphs (1) through (8), respectively; by redesignating subparagraphs (1), (2) and (3) of paragraphs (1) and (3) (as so redesignated) as subparagraphs (A), (B), and (C), respectively; and by adding at the end of such section the following new subsection:

"(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a), a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designated to prepare the student for gainful employment in a recognized occupation."

REVISION OF MATCHING PROVISIONS

SEC. 434. Section 444(a)(6) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;"

SET-ASIDE FOR RESIDENTS OF AMERICAN SAMOA OR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 435. (a) the first sentence of section 442(a) of the Higher Education Act of 1965 (as amended by this part) is amended by inserting "(1)" before "allot not to exceed 2 per centum", and by inserting before the period at the end thereof the following: ", and (2) reserve the amount provided by subsection (e)".

(b) Such section 442 is further amended by adding at the end thereof the following new subsection:

"(e) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 436. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 446 of the Higher Education Act of 1965 (as added by section 431 of this Act) is repealed.

(2) Section 442 of such Act (as amended by this part) is amended by striking out so much of such section as precedes subsection (e), by redesignating subsection (e) as subsection (b), and by inserting in lieu of the matter stricken out the following:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 442. (a) The Commissioner shall allot the funds which are appropriated to carry out this part, and which are not reserved under subsection (b), to eligible institutions with which he has entered into agreements under this part, in accordance with section 463 of this Act."

REVISION OF MAINTENANCE OF EFFORT REQUIREMENT

SEC. 437. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(5) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(5) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);"

ADMINISTRATIVE EXPENSES

SEC. 438. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(2) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out all that follows "administrative expenses" and inserting in lieu thereof "in accordance with section 464 of this Act;".

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

SEC. 439. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 443(b) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out "or" after "higher education," and by inserting before the period at the end thereof the following: ", or a private vocational school (as defined in section 461(b) of this Act)".

(2) Section 444(a)(1) of such Act (as amended by this part) is amended by inserting after "work for the institution itself" the following: "(except in the case of a private vocational school),".

PART D—COOPERATIVE EDUCATION PROGRAMS

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION FOR PROGRAMS OF COOPERATIVE EDUCATION; GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH IN COOPERATIVE EDUCATION

SEC. 441. Title IV of the Higher Education Act of 1965 is amended by redesignating part D as part F, by redesignating sections 461 through 467 as sections 491 through 497, respectively, and by inserting after part C the following new part:

"PART D—COOPERATIVE EDUCATION PROGRAMS

"APPROPRIATIONS AUTHORIZED

"SEC. 451. (a) There are authorized to be appropriated $8,000,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective.

"(b) There are further authorized to be appropriated $750,000 each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year, to enable the Commissioner to make training or research grants or contracts pursuant to section 453.

"(c) For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"(d) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

"GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

"SEC. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

"(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

"(1) set forth programs or activities for which a grant is authorized under this section;

"(2) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

"(4) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

"(c) No institution of higher education may receive grants under this section for more than three fiscal years.

"(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

"GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

"SEC. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

"(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section."

PART E—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

AMENDMENTS EFFECTIVE UPON ENACTMENT

SEC. 451. (a) Title IV of the Higher Education Act of 1965 is amended by inserting after part D the following new part:

"PART E—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

"SUBPART 1—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 461. (a) For purposes of this title, the term 'State' includes the Trust Territory of the Pacific Islands.

"(b) For purposes of part C of this title and title II of the National Defense Education Act of 1958, the term 'private vocational school' means a school (1) which provides not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (2) which meets the requirements of section 801(a)(1) and 801(a)(2) of this Act, (3) which does not meet the requirement of section 801 (a)(3) of this Act, (4) which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose, and (5) which has been in existence for at least five years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

"ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

"Sec. 462. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

"Subpart B—Advisory Council on Financial Aid to Students

"ESTABLISHMENT OF COUNCIL

"Sec. 469. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act, or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institution.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government Service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b) Section 433 of the Higher Education Act of 1965 (relating to Advisory Council on Insured Loans to Students) is repealed.

AMENDMENTS EFFECTIVE FOR FISCAL YEAR 1970 AND THEREAFTER

Sec. 452. Effective for fiscal years ending on or after June 30, 1970, part E of title IV of the Higher Education Act of 1965 (as added by section 451 of this Act) is amended by inserting after section 462 the following new sections:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"Sec. 463. (a) The Commissioner shall from time to time set dates by which institutions with which he has entered into agreements under part A or part C of this title must file applications for allotments to such institutions of funds appropriated to carry out programs established under such parts. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions as will most effectively carry out the purposes of the program for which the agreement was made.

"(b) The amount of any allotment made under subsection (a) to carry out a program for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment to carry out the same program in accordanace with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year.

"EXPENSES OF ADMINISTRATION

"Sec. 464. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under this part. The payment for fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

"(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

"MAINTENANCE OF EFFORT

"Sec. 465. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditure per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement."

Part F—Amendments to National Defense Education Act

SUBPART 1—AMENDMENTS TO NATIONAL DEFENSE STUDENT LOAN PROGRAM

EXTENSION OF NATIONAL DEFENSE STUDENT LOAN PROGRAM

Sec. 471. (a) Section 201 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$225,000,000", (2) by inserting after "June 30, 1968," the following: "$210,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970;", (3) by striking out "and such sums for the fiscal year ending June 30, 1969" and inserting in lieu thereof "and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1971", and (4) by striking out "July 1, 1968" and inserting in lieu thereof "July 1, 1970".

(b) Sections 202(a) and 202(b) of such Act are each amended by striking out "1968" and inserting in lieu thereof "1969".

(c) Section 206 of such Act is amended by striking out "1972" each time it appears in subsections (a), (b), and (c) of such section, and inserting in lieu thereof "1974".

ELIMINATION OF STATE ALLOTMENT FORMULA

Sec. 472. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 203 of the National Defense Education Act of 1958 is repealed.

(2) Section 202 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"Sec. 202. (a) The Commissioner shall from time to time set dates by which institutions of higher education with which he has entered into agreements under this title must file applications for allotments to such institutions of funds appropriated pursuant to section 201. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions of higher education as will most effectively carry out the purposes of this part. The Federal capital contribution to an institution shall be paid to it from its allotment under this section from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title.

"(b) The amount of any allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment in accordance with the equitable criteria established pursuant to subsection (a). Any amount realotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year."

(2) Section 203 of such Act is repealed.

ADMINISTRATION EXPENSES

Sec. 473. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 204 of the National Defense Education Act of 1958 is amended by inserting "(a)" after "Sec. 204.", and by striking out in paragraph (3)(C) "routine expenses" and all that follows down through "whichever is the lesser," and inserting in lieu thereof "administrative expenses as provided in subsection (b)".

(2) Section 204 of such Act is amended by adding at the end thereof the following new subsection:

"(b) An institution of higher education that has entered into an agreement with the Commissioner under section 203 shall be entitled for each fiscal year during which it makes any student loans from a student loan fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 464(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year."

REVISION OF TEACHER CANCELLATION PROVISION

Sec. 474. (a) Section 205(b)(3) of the National Defense Education Act of 1958 is amended to read as follows:

"(3) part or all of such loan may be canceled for certain service as a teacher, in accordance with section 208;".

(b) Section 208 of such Act is amended to read as follows:

"CANCELLATION FOR CERTAIN SERVICE AS A TEACHER

"Sec. 208. (a)(1) A percentage (specified in paragraph (2)) of the total amount of any loan made after the date of enactment of the Higher Education Amendments of 1968 from a student loan fund established under this title shall be canceled for each complete academic year of service by the borrower—

"(A) as a full-time teacher in an elementary or secondary school described in paragraph (3), or

"(B) as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system.

"(2) The percentage of a loan which may be canceled under paragraph (1) is—

"(A) 10 per centum for the first or second academic year of service described in paragraph (1),

"(B) 15 per centum for each academic year of such service thereafter.

For purposes of this paragraph, an academic year for which the borrower received the benefits of section 205(b)(3) (A) or (B) of this title (as in effect immediately before the date of enactment of the Higher Education Amendments of 1968) shall be considered a year of service described in paragraph (1).

"(3) A teacher may receive cancellation of a loan under subparagraph (A) of paragraph (1) only for service in an academic year in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children described in clause (A), (B), or (C) of section 103(a)(2) of title I of the Elementary and Secondary Education Act of 1965, as amended (using a low-income factor of $3,000) exceeds 50 per centum of total enrollment of the school.

"(b) In the case of a loan made before the date of enactment of the Higher Education Amendments of 1968, not to exceed 50 per centum of such loan shall be canceled for service as a full-time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States, at the rate of 10 per centum of the total amount of such loan for each complete academic year of such service, except that (1) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which he school is located) to be a school in which there is a high concentration of students from low-income families, except that the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year, (2) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system, and (3) for the purposes of any cancellation pursuant to clause (1) or (2), an additional 50 per centum of any such loan may be canceled.

"(c)(1) If for any academic year any portion of a loan is canceled under subsection (a) or (b), the entire amount of interest on such loan which accrues for such year shall be canceled.

"(2) Nothing in this section shall authorize refunding any repayment of a loan.

"(3) For purposes of this section, the term 'academic year' means an academic year or its equivalent (as determined under regulations of the Commissioner).

"(d) In addition to the payments otherwise authorized to be made pursuant to this title, the Commissioner shall pay to the appropriate institution, at such time or times as he determines, an amount which bears the same ratio to the interest which has been prevented from accruing and the portion of the principal which has been canceled on student loans pursuant to this section (and not previously paid pursuant to this subsection) as the total amount of the institution's capital contributions to such fund under this title bears to the sum of such institution's capital contributions and the Federal capital contributions to such fund."

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

Sec. 475. (a) Section 103(b) of the National Defense Education Act of 1958 is amended—

(1) by striking out "and also includes" in the second sentence and inserting in lieu thereof "; any private vocational school as defined in section 461(b) of the Higher Education Act of 1955; and"; and

(2) by inserting after "requirements of clause (5)" in the third sentence the following: "(but meets the requirements of clause (4))".

(b)(1) Effective with respect to the fiscal year ending June 30, 1969, section 203 of such Act (as in effect prior to the amendment made by section 472 of this Act) is amended by adding at the end thereof the following new sentence: "The aggregate amount of Federal capital contributions paid under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000."

(2) Effective for fiscal years ending on or after June 30, 1970, the second sentence of section 202(a) of such Act (as amended by section 472 of this Act) is amended by adding before the period at the end thereof the following: "; except that the aggregate amount of funds allotted under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000".

ELIMINATION OF REQUIREMENT OF SPECIAL CONSIDERATION FOR STUDENTS OF SUPERIOR ACADEMIC BACKGROUND

Sec. 476. Section 204 of the National Defense Education Act of 1958 is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

WAIVING OATH OF ALLEGIANCE REQUIREMENT FOR RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

Sec. 477. Section 1001(f)(1) of the National Defense Education Act of 1958 is amended by inserting after "any individual" the following: "(other than a permanent resident of the Trust Territory of the Pacific Islands)".

SUBPART 2—AMENDMENTS TO NATIONAL DEFENSE FELLOWSHIP PROGRAM

EXTENSION OF PROGRAM

Sec. 481. (a) Section 402(a) of the National Defense Education Act of 1958 is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof "seven succeeding fiscal years".

(b) Section 403(a) of such Act is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "eight succeeding fiscal years".

INCREASING MAXIMUM LENGTH OF FELLOWSHIP FROM THREE TO FOUR YEARS IN SPECIAL CIRCUMSTANCES, AND REQUIRING INSTITUTIONAL EFFORT TO ENCOURAGE RECIPIENTS TO ENTER OR CONTINUE TEACHING

Sec. 482. (a) Subsection (a) of section 402 of the National Defense Education Act of 1958 is amended by inserting "(1)" after "except" in the second sentence thereof, and by inserting immediately before the period at the end of such sentence the following: ", and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this title would most effectively be served thereby".

(b) The Commissioner may in his discretion increase, in accordance with the amendment made by subsection (a), the maximum periods of fellowships awarded prior to the date of enactment of this Act.

(c) The second sentence of section 403(a) is amended by striking out the period at the end of clause (2) of such sentence and inserting ", and" in lieu thereof; and by adding the following new clause:

"(3) that the application contains satisfactory assurance that the institution will make reasonable continuing efforts to encourage recipients of fellowships under this title, enrolled in such program, to teach or continue to teach in institutions of higher education."

(d) The amendment made by subsection (c) of this section shall apply with respect to fellowships awarded on or after the date of enactment of this Act.

REQUIRING STIPENDS TO BE SET IN AN AMOUNT CONSISTENT WITH THOSE AWARDED FOR COMPARABLE FELLOWSHIPS

Sec. 483. (a) Section 404 of the National Defense Education Act of 1958 is amended to read as follows:

"FELLOWSHIP STIPENDS

"Sec. 404. (a) The Commissioner shall pay to persons awarded fellowships under this title such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

"(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amounts as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for any such person."

(b) The amount of any stipend payable with respect to a fellowship awarded prior to the date of enactment of this Act shall not, during the period for which such fellowship was awarded, be less with respect to any year of study than the amount that would in the absence of the amendment made by subsection (a) of this section be payable with respect to such year.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that title IV be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: On page 129, strike out line 19 and all that follows down through line 4 on page 130.

Mr. STEIGER of Wisconsin. Mr. Chairman, in the bill now before us, H.R. 15067, the Committee on Education and Labor has recommended and I support the transfer of the Upward Bound program from the Office of Economic Opportunity to be combined with the Talent Search program of the Office of Education and a new program for special services to disadvantaged students in institutions of higher education.

The amendment I have offered is the amendment I discussed briefly last evening during general debate on this bill, and it would remove from the bill the authority of the Office of Education to make grants or to enter into contracts with public and private nonprofit agencies and organizations including professional and scholarly associations or enter into contracts with any private agency or organization.

The reason this amendment is offered at this time is because of what has been brought to the attention of the House.

I would refer the members of the Committee to the CONGRESSIONAL RECORD for July 24, in which the gentlewoman from Oregon [Mrs. GREEN], and the gentleman from Minnesota [Mr. QUIE], have gone to some length to insert in the RECORD some extremely interesting and relevant material relating to the operations of the Upward Bound program by the Office of Economic Opportunity. For example, the gentlewoman from Oregon has called the attention of the Committee——

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am happy to yield to the gentleman from Kentucky, the chairman of the committee.

Mr. PERKINS. If I understand your amendment correctly, you would strike out the authority of the Office of Education to contract with private institutions. Is that correct?

Mr. STEIGER of Wisconsin. For the operation of Upward Bound.

Mr. PERKINS. What effect would that have on private colleges?

Mr. STEIGER of Wisconsin. It would have no effect because colleges are not touched.

Mr. PERKINS. Then it would have the effect of preventing the——

Mr. STEIGER of Wisconsin. If the gentleman would permit the interruption, I would suggest that he reread the language in section 408(a), which provides the authority for the Commissioner to make grants to or contracts with institutions of higher education for purposes of planning, developing, or carrying out one or more of the programs described. All that is deleted is the authority to make those grants to public and nonprofit private agencies and organizations unrelated to institutions of higher education, so that it in no way affects the ability of Ripon College, for example, in my district in Wisconsin, to carry on an Upward Bound program.

What I am concerned about is the operation of Upward Bound as it has been run and is now being run by the Office of Economic Opportunity, and I would ask the distinguished chairman of the subcommittee, the gentlewoman from Oregon [Mrs. GREEN] to give the Committee the benefit of her own thinking on this problem, and the amendment that is now before us, in the light of the fact that in the RECORD for today we find the telegram from the former National Upward Bound director, Mr. Frost, urging that Upward Bound programs wire to the gentleman from Kentucky [Mr. PERKINS] and their own Congressmen, to oppose any transfer of the Upward Bound program.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am delighted to yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. I fully support the amendment which the gentleman is offering. I must say to my colleagues that I think we have gone wild in the Office of Economic Opportunity and in the Office of Education in the use of private agencies to carry out programs which Congress has authorized. In addition, I think we have gone wild as far as the use of consultants is concerned. I think that a very careful look ought to be taken at all the private agencies with contracts both with the Office of Economic Opportunity and the Office of Education, the manner in which they are set up, how many people they employ that are at the supergrade level, therefore, the kind of salaries that are paid, the number of employees, their responsibilities, and also the possibility of conflict of interest.

After the gentleman has concluded his remarks, I would like to make some other comments on this, rather than take up all the gentleman's time.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate the comments of the gentlewoman from Oregon.

I would urge the Committee to adopt this amendment. I think it makes sense to insure that the Upward Bound program and the Talent Search program and the special program for disadvantaged youngsters will be carried on by the institutions of higher learning and thus removing the ability the Commissioner now has—unless this amendment is adopted—to carry on the programs on a contract basis.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I would invite the attention of the House to some material which I placed in the CONGRESSIONAL RECORD last evening in regard to the private organization called Educational Associates, which was set up in April of 1967. On July 1, 1967, it received a contract from the Office of Economic Opportunity in the amount of $789,405. We are advised that this contract was issued on the basis of competitive bids. Let me repeat: This was awarded on July 1, 1967, on a competitive bid. Yet, on that exact date, July 1, we also find there was a supplemental agreement increasing the amount of the contract by $150,000.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. Mr. Chairman, with respect to the gentlewoman's remarks in yesterday's RECORD, is it not true the amounts the gentlewoman is now talking about, which are at issue now, were to cover additional items and in no way were covered by the initial bid, and they are new?

Mrs. GREEN of Oregon. Mr. Chairman, whether it is for additional items or not, I do not know, at this time. But anyone who is familiar with contracts and with competitive bids knows this is the way to get around the competitive bid.

The contract is given to the lowest bidder, and then suddenly it is found there is an occasion to raise the amount of the contract by a few hundred thousand. I am not suggesting this is the purpose of this supplemental. I do not know, but I am saying that, on the exact date they awarded the contract, they found it necessary to increase the contract by $150,000.

Then, on July 3, 2 days later, they entered into another supplemental agreement, which gave them $200,000 in advance funding, and then on July 16, we find there was another supplemental agreement which increased it by $45,595, and then, on July 19, there was another formal agreement to Educational Associates in the amount of $436,932, bringing this up to about $1,300,000.

Mr. Chairman, when the gentleman from Wisconsin was speaking, I suggested this was something Congress really needed to look at, the wide use of consultants. There is no limitation under the civil service laws in regard to the number or amount that may be paid.

It is interesting that the president of this corporation, or this group, Educational Associates, is paid $27,000. He also advised me he spent about $7,000 in various expenses during this year.

I raise also another question, Mr. Chairman, in regard to this particular group, and possibly other groups. The gentleman from Wisconsin asked me about a telegram that was sent to the directors of the Upward Bound program throughout the country, asking them to telegraph or to write to their Congressmen in opposition to the transfer of Upward Bound to the Office of Education. It is interesting to note that Mr. Richard Frost, who happens to live in my congressional district, was the first national director of the Upward Bound program. He resigned from that program on August 1, 1967, and we find him as one of the members of the advisory board for Educational Associates.

The only contract that Educational Associates has, as of 2 days ago, is with the Office of Economic Opportunity in connection with the Upward Bound program. It was the only contract.

The former national director of Upward Bound is now a member of the Advisory Committee, and as a consultant for Educational Associates at $100 a day, and he was called upon by Educational Associates, which has this contract, to make various on-site inspections and to make recommendations to the Upward Bound program.

This in itself would be interesting, Mr. Chairman, but in addition to that it has been called to my attention just this week that he also appears as the deputy director of an Upward Bound program in the State of Oregon, that is carrying on a program in the State prison.

When I talked with the people who keep the books on this, I found that beginning August 1967 through July 1968 Mr. Richard Frost drew a salary of several thousand dollars from Upward Bound programs. If my dates are correct, and I have rechecked these——

The CHAIRMAN. The time of the gentlewoman from Oregon has expired.

(On request of Mr. Gross, and by unanimous consent, Mrs. Green of Oregon was allowed to proceed for 5 additional minutes.)

Mrs. GREEN of Oregon. I thank the gentleman. I am advised by the fiscal officer of the Upward Bound program that is run in the State prison in Oregon, that he appears on the payroll and as the deputy director beginning June 1968. During these months with this and with Educational Associates—he drew several thousand dollars from Upward Bound programs. As I say he now appears as the deputy director of the program, and for the month of June 1968 he received a check for $900. His July check, which has already been made out but not delivered, is for $1,125, so he is now at a $75 a day consultant fee, but also appearing on the records as the acting deputy director.

All I would have to say is that fighting poverty is really a pretty good business.

This same gentleman, at the time he is a $100 consultant for the Educational Associates and making recommendations for the approval of Upward Bound projects, is also a $75 a day consultant for the program in Oregon, and he also is a full-time professor at Reed College, at a salary of about $16,000 or $18,000. I do not have the exact amount of that.

So, Mr. Chairman, it seems to me that not only the Committee on Education and Labor but also the Government Oversight might well want to look at some of these arrangements that are made on the use of consultants and the contracts with private agencies and others. I believe that a stop should be put to some of the practices which are going on.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I am glad to yield to my friend from Iowa.

Mr. GROSS. I should like to call the attention of the Members of the House to the specific pages in the Congressional Record of this morning, on which will be found the material the gentlewoman from Oregon submitted for the Record yesterday. Beginning on page 23116 and running into 23125 will be found shocking information that every Member of the House ought to read in connection with the Upward Bound program.

There ought to be a severe penalty, a penalty which would really bring about proper administration of this program. The gentlewoman is to be highly commended for accumulating this information and making it available.

Mrs. GREEN of Oregon. I thank the gentleman.

Mr. Chairman, if I may add one other thing, tomorrow in my city of Portland, and also in Salem, Oreg., there is a meeting scheduled for the Upward Bound project directors from across the country. I am advised that one purpose is to get five or six other projects started in various prisons.

I have at the desk one of the posters distributed by the Upward Bound people at the prison at Salem. It is in regard to Vietnam policy. It is an inflamatory poster.

I happen myself not to agree with our policy in Vietnam, but I think it is indeed shocking that we as Representatives in the Congress are financing programs which distribute and circulate material such as I placed in the Record yesterday.

I said on the floor last night, and I measured my words very carefully, that it is my judgment that today the Federal Government is financing activities of revolutionaries. I believe it is high time we took a much closer look at what is happening in Upward Bound, at what is happening in VISTA, at what is happening in some of the other programs that have been continuing with no proper controls.

Mr. GIAIMO. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I am glad to yield to my distinguished colleague from Connecticut, my friend and a former Member of the Committee on Education and Labor—an extremely knowledgeable and capable member of that committee, I might add.

Mr. GIAIMO. I thank the gentlewoman for yielding.

I should like to associate myself with her remarks, particularly insofar as the OEO is concerned. There have been some of us here who have been supporters of the war on poverty but who have been most dissatisfied with the way in which OEO has been conducting itself and has been trying to accomplish results in this area.

Just several weeks ago in the State of Connecticut 3 days before the end of the fiscal year OEO made an allocation of $270,000 to the Connecticut Law Reform, Inc., an organization which is supposedly set up for the purpose of studying legal aid problems in the State of Connecticut. Upon closer examination it was found that Connecticut Law Reform, Inc., was strictly a paper organization which was not even an organization and with no corporate structure. Its address was the home address of the person who made the application. Yet there was an obvious rush on the part of OEO to allocate this money.

The CHAIRMAN. The time of the gentlewoman has again expired.

Mr. GIAIMO. Mr. Chairman, I ask unanimous consent that the gentlewoman from Oregon [Mrs. Green] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mrs. GREEN of Oregon. I yield further to the gentleman from Connecticut.

Mr. GIAIMO. There was an obvious attempt here on the part of OEO to rush this allocation through and to get these funds allocated before the fiscal year ended.

Here obviously is an example, in my opinion, of error on the part of OEO in giving money, money which was so seriously needed by existing organizations both in Connecticut and in other States and organizations which could have done something with the $273,000. Yet, this money was given literally to an idea, to an idea in someone's mind, to an organization which was not even formed and had no proven existence or work program made up and which did not have an organizational structure made up except for the fact that they did allocate in their allocation huge sums to automobiles and such things which are the types of things they are quick to get but not to get proven results for the victims of poverty. They did not allocate this allocation to the places where they should. This allocation I felt was an obvious mistake. As a matter of fact, OEO now admits that it was a mistake on their part, but I think that we can find many examples of this if we look closely into OEO.

I also agree with the gentlewoman, as far as OEO is concerned, in many instances it has funded revolution. In my opinion, this is the first time in the history of a nation where it funds and allocates money to its own overthrow and to revolutionists in many instances.

Mrs. GREEN of Oregon. I thank the gentleman.

I would like to say one other thing. I agree completely with him that all of us want to do something about poverty and that when we make criticisms of some of the programs it is with the hope that the funds will go to those people for whom the program was designed and not people who will exploit the less fortunate. When we pay for $100 a day consultants and $1,200 a month in rent for headquarters for an office, I say this is money that is taken from programs for the poor and not money to help the poor help themselves.

VIOLENCE IN CLEVELAND

Mr. MINSHALL. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent Mr. Minshall was granted permission to speak out of order.)

Mr. MINSHALL. Mr. Chairman, 10 people—including three Cleveland City policemen—are dead, scores more are wounded, some critically, as a result of the violence perpetrated by black militants in the Glenville area of Cleveland Tuesday night. Block after block of the city has been burned and looted.

Today it is reported the incredible fact that these militants were financed, in part at least, with $10,000 in Federal funds.

I quote from the Plain Dealer of this morning:

> Fred Evans, who said he led Negro riflemen, told detectives yesterday that Cleveland's Negro nationalists received a $10,000 Federal grant.

> Evans, who is an astrologer, said the money was allotted him and other Nationalists by the Rev. DeForrest Brown, head of the Hough Area Development Corp., set up to lend money to small business . . . Hough Area Development Corp, recently received a $1.6 million grant from the government to promote and develop small business enterprises in the Negro ghetto."

I am now demanding a double-barrelled investigation of this shocking abuse of Federal funds. I have asked the chairman of the House Appropriations Committee, George Mahon, of Texas, and Congressman Frank Bow for a complete committee investigation of the manner in which Office of Economic Opportunity funds are allocated, the manner in which the distributing agencies are selected, investigation and screening of applicants for grants, and the details of this specific transaction involving the Hough Area Development Corp. This they have agreed to do.

I am also asking the General Accounting Office to make the same complete investigation.

Mr. CAHILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to commend the distinguished gentlewoman from Oregon [Mrs. Green] for bringing to the attention of the Committee a matter that I think is of very vital importance not only in education, but in all other branches of government.

It has been my experience that a great deal of the work of the departments of this Government today is being conducted not by department employees but by consultants from private firms that are hired by the department to do the work assigned by the Congress of the United States.

Mr. Chairman, an excellent illustration is a recent investigation into automobile liability insurance. The committee of which I am a member declined to undertake the assignment because it was felt we did not have the appropriate staff and the expertise. It was assigned to the Department of Transportation on the theory that that Department did have such expertise. It is now my understanding that of the $2 million appropriated to conduct that study, a large portion of it is going to be spent by way of grants to private firms, some of whom allegedly have a very close association with the automobile liability insurance industry in this country.

Mr. Chairman, I am taking this time to say that I think the distinguished gentlewoman from Oregon has pointed up an abuse that appears in all branches of the Federal Government. I wish to express my sincere hope that the appropriate committee of the House of Representatives will take upon itself the responsibility and the assignment in the next Congress to make a full investigation in this entire field. I think such an investigation may well develop equally shocking revelations as have been illustrated by the distinguished gentlewoman from Oregon.

Mr. PUCINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a question to direct to the author of the amendment. It appears to me that the amendment is worthy of support. Therefore, I would like to address my question to the author of the amendment.

I can appreciate what the gentleman is trying to do and I am mindful of the fact that there have been many abuses in many of these programs; abuses which I pointed out during the past in my efforts to try to correct them as the gentleman is trying to correct them now.

However, I want to make one thing clear as a matter of legislative history. When you suggest that contracts should not be entered into with private organizations, you are not excluding institutions of higher learning which are church related as private institutions of higher education.

Mr. STEIGER of Wisconsin. The answer to the gentleman's question is "No."

Mr. PUCINSKI. In other words, schools like De Paul University would continue to be able to participate in these programs since they do meet the criteria for higher education institutions?

Mr. STEIGER of Wisconsin. As I indicated to the chairman when he raised that question, I refer the gentleman from Illinois to section 408(a) which gives the Commissioner the authority to make grants or contracts with institutions of higher education for the purposes of carrying out the programs which are described in subsection (b).

Mr. PUCINSKI. I thank the gentleman.

Mr. MEEDS. Mr. Chairman, I move to strike the requisite number of words, I rise in opposition to the amendment.

The Chairman, it seems to me that this amendment goes much further than it needs to go to accomplish the purpose that the gentlewoman from Oregon discussed, assuming that everything the gentlewoman has said actually happened, the violence to which the amendment should be aimed is at the administration of the programs enumerated. Yet the amendment leaves us in this section with the authority to contract under this entire section only with institutions of higher education.

I am happy to have the assurances of the gentleman from Wisconsin [Mr. Steiger] that this would not exclude private colleges, but I do not believe this is a certainty.

I would like to state further, Mr. Chairman, that it prevents contracting with agencies which are very essential under this program.

The purpose of this program was to identify young people in high school who can be helped by a Talent Search and by Upward Bound programs. Yet by the language of this amendment the Office of Education would not be allowed to contract with private or public school board.

Mr. Chairman, I use in support of this the hearings at which the gentlewoman from Oregon [Mrs. Green] asked this question of Mr. Satterlee:

> Mrs. Green. Do you ever contract with high schools?
>
> Mr. Satterlee. We have no contract with a high school at this time although there is no reason why we could not. We have contracts with boards of education, State departments of education, consortia, and private, nonprofit agencies. We have a variety of contracting organizations.

Now, under the amendment as proposed, we could not, or the Commissioner of Education could not contract with a board of education, he could not contract for the identification of the very people we are trying to help with these programs. I believe it would be mischievous indeed to pass this type of an amendment.

> The Educational Talent Search program has been most effective in identifying and encouraging able, disadvantaged students to attend college. Over one-half of these funds are used for contracts with such organizations as the College Entrance Examination Board, the United Scholarship Service, Inc., and the National Scholarship Service and Fund for Negro Students.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I thank the gentleman for yielding.

I would say to the gentleman from Washington that the language in the bill, even with the Steiger amendment, permits the granting of contracts to higher educational institutions, and there would be nothing to prevent an institution of higher education in contracting with a local educational agency, a high school, or any private agency that they want to. In fact, that is accepted now with the higher educational institutions, to do this with many of the agencies, not only public agencies, but private agencies. What this would not permit would be to allow the Commissioner to make a contract with a private agency similar to what the OEO has done, and where they have siphoned off large sums of money with contracts to people who previously have been in OEO.

Mr. MEEDS. If the gentleman is suggesting—and I refuse to yield further—that we ought not offer authority to contract administratively, then perhaps what he is saying is correct, but I am saying that the Commissioner of Education in the conduct of these programs should be allowed to contract to the various types of agencies which will identify the youth we are trying to serve. And that is all I am saying. The amendment would prevent him from doing it.

Mr. Chairman, I yield back the balance of my time.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I would like to emphasize the view that my colleague from Washington [Mr. Meeds], just expressed. It seems to me that if we look at the poverty and remedial education programs as a whole, one of the most useful things they have done is to draw into the effort to stimulate and motivate kids the private nonprofit and profit capability in our society outside of the regular educational system.

I believe all Members of the House should be impressed by the fact that the private enterprise system has been able to make notable contributions to our poverty program, not only nonprofit, private agencies, but for-profit private groups. I believe if we really believe in the free enterprise system we should unleash them and harness their resources and talents to the desperate problem of motivating these disadvantaged kids.

The success of the programs is well documented. Disadvantaged kids, previously weighted down by disillusionment, despair, and apathy, have found a new spirit, a new optimism, a new enthusiasm, once having participated in these programs. There would be no better testimony to substantiate the success of the program than the views of the students who participated. Let me quote some of these students:

A 16-year-old 11th grade white girl from a family of six from Whitesburg, Tenn., writes:

> Upward Bound has taught me new meaning of the word responsibility . . . I had to learn to put important things first.

A student from Chicago, Ill., writes:

> Up until my first week in Upward Bound I didn't care anything about school and very little about other things. Upward Bound has introduced me to a whole new life. For the first time I really care, I'm interested and I want to make a place for myself in the world. And this change is because of all the wonderful people in Upward Bound . . . We learned more, much more than the people who started Upward Bound ever bargained for. We learned we are people who can really succeed but only if we want to and that a major key to that success is education.

Another Upward Bound student told her counselor:

> We have always been poor and people have looked down on us. I had planned to quit school next year if it gets as dull as it was last year. Everyone expects me to. None of my family have ever graduated. I had never thought I wanted to go to college cause it was completely beyond my imagination. I have changed my mind since I came here. I would do anything—just anything to get to go. Everyone here treats me as if I really do belong. I am going back to my high school and really work now. It is not hard to get school work when there is a good reason for it.

One student at West Virginia Wesleyan College said that before he had thought of teachers as "sort of enemies." Here he has discovered that teachers are friends and guides. The program must be doing a good job if it can turn a potential dropout into a potential teacher.

A girl of East Chicago said about her new environment in the Upward Bound program at Purdue University:

> Being a Negro, it feels good that it doesn't make any difference here what people are. Sometimes I even forget what I am. (From Lafayette, Indiana, Journal & Courier, July 5, 1968.)

A young man of East Chicago, who has been with the Upward Bound program all three summers, describes one change in living conditions:

> The first year, we were divided into our own groups. Now we're completely integrated—Latins, Negroes, and whites all together—and this is one place where there are no social problems of discrimination. (From Lafayette, Indiana, Journal & Courier, July 5, 1968.)

I welcome the view of my chairman that we should scrutinize the operation of the for-profit and the nonprofit private agencies. I think if we do that, we will find in programs like Headstart and Follow Through and the Neighborhood Youth Corps and the Job Corps that some of the private sector for-profit groups as well as the private nonprofit agencies have been far more successful in reaching these kids and motivating them, and have far more sophisticated approaches to the problems of motivation, than the regular educational establishment has shown.

We would be crippling ourselves and our antipoverty effort to exclude the extraordinary capability that lies in our private sector within both for-profit and the nonprofit groups.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman.

Mr. STEIGER of Wisconsin. The gentleman knows that I have a great deal of respect for his judgment on matters as they relate to the poverty program and the Committee on Education and Labor.

Let me, however, make it clear to him that on this I disagree entirely. For two reasons—one, Upward Bound today is being run nationally by one organization which goes in and runs the program or contracts it out to an institution of higher education.

Do not try to confuse the issue by bringing in Headstart, which has no relationship to this.

Mr. SCHEUER. There is no question about the fact, and I will agree, that administrative errors may have been made and that errors in judgment have been made.

I would refer to the Mexican cultural exchange experimental program on international living, incidentally, where I have two of my children this summer.

My fellow colleagues should be made aware of the fact that Mrs. Green is dilating about a small group of 56 students in all—who have completed their Upward Bound studies and are ready for college in the fall—and who have unique experiences to share with a foreign family. These students will not be tourists—they are participating in a mutual learning experience—for themselves and the native family that they will live with.

Mrs. GREEN is using these 56 young students to castigate the Upward Bound program, a figure that actually represents one-two-hundredth of 1 percent of the total 25,000 students in Upward Bound. Even Ivory Soap would not try to sell those odds.

I think we are in danger of washing baby down the sink with the bath water.

I think there is a cure here and we do not have to go hunting gnats with an elephant rifle which is what we are doing here.

I think the disease can be cured. It is admitted that there are some cases of maladministration.

Should we exclude the nonprofit agencies and the for-profit agencies in the private sector from making a marvelous contribution when they have demonstrated their ability to energize and motivate these kids?

If you believe in the free enterprise system—why should we in this Congress exclude the private sector—nonprofit and profit alike from participating where there is a legitimate role for them to play and where they have proven they have the capability of doing a job in many cases that the educational establishment has not yet done.

I am thinking of some of the fine work nonprofit church groups have contributed to the Headstart programs. To name just a few—the First Methodist Church in Oxnard, Calif.; the Goachell Valley Baptist Foundation of Riverside, Calif.; the Catholic Archdioceses of Brooklyn, Chicago, Detroit, Cincinnati, St. Louis, and Pittsburgh; the Torah Unesorah of New York City; the New York City Society of Methodists; the Salvation Army of Hastings, Nebr.; and the J. A. Long American Legion Post in Corinth, Miss., handling 350 kids.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman.

Mr. STEIGER of Wisconsin. I appreciate the gentleman yielding to me to request some of his time.

Let me ask the gentleman if he concurs—that it is true today that we are carrying on no Upward Bound programs except in institutions of higher education and we do not contract today high schools or boards of education to try to make a determination as to whether or not the kids ought to come into the programs; is that not correct?

Mr. SCHEUER. Let us assume it is—I do not know that of my own knowledge.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentlewoman.

Mrs. GREEN of Oregon. I think this is very interesting that we must save the private enterprise system.

Mr. SCHEUER. I am not trying to save them—I am trying to let them help us in solving these problems.

Mrs. GREEN of Oregon. The private enterprise system that you are trying to save is the group which is incorporated about 2 months before they have signed a contract. This group is responsible for making guidelines and for enforcing the recommendations of the Upward Bound program. After signing the contract they—and I have referred to several of them—get supplementary awards, in a period of 20 days' time.

This is not the kind of enterprise which I would consider to be the traditional private enterprise system.

Mr. SCHEUER. Maybe some of these fly-by-night groups have been involved.

But if you examine the projects being carried out by companies like Xerox and North American Aviation and General Electric, General Motors, Westinghouse, Montgomery Ward, Philco Ford Co., Packard Bell Electronics, and other private enterprise groups, you will find they are doing a first-class job in running Job Corps camps and other programs in the poverty program.

I think it would be an exercise in futility for this Congress, which admittedly believes in the free private enterprise system, to prohibit these firms from making a contribution.

Finally, I would like to take up another charge made by Mrs. Green against Upward Bound—the charge that the program is producing revolutionaries.

Certainly Upward Bound has some revolutionaries—like all the kids of today—like the students from affluent families who rioted on the Columbia campus, on the Berkeley campus, and even at that hallowed and aged institution, the Sorbonne.

However, I have some letters from Upward Bound students—and with your permission I will read at least one of the many—that indicate how the Upward Bound program has reached them and turned them into students who are striving to become contributing members of this society—rather than turned off, hostile, flower children.

A student from Detroit who understands why her classmates participated in the riot there had this to say to Seventeen magazine:

> The better teachers all seem to be in suburban schools. Why should they want to work with Negroes or poor whites in my neighborhood when they know that in rich suburbs like Grosse Pointe students will read their lessons and know what's happening? In my school a teacher who asks a question can barely get an answer—kids who go around with comic books in their hands all the time don't come up against too many interesting ideas. But it's not easy to get a good reading foundation in the Inner City elementary schools, so you can't really blame them.
>
> It's not completely hopeless. If you get in with the right teachers, they'll help you and talk to you about education and careers. But you have to show interest and start things rolling; they don't assume you want to go to college. One of the best things that ever happened to me was getting into Upward Bound.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I would say that if Xerox and North American Aviation had been involved in this program, we might have had a different attitude toward permitting private agencies to contract with people operating any part of the Upward Bound program.

But this is not private enterprise we are saving or utilizing. To me these are leeches that are using the money that we are appropriating to help poor people. There is no reason at all for utilizing them when we have had a good experience with the contracts with institutions of higher learning.

As I said before, there is nothing to prohibit institutions of higher education from contracting with anyone that they need to help them to do the job. As far as determining who the eligible youngsters are, these people are quite capable of doing it with the help of community action agencies. There is nothing to prevent an institution of higher education to utilize all of the community action agencies within their community or vicinity in order that the proper children could be brought there.

The question here is whether OEO in the past did right in contracting out jobs that they should have done themselves.

The question is, Should we let the Office of Education continue the contracts with the private agencies that have not wisely used the money? If anyone has any question about it, you will only have to read the Record that is before you now with the insertions that were placed there and the statements made by the gentlewoman from Oregon [Mrs. Green] and myself immediately following hers.

This begins, I believe, on page 23116 in the Record. After reading that, if you are wholeheartedly in favor of this amendment, you have not read it very clearly.

Mr. HATHAWAY. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Maine.

Mr. HATHAWAY. If the institutions of higher education continue to contract, are we not going to run into the abuses you are criticizing here today?

Mr. QUIE. Any institution of higher education can contract with a private agency for necessary supportive services. For example, if you have facilities that are being used for Upward Bound, and it is perhaps necessary to contract with an electrician to come in and fix the wiring, under the proposed amendment, the institution may do this. There is no need to allow the Commissioner, in administering Upward Bound, to contract with private agencies for supporting services, because he is not involved in that kind of detailed work.

Mr. HATHAWAY. If the gentleman will yield further, if the Commissioner of Education, as in the past, is empowered to contract, as I think he should be, then can he not do it on a broader basis so he could bring in a consortium of boards of education that might cross State lines, whereas if the contracting power is left only to the institutions of higher education, contracting will be only on a local basis and will not get the broad-based support we need for the program?

Mr. QUIE. I think we would be on much safer ground if we permitted the institution of higher learning to do the contracting for the consortium than to see the Federal Government do so through some agency that is dreamed up overnight. I do not expect we would find, however, that the Commissioner of Education would leave his job to a successor who has a contract with him or with a private firm with which he is associated to do the job. I would hope that that would never happen in education as it has in poverty. However, this amendment will prevent this sort of abuse before it begins.

Mr. SCOTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 15067, the Higher Education Amendments. The various acts which this legislation modifies and extends have had a tremendous impact on students, institutions, and, in fact, on all citizens of this Nation. These acts have gone a long way to insure that every individual who is capable of pursuing his education beyond the secondary level has an opportunity to do so; and they have been of considerable assistance to colleges and universities in coping with mounting student enrollments.

The guaranteed student loan program is one of the outstanding features of the bill. College is expensive, and for many, it is prohibitive. I know what it costs. My own three children have only recently completed their college education. Under the program, private lending institutions can, with relative safety, advance a student the funds he needs to continue his education. Students are given an opportunity to prepare themselves for a more prosperous future, and they can do so not with a Government handout, but through the dignity of self-help and with the cooperation of the private sector of our economy. This act greatly increases the availability of such loans by making interest rates more attractive to lenders and by extending the ability of States to guarantee repayment of loans through the proposed 80 percent Federal reinsurance program.

Assistance to institutions for the construction of academic facilities, libraries, classrooms, and the like is another important feature of the bill. The long-term investment in college plants is of permanent benefit and should, in my opinion, be given high priority. I do have some reservation about the bill's emphasis on the establishment of several new programs such as grants for elementary and secondary instructional equipment at the expense of existing programs.

It is now time for students to make financial arrangements for the fall term at colleges and universities. Quite understandably, lenders are reluctant to make any commitments to these students and their families until the law is settled. Therefore, despite the bill's shortcomings, and despite the economic difficulties this country is experiencing, I rise in support of the bill because, in my opinion, many of the problems facing this country can be minimized by increasing the educational opportunity for our young people today.

The CHAIRMAN pro tempore (Mr. Rostenkowski). The question is on the amendment offered by the gentleman from Wisconsin [Mr. Steiger].

The question was taken; and on a division (demanded by Mr. Meeds) there were—ayes 55, noes 17.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. REID OF NEW YORK

Mr. REID of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Reid of New York:

On page 156, insert after line 24 the following:

"ELIMINATION OF AVERAGE HOURS OF EMPLOYMENT LIMITATION DURING NON-REGULAR ENROLLMENT PERIODS

"Sec. 436. Section 444 of the Higher Education Act of 1965 (as amended by this part) is amended by adding at the end thereof the following new subsection:

"'(c) For purposes of paragraph (4) of subsection (a) of this section, in computing average hours of employment of a student over a semester or other term, there shall be excluded any period during which the student is on vacation and any period of non-regular enrollment. Employment under a work study program during any such period of non-regular enrollment during which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner.'"

Mr. REID of New York. Mr. Chairman, section 406(b)(2) of H.R. 15067 as originally introduced allowed students in the work-study program, employed full time during the summer vacations or throughout the summertime periods, to take one or two courses "in accordance with the criteria established by or pursuant to regulations of the Commissioner." Under this program, as previously enacted, a student who took a course during the summer was limited to working 15 hours per week.

The proposed modification in the program is, I believe, valuable, because it would allow a student who must work or is interested in working during the summer to obtain some academic credit at the same time. Otherwise, an extreme hardship is imposed on the student who is required to go to summer school and also needs to work to provide funds for the following year's education. He must choose either to work full time or to go to school, but he is denied the chance to work full time while taking one or two courses needed.

I would add, Mr. Chairman, that Mayor John Lindsay feels that this amendment would be extremely helpful in that it would allow students in the work-study program to take one or two courses during the summer while employed full time.

The original blanket work limitation of 15 hours per week was designed to protect students from overextending themselves by going to school full time and working full time simultaneously. However, New York City officials have found that it is extremely valuable for a student working full time during the summer to take a course or two related to his experience—it not only broadens his outlook, but also substantially increases his incentive to pursue his education.

Under New York City's Urban Corps program, in which about 2,000 young men and women participate during the summer, students do in fact take evening courses related to their summer's work. At the present time, they cannot receive academic credit for their studies because the students work more than the 15 hours allowed under the act. The universities are willing and anxious to offer credit. We need an amendment to the present work-study program allowing students working full time during the summer to receive some academic credit at the same time for courses taken.

Mayor Lindsay has written me explicitly stating:

> This amendment is vital to the effective operation of the work-study program in New York City and throughout the State.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I talked to my colleague and friend from Oregon, Congressman Dellenback, who is also a member of the Education Committee, about this matter, and I know he was interested in making this kind of modification.

Mr. REID of New York. If the gentlewoman will allow me, Congressman Dellenback was interested in offering himself this type of amendment, but a previous engagement precluded his doing it.

Mrs. GREEN of Oregon. Yes. I think it is a very good amendment, and it will help those youngsters who need to work in the summertime and allow them to take one course and still allow them to work to earn money for the coming year.

Mr. Chairman, I support this amendment.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Michigan.

Mr. BRADEMAS. Mr. Chairman, I think the amendment is a first-class one. I am particularly impressed by the support the gentleman cites for it from the distinguished mayor of New York City, our former colleague, John Lindsay, who lives daily with the kinds of problems which affect young people, Mayor Lindsay's testimony is therefore all the more persuasive in contributing to my support of the amendment of my friend, the gentleman from New York [Mr. Reid], who, I wish here to add, has made most valuable contributions to the shaping of this important higher education measure.

Mr. Chairman, I support the amendment.

Mr. REID of New York. Mr. Chairman, I thank my able colleague for his comments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Reid].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Erlenborn: On page 159, strike out lines 1 through 5 and insert in lieu thereof the following:

"Part D—General Provisions Relating to Student Assistance

"AMENDMENTS EFFECTIVE UPON ENACTMENT"

On page 159, line 7, strike out "part F" and insert in lieu thereof "part E".

On page 159, strike out line 11 and all that follows down through line 19 on page 162.

On page 163, line 1, strike out "Part E" and insert in lieu thereof "Part D".

On page 166, line 4, strike out "part E" and insert in lieu thereof "part D".

On page 168, line 10, strike out "Part F" and insert in lieu thereof "Part E".

Mr. ERLENBORN. Mr. Chairman, the effect of this amendment is to delete from this bill the authorization for a new program entitled "Cooperative Education Programs."

Cooperative education in this case is the combination of work and attendance at a university or college in conjunction with that work.

Mr. Chairman, this year we are faced with budgetary problems which are so familiar to all of us. These budgetary problems have prompted this administration to ask for only $67 million for grants for undergraduate academic facilities, though $450 million was appropriated last year—that is $67 million this year as opposed to $450 million last year. The administration has asked for only $8 million for graduate academic facilities, though $50 million was appropriated last year, and has asked for only $100 million for loans for the construction of academic facilities and institutions of higher learning, when twice that amount, or $200 million, was appropriated last year.

When we are faced with this sort of a budgetary squeeze, this is no time to be starting new programs.

I believe the Public Works Committee and the Subcommittee on Public Works of the Appropriations Committee have made it quite clear that this year there shall be no new starts. This has affected many Members who had public works projects. We are willing to accept this no new starts in public works because of the fiscal crisis which faces this Nation.

I, myself, am not too willing to accept, but I believe we will have to accept, a reduction in the funds made available for undergraduate and graduate facilities in higher education. If we are going to pull in our belts, if we are going to make these sacrifices, then I believe we should not be starting new programs under the authorization contained in this bill.

Cooperative education programs are already being carried on in institutions of higher education. It is not necessary, really, that we make Federal funds available so that cooperative education programs can be carried out. Colleges and universities can and are providing this type of education.

For this reason I do not believe we should have any new starts in our Higher Education Act this year. Therefore, I request support of my amendment to strike this new program.

Mr. CURTIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I was interested in the remarks of the gentleman from Illinois relating to this bill, and relating the programs in it to our budget problems.

I have made remarks in the past, wherein I proposed that we could cut $17 billion in Federal spending—I am not talking about appropriations and authorizations, but expenditures—without touching the field of health, education, and welfare or the Vietnam war.

I frankly feel that education is an area where we need to have good programs. I do not identify spending money as identical with being a good program, particularly Federal governmental spending.

I was very interested in the points made by the gentlewoman from Oregon and others who seem to have their eyes really on the ball, which is to get better education. I only wish there was a better realization that the Federal Government can worsen rather than better quality and quantity education when programs are not carefully devised and efficiently administered.

In context with the statement made by the gentleman from Illinois about the cutbacks in education which exist in this bill, incidentally, I cannot find in the committee report any relationship to what is asked for in the President's budget, so it is hard to tell just what is being done here. Furthermore, if the gentleman from Minnesota [Mr. Quie] is correct in his remarks on this bill during the debate yesterday, H.R. 15067 proposes total authorizations of $2,458,270,000 for fiscal year 1969, and $2,788,730,000 for fiscal year 1970. This compares, Mr. Quie says, with a total authorized amount of $2,196,270,000 for the fiscal year just ended; the increase from last year's total comes to $262,000,000. So we are talking about an increase—not a decrease.

In the remarks of my colleagues who are on the Committee on Appropriations, yesterday they assured us that the President is really abiding by the law to require a cut of $6 billion in expenditures for this fiscal year, which has now been going on for almost a month.

I would like to read and to call to the attention of my colleagues the staff report of the Joint Committee on Reduction of Federal Expenditures of the Congress of the United States as of July 19, 1968. This is a weekly report which all of us are now receiving. On page 1 there is this statement, and I will read the sentence in its entirety:

> The net total budgeted outlays, expenditures now estimated to be $188,663,000,000 for fiscal year 1969 have been reduced by direct actions of the House a total of $3,705,000,000 and direct actions of the Senate a total of $1,207,000,000.

The bill that was passed and which the President signed requiring a $6 billion cut in expenditures related to the figure in the President's budget message of this January for expenditures in fiscal year 1969 amounting to $186.1 billion. Now note all the time there has been this rhetoric about cutting expenditures $6 billion and a law requiring the President to do this, the President has actually increased the amount from $186.1 to $188.66 billion. This is almost a $2.5 billion increase and not a $6 billion decrease.

Just yesterday the Director of the Bureau of the Budget reiterated what he was quoted publicly before as saying, that the Johnson administration could do nothing about cutting expenditures for this fiscal year until the appropriation bills passed the House. This is untrue. The executive department has carryover balances of $225 billion to which would be added another $200 billion if we adhere to the President's request for additional funds. Setting expenditure levels is largely within the prerogative and the power of the Executive, and he can set his expenditure levels at $180 billion right now, but he is obviously not doing it. Without reference to the Congress he has increased his level by $2.5 billion instead.

To those who are concerned about education and the problems in welfare—and indeed I am—let me say this: It is important to see where these increases have been. Have they indeed been in the areas of health, education, and welfare and particularly in the programs that are effective? Where have these increases been? Is there really the need to cut back the postal service the way the Executive is trying to do it under the leadership of the Postmaster General? The President, of course, has not blown his whistle on the lobbying activities of this gentleman.

So put all of this in context with the bill which we now have before us. Regrettably we are doing nothing about inflation. Inflation is continuing to go on and on—it will go despite the tax increase the President with the approval of the Congress imposed on the people—as long as the Federal Government continues to increase instead of cut back its expenditures. Every one of these education programs we are discussing here today and every one of the welfare programs is getting a meat ax cut of around 5 percent as a result of inflation.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois [Mr. Erlenborn].

Mr. Chairman, the amendment which has been offered by the gentleman from Illinois [Mr. Erlenborn], my able colleague, would strike the cooperative education part of this bill, part D.

Now, Mr. Chairman, cooperative education is a program that is presently used in a few of our important colleges and I believe Antioch College is probably the most famous, and also Northeastern University in Boston which is another example of this type of trend where a student is permitted to spend a part of his time working in private enterprise and he uses that money which he earns from working in private enterprise to return to college for a certain period of time. After he does that, he goes back to work in industry for another period of time.

Mr. Chairman, we financed a work-study program in this bill in which the Federal Government pays 80 percent of the cost of the wages of the students. It was not to provide work in the work-study program that relates to their course of study as is the case in cooperative education. Cooperative education does not subsidize the wages of any student.

Mr. Chairman, it is my opinion that this is the most economical way for the Federal Government to provide seed money for a program to permit students to participate in this program. It provides money to hire coordinators to work with private enterprise and the college and arrange the schedule for the private enterprise portion of the operation and the college portion of the operation.

Mr. Chairman, a program funded by this part can only be utilized for a period of 3 years. Then it is over. That is why I refer to it as only seed money.

Mr. Chairman, I realize that we are in a financial crisis in our country, but I would say it would be wise to even take money from other programs to be channeled into the cooperative education program if necessary.

Mr. Chairman, in my opinion it is a well thought out program, a wise program, and a program in which I hope we can retain a modest amount of money for cooperative education in this bill.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield to me at this point?

Mr. QUIE. I shall be glad to yield to the distinguished gentlewoman from Oregon [Mrs. Green].

Mrs. GREEN of Oregon. I thank the gentleman from Minnesota for yielding.

Mr. Chairman, the gentleman from Minnesota has made some very significant comments and I wish to associate myself with the remarks of the gentleman. It seems to me that this is one of the new programs that could in the long run be very economical and helpful in the areas in which we are particularly interested.

Mr. Chairman, it is with great reluctance that I oppose the amendment which has been offered by the gentleman from Illinois, but I would hope that this amendment would be defeated.

Mr. QUIE. I might add too, Mr. Chairman, it is with great reluctance that I differ with my colleague, the gentleman from Illinois, because I do not believe anyone has more ability, has given more time and study to this legislation, and who has contributed more toward the ongoing of our educational program. He has an outstanding record in the promotion of higher education and education in general. Therefore, it is not easy to disagree with the gentleman on any amendment he offers.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I could talk at length about the various programs contained in this bill, but the program of cooperative education is a good, sound concept. It does need some help though. This amendment is, I am sure, conceived by the gentleman from Illinois with every good intent. However, the program is one which has been started and, in my opinion, is sound in that it provides the incentive for self-help. It is a program designed to permit the student to earn his way and learn at the same time he is working. It is a practical program, and, in my opinion, it is most worthwhile.

Mr. Chairman, the amount of money involved is miniscule. It is something that we need.

Mr. Chairman, the gentleman from Minnesota states that it is a good program and that it is in operation at Northeastern University which is located in the congressional district of our distinguished Speaker where they have some 32,000 students and all of them are involved in this program of cooperative education.

There are also co-op programs going on among smaller colleges and universities in my home State of Florida as well as in other States. It is an idea which has been well conceived and is based upon the fact that the Federal Government is not to pick up the tab of the student but have industry, private enterprise and the schools work together which, in my opinion, has proven to be very effective.

I believe it is worthwhile that we continue the program and encourage the program, and that we should vote down the amendment offered by the gentleman from Illinois, Mr. Erlenborn.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on

the amendment offered by the gentleman from Illinois [Mr. ERLENBORN].

The amendment was rejected.

The CHAIRMAN. Are there any other amendments to title IV?

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: On page 159, line 4, strike out "$8,000,000" and insert in lieu thereof "$500,000".

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I will be happy to yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Mr. Chairman, I do not see any objection to the amendment, because as I understand it is $500,000 for the year ending June 30, 1969; is that correct?

Mr. STEIGER of Wisconsin. That is right.

Mr. GIBBONS. It is in line with what we are doing on all of the other programs?

Mr. STEIGER of Wisconsin. That is also correct.

Mr. GIBBONS. And what about the $750,000, is that approved over to 1970?

Mr. STEIGER of Wisconsin. No, it would remain the same.

It would be $500,000 for the fiscal year ending June 30, 1969, and authorizing $10 million, as in the bill, for fiscal year ending June 30, 1970.

Mr. GIBBONS. I thank the gentleman, and I believe I understand the amendment offered by the gentleman.

Now about on line 6, page 160? Are you changing any of those dates or figures there?

Mr. STEIGER of Wisconsin. No.

Mr. GIBBONS. Mr. Chairman, I can see no objection to the amendment. I believe it is a good amendment, and I support it and urge its adoption.

Mr. STEIGER of Wisconsin. I appreciate the support of the members of the committee. As the subcommittee chaired by Mrs. GREEN of Oregon stated in House Document 193:

> All authorizations for new programs, or for major change in existing ones, should allow, whenever possible, for a full year and sufficient funds, for adequate planning at all levels of administration before the new programs become fully operative.

The amendment I have offered is consistent with this sound advice.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I would be happy to support the amendment offered by the gentleman from Wisconsin. I believe it is a good amendment, and should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. STEIGER].

The amendment was agreed to.

Mr. BUSH. Mr. Chairman, the original National Defense Education Act of 1958 provided for the cancellation, or "forgiveness," of up to 50 percent of an NDEA loan to a college student when that person entered primary or secondary teaching. In 1965, this "forgiveness" procedure was expanded a little so that individuals who taught in low-income area schools, or who taught children with mental and physical handicaps, could get up to 100 percent of their NDEA loans canceled.

Now our committee proposes that we drop the first, generalized basis for canceling a part of students' NDEA loans, while keeping the second, more directed forgiveness policy. Now a young person who finances his higher education by an NDEA loan can have his repayment of that loan canceled if and only if he teaches in schools aided by title I—Elementary and Secondary Education Act—funds and having a majority of students from low-income families, or in special programs for handicapped or retarded youngsters.

Now, in short, we are focusing and sharpening this incentive to attract young people to teach where they are most needed. I hope this refined and meaningful approach becomes law. I believe it will bring into teaching those who might not otherwise have professional opportunities and yet can give extraordinary benefits to the children whom they teach.

The NDEA forgiveness policy, seen in this light, has a special relevance to Texas. We have many schools and school districts in our State which serve Mexican-American children from impoverished families. These schools—especially those in rural areas—do not attract the number and quality of young teachers they should. More important, perhaps, they do not get nearly enough well-trained Mexican-American teachers.

A large step forward in the area of bilingual education is taken every time children have a truly bilingual—and bicultural—teacher. This does not require special programs for bilingual education—although we obviously need these, too. All it takes is a way to assist and attract Mexican-American young people into teaching in their home areas.

The new focus of the NDEA loan cancellation procedure should make a great contribution. It will now be possible for Mexican-American students to finance a college education through NDEA and, as a second step, they will have an attractive incentive to teach in the schools where they will do the most good. This incentive will no longer be diluted by general forgiveness of at least a part of an NDEA loan to anyone who goes into teaching.

But this result will only be achieved if those who administer the NDEA program, on the one hand, and those who have a concern with education and advancement in communities like those of Mexican-Americans in Texas, on the other, publicize and utilize the incentive we are providing with this 100 percent forgiveness policy.

This is not all we could or should do, of course, to improve education and teaching in poor, rural communities like those in Texas. Using the provisions of title I of the Elementary and Secondary Education Act as a basis for applying the loan cancellation provisions may not be specific enough to really get young teachers with a special contribution, like bilingualism, where they are needed.

The Elementary and Secondary Education Act itself suffers from lack of emphasis or else distorted emphasis. It slights rural schools generally, and thus does not do all it should for Mexican-American or Indian or Negro schools, not to mention Appalachian area schools serving white children. The ESEA does not enable us to target funds and resources where they are needed most. That is why I felt so strongly that the approach recommended by the distinguished gentleman from Minnesota last year, the block grant approach, was the right way to meet our priority needs in education. I still believe this to be true.

I had intended to introduce separate legislation to give a stronger incentive to young students, especially Mexican-Americans, to devote themselves to teaching in our disadvantaged schools. Now I think the Education and Labor Committee's sharpening of the loan cancellation program will go some way toward accomplishing my goals. If properly pressed, the loan incentives will open up new opportunities to disadvantaged children and new career possibilities—very rewarding ones indeed—to young minority group members.

I hope this modification of the National Defense Education Act will become law. And I hope even more that it represents a new trend in Federal educational programs—a trend toward pinpointing needs, setting priorities and targeting resources.

The CHAIRMAN. Are there further amendments to title IV?

If not, the Clerk will read.

The Clerk proceeded to read title V.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any amendments to title V?

If not, the Clerk will read.

The Clerk proceeded to read title VI.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any amendments to title VI?

If not, the Clerk will read.

The Clerk proceeded to read title VII.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title VII be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any amendments to title VII?

If not, the Clerk will read.

The Clerk proceeded to read title VIII.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title VIII be considered as read and open to amendment at any point.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The **CHAIRMAN.** Are there any amendments to title VIII?

If not, the Clerk will read.

The Clerk read as follows:

TITLE IX—NETWORKS FOR KNOWLEDGE

SHARING OF EDUCATIONAL AND RELATED RESOURCES AMONG COLLEGES AND UNIVERSITIES

SEC. 901. The Higher Education Act of 1965 is amended by redesignating title VIII as title IX, and sections 801 through 804 (and references thereto however styled in such Act, or any other Act, including such references heretofore made in this Act) as sections 901 through 904, respectively. The Higher Education Act of 1965 is further amended by inserting after title VII the following new title:

"TITLE VIII—NETWORKS FOR KNOWLEDGE

"SHARING EDUCATIONAL AND RELATED RESOURCES

"SEC. 801. (a) To encourage colleges and universities to share to an optimal extent, through cooperative arrangements, their technical and other educational and administrative facilities and resources, and in order to test and demonstrate the effectiveness and efficiency of a variety of such arrangements, the Commissioner is authorized to enter into contracts and to make project grants for all or part of the cost of planning, developing, or carrying out such arrangements. Such grants may be made to public or nonprofit private colleges or universities. When in the Commissioner's judgment it will more effectively promote the purposes of this title, the Commissioner may make grants to other established public or nonprofit private agencies or organizations, including professional organizations or academic societies and he may enter into contracts with established private agencies and organizations.

"(b) Projects for the planning, development, or carrying out of such arrangements assisted under this title may, subject to the provisions of subsection (c), include—

"(1) (A) joint use of facilities such as classrooms, libraries, or laboratories, including joint use of necessary books, materials, and equipment; or (B) affording access to specialized library collections through preparation of interinstitutional catalogs and through development of systems and preparation of suitable media for electronic or other rapid transmission of materials;

"(2) establishment and joint operation of closed-circuit television or equivalent transmission facilities; and

"(3) establishment and joint operation of electronic computer networks and programs therefor, to be available to participating institutions for such purposes as financial and student records, student course work, or transmission of library materials.

"(c) (1) Grants pursuant to clause (B) of paragraph (1) of subsection (b) may not be used to pay the costs of electronic transmission terminals.

"(2) In the case of a project for the establishment and operation of a computer network, grants may not include—

"(A) the cost of operating administrative terminals or student terminals at participating institutions; or

"(B) the cost, or any participating institution's pro rata share of the cost, of using the central computer facilities of the network, except (i) such costs of systems development and programing of computers and transmission costs as are necessary to make the network operational, (ii) the administrative and program support costs of the central facilities of the network, and (iii) the line-access costs incurred by participating institutions.

"APPROPRIATIONS AUTHORIZED

"SEC. 802. There are authorized to be appropriated, for grants under section 801, $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for such grants only such sums as the Congress may hereafter authorize by law.

"SHORT TITLE

"SEC. 803. This title may be cited as the 'Networks for Knowledge Act of 1968'."

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title IX be considered as read and open to amendment at any point.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The **CHAIRMAN.** Are there any amendments to title IX?

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: On page 197, strike out line 1 and all that follows down through line 3 on page 200, and redesignate succeeding sections of the bill (and all references thereto) accordingly.

Mr. ERLENBORN. Mr. Chairman, this amendment that I am now offering would strike title IX from the bill.

Title IX is another one of the new programs. This one is entitled "Networks for Knowledge."

It would provide for the first year—$500,000. Then $10 million, for the fiscal year 1970; and such sums as may be authorized by Congress thereafter.

This is a totally new program. It would provide for cooperative arrangements between higher education institutions, universities and colleges for several purposes.

First of all, to share classroom, laboratory and library facilities and the necessary books, materials and equipment and, second, to afford access to specialized library collections through the preparation of interinstitutional catalogs; which by the way is duplicative of other sections of this bill and longstanding provisions of the higher education act relating to library facilities.

In my district, for instance, they have under an existing authorization been preparing interinstitutional catalogs and experimenting with the transfer of library materials between colleges and universities.

In addition, this program would encourage the establishment of the joint operation of closed circuit television facilities and, last, establish and provide for the joint operation of electronic computer networks for such purposes as financial and student records and student course work and the transmission of library materials.

The committee did on this and another subsequent new program provide only for planning funds for the first year, and the first full year of operation would not be until 1970.

This was, I think, an admission of the fact that we just do not have the resources. We do not have the finances at this time to be starting these new programs.

There is no reason to believe that in 1970 we will have the money. We are only begging the question. We are making the decision here that 1969 is a tight fiscal year and, therefore, we cannot really start new programs but we are willing to give them a small amount of money to do some planning.

But we are also making the decision here that in 1970 the restraints are to be off and we are going to have the money and things are going to be better then.

I do not think we have the knowledge to make that judgment. I think no new starts for this year should apply not only for public works, as I said before in conjunction with another amendment on the higher education act. If in 1970 or 1971 we find that we do have the resources, we can give more attention than we did this year to looking at the substantive provisions in this program. We can give a little more attention and a little more thought to designing a program that may be worthwhile and eliminate some of the duplications in this program that occur in other existing programs.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman.

Mr. PERKINS. I cannot see the logic of the distinguished gentleman wanting to strike the entire language simply because the program may not be funded. Why not leave the language in and leave the program even though you do not wish that it be funded until sometime in the future?

Mr. ERLENBORN. I think we are just holding out a false hope—and this is not the first time that we have done this—we are holding out a false hope to people by saying—here is a fine new program that we authorize—and then we do not fund it.

We had a discussion earlier on this bill concerning international education and we said—there is a program that we authorized and we said this is fine and we raised the people's hopes and then we did not fund it.

Mr. PERKINS. Do you agree that the program is a worthy one deserving of consideration and, assuming world conditions improve, do you not think we should have it on the books?

Mr. ERLENBORN. Frankly, Mr. Chairman, I do not think we should have it on the books at this time. I think we can give a lot more thought to designing this program so that the legislative authorization will do a better job than what we have in this bill.

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to the amendment. I would like to support what the distinguished chairman of this committee has already said, the gentleman from Kentucky, in urging the House to leave the language in this bill. I am mindful of the fiscal situation. I think all of us on both sides of the aisle have supported such national cuts in Government spending to meet the financial crisis. This bill provides for a half million dollars for fiscal year 1969 for planning and, of course, we do have the built-in system of checks and balances here in the House for 1970.

The Appropriations Committee is going to take a look at the situation, and all of us will have an opportunity at that time to make a decision as to whether or not we want to go the full $10 million or whether we want to cut it. But I submit to the Chamber here, that this title is one of the most exciting breakthroughs in education.

You and I know that there is a tremendous knowledge explosion in this country and in the world. We know that the young people of this country who are today pursuing a higher education need the very best of tools to keep up with all the new developments, scientific pursuits, and otherwise.

This title would permit universities to enter into compacts and agreements to exchange the knowledge that they have in their respective libraries and respective schools. I envision under this title, some day in the future, a huge scientific information retrieval system through which a scholar, pursuing some complex problem of research, will have at his disposal the information of many, many schools throughout the country so that he can complete his research.

We are living in an exciting world, an exciting era. We are also living in an extremely complex world. There are fantastic breakthroughs being made every day. I am sure we all want to give the young people of this country an opportunity to develop their God-given talents. I submit, if you read this title and see what it does, you will agree that this is an exciting proposal to help the universities of this country use their resources to the fullest and at the same time give every youngster in this country an opportunity to use these resources.

Mr. Chairman, I hope the amendment to eliminate this title is voted down. I hope that we give the people in higher education at least the knowledge that this sort of endeavor is approved by the Congress, and we assure them that they may begin planning to enter into contracts and agreements so that every youngster in this country can have the widest use of information available to him in his studies. I hope the amendment will be voted down.

Mrs. **GREEN** of Oregon. Mr. Chairman, I rise in opposition to the amendment. Back in 1963 I thought that one of the very great programs was the provision in the Higher Education Facilities Act that we would provide for cooperative facilities, cooperative construction. I see this part of the new program today as an extension of that plan to encourage colleges and universities to enter into cooperative arrangements. I view this title, not as spending money, but as really saving money. In various parts of the country we have exciting examples of colleges and universities which have gone together and built a very excellent library and then shared that facility.

Down in Nashville, Tenn., we have an excellent example. In the Finger Lakes region of New York we have cooperative programs. Wherever we can encourage the colleges or universities to cooperate on facilities, to cooperate on classrooms or libraries or laboratories, it means that the quality of those libraries and laboratories and classrooms will be improved and at a lower cost than if each one of the colleges or universities had to build its own laboratory or its own library.

We are also entering an age where we have greater and greater use of educational television, greater and greater use of computer programing. If we can encourage the colleges in one community to do a cooperative job as far as computer programing is concerned, it will not be an expenditure of additional money; it will be a saving of money.

If we can get them to enter into cooperative programs on educational TV, the planning and programing, there again it will improve the quality at a lower cost and a lower dollar amount.

So, indeed, Mr. Chairman, I hope this amendment will be defeated and that we will allow the $500,000 in planning so that they will be able to do a better job in fiscal year 1970.

Mr. **BRADEMAS**. Mr. Chairman, will the gentlewoman yield?

Mrs. **GREEN** of Oregon. I yield to my distinguished colleague, the gentleman from Indiana, who has contributed so much to the Subcommittee on Higher Education.

Mr. **BRADEMAS**. Mr. Chairman, I thank the gentlewoman for her kind remarks.

Mr. Chairman, I express my complete agreement with the eloquent words of the distinguished chairman of our subcommittee and especially my agreement with her declaration that the passage of this particular title would represent a savings, not an expenditure, of educational resources.

I think we far too often fail to realize the enormous explosion of information in our country, as represented, for example, simply by the staggering increase in the number of books published here in the United States. The number of book titles in our own country doubled annually from 1960 to 1967.

I do not think there is a great deal more that I could add to what the distinguished chairman of our subcommittee and the distinguished gentleman from Illinois have already said, but I would simply like to reiterate that a modest investment—not a spending, but a modest investment—of a half million dollars in planning for the first year and modest authorization for fiscal year 1970 will be rewarded in rich dividends and in improving the educational resources of our colleges and universities.

Mr. **THOMPSON** of New Jersey. Mr. Chairman, will the gentlewoman yield?

Mrs. **GREEN** of Oregon. I yield to my distinguished colleague, the gentleman from New Jersey.

Mr. **THOMPSON** of New Jersey. Mr. Chairman, I associate myself with the remarks of our distinguished subcommittee chairman and the remarks of the gentleman from Indiana.

We have worked on this cooperative aspect for a number of years. It has been a highly successful thing. I do not think many of our colleagues realize the tremendous extent to which the university publishing has grown in recent years.

This amendment, as the gentlewoman has said, would not save any money. It would, in fact, deter the development of these really invaluable programs. I hope the amendment is defeated.

Mrs. **GREEN** of Oregon. Mr. Chairman, I thank the gentleman for his contribution.

Mr. **REID** of New York. Mr. Chairman, will the gentlewoman yield?

Mrs. **GREEN** of Oregon. I yield to the gentleman from New York.

Mr. **REID** of New York. Mr. Chairman, I thank the distinguished chairman for yielding.

I associate myself with the remarks of the gentlewoman. The State of New York feels extremely strongly that Networks for Knowledge is an important program for the future. Five universities in the State system are now cooperating along similar lines, and I think it is essential, if the resources of the universities and colleges and the quality of those resources are to be made available in this program, that they be supported and be funded. I urge defeat of the amendment.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Illinois [Mr. ERLENBORN].

The question was taken; and on a division (demanded by Mr. ERLENBORN) there were—ayes 20, noes 36.

Mr. **ERLENBORN**. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ERLENBORN and Mr. PERKINS.

The Committee again divided, and the tellers reported that there were—ayes 70, noes 94.

So the amendment was rejected.

The **CHAIRMAN**. Are there further amendments to title IX?

If not, the Clerk will read.

The Clerk proceeded to read title X.

Mr. **PERKINS**. Mr. Chairman, I ask unanimous consent that title X be considered as read and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The **CHAIRMAN**. Are there amendments to title X? If not, the Clerk will read.

The Clerk read as follows:

TITLE XI—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT OF 1963

EXTENSION OF PROGRAM

SEC. 1101. (a)(1) Section 101(a) of the Higher Education Facilities Act of 1963 is amended by striking out "seven" and inserting in lieu thereof of "nine".

(2) Section 101(b) of such Act is amended (A) by striking out "for the fiscal year ending June 30, 1969" and inserting in lieu thereof "each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year"; and (B) by striking out "1970 and the succeeding fiscal year" and inserting in lieu thereof "1971 and the two succeeding fiscal years".

(3) Section 105(b) of such Act is amended (A) by striking out in the first sentence "two succeeding" and inserting in lieu thereof "three succeeding", and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(b) Section 201 of such Act is amended (1) in the first sentence thereof by striking out "seven" and inserting in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years", and (B) striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) Section 303(c) of such Act is amended (1) in the first sentence by striking out "seven" and insert in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years" and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

BROADENING ELIGIBILITY FOR CONSTRUCTION GRANTS

SEC. 1102. Effective with respect to the first fiscal year for which there is appropriated the full amount authorized for such year by section 101(b) of the Higher Education Facilities Act of 1963—

(1) Section 2 of such Act is amended by striking out "accommodate" and inserting in lieu thereof the following: "to expand and improve the facilities available for the education of".

(2) Section 106 of such Act is amended to read as follows:

"ELIGIBILITY FOR GRANTS

"SEC. 106. An institution of higher education shall be eligible for a grant for construction of academic facilities under this title only if the project is needed and will be efficiently utilized by the institution (1) to provide for increased student enrollments; or (2) to provide a needed expansion of extension, continuing education, or community service programs of the institutions; or (3) to remedy existing or developing deficiencies in the instructional, extension, research, student counseling or student health programs of the institution; or (4) to provide administrative, maintenance, storage, or utility services necessary for the continued operation or expansion of the institution; or (5) for a combination of such purposes."

(3) The first sentence of section 401(a)(1) of such Act is amended by inserting "or for student health facilities," after "or for administration of the educational or research programs,".

ADJUSTMENT OF INTEREST RATES ON LOANS

SEC. 1103. (a) Section 303(b) of the Higher Education Facilities Act of 1963 is amended to read as follows:

"(b) A loan pursuant to this title shall be secured in such manner, and shall be repaid within such period not exceeding 50 years, as may be determined by the Commissioner; and shall bear interest at a rate per annum that is not less than the amount by which—

"(1) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of the 1 per centum, exceeds

"(2) a rate of not more than 1 per centum per annum, as determined by the Commissioner."

(b) This section shall apply to all loans approved, or for which a commitment is made, on or after the date of enactment of this Act.

EXTENDING AUTHORIZATION FOR HIGHER EDUCATION FACILITIES CONSTRUCTION ASSISTANCE IN MAJOR DISASTER AREAS

SEC. 1104. Section 408(a) of the Higher Education Faclities Act of 1963 is amended by striking out "July 1, 1967," and inserting in lieu thereof "July 1, 1969,".

INCREASING FEDERAL SHARE

SEC. 1105. (a) Sections 107(b) and 401(d) of the Higher Education Facilities Act of 1963 are each amended (1) by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum" and (2) by striking out "40 per centum" and inserting in lieu thereof "50 per centum".

(b) Section 202(b) of such Act is amended by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum".

MINIMUM TITLE I ALLOTMENTS TO STATES AND TERRITORIES

SEC. 1106. (a) Title I of the Higher Education Facilities Act of 1963 is amended by inserting after the second sentence of section 103 and after the first sentence of section 104 the following: "The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000."

(b) The amendments made by this section shall apply with respect to fiscal years ending on or after June 30, 1969.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that not only this title but all of the remaining titles of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Chairman, reserving the right to object, how many titles remain in the bill?

Mr. PERKINS. Oh, there are four more titles.

Mr. GROSS. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that the title that the Clerk just began reading be considered as read and open to amendment at any point.

The CHAIRMAN. That is title XI. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any amendments to title XI?

AMENDMENT OFFERED BY MRS. MINK

Mrs. MINK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. MINK: On page 212, strike out line 19 and all that follows down through line 14 on page 213 and insert in lieu thereof the following:

"ANNUAL INTEREST GRANTS

"SEC. 1103. (a) Title III of the Higher Education Facilities Act of 1963 is amended by adding at the end thereof the following new section:

"ANNUAL INTEREST GRANTS

"SEC. 306. (a) To assist institutions of higher education and higher education building agencies to reduce the cost of borrowing from other sources for the construction of academic facilities, the Commissioner may make annual interest grants to such institutions and agencies.

(b) Annual interest grants to an institution of higher education or higher education building agency with respect to any academic facility shall be made over a fixed period not exceeding 40 years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were the maximum rate specified in section 303(b): *Provided*, That the amount on which such grant is based shall be approved by the Secretary.

" '(c)(1) There are hereby authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants to institutions of higher education and higher education building agencies in accordance with this section.

" '(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid to institutions of higher education and higher education building agencies in any year pursuant to contracts entered into under this section shall not exceed $10,000,000, which amount shall be increased by $10,000,000 on July 1, 1970.

" '(d) No annual interest grant pursuant to this section shall be made unless the Commissioner finds (1) that not less than one-fourth of the development cost of the facility will be financed from non-Federal sources, (2) that the applicant is unable to secure a loan in the amount of the loan with respect to which the annual interest grant is to be made, from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials. A loan with respect to which an interest grant is made under this section shall not be considered financing from a non-Federal source.' "

Mrs. MINK. Mr. Chairman, the purpose of this amendment is to conform the method of financing for college facilities to that which was agreed to by the House and the other body in the recently passed Omnibus Housing Act with respect to the funding and financing of college dormitories.

This amendment will permit colleges and universities to secure funding for the construction of school facilities on campus by going to the private market and by securing an interest subsidy from the Federal Government to pay for these facilities just as though it were funded by a direct loan from the Federal Government.

We all know from the testimony of the various witnesses at the hearings during the consideration of this measure that one of the most critical problems facing our colleges and universities today is the overcrowding of facilities.

I am advised by the Office of Education that there are nearly $100 million in the backlog of pending loans as of June 30, 1968, under the existing act which cannot be approved because of the shortage of Federal funds under the existing direct loan programs. My amendment would permit a college or university to go to the private market and secure financing, while at the same time pay the same interest as though it were a direct Federal loan.

Mr. Chairman, my amendment which provides for an interest subsidy is needed and most urgent and I offer this amendment in the hope that it will be adopted.

Mr. PERKINS. Mr. Chairman, will the distinguished gentlewoman from Hawaii yield?

Mrs. MINK. I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, the distinguished gentlewoman from Hawaii is to be complimented for offering such an important amendment upon such an important subject matter. All of us know the predicament throughout the Nation with reference to the shortage of academic facilities for our colleges and institutions of higher education. This interest subsidy will certainly be of great assistance and make it easier for these colleges and universities, particularly where the need is most critical, to go to private institutions in order to secure funds.

Mr. Chairman, we accept the amendment and urge its adoption.

Mrs. MINK. I thank the chairman of the full committee.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, if my colleagues will read the debate on the housing bill providing for subsidized loans for dormitories, they will realize that I offered an amendment to that bill so that it would conform with that which is in our bill now, which means we would have the college interest rate 1 percent below the cost of money to the Federal Government which would be about 4¼ or 4½ percent. I was defeated in that effort in order to make the housing bill conform to our bill.

Mr. Chairman, I believe we ought to make the loan program for dormitories and this bill affecting the same, and the amendment which has been offered by the gentlewoman from Hawaii does that. In other words, instead of the college paying 4¼ percent if this amendment is adopted, they would have to pay only 3 percent on the direct loan and have that additional subsidy.

It will mean that all facilities of our institutions of higher education will be eligible for identical loans. Now for the last few years it has been less than the amount they can receive from any other source. I believe we ought to do this and also we should have these direct loans in order that the colleges and universities may be able to secure money in the private market at a comparable interest rate. Therefore, I say that we need the new language which has been offered by the distinguished gentlewoman from Hawaii.

Mr. Chairman, otherwise there just is not enough money to go around and institutions of higher learning would be prone to wait until they can qualify for that money at a lesser interest rate, rather than having to pay the higher rate of interest.

Mr. Chairman, I believe it is necessary in the education of our young people in our colleges and universities. Therefore, I ask for the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Hawaii [Mrs. Mink].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SISK

Mr. SISK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Sisk: On page 211, insert after line 14 the following:

"Sec. 1102. (a) Effective with respect to fiscal years ending on or after June 30, 1969—

"(1) Section 106 (1) and (2) of the Higher Education Facilities Act of 1963, as amended, is amended by inserting after 'enrollment capacity' in each case the following: ', capacity to provide needed health care to students or personnel of the institution,'.

"(2) The second sentence of section 107 (a) of such Act is amended by inserting before the period at the end thereof the following: 'and expansion of the capacity to provide needed health care to students and institutional personnel',"

"(3) Section 108(b) of such Act is amended by striking out 'and', at the end of paragraph (5), redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following:

"'(6) in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, he determines no financial assistance will be provided such project under Title IV of the Housing Act of 1950; and '

"(4) Section 303(a) is amended by striking out 'and' at the end of clause (2), and by inserting before the period the following: ', and (4) that, in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, no financial assistance will be provided such project under Title IV of the Housing Act of 1950'.

"(5) The first sentence of section 401(a) of such Act is amended by inserting before the period at the end thereof the following: '; and, for purposes of titles I and III, such term includes infirmaries or other facilities designed to provide primarily for outpatient care of students and institutional personnel'."

On page 211, line 15, strike out "Sec. 1102." and insert in lieu thereof "(a)".

On page 212, strike out lines 15 through 18.

Mrs. GREEN of Oregon (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record. I believe we have all had a chance to examine it on both sides.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. SISK. I will yield in just one moment.

Mr. GIBBONS. I might save the gentleman a lot of time.

Mr. SISK. Mr. Chairman, I am going to yield in just 1 second, if I might just continue for another moment, so that I might say to my good friend from Florida that I always hesitate to inject myself into something dealing with the authority of another committee, but I have long been interested in this subject.

I will now yield to my good friend, the gentleman from New Jersey [Mr. Thompson], to whom I promised I first would yield, and then I will yield to the gentleman from Florida.

Mr. THOMPSON of New Jersey. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this is a really meritorious amendment, bringing health care to the students. We are in debt to Mr. Sisk for his splendid contribution to the legislation.

Mr. SISK. I now yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, I appreciate the gentleman yielding to me.

I would say that the amendment I saw that was circulated around, the copy of which I had, is different than the one just read by the Clerk, but as I understand the one that was just read there would be no grants made under the Academic Facilities Act unless they could not be financed under the Housing Act. Is that correct?

Mr. SISK. Actually, what it does, it provides that any facility financed under this act could not have that same facility to qualify for additional funds for grants under title V of the Housing Act. That is the intent of the modification. I might say that modification was worked out after I consulted with my good friend from Minnesota, who did have some concern that perhaps an institution would come in and try to get money under both programs, and certainly we had no intention of permitting that.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. QUIE. I support the gentleman's amendment. I had some concern about his amendment because I know that health facilities can be funded by FHA under the Housing Act. Health facilities are specifically mentioned in the definition of college facilities in the Housing Act. But if some institutions prefer to fund their outpatient health facilities with money from the Higher Education Facilities Act, I have no objection to it. The additional language that the gentleman places in his amendment, prevents a college from securing money from both the Housing Act and the Higher Education Act.

As we know under the Academic Facilities Act 25 percent of the money must be secured from some other source than the Federal Government.

If an institution wants to construct the health facilities that are defined in the amendment, I believe we should permit them to do it. It is a good amendment.

Mr. SISK. I thank the gentleman for his comments.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. PERKINS. I personally wish to compliment the distinguished gentleman from California [Mr. Sisk] for offering this particular amendment.

Student health facilities are essential and necessary parts of college campuses and the gentleman has performed a great public service in bringing this provision before the House.

I hope that the House accepts your amendment.

Mr. SISK. I thank the distinguished gentleman very much.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. STEIGER of Wisconsin. I want to associate myself with the gentleman's remarks in support of his amendment.

This is the one I indicated I would offer to take care of the same problem that the distinguished gentleman from California has done in his amendment. His bill has been pending and it is a day of some joy I know for many Members of the House that the amendment will become a part of the Higher Education Facilities Act and allow student health centers to receive funding under this program.

I congratulate the gentleman for his initiative and his leadership.

Mr. SISK. I thank my good friend, the gentleman from Wisconsin, for his support.

I know of his interest and I am happy to be joined by him in his support of this amendment, and I ask that it be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Sisk].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title XI?

If not, the Clerk will read.

The Clerk read as follows:

TITLE XII—EDUCATION FOR THE PUBLIC SERVICE

TITLE

Sec. 1201. This title may be cited as the "Education for the Public Service Act".

Sec. 1202. It is the purpose of this title to establish a program of grants and fellowships to improve the education of students attending institutions of higher education in preparation for entrance into the service of State, local, or Federal governments, and to attract such students to the public service.

Part A—Grants and Contracts To Strenghten and Improve Education for the Public Service

PROJECT GRANTS AND CONTRACTS

Sec. 1203. The Secretary of Health, Education, and Welfare (hereafter in this title referred to as the "Secretary") is authorized to make grants to or contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects (1) for the preparation of graduate or professional students to enter the public service or (2) for research into, or development or demonstration of, improved methods of education for the public service. Such grants or contracts may include payment of all or part of the cost of programs or projects for—

(A) planning for the development or expansion of graduate or professional programs to prepare students to enter the public service;

(B) training and retraining of faculty members;

(C) strengthening the public service aspects of courses or curriculums leading to a graduate or professional degree;

(D) conduct of short-term or regular session institutes for advanced study by persons engaged in, or preparing to engage in the preparation of students to enter the public service; and

(E) research into, and development of, methods of training students or faculty, including the preparation of teaching materials and the planning of curriculum.

The Secretary may also make grants to other public or private nonprofit agencies and organizations, including professional and scholarly associations, or contracts with public of private agencies or organizations, to carry out the purposes of this section when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

APPLICATION FOR GRANTS OR CONTRACT; ALLOCATION OF GRANTS OR CONTRACTS

Sec. 1204. (a) A grant or contract authorized by this part may be made only upon application to the Secretary at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it—

(1) sets forth programs, activities, research, or development for which a grant is authorized under this part, and describes the relation thereof to any program set forth by the applicant in an application, if any, submitted pursuant to part B;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(3) provides for making such reports, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall allocate grants or contracts under this part in such manner as will most nearly provide an equitable distribution of the grants or contracts throughout the United States among institutions of higher education which show promise of being able to use funds effectively for the purposes of this part, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need.

(c)(1) Payments under this section may be used, in accordance with regulations of the Secretary, and subject to the terms and conditions set forth in an application approved under subsection (a), to pay part of the compensation of students employed in public service, other than public service as an employee in any branch of the Government of the United States, as part of a program for which a grant has been approved pursuant to this section.

(2) Departments and agencies of the United States are encouraged, to the extent consistent with efficient administration, to enter into arrangements with institutions of higher education for the full-time, part-time, or temporary employment, whether in the competitive or excepted service, of students enrolled in programs set forth in applications approved under subsection (a).

Part B—Public Service Fellowships

AWARD OF PUBLIC SERVICE FELLOWSHIPS

Sec. 1211. The Secretary is authorized to award fellowships in accordance with the provisions of this part for graduate or professional study for persons who plan to pursue a career in public service. Such fellowships shall be awarded for such periods as the Secretary may determine but not to exceed three academic years.

ALLOCATION OF FELLOWSHIPS

Sec. 1212. The Secretary shall allocate fellowships under this part among institutions of higher education with programs approved under the provisions of this part for the use of individuals accepted into such programs. in such manner and according to such plan as will insofar as practicable—

(1) provide an equitable distribution of such fellowships throughout the United States, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need; and

(2) attract recent college graduates to pursue a career in public service.

APPROVAL OF PROGRAMS

Sec. 1213. The Secretary shall approve a graduate or professional program of an institution of higher education only upon application by the institution and only upon his findings—

(1) that such program has as a principal or significant objective the education of persons for the public service, or the education of persons in a profession or vocation for whose practitioners there is a significant and continuing need in the public service as determined by the Secretary after such consultation with other agencies as may be appropriate;

(2) that such program is in effect and of high quality, or can readily be put into effect and may reasonably be expected to be of high quality;

(3) that the application describes the relation of such program to any program, activity, research, or development set forth by the applicant in an application, if any, submitted pursuant to part A; and

(4) that the application contains satisfactory assurance that (A) the institution will recommend to the Secretary, for the award of fellowships under this part for study in such program, only persons of superior promise who have demonstrated to the satisfaction of the institution a serious intent to enter the public service upon completing the program, and (B) the institution will make reasonable continuing efforts to encourage recipients of fellowships under this part, enrolled in such program, to enter the public service upon completing the program.

STIPENDS

Sec. 1214. (a) The Secretary shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Secretary shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

FELLOWSHIP CONDITIONS

Sec. 1215. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Secretary finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employment approved by the Secretary by or pursuant to regulation.

Part C—General Provisions

DEFINITIONS

Sec. 1221. As used in this title—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State exclusive of an institution of any agency of the United States, which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose. For purposes of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "public service" means service as an officer or employee in any branch of State, local, or Federal Government.

(d) The term "academic year" means an academic year or its equivalent, as determined by the Secretary.

(e) The term "nonprofit" as applied to an institution, agency, or organization, means an institution, agency, or organization owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

COORDINATION OF FEDERAL ASSISTANCE

SEC. 1222. In administering this title, the Secretary shall give primary emphasis to the assistance of programs and activities not otherwise assisted by the Department of Health, Education, and Welfare, or by other agencies of the Federal Government, so as to promote most effectively the title's objectives.

METHOD OF PAYMENT

SEC. 1223. Payments under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

LIMITATION

SEC. 1224. No grant, contract, or fellowship shall be awarded under this title to, or for study at, a school or department of divinity. For the purposes of this section, the term "school or department of divinity" means an institution or department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

UTILIZATION OF OTHER AGENCIES

SEC. 1225. In administering the provisions of this title, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution, on a reimbursable basis or otherwise in accordance with agreements between the Secretary and the head thereof.

FEDERAL CONTROL OF EDUCATION PROHIBITED

SEC. 1226. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, or the selection of library resources by an educational institution, or over the content of any material developed or published under any program assisted pursuant to this title.

AUTHORITY TO ESTABLISH ADVISORY COMMITTEE

SEC. 1227. The Secretary may without regard to the civil service and classification laws, appoint a committee to advise him on matters of general policy arising in the administration of this title. Members of the Committee, who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Committee or otherwise engaged in the business of the Committee, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Committee away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

REPORT

SEC. 1228. The Secretary shall include in his annual report to the Congress, a report of activities of his Department under this title, including recommendations for needed revisions in the provisions thereof.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1229. There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $15,000,000 for the fiscal year ending June 30, 1970, to carry out the purposes of this title. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the purposes of this title, only such sums as the Congress may hereafter authorize by law. Funds appropriated for the fiscal year ending June 30, 1969, shall be available for obligation pursuant to the provisions of this title during that year and the succeeding fiscal year.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title XII be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: On page 214, strike out line 21 and all that follows down through line 2 on page 226.

Redesignate the succeeding titles and sections of the bill accordingly.

The CHAIRMAN. The gentleman from Illinois [Mr. ERLENBORN] is recognized.

Mr. BUSH. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman.

Mr. BUSH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD during the consideration of title IV.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ERLENBORN. Mr. Chairman, this is the final of a series of amendments I have offered to strike from this bill authorizations for new programs.

The same arguments that I have given on the other amendments certainly apply to this. That is, that although there may be some value to the program, the committee has decided, and it is obvious from the authorizations in the bill, that this year is not the year to really begin the program. We do not have the funds and, therefore, the funding in the bill for this year is low. It is only a sort of make-ready funding.

But this particular section has an additional objection to it, and I wish Members would pay attention to this—not only are we not able to afford these new programs at this time, but this section in particular is designed for a program peculiarly within the graduate or professional schools.

Under the extension of the Selective Service Act that we passed last year, and the implementation of that by this administration, graduate students and those who have just graduated from undergraduate school are going to be drafted in large numbers. "The oldest goes first," is the rule. Those who have attained chronological age by deferment through their undergradate years are the oldest, and they are going to be drafted if they are physically and mentally qualified.

We had testimony before our committee that the graduate schools anticipate that as much as 50 to 60 percent of their total enrollment may be drafted as a result of the administration's decision. Our subcommittee unanimously requested the administration to change this policy. The response has been negative. So now at a time when the graduate schools are going to be in trouble because they do not have sufficient enrollment is no time to begin pumping additional money into the graduate schools for new programs. Not only are we unable at this time to foresee when we will be able to fund these programs properly, but in this program in particular we cannot even foresee the time when there will be sufficient graduate students for the graduate schools and professional schools to make this program meaningful.

I know that the word has already gone out that if this program is passed, law schools and other professional and graduate schools will have some exciting new programs. The other day the dean of a law school called me about this title. I did not recognize the program that he described to me. Therefore, I told him I did not believe it was in this act. Later I found that it is a description of the type of program they are going to design under this title if it should pass. So the plans are already underway.

Those who would benefit by this title, the law schools and the graduate schools, are already designing the kind of programs, the inservice training and graduate school training for the public service that are the exciting sort of things they would like to see particularly federally funded. So, for the double reason that we cannot afford it at this time and cannot foresee when we will be able to afford it, plus the fact that our graduate schools will be woefully depleted of students to keep them in operation and able to benefit from this program, I think this is the most inauspicious time to be authorizing a new program such as this entitled "Grants To Improve Education for Public Service." For that reason I hope the amendment will be adopted.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment. Of all the new programs authorized in this bill, in my judgment, this is one of the most needed. It appears to me to be absurd to make the argument that in times when

local and State governments are desperately seeking trained administrators, we should not authorize funds to strengthen college programs both on the graduate and undergraduate level to more adequately prepare students for public service employment.

This title of the bill contemplates grants for public service fellowships, awards for colleges having such educational programs, and stipends for students enrolled in the programs. It would give the Secretary authority to establish an advisory committee on this title, to assure that the program developed is of high quality and effective in meeting congressional objectives.

I cannot think of a time in our history that calls more urgently for us to institute a public service education program than the present. I am most hopeful that the committee will approve this program and vote down the amendment of the gentleman.

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to the amendment. I hope it will be rejected.

Mr. Chairman, I associate myself with the remarks of the gentleman from Kentucky. If ever we needed a program like this, we need it now. The only criticism we could voice here today is that this proposal, this title, is 20 years late in coming.

Certainly the cost of government at the Federal, State and county, and township and city levels exceeds well over $200 billion annually. This is the greatest and the biggest enterprise in the country. Certainly this title attempts to provide in the universities academic programs that will prepare people for public service, so they will be able to administer government and participate in government programs in a much more professional and efficient manner.

Government today in my judgment is the highest of the social science professions and I think it is commendable that the subcommittee wrote this program into the bill. I am mindful of the financial situation, and I am in agreement with the gentleman that we want to try to slow down new programs wherever possible, but I do not think we will save any money if we try to curtail this program.

Actually this program, when it gets going, will provide the kind of trained people we need for government and will save money for the taxpayers. By supporting this amendment we would be really robbing Peter to pay Paul. In my judgment this title is the way to start training people who can take their place in government and will result in the kind of economy every citizen and every Member of this House wants. I would hope the amendment will be rejected. Unless we train people to properly administer the mounting cost of government, we are not fair to the American taxpayer who rates the highest degree of efficiency in government.

Mr. BRADEMAS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment. I would like to explain why.

All of us, as Members of Congress, are privileged to deal with officials of government at every level, including local, municipal, township, county, and State levels. Surely, therefore, we all recognize that one of the most critical problems facing the people of our country today is the lack of adequate numbers of trained and educated manpower—and womanpower—at the local and State levels of government.

During the last several years, in response to the mandate of the American people, we in Congress have provided a number of imaginative and far-sighted new programs affecting education, health, crime, housing, pollution control, aid to airports—legislation affecting a wide variety of services. These new programs have imposed challenging responsibilities on local and State governmental officials. Yet I think we are all aware, when we return to our districts and talk with the mayors, the county officials, the Governors, and with those who administer all these programs, that one of the most difficult problems these officials face is that they simply cannot find enough qualified men and women to administer these programs intelligently and effectively.

And, Mr. Chairman, the effect of the gentleman's amendment is to deny that today our Nation is being challenged by problems and demands of a variety and complexity that we have never before known. These challenges were described to the subcommittee by chairman John Macy, of the U.S. Civil Service Commission, as challenges "which test the foundations of federalism in this Nation and the ability of our administrative machinery at the National, State, and local levels to get the job done."

The demands for solution to these problems will only be satisfied through effective action to strengthen government at all levels. Yesterday in this debate, I cited statistical information which clearly shows that the quantitative manpower needs of State and local governments have reached dramatic proportions. And these quantitative manpower needs represent only the first part of the total personnel problem. The ultimate solution will demand not only more but better trained personnel for service at local, State, and Federal levels. Persons with high skills must be recruited, trained, and effectively utilized by State and local governments. However, very few universities today offer extensive training for the public service, and little is being done to recruit students interested in the public service to enter the few available programs.

The public service education title of this bill—title XII—represents a modest investment in the strengthening of our federal system. I hope that those who believe in the federal system and who believe in strengthening State and local government, on both sides of the aisle, will give their strong support to this modest but crucial effort to help us make good on the promise of the American Constitution.

Moreover, the gentleman's amendment is inconsistent with legislation enacted by this Congress to provide State and local political bodies with a more effective and extensive role in the administration of grant-in-aid programs. If these programs are to meet their stated objectives, it is clear that State and local governments must have the manpower to administer their new responsibilities. No matter how many potentially excellent projects under Federal grant-in-aid programs are established, their potential will not be realized unless competent, highly trained personnel are available at all levels of government properly to plan and to administer them. I might here note that the National Governors' Conference advised our subcommittee that the Governors were enthused about the provisions of the Education for the Public Service Act and that the Governors requested that the program be funded in fiscal year 1969 at the $10 million level recommended by the administration.

Mr. Chairman, as I said on the floor yesterday, even though I have been a strong supporter of the new programs which Congress has been enacting in recent years, I feel very strongly that we cannot solve from Washington, D.C., all of the problems facing our country. Strengthened State and local governments are absolutely essential if we are to be able to deal intelligently with the increasingly complex dilemmas that confront our society.

Mr. Chairman, I ask my colleagues to look at another factor. By the end of another generation, there will be about 300 million Americans. To consider the extraordinary complexity of the problems which will face us then is to understand that we must build stronger State and local governmental resources. And one of the most effective ways to achieve this goal is to attract into and to train for public service more and more talented young men and women.

Mr. Chairman, certainly there should be some concern about the initiation of a new program in a year in which there are such stringent budgetary controls. Testimony from some of the witnesses indicated that they, too, were concerned. However, quite frankly, I do not recall one statement in opposition to the design and purpose of the Education for the Public Service Act, nor anything but well-documented statements demonstrating the need for this program. The bill very properly reflects the awareness of our committee of the scarcity of funds for only $500,000 is authorized for program planning in fiscal year 1969. I point out that this is $9.5 million less than the amount in the President's budget for the program.

Mr. Chairman, I urge that the amendment be defeated.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the distinguished chairman of the subcommittee, the gentlewoman from Oregon.

Mrs. GREEN of Oregon. I thank the gentleman. I congratulate the gentleman on his very persuasive and eloquent argument in opposition to this amendment.

For those of us who do want to strengthen the local and State governments, this is one part of the bill, the one title, that will have the greatest potential if the funds are used wisely.

I associate myself with the gentleman's remarks. I urge defeat of the amendment.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to my colleague from New York.

Mr. REID of New York. I commend the gentleman for his statement and for his initiative. I would urge that the amendment be defeated. I associate myself with the gentleman's very pertinent and thoughtful remarks.

Mr. BRADEMAS. I am grateful to my colleague from New York.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to my colleague from Minnesota.

Mr. QUIE. I thank the gentleman.

The gentleman said that there was only $500,000 per year for the planning. We do not know whether that will be appropriated, because there is a separate authorization.

Already there have been substantial plans made by people who have known of the possibility of this legislation. I personally would like to have all of these fellowship programs in one place, and I believe we should move in that direction, but I know many people would like to have this authorized.

Mr. BRADEMAS. I thank my colleague.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to my colleague from New York.

Mr. SCHEUER. It is my understanding that there are approximately a half million jobs at the State, county, and municipal levels, professional jobs in urban services, which are not presently filled but which are budgeted for and funded, and which are not filled because trained personnel are not available. It is the purpose of this program to provide the cities, counties and States with trained young people who can help their local governments to do the job for themselves and, supposedly, as they do that, require less help from the Federal Government.

Mr. BRADEMAS. The gentleman is correct. I thank the gentleman for his comments.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. The amendment would permit sending the U.S. Attorney General back to law school, perhaps for a little refresher course in law?

Mr. BRADEMAS. I do not believe that is the purpose of those of us who champion this legislation.

Mr. Chairman, I hope the amendment will be defeated.

Mr. JONES of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been sitting here listening to some of the debate on this bill, and I have found, over the last 30 or 40 minutes, that amendments have been offered, and then it is said, "The amendment does not need to be read," and then all the members of the committee support the amendment, and we do not know what we are voting on, and we do not know anything about the cost.

I have been reluctant to try to take up any time, but it seems there ought to be some questions asked.

One thing about this is: are there any comparable programs to this now? Will the chairman of the committee answer that?

Mr. PERKINS. There are some isolated projects but no general legislative authorization for such a program. The Office of Economic Opportunity has funded some public service education projects.

Mr. JONES of Missouri. Are they comparable to these programs being authorized here?

Mr. PERKINS. They might serve as models for what might be done on a broader basis under the committee bill.

Mr. JONES of Missouri. They could be but may not be, so the gentleman does not know whether they are or not, so we are passing legislation for programs as to which we do not know what they will try to do. Is that what the gentleman is trying to say?

Mr. PERKINS. No, I am not trying to say that.

Mr. JONES of Missouri. Tell me, then, are there any comparable programs to what they would do under this?

Mr. PERKINS. We do not have a comparable program, but we have projects that have been funded of the public service education type through the Office of Economic Opportunity.

Mr. JONES of Missouri. All right. I thank the gentleman very much.

The reason I asked that question was because I see the language: "The Secretary shall—pay to the institution of higher education at which such person is pursuing his course of study" funds as he "may determine to be consistent with prevailing practices under comparable federally supported programs."

So evidently you have to have some criteria here.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. No. I will run short of time. When I get through asking my questions, I will be glad to yield to the gentleman. I have a few questions I want to ask.

I notice on page 224 of the bill we see that it says:

> Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, or the selection of library resources by an educational institution, or over the content of any material developed or published under any program assisted pursuant to this title.

If we say that no one can give them any help or any suggestions about how they can learn this job and then say that the Federal Government cannot have any part in doing it, who is going to determine what you are trying to teach these people and who will determine whom you are going to train and what you will train them for?

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman.

Mr. PERKINS. The gentleman well knows that the institutions will make that determination.

Mr. JONES of Missouri. They will be after the money. That is the first thing. And we do not know how much they will be paid.

Mr. PERKINS. They will submit their plans which have to be approved.

Mr. JONES of Missouri. But who will approve them?

Mr. PERKINS. The Department will approve them.

Mr. JONES of Missouri. The Department will approve them. All right. But it says here, "Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program," and so forth. In other words, the Department itself cannot tell the people what you are trying to teach them.

Mr. BRADEMAS. Will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Indiana.

Mr. BRADEMAS. I thank the gentleman.

It ought to be made clear, if my memory is not mistaken on this, that the section to which the gentleman has just made reference is the standard anti-Federal-control language contained in every Federal aid-to-education measure which we have passed in recent Congresses. The author of it originally, I think, was the late Senator Robert A. Taft, of Ohio. This section therefore is not unique to this particular bill.

Now, if I may answer the first question of the gentleman——

Mr. JONES of Missouri. If this does not take up any more of my time, because I have very little time and this is the only time that I have spoken on this measure.

Mr. BRADEMAS. If the gentleman wants an answer, I will be glad to try to give it to him.

Mr. JONES of Missouri. But in this case you are trying to train people to go into public service and become bureaucrats. Now, who can better train a bureaucrat than a bureaucrat? Who can tell them what they need to do better than that?

Mr. PUCINSKI. If the gentleman will yield, that is exactly why we are trying to put it in here, to give it to the responsible universities to develop good programs and eliminate the inefficiency that we are getting now. For bureaucrats to be charged with training, as the gentleman suggests, is to perpetuate all of the shortcomings in government now.

Mr. JONES of Missouri. But you are contradicting yourself in this.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I do not yield any further.

We are starting another program, and I have a hard time justifying this. It will cost $15 million a year for the year ending June 1970 and for other years. Here we are trying to save a little money and you are starting in new programs and with duplication of programs. You have admitted that you have comparable programs in other things like this, and yet you are training people for public service but you do not want the people who are best qualified to offer any suggestions at all.

Now I yield to the gentleman from Kentucky.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. ERLENBORN].

The question was taken; and on a division (demanded by Mr. ERLENBORN) there were—ayes 41, noes 61.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to title XII?

AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HALL: On page 224, line 18, through page 225, line 9, strike out Sec. 1227 and renumber subsequent sections accordingly.

Mr. HALL. Mr. Chairman, this section 1227 is a definite duplication. It establishes an additional study group or commission, or as the title says "an advisory committee," with open-ended limitations and an unlimited number of members according to the desires of the Secretary, to have higher salaries than Members of Congress, "but not exceeding the rate specified at the time of such service for grade GS–18." In addition thereto, it allows travel time, it allows per diem in lieu of subsistence, it allows expenses, and so forth.

Mr. Chairman, on the next page, page 226, there is established in addition a "Universal Educational Opportunity Commission."

Now, Mr. Chairman, in the interest of economy, in the interest of avoiding duplication of effort, and in the interest of codification of the law as well as in the interest of avoiding backdoor raids on the Treasury and in the interest of everything in need of common prudence and judgment; we need another study commission, more personnel appointed, or greater expenditures just like we need extra holes in our head. I submit that is an unnecessary section of this bill; that it is duplicatory and that it should be stricken. I say this because it is open-ended, because its definition, its objective and its missions are not clearly defined, and because all of those matters are left entirely to the discretion of the Secretary of the Office of Education.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. HALL. I shall be glad to yield to the distinguished gentleman from Kentucky?

Mr. PERKINS. Mr. Chairman, we take much pride in the ability of the gentleman from Missouri and in order to save the gentleman's time we are going to accept his amendment.

Mr. HALL. I thank the distinguished chairman, the gentleman from Kentucky.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. HALL].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title XII? If not, the Clerk will read.

The Clerk read as follows:

TITLE XIII—AMENDMENTS TO INTERNATIONAL EDUCATION ACT OF 1966

EXTENSION OF AUTHORIZATION FOR APPROPRIATIONS

SEC. 1301. Section 105(a) of the International Education Act of 1966 is amended by striking out "and $90,000,000 for the fiscal year ending June 30, 1969," and inserting in lieu thereof "$90,000,000 for the fiscal year ending June 30, 1969, and $90,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and each of the two succeeding years, there may be appropriated to carry out the purpose of this title, only such sums as the Congress may hereafter authorize by law."

SEC. 1302. Section 105(b) of such Act is amended by striking out "April 30, 1967" and inserting in lieu thereof "April 30, 1969", and section 105(c) of such Act is amended by striking out "January 31, 1968" and inserting in lieu thereof "January 31, 1969".

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that this title and the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. JONES of Missouri. I object, Mr. Chairman.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that this title be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMENDMENT OFFERED BY MR. M'CLORY

Mr. McCLORY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCLORY: On page 226, strike out lines 3 through 19.

Renumber "TITLE XIV" on line 20, page 226 as "TITLE XIII".

Renumber "SEC. 1401" on line 22, page 226 as "SEC. 1301".

Renumber "TITLE XV" on line 11, page 230 as "TITLE XIV".

Renumber "SEC. 1501" on line 13, page 230 as "SEC. 1401".

Renumber "SEC. 1502" on line 21, page 230 as "SEC. 1402".

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, if I understand the amendment offered by the gentleman from Illinois, it is to strike the International Education Act which is extended in this bill through fiscal year 1970. Is that correct?

Mr. McCLORY. Yes. I will explain it.

Mr. PERKINS. I thank the gentleman.

Mr. McCLORY. Mr. Chairman and members of the Committee, what this does is to eliminate the authorization of $180 million for the International Education Act for the next 2 years.

I might say that this bill was passed 2 years ago on the suspension calendar with a narrow margin of only six votes. In other words, a difference of three votes would have prevented this bill from being law in the first place, or, at least, would have required a full debate on this act before being enacted into law.

At the same time, I wish to point out that the International Education Act has never been funded. The Committee on Appropriations has refused to permit any funds to go into a program that I regard as an educational boondoggle. It duplicates and proliferates existing programs of higher education.

If the Members have the law before them, which they probably do not have, they would find that it provides for all kinds of grants to all kinds of people, for travel, for travel for dependents, for travel by staff, for the employment of various types of personnel in what is called the promotion of international education.

But as the gentleman from Indiana [Mr. BRADEMAS] has pointed out, and as the press has pointed out, and as others have pointed out, this does not promote international education. I suppose that if it did promote international education it would have been referred to the Committee on Foreign Affairs, and come to us as a true International Education Act.

The President, of course, has made a number of speeches in support of greater international education, and in behalf of the eradication of illiteracy around the world. These are laudable and worthy objectives. These are objectives which I believe we should adopt and which we have adopted in some degree. But this act has nothing whatever to do with that. This act has to do with the education of the elite, the professorial hierarchy which may travel back and forth, together with their dependents, in exchanging information, and presumably providing us with a greater international understanding.

Let me say that I believe it would fail miserably in providing very much education or information in depth. I don't believe that the brief visits which are contemplated under this act could convey very much information concerning the languages, customs, history and other aspects of peoples and nations about whom we need for more knowledge and understanding.

I am very much interested in promoting the subject of international education. I testified before the committee with regard to this subject. I offered an amendment which I believe would have promoted international education. But this act does very little to advance international education.

This act duplicates any number of activities already being carried out on the campuses of our higher education institutions. It proliferates existing programs that I feel are doing little to promote the best interests of our country, either here or abroad. This act is not going to produce very much understanding or knowledge of the customs and languages, and so on, of these foreign countries about which we know so little. That kind of knowledge can only be gained through persons being there, in

those foreign countries, and particularly at a younger age.

Mr. Chairman, it seems to me that the sums authorized in this bill for International Education should not be authorized at this time, and we should reevaluate our position in this area of such great national concern.

As I said, the Committee on Appropriations has not provided funds for carrying out this act. Why should we authorize $180 million which some subsequent Congress, not having the information that we have, might appropriate funds for?

It seems to me that if we want to have something truly worthwhile that we should restudy this subject. We certainly should not authorize increased funds at a time when we are in a period of austerity, and when we already have on the books a great many programs for higher education and funds for the exchange of educators and graduate students. I believe this bill dignifies a program which we should reject. It should not be in the Higher Education Act at all. It should be required to rest on its own bottom. It should be removed from this bill for the time being, and reconsidered at a time when we have a lot better information.

Mr. Chairman, I yield back the balance of my time.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have great respect and affection for my friend, the gentleman from Illinois. I have heard him speak on a number of occasions about the International Education Act. But as one who has worked hard on this legislation and I hope knows something about its content and aims, I confess I am repeatedly mystified whenever I hear the gentleman's representations as to what is in the bill.

On one point, however, I find myself in complete agreement with the gentleman—that the International Education Act is probably misnamed because the term "international education" has sometimes created the impression that the bill has to do with supporting education in other countries. This is a misconception, for the International Education Act is not an education foreign aid bill. Rather, like other measures of Federal aid to higher education, it is designed to help colleges and universities here in the United States. It is a domestic bill, although its focus is on teaching and research in international affairs.

Mr. Chairman, as the Members will recall, the International Education Act was passed with overwhelming support in both the House and Senate and signed into law by the President in October 1966. One section of the bill provides grants to universities, or combinations of them, for graduate centers of research and training in international study. These centers might focus on a geographical area, such as Latin America, Africa, or China; or on particular issues in world affairs, such as population, tropical agriculture, or urbanization in developing nations; or on some combination of both.

The other principal section of the bill authorizes grants to colleges and universities for comprehensive programs in international study at the undergraduate level. The hope is that we will see in time the exposure of nearly all American undergraduates to some international studies, of the non-Western areas in particular. The bill could encourage programs not only in the subjects traditionally concerned with area and international studies, such as political science, history, and foreign languages, but in the other parts of the undergraduate college as well, especially the professional and preprofessional schools such as education, agriculture, engineering, and business, in which over half the undergraduates in the United States are enrolled.

Among the purposes for which funds can be spent under both the graduate and undergraduate sections of the bill are teaching and research materials, bringing foreign teachers and scholars as visiting faculty, and stipends for individual study and research abroad.

I think it is clear that the gentleman from Illinois has not adequately represented the bill when he suggests that its purpose is to provide for the nurturing of what he calls "an educational elite." I do not know what he means by the phrase "educational elite."

The people who will be most benefited by this bill are the undergraduates and graduate students who go to the colleges and universities in my congressional district, the boys and girls who graduate from the high schools in Indiana and who study at Indiana University and Purdue University and Notre Dame and St. Mary's College and Goshen College. I am talking about these and the thousands of other students in higher education institutions across the country who would benefit from the programs encouraged under this act.

Are these students to be described as members of an "educational elite?"

Mr. Chairman, the International Education Act is an initial modest step toward bringing our Nation's resources for international studies and research more in line with our responsibilities as a world leader. It is designed to help American higher education gear its programs more adequately to the realities of a world in which the overwhelming percentage of the population is non-American and, in fact, non-Western. The bill would expand the international dimension of our universities and colleges by building world affairs curricula at the undergraduate level and by strengthening graduate area studies programs—such as at Northwestern University, in the gentleman's own backyard, where is located one of the outstanding centers of African studies.

Mr. Chairman, educational leaders across the country have hailed the International Education Act as a landmark in the history of Federal support for higher education. The legislation was a constructive response by Congress to the growing recognition within the educational community that there are serious gaps in our capacity for studying and learning about different parts of the world.

Mr. Chairman, in recent years there has accumulated a growing body of evidence that many of our colleges and universities are, indeed, woefully lacking in many facets of international affairs education. Let me cite just a few indications:

In 1963 only 10 percent of the enrolled undergraduates in the country were taking courses with an international dimension.

In 1963–64 fewer than two dozen of our 1,500 universities or 4-year colleges required all candidates for the baccalaureate degrees to take even a single course dealing primarily with non-Western areas.

Of 191 State colleges and universities, a 1966 survey showed that only 50 percent reported offering a single course in non-Western studies.

Perhaps the most glaring example of the gap in international and non-Western studies was pointed out by Prof. John King Fairbank, of Harvard, who observed at an International Congress of Orientalists last year that there were no American experts on Vietnam in attendance. The fact is that, according to a recent survey by Education and World Affairs, there are probably no more than eight scholars in the United States pursuing research on Vietnam—at a time when Vietnam constitutes the overriding problem in U.S. foreign relations.

Mr. Chairman, the aim of the International Education Act of 1966 is to help provide the resources for remedying such deficiencies in American higher education. The legislation holds great promise for helping American colleges and universities to adapt to the new realities that we face abroad. It has the potential to strengthen international education today in the same way that the Morrill Act marshaled the resources of higher education in the 19th century or that the legislation creating the National Science Foundation has stimulated American science through Government-university cooperation.

I must, therefore, take issue with my colleague from Illinois who declared during the course of yesterday's debate that he feels the International Education Act is a low-priority item. On the contrary, Mr. Chairman, I believe that few measures enacted by Congress are more central to our capacity for meeting the complex challenges of a world that is changing at a revolutionary pace.

Mr. Chairman, I have been greatly encouraged by the enthusiastic response of colleges and universities to the possibilities of the International Education Act. Institutions of all sizes in every part of the Nation have expressed active interest in developing projects under the act and many, in fact, have proceeded with preliminary plans in the faith that money for the program will soon be appropriated by Congress.

The International Education Act, then, has begun to accomplish its objectives simply by sparking a new concern and interest in expanding world affairs education. Many colleges have appointed deans and directors of international programs, and some have joined in cooperative arrangements to pool resources in the international fields.

Over the past 2 years leading educators and academic experts from around the country have joined in an effort to begin initial planning for activity under the act. Thirty-three reports have been prepared by academic consultants exploring a number of problem areas in international education and recommending steps for improvement. In addition, over 40 regional and national meetings, attended by a widening sector of the academic community, have been held to review the scholarly studies, stimulate discussion and new ideas, and secure the full range of planning considerations.

However, implementation of the programs authorized in the act have been hampered by the failure so far of Congress to vote the necessary funds to carry out the mandate. To this date no appropriations have been approved to begin programs under the legislation. The great potential of the International Education Act, therefore, remains to be fulfilled. Congress has yet to make good on the broad national commitment expressed in the act to strengthen American education in world affairs. The lack of funding threatens to dash the many hopes, expectations, and plans that have been generated by the passage of the legislation.

Fiscal year 1969 is the last year of the original authorization for the International Education Act. If, once again, appropriations are denied for beginning programs under the act this year, the legislation will become a dead letter. As a result, the committee saw the need to reauthorize the International Education Act for 2 more years. Let me emphasize that the committee's provision would merely extend the legislation intact, preserving this potential program for funding in future years. It would make no changes in the original law and would authorize the same figure—$90 million for each fiscal year—as in the 1966 legislation.

So I hope very much that the amendment offered by my friend, the gentleman from Illinois, will be resoundingly defeated and then I hope that he will give me the opportunity to make good on the pledge that I made to him, as I recall 2 years ago, when I said I would be glad to get together with him and work with him on a bill to do what he wants to do; namely, to fight illiteracy in other countries in the world. But that is a different ball of wax. This bill will help the young people of our own country. And let us help the colleges and universities here at home in a field of activity which may be crucial to the destiny of this Nation and to the destiny of mankind.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman.

Mr. QUIE. I join with my colleague, the gentleman from Indiana, in support of the extension of the International Education Act.

It does not expire this year.

Even if the amendment of the gentleman from Illinois were adopted, it would continue and it would have the authorization.

I believe the gentleman from Indiana has explained the amendment. We need this legislation, and we ought to extend it.

Mr. BRADEMAS. I thank the gentleman. No one has made a greater contribution to the International Education Act than the gentleman from Minnesota.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield briefly to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding. I merely wish to point out that in the original bill the first year's authorization is only $1 million; the second year was only $40 million. With the bill not even underway these two authorizations are each for $90 million for the next 2 years. I have the bill before me if anyone wants to see what kind of benefits this provides for what I call the educational elite. It is all right there. There is no question about it.

Mr. GROSS. Mr. Chairman, I rise to ask the chairman of the committee or some member of the committee to pull together the total costs of this bill. I do not believe we have had any real discussion, yesterday or today, as to the total cost of the bill. What is it?

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I am glad to yield to the gentleman from Kentucky.

Mr. PERKINS. The appropriation which has gone through this Chamber is less than $1 billion for all the continuing programs under the National Defense Education Act, the Higher Education Act of 1965, and the College Facilities Act.

Mr. GROSS. How much less than $1 billion?

Mr. PERKINS. I will give you the exact figure. It is $995,837,000.

Mr. GROSS. We might as well call that $1 billion.

Mr. PERKINS. That is all right.

Mr. CURTIS. Mr. Chairman, will the gentleman yield for a little more accurate information?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. CURTIS. I saw that in the committee report. The committee report is pretty careful not to give us this information. But the gentleman from Minnesota gave us some information. It appears on page 23110 of yesterday's CONGRESSIONAL RECORD:

> As reported, H.R. 15067 proposed total authorizations of $2,458,270,000 for fiscal year 1969, and $2,788,730,000 for fiscal year 1970. This compares with a total authorized amount of $2,196,270,000 for the fiscal year just ended. The increase from last year's total comes to $262,000,000.

I want to say to the gentleman, far from this being a reduction, as we have been hearing in the rhetoric, this is an increase.

Mr. PERKINS. Let me clarify that matter, and I am delighted the gentleman from Missouri made that point. We do authorize $2,458,270,000 in this bill for fiscal 1969. But I stated, and reiterate, that the amount appropriated by this Chamber was $995,837,000, an increase of $262 million over the 1968 authorization, but that is due to the already authorized increases in the Facilities Act, and the great discrepancy in this program. We have $1,553,000,000 authorized in fiscal 1969 for college academic facilities, that is, the loans for construction, the grants for undergraduates—but we have less than $200 million appropriated, or will be appropriated this year, only $193 million, where we have $1,553,000,000 authorized.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. CURTIS. Mr. Chairman, the point is, this is an authorization of $5.2 billion. This is what we are discussing. Regrettably that information was not in the committee report—as it should be.

What the Appropriations Committee does is something else again, but this is about the amount, as I understand it, the President requested in his budget message this year. I think it is misleading to the House in the rhetoric to talk about cutting, when actually we have an increase. That is one of the points I want to make.

Mr. Chairman, will the gentleman yield just a little bit further?

Mr. GROSS. I yield further.

Mr. CURTIS. Mr. Chairman, I want to call attention to this committee report, that is supposed to be a report and not propaganda. Yet it amounts to propaganda with these little quotations.

The **CHAIRMAN.** The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 2 additional minutes.)

Mr. CURTIS. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Yes; I yield to the gentleman.

Mr. CURTIS. Mr. Chairman, the quotations at the head of each little section—I appreciate the point of view of these people, but it amounts to propaganda. We should not have that kind of material in the committee report, particularly when that report is lacking in the essential information which we are now discussing.

Mr. Chairman, I thank the gentleman from Iowa for yielding.

Mr. GROSS. Mr. Chairman, in view of the information that has been given with respect to the cost of this bill, we certainly ought to adopt the amendment of the gentleman from Illinois [Mr. McCLORY] and stop this authorization of $180 million over the next 2 years.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I would like to point out that when the bill was considered under suspension, which is the only debate we have ever had on the legislation, the initial authorization was $1 million. That is easy for the House to authorize, but this is $90 million for this year, and $90 million for next year.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, if the gentleman will look to the bill, he will see

the 1969 dollar authorizations for programs being continued are $132,920,000 less than the authorizations for this fiscal year. So the big authorization here is in the facilities and that is $1,953,000,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. McClory].

The question was taken; and on a division (demanded by Mr. Perkins) there were—ayes 58, noes 64.

Mr. McCLORY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. McClory and Mr. Perkins.

The Committee again divided, and the tellers reported that there were—ayes 91, noes 86.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE XIV—UNIVERSAL EDUCATIONAL OPPORTUNITY COMMISSION

Sec. 1401. (a) It is the intent of Congress to explore the desirability and feasibility of providing universal educational opportunity at the postsecondary level through appropriate governmental assistance.

(b) (1) Not later than February 28, 1969, the President shall appoint an eleven-member Commission, to be known as the "Universal Educational Opportunity Commission" by and with the advice and consent of the Senate. The Chairman of the Commission shall, within nine months of the effective date of this section, submit to the Congress and the President a plan, or alternative plans, for providing universal educational opportunity at the postsecondary level. The Commission shall include, but not be limited to, individuals familiar with or representative of vocational schools, business schools, junior colleges, four-year private colleges and universities, four-year public colleges and universities, and State universities, and shall include individuals outstanding as economists, sociologists, and representatives of business and labor organizations. It shall be the responsibility of the Commission to conduct a study of financing higher education and alternative plans for providing financial assistance to institutions of higher education and to students. Such plans shall include, but not be limited to—

(A) universal educational opportunity at the postsecondary level made available through grants to students or to institutions;

(B) various systems of loans to students or to institutions on behalf of enrolled students;

(C) the use of the income tax such as through credits or deductions, and work-study or cooperative education systems; and

(D) existing programs of financial assistance, including the cold war GI bill, and programs formerly in effect, including the World War II and Korean bills.

(2) The study to be made by the Commission shall include, but not be limited to, such factors as—

(A) the actual or projected cost effectiveness of alternative plans;

(B) the immediate and the longrun economic impact of alternative plans;

(C) financial and social implications to individual students participating under alternative plans;

(D) institutional implications for postsecondary education or training facilities under alternative plans;

(E) the relative contributions of Federal, State, and local governments, industry, students, and other sources, to the financing of higher education in the United States; and

(F) the appropriate role of agencies within the Federal Government for implementing various segments or phases of plans or alternative plans.

(3) The Chairman of the Commission is authorized—

(A) to appoint and fix the compensation of such staff personnel as he deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and

(B) to procure temporary and intermittent services to the same amount as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

(4) The Chairman of the Commission is authorized to enter into contracts with Federal, State, or local agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of his duties under this title.

(5) Members of the Commission shall, while attending meetings or conferences of the Commission or while otherwise engaged in the business of the Commission, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding $100 per diem (or, if higher, the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code), including traveltime, and while so serving on the business of the Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(6) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Chairman of the Commission, upon request made by him, such information as he deems necessary to carry out his functions under this title.

(c) This title shall be effective on January 21, 1969.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that title XIV be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. JONES of Missouri. Mr. Chairman, I move to strike the last word. I should like to ask some questions.

The CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes.

Mr. JONES of Missouri. Mr. Chairman, I read on page 228, at the bottom of the page, on line 23, that the Chairman of the Commission is authorized to appoint and fix the compensation of such staff personnel as he deems necessary—and listen to this—"without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates."

I would like to ask the chairman of the committee by what justification do you say that you ought to have staff members for this Commission who are not governed by any of the limitations on pay of the Federal Government. How do you justify that?

Mr. PERKINS. Let me say to my distinguished friend that I would support an amendment if you want to tighten up that language. This is on the Universal Educational Opportunity Commission, and it has been worked out in the committee, but I have no objection to the gentleman offering an amendment placing a limitation in there.

Mr. JONES of Missouri. Mr. Chairman, I find myself in a poor position to offer an amendment, because I did not come over here with the intention of getting into this, but I do not want to sit still and see the House adopt amendments apparently that no one has thought about. The way you people want to give away money is just astounding.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman.

Mr. SCHEUER. I am informed by our counsel that this is routine boilerplate and applies to a temporary commission where they will only be operative for a matter of months. This means that they can hire consultants at universities and such.

Mr. JONES of Missouri. Do not tell me that the gentleman is so naive he thinks anything is temporary once you get it into this book.

Mr. SCHEUER. By the specific wording of it, once the Commission comes in with its report, it goes out of existence.

Mr. JONES of Missouri. But there is no limitation on what you will pay them. Is that right?

Mr. SCHEUER. I assume they are limited by the language on page 229 on line 20.

Mr. JONES of Missouri. No. That is the members of the Commission. They are limited to $100 a day—unless—and then we take them out and take the limit off of them.

Mr. PUCINSKI. Mr. Chairman, if the gentleman will yield——

Mr. JONES of Missouri. I yield to the gentleman.

Mr. PUCINSKI. The gentleman can move to strike that language out.

Mr. JONES of Missouri. I do not believe it would be in order to move to strike it without a written amendment.

AMENDMENT OFFERED BY MR. JONES OF MISSOURI

Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Jones of Missouri: On page 226, strike out line 20 and all that follows down through line 10 on page 230.

Redesignate title XV and sections 1501 and 1502 accordingly.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. JONES of Missouri. Mr. Chairman, I yield back to the balance of my time.

Mr. SCHEUER. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, this is basically a bill to separate the wheat from the chaff in our postsecondary education programs. We have a whole congeries of loan programs and grant programs and scholarship programs and incentive programs.

We have never really given them a cost effectiveness analysis. We have never related one to the other.

Mr. Chairman, we have had a vast amount of experience with the first and second GI bills of rights under which 15 million Americans have been educated and have taken their places productively in our society. We have trained 14,000 teachers under the first and second GI bills of rights, we have trained 19,000 nurses, we have trained 42,000 dentists, and 88,000 doctors. Our society has even survived the training of 142,000 lawyers under these bills. They were educated under the GI bills.

Mr. Chairman, these professional people have made a great contribution to our society. And, as a result of the education and training which they have received, it is estimated that they have already repaid back into the Treasury of the United States the investment our country has made in them through the higher taxes they have paid over what they would have paid, had they not benefited from postsecondary education.

Moreover, Mr. Chairman, it is estimated by economists that they will repay the cost of their education twice more through their ability to earn more and thereby to pay higher taxes.

Mr. Chairman, it is my opinion that the Congress which is spending billions of dollars upon postsecondary education ought to get to the facts; we ought to know the overall effect upon the students, upon the teaching institutions, and upon society in general. We then could deal more effectively with the problems, the hopes and promises of universal posteducation cost if we had the hard statistical information which at the present time we do not have.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, it is my opinion that the gentleman from New York has just made the best argument in the world for eliminating this provision in the bill. All anyone needs to do is go to the Committee on Education and Labor and the members can provide all the information needed as to the operation of this program. Why spend all of this money on information that is already available?

Mr. SCHEUER. I had the honor to serve on the Committee on Education and Labor. Unfortunately, it seems that all too often once the Congress creates these programs and gets them in being on a bipartisan basis under which these programs have been evolved, they frequently develop a life style of their own, they are orbiting on through space and the Congress does not give them, the scrutiny and analysis which we ought to be giving to them for our own benefit. This Commission would provide the analysis and the statistics and make them available to the Congress so that a year from now we can determine our policies and design and coordinate our programs more intelligently than we are able to do now.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Iowa.

Mr. GROSS. Is it true that on the Committee on Education and Labor the majority and minority members are always unanimous in support of legislation coming from the committee as the gentleman from New York just said?

Mr. QUIE. I would not go that far, but upon occasion we are.

Mr. GROSS. Then, Mr. Chairman, if the gentleman will yield further, I wish the gentleman would tell us whether they ever disagree.

Mr. QUIE. Yes; there are occasions when we disagree as the occasion right now where we disagree.

The gentleman from New York [Mr. SCHEUER] offered this amendment in the committee, and there were some changes made in it which have made it a little more palatable. However, as I have been reading it over further, I realize we will be paying these committee individuals $100 a day to do what Congress should be doing, to suggest a plan or an alternative plan to provide an additional educational opportunity at a postsecondary level. And when we suggest that they come up with plans. I do not believe that our committee has really been too conservative in the kind of plans that we have brought forward from the committee. I think we have brought to you enough programs and plans and we have authorized an adequate amount of money we are willing to spend. I do not think the study is necessary because the study can be made by our committee. For instance, the distinguished gentlewoman from Oregon [Mrs. GREEN], who chairs this subcommittee, has volumes of information on this subject, a subcommittee on which I have the honor to serve.

I believe that our committee would be willing, if God and the electorate are willing after November, to conduct any studies next year that are needed.

Mr. GROSS. I thought the gentleman just objected to the amendment offered by the gentleman from Missouri. Why hire a bunch of political lame ducks and put them on a committee at supergrade salaries?

Mr. QUIE. I have been saying to my colleague that I support the amendment of the gentleman from Missouri.

Mr. GROSS. Good.

Mr. QUIE. And I prepared it for him.

Mr. JONAS. If the gentleman will yield, we would not want to overburden this great Committee. Would the gentleman tell the Committee of the Whole the number of staff members the committee has now?

Mr. QUIE. I do not have that information with me right now, but I can assure the gentleman that we put the staff to good use, and they are a very capable staff.

Mr. JONAS. Mr. Chairman, I would like to know how many staff members the committee does have.

Mr. QUIE. I really do not have that information with me.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I would like to ask unanimous consent that all debate on this amendment close immediately after the expiration of this 5 minutes.

Mr. QUIE. Mr. Chairman, I do not yield for that purpose to the gentleman.

Mr. Chairman, I would say to the gentleman from North Carolina that I do not have the information as to the number of staff members that the gentleman inquires about. I believe the gentleman is entitled to that information, as any other Member is entitled to it, and a telephone call to the committee or to the Committee on House Administration will easily give that information to you.

Mr. JONAS. Mr. Chairman, if the gentleman will yield further, the chairman of the committee is here on the floor. Surely he knows how many staff members the committee has. And it seems to me this information should be available for the record instead of my being required to telephone the committee in the midst of a debate to find out how many staff members the committee has.

Mr. SCHEUER. Mr. Chairman, if the gentleman will yield, would my colleague advise this House that the present staff of the Committee on Education and Labor, of which one-third is allotted to the Republican side and two-thirds to the Democrat side, is really sufficient in addition to drawing up legislation and revising legislation, is really sufficient and equal to the purpose of conducting an intelligent scrutiny in depth of the multiplicity of the secondary education programs which we have passed over the years, does the gentleman really feel we have the staff to do that now?

Mr. QUIE. I would say to the gentleman that whenever we have additional study work to do, we have secured additional staff to do that through the cooperation of the gentlewoman from Oregon [Mrs. GREEN].

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, for the benefit of the gentleman from North Carolina, there are, according to the list I have, five staff members on the Committee on Education and Labor drawing $27,054.85 a year, each. There are a total of 11 on the staff drawing from $21,057.60 each to $27,054.85. It seems to me that the committee, with these employees and many others, is adequately equipped to carry on all the duties that would be envisaged by this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title XIV? If not, the Clerk will read.

The Clerk read as follows:

TITLE XV—MISCELLANEOUS

AGE QUOTAS IN YOUTH WORK AND TRAINING PROGRAMS

SEC. 1501. Section 124 of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"(f) In the case of a program under section 123(a)(1), the Director shall not limit the number or percentage of the participants in the program who are fourteen or fifteen years of age."

ELIGIBILITY FOR STUDENT ASSISTANCE

SEC. 1502. (a)(1) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution may deny any further payment to, or for the benefit of, such individual under any of the following programs:

(A) The student loan program under title II of the National Defense Education Act of 1958.

(B) The educational opportunity grant program under part A of title IV of the Higher Education Act of 1965.

(C) The student loan insurance program under part B of title IV of the Higher Education Act of 1965.

(D) The college work-study program under part C of title IV of the Higher Education Act of 1965.

(E) Any fellowship program carried on under title II, III, or V of the Higher Education Act of 1965 or title IV or VI of the National Defense Education Act of 1958.

(2) Nothing in this subsection shall be construed to limit the freedom of any student to verbal expression for individual views or opinions.

(b) No loan, guarantee of a loan or grant under a program authorized or extended by this Act shall be awarded to any applicant within three years after he has been convicted by any court of record of any crime which was committed after the date of enactment of this Act, and which involved the use of (or assistance to others in the use of) force, trespass or the seizure of property under control of an institution of higher education to prevent officials or students at such an institution from engaging in their duties or pursuing their studies, by an institution or person having knowledge of such conviction.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that all debate on this title and the bill close in 15 minutes.

The CHAIRMAN. If the gentleman will permit, the Chair would inquire if the gentleman is first requesting title XV be considered as read, printed in the RECORD, and open to amendment at any point?

Mr. PERKINS. Yes, Mr. Chairman. That is correct. I first ask that title XV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. PUCINSKI. Mr. Chairman, reserving the right to object, I believe since this is the last title, and since there may be only one amendment offered, that I believe maybe we can complete the bill quicker than that, and I wonder if the gentleman would withhold his request until we see how much time is taken up on the amendment?

The CHAIRMAN. The Chair will state that the question is on the request of the gentleman from Kentucky that title XV be considered as read, printed in the RECORD, and open to amendment at any point.

Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close within 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ASHBROOK. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. SCHERLE

Mr. SCHERLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHERLE: On page 231, line 3, strike out "may" and insert in lieu thereof "shall".

Mr. SCHERLE. Mr. Chairman, my amendment does nothing more than change the word "may" to "shall" as to the student assistance program at the bottom of page 230, section 1502(a). I will read the language in that section:

> If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution may—

And that is where I changed the word from "may" to "shall"—

> deny any further payment to, or for the benefit of, such individual under any of the following programs.

Mr. Chairman, I cannot for the life of me understand why the taxpayers of this country should be forced to finance illegal activity at our colleges and universities throughout this country.

I bring this up for the simple reason that many administrators of our colleges and universities today do not have the intestinal fortitude that it takes to expel students who have broken the laws of the university or college which he or she attends.

As the law now stands, institutions do have the power to withhold funds. But the problem here this afternoon is that we should make this mandatory and that if that individual knows what the guidelines or the bylaws of that institution are, and since he is there for an education and should not become involved in illegal activities as far as riots and demonstrations are concerned.

The taxpayers of this country have paid a great deal of money to educate youngsters and I do not see why they should be asked to continue to pay for the frivolity and the riots and the demonstrations that we have had running rampant throughout this country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. I yield to my colleague from Iowa.

Mr. GROSS. I commend my colleague for offering the amendment, and I am surprised the chairman of the committee did not arise immediately to accept it.

Mr. SCHERLE. I thank my colleague. Furthermore, you will recall three amendments dealing with the same subject were passed not too long ago and implemented in another bill. Members of this Congress feel they want something that is mandatory. They want something that is determined. They want the institutions to have the regulations to enforce and make this mandatory.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. I yield to the gentleman from New Jersey.

Mr. JOELSON. I think the gentleman is deluding himself that this will be mandatory, because the provision is that it has to be a serious infringement, and that is still for the university to determine. So in either event, final determination will be discretionary with the university.

Mr. SCHERLE. But by the same token, and you have seen it just as well as I have, there is too much leeway given to the university to determine what they judge is serious.

Mr. JOELSON. If the gentleman will yield further, the provision still provides that it be a serious infringement, and that is up to the university to determine.

Mr. SCHERLE. This amendment would make it much more mandatory and enforceable than it is at the present time.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ERLENBORN. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. FRASER].

Mr. FRASER. Mr. Chairman, I rise in opposition to the amendment. The amendment is an ill-advised addition to an ill-advised section. If the amendment were adopted, and if a freshman student were found to have violated one of the rules of an institution that he was attending, the wording of this section would mean that even 4 years later, as a graduate student or a student in medical school or a student in advanced work in physics, he would continue to be saddled with a disqualification which appears to run for life. I think we ought to respect the integrity of the American educational system.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from New York [Mr. REID].

Mr. REID of New York. Mr. Chairman, I rise in opposition to the amendment. It strikes a harsh blow at academic freedom, and I believe it raises serious questions of constitutionality in that it impairs certain basic first amendment freedoms.

The matter before us today is not just a question of the judgment of the House. It is a question of independence of the universities and their freedom to manage and control their internal affairs. Congress should not set up a system of secondary mandatory penalties. This would be a serious mistake affecting students, universities, and our whole concept of free education. Dr. Grayson Kirk, president of Columbia University, has written me about this and similar amendments, and he has said that he must oppose any amendment which seeks to punish participants in university disturbances by means that endanger either academic integrity, or the proper autonomy of the academic community. In addition, Mr. Kirk pointed out that such amendments "would pave the way for the adoption of tests of political orthodoxy that would endanger the freedom of opinion and expression which all universities cherish."

For the above reasons, Mr. Chairman, I urge that this body vote down this regressive step into the realm of academic freedom.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. PIKE].

Mr. PIKE. Mr. Chairman, I rise in support of this amendment. At this stage in our national history, I hardly recognize Dr. Grayson Kirk as the national expert on how to properly regulate student behavior.

If we say, when the refusal to obey a lawful order was of a serious nature and contributed to the disruption of an administration that all they can do is possibly take away the students' education at the taxpayers' expense, this is what is illusory. We are not passing one thing in the language of the bill that they cannot do right now, today, and we have to adopt the amendment in order to have it mean anything at all.

The CHAIRMAN. The Chair recognizes the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Chairman, I rise in opposition to the amendment. The section that I was just reading—before someone took my copy of the bill away—starts off by saying that the institution shall determine that the individual has willfully disobeyed a regulation and has thereby contributed to the disruption of the institution. This is the very heart of what we are discussing here; that this prerogative belongs to the institution to determine whether the student's disruptions on campus are so bad that he should be denied a Federal grant or loan.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I rise in opposition to the amendment. The amendment would simply make a bad provision worse, making it mandatory upon an institution.

I am opposed to section 1502 of H.R. 15067 as it is presently written, and I certainly hope that the amendment before the Committee will be defeated. It strikes a serious blow at academic freedom. It goes beyond section 1502 which already places in the hands of the administration of an institution unwarranted punitive power which it can exercise to the detriment of a student's educational opportunities and his future life.

Under the Scherle amendment an institution of higher education would be required to deny student loan assistance or other aid to a student or faculty member who was found to have refused to obey an order or regulation of the institution.

Student aid and fellowship assistance should not be used for purposes of punishment. Universities have ample disciplinary power, including the power of expulsion which would automatically cut off aid.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, I rise in support of the amendment. I do not think it is going to have any really great effect upon the substance of the provision now in the bill. This will still require the judgment to be made by the university officials, as to whether they want to bring such charges and afford such a hearing, and whether they make a finding that such a serious infraction has actually occurred. Once they have done this, I think it would be incumbent upon them, whether this says "may" or "shall" to deny such aid to the students, but I think this amendment will make clear the intention of this House.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. DENT].

Mr. DENT. Mr. Chairman, I rise to oppose the amendment, and I oppose the motion which will be offered to recommit.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WILLIAM D. FORD].

Mr. WILLIAM D. FORD. Mr. Chairman, I rise to oppose the amendment and I point out that we cannot read this amendment without reading it in the context of the entire section. If we look at subsection (C), for example, we will find this mandatory provision would apply to the student loan guarantee. The effect this would have would be that a lending institution which had made a student loan during the first year or the second year or the third year, perhaps, of the student's career in school could find itself, if the student misbehaved in the fourth year, with its guarantee withdrawn. I submit that no banking institution would ever make a loan under these circumstances. I submit this is a very mischievous provision in that respect.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, I rise in opposition to the amendment for the simple reason that it is the equivalent of capital punishment. No matter what the conditions are subjectively, everybody is going to receive exactly the same permanent disability.

By the same logic applied to borrowing money under the FHA, if somebody went to a convention and got drunk and blocked traffic, he would never again be allowed an FHA loan on his house. American justice has always been tempered with judgment of the circumstances of individual cases and permanent punishment relates only to such crimes as murder, treason, and rape. Those found guilty of crimes on campus should be punished, but punished according to the circumstances of their individual cases, including whether or not it was a first offense.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I am sure we are familiar with the arguments on this question. We have been through them all before.

But perhaps it might be helpful to have some information as to what the American people are thinking on this issue. I do not know how many Members may already have sent out questionnaires which included this subject since the question first came up in the House. I posed the question in my own questionnaire in a district which includes some 12 colleges. I should like to advise Members of the House that preliminary returns already coming in from that questionnaire indicate the people of that district, an educational area, are overwhelmingly in favor of the type of action proposed in the amendment offered by the gentleman from Iowa. I intend to support the Scherle amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, I do not believe the American people particularly want us to pass a provision which is completely meaningless or unworkable just so we can make speeches here.

This section says that if an institution of higher education determines, after notice of hearing and so forth, it desires to do something, it can. If it does not want to give notice of hearing it does not have to do so. This is a nothing amendment, really. Its sponsor says it is mandatory in nature, but actually the college or university has final discretion because it need not set the machinery in motion in the first place. As a matter of fact, it could have the effect of discouraging them from bringing charges against students which otherwise would lead to some kind of punishment or suspension.

We should leave this kind of a determination to the college authorities who are in a better position to make an intelligent decision on the basis of the facts in each individual case rather than trying to fix an across-the-board judgment on a mandatory, computer-like basis.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. SCHERLE].

Mr. SCHERLE. Mr. Chairman, I believe the American people are entitled to full consideration as far as the colleges and universities of this Nation are concerned. I ask that the Members of this body support my amendment.

The CHAIRMAN. The Chair recognizes the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, I rise in opposition to the amendment.

This entire section was considered very, very carefully by the full committee after the three amendments were adopted on the floor. I wish that the gentleman from Iowa had been in the committee at the time of the discussion. I wish he had offered the amendment in the committee he is offering on the floor today.

This section was not drafted lightly. Whether we speak for or against the amendment, none of the Members of this House want further chaotic disturbances such as those witnessed on our college campuses in recent memory. Because we argue against this amendment, it does not mean we are in favor of civil unrest and disobedience on college campuses.

Those of us who drafted this amendment did it very, very carefully. We hope that the language of the bill will be upheld.

If Members are opposed to the Federal control of education, then I believe they should be opposed to this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. Quie].

Mr. QUIE. Mr. Chairman, I believe it is extremely important, when there is no court involved and not a conviction, that the higher education institution have the right to determine whether the funds are withdrawn from the student or not. Now the institution can expel the student and therefore the funds would be withdrawn. We are seeking to give colleges added authority. If the student remains in the institution, the administration of the institution may withdraw the funds as a means of punishment.

In this case, when there is no conviction, I believe the institution has to be given the latitude to make that decision, not for us to make it for them. To make the punishment mandatory means that colleges will no doubt in many cases then ignore the student's disobedience of a regulation or order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Scherle].

The question was taken; and on a division (demanded by Mr. Scherle) there were—ayes 67, noes 84.

Mr. SCHERLE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Scherle and Mr. Perkins.

The Committee again divided, and the tellers reported that there were—ayes 103, noes 91.

So the amendment was agreed to.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto close in 10 minutes.

Mr. McCARTHY. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. PUCINSKI

Mr. PUCINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Pucinski: On page 232, line 7, after the period, insert a new section 1503:

"No standard, rule, regulation, or requirement of general applicability prescribed for the administration of this act or any act amended by this act may take effect (1) until 30 days after it is published in the Federal Register, and (2) unless interested persons are given an opportunity to participate in the formulation of such standard, rule, regulation, or requirement through the submission of views or arguments."

Mr. PUCINSKI. Mr. Chairman, the amendment which I have proposed here this afternoon is designed primarily to restore a greater degree of balance between the legislative and executive branches of Government. Frankly, this is the antiguideline amendment.

We have seen in the past two decades the growth and increase in the use of guidelines to bypass the Administrative Procedure Act. We have seen a trend toward "Government by guidelines," which must be stopped. In 1946 Congress, well recognizing that here in this Chamber we cannot cross each "t" and dot every "i" in every piece of major legislation, enacted the Administrative Procedure Act which spelled out how administrators may promulgate rules and regulations to implement legislation we approve in Congress. Here we have a bill of some 232 pages involving more than $2 billion, and we know it is impossible to lay down the last vestige of regulation to properly administer this bill. That is why we must rely on the mechanics of the APA to protect us. Congress has properly stated in 1946 that when it delegates to an administrator or an agency the responsibility of promulgating rules and regulations to effectively implement the carrying out of the legislation passed by Congress, he shall do so, but under certain conditions, and the APA spells out these conditions. One of those conditions is that the proposed rules and regulations must be published in the Federal Register at least 30 days before the effective date, and that interested parties may comment on the proposed rules and regulations.

We all know that subsequent to the enactment of the Administrative Procedure Act, time after time we have seen administrators bypass the APA by issuing guidelines instead of rules and regulations and too often such guidelines have no relevancy to the intent of the Congress spelled out in the legislation Congress enacted. These guidelines are not published 30 days before they become effective and no one sees them until they actually become effective.

So, Mr. Chairman, what I am saying here is that any requirements of general applicability issued by an administrator would have to follow the provisions of the APA. This means that if this amendment is adopted, as soon as the resolution becomes law and is signed by the President, any agency affected in any way by this act would be prohibited from issuing any rules, regulations or guidelines unless such rules, regulations or guidelines follow the requirements of the APA. For the purpose of legislative history, the language in this amendment "requirements of general applicability" means guidelines.

We are not interfering with the prerogatives of any Administrators. This does not in any way affect or deter them from using their good judgment. All it says is that we have 30 days in which to familiarize ourselves with the guidelines, the regulations, and the rules, or whatever they want to issue in the administration of the acts that we pass. It merely means that all these provisions must be published in the Federal Register 30 days before they become effective.

I believe it is a worthwhile amendment. I cannot see how anybody would want to object to this amendment. I believe it would make the agencies a good deal more responsive to the will and the intent of Congress.

We have seen in recent years the district courts giving guidelines the color of law, even though unpublished, even though issued without any prepublication, even though they become effective without anybody ever seeing them. The fifth and seventh districts have already said that guidelines have the effect and color of law. It seems to me that this kind of operation is contrary to what the Congress intended in 1946 when it adopted the Administrative Procedures Act.

For that reason, Mr. Chairman, I do hope the House will accept this language in this amendment. This amendment would apply to the U.S. Office of Education, the Office of Economic Opportunity, and any other agency affected by the provisions of the act before us. I strongly urge the adoption of this amendment as a step toward ending the trend in America toward government by guideline. When I, as a legislator, delegate to an administrator the responsibility to promulgate rules and regulations or guidelines, I reserve the right to see how he proposes to use the authority Congress has delegated to him. This amendment will serve such a purpose.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I now renew my request, and ask unanimous consent that all debate on this bill and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ASHBROOK. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PERKINS. Mr. Chairman, I move that all debate on this bill and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. Certainly, if I have any time remaining I will yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of the amendment.

Mr. Chairman, I believe we have all

seen many instances, especially two within the last few weeks, where guidelines and criteria have been established that have the force of law, yet they do not follow the congressional intent.

Mr. Chairman, it seems to me that the amendment offered by the gentleman from Illinois would do a great deal toward tightening up this procedure, and the abuses that have occurred in OEO and in the Office of Education.

The CHAIRMAN. The Chair at this time will recognize Members who wish to speak to the amendment offered by the gentleman from Illinois [Mr. PUCINSKI].

The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois [Mr. PUCINSKI]. I think it is important that it be adopted.

I hope in the future that in legislation out of our committee the same amendment will be incorporated.

As long as I am on my feet, and I do not know for how long, I would like to ask the gentleman from Michigan [Mr. WILLIAM D. FORD] if I can have his attention. After the amendment offered by the gentleman from Iowa [Mr. SCHERLE] was adopted to section 1501, I think it is important that we clear up the legislative intent as this section applies to the guaranteed loan.

It is my understanding that under a guaranteed loan that guarantee is to protect the lender in case something should happen to the person who borrowed the money. The protection would remain there for the private lender, the bank. I think it would be completely unacceptable and I do not read that in the language that there would be any removal of the guarantee to the bank if the authority of this section was utilized. The only funds denied the student under the guaranteed loan programs would be the interest subsidy.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. THOMPSON].

Mr. THOMPSON of Georgia. Mr. Chairman, I would like to congratulate and thank the gentleman from Illinois for offering this amendment.

Something of this sort has been needed for a long period of time. This is not in any way going to hamper the Department of Education, but it will make known to all, what the guidelines are, and what they do before these guidelines actually take effect.

I think it is a helpful amendment, and it is difficult for me to see how anyone could oppose it.

Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, I rise in support of the Pucinski amendment.

I think it is an improvement that is needed not merely in the educational field but across the board in Federal agency after Federal agency. This has been an increasing practice, an abuse, and an attempt to circumvent completely the meaning of the Administrative Procedures Act. It certainly should be acted upon favorably. I think this is a good first step and I hope the amendment passes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PUCINSKI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WILLIAM D. FORD

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WILLIAM D. FORD].

Mr. WILLIAM D. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAM D. FORD: On page 231, strike lines 11 and 12; reletter sections (D) and (E) on lines 13 and 15, as sections (C) and (D).

Mr. WILLIAM D. FORD. Mr. Chairman, the effect of the amendment would be to remove the loan guarantee provision from the enumerated kinds of student Federal aids that would be mandatorily denied to a student once guilty of an act of misconduct. As was stated by the gentleman from Minnesota [Mr. QUIE] that provision of the act is intended to be a guarantee, to the person who lends the money against, the irresponsible student. Under this legislation we, the Federal Government say to a lending institution, "If you will lend the money to a student to go to school, we will guarantee that that money will be repaid." Conceivably the kind of student they are most concerned about may well be the one that we are most concerned about in this section. I submit, we ought to remove that provision and not place in jeopardy the security of all the student loans already made as well as those that will be made in the future.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the Chairman being in doubt, the Committee divided, and there were—ayes 55, noes 74.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: On page 230, line 20, strike out section 1502, line 20, on page 230, through line 7 on page 232.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. RYAN. Mr. Chairman, it is a dangerous precedent to attach conditions to the expenditures of Federal funds in such a way as to restrict the behavior of the recipients. This would give credence to those who oppose such programs on the ground that they may lead to Federal control.

In opposing the Scherle amendment, which made section 1502 mandatory, the gentlewoman from Oregon [Mrs. GREEN] said that, if one is opposed to Federal control of education, then that amendment should have been opposed. The same reasoning applies here. If a student is disruptive, a university has at its disposal ample disciplinary measures ranging from minor punishment to suspension and expulsion.

However, the financial sanctions imposed in section 1502 only discriminate against the economically disadvantaged student for whom loss of a scholarship or student aid means the end of educational opportunity, while a wealthier student who commits an identical offense would not be forced to interrupt his studies.

Federal scholarships and assistance was never intended as a disciplinary device and should not be perverted now.

Section 1502, as reported in the committee bill, H.R. 15067, has now been made mandatory by the adoption of the Scherle amendment. It was unwise when it gave a university administration discretionary authority to impose discriminatory punishment against financially dependent students. It is compounded by the House having directed the denial of financial assistance.

The power of the Federal purse should not be used to control what is and should be a matter of internal university administration. Congress should not substitute its judgment for the disciplinary authority of the university—no matter how much individual Members of Congress want to vent their anger and indignation at campus unrest.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

(By unanimous consent, Mr. MILLER of Ohio yielded his time to Mr. SCHERLE.)

Mr. SCHERLE. Mr. Chairman, the amendment offered by the gentleman from New York would, of course, negate the amendment that the House took a position on a moment ago.

I ask that the House sustain its position. If this section of the bill is to be operative, there must be teeth in it, and therefore the word "shall" should remain as sustained by the House on a previous vote.

Mr. HATHAWAY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I yield to the gentleman from Minnesota [Mr. FRASER].

Mr. FRASER. Mr. Chairman, this section, before the Scherle amendment went on it, was at least a tolerable, if unwise, section, because it left with the university or college, public or private, the right to exercise discretion. It permitted the college or the university to take disciplinary action against the student, perhaps suspend him for a semester or a quarter, and yet not trigger off this action against him which would result in denying any student aid for the rest of his life.

Now, with the Scherle amendment, we have made this a totally unworkable section. This constitutes a massive intervention by the Federal Government into the student's life and into the internal affairs of the college or university.

Mrs. MINK. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Mr. Chairman, I rise in support of this amendment.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in opposition to this amendment. As I said a few moments ago, when the Scherle amendment was offered, I opposed that. Section 1502 was man, I rise in opposition to the amendment.

This entire section was considered very, very carefully by the full committee after the three amendments were adopted on the floor. I wish that the gentleman from Iowa had been in the committee at the time of the discussion. I wish he had offered the amendment in the committee he is offering on the floor today.

This section was not drafted lightly. Whether we speak for or against the amendment, none of the Members of this House want further chaotic disturbances such as those witnessed on our college campuses in recent memory. Because we argue against this amendment, it does not mean we are in favor of civil unrest and disobedience on college campuses.

Those of us who drafted this amendment did it very, very carefully. We hope that the language of the bill will be upheld.

If Members are opposed to the Federal control of education, then I believe they should be opposed to this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I believe it is extremely important, when there is no court involved and not a conviction, that the higher education institution have the right to determine whether the funds are withdrawn from the student or not. Now the institution can expel the student and therefore the funds would be withdrawn. We are seeking to give colleges added authority. If the student remains in the institution, the administration of the institution may withdraw the funds as a means of punishment.

In this case, when there is no conviction, I believe the institution has to be given the latitude to make that decision, not for us to make it for them. To make the punishment mandatory means that colleges will no doubt in many cases then ignore the student's disobedience of a regulation or order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. SCHERLE].

The question was taken; and on a division (demanded by Mr. SCHERLE) there were—ayes 67, noes 84.

Mr. SCHERLE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SCHERLE and Mr. PERKINS.

The Committee again divided, and the tellers reported that there were—ayes 103, noes 91.

So the amendment was agreed to.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto close in 10 minutes.

Mr. McCARTHY. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. PUCINSKI

Mr. PUCINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PUCINSKI: On page 232, line 7, after the period, insert a new section 1503:

"No standard, rule, regulation, or requirement of general applicability prescribed for the administration of this act or any act amended by this act may take effect (1) until 30 days after it is published in the Federal Register, and (2) unless interested persons are given an opportunity to participate in the formulation of such standard, rule, regulation, or requirement through the submission of views or arguments."

Mr. PUCINSKI. Mr. Chairman, the amendment which I have proposed here this afternoon is designed primarily to restore a greater degree of balance between the legislative and executive branches of Government. Frankly, this is the antiguideline amendment.

We have seen in the past two decades the growth and increase in the use of guidelines to bypass the Administrative Procedure Act. We have seen a trend toward "Government by guidelines," which must be stopped. In 1946 Congress, well recognizing that here in this Chamber we cannot cross each "t" and dot every "i" in every piece of major legislation, enacted the Administrative Procedure Act which spelled out how administrators may promulgate rules and regulations to implement legislation we approve in Congress. Here we have a bill of some 232 pages involving more than $2 billion, and we know it is impossible to lay down the last vestige of regulation to properly administer this bill. That is why we must rely on the mechanics of the APA to protect us. Congress has properly stated in 1946 that when it delegates to an administrator or an agency the responsibility of promulgating rules and regulations to effectively implement the carrying out of the legislation passed by Congress, he shall do so, but under certain conditions, and the APA spells out these conditions. One of those conditions is that the proposed rules and regulations must be published in the Federal Register at least 30 days before the effective date, and that interested parties may comment on the proposed rules and regulations.

We all know that subsequent to the enactment of the Administrative Procedure Act, time after time we have seen administrators bypass the APA by issuing guidelines instead of rules and regulations and too often such guidelines have no relevancy to the intent of the Congress spelled out in the legislation Congress enacted. These guidelines are not published 30 days before they become effective and no one sees them until they actually become effective.

So, Mr. Chairman, what I am saying here is that any requirements of general applicability issued by an administrator would have to follow the provisions of the APA. This means that if this amendment is adopted, as soon as the resolution becomes law and is signed by the President, any agency affected in any way by this act would be prohibited from issuing any rules, regulations or guidelines unless such rules, regulations or guidelines follow the requirements of the APA. For the purpose of legislative history, the language in this amendment "requirements of general applicability" means guidelines.

We are not interfering with the prerogatives of any Administrators. This does not in any way affect or deter them from using their good judgment. All it says is that we have 30 days in which to familiarize ourselves with the guidelines, the regulations, and the rules, or whatever they want to issue in the administration of the acts that we pass. It merely means that all these provisions must be published in the Federal Register 30 days before they become effective.

I believe it is a worthwhile amendment. I cannot see how anybody would want to object to this amendment. I believe it would make the agencies a good deal more responsive to the will and the intent of Congress.

We have seen in recent years the district courts giving guidelines the color of law, even though unpublished, even though issued without any prepublication, even though they become effective without anybody ever seeing them. The fifth and seventh districts have already said that guidelines have the effect and color of law. It seems to me that this kind of operation is contrary to what the Congress intended in 1946 when it adopted the Administrative Procedures Act.

For that reason, Mr. Chairman, I do hope the House will accept this language in this amendment. This amendment would apply to the U.S. Office of Education, the Office of Economic Opportunity, and any other agency affected by the provisions of the act before us. I strongly urge the adoption of this amendment as a step toward ending the trend in America toward government by guideline. When I, as a legislator, delegate to an administrator the responsibility to promulgate rules and regulations or guidelines, I reserve the right to see how he proposes to use the authority Congress has delegated to him. This amendment will serve such a purpose.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I now renew my request, and ask unanimous consent that all debate on this bill and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ASHBROOK. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PERKINS. Mr. Chairman, I move that all debate on this bill and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. Certainly, if I have any time remaining I will yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of the amendment.

Mr. Chairman, I believe we have all

seen many instances, especially two within the last few weeks, where guidelines and criteria have been established that have the force of law, yet they do not follow the congressional intent.

Mr. Chairman, it seems to me that the amendment offered by the gentleman from Illinois would do a great deal toward tightening up this procedure, and the abuses that have occurred in OEO and in the Office of Education.

The CHAIRMAN. The Chair at this time will recognize Members who wish to speak to the amendment offered by the gentleman from Illinois [Mr. PUCINSKI].

The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois [Mr. PUCINSKI]. I think it is important that it be adopted.

I hope in the future that in legislation out of our committee the same amendment will be incorporated.

As long as I am on my feet, and I do not know for how long, I would like to ask the gentleman from Michigan [Mr. WILLIAM D. FORD] if I can have his attention. After the amendment offered by the gentleman from Iowa [Mr. SCHERLE] was adopted to section 1501, I think it is important that we clear up the legislative intent as this section applies to the guaranteed loan.

It is my understanding that under a guaranteed loan that guarantee is to protect the lender in case something should happen to the person who borrowed the money. The protection would remain there for the private lender, the bank. I think it would be completely unacceptable and I do not read that in the language that there would be any removal of the guarantee to the bank if the authority of this section was utilized. The only funds denied the student under the guaranteed loan programs would be the interest subsidy.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. THOMPSON].

Mr. THOMPSON of Georgia. Mr. Chairman, I would like to congratulate and thank the gentleman from Illinois for offering this amendment.

Something of this sort has been needed for a long period of time. This is not in any way going to hamper the Department of Education, but it will make known to all, what the guidelines are, and what they do before these guidelines actually take effect.

I think it is a helpful amendment, and it is difficult for me to see how anyone could oppose it.

Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, I rise in support of the Pucinski amendment.

I think it is an improvement that is needed not merely in the educational field but across the board in Federal agency after Federal agency. This has been an increasing practice, an abuse, and an attempt to circumvent completely the meaning of the Administrative Procedures Act. It certainly should be acted upon favorably. I think this is a good first step and I hope the amendment passes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PUCINSKI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WILLIAM D. FORD

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WILLIAM D. FORD].

Mr. WILLIAM D. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAM D. FORD: On page 231, strike lines 11 and 12; reletter sections (D) and (E) on lines 13 and 15, as sections (C) and (D).

Mr. WILLIAM D. FORD. Mr. Chairman, the effect of the amendment would be to remove the loan guarantee provision from the enumerated kinds of student Federal aids that would be mandatorily denied to a student once guilty of an act of misconduct. As was stated by the gentleman from Minnesota [Mr. QUIE] that provision of the act is intended to be a guarantee, to the person who lends the money against, the irresponsible student. Under this legislation we, the Federal Government say to a lending institution, "If you will lend the money to a student to go to school, we will guarantee that that money will be repaid." Conceivably the kind of student they are most concerned about may well be the one that we are most concerned about in this section. I submit, we ought to remove that provision and not place in jeopardy the security of all the student loans already made as well as those that will be made in the future.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the Chairman being in doubt, the Committee divided, and there were—ayes 55, noes 74.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: On page 230, line 20, strike out section 1502, line 20, on page 230, through line 7 on page 232.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. RYAN. Mr. Chairman, it is a dangerous precedent to attach conditions to the expenditures of Federal funds in such a way as to restrict the behavior of the recipients. This would give credence to those who oppose such programs on the ground that they may lead to Federal control.

In opposing the Scherle amendment, which made section 1502 mandatory, the gentlewoman from Oregon [Mrs. GREEN] said that, if one is opposed to Federal control of education, then that amendment should have been opposed. The same reasoning applies here. If a student is disruptive, a university has at its disposal ample disciplinary measures ranging from minor punishment to suspension and expulsion.

However, the financial sanctions imposed in section 1502 only discriminate against the economically disadvantaged student for whom loss of a scholarship or student aid means the end of educational opportunity, while a wealthier student who commits an identical offense would not be forced to interrupt his studies.

Federal scholarships and assistance was never intended as a disciplinary device and should not be perverted now.

Section 1502, as reported in the committee bill, H.R. 15067, has now been made mandatory by the adoption of the Scherle amendment. It was unwise when it gave a university administration discretionary authority to impose discriminatory punishment against financially dependent students. It is compounded by the House having directed the denial of financial assistance.

The power of the Federal purse should not be used to control what is and should be a matter of internal university administration. Congress should not substitute its judgment for the disciplinary authority of the university—no matter how much individual Members of Congress want to vent their anger and indignation at campus unrest.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

(By unanimous consent, Mr. MILLER of Ohio yielded his time to Mr. SCHERLE.)

Mr. SCHERLE. Mr. Chairman, the amendment offered by the gentleman from New York would, of course, negate the amendment that the House took a position on a moment ago.

I ask that the House sustain its position. If this section of the bill is to be operative, there must be teeth in it, and therefore the word "shall" should remain as sustained by the House on a previous vote.

Mr. HATHAWAY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I yield to the gentleman from Minnesota [Mr. FRASER].

Mr. FRASER. Mr. Chairman, this section, before the Scherle amendment went on it, was at least a tolerable, if unwise, section, because it left with the university or college, public or private, the right to exercise discretion. It permitted the college or the university to take disciplinary action against the student, perhaps suspend him for a semester or a quarter, and yet not trigger off this action against him which would result in denying any student aid for the rest of his life.

Now, with the Scherle amendment, we have made this a totally unworkable section. This constitutes a massive intervention by the Federal Government into the student's life and into the internal affairs of the college or university.

Mrs. MINK. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Mr. Chairman, I rise in support of this amendment.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in opposition to this amendment. As I said a few moments ago, when the Scherle amendment was offered, I opposed that. Section 1502 was thoroughly considered by the committee. There were arguments over a long period of time. It was very carefully drafted and all the various factors were considered.

It seems to me to adopt the amendment offered by the gentleman from New York [Mr. RYAN], would be an open invitation to the hoodlums on the campus to go ahead and to violate all the rules of the university and raise all the rumpus they want to. This would say that Congress does not care, and that they can still have access to the loans and grants in the various programs.

Mr. Chairman, no student has as a right, funds from the Federal Government, and it seems to me, at least, we can say that they are going to have to obey the rules and regulations of that university.

In the second part, of section 1502, the Smith amendment, it says that any student convicted of a crime would not be entitled, as a matter of right, to funds from the Federal Government.

Mr. Chairman, I oppose this amendment. I hope it is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

The question was taken; and on a division (demanded by Mr. RYAN) there were—ayes 18, noes 109.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. FARBSTEIN].

Mr. FARBSTEIN. Mr. Chairman, I take this time to ask of the gentlewoman from Oregon a question. It appears there has been a rumor in the city of New York to the effect that the gentlewoman had intended or does intend to seek the removal of Headstart from the OEO and move it to the HEW. Is that correct or not?

Mrs. GREEN of Oregon. Mr. Chairman, if the gentleman will yield, I would say at the appropriate time I believe it would be highly desirable to transfer Headstart to the Office of Education. I understand that Western Union and Bell Telephone have made a lot of money today because apparently telephone calls have gone out all across the country on the basis that I was going to offer this amendment to the higher education bill. I have no intention to do so. I have no amendment drafted for this purpose. It would not be the appropriate bill to transfer Headstart to the OEO under the higher education bill before us today.

But I will join the efforts to transfer Headstart from OEO to the Office of Education—so OEO can start their propaganda again next year. I hope we will be successful, however, in spite of the propaganda machine and the public relations department at OEO.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, I want to use this minute to make a comment on the way we proceed with these bills. When we have general debate, as Members know, the time is under the control of the Chairman and the ranking Republican Member, and the other Members of the House have very little opportunity to be heard.

Under the 5-minute rule, when amendments are in order, those of us who have amendments to offer have difficulty in getting recognized, because the Chair always recognizes members of the committee first.

Then we all get nervous. We have a pretty important piece of legislation here, but then we have to cut off the debate shortly, as we have on most of the amendments.

I hope that some day we will approach this in what I would think would be a more equitable and a more satisfactory manner.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, I reserve my time.

The CHAIRMAN. Does the gentleman yield back his time?

Mr. ERLENBORN. I should like to reserve my time, in case another amendment is offered.

The CHAIRMAN. There are no more amendments at the desk. If the gentleman does not wish to speak he will have to yield back his time.

Mr. ERLENBORN. Mr. Chairman, I yield back my time.

The CHAIRMAN. The gentleman from Wisconsin [Mr. STEIGER] is recognized.

Mr. STEIGER of Wisconsin. I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, I yield to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. I do not care for more time. I thank the gentleman very much, though.

Mr. JACOBS. Mr. Chairman, I yield back my time.

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Chairman, one of the serious problems which has grown along with the growth of Federal grant and loan programs for institutional expansion is the displacement of families and businesses and the need to provide for their equitable relocation.

Many federally assisted construction programs have no mandatory relocation provisions. If homes and businesses are acquired or taken through eminent domain, the owners may be compensated at a level below the property's real value, and persons renting property compensated inadequately or not at all for the expense and inconvenience of relocating.

Senator MUSKIE and I have proposed a central relocation policy, which would apply to all Federal grant and loan programs which assist construction, and also to direct Federal construction. Under my bill, H.R. 16953, this policy would be implemented through a Central Relocation Bureau, to be located in the Department of Housing and Urban Development.

However, until Congress does enact an overall relocation policy, I believe that it is necessary for each federally aided construction program to provide adequate relocation benefits. Therefore, I have introduced H.R. 1248 to insure adequate relocation benefits for persons and businesses displaced by construction under the Higher Education Facilities Act. I have also introduced H.R. 1247 to provide similar assistance under the Hill-Burton hospital construction program. This year the Committee on Public Works recognized the seriousness of the problem, and the Federal-Aid Highway Act of 1968 provides for relocation assistance.

With regard to higher education, there are several Federal programs for institutional expansion. In my own district in New York, families and businesses have been displaced as a result of the expansion of Columbia University. Columbia's expansion policy helped to fuel the recent disorders there.

The Special Subcommittee on Education was kind enough to give me time to testify on March 7 on behalf of my bill, H.R. 1248, to require relocation assistance in connection with federally aided higher education construction. I appreciated the reception my testimony received, but I do regret that action was deferred and that no provision to meet this problem was included in the Higher Education Amendments of 1968.

I urge the Committee on Education and Labor to act on H.R. 1248 at the earliest possible date.

I include at this point in the RECORD the statement which I presented to the Special Subcommittee on Education on March 7, 1968:

STATEMENT OF HON. WILLIAM F. RYAN, REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

I am pleased to appear in support of H.R. 1248, which I introduced to guarantee relocation payments for persons and businesses displaced as a result of construction under the Higher Education Facilities Act.

Grants and loans have steadily increased since the inception of this program. In FY 1967, $787,895,000 was allocated ($537,053,000 in grants; $200,842,000 in loans). I have been a firm supporter of Federal assistance for higher education facilities construction. But particularly in urban area, where vacant land is not available, the expansion of college and university facilities often conflicts with other interests. My bill is intended to soften a side-effect of university expansion—the dislocation of families and businesses in the surrounding community. Institutional expansion in a city causes great personal hardship and expense to individual residents of the community, who are displaced from their homes. This is compounded when there is no relocation assistance.

A university's plan for expansion, however desirable from an educational standpoint, must be balanced against the displacement and inconvenience to residents of the community.

Where Federal funds enable an institution to expand, thereby contributing to the displacement of persons from their homes and businesses, the Federal government has a responsibility to require that relocation assistance be provided.

In my district in New York City, Columbia University during the past few years has purchased some 93 surrounding apartment dwellings for conversion to dormitories or academic facilities or for demolition in order to clear sites for new construction. The owner of the dwelling, of course, is compensated. But the residents are not entitled by law to relocation benefits or assistance with moving expenses, and are usually unable to find comparable housing.

Similarly, proprietors of small businesses are frequently displaced on short notice, and receive no compensation for the burden of having to relocate. If they are forced to move to another neighborhood, they will probably lose the goodwill of their familiar customers. They face moving expenses, higher rentals, or may be driven out of business entirely.

Where Federal funds finance the expansion of universities at the expense of tenants and businessmen, there should be Federal relocation guarantees. Ironically, there are guarantees when urban renewal funds are involved.

Section 114 of the Housing Act of 1949 requires local public agencies to pay benefits to families, businesses and non-profit organizations displaced as the result of urban renewal action. These benefits include moving expenses and relocation benefits. They are reimbursed by the Federal government. In the Housing and Urban Development Act of 1965 relocation provisions were expanded to include displacement as the result of low rent public housing, mass transportation, public facility loans, open space land and urban beautification, and neighborhood facilities, as well as urban renewal. It is inconsistent that relocation benefits are not required where displacement results from federally financed construction under the Higher Education Facilities Act. But there is another anomaly. If land for educational facilities is acquired through urban renewal and turned over to an institution, relocation benefits *are* provided.

This has happened in a minority of cases. The University of Chicago is one.

If on one block in a city, a university expands through the use of Federal urban renewal funds, the families and businesses displaced receive relocation compensation. But, if in the next block, which is not part of an urban renewal plan, the same university purchases buildings which it intends to demolish for the construction of classrooms using Federal grants or loans, families and businesses displaced are not compensated.

My bill would essentially extend the benefits of Section 114 of the Housing Act of 1949 relating to relocation payments to construction under the Higher Education Facilities Act of 1963. It provides:

"RELOCATION PAYMENTS

"SEC. 408. The Commissioner shall not approve any application for a grant or loan under this Act unless he shall have first obtained adequate and enforceable assurances that the institution, board, or agency to which such grant or loan is made will pay, to persons displaced from their places of residence or business by or as a result of the construction to be financed with the proceeds of such grant or loan, amounts covering the moving expenses and direct losses of property incurred by such persons as a result of such displacement within the same monetary limits and subject to the same conditions as those applicable to the relocation payments provided for under section 114 of the Housing Act of 1949."

Section 114, in summary provides that a family displaced from its residences shall receive assistance in finding suitable housing, and that a relocation adjustment benefit shall be paid to it for up to one year, totaling not more than $500.00, where a family is unable to find suitable housing within twenty percent of its income. The payment works in the same way as the rent supplement program, except that it cannot total more than $500.00, and it extends only one year. It is similarly available to single individuals over sixty-two years of age.

In the case of a small business or a nonprofit organization meeting specified criteria, a "small business displacement benefit" of $2500 and in addition, moving and property loss compensation up to $3,000 are to be paid.

It is important to note that, in the case of urban renewal, relocation benefits paid in FY 1967 totaled $37.5 million or 8.5 percent of a total program expenditure of $370,600,000.

In order to ensure equitable treatment for persons displaced by construction under the Higher Education Facilities Act, I urge approval of H.R. 1248.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. PERKINS] to close debate.

Mr. PERKINS. Mr. Chairman, I yield back my time.

Mr. BOLAND. Mr. Chairman, I want to express my strong support for H.R. 15067, the Higher Education Amendments of 1968.

The colleges and universities of this country are essential to our continued prosperity and well-being. They educate today the young men and women who will serve society tomorrow in business and the professions, in the schools and in government. We depend on colleges to provide not merely a vast number of future leaders, but leaders of high caliber as well. This is an awesome task, and one which our institutions of higher education have performed exceedingly well to date.

Yet despite their past success, the future of our colleges and universities is ominous. Money is a critical problem. The "squeeze" caused by rapidly escalating costs and more slowly rising revenues not only places the quality of university education in jeopardy but severely limits the quantity of those who can be served. Yet we have, tacitly, committed ourselves as a nation to the ideal of a college education for any student who is interested and qualified.

The Higher Education Amendments of 1968 are not a panacea for all the ills which beset the university system today, but they provide for the continuation or creation of many constructive programs aimed at making education better serve the needs and demands of a complex society. A few brief highlights include provisions which—

Extend and revise the Higher Education Act of 1965, the National Defense Education Act of 1958 and the Higher Education Facilities Act of 1963;

Extend the International Education Act for 1 year;

Create new programs for interinstitutional cooperation and education for the public service;

Provide for a study commission on universal educational opportunity; and

Authorize advance funding to allow adequate planning and evaluation in higher education programs.

The Higher Education Act of 1965 has been widely regarded as a major breakthrough in Federal aid to higher education. Through various means ranging from loans and grants to student aid it has channeled sorely needed funds to the colleges and universities. The success of the programs to date is ample reason for their continuance, and I heartily support the committee's action in extending the act for 5 years. I also applaud constructive changes made in programs where experience has shown that new or different methods would be more effective.

The program to aid disadvantaged students is one example of a program where experience has indicated a need for "a better way" and the committee has acted to provide it. Transferring the Upward Bound program from the Office of Economic Opportunity and combining it with the Talent Search program in the Office of Education sensibly eliminates duplication of control over such an important effort. Adding tutorial and other special services to the program once the student has matriculated would help him to remain in school and not become another tragic dropout statistic.

The technical changes made in the student aid provisions of the act would mean more loans at a lower cost in dollars and administrative paperwork. The increase in the maximum interest rate on guaranteed loans would encourage more institutions to participate in this program and thus enable more students to get the loans they need to complete their education. At the same time, removing the present interest subsidy on the loan after the borrower finishes school would save the Government money and encourage speedier repayment of loans.

In providing for the extension of the Higher Education Facilities Act of 1963, the bill attempts to aid colleges and universities meet the need for dormitories and instructional facilities brought on by their enormous increase in enrollment. Since 1963, the number of students in our colleges and universities has increased 45 percent. Opening fall enrollment last year was 6,963,867 and it is estimated that by 1976 enrollment will total over 10 million. Unless the capacity of facilities is greatly increased, colleges simply will not be able to absorb all of these students. Facilities aid is a vital part of the Federal Government's effort to assist institutions of higher education.

The extension of the National Defense Education Act of 1958 comes at the end of the first decade of its existence. Titles providing for student loans, graduate fellowships, acquisition of equipment, guidance, counseling, and testing programs and strengthening of modern foreign language instruction would be extended for 5 years. The improvements made possible by these programs more than justify their extension.

One of the changes made in the National Defense Education Act by the committee bill would add a new section to title III—which provides grants and loans for acquisition of instructional equipment. It adds a new section B to this title which provides additional grants to be used in the acquisition of instructional equipment for programs serving disadvantaged children. This program would help to meet the special needs of these children as well as providing necessary support for the programs under title I of the Elementary and Secondary Education Act.

Two new programs the bill would provide are networks for knowledge and education for the public service. Both the idea of interinstitutional cooperation and that of preparing students for the public service are sound ones.

The cost of much modern equipment and research, while prohibitive to the individual university, can be easily met by a consortium of universities sharing the expenses and the benefits of a particular program. As government has grown in recent years, the caliber of its employees has not kept pace with its needs. If we are to solve the complex problems of governing metropolis, megalopolis, and State, and if we are to have an adequate supply of capable men and women to run Federal programs, intensive specialized education is a must.

The committee provision of planning funds only for fiscal 1969 offers an exceptional opportunity to educators and the Federal Government to make these programs both innovative and effective.

The changes and additions made in H.R. 15067 are based on experience and expert testimony. While the aid it would provide is not as vast in scope as might be desired, within the limits of a tight budget this bill would provide the maximum benefit for the minimum dollar. It represents a concerted effort to solve contemporary problems with contemporary solutions. We cannot delay prompt enactment of such vital legislation.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in support of H.R. 15067, a bill to extend and modify the landmark Federal programs of assistance to higher education. The review of these programs during the hearings revealed an impressive record of institutions improved and students aided. Many of us on the education and labor committee worked on the initial passage of these bills and now look with satisfaction at the success of these programs. For example, in fiscal 1967, New Jersey students benefited from over 16,000 guaranteed student loans with a total value of almost $16 million.

We can all be proud that Congress has responded with a sense of responsibility to the needs of our students and institutions, but we cannot afford smugness. We have made heroic efforts to put a college education within the financial reach of middle-income families.

And, although college is no longer the privilege of the few, its fruits still stubbornly elude the culturally and economically deprived who are woefully equipped to make rewarding use of its opportunities. This bill recognizes that the educational problems of the disadvantaged student are not limited to the lack of financial resources. Robert B. Martin, president of Eastern Kentucky University, testified as follows about the disadvantaged student:

> We must be in a position to provide the necessary but expensive special programs for these students or many will not, as has been the tragic case related at institutions all across the breadth of this country, survive beyond the first semester.

It should not be surprising that many such students fail to "survive beyond the first semester," for the disadvantaged student faces in college, as he has throughout his life, serious handicaps to achievement. He must grapple with depressed economic conditions, low social status, and ethnic and racial prejudice. The impact of these conditions on his ability to meet successfully the sharp competition of his more fortunate classmates is staggering. Perhaps the most devastating disability is his inadequate training in fundamental language skills and reading comprehension. It can be shown, for instance, that some high school graduates from economically and socially remote schools are equipped with a vocabulary of 1,000 words or less. Such a student cannot find a freshman literature course "rewarding," he cannot find the competition with his better-prepared fellows "stimulating." Indeed, he may not graduate at all in the face of such an unequal and unjust struggle. And in fact, half of the disadvantaged or educationally deprived students who enter college fail to graduate.

In the past, the Federal commitment to education has emphasized our belief that college should not be out of the financial reach of those who have the potential to graduate. The premise underlying this policy was articulated by President Johnson:

> Increasingly, we look to higher education to provide the key to better employment opportunities and a more rewarding life for our citizens.

It is essential that this opportunity for higher education be equally available to all.

But experience has shown that today's sophisticated college curriculum often requires the educationally deprived student to run before he has learned to walk properly. The legislation before us today, in addition to extending the authorizations of present programs, also proposes to prepare these students to keep up with their classmates. Its provisions provide for urgently needed remedial and compensatory programs and equipment to aid the educationally deprived student both before and after his admission. These programs are necessary if we are not to undermine the thrust of our national policy and waste many of our efforts by failing those who are in the most desperate need.

Mr. Chairman, at a time when America confronts a crisis of her values and her goals, at a time when knowing where we are going is imperative as it has never been before in our past, at a time in our history which is making unprecedented demands for daring creativity and bold leadership, we dare not neglect the quality of the education which molds and shapes the exploding energy and idealism of our youth—upon whose talents and responsibility our Nation's future surely depends.

I ask the members to continue the investment in our future, and to vote with me today in support of H.R. 15067.

Mr. MACHEN. Mr. Chairman, I rise today to support H.R. 15067. I know this bill represents the culmination of many long hours of work by the committee on behalf of the betterment of American education and I know not only we but all our constituents thank them for their efforts.

The changes suggested by this bill in existing programs of aid for higher education are on the whole excellent and should serve to measurably increase the quality of higher education in this country by making the benefits of such an education available to a greater cross-section of our people, especially those who until now were unable to go to college not because of any lack of ability but because they could not afford it.

In 1965, I was pleased to vote for the Higher Education Act. Passage of this legislation in the closing days of the 89th Congress marked the culmination of an unprecedented legislative commitment to the goal of educational opportunity for all Americans. I believe that this legislation was the key to unlocking a new door for all the young people of this country, the most important door they will ever pass through, the door of education.

The legislation we are considering today carries that commitment further. It also reinforces my own personal belief that our educational expenditures must be maintained and expanded because the human cost in doing anything else just is not worth it. I believe our educational expenditures must have the first domestic priority.

Particularly noteworthy improvements that the bill we now are considering will make in programs of assistance for higher education include; first, changes in the various student loan programs to make them more available to students by greatly increasing the number of loans that will be made and making participation in these programs more attractive to banks and other lending institutions; second, making the benefits of higher education more available to disadvantaged students who have the brain power but heretofore have lacked the finances to get a college education; third, incentives for cooperation between colleges and universities to share their resources and knowledge; and fourth, initiating programs to encourage students to enter the public service at the Federal, State, and local levels of government. To paraphrase Dwight L. Moody's comment about religion, government is too important to be left to duffers. Dr. Stephen K. Bailey, national president of the American Society for Public Administration, has said:

> Billions of dollars have been appropriated. New and existing intergovernmental partnerships have been established. But without trained men and women to carry out these complex functions with imagination and skill, the laws themselves can be thwarted by administrative incompetence and can themselves create a bureaucratic quicksand perilous to freedom itself.

I agree completely.

The legislation we are considering does all these things and much more. It consolidates, strengthens, expands, and provides for coordination of programs to assist all Americans in obtaining a higher education. It also puts our colleges and universities on notice that we in the Congress believe rioting and other disorders which have occurred on numerous campuses such as Columbia University in New York City cannot be tolerated.

I would be the last to support legislation to abridge anyone's right of free speech. But, I fully support the provisions of this bill which provide that, after proper notice and hearing, an educational institution may deny a student any further assistance from funds provided under this act if it is found that such a student has willfully refused to obey a lawful regulation or order of the institution and that this refusal was of a serious nature and contributed to the disruption of the administration of the institution.

I support H.R. 15067 and I urge all my colleagues to join with me in voting for this bill.

Mr. SKUBITZ. Mr. Chairman, it is my intention to vote for this measure. There is no question in my mind that the increasing costs of higher education, the increasing number of boys and girls enrolling in our schools, the inability of our States to raise additional funds—makes it necessary that Federal assistance be granted.

However, I am disappointed to find that the committee has come forth with a number of new programs; that it has recommended the authorization of $2,458,270,000 for fiscal 1969 as compared with $2,169,270,000 in fiscal 1968. I do not question the merits of new programs. It just seems to me that the committee's timing for such action is bad.

This Congress recently passed legislation placing a 10-percent surtax upon the backs of the taxpayers. We have directed the President to cut spending by $6 billion. We still have an $8 billion deficit confronting us. Now the committee—instead of holding the line has come forth with a bill authorizing $262 million more than we authorized last year.

I shall support amendments to reduce this committee's requests. I shall support the Appropriation Committee if in its action it recommends reductions to bring spending for this program in line with the amounts we appropriated last year.

Mr. TUNNEY. Mr. Chairman, 100 years ago, the people of the United States decided that we could not endure as a divided Nation, that we could not exist half slave and half free. Today, the people of this country must make a similar decision, one which I think is just as complex and just as explosive. We must ask ourselves whether we can continue to exist half rich and half poor, half affluent and half squalid, half fed and half hungry. If division was unacceptable 100 years ago, I think it is unacceptable now. If the bond of slavery were wrong then, I think the bonds of ignorance are wrong now.

That is why I must rise in support of the legislation which is before us today. Measures like this are predicated upon the belief that one root cause of poverty in America is lack of education. The Higher Education Amendments of 1968 are a great step forward in assisting this Nation's attempt to bring the children of the "other America" to this country's college campuses. At the same time, these amendments deal indirectly with the spiraling increase in skilled job opportunities and the parallel, shrinking capability of this Nation's labor force to adequately meet the needs of rampaging technology. If we recognize now that the future middle classes of America will be the preserve of college educated Americans, if we recognize now that failure to obtain a higher education will mean the acceptance of poverty then the United States will have progressed far in man's age-old fight against impoverished misery.

A college education is becoming increasingly more expensive. With costs rising at a rate of 5 to 10 percent each year, few American families can afford to send their children through 4 years of undergraduate study without experiencing a financial squeeze. According to the U.S. Office of Education, the costs of a college education during 1966–67 ranged from $1,102 for students attending community colleges to $3,360 for students attending private colleges.

Our goal must be to assist qualified but needy young people to obtain a higher education. Because this Congress appropriated money for Government loans, scholarships, grants, and loan insurance, 1 million students are going to college today who would not be there otherwise. Yet we cannot become self-satisfied with figures like this when there is so much with which to be unsatisfied. As the U.S. Advisory Commission on Civil Disorder pointed out, the burden of funding educational assistance programs will fall on the Federal Government. We must accept that burden. Because they are caught between an inadequate and shrinking tax base and accelerating demands for public expenditures, cities are unable to generate financing sufficient to the need. The States are in no better situation. At the same time, it is important to recognize that State and local revenues are derived primarily from regressive sales and property taxes; these taxes place a much greater burden upon those who have small incomes as opposed to those whose incomes are so large that only a small portion of their wealth is devoted to consumption and to property.

The student assistance programs in this measure—National Defense Education Act student loan program, work study grants, educational opportunity grants and loan insurance—include some very important provisions which are worth pointing out. Repayment of NDEA student loans may be deferred up to a total of 3 years after graduation if the recipient goes on to graduate school or joins the Armed Forces, VISTA, or the Peace Corps. In addition, the loan program provides a "forgiveness" provision which cancels part or all loans made to those borrowers who go on to become teachers or college professors. Thus, the program encourages students to go on to graduate school at a time when this country drastically needs more doctors, lawyers, scientists, and Ph. D.'s. At a time when this Nation is experiencing a great shortage of teachers, this legislation attempts to alleviate the situation by providing incentives in that direction.

The U.S. Riot Commission stated that "the benefits gained by increasing opportunities for disadvantaged students to seek and obtain a higher education can be amplified by providing incentives for needed college trained public service personnel, particularly teachers and health workers." The legislation before us today is aimed in this direction.

Robert Martin, president, Eastern Kentucky University, urges us to "recognize that for the disadvantaged student we must extend our efforts beyond Talent Search, Upward Bound, and financial aid programs. We must be in a position to provide the necessary but expensive special programs for these students or many will not, as has been the tragic case related at institutions all across the breadth of this country, survive beyond the first semester." I emphatically agree. That is why we must consolidate and revise the Talent Search and Upward Bound program as the legislation before us proposes. The objectives of the new consolidated program would be to supply support to institutions of higher learning in identifying disadvantaged students through Talent Search activity; to provide assistance to disadvantaged students in college through Upward Bound activities, and to provide special and remedial services to such students while they are attending college. In this kind of legislation, we have a "three-pronged approach" to the problem of identifying, preparing, and maintaining in college youngsters who have academic potential but economic inefficiencies.

Because education is the basis of a viable democracy and because higher education is the foundation of our collective prosperity, we cannot afford to deny any qualified person the opportunity of access to our colleges and universities.

We must decide whether a basic division in our society will continue, whether the children of the prosperous shall become prosperous and whether the children of the poor shall continue in their turn to be poor. Can we not have a society where the children of the poor and rich alike have the same opportunity to join in the common prosperity mainstream of American life?

In fact, can we have future prosperity in America without adequate education for all?

Mrs. KELLY. Mr. Chairman, I wish to join with my colleagues in supporting H.R. 15067, the Higher Education Act Amendments of 1968. I would like at this point to commend the chairman of the Committee on Education and Labor, the gentleman from Kentucky [Mr. PERKINS], and all the able and distinguished Members on both sides of the aisle who serve on this important committee, for still another job well done, and to thank them for the role which they have played in bringing this legislation to the House.

This year marks the 10th anniversary of the National Defense Education Act, which I was happy to have supported and which was the first major Federal legislation providing financial assistance at all levels of education. Since that time, we in the Congress have established additional higher education programs, including those authorized by the Higher Educational Facilities Act of 1963, the Higher Education Act of 1965, and the National Vocational Student Loan Insurance Act of 1965. Through these programs, the Federal Government has been able to provide assistance to higher education without demanding Federal direction and control of the system. In addition, through these same enlightened programs, the Government provides assistance for the deserving student.

Over the past 10 years, the National Defense Education Act has proven of immense worth to our citizens and, therefore, to the Nation. Since 1963 and passage of the Higher Education Facilities Act, the Federal Government has assisted colleges and universities in dealing with mounting student enrollment through a program of matching grants and loans for the construction of academic facilities. In addition, during this same period, legislation has established a comprehensive package of student assistance in the form of guaranteed loans, direct grants, and work-study program.

This bill, H.R. 15067, amends title IV of the Higher Education Act of 1965 to include the college work-study program, originally established by the Economic Opportunity Act of 1964. The purpose of the college work-study program, which has had my special interest, is to stimulate and promote the part-time employment of students, particularly from low-income families. This widely acclaimed program gives many students who could not otherwise do so an opportunity to better themselves through higher education. This is accomplished by a Federal-State matching fund, the ratio of which was established by the Congress at 90–10, as originally enacted, with a change to 75–25 by last August 20. However, with subsequent passage of H.R. 11945, the Federal share of student compensation was placed at 85 percent. Under this same compromise, it would drop to 80 percent on August 20 of this year and to 75 percent on August 20, 1969. During the first session of the 90th Congress, I introduced H.R. 4338 to make permanent the 90–10 matching requirement applicable to the work-study program. I did this because of the many situations which were brought to my attention where a college or university was unable to participate in the program because of the inability to raise sufficient matching funds. However, I am happy to support H.R. 15067 which, although setting the Federal share at 80 percent as of August 20, 1968, with a drop to 75 percent in August 1969, the bill also allows for a Federal share in excess of 80 percent when employment cannot be provided because of the matching requirements.

In addition, Mr. Chairman, I will support any effort to extend this program through the summer months.

Finally, I urge the enactment of H.R. 15067, which extends and improves many existing, successful programs, and adopts several new programs to further assist in meeting the continuing and increasing need to strengthen and expand educational opportunity.

Mr. CAREY. Mr. Chairman, the amendment to title III of NDEA which I sponsored is a dramatic advance in helping disadvantaged children through the use of modern technology to reinforce education.

I should like to document the record in support of this change in our program.

When title I of the Elementary and Secondary Act was designed by our committee, we heard extensive testimony on the contributions which could be made by modern teaching tools—films, television, video tape recorders and the like. In passing legislation we made it clear that we expected these modern tools to be brought into full use in solving the problems of the education of the disadvantaged.

Now, as a result of this, what has happened? There is ample evidence that modern equipment, teaching tools, films, television and the like, have made major contributions to the programs under title I, but that much more equipment is needed.

One of the big thrusts of the title I program has been towards the improvement of reading abilities of the children. Very extensive use of projectors, tape recorders and other modern tools have been made in reading programs throughout the country, with considerable success. In California, for example, the State reported that the most significant growth in reading projects was achieved from those in which "a variety of approaches, including reading laboratories and special textbooks and materials, were used" along with thorough screening and diagnosis, in programs employing trained specialists.

The summary of the California ESEA title I annual report for 1965–66 goes on to state that:

> Programs that merely reduced teacher loads so the teacher could spend more time on remedial reading did not result in as significant gains as programs that employed a comprehensive range of activities.

This California report is typical of many areas in which modern teaching tools are making major contributions to title I programs. In South Bend, Ind., title I funds have been used to establish a strong and effective program to overcome the handicapped home environment among culturally disadvantaged children, in order to make academic learning more truly effective. Mrs. Patricia M. Carmichael, coordinator of ESEA title I instruction in eight parochial and 13 public schools in the district, recently explained the need for modern equipment in a magazine article. She said, and I quote:

> Culturally disadvantaged children lack the experiences and the background that make academic learning advantageous. They are disadvantaged not in their own cultures but in ours. They particularly lack experience with the activities and objects mentioned in textbooks. At home they have not been told familiar fairy tales nor have they been read-to; very little English is spoken in their homes. As a consequence, they need to learn both classroom and playground language. Furthermore, they have undergone no experiences to discuss in classrooms.
>
> Record players are used to relate stories their classmates know and enjoy—but are new to them. In listening centers, they are given remedial reading programs assisted by record players and textbooks; thus they become acquainted with previously unfamiliar objects; they also listen to good music on records.

I would like to submit the complete magazine article, from Educational Equipment and Materials magazine, winter 1967 issue, for the RECORD at this point:

Utilizing ESEA Title I Funds

A small AV department was launched in the South Bend (Ind.) elementary and secondary schools 16 years ago. Today that department is housed in centrally located headquarters, has an FM radio station and $307,000 worth of teaching aids in classrooms, gymnasia and listening centers in 50 educational institutions. Audio equipment, including 546 record players, aids teachers in all grades.

Howard N. Uhrig, AV Director, has been with the department for 8 years; he formerly taught physics, chemistry and math. As he explained, "We have a smooth-working distribution system with an AV Coordinator in each school. We have one service man at present and are adding another. During summer months, service visits are made to the schools to check performances of record players, tape recorders, projectors and other equipment; repairs are made as needed. Jack boxes are built and installed to enable 4, 8 or 12 pupils to listen with headsets to a single Newcomb record player.

DAILY PICKUPS AND DELIVERY

"During the school year, we have daily truck delivery and pickup of materials and equipment requested by the various AV Coordinators. Written records of all the equipment are being put on computer cards so we can get instant-inventory figures, information on ages, service records and repairs. Our buying is done through competitive bid during summer months so new equipment is ready in the fall."

Record players constitute an important element of teaching aids. There are 116 in the district's 8 high schools and another 430 in 42 elementary schools. More than 65% of them are of one manufacture—Newcomb Audio Products Co. of Sylmar, California.

Each school maintains a listening center where pupils can come during free or study periods to hear records that supplement classroom work. Some of the diversified instructional applications were uncovered in visiting classrooms.

THE TITLE I COORDINATOR SPEAKS

Mrs. Patricia M. Carmichael is Coordinator of ESEA Title I instruction in 8 parochial and 13 public schools in the district. She revealed some of the newer, timely uses of record players as an instructional tool. Target areas were selected from 10 census tracts which registered the city's highest concentration of low-income ethnic families.

"Culturally disadvantaged children," she said, "lack the experiences and the background that make academic learning advantageous. They are disadvantaged not in their own cultures but in ours. They particularly lack experience with the activities and objects mentioned in textbooks. At home they have not been told familiar fairy tales nor have they been read-to; very little English is spoken in their homes. As a consequence, they need to learn both classroom and playground language. Furthermore, they have undergone no experiences to discuss in classrooms."

Record players are used to relate stories their classmates know and enjoy—but are new to them. In listening centers, they are given remedial reading programs assisted by record players and textbooks; thus they become acquainted with previously unfamiliar objects; they also listen to good music on records. Another new experience is taking part in plays such as "Peter Rabbit".

A NEW WORLD IS VISITED

The teachers were amazed to learn that many of these pupils had never been to a neighborhood grocery supermarket, a department store, had never seen an escalator, had never dined in a restaurant. So each teacher set up activities to match the most urgent needs of her own pupils.

To supplement the much-needed reading and vocabulary studies, a 5-week summer enrichment program was established. Groups of children were taken to local stores, parks and sightseeing spots. Robinson's Department store, for example, took groups through the premises and served them lunches. In the local Penney Store, photos were taken; when shown later, the students were asked to relate what they had seen and done at the store. For the first time, they were able to talk when called-on in classrooms.

THE PARENTS PARTICIPATE

Following field trips, parents were tied into the program. Many of them had not known they would be welcome in schools. Teachers made mothers comprehend more fully their responsibilities in the education of their children. When these mothers were asked to serve in school gatherings or as chaperons, they came to realize for the first time that "school is a nice place".

Mrs. Carmichael concluded by stating, "The children from these ethnic groups are bright—they have been handicapped only by inexperience. Unless enrichment programs are provided to help them take their proper places in classrooms and in adult life, this nation is going to let good brain power go to waste because find minds are underdeveloped."

MUSIC HELPS TRANSITION CLASS

Another teacher visited was Miss Marjorie Gentry who teaches grade 2 in the Marshall School (K–8). Her higher education was begun as a music major but she decided her preference was to teach young children, which she has done for 28 years without losing her love of music; she is an expert pianist and singer. She applies these talents effectively and interestingly to a transition class of 20 members. Experience has demonstrated that music has a welcome, calming effect on her pupils; it causes them to relax and to participate in classroom activities.

She uses record players in many ways to stimulate participation which results in better learning. She does considerable work in social studies and remedial reading, using records and textbooks; when a lesson deals with a foreign land, she plays its music to add familiarity.

She teaches writing to music by playing a record with a good beat. The children keep time by writing a downstroke, slanting an upstroke, emphasizng the next downstroke; this procedure limbers their hands better than traditional writing exercises.

MUSIC IN SOCIAL STUDIES

In social studies a textbook deals with baking bread—so she and the pupils bake a loaf in class. Each child takes a turn at stirring the batter to music; the batter is raised on a classroom radiator, then baked in an oven in Home Ec; thus the children enjoy the smell of bread baking. Many mothers ask Miss Gentry for the recipe so they can repeat the much-talked-about experience at home.

Group singing with creative movements or interpretive dancing are taught to recorded music. When the words of a song about a windy day tell of falling leaves, the girls like to portray the leaves as they twirl through the air and settle to the ground.

AT THE SECONDARY SCHOOL LEVEL

Uses of Newcomb record players with advanced classes was explored. In Jackson High they help to teach history, using the Edward R. Murrow series. In Riley High, Garry G. Smith conducts a Spanish language lab using a record player and an overhead projector as affiliates of textbooks. At the time of the visit, he was projecting pictures of family members. Pupils studied printed Spanish for mother, father, son, daughter and other relatives; meanwhile, recorded native gave accurate pronunciations. Thus students see, hear, read—then test their pronunciations with the recorded voice.

When written tests are taken, Smith plays Spanish music; they get better test results. The students also study with music playing. Record players are used by the English teachers in the same ways. In science, history, math and vocational guidance, they are used in conjunction with film strips and textbooks. For painting and writing, mood music is provided.

At various grade levels, record players are used in gyms to provide rhythm and exercise instruction. At Monroe School (K-8) a folk dancing group is conducted by Phys Ed teacher Miss Ramona J. Holsinger. She is preparing pupils for a dancing demonstration during the city's Sesquicentennial celebration; 300 girls from 5 schools will dance "The Irish Washerwoman" in Irish costumes.

RHYTHM BANDS AND HISTORY

At LaFayette School (K–6) AV Coordinator Mrs. Joanna Hock has a Materials Distribution Center on each of two floors. There is also a listening post where pupils may use headsets plugged into jack boxes to hear music, stories and other classroom material. Music instruction is by record player when a teacher does not play piano.

Mrs. Hock keeps one of the instruments in Kindergarten; each of two others are shared by two teachers for mood music and instruction. For example, a Peer Gynt Suite movement will be played, then the pupils are asked to draw or to write what it makes them feel.

In the Kindergarten, Miss Dolores J. Osborn plays records that tell fairy stories or history, using textbooks or slides for illustrations. She teaches dancing and march steps to music. A popular activity is rhythm band concerts during which the youngsters beat time on percussion instruments.

In Grade 5, teacher Joseph L. Lowry teaches American history with record player assistance. Records and headsets are available to students who wish to listen, during study or other free periods, for details not covered in textbooks. During the visit, Lowry featured the American Revolution. Six students with headsets were seated around a circular table listening to a story of historic events. A corkboard panel displayed and identified pictures as scenes from the Revolution.

A shortage of music teachers caused the South Bend AV Department to launch its FM radio station aptly lettered WETL for "We Educate Tomorrow's Leaders". It puts 40 hours a week of music into schools over the air. For the detailed instruction already explained, record players provide a wide variety of teaching aids. In the schools of this city with nearly 140,000 inhabitants—many of them foreign born—the teaching staff is firmly of the opinion that AV units are an aid to instruction, helping them to accomplish an objective rather than competing for their jobs.

Modern materials and equipment have been found particularly effective in educational programs for institutionalized delinquents. In a report, "Opening Doors Through Educational Programs for Institutionalized Delinquents" issued by the U.S. Office of Education, it is pointed out that:

> In training schools and other institutions serving delinquent children, conventional learning is, at best, often difficult. Frequently overcrowded and understaffed, these institutions serve children of a wider range of age, abilities, and social development than do their public school counterparts. In addition, pupil turnover and frequent interruptions add to the teacher's problems.
>
> Programed instruction offers a new way of improving instruction in such schools.

The same report further points out that:

> The immediate knowledge of the results obtained from self-instructional programs appeals to the inmate's need for immediate gratification.
>
> The minimal use of teachers and the role change from student to experimental subject cuts through the existing class barrier and provides for a psychological uplift.
>
> Teaching machines have been shown to have a motivating effect on the students—the lack of competition, the absence of any embarrassing disclosure of ignorance, and the self-pacing features of self-instructional techniques have been demonstrated to be decided advantages with apparently unmotivated or recalcitrant individuals.

Quoting further from the same report:

> A unique feature of the Green Hill School (a State institution for delinquent and/or disturbed boys from the ages of 14 to 17) is the requirement that each student spend 35 minutes a day in a developmental reading course. Various aids are used, including commercially produced reading laboratories, controlled readers, reading pacers, and workbooks and worksheets designed to develop word-attack skills. The principal, Gordon Hey, has said that the controlled reader is—
>
> ". . . a particularly effective device, as the machine in itself is a good motivational force on our 'gadget conscious' students. This machine projects printed material on a screen at various adjustable speeds, either in a normal left-right sequence to train and develop eye-muscle movements, or by flashing entire phrases of variable length to broaden the trainee's visual scope, or more technically, to improve his peripheral vision. The libraries of filmed materials are vitally interesting to adolescents and come in varying vocabulary levels."

I have mentioned these items briefly, but there are many, many more examples which could be quoted in which modern equipment has been the keystone of educational improvement programs under title I. The important thing for us to understand here is that when we mention "equipment" in this context, we are not simply talking of desks and chairs; we are talking about the whole range of modern educational technology which has proven so important in the progress of our educational programs and which certainly should be brought fully to bear in the education of economically disadvantaged children.

It is well known that ghetto youngsters generally have poorer reading abilities, and that they do not fit in well with conventional classroom teaching procedures. Their interest can be captured and strengthened through the use of modern teaching equipment such as films, video tape recorders, overhead projectors, and educational television. Our committee recognized this in drafting the legislation, and we specifically provided for the inclusion of this modern equipment. But there are many other demands on title I funds. Our new program under NDEA title III would help to increase the availability of modern equipment and materials, and for that reason I most sincerely urge its full implementation.

Parenthetically, let me make it very clear that as the original sponsor of this part of our bill, it was not my intention that the purchase of equipment or materials with the regular Title I funds, should in any way be restricted or decreased as a result of the passage of this new provision. It is the intention here to underline our original intention, in passing the Elementary and Secondary Education Act, that innovation and new materials and new equipment be brought strongly into play in implementing all of the programs under the act.

EIGHTY PERCENT OF SCHOOLS BELOW NATIONAL STANDARDS

There is considerable evidence that school teachers and administrators feel a definite need for these modern materials and equipment. For example, in 1965, the year in which ESEA passed the Congress, a national survey showed that two-thirds of the teachers and principals interviewed gave first priority to teaching materials and equipment as the best way to spend money in their school systems. A national opinion research firm, Trendex, Inc., made a special study for Grade Teacher magazine, interviewing teachers across the Nation to determine their attitudes and opinions regarding the expenditure of funds for educational purposes. Five hundred and twenty-eight teachers, who had been selected and carefully equated to give a statistically valid sample, were asked one question: "If you had a million dollars to spend for your school system, what would you spend it for?" Two-thirds of the respondents mentioned the general category of teaching equipment, and within this category, audiovisual aids were the top choice of needs mentioned by the teachers.

That same year, Nation's Schools magazine made a national spot check survey which revealed that 77 percent of the school administrators questioned regarded modern technological materials and equipment as the items they would be most likely to purchase with Federal funds to implement their programs. A 4 percent proportional sample of the 16,000 school administrators in 50 States were asked to select from 14 suggested product categories the ones they would buy. Audiovisual equipment and materials were included in 77 percent of the replies. Learning laboratories were mentioned in 35 percent of the replies.

And in case any of my colleagues may have heard the old saw which has been perpetrated around the Congress within the last year or two, to the effect that there is a lot of equipment in closets, let me just point out that less than 20 percent of the schools in the United States meet the accepted standards for school media and equipment programs which were established in a study funded by the U.S. Office of Education and which have been accepted by a number of national educational organizations. These standards, which were established by education on the basis of experience, rather than by bureaucratic fiat, provide for the minimum of equipment and materials to do an acceptable job—and less than a fifth of the schools in the United States, and virtually no schools in the less affluent areas, have the equipment, materials, or budgets to meet these standards.

CED RECOMMENDS MASSIVE USE OF EDUCATIONAL TECHNOLOGY

No less an organization than the Committee for Economic Development has just completed a study in which a vastly increased use of educational technology is strongly recommended. The results are contained in a report, "Innovations in Education: New Directions for the American Schools," which was issued this month by the committee. I commend it to your careful study.

This report makes a number of sweeping recommendations which our committee must look into very carefully in the coming months. Bearing on our problem here today, though, are some particular statements which I would like to quote for you and for the record. The report states:

> The new educational technology, especially instructional television and various types of audiovisual equipment, holds considerable promise for improving the quality of instruction. No opportunities to advance education through new technology should be overlooked.

This report goes on to question the value of simply reducing class size as a means of improving instruction, and to recommend that cost-effectiveness analyses be made of instructional innovations to determine which ones produce the most desirable results in relation to the investment. It continues:

> We strongly recommend that broad-based studies be made of the costs and benefits that can be expected if the various technologies involving audiovisual equipment, television, computers, and other devices are applied to instruction on a wide scale. Such studies should take into account the benefits that may be obtained through increasing the effectiveness of the learning process at the same time that they weigh the effects of the new resources in terms of the organization of instruction, teacher pay schedules, productivity, probable use by teachers, and other vital matters.

The report points out elsewhere that it is now possible for schools to take advantage of new opportunities:

> Now that they are released from the struggle to absorb large numbers of additional students, many schools have the opportunity to make serious efforts to decide among programs of high and low priority.
>
> Even more fortunate is the availability of new educational resources which can help the schools move to new heights of performance when the proper conditions for their use are established. From our own study of the costs of these resources, we believe that the use of instructional television and various audiovisual equipment will find a continuous and growing acceptance in the schools, while computer assisted instructional systems may not achieve large-scale use for some time because of the great cost involved.

I believe every Member of this House who is interested in education should obtain a copy of this statement and study it carefully.

I particularly recommend it to some of my friends in this House and in the U.S. Office of Education, who perhaps are not sufficiently aware of the fact that writings on the walls of caves are no longer the latest and best instructional techniques, that McGuffey's Reader is beginning to be a little out of date, and that we have a responsibility to include modern equipment and materials in our Federal educational programs at the points where they can make substantial contributions.

Let me say again that the equipment and materials which have been purchased under title I have made a definite contribution to the education of disadvantaged children, and that there is a definite need for more—a lot more—teaching equipment and materials, in order to bring our schools in the ghetto areas up somewhere near the national standards.

For these reasons, I urge the full implementation of my proposed new program.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 15067, the Higher Education Amendments of 1968.

I have always adhered to the philosophy on education that as many scholarships as possible should be provided our needy and deserving students, all the way from kindergarten through the college level. No youngster in America today should be deprived of the opportunity of reaching his full potential because of the handicap of insufficient education. And no youngster in America today should have to drop out of school because of insufficient funds to continue his education.

Within the framework of this philosophy which has been strengthened by many years of personal observation and study, I strongly support the legislation on the floor because it is directly related to the well-being and prosperity of this Nation. The Higher Education Act Amendments of 1968 would extend for 5 years, through fiscal year 1973, a wide range of aid to higher education programs which expired on June 30, 1968 or which will expire on June 30, 1969. The measure also authorizes the sum of $2.5 billion for these programs for fiscal year 1969, and $2.8 billion for fiscal year 1970.

The programs which would be extended for 5 years include programs originally authorized in the Higher Education Act of 1965, the National Defense Education Act, the Higher Education Facilities Act, the International Education Act, and the National Foundation on the Arts and Humanities Act, all of which I have supported very strongly. These programs cover such areas as aid for the construction of college classrooms, libraries, and laboratories; assistance for the purchase of books, other library resources, and institutional equipment; special aid to developing institutions, and student assistance programs.

H.R. 15067 would also consolidate two existing programs of aid to disadvantaged students. These programs are the Talent Search program and the Upward Bound program. I am convinced that this union of two very worthwhile programs will produce a combined program with greater reach and effectiveness in providing assistance to our disadvantaged students.

I am deeply impressed with the four new programs which are included in the Higher Education Amendments of 1968. These would provide assistance to colleges and universities which are attempting to develop cooperative education programs; grants for the acquisition of instructional equipment to be used in programs designed to meet the needs of educationally deprived children; aid for the improvement of educational programs for persons intending to pursue careers in public service; and aid for cooperative arrangements among institutions of higher education to share their technical and other educational facilities and resources. These are dynamic innovations which will implement and strengthen ongoing higher education programs. These new programs are worthy of our support.

In my own State of Hawaii, I have observed with great satisfaction the favorable impact that these higher education programs have made. The results would not have been so gratifying if the necessary funds had not been made available. To cite but a few examples: For the strengthening of developing institutions under the Higher Education Act, the State of Hawaii received $112,740 in fiscal year 1967, and received the estimated amount of $139,266 in fiscal year 1968; for college teacher fellowships under the National Defense Education Act, Hawaii received $520,700 in fiscal year 1967, and an estimated $485,800 in fiscal year 1968; and with respect to construction of undergraduate facilities under the Higher Education Facilities Act, the 50th State was allotted the total sum of $1.718 million in fiscal year 1967, and the estimated amount of $1.021 million in fiscal year 1968.

Even more significant than these are the higher educational activities which are geared to provide direct student aid. Educational opportunity grants under the Higher Education Act have exceeded $260,000 in each of the last 2 fiscal years, and contributions to loan funds under the National Defense Education Act have risen from $226,827 in fiscal year 1967 to an estimated $271,354 in fiscal year 1968.

As one who had to work his way through college, I would like to see a greater number of outright scholarships included in our higher education programs, and it is my fervent hope that our Committee on Education and Labor will, in their consideration of future legislation in this field, provide for such scholarships. Despite its weakness in this area the bill under consideration deserves the support of the education-minded and I urge a favorable vote.

Mr. RYAN. Mr. Chairman, I want to address myself to title IV, part B, amendments to insured student loan program.

I have been concerned about the operation of the vocational student loan program in New York State, where the shortage of loan funds has led the State authorities to administratively set priorities for loans which preclude loans to part-time vocational students. This seems to me most regrettable, since it is precisely those students, who must work part time to support themselves, to whom this loan program can make such a difference. It is precisely these people for whom the availability of a loan means the difference between taking vocational courses at night to advance into a skilled trade or continuing in a dead end job.

Even under the existing shortage of funds, therefore, I question the wisdom of the decision to administratively exclude part-time students.

Title IV, part B, of this legislation H.R. 15067, however, should eliminate this problem. I note section 413, which authorizes the Commissioner of Education to reimburse the insurer for 80 percent of losses resulting from defaults on loans. This, in effect, increases the availability of loan funds four-fold. Second, I note section 414, which increases the advances to State and private loan student loan insurance programs by $10 million.

These amendments to the program should remove any doubt as to the program's capacity to serve part time, as well as full-time students. This will certainly be a welcome improvement.

Mr. ECKHARDT. Mr. Chairman, Members vote for amendments such as this only when they vote from their spleens and not from their brains.

In the first place, a student who "willfully refused to obey a lawful regulation or order" of an institution and thus contributed to serious "disruption of the administration of such institution" could be expelled whether he received some Federal benefit or not. If he is expelled, he cannot further avail himself of Federal benefit programs for higher education. But expulsion hits the rich as well as the poor. If the student who gets his monthly expense allowance from his father engages in the same raid with the student who uses a Federal student loan he is subject to exactly the same discipline under present law. When he is expelled he will no longer get his allowance, at least for support in that university.

Therefore, section 1502 is not necessary and not desirable. The Scherle amendment compounds the inequity. It does not make it mandatory that the rich student guilty of the offense be expelled.

Second, the Scherle amendment does not attain its stated objective. Its apparent purpose is to establish some rather automatic punishment for student disturbances which the educational institution is required to apply. But it does not achieve, in a practical sense, its objective. Action by the school administration is still discretionary in several areas: the question of the seriousness of the offense, whether it contributed to the disruption of the administration, and whether it was willful.

It does affect section 1502 in this undesirable way, however: Once the administration determines that the action fits the category specified in the statute then all of the benefits under the various programs listed from (A) through (E) must be denied to the student and the attendant assurance denied to the institution advancing a student loan. For instance, it might be thought that no further student loan should be granted but that the student be permitted to continue a fellowship program, at least until some future date. This could not be done under the Scherle amendment. Even the student loan insurance program under (C) would have to terminate though it is really an assurance to the lender.

I oppose the Scherle amendment and I think that the entire section 1502 is extremely ill-conceived.

Mr. VANIK. Mr. Chairman, the House has before it today legislation to amend and extend a number of programs affecting higher education in America. It is interesting to note that this legislation comes before us on the 10th anniversary of that landmark piece of legislation, the National Defense Education Act of 1958. Since then, the Congress has passed the Higher Education Facilities Act of 1963, the major Higher Education Act of 1965, as well as the Vocational Student Loan Insurance Act of 1965. Under these programs, the number of colleges and universities participating in Federal student aid programs has doubled from 1,100 to 2,200. In 1958, students received assistance of $59 million in loans. In fiscal 1968, student assistance has risen to $400 million.

Yet, a great deal remains to be done. The amendments before us extend the programs of the past, offer a few new programs, and make a few improvements. In some cases, the amendments hinder more than they improve.

The new programs would provide grants for the purchase of instructional equipment to be used in programs designed to meet the special needs of educationally deprived students. This year's amendments provide several new programs of cooperation among institutes of higher education. Perhaps most exciting is a new program of institutional grants and graduate fellowships for planners, managers, and other personnel in the public service of local, State, or Federal governments. The demand for highly educated, scientific, and modern public servants is one of the pressing needs of our society. This new program should be a step toward meeting that need.

The legislation before us today extends the following sections of the Higher Education Act of 1965 and provides new authorizations for the next several years:

Title I, community services and continuing education;

Title II, college library assistance and library training and research;

Title III, strengthening developing institutions;

Title IV, student assistance—educational opportunity grants, guaranteed student loan program and the national vocational student loan program, college work-study program, cooperative education programs;

Title V, Education Professions Development Act;

Title VI, financial assistance for the improvement of undergraduate instruction; and

Title IX, networks for knowledge.

Many of these programs are famous for the impact they have had in improving American education; but one program, the guaranteed student loan program, has not had a successful history in my area of Cuyahoga County. In the last 2 years, 796,000 loans totaling more than $682 million have been made throughout the Nation. Only 527 students have been able to borrow funds at the present time in my community of almost 2 million persons. If the proper share of loans had been made in the county, more than 7,960 students would have been able to benefit from the program. Only one-tenth that number of loans have been made. Today's amendments make some improvement in the program by providing additional reserve money to the State funds through which the program is administered as well as providing reinsurance to the States for those few cases where a loan is defaulted. Perhaps the most important change in this program, which is so vital to families in the middle-income brackets, is an amendment which permits the Commissioner of Education to make payments to reduce student interest costs on loans guaranteed by State or nonprofit private programs which bear interest at a rate up to 7 percent. By increasing the allowable interest rates on loans by 1 percent, more banks will be encouraged to make more loans, and the program should be more successful.

I regret that the present economic situation in the Nation is such that banks across the country have refused to participate in the guaranteed student loan program because, they said, they could not break even on the loans made at 6 percent. It is my hope that the tight money situation may soon relax and the cost of money decline. I would hope that when interest rates return toward normal—as indicated by the Federal Reserve Board discount rate, for example—the interest rate which the Federal Government will support will also decline. This program is designed to support students, not the level of bank profits.

Another amendment to the guaranteed student loan program provides, unfortunately, for an elimination of Federal assistance in the repayment of the loan. As the program presently works, the student does not have to pay any interest on the loan while he is in school. The Federal Government covers the interest for the student. Once the student starts repaying the loan, the Government pays half the interest cost. Under the amendment, that post-school assistance will be eliminated. This change will cause undue distortions and hardships in the student's postundergraduate plans. Graduate students, those serving in the military, and members of the Peace Corps, who have used State-guaranteed loans may be forced to bear the full and heavy cost of these principal and interest repayments.

It is interesting to note that the Senate did not delete this interest repayment assistance. It is my hope that the House will concur in the Senate version.

The amendments before the House also extend the Higher Education Facilities Act and the various titles of the National Defense Education Act:

Title II, student loan program;

Title III, grants and loans for the acquisition of instructional equipment;

Title IV, graduate fellowship programs;

Title V, guidance, counseling, and testing; and

Title VI, language development.

Unfortunately, the most important of these titles, the student loan program of title II, is weakened by the bill before us. The authorization for this program, which, since its inception, has provided $1¼ billion in loans to 2 million college students, is being cut from last year's authorization. Last year the program was authorized for $225 million—but only $210 million this year. Demand is expected to reach $243 million worth of loans during the coming school year. This severe reduction is indefensible considering the demonstrated value of this program.

Second, one of the most innovative and imaginative clauses of the title II program is being eliminated. Under existing law, all or part of an NDEA loan may be forgiven for teaching service on the part of the borrower. Under this year's amendments, a loan may be forgiven only if the teacher serves in an extreme low-income school or a school for the handicapped. I do not believe that the supply of teachers is yet large enough to drop this incentive program included in the NDEA loan program.

The impact of the programs being considered has been very decisive in my community. In fiscal year 1966, $2,931,474 of NDEA and Higher Education Act funds were utilized in the Cleveland area. In addition, one of the universities of the area received $6,290,399 under the Higher Education Facilities Construction Act. In fiscal year 1967, facilities construction assistance of $1.3 million went to my county along with $2.6 million in NDEA and Higher Education Act funds. The impact of these programs has been similar in countless communities around the Nation.

The changes which I have mentioned should be adopted by the House so that this vital law can continue to function to the benefit of millions of students in thousands of institutions of higher learning. It is shortsighted to cut back, detour, or eliminate commitments to our colleges and universities. The funds we spend now are among the greatest investments the public can make in the future development of our country. The tax money spent in these programs will be returned in the higher income taxes paid by its beneficiaries. The investment made today will multiply.

The **CHAIRMAN**. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The **CHAIRMAN**. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VANIK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15067) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related Acts, pursuant to House Resolution 1259, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER**. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment adopted in the Committee of the Whole?

Mr. **GERALD R. FORD**. Mr. Speaker, I demand a separate vote on the so-called Scherle amendment.

The **SPEAKER**. Is a separate vote demanded on any other amendment to the committee amendment?

Mr. **FRASER**. Mr. Speaker, a point of order.

The **SPEAKER**. The gentleman will state it.

Mr. **FRASER**. Mr. Speaker, my understanding was the amendments adopted in the Committee of the Whole were to the committee amendment and the committee amendment was then itself finally adopted in the Committee of the Whole, so that is the only amendment that can be subjected to a separate vote.

The **SPEAKER**. This bill is being considered, I might say to the gentleman, under a special rule which permits this procedure to be in order.

Is any further separate vote demanded? If not, the Clerk will report the so-called Scherle amendment, on which a separate vote has been demanded.

The Clerk read as follows:

> Amendment: On page 231, line 3, strike out "may" and insert in lieu thereof "shall".

The **SPEAKER**. The question is on the amendment.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **GERALD R. FORD**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 260, nays 146, not voting 26, as follows:

[Roll No. 280]

YEAS—260

Abbitt
Abernethy
Adair
Addabbo
Albert
Anderson, Ill.
Andrews, Ala.
Ashbrook
Ashmore
Aspinall
Ayres
Baring
Bates
Battin
Belcher
Bennett
Berry
Betts
Bevill
Blackburn
Boggs
Bolton
Bow
Bray
Brinkley
Brock
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Byrnes, Wis.
Cabell
Carter
Casey
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Collier
Colmer
Corbett
Cowger
Cramer
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Fallon
Fascell
Feighan
Findley
Fisher
Flynt
Ford, Gerald R.
Fountain
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gardner
Gathings
Gettys
Giaimo
Gibbons
Goodling
Gray
Griffin
Gross
Grover
Gubser
Gurney
Hagan
Haley
Hall
Halleck
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Harrison
Harsha
Harvey
Hays
Henderson
Hicks
Holifield
Hosmer
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Kazen
Kee
Keith
Kelly
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Kyros
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Lloyd
Lukens
McClory
McClure
McCulloch
McDonald, Mich.
McFall
McMillan
MacGregor
Mahon
Marsh
Martin
Mathias, Calif.
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minshall
Mize
Monagan
Montgomery
Morris, N. Mex.
Myers
Natcher
Nedzi
Nelsen
Nichols
O'Konski
O'Neal, Ga.
Ottinger
Passman
Pelly
Pettis
Pickle

Pike
Pirnie
Poage
Poff
Pollock
Price, Tex.
Pryor
Pucinski
Purcell
Quillen
Randall
Rarick
Reid, Ill.
Reinecke
Rhodes, Ariz.
Riegle
Rivers
Roberts
Rogers, Colo.
Rogers, Fla.
Rooney, Pa.
Rostenkowski
Roth
Roudebush
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, Okla.
Springer
Staggers
Stanton
Steed
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Taylor
Teague, Calif.
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tiernan
Tuck
Tunney
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Walker
Watkins
Watson
Watts
Whalley
White
Whitener
Whitten
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Winn
Wright
Wylie
Wyman
Young
Zablocki
Zion
Zwach

NAYS—146

Adams
Andrews, N. Dak.
Annunzio
Ashley
Barrett
Bell
Biester
Bingham
Blatnik
Boland
Bolling
Brademas
Brasco
Brown, Calif.
Burke, Mass.
Burton, Calif.
Byrne, Pa.
Cahill
Carey
Celler
Cleveland
Cohelan
Conable
Conte
Conyers
Corman
Culver
Curtis
Daddario
Daniels
Dawson
Dellenback
Dent
Diggs
Dingell
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Farbstein
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Friedel
Garmatz
Gilbert
Gonzalez
Goodell
Green, Oreg.
Green, Pa.
Griffiths
Gude
Halpern
Hanna
Hansen, Wash.
Hathaway
Hechler, W. Va.
Heckler, Mass.
Helstoski
Horton
Howard
Hungate
Irwin
Jacobs
Joelson
Karth
Kastenmeier
Kluczynski
Kupferman
Leggett
Long, Md.
McCarthy
McDade
McEwen
Macdonald, Mass.
Machen
Madden
Mailliard
Mathias, Md.
Matsunaga
Minish
Mink
Moorhead
Morgan
Morse, Mass.
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill, Mass.
Patman
Patten
Pepper
Perkins
Philbin
Podell
Price, Ill.
Quie
Railsback
Rees
Reid, N.Y.
Reifel
Resnick
Reuss
Robison
Rodino
Ronan
Rooney, N.Y.
Rosenthal
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St. Onge
Scheuer
Schweiker
Schwengel
Smith, N.Y.
Stafford
Steiger, Wis.
Taft
Tenzer
Thompson, N.J.
Udall
Ullman
Waldie
Whalen
Widnall
Wiggins
Wolff
Wyatt
Wydler
Yates

NOT VOTING—26

Anderson, Tenn.
Arends
Blanton
Button
Cunningham
Dole
Everett
Evins, Tenn.
Fino
Galifianakis
Gallagher
Hardy
Hawkins
Hébert
Herlong
Holland
Karsten
King, Calif.
Kirwan
Long, La.
McCloskey
Moore
Rhodes, Pa.
Snyder
Talcott
Wampler

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Kirwan against.

Mr. Long of Louisiana for, with Mr. Hawkins against.

Mr. Hardy for, with Mr. Gallagher against.

Mr. Herlong for, with Mr. Holland against.

Until further notice:

Mr. King of California with Mr. Arends.

Mr. Rhodes of Pennsylvania with Mr. Fino.

Mr. Anderson of Tennessee with Mr. Cunningham.

Mr. Blanton with Mr. Dole.

Mr. Evins of Tennessee with Mr. Snyder.

Mr. Everett with Mr. Wampler.

Mr. Galifianakis with Mr. McCloskey.

Mr. Karsten with Mr. Moore.

Mr. BARRETT changed his vote from "yea" to "nay."

Mr. MIZE and Mr. ROONEY of Pennsylvania changed their votes from "nay" to "yea."

Mr. TALCOTT. Mr. Speaker, I should like to vote "nay," but I arrived in the Chamber shortly after my name was called. Am I qualified to vote?

The SPEAKER. Under the rule, the gentleman does not qualify.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. UTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill.

Mr. UTT. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. UTT moves to recommit the bill H.R. 15067 to the Committee on Education and Labor.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 389, nays 15, not voting 28, as follows:

[Roll No. 281]

YEAS—389

Abbitt
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Ashley
Aspinall
Ayres
Baring
Barrett
Bates
Battin
Belcher
Bell
Bennett
Berry
Betts
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Celler
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Conable
Conte
Conyers
Corbett
Corman
Cowger
Cramer
Culver
Daddario
Daniels
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Delaney
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Findley
Fisher
Flood
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gardner
Garmatz
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gude
Gurney
Hagan
Haley
Hall
Halleck
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrison
Harsha
Harvey
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, N.Y.
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyl
Kyros
Laird
Landrum
Langen
Latta
Leggett
Lipscomb
Lloyd
Long, Md.
Lukens
McCarthy
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mailliard
Marsh
Martin
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Monagan
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Podell
Poff
Pollock
Price, Ill.
Price, Tex.
Pryor
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Resnick
Reuss
Rhodes, Ariz.
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
St. Onge
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Tunney
Udall
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Watkins
Watson
Watts
Whalen
Whalley

White
Whitten
Widnall
Wiggins
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—15

Abernethy
Ashbrook
Ashmore
Burleson
Colmer
Curtis
Gathings
Henderson
Jones, Mo.
Lennon
Montgomery
O'Neal, Ga.
Teague, Tex.
Utt
Whitener

NOT VOTING—28

Anderson, Tenn.
Arends
Blanton
Cunningham
Dole
Everett
Evins, Tenn.
Fino
Galifianakis
Gallagher
Hardy
Hawkins
Hébert
Herlong
Holland
Karsten
King, Calif.
Kirwan
Long, La.
McEwen
Moore
Moorhead
Rarick
Rhodes, Pa.
Rogers, Fla.
Snyder
Ullman
Wampler

So the bill was passed.

The Clerk announced the following pairs:

Mr. Kirwan with Mr. Arends.
Mr. Hébert with Mr. Fino.
Mr. Galifianakis with Mr. Dole.
Mr. Anderson of Tennessee with Mr. Moore.
Mr. Blanton with Mr. McEwen.
Mr. Long of Louisiana with Mr. Cunningham.
Mr. Everett with Mr. Snyder.
Mr. Evins of Tennessee with Mr. Wampler.
Mr. Hanley with Mr. Button.
Mr. Gallagher with Mr. Moorhead.
Mr. King of California with Mr. Ullman.
Mr. Rogers of Florida with Mr. Rarick.
Mr. Rhodes of Pennsylvania with Mr. Herlong.
Mr. Hawkins with Mr. Holland.
Mr. Hardy with Mr. Karsten.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. PERKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 3769) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the Senate bill.

AMENDMENT OFFERED BY MR. PERKINS

Mr. PERKINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PERKINS: Strike out all after the enacting clause of S. 3769 and insert in lieu thereof the provisions of H.R. 15067, as passed, as follows:

[Provisions of H.R. 15067]

That this Act may be cited as the "Higher Education Amendments of 1968".

TITLE I—AMENDMENTS TO COMMUNITY SERVICE PROGRAM PROVISIONS

EXTENSION OF GRANT PROGRAM

SEC. 101. (a) The first sentence of section 101 of the Higher Education Act of 1965 is amended (1) by striking out "and" after "1966," and (2) by inserting before the period at the end of such sentence the following: ", $10,000,000 for the fiscal year ending June 30, 1969, and $50,000,000 for the fiscal year ending June 30, 1970".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) The second sentence of section 106(a) is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "six succeeding fiscal years".

MODIFICATION OF REQUIREMENT FOR COMPREHENSIVE, COORDINATED, AND STATEWIDE SYSTEM OF COMMUNITY SERVICE PROGRAMS

SEC. 102. Section 105(a)(2) of the Higher Education Act of 1965 is amended by inserting before the semicolon at the end thereof the following: "(except that if a comprehensive, coordinated, and statewide system of community service programs cannot be effectively carried out by reason of insufficient funds, the plan may set forth one or more proposals for community service programs in lieu of a comprehensive, coordinated, and statewide system of such programs)".

TITLE II—AMENDMENTS TO COLLEGE LIBRARY ASSISTANCE AND LIBRARY TRAINING AND RESEARCH PROGRAMS

PART A—COLLEGE LIBRARY RESOURCES

EXTENSION OF PROGRAM

SEC. 201. (a) The first sentence of section 201 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$25,000,000 for the fiscal year ending June 30, 1969, and $35,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

ELIGIBILITY OF BRANCH INSTITUTIONS FOR SUPPLEMENTAL AND SPECIAL PURPOSE GRANTS

SEC. 202 (a)(1) The first sentence of section 203(a) of such Act is amended by inserting after "institutions of higher education," the following: "(and to each branch of such institution which is located in a community different from that in which its parent institution is located)".

(2) The second sentence of such section is amended by inserting "(or branch)" after "institution".

(b) Section 204(a)(2)(A) of such Act is amended by inserting after "institutions of higher education" the following: "(or to branches of such institutions which are located in a community different from that in which the parent institution is located)".

(c) Section 204(a)(2)(B) of such Act is amended by inserting after "institutions of higher education" the following: "(or to such branches)".

REVISION OF MAINTENANCE-OF-EFFORT REQUIREMENT FOR SPECIAL PURPOSE GRANTS

SEC. 203. (a) Section 204(b)(2) of the Higher Education Act of 1965 is amended by inserting after "June 30, 1965" the following: ", or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is less".

(b) The amendment made by subsection (a) shall be effective with respect to applications for grants payable on or after the date of the enactment of this Act.

SEC. 204. (a) The first sentence of section 202 of the Higher Education Act of 1965 is amended (1) by striking out "and" and inserting in lieu thereof a comma, and (2) inserting after "such institutions" the following: ", and, in accordance with criteria prescribed by regulation, new institutions of higher education in the fiscal year preceding the first year in which students are to be enrolled".

(b) The amendments made by subsection (a) shall be effective with respect to appropriations for grants under title II of the Higher Education Act of 1965 for fiscal years beginning after June 30, 1969.

PART B—LIBRARY TRAINING AND RESEARCH, AND LIBRARY SCHOOL DEVELOPMENT

EXTENSION OF PROGRAM

SEC. 221. (a) The first sentence of section 221 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$11,800,000 for the fiscal year ending June 30, 1969, and $28,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

AMENDMENTS TO LIBRARIANSHIP TRAINING PROVISIONS

SEC. 222. The second sentence of section 223(a) of the Higher Education Act of 1965 is amended—

(1) by striking out "to assist in covering the cost of courses of training or study for such persons, and" and inserting in lieu thereof "(1) to assist in covering the cost of courses of training or study (including short term or regular session institutes) for such persons, (2)"; and

(2) by inserting before the period at the end thereof the following: ", and (3) for establishing, developing, or expanding programs of library and information science".

PART C—STRENGTHENING COLLEGE AND RESEARCH LIBRARY RESOURCES THROUGH LIBRARY OF CONGRESS

EXTENSION OF PROGRAM

SEC. 231. (a) Section 231 of such Act is amended by striking out "and" after "1967," and by inserting after "1968," the following: "$5,500,000 for the fiscal year ending June 30, 1969, and $11,100,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

CLARIFYING AUTHORITY TO PURCHASE COPIES; INCREASING AUTHORITY TO PREPARE CATALOG AND BIBLIOGRAPHIC MATERIALS; AUTHORIZING LIBRARIAN TO ACT AS ACQUISITIONS AGENT

SEC. 232. Section 231 of the Higher Education Act of 1965, as amended by section 231 of this Act, is further amended—

(1) in paragraph (1), by inserting "copies of" before "all";

(2) in paragraph (2), by striking out "for these materials promptly after receipt, and distributing bibliographic information" and inserting in lieu thereof "promptly and distributing this and other bibliographic information about library materials", and by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) enabling the Librarian of Congress to pay administrative costs of cooperative arrangements for acquiring library materials published outside of the States and not readily available outside of the country of origin, for institutions of higher education or combinations thereof for library purposes, or for other public or private nonprofit research libraries."

TITLE III—EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

SEC. 301. (a) Section 301(b)(1) of the Higher Education Act of 1965 is amended by striking out "and" after "1967," and by inserting after "1968," the following: "the sum of $35,000,000 for the fiscal year ending June

30, 1969, and the sum of $55,000,000 for the fiscal year ending June 30, 1970,".

(b) Such section is amended by adding at the end thereof the following new sentence: "For the fiscal year ending June 30, 1971, and the two succeeding fiscal years there may be appropriated to carry out the provisions of this title only such sums as the Congress may hereafter authorize by law."

TITLE IV—STUDENT ASSISTANCE

PART A—AMENDMENTS TO EDUCATIONAL OPPORTUNITY GRANT PROGRAMS

EXTENSION OF EDUCATIONAL OPPORTUNITY GRANT PROGRAMS

SEC. 401. Section 401(b) of the Higher Education Act of 1965 is amended—

(1) by striking out "two succeeding fiscal years" in the first sentence and inserting in lieu thereof "four succeeding fiscal years"; and

(2) by striking out "1969, and for the succeeding fiscal year" in the second sentence and inserting in lieu thereof "1971, and for the two succeeding fiscal years".

MAXIMUM AMOUNT OF EDUCATIONAL OPPORTUNITY GRANT; TREATMENT OF WORK-STUDY ASSISTANCE FOR MATCHING PURPOSES

SEC. 402. Effective July 1, 1968, the first sentence of section 402 of the Higher Education Act of 1965 is amended by striking out all that follows "which amount" and inserting in lieu thereof the following: "shall not exceed the lesser of $1,000 or one-half of the sum of the amount of student financial aid (including assistance under this title, and including compensation paid under a work-study program assisted under part C of this title) provided such student by such institution and any assistance provided such student under any scholarship program established by a State or a private institution or organization, as determined in accordance with regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 403. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 406 of the Higher Education Act of 1965 is repealed.

(2) Section 405 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 405. The Commissioner shall allot funds appropriated to carry out this part to institutions of higher education with which he has an agreement under section 407, in accordance with section 463 of this Act."

ADMINISTRATIVE EXPENSES

SEC. 404. Effective for fiscal years ending on or after June 30, 1970, part A of title IV of the Higher Education Act of 1965 is amended by inserting after section 405 the following new section:

"EXPENSES OF ADMINISTRATION

"SEC. 406. An institution of higher education which has entered into an agreement with the Commissioner under this part shall be entitled payment for administrative expenses, in accordance with section 464 of this Act."

REVISION OF MAINTENANCE OF EFFORT PROVISION

SEC. 405. Effective for fiscal years ending on or after June 30, 1970, section 407(a)(4) of the Higher Education Act of 1965 is amended to read as follows:

"(4) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);".

AUTHORITY FOR INSTITUTION TO TRANSFER FUNDS TO WORK-STUDY PROGRAM

SEC. 406. Section 407 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new subsection:

"(c) An institution which has in effect an agreement to carry out a work-study program under section 443 of this Act may use to carry out such work-study program any of the funds paid to it from sums appropriated under the first sentence of section 401(b) of this Act for the fiscal year ending June 30, 1969, and the succeeding fiscal years. The requirement in section 444(a)(6) of such Act shall apply to any funds used under the authority of this subsection for such purpose."

CONSOLIDATION AND REVISION OF TALENT SEARCH AND UPWARD BOUND PROGRAM; SPECIAL SERVICES TO DISADVANTAGED STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

SEC. 407. (a) Section 408 of the Higher Education Act of 1965 is amended to read as follows:

"IDENTIFYING QUALIFIED LOW-INCOME STUDENTS, PREPARING THEM FOR POST-SECONDARY EDUCATION; SPECIAL SERVICES FOR SUCH STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

"SEC. 408. (a) To assist in achieving the objectives of this part the Commissioner is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), to make grants to, or contracts with, institutions of higher education for the purposes of planning, developing, or carrying out one or more of the programs described in subsection (b).

"(b) The programs referred to in subsection (a) are—

"(1) programs designed to—

"(A) identify qualified youths of exceptional financial need and encourage them to complete secondary school and undertake post-secondary educational training,

"(B) publicize existing forms of student financial aid, including aid furnished under this title, and

"(C) encourage secondary-school or college dropouts of demonstrated aptitude to reenter educational programs, including post-secondary-school programs;

"(2) programs (A) which are designed to generate skills and motivation necessary for success in education beyond high school and (B) in which enrollees from low-income backgrounds and inadequate secondary-school preparation participate on a substantially fulltime basis during all or part of the program; or

"(3) programs of remedial and other special services for students with academic potential who are enrolled or accepted for enrollment at the institution which is the beneficiary of the grant or contract, and who, by reason of deprived educational, cultural, or economic background, are in need of such services to assist them to initiate, continue, or resume their higher education.

"(c)(1) Programs under paragraph (2) of subsection (b) must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. Such programs must include necessary health services. Enrollees in such programs may not receive stipends in excess of $30 per month. The cost of carrying out any such program may not exceed $150 per enrollee per month. Federal financial assistance by way of grant or contract for such a program may not be in excess of 80 per centum of the cost of carrying out such program. Such programs shall be carried on within the States.

"(2) Programs carried on under paragraph (3) of subsection (b) may provide, among other things, for—

"(A) counseling, tutorial, or other educational services, including special summer programs, to remedy such students' academic deficiencies,

"(B) career guidance, placement, or other student personnel services to encourage or facilitate such students' continuance, or reentrance in higher education programs, or

"(C) identification, encouragement, and counseling of any such students with a view to their undertaking a program of graduate or professional education.

"(d) There are authorized to be appropriated to carry out this section $41,680,000 for the fiscal year ending June 30, 1969, and $56,680,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this section only such sums as the Congress may hereafter authorize by law."

(b) Section 222(a) of the Economic Opportunity Act of 1964 is amended by striking out paragraph (5) and by redesignating paragraphs (6), (7), and (8) (and references thereto) as paragraphs (5), (6), and (7).

(c)(1) The amendments made by this section shall apply with respect to fiscal years ending after June 30, 1968, except that the Director of the Office of Economic Opportunity may carry out contracts, entered into prior to the date of enactment of this Act, which provide assistance for an Upward Bound program. After the date of enactment of this Act, the Director of the Office of Economic Opportunity may not enter into any contract to carry out a program comparable to any program carried out under section 408(b)(2) of the Higher Education Act of 1965.

(2) Any sums which are appropriated prior to the date of enactment of this Act for the purpose of carrying out Upward Bound programs, or which are allocated for such purpose from any appropriation made prior to such date, shall be available (to the extent not obligated on the date of enactment of this Act to carry out contracts described in paragraph (1)) to the Commissioner for carrying out section 408 of the Higher Education Act of 1965.

(3) For purposes of this subsection the term "Upward Bound program" means a program carried out under section 222(a)(5) of the Economic Opportunity Act of 1964 (as so designated prior to the amendment made by subsection (b) of this section) or a comparable program carried out under section 221 of such Act.

PART B—AMENDMENTS TO INSURED STUDENT LOAN PROGRAM

EXTENSION OF AUTHORITY FOR PAYMENTS TO REDUCE STUDENT INTEREST COSTS; ELIMINATION OF AUTHORITY TO MAKE SUCH PAYMENTS DURING REPAYMENT PERIOD

SEC. 411. (a) Paragraph (4) of section 428(a) of the Higher Education Act of 1965 is amended by striking out "1968" and inserting in lieu thereof "1970", and by striking out "1972" and inserting in lieu thereof "1974".

(b)(1)(A) The portion of the first sentence of section 428(a)(1) which follows subparagraph (C) is amended by striking out ", over the period of the loan,".

(B) The first sentence of section 428(a)(2) of such Act is amended by striking out ", and 3 per centum per annum of the principal amount of the loan (excluding interest which has been added to principal) thereafter".

(2) The amendments made by this subsection shall apply to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965. An application for a certificate of insurance or of comprehensive insurance coverage pursuant to section 429 of such Act shall be issued or shall be effective on or after such sixtieth day with respect to loans made prior to such sixtieth day without regard to such amendments.

EXTENSION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 412. Subsection (a) of section 424 of the Higher Education Act of 1965 is amended

(1) in the first sentence by striking out "and" after "1967," and by inserting after "June 30, 1968" the following: ", and each of the two succeeding fiscal years"; and (2) in the second sentence by striking out "1972" and inserting in lieu thereof "1974".

FEDERAL GUARANTY OF STUDENT LOANS INSURED UNDER NON-FEDERAL PROGRAMS

Sec. 413. (a) Section 421(a) of the Higher Education Act of 1965 is amended by striking out "and" before "(3)", and by inserting before the period at the end of that subsection the following: ", and (4) to gaurantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C)".

(b) Section 428 of such Act is amended by adding after subsection (b) the following new subsection:

"(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default, death, or permanent and total disability of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

"(2) The guaranty agreement—

"(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program;

"(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

"(D) shall provide that 80 per centum of such amounts as may be made as payments of principal on loans in default, and with respect to which the Commissioner has made payments under the guaranty agreement, shall be paid over to the Commissioner for deposit in the insurance fund established by section 431, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary;

"(E) may include such other provisions as may be necessary to promote the purposes of this part.

"(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer. Nothing in this subsection shall be construed to require collection of the amount of any loan by the insurance beneficiary or its insurer from the estate of a deceased borrower or from a borrower found by the insurance beneficiary or its insurer to have become permanently and totally disabled.

"(4) For purposes of this subsection—

"(A) the terms 'insurance beneficiary' and 'default' shall have the meanings assigned to them by section 430(e), and

"(B) permanent and total disability shall be determined in accordance with regulations of the Commissioner.

"(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date."

(c) Section 431 of such Act is amended (A) by inserting in the first sentence of subsection (a) ", or in connection with payments under a guaranty agreement under section 428(c)," after "insured by him under this part"; (B) by inserting in the third sentence of subsection (a) ", or in connection with such guaranty agreements," after "insured by the Commissioner under this part"; and (C) by inserting in the first sentence of subsection (b) ", or in connection with any guaranty agreement made under section 428 (c)" after "insured by the Commissioner under this part".

(d) Section 432(a)(5) of such Act is amended by inserting "or any guaranty agreement under section 428(c)" after "such insurance".

FEDERAL ADVANCES TO RESERVE FUNDS OF NON-FEDERAL STUDENT LOAN INSURANCE PROGRAMS

Sec. 414. (a) Section 421(b) of the Higher Education Act of 1965 is amended by striking out "and" at the end of paragraph (2); by striking out the period at the end of the first sentence of that subsection and inserting in lieu thereof ", and"; and by adding thereafter the following new paragraph:

"(4) there is authorized to be appropriated the sum of $10,000,000 for making advances under section 422 during the two-fiscal year period ending June 30, 1970, for the reserve funds of State and nonprofit private student loan insurance programs."

(b) Section 422(a) of such Act is amended—

(1) by striking out "clause (3)" in the first sentence of paragraph (1) and inserting in lieu thereof "clauses (3) and (4)", and by striking out "of the fiscal years ending June 30, 1966, June 30, 1967, or June 30, 1968," and inserting in lieu thereof "fiscal year" in the second sentence of such paragraph; and

(2) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term 'unencumbered non-Federal portion' means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in such fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans."

(c) Section 422(b) of such Act is amended by inserting "(1)" after "(b)", by inserting "prior to July 1, 1968" before "pursuant to subsection (a)" where it appears in the first and third sentences, by deleting the last sentence of such subsection, and by adding at the end of such subsection the following new paragraphs:

"(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b) (A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $20,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $20,000) the amount available for advances to each of the remaining States.

"(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him."

INCREASE OF MAXIMUM INTEREST RATE UNDER STUDENT LOAN INSURANCE PROGRAMS

Sec. 415. (a) Section 427(b) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and all that follows and inserting in lieu thereof "7 per centum per annum on the unpaid principal balance of the loan."

(b) Section 428(b)(1)(E) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and inserting in lieu thereof "7 per centum".

(c) Section 428 of such Act is amended by adding at the end thereof the following new subsection:

"(d) No provision of any law of the United States (other than this part) or of any State (other than a statute establishing a State student loan insurance program), which limits the rate or amount of interest payable on loans shall apply to a loan—

"(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 per centum per annum, and

"(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit private institution or organization under a program covered by an agreement made pursuant to subsection (b) of this section."

MERGER OF NATIONAL VOCATIONAL STUDENT LOAN INSURANCE ACT OF 1965 WITH STUDENT LOAN INSURANCE PROGRAM OF HIGHER EDUCATION ACT OF 1965

Sec. 416. (a) Section 435 of the Higher Education Act of 1965 is amended—

(1) by redesignating subsections (a), (b), (c), (d), (e), and (f) as (b), (d), (e), (f), (g), and (h), respectively;

(2) by inserting before subsection (b) as so redesignated the following new subsection:

"(a) The term 'eligible institution' means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.";

(3) by striking out in subsection (b) as so redesignated "eligible institution" and inserting in lieu thereof "institution of higher education", by striking out in the second sentence of such subsection "any institution outside the States which is comparable to an institution described in the preceding sentence and which has been approved by the Commissioner for the purposes of this title, and also includes"; and

(4) by inserting after subsection (b) the text of subsection (a) of section 17 of the National Vocational Student Loan Insurance Act of 1965 amended as follows:

(A) Strike out "(a)" and insert in lieu thereof "(c)",

(B) Strike out "eligible institution" and insert in lieu thereof "vocational school",

(C) Strike out "Act" in clause (4) (C) and insert in lieu thereof "part".

(b) (1) Section 425(a) of such Act is amended by striking out "(1)" after "Sec. 425. (a)" and by striking out paragraph (2).

(2) Section 427(a) (2) (C) (i) of such Act is amended by striking out "institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner" and inserting in lieu thereof "eligible institution".

(3) Section 428(a) (6) of such Act is repealed.

(4) Section 434 of such Act is amended by striking out "10 per centum" and inserting in lieu thereof "15 per centum".

(5) Section 436(a) of such Act is amended by striking out "title and the National Vocational Student Loan Insurance Act of 1965" and inserting in lieu thereof "part".

(c) (1) The National Vocational Student Loan Insurance Act of 1965 is repealed.

(2) All assets and liabilities of the vocational student loan insurance fund established by section 13 of the National Vocational Student Loan Insurance Act of 1965, matured or contingent, shall be transferred to, and become assets and liabilities of, the student loan insurance fund established by section 431 of the Higher Education Act of 1965. Payments in connection with defaults of loans made on or after the sixtieth day after the date of enactment of this Act and insured by the Commissioner (under the authority of subsections (d) (3) or (d) (4) of this section) under the National Vocational Student Loan Insurance Act of 1965 shall be paid out of the fund established by such section 431.

(d) (1) Except as provided in paragraphs (2), (3), and (4):

(A) This section (and any amendment or repeal made thereby) shall apply to loans made on or after the sixtieth day after the date of enactment of this Act; and the terminal date applicable under the first sentence of section 5(a) and under section 9 (a) (4) of the National Vocational Student Loan Insurance Act shall, instead of June 30, 1968, be deemed to be (i) the day immediately preceding such sixtieth day, or (ii) with respect to any particular State or nonprofit private agency to which paragraph (3) relates, the last day of the period required for modification or termination of, or refusal to extend, the Commissioner's agreements with such agency.

(B) In computing the maximum amounts which may be borrowed by a student who obtains an insured loan on or after such sixtieth day, and the minimum amounts of repayment allowable with respect to sums borrowed by such a student, there shall be included all loans, whenever made, (i) insured by the Commissioner, or a State, institution, or organization with which the Commissioner has an agreement under section 428(b) of part B of title IV of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, or (ii) made by a State under section 428(a) (2) (B) of such part or section 9(a) (2) (B) of such Act, or by the Commissioner under section 10 of such Act.

(2) Clause (i) (attendance at eligible institution) of section 427(a) (2) (C) of the Higher Education Act of 1965, shall apply to loans made by the Commissioner and, with the consent of the lender, loans insured by the Commissioner, to students for study at vocational schools, which are oustanding on the sixtieth day after the enactment of this Act, but only with respect to periods of attendance occurring on or after such sixtieth day.

(3) This section (and any amendment or repeal made thereby) shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to the sixtieth day after enactment of this Act, under the Higher Education Act of 1965 or the National Vocational Student Loan Insurance Act of 1965, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428 (b) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965. The Commissioner of Education shall undertake to obtain necessary modifications of agreements entered into by him pursuant to section 428(b) (1) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965 and in force upon the date of enactment of this Act so as to conform the provisions of such agreements to the requirements of such section 428 (b) (1). If, however, such modifications cannot be obtained because a party to such an agreement is subject to a statute of a State that prevents such party from complying with the terms of such modification, the Commissioner shall not, before the fourth month after the adjournment of such State's first regular legislative session which adjourns more than sixty days after enactment of this Act, exercise his authority to terminate, or to refuse to extend, such agreement.

(4) A certificate of insurance or of comprehensive insurance coverage pursuant to section 11 of the National Vocational Student Loan Insurance Act of 1965 may be issued or made effective on or after the sixtieth day after the date of enactment of this Act with respect to loans made prior to such sixtieth day without regard to any amendment or repeal made by this section.

AUTHORIZING DEFERMENT OF REPAYMENT OF NON-FEDERALLY INSURED LOANS DURING MILITARY OR PEACE CORPS SERVICE, OR ATTENDANCE AT ELIGIBLE INSTITUTION; FEDERAL PAYMENT OF INTEREST ACCRUING DURING SUCH ATTENDANCE OR SERVICE; ELIMINATION OF DEFERMENT FOR VISTA SERVICE UNDER FEDERAL INSURANCE PROGRAM

Sec. 417. (a) (1) Section 428 of the Higher Education Act of 1965 (as amended by this Act) is amended by adding at the end of such section the following new subsection:

"(e) The Commissioner shall encourage the inclusion, in any State student loan program or any State or nonprofit private student loan insurance program meeting the requirements of subsection (a) (1) (B) or (a) (1) (C), of provisions authorizing or requiring that in the case of student loans covered by such program periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an eligible institution, (2) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, or (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act. In the case of any such State or nonprofit private program containing such a provision any such period shall be excluded in determining the period specified in subsection (b) (1) (C) (ii), or the maximum period for repayment specified in subsection (b) (1) (D)."

(2) (A) Section 428(b) (1) (C) (ii) of the Higher Education Act of 1965 is amended by inserting after "(ii)" the following: "except as provided in subsection (e) of this section,".

(B) Section 428(b) (1) (D) of such Act is amended by inserting after "subject to subparagraph (C)" the following: "of this paragraph and except as provided by subsection (e) of this section".

(b) The first sentence of section 428(a) (2) of such Act is amended my inserting before "; but such portion" the following: ", or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a) (2) (C)".

(c) Section 427(a) (2) (C) of such Act is amended by inserting "or" before "(iii)", and by striking out "or (iv) not in excess of three years during which the borrower is in service as a volunteer under title VIII of the Economic Opportunity Act of 1964.".

(d) Deferment of repayment of principal, as provided in the amendments made by subsection (a) of this section, may be authorized (but not required) with respect to loans meeting the requirements of subparagraph (B) or (C) of section 428(a) (1) of the Higher Education Act of 1965 which are outstanding on the sixtieth day after the date of enactment of this Act, but only with respect to periods of attendance or service occurring on or after such sixtieth day. The amendments made my subsection (b) shall become effective on the sixtieth day after the date of enactment of this Act. The amendments made by subsection (c) shall apply with respect to loans made, on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student prior to such sixtieth day.

PARTICIPATION BY PENSION FUNDS AND FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Sec. 418. (a) Section 435(g) of the Higher Education Act of 1965 (as so redesignated by section 416 of this Act) is amended by inserting before the period at the end thereof the following: ", or a pension fund approved by the Commissioner for this purpose".

(b) The third paragraph of section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "expenses of college or university education" and inserting in lieu thereof "expenses of college, university, or vocational education".

ACCESS TO FEDERAL LOAN INSURANCE PROGRAM

Sec. 419. (a) Section 423 of the Higher Education Act of 1965 is amended by striking out "The" after "Sec. 423." and inserting in lieu thereof "(a) Except as provided in subsection (b), the"; and by adding at the end thereof the following new subsection:

"(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

"(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an advance under section 422 for the benefit of students in such State), or

"(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers."

(b) Section 421(a)(2) is amended by inserting "or lenders" before "who do not have reasonable access".

PART C—AMENDMENTS TO COLLEGE WORK-STUDY PROGRAM

TRANSFER OF WORK-STUDY PROVISIONS TO HIGHER EDUCATION ACT OF 1965

SEC. 431. (a) Title IV of the Higher Education Act of 1965 is amended by striking out part C thereof. Part C of title I of the Economic Opportunity Act of 1964 is transferred to the Higher Education Act of 1965 and inserted as part C of title IV of such Act.

(b) Part C of title IV of the Higher Education Act of 1965 (as amended by subsection (a) of this section) is further amended—

(1) by redesignating sections 141 through 145 (and references thereto) as sections 441 through 445), respectively; and

(2) by designating the section of such part which follows section 445 (as so redesignated) as section 446; and

(3) by amending section 442(a) to read as follows:

"SEC. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of such sums shall be allotted among the States as provided in subsection (b)."

(c) Any reference to any provision of part C of title I of the Economic Opportunity Act of 1963 in any law of the United States shall be deemed to be a reference to the corresponding provision of part C of title IV of the Higher Education Act of 1965 as amended by this section.

EXTENSION OF WORK-STUDY PROGRAM

SEC. 432. Section 441 of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by adding "; APPROPRIATIONS AUTHORIZED" at the end of the section heading, by inserting "(a)" after "SEC. 441.", and by adding at the end of such section the following new subsection:

"(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970, to carry out this part. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated, to carry out this part, only such sums as the Congress may hereafter authorize by law."

ELIGIBILITY OF AREA VOCATIONAL SCHOOLS

SEC. 433. (a) Part C of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by striking out the terms "institution of higher education" and "institutions of higher education" wherever they appear (except in section 442(b)(1)) and inserting in lieu thereof "eligible institution" and "eligible institutions", respectively.

(b) Section 443(b) of such Act (as added by section 431 of this Act) is amended to read as follows:

"(b) For the purposes of this part the term 'eligible institution' means an institution of higher education (as defined in section 435(b) of this Act), or an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963)."

(c) Section 444 of such Act (as added by section 431 of this Act) is amended by inserting "(a)" after "SEC. 444."; by redesignating paragraphs (a) through (h) as paragraphs (1) through (8), respectively; by redesignating subparagraphs (1), (2), and (3) of paragraphs (1) and (3) (as so redesignated) as subparagraphs (A), (B), and (C), respectively; and by adding at the end of such section the following new subsection:

"(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a), a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designed to prepare the student for gainful employment in a recognized occupation."

REVISION OF MATCHING PROVISIONS

SEC. 434. Section 444(a)(6) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;"

SET-ASIDE FOR RESIDENTS OF AMERICAN SAMOA OR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 435. (a) The first sentence of section 442(a) of the Higher Education Act of 1965 (as amended by this part) is amended by inserting "(1)" before "allot not to exceed 2 per centum", and by inserting before the period at the end thereof the following: ", and (2) reserve the amount provided by subsection (e)".

(b) Such section 442 is further amended by adding at the end thereof the following new subsection:

"(e) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students."

ELIMINATION OF AVERAGE HOURS OF EMPLOYMENT LIMITATION DURING NON-REGULAR ENROLLMENT PERIODS

SEC. 436. Section 444 of the Higher Education Act of 1965 (as amended by this part) is amended by adding at the end thereof the following new subsection:

"(c) For purposes of paragraph (4) of subsection (a) of this section, in computing average hours of employment of a student over a semester or other term, there shall be excluded any period during which the student is on vacation and any period of non-regular enrollment. Employment under a work study program during any such period of non-regular enrollment during which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 437. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 446 of the Higher Education Act of 1965 (as added by section 431 of this Act) is repealed.

(2) Section 442 of such Act (as amended by this part) is amended by striking out so much of such section as precedes subsection (e), by redesignating subsection (e) as subsection (b), and by inserting in lieu of the matter stricken out the following:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 442. (a) The Commissioner shall allot the funds which are appropriated to carry out this part, and which are not reserved under subsection (b), to eligible institutions with which he has entered into agreements under this part, in accordance with section 463 of this Act."

REVISION OF MAINTENANCE OF EFFORT REQUIREMENT

SEC. 438. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(5) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(5) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of efforts,;"

ADMINISTRATIVE EXPENSES

SEC. 439. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(2) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out all that follows "administrative expenses" and inserting in lieu thereof "in accordance with section 464 of this Act;".

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

SEC. 440. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 443(b) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out "or" after "higher education," and by inserting before the period at the end thereof the following: ", or a private vocational school (as defined in section 461 (b) of this Act)".

(2) Section 444(a)(1) of such Act (as amended by this part) is amended by inserting after "work for the institution itself" the following: "(except in the case of a private vocational school),".

PART D—COOPERATIVE EDUCATION PROGRAMS

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION FOR PROGRAMS OF COOPERATIVE EDUCATION; GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH IN COOPERATIVE EDUCATION

SEC. 441. Title IV of the Higher Education Act of 1965 is amended by redesignating part D as part F, by redesignating sections 461 through 467 as sections 491 through 497, respectively, and by inserting after part C the following new part:

"PART D—COOPERATIVE EDUCATION PROGRAMS

"APPROPRIATIONS AUTHORIZED

"SEC. 451. (a) There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective.

"(b) There are further authorized to be appropriated $750,000 each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year, to enable the Commissioner to make training or research grants or contracts pursuant to section 453.

"(c) For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"(d) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

"GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

"Sec. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

"(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

"(1) set forth programs or activities for which a grant is authorized under this section;

"(2) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

"(4) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

"(c) No institution of higher education may receive grants under this section for more than three fiscal years.

"(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

"GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

"Sec. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

"(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section."

Part E—General Provisions Relating to Student Assistance

AMENDMENTS EFFECTIVE UPON ENACTMENT

Sec. 451. (a) Title IV of the Higher Education Act of 1965 is amended by inserting after part D the following new part:

"Part E—General Provisions Relating to Student Assistance Programs

"Subpart 1—General Provisions

"DEFINITIONS

"Sec. 461. (a) For purposes of this title, the term 'State' includes the Trust Territory of the Pacific Islands.

"(b) For purposes of part C of this title and title II of the National Defense Education Act of 1958, the term 'private vocational school' means a school (1) which provides not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (2) which meets the requirements of section 801(a)(1) and 801(a)(2) of this Act, (3) which does not meet the requirement of section 801(a)(3) of this Act, (4) which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose, and (5) which has been in existence for at least five years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

"ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

"Sec. 462. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

"Subpart 2—Advisory Council of Financial Aid to Students

"ESTABLISHMENT OF COUNCIL

"Sec. 469. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act, or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institution.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b) Section 433 of the Higher Education Act of 1965 (relating to Advisory Council on Insured Loans to Students) is repealed.

AMENDMENTS EFFECTIVE FOR FISCAL YEAR 1970 AND THEREAFTER

Sec. 452. Effective for fiscal years ending on or after June 30, 1970, part E of title IV of the Higher Education Act of 1965 (as added by section 451 of this Act) is amended by inserting after section 462 the following new sections:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"Sec. 463. (a) The Commissioner shall from time to time set dates by which institutions with which he has entered into agreements under part A or part C of this title must file applications for allotments to such institutions of funds appropriated to carry out programs established under such parts. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions as will most effectively carry out the purposes of the program for which the agreement was made.

"(b) The amount of any allotment made under subsection (a) to carry out a program for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment to carry out the same program in accordance with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year.

"EXPENSES OF ADMINISTRATION

"Sec. 464. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under this part. The payment for a fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner, and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

"(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

"MAINTENANCE OF EFFORT

"Sec. 465. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditure per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement."

Part F—Amendments to National Defense Education Act

Subpart 1 Amendments to National Defense Student Loan Program

EXTENSION OF NATIONAL DEFENSE STUDENT LOAN PROGRAM

Sec. 471. (a) Section 201 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$225,000,000", (2) by inserting after "June 30, 1968," the following: "$210,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970;", (3) by striking out "and such sums for the fiscal year ending June 30, 1969" and inserting in lieu thereof "and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1971", and (4) by striking out "July 1, 1968" and inserting in lieu thereof "July 1, 1970".

(b) Sections 202(a) and 202(b) of such Act are each amended by striking out "1968" and inserting in lieu thereof "1969".

(c) Section 206 of such Act is amended by striking out "1972" each time it appears in subsections (a), (b), and (c) of such section, and inserting in lieu thereof "1974".

ELIMINATION OF STATE ALLOTMENT FORMULA

Sec. 472. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 203 of the National Defense Education Act of 1958 is repealed.

(2) Section 202 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"Sec. 202. (a) The Commissioner shall from time to time set dates by which institutions of higher education with which he has entered into agreements under this title must file applications for allotments to such institutions of funds appropriated pursuant to section 201. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions of higher education as will most effectively carry out the purposes of this part. The Federal capital contribution to an institution shall be paid to it from its allotment under this section from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title.

"(b) The amount of any allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment in accordance with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year."

(2) Section 203 of such Act is repealed.

ADMINISTRATIVE EXPENSES

Sec. 473. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 204 of the National Defense Education Act of 1958 is amended by inserting "(a)" after "Sec. 204.", and by striking out in paragraph (3)(C) "routine expenses" and all that follows down through "whichever is the lesser," and inserting in lieu thereof "administrative expenses as provided in subsection (b)".

(2) Section 204 of such Act is amended by adding at the end thereof the following new subsection:

"(b) An institution of higher education that has entered into an agreement with the Commissioner under section 203 shall be entitled for each fiscal year during which it makes any student loans from a student loan fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 464(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year."

REVISION OF TEACHER CANCELLATION PROVISION

Sec. 474. (a) Section 205(b)(3) of the National Defense Education Act of 1958 is amended to read as follows:

"(3) part or all of such loan may be canceled for certain service as a teacher, in accordance with section 208;".

(b) Section 208 of such Act is amended to read as follows:

"CANCELLATION FOR CERTAIN SERVICE AS A TEACHER

"Sec. 208. (a)(1) A percentage (specified in paragraph (2)) of the total amount of any loan made after the date of enactment of the Higher Education Amendments of 1968 from a student loan fund established under this title shall be canceled for each complete academic year of service by the borrower—

"(A) as a full-time teacher in an elementary or secondary school described in paragraph (3), or

"(B) as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system.

"(2) The percentage of a loan which may be canceled under paragraph (1) is—

"(A) 10 per centum for the first or second academic year of service described in paragraph (1),

"(B) 15 per centum for each academic year of such service thereafter.

For purposes of this paragraph, an academic year for which the borrower received the benefits of section 205(b)(3) (A) or (B) of this title (as in effect immediately before the date of enactment of the Higher Education Amendments of 1968) shall be considered a year of service described in paragraph (1).

"(3) A teacher may receive cancellation of a loan under subparagraph (A) of paragraph (1) only for service in an academic year in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children described in clause (A), (B), or (C) of section 103(a)(2) of title I of the Elementary and Secondary Education Act of 1965, as amended (using a low-income factor of $3,000) exceeds 50 per centum of total enrollment of the school.

"(b) In the case of a loan made before the date of enactment of the Higher Education Amendments of 1968, not to exceed 50 per centum of such loan shall be canceled for service as a full-time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States, at the rate of 10 per centum of the total amount of such loan for each complete academic year of such service, except that (1) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which there is a high concentration of students from low-income families, except that the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year, (2) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system, and (3) for the purposes of any cancellation pursuant to clause (1) or (2), an additional 50 per centum of any such loan may be canceled.

"(c)(1) If for any academic year any portion of a loan is canceled under subsection (a) or (b), the entire amount of interest on such loan which accrues for such year shall be canceled.

"(2) Nothing in this section shall authorize refunding any repayment of a loan.

"(3) For purposes of this section, the term 'academic year' means an academic year or its equivalent (as determined under regulations of the Commissioner).

"(d) In addition to the payments otherwise authorized to be made pursuant to this title, the Commissioner shall pay to the appropriate institution, at such time or times as he determines, an amount which bears the same ratio to the interest which has been prevented from accruing and the portion of the principal which has been canceled on student loans pursuant to this section (and not previously paid pursuant to this subsection) as the total amount of the institution's capital contributions to such fund under this title bears to the sum of such institution's capital contributions and the Federal capital contributions to such fund."

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

Sec. 475. (a) Section 103(b) of the National Defense Education Act of 1958 is amended—

(1) by striking out "and also includes," in the second sentence and inserting in lieu thereof "; any private vocational school as defined in section 461(b) of the Higher Education Act of 1965; and"; and

(2) by inserting after "requirements of clause (5)" in the third sentence the following: "(but meets the requirements of clause (4))".

(b)(1) Effective with respect to the fiscal year ending June 30, 1969, section 203 of such Act (as in effect prior to the amendment made by section 472 of this Act) is amended by adding at the end thereof the following new sentence: "The aggregate amount of Federal capital contributions paid under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000."

(2) Effective for fiscal years ending on or after June 30, 1970, the second sentence of section 202(a) of such Act (as amended by section 472 of this Act) is amended by adding before the period at the end thereof the following: "; except that the aggregate amount of funds allotted under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000".

ELIMINATION OF REQUIREMENT OF SPECIAL CONSIDERATION FOR STUDENTS OF SUPERIOR ACADEMIC BACKGROUND

Sec. 476. Section 204 of the National Defense Education Act of 1958 is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

WAIVING OATH OF ALLEGIANCE REQUIREMENT FOR RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

Sec. 477. Section 1001(f)(1) of the National Defense Education Act of 1958 is amended by inserting after "any individual" the following: "(other than a permanent resident of the Trust Territory of the Pacific Islands)".

Subpart 2—Amendments to National Defense Fellowship Program

EXTENSION OF PROGRAM

Sec. 481. (a) Section 402(a) of the National Defense Education Act of 1958 is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof "seven succeeding fiscal years".

(b) Section 403(a) of such Act is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "eight succeeding fiscal years".

INCREASING MAXIMUM LENGTH OF FELLOWSHIP FROM THREE TO FOUR YEARS IN SPECIAL CIRCUMSTANCES, AND REQUIRING INSTITUTIONAL EFFORT TO ENCOURAGE RECIPIENTS TO ENTER OR CONTINUE TEACHING

SEC. 482. (a) Subsection (a) of section 402 of the National Defense Education Act of 1958 is amended by inserting "(1)" after "except" in the second sentence thereof, and by inserting immediately before the period at the end of such sentence the following: ", and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this title would most effectively be served thereby".

(b) The Commissioner may in his discretion increase, in accordance with the amendment made by subsection (a), the maximum periods of fellowships awarded prior to the date of enactment of this Act.

(c) The second sentence of section 403(a) is amended by striking out the period at the end of clause (2) of such sentence and inserting ", and" in lieu thereof; and by adding the following new clause:

"(3) that the application contains satisfactory assurance that the institution will make reasonable continuing efforts to encourage recipients of fellowships under this title, enrolled in such program, to teach or continue to teach in institutions of higher education."

(d) The amendment made by subsection (c) of this section shall apply with respect to fellowships awarded on or after the date of enactment of this Act.

REQUIRING STIPENDS TO BE SET IN AN AMOUNT CONSISTENT WITH THOSE AWARDED FOR COMPARABLE FELLOWSHIPS

SEC. 483. (a) Section 404 of the National Defense Education Act of 1958 is amended to read as follows:

"FELLOWSHIP STIPENDS

"SEC. 404. (a) The Commissioner shall pay to persons awarded fellowships under this title such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

"(b) The Commissoner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amounts as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for any such person."

(b) The amount of any stipend payable with respect to a fellowship awarded prior to the date of enactment of this Act shall not, during the period for which such fellowship was awarded, be less with respect to any year of study than the amount that would in the absence of the amendment made by subsection (a) of this section be payable with respect to such year.

TITLE V—EDUCATION PROFESSIONS DEVELOPMENT (AMENDMENT TO TITLE V OF HIGHER EDUCATION ACT OF 1965)

PROVISION OF MEDICAL INSURANCE COVERAGE TO TEACHER CORPS MEMBERS NOT OTHERWISE COVERED

SEC. 501. Section 514 of the Higher Education Act of 1965 is amended by adding immediately following subsection (d) thereof the following new subsection:

"(e) The Commissioner is authorized to provide medical (including hospitalization) insurance for members of the Teacher Corps who do not otherwise obtain such insurance coverage either under an arrangement made pursuant to subsection (d) of this section or as an incident of arrangement between the Commissioner and an institution or a State or local educational agency pursuant to section 513."

AUTHORIZING STATE EDUCATIONAL AGENCIES TO ADMINISTER DIRECTLY PROGRAMS OF TEACHER AND TEACHER AIDE RECRUITMENT AND TRAINING

SEC. 502. (a) Subsection (a) of section 518 of the Higher Education Act of 1965 is amended by inserting after "teacher shortages" the following: ", or the efforts of State educational agencies,".

(b) Subsection (a) of section 520 of such Act is amended—

(1) in paragraph (2), by inserting after "local educational agencies" the following: "or of the State educational agency, or both,"

(2) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) with respect to so much of the State program as is to be carried out by local educational agencies, (A) provides assurance that every local educational agency whose application for funds under the plan is denied will be given an opportunity for a fair hearing before the State educational agency and (B) sets forth the policies and procedures to be followed in allocating Federal funds to local educational agencies in the State, which policies and procedures shall insure that such funds will be allocated to local educational agencies having the most urgent need for teachers and teacher aides;" and

(4) by redesignating paragraphs (5) through (10) as paragraphs (4) through (9), respectively.

FELLOWSHIPS FOR SCHOOL ADMINISTRATORS

SEC. 503. The third sentence of section 521 of the Higher Education Act of 1965 is amended by inserting after "become such teachers," the following: "a career in the administration of such schools,".

TECHNICAL CORRECTIONS

SEC. 504. Section 524(a) of the Higher Education Act of 1965 is amended by inserting in paragraphs (1) and (4) "or postsecondary vocational education" after "career in elementary and secondary education".

INCREASE IN COST-OF-EDUCATION ALLOWANCE

SEC. 505. Section 525(b) of the Higher Education Act of 1965 is amended to read as follows:

"(b) The Commissioner shall (in addition to stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for each such person."

TITLE VI—INSTRUCTIONAL EQUIPMENT AND MATERIALS

PART A—EQUIPMENT AND MATERIALS FOR HIGHER EDUCATION (AMENDMENTS TO HIGHER EDUCATION ACT OF 1965)

EXTENSION OF PROGRAM; TECHNICAL AMENDMENT

SEC. 601. (a) Subsection (b) of section 601 of the Higher Education Act of 1965 is amended by striking out all of such subsection after "1967," and inserting in lieu thereof "$60,000,000, for the fiscal year ending June 30, 1968, $14,500,000 for the fiscal year ending June 30, 1969, and $14,800,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants to institutions of higher education, and to combinations of institutions of higher education, pursuant to this part for the acquisition of equipment and for minor remodeling described in section 603(2)."

(b) Such section 601 is further amended by striking out subsection (c) thereof.

(c) Subsection (d) of such section is amended by redesignating it as subsection (c), and by striking out "1969, and for the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(d)(1) The first sentence of section 602 (a)(1) of such Act is amended by striking out "and (c)".

(2) Section 602(b) of such Act is amended by striking out "(1)" after "(b)"; by striking out "(A)" after "section 603(2)"; and by striking out paragraph (2).

(3) Section 603(2) is amended by striking out "(A)" after "methods"; by inserting "(A)" before "for the acquisition of laboratory"; by striking out "(B) for determining relative priorities of eligible projects", and inserting in lieu thereof "and (B)"; and by striking out "(C)".

ACQUISITION OF CERTAIN COMPUTERS; TECHNICAL AMENDMENT

SEC. 602. Section 603(2) of the Higher Education Act of 1965 is amended by striking out "objective", and by inserting after "special equipment" the following: ", including instructional computers".

PART B—EQUIPMENT AND MATERIAL FOR ELEMENTARY AND SECONDARY EDUCATION (AMENDMENTS TO TITLE III OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

SEC. 621. (a) The first sentence of section 301 of the National Defense Education Act of 1958 is amended by striking out "and" before "$110,000,000" and by inserting after "June 30, 1968," the following: "and $110,000,000 each for the fiscal years ending June 30, 1969, and June 30, 1970,".

(b) Section 301 of such Act is amended by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this section, only such sums as the Congress may hereafter authorize by law."

EQUIPMENT FOR EDUCATIONALLY DEPRIVED CHILDREN

SEC. 622. (a) Title III of the National Defense Education Act of 1958 is amended by inserting immediately below the center heading thereof the following:

"PART A—GRANTS TO STATES"

(b) Title III of such Act is amended (1) by striking out "this title" wherever it appears and inserting in lieu thereof "this part"; and (2) by adding at the end thereof the following new part:

"PART B—GRANTS TO LOCAL EDUCATIONAL AGENCIES

"APPROPRIATIONS AUTHORIZED

"SEC. 311. There are hereby authorized to be appropriated, for carrying out this part, $84,373,000 for the fiscal year ending June 30, 1969, and $160,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"ALLOTMENTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 312. From the sums appropriated pursuant to section 311 for any fiscal year the Commissioner shall reserve such amount but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A). From the remainder of such sums the Commissioner shall allot to each local educational agency (other than local educational agencies of

States which receive their allotments under this part as provided in subsection 1008(A)) an amount which bears the same ratio to the amount of such remainder as the amount received by such agency from funds appropriated for the preceding fiscal year for grants under title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 874, Eighty-first Congress, as amended) bears to the amount received by all local educational agencies from such funds for such year.

"APPLICATION OF LOCAL EDUCATIONAL AGENCY

"SEC. 313. (a) A local educational agency may receive a grant under this part for any fiscal year only on application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

"(1) that payments under this part will be used for the acquisition of equipment and materials referred to in section 303(a) (1) to be used in programs and projects designed to meet the special educational needs of educationally deprived children in school attendance areas having a high concentration of children from low-income families;

"(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which will afford such children the benefits of the equipment and materials provided under this part;

"(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this part, and that title to equipment and materials acquired therewith, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and equipment and materials; and

"(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this part, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

"(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

"STATE APPLICATION

"SEC. 314. (a) Any State desiring to participate under this part shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

"(1) that payments under this part will be used only for programs and projects which have been approved by the State educational agency pursuant to section 313, and that such agency will in all other respects comply with the provisions of this part, including the enforcement of any obligations imposed upon a local educational agency under section 313.

"(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

"(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this part (including such reports as he may require to determine the amounts which local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(b) An application submitted under this section shall be deemed a State plan for the purposes of sections 1004 and 1005.

"PAYMENTS

"SEC. 315. (a) The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this part. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

"(b) From the funds paid to it pursuant to subsection (a) each State educational agency shall distribute to each local educational agency of the State which has submitted an application approved pursuant to section 313(a) the amount for which such application has been approved, except that this amount shall not exceed its allotment for the fiscal year under section 312."

(c) Paragrah (2) of section 1004(c) of the National Defense Education Act of 1958 is amended, (1) by striking out "title III or V" and inserting in lieu thereof "part A or B of title III or under title V"; and (2) by inserting "part or" before "title or section" each time these words appear in such paragraph.

PROVISION FOR WITHIN-STATE EQUALIZATION IN STATE-IMPOSED REQUIREMENTS FOR FINANCIAL PARTICIPATION OF PROJECT APPLICANTS

SEC. 623. Subsection (a) of section 303 of the National Defense Education Act of 1958 is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and by inserting at the end of such subsection the following new paragraph:

"(6) sets forth any requirements imposed upon applicants for financial participation in projects assisted under this part, including any provision for taking into account, in such requirements, the resources available to any applicant for such participation relative to the resources for participation available to all other applicants."

PAYMENT OF STATE ADMINISTRATIVE EXPENSES OUT OF PROJECT FUNDS IN LIEU OF SEPARATE FUNDING

SEC. 624. Effective with respect to fiscal years beginning after June 30, 1968, title III of the National Defense Education Act of 1958 is amended as follows:

(a) Paragraph (1) of subsection (a) of section 303 is amended by striking out "and" before "(B)" and by inserting the following before the semicolon at the end thereof: ", and (C) administration of the State plan, except that the amount used for administration of the State plan for any years shall not exceed an amount equal to 3 per centum of the amount paid to the State under this part for that year, or $50,000, whichever is greater".

(b)(1) Paragraph (5) of such section 303 (a), the second sentence of section 301, subsection (b) of section 302, and subsection (b) of section 304 are repealed.

(2) Section 302 is amended by striking out "the first sentence of" in subsection (a)(1); striking out "or (b)" in the first sentence of subsection (c); striking out "subsections (a) and (b)" in the same sentence of such subsection and inserting in lieu thereof "subsection (a)"; striking out "or (b)" in the second sentence of such subsection; and redesignating such subsection (c) as subsection (b); and references elsewhere to such subsection (c) are redesignated accordingly.

(3) Subsection (a) of section 304, and references thereto, are redesignated as section 304; and there is deleted from section 304 "as provided in paragraph (4) of section 302(a)".

(4) Section 304 is further amended (A) by striking out "for projects for acquisition of equipment and minor remodeling referred to in paragraph (1) of section 303(a) which are carried out", and (B) by inserting the following after "except that"; "(1) such payments with respect to expenditures for administration of the State plan shall not exceed the limitation established by paragraph (1)(C) of section 303(a), and (2)".

(5) Paragraph (6) of section 303(a), as added by section 623 of this Act, is redesignated as paragraph (5).

PRIVATE SCHOOLS: AUTHORIZING REALLOTMENT OF SET-ASIDE FOR LOANS; REPEALING LOAN ALLOTMENT FORMULA

SEC. 625. (a) Section 305 of the National Defense Education Act of 1958 is amended by striking out "SEC. 305." and all that follows down to but not including subsection (b)(1) and inserting in lieu thereof the following:

"SEC. 305. From the sums reserved for each fiscal year for the purposes of this section under the provisions of section 302(a), the Commissioner is authorized to make loans to private nonprofit elementary and secondary schools in any State. Any such loan shall be made only for the purposes for which payments to State educational agencies are authorized under the first sentence of section 301, and—".

(2) Paragraph (3) of such section is amended by striking out "the current average yield on all outstanding marketable obligations of the United States" and inserting in lieu thereof "the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans".

(b) Section 302(b) of such Act (as so redesignated by section 624 of this Act) is amended to read as follows:

"(b) The amount of any State's allotment under subsection (a) of this section for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to the other States in proportion to the original allotments to such States under subsection (a) of this section, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reserved for any fiscal year for making loans under section 305 which the Commissioner determines will not be required for that purpose for such year shall be available for allotment among the States in the manner provided in the preceding sentence for reallotments. Any amount allotted or reallotted to a State under this subsection during a year from funds appropriated pursuant to section 301 shall be deemed part of its allotment under subsection (a) of this section for such year."

(c) The amendment made by subsection (a)(2) shall apply with respect to loans made after the date of enactment of this Act.

PART C.—FINANCIAL ASSISTANCE FOR STRENGTHENING INSTRUCTION IN THE HUMANITIES AND ARTS

EXTENSION OF PROGRAM

SEC. 631. (a) The first sentence of section 12 of the National Foundation on the Arts and Humanities Act of 1965 is amended (1) by striking out "two succeeding years" and inserting in lieu thereof "four succeeding fiscal years," and (2) by striking out "June 30, 1969" and inserting in lieu thereof "June 30, 1971".

(b) Such section is further amended, (1) in subsection (b), by striking out "allotted" and inserting in lieu thereof "reserved, allotted, and reallotted", and by striking out "and (c)" and inserting in lieu thereof "and (b)"; and (2) in subsection (f), by striking out "allot and".

TITLE VII—GUIDANCE, COUNSELING, AND TESTING (AMENDMENTS TO PART A OF TITLE V OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

SEC. 701. (a) Section 501 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$30,000,000" and by inserting after "two succeeding fiscal years," the following: $25,000,000 for the fiscal year ending June 30, 1969, and $30,000,000 for the fiscal year ending June 30, 1970,", and (2) by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this subsection only such sums as the Congress may hereafter authorize by law."

(b)(1) Section 504(a) of such Act is amended by striking out "eight succeeding fiscal years" and inserting in lieu thereof "thirteen succeeding fiscal years".

(2) Section 504(b) of such Act is amended by striking out "nine succeeding fiscal years" and inserting in lieu thereof "fourteen succeeding fiscal years".

TITLE VIII—LANGUAGE DEVELOPMENT (AMENDMENTS TO TITLE VI OF NATIONAL DEFENSE EDUCATION ACT, 1958)

EXTENSION OF PROGRAM

SEC. 801. (a) Subsections (a) and (b) of section 601 of the National Defense Education Act of 1958 are each amended by striking out "1968" and inserting in lieu thereof "1973".

(b) Section 603 of such Act is amended (1) by striking out "and" before "$18,000,000" and by inserting after "1968," the following: "$16,050,000 for the fiscal year ending June 30, 1969, and $25,000,000 for the fiscal year ending June 30, 1970,", and by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the provisions of this title, only such sums as the Congress may hereafter authorize by law."

TITLE IX—NETWORKS FOR KNOWLEDGE

SHARING OF EDUCATIONAL AND RELATED RESOURCES AMONG COLLEGES AND UNIVERSITIES

SEC. 901. The Higher Education Act of 1965 is amended by redesignating title VIII as title IX, and sections 801 through 804 (and references thereto however styled in such Act, or any other Act, including such references heretofore made in this Act) as sections 901 through 904, respectively. The Higher Education Act of 1965 is further amended by inserting after title VII the following new title:

"TITLE VIII—NETWORKS FOR KNOWLEDGE

"SHARING EDUCATIONAL AND RELATED RESOURCES

"SEC. 801. (a) To encourage colleges and universities to share to an optimal extent, through cooperative arrangements, their technical and other educational and administrative facilities and resources, and in order to test and demonstrate the effectiveness and efficiency of a variety of such arrangements, the Commissioner is authorized to enter into contracts and to make project grants for all or part of the cost of planning, developing, or carrying out such arrangements. Such grants may be made to public or nonprofit private colleges or universities. When in the Commissioner's judgment it will more effectively promote the purposes of this title, the Commissioner may make grants to other established public or nonprofit private agencies or organizations, including professional organizations or academic societies and he may enter into contracts with established private agencies and organizations.

"(b) Projects for the planning, development, or carrying out of such arrangements assisted under this title may, subject to the provisions of subsection (c), include—

"(1)(A) joint use of facilities such as classrooms, libraries, or laboratories, including joint use of necessary books, materials, and equipment; or (B) affording access to specialized library collections through preparation of interinstitutional catalogs and through development of systems and preparation of suitable media for electronic or other rapid transmission of materials;

"(2) establishment and joint operation of closed-circuit television or equivalent transmission facilities; and

"(3) establishment and joint operation of electronic computer networks and programs therefor, to be available to participating institutions for such purposes as financial and student records, student course work, or transmission of library materials.

"(c)(1) Grants pursuant to clause (B) of paragraph (1) of subsection (b) may not be used to pay the costs of electronic transmission terminals.

"(2) In the case of a project for the establishment and operation of a computer network, grants may not include—

"(A) the cost of operating administrative terminals or student terminals at participating institutions; or

"(B) the cost, or any participating institution's pro rata share of the cost, of using the central computer facilities of the network, except (i) such costs of systems development and programing of computers and transmission costs as are necessary to make the network operational, (ii) the administrative and program support costs of the central facilities of the network, and (iii) the line-access costs incurred by participating institutions.

APPROPRIATIONS AUTHORIZED

"SEC. 802. There are authorized to be appropriated, for grants under section 801, $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for such grants only such sums as the Congress may hereafter authorize by law.

"SHORT TITLE

"SEC. 803. This title may be cited as the 'Networks for Knowledge Act of 1968'."

TITLE X—AMENDMENTS TO TITLE VIII (GENERAL PROVISIONS) OF HIGHER EDUCATION ACT OF 1965 AND TO TITLE I (GENERAL PROVISIONS) AND TITLE X (MISCELLANEOUS PROVISIONS) OF NATIONAL DEFENSE EDUCATION ACT OF 1958

ESTABLISHMENT OF ADVISORY COUNCIL ON GRADUATE EDUCATION; ABOLITION OF HIGHER EDUCATION FACILITIES ACT ADVISORY COMMITTEE

SEC. 1001. (a) The Higher Education Act of 1965 is amended by adding after the section redesignated by section 901 of this Act as section 904 the following new section:

"ADVISORY COUNCIL ON GRADUATE EDUCATION

"SEC. 905. (a) There is hereby established in the Office of Education an Advisory Council on Graduate Education (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, of one representative each from the Office of Science and Technology in the Executive Office of the President, the National Science Foundation, and the National Foundation on the Arts and the Humanities, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall be selected from among leading authorities in the field of education, except that at least one of them shall be a graduate student.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to graduate education.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b)(1) Section 203 of the Higher Education Facilities Act of 1963 is repealed.

(2) Paragraph (1) of section 202(c) of such Act is amended to read as follows:

"(1) The Commissioner shall not approve any application for a grant under this title until he has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate such applications."

DISSEMINATION OF INFORMATION

SEC. 1002. The Higher Education Act of 1965 is further amended by adding after section 905 (as added by this title) the following new section:

"DISSEMINATION OF INFORMATION

"SEC. 906. (a) For the purpose of carrying out more effectively the provisions of this Act, the National Defense Education Act of 1958, the Higher Education Facilities Act of 1963, and other Acts administered by him in the field of higher education (including those administered by him by delegation), the Commissioner—

"(1) shall prepare and disseminate to institutions of higher education, State agencies concerned with higher education, and other appropriate agencies and institutions (A) reports on programs and projects assisted under such Acts and other programs and projects of a similar nature, and (B) catalogs, reviews, bibliographies, abstracts, analyses of research and experimentation, and such other materials as are generally useful for such purpose;

"(2) may upon request provide advice, counsel, technical assistance, and demonstrations to institutions and agencies referred to in paragraph (1) undertaking to initiate or expand programs or projects under such Acts in order to enhance the quality, increase the depth, or broaden the scope of such programs or projects, and shall inform such institutions and agencies of the availability of assistance pursuant to this paragraph;

"(3) shall from time to time prepare and disseminate to institutions and agencies referred to in paragraph (1) reports setting forth developments in the utilization and adaptation of projects carried out pursuant to such Acts; and

"(4) may enter into contracts with public

or private agencies, organizations, groups, or individuals to carry out the provisions of this section.

"(b) There are authorized to be appropriated to carry out the provisions of this section $2,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law."

CONFORMING DEFINITIONS OF INSTITUTION OF HIGHER EDUCATION IN HIGHER EDUCATION ACT OF 1965 AND IN NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 1003. (a) Section 901(a) of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting after "if not so accredited," in clause (5) the following: "(A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B)".

(b) The second sentence of such paragraph (a) is amended by striking out "Such term also includes any business school or technical institution" and inserting in lieu thereof "Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and".

INSERTION OF DEFINITION OF "COMBINATION OF INSTITUTIONS OF HIGHER EDUCATION" IN HIGHER EDUCATION ACT OF 1965

SEC. 1004. Section 901 of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting at the end thereof the following:

"(j) The term 'combination of institutions of higher education' means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf."

PROVISION IN NATIONAL DEFENSE EDUCATION ACT OF 1958 FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS, FOR SCHOOLS OF DEPARTMENT OF INTERIOR FOR INDIAN CHILDREN, AND FOR OVERSEAS DEPENDENT SCHOOLS OF DEPARTMENT OF DEFENSE

SEC. 1005. (a) Section 1008 of the National Defense Education Act of 1958 is amended to read as follows:

"ALLOTMENTS TO TERRITORIES AND POSSESSIONS

"SEC. 1008. The amounts reserved by the Commissioner under sections 302, 312, and 502 shall, in accordance therewith, be allotted among—

"(A) Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for the type of assistance furnished under the part or title in which the section appears, and

"(B) in the case of amounts so reserved under sections 302 and 502, (i) the Secretary of the Interior, according to the need for such assistance in order to effectuate the purposes of such part or title in schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance in order to effectuate the purposes of such part or title in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title."

(b) Sections 302(a)(1) and 502(a) of such Act are each amended by striking out "2 per centum thereof, as he may determine for allotment as provided in section 1008," and inserting in lieu thereof "3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B);".

(c) Section 103(a) of such Act is amended (1) by striking out "or" each time it appears before "the Virgin Islands", (2) by inserting after "the Virgin Islands," as it first appears "and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands," and (3) by inserting before the period at the end thereof "or the Trust Territory of the Pacific Islands".

(d) The amendments made by this section shall be effective with respect to fiscal years ending after June 30, 1968.

PROVISIONS FOR ADEQUATE LEADTIME AND FOR PLANNING AND EVALUATION IN HIGHER EDUCATION PROGRAMS

SEC. 1006. The Higher Education Act of 1965, as amended by this Act, is further amended by adding after section 906 the following new sections:

"PROGRAM PLANNING AND EVALUATION FOR HIGHER EDUCATION PROGRAMS

"SEC. 907. There are authorized to be appropriated $1,117,000 for the fiscal year ending June 30, 1969, and $1,900,000 for the fiscal year ending June 30, 1970, to be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, loans, contracts, or other payments, for (1) planning for the succeeding year programs or projects authorized under any other provision of this Act or any provision of the National Defense Education Act of 1958 or the Higher Education Facilities Act of 1963, and (2) evaluation of programs or projects so authorized. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law.

"ADVANCE FUNDING

"SEC. 908. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, loans, contracts, or other payments under any Act referred to in section 907 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under any such Act will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"EVALUATION REPORTS AND CONGRESSIONAL REVIEW

"SEC. 909. (a) No later than March 31 of each calendar year, the Secretary shall transmit to the respective committees of the Congress having legislative jurisdiction over any Act referred to in section 907 and to the respective Committees on Appropriations a report evaluating the results and effectiveness of programs and projects assisted thereunder during the preceding fiscal year, together with his recommendations (including any legislative recommendations) relating thereto.

"(b) In the case of any such program, the report submitted in the penultimate fiscal year for which appropriations are then authorized to be made for such program shall include a comprehensive and detailed review and evaluation of such program (as up to date as the due date permits) for its entire past life, based to the maximum extent practicable on objective measurements, together with the Secretary's recommendations as to proposed legislative action.

"AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

"SEC. 910. Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any Act referred to in section 907, may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year."

TITLE XI—AMENDMENTS TO HIGHER EDUCATIONAL FACILITIES ACT OF 1963

EXTENSION OF PROGRAM

SEC. 1101. (a)(1) Section 101(a) of the Higher Education Facilities Act of 1963 is amended by striking out "seven" and inserting in lieu thereof "nine".

(2) Section 101(b) of such Act is amended (A) by striking out "for the fiscal year ending June 30, 1969" and inserting in lieu thereof "each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year"; and (B) by striking out "1970 and the succeeding fiscal year" and inserting in lieu thereof "1971 and the two succeeding fiscal years".

(3) Section 105(b) of such Act is amended (A) by striking out in the first sentence "two succeeding" and inserting in lieu thereof "three succeeding", and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(b) Section 201 of such Act is amended (1) in the first sentence thereof by striking out "seven" and inserting in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years", and (B) striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) Section 303(c) of such Act is amended (1) in the first sentence by striking out "seven" and insert in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years" and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

BROADENING ELIGIBILITY FOR CONSTRUCTION GRANTS

SEC. 1102. (a) Effective with respect to fiscal years ending on or after June 30, 1969—

(1) Section 106(1) and (2) of the Higher Education Facilities Act of 1963, as amended, is amended by inserting after "enrollment capacity" in each case the following: ", capacity to provide needed health care to students or personnel of the institution,".

(2) The second sentence of section 107(a) of such Act is amended by inserting before the period at the end thereof the following: "and expansion of the capacity to provide needed health care to students and institutional personnel".

(3) Section 108(b) of such Act is amended by striking out "and", at the end of paragraph (5), redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following:

"(6) in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, he determines no financial assistance will be provided such project under Title IV of the Housing Act of 1950; and".

(4) Section 303(a) is amended by striking out "and" at the end of clause (2), and by inserting before the period the following: ", and (4) that, in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, no financial assistance will be provided such project under Title IV of the Housing Act of 1950".

(5) The first sentence of section 401(a) of such Act is amended by inserting before the period at the end thereof the following: "; and, for purposes of titles I and III, such term includes infirmaries or other facilities designed to provide primarily for outpatient care of students and institutional personnel".

(a) Effective with respect to the first fiscal year for which there is appropriated the full amount authorized for such year by section 101(b) of the Higher Education Facilities Act of 1963—

(1) Section 2 of such Act is amended by striking out "accommodate" and inserting in lieu thereof the following: "to expand and improve the facilities available for the education of".

(2) Section 106 of such Act is amended to read as follows:

"ELIGIBILITY FOR GRANTS

"Sec. 106. An institution of higher education shall be eligible for a grant for construction of academic facilities under this title only if the project is needed and will be efficiently utilized by the institution (1) to provide for increased student enrollments; or (2) to provide a needed expansion of extension, continuing education, or community service programs of the institution; or (3) to remedy existing or developing counseling or student health programs of the institution; or (4) to provide administrative, maintenance, storage, or utility services necessary for the continued operation or expansion of the institution; or (5) for a combination of such purposes."

ANNUAL INTEREST GRANTS

Sec. 1103. (a) Title III of the Higher Education Facilities Act of 1963 is amended by adding at the end thereof the following new section:

"ANNUAL INTEREST GRANTS

"Sec. 306. (a) To assist institutions of higher education and higher education building agencies to reduce the cost of borrowing from other sources for the construction of academic facilities, the Commissioner may make annual interest grants to such institutions and agencies.

"(b) Annual interest grants to an institution of higher education or higher education building agency with respect to any academic facility shall be made over a fixed period not exceeding 40 years, and provision for such grants shall be embodied in a contract guaranteeing their payement over such period. Each such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were the maximum rate specified in section 303(b): *Provided*, That the amount on which such grant is based shall be approved by the Secretary.

"(c) (1) There are hereby authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants to institutions of higher education and higher education building agencies in accordance with this section.

"(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid to institutions of higher education and higher education building agencies in any year pursuant to contracts entered into under this section shall not exceed $10,000,000, which amount shall be increased by $10,000,000 on July 1, 1970.

"(d) No annual interest grant pursuant to this section shall be made unless the Commissioner finds (1) that not less than one-fourth of the development cost of the facility will be financed from non-Federal sources, (2) that the applicant is unable to secure a loan in the amount of the loan with respect to which the annual interest grant is to be made, from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials. A loan with respect to which an interest grant is made under this section shall not be considered financing from a non-Federal source."

EXTENDING AUTHORIZATION FOR HIGHER EDUCATION FACILITIES CONSTRUCTION ASSISTANCE IN MAJOR DISASTER AREAS

Sec. 1104. Section 408(a) of the Higher Education Facilities Act of 1963 is amended by striking out "July 1, 1967," and inserting in lieu thereof "July 1, 1969,".

INCREASING FEDERAL SHARE

Sec. 1105. (a) Sections 107(b) and 401(d) of the Higher Education Facilities Act of 1963 are each amended (1) by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum" and (2) by striking out "40 per centum" and inserting in lieu thereof "50 per centum".

(b) Section 202(b) of such Act is amended by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum".

MINIMUM TITLE I ALLOTMENTS TO STATES AND TERRITORIES

Sec. 1106. (a) Title I of the Higher Education Facilities Act of 1963 is amended by inserting after the second sentence of section 103 and after the first sentence of section 104 the following: "The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000."

(b) The amendments made by this section shall apply with respect to fiscal years ending on or after June 30, 1969.

TITLE XII—EDUCATION FOR THE PUBLIC SERVICE

TITLE

Sec. 1201. This title may be cited as the "Education for the Public Service Act".

PURPOSE

Sec. 1202. It is the purpose of this title to establish a program of grants and fellowships to improve the education of students attending institutions of higher education in preparation for entrance into the service of State, local, or Federal governments, and to attract such students to the public service.

Part A—Grants and Contracts To Strengthen and Improve Education for the Public Service

PROJECT GRANTS AND CONTRACTS

Sec. 1203. The Secretary of Health, Education, and Welfare (hereafter in this title referred to as the "Secretary") is authorized to make grants to or contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects (1) for the preparation of graduate or professional students to enter the public service or (2) for research into, or development or demonstration of, improved methods of education for the public service. Such grants or contracts may include payment of all or part of the cost of programs or projects for—

(A) planning for the development or expansion of graduate or professional programs to prepare students to enter the public service;

(B) training and retraining of faculty members;

(C) strengthening the public service aspects of courses or curriculums leading to a graduate or professional degree;

(D) conduct of short-term or regular session institutes for advanced study by persons engaged in, or preparing to engage in the preparation of students to enter the public service; and

(E) research into, and development of, methods of training students or faculty, including the preparation of teaching materials and the planning of curriculum.

The Secretary may also make grants to other public or private nonprofit agencies and organizations, including professional and scholarly associations, or contracts with public or private agencies or organizations, to carry out the purposes of this section when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

APPLICATION FOR GRANT OR CONTRACT; ALLOCATION OF GRANTS OR CONTRACTS

Sec. 1204. (a) A grant or contract authorized by this part my be made only upon application to the Secretary at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it—

(1) sets forth programs, activities, research, or development for which a grant is authorized under this part, and describes the relation thereof to any program set forth by the applicant in an application, if any, submitted pursuant to part B;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(3) provides for making such reports, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall allocate grants or contracts under this part in such manner as will most nearly provide an equitable distribution of the grants or contracts throughout the United States among institutions of higher education which show promise of being able to use funds effectively for the purposes of this part, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need.

(c)(1) Payments under this section may be used, in accordance with regulations of the Secretary, and subject to the terms and conditions set forth in an application approved under subsection (a), to pay part of the compensation of students employed in public service, other than public service as an employee in any branch of the Government of the United States, as part of a program for which a grant has been approved pursuant to this section.

(2) Departments and agencies of the

United States are encouraged, to the extent consistent with efficient administration, to enter into arrangements with institutions of higher education for the full-time, part-time, or temporary employment, whether in the competitive or excepted service, of students enrolled in programs set forth in applications approved under subsection (a).

Part B—Public Service Fellowships

AWARD OF PUBLIC SERVICE FELLOWSHIPS

Sec. 1211. The Secretary is authorized to award fellowships in accordance with the provisions of this part for graduate or professional study for persons who plan to pursue a career in public service. Such fellowships shall be awarded for such periods as the Secretary may determine but not to exceed three academic years.

ALLOCATION OF FELLOWSHIPS

Sec. 1212. The Secretary shall allocate fellowships under this part among institutions of higher education with programs approved under the provisions of this part for the use of individuals accepted into such programs, in such manner and according to such plan as will insofar as practicable—

(1) provide an equitable distribution of such fellowships throughout the United States, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need; and

(2) attract recent college graduates to pursue a career in public service.

APPROVAL OF PROGRAMS

Sec. 1213. The Secretary shall approve a graduate or professional program of an institution of higher education only upon application by the institution and only upon his findings—

(1) that such program has as a principal or significant objective the education of persons for the public service, or the education of persons in a profession or vocation for whose practitioners there is a significant and continuing need in the public service as determined by the Secretary after such consultation with other agencies as may be appropriate;

(2) that such program is in effect and of high quality, or can readily be put into effect and may reasonably be expected to be of high quality;

(3) that the application describes the relation of such program to any program, activity, research, or development set forth by the applicant in an application, if any, submitted pursuant to part A; and

(4) that the application contains satisfactory assurance that (A) the institution will recommend to the Secretary, for the award of fellowships under this part, for study in such program, only persons of superior promise who have demonstrated to the satisfaction of the institution a serious intent to enter the public service upon completing the program, and (B) the institution will make reasonable continuing efforts to encourage recipients of fellowships under this part, enrolled in such program, to enter the public service upon completing the program.

STIPENDS

Sec. 1214. (a) The Secretary shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Secretary shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

FELLOWSHIP CONDITIONS

Sec. 1215. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Secretary finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employments approved by the Secretary by or pursuant to regulation.

Part C—General Provisions

DEFINITIONS

Sec. 1221. As used in this title—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State exclusive of an institution of any agency of the United States, which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose. For purposes of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "public service" means service as an officer or employee in any branch of State, local, or Federal Government.

(d) The term "academic year" means an academic year or its equivalent, as determined by the Secretary.

(e) The term "nonprofit" as applied to an institution, agency, or organization, means an institution, agency, or organization owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

COORDINATION OF FEDERAL ASSISTANCE

Sec. 1222. In administering this title, the Secretary shall give primary emphasis to the assistance of programs and activities not otherwise assisted by the Department of Health, Education, and Welfare, or by other agencies of the Federal Government, so as to promote most effectively the title's objectives.

METHOD OF PAYMENT

Sec. 1223. Payments under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

LIMITATION

Sec. 1224. No grant, contract, or fellowship shall be awarded under this title to, or for study at, a school or department of divinity. For the purposes of this section, the term "school or department of divinity" means an institution or department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

UTILIZATION OF OTHER AGENCIES

Sec. 1225. In administering the provisions of this title, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution, on a reimbursable basis or otherwise in accordance with agreements between the Secretary and the head thereof.

FEDERAL CONTROL OF EDUCATION PROHIBITED

Sec. 1226. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, or the selection of library resources by an educational institution, or over the content of any material developed or published under any program assisted pursuant to this title.

REPORT

Sec. 1227. The Secretary shall include in his annual report to the Congress, a report of activities of his Department under this title, including recommendations for needed revisions in the provisions thereof.

AUTHORIZATION OF APPROPRIATIONS

Sec. 1228. There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $15,000,000 for the fiscal year ending June 30, 1970, to carry out the purposes of this title. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the purposes of this title, only such sums as the Congress may hereafter authorize by law. Funds appropriated for the fiscal year ending June 30, 1969, shall be available for obligation pursuant to the provisions of this title during that year and the succeeding fiscal year.

TITLE XIII—MISCELLANEOUS

AGE QUOTAS IN YOUTH WORK AND TRAINING PROGRAMS

Sec. 1301. Section 124 of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"(f) In the case of a program under section 123(a)(1), the Director shall not limit the number or percentage of the participants in the program who are fourteen or fifteeen years of age."

ELIGIBILITY FOR STUDENT ASSISTANCE

Sec. 1302. (a)(1) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution shall deny any further payment to, or for the benefit of, such individual under any of the following programs:

(A) The student loan program under title II of the National Defense Education Act of 1958.

(B) The educational opportunity grant program under part A of title IV of the Higher Education Act of 1965.

(C) The student loan insurance program under part B of title IV of the Higher Education Act of 1965.

(D) The college work-study program under part C of title IV of the Higher Education Act of 1965.

(E) Any fellowship program carried on under title II, III, or V of the Higher Education Act of 1965 or title IV or VI of the National Defense Education Act of 1958.

(2) Nothing in this subsection shall be construed to limit the freedom of any student to verbal expression for individual views or opinions.

(b) No loan, guarantee of a loan or grant under a program authorized or extended by this Act shall be awarded to any applicant within three years after he has been convicted by any court of record of any crime which was committed after the date of enactment of this Act, and which involved the use of (or assistance to others in the use of) force, trespass or the seizure of property under control of an institution of higher education to prevent officials or students at such an institution from engaging in their duties or pursuing their studies, by an institution or person having knowledge of such conviction.

Sec. 1303. No standard, rule, regulation, or requirement of general applicability prescribed for the administration of this Act or any Act amended by this Act may take effect (1) until 30 days after it is published in the Federal Register, and (2) unless interested persons are given an opportunity to participate in the formulation of such standard, rule, regulation, or requirement through the submission of views or arguments.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 15067) was laid on the table.

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Mr. Perkins, Mrs. Green of Oregon; Messrs. Brademas, Gibbons, Carey, Hathaway, Burton of California; Ayres, Quie, Reid of New York; Erlenborn, and Esch.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15189) entitled "An act to authorize appropriations for certain maritime programs of the Department of Commerce."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3497) entitled "An act to assist in the provision of housing for low- and moderate-income families, and to extend and amend laws relating to housing and urban development."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3638) entitled "An act to extend for 3 years the authority of the Secretary of Agriculture to make indemnity payments to dairy farmers for milk required to be withheld from commercial markets because it contains residues of chemicals registered and approved for use by the Federal Government," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Ellender, Mr. Holland, Mr. Jordan of North Carolina, Mr. Montoya, Mr. Aiken, Mr. Young of North Dakota, and Mr. Boggs to be the conferees on the part of the Senate.

SAFETY STANDARDS FOR TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE—CONFERENCE REPORT

Mr. STAGGERS submitted a conference report and statement on the bill (S. 1166) to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes.

PROVIDING FOR CONSIDERATION OF H.R. 15198, EMPLOYER CONTRIBUTIONS FOR JOINT INDUSTRY PROMOTION OF PRODUCTS AND FOR JOINT COMMITTEES OR BOARDS TO INTERPRET COLLECTIVE BARGAINING AGREEMENTS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1234 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1234

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15198) to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances or a joint committee or joint board empowered to interpret provisions of collective bargaining agreements. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska [Mr. Martin] pending which I yield myself as much time as I may consume.

Mr. Speaker, this rule is an open rule. There was some controversy before the Rules Committee and in the Rules Committee on the granting of a rule, although the rule was reported by the Rules Committee by an overwhelming vote. The bill which the resolution would make in order was once relatively noncontroversial, but it has since become quite controversial.

On August 10, 1965, the House passed H.R. 1153 which, the report states, was substantially the same as the bill before us, or the bill which would be made in order by the rule. The Committee on Education and Labor has favorably reported on this particular subject matter three or four times before, but I understand that today there is very substantial controversy on the subject. I reserve the balance of my time.

Mr. MARTIN. Mr. Speaker, House Resolution 1239 provides for an open rule, with 1 hour of debate, on H.R. 15198.

H.R. 15198 permits employer contributions to joint labor-managment programs for the promotion of product and product applications or programs for the establishment of joint labor-management committees to resolve issues arising from disputes regarding the interpretations of collective-bargaining agreements where such determinations are binding upon all parties concerned.

Reluctantly, Mr. Speaker, I have to say that if I were to title this bill, I would title it as another bill further to destroy the Taft-Hartley Act. I say that advisedly, because I believe, although it will affect a relatively small number of employers and employees, it strikes at a very basic and fundamental principle. The Wagner Act and the Taft-Hartley Act were designed to protect and encourage free collective bargaining by free employers representing the interests of the industry independently and free unions representing the interests of labor independently.

Since the Taft-Hartley Act went into effect in 1947, it has prohibited payment of money or anything of value by a manufacturer to labor union representatives. The purpose of this prohibition was to prevent detrimental collusive practices on the one hand and to promote freedom of action on the other.

This prohibition is unequivocal and absolute. The few limited exceptions that are permitted are clearly set forth in the section and need not be repeated here.

It should be established at the outset that industry promotion funds are legal under present law. There are thousands of such funds in existence today. The law as written in no way impedes their establishment or operation. The only limitation on such funds, under present law, is that such funds may not be jointly administered by unions and management. It is this limitation that the pending bill seeks to remove.

Mr. Speaker, there is no problem at the present time for industries to have a promotion fund. There are many in existence, but they are administered by the companies. The companies and the management in this situation have the primary responsibility.

Now it is said, of course, that this bill does not make this subject a mandatory subject of collective bargaining and therefore why should we worry? After all, management does not even have to talk about it if they do not want to. This may look good in the bill, but, frankly, from a practical point of view, it is a little naive. It does not take a very resourceful union negotiator in practice to negotiate and make this a mandatory subject of collective bargaining if he wants to. If some other matters that are the subject of mandatory collective bargaining arise and are unresolved, he could quietly let the negotiator on the other side know in a circumstance where he could not be brought to account, that, if the negotiator would agree to this, then the demand on the subject which is a matter of mandatory collective bargaining would be settled. He could very easily make sure that this is brought into the contract.

I do not think that there is any question that this is a technical distinction without very much practical difference as far as the effect it will have once it is in the law. Unfortunately, I think—and unintentionally on the part of many who support this bill—this is going to open the door and exaggerate, I believe, many of the jurisdictional disputes by the various unions.

This legislation is concerned primarily with the construction industry.

It should be recalled that prior to 1947 the construction industry was marked by the closed shop, the closed union, the jurisdictional dispute, the secondary boycott, the product, the permit fee, arbitrary discrimination, and other undesirable employment practices.

Both employers and unions were responsible for the development and the maintenance of such practices.

In 1947 the Taft-Hartley Act undertook to correct these conditions and to impart a greater measure of decorum and integrity to the labor relations practices in that industry. The law has achieved much in this respect.

It is also worthy of note that this bill will have the effect of aggravating one of the most serious labor relations problems confronting the construction industry today; namely, jurisdictional disputes. Many employers in this industry have contracts with dozens of unions or more, such as the carpenters, bricklayers, sheetmetal workers, plumbers, electricians, and so on.

What we are doing by this legislation is giving the unions a voice in how industry promotion funds are to be spent. These funds come entirely from management and should not be subject to union control.

If the logic applied by the supporters of this legislation were to be carried forward, it would be just as right and proper for management to sit on the boards of the labor unions and to direct how the union funds were to be spent.

Let me illustrate. This bill applies only to the construction industry, but suppose it applied across the board. It would mean, for example, that there would be a jointly administered fund, a fund that would determine how General Motors would advertise and promote its automobiles, what kind of advertisements it would put into magazines and newspapers, whether it should sponsor the "Ed Sullivan Show" or "Gunsmoke" or something else, what kind of research the General Motors Co. should engage in, and so forth and so on.

This is the principle involved in this bill, although it is limited to the construction industry.

I believe most of us will agree that if the union is going to jointly administer the promotion of General Motors or Lux Soap or Kellogg's Corn Flakes or anything else it would be agreed that this is an invasion of an area which is exclusively and peculiarly management's function.

One other point, Mr. Speaker. This legislation in the other body was scheduled twice for hearings before the Labor and Public Welfare Committee, and twice those hearings were postponed. No action has been taken in the other body in committee on this legislation.

Today we are engaging, I believe, in a futile debate, because I doubt very seriously if this bill will be enacted into law before the adjournment of the 90th Congress.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Washington.

Mr. PELLY. Mr. Speaker, H.R. 15198 to validate employer contributions to joint labor-management administered trust funds for product promotion is one of the most difficult pieces of legislation to understand on which I have been called to vote.

On the basis that this legislation was permissive and not subject to collective bargaining, I supported it when it was considered under suspension of rules earlier this year when it failed to get the necessary two-thirds vote.

Recently, however, when this bill was again scheduled for House consideration, I reviewed its provisions and I must confess to experiencing much doubt and confusion due to lack of familiarity of industry practices. Letters from contractors indicated that the proposed legislation would make such jointly administered funds mandatory subjects of collective bargaining; in fact, if not in law. Indeed, on such a supposition, I had firmly decided to oppose the bill. In this quandary, I discussed the controversial problem with several members of the Committee on Education and Labor, and finally, under date of July 24, 1968, I received, along with other Members of the House, a letter from the committee chairman, Mr. PERKINS, saying flatly no construction union, under this bill, could veto the creation of any industry promotion fund.

Also, I have very much in mind that in the judicial decision holding employer contributions outside the scope of section 302 of the Labor-Management Relations Act, the court said it sympathized with the efforts of both labor and management to solve industry problems. This bill would provide such relief.

If management does not desire to do so, under the law, it can refuse to negotiate without fear of being held guilty of an unfair labor practice.

Management, of course, upholds its prerogatives, but I am persuaded if under collective bargaining, a plan is set up, labor does have an interest.

Mr. Speaker, as I said, I recognize arguments on both sides. I shall listen carefully to the debate, just as I read carefully the report giving the views of both proponents and opponents.

However, on balance, my guess is I will support the bill as I did previously.

Mr. BOLLING. Mr. Speaker, I have only one possible further speaker on this side. I suggest that the gentleman yield time on the other side.

Mr. MARTIN. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON of Illinois. Mr. Speaker, I am opposed to this legislation, and I have already circulated among the membership a letter in which I have endeavored to set forth as clearly and concisely as I could some of the reasons why I oppose it.

Just a few minutes ago the Secretary of the Senate came down the center aisle and delivered to this body the conference report on the housing bill. That is a good bill. It is a conference report I hope this House will tomorrow or very soon thereafter adopt.

I mention that for this reason: I believe it is a singularly inappropriate time for this House to be taking up a bill of this nature and a bill of this character, which would have the effect of destroying well-established patterns of collective bargaining as they now exist in the construction industry, and completely in some areas restructuring the nature of those relationships, at a time when the construction industry is facing the greatest challenge in the history of the American people.

The administration has thrown down the gauntlet and given us in our country the bold challenge of constructing 26 million new homes in this country in the next decade. That happens to be almost twice as many as were constructed in the preceding decade. They have asserted a goal, which I support, of 6 million housing units for low- and moderate-income families in the next decade.

Mr. Speaker, I suggest that we ought to look at this bill very carefully during the period it is under examination from the standpoint of is it going to help us accomplish that goal and is it going to bring peace and progress and stability to the construction industry so that we can do those things which are so important. I respectfully submit, with all due deference to the members of the Committee on Education and Labor on both sides of the aisle, whom I respect, that this bill is not going to contribute anything to that goal. On the contrary—on the contrary—it may very well serve to impede and to make more difficult the attainment and the accomplishment of that goal.

One of the statements that appears in the record of the hearings on this bill—and they are brief because the committee only conducted 1 day of hearings, so when I say I have studied it very carefully, I suppose I really cannot claim very much by way of accomplishment, because they are short, but you do not have to study them very long before you see by volume, by weight, and by the very persuasiveness of the arguments made that the opposition to this bill far outweighs the relatively small segment of the construction industry that would like to see it pass.

I heard it said, gentlemen, that this is the Walter Mason bill. Now, Walter Mason is very fine and I am sure an estimable gentleman who is worthy of his hire, but there ought to be more substantial reasons than that before we change a section of the law—and I refer to section 302(c) of the Labor-Management Relations Act, which was enacted for the specific purpose of eliminating collusion and eliminating bribery and eliminating sweetheart contracts and eliminating some of the conditions that contribute to divisiveness in the construction industry and certainly not to any of the goals which we are seeking. One of the statements appearing in the record is that in H.R. 15198 Congress is attempting to solve problems that do not exist. I submit that is a pretty good description of this bill. These industry promotion funds exist today and are working well. There is not any necessity to turn them over to joint administration as has been suggested.

I want to point out in passing or to comment on some of the remarks made by the distinguished chairman of the committee, the gentleman from Kentucky [Mr. PERKINS]. When this morning he delivered to your desk a rebuttal to some of the arguments that I had advanced in opposition to this bill, he equates "funds that would be subject to joint administration if this bill were adopted with funds involving health and welfare plans, holiday pay, pooled vacations, and severance or similar benefits." Those things relate to wages and hours and working conditions, and I would be the very first to say that they ought to be jointly administered. But these industry promotion and advancement funds do not relate to matters of that kind.

I do not have the time to take some of the materials I have assembled and show you them which describe what the moneys go for under these industry promotion and advancement plans. Here is a manual paid for by one of these funds that is under the control of management, as I believe it should be today, an overhead manual, applying overhead to estimating, which was published by the Sheet Metal and Air Conditioning Contractors National Association. Here is another one on airstream handling prepared for the architects that work with the contractors in the industry. Here is another one, in architectural sheet metal manual. One of these was published by a promotion fund to assist architects working with them in the installation of various things using sheet metal. And so on and so forth.

If you read the record, you will find in almost every instance these funds relate to things that are within the prerogative of management, and rightfully so. Those who say, as some do, that this is just a shibboleth when we talk about an invasion of management prerogatives just do not know what they are talking about. They have not seen the product of these funds and do not know what the money is being used for.

Mr. Speaker, I want to rebut one statement that is made in the letter from the chairman when he says that before the decision in the Paramount Plastering case that literally thousands of contracts contained jointly administered funds. This simply is not correct because I have read about only 25 or 30 of these jointly administered funds.

Mr. Speaker, if the gentleman is talking about apprenticeship funds and some of these other funds the gentleman may be correct. We read about these things and they are one thing and we talk about industry advancement of promotion funds and this is something entirely different and there just were not thousands of those funds in being.

Mr. Speaker, if there were some sort of overweening necessity in the construction field for the provisions as contained in this bill, I would be in favor of this. However, we had a statement on Monday of this week from President Johnson's Cabinet Committee on Price Stability, a statement in which he urged the utmost restraint. And, that very Cabinet committee was assigned earlier this year with the specific task of examining those sectors of the economy as construction and medical care that have shown persistent inflationary tendencies.

Mr. Speaker, if one reads the hearings one will find statements like these. The Mechanical Contractors Association of Philadelphia in their statement said contract settlements in the construction industry in the past 4 years have been higher than in any other industry and they have far exceeded the average for all industry.

In 1966–67 construction industry labor agreements have reached a record high.

There is not any need, gentlemen, to put more power into the hands of those who sit on the opposite side of the table and give to them the joint administration of these funds.

Further, Mr. Speaker, there is a danger, and it is pointed out again in the hearings and oh, how I wish the Members of this body could have read them, but you will find construction costs are inevitably going to increase because these funds are going to proliferate. Any union worth its salt if we extend to them the right to join in the administration of a fund to which an employer makes a contribution, will say we have got to have it included in our contract. There just is not any question but that you will escalate the costs of construction in this country if you adopt this bill.

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Did I hear the gentleman correctly when he said that there was no obligation for the union to contribute to this fund but that they would be entitled to a joint administration of the fund?

Mr. ANDERSON of Illinois. The gentleman is 100-percent correct. This is a management contribution to the fund. We are not talking about moneys jointly contributed. If they were jointly contributed, I would take a different position on this bill. This is management money going into this fund and, therefore, they are asking a 50-percent right to sit at the table and join in saying how it is going to be spent.

Mr. JONES of Missouri. I cannot imagine anything that would be any more inequitable.

Mr. ANDERSON of Illinois. I have a statement from one individual and I think he said he had been a union steward in which he said, "I am not anti-union." He said, "I have always had a union shop and I want a union shop," but said, "Do not tell me that somebody is not coming in and tell me how I should spend my money in doing those things which promote the best interest of management."

Mr. Speaker, it is that simple.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. MARTIN. Mr. Speaker, I yield the gentleman 8 additional minutes.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I thank the gentleman for yielding, and I asked the gentleman to do so for one quick comment in support of the statement made by the gentleman.

I appreciate the statement made by the gentleman, and it is quite coincidental that today I shall seek permission to insert under the 1-minute rule an article entitled "Steamfitter Stew, Part II," pointing out that Local 562 of the Steamfitters has won a contract which will bring wages and fringes of the union to $10.45 per hour by June 1972.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I am sorry, but I must proceed on. I do not have the time to yield to the gentleman. I have only 2 minutes remaining.

So that jointly administered product promotion funds will impede, I am afraid, badly needed technological promotion that we need today in the construction industry.

It is not any secret that many of these locals vigorously oppose any kind of automation or presite assembly that would cut down on costs.

What is their primary concern in promoting products? It is to make sure that the area of their jurisdiction, of their craft jurisdiction, is preserved for that union, and they have a right to do that. I do not challenge the right of any union to be interested in carving out for itself a jurisdiction, an area of jurisdiction which they want preserved intact, but one witness before the committee I believe put it very, very succinctly when he said this, and I agree with this statement so very wholeheartedly:

> One must concede the union's right to oppose automation, or development of time-, labor-, and money-saving devices, but it requires a peculiar type of thinking to legislatively compel these very employers against whom the unions will take those positions to contribute funds to support these unions' positions in the name of product promotion.

Now, think about that for just 1 minute. It is a peculiar kind of logic that the employer should contribute his money—his money—so that it can be used against him—against him—later to oppose certain technological changes, certain timesaving devices, certain presite assemblies that might serve to cut down on the costs.

This is another reason, gentlemen.

I believe also—and this is ancillary to the point that I have just made, and the gentleman from Nebraska [Mr. MARTIN] mentioned it—that these people are dealing with many people, 10 or 12 different craft unions at a single time. Certainly these funds should not be jointly administered, because it may be in the interest of the employers in the construction industry that new techniques and machinery be developed that would shift the work from one craft to another.

Can you imagine anybody representing labor in the joint administration of an industry promotion of product fund consenting to that? Consenting to timesaving devices, or things that would have the effect of shifting the work from their craft to another craft? Why, they would say they would be misrepresenting the interests of their workers, and they would probably be right. But there is another reason why we should not enact this kind of legislation.

The **SPEAKER**. The time of the gentleman from Illinois has again expired.

Mr. **MARTIN**. Mr. Speaker, I yield 8 minutes to the gentleman from Florida [Mr. GURNEY].

Mr. GURNEY. Mr. Speaker, I oppose the bill H.R. 15198.

In the waning days of this 90th Congress it seems to me this House could very well bypass this bill instead of passing it. It is not needed. More than that, it is a poor piece of legislation.

What the bill does is, of course, amend the Taft-Hartley law to make legal what is now illegal under this act.

It is presently illegal, as previous speakers have pointed out, for management to make payments to labor organizations, and vice versa, as far as that is concerned, in connection with these joint funds except in a few excepted instances, health, welfare, and pension funds contributions are legal, but otherwise it is illegal.

What this bill would do would make it legal to set up two additional joint funds, one for product promotion, and the other to finance arbitration. In the case of arbitration, the fund would pay the cost of a joint board to interpret collective-bargaining agreements and make decisions.

As was pointed out shortly ago by the gentleman from Illinois in response to a question, the money for both of these funds is furnished wholly by management and not one penny comes from labor.

Now let us talk about the product promotion for just a little bit.

It seems to me, clearly here is a function of management which goes for advertising, product research, quality control and many other things that one could cite in product promotion. But clearly it is a function of management and it does not seem to any of us who are opposed to this bill that we should set up a joint fund with no contributions being made by labor and giving them joint control and equal control over the payment of the moneys in the fund.

It seems to me also, the bill certainly would hurt free enterprise and that point was made very well by the previous gentleman from Illinois.

But let us cite just one case which is a rather famous case decided by the Supreme Court last year. This was the Philadelphia Door case.

If you recall what this case held was that carpenters on a construction site could refuse to install prefabricated doors. The only prefabrication in this case was cutting out a hole for the doorknob to be put into. Yet, the carpenters said they were not going to do it and they were upheld by the Supreme Court. The Court held that it was not a secondary boycott and that prefabricated doors could not be used and that the carpenters would have to cut the hole on the site to put the doorknob into it.

The point of the matter is, so far as this bill is concerned, if you have new products like this coming on—and you have them all the time coming on—if we ever expect to solve the housing crisis in this country, we have to have prefabricated items and we have to have new methods.

And you will find with joint funds—if we set up these things, certainly organized labor is not going to promote any of these new products. As a matter of fact, they will be dragging their heels just as hard as they can in order to preserve the old ways of doing things.

That is what these joint funds are going to be used for.

I cannot imagine a better way of shooting down all of the goals that the administration has so far as housing is concerned than to set up this kind of a joint fund. If we do that, that is exactly what we would be doing.

Now let us talk about this permissive argument because that is going to be dragged out here—that really this is permissive and that it is not mandatory and that union and management can agree to do this, but, if they refuse to do it, they do not have to.

Every one of us knows how fallacious that argument is because what will happen is the union will strike or threaten to go on strike, and, during the negotiations on something that is legal in the collective bargaining negotiations, they will say, Well, let us have this agreement on setting up a permissive joint fund, and they will turn on and hit the employer and then the joint fund will be set up.

So do not think that this is going to be permissive, it is going to be mandatory in the practical way that labor neogtiations work.

Turning to the arbitration part of the bill, here the bill permits the joint fund to be set up for the purpose of financing the costs and expenses of arbitration boards to settle disputes and again management is going to put up all the money and labor will put up none of the money. Putting it in another way, it will mean that the employers, the owners, the stockholders and the general public will be required to finance the cost of any appreciable price rise. It is as simple as that.

This collective bargaining business is a two-way street—one side takes one position and the other side takes another position and in all traditionally in arbitration arrangements each side picks its own agents and representatives freely and pays the salaries and the costs and fees or whatever they may be and picks up its own tab and does not ask the other fellow to do that.

Yet, if we set up this joint fund, so far as arbitration is concerned, of course, it will mean that only one side over here pays the whole cost—for the other side as well as its own side.

I do not think anything could be unfairer than that.

It seems to me here, too, that we are striking at the whole principle of free collective bargaining. As a matter of fact, if we really get down to the nub of this thing, it seems to me this bill is neither in the interest of labor nor is it in the interest of management, and the way it strikes at free collective bargaining and weights it all on one side instead of weighting it evenly on both sides in the case of arbitration, we are not doing labor or management any good at all.

Mr. WINN. Mr. Speaker, will the gentleman yield?

Mr. GURNEY. I yield to the gentleman.

Mr. WINN. Mr. Speaker, it is a startling fact that this little bill started as insignificant, but it could easily develop into one of the most expensive pieces of legislation to be passed on to the public during this entire 90th Congress.

I have a whole folder here full of objectionable items in this bill, passed on to me by management firms with years and years of experience in dealing with labor unions and labor negotiations.

These companies tell me over and over that the saddest part of this whole thing in the so-called joint administration. They know that this will become another part of labor negotiations and that it will probably be the cause of more strikes and disagreements between labor and management.

Mr. Speaker, there are many ways labor can put management over the barrel and this clause worded "permissive" is a joke and we all know it. This is special-interest legislation and we all know that too.

The bill is ambivalent and draws a curious line between the construction industry and all other industries. It would give the unions a right with management to spend management's funds on product promotion in the construction industry, while leaving illegal the same practice in all other industries.

Mr. Speaker, there has been no proven need for this piece of legislation. When the proponents of this legislation stress that it is purely permissive and does not make industry funds the subject of mandatory collective bargaining they ignore the fact that you cannot have a fund now under present law unless both management and labor agree.

I am convinced that this legislation would promote jurisdictional disputes by making it possible for unions to use joint industry advancement funds to promote products solely to preserve work jurisdiction or win new areas for their control.

Mr. Speaker, section (b) of the bill would, in my opinion, change the present situation whereby, in general, management and labor share the cost of resolving their differences. As a result, the number and length of labor disputes may well increase once agreements are negotiated where the employer alone must pay all the costs of an arbitration proceeding.

I am opposed to H.R. 5198 and urge its defeat when we take up the bill.

At this time I would like to read an excerpt from a letter from the building and masonry advancement program:

> Granted, on the surface H.R. 15198 appears to make the negotiation of industry advancement programs "purely permissive," but as I think back to my days as Union business agent, I don't believe there is a contractor in the area who could resist my Union on the matter. As an example—the first thing an agent will do is get the contractor off to one side and point out to him in private that this is what he wants and intends to get.

I think we can cite many, many examples of that type of permissive legislation.

Mr. GURNEY. I thank the gentleman for his contribution. I hope the House has the good sense to turn this bill down. I yield back the balance of my time.

Mr. MARTIN. Mr. Speaker, I yield one-half minute to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Speaker, we have about 40 Members on the floor. Frankly, I think this rule ought to be voted down for the reason that I do not think it is going to go any further this session and you will have to bring it up after the first of the year. The time is now 5:30 p.m., and I am going to ask for a rollcall on this resolution when the time comes.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Kentucky [Mr. PERKINS], the chairman of the Committee on Education and Labor.

Mr. PERKINS. Mr. Speaker, I regret that the gentleman from Illinois and the gentleman from Florida have seen fit to make certain statements which distort the true meaning and purpose of legislation that should be enacted by the Congress and which in fact has on two previous occasions received a majority of the votes in the House. Both speakers omitted to tell you that this bill is permissive, that it applies only to the construction industry, and that if management does not want to bargain to promote a product or to establish a joint board to interpret a collective bargaining agreement nothing can require management to bargain on these matters. You will notice on page 3 of the bill, commencing on line 6 it states:

> *Provided*, That no labor organization or employer shall be required to bargain on the establishment of any trust fund pursuant to this clause (b), and refusal to do so shall not constitute an unfair labor practice.

I say to the distinguished gentleman from Illinois that the right to permit employer contributions for joint industry promotion of products in certain instances is in line with the other exemptions that we have provided for 302(c) of the Labor-Management Act, and is in the same category, in my judgment, as welfare benefits and the other exemptions that we have made to improve working conditions.

To begin with, section 302(c) was drawn tightly. The area of collective bargaining was narrowed. From time to time exemptions have been made by amendments to this particular section. We are asking no more here than what labor thought was legal a few years ago and management in certain building trades thought was legal, and that was the right to promote their product through a jointly administered fund.

This bill would amend section 302(c) of the Labor-Management Relations Act of 1947 to make lawful employer contributions to jointly administered trust funds for product promotion or for joint boards or committees empowered to interpret provisions of collective bargaining agreements.

The need for enactment of the bill arises from the nature of the drafting of section 302 of the act. This section makes it unlawful for employers to make payments to a representative of his employees or to a labor organization, or an officer or employees thereof, which represents any of his employees. Subsection (c) thereof spells out certain exceptions to this prohibition, including compensation for employees' services, payment of court judgments or arbitration and other awards, purchase of commodities at the prevailing market price in the regular course of business, the checkoff of union dues, certain payments to welfare trust funds, and payments to trust funds for the pooling of vacation, holiday, severance, or similar benefits, or to defray the costs of apprenticeship or other training programs.

In 1959, for example, a special amendment was obtained to permit the jointly administered funds now listed in item (6) of 302(c), including funds for vacation, holiday, severance or similar benefits, or to defray the costs of apprenticeship or other training programs. This is precisely the method we must now adopt in order to permit the joint administration of industry promotion funds and various boards or committees to interpret collective bargaining agreements.

Under present law, neither product promotion programs nor the joint boards or committees covered by the bill are unlawful. Indeed, countless numbers of such programs and boards exist. Nor is collective bargaining with respect to these subjects unlawful. Moreover, there is no objection to these concepts where unilaterally administered. Only the jointly administered funding of these programs or groups remains unlawful because of the technical drafting approach to section 302.

First, there is no invasion of "management prerogatives," for the widespread utilization of collective bargaining agreements to carry out promotional objectives and to achieve the settlement of disputes indicates the recognition by management of the interest of employees in such matters. Also, the bill provides specifically that—

> Such funds shall not be commingled with any other funds or used in any manner to share expenses or otherwise defray the costs of programs that are employer or management functions or labor organization functions . . .

Second, the bill makes it abundantly clear that the joint industry promotional programs will continue to be permissive, rather than mandatory, subjects of collective bargaining and that it will not be an unfair labor practice for either an employer or a labor organization to refuse to bargain about the establishment of these programs. Existing law on this point would thus remain unchanged. A similar guarantee is included for the trust funds used to defray the costs and expenses of the joint boards or committees covered by the bill.

In conclusion, I say if we cannot make this modest and worthy exemption in section 302 for labor and management in this bill, then we are not giving labor and management in the construction industry an opportunity for effecting cooperation for the good of the industry and this country which has a great stake in the prosperity and growth of this industry.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. JONES of Missouri. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 290, nays 100, not voting 42, as follows:

[Roll No. 282]

YEAS—290

Adair
Adams
Addabbo
Albert
Andrews, N. Dak.
Annunzio
Ashley
Aspinall
Ayres
Barrett
Bates
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Brasco
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Mass.
Burton, Calif.
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Cleveland
Cohelan
Colmer
Conable
Conte
Conyers
Corbett
Corman
Cowger
Culver
Curtis
Daddario
Daniels
Davis, Ga.
Delaney
Dellenback
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dow
Downing
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Findley
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Grover
Gude
Haley
Halleck
Halpern
Hamilton
Hanley
Hansen, Wash.
Harrison
Harsha
Harvey
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Horton
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
Kluczynski
Kupferman
Kyl
Kyros
Laird

Lipscomb
Lukens
McCarthy
McCloskey
McClure
McCulloch
McDade
McEwen
McFall
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mailliard
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Minshall
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Podell
Poff
Pollock
Price, Ill.
Pryor
Pucinski
Quie
Railsback
Randall
Rees
Reid, N.Y.
Reuss
Rhodes, Ariz.
Riegle
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
St. Onge
Sandman
Saylor
Scheuer
Schweiker
Scott
Selden
Shipley
Shriver
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Talcott
Taylor
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Walker
Watts
Whalen
White
Widnall
Wiggins
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Zablocki
Zwach

NAYS—100

Abbitt
Abernethy
Anderson, Ill.
Andrews, Ala.
Ashbrook
Ashmore
Baring
Battin
Belcher
Berry
Betts
Blackburn
Bolton
Bray
Brinkley
Brock
Broomfield
Burke, Fla.
Burleson
Burton, Utah
Cabell
Carter
Clawson, Del
Collier
Cramer
Davis, Wis.
Dawson
de la Garza
Denney
Dorn
Dowdy
Duncan
Edwards, La.
Eshleman
Fisher
Fountain
Gardner
Gathings
Gettys
Goodling
Gross
Gurney
Hagan
Hall
Hammerschmidt
Hanna
Henderson
Hosmer
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Langen
Latta
Lennon
Lloyd
McClory
Marsh
Martin
Mize
Montgomery
Ottinger
Passman
Pettis
Poage
Price, Tex.
Purcell
Quillen
Reid, Ill.
Reifel
Reinecke
Rivers
Roberts
Satterfield
Schadeberg
Scherle
Schneebeli
Schwengel
Sikes
Smith, Calif.
Smith, Okla.
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Tuck
Utt
Waggonner
Waldie
Watkins
Watson
Whalley
Whitener
Whitten
Winn
Wright
Zion

NOT VOTING—42

Anderson, Tenn.
Arends
Blanton
Celler
Clark
Cunningham
Dole
Everett
Evins, Tenn.
Fino
Flynt
Fulton, Tenn.
Gallagher
Gubser
Hansen, Idaho
Hardy
Hawkins
Hébert
Herlong
Holland
Karsten
King, Calif.
Kirwan
Landrum
Leggett
Long, La.
Long, Md.
McDonald, Mich.
McMillan
Mathias, Calif.
Mathias, Md.
Moore
Morse, Mass.
Rarick
Resnick
Rhodes, Pa.
Slack
Snyder
Taft
Teague, Tex.
Wampler
Young

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Kirwan with Mr. Arends.

Mr. Hébert with Mr. Fino.

Mr. Celler with Mr. Morse.

Mr. Anderson of Tennessee with Mr. Taft.

Mr. Evins of Tennessee with Mr. Cunningham.

Mr. Everett with Mr. Gubser.

Mr. Slack with Mr. Mathias of California.

Mr. Teague of Texas with Mr. Snyder.

Mr. Young with Mr. Wampler.

Mr. Long of Louisiana with Mr. Hansen of Idaho.

Mr. King of California with Mr. McDonald of Michigan.

Mr. Blanton with Mr. Moore.

Mr. Fulton of Tennessee with Mr. Dole.

Mr. Clark with Mr. Mathias of Maryland.

Mr. Leggett with Mr. Landrum.

Mr. Gallagher with Mr. Flynt.

Mr. Hawkins with Mr. Holland.

Mr. Rhodes of Pennsylvania with Mr. Rarick.

Mr. Hardy with Mr. McMillan.

Mr. Long of Maryland with Mr. Karsten.

Mr. Resnick with Mr. Herlong.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

EMPLOYER CONTRIBUTIONS FOR JOINT INDUSTRY PROMOTION OF PRODUCTS AND FOR JOINT COMMITTEES OR BOARDS TO INTERPRET COLLECTIVE BARGAINING AGREEMENTS

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15198) to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances or a joint committee or joint board empowered to interpret provisions of collective bargaining agreements.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15198, with Mr. SMITH of Iowa in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. PERKINS] will be recognized for 30 minutes and the gentleman from Oregon [Mr. DELLENBACK] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, as chairman of the subcommittee which conducted hearings on H.R. 15198, I rise to urge its approval.

As the Members know, H.R. 15198 amends section 302(c) of the Labor-Management Relations Act to permit certain joint management-labor programs. A similar bill was passed by the House in the 89th Congress. This year, on April 1, H.R. 15198 failed to pass under the suspension procedure, although it received 219 votes. This margin indicates the broad bipartisan support which the bill enjoys.

The Special Subcommittee on Labor conducted hearings on the bill this year. It was strongly supported by Mr. C. J. Haggerty, president of the Building and Construction Trades Department, AFL-CIO, by representatives of the component craft unions of the department, and by some contractors.

The contractors supporting the bill included representatives of the painting and decorating contractors and the lathing and plastering contractors. The associated general contractors and several specialty contractor trade associations, including the plumbing, heating, and cooling contractors, opposed the bill.

H.R. 15198 amends section 302 of the Labor-Management Relations Act to permit employer contributions for joint industry promotion of products in certain instances or a joint committee or joint board empowered to interpret provisions of collective-bargaining agreements. It applies only to employers of the construction industry.

Section 302 of the Labor-Management Relations Act makes it unlawful for an employer to make any payment to a representative of employees. This section was enacted to prevent bribery, kickbacks, extortion, sweetheart contracts, and other corrupt practices.

However, section 302(c) contains six exceptions to this general prohibition, and thus permits employer contributions to jointly administered trust funds established for medical care programs, retirement pension plans, apprenticeship programs, and other specific programs. H.R. 15198 would add two more exceptions to 302(c)—jointly administered promotion programs and joint boards empowered to interpret collective-bargaining agreements—and would thus validate such jointly administered programs.

The need for this bill arises from certain judicial decisions which held that because jointly administered product promotion funds were not excepted from the general prohibition on employer contributions set forth in section 302, these joint trust funds were unlawful. In Cement Masons against Paramount Plastering, the Court of Appeals for the Ninth Circuit stated with respect to these joint funds:

> We do not quarrel in the slightest with the laudable objectives of the trust amicably created by labor and management to solve a vexing industry problem . . . but like so many of our present-day problems, our duty is to rule in accordance with that which the Congress has seen fit to enact . . . the relief sought by appellants herein must be found in congressional and not judicial action (310 F. 2d at p. 191.)

H.R. 15198 would validate voluntary labor-management cooperation in the establishment of such trust funds.

It is important to note that H.R. 15198 specifically provides that no employer or labor organization shall be required to bargain about the establishment of such trust funds, and that refusal to bargain about the establishment shall not constitute an unfair labor practice. In other words, the establishment of such joint trust funds will be a permissive, not a mandatory, bargaining subject, and their establishment would be entirely voluntary. During the hearings on H.R. 15198, Mr. Edward S. Torrence, testifying on behalf of the painting and decorating contractors, a management organization, stated that this provision of the bill meant that when employers did not wish to bargain about such funds—

> All they need say is "no" and that ends it. (Hearings, p. 19.)

The first part of H.R. 15198 authorizes the establishment of joint product promotion funds. There has been some misunderstanding about such funds, and some contractors apparently fear that the bill will interfere with their so-called industry advancement programs. But in my opinion these fears are unfounded. The bill is very specific. It refers only to "product promotion," not to general industry advancement. As was said on the House floor during debate on a predecessor bill:

> The promotion programs that this bill refers to are product promotion programs only. For example, the operative plasterers and cement masons might choose to promote plaster through jointly administered programs. Other contractors and craft unions might choose to promote the use of other materials. It is the purpose of this bill to permit this.

The interest of the employer and the union in such product promotion funds appears clear. If the industry successfully promotes the use of its products in more construction jobs, the industry profits, and employees have more work. Representatives of both unions and employers testified during the hearings that they believed joint funds, which would benefit from the advice of both labor and management, were an effective method of product promotion.

The second part of the bill authorizes funds for joint committees or joint boards empowered to interpret provisions of collective bargaining agreements. Such committees could be very useful in the construction industry, where jobs or projects are often of short duration, and where disputes must be quickly resolved to prevent damage to both employer and employee.

A permanent committee composed of representatives of both employer and employees would be familiar with the industry, the contract, and the parties, and could therefore act quickly and effectively to prevent disputes from causing work stoppages. In my judgment, the public, management, and labor all have a clear interest in establishing machinery to resolve contract disputes without resort to unnecessary work stoppages.

As is customary with most bills relating to labor-management relations, there have been exaggerated claims presented against H.R. 15198. I would like to address myself to some of these claims. First, this bill will not increase labor strife in the construction industry. It has no bearing on the secondary boycott, the jurisdictional dispute and other unfair labor practices. These continue to be unlawful under section 8 of the National Labor Relations Act.

Second, this bill does not intrude on management or labor functions. There is specific language in H.R. 15198—page 3, lines 8–12—which protects against any intrusion. I should note in passing that the bill contains abundant safeguards to insure these funds would not be misused.

Third, the bill will not require any employer to contribute to one of these funds, nor will it require any employer to agree to set one up. It will not require employers to change their current unilateral programs nor prohibit their expansion in the future. The bill specifically provides that establishment of these funds is a permissive bargaining subject.

In sum, H.R. 15198 would amend section 302 of the Labor-Management Relations Act to permit employer contributions to jointly administered trust funds for product promotion or for joint committees to interpret provisions of collective bargaining agreements. The bill would permit such voluntary labor-management cooperation, but would not require it. It would put the decision on whether to establish such jointly administered funds where it belongs—not with Federal law, but with private parties operating within the well-tested procedures of free collective bargaining. Some employers and some unions want to set up these joint programs, and there is no sound policy reason why the law should continue to inhibit them from doing so.

I therefore urge approval of H.R. 15198.

Mr. TENZER. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I am glad to yield to the gentleman from New York.

Mr. TENZER. I commend the gentleman for his statement and the committee for bringing this bill to the floor.

Before I was elected to the Congress I was for 18 years a management representative on a joint industry fund in the candy industry. We had the pension and welfare funds, and they worked out very, very well. They certainly did not create anything but harmony in the candy industry.

Mr. Chairman, I rise in support of H.R. 15198 and to commend the gentleman in the well, the distinguished chairman of the subcommittee which reported this legislation, the gentleman from New Jersey, the Honorable FRANK THOMPSON.

I commend the members of the House Committee on Education and Labor for bringing this legislation to the floor.

I support the bill and see no reason why joint industry promotion of products should not be authorized by law for the products of any industry. My regret is that H.R. 15198 applies only to the construction industry. I would have preferred to see the legislation amended to apply to all industries.

Let me cite an example. My family has been in the candy industry since 1887. I have seen this industry go through periods of rise and decline in the consumption of its products.

During periods of decline in consumption there followed a decline in the hours of employment of labor within the industry.

Joint management-labor funds for health and welfare and for pensions have been extremely successful. For 18 years before I came to the Congress I served as a management representative on both Welfare and Pension Funds in the Candy Industry.

This joint industry effort has resulted in long standing industrial peace in the industry because it provided opportunities for labor and management to meet regularly on matters other than negotiation of a new labor agreement.

This created better understanding—greater harmony—and industrial peace. Is there any reason why labor and management in the candy industry for example—if they both agree to do so—should not participate in a joint industry promotion fund in order to create labor hours for workers and more hours of production for manufacturers in the industry?

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. I wonder if the gentleman can clear up a point for me. The industry promotion funds now in existence are particularly those of management. Is there anything to preclude labor likewise from using their own funds and sponsoring such an industry promotion effort, and using their own people in the management of it?

Mr. THOMPSON of New Jersey. I know of nothing in the Act.

Mr. THOMPSON of Georgia. So, actually, if labor wanted to, it could now set up an industry promotion fund under present law and would be able to do so using its own funds.

Mr. THOMPSON of New Jersey. They could on a unilateral basis. It is not permitted under 302(c) of the act as it now exists, if it is to be a joint fund.

Mr. THOMPSON of Georgia. On a unilateral basis management has set funds, so labor could, if it wanted to, set up one on a unilateral basis of its own.

Mr. THOMPSON of New Jersey. Conceivably.

Mr. THOMPSON of Georgia. I thank the gentleman.

Mr. STEIGER of Wisconsin. Mr Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. At the time the bill was before us on April 1, I raised the question with the gentleman which I again wish to raise to set to rest the argument made by the opponents of this legislation that we will get into a management prerogative with the funds that are called industry advancement funds. Am I correct in saying, as it was stated on April, that the funds referred to herein are those for product promotion only?

Mr. THOMPSON of New Jersey. Exactly. And to make the point more specific, there is, for instance, an organization in the clay pipe industry for the advancement of the use of clay pipe for various purposes. Counsel for that distinguished group examined this bill. It will in no way inhibit, prohibit, or impede their industry advancement program.

Mr. STEIGER of Wisconsin. Will the gentleman yield further?

Mr. THOMPSON of New Jersey. Yes.

Mr. STEIGER of Wisconsin. There are in a number of industries, in the opposition I have heard from, such as the Mechanical Contractors Association of America, Inc., those funds that are set up now by industry to do a number of things. Among them, for example, is first, working with architects and consulting engineers toward improvement in plans and specifications; second, conducting educational seminars through employing the services of highly qualified specialists in specific subject areas; third, with the need to encourage and educate minority groups to seek employment in the industry, the resources of industry promotion funds have been used effectively; fourth, the resources of industry promotion funds have made it possible for mechanical contractors associations to combat the growing practice of electric utilities of offering subsidies to public school awarding authorities and other doners of construction. Complaints have been filed with public service commissions, suits started in appropriate State courts. These activities have required the services of experts in electrical rate structures and, of course, legal counsel. Without industry funds, the small businessman could not match the resources of the electrical utilities.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I yield myself 3 additional minutes.

I yield further to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. May I again inquire of the distinguished chairman of the subcommittee as to whether or not it is the intent of this legislation in any way to impede the opportunity for management to continue to operate these kinds of management funds?

Mr. THOMPSON of New Jersey. It is not. As described, they are not the subject of H.R. 15198, which relates only to product promotion. They would be completely and absolutely untouched by this bill.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. CAREY. Perhaps since my good friend from Wisconsin dwells on the subject of product promotion, it would be advantageous to illustrate good product promotion by example. This kind of activity contributes to safety code enforcement and other things through the use of good building materials through joint labor-management advertising in advance of product promotion.

To illustrate what I mean, I have seen billboards and other media used, let us say, in New York City by the plasterers union in conjunction with building contractors because there are superior qualities to walls that are fixed in construction as opposed to beaverboard or lightweight materials in insulation and fireproofing and so forth.

And, Mr. Chairman, the billboards to which I refer are of a very high quality and are very high class, because as you drive along the thoroughfares of our great city you can see a sign which says, "Welcome to New York City; our town is plastered."

Mr. THOMPSON of New Jersey. Well, it is known as "fun city." I guess some plaster is involved.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey, I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I think that the gentleman from Wisconsin [Mr. STEIGER], who engaged in the colloquy with the gentleman in the well just a moment ago was trying to reassure the House that we do not have to worry about the passage of this legislation and that it will not interfere with industry advancement programs, and that it applies only to promotion of product funds. It is one thing for the gentleman from Wisconsin to stand here and say that, but I fail to find the necessary definition of product promotion in the bill itself.

Mr. THOMPSON of New Jersey. I might reply to my distinguished colleague, the gentleman from Illinois [Mr. ANDERSON], that his fears about this legislation are groundless, and that the gentleman from Wisconsin was completely correct in saying that it will not so affect the so-called advancement programs. The legislative history with respect to the intention of this bill is very clear. It refers to product promotion. This is a very simple and a very narrow bill.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I am delighted to yield to the distinguished Speaker.

Mr. McCORMACK. Mr. Chairman, it is rather difficult for me to understand the opposition to such a meritorious bill as this. The bill has been given a number of hearings during the past 4 years. There are exceptions to the present law that this Congress has provided for and this is one more justifiable exception. It is a permissive bill.

Mr. Chairman, I just cannot understand the state of mind of those who oppose a bill of this kind. I am sure it is not because the word "labor" is mentioned. Certainly, labor is one of the bulwarks of our American society. The members of labor organizations that this bill would explicitly cover benefits all fine members of the union and they are all fine Americans.

So, Mr. Chairman, it is difficult for me to understand why there is all of this emotion and hysteria in opposition to a bill that is based upon justice, and a bill that has one simple objective, and that is to give justice to a segment of American labor which is entitled to such consideration.

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. PERKINS. Mr. Chairman, I yield 1 additional minute to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I thank our great and distinguished Speaker for his comments. The fact is that what he said is quite correct. The fact also is that the bill also helps the entrepreneur, the employer, and management and labor. This bill is for the benefit of both labor and management.

Mr. Chairman, there have been some misunderstandings and some apprehensions about the legislation which we are quite prepared to answer specifically and categorically. This is a good bill.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Ohio.

Mr. AYRES. Mr. Chairman, I concur in what the Speaker, the gentleman from Massachusetts [Mr. McCORMACK] had to say and what the gentleman from New Jersey is now saying. Of course, in the Taft-Hartley Act in section 302 we have the many jobs that are covered into the similar field that promotion would be covered.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PERKINS. Mr. Chairman, I yield 1 additional minute to the gentleman from New Jersey.

Mr. AYRES. Having been in the construction business indirectly, the plumbing and heating business, I can appreciate how important it is to have promotional work going on so that these gentleman who are blue collar workers can have a job in the winter time. Basically, that is what this boils down to. But this is already included in many of the provisions. If those who are opposing the bill will read section 302 they will understand that this is just another addition which is actually less stringent than those already included, because it can be refused to be bargained on without it being an unfair labor practice.

Mr. THOMPSON of New Jersey. The gentleman is quite accurate, and those who sat through the hearings understand that this is a very narrow and carefully constructed exception to section 302(c). It is a meritorious bill.

Mr. DELLENBACK. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON of Illinois. Mr. Chairman, let me say at the outset that I am truly disappointed that the distinguished Speaker saw fit with some considerable subtlety, to be sure, to attach the label of antilabor to those who have the temerity to oppose this bill. I would resent that, and I would reject it categorically. It is not being antilabor, to oppose a bill that one feels is going to ruin relations in this important industry, and will not be conducive to contributing to labor peace. That certainly does not establish that one is being anti-labor. That makes about as much sense, in my opinion, as saying that because the AFL–CIO circulated a memorandum a few days ago in favor of gun registration, and many conscientious people in this Chamber voted against gun registration, that they did so because they were antilabor.

Those of us who have our own consciences to deal with cannot take that attitude.

Let me very quickly deal with the argument that since this is just the subject of permissive bargaining that really we should not be very much against the bill. I wonder why, if it is so important, why it is not mandatory instead of merely permissive under the terms of this bill?

The other point I would call the attention of the Members to is the testimony of Mr. J. D. Mack, as it appears on page 29 of the hearings. He said:

> I had a business agent tell me last week in California, and, of course, he told me if I repeated his name he would call me a liar, but he says: This would be wonderful for us but I am a little fearful of it. All I have to do is go into the committee where we negotiate and say, "Fellows, I want $2 an hour on a 3-year contract." They are going to throw up their hands in despair. He says, "We will end up in a few days or a week and finally I will go around to one of the fellows in management and say:
>
> "Look, if you just put 50 cents an hour into a joint industry fund I will let you get by with a 25 cent raise. It will save the contractor $1.25 an hour . . ."

Let us not be misled. These people are not naive. They know that by calling it permissive it is still possible—indeed, it is probable—that they are going to impose improbable economic demands that are the subject of mandatory bargaining, and then they will say, "OK, we will give if you will give, and that if you were to come along and agree with us on this permissive subject of bargaining OK."

So I do not buy this argument that there is a distinction between permissive and mandatory bargaining, and say that it is the duty of the House to defeat this legislation.

One other point, very quickly, is this. That is to say that this is not a simple exception to section 302(c) of the Labor Management Relations Act. All of the other exceptions deal with wages, with work, and with working conditions, vacations, pooled vacations, pension funds, welfare funds, and so on.

As I said before, I believe we ought to have joint management on those things, but why in heaven's name should we have joint management on promotion of product, which is a prerogative of management?

Mr. DELLENBACK. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Bell].

Mr. BELL. Mr. Chairman, the general joint industry promotion funds administered jointly by labor and management existed widely prior to the court rulings that the joint administration violated section 302(c) of the Labor Management Relations Act.

For example, the lath and plaster campaign which worked clearly to the benefit of both management and labor.

This bill would allow these successful and purely voluntary programs to operate again.

The construction industry has one of the best nonstrike records of all unions.

Under the Taft-Hartley Act there were certain exceptions made at the time it was put into effect in 1947.

The following are some of the exceptions that were made at the time:

Payments to trust funds, jointly administered by employer unions, set up to provide the following benefits to employees or their families:

First. Medical or hospital care;
Second. Death benefits;
Third. Retirement pension benefits;
Fourth. Compensation for work injuries or illness;
Fifth. Unemployment benefits;
Sixth. Insurance for any of the foregoing;
Seventh. Life insurance;
Eighth Disability or sickness insurance; and
Ninth. Accident insurance.

These were set up under the 1947 Taft-Hartley Act.

There were two exceptions made after the Taft-Hartley Act was passed. They involved two exceptions similar to the exceptions provided by this bill—they involved:

Pooled vacation, holiday, or severance benefits; and

Defraying costs of apprenticeship or other training programs.

Mr. Chairman, most of what we have discussed, of the list that I have given, management must talk about with labor. Management by law is forced to deal on those listed subjects of funds with labor.

But the present bill provides less latitude, because management does not even have to discuss with labor the problems of jointly administering the funds, as provided by this bill.

They do not have to become involved if they do not want to. They can say, "We do not want to enter into this agreement," and they do not have any further obligation. So you can see this is entirely permissive.

The gentleman from Illinois made several comments which I think make it necessary to get this legislation back into proper perspective and to take it out of the realm of doing what I believe the gentleman unfortunately is doing; that is, making it a big tempest in a teapot.

The gentleman from Illinois made five points, both in his speech on the floor, and in the letter he sent to his colleagues in the House. I am including his five points, and my very brief answers to them, in the Record:

MR. ANDERSON FROM ILLINOIS—FIVE POINTS

(1) There is no need for it. The construction unions can veto the creation of any industry promotion fund now by refusing to include it in the next labor agreement they negotiate. When the proponents of this legislation stress that it is purely permissive and does not make industry funds the subject of mandatory collective bargaining they ignore the fact that you can't have a fund now under present law unless both management and labor voluntarily agree.

(2) Industry promotion or advancement funds are contributed solely by management and for such purposes as management research programs, public relations, and relations with architects, engineers, and sub contractors. There is no more reason for union management of these funds than there would be for management to jointly administer union funds because they are collected by the company in a dues check off.

3. This legislation would promote jurisdictional disputes by making it possible for unions to use joint industry advancement funds to promote products solely to preserve work jurisdiction or win new areas for their control. At a time when the Administration has set a goal of 26 million homes in the next decade, do you want legislation which could make it more difficult to achieve new technological breakthroughs and the possibility of dramatic reductions in building costs?

(4) Section (b) of the bill would change the present situation whereby, in general, management and labor share the cost of resolving their differences.

As a result of not sharing of cost the number and length of labor disputes may well increase once agreements are negotiated where the employer alone must pay all the costs of an arbitration proceeding.

(5) Finally, in many areas joint industry funds are used to encourage greater participation by minority groups in the construction industry. Some unions have very poor records of welcoming minority groups into the ranks of their membership. You can imagine what their joint administration of these funds would do to those programs.

MR. BELL'S ANSWERS

(1) It is true that you can't have a fund now unless labor & management voluntarily agree. But the question today does not directly concern the *existence* of such funds, but whether they can be *jointly administered*. This is still true of the bill today, you can't have a fund now unless labor & management voluntarily agree.

(2) This argument fails to recognize the legitimate interest of labor in promoting the industry which is their source of livelihood. As an industry grows or diminishes, so also does available work grow or diminish.

(3) This argument again goes to the heart of the "mandatory" versus "permissive" character of this bill. Since these funds will be operated on a permissive basis, either side may refuse to participate. Obviously there would be little chance for jurisdictional disputes.

(4) This argument is not valid since this fund could not be used for negotiating contracts. The issue here is in *interpreting* provisions of existing contracts.

(5) This argument is somewhat specious since the two statements are not really related in a "cause/effect" or "premise/conclusion" framework. If we accept the conclusion that labor should not have a voice in administering the funds because of their poor record of accepting minority groups, then we may as well support the abolition of labor unions on the same grounds.

Mr. DELLENBACK. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. Thompson].

Mr. THOMPSON of Georgia. Mr. Chairman, I would like to address myself for a moment to the promotion of products fund.

Take for example the construction industry. Who has the expertise in determining what has the greatest impact on the public when promoting a particular industry? It is management. Management's job is to promote industry.

Labor's job, of course, is to look out for the working man—and properly this should be the case.

What would happen should in the construction field you subject the contractors, for example, who may have a fund such as this set up, to the permissiveness of having the various trade unions come in and say, We want a part in this—we want a say-so in this fund.

You may have your electrical workers, you may have your plasterers, and you may have your carpenters all wanting an equal voice and you could end up with a conglomeration that will all want a voice in this industry promotion fund. Then you could end up with one big harangue as to how the fund is going to be best used.

What is the purpose of the fund? The purpose of the fund is to promote an industry and its products and by promoting it you are going to do the very best job for the workers because you are going to assure the workers that the industry in which they are employed is going to continue to grow and to prosper and by continuing to grow and prosper, then you are going to see that the worker has full employment and wages.

Management best knows how to handle promotion best. If you allow the labor leaders and union management to come into this field then factors other than what is best for the promotion of the industry will undoubtedly enter into it.

You will find that unquestionably the questions—How is this money going to be spent? With whom is it going to be spent? How is it going to be used?—will come up in trying to administer the funds. You are going to have people, your labor leaders who are not experts in this field of products promotion, who are going to be telling management how best to promote their products. This will not work to the advantage of the workingman. If you are sincerely looking for a benefit to the workingman, I suggest that this amendment be defeated.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the gentleman from Kansas.

Mr. WINN. I appreciate the gentleman's yielding. I am opposed to this legislation.

Mr. Chairman, I would like to point out to the gentleman just one article that I have here, a letter from the Builders Association of Greater Kansas City. This association administers seven industry-advancement programs. They say that the passage of H.R. 15198 could seriously curtail the purpose and effectiveness of such funds.

Another such industry in Washington says that they have been successful because they have not had labor intervention.

Mr. DELLENBACK. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. STEIGER].

Mr. STEIGER of Wisconsin. Mr. Chairman, I have been interested in the debate that has taken place thus far in this legislation. I rise in support of the bill and would urge the Members of the House to give serious consideration to what are some unfounded arguments as they relate to the operation of the funds made permissible under this legislation.

At the time this bill was before us on April 1, I pointed out the testimony that had been given by William Richard Latta for the Southern California Plastering Institute, the Orange County Lathing Bureau, and the Plastering Contractors Association of Southern California, as well as the testimony of Mr. A. E. Robert Friedman, general counsel for the Painting and Decorating Contractors of America, and Mr. Edward S. Torrence of the Painting and Decorating Contractors of America, and their support for this legislation.

I happen to share the view taken by these management groups that this legislation would not produce the dire predictions that the opponents have given to it. Certainly the telegram that I know many Members of the House received, in which the Painting and Decorating Contractors of America have stated:

> For 30 years the painting industry has successfully operated jointly administered employer financed committees and the records do not show experiences as predicted but are to the contrary. The painting industry challenges any group to show greater labor peace, fewer jurisdictional disputes, or a better record of nondiscrimination in the employment of minority groups, or few arbitrations of grievances.

I happen to think that that is true. The gentleman who preceded me made the argument that no one knows better than management what ought to be done. In making that argument I think he completely misses the point, because it seems to me that we have to recognize that in this kind of industry, in the promotion of a product, it is not just management but it is, as well, labor that has a stake in the success or the failure of the use of that product, and that is what this bill is all about.

It would give management and labor a chance to administer, as the gentleman from New Jersey so clearly stated, a product promotion fund.

What happens with the use of that product, whether it is in painting and decorating or whether it is lathing and plastering, depends on the ability of those in labor who depend on it as well as those in management. So I will not accept the argument that only management has the prerogative to know what to do in a situation that relates to a product. The two are tied together. It is a jointly administered fund that will make it possible for both of them to rise or fall together on the use of the product that will be made available in a jointly administered fund.

I simply will not and cannot understand those who take the view that this will create such havoc in the contracting industry. I think we have made quite clear the definition of product promotion funds so that there should be no misunderstanding that it does not apply to industry advancement funds.

I urge, Mr. Chairman, the passage of this bill.

Mr. DELLENBACK. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. WINN].

Mr. WINN. Mr. Chairman, I appreciate the gentleman yielding some additional time to me.

I can only say, gentlemen, that many of the Members in this chamber might be very naive on the subject of labor negotiations. We are just kidding ourselves if we think this is not a foot in the door for additional requests and additional blackmail and additional hanky-panky and additional agreement between labor and management.

I would say it was pointed out quite clearly earlier, when the question was asked of one of the gentlemen on the other side of the aisle if the labor unions could not start a product promotion campaign of their own, that he said yes, they could. It is beyond many of us why they do not start a campaign on product promotion.

I would like to point out also to the gentleman from California the case of the secretary out there. Of course, their product promotion was illegal for 5 years. That was the case where the union secretary was on the payroll of the product promotion campaign funds and spent 90 percent of her time contacting union employees to pay up their own dues—with the promotion funds. This is just a typical example of what we are going to have.

Another example was on the other side of the fence in California again, where management paid the rental for the union hall.

Mr. DELLENBACK. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, I take this time to mention an amendment which I am anticipating offering when the bill is open to amendment, to delete the provisions of subparagraph (b) relating to committees to resolve disputes over the interpretation of collective bargaining agreements. I shall do so, because I think there is a very definite public interest involved and that to enact this measure including that provision would lead to a deterioration of labor management relations in the United States—rather than to help them.

In think there is a clear matter of public policy involved. The committee report on page 3 says:

> There is no public policy which favors Government intervention in the collective bargaining process, to prevent the establishment, if both management and labor agree—

And I omit the material on subparagraph (a)—

> —for committees to resolve disputes over the interpretation of collective bargaining agreements.

One of the purposes of the Labor-Management Relations Act is to protect the individual union member and many—if not the majority—of interpretation disputes in labor-management contracts are disputes not between labor and management at all, but between the leadership of the union involved and the individual union member. It is those disputes relating to seniority and other rights of the individual member, such as his right to be disciplined or not to be disciplined under union rules which are going to be coming before these committees—if the management agrees to it. And management may well decide there is nothing wrong with this—but these are the kinds of disputes which will be decided upon finally before such committee, with employer backing in many cases. In other words we can have a contest between a union and a member under which all support for the union's participation comes from management.

Indeed, this is very likely, because for many employers there may be no particularly controversial issue involved in the labor-management relations which lead to the contract.

Let us not forget the individual union member. He is the one who will be hurt by this when he is in some argument with some union. He will be hurt, because no part of the support of this ongoing process will be carried not by the union. They will not have put up any funds. Other union members are not going to be particularly interested in his plight. Rather, this will be supported almost entirely on the basis of the union having, in this fund, funds come in entirely from management.

This is why, like champerty and maintenance in law suits, the provision will encourage disputes, hurt the rights of union members, and damage good labor relations.

Mr. DELLENBACK. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. ZION].

Mr. ZION. Mr. Chairman, prior to entering this body I spent 20 years in the pharmaceutical industry, mostly in sales promotion, sales development, and so forth.

In this particular industry, promotion is a highly technical skill, one which requires a great deal of ability. Frequently there is need for expert consulting firms to accomplish the desired results. I am sure that some products in the construction industry are similarly complicated.

The union member has little interest in this sophisticated management function. He would feel more secure in the knowledge that the people promoting his industry were schooled and experienced in this art.

Mr. PERKINS. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Chairman, I thank the able gentleman for yielding to me.

I know of nothing which better corroborates the statement of our distinguished Speaker a minute ago, that this measure before us is a simple and meritorious bill, than to quote from the language of the Ninth Circuit Court of Appeals, as stated on page 2 of the report, in *Cement Masons* v. *Paramount Plastering*, 310 F. 2d 179. This is the court which made this bill necessary by holding in the Cement Masons case that the technical strictures of the language of section 302 of the Labor-Management Act did not permit the kind of cooperation between management and labor which this bill would permit.

Listen, if you please, to the language of the court which held this bill necessary:

> We do not quarrel in the slightest with the laudable objectives of the trust amicably created by labor and management in this case. We sympathize with the efforts of both labor and management to solve a vexing industry problem. But like so many of such present-day problems, our duty is to rule in accordance with that which the Congress in carefully tailored by the representatives in its wisdom has seen fit to enact. We cannot widen the door when the door sill has been Congress. The relief sought by the appellants herein must be found in congressional and not judicial action.

All this bill will do is to correct the technicality which forbids management and labor working together toward the common objectives set out in this bill for the benefit of both.

Mr. DELLENBACK. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. SCHERLE].

Mr. SCHERLE. Mr. Chairman, I should like to ask two questions of the gentleman from Kentucky [Mr. PERKINS].

Can the chairman tell me whether or not it would be legitimate for the unions to use COPE funds for industry promotion?

Mr. PERKINS. What funds does the gentleman refer to?

Mr. SCHERLE. Committee on Political Education Funds.

Mr. PERKINS. What was the first question? What type of funds?

Mr. SCHERLE. Again. Would it be legitimate for the unions to use COPE funds for industry promotion?

Mr. PERKINS. The gentleman well knows the answer to that question.

Mr. SCHERLE. Let me ask a second question. Would the gentleman have any objection to allowing management the right to participate for joint industry promotion with COPE funds?

Mr. PERKINS. Let me say to the gentleman that his question is not pertinent.

It is completely extraneous to the issue, and I just hope that the gentleman would take the time to read or familiarize himself with the bill.

Mr. SCHERLE. Mr. Chairman, the gentleman is only too familiar with the content of the bill. I thank the chairman for his answer.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. I yield to the gentleman.

Mr. AYRES. For the sake of the record, we ought to correct it, because COPE funds are neither labor nor management.

Mr. SCHERLE. That is true. But I would like to know whether both can participate jointly.

Mr. AYRES. These COPE funds have no connection with it.

Mr. WINN. Mr. Chairman, I would like to ask the gentleman from Iowa to yield for a question of the chairman.

Mr. SCHERLE. I am glad to yield to the gentleman.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DELLENBACK. Mr. Chairman, I now yield 2 minutes to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, I support this legislation and I believe that the addition that will be given in this case to the use of funds under section 302 is valid. I believe it will encourage a constructive approach by labor and management in an area that needs a great deal of advance; namely, the promotion of the industry and industry products.

It is certain that in a complicated industry such as the construction industry any change in the law will have a varied impact. There is a great deal of difference between one type of construction industry and another. There can be examples given of potential dangers that are carried through by a process of reasoning that are very unlikely to happen, although theoretically they could. I would be the first to agree that there are many things going on in this particular industry that are not particularly healthy today. In my view, there should be a thorough examination of the entire situation that we have in labor management, but this piece of legislation, as the gentleman from New Jersey has said, is a simple provision of law and I think it is valid and hope that the House will pass it.

Mr. TAFT. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. Yes. I am glad to yield.

Mr. TAFT. I wonder if the gentleman will indicate whether he includes in his statement the other provisions relating to the interpretation of labor-management's disputes and particularly in relation, as I just mentioned a few minutes ago, to the right of individual employees whose rights may well be determined not as to the employer but as to the union under such procedures.

Mr. GOODELL. I did not include that in my remarks, and I will say to the gentleman that he raises some very sound questions with reference to this, I believe. I would hope when we come to the point where the gentleman offers his amendment in the debate we will be able to clarify the point he raises.

Mr. PERKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. CABELL].

Mr. CABELL. Mr. Chairman, I thank the distinguished gentleman for yielding me this time.

First of all, I would like to associate myself with the remarks of the gentleman from Illinois who expressed his resentment at this bill and any opposition to this bill being a labor-management bill and the stigma that anyone who opposes it is antilabor.

Mr. Chairman, I think that that is an injustice and I think it is capricious as to the implication which it would have over the whole United States.

Mr. Chairman, if I thought for 1 minute that this bill would strengthen the concept of true collective bargaining, I would not oppose it. I would be for it. But I fail to see where this subject is even germane to the subject of collective bargaining and labor-management relations. It has no relationship to it. It deals not with those items that are not only of interest to collective bargaining in which the employee has a vested interest, in which he has an interest in the operation of a practice which is paid for in its entirety by the employer, and which is used in the final analysis to help get more work for the employees of that company.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. CABELL. I do not yield to the gentleman at this time.

The gentleman can secure his own time.

Further, Mr. Chairman, I believe the statement that this is purely permissive is not only naive but it is ridiculous.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. CABELL. I shall yield when I get through with my general statement.

This type of permissiveness is exactly like your wife saying, "Yes, you can play poker with the boys tonight if you want to, but." That is just about as far as this permissive business will go because this gives one more cause for active disagreement at the bargaining table. It will be a hammer to hold over the head of management, and management will have no recourse but to agree to the joint management of those funds.

Mr. Chairman, may I say one other thing to the members of the Committee, and that is this: This is only an opening wedge. This is an innocuous little bill; it is just a simple little bill, and it makes it permissive with the building trades. But in time this same principle will be applied to every type of industry promotion and for product service promotion. This will cover your Portland Cement Association, your American Gas Association, your American Medical Association, and they will tell you where you can place your ads in the future.

Further, Mr. Chairman, let us defeat this bill in all fairness.

Mr. DELLENBACK. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, I think we may have gotten off on a sidetrack here in view of some of the statements that have been made. I think we all realize that the great Speaker of this House of Representatives, Mr. Chairman, is not antilabor, he is not promanagement, but he is pro-American. And, I cannot help but say that some of the remarks that have been made in view of what he stated, perhaps, could have been misconstrued. There is a publication for the benefit of those who think that this is strictly a prolabor bill—and I am not saying that those who oppose it are antilabor—called National Review. It is known as a conservative magazine. There is a gentleman who is a very distinguished author by the name of Will Herberg, who has written in the current issue under the title of "Alienation, Dissent, and the Intellectual." In my opinion he puts this into perspective when he refers to those of us who wear a blue collar as being entitled to make decisions. This is what he says:

> Despite appearances to the contrary, the working people of this country, and of others like it in the Western world, have come to constitute perhaps the most conservative element in society, with no trace of social alienation or "dissent"; whoever it be that regards himself has an "outsider" in American society, it is certainly not the organized working man.

That is the National Review.

Mr. Chairman, having been a working man, having worked with working people, having had funds matched by the blue-collar worker to produce work for him in the wintertime, that is basically what this boils down to, the man in the construction business. And I see several of my friends here who were in that field who know very well that from the middle of November on until the middle of March they have nothing to do, there is not a job.

I was able to promote work for my workers because through collective bargaining they matched the funds that helped run the ads. I can honestly say that we never had a Christmas when there was not something under the tree for the man whose family was supported by a man who was a so-called blue-collar worker.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PERKINS. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. WILLIAM D. FORD].

Mr. WILLIAM D. FORD. Mr. Chairman, it would be indeed unfortunate if there was any emotion or heat generated here. None is due here through any possible suggestion either by implication or otherwise, that this bill is prolabor, promanagement, antilabor, antimanagement, or anything of that sort. Because in the handling of this bill throughout the hearings, and throughout its consideration in the committee, there was no such pulling and tugging between the members of the committee. And there is certainly represented on the subcommittee and on the full committee that handled this legislation a broad spectrum of points of view with respect to labor-management relations.

What is very important is the point that has been made by the gentleman from Florida [Mr. PEPPER] that the Congress never at any time intentionally proscribed or prohibited the establishment of the kind of fund that we are talking about here or the joint management of that fund. It was not even considered or talked about. Not a word of debate touched upon it. But because of the way in which section 302 was drafted, and was amended in 1959 to provide for the specific exceptions from its provisions of specific things such as vacation funds, and so on, we find that by enumerating the particular that Congress eliminated the general, and we find ourselves caught in a very technical form of legal construction.

That is why the language that the gentleman from Florida [Mr. PEPPER] read to this body a little while ago from the decision of the court was so very appropriate. The court recognized the very impossible position it was put in in having to interpret a technicality in a way that was not consistent with any expressed wish of this body at any time.

I would like to call your attention to the language of the report on this bill at pages 2, 3, and 4:

> Section 302 of the Labor-Management Relations Act (restrictions on payments to employee representatives) prohibits all payments by employers to employee representatives for purposes other than those specifically excepted in this section. The purposes of section 302 are to eliminate bribery, extortion, shakedowns, "sweetheart contracts," and other corrupt practices, and to protect the interests of beneficiaries of lawful employer-supported funds. Among the lawful funds are those established for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or unemployment benefits or life insurance, disability and sickness insurance, or accident insurance, pooled vacations, holiday, severance or similar benefits, or apprenticeship or other training programs.
>
> Recent judicial decisions have held that employer contributions to product promotion programs administered jointly by trustees representing labor and management are outside the scope of the exceptions to section 302. It should be stressed that product promotion plans and collective bargaining about such programs are presently lawful. Only joint labor-management administration of such programs is unlawful because the courts have held such administration constitutes a prohibited payment to employee representatives in violation of section 302.
>
> H.R. 15198 would add two more specific exceptions to section 302(c)—jointly administered product promotion plans and joint committees or boards to interpret provisions of collective bargaining agreements—and thus legalize such jointly administered programs.
>
> It should be emphasized that such programs were not proscribed as a matter of public policy, but rather by the nature of the drafting of section 302. The Ninth Circuit Court of Appeals stated in *Cement Masons* v. *Paramount Plastering* (310 F. 2d 179):
>
> "We do not quarrel in the slightest with the laudable objectives of the trust amicably created by labor and management in this case. We sympathize with the efforts of both labor and management to solve a vexing industry problem. But like so many of such present-day problems, our duty is to rule in accordance with that which the Congress in its wisdom has seen fit to enact. We cannot widen the door when the door sill has been carefully tailored by the representatives in Congress. The relief sought by the appellants herein must be found in congressional and not judicial action."
>
> By enacting a general prohibition and then setting forth certain specific exceptions, the Congress impliedly prohibited everything not excepted. In 1959 section 302 was amended to except pooled vacations, holiday, severence or similar benefits, or apprenticeship or other training programs. The amendment proposed by H.R. 15198 is made necessary by this drafting technique.
>
> Industry advancement funds are not made illegal by section 302. Nor does section 302 proscribe collective bargaining regarding such industry funds. In fact, there are thousands of such funds in existence today. Many of these are incorporated into collective bargaining agreements. Many are financed through the collective bargaining mechanism. Contributions are frequently based on the number of, and hours worked by, craft employees of each employer. It is presently unlawful, however, to jointly administer such programs.
>
> There is no objection to unilaterally administered advancement programs. But neither is there an objection to jointly administered programs. There is no public policy which favors Government intervention in the collective bargaining process, to prevent the establishment, if both management and labor agree, of jointly administered funds for programs of product promotion or for committees to resolve disputes over the interpretation of collective bargaining agreements. The issue is, simply, should Federal labor law interfere with free private negotiations between labor and management to develop mutually beneficial join programs. With the abundance of safeguards provided for the protection of such funds, the answer is clearly that the Federal Government should not say to labor and management that, in their wisdom, they cannot establish programs which they deem to be to their mutual advantage.
>
> Opponents of H.R. 15198 have alleged that the principle of joint administration detracts from management prerogatives. However, as the National Labor Relations Board declared in the *Detroit Resilient Floor Decorators* case (136 NLRB 769, 771 (1962)):
>
> "The ability of an employer or an industry to meet changing conditions may * * * affect employees' opportunities in the long run, and labor organizations are understandably concerned with the future of the industries from which their members derive their livelihood."
>
> It is inconsistent for management to insist that product promotion is a management prerogative and then employ the col-

lective bargaining agreement to carry out such programs. When a certain number of cents per hour are paid by management into an industry promotion fund by virtue of a collective bargaining agreement the signatory labor organization surely has an interest.

However, it must be noted that some functions performed by industry advancement programs presently existing are not intended to be within the scope of H.R. 15198. For example, some witnesses expressed concern that funds for the training of management personnel would be covered by H.R. 15198. However, the bill is specific, excepting only product promotion and joint committees to interpret collective bargaining agreements.

H.R. 15198 explicitly sets forth that the establishment of joint trust funds authorized by the bill is a permissive, not a mandatory bargaining subject. It will, therefore, not be considered an unfair labor practice to refuse to bargain over such joint trust funds.

SUMMARY

H.R. 15198 permits employer contributions for the promotion of product and product application or programs for the establishment of joint labor-management committees to resolve issues arising from disputes regarding the interpretation of collective bargaining agreements where such determinations are binding on all parties concerned.

Mr. DELLENBACK. Mr. Chairman, I yield the remainder of the time to myself.

Mr. Chairman, it seems to me that really what is involved in this particular proposal is determining the answers that the Congress feels should be given to two basic questions.

The first of these basic questions is this: What is the role of labor in the modern business enterprise?

Now, the role of labor can be that of a contributing partner, a junior partner, if you will, but of a partner. And when we are faced, as the gentleman from Illinois [Mr. Anderson] suggests that we are faced, with this being the time of the greatest challenge in the history of this industry, the construction industry, then it is a time that every effort, using the full talent of everybody involved in this industry, must be brought to bear on the challenge, and the answer to that challenge.

Their efforts must be joined to push the product of that industry in every way possible.

This is not a normal or average time in America. This is a time of tremendous challenges. If we really expect to solve the immense problems that this Nation is facing, then we need the best that management can produce in the way of product promotion and in the way of thinking and in the way of construction of the best of plans and the implementation of those plans.

But also we need the thinking of the laboring junior partner. We here face a proposal that permissively gives the junior partner a voice in this. Or at least a chance to negotiate concerning whether there should be such a fund, if management is willing to negotiate on this point. We are mustering a strength that has to a very real degree not yet been used.

If you come to the conclusion that the role of labor in modern business enterprise is not that of a contributing junior partner, then, if you will, you can come to a different decision on this bill.

But if you feel that this vast source of strength of the laboring man who is a part of this enterprise should be used to the maximum, then this bill will help make that possible.

The second question is this. If funds are negotiated about and if they are part of the package insisted upon by labor and agreed upon by management, then are they really management's funds any longer? Or are they in a very real sense joint funds?

My answer to that is, if we face a situation where—and this is true in this connection—this question of setting aside those funds is a legitimate question for negotiation, and this is raised in negotiation on occasion and these funds are so set aside, then it is no longer proper to think of these funds as we could think of them before this time when they were in the corporation's treasury and not the subject of negotiation. Then it is no longer proper to think of them just as management funds. This has been the subject of negotiations. It is part of the package. If that is in fact the case, then it is proper that under these circumstances, this package be not still treated from a management standpoint as if it were not a part of the package.

In this set of circumstances, it seems to me eminently proper that labor be permitted a voice in determining what shall be done with these funds.

There has been much heat and smoke about the question whether this bill is permissive. It is permissive.

It is still a question that is left to both sides and if either side objects, it can refuse to negotiate. Mr. Chairman, this is a fair bill and one that should be passed.

Mr. PERKINS. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. Meeds].

Mr. MEEDS. Mr. Chairman, I rise in support of this bill.

H.R. 15198 is a simple bill. It merely authorizes voluntary—and it emphasizes voluntary—management-labor cooperation in two kinds of activities. It authorizes jointly-administered product promotion funds, and it authorizes joint committees or joint boards to interpret provisions of collective bargaining agreements. I cannot emphasize too strongly that the bill merely authorizes the establishment of these jointly administered funds—it does not require their establishment. On the contrary, the bill specifically provides that no employer or labor organization shall be required to bargain on the establishment of such trust funds.

Legislation similar to H.R. 15198 has been the subject of hearings four times in the past 7 years; similar bills have been reported favorably by the Committee on Education and Labor four times in the last 7 years. In addition, as the Members recall, a bill very similar to H.R. 15198 was passed by the House in 1965. In short, an extensive and favorable legislative history exists on the subject matter covered by H.R. 15198.

In this session, hearings were held on H.R. 15198 by the Special Subcommittee on Labor.

Those hearings clearly revealed, I think, that the critics of this legislation do not oppose H.R. 15198 because of opposition to the objectives in the establishment of industry promotional funds; rather their objection is to joint administration. They argue that promotion is a management prerogative and that employees have no direct interest in promotional funds. However, I would point out that these same critics have found it necessary to utilize collective bargaining agreements to provide for the establishment of such promotional funds and their fianancial support.

Mr. PERKINS. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. Dent].

Mr. DENT. Mr. Chairman, I want to support this legislation. But I would like to say to the House that during the hearings I held at one time during one of the years that we were studying this legislation, I cataloged all of the organizations that were supporting it.

At the right time I will make them a part of the Record.

I have heard some discussions this afternoon referring to the fact that organizations in general, especially plumbing organizations, contractors, plasterers, bricklayers, and other trade and craft unions as well as the trade and craft industry were opposed to this legislation.

If they are opposed now, it has been a change of heart and a change of intention. Because they have supported it to my knowledge for the last 5 years, having been on the committee that has heard these witnesses. Joint promotion is a very necessary thing today, not alone because there is competition between different products that perform the same service, but there are different kinds of products that do the same thing for a contractor; for example, siding, interior decorating materials are competitive.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PERKINS. Mr. Chairman, I yield to the gentleman from California [Mr. Hanna].

Mr. HANNA. Mr. Chairman, I simply want to say that I am not going to support this legislation, primarily because I think it is unfortunate that it has been expanded to include the heating and air conditioning people, who do not have a single product. They have a service that they can sell. They cannot go out and promote copper above aluminum or plastic. They have got to do what the economics of their industry requires them to do to bring the services they are trying to bring to people. I think it is unfortunate. We have expanded the bill too far.

Mr. OTTINGER. Mr. Chairman, I am opposed to enactment of H.R. 15198 and urge its defeat by this House. No clear need has been established for this legislation and there is reason to believe it would create serious dislocations within the construction industry.

Under present law, construction unions have a veto power over the establishment of an industry promotion fund simply by refusing to include it in a collective bargaining agreement. Those who insist that the bill before us is purely permissive fail to note that industry promotion funds cannot now be established except by voluntary agreement of labor and management.

A second persuasive reason for opposing this bill is the fact that industry promotion funds are contributed only by management and for researching products and methods, for establishing industry standards, for improving customer relations, and for developing new products. These seem appropriately management rather than union functions. There are available means of correcting any abuse of these funds for purposes affecting unions or working conditions.

Finally, it would appear that enactment of H.R. 15198 would foster jurisdiction disputes which would retard technological advance and result in increases in construction costs.

In the interest of sound labor-management relations in the construction industry, this bill should be defeated.

Mr. PUCINSKI. Mr. Chairman, I rise in support of this very important legislation which would make it legal for employers to contribute to a joint industry promotion of products fund in the building trades industry.

I had sponsored this legislation 2 years ago and got it out of my committee only to see it defeated in the Rules Committee.

I am convinced this legislation will not only help promote products to help the entire building trade industry but will also help maintain greater stability and better labor relations in the building trades industry.

I believe this legislation will go a long way toward maintaining steady employment in the building trades.

Mr. Chairman, the building trades are the backbone of the American economy. When the building industry is on the upswing, the entire Nation enjoys prosperity. But when the building industry is lagging, the Nation immediately feels a recession.

In other words, Mr. Chairman, when the building industry sneezes, the rest of America's economy gets pneumonia. That is why I believe this legislation is so important.

I am sure it will help employers stabilize the entire industry.

I hope this legislation will be overwhelmingly approved to give all the workers in the building trades steady growth in their industry.

Section 302 of the Labor-Management Relations Act—restrictions on payments to employee representatives—prohibits all payments by employers to employee representatives for purposes other than those specifically excepted in this section. The purposes of section 302 are to eliminate bribery, extortion, shakedowns, "sweetheart contracts," and other corrupt practices, and to protect the interests of beneficiaries of lawful employer-supported funds. Among the lawful funds are those established for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or unemployment benefits or life insurance, disability and sickness insurance, or accident insurance, pooled vacations, holiday, severance or similar benefits, or apprenticeship or other training programs.

Recent judicial decisions have held that employer contributions to product promotion programs administered jointly by trustees representing labor and management are outside the scope of the exceptions to section 302. It should be stressed that product promotion plans and collective bargaining about such programs are presently lawful. Only joint labor-management administration of such programs is unlawful because the courts have held such administration constitutes a prohibited payment to employee representatives in violation of section 302.

H.R. 15198 would add two more specific exceptions to section 302(c)—jointly administered product promotion plans and joint committees or boards to interpret provisions of collective bargaining agreements—and thus legalize such jointly administered programs.

It should be emphasized that such programs were not proscribed as a matter of public policy, but rather by the nature of the drafting of section 302. The Ninth Circuit Court of Appeals stated in *Cement Masons* v. *Paramount Plastering* (310 F. 2d 179):

> We do not quarrel in the slightest with the laudable objectives of the trust amicably created by labor and management in this case. We sympathize with the efforts of both labor and management to solve a vexing industry problem. But like so many of such present-day problems, our duty is to rule in accordance with that which the Congress in its wisdom has seen fit to enact. We cannot widen the door when the door sill has been carefully tailored by the representatives in Congress. The relief sought by the appellants herein must be found in congressional and not judicial action.

By enacting a general prohibition and then setting forth certain specific exceptions, the Congress impliedly prohibited everything not excepted. In 1959 section 302 was amended to except pooled vacations, holiday, severance or similar benefits, or apprenticeship or other training programs. The amendment proposed by H.R. 15198 is made necessary by this drafting technique.

Industry advancement funds are not made illegal by section 302. Nor does section 302 proscribe collective bargaining regarding such industry funds. In fact, there are thousands of such funds in existence today. Many of these are incorporated into collective bargaining agreements. Many are financed through the collective bargaining mechanism. Contributions are frequently based on the number of, and hours worked by, craft employees of each employer. It is presently unlawful, however, to jointly administer such programs.

There is no objection to unilaterally administered advancement programs. But neither is there an objection to jointly administered programs. There is no public policy which favors Government intervention in the collective bargaining process, to prevent the establishment, if both management and labor agree, of jointly administered funds for programs of product promotion or for committees to resolve disputes over the interpretation of collective bargaining agreements. The issue is, simply, should Federal labor law interfere with free, private negotiations between labor and management to develop mutually beneficial joint programs. With the abundance of safeguards provided for the protection of such funds, the answer is clearly that the Federal Government should not say to labor and management that, in their wisdom, they cannot establish programs which they deem to be to their mutual advantage.

The CHAIRMAN. All time has expired. Pursuant to the rule, the Clerk will read.

The Clerk read as follows:

H.R. 15198

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 302(c) of the Labor-Management Relations Act, 1947, is amended by striking out "or (6)" and inserting in lieu thereof "(6)", and by adding immediately before the period at the end thereof the following: "; or (7) with respect to money or other thing of value paid by any employer of the construction industry to a trust fund established by such representative for the purpose of a joint industry promotional program or a joint committee or joint board empowered to interpret provisions of collective bargaining agreements: *Provided,* That (a) in relation to a joint industry promotional program such payments as are intended to be used for defraying the cost and expenses thereof are made to a separate trust which provides that the funds held therein cannot be used for any purpose other than for product and product application research and development, product and product application market development, promotion of product and product application with architects, engineers, and Government contracting officials, product and product application public relations, publication of product and product application technical information and data: *Provided,* That no labor organization or employer shall be required to bargain on the establishment of any such program, and refusal to do so shall not constitute an unfair labor practice. (b) In relation to a joint committee or joint board empowered to interpret provisions of collective bargaining agreements such payments as are intended to be used for defraying the cost and expenses thereof are made to a separate trust which provides that the funds held therein cannot be used for any purpose other than the interpreting of provisions of collective bargaining agreements and to resolve and determine issues arising from disputes regarding provisions of a collective bargaining, providing that the findings and/or determinations of such committee or board are binding on all parties concerned: *Provided,* That no labor organization or employer shall be required to bargain on the establishment of any trust fund pursuant to this clause (b), and refusal to do so shall not constitute an unfair labor practice. (c) Such funds shall not be commingled with any other funds or used in any manner to share expenses or otherwise defray the cost of programs that are employer or management functions or labor organization functions, and that the requirements of clause (B) of the proviso to clause (5) of this subsection shall apply to such trust fund as well as the requirements of the Welfare and Pension Plans Disclosure Act (except any which the Secretary determines are not applicable to trust funds of the type to which this clause applies)."

Mr. THOMPSON of New Jersey (during the reading). Mr. Chairman, this bill having been considered under suspension, having been thoroughly discussed, and being only three pages in length, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 4, insert "agreement" immediately after "bargaining."

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 3, line 18, before the period insert the following:

"*Provided further*, That the funds authorized by clause (7) of this subsection consist solely of equal contributions made by the parties to the agreement establishing such funds."

Mr. ASHBROOK. Mr. Chairman, the hour is late. I am not going to take 5 minutes to explain this amendment which, as my friend, the gentleman from Maryland, [Mr. FRIEDEL], always says, speaks for itself.

In the debate we have heard a great deal about joint funds. I would like to point out to the Members that no amount of semantic magic can create a joint fund if only one party places money in the fund. Many of my friends in the labor unions are always talking about free riders. They certainly object to any person in a plant who does not belong to a union, but nevertheless gets their services. They call him a "free rider." I think in all equity they would not want to be a free rider on a so-called joint fund.

What this amendment does in simple form is to say that both parties to the fund shall contribute equally. You will note that it is limited to clause 7. It does not open the other exceptions that have already been enacted to modify the Taft-Hartley Act. Under the same clause 7 we are talking about here, joint promotion funds, contributions must be made equally by both of the parties. I cannot put it any simpler than that. I certainly urge all Members to support the amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment. I would like to point out that this amendment goes against the basic thrust of the Federal labor law which establishes a legal framework through which private parties work out their own agreements. I should point out that under existing law, if the parties so agree in the collective-bargaining process, there is nothing to prohibit the union from contributing to these funds. This legislation simply puts the decision on whether to establish these funds where it belongs—with the parties at the bargaining table.

I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, I oppose the amendment. None of us believe that the Congress should dictate to management and labor, the terms they must come to in a collective bargaining agreement.

That is what the gentleman is striving to do with this amendment. It would defeat the purpose of the bill and do violence to the whole philosophy of the Labor Management Relations Act. It would make a mockery of this piece of legislation. I urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHBROOK].

The question was taken; and on a division (demanded by Mr. THOMPSON of Georgia), there were—ayes 40, noes 49.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. TAFT

Mr. TAFT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAFT: On page 2, line 5, strike all after "program"; strike line 6; in line 7, strike "agreements".

On page 2, strike "(b) In" in line 20; strike lines 21 through line 8 on page 3; in line 9 strike to the period.

Reletter accordingly.

Mr. TAFT. Mr. Chairman, as I have explained in the general debate on this bill, the purpose of my amendment is to remove from the bill entirely the provisions relating to the funds in question being used for committees to resolve disputes over the interpretation of collective bargaining agreements. Without that provision, there are in my mind still some doubts about the desirability of the bill, but let us distinguish for a moment in our minds between the two issues involved, because I think they are very different.

Insofar as the provision that would be left in the bill with respect to joint promotional use of these funds, I think we can see that there are clearly an interest of management and of labor as such.

However, in this part of the bill that I would strike, the relationship has a third party in it, and a third party who in my mind has not been represented properly in the drafting and consideration of this legislation and that is the union member.

For those of us who are lawyers—we have in law principle of public policy against champerty and against maintenance. In other words, it is against public policy to go around stirring up lawsuits or encouraging suits by paying the expenses for one or more of the parties to a lawsuit. That is what we have here. A great proportion of the disputes that are likely to come before a committee of this sort are likely to be suits not relating directly to the interests of management. What does management care about the interpretations on seniority or interpretations of a contract with regard to a union member's rights within the union as to whether or not he should or should not be disciplined under certain circumstances?

This is not generally management's concern. Under these funds the likely result, as I explained, is that in the negotiations, many employers are going to agree, as an additional fringe benefit in the negotiations, "We will give you the provision and we will take the entire payment into the fund."

Under these circumstances all of the support for this committee to interpret the contract over the life of the contract is then paid for by the fund, without a penny coming out of the union's pocket. I do not know whether the legal expenses of the union under these circumstances might be taken up in this regard but I do not see why not. I do know that the individual union member going in before this committee would have to prepare his case and present his case. The determination of such a committee is binding and final, I point out. The union member is not going to have anybody paying his expenses. There is not going to be any fund behind him. He will have to get his own lawyer and get his own interpretation of the contract and pay his own expenses.

This is the nub of the problem. It relates to the whole question of public policy.

The committee report has made a self-serving statement that there is no public policy involved in this bill. If the relationship of the union member to the union under these circumstances, when somebody else is paying for conducting the dispute, does not amount to public policy, then I would be hard put to think of anything in labor-management relations that does affect public policy.

There is also a question of fairness to employers. As has been pointed out realistically, in many industries the employers are small employers acting through associations. As a practical matter the power imbalance between that group and the labor group with which they are dealing means they are in a position where they have to take what is given to them, often negotiated on an areawide basis. They have to take it.

Mr. DELLENBACK. Mr. Chairman, will the gentleman yield?

Mr. TAFT. I am glad to yield to the gentleman from Oregon.

Mr. DELLENBACK. Is it not true that such provisions of the type the gentleman refers to, where the interpretation of a contract would be submitted to some independent agency, are now already a part of many such collective bargaining agreements? Is not the real issue not who will be determining it but how it will be paid for?

Mr. TAFT. I believe the real issue is how it will be paid for. The union member will have to pay for himself. The union will pay for it out of the fund provided by the employer.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

First let me state that management and union members and everyone affected by the construction industry have a great interest in this provision remaining in the bill.

The gentleman proposes to strike the provision permitting the establishment by collective bargaining of joint boards empowered to interpret collective bargaining agreements. In the construction industry such joint boards hold real promise of enhancing the orderly and fair resolution of matter arising in carrying out the provisions of agreements. If we intend to see that these disputes are settled expeditiously this is necessary because jobs and projects in the construction industry—tend to be seasonal and of short duration.

If a dispute arises these funds would provide a mechanism, which has been agreed to by the parties voluntarily, to fairly and quickly resolve the dispute. These joint boards are necessary to interpret the disputed provision of the agreement. They would work for the mutual welfare both of management and of labor, and the procedure made possible will inure to the benefit of both parties and the public.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I thank my distinguished chairman. I should like to point out two things.

First, if there is one portion of this bill that management enthusiastically supports, as evidenced by the hearings and by the testimony of the Painting and Decorating Contractors, it is this very section.

Furthermore, the gentleman from Ohio apparently is confused because he referred in his speech to matters which are often in the bylaws and the constitutions of the unions themselves, and are often not a part of the collective bargaining process.

Mr. Chairman, this amendment should be defeated.

Mr. PERKINS. Mr. Chairman, this bill will advance the welfare of the industry, all the parties to the collective bargaining agreement. The procedure we make lawful is purely voluntary, and this amendment should certainly be voted down.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. MYERS. Is this not one of the objections industry has; namely, that it will increase the number of arbitration cases? If we should adopt the amendment offered by the gentleman from Ohio, will it not take away one of the arguments that industry is using now against the bill?

Mr. PERKINS. That argument is completely unfounded. I say that because the real necessity or one of the real necessities for this bill is the very need for a settlement vehicle. Under section 302(c) you cannot now lawfully designate such a board to settle these time consuming controversies, and this will permit both parties, if they agree, to designate a joint board to interpret a collective bargaining agreement.

Mr. MYERS. Will the gentleman yield further?

Mr. PERKINS. Yes. That is all it does.

Mr. MYERS. It is my understanding that the intent of this bill is to provide a fund to promote a product. How can you say arbitration money is promoting a product?

Mr. PERKINS. The joint board for arbitration and the joint management of industry product promotion funds are two different exceptions for section 302 made by the bill. The amendment offered by the gentleman from Ohio will certainly strike one of the most useful purposes of the bill and will permit disputes to go along in the construction trades that could otherwise fairly and quickly be settled. The loss of time and the loss of wages would be damaging to everybody involved. This is voluntary, and if management and labor want to agree to an arrangement, there is nothing wrong with it. I hope the amendment will be defeated.

Mr. MYERS. How can you construe this when you are using money for arbitration purposes and to settle arbitration questions? How can you construe this to be promoting a product? The argument that I have heard all afternoon is that this bill provides a means to promote an industry and a product.

Mr. PERKINS. The gentleman knows this bill has two distinct purposes. One relates to the promotion of products, yes. Then the bill also deals with joint boards empowered to interpret provisions of collective bargaining agreements.

Mr. Chairman, the amendment should be voted down.

Mr. WINN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I will not take the 5 minutes allotted to me this late in the evening, but under the Taft-Hartley law a union's purpose is to represent employees in regard to wages, hours, and working conditions.

I would like to ask the gentleman from Ohio who has submitted this amendment if his amendment does not try and in fact clarify those intentions.

Mr. TAFT. Mr. Chairman, will the gentleman yield?

Mr. WINN. I yield to the gentleman.

Mr. TAFT. Yes. I certainly think it does. And it takes out of the bill something which I think would be foreign to the proper intention and purpose of the Taft-Hartley law. As I indicated earlier, I think it would tend to deteriorate labor relations rather than help them, because it would tend to encourage disputes by paying for their expense and not only paying for it, but paying for the union side of it in many instances, and, I think, very clearly and certainly not paying for the union members' side of any dispute that might occur.

Now, the gentleman from New Jersey [Mr. THOMPSON] has said that matters of seniority and other matters relating to relationships between the union and its individuals do not come up in these interpretation of contracts.

I am sure he is too very well versed in the jurisprudence of labor law to really think that. We have case after case coming up before the Labor Board where that question exactly is involved. Not only that—and I did not mention this in speaking on the amendment previously—but it also could be used to finance jurisdictional disputes between various unions because that is one question which is frequently involved in the interpretation of a contract, so I think there is very little in that argument.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. WINN. I yield to the gentleman.

Mr. MYERS. I thank the gentleman for yielding. Let me ask one more question, if I may. Is there anything in the original legislation that clarifies or represents the rights of the employees in respect to wages, hours, and working conditions?

Mr. WINN. This bill is an attempt to exempt them from certain provisions of the Taft-Hartley law.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. WINN. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. All of those matters are covered in other sections of the Labor Management Relations Act. This bill is restricted to section 302(c).

Mr. MYERS. Mr. Chairman, will the gentleman yield further?

Mr. WINN. I yield further to the gentleman.

Mr. MYERS. Then the argument that has been presented by the contractors and the industry that this would increase the number of arbitration cases is a valid argument. In other words, it is not going to cost labor or management anything to carry a dispute to further costly arbitration. The fund is available, so why not use it to expand the joint account and use it for jurisdictional questions?

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. WINN. I yield to the gentleman from Texas.

Mr. ECKHARDT. I thank the gentleman for yielding. The answer to the question is: No, it will not increase arbitration. It will not only establish another means by which arbitration can be conducted, provided labor and management agree. Now, ordinarily, in a labor-management contract, the two parties divide the cost of arbitration. What this would do would be to establish an alternative method by which labor and management agree that they would set up a fund from which to finance arbitration. This in no sense increases arbitration. But even if it did, there is nothing more salubrious to labor-management relations. The resort to arbitration is the alternative to resort to the strike.

Mr. MYERS. Mr. Chairman, will the gentleman yield further?

Mr. WINN. I yield further to the gentleman.

Mr. MYERS. I supported this bill 4 months ago but I have serious reservations about it now. I say this because when it was originally presented it seemed like a reasonable way to promote an industry and a product. In my opinion the promotion of industry not only helps the stockholders that hold stock in the company but it helps those who labor for the company by helping to provide more jobs. But, when we create a fund that may be used for other purposes, it will be there and it can be used for labor disputes whether it is specifically designated for that purpose or not. Perhaps it will not cause more arbitration cases, but it is available by either labor or management. They will say the money is there, let us spend it not for that purpose of expanding industry, but for management versus labor disputes.

Mr. Chairman, I think the gentleman's amendment should be adopted.

Mr. WINN. I think the gentleman from Indiana has raised a very valid point. This is one of the serious questions which concerned many of us that have had labor-management experience. I appreciate the contribution of the gentleman from Indiana and I yield back the remainder of my time.

Mr. DELLENBACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to very briefly comment upon this legislation without reading my full statement. I believe that those who have read the hearings will find on page 23 where the general counsel of the Painting and Decorating Contractors of America, a representative thereof who testified on this matter, specifically spoke in terms of this kind of joint effort as being the least expensive way of preventing work stoppages. It represents a very vital manner in which to help accomplish this purpose.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Is the gentleman familiar with that portion of the hearings which appear on page 36 with reference to the Mechanical Contractors Association of Philadelphia?

They say:

> With regard to the second specific fund contemplated by the Bill, i.e., a fund to defray the costs and expenses of a joint committee or a joint board to interpret provisions of collective bargaining agreements, we believe that it is an invitation to chaos.

This record is replete with statements like that from association after association that say the point made by the gentleman from Ohio that this invites champerty and maintenance is true, and if they do not have to pay for a lawsuit or for an arbitration procedure, of course, they are going to come in on every single dispute that they possibly can.

I just cannot understand how the gentleman can tell this House that this kind of a provision is going to be conducive to peace and harmony in the construction industry.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Taft].

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 78, noes 55.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. THOMPSON OF GEORGIA

Mr. THOMPSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Thompson of Georgia: On page 2, line 2, after "paid", insert "jointly in equal shares", and insert on line 3, after "industry", the phrase "and a union representing its employees".

Mr. THOMPSON of Georgia. Mr. Chairman, we have heard statements earlier that there is much advantage to having a joint union-management relationship where the funds are paid in jointly. The gentleman from Ohio spoke at length on the subject. It is now possible for management to have an industry promotion fund, or a product promotion fund. And of course if labor would like to promote their industry, they, out of their own funds, could set up a similar program and administer it entirely themselves.

The argument we have heard has been that there is a prohibition against this sharing of the funds.

Now, all this amendment does is simply state this: that if labor and management desire to jointly enter into and participate equally in the promotion of their product, each sharing an equal financial burden, then each shall have an opportunity to have a voice in how these funds may be used.

Mr. Chairman, I feel that if labor pays for the fund, if they pay the fiddler, they should call the tune. If management pays for the fund, then they should call the tune. And if it is paid jointly in equal shares by labor and by management, then each should have a voice in the fund.

Mr. Chairman, I yield back the balance of my time.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment.

Very briefly, Mr. Chairman, this is simply another version of the Ashbrook amendment which we disposed of some time ago.

I might point out to my friend, the gentleman from Georgia, as I pointed out earlier, that there is no prohibition on labor organization contributions and there will be no problem if the parties agree in the collective bargaining process that they will share the cost of these programs.

Mr. Chairman, the amendment should be defeated.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman.

Mr. DENT. Mr. Chairman, in the testimony before our committee, the National Association of Plumbing, Heating, and Cooling Contractors who I have heard someone say around here is opposed to this bill back in 1965 either had a different thought—because in discussing this very point in their testimony, they said:

> It must always be remembered that the public pays for any of the contributions that goes to these funds whether management appears to do so or whether it is a joint fund.

For instance, in the plumbing industry by union contract agreements, 2 cents an hour is placed into the fund and that 2 cents an hour is bargained on the same as other moneys in bargaining arrangements. If the 2 cents an hour was not put into the fund, it would go into the workers' pockets.

Now who owns the fund?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. Thompson].

The question was taken; and on a division (demanded by Mr. Thompson), there were—ayes 65, noes 66.

Mr. THOMPSON of Georgia. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Thompson of Georgia and Mr. Perkins.

The Committee again divided, and the tellers reported that there were—ayes 86, noes 84.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. ESCH

Mr. ESCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Esch: On page 3, line 17, before the period, insert the following:
>
> "*Provided further*, That nothing in the Labor Management Relations Act, 1947, as amended, shall be construed to make unlawful or to prohibit an employer from participating in the joint administration of funds established by a labor organization for purposes of political education."

Mr. THOMPSON of New Jersey. Mr. Chairman, I make a point of order.

Mr. GROSS. Mr. Chairman, the point of order comes too late. The gentleman started to speak.

The CHAIRMAN. The gentleman from New Jersey was on his feet seeking recognition. The Chairman recognizes the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I make a point of order against the amendment on the ground it is not germane. It would establish the joint administration of funds for political purposes, a subject not mentioned in the subject matter of the legislation before us.

The CHAIRMAN. Does the gentleman from Michigan want to be heard on the point of order?

Mr. ESCH. Yes, Mr. Chairman. I think the act is an amendment to the Labor Management Relations Act of 1947, as amended, and as such the amendment is germane because it does take into consideration the joint administration. And let me repeat the amendment so it is clear in the mind of the Chairman. The amendment states:

> On page 3, line 17, before the period, insert the following:
>
> "*Provided further*, That nothing in the Labor Management Relations Act, 1947, as amended, shall be construed to make unlawful or to prohibit an employer from participating in the joint administration of funds established by a labor organization for purposes of political education."

As a result, I think, Mr. Chairman, that it is germane.

The CHAIRMAN (Mr. Smith of Iowa). The Chair is prepared to rule.

The bill under consideration amends only section 302(c) of the act, whereas the proposed amendment attempts to amend the entire act and brings in new matter that is not covered in section 302(c) or in the bill.

The Chair rules that the amendment is not germane, and sustains the point of order.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Smith of Iowa, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 15198) to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances or a joint committee or joint board empowered to interpret provisions of collective-bargaining agreements, pursuant to House Resolution 1234, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER**. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. **PERKINS**. Mr. Speaker, I demand a separate vote on the so-called Taft amendment, which proposes to strike section (b), beginning in line 20, on page 2, and on the so-called Thompson of Georgia amendment.

The **SPEAKER**. Is a separate vote demanded on any other amendment? If not the Chair will put them en gros.

The amendments were agreed to.

The **SPEAKER**. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 2, line 2, after "paid", insert "jointly in equal shares", and insert on line 3, after "industry", the phrase "and a union representing its employees".

The **SPEAKER**. The question is on the amendment.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. **AYRES**. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 156, nays 217, not voting 59, as follows:

[Roll No. 283]

YEAS—156

Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Ashbrook
Ashmore
Baring
Belcher
Berry
Betts
Blackburn
Bow
Bray
Brinkley
Brock
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Carter
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Colmer
Cowger
Cramer
Curtis
Davis, Ga.
Davis, Wis.
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Edwards, La.
Esch
Eshleman
Evans, Colo.
Findley
Fisher
Fountain
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Griffin
Gross
Hagan
Haley
Hall
Hammerschmidt
Harrison
Harsha
Henderson
Hicks
Hosmer
Hull
Hunt
Hutchinson
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Langen
Latta
Lipscomb
Lloyd
Lukens
McClory
McClure
McCulloch
McEwen
Mahon
Marsh
Martin
Mayne
Miller, Ohio
Montgomery
Nelsen
Nichols
O'Neal, Ga.
Passman
Pettis
Poage
Poff
Pollock
Price, Tex.
Purcell
Quillen
Reid, Ill.
Reifel
Reinecke
Rivers
Roberts
Rogers, Fla.
Roudebush
Rumsfeld
Sandman
Satterfield
Schadeberg
Scherle
Schneebeli
Schwengel
Scott
Selden
Smith, Calif.
Smith, Okla.
Springer
Steiger, Ariz.
Stephens
Stuckey
Taft
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Utt
Vander Jagt
Waggonner
Walker
Watkins
Watson
Whalley
White
Whitener
Whitten
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyatt
Wylie
Zion
Zwach

NAYS—217

Adams
Addabbo
Albert
Andrews, N. Dak.
Annunzio
Ashley
Ayres
Barrett
Bates
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Cleveland
Cohelan
Collier
Conable
Conte
Conyers
Corbett
Corman
Culver
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Dent
Diggs
Dingell
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Eilberg
Erlenborn
Fallon
Farbstein
Fascell
Feighan
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gilbert
Gonzales
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Halleck
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Harvey
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holifield
Horton
Howard
Hungate
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
Kluczynski
Kyros
Laird
Leggett
McCarthy
McCloskey
McDade
McFall
Macdonald, Mass.
MacGregor
Machen
Matsunaga
May
Meeds
Meskill
Michel
Mills
Minish
Mink
Minshall
Mize
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Price, Ill.
Pryor
Pucinski
Quie
Railsback
Randall
Rees
Reid, N.Y.
Reuss
Rhodes, Ariz.
Riegle
Robison
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roush
Roybal
Ruppe
Ryan
St Germain
St. Onge
Saylor
Scheuer
Schweiker
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stratton
Stubblefield
Tenzer
Thompson, N.J.
Tiernan
Tunney
Ullman
Van Deerlin
Vigorito
Waldie
Watts
Whalen
Widnall
Wilson, Charles H.
Wolff
Wydler
Wyman
Yates
Zablocki

NOT VOTING—59

Abbitt
Anderson, Tenn.
Arends
Aspinall
Battin
Blanton
Celler
Clark
Cunningham
Dole
Everett
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gallagher
Gubser
Gurney
Hansen, Idaho
Hardy
Hawkins
Hébert
Herlong
Holland
Karsten
King, Calif.
Kirwan
Kupferman
Landrum
Lennon
Long, La.
Long, Md.
McDonald, Mich.
McMillan
Madden
Mailliard
Mathias, Calif.
Mathias, Md.
Miller, Calif.
Moore
Morton
Mosher
Patman
Podell
Rarick
Resnick
Rhodes, Pa.
Sikes
Snyder
Sullivan
Teague, Tex.
Tuck
Udall
Vanik
Wampler
Willis
Wright
Young

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Sikes for, with Mr. Miller of California against.

Mr. Everett for, with Mr. Hawkins against.

Mr. Tuck for, with Mr. Celler against.

Mr. Abbitt for, with Mr. Kupferman against.

Mr. Herlong for, with Mr. Clark against.

Mr. Lennon for, with Mr. Kirwan against.

Mr. McMillan for, with Mr. King of California against.

Mr. Rarick for, with Mr. Vanik against.

Mr. Arends for, with Mr. Madden against.

Mr. Gurney for, with Mr. Podell against.

Mr. Mathias of California for, with Mrs. Sullivan against.

Mr. Snyder for, with Mr. Gallagher against.

Until further notice:

Mr. Holland with Mr. Dole.

Mr. Hébert with Mr. Cunningham.

Mr. Hardy with Mr. Fino.

Mr. Patman with Mr. Morton.

Mr. Rhodes of Pennsylvania with Mr. Mathias of Maryland.

Mr. Young with Mr. Battin.

Mr. Willis with Mr. Mailliard.

Mr. Long of Louisiana with Mr. Wampler.

Mr. Aspinall with Mr. Gubser.

Mr. Anderson of Tennessee with Mr. Hansen of Idaho.

Mr. Blanton with Mr. Moore.

Mr. Evins of Tennessee with Mr. Mosher.

Mr. Flood with Mr. McDonald of Michigan.

Mr. Fulton of Tennessee with Mr. Udall

Mr. Flynt with Mr. Long of Maryland.

Mr. Wright with Mr. Resnick.

Mr. Teague of Texas with Mr. Landrum.

Mr. **FISHER** changed his vote from "nay" to "yea."

Mr. **BATES**, Mr. **RIEGLE**, and Mr. **CLEVELAND** changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The **SPEAKER**. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 2, line 5, strike all after "program".

Strike line 6.

In line 7 strike "agreements".

On page 2 strike "(b) In" in line 20.

Strike lines 21 through line 8 on page 3.

In line 9 strike to the period.

Reletter accordingly.

The **SPEAKER**. The question is on the the amendment.

Mr. **TAFT**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 192, nays 177, not voting 63, as follows:

[Roll No. 284]

YEAS—192

Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Baring

Bates
Belcher
Berry
Betts
Blackburn
Bow
Bray
Brinkley
Brock
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Cahill
Carter
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conable
Conte
Cowger
Cramer
Curtis
Davis, Ga.
Davis, Wis.
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Edwards, La.
Erlenborn
Esch
Eshleman
Evans, Colo.
Findley
Fisher
Ford, Gerald R.
Fountain
Frelinghuysen
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Griffin
Gross
Grover
Gude
Hagan
Haley
Hall
Hammerschmidt
Hanna
Harrison
Harsha
Harvey
Heckler, Mass.
Henderson
Hosmer
Hull
Hutchinson
Jarman
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
Keith
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Laird
Langen
Latta
Leggett
Lipscomb
Lloyd
Lukens
McClory
McCloskey
McClure
McCulloch
McEwen
Mahon
Marsh
Martin
May
Mayne
Michel
Miller, Ohio
Minshall
Mize
Montgomery
Morse, Mass.
Myers
Nelsen
Nichols
O'Neal, Ga.
Passman
Pettis
Pickle
Poage
Poff
Pollock
Price, Tex.
Purcell
Quillen
Railsback
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Riegle
Rivers
Roberts
Robison
Rogers, Fla.
Roth
Roudebush
Rumsfeld
Sandman
Satterfield
Schadeberg
Scherle
Schneebeli
Schwengel
Scott
Selden
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Springer
Stafford
Stanton
Steiger, Ariz.
Stephens
Taft
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Tunney
Utt
Van Deerlin
Vander Jagt
Waggonner
Waldie
Watkins
Watson
Whalley
Whitener
Whitten
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Zion
Zwach

NAYS—177

Adams
Addabbo
Albert
Annunzio
Ashley
Ayres
Barrett
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Carey
Cohelan
Conyers
Corbett
Corman
Culver
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Dent
Dingell
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Fallon
Farbstein
Fascell
Feighan
Foley
Ford, William D.
Fraser
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Halleck
Halpern
Hamilton
Hanley
Hansen, Wash.
Hathaway
Hays
Hechler, W. Va.
Helstoski
Hicks
Holifield
Horton
Howard
Hungate
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Kelly
Kluczynski
Kyros
McCarthy
McDade
McFall
Macdonald, Mass.
MacGregor
Machen
Matsunaga
Meeds
Meskill
Mills
Minish
Mink
Monagan
Moorhead
Morgan
Morris, N. Mex.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patten
Pelly
Pepper
Perkins
Philbin
Pike
Pirnie
Price, Ill.
Pryor
Pucinski
Quie
Randall
Rees
Reid, N.Y.
Reuss
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
St. Onge
Saylor
Scheuer
Schweiker
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Steed
Steiger, Wis.
Stratton
Stubblefield
Tenzer
Thompson, N.J.
Tiernan
Ullman
Vigorito
Walker
Watts
Whalen
White
Widnall
Wilson, Charles H.
Wolff
Wyman
Yates
Zablocki

NOT VOTING—63

Abbitt
Anderson, Tenn.
Arends
Aspinall
Battin
Blanton
Celler
Clark
Cunningham
Diggs
Dole
Eilberg
Everett
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gallagher
Gubser
Gurney
Hansen, Idaho
Hardy
Hawkins
Hébert
Herlong
Holland
Hunt
Karsten
King, Calif.
Kirwan
Kupferman
Landrum
Lennon
Long, La.
Long, Md.
McDonald, Mich.
McMillan
Madden
Mailliard
Mathias, Calif.
Mathias, Md.
Miller, Calif.
Moore
Morton
Mosher
Patman
Podell
Rarick
Resnick
Rhodes, Pa.
Sikes
Snyder
Stuckey
Sullivan
Teague, Tex.
Tuck
Udall
Vanik
Wampler
Willis
Wright
Young

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Sikes for, with Mr. Celler against.

Mr. Abbitt for, with Mr. Hawkins against.

Mr. Tuck for, with Mr. Miller of California against.

Mr. Everett for, with Mr. Kupferman against.

Mr. Lennon for, with Mr. Clark against.

Mr. McMillan for, with Mr. Kirwan against.

Mr. Arends for, with Mr. King of California against.

Mr. Gurney for, with Mr. Vanik against.

Mr. Snyder for, with Mr. Madden against.

Mr. Mathias of California for, with Mr. Podell against.

Mr. Morton for, with Mrs. Sullivan against.

Mr. Battin for, with Mr. Gallagher against.

Mr. Moore for, with Mr. Holland against.

Mr. Herlong for, with Mr. Eilberg against.

Mr. Rarick for, with Mr. Diggs against.

Until further notice:

Mr. Anderson of Tennessee with Mr. Dole.

Mr. Aspinall with Mr. Cunningham.

Mr. Evins of Tennessee with Mr. Fino.

Mr. Flood with Mr. Gubser.

Mr. Blanton with Mr. Hansen of Idaho.

Mr. Fulton of Tennessee with Mr. McDonald of Michigan.

Mr. Hardy with Mr. Mailliard.

Mr. Hébert with Mr. Mathias of Maryland.

Mr. Patman with Mr. Mosher.

Mr. Flynt with Mr. Wampler.

Mr. Long of Louisiana with Mr. Young.

Mr. Willis with Mr. Long of Maryland.

Mr. Teague of Texas with Mr. Resnick.

Mr. Landrum with Mr. Rhodes of Pennsylvania.

Mr. Stuckey with Mr. Udall.

Mr. Wright with Mr. Hunt.

Mrs. BOLTON, Mr. ASHLEY and Mr. PRYOR changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ASHBROOK. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. ASHBROOK moves to recommit the bill, H.R. 15198, to the Committee on Education and Labor.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 201, nays 169, answered "present" 1, not voting 61, as follows:

[Roll No. 285]

YEAS—201

Adair
Adams
Addabbo
Albert
Annunzio
Ashley
Ayres
Barrett
Bates
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brotzman
Brown, Calif.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Cleveland
Cohelan
Conte
Conyers
Corbett
Corman
Culver
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Dent
Dingell
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Erlenborn
Esch
Fallon
Farbstein
Fascell
Feighan
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Halleck
Halpern
Hamilton
Hanley
Hansen, Wash.
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holifield
Horton
Howard
Hungate
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Kelly
Kluczynski
Kyros
Laird
McCarthy
McCloskey
McCulloch
McDade
McEwen
McFall
Macdonald, Mass.
MacGregor
Machen
Matsunaga
May
Meeds
Meskill
Michel
Mills
Minish
Mink
Minshall
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Patten
Pelly
Pepper
Perkins
Philbin
Pike
Pirnie
Podell
Price, Ill.
Pryor
Pucinski
Quie
Railsback
Randall
Rees
Reid, N.Y.
Reuss
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Ryan
St Germain

tion the bill (H.R. 15198) to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances or a joint committee or joint board empowered to interpret provisions of collective-bargaining agreements, pursuant to House Resolution 1234, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER**. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. **PERKINS**. Mr. Speaker, I demand a separate vote on the so-called Taft amendment, which proposes to strike section (b), beginning in line 20, on page 2, and on the so-called Thompson of Georgia amendment.

The **SPEAKER**. Is a separate vote demanded on any other amendment? If not the Chair will put them en gros.

The amendments were agreed to.

The **SPEAKER**. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

> Amendment: On page 2, line 2, after "paid", insert "jointly in equal shares", and insert on line 3, after "industry", the phrase "and a union representing its employees".

The **SPEAKER**. The question is on the amendment.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. **AYRES**. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 156, nays 217, not voting 59, as follows:

[Roll No. 283]

YEAS—156

Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Ashbrook
Ashmore
Baring
Belcher
Berry
Betts
Blackburn
Bow
Bray
Brinkley
Brock
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Carter
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Colmer
Cowger
Cramer
Curtis
Davis, Ga.
Davis, Wis.
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Edwards, La.
Esch
Eshleman
Evans, Colo.
Findley
Fisher
Fountain
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Griffin
Gross
Hagan
Haley
Hall
Hammerschmidt
Harrison
Harsha
Henderson
Hicks
Hosmer
Hull
Hunt
Hutchinson
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Langen
Latta
Lipscomb
Lloyd
Lukens
McClory
McClure
McCulloch
McEwen
Mahon
Marsh
Martin
Mayne
Miller, Ohio
Montgomery
Nelsen
Nichols
O'Neal, Ga.
Passman
Pettis
Poage
Poff
Pollock
Price, Tex.
Purcell
Quillen
Reid, Ill.
Reifel
Reinecke
Rivers
Roberts
Rogers, Fla.
Roudebush
Rumsfeld
Sandman
Satterfield
Schadeberg
Scherle
Schneebeli
Schwengel
Scott
Selden
Smith, Calif.
Smith, Okla.
Springer
Steiger, Ariz.
Stephens
Stuckey
Taft
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Utt
Vander Jagt
Waggonner
Walker
Watkins
Watson
Whalley
White
Whitener
Whitten
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyatt
Wylie
Zion
Zwach

NAYS—217

Adams
Addabbo
Albert
Andrews, N. Dak.
Annunzio
Ashley
Ayres
Barrett
Bates
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Cleveland
Cohelan
Collier
Conable
Conte
Conyers
Corbett
Corman
Culver
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Dent
Diggs
Dingell
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Eilberg
Erlenborn
Fallon
Farbstein
Fascell
Feighan
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Halleck
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Harvey
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holifield
Horton
Howard
Hungate
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
Kluczynski
Kyros
Laird
Leggett
McCarthy
McCloskey
McDade
McFall
Macdonald, Mass.
MacGregor
Machen
Matsunaga
May
Meeds
Meskill
Michel
Mills
Minish
Mink
Minshall
Mize
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Price, Ill.
Pryor
Pucinski
Quie
Railsback
Randall
Rees
Reid, N.Y.
Reuss
Rhodes, Ariz.
Riegle
Robison
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roush
Roybal
Ruppe
Ryan
St Germain
St. Onge
Saylor
Scheuer
Schweiker
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stratton
Stubblefield
Tenzer
Thompson, N.J.
Tiernan
Tunney
Ullman
Van Deerlin
Vigorito
Waldie
Watts
Whalen
Widnall
Wilson, Charles H.
Wolff
Wydler
Wyman
Yates
Zablocki

NOT VOTING—59

Abbitt
Anderson, Tenn.
Arends
Aspinall
Battin
Blanton
Celler
Clark
Cunningham
Dole
Everett
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gallagher
Gubser
Gurney
Hansen, Idaho
Hardy
Hawkins
Hébert
Herlong
Holland
Karsten
King, Calif.
Kirwan
Kupferman
Landrum
Lennon
Long, La.
Long, Md.
McDonald, Mich.
McMillan
Madden
Mailliard
Mathias, Calif.
Mathias, Md.
Miller, Calif.
Moore
Morton
Mosher
Patman
Podell
Rarick
Resnick
Rhodes, Pa.
Sikes
Snyder
Sullivan
Teague, Tex.
Tuck
Udall
Vanik
Wampler
Willis
Wright
Young

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Sikes for, with Mr. Miller of California against.

Mr. Everett for, with Mr. Hawkins against.

Mr. Tuck for, with Mr. Celler against.

Mr. Abbitt for, with Mr. Kupferman against.

Mr. Herlong for, with Mr. Clark against.

Mr. Lennon for, with Mr. Kirwan against.

Mr. McMillan for, with Mr. King of California against.

Mr. Rarick for, with Mr. Vanik against.

Mr. Arends for, with Mr. Madden against.

Mr. Gurney for, with Mr. Podell against.

Mr. Mathias of California for, with Mrs. Sullivan against.

Mr. Snyder for, with Mr. Gallagher against.

Until further notice:

Mr. Holland with Mr. Dole.

Mr. Hébert with Mr. Cunningham.

Mr. Hardy with Mr. Fino.

Mr. Patman with Mr. Morton.

Mr. Rhodes of Pennsylvania with Mr. Mathias of Maryland.

Mr. Young with Mr. Battin.

Mr. Willis with Mr. Mailliard.

Mr. Long of Louisiana with Mr. Wampler.

Mr. Aspinall with Mr. Gubser.

Mr. Anderson of Tennessee with Mr. Hansen of Idaho.

Mr. Blanton with Mr. Moore.

Mr. Evins of Tennessee with Mr. Mosher.

Mr. Flood with Mr. McDonald of Michigan.

Mr. Fulton of Tennessee with Mr. Udall

Mr. Flynt with Mr. Long of Maryland.

Mr. Wright with Mr. Resnick.

Mr. Teague of Texas with Mr. Landrum.

Mr. **FISHER** changed his vote from "nay" to "yea."

Mr. **BATES**, Mr. **RIEGLE**, and Mr. **CLEVELAND** changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The **SPEAKER**. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

> Amendment: On page 2, line 5, strike all after "program".
>
> Strike line 6.
>
> In line 7 strike "agreements".
>
> On page 2 strike "(b) In" in line 20.
>
> Strike lines 21 through line 8 on page 3.
>
> In line 9 strike to the period.
>
> Reletter accordingly.

The **SPEAKER**. The question is on the the amendment.

Mr. **TAFT**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 192, nays 177, not voting 63, as follows:

[Roll No. 284]

YEAS—192

Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Baring

Bates
Belcher
Berry
Betts
Blackburn
Bow
Bray
Brinkley
Brock
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Cahill
Carter
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conable
Conte
Cowger
Cramer
Curtis
Davis, Ga.
Davis, Wis.
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Edwards, La.
Erlenborn
Esch
Eshleman
Evans, Colo.
Findley
Fisher
Ford, Gerald R.
Fountain
Frelinghuysen
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Griffin
Gross
Grover
Gude
Hagan
Haley
Hall
Hammerschmidt
Hanna
Harrison
Harsha
Harvey
Heckler, Mass.
Henderson
Hosmer
Hull
Hutchinson
Jarman
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
Keith
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Laird
Langen
Latta
Leggett
Lipscomb
Lloyd
Lukens
McClory
McCloskey
McClure
McCulloch
McEwen
Mahon
Marsh
Martin
May
Mayne
Michel
Miller, Ohio
Minshall
Mize
Montgomery
Morse, Mass.
Myers
Nelsen
Nichols
O'Neal, Ga.
Passman
Pettis
Pickle
Poage
Poff
Pollock
Price, Tex.
Purcell
Quillen
Railsback
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Riegle
Rivers
Roberts
Robison
Rogers, Fla.
Roth
Roudebush
Rumsfeld
Sandman
Satterfield
Schadeberg
Scherle
Schneebeli
Schwengel
Scott
Selden
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Springer
Stafford
Stanton
Steiger, Ariz.
Stephens
Taft
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Tunney
Utt
Van Deerlin
Vander Jagt
Waggonner
Waldie
Watkins
Watson
Whalley
Whitener
Whitten
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Zion
Zwach

NAYS—177

Adams
Addabbo
Albert
Annunzio
Ashley
Ayres
Barrett
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Carey
Cohelan
Conyers
Corbett
Corman
Culver
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Dent
Dingell
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Fallon
Farbstein
Fascell
Feighan
Foley
Ford, William D.
Fraser
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Halleck
Halpern
Hamilton
Hanley
Hansen, Wash.
Hathaway
Hays
Hechler, W. Va.
Helstoski
Hicks
Holifield
Horton
Howard
Hungate
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Kelly
Kluczynski
Kyros
McCarthy
McDade
McFall
Macdonald, Mass.
MacGregor
Machen
Matsunaga
Meeds
Meskill
Mills
Minish
Mink
Monagan
Moorhead
Morgan
Morris, N. Mex.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patten
Pelly
Pepper
Perkins
Philbin
Pike
Pirnie
Price, Ill.
Pryor
Pucinski
Quie
Randall
Rees
Reid, N.Y.
Reuss
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
St. Onge
Saylor
Scheuer
Schweiker
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Steed
Steiger, Wis.
Stratton
Stubblefield
Tenzer
Thompson, N.J.
Tiernan
Ullman
Vigorito
Walker
Watts
Whalen
White
Widnall
Wilson, Charles H.
Wolff
Wyman
Yates
Zablocki

NOT VOTING—63

Abbitt
Anderson, Tenn.
Arends
Aspinall
Battin
Blanton
Celler
Clark
Cunningham
Diggs
Dole
Eilberg
Everett
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gallagher
Gubser
Gurney
Hansen, Idaho
Hardy
Hawkins
Hébert
Herlong
Holland
Hunt
Karsten
King, Calif.
Kirwan
Kupferman
Landrum
Lennon
Long, La.
Long, Md.
McDonald, Mich.
McMillan
Madden
Mailliard
Mathias, Calif.
Mathias, Md.
Miller, Calif.
Moore
Morton
Mosher
Patman
Podell
Rarick
Resnick
Rhodes, Pa.
Sikes
Snyder
Stuckey
Sullivan
Teague, Tex.
Tuck
Udall
Vanik
Wampler
Willis
Wright
Young

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Sikes for, with Mr. Celler against.

Mr. Abbitt for, with Mr. Hawkins against.

Mr. Tuck for, with Mr. Miller of California against.

Mr. Everett for, with Mr. Kupferman against.

Mr. Lennon for, with Mr. Clark against.

Mr. McMillan for, with Mr. Kirwan against.

Mr. Arends for, with Mr. King of California against.

Mr. Gurney for, with Mr. Vanik against.

Mr. Snyder for, with Mr. Madden against.

Mr. Mathias of California for, with Mr. Podell against.

Mr. Morton for, with Mrs. Sullivan against.

Mr. Battin for, with Mr. Gallagher against.

Mr. Moore for, with Mr. Holland against.

Mr. Herlong for, with Mr. Eilberg against.

Mr. Rarick for, with Mr. Diggs against.

Until further notice:

Mr. Anderson of Tennessee with Mr. Dole.

Mr. Aspinall with Mr. Cunningham.

Mr. Evins of Tennessee with Mr. Fino.

Mr. Flood with Mr. Gubser.

Mr. Blanton with Mr. Hansen of Idaho.

Mr. Fulton of Tennessee with Mr. McDonald of Michigan.

Mr. Hardy with Mr. Mailliard.

Mr. Hébert with Mr. Mathias of Maryland.

Mr. Patman with Mr. Mosher.

Mr. Flynt with Mr. Wampler.

Mr. Long of Louisiana with Mr. Young.

Mr. Willis with Mr. Long of Maryland.

Mr. Teague of Texas with Mr. Resnick.

Mr. Landrum with Mr. Rhodes of Pennsylvania.

Mr. Stuckey with Mr. Udall.

Mr. Wright with Mr. Hunt.

Mrs. BOLTON, Mr. ASHLEY and Mr. PRYOR changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ASHBROOK. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Ashbrook moves to recommit the bill, H.R. 15198, to the Committee on Education and Labor.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 201, nays 169, answered "present" 1, not voting 61, as follows:

[Roll No. 285]

YEAS—201

Adair
Adams
Addabbo
Albert
Annunzio
Ashley
Ayres
Barrett
Bates
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brotzman
Brown, Calif.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Cleveland
Cohelan
Conte
Conyers
Corbett
Corman
Culver
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Dent
Dingell
Donohue
Dow
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Erlenborn
Esch
Fallon
Farbstein
Fascell
Feighan
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Halleck
Halpern
Hamilton
Hanley
Hansen, Wash.
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holifield
Horton
Howard
Hungate
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Kelly
Kluczynski
Kyros
Laird
McCarthy
McCloskey
McCulloch
McDade
McEwen
McFall
Macdonald, Mass.
MacGregor
Machen
Matsunaga
May
Meeds
Meskill
Michel
Mills
Minish
Mink
Minshall
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Patten
Pelly
Pepper
Perkins
Philbin
Pike
Pirnie
Podell
Price, Ill.
Pryor
Pucinski
Quie
Railsback
Randall
Rees
Reid, N.Y.
Reuss
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Ryan
St Germain

St. Onge
Saylor
Scheuer
Shipley
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stratton
Taft
Tenzer
Thompson, N.J.
Tiernan
Tunney
Vigorito
Walker
Whalen
White
Widnall
Wilson, Charles H.
Wolff
Wydler
Wyman
Yates
Zablocki
Zwach

NAYS—169

Abernethy
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashmore
Baring
Belcher
Berry
Betts
Blackburn
Bow
Bray
Brinkley
Brock
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Cabell
Carter
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Collier
Colmer
Conable
Cowger
Cramer
Curtis
Davis, Ga.
Davis, Wis.
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Edwards, La.
Eshleman
Evans, Colo.
Findley
Fisher
Foley
Fountain
Fuqua
Galifianakis
Gardner
Gathings
Gettys
Goodling
Griffin
Gross
Hagan
Haley
Hall
Hammerschmidt
Hanna
Harrison
Harsha
Harvey
Henderson
Hicks
Hosmer
Hull
Hutchinson
Jarman
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Langen
Latta
Leggett
Lipscomb
Lloyd
Lukens
McClory
McClure
Mahon
Marsh
Martin
Mayne
Miller, Ohio
Mize
Montgomery
Moss
Nichols
O'Neal, Ga.
Ottinger
Passman
Pettis
Pickle
Poage
Poff
Pollock
Price, Tex.
Purcell
Quillen
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Riegle
Rivers
Roberts
Robison
Rogers, Fla.
Roth
Rumsfeld
Ruppe
Sandman
Satterfield
Schadeberg
Scherle
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shriver
Sikes
Smith, Calif.
Smith, Okla.
Springer
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Ullman
Utt
Van Deerlin
Vander Jagt
Waggonner
Waldie
Watkins
Watson
Watts
Whalley
Whitener
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyatt
Wylie
Zion

ANSWERED "PRESENT"—1

Keith

NOT VOTING—61

Abbitt
Anderson, Tenn.
Arends
Aspinall
Battin
Blanton
Celler
Clark
Cunningham
Diggs
Dole
Eilberg
Everett
Evins, Tenn.
Fino
Flood
Flynt
Fulton, Tenn.
Gallagher
Gubser
Gurney
Hansen, Idaho
Hardy
Hawkins
Hébert
Herlong
Holland
Hunt
Karsten
King, Calif.
Kirwan
Kupferman
Landrum
Lennon
Long, La.
Long, Md.
McDonald, Mich.
McMillan
Madden
Mailliard
Mathias, Calif.
Mathias, Md.
Miller, Calif.
Moore
Morton
Mosher
Patman
Rarick
Resnick
Rhodes, Pa.
Snyder
Sullivan
Teague, Tex.
Tuck
Udall
Vanik
Wampler
Whitten
Willis
Wright
Young

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Keith for, with Mr. Arends against.
Mr. Kirwan for, with Mr. Abbitt against.
Mr. Celler for, with Mr. Mathias of California against.
Mr. Madden for, with Mr. Tuck against.
Mr. Kupferman for, with Mr. Gurney against.
Mr. Fino for, with Mr. Moore against.
Mr. Miller of California for, with Mr. Morton against.
Mr. Eilberg for, with Mr. Snyder against.
Mr. Hawkins for, with Mr. Everett against.
Mrs. Sullivan for, with Mr. Herlong against.
Mr. Vanik for, with Mr. McMillan against.
Mr. Gallagher for, with Mr. Rarick against.

Until further notice:

Mr. Anderson of Tennessee with Mr. Dole.
Mr. Evins of Tennessee with Mr. Battin.
Mr. Aspinall with Mr. Cunningham.
Mr. Blanton with Mr. Mosher.
Mr. King of California with Mr. Gubser.
Mr. Lennon with Mr. Wampler.
Mr. Clark with Mr. Hunt.
Mr. Long of Louisiana with Mr. Hansen of Idaho.
Mr. Hébert with Mr. Mailliard.
Mr. Flood with Mr. Mathias of Maryland.
Mr. Flynt with Mr. McDonald of Michigan.
Mr. Fulton of Tennessee with Mr. Patman.
Mr. Resnick with Mr. Rhodes of Pennsylvania.
Mr. Holland with Mr. Diggs.
Mr. Teague of Texas with Mr. Landrum.
Mr. Young with Mr. Willis.
Mr. Hardy with Mr. Wright.
Mr. Whitten with Mr. Long of Maryland.

Messrs. **BLATNIK** and **BURTON** of California changed their votes from "nay" to "yea."

Mr. **HARSHA** changed his vote from "yea" to "nay."

Mr. **KEITH**. Mr. Speaker, I have a live pair with the gentleman from Illinois [Mr. ARENDS]. If he had been present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REQUEST TO MEET AT 11 A.M. TOMORROW

Mr. **ALBERT**. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a.m. tomorrow.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

Mr. **GROSS**. Mr. Speaker, I object.

The **SPEAKER**. Objection is heard.

ATOMIC ENERGY RESEARCH PROGRAMS

Mr. **SAYLOR**. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. **SAYLOR**. Mr. Speaker, the Food and Drug Administration's order to take irradiated bacon out of Army and Air Force mess halls is further testimony of the need for an investigation of the Atomic Energy Commission's programs.

To justify its expenditures for the food irradiation program, AEC at one time devoted a campaign to promoting the new wonders of a process that would make refrigeration of meats unnecessary. Some of my colleagues may remember that gullible members of the Joint Commission on Atomic Energy displayed atomic hors d'oeuvres in their offices to advertise that the tidbits could be kept at room temperature indefinitely without fear of spoilage. In view of the FDA disclosures, it is hoped that no one munched on the morsels.

Servicemen, however, were unknowingly fed irradiated bacon for the past 2 years, according to testimony reported last week. The Army alone has spent $6.2 million on the AEC's food irradiation program.

As explained in the news item from the July 19 Washington Post, which I insert in the RECORD at the conclusion of my remarks, irradiated meats fed rats not only caused a 25-percent increase in stillbirths but also resulted in a lower red-blood and hemoglobin count among the rodents. It was apparently in the light of this information that FDA issued its desist order.

AEC's dangerous policy of going ahead without proper study of nuclear hazards could result in "wide disaster" in the case of atomic power stations. Instead of devoting whatever number of years may be necessary to make certain that radioactivity from a reactor will not pollute air or water, AEC has proceeded to promote atomic plants all over the country despite the fact that insurance companies will not sell protection to homeowners against the hazards of these nuclear devices.

The Post article follows:

ARMY WILL HALT USE OF IRRADIATED MEATS

(By Thomas O'Toole)

The irradiated bacon that the Army and the Air Force have fed to troops at 12 U.S. military bases for the past two years has been ordered out of the mess halls by the Food and Drug Administration.

In testimony that was to be given before Congress yesterday, the FDA said it rejected the Army's petition to begin serving irradiated ham to soldiers, and that this decision led it to "re-review the data" on which it approved the bacon two years ago.

Both decisions are a blow to the food irradiation program conducted by the Atomic Energy Commission for the past 16 years, on which the Army alone had spent $6.2 million.

By 1974 the Army had planned to feed its troops irradiated ham, pork, and chicken. A few years later, it wanted to introduce irradiated hamburger, corned beef, sausage, frankfurters and codfish cakes to its menu.

The advantage of irradiated meats is that they do not have to be refrigerated, because radiation kills the bacteria that cause the meats to spoil.

But recent research by the FDA has led it to speculate that the irradiated meats may not be as safe as once thought.

In testimony that he was to give before the Joint Committee on Atomic Energy, Dr. Daniel Banes, Associate Commissioner of the FDA, said that irradiated bacon eaten by rats caused a 25 per cent increase in still births in the rat colony.

At the same time, Dr. Banes said, irradiated meats were found to have lower protein and vitamin content than non-irradiated meats, resulting in a lower red-blood cell and hemoglobin count among rats fed the irradiated meat.

In view of the FDA's action, the Army told the Joint Committee that it would withdraw its irradiated meats from mess halls and begin new research to increase and prove their safety.

ALABAMA SCHOOLS

Mr. DICKINSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial.

The **SPEAKER.** Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Speaker, millions of words have been spoken and much has been written about the problems of desegregating the Alabama school system. Thus I regret the necessity for once again having to bring this matter to the attention of this body. But now that the State of Alabama has an operative freedom-of-choice plan, which was duly filed with the Office of Education and accepted, the Department of Justice, through the Fifth Circuit Court of Appeals, is trying to upset the whole applecart by replacing the freedom-of-choice plan by a zoning plan which would forcibly mix the races without any concern for the wants of the people. I wonder at times such as these: Where is democracy, just how much do the feelings and wishes of the people mean to the Government?

Alabama is complying with the Civil Rights Act of 1964 and 1965. These same acts prohibited Federal officials from forcing racial balance in schools through busing of pupils. Now, I ask, is there any difference in reality, in spirit between forcing integration by busing and forcing integration by arbitrary zoning? This, of course, may be a moot point considering the recent decisions of the Supreme Court, but I ask you to keep what I have said in mind; recently the Montgomery Advertiser ran an editorial which I think is excellent and which I believe explains the problem well and I insert it in the Record at this point:

ALABAMA SCHOOLS AT THE BRINK

Alabama schools, and vital public support for them, stand today on the brink. The first state test of the federal government's brinkmanship will be made in Mobile, as white parents attempt to restore freedom of choice. The Fifth Circuit Court of Appeals had ordered freedom of choice replaced by a radical zoning plan which would specifically deny student options.

The U.S. Supreme Court has upheld the substitution of arbitrary integration by zoning if this is more effective in achieving the total mix which the court thinks is the higher good.

As we have said, gerrymandered integration—which is all this is and which is the issue before Mobile District Judge Daniel H. Thomas today—is certainly faster in theory than freedom of choice. It has been seen, in district after district over the South, that given a fair and unfettered choice, most pupils and parents of both races prefer to attend school populated in the main by those of their own race—if those schools offer education of comparable quality.

Freedom of choice, with the voluntary desegregation it permitted, has been generally accepted over the South, however grudgingly and however tardily in some places. But this is not enough for the appeals court or the Supreme Court which, sitting there in Olympian detachment from practical problems and non-malleable attitudes of the mortals, has decreed that if free-choice fails to totally integrate (as it always will) then integration must be forced on both races.

Specifically, this means in Mobile that in September 1,400 white pupils would be forced to attend formerly all-Negro schools and 2,500 Negroes would be dispatched willy-nilly to previously white schools.

It doesn't matter that some or most of those of either race would prefer otherwise: neither they nor their parents are assumed to have any judicially recognized judgment in such matters. That determination, the appeals court and the Supreme Court have said, is a judicial one, when freedom of choice fails to produce the appropriate colloidal suspension of black and white children.

As this confrontation is going on, the Justice Department has asked the three-judge court which required statewide desegregation of 99 districts to require the Mobile kind of fruitbasket turnover in 76 of these. In these districts, it is alleged, freedom of choice has failed to produce a mix ratio suitable to the tinkerers.

In Mobile, Judge Thomas did not invent the fantastic, authoritarian order he has been forced to implement. It was handed to him by the Court of Appeals, with orders to put it into effect and no back talk.

Today Judge Thomas is to be shown reasons why he should revert to freedom of choice. But unless there has been some communication from the appeals court, conceivably realizing that it might indeed have stretched the spring of public acceptance beyond the limit of elasticity, what can he do?

Knowing as he does the feeling in his community, where 13,000 citizens have allied themselves in an unprecedented indignation movement, Thomas must feel tremendous pressure from above and around him. He may try, once again, to rule counter to the appellate mandate and hope the appeals court can somehow find a way to back out of a destructive order, the antithesis of the democratic society. But that is asking quite a lot of a judge.

When the U.S. Supreme Court found, in 1954, that separate was *not* equal, 58 years had passed since *Plessy vs. Ferguson* had said it was. The court was chided, by those disposed to social revolution, as being behind the times.

If it was tardy then in doing what it considered right by Negroes, because of the psychological damage imputed to compulsory segregation, might it not be tardy now in recognizing a new mood among Negro leaders? Many of them have finally realized that synthetic integration is more damaging and less beneficial than transitional separatism, a period during which the Negro community would improve its own economy and employment opportunities.

The shift now is away from the emphasis on civil rights and integration. Leading the shift are some of the best leaders Negroes have. On many campuses, Negro students are demanding separate dormitories. A revival of racial pride is evident in the organization of Afro-American groups. Listen to a few Negro leaders with impeccable credentials:

Horman B. Houston, senior vice president of a Negro-owned insurance company and former president of NAACP in Los Angeles:

"Young black intellectuals and militants are just being realistic (in doubting that integration is a panacea). They know that integration *is not an immediate possibility*. . . . Negroes are trying to build their own society, just as the Japanese and Jews did."

Whitney Young, director of the Urban League: "After years of hoping, now we must face the reality that we are more segregated than ever before. *We do not seek integration*. We are seeking an open society . . . The ultimate goal is still a free society, *where people have free choice.*"

Dr. Thomas W. Matthews, New York City neurosurgeon and president of an inspired national program of self-help for Negroes: ". . . The real basis of friendship is that I have something to offer you, and you have something to offer me—that we need one another. There must be interdependence. We *cannot have real integration until we have integration of equals.*"

The wave of the immediate future among Negro thinkers is running against arbitrary integration and toward an independent development of Negro ambition, opportunity and education within the Negro community.

If the federal courts were late in recognizing the claimed evils of forced segregation, they may well be late in comprehending the new realism of Negroes, which scorns forced integration and even, in some instances, voluntary integration.

In Alabama the full weight, power and majesty of the federal courts are now directed at imposing a notion of brotherhood which may well destroy public education and which many Negro leaders now regard as undesirable—if only because the hearts and minds of people cannot be changed by fiat. (Which may sound familiar.)

To that extent, they are years ahead of the federal courts' current thinking. The distance may be as great as that between the *Plessy* decision of 1896 and the *Brown* decision of 1954.

But whether the conventional wisdom of the courts is right or wrong as an ideal, the consequences of imposing this in a Reconstruction II fashion are unquestionably wrong in practical application—for whites and Negroes alike.

We like to think the courts capable of an agonizing reappraisal of the course they have set. But there is nothing in recent experience (save the silent understanding of district judges) to suggest this conversion is likely.

If the Justice Department persists in its quest for a Pyrrhic victory, what will it have accomplished in our state, when public support for schools collapse, falling (as always) unevenly on the heads of Negro children?

When we are not furious over the course the federal government is pursuing, with all wanton speed, we are frankly amazed that they cannot see the terrible results—in human relations, in support for education—of their obsession, like so many Captains Ahab.

Here in Montgomery, Judge Johnson has shown that he wants to be reasonable and permit freedom of choice a chance to work. We have no way of knowing, but we suspect he is persuaded in his own mind that freedom of choice is as far as Alabamians can be pushed. He, Judge Thomas and other district judges may eventually convince the Court of Appeals and ultimately the Supreme Court.

To do that, however, they must have evidence of good faith of the white community in making freedom of choice *really free*.

If there are any ugly scenes by angry whites in Mobile today, that can only fire the abolitionist zeal of the courts of review, which might otherwise ease away from an impossible order.

That the higher courts might relent is, to be sure, a slim hope. But it may be the only one.

TEMPORARY CUTBACK IN FLIGHTS MAY BE PREFERABLE—IS FAA STUMPED BY AIR TRAFFIC PROBLEMS?

Mr. TAFT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TAFT. Mr. Speaker, when Orville and Wilbur Wright flew those first 120 feet, on December 17, 1903, I doubt whether even those two great visionaries could have foreseen the problems we are having in air transportation today.

I would have thought, however, that

the Federal Aviation Administration might have anticipated earlier the need for an increased number of air traffic controllers. As most of my colleagues know, FAA has now admitted that it "seriously underestimated" the volume air traffic was to reach in the late 1960's. In fact, they closed their Oklahoma City air traffic control training school, in 1962. But, faced with today's crush of air traffic, they will reopen that school in the fall.

It makes little sense to criticize FAA's shortcomings, at this point. I would hope that they have mobilized some sort of "brain trust" to deal with the situation as it exists today, and to project their plans into the future.

There has been a great deal of talk about a "slow down" on the part of FAA's 14,000 controllers. However, few air travelers would want any compromise with safety and procedures necessary for safe operation.

Having visited several control towers, including Washington National Airport's facility, I do not envy the controller's lot. Few of us could adjust to the constant pressure, especially during peak periods of traffic. To an outsider, a control tower bears a close resemblance to an overheated beehive.

Mr. Speaker, I do not know what the answers are to eliminating the delays in air travel. What is even more discouraging is that even the FAA appears stumped.

So far the problem has only been one of delays and ruffled tempers.

It must not continue. As tempers shorten, reaction times decrease, and safety factors are sacrificed. It would be preferable to see a temporary cutback in the number of flights, as a stopgap measure, rather than to continue to have the increasing delays in the air and on the ground.

For a country that has made as many technological breakthroughs as we have, I feel sure we can conquer this problem. Some claim the electronic sophistication available now could handle it.

Within the next few months, along with several of my colleagues, I plan to conduct a very thorough investigation of the entire field of air safety. The groundwork was laid during the February 4, 1968, Cincinnati Air Safety Conference. Based on the discussions that took place during that roundtable session, we hope to come up with some realistic suggestions for improving air safety. I invite interested citizens to forward their suggestions to me. Whether you have flown or not, air safety must be a major concern.

STEAMFITTER STEW—PART II

Mr. HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, yesterday I discussed on the House floor, an article in this week's issue of Life magazine, which contained some startling disclosures about the Steamfitters Union in St. Louis, Mo. The power exercised by this union and its notorious leader are not limited to the political field, it is also threatening to paralyze the construction industry in St. Louis. As a member of the House Committee on Armed Services I have been deeply concerned with rising construction costs which have hampered essential military construction at Fort Leonard Wood, Mo. An article in the July 11, 1968 issue of the St. Louis Globe-Democrat, illustrates how the Steamfitters Union is able to "write its own ticket," regardless of who is hurt or how much the taxpayer is gouged. Now the Steamfitters Local 562 has won a contract which will bring wages and fringes of the union to $10.45 per hour by June 1972, and will surely set the stage for greater inflationary hikes in building costs next year when other union contracts expire. I shudder to think what effect this will have on military construction, not to mention its impact on construction costs in the private sector. This is practically a direct levy on the taxpayers, by the union. Under unanimous consent I insert this article in the Record:

Skyrocketing Building Costs Here Threaten Construction Industry—Steamfitters New Pay Pact May Set Pattern

(By Ted Schafers)

Are the nation's building trades unions, particularly the steamfitters here, pricing themselves out of work? Many contractors think so.

The reason for this concern is some of the wage settlements that have been won in recent months.

San Francisco carpenters, for example, signed a new package calling for a whopping 32 per cent hike over the next three years. In Detroit plumbers won a wage boost of 17.4 per cent the first year and 10.2 per cent the second year to bring them on an equal basis with Detroit steamfitters. Electricians in Michigan nailed down a two-year package averaging more than $1 an hour in higher wages and fringes.

In Kansas City the operating engineers have signed a new three year contract calling for $2.90 more per hour, and in outstate Missouri the engineers have won $2.45 more per hour for three years after a short strike.

In addition, starting next year outstate contractors must give the operating engineers eight hours pay if they are called on the job, which is bound to slow down construction if there is the slightest threat of rain or equipment failure.

This has left the nation's construction industry in a turmoil. And St. Louis is no exception.

The blockbuster announced here Monday by Steamfitters Local 562 and the Mechanical Contractors Assn., bringing wages and fringes of this union to $10.45 per hour by June 1972, certainly set the stage for another inflationary hike in building costs next year when contracts of almost all St. Louis building trades unions expire.

Here is a sampling of comment from some of the city's major builders:

"If St. Louis follows this pattern we are going to scare off construction of new industrial plants, schools, office-buildings and investor-financed apartments. About all that will be left is publicly-financed construction with the taxpayer picking up the load.

"Contractors here are afraid to bid on large projects requiring more than a year to complete because they have no idea what their labor costs will be beyond next Spring."

One recent successful bidder added 60 cents an hour for each year per man and said: "I'm scared to death I didn't boost my price enough."

Present high construction costs is bound to influence more industries to build new manufacturing plants in rural areas or in the South where labor is cheaper.

"There was a time when bricklayers almost priced themselves out of business by high wages and low productivity. The same thing will happen to steamfitters and other mechanical trades," declared another contractor.

"Designers for big national builders already are at work to eliminate a lot of work done by the high-cost unions," he added.

Inflation has not been limited to labor in construction. Lumber prices have been skyrocketing, due in part to labor, to Japanese buying, demands from the Vietnam war and by giant lumber firms eliminating competition.

One of St. Louis' largest lumber suppliers said some items have jumped 25 to 30 per cent since Jan. 1.

"Some 2x4s I contracted last November to deliver until next November at $113 per 1000 feet now cost me $125."

The inflationary effect on homebuilding, abetted by contracts signed in 1966, including two costly strikes, plus skyrocketing material costs, and record high interest rates, was disclosed in these columns last week. One major builder, working from the same plans, has boosted his homes from $18,990 to $24,990 the past four years—and it's exactly the same house!

"At this rate decent homes for working people will be priced out of the market," the builder said.

"What is needed is a major freeze on all wages and prices. The biggest failure of the Johnson administration is that it did not have the courage to impose wage and price controls two years ago when he heated up the Vietnam war," the builder added.

The new four-year Steamfitter pact which does not take effect until next June was described by sheetmetal contractors as "in line" with other wage agreements reached in other major cities and offering "long range wage stability" for St. Louis.

Builders, however, take a different view. They point out St. Louis steamfitters' wages and fringe benefits were raised from $7.41 an hour to $7.85 an hour this month under the three-year contract signed two years ago. Their wages were $2 to $3 an hour over other St. Louis skilled building trades unions, and far ahead of many contracts of steamfitters in cities comparable to St. Louis.

In Boston, for example, steamfitters recently won a $2.26 hourly increase. But they currently earn only $4.86 an hour. Three years hence they will be getting $7.12. At the end of the new four year pact St. Louis steamfitters will be paid $10.45 per hour in wages and fringes.

When builders were working hard to keep down wage costs in 1966 and hold increases to about 90 cents an hour over three years steamfitters here promoted a settlement of $1.65. The result was other unions won gains ranging from $1.05 to $1.25. The new $2.60 steamfitter pact obviously will pressure bigger settlements for other unions when contracts begin expiring late this year.

What also worries St. Louis builders is that since Steamfitter Boss Larry Callanan resumed power this union has steadily been taking work away from other trades, such as millwrights, iron workers, electricians and laborers by provoking jurisdiction claims.

"Not only are the fitters less productive but you end up paying $2 to $3 more an hour than it cost using the other trades," said a major commercial builder.

Callanan repeatedly has denied his men loaf, declaring: "If my men don't put out a decent day's work I want to know about it because they are being well paid."

Asked why he does not complain if he has a bad crew, the contractor snorted and said: "That's a sure road to suicide—financial and otherwise."

Contractor criticism is not limited to the union. Several builders accused heating contractors of "gutless negotiation" in reaching steamfitter wage agreements.

In reply an industry spokesman said:

"I resent the 'gutless' crack. Where were the other contractors in 1963 when we were on strike? They cancelled contracts of our people who were fighting for a more reasonable settlement simply because of pressure from St. Louis firms who wanted their plants built regardless of our strike.

"The high steamfitter rate here just didn't happen in recent years. We think we got a good contract, particularly in view of what is happening in other parts of the country. The union this time showed a more reasonable attitude than at any time in the past."

Another contractor, whose firm has done more than $100 million of work in the St. Louis area, said:

"What St. Louis needs over the next three years is a real sense of responsibility, so that this area can remain competitive. The current "leap-frog" bargaining mania, with unions constantly trying to outdo the other, must stop. It is too much to expect heads of local unions to solve this problem. It requires national action and in my opinion this will not come until after the November elections.

One veteran building trade negotiator predicted other St. Louis unions may follow the example of the steamfitters and work out new long term contracts before the national elections.

"I think they sense the growing pressure to put a lid on wages and prices before the whole economy goes down the drain. And, that day of reckoning is coming faster than many people think," he declared.

A BAN SHOULD BE PLACED ON SWITCHBLADE AND GRAVITY KNIVES

Mr. WOLFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WOLFF. Mr. Speaker, this knife [Mr. Wolff displayed a mock pearl-handle switchblade with a 4-inch blade] and others like it are murderous instruments. They are crude, brutal tools of violence. And they must be eliminated from American life as part of our effort to control and end violence in this country.

Today, with the support of more than 100 of my colleagues from both sides of the aisle and all parts of the country, I am proposing legislation to effectively ban knives such as this. I have prepared this legislation and secured widespread support within the House because of substantial evidence that there are no legitimate uses for switchblades, and gravity knives for which other types of knives, particularly sheath knives, are not equally well or better suited.

Mr. Speaker, the objections to switchblades are clear and the need for legislation unquestionable. Tomorrow I shall have a special order to elaborate on the seriousness of this situation. At this time, under leave to extend my remarks, I include in the Record a list of the Members supporting this legislation and a copy of the bill I am introducing today:

Sponsors of Switchblade Bill

Brock Adams, Joseph P. Addabbo, William R. Anderson, Frank Annunzio, William A. Barrett, Jonathan B. Bingham, Edward P. Boland, John Brademas, Frank J. Brasco, George E. Brown, Jr., J. Herbert Burke, Daniel E. Button, James A. Byrne.

Hugh L. Carey, Frank M. Clark, Harold R. Collier, Emilio Q. Daddario, Dominick V. Daniels, William L. Dawson, James J. Delaney, John H. Dent, Charles C. Diggs, Jr., John G. Dow, John Duncan, Florence P. Dwyer.

Don Edwards, Joshua Eilberg, George H. Fallon, Leonard Farbstein, Dante B. Fascell, Michael A. Feighan, Paul Findley, Paul A. Fino, Daniel J. Flood, William D. Ford, Donald M. Fraser, Samuel M. Friedel, Peter Frelinghuysen, James G. Fulton.

Cornelius E. Gallagher, Edward A. Garmatz, Robert N. Giaimo, Jacob H. Gilbert, Kenneth J. Gray, Edith Green, Martha W. Griffiths, Seymour Halpern, Julia Butler Hansen, William D. Hathaway, Ken Hechler, Henry Helstoski, Floyd V. Hicks, Chet Holifield, Frank Horton, James J. Howard, William L. Hungate, Joseph E. Karth, Robert W. Kastenmeier, James Kee, Edna F. Kelly, Theodore R. Kupferman, Peter N. Kyros.

Robert L. Leggett, Donald E. Lukens, Richard D. McCarthy, Robert McClory, Paul N. McCloskey, Jr., Robert C. McEwen, Clark MacGregor, Hervery G. Machen, Spark M. Matsunaga, Lloyd Meeds, Joseph G. Minish, Patsy T. Mink, Thomas E. Morgan, John E. Moss, William T. Murphy, Robert N. C. Nix, Barratt O'Hara, Thomas P. O'Neill, Jr., Richard L. Ottinger.

Edward J. Patten, Alexander Pirnie, Melvin Price, Roman C. Pucinski, Ogden R. Reid, Joseph Y. Resnick, Howard W. Robison, Peter W. Rodino, Daniel J. Ronan, Benjamin S. Rosenthal, Edward R. Roybal.

Charles W. Sandman, Jr., James H. Scheuer, Fred Schwengel, B. F. Sisk, Henry P. Smith III, Harley O. Staggers, Samuel S. Stratton, Leonor K. Sullivan, Burt L. Talcott, Herbert Tenzer, Frank Thompson, Jr., Robert O. Tiernan, Morris K. Udall, Lionel Van Deerlin, Guy Vander Jagt.

Joseph P. Vigorito, William B. Widnall, Charles H. Wilson, Larry Winn, Jr., Sidney R. Yates, and Clement J. Zablocki.

H.R. 18951

A bill to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to prohibit the introduction, or manufacture for introduction, into interstate commerce of switchblade knives, and for other purposes", approved August 12, 1958 (15 U.S.C., sec. 1241 and fol.) is amended by striking out the first four sections and inserting in lieu thereof the following:

"Section 1. (a) This Act may be cited as the 'Prohibited Knife Act'.

"(b) The Congress hereby finds and declares that—

"(1) switchblade knives and certain other long-bladed folding knives are especially designed for use as deadly weapons;

"(2) because they are readily available and often blatantly displayed for sale at low prices, these knives are easily acquired by any person, including juveniles, despite State laws prohibiting such sale or acquisition;

"(3) other types of knives are equally well or better suited to every legitimate purpose for which these knives have been used;

"(4) switchblade knives have no redeeming social value whatsoever, and their purpose and the purpose of certain other long-bladed folding knives is restricted almost solely to violence and threatened violence;

"(5) there is a traffic in switchblade knives and certain other long-bladed folding knives moving in or otherwise affecting interstate or foreign commerce, and the existing Federal controls over such traffic do not adequately enable the States to control this traffic within their own borders through the exercise of their police power; and

"(6) only through adequate Federal control over interstate and foreign commerce in these weapons, and over all persons engaging in the business of importing, manufacturing, or dealing in them, can this grave problem be properly dealt with, and effective State and local regulation of this traffic be made possible.

"Sec. 2. For purposes of this Act—

"(1) The term 'switchblade knife' means any knife having a blade which opens automatically, or which is susceptible of being altered so as to open automatically, either—

"(A) by hand pressure applied to a button or other device in the handle of the knife, or

"(B) by operation of inertia, gravity, or both.

"(2) The term 'prohibited knife' means—

"(A) any switchblade knife, and

"(B) any folding knife having a blade the exposed portion of which, when the knife is opened, exceeds three inches in length.

"(3) The term 'State' means any State, any territory or possession of the United States, the Commonwealth of Puerto Rico, and the District of Columbia.

"(4) A person is a resident of a State only if—

"(A) in the case of an individual, his home is in such State,

"(B) in the case of a corporation, the principal office of the corporation is within the State,

"(C) in the case of any other person, its principal place of business is within the State.

"(5) The term 'interstate communications facility' means the postal service, and any facility which is or may be used (either alone or with other facilities) for the transmission, emission, or reception of signs, signals, writings, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic system from a point in any State to a point in another State.

"(6) The term 'Armed Forces' means all regular and reserve components of the uniformed services which are subject to the jurisdiction of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy or the Secretary of the Air Force, the Coast Guard, the National Guard, the Air National Guard, and the militia of any State.

"Sec. 3. (a) Whoever knowingly—

"(1) introduces a prohibited knife, or manufactures a prohibited knife for introduction, into commerce between any State and any place outside thereof,

"(2) carries a prohibited knife from any State to any place outside thereof,

"(3) sells a prohibited knife to any person who is not a resident of the State in which the knife is located and sold,

"(4) by means of any interstate communications facility, sells or buys, or offers to sell or buy, a prohibited knife, or

"(5) possesses a prohibited knife with the intention of violating paragraph (1), (2), (3), or (4), shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"(b) Whoever—

"(1) within any Territory or possession of the United States,

"(2) within Indian country (as defined in section 1151 of title 18 of the United States Code), or

"(3) within the special maritime and territorial jurisdiction of the United States (as defined in section 7 of title 18 of the United States Code),

manufactures, sells, or possesses anv prohibited knife, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"(c) Any person who—

"(1) is engaged in any State in any trade or business in the course of which articles are acquired which were produced outside the State or articles sold or otherwise transferred are taken outside the State, and

"(2) manufactures, sells, or possesses any prohibited knife,

shall be fined not more than $2,000 or imprisoned not more than five years or both.

"(d) Any member or employee of any of the Armed Forces who knowingly gives possession, other than in the performance of his duty, of any prohibited knife to any other person shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"Sec. 4. Section 3 shall not apply to—

"(1) any act performed pursuant to a contract with any of the Armed Forces.

"(2) any common carrier or contract carrier, with respect to any prohibited knife transported by it for delivery to any of the Armed Forces, or

"(3) any member or employee of any of the Armed Forces acting in the performance of his duty."

Sec. 2. The seventh paragraph of section 1716 of title 18 of the United States Code is amended to read as follows:

"All knives having a blade which opens automatically, or which are susceptible of being altered so as to have a blade which opens automatically, either (A) by hand pressure applied to a button or other device in the handle of the knife, or (B) by operation of inertia, gravity, or both, and all folding knives having a blade the exposed portion of which, when the knife is opened, exceeds three inches in length, are nonmailable and shall not be deposited in or carried by the mails or delivered by any postmaster, letter carrier, or other person in the postal service. The preceding sentence shall not apply if—

"(1) the person to whom the knife is to be delivered is a member of and is acting as a supply or procurement officer of, the Armed Forces (as defined in section 2(6) of the Prohibited Knife Act), and

"(2) the knife is to be possessed and used only by members of such Armed Forces and only in the performance of their duties.

The Postmaster General may require, as a condition of conveying any such knife in the mails, that any person proposing to mail such knife explain in writing to the satisfaction of the Postmaster General that the mailing of such knife will not be in violation of this section."

GOVERNMENT AUDIT OF CADDO-BOSSIER — CAP-CAB — POVERTY PROGRAM REVEALS PAYROLL PADDING, CHECK FORGERIES, NONEXISTENT PURCHASES AND GENERAL MISUSE OF FEDERAL FUNDS

The SPEAKER pro tempore (Mr. PATTEN). Under a previous order of the House, the gentleman from Louisiana [Mr. WAGGONNER] is recognized for 60 minutes.

Mr. WAGGONNER. Mr. Speaker, the so-called poverty program was created by the Congress for the purpose of assisting the genuinely deserving people of the Nation, those who cannot, for a number of reasons all beyond their control, provide for themselves. It was noble in concept and an idea that could have borne fruit and could have been a program the Nation could be proud of. It still could be an ideal program to help those who genuinely need a push toward progress and constructive productivity.

But the story of how this program in far too many cases has been turned into the most fantastic boondoggle in the history of the Federal Government, is a story well known to every Member of this body, though there are some who still refuse, for political reasons, to admit it.

In many instances the program has been turned into a vote-buying scheme, a sacking of the Federal Treasury for the benefit of political hacks and hangers-on, a means of subsidizing black power militants and opportunists who seek power and the destruction of orderly government for their own selfish gains and, in general, a scandalous waste of tax dollars unlike anything since the days of bread and circuses in ancient Rome. The slogan, "Poverty Is Where the Money Is" has become a sad truth.

You are all familiar with the stories which have come out of various audits and investigations of poverty programs around the country; how, in Newark, poverty funds were misspent to foment that city's terrible riot last summer, how it financed an operation in Chicago which dealt in dope and sex, how, in case after case around the country, poverty funds were used to pay salaries to street gangs, to hire fleets of Cadillacs, to purchase guns, to produce plays with the theme, "Kill Whitey" and other such abuses far too numerous for me to mention today. You gentlemen know these stories as well as I do.

I know of no man who is more interested than I am in providing assistance to the genuinely needy, to those who deserve the help of the more fortunate. At the same time, I know of no man more opposed than I am to the scandalous misuse of hard-earned tax dollars for the benefit of a selfish clique such as the one which has, in far too many instances, wormed its way into these community action programs.

In short, I have in the past and I always will, support the needy. I have in the past and I always will, oppose the greedy.

When the poverty program was only the germ of an idea years ago, I had a number of reservations about it; not doubts over what it was supposed to do, but doubts as to how to do it. I doubted then that its aims and purposes could be realized within the framework of the helter-skelter, hasty, and haphazard rules and guidelines under which it was established.

Yet, once the program was begun, I turned all my energy toward seeing to it that the most qualified, honorable, and objective local people, both Negro and white, were recruited to operate the program so that the poor and the deserving could get the most out of it.

As you know, Mr. Speaker, I worked closely with the gentlewoman from Oregon, Congresswoman GREEN, to perfect and to help pass the so-called Green amendment to the 1968 Office of Economic Opportunity legislation. This amendment made it possible for the first time for local, elected officials to move into the operation of these local community action programs, to establish sensible controls and to root out the sorry element which has stooped to take food from the hungry, rob the deserving poor of opportunity, and to squander the hard-paid tax dollars of the people for their personal and political pleasure.

I was inspired to work as hard as I did to pass the Green amendment because I was receiving letter after letter from board members, volunteers, paid workers, and beneficiaries of CAP–CAB, the community action program for Caddo and Bossier Parishes of my congressional district. These letters and affidavits told me of thefts, of lavish trips to New Orleans where steaks and champagne flowed like a Roman orgy, of supplies paid for that never existed, of political threats and blackmail, of illicit relationships between Negroes and whites, of check forgeries, nepotism, padded payrolls, of malfeasance and nonfeasance.

It was obvious that the needy of Caddo and Bossier Parishes were receiving only the leftovers. The greedy were skimming off not only the cream but the whole milk as well.

One of the great tragedies of the CAP–CAB scandal is that it has driven from the ranks of its paid workers, its volunteers and its board of directors, including the office of president, many of the area's finest citizens. Some have tenaciously hung on, refusing to give in to the abusers of this program and my hat is off to every one of them. Dedicated men and women have valiantly tried to extract the good from the program. They have tried to turn tax eaters into taxpayers, which was the sole purpose of the program when Congress enacted it into law.

I think, for instance, of the first president of CAP–CAB, Mr. W. C. Rasberry, and the second, Mr. J. Murray Durham, both of whom fought the good fight. Both are respected businessmen and civic leaders. Both struggled against the insurmountable odds of lying and deceit on the part of those who were charged with the workaday responsibilities. Both men resigned in disgust when they found that no amount of time sacrificed from their businesses and personal lives was enough to maintain control over those who could not be trusted, those who hid and withheld information. They found themselves without the necessary votes on the board of directors to control a scandalous operation gone wild.

There are others, honorable, devoted, civic-minded men and women from all walks of life serving in the organization. And it was because of these men and women and in support of them that, on May 29, 1967, I asked the Comptroller General of the United States to conduct a full-scale audit of CAP–CAB. The facts which that audit has revealed strengthens the position of those men and women, shows that they were right in opposing what they knew to be wrong. And it will, I hope, give them and others encouragement to continue the fight.

After the audit was completed but before the report was issued, the Shreveport Journal reported that the acting director of CAP–CAB, Leon Tarver, told the board of directors that it revealed nothing and was a waste of money.

But, being a country boy, I learned early in life that the pig who squeals the loudest is the one pulled away from the trough.

I now have a copy of the General Accounting Office—GAO—audit and I will quote from it and let it speak for itself. The abuses I expected to find have been found. The waste, the forging of checks, the padding of payrolls, the mysterious purchases which cannot be accounted for, the missing payrolls and attendance records, the gross misuses of Federal funds are all confirmed.

Only the fact that enormous amounts of records were either stolen, destroyed or simply never kept, prevents criminal prosecution of those charged with the management of the program and with spending more than $2,700,000.

I quote from page 4 of the GAO audit:

> Our examination of selected financial transactions showed instances where purchase orders were issued without being authorized by the responsible officials; where supply invoices were paid without evidence of receipt of items purchased; and where payroll costs were not supported by any evidence of work performance . . .

Because records were either destroyed or not kept, there is no way now to know exactly how much of this $2,700,000 went down the drain or into someone's pocket. I am personally satisfied that it runs into many thousands of dollars.

Are we to believe the fact these records are missing today is a mere coincidence or an innocent accident? No one can be that naive. The facts contradict such an assumption.

The Office of Economic Opportunity—OEO—in Washington was assured in the applications of CAP–CAB and also in a letter dated May 26, 1966, that a public accounting firm had been retained to review CAP–CAB's accounting procedures. Yet this GAO audit reveals otherwise; that the accounting firm was limited by CAP–CAB to examining "available" documents and canceled checks and only to see if they were signed by authorized persons, to classify expenditures and to the preparation of a "general" ledger.

In January of this year, 20 months after the initial grant, and in response to a request by OEO that their accounting procedures be spelled out, CAP–CAB replied that they were still "in process of reducing its accounting procedures to writing." In March of this year, OEO again demanded some kind of statement from an independent public accountant to prove their controls were adequate.

Two full years after the initial grant to CAP–CAB, it finally got around to furnishing the regional office of OEO that statement.

On page 6, the GAO audit says:

> For a period of approximately 16 months following the award of its initial grant, CAP–CAB did not establish centralized control over purchases. During this period we found no evidence that the several persons authorized to initiate purchases under the various programs administered by CAP–CAB were provided written instructions in sufficient detail to ensure consistence in procurement under several grant programs. Our tests of transactions during this period revealed many instances where purchase orders were issued without written authorization by the responsible officials and where supplier's invoices were paid without supporting evidence that the items paid for had been received by CAP–CAB.

No one will ever know how many of these invoices represented kickbacks or were totally nonexistent purchases in which nothing changed hands but tax dollars. We will never know because, as the audit further states:

> In two programs, the same persons were authorized to order materials, receive the items purchased, approve the vendors' invoices for payment and sign checks for payment of the invoices.

On page 13, the audit states:

> Two CAP–CAB employees' authorizations to sign checks on one or more CAP–CAB bank accounts were continued for extensive periods after their termination of employment. On December 22, 1967, we were informed that the two individuals whose employment had terminated in August 1967 were still authorized to sign and countersign checks on CAP–CAB's Headstart bank account.

No honest person would attempt to operate a peanut stand with the accounting procedures used by CAP–CAB to spend $2,700,000 earmarked to help the needy. Naturally the question arises, Why was this impossible situation created? Who benefited from it?

On June 15, 1967, F. Clark Williams was named executive director of CAP–CAB succeeding Leon Tarver, earlier the associate director but most recently the acting director of CAP–CAB.

Now, Mr. Williams is a college graduate with a bachelor's degree in, of all things, business administration, so he cannot take refuge in ignorance. You don't have to have a college degree in business administration to know that a person who prepares the payroll cannot be the same person who signs the payroll checks, countersigns the same check and then is the person responsible for balancing the bank account.

To establish such a procedure is to issue a license to steal, but that is exactly the procedure followed by CAP–CAB, according to the GAO audit. It was an open invitation to forgeries and manipulations. And that, too, is exactly what happened.

CAP–CAB records show that an employee, one Bobby White, who, according to the audit was an employee of the neighborhood youth program who was responsible for distributing paychecks to program enrollees, admitted forging endorsements on six paychecks totaling $78.47 which had not been claimed by the payees.

Even a casual inquiry into the background of this man would have unearthed an extensive police record, including arrests in Tallahassee, Fla., in March 1964 for eight instances of issuing worthless checks, in May 1964 on two charges of forgery, in that same month for seven more worthless check misdemeanors and in June of that year for five more utterances of worthless checks. An inquiry would also have revealed an arrest in Baton Rouge, La., the fact that he was a parole violator, a disturber of the peace and a falsifier of public records.

But, apparently, no check was ever made.

If this man, a professional forger and hot check artist, confessed to six forgeries of CAP–CAB checks, how many others were there and how many other employees did the same thing? We will never know, but it is an undeniable fact that, the under associate and acting director, Leon Tarver, and director, F. Clark Williams, money earmarked for the needy found its way into the pockets of the privileged few.

It is pathetic to see by this audit report that not even the Headstart program, designed to help disadvantaged preschool children get a start in life, was free from the pillage of the scavengers.

On page 9, the audit states:

> Officials of CAP–CAB were unable to provide support for payrolls totaling $32,805.00 disbursed under the Bossier (Headstart) program during the summer of 1966.

What became of this $32,805? Into whose pockets did it go? How many disadvantaged Negro and white children could truly have been given a head start in life on this money which could not be accounted for? What kind of human is it who steals from the poor children of any race?

The truth is we do not know where this money went but it is easy to understand why many decided to withdraw from such an operation.

The neighborhood youth program was likewise abused and pillaged. According to the GAO audit, on page 9, CAP–CAB could provide time and attendance reports for only one weekly period between October and December 1966. What went on in the other 12 weeks? If one report was kept, why not the others? What became of the $510,620 granted CAP–CAB by the Department of Labor in October 1966? Where did the money go? Nobody knows, but the GAO audit plainly states it cannot be accounted for.

Let us look at another example. On page 10 the audit states:

> Time and attendance reports were not prepared in support of payroll disbursements . . . from . . . April 1966 until June 1967. CAP–CAB personnel could provide us with no other record to support payrolls totaling $41,624.00 disbursed to central office employees during this period.

What work, if any, was done for that $41,624? There are no records to say. They were either destroyed or not kept at all; we will never know which, but no reasonable man or woman can think that the failure to keep such records or that the destruction of such records was innocent happenstance.

Payroll padding and falsification of records were common occurrences at CAP–CAB. The GAO audit states on page 10:

> Our tests showed that 15 persons employed in the 1967 summer Headstart program were paid a total of $508.25 for working on certain days, although related time and attendance reports did not show that these persons were present on those days and, in several instances, specifically identified the employees as having been absent.

If a random test in one program in the sketchy records left behind reveal falsification in the records of 15 persons, how many falsifications would have been found if every record of every program had been examined? Where did the money go? We will never know, but the GAO audit plainly states it cannot be accounted for.

In at least one instance we can determine the role of the executive director in all this. On pages 10 and 11, the GAO audit says:

> In one case, we noted that a central office employee initialed a time and attendance report on which an absence for 5 workdays was shown as "absent for unauthorized reasons" but that this report was subsequently revised by the Executive Director to show, instead, that the employee was present for the same 5 days.

Mr. F. Clark Williams was the executive director at that time and if he was guilty of falsifying records, what were those serving under him allowed to do to rob the poor?

Well, here is one other instance the auditors caught. On page 24, the audit tells the story of $2,000 worth of food ordered without authorization, supposedly to feed underprivileged children in the Headstart program. A member of the board of directors found about the unauthorized purchase and ordered the food returned to the seller. Of the $2,000 worth, only $661.45 worth was recovered. The audit report states:

> Available information did not permit a determination as to how much had been used to feed the children.

If the disadvantaged children got anything at all, it was only a crumb. The greedy got the cake.

Another example of the lack of controls over the expenditure of this $2,700,000 was the fact that, for 17 months, CAP–CAB had no written policies or instructions regarding travel, travel pay, expenses or the use of the 16 automobiles requisitioned for the use of their officials. Again, GAO auditors were only able to take a sampling of these transactions, but on page 8 of the audit, they say:

> Our test transactions for the period September through December 1967 showed that central office employees did not submit travel vouchers to account for funds advanced to them for official out-of-town travel. As a result, CAP–CAB did not have reasonable assurance that the funds advanced had been properly used.

We will never know, but a reasonable man can say that it is a safe assumption that the funds were not properly used. And I remind you that the executive director who sat in that central office holds a college degree in Business Administration.

Where did the money go? We will never know, but the GAO audit plainly states it cannot be accounted for.

On page 7, the auditors say this in their report:

> In some cases employees were paid a per diem allowance while in other cases employees were reimbursed for reported actual expenses, times of departure and return were not reported, and therefore a determination could not be made as to whether the amounts reimbursed were within the maximum daily rate prescribed by OEO.

Who were the favored employees who took these phantom trips which started who-knows-when and ended who-knows-when and who were reimbursed for whatever they reported spending without a voucher to prove it? We will never know for sure, but the GAO audit plainly states that it happened.

It was not until January of this year that CAP–CAB finally established controls over this vouchering. Twenty months went by during which I received letters and phone calls telling me of lavish trips to New Orleans and weekends in plush Texas resort hotels by CAP–CAB officials.

The sordid story of CAP–CAB includes such other shenanigans as invoices for office rent which, in reality, paid for food and drinks for the paid employees of CAP–CAB, employees who were paid for holding down two different jobs at the same time, of sisters, brothers, and wives loaded onto the payroll, and of workers imported from out of the State for jobs that could have been filled better by local men and women.

And I pause here, Mr. Speaker, to remind you and the Members of the House, that the statements quoted here, the dollars-and-cents figures and the revelations of their misuse are not my statements, not my figures, not my revelations, but those of the General Accounting Office over the signature of Frank H. Weitzel, Acting Comptroller General of the United States.

All the while the community action program was being looted, this same clique who controlled the policies of CAP–CAB, who hired the personnel and directed the programs, turned their attention to building a political machine, lobbying and fomenting racial discord, all of which are forbidden by Federal statutes and OEO regulations.

This political activity of Negro members of the CAP–CAB board of directors came to the full attention of the public when 14 members of the board, one former member of the board, and four others directly associated with CAP–CAB showed up as the board of directors of an organization called the United Democratic Campaign Committee, headed by Leon R. Tarver, former associate director and later acting director of CAP–CAB. The 14 board members were:

Rev. M. M. Flynn, Rev. J. D. V. Hamilton, Ben Howard, Alphonse Jackson, Jr., Rev. E. E. Jones, Dr. C. M. Lester, Mrs. Mamie Love, Rev. C. C. McLain, Dr. L. C. Pendelton, Rev. J. B. Simmons, Mrs. B. R. Simpkins, Jesse N. Stone, Jr., Leon R. Tarver, and Thomas J .Walker.

The former CAP–CAB Board member was T. J. Hawkins.

Four directly associated with CAP–CAB were Rev. C. E. Galloway, President of the association which owned the facility used for the Lakeside Neighborhood Service Center, Mrs. Kattie—Katye—Pringle, associated with Herman Pringle, assistant director of a Neighborhood Service Center; Rev. C. F. Robertson, pastor of the Hollywood Baptist Church which was used as a Headstart Center and Alonzo Wallette, brother of Gerald Wallette, associate director of CAP–CAB and brother of Nola Wallette, counselor of the Neighborhood Youth Corps.

This committee of CAP–CAB board members and associates made no bones about the fact that they were CAP–CAB in political action; that their support was CAP–CAB support. They played a major role in the political affairs of the area, but that is another subject and not a part of this audit, so I will not dwell on it.

Among the political activity engaged in by CAP–CAB was the use of CAP–CAB automobiles and personnel to transport people to the office of the registrar of voters. In this connection, the audit report, on page 21 notes that one CAP–CAB employee admitted that "while transporting those prospective registrants to the office of the registrar of voters, he had informed them of the political party affiliation of former presidential candidates."

Such political activity is clearly prohibited by Federal statutes as well as OEO regulations. Yet the practice of rounding up voters and instructing them how to vote was so widespread and open that it was observed at the polls by the commissioner of public safety and the chief of police of Shreveport. The audit report, on page 21, recounts how they saw and heard the associate director of CAP–CAB, Leon Tarver, recommending specific candidates to voters approaching the polls.

Perhaps the most notorious political activity engaged in by the militant clique of CAP–CAB's board of directors occured when Jesse N. Stone, Jr., an attorney for Gov. John McKeithen's so-called Biracial Committee, Graham Rogers, Leon Tarver, Dr. L. C. Pendelton, Carl Belcher, and Alphonse Jackson, Jr., asked the Department of Justice to send Federal registrars into the Fourth District. When the Attorney General agreed to do so, I confronted him personally and asked why the registrars were being sent.

He readily admitted that there had been no discrimination against Negro applicants in the district. He stated that the only reason for sending the registrars was "to register more Negroes," that the percentage then registered was "unsatisfactory" to the Federal Government. I asked him if the registrars would make an equal effort to assist whites to register, particularly the elderly and the handicapped, and his reply was that the percentage of whites registered "was satisfactory already."

We have this group of board members of CAP–CAB to thank for this flagrant violation of both the Constitution of the United States and, specifically, the Voting Rights Act of 1965, which was supposed to prevent racial discrimination, not foster it.

The tragedy is that the money, time, energy, and materiel of CAP–CAB were used, not to help the needy, but to further the political ambitions of this clique which dominated CAP–CAB, this clique which boasted publicly that it was going to use the resources of CAP–CAB to clean out city hall, the court house, and Washington.

When the 1968 Office of Economic Opportunity legislation came before the House, I was flooded with a deluge of letters asking me to work against the Green amendment which I had a major part in adding to that legislation. In 1 day, I received more than 250 letters, all of them paid for with money appropriated to help the needy, by using the CAP–CAB postage meter.

I immediately turned the letters over to the Justice Department for an investigation. When investigators appeared in Shreveport, the executive director of CAP–CAB, F. Clark Williams, hurriedly released a statement to the news media stating that it was he himself who had "uncovered" the mailing and had asked for an investigation. He threw up his hands in mock horror and stated that he had no idea how it happened and that he knew nothing about it.

This false statement is exposed on page 18 of the audit report when, apparently fearing charges of perjury, Williams admitted that he had been present during the meeting when the mailing was discussed and further, that CAP–CAB manpower, postage, resources, envelopes, and paper had been used in their lobbying effort.

Other examples of political activity engaged in by employees and officials of CAP–CAB range on and on, including counseling pickets at a local record shop, signing newspaper advertisements calling for boycotts of local businesses, attendance at meetings of the NAACP at which black power and how to use it was the repeated topic, to name but a few examples.

To supplement their own program of racial discord, outside organizations have been hired with poverty funds whose recommendations include the use of force and violence on local merchants. One such recommendation, prepared by a counseling firm known as Critical Paths, Inc., of New York, contains these points:

> (1) the fact that force, even physical force must be used in recruiting and retraining recruitees in training. (2) force must be used in obtaining placement of a specified number of security guards at Southern University in Shreveport and (3) that the Director of the Manpower Program should go to major employers and insist upon knowing the number of employees the company will hire in the immediate future. (4) The threat of a riot should be used as a force tactic.

These, Mr. Speaker, are but examples of how Federal funds have been misused in the CAP–CAB operation and the people who must take the blame are the ones who dominated the board of directors, did the hiring and firing, laid down the policies and rammed them through over the outnumbered men and women of decency and commonsense.

I do not know who stole this money, Mr. Speaker, and I do not accuse any individual. I cannot because the General Accounting Office could not find sufficient records over the past 2 years to pin the guilty to the wall. The audit reads like a broken record as the auditors say over and over, "there were no records," "no records were kept," "we don't know whether the money fed the children," "there were no records," "there were no records."

I am happy to say that, last week, CAP–CAB came in for a total reorganization when local, elected officials, by authority of the Green amendment, took over the operation of the program. There is a ray of hope that responsible officials can conduct a wholesale housecleaning of the thieves, the manipulators and the power-mad who have for more than 2 years, bled this program dry and prostituted it for their own selfish interests. Perhaps now, the poor will have a chance.

CAP–CAB has been a travesty in which Negroes and whites robbed disadvantaged children of both races and consorted with each other in the doing. While this clique grew fat on Federal funds, built their political machine and blackmailed and threatened their way into power, the needy and the deserving poor got only the crumbs under the table.

Only the absence of records long since destroyed or never kept prevents criminal prosecution of the guilty. But the ones who allowed all this to happen, who dominated the program and the board and have openly boasted about it, the Clark Williams, the Jesse Stones, the Leon Tarvers, the Dr. Pendletons, the Graham Rogers, and the Alphonse Jacksons will not likely escape the scorn and contempt of their fellow citizens.

There may have been others and there probably was, but they all sought to climb over the bodies of the disadvantaged to gain their own ends in a way in which concerned and decent men, regardless of their race, color or creed, would never have done.

THE DRAFT RULES SHOULD BE CHANGED

The SPEAKER pro tempore (Mr. PATMAN). Under previous order of the House the Chair recognizes the gentleman from Ohio [Mr. VANIK] for 10 minutes.

Mr. VANIK. Mr. Speaker, although it is heartening to learn that current draft calls are the lowest in many months, the need for changes in draft procedures is a matter of grave concern.

The settlement of the Vietnam war may further reduce draft demands. Now would be a good time to correct basic inequities.

I have always advocated draft selection by lottery. It is the only fair and impartial way to conscript manpower to meet military needs. The lottery would determine those subject to call and those exempt. Under this procedure, both groups could make appropriate plans.

The archaic machinery of the draft is a carryover from World War II days. Draft districts are no longer equal in size or in the development of eligibles. Volunteer draft board members have been overburdened with problems of classification and administration. Draft boards have operated without adequate assistance from other branches of the Government. The registrant is not provided with advisory service and counsel.

The regulations have encouraged inequities and wide divergence in standards for induction. Draft call quotas are based on the number of eligibles available in each draft district. A strict board, one which aggressively pursues registrants faces higher quotas, while lax boards meet reduced quotas. No effort is made within a State to provide an equalization among the boards.

As a result, urban draft calls are considerably more severe than those in rural areas. The cities have been producing more than their share of draftees and enrollees while farm areas have produced less than their per capita share. Some of the disparity results from the agricultural exemption under which an otherwise eligible draftee is deferred because of farm work.

My office has been flooded with far more critical and justifiable cases for deferment. Family business enterprises have been crippled and sold because of the draft. Critically needed teachers and police officers have been called to service.

Factory technicians and plant managers vital to the operation of large industrial operations were called to the service. Families have been made into public dependents because of the drafted young workers acting as family head. Hardship which is difficult to prove to the draft board becomes readily apparent to the supporting social agency.

Some families have given all of their young men to the draft, some of whom became casualties. The draft regulations do not limit the demand on any one family until only one son is left. This is deplorable.

Communication and understanding are prime requirements for a draft system.

I therefore urge that the draft boards be increased from three to five members and that an effort be made to select at least one of the new members from the group under 26 years of age which is subject to the draft and eligible for call. This involvement of the young eligibles is absolutely essential for communication. I cannot conceive of a system which denies representation for those so vitally affected by draft decisions.

I also urge that all new draft board appointments be made from the draft district in which they are to serve. A board should be representative of the community it serves.

The formulation of draft regulations is almost a private affair. They involve the public—they should be properly discussed and determined. Every family and every draft eligible should be provided with full and complete printed information on regulations and requirements, obligations and rights of the registrant at the time of registration.

A young man is a civilian until he is inducted by the military. Although the military must determine draft needs, the selection process should be handled by civilians. The military draft machinery should be substituted by a civilian administration including the National Selective Service Director.

These changes should be made until such time as Congress can develop sufficient support for a better system of selection.

INDEPENDENCE OF LIBERIA

The SPEAKER pro tempore. Under previous order of the House the Chair recognizes the gentleman from Illinois [Mr. O'HARA] for 5 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, today is the anniversary of one of the oldest and closest friends of the United States on the continent of Africa, the Republic of Liberia.

On this happy occasion let me repeat for the record the message sent to the very able President of that country, His Excellency William V. S. Tubman, by the President of the United States:

> The people of the United States of America take pleasure in commemorating this anniversary of the independence of Liberia. On this occasion their hearty congratulations and felicitations together with my own are extended to you and the people of Liberia in renewal of the strong bonds of friendship existing between our two countries.
>
> LYNDON B. JOHNSON.

Let me add to this message of felicitations the good wishes of the people of America, the Congress of the United States, and my personal greetings. The Republic of Liberia is fortunate in being represented in the United States by its competent, genial, and learned Ambassador, His Excellency S. Edward Peal to whom I also extend good wishes.

INACTION ON THE "PUEBLO"

The **SPEAKER** pro tempore. Under previous order of the House the Chair recognizes the gentleman from Alaska [Mr. POLLOCK] for 15 minutes.

Mr. POLLOCK. Mr. Speaker, I would like to take this opportunity to compliment my distinguished colleague from Iowa [Mr. SCHERLE] on his ceaseless efforts to keep the grave situation of the *Pueblo* and its crew foremost in the hearts and minds of the American public. The plight of the *Pueblo* is a matter of urgent concern to us all and it must not be forgotten for a moment until the predicament has been resolved. That Mr. SCHERLE has taken it upon himself to champion this cause is a credit to him as a loyal servant of the Nation and as a worthy Member of the 90th Congress.

The fact that the American public has been kept in ignorance of the facts surrounding the seizure of the *Pueblo* by North Korea on January 23, 1968, is an insult to our intelligence. The administration can point to no step accomplished toward the release of our men and their ship, and so they say nothing. Such a maneuver as the callup of 15,000 reservists shortly after the original incident was a poor bluff and a deception, a ruse to increase the men in uniform. The attention of America and the world will not be diverted by such a feeble contrivance.

That the *Pueblo* was seized is attributable to the gross incompetence of high officials in our Government, and the continuing failure of the administration to retrieve the ship and crew is one more example of its inability to carry out the responsibilities entrusted to them by the people. We send thousands of our men to fight for the freedom of others, yet we seem unable to free these Americans who have been in the clutches of the North Koreans for over 6 months now. The weakness of the leadership of our country is inexcusable; a change is necessary.

While working for that change and waiting for it to be effected, there are many things we can do to relieve the victims of an incompetent administration. There is a bill before the House right now to indemnify the imprisoned crew of the *Pueblo*. The least we can do for these men is to grant them and their families hostile fire pay as a small measure of compensation for their captivity. However, the efforts of the Department of Defense to have this bill cover all similar situations in the future brings up the problem of how many mistakes like the *Pueblo* is the administration anticipating. There is absolutely no justification for a recurrence of such an incident anywhere on the globe.

The predicament of the *Pueblo* is symptomatic of the grave situation facing our Nation today. A leadership so reluctant to take decisive action on such a vital issue as the imprisonment of American servicemen by a foreign country displays its ignominious fear and weakness for all to see and further tarnishes an already badly damaged prestige and respect for this country in the world. We must restore the image of courage, strength and honor for this Nation, but this can only be accomplished by changing the policymakers at the top.

PUERTO RICAN CONSTITUTION DAY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 10 minutes.

Mr. RYAN. Mr. Speaker, today we observe the 16th annual Puerto Rican Constitution Day, commemorating the attainment of commonwealth status by Puerto Rico on July 25, 1952. I congratulate our distinguished colleague, the Resident Commissioner from Puerto Rico, SANTIAGO POLANCO-ABREU, on the excellent social progress his commonwealth has achieved. The people of Puerto Rico are fortunate in having such a dedicated and able representative serving their interest in the Congress.

U.S. association with Puerto Rico dates back to July 25, 1898, when American forces involved in the Spanish-American War landed at Guanica. When the United States retained possession of the island after the war, Congress passed the Foraker Act of 1900, establishing a government for Puerto Rico under which the President of the United States appointed the Governor and the upper house of a bicameral legislature. Only 3 years earlier a long political battle had been climaxed by the winning of a substantial degree of autonomy from Spain, so this document was deeply resented.

Largely through the dedicated efforts of Luis Muñoz Rivera, Puerto Rico's first Resident Commissioner, Congress was finally moved to pass the Jones bill providing substantial reform. The bill, which President Wilson signed into law on March 17, 1917, vested legislative authority in a house and senate, both elected by popular vote. However, the Governor, key members of the cabinet, and supreme court justices continued to be appointed by the President of the United States.

The crucial period in Puerto Rico's recent development began in 1940 when Luis Muñoz Marín, son of the first Puerto Rican Resident Commissioner founded the Popular Democratic Party. Stressing economic reform, the party swept into office, and with the helpful efforts of Gov. Rexford G. Tugwell, made tremendous strides toward transforming Puerto Rico from an underdeveloped agricultural nation with a one-crop economy into a modern industrial society with a diversified economic base. Through Operation Bootstrap astounding progress was made over 15 years as reflected in these figures:

SELECTED INDICATORS OF SOCIAL AND ECONOMIC PROGRESS

Item	1939-40	1948-49	1954-55	1957-58	1958-59	1959-60	1960-61	1964-65
Production (gross product):								
In current prices (millions of dollars)	287	718	1,133	1,315	1,406	1,645	1,789	2,757
In 1954 prices (millions of dollars)	499	803	1,131	1,218	1,295	1,484	1,587	2,083
Per capita (current dollars)	154	327	504	572	604	708	759	1,068
Per capita (1954 dollars)	269	366	503	530	556	639	673	807
Personal consumption expenditures (millions of dollars)	236	635	958	1,108	1,117	1,353	1,442	2,245
Gross fixed domestic investment (millions of dollars)	23	116	196	276	292	348	367	714
Net income:								
In current prices (millions of dollars)	225	597	935	1,067	1,148	1,362	1,465	2,321
Per capita (current dollars)	121	272	416	464	493	587	621	900
By industrial origin (millions of dollars):								
Agriculture	70	152	162	155	162	188	200	195
Manufacturing and mining	27	82	174	226	244	291	320	540
Trade	27	95	154	186	205	237	249	399
Government (commonwealth and municipal)	19	71	108	146	165	175	192	305
Government (Federal)	24	46	113	80	81	78	79	113
Others [1]	58	151	224	273	292	393	425	769
Wages and salaries (millions of dollars)	125	374	599	683	739	922	989	1,602
Net profits of business enterprises (millions of dollars)	99	219	328	379	406	482	527	---------------
Personal income (millions of dollars)	219	642	971	1,119	1,196	1,383	1,485	2,336
Disposable personal income (millions of dollars)	219	628	951	1,082	1,153	1,346	1,440	2,250
Labor force, total (in thousands)	602	647	637	637	637	625	636	772
Employment	536	578	539	555	546	543	566	688
Agriculture, forestry, and fishing	230	214	164	151	137	125	131	124
Manufacturing except home needlework	56	50	66	79	78	82	86	121
Trade	54	85	90	97	95	97	94	124
Government	19	44	50	62	65	63	69	87
Other	177	170	169	166	171	176	186	242
Unemployment	66	69	97	82	90	82	71	84
Percent of labor force	11	11	15	13	14	13	11	11
Consumers' Price Index (1947-49=100)	(2)	(2)	113.1	120.1	122.7	126.1	129.1	140.9
Factories in operation at the end of the year (cumulative since 1947) [3]	(2)	52	324	548	629	596	660	1,003
Agriculture: Value of production (millions of dollars)	84	192	212	216	228	236	[4]250	273
Transportation and communication:								
Number of registered motor vehicles	26,847	57,258	105,413	140,197	156,563	179,657	202,803	318,809
Number of telephones in service	16,778	30,852	47,789	63,607	68,438	75,794	89,892	181,613

See footnotes at end of table.

SELECTED INDICATORS OF SOCIAL AND ECONOMIC PROGRESS—Continued

Item	1939-40	1948-49	1954-55	1957-58	1958-59	1959-60	1960-61	1964-65
External trade:								
Exports (millions of dollars)	92	204	353	467	503	612	674	974
Per capita (dollars)	49	93	156	202	215	260	281	371
Imports (millions of dollars)	107	351	575	728	807	912	924	1,515
Per capita (dollars)	57	160	254	315	345	388	396	577
Banking (millions of dollars):								
Bank deposits	76	251	323	446	506	562	677	1,207
Private checking accounts	28	84	112	149	168	178	212	315
Private savings accounts	17	49	77	129	139	152	169	298
Government accounts	27	88	89	89	103	131	139	152
Other	4	31	47	79	97	101	157	442
Loans	33	119	217	331	387	450	492	1,010
Debits	73	275	418	535	705	835	949	1,661
Assets	93	326	414	552	619	705	821	1,491
Investments	4	138	117	120	133	143	157	239
Vital statistics:								
Population (thousands)	1,869	2,185	2,263	2,317	2,307	2,350	2,401	2,626
Net migration [5]	+497	34,011	31,182	25,956	37,212	23,742	13,762	10,758
Birth rate (per 1,000 population)	39.0	39.0	34.9	31.8	31.9	31.5	31.1	29.7
Death rate (per 1,000 population)	18.2	11.4	7.4	7.2	6.8	6.6	6.7	6.5
Life expectancy (years)	46	61	68	68	68	68	69.6	70
Number of physicians	509	855	1,419	[6] 1,804	1,924	2,080	(2)	2,738
Persons per physician	3,672	2,556	1,595	[6] 1,266	1,199	1,129	(2)	959
Education:								
Enrollment, total [7]	(2)	452,960	668,019	718,317	723,214	718,454	(2)	778,209
Public day	286,113	386,229	529,226	564,443	568,804	573,440	577,045	625,767
Private accredited	11,328	20,962	38,969	48,847	57,984	53,718	54,034	63,518
University of Puerto Rico [8]	4,987	11,105	13,232	16,753	18,222	18,223	18,891	24,809
Other schools of college level	(2)	842	3,129	3,969	4,449	5,800	7,484	12,025
Literacy of population 10 years old and over (percent)	68.5	75.3	80.4	85.3	86.6	87.6	-------------	86.2
Number of teachers	6,294	8,716	10,717	12,302	12,959	13,250	14,094	18,605

[1] Includes construction, transportation and communication, finance, insurance and real estate, services and net factor income received from abroad.

[2] Data not available.

[3] Factories established with assistance from the Economic Development Administration.

[4] Preliminary.

[5] In 1939-40 there was a small net migration to Puerto Rico.

[6] Revised.

[7] Includes private and public schools, vocational groups, literacy program, special courses for adults, and schools of college level.

[8] Enrollment of the University of Puerto Rico at Rio Piedras, School of Medicine, College of Agriculture and Extension Courses.

Source: Puerto Rico Planning Board.

When the Jones Act was enacted in 1947 to allow Puerto Rico to elect its own Governor, the people exhibited their enthusiasm for the program known as Operation Bootstrap by electing Luis Muñoz Marín by an overwhelming margin.

On July 3, 1950, the President of the United States signed Public Law 600 setting up the procedure for Puerto Rico to draw up its own constitution. In September 1951, a constitutional convention gathered and spent the next 6 months working out a draft. On March 3, by a margin of 375,000 to 83,000 the people of Puerto Rico resoundingly approved the new constitution. After quick approval by the Congress, the Commonwealth of Puerto Rico was proclaimed on June 25, 1952.

Today Puerto Rico is continuing to grow economically, gradually reducing the unemployment problem which faces any country in the face of sudden mechanization. The rapid development of manufacturing and tourism and the consequent improvement in living standards have made Puerto Rico one of the best customers of U.S. farms and factories anywhere in the world. From a level of $300 million in the late 1940's, Puerto Rico's purchases of mainland products increased in 1965 to over $1,420,000,000 annually. On a per capita basis, Puerto Ricans buy more from the United States than does any other major market.

Puerto Rico is a showcase for all of Latin America and the whole world, demonstrating how meaningful economic reform can be accomplished in a young democracy. I join my many colleagues in saluting the impressive social progress and political maturity displayed by the Puerto Rican people. I am confident that the strong friendship between the United States and Puerto Rico will continue to benefit both.

DR. ROBERT Q. MARSTON, DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 10 minutes.

Mr. STAGGERS. Mr. Speaker, last week, on July 17, Dr. Robert Q. Marston was appointed Director of the National Institutes of Health. He is to succeed Dr. James A. Shannon, who will retire effective September 1.

All of my colleagues are aware of the outstanding accomplishments in biomedical research performed at NIH in recent years under the very able direction of Dr. Shannon. Being a relative newcomer to the Federal establishment, however, Dr. Marston is probably less well known to most Members of this House. As chairman of the Interstate and Foreign Commerce Committee, I have had the pleasure of knowing and working with Dr. Marston for the past 2 years, and I consider this appointment an excellent one.

Dr. Marston is a native of Toana, Va., and a graduate of the Virginia Military Academy. After earning his M.D. at the Medical College of Virginia, he was selected as a Rhodes scholar. He took his intership at Johns Hopkins Hospital in Baltimore and spent his residency at Vanderbilt University Hospital in Nashville, Tenn.

Dr. Marston's professional career included a 2-year stint as a research scientist at NIH from 1951 to 1953. He then returned to his academic career, culminating in 1965 with his appointment as vice chancellor of the University of Mississippi where he was already serving as dean of the School of Medicine.

In 1966 Dr. Marston was appointed Associate Director of NIH and very successfully directed the new regional medical program. In April of this year, he was named Administrator of the Health Services and Mental Health Administration.

Mr. Speaker, in my opinion, Dr. Robert Marston is eminently qualified to carry on the noble crusade being waged by NIH against the diseases which afflict mankind.

DEFENSE AND MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL 1969

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. COHELAN] is recognized for 10 minutes.

Mr. COHELAN. Mr. Speaker, perhaps today, and certainly within the next few days we will be considering the Defense and military construction appropriations for fiscal 1969.

These two appropriations contain a total of $963.6 million for the Sentinel Chinese-oriented limited anti-ballistic-missile system.

An effort will be made on the floor to introduce amendments to delete the funds for deployment of the Sentinel.

I have given this matter careful consideration, and I have concluded that it is not advisable at this time to deploy this antimissile system.

I believe that it is important that every Member of the House have the opportunity to study closely the arguments for and against the deployment of a limited ABM.

Accordingly, I would like at the conclusion of my remarks to include several pertinent items which may be of assistance to Members and their staffs in the course of their deliberations on this most important matter.

First I will include the additional views from the report on the Military Construction Appropriation for 1969. In these views Mr. Giaimo, Mr. Yates, and myself have laid out the major facts which influenced our conclusion that the Sentinel ABM should not be deployed now.

Second, I will include former Defense Secretary McNamara's speech of September 18, 1967, in which he announced the decision to proceed with a limited Chinese-oriented ABM, but warned strongly against the deployment of an anti-Soviet ABM.

Third, I will include an article from International Affairs by Mason Willrich again dealing with the ABM question.

Finally, I will include an article by Jeremy Stone, formerly of the Hudson Institute, in which he makes the case against ABM deployment in a paper published by the Institute for Strategic Studies, and an article by Robert L. Rothstein appearing in Foreign Affairs, April 1968:

Additional Views of Robert N. Giaimo, Jeffery Cohelan, Sidney R. Yates

There is doubt amongst military and civilian defense experts about the desirability of deployment of an anti-ballistic missile system at this time. Similarly there is doubt in the academic and scientific communities over the desirability of ABM deployment. We want to take this occasion to express our doubt in the Congress over the wisdom of ABM deployment now.

After a considerable study we find ourselves unconvinced that it is in the best interests of the United States to proceed with the deployment of a limited anti-ballistic missile defense at this time. We believe that ABM deployment now could well be unnecessary, unwise and a misuse of precious fiscal and manpower resources.

These are conclusions not idly arrived at. They are drawn largely from five simple facts.

Limited ABM deployment will probably not save American lives in case of a Soviet attack.

ABM deployment this year is not necessary to our security against China.

ABM deployment threatens to escalate the arms race.

ABM is enormously costly, especially at this time.

ABM may be obsolete or ineffective even before it is operational.

These are striking facts. But they are all ones which we believe can be supported with expert testimony.

We would like to proceed with a brief review of each of these points.

1. The limited Sentinel ABM will probably not save American lives in case of a Soviet attack. This may seem startling—but it is the fact.

It results simply because the Soviets, like ourselves, cannot refuse to respond to developments by the other side which threaten their assured destruction capability. Accordingly, to overcome our ABM the Soviets would most likely deploy more and better equipped offensive missiles, and perhaps continue with or expand the deployment of their own light ABM. Because the Soviets, like ourselves, must prepare for the worst plausible case, they must prepare for an ABM which will be nearly perfect until it is overwhelmed. They will thus build far more offensive capability than they need, and in the event of an exchange, more damage will be done to the United States than if they had not been forced to respond to our ABM deployment.

Simply put, this means ABM may cost American lives, not save them.

2. ABM deployment this year is not necessary to our security against China. Again, this fact may seem striking in view of the common response to the statement of Secretary of Defense McNamara in September, 1967 that we had to act then to have our ABM in time for the supposed Chinese threat. Yet, statements made only a few weeks and months ago to the Congress by high officials of the Defense Department indicate that the Chinese are perhaps as much as a year behind the time table we estimated they would have to follow to have an ICBM in the mid 1970's. The turmoil in China continues. It would appear that with the Chinese a year behind or more, we could afford to postpone this decision for at least a year while developments in technology and in arms control have an opportunity to work their will.

In addition, we still find it remarkable that we do not believe that the offensive deterrent we possess against the Soviets will also be an adequate deterrent against the weaker Chinese. Further still we do not even know if the Chinese will deploy intercontinental missiles against which an ABM would be a defense, or if they do whether they will not also build cheaper and less vulnerable submarine launched missiles, against which the Sentinel ABM will not be very effective.

The Herbert Hoover Institution on War, Revolution and Peace at Stanford University recently published a contingency study "Communist China and Arms Control." In it they state

The recent U.S. decision to deploy a thin ABM system mounted against Communist China compounds Peking's problems in developing a credible nuclear force. Obviously, China is now aware that she must find means to penetrate or circumvent these defenses * * * Since any type of leadership (of China) would necessarily be committed to pursuit of the nuclear program, we can expect each of them to bend every effort to overcome the strategic obstacles imposed by the (U.S.) ABM system.

We believe that while the Chinese will rely primarily on a ground launched deterrent system, they may well seek to augment this with a submarine launched ballistic missile system (SLBM). Thus we anticipate that the major thrust in naval construction during the forthcoming decade will be toward acquiring a fleet of transoceanic diesel-powered submarines, each equipped to launch three to four short or medium range ballistic missile (range spread: 400–1,000 miles) from a deck-awash position. A fleet of fifty such boats, which—given priority—could be constructed within ten years, would enable the Chinese to keep approximately twelve to fifteen on station southeast of Hawaii and off lower California for limited periods. This would provide insurance to their ICBM system.

3. ABM deployment threatens to escalate the arms race. This is a fact which must be clear to us all. In the past several months we have heard of the development of fantastic new destructive weapons—multiple independently guided reentry vehicles, orbiting bombs—these are not deployed weapons, but weapons which could be deployed in response to the need to protect the strategic capability of either ourselves or the Soviet Union. A threat to this capability, like the ABM will likely set off a new round of increased numbers and sophistication of offensive weapons—an escalation of the arms race. The Soviet deployment of an ABM around Moscow has already threatened to launch us down this path. In the end we will both have to remain capable of making the other side believe that it will be destroyed if it engages in nuclear war. Quite simply, effective parity (i.e., mutual ability to inflict unacceptable nuclear destruction) is the basis of our defense. Every improvement we make will be reflected by the Soviets, as we have seem from past experience, thus neither we nor they can hope to get more defense simply by deploying more systems.

This is the logic of the mutual interest of the USSR and ourselves in arms limitation discussions.

In recent weeks the ABM debate has been greatly influenced by the agreement of the Soviet Union to hold discussions on the limitations of strategic armaments. It has been argued that we must provide the funds for ABM to fortify our bargaining position in these negotiations. We submit that this is not necessarily the case. Our experts have testified that the best American response at this time to a Soviet ABM is to deploy a stronger offensive force, and not to reply with an ABM of our own. Thus the Soviets should be as interested as we are in assuring that neither side deploys an ABM if for no other reason than to preclude an increase in offensive weapons. An agreement which would remove the threat—however remote—of ABM deployment would be meaningful to them.

If we spend money on ABM deployment now, and then we agree to halt ABM deployment, we may waste billions of dollars.

Sound management as well as sound bargaining calls for us to hold ABM deployment in abeyance until the outcome of the arms limitation discussions is clear.

4. ABM is enormously costly, especially at this time. $5 billion is an immense amount of money. It is the annual wages of 500,000 families earning $10,000 a year. We face a difficult fiscal situation. We have a mandate to cut expenditures. We can no longer treat the Defense budget as a sacred cow. It must undergo the same form of searching inquiry as any other program.

In view of the former Secretary of Defense there are only "marginal grounds" to support a Chinese oriented ABM, and no grounds to support a Soviet oriented ABM. If cuts must be made, and surely they must, let us cut out the marginal items and preserve the vital ones.

5. ABM may be obsolete or ineffective even before it is operational. The Nike-Zeus ABM which we are were previously urged to deploy would have been by common consent obsolete and ineffective by the time it would have been deployed. The same fate is probably built into the Sentinel ABM. By the admission of our experts it will have no capability against incoming weapons with any penetration aids. Yet any enemy building ICBM's today must certainly be encouraged to include penetration aids, if we have an ABM. Accordingly, our unsophisticated system may already be passed by. Certainly it would constantly have to be up-dated and remodeled at enormous costs.

The effectiveness of any ABM is much in doubt. Defensive systems against nuclear warheads must be extremely reliable since any warheads which do get through will cause enormous damage. Viewed in this light the limited Sentinel ABM is open to question. The reliability of the system is still further strained by the fact that when the ABM is called upon to function, it must perform exceedingly well the very first time.

CONCLUSION

We share with the proponents of the Sentinel ABM the belief that the security of the United States is a consideration which is second to none. Some proponents contend that while the ABM may not be technically perfect or strategically sound, it is better to deploy it and err of the side of safety. But that is the basic question: which is the side of safety? Is it to build an ABM system knowing that such action must inevitably provoke a Soviet response, or is it to hold back, temporarily at least, the initiative until it is known where the current discussions on the reduction of nuclear weapons are going? There is only a very fine line between deterrence and provocation. It is not clear at this point on which side of that line the current ABM deployment would fall. Certainly the possibility exists that meeting a commitment to expend funds for a program the merits of which are at best questionable, could injure the security of the United

States. Thus we could, in effect, be misdirecting our efforts to the overall detriment of our defense posture.

In view of these facts, we believe the SENTINEL ABM should not be deployed at this time.

We urge support for amendments to delete the $263.3 million in this bill for SENTINEL ABM deployment.

ROBERT N. GIAIMO.
JEFFERY COHELAN.
SIDNEY R. YATES.

REMARKS BY SECRETARY OF DEFENSE ROBERT S. MCNAMARA BEFORE UNITED PRESS INTERNATIONAL EDITORS AND PUBLISHERS, SAN FRANCISCO, CALIF., SEPTEMBER 18, 1967

Ladies and Gentlemen, I want to discuss with you this afternoon the gravest problem that an American Secretary of Defense must face: the planning, preparation, and policy governing the possibility of thermonuclear war.

It is a prospect most of mankind would prefer not to contemplate.

That is understandable. For technology has now circumscribed us all with a conceivable horizon of horror that could dwarf any catastrophe that has befallen man in his more than a million years on earth.

Man has lived now for more than twenty years in what we have come to call the Atomic Age.

What we sometimes overlook is that every future age of man will be an atomic age.

If, then, man is to have a future at all, it will have to be a future overshadowed with the permanent possibility of thermonuclear holocaust.

About that fact, we are no longer free.

Our freedom in this question consists rather in facing the matter rationally and realistically and discussing actions to minimize the danger.

No sane citizen; no sane political leader; no sane nation wants thermonuclear war.

But merely not wanting it is not enough.

We must understand the difference between actions which increase its risk, those which reduce it, and those which, while costly, have little influence one way or another.

Now this whole subject matter tends to be psychologically unpleasant. But there is an even greater difficulty standing in the way of constructive and profitable debate over the issues.

And that is that nuclear strategy is exceptionally complex in its technical aspects. Unless these complexities are well understood, rational discussion and decision making are simply not possible.

What I want to do this afternoon is deal with these complexities and clarify them with as much precision and detail as time and security permit.

One must begin with precise definitions.

The cornerstone of our strategic policy continues to be to deter deliberate nuclear attack upon the United States, or its allies, by maintaining a highly reliable ability to inflict an unacceptable degree of damage upon any single aggressor, or combination of aggressors, at any time during the course of a strategic nuclear exchange—even after our absorbing a surprise first strike.

This can be defined as our "assured destruction capability."

Now it is imperative to understand that assured destruction is the very essence of the whole deterrence concept.

We must possess an actual assured destruction capability. And that actual assured destruction capability must be credible. Conceivably, our assured destruction capability could be actual, without being credible—in which case, it might fail to deter an aggressor.

The point is that a potential aggressor must himself believe that our assured destruction capability is in fact actual, and that our will to use it in retaliation to an attack is in fact unwavering.

The conclusion, then, is clear: if the United States is to deter a nuclear attack on itself or on our allies, it must possess an actual, and a credible assured destruction capability.

When calculating the force we require, we must be "conservative" in all our estimates of both a potential aggressor's capabilities, and his intentions. Security depends upon taking a "worst plausible case"—and having the ability to cope with that eventuality.

In that eventuality, we must be able to absorb the total weight of nuclear attack and rely on our strike back forces; on our command and control apparatus; on our industrial capacity; on our cities; and on our population—and still, be fully capable of destroying the aggressor to the point that his society is simply no longer viable in any meaningful twentieth-century sense.

That is what deterrence to nuclear aggression means. It means the certainty of suicide to the aggressor—not merely to his military forces, but to his society as a whole.

Now let us consider another term: "first-strike capability." This, in itself, is an ambiguous term, since it could mean simply the ability of one nation to attack another nation with nuclear forces first. But as it is normally used, it connotes much more: the substantial elimination of the attacked nation's retaliatory second-strike forces.

This is the sense in which "first-strike capability" should be understood.

Now, clearly, such a first-strike capability is an important strategic concept. The United States cannot—and will not—ever permit itself to get into the position in which another nation, or combination of nations, would possess such a first-strike capability, which could be effectively used against it.

To get into such a position vis-a-vis any other nation or nations would not only constitute an intolerable threat to our security, but it would obviously remove our ability to deter nuclear aggression—both against ourselves and against our allies.

Now, we are not in that position today—and there is no foreseeable danger of our ever getting into that position.

Our strategic offensive forces are immense: 1000 Minutemen missile launchers, carefully protected below ground; 41 Polaris submarines, carrying 656 missile launchers with the majority of these hidden beneath the seas at all times; and about 600 long-range bombers, approximately forty percent of which are kept always in a high state of alert.

Our alert forces alone carry more than 2200 weapons, averaging more than one megaton each. A mere 400 one-megaton weapons, if delivered on the Soviet Union, would be sufficient to destroy over one-third of her population, and one-half of her industry.

And all of these flexible and highly reliable forces are equipped with devices that insure their penetration of Soviet defenses.

Now what about the Soviet Union?

Does it today possess a powerful nuclear arsenal?

The answer is that it does.

Does it possess a first-strike capability against the United States?

The answer is that it does not.

Can the Soviet Union, in the foreseeable future, acquire such a first-strike capability against the United States?

The answer is that it cannot.

It cannot because we are determined to remain fully alert, and we will never permit our own assured destruction capability to be at a point where a Soviet first-strike capability is even remotely feasible.

Is the Soviet Union seriously attempting to acquire a first-strike capability against the United States?

Although this is a question we cannot answer with absolute certainty, we believe the answer is no. In any event, the question itself is—in a sense—irrelevant. It is irrelevant since the United States will so continue to maintain—and where necessary strengthen—our retaliatory forces, that whatever the Soviet Union's intentions or actions, we will continue to have an assured destruction capability vis-a-vis their society in which we are completely confident.

But there is another question that is most revelant.

And that is, do we—the United States—possess a first-strike capability against the Soviet Union?

The answer is that we do not.

And we do not, not because we have neglected our nuclear strength .On the contrary, we have increased it to the point that we possess a clear superiority over the Soviet Union.

We do not possess first-strike capability against the Soviet Union for precisely the same reason that they do not possess it against us.

And that is that we have both built up our "second-strike capability" [1] to the point that a first-strike capability on either side has become unattainable.

There is, of course, no way in which the United States could have prevented the Soviet Union from acquiring its present second-strike capability—short of a massive preemptive first strike on the Soviet Union in the 1950s.

The blunt fact is, then, that neither the Soviet Union nor the United States can attack the other without being destroyed in retaliation; nor can either of us attain a first-strike capability in the foreseeable future.

The further fact is that both the Soviet Union and the United States presently possess an actual and credible second-strike capability against one another—and it is precisely this mutual capability that provides us both with the strongest possible motive to avoid a nuclear war.

The more frequent question that arises in this connection is whether or not the United States possesses nuclear superiority over the Soviet Union.

The answer is that we do.

But the answer is—like everything else in this matter—technically complex.

The complexity arises in part out of what measurement of superiority is most meaningful and realistic.

Many commentators on the matter tend to define nuclear superiority in terms of gross megatonnage, or in terms of the number of missile launchers available.

Now, by both these two standards of measurement, the United States does have a substantial superiority over the Soviet Union in the weapons targeted against each other.

But it is precisely these two standards of measurement that are themselves misleading.

For the most meaningful and realistic measurement of nuclear capability is neither gross megatonnage, nor the number of available missile launchers; but rather the number of separate warheads that are capable of being *delivered* with accuracy on individual high-priority targets with sufficient power to destroy them.

Gross megatonnage in itself is an inadequate indicator of assured destruction capability, since it is unrelated to survivability, accuracy, or penetrability, and poorly related to effective elimination of multiple high-priority targets. There is manifestly no advantage in over-destroying one target, at the expense of leaving undamaged other targets of equal importance.

Further, the number of missile launchers available is also an inadequate indicator of assured destruction capability, since the fact is that many of our launchers will carry multiple warheads.

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[1] A "second-strike capability" is the capability to absorb a surprise nuclear attack, and survive with sufficient power to inflict unacceptable damage on the aggressor.

But by using the realistic measurement of the number of warheads available, capable of being reliably delivered with accuracy and effectiveness on the appropriate targets in the United States or Soviet Union, I can tell you that the United States currently possesses a superiority over the Soviet Union of at least three or four to one.

Furthermore, we will maintain a superiority—by these same realistic criteria—over the Soviet Union for as far ahead in the future as we can realistically plan.

I want, however, to make one point patently clear: our current numerical superiority over the Soviet Union in reliable, accurate, and effective warheads is both greater than we had originally planned, and is in fact more than we require.

Moreover, in the larger equation of security, our "superiority" is of limited significance—since even with our current superiority, or indeed with any numerical superiority realistically attainable, the blunt, inescapable fact remains that the Soviet Union could still—with its present forces—effectively destroy the United States, even after absorbing the full weight of an American first strike.

I have noted that our present superiority is greater than we had planned. Let me explain to you how this came about, for I think it is a significant illustration of the intrinsic dynamics of the nuclear arms race.

In 1961, when I became Secretary of Defense, the Soviet Union possessed a very small operational arsenal of intercontinental missiles. However, they did possess the technological and industrial capacity to enlarge that arsenal very substantially over the succeeding several years.

Now, we had no evidence that the Soviets did in fact plan to fully use that capability.

But as I have pointed out, a strategic planner must be "conservative" in his calculations; that is, he must prepare for the worst plausible case and not be content to hope and prepare merely for the most probable.

Since we could not be certain of Soviet intentions—since we could not be sure that they would not undertake a massive build-up—we had to insure against such an eventuality by undertaking ourselves a major build-up of the Minuteman and Polaris forces.

Thus, in the course of hedging against what was then only a theoretically possible Soviet build-up, we took decisions which have resulted in our current superiority in numbers of warheads and deliverable megatons.

But the blunt fact remains that if we had had more accurate information about planned Soviet strategic forces, we simply would not have needed to build as large a nuclear arsenal as we have today.

Now let me be absolutely clear. I am not saying that our decision in 1961 was unjustified. I am simply saying that it was necessitated by a lack of accurate information.

Furthermore, that decision in itself—as justified as it was—in the end, could not possibly have left unaffected the Soviet Union's future nuclear plans.

What is essential to understand here is that the Soviet Union and the United States mutually influence one another's strategic plans.

Whatever be their intentions, whatever be our intentions, actions—or even realistically potential actions—on either side relating to the build-up of nuclear forces, be they either offensive or defensive weapons, necessarily trigger reactions on the other side.

It is precisely this action-reaction phenomenon that fuels an arms race.

Now, in strategic nuclear weaponry, the arms race involves a particular irony. Unlike any other era in military history, today a substantial numerical superiority of weapons does not effectively translate into political control, or diplomatic leverage.

While thermonuclear power is almost inconceivably awesome, and represents virtually unlimited potential destructiveness, it has proven to be a limited diplomatic instrument. Its uniqueness lies in the fact that it is at one and the same time an all-powerful weapon—and a very inadequate weapon.

The fact that the Soviet Union and the United States can mutually destroy one another—regardless of who strikes first—narrows the range of Soviet aggression which our nuclear forces can effectively deter.

Even with our nuclear monopoly in the early postwar period, we were unable to deter the Soviet pressures against Berlin, or their support of aggression in Korea.

Today, our nuclear superiority does not deter all forms of Soviet support of communist insurgency in Southeast Asia.

What all of this has meant is that we, and our allies as well, require substantial nonnuclear forces in order to cope with levels of aggression that massive strategic forces do not in fact deter.

This has been a difficult lesson both for us and for our allies to accept, since there is a strong psychological tendency to regard superior nuclear forces as a simple and unfailing solution to security, and an assurance of victory under any set of circumstances.

What is important to understand is that our nuclear strategic forces play a vital and absolutely necessary role in our security and that of our allies, but it is an intrinsically limited role.

Thus, we and our allies must maintain substantial conventional forces, fully capable of dealing with a wide spectrum of lesser forms of political and military aggression—a level of aggression against which the use of strategic nuclear forces would not be to our advantage, and thus a level of aggression which these strategic nuclear forces by themselves cannot effectively deter. One cannot fashion a credible deterrent out of an incredible action. Therefore security for the United States and its allies can only arise from the possession of a whole range of graduated deterrents, each of them fully credible in its own context.

Now I have pointed out that in strategic nuclear matters, the Soviet Union and the United States mutually influence one another's plans.

In recent years the Soviets have substantially increased their offensive forces. We have, of course, been watching and evaluating this very carefully.

Clearly, the Soviet build-up is in part a reaction to our own build-up since the beginning of this decade.

Soviet strategic planners undoubtedly reasoned that if our build-up were to continue at its accelerated pace, we might conceivably reach, in time, a credible first-strike capability against the Soviet Union.

That was not in fact our intention. Our intention was to assure that they—with their theoretical capacity to reach such a first-strike capability—would not in fact outdistance us.

But they could not read our intentions with any greater accuracy than we could read theirs. And thus the result has been that we have both built up our forces to a point that far exceeds a credible second-strike capability against the forces we each started with.

In doing so, neither of us has reached a first-strike capability. And the realities of the situation being what they are—whatever we believe their intentions to be, and whatever they believe our intentions to be—each of us can deny the other a first-strike capability in the foreseeable future.

Now, how can we be so confident that this is the case?

How can we be so certain that the Soviets cannot gradually outdistance us—either by some dramatic technological break-through, or simply through our imperceptively lagging behind, for whatever reason: reluctance to spend the requisite funds; distraction with military problems elsewhere; faulty intelligence; or simple negligence and naivete?

All of these reasons—and others—have been suggested by some commentators in this country, who fear that we are in fact falling behind to a dangerous degree.

The answer to all of this is simple and straightforward.

We are not going to permit the Soviets to outdistance us, because to do so would be to jeopardize our very viability as a nation.

No President, no Secretary of Defense, no Congress of the United States—of whatever political party, and of whatever political persuasion—is going to permit this nation to take that risk.

We do not want a nuclear arms race with the Soviet Union—primarily because the action-reaction phenomenon makes it foolish and futile. But if the only way to prevent the Soviet Union from obtaining first-strike capability over us is to engage in such a race, the United States possesses in ample abundance the resources, the technology, and the will to run faster in that race for whatever distance is required.

But what we would much prefer to do is to come to a realistic and reasonably riskless agreement with the Soviet Union, which would effectively prevent such an arms race. We both have strategic nuclear arsenals greatly in excess of a credible assured destruction capability. These arsenals have reached that point of excess in each case for precisely the same reason: we each have reacted to the other's build-up with very conservative calculations. We have, that is, each built a greater arsenal than either of us needed for a second-strike capability, simply because we each wanted to be able to cope with the "worst plausible case."

But since we now each possess a deterrent in excess of our individual needs, both of our nations would benefit from a properly safeguarded agreement first to limit, and later to reduce, both our offensive and defensive strategic nuclear forces.

We may, or we may not, be able to achieve such an agreement. We hope we can. And we believe such an agreement is fully feasible, since it is clearly in both our nations' interests.

But reach the formal agreement or not, we can be sure that neither the Soviets nor we are going to risk the other obtaining a first-strike capability.

On the contrary, we can be sure that we are both going to maintain a maximum effort to preserve an assured destruction capability.

It would not be sensible for either side to launch a maximum effort to achieve a first-strike capability. It would be serious because the intelligence-gathering capability of each side being what it is, and the realities of lead-time from technological break-through to operational readiness being what they are, neither of us would be able to acquire a first-strike capability in secret.

Now, let me take a specific case in point.

The Soviets are now deploying an anti-ballistic missile system. If we react to this deployment intelligently, we have no reason for alarm.

The system does not impose any threat to our ability to penetrate and inflict massive and unacceptable damage on the Soviet Union. In other words, it does not presently affect in any significant manner our assured destruction capability.

It does not impose such a threat because we have already taken the steps necessary to assure that our land-based Minuteman missiles, our nuclear submarine-launched new Poseidon missiles, and our strategic bomber forces have the requisite penetration aids—and in the sum, constitute a force of such magnitude, that they guarantee us a force strong enough to survive a Soviet attack and penetrate the Soviet ABM deployment.

Now let me come to the issue that has received so much attention recently: the question of whether or not we should deploy an ABM system against the Soviet nuclear threat.

To begin with, this is not in any sense a new issue. We have had both the technical possibility and the strategic desirability of an American ABM deployment under constant review since the late 1950s.

While we have substantially improved our technology in the field, it is important to understand that none of the systems at the present or foreseeable state of the art would provide an impenetrable shield over the United States. Were such a shield possible, we would certainly want it—and we would certainly build it.

And at this point, let me dispose of an objection that is totally irrelevant to this issue.

It has been alleged that we are opposed to deploying a large-scale ABM system because it would carry the heavy price tag of $40 billion.

Let me make it very clear that the $40 billion is not the issue.

If we could build and deploy a genuinely impenetrable shield over the United States, we would be willing to spend not $40 billion, but any reasonable multiple of that amount that was necessary.

The money in itself is not the problem: the penetrability of the proposed shield is the problem.

There is clearly no point, however, in spending $40 billion if it is not going to buy us a significant improvement in our security. If it is not, then we should use the substantial resources it represents on something that will.

Every ABM system that is now feasible involves firing defensive missiles at incoming offensive warheads in an effort to destroy them.

But what many commentators on this issue overlook is that any such system can rather obviously be defeated by an enemy simply sending more offensive warheads, or dummy warheads, than there are defensive missiles capable of disposing of them.

And this is the whole crux of the nuclear action-reaction phenomenon.

Were we to deploy a heavy ABM system throughout the United States, the Soviets would clearly be strongly motivated to so increase their offensive capability as to cancel out our defensive advantage.

It is futile for each of us to spend $4 billion, $40 billion, or $400 billion—and at the end of all the spending, and at the end of all the deployment, and at the end of all the effort, to be relatively at the same point of balance on the security scale that we are now.

In point of fact, we have already initiated offensive weapons programs costing several billions in order to offset the small present Soviet ABM deployment, and the possibly more extensive future Soviet ABM deployments.

That is money well spent; and it is necessary.

But we should bear in mind that it is money spent because of the action-reaction phenomenon.

If we in turn opt for heavy ABM deployment—at whatever price—we can be certain that the Soviets will react to offset the advantage we would hope to gain.

It is precisely because of this certainty of a corresponding Soviet reaction that the four prominent scientists—men who have served with distinction as the Science Advisers to Presidents Eisenhower, Kennedy, and Johnson, and the three outstanding men who have served as Directors of Research and Engineering to three Secretaries of Defense—have unanimously recommended against the deployment of an ABM system designed to protect our population against a Soviet attack.

These men are Doctors Killian, Kistiakowsky, Wiesner, Hornig, York, Brown, and Foster.

The plain fact of the matter is that we are now facing a situation analogous to the one we faced in 1961; we are uncertain of the Soviets' intentions.

At that time we were concerned about their potential offensive capabilities; now we are concerned about their potential defensive capabilities.

But the dynamics of the concern are the same.

We must continue to be cautious and conservative in our estimates—leaving no room in our calculations for unnecessary risk. And at the same time, we must measure our own response in such a manner that it does not trigger a senseless spiral upward of nuclear arms.

Now, as I have emphasized, we have already taken the necessary steps to guarantee that our offensive strategic weapons will be able to penetrate future, more advanced, Soviet defenses.

Keeping in mind the careful clockwork of lead-time, we will be forced to continue that effort over the next few years if the evidence is that the Soviets intend to turn what is now a light and modest ABM deployment into a massive one.

Should they elect to do so, we have both the lead-time and the technology available to so increase both the quality and quantity of our offensive strategic forces—with particular attention to highly reliable penetration aids—that their expensive defensive efforts will give them no edge in the nuclear balance whatever.

But we would prefer not to have to do that. For it is a profitless waste of resources, provided we and the Soviets can come to a realistic strategic arms-limitation agreement.

As you know, we have proposed U.S.-Soviet talks on this matter. Should these talks fail, we are fully prepared to take the appropriate measures that such a failure would make necessary.

The point for us to keep in mind is that should the talks fail—and the Soviets decide to expand their present modest ABM deployment into a massive one—our response must be realistic. There is no point whatever in our responding by going to a massive ABM deployment to protect our population, when such a system would be ineffective against a sophisticated Soviet offense.

Instead, realism dictates that if the Soviets elect to deploy a heavy ABM system, we must further expand our sophisticated offensive forces, and thus preserve our overwhelming assured destruction capability.

But the intractable fact is that should the talks fail, both the Soviets and ourselves would be forced to continue on a foolish and feckless course.

It would be foolish and feckless because—in the end—it would provide neither the Soviets, nor us, with any greater relative nuclear capability.

The time has come for us both to realize that, and to act reasonably. It is clearly in our own mutual interest to do so.

Having said that, it is important to distinguish between an ABM system designed to protect against a Soviet attack on our cities, and ABM systems which have other objectives.

One of the other uses of an ABM system which we should seriously consider is the greater protection of our strategic offensive forces.

Another is in relation to the emerging nuclear capability of Communist China.

There is evidence that the Chinese are devoting very substantial resources to the development of both nuclear warheads, and missile delivery systems. As I stated last January, indications are that they will have medium-range ballistic missiles within a year or so, an initial intercontinental ballistic missile capablity in the early 1970s, and a modest force in the mid-70s.

Up to now, the lead-time factor has allowed us to postpone a decision on whether or not a light ABM deployment might be advantageous as a countermeasure to Communist China's nuclear development.

But the time will shortly be right for us to initiate production if we desire such a system.

China at the moment is caught up in internal strife, but it seems likely that her basic motivation in developing a strategic nuclear capability is an attempt to provide a basis for threatening her neighbors, and to clothe herself with the dubious prestige that the world pays to nuclear weaponry.

We deplore her development of these weapons, just as we deplore it in other countries. We oppose nuclear proliferation because we believe that in the end it only increases the risk of a common and cataclysmic holocaust.

President Johnson has made it clear that the United States will oppose any efforts of China to employ nuclear blackmail against her neighbors.

We possess now, and will continuue to possess for as far ahead as we can foresee, an overwhelming first-strike capability with respect to China. And despite the shrill and raucous propaganda directed at her own people that "the atomic bomb is a paper tiger," there is ample evidence that China well appreciates the destructive power of nuclear weapons.

China has been cautious to avoid any action that might end in a nuclear clash with the United States—however wild her words—and understandably so. We have the power not only to destroy completely her entire nuclear offensive forces, but to devastate her society as well.

Is there any possibility, then, that by the mid-1970s China might become so incautious as to attempt a nuclear attack on the United States or our allies.

It would be insane and suicidal for her to do so, but one can conceive conditions under which China might miscalculate. We wish to reduce such possibilities to a minimum.

And since, as I have noted, our strategic planning must always be conservative, and take into consideration even the possible irrational behavior of potential adversaries, there are marginal grounds for concluding that a light deployment of U.S. ABMs against this possibility is prudent.

The system would be relatively inexpensive—preliminary estimates place the cost at about $5 billion—and would have a much higher degree of reliability against a Chinese attack, than the much more massive and complicated system that some have recommended against a possible Soviet attack.

Moreover, such an ABM deployment designed against a possible Chinese attack would have a number of other advantages. It would provide an additional indication to Asians that we intend to deter China from nuclear blackmail, and thus would contribute toward our goal of discouraging nuclear weapon proliferation among the present nonnuclear countries.

Further, the Chinese-oriented ABM deployment would enable us to add—as a concurrent benefit—a further defense of our Minuteman sites against Soviet attack, which means that at modest cost we would in fact be adding even greater effectiveness to our offensive missile force and avoiding a much more costly expansion of that force.

Finally, such a reasonably reliable ABM system would add protection of our population against the improbable but possible accidental launch of an intercontinental missile by any one of the nuclear powers.

After a detailed review of all these considerations, we have decided to go forward with this Chinese-oriented ABM deployment, and we will begin actual production of such a system at the end of this year.

In reaching this decision, I want to emphasize that it contains two possible dangers—and we should guard carefully against each.

The first danger is that we may psychologically lapse into the old over-simplification about the adequacy of nuclear power. The simple truth is that nuclear weapons can serve to deter only a narrow range of threats. This ABM deployment will strengthen our defensive posture—and will enhance the effectiveness of our land-based ICBM offensive forces. But the independent nations of Asia must realize that these benefits are no substitute for their maintaining, and where necessary strengthening, their own conventional forces in order to deal with the more likely threats to the security of the region.

The second danger is also psychological There is a kind of mad momentum intrinsic to the development of all new nuclear weaponry. If a weapon system works—and works well—there is strong pressure from many directions to procure and deploy the weapon out of all proportion to the prudent level required.

The danger in deploying this relatively light and reliable Chinese-oriented ABM system is going to be that pressures will develop to expand it into a heavy Soviet-oriented ABM system.

We must resist that temptation firmly—not because we can for a moment afford to relax our vigilance against a possible Soviet first-strike—but precisely because our greatest deterrent against such a strike is not a massive, costly, but highly penetrable ABM shield, but rather a fully credible offensive assured destruction capability.

The so-called heavy ABM shield—at the present state of technology—would in effect be no adequate shield at all against a Soviet attack, but rather a strong inducement for the Soviets to vastly increase their own offensive forces. That, as I have pointed out, would make it necessary for us to respond in turn—and so the arms race would rush hopelessly on to no sensible purpose on either side.

Let me emphasize—and I cannot do so too strongly—that our decision to go ahead with a *limited* ABM deployment in no way indicates that we feel an agreement with the Soviet Union on the limitation of strategic nuclear offensive and defensive forces is any the less urgent or desirable.

The road leading from the stone axe to the ICBM—though it may have been more than a million years in the building—seems to have run in a single direction.

If one is inclined to be cynical, one might conclude that man's history seems to be characterized not so much by consistent periods of peace, occasionally punctuated by warfare; but rather by persistent outbreaks of warfare, wearily put aside from time to time by periods of exhaustion and recovery—that parade under the name of peace.

I do not view man's history with that degree of cynicism, but I do believe that man's wisdom in avoiding war is often surpassed by his folly in promoting it.

However foolish unlimited war may have been in the past, it is now no longer merely foolish, but suicidal as well.

It is said that nothing can prevent a man from suicide, if he is sufficiently determined to commit it.

The question is what is our determination in an era when unlimited war will mean the death of hundreds of millions—and the possible genetic impairment of a million generations to follow?

Man is clearly a compound of folly and wisdom—and history is clearly a consequence of the admixture of those two contradictory traits.

History has placed our particular lives in an era when the consequences of human folly are waxing more and more catastrophic in the matters of war and peace.

In the end, the root of man's security does not lie in his weaponry.

In the end, the root of man's security lies in his mind.

What the world requires in its 22nd Year of the Atomic Age is not a new race towards armament.

What the world requires in its 22nd Year of the Atomic Age is a new race towards reasonableness.

We had better all run that race.

Not merely we the administrators. But we the people.

Thank you, and good afternoon.

ABM AND ARMS CONTROL

(By Mason Willrich)

The Johnson Administration's decision to produce and deploy in the United States a "light" or "thin" anti-ballistic missile defence system (or ABM) marks a significant, perhaps decisive, turning point in the nuclear arms race and efforts to bring that race under control. How long will prevention of the further spread of nuclear weapons continue to be a viable policy objective? Will the possibility of stability in the nuclear weapons balance between the United States and the Soviet Union be swept away? What is the future role of China in the nuclear club? These are the major questions which have been brought sharply into focus.

Of major importance in the context of these issues is the fact that the ABM system the Johnson Administration has decided to deploy is, for the time being at least, limited. The United States ABM system will be limited in cost to an estimated five thousand million dollars, and limited in effectiveness to interception of a comparatively few nuclear warheads. The system being deployed will consist of two kinds of missiles and associated radar and computer systems: the longer-range *Spartan* to provide limited area defence of population centres; and the short-range *Sprint* to provide "hard point" or terminal defence for ABM radars and Minuteman silos.

The basic purpose of the ABM deployment is to provide protection to the United States against the kind of intercontinental nuclear capability which China will possess in the mid-1970s. The deployment will not protect the United States population or industry against the quality and quantity of nuclear attack which the Soviet Union is now, or will in the future be capable of launching. It will, however, provide a measure of terminal defence of United States *Minuteman* silos, and also some capability to deal with an accidental launch of a nuclear weapon delivery system.

In analysing the United States ABM deployment decision, we will first consider the salient features of the strategic nuclear context in which the decision is imbedded. Thereafter, we will turn toward an assessment of the future, focusing on three sets of complex nuclear interactions: first, the nuclear Powers and the non-nuclear Powers; second, the two nuclear super-Powers, the United States and the Soviet Union; and, third, the United States and China.

Throughout a continuing process of research, development and innovation in nuclear weapons and delivery systems since World War II, the technology of the offence has maintained a commanding lead over the defence. This gap has not persisted because there has been no chance of intercepting an offensive nuclear warhead. Rather, the large numbers of warheads available, and the great destructive capability of each, require a degree of effectiveness for a defence that, until recently, was clearly unattainable.

From the technological imbalance of offence over defence the basic strategic principle has been derived—deterrence. In the absence of a sufficiently effective defence, it has become accepted doctrine that the largest measure of protection against nuclear attack can be found in the threat of retaliation in kind. From a strategy of deterrence the requirements for the present United States strategic posture have been developed. These requirements are summed up in former Secretary of Defense McNamara's phrase, "assured destruction capability," which he defined as the maintenance of "a highly reliable ability to inflict an unacceptable degree of damage upon any single aggressor, or combination of aggressors, at any time during the course of a strategic nuclear exchange—even after our absorbing a surprise first strike."

The requirements of such an "assured destruction capability" are survivability, reliability and penetration capability. United States nuclear forces must, first of all, be capable of surviving a Soviet first strike. Survival insurance costing thousands of million of dollars has been purchased for bomber aircraft by airborne and strip alert procedures, and for missiles by installation underground in silos or under the sea in submarines. The benefits of survivability are two-fold: the United States is placed in a strategic posture from which it will never be essential to pre-empt with a nuclear first strike rather than deter with the threat of a second strike in retaliation; and the time for decision in a crisis will be lengthened. Thereafter, we must be assured that a sufficient number of delivery systems, if launched after surviving a nuclear attack, will arrive over their assigned targets with their nuclear warheads operational. Reliability can be acquired through technological excellence, systems redundancy and large quantities.

Finally, an assured destruction capability requires the ability of United States nuclear forces to penetrate any defensive systems traversed between the place of launch and impact on target. Here the ABM problem enters the picture. The problem should be viewed from the standpoint of an offence-defence interaction. Modifications in technology and tactics on the offensive side affect, and are affected by, defensive modifications in a dynamic relationship.

There are a variety of aids for an offence in penetrating a defence. A warhead/re-entry vehicle can carry with it large numbers of decoys and chaff which will overload the defensive radar tracking system with incoming signals. Early detonation of an offensive nuclear warhead can be used to create radar blackout through which following warheads can pass undetected. An offensive nuclear warhead can be shielded so that it will be destroyed only if a defensive warhead is detonated at close range. Finally, as an alternative to penetrating an ABM system deployed around a city, offensive warheads can be detonated upwind and outside the defensive envelope in a way which will maximise fallout on the target.

On the defensive side, a variety of counter-measures are also possible. Defensive missiles can be developed with extremely rapid rates of acceleration. This will permit interception of incoming nuclear warheads at relatively low altitudes after atmospheric drag has filtered out the lighter decoys and chaff. Radar tracking systems can be deployed in configurations which will minimise potential black-out problems from detonation of either offensive or defensive warheads. Furthermore, defensive missiles can be developed with longer ranges so that avoidance of the ABM envelope will be ruled out.

Beyond these primarily qualitative aspects of the offence-defence interaction lie important quantitative dimensions. Of particular relevance is the possibility of saturation. If there are more offensive than defensive warheads associated with a particular target, then a destruction capability of that target is assured—even if the defensive system functions perfectly. Weighing the possibilities for penetrating, avoiding and overwhelming the defence against the possibilities for technical improvements in defensive systems has led most analysts to pessimistic conclusions about the cost-effectiveness of a large-scale ABM deployment against a sophisticated nuclear attack.

A basic premise which underlies the present Soviet-American nuclear balance is that deterrence consists essentially of a strategic posture—a nuclear capability in being and credible to any potential adversary. If deterrence fails, nuclear war must be fought with existing forces. Unlike mobilisation for conventional war, mobilisation for nuclear war is a continuous process which occurs, if at all, before hostilities break out. Nuclear power politics, then, may be viewed as the evolution and interaction of a series of postures by the various participants.

Given the high stakes and large uncertainties involved, strategic nuclear planning tends to be conservative. Planning factors for developing a nuclear posture are an adversary's capabilities and the 'worst plausible case'. A potential adversary's intentions are largely ignored. When such conservative planning is applied on both sides of a conflict relationship it is easy to see how an arms race is unavoidable.

The net result to date in the evolution of the Soviet-American nuclear relationship is that each has achieved an assured destruction capability against the other. Deterrence is mutual and the level of strategic armament on both sides is very high. It is estimated that the United States could place about 4,000 nuclear warheads on Soviet targets, while the Soviet Union could hit the United States with 1,000 nuclear warheads of somewhat larger average yield. One might assume that in such a posture the two sides might declare that enough is enough. Granting the desirability of some measure of 'overkill', each side now has it.

However, the fundamental processes of science and technology are inherently dynamic. As diminishing returns set in on the offensive side, increased attention has been devoted to the possibilities of defence. The Soviet Union has already deployed a limited ABM system around Moscow. For several years the United States has conducted an ABM research and development programme costing approximately five hundred million dollars annually.

Before proceeding further with its own ABM programme, the United States made several attempts to start discussions with the Soviet Union on limitations on further deployment of both offensive and defensive nuclear systems. In view of the failure of these attempts and the growing nuclear capability of Communist China, the United States then decided to produce and deploy a light ABM system of its own.

With this background in mind, let us turn towards the future, focusing first on the prospects for preventing the further spread of nuclear weapons in light of limited ABM deployment.

Recently, substantial progress has been achieved in non-proliferation negotiations between the United States and the Soviet Union. At the Eighteen-Nation Disarmament Conference in Geneva the two super-Powers reached agreeement on January 18, 1968 on a complete draft treaty. This will be the subject of discussion at a resumed session of the United Nations General Assembly which will convene in April after this article has been published.

Non-proliferation is an inherently discriminatory concept. It seeks to perpetuate the *status quo* of a world with five nations possessiong nuclear weapons and the rest without. Certain non-nuclear nations may be reluctant to relinquish their nuclear options, especially if they believe they may require nuclear weapons in the future to offset a nuclear threat from one of the five, as with India and Japan.

What options other than nuclear weapons exist, or can be provided, for Asian nations such as India or Japan in the face of China's growing 'modest' intercontinental nuclear force China will have by the mid-1970s with an initial five thousand million dollar ABM system, how should India or Japan respond to the medium range ballistic missile capability China will have within a year or so?

Following China's nuclear test explosions, assurances have been reiterated by high United States officials that nations without nuclear weapons can be sure that 'if they need our strong support against some threat of nuclear blackmail, then they will have it'. Will these assurances be enough in the future?

The idea that the nuclear super-Powers could guarantee the security of non-nuclear nations against nuclear attack has been suggested as a possible *quid pro quo* for signature of a non-proliferation treaty. However, such commitments by either the United States or the Soviet Union alone would largely compromise the position of any non-aligned nation, while a joint United States-Soviet guarantee would require a degree of East-West co-operation that is below the horizon of political reality today. While some form of nuclear assurance may emanate from the United Nations, it would seem doubtful that such a dilution of responsibility on the guarantor side would be satisfying in the long run. Finally, as a practical matter, it is doubtful whether at this time the U.S. Senate would give its consent to United States ratification of a non-proliferation treaty if it included provisions which could result in a sweeping and yet uncertain extension of United States security commitments.

In view of these considerations it is not surprising that the nonproliferation treaty draft, as it emerged from super-Power negotiations, was silent on the subject of nuclear guarantees to non-nuclear nations. Yet the problem remains, and it will have to be dealt with on a continuing basis.[1]

Will, in fact, United States ABM deployment provide, as Mr. McNamara has argued, "an additional indication to Asians that we intend to deter China from nuclear blackmail, and thus contribute towards our goal of discouraging nuclear weapon proliferation . . ."? Or, might the construction of such a nuclear shield be interpreted in Asia as the beginning of an American shelter under which we will withdraw—a "Fortress America" for the nuclear age?

Another suggestion for alleviating the continuing security problems of non-nuclear nations in general would be to provide them with ABM defenses of their own. This suggestion does not appear to be either wise or feasible in the near future, for several reasons. The cost of even a limited ABM defense is too high—too high either for the United States to give away, or for whatever countries might be involved to be willing, and in some cases able, to pay for themselves. While cost sharing might be considered, past experience in NATO would indicate that discussion along these lines would probably produce more dissension than co-operation. In Western Europe especially, where the Chinese nuclear threat does not appear relevant in the near future, the magnitude of the Soviet offensive nuclear capability seems to foreclose any possibility of a limited ABM from achieving even marginal effectiveness.

Moreover, deploying a United States ABM system in other countries would raise a number of intractable problems of operational control and ownership. These problems would be intrinsically difficult to resolve. But also the most probable solutions would appear to be irreconcilable with existing United States legislation, as well as a non-proliferation treaty. While, therefore, the possibility of transfer of ABM systems to foreign countries should not be dismissed forever, consideration of this alternative should be postponed at least until the non-proliferation issue is resolved one way or the other.

Having examined the prospects for containment of the horizontal dimension of the nuclear arms race in light of the United States ABM decision, let us now turn to the vertical dimension and consider the future course of the nuclear relationship between the two super-Powers.

In the wake of United States deployment of a limited ABM defence the Soviets have four basic options: first, they can do nothing; second, they can offset the thin United States defence by increases in their offence; third, they can thicken their own existing defence; and, fourth, they can increase both defence and offence. We may hope that the Soviets will do nothing. However, is such a response in Moscow likely? Have the Soviet leaders already made allowance in their plans for the possibility of a limited United States ABM deployment so that no further offensive or defensive increase on their side will be necessary? Such foresight would be rare indeed.

Which of the remaining three options the Soviets exercise would depend on the extent to which they share with us the assumption that an assured destruction capability is the cornerstone of national security, and whether they agree with the McNamara calculus of cost-effectiveness of increments of offence versus increments of defence. The Soviets have a tradition backed by strong emotion, if not pure logic, which emphasises defence of the homeland. Therefore, further thickening of Soviet ABM defences, either alone or in conjunction with offensive production, may not be ruled out.

Looking one step further in the interaction process, while the United States may be able to tolerate marginal extension of Soviet offensive procurement without further response. Mr. McNamare has stated that the United States would respond to Soviet thickening of its present defences with offensive increases of its own. This plan for an assymetric response may prevent a vicious upward spiral from developing on the defensive side, if it holds. Over time, such a plan is, however, likely to yield to other pressures. The overall process of research, development and innovation in the context of competing societies seems to acquire an internal dynamism and logic of its own which lead toward full exploitation of technical possibilities. New developments achieve a momentum of their own which are difficult to resist, particularly in the national security area.

With respect to offensive nuclear delivery systems, a plateau in United States procurement had been reached before the ABM decision. Present Soviet production may be viewed largely as a reaction to the large missile production runs of the United States during the mid-1960s. Therefore, ABM aside, it is possible that missile levels on both sides would have levelled off.

The deployment of limited ABM systems on both sides will exert substantial pressure to turn this flattened curve upwards again. The number of warheads which the United States can place on Soviet targets is being increased within existing levels of missiles and launchers through replacement of single with multiple warheads—the so-called Multiple Independent Re-entry Vehicles or 'MIRV's". Therefore, some Soviet ABM deployment can be offset by the United States without resuming large scale production of delivery systems. However, if the Soviet ABM defence is thickened the outer limit of this kind of offset capability will soon be reached. Penetration will come to depend on saturation, and saturation will require resumed production of offensive delivery systems. The 'worst plausible case' here would be a gradual spiral upwards into all-out production of both offensive and defensive systems on both sides of the balance of terror. The fact that the United States could, at tremendous cost and no gain in its security, lead such a production race should counsel restraint to the Soviet Union.

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[1] The author discussed this problem more fully in "Guarantees to Non-Nuclear Nations", *Foreign Affairs*, Vol. 44, No. 4, p. 683 (July, 1966).

However, the Soviet Fractional Orbital Bombardment System, or 'FOBS', is indicative of an increased tempo in the interactions occurring among the technological variables in the Soviet-American nuclear equation. To intercept an incoming FOBS, which will probably approach the United States from the South rather than the North, would require adjustments in ABM system deployment. The lower trajectory of the FOBS will place a premium on 'over the horizon' radar detection systems. However, the Soviet FOBS will probably be less accurate and carry less nuclear payload due to the de-boosting requirement. Therefore, it may well be a less efficient system for delivering nuclear destruction than an equivalent number of ICBM's. In any event, if the Soviet Union does proceed to deploy Fractional Orbital Bombardment vehicles in substantial numbers it will not be the first time that the Kremlin will have violated the Pentagon's rules of cost-effectiveness.

While, therefore, the Soviet FOBS should not be traced to the United States ABM deployment, it is clear that ABM systems in general will exert strong pressures in the direction of a resumption of the Soviet-American nuclear arms race in all its aspects. If pressed further than limited deployments, ABM systems could also erase much of what little progress has been achieved in the direction of nuclear arms control. Under the Nuclear Test Ban Treaty, which prohibits nuclear test explosions in the atmosphere, outer space and underwater, it will be impossible to conduct an operational test of an ABM system. The live interception and nuclear destruction of an incoming offensive warhead with a defensive warhead is prohibited by the Treaty.

Many of the uncertainties involving nuclear aspects of the interception problem can be narrowed by simulation techniques and static nuclear tests underground. Moreover, the major uncertainties in an ABM defence are not nuclear, but rather pertain to radar and fire control systems. The margins of uncertainty in the electronic aspects of an ABM defence can be measured, and either reduced or engineered around, without nuclear testing. Nevertheless, as the scale of ABM defence increases, pressures will also increase to test the system as nearly as possible in an operational nuclear environment. While the United States will spend five thousand million dollars, would it spend 40 thousand million dollars on an ABM defense without an operational systems test?

In addition to de-stabilising the balance between Soviet and American strategic postures, the deployment of ABM systems may well reverse a major trend in nuclear strategy itself. The doctrine of 'massive retaliation', enunciated by Secretary of State Dulles, in 1954, to a large extent governed our strategic thinking until the Kennedy Administration in 1961. Then it was supplanted by the doctrine of 'controlled and flexible response' developed by the new breed of Pentagon strategist under Secretary McNamara's tutelage. Implementation of this strategy mainly required substantial increases in conventional non-nuclear forces. But the new strategic concept also served as a basis for 'thinking about the unthinkable', for war gaming and planning a variety of possible ways of using nuclear forces short of an all-out exchange, and for terminating a 'controlled' nuclear war with something less than total destruction on both sides. The ability to implement such refinements in the practical tangle and emotional confusion of a real crisis may be questioned. Nevertheless, the doctrine of controlled and flexible response has had the virtue of inducing more rationality in thinking about strategy, and, more importantly, in planning strategic nuclear force structure.

Does the technology of ABM systems lead us inevitably back to massive retaliation at the nuclear end of the weapons spectrum? If an ABM system is credited with effectiveness, any launch of offensive nuclear missiles against defended targets will have to be sufficient in numbers to saturate the defence. Can anything short of a massive attack, whether a first or second strike, provide the required amount of certainty that the adversary's defences will be saturated? The more effective ABM systems become, the more both sides would seem to be placed in an all-or-nothing strategic deterrence posture.

It is widely recognised that the mutuality of nuclear destructive capability on both sides of the Soviet-American equation 'narrows the range of Soviet aggression which our nuclear forces can effectively deter'. Deployment of ABM systems will reinforce this trend. Nuclear forces will, in the context of the Soviet-American relationship, become increasingly blunt and unwieldy instruments.

We complete our appraisal of the United States ABM deployment decision by specifically relating it to the future course of the United States nuclear relationship with China.

Mr. McNamara has stated that 'we possess now, and will continue to possess for as far ahead as we can foresee, an overwhelming first-strike capability against China'. Without a United States ABM defence, China would also soon be capable of inflicting grave damage on the United States if its nuclear forces were launched first. As previously indicated, it is estimated that China will have medium-range ballistic missiles within a year or so, an initial intercontinental missile capability in the early 1970s, and a 'moderate' intercontinental force in the mid-1970s.

Our decision to deploy a light ABM defence has been justified primarily on the grounds of precluding the possibility of China inflicting damage on the United States in a first strike. It is difficult to imagine a rational ground for a Chinese nuclear attack on the United States in view of the immense retaliatory capability of the United States. Thus, the light ABM defence in the United States is intended mainly to constitute a shield against Chinese irrationality.

However, another and equally important argument exists in favour of deployment of a China-oriented system. Should a direct and major confrontation occur with China in the future and the United States possessed no effective defence against a Chinese first strike, the incentives operating in the United States to use its nuclear forces in a preemptive first strike would be greatly increased. The deployment of a light ABM defence may, therefore, insure not only against irrational conduct in Peking, but also that rationality will continue to govern in time of crisis in Washington.

We must, however, recognise that Peking will probably view the United States ABM defence as insurance, not against irrationality in a crisis, but against whatever Chinese nuclear forces might survive a United States first strike. Moreover, the extent to which an ABM defence would actually reduce first strike incentives for the United States against China would largely depend on the degree of confidence American decision-makers had in the effectiveness of their defence system.

In addition to direct pressure on the United States, China's expanding nuclear capability will generate increasing pressure in two other directions. First, as we have seen, China's nuclear posture and intentions are key factors conditioning the future course of nuclear proliferation in Asia. Second, China possesses substantial influence over the future course of the Soviet-American nuclear relationship. In this respect the dynamics of a technological race are working against both the Soviet Union and the United States. Improvement in relative position will be less difficult for China to achieve than for the nuclear super-Powers which are both already pressing against existing technological boundaries. Therefore, China's growing nuclear capability could be the catalyst for a major new round in the Soviet-American nuclear arms race. This would be especially true if continuing technological pressure from China's strategic nuclear posture induces the United States to thicken its own ABM defense.

What can we conclude from this appraisal of the United States limited ABM decision and of its impact on the future prospects for arms control?

First, China is moving into a position of pivotal importance. This trend is not new. But China's nuclear capability provides both the political cutting edge and an important strategic underpinning for her future role in world power politics. The United States ABM deployment will not cancel out the political power China derives from its nuclear capability. The United States ABM decision in fact recognises China as a major nuclear Power.

Second, China's nuclear power creates a range of difficult and delicate security problems for its own leadership as well as for world leaders elsewhere. Until China itself achieves a secure second-strike capability the incentives for a first strike against China in a crisis cannot be ignored in Peking, whether or not her adversaries possess an ABM defense. However, if China sets as a primary objective the achievement of an assured destruction capability against the United States, this could trigger a renewal of the nuclear arms race between the United States and the Soviet Union which would leave China even further behind. Moreover, if China does not pursue a policy of restraint in the build-up of its own nuclear forces it seems inevitable that either or both Japan and India will eventually have to respond with the acquisition of nuclear forces of their own. Such a response in Asia would, in turn, effect a net reduction in China's own security. Therefore, it will be difficult for China to use her long-term advantage the political leverage resulting from her nuclear weapons programme.

Third, the United States may well be in the most difficult position of all. Recognising China's technological power of position, how best can the United States hope to deal with it? China's leverage will be maximum if the United States continues to base its response to China on her nuclear capabilities coupled to the worst plausible case.

China will eventually achieve an assured destruction capability against the United States. Will China be more 'rational' then than at present? It is time now for the United States to face squarely the issue of an accommodation with China based not upon a first-strike capability on one side, but upon nuclear deterrence on both sides.

Article VI of the non-proliferation treaty would place an obligation on all parties, including the two super-Powers, 'to pursue negotiations in good faith on effective measures regarding cessation of the nuclear arms race . . .'. Present trends in the reality of nuclear weapons capabilities fly in the face of these words on paper. China will not adhere to the non-proliferation treaty. But is it too much to expect the United States and the Soviet Union to review and agree to reverse or freeze their ABM deployment decisions in light of their prospective obligations? Otherwise, how can we expect nations without nuclear weapons which adhere to the treaty to take seriously the pledge of abstinence?

The path of arms control is difficult. Yet it is the only path which leads towards what must be a paramount goal in the nuclear age—avoidance of nuclear war in a world where diverse value systems co-exist.

[From the Adelphi Papers, No. 47, April 1968]

THE CASE AGAINST MISSILE DEFENCES

(By Jeremy J. Stone)

(NOTE.—Dr. Stone is currently on the faculty of Pomona College, California; during 1968–69, he will be engaged in postdoctoral work in economics at Stanford University. He was a member of the *Hudson Institute* from 1962 to 1964, and a Research Associate at Harvard Center for International Affairs from 1964 to 1966. He has written widely on problems of national security and arms control, and is the author of *Containing the Arms Race: Some Specific Proposals* (MIT Press, 1966) and *Strategic Persuasion: Arms Limitation Through Dialogue* (Columbia University Press, 1967).

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THE BACKGROUND

On 18 September 1967, Mr. Robert S. McNamara, then US Secretary of Defense, announced plans to deploy a limited ballistic missile defence system (called *Sentinel*) against the possibility of an attack by Chinese ballistic missiles. He acted under considerable political pressure, and called the case for the weapon system 'marginal'. This political pressure was generated very largely by the belief—now thought to be mistaken—that the Soviet Union was deploying ballistic missile defences around far more than Moscow. The Soviet Government had expressed willingness in principle to discuss limits on the arms race, but had delayed in setting a date for talks to begin. Many drew the conclusion that the Russians were 'stealing a march' on the United States. Because this pressure combined with the problem of missile defence against China, and because China became the rationale for the decision taken, it is a decision almost impossible to reverse on the grounds of faulty American estimates of Soviet intentions. Indeed, the new US Secretary of Defense, Mr. Clark Clifford, has advised the Senate Armed Services Committee that he is for maintaining a 'clear-cut nuclear supremacy' over the Soviet Union; this approach, distinctly more favourable to missile defence procurement than that of Mr. McNamara, suggests an increase in the likelihood that the United States will press on to build a larger system.

Nevertheless, this paper rejects the argument that at least some missile defences should be accepted as inevitable. Since these defences have a tendency to rapid obsolescence, conceding their desirability would concede the correctness of continuing expenditures. The case against additional expenditures for missile defences is, for the most part, a case against building any—thus a case for letting whatever has been done become obsolete as soon as possible. In any event, this paper attacks the idea that the existing thin defence against Chinese missiles should be used as a 'building block' for a larger defence designed to neutralize Soviet offensive weapons.

For eight years preceding the September 1967 decision to deploy a 'thin' ballistic missile defence, United States Administrations considered and rejected suggestions that ongoing development programmes for missile defence be followed by procurement of one system or another. At first it was a primitive *Nike-Zeus* missile—considered successful if it could make an 'intercept' of a single incoming warhead. Such a system could have been built by 1963–64 but would, according to estimates made by the Defense Department in 1962, have been obsolete by the time it became operational.[1] A more advanced system, *Nike-X*, could have been ordered in 1963 and built by 1968, but—relative to projected Soviet improvements—would have been obsolete by 1966.[2]

These systems depended upon tracking incoming objects despite clouds of 'chaff', then distinguishing between decoys and weapons, and then launching anti-missiles at located warheads. Since observations of atmospheric drag on incoming objects were critical to distinguishing them, the defence was required to wait until the attacking warhead had entered well into the atmosphere and to intercept perhaps 5,000 to 100,000 feet off the ground; hence it had to rely upon interceptors that could climb thousands of feet in a few seconds. For this reason also, it had to anticipate low-level detonation of adversary warheads, and hence it had to complement the system with fallout shelters. Finally, the defence was local in character, covering ranges of only 15 to 25 miles, and all but the largest 25 or 50 urban areas would have been undefended.[3]

Although the systems under development were quite obviously improving throughout the 1959–65 period, they seemed, paradoxically, ever less likely to be built. The problem of civil defence, the partial coverage provided by the defence, the rising cost of building an ever more complicated system, a growing willingness to rely upon the balance of terror, the prospect of suitable Soviet penetration devices, a widespread desire not to stir up the arms race, and Mr. McNamara's emphasis on cost-effectiveness—all combined to limit the prospects for missile defence procurement.

In 1964, Communist China exploded her first bomb, and American strategists saw a threat that might be neutralized with greater confidence than could that of the Soviet Union. Not long thereafter, the range of the American inerceptor missiles was greatly expanded. At the same time, new techniques were developed to permit the destruction of incoming missiles with X-rays while they were still outside the atmosphere. (Earlier systems had relied on blast effects in the atmosphere, and hence such systems were ineffective at air-less altitudes.) The increased range of the interceptor, in conjunction with the new X-ray method of 'kill', enormously improved paper-and-pencil calculations of effectiveness. Incoming missiles could be attacked several hundred miles up. Each interceptor battery could cover a ground radius of about 400 miles.[4] When these results were considered with respect to the new (and weaker) prospective Chinese threat, some began to talk of the possibility of preventing any Chinese missiles from penetrating until the 1980s—even of discouraging China from building long-range missiles at all.

In this supersaturated situation, in 1966, some evidence was uncovered that the Soviet Union had begun to build a ballistic missile defence. Earlier sporadic Soviet efforts to build a single battery around Leningrad in 1962 had created only a stir. Now it seemed certain that a defensive system had been installed around Moscow. Elsewhere, unquestionably, something was being built rapidly. This more comprehensive installation (called the "Tallinn" system, after the Estonian City that housed part of it) was thought by some to be a defence against missiles. General Earle G. Wheeler testified that it would violate "military logic" if it were not. But despite an earlier news conference in which Mr. McNamara announced "considerable evidence" that the Soviet Union was deploying an anti-missile system, he testified in 1967 that existing evidence could be explained by the hypothesis of an extensive new air defence system. Presumably such a system would have been started in anticipation of a high-flying B–70 aircraft or the flights of some U–3 spy plane. More generally, it might have reflected compulsive vested interest in air defence. By 1968, a "majority" of Department of Defense analysts subscribed to Mr. McNamara's "air defence" view, and the situation was seen as follows in the fiscal 1969 defence budget:

> Now, I can tell you that the majority of our intelligence community no longer believes that this so-called "Tallinn" system (which is being deployed across the northwestern approaches to the Soviet Union and in several other places) has any significant ABM capability. This system is apparently designed for use within the atmosphere, most likely against an aero-dynamic rather than a ballistic missile threat.
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> Although construction of the *Galosh* ABM system around Moscow is proceeding at a moderate pace, no effort has been made during the last year to expand that system or extend it to other cities. It is the consensus of the intelligence community that this system could provide a limited defence of the Moscow area but that it could be seriously degraded by sophisticated penetration aids.[5]

Notwithstanding this new appraisal of Soviet plans, the Defense Department has not changed its own plans, asserting: "Nevertheless, knowing what we do about past Soviet predilections for defensive systems, we must, for the time being, plan our forces on the assumption that they will have deployed some sort of an ABM system around their major cities by the early 1970s".[6] The phrase "for the time being" presumably refers to the possibility of American-Soviet discussions and may suggest American willingness to compromise in the presence of talks.

THE CENTRAL ISSUES

Will Soviet missiles be launched against us?

A large-scale Soviet attack against American cities is plainly and simply not rational, since the American response is primed to destroy the Soviet Union in return. The Soviet leadership is aware of this. That nuclear war is mutual suicide has attained the status of a cliché with both super-powers. Wide-scale nuclear attacks on American forces are so unlikely to succeed, and so dangerous in any case, that it is very hard to imagine a Soviet leader, or Soviet committee, attempting them.

One can talk of war occurring through escalation. But it still requires, at some stage, that one major power launch nuclear weapons against the other. This will be, and can be expected to be perceived as, a self-destructive act. For the foreseeable future, war calculations will not seem promising; moreover, leaders are unlikely to believe them if they do seem so. And there is ample evidence in the three decades since World War II of great-power caution in treating events that might risk general nuclear war.

For these reasons, among others, nuclear war between the United States and the Soviet Union has become a low-probability event—possible and well worth worrying about because of its enormous consequences, but still unlikely. Because it has this character, concern with "getting through the next few years" has gradually been transmuted into concern with maintaining nuclear peace and national security over the next decades. In short, the world situation now warrants paying attention to the medium- and long-term problems attendant upon proposed policies relating to nuclear war.

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[1] US Congress, House Subcommittee of the Committee on Appropriations, *Department of Defense Appropriations for 1964*, Part 1, pp. 434–35.

[2] US Congress, Senate Committee on Armed Services, *Military Procurement Authorization Fiscal Year 1964* (88th Congress, 1st Session, 1963).

[3] *Statement of Secretary of Defense McNamara Before the Senate Armed Services Committee on the Fiscal Year 1969–73 Defense Program and 1969 Defense Budget*, p. 75 (hereafter cited as *Statement 1969*).

[4] The area protected is egg-shaped, about 500,000 square miles in extent, with the sharper part of the egg pointed south. Considering overlaps, about 14 batteries cover the continental United States. See Hearings Before the Subcommittee on Military Applications of the Joint Committee on Atomic Energy, US Congress, 90th Congress, 1st Session, *Scope, Magnitude and Implications of the US Antiballistic Missile Program*, 6 and 7 November 1967 (hereafter cited as *Scope*).

[5] *Statement 1963*, p. 55.

[6] *Ibid.*, p. 55.

Would missile defences work against a major power?

There are four questions. First, will missile defences work more or less as planned in the absence of adversary counter-measures? Second, would the defences be vulnerable to American or Soviet counter-measures? Third, would these counter-measures be taken? And, fourth, would the defences simply become obsolete as a result of unrelated developments in offensive weaponry?

Because most observers take their cue from the official estimates of the effectiveness of missile defence, little attention is normally paid to the possibility that these estimates might themselves be only 'best guesses'. The US Defense Department asserted in 1967, for example, that a massive American missile defence, costing $20 to $40 billion, would hold immediate fatalities down to 20 or 30 million if the Soviets did not take corresponding offensive adjustments in their strategic forces. These and related figures, admitted by the Defense Department to be illustrative and 'highly sensitive' to small changes in targeting, are in fact still more questionable. They are technological speculations derived by systematically excluding all that does not lend itself to quantitative analysis, and by estimating with unreal precision parameters little understood and with wide variance.

These estimates are associated with historically unprecedented maintenance, electronic reliability, and computer programming standards. They then assume that the defence will work as planned in a nuclear environment that is, to put it mildly, unprecedented. Highly complicated computer programmes, sensitive radars and missiles filled with electronic equipment are supposed to be regularly shooting down hundreds of incoming missiles in an environment with radar-blinding fire-balls, electronic-disrupting blast and X-ray effects, and earth-shaking detonations. Moreover, these figures assume that no unexpected Achilles heel will prevent itself during, or soon after, the few to several years required to build the system. It is worth remembering the American air defence system which was built at a total cost of perhaps $30 billion during the late 1950s. This was a system of which its builders admitted no realistic test could ever be given. In *On Thermonuclear War*, Herman Kahn remarked that a strategic analyst could not make his reputation by finding holes in the air defence system—it was known to have so many.

It is no accident that many of the scientists who were intimately involved in building the SAGE air defence system in the United States are persuaded that a comparable effort now to defend against ballistic missiles is a boondoggle. Thus Dr. Jerome B. Weisner, former science adviser to Presidents Kennedy and Johnson, asserted in a recent article in *Look Magazine* that "few competent people expect the extremely complex ABM system to work the first time; yet it must to have any effect". And he noted that it must work perfectly, since a single warhead can destroy a city. It should also be mentioned that the construction of ballistic missile defences in the United States is the single most complicated engineering feat ever attempted in the world.

Even assuring that the defence would work, would it work against counter-measures? It is useful here to examine American counter-measures to the prospect of a Soviet ballistic missile defence, since these could presumably be adopted by the Soviet Union. The most important recent change in American offensive capability is the incorporation in each missile launcher of Multiple Independently Targetable Re-entry Vehicles (MIRVs): in short, the placing of several separately aimed warheads in a single "missile". Thus one possible American missile could carry ten separately aimed 50-kiloton warheads instead of, for example, one 10-megaton warhead, and the trend is for each launcher to have several.[7] This requires the defence to use ten times as many interceptors. American land- and sea-based missile "launchers" have stabilized at about 1,700. If each came to have "several" warheads capable of reaching the Soviet Union, there would be approximately 10,000. Soviet ICBMs are now approaching 750, and their generally larger payloads can presumably reproduce the American multiple warhead capability if the Soviet Union should choose to try.

Multiple warheads are the penetration aid that lends itself best to computations. But the United States is also preparing, and presumably the Soviet Union could prepare, electronic counter-measures: knock out or confuse a radar, and all warheads might get through to a target; send one warhead through the trajectory of another, and the radar may be blinded by the blast of its own interceptor; try to have your missiles arrive simultaneously so that the defence is overloaded; seek out vulnerable parts of the system to attack, and then attack the city.[8] Obviously there is room here for ingenuity and surprise (factors which are hardly susceptible to calculation).

Would the Soviet Union attempt to nullify an American system, and how strongly would the United States react to a Soviet defence? Those in favour of ballistic missile defences have sometimes put stress on the possibility that the Soviet Government would not make those corresponding adjustments in its offensive weapons that prevent the United States from holding immediate fatalities down to 20 or 30 million. Perhaps out of lack of interest, ineptitude, or scarcity of resources, the Soviet Union might not respond effectively; but that she would in fact make corresponding adjustments in her offensive weapons seems—as has been put by Mr. McNamara—to be 'virtually certain'. She has already built an enormous strategic force that is growing more, not less, rapidly than it did in the past. She becomes, as does the United States, more skilled in making these arms race projections with each passing year. (She has only to follow the American lead in any case.) And she grows richer.

In both the United States and the Soviet Union, internal political considerations join with legitimate security concerns to make the credibility of the deterrent the single most important military consideration. In the United States, the opposition political party is not alone in being the guardian of the certainty with which the United States can invoke her deterrent. Inside the Pentagon, as Secretary McNamara put it in March 1967, 'I do not think there is a senior civilian or military official in the Defense Department that does not believe that (1) we should react to the [Soviet] ABM deployment by expanding our offensive force, and (2) we have the technical capability to react in such a way as to assure our continued capability to penetrate that ABM defence. None of us are in any doubt about that'.[9] It is a measure of the height of feeling on this issue in the United States that it was not considered ridiculous when Mr. McNamara asserted that he would spend '$50 billion, the entire military budget', on maintaining the ability of American missiles to penetrate if necessary.

When the Secretary of Defense announced that the Soviet Union had built a ballistic missile defence around a single city (Moscow) and suggested that another system (the Tallinn system) *might* be designed against missiles, the US Defense Department acted as follows. It chose to produce and deploy the *Poseidon* submarine-launched missile, which it said would make the effectiveness of the *Polaris* submarine 'several times greater'. It produced and deployed 'improved missile penetration aids'. It initiated the 'development of new re-entry vehicles specifically designed for use against targets heavily defended with ABM's. And it decided to 'increase the proportion of *Minuteman III* in the planned force and provided it with an improved third stage'. This would give it greater payload and, at a cost of $400 million, would require of the Soviet Union 'many times more in ABM defences if they try to offset it'.[10]

Thus, in the face of an equivocal and still building Soviet defence, the United States ordered the capability to defeat any plausible Soviet defence of the mid-1970s. We cannot so easily connect the rapid *Soviet* build-up in missiles with the *American* debate over missile defences—a debate that the Soviet analysts must have expected would eventually lead to deployment. But we should at least observe that the very long lead-time involved from ordering a system to having it operational—at least a few years—causes each power to overreact to still potential threats.

The Soviet Union, which less than a generation ago suffered from the most devastating destruction in modern warfare, is no less keyed to the importance of deterring the enemy from attack. And in her internal politics, as in the United States, the defence issue can presumably be used by one faction against another. As likely as not, for a Soviet leadership to permit the United States to build, if not later to boast about, an unanswered defence against missiles is to make itself vulnerable to potential rivals.

Even if neither super-power were interested in counter-measures to ballistic missile defences, but assuming that the arms race continued, it is entirely possible that the defences would be outmoded by unrelated advances in weaponry. For example, as soon as the first inter-continental missiles were deployed—which was about the same year the American air defence system was completed—it became obvious that missiles could attack and 'roll back' the air defence to make corridors through which planes could then fly without opposition. Who is to say that a non-ballistic missile, orbiting bomb, or new radar-disrupting weapons effect will not do the same thing to an even more expensive missile defence? The missile was not developed to defeat the air defence system, but it certainly outflanked it.

Virtually any new strategic weapon, or major modification of existing strategic weapons, will raise a host of new problems for missile defences. As with the air defence system, the designers of the missile defence system expect that system to defend itself while it defends the country. Weapons against which it cannot defend itself will be weapons against which it cannot defend the country. Not many of such weapons will be necessary, therefore, to re-establish the credibility of the large Soviet investment in missiles.

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[7] Joint Committee on Atomic Energy, *Scope*, pp. 48–49.

[8] Thus the American *Sentinel* system must have terminal defense interceptors to protect the Perimeter Acquisition Radars, which are called the 'eyes of the system'. (*Ibid.*, p. 14.)

[9] *Department of Defense Appropriations for 1968*, Hearings Before a Subcommittee of the Committee on Appropriations, House of Representatives.

[10] *Statement of the Secretary of Defense Before the House Armed Services Committee on the Fiscal Year 1968–72 Defense Program and 1968 Defense Budget*, pp. 57, 44, 56.

For reasons like these, Dr. John S. Foster, who as Director of Defense Research and Engineering is the chief engineer in the US Defense Department, asserted that: 'Because of the enormous quantities of equipment involved, and the near rapid rate at which the technology changes, to maintain an effective system one would essentially have to turn over the whole system, the whole $20 billion system, every few years'.[11]

In summary, missile defences are too complicated, and inevitably too untested, to generate much confidence that they will work as planned. Worse, both major powers can be expected to take appropriate counter-measures to neutralize them—even to overreact in the measures taken. Even in the absence of counter-measures, the arms race and advancing technology are likely to defeat the effectiveness of the system.

One may ask why advancing technology will not produce an even better defense. And this can only be answered by saying that a single bomb can destroy a city, and no imaginable defence will be perfect. It is an axiom of life, as one strategic analyst put it, that it is easier to destroy than protect. The offence can try any one of many methods; the defence must protect against each. The offence can lose many times and still succeed in its goal of destruction; the defence must be 100 per cent perfect. Each major power is reaching a stage at which it has literally thousands of warheads to launch in any one of several ways that technology can or will provide.

An attempt to defend a country against the effects of nuclear war, an attempt destined to cost several tens of billions of dollars and take years to construct, is not something to be done on the basis of short-range expectations. Nor, as was noted, do the immediate risks of war in the early 1970s warrant it. It seems that one must attempt to estimate the chances that the defence will be able to have any significant attritional effect on the offence over time, despite a continuing arms race and a determined attempt to neutralize the defence. These chances seem slim. At best, there is no permanent victory for the defence, but only continued and expensive struggle. More likely, most of the time, the defences will not serve to protect significant fractions of the population against super-power offence.

Effect of missile defences on the arms race

It is clear that missile defences tend to encourage expenditures on systems aimed at penetrating missile defences. Since these can involve the retrofitting of entire missile forces with improved missiles, and the multiplication of missiles or warheads, this fact is a major economic and political argument against the deployment of defences.

Still worse, however, the MIRV method of ensuring penetration, in conjunction with missile defences, creates certain strategic fears. From the Soviet point of view, for example, the United States may come to have several thousand separately deliverable warheads. The Soviet Government controls about 750 ICBMs and about 800 IRBMs and MRBMs. What if each of these could be successfully attacked by American missiles? In response to a newspaper report suggesting that the accuracy of the MIRVs might be insufficient to threaten hardened weapons, the US Defense Department issued a denial saying: 'Each new MIRV warhead will be aimed individually and will be far more accurate than any previous or existing warhead. They will be far better suited for destruction of hardened enemy missile sites than any existing missile warheads'.[12] Indeed, no other assumption than steadily improving accuracy could be made with even medium probability by a cautious Soviet strategic analyst. A measure of the improvement to date was provided by the Deputy Secretary of Defense, Mr. Nitze, in a table which showed that a missile carrying ten 50-kiloton warheads could destroy ten separate airfields, from 1.2 to 1.7 hard missile silos, or 3.5 cities of 100,000 population. (In these respects it was anywhere from 1.2 to ten times more efficient than a single 10-megaton warhead.)[13]

Although the United States is far ahead of the Soviet Union in the development of multiple warheads, has numerical superiority in missiles, and has a far more secure submarine force, she is nevertheless already worried about Soviet attacks on her land-based missiles. According to the U.S. Defense Department, "A large Soviet ICBM force with a substantial hard-target kill capability might be able to destroy a large number of our *Minuteman* missiles in their silos. An extensive effective Soviet ABM defence might then be able to intercept and destroy a large part of our residual missile warheads, including those carried by submarine-launched missiles." [14] Admitting that such a threat is "quantitatively far greater than those projected in the latest intelligence estimates", Mr. McNamara asserted that "prudence" dictated that the United States put herself in a position to strengthen her offensive capability.

Of course, the Russians have far more reason to feel concerned. Defense Department testimony revealed what the Soviet must do to neutralize various American defensive postures. In illustrative computations about the mid-1970s against a hypothetical American defensive system now estimated at $22 to $40 billion, the Soviet retaliatory force of the mid-1970s would hold only 10 million Americans hostage to a surprise attack unless counter-measures were adopted. Soviet adoption of penetration aids, and of Multiple Independently Targetable Reentry Vehicles (MIRVs), would raise this figure to 40 million. But to get it back to 90 million, where it would stand if the United States built only *Sentinel*, would require 550 mobile ICBMs. The fact that the Defense Department refers to mobile ICBMs reveals the anticipated capacity of MIRVs to attack locatable ICBMs. In short MIRVs plus ABM spell trouble, at least on paper, if the centre of gravity of Soviet decision-making is still worrying about surprise attack from the United States.[15] As Mr. McNamara's current statement put it, "We have come to the conclusion that both sides would be far better off if we can reach an agreement on the limitation of all strategic nuclear forces, including ABMs".[16]

Missile defences are likely to encourage not only offensive weapons that may neutralize them but more defences as well. Although Mr. McNamara may have argued, as he did in his announcement, that the case for a 'Chinese defence' is only 'marginal', and the case against a more massive defence clear, time tends to turn whatever exists into a military necessity in the logic and psychologic of defence bureaucracies. We have seen this happen before. The case for 1,000 land-based American *Minutemen* was questionable, and Mr. McNamara's 18 September speech announcing his recent decision admitted that they were excessive, blaming the decision on Soviet secrecy. Had the United States followed a different logic, it is possible that she might have contented herself with *Polaris* submarines and few if any land-based missiles. She might have relied on the threat to attack a few cities and disavowed any intention to strike Soviet missiles (the policy called finite deterrence). But having made the choice she has, American policymakers are led seriously to consider attempts to extend or protect what they have built.

Something should be said, in passing, of the arms-race implications of the different solutions proposed to the projected vulnerability of *Minuteman*. First of all, almost all of the arms-race problems could be resolved at one swoop if the Defense Department would dismantle the land-based missiles when they become vulnerable, and rely instead on existing or increased numbers of *Polaris* submarines. This massive reduction of American offensive power would undercut fears on the part of the Soviet Union of attack on her forces. The invulnerability of *Polaris* would prevent attack upon the sea-based missiles, and whatever was necessary to penetrate future Soviet defences could be installed in the submarine-launched missiles.

Instead, the Defense Department is considering: (*a*) converting the entire force to *Minuteman III*, i.e., completing its modernization, and hence improving its offensive capability, so that whatever missiles survive will be more powerful; (*b*) increasing the number of warheads each *Minuteman* missile could carry, i.e. doing more of the same as in (*a*); (*c*) emplacing the entire *Minuteman III* force in super-hard silos, i.e. protecting it against attack by requiring of the Soviet Union more accuracy, more missiles, or larger ones for the same amount of destruction; or (*d*) protecting the *Minuteman* force with an ABM defence, i.e. employing what is called hard-point defence.

Solutions (*a*) and (*b*) would further

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[11] *US Armament and Disarmament Problems,* Hearings Before the Subcommittee on Disarmament of the Committee on Foreign Relations, US Senate, 3 February to 3 March 1967, p. 15.

[12] *The New York Times,* 17 January 1968.

[13] Joint Atomic Energy Committee, *Scope,* pp. 48, 49.

[14] *Statement 1969,* p. 59.

[15] By combining the estimate provided earlier by Mr. Nitze with standard probability tables, one can estimate the order of magnitude of Soviet problems. Thus if ten 50-kiloton warheads will destroy 1.7 hard missile silos, and if this computation assumes that missiles are assigned to targets so that no more than 2 per cent to 5 per cent of targets are undestroyed (a natural assumption), then the single-shot kill probability of each warhead must be 0.45 to 0.5 (see, for example, the table provided in Herman Kahn's *On Thermonuclear War*, p. 468, entitled 'Missile Required to Attack a 50-Point Target System'). Assuming that the Soviet target system of hard missile silos grows to, say, 1,000 by the mid-1970s period under discussion, then 7,000 to 8,000 warheads with this single-shot kill probability could attack them in such a way that only about ten would remain. (See *On Thermonuclear War,* p. 481, for this estimate.) If each of the 1,000 American land-based missiles came to have the 'several' warheads referred to earlier, this might be feasible on paper.

Incidentally, if the range from 1.2 to 1.7 provided earlier refers to ranges of 'hardness' from, say, 100 psi to something higher ('hard' means at least 100 psi in common parlance), then the CEP under consideration can be read from the table on page 469 of *On Thermonuclear War* (using the well-know fact that the efficiency of missiles varies as

$$\frac{\text{yield}^{2/3}}{\text{CEP}^2}$$

or from the standard Nuclear Bomb Effects Computer Slide Rule. It would be about 0.25 miles, which explains the enthusiasm in the denial quoted earlier than MIRVs were inaccurate. President Eisenhower boasted of CEPs of one or two miles.

[16] *Statement 1969,* p. 65.

threaten the Soviet force, pushing the spiral still further. Solution (*c*) buys time, but resolves the problem in no definitive way if the Russians seek protection in numbers—numbers that will eventually seem to threaten the new silos. Solution (*d*) will tend to enlarge the *Sentinel* missile defence, representing a step forward politically, psychologically, and perhaps even technically, to a full-fledged city defence. This will have an unfortunate effect on Soviet planners. And if Dr. Wiesner is right when he says he is "certain that the system we are now planning will be regarded as ineffective before it is installed," it is equally plausible that the hard-point defence will be considered inadequate protection by the time it is built.

The only possible basis for stability is to switch the main part of strategic offensive capability to submarines and to do it in both super-powers. Unfortunately, the trend in relative offensive power seems quite in the opposite direction, and strong political and bureaucratic pressures seem likely to keep it that way.

In any case, these difficulties reveal the problems that are associated with a single bad decision—too many Minutemen. Similarly, if it should become accepted that attempts to protect the country are in order, a variety of other expenditures will follow in time. These will include expenditures on bomber defences and anti-submarine warfare, as well as expenditures to prevent existing missile defences from becoming obsolete. There is, of course, the further possibility that defences against new weapons, cruise missiles or something else might be encouraged as well.

The possible future costs in arms procurement of accepting the legitimacy, feasibility, and desirability of defence against nuclear weapons are quite unlimited. Systems of mid-course intercept, or boost-phase intercept, are now officially considered outlandishly expensive, involving, as they may, large numbers of satellites. But present missile defence considerations were, when begun in the late 1940s and early 1950s, even more outrageous, anticipating, as they had to, the parallel future development of the missiles themselves. And the logic and potential efficiency of attempts to intercept missiles early in their course will keep such defences under serious study. By the same token the strategic fears aroused by these possibilities could easily grow over time since, conceptually, they could conceivably promise higher reliability of attrition.

In general, over a period of decades, the possibility that the defence might throw a substantial scare into the offense is an important argument against the deployment of defences. It is not, as some would argue, a good reason for encouraging defences because, in the face of the strenuous pressures for their neutralization, we can hardly expect the "effective" defence to be more than a transitory phenomenon in a dynamic contest. (If at some future time some really super and more permanent defence emerged, it would be time enough then to take its particular characteristics of cost and permanency into consideration, along with the nature of the political climate.)

While these long-run dangers seem speculative, they may be related to this first decision to build a limited missile defence much as the present commitment of 500,000 troops in Vietnam is related to the initial decision to commit 15,000 combat troops. Inspired by Soviet efforts, by occasional new ideas in missile defence, by improvements in Chinese weapons, by competition among the political parties, by pressures from American industry and the defence establishment, by changes in Defense Department leadership, and, conceivably, by stresses and strains in American-Soviet relationships, missile defence is not going to be easy to stop.

All this costs money, but it has other unfortunate effects as well. The preoccupation with arms gaps or the implications of new weapons takes the time of government and preempts the focus of public debates. It forces negotiations to concentrate on a series of new problems (like bombs in orbit), creates alarms that undermine better American-Soviet relations, and tends to produce ever more destructive weapons.

Does China warrant a missile defense?

Virtually all China experts deny the image of a Communist China that 'seeks' nuclear war. They suggested instead the likelihood that Peking will seek low-risk strategies of political intervention, assistance to insurgents, propaganda, and so on. More generally, the Chinese leadership can hardly remain oblivious to the stark nuclear realities that have persuaded everyone else. A Chinese attack upon the United States is Chinese national suicide, and Chinese leaders, or committees of them, can be expected to see it this way. Attack from China is very well deterred.

Many American supporters of a defence against Chinese missiles quite openly want to retain the ability to attack China pre-emptively or the threat to do so. Thus one American analyst asserted: 'American leaders probably would develop different attitudes towards the Chinese according as the United States did or did not have BMD'. However, American Presidents are not likely to put as much confidence in these very involved computations of the Defense Department as all that, and even these computations always leave open the possibility of losing a city or two. Presidents know that Defense Departments—indeed government agencies generally—are capable of making mistakes. This particular estimate concerns a system that is especially complicated and untestable—as we noted. In short, the President is likely to be deterred from pre-emptive attack of China.

But would the Chinese know it? Might they not be sobered by an American defence? Again, their most likely strategies are ones to which nuclear conflict and the threat of it are irrelevant. In any case, can they be expected to believe in the defence? Whoever heard of a defence that was airtight? Chinese planners will not have to be optimistic to be skeptical of the optimism of American planners; they need only share the attitudes of almost everyone but strategic analysts.

In addition, this posture of seeming to threaten pre-emptive attack is not desirable. The temptation to carry out the threat gives rise to risks of general nuclear war. To the extent that the threat of attack is successful, it might only induce in the Chinese a policy of holding Asians hostage. It would also induce them to develop weapons less desirable than missiles. In any case, the very effort to defend against Chinese missiles is likely to enhance China's status in Asia. And if Chinese mssiles are worth such an effort on the part of the United States, it may be that Asians will be pressed by parties in opposition to take the Chinese threat more seriously than they might have otherwise. The pre-emption possibility itself might be considered very undesirable by friendly Asians and very dangerous. War with China, like war with North Vietnam, will be much more destructive in the theatre of conflict than it is to the United States, and this possibility will not be lost upon Asians.

In general, to base Western steadfastness in Asia upon the ability of the United States to reduce American casualties is to make the same mistake just made in Europe. There the United States has recently avoided basing her commitment on her ability to cut her own losses in a nuclear exchange—that posture has totally lost credibility. An analogous policy would lose that same credibility in Asia fast enough. The United States should therefore develop a rationale for Asian guarantees with greater staying power. As in Europe, she should avoid playing into the hands of those who doubt her commitment by basing it on ever more dubious calculations of casualties.

Notwithstanding all this, would the system work against China? No one really knows because the type and sophistication of future Chinese missiles cannot be known. The most effective counter-measures of the 1970s are not known either (nor whether they will be expensive or cheap). Whatever they are, they will be openly discussed in the American press, and the Chinese will learn them. The Defense Department estimates that attacks which might otherwise kill 7 million people could be held to 1 million or less. And it believes that as the Chinese ICBM force grows, 'for relatively modest outlays' *Sentinel* could be improved to limit Chinese damage into the 1980s. But 1985 is as far in advance as 1950 is behind, and since the first Soviet atom and hydrogen bombs were detonated in 1949 and 1952, it has become clear that an awful lot of technical advance is possible in time spans of this order.

Can the Chinese-oriented system be dissociated from a larger Soviet-oriented one? The Chinese force is likely to require improvement in *Sentinel* earlier than the United States expects, and these improvements may blur the difference. More immediately, many in the United States see *Sentinel* as a suitable beginning for an attempt to maintain or increase American nuclear 'superiority'; Secretary Clifford might be in that category. Certainly *Sentinel* could be a building-block to a larger system. (It is also what the Defense Department calls a 'foundation' for a future defence of *Minuteman* forces.)

Most relevant, the Soviet leaders are likely to see this system as a first step to a defence against their missiles, because that is the problem *they* worry about and because they need lead-time to take the appropriate preventive measures. Certainly, *Sentinel* is far more effective in neutralizing overall Soviet capabilities than the primitive Soviet efforts around Moscow are in reducing those of the United States. And consider how much the latter overreacted to the Soviet efforts.

Mr. McNamara called the American decision to build *Sentinel* 'marginal'. But in terms of the American-Soviet arms race, the balance seems quite in the other direction. *Sentinel* seems likely to cost the United States a great deal in time.

MISSILE DEFENCES AND ARMS CONTROL

For some time the dominant American view has been that missile defences would have the exacerbating effect on the arms race just described, and that the pressures they would generate could not be contained in a comprehensive formal agreement. For this reason, for example, the American proposal to the Eighteen-Nation Disarmament Conference that it explore a freeze on offensive and defensive strategic nuclear delivery vehicles included as 'an essential part' limitations on anti-ballistic missiles.[17]

In the recent past there have been isolated defections from this view, encouraged by the seeming inevitability of Soviet missile defence deployment—an inevitability now largely based on *American* actions, if indeed missile defences are inevitable at all. One advocate of missile defences has suggested that ballistic missile defences could reduce potential casualties (an arms-control goal) and then be controlled by a comprehensive American-Soviet agreement. Such a possibility cannot be ruled out entirely, since for example, the missile defences might be as ineffective and irrelevant as existing air defences. But, assuming that the deployment contest between missiles and anti-missiles was reasonably balanced—so that the defensive missiles were, or were thought to be, competitive with the offensive ones—then the competition between offence and defence becomes very complicated and hard to freeze. Indeed, in practice, it is probably only necessary that the defence seem to be *improvable to effectiveness in coming years* for it to cast a pall over the prospects of the treaty. And this is for strategic analysts! Politicians may find it sufficient to know that the treaty and the problem are complicated, that technology changes fast, and that deterrence is important. Note that even with an enormous political, strategic, and economic consensus favouring ending the arms race on the basis of overkill and nuclear plenty, not more than a handful of American senators argued for an agreement with the Russians. If deterrence seemed erodable under the treaty, even this handful would be further reduced.

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[17] Speech on 'ABM and the SNDV Freeze', delivered by Adrian S. Fisher to the ENDC, 16 August 1966.

As for the technical complications induced by missile defences, they are enormous. Each side is committed to ongoing research and development in every faintly plausible direction out of which an effective defence might come. It is quite impossible to design a treaty that would cope with ideas not yet formulated—such ideas would, of course, have to be covered by a right of withdrawal. But there are also those ideas which, while not sufficiently novel to spark a withdrawal from the treaty, may nevertheless arouse the most serious concern. What if a treaty had been negotiated in the early 1960s that limited the number of defensive missiles and froze only the externally observable characteristics—a common assumption. The American improvements in range of interception and kill mechanism of warhead could have turned the point-defence, 'frozen' by the treaty, into a defence of large areas. Similarly, the recent shift from individual warheads to smaller independently guided re-entry vehicles very substantially changes the efficiency of each offensive missile. In effect each missile is turned into several. Yet, with regard to external characteristics, the missiles can be designed to look the same. It is possible to hope that defensive improvements like these mentioned might be exactly nullified by offensive improvements like these also mentioned. But surely there is no certainty about it.

At least one analyst has argued that the problem would be solved if the United States did not put such emphasis on overwhelming deterrence, and has proposed that this emphasis be changed. But in view of the political obstacles, the lead-time uncertainties, and the tremendous sensitivity of all concerned, it seems unrealistic to think that important changes might be effected. It is relatively easy to persuade a Congress or an American Administration to do something like buy a ballistic missile defence. But to persuade it that it ought not respond to Soviet defences is to strike at the fundamental premise of post-war strategic weapon policy—overwhelming deterrence.

More often, it has been argued that the Russians will never agree to holding down expenditures on missile defences, and hence that agreements must be designed to permit them. (Again, it should be pointed out that, on available evidence, the Soviet Union is not planning to spend very much.) But in considering what the Russians will accept, one must also keep in mind what they cannot refuse. The idea that the Russians should not build a missile defence effective against the United States is not just part of a proposal which the United States would like the Soviet Union to *accept;* it is an integral part of American policy with which the United States would like to have the Russians *cooperate*. The United States can, and unquestionably will, 'negotiate' the ineffectiveness of a Soviet defence unilaterally. That is what Mr McNamara meant when he testified in the spring of 1967: 'I do not think they have a defence, Mr Sikes, that is exactly my point. We will get more weapons through to the Soviet Union as a result of their deploying an ABM than we would if they had not. We presented to you a programme that with a high degree of probability will more than offset their ABM. . . . Therefore, I say they do not have a defence'.[15] In this light, any expenditures by the Russians on a missile defence designed against the United States would be errors in cost-effectiveness, ones which they would eventually correct. Remember, the Soviet Union is not standing still; a Kosygin or his successor may veto expenditures that a Khrushchev might not know how to oppose, or a Stalin want to.

It has been suggested that the United States should match Soviet expenditures on missile defence, on the assumption that similar forces on both sides will make arms-control agreements easier. Why this should be so is unclear; in any case the argument puts too much stress on the relatively more formal—and less likely—methods of ending the arms race. It is noteworthy that no one seems to think that the United States need match the Russians in numbers of submarines or they match us in kinds of naval forces—as a precondition of plausible agreements. In any event, the argument was made on the now questionable assumption that the Soviet Union was buying more missile defence than the United States.

In some cases, analysts who emphasize the importance of symmetry in matching the Russians' (supposed) missile defence purchases—either to deter them or to secure an agreement with them—will insist that the agreement also preserve "historical asymmetries" between the capabilities of American and Soviet strategic forces. In short, some will argue for symmetry when it comes to matching the Russians, and against it when it comes to their matching us. Indeed, the notion of "historical asymmetries" is altogether questionable, in that the post-war periods have seen very different ratios of megatons deliverable (ranging from many-to-zero at one extreme to one-to-one at another, depending upon the period and type of measurement).

EUROPE

The single most important consideration in the attitude of Europeans to American missile defence decisions concerns the confidence of European central bankers in American fiscal responsibility. Faced with rising unrest at home, an expensive war abroad, inflation, and a balance-of-payments deficit, the United States is finding it ever harder to persuade European bankers and European institutions to hold US dollars rather than gold. The issue will turn on European confidence in the ability of the United States to set her house in order—to stop inflation and stem the balance-of-payments deficit. But more immediately, the issue is the credibility of the government's determination, as measured by its willingness to take unpalatable measures. In this connection, a decision to spend resources on missile defences is likely to be the worst possible step. It will seem to reflect the Administration's unwillingness to make hard decisions: a government unwilling to disengage from a war abroad, obligated to right urban wrongs at home, and financially pressed abroad is willing to open an open-ended new front in the arms race. While some European national security analysts may see merit in the missile defence, European financial circles are likely to see only inflation and equivocation. These attitudes will be enforced by the general unpopularity of the Vietnam war, which precludes a certain amount of sympathy for the American predicament, and for her requests for special consideration in the name of common defence against Communism or aggression. This issue is of enormous consequence.[19]

To return to more standard strategic considerations, in view of the thousands of tactical nuclear weapons in Europe, and the general low level of apprehension in Western Europe over the Soviet threat, Europeans do not seem to feel the need for enhanced American strategic superiority that one might have predicted some years ago. In short, there is no direct European doctrinal requirement for an American missile defence. Nor are Europeans unduly concerned about Soviet defences, assuming, as they can, that the United States will be making energetic efforts to neutralize them.

In the long run, it is possible that Europeans will come to regard missile defences as desirable for themselves. This does not seem very plausible at present, in view of British cuts in defence expenditure and French strains in producing even strategic offensive weapons. But a growing European armaments industry might become interested in missile defence for export to countries that might feel threatened by Chinese missiles—Australia, Japan, India, Formosa—as well as to West European countries that might be involved in some future European war. And both these impulses might be strengthened by advances in missile defence effectiveness. Existing experience in missile defence development teaches us to anticipate periods in which missile defences may look especially promising; during one such period, it is possible that Europeans might try to buy whatever the major powers had already bought.

It ought to be mentioned also that missile defences lend themselves conceptually to the different rationales used by supporters of the multilateral force; indeed, missile defences fit these arguments better than the multilateral force itself.[20] At some point, efforts may be made to use this fact to introduce co-operative missile defences in Europe.

PROLIFERATION

It has been argued that American and Soviet missile defences will increase the technological gap between the major powers and other powers and, in this way, somehow reduce the risk of proliferation. However, one is hard put to find a potential nuclear power which is likely to forgo nuclear weapons simply because, a decade or so hence when it has missiles to mount them on, these missiles might be unable to penetrate the defences of the United States or the Soviet Union. Many potential nuclear powers, among them the most plausible (e.g. Egypt, Israel, India, Pakistan, and Japan), are not directly interested in their ability to penetrate American or Soviet defences. In many potential nuclear powers, *all* strategic questions are secondary to other motivations.

No one is going to believe, in any case, that a nuclear bomb in hand cannot in time be made credible enough in one fashion or another. It is a revealing *reductio ad absurdum* that gaps in this argument have sometimes been filled in the following bizarre fashion: if America has a missile defence, the Egyptians, though not interested directly in threatening the United States, will have to anticipate an American guarantee of Israel, backed by an

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[15] Department of Defense Appropriations for 1968.

[19] The recent wave of speculation and the American decision to cease selling gold to private parties have highlighted the danger. The fundamental problem seems now to be one of persuading others to join with the United States in the final establishment of a new monetary system—rather than only to hold American dollars. But this is at least as difficult, and militates against missile defences on the same economic and psychological grounds.

[20] For this argument, see my article 'ABM—The Next, MLF?, *Bulletin of the Atomic Scientists*, September 1966.

American missile defence. If they anticipate being unable to penetrate the American defence, they would anticipate finding nuclear weapons useless for threatening Israel and hence would be significantly less likely to buy them in the first place. This obviously requires single-minded Egyptian attention to a single long-run scenario. It requires unprecedented confidence in American defences of the future—more confidence than most American analysts have. And it requires an absence of other motivations for having the bomb.

Evidently proliferation provides no motive for still greater missile defence expenditures. And by way of contrast it is worth mentioning that the political councils of at least some potential nuclear powers may be influenced adversely if the United States and the Soviet Union find themselves unable to prevent a new round of the arms race. Certainly the Indians have made this point repeatedly.

Speaking generally, missile defences will add to the world-wide fixation on nuclear weapons and make it more difficult to dispel the desire for them. It may lead the Japanese to review the development of a regional ABM system for them, and to stimulate discussions of the distinction between offensive and defensive weapons.[21] All of this can be harmful to the non-proliferation effort.

CRISIS BARGAINING

It has been suggested that one-sided Soviet development of ballistic missile defences would lead Soviet generals to believe that the United States could be pushed around. One spokesman—again under the impression that the Soviet Union was doing more than the United States—even went so far as to call this the single most important reason for American procurement. Perhaps this fear has been allayed by the recent decision of the Secretary of Defense to build at least some ballistic missile defence. But it is symptomatic of the character of the debate over missile defence that an argument of this kind should be put forward. To maintain it one is forced to assume that the Russians' interest in defences stemmed from the high valuation they put on them, which, in turn, would suggest their contempt for anyone who did not have them. The argument overlooks the possibility that defences might have been purchased for reasons of vested interests—reason unrelated to strategy. Or that they might have been bought because of compulsions to buy defensive weapons arising from the psychology of Soviet suffering in World War II—again reasons unrelated to strategy. Or simply that they were bought in anticipation of an American purchase, or because the Soviet bureaucratic system still thinks Russia might be attacked.

Some argue for an American ballistic missile defence on grounds that it will improve the strategic balance. A few years ago, it would have been argued that such a defence would persuade the Soviet Union that the United States might be willing, under extreme provocation, to strike first and suffer the consequences of retaliation. This same point of view now claims only that the United States would gain escalation assurance—a willingness to bargain harder in crises. The difference between these positions is largely semantic and certainly is not one that can be communicated with assurance to the Russians. A variety of news reports have already suggested that the Russians regard the American decision to build a 'Chinese' ballistic missile defence as threatening.

Some writers have quoted the figures provided by the Secretary of Defense in support of the idea that only 'escalation assurance', and not greater startegic advantage, will be secured. These figures show immediate American fatalities being reduced only from 30 million to 20 million. But, as has been pointed out, the figures are illustrative. If any president is ever induced by some enormous provocation or mental imbalance to launch his strategic force, it will be because he is persuaded that some highly sensitive trick or tactic will destroy virtually all Soviet weapons locatable, and that an improved missile defence, in conjunction with anti-submarine warfare, will be highly effective in destroying a disjointed and sporadic attack. With a vast missile defence, but not without it, one can perhaps imagine a president imagining a successful nuclear attack on Russia. This is one way of describing the difference a missile defence makes, and it gives one pause.

It has also been argued that ballistic missile defences would make an American president and a Soviet premier less willing to use demonstration missile attacks as shows of force, thus making the actual initiation of a central war much more difficult. But the plausibility of demonstration missile attacks is itself controversial, at best. The argument's underlying premise, that these attacks constitute a sizable fraction of the only avenues by which a war can be started, is a further very questionable speculation. And even the idea that the ballistic missile defences will make demonstrations much less likely—rather than, for example, only adding something new to demonstrate, namely penetration capability—superimposes a third order of uncertainty.

CONCLUSION

A decision has been taken to build a small missile defence against the possibility of Chinese attack—what 'small' will mean relative to a growing Chinese force is hard to say. Indeed, it is possible that the Chinese will not build intercontinental ballistic missiles at all.

At the moment, the most appropriate question seems to be: should the United States press on and build a still bigger missile defence at a cost of tens rather than several billions? Many of the arguments given for doing so by strategic analysts were set forth under the impression that the Russians were building a wide-scale missile defence over and above that around Moscow. These arguments, e.g. that the Russians will feel contempt for us if we don't have what they do, or that an agreement with them will become more feasible if we do have what they do, were always speculative, marginal, and controversial. Now their very premise seems doubtful. 'Matching the Russians' does not now seem to be at issue—according to the majority of the intelligence community quoted earlier by Mr. McNamara.

In any case, the only important reasons for a heavy missile defence have always been sufficient expectation of nuclear war, and sufficient expectation that the defence would work, to override the obvious economic and political arguments against it. Ever greater effectiveness is required of the defensive systems, and men of experience in these matters, have learned to be skeptical of the possibility of achieving it. Just as estimates of cost for big systems are always uncertain (virtually always too low), estimates of effectiveness can be no more reliable. Indeed, with respect to cost, the factors are relatively well determined; but effectiveness involves an intelligent adversary who will be seeking counter-measures.

Expectations that the defences will work can hardly be very high. The 'offence' is not being left behind, and if the Soviet Government wants to make the necessary expenditures, it can defeat the Western system even on paper. (Because defence is a harder and more unreliable game than offence, the Russian offence is still more likely to defeat the defence in an actual war.) Depending upon how the war started and many other factors, a massive defence might or might not protect when and if war came. No one will ever be sure. And very possibly the system will be considered obsolete—like its two predecessors—before its date of completion.

Nevertheless, the United States seems likely to press on with missile defenses in the absence of talks with the Soviet Union simply because she is unable to restrain herself from doing so. Mr. McNamara's appeals to the Russians to talk were really appeals for help—help in ending the arms race. Combined with fears on both sides of increasingly vulnerable land-based missiles, missile defences have the potential to project the United States and the Soviet Union very firmly into a next round—in which the United States and possibly the Soviet Union build missile defences and both try to build offensive weapons in response to future defence.

In my view, the important question for the West is whether the national interest of the United States demands that she try to protect against the low-probability threat of nuclear war, even if the chance of effective protection is itself small over the long run. Perhaps any amount of money and any encouragement to the arms race are worth a small chance of protecting American society, and perhaps nothing in the resultant arms race can make the United States much more vulnerable than she is now. This point of view, which also discounts the political implications of a continuing arms race, must be answered on a still different plane. It raises the question of how long, and at what cost, America will continue to bemuse herself with low-probability threats to her "national security" in a world where others uniformly have less security and, almost uniformly, look to her for some kind of moral and financial leadership. The United States must learn, just as people must learn, to distinguish between a legitimate interest in insurance and an obsessive, neurotic concern for an unachievable nuclear security.

[From Foreign Affairs, April 1968]

THE ABM, PROLIFERATION AND INTERNATIONAL STABILITY

(By Robert L. Rothstein)

The contemporary strategic era, dominated by ballistic missiles, has appeared to possess a curious kind of stability. Despite its uncertainties and dangers, two factors were apparently beyond dispute. On the one hand, neither the Soviet Union nor the United States could eliminate the other's missile forces in a first strike or effectively defend against a retaliatory missile strike. The offense seemed to have made a quantum jump against the defense: the old pattern of oscillation between defensive and offensive superiority had apparently been superseded by a period in which, for the foreseeable future, defense would be definitely inferior and incapable of matching offensive gains. On the other hand, missiles were so expensive and required so much technical sophistication that very few countries could either afford them or build them. The vexing problem of nuclear proliferation thus appeared in a new light. Even if a state could develop a nuclear bomb, it was assumed that it could not be a truly "effective" member of the nuclear club unless it also developed a missile to deliver it somewhere. The double task of building a bomb and a sophisticated delivery system inevitably seemed so difficult that the problem of preventing a thoroughly destabilizing nuclear proliferation appeared relatively simple. At worst, the process could be "managed."

We may, however, be entering a strategic era in which neither factor holds true. Whether ballistic missile defense ever achieves the level of effectiveness (near perfect) some of its proponents foresee in the next decade, and whether the costs and difficulties of developing rocket vehicles are as sharply reduced as others contend (so that the ability to deliver the bomb in high style spreads rapidly) are obviously uncertain. But to the degree that these prophecies are accurate, or believed, the stability of the missile era may prove to have been very transitory.

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[21] These points have been made by Mrs. Alice Hsieh in testimony before the Joint Atomic Energy Committee, *Scope*, p. 86.

At any rate, one point deserves emphasis. Deployment of an ABM system and the beginning of a process of nuclear diffusion (which may be directly related to the ABM decision), irrespective of whether they occur because of political or technological reasons, may thrust us into a new strategic environment in which even the tenuous stability of the present will evoke nostalgia. In the circumstances, policies which would have appeared dangerous or unnecessarily provocative yesterday may perhaps begin to appear more prudential and realistic today or tomorrow.

II

The recent announcement of the decision to begin installing a "thin" ABM system elicited a great deal of negative comment in the American and European press. This is hardly surprising for, on the basis of publicly available information, the arguments against the ABM seemed much more persuasive than those for it. In fact, anyone who troubled to read Mr. McNamara's statement on the budget in January 1967 would come away quite convinced that the arguments justifying early installation of an ABM system were at best premature and at worst spurious. Yet within the year Mr. McNamara had apparently changed his mind and committed the United States to early deployment of a partial ABM system. The San Francisco speech in which he announced the decision may, perhaps, be read as an ambiguous and even anguished justification for the ABM; but it still may have committed us decisively.

It is possible, of course, that there were objective military and political reasons for Mr. McNamara's about-face. A new technological breakthrough might have occurred or intelligence might have yielded firmer and more dangerous information about Soviet or Chinese capabilities or intentions. To a certain extent this indeed appears to have happened. Soviet development of a "fractional orbital bombardment system" (FOBS), reports of heavy Soviet investment in *both* offensive and defensive missile systems, new predictions about Chinese capabilities and significant advances in our own ballistic missile defense research (especially with X-ray warheads) all tended to point in the same direction: prompt deployment of a "thin" ABM system.

Now, it is a mistake to argue as if the installation of an ABM system would have only negative consequences and that a delay would have only positive consequences. Decisions such as these are a wager about the future and they are made—or ought to be made—"on balance," and with full realization that the possibility of unanticipated consequences or mistaken consequences is very high. In the circumstances, there is great temptation to buy insurance by developing everything that can be developed, and to do everything possible to reëstablish or maintain a situation which seems to be advantageous. The virtues which the Joint Chiefs of Staff have seen in immediate deployment of the ABM system may be regarded in this light. Their arguments, in isolation, seem persuasive: more effective deterrance, a reduction in the number of lives lost should deterrence fail at reduction in the possibility of accidental or "catalytic" wars, a halt to nuclear proliferation and, above all, a stabilization of the *existing* strategic balance (*i.e.* one in which the United States possesses "dominance"). ABM deployment, according to the Chiefs, would "continue the Cuba power environment in the world. . . . At the time of Cuba, the strategic nuclear balance was such that the Soviets did not have an exploitable capability because of our vastly superior nuclear strength."

None of these arguments is as clear and uncontroversial as the Joint Chiefs of Staff appear to assume. Mr. McNamara himself apparently found them unconvincing as recently as a year ago. Under some circumstances, and in certain future contexts, an ABM system promised several limited advantages; on balance, however, they were apparently outweighed by the disadvantages. Under the best of circumstances, the ABM seemed prone to obsolescence (as new offensive missiles appeared), uncertainly effective,[1] enormously expensive and politically inexpedient. The obvious question is whether various technological developments in the past year, as well as new uncertainties about Soviet and Chinese behavior, justified a reshuffling of priorities and a definite decision to plunge into a new strategic environment. Even for those with access to all the available information it must have been an agonizing choice: the stakes are frighteningly high.

It ought to be said, however, that there are a number of very knowledgeable people in Washington who maintain that the foregoing considerations were irrelevant. They contend that the decision was almost completely a response to domestic political pressures.

While the argument is not very subtle, it is also not entirely implausible. With the political costs of the Vietnamese war accelerating, the Johnson Administration may well have felt that it could not risk providing the right wing (both Democratic and Republican) with another security issue in the forthcoming elections. It may be, as some have said, that the Administration overestimated the degree of Congressional pressure for an ABM system. However, it was quality not quantity which was probably decisive: the Congressmen who were most vociferous on this issue were also among those who could harm Mr. Johnson most in the next year. In addition, the Joint Chiefs, whose discontent is frequently noted, had to be pacified: their leverage on the President and the Secretary of Defense went up as their threats to resign became increasingly dangerous in political terms.

That the decision to begin deployment of a "thin" ABM system was not the result of a considered evaluation of all the military and political evidence may perhaps be inferred from the confused manner in which it was publicly justified. While it was said to be aimed solely at the emerging dangers of a Chinese nuclear strike against the United States, and not at the Soviet Union, against which it was patently ineffective, both Mr. McNamara and various military officers indicated that it would indeed have an indirect effect on the Soviet-American strategic balance. By providing point defense for our Minutemen it clearly would cut down the effectiveness of a Soviet strike against them. However, since the Administration was in the throes of a public and private effort to convince the Soviets that the ABM deployment was not aimed at them, and that discussions to curtail ABM deployment were necessary and possible, "clarification" was needed.

A public speech by Assistant Secretary of Defense Paul C. Warnke attempted to provide it. Mr. Warnke argued "that our Chinese-oriented ABM deployment should make it easier, and not harder, for countries in Asia to sign the NPT [nonproliferation treaty]." The ABM, he maintained, would make the American commitment to defend Asia credible, since henceforth Detroit or Los Angeles, etc., would be safe from Chinese retaliation. He also maintained that it would emphasize the "unique disparity" between the United States and China, and thus make it "even clearer" to the Asians that they could safely sign the nonproliferation treaty. He concluded by declaring that the Soviets "knew" that the system was not designed for use against them, and therefore need not respond to it—surely one of the more naive imputations of faith in recent years, especially given the contradictory testimony from other officials of his own Department.

Mr. Warnke's analysis of the possible effects of the ABM is peculiar in that he apparently presumes that it can be deployed while everything else in the strategic and political environment remains static. The Russians will not respond, or will respond by agreeing to arms-control measures, because they believe in our good intentions. The Asians will agree to forego nuclear weapons because their faith in our good intentions will rise. The Chinese, who have no faith in our good intentions, will "finally" realize that we can destroy them and will behave more rationally. And our European allies will, of course, realize that, as we have from time to time maintained, our efforts to improve our own defense have nothing to do with our commitment to come to their aid; and it is merely a nasty impertinence to insinuate in Gaullist style that we are leaving them exposed and ignored.

Many of our strategic analysts have tended to view strategic problems from a systemic point of view, almost to the exclusion of other vantage points. As a result, particular events or developments have been assessed primarily from the global perspective of the superpowers. Since the strategic configuration which has existed over the last twenty years has, for the most part, reflected conditions of American dominance and relative stability, new developments have inevitably been foreseen as destabilizing unless they were controlled by, or symmetrically limited to, the superpowers.

The response to the problem of proliferation is a case in point. Granted it is potentially very destabilizing, how does one prevent it? The usual answer has been by persuading potential nuclear powers that their efforts will be extremely costly and that, anyway, they will be useless if not counterproductive against the United States or the Soviet Union. That is, the systemic perspective has been maintained: the behavior of small and middle powers has been evaluated almost wholly in terms of its possible impact on the whole system. Since we have favored the status quo, our efforts have been limited to trying to convince others not to rock the boat. The whole syndrome can be perceived in the arguments designed to convince France not to join the nuclear club; they were perfectly logical but also irrelevant. To Paris, and perhaps to many potential nuclear powers, the problem appeared in a wholly different perspective when evaluated in terms of national (*i.e.* sub-systemic) interests.

Mr. Warnke's speech may be read in this light. Again, it is assumed that other states will perceive the situation in the same way as we do and will be as concerned with international stability as we are. There is no attempt to examine the problem from other points of view. If we do attempt to interpret the impact of the ABM decision from local perspectives, the picture which emerges is not nearly as optimistic as the one drawn by Mr. Warnke.

III

We can begin by discussing China's possible reactions. It is doubtful that anyone seriously believes that the ABM, as currently described, is aimed at China. However, since public justifications have insisted that the essential aim of the ABM system is deterrence or defense against Chinese threats, the argument must be examined.

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[1] As one Department of Defense expert has noted: "Any defensive system can really do no more than to raise the entrance price which an attacker must pay in order to destroy a target." Charles M. Herzfeld, "BMD and National Security," *Annals of the New York Academy of Sciences*, 1965, reprinted in *Survival*, March, 1966, p. 74. The best analysis of the ABM problem which I have found is J. I. Coffey, "The ABM Debate," *Foreign Affairs*, April 1967.

It should be clear that the political and psychological advantages of China's nuclear weapons are not directly related to American defensive capabilities. There is thus no sense in the simplistic argument that an ABM system will actually induce the Chinese to forego missile development. In addition, the assumption that the Chinese will react to an increase in our defensive capabilities by decreasing their offensive capabilities is not psychologically convincing: the opposite reaction may be more likely.

The usual contention, however, is not that the Chinese will give up their missile program but that a "thin" ABM system will substantially lessen the impact of a Chinese nuclear attack. What is the probability of such an attack? To some, the likelihood is high; the Chinese are more aggressive and less rational than the Soviets and will strike rather than accept humiliation. In effect, a Cuban missile crisis with the Chinese is destined to have a different scenario. To others, the behavior of the Chinese has been as cautious and nonprovocative as that of the Soviets and the probability that they would strike the United States seems very low. Acceptance of the latter point of view has to be tempered by several considerations. The first, obviously, is the current internal instability of China, which might lead to extreme or irrational behavior in a crisis. Another point is that China has not yet reached the stage where war—as the fashionable argument goes—becomes increasingly unpalatable and unlikely as energies are concentrated on the accomplishment of domestic tasks. Finally, the Chinese tradition is different from our own, we have miscalculated their response before, their standards of rationality may diverge as much from ours as Japan's did in 1941—and so on. In short, it is not altogether unreasonable to worry about aggressive and irrational behavior by the Chinese. The critical question concerns the relationship between that assumption and the installation of an ABM system.

Reports on Chinese missile capabilities suggest that they might have a small but operational ICBM force in the early 1970s. What damage that force could inflict upon the United States depends on a range of factors which defy simple summation. The "thin" ABM system promises area coverage of the whole mass of this country against a light attack. Thus even if the Chinese were willing to trade payload for range (and reach cities considerably east of the Mississippi), it would do them little good since those cities would be as protected by the ABM as our west-coast cities. They could, in theory, saturate one or a few areas with all their missile strength, but the effectiveness of that tactic would depend on the capability of our ABM system and the actual number of ICBMs the Chinese could launch.

It is difficult to take these calculations very seriously. It is hard to imagine a set of circumstances in which the Chinese would actually strike first with their small ICBM force, and one is inevitably obliged to create scenarios of ever increasing degrees of improbability. They *could*, in some *Götterdämmerung* fashion, launch all of their force against San Francisco; or they could spread it out in the belief that our ballistic missile defense was a "paper wall;" or they could gamble on odd forms of delivery (the proverbial bomb in the cargo hold, or nuclear torpedos against coastal cities, or small planes launched from ships and carrying small bombs, etc.). But the probability of their doing so is surely very low. And since we cannot prepare for *all* potential dangers, regardless of plausibility, and since even reasonably prudential calculations suggest that a Chinese ICBM attack on the United States is highly improbable, an ABM system justified by reference to Chinese threats to ourselves does not make much sense. This is the more true because lead times are such that we could still meet the threat if it became less improbable at a later date.

The case seems even stronger if we try to foresee the response Peking might make to our ABM system. It is very unclear at the moment, especially to anyone not privy to whatever information we are collecting about the mainland, just what the Chinese are attempting to develop. They will probably produce some ICBMs, if only to prove that they can do so. However, they are most likely to concentrate on medium-range missiles in order to threaten neighboring states in Asia. This would allow them to delay investing heavily in an ICBM until they are capable of producing an improved second-generation weapon. The Chinese could, in a sense, hope to duplicate the efforts of the Soviets in the late 1940s and 1950s, when, being clearly inferior to the United States in strategic power, they deployed their ground forces and short-range missiles to threaten Western Europe. The message was clear. If we attacked Moscow, confident that we would not be hurt badly, we were warned that Europe would be devastated in the process. An asymmetric balance seemed to exist, and the weaker side appeared to deter the stronger by threatening an area which the stronger valued but could not easily protect.

Though the analogy is obviously imprecise, the odds definitely favor a Chinese strategy designed to threaten us only indirectly, at least until that day, probably in the late 1970s or 1980s, when the Chinese are able to produce a force capable of achieving nuclear parity or stalemate with ours (and the Soviets'). In the meantime, the ABM system we are committed to install will rapidly become obsolescent. In sum, against the Chinese, our ABM system promises advantages only if the Chinese are foolish enough to launch an attack on us with their first generation ICBMs.

Presumably, then, the ABM system must serve other purposes. The one most frequently cited is the possibility that it will enhance the credibility of any commitment we offer to a nonnuclear country (*e.g.* India or Japan) threatened by a nuclear power. The idea has a certain plausibility in that, in a world in which all calculations were rational, the possibility of limiting destruction to ourselves ought to convince our friends that we are more likely to live up to our commitments to them. If true, they will not need to develop their own nuclear weapons and can then sign the nonproliferation treaty, for they will be assured that we will counter mortal threats to their existence.

It is difficult to speculate on this point, for the evidence is both slight and ambiguous. The Suez episode of 1956 provides one illustration of a nuclear threat against a nonnuclear state (France), but it is probably not a reliable analogy. At any rate, it did nothing to convince the French that they were better off without nuclear weapons of their own. India's reaction to the Chinese bomb is also ambiguous: at the least, India has begun to consider seriously the possibility of becoming a nuclear power.

Unfortunately, one is left with the impression that the contention that our ABM system will faciliate nonproliferation reflects profound hopes and desires, but not a very realistic judgment about how other states will view their own interests. Improvement in our defenses is likely to be of only marginal significance in affecting Asian calculations. Given the inherently low credibility of our nuclear guarantees outside Western Europe (and it has not been spectacularly high there either), the critical questions is not *our* "damage limiting" capability, but that of the Asians. Japan or India, threatened by a Chinese nuclear attack, will undoubtedly prefer an American guarantee to nothing at all. But it is possible (even probable?) that they will view it as only a temporary umbrella while launching a crash program to develop their own nuclear weapons.

The only way to short-circuit this process may be to provide threatened states with an effective ABM-defense of their own. If we really want them to forego developing nuclear weapons, we must provide a direct defense of their territories. This could be accomplished in several ways, but some combination of an explicit American guarantee, the provision of a reasonably effective area ABM system (preferably at least initially under our control), and perhaps even the promise of a small, offensive nuclear force if a threat of a specified nature arises—all these may be necessary to make our guarantee credible and thus inhibit the process of proliferation.[2] It is an extreme policy, and can be justified only in terms of the kind of environment it may be forced to contend with. The costs would be very high, not least in the sense that promising or providing a nation with an ABM system may be the first step toward its acquiring offensive nuclear weapons—on the uncertain but not implausible presumption that an ABM system without a complementary offensive capability is as unsatisfactory as entering a battle with a shield but without a sword. Moreover, the problem of defending against an MRBM is almost insupreable, given their limited flight time, and especially if they are delivered in number. Hence, the pressure for offensive weapons as a deterrent will be heavy.

This suggests that the possibility of signing an effective nonproliferation treaty is bound to decline rather sharply in the near future; that many states will be seeking their own nuclear defenses; and that we shall have to consider new nuclear arrangements if we want to do more than wring our hands piously as the environment becomes more and more dangerous.

IV

What effect may our ABM system have on our relations with the Soviet Union and our European allies? The argument that an ABM system would "continue the Cuba power environment in the world," and thus reinforce our ability to deter the Soviet Union, is superficially plausible until it is placed in context. The assumption that the installation of an ABM system will enhance our ability to deter the Soviets depends on what kind of system we build and how the Soviets respond to it. Some systems and the responses they evoked would decrease our ability and increase the chance of an even more destructive war.

All the denials notwithstanding, our ABM system is primarily designed to counter an apparently growing Soviet threat. In the past, we have tended to assume that the way in which we developed or deployed our weapons systems signaled something to our enemies about our military intentions. It has never been very clear that the Soviets actually read these signals in the desired fashion. They may simply have been following their own technological genie wherever it led them: that is, they may have developed and deployed weapons not in response to what we did but simply as a response to their own technological capabilities.

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[2] The worst danger of a guarantee policy is that it might commit us to involvements we would prefer to avoid; the decisive question, which cannot be discussed here, is the extent to which we really have a viable option of noninvolvement open to us. The idea of a seaborne ABM force under our control may be worth investigating and might even be reasonably effective against a relatively small and unsophisticated Chinese missile force.

At any rate, it is difficult to resist some such reasoning in the light of the Soviet decision to begin installing their own ABM system. After all, if they were "reading" us accurately, they should have known that we would respond by building our own ABM system and by increasing our offensive missile capability to penetrate their defenses. They would then be in an even more inferior strategic position and would have expended scarce rubles for very little return in security. Our rearmament in 1950–53 and our reaction to the "missile gap" are only the most obvious illustrations of our unwillingness to remain behind.

Yet the Soviets have apparently rebuffed all efforts to reach an agreement prohibiting ABM deployment—almost as if our response left them indifferent. The normal explanation offered by Western analysts is the extreme defense-mindedness of the Soviet Government and people. Marxist theory, a history of invasions and fears of encirclement apparently justify what seems to be an excessive concentration on defense—a phenomenon the Anglo-Saxon powers have always found, for obvious reasons, difficult to comprehend. Nevertheless, defense-mindedness alone does not seem a sufficient explanation for Soviet behavior.

Another rationale is that, as a relatively weaker power, the Soviets may feel considerably more threatened by the proliferation of small nuclear forces than we do. The French and Chinese nuclear forces, and the possibility of a West German force, not only have the potential of inflicting considerable damage on the Soviet Union but also—given Soviet history and predilections—might appear more likely to be actually used than we presume. To a weaker state, weaker nuclear forces appear more dangerous: the attacking smaller state could no doubt be destroyed in retaliation, but in the meanwhile it might have hurt the Soviets grievously and exposed them to American retaliation. If one presumes that they have reordered their hierarchy of threats and have upgraded the dangers of living in a "world of nuclear powers," the installation of a primitive ABM system does not look quite so "irrational." That it simultaneouly worsens relations with the United States could be accepted as a reasonable price to pay.

Still, this argument could be completely wrong. The Soviets may still see us as the prime threat, and the ABM system may be designed to deter us and to limit damage in the event of a major war. The geographical placement of their ABM sites would seem to confirm this. In that case, the rationale for the Soviet decision remains very unclear, and the disagreements on this issue among Soviet leadership groups very understandable. To many Western observers, however, the Soviet decision seems to be a manifestation of a kind of intellectual lag in strategic thinking which has persisted for two decades. The Soviets have seemed to be several years behind us not only in weaponry but also in drawing the political, psychological and military implications of various technological developments. Current ABM systems thus seem more effective when compared with the capabilities of an earlier generation of missiles. The Soviets may in fact have much greater faith in the technological capacities of their ABM than we tend to credit them with—a circumstance which could be dangerous.

What effect will the mutual emplacement of ABM systems have on the strategic balance between the United States and the Soviet Union? There is no clear and unambiguous answer. It will obviously depend on the kind and extent of the systems installed, and, perhaps even more, on each side's subjective estimates of the likelihood of war or probable behavior of its antagonist in major crises.

It can be said, though, that ABM defense—at least a less than perfect defense—is of more relative utility to the aggressor than to the defender, whose retaliatory force must strike back in a weakened condition against a fully alerted defensive force. And since there is no situation in which striking first is not of *some* relative advantage, defensive forces can have a very destabilizing impact on any strategic balance to the degree that they make it appear as if striking first is becoming a more and more "attractive" possibility to either or both sides. This is especially true if one side is aware that it holds the weaker cards in any strategic exchange and is less than firmly convinced of the peaceful intentions of its adversary. Its propensity to gamble on striking first in a crisis may then be fairly high. This is a familiar syndrome and it suggests why many analysts argue that installation of an ABM system will force a return to the dangerous and unstable years in which we were troubled by the "consequences of expecting surprise attack."

The way in which each side deploys its ABM system is thus of great significance. But as long as the Soviets remain the weaker side, their decisions are somewhat less important than ours. That is, we possess a larger margin of error and therefore can be more flexible. If our system is designed only or primarily to protect our retaliatory missiles, the decision may not be too destabilizing; the Soviets will still retain the capability to destroy our cities in retaliation, just as we would theirs. However, the area system we are on the point of installing is, for the moment anyway, designed to protect cities from weak missile attacks. It is not intended to protect our Minutemen. It *looks* as if it is designed to handle a Chinese attack or some sort of accidental firing by virtually anyone. But it may not be read that way by Soviet leaders.

Unfortunately, many hints and suggestions are already appearing that the system ought to be expanded. We cannot have it both ways: if it is to deter the Chinese, extension of the system is unnecessary, for they do not have a technological capability to endanger our missile sites. If it is against the Soviet Union, official spokesmen are not only lying about our true intentions but also have begun installation from the wrong direction: obviously protection of missile sites is the first task.

These circumstances suggest that it is a fair presumption that our "thin" system will shortly begin to put on weight. Whether it is in reaction to Soviet offensive or defensive moves, or whether it is done in response to other considerations (*e.g.* domestic political pressures), is not especially important. In either case we will have begun a major new phase of arms competition with the Soviet Union. Whatever else one can say about the resulting situation, it is unlikely that it will be very stable or that it will actually reduce damages in a war. In effect, an ABM system guarantees decreased casualties *only* if both sides refrain from simultaneously increasing their offensive capabilities, or if the system achieves virtual perfection. Both are unlikely. Moreover, by another familiar dynamic—the "self-fulfilling prophecy"—we may actually increase the likelihood of war by acting as if it is more and more possible. Our ability to deter the Soviets may decline as we begin to threaten them in a more dangerous fashion, and our ability to defend more successfully (to lower casualties) may also decline as offensive force levels increase.

The decision to expand the "thin" ABM system may not be inevitable. The burden of the foregoing argument is that it ought to be resisted as long as this remains feasible. The point is not that installation of a larger ABM system is wrong in all circumstances; rather, that, on balance, it seems wrong in the set of circumstances determining strategic calculations at the moment and for the next few years. Compared to us, the Soviet Union is clearly the weaker power. The choices before it on the ABM issue are not only fewer but also starker. They have to respond to our actions, whatever the cost, unless they willingly accept an acknowledged state of conspicuous inferiority. We are not so narrowly constrained (except domestically): as the stronger power we need not meet every Soviet increase in strength with a symmetrical increase in our own force structure.

The underlying rationale for restraint on our part is twofold. On the one hand, given our current superiority and given our lead-time advantages, we do have some time in which we can safely delay expansion of the ABM system—at least until we believe that the Soviet ABM system represents a significant threat to our retaliatory force. On the other hand, restraint now represents what may be our last significant opportunity to delay the emergence of an environment in which stability is increasingly tenuous. In so far as possible, we should not only refrain from expanding our ABM system but should also limit the expansion of our offensive forces to whatever minimum seems safe. A too extensive expansion of our offensive force, so that it appeared capable of a credible first-strike attack, could be as destabilizing as the installation of the wrong kind of defensive system.[3]

It is still much easier to increase the striking power of offensive forces than the damage-limiting capabilities of defensive forces. It is possible, therefore, to limit our response to increasing our offensive capability to penetrate the Soviet ABM system; our cities would still be hostage to a Soviet strike and the Russians would not necessarily have to increase their own retaliatory force substantially. We could still penetrate their defenses and they could still penetrate ours, defense expenditures would not be extravagant, and some element of stability—albeit the uncertain stability of a nuclear balance—might still persist.

V

Something ought to be said about the presumed impact of our ABM system on our European allies. Official spokesmen have been very quiet in this aspect of the decision. When pressed, they have contented themselves with platitudes about common interests and the like: anything we do to improve our defenses must, by definition, improve Europe's defensive situation also.

The Europeans do not see it this way. Many of them, and not only Gaullists, see the ABM as increasing their vulnerability. They stand wholly exposed between our missiles and Soviet missiles. Moreover, the British and French nuclear forces are inevitably downgraded as deterrents, for the ABM systems have a much higher probability of success against small strikes. Some of our commentators have seen this as a virtue, since it presumably would inhibit potential nuclear powers from joining the club and perhaps even induce the French to bring their force under our umbrella.[4] Unfortunately, this is likely to be true only if the French and other potential nuclear states have developed or will develop their nuclear forces to garner *military* advantages vis-a-vis the superpowers. That is not the case: their nuclear forces have been, and will be, designed to extract political and psychological advantages from the superpowers and to serve a military purpose only on the local level.

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[3] After this article was written, Secretary McNamara, in his farewell report, announced that the Soviets are apparently not installing a full-scale ABM system (though they have substantially increased the size of their ICBM force). He said that the Galosh system around Moscow had not been expanded or extended to other cities and that the Tallinn system across the Soviets' northwestern approaches is no longer believed to have "any significant ABM capability." It is difficult to take a charitable view of why a different impression had been given earlier, for serious doubts about the reliability of the evidence concerning Soviet ABM installations have been justified from the beginning. At any rate the arguments in this article are reinforced by the Secretary's admission; there is even stronger reason to slow down (if not halt) our own installation of an ABM system; thus far no move has been made to do so.

Great Britain and France are not going to dispense with their nuclear forces, or turn them over to our control, solely because of developments in ABM technology. On the contrary, our defensive efforts will probably succeed only in exacerbating present disagreements. Our minimal effort to consult our allies before making decisions is not conducive to good relations. Worse yet, they may respond by seeking their own ABM systems. This would probably signal the end of the nonproliferation treaty, for signing it would preclude independent development of the necessary technology. While the Europeans may not rate the probability of Soviet military action very high, they will not be able wholly to ignore the military significance of a new arms race between Washington and Moscow. Moreover, the task may be so difficult (since the direct threat against Europe consists of a large number of medium and short-range missiles against which the defensive problem is fantastically difficult and expensive) that they will prefer to decrease their ties with the United States. It may appear that this is the only way in which they can reduce their chances of being an exposed pawn in a resurgent cold war.

This article has suggested that the deployment of ABM systems may have a number of unfortunate consequences, none of which have been sufficiently stressed—and, perhaps, understood—by official spokesmen. There are undoubtedly ways in which these developments can be avoided or at least mitigated. If they do come about, it will not be because we are prisoners of some inexorable technological process or because the demands of security can be met only by policies which are ultimately self-defeating, but because of very human errors of will and foresight.

Finally, if this writer has not been misguided, two propositions must be emphasized: first, in our own security interests we should under-respond to Soviet ABM deployments, at least in the immediate future; and second, our friends and allies have every right, not to say obligation, to place what we (and they) can do for *their* security—not what we can do to limit damage to ourselves—in the center of their calculations.

GENERAL LEAVE

Mr. WAGGONNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed, H.R. 15198.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

COMDR. JAMES G. STAHLMAN DELIVERS STIRRING ADDRESS AT 50TH ANNIVERSARY CONVENTION OF TENNESSEE AMERICAN LEGION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. EVINS] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EVINS of Tennessee. Mr. Speaker, the distinguished president and publisher of the Nashville Banner, Comdr. James G. Stahlman, delivered the principal address at the American Legion convention recently in Memphis, and it is such a stirring address devoted to patriotism that I feel that the complete address should be reproduced in the body of the RECORD, and I, therefore, include the full text of Commander Stahlman's address as appearing in the Nashville Banner, in the RECORD.

[From the Nashville Banner, July 20, 1968]

STAHLMAN URGES AMERICAN LEGION TO AID FIGHT AGAINST PERMISSIVE ANARCHY

Mr. Commander, distinguished guests, ladies of the American Legion Auxiliary and fellow Legionnaires:

For the second time I have been honored by the privilege which you extended me to talk to the annual convention of the Department of Tennessee.

Nineteen-sixty-eight is the golden anniversary of the American Legion. I note with pardonable pride that I am on the eve of my fiftieth year of continuous membership in this great organization. I am doubly grateful to you and am extremely glad to be with you. My time has been limited because your time is not unlimited, so I'll step out on the double, with the hope that I shall transgress neither your graciousness nor your patience.

While I speak to you as a fellow-Legionnaire, I wear no medals for heroism under fire, but I have one distinction which few, if any, veterans possess. Because "The Book" said I should weight 127 pounds when I actually weighed 119, I was twice dismissed from the Second Officers Training Camp at Fort Oglethorpe and as a result I hold three separate honorable discharges from the United States Army in World War I. I am probably the only self-admitted surviving buck private of that conflict, late of the 383rd Infantry. Add to these my service as an officer in the Tennessee National Guard and for 20 years in the United States Naval Reserve, with four years on active duty in World War II, you have my feeble claim to military fame. Like all of you, I have simply tried to serve my country.

HEIRS OF BRAVE MEN

You are the heirs of the men whose blood stained the snows with Washington at Valley Forge. You are the same breed of Tennessee squirrel shooters who, at Andew Jackson's command, decimated Pakenham's red-coats from behind the cotton bales at Chalmette. You are the counterpart of those who charged the heights at Chapultepec and those who marched and fought under Lee and Grant in that later tragic fraticidal strife. You are the legatees of the First Tennessee Infantry who stood with Colonel W. C. Smith in the Philippines and of the Fourth Tennessee with Cordell Hull in Cuba.

Many of you saw distinguished service in the 30th Division or in other units of the AEF and the United States Navy in World War I. Many of you likewise served under Eisenhower, Nimitz or MacArthur in World War II. You younger men won battle stars and scars at Inchon and Pusan, and still some of an even younger breed may be here who have returned from the war in Southeast Asia, still in progress.

As men and women who have demonstrated their love of country and their willingness to serve it, I am certain that you are more than ordinarily concerned for our country and its future. It is well that we should be concerned, for it behooves all of us to use our collective judgment and joint determination to bring about the changes necessary in our own affairs if we are to preserve our democratic processes, our governmental institutions and the freedoms which we too often take for granted, which can so readily pass from us.

Let's take a look at some of the things which have produced these forebodings.

"ACCENT ON YOUTH"

If I am qualified to judge one trend which has been in vogue for quite some years, I would assert my firm belief that there has been entirely too much "Accent on Youth." This not to derogate the young, for I recall only too well my own devilish mischief when I was an adolescent.

All too infrequently, in my opinion, there is too little accent on maturity.

There is likewise too little accent on respect for authority—in the home, formerly emphasized by the proper application of the back side of a hair brush to our own back sides, by parents who had not been brainwashed by Dr. Spock or hornswoggled and browbeaten by their own defiant, unruly offspring.

In the school—where teachers were not afraid of being fired from their tutorial duties because they were occasionally required to apply a ruler or a switch to some recalcitrant student, for his own good, for the preservation of decorum in the classroom and in some more recent instances, for the protection of their own lives from youthful switchblade maniacs bent upon mayhem and sometimes murder.

CAMPUS HOODLUMS

On college and university campuses—where intellectual slobs and hairy hoodlums are undeterred by faculty leftist sympathizers and administrators cowed by fear of phony charges of violation of "academic freedom" and the equally ridiculous assumption of "student rights," to disrupt, disgrace and destroy hallowed and respected institutions of higher learning, simply for the hell of it.

It might be well to suggest a return to those intellectual disciplines which for so long were an established fundamental in our higher educational processes, now discarded in favor of the New Left's doctrines of unrestrained activism and dissent. Dissent? Yes! But never overdone to the detriment of institutions, accepted democratic processes and large, but less vocal segments of society.

At the collegiate level it might not be amiss and could prove quite profitable, if not convincing, for proper investigative authorities to delve into and endeavor to ascertain the source of direction and financial support for such organizations as Students for a Democratic Society, Southern Student Organizing Committee, the Student Non-Violent Coordinating Committee and the Southern Conference Educational Fund, directed by the notorious subversives, Carl and Anne Braden, and kindred groups dedicated to disruption and destruction of the fundamentals in our political, educational, economic and sociological apparatus.

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[4] Thus one writer argues that "possession of ABM systems by the great powers could deter non-nuclear countries from obtaining nuclear weapons while at the same time increasing the deterrent value of the great powers' nuclear forces." (Lewis A. Frank, "ABM and Nonproliferation: Related Issues," *Orbis*, Spring 1967.) This piece seems to me a classic example of the tendency to overemphasize the degree to which decisions by the United States and the Soviet Union about their forces will affect the decisions of nonnuclear states.

In the churches—where a super-liberal clergy consider the teaching of the old-time religion as modern heresy and the preachment that God is Dead as today's Sermon on the Mount.

There has been far too little accent on respect for civil authority and obedience to the laws of God and man. Some courts, from the highest to the lowest have helped downgrade the law as the protector of person and property to the point where police grand juries and attorneys general find themselves bound in legal frustration which sometimes produces a laxity in rigid application of the statutes.

LAW AND ORDER BASIC

In my concept of law and order there is and can be no racism. Respect for and observance of the law applies to every man woman and child regardless of color. And the obligation to preserve order lies upon the white man as well as the black.

There is no room in our enforcement agencies for timid souls as spineless as a wet noodle or as gutless as a bull butterfly.

It is most heartening, however, to have two outstanding Federal judges speak out, loud and clear, through this gap. The first is the distinguished jurist occupying the U.S. District judgeship in Middle Tennessee, the Honorable William E. Miller. The second is Federal Judge Francis J. W. Ford of Boston. In sentencing a convicted draft dodger, Judge Miller sounded a strong note with his declaration: "It is not given to individuals to decide for themselves what laws they will and will not obey."

At the conclusion of the trial of Dr. Benjamin Spock, Yale Chaplain William Sloane Coffin, Jr., and two others convicted of conspiracy, in counseling young men to violate the draft law. Judge Ford said: "There is no freedom to conspire to violate a law of the United States with impunity. Persons cannot rightfully engage in conduct in violation of the law either to state their desire for peace or in attempts to change national policy."

Thank God for Federal judges like Miller and Ford!

If recent decisions of the Supreme Court upholding the constitutionality of the law forbidding the burning of draft cards, and another supporting the right of police to search the person of reasonably-suspect characters, it would appear that at last. Nine Old Men have heard the voice of the people and the will of the Congress. It's about time.

POLITICAL PANDERERS

Add to all these sycophantic holders of public office who pander to the whims and quail before the threats of the bully-boy leaders of ungrateful recipients of the nation's largesse.

Now no honorable citizen, black or white, would deny legitimate and proper relief to the poor and needy, but even the Congress recognizes that much of our welfare programs have failed, not because of the unwillingness to provide or for insufficient funds, but because of wholesale maladministration, proven corruption, the misuse of funds wasteful projects, ill-conceived, with the resultant creation and maintenance of an ever growing class of indolent deadbeats who have come to believe that the world or somebody owes them a handsome living, for which, up to now, they have displayed no willingness to work.

It's time to take the dolts off the dole.

It is at this point that we arrive at our own present intolerable state of national peril, produced by those political, professorial and pulpit pied pipers of permissive anarchy, with all its disastrous concomitants.

We have seen our cities put to the torch, looting run rampant and murder become a way of life.

NO NATIONAL "SICKNESS"

Don't let me hear any of you complain of suffering from a guilt complex. Hogwash! And if you fall for the guff about our national "sickness," let me tell you that there is no public sickness which can't be quickly cured by hard work, patience, tolerance and charity, coupled with an honest, earnest, rigid enforcement of the laws already on the books.

And you may add to that—a return to personal and political morality, the tenets of common decency, and full recognition of the rights of the other fellow too frequently trespassed by the howling mob.

These and other attributes might then help restore that character without which neither this nation nor any other can ultimately survive.

Now don't let anybody tell you that the three assassinations which have shocked peoples everywhere were the isolated acts of deranged individuals. Each of them fits into an overall pattern which no commission, however sacrosanct, can, with honesty, brush over with a rationale of verbal shellac, too thin and too transparent to hide the evidence of alien direction and finance.

It has been, is now, and always will be my firm conviction that Lee Harvey Oswald was the marxist agent of Fidel Castro. I am equally convinced that Sirhan Sirhan was the Arab stooge of Communist design, and it should take no crystal ball to categorize the case of James Earl Ray.

PATTERN OF REVOLUTION

The result of these three slayings was the production of national and international racial and political turmoil, fitting into a program of global revolution which could contribute to ultimate Communist world domination.

If this be Red baiting, witch hunting, or looking for pink spooks under the bed, make the most of it. Call it what you will, it cannot be disguised. To me it is as clear as God's sunlight. It makes no difference from where the signs emerge, if revolution should succeed it will little matter whether it were incubated in Cuba, Red China, North Vietnam or Soviet Russia. It will bear the single label of the hammer and sickle and its wreckage will be total and irreparable.

We are now engaged in another war, half a world, almost five years, countless casualties, and billions of dollars away. But before I go any further, I might tell you that I have two grandsons, the eldest just about ripe for Sam to beckon with that long finger of his. There are two things I can tell you with certainty about both these boys—if either one ever entered a plea of "conscience" against service in the armed forces of his country, I would forever disown him as my own flesh and blood. And if he ever burned a draft card, I would be the first to take him by the scruff of his neck and haul him into the Federal Court to receive his just desserts as a traitor to his country and a disgrace and dishonor to his heritage.

To the "Hell, No; we won't go!" of antiwar rebels, the Legion promptly and effectively has countered with its ringing "Damn right, we'll fight."

OBLIGATIONS OF YOUTH

This is the time of all times for the youth of this Nation to accent for themselves a redemptive recognition of their individual and collective responsibilities: to revere the Lord, God Almighty, love this Nation, respect its flag, obey its laws and serve it faithfully and honorably wherever and whenever military or civil duty may call.

May God give an overwhelming majority of them the wisdom and the courage to take this stand. They are not only the last best hope of America, they are also the last best hope of earth.

Neither, I nor my newspaper favored military entry into Vietnam. We vigorously opposed it from the outset, as "McNamara's War." Remember him? He is the whiz kid who produced the Edsel. He is the fellow with the computerized brain, who fathered the ill-fated TFX. He is the great strategist who ignored the Joint Chiefs of Staff and hamstrung "Westy" Westmoreland and his thousands upon thousands of American men who have fought, bled and died in the rice paddies, the mountain passes, the rubble of Saigon and in the skies over Vietnam. He is the man who tried to destroy the National Guard and the Ready Reserve. Remember him? He is the fellow who was booted upstairs to the World Bank, after liquidating Uncle Sam's military superiority in the air, on the sea and in space. This country will not soon recover from McNamara's bungling, too long permitted and acquiesced in by the President and his administration.

WAR NOT LYNDON'S BABY

But remember this! Vietnam was not Lyndon Johnson's baby. It was left on his doorstep. Now he knows, and most of you who know me and my newspaper know, that we didn't support his candidacy in 1964 and we haven't supported many of the President's domestic programs. We are still not enamored of some of them and we are quite fearful of the prospective results of some others.

But, there is one thing that Lyndon Johnson knows, and that is that my newspaper and I, unlike some members of the United States Senate, once the war was joined, have supported him in his efforts to bring the war to an honorable conclusion and a lasting peace.

If there is one thing which this nation should have learned by now it is that we can't buy friendship and respect. We can't put out every fire and we can't save everybody's bacon. It's high time, however, that we started saving our own.

SOME THINGS TO STOP

It's time we stopped frittering away our substance in hopeless global boondoggling. It's time we stopped trying to make over other nations in our own image. It's time we started improving the image of Uncle Sam, both at home and abroad. And in my opinion one of the first steps in that direction would be to stop meddling with everybody else's business.

As men and women who love this nation as I do, men and women who have worn the uniform, who revere the Flag and who are not ashamed to sing "The Star Spangled Banner," you know the obligations which the rights of citizenship impose upon us as individuals and as Legionnaires in the mass.

You were true to your oath to preserve and protect this nation, taken when you were sworn into the service, no matter which war. That oath is equally binding upon you in times of peace. And never within our lifespan has this nation so badly needed your love, your devotion, your fullest duty.

HYSTERIA OVER GUNS

Keep up your vigilance. Support every agency whose function it is to preserve law and order. Tell your congressmen and your senators that American citizens are entitled to protect their persons and property with their own fire arms if necessary and that no gun law passed in a period of national hysteria should remove that right, especially in the face of threatened revolution. Ban on mail order sale—positively! Registration—doubtful. Licensing—no! Confiscation—never!!

At the same time let the Congress know that it should pay no heed to the demands from certain quarters for the abolition of ROTC units in our colleges and universities. These groups are the only source of trained officer personnel needed by all branches of our military, which the national academies cannot possibly furnish.

Turn a deaf ear to demagogues and blatherskites. Make certain you use your ballot with intelligence and sound judgment, in favor of candidates best qualified for leadership at all levels of government, for the greatest need today is leadership.

On that all-important subject I would like to read you a short chapter from one of the most thrilling books I have ever read, entitled "Of Spies & Stratagems." It was written by Dr. Stanley P. Lowell, one of Bill Donovan's most valuable officers in the OSS.

He wrote:

I will never forget March 18, 1943, when General Donovan asked me to represent him at an intimate birthday luncheon for Sir John Dill, Chief of the British Imperial General Staff.

After liqeurs, someone said, "Sir John, I think you owe us a story. What has been the most unforgettable day of your distinguished career?"

"That is easy to select," he said. "I'm an Ulsterman and that means an army life for us. The Boer War, Indian and African service, but my career appeared ended when I publicly opposed the remilitarization of the Rhineland and Chamberlain's appeasement at Munich. Then, in May 1940, Winston Churchill came to power and picked me to head up our armed forces.

"Barely three weeks later he phoned me to fly to France with him and General Ismay. We knew things were in poor shape over there. In Paris we met with Marshall Petain, General Weygand and Premier Paul Reynaud. They threw the bad news at us.

"Churchill asked, 'Aren't you going to resist in the South of France?'

" 'No. It's impossible.'

" 'But you'll keep the African colonies and fight from there, won't you?'

" 'No. We surrender them.'

" 'But the fleet. Darlan will put to sea and deliver it to us—that will be saved?'

" 'No. It's complete surrender to Hitler. After the way you British abandoned us by running home at Dunkirk, you left us no other choice.'

SIR WINSTON SHOCKED

" 'So France is deserting us completely!' Churchill exclaimed.

" 'Just as you did to us,' answered Petain.

"The Prime Minister rose. We were driven to our Flamingo and flown back to London. Not a single word was spoken on the return flight, and I was too deeply upset to care much if our escort of Hurricanes showed up or not.

" 'I'm all alone tonight, Sir John,' he said. 'Come keep me company at 10 Downing Street.' It was late and we washed a sandwich down with some brandy and soda.

" 'Sir John,' he said as he walked about the room, 'I have no choice but to address Parliament in the morning. I'll have to tell them and the nation that France has gone over to Hitler lock, stock and barrel. You and I know it's impossible to defend this island against the full force of that Austrian bastard. It's Napoleon all over again, but Napoleon never had the German air force, and we have few guns and less ammunition. This may be the last night of the British Empire—it may be.'

"I could have wept for him and for Britain. At last he said, 'There are two things we can do, Sir John. Write the speech that will actually ask Hitler for terms of surrender—or go to bed and sleep on it. I propose to sleep. Goodnight, Sir John. My man will show you to your bedroom. See you at breakfast.'

LAST NIGHT OF EMPIRE

"He may have slept—he took a part bottle of brandy with him—but I know I didn't. The end of the British Empire was coming tomorrow!

"At breakfast—perhaps our last as a free people—I was sober and glum. Winston Churchill ate everything set before him. Finally, he pushed his chair away at an angle and said, 'Sir John, I have to tell Parliament the bad news—I can't avoid that, but I do not have to suggest negotiating with those Nazi madmen.

" 'Yes, France has fallen, the United States is pacifist and won't help us, but, all alone, by God, we'll fight 'em on the beaches, we'll fight 'em at the hedge rows, we'll fight 'em on our village greens!' He paused 'By heaven, that's damned good, Sir John.'

"He pulled a pad of paper out of his breakfast jacket pocket and started writing down the greatest speech since your Gettysburg address. That, gentlemen, was my most unforgettable day."

An unforgettable day for myself was this sixty-second birthday for Sir John Dill. He had told us of a day on which the freedom of mankind had balanced on one man's courage.

CLARION CALL TO DUTY

This is the type of determined leadership, of supreme courage, of just one clear voice to summon the American people from their lethargy, back to sanity and to unity, if this Nation of ours is to be preserved. The quality and character of that leadership may determine the future of America and the civilized world for a thousand years and beyond.

Decision day is here! Stand up!!

May the bugle call of honor drown out the raucous bull-horn of sedition!

I am certain that there will be no "conscientious objectors" among the loyal, courageous and patriotic members of the American Legion, for you continue to serve as an everlasting bulwark against all enemies, foreign and domestic.

To you I raise my hand in respectful salute.

HARVEY H. SEGAL LEAVES THE POST FOR THE NEW YORK TIMES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, Mr. Harvey H. Segal, one of our most distinguished economists and journalists, resigned last month from the Washington Post to accept a position as a member of the editorial board of the New York Times. Mr. Segal's editorials and signed columns in the Washington Post over the years were a joy to read. He brought to the newspaper world impressive academic credentials. No journalist covering economics understands the subject better than Harvey Segal. His analyses of our complex economic problems are logical, rigorous, and to the point.

Though I have sometimes disagreed with his conclusions, I always have found his analyses informative and enlightening. Washington will miss Harvey Segal and New York will benefit from his being on the Times. Mr. Segal's first signed column for the Times appeared in the Monday, July 15, issue. We all can benefit from reading Mr. Segal's columns and editorials, and I am inserting his July 15 column herewith:

THE PAIN THRESHOLD OF ECONOMICS IN AN ELECTION YEAR

(By Harvey H. Segal)

In this age of the task force and the position paper, an advisory team of professional economists is standard equipment for the serious Presidential aspirant. But in 1968 there is little likelihood that anyone's political fortune will be won or lost by what is said about economic policy.

Economic issues have played an important role in political campaigns, the Kennedy-Nixon contest being a classic case in point. But the vital element of 1960 is not to be found in the economic climate of 1968: problems so severe and persistent as to exceed the pain threshold of the electorate.

Fear of inflation and a concern for the balance-of-payments deficit had turned monetary and fiscal policy in a restrictive direction in 1957. Price stability was achieved, but at the cost of high unemployment. From 1958 through 1960, unemployment seldom fell below 5 per cent of the labor force, and during the business-cycle contraction which served as a backdrop for the Kennedy-Nixon contest, the rate had risen toward the 7 per cent level. As a consequence, the country as a whole—not only the depressed counties of West Virginia—was moved by John F. Kennedy's activist slogans.

In retrospect, neither his discourses on the lagging rate of economic growth nor his proposed remedies were too impressive. What was important was the vague but pervasive feeling of dissatisfaction with the performance of the economy, the pain that made the public receptive to JFK's appeals.

The principal economic problem of 1968 is one of exhilaration and inflation, not of stagnation. In a more logically symmetrical world, the electorate might be just as incensed over rising prices and the sinking purchasing power of money as they were over high unemployment. But with the exception of those on small, fixed incomes—people without assets that appreciate during periods of rising prices—there is no evidence of widespread political dissatisfaction with the present mild rate of inflation.

NET INCOME STATIC

A perusal of the Labor Department's figures on spendable income and purchasing power helps account for this equanimity. The real net spendable income of factory workers with three dependents—their take-home pay corrected for increases in consumers prices—has been virtually unchanged since late 1965. Rising prices wiped out the increases in money income so that the only gain is an increase in leisure, conferred by the decline in the average number of weekly hours worked. But a virtual standstill in the advance of real income is not at all comparable to the loss of income suffered in periods of high unemployment.

NOT PAINFUL ENOUGH

While rapid inflation would doubtless give rise to massive discontent, the 4 per cent variety does not provide a fertile field for political campaigning.

For the poor, especially the disadvantaged and alienated minorities, it is meaningless to speak of a political pain threshold. But aside from the virtue of making appeals to the conscience of an affluent society, it is doubtful that any candidate will advance his cause by championing theirs in the forthcoming campaign.

In addition to the need for economic problems to be painful before they can be politically significant, there are also formidable difficulties of mass communications. The candidate who is thoroughly briefed and armed with the services of competent speech writers can make even the most arcane aspects of economic problems intelligible to his audiences. But mere intelligibility is not sufficient at a time when the electorate thirsts for charisma.

In the recently published "Republican Papers," there is an excellent chapter on the United States balance of payments by Gottfried Haberler, the Harvard University economist. It is striking, among other reasons, because it raises a fundamental but neglected question of policy. It asks whether it is wise to persist in the efforts to preserve the system of fixed exchange rates at the cost of proliferating Government controls over trade, travel and movements of capital.

ISSUE WITHOUT APPEAL

Notwithstanding its relevance, Haberler's question will attract little attention in the campaign. Senator McCarthy made a brief allusion to it in one of his televised interviews. But it is lacking in mass appeal. And those who are conversant with the exchange rate issue, the tiny groups involved in international trade and finance, are more likely to be disturbed than fascinated by the candidate who raises them.

It would be comforting to assume that the airing of fundamental issues in national election campaigns is the key to better public policies. All that can be known with certainty is that the economic problems confronting the country will, in any event, persist.

THE RED RIVER ARMY DEPOT BIDS FAREWELL TO OUTSTANDING COMMANDING OFFICER—COL. NATHAN I. REITER, JR.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, Col. Nathan I. Reiter, Jr., commanding officer at the Red River Army Depot in Texarkana, Tex., for the past 4 years, is going on to a new and important assignment, and while we congratulate him, it is with deep regret that all the citizens of our area see him go. He has been an outstanding professional leader, and just as important, he and his wife have contributed much to the community in their roles as private citizens.

Colonel Reiter's accomplishments will long be remembered, and on behalf of the entire community, I would like to wish him every happiness and success in his new post as Chief of the Army Materiel Command Customer Assistance Office for all of Europe. I understand that he was handpicked for this position because of his superior qualifications, and I know he will do an exceptional job.

May I add, somewhat selfishly, that I sincerely hope Colonel and Mrs. Reiter will continue to be my constituents—in absentia for the present and ultimately as permanent residents of Texarkana.

THE SELECTIVE SERVICE PAY SYSTEM

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HENDERSON. Mr. Speaker, serious pay inequities existed for a number of years among some 7,800 employees of the local draft boards and appeal boards of the Selective Service System throughout the country. A newly installed pay plan promises a satisfactory solution to most of the inequities, although the limited tenure of certain of the employees still leaves something to be desired.

Since the inception of the Selective Service System, the salaries of employees of the local draft boards and appeal boards were fixed administratively, generally on a State-by-State basis, by the State directors. Independent and inconsistent methods were followed by the various directors in fixing pay, and as a consequence there was a lack of uniformity in the pay of the draft board and appeal board employees throughout the country.

At my request, as chairman of the Subcommittee on Manpower and Civil Service, a study of this problem was made jointly by the Selective Service System and the Civil Service Commission. Their report, issued in January 1967, disclosed that the State directors had broad discretion in setting the rates of pay of their local board employees. This resulted, over the years, in annual salaries for clerks varying as much as $1,000 between neighboring States. In many States, other Federal clerks, performing comparable levels of work, were paid as much as $1,541 a year more than the draft board clerks.

Accordingly, on June 8, 1967, as a method of solving this problem of unequal pay, I introduced a bill, H.R. 10718, which would bring these 7,800 selective service employees under the Classification Act.

Hearings on this bill and on the findings of the joint study were purposely deferred until a review of the Selective Service Act was completed by the House Armed Services Committee, and until the overall pay bill for classified Federal employees was passed by the Congress.

Following the legislation, amending the Selective Service Act, and the passage of the Federal employees pay bill, the Subcommittee on Manpower and Civil Service held hearings in November 1967 on the pay inequities of draft board clerks. The views of both John W. Macy, Jr., Chairman of the Civil Service Commission, and Gen. Lewis B. Hershey, Director of the Selective Service System, were heard. There was general agreement that inequities in the pay structure of the draft board and appeal board employees did exist and that action to rectify this condition was desirable and necessary. General Hershey informed the subcommittee that the problem was at that time being studied and it was his objective to make revisions in the pay scale. I indicated to General Hershey at that time that I appreciated his action to equalize the pay of these employees, where warranted, and that I would be willing to wait and review the results of his efforts.

Subsequently, the national headquarters of the Selective Service System devised a new administrative pay plan based on workload and the plan provided salary increases for almost all draft board employees. I have examined the new pay plan and considered the reactions of various draft board employees to it. I have obtained the views of General Hershey and various State directors, as well as those of the Chairman of the Civil Service Commission.

The new salary table for draft board employees is now similar, if not identical, to the salary table under the Classification Act. For example, it provides a minimum annual salary for clerks that is identical to the starting salary for a GS–3 Government clerk. It also provides a minimum annual salary for executive secretaries which is identical to the starting salary for a GS–4 Government employee. This comparability feature of the selective service pay table is, in my opinion, good.

There is, however, one major shortcoming in the new plan, and that is the provision that the executive secretaries, or chief clerks, may not serve more than 2 years unless reappointed. This goes beyond the requirement of the governing legislation, Public Law 90–40, enacting the Military Selective Service Act of 1967, which states that employment in such positions shall not exceed 10 years unless reappointed. I have conveyed my apprehension on this point to General Hershey. He has advised me that a difference of opinion exists within the executive branch on the term of tenure of executive secretaries, and that efforts to resolve that difference are being made.

In conclusion, I am satisfied that the Selective Service System pay plan will grant the equalizing pay increases anticipated in my bill, H.R. 10718. My regret is the limited 2-year tenure of the executive secretaries, and I am in hopes that this, too, can be rectified.

SHOOTING DOWN THE RANCH AREA

Mr. BERRY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Speaker, Federal bureaucracy under this administration is doing more to destroy rural America, particularly sparsely settled rural America, than any action that has been taken since our country began. The Post Office Department has announced a 10.5-percent increase in rates in both parcel post and catalogs. The ICC yesterday ruled they will not review this and it will go into effect immediately.

Of course, I am interested in seeing the postal department try to put themselves on a paying basis, but to do so at the expense of the sparsely settled areas of America is nothing short of criminal. The rancher who lives 50 miles from town must depend on parcel post for many of his parts, repairs, and equipment. He contributes very little to any postal deficit, but this increase forces him to pay considerably more for a service that is vital to his business.

On top of that, Mr. Speaker, this same Post Office Department has announced the closing of 347 smalltown post offices, 13 of which are in South Dakota and nine of these in my congressional district.

The Post Office Department says this will create no inconvenience because the mail will be delivered at least within a few miles of every customer through R.F.D. They, of course, overlook the fact that, while the rural carrier provides the best service he possibly can, there are many needs that he cannot fill.

The rancher need not drive 50 miles to town to buy a postage stamp because the rural carrier can sell them, but many of these ranchers will be required to drive 3 or 4 miles to his mailbox then wait for the rural carrier to come along. In bad weather, the carrier may be delayed because many of the roads that he must travel are not the best. Generally now they are gravel; some few are hard top, but this means a terrific inconvenience to the people who live in remote areas of the great Middle West.

Our people in the sparsely settled areas thought that mail service was to be improved when postal rates went up. Instead of that, mail service has gotten worse. Now the Department comes along and announces a 10.5-percent increase in parcel post rates and I suspect that means poorer parcel post service. Yes, Mr. Speaker, Americans are paying more for their postal system and getting less service.

While on the subject of closing these post offices, I would like to point out that while these rural offices perform a great postal service to the people living in that community, they also perform another service and that is they operate small community stores, most of which will probably be closed without this additional revenue. It is bad enough, Mr. Speaker, to ask these farm people to live in these remote areas receiving 73 percent of parity for their agricultural products, without shooting them out of the saddles by closing their community post offices and raising the parcel post rates.

I include an editorial from the Sioux Falls, S. Dak., Argus Leader at this point in my remarks:

OUR DECLINING POSTAL SERVICE

> Across the United States 347 small town post offices will be closed, including 12 in South Dakota and four in Minnesota. Saturday mail service is to be curtailed sharply. Window service at post offices will be reduced on Saturday; collections from street boxes will be limited to Sunday schedules.
>
> The Post Office Department has asked for plans, by Sept. 1, to eliminate all Saturday delivery on city residential routes. No date was set for carrying this out.
>
> Postmaster General Marvin Watson said that the reductions in service are dictated by economy provisions in the new tax bill which require the department to cut back 83,238 employes.
>
> Congress has the problem. It can exempt the Post Office Department from provisions of the act, and keep some of the same service which is now being provided. Or it can refuse to exempt the Post Office—and signal the way for further reduction in service.
>
> Americans are paying more for their postal system—and getting less service. Yet, despite the increase they're paying in postage, they're faced with the prospect of getting still less service from the Post Office.
>
> Rural South Dakota, in particular, has gotten less and less service in recent years. The people who live near the small rural post offices that will be closed in this state simply will have to do their postal business in the nearest town. In western South Dakota, this can be 50 miles away. It's a long trip to buy stamps, or a money order.
>
> It seems strange that the village of Wallace, population 132, and birthplace of Vice President Hubert Humphrey, can't have a post office.
>
> Perhaps the Post Office Department plans to put in an agency, which means a contract for a certain sum, with no rent to pay and no obligation to pay a postmistress a salary, and after retirement, a pension. This saves the Department money.
>
> If Wallace can't have a fourth class post office, there should be an agency arrangement of some kind.
>
> The outlook for better service from the Post Office Department is not good. A better solution would be to look at some priorities in our federal government. Surely, the most affluent nation on the face of the earth can provide better service—and make a choice between essential services, such as the postal system, and some of the giveaway programs and ever-growing bureaucracies.
>
> Congress should make up its mind to provide better postal service. If it does not, Congress may get a voter backlash, from citizens who expect better mail service.

OAHE IRRIGATION PROJECT

Mr. BERRY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Speaker, yesterday was a red letter day for South Dakota. H.R. 27, H.R. 1163, and S. 6 were enrolled and cleared for the White House. I take this opportunity not only on my own behalf, but on behalf of the people of South Dakota to express our deep appreciation to the gentleman from Colorado, WAYNE ASPINALL, chairman of the House Interior and Insular Affairs Committee, for the time, the work, and the effort that he gave to studying the legislation and to the time that he made possible in the subcommittee and full committee for hearings and reporting the bill, and for his effort in bringing about passage on the House floor.

I especially want to express our appreciation to the gentleman from California, H. T. "BIZZ" JOHNSON, chairman of the Reclamation Subcommittee, for his time, his work, and his effort in going out to South Dakota to conduct field hearings, spending 3 days of his time in going over the entire project, listening to 2 days of testimony, traveling by foot, car, and plane over the entire canal area, inspecting the damsite and the proposed pumping site and in conducting several days of hearings in Washington. Representative JOHNSON went beyond the call of duty because he felt that the Oahe irrigation project was a good project and that it would be an asset not only to the State, but to the Nation as well.

We want to express our appreciation also to the gentleman from Pennsylvania, Representative JOHN SAYLOR, ranking Republican on the Interior and Insular Affairs Committee, for his careful study and consideration, for taking of his own time to attend the 3 days of field hearings in South Dakota, as well as the hearings here in Washington, Representative SAYLOR did his usual excellent service in helping to develop a piece of legislation that would be a credit to reclamation generally.

We want to express our appreciation to the gentleman from Oklahoma, Representative ED EDMONDSON, for taking of his time to attend not only the field hearings in South Dakota, but also the hearings in Washington and giving of his talent in helping to perfect a good piece of legislation. I want to also express our appreciation, Mr. Speaker, to the gentleman from Utah, Representative LAURENCE BURTON, and to the gentleman from Oregon, Representative WENDELL WYATT, for taking of their time to attend the field hearings in South Dakota, as well as helping perfect a good piece of legislation not only for South Dakota, but the reclamation program generally.

Mr. Speaker, it would be impossible to name all of those Members who helped in the passage of this legislation, both those members of the committee and those Members of the House generally. There were so many Members who voted for this legislation on the floor as a favor to the gentleman from South Dakota, Congressman REIFEL, and myself and as a favor to South Dakota, the State which they knew had given so many thousands of acres to prevent downstream flooding in the Missouri and Mississippi Rivers. Mr. Speaker, the people of South Dakota, Congressman REIFEL, and myself cannot express our deep appreciation for everything that has been done to guarantee the passage of this legislation.

A BILL TO CLARIFY THE RELATIONSHIP OF INTERESTS OF THE UNITED STATES AND OF THE STATES IN THE USE OF THE WATERS OF CERTAIN STREAMS

Mr. REINECKE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. REINECKE. Mr. Speaker, I have today introduced a bill to clarify the Federal position in connection with water rights on certain streams.

The purpose of my bill is to strike an equitable balance between the interests of the States and the Federal Government in conflicts where Federal ownership of lands gives the Federal Government an asserted basis for claiming paramount rights or title in fee simple absolute to unappropriated waters. Although the problem is a national one, its significance is especially severe in connection with the lands of the semiarid West.

The need for the legislation was made clear by the Senate Select Committee on National Water Resources which, in its 1961 report to Congress, described the following problem in California by way of illustration:

> California, with its nearly 16 million citizens—to whom a half million more are being added each year—has a far-reaching State water resource development plan, estimated to cost $11 or more billions of dollars within the next 25 years . . . At the very time (this plan) was under consideration . . . the Federal Government asserted in a California court action that when the United States acquired the area that is now California, and five other States, under the 1848 peace treaty of Guadalupe Hidalgo which ended the war with Mexico, the Federal Government became the owner of all lands and all rights to use water within the area. This ownership is still retained unless it has been divested pursuant to act of Congress . . . This claim by the Federal Government, based on a 112-year-old peace treaty, of outright ownership over all unappropriated water in the State, is described by California officials as "casting a dark and ugly cloud over California's water development program."

Inevitably, this conflict must be cleared up by the Congress if the water resources development of any State in the West is not to be deterred.

Mr. Speaker, this bill, an outgrowth of long study and consideration by the American Bar Association, has been reviewed and endorsed by most major legal and government groups in the water field. On July 8, the California Legislature approved a joint resolution expressing the State's support for immediate favorable action by the Congress on the measure.

I am very pleased to sponsor this legislation, and I urge the complete support of every Member of this House.

GUN CONTROL LEGISLATION

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, I am greatly bewildered by this body's lack of response to the will of the people as expressed in the form of the gun control bill which we have just acted upon.

The polls, constituent correspondence and inquiries, and newspaper and magazine editorials clearly indicated, I believe, that the people of our land wanted the strongest possible gun control legislation. Yet, we have enacted a watered-down bill that is far removed from the expressed will of the people.

I voted in favor of the passage of yesterday's measure because of the great need for some legislative relief now. However, I rise today to urge my colleagues not to accept yesterday's action as final action on this matter.

The urbanization of our society coupled with the abuse and misuse of firearms demands that we enact stricter gun control legislation than the measure which passed in this House yesterday.

Every possible step must be taken to insure that firearms will be kept from the hands of those who will threaten the well-being of others. We in the Congress have an obligation to do this for the misuse and abuse of firearms is a national problem.

It seems to me that the law-abiding sportsmen across our land would accept some inconveniences arising from greater regulation of the sale and use of firearms if the Members of Congress made a strong appeal to do so in the Nation's interest.

I feel that in the legislative measure enacted yesterday, the Members of this body gave in to the expressed desires of a few at the great expense of the many citizens who wished otherwise. What disturbs me most is that the "few" could have been convinced of the need for stricter gun control by the Members of this body.

Let us accept yesterday's action as a decisive step in the right direction toward the eventual enactment of truly effective gun control legislation.

GUN LEGISLATION

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, 5 years ago Senator DODD and I introduced strong firearms legislation in the Senate and House of Representatives, respectively, which would have regulated the interstate mail-order sale of firearms, prohibited sales of firearms to minors, regulated the interstate shipment of destructive devices, and increased licensing fees for firearms dealers.

The response to our legislation at that time can only be described as hysterical. The firearms lobby, specifically the National Rifle Association, reacted as if its very existence were threatened. A torrent of rhetoric spewed forth from its official publication warning the gun-owning public of our sinister plot to violate their right to bear arms. Their opposition, of course, was absurd, because our legislation would in no way prevent any qualified person from owning or using a gun. Unfortunately, their opposition was successful.

Since 1963 Senator DODD and I and many other Senators and Representatives have introduced and re-introduced gun control legislation; each year the support increased in the Congress and across the Nation, but each year the well-organized gun lobby prevented consideration of our legislation.

Finally, this year, a limited gun-control measure was enacted, as part of the omnibus crime bill. This measure limits the mail-order sale of handguns, but has no provision for any similar restriction on the sale of long guns.

On June 10 of this year the Department of Justice recommended to the Congress legislation which would extend to long guns and ammunition the restrictions placed on handguns in the crime bill. Today, the House is acting on this legislation. If passed by the House, this legislation, combined with the handgun restrictions in the crime bill, will implement the provisions of the bill Senator DODD and I introduced in 1963. Today, this legislation is considered to be minimal; the public supports it by a wide margin, and of the 8,000 letters I have received from constituents on this subject, all but a few hundred expressed their strong support.

Unfortunately, in the 5 years since 1963 approximately 32,000 lives have been taken by firearms; in that same period hundreds of thousands of robberies and assaults have been committed by firearms. Looking back, it seems like a terribly high price to have paid for our delay in passing strong gun control legislation.

All of this death and destruction by firearms over the last 5 years would not have been prevented by this legislation; maybe very little of it would have been prevented; we will never know. But it certainly would have made it more difficult for criminals, mental incompetents, and juveniles to obtain firearms, and if even one life could have been saved it would have been worthwhile.

The passage of this bill today will not entirely satisfy the need for gun control legislation, however. We still need legislation to require the licensing of all gun owners; if we require licenses to drive automobiles, it seems logical that we should require licenses to possess something as dangerous as a gun.

The primary responsibility for licensing should rest with the individual States, and States should be encouraged and assisted in developing licensing systems for gun owners. But there should be minimum Federal licensing standards to be required in those States which fail to develop their own licensing systems. An amendment to this bill, which I supported, would have provided for such a Federal licensing system and would have exempted States with at least comparable licensing standards. Unfortunately, this amendment was defeated.

We can be satisfied, however, in having at least the basic regulation of interstate firearms traffic. This is essential if State and local laws are to be at all effective. As I pointed out in testimony before the New York City Council on Firearms Control last August:

> Even the strongest State and local firearms regulations are useless as long as guns can be bought by mail, or as long as there are some states with weak firearms controls.

Mr. Speaker, we can wait no longer for this vital legislation. The people of this Nation want and need the passage of this bill.

FACT SHEET SHOULD BE IDENTIFIED

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, last week many Members of the House received an 11-page, so-called fact sheet, which attempted to rebut the minority views filed on S. 2658.

This fact sheet does not contain any reference as to its source. It is not identified in any way. Only after an enterprising reporter dug into the matter, did the American Trucking Association admit that it had authored and distributed the so-called fact sheet.

Frankly, Mr. Speaker, I must protest this kind of activity. The distribution of an anonymous "fact sheet" purporting to refute the views of Members of Congress, to other Members of Congress, is highly irregular. Furthermore, the American Trucking Association evidently refrained from sending their so-called fact sheet to those members of the Public Works Committee who signed the minority views on S. 2658.

Finally, the so-called fact sheet is really nothing more than glossy coating over the already discredited positions of the American Trucking Association on this legislation.

Therefore, I am taking this opportunity today to alert the Members of Congress to the origin of the so-called fact sheet, and to reassure my colleagues that I and those who signed the minority views stand with those views.

FEDERAL AID HIGHWAY ACT OF 1968—CONFERENCE REPORT

Mr. FALLON submitted a conference report and statement on the bill (S. 3418) to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways, and for other purposes.

S. 2658 NEEDS MORE STUDY

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, yesterday I placed in the CONGRESSIONAL RECORD the fifth chapter of Dr. John Fuller's doctoral dissertation entitled "Current Issues in the Regulation of Motor Vehicle Sizes and Weights."

Dr. Fuller has done extensive work in the field of economics. During the summers of 1966 and 1967, he served as transport economist for the Western Highway Institute, an affiliate of the American Trucking Association.

Today, for the benefit of my colleagues, I offer the sixth chapter of Dr. Fuller's dissertation, "The Effects of Increased Size and Weight Standards on the Public and Social Costs of Motor Carriage."

Here is proof again that the committee acted without all the facts and factors that relate to the problems that would result when and if this proposed legislation would become law.

S. 2658 needs more study.

The material follows:

CHAPTER VI. THE EFFECTS OF INCREASED SIZE AND WEIGHT STANDARDS ON THE PUBLIC AND SOCIAL COSTS OF MOTOR CARRIAGE

Proponents of motor vehicle size and weight increases, writing in trade journals and testifying before congressional committees, have understandably stressed the considerable benefits which they expect will result from revised regulatory standards. The previous chapter lent substance to the belief that carrier cost savings would be a probable result of allowing large and heavy trucks and truck-tractors to operate on the public highways, so long as highway user fees remained unchanged. The author estimated the probable range of annual cost savings to the motor carrier industry at $200 to $250 million.

Yet these possible savings represent only part of the story. In evaluating the economic desirability of changed size and weight standards, the ultimate goal is determination of the manner in which the proposed changes will affect economic welfare through the allocation of resources. Economic welfare, in this instance as measured in terms of reduced resource costs for transportation, encompasses far more than carrier cost reductions. Economic welfare can increase as the result of a revision of motor vehicle size and weight standards only if the carrier cost savings are not offset by added public costs for highway construction, maintenance, and administration. One of the purposes of this chapter is to investigate and quantify these public costs to the fullest extent possible on the basis of available information.

The economic welfare of the community is also affected by whatever social costs result from the operation of large and heavy vehicles. Although carrier benefits must be offset by public costs to determine net economic welfare, the subtraction provides a poor approximation to incremental economic welfare unless all other conditions of community welfare are simultaneously unchanged. Lower carriage costs will not benefit society if accompanied by concomitantly higher accident rates and reduced motoring pleasure for the majority automobile users of the highway system. The combined public and social costs must be netted against the carrier benefits, whether or not these costs have ascertainable present values. Therefore, as a more realistic approximation of the total cost offset from size and weight standards revision, this chapter will also identify the social costs and quantify such social welfare effects as can be brought into relationship with public costs using the measuring rod of money. Where this is not possible, efforts will be made to describe and evaluate those social costs which presently lie outside the scope of monetary analysis.

The following method will be adopted by which to hold constant the various social conditions of consumer welfare and to determine the resource allocative effects that are attributable to a given size- or weight-dimension increase. First, it is essential to identify correctly all the added social costs of an incremental size or weight increase. Certain of these social costs can be assigned monetary values; for example, accident rate increases can theoretically be projected and the costs of an increased number of accidents estimated. Other social costs cannot be quantified directly, and these would include the social costs imposed on automobile drivers faced with overtaking and passing especially large vehicles. The traumatic effects on drivers such as are induced during passing maneuvers differ from individual to individual and cannot be measured aggregatively without extensive, and unavailable, experimental data.

Secondly, in the event of identifiable social costs that cannot be given a dollar magnitude, the public cost requirements that are related to nullifying the social costs of large and heavy vehicles must be determined. In other words, the minimum incremental public costs necessary to counter added social costs need to be quantified. If incremental social cost effects on automobile users can be identified, for example those arising from wind buffeting or mud spray flowing from larger vehicles, the discomfort or danger to the motorist should not be neglected simply because no apparent means exists of quantifying the costs in dollar terms. As a measure of social costs, there should be calculated the minimal public expenditure that would be needed to realign the highway, to separate the offending vehicles from the mass of traffic, or in other ways to counteract the undesirable effects of the larger or heavier vehicle.

Finally, to develop a measure of the total cost of an incremental vehicle size or weight increase, the quantifiable social costs, the social costs as measured by public nullification costs, and the increased public highway costs must all be summed. Once social costs are added to the highway costs required for extra pavement maintenance, bridge strengthening, and new construction to higher standards, a measure is obtained of the total resource and other cost offsets to incremental carrier benefits.

Effects of motor vehicle size and weight on highway construction and maintenance

Physical elements of the highway

In non-technical terms, the basic highway plant is composed of two primary elements. The first component consists of the highway pavement together with its supporting base elements and adjacent shoulders. The other main physical element is made up of the various bridge, interchange, and tunnel structures needed for efficient highway connections and desirable road alignments. The design criteria for both pavement and structures take into account the maximum vehicle sizes and weights expected to utilize the highways, and the road elements are constructed to handle a projected volume of traffic of the maximum-size vehicles safely and efficiently for the life of the road. The economic lives of the pavement and structures are shortened, however, to the extent that heavier and larger vehicles are operated than were provided for in the design criteria, or to the extent that unanticipated traffic or heavy axle loads occurs.

Pavement design related to vehicle weight characteristics.—Highway pavements are primarily designed for weight-carrying capacity and the expected average daily traffic. The pavement distributes the vehicle load transmitted to it through the vehicle wheel so that the load will not exceed the supporting capability of the base elements. Without a suitably strong pavement, heavy load concentrations could quickly destroy the subgrade, and with it the carrying-capacity of the road. According to the Bureau of Public Roads, ". . . research has demonstrated that wheel or axle loads and the frequency of their application are the principal determinants of the strength that must be built into highway pavements."[1]

The type of pavement structure constructed in any particular location—wearing surface, base course, and subgrade—will vary in accord with numerous design considerations. These include the volume of traffic, the number of heavy axle loads expected in that traffic volume, the soil and climatic conditions, and the relative delivered cost of pavement components. The highest volume roads (which generally also carry the greatest number of single- and tandem-axle loads of the maximum permissible weights) are normally constructed with portland cement concrete or high-type bituminous pavements.

Cement and bituminous pavements have different engineering characteristics. The concrete, or rigid, pavement has been found to act in the manner of a beam. Most of the load of the traffic is borne directly by the pavement; a portion of the load placed on the pavement surface is delivered to the road layers below by means of slab action. Therefore, the load-carrying capacity of a rigid-type pavement is a function of the thickness of the concrete. Although the base course, made up of granular material, transmits relatively little of the surface load to the compacted earth subgrade, the base under a rigid pavement functions to prevent loss of the supporting foundation layer through pumping, frost action, and swell or shrinkage of soils. If the base does not continue to maintain solid support for the concrete surface above, pavement failure through cracking or breaking may quickly result.[2]

Bituminous, or flexible, pavements have thinner wearing surfaces than rigid pavements. On the other hand, the flexible pavement has a thicker base course, usually including not only a base beneath the pavement of crushed stone, bituminous-bound material, or lean concrete, but also having a subbase of gravel or stabilized soil. Under the pavement surface and the base courses is the compacted subgrade. Heavy vehicle

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Footnotes at end of article.

loads are transmitted through the above pavement structure to the subgrade, which must eventually support all loads that come onto the pavement. Vehicle loads are transmitted through lateral distribution, or shear, in the case of bituminous pavements, although flexible pavements may have some slab strength similar to rigid pavements. The entire thickness of the pavement structure, surface and bases, contributes to the lateral dispersion of load and therefore the strength of the bituminous roadway.[3]

The significant economic attribute of pavement strength with which this thesis is concerned is the variance of surface thickness (in the case of rigid pavements) or the thickness of the surface plus the base (in the case of flexible pavements) in accord with increments of motor-vehicle axle weight and repetitions of heavy axle loadings. Increased thickness, *ceterus paribus*, means more road strength and greater road capacity for the heavier vehicles. At the same time, increased thickness of the pavement structure results in increased construction cost and a greater expenditure of economic resources. Of special concern to the important questions to be covered in this chapter is the incremental pavement thickness required for 20,000-pound single and 34,000-pound tandem axles.[4]

Pavement geometrics related to vehicle size.—The several dimensions of vehicle size all affect the roadway geometrics, or the design criteria for width, gradient, and curvature of the road. Vehicle height in particular affects vertical clearances of underpasses, tunnels, bridges of certain designs, and overhead traffic control devices. If commercial vehicle height allowances were to be increased from the presently typical 13½-foot value, immense public costs would be necessitated to rebuild structures on all state primary systems to sufficient heights to provide safe vertical clearance levels.

Vehicle width increases affect the desirable widths of highway lanes and shoulders and the widths of structures. Proper vehicle widths in relation to roadway widths are important matters of safety. As the Bureau of Public Roads has concluded: ". . . 24-foot pavements on dual or single roadways will permit the safe operation of commercial vehicles up to 102 inches wide. On narrower or substandard pavements with inadequate shoulders vehicles greater than 96 inches wide would present both physical and psychological problems." [5]

The Bureau has also found that drivers desire to maintain clearances in excess of 4 feet when meeting one another.[6] Lesser clearances may lead to unsafe avoidance behavior by drivers attempting to gain greater vehicle clearances. Thus, vehicles of 102-inch widths operating on lanes narrower than 12 feet, or vehicles wider than 102 inches (due, for example, to tolerances and overhang) operating on 12-foot lanes, cannot meet the desired clearances; under these conditions drivers may be forced to us the shoulders. Excessive use of most highway shoulders (for other than emergency parking) will result in greater shoulder wear, higher maintenance costs, and possible damage through water seepage to the main pavement structure. Drivers forced to the shoulders may lose control of their vehicles, with unnecessary accidents resulting.

In addition, it has been discovered through research by the BPR that commercial vehicle operations at high speeds force greater clearance requirements between the bodies of meeting vehicles than at low speeds, perhaps because of the slipstream effects. Commercial vehicle speeds are increasing. As the BPR concludes from these two facts:

"These findings could be used to weaken the conclusion that 12-foot lanes will accommodate 102-inch-wide vehicles, if the effect of speed was not offset by the presence of stabilized shoulders on high-type highways. In effect such shoulders make a 12-foot lane the equivalent of about a 13-foot lane." [7]

Thus, to the extent that stabilized highway shoulders or shoulders of increased width are required for wider vehicles, or to the extent that wider vehicles cannot utilize less-than-12-foot lanes, public costs are incurred to widen, maintain, or strengthen the pavement structures. Wider bridges (or slower operating speeds on narrow bridges) may also be necessitated, especially because driver behavior characteristics are affected by obstructions to the ride on bridges in addition to being shaped by the width of passing vehicles. It should be remembered that highways have been designed for traffic of the current maximum width; increased width allowances will either give rise to an undesirable highway service level, additional accidents, or force the expenditure of public funds to widen the roads.[8] If the needed improvements are not made, not only will the public costs be increased, but also more accidents are likely.

Vehicles of increased lengths interact with the physical highway characteristics, such as sight-distance and turning-path width, to require improved highway geometrics. Long vehicles (in the 75- to 100-foot range) on highways of limited sight-distance can lower highway capacity (and increase highway costs per traffic unit) through inhibiting passing maneuvers. Limited sight-distance can be especially dangerous on roads with steep grades and many curves. Very long vehicles may be unable to negotiate turns at street intersections and on interchanges due to excessive offtracking. In order that longer vehicles do not reduce highway capacity or make the highways less safe than they currently are for other traffic, it may become necessary for extensive widening of lanes and realignment of roadbeds to be undertaken.[9]

Offtracking is especially a characteristic of long vehicles. It has been explained by the BPR as follows:

"When a vehicle of normal design for highway use rounds a curve, the rear wheels follow a path which lies inward toward the center of curvature from the path followed by the front wheels on the same side of the vehicle. The difference in radii from the turning center to the vehicle centerline at the foremost and at the rearmost axles of a vehicle or combination is called offtracking. The required width of turning track is determined, of course, by the overall width of the vehicle and the amount of offtracking." [10]

Two factors determine the amount of offtracking. The extent to which the rear wheels of the motor vehicle deviate from the course followed by the front wheels is a function of the vehicle's radius of turn and the wheelbase. A short vehicle (or several short units in combination) on a road with few sharp curves will have no offtracking problems. But there are three types of turns on highways in which the BPR has found the amount of offtracking with current motor-vehicle equipment to be of particular concern. In order of importance and frequency these are:

(a) 90° turns at city street intersections and at rural at-grade intersections, including intersections at-grade on diamond or H-type interchanges;

(b) 270° turns on loops at cloverleaf interchanges; and

(c) 180° turns around the ends of median strips of divided highways and at switchback turns on severe mountain grades.[11]

Long single-unit vehicles or combinations composed of long trailers may require higher public expenditures for highway construction or reconstruction to meet their needs on curves of the above types. If reconstruction is not accomplished, increased accident hazards can result from commercial vehicles passing over the centerline. Greater highway wear can come about if, to prevent the rear intermost vehicle wheel from traveling over the centerline, vehicle operators begins turns with the front outside wheel traveling on the shoulder. Too, longer vehicles may require more passing lanes or roads built to higher standards of sight distance in order that other traffic may pass without increased risk.

Pavement geometrics related to vehicle performance characteristics.—Large trucks and truck-tractor combinations do not have the acceleration capabilities of automobiles and are unable to approach auto speeds on grades. Poor performance characteristics have resulted in: (1) lowered highway capacities; (2) greater accident hazards; (3) increased highway construction expense. Vehicles of increased weights, unless outfitted with more powerful engines, will fall short of desirable performance characteristics to an even greater degree than present motor vehicle equipment.

In general, lighter trucks can accelerate more rapidly than heavier ones and can maintain higher rates of speed on long, steep grades. Poor acceleration by heavy vehicles lowers street intersection capacities and forces the building of longer acceleration lanes on freeways at increased public cost.[12]

To some extent, better acceleration and higher sustained speeds are a result of a lower ratio of weight to horsepower on the part of a lighter vehicle in comparison with a heavier one. A two-ton passenger car may develop 200 or more horsepower, yielding a ratio of 20 pounds or less of vehicle weight per horsepower. The typical two-axle truck, whether single- or dual-tired, has a pound-per-horsepower ratio of under 200 to 1. However, five-axle combinations with gross weights of 80,000 pounds and a ratio of 500 pounds-per-horsepower are common, where permitted on state highways. Not only is the combination with such a high weight-to-horsepower ratio incapable of attaining the performance of a more powerful or lighter commercial vehicle, but in all cases trucks have far poorer performances than do passenger cars.[13]

Variation in performance ability between cars and heavy trucks means that on grades with no more than a 1-percent slope, which does not appreciably slow passenger cars, maximum attainable truck speed drops to 35 miles per hour for a 70,000-pound gross-weight combination with 400 pounds weight per horsepower. For 3-percent grades, the crawl speed is no more than 20 miles per hour.[14] The obvious result on two-lane roads is long lines of passenger cars and lighter trucks held up by large and heavy vehicles unable to negotiate grades at sufficient speed. The road capacity is drastically cut, whether construed as maximum possible capacity or capacity at some desired norm of service.[15]

As the number of trucks and cars with varying speed and maneuverability characteristics rises, the vehicles interfere with one another and restrict the choice of speed and freedom of maneuver.[16] Even if the road is not filled to absolute capacity, more passing maneuvers are attempted by cars in the presence of heavy, slow trucks, resulting in increased accident exposure. The higher probability of accidents which exists at a lowered capacity level results in unnecessary deaths, injuries, and expenses as well as increased discomfort from stop-and-go driving. Not only is discomfort a result of the lowered capacity, automobile operating costs rise. Thus, each large and heavy truck or combination traveling at a 20-mile-per-hour crawl speed is equivalent in its usage of road space to many passenger cars easily capable of attaining speeds of 50 or 60 miles per hour.[17] Heavy trucks and combinations may necessitate public expenditure for special truck lanes on grades or additional cutting and filling on grades to reduce their severity. They increase the operating expenses of passenger cars for gasoline, tires, and brake wear. Each such heavy vehicle forces large,

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uncompensated social costs on the other vehicles in the traffic stream.

Of course, the Interstate System in particular, and a substantial mileage of other highways, consists of multi-lane facilities. The acceleration and speed characteristics of larger and heavier vehicles that might possibly be authorized to operate on these highways would be less disrupting to other traffic than in the case of two-lane roads. Even on highways built to lesser standards, principles of design have been adopted by highway engineers which attempt to compensate for the performance deficiencies of large vehicles. For example, grades are kept below 3 percent whenever possible and are limited to minimum distances. Extra climbing lanes are added; special traffic control methods are utilized. Yet it must be remembered that these efforts to alleviate the hazard, inconvenience, and congestion produced by the performance deficiencies of large and heavy vehicles are costly. The capital costs of highway improvements required to lessen the side effects of even larger and heavier vehicles than are now authorized would be still greater.

Pavement geometrics are also related to the braking performance of motor vehicles. The Bureau of Public Roads has found that braking performance is definitely a function of vehicle type and speed. Truck-tractor combinations generally take half again the stopping distance of passenger cars, and the distance can be far greater on steep downgrades (where there are, of course, dangers with extra-heavy vehicles of brake fade and run-away trucks unless adequate brakes are provided). The Bureau, however, has concluded that other factors, such as greater sight distance, more experienced drivers, and less swerve or sliding in stopping do partially compensate for the greater stopping distances. Thus, current combinations attain rough parity in stopping safety compared with passenger cars, at least on level road surfaces.[18] But what would be the case with larger and heavier combinations?

BPR studies show that the distance required to stop increases with gross weight for a given type of vehicle. Within any certain gross weight range, the distances required to stop increase with the number of units in a combination. Further, the distance required to stop increases to some extent with increased axle weights. Nevertheless, the Bureau has concluded that it is possible to provide sufficient braking force with current braking systems for axle weights up to 22,000 pounds and that gross weights up to 90,000 pounds can be safely braked ". . . providing that careful attention is given to the design and maintenance of the braking system." [19] To that end, the BPR has requested initiation of a minimum performance standard for braking systems.[20]

It would appear, however, that if vehicles with weights exceeding 90,000 pounds were allowed to operate on the public highways, accident costs would rise and higher public costs for improved highway sight-distances would result. Due to insufficient braking ability of these very heavy combinations, additional emergency escape turn-offs could be needed on down-grades for their benefit. Even vehicles of less than 90,000 pounds in gross weight might not have braking systems of sufficient capacity if the systems were not well maintained.

On the other hand, current braking systems are not necessarily optimal for heavier combinations. The director of the American Trucking Association's Engineering Department has been quoted in industry publications as stating that braking systems for currently operating heavy combinations are inadequate; better brakes are required for safety.[21] It is quite possible that heavier and especially longer combinations would be operated by the trucking industry with new and improved braking mechanisms. Certainly, industry sources do suggest that modifications for improved braking are technically feasible.[22] The costs of such improvements—which would reduce the carrier benefits of increased vehicle size and weight—are not easily determined. Thus, without further specific research, the added public and social cost effects of heavier combination braking performance on highway geometrics cannot be directly estimated. However, a later section will attempt to quantify the magnitude of public expenditures required to counter poor vehicle performance characteristics.

Inadequate braking is but one of the possible performance deficiencies of large and heavy vehicles.

Traction is another vehicle performance characteristic that could result in demands by commercial operators for improved roads with reduced gradients. In the 1968 Hearings before the Senate Subcommittee on Roads, William Bresnahan, managing director of the American Trucking Associations, pointed out that heavier axle loads would improve vehicle traction on hills.[23] What Bresnahan did not mention is that the traction properties of some of the vehicles that operators would expect to utilize under higher gross-weight allowances will be poorer than currently encountered with lower axle weights. As an industry report states: "27' triples with a single drive tractor have the worst traction property of all combinations exercised. They appear to be in trouble on grades above 6%." [24] While operators of 27-foot triples would likely seek decreased gradients (and 27-foot triples operated on current grades would meanwhile expose the public to higher accident risks and delays, especially in rainy or icy weather), it is difficult to find a measure of the extent to which triples usage would expand, relative to increased usage of doubles and semitrailers with better traction capabilities, in the event of legislation permitting greater sizes and weights. It is, though, at least doubtful that axle-weight increases will improve tractionability of the average combination in any significant manner when the full spectrum of possible size and weight changes and their effect on traction are taken into account.

Poor traction, inadequate braking and acceleration, and low speeds on grades are all illustrations of the relative performance deficiencies of the large and heavy vehicle. Because of the inadequacy of their performance capabilities, extra large and heavy vehicles are likely to impose social costs on other highway users, if allowed to operate on the public highways. As will later be described, these social costs can best be quantified in terms of public expenditures for capital construction and upkeep required to nullify the social cost effects. The performance deficiencies of commercial motor vehicles have long generated demands by their operators for highways specially designed to accommodate more efficient operation of their vehicles.[25] And over time these demands have been met as straighter, wider, more level multi-lane facilities have been constructed in place of older highways.[26]

However, alternative ways may exist to minimize performance deficiencies while still permitting the operation of larger and heavier motor freight equipment. Vehicle performance standards could be required so that revised size and weight limits would not result in significant costs of lower highway capacity and higher accident rates. Performance standards, to be at all effective, would necessitate increased enforcement efforts and greater expenditures by vehicle operators. However, such standards might not require greater capital expenditures to improve the highways for a very few extra-large and heavy vehicles. Proposals for performance standards will be discussed in a later section of this chapter, as will be the probability that viable and meaningful standards will be imposed in the near future. To the extent that such standards could not be applied or would not be effective, social costs falling on the passenger cars and light commercial vehicles would, of course, be generated.

Bridge design.—Bridges commonly consist of substructures, which support the remainder of the bridge plus the vehicular traffic load, and superstructures, which support or carry the roadway.[27] Permissible vehicle sizes and weights have little effect on substructures, for the weight of the traffic is a minuscule part of the total weight of a bridge superstructure plus load. However, vehicle weights do affect bridge superstructures in various respects. Design and longevity of the bridge floor, just as of any other pavement, are influenced by heavy axle loads. The pavement must be made thicker or resurfaced more often if utilized by vehicles with heavily-loaded axles. The remainder of the superstructure is affected primarily by vehicle gross weight in relation to axle spacing. Heavy gross weights, concentrated on single bridge spans, can overstress the bridges and bring about danger of failure.[28]

It is important to note that there are several critical factors in bridge design. These are gross vehicle weight, axle weight, and axle spacing. Heavy loads can be safely transported on bridges, providing the weight is properly distributed. Thus, very heavy axle loads cannot be permitted on single-unit trucks or short trailer units without risk of bridge damage. As the Bureau of Public Roads has stated: "The greater the spacing, and the larger the number of axles to which the gross weight is distributed within that spacing, the greater is the gross weight that can be permitted upon the span." [29] In fact, the necessity to regulate gross vehicle weight appears to spring largely from the effect of heavy-gross-weight concentrations on bridge structures. Except for the relationship between highway geometrics and vehicle brakability, performance, and size characteristics, gross weight would not need to be regulated as a design variable other than to prevent undesirable and unsafe effects on bridges.

Specifically, as with pavements, the foremost critical factor in bridge damage is the number of applications of stress by heavy vehicles per unit of time. The BPR describes the situation in this manner.

"Steel bridges and reinforced concrete bridges both render very good service, but they require routine maintenance to keep them in good condition. However, when bridge members of structural steel or of reinforced concrete are subjected to repeated cycles of stress, they will in time suffer damage. The repair of this type of damage is likely to involve considerable expense. The steel bridges of the AASHO test road demonstrated the fact that they were susceptible to damage from fatigue. Some of them failed from fatigue. The reinforced concrete and the prestressed concrete bridges failed from cracking of the concrete. The initial cracks occurred on the bottom sides of the members, which were subjected to tensile stress, and progressed vertically upward until failure occurred.", [29a]

Increased weight allowances of the magnitude contained in S. 2658 would not necessarily produce unsafe bridges immediately. The BPR, in a statement often quoted in part by highway-user interests, has concluded:

"Loaded vehicles with more than six axles within the wheelbase limits of the bridge tables . . ., must not operate over H15 bridges. With these limitations, vehicles which conform with the weight formula will not overstress H15 bridges by more than 30 percent. Overstressing of these bridges to this extent should not be harmful if they are maintained in good condition, although the lives of the structures may be shortened

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somewhat. Many H15 bridges on primary highways are obsolete because of inadequate roadway width, poor roadway alignment or grade, and other deficiencies. Their early replacement is therefore to be anticipated, even under current weight limits.

"H20–S16 bridges would not be overstressed more than 5 percent by trucks conforming with any of the proposed weight formulas, and can accommodate vehicles with more than six axles." [30]

It can be noted from Table 25 that the amount of overstressing is even higher for representative vehicles under the increased weight limits under consideration for use on the Interstate System. For example, a 5-axle tractor semitrailer overstresses an H15 structure by 19 percent under present Interstate limits; overstress, in comparison to design standards, would rise to 28 percent under the provisions of S. 2658 as introduced.

TABLE 25.—PERCENTAGE OVERSTRESSES ON H15 BRIDGE STRUCTURES UNDER PRESENT AND PROPOSED MOTOR VEHICLE WEIGHT STANDARDS, BY SELECTED VEHICLE TYPE AND WEIGHT

Weight limits	Percent overstress by vehicle type [1]			
	3–S2	3–2	2–S2–2	3–S2–4
Present [2]	19	28	21	21
Proposed, S. 2658, as amended [3]	25	32	26	26
Proposed, original S. 2658 [4]	28	36	30	30

[1] Vehicle types explained as follows: 3–S2 a 5-axe tractor-semitrailer; 3–2, a 3-axle truck drawing a 2-axle full trailer; 2–S2–2, a 4-axle tractor-semitrailer drawing a 2-axle full trailer; 3–S2–4, a 5-axle semitrailer drawing a 4-axle full trailer (the maximum-sized doubles combination).

[2] 18,000 lb. single and 32,000 lb. tandem axles and gross weight according to the formula:

$$W=500\left(\frac{LN}{N-1}+12N+32\right).$$

[3] 20,000 lb. single- and 34,000 lb. tandem-axles and gross weight according to the formula:

$$W=500\left(\frac{LN}{N-1}+12N+36\right).$$

[4] 20,000 lb. single- and 36,000 lb. tandem-axles and gross weight according to the formula:

$$W=500\left(\frac{LN}{N-1}+12N+40\right).$$

Source: U.S., Congress, Senate, Subcommittee on Roads of the Committee on Public Works, Bridge Inspection, Maintenance, and Design, hearings before the Subcommittee on Roads of the Committee on Public Works, Senate on Status of the Inspection, Maintenance, and Design of Bridges in the United States, 90th Cong., 2d sess., 1968, pp. 16, 17, 19.

The BPR statement should not be construed to mean that overstresses are cost-free to the public. Even with careful maintenance, excessive stress resulting in early retirement of bridge capital can cost enormous sums.[31] And opinions differ among experts as to the safety of overloads on bridge structures. The chief highway engineer of the state of Illinois has reported that, in his state at least:

"S. 2658 will permit vehicle on HS–20 bridges to produce stresses beyond present design limits.

"S. 2658 will permit vehicles on H–15 bridges to produce stresses in the unsafe range.

"S. 2658 will permit vehicles on less than H–15 bridges to produce stresses that can be expected to result in failure." [32]

Research has determined that the stress produced by passenger cars is so low as not to produce any appreciable amount of fatigue damage in the usual highway bridge. On the other hand, for bridges designed to accommodate H20–S16 loadings with 20,000 average daily traffic (ADT), the fatigue life of the bridge decreases from 39 to 33 years when 20,000-pound single- and 36,000-pound tandem-axle loads are allowed, in comparison with the case when axle loadings are limited to 18,000- and 32,000-pounds. The relative life expectancy with 10,000 ADT on these bridges is 55 years with the heavier loadings versus 65 years with the lighter limits. For H–15 bridges, on roads of 5,000 ADT, the increased axle-load allowances would reduce bridge life from 54 to 38 years.[33]

While bridges are subject to obsolescence as the demand increases for better highway standards on the part of all users, and deterioration from exposure to the weather, it is the continual passage of heavy vehicles which reduces effective bridge life. There seems no doubt that increased axle- and gross-weight allowances would lead to stresses in excess of design standards and thereby to decreased structure life.

Finally, bridge design is also related to vehicle geometrics. Very tall vehicles necessitate extra-high clearances, both of structures and for superstructure elements. For wider vehicles than presently permitted to use the public highways, as recent Senate hearings concluded, ". . . there would be a direct safety relationship between width and bridge integrity as it relates to the prospect or possibility that a vehicle might strike one of the supporting members of the bridge." [34] Unless narrow bridges were to be widened after institution of a vehicle width increase, accident costs could be expected to rise and the structural integrity of the narrower bridges would be threatened.[35]

Right-of-way costs.—Several additional relatively minor expenditure categories may be increased per mile of new highway construction if higher motor vehicle size and weight standards are authorized. The BPR has stated: "It is probable that there would be some increase in the construction cost of excavation and small drainage structures as the total depth of pavement structure increases." [36] In addition to heavier pavements, needed for greater axle weights, wider pavements, necessitated by wider vehicles, would increase the amount of expenditure for acquisition and preparation of the right-of-way.

Highway Maintenance

Highway departments attempt to keep each type of highway facility as nearly as possible in its original condition. Certain of the maintenance operations these departments undertake are not at all affected by vehicle size or weight. The BPR lists as the more important of these: "Roadside mowing, brush cutting to maintain clearance and sight distance, and cleaning ditches and culverts. . . ." [37] On the other hand, much of the periodic maintenance undertaken between major resurfacings and bridge revitalization is related to the travel of heavy vehicles. Chief among the maintenance expenditures that can be expected to rise with a liberalization of weight standards is the minor repair of pavement and shoulders. Maintenance operations such as patching, sealing, and blading engage the considerable efforts of year-around crews.[38] Heavy vehicles operating on highways properly designed for their travel occasion small increments of maintenance costs which would not occur if the highways in question were used only by lighter vehicles.[39] More importantly, heavier trucks and combinations also occasion large incremental maintenance costs on highways not built to such high standards. These expenditures of public funds for maintenance are greater in magnitude and potentially apply to hundreds of thousands of miles of pavement.

Summary of the Effects on Highway Construction and Maintenance

Construction design and capacity of all portions of the U.S. highway plant, composed of highway pavement and structures, are directly related to the types and numbers of vehicles expected to utilize those facilities. Heavier axle weights require thicker pavement surfaces and bases. Bridge design is responsive to axle weights, axle spacings, and repetitions of heavy gross-weight loadings on superstructure spans. Further, the geometrics of bridges and the highway—lane and roadway widths, grades, medians, sight-distances, and turning-path widths—are all designed with the sizes and performance characteristics of large and heavy commercial vehicles in mind. The amount of highway maintenance needed is in part determined by the amount and kind of usage by heavy vehicles that takes place. In short, almost every major cost-occasioning item of highway design would be affected, in greater or lesser measure, by an increase in the sizes and weights of vehicles utilizing the public highways. The next section attempts to find a reasonable measure of those effects.

Estimates of increased highway construction and maintenance costs from greater size and weight limits

In the sections that follow, the author's estimates will be given for the additional public costs for highway construction and maintenance that would be incurred in the event increased vehicle size and weight allowances were permitted on the rural state primary system. These estimates are for an anticipated increase in legal single- and tandem-axle weight standards from 18,000 and 32,000 pounds, respectively, to 20,000 and 34,000 pounds, in those states where such limits are not already permitted. The estimates will be for the following cost factors:

1. Construction costs of pavements and structures on new state primary system mileage;
2. Extra minor maintenance costs of pavement on new and present primary system mileage;
3. Incremental costs of resurfacing present primary system pavements to higher standards;
4. Capital consumption (or depreciation) costs of early pavement retirement due to extra wear;
5. Extra public expenditures for early replacement and strengthening of highway structures on state systems.

The state rural primary system, for which most of these estimates are provided, encompasses over 400,000 miles of the principal intercounty, intercity, and interstate roads in the U.S. This high-speed, all-weather road network has been built in general to the uppermost standards. In the opinion of all of those who testified on the matter of motor vehicle size and weight increases before the Senate Roads Subcommittee in 1968, the state primary system at least (and quite possibly lesser state systems as well), through design or default, would eventually carry almost all of the larger and heavier vehicles that would appear on the highways as a result of the liberalization of Federal size and weight standards for the smaller Interstate System.

In the estimates that follow, the author did not determine the incremental costs, arising from more liberal size and weight standards, for the entire state primary system. More than 50,000 miles of urban highways which comprise the municipal extensions of the state primary system were not taken into consideration because some cost-occasioning characteristics of that network differ from those of the rural primary system and because reliable incremental cost studies and data are lacking for all portions of the municipal mileage. This study also does not present estimates of the public costs of higher size and weight allowances for the state secondary system, ordinary municipal streets, and other minor systems, nor for state primary-system roads having average daily traffic of less than 400 vehicles per day (about 100,000 miles). While the costs of constructing and maintaining this vast mileage of lesser roads and streets could be substantially increased through the operation of very large and heavy trucks and truck-tractor combinations, the decision was made to limit the analysis to the principal U.S. highway system

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Footnotes at end of article.

in view of the limited resources available for this study.

Available data indicate that most of the ton-mile output of the very largest and heaviest vehicles can be expected to take place on the most heavily traveled 300,000 miles of the 400,000-mile state rural primary system (including the rural portions of the projected 41,000-mile Interstate System). That mileage constitutes less than one-tenth of the total U.S. road and street system of 3,700,000 miles.[40]

Estimates of Incremental Highway Construction Costs for New Mileage

The marginal annual pavement cost of constructing new highways to greater standards is surprisingly small. As shown in Table 26, the annual cost (calculated by using BPR cost and mileage data) approaches $282,000 for the projected annual increase in state rural primary-system mileage (2,186 miles). Table 26 estimates only the incremental construction costs for the thicker pavements essential for 20,000-pound single- and 36,000-pound tandem-axles. These costs are calculated for mileage with ADT exceeding 400 for 29 states. Estimates were limited to 29 states because the other states and the District of Columbia currently allow axle weights in the 20,000- and 36,000-pound range, or higher. Therefore, it was assumed that most pavements (excepting, perhaps, Interstate System pavements) have been constructed to withstand heavy axle loads. To the extent that this assumption does not hold, and it may very well not be valid, especially for older mileage in the remaining 21 states and the District of Columbia, Table 26 (and subsequent tables) understates the marginal pavement costs of increased size and weight allowances.

TABLE 26.—ANNUAL MARGINAL COST OF CONSTRUCTING PROJECTED NEW RURAL STATE PRIMARY SYSTEM MILEAGE, BY STATE, FOR 20,000- AND 36,000-POUND AS OPPOSED TO 18,000- AND 32,000-POUND AXLE LOADS

State[1]	Mileage	Marginal cost
Arizona	39	$4,842
Arkansas	74	8,284
California	108	20,044
Idaho	32	3,500
Illinois	121	17,662
Indiana	99	18,093
Iowa	83	9,546
Kansas	82	8,992
Kentucky	114	14,073
Louisiana	38	5,502
Michigan	78	12,383
Minnesota	89	9,778
Mississippi	72	8,100
Missouri	75	10,563
Nebraska	59	6,386
Nevada	14	11,720
North Dakota	42	4,564
Ohio	125	16,899
Oklahoma	92	10,372
Oregon	37	5,377
South Dakota	47	4,534
Tennessee	68	8,674
Texas	302	34,843
Utah	25	2,942
Virginia	75	11,018
Washington	33	4,937
West Virginia	43	5,026
Wisconsin	85	9,724
Wyoming	35	3,606
Total	2,186	281,984

[1] This table includes all States with 18,000 pound single- and 32,000 pound tandem-axle State maximum load-limits. (See table 14, supra, pp. 47–48) and 3 States with lesser limits, Ohio, Michigan, and Mississippi.)

Source: Calculated assuming a 1 percent annual growth in all categories of the rural State primary system mileage as given in U.S. Department of Transportation, Federal Highway Administration, Bureau of Public Roads, "Highway Statistics, 1966" (Washington, D.C.: Government Printing Office, 1968), p. 137, and using marginal costs as given in U.S. Congress, House, "Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems," H. Doc. 354, 88th Cong., 2d sess., 1964, pp. 162–166.

The Federal-aid primary system (about 220,000 miles of state and local primary-system mileage included in the state primary system and eligible for Federal funds) has been expanding over the years at about a 1-percent yearly rate.[41] The figures in Table 26 for marginal costs of new highways were calculated for each state by multiplying 1 percent of the presently-constructed portion of that state's rural state primary-system mileage (with ADT over 400) times the estimated extra costs of constructive pavement to 20,000- and 36,000-pound limits in place of 18,000- and 32,000-pound standards.[42]

It should be noted that the marginal public costs for pavements presented in Table 26 are smaller than might be expected for several reasons. First, the mileage involved, a 1-percent expansion of the current state rural primary-system for 29 states, is not a large part of the annual average expansion of mileage in the U.S.[43] Second, the actual construction costs of an added inch or two of pavement, applied at the time of initial construction, are minimal (in relation to total costs—or the added costs of repavement that will perform to an equal standard). Indeed, if all that were required to accommodate heavy motor vehicles in the traffic streams of the public highways would be slightly thicker pavements, it would have been foolish not to have constructed the U.S. highway system for the very heavy loadings in the first place. But, third, the incremental cost estimates by the BPR on which Table 26 is based assumed no change in freight volume under heavier axle loadings compared with lighter ones. Thus, fewer repetitions of heavily loaded axles were projected for the roads built to higher standards.

This assumption neglects demand-change effects that are to be expected with lower motor vehicle costs. Finally, the actual annual costs are somewhat higher than $282,000 because incremental pavement cost figures were given by the BPR only for two- and four-lane facilities. Pavement for new highways or more lanes would be more expensive, although the additional expense would not necessarily be in proportion to the number of lanes.[44] For the above reasons, it would not be unduly high to estimate an average annual cost figure for new pavement construction of $500,000 to accommodate 20,000- and 36,000-pound axle loads.

The marginal costs of constructing new highway structures and right-of-way elements can also be calculated in a manner similar to the calculations of Table 26. However, given the relatively small amount of new mileage, these annual incremental costs are also very small (under $50,000 for the 29 states).[45]

Estimates of Incremental Highway Maintenance Costs for New and Present Mileage

The incremental highway maintenance costs for new rural state primary system mileage are also very small, for much the same reasons as were discussed in the case of pavement construction. The annual maintenance expenditures, derived as shown in Table 33, total less than $50,000 for projected new primary system mileage in 29 states.

On the other hand, far larger sums would be necessitated for maintenance of the current mileage of the rural primary system if heavier vehicles were to be permitted. As a rough estimate of the added costs, the author has projected the maintenance cost responsibility of the currently allowable large and heavy truck-tractor combinations, as determined by the Highway Cost Allocation Study, to combinations of the sizes and weights that would become legal for Interstate System operation upon passage of S. 2658. The extra cost per vehicle-mile of travel was found to equal .068 cents.[46] When the amount is applied to the number of vehicle-miles traveled by 4- and 5-axle vehicles (estimated in Chapter V as 9.3 billion vehicle-miles under 20,000- and 36,000-pound axle-load restrictions), the result yields an approximation of the total annual maintenance costs attributable to the travel of larger and heavier combinations than are currently legal on the existing primary system of all states.[47] The calculation yields an estimate of $6,356,000 as the annual cost of maintenance of the existing mileages that can be charged to the larger and heavier motor vehicles.

Although the vehicle-miles produced by the 4- and 5-axle vehicles used in the above calculation include vehicle-mileage in states other than the 29 with the relatively low axle limits for use on state-controlled systems, this factor is offset by the combinations of other body configurations that will also adopt higher axle loadings. Thus, $6.4 million appears a reasonable approximation of the incremental annual maintenance costs (other than repaving) required on rural state primary system mileage, given the introduction of 20,000- and 36,000-pound axle-weight allowances.

Estimates of Pavement Resurfacing Costs

Public highway costs attributable in major part to the operations of heavy motor vehicles occupy a cost spectrum, ranging from the minor, routine maintenance expenditures associated with filling-in small ruts, sealing cracks or joints, and smoothing highway shoulders, to the periodic expenses of pavement resurfacing. Resurfacing expenses occupy a position on the cost spectrum just short of the major extensive per-mile expenditures required for total reconstruction of the pavement. The previous sections dealt with the costs of routine maintenance and the annual costs of new construction built to higher standards. The added capital investment costs of pavement resurfacing required because of increased axle-load limits will now be estimated.

The author's estimates of the incremental resurfacing costs occasioned in 29 states (the states utilized in former estimates) in the event of increased axle-load allowances are given in Table 27. The total additional resurfacing costs for the 218,265-mile rural state primary system located within the 29 states (as of 1966) not permitting the higher axle weights proposed in S. 2658 would equal $178,946,000.[48] This huge expense for capital replacement would not all occur in any one year. In practice, resurfacing is a continuous process, proceeding as one stretch of pavement after another becomes unserviceable. On the average, under present 18,000- and 32,000-pound limits, complete resurfacing for the typical state's pavements is required every 7.4 years. Operation of vehicles with higher axle-weights would speed up the process of pavement decay, and resurfacing would be required every 6.2 years under 20,000- and 35,000-pound limits.[49] Thus, as shown in Table 27 in the column headed Year 1, the added costs of resurfacing under the proposed higher axle-load limits would equal $31,420,000 in the first year after such limits were instituted. The entire $178.9 million cost would be spread out over a number of years, according to the length of pavement life. On the other hand, the cycle of resurfacing goes on without end, and the extra costs for extra-heavy axle loads would be a continuous expense to the users of the public highways.[50]

Footnotes at end of article.

TABLE 27.—TOTAL AND ANNUAL MARGINAL PAVEMENT RESURFACING COSTS IN 29 STATES, FOR 20,000- AND 35,000-POUND AS OPPOSED TO 18,000- AND 32,000-POUND SINGLE- AND TANDEM-AXLE LOADS

State [1]	Total resurfacing costs under changed load limits [2] (thousands of dollars)	Resurfacing schedule (years)	Annual marginal resurfacing costs under changed load limits (thousands of dollars)												
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Total costs
Arizona	3,212	6.2	518	518	518	518	518	518	104						3,212
Arkansas	5,282	6.2	852	852	852	852	852	852	170						5,282
California	12,057	8.6	1,402	1,402	1,402	1,402	1,402	1,402	1,402	1,402	841				12,057
Idaho	2,241	3.0	747	747	747										2,241
Illinois	11,186	3.5	3,196	3,196	3,196	1,598									11,186
Indiana	11,634	4.6	2,529	2,529	2,529	2,529	1,518								11,634
Iowa	6,188	9.9	625	625	625	625	625	625	625	625	625	536			6,188
Kansas	5,784	3.4	1,701	1,701	1,701	681									5,784
Kentucky	8,700	6.3	1,381	1,381	1,381	1,381	1,381	1,381	414						8,700
Louisiana	3,745	6.2	604	604	604	604	604	604	121						3,745
Michigan	7,799	11.0	709	709	709	709	709	709	709	709	709	709	709		7,799
Minnesota	6,271	11.3	555	555	555	555	555	555	555	555	555	555	555	166	6,271
Mississippi	5,205	5.3	982	982	982	982	982	295							5,205
Missouri	6,541	6.2	1,055	1,055	1,055	1,055	1,055	1,055	211						6,541
Nebraska	4,083	8.4	486	486	486	486	486	486	486	486	195				4,083
Nevada	1,165	6.1	191	191	191	191	191	191	19						1,165
North Dakota	2,311	2.9	797	797	717										2,311
Ohio	10,771	4.4	2,448	2,448	2,448	2,448	979								10,771
Oklahoma	6,715	5.7	1,178	1,178	1,178	1,178	1,178	825							6,715
Oregon	3,236	6.2	522	522	522	522	522	522	104						3,236
South Dakota	2,895	5.6	517	517	517	517	517	310							2,895
Tennessee	5,630	6.2	908	908	908	908	908	908	182						5,630
Texas	21,886	6.2	3,530	3,530	3,530	3,530	3,530	3,430	706						21,886
Utah	2,066	6.6	313	313	313	313	313	313	188						2,066
Virginia	7,213	8.7	829	829	829	829	829	829	829	829	581				7,213
Washington	3,282	6.3	521	521	521	521	521	521	156						3,282
West Virginia	3,267	3.2	1,021	1,021	1,021	204									3,267
Wisconsin	6,328	8.0	791	791	791	791	791	791	791	791					6,328
Wyoming	2,253	4.4	512	512	512	512	205								2,253
Total	178,946		31,420	31,420	31,340	26,441	21,171	17,222	7,776	5,397	3,506	1,827	1,264	166	178,946

[1] This table includes all States with 18,000-lb. single- and 32,000-lb. tandem-axle State maximum load-limits. (See table 14, supra, pp. 47–48) and three States with lesser limits, Ohio, Michigan, and Mississippi.

[2] Calculated from costs given in U.S. Congress, House, Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems, pp. 162–166, applied to State rural primary system mileage given in U.S. Department of Transportation, Federal Highway Administration, Bureau of Public Roads, Highway Statistics, 1966 (Washington, D.C.: Government Printing Office, 1968), p. 137.

Source: Except as noted, U.S. Congress, House, Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems, H. Doc. 354, 88th Cong., 2d sess., 1964, pp. 122, 162–166.

Estimates of Increased Capital Consumption for Highways

The annual public costs would be relatively minor for construction of new highway mileage to higher standards and minor maintenance of the state primary system if increased axle weights were allowed. These costs have been estimated to total $7 million annually. But pavements would need to be resurfaced to higher standards under higher axle-loadings, and the cost of extra materials and labor required for resurfacing in 29 states has been estimated at $31 million in the initial year after weight changes are advanced. Maintenance and repavement expenses occur continuously and can create a drain on the resources of the highway trust funds. On the other hand, a more insidious, hidden expense is involved in allowing increased axle weights. This expense does not come directly from the pockets of the public highway users each year. Rather, it consists of a more rapid depreciation of the public capital in highway pavements accumulated over the past several decades. If 20,000- and 35,000-pound axle loads were to be generally authorized, the highway pavements would wear out more quickly and highway depreciation would increase. Highway depreciation can be expected to rise from this source by about 4.8 percent annually for the life of the present pavement. Such an increase portends a loss to the public of almost $800 million in highway capital in the rural state primary system alone!

In Table 28 are to be found estimates as determined by a BPR survey for the average reduction in pavement life, by state, occasioned by higher axle load-limits. These range from 2.0 percent for Kansas and Ohio to 11.2 percent for Michigan. Overall, the total estimated cost of the reduction in pavement life expectancy under 20,000- and 35,000-pound axle loadings compared to the life expectancy under 18,000- and 32,000-pound loadings would amount to $771.8 million.

In Table 29, the increased costs due to more rapid depletion of the capital in past highway investments for the rural primary system are placed on an annual basis. The loss in capital life is not recurrent. However, in the first five years after the introduction of axle loadings such as would be authorized by S. 2658, there would be immense annual capital losses. These could amount to $118 million in each of the first two years.

TABLE 28.—ESTIMATED COSTS OF REDUCED HIGHWAY PAVEMENT LIFE EXPECTANCY IN 29 STATES UNDER 20,000-LB. SINGLE AND 35,000-LB. TANDEM-AXLE LOAD-LIMITS

State [2] (1)	Rural mileage of State primary system [3] (2)	Total construction cost of pavement surface [4] (thousands of dollars) (3)	Average percentage reduction in pavement life expectancy under 20,000- and 35,000-lb. axle limits [5] (4)	Marginal cost of reduced pavement life expectancy [6] [7] (thousands of dollars) (5)
Arizona	3,926	275,767	4.8	13,237
Arkansas	7,398	490,139	4.8	23,527
California	10,825	911,255	7.2	65,610
Idaho	3,233	211,849	2.4	5,084
Illinois	12,079	908,938	2.8	25,450
Indiana	9,878	839,279	3.2	26,857
Iowa	8,332	558,263	8.0	44,661
Kansas	8,238	542,343	2.0	10,847
Kentucky	11,300	778,349	6.0	46,701
Louisiana	3,742	217,410	4.8	10,436
Michigan	7,754	618,847	11.2	69,311
Minnesota	8,910	586,838	8.4	49,294
Mississippi	7,213	479,211	4.0	19,168
Missouri	7,429	538,949	4.4	23,714
Nebraska	5,932	387,740	6.0	23,264
Nevada	1,455	100,688	5.6	5,639
North Dakota	3,715	235,203	2.4	5,645
Ohio	12,430	905,167	2.0	18,103
Oklahoma	9,249	617,717	5.2	32,121
Oregon	3,628	266,853	4.8	12,809
South Dakota	4,796	300,736	2.4	7,218
Tennessee	6,793	480,273	4.8	12,809
Texas	30,188	2,021,559	4.8	97,035
Utah	2,560	179,530	5.2	9,336
Virginia	7,567	571,050	6.8	38,831
Washington	3,378	261,815	4.8	12,567
West Virginia	4,293	290,838	2.8	8,143
Wisconsin	8,534	577,859	6.4	36,966
Wyoming	3,490	222,881	3.2	7,132
Total	218,265	15,377,076	4.8	771,759

[1] Source: Except as noted, U.S. Department of Transportation, Federal Highway Administration, Bureau of Public Roads, Highway Statistics, 1966 (Washington, D.C.: Government Printing Office, 1968), p. 137.

[2] This table includes all States with 18,000-lb. single- and 32,000-lb. tandem-axle State maximum load-limits (see table 14, supra, pp. 47–48) and 3 States with lesser limits, Ohio, Michigan, and Mississippi.

[3] Excluding mileage with average daily traffic (ADT) of 400 or less.

[4] Calculated by applying the following factors for pavement, base, and shoulder construction cost obtained from United States, Congress, House, "maximum desirable dimensions and weights of vehicles operated on the Federal-aid systems," H. Doc. 354, 88th Cong., 2d sess., 1964, pp. 162–166: $270,197 for 15,000 or more ADT; $249,170 for 10,000 to 14,999 ADT; $126,217 for 4,000 to 9,999 ADT; $118,843 for 2,000 to 3,999 ADT; $93,930 for 400 to 1,999 ADT, to highway mileage of the appropriate ADT in col. 2. The results for each State were then reduced by 35 percent to obtain the pavement construction cost alone for rural primary highways. For data from which the reduction factor was derived see U.S. Department of Transportation, Federal Highway Administration, Bureau of Public Roads, Highway Statistics, 1966, p. 179.

[5] Calculated from change in years of average remaining pavement life estimated under 20,000- and 35,000-lb. axle loads relative to 18,000- and 32,000-lb. axle loads, divided by assumed pavement design life of 25 years. Average reduction in pavement life of 1.2 years applied to Arizona, Arkansas, Louisiana, Oregon, Tennessee, and Texas. See United States, Congress, House, maximum desirable dimensions and weights of vehicles operated on the Federal-aid systems," pp. 122–123, 159.

[6] Column 3 times column 4.

[7] Totals for individual States may not agree with table 29 due to rounding.

TABLE 29.—ESTIMATED ANNUAL COSTS OF REDUCED HIGHWAY PAVEMENT LIFE IN 29 STATES UNDER 20,000-POUND SINGLE AND 35,000-POUND TANDEM AXLE LOAD LIMITS [1]

State [2]	Average anticipated years of pavement life [3]	Annual marginal cost of reduced highway pavement life (thousands of dollars)												
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Total [4]
Arizona	6.2	2,135	2,135	2,135	2,135	2,135	2,135	427						13,237
Arkansas	6.2	3,795	3,795	3,795	3,795	3,795	3,795	759						23,529
California	8.5	7,629	7,629	7,629	7,629	7,629	7,629	7,629	7,629	4,577				65,609
Idaho	3.0	1,695	1,695	1,695										5,085
Illinois	3.5	7,271	7,271	7,271	3,636									25,449
Indiana	4.6	5,838	5,838	5,828	5,838	3,503								26,855
Iowa	9.9	4,511	4,511	4,511	4,511	4,511	4,511	4,511	4,511	4,511	4,060			44,659
Kansas	3.4	3,190	3,190	3,190	1,276									10,846
Kentucky	6.3	7,413	7,413	7,413	7,413	7,413	7,413	2,224						46,702
Louisiana	6.2	1,683	1,683	1,683	1,683	1,683	1,683	337						10,435
Michigan	1.0	6,301	6,301	6,301	6,301	6,301	6,301	6,301	6,301	6,301	6,301	6,301		69,311
Minnesota	11.3	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	1,309	49,291
Mississippi	5.3	3,617	3,617	3,617	3,617	3,617	1,085							19,170
Missouri	6.2	3,825	3,825	3,825	3,825	3,825	3,825	765						23,715
Nebraska	8.4	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	1,108				23,268
Nevada	6.1	924	924	924	924	924	924	92						5,636
North Dakota	2.9	1,947	1,947	1,752										5,646
Ohio	4.4	4,114	4,114	4,114	4,114	1,646								18,102
Oklahoma	5.7	5,635	5,635	5,635	5,635	5,635	3,945							32,120
Oregon	6.2	2,066	2,066	2,066	2,066	2,066	2,066	413						12,809
South Dakota	5.6	1,289	1,289	1,289	1,289	1,289	773							7,218
Tennessee	6.2	3,718	3,718	3,718	3,718	3,718	3,718	744						23,052
Texas	6.2	15,651	15,651	15,651	15,651	15,651	15,651	3,130						97,036
Utah	6.6	1,415	1,415	1,415	1,415	1,415	1,415	849						9,339
Virginia	8.7	4,463	4,463	4,463	4,463	4,463	4,463	4,463	4,463	3,124				38,828
Washington	6.3	1,995	1,995	1,995	1,995	1,995	1,995	598						12,568
West Virginia	3.2	2,545	2,545	2,545	509									8,144
Wisconsin	8.0	4,621	4,621	4,621	4,621	4,621	4,621	4,621	4,621					36,968
Wyoming	4.4	1,621	1,621	1,621	1,621	648								7,132
Total	6.2	118,039	118,039	117,844	106,810	95,615	85,080	44,995	34,657	23,983	14,723	10,663	1,309	771,759

[1] Source: Except as noted, calculated by the author from data in table 27, supra, pp. 288–289.

[2] This table includes all States with 18,000-lb. single and 32,000-lb. tandem axle State maximum load limits (see table 14, supra, pp. 47–48) and 3 States with lesser limits, Ohio, Michigan, and Mississippi.

[3] See U.S. Congress, House, Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid Systems, H. Doc. 354, 88th Cong., 2d sess., 1964, pp. 122–23. The following States were assumed to average 6.2 years of remaining pavement life: Arizona, Arkansas, Louisiana, Oregon, Tennessee, and Texas.

[4] Note: Totals for individual States may not agree with table 28 due to rounding.

The total costs for resurfacing pavements to higher standards can be added to the total costs of capital loss from earlier depreciation of the present highways. This addition, from Tables 27 and 28, equals $950,705,000. The total annual costs can also be determined. In the first year after authorization of 20,000- and 35,000-pound axle limits in the 29 states involved, the increased public costs would total $149,459,000.[51] Similar figures could be calculated from Tables 27 and 29 for each year after authorization of higher axle weights.

Other estimates have been made of the costs of resurfacing which include the cost of premature capital retirement. The BPR made such a combined estimate, using a list of states (in 1964) similar to that contained in Tables 26 through 29 and including the mileage of municipal extensions of the rural primary system plus the mileage of very low ADT roads. On this basis, the BPR determined that resurfacing and permature capital retirement under 20,000-pound single- and 35,000-pound tandem-axle limits would cost the public $934.4 million additional over a 10-year period.[52] On an annual basis, according to the Bureau, the first-year incremental costs would be $251.2 million, and the mean of the first three year's expenditures thereafter would amount to $73.7 million.[53] These findings have been concurred in by the American Association of State Highway Officials.[54]

The Association of American Railroads has also done some work on the problem of the public highway costs of increased sizes and weights. That group described the procedure utilized by the BPR and added its own estimates, as revealed by the following quotation:

"House Document 354 reports . . . that in 28 States reporting and having present axle load limits of 18,000 pounds single and 32,000 pounds tandems, the average remaining life of primary system pavements, before resurfacing, under present limits would be 7.4 years. An increase in weight to 20,000 pounds single and 35,000 pounds tandems would reduce the expected remaining life by 1.2 years. The cost of the resurfacing under present load limits would approximate $3,330,000,000 over the period 1963–1972, while under an increase to 20,000 pounds single and 35,000 pounds tandem this cost would increase to approximately $4.264,000,000, or an increase attributable to the increased load of $934,000,000.

"Remembering that the reporting States account for only 67.5 percent of the total primary State highway mileage in the 50 States, it could logically be presumed that the total additional cost of resurfacing under the increased axle loads proposed by S. 2658 could easily approximate $1,500,000,000 in the ten-year period."[55]

From the above estimates, it can be assumed that the incremental repavement and capital depreciation costs occasioned by axle loads in the 20,000- and 35,000-pound categories would approximate at least $950 million. The BPR estimate and the total of costs from Tables 27 and 28 closely agree, being $934.4 and $950.7 million respectively, although on a slightly different base. The AAR estimate of $1,500 million for the entire U.S. primary highway system is perhaps high to the extent that a number of states already authorize the operation of heavy axle loads and, presumably, would not need to change their resurfacing policies in the event of revised Federal standards. Those states may also have already experienced the highway damage and consequent capital loss in pavement built to withstand lower axle weights than their state laws now permit. Thus, the first year costs can be considered to range from $149.5 to $251.2 million. These annual costs would fall gradually until, after 12 years (see Table 28), the additional public costs for capital consumption would entirely disappear.[56] The average of these two figures would suggest an additional public cost of more than $200 million for capital depreciation and resurfacing if greater axle loads were to be authorized in all states that now allow 18,000 and 32,000 pounds. However, to the extent that some of the states now allowing higher axle-load limits have not completely depreciated their highway system that was built to lower standards, and do not provide resurfacing of the optimal strength, a better estimate than a simple average would be $225 million annually for perhaps the first five years.

Estimates of Structure Costs

If motor vehicle size and weight limits are increased, it seems apparent that for safety reasons alone, many bridges of the H15 design on the state primary system should be replaced. As Table 25 has shown, such bridges are already overstressed 21 percent by the typical doubles combination and would be overstressed to the 26-percent level if allowable axle weights were raised to 20,000 and 34,000 pounds.[57] It may also be well to strengthen bridges of the H20 design. Otherwise, there can be an increased danger of structural failure from concentrations of heavy axle weights, despite the usual practice of designing bridges with very large safety factors.

Increased weight standards can result in material effects in shortening long-term bridge life spans, even on structures designed to the highest standards. On this point it is pertinent to cite the testimony of Ward Goodman, director of highways for Arkansas and chairman of the AASHO committee on bridges and structures. Goodman was questioned during the 1968 Senate Roads Subcommittee Hearings on bridges. The possible danger to bridges of increased vehicle weights was brought out as follows:

"Senator JORDAN of Idaho. Now, all of the Interstate System bridges are constructed to H-20, are they not?

"Mr. GOODMAN. Yes.

"Senator JORDAN of Idaho. And you have testified that the weight provisions of S. 2658 would not be too great or too grave——

"Mr. GOODMAN. Bad.

"Senator SPONG. Beg pardon?

"Mr. GOODMAN. Bad.

"Senator JORDAN of Idaho. Not too bad for H-20 bridges but with respect to H-15 designed bridges you have some grave misgivings?

"Mr. GOODMAN. I sure do.

"Senator JORDAN of Idaho. So the problem would be then to confine the loads to the interstate if that is possible. So long as we do that, we are not too bad off.

"Mr. GOODMAN. Of course, we think that is a pretty good problem.

"Senator JORDAN of Idaho. I know you testified before that enforcement breaks down and this is a matter of concern to this Senator and I think to others, as well, because if the thousands of bridges we have throughout the country are wholly inadequate to carry even the present legal loadings, I hate to admit that we cannot keep the loads off of these bridges.

"Your testimony is that it is almost impossible to do it.

"Mr. GOODMAN. Yes." [58]

The commissioner of highways for Virginia has estimated the cost that might be occasioned for replacement of H15 bridges and strengthening of H20 bridges to accommodate the higher weight limits of S. 2658 in Virginia. His estimate totaled $151 million, as revealed below:

"We have carefully studied this problem and it is estimated that the cost of replacing the H15 bridges on our primary system alone is $136,000,000. The cost to strengthen our H20 bridges is estimated at $15,000,000 or a total replacement cost of some $151,000,000. This, of course, does not take into consideration any of the approximately 10,000 structures on the 42,000 mile secondary system which is a part of our overall highway plant".[59]

Assuming that the Virginia costs are representative of bridge replacement and strengthening costs in other sections of the U.S., it can be calculated that the average cost of replacing a primary system H15 structure is $127,340. The average cost of strengthening a primary-system H20 structure is $41,436.[60]

In the event that greater size and weight standards were to be allowed on the Interstate System, and the use of greater sizes and weights spreads from that system to other major highways in the states (as Goodman of AASHO and almost all other observers believe would happen), what would be the costs of replacing H15 bridges? Of the total number of bridges on the U.S. Principal Highway Network (244,753 miles or one-seventh of the total network), AASHO reports that 30,073 are of H15 design or less.[61] To replace that number of bridges at an average cost of $127,340 each would require an expenditure of $3,829,495,820 at current prices. AASHO finds the Principal Highway Network to contain 37,627 bridge structures of H20 design.[62] The cost merely to strengthen those H20 bridges, as required for safety under higher size and weight limits, would amount to $1,559,112,372. Accordingly, the total capital costs involving bridges necessitated by greater size and weight standards might reach $5,388,608,192 over a period of years.

But even expenditures of $5.4 billion might not be sufficient to create a safe system of bridges for very heavy vehicles. The Principal Highway Network is a small part of the total system and contains the newest structures. The BPR has found that 518,226 bridges are in use today on the entire U.S. highway network that were built prior to 1936.[63] Practically none of these were designed for loads greater than H15—and many were designed for even lighter traffic. To replace that number of bridges would cost $65,990,898,840. Even if the Virginia replacement cost figure were believed too high for application to all bridges of the H15 type or less, and the $66 billion figure were therefore arbitrarily cut in half, the replacement cost would come to $33 billion over the years. That figure does not include the cost of strengthening H20 structures.

On the other hand, although bridge replacement and strengthening expenditures of $33 billion for the entire U.S. road network, and $5.4 billion for the Principal Highway Network, may be desirable or necessary in the interests of safety, and estimate falling between these two of the costs of bridge replacement and strengthening that would clearly be essential to accommodate heavier trucks can also be derived. The essential expenditures for this purpose can be approximated with the aid of a 1968 AASHO-Department of Transportation survey of bridges maintained by the states that were 30 years of age or more. The survey noted the number of H20 bridges on state highway systems at least 30 years old at 16,324; the number of H15 bridges of that age was found to be 26,498. The survey also discovered the following numbers of 30-year-or-older bridges designed to lesser standards than H15: H12½, 3,557; H10, 7,866; less-than-H10, 5,897.[64] The total cost of replacement of the bridges of H15 design and under would be $5,582,330,920. The cost to reconstruct H20 bridges would be $651,663,972. Thus, the replacement and reconstruction costs for all state highway system bridges over 30 years of age and built to inadequate design standards for heavier trucks would equal $6,233,994,892.

Over a 40-year payment period, assuming 6½ percent compound interest,[65] the annual costs of bridge replacement for H15-or-less design structures and improvement of the H20 design structures can be calculated at $380,940,759 for the major highways of the Primary Highway Network, $440,706,043 for all 30-year-or-older bridges on state highway systems, and $4,665,140,805 for bridges on the entire U.S. highway network.[66] Of course, it should not be assumed that bridge replacement would be unnecessary without the additional wear of extra-heavy vehicle loads. Replacement would eventually be required in any case, but increased regulatory limits will bring that day closer.[67] Even assuming the need for replacement to come only three years earlier under heavier loads, the extra annual costs of early replacement and strengthening, placed on a 10-year pay-back period, would be $116 million in the case of the Principal Highway Network, $132 million for the state highway systems, and $1,400 million for all U.S. highways. Thus, the extra annual bridge costs for the first 10 years after initiation of 20,000- and 34,000-pound axle-load limits for use on the state highway systems could equal $150 million.

Summary of Annual Public Cost Estimates for Size and Weight Increases

The best estimate by the author of the public costs that might be required in the first year after passage of increased motor vehicle weight allowances of the magnitude suggested by S. 2658 is $382 million. This amount is composed of the following elements: (1) heavier construction of new pavement to higher standards and extra minor maintenance of the rural state primary system, $7 million; (2) capital depreciation of existing pavements and extra costs of resurfacing present pavements to higher standards, $225 million;[68] (3) early replacement of H15 design bridges and strengthening of H20 design bridges on the state highway systems, $150 million. After the huge capital costs of the first decade, public costs on an annual basis would fall substantially (perhaps to the $40 million annual level).[69] The finding of $382 million, it should be stressed, is by no means a maximum figure.[70] To the extent that the large and heavy trucks and truck-tractor combinations utilize the state secondary highway system, lesser state roads, and city streets, the required expenditures for highways for the sake of commercial users could easily exceed that figure, especially in the initial year of operation.[71]

These additional highway construction and maintenance costs occasioned by higher size and weight allowances obviously cancel most, if not all, of the savings in carrier operating costs shown in Chapter V. In view of the magnitude of highway costs necessitated by the operation of larger and heavier vehicles, it is surprising that more attention has not been given by Congressional committees to the possibility that size and weight relaxation will bring about net disbenefits to the economy, rather than the promised lower transport cost.

The social costs to highway users and nonhighway users of greater vehicle sizes and weights

In addition to the added public costs necessitated by the operations of larger and heavier commercial motor vehicles than are presently allowed to use the public highways, there are other costs to the users of highways, notably to the operators of automobiles and other light vehicles. These social costs can be identified but are difficult to measure with any degree of precision. They have never been completely quantified. The commercial consumers of highway services, by the manner in which they utilize highways, roads, and streets, affect the quantity and quality of highway services available to others. As mentioned earlier in this chapter, the exceptionally large and heavy vehicles that will be permitted on the public highways under current legislative proposals will have definite effects on the behavior of other vehicle operators. Indeed, they are likely to present special hazards to other highway traffic.

The effects of some social costs produced by larger and heavier vehicles will extend beyond the highway. In these cases, the social costs will bear with particular force on other transport modes and on those who reside or carry on business and social functions near the highways. Indirectly by their impact on relative transport rates and the viability of competing transport modes, and directly through the incidence of noise, smog, and congestion, the social cost effects of still larger and heavier motor vehicles can affect the pattern of life of every citizen.

This section will attempt to identify further, and to quantify whenever possible, the social costs likely to accrue from increased motor vehicle sizes and weights. In spite of the limitations of data and methodology pertaining to the measurement of social costs, such an analysis is an essential prerequisite to rational determination of the social desirability of an upward revision in the size and weight standards for motor vehicles in public highway use. This was recognized by the Bureau of Public Roads in that agency's size and weight standards report to the Congress in 1964. Thus, the report suggested:

"Before final conclusions are reached, the finer points of the economic analysis should be studied more thoroughly, and some of the broader implications of vehicle size and weight restrictions should be related to the economics of transportation in general." [72]

In spite of extensive discussion of many facets of motor vehicle size and weight problems since 1964, a substantial analysis of the social costs ensuing from changes in size and weight limits has not yet been accomplished. The BPR itself has not contributed a systematic and objective analysis of the social cost offsets to the carrier savings to be gained from the operation of larger and heavier trucks, truck-tractor combinations, and buses. Unless this situation changes, decisions on a fundamental public issue of great and lasting significance may be taken on the basis of only a portion of the cost effects, without a close look at the *real* total costs of permitting larger and heavier vehicles on the public highways, and without a determination of whether society will gain *net* benefits from relaxation of motor vehicle size and weight limitations.

Identification of Social Costs

Before estimates are provided of the social costs to be expected from the operation of larger and heavier motor vehicles, some attention should be given to identification of the several categories of social cost involved. Of interest, too, is identification of the parties upon whom the incremental social costs will fall.

Highway users, especially, would be subjected to additional social costs from the

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operations of larger and heavier buses, trucks, and truck-tractor combinations. Most particularly, the operators of automobiles and light trucks would be faced with additional operating costs, added time costs, more numerous accident hazards, and greater burdens from tension and discomfort in their use of the highways.

It is most unlikely that operators of light vehicles would be directly compensated for these types of social costs. Even if the operators of the larger and heavier vehicles were to pay increased user fees for the privileges of highway operations, those funds would probably not compensate the operators of the light vehicles for all the various social cost burdens imposed on them. Rather, any increase in user fee payments would probably go toward partial recovery of the costs of the incremental highway wear attributable to the heavier vehicles. However, incremental user fee payments could be designed to draw from the operators of the large and heavy vehicles, those occasioning the social costs, sums sufficient for taking care of bridge replacement, pavement resurfacing, and general highway improvement designed to alleviate the major adverse highway use effects of the large and heavy vehicles. Given the traditions of ignoring indirect cost effects on other highway users of the past, the most the operators of automobiles and light trucks can expect would be sufficient highway improvement to minimize or nullify the direct highway use effects. It is unlikely that the larger and heavier vehicles would be able to generate sufficient revenue to compensate other highway users for the social costs they cause them and to accrue a net benefit for the operators of the large and heavy vehicles.[73]

Others than highway users would be continuously and adversely affected by more liberal size and weight standards. Although highway users may also suffer air and audio pollution imposed by large and heavy trucks, the populace in the role of non-highway users, or of highway users not presently utilizing the highways, suffers the most. Air pollution and highway noise are not the only social costs produced by operators of large vehicles and borne by non-highway users. Residents of small towns may suffer reduced motor freight schedules under the operation of larger-capacity vehicles, as it becomes differentially profitable to specialize in truck service between large cities and involving long hauls. Truck drivers themselves may suffer greater unemployment if fewer drivers are needed even though the demand for freight carriage grows. Finally, motor truck competitors may lose significant traffic and revenue, which, under certain conditions, can be considered a social cost to society. For none of these social cost effects that the motor carriers can occasion is compensation provided in any form.

The Directly Quantifiable Social Costs

Few of the social costs occasioned by larger and heavier motor vehicles operated on the public highways of the U.S. appear to be directly quantifiable. That is, rarely can the social costs be estimated in terms of the measurable costs imposed on other economic agents. Certainly, the lack of information or ability to measure social costs is one reason for the limited analyses made in the past of the social costs arising from operation of motor vehicles of large sizes and heavy weights.

The topic is inherently difficult. Engineers, by training and interest, are not equipped to deal forcibly and selectively with the subject. Economists have not developed practical measures of social welfare that would apply to the problems at hand. Nor, perhaps, can researchers expect to find or utilize quantitative measures of social costs in all instances. As Mishan has concluded:

"For one thing, there are several important issues—such as the choice between variety and dearness, on the one hand, and standardisation and cheapness, on the other, or the proper division between private and public sectors of the economy—which the welfare economist can do little more than discuss in very general terms. For another, the notion of discrepancies between private and social benefit which, at first glance, appears a promising field for the application of welfare economics . . . when pursued in earnest reveals grave difficulties."[74]

Indeed, the author has found it possible to quantify directly the social costs attributable to liberalization of size and weight restrictions in only one case. The case for which some quantification appears possible at this time involves the cost to society of traffic losses to the low-cost modes of transportation. On the other hand, as the next section will show, it is possible to go beyond the mere identification of social costs in some instances. This can be done by developing surrogates of the social costs that cannot be quantified directly. One such surrogate is the public cost requirement for nullification of a social cost effect. In other words, the amount it costs society to prevent a social cost effect is one measure of the value of that effect.

The one case of social costs to be directly quantified in this study can now be explained. As shown in Chapter V, relaxation of size and weight restrictions will reduce truck operating costs. In turn, this will allow reductions in freight rates that are likely to induce traffic that would otherwise move by rail or inland waterway to utilize truck transport instead. The key loss from such induced freight traffic diversion would be experienced by the railroads, for rail and motor transport are close substitutes for high-rated commodities in many markets. Assuming a unitary cross-elasticity of demand, such that every percentage decline in motor transport costs of service will be matched by an equivalent percentage decline in the quantity of rail ton-miles purchased, the traffic loss to the railroads in 1967 could have been approximately 4.7 billion ton-miles of high-rated and profitable traffic, had the size and weight limits of S. 2658 been in effect.[75]

Under the conditions that frequently obtain today, there can be a loss to society for every ton-mile of freight diverted to motor carriers through size and weight revision. This can happen when the U.S. railroad system exhibits significant excess capacity, rail transportation is the low-cost mode of carriage (all important transfer costs included), and railroads are induced to price their services on average rather than on relevant marginal or incremental costs (with average costs exceeding long-run marginal costs).[76] A measure of the social loss, in the event that no additional user charges were assessed against the truckers utilizing the larger and heavier vehicles, can be found by determining the difference between the long-run marginal cost of carriage by motor as compared with rail transport. One estimate of the long-run marginal line-haul costs is presented by John R. Meyer and associates, who found rail costs per ton-mile transported to equal .598 cents and truck costs to be 1.82 cents.[77] When the difference between these two figures, 1.222 cents, is applied to the estimated diverted freight traffic, 4.7 billion ton-miles, there is an estimated social cost to the economy of $57.4 million annually. However imperfect, this additional cost of freight carriage is a measure of one of the social costs of size and weight relaxation, for despite the traffic loss the railroad facilities would still be necessary to handle efficiently the major portion of all intercity ton-mileage. These social costs would become even greater with the growth of the economy and the resultant rise in transport demand.

Admittedly, this is a rough measure of the social cost to society, if the Congress enacts the current proposals to raise the motor vehicle size and weight limitations on highway use. But it is a real cost, both in the short run and the long run, as highway transport involves higher resource costs per unit of traffic and manifestly cannot become a complete and efficient substitute for rail transportation. As these conditions appear to exist, the costs thrust on the railroads and their users are social costs that should be counted in deciding the current issues over the size and weight of motor vehicles to allow on the public highways. Only if the highway carriers could provide efficient and low-cost services to substitute for all rail services would this not be the case.

Social Costs as Measured by Public Nullification Costs

Several other categories of social costs from larger and heavier motor vehicles cannot presently be measured directly by any available means. These social cost effects arise in connection with highway accidents, congestion, and driver anxiety and tension. These types of effects can be highly significant offsets to the carrier cost savings from larger and heavier motor vehicles even when they cannot be directly quantified.

It is possible to value some of the social costs in the suggested category by an indirect procedure. The measure chosen for this purpose is termed the *public nullification cost*. If an internal operating diseconomy is imposed on passenger cars and light vehicles by the heavier trucks, such as a decrease in the speed of traffic flow over the highways, the public nullification cost which measures that social cost to other highway users is the minimum expenditure needed to prevent the social cost effect from taking place. For example, if addition of a certain mileage of truck climbing lanes on hills is the least-cost solution to prevent a particular traffic delay effect, then the nullification cost can be valued as the capital construction cost plus annual maintenance cost of the extra hill-climbing lanes for large and slow trucks. Investment in highways is designed to serve the entire using public, commercial and non-commercial users alike, and social costs affect the quantity and quality of public consumption of highway services. Therefore, for purposes of comparison with estimates of benefits and public costs, it is desirable to value the unique social costs internally attributable to highway use by the large and heavy vehicles in monetary terms.

In the case of a public project, such as highways, many of the social costs presently considered are not those impinging on users. Rather, they fall on other parties and are external to the highway instead of internal to it. Certain of these social cost effects can also be adjusted by means of capital investment to improve the highway plant or the operating characteristics of the vehicles. On the other hand, as in the case of a private factory discharging obnoxious fumes whose effects fall on persons not internal to the concern, the problem of taking action to alleviate the effects of external social costs is more difficult. To a large extent, this difficulty arises in regard to the contribution to smog and highway noise by the large and heavy vehicles. The incidence of these social costs is on non-highway users. However, in the case of a public agency producing external social costs, the opportunity for adjustment or nullification of those social cost effects by the public agency is uniquely present in comparison with the private firm. The public agency should take account of all social cost effects, not just those involving consumers of a particular public good or service.

Nullification of the social costs of greater vehicle width.—The *Highway Capacity Manual* produced by the Highway Research Board has stated that reductions in the effective widths of highway lanes, such as would obtain on account of the operation of wider

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commercial vehicles, have the effect of lessening highway capacity. The reduced clearance from the edge of the pavement to an obstruction (such as an extra-wide truck or bus parked on an inadequate shoulder) has the effect of reducing the operational roadway width.[78] The latest HRB capacity manual confirms this effect of vehicle width on shoulders and lane capacity in the following terms:

"Adequate shoulders are essential if the capacity provided by the traffic lanes is to be maintained continuously. Without a place of refuge outside the traffic lanes, one disabled vehicle can reduce the capacity of one lane, particularly if the lanes are less than 12 ft wide. The disabled vehicle blocks the lane occupied and, in addition, reduced the capacity of adjoining lanes whenever vehicles must merge into fewer lanes at speeds below that at which capacity occurs for the highway in question." [79]

Although accident rates on narrow roads can be no higher than on wider roads, greater accident risks would appear a distinct possibility (especially in the case of narrow bridges) if vehicle widths are increased without compensating increases in the highway plant. This seems true even though the Arthur D. Little consulting group concluded: "Studies of roadway width and accident frequency yield a positive correlation, apparently because increased lane width invites increased speed." [80] On the other hand, the same consultants also found the following close relationship between width of bridges and accident hazards:

"Statistical research on accident rates relative to the width of bridges and other structures has resulted in agreement that the determining measure of hazard is the width of the structure relative to the width of the roadway.[81]

A bridge one foot or more narrower than the roadway has been found to have an accident occurrence rate on the average eight times the rate for a bridge five or more feet wider than the road.[82] The reason for such accident rate differentials and the corresponding reason for building wider bridges, especially if wider vehicles in the stream of traffic are permitted, has been given as follows:

"The need to build structures even wider than the rest of the roadway is apparently explained by the tendency of drivers to "flinch" from vertical obstructions placed directly on the edge of the roadway thereby displacing their cars over the centerline with occasionally fatal results." [83]

Drivers can be expected to have an equal tendency to "flinch" when passing very wide vehicles, with the possible result of veering toward the opposite shoulder. Of course, increased vehicle width will also reduce the sight distance for passenger car drivers, thereby increasing the difficulties of passing. This is especially true on long grades (which are likely to have a large number of curves).

The evidence appears very strong that allowing wider vehicles (102-inch widths in place of 96 inches) will impose social costs on the users of many highways. Therefore, a need exists for offsetting highway- and structure-width increases to at least maintain the present degree of highway capacity and safety. However, not all highway systems will require greater widths. For example, the BPR has observed: "The increase of allowable widths from 96 to 102 inches will not require any changes in the geometrics of Interstate highways." [84] On the other hand, since 1964 some $872 million have been spent (and it has been suggested that $2.1 billion should be spent) on improving highway conditions in the form of widening bridges, traffic lanes, and shoulders; realigning curves and slopes for better sight distance; and reconstructing and channelizing intersections.[85] All of these vast expenditures are related to the needs of the larger and wider vehicles. Certain of these "spot improvement" safety projects have been undertaken on the Interstate System. In 1965, the BPR recommended that all two-lane segments of the Interstate System should be reconstructed (or newly constructed, for the unfinished portion) to divided four-lane standards. The cost for this erconstruction of 1,429.6 miles was estimated at $267,264,000.[86]

Of course, the need for improvement comes not only on the Interstate System, but also on a very extensive mileage of all Federal-aid systems which unquestionably would be used by larger and wider motor vehicles. Illinois, which has permitted 65-foot doubles combinations since 1967, does not allow those vehicles on two-lane highways of less than 22 feet in width.[87] Judging by the standard imposed by the state of Illinois for doubles combinations, and extending this standard to all the U.S. highways on which would operate wider, and most likely longer vehicles as well, 41 percent of the rural primary state highways would be unsuitable for the larger vehicles! [88] Huge sums would be needed for widening.

Without extensive engineering studies, such as should be undertaken by the state highway departments in conjunction with the BPR, the cost of widening the major highway systems to permit safe and efficient operation of wider vehicles is impossible to estimate with any degree of exactness. Yet, one reason why the geometrics of the Interstate System are considered suitable for wider vehicles is the existence throughout that system of divided four-lane highways. It would therefore appear logical that at least a portion of the Interstate System costs for four-lane as opposed to two-lane roads should be charged to the larger and wider vehicles. A suitable measure of that charge would be the $267.3 million expenditure needed for widening the Interstate System to four lanes in the case of the portion of that system originally planned as two-lane highway segments. The widening was recommended by the BPR in the interests of "safety" (without any further articulation), but the huge cost involved could well have been proposed in anticipation of standards allowing greater vehicle widths and lengths.[89]

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operations of larger and heavier buses, trucks, and truck-tractor combinations. Most particularly, the operators of automobiles and light trucks would be faced with additional operating costs, added time costs, more numerous accident hazards, and greater burdens from tension and discomfort in their use of the highways.

It is most unlikely that operators of light vehicles would be directly compensated for these types of social costs. Even if the operators of the larger and heavier vehicles were to pay increased user fees for the privileges of highway operations, those funds would probably not compensate the operators of the light vehicles for all the various social cost burdens imposed on them. Rather, any increase in user fee payments would probably go toward partial recovery of the costs of the incremental highway wear attributable to the heavier vehicles. However, incremental user fee payments could be designed to draw from the operators of the large and heavy vehicles, those occasioning the social costs, sums sufficient for taking care of bridge replacement, pavement resurfacing, and general highway improvement designed to alleviate the major adverse highway use effects of the large and heavy vehicles. Given the traditions of ignoring indirect cost effects on other highway users of the past, the most the operators of automobiles and light trucks can expect would be sufficient highway improvement to minimize or nullify the direct highway use effects. It is unlikely that the larger and heavier vehicles would be able to generate sufficient revenue to compensate other highway users for the social costs they cause them and to accrue a net benefit for the operators of the large and heavy vehicles.[73]

Others than highway users would be continuously and adversely affected by more liberal size and weight standards. Although highway users may also suffer air and audio pollution imposed by large and heavy trucks, the populace in the role of non-highway users, or of highway users not presently utilizing the highways, suffers the most. Air pollution and highway noise are not the only social costs produced by operators of large vehicles and borne by non-highway users. Residents of small towns may suffer reduced motor freight schedules under the operation of larger-capacity vehicles, as it becomes differentially profitable to specialize in truck service between large cities and involving long hauls. Truck drivers themselves may suffer greater unemployment if fewer drivers are needed even though the demand for freight carriage grows. Finally, motor truck competitors may lose significant traffic and revenue, which, under certain conditions, can be considered a social cost to society. For none of these social cost effects that the motor carriers can occasion is compensation provided in any form.

The Directly Quantifiable Social Costs

Few of the social costs occasioned by larger and heavier motor vehicles operated on the public highways of the U.S. appear to be directly quantifiable. That is, rarely can the social costs be estimated in terms of the measurable costs imposed on other economic agents. Certainly, the lack of information or ability to measure social costs is one reason for the limited analyses made in the past of the social costs arising from operation of motor vehicles of large sizes and heavy weights.

The topic is inherently difficult. Engineers, by training and interest, are not equipped to deal forcibly and selectively with the subject. Economists have not developed practical measures of social welfare that would apply to the problems at hand. Nor, perhaps, can researchers expect to find or utilize quantitative measures of social costs in all instances. As Mishan has concluded:

"For one thing, there are several important issues—such as the choice between variety and dearness, on the one hand, and standardisation and cheapness, on the other, or the proper division between private and public sectors of the economy—which the welfare economist can do little more than discuss in very general terms. For another, the notion of discrepancies between private and social benefit which, at first glance, appears a promising field for the application of welfare economics . . . when pursued in earnest reveals grave difficulties."[74]

Indeed, the author has found it possible to quantify directly the social costs attributable to liberalization of size and weight restrictions in only one case. The case for which some quantification appears possible at this time involves the cost to society of traffic losses to the low-cost modes of transportation. On the other hand, as the next section will show, it is possible to go beyond the mere identification of social costs in some instances. This can be done by developing surrogates of the social costs that cannot be quantified directly. One such surrogate is the public cost requirement for nullification of a social cost effect. In other words, the amount it costs society to prevent a social cost effect is one measure of the value of that effect.

The one case of social costs to be directly quantified in this study can now be explained. As shown in Chapter V, relaxation of size and weight restrictions will reduce truck operating costs. In turn, this will allow reductions in freight rates that are likely to induce traffic that would otherwise move by rail or inland waterway to utilize truck transport instead. The key loss from such induced freight traffic diversion would be experienced by the railroads, for rail and motor transport are close substitutes for high-rated commodities in many markets. Assuming a unitary cross-elasticity of demand, such that every percentage decline in motor transport costs of service will be matched by an equivalent percentage decline in the quantity of rail ton-miles purchased, the traffic loss to the railroads in 1967 could have been approximately 4.7 billion ton-miles of high-rated and profitable traffic, had the size and weight limits of S. 2658 been in effect.[75]

Under the conditions that frequently obtain today, there can be a loss to society for every ton-mile of freight diverted to motor carriers through size and weight revision. This can happen when the U.S. railroad system exhibits significant excess capacity, rail transportation is the low-cost mode of carriage (all important transfer costs included), and railroads are induced to price their services on average rather than on relevant marginal or incremental costs (with average costs exceeding long-run marginal costs).[76] A measure of the social loss, in the event that no additional user charges were assessed against the truckers utilizing the larger and heavier vehicles, can be found by determining the difference between the long-run marginal cost of carriage by motor as compared with rail transport. One estimate of the long-run marginal line-haul costs is presented by John R. Meyer and associates, who found rail costs per ton-mile transported to equal .598 cents and truck costs to be 1.82 cents.[77] When the difference between these two figures, 1.222 cents, is applied to the estimated diverted freight traffic, 4.7 billion ton-miles, there is an estimated social cost to the economy of $57.4 million annually. However imperfect, this additional cost of freight carriage is a measure of one of the social costs of size and weight relaxation, for despite the traffic loss the railroad facilities would still be necessary to handle efficiently the major portion of all intercity ton-mileage. These social costs would become even greater with the growth of the economy and the resultant rise in transport demand.

Admittedly, this is a rough measure of the social cost to society, if the Congress enacts the current proposals to raise the motor vehicle size and weight limitations on highway use. But it is a real cost, both in the short run and the long run, as highway transport involves higher resource costs per unit of traffic and manifestly cannot become a complete and efficient substitute for rail transportation. As these conditions appear to exist, the costs thrust on the railroads and their users are social costs that should be counted in deciding the current issues over the size and weight of motor vehicles to allow on the public highways. Only if the highway carriers could provide efficient and low-cost services to substitute for all rail services would this not be the case.

Social Costs as Measured by Public Nullification Costs

Several other categories of social costs from larger and heavier motor vehicles cannot presently be measured directly by any available means. These social cost effects arise in connection with highway accidents, congestion, and driver anxiety and tension. These types of effects can be highly significant offsets to the carrier cost savings from larger and heavier motor vehicles even when they cannot be directly quantified.

It is possible to value some of the social costs in the suggested category by an indirect procedure. The measure chosen for this purpose is termed the *public nullification cost*. If an internal operating diseconomy is imposed on passenger cars and light vehicles by the heavier trucks, such as a decrease in the speed of traffic flow over the highways, the public nullification cost which measures that social cost to other highway users is the minimum expenditure needed to prevent the social cost effect from taking place. For example, if addition of a certain mileage of truck climbing lanes on hills is the least-cost solution to prevent a particular traffic delay effect, then the nullification cost can be valued as the capital construction cost plus annual maintenance cost of the extra hill-climbing lanes for large and slow trucks. Investment in highways is designed to serve the entire using public, commercial and non-commercial users alike, and social costs affect the quantity and quality of public consumption of highway services. Therefore, for purposes of comparison with estimates of benefits and public costs, it is desirable to value the unique social costs internally attributable to highway use by the large and heavy vehicles in monetary terms.

In the case of a public project, such as highways, many of the social costs presently considered are not those impinging on users. Rather, they fall on other parties and are external to the highway instead of internal to it. Certain of these social cost effects can also be adjusted by means of capital investment to improve the highway plant or the operating characteristics of the vehicles. On the other hand, as in the case of a private factory discharging obnoxious fumes whose effects fall on persons not internal to the concern, the problem of taking action to alleviate the effects of external social costs is more difficult. To a large extent, this difficulty arises in regard to the contribution to smog and highway noise by the large and heavy vehicles. The incidence of these social costs is on non-highway users. However, in the case of a public agency producing external social costs, the opportunity for adjustment or nullification of those social cost effects by the public agency is uniquely present in comparison with the private firm. The public agency should take account of all social cost effects, not just those involving consumers of a particular public good or service.

Nullification of the social costs of greater vehicle width.—The *Highway Capacity Manual* produced by the Highway Research Board has stated that reductions in the effective widths of highway lanes, such as would obtain on account of the operation of wider

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commercial vehicles, have the effect of lessening highway capacity. The reduced clearance from the edge of the pavement to an obstruction (such as an extra-wide truck or bus parked on an inadequate shoulder) has the effect of reducing the operational roadway width.[78] The latest HRB capacity manual confirms this effect of vehicle width on shoulders and lane capacity in the following terms:

"Adequate shoulders are essential if the capacity provided by the traffic lanes is to be maintained continuously. Without a place of refuge outside the traffic lanes, one disabled vehicle can reduce the capacity of one lane, particularly if the lanes are less than 12 ft wide. The disabled vehicle blocks the lane occupied and, in addition, reduced the capacity of adjoining lanes whenever vehicles must merge into fewer lanes at speeds below that at which capacity occurs for the highway in question." [79]

Although accident rates on narrow roads can be no higher than on wider roads, greater accident risks would appear a distinct possibility (especially in the case of narrow bridges) if vehicle widths are increased without compensating increases in the highway plant. This seems true even though the Arthur D. Little consulting group concluded: "Studies of roadway width and accident frequency yield a positive correlation, apparently because increased lane width invites increased speed." [80] On the other hand, the same consultants also found the following close relationship between width of bridges and accident hazards:

"Statistical research on accident rates relative to the width of bridges and other structures has resulted in agreement that the determining measure of hazard is the width of the structure relative to the width of the roadway.[81]

A bridge one foot or more narrower than the roadway has been found to have an accident occurrence rate on the average eight times the rate for a bridge five or more feet wider than the road.[82] The reason for such accident rate differentials and the corresponding reason for building wider bridges, especially if wider vehicles in the stream of traffic are permitted, has been given as follows:

"The need to build structures even wider than the rest of the roadway is apparently explained by the tendency of drivers to "flinch" from vertical obstructions placed directly on the edge of the roadway thereby displacing their cars over the centerline with occasionally fatal results." [83]

Drivers can be expected to have an equal tendency to "flinch" when passing very wide vehicles, with the possible result of veering toward the opposite shoulder. Of course, increased vehicle width will also reduce the sight distance for passenger car drivers, thereby increasing the difficulties of passing. This is especially true on long grades (which are likely to have a large number of curves).

The evidence appears very strong that allowing wider vehicles (102-inch widths in place of 96 inches) will impose social costs on the users of many highways. Therefore, a need exists for offsetting highway- and structure-width increases to at least maintain the present degree of highway capacity and safety. However, not all highway systems will require greater widths. For example, the BPR has observed: "The increase of allowable widths from 96 to 102 inches will not require any changes in the geometrics of Interstate highways." [84] On the other hand, since 1964 some $872 million have been spent (and it has been suggested that $2.1 billion should be spent) on improving highway conditions in the form of widening bridges, traffic lanes, and shoulders; realigning curves and slopes for better sight distance; and reconstructing and channelizing intersections.[85] All of these vast expenditures are related to the needs of the larger and wider vehicles. Certain of these "spot improvement" safety projects have been undertaken on the Interstate System. In 1965, the BPR recommended that all two-lane segments of the Interstate System should be reconstructed (or newly constructed, for the unfinished portion) to divided four-lane standards. The cost for this erconstruction of 1,429.6 miles was estimated at $267,264,000.[86]

Of course, the need for improvement comes not only on the Interstate System, but also on a very extensive mileage of all Federal-aid systems which unquestionably would be used by larger and wider motor vehicles. Illinois, which has permitted 65-foot doubles combinations since 1967, does not allow those vehicles on two-lane highways of less than 22 feet in width.[87] Judging by the standard imposed by the state of Illinois for doubles combinations, and extending this standard to all the U.S. highways on which would operate wider, and most likely longer vehicles as well, 41 percent of the rural primary state highways would be unsuitable for the larger vehicles! [88] Huge sums would be needed for widening.

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In addition to the above sum, one can devise a minimal estimate of the cost of widening other portions of the rural state primary system. If only 1 percent of the roadway (or 3,780.6 miles) on the rural state primary system were to require widening to four-lane standards, some $632.7 million in capital expenditures would be needed. This estimate assumes the same cost per mile for widening the state rural primary as for the Interstate System, that is $117,000 per mile. However, the needs on the Federal-aid primary system for major widening (addition of more lanes) were estimated to total $4,250 million in 1965 for portions other than the Interstate System.[90] This estimate was made considering only present vehicle sizes and weights and traffic requirements. With greater vehicle size and weight standards and the possibility of an increased demand for motor freight transport if trucking rates are lowered, the widening requirements could be even greater. At any rate, it can be argued logically that the changed width allowance currently proposed would at least make mandatory the currently-needed width improvements. Thus, the road widening necessitated by wider vehicles could total from $900 million to $4,517 million, or from perhaps $60 million to $300 million annually on a 15-year life basis. These are minimal estimates. The range is conservative because it does not take into separate account the costs of widening structures or approaches to structures (other than on the portion of the rural primary system for which added lanes are needed). Additional bridge widening would undoubtedly be desirable.

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the Department of Transportation, commercial motor vehicles in general have poorer accident records than do the passenger cars. The comparison here was in terms of fatalities resulting from highway accidents. In that speech, Bridwell made the following observations:

"Despite all our progress, some 53,000 persons are killed in highway crashes each year. Some 4 million are injured, and we suffer about $10 billion in property damage and other direct economic losses each year as a result of highway crashes.

"Of more immediate interest . . . is the portion of this horrible record which involves commercial motor vehicles. The annual estimates are 10,500 deaths, 124,000 disabling injuries, $420 million in property damage. I don't see how anyone can consider those figures and conclude that we are doing all that we can do in our safety programs.

"With roughly 6 million intra-state and interstate heavy commercial vehicles operating on our highways, we are talking of 7 percent of the nation's registered motor vehicles which account for 11 percent of total vehicle miles traveled, but roughly 19 percent of highway fatalities. To avoid any misunderstanding, I am referring to crashes in which trucks and buses are involved, but not necessarily for which they are at fault." [94]

Examination of a large number of accident studies leaves room for serious doubt that the accident involvement of the currently operated large and heavy vehicles provides a complete test of the accident risk that would be placed on operators of other motor vehicles and other highway users and pedestrians by the introduction of even larger and heavier vehicles. This comment applies particularly to such motor vehicles as triples combinations. These are very much greater in size (length) and weight than the large commercial motor vehicles to which most motorists are accustomed. Accidents involving large and heavy trucks may not take place more often within a given mileage exposure than accidents involving only automobiles or other light motor vehicles, but they are usually far more serious. This seems true even though truck drivers are professionals, the accidents in which they are involved occur when they are on the job, and truck accidents are less likely to involve alcohol or lapses of attention due to sight-seeing.

It must be recognized, however, that some recent road tests conducted by trucking interests and involving larger and heavier combinations than are presently legal on the public highways found no additional serious accident effects to result. For example, the report of such a test series in Utah with triples combinations in 1966 concluded:

"There was no apparent interference with other traffic even on 2-lane portions of the road. The drivers were very favorably impressed with the handling, riding, and braking qualities of the test combinations and feel that it is just as safe as the usual tractor-semitrailer combination." [95]

In the opinion of one of the commercial drivers, the general public rarely even noticed the long combination. He made the following statement:

"During each of these trips we were passed by many other vehicles and we passed many vehicles ourselves. There were no traffic delays on the 4-lane divided highways and I could determine no difference on the 2-lane highways with the experimental combination than with a standard tractor semitrailer. I estimate that we passed between 50 and 100 other vehicles . . . including cars, pickups, housetrailers, and other combinations. Even with the large reflected sign on the rear semitrailer our equipment was little noticed by the public except for other truck drivers." [96]

It is important to examine studies of the above type for they have been and will be used as support for the position that long and heavy vehicles are safe for general use on the public highways. It could possibly be that combinations of 100-foot length and 150,000-pound gross weight that are adequately powered and that operate on level four-lane highways can be made safe through careful inspection and the use of the most experienced drivers. No doubt, such vehicles could be operated safely on *all-truck* highways of minimum gradient and curvature. On the other hand, the reactions of automobile drivers (observed, it is to be assumed, from the test combination at highway speeds and before meeting the test vehicle, not after, except for those able to pass) faced with a one-time confrontation with an adequately-powered triples combination do not appear a suitable measure of the safety of these vehicles. Such observations by experienced drivers do not prove that the operation of such large and heavy vehicle combinations can be uncritically accepted. There is also the problem that the drivers making the reported observations were employees of the carriers and likely to be influenced by the point of view of the concern instead of that of society.

Better measures of the relation of larger and heavier vehicles to possible accident rate increases than either driver reaction during test runs or the accident experience of the heaviest or largest current vehicles are desirable. One might be the psychological set of the driver and the amount of stress to which he is subjected in driving. According to a psychologist who examined highway accident experience in Oregon, the following psychological factors pertaining to the typical motorist were involved:

"Only a single factor emerged from the vast amount of data in this analysis which explained where accidents occurred. Although only highway variables were included in the analysis, this one factor conveys a psychological meaning: There are more accidents at those places where the situation places great demands on the momentary perceptual-decision-motor capacities of the driver. The driver's basic psychophysical capacities are heavily exercised when he must deal with a situation around him that is changing rapidly. This occurs where the traffic friction or conflict is greater. . . . Accidents are most frequent in those circumstances. Accident frequency is proportional to the load or rate of demand placed on the driver's basic ability to perceive an cope with the situation.' [97]

Another statement of similar effect was made by a psychologist investigating the frequency and magnitude of tension responses (measured by the galvanic skin reflex) aroused during driving behavior. He found the following tension experience to exist:

"The events which induced the highest average tension . . . were the conflicts occurring with vehicles entering or leaving the traffic stream and . . . the opposing vehicles. With the human's limited accuracy in speed estimation and angular closing rate, and the limited time for such decision, these situations had a high degree of unpredictability for the driver and may reasonably be more threatening." [98]

A factual conclusion as to the possibility of larger and heavier motor vehicles increasing the risk of accidents is difficult to draw. But on the basis of the available empirical evidence and logical deduction, a reasonable inference is that the operation of larger and heavier truck-tractor combinations than are presently allowed in general highway operations would be likely to raise the probability of accident involvements. Operation of larger and heavier vehicles is also likely to entail a greater incidence of the more serious death-dealing, cost-occasioning type of accident.[99]

Could accident-cost increases be nullified by the imposition of truck performance standards? Spokesmen for the BPR have been of the opinion that if the performance characteristics of vehicles that are adversely affected by greater sizes and weights can be regulated, such vehicles can be operated on the Federal-aid systems with no decrease in safety levels.[100] Specifically, the BPR advocated specification of a ratio of gross vehicle weight to net engine horsepower, a minimum stopping distance for brakes, and standards for the strength and operation of linking and coupling systems between units in vehicle combinations. If satisfactory performance standards could be set which would counter adverse vehicle performances, the nullification costs would involve those expenses connected with equipment and enforcement. First, the private expenses borne by carriers in purchasing, installing, and maintaining the required devices or higher-level components would have to be considered. Then, the additional public costs of enforcement would have to be taken into account.

If performance standards were instituted in order to raise the operating characteristics of the very large and heavy commercial vehicles to levels more nearly approaching those of the current heavy equipment, some additional social costs could still be forced on passenger cars and light vehicles to the extent that the standards were not actually observed and enforced. It is probably futile to believe that even good enforcement would catch every violator. In addition, performance standards sufficient to match those of existing large and heavy motor vehicles really do not offer the operators of automobiles and other light vehicles very much, as they are already held up on hills, on narrow stretches of highways, at curves, and in congested traffic conditions by vehicles of existing legal sizes. Further, even today truck accidents are often serious and costly when large and heavy vehicles are involved.

It is doubtful that operating performance standards, which have been discussed since 1938, will be instituted by the BPR in the immediate future.[101] Far more likely, in the event that vehicle size and weight limits were relaxed in the near future, would be a change in highway design standards by highway engineers and an attempt to improve existing roads to meet the new vehicle requirements. As has been shown above, all of this would be at greatly increased public expense.

It may also be asked whether the standards that have been discussed are sufficient to bring the performance of heavy vehicles up to the existing poor levels. A weight-to-horsepower standard is a questionable and inaccurate device to guarantee performance, as opposed to such standards as a specified speed to be maintained on all grades, or on grades of 3 percent or higher rates of climb. A weight-to-horsepower ratio is not even the appropriate performance measure, as it does not regulate torque, or the net tractive effort of the vehicle. A 400-pounds-per-horsepower ratio for manufacturers' rated horsepower when applied to older vehicles, or vehicles not in a position to deliver rated horsepower, is of little value.

In short, the problems associated with performance standards are great. As the following statement from a trucking publication illustrates very clearly, these problems are recognized by all parties:

"When a manufacturer tests, say, a 200-hp. engine under perfect conditions (at sea level pressure, 60° F., and in dry air), the engine actually does produce 200 hp. But what happens when that engine is installed in a truck and you've got it on the road? You certainly aren't going to have a useable 200 hp., but how much will you lose and where does the power go?

"In the first place, just changing altitude and air temperature conditions will cut about 10 hp. off an engine. But that's not the end

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of it—the generator, steering or air brake compressors, the fan—all need a slice of that horsepower. The requirements for these components will, of course, vary with the work load on the engine, but it generally takes between 5 and 10% of the engine's rated horsepower.

"An overpowered engine will cost extra, not only for the original purchase price, but for operating costs for power you don't need. At the same time, however, an *under* powered truck will collapse under the workload." [102] It might be noted in passing that most grades, where maximum horsepower is needed the most, are not found at sea level, where engine output is at the maximum.

From the above discussion, two conclusions can be reached. The first is that performance standards are unlikely to be adopted in the near future. The second is that even if such standards were to be adopted, they would be inaccurate measures of performance and it is unlikely that they would be stringent enough to reduce significantly the social costs of large and heavy combinations. Under present circumstances, the costs of meeting higher bus and truck performance standards must be rejected as a measure of the accident nullification costs of larger and heavier combinations.

A more acceptable measure of nullification costs consists of the highway investment expenditures that would be required to neutralize as many of the social cost effects of large and heavy vehicles as possible. Unless very substantial additional expenditures are made on the several U.S. highway systems, a relaxation of size and weight standards such as is currently proposed would produce manifold social cost effects. A few of the required investments can be mentioned. Acceleration lanes would need to be lengthened and intersections widened. Turning path widths would have to be increased and extra truck lanes, turn-outs, and run-away lanes constructed. Many grades would have to be reduced and sight-distances improved.

Without these and other highway-feature changes, accidents are more likely if a policy of allowing still larger and heavier motor vehicles on the highways is adopted. One reason is that the speed differentials between trucks and passenger cars would widen. According to the HRB's 1965 *Highway Capacity Manual*, ". . . the incidence of accidents is dependent less on speed and more on the difference between a vehicle's speed and that of the general traffic stream, be it positive or negative." [103] In part, accidents could be expected to increase because of the greater risks automobile drivers would be tempted or forced to take when impeded by slow trucks. The *Highway Capacity Manual* also refers to the special problems that are confronted on grades when automobile drivers are tempted or forced to take undue risks in passing maneuvers. The pertinent comment was as follows:

"Grades have higher accident rates than level segments, and this is further related to the length of grade. One explanation may be that grades increase the differential between the fastest and and slowest moving vehicles and thereby increase the incidence of overtaking and of risktaking." [104]

Minor widening of roadways must be performed in a number of instances. These alterations will be essential to enable drivers of light vehicles to escape the effects of heavy and wider vehicles. Slightly wider lanes and shoulders are needed so that drivers can maintain their desired distances from trucks and can avoid being unhappy recipients of wind, spray, and mud from the large vehicles. Otherwise, driver tensions will be greatly increased. Not only will the enjoyment of pleasure trips in many instances be spoiled, but an enhanced risk of accidents could well be the result if driver tensions become too great.

One possible measure, a rather conservative one, of the estimated marginal public nullificatiin costs, is suggested by figures contained in the 1965 *Supplemental Report of the Highway Cost Allocation Study*. That BPR report lists the improvement needs of the present Federal-aid system to provide for anticipated traffic under the current size and weight limits through the year 1971. While the costs of allowing still higher vehicle sizes and weights on the highways might not be exactly the same (indeed, the analysis so far suggests those costs could be much higher), figures from the BPR report should be helpful in obtaining a measure of the marginal public nullification costs associated with highway accidents in which large and heavy vehicles are involved.

Thus, in addition to the costs of greater vehicle width, the following measures are indicative of the necessary capital spending required by vehicles of 20,000-pound single and 34,000-pound tandem axles, increased lengths, and gross weights approaching 115,000 pounds. These expenditures will reduce accident exposure probabilities while simultaneously combating reduced highway capacity and reducing the discomfort of other highway users. Because geometric requirements on the Interstate System are assumed to be adequate, the following estimates refer *only* to the Federal-aid primary system and, where noted, the Federal-aid secondary system of highways:

1. Added mileage of climbing lanes on the entire Federal-aid primary and secondary systems: 3,672 miles at $237 million;

2. Improved interchanges on the entire Federal-aid primary and secondary systems: 9,666 interchanges at $4,123 million;

3. Minor widening on through-traffic sections of the primary system: 25,621 miles at $2,040 million.[105]

The above expenditure requirements stated by the BPR total $6,400 million. Evenly distributed over a 20-year life span at 6½ percent compound interest, the nullification costs related to the social accident cost effects of larger and heavier vehicles proposed in current discussions before the Congress could amount to $580 million per year.

Other Social Costs of Larger and Heavier Motor Vehicles

The above section does not exhaust the list of possible social costs that can be attributed to greater sizes and weights for highway vehicles. However, the remaining social cost effects to be identified could not be directly quantified with available data. Nor could they be quantified indirectly by means of estimating the public nullification costs involved.

To the extent that fewer motor vehicles would be required under greater size and weight limits to carry the same tonnage or volume of goods a given mileage, a possible social cost effect can be identified in the form of fewer semi-skilled jobs for truck drivers. Of course, changes in demand may produce more traffic for the truckers and return these employees to work. Too, in a state of generally full employment, the redundancy problem is not especially serious. However, labor mobility among the less skilled is not exceptionally high and unemployment can easily exceed socially-desirable levels. In view of these possibilities, the loss of truck-driver employment could be a social cost with effects that should be more fully investigated. Likewise, the offsetting loss of employment among railroad workers in the case truckers share to a greater extent in the total traffic after sizes and weights limits revision, while perhaps of less significant magnitude due to the more captial-intensive nature of the railroad industry, can definitely be identified as an additional social cost possibility that should be studied. In all of this, however, the requirements of social and productive efficiency over the long run must be given major emphasis.

Another social cost effect arises if, as responsible U. S. Senators have suggested, the introduction of larger and heavier vehicles that transport greater payloads results in reduced levels of service to small communities.[106] The evidence in cases before the ICC indicate a desire by large truckers to by-pass the small communities because full loads of freight are not forthcoming.[107] The introduction of longer vehicles could offset this desire by allowing operators to use triple 27-foot (or shorter) trailers that could be spotted in a small town or with a low-volume shipper and later picked up and added to a truck-train.[108] However, there is no conclusive evidence at this time to enable estimates of the offset triples operations might provide to the social costs of slower and more expensive freight carriage for small communities and shippers.

Air and noise pollution are other very important social costs of large and heavy motor vehicles. These fall on almost everyone, but particularly on persons in their role as highway users and on those who reside, work, or pass near highways frequented by heavy commercial traffic. On one California grade, competent researchers measured the noise level produced by trucks. They noted this result: "Trucks scored between 85 and 105 on our PNdb scale (perceived noise level), actually overlapping the noise level of jet aircraft, which ranged between 104 and 114 PNdb." [109] The State of New York and several U.S. cities attempt to regulate the permissible noise levels of trucks. Unquestionably, audio pollution by trucks exists and is very obnoxious to those who must reside or work within range of vehicle noises. With the larger-size trucks and combinations and even more powerful engines likely to be permitted on the roads and streets of the U.S. if the proposed size and weight limits are authorized, the noise level from large motor vehicles could rise. Unforunately, it has not proven possible to go beyond identification of this social-cost problem, as no data or competent studies appear available. Interestingly, the noise issue was not even raised in the Hearings on S. 2658, but this may be attributable to the fact that few ordinary people could afford to go to Washington, D.C., to testify and to the apparent lack of effort by the Subcommittee to draw forth testimony on that important subject.

Greater air pollution by trucks having larger and more powerful engines is also a definite possibility. While little national or state attention has been given to the problem in recent years air pollution from motor vehicles has begun to be given greater emphasis and some regulations have been forthcoming. Limitations on air pollutant emissions have been issued for new vehicles by the Federal Department of Health, Education and Welfare, to being with the 1970 model year.[110] Larger trucks may find these standards difficult and rather costly to meet. However, it is interesting to note that diesel-powered vehicles, the ones most likely to utilize size and weight increases, are less pollutant than are gasoline-powered ones. In this connection, a recent Congressional report found as follows:

"The increasing emphasis of the deleterious effects of the 'invisible' emissions of gasoline engines probably tends to intensify public opinion against the noticeable diesel emissions. Largely because the overall fuel combustion is more complete in diesel engines and there are fewer diesel engines and there are fewer diesels in use compared to gasoline powered vehicle, diesel exhaust products are not considered of prime importance. However, diesel smoke and odors are undeniably a nuisance and are certainly capable of producing human discomfort." [111]

Air pollution by larger and heavier vehicles is another social cost effect that should be further investigated. At the moment, there are so few data available that measure-

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Footnotes at end of article.

ment of these social costs is not practicable, although the cost of equipment and motor devices to lessen air pollution could be estimated. Apparently there is very little interest in this problem among the legislative bodies responsible for setting size and weight standards. Given the dreadful air pollution problems of the cities and the immensely significant contribution that motor vehicles make to those problems, this is highly unfortunate.

Summary

While the gains to motor vehicle operators of size and weight increases were found to be quite large in the previous chapter, the possible costs are likely to be immense. The best estimate of the costs of lost capital life of pavements and structures and increased maintenance and resurfacing of the highway system has been established at $382 million per year. In addition to this large sum, numerous social costs have been identified and some have been measured, at least in rough terms. A direct quantification of the cost to society through utilizing a high-cost transport mode in place of a low-cost carrier was found to involve a loss of $57.4 million per year. Of the social costs as measured by the public cost expenditures required to nullify adverse effects, from $60 million to $300 million annually were found to be attributable to width increases. Another $580 million yearly was estimated as the cost of nullifying accident and other social cost effects. In total, then, the social costs which could be measured have been estimated to amount to somewhere between $697 million and $937 million annually. The total annual costs of increased sizes and weights could therefore lie in the order of from $1,080 to $1,320 million per year, at least for the first decade after initiation of a higher level of sizes and weights.

In addition, the social costs, felt by almost all citizens, of the higher noise and air pollution levels contributed by large and heavy motor vehicles, often along with the lighter vehicles, are enormous. Additional expenditures for nullification of some social costs might be assessed against the motor vehicles requiring the highway features needed to permit passenger car and light vehicle operations to continue at no increase in accident hazard and no decrease in travel enjoyment from current levels. However, no consideration could be given in the estimates given above to the burdensome effects on those millions who are affected adversely by noise and air pollution. This is truly one of the great problems of modern urban society, and the contribution of large and heavy motor vehicles to this problem should receive far greater research effort and social action in the future.

FOOTNOTES

[1] U.S., Congress, House, *First Progress Report of the Highway Cost Allocation Study*, H. Doc. 106, 85th Cong., 1st sess., 1957, p. 66. See also a report of the French Highway and Road Traffic Authority which concluded: ". . . road wear, for the most part—at least 95 per cent—is caused by the passage of very heavy vehicles . . ." *New York Journal of Commerce*, May 31, 1968, pp. 1, 22.

[2] For a description of the engineering aspects of concrete pavements see Leo J. Ritter, Jr., and Radnor J. Paquette, *Highway Engineering* (3d ed.; New York: The Ronald Press Company, 1967), pp. 659–719.

[3] Ritter and Paquette, pp. 455–84 and 600–58.

[4] The analysis of carrier benefits presented in Chapter V was made in terms of 36,000-lb. tandem axles. S. 2658, as originally introduced, would have allowed tandems of that weight. However, the Senate Committee on Public Works reduced the tandem-axle proposal to 34,000 lbs.; S. 2658 was passed by the Senate in that form (and with a revised gross-weight table). At the time of writing this thesis, the House had not yet begun action on the companion bill, H.R. 14474. The analysis in Chapter VI will proceed in terms both of a 34,000-lb. axle weight (as affecting highway pavements) and higher gross weights than the currently allowable 73,280 lbs. for the Interstate System (as affecting bridges and safety conditions). There is no conflict between the tandem-axle weight values analyzed in Chapters V and VI, because 80,000- to 100,000-lb. gross weights can be legally obtained under the provisions of S. 2658 no matter which tandem-axle weight, 34,000 lbs. or 36,000 lbs., is permitted, and because the relative influence on the carrier economies of vehicle size and weight as obtained via increased gross and high axle loadings versus increased gross with more axles (for the same weight allowance) is yet to be determined and likely to be similar. As the BPR has explained:

"Any differential in the cost of hauling a gross load of, say, 80,000 pounds, on five axles as compared to hauling the same gross load on six axles, remains to be discovered, but research has established the differential operating cost between hauling increments of gross weight without regard to the number of axles. Any difference in the results reached by the two approaches would most likely be insignificant with respect to the indicated economy of axle weight in the total transportation cost."

H. Doc. 354, p. 158.

[5] *Ibid.*, p. 85.

[6] *Ibid.*

[7] *Ibid.*, p. 87. Of course, if stabilized shoulders are used by vehicles that cannot keep in the proper traffic lanes, costs of using the shoulders as passage-ways can be incurred, as described above. These costs would be the responsibility of the wider commercial motor vehicles.

[8] The HRB, which finds 12-ft. lanes ideal with present vehicle sizes, quantified the relative highway capacity under uninterrupted flow conditions with narrower lanes as follows:

Lane width (feet)	Capacity as percent of 12-ft. lane capacity	
	2-lane roads	Multilane roads
11	88	97
10	81	91
9	76	81

The HRB adds: "Although the table shows only the effects of narrower lanes on capacity, such restricted lanes also adversely affect driver comfort and increase potential hazard."

Reduced capacity results because: "On a two-lane highway, a vehicle performing a passing maneuver occupies the lane normally used by traffic traveling in the opposite direction for a longer period when the lanes are narrow than when they are wide, in effect occupying two lanes rather than one at such times." See Highway Research Board, *Highway Capacity Manual, 1965*, Highway Research Board Special Report 87 (Washington, D.C.: National Academy of Sciences—National Research Council, 1965), pp. 88–89.

[9] A wider vehicle will also offtrack more than a narrower one, but only to the extent of the greater width. A 102-in. vehicle will offtrack 6 ins. more than a 96-in. vehicle. See Hoy Stevens, Samuel C. Tignor, and James F. Lojacono, "Offtracking Calculations For Trailer Combinations," *Public Roads, A Journal of Highway Research*, XXXIV, No. 4 (October, 1966), 89.

[10] H. Doc. 354, p. 99.

[11] *Ibid.*

[12] Carl C. Saal and William F. Petring, "At What Point Does High Horsepower Cease To Be Practical in Transport Operations?" (paper presented at National West Coast Meeting, Society of Automotive Engineers, Portland, Ore., August, 1961).

[13] H. Doc. 354, p. 73.

[14] *Ibid.*

[15] Eventually, depending on the composition and direction of traffic flow, all vehicles will be forced to travel at the speed of the slowest; and as the speed falls to the level of the slowest truck, fewer vehicles can be accommodated on the highways (so long as that speed is less than the theoretical optimum—approximately 35 m.p.h.).

[16] Studies have shown that speed differentials are highly important concomitants of accident involvement. See H. Doc. 354, p. 76.

[17] Such combinations operating at low speeds will prevent the utilization of far more road capacity on grades than on straight-of-ways. In fact, the HRB uses a generalized passenger car equivalency factor for all trucks operating in mountainous terrain of from 7 to 12, depending on the desired level of service. The factor on level terrain is only 2 to 3. The factor pertaining to the maximum-sized vehicle permitted under the limits contained in S. 2658 would unquestionably be far greater. See Highway Research Board, *Highway Capacity Manual, 1965*, p. 304.

[18] H. Doc. 354, pp. 66–67.

[19] Ibid., p. 72.

[20] Ibid., p. 5.

[21] *Brakes, Brake Balance and GVW*, Panel discussion presented at the TTMA's 25th Annual Convention, Hollywood Beach Hotel, Hollywood, Fla., March 28, 1966 (Washington, D.C.: Truck Trailer Manufacturers Association, n.d.), pp. 35, 38. (Multilithed.)

[22] For an example see letter from T. D. Sherrard, Coordinator of Longer Combination Braking Demonstrations, Western Highway Institute, Utica, Mich., to Sizes and Weights-Equipment Committee on Longer Combinations Project Steering Committee, July 19, 1967. A greater number of axles can absorb more kinetic energy and thereby enable quicker stops, given constant GVW. Modification includes installation of devices that would apply brakes on rear trailing units of combinations before applying brakes on the motive unit. For examples and discussion of brake improvement, see R. D. Lister, *Some Problems of Emergency Braking in Road Vehicles*, Paper presented at the Symposium on Control of Vehicles during Braking and Cornering, in London on Tuesday, 11th June 1963, held in collaboration with the Road Research Laboratory, D.S.I.R. (London: The Institute of Mechanical Engineers, 1964), and "Truck Anti-Skid System Announced," *Western Trucking—Motor Transportation*, XLVI, No. 8 (August, 1967), 59.

[23] Hearings on S. 2658, p. 145.

[24] Michael C. Kaye, "Computed Traction Comparisons of Various Heavy Duty Standard and Longer Length Truck-Tractor and Semi-Trailer Combinations, An Exercise for the Power & Traction Subcommittee of the Western Highway Institute Longer Combination Project Steering Committee" (Western Highway Institute, San Francisco, Calif., January, 1967), p. 2. (Xeroxed.)

[25] As one authority has stated: "It is evident, also, that still further increases in legal size and weight limits would be a mandate requiring engineers to design highways to higher standards for the future." Burton N. Behling, *Highway Costs . . . and who should pay them* (Washington, D.C.: Association of American Railroads, 1956), p. 33. See also pp. 8, 20–22.

[26] This is not to imply that all highway improvements are designed solely for the benefit, or at the demand, of commercial vehicle operators. Private motorists also demand improved roads, even where traffic congestion remains minimal. But certain improvements, most visibly including truck lanes on grades, are traceable solely to the needs of heavy traffic. Most highway users do not require or necessitate passing lanes or turnouts; such

special constructions are provided only to minimize the effects of slow trucks. These were also conclusions of the incremental cost solution of the Highway Cost Allocation study. See H. Doc. 124, pp. 91–92.

[27] In the deck type of bridge the roadway is above the supporting superstructure; in the less-common through type of bridge the roadway passes between the elements of the superstructure. See Ritter and Paquette, p. 288.

[28] For a listing of 22 major bridge failures that have taken place in the past 25 years, excluding the recent Point Pleasant, W. Va. failure, see U.S., Congress, Senate, Subcommittee on Roads of the Committee on Public Works, *Bridge Inspection, Maintenance, and Design,* Hearings before the Subcommittee on Roads of the Committee on Public Works, Senate, on Status of the Inspection, Maintenance, and Design of Bridges in the United States, 90th Cong., 2d sess., 1968, p. 3. Hereinafter referred to as Hearings on Bridges. Some 150 bridge structures with spans exceeding 20 ft. fail yearly in the U.S. However, the number of these failures due to the action of heavy trucks is unknown. *Ibid.*, p. 22.

[29] H. Doc. 354, p. 63.

[29a] *Ibid.*, p. 144.

[30] *Ibid.*, p. 139. For one example of an industry quotation of this BPR statement, from which the conclusion was drawn that ". . . increased axle loads will not appreciably accelerate reconstruction or maintenance problems beyond those already existing or which are not going to occur anyway even with no increase in axle weights." See Thurman D. Sherrard, "Truck Sizes and Weights: Increased Axle Loads Are Practical," *Go, Transport Times of the West*, XXVI, No. 12 (December, 1966), 17.

[31] And careful maintenance is by no means common. For one engineer's description of the lack of adequate and essential bridge inspection and maintenance, see Hearings on Bridges, pp. 95–124, especially pp. 98–99, 106–10, and 122.

[32] Hearings on S. 2658, p. 315.

[33] H. Doc. 354, p. 147.

[34] Hearings on Bridges, p. 115.

[35] It is instructive to quote the following exchange from the 1968 Senate Bridge Hearings to point out the danger to narrow structures from vehicle collision (as separate from the danger to vehicles). Senator Baker of the Roads Subcommittee questioned an engineer and partner in a consulting firm specializing in bridge design as follows:

"[Senator BAKER.] What other factors might directly affect the safety and expected lifespan of a bridge structure?

"Mr. MASTERS. One fact that has been overlooked and that no one, I believe, has touched on to date is the proposed increase in the width of vehicles using the structures. There are a number of structures in use on the Federal-aid primary system with 10-foot lanes, some even slightly narrower, where presently there are many impacts between moving vehicles and members of the bridge every year.

"Senator BAKER. You are talking about a physical collision between a vehicle and one of the structural members of the bridge?

"Mr. MASTERS. Yes; if they hit the right member hard enough, they can take a bridge down. Any number of truss bridges can collapse from this kind of impact. As vehicles get wider and harder to contain in their lane of travel, the more impacts are going to occur."

Ibid., p. 114.

[36] H. Doc. 354, p. 160.

[37] U.S., Congress, House, *First Progress Report of the Highway Cost Allocation Study,* p. 76.

[38] For a description of maintenance operations see Ritter and Paquette, pp. 720–55, or Robert G. Hennes and Martin I. Ekse, *Fundamentals of Transportation Engineering* (New York: McGraw-Hill Book Company, Inc., 1955), pp. 162–66.

[39] H. Doc. 124, pp. 179–83.

[40] Mileage data from U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, *Highway Statistics, 1966* (Washington, D.C.: Government Printing Office, 1968), pp. 137, 142, 145. The state rural primary system encompasses the rural Federal-aid primary system and an additional 200,000 miles of high-level state roads.

[41] U.S., Congress, House, Committee on Public Roads, *1968 National Highway Needs Report,* Committee on Public Works, Committee Print 90–22, 90th Cong., 2d sess., 1968, p. 46.

[42] The estimated extra costs, by highway type, were obtained from H. Doc. 354, pp. 162–66.

[43] About 26% of the total U.S. road and street system expansion from 1965 to 1966 of 8,284 miles. See U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, *Highway Statistics, 1965,* p. 142, and *idem, Highway Statistics, 1966,* p. 142.

[44] In 1964, 349.4 miles of the Interstate System in 26 sampled states were composed of 5-or-more-lane highways. See U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, *Interstate System, Traveled-Way Study, Report 1—Preliminary Analysis,* by H. L. Bishop (Washington, D.C.: Government Printing Office, November, 1967), pp. 14–15.

[45] For the marginal cost factors, see H. Doc. 354, pp. 162–66. Although this thesis has adopted the estimates of increased construction and structure costs of the Bureau of Public Roads as supplied in the above document, it should be noted that other authorities do not agree. For example, the Virginia state highway commissioner has found the following:

"A careful review of our design standards and designs for the pavements on our various systems indicates that to design for these additional weight limits [the limits of S. 2658] would result in an average of 15 per cent increase in our paving cost to provide structural adequacy. If this had been applied during the year of 1967, our new pavement construction cost would have increased by approximately $5,000,000 and would continue to increase in future years." See Hearings on S. 2658, p. 259.

[46] The incremental maintenance cost responsibility attributable to the very heaviest currently-allowable 4- and 5-axle combinations was averaged for the three 60,000-lb.-and-over classes, in relation to the average maintenance expenditures induced by 4- and 5-axle combinations. See H. Doc. 124, pp. 200–01, for the data.

[47] See Table 24, *supra*, p. 231.

[48] The estimate of $178,946,000 was derived as follows: H. Doc. 354 presents the incremental pavement, base, and shoulder cost of producing highway facilities for 20,000- and 36,000-lb. axle-loadings as opposed to loadings of 18,000- and 32,000-lbs. See H. Doc. 354, pp. 162–66. These cost figures are calculated for various ADT's. From U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, *Highway Statistics, 1966*, p. 179, it can be determined that some 65% of the incremental cost of pavements, bases, and shoulders constructed on the rural primary-aid system is attributable to pavement construction. Applying 65% of the incremental cost to the rural state primary system mileage of the 29 states listed in Table 27 produces the total incremental costs of $178.9 million. Roads with ADT's of under 400 were not included in the calculations.

[49] Derived from an AASHO-BPR survey in 38 states and D.C. undertaken in 1962. See H. Doc. 354, pp. 122–23, for the results.

[50] For example, in Year 4 after a hypothetical increase in axle-weight limits to 20,000- and 35,000-lbs. for use on the state rural primary systems in the 29 states listed in Table 27 the extra costs would total $32,205,000. This figure is found by adding the $26,441,000 total of the column headed Year 4 in Table 27 to the following amounts found in the column headed Year 1 in that Table: $747,000 for Idaho; $3,196,000 for Ill.; $797,000 for N.D.; and $1,024,000 for W. Va. Those states estimate their primary systems encounter very rapid wear. See Table 27, *supra,* pp. 288–89.

[51] This calculation assumes higher weights would be made legal for (or such travel limited to) the state rural primary system. The annual costs can be calculated for any state separately from Tables 27 and 29.

[52] H. Doc. 354, p. 124–125. The mileage chosen by the BPR does generally include the state primary system (not just the Federal-aid primary system) but excludes the state secondary system and city streets. See *Ibid.*, 120.

[53] *Ibid.*, pp. 126–127.

[54] Hearings on S. 2658, p. 204.

[55] *Ibid.*, p. 305 .

[56] Thereafter, the annual incremental costs related to pavements would approximate $40 million. These would be composed of extra costs for minor maintenance and for constructing new highway pavement to greater standards ($8 million annually) and extra costs for resurfacing to higher standards ($32 million). The highways may be assumed to wear out no more rapidly than at present.

[57] It is dangerous for H15 bridges to be overstressed beyond design loads to such an extent; the danger is even more evident for bridges designed to lesser standards (such as H10) and more dangerous when bridges are not well maintained, such as on minor rural roads.

[58] Hearings on Bridges, p. 90.

[59] Hearings on S. 2658, p. 259.

[60] These average costs are derived by dividing the number of bridge structures on the Virginia state primary system (1,068 of H15 capacity and under and 362 of H20 capacity) into the costs of replacement and strengthening as given by the Virginia highway commissioner. See *ibid.*; thus, $136,000,000 divided by 1,068 equals $127,340; $15,000,000 divided by 362 equals $41,436.

[61] Hearings on S. 2658, p. 229.

[62] *Ibid.*

[63] *Ibid.*

[64] Numbers of bridges of various types calculated from Hearings on Bridges, pp. 86–87. Ind. and Tex. figures not available and not included in totals. Ky. figures available but excluded from totals by author because of an apparent misprint.

[65] Perhaps few issues concerning the application of benefit-cost techniques to public investment projects are more difficult to resolve than the determination of the discount rate. No one rate is necessarily applicable to all projects; numerous bases and rates have been used and proposed. The bases range from the current Treasury rate to the opportunity cost of capital as measured by the rate of return before taxes in manufacturing industries. The rates, as found by a 1968 survey with replies from 10 agencies, range from 0 to 15%. See U.S., Congress, Subcommittee on Economy in Government of the Joint Economic Committee, *Interest Rate Guidelines for Federal Decisionmaking,* Hearings before the Subcommittee on Economy in Government of the Joint Economic Committee, Congress, 90th Cong., 2d sess., 1968, pp. 54–55. In this thesis, 6½% was chosen as a reasonably conservative approximation to the government cost of borrowed funds, as described in *ibid.*, pp. 60–63.

[66] The total Federal user-tax revenues in 1965 were only $3.8 billion. See U.S., Department of Transportation, Federal Highway Administration, Bureau of Public Roads, *Highway Statistics, 1966*, p. 122. The annual

bridge costs calculated above were found using the following formula:

$$R=P\frac{i}{1-(1+i)-n}, \text{ where } P=$$

principal, i=interest rate, and R=annual payment.

[67] See *supra*, p. 274, for estimates of early bridge replacement related to heavy axle loadings. For example, an H15 bridge on roads of 5,000 ADT has a reduction in life expectancy of 16 years under 20,000- and 36,000-lb. loadings compared with 18,000- and 32,000-lbs.

[68] The $225 million is made up of $31 million for extra resurfacing and $194 million for capital loss. See p. 299, *supra*.

[69] See n. 56, p. 298, *supra*.

[70] In fact, the annual costs over the first decade would be more than four times as great ($1,632 million) using the bridge cost estimate involving early replacement necessitated for the entire U.S. highway network.

[71] For another thing, the total may not include all necessary public costs of larger and heavier vehicle operations. For example, the BPR has suggested taht heavier vehicles with more powerful engines may necessitate more expensive ventilating systems for tunnels. See H. Doc. 354, p. 26. The author has been unable to estimate the extra costs of greater-capacity ventilating systems.

[72] H. Doc. 354, p. 170.

[73] The general economic test for a gain in social welfare is that those who profit from an economic exchange must be able to compensate those who lose in any form, while still retaining a net benefit. In a desirable economic exchange, gainers "over-compensate" losers.

[74] E. J. Mishan, "A Survey of Welfare Economies, 1939–59," in *Money, Interest, and Welfare,* Surveys of Economic Theory, Vol. I (London: Macmillan and Company Limited, 1965; Toronto: The Macmillan Company of Canada Limited; New York: St Martin's Press Inc, 1965) pp. 211–12.

[75] The percentage cost reduction under the limits of S. 2658 would approximate 1.3%. See *supra*, p. 247. Given railway ton-mileage in 1967 of 719.4 billion, the loss would be .013 (719.4) = 9.3522 billion ton-miles. However, only the higher-rated and short- or medium-haul traffic would be subject to marked diversion. Therefore, the loss might be only about one-half the above figure, or approximately 4.7 billion ton-miles. This estimate is probably on the low side. For 1967 ton-mile figures, see *Yearbook of Railroad Facts, 1968 Edition* (Washington, D.C.: Association of American Railroads, April, 1968), p. 41.

[76] For the best discussion of the relative economic costs of rail versus motor freight transport—the relative real resource costs—see Nelson, *Railroad Transportation and Public Policy,* pp. 171–86.

[77] See Meyer, *et al.*, p. 152. These figures, for 60,000-lb. loads, most likely illustrate too low a difference for 1968 cost conditions. The marginal costs are based on 1952–1955 data. Since that period, rail unit costs have risen little, if at all, in comparison to truck unit costs which have increased greatly.

[78] Highway Research Board, *Highway Capacity Manual, 1965,* pp. 89–90.

[79] *Ibid.*, p. 90.

[80] *The State of the Art of Traffic Safety, A Critical Review and Analysis of the Technical Information on Factors Affecting Traffic Safety* (n.p.: Arthur D. Little, Inc., for the Automobile Manufacturers Association, Inc., June, 1966), p. 135. For reports of these studies see D. M. Belmont, "Effects of Shoulder Width on Accidents on Two-Lane Tangents," in *Highway Accidents and Related Factors,* Highway Research Board Bulletin 91 (Washington, D.C.: National Academy of Sciences—National Research Council, 1954), D. M. Belmont, "Accidents Versus Width of Paved Shoulders on California Two-Lane Tangents—1951 and 1952," in *Statistical Analysis of Highway Accidents,* Highway Research Board Bulletin 117 (Washington, D.C.: National Academy of Sciences—National Research Council, 1956), and *A Symposium on Highway Shoulders,* Highway Research Board Bulletin 151 (Washington, D.C.: National Academy of Sciences—National Research Council, 1957.

[81] *The State of the Art of Traffic Safety, A Critical Review and Analysis of the Technical Information on Factors Affecting Traffic Safety,* p. 143.

[82] *Ibid.*

[83] *Ibid.*

[84] H. Doc. 124, p. viii.

[85] Cities Investment to Improve Safety on Existing Highways," Department of Transportation News, a press release (Department of Transportation, Federal Highway Administration, Washington, D.C., March 15, 1968). (Mimeographed.)

[86] U.S., Congress, House Subcommittee on Roads of the Committee on Public Works, *1965 Interstate Cost Estimate, Highway Need Study and Emergency Flood Highway Relief,* Hearings before the Subcommittee on Roads of the Committee on Public Works, House of Representatives, 89th Cong., 1st sess., 1965, pp. 23–24.

[87] Personal letter from Francis S. Lorenz, Director, Department of Public Works and Buildings, State of Illinois, Springfield, Ill., January 25, 1968.

[88] See Table 32, *infra*, p. 390.

[89] U.S., Congress, House, Subcommittee on Roads of the Committee on Public Works, *1965 Interstate Cost Estimate, Highway Need Study and Emergency Flood Highway Relief,* pp. 23, 53.

[90] H. Doc. 124, pp. 68–69.

[91] H. Doc. 354, p. 77.

[92] James F. McCarthy, "The Economic Cost of Traffic Accidents in Relation to the Vehicle," *Public Roads, A Journal of Highway Research,* XXXI, No. 2 (June, 1960), 46.

[93] Hearings on S. 2658, pp. 164, 173, 256–58.

[94] Lowell K. Bridwell, "Remarks by Lowell K. Bridwell, Federal Highway Administrator, Before the Annual Meeting of the Private Truck Council, St. Louis, Missouri, March 26, 1968," Department of Transportation News, a press release (Department of Transportation, Federal Highway Administration, Washington, D.C., March 26, 1968), p. 2. (Mimeographed.)

[95] "Results of Three Test Runs with an Experimental Highway Freight Combination" [San Francisco, Calif., Western Highway Institute, 1966.] (Multilithed.)

[96] *Ibid.*, exhibit V, p. 1.

[97] John Versace, "Factor Analysis of Roadway and Accident Data," in *Highway Accident Studies,* Highway Research Board Bulletin 240 (Washington, D.C.: National Academy of Sciences—National Research Council, 1960), p. 29.

[98] Richard M. Michaels, "Driver Tension Responses Generated on Urban Streets," *Public Roads, A Journal of Highway Research,* XXXI No. 3 (August, 1960), 57.

[99] The conclusion of the Senate Public Works Committee, in recommending enactment of S. 2658, was:

"Evidence presented to the committee with regard to highway safety did not demonstrate a meaningful relationship between the sizes and weights under consideration and the incidence of traffic accidents. There is, however, a relationship between the physical capabilities of large vehicles and highway safety involving such matters as horsepower-weight ratio, braking capacity, and linkage and coupling devices."

U.S., Congress, Senate, Committee on Public Works, *Vehicle Weights and Dimensions,* S. Rept. 1026 To Accompany S. 2658, 90th Cong., 2d sess., 1968, p. 3. It can be argued, however, that the complete evidence was not presented before the committee, and that the relationship between vehicle capabilities and safety does imply a meaningful function between accident hazards and vehicle dimensions and weights.

[100] See *ibid.*, p. 13, and H. Doc. 354, pp. 5, 80.

[101] See Saal and Fetring, pp. 2, 4. It is the opinion of the Senate Public Works Committee that DOT already has authority to set performance standards through the National Traffic and Motor Vehicle Safety Act of 1966. See U.S., Congress, Senate, Committee on Public Works, *Vehicle Weights and Dimensions,* pp. 3–4.

[102] John Foland, "The Truck Line," *Western Trucking—Motor Transportation,* XLIV, No. 12 (December, 1965), 12.

[103] Highway Research Board, *Highway Capacity Manual, 1965,* p. 21.

[104] *Ibid.*, p. 134.

[105] See H. Doc. 124, pp. 68–69.

[106] See the earlier discussion on this topic concerning the 1968 Senate Hearings on S. 2658, *supra*, pp. 102–03.

[107] See n. 25, *supra*, p. 103.

[108] See n. 113, *supra*, pp. 151–52.

[109] "Loud Trucks Must Stop the Music," *Western Trucking—Motor Transportation,* XLVI, No. 1 (January, 1967), 36.

[110] "Tougher Vehicle Air Pollution Regulations, Issued by U.S., Effective with '70 Models," *Wall Street Journal,* June 4, 1968, p. 2.

[111] U.S., Congress, Senate, *Automotive Air Pollution, A Report of the Secretary of Health, Education, and Welfare,* S. Doc. 7, 89th Cong., 1st sess., 1965, p. 17.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CUNNINGHAM (at the request of GERALD R. FORD), July 24, and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WAGGONNER, for 60 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. O'HARA of Illinois (at the request of Mr. BOLLING), for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. VANIK, today for 10 minutes; and to revise and extend his remarks and to include extraneous matter.

Mr. POLLOCK (at the request of Mr. SCHWENGEL), for 15 minutes, today.

(The following Members (at the request of Mr. WAGGONNER) to revise and extend their remarks and include extraneous matter:)

Mr. RYAN, for 10 minutes, today.

Mr. STAGGERS, for 10 minutes, today.

Mr. COHELAN, for 10 minutes, today.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CAREY to include extraneous matter in his remarks made today on H.R. 15067.

(The following Members (at the request of Mr. SCHWENGEL) and to include extraneous matter:)

Mr. RHODES of Arizona in three instances.

Mr. GROVER.

Mr. KLEPPE.

Mr. HARVEY.

Mr. CURTIS.

Mr. WYMAN in two instances.

Mr. REIFEL.

Mr. SCHERLE.

Mr. ESHLEMAN in two instances.

Mr. GOODLING.

Mr. ASHBROOK in two instances.

Mrs. REID of Illinois.

Mrs. BOLTON.

Mr. BRAY in two instances.

Mr. GOODELL.

Mr. WYATT.

Mr. WINN.

Mr. AYRES.

Mr. BLACKBURN.

Mr. BATTIN.

Mr. McCLURE in two instances.

Mr. DERWINSKI.

(The following Members (at the request of Mr. WAGGONNER) and to include extraneous material:)

Mr. ROONEY of New York in two instances.

Mr. GALLAGHER.

Mr. CAREY in three instances.

Mrs. KELLY.

Mr. RESNICK.

Mr. OTTINGER.

Mr. EILBERG in three instances.

Mr. FLOOD.

Mr. HOWARD.

Mr. BRASCO.

Mrs. GRIFFITHS.

Mr. CHARLES H. WILSON in two instances.

Mr. FRASER in three instances.

Mr. DINGELL.

Mr. NIX.

Mr. ANNUNZIO.

Mr. RONAN.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. PODELL.

Mr. ROSENTHAL in three instances.

Mr. ROGERS of Florida in five instances.

Mr. FASCELL.

Mr. FRIEDEL.

Mr. MADDEN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3133. An act to extend for 2 years the authority for more flexible regulation of maximum rates of interest or dividends, higher reserve requirements, and open market operations in agency issues: To the Committee on Banking and Currency.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 1224. An act to establish a register of blind persons in the District of Columbia, to provide for the mandatory reporting of information concerning such persons, and for other purposes;

S. 1228. An act to authorize project grants and loans for construction and modernization of hospitals and other medical facilities in the District of Columbia; and

S.J. Res. 93. Joint resolution to designate the National Center for Biomedical Communications the Lister Hill National Center for Biomedical Communications.

ADJOURNMENT

Mr. WAGGONNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 2 minutes p.m.) the House adjourned until tomorrow, Friday, July 26, 1968, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2087. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 3, 1968, submitting a report, together with accompanying papers and illustrations, on an interim survey of Wild Rice River, Minn., in partial response to resolutions of the Committees on Public Works, U.S. Senate, adopted June 15, 1950, and House of Representatives, adopted June 27 and July 19, 1950 (H. Doc. No. 366); to the Committee on Public Works and ordered to be printed with illustrations.

2088. A letter from the Assistant to the Commissioner of the government of the District of Columbia, transmitting a draft of proposed legislation to authorize the issuance of inspection warrants to inspectors of the government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

2089. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal pursuant to 57 Stat. 380, 59 Stat. 434, and 63 Stat. 377; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 551. A bill to authorize the establishment of the Biscayne National Monument in the State of Florida, and for other purposes; with amendment (Rept. No. 1789). Referred to the Committee on the Whole House on the State of the Union.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 4530. A bill to amend the act of December 22, 1928, relating to the issuance of patents for lands held under color of title, to liberalize the requirements for the conveyance of the mineral estate, and for other purposes; with amendment (Rept. No. 1790). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 13797. A bill to authorize the sale of certain public lands; with amendment (Rept. No. 1791). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. House Joint Resolution 1371. Joint resolution to provide that it be the sense of Congress that a White House Conference on Aging be called by the President of the United States in 1971, to be planned and conducted by the Secretary of Health, Education, and Welfare, and for related purposes; with amendment (Rept. No. 1792). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 18763. A bill to authorize preschool and early education programs for handicapped children (Rept. No. 1793). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee of conference. H.R. 16913. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes (Rept. No. 1794). Ordered to be printed.

Mr. STAGGERS: Committee of conference. S. 1166. An act to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes (Rept. No. 1795). Ordered to be printed.

Mr. DAWSON: Committee on Government Operations. H.R. 18040. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the rendering of direct assistance to and performance of special services for the inaugural committee (Rept. No. 1796). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. S. 2060. An act to amend section 503(f) of the Federal Property and Administrative Services Act of 1949 to extend for a period of 5 years the authorization to make appropriations for allocations and grants for the collection and publication of documentary sources significant to the history of the United States (Rept. No. 1797). Referred to the Committee of the Whole House on the State of the Union.

Mr. NIX: Mexico-United States Interparliamentary Group. Report of the Eighth Conference of the Mexico-United States Interparliamentary Group (Rept. No. 1798). Referred to the Committee of the Whole House on the State of the Union.

Mr. FALLON: Committee of conference. S. 3418. A bill to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purpose (Rept. No. 1799). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 18935. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 18936. A bill to amend the Internal Revenue Code of 1954 to restore the provisions permitting the deduction, without regard to the 3- and 1-percent floors, of medical expenses incurred for the care of individuals 65 years of age and over; to the Committee on Ways and Means.

H.R. 18937. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. DORN:

H.R. 18938. A bill to provide for the employment of necessary employees in the Postal Establishment; to the Committee on Post Office and Civil Service.

By Mr. FASCELL:

H.R. 18939. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. KING of California:

H.R. 18940. A bill to amend title XVIII of the Social Security Act to include payment under part A thereof for the costs of services needed for the treatment of any dental condition or affliction; to the Committee on Ways and Means.

By Mr. MATHIAS of Maryland:

H.R. 18941. A bill to require congressional approval before a license may be granted for the construction of any facility for the commercial generation of electricity from nuclear energy; to the Joint Committee on Atomic Energy.

By Mr. MILLS:

H.R. 18942. A bill relating to the income tax treatment of certain statutory mergers of corporations; to the Committee on Ways and Means.

By Mr. REINECKE:

H.R. 18943. A bill to clarify the relationship of interests of the United States and of the States in the use of the waters of certain streams; to the Committee on Interior and Insular Affairs.

By Mr. RYAN:

H.R. 18944. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. SHIPLEY:

H.R. 18945. A bill to require congressional approval before a license may be granted for the construction of any facility for the commercial generation of electricity from nuclear energy; to the Joint Committee on Atomic Energy.

By Mr. SKUBITZ:

H.R. 18946. A bill to require congressional approval before a license may be granted for the construction of any facility for the commercial generation of electricity from nuclear energy; to the Joint Committee on Atomic Energy.

By Mr. TEAGUE of Texas (by request):

H.R. 18947. A bill to amend section 620 of title 38, United States Code, to authorize an extension of the 6-month limitation on the furnishing of nursing home care in the case of veterans who pay a part of the cost of such care; to the Committee on Veterans' Affairs.

By Mr. ASHMORE:

H.R. 18948. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. BOLAND:

H.R. 18949. A bill to establish the quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN (for himself and Mr. Carey):

H.R. 18950. A bill to establish the quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. WOLFF (for himself, Mr. Anderson of Tennessee, Mr. Barrett, Mr. Boland, Mr. Feighan, Mr. Fino, Mr. Frelinghuysen, Mr. Gallagher, Mr. Giaimo, Mr. Gray, Mrs. Green of Oregon, Mrs. Hansen of Washington, Mr. Hechler of West Virginia, Mr. Holifield, Mr. Horton, Mr. Karth, Mr. Moss, Mr. O'Neill of Massachusetts, Mr. Pucinski, Mr. Sisk, Mr. Staggers, Mr. Stratton, Mrs. Sullivan, Mr. Widnall, and Mr. Zablocki):

H.R. 18951. A bill to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUDEBUSH (for himself, Mr. Bray, and Mr. Zion):

H.R. 18952. A bill to establish the quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. McCLURE:

H.J. Res. 1419. Joint resolution to direct the Federal Communications Commission to conduct a comprehensive study and investigation of the effects of the display of violence in television programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. Con. Res. 802. Concurrent resolution providing for a study of railroad passenger service; to the Committee on Interstate and Foreign Commerce

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 18953. A bill for the relief of Elsa Dowden; to the Committee on the Judiciary.

By Mr. BARRETT:

H.R. 18954. A bill for the relief of Capt. Melvin A. Kaye; to the Committee on the Judiciary.

By Mr. BRASCO:

H.R. 18955. A bill for the relief of Michele Cafarelli; to the Committee on the Judiciary.

H.R. 18956. A bill for the relief of Giuseppe Purpura; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 18957. A bill for the relief of Kit Hung Yuen; to the Committee on the Judiciary.

H.R. 18958. A bill for the relief of Tsang May Yuen; to the Committee on the Judiciary:

By Mr. EDWARDS of Louisiana:

H.R. 18959. A bill to authorize the negotiated sale of vessels from the reserve fleet to Tidewater Marine Service, Inc., New Orleans, La.; to the Committee on Merchant Marine and Fisheries.

By Mr. FARBSTEIN:

H.R. 18960. A bill for the relief of Meriam Joseph; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 18961. A bill for the relief of Benedetto Pezzino; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H.R. 18962. A bill for the relief of Filomeno De Rosa; to the Committee on the Judiciary.

H.R. 18963. A bill for the relief of Edward Michael Murphy and Kathleen Doris Murphy; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 18964. A bill for the relief of Dr. Kuan Ping Chiu, and his wife, Dr. Isabel Uy Chiu; to the Committee on the Judiciary.

By Mr. HOWARD:

H.R. 18965. A bill for the relief of Antonio Adragna; to the Committee on the Judiciary.

H.R. 18966. A bill for the relief of Vincenzo Mannino; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 18967. A bill for the relief of Ludevitch Jager; to the Committee on the Judiciary.

H.R. 18968. A bill for the relief of Felicidade Maria Ovelheira; to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 18969. A bill for the relief of Pablo Aspilche Juandeaburre; to the Committee on the Judiciary.

By Mr. McCLOSKEY:

H.R. 18970. A bill for the relief of Mr. Andreino Simonetti; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 18971. A bill for the relief of Eduardo Monis de Melo; to the Committee on the Judiciary.

H.R. 18972. A bill for the relief of Manuel Tamaz Nogueira; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 18973. A bill for the relief of Estelita M. Balingcongan; to the Committee on the Judiciary.

H.R. 18974. A bill for the relief of Silvia Carbone; to the Committee on the Judiciary.

By Mr. UTT:

H.R. 18975. A bill for the relief of Il Sun Lovett; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

384. The SPEAKER presented a petition of Peter Ballo and others, Troy, Mich., relative to gun control legislation, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

PUERTO RICAN CONSTITUTION DAY, 1968

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. HOWARD. Mr. Speaker, 16 years ago today—July 25—Luis Muñoz Marín, one of the greatest statesmen ever developed under the American flag, proclaimed the coming of age of a people who had pulled themselves up to a dignity hitherto unattained anywhere in the Caribbean. They already had taken giant strides in transforming their island from "a stricken land" into a showcase for underdeveloped nations. Now, with Muñoz' proclamation of the birth of the Commonwealth of Puerto Rico, or, as our Latin cousins proudly call it, the "Associated Free State," Puerto Rico assumed a status unique in the history of American territorial government.

Under the new constitution, which went into effect on July 25, 1952, Puerto Rico became as autonomous in local affairs as any State on the mainland. And although the island still was not incorporated into the Union, its people enjoyed privileges never accorded the incorporated territories of Alaska and Hawaii: they continued to have the right, first granted them by the Congress of the United States in 1947, to elect their own Governor; and they were still exempt from paying Federal income taxes. At the same time, they continued, cheerfully, to bear the responsibilities of their U.S. citizenship, first acquired in 1917.

Sixty thousand Puerto Ricans, of whom 54,000 were volunteers, served in the American Armed Forces during the Korean conflict.

Patriotism, of course, has not been exclusive with the island's soldier sons, the Puerto Ricans as a people consistently have demonstrated a deep and abiding pride in their Americanism. I have been impressed by reports of visitors to the island that Puerto Rican taxi drivers—who, like their counterparts in the States, are omniscient—would be willing, almost to a man, to sacrifice the economic advantages that accrue from Commonwealth status if only they could be accorded the simple, and final, glory that statehood would endow.

Most qualified observers, however, hesitate to advocate any immediate change in the present system of government. Puerto Rico enjoys a prosperity, in terms of per capita income, that is unprecedented in Latin America, and boasts a gross "national" product that is matched in annual growth by only half a dozen other areas in the entire world. In 1967 the gross product increased by 11.2 percent over the figure for the preceding year. The rising purchasing power of the Puerto Rican people is reflected in the fact that the island constitutes the fifth largest market of the United States.

The continuing economic boom, however, is based in no small measure upon tax exemptions granted by the Commonwealth to mainland industrial firms establishing plants in Puerto Rico, and upon the absence of all Federal income taxes upon both individuals and corporations. Statehood, of course, would eliminate such aids and incentives; and whether the island's economy could sustain such a loss, either now or in the near future, is highly questionable.

But whatever the future holds for Puerto Rico, its people have evinced, continually, an enviable reverence for the flag of the United States, regardless of the number of stars carried in its blue field. Today we tender our fellow citizens of Puerto Rico a special salute as we join in the celebration of an event unique in our common heritage.

THE FAITH THAT HAS MADE AMERICA GREAT

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, July 25, 1968

Mr. DIRKSEN. Mr. President, Dr. M. S. Harvey, formerly of Bloomington, Ill., and now pastor of the First Methodist Church of Akron, Ohio, wrote an interesting and thoughtful message for his Parish Visitor on June 27 of this year. I ask unanimous consent that it be printed in the RECORD.

There being no obection, the message was ordered to be printed in the RECORD, as follows:

THE PARSON'S PEN

There's something that needs to be said about this country. I have had it up to here with persons who are trying deliberately to tear my country apart and it is way past time to throw at me that tired old wheeze about being a flag waver. You are right, I'm a flag waver, and I have the right to be one the hard way, I have had it with a group of punks wallowing in self pity, who make a display of deploring their birth into a world which they say they didn't make. I didn't make the world I was born in either. And neither did the men I know who are worthy of great respect. They just went about and made something out of it.

I have had it with hippies, brainless intellectuals, writers who can't write, painters who can't paint, teachers who can't teach, administrators who can't administrate, entertainers who fancy themselves sociologists. I've had it with those cerebral giants who think it is smart to invite drug advocates to lecture in their classrooms. I've had it with people who are setting about in my America deliberately to rip up mankind's experiment in decency.

What I would like to say to all of these is "if you think you are going to tear down my country's flag and destroy the institution my friends and members of my family have fought and died for, you are going to have to climb over me first." It's about time we went back and knelt in the snows of Valley Forge with George Washington, our founding father, and recapture the vision, the dream, the faith that has made America great.

Faithfully yours,

M. S. HARVEY.

AMERICAN COMMITTEE ON ITALIAN MIGRATION

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. BRASCO. Mr. Speaker, President Lyndon B. Johnson was presented with three reproductions of 15th century sailing vessels by the American Committee on Italian Migration—ACIM—"in appreciation of his seeking passage and signing the immigration reform law which has abolished the national origins quota system." The law became fully effective on Monday, July 1.

The presentation ceremonies took place in the White House. Twenty prominent Americans of Italian extraction, representing more than 6,600,000 Italo-Americans, participated in the ceremonies.

President Johnson in accepting the three 15th century caravels, hailed the American Committee on Italian Migration for working hard to bring about this landmark act which will work to enrich the heart of America. In recognizing the ACIM as a dedicated group, and in accepting the 15th century sailing vessels, the President added:

> It will remind me always that together we have helped to preserve the American dream—and more than that—we have opened its promise equally to all men everywhere.

Before the ceremonies, many Congressmen, U.S. Senators, and State officials attended a luncheon in the New Senate Office Building. Senator JOHN O. PASTORE, of Rhode Island, was the host.

The three caravels given to the President are reproductions of the most common ships used between 1450 and 1550 by the great explorers of the Christopher Columbus era. It is said that man came to know more of his planet in that period than in all the previous history of mankind.

All three models are of handcarved wood and were made, piece by piece, about a century ago.

Juvenal Marchisio of Brooklyn, judge of the family court of the State of New York, and national chairman of ACIM, stated:

> This new law abolishes a long-time stigma of prejudice and discrimination and crowns with success an educational campaign for immigration reform that has been conducted by the American Committee on Italian Migration since 1952.

The Most Reverend Edward E. Swanstrom, executive director of the Catholic Relief Services and a member of the board of directors of ACIM, cited the "great humanitarian achievements" of the new law, which alleviates painful situations of divided families, especially for countries such as Italy, Greece, and Portugal that had previously oversubscribed quotas.

The Reverend Joseph A. Cogo, C.S., national executive secretary of ACIM, pointed out that notwithstanding the generous granting of visas in the last 2½ years, there still remains for Italy a backlog of about 100,000 brothers and sisters of American citizens, some of whom have been waiting to migrate since as far back as 1955. He said:

> Only emergency legislation of some type will effectively wipe out such a backlog and thus place Italy on a truly equal level with all other countries after July 1st.
>
> In looking back at the results of this Act after two and one-half years of operation, our first reaction is one of optimism and satisfaction. About 75,000 Italians have already gained entrance into the United States. They have been reunited with members of their families and now can enjoy a better opportunity in life, often through their special skills.
>
> While we take pleasure in acknowledging these positive results, we must express our disappointment at the problems still to be resolved.

These problems are:

First. A backlog of about 100,000 brothers and sisters of U.S. citizens who are still waiting to obtain visas, some for as long as 12 years.

Second. As a consequence of this heavy backlog, there will be no visas available beginning today, July 1, 1968, for sixth preference applicants—skilled workers—from Italy because all of the visas allotted will be preempted by the applicants in the higher categories.

The Reverend Cogo emphasized that ACIM will seek emergency relief for the "brothers and sisters" backlog, which would open again the possibility of migration of skilled Italian workers. He said:

> We intend to be vigilant to protect our just gains and to solve the problems that remain.

E. Howard Molisani, first vice president of the International Ladies Garment Workers Union, also expressed his concern over the fact that after today, no skilled Italian workers will be able to obtain a visa. He said:

All visas in the Italian quota, in fact, will be pre-empted by relatives, and especially by brothers and sisters.

Many in our industries have always relied on immigrants from Italy who are well known for their varied skills. The clearance of brothers' and sisters' lists would automatically insure a continuing flow of skilled men and women into this country.

ACIM, which is represented nationally by 102 chapters located in key areas throughout the country, carries out a function of "watchdog and spokesman" on immigration matters, particularly as it affects Italian migration, in order to safeguard the gains of the new reform immigration law and to correct remaining difficulties.

Judge Marchisio announced also the opening of an ACIM branch office in Naples, which is Italy's major port of embarkation, to give assistance to prospective immigrants prior to their arrival here. The organization is also engaged in a program of guidance and assistance to immigrants after their arrival here, in order to effect a prompt and smooth assimilation into the lifestream of America.

The smallest one of the caravels presented to the President was made by an artisan from the Genoa region. It is a replica of a fast, easy-to-maneuver ship of the type used by Columbus. The boat has broad bows, narrow high poop, four masts, and lateen sails. It is 30 inches high, 30 inches long, 14 inches wide, and it weights 6 pounds, 11 ounces.

The medium-sized vessel is a "caracca" made by a Neapolitan artisan. It shows Neapolitan craftsmanship and Spanish naval tradition. This ship stands 28 inches in height, 32 inches in length, and 14 inches wide. It weighs 6 pounds, 11 ounces.

The largest one is a Venetian "cocca" and the artisan is believed to be from that region. Its height is 34 inches, length 46 inches, width 16 inches, and it weighs 7 pounds, 11 ounces.

President Johnson's full message follows:

Text of the Remarks of the President at the American Committee on Italian Migration

Nearly three years ago, on one of the proudest days of my Presidency, I stood at the foot of the Statue of Liberty and signed into law the Immigration Act of 1965.

Today that Act takes full force. The lamp of liberty has never shown brighter. The golden door to immigration has never stood wider.

Every American can be proud today. Because we have finally eliminated the cruel and unjust national origins system from the immigration policy of the United States. We have righted a long-standing wrong.

Today any man, anywhere in the world, can hope to begin a new life of freedom and greater opportunity in America. No longer will his color, his religion, or his nationality be a barrier. The only preferences will be for those who already have relatives here, those who have exceptional abilities in the arts and sciences, or those who possess skills America needs.

No longer will only three nations supply 70 percent of America's immigrants. No longer will an arbitrary quota system divide children from their parents, separate brother from brother. No longer will the people of one nation be less welcome here than those of another.

This landmark act will work to enrich the heart of America—the people themselves. All who, over the years, have dreamed and labored for its achievement can take great satisfaction this morning.

No group has worked harder or with more dedication than the American Committee on Italian Migration. I accept the recognition you offer me today, and will treasure it forever.

It will remind me always that together we have helped to preserve the American dream—and more than that—we have opened its promise equally to all men everywhere.

THE SOVIET UNION AND CZECHOSLOVAKIA

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, July 25, 1968

Mr. THURMOND. Mr. President, one of the soundest speeches heard in this land in recent years was presented on July 20, 1968, in Memphis, Tenn., to the Tennessee American Legion Convention on the occasion of their 50th anniversary.

This address was delivered by the Honorable James G. Stahlman, president and publisher of the Nashville Banner, Nashville, Tenn., and called upon the Legionnaires to become active in restoring law and order in America.

Mr. Stahlman also hailed the American Legion as an everlasting bulwark against all enemies of this great country, foreign and domestic. He wisely called upon the Legion to help provide the leadership and guidance necessary to reverse trends in the country toward what he described as "permissive anarchy."

This publisher of one of America's greatest newspapers stressed in his address the need for leadership and cited great leaders of the past to drive home his point. He urged the veterans to "use their ballot with intelligence and sound judgment."

Mr. President, Mr. Stahlman went right to the heart of some of the key issues of the day—law and order, political panderers, campus hoodlums, racial revolution, and gun bill hysteria. He has spoken with courage, and his message needs to be heard by every American.

It is warnings such as this address which cry to be heard in our land today. It is proposals and solutions such as offered here which need to be acted upon. It is a time for leadership, and here we have an excellent example of the type of leadership so desperately needed in America today.

Mr. President, I ask unanimous consent that this newspaper report and a copy of this address be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Nashville (Tenn.) Banner, July 20, 1968]

Stahlman Urges American Legion To Aid Fight Against Permissive Anarchy

Memphis.—James G. Stahlman, president and publisher of The Nashville Banner, hailing the American Legion as "an everlasting bulwark against all enemies, foreign and domestic," today urged the 50th anniversary convention of Tennessee Legionnaires here to "keep up your vigilance" and to "support every agency whose function it is to preserve law and order."

Keynoting the three-day convention, Stahlman, a veteran of both World Wars, urged the Legion delegates to "use your ballot with intelligence and sound judgment, in favor of candidates best qualified for leadership at all levels of government, for the greatest need today is leadership."

Telling the Legionnaires of Sir John Dill, chief of the British Imperial General Staff, and the day he watched as Sir Winston Churchill penned his famous speech vowing a British fight to the finish with Adolf Hitler, Stahlman said:

"This is the type of determined leadership, of supreme courage, of just one clear voice to summon the American people from their lethargy back to sanity and to unify, if this nation of ours is to survive.

"The quality and character of that leadership may determine the future of America and the civilized world for a thousand years and beyond."

Warning of the dangers of permissive anarchy, Stahlman called on The American Legion to aid in the fight for more respect for authority in the home, in the schools, on campuses and in the churches.

After the address, Stahlman was presented the Legion's 50th Anniversary Award by Department Commander Ivo W. Sanders, Loudon attorney, and Joe F. Hudgens, 50th Anniversary chairman for Tennessee.

The text of Stahlman's address follows:

Mr. Commander, distinguished guests, ladies of the American Legion Auxiliary and fellow Legionnaires:

For the second time I have been honored by the privilege which you have extended me to talk to the annual convention of the Department of Tennessee.

Nineteen-sixty-eight is the golden anniversary of the American Legion. I note with pardonable pride that I am on the eve of my fiftieth year of continuous membership in this great organization. I am doubly grateful to you and am extremely glad to be with you. My time has been limited because your time is not unlimited, so I'll step out on the double, with the hope that I shall transgress neither your graciousness nor your patience.

While I speak to you as a fellow-Legionnaire, I wear no medals for heroism under fire, but I have one distinction which few, if any, veterans possess. Because "The Book" said I should weigh 127 pounds when I actually weighed 119, I was twice dismissed from the Second Officers Training Camp at Fort Oglethorpe and as a result I hold three separate honorable discharges from the United States Army in World War I. I am probably the only self-admitted surviving buck private of that conflict, late of the 383rd Infantry. Add to these my service as an officer in the Tennessee National Guard and for 20 years in the United States Naval Reserve, with four years on active duty in World War II, you have my feeble claim to military fame. Like all of you, I have simply tried to serve my country.

HEIRS OF BRAVE MEN

You are the heirs of the men whose blood stained the snows with Washington at Valley Forge. You are the same breed of Tennessee squirrel shooters who, at Andrew Jackson's command, decimated Pakenham's red-coats from behind the cotton bales at Chalmette. You are the counterpart of those who charged the heights at Chapultepec and those who marched and fought under Lee and Grant in that later tragic fratricidal strife. You are the legatees of the First Tennessee Infantry who stood with Colonel W. C. Smith in the Philippines and of the Fourth Tennessee with Cordell Hull in Cuba.

Many of you saw distinguished service in the 30th Division or in other units of the AEF and the United States Navy in World War I. Many of you likewise served under Eisenhower, Nimitz or MacArthur in World War II. You younger men won battle stars and scars at Inchon and Pusan, and still some of an even younger breed may be here who have returned from the war in Southeast Asia, still in progress.

As men and women who have demonstrated their love of country and their willingness to serve it, I am certain that you are more than ordinarily concerned for our country and its future. It is well that we should be concerned, for it behooves all of us to use our collective judgment and joint determination to bring about the changes necessary in our own affairs if we are to preserve our democratic processes, our governmental institutions and the freedoms which we too often take for granted, which can so readily pass from us.

Let's take a look at some of the things which have produced these forebodings.

"ACCENT ON YOUTH"

If I am qualified to judge one trend which has been in vogue for quite some years, I would assert my firm belief that there has been entirely too much "accent on youth." This is not to derogate the young, for I recall only too well my own devilish mischief when I was an adolescent.

All too infrequently, in my opinion, there is too little accent on maturity.

There is likewise too little accent on respect for authority—in the home, formerly emphasized by the proper application of the back side of a hair brush to our own back sides, by parents who had not been brainwashed by Dr. Spock or hornswoggled and browbeaten by their own defiant, unruly offspring.

In the school—where teachers were not afraid of being fired from their tutorial duties because they were occasionally required to apply a ruler or a switch to some recalcitrant student, for his own good, for the preservation of decorum in the classroom and in some more recent instances, for the protection of their own lives from youthful switchblade maniacs bent upon mayhem and sometimes murder.

CAMPUS HOODLUMS

On college and university campuses—where intellectual slobs and hairy hoodlums are undeterred by faculty leftist sympathizers and administrators cowed by fear of phony charges of violation of "academic freedom" and the equally ridiculous assumption of "student rights," to disrupt, disgrace and destroy hallowed and respected institutions of higher learning, simply for the hell of it.

It might be well to suggest a return to those intellectual disciplines which for so long were an established fundamental in our higher educational processes, now discarded in favor of the New Left's doctrines of unrestrained activism and dissent. Dissent? Yes? But never overdone to the detriment of institutions, accepted democratic processes and large, but less vocal segments of society.

At the collegiate level it might not be amiss and could prove quite profitable, if not convincing, for proper investigative authorities to delve into and endeavor to ascertain the source of direction and financial support for such organizations as Students for a Democratic Society, Southern Student Organizing Committee, the Student Non-Violent Coordinating Committee and the Southern Conference Educational Fund, directed by the notorious subversives, Carl and Anne Braden, and kindred groups dedicated to disruption and destruction of the fundamentals in our political, educational, economic and sociological apparatus.

In the churches—where a super-liberal clergy consider the teaching of the old-time religion as modern heresy and the preachment that God is Dead as today's Sermon on the Mount.

There has been far too little accent on respect for civil authority and obedience to the laws of God and man. Some Courts, from the highest to the lowest, have helped downgrade the law as the protector of person and property, to the point where police, grand juries and attorneys general find themselves bound in legal frustration which sometimes produces a laxity in rigid application of the statutes.

LAW AND ORDER BASIC

In my concept of law and order, there is and can be no racism. Respect for and observance of the law applies to every man, woman and child, regardless of color. And the obligation to preserve order lies upon the white man, as well as the black.

There is no room in our enforcement agencies for timid souls as spineless as a wet noodle or as gutless as a bull butterfly.

It is most heartening, however, to have two outstanding Federal judges speak out, loud and clear, through this gap. The first is the distinguished jurist occupying the U.S. District judgeship in Middle Tennessee, the Honorable William E. Miller. The second is Federal Judge Francis J. W. Ford of Boston. In sentencing a convicted draft dodger, Judge Miller sounded a strong note with his declaration: "It is not given to individuals to decide for themselves what laws they will and will not obey."

At the conclusion of the trial of Dr. Benjamin Spock, Yale Chaplain William Sloane Coffin, Jr. and two others convicted of conspiracy, in counseling young men to violate the draft law, Judge Ford said: "There is no freedom to conspire to violate a law of the United States with impunity. Persons cannot rightfully engage in conduct in violation of the law either to state their desire for peace or in attempts to change national policy."

Thank God for Federal judges like Miller and Ford!

If recent decisions of the Supreme Court upholding the constitutionality of the law forbidding the burning of draft cards, and another supporting the right of police to search the person of reasonably-suspect characters, it would appear that at last, Nine Old Men have heard the voice of the people and the will of the Congress. It's about time.

POLITICAL PANDERERS

Add to all these the sycophantic holders of public office who pander to the whims and quail before the threats of the bully-boy leaders of ungrateful recipients of the nation's largesse.

Now no honorable citizen, black or white, would deny legitimate and proper relief to the poor and needy, but even the Congress recognizes that much of our welfare programs have failed, not because of the unwillingness to provide or for insufficient funds, but because of wholesale maladministration, proven corruption, the misuse of funds, wasteful projects, ill-conceived, with the resultant creation and maintenance of an ever growing class of indolent deadbeats who have come to believe that the world or somebody owes them a handsome living, for which, up to now, they have displayed no willingness to work.

It's time to take the dolts off the dole.

It is at this point that we arrive at our own present intolerable state of national peril, produced by those political, professorial and pulpit pied pipers of permissive anarchy, with all its disastrous concomitants.

We have seen our cities put to the torch, looting run rampant and murder become a way of life.

NO NATIONAL "SICKNESS"

Don't let me hear any of you complain of suffering from a guilt complex. Hogwash! And if you fall for the guff about our national "sickness," let me tell you that there is no public sickness which can't be quickly cured by hard work, patience, tolerance and charity, coupled with an honest, earnest, rigid enforcement of the laws already on the books.

And you may add to that—a return to personal and political morality, the tenets of common decency, and full recognition of the rights of the other fellow too frequently trespassed by the howling mob.

These and other attributes might then help restore that character without which neither this nation nor any other can ultimately survive.

Now don't let anybody tell you that the three assassinations which have shocked peoples everywhere were the isolated acts of deranged individuals. Each of them fits into an overall pattern which no commission, however sacrosanct, can, with honesty, brush over with a rationale of verbal shellac, too thin and too transparent to hide the evidence of alien direction and finance.

It has been, is now, and always will be my firm conviction that Lee Harvey Oswald was the Marxist agent of Fidel Castro. I am equally convinced that Sirhan Sirhan was the Arab stooge of Communist design, and it should take no crystal ball to categorize the case of James Earl Ray.

PATTERN OF REVOLUTION

The result of these three slayings was the production of national and international racial and political turmoil, fitting into a program of global revolution which could contribute to ultimate Communist world domination.

If this be Red baiting, witch hunting, or looking for pink spooks under the bed, make the most of it. Call it what you will, it cannot be disguised. To me it is as clear as God's sunlight. It makes no difference from where the signs emerge, if revolution should succeed it will little matter whether it were incubated in Cuba, Red China, North Vietnam or Soviet Russia. It will bear the single label of the hammer and sickle and its wreckage will be total and irreparable.

We are now engaged in another war, half a world, almost five years, countless casualties, and billions of dollars away. But before I go any further I might tell you that I have two grandsons, the eldest just about ripe for Sam to beckon with that long finger of his. There are two things I can tell you with certainty about both these boys—if either one ever entered a plea of "conscience" against service in the armed forces of this country, I would forever disown him as my own flesh and blood. And if he ever burned a draft card, I would be the first to take him by the scruff of his neck and haul him into the Federal Court to receive his just desserts as a traitor to his country and a disgrace and dishonor to his heritage.

To the "Hell, No, we won't go!" of antiwar rebels, the Legion promptly and effectively has countered with its ringing "Damn right, we'll fight."

OBLIGATIONS OF YOUTH

This is the time of all times for the youth of this nation to accent for themselves a redemptive recognition of their individual and collective responsibilities: to revere the Lord, God almighty, love this nation, respect its flag, obey its laws and serve it faithfully and honorably wherever and whenever military or civil duty may call.

May God give an overwhelming majority of them the wisdom and the courage to take this stand, they are not only the last best hope of America, they are also the last best hope of earth.

Neither I nor my newspaper favored military entry into Vietnam. We vigorously opposed it from the outset, as "McNamara's War." Remember him? He is the whiz kid who produced the Edsel. He is the fellow with the computerized brain, who fathered the ill-fated TFX. He is the great strategist who ignored the Joint Chiefs of Staff and hamstrung "Westy" Westmoreland and his thousands upon thousands of American men who have fought, bled and died in the rice paddies, the mountain passes, the rubble of Saigon and in the skies over Vietnam. He is the man who tried to destroy the National Guard and the Ready Reserve. Remember him? He is the fellow who was booted upstairs to the World Bank, after liquidating Uncle Sam's military superiority in the air, on the sea and in space. This country will not soon recover from McNamara's bungling, too long permitted and acquiesced in by the President and his administration.

WAR NOT LYNDON'S BABY

But remember this! Vietnam was not Lyndon Johnson's baby. It was left on his doorstep. Now HE knows, and most of you who know me and my newspaper know, that we didn't support his candidacy in 1964 and we haven't supported many of the President's domestic programs. We are still not enamored of some of them and we are quite fearful of the prospective results of some others.

But there is one thing that Lyndon Johnson knows, and that is that my newspaper and I, unlike some members of the United States Senate, once the war was joined, have supported him in his efforts to bring the war to an honorable conclusion and a lasting peace.

If there is one thing which this nation should have learned by now it is that we can't buy friendship and respect. We can't put out every fire and we can't have everybody's bacon. It's high time, however, that we started saving our own.

SOME THINGS TO STOP

It's time we stopped frittering away our substance in hopeless global boon-doggling. It's time we stopped trying to make over other nations in our own image. It's time we started improving the image of Uncle Sam, both at home and abroad. And in my opinion one of the first steps in that direction would be to stop meddling with everybody else's business.

As men and women who love this nation as I do, men and women who have worn the uniform, who revere the Flag and who are not ashamed to sing "The Star Spangled Banner," you know the obligations which the rights of citizenships impose upon us as individuals and as Legionnaires in the mass.

You were true to your oath to preserve and protect this nation, taken when you were sworn into the service, no matter which war. That oath is equally binding upon you in times of peace. And never within our lifespan has this nation so badly needed your love, your devotion, your fullest duty.

HYSTERIA OVER GUNS

Keep up your vigilance. Support every agency whose function it is to preserve law and order. Tell your congressmen and your senators that American citizens are entitled to protect their persons and property with their own fire arms if necessary and that no gun law passed in a period of national hysteria should remove that right. Especially in the face of threatened revolution. Ban on mail order sale—positively! Registration—doubtful, licensing—No! Confiscation—never!!

At the same time let the Congress know that it should pay no heed to the demands from certain quarters for the abolition of ROTC units in our colleges and universities. These groups are the only source of trained officer personnel needed by all branches of our military, which the national academies cannot possibly furnish.

Turn a deaf ear to demagogues and blatherskites. Make certain you use your ballot with intelligence and sound judgment, in favor of candidates best qualified for leadership at all levels of government, for the greatest need today is leadership.

On that all-important subject I would like to read you a short chapter from one of the most thrilling books I have ever read, entitled "Of Spies & Stratagems." It was written by Dr. Stanley P. Lowell, one of Bill Donovan's most valuable officers in the OSS.

He wrote:

I will never forget March 18, 1943, when General Donovan asked me to represent him at an intimate birthday luncheon for Sir John Dill, Chief of the British Imperial General Staff.

After liquers, someone said, "Sir John, I think you owe us a story. What has been the most unforgettable day of your distinguished career?"

"That is easy to select," he said. "I'm an Ulsterman and that means an army life for us. The Boer War, Indian and African service, but my career appeared ended when I publicly opposed the remilitarization of the Rhineland and Chamberlain's appeasement at Munich. Then, in May 1940, Winston Churchill came to power and picked me to head up our armed forces.

"Barely three weeks later he phoned me to fly to France with him and General Ismay. We knew things were in poor shape over there. In Paris we met with Marshal Petain, General Weygand and Premier Paul Reynaud. They threw the bad news at us.

"Churchill asked, 'Aren't you going to resist in the South of France?'

" 'No. It's impossible.'

" 'But you'll keep the African colonies and fight from there, won't you?'

" 'No. We surrender them.'

" 'But the fleet. Darlan will put to sea and deliver it to us—that will be saved?'

" 'No. It's complete surrender to Hitler. After the way you British abandoned us by running home at Dunkirk, you left us no other choice.'

SIR WINSTON SHOCKED

" 'So France is deserting us completely!' Churchill exclaimed.

" 'Just as you did to us,' answered Petain.

"The Prime Minister rose. We were driven to our Flamingo and flown back to London. Not a single word was spoken on the return flight, and I was too deeply upset to care much if our escort of Hurricanes showed up or not.

" 'I'm all alone tonight, Sir John,' he said. 'Come keep me company at 10 Downing Street.' It was late and we washed a sandwich down with some brandy and soda.

" 'Sir John,' he said as he walked about the room, 'I have no choice but to address Parliament in the morning. I'll have to tell them and the nation that France has gone over to Hitler lock, stock and barrel. You and I know it's impossible to defend this island against the full force of that Austrian bastard. It's Napoleon all over again, but Napoleon never had the German air force, and we have few guns and less ammunition. This may be the last night of the British Empire—it may be.'

"I could have wept for him and for Britain. At last he said, 'There are two things we can do, Sir John. Write the speech that will actually ask Hitler for terms of surrender—or go to bed and sleep on it. I propose to sleep. Goodnight, Sir John. My man will show you to your bedroom. See you at breakfast.'

LAST NIGHT OF EMPIRE

"He may have slept—he took a part bottle of brandy with him—but I know I didn't. The end of the British Empire was coming tomorrow!

"At breakfast—perhaps our last as a free people—I was sober and glum. Winston Churchill ate everything set before him. Finally, he pushed his chair away at an angle and said, 'Sir John, I have to tell Parliament the bad news—I can't avoid that, but I do not have to suggest negotiating with those Nazi madmen.

"Yes, France has fallen, the United States is pacifist and won't help us, but, all alone, by God, we'll fight 'em on the beaches, we'll fight 'em at the hedge rows, we'll fight 'em on our village greens!' He paused, 'By heaven, that's damned good, Sir John.'

"He pulled a pad of paper out of his breakfast jacket pocket and started writing down the greatest speech since your Gettysburg address. That, gentlemen, was my most unforgettable day."

An unforgettable day for myself was this sixty-second birthday for Sir John Dill. He had told us of a day on which the freedom of mankind had balanced on one man's courage.

CLARION CALL TO DUTY

This is the type of determined leadership, of supreme courage of just one clear voice to summon the American people from their lethargy, back to sanity and to unity, if this nation of ours is to be preserved. The quality and character of that leadership may determine the future of America and the civilized world for a thousand years and beyond.

Decision day is here; Stand up!!

May the bugle call of honor drown out the raucous bull-horn of sedition!

I am certain that their will be no "conscientious objectors among the loyal, courageous and patriotic members of the American Legion, for you continue to serve as an everlasting bulwark against all enemies, foreign and domestic.

To you I raise my hand in respectful salute.

TAX INCREASE IS NOT STOPPING INFLATION

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. CURTIS. Mr. Speaker, the Johnson administration now admits that the tax increase it so ballyhooed will not stop the current inflationary wage-price spiral in this country. Prices are still rising at a 4-percent annual rate and wages are going up at a 6- to 7-percent annual rate.

The President's Cabinet Committee on Price Stability says more wage and price restraint is needed soon. The committee proclaims that the economy is still on a "dangerous road."

The road will continue to be dangerous until such time as the administration can exercise meaningful fiscal restraint by restraining excessive governmental spending. Unfortunately, this administration seems unable and unwilling to take such action.

Following is an article from the Wall Street Journal of July 22, 1968, entitled "Price and Wage Discipline Urged by White House—Stability Panel Sees Economy as Still Endangered; Fears Loss of Tax Rise Benefits," which bears on these points:

PRICE AND WAGE DISCIPLINE URGED BY WHITE HOUSE: STABILITY PANEL SEES ECONOMY AS STILL ENDANGERED—FEARS LOSS OF TAX RISE BENEFITS

WASHINGTON.—The deflationary benefits of the tax increase will be largely lost unless there's more price and wage restraint soon, President Johnson's Cabinet Committee on Price Stability warned.

Opening a campaign with a letter to several hundred business and labor leaders, the panel proclaimed that the economy is still on "a dangerous road" and called for "the utmost restraint" in price and wage decisions to give the tax boost a chance to work.

Officials made clear that they're especially concerned that price rises will follow any labor settlements for steel, aerospace, ports, coal, airlines and railroad crafts, fields in which contracts expire or reopen in coming months. The pricing of new auto models, one added, also will be of "critical importance."

The panel was created by Mr. Johnson early this year and told to focus on long-range impediments to price stability while remaining aloof from intervention in immediate wage and price developments in specific industries. Its members, all of whom endorsed the letter, are Treasury Secretary Fowler, Commerce Secretary Smith, Labor Secretary Wirtz, Budget Director Charles Zwick, and Chairman Arthur M. Okun of the Council of Economic Advisers. Mr. Okun serves as coordinator.

Because of the tax increase and related Federal budget limitations, an official said he is confident that in the months ahead the upward pressure exerted on wages and prices by the demand for goods and services will ease. But, he said, there are "significant cost increases which haven't yet been translated into higher prices," as well as some consumer price index rise which hasn't yet been translated into wage boosts. Business leaders and "selected labor leaders," he said, sought the fiscal restraint through fighting for the tax bill. He was now, the official said, asking them to show again such "willingness to sacrifice short-term gains" for long-run stability.

Now that the Government is no longer adding broad inflationary pressures through huge budget deficits, the official said, it's both more feasible and more important for business and labor to work against inflation. The time isn't ripe yet, aides made clear, to return to the old "guideposts." These called for stable prices and wage boosts that didn't exceed the annual average increase in productivity (output per man-hour) of about 3%. "We know darn well that prices aren't going to stop in their tracks," a high official said, "so that the productivity guide on wages is something we will have to go back to gradually."

The key word now is simply "less," the high official said, explaining that the most important thing is to start having price and wage increases that are smaller than those in the June quarter. Prices were rising then at a 4% annual rate, the letter noted, while wages were advancing at a 6% to 7% annual rate. "The public interest is clearly violated by any price increases that widen profit margins, and wage settlements that extend the recent disturbing pattern," the letter stressed.

The actual performance of prices and wages will determine how long the "fiscal and monetary brakes" will have to be kept on, the official said, adding that the economic slowdown the nation is undertaking through the tax increase "in itself isn't a desirable thing," and officials would like to keep it "as short and mild as possible."

PAUL HARVEY COLUMN ON SECULAR INVOLVEMENT OF THE CHURCH

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, July 25, 1968

Mr. BYRD of West Virginia. Mr. President, in a recent edition of the Williamson (W. Va.) Daily News there appeared a thought-provoking column by Paul Harvey on the harm that some activist clergymen are doing to the church through their intervention in secular affairs.

Mr. Harvey points out:

> Historically the church injected itself only where issues of morality were debated.
>
> Today's activist churchmen presume to prescribe law, diplomacy, welfare and civil rights.

Mr. Harvey contends that such extra-religious activity might be defensible if it strengthened the church. On the contrary, he says, church membership which soared in the 1950's is stagnating in the 1960's.

I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

SECULAR INVOLVEMENT IS STAGNATING THE CHURCH

(By Paul Harvey)

Every generation of students at some time violated the rules; this generation is the first to repudiate the rules.

Our generation violated moral standards; today's young reject the standards themselves.

A generation ago jobless men might have demanded jobs, this generation many demand to be paid—work or not.

Clergymen, long the accepted authority on right and wrong, now preoccupy themselves with right and left.

Some branches of Judaism have practiced activism far longer than the Christian faiths which have recently interested themselves in extra-religious activities.

Rabbi Arthur Hertzberger is himself an activist, advocating withdrawal from Vietnam and so on.

But he concedes it is not good for the churches to get thus involved in secular matters. "The very moment that clerics become more worldly the world goes to hell all the faster."

Paradoxically, much of the clergy is turning away from what we used to call "fundamental religion" at a time of increasing hunger for it.

There is a human craving for something transcendent. Religious tradition for thousands of years knew the meaning of life and the purpose of death and the individual's proper place in the here and in the hereafter.

Now a vacillating, contradicting, codeless "modern church" has compounded our confusion and left, in the place it once filled, a vast, dark emptiness.

Church involvement in civil affairs is not unprecedented. During the Buchanan Administration the churches were divided over the issue of slavery.

But historically the church injected itself only where issues of morality were debated. Today's activist churchmen presume to prescribe law, diplomacy, welfare, civil rights. The World Council of Churches in convention in Sweden this year overwhelmingly supported young men who resist the draft "for particular wars."

If churches were made stronger by this extra-religious involvement, it might be defensible. On the contrary, church membership, which soared in the 1950s, is stagnating in the 1960s.

Of America's adults 49 per cent regularly attended church in 1955; today 44 per cent do.

A Gallup Poll shows 10 years ago 69 per cent of Americans thought "religion is increasing its influence." Today 57 per cent say it is "losing its influence."

Prof. Will Herberg of Drew University believes that the explosion of new scientific knowledge—the vetoing of old scientific truths—has caused doubt about religious and humanistic preconceptions. We've lost our rudder.

So the hippie protests that each of us has a right "to do his own thing."

That's what Hitler was doing.

A LOOK AT WELFARE

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mrs. GRIFFITHS. Mr. Speaker, at this time, I would like to insert in the RECORD two informative articles written by F. O. Jacobs, which appeared in the Wall Street Journal this week:

[From the Wall Street Journal, July 22, 1968]

WELFARE CRISIS: SUBSIDY FOR SEPARATION

(By F. O. Jacobs)

Much has been heard in the past few months about our rising welfare crisis. This in itself is good because, as Daniel Moynihan has pointed out, the problem has been maturing for years behind a shield of silence, silence especially from the social workers most familiar with the field. Unfortunately, the public debate to date has only scratched the surface of that shield. We shall certainly not be able to sweep it away altogether here—the facts are too obscure, the basic research shockingly sketchy. But we can ask some of the hard questions and sort out the implications of what is known and of the major reform proposals.

One of the first blasts to arouse public attention to the crisis in "welfare" came last year at a Congressional hearing in which Mitchell Ginsberg, then commissioner of the New York City Welfare Department, denounced the present system as "bankrupt." Since then statements, articles and reports have rolled out, variously identifying the main problem as the demeaning of clients, the stinginess of the system, the vast growth of the outlays and caseload, the elimination of incentive. We seem at this point to be thoroughly confused as to whether our crucial problem is a disastrous growth in the proportion of our society "going on relief" or precisely the contrary, that relief is too stingy and goes to too few.

A CHANGING VIEWPOINT

The same ambiguity may be found in "The Crisis in Welfare," a recent article by Mr. Moynihan that appeared in "The Public Interest." He begins in the spirit of a standard liberal tirade against the conservative Congressional "enemies" of the welfare poor who dared to attach various restrictions and reforms in the Aid to Families with Dependent Children program to last year's Social Security bill. In midflight the point of view switches to that of the earlier Moynihan, the disturbed observer of the breakdown in Negro family life, and the admission is made that our overriding problem is not rising economic need, stingily met, but the rapidly accelerating use of "welfare" as a substitute for the fulfillment of parental support obligations.

Let us begin with the most essential facts: "Welfare" has finally intruded itself upon public attention because, far from declining with the trend toward full employment in the 1960s, it has swung into an unprecedented accelerated growth. By far the largest part of this growth has been in the AFDC program. Although total national growth has accelerated, the local distribution of this growth has been anything but uniform. Certain cities and areas have experienced truly explosive welfare growth (New York since 1963–64 is one) while in many others, such as Chicago and Pittsburgh, for reasons that are often far from clear, caseloads and outlays have been stable or have even been slightly reduced.

What makes this development so alarming, of course, is the fact that it has paralleled a fairly steady trend toward declining rates of unemployment among Negroes as well as whites—and thus directly reverses the clear positive relationship between AFDC dependency and the rate of unemployment that persisted until the 1960s.

It follows that the bulk of the present growth of welfare, that is the growth of AFDC, is not a symptom of failing earning power among the poor. At most, the rise of "home relief" to unified families as a marginal supplement to earned income might be attributed to a lag in minimal earning power relative to increasingly generous relief standards.

The real social pathology in the welfare crisis is found in the (much larger) AFDC area.

There are only two major causes from which such a result could follow: A radical shift to the state of the support obligations of employed or employable fathers (that is, increasing eligibility through increasing desertion and illegitimacy); or a radical increase in the average proportion of eligible separated mothers and children who take advantage of their AFDC eligibility. Quite possibly both causes have been at work.

Certainly efforts have been made (by welfare unions, antipoverty groups etc.) to promote greater exploitation of eligibility in the past few years. Yet, in the absence of empirical proof of the impact of this effort it is difficult to believe that earlier inhibitions against accepting AFDC were so pronounced in the slums of our large cities as to prevent a large proportion of those really eligible from taking advantage of it. Throughout the late '40s, '50s and early '60s the AFDC family was a commonplace to the residents of the low income neighborhoods of cities like Chicago and New York. Any inhibitions were probably directed not so much against accepting AFDC once a separation had occurred as against the act of separation or desertion itself.

CRUMBLING FAMILY STRUCTURE

Furthermore, although it is also difficult to believe that a change as radical as that under way in New York could depend entirely upon increasing breakdown of family structure, independent statistics on the proportion of illegitimate births in New York show precisely the sort of accelerating rise since about 1964 that would be consistent with an explanation based on this factor. (It is alarming that we cannot be more definite about this vital question. Yet the relevant statistics for a reasonably certain answer are simply not available. The fact, incidentally, that they have not been collected even by the city governments most vitally affected is by no means the smallest defect in our administration of welfare.)

A third possible cause is the shift of population from Southern farm and village to Northern city, where welfare is more easily obtained as well as more generous. But although this has contributed to a trend rise in dependency since World War II that has steadily exceeded the growth of population in the country as a whole, it hardly accounts for the phenomenon we are concerned with, the sudden acceleration of the mid 1960s. In New York City the available studies of recent population movement strongly suggest that migration from the South and from Puerto Rico began to slow sharply at just about the time (1964) that New York's welfare budget entered its exponential climb.

Considering these facts it is reasonably certain, despite the lack of direct measurement, that a large part of the explanation must lie in the factor of increased eligibility. This implies an increasing propensity to regard "welfare" as a convenient or even a respectable substitute for the fulfillment of paternal responsibility—and to this change our existing welfare system has almost certainly contributed.

It is commonly thought that the existing welfare system encourages the breakup of families only because eligibility for AFDC requires the absence of the husband. But while this is true of many states, mostly rural or Southern, it is not true of many others, including the larger urbanized areas, that have accepted the option of Federally supported temporary AFDC for families with unemployed breadwinners (22 states), or that offer "general assistance" or "home relief" from local funds at the same standards as AFDC. In such areas a hard-pressed father can supplement his earnings by an allowance that expands with the size of his family. Yet this has not prevented the growing breakdown of families evidenced by the massive growth of AFDC.

The fact is that the AFDC system (and, as we shall see, any income support system geared to the family or household unit) creates strong economic incentives toward separation, and against marriage or remarriage. Whether these incentives will be generally resisted, or will lead to a sharp change in behavior is an empirical question. But from an economic standpoint AFDC—as currently administered—provides a subsidy for separation, or, what amounts to the same thing, a tax on marriage.

If a man's earnings are near the margin of welfare eligibility, say about $3,500 in New York City, he and his family receive nothing from the state. Their total income would be the $3,500 earned. If he deserts his wife and children—or successfully pretends to do so—they are eligible to receive (in money and various forms of "real" aid) about $2,500 or more from AFDC. Assuming his earning power remains the same, their total income rises to $6,000, or more than 70%.

Alternatively, consider the effect on the AFDC mother already separated or divorced from her husband or one who has never married. Marriage or remarriage to another man in the marginal earning bracket would result in a well nigh crushing financial penalty through the withdrawal of AFDC. If she confines herself to friendship, she and her companion may have a joint income of about $6,000. If they are so imprudent as to marry it will drop to his earnings alone, again, about $3,500.

Thus a new social pattern begins to form among the poor: The more common it becomes, the more acceptable and normal. Ultimately marriage and self-support begin to look like luxuries or an expression of impractical idealism to those whose earnings power is near the welfare margin. The normal course increasingly becomes to adapt one's way of life so as to obtain AFDC plus a share in the earned income of male friends.

STRAIN ON MORALITY

Moreover, to directly prevent this abuse of welfare involves the messy and demeaning business of spying for a "man in the house," which seems so despicable. Yet, to wait for a formal marriage or even a clearly revealed common law marriage before removing AFDC clients from the rolls is to put a strain on traditional morality that is quite evidently cannot bear.

Of course a middle- or upper-income recipient could also convert his wife and children into paupers by deserting them, but the $2,500 or so they would receive from welfare would represent a progressively smaller percentage gain in total family income. The relative subsidy for separation is far greater for the poor than for the rest of society.

This hard economic fact should be taken into account before ascribing the difference in family stability among the poor purely to moral or cultural factors.

[From the Wall Street Journal, July 23, 1968]

WELFARE CRISIS: TOWARD REFORM

(By F. O. Jacobs)

It might well be argued that the availability of AFDC does not really offer a subsidy for separation, because a man will be compelled to support his family whether he leaves it or not. This is a vital point.

The answer is that enforcement in practice is sporadic and mild. This is due in part to the fact that the AFDC wife has nothing like the economic incentives to find and prosecute her deserting mate that a middle-class woman would feel. It is also due to the ease with which man can repeatedly disappear in a vast country that has no system of address registration.

But an effort to delve into the murky situation in New York City suggests that enforcement of any kind is lagging progressively further behind the exploding caseload in that city. The yearly number of hearings in Family Court regarding support orders (more than one hearing may concern a given case) has, astonishingly, remained approximately constant since 1958, despite the three and four fold increase in AFDC families.

Probably even more important, however, is the fact that the support orders habitually rendered by New York judges—and many others—are mild in the extreme. The judges follow the superficially "practical" precept that it is better to set a low figure, which will be honored, than one reasonably related to support requirements, which may inspire efforts at evasion. The results are judgments of $5, $10 or $15 a week.

The judges also tend to relate their support orders to the apparent or actual low earnings of the defendants and their relatively high cost of maintaining separate households for themselves. Yet a man who knows his dependents are on AFDC is clearly less likely to make the same efforts as one who feels himself compelled to support them. He is much freer to drift, to disdain so-called "dead end" jobs, even, in many cases, to fall into dependence on his wife's welfare check or on the earnings of other women.

THE STATE AS FATHER

It is one of the ironies of our recent history that the modern urban AFDC system, which would threaten to undermine the family structure of any group in the low-income class, found this class increasingly occupied by Negro families. The attachment of the father to such families has always been relatively precarious, for reasons that go back to the inhumanities of the slave system. But even so, the present rampant breakdown of this attachment required the gradual disintegration of received values. It is not surprising that at least a generation should pass after the introduction of the present system (in the 1930s), before the idea that it is quite acceptable to substitute the state for the father as the mainstay of family life could begin to be the new lower-class norm.

As events would have it, other principal social changes under way operated only to reinforce the value-decaying impact of the AFDC system. Consider two factors: First, the technical changes in agriculture plus perverse subsidization policies that jammed unskilled rural Negroes into urban core areas from which the industry that might have absorbed many of them at reasonably high wages was in the process of withdrawing in search of less costly space. Second, the emotional "backlash" of the new relatively liberated generations of Northern Negroes arising from past servility toward a prejudiced white majority. The related alienation from, and tendency to make a scapegoat of "white society" reinforced the temptation to transfer personal responsibilities to governments emotionally identified with that society.

If we view the matter frankly then, it appears unlikely that our current welfare explosion is explicable without reference to a widespread collapse of elementary familial values taken for granted by almost every society. The humanitarian liberal faith of the past generation that direct, reasonably generous relief of the poor would not seriously weaken their efforts at self support has been disappointed, at least for this generation.

PRINCIPLES OF REFORM

But facing this bitter fact honestly, rather than hiding it, is the beginning of any true liberal reform. The lines along which a fundamental solution should be sought follow directly from our analysis. The opportunity to abandon the support responsibility must be drastically curtailed, and the size of the relative subsidy for separation must be reduced, if possible in a way that will help diminish the psychic alienation of Negro Americans.

Yesterday's article pointed out that AFDC's family-dissolving tendency arises from the fact that the household, rather than the individual, is the unit of aid: By splitting the household the amount of aid can be greatly increased. It follows from this that the proposed "negative income tax," (in which total household income, rather than the specific earnings of wife and children, would decide eligibility to receive a "negative tax") would do nothing to alter this basic impact.

What the negative income tax would do is little more than equalize the standards of welfare nationally, presumably at or close to the higher state levels, and, of course, eliminate the foolish separation requirement already absent in New York and most Northern states. It would have one other significant virtue. It would promptly create a sliding scale of aid that would decline fractionally as earned income expanded. A crude version of this reform has recently been introduced in New York, but most welfare at present declines a dollar for every dollar earned and thus creates a drastic disincentive to efforts at self support.

The advantages of a negative tax are important, even if they do not get at our most serious dilemma. It would benefit both the nation as a whole and the hard-pressed Northern cities to eliminate the perverse migration incentives created by sharply unequal state welfare standards. The perversity is ironically illustrated by the fact that, at present welfare standards, New York City has no "poverty" as Federally defined. If income and housing subsidies at the New York level were provided rationally in more spacious areas, decent housing rather than congested slums *and* better job opportunities would become directly attainable rather than a distant hope.

Nevertheless, the negative income tax would not touch the basic problem of family dissolution. Indeed, it would be likely to make it worse insofar as the payments exceeded the average national AFDC standard.

Another proposal, advanced in part because it is strong where the negative income tax is weak, is a system of allowances (such as exists in Canada and most of Europe) for all families proportioned to the number of dependents or children.

The allowance would be based upon the individual rather than the family unit. It would simply be added to earned income. Hence, a family could not increase its total income from earnings plus this allowance by separating. Further, the receipt of such allowances would raise marginal families somewhat relative to the standard of AFDC and thus reduce its attraction.

This proposal does then, in principle, attack the essential problem. But to what degree? To fully eliminate the incentive to separation would require dependent allowances equal to the present AFDC standards, say $2,500 for a wife and two children, or about $800 per person. But this would imply the reshuffling of about a quarter of total personal income in the nation. Even if the allowances were held to one-fourth the present New York welfare standard (say, $200 per year for each dependent in the population, including wives) they would still amount to about $28 billion per year and, in this event, the relative AFDC gain from separation would remain three-fourths intact. Actual allowances abroad and the figures actually proposed (e.g., by Moynihan) are much smaller still, and even less likely to be significant.

EXTENDING HOME RELIEF

The deeper objection to family allowances, however, is not based on their seemingly fantastic cost. Most of the money contributed by the middle class would, after all, return to it in the allowances. But for the lower-income groups, the allowances would constitute, essentially, merely an extension of the "home relief" already available to residents of large cities if their earnings fail to expand with the size of their families. The fundamental question is whether a larger and more universal subsidy related to procreation is the best way in which to alter our system of income supports, considering especially the probable scarcity of new funds.

Another approach would be to relate the income subsidy not to number of children but rather effort at self support—that is, to insure employment at better than current minimum wages by means of a labor-cost tax-credit for employers. In such a system the maximum credit should be given for wages paid at the minimum legal rate set, with progressively smaller credits over a limited range of higher wage rates.

This step would do far more than merely raise minimal incomes relative to welfare standards; it would finally eliminate the persistent unemployment stemming from our "traditional" thoughtless practice of imposing minimum wage rates without a compensatory subsidy to re-equate labor demand and supply. If it were desired, the subsidy could be paid directly to low-wage employes. But apart from being more cumbersome, this would necessitate abolition of existing legal wage minimums to produce the same expansion of employment.

The current alienation and cynicism of Negro youth, who are swelling the ranks of half-employed, absent AFDC fathers, is vitally related to the persistently disastrous rates of unemployment among precisely this group. It may well be that pride induces many Negro young men to abandon their dependents to AFDC in preference to applying for "home relief" with them. This is, of course, self deceiving, but the underlying impulse toward self support can be understood and harnessed.

Still, an employment subsidy, like any feasible family allowance, could do no more than marginally reduce the relative gain obtainable from splitting up the family unit. This is unlikely to be sufficient: The hard fact is that the necessity of a far more determined and effective enforcement of support responsibilities cannot be escaped by any practical system of income support.

It is necessary to be quite unyielding about this. Enforcement is the natural substitute for the negative sanction of the disgrace and guilt that inhibited desertion when desertion meant leaving one's dependents to virtual starvation. It must become common knowledge that a deserting breadwinner will be found. The cost of doing this must be balanced against the preventive effect, not the direct support recovered. Further, he must be required to pay, not according to what he currently has left over after providing a separate residence for himself, but essentially according to the minimum need of his dependents. In many cases he will be able to meet this challenge by increased employment effort or by returning to a common household with these dependents. If, with the best effort, he cannot, he has the opportunity to receive supplemental relief. Practically speaking, the support required must be sure enough and heavy enough to make it clear that separating is a way to lower—rather than raise—the standard of living.

NOTHING TO LOSE

Finally, an important stimulant to our AFDC boom is the simple fact that, at present, AFDC mothers have little or nothing to lose. It is a peculiarly American illusion that to make AFDC relief conditional upon acceptance of available employment would be a terrible blow to the welfare of the children.

In fact it would improve the morale of the entire family, encourage the mother to avoid separation or to remarry and (not such a contemptible aim) reduce the exploitation of the working taxpayer. Our states have so far foolishly reneged in providing the nurseries and day care centers that would make a practical reality of this requirement, which often exists in theory. The 1967 Social Security amendment pressing states to institute this requirement and to undertake the related reforms is eminently sensible—one of the few hopeful signs in the current welfare tragedy.

In sum, the most promising path for new forms of income maintenance is in association with employment. A nationally standardized system of support for those who cannot work would solve the significant problem of perverse mobility incentives. These reforms, combined with a far more determined enforcement of support responsibilities and a policy of requiring and enabling relief mothers to work, should give us a fighting chance to reverse the social disgrace typified by New York's gigantic new class of public dependents.

THE ATTITUDE OF THE SOVIET UNION TOWARD CZECHOSLOVAKIA

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, July 25, 1968

Mr. THURMOND. Mr. President, the July 18, 1968, edition of the State newspaper, of Columbia, S.C., contains an editorial entitled "Back in Orbit."

Editor Bill Workman devotes this editorial to the Soviet Union's attitude regarding Czechoslovakia. He points out that the message from Moscow to Prague is very clear—the Soviet Union has no intention of permitting one of its satellites to escape from orbit.

Despite the obvious position of the Soviet leaders, there are many in official Washington who prefer to hope that the satellites will eventually become free agents that can be won over to our side. Bill Workman does an excellent job of refuting this belief, and reminds his readers of the potential of the Russian Army for keeping satellites on course.

Mr. President, I ask unanimous consent that the editorial be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACK IN ORBIT

Though Soviet troops have done the hesitation step in their waltz out of Czechoslovakia, the prospect of Russian intervention, *a la* the

Hungarian Revolt, seems slight. But, then, the Czechs have not revolted as did the Hungarians in 1956. Their protest has been cautious and restrained—and equally intolerable in Moscow's eyes.

It seems clear that Prague understands the message. The Warsaw Pact maneuvers, which served as cover for the temporary military occupation of Czechoslovakia, have been terminated, and the tanks and troops are going. But Prague understands why Moscow chose to march about 24,000 Soviet soldiers into Czechoslovakia at this precise moment and why the troops stayed on for more than two weeks after war games ended.

If only it were clear that the U.S. State Department understands. For some time, Washington has clung tenaciously to the fiction that the Soviet presence in Eastern Europe has withered away. No longer do our bemused diplomats speak of Iron Curtain nations and Soviet satellites. This is the rhetoric of the Cold War. Our State Department personnel, assigned the task of building bridges, speak now of "the nations of Eastern Europe."

Yet the message from Moscow to Prague should be equally clear in other capitals. The Soviet Union has relinquished its hold on none of the territory it seized in the aftermath of World War II, when Washington entertained equally naive views on the nature of Soviet ambitions. Though local customs and circumstances may require some variety among the satellites, Moscow requires unquestioning allegiance on matters that affect the destiny of the Communist alliance.

This appears to be where the Prague regime went wrong. It made too many concessions to the grumbling dissidents, who objected not only to the restraints imposed by the police state but also held Moscow accountable. Given the option, they would have charted an independent course. For reasons that are plain, Moscow felt that such rebellious stirrings had to be put down. Perhaps it learned a lesson in Hungary, where restlessness erupted into revolt.

Czechoslovakia's experience is instructive with respect to other satellites as well—satellites like Yugoslavia and Romania, which Washington is pleased to regard as "independent" socialist states, weaned from Moscow's orbit by the skillful diplomacy of the United States. If Moscow did not allow independence in Czechoslovakia, what reason is there to believe that it was more permissive toward its other puppets?

Reason is beside the point. Washington prefers to hope, and it continues to believe, because it wants to believe, that Moscow's satellites are free agents capable of being won over to our side. It fashions cultural exchanges on the basis of such hopes and encourages trade between East and West. And when a satellite wobbles in its orbit and confronts, as a result, the correcting power of the Russian army, Washington appears not to notice.

AN EDITORIAL COMMENT ON THE SIXTH-TERM BID OF CONGRESSMAN AT LARGE WILLIAM HENRY HARRISON

HON. BEN REIFEL

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. REIFEL. Mr. Speaker, as is occasionally the case, the race in Wyoming for the House of Representatives is that State's only national contest in the 1968 election year.

Her distinguished Governor, Stan Hathaway, is at a mid-term position, Senator Cliff Hansen, another Republican, is in the first third of his first term, and the other State-elected officers run concurrently with the Governor.

So it falls upon the shoulders of the Congressman—William Henry Harrison, our colleague of five terms—to carry the banner of Republicanism at the State level this year as the party sets out to give Republicans control of the House in the 91st Congress.

This campaign, which finds the active and vigorous 72 years of our friend and colleague being exploited in a vicious primary campaign, has elicited a fair amount of editorial comment in Wyoming.

A recent editorial from the Wyoming State Tribune, entitled, "Sowing Political Wild Oats," points out:

> One of the minor phenomena in the year of recurrent political surprises has been what a prominent Democrat has privately described as a "major blood-letting" within the Wyoming Republican party, specifically in the congressional contest.

The editorial continues:

> This has largely featured a series of attacks by John Wold, of Casper . . . in attempting to unseat veteran William Henry Harrison, seeking his sixth term in the U.S. House of Representatives.

The other editorials from the June 21 and 28 and July 18 and 24 editions of the Sheridan, Wyo., Press, deal with the affirmative and commendable aspects of the congressional record of Bill Harrison.

They speak for themselves, but in placing editorials in the Record, I would quote from the press editorial of June 28:

> Laws that Bill Harrison has either originated, helped sponsor, or which he steered, have involved water, have aided Wyoming's Indians, have dealt with Wyoming's lands, have aided towns, have served irrigation districts, have benefited or helped solve problems on Federal reclamation projects, have helped the veterans, have aided recreational development, have helped education, and have helped oil and gas development.
>
> Congressman Harrison's record shows an active concern for the needs of Wyoming's people and an ability to achieve.
>
> The record is fruitful . . . fruitful for Wyoming.

Mr. Speaker, the editorials to which I have referred follow:

[From the Sheridan (Wyo.) Press, June 21, 1968]

THE WAR ON AGRICULTURE GOES ON

At the Wyoming stock growers convention, William Henry Harrison charged the Johnson administration was undermining the agricultural industry. He pointed to policies which are designed to provide American consumers with low prices for food at the expense of agriculture as a whole.

In Harrison's words, the Johnson administration is fighting an "unpublicized war on agriculture." This is carried on to reduced living costs by pushing farm prices downward, particularly by keeping meat prices down at the expense of the stockman.

In a broad sense, the Harrison comments are aimed at a federal government policy which obviously is aimed at keeping the consumer happy without any regard of what it is doing to the stockman and farmer. Consumers are numerous and powerful as voters. Agriculture is no longer a powerful political factor as it was 40 years ago. This situation, however, produces a critical problem which eventually may become as acute as the racial and law enforcement problems are at present.

Low consumer prices are made possible by the production of an abundance of foods. When the abundance which American agriculture has been able to provide runs down, the problems will be more than one of price.

In a large measure, the various segments of the American economy can at least partly meet the problems of inflation and rising prices. Workers are able to press for higher wages, especially in a labor market where there are more jobs than people to fill them. Industry in most instances can raise prices, unless competition prevents. The farmer and stockman are unable to do anything about the market. He has to sell at what the market has to offer. And in recent years, that is akin to disaster.

Net farm income for 1967 was actually down from 1966 by nearly $2 billion. The drop was from $16.4 billion in 1966 to $14.5 in 1967. That is a drop of 11.5 per cent in one year.

Probably no other industry could survive a drop of 11.5 per cent in income in one year, especially in times of inflation and rising costs. Farmers and ranchers are staying in business generally by going deeper into debt in the hope that the situation will change. Fortunately for the rest of America, capital assets in agriculture have been adequate to bear that additional debt burden. Farm debts have increased by $20 billion in the last six years.

A Texas rancher described the situation as follows: "When a farmer has $300,000 to $400,000 invested in farm business and can't make a good living for his family, there is something wrong with the way things are being handled. I do not believe there is a farmer in this part of the country who is worth as much as he was two years ago."

Perhaps the agricultural problem is so complex that it is seemingly impossible to solve it. That is the way Henry A. Wallace, a former secretary of agriculture and a former vice president, saw the entire problem. But there should be at least a sincere and well directed effort toward meeting it or the eventual result is not only disaster for agriculture but for the country.

[From the Sheridan (Wyo.) Press, June 28, 1968]

THE RECORD IS FRUITFUL

Life in the sometimes tremulous halls of Congress has been fruitful for Wyoming's lone member of the U.S. house of representatives, William Henry Harrison. For the Congressman, the needs and demands of those at home have come as a challenge, and the challenge has been met and often exceeded.

A recent résumé of measures he either originated or companion senate measures he steered to final house action, shows the Congressman can take credit for nearly 30 public laws during his service in Washington. He can take credit for four public laws in the 82nd Congress, an impressive 14 in the 83rd, five in the 87th, and six in the 88th. The record for the current, or 90th Congress is still being written, but Harrison has legislation in the mill which would affect a variety of the state's interests—her industries, her minerals, her farms and her ranches.

Harrison's service has been productive not only because he works at representing Wyoming's interests but because he has gained experience. Experience means he has gained a valuable knowledge of the ways and means of getting things done in the maze of government. Experience means he has gained valuable connections, and has gained stature among fellow representatives. All of these are vital to the productivity of a Congressman.

Because he has served five terms, or 10 years, Congressman Harrison's record may have become obscured by time. Sometimes we have chosen to ignore it, but study makes it quite clear that this man has a good record, and a record that might well be considered above average.

Some of the laws for which he is responsible have been technical, and because of that seemingly dull and unimportant. But to the citizens involved they were necessary and important and the job was done.

Some of the laws, on the other hand were of a more exciting nature, such as public law 555 approved in 1954. At the time, this was landmark legislation to encourage exploration and development of oil and gas reserves of the public domain.

Laws which Bill Harrison has either originated, helped sponsor, or which he has steered have involved water, have aided Wyoming's Indians, have dealt with Wyoming lands, have aided towns, have served irrigation districts, have benefited or helped solve problems on federal reclamation projects, have helped veterans, have aided recreation development, have helped education, and have helped oil and gas development.

Congressman Harrison's record shows an active concern for the needs of Wyoming people, and an ability to achieve.

The record is fruitful—fruitful for Wyoming.

[From the Sheridan (Wyo.) Press, July 18, 1968]

A Voice for Agriculture

Agriculture's strength in the current Washington administration and in the Congress of the U.S. has gradually become muted. The decline of agriculture's voice and a consequent decline of political prominence has been noticed among those in agriculture.

It has been noticeable in agricultural areas such as ours. The muting makes one wonder if agriculture has a voice in Washington any more.

But it has had one voice at least, that of Congressman William Henry Harrison. His has been a continuing voice.

It was heard in 1953 when he supported a law modernizing legal provision dealing with exchanges of farm units on federal reclamation projects, and when he supported a law exempting the Owl Creek unit of the Missouri Basin project from the 160-acre limitation.

It was heard in 1954, when he supported a law authorizing the exchange, transfer and dispensation of land in the Eden reclamation project of Sweetwater county.

In 1964, it was heard when Harrison supported or sponsored legislation providing authority to construct the Savery-Pot Hook reclamation project along the Wyoming-Colorado line, and it was heard in connection with laws relative to the Riverton reclamation project.

The voice has continued to sound through the years including the present. On Jan. 17 of this year Harrison questioned the motives of the administration and its leadership in Congress in facing with reality the plight of the American farmer.

In March of this year, he introduced a bill requiring tax agents to give consideration to the earning capacity of a ranch. "We know," Harrison told the house, "That many families lacking substantial outside income have lost ranch and farm simply because estate taxes were out of all proportion to the properties earning power in agricultural use."

In April of this year, Harrison was critical of the drop in farm and ranch cash receipts for Wyoming during 1967. He called the decline "further evidence of the bankruptcy of Great Society agricultural programs and the philosophy behind them."

On July 2, in a statement before a house committee, Harrison testified against unchecked imports stating, "The policies of this administration that have increased imports of boneless beef 13 per cent between 1966 and 1967 and increased red meat imports by 7 per cent in the same period do not promote fair trade."

He also said in that testimony:

"In dairy imports we find a score of nations making a broken field run around our import laws simply by renaming or altering slightly the composition of certain items."

"This year we will probably expend about one billion dollars which will add appreciably to our balance of payment deficit. These imports will have the effect of diminishing the market for our home-grown products and further damaging the economy of Wyoming which could stand a boost rather than a knock from its federal government."

And then on July 15, Congressman Harrison again turned his attention to reclamation, which has always played an important part in Wyoming agriculture, by introducing legislation authorizing a feasibility study of the Corn Creek reclamation project in Goshen county.

Harrison's record in agricultural legislation, and the understanding of agricultural problems has been long and constant, while other voices have become muted.

Other voices are talking about other things. Other voices by the simple expedience of omission are downgrading agriculture.

Harrison, on the other hand, recognizes the place of agriculture and continues to speak in its behalf.

[From the Cheyenne (Wyo.) State Tribune, July 19, 1968]

Sowing Political Wild Oats

One of the minor phenomena in a year of recurrent political surprises has been what a prominent Democrat has privately described as a "major blood-letting" within the Wyoming Republican party specifically in the congressional contest.

This has largely featured a series of attacks by challenger John Wold of Casper, who is making his second statewide campaign in attempting to unseat veteran William Henry Harrison, seeking his sixth term in the U.S. House of Representatives.

Wold's attacks on Harrison have taken the form of criticizing Harrison's age (Harrison is 72, Wold is 52), implying Harrison is not "vigorous" for that reason by repeatedly asserting that Wyoming needs "vigorous" representation in Congress; criticism of passage of the Central Arizona Project in the House although it is currently tied up in a snarl that may preclude its passage, once again, by Congress; and more recently a vote on the federally impacted school funds bill.

Wold now has, by suggestion, challenged Harrison to "a public discussion of the issues" which presumably means a debate, although Harrison says he has received no communication on this subject whatsoever and it has merely been bruited about in the press, which is a tactic that is frequently employed by candidates who suddenly discover themselves on the short end of the stick in a campaign.

The transparent purpose of these attacks is to tear down Harrison who has an established political name (there are those who compare it to "Wheaties" or "Coca-Cola" in durability and effectiveness) apparently by the only method available to attack Harrison, and that is by a head-on assault.

And while every man is entitled to speak his piece, and the rules of love, war and politics are made to be broken, by the same token for the very reason they exist at all, they are broken at grave risk to him who so dares.

It should be kept in mind that given the time, conditions and especially the setting, the rule is that Republicans in this state don't cut up each other in primary campaigns. As a matter of fact, they don't cut up each other on the national level either; although it is being done in the case of Governor Rockefeller who is attempting to do the same thing to former Vice President, Nixon, and is failing signally in the effort.

So, in an age, when tradition seems to be going by the board, this may be one cardinal rule that, when all the shouting is over, will still be in demand if only by reason of the fact that it is reaffirmed by the current primary election that is coming up, and the Republican national convention that will take place even earlier.

The general tendency has been that while an individual candidate's goal is avidly pursued and there might be some behind-the-scenes gut-cutting, at least out in the open it is taboo. Democrats, yes; their in-fighting is accepted not only among themselves but by the rest of the crowd as well as common spectator sport.

While it might be said that such intramural knuckle-busting cannot ever be precluded among Republicans, or that it shouldn't take place, this is something beside the point; traditionally it never has been done on much of a scale, and what is now taking place in the congressional brannigan has caused all to stop, take stock and pay attention.

Mr. Wold should know all this, having been a state party chairman and presumably he has launched upon such an obvious tactic in the hope that by so doing it is the only method available to him to scrag Harrison and gain the nomination for himself.

But he, of all persons, should know this is a highly calculated risk, attended by much political peril, and that while it is most spectacular for the moment and is apt to excite some attention, so were the Japanese kamikaze suicide pilots of World War II.

However, from a standpoint of result, both tactics leave much to be desired.

History will tell, of course, which is the effective course; however, from another standpoint, it should be noted that Mr. Harrison has served this state long, well and honorably, and his record does not compare ill with respect to efficiency with his predecessors.

It is a unfortunate fact that Wyoming has only one member of the House of Representatives, a condition however that has obtained for 78 years, and through no fault of William Henry Harrison or anyone.

As for Harrison's age, this is a weak campaign issue; and a condition that is highly relative in nature.

As the late Justice Holmes said at age 90 when he and a colleague watched a pretty girl walking down a Washington street, "Ah, to be 70 again." Those less than Mr. Harrison's 72 can hope to live so long; those older, like Mr. Justice Holmes, just wish they could turn back the hands of time.

Besides that, at 52 Mr. Wold is not exactly the personification of flaming youth. Nor is he a kid; so he should stop acting like one and run on what he, and he alone, has to offer the Republicans and the people of Wyoming.

[From the Sheridan (Wyo.) Press, July 24, 1968]

Men in public life may or may not keep a book of highlights. But they could.

Congressman William Henry Harrison, for example, could list Public Law 555, a measure which encouraged exploration and development of oil and gas reserves on the public domain; could list his successful battle to defeat Burns Creek public power project; or could list Public Law 88–568, a measure which gave the authority to construct the Savery-Pot Hook reclamation project.

With little effort, Harrison could list more.

If the Congressman and Wyoming citizens were to think about it, Public Law 555 would seem as farsighted today as it was back in 1954 when it was passed. It was known as landmark legislation then, and can still be so construed today. It encouraged oil and gas exploration and development on the public domain by modernizing and making more workable existing lease laws with consequent benefit to the individual States in which the public lands are located. As a major public domain State, Wyoming was a prime benefactor. The law represented a sweeping overhaul of the Mineral Leasing Act of 1920 and brought many of that law's provisions up to date with then-current needs and situations.

Considering current oil and gas exploration near us, this law is of modern moment.

And Harrison's concern then is as lively today.

He has consistently been concerned with promoting the interests of the State and its resources. The Burns Creek project is another example. This was to have been a public power project. Had it been approved it would have prevented private use of local resources in the Kemmerer area. Harrison played a major role in defeating the project, and private interests have developed the local resources involved.

Water resources have also been of major concern to the Congressman. One of the highlights that can go in Harrison's book is the law which gave authority for the Savery-Pot Hook reclamation project. This project along the Wyoming-Colorado line was located in the drainage basin of the Little Snake River, a Yampa River tributary. It was designed to make available about 64,000 acre-feet of irrigation water annually. One of the reservoirs was the 18,600 acre-foot Savery Reservoir in Wyoming. A total of 35,265 acres of land were to receive irrigation water from the project, which also included recreational facilities at the two reservoirs involved.

These are examples of the kind of highlights—farsighted highlights—that could make up the Harrison book.

Harrison might list other highlights, but these are indicative of the important legislation with which he has dealt during his years as a Congressman. He continues to deal with important legislation today.

DEATH OF MRS. HAGOOD BOSTICK, OF COLUMBIA, S.C.

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, July 25, 1968

Mr. THURMOND. Mr. President, Mrs. Hagood Bostick, a leader and patron in the cultural and educational life of Columbia and the State of South Carolina, died last week. An editorial published in the State newspaper of Columbia, S.C., points out that her life "was largely invested in upgrading the minds of her fellows and in fostering the esthetics which are enriching to life."

Mrs. Bostick served our State in many capacities—as Richland County librarian since 1928; special membership chairman of South Carolina for the American Library Association; secretary for more than 30 years of the Columbia Stage Society, the parent body of the Town Theater; founding member and patron of the Historic Columbia Foundation; member of the board of the Columbia Museum of Art; treasurer and former president of the Columbia Kennel Club; and founder, benefactor, and member of the board of trustees of the Hammond Academy.

She was also a member of the board of directors of the State-Record Co., which publishes the State and the Columbia Record newspapers in Columbia, S.C. Her mother was a sister of the three Gonzales brothers who established the State newspaper in 1891 and her uncle, Ambrose Hampton, is now chairman and publisher of that paper. She was also a grand niece of Gen. Wade Hampton.

Mr. President, I became closely associated with Lucy Bostick and her work when I was in the State Senate of South Carolina from 1933 to 1938. She was a loyal friend, a true patriot, and a deeply dedicated person. She was a woman of high ideals and lofty character. A 1966 tribute to her, recently reprinted in the State, said, and I quote:

> Mrs. Bostick is one of those rare ones who obviously recognize "that tide, which taken at the flood" leads on to ever-increasing accomplishment.

Mr. President, I ask unanimous consent that the following editorials and articles be printed in the Extensions of Remarks: "Woman of Achievement," the State, July 20, 1968; "Mrs. Bostick's Support for the Town Theater," the State, July 19, 1968; "Mrs. Hagood Bostick Dies," the State, July 19, 1968; and Mrs. Hagood Bostick, County Librarian Dies," the Columbia Record, July 18, 1968.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) State, July 20, 1968]

WOMAN OF ACHIEVEMENT

The death of Mrs. Hagood Bostick has removed from the South Carolina scene an extraordinarily forceful and gifted figure—one whose life was largely invested in upgrading the minds of her fellows and in fostering the esthetics which are enriching to life.

It is with justification that her passing is mourned; it represents a loss to the state and to the community of Columbia. Fortunately, the impact she has left is in areas where it will be long felt.

Mrs. Bostick could have lived a life of self-aggrandizement. But she chose the other way, the way of directing her talents and her means to the benefit of others.

There is no accounting the good and enlightenment her highly successful library mission accomplished. And her sponsorship of the arts will leave a permanent mark.

There will be successors to Lucy Hampton Bostick in the fields in which she worked, but to match her they will have to emulate her indestructible spirit, her perception and, indeed, her force.

[From the Columbia (S.C.) State, July 19, 1968]

MRS. BOSTICK'S SUPPORT FOR THE TOWN THEATER

The program for a 1966 production of Columbia's Town Theater included a tribute to Mrs. Lucy Hampton Bostick, written by Adger Brown, now cultural affairs editor of The State and long active in Town Theater affairs. It was written without Mrs. Bostick's knowledge and she was to discover it first in the program.

The tribute follows:

Town Theater is an institution firmly rooted in tradition, always looking toward the future and yet functioning in a highly demanding present.

Probably no one individual more fully typifies this aspect of Town Theater than Lucy Hampton Bostick. Certainly to no one is a greater debt of gratitude owed by theatergoers than to Mrs. Bostick, who has served on the Board of Governors as secretary for more than 30 years.

Unobtrusive—even diffident in manner—so long as the theater is running smoothly, Lucy Hampton Bostick has been accurately described as "one of those rare, true-blue souls" who always stands in readiness to cope with emergencies.

In Town Theater's past, there have been dark periods. There have been moments when even its most stalwart and optimistic supporters have feared that the theater must actually close its doors.

But they made the mistake of underestimating the quiet power and force of a woman like Mrs. Bostick who in her gentle, womanly fashion always has stood ready to "fight, bleed and die" to keep Town Theater alive and operating.

While still a young girl, Lucy Hampton participated in the first membership campaigns conducted by the theater. She lent her talents to some of the theater's first productions, including "Beau Brummell" and "Lady Windemere's Fan."

A review of the former play said: "In delightful contrast to the role of the 'siren' was Miss Lucy Hampton in the role of Marianna, the inamorata of Brummell, who dies with her name on his lips. Her quaint, demure manner and mien eloquently bespoke the sweet womanliness which won his beauship's heart. Miss Hampton enhanced the interest of her appearance by wearing two charming gowns of her own great-grandmother.

Frequently referred to as "the backbone of the theater," Mrs. Bostick and her husband, Hagood, have opened their hospitable home, "Dogwood" on numerous occasions to honor the theater's directors and casts of plays. Mr. Bostick has lent his own talents as an actor to a number of Town Theater productions.

Mrs. Bostick's interests in the cultural life of Columbia are by no means confined to the theater. Somehow this remarkably lady finds time and seemingly boundless energy to serve as librarian for Richland County Public Library. Under her guidance, that institution has grown from a less-than-modest beginning into one of the finest public libraries in the Southeast.

Mrs. Bostick has brought additional lustre to Columbia as a publisher of fine books in cooperation with former Columbian Fant Thornley.

Mr. and Mrs. Bostick are among the most ardent supporters of the Columbia Kennel Club and they have been instrumental in making Columbia an important center for dog owners and trainers.

Mrs. Bostick, herself, is inclined to avoid the spotlight, preferring to create the impression that whatever she has done has been largely "fortuitous."

But fortuitous circumstances arise in the lives of many of us—who fail to rise with them. Mrs. Bostick is one of those rare ones who obviously recognize "that tide, which taken at the flood" leads on to every increasing accomplishment.

Even if her contribution to Town Theater were, as she says, "largely a matter of chance," it is still rare good luck indeed for Town Theater which placed Lucy Hampton Bostick in the right place at the right time.

[From the Columbia (S.C.) State, July 19, 1968]

MRS. HAGOOD BOSTICK DIES

Mrs. Hagood Bostick, for many years a leader and patron in the cultural and educational life of Columbia and of the state, died early Thursday. She had been critically injured in an automobile accident on July 5.

The funeral will be held this afternoon at 5 o'clock in Trinity Episcopal Church of which she was a member. Interment will be in Trinity churchyard.

Mrs. Bostick had been Richland County librarian since 1928. As an officer and a member of the State Library Board, she was one of the pioneers in the mission of extending public free libraries and their educational services throughout South Carolina. She had a leadership role in encouraging legislation which became the basis of the spread and improvement of library functions over the state.

In the community of Columbia, Mrs. Bostick lent her leadership and support to practically every major endeavor devoted to the interests of the arts, including the Town Theater, the Columbia Museum of Art and the Historic Columbia Foundation.

Under her direction, the Richland County Library was developed from an institution having only 16,000 volumes to one which now has 225,953 in its main city library and its four branches, Waverly, Cooper, St. Andrew's and Eastover. At the time Mrs. Bostick became librarian the library's annual circulation was 60,000 volumes. Today that circulation is more than a million volumes. One of the modern services of the library is the Bookmobile, which makes books available in rural areas.

During her long administration, Mrs. Bostick saw the library move successively from modest quarters to the modern structure which houses it today at Sumter and Washington Streets. She also played a leading part in the effort which led to the provision of a large new headquarters, now being constructed at Senate and First Streets, for the State Library Board.

The American Library Assn. appointed Mrs. Bostick as special membership chairman for South Carolina.

For more than 30 years she served as secretary of the Columbia Stage Society, the parent body for the Town Theater. In the same period she was a member of the board of the theater, a post she still held at the time of her death. In its early years, Mrs. Bostick accepted roles in the theater's productions and her interest in its ongoing continued through her lifetime.

She was a founding member and patron of the Historic Columbia Foundation and its restoration of the Ainsley Hall house, designed by Robert Mills. She served in an advisory capacity on various committees for the restoration of the Bostick boxwood gardens and the restoration of the Hampton-Preston house.

From 1958 through 1960, Mrs. Bostick was a member of the board of the Columbia Museum of Art.

One of her engrossing interests was the Columbia Kennel Club. She was its treasurer at the time of her death, and formerly was president. The club sponsors a large annual dog show and in this Mrs. Bostick was always a guiding figure.

She was recognized nationally as an authority on dog breeding and dog judging and often served as a judge at shows sanctioned by the American Kennel Club. She was an authority on cocker spaniels and raised them at her home, "Dogwood," on the Hampton proper on the outskirts of Columbia.

When Columbia's new private school, Hammond Academy, was organized, she was one of its founders and benefactors and served on its Board of Trustees.

Few major endeavors for the advancement of Columbia and Richland County failed to enlist the leadership talents and the material support of Mrs. Bostick.

In recent years, she even found time to conduct a discussion of books and library services on WIS-radio.

Mrs. Bostick attended Converse College and studied library science at Emory University, Atlanta, and the University of South Carolina.

She was a former president of the Players Club, a member of the Drama Club, the Assembly and a former president of the Junior League.

The former Lucy Hampton, Mrs. Bostick was the daughter of the late Frank Hampton and Gertrude Gonzales Hampton. She was a grandniece of Gen. Wade Hampton.

She descended, on her mother's side, from the family out of which was founded The State newspaper. Her mother was the sister of the three Gonzales brothers who established the newspaper February 18, 1891. The brothers were the late N. G., Ambrose and William Elliott Gonzales.

Mrs. Bostick was a member of the board of directors of the State-Record Co., which publishes The State and The Columbia Record, and entertained a deep interest in the newspapers and their institutional responsibility.

Surviving are her husband, Hagood Bostick; a sister, Mrs. Victor B. Barringer of Richmond, Va.; three brothers, Frank Hampton, Harry R. E. Hampton and Ambrose G. Hampton, all of Columbia, and a number of nieces and nephews.

Pallbearers will be McKeever Willcox of Darlington, Paul B. Barringer II of Weldon, N.C., Ben R. Morris of Atlanta, Dr. Ambrose G. Hampton Jr., A. McConnell Faucette and Kirkman Finlay, Jr., of Columbia.

For those who desire, memorials can be forwarded to the Carolina Children's Home.

[From the Columbia (S.C.) Record, July 18, 1968]

Mrs. Hagood Bostick, County Librarian, Dies

Mrs. Hagood Bostick, Richland County librarian and long a leader in the advancement of Columbia, died early today from injuries received in an automobile accident several days ago.

Funeral services will be held Friday at 5 p.m. in Trinity Episcopal Church. The Rev. Charles Scott May will officiate. Burial will be in Trinity Churchyard.

Surviving are her husband; three brothers, Frank Hampton, Harry R. E. Hampton and Ambrose G. Hampton, all of Columbia; a sister, Mrs. Victor Barringer of Richmond, Va.; and a number of nieces and nephews.

Mrs. Bostick, the former Lucy Hampton, attended Converse College and took courses in library science at Emory University and the University of South Carolina.

The daughter of the late Frank Hampton and Gertrude Gonzales Hampton, Mrs. Bostick was the grandniece of Gen. Wade Hampton. Her uncles were the Gonzales brothers, N. G., Ambrose and William E., who established The State newspaper. Mrs. Bostick was a member of the Board of Directors of the State-Record Co., which publishes The State and The Columbia Record.

She was a member of Trinity Episcopal Church and The Assembly.

Mrs. Bostick's name is synonymous with the Richland County Public Library. She promoted free public libraries all over South Carolina, contributing to movements in other counties for the establishment of libraries.

She was the only librarian on the State Library Board which was set up by the General Assembly to assist in the establishment of free libraries. She served as secretary to that body. She was chairman of the Citizens' Library Committee which cooperates with the Library Board.

The American Library Association appointed Mrs. Bostick as special membership chairman for South Carolina. She held offices of president, secretary and also served on the executive board of the state Library Association.

Mrs. Bostick was a bulwark of the Town Theater and its artistic contributions to the community. She once played a role in its productions, was a former president of its affiliate, the Players Club and for years was a member of its Board of Directors, a post she still held at her death. Also, she was active in the establishment and sustenance of the Columbia Museum of Art. She was also one of the founders of the Hammond Academy and a member of the Board of Trustees.

The Bostick home, "Dogwood," is located on the Hampton property near the veterans hospital.

She was very interested in dogs and cocker spaniels were her favorite. She was a very active member of the Columbia Kennel Club, and the Drama Club. She was a former president of the Junior League.

VOICE OF AMERICA SHOULD TELL THE WORLD THE STORY OF SOVIET-CZECH CRISIS

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. BRAY. Mr. Speaker, what, if anything, is the United States doing in the present crisis between the Soviet Union and Czechoslovakia? The administration's announced policy is that of "noninvolvement," of which more will be said later. But does "noninvolvement" mean we must keep totally silent? Can we—and are we—using the Voice of America to tell the world what is going on?

The Soviets are on the defensive and by their pressure tactics and not-too-subtle threats of armed intervention in Czechoslovakia they are showing that all their hypocritical talk about "self-determination" is an outright lie. The Kremlin will go to extraordinary lengths to keep the Communist bloc nations in line. It cannot afford to take the risk of doing nothing, lest the desire for more freedom spread not only through the satellite countries but right into the streets of Moscow and to the walls of the Kremlin itself.

Let us look at the situation: It is no exaggeration to say that the matter as far as the Soviet Union is concerned is probably the most serious it has faced since it was attacked by Nazi Germany in 1941. For all of Eastern Europe, it is the most critical since construction of the Berlin Wall in 1961.

If the Czech Government is allowed to go ahead with its proposed reforms such as freedom of the press, allowing opposition groups to form, permitting the right of assembly, and open admission of serious Government errors in the past, it will mean a tacit challenge to Communist doctrine as laid down by Moscow that would have widespread repercussions throughout the Communist world. An indication of how serious it is to the Kremlin is that the entire Soviet Politburo has gone to Prague to discuss the matter; this move came after the Czechs refused to go to Moscow. This is the first time in the history of the Soviet Union that the entire Politburo has all left Russia at the same time.

If, on the other hand, Moscow moves too harshly against Prague—and military force, like that used against Hungary in 1956, has not been ruled out—the dangers are just as great.

Moscow left no time trying to blame it all on someone else. Two Tass broadcasts from Moscow on July 19, 1968, charged the United States with involvement. One referred to "CIA-Pentagon documents" and the other said secret stores of U.S.-made weapons had been found near the Czech-West German border.

The administration has announced a policy of "noninvolvement" as far as the United States is concerned. This means offering absolutely no encouragement nor support of any kind to the Czechs. I offer for comparison two official State Department responses to questions about the Czech situation. The first was made on May 1, 1968; the second on July 19, 1968.

On May 1, 1968:

> We are watching with interest and sympathy—interest and sympathy—the developments in Czechoslovakia which seem to represent the wishes and needs of the Czech people. We hope that they—the developments—will lead to an improvement in relations between Eastern and Western Europe and between Czechoslovakia and the United States.

But on July 19, 1968:

> The United States has not involved itself in any way in the Czech situation. The United believes Czechoslovakia should be free to develop its own internal arrangements.

What happened to the "interest and sympathy"? Why the sudden and obvious change in tone and policy? The above quotations appeared in an article in the Washington, D.C., Post on July 21, 1968; the author of the article, Warren Unna, had these comments:

> May 1 was before the Russians and their hard-line Eastern European clients—East Germany and Poland—lined up against the Czechs.
>
> May 1 also was before the recent spate of steps forward in U.S.-Soviet relations.
>
> And May 1 also was further away from the U.S. presidential election campaign in which a Democratic Administration, in order to continue in office, doesn't want to be cornered with a Republican charge of "cowardice" should the Soviets decide to really move in on the Czechs.

The United States has been told to keep its hands off. We did this once before. In 1962, at the United Nations, the United States offered a resolution to dissolve the Commission headed by Sir Leslie Munro, the delegate from New Zealand, which for 6 years had been looking into the Hungarian revolt of 1956. Munro had filed four reports; the Soviet Union had violently protested all of them. On December 17, 1962, the United States offered its resolution; on December 18, it issued a further statement saying the matter should be approached from a "new angle." On December 20, 1962, the Commission was dissolved.

Just how far the administration will go this time is unknown. The Secretary of State has protested directly to the the Soviet Ambassador about the Moscow radio broadcast inferring that we are involved. But it would seem the very least we can do—what we must do—is give objective, full-scale up-to-the-minute coverage of the situation, over the Voice of America. The Soviet Union is on trial and the whole world is watching. I have sent the following letter to the Director of the U.S. Information Agency, Leonard Marks; his reply will be made public when it is received:

> The announced, official policy of the United States Government in the present Soviet-Czech crisis is that of "non-involvement," which means, in effect, that the Government will take no steps the Soviet Union might consider "provocative" and give the Soviet Union an excuse to move against the Czechs on the grounds of "crushing imperialist intervention."
>
> I would like to know how this is being treated by USIA and VOA. It would be greatly appreciated if you would forward to me samples of commentary on the Soviet-Czech matter as broadcast over VOA, with citations as to date and countries the broadcasts were aimed at.
>
> Thank you very much.
>
> William G. Bray,
> *Member of Congress.*

NATIVE HIRE IN ALASKA

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Thursday, July 25, 1968

Mr. MAGNUSON. Mr. President, on July 19, 1968, at the call of the senior Senator from Alaska [Mr. Bartlett] an informal meeting with Federal agencies was held to discuss Alaska native hire policies. Senator Bartlett is necessarily absent. In his behalf, I ask unanimous consent that a letter from the Chairman of the Civil Service Commission and the replies that he received from the Cabinet Secretaries concerning native hire be printed in the Extensions of Remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

May 10, 1968.

Hon. Orville L. Freeman,[1]
Secretary of Agriculture,
Washington, D.C.

Dear Mr. Secretary: A plan has been developed to advance the employment of Alaskan natives within Federal agencies. As the initial step in implementing the plan it is necessary that reaction to it, as well as certain detailed information, be obtained from each agency which has employing activities in Alaska.

Under Executive Order 11386, Federal programs affecting Alaska's economic progress are being coordinated by the Federal Advisory Council on Regional Economic Development. The economic plight of the Alaskan native is a problem directly related to economic development within the State. Therefore, the Council has established a Committee on Alaskan Native Hire to address itself to the specific problems of native employment. Although full consideration of the employment problem must include the private sector as well as State and local governments, the Committee has first studied the question in terms of additional steps Federal agencies can take as employers which would contribute toward the solution of this problem. The Committee has advanced a plan which takes into consideration the basic problem, that of bringing the "man and the job" together.

The proposal involves the development of a host-enrollee program which would supplement continuing agency Equal Employment Opportunity Program efforts in direct employment. In the plan, each agency would agree to provide facilities, instructors and support for job training for a number of Alaskan natives approximately equal to ten per cent (10%) of the agency's permanent workforce. The trainees would constitute a manpower pool for that agency which would be given priority consideration in filling vacancies as they occurred within the permanent workforce. The Bureau of Indian Affairs, Department of the Interior, would be responsible for screening and selecting trainees, providing for their transportation to training sites, arranging for suitable housing and social services for them and their families, and for providing necessary subsistence payments and other support during training. The host arrangement would be open-ended, depending on individual development as well as vacancy openings. A detailed outline of the plan, which also provides background information, is enclosed.

The proposal appears sound from every point of view. It is, of course, patterned in general upon the successful plan established by the Weather Bureau in Alaska for trainee weather observers, with certain significant variations. The investment involved would be recouped through decreases in government assistance to the unemployed as well as in an ultimate reduction in turnover costs to employing agencies. If pursued, the plan should eventually result in a substantial reduction in the need for bringing employees from "the lower 48."

Certain problems must be solved by the Bureau of Indian Affairs, including staffing and funding as well as arranging for joint supporting participation with other Federal and State agencies. But before the plan can be referred to the Department of the Interior for further consideration, information is needed from each agency which has employing activities in Alaska regarding the number of trainees who can be accommodated, at what sites, the kind of training which would be provided, and for what target positions and occupations.

We would appreciate the receipt of this information by June 14. We would also appreciate any specific reactions you may have concerning this plan and any suggestions for improving it.

Sincerely yours,

John W. Macy, Jr.,
Chairman.

List of addresses, letter dated May 10, 1968, from Chairman Macy, concerning plan to advance employment of Alaskan natives in Federal agencies

Honorable Orville L. Freeman, Secretary of Agriculture, Washington, D.C. 20250.

Honorable C. R. Smith, Secretary of Commerce, Washington, D.C. 20230.

Honorable Clark M. Clifford, Secretary of Defense, Washington, D.C. 20301.

Honorable Wilbur J. Cohen, Acting Secretary of Health, Education and Welfare, Washington, D.C. 20201.

Honorable Robert C. Weaver, Secretary of Housing and Urban Development, Washington, D.C. 20410.

Honorable Ramsey Clark, Attorney General, Washington, D.C. 20530.

Honorable W. Willard Wirtz, Secretary of Labor, Washington, D.C. 20210.

Honorable W. Marvin Watson, Postmaster General, Washington, D.C. 20260.

Honorable Alan S. Boyd, Secretary of Transportation, Washington, D.C. 20590.

Honorable Henry H. Fowler, Secretary of the Treasury, Washington, D.C. 20220.

Honorable Lawson B. Knott, Jr., Administrator, General Services Administration, Washington, D.C. 20405.

Honorable Bertrand M. Harding, Acting Director, Office of Economic Opportunity, Washington, D.C. 20506.

Honorable Robert C. Moot, Administrator, Small Business Administration, Washington, D.C. 20616.

Honorable William J. Driver, Administrator of Veterans' Affairs, Veterans Administration, Washington, D.C. 20420.

(A separate, slightly different, letter dated

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[1] A list of addresses of identical letters follows this letter.

May 10, 1968, signed by Chairman Macy, sent to: Honorable Stewart L. Udall, Secretary of the Interior, Washington, D.C. 20240.)

COMMITTEE ON ALASKAN NATIVE HIRE FEDERAL ADVISORY COUNCIL ON REGIONAL ECONOMIC DEVELOPMENT

I. BACKGROUND

1. Committee members

Mr. J. P. Bohart (Chairman), U.S. Civil Service Commission. Alternate: Mr. J. R. Poole.

Mr. Millard Cass, Deputy Under Secretary of Labor. Alternate: Mr. Vladimir D. Chavrid.

Mr. William C. Valdes, Department of Defense. Alternate: Mr. Robert W. Workman.

Mr. Walter J. Knodel, Bureau of Indian Affairs.

Mr. James Alsip, Department of Commerce.

Mr. Richard L. Romero, U.S. Civil Service Commission.

To the above list, the Committee wishes to add, as an additional member, Mr. Vincent G. Macaluso, Assistant Director for Construction, U.S. Department of Labor, because Mr. Macaluso is in a position to contribute substantially in the effort toward increasing Alaskan native hire by government contractors and other areas of the private sector.

The Committee also proposes that an additional member be identified from Department of Health, Education and Welfare.

2. Purpose

The purpose of the Committee on Alaskan Native Hire is to recommend additional actions to the Federal Advisory Council on Regional Economic Development which would increase the employment of Alaskan natives. Although there does not appear to be completely valid data, the Committee assumes that there are approximately 16,500 Alaskan natives in the labor force, of whom 10,000 or 60%, are unemployed.

3. Current employment in Alaska

Statistical data available are neither precise nor stable. However, a review of various reports from the Bureau of Labor Statistics, as well as from other sources, indicates the following approximate employment in Alaska by categories. Identified non-agricultural employment (to the nearest 1000)—80,000:

Federal Government	14,000
State and local government	14,000
Wholesale and retail trade	12,000
Contract construction	9,000
Manufacturing	9,000
Service industries	9,000
Transportation and public utilities	8,000
Financial and real estate	3,000
Mining	2,000

The Committee was unable to obtain statistics covering such activities as hunting, fishing and lumbering. Further, there is no breakdown within the transportation and public utilities category. It is noted that, of the data listed, the Federal Government employs 17½% of the total, State and local government employs 17½%, and private industry employs 65%.

4. Alaskan natives in population centers

Broad, generalized statements concerning employment rates for Alaskan natives have implied discrimination. For example: "Alaskan natives make up more than one-fifth of Alaska's civilian population, but hold fewer than one-tenth of the jobs." This statement does not tell the entire story. In Anchorage, the largest employment center, native population is approximately 2% of the total population. In Fairbanks it is less than 5%. A solution to the problem of bringing people and jobs together is more than an exercise in generating job opportunities, or encouraging employers to give priority consideration to the Alaskan native. Basic economic issues involving the entire culture of the Alaskan native must be faced squarely before any real progress can be made in their employment.

5. Adverse conditions affecting Alaskan native hire

There are a considerable number of adverse conditions which must be overcome before there can be full employment of Alaskan natives. Some of these conditions are similar to those found elsewhere in the United States, except that they appear to be more adverse in Alaska than elsewhere. These include a general shortage of public funds, both Federal and State, which would be necessary to fully support Government efforts to improve employment conditions. It is obvious that reasonable levels of employment will not be realized until adult basic educational and vocational training programs are greatly expanded. Education and skill levels are exceptionally low at the present time. Further, the people do not live where the jobs exist. Inadequate transportation, a lack of suitable housing, and insufficient social services add substantially to the problem. A list of adverse conditions peculiar to the problem include the following:

a. Alaskan natives are from cultures different from those found elsewhere, and adjustments for workers and families into larger population centers where jobs exist are difficult.

b. Adult natives average less than a sixth grade education (one-fifth have no schooling and an additional one-fourth have no more than a fourth grade education). Further, only 9% have a high school education and less than 1% a college education.

c. Most Alaskan natives live in remote native villages on a subsistence and welfare economy.

d. Employers are unable to locate natives seeking jobs, and natives lack knowledge of where jobs exist. To compound this problem, transportation costs (usually by air) preclude movement of the native and his family to the job site without financial assistance.

e. Although it is understood that Alaskan natives can develop manual skills if given the opportunity, the vast majority have few to offer to an employer.

f. Because Alaskan natives are frequently inclined to disappear from jobs during the hunting and fishing season, and because they are normally not exposed to alcohol and therefore react more positively when exposed, prejudices exist among some employers concerning their desirability as employees.

6. Consideration of the private and local government sectors as potential employers

It is natural for legislators, as well as Federal executives, to turn to the Federal employers as prime targets for increased emphasis on solving the problem of unemployment. However, although Federal agencies must carry their fair share and serve as model employers in this cause, Federal agencies represent only 17½% of total employment in Alaska. The problem must be shared by the private sector as well as State and local governments, and actions proposed by the Committee would be incomplete if they did not include full consideration of the total employment picture. As stated by the Anchorage Daily News in its booklet, "The Merging Village People", published December 17, 1967: "Thousands of new jobs are needed along the coast and along the river banks and throughout the interior. And this means developments on a grand scale—developments that will require an intensive dose of capital and which will provide labor-intensive industry for a region where workers outnumber available jobs by a 2–1 ratio."

7. Role of the Bureau of Indian Affairs

Any detailed analysis of the plight of the Alaskan natives leads to the conclusion that a single Federal agency must serve as the focal point in solving their problems. Certainly, massive economic developments coupled with adequate transportation facilities, improvement in health services, improvement in available housing, and improvement in communication systems are basic and fundamental requirements. But the process through which migration takes place to job sites, through which improvements are made in educational levels, through which adjustments to a different culture are assisted and other social services are provided, must be centralized and made a responsibility of a single agency. This agency, of course, is the Bureau of Indian Affairs which, in effect, already has the responsibility. Until such time as there are very substantial increases, both in staff and in funds available, basic plans to improve native hires will not be successful.

II. PROGRESS OF THE COMMITTEE

1. Improving employment within the Federal sector

a. A plan for improving the employment of Alaskan natives within the Federal sector has been developed by the Committee. This plan takes into consideration the basic problem, which is that people must be brought, and families transplanted, to job sites. Therefore, the Bureau of Indian Affairs is involved as an integral part of the plan.

b. Each Federal agency in Alaska will establish a number of trainee positions roughly equivalent to 10% of its current workforce. Trainee positions will be identified in terms of occupational categories which will be needed as replacements within the agency workforce. Trainees will not be employees. Agencies will serve in a host capacity. This is following the basic plan set up by the Weather Bureau for its trainee weather observers.

c. The Bureau of Indian Affairs will screen and select Alaskan natives to fill these trainee positions, will provide transportation for those selected to the training locations, will arrange for suitable housing and social services for the trainees and their families, and will provide necessary subsistence payments to trainees as long as they are in training. It should be noted at this point that this arrangement will undoubtedly require linkage arrangements between the Bureau of Indian Affairs programs and other manpower programs operated by other Federal and State agencies. The State CAMPS Committee should be consulted for this purpose. It should be further understood that the host arrangement will be open-ended, depending on individual development as well as vacancy openings.

d. Agencies, jointly with the Alaska Interagency Board of Civil Service Examiners, will utilize their pools of trainees to fill vacancies as they occur.

e. There must be a substantial increase both in staff and funds available for the Bureau of Indian Affairs Alaska Branch. Further, each agency serving in a host capacity must agree to provide appropriate training, both staff and facilities, designed to meet their future needs.

f. If the full plan can be placed into effect, there would be approximately 1300 Alaskan native trainees on a continual basis. As soon as a trainee is moved to the permanent workforce of an agency, a new trainee would be put on board by the Bureau of Indian Affairs.

g. Another essential element in the success of the plan is the ability of the Alaska Interagency Board of Civil Service Examiners to qualify and certify trainees to appropriate positions on the permanent workforce.

The first step toward putting this plan into effect is obtaining the concurrence of agency heads involved in terms of commitment for providing training facilities, costs of instruction, as well as development and administration of the continuing training programs. In addition, each agency head must obtain from his field establishment in Alaska an identification of trainees by number and type.

The second step toward putting this plan into effect is presenting the plan to Department of Interior for concurrence. As an adjunct to that concurrence, there must be a commitment by appropriate funding authorities to assure support. This may well involve a number of Federal and State agencies.

2. Improving employment by government contractors

Mr. Vincent G. Macaluso, Assistant Director for Construction, U.S. Department of Labor, has visited Alaska and has outlined a plan, with which the Committee is in complete agreement, for improving the employment of Alaskan natives by government contractors. The plan provides for a tightening up of contract provisions which will require that, when contractors have work sites in areas where Alaskan natives are available, they will be given priority consideration for jobs. This is a departure from the sometimes current practice of filling such jobs through hiring halls in such urban centers as Anchorage. Further, contractors will be required to establish the maximum number of apprentice positions within each appropriate craft. It is considerd that there may be approximately 100 such apprentice positions established in the Anchorage area, for example.

3. Improving employment within State and local government sector

It is understood that the State government is making additional efforts to employ Alaskan natives. The Committee has not yet addressed itself to this category of employment. A series of communications from the Federal Advisory Council Chairman to the Governor may be proposed. The Field Committee for Development Planning in Alaska may be called upon to provide more direct assistance in approaching this issue.

4. Improving employment in the private sector

The Committee has not yet addressed itself to this issue. It is understood that the oil industry offers many possibilities for increasing Alaskan native employment. Again, it may be necessary that the Field Committee for Development Planning in Alaska provide more direct assistance.

MAY 10, 1968.

Hon. STEWART L. UDALL,
Secretary of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: A plan has been developed to advance the employment of Alaskan natives within Federal agencies. As the initial step in implementing the plan it is necessary that reaction to it, as well as certain detailed information, be obtained from each agency which has employing activities in Alaska.

Under Executive Order 11386, Federal programs affecting Alaska's economic progress are being coordinated by the Federal Advisory Council on Regional Economic Development. The economic plight of the Alaskan native is a problem directly related to economic development within the State. Therefore, the Council has established a Committee on Alaskan Native Hire to address itself to the specific problems of native employment. Although full consideration of the employment problem must include the private sector as well as State and local governments, the Committee has first studied the question in terms of additional steps Federal agencies can take as employers which would contribute toward the solution of this problem. The Committee has advanced a plan which takes into consideration the basic problem, that of bringing the "man and the job" together.

The proposal involves the development of a host-enrollee program which would supplement continuing agency Equal Employment Opportunity Program efforts in direct employment. In the plan, each agency would agree to provide facilities, instructors and support for job training for a number of Alaskan natives approximately equal to ten per cent (10%) of the agency's permanent workforce. The trainees would constitute a manpower pool for that agency which would be given priority consideration in filling vacancies as they occurred within the permanent workforce.

The Bureau of Indian Affairs, Department of the Interior, would be responsible for screening and selecting trainees, providing for their transportation to training sites, arranging for suitable housing and social services for them and their families, and for providing necessary subsistence payments and other support during training. The host arrangement would be open-ended, depending on individual development as well as vacancy openings. A detailed outline of the plan, which also provides background information, is enclosed.

As the first step, each agency which has employing activities in Alaska is requested at this time to provide information concerning the number of trainees who can be accommodated, at what sites, the kind of training which would be provided, and for what target positions and occupations. We would appreciate receiving this information from the Department of the Interior, in its capacity as an employer, by June 14.

It is fully recognized that certain problems must be solved by the Bureau of Indian Affairs, including staffing and funding as well as arranging for joint supporting participation with other Federal and State agencies, before the plan can proceed. As soon as information has been received from every agency involved, it will be consolidated and the total plan will be referred to the Department of the Interior for further consideration.

Sincerely yours,
JOHN W. MACY, Jr.,
Chairman.

U.S. DEPARTMENT OF AGRICULTURE,
Washington, June 18, 1968.

Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR JOHN: Secretary Freeman has given me your letter of May 10, 1968 concerning a proposal to advance the employment of Alaskan natives within Federal Agencies.

This Department is in full support of this proposal. We will be willing to participate in the program to the fullest extent possible.

Here is a report indicating that the Department can accommodate 14 Alaskan natives as trainees. The Forest Service, which has the largest number of employees in the State of Alaska, is able to accommodate only ten trainees at this time due to a recent reduction in force. It should be noted, however, that the Forest Service is currently engaged in other programs which must be considered in the total effort to employ Alaskan natives. These are:

1. Several youths are employed under the YOC and NYC programs. They receive on-the-job training and counseling as well as meaningful work. Those who respond well to training are encouraged and helped in every way to gain employment on a full-time basis with the Forest Service.

2. The Region is working with the Sheldon Jackson College in Sitka to establish a forestry curriculum. This school has a predominantly native enrollment. Plans are for a forestry technician course to be offered next fall. We hope we can employ some of the individuals who complete the course.

3. The Alaska Region is also participating with members of the industry and others in a Manpower Development training course at Ketchikan. This course is designed to train loggers for woods-type work. Individuals being trained are Alaskans. They will eventually be employed as skilled woodsmen within the State.

If I can be of further assistance, please don't hesitate to call.

Sincerely,
MAX P. REID,
Acting Director of Personnel.

U.S. DEPARTMENT OF AGRICULTURE—ALASKA TRAINEE REPORT

Location	Number of trainees that can be accommodated	Type of training available for trainees	Target positions
Palmer	1	General clerical	General clerk or clerk-typist or office machine operator.
Do	1	Research helper	No target positions available at this time. However, the training would equip enrollees with skills and knowledges valuable to another employer whether in private industry or in local, State, or another Federal department.
Anchorage	1	Laboratory technician	
Do	1	Office procedures, clerical	
Do	1	Clerk-typist	
Do	1	Forest worker or maintenance worker	
Do	1	Forestry aid or survey aid	
Juneau	3	Clerk-typist	
Do	1	Forest worker or maintenance worker	
Ketchikan	1	Clerk-typist	
Do	1	Forest worker or maintenance worker	
Do	1	Forestry aid or survey aid	
Total	14		

THE SECRETARY OF COMMERCE,
Washington, D.C., June 20, 1968.

Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR JOHN: Concerning your letter of May 10, 1968, I am in complete agreement with the proposed plan for employing Alaska natives.

The Department of Commerce has 252 employees in Alaska (247 are in our Environmental Science Services Administration). This year we plan to enter 45 Alaska natives in our training program for weather observers. Upon successful completion of the training, the individuals will be employed as meteorological technicians. Although our requirements this year for meteorological technicians are unusually heavy, we feel we can use 15 each year thereafter until all of our meteorological technician positions are staffed with Alaskan natives. This program is expected to result in 50 to 60 percent of our Alaskan workforce being ultimately staffed by natives. Enclosed are copies of agreements and correspondence regarding the specifics of our program.

In addition to the foregoing, I do have two suggestions. We have few-of-a-kind positions in Alaska such as clerks, clerk-typists, clerk stenographers, etc., for which it would not be feasible for us to establish a training program. Since these types of positions are common to all agencies in Alaska, it would seem that an across-the-board type training program could be conducted by one agency, perhaps the Civil Service Commission Interagency Board of Examiners, which could then supply the needs of all agencies.

My second suggestion relates to the mobility of Alaskan natives. We think if they were available that we could employ 20 to 30 Alaskan natives seasonally each year from

April to October aboard our Coast and Geodetic Survey vessels in Seattle, Washington. The positions would be fireman, seaman and coxswain. Since on-the-job training could be provided we would be willing to hire them direct, working with the Alaska office of the Bureau of Indian Affairs. We would expect the Bureau of Indian Affairs to locate the candidates and pay their transportation expenses to Seattle. Our Pacific Marine Center in Seattle will contact the Alaska office of the Bureau of Indian Affairs in January 1969 regarding employment of Alaskan natives for the April-October 1969 season. Year round employment would be feasible for a few Alaskan natives who would be willing to spend the winter in Seattle.

Sincerely yours,

Howard J. Samuels,
Acting Secretary of Commerce.

MEMORANDUM OF AGREEMENT BETWEEN THE ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION, WEATHER BUREAU, AND THE DEPARTMENT OF INTERIOR, BUREAU OF INDIAN AFFAIRS, FOR THE ESTABLISHMENT OF WORKING ARRANGEMENTS FOR TRAINING INDIGENOUS PERSONNEL AS METEOROLOGICAL TECHNICIANS

PURPOSE

To provide weather observing training and an opportunity for employment with the Environmental Science Services Administration-Weather Bureau for approximately 20 indigenous personnel per year.

TRAINING

The Weather Bureau will conduct a training program in metropolitan Anchorage for a class of approximately 20 students. At least one class, approximately seven months duration, will be scheduled annually. Class instruction will consist of principles of surface and upper air observing. A syllabus of the course of study will subsequently be developed and furnished the Bureau of Indian Affairs. The Weather Bureau has the responsibility for:

1. Selection of instructor and support costs of instruction.

2. Provide and support costs of training facilities including equipment, training aids and materials.

3. Assure employment for those students satisfactorily completing the training program and meeting Civil Service Commission qualification standards.

SELECTION OF STUDENTS

It will be the responsibility of the Bureau of Indian Affairs, with the assistance and concurrence of the Weather Bureau, to screen and select personnel for training. Participants must satisfy established minimum qualification standards as follows:

a. High school graduate.

(1) With at least three, one year courses in mathematics, physics or science, any combination; or,

(2) One year general experience in science field such as physical science aide, engineering aide, surveying aide, etc.

TRAVEL, SUBSISTENCE AND PERSONAL COSTS

The Bureau of Indian Affairs will support travel costs of personnel to the Anchorage training facilities and upon completion of the training, to the employee's first duty station. The Bureau of Indian Affairs will support travel costs for those students not satisfactorily completing the program or who may not qualify for appointment. Subsistence and/or personal expense will be provided by the Bureau of Indian Affairs during the training period and continue until after personnel have been appointed and receive their first compensation.

Owen D. Morken,
Area Director, Bureau of Indian Affairs.
James M. Beall,
Acting Director, Weather Bureau, Alaskan Region.

March 29, 1967.

January 17, 1968.

Mr. Owen D. Morken,
Area Director, Bureau of Indian Affairs, Department of Interior, Juneau, Alaska

Dear Mr. Morken: As you know the first group of weather observers has completed training, and all are being employed by the Weather Bureau in Alaska. Due to the extremely low attrition rate of this class and the large number of qualified candidates interviewed during our recruitment trips to the Mt. Edgecumbe and Chemawa schools, we are interested in expanding and improving this training program. Specifically, we would like to increase the number of trainees by 100%, lengthen the training period by about 4 months, and add requirements for courses at Anchorage Community College.

The current training program does not include a college course in Meteorology or a Pilot Briefing Course. Thus, these requirements must be completed by correspondence for advancement beyond the GS-7 grade. The expanded program eliminates this difficulty. First Order Weather Bureau stations are, or will be, staffed at the GS-9, 10, and 11 grades. We feel that the additional courses in English and Mathematics are necessary to place these trainees on a competitive level with our other employees.

Attachment I contains a Memorandum of Agreement for expanding this program.

As we discussed in our meeting in Anchorage, the Weather Bureau has an urgent need for 15 Meteorological Technicians to fill surface observing positions this summer. We are interested in filling these vacancies with Alaskan Natives. We can do this through a training program in cooperation with the Bureau of Indian Affairs. Since time is a critical factor, we must take action by the first of February.

Attachment II contains a Memorandum of Agreement for this special training program.

Since we both realize the mutual advantages to these Native Training Programs, I hope that the Bureau of Indian Affairs will be able to lend their support.

Sincerely yours,

L. R. Mahar,
Director.

ATTACHMENT I—AGREEMENT ADDENDUM FOR EXPANSION OF CURRENT TRAINING PROGRAM

(Addendum to the current memorandum of agreement between the Environmental Science Services Administration, Weather Bureau, and the Department of Interior, Bureau of Indian Affairs, for the establishment of working arrangements for training indigenous personnel as meteorological technicians)

PURPOSE

The purpose of this addendum is to expand the current Weather Observer Training Program conducted by the Bureau of Indian Affairs and the Weather Bureau.

EXPANSION

The number of trainees, length of training, and type of training will be modified as follows:

1. Number of Trainees: The number of trainees will be increased from about 15 to approximately 30 students per training class.

2. Length of Training: The training period will be increased from about 7 months to about 11 months. Specifically, the training class will begin in mid-July each year and terminate at the end of the Spring semester at Anchorage Community College.

3. Type of Training: Weather observation training will be conducted by the Weather Bureau in split shifts of 4 hours each, 15 students per shift. Trainees will also be required to pursue the following, or a similar, curriculum at Anchorage Community College:

A. Summer Session, Mid-July to Mid-September: English I, 3 hours, 0 credit; Math A or Math 47, 3 hours, 0 credit; Speech 68, 2 hours, 2 credits; Typing 103, 105 or 106, 2 hours, 2 credits.

B. Fall Semester, September to December: Phy. 51 (Meteorology), 3 hours, 3 credits; English I, 3 hours, 0 credit or English 67, 3 hours, 0 credits; Math A or Math 47, 3 hours, 0 credits or Math 107 (Algebra), 3 hours, 3 credits.

C. Spring Semester, February to May: Aviation Weather,* 2 hours, 2 credits; Administration,* 2 hours, 2 credits; Math 107 (Algebra), 3 hours, 3 credits or Math 100 (Trig.), 2 hours, 2 credits; English 67 or 68, 3 hours, 3 credits.

Owen D. Morken,
Area Director, Bureau of Indian Affairs.
L. R. Mahar,
Director, Weather Bureau, Alaskan Region.

ATTACHMENT II—MEMORANDUM OF AGREEMENT FOR A SPECIAL WEATHER OBSERVER TRAINING PROGRAM

(Memorandum of agreement between the Environmental Science Services Administration, Weather Bureau and the Department of Interior, Bureau of Indian Affairs, for the establishment of working arrangements for training of 15 indigenous personnel as meteorological technicians)

BACKGROUND

The Weather Bureau is committed to providing weather observations at specific sites throughout Alaska. Because of sudden changes in observing programs, the Weather Bureau has an urgent need for 15 surface weather observers. This requirement is in addition to the annual training program being conducted with the Bureau of Indian Affairs to provide a continuing supply of weather observers for positions in Alaska. Those completing the training will be employed commensurate with Civil Service regulations. However, the positions which they will be filling are at the GS-5 to GS-7 grade. Advancement beyond those grades to GS-9 and GS-11 is possible and depends upon individual performance and initiative.

Initial assignment will probably be at Nenana, Bettles, Big Delta, Gustavus, Aniak, or Tanana.

PURPOSE

To provide weather observer training and an opportunity for employment with the Environmental Science Services Administration—Weather Bureau for approximately 15 Alaskan Natives.

TRAINING

The Weather Bureau will conduct the training program in Anchorage for a period of 10 to 12 weeks. It would be desirable for the course to conclude by June 1, 1968. Instruction will consist in class room and on-the-job training in the principles and applications of surface weather observations. Due to the pressing need for weather observers and the short duration of the training period, instruction will be highly concentrated. Trainees can expect instruction, 8 hours per day, 5 days per week.

RESPONSIBILITIES

The Weather Bureau will have responsibility for:

1. Providing and supporting costs for instructors, training facilities including equipment, training aids and materials.

2. Providing employment at the conclusion of the training period for those who successfully complete the training program and meet Civil Service qualifications standards.

3. Providing and supporting costs for on-

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*These two courses are the only ones which are not already in the Community College curriculum and so will have to be arranged. The Community College will conduct a special summer session from mid-July to mid-September.

The costs of tuition, fees, and text books required by Anchorage Community College will be supported by the Bureau of Indian Affairs.

station orientation upon assignment to a Weather Bureau Field Station.

The Bureau of Indian Affairs will have responsibility for:

1. Supporting travel costs of personnel to the Anchorage training facilities and, upon completion of training, to the employee's first duty station.
2. Supporting travel costs for those trainees not completing the program or those who do not qualify for employment.
3. Providing subsistence during the training period and after training, until such time as personnel have been employed and receive their first compensation.

SELECTION OF TRAINEES

It will be the responsibility of the Bureau of Indian Affairs, with the assistance and concurrence of the Weather Bureau, to screen and select personnel for training. Participants must be male high school graduates with a good high school background in English, Mathematics and Science or equivalent practical experience. Fluency in English and social responsibility are essential.

OWEN D. MORKEN,
Area Director, Bureau of Indian Affairs.
L. R. MAHAR,
Director, Weather Bureau, Alaskan Region.

THE SECRETARY OF DEFENSE,
Washington, D.C., June 13, 1968.
Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR JOHN: This is in reply to your letter of 10 May 1968 concerning a proposed plan to increase the employment of Alaskan natives by Federal agencies in Alaska.

We have reviewed the proposed plan and think it quite promising. I fully support this effort to enhance employment opportunities for Alaskan natives and can assure you our full cooperation in putting the plan into action.

With respect to the specific information requested, the Department of Defense employs approximately 6,600 civilians in Alaska as follows:

Anchorage:	
Elmendorf Air Force Base	2,700
Fort Richardson, U.S. Army	1,500
U.S. Army Engineer District	[1]500
Total	4,700
Fairbanks:	
Eielson Air Force Base	550
Fort Wainwright	800
Total	1,350
Fort Greeley, U.S. Army	100
Kodiak: U.S. naval station	300
Adak: U.S. naval station	150
Grand total	6,600

[1] Many of these employees are assigned to outlying areas.

Attrition in low level positions at Alaskan military installations has been approximately 605 annually, or enough to support a pool of trainees approximately 10% of the total labor force.

Training of Alaskan natives under the plan for placement in military installations should occur at three of our five Alaskan locations, Anchorage, Fairbanks and Kodiak. Fort Greely is 100 miles south of Fairbanks and can be supported by trainees from Fairbanks. Adak is in a remote area, far removed from any population center, and placements of Alaskan natives could be made from a trainee pool at Kodiak.

Assuming a trainee pool aimed at approximately 600 annual placements, it is suggested that the trainees be geographically assigned as follows:

Anchorage	440
Fairbanks	120
Kodiak	40

There are 136 General Schedule positions, GS-1 and GS-2, and 582 Wage Board positions, WG-1 and WG-2, in Alaskan military installations. These are low level entry positions requiring minimum skills and include the following classifications: Clerk, Typist, Card Punch Operator, Telephone Operator, Stock Handler, Mess Attendant, Hospital Attendant, Presser, Sales Store Worker, Supply Clerk, Warehouseman and Laundry Worker.

There are 988 General Schedule positions, GS-3 and GS-4, and 1,248 Wage Board positions, WG-5 through WG-9 which require more than minimal skills for which training programs could be established. These positions include such categories as: Clerk, Stenographer, Dictating Machine Transcriber, Typist, Card Punch Operator, Telephone Operator, Accounting Technician, Nursing Assistant, Sales Store Checker, Electronics Specialist (including trades helpers, subjourneymen and journeymen), Welder, Battery Repairer, Painter, Pipefitter, Fuel Distribution Man, Heat Equipment Repairer, Water Plant Worker, Electric Generator Operator, Heavy Vehicle Operator, Parts Expediter, Warehouseman, Material and Equipment Inspector, Cook, Meat Cutter and Stock Handler.

As for training, two kinds are needed:

Remedial education to improve reading comprehension, writing skills and arithmetic knowledge, plus courses to familiarize the trainees with the "world of work". This type of education could no doubt best be provided under the auspices of the Bureau of Indian Affairs both prior to and during specific skills training.

Skills training should be primarily "on-the-job" training with minimal classroom work and should be provided by the various participating Federal agencies in Alaska.

The military installations in Alaska can arrange skills training facilities for the estimated 600 trainees identified for placement in Department of Defense activities. When in full operation this will require about 20 training instructors. We will need the cooperation of the Bureau of the Budget and the Bureau of Indian Affairs in providing these additional resources.

I have asked Assistant Secretary Fitt to act for me in bringing about maximum Defense support for the program. He will also investigate the possibility of including nonappropriated fund positions among those for which Alaskan natives can be trained under the program.

Sincerely,
CLARK M. CLIFFORD.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 6, 1968.
Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of May 10 submitting a plan which has been developed to advance the employment of Alaskan natives within Federal agencies and requesting information as to the number of trainees the General Services Administration would be able to accommodate under the plan.

We believe that the proposed plan is excellent and we would be pleased to participate in it. At the present time, we have 79 employees in Alaska (39 in Juneau, 30 in Anchorage, 5 in Nome, and 5 in Fairbanks). We would be able to accommodate 8 trainees as follows:

City	Number	Target positions or occupations
Juneau	2	Printing plant positions.
	1	Telephone operator.
	1	Custodial laborer.
Fairbanks	1	Automotive maintenance.
Anchorage	1	Do.
	1	Storekeeper.
	1	Custodial laborer.

All of the training will be on the job and will consist of exposure to actual working conditions under the guidance of the appropriate supervisor. One of the printing plant positions in Juneau will include office work and it would be desirable if funds could be made available through the Bureau of Indian Affairs or other appropriate source to provide the trainee with a course in typing.

At such time as the plan is adopted, you may be assured of our support and cooperation in this endeavor.

Sincerely yours,
LAWSON B. KNOTT, Jr.,
Administrator.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., June 18, 1968.
Hon. JOHN W. MACY, Jr.,
Chairman, Civil Service Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: The plan, set forth in your May 10, 1968 letter, to increase employment of Alaskan natives within Federal agencies is, we believe, a highly desirable effort for the Federal Government to undertake. The Department of Health, Education and Welfare has had long standing commitments in Alaska, both in direct employment and indirect employment (through State agencies), and has short and long range plans for increasing the training and employment of more Alaskans, and particularly Alaskan natives.

At present the Department of Health, Education and Welfare is involved in Alaskan employment in three different areas: directly, in all Public Health Service programs for Indian Health, and indirectly, in Office of Education, Manpower Development and Training projects and Social and Rehabilitation Service, welfare and rehabilitation projects through Alaskan State agencies. These Department of Health, Education and Welfare agencies have prepared resumes of programs now underway, and programs being planned for the near future. We are enclosing the resumes, hoping that they will prove interesting and useful to your staff.

While reviewing Departmental employment in Alaska, with a view to establishing training for a number of Alaskan natives to equal ten percent of the present work force, we were gratified to discover that over forty percent of the employees of the Public Health Service Division of Indian Health are Alaskan natives, and there are plans to increase this percentage substantially in fiscal year 1969. Of a total work force of 1,145 in the Public Health Service Division of Indian Health programs in Alaska there are already 471 Alaskan natives.

In fiscal year 1969, 73 Alaskan natives, who have recently received training, will be employed as Health Aides and Assistants. Training for Health Aides and Assistants is a regular part of Indian Health programs and Health Aide and Assistant training for fifty more Alaskan natives is planned for fiscal year 1969. In addition, as is detailed in the Public Health Service report enclosed, the Division of Indian Health is prepared, with the indicated support from the Bureau of Indian Affairs, Department of Interior, to develop fiscal year 1969 training programs for approximately forty additional Alaskan natives. Appropriate Division of Indian Health staff will soon be working on the necessary arrangements with staff of Bureau of Indian Affairs, Department of Interior. Employment of all these trained persons and proposed trainees will, before the end of fiscal year 1969, bring an increase of 163 employees in the Department of Health, Education and Welfare programs in Alaska. This will result in an increase of well over ten percent in the employment of Alaskan natives.

The Social Security Administration, which has two offices in Alaska with a total of eighteen employees, has no Alaskan native employees but does have a study proposed to ascertain the potential for training and employing natives.

Our review of the Department of Health, Education and Welfare direct employment of Alaskan natives has been most encouraging and we foresee continuing increments of training and employment for these Alaskans. In addition, however, where the Department of Health, Education and Welfare affects employment indirectly we are now giving emphasis to using our influence to obtain the training and employment of as many Alaskan natives as possible. In these State agency/Department of Health, Education and Welfare programs, through which the Department of Health, Education and Walfare affects Alaskan employment indirectly, we believe that the needs of Alaska for employment and general economic development are being served on a larger scale and even more dramatically.

It is in these areas that the Department of Health, Education and Welfare programs become wedded with State aims, interests and aspirations and begin to have ramifications which affect whole segments of the Alaskan economy. A fiscal year 1969 Manpower Development Training Act joint project with the Rural Electrification Agency to train sixty electricians and diesel plant operators is a good example of such a project since it will not only offer employment but will result in electricity, with all its attendant benefits and uses, being introduced into areas never before so served.

A special employment stimulus is also being applied in Alaska by the Department of Health, Education, and Welfare's Social and Rehabilitation Service in its development, with State welfare and rehabilitation agencies, of employment opportunities in welfare and rehabilitation never before open to Alaskan natives. Not only jobs but career possibilities as well, will be available. Through a "Work Experience and Training Project" of the Alaska Division of Public Welfare, during the past year, two hundred and fifty Alaskan natives have been trained in a wide variety of occupations. For this project the Federal Field Committee on Developmental Planning in Alaska participated as a consultant in its planning and operation.

We are hopeful that such developments as these in Office of Education and Social and Rehabilitation Service programs will be forerunners of others which will benefit Alaskan natives and assist the whole economy. Also we know the Division of Indian Health, Public Health Service, intends to continue to enlarge its services to Alaskan natives and to create increased opportunities for their participation in the provision of those services, through training and employment.

We value the continued opportunity to participate in discussions of the social and economic needs of Alaskans, and the Department is always ready to assist in the development of plans for programs which will benefit Alaska and its citizens.

Sincerely,

WILBUR J. COHEN,
Secretary.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PUBLIC HEALTH SERVICE

Employment and training in Alaska by the Health Services and Mental Health Administration, Bureau of Health Services, Division of Indian Health

Total work force in Alaska:	
Civil service	1,020
Commissioned corps	125
Total	1,145
Alaska Natives presently employed	471

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

PUBLIC HEALTH SERVICE—continued

Employment and training in Alaska by the Health Services and Mental Health Administration, Bureau of Health Services, Division of Indian Health—Continued

Types and categories of jobs Alaska Natives are holding:	
Nursing assistants, GS–2 through 5	137
Clerical-secretarial, GS–2 through 6	60
Craft: plumbers, carpenters, utility operators, etc	80
Laborers, housekeeping aides, some leader positions	156
Orthotist	1
Sanitarian Aides	12
Dental Assistants, GS–2 through 5	15
Supply technicians, assistant housekeeping officers, accounting technicians	10
Total	471

Alaska Natives currently in training: 10 per year as Dental Assistants; 3 per year in LPN Nursing Programs; 60 completed training FY 68 as Alaska Native Health Aides (to be employed at GS–2 level on half-time basis beginning FY 69).

Proposal for future training and hiring of Natives:

a. Plan to train and employ (half-time) an additional forty Alaska Native Health Aides during FY 69.

b. Ten dental assistants, three nursing trainees are scheduled for FY 69.

c. Division of Indian Health will be able to employ all trainees completing the programs listed above.

The Division of Indian Health had proposed in FY 69 budget requests to train and employ a total of 250 Alaska Native Health Aides by the end of FY 69. Unfortunately, budget cuts have reduced the program to levels in 4 c., above. The Native Hospitals at Anchorage and Mt. Edgecumbe are major training locations with assistance from larger field hospitals.

With indicated support by BIA, training plans could be developed in the following occupation categories: Housekeeping, maximum 15; laundry, maximum 2; stock control clerks, maximum 4; food service, maximum 15.

Limited opportunities of one or two employees each, in categories: Dental assistants, health records transcription clerks, pharmacy assistants, laboratory aides, maintenance men in buildings and grounds.

This training would be in addition to ongoing training of Alaska Native Health Aides.

OFFICE OF EDUCATION

Impact of MDTA on Alaskan employment opportunities

The following is an estimate of the impact of MDTA upon the Alaskan employment picture in the Bureau of Adult, Vocational, and Library Programs, Division of Manpower Development and Training.

Two projects of recent origin deserve special mention because of their extensive long-run effects on the State's employment and economic development. The Rural Electrification Agency (REA) and MDTA officials have joined to fund a project in Anchorage (Alaska (A) 8248) which will train 60 electricians and diesel plant operators at a total training cost of $102,411.

As in nearly all other Alaska projects, special efforts are being made to attract trainees from Indian groups in remote areas. You may be interested to learn that recruitment in this case is being conducted by airplane.

REA officials estimate that addition of these trained personnel will permit a marked increase in electrical service to previously underdeveloped areas. Moreover, the long initial impact of such training extends far beyond the 60 persons in question, since development of an economic infra-structure is accompanied by a manpower "multiplier effect" in terms of employment needs in sales, service, transportation, and construction. This multiplier effect will be further accelerated by a proposal currently under development to train 67 Alaskan Natives for occupations in the building trades. The latter is being developed for possible funding from fiscal year 1969 moneys.

However, the consequences of MDTA are not limited to these two proposals. Since the inception of the program, in 1963, over 4,270 training opportunities have been provided for Alaska residents. Table I lists the occupations and occupational categories which have figured most prominently in Alaska's manpower effort.

TABLE I.—*Partial distribution of Alaska MDTA projects by occupation*

Mechanic occupations	11
Other clerical (including clerk-typist, stock clerk)	9
Instrument repair (professional)	7
Licensed practical nurse	7
Heavy equipment operator	6
Electrician	6
Draftsman	6
Other professional	4
Stenographer	6
Lumbering	4
Fisherman	4
Sales	3
Welder	2

While the above table does not include all MDTA projects, it is representative of the scope and caliber of manpower training. Several conclusions are readily apparent. First, the scope of occupations and skills evident in this otherwise small project sample seem well suited to overall economic development. Second, many of the occupations will complement each other (including lumbering/building trades, electrician/REA operatives/instrument repair, and professional/clerical). Finally, the unusually heavy emphasis on skilled and professional personnel may speed creation of additional employment opportunities for less-skilled support personnel. This approach seems preferable to the reverse strategy employed in other areas.

During the present fiscal year, training has been provided for 370 individuals in the following occupations:

TABLE II.—*MDTA training in Alaska, fiscal year 1968*

Individual referral	[1]125
Clerk-typist	55
Licensed practical nurse	50
Basic education	45
Logger	30
Stenographer	20
Draftsman	15
Maintenance mechanic	15
Fisherman	15

[1] Referral of individual trainees to ongoing projects or private schools.

With the exception of the licensed practical nurse course, the target group has been the Alaskan Indian.

MDTA makes a further contribution to Alaskan employment since manpower funds are used in salaries of State education agency officials responsible for project supervision and development.

TABLE III.—*Fiscal year expenditures for Alaska staff, MDTA*

For State supervision:	
Teacher-trainer (full time)	1
Half-time teacher-trainer	1
Superintendent	1
Half-time accountant	1
Clerk	1
Half-time accounting clerk	1
For project development:	
Coordinator	1
Secretary	1

In addition to the State staff required on annual basis, approximately 210 instructors have been hired to conduct MDTA training, based on an average class size of 20 persons. Each project requires additional services in the form of janitorial personnel, maintenance men, local supervision, clerical assistance, and guidance staff. Also, every project requires equipment and supplies which may be produced by Alaskan industry.

Thus, the impact of manpower training upon the Alaskan employment picture extends far beyond the actual number of trainees served to include administrative and supervisory personnel at the State and local instructional and other project staff, and expanded job opportunities in other industries.

SOCIAL AND REHABILITATION SERVICE

Programs in Alaska

The State Department of Health and Welfare, Division of Public Welfare has operated a Title V "Work Experience and Training Project" during the past year at Juneau, Anchorage, and Fairbanks. To date, 250 Alaskan natives have been trained for a wide variety of occupations, many of which can and are being performed in public service agencies. These occupations include: laboratory aides, mechanics, draftsmen, clerical workers, homemakers, and day care center aides, etc. The State Public Welfare agency has conducted this entire Title V operation in consultation with the Federal Field Committee for Development and Planning for Alaska (located in Alaska). This Committee has been effective in changing personnel practices so as to relax requirements for employment of Alaskan natives in public services.

The Division of Public Welfare has been involved during the past year in the planning stage of a project—funded under the provisions of Section 1115 of the Social Security Act—which will attempt to conduct a training program for Alaskan natives enabling them to operate as public welfare aides in remote areas throughout the State.

The Alaska Vocational Rehabilitation Agency has recently established a three-step subprofessional category of Vocational Rehabilitation Assistant within the agency. The qualifications for these subprofessionals are:

Step 1: high school education.

Step 2: two years of college.

Step 3: 4 year Baccalaureate Degree in counseling or related field.

This is a career ladder to assist in attracting to the State Agency Staff native Alaskans. The positions have all been approved by the State Personnel Division within the rehabilitation agency. They plan to recruit from the poverty areas. Within the year, they hope to have Rehabilitation Assistants Grade 1 in the Anchorage Vocational Rehabilitation office; Grade 2 in Takoma, Fairbanks, Bethel, and Kodiak Vocational Rehabilitation office; and Grade 3 in Juneau Vocational Rehabilitation office.

Through the program *Operation Boot Strap* at the University of Alaska, they plan to provide the Vocational Rehabilitation Assistants with educational assistance to help them go up the career ladder. They are also (within this same program) establishing graduate courses in the counseling field for the present "journeymen" counselors (B.S. Degree plus experience) to become eligible for full counselor rating. The first enrollee is a native Alaskan.

There is a Research Grant to the Alaska Native Health Area Office in Anchorage, Alaska, "to demonstrate what adaptations are required in (1) community organizations, (2) evaluation procedures, (3) training facilities and procedures, and (4) placement methods and resources required for the successful vocational rehabilitation of Alaskan natives because of cultural and geographic factors." This a three year project, and the final report is due this year. A major intent of this project is to prepare and train native Alaskans for positions within the Anchorage area.

The Secretary of Housing and Urban Development,
Washington, D.C., June 6, 1968.
Hon. John W. Macy, Jr.,
Chairman, U.S. Civil Service Commission, Washington, D.C.

Dear Mr. Chairman: In your letter of May 10 you requested information about how the Department might participate in a host-enrollee program and provide training for Alaskan natives.

The plan developed by the Committee on Alaskan Native Hire seems to be a sound approach to the problem, and I am anxious that the Department should participate to the extent that the very small staff we have stationed in Alaska could provide meaningful training. A review of current work load and staffing indicates that we could possibly host five enrollees in the following positions: Loan Assistant, Appraiser, Urban Renewal Representative, Engineer, and Stenographer. These enrollees would be stationed in Anchorage. The training provided would be largely that acquired by working in a junior capacity with a senior member of the staff. The target positions would be in the same field of work except at a more responsible level.

It should be recognized that with a total staff in Alaska of approximately 40 employees, we could not anticipate a turnover that would provide for early absorption of the enrollees into the regular work force.

If there is any additional information needed, please let me know.

Sincerely yours,
Robert C. Weaver.

U.S. Department of the Interior,
Washington, D.C., June 21, 1968.
Hon. John W. Macy, Jr.,
Chairman, U.S. Civil Service Commission, Washington, D.C.

Dear Mr. Chairman: We were very pleased to learn from your letter of May 10, 1968, that the Civil Service Commission has taken the lead in developing a plan for Federal agencies to help alleviate the serious unemployment among Alaska's Natives.

The Department employs approximately 2,000 people in Alaska. About half of these employees are located in Anchorage, Juneau, Mt. Edgecumbe, Barrow, and Fairbanks. The remainder is scattered in over 100 other towns and villages throughout the State. Based on the ten percent goal set by the Committee on Alaskan Native Hire, we would expect to provide facilities, instructors, and support for about 200 trainees in our role as host agency.

In addition, as part of the program, we understand that our Bureau of Indian Affairs would be responsible for screening and selecting all 1,300 trainees, providing for their transportation to training sites, arranging for housing and social services for them and their families, and providing necessary subsistence payments, and other support during their training.

While we believe that 1,300 trainees represent a reasonable near term goal, we do not think that we can arrange for that number during the first year of the program. We estimate that the cost of housing, subsistence and other support for 1,300 trainees for six months would be $2.6 million, which is over three times the amount that has been budgeted for the Bureau of Indian Affairs' entire employment assistance program in Alaska for fiscal 1969. In view of the extraordinary opportunities offered by the Native Hire program the Bureau would be prepared to launch this effort by reprogramming some funds that have been earmarked for other areas, but we cannot anticipate the availability of sufficient funds for 1,300 trainees.

In addition, we are concerned about the availability of suitably located housing to accommodate that number of trainees and their dependents.

Accordingly, we suggest that the Committee scale down its proposal for the initial year to a level that can be handled by the Bureau of Indian Affairs. Hopefully the 1,300-trainee goal could be reached in the second or third year of the program's operation.

We assume that the Committee will be meeting again in the near future after your survey of the employing activities of the various Federal agencies in Alaska. In the meantime the Bureau of Indian Affairs will make a preliminary estimate of its ability to provide the necessary support for the trainees.

Sincerely yours,
Robert C. McConnell,
Assistant Secretary of the Interior.

U.S. Department of Justice,
Washington, D.C., June 21, 1968.
Mr. J. Philip Bohart,
Chief, Manpower Sources Division, Bureau of Recruiting and Examining, U.S. Civil Service Commission, Washington, D.C.

Dear Mr. Bohart: This is in response to Chairman Macy's letter of May 10, 1968 requesting assistance in the implementation of an overall plan to advance the employment of Alaskan natives within the federal government.

Unfortunately we have a total of only 30 employees in Alaska. They are located in the offices of the U.S. Attorney, the U.S. Marshal and the Immigration and Naturalization Service. Most of the positions of these 30 are professional positions with a very small number of supportive clerical jobs. We have explored the possibility of providing host employment for training purposes under the proposed program, but each of our offices is so very small that we do not think we can really provide any meaningful support to the program.

Regretfully, therefore, we will not be able to assist in this effort.

Sincerely yours,
Kenneth J. Stallo,
Director of Personnel.

U.S. Department of Labor,
Washington, June 3, 1968.
Hon. John W. Macy, Jr.,
Chairman, U.S. Civil Service Commission, Washington, D.C.

Dear Mr. Chairman: This is in reply to your letter of May 10, 1968, discussing a plan to advance the employment of Alaskan natives within Federal agencies.

The plan to provide facilities, instructors and support for job training for Alaskan natives approximately equal to 10% of an agency's workforce appears sound and it would seem to attack the problem of training to fill vacancies as they occur in the Federal permanent workforce.

The Department has surveyed its workforce permanently assigned in Alaska and finds the following:

Personnel and duty station: One Secretary, GS–5, Anchorage; one Apprenticeship and Training Representative, GS–12. Anchorage; one Wage-Hour Investigator, GS–12, Anchorage; one Secretary, GS–5, Juneau; one Veterans Employment Representative, GS–12, Juneau.

With the exception of the two clerical positions, the positions involve a great deal of travel and hence do not readily lend themselves to training new people. The basic workload has been stabilized to the point where surveys have shown little need for staff members to be added to the present workforce.

Therefore, I am forced to say that our present situation precludes active participation in such a program proposal, particularly as it pertains to additional staff, training sites or available people as instructors. However, the program does have my full support and encouragement.

Sincerely yours,
Willard Wirtz,
Secretary of Labor.

OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C., June 21, 1968.
Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR MR. MACY: Thank you for your letter concerning the employment of Alaskan natives within Federal agencies. I could not agree more that one of the most pressing problems this country faces is the problem of developing employment opportunities for the Indian and natives of Alaska. The poverty of the Alaskan natives is as oppressive as anywhere in the country. And I am delighted that the Civil Service Commission under your leadership is moving to right this wrong.

In answer to your questions, the Office of Economic Opportunity does not have a staff of Federal employees based in the State of Alaska. As a matter of fact, there is only one Federal employee working full-time in the State and he is a technical expert working under the STAP program authorized in our legislation last year. That does not mean, however, that we are not vitally concerned with training native Alaskans for employment opportunities and with involving the Eskimo and Indian population fully in our programs. Thousands of native children are receiving individual attention in the Head Start program. Hundreds of adults are getting the chance to finish their education so they can hold steady jobs. Thousands of young men and women, most of them native Alaskans, have served in the Neighborhood Youth Corps. They are working in public service projects and getting the kind of experience that can help prepare them to hold a job. Hundreds of native Alaskans are participating in work experience and training programs. And through ASCAP, our state-wide Community Action Program, the Office of Economic Opportunity has launched a grassroots community action program that employs native Alaskans to tackle the basic problems of their communities. Furthermore, VISTA has inaugurated a new program to recruit, select, and train native Alaskans to serve in their own communities as VISTA Volunteers.

These are just a few examples of what the Office of Economic Opportunity is doing in Alaska. The major thrust of our programs in Alaska is to involve native Alaskans directly in job training, adult education, and self-help programs. As far as I am concerned, however, we have only begun. I can assure you that in the coming months and years we hope to intensify our efforts in Alaska. In the meantime, I have taken the liberty of sending a copy of your letter to Mr. Laurence Horan who is the OEO Regional Director for the Western Region. I have asked Mr. Horan to make sure that the letter and full intent of your message be carried out in all of our undertakings in Alaska.

Sincerely,

BERTRAND M. HARDING,
Acting Director.

THE POSTMASTER GENERAL,
Washington, D.C., June 20, 1968.
Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR MR. MACY: Thank you for your letter of May 10, 1968, regarding the employment of Alaskan Natives.

Of the total of 829 Post Office employees in Alaska, 163 or 19.7% are Alaskan Natives. Of these 163 employees, 27 are Aleuts, 36 are American Indians, and 100 are Eskimos. The Department has engaged in extensive recruitment of Alaskan Natives for employment. Post Office jobs are publicized through all available sources, including the United States Employment Service.

The Seattle Regional Office has submitted a new proposed employment program for Alaskan Natives to the Area Director, Bureau of Indian Affairs, Juneau, Alaska 99801. This would involve a work experience training program, initially for 15 employees. Details are now being discussed with BIA officials.

Your proposal to utilize Alaskan Natives as enrollees should be a very desirable supplement to these programs. The Department would furnish instructors for training in post office work. All other funding would be by the Bureau of Indian Affairs.

Anchorage is the only post office large enough to have full-time personnel qualified to establish a training program at present. This office should be able to train 15 enrollees initially under this program. Since the training facilities are limited, I recommend that the program be initiated with less than the 10% figure you suggested.

The Department endorses your plan. Arrangements will be made to work closely with the Civil Service Commission, the Bureau of Indian Affairs and any other interested agencies, in adapting the training program to post office operations. I suggest that the Commission call a meeting to work out the details.

Sincerely yours,

W. MARVIN WATSON.

OFFICE OF THE SECRETARY
OF TRANSPORTATION,
Washington, D.C., June 19, 1968.
Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR CHAIRMAN MACY: We have reviewed your May 10 letter to Secretary Boyd, which transmitted the proposed action plan to advance the employment of Alaskan natives, and are in agreement with the objectives of the plan.

We have obtained comments from those organizations in the Department of Transportation having establishments in Alaska—the Federal Aviation Administration, Federal Highway Administration, Federal Railroad Administration and the U.S. Coast Guard. Several comments of particular significance are summarized below:

1. The plan to provide facilities, instructors and job training for natives equal to ten percent of the work force is too ambitious, would present a hardship for the employing organization and might create serious problems. In this regard, we believe that overall target levels need not be established. The number of trainees should be determined by each local office and should be based on projected needs, turnover, and training capability.

2. Because of the nature of certain target positions for which trainees are selected, we believe that the employing organization should make final selections of trainees while the Bureau of Indian Affairs should locate and screen applicants. Satisfactory arrangements must be worked out so that an agency will have priority in hiring those people trained by that agency.

3. We recommend that the CSC Regional Office establish a committee of local agency representatives in the Alaska area to consider specific problems in implementing the action plan. This should be done before agencies are asked to make firm commitments to participate in the program.

4. The Federal Railroad Administration has recommended that CSC examine its present competitive procedure in regard to employment of Alaska natives because certain practices serve to inhibit employment of this group. We do not have specifics on this problem. The Alaska Railroad would be able to provide detailed information to local CSC representatives.

To provide you with additional comments and replies to specific questions raised in your letter, we are enclosing comments from the Federal Aviation Administration, Federal Highway Administration and the U.S. Coast Guard.

The Department of Transportation employs some 2,600 persons in Alaska. Thus, we suggest that you consider adding a DOT representative to the Committee on Alaskan Native Hire.

Sincerely,

ALAN L. DEAN.

SMALL BUSINESS ADMINISTRATION,
Washington, D.C., June 5, 1968.
Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: We have considered the plan to advance the employment of Alaskan natives within Federal agencies in relation to our offices in Anchorage and Fairbanks, Alaska.

The Anchorage Regional Office has a permanent staff of 35 employees. Of these, 16 are professional or technical employees in occupations such as loan specialist, attorney, procurement analyst, and appraiser. The remainder of the employees occupy semitechnical or clerical positions, with the most elementary skills being those of clerk and clerk-typist.

The Fairbanks Branch Office has a permanent staff of 23 employees. Of these, four are in technical occupations and 20 are in semitechnical or clerical occupations with the most elementary skills being those of clerk and clerk-typist.

On the basis of taking a number of trainees equivalent to ten percent of our permanent work force, we could take three in our Anchorage office and two in our Fairbanks office.

We think this plan is an excellent idea, and this Agency will cooperate fully in helping to make it a success.

Sincerely yours,

ROBERT C. MOOT,
Administrator.

MEMORANDUM OF U.S. DEPARTMENT OF
TRANSPORTATION

JUNE 10, 1968.

Re: Mr. George S. Maharay, Director of Personnel and Training, Department of Transportation.

From: William J. Rigsby, Acting Personnel Officer.

Subject: Plan to Advance Employment of Alaskan Natives.

This is in response to Mr. Wesp's memorandum of May 17, 1968, on the above subject.

The Federal Highway Administration has a division office in Juneau, Alaska, and district offices in Anchorage and Fairbanks. The normal combined full-time complement of these offices is about 60 employees, and they are concerned with administration of Federal-aid activities. These offices are staffed with professional engineers and administrative support personnel, and we do not believe the type of program envisioned by the Civil Service Commission for the employment of Alaskan natives is appropriate for the types of positions found in these offices.

During the construction season (May–October), the Alaska Division is normally engaged in limited highway construction and survey activities and may hire between 35–40 temporary engineering aids. During the current season, these projects are located in Mount McKinley National Park between Anchorage and Fairbanks and in the Juneau, Yakutat, Ketchikan and Petersburg areas.

The Federal Highway Administration could possibly accommodate a maximum of six Alaskan natives during the construction season distributed over all the projects. The training provided would be that associated with the type of duties typically represented in the Engineering Aid, GS–1, position such as cutting, clearing, raking or loading underbrush; sharpening, marking or driving stakes; and occasionally serving as rodman or chairman. This training could ultimately lead to consideration for seasonal employment with the Federal Highway Administration in this occupational category.

MEMORANDUM FOR THE DIRECTOR OF PERSONNEL AND TRAINING

Attention: Mr. Wesp, TAD–10.

From: Chief, Civilian Personnel Division, U.S. Coast Guard.

Subject: Plan to Advance Employment of Alaskan Natives.

1. We have reviewed the letter from the Civil Service Commission concerning a plan to advance the employment of Alaskan natives within the Federal sector. In response to your memorandum of 17 May 1968, the following information on our general reactions to the proposals and detailed information requested are furnished.

a. The District Commander, 17th Coast Guard District, who has jurisdiction over Coast Guard activities in Alaska, is keenly aware of the present situation in that State relating to the employment of natives. In this regard, the District fully supports the proposal for advancing the employment of Alaskan natives.

b. It is felt that the recommended plan for each Federal agency to provide facilities, instructors, and job training for natives equal to ten percent of the work force is excessive and would place an extreme hardship on the District. There are no instructors or training specialists attached to the District. The permanent civilian work force is around seventy. The current and anticipated future workload will not provide sufficient manpower to develop and administer a refined training program for seven trainees. In view of the limited number of personnel available to devote time to training, we feel that a quota of five percent or less would be more realistic.

c. A recent survey indicated that it was not practical or feasible to utilize civilians at our isolated units which would limit such training to our facilities in Juneau, Ketchikan and Annette Island. Since instructors are not available to develop and conduct regular classroom and shop training, only on-the-job training could be provided. Job training could be offered in the wage board skills up to the helper level in the welding, carpentry and electrical occupations.

ROY L. BARTON.

FAA's COMMENTS ON CSC PLAN TO ADVANCE EMPLOYMENT OF ALASKAN NATIVES

We have reviewed the plan and agree that, in general terms, it offers a sound approach to the problem. There are, however, certain specific points which should be taken into consideration in its implementation, as follows:

1. The 10% goal should represent a target to be achieved over an extended period of time, with a 1% to 3% immediate goal of proficiency increases each year. In our judgment, this is necessary in order to allow for absorption of the training load and its maintenance at a satisfactory quality level.

2. The majority of our jobs which are located near native populated areas fall into 2 basic categories; i.e., Air Traffic Controllers and Electronic Technicians. We should limit our initial effort to expansion of our current program in these specialities, with the longer range view of including other specialties.

3. We can ill afford to abrogate our selection role to BIA, particularly since we must look toward the potential for long term upgrading of performance to full journeyman and even supervisory levels in the organization and, at the same time, recognize the need for unusually high medical qualifications. In our judgment, the BIA role should be primarily location and screening of prospects, and our role should be selection.

4. Our initial approach should be to fully exploit the providing of jobs in or near the communities in which the native populations live. This has the dual advantage of advancement of economic conditions within the native community, decreasing costs generated by transplanting the trainees, and offsetting some of the critical problems of rapid exposure to unfamiliar environments. We recognize the necessity for trainees to be assigned to other locations for formal and upgrading training, but their initial permanent duty assignments should be at or near their residence.

Within the framework of the above, we can satisfactorily participate as follows in the proposed program:

1. No. of trainees: 25 initially, with this to be gradually increased over an extended period of time.

2. Location of sites: Bethel, McGrath, Nome, Galena, King Salmon, Barrow, Kodiak, Sitka, Annette, Cordova, Northway, Fairbanks, Juneau, and Anchorage.

3. Kind of training: Directed study, and both on-the-job and formal training in the electronic and air traffic skills.

4. Target positions: GS–9 journeymen in the Electronics Technician and Air Traffic Control Specialties with the potential for limited later expansion into other specialties.

TREASURY DEPARTMENT,
Washington, D.C., June 17, 1968.

Hon. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR MR. MACY: We wholeheartedly endorse the host-enrollee program for the employment of Alaskan natives which you described in your letter to Secretary Fowler dated May 10, 1968.

The Treasury Department has a relatively small number of employees in Alaska. Many of our offices have only one or two technical employees. In this type of operation it is not practical to utilize personnel who do not already possess considerable experience and technical knowledge.

Our largest organization in Alaska is the Internal Revenue Service, Anchorage District Office, which has approximately 68 employees located throughout the State. The largest group of employees works in Anchorage, where the Internal Revenue Service can serve as host for five enrollees who will be trained for such positions as clerk, clerk-typist, clerk-stenographer, and perhaps tax examiner. In addition, the Bureau of Customs which has a small office in Anchorage will be able to serve as host to one enrollee who will be trained for clerical work. The kind of training provided would, of course, depend on the skills already possessed by the enrollees. Generally training would cover such areas as typing, office practices, spelling, grammar, and arithmetic.

We have no suggestions for improving the proposed program and appreciate having the opportunity to participate.

Sincerely yours,

A. E. WEATHERBEE,
Assistant Secretary for Administration.

VETERANS' ADMINISTRATION,
Washington, D.C., June 12, 1968.

Mr. JOHN W. MACY, Jr.,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR JOHN: We would like to participate in the program to advance the employment of Alaskan natives as outlined in your letter of May 10.

We can accommodate three trainees in our Juneau office which is staffed with 31 employees. Most of these employees hold such positions as Clerk-Typists, Fiscal Accounts Clerks, Contact Representatives and Veterans Claims Examiners. The trainees would be assigned routine clerical tasks and, if potential is shown, they may be trained for Clerk Typist target positions or clerical positions.

Sincerely,

W. J. DRIVER,
Administrator.

DATELINE WASHINGTON: REPORT FROM YOUR CONGRESSMAN ED ESHLEMAN

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ESHLEMAN. Mr. Speaker, on May 29, 1968, I extended remarks in the CONGRESSIONAL RECORD in which I included questions being asked approximately 8,000 of my constituents on vital issues facing the Nation.

At this time, I should like to include in the RECORD my newsletter No. 4 which is being sent to the same group of constituents. It includes the tabulation of responses to my questionnaire and additional comments.

My newsletter follows:

DATELINE WASHINGTON: REPORT FROM YOUR CONGRESSMAN ED ESHLEMAN

BRIEFS

It's your money

While the dangers of inflation have often been described, the actual cost to your pocketbook is not always detailed. The following figures point out the cost of inflation to the average family over the course of the last seven years: $2041 has been added to their cost of living; $653 has been robbed from their savings account; their checking account has shrunk by $204; $347 has been drained out of their pension fund reserves; a $253 hole has been eaten in their life insurance reserves; and their U.S. Government and other bonds have been devalued by $306. In all, inflation has cost the people of this country over $188 billion in the past seven years, or almost $1000 per individual.

Did you know?

There has not been one new start on any advanced strategic weapon since 1960.

A matter of equality

Equality of persons is not a fact of American life and never has been. The true goal is equality of opportunity. The concept is negative rather than positive. What we seek to guarantee each person is not a certain place in society, but a clear field on which no person will be handicapped by his race or religion.

Crime dramatized

In Washington, a drug store chain has been held up 63 times in the last year and one-half. Arrests were made in 16 of the cases. Only three of the 16 cases have come to trial. Moreover, 17 adult defendants in the 16 cases were on probation or out on bond awaiting trial in other cases when they were picked up in connection with the drug store robberies.

Spending cuts

Part of the price Congress asked for the tax hike was a $6 billion spending cut. It is interesting that the first real economy move that the Administration took after this mandated spending limitation was an announcement that the postal service would be cut. It would be the most vital and direct services that were chosen to be slashed first, thus demonstrating that "economy" is tough on the taxpayers. The Congressional intent was to stop waste, not make the taxpayer feel the effects. Perhaps the Administration would do well to look to the programs that the people of the 16th District told me they would like to see cut on my recent questionnaire.

Forgotten man

Who is the Forgotten Man? He is the guy in the middle, the hard-working, taxpaying, law-abiding, God-fearing citizen. He is not rich enough to fight the ravages of inflation by investing large sums in the stock market or real estate, nor to command the advice of tax lawyers and accountants to steer him through the financial maze. He is not poor enough to qualify for federal assistance of some kind, nor does he seem to be young enough or old enough. He is told that the government is on his side when he fills his role as a consumer, but he has doubts as taxes and inflation begin to rob him blind. He is told that we are fighting a war against aggression in Vietnam but he senses that we are losing that same fight at home in a wave of civil disorder and mounting crime. He is the guy with doubts who helps make up the frustrated majority in this country.

Anonymous quote

"No mob has ever protected any liberty, not even its own."

QUESTIONNAIRE RESULTS

The tabulation of my most recent questionnaire produced some results that were informative to me, and I think they should be interesting to you. Again, the questions inspired a good deal of comment both about the issues involved and about the poll in general. It was somewhat fascinating that the overall criticism ranged from the person who said that the questions were "too general to be answered accurately" to another person who stated that the questions were "much too specific." This all goes to show, I guess, the legislator's lesson number one—you never please everyone with everything.

All commentary aside, however, your responses to the questions indicated some widespread agreement on some points. The listing of the five major issues facing the nation produced three obvious front runners in this sequence: (1) Law and Order, (2) Vietnam, and (3) Economic Problems. While the other two categories were not out in front by quite as wide a margin, they stood as (4) Welfare and Poverty, and (5) Racial Situation.

Several of the responses to the specific inquiries also showed a wide statistical margin. These percentages were:

(1) 79% believed that the United States should not de-escalate the war in Vietnam without reciprocal North Vietnamese action. 19% said we should and 2% had no opinion.

(2) 81% of you felt that the North Vietnamese war offensives after agreeing to peace talks were an act of bad faith. 11% felt they were not and 8% expressed no preference.

(3) 86% of the respondents believed that too much leniency toward lawbreakers is the most important factor in the rising crime rate. 13% did not agree. 1% did not respond.

(4) 94% favor stricter enforcement of existing law in dealing with civil disorders, 5% do not and 1% showed no opinion.

(5) 84% of you said "No" to a federal spending program for slum areas as the best hope for solving the problems of the poor, while 13% said "Yes" and 3% stated no preference.

(6) 71% do not believe that American people are receiving sufficient and accurate information from the government. 22% feel they are and on 7% there was no response.

(7) 77% of those responding felt that a percentage of federal tax monies should be returned to state and local governments. 20% felt that the monies should not be shared and 3% had no choice.

(8) 87% do not believe that the "War on Poverty" has been much of a success, 9% think it has and 4% had no choice shown.

On some other questions, the opinions were not quite as well defined, but the margin was still relatively significant. They were:

(1) By 63% to 35%, the opinion was that the United States should not make basic decisions on peace in Vietnam without consent of our Asian allies. 2% indicated no response.

(2) 68% of you said your evaluation of the President's conduct of the war has not improved since peace discussions began, while 28% said it had and 4% showed no response.

(3) 61% of the responses favored legislation to regulate the sale of firearms, 38% opposed such legislation and 1% had no opinion.

(4) 67% of you opposed a guaranteed minimum income even if it replaced all other kinds of welfare, while 29% would favor such a program under these conditions and 4% had no choice indicated.

Some questions were close enough statistically that in this small a sample the results are pretty inconclusive. These percentages were:

(1) 55% opposed the United States agreeing to a coalition government in Vietnam. 42% favored such a settlement and 3% registered no opinion.

(2) 56% of you said "Yes" to an all-volunteer Army, while 42% said "No" and 2% stated no choice.

(3) 55% of those responding were against lowering the voting age to 18, 44% were for such a move and 1% showed no response.

(4) By 51% to 46%, you disagreed with the policy of expanding two-way trade with Communist countries. 3% stated no preference.

The areas marked by the respondents for reducing federal spending covered a wide range, so I will list the top seven of the fourteen in order. They were: (1) Foreign Aid (2) Supersonic Transport (3) Beautification (4) Space Exploration (5) Poverty Program (6) Agriculture (7) Public Works.

CRIME AND VIOLENCE IN THE DISTRICT OF COLUMBIA

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, July 25, 1968

Mr. THURMOND. Mr. President, the July 21 edition of the Sunday Star of Washington, D.C., contains a shocking article written by Mr. Woody West on three violent deaths that occurred in the city of Washington within 1 week.

Mr. West concentrated on the violent deaths of James Herrell, Charles Cuozzo, and Theodore Lawson, who met their death as victims of guns fired in anger. He appeals to Mayor Washington to bring detention and violence in the Capital City under control.

At the same time he cites the bitter controversy raised by the Black United Front who called the slaying of a Washington policeman justifiable homicide. He warns that the militant leaders of the Negro community are making heated and angry speeches and that they are trying to persuade Negroes of urban Washington that the police are conducting an unofficial war on the black community. Mr. West's article is complemented by three separate contributions from staff writers who produced short biographies of the three Washingtonians who were killed, and described the killings in complete detail.

The only single common denominator for these victims was that they all lived for many years in the Washington area. These sad deaths from just 1 week of recent Washington history should serve to shake the public out of its apathy and to persuade city authorities of the importance of reestablishing law and order.

Mr. President, I ask unanimous consent that the editorial be inserted in the Extensions of Remarks of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Sunday Star, July 21, 1968]

WE ARE SHOCKED, APPALLED

(By Woody West)

The headlines told of three men dying in gunfire—two the victims of holdup men, and one killed attempting to flee from a police investigation. An elderly parking lot attendant was shot and critically wounded by three young bandits. Five banks and a savings and loan association in the area were robbed, losing more than $65,000 to gunmen.

These were the conspicuous crimes that contributed last week to the uneasiness of a city where memories still are fresh of the rioting and arson in April, and the tensions of the Poor People's Campaign and subsequent disorder.

Theodore R. Lawson was killed last Sunday morning as police were investigating a report of looting at a grocery at 14th and U Streets NW.

The police report said Lawson, while being questioned in his car, attempted to drive off, running over a man's foot and knocking down a policeman. Lawson was shot four times.

Later that night, James Harrell, a District cab driver for over 30 years, was found dead near his cab at 4th and N Streets NW, the apparent victim of a holdup. Charles Cuozzo, 52, died Thursday afternoon of a bandit's bullet in the small Capital Hill grocery store founded by his father 51 years ago.

Last week's three deaths came on the heels of the July 2 slaying of a white policeman and the critical wounding of his partner with their own revolvers as they attempted to make an arrest in the 1300 block of Columbia Road NW. Three people, all related, have been charged.

Three days later, the coalition of moderates and militants, the Black United Front, passed a resolution regarding the slaying of Pvt. Stephen Williams that set off a bitter controversy still reverberating. It said:

"The methods of self-defense by the family charged with the alleged slaying of the honky cop is justifiable homicide in the same sense that police are allowed to kill black people and call it justifiable homicide."

On Friday, Mayor Walter E. Washington, as he signed the city's gun control measure adopted by the council, said:

"This seems to me to be a most appropriate occasion to note that all of us have been shocked and appalled at the recent violent deaths in our community. The community's sense of outrage has been expressed in many forms and by many segments of the community. . . . I call upon all segments of this community to live and work together in those crucial times with reason, understanding, and goodwill."

But throughout the week, a bitterness has simmered here, in the city and suburbs, among blacks and whites, and with a mixture of apprehension and distrust.

At a rally last week at Meridian Hill Park, from which whites were excluded, the speeches were heated and angry. At a later meeting that night, the Black United Front drew up proposals to seek strong citizen control of the police department with public election of citizen boards having the authority to hire and fire precinct commanders and patrolmen.

The Front charged that recent incidents have "left small doubt in the minds of the black citizenry that white policemen have apparently declared unofficial war on the black community."

Although some of the proposals were less than radical, the tenor of the statement highlighted the ominous warning of racial polarization issued by the Kerner Commission. The specific proposals are to be presented to the city council for consideration.

As the week was ending, more than 50 persons packed a small hearing room as Coroner Richard Whelton convened an inquest into the shooting of Lawson last Sunday. That inquest continues tomorrow with some 20 witnesses still to testify.

The three men who were killed this week all had spent many years in the Washington area, but that was the single common denominator in their lives. Their stories follow.

Theodore Lawson

(By Stephen Neary)

"It was just amazing how far he had come in five years. This man had changed so," said Mrs. Theodore R. Lawson, sitting in the living room of the suburban Palmer Park, Md., home where the family had moved in October from Washington.

It had been a long haul for her husband, known as "Slacks," but he hadn't been able to sever the ties with the area around 14th and U Streets NW, where he was killed last Sunday morning by a volley of police gunfire.

Although Lawson had been working steadily for the last five years, he carried a long police record that dated back to 1947 in Washington. It began with a petty larceny charge, included robbery, assault, three federal narcotics convictions, a term at Lexington, Ky., for addiction treatment, and, in 1960, a mail theft and forgery conviction for which he served two years in prison. Between 1962 and 1964, there had been three disorderly conduct arrests. Nothing since then.

MARRIED 15 YEARS

His wife, Shirley, had been married to Lawson for 15 years. Shortly after they were married, she said she discovered he was an addict. "When we first got married and I found that he was a hustler, I went to work and told him that we would work together.

"It's been very hard all along, but I always thought he would change."

Slacks got to 14th and U the Friday night before he was shot, according to people there who knew him. "He was down to see his friends," they said. He would stop by once or twice a month and if he saw a friend, would stick around; if not, he would go home.

"He was just a guy who had made friends when he was out here in the life and he had to come back to see his friends," one said.

In their view, Slacks had changed. He was like a "stranger" and, they say, "wouldn't do nothing." So, on Slacks' last weekend alive, they had been "driving around and talking and having fun." They claim he was clean that night. He wouldn't "even sell a number that night."

LIKED TO GAMBLE

Slacks "had no intention of being here that morning even and he knew he was going to catch hell from his home for that drinking and jiving around."

Mrs. Lawson said she was aware that her husband had other roots besides Palmer Park. "He liked to gamble and he liked to be out with his friends. This I understood," she said. But in the last five years, she said, she could depend on him.

Theodore Lawson grew up as an orphan in Baltimore, managed to get to, or through, the 12th grade, and received an honorable discharge from the Marine Corps after World War II service.

He was a big man, over 6 feet tall and weighing about 200 pounds. There are four children—whose ages run from 3 to 17, with Shellie the oldest and Jeffrey the youngest. The others are Deborah and Quentin.

The home is well-furnished and neat, with wall-to-wall carpeting, and television and a hi-fi set and air conditioning. Through large picture windows in their $16,000 home, one can see swings and a portable swimming pool in the backyard for the kids. The house is the middle one in a row of three on Greymont Place.

CALLED GOOD WORKER

Lawson had been working for the last three years for a Northeast wholesale automotive parts company, making $100 a week as driver-salesman. His boss, who is white, said, "He was a good worker. He worked steady. He showed up for work every day."

A co-worker said Lawson had "been a good man. . . ." But recalling that he had not shown up for work the day before he was killed, the two men were curious as to why he had gone back to 14th and U Streets.

One of Slacks' friends on the corner of perhaps the toughest corner in Washington, said that when he first met Lawson some 10 years ago he was "bad," and, "I would have killed him myself at times then."

But, the man added, he put Slacks in what he called the 2 percent of addicts who break the habit and the 15 percent "of general no-goods" who can straighten out. Slacks had done so, the man said, almost enviously.

But left with the incongruities that seemed to make up Theodore Lawson's personality, Palmer Park wasn't far enough from 14th and U.

James Harrell

(By Barbara Stubbs)

The people who knew James Harrell use one word to describe him—"quiet." He lived alone at 2147 O St. NW and fellow drivers from Capitol Cab said he was a loner.

His 61 years would never have made headlines in a daily newspaper—not until last Sunday night when he was found shot to death next to his cab at 4th and N Streets NW.

Harrell drove his 1962 taxi every evening from 4 p.m. until 3 a.m. He had worked nights since he joined the Capitol Cab Association in 1952 and his sister, Mrs. Lettie Powell, said he had driven at night for most of the 30 years he spent as a cabby.

He enjoyed his work, his sister said. He liked "meeting people and being friendly." When his sister told him it was too dangerous to hack at night, he said, "It's dangerous everywhere."

Other cabbies respected Harrell, an association official said. "He was an easily met, quiet-spoken, solid man. You have to ask yourself why this thing should happen to a man like that."

Harrell's closest ties were to his family. His invalid mother, Lillie, and his sister live together at 805 Kentucky Ave. SE, where he often visited. "When he drove up," his sister said, "the kids would come and cover the cab. They'd shout, 'Here comes Mr. James, here comes Mr. James,' and he always had a bag of candy or gum ready for them."

Harrell helped provide for his mother and widowed sister. "He would provide like a husband and a brother," Mrs. Powell said. He did favors for her two daughters and for children in her church youth group, taking them on outings in his cab.

Of Harrell's brothers, Ned lives at 1309 S. Rolfe St., Arlington, and Nathaniel lives in New York; Oscar has been out of touch with the family for several years.

A church member all his life, Harrell attended Union Wesley A.M.E. Zion Church at 1860 Michigan Ave. NE nearly every Sunday. Previously he had been a member of Alexander Memorial Baptist Church, 2709 N St. NW, serving on the board of trustees.

Harrell came here in 1928 from his birthplace in Ahoskie, N.C. Although he had lived at the O Street address for only six months, he was a longtime resident of that neighborhood. His sister estimated that he lived for 25 years at 2222 N St. NW until that apartment building was razed.

No one at his O Street address knew him except the manager, William Bucey, who remembered Harrell as a quiet man. He said Harrell lived in a three-room apartment furnished with a bedroom and dining set he had owned for many years. He had recently purchased some linoleum, the manager said, but it was still tied in a roll waiting to be put down.

Mrs. Powell said her brother was friendly with the Stanley Wilsons who had lived in the building at 2222 N St. and subsequently moved across the street. Harrell was godfather of their son, Stanley. He told Mrs. Powell that Harrell had always been like another father to him.

IN GOOD HEALTH

Harrell was in good health at the time he was shot, although he had been to a doctor for a checkup the week before. He was short and heavy-set and sometimes worried that his weight would impair his health.

One mystery about Harrell's death, which both Mrs. Powell and Smith wondered about, was why Harrell's body was found at 4th and N Streets NW. Mrs. Powell said he usually worked around hotels. Smith said cab drivers avoided 4th and N Streets NW because they consider it a "rough" area.

Mrs. Powell summed up Harrell's outlook on life in a phrase he often used, a phrase fitting for the way he died. "He always said, 'Let's don't talk our life, let's live it,' " she said.

Police believe robbery was the motive for his death.

Charles Cuozzo

(By William Delaney)

In the picturesque streets of Capitol Hill, where history's pendulum is swinging back from chittlins to cavair again, the Cuozzos and their little grocery represented permanence—a close-knit family fulfilling the American dream.

From infancy, the apartment above the grocery at 900 South Carolina Ave. SE had been Charles Cuozzo's home. And it was there in the grocery that Charles was slain Thursday at the age of 52.

Charles' father, Domenico, who founded the corner market in 1917 after working as a pushcart peddler on the Hill, lay bedridden upstairs as the bandit killed his son.

BROTHER SEES SLAYING

Watching in horror was the other son who ran the grocery, Domenic Jr., 46—he has anglicized the name—who was scooping up money for the bandit when Charles walked in on the holdup scene.

Four blocks away, Sgt. Anthony Cuozzo, the 57-year-old eldest son, heard the holdup and shooting alert broadcast over the police radio at No. 5 Precinct. (Anthony has been a District policeman for 18 years, and for 18 years he has been stationed at No. 5.)

"I thought it might have been one of the salesmen," the sergeant said, "and I called over there. Domenic told me it was Charles. When I got there, the captain and the lieutenant wouldn't let me go in—I knew right then it was a DOA."

So did his sister, Amelia, 55, who lived with bachelor Domenic and their father and helped care for the 82-year-old man.

MOTHER DIED RECENTLY

So, soon, did Florence Cuozzo Wise, 53, the only one of the children who ever left the neighborhood. In 1955 she moved from 319 9th St. SE out to Temple Hills, Md., with her husband Frank, a retired fireman.

Just two weeks ago, the five Cuozzo children were mourning their mother's death.

Today they are mourning Charles, turning to the faith in which they all were confirmed at St. Peter's Catholic Church on the Hill.

They remember Charles when he was an all-District baseball player at Eastern High, when he was drafted into the Navy and—amazingly—ended up as a storekeeper in charge of the base exchange at nearby Bainbridge, Md., when he returned to their father's store, and he married Mildred Stahr.

Charles and his wife lived first on West Virginia Avenue but soon moved back to 1249 South Carolina, four blocks from the store, where they lived until buying a home at 1904 T St. SE about 10 years ago.

NEVER ROBBED BEFORE

Their new parish was St. Teresa's, 1409 V St. SE, where their son Charles R., 21, an employe of the American Trucking Association, coaches Catholic Youth Organization baseball. Another son, Barry, 17, will be a senior this fall at Bishop McNamara High School in Forestville, Md.

The Cuozzos mourn not only the loss of a brother, but also for a peace and security they once knew.

"In September, the store would have been 51 years old," said Sgt. Anthony Cuozzo. "In all that time, it has never been held up or robbed.

"We've really had some wonderful times . . . We used to leave the place wide open until 11 on Saturday nights, but not any more."

And after a half century of serving the dinnertime needs of a kaleidoscopic neighborhood, there is some question as to whether the little grocery will ever open again under the Cuozzo name.

"I don't think Domenic will be able to do it," said Anthony, "and I'm working daytime . . . I hate to close it, because we've got to provide a living for our father, but I don't know . . ."

HOUSE REPUBLICAN POLICY COMMITTEE STATEMENT ON THE SEIZURE AND DETENTION OF THE U.S.S. "PUEBLO"

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. RHODES of Arizona. Mr. Speaker, on January 23, 1968, while sailing in international waters, the U.S.S. *Pueblo* was forcibly stopped, boarded, and seized by North Korean armed vessels. The crew of six officers, 75 enlisted men and two civilians was taken prisoner. The *Pueblo* was forced into the North Korean port of Wonsan.

The marks on the Communist prison wall reflect that 183 days have slowly come and gone. Hope is replaced by despair. Courage is attacked by doubt.

In the beginning, Arthur J. Goldberg, then the U.S. Representative to the United Nations, confidently stated:

> Now, we will show by times and the course of the vessel exactly what occurred and you will see from this that the location of the *Pueblo* was constantly far away from Korean shores, always away from the 12-mile limit until it was taken into Wonsan by the North Korean vessels.

This positive recital has been replaced by the qualified statements of the Secretaries of State and Defense that there is a possibility that before its capture the *Pueblo* had penetrated North Korean waters.

President Johnson spoke for the American people when he declared that this "wanton and aggressive act cannot be accepted." But his then Secretary of Defense, Robert S. McNamara, spoke for the Johnson-Humphrey administration when he conceded to a nationwide audience that he might discipline the captain of the *Pueblo,* "if he violated his instructions consciously or through negligence."

No wonder the North Koreans have been encouraged to the point of producing alleged "confessions" and threatening that "the criminals who had violated the sovereignty of another country and perpetrated a provocative act must receive due punishment."

North Korea's arrogant demand that Washington "admit," "apologize" and "punish" seems now to be accepted by the Johnson-Humphrey administration as a basis for negotiations.

From the outset of this humiliating affair, misinformation, miscalculation, and mishandling have been the rule rather than the exception.

On January 6 and January 11, North Korea seized South Korean vessels. On January 21, North Korea's delegate at Panmunjom protested formally against the United States "having infiltrated into our coastal waters a number of armed spy boats, espionage bandits together with a group of South Korean fishing boats."

Despite these overt acts and warnings, precautions were not taken to provide the *Pueblo* with surface or air protection. There were only a mere handful of operational U.S. first-line fighter airplanes in all South Korea and these were loaded with nuclear weapons and could not be reconfigured with tactical weapons before the *Pueblo* reached Wonsan. Obviously no effective contingency plans existed for concerted American action to prevent or to respond to forcible attacks on exposed and vulnerable vessels.

For 6 months, representatives of the United States and North Korea have been discussing the *Pueblo* seizure at Panmunjom. After their 19th meeting, the State Department acknowledged there had been "no progress" made so far toward gaining release of the men. We have no way of knowing what the administration has done or is prepared to do to gain their release. However, a Democratic Senator has predicted that the United States will apologize for intruding into North Korean waters and pay $100 million by the end of August for release of the U.S.S. *Pueblo*'s 82 surviving crew members.

Although this statement was flatly denied by the administration, an abject apology to North Korea would be in the same pattern as the Johnson-Humphrey administration apology to the Soviet Union which gained the release of an American commercial airliner from a Soviet base. This apology was given even though there is reason to believe that the Vietnam-bound plane carrying 212 military passengers was illegally intercepted by Soviet jets over international waters and forced into Soviet airspace. It also would be similar to the course that was followed after the Bay of Pigs debacle wherein prisoners held captive by Castro were released in exchange for medicine and drugs at a cost of millions of dollars to the American taxpayer.

Failure in the conduct of international affairs by the Johnson-Humphrey administration, as in the *Pueblo* affair, has led to the widespread belief that the United States is indeed a "paper tiger."

WASHINGTON NEWSLETTER

HON. JAMES HARVEY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. HARVEY. Mr. Speaker, as is customary, I would like to place in the CONGRESSIONAL RECORD my Washington Newsletter, dated July 25, 1968, which will be distributed throughout Michigan's Eighth Congressional District.

Included in the newsletter on this occasion is a photograph taken with Holly Schmidt, 10-year-old daughter of Mr. and Mrs. Theodore D. Schmidt, of Saginaw, Mich. During her recent visit in Washington, I mentioned to Holly that she was truly a national celebrity. For, you see, Holly was selected as National Poster Child of the Muscular Dystrophy Associations of America. She will be a wonderful representative for all those thousands of people afflicted by this dreadful disease.

The complete newsletter follows:

WASHINGTON NEWSLETTER

NATIONAL CELEBRITY

After visiting with Holly Schmidt, 10, daughter of Mr. and Mrs. Theodore D. Schmidt, of Saginaw, it is easy to understand her selection as National Poster Child of the Muscular Dystrophy Associations of America. Holly, with a sparkling personality and winning smile, will tour the country in the weeks ahead. She is certain to capture the hearts of millions, as she did with Minority Leader Gerald R. Ford and me when we posed on the steps of the Capitol Building for a photograph. Our Eighth District should be most proud of Holly, who is now truly a national celebrity.

OFFICE HOURS

It has been determined that Congress, which has been meeting late into the night and on Saturdays, now will return to work in September after the national political conventions in August. I personally favor this action rather than hurriedly passing legislation just to gain an early adjournment. That's not the way to legislate. While the future Congressional schedule is not known at this writing, I am scheduling office hours throughout the District on August 2–3. If I must remain in Washington for Congressional sessions, my Administrative Assistant, Jim Sparling, will carry out the schedule. No appointments are necessary. The schedule is as follows:

Friday, August 2nd: 9:00–9:45 a.m., Courthouse, Caro; 10:30–11:15 a.m., Courthouse, Bad Axe; 1:00–1:45 p.m., Courthouse, Sandusky; 3:00–4:30 p.m., 400 Fort, Port Huron.

Saturday, August 3rd: 9:30–11:30 a.m., 10–11 Jefferson-Baum Court, Saginaw.

GUN LEGISLATION

No single issue during my eight years in Congress has aroused greater interest than firearms legislation. I received more mail on this issue than on any other subject. I supported the legislation prohibiting the mail-

order sale of long guns, just as I did when similar legislation was enacted on handguns previously. I did not favor licensing and registration by the Federal Government, however, for I firmly believe this is a matter which should be regulated and administered on a state and local level. I have prepared a detailed statement on my position which I will be happy to forward to you upon request. I am convinced that the real emphasis should be placed on the improvement of law enforcement at all levels of government, as well as the prosecution to the fullest extent of the law of those who are apprehended committing crimes.

FOREIGN AID PROGRAM

Stubbornly, the Administration persisted in the same tired and expensive foreign aid approach. Consistently, over the years, I have argued that multilateral assistance, with participation from other countries, is the soundest course to follow. Establishment of the Asian Development Bank, for example, had and continues to receive my support, as it involves financial contributions and full participation from countries within the area involved. The International Development Association and the Inter-American Development Bank are just two other organizations that are engaged in loan-type programs.

In again voting against our foreign aid program, I can recite the same reasons as in past years—costly, wasteful, mismanagement and, perhaps worst of all, it doesn't permit the recipient country to look upon the assistance as anything but a handout.

From 1946 to the present, we have disbursed $118,432,000,000 to over 100 foreign countries. Just as we can no longer be "policeman" for the world, we cannot play the role of Santa Claus.

TAX SHARING

For years, I have endorsed the proposal—introducing legislation, H.R. 5618—for sharing of Federal taxes with states. This would allow the states and local governments to determine for themselves the type of public programs required. Michiganders should be interested in knowing that we paid $703 million in 1967 to support the Federal Government's various grant programs. But Michigan only received back $497.5 million, some $205.5 million less than it paid. You don't have to be an Einstein to figure out that Michigan has been short changed.

THE MAZE OF FEDERAL GOVERNMENT

On numerous occasions I have discussed duplictaion of Federal programs and the absolute need of a modern Hoover-type Commission to sift through the more than 1,000 Federal aid programs and recommend economies and simplification. We could save billions annually by eliminating this waste.

In a most recent disclosure, a study of Federal aid programs turned up 56 water conservation and control programs, spread through seven agencies; 470 education programs in 20 agencies; 69 manpower training and vocational education programs in eight agencies; 112 programs related to helping the poor; 43 programs relating to child health; and 74 economic and business development programs, spread among ten agencies. If this wasn't so costly, it would be laughable. The left hand doesn't have the slightest idea what the right hand is doing.

ADDRESS CORRECTIONS

I would be most appreciative if you would check your name and address on the envelope and let me know if any changes should be made on our Newsletter mailing list.

ACADEMY APPOINTMENTS

Applications for possible nomination to the service academies—Naval, Military, Air Force and Merchant Marine—for classes beginning in July, 1969, are still being considered. Please write to me at our Washington office for complete information.

If I can be of service to you in any manner, please let me know.

THIRTEEN U.S. MEAT INSPECTORS CANNOT CHECK HUGE VOLUME OF IMPORTS

HON. THOMAS S. KLEPPE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. KLEPPE. Mr. Speaker, I seriously doubt that the United States has a sufficient inspection force abroad to insure that imported meats comply with the same standards set for domestic products under the recently enacted Wholesome Meat Act.

The new requirements, which became effective February 13, specify that such importations shall "comply with all the inspection, building construction and all other provisions of this Act and regulations issued thereunder applicable to such articles in commerce within the United States."

In response to my request for a report on the operation of this program, the U.S. Department of Agriculture advises me it has only 13 inspectors assigned abroad to check the hundreds of plants which supply nearly one billion pounds of meat each year to the American market. Between February and July 1, they visited 303 plants in the 38 countries now permitted to export meat to the United States.

The Department says each of the authorized plants will be visited at least once a year, with more frequent inspections scheduled for what are described as "large volume and problem plants." Present inspector assignments are: Australia and New Zealand, three; Canada, Central and South America, four; and Europe, six.

Here at home, USDA has more meat inspectors in some States than it has in the rest of the world. With the limited force assigned abroad, I do not see how USDA can even begin to carry out its directive from Congress to subject imported meats to the same quality standards applied to domestic products.

In view of these circumstances, I believe the United States should limit meat imports to an amount which can be properly checked by the 13 USDA inspectors assigned to this job.

The USDA report on its meat inspection activities abroad follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 23, 1968.

Hon. TOM KLEPPE,
House of Representatives,
Washington, D.C.

DEAR MR. KLEPPE: This is in reply to your July 10 inquiry concerning the Wholesome Meat Act.

The imported meat requirements of the Act became effective February 13, 1968. At that time, six Department inspectors were engaged full time in visiting foreign meat plants. They visited 363 plants from February 13 to July 1 of this year. In Fiscal Year 1968, 631 plants were reviewed. On May 19, this force was increased to thirteen by the assignment of seven additional veterinarians. Most of the new men are already on their first foreign trip. Plans call for visits to each of the plants authorized to export meat to the United States at least once this calendar year. Large volume and problem plants will be visited more often.

Inspectors are based in the United States and go to all of the 38 countries currently permitted to export meat. Assignments are in relation to the number of plants involved. Present inspector assignments are: Australia and New Zealand, three; Canada, Central and South America, four; and Europe, six. However, considerable flexibility in scheduling is anticipated if we are to meet program objectives by the end of the year.

Sincerely yours,

THOMAS R. HUGHES,
Executive Assistant to the Secretary.

PUERTO RICO CONSTITUTION DAY, JULY 25

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ROONEY of New York. Mr. Speaker, 16 years ago today, the island of Puerto Rico attained its Commonwealth status. Each year since the adoption of its constitution, July 25 has marked a milestone of progress in the island's phenomenal social and economic development.

It is with justifiable pride that the people of Puerto Rico celebrate this event. Our Puerto Rican citizens living in this country rightly consider this historic day almost as meaningful as the Fourth of July. The Spanish language press both here and elsewhere in the Western Hemisphere is increasingly proud to devote considerable attention to this historic occasion.

For me this day always has particularly deep significance, for it was my good fortune, under appointment of the late Speaker Sam Rayburn, to preside over the House proceedings which gave the people of Puerto Rico their unique status. This day also means much to me because I have had a lifelong identity with so many Puerto Rican friends and neighbors living in my congressional district.

Mr. Speaker, few of the new nations of the world who have gained independence and self-determination can equal the magnificent record of progress and achievement which the people of Puerto Rico have made in the 16 years of their Commonwealth status.

Although the people themselves—the farmers, the shopkeepers, the public servants, and the professional men and women are largely responsible for the tremendous economic and social developments, they have had the help of some extremely eminent statesmen.

I take great pride that some of these distinguished Puerto Rican leaders are my warm and personal friends of long standing. Few men have rendered greater public service or have given so much of his time and talents to his people and his government than my esteemed friend, former Governor Luiz Marín Muñoz.

All of us in this body can be proud of the results of the legislative action we took 16 years ago. All America can share in the pride with which every Puerto

Rican man, woman, and child observes this Constitution Day. Their joy is our joy. Their achievements merit our heartiest commendation and our warmest best wishes for continued success. May Puerto Rico sustain its fine position as a shining light of prosperity and free enterprise among all Latin American countries—a beacon of hope and inspiration to her Spanish-speaking neighbors.

I'VE HAD IT

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. GOODLING. Mr. Speaker, Congresswoman Charlotte T. Reid, of Illinois, has called for establishing Sunday, July 28, 1968, as a day to commemorate the *Pueblo* by flying the U.S. flag. By doing so this will serve notice on the world that we remember and we care.

Our flag is our country's symbol, and it is fitting and proper that it be used in this admirable fashion. It is also fitting and proper that from time to time we charge ourselves to extend our flag—and the country it represents—full recognition and respect. Bob Roberts of station KVI, Seattle, Wash., recently made a commentary which does this appropriately and uniquely. Because Mr. Roberts says something that needs saying and says it very well, I insert his commentary entitled "I've Had It" into the Record and commend it to the attention of my colleagues. The article follows:

I've Had It!

(Editor's Note.—The following commentary on our times by Bob Roberts of Station KVI, Seattle, Wash., is one of the best we have read. It is hoped that every reader of the Ephrata Review will take time out to read and digest it.)

There's something that needs to be said about this country. And since no one seems to have the gumption to say it, I guess it's up to me.

I have had it up to here with persons who are trying deliberately to tear my country apart. And it's way past time to throw at me that tired old wheeze about being a Flag-waver. You're damned right I'm a Flag-waver, and I got the right to be one the hard way.

I have had it with pubescent punks, wallowing in self-pity, who make a display of deploring their birth into a world which—to use their sissy expression—they didn't make.

Well, I didn't make the world I was born in either. And neither did the men I know who are worthy of respect. They just went about and made something out of it.

The men I grew up with were fetched up in a logging camp. They were the immigrant sons of every cast-off race there is. And they didn't have a hell of a lot of knowledge at home to start them off, either.

But I can write you a song about the son of a Po Valley coal miner who became a nationally renowned physicist; about doctors, lawyers, teachers, forestry specialists, conservation experts, and men of the cloth—in the Seattle-Tacoma area—who came out of that logging camp. And about the son of a Danish mechanic who is one of the best friends I've got.

So don't give me your whining, whimpering, self-pitying clap-trap about how this country is letting you down.

I have had it with hippies, brainless intellectuals, writers who can't write, painters who can't paint, teachers who can't teach, administrators who can't administer, entertainers who fancy themselves sociologists, and Negroes who castigate as "Uncle Tom" the very men who have done the most to demonstrate to all of us the most important quality in America—individual enterprise and responsibility—Dr. George Washington Carver, Archie Moore, Bert Williams, Booker T. Washington, Roy Wilkins, Justice Thurgood Marshall, Duke Ellington, Count Basie, Nat Cole, the Mills Brothers, and their father, and many more.

I've had it with those cerebral giants who think it's smart to invite drug advocates to lecture in their classrooms, and with teaching curiosities like that one in the Mercer Island School District who invited a Black Power spokesman to dispense a lecture on Flag-burning.

I've had it with people who are setting about deliberately to rip up mankind's noblest experiment in decency.

And I'm going to tell you something. If you think you're going to tear down my country's Flag and destroy the institutions my friends and members of my family have fought and died for, you're going to have to climb over me first.

And, buddy, you'd better get up awful early in the morning.

LAWLESSNESS IN OUR SOCIETY

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mrs. BOLTON. Mr. Speaker, in the aftermath of Tuesday's violence in Cleveland, there were those who took the floor of the House to claim that absence of new Federal gun-control legislation was the cause of that violence.

In effect, the spokesmen, for some reason, sought to lay the guilt for the tragedy in Cleveland at the feet of Congress, rather than with the lawless element that ruthlessly killed three police officers and burned more than 200 persons from their homes.

To my way of thinking, this is simply an effort to excuse the policies of the Johnson-Humphrey administration which are ultimately responsible for the national climate of violence leading to the Cleveland outbreak.

This is not to argue the pro and con of the gun-control issue. But it is to say that anyone who really thinks the existence of a Federal gun-control bill would have prevented the police-killing hoodlums from acquiring their murderous weapons simply cannot or will not understand the threat facing our community and our country today.

It is not simply the absence of strong gun-control laws that led to urban guerrilla warfare such as Cleveland tragically experienced. Rather it is the absence of strong-willed top-level executive leadership in our country. We have suffered a leadership that year-by-year, day-by-day has tolerated, excused, and condoned increasing lawlessness in our society.

Indeed, how could a Federal gun-control law possibly have prevented the fire bombing of the homes of innocent Cleveland families? Clearly, those who seek to blame the tools of violence rather than the lawless element that use those tools are actually compounding the problem rather than facing up to it.

Perhaps what they really fear is the possibility that the American people are coming to realize that many of the social and judicial policies and programs of recent years, which they ardently supported, were the seed from which our present whirlwind comes.

HOUSE REPUBLICAN POLICY COMMITTEE OPPOSES H.R. 15890—A BILL THAT WOULD AUTHORIZE 428 ADDITIONAL SUPERGRADE POSITIONS

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. RHODES of Arizona. Mr. Speaker, the House Republican Policy Committee is opposed to H.R. 15890. This bill would authorize 428 additional supergrade positions—GS-16, GS-17, and GS-18—in the executive branch.

There are at the present time a total of 9,320 supergrade posts—or their equivalent—in the executive branch. These positions pay between $22,835 and $28,000 per year. The addition of 428 such posts—365 to a general pool and 63 to specific agencies—would increase the Federal payroll by at least $10 million a year. Moreover, a promotion to a supergrade usually creates a chain reaction of at least a dozen promotions or new appointments in the lower grades, each of which requires additional Federal expenditures.

Out of the total of 9,320 supergrade positions now in existence, Congress establishes numerical ceilings affecting only about one-half. There are no limitations on the remainder. Since 1961 there has been a total increase of over 4,000 supergrade positions. This large increase is in direct conflict with the congressional policy that was established in Public Law 87-367.

One year ago the bill submitted by the administration provided for an increase of 245 supergrade jobs in the "general quota pool" under the jurisdiction of the Civil Service Commission, and 63 supergrades for certain specified agencies. At that time, the chairman of the Commission, John W. Macy, Jr., testified:

> The 245 that we are proposing at the present time represent the Commission's best judgment as to the number that are needed for the foreseeable future.

Now in just 1 short year, the needs of the Commission's general quota pool have increased from 245 to 365 supergrade positions. Moreover, of the 365 general pool supergrade positions, 100 would be held in reserve for future use.

This legislation has been recommended by the Johnson-Humphrey administration despite the fact that we are in a fiscal crisis that has placed in jeopardy the financial structure of this country. It would substantially expand the elite corps of the Federal bureaucracy even though in an effort to meet this crisis, a 10-percent surtax has been imposed on the American taxpayer and the administration has been ordered to cut $6 billion in 1969 budget expenditures and reduce the Federal payroll by 250,000 permanent positions.

The proposed legislation is economy in reverse. It is a flagrant example of a bureaucracy out of control determined to make its own rules and march to its own music. If this legislation is adopted, top paying jobs could be awarded in the waning days of a thoroughly discredited adminstration to key political appointees and cronies. We urge that H.R. 15890 be defeated.

SEPARATE MINORITY VIEWS ON H.R. 17748

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ESHLEMAN. Mr. Speaker, an increasing amount of attention has been paid recently to the legislation H.R. 17748, the Occupational Safety and Health Act of 1968.

This legislation which has been approved by the Committee on Education and Labor, is the successor to the original bill H.R. 14816. H.R. 17748 is substantially and substantively changed from the original proposal, but there are nonetheless some serious weaknesses which I believe should be corrected before the bill is enacted into law.

For the benefit of my colleagues I will include as a part of my remarks at this point the text of the separate minority views on this legislation, contained in House Report 1720, in order that they may have the views of a number of the members of the House Committee on Education and Labor on this proposal.

The separate minority views on H.R. 17748 follow:

SEPARATE MINORITY VIEWS ON H.R. 17748

The undersigned members of the Committee on Education and Labor are opposed to H.R. 17748. In view of the vast number of programs being urged upon the Federal Government, Congress must recognize certain priorities in order to prevent our Nation's resources from being stretched even further beyond their limits. It is senseless to undertake additional commitments on the Federal level in the absence of a clear showing that such commitments and their accompanying expenditures are necessary. In the case of occupational safety and health, the record before the committee falls far short of demonstrating any such need.

The fact is that Federal legislation in this field appears to be little more than an afterthought on the part of the administration. In the words of the Secretary of Labor, the original administration bill "developed quite quickly." It developed so quickly, in fact, that there was apparently no consultation by the administration with safety officials at the State level, with representatives of industry, or with the professional experts in the safety and health field, before the bill was drafted. Rarely has legislation been undertaken with so little knowledge of what was involved. The Secretary of Labor acknowledged before the committee that "Our present statistics on the nature and frequency of occupational injuries and diseases are too weak for any meaningful purpose" and that "Research in the field of occupational safety and health is * * * woefully inadequate." Although in the face of such admissions the logical step would have been to defer any legislation until the nature and magnitude of whatever problems existed were revealed through further study, the committee has instead devised legislation of the broadest character placing for the first time the responsibility for job safety in each of the States on the shoulders of the Federal Government.

It is distressing to note that on the record before the committee, Congress can have no idea of what this mammoth undertaking will cost the Federal Government. Although the Secretary of Labor guessed that the proposed legislation would require annual expenditures of approximately $30 million once the program was under way, he conceded that any breakdown of his estimate would be unreliable. Other estimates have run as high as $175 million for the inspection phase alone. It seems particularly futile to embark on a wholly new Federal program without having any notion of what is required to fund it properly.

Certainly the evidence that we have shows that excellent progress is being made in the field of industrial health and safety through the voluntary efforts of employers, employees and private organizations, frequently with the assistance of State safety programs and safety officials. According to the National Safety Council, accidental deaths connected with work dropped from 17,000 in 1947 to 14,200 in 1967; disabilities were reduced from 4,090,000 in 1947 to 2,200,000 in 1967. This impressive decrease in deaths and disabilities occurred during a period when the work force was increasing by over 10 million employees.

Moreover, the reported death and disability totals give a grossly exaggerated picture of occupational hazards in industry. Of the 14,500 occupational deaths in 1966, 3,200 (or 21 percent) occurred in motor vehicle accidents, 2,900 (or 20 percent) occurred among agricultural workers, and 3,200 (21 percent) among service or Government workers. Disabilities are similarly overstated. An injury is labelled "disabling" if the employee loses a day or more of work, and thus includes all sorts of minor accidents. Of the total of 2.2 million disabling injuries, only about 15 percent were actually of a permanent nature.

Dramatic improvement in industrial safety is also shown by the sharp drop in the occupational accident rate over the years. The fatality rate has dropped from 42 deaths per 100,000 workers in 1936, to 31 in 1946, to 20 in 1966. In 1926, there were 31.9 disabling injuries for every million man-hours of work; by 1946, this was reduced to 14.6; and by 1966, this was cut to 6.9 per million man-hours. The statistics at hand plainly show that the American worker is far safer at his job than he is at home or on the road.

Wholly apart from this encouraging trend in the reduction of occupational accidents, there is no reason to believe that Federal controls would materially reduce the rate of such accidents or injuries. Safety authorities have estimated that three-quarters of accidents on the job result from unsafe acts rather than unsafe conditions. Safety programs work when the parties—the employer and employees—are educated in the need for safety and cooperate in measures to make the job safer. Vast sums of money are being spent by private industry and insurance companies to accomplish this end. Voluntary efforts in this regard have worked well, for from the standpoint of both employer and employee, it is obviously good business to reduce accidents.

Efforts to police employers in matters of safety, on the other hand, have failed to achieve satisfactory results. The effective State programs, unlike the legislation at hand, emphasize cooperation and remedial action rather than punitive measures designed to coerce compliance. Insurance company representatives have told of the abandonment of their early attempts to effectuate safety by the use of "schedule ratings," a system whereby credits were given the insured employer for compliance with certain standards, and the adoption of the successful approach of crediting insured employers for superior accident records. These companies have learned that the best approach is one of rewarding employers for superior safety performance rather than relying on the employer's adherence to certain standards imposed unilaterally by a third party. Yet the Government would apparently ignore this salutary experience, and would restore a discredited policing policy as a means of assuring safety.

Despite the seemingly deferential provisions regarding State enforcement, the bill would usurp the traditional role of the States in dealing with industrial safety. There are, to be sure, provisions for ceding authority to the States, but such authority is to be returned to the States only where the State has satisfied the Secretary of Labor that its enforcement program will satisfy Federal objectives. In short, whether and to what extent the States will be permitted to exercise their historical functions in the field of occupational safety and health will depend virtually exclusively on the judgment of a single individual, the Secretary of Labor. In view of the variation of practices from industry to industry, and plant to plant, the establishment of safety programs tailored to these widely diverse systems is particularly well fitted to State regulation, and particularly ill suited to the monolithic, uniform system of Federal control envisioned in this legislation.

For the reasons set forth above, we oppose H.R. 17748. There has been no showing of the need or even the desirability of the Federal safety program which the bill would create. Indeed, the record before the committee strongly rebuts the conclusion that the intrusion of the Federal Government provides any sort of panacea for hazards on the job. It is far more likely that Federal controls would only undermine the successful efforts currently being made by private industry and the States. The bill should be rejected in toto.

William H. Ayres,
John M. Ashbrook,
Edward J. Gurney,
John D. Erlenborn,
William J. Scherle,
Edwin D. Eshleman,
James C. Gardner.

NEW YORK SECOND CONGRESSIONAL DISTRICT ANNUAL QUESTIONNAIRE RESULTS

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. GROVER. Mr. Speaker, I am pleased to place in the Record the results of my annual questionnaire. As before, the questions were prepared by political science students at one of our universities on Long Island, N.Y.

This year, the tabulation was made by psychology students at the State university at Farmingdale, N.Y., under the direction of Assistant Professor Peter Alimaras and his student assistant, Jose Duchesne. We are also grateful for the cooperation of the university president, Charles Loffin, and vice president, Jack Purcell.

The questions and response percentages are as follows:

[Percent of respondents who made this choice]

Question 1: The war in Vietnam should be—

Prosecuted more vigorously than it is at present to produce military victory	37
Conducted at the present level	3
Brought to an end by gradual, negotiated withdrawal	47
Ended by U.S. withdrawal now	12
Undecided or no opinion	1

Question 2: The admission of Communist China to the United Nations should be—

Prevented absolutely	31
Postponed for now	23
Favorably considered	28
Arranged as soon as possible	13
Undecided or no opinion	5

Question 3: American military commitment in Europe should be—

Increased	3
Maintained at present levels	21
Reduced without being abandoned	58
Eliminated completely	15
Undecided or no opinion	3

Question 4: The anticipated deficit in the Federal budget should be—

Eliminated by reducing Government expenditures in civilian but not in military functions	28
Eliminated by reduction in military expenditures primarily or exclusively	15
Eliminated by cutting military and civilian functions of the Federal Government	32
Eliminated by adding the surtax of 10 percent as desired by President Johnson	21
Left standing as a debt against the future	2
Undecided or no opinion	2

Question 5: The "urban crisis" should be dealt with by—

Increasing the number and power of the police	33
Letting private enterprise provide jobs, housing, etc., through business activities	44
Reducing the role of Government generally	6
Increasing State and Federal expenditures for public housing, jobs, slum clearance, and welfare aid	14
Undecided or no opinion	3

Question 6: Excessive outflow of the American dollar should be dealt with by one of the following primarily—

By restriction of American investments abroad	17
Restrictions of foreign travel of Americans	6
Reduction of military budgets	28
Reduction in nonmilitary foreign aid	45
Undecided or no opinion	4

QUESTION 7

Listed below are issues currently being debated. I would like to know what significance you attach to these issues. Please number in the order of importance, i.e., (1) very important; (2) important; (3) less important; etc.]

Issue	Percent of respondents who said this issue was— Very important	Important	Less important
a. Taxes	45	25	30
b. Vietnam war	76	14	10
c. Urban crisis	33	28	39
d. Civil rights struggle	33	29	38
e. Public education	22	28	50
f. Crime prevention and control	40	24	36
g. Inflation	33	22	45
h. Aid to foreign nations	9	17	74
i. Public or low rent housing	8	17	75

QUESTION 7—Continued

[Listed below are issues currently being debated. I would like to know what significance you attach to these issues. Please number in the order of importance, i.e., (1) very important; (2) important; (3) less important; etc.]

Issue	Percent of respondents who said this issue was— Very important	Important	Less important
j. Care for the aged	14	23	63
k. Congressional reform	15	19	66
l. Federal-State revenue sharing	10	20	70
m. Tax deductions for political contributions	4	7	89
n. Tax deduction for college tuition	14	19	67
o. Use of drugs	25	16	59

PROHIBITED KNIFE ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. FRASER. Mr. Speaker, I am pleased to be one of the Members who have introduced today a bill to curb the use of deadly switchblade knives in the United States by prohibiting interstate traffic in this kind of knives. The bill we have introduced, whose chief sponsor is the gentleman from New York [Mr. WOLFF], is known as the Prohibited Knife Act.

I have joined in the sponsorship of this bill because I feel that the need is clear for a strong Federal law aimed at entirely removing switchblades from our society. The bill also would include any other folding knives with blades more than 3 inches long. As the bill's findings and declarations section states:

> Other types of knives are equally well or better suited to every legitimate purpose for which these knives have been used; switchblade knives have no redeeming social value whatsoever, and their purpose and the purpose of certain other long-bladed folding knives is restricted almost solely to violence and threatened violence.

Earlier this week the House passed a bill providing more stringent regulation of interstate traffic in firearms. It is only proper that Congress enact a law to crack down on the knives whose only purpose is violence. Under our present weak laws, switchblades are easily available to anyone, even children.

But the statistics on crimes committed with knives are terrifying. In 1965 and 1966, 4,700 of the 20,000 homicides committed in the United States were committed with knives—nearly 25 percent. And knife murders are steadily increasing in number.

Mr. Speaker, as I have said before, the mail from my constituents on gun legislation has been extremely heavy, both from opponents and proponents of more stringent laws. It is interesting to note that these letters and telegrams, even from opponents of gun laws, have shown strong support for a ban on switchblades.

Passage of this bill would prevent thousands of deaths and injuries every year. It is a logical companion measure for firearms legislation.

ALGERIAN PARTICIPATION IN PIRACY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. EILBERG. Mr. Speaker, we are indeed living in strange times when allegedly responsible nations give succor and aid to pirates.

In the 17th and 18th centuries, the Barbary pirates, operating from the north coast of Africa, ruthlessly seized vessels and passengers for plunder and ransom—until Stephen Decatur put an end to this piracy.

And yet, in the latter half of the 20th century, we find piracy still rife in that part of the world and the alleged nation of Algeria not only condoning these actions but participating in them.

There can be no excuse for the United States and the other free nations in the world standing by idly while these infamous acts on international piracy go unpunished. The United States has not even taken official recognizance of Algeria holding the sky-jacked Israel El Al jetliner and the nationals of Israel being held as hostages, God knows under what conditions.

These are not the acts of a responsible nation, Mr. Speaker. These are not the acts of a nation that should have the privilege of sitting in the councils of nations.

I urge the free nations in the world to exercise an economic blockade and an airline boycott of Algeria until the plane and the imprisoned Israelis are freed.

Apropos of this situation, I would like to call to the attention of my colleagues an editorial which appeared in this morning's Philadelphia Inquirer and, under unanimous consent, I submit the editorial for inclusion in the CONGRESSIONAL RECORD, as follows:

PIRACY IN THE AIR

The so-called "hijacking" of airliners, which has now developed into an international political racket, is, to call it by its right name, nothing short of piracy. It is time to stop it.

Cuba, which has been the landing-place many American screwballs have forced planes to seek, has generally acted with diplomatic correctness in returning planes, crews and passengers promptly, albeit with some brainwashing and, on at least one recent occasion, with the deliberate incarceration of a Cuban-American pilot.

But the pirating of an El Al airliner, headed from Rome to Tel Aviv, puts this lawless activity in another light. After the Boeing 707 was forced to land at Algiers, the Algerian Government revealed its own complicity by sending back all but the Israeli citizens aboard.

Whether or not the Arab pirates learned their trade by watching the detoured flights to Havana, they have turned it into a form of war which could raise havoc with international air traffic.

We suggest that the International Civil Aviation Organization, an agency of the United Nations, or the Federation Aeronautique Internationale, with headquarters in Paris, take the lead in squelching this development by acting to ban all air service to any country which encourages piracy of airliners.

Individual nations and airlines, of course, need not wait for international sanctions.

Individuals who perpetrate there piratical crimes, of course, also deserve prompt and severe prosecution. We don't see either Cuba or Algeria taking any action in that field to date.

THE U.S.S. "PUEBLO" AND ITS CREW MUST BE RETURNED WITHOUT ANY FURTHER DELAY

HON. SAMUEL N. FRIEDEL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 22, 1968

Mr. FRIEDEL. Mr. Speaker, on January 23 of this year our ship, the U.S.S. *Pueblo*, was hijacked and its crew illegally imprisoned by North Korea in utter violation of the internationally recognized right of freedom of the seas. This is the first such seizure of an American vessel by a foreign power with which the United States was not at war since 1862.

One-half a year has elapsed since our own men and our own ship were seized and still there is no indication if and when they will be returned. Its complement of officers and crew, including a brave boy from my own State of Maryland, are still incarcerated and languishing in Communist prisons. I call for affirmative action now to effect the release of our ship and the return of our men without any further delay.

It certainly seems that diplomatic efforts, thus far, have proven to be ineffective and fruitless. If these intolerable conditions should continue, I feel that our Government will be compelled to seriously consider other measures. We must make it abundantly clear that we are determined to recover our vessel and effect the release of its officers and men. We must also make the Communist world realize that such acts of aggression will not go unchallenged and that our naval vessels cannot be attacked with impunity.

It is feared that unless sterner measures are taken because of this act of piracy, the world might form a totally false impression that we have abandoned this matter. To forget our men, to abandon our ship, are unthinkable, for the officers and crew of the U.S.S. *Pueblo* have every right to an abiding faith that the United States will take all measures and means to assure their release and safe return to their homes.

The President has characterized this seizure by North Korea as "another wanton and aggressive act" that took place in international waters—an act, he said, that clearly cannot be accepted. This incident is more than an act of piracy on the high seas; it is tantamount to an act of war against our country, and in the language of diplomacy is a matter of "utmost gravity."

Six months have passed since this intolerable incident happened and the situation is still not resolved. It should be noted that the President has not ruled out any course of action that may be necessary to have this vessel and its officers and crew released.

Personally, I do not rule out any course of action that may eventually become necessary to free our men from confinement in Communist prisons. I submit they merit our first consideration and I call for a firm stand without further vacilation or delay.

THE NEXT ERA IN AMERICAN FOREIGN POLICY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. FRASER. Mr. Speaker, while focusing our interest and efforts on the negotiating table in Paris, we must also give thoughtful consideration to the future direction of our foreign policy. Vice President HUMPHREY has recognized this need and delivered an incisive address on "The Next Era in American Foreign Policy."

In this address, the Vice President develops specific goals and policies from the basic premise that conditions demand a "shift from policies of confrontation and containment to policies of reconciliation and peaceful engagement." He outlines a role for the United States in international development which emphasizes multilateral aid programs, economic rather than military assistance, and the encouragement of economic and political regionalism. The Vice President endorses a policy which reflects an appreciation of both the force of nationalism and the limits of our constructive involvement in developing nations.

The Vice President demonstrates a deep sensitivity to and understanding of international problems and the future course of our foreign policy. I insert the text of his remarks in the RECORD:

I want to talk with you today about the next era in American foreign policy.

For I believe we—and indeed the rest of the world—are truly at a turning point.

Twenty years ago, the United States was virtually the only source of power in the non-Communist world.

We faced an aggressive and highly centralized Communist bloc.

We feared its designs on the developing world. Western Europe and Japan tottered on the brink of chaos.

America's policies were geared to these problems. Large successes were achieved. Now, partly because of these successes, we face new conditions:

The cold war between the United States and the Soviet Union is waning.

The Communist countries no longer pose a monolithic threat.

There is a prospect of further accelerating mutual efforts toward disarmament.

The new nations are moving into a period when they increasingly look toward self-development, and the concrete works of national independence.

Western Europe and Japan can stand on their own two feet, and they want to do just that.

A new generation is emerging in the United States and other industrial countries which rejects the old premises of war and diplomacy and which wants, rightly I believe, to see more emphasis placed on human and personal values—like having enough to eat . . . being able to learn . . . living free free of fear.

These conditions demand new priorities, new policies and a new sense of purpose in our engagement in the world.

They demand a shift from policies of confrontation and containment to policies of reconciliation and peaceful engagement.

The most important area of reconciliation—and top priority for American foreign policy in the next decade—is that of East-West relations. This particularly includes relations among the United States and the Soviet Union, Western Europe and Eastern Europe.

Adherence to this priority will minimize the possibility of direct conflict.

It will minimize the possibility that conflict among the developing nations may involve the major powers.

Finally, it will permit a re-allocation of the world's resources away from massive military budgets to constructive, human development.

I favor the following actions in pursuit of reconciliation:

(1) Early United States-Soviet agreement to freeze and to reduce offensive and defensive strategic armaments. And, following that, initiative toward mutual reduction of general armaments and defense expenditures by all nations.

(2) Reciprocal reductions of American and Soviet, and allied forces in the heart of Europe.

(3) Accelerated technological and economic interchange among developed countries of all ideologies, and in turn among these nations and the developing countries.

(4) United States-Soviet action to avoid wasteful competition in space—including coordinating of United States and Soviet post-lunar manned space exploration.

These are goals we cannot achieve alone.

I offer them with full awareness of John Kennedy's warning against the illusion that there can be "an American solution to every world problem."

But we can take concrete initiatives toward achieving them.

The task of reconciliation can obviously proceed much more quickly once a peace is achieved in Vietnam. It must be a lasting and stable peace—one which will not lead to new crises that can drag us back into the era of confrontation.

I have been asked where I stand on the Vietnam war.

I want to end the war.

I want to end it the only way it can be ended—by a political settlement.

I want a political settlement which will permit the people of South Vietnam—all the people of South Vietnam—to shape their own future. And I want to see a cease-fire at the earliest possible moment.

Right, now, however, the most effective peace effort we can make is to back our negotiating team in Paris, headed by Ambassador Averell Harriman and Cyrus Vance.

They are wise and experienced diplomats.

They are trying hard to secure peace.

We must not make their job more difficult by misleading Hanoi into the belief that our negotiators may not be speaking for America.

Looking ahead, how can we avoid future Vietnams?

Parts of the developing world—not only in Asia, but Africa and Latin America—will be turbulent for some time to come. Our policy objective should be to prevent this turbulence from breeding wider conflicts.

To this end, we should do three things:

First: Try to define clearly, in our own minds, what our national interest is, and what it is not, in each of these developing areas.

That interest surely does not run to maintaining the status quo wherever it is challenged.

We are not the world's policemen. How

peoples wish to govern themselves, and how they wish to change their governments—that's their business. Our interest runs only to avoiding the kinds of violence which can transcend national frontiers and threaten the wider peace.

Second: We also have to recognize that, whatever our own intentions, others may be prepared to violate frontiers and foster local turmoil for their own ends. We must therefore be prepared to fulfill specific and clearly-defined mutual-defense commitments approved by the President and the Congress of the United States.

By making this willingness clear, we can help to deter direct major aggression and help reduce the incidence of externally sponsored insurgency.

We should firmly insist, however, that any threatened country to which we are committed—or a potentially threatened country—actively develop programs of economic, political and social development, including land reform, which will win the support of the people.

Third: If we are to avoid big-power confrontation over small-power conflicts, the world must look primarily to regional organizations to prevent indirect aggression and local disputes from disrupting the broader peace.

These organizations can help to conciliate disputes among their members; over the longer-run, they may be able increasingly to meet peacekeeping needs.

We should try to enhance the United Nations' peacekeeping capability:

By supporting creation of a UN Staff College and a UN Training Center for Peacekeeping;

By using U.S. aid to encourage more earmarking by the smaller powers of national military units of peacekeeping;

By joining other countries in studying the use of independent sources of revenue for financing UN peacekeeping.

As we strengthen the ability of the UN and of regional groupings to meet peacekeeping needs in developing areas, we can provide an effective alternative to great power military involvement—and thus help ensure against future Vietnams.

We can talk neither about reconciliation nor about increasing the stability and progress of the developing world without taking full account of mainland China.

Although the prospect for cooperative programs with China in the next decade are not good, we should make it clear that we are prepared to replace conflict with cooperation whenever the Chinese are.

We must expect rebuffs, rejection, and insult . . . and still continue to seek more normalized relations with the mainland.

To widen our contacts with the seven hundred and fifty million people who live in mainland China we should:

(1) lift restrictions on trade in nonstrategic goods,

(2) encourage interchange of scholars, journalists and artists;

(3) make it clear that should China make its decision to become a responsible, participating member of the community of nations, we will welcome it. And we should, now, encourage it.

The need for reconciliation and an end to the arms race derives not just from the danger of war, but from the fact that the world urgently requires a major reallocation of resources to the work of providing better lives for people—both here in America and in the world.

Pope Paul said "development is the new name for peace."

Unless and until the needy . . . hungry . . . ill-clothed . . . ill-housed . . . undereducated majority of mankind has some substantial hope for the future, something worth protecting—peace will be sullen and precarious at best

We all know the case for foreign aid:

It is right and decent.

It contributes to peace and security.

It is not a significant gold drain because virtually all of it is spent in this country for goods and services.

A little bit can be the catalyst that puts much larger resources to work in the recipient nation.

We can afford it.

The United States has made a good start. We have helped put Taiwan, Western Europe, South Korea, Iran, Greece and Turkey on their feet—and others of our aid recipients are on the way.

Other nations are now aid donors—at least five of them give a greater share of their Gross National Product than we do.

But neither the developed nor the developing nations have been doing enough, well enough, to get the results that a lasting peace demands.

It is time to start fresh . . . together . . . and this time with the clear purpose before us of doing what is necessary to see that there is visible progress for the people of the developing world.

The urgent business of national development can no longer be left to a thin patchwork of bilateral contributions and occasional consortia. It is the great international challenge of our times, and one that can be met only on the basis of the fullest international cooperation.

Our neighbors in the Western hemisphere are already engaged in a major cooperative effort, together with the United States, to accelerate the development of this area which is of vital interest to us.

As I see it, America's role in a new international development effort demands the following:

First. A steady increase rather than a steady decrease in the amount of aid we make available.

Second. Leadership toward family planning in the developing nations on a scale many times larger than now being considered.

Third. New emphasis in our development programs to food production and the building of rural economies.

Fourth. World-wide commodity agreements which stabilize prices enough so that raw-materials-producing nations may have at least an even chance of earning their own way.

Fifth. Leadership toward international agreements and guarantees which will sharply increase the flow of private investment to the developing countries.

Sixth. A new emphasis on multilateralism in aid programs, with maintenance of only limited bilateral aid programs, and greater reliance on the World Bank, the United Nations, and African, Asian and Latin American institutions for investment and development.

Seventh. Active encouragement of economic and political regionalism so that other nations may enjoy the benefits of large units of people, resources and markets such as the United States and European Community now possess.

Eighth. New priority to modernization of an international monetary system which must be able to provide the capital needed to finance the developing as well as the developed.

Ninth. The steady removal of barriers to trade among the prosperous nations, and the establishment of a global preference system for the goods of the underdeveloped.

A more stable peace . . . reconciliation . . . redirection on international effort from the wasteful arts of war to the humane work of development—I believe those are the only realistic policy goals for America in the months and years ahead if we mean to enhance the security of the American people.

They reflect the values of ordinary men and women—not the habits of mind we associate with traditional diplomacy.

Let me emphasize, however, that our success in achieving such goals can be no greater than our success in dealing with the hard questions of the present:

How to convince the Soviet Union it shares a common interest in building a community of developed nations, and avoiding conflict in developing areas when some Soviet ideologists declare the reverse;

How to promote the kind of economic growth in the poorer nations which will involve and benefit the common man, even while these nations resist—and rightly—any suggestion of external intervention in their internal affairs;

Above all, how to involve the private citizen, and particularly young people, more and more in the business of making foreign policy.

I don't have all the answers, I doubt anyone has.

I do know that a significant departure in American foreign policy will require that the new President will continue to be guided by the advice and consent of the United States Congress and of the American people.

Although it is an obligation of the President to propose, our tradition assumes a high degree of participation by the people and the Congress—especially the Senate—in the making of critical national policy decisions.

Involvement by the Congress, and by the people, will continue to be a necessity if national decisions are to be truly reflective of the national will.

For foreign policy is the people's business in 1968 just as politics is their business.

We understand especially today that a new foreign policy for a new decade stands little chance of success unless it can inspire the new generation of Americans who wear the nation's uniforms, renew the nation's political processes, and in the long run determine the success or failure of American society at home and abroad.

I have attempted to outline here a policy to serve the people—not merely nations or ideologies.

I believe it can command the support of the American people.

I believe it can re-establish America as a symbol of the aspirations of men everywhere.

IMPROVING POSTAL SERVICE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. DINGELL. Mr. Speaker, one of the justifications given for increasing postal rates last year was that it would help raise revenues needed to modernize the Post Office and improve service. Many individual mailers and businesses accepted the rate increase on that basis.

For that reason alone it is going to be very difficult for mail users to accept a curtailment of postal service. But as Postmaster General Watson has said, the Post Office Department cannot avoid curtailing service if it is not exempted from the provision in the tax bill requiring Federal agencies to cut back to their 1966 employment levels.

One thing is certain: mail volume is not going back to its 1966 level. In fact, mail volume this fiscal year is likely to be 11 percent higher than it was in 1966.

Good postal service is important to the business, social, cultural, and educa-

tional life of the Nation. The Post Office should be given the manpower it requires to provide the American people with the kind of mail delivery service they want and deserve.

JOHNSON'S TRIUMPHAL TOUR THROUGH CENTRAL AMERICA

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. FACSELL. Mr. Speaker, President Johnson's recent trip to Central America was, by all reports and measures, a substantial success. From all parts of Central America, the President received cheers of welcome and praise both as a spokesman for the United States and as a great individual and political leader.

To measure realistically the extent of the President's success in visiting our neighbors to the south, I have gathered a number of major American newspaper editorials describing and commenting on the Central American trip. I think that my colleagues in the House of Representatives will be both proud and interested to read the journalists' unanimous approval:

[From the Diario Las Americas, July 10, 1968]

JOHNSON'S TRIUMPHAL TOUR THROUGH CENTRAL AMERICA

Once more it became evident that, above all discrepancies or inconformities that are inevitable in the course of international relations, the nations of the free world, especially those of Latin America, have sympathy and appreciation for the Government and people of the United States. Reflecting it was the triumphal welcome accorded to President Lyndon B. Johnson in his just completed tour through San Salvador first and briefly through the Central American capitals afterwards.

As it is known, in the Salvadorean capital President Johnson met with the Heads of State of the Central American countries, who were discussing matters related to the common market of the region. Mr. Johnson expressed on that occasion in the President's Conference and outside of it, his sympathy and admiration for the Central American peoples and offered the cooperation of his government for the better operation of the Central American Common Market. Important is that the United States of America help the countries of the Isthmus to perfect the commercial mechanism of the common market, because it represents an extraordinary effort for the benefit of the region and also for the benefit of the world, inasmuch as it is an example of what several nations integrated in a regional market can do for their own good.

Unquestionable political significance was the way in which President Johnson was received by vast sectors representative of the Pan Americanist sentiment of the Central Americans. It is known that President Johnson was warmly acclaimed in El Salvador, where he stayed a little bit longer, and also in the capitals of the Isthmus and in the city of San Pedro Sula in Honduras, at the airports of which he stopped to receive the testimony of appreciation of the countries visited.

Aside from the personal meaning that these tributes have for President Johnson, it is evident that they are manifestations of admiration and affection for the great American nation, especially because the whole world knows that in the United States of America the man occupying the presidential chair in the White House is always the person chosen by the will of the majority of his countrymen. For that reason, in a special way, the President of the United States of America, like those of many nations of the world—not all of them—legitimately represents his country.

The huge campaign unleashed by the communists in the Western Hemisphere—particularly by Castro—against the United States, could not detract importance nor splendor from this brief tour of President Johnson through the Republics of Central America. The bonds of friendship and solidarity between the United States and the sister Republics of the Hemisphere are far stronger than the attempts of communist imperialism to destroy them.

[From the Times-Picayune, July 9, 1968]

MARKET CRISIS MET

Judging from the speeches and communiques, President Johnson's Central American trip to help resolve the crisis in the Central American Common Market was a success. He joined the presidents of the five-nation market in urging a general Latin American common market on the CACM pattern, announced $65 million in American loans to CACM, and asserted, in reference to the specific problems that were the occasion for this meeting, that "the spirit of Central America has already triumphed."

This last remark indicated, without elaboration, that the frictions between the five countries were smoothed over somehow. President Johnson, who had earlier emphasized that success would depend upon CACM members' own efforts, praised "a spirit of accommodations, of confidence, of a dedication to humanity that embodies—but also surpasses—the interests of each nation."

CACM—Costa Rica, Nicaragua, Honduras, El Salvador, and Guatemala—has made considerable progress during its seven years in purely commercial affairs, in international cooperation, and in removing technical decisions from political influences. Yet much remains to be done, and touchy economic and political nationalism can still easily break to the surface, as in the premeeting crisis. If the Latin presidents really overcame their current difficulties in the interest of the greater good, their meeting does indeed represent praiseworthy progress and the organization does merit continued U.S. financial support.

[From the Washington, (D.C.) Post, July 8, 1968]

L. B. J. IN SALVADOR

Cheers are nice in any language, and President Johnson and his fellow citizens are entitled to savor those he received on his weekend mission in San Salvador, despite the paint and eggs. Cheers are not, however, a very accurate index to the real state of hemispheric affairs; for that one must look at the facts.

Mr. Johnson is a great partisan everywhere of regional associations. He went to Salvador to promote the principal device of Central America's regional integration, its Common Market. "Common Market," with its European overtones, has the sound of success. In its seven years, this one has shown an impressive statistical growth in its volume of internal trade. But the statistics have yet to be translated into progress in living standards, and they conceal an alarming deterioration in the region's balance of payments with its outstide trading partners, particularly the United States.

More effective international arrangements to support the prices of their commodity exports would greatly help these countries. So would an agreement by Washington to accord them preferential tariff treatment. But these are not within the diplomatic or political power of a junketing President to bestow. Instead, Mr. Johnson lent his presence and prestige to the Common Market, reinforcing his words by distributing on the spot the year's aid—$30 million for integration works and $35 million for development within the five member states. Mr. Johnson seems also to have provided the impetus for an important Market decision to raise duties on certain luxury imports—a move opposed by their middle and upper class consumers—and on raw materials imported for heretofore favored new industries.

Regionalism should not be conceived or understood merely as a method of building markets for American exports. It is, as President Johnson clearly believes, a vital way for a region to help itself achieve important self-sustaining growth. This is also where the real interest of the United States lies.

[From the New York Times, July 9, 1968]

TIMELY BOOST FROM L. B. J.

President Johnson could not have picked a better time to go to San Salvador to pay tribute to the Central American Common Market. This organization, as he said, has become a "testament to regionalism" of value to developing countries everywhere.

The five members, however, have recently been mired on a plateau in both economic cooperation and industrial development, arousing friction between Nicaragua and the others. It was an opportune moment for Mr. Johnson to come along with his boost for the Common Market's morale and also its resources—small dams for projects in each country and a $30-million loan for the Central American Development Bank.

Trade among the five nations has expanded nearly seven times; investment has increased 65 per cent, and the area has maintained an average annual growth rate of 6 per cent since the Common Market was launched in 1961. But the members have found it difficult to diversify their economies and thus lessen dependence on coffee, cotton, bananas and sugar. New industries lured by tax concessions often prove high-cost producers, and imports necessary to sustain them have sent balance-of-payments deficits soaring.

Nicaragua had threatened to quit the Common Market unless the other four promptly ratified an agreement reached last month to impose a 30 per cent surcharge on imports from outside the area. At San Salvador, all five presidents have now promised to implement this levy to cut imports and ease payments deficits.

Regional economic cooperation among developing countries is a subject dear to Mr. Johnson—in Asia and Africa, as well as in this hemisphere. With this trip, he has helped restore momentum to a promising development involving thirteen million people in an area of great importance to the United States.

A FLAG FOR THE "PUEBLO"

HON. CHARLOTTE T. REID

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mrs. REID of Illinois. Mr. Speaker, many Americans will fly their flags next Sunday, July 28, in a voluntary salute to the courageous men of the U.S.S. *Pueblo* taken captive by North Korea 6 months ago.

Let me again express the hope that concerned citizens all across the Nation will join in this tribute to the officers and crew of the *Pueblo* and in this gesture of reassurance to their families as well.

SENATE—*Friday, July 26, 1968*

The Senate met at 9:15 a.m., and was called to order by the Acting President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, to Thee who knowest the secrets of our hearts, we commit ourselves and our Nation.

Empower those who here act for the Nation to do the best and to speak the best that in Thy name they may here strike their blow for the truth of God and the freedom of man.

Keep love's banners floating o'er us as we march forward in the ranks of those who do justly and walk humbly with their God.

Thou hast made us to be Thy temples. Grant that the sacred places of our inner lives may harbor nothing unworthy of our high calling in Thee:

"The ruins of our soul repair, and make
our heart a house of prayer."

In the Redeemer's name we ask it. Amen.

THE JOURNAL

Mr. KUCHEL. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, July 25, 1968, be dispensed with.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 17735) to amend title 18, United States Code, to provide for better control of the interstate traffic in firearms, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 1224. An act to establish a register of blind persons in the District of Columbia, to provide for the mandatory reporting of information concerning such persons, and for other purposes;

S. 1228. An act to authorize project grants and loans for construction and modernization of hospitals and other medical facilities in the District of Columbia; and

S.J. Res. 193. Joint resolution to designate the National Center for Biomedical Communications the Lister Hill National Center for Biomedical Communications.

ORDER OF BUSINESS

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senator from Ohio is recognized.

OUR TRAGIC INTERVENTION IN SOUTH VIETNAM MUST END: WE MUST STOP BOMBING NORTH VIETNAM: THEN NO MORE VIETNAMS

Mr. YOUNG of Ohio. Mr. President, it appears that although negotiations for an armistice and cease-fire are continuing in Paris, President Johnson returns from a conference in Hawaii with President Thieu of South Vietnam breathing fire and brimstone about our fighting in Vietnam. Now Americans have reason to fear that he will further yield to the generals of the Joint Chiefs of Staff and leaders of the military-industrial complex in our country and continue to try to save President Thieu's skin. Thieu is presently the leader of the Saigon military clique of generals ruling that unhappy land. Many of the leaders of the Saigon military regime are growing rich in the process. It is evident that they do not have the support or backing of the people of South Vietnam except for a mere minority, probably one-third of the total population.

It is admitted by Vice President Ky and others of the Saigon regime that the VC are recruiting 2,000 or more South Vietnamese young men into their armed forces every month. Ambassador Averell Harriman, our leading representative in the peace talks in Paris and a very great American, who is a skilled and most effective diplomat, stated recently that North Vietnam has a total of 85,000 of its soldiers fighting in south Vietnam. The representatives of North Vietnam in Paris deny that there were at any time 85,000 fighting men from North Vietnam included in the forces of the VC fighting against us in South Vietnam. Assuming there were 85,000 North Vietnamese soldiers fighting our forces in south Vietnam last April or May does anyone claim that this 85,000 were defeating or fighting a stalemate against more than 600,000 Americans and our allied forces? Nonsense.

It is evident that 80 percent of the VC fighting us were born and reared in South Vietnam. We are involved in a South Vietnamese civil war. Now, this July we learn from Saigon and also from our delegation in Paris that North Vietnamese soldiers in South Vietnam have been reduced by at least 25,000 men, and these 25,000 soldiers have returned to North Vietnam or have crossed the border into Cambodia, ostensibly to regroup. It is the claim of our generals in South Vietnam and of President Thieu that the total forces of North Vietnam now with the VC in South Vietnam approximate 60,000 at the most as of this July 15. This is irrefutable evidence that by far the great majority of the VC fighting in South Vietnam were born and reared in South Vietnam. The United States with nearly 600,000 fighting men in South Vietnam and on the defensive in Saigon and elsewhere waiting for the threatened VC offensive could not be held back by 60,000 or even 80,000 North Vietnamese soldiers.

The evidence is overwhelming that we are fighting on the losing side of an unwinnable civil war in South Vietnam and that the Saigon military regime is not and was never representative of the people of South Vietnam.

President Johnson knows, or should know, that there were no commitments by two Presidents preceding him to involve us in a civil war or any sort of war in South Vietnam. What are the facts? What commitments did President Eisenhower make?

Our initial commitment to South Vietnam, made by President Eisenhower in 1954 in a letter to the President of South Vietnam stated:

> I am instructing the American Ambassador . . . to examine with you . . . how an intelligent program of American aid . . . can serve to assist Vietnam in its present hour of trial.

He added:

> The purpose of this offer is to assist the Government of Vietnam in developing and maintaining a strong, viable state capable of resisting attempted subversion, or aggression, through military means. The United States Government hopes that such aid, combined with your own continuing efforts, will contribute effectively toward an independent Vietnam endowed with a strong government.

During the Eisenhower administration the U.S. military advisory group in South Vietnam was increased from a total of 327 to 685. Any so-called commitment made by President Eisenhower was a very "iffy" commitment indeed. On January 20, 1961, when President Eisenhower left the White House we did not have one combat soldier in South Vietnam. Was there any commitment by President Eisenhower to fight a war or to fight any alleged aggression in South Vietnam? Nonsense. We had but 685 military advisers.

Was there a commitment by President Kennedy to fight a land war or to resist aggression from Vietnamese living north of the 17th parallel? Nonsense. On the day that our late great President John F. Kennedy was assassinated, the United States did not have one soldier in South Vietnam engaged in combat. President Kennedy said:

> I don't think that unless a greater effort is made by the Government to win popular support that the war can be won out there. In the final analysis, it is their war. They are the ones who have to win it or lose it. We can help them, we can give them equipment, we can send our men out there as advisers, but they have to win it—the people of Vietnam—against the Communists. We are prepared to continue to assist them, but I don't think that the war can be won unless the people support the effort, and, in my opinion, in the last two months the government has gotten out of touch with the people.

Also, on another occasion, our late, great President John F. Kennedy said:

> Transforming Vietnam into a Western redoubt is ridiculous.

Therefore, it is very evident that we are not fighting a land war in Southeast Asia because of commitments made by Presidents Eisenhower and Kennedy.

On that sad day in November 1963 when President Kennedy was assassinated the United States had only approximately 16,000 military advisers in South Vietnam; but no combat soldiers fighting in that civil war.

Unfortunately President Johnson has yielded deference and devotion to the military-industrial complex, against which President Eisenhower warned in his farewell statement to the American people. President Johnson has committed more than 600,000 young Americans to combat in a civil war in South Vietnam. He has swallowed hook, line, and sinker the bad advice of Ambassador Henry Cabot Lodge, the unvarying poor advice of Gen. Maxwell V. Taylor, and he has surrendered mentally and has been subservient to the views, demands, and recommendations of the generals of the Joint Chiefs of Staff of our Armed Forces. As a result career officers in our Army, Navy and Air Force have been promoted in astronomical fashion far beyond their fondest hopes and aspirations. In the U.S. Armed Forces there are more generals, lieutenant generals, major generals, brigadier generals, and colonels than at any time in the history of the Republic except in World War II, and promotions are proceeding on in unprecedented scale.

President Johnson despite the warnings and words of wisdom of Generals Ridgway, Gavin, Shoup, and other retired generals and of Ambassador Reischauer and others extremely knowledgeable in Asiatic affairs has involved the United States in a ground war in Southeast Asia. Since November 1963, to this good hour he has committed to combat in Southeast Asia more than 50 percent of the entire air power of the United States, more than 40 percent of our naval forces and more than 35 percent of our combat-ready Army and Marine forces. Our casualties from death in combat and from jungle and tropical diseases including malaria fever, bubonic plague, hepatitis, have been terrifying. Approximately 27,000 men have been killed in combat or have died of wounds. More than 154,000 have been wounded in combat. Our combat killed and wounded in recent months have exceeded the killed and wounded sustained by the "friendly" forces in the Saigon military junta of Thieu and Ky.

In June 1965, Gen. Maxwell V. Taylor testifying before the Foreign Relations Committee of the Senate said in response to the question, "Is the civilian government of Saigon likely to be overthrown by a coup?" replied, "There is no indication of anything of that sort." Unfortunately for General Taylor, and as evidence of this usual poor judgment, that very night 10 generals overthrew the civilian government of South Vietnam and the President, Duong Van Minh—escaped into exile. These generals form the junta that rules in Saigon today. Who are those 10 generals? Nine of the 10 were born in what is now north Vietnam. Those nine fought on the side of the French colonial oppressors in 1953 and 1954 against their own fellow countrymen seeking national liberation. They appointed that flamboyant Air Marshal Ky as Prime Minister. Ky was born in Hanoi close to where the nine generals were born. He was serving in the air force of the French colonial oppressors at the time the Vietminh defeated them at Dienbienphu. In other words in the Vietnam war for independence these generals we support in Saigon and Ky were the tories, and the Vietminh were the patriots fighting for national liberation just as the VC of South Vietnam are now the patriots fighting for national liberation.

We Americans have been proud to claim that we are a revolutionary people by history and tradition. It appears we have become a most unrevolutionary people. The time has come after all these years and following our losing 27,000 young Americans killed in combat and 154,000 others wounded, for us to withdraw our forces to coastal bases such as Danang, Camranh Bay, Saigon, Tuy Hoa, and others.

There are 44 provinces in South Vietnam. American Armed Forces should withdraw one-half of the 44 provinces and the leaders of the so-called friendly forces of South Vietnam should be obligated to assume sole authority for the defense of these 22 provinces, and they should be obligated to designate the 22 provinces they will take over and be responsible for. Our forces should pull out altogether and leave it to the Saigon government with its forces to either hold or lose these provinces. The government of Thieu and Ky should be placed on notice without delay that on September 15, 1968 at the latest they will have the sole responsibility of defending 22 of the 44 provinces in South Vietnam. Our President should state in advance that we Americans are withdrawing all of our Armed Forces by September 15 from those provinces and appeal to the International Control Commission and United Nations to oversee our withdrawal and the South Vietnamese takeover.

Furthermore, it is an untruthful allegation for anyone to make that our men have been fighting in South Vietnam to contain communism and to resist aggression. The Geneva agreement of September 1954, which John Foster Dulles approved, stated:

> The military demarcation line at the 17th parallel is provisional and should not in any way be considered as constituting a political or territorial boundary.

The Geneva accords of 1954 which the Secretary of State approved not only provided that the division of Vietnam into North and South Vietnam at the 17th parallel was a temporary demarcation line but it specifically provided that there would be an election throughout all Vietnam in 1956 to elect a President of the reunified country. Our puppet President in Saigon, Diem, who was installed by our CIA, called off this proposed election, possibly at the insistance and request of the CIA. No free and fair election has been held in South Vietnam since that time. Certainly, there should be an election wherein Buddhists, neutralists, so-called, and members of the National Liberation Front and all other groups and tribes living in South Vietnam should be permitted to vote. Furthermore, our President should advocate, and any cease-fire or armistice agreement should provide, that an election throughout all Vietnam is contemplated to be held on the issue of reunification of North and South Vietnam next year and that this should be followed by the election of a President of Vietnam and the adoption of a constitution. Such election to be supervised by observers of the United Nations and should be under the control of the International Control Commission and military policemen of that body. Following the organization of a government in Vietnam then all foreign military forces including the forces of the United States except for a comparatively small garrison at Camranh Bay and a few other coastal bases are to be withdrawn except such who represent the United Nations and the International Control Commission. For nearly 5 years now the lives of American soldiers have been lost in combat in South Vietnam. Our casualties month after month throughout 1967 and 1968 have exceeded those of the friendly forces so-called. In other words the so-called army of South Vietnam. Now at this late date we read that at the expense of our taxpayers the South Vietnamese soldiers will be armed and equipped and maintained and made ready to bear their proportionate share of the fighting. The facts are that it is an outrageous thing that American forces, sent over there to intervene in a civil war, have, as was evidenced in recent months by the Tet lunar holiday offensive of the VC, been doing most of the fighting. We must make it the responsibility of the forces of the Saigon government to either fight the forces of the National Liberation Front or surrender to them. It is their country, not ours. American GI's have fought and are fighting as substitutes for the so-called army of South Vietnam. This administration has been waging the most unpopular war in the history of our Republic. It is an immoral war. It is an undeclared war. It does violence to the conscience and tradition of America. Our Government should surely return to the United States 50,000 to 100,000 men of our Armed Forces before the end of the present year. Instead of committing ourselves deeper and deeper into this most unpopular civil war we should take these steps and in all probability the stalled peace talks in Paris would move off dead center and lead to a speedy armistice and cease-fire.

The war the Johnson administration has been waging in South Vietnam throughout the past 4½ years and the bombing of North Vietnam, frequently right up to the border of Communist China, is a war that does injustice to our Constitution and is contrary to commonsense. This undeclared war that the Johnson administration has been waging by our intervention in the civil war of this far away little country is the product of power greedy generals and many greedy defense contractors and powerful industrialists of the military-industrial complex whose front and spokesmen are the generals of our Joint Chiefs of Staff. The executive branch of our Government since December 1, 1963, to the present time has been subservient to and the tool of the military-industrial complex which by the way has not as yet been required by Congress to pay an excess profits tax. It is with regret I report this fact.

The next President of the United States should by all means reverse this policy. This indefensible war we are waging must be ended. The United States should not be an international fireman, or policeman, to send our forces everywhere in the world whenever the flame of revolt erupts.

It was under President Johnson that our Armed Forces were increased in South Vietnam to ever-increasing numbers even extending into recent months. It is under President Johnson that we are fighting a major war of aggression in Southeast Asia. It was under President Johnson that our Armed Forces in massive assaults engaged in search and destroy operations in South Vietnam have destroyed villages and even cities "to save them," killing some 300,000 civilian men, women, and children in the process. As a result of this international lunacy every community in the United States has sustained the tragedy of some of its finest young men killed in combat in Vietnam. This has been a factor, and in fact the cause of drastically changing public sentiment in the United States which now favor withdrawal of our forces from South Vietnam. Now, the overwhelming sentiment of the American people is to halt all bombing of North Vietnam immediately and to end this immoral and undeclared war before the end of the present year. The President should order a halt of bombing North Vietnam. This should be announced immediately effective August 1. Then it is up to the representatives of North Vietnam in Paris to pledge some reciprocal action.

Regarding our involvement in a civil war in South Vietnam which has already resulted in the death in combat of more than 27,000 American youngsters, Walter Lippmann wrote that "the United States is continuing fighting in Vietnam to save face." He stated that our Government officials are too proud to admit a mistake. An administration war hawk said that if we were to withdraw from Vietnam it would be a setback which could not be accepted by a major power. The history of the 20th century does not justify any such statement by Walt Rostow or any other presidential adviser. On May 7, 1954 the French garrison of 12,000 soldiers of the Foreign Legion and Morrocans defending Dienbienphu, an outpost close to the Laos border and like Khesanh of no real importance to the French in their effort to regain the lush Indo-Chinese colonial empire, was overrun. The garrison of 12,000 became prisoners of war to the Vietminh, or forces of the National Liberation Front. By September 1954 peace had been restored in Vietnam. The French gave up. They withdrew 240,000 troops. To those who claim France lost face, the facts are it has gone to greatness far exceeding its stature in 1954. A few years later, France under De Gaulle surrendered to the rebels and gave up Algeria, the largest and wealthiest of all the departments of France. Did France lose face? Did De Gaulle lose face? Absolutely not. The Republic of France is more respected and wealthier and more powerful in every respect than when fighting in Indo-China and in Algeria. De Gaulle is more respected since then than ever before.

Other pertinent illustrations could be that Britain withdrew from Cyprus—Britain withdrew from other possessions. It gave up almost an entire continent in giving up India. It gave up Singapore and has surrendered its colonial possessions practically everywhere in the world. The United Kingdom is a highly respected nation. Englishmen have not lost face. Communist China abandoned her claim to off-shore islands. Her legal rights to such islands cannot be disputed. The Soviet Union with its tremendous nuclear power and huge land area and population and unquestionably the most powerful nation on earth, with the sole exception of the United States, gave up the Berlin blockade. The Soviet Union abandoned the Greek civil war following losing just as we have lost in Vietnam, and from the brink of war in the Cuban missile crisis when it was evident Khrushchev's attempted coup had been exposed, the Soviet Union made a hasty precipate and even humiliating withdrawal. No one, but no one, claims that the Soviet Union suffered a loss of prestige because of that. True, all these nations are proud nations. True, at the time it must have been bitter medicine for the heads of state of these nations to swallow. They gave in to the implacably and overwhelming flood of events instead of paying supreme penalties for hopeless and miscalculated adventures that had gone wrong. We Americans should—many months ago—have been realistic. Those in the Congress who say we know now we never should have gotten into this Vietnam business, should be sufficiently realistic and forthright to say let us stop bombing North Vietnam, let us disengage by withholding any offensive fighting, let us go half way in the Paris negotiations, or more than half way, then cut our losses and get out and get out right away, leaving it to the Vietnamese under supervision of the International Control Commission and the United Nations to solve their own national problems as best they can.

NOMINATION OF ASSOCIATE JUSTICE FORTAS TO BE CHIEF JUSTICE OF THE UNITED STATES

Mr. MILLER. Mr. President, before President Johnson announced his nominations to the Supreme Court, now pending before the Senate for confirmation, I announced that I would oppose confirmation of whoever might be nominated The main reason was my belief that the people should have a chance to reflect their views on the direction our Federal Government should take through the election of a new President who, in turn, could reflect these views in appointments to the coequal branch of the Government—appointments which could last for 20 to 25 years, because they are lifetime appointments. Confirmation of these nominations would deprive the people of this chance. The rights of the people in this matter should override the right of the President to nominate, and the right of the Senate to confirm.

It is not responsive at all to suggest, as some superficial analysts have done, that such a position leads to the logical result that the Senate should stand still on any nominations made by the President. What is involved here are lifetime appointments—not limited tenure appointments, such as those to such bodies as the Interstate Commerce Commission, Federal Communications Commission, and the like. What is involved here are lifetime appointments to the highest court of the land which exists as a separate, coequal branch of the Federal Government—whose decisions are final and not reviewable except insofar as possible amendments to the Constitution are concerned—not lifetime appointments to a lower Federal court whose decisions are not final.

Nor is it responsive to suggest that my position leads to the conclusion that no nominations to the Supreme Court in the second term of a President should be confirmed. We are talking about nominations made only 3½ months before a new President will be elected.

I have also pointed out that my position is reinforced by the aspect of "cronyism" which surrounds these nominations. This does not refer to nominations of what can be categorized as mere "friends" but to nominations of intimate associates—so intimate, in fact, that Justice Fortas is the one whose services as a lawyer to Lyndon Johnson commenced at the time of the disputed election of Lyndon Johnson to the U.S. Senate and have continued to the point of counseling on sensitive matters involving White House decisions since he became a member of the Court.

If the President had wished to avoid the "cronyism" criticism, he could readily have done so by requesting the American Bar Association to submit a panel of 10 names from which to make his selection of the new Chief Justice. I would guess that Justice Fortas' name would not have appeared on such a panel, but that former Justice Arthur Goldberg would have been named—and probably at least near the top of the list.

I well recognize that some Members of the Senate do not wish to premise their decision on whether or not to confirm on the foregoing points—preferring, instead, to rest their decision on the merits of the nominee. On this point, no one seems to question the fact that Justice Fortas was an able and very successful lawyer before joining the Supreme Court and that his mental capacity is equal to the demands of a jurist. But several Members have raised questions regarding his judgment, and this is vital in the decisions rendered by the Court.

On the matter of judgment, the position of Justice Fortas on decisions of the Supreme Court with respect to two areas of national interest should concern every Member of the Senate; and they should have concerned the President before he submitted the nomination to the Senate.

The first is in the area of national security. I refer to the decision of the Supreme Court in United States against

Robel, December 11, 1967. This was a 6-to-2 decision, with Justice Marshall not participating and Justice Brennan writing a separate concurring opinion. Justice Fortas joined with the main opinion, which was delivered by Chief Justice Warren. Justices Harlan and White dissented. The issue was the constitutionality of a 1950 act of Congress providing that when a Communist-action organization is under a final order to register, it shall be unlawful for any member of the organization "to engage in any employment in any defense facility." The facts were that Robel was a member of the Communist Party of the United States, which had been ordered to register by the Subversive Activities Control Board—which order had been upheld by the Supreme Court—employed as a machinist at the Todd Shipyards at Seattle, which had been designated by the Secretary of Defense as a "defense facility." The Court held the act unconstitutional, and if my reading of the opinion is correct, the reason why was twofold: First, the Congress had not distinguished between a dues-paying member of the Communist Party who worked in a "sensitive" area of a defense facility and one who worked in a "nonsensitive" area of a defense facility; and, second, a dues-paying member of the Communist Party who is unaware of or disagrees with the organization's purpose and one who is aware of and agrees with its purpose. Such distinctions are meaningless from the standpoint of law enforcement and constitute a flagrant disregard of the judgment of the Congress, which is far better equipped than the Court to determine the danger to our national security and the law-enforcement problems needed to be met in avoiding that danger. The dissenting opinion by Justices Harlan and White well pointed out:

> If Party members such as Robel may be barred from "sensitive positions," it is because they are potential threats to security. For the same reason they should be excludable from employment in defense plants which Congress and the Secretary of Defense consider of critical importance to the security of the country.

The second area of national interest is the threat to the moral fiber of our people posed by the traffic in pornographic literature. On Monday of this week, the Senate Judiciary Committee received testimony from Mr. James J. Clancey, attorney, appearing in behalf of Citizens for Decent Literature, Inc. I happen to be on the national advisory board of this organization, and have been for several years. Its only purpose is to help preserve the moral standards of our States and communities by reducing and eliminating the traffic in pornographic literature. When decisions of the Supreme Court of the United States undermine this purpose and result in an increase in this traffic, it is understandable why the organization represented by Mr. Clancy would be concerned and why, further, it would oppose the confirmation of Justice Fortas when he participated in those decisions.

Mr. Clancy called attention to the fact that in May and June of 1967 the Court reversed 23 of 26 State and Federal convictions for violating laws on obscenity and that these upset the community standards of 13 States. Eight of these convictions were jury convictions. He also called attention to 26 more reversals in obscenity cases during the recent term of the Court ending last June. Justice Fortas voted with the 5-to-4 majority in all of these cases. All but three were decided without opinion, and in the three with an opinion there was only a brief majority opinion not written by Justice Fortas. In other words, we do not have his judicial philosophy on this subject; but we do have his judgment in the reversals of these cases, and the judgment is abhorrent to the maintenance of moral standards by our communities. It is judgment which encourages the permissiveness and criminal activity which are plaguing our society.

Testimony before the Senate Judiciary Committee also discloses that Justice Fortas voted to reverse a conviction in the case of Shackman against California, decided in June of 1967. In this case, three strip-tease films entitled "0–7," "0–12," and "D–15" were ruled hard-core pornography by Federal District Judge Hauk, a Los Angeles jury, and the California appellate system. All of these determinations were reversed, without opinion, by the Supreme Court in a 5-to-4 decision, with Justice Fortas casting the deciding vote.

Mr. Clancy filed a copy of the 14-minute film, "0–7," with the Senate Judiciary Committee, attesting that it is an exact copy of the film considered by the Supreme Court in its review of the Shackman case, and he emphasized that the one and only issue passed on by the Court was whether or not these films were constitutionally protected.

Several members of the Senate Judiciary Committee have viewed this film, and so have several members of the press. I have seen it, too. The typical reaction, including my own, was that if this is not hard-core pornography, we did not know what it was. I understand the film is being made available for showing to other Members of the Senate and to the press, and I trust my colleagues will avail themselves of this opportunity so that they will understand how serious this matter is. Mr. Clancy testified that, as a result of the Supreme Court decision, films of this type are now being shown openly, and local law-enforcement officials are powerless to do anything about it. I like to think that if any parent could see this film, he or she would condemn it, condemn anyone trying to make a "fast buck" at the expense of the viewers, and condemn any Justice who would render a decision permitting this to go on.

Judge Hauk's statement, also in the record before the Senate Judiciary Committee, is direct and to the point:

> The dominant theme of the material, taken as a whole, appeals to the prurient interest in sex of the viewer, and is patently offensive. . . . The film is entirely without artistic or literary significance and is utterly without redeeming social importance.

Another point raised before the Senate Judiciary Committee is the possible conflict of interest between Justice Fortas' representation, while engaged in private law practice, of one William Hamling in obtaining a mailing permit for a girlie magazine, and the Fortas law firm's filing of an amicus brief in the Roth case, involving Mr. Hamling's wholly owned corporation on the one hand, and Justice Fortas' participation in the Supreme Court decision which reversed the conviction in the Roth case. I am told that Justice Fortas has declined an invitation by the chairman of the Judiciary Committee to appear before the committee to attempt to clear up this point, and his failure to do so is cause for the deepest concern.

Testimony before the Senate Judiciary Committee indicates that if Mr. Justice Goldberg had remained on the Court, instead of being replaced by Justice Fortas, these obscenity case convictions would have stood; because Justice Goldberg's position was opposed to that which Justice Fortas has been taking.

The conclusion to be drawn from all of this is that those of my colleagues who speak of the need to do something about the flood of pornographic literature which is flowing through our mails and inundating our communities would be well advised to consider the role the Supreme Court has played in permitting this to happen. States like Georgia, Arkansas, Pennsylvania, New York, California, and Michigan, to name only a few of them, have had the moral standards of their communities practically destroyed by these Supreme Court decisions to which I have referred. Not long ago, a jury in the Federal district court sitting in my home town of Sioux City, Iowa, returned guilty verdicts on all counts of a 164-count indictment against a California publisher and distributor of nudist magazines and Lesbian-type paperbacks. The Circuit Court of Appeals for the Eighth Circuit, relying on these recent Supreme Court decisions, reversed the convictions. No State or community is immune to such an impact.

Now that these facts have been brought to public attention, I would hope that the President would withdraw the nominations.

Mr. GRIFFIN. Mr. President, will the Senator from Iowa yield?

Mr. MILLER. I am happy to yield to the Senator from Michigan.

Mr. GRIFFIN. I commend the distinguished Senator from Iowa for a brilliant and very effective statement on a historic and very important matter now pending before the Senate.

Both as a lawyer and as a Senator, I am deeply concerned about the necessity of maintaining, indeed, of rebuilding, public respect for the Supreme Court as an institution. The effectiveness of judicial power under a free system of government will always depend, in some measure, upon the maintenance of a high degree of public confidence in the courts of the land, particularly the Supreme Court.

Recently, the Gallup poll reflected that public support for the Supreme Court as a branch of our Government has been declining markedly. According to a survey taken in June, before the current controversy over President Johnson's nominations erupted, 60 percent of the people of the Nation indicated an unfavorable view or attitude toward the Supreme Court.

The matters touched upon by the distinguished Senator from Iowa today are additional reasons why the Senate should be cautious and careful in passing upon the nominations before us. There is a great need to make certain that nominees for the highest Court of the land, who will serve for life and will influence the direction and policies of the Court for 15 or 20 years in the future, possess more than just the minimum qualifications in terms of legal education and experience. Also, and more important, we should be certain that nominees for the Supreme Court are among the best qualified in the land in terms of character, fitness, principle, and the exercise of judgment, property, and restraint in their activities, particularly while serving on the bench. Justices of the Supreme Court must be expected to set an example for the country and especially for the judicial system.

We must keep in mind throughout our deliberations that the Chief Justice of the United States stands at the pinnacle of the pyramid of the judicial system of our country. It is not enough for a person in that position merely to be in technical compliance with the canons of judicial ethics. His conduct should be above question at all times if he is to set the right example for the whole judicial community.

Important evidence is still coming in. Many Senators have not yet made up their minds. But I believe enough evidence has already been accumulated to warrant the Senate taking plenty of time for the consideration of these nominations. There should be thorough debate and deliberation on every question raised before a final judgment is made.

Again I commend and thank the Senator from Iowa for the outstanding contribution he has made to the dialog.

Mr. MILLER. I deeply appreciate the kind comment of the Senator from Michigan, who has taken strong leadership in opposition to these nominations.

In all fairness, I think I ought to emphasize that in my statement regarding the Supreme Court decisions in the obscenity cases, Justice Fortas having cast the swing vote in the 5-to-4 decisions, I am not raising the question of sincerity or the personal conviction of Mr. Justice Fortas. He is most welcome to hold his sincere conviction in these matters. What I am bringing into question is his judgment.

Two people, equally sincere and equally convinced can render opposite judgments on a question. One judgment may be good for the country, the other judgment may be bad for the country. One judgment may be good for communities and good for the moral standards of communities, while the other judgment may be abhorrent to the moral standards of communities. I regret to say that the judgment of Justice Fortas in these cases has been abhorrent to the moral standards of communities.

I can well understand why the Senator from Michigan, representing, as he does, the people of the State of Michigan, would be particularly concerned about the direction of the Supreme Court and about Justice Fortas joining in its direction with respect to the hard-core pornographic cases. As a result of the Supreme Court reversal of a Michigan case, the people of Michigan, for all practical purposes, are stymied in their efforts to maintain high moral standards in their communities. This is true, as I have said, in many other States. But no State is immune from such action by the Supreme Court, because already the Eighth Circuit Court of Appeals, which has jurisdiction over my State of Iowa, has knocked down a jury decision in the Federal district court in my howetown of Sioux City. As a result, moral standards in the Iowa area, about which the people there feel strongly, cannot be maintained. They cannot stop the distributors of pornographic magazines from sending their publications into Iowa any more than such distributors can be stopped from sending them into Michigan.

I should think that every Senator would be deeply concerned about what is taking place, particularly with respect to the participation by Justice Fortas in those decisions and his judgment in permitting this situation to come about.

Another point that has been made is the possible conflict of interest by Mr. Justice Fortas. On this point, of course, the sincerity of the Justice is brought into question. His failure to accept an invitation by the chairman of the Committee on the Judiciary to come before the committee and try to clear up this point is cause for the deepest concern. The point was discussed when a Department of Justice representative appeared before the committee the other day, and the only answer that was given was that the files of the Department of Justice do not indicate anything on this point. That is most interesting. It is most interesting that the files of the Department do not contain anything on this point. But the answer is that the Department had better get busy and investigate, so that something can be placed in the files on this point. I thought it was an extremely unsatisfactory and weak answer, coming from the Department of Justice, which certainly ought to be very much concerned about the amount of pornographic literature that is coming into our communities.

The Department of Justice certainly ought to be interested in what happens, when a Federal district judge comments on a film, as he did. I did not quote fully from his opinion because of the delicateness of the subject; but he stated that for all practical purposes the film was filthy, revolting, and of absolutely no literary value whatsoever. But the Department of Justice is strangely silent on the matter.

All in all, Senators, as the Senator from Michigan has said, should be deliberative in considering this matter. It is most fortunate that the nomination has been deliberated upon at some length already. We know that when the nominations were first sent to the Senate, the White House apparently thought the Senate should rubberstamp them and that that would be all there would be to it. For too long, the Senate has rubberstamped nominations. As a Senator, perhaps I am just as guilty on this point as any other Senator. But a time comes when every Senator should search his conscience to see whether the exercise of the confirming power by the Senate is for the good of the country—not for the good of the White House, not for the good of the Senate, but for the good of the people of the country. The people are the ones who ultimately count in our governmental system.

The rights of the people are supreme. They are supreme over the right of the President or the right of the Senate.

That is my basic premise in opposition to this nomination. But what has come before the Senate now is an additive. I think that Senators who are not persuaded by my basic premise would do well to search their souls and determine whether they believe the judgment of Justice Fortas is of a kind that should be enhanced by his elevation to the position of Chief Justice of the United States.

The ACTING PRESIDENT pro tempore. Under the unanimous-consent agreement, the clerk will state the unfinished business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF ROCHESTER INSTITUTE OF TECHNOLOGY

A letter from the Secretary, Health, Education, and Welfare, transmitting, pursuant to law, the first annual report of the Rochester Institute of Technology, concerning the establishment and operation of the National Technical Institute for the Deaf, for the year ended December 20, 1967 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report on the positions which the Administration has established as of June 30, 1968 (with an accompanying report); to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. Con. Res. 72. Concurrent resolution to express the sense of the Congress with respect to an International Decade of Ocean Exploration during the 1970's (Rept. No. 1476).

By Mr. BYRD of Virginia, from the Committee on Armed Services, with an amendment:

H.R. 1093. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes (Rept. No. 1477).

By Mr. LONG of Louisiana, from the Committee on Finance, with further amendments:

H.R. 17324. An act to extend and amend the Renegotiation Act of 1951 (Rept. No. 1385, Part 2).

By Mr. LONG of Louisiana, from the Committee on Finance, with an amendment:

H.R. 16027. An act to amend title 38, United States Code, to provide increases in rates of compensation for disabled veterans, and for other purposes (Rept. No. 1478).

By Mrs. SMITH, from the Committee on Armed Services, with an amendment:

H.R. 12323. An act to amend chapter 73 of title 10, United States Code, relating to the retired serviceman's family protection plan, and for other purposes (Rept. No. 1480).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. SPARKMAN, from the Committee on Banking and Currency:

Irvine H. Sprague, of California, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1479)

Mr. SPARKMAN. Mr. President, from the Committee on Foreign Relations, I report favorably, with an amendment, the bill (H.R. 15263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the individual views of the Senator from Pennsylvania [Mr. Clark].

The ACTING PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Alabama.

PRINTING OF REVIEW OF REPORTS ON PORT ARANSAS-CORPUS CHRISTI WATERWAY, TEX. (S. DOC. NO. 99)

Mr. BYRD of West Virginia. Mr. President, on behalf of my colleague, the senior Senator from West Virginia [Mr. Randolph], I present a letter from the Secretary of the Army, transmitting a report dated July 9, 1968, from the Chief of Engineers, Department of Army, together with accompanying papers and illustrations, on a review of the reports on Port Aransas-Corpus Christi Waterway, Tex.—45-foot project—requested by a resolution of the Committee on Public Works of the U.S. Senate, adopted April 14, 1960. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. PASTORE:

S. 3885. A bill to protect consumers by providing a civil remedy for misrepresentation of the quality of articles composed in whole or in part of gold or silver, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Pastore when he introduced the above bill, which appear under a separate heading.)

By Mr. WILLIAMS of New Jersey:

S. 3886. A bill for the relief of Jose Manuel Rodrigues de Gouveia; to the Committee on the Judiciary.

By Mr. MONDALE:

S. 3887. A bill for the relief of Dr. Beningno Buentipo, Jr., and Mrs. Lita Buentipo, his wife, and Cherilyn Ann, Melissa Beth, Gina Myra, his children; to the Committee on the Judiciary.

By Mr. JORDAN of Idaho:

S. 3888. A bill for the relief of Andres Zuberogitia Basterrechea; and

S. 3889. A bill for the relief of Juan Zorrozua; to the Committee on the Judiciary.

By Mr. BOGGS (for himself, Mr. Muskie and Mr. Randolph):

S. 3890. A bill to limit the application of a trade regulation rule adopted by the Federal Trade Commission with respect to re-refined lubricating oil; to the Committee on Commerce.

(See the remarks of Mr. Boggs when he introduced the above bill, which appear under a separate heading.)

By Mr. TYDINGS (by request):

S. 3891. A bill to provide for the selection and tenure of judges in the District of Columbia Court of Appeals, the District of Columbia Court of General Sessions, and the Juvenile Court of the District of Columbia; to the Committee on the District of Columbia.

(See the remarks of Mr. Tydings when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN:

S. 3892. A bill for the general revision of the Patent Laws, title 35 of the United States Code, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. McClellan when he introduced the above bill, which appear under a separate heading.)

By Mr. CHURCH (for himself and Mr. Bible):

S. 3893. A bill to authorize the use of facilities at the U.S. Public Health Service Owyhee Indian Hospital to provide certain medical care to non-Indians; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Church when he introduced the above bill, which appear under a separate heading.)

By Mr. GRIFFIN:

S. 3894. A bill for the relief of Dr. Petre Lubarovski; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 3895. A bill for the relief of Chow King Fa; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. Javits):

S.J. Res. 195. Joint resolution authorizing the President to extend indefinitely a period to "See the United States," and for other purposes; to the Committee on the Judiciary.

S. 3885—INTRODUCTION OF BILL TO AMEND THE NATIONAL GOLD AND SILVER STAMPING ACT TO PROTECT CONSUMERS BY PROVIDING A CIVIL REMEDY FOR MISREPRESENTATION OF THE QUALITY OF GOLD AND SILVER ARTICLES

Mr. PASTORE. Mr. President, today I have introduced S. 3885 to protect consumers, as well as manufacturers and others who buy or sell gold and silver products, from those who would misrepresent the quality of their products. It amends the 1906 law regulating quality marking of gold and silver to allow competitors and purchasers affected by false marking to bring a civil action in Federal district court for an injunction against violators of the act. Trade associations are also authorized to sue to restrain false marking where one or more of their members is adversely affected.

Under this bill consumers and members of the trade may recover their actual damages from a violator of the marking act, together with costs of the suit and attorney's fees. But the real remedy, of course, is an injunction by the court stopping violations. Anyone who brings a court action under this amendment and fails to prove a violation by the defendant will be liable to the defendant for costs and attorney fees.

State and Federal law enforcement has not been adequate to control the false marking that existed in 1906, when the original act was passed and which continues today. False marking situations known to the industry, though not to consumers, have existed over long periods of time to the utter frustration of the industry. No solution available up to now has been truly effective.

For instance, in June 1962 it became known that a relatively new manufacturer with annual sales of approximately $1 million was falsely marking base metal "14 kt. gold," "sterling," and "gold filled." Industry sources brought this to the attention of the U.S. attorney and the Justice Department, hoping that these substantial and willful violations could be quickly dealt with under the criminal provisions of the act that my bill would amend.

By February 1963 the U.S. attorney had made little progress, but the Federal Trade Commission began an investigation at that time under its general authority over "unfair and deceptive acts and practices."

In January 1965, 2½ years after the matter was first brought to his attention, the U.S. attorney advised there would be no prosecution by that office.

In April 1965 the Federal Trade Commission issued a formal complaint. Its initial decision appeared in December 1965 and its final order to cease and desist was delayed until November 1967. Five years and 4 months had elapsed. The action taken even then was not under this act but under the general authority of the Federal Trade Commission.

There has not been a single reported case of enforcement of this act by the U.S. attorneys or the Justice Department since it was passed in 1906. This is not the result of some evil conspiracy. It is just that enforcement of this act has received such low priority that the only hope for improvement is to allow civil cases to be brought by those who have a direct and substantial interest in enforcement—those manufacturers and members of the trade who are injured by false competition and those who are defrauded by having purchased falsely marked merchandise.

On enactment in 1906 this act was hailed as a first move by the Federal Government to bring honesty into the marketplace. This act, which the jewelers of Rhode Island were instrumental in helping to formulate and enact, was expected to bring a new era. But what has hapened for the past 62 years? The vast majority of the industry, the established old firms and the honest new entrants, have complied with the act. But lack of enforcement has left the door open to fraudulent enterprisers who prey on honest competitors and on consumers who cannot know what they are buying no matter how alert they are.

The author of the act declared, as it was signed into law by President Theodore Roosevelt:

> There is no machinery provided for in the bill that costs the Government anything.

But the cost to the industry, and the consumer, has been high.

In one low-income neighborhood of a very large city, early in 1967 a Pinkerton detective and a young girl who is a jewelry expert purchased one pair of cheap earrings marked "14K" in each of nine stores. Eight of the earrings assayed less than 10 karat, substantially below the quality marked.

In another working-class neighborhood, in the summer of 1967, purchases were made at random in nine stores. Of 15 items purchased 10 were found to be falsely marked as to either gold or silver content.

The results of these two 1967 investigations were turned over to Federal enforcement authorities, but 1 year later there is no indication that any action will be taken within the foreseeable future. These are only two recent examples of many that could be cited. The industry has lost faith in the capacity or the will of the Government to protect themselves and consumers of their products from false marking.

When the bill I have introduced becomes law, a process for effective enforcement will have been created at last. And the cost to the Government will still be the same as in the original bill. The costs, and the responsibility, will be in the hands of the industry and the consumer. Where the interest of any individual is too small to afford the cost of documentation and presentation to the court, trade associations will be free to assume responsibility.

The next 62 years should be a lot better for all of us who will perhaps buy, sell, or manufacture articles of gold or silver.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3885) to protect consumers by providing a civil remedy for misrepresentation of the quality of articles composed in whole or in part of gold or silver, and for other purposes, was received, read twice by its title, and referred to the Committee on Commerce.

S. 3890—INTRODUCTION OF BILL WITH RESPECT TO RE-REFINED LUBRICATING OIL

Mr. BOGGS. Mr. President, I introduce, for appropriate reference, on behalf of myself, the Senator from Maine [Mr. MUSKIE] and the Senator from West Virginia [Mr. RANDOLPH] a bill to limit the application of a trade regulation rule with respect to re-refined lubricating oil.

The present rule requires prominent labeling of oil which is re-refined. This is a considerable handicap to sales of the product. Our bill would make it possible for re-refined oil which meets rigid specifications to be excluded from the ruling.

Early in 1967, Mr. President, the Senate Subcommittee on Air and Water Pollution held hearings on oil pollution. At that time one day of hearings was devoted to a problem which had been called to my attention by the executive director of the Delaware Water and Air Resources Commission. This problem was the increasing evidence of oil slicks in the streams and rivers in my State of Delaware.

Two factors were considered to be influencing this problem. One was the establishment by the Federal Trade Commission of a labeling regulation for re-refined oil, which is the subject matter of the bill being introduced. The other was the removal by Congress of the excise tax on virgin oil.

First let me discuss briefly the excise tax removal.

Prior to this removal, waste oil from service stations was purchased and collected by petroleum re-refiners. After being re-refined it was sold once again as a lubricating oil but at less cost than virgin oil. The service stations not only got rid of a waste product but earned a small amount from it.

The sponsors of this bill felt that while the elimination of the excise tax added to the problem, it nevertheless was a condition to which the industry could adjust in time because it was purely an economic question. The trade regulation which required the prominent labeling of all previously used lubricating oil was one with which the industry could not cope, however, and the combination of the two factors forced most of the petroleum re-refiners out of business.

On December 12, 1967, the Senate passed S. 2760. Contained in that legislation were recommendations that the Federal Trade Commission examine its regulation, that the Bureau of Standards conduct an investigation comparing virgin oil to re-refined oil, that the Federal Water Pollution Control Administration conduct a survey of the problem of service station waste oil disposition, and that the administration, should it find this problem to be seriously affecting water quality, recommend such legislation as might be necessary.

Following the passage of that bill, Senator MUSKIE and I sent letters to the Department of Commerce requesting that the Bureau of Standards undertake an immediate investigation of the differences, if any, between re-refined oil and virgin oil. The Bureau of Standards, in a return letter, indicated that they would have to contract such work to a private organization and that it would require many thousands of dollars for a definitive series of tests to be made. They further indicated that moneys were not available for such tests at this time and that they would adjust their plans for their budget to cover the cost.

At the same time, Senator MUSKIE and I wrote to Senator WARREN MAGNUSON, chairman of the Senate Committee on Commerce, requesting his assistance in getting the Federal Trade Commission to review the regulation in question. In correspondence with the Senator from Washington, Mr. Paul Rand Dixon, chairman of the Federal Trade Commission, indicated that upon receipt of the analysis from the Bureau of Standards, the Federal Trade Commission would again reexamine its position in this area.

Mr. President, it is the feeling of the sponsors of this legislation that the situation is so serious that we cannot afford to wait another 18 months before getting to a solution of this problem. Nor can we afford to wait that long for the Bureau of Standards to complete and submit the extensive tests which they indicate would be necessary. It is estimated that without the application of the trade regulation rule in question, some 32 million gallons of used oil could be processed by re-refiners. If this figure is correct, and we have no reason to doubt its authenticity, then it is of increasing concern to the members of the Subcommittee on Air and Water Pollution that 32 million gallons of oil which is not being processed will have to be disposed of by the service station owners in some way. It may turn up in our rivers and lakes. If burned, it would increase the air pollution problem. Dumped into deep holes, it may find its way into the ground water supply of this country.

We do not feel, Mr. President, that we can permit this great amount of oil to be indiscriminately dumped, and as a result have introduced the legislation today.

Very simply, Mr. President, the legislation which we have introduced limits the application of the trade regulation labeling rule to the re-refined oil which does not meet the high specifications for re-refined oil as outlined in the legislation.

The Association of Petroleum Re-refiners has prepared the specifications in question, and it is their feeling that re-refined oil which meets the specifications will have all of the physical and chemical contaminants substantially removed, and that for all purposes, its use will be the same as virgin oil.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3890) to limit the application of a trade regulation rule adopted by the Federal Trade Commission with respect to re-refined lubricating oil, introduced by Mr. BOGGS, for himself and other Senators, was received, read twice by its title, and referred to the Committee on Commerce.

S. 3891—INTRODUCTION OF BILL WITH RESPECT TO DISTRICT OF COLUMBIA COURTS

Mr. TYDINGS. Mr. President, at the request of the Committee on the Administration of Justice appointed by the Judicial Council of the District of Columbia, I am introducing for appropriate reference a bill to provide for the selection and tenure of judges of the District of Columbia Court of Appeals, the District of Columbia Court of General Sessions, and the Juvenile Court of the District of Columbia.

This bill was drafted by the committee after many months of study and evaluation of the District of Columbia court system. The bill would give good behavior tenure to District of Columbia judges but would impose a mandatory retirement age of 70 on these judges. The bill also provides for a Judicial Nominating Commission and a Commission on Judicial Qualifications.

This bill deserves study and analysis by the Senate and all parties interested in the administration of justice in the District of Columbia. Only by subjecting these proposals to a thorough analysis will we be able to determine their efficacy.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3891) to provide for the selection and tenure of judges in the District of Columbia Court of Appeals, the District of Columbia Court of General Sessions, and the Juvenile Court of the District of Columbia, introduced by Mr. TYDINGS, by request, was received, read twice by its title, and referred to the Committee on the District of Columbia.

S. 3892—INTRODUCTION OF BILL ON PATENT LAW REVISION

Mr. McCLELLAN. Mr. President, as chairman of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I introduce, for appropriate reference, a bill for the general revision of the patent laws, title 35 of the United States Code.

The bill which I am introducing today is the result of the efforts of the past several months to draft a patent revision bill that might receive general support. Following the completion of the subcommittee hearings on patent revision, during which a wide variety of proposals were submitted, various meetings were held with interested parties for the purpose of endeavoring to reduce the areas of difference between the administration bill, S. 1042, and the proposed changes advocated by the organized patent bar and industry. Because of these discussions, the President of the American Bar Association and representatives of various patent bar associations requested me to delay any subcommittee action until the next Congress. I agreed not to move to have a bill reported by the subcommittee during this Congress so as to afford the opportunity for further study and the submission of written comments to the subcommittee. I intend to introduce a successor bill in the next Congress. In view of the protracted examination which already has been given to this legislation, the subcommittee should be able to report a bill at an early date.

This bill is a substantial modification of the patent reform bill originally submitted by the administration. It reflects many desirable provisions contained in other bills that were considered during the hearings. These include S. 2597 introduced by the minority leader, the proposals of the Texas Patent Bar incorporated in S. 2164 introduced by Senators YARBOROUGH and TOWER, S. 1377 of Senator NELSON to authorize the establishment of public facilities for the searching of patent materials, and a series of amendments to the administration bill proposed by Senator EDWARD LONG.

The extensive hearings the subcommittee has conducted during both sessions of this Congress confirms the conclusions reached in previous studies of the subcommittee, as well as the report of the President's Commission on the Patent System, that the patent system has in the past well performed its function "to promote the progress of useful arts," and that it is capable in the future of continuing to provide an incentive for innovation. The patent system has fostered the economic progress of the Nation, has accelerated the technological advances of our industries and has materially contributed to the improved health and prosperity of our citizens. The subcommittee received no testimony in support of any significant restriction on the existing classes of patentable subject matter nor any curtailment of the traditional rights of patent owners.

Two major objectives of this legislation, as of the report of the President's Commission, are to promote a more expeditious examination of patent applications and to improve the quality of issued patents. The earlier public disclosure of new technology will be encouraged by provisions in the bill providing that the term of a patent shall be 20 years from the date of the filing of the application rather than the existing procedure of a 17-year term from the issuance of the patent. The bill also seeks to substantially reduce delays in disclosure resulting from protracted proceedings in the Patent Office involving contests as to priority of invention. The bill makes a number of changes in Patent Office procedures to improve the quality of issued patents and provides in chapter 18 for procedures for reexamination of an issued patent upon a showing of information bearing on the patentability of the claims of the patent.

The administration bill provided for the automatic publication of patent applications within 18 to 24 months of the filing of the application. It also would have authorized the Secretary of Commerce, when he found it in the public interest, to institute a type of deferred examination of patent applications. These proposals were inspired by the difficulties of the Patent Office in adequately and expeditiously examining patent applications and the resulting delay in new technological advances being made known to the public. During the final phase of the subcommittee's hearings, the administration indicated that these measures would not be necessary at the present time due to improved operating procedures which would accomplish the objective of early action on patent applications.

I have been informed by the Commissioner of Patents that within the next few years all patents, except those involved in priority contests or appeals, will be issued within 24 months from filing, the average period of pendency being 18 months. The Commissioner has indicated that the 102,000 disposals of patent applications achieved in fiscal 1968 will be increased by 7,000 disposals in fiscal 1969. I have requested the Commissioner of Patents to give the subcommittee a report concerning any impact which the Revenue and Expenditure Control Act of 1968 may have on the ability of the Patent Office to complete action on most applications within a 2-year period. The Patent Office has not yet received specific figures regarding its portion of the cutback in terms of personnel or expenditure limitations. The Commissioner of Patents has advised the subcommittee that "any significant cutback in funds or personnel will have a proportionately adverse effect on our ability to eliminate the backlog." It is too early to judge the impact of the personnel and fund limitations on the operations of the Patent Office. After this information is available it may be necessary to make some modifications in this bill so as to achieve the most efficient use of the authorized manpower.

The bill does not contain any special provisions relating to the licensing of patent rights, field of use restrictions, and the doctrine of patent misuse, such as were recommended by the President's Commission. Although I believe that the recommendations of the Commission are generally meritorious, there was little direct testimony during the hearings on the patent-antitrust relationship. Therefore. I doubt if it would be desirable for any language on this subject to be included in the current bill. This important area of the law requires further study by the Congress, the executive branch, and the private sector. The subcommittee will undertake a review of this subject in the next Congress. We would welcome any constructive proposals pertaining to the formulation of guidelines to establish a proper relationship between the patent laws and the antitrust laws.

This bill does not curtail or broaden the existing scope of plant patent protection. The subcommittee has received testimony both supporting and opposing an extension of protection to include sexually reproduced varieties of plants. I have been impressed by the efforts of those who are seeking to develop new varieties of plants. These research activities should be encouraged by the granting of appropriate incentives. A significant difference of opinion exists as to the feasibility of accomplishing this objective through the plant patent statute. I understand that representatives of the American Seed Trade Association, the National Cotton Council, and other interested parties plan to explore this subject further during the next few months with representatives of the Department of Agriculture and the Patent Office. I hope that these conversations result in agreement as to a feasible future course of action so as to afford protection either within the patent system or by some other appropriate mechanism.

The Congress has previously determined that the Patent Office should be substantially self-supporting. When patent fees were last adjusted, it was contemplated that the Office should recover through fees from two-thirds to three-fourths of its operating budget. The Patent Office recovery has already fallen below this range, and the gap will progressively increase in future years. Certain changes which will become effective upon the passage of this bill will also contribute to a loss of revenue. Therefore, it will be necessary for the Congress to give further consideration to the fee schedule. I understand that the Department of Commerce will submit recommendations on this subject to the next Congress.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3892) for the general revision of the Patent Laws, title 35 of the United States Code, and for other purposes, introduced by Mr. McClellan, was received, read twice by its title, and referred to the Committee on the Judiciary.

S. 3893—INTRODUCTION OF BILL TO PROVIDE CERTAIN MEDICAL CARE TO NON-INDIANS

Mr. CHURCH. Mr. President, on behalf of myself and the Senator from Nevada [Mr. Bible], I introduce, for appropriate reference, a bill to authorize the use of facilities at the U.S. Public Health Service Owyhee Indian Hospital to provide certain medical care to non-Indians.

The Owyhee hospital is located on the Duck Valley Indian Reservation in Idaho and Nevada, in a remote and sparsely settled region of both States. There are approximately 650 non-Indians within a 50-mile radius of the Owyhee hospital who have to travel a minimum of 100 miles each way to seek even routine medical attention.

This bill, Mr. President would allow these people to obtain routine and nonemergency care at the Indian hospital, on a fee-for-service basis. Such a service is obviously needed in an area so remote from any other medical facilities.

The Shoshone Paiute Business Council of the Duck Valley Reservation passed a resolution on June 27, 1968, supporting this proposed legislation. I request that the resolution appear in the Record at the conclusion of my remarks.

The Deputy Director of the Division of Indian Health of the Department of Health, Education, and Welfare has informed me that there is presently low utilization of the Owyhee hospital, and that the Department fully supports this proposal.

Mr. President, this legislation will have a double benefit in that it will not only accomplish its very humane purpose, but will also help support the Indian hospital. I urge its early consideration and passage.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the resolution will be printed in the Record.

The bill (S. 3893) to authorize the use of facilities at the United States Public Health Service Owyhee Indian Hospital to provide certain medical care to non-Indians, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The resolution presented by Mr. Church is as follows:

Resolution of the Shoshone Paiute Tribes of the Duck Valley Indian Reservation

Be it resolved by the Shoshone Paiute Tribes of the Duck Valley Reservation, that

Whereas, the Shoshone Paiute Business Council realizes that medical care is a very important factor in daily living, and that the Owyhee Indian Hospital is doing an excellent job of caring for the medical needs of the Indian population of the Duck Valley Reservation, and

Whereas, there are approximately 650 non-Indians within a 50 mile radius of Owyhee that have to travel 100 miles each way, sometimes taking a full day off work to seek medical attention, sometimes only to learn that a common drugstore remedy would satisfy the need, and

Whereas, these non-Indians, have expressed an interest in receiving routine, non-emergency medical care in letters to Senator Bible and Congressman Baring during 1961 and the Superintendent of the Elko County School District asked Senator Bible to intercede for the non-Indian teachers and their families employed in the Owyhee School, and

Whereas, the cost of operation per patient per day of the Owyhee Indian Hospital was double that of the average in the Phoenix Area, which is directly related to the size of the hospital and the number of people it serves, now

Therefore be it resolved, that the Shoshone Paiute Business Council hereby requests Public Health Service to make every attempt to cause proper legislation to be enacted so that our non-Indian neighbors may receive routine, non-emergency medical care at the Owyhee Indian Hospital, and the Shoshone Paiute Business Council recognizes that fact that congress will have to authorize this request, so

Be it further resolved, that the Shoshone Paiute Business Council requests all non-Indians in a 50 mile radius of Owyhee to make their interest in this matter known to Public Health Service and to members of Congress, and

Be it further resolved, that the Shoshone Paiute Business Council will solicit the approval of the County Medical Society and the State Medical and Hospital Associations and all surrounding medical facilities.

CERTIFICATION

It is hereby certified that the foregoing resolution of the Business Council of the Shoshone Paiute Tribes of the Duck Valley Reservations, Composed of a Chairman and 6 members of Whom 4 constituting a quorum were present at a meeting held on the 27th day of June, 1968 and that the foregoing resolution was adopted by the affirmative vote of 4 for and 0 against, pursuant to the authority contained under Article VI, Sections 1(a) and 1(f) of the Tribal Constitution and By-Laws.

Janice D. Connelley,
Secretary, Shoshone Paiute Tribes.

ADDITIONAL COSPONSOR OF BILLS AND JOINT RESOLUTION

Mr. METCALF. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Indiana [Mr. Bayh] be added as a cosponsor of the bill (S. 2613) to amend the Internal Revenue Code of 1954 to provide that farming losses incurred by persons who are not bona fide farmers may not be used to offset nonfarm income.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Wisconsin [Mr. Nelson] I ask unanimous consent that, at its next printing, the names of the Senator from Maine [Mr. Muskie] and the Senator from Maryland [Mr. Tydings], be added as cosponsors of the bill (S. 3875) the Community Self-Determination Act of 1968.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Oklahoma [Mr. Harris] be added as a cosponsor of the bill (S. 3782) to amend the Internal Revenue Code of 1954 in relation to industrial development bonds.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I also ask unanimous consent that, at its next printing, the name of the Senator from West Virginia [Mr. Randolph] be added as a cosponsor of the joint resolution (S.J. Res. 179) proposing an amendment to the Constitution of the United States relating to the nomination and election of the President and Vice President of the United States.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, July 26, 1968, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1224. An act to establish a register of blind persons in the District of Columbia, to provide for the mandatory reporting of information concerning such persons, and for other purposes;

S. 1228. An act to authorize project grants and loans for construction and modernization of hospitals and other medical facilities in the District of Columbia;

S.J. Res. 181. Joint resolution to authorize the President to designate the week of August 4 through August 10, 1968, as "Professional Photography Week"; and

S.J. Res. 193. Joint resolution to designate the National Center for Biomedical Communications the Lister Hill National Center for Biomedical Communications.

DUTIABLE STATUS OF CERTAIN ORES—AMENDMENT

AMENDMENT NO. 908

Mr. METCALF submitted an amendment, intended to be proposed by him, to the bill (H.R. 7735) relating to the dutiable status of aluminum hydroxide and oxide, calcined trauxite, and bauxite ore, which was ordered to lie on the table and to be printed.

RELIANCE INSURANCE CO. TAKEOVER ATTEMPT

Mr. SCOTT. Mr. President, the Senate last week passed and cleared for the President's signature two important bills, one requiring the full disclosure of corporate equity ownership in takeover bid attempts, the other authorizing the Securities and Exchange Commission to investigate generally the effect of the operations of institutional investors on the securities markets.

I am today urging the SEC to use the full extent of this new authority, as well as its powers under statutes previously enacted, to determine if America's small investors are being denied the protections encompassed within the spirit of our securities laws because of a lack of information in connection with attempts by certain firms to take over others through unpublicized stock acquisitions. In my opinion, a trend is developing which is of such a disturbing nature that it warrants a full investigation.

I am immediately concerned by a situation involving the stockholders of the Reliance Insurance Co. of Philadelphia, a firm which has been doing business since 1817 and is now the second largest property and casualty insurer in my Commonwealth of Pennsylvania. Reliance stock has been bid up at fever pitch on the American Stock Exchange, rising from $32 a share in April to a high of $70 this month. I am assured by Reliance that nothing in the company's operating results warrants such a marked departure from its previous stock pricing pattern, especially over so short a period of time. There is every reason to believe that this increase is the direct result of the activities of certain stockbrokers in touting Reliance stock in what appears to be a highly questionable manner.

I have received a number of letters from small stockholders of Reliance, who complain that they, to their detriment, sold their stock prematurely, and are now questioning whether others were in the possession of facts that should have been available to them. It is obvious that Reliance stockholders, who sold in April to buyers who may have known of a possible takeover attempt, have been placed at a costly disadvantage.

Moreover, Reliance is but one of several insurance companies which appears at the present time to be in the process of being taken over by noninsurance interests, and specialists in the financial community tell me that this trend will continue. This, I believe, raises serious questions of public policy.

The primary responsibility of an insurer is to have financial resources sufficient to pay obligations promptly. These are handled through assets which insurance companies are required, by statute, to maintain. Naturally, however, a greater degree of protection is afforded to the insured public when resources exceed those of obligations which may be immediately foreseen. For this reason, most insurance companies, as regular business practice, keep substantial reserves which far exceed statutory requirements. Since these reserves are held to guarantee the integrity of contracts of insurance, they are in a sense moneys held for the benefit of policyholders. Unfortunately, it is these same reserves which also make insurance companies vulnerable to takeover attempts by corporate big game hunters bent primarily on draining off these surpluses. In this process, there is a very real danger that the protection of policyholders, as well as insurance stock investors, may be overlooked.

I am proud to say that this problem, including the possible manipulation of prices of insurance stocks, has been recognized by Pennsylvania's distinguished insurance commissioner, David O. Maxwell. Issued by him last month was regulation 18, requiring nonrelated corporations, attempting to take over insurance companies, to file with the commission a detailed statement describing the corporate business, its management, the terms and conditions of its takeover offer, the source of funds to be used, and its intent with regard to the future business and management of the insurance company being acquired. I have been in close contact with Commissioner Maxwell, and I have been assured that his department is applying regulation 19 in the Reliance case.

I am convinced that the urgency of this situation warrants similar action by the Securities and Exchange Commission on the Federal level as well. To underscore this need, I ask unanimous consent to have printed in the Record excerpts from Mr. Roger Kenney's article entitled "Banks Selling Insurance Companies Down the River," published in the July 8, 1968, issue of United States Investor, and articles published in the July 24 and 25, 1968, issues of the Wall Street Journal, describing the latest developments in the Reliance Insurance Co. matter.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Banks Selling Insurance Companies Down the River

For some weeks now there has been an amusing story going the rounds of the property-casualty industry to the effect that top executives in that branch of the business no longer go out to lunch. They have it brought in—and all because they fear that if they leave their desks, they will find a stranger occupying the "seat of authority" when they return.

Well, the situation isn't quite that bad, but there is no denying that because of the manner in which these latter-day conglomerates operate, a top executive just cannot be sure from one day to another for whom he is working. And, of course, the same goes not only for the entire management team, but also the directors. Protracted negotiations or physical confrontation of buyer and seller have little or no place in the modus operandi of these wheeling and dealing conglomerates. To show you what we mean, we cite two incidents which occurred within the past fortnight or so.

First, there is that offer of the Leasco Data Processing Corporation to purchase the shares of the Reliance Insurance Company, a well-managed organization which heads up an impressive fleet of companies operating in the fire, casualty and life insurance fields. In a news release dated June 24, A. Addison Roberts, president of Reliance, stated that the announcement by Leasco of its intention to make an offer to gain control of Reliance *was made without prior negotiations between Leasco and Reliance*. Emphasizing this point, Mr. Roberts said:

"There has been no opportunity for the Reliance management to review and appraise the details of the proposal. The company is proceeding immediately to make a review and evaluation of the proposal, and when such review and analysis is completed, will promptly submit data and comments to assist stockholders in making an investment decision. Stockholders are reminded that the proposed offering is subject to SEC registration and will not become effective for some time."

Mr. Roberts also stated that the Reliance is in the process of considering other proposals for possible affiliation and expects to be in a position to report further on this to stockholders. With this in mind, Reliance stockholders have been urgently requested to take no hasty action with respect to their stock until they have received further information from the Reliance management.

BACK-DOOR APPROACH TO GREAT AMERICA

Such is Case Number 1. Case Number 2 pertains to the Great American Holding Corporation, another well-managed organization heading up an impressive group of companies operating in the fire, casualty and life insurance fields. And again the back-door approach—without as much as a by-your-leave from the management or directors—is the modus operandi. It is all too apparent from the public statement issued within the past fortnight by William E. Newcomb, chairman of the board and president of the Great American Holding Corporation. In his statement, Mr. Newcomb confirmed that a stock exchange offer for Great American shares was being planned by the National General Corporation—and then went on to say that he did not endorse the plan which was presently being studied by Great American. To quote from his statement:

"A representative of National General Corporation *advised me orally this morning* that National General proposed to make an exchange offer for the outstanding stock of Great American. (Italics supplied)

"The officers and directors of Great American will study the National General matter carefully, together with certain other proposals which are already under consideration. When the National General proposal, which is presently only in broad outline, has been clarified and our studies are completed, we will advise our stockholders as to our conclusions."

ACCENT ON DEBENTURES

As for the terms of the exchange proposed by National General, our understanding is that the tentative offer calls for one common share of Great American for a corporation package consisting of $45 principal amount of a new National General 4 per cent convertible subordinated sinking fund debenture convertible at $63 a share, initially callable at 105 per cent of par and scaling down to par at maturity—and four-tenths of a share of National General common stock.

Under this plan, stockholders of the Great American would, in effect, be exchanging their stock for an IOU of the National General Corporation and a very minor stake in the ownership and voting power of the National General Corporation. The latter—which is based in Los Angeles—operates a circuit of motion picture theaters and produces and distributes motion pictures for theaters and television. In addition, it engages in music publication, manufacture of mobile structures, packaging of fancy fruits, and operation of a saving and loan association. All of which means that National General Corporation can certainly lay claim to being a conglomerate!

AMK GETS IN THE ACT

Interestingly enough, National General is not the only organization which has ambitions for taking over Great American. Hardly had Chairman Newcomb of Great American made his public statement when Eli M. Black, chairman of AMK Corporation, got into the act with a statement that he had been having discussions with Great American officials.

Here again is a conglomerate. AMK was incorporated in 1928 as the American Seal-Kap Corporation and was the largest manufacturer of milk bottle caps until it retired from that business a few years ago. As the situation now stands, AMK, through a wholly-owned subsidiary added through merger of John Morrell & Company on December 31, 1967, is mainly engaged in the meat packing business. NRM Corporation, also wholly-owned, makes machinery for the building and curing of pneumatic tires and also makes screw type extruders for the plastics industry. AMK's Industrial Products Group makes cast iron products, washers and retaining rings.

TIME FOR WASHINGTON TO TAKE A GOOD LOOK

Mind you, these efforts of conglomerates to take over insurance companies are cited not because they are unusual, but simply because they happened within the past fortnight and seem to indicate that a movement which started a few months ago is now picking up sufficient speed to warrant the attention of the Justice Department and the Securities and Exchange Commission. Any doubt about this will be dispelled when the brashness of the attempt of the Northwest Industries Inc., some weeks ago to take over the Home Insurance Company, one of the largest factors in the property-casualty industry, with a sizable stake in the life insurance business, is recalled.

On that occasion, Northwest Industries, Inc., injected itself into the Home Insurance picture by purchasing 838,350 shares, or about 9 per cent of the more than eight million shares outstanding. Having taken this initial step, Ben W. Heineman, president of Northwest Industries, let it be known that an offer would be made for the remainder of the Home Insurance Company shares on the basis of $40 principal amount of Northwest 7 per cent debentures and one-tenth of a Northwest common share, worth about $17.45 for each share of Home Insurance Company. As we pointed out recently in these columns, if this plan had gone through and all the shares of Home Insurance Company were tendered, the value of the exchange would be about $500 million—which goes to show that the wheelers and dealers among these latter-day conglomerates deal in box-car figures—*not on a cash basis, but for the most part on an I–O–U basis.*

And what is the Northwest Industries and what interest could it have in acquiring insurance companies? The answer is that it was organized only a few months ago—and we would suppose, like other conglomerates of recent vintage, is not averse to wheeling and dealing for capital gains. At any rate, up to the time it announced its plans for acquiring the Home Insurance Company shares, its holdings consisted principally of several apparel manufacturers, 95 per cent of the Chicago and Northwestern Railway Company and more than 95 per cent of the Philadelphia & Reading Corporation which controls the Lone Star Steel Company. The acquisition of the Home Insurance Company was, therefore, to be its initial move into the insurance business—which, be it always remembered, is a highly fiduciary business which the Supreme Court of the United States has said is charged with the public interest.

TAX FEATURE OVERLOOKED ON HOME DEAL

But things didn't turn out the way Northwest Industries had planned in the proposed Home deal. Playing the usual surprise-and-seizure technique, Northwest Industries apparently overlooked the tax feature. And this the Home Insurance Company management was quick to discern—what with Kenneth E. Black, chairman, taking occasion immediately to send a letter to stockholders saying: "We are advised that this type of exchange would not qualify as a tax-free exchange. Accordingly, any of the Home stockholders who accepted the offer would be subject to Federal income tax on any realized gain. At this time, we have not agreed to endorse this offer."

This was all that was necessary to knock the Northwest Industries out of the ring and give the Home management and directors an opportunity to ponder and accept an offer from the City Investing Company which at that time was under careful study. In short, the element of surprise backfired on Northwest Industries which must now have learned that while clearance from the S.E.C. is sometimes an onerous task, requiring time and patience, it is a necessary ingredient to intelligent approach to financial deals wherein the welfare of investors is at stake.

Again we say that these are only samples of attempted take-overs by conglomerates with little or no experience in the insurance business. If space permitted, a number of other instances could be cited, but they would all prove the same thing. And this is that the cash flow of the insurance business and the impressive securities holdings seem to be the magnet which is drawing the conglomerates towards this highly fiduciary business. Certainly, there is nothing in the history of the conglomerates which would indicate that they are attracted by the social aspects of insurance, if indeed they realize the existence of the same.

HOW CONGLOMERATES OPERATE

To show you how many of these conglomerates operate, let us take a more or less typical case. The first step is usually to pick up 8 to 10 per cent of the outstanding stock of a company. That amount of stock is not too difficult to find these days. For the favorite shopping center is the Insurance Securities Trust Fund in San Francisco—which not too long ago was one of the largest, if not the largest, holder of insurance stocks in the world. Being permitted under its charter to own up to 10 per cent of the outstanding stock of an insurance company, it was often referred to as the "master's voice" in the insurance business.

But of late, Insurance Securities Trust Fund has undergone considerable change. The emphasis is no longer on insurance stocks but rather upon building a diversified fund. With this as an objective, ISTF has probably sold $200 million or so of its insurance stockholdings in recent years—much of it in blocks representing 8 per cent to 10 per cent of the outstanding stock of various companies. It has been no trick at all, therefore, for the conglomerates to pick up such blocks—providing they were willing to pay the price demanded by ISTF for the accommodation.

Having taken this initial step, usually with the aid of the banks, of course, the conglomerates are then ready for the next step—that is, to make an offer for the shares of an insurance company—with or without the blessing of the management and directors. In other words, having 8 per cent to 10 per cent of the stock already in their coffers, the conglomerates cast themselves in the role of inerested stockholders ready and willing to share their financial expertise with other stockholders.

SIZABLE LINES OF CREDIT AT BANKS

The take-over usually calls for establishing a truly sizable line of credit at the banks. Again, this is a relatively simple problem. To illustrate, take the Leasco Data Processing Equipment Corporation which is currently in the process of moving in on the management and directors of the Reliance Insurance Company. Like so many of these conglomerates, this is of comparatively recent origin, having been incorporated just three years ago, on June 24, 1965. Engaged primarily in leasing electronic and electromechanical data processing equipment, it had something like nineteen or twenty subsidiaries, according to a recent count. To this already impressive array of subsidiaries, the management sought some months ago to add Merchantile Industries, Inc., which has broad general powers to engage in a variety of business activities and to acquire business and properties of others. For some reason or other, however, the plan was dropped. Apparently next on the docket for take-over was the Reliance Insurance Company.

LEASCO NOT PINCHED FOR FUNDS

Even though Leasco is of comparatively recent origin, it can hardly be said to be pinched for funds when it comes to taking over an organization like Reliance Insurance Company which on December 31, last, had assets of something like $581 million, a policyholders' surplus of $230 million and a net premium volume of $312 million. A goodly part of the reason for the apparent opulence of Leasco is found in the fact that in February, 1968, it arranged an $80 million revolving credit from a group of 33 banks led by the Continental Bank and Trust Company of Chicago. With this new credit agreement, Leasco had a total of $131,500,000 in bank credits outstanding. And be it noted that the latest credit would mature after one year into a five-year term loan, to be repaid at an interest rate ¾ of 1 per cent above the prime rate.

HOW DO BANKS JUSTIFY THEIR ACTIONS?

So again we say that these conglomerating wheelers and dealers deal in large figures—and are enabled to do so in many cases because of their ability to secure some rather handsome loans from certain banks. How those banks which are lending support to these take-over operations of the conglomerates in the insurance field are able to justify their actions with the management and directors of insurance companies, which are numbered among their largest depositors, we cannot understand. The all too frequent reply bankers make when questioned about the propriety of the role they are playing in turning the fortunes of the insurance industry over to people who have little or no training in that business is that they have no choice—that competition forces them into such action. In other words, the argument is that if they do not loan the funds, or establish a revolving credit of one sort or another, the business will go to another bank.

To us this is not a convincing answer in that it reflects an utter disregard for a long and honorable relationship between the bank and its valued customers. For, when all is said and done, there is a direct relationship between deposits and the loaning capacity of a bank—and insofar as the deposits of an insurance company are used as an indirect vehicle for its own takeover by strangers to the business, the bank concerned would seem to be guilty of a serious breach of trust—especially when the take-over is of the unceremonious nature described above. Again, therefore, we say that the banks are selling the insurance companies down the river with little or no thought to the well-being of policyholders and stockholders.

THE PLIGHT OF THE STOCKHOLDERS

From the standpoint of the stockholders in an insurance company, the sad part of it is that all too often they are asked to turn in their stock representing direct ownership for securities of a conglomerate largely made up of unsecured debentures in a capital structure which is ever changing. As one top executive put it to us a few days ago, insurance stockholders are being asked to exchange a stock representing the sole capitalization of an insurance company for "Chinese paper." With that sage observation, we heartily agree when we stop to think that in its very nature there is nothing static about a conglomerate—with its constant wheeling and dealing in various and sundry industries for capital gains.

"MUST" READING FOR BANKS

As for policyholders, we think that before the banks—which, be it always remembered, are fiduciary institutions—become further involved in the activities of the conglomerates in the insurance field, they would do well to take to heart this passage from the report of the blue ribbon committee appointed some months ago by Richard E. Stewart, Superintendent of Insurance in New York, to weigh the effects of the spread of the holding company concept in the insurance business. To quote from that very interesting and informative document:

"Further, the opportunities for pyramiding and excessive accumulation of economic power through the use of holding companies are real and potentially contrary to the public interest. When a non-insurance holding company system includes an insurance company within it, its potential for specific harm becomes greater since tempting reservoirs of liquid assets become accessible to persons without an appreciation of the security needs of the insurance enterprise, and the interests of the policyholders thus become vulnerable. *Moreover, the interests of the controlling persons are potentially in conflict not only with those of the policyholders and the public but with those of any other shareholders of the insurance company.* There is something anomalous in an insurance business, which is fiduciary in nature, affected with the public interest and intensively regulated, being controlled by persons neither charged with such fiduciary-like responsibilities nor regulated to assure their adherence to appropriate standards of conduct.

"The potential costs of conflict between the social purposes served by insurance and the self-interest of those who may control an insurer are substantial. Both the inclination to profit at the expense of the policyholder, and the means by which to do it, are far more likely in a control situation than where ownership is widely distributed among many policyholders or shareholders who do not in fact act in pre-arranged concert." (Italics supplied)

To sum it all up, time and a full round of experience in good and bad days have repeatedly proved to us that absentee ownership and "top final authority" in other than active management and legally responsive hands is not good medicine for the insurance business. We sincerely trust that the banking fraternity will take due note of this.

[From the Wall Street Journal, July 24, 1968]

Leasco To Buy Nearly All Class A Shares of Reliance Insurance at Undisclosed Price

Leasco Data Processing Equipment Corp., Great Neck, N.Y., said it reached agreement with a group of individuals to acquire "substantially" all of Reliance Insurance Co.'s 78,000 Class A shares for an undisclosed price.

Leasco, which previously announced its intention to make a tender offer for Reliance's common stock, said all of Reliance's Class A shares are convertible under certain terms and conditions into 780,000 common shares.

Philadelphia-based Reliance, which plans to make a formal statement on the matter today, hinted it will oppose the Leasco takeover bid.

"MAY BE FIREWORKS"

"Things are getting interesting and there may be some fireworks," said A. Addison Roberts, president of Reliance.

Meantime, Data Processing Financial & General Corp. has held merger talks with Reliance Insurance. The talks have apparently been amicable. Reliance's Mr. Roberts said: "They (Data Processing) have made us an offer and it's under consideration."

Harvey Goodman, president of Data Processing, said, "We aren't interested in pursuing Reliance without the complete concurrence of the management." Data Processing is a computer-leasing company.

PREVIOUSLY BOUGHT COMMON

Leasco, also a computer-leasing company, previously said it bought 138,000 shares, or about 3%, of Reliance's outstanding common stock earlier this year.

There are about 4.7 million outstanding shares of Reliance common. If all the Class A stock is converted into Reliance common, the total outstanding would be increased to nearly 5.5 million shares.

Similarly, the Leasco holdings would be increased from 138,000 shares to more than 900,000 Reliance common shares, assuming all the Class A shares are converted.

Reliance's Mr. Roberts said yesterday, however, that it would be "difficult" for Leasco to convert its Class A holdings into Reliance common.

A share of Class A converts to 10 shares of common only if one of three conditions is met, he said. The first is approval of Reliance's directors. The second is passage of time—the holder of Class A shares may convert only one-third of his holdings every five years. The third condition is that if the holder agrees to offer the converted common shares to the public, Reliance has to convert the shares. But by selling the shares, the holder, in this case, would thus lose the voting rights in any event.

"Until one of these conditions is met, the 78,000 Class A shares vote as 78,000 common shares, not 780,000," Mr. Roberts said.

Reliance Insurance Co. Urges Rejection of Bid: Leasco Data Proposed Tender Offer; Reliance Also States That Four Directors Resigned

Philadelphia.—In a sharply worded statement, Reliance Insurance Co. recommended that its shareholders reject a tender offer for Reliance stock proposed by Leasco Data Processing Equipment Corp.

In a related matter, Reliance also said that four of its 17 directors have submitted their resignations. According to A. Addison Roberts, Reliance president, three of the directors had entered into a "side deal" to sell Class A Reliance shares to Leasco for cash.

On Tuesday, Leasco announced it had purchased from private interests most of the Class A Reliance shares, which it said are convertible into 780,000 Reliance common shares under certain terms and conditions. Leasco already owns 138,000 Reliance common shares.

In its proposed tender offer, Leasco said it would pay for each Reliance common share tendered $55 principal amount of convertible subordinated debentures paying $2 a year and one-half a warrant. Each warrant would permit the holder to purchase one share of Leasco common at $87 for 10 years. The debentures would be convertible into Leasco common at one share for each $100 face amount of debenture.

The three former Class A stockholders who resigned from the Reliance board were Edward S. MacArthur, president of Edward S. MacArthur Enterprises of Chicago; Richard A. Corroon, Jr., president of Corroon & Black Corp., a New York insurance brokerage concern and Edmond M. Hanrahan, a New York attorney.

The fourth director who resigned was Josef C. Phillips, chairman of the executive committee of United Pacific Insurance Co., Tacoma, Wash. Mr. Phillips wasn't a holder of Class A shares.

In an interview late yesterday, Reliance president Roberts charged that the three directors who sold their Class A shares "obviously made a side deal under terms not available to thousands of other Reliance shareholders." He said that Leasco paid cash for the shares, and added that the directors had refused to accept Leasco debentures and warrants in exchange for their holdings.

Mr. Roberts said he hasn't received any request from Leasco for representation on the Reliance board. The four vacant seats, he added, will be filled at the next board meeting.

In his letter to shareholders, Mr. Roberts noted that "in the last several weeks Reliance management has negotiated with several other companies and has received a number of offers." These offers, he said "weren't sufficiently attractive to warrant recommendation to (shareholders) at this time."

The only other concern known to be negotiating with Reliance is Data Processing Financial & General Corp., New York. In the interview yesterday, Mr. Roberts said that talks with Data Processing were among several discussions with other interested companies still under way. He declined to elaborate.

UNDERNOURISHED AND HUNGRY CHILDREN

Mr. McINTYRE. Mr. President, the American Broadcasting Co. this week took a long, hard look at the plight of many children in the United States who are undernourished and hungry.

On one of its regular evening news programs, it showed films of two young children in California—one whose parents were wealthy enough to provide her with good, wholesome food; the other whose family had to send its children to bed hungry.

At the end of the program, the program's commentator, Frank Reynolds, gave an extremely thought-provoking summary of an intolerable situation which still exists in this wealthy Nation of ours.

Because the case for easing the plight of these hungry children was put so well by Mr. Reynolds, I asked for and received, a transcript of his remarks; and I ask unanimous consent, Mr. President, that they be printed in the Record.

There being no objection, the commentary was ordered to be printed in the Record, as follows:

ABC News—Frank Reynolds Closing Commentary, July 22, 1968

The film we have just seen reminds us of what is really the intolerable injustice of being poor in a country that is so rich. The little girl whose father works hard and provides her with good nutritional food is, of course, entitled to everything on her plate. But the little boy whose father is not able to do the same for him is surely entitled to nothing less. It is not, after all, his fault that he was born into a poor family.

The boy will get along . . . he will not starve. But before he is much older he will come to realize that the only reason he has just a tortilla for breakfast, while other children have juice, eggs, cereal, and milk, is luck. In his case, bad luck. He will not be interested in complicated theories of economics, and he will be impatient with talk of supply and demand. All he will know is that he is not getting as much as other children, and that it is not his fault. Nor is it theirs, though that may not occur to him.

If we are very lucky, very lucky, this little boy will grow up full of determination to *work* his way out of the poverty cycle. But if we are not so lucky, he may decide to fight or steal his way out. If that happens, as sure as God made little children, some Yahoo will trot up and down the country denouncing crime in the streets . . . and demanding that the courts crack down on criminals . . . and other yahoos will listen to him and maybe vote for him.

There are a great many great, big issues to be decided in this election year of 1968 . . . but there must be none more important than how to remove the unfairness that is present in the lives of so many of our little ones.

THE BIG THICKET: TIME FOR ACTION

Mr. YARBOROUGH. Mr. President, support is mounting for my bill, S. 4, to create a Big Thicket National Park to protect and preserve the wildlife—plants, birds, and animals—that belong to that incomparable east Texas wilderness. As more and more people become aware of the great beauty and irreplaceable uniqueness of this dense forest area, there arises broader and more vociferous support for protection of the Big Thicket from further encroachment by insensitive lumber interests.

I am particularly pleased to welcome the support of the Abilene Reporter-News in our fight to preserve the primitive beauty of the Big Thicket. Their editorial of July 18, 1968, entitled "Big Thicket Park Merited," indicates the importance of this proposed national park to all Texans. This west Texas newspaper, located more than 350 miles from the Big Thicket, states editorially:

> All Texas citizens in whatever region, should interest themselves in the Big Thicket. First and basically, there is merit in preserving such a jewel of natural life in this time when beauty too often yields to commercialization.

Mr. President, I ask unanimous consent that this outstanding editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Big Thicket Park Merited

Texas is so large in area that some of its residents live a lifetime without knowing of the beauty of regions far distant in their state.

The Big Thicket in deep Southeast Texas is an example. We know little about it here in the Big Country. But naturalists acclaim it as one of the few remarkable areas of natural life for plants, birds and animals left in America.

Senator Ralph Yarborough has pushed hard for years to establish the Big Thicket as a national park to preserve what is left of it. The fight has not been easy, and certainly has not yet been won.

The idea got a big boost earlier this month from Secretary of the Interior Stewart L. Udall who endorsed the proposal of a large national park, rather than a small one, in the Big Thicket.

Udall equated the Big Thicket wilderness, with its abundance of wildlife and virgin forests, with the California Redwoods section as "one of the remarkable natural areas of the country."

Udall agreed with Yarborough that a park of 75,000 to 100,000 acres would be preferable to one of 35,000 acres, as some National Park Service persons have proposed, and which Cong. John Dowdy of Athens favors.

To have a comparison, the Guadalupe Mountains National Park which Congress has authorized in far West Texas, embracing mostly land owned by J. C. Hunter of Abilene, encompasses 77,000 acres. To give another idea of size, Taylor County, with 913 square miles, contains 584,320 acres of land.

The Wall Street Journal says "the issue is whether any unspoiled remnants of the Big Thicket can be saved from private exploitation. Once the thicket covered up to 3.5 million acres; today scarcely 300,000 remain."

Udall says the same issue exists in the Big Thicket as in attempting to preserve the California Redlands, a conflict with lumber companies active in the area. "And time is working against us," he said.

Lumber is one of East Texas' major industries.

All Texas citizens, in whatever region, should interest themselves in the Big Thicket. First and basically, there is merit in preserving such a jewel of natural life in this time when beauty too often yields to commercialization.

Secondly, from the economic standpoint, Texas needs every national park it can get to enhance its appeal to tourists. We now have precious few. Big Bend National Park is in being; Guadalupe only authorized, not yet created. Padre Island Seashore was designated in 1963 but land acquisition and development are not completed. Aside from these, Texas has only Fort Davis, a national historic site; and Alibates Flint Quarries, a 3-mile area on the Canadian River where Indians for centuries mined flint.

The public's interest should be reckoned against the lumber industry's private motives, with the proper decision equitable to each reached and acted upon by Congress without undue delay.

AIRPORT HELICOPTER SERVICE

Mr. BIBLE. Mr. President, as the chairman of the Committee on the District of Columbia, I have a continual interest in any measures which may be taken to bring about a more integrated and efficient transportation system for the District of Columbia and its metropolitan area. As every Member of the Senate is well aware from his own experience, each day that passes without the introduction of some improved means of expedited travel into and out of the city means another day of increasing congestion for the Nation's Capital. As the existing modes of surface transportation get progressively slower and more inconvenient with no breakthrough promised until the establishment of an adequate areawide rapid transit system, more and more commuters turn to the readily-available automobile as their means of entering and leaving the downtown area. In consequence, the highways become more crowded.

Mr. President, the present rapid transit and highway plans for improving surface transportation into and out of the Nation's Capital will take years to accomplish, and it is incumbent on those of us concerned with the transportation problems of the District to look to other available means of relieving congestion. Probably the most practical source for such relief in the present circumstances is the authorization of a transport helicopter service, which would overfly our crowded highways and carry its passengers directly by air from point of origination to point of destination. Such a service could be operated from a downtown heliport to each of the three airports now serving the Washington area, namely, National, Dulles, and Friendship. This service, by making flights at the outlying airports more attractive to the air traveler, would bring about some immediate relief to the problem of ground and air congestion at Washington's intown National Airport. To the extent that Dulles and Friendship Airports are brought closer to the city in terms of time and convenience, the airlines will be encouraged to transfer jet flights out of National and the problem of noise and air pollution over the city will be abated accordingly. Furthermore, Dulles may begin to get some of the use to which its superior facilities entitle it, so that the Government may begin to realize some return on its $109 million investment there. I am told that the airport presently loses about $6 million yearly in its operations, while National earns over $2 million per year in profits.

Mr. President, Congress has recognized the problem of traffic congestion in the Nation's Capital and has further recognized the utility of helicopter service as at least a partial solution to the problem by enacting into law a provision which directs the Administrator of General Services to establish a permanent heliport for the District of Columbia on the site of the present Union Station. This law, Public Law 90–264, also authorizes the establishment of a National Visitors Center at the site, which would provide a colorful and instructive introduction to the city for all travellers and would serve as a transportation center as well. It is contemplated that helicopter service will play a vital role at the center, along with the subway system and shuttle bus transportation.

In contrast to other prospective solutions to our access difficulties, airport helicopter transport service requires only a Civil Aeronautics Board authorization to get started. No Federal support at all need be involved. Once begun, service to, from, and between the airports can be expanded to include service to downtown Baltimore and to suburban points. In time, the service might benefit not only air travellers, but commuters to and from the city as well.

Mr. President, I do not anticipate that helicopter service can provide any comprehensive solution to the problems related to the mass movements of people into and out of our Capital City. But airport helicopter service offers at least a partial and immediate solution. I think we should be ever vigilant to encourage such developments.

I understand that a number of parties have applied to the Civil Aeronautics Board for authority to operate such a service—at no cost to the Government. I hope the Board will help facilitate access to the Nation's Capital by authorizing such service.

THE PEACE CORPS IN BOTSWANA

Mr. MAGNUSON. Mr. President, the senior Senator from Alaska is necessarily absent. He has for a long time taken a personal interest in the development and progress of the young country in southern Africa, the Republic of Botswana. The Senator has also given his strong support to the Peace Corps and its work abroad. The Senator, in fact, was instrumental in obtaining a Peace Corps program in Botswana, a program which has been both successful and popular.

At the request of the Senator from Alaska I ask unanimous consent that a letter which he has received from the Acting President of Botswana be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

REPUBLIC OF BOTSWANA,
Gaberones, July 4, 1968.

MY DEAR SENATOR BARTLETT: I have received reports indicating that you have been unwell. I am writing to wish you a speedy recovery. My colleagues in the Cabinet join me in expressing the hope that you will soon be back on the Senate floor.

It is appropriate at this time to say again how grateful we are to you for the role which you played in encouraging the Peace Corps to initiate a programme in Botswana. In a few months the first programme will come to an end. We have just submitted a request for an expanded second programme. The current programme has been an enormous success. Not only have volunteers done a solid job of work in education, cooperatives and community development, where they now play a leading and critical role, but many of them have shown great initiative in introducing new ventures and creating new institutions. Two Peace Corps volunteers here have established a flourishing handicraft centre which provides training facilities and market outlets for local woodcarvers and tanners; another volunteer has invented a hand-operated washing machine which can be assembled from local materials; I have brought yet another exceptionally able volunteer into my Ministry to assume responsibility for planning in the industrial and commercial sectors. We are also delighted to learn that an unusually large percentage of the volunteers in the first programme have requested extensions of their contracts to remain in Botswana for a third year.

I want you to know that my Government and indeed the people of Botswana deeply value service which the Peace Corps have provided in this country. We value, too, your interest in Botswana and the kind words you have said on our behalf. When I read and hear of the growing disenchantment in the developed nations over external aid and technical assistance, when I learn of the international resources which are being consumed in military confrontations, I cannot help wishing that there were a few more people who could recognize the impact which fifty-two young men and women are capable of making in a country such as mine.

We are most grateful for your early recognition of this potential and for your continued support of Botswana. We pray that you will soon regain full health.

Yours sincerely,
Q. K. J. MASIRE,
Acting President and Minister of Development Planning.

KEEPING PEACE IN THE MIDDLE EAST REQUIRES AID TO ISRAEL

Mr. SCOTT. Mr. President, the Soviet Union is engaged in a vast expansion of her military and diplomatic commitments in the Middle East. Russia has also supplied enormous amounts of new armament to Egypt and other Arab States, so that they may continue their hostility against Israel. The extent of these activities was dramatized during President Nasser's recent visit to Moscow.

A very dangerous situation is developing in the Middle East, and all of us need to be deeply concerned about it.

These problems are discussed in valuable detail in an open letter and memorandum to the President of the United States, which has just been issued by the Society for the Prevention of World War III, Inc., 50 West 57th Street, New York, N.Y. 10019.

The memorandum concludes with a strong recommendation that the United States should immediately supply Israel with 50 Phantom jet aircraft, as a means of balancing the huge quantities of new weapons with which the Soviets have provided Egypt, Syria, and Iraq. This, the Society for the Prevention of World War III concludes, is the course that "will best serve the interests of the United States and of peace."

I ask unanimous consent that the material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOCIETY FOR THE PREVENTION
OF WORLD WAR III, INC.,
New York, N.Y., July 17, 1968.

Hon. LYNDON B. JOHNSON,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The Society for the Prevention of World War III is deeply disturbed about the present situation in the Middle East.

The transitory cease-fire has not led to any permanent peace agreements. The Soviets are moving into the entire area, and especially the Mediterranean, with constantly increasing strength—ships, planes, missiles, etc.

The major factor stopping Russian expansionists from joining their forces in the Gulf of Persia and the Gulf of Aden with their Mediterranean forces is the existence of Israel and the Israeli Army—which prevents Soviet dominated Arab-client states from coalescing under Moscow's influence.

The closely related dangers to our relationships with Turkey and Iran, under the CENTO agreement, are obvious.

The replacement and enlargement of Egyptian and Syrian arsenals by the Soviets—with no parallel replacement of Israeli losses—has already created an imbalance which makes peace agreements much more unlikely, and can only end in an ultimate explosion. We feel certain that these developments are contrary to the interests and desire of our Government. Only by matching the Russian build-up weapon for weapon will the Soviets understand America's determination to deter or prevent a new war—which would bring with it the risk of engulfing the whole world.

Israel is urgently requesting a new allocation of 50 Phantom jets to match Egypt's larger air force. There is every reason for acting promptly to fulfill this request. Supplying these planes to the Israelis could not be considered an unfriendly act toward the Russians, but only as a warning to the Arabs (with indirect overtones to the Russians) that the United States will not permit overwhelming superiority in arms to any belligerent in the area.

We urgently suggest that you act to supply the necessary additional planes for the Israeli forces.

Respectfully submitted,
SOCIETY FOR THE PREVENTION
OF WORLD WAR III, INC.
For the Board of Directors,
REX STOUT, *President;* ALBERT SIMARD, *Secretary;* ISIDORE LIPSCHUTZ, *Treasurer.*

P.S.—The attached memorandum will serve to explain our position in more detail, and it will also be circulated as an open letter, in the belief that it may be useful in informing the public about Middle East issues.

[An open memorandum to President Johnson submitted by the Society for the Prevention of World War III, Inc., July 1968]

THE MIDDLE EAST—FACTORS IN ADVANCING PEACE AND MAINTAINING U.S. SECURITY

(1) Soviet Expansionism Creates Grave Dangers.

(2) Arab Intransigence and Rearmament Prevent Peace.

(3) To Maintain Balance, U.S. Must Aid Israel Now.

Increasing tensions in the Middle East make that area a major source of possible international trouble. Two principal factors are involved: First, the enormous escalation of Soviet penetration; and Second, the lack of progress toward a peace settlement in the struggle between the Arab states and Israel.

RUSSIA'S EXPANSIONISM IN THE MIDDLE EAST

Soviet policy seeks a constantly increasing Russian presence throughout the Middle East—an old Russian objective, which the Czarists were never able to achieve. Moscow regards Israel and the United States as the prime obstacles to such expansionism; both of them are denounced as "aggressive" and "imperialists" powers.

Almost any day's report of the official Moscow news output will confirm this appraisal. For example, Foreign Minister Gromyko, as recently quoted in TASS, (1) attacked the presence of the U.S. Sixth Fleet in the Mediterranean, and (2) denounced Israel as a puppet of world imperialism. *The Sixth Fleet,* he said, "plays a special role in the implementation of *aggressive imperialist plans* . . . to hold and check the national liberation movement in the Middle East." Israel, he charged, "is only performing its role as a gendarme—trying to suppress the national liberation movement and eliminate the progressive regimes in a number of Arab states."

Admiral John S. McCain, Jr., Commander in Chief of U.S. Naval Forces in Europe, recently drew a startling picture of Moscow's naval abilities to leapfrog over the world and build a bridge of ships to areas and countries formerly inaccessible to the USSR. The Russian merchant and fishing fleet has been tremendously expanded, and the presence of a vastly increased number of Soviet warships in the Mediterranean area indicates that their navy also seeks to become global in its operations.

In addition, we must note the prospective development of new Soviet naval bases in such places as Alexandria and South Arabia—something the Russians were never able to accomplish before—and this makes their build-up in the Mediterranean and in parts of maritime Asia increasingly alarming.

The Soviets are already extending substantial foreign aid to the Shah of Iran, in an obvious attempt to undercut the United States on the northern margin of the Middle East area. This is the first time that such a relationship has developed, affecting a supposedly staunch ally of our country in that part of the world.

Both Moscow and Peking propaganda indicate desires to mount new "wars of national liberation" in the Middle East. The existence of the new Soviet-oriented People's Republic of South Yemen and other Moscow-oriented Southern Arabian forces lays the groundwork for this. There is an obvious desire to link up such "wars of liberation" with similar trouble-making in areas of Northeast Africa—e.g., Tanzania.

To prevent further Soviet expansion through joining its forces in the Gulf of Aden with the Mediterranean forces, *the Israeli army and air force are most important factors.*

REJECTED FRIENDSHIP

During the Arab-Israeli War of June, 1967, Egypt broke diplomatic relations with the United States. Washington has been endeavoring to reestablish these relations, but to no avail.

Following a communication which President Nasser had sent to U.N. Security Council members, President Johnson wrote to Nasser on May 30, 1968. This letter was made public by the Egyptian government.

In his letter, President Johnson told

President Nasser that he was "encouraged by the indications of your readiness to cooperate with Ambassador Jarring," and said that "for the first time since 1948 there is an opportunity to move towards peace. For the sake of all peoples concerned, that opportunity should be seized."

The response to this overture was negative in the extreme. To cite a single illustration:

In the semi-official Cairo daily, AL AHRAM, Mohamed Heikal wrote a sarcastic editorial, rejecting President Johnson's views and declaring that due to "Israeli aggression" the Arabs feel that the chances for peace are less than ever before.

The editorial went on to question the motives for President Johnson's withdrawal from the Presidential election in the United States and to express doubt as to the sincerity of the President's letter.

SOVIET TACTICS

Early in May 1968, leading newspapers in Great Britain published reports that the Soviet Government had informed several Arab Governments that the USSR "would have no alternative but *to consider other steps* to enable the Arab countries to regain their lost territory," in case "Israel fails to respect the November Security Council resolution."

The Soviet campaign against Israel, Zionists, and the Jews in general, has since been emulated in the most violent way in Poland and elsewhere, and has the definite aim of creating an anti-Israel and anti-Jewish climate all over the world, in order to destroy generally sympathetic feelings and attitudes toward Israel. Results of this campaign have already been felt at the International Conference on Human Rights at Tehran, at the recent committee meeting of the U.N. Conference on Trade and Development, in Indonesia, and elsewhere.

The Soviets are trying to sway public opinion in order to be ready for any contingency.

If, for example, they should one day decide *to push Egypt into reoccupying the Sinai Peninsula*, they would prefer that world opinion be in favor of the Egyptians.

And if Russia should *lend a physical helping hand* to Egypt on that occasion, they would begin with a claim that the forward movement of the Egyptian troops would end as soon as the former Israeli border had been reached, in accordance with one of the points accepted by the U.N. Security Council.

If we want to remember how ruthlessly the Soviets can act when it suits their purposes, let us think of Estonia, Latvia, Lithuania, Hungary, etc.

Meanwhile, the week-long visit of President Nasser to the USSR, ending with the announcement that undisclosed "further joint steps" had been agreed upon, again reinforces the dangerously close relationship between Moscow and Cairo. The disclosure that the Chief of Staff of UAR armed forces would remain in Russia after Nasser's departure, to discuss details of new military aid, adds a clearly ominous note to the news.

ARAB REARMAMENT AND ARAB INTRANSIGENCE

The consensus of correspondents' reports, and Egyptian statements as well, indicate that the Soviet Union has increased Egypt's submarine fleet to the point where Egypt could enjoy maritime control of the Eastern Mediterranean, subject only to Soviet or American superiority.

The Soviets have supplied 16 submarines to Egypt, 18 missile crafts, 44 torpedo boats, 6 rocket assault vessels, and a great number of subchasers, minesweepers, landing crafts and tugs.

A study recently published in U.S. News and World Report states that Arab Governments have already received from Russia about 150 Sukhoi–7 attack planes and some 210 MIG–21 supersonic jets, which added to earlier armament gives the Arabs a 4 to 1 superiority over Israel in air power ratio.

Before the June war, this ratio was about 3 to 1. Israel's request to be allocated 50 supersonic Phantom jet fighters from the United States is aimed at replacing losses during the war and restoring the 3 to 1 adverse ratio which existed before June 1967.

The recent action of the United States in agreeing to supply some additional Hawk anti-aircraft missiles to Israel, although evidence of a friendly purpose, does nothing whatever to change this adverse ratio, for it does not increase the deterrent strength of Israel's military establishment.

In a widely publicized Cairo University speech on April 25, 1968, President Nasser said to his audience:

"Truly, I want to tell you, the Soviet Union has helped us to the maximum. We have made up for the arms we lost. . . . The Soviet Union sent us aircraft, tanks, and arms free of charge."

President Nasser called *a new war with Israel "inevitable"* and assured his army that "there is nothing supernatural about the enemy."

President Nasser also reiterated his call for "a total mobilization" of Arab resources for "the decisive battle" against Israel. He pledged that *Egypt will not negotiate with Israel.*

In another speech the same week, Nasser promised Israel's defeat but warned that the road to victory is "not strewn with flowers, but with blood, death and fatigue."

In the New York Times of June 18, 1968, we read:

"More than 300 pilots are receiving a rigorous one-year training course in the Soviet Union to prepare them to fly Russian-built MIG–21 jet fighters and other supersonic aircraft for the Egyptian Air Force.

"The United Arab Republic is expected to avoid any showdown with Israel, at least until training is completed.

"This information is based on reliable Egyptian reports that reached Beirut today."

In short, the hard realities are that the Arabs are now talking about a "fourth round" instead of about making treaties, while Soviet penetration into the area supports them in their intransigence.

There are plenty of examples of the Arab view—

"We should not rely on a political solution. What was taken by force must be returned by force," declared President Nasser in a March 13, 1968, address.

"Terrorist raids will increase. Egypt will determine the time for attack," wrote the authoritative Egyptian paper AL AHRAM on March 22, 1968.

And on March 17, 1968, the official "Voice of the Arabs" declared over Radio Cairo: *"The real problem of Palestine is Israel's existence."*

Members of the Egyptian armed forces took an oath of vengeance against Israel on June 6, in ceremonies marking the anniversary of the Arab-Israeli War of last year.

The continued terrorist operations of the Palestine Liberation Organization (PLO) and El Fateh groups underline the danger of an impending explosion. Why does not the United States take steps to terminate PLO activities in our own country, in view of the fact that this organization is thoroughly Soviet-oriented and has had no excuse for existence since the United Nations ceasefire date?

The one-sided attitude of UN discussions on the Middle East makes it less and less likely that the UN can be an effective instrument in withstanding combined Soviet and Arab pressures, unless America acts in such a way as to strengthen the hand of Western-oriented UN members—especially Israel, but also Turkey and Iran.

WHAT DETERMINES U.S. POLICY?

The United States has been trying to compete with Russia for the favor of President Nasser for many years—but to no avail. Let us recall the State Department's firm assertion to our Society four years ago that Nasser would be out of Yemen within two months, and also the numerous statements that massive aid to Nasser during the years was intended only to retain some influence over Egypt's policies. *What influence?* The only results that this appeasement policy could achieve were anti-American demonstrations, continuous vituperations against the West and violently anti-American propaganda all over Africa.

In earlier years, it was an axiom of State Department policy to avoid antagonizing the Arabs—and it appears that even now there remain some foreign policy planners, responsible for preparing reports for the President, who are more sympathetic to the Arabs than to Israel.

It is not so long ago that Cairo's official radio blared:

"Those who led the campaign of defending Israel and attacking the UAR inside the U.S. Senate, are agents whose voices were bought by the influence of Zionist funds . . . This same influence had earlier bought the votes which enabled them to enter the U.S. Senate . . . The Israel agents have forgotten that their plotting against the Arab national interests cannot change the Arab national aims, foremost of which is the . . . destruction of Israel."

A former high official in the administrations of Presidents Kennedy and Johnson recently declared: "The argument is being advanced that the Arab States and their votes at the UN are more important to America than Israel."

It is also a matter of common knowledge that some voices in Washington argue that America should jettison humanitarian concerns *for oil considerations.*

Is it ever realized that *the only price* that can buy Arab sympathies and friendship is the destruction of Israel? If America should ever be prepared to pay such a price, *it should be stated* and made known as official policy. (But we know this can never happen.)

And even if the unthinkable could become reality, what wishful thinker could imagine that the feelings of the present Arab leaders—who thrive only on hatred—would show any change of heart towards the West? And, anyway, would the Russians permit such a change?

MIDDLE EAST ARMAMENT CONTROL

For years Washington has been trying to come to an understanding with Russia on limiting the rearmament of all Middle Eastern States, but never has Moscow been willing to start negotiations on this subject.

As reported in the press, the Soviets are now trying to create the impression that there is a possibility of Russian-American arms limitation in the Middle East.

It is obvious that the Russians are today using the bait of possible talks on armanent control in order to stall a decision by the United States for the delivery of the Phantom jet aircraft so urgently needed by Israel.

Even if hope for a future agreement with Russia should materialize, the limitation on Middle East arms shipments could take effect only after the Soviets had completed the resupplying of the Arab States, thus creating a permanent imbalance as the prelude to an inevitable explosion.

CONCLUSION

1. The United States is deeply and unavoidably concerned in the future of the Middle East, and has a major responsibility for what happens next in that area.

2. We must make up our minds whether we want to act in ways that will promote peace, or in ways that will make war more probable.

3. We must decide now whether we intend to increase Arab intransigence and belligerence by withholding from Israel the weap-

ons she needs, knowing that such weapons would act as the only effective deterrent to the widely-proclaimed Arab purpose of waging a war of revenge. (We certainly do not want to follow the example of General DeGaulle in this regard.)

4. The Soviets did not ask permission of anyone before acting to create a war climate in the Middle East. Why should America, because she fears possible criticism, hold back from actions to promote a climate of peace and security?

5. In Russian propaganda and diplomacy, the United States is painted as the worldwide aggressor, and they proclaim this line on every possible occasion. No American action or attitude will change Moscow's propaganda line.

6. The inclusion of the Middle East on the Soviet's proposed agenda of disarmament is not a step toward establishing peace. They already carried out their rearmament of the Arabs, and talk of arms limitation based on a one-sided status quo is therefore an indication of bellicose intentions, not of pacific purposes. Nothing can or will change Soviet plans, except the knowledge that Israel can withstand any probable assault by Russia's proteges.

7. The bait of peaceful co-existence and negotiations toward controlled disarmament should not lure us away from reality: The Arabs will postpone their war plans—and think of negotiations—only if they are convinced that Israel is strong enough to beat them again.

8. The more we act to keep Israel strong, the better are the chances for an era of peace in the Middle East. Or do we wish to continue chasing the illusion of friendship with Nasser?

9. The Arab states will come to the peace table only when they become finally convinced that the United States will re-arm Israel at the same level to which the Soviets have rearmed them.

10. Supplying needed new arms to Israel is not a provocation for war, but the only effective guarantee of peace. *There is no time to lose.*

That is why we believe it is imperative that the United States deliver to Israel the 50 Phantom jets which she urgently requires, and furnish to her other needed armaments to match weapon-for-weapon Russian arms supplied to the Arab States.

Such a course will best serve the interests of the United States and of peace.

OPPOSITION TO DUTY SUSPENSION ON CERTAIN FORMS OF COPPER

Mr. METCALF. Mr. President, on July 16 the Committee on Finance approved an amendment to H.R. 7735, the alumina and bauxite bill, an amendment which would continue for 2 years—until June 30, 1970—the duty suspension on certain forms of copper, unless the domestic price of copper fell to below 36 cents a pound.

I have just received a letter from John J. Sheehan, legislative director of the United Steelworkers of America. In his letter, Mr. Sheehan explains in detail the reasons for his union's opposition to this amendment.

Mr. President, not only because I agree with the position taken by the steelworkers, but also to enable other Senators to have an opportunity to review the reasons for that position when deciding whether the copper duty suspension should be continued for 2 years, I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter, and enclosure were ordered to be printed in the Record, as follows:

United Steelworkers of America,
Washington, D.C., July 25, 1968.

Re copper suspension.
Hon. Lee Metcalf,
U.S. Senate,
Washington, D.C.

Dear Senator Metcalf: The United Steelworkers of America, which is the Union representing the workers in the nonferrous industry, wishes to register its objection to the Senate Finance Committee's amendment to HR–7735. In particular, we oppose the continuation of the temporary suspension of duties on copper imports.

The tariff schedule recently negotiated in the Kennedy Round fixed the duty at 1.5 cents per pound. We oppose the suspension of this duty in that the action of Congress would represent *special* treatment to the copper industry at a time of layoffs of miners at domestic locations.

The request for a tariff suspension is certainly colored by the fact that it is the domestic mining operators who are the importers of copper from *their own overseas* facilities. Much attention has been given recently to the infusion of American capital into the expansion of foreign copper mining facilities. The drain on the balance of payment is obvious.

The point the Union makes, however, is that these foreign facilities are being expanded at a time in which there is an actual contraction of domestic facilities. It might be one thing to suggest that the American producers should be constrained to follow a policy of active *expansion* of domestic facilities because of the gap between the domestic mining capacity and domestic processing capacity. But what we are saying is that at least there should be no positive action by the government and Congress to *encourage* foreign expansion in the face of actual domestic contraction. The suspension of copper duty at this time would represent an encouragement to the domestic producers to continue their aggressive overseas investment policy.

Recently, Congressman Rhodes (R-Ariz.), while supporting a one-year suspension of copper duties, indicated: "Foreign productive capacity is currently at an all time high and is expected to increase substantially during the next few years. Given this situation, the domestic copper mining economy could be gravely jeopardized by Congress attempting at this time to determine whether or not a suspension of copper impact duties would be warranted more than a year from now." We, of course, object even to a one-year extension because the problem of overseas excess production is a real one.

It is interesting to note that the Committee raised the "perial point" from 24 cents to 36 cents per pound whereby the tariffs would be reimposed if domestic prices dropped below that level. Although we have no basic objection to the change in the level, it should be remarked that there is no similar concern for an unemployment level "trigger." It is well for the industry to protect its profit margins (even though the consumer might not benefit) but surely there should be a "trigger" to protect the worker. This is our main objection to the suspension of the duty.

Every major American copper company is now engaged in extensive expansion of their foreign mines, smelters and refining operations. No similar expansion is going on in the U.S. mines and smelters. We now have 2,000 union members laid off in Montana because Anaconda decided to expand in Chile and curtail in Montana. Phelps Dodge is now phasing out the big underground mine in Bisbee, Arizona, but buying in on a tremendous copper expansion program in Peru.

The Labor Department has certified the unemployment problem in the Butte area by approving an anti-poverty grant to provide part-time job opportunities. H. Floyd Sherrod, Special Assistant to the Secretary, also recognized the problem on unemployment but suggested that the solution should be ". . . . in the form of attracting additional industry to the communities, retraining workers, and possible worker relocation projects." This is hardly an adequate solution but certainly the problem should not be exacerbated by a positive government action to suspend the current law on copper duties. It is surprising, therefore, to us that the Commerce Department could recommend the legislation and advise that: "We know of no adverse effect from the present suspension on the overall interest, of the domestic copper producers, and none is anticipated," while, at the same time, the Department of Labor was acknowledging an unemployment problem.

Furthermore, we are aware that even if duties are collected on imported copper, they are refunded by the Treasury Department when the refined copper is re-exported. Although we are a *net* importer of copper at the rate of approximately 10 to 12 per cent of domestic consumption, we do import about another 10 per cent which is destined for re-export after being refined and processed. This supply of copper imports would, in effect, be duty free. Hence, rejection of the suspension bill would have no adverse impact upon the re-export market and the workers so engaged. I enclose a copy of a letter sent to Senator Ribicoff wherein the workers in the processing plants in the Connecticut area oppose the suspension.

We urge, therefore, that the copper suspension bill be rejected on the floor of the Senate.

Sincerely,

John J. Sheehan,
Legislative Director.

SENATOR HARTKE CALLS FOR RESPECT FOR HUMAN RIGHTS IN BIAFRA

Mr. PROXMIRE. Mr. President, on page 21713 of the July 17 Congressional Record, the distinguished senior Senator from Indiana [Mr. Hartke] spoke out on the horrors of the civil war in Nigeria-Biafra. As a matter of fact, the Senator's remarks are on the same page as my own statement on the war in Africa and the need for ratification of the Genocide Convention.

Senator Hartke said:

> Mr. President, there is no political principle so certain, so decisive, so inclusive as not to admit of the compromise that would permit alleviation of the desperate straits of innocent individuals.

The Senator continues:

> Leaders everywhere must make greater efforts at securing relief for innocent victims of violent conflict.

Mr. President, I join the Senator from Indiana in his plea for a return to sanity in that area. I also am most pleased to see the Senator's call to world leaders to secure "relief for innocent victims of violent conflict."

Mr. President, I concur in the Senator's statement. And I submit to the Senate that we in the Senate, as leaders in America, have a serious obligation not only to the oppressed in the world but to our own citizens. That obligation is to ratify the Human Rights Conventions pending in the Senate. We in the United States must take the lead in helping create an effective international mechanism that will guarantee protection of the rights of all men, to all men.

As I have said so often in the last several weeks, such an international mechanism, is the best guarantee that we will not be faced soon with other examples of man's inhumanity to man.

The responsibility is ours now. The guilt should we fail to act, will be ours in the future. Let us ratify the Genocide and other Conventions now, while we still have before our eyes the deaths of these thousands of innocents.

Mr. President, I thank Senator HARTKE for his recent letter offering his personal support for Senate ratification of the conventions. This further enhances his reputation as a man concerned for the rights of the oppressed throughout the world.

NOMINATION OF JUSTICE ABE FORTAS

Mr. HOLLINGS. Mr. President, recently Mr. Arthur Wilcox, of Charleston, S.C., was elevated to the position of editor of the Charleston Evening Post. The Post is the largest evening paper in South Carolina, and the editorship entails a great responsibility. Mr. Wilcox has demonstrated that he is more than equal to the task.

In the short time he has served in this capacity, Mr. Wilcox has set forth an aggressive, comprehensive editorial policy of serving the public interest through fact not fantasy.

In addition to being an experienced journalist, Mr. Wilcox is a dedicated citizen soldier. As a former commander of Naval Reserve Group 64M, he was in charge of all Naval Reserve training in the 6th Naval District, and his is currently commander of the Reserve Destroyer Division, 6th Naval District.

Last week Editor Wilcox turned his talented quill to the task of commenting on the nomination of Associate Justice Abe Fortas as Chief Justice of the United States. I was impressed that Mr. Wilcox was not diverted by the fog of "cronyism" and "lame duck," but cut right through to the only issue—the philosophy of Mr. Fortas. I ask unanimous consent that this penetrating editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Charleston Evening Post, July 18, 1968]

THE PRESIDENT AND MR. FORTAS

Americans—many of whom have made up their minds that President Johnson is guilty of cronyism in the appointment of Supreme Court judges—show naivete when they permit themselves to be scandalized by testimony that the President is capitalizing in small ways upon close relationships with men he has put in office.

We admire as much as anybody the ideal of Presidential appointments above and beyond the call of politics, but the discovery that a man is inclined to turn to friends—even those of whom we disapprove—for advice and counsel hardly strikes us as genuine cause for alarm.

In applying a stall to the appointment of Abe Fortas to succeed Earl Warren, Republican Senators have established that Mr. Fortas has worked from time to time to put in a good word for Mr. Johnson on matters not related to cases before the Supreme Court.

One of these incidents involves a complaint relayed from the White House to a businessman thought by the President to be talking out of turn on the Vietnam War. The implications of White House pressures on private citizens exercising constitutional privileges of free speech are obvious, but Presidents, like other people, have a right to blow off steam now and then. The fact that they may do it through intermediaries seems to us to soften, rather than increase the impact.

Sen. Sam J. Ervin of North Carolina, a Democratic member of the committee quizzing Mr. Fortas, is on sounder ground than some GOP colleagues when he quotes the record in opposition to appointment. The real question before the committee is not whether Mr. Fortas is a pal of the President—everybody already knows the answer to that one—but how he has cast his vote in controversial, far-reaching decisions.

The record shows Justice Fortas deeply involved on the dubious side. That ought to make perfectly clear his qualifications to step up to new and powerful influences in U.S. society.

SIX THOUSAND AMERICAN LIVES CAN BE SAVED EVERY YEAR—INSTEAD OF "SURVIVAL FOR THE WEALTHIEST"

Mr. HARTKE. Mr. President, each year 6,000 Americans die whose lives could be saved at a cost of $28,000 each.

These are not my figures. They are conclusions based on the report of a special Presidential committee made to the White House on September 14, 1967. The subject they investigated was that of kidney disease. They estimated that in the course of a year there are 7,000 new patients with chronic uremia. About 1,000 of them will be kept alive either by kidney transplant operations or by use of artificial kidney machines.

But the other 6,000 suitable patients for dialysis are doomed. There is only one reason they do not join the ranks of those 1,000 or so who live and work while being maintained by the artificial kidney machines. That reason is money. The sum needed, the White House committee said, should be provided by the Federal Government—a billion dollars for the next 6 years.

I reported these facts on June 10, when I introduced a bill to establish kidney treatment centers. I noted then, and included in the CONGRESSIONAL RECORD, two articles by Dr. Howard Rusk of the New York Times. He quoted from a letter written by a patient who spends 2 nights a week in the hospital hooked to a dialysis machine. Due to this artificial cleansing of the blood, he can live the rest of the time fairly normally, and continues his work as a Government employee. The cost of his in-hospital treatment is "in excess of $300 per week and $100 additional for special nurses." Because of this, the patient called this dialysis treatment "survival for the wealthiest."

Mr. President, do we not gladly spend more than $28,000 to save the life of one individual in many instances? Do we say the cost is too high and refuse to pay it when one flier is downed in Vietnam so long as there is the slightest chance he can be rescued?

Here in Washington an official of the National Kidney Foundation—a private voluntary agency with headquarters in New York—estimates that 300 people a year in the metropolitan area need an artificial kidney to stay alive. But only about 10 of them are treated on artificial kidney machines in hospitals here, and about eight more at home. Even New York City, together with Westchester County, has facilities in hospitals for only 66 patients.

Recently the Washington Post told the story of Mrs. William Dizney, whose serviceman husband and son operate the home dialyzer which keeps her alive. "A Machine Saves Her Life Twice a Week," says the headline, "But for 300 Others the Cost Runs Too High."

Mr. President, we must do something about this tragedy. I know the Labor and Public Welfare Committee, to which my bill was referred, will doubtless be unable to do the necessary work in this area before adjournment. But I hope they will make it a priority item next year.

I ask unanimous consent that the article to which I have referred may appear in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A MACHINE SAVES HER LIFE TWICE A WEEK—BUT FOR 300 OTHERS THE COST RUNS TOO HIGH

(By Stuart Auerbach)

With great care 14-year-old David Dizney filled a syringe with heparin, a drug that prevents blood clots. His father, Army Chief Warrant Officer William Dizney, attached a series of clear plastic tubes to a complicated-looking machine that dominates an 8-by-10 foot bedroom in their Fort Meade, Md., home.

Mrs. Dizney sat on a hospital-type bed, watching and helping when she could.

The Dizney family was following a twice-weekly routine—saving the life of Mrs. Dizney, 37. Both of her kidneys have failed, and the only way she can remain alive is through dialysis, the mechanical cleansing of her blood by an artificial kidney.

Virgil Smirnow, an official of the National Kidney Foundation in Washington, estimates that only seven other persons in the metropolitan area get similar treatment at home. About ten more are treated on artificial kidneys at hospitals, most of them at the Veterans' Administration Hospital.

The rest of the estimated 300 persons yearly who need an artificial kidney to stay alive don't get the treatment, Smirnow said. So they die.

Last year, for example, Mae Floyd, 20, died at D.C. General Hospital for want of an artificial kidney. The hospital's medical director, Dr. John P. Nasou, said then that patients die at all hospitals in the city from uremic poisoning, caused when kidneys fail to eliminate wastes.

The artificial kidney serves as a washing machine for the blood, which passes through its filters about 20 times during a six-hour dialysis.

The patient's blood is pumped through coiled cellophane tubes immersed in a chemical bath. These coils substitute for normal kidneys, filtering poisons and unneeded fluids from the blood.

The heparin that David was measuring with a syringe goes into the chemical bath to keep the blood from clotting during the treatment.

Artificial kidney treatment is expensive, even at home. Supplies and materials cost the Dizney family about $35 for each treatment. They rent the $3000 artificial kidney

from the National Kidney Foundation for $48 a month.

The Department of Health, Education and Welfare estimates that hospital dialysis costs a patient $15,000 a year, about three times as much as home care.

The costs of the relatively new treatment are decreasing and medical scientists are working on new, less expensive machines. One year ago, for instance, supplies for home dialysis cost $50 per treatment—$15 more than the Dizneys now pay.

The first practical artificial kidney machine was introduced by Dr. Willem J. Kolff in 1944. But the artificial kidneys were not used for the long-term treatment of chronic patients until about 1960, when doctors at the University of Washington in Seattle developed shunts that can be kept permanently in a patient's arm.

Nationally, only about 1000 of the 45,000 persons who need artificial kidney treatment receive it.

There also is a shortage of hospitals with kidney programs. Besides the VA Hospital, only George Washington and Georgetown Hospitals offer artificial kidney treatment for chronic cases here.

Hospitals hesitate to start kidney programs because of the great expense involved. The Kidney Foundation says there also is a national shortage of trained doctors and nurses to operate such programs.

Selecting patients for artificial kidney treatment often is a heartbreaking task for doctors. In some cities they have formed "life and death committees" to decide who gets treated.

One consideration is the patient's ability to survive with artificial kidney treatment. This usually depends on whether other organs have been damaged by the lack of kidney functions.

Doctors have found that some families are not psychologically suited for home dialysis. The Dizneys, on the other hand, fit the program almost perfectly.

They came to Washington specifically for the treatment. Dizney was stationed in Vietnam last July when his wife's kidneys failed. She was living at Fort Eustis, Va.

"She was a terminal case by the time I got back on an emergency leave," recalls Dizney, 43, a 17½-year Army veteran. "I moved her right into Walter Reed Army Medical Center."

Army doctors there gave Mrs. Dizney emergency care. But the hospital does not provide long-term treatment for chronic cases. So Mrs. Dizney was transferred to George Washington Hospital, where Drs. Alvin Parrish and Norman Kramer took over.

Last November they placed shunts—connections for the artificial kidney—in her arm. After a three-month training course, the Dizneys started home dialysis on March 1.

Except for two months in the hospital for treatment of an infected arm near the shunts, Mrs. Dizney has been receiving tender loving care at home from her family. The Dizneys also have a daughter, Vickie Sue, 13.

"David watches this machine as closely as Daddy does when I'm on it," says Mrs. Dizney proudly. "He's learning to set it up in case Daddy's not here."

Setting up the machine seems complicated, Dizney, though, says it is simple; he follows the same routine every time.

Mrs. Dizney knows when she needs dialysis by a shortness of breath, an achy, rundown feeling and a swelling of her joints and stomach from an excess of fluid.

I just feel lousy all over," she said.

She said she feels no pain during dialysis, and begins to feel better about halfway through. During six hours of dialysis, Mrs. Dizney chats with her family, watches television or takes catnaps. By the time the treatment is over, she says, "I'm wide awake."

Mrs. Dizney has suffered from pyelonephritis—an inflammation of the kidneys—all her life. Her kidneys gradually deteriorated until both stopped functioning. That is when the artificial kidney treatment started.

FUNERAL DIRECTORS AND SENATE ANTITRUST

Mr. HART. Mr. President, the investigation of the "high cost of dying" by the Subcommittee on Antitrust and Monopoly was one of the more stormy chapters in my tenure as subcommittee chairman.

As you may recall, there was considerable controversy, both in the industry and with Senators who are members of the subcommittee. In fact, there were so many differing opinions among the nine members of the subcommittee that what was published was committee views rather than a report.

Against that background and in light of recent judicial actions, I hope that Senators will allow me to indulge in some we-told-you-soism today.

Basically, Senator DODD, Senator KENNEDY, and I concluded that two things needed to be done if consumers were to be equipped to buy funerals wisely.

First, we saw the need for the removal of the restriction against price advertising by the largest association of funeral directors, the National Funeral Directors Association. If this were not done voluntarily, we suggested the Department of Justice take a look at the practice as a possible infringement of the antitrust laws.

Last week Justice announced a suit against the NFDA had terminated with a consent decree. NFDA will no longer prohibit its 14,000 members—three-fourths of the profession—from advertising price.

The consent decree followed a Wisconsin case where, last fall, the NFDA and its State affiliate were found in violation of the Wisconsin antitrust laws because of suppressing price advertising.

Attorneys for the two associations had argued—as they did before the subcommittee—that the price advertising ban was "in the public interest." However, Circuit Judge Elmer W. Roller ruled:

> The court has been constrained to the conclusion that the restraint of the code and by-law do not meet the test of the rule of reason either on the basis of professionalism, uniqueness, the public or quasi-public nature of the vocation or business or a trade association regulation.
>
> In the court's opinion the restraint goes beyond that which the State itself could lawfully impose as a reasonable regulation of the business or vocation in the exercise of the police power.

Mr. President, the battle waged and won was not an insignificant one. Obviously, if price advertising serves an educational purpose for refrigerators or homes, it would be even more valuable when a consumer is faced with a buying decision under circumstances which prohibit shopping around.

Consumers buying funerals are disadvantaged enough by the emotional trials of the time. If any consumers deserve a break, they do. But price advertising alone is not going to do the job.

What the consumer also needs to know is that—as developed during our investigation—the price of the total funeral often is determined by the casket selected. Although the services are generally the same, the package price for the funeral goes up in increasing multiples of the wholesale cost of the casket.

This is something rather peculiar to the funeral business. Therefore, it is likely that consumers do not know or understand it.

Personally, I think funeral directors would do the public a great service—and ultimately themselves—if they split their charges into two: the casket and services.

Until they do, consumers must be educated to the facts of funeral pricing. They must understand that, as developed in the hearings, in one funeral home, for example, they would pay $417 more for the funeral if they chose a casket that cost the director $53 more. In other words, if the wholesale casket cost is $42.50, the funeral sells for $298, but if the wholesale casket cost is $95.50, the funeral sells for $715.

Frankly, I seriously doubt whether many consumers would decide a bit of trim or a different color lining was worth paying for so handsomely.

Naturally, I hope Senators will at every opportunity join me in educating consumers to this pricing method.

AIR TRAFFIC CONTROLLERS

Mr. McINTYRE. Mr. President, on the 3d of July, in Chicago, the Professional Air Traffic Controllers' Organization completed a series of meetings. As we all know now, within 48 hours thereafter—during the Independence Day weekend—the arrivals and departures of commercial airline flights to and from the Nation's largest airports began to experience massive delays.

The two events were more than coincidental.

They caused a flurry of items on the front pages of the Nation's press, comment on network television and radio news programs, and a considerable amount of action and debate on the floor of the Senate.

There is not the slightly doubt in my mind that this action was premeditated. Its effects were accurately forecast. It was premeditated by the Professional Air Traffic Controllers' Organization known as PATCO. The effects were forecast in a statement by Mr. F. Lee Bailey, the organization's chief counsel and acting executive director:

> The Professional Air Traffic Controllers' Organization has been studying during the past six months the air traffic system of the United States in order to ascertain whether or not aviation safety is to any degree being compromised by stresses being placed on our present system. At this, its first convention, the Officers and Directors of the Professional Air Traffic Controllers' Organization have conferred at great length about all aspects of this problem. They have examined the systems in operation in the light of reports of our members in air traffic control, as to safety measures actually in effect from day to day.
>
> We have found that in many quarters of the United States and especially in areas of high traffic flow, minimum separation between aircraft as prescribed by regulations of the Federal Aviation Administration is

> not being maintained in an effort to keep pace with the traffic which presents itself for handling at any given time. The Controllers feel without exception that their obligation to protect the public against unnecessary air hazards completely outweighs considerations of inconvenience which might arise if minimum separation is observed. As a result, the Organization has decided to a man that regulation operation must be kept even if scheduling is interrupted.
>
> In short, this means that by all probabilities and depending on weather conditions which may exist from day to day, serious delays may occur in scheduled and non-scheduled air traffic flow. Many passengers and individual pilots will no doubt suffer unanticipated cancellation of planned flights. Air commerce may be severely disrupted. These things we expect.
>
> Serious though the consequences of such delays may be, it is a mandatory alternative to the only possible result of failing to maintain adequate separation, and that is a sharply rising trend in air disaster. The responsibility for guaranteeing that airplanes do not collide while airborne rests entirely on the Air Traffic Controller. That responsibility must be discharged no matter what price must be paid for its guarantee.

This is the doctrine that became Operation Safety. The members of PATCO found a far better method of bringing public attention to an extremely dangerous condition than by accepting the inevitability of an air catastrophe.

PATCO is a new organization. It is a union of sorts—a union of men who regard themselves as professionals in the same sense as do lawyers and doctors. A large number of FAA-employed air traffic controllers have recently become members of this organization—enough, certainly, to implement the objectives of Operation Safety. New at PATCO may be, however, the discontent among the air traffic controllers is an old story. In my remarks to the Senate on April 1 of this year, I outlined the basis for this discontent. The air traffic control system has been undermanned for more than 4 years. The controllers, themselves, under physical and psychological pressures peculiar to their profession, have been overworked. Many of them consider themselves underpaid. They are aware their ability to work efficiently, rapidly diminishes after they reach the age of 45, but the civil service retirement system does not take this fact into consideration. And they have felt that neither the Congress nor the FAA have made much effort to solve these problems.

Thus, while the overall aviation industry burgeoned at a rate far greater than even the most optimistic forecaster anticipated, the controllers continued to work in obscurity. Their warnings of ever-more-crowded airspace over major cities went unheeded. Their on-the-job knowledge of conditions was ignored. As the workload for controllers became unbearably heavy, the supply of qualified personnel diminished.

Charitably, it might be said that the FAA and we in Congress waited for technological solutions to problems that were basically administrative and legislative in nature. For example, at John F. Kennedy Airport in New York, a new terminal control center has been established which envisions an under-one-roof coordination of air traffic control for the LaGuardia, Newark, and Kennedy airports. Through the use of large, vertical-screen projections, coupled with the new "alpha numerics" system of aircraft in-flight identification, it was hoped that fewer controllers could more efficiently handle traffic in the entire New York City area. Admittedly, the new system had not been completely finished in mid-July. Nevertheless, at that time, with only part of it in operation, the working controllers preferred to work on the smaller, horizontal radarscopes on which the targets had clearer and sharper delineation.

The safety and efficiency of airways operations is complicated by many factors, each of them bearing a relation to the other. At the moment, the airports are not good enough or big enough. In general aviation, made up of private, corporate, and feeder airline planes, there are 50 times the number of aircraft as those owned and operated by the scheduled airlines of the United States. New equipment and new people are needed in the air traffic control system. Hence, it is simply a matter of common sense that two courses of action are compellingly and immediately required. One of these is the short range relief of the inherent danger in overcrowded airspace and the resulting delays in flight schedules. The other is the long-range solution of problems which will mount as the aviation industry continues to expand.

One element of the short range relief has been implemented by the small, dedicated group of air traffic controllers. It is ironic that they have accomplished something that neither the Government with all its power, nor the airlines with all of their influence, could or would accomplish by themselves. With "Operation Safety," which is nothing more than strict observance of the legal, minimum separation of aircraft both in-flight and during approach and takeoff patterns, the controllers have, according to John F. Maher, National Coordinator of PATCO, "forced the airlines to reschedule their flights."

It must be realized that flight schedules are not hit-or-miss propositions. They depend on two factors, the preferences of the flying public for arrival and departure times and the maximum utilization of aircraft by the airlines. It is a matter of record that the public wishes either to depart from or to arrive at major airports between 7 and 9 in the morning and between 4 and 7 in the evening. The airlines in this Nation operate under the "private enterprise system." Each of them is fiercely competitive with the others. Hence, for each of them to derive maximum benefit from the preferences of the public, they all schedule their flights as much as possible in the most desirable periods.

As a case in point, how ridiculous it is for the airlines to schedule from 20 to 30 flights out of O'Hare Airport in Chicago at precisely the same minute, and as many as 20 out of Kennedy within 2 minutes of one another?

There have been two unfortunate consequences to this practice. First, during the so-called "peak hours," both morning and evening—and during holiday periods—the volume of scheduled traffic has far exceeded the capabilities of the air traffic control system to handle it. Hence, there are delays. Second, the airlines are fully aware of this. But the passenger with reserved space on a 9 o'clock flight to Washington does not know that another has reserved space on a 9 o'clock flight to Los Angeles and still others on 9 o'clock flights to New York, Boston, Miami, and so on. Each of these passengers is the victim of false advertising. It is altogether possible that legislation is necessary to protect the flying public from conscious misrepresentation on the part of the airlines.

Why have the Federal agencies, supposedly responsible for the safe and efficient operation of our airways system, allowed this practice to go on? Well, the FAA says that it is only concerned with the safety of the airways operation. And that with the built-in protection afforded by the air traffic control system which is its responsibility, the safety factor is not affected. FAA spokesmen are quick to point out that while there is "inconvenience to the passenger, there is no diminution of safety." The FAA people nervously brush the stain of responsibility from the agency's skirts by saying:

> Scheduling comes under the jurisdiction of the Civil Aeronautics Bureau.

The CAB, on the other hand, quickly points out that commercial aviation is "private enterprise" and that any attempt to give one airline permission to schedule its flights within "prime time" and to forbid another to do so would be to discriminate between one airline and the next.

To complicate the problem of scheduling even more, is the matter of accommodating the aircraft of "general aviation." As I pointed out earlier, there are 50 times more aircraft owned and operated by private individuals, corporations, and small feeder and taxi lines than those owned and operated by the large commercial carriers. Of the 104,000 or more of these general aviation planes, some 8,000 to 10,000 fly regularly in and out of the major airports—coming and going without regular schedules—and demanding the same services from air traffic control as the scheduled aircraft.

While the FAA stoutly maintains that the density of traffic resulting from simultaneous scheduling does not affect safety, the air traffic controllers disagree. With planes waiting impatiently for take-off clearance on the runways and with planes circling in holding areas, there is mounting pressure for the controllers to "speed up" the flow of traffic. The only possible way a controller can "speed up" traffic flow is to reduce the time and distance factors—the separation—between planes. It follows, inevitably, that the more the "speed up" the less the separation and the greater the danger.

Nevertheless, there is some substance to the suggestion the FAA has "looked the other way" as controllers, in their efforts to accommodate the mounting pressures caused by traffic delay, have in the past allowed something less than minimum legal separation between planes. In this manner, the ever-mounting crisis was made less apparent. However, the mounting pressure upon the overworked and understaffed air traffic control personnel for narrower and narrower separation finally became unbearable. In the event of accident, the controller would be responsible, not some anonymous FAA official. PATCO took the bull by the horns, so to speak, and the deplorable conditions have finally been revealed.

Mr. President, there is no reason, with the safety of the flying public so involved, why the FAA, the CAB, and the airline associations cannot work together to relieve the problem of scheduling, and the problem of use of major airports during peak periods by the aircraft of general aviation.

Mr. President, if this cannot be accomplished through cooperation, then it must be accomplished immediately by regulation on the part of the agencies or by legislation on the part of the Congress.

Belatedly, the Congress has begun to implement plans for the long-range solutions of aviation problems. Last summer and this spring, the House Subcommittee on Transportation and Aeronautics, under the chairmanship of Representative SAMUEL N. FRIEDEL, held hearings on aviation safety. More recently, the Subcommittee on Aviation of the Committee on Commerce, under the chairmanship of the Senator from Oklahoma [Mr. MONRONEY], held hearings on S. 3641 "to provide additional Federal Assistance in connection with the construction, alternation or improvement of air carrier and general purpose airports, airport terminals and related facilities and other purposes;" and S. 3645 "to authorize the Secretary of Transportation to plan and provide financial assistance for airport development and other purposes."

I fully support the purposes of these legislative measures which contemplate mutual responsibility on the part of the Government, the airlines, private and corporate owners of aircraft and the airline passengers in bearing the cost of expansion and improvement of our entire airport and airways systems to meet the demands of the future. I could not possibly go into all of the implications of these measures in the time allotted to me. I prefer to confine my remarks to the problems of the air traffic controllers.

Since last April, when I spoke in the Chamber about those problems, both the FAA and Congress have instituted a number of crash programs designed to relieve them. During the past few days we have approved the exemption of air traffic controllers from the overall governmental reduction-of-personnel policies. Additional funds have been appropriated for the recruiting and training of more controllers. Efforts have been made by the FAA to reduce the time lapse between the original employment of a controller and his qualification—and remuneration—for full-time service at radar positions in control centers and terminal radar facilities. Bills have been introduced to provide more realistic retirement provisions for controllers.

However, in all of the debate in this Chamber earlier this week, great concern was expressed about the number of air traffic controllers available for service. Just as concerned about the quantity of men available, the controllers, themselves, are equally, or even more, concerned about the quality of the men who must be employed.

Many Senators have pointed out that it takes time to train a new employee to the status of fully qualified radar controller. The time lapse, as indicated in some of the remarks, was from 2 to 3 years. More factually, the time lapse is from 3 to 4 years for a man who has never had any controller experience.

The fact is that a great number of the present experienced controllers refer to the hiring of new personnel as the "acquisition of bodies." They believe present employment procedures are both overly expensive and inefficient. They point out that a controller to be qualified eventually must meet far greater criteria in regard to both age and aptitude than presently required by Service regulations. Even men, now employed by the armed services in radar control facilities, need 2 years of training before they can qualify for sole radar control in the FAA centers. And there are not enough armed services controllers available to meet the growing demands of the industry for control personnel.

Where are the rest of the future radar controllers to come from? At what age must they begin their training?

Mr. President, at the moment, the civil service regulations say that there can be no discrimination because of age among those seeking Federal jobs. It is a matter of grave concern that many applicants for controller positions are anywhere from 35 to 45—and sometimes even 50—years of age. This is true despite the fact that research has proved that the efficiency of an air traffic radar controller goes downhill rapidly after he reaches the age of 40 to 45. It is common knowledge among controllers that men beyond that age simply cannot, as they put it, "hack the pressure of the job."

In addition to the age factor, the applicant for a controller's job must have physical stamina and psychological stability in addition to the other necessary controller requirements such as calm judgment under stress, the capability for making immediate decisions when human lives are at stake and the ability to transmit thoughts clearly and intelligently.

It is obvious that only young men with a built-in potential for lasting and responsible service—the highest type of young men in the Nation—can meet the requirements. Since the number of air traffic controllers must eventually be at the 20,000 level—and perhaps, as the system becomes larger, even higher and because the attrition rate among controllers is greater than in other professions—the FAA must seriously consider a much more practical, and a much more intensive, recruiting program than the one which now exists.

In this respect, it is worthy of note that the success or failure of recruiting young people into any profession depends on the factors of income, incentive, and retirement security. Also involved is what might be called the status of the profession in society.

In all three of these particulars, the recruiting program for controllers is weak. Although improvements have been made in the pay scales of controllers all along the line, they are not yet commensurate with the responsibilities and the pressures involved. The retirement programs are such that the controller—no longer effective in his field beyond the age of 45 or 50—must wait 10 or 15 years before he can begin to receive his retirement benefits under the present civil service regulations. And the public ignorance of the role of the controller in modern aviation is proof of the fact that the status of his profession is considerably lower than it should be.

In conjunction, then, with the concern of Senators over the number of air traffic controllers needed in our air systems, there must be an equal concern with the quality of the man soon to be employed. Today's professional controllers do not desire just more "bodies." What they want—and what they need, Mr. President—are alert, stable young men with a potential for doing the very difficult job required of them.

Mr. President, the press, the public, and many Members of the Congress have suddenly become aware of the fact that air traffic controllers occupy a professional position much the same as that of the airline pilots. Their skills are acquired only through long years of training and experience. They cannot be obtained, as can many other sorts of government employees, in the ordinary pools of labor.

Both the FAA and the Civil Service Commission have been—and still are—slow to accept that fact. The present shortage of controllers and the chaos within our aviation system have resulted.

That is the reason some time ago I wholeheartedly requested my name be included as a cosponsor of S. 3727 to establish a Commission on Air Traffic Control. Too many errors of omission have already been committed in this field. It is imperative that injury to our air systems not be compounded now by ill-advised and desperate stopgap measures.

There is absolutely no doubt about it: the situation demands that we take immediate action. But we must also act intelligently.

THE TEACHERS CORPS: TIME FOR EXPANSION

Mr. McGOVERN. Mr. President, more than 3 years ago the Senator from Wisconsin [Mr. NELSON] and the Senator from Massachusetts [Mr. KENNEDY] proposed the creation of the Teachers Corps, to provide education and the opportunities it affords to people who could not be reached effectively by traditional methods. I strongly supported their suggestion, partially because of its great potential for meeting the manpower needs of our schools.

The brief history of the Corps has proven its value. Thousands of American youngsters have benefited already. There are 10,000 applicants for the limited number of positions that will be open this year. A major step has been initiated to bring young, intelligent, and idealistic college graduates into the teaching field.

Further, of the teachers that are in the program, some 85 percent say they will stay in the profession.

For all of its success, however, the Teachers Corps has not fully accomplished its intended objectives. It has been estimated, for example, that today our Nation needs at least 172,000 more teachers. The Corps can make a great contribution toward fulfilling that requirement, and it should be continued and expanded.

The efforts of the Teachers Corps have not gone unnoticed. The news media—the New York Times, Washington Post, Washington Star, Life, and Newsweek, among many others—have all supported this program. The American Federation of Teachers, the National Education Association, and the Kerner Commission have commended its work. Skeptics of a few years ago now supply warm endorsements.

The Teachers Corps has been complimented once again in a most interesting and informative article in the New Republic. In the belief that it has an important bearing on our decisions in this area, I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

LEARNING TO TEACH THE DISADVANTAGED

(By Harriet Donty)

On the 14th of last month, the day the Philadelphia contingent of the Poor People's Campaign left for Washington, 15 first-graders from Pratt Arnold Elementary School, under the leadership of Teacher Corps intern Kenneth Vernon, staged their own march. They paraded around the corridors with signs constructed from the words in their *Bank Street Reader* for innercity schools. By rearranging the simple words in the text, students made up signs reading, "People Need Good Houses," and "People Want Good Jobs." This mock march was the finale in a sequence of three "role-playing" games designed by intern Vernon. The first was designed to teach fairness; the second, to point out the advantages of going to school; the third, the march, to make students aware of the effect of housing and jobs on people's lives.

While Kenneth Vernon was devising these games, another Teacher Corps intern, Cecile Betit, two grades up, was creating one of her own to explore interracial tensions. In her game, a Negro child moves into an all-white neighborhood. The dominant reaction of the black children was fear. When the roles were reversed, a white child moving into an all-Negro neighborhood, black children, playing themselves, expressed feelings of warmth. Afterwards, students discussed the reasons for their response, to the amazement of old-line teachers who thought you couldn't discuss race with kids.

Remarkable as these games are in themselves, it is more remarkable that they arose from a teaching technique interns learned in a course called "Inter-Group [i.e., interracial] Education" at Temple University in Philadelphia. Until the Teacher Corps came to Temple three years ago, the university did not have one single course on teaching the disadvantaged. Now it has quite a few. They are offered as a unit to Teacher Corps interns in accordance with regulations stating that corpsmen be trained as a group, apart from other education students; but some of the courses have also been introduced into the regular education curriculum and others are likely to be in the future.

The Temple Teacher Corps program includes "sensitivity training" to root out vestiges of racial and poverty prejudice; micro-teaching (mock teaching, videotaped, to show the teacher how effectively he is, or is not, communicating); and what is referred to in education circles as inter-disciplinary studies: courses in ghetto psychology, urban sociology, anthropology, linguistics (with an emphasis on the evolution of ghetto dialects), and Negro history (which interns later incorporate into their classroom lessons).

Also included are a number of teaching techniques, such as the role-playing, designed to bring the ghetto child from what one intern describes as "the subdued feelings of inferiority verging on fear, or the unrestrained boisterousness fringing on anarchy, to genuine feelings of self-confidence and creativity."

When Congress set up the Teachers Corps in 1965, it was regarded primarily as a means of producing teachers specifically trained to teach disadvantaged children in the ghettos, on Indian reservations, and in backward rural areas, particularly in elementary schools. The Corps takes liberal arts and science graduates with no teacher training and puts them through a two-year apprenticeship, during which they serve as teachers' aides in the mornings and community workers in the afternoons. In the evenings and summers, they take education courses. At the end, the interns have a master's degree in teaching or education, teacher certification (needed to teach in public schools), and two years' experience. The program is financed basically by the federal government, but the participating local school systems paying 10 percent of the interns' $75-a-week stipend. The federal grants go directly to the universities which have submitted proposals to the national Teacher Corps offices (HEW).

With the first two-year cycle just ended, it appears that 90 percent of the graduating interns plan to remain in teaching, mostly in disadvantaged areas. This figure is heartening, but the number it represents is small—765 (there are roughly 2000 interns in all cycles). Because of the limited impact such small numbers can make, Teacher Corps director Richard Graham now feels that the Corps' greatest effect will be in forcing schools of education to modify their curriculums, giving more attention to teaching the disadvantaged. Heretofore, teacher training, in the words of one educator, has been "an endeavor of the middle class, by the middle class, for the middle class." It has been increasingly recognized, however, that disadvantaged children need teachers armed with different methods and material.

Until the Corps was founded, the only school offering a complete program geared to teaching in ghetto schools was Hunter College in New York City. Other colleges had a smattering of inter-disciplinary courses. Others sent would-be teachers into the ghetto for community work or practice teaching. But without the specific training needed to support them, many cried out, as one did to her former professor, "Please to God, if you're going to send teachers into urban schools, prepare them more than I was prepared." Even the best intentions could not prevent these ill-equipped teachers from fleeing, like others before them, to more comfortable middle-class schools, black or white. (The corps is 22 percent black, but interns feel the line separating them from their pupils is more one of class than of race. It is significant to note that not one intern interviewed at Temple, black or white, feels inadequately trained.)

Now, nearly 40 universities have developed courses on teaching the disadvantaged. To receive money for this purpose the universities must show:

Evidence that various departments are participating in the planning and staffing of the Teacher Corps program. From this requirement stem the far-ranging sociology, psychology, and history courses the interns get. This broadening of training is not an innovation of the Corps but the acceleration of a trend.

Evidence that teacher corpsmen will be offered on-site instruction, a point consistent with the idea that teacher training should involve more practice and less philosophy; that it should be taken out of the seminars and into the schools. Conversely, there is a movement afoot to bring the community into the college. At Temple, a course in community relations is taught by community leaders and not by the Ph. D.'s who see the community only on the way to work.

Evidence that corpsmen will be enrolled in related courses focused on the disadvantaged. Obviously if the interns are to be enrolled in such a program, the universities must develop one.

Evidence that changes in the approaches to education arising out of the Teacher Corps experience will be incorporated into the regular education curriculum, a requirement all programs applying for a continuation of grants are expected to meet. If a university is unwilling to modify its course of study, the Corps will not grant or renew its program, as has happened in a handful of cases so far, sometimes with beneficial results. Failure to get a renewal has led several universities to reexamine their curriculums.

Now, what looks good on paper may be less good in fact. Assistant superintendent of Philadelphia schools, Dr. Bernard Watson, who did his Ph.D. dissertation last year on the Teacher Corps, found that universities occasionally resort to sleight-of-hand tricks to make their proposals seem up-to-date. He cites the case of one university that slapped the title "Urban Sociology" on the same old general sociology course that had been taught for the past 15 years by a professor who was trained in rural sociology. In this, the universities are not entirely to blame. An associate dean of one university reports, "We don't know how to deal with the disadvantaged ourselves, so it's hard to prepare others for it." Part of the problem in refashioning teacher education is the lag in expertise. But there is also the traditional sluggishness of departments of education. The "antiquated," cumbersome university structure of committees and channels led Dr. Evan Sorber, head of the Temple Teacher Corps program, to resort to what he calls the "asterisk technique" to get a successful Teacher Corps adopted. He listed the suspect course in the catalogue with an asterisk and an italic *For Teacher Corps members only.* So many regular students requested the course that it was opened to all. "Once a course exists and a demand is shown," says Sorber, "it's much easier to get something done."

Three years after the Corps was conceived and two years after it was put into practice, four-fifths of the participating universities report they have developed special courses for teaching the disadvantaged. Over half say these courses have influenced other teacher-training programs. A further third indicate that Corps-developed courses are now given, in toto, to other students.

EULOGY OF MARGARET BAYNE PRICE

Mr. PASTORE. Mr. President, a great American—a lovely lady—ended her life's labors this past week, and today friends gathered at Washington's historic St. John's Church to pay their last respects to Mrs. Margaret Price.

In that service, the Vice President of the United States spoke in eulogy. He framed in words of surpassing beauty the estimate each of us had in his heart of this selfless, sacrificing inspirer of all who had the privilege of knowing Margaret Bayne Price.

It seems to me that in the annals of Congress there should be a place for this tribute to noble leadership and good citizenship, so I ask unanimous consent that the words of the Vice President be printed in the RECORD.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

EULOGY OF MARGARET PRICE, JULY 26, 1968

(By Vice President HUBERT H. HUMPHREY)

It is difficult to speak of Margaret Bayne Price as if she were gone.

It is hard to accept the fact that we have gathered to say goodbye to this beloved friend . . . this wonderful, gracious lady . . . this champion of our principles . . . this warm and kind human being.

To eulogize her fully is impossible.

But a prayer from another century expresses something of our feeling:

"Life is eternal . . . love is immortal . . . death is only a horizon . . ." Margaret Price's life and work is eternal. Her love for her family and friends and colleagues is immortal.

Her death is only a horizon beyond which she would want us to lift our own vision.

Many men and women in our time have achieved public position and prestige. But few had the esteem and respect and love of their peers as did Margaret Price.

In her life and work she combined the natural ease of a democratic spirit with the natural endowment of aristocratic bearing.

She passed through life always willing to carry her share, always willing to give that last measure of dedication to those she loved and for those values she held dear.

Margaret Price was inventive . . . enthusiastic . . . imaginative . . . alive to the future. She was firm in her commitments. She was a down-to-earth, strong-willed leader who fought for what she believed was right.

I cannot measure my personal loss in her death.

I cannot express the grief I feel for her husband and son.

I can only say that for us, she is not gone.

For us she embodied the living qualities of one who loved getting things done and serving others.

For us she personalized the almost mystical drive and commitment which makes a political movement live and move and become successful.

For she believed with Woodrow Wilson that a party was little indeed if it did not serve some "great and noble purpose."

We shall remember her especially for the quality of dedication she brought to public life.

She—and others like her—made public service more respectable just by being in it.

She was instrumental in bringing women more fully into the decision-making process of our country.

She was one of the first women in her own state of Michigan to call for greater popular participation in political life.

She believed in peace. She worked hard for civil rights. She was deeply interested in the problems of young people, and helped bring many into government.

I like to remember Margaret Price as both a political activist and idealist.

There is the vivid memory of Margaret and other good friends plowing through the snows of Michigan when liberal spirits seemed to be flagging . . . coming to a gathering with only three or four or five stalwarts to greet us . . . and saying that if even three or four or five would gather in our name, we'd be there.

In the days ahead, whenever three or four or five of us gather . . . at home . . . at work . . . or in the boistrous halls of city and town and state, we ought to recall the wonderful life of this beautiful lady.

In the midst of a very active public life, she never once forgot private individual feelings.

In defeat she remained a lady, her head held high, for she believed the liberal faith would triumph over smallness of spirit and weakness of heart.

She was never so lofty that she overlooked organization. She was never so idealistic that she ignored realities.

She was never so self-important that she could not be considerate to those below her station.

She brought the touch of gentility and womanly virtue into our private lives and our public gatherings.

Margaret Price was a lovely lady, and her life has enriched us all.

We shall miss her very much.

THE NUCLEAR ROCKET

Mr. ANDERSON. Mr. President, the May 31 issue of Science, the journal of the American Association for the Advancement of Science, contains an excellent article on the "Nuclear Rocket Program," written by Roderick W. Spence, who is the leader of N-Division at the Los Alamos Scientific Laboratory, Los Alamos, N. Mex. The article explains clearly the great advantage of nuclear rockets over chemical rockets and describes the new technology involved in bringing the concept of the nuclear rocket to reality. The article also gives a brief history of the nuclear rocket and discusses its present status.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ROVER NUCLEAR ROCKET PROGRAM: 15 YEARS OF WORK HAVE PRODUCED A RELIABLE REACTOR READY FOR DEVELOPMENT INTO A FLYABLE ENGINE

(By Roderick W. Spence)

Nuclear energy and space exploration have arrived at very nearly the same time, and it is not surprising that man would try to utilize a new-found energy source for a new and exciting field of adventure. Speculations[1] as to how fission energy could be used for space propulsion were current shortly after World War II; by 1955 well-defined proposals had been advanced and a nuclear rocket program (Project Rover) began. The only approach seriously considered was that of heating a propellant in a reactor to a very high temperature and expanding the heated gas through a nozzle to obtain directional thrust. Even in the early days it was recognized that this approach was not likely to lead to realization of the full potential of nuclear energy for space propulsion. But it did have the immediate advantage that the concept was clear and that a program of research and development could be described and started. This article is concerned primarily with the experience gained at the Los Alamos Scientific Laboratory in pursuing that simple concept.

The article first outlines the advantage of nuclear rockets and gives a general description of their basic features. Next, the main areas of work necessary to develop the reactor are briefly discussed, and a more or less chronological résumé is given of the achievements to date. Finally, there is a very brief discussion of more advanced methods of nuclear space propulsion.

ADVANTAGE OF NUCLEAR ROCKETS

The figure of merit often used to express rocket engine performance is the nozzle exhaust velocity. The importance of exhaust velocity stems from the (here somewhat simplified) fundamental rocket equation:

$$\Delta V = V_e \ln M_o/M = V_e \ln M + M_p/M$$

In this equation ΔV represents the velocity changes required for any particular mission, including takeoff accelerations, mid-course directional changes, slowing-down at destination, and other changes, and thus characterizes the difficulty of the mission; M_o represents the initial mass of the space vehicle; M represents the vehicle mass after propellant M_p has been exhausted; and V_e is the exhaust velocity. Difficult missions (characterized by high values of ΔV) might be accomplished by making the propellant mass M_p very large as compared to the vehicle mass M, thus increasing in (M_o/M). Because of the logarithmic function this is a very limited way of achieving high values of ΔV. A good space propulsion engine, therefore, should produce a high exhaust velocity.[2]

The exhaust velocity can be shown to be approximately proportional to $(T/M)^{1/2}$, where T is the temperature of the gas before expansion through the nozzle and M is the molecular weight of the gas. For nuclear rockets of the type under discussion, in which heat is transferred from solid fuel elements to a gas, the gas temperature, T, is not likely to be any higher than that obtained when two chemicals, say hydrogen and oxygen, burn in the chamber of a conventional chemical rocket. The chief advantage of the nuclear rocket is that we may choose the propellant so as to obtain the lowest possible molecular weight. We naturally choose hydrogen. By so doing we can obtain exhaust velocities near 8 kilometers per second, as compared to about 4 kilometers per second for the best velocity obtained from chemical rockets. Nuclear rockets do, however, have some disadvantages. They are heavier than chemical engines, the liquid hydrogen they use has a low density which results in a requirement for large tanks, and shielding is required to reduce the radiation from the operating reactor. All three factors result in a performance penalty in the form of increased vehicle weight. The net gain resulting from replacing a chemical stage with a nuclear stage depends somewhat on the mission, but one can say, as a rough approximation, that the payload will be doubled.

ENGINE DESCRIPTION

The basic idea of a nuclear rocket engine is very simple. Such an engine consists of a nuclear reactor whose purpose is to heat hydrogen to as high a temperature as possible; a nozzle through which the hot hydrogen expands; and a turbopump to force the hydrogen through the system. The actual engine, of course, has a number of complicating features. One obvious complication is the need for control systems for the reactor power and reactor temperature and for the hydrogen flow. Another is the scheme by which some of the hydrogen flow is tapped to drive the turbine. The entire nuclear stage must include the tanks in which the hydrogen is stored. The only practical way to store the hydrogen is as a liquid at a temperature near 20°K.

The reactor has at least three distinguishing characteristics. First, it operates at a very high temperature; second, it operates at a high power density (to reduce reactor weight). This combination of high temperature and high power density presents a great challenge to reactor designers. On the other hand, things are considerably simplified for the designer by the third characteristic: the reactor operates on an open cycle (that is, the hydrogen passes through the reactor just once and there is no recycling), so complicated fluid-loops are not required.

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[1] Early (1946) secret reports were issued by North American Aviation, Inc., and by Douglas Aircraft Company (Project Rand). An unclassified report was issued in January 1947 by the Applied Physics Laboratory, Johns Hopkins University. The most readily accessible early work is that of A. V. Cleaver and L. R. Shepherd published in the September and November 1948 and the January and March 1949 issues of the *Journal of the British Interplanetary Society*. These articles were later incorporated into the book *Realities of Space Travel*, L. J. Carter, Ed. (Putnam, London, 1957).

[2] R. W. Bussard and R. D. DeLauer, *Nuclear Rocket Propulsion* (McGraw-Hill, New York, 1958). A good account of nuclear rockets is to be found in *Nuclear Propulsion for Space* by W. R. Corliss. This booklet is one of a series on *Understanding the Atom*, published by the Division of Technical Information of the U.S. Atomic Energy Commission. Copies may be obtained by writing to USAEC, P.O. Box 62, Oak Ridge, Tenn. 37830.

The reactor can be considered to consist of two parts, the core and the surrounding reflector. The core is an assembly of graphite fuel elements containing U^{235}; the fuel elements contain passages through which the hydrogen flows and is heated. (The detailed design is classified information.) The reflector serves primarily to return escaping neutrons to the core, but it also serves as a convenient place to put control rods. These control the fission rate by moving a strong neutron absorber either closer to, or farther from, the core as desired. Hydrogen enters the system at the nozzle, where it cools the nozzle structure, and from there it proceeds through the reflector (cooling it and the pressure vessel) to the core inlet. At this point it is still quite cold, about 100°K, but as it travels through the fuel elements it is heated rapidly and emerges from the core at a temperature of at least 2500°K.

The work involved in bringing this simple concept to complicated reality can be conveniently divided into materials development, reactor design and analysis, neutronics, instrumentation and controls, and reactor testing. Some of the highlights of each of these fields are now discussed.

MATERIALS DEVELOPMENT

There are only a few high-melting materials suitable for use in reactors designed to run at very high temperatures. Two such materials are quite familiar, graphite and tungsten metal. Less familiar candidates are some metallic carbides: TaC, HfC, NbC, and ZrC. The choice of basic reactor material determines to a large extent the type of reactor design. Thus, tantalum, hafnium, niobium, and tungsten are all strong neutron absorbers, particularly for slowed-down (moderated) neutrons. The use of any of these elements in large quantities in a nuclear reactor practically dictates that the reactor design be such that neutrons are not allowed to slow down much (that is, dictates design of a fast reactor). Graphite and ZrC are not strong neutron absorbers and their use impose no such constraint on the reactor design. Graphite has long been used as a high-temperature material in various industrial applications, and it has many attractive properties as a reactor fuel matrix material. It does have, however one outstanding defect for use in a nuclear rocket reactor: it reacts very vigorously with hot hydrogen. Despite this drawback, graphite was chosen very early in the nuclear rocket program as the basic reactor material. The hope was that a suitable carbide cladding could be developed which would effectively slow down hydrogen corrosion. This hope has been largely realized and, to date, reactors have been run for as long as 1 hour, heating hydrogen to temperatures near 2500°K. A full discussion of the work now in progress on fuel-element materials cannot be undertaken because much of this information is classified; it can be said that further improvements in performance are likely, and that hydrogen temperatures in excess of 2800°K may be a possibility. As operating temperatures rise it can be expected that the life of the reactor will be shortened; for most space missions, however, running times of more than 45 minutes are not needed.

REACTOR DESIGN AND ANALYSIS

The primary objective in reactor design is to provide a device that will heat the propellant uniformly to the maximum temperature that the core materials will allow in the smallest and lightest-weight configuration possible. The design begins with a core-support concept and with selection of the fuel-element geometry, where power density, heat transfer, pressure drop, and both mechanical and thermal stresses are important considerations. Once the basic fuel element is selected, the design effort progresses toward satisfying the neutronic and core-support requirements. A complete discussion of the many steps involved in arriving at a final design would be too long for this article, but a few of the main problems can be mentioned. One of the most prominent has been the necessity of dealing with rather large expansion effects. It is not that graphite has a particularly large coefficient of thermal expansion but, rather, that the span of operating temperatures (> 2300°K) is so large. A core 1 meter in diameter would increase in diameter by about 1 centimeter with a temperature rise from room temperature to 2600°K. A gap between the core and the reflector to accommodate this expansion is therefore necessary. This expansion gap complicates further an already complicated region, because it is at this interface that a lateral support for the core is provided, and it is here that thermal insulation between the core and reflector is needed. As an aside it might be mentioned that the commercial development of pyrographite has been a great boon to designers of nuclear rocket reactors. This material provides extremely effective thermal insulation combined with good structural integrity, and it is hard to imagine what we would have done without it.

It is not only the very high temperatures that can create problems but also the very low ones. Perhaps the most vexing of all our design difficulties have been leaks in cryogenic lines. Joints that test perfectly at room temperature may spring sizable leaks when cooled to 20°K. Such leaks are always awkward when one is dealing with hydrogen because it burns so readily in air, but they are doubly awkward when the radioactivity level prohibits close approach.

One area where considerable effort has been needed is that of radiation heating. Neutrons and gamma rays from the fission process are absorbed in all parts of the engine structure. The contribution to the total thermal load from this absorption is by no means small, and must be estimated fairly accurately. Thickening a part to enable it to better withstand the combined mechanical and thermal stress load is not always effective; the strength may be increased thereby, but so is the thermal stress arising from absorption of radiation.

For best performance the fuel elements should all be operating at the same temperature, because any hot spot will, to some degree, become the limiting factor in any attempt to raise core temperature, and any cold spot lowers the average temperature. Temperatures can be regulated locally by varying the uranium content of the elements or by using inlet-orifice jets to meter the hydrogen flow through fuel-element passages. The largest adjustments are needed near the core edge, because neutrons returning from the reflector give rise to an increased fission rate there. The shape of the curve obtained when fission rate is plotted against core radius is very sensitive to details of the interface design and to the position of the control rods. The accurate prediction of fission rates near the core periphery is one of the most difficult problems the reactor designer faces.

NEUTRONICS

The first objective in reactor neutronics design is to make sure that the reactor will go critical—that is, to make sure that a self-sustaining fission chain reaction can be initiated and that it can be sustained at all stages of reactor operation. The experimental work begins with relatively crude mock-ups in general-purpose critical assemblies. As experimental and calculational results are obtained, the mock-ups become more realistic and the reactivity effects of various design options can be measured. This part of the effort culminates in a recipe for loalding the fuel elements with uranium. As implied above, the uranium content of fuel elements near the core edge has to be less than the content of elements near the core center. It is not sufficient, however, just to achieve a flat radial fission distribution for a reactor at room temperature. In addition, the various reactivity changes which occur as the reactor rises to full power must be calculated. For example, as the temperature rises and the core expands there is a loss of reactivity. On the other hand, as hydrogen flow begins, the hydrogen in the core moderates the neutrons, and this results in a gain in reactivity. Fortunately, in our graphite-based reactors these two effects largely cancel each other, so that reactor startups can be programmed which call for relatively little control-rod motion once criticality is achieved. It is important that the control-rod settings at the reactor design point be estimated with good accuracy, because the position of the control rods affects the fission rate and hence the temperature near the core edge.

INSTRUMENTATION AND CONTROLS

Accompanying the testing of developmental reactors are many measurements of temperatures, pressures, power, hydrogen flow rate, strains, accelerations, noise level, and so on. Most of these measurements (often more than 1000) are recorded for later analysis; some of them are used to help control the reactor-run variables, while others are displayed to monitors in the control room. As would be expected for reactors running at high temperature, temperature measurements are by far the most numerous. Generally they are of two kinds: temperature measurements for materials and for hydrogen. For both, temperatures can be measured with good accuracy up to about 2000°K; above that temperature great care has to be exercised in the construction of the thermocouples used. We have used tungsten/tungsten-rhenium thermocouples exclusively for measurements above 2000°K. So far we have been successful in measuring gas temperatures near 2500°K with an accuracy of a few percent, but material-temperature measurements have given us trouble above 2300° K. A valuable check on operating temperatures can be obtained by calculating the nozzle-chamber temperature from the measured chamber pressure and the rate of hydrogen flow. It is thus possible to obtain the desired average temperature to within about ±100° K. It is not possible to obtain and display fine-grained temperature measurements throughout the core, so we have to be content with sampling the temperatures in a relatively small number of places.

For reactor control the most important operating variables are temperature, power, and hydrogen flow rate. All can be controlled by the technique of comparing the measured with the desired values and adjusting the variable until the difference is zero. This continuous zeroing of the error by a feedback technique is called closed-loop operation, and it has proved to be remarkably successful for our reactors. At one time both reactor power and reactor temperature were controlled by closed-loop operation, but lately it has been the practice to use this method of control only for reactor temperature and hydrogen flow rate. In passing it might be mentioned that fairly rapid changes in power are common for nuclear rocket reactors during the start-up phase. Power can be increased from essentially zero to a few megawatts in half minute or less.

In the early days one possible control problem gave us a good deal of worry. It was postulated that during reactor start-up (before critical pressure or critical temperature had been reached and while the hydrogen was in the two-phase flow regime) surges of dense hydrogen would enter the reactor core, moderating the neutron flux and resulting in uncontrollable excursions of power and temperature. In fact, this did not happen at all, and reactor start-ups can be made smoothly and reliably.

Very early in the program we began planning for reactor tests. We were aided from the beginning by the Albuquerque division of American Car and Foundry, Inc., for reactor assembly and disassembly, and by Edgerton, Germeshausen and Grier, Inc., for data transmission and recording. Our first concern was to find a suitable site, far enough from populated areas so that the radioactivity from a reactor accident would not endanger anyone. We naturally thought of the Nevada Test Site, where the Los Alamos Scientific Laboratory (LASL) had been conducting nuclear weapons tests for some years. We chose Jackass Flats (named probably by some long-forgotten prospector) in the Amargosa desert some 20 miles (30 kilometers) from Mercury, the base camp for weapons activities.

By 1958 the construction of the first facilities was under way. They consisted of a test cell, a control building, and an assembly-disassembly building located approximately 3 kilometers from each other in a triangular array. The test cell and assembly building were linked by a railroad, which soon acquired the name Jackass and Western. The assembled reactor was to be transported by way of this railroad to the test cell, where the necessary propellant and electrical connections would be made. The tests themselves were to be conducted from the control building, and all data were to be recorded there by means of the many wires running from the test cell. After completion of the tests, a remotely controlled engine would move to the test cell, engage the radioactive reactor, and transport it to the disassembly bay for disassembly and postmortem.

The first reactor to be tested was Kiwi-A, on 1 July 1959. The test was a great success, not only for the reactor but for the test site facilities as well. Kiwi-A, with its thick graphite reflector, its water-cooled nozzle, its modest operating power of 100 megawatts, and its rate of gaseous hydrogen flow of 3 kilograms per second, was hardly a prototype of a useful reactor for space vehicles, but we had learned a great deal in designing, building, and testing it. Now we were eager to push on to the next step, testing of a 1000-megawatt reactor called Kiwi-B. The original test cell was not adequate for testing a 1000-megawatt reactor, so a new test cell was designed; among the new facilities provided were two storage dewars, each holding 15,000 kilograms of liquid hydrogen. The responsibility for designing and fabricating a turbopump capable of delivering 30 kilograms of liquid hydrogen per second to the reactor was given to Rocketdyne, a division of North American Aviation; Rocketdyne was also given the task of supplying the liquid-hydrogen-cooled nozzle. The reactor design itself was quite different from that of Kiwi-A. One major change was the use of a beryllium reflector in which were located the control rods. The reactor core was completely redesigned. It was clearly going to take time to build the new reactor, the new test cell, and the new turbopump and nozzle. It was therefore decided to test certain of the new reactor-core features in the Kiwi-A geometry. This was done in 1960. Two noteworthy results were obtained, one good and one bad. The good result was the finding that NbC worked well in inhibiting graphite corrosion; the bad result was a warning that the Kiwi-B core design might have a serious weakness.

Meanwhile the National Aeronautics and Space Agency had been created in the fall of 1958, and in August 1960 a joint AEC–NASA office called the Space Nuclear Propulsion Office (SNPO) was formed, with Harold B. Finger as manager. This office took over, from the original AEC-Air Force partnership, the management of the nuclear rocket program. The success of the Los Alamos Scientific Laboratory efforts encouraged SNPO to initiate industrial participation in the program, and, in July 1961, Aerojet-General Corporation was selected to develop a flyable nuclear rocket engine (called NERVA for Nuclear Engine for Rocket Vehicle Application) with Westinghouse Electric Corporation's newly founded Astronuclear Laboratory (WANL) named as the chief subcontractor to supply the reactors. It was planned that the NERVA reactor would be based on whichever Kiwi-B design (there were three at that time—B–1, B–2, and B–4) performed best in actual test. In May 1962 the Marshall Space Flight Center engaged the Lockheed Missiles and Space Company to design and build a flight test vehicle for a nuclear rocket engine. This latter development had to be canceled later because of funding difficulties.

The first test of the 1000-megawatt Kiwi-B-1 design was performed in December 1961 at reduced power with gaseous hydrogen. All the new reactor features worked well. The first test with liquid hydrogen, in September 1962, was an important one. It laid to rest, once and for all, apprehensions concerning the difficulties associated with two-phase flow. The turbopump and nozzle performed admirably. The reactor core, however, behaved in a way that confirmed our previous suspicions: it wouldn't do, and it proved it wouldn't do in a series of spectacular ejections of white-hot material from the nozzle. Fortunately we had ready for testing another—and, we thought, better—reactor design called Kiwi-B-4, which we favored for NERVA development. This reactor was tested on 30 November 1962. Although test operations were smooth, tell-tale flashes of light in the nozzle exhaust warned us that there was trouble in the reactor core. On disassembly it was discovered that most of the fuel elements had been broken. It looked as though the entire core had experienced severe vibrations—a kind of "flapping." The trouble was soon diagnosed as a faulty design feature which allowed flow-induced fluctuations in pressure. There followed a redesign period in which several cold-flow reactors (reactors containing no uranium in the fuel elements) were tested in Nevada to make sure that our redesign had solved the problem. The final proof came with the Kiwi-B-4D test in May 1964, which was curtailed due to a nozzle failure, and with the tests of Kiwi-B-4E the following August and September. These latter tests were completely successful and demonstrated beyond any doubt that nuclear rocket reactors were feasible. The first WANL reactor, NRX-A2, which was based on the Kiwi-B-4 design, was successfully tested later in the same year. Since that time improvements in fuel elements and changes in details of reactor design have been tested by both LASL (reactors Phoebus 1A and Phoebus 1B) and the NERVA contractors (reactors NRX-A3 through NRX-A6). Of special interest was NRX-A4 (also called EST for Engine System Test), in which for the first time all major engine components were assembled and tested together, although not in flight configuration. The most recent reactor test, that of NRX-A6 last December, established a new record operating time of 60 minutes.

The reactor developmental program has been a clear success, and its success has brought into sharp focus the question of what size engine the Space Nuclear Propulsion Office and its contractors should develop for space application. Nuclear rocket engines can be useful for lunar logistics missions, for unmanned deep-space missions requiring heavy payloads, and for Earth orbital operations of various kinds, but they really come into their own for ambitious manned interplanetary journeys.

A study[3] of one such mission (a manned Mars landing expedition) was made which entailed assembly of the vehicle in low Earth orbit and use of a cluster of three or four nuclear engines for the Earth departure phase, another nuclear engine for braking near Mars and placing the vehicle in a Mars orbit, and still another nuclear engine for the return to Earth. For this manned Mars mission, an engine of 200,000-pound (90,600-kilogram) thrust was found to be well suited. The studies did not show a tremendous advantage for any particular thrust; in fact even thrusts as low as 125,000 pounds were not greatly inferior for the Mars mission, particularly if reactor lifetimes could be increased somewhat over the 30 minutes assumed in this study. Nevertheless, the higher-thrust engine seemed a very reasonable choice, since such an engine could also be used for many types of lesser space missions with only a small weight penalty. Therefore a few years ago SNPO agreed that LASL should design and build a 5000-megawatt reactor which would serve as the prototype of the reactor in an engine of 230,000-pound thrust. This 5000-megawatt reactor is called Phoebus 2. When operating at full power it uses liquid hydrogen at the rate of 150 kilograms per second. At the time we decided to go ahead with Phoebus 2 we realized that our test cell facilities at the Nuclear Rocket Development Station (as the site at Jackass Flats was now called) were not capable of testing a 5000-megawatt reactor. For one thing, the dewars at Test Cell C held only 30,000 kilograms of liquid hydrogen, so they could not supply hydrogen for a test of more than a few minutes. Furthermore, the capacity for storing the gaseous hydrogen needed to drive the turbopumps was quite inadequate. The latter problem was solved by the design of a novel heat exchanger in which hot water provided the thermal energy needed to convert liquid hydrogen to lukewarm gaseous hydrogen. Two new dewars, each of 150,000-kilogram capacity, were erected at Test Cell C. All test cell modifications have been completed, the reactor has been assembled, and full power testing is scheduled for May 1968. In some ways the test will be anticlimatic because budget troubles have forced NASA to reconsider the development of an engine of 200,000-pound thrust and to aim instead for the development of one 75,000-pound thrust. The immediate savings are appreciable, mainly because there already exists at the Nevada site an engine test stand which can be used in testing the smaller engine; the larger engine would require a larger and more expensive test stand. Nevertheless, the experience gained with Phoebus 2 should be very valuable for future work on nuclear rockets.

PRESENT STATUS

The present situation can be summed up about as follows: Reactor technology is well in hand; what remains to be done in that area is the very important job of optimizing reactor performance. Here materials development is the key. It is not inconceivable that exit-gas temperatures of 3000° K can be achieved for operating times of 30 minutes. Temperatures much above that will be hard to achieve—indeed, 3000° K may elude us. An increase in power density would be useful since it would lead to reduction in reactor weight, but this increase may prove difficult to achieve because Rover reactors are already running at power densities far above those of conventional power reactors. There is also a need to improve the ability to make repeated thermal cycles, because some space missions require reuse of the nuclear engine. The Space Nuclear Propulsion Office, now under the management of Milton Klein, is vigorously pursuing both immediate and future goals. The Los Alamos Scientific Laboratory has the assignment of increasing reactor performance, while the NERVA contractors have that of developing a flyable engine which will incorporate the most advanced concepts of reactor technology. One useful innovation introduced by LASL is the development of a small test-bed reactor called Pewee, with which laboratory improvements can be tested in an actual reactor environment. Pewee is only one-fourth the size of Phoebus 1 or NRX-A and should afford a more economical and faster method of testing than we have had heretofore.

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[3] P. G. Johnson, *Astronaut, Aeron.* 2, 22 (Dec. 1964); A. R. Chovit, C. D. Kylstra, R. K. Plebuch, *ibid.* 3, 36 (June 1965). The June 1965 issue contains several articles on nuclear rockets.

While reactor technology has progressed well, the work leading to the development of a flyable engine has suffered somewhat in financing priorities and is less far advanced. The first realistic engine configuration will be tested sometime this year. The development of a flyable nuclear rocket stage is even farther in the future. So, while much of the basic work has been done, completion of the nuclear rocket program still lies in the years to come. The time scale depends on the degree of financial support given the future NASA–AEC program.

Granted that the straightforward heat exchanger can be developed into a useful engine, the question remains: Is this the only way to use nuclear energy for space propulsion? The answer is, almost certainly, No. The advanced concepts divide into two general classes.

The first we might call high-thrust concepts. In these, high exhaust velocity is achieved in combination with high thrust. The gaseous core reactor is a good example; in principle it is not limited by melting points of materials, but no practical concept has clearly emerged in a decade of study. A quite different scheme is that of using a succession of nuclear explosions to propel a space vehicle (Project Orion); this may seem at first glance even farther removed from practicality, but in many ways it appears easier to describe an experimental program for Project Orion than for the gaseous core nuclear rocket. Orion does, of course, present unique political problems, since the explosive charges are small nuclear bombs.

More immediately practical are concepts of the second class, in which high thrust is sacrificed to gain high exhaust velocity. These low-thrust devices are also often called nuclear-electric drives because, for most of them, the approach is that of converting fission energy to electricity and using the electricity to accelerate charged particles to produce thrust. Invariably the power plants are heavy, the thrust is low, and the resulting vehicle accelerations are very low—less than $0.001g$. Since the vehicle acceleration is low, the engine operating time has to be long (measurable in months for most missions) if a reasonable velocity and trip time are to be achieved. In order for such a propulsion engine to be attractive, the power in the exhaust jet per kilogram of engine weight should be as high as possible. A specific jet power of 0.05 kilowatt per kilogram will probably be useful, but 0.15 kilowatt per kilogram would be very much better. A lot of effort has been devoted, with a good deal of success, to developing thrust mechanisms such as ion accelerators and plasma accelerators, but the real crux of the problem is the power plant. There are numerous ways to convert heat energy into electrical energy, of which perhaps the most familiar are those based on use of thermodynamic cycles and rotating machinery. Another attractive approach is the direct conversion of fission heat into electricity by means of thermionic cells. The first demonstration in a nuclear reactor of such a device was made at Los Alamos as long ago as 1959. The development of a complete nuclear-electric propulsion system will be difficult and expensive, but if man wants to continue to explore space to the best of his ability, such a development seems inevitable.

INTERNATIONAL EXECUTIVE SERVICE CORPS: 4 YEARS OF SUCCESS

Mr. HARTKE. Mr. President, for the past 4 years, the United States has sponsored a second type of Peace Corps, which is dedicated to the encouragement of business around the globe. In January 1963, returning from a trip to Africa, I became deeply concerned by the lack of efficiency in so many developing corporations throughout the world. From this concern, I was moved to propose a businessman's peace corps. As a result of conference which I called for in the State Department in June of 1964, the International Executive Service Corps was established. The IESC is a privately sponsored organization founded on the belief that the talents and experience of U.S. businessmen can be put to good use in other countries. Businessmen who are no longer active in U.S. corporations, or those who are interested in a change from their corporate positions and can take a leave of absence, are sent to developing countries, upon request, to serve as advisors to foreign businesses on technical or managerial problems.

I have long felt that the problems of new companies in developing countries are another factor which helps to maintain the modernization gap between countries like the United States and those which are termed "underdeveloped." This difference in development among nations can in turn be held responsible for the expectations and frustrations of those who are struggling to improve their national economies in a world where the pace of progress for already developed economies continues to outrun those which are yet to develop. Thus the economic gap is broadened, rather than bridged.

Mr. President, we share in the aspirations of other countries to achieve a better way of life, and we value the opportunity to help in the attainment of this goal. In the pursuits of both economic growth and international understanding, the contribution of the IESC has been quite graphic. On the occasion of its 4-year anniversary, I feel it is important to recognize the positive efforts which this organization has made.

I ask unanimous consent that portions of the Fourth Annual Report of the International Executive Service Corps be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

INTERNATIONAL EXECUTIVE SERVICE CORPS—THE 4TH YEAR

The formation of the International Executive Service Corps was officially announced by the President at the White House on June 15, 1964, as a joint undertaking of the government and U.S. business to apply practical American management experience to specific business problems in the developing nations.

There was no precedent for such a program. IESC therefore built slowly, testing its precepts in the field, project by project. As these were proved valid, the program accelerated, and during the past year it has achieved full momentum.

OVERSEAS OPERATIONS

In this fourth year of activity, IESC has more than doubled its performance figures for the previous three years combined. It has accepted 665 new requests for American executive volunteers to advise businesses overseas, bringing its total of accepted projects to 1139.

During the past year it has completed 303 projects for a four-year total of 583.

IESC has recently undertaken initial projects in Cyprus, Hong Kong, Indonesia, Israel and Morocco, making a total of 42 developing countries in which it has begun operations. (These countries, and the 21 posts at which IESC Country Directors are established, are shown opposite.)

The significance of IESC's project growth does not lie in numbers alone however. Each project is generated locally, voluntarily, and at substantial cost to the client enterprise; each, therefore, represents a clear affirmation by a foreign businessman of his desire to participate in a cooperative program. The widening acceptance of IESC reflects spreading awareness of its success in improving business performance. A concrete measure of clients' satisfaction is that more than 150 of them have requested (and received) two or more executive assignments.

The range of businesses IESC has helped embraces the whole world of commerce and industry: Investment and banking; raw-material and capital-goods production; building of homes, highways and factories; manufacture of a full assortment of consumer goods; transportation by land, sea and air; sales and service industries of all kinds; and communications. Within these fields, volunteer executives have introduced modern ideas and methods of general management, administration, finance, production, merchandising and distribution.

Constantly seeking ways to extend its effectiveness, IESC has also lent executive assistance to both public and private agencies concerned with across-the-board development. These include: the Council for International Economic Cooperation and Development, Taiwan; the National Productivity Center of Malaysia; the Ministry of Commerce and Industry of Kuwait; the Central American Bank for Economic Integration in Honduras; the National Investment Bank of Accra, Ghana; the Institute of Standards and Industrial Research (the Iranian national bureau of standards), Tehran; the Economic Development Board of Singapore; Hamashbir Industries (the manufacturing affiliates of the Israeli labor organization). IESC has also provided executive and administrative guidance to certain selected noncommercial enterprises such as: City managers and planners for municipalities in Iran; administrative and financial experts for Seoul National University, Korea; and an adult education specialist for a Brazilian-American cultural center in São Paulo.

Within the past year, IESC has successfully experimented with a team approach, sending groups of high-level specialists to make concerted attacks upon the problems of a company, an industry or a country. Such teams have worked with a major manufacturer in Argentina, and with development agencies in Singapore and Taiwan. The first members of a 24-man development team for Libya have just arrived in Tripoli and the pilot projects for an integrated program in Indonesia are beginning in Djarkata. A three-man team was sent to Turkey and a similar team is being recruited for Tunisia.

In recent weeks, IESC has also begun intensive studies of multi-project participation in the war on hunger, with coordinated programs of assistance in agricultural research, production, chemicals, food processing, packaging and distribution.

In short, the record of IESC's past year has been a record of new opportunities sought and grasped, and of growing appreciation of its efforts throughout the developing world.

FINANCES

Fundamentally, IESC is a volunteer program. But, organizing, staffing in the U.S. and abroad, transportation and living expenses for volunteers necessarily involve substantial cash outlays. These needs are met from several sources which together amply demonstrate support for IESC in both the public and private sectors.

The present Administration, through its Agency for International Development and with the support of the Congress, has provided indispensable financing for the formation and continuance of IESC. Under the present A.I.D.-IESC formula, government funds are used solely for costs directly related to overseas operations. From IESC's inception through this fiscal year, A.I.D. support has totalled $6.1 million.

Private sources of financing are threefold:

U.S. Sponsor Members, 140 corporations who make annual contributions to IESC as expressions of support for the strengthening of free-enterprise around the world;

Individuals and foundations which have provided a working-capital fund;

Overseas client firms, which pay round-trip air fares for executives and their wives and also pay IESC negotiated contributions toward operating costs.

Fees and contributions during the past year have brought the private sector's cash support of IESC to a total of $3.6 million. In addition, the non-cash services contributed by IESC executive volunteers are conservatively estimated at a value to date of $3.2 million. Thus the total private contributions, in cash and service, roughly equal the A.I.D. appropriations.

A LOOK AHEAD

In the four years since its inception, IESC has successfully passed its formative period. The questions which surrounded its beginnings—Would U.S. businessmen volunteer to serve? Would foreign businesses accept their help and contribute to the program? Could short-term projects achieve significant results?—have all been answered in the affirmative. Continuance of the IESC program thus requires only the efficient application of principles and practices already developed.

IESC is now able to operate at the level initially set as its first plateau, the start-up of 500 new projects per year. It can continue at this level, or it can reach for a higher one, either by increasing the number of projects in countries now being served or by entering new areas. Africa, India and Pakistan in particular are major segments of the developing world into which IESC has yet to move significantly.

The future growth of this highly successful program depends almost solely upon the availability of funds, both public and private.

Appendix II—What They Say Abroad

"We . . . congratulate the International Executive Service Corps, for the magnificent services it is rendering to the countries in development."—Guillermo Correa C., President, Industrias Metalurgicas Unidas A.A. Imusa, Bogotá, Colombia.

"The organization has come through with flying colors. Any number of both private businessmen and Government ministers have mentioned to me how gratified they have been with the excellent job which IESC is doing."—Armin H. Meyer, U.S. Ambassador, Tehran, Iran.

"Of all the various forms of AID programmes that the United States has abroad this is certainly one of the most useful and appreciated."—David Salman, Director, Express Service Co., Ltd., Tehran.

"The activities of IESC are considered best fitted to the need for exchange of knowledge, . . . one of the most important elements in economic development."—Yang Koo Lee, President, Tong Yang Cement Mfg. Co., Ltd., Seoul, Korea.

"I thank the IESC for the lasting cooperation and friendship between our two countries that has been made possible by your presence here."—A. Taylor, President and General Manager, Marblecraft, Inc., Makati, Rizal, Philippines.

"Thank you for IESC's arrangements in making available to us the valuable counsel and services of IESC executives."—K. T. Li, Minister of Economics, Republic of China, Taipei, Taiwan.

"The concept behind IESC is what our country needs most and the best your country can and must do."—Selcuk Yasar, General Manager, Durmas Yasar ve Ogullari, A.S., Izmir, Turkey.

THE SURVIVAL OF ISRAEL IN A HOSTILE ENVIRONMENT

Mr. PERCY. Mr. President, many of us who are determined that the State of Israel must be supported in its efforts to survive in a hostile environment are now—and have been for many months—deeply concerned about the rapid buildup of Arab forces in the region. This buildup of Arab military materiel from Communist sources endangers the future security of Israel.

In this situation, the United States cannot remain indifferent. The United States, to my mind, has two major responsibilities in regard to the Middle East crisis. First, the United States must do everything possible to encourage the opening of direct peace negotiations between Israel and the Arab States. Second, the United States and the Western Powers generally must provide everything necessary for the security of the State of Israel.

The immediate question concerning Israel's security involves an Israel request to buy Phantom jet fighters from the United States. The Johnson administration says neither "Yes" nor "No" and defers action on the request from month to month. I cannot understand why a decision cannot be reached. Either Israel needs more supersonic planes or she does not. Israel says she needs them. Unless the administration can disprove this need, the sale should be approved.

OSTEOPATHS HAVE THE RIGHT TO UTILIZE FACILITIES CONSTRUCTED PARTIALLY OR WHOLLY WITH PUBLIC FUNDS

Mr. MONTOYA. Mr. President, recently in New Mexico there occurred a medical controversy which in microcosm mirrors a larger disagreement surfacing around the Nation. It centers around the right of osteopaths to practice in medical facilities constructed in part or wholly with public funds.

The second part of this issue revolves around the privilege of an individual patient to choose his or her own physician, and the right of that practitioner to practice in facilities where such a patient is being treated.

It is my contention that every patient, as a taxpayer and free citizen, has the unquestioned option to choose where he will be treated and who will treat him. If the facility in question happens to have been built in part or wholly with public moneys, then there is no question whatsoever of the right of the practitioner he chooses to treat him to enter and utilize those facilities.

In Las Cruces, N. Mex., such a controversy arose over whether osteopaths could utilize such facilities. These were constructed partially or wholly with Hill-Burton funds, which happen to be public moneys.

Such funds have been spent with benefit of taxpayers uppermost in mind. This was the intent of Congress when the Hill-Burton Act was first passed and implemented. These patients, as I stated in this case, have the right to choose their own doctors, be they M.D.'s or osteopaths. Most hospitals permit osteopaths to utilize their facilities, and I endorse this concept wholeheartedly.

It is well to bear in mind that almost every hospital built in the Nation in recent years has been constructed partially or wholly with Hill-Burton moneys.

I have the highest respect for our medical profession, and see no reason at all for denying use of such facilities to any of its branches.

THE NIXON RECORD

Mr. MUNDT. Mr. President, within the next 2 weeks, one of our great, major political parties will choose the men to head the Republican ticket in the forthcoming election of our next President and our next Vice President.

One of the contenders for the high office of President is our former Senate colleague and former Vice President, Richard M. Nixon.

It is my conviction that the candidacy of Dick Nixon gives the people of America an opportunity to provide the type of leadership so vital and so desperately needed to meet the tests of the future which will confront our Nation.

I am confident that when the Republican convention meets—and I say this as one privileged to head my State's delegation pledged to support the candidacy of Richard Nixon—it will turn to this distinguished member of the Eisenhower-Nixon team, which provided the country with 8 peaceful years of administration and service, to head our ticket as the presidential nominee.

There are many reasons why I support the candidacy of Dick Nixon. I have discussed them before, in the Senate and across the country.

An excellent example of why I think we would do great service to our country by electing Richard Nixon as President is illustrated in the July 15 issue of U.S. News & World Report, in which a factual, close-up study is provided of what is termed "The Nixon Record."

It is a record worthy of all Americans and is deserving of the study and consideration of all citizens as we again approach the time to make a vital decision with respect to the leadership we will choose to direct the affairs of our Nation.

I ask unanimous consent to have this excellent article printed in the Record. I commend it to the attention of all Americans.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Nixon Record

(Note.—Richard M. Nixon, making a second bid for the White House, has a 22-year record in public life. Lately he has spoken out on many touchy issues. From past performance, and recent speeches, where does the former Vice President stand on Vietnam?

Riots? Crime? How would he change major policies if elected? What did he do as Vice President? A close-up of Nixon—the facts vs. the myths—emerges from a study of the record.)

A month in advance of the Republican National Convention, Richard M. Nixon appears to be his party's choice for President in the November election.

Who is Richard Nixon? What has he done? Where does he stand on the nation's problems?

This is what the record shows:

For eight years, Mr. Nixon served as Vice President in the Eisenhower Administration, 1953–61. At 39, he became the second-youngest man in history ever to hold the No. 2 position in the U.S. Government.

Before that, Mr. Nixon had served in Congress for six years—four years in the House, two years in the Senate—from the State of California.

Leaving Washington in 1961, Mr. Nixon practiced law in Los Angeles for two years. In 1963, he moved to New York, where he is now a senior partner in one of the 10 largest law firms in the country.

Widely traveled, Mr. Nixon has been abroad 14 times since 1961 on various business or personal "fact-finding trips" to every continent, including three round-the-world journeys. He has visited Vietnam five times in the last five years.

Now 55 years old, Mr. Nixon is younger than: Vice President Hubert Humphrey, who was 57 on May 27; Governor Nelson A. Rockefeller of New York, who was 60 on July 8; President Lyndon B. Johnson, who will be 60 on August 27.

In the last 22 years, Mr. Nixon has run for public office in seven elections. He won five, lost two. Now he is engaged in his eighth campaign.

Announcing his candidacy for President in 1968, Mr. Nixon entered the Republican primary elections in six States. He won them all, by the following vote percentages: 79 per cent in New Hampshire; 80 per cent in Wisconsin; 71 per cent in Nebraska; 73 per cent in Oregon; 100 per cent in Indiana and South Dakota.

Significant elements of the Nixon record include—

Early life

Richard Milhous Nixon was born Jan. 9, 1913, at Yorba Linda, Calif., the son of Francis A. and Hannah Milhous Nixon. The Nixons were a working-class family of modest means.

Both of his parents were descended from early American stock that had migrated to New England from Ireland before the American Revolution, and gone on to the West Coast by way of Ohio and Indiana.

Mr. Nixon's mother was a Quaker, and he had a Quaker upbringing. He was to explain later:

"The three passions of the Quakers are peace, civil rights and tolerance. That's why, as a Quaker, I can't be an extremist, a racist, or an uncompromising hawk."

When he was 9 years old, his family moved to Whittier, Calif., where his father ran a general store and filling station. During his boyhood, Mr. Nixon kept books and clerked in the store.

Education

Mr. Nixon worked his way through Whittier College, a small Quaker institution, where he graduated in 1934 with an A.B. degree. He received a scholarship to Duke University law school at Durham, N.C., where he finished third in his class in 1937. He returned to Whittier to practice law for 4½ years.

War record

As a Quaker, Mr. Nixon could have claimed the status of a conscientious objector in the draft in World War II. Instead, he took a Navy commission in 1942, and served 3½ years—mostly on islands in the Pacific—rising from lieutenant, junior grade, to lieutenant commander.

Family

In 1940, Mr. Nixon married Thelma Catherine (Pat) Ryan, daughter of a Nevada miner, who had worked her way through the University of Southern California, and gone to Whittier to teach school.

The Nixons observed their 28th wedding anniversary on June 21. They have two daughters. Patricia, 22, graduated June 14 at fashionable Finch College in Manhattan. Her father gave the commencement address. Julie, 19, a student at Smith College, is engaged to David Eisenhower, grandson of the former President under whom Mr. Nixon served.

The family lives in a 10-room co-operative apartment on Fifth Avenue overlooking New York's Central Park, in the same building where Governor Rockefeller has a residence. The Nixons now attend the Marble Collegiate Church in New York, which is affiliated with the Dutch Reformed Church in America.

Finances

Since he has been in New York, Mr. Nixon has earned about $200,000 a year from practicing law, and writing newspaper and magazine articles.

His net worth is estimated at around $250,000—mostly in real estate in New York and California. When he left the Government in 1961, Mr. Nixon estimated his net worth at around $48,000.

The law firm—Nixon, Mudge, Rose, Guthrie, Alexander and Mitchell—has a staff of 70 lawyers, serving a number of corporate and international clients. Their offices occupy four floors at 20 Broad Street in the heart of New York's financial district.

Characteristics

Mr. Nixon is one of few men left in public life today who write their own speeches. He keeps up with current events by reading, traveling, talking or corresponding with a wide variety of acquaintances in Government, business, and educational circles.

For relaxation, he plays piano by ear, and listens to symphony music. He follows football and baseball on the sports pages.

Formerly a golfer, he now walks for exercise. Seldom ill, he is bothered occasionally by hay fever. He follows a self-prescribed diet to hold down his weight. His doctors say that he is in normal good health.

Public life

During his public career in the last 22 years, Mr. Nixon has said or done these things:

CONGRESS, 1947–52

As a 33-year-old war veteran just out of Navy uniform, Mr. Nixon was first elected to Congress in 1946 from the twelfth district in southern California. He unseated Representative Jerry Voorhis, a "New Deal" Democrat who had held the office for 10 years. Mr. Nixon won by a margin of 15,592 votes, with 56.7 per cent of the total vote.

In 1948, Mr. Nixon won the nomination of both major parties under California's old cross-filing system, and was reelected with 141,509 of the 162,807 votes cast.

After the Korean War broke out in 1950, Mr. Nixon was elected to the U.S. Senate to succeed Senator Sheridan Downey, a Democrat, who retired because of illness. In the Senate campaign, Mr. Nixon defeated Representative Helen Gahagan Douglas, a onetime movie actress and "liberal" Democrat, by a plurality of 680,947 votes and 59.2 per cent of the total.

What he was for

In Congress, Mr. Nixon supported such things as the United Nations, North Atlantic Treaty Organization, European recovery program, U.S. troops for Europe, economic and military assistance for allies in Europe and Asia, technical assistance for underdeveloped areas, and the Reciprocal Trade Agreements Act. He cosponsored the unsuccessful Bricker amendment to restrict treaty-making powers of the President.

Mr. Nixon also supported civil rights, selective service, universal military training, raising the federal minimum wage, increasing Social Security benefits and coverage, the Tidelands oil bill, a bill to exempt independent natural-gas producers from federal regulation, income tax reduction, the displaced persons and McCarran-Walter immigration acts, the St. Lawrence Seaway, and statehood for Alaska and Hawaii.

As a freshman Congressman in 1947, he toured Europe with a select House committee to lay the groundwork for America's postwar foreign-aid program, starting with the Marshall Plan.

Things he opposed

Mr. Nixon opposed the Brannan farm plan, public-housing subsidies, extension of federal rent controls, and admission of Communist China to the United Nations.

As a member of the House Education and Labor Committee, he helped draft the Taft-Hartley labor law in 1947, and voted to pass it over President Truman's veto. Also, he voted to request the President to invoke the national-emergency-injunction provisions of the law in the 1952 steel strike.

On civil rights, he voted for a bill in 1950 to establish a Fair Employment Practice Commission. He also voted against poll taxes and segregation in the armed forces, and for "home rule" for the District of Columbia.

Mr. Nixon came to national attention in 1948–49 for his role in developing evidence in the Alger Hiss case. President Truman called the case a "red herring."

Subsequently, Mr. Hiss, a high State Department official, was convicted of perjury, for lying under oath to the House Un-American Activities Committee about his connections with Soviet agents.

VICE PRESIDENT, 1953–61

When he was 39, Richard Nixon was chosen by acclamation at the 1952 Republican Convention in Chicago to be the vice-presidential running mate of General of the Army Dwight D. Eisenhower.

The Eisenhower-Nixon ticket won by a plurality of 6,621,242 votes, receiving 55.1 per cent of the total vote—to end 20 years of the Democratic "New Deal" in Washington.

In 1956, the Eisenhower-Nixon ticket was re-elected by a margin of 9,567,720 votes, with 57.4 per cent of the total—carrying all but seven States.

As Vice President, Mr. Nixon presided over Cabinet meetings and the National Security Council during the serious illnesses of President Eisenhower in 1955 (heart attack), 1956 (ileitis operation), and 1957 (stroke). Also, Mr. Nixon served as head of two intergovernmental bodies—the President's Committee on Government Contracts, affecting equality in employment, and the Cabinet Committee on Price Stability for Economic Growth.

As presiding officer of the U.S. Senate for eight years, Mr. Nixon broke more tie votes than any other Vice President in history.

He issued an advisory ruling that the Senate could—at the start of each new Congress—by simple majority vote amend Senate Rule XXII, the "cloture rule" frequently used to prolong debate on civil-rights legislation.

In the Eisenhower Administration, Mr. Nixon's friends and allies were the so-called "progressives" in the Cabinet—such as Labor Secretary James P. Mitchell, Interior Secretary Fred A. Seaton, Attorney General William P. Rogers, and Secretary of Health, Education and Welfare Arthur S. Flemming.

The Vice President teamed up with Mr. Mitchell in 1960 to settle a national steel strike, with a pay raise for union workers. In 1958, Mr. Nixon proposed a tax cut—unsuccessfully—as an "antirecession" measure.

As President Eisenhower's personal emissary, Mr. Nixon and his wife visited 55 countries on various "good will" trips between 1953 and 1959, traveling 160,000 miles. The Vice President's party narrowly escaped injury when the Nixons were stoned by Communist-incited mobs in Peru and Venezuela in 1958 during a tour of nine South American countries.

In 1959, the Nixons visited Poland and Russia on a 10-day journey, when Mr. Nixon opened the U.S. exhibition in Moscow.

There the Vice President engaged in an impromptu and celebrated "kitchen debate" with the Soviet Premier, Nikita Khrushchev, which was televised around the world.

Toward the end of his Administration, President Eisenhower said of Mr. Nixon: "No man in history was ever better trained for the Presidency, if such duties should fall upon him."

TWO-TIME LOSER, 1960-62

Critics call Mr. Nixon a "two-time loser," arising out of his defeats in the elections of 1960 and 1962. Here are the facts:

In 1960, the Republicans nominated Mr. Nixon for President, with U.N. Ambassador Henry Cabot Lodge as his running mate.

The Democrats chose a ticket composed of Senator John F. Kennedy, of Massachusetts, for President, and Senator Lyndon B. Johnson, of Texas, for Vice President.

Mr. Nixon lost the closest national election in 76 years by a margin of 118,574 votes out of a total of 68,838,218, or a difference of one fifth of 1 per cent in the major-party vote. The popular vote was:

Kennedy-Johnson	34, 226, 731
Nixon-Lodge	34, 108, 157

Mr. Nixon carried 26 States, to 22 for Mr. Kennedy. The late Senator Harry F. Byrd, Sr., of Virginia, got a majority of the electors in two States. The electoral vote was: Kennedy 303, Nixon 219, Byrd 15.

Election returns showed that the Democrats won the electoral votes of key Northern industrial States in a few big cities dominated by Democratic machines. A Republican Party leader said later that more than 5,000 voting precincts in these cities either were not manned by Republican poll-watchers at all, or were "improperly manned." In 1968, he added, "every poll will be manned."

Mr. Nixon, in his book called "Six Crises," attributed his defeat in part to alleged vote frauds in some States, plus a wholesale shift of Catholic voters to the Democratic ticket, without "a corresponding and balancing shift of Protestants away from Kennedy."

Returning to California, Mr. Nixon was encouraged by friends to run for Governor in 1962 against Democrat Edmund G. (Pat) Brown, who had defeated former Senator William F. Knowland for Governor in 1958 by a margin of 1,029,165 votes, with 59.7 per cent of the total.

A primary fight ensued in the Republican Party. The California Republican organization endorsed Mr. Nixon, and adopted a resolution condemning the John Birch Society as "dictatorial and totalitarian."

"Conservative" Republicans backed Joseph C. Shell, minority leader of the California legislature. Mr. Nixon won the primary by around 1,288,000 votes to 670,000 for Mr. Shell.

In the general election, Governor Brown beat Mr. Nixon by a margin of 296,758 out of nearly 6 million ballots, with 51.9 per cent of the total vote.

Mr. Nixon blamed his defeat on a defection of "conservatives." Said he:

"I did reasonably well among Democrats and independents, but failed to get the Republican vote. Ironically, I was supposed to be the 'conservative' candidate."

Calling it "my last campaign for public office," Mr. Nixon moved to New York to begin an entirely new career.

NEW YORK LAWYER, 1963-68

Since 1963, Mr. Nixon has been practicing law, speaking, writing, and traveling at home and abroad. In 1967 alone, he traveled 100,000 miles overseas, visiting 40 countries in Africa and the Middle East, Western and Eastern Europe, the Soviet Union, Asia and Latin America.

In 1964, he supported Barry Goldwater for President, making more than 100 speeches for the Republican nominee in 36 States. In 1966, he made campaign appearances for Republican candidates in 35 States and 61 congressional districts. Republicans made sweeping gains in the 1966 mid-term election, including 8 Governors, 3 U.S. Senators and 47 Representatives.

Mr. Nixon estimates that he has traveled 200,000 miles since 1964, helping to build political organizations, promote candidates, and raise funds for the Republican Party.

By 1968, it was apparent that he had made one of the most remarkable political comebacks in American history. On February 1, Richard Nixon formally announced that he would be a candidate for the 1968 Republican nomination.

In his quest of the Presidency, Mr. Nixon has stated these policy positions on major issues:

Leadership

In a speech in New York on January 27: "When the strongest nation in the world can be tied down for four years in a war with a fourth-rate military power; when respect for the United States has fallen so low that a fourth-rate power like North Korea will hijack an American ship on the high seas; when the nation with the greatest tradition of respect for the rule of law is torn apart by unprecedented lawlessness; when a nation which has been a symbol of human liberty and equality of opportunity for all the people is divided by racial strife; and when the President of the United States cannot travel at home or abroad without fearing a hostile demonstration, then I say, this is not a time to continue—this is a time for new leadership."

At Indianapolis on May 2: "A divided Democratic Party cannot unite this divided country."

A statement on June 28:

"Hubert Humphrey is the second man and chief publicist of an administration that has presided over the near collapse of peace at home, and has failed to bring to an end the longest war in American history. . . . What Mr. Humphrey offers America is four more years of the same programs and policies that have failed for the last five years."

Law and order

In an article in the October, 1967, issue of "Reader's Digest": "Far from being a 'Great Society,' ours is becoming a lawless society. . . .

"Our judges have gone too far in weakening the peace forces as against the criminal forces. Our opinion-makers have gone too far in promoting the doctrine that when a law is broken, society—not the criminal—is to blame. . . .

"Our judges and courts must take a large measure of responsibility for the current lawlessness."

Radio speech June 27: "America has been rocked by disorders, shocked by crime, stunned by assassinations, and left in puzzled fury by a wave of unruly demonstrations and mass obstructionism, not only in the streets of our cities, but in the halls of our great universities."

Crime

In a "white paper" issued May 9: The U.S. is fast becoming "an armed camp of 200 million Americans living in fear." Mr. Nixon called for a concerted attack on crime, including:

Legalized wiretapping and electronic surveillance of criminals; grants to the States for improved crime laboratories and detection facilities; more policemen at higher pay and with better training; removal of Supreme Court restrictions on criminal confessions in evidence.

The Supreme Court, Mr. Nixon charged, has erected a "barbed wire of legalisms" which has "effectively shielded hundreds of criminals from punishment." Said he: "There is a genuine need for future Presidents to include in their appointments to the U.S. Supreme Court men who are thoroughly experienced and versed in the criminal laws of the land."

When Congress passed an omnibus crime bill, Mr. Nixon accused President Johnson of "vacillation" in signing the measure. He said the President and Attorney General Ramsey Clark were "reluctant conscripts" in the war on crime.

On June 22, Mr. Nixon pointed out that law enforcement in Washington, D.C., is a federal responsibility. He called the crime rate in the nation's capital—up 100 per cent since 1960—"a national disgrace." He said that millions of Americans who once visited the seat of their Government were staying away "out of a justified fear for their welfare and safety."

Civil rights

A statement in Boston on February 15: "The most fundamental civil right is the right to be safe from violence. . . . We should be uncompromising in resisting breaches of law, whether they take the form of wanton rioting, of civil disobedience in the cause of civil rights, or of illegal strikes against the public health and safety."

In an NBC radio address March 7: A major deficiency in the report of the President's Commission on Civil Disorders is "its tendency to lay the blame for the riots on everyone except the rioters."

A speech in New York on Dec. 8, 1967:

"Year by year, the violence in our cities takes on more of the aspects of guerrilla war. . . . Under the illusion of the Government's unlimited power to remake society, extravagant promises have been made to the Negro. . . . Much of the bitterness of the Negro slum dweller is the result of these false promises. . . . The urban Negro is the chief victim of urban violence."

Students

When Columbia University was reduced to a state of virtual seige by militant students, Mr. Nixon called the uprising "a national disgrace." Even more deplorable, he said, was "the conduct of those professors and teachers who have condoned or encouraged or excused the lawlessness of their students."

Strikes

On February 10, in connection with the New York garbage strike:

"No union has the right to strike against the public health or safety. . . . Our cities can be livable only if they can be governed. . . . This means the right to apply the law, and the right to insist that those employees on whom the public health and safety depend discharge their public obligations in good faith."

Poverty

From the May 9 "white paper" on crime:

"The role of poverty as a cause of the crime upsurge in America has been grossly exaggerated—and the incumbent Administration bears a major responsibility for perpetuation of the myth. . . . The war on poverty is not a war on crime; it is no substitute for a war on crime."

In New York on January 27:

"We hear a great deal about the war on poverty in this country, but let us never forget that the war on poverty didn't begin with Lyndon Johnson. It began 190 years ago when this country was founded. . . . The reason for America's progress over 190 years is not because of what Government did for the people, but because of what the people did for themselves."

Cities

In Minneapolis on April 20: Politicians' promises of billions of dollars in taxpayers' money to rebuild the big cities of America are "dishonest and a cruel delusion." The U.S. is facing "one of the greatest financial crises in our history." Declared Mr. Nixon: "I am not going to join those candidates who are promising more and more billions."

Instead, he proposed a program of "black capitalism" to advance Negroes in the American economic system through private ownership of homes and businesses, assisted by management training, loan guarantees, and new capital sources.

"In order to have human rights, people need property rights—and never has this been more true than in the case of the Negro today," Mr. Nixon observed. He pointed out that "black militants" don't talk about "hand outs" and "welfare"—what they want is "dignity and self-respect."

The former Vice President proposed on May 2 a number of "specific, practical things that can be done now to get private enterprise into the ghetto," as a substitute for "federal doles, federal housing, federal make-work jobs."

Government spending

In New York on January 27: "For a nation with our wealth and growth over the past five years to spend 50 billion dollars more than we take in—this is certainly an economic insanity."

In Chicago on February 18:

"The Johnson Administration itself—its own spending—is to blame for the fiscal mess we're in; for the fact that we're going to have the highest interest rates in this century, the highest taxes in history, and the highest rise in the cost-of-living in a generation. It isn't what Americans spend abroad, but what the Administration is spending in Washington, that is the reason for the weakness of the American dollar."

At Minneapolis on April 20: The "family budget" is being pinched by inflationary Government spending, and a declining value of the dollar, he said.

At Aberdeen, S.D., on April 27, Mr. Nixon said the nation has a "runaway economy." He added that every day President Johnson put off cutting the federal budget, "he places in greater jeopardy the entire international monetary structure."

In a radio speech June 27, Mr. Nixon proposed a new commission on government reorganization—with a "broader mandate" than the Hoover Commission—to conduct a "fundamental reappraisal of our whole structure of government," from federal down through State and local agencies, to make government "more responsive" to the will of the people.

Said Mr. Nixon: "Power has been flowing to Washington for a third of a century, and now it's time to start it flowing back—to the States, to the communities, and most important, to the people."

Business

The National Association of Manufacturers in New York on Dec. 8, 1967:

"American business—men like yourselves—built the cities of this nation; and American business can rebuild them. The modern corporation is no longer simply an economic unit. It has become a social unit, an action unit, and its skills are needed where the action is.

"No force on earth, none in the history of man's experience, has ever shown the capacity for creating employment that has been shown by the private economy of the U.S. It is a mighty engine of social progress."

Vietnam

In an interview in Boston on Aug. 21, 1967: "The Administration, in effect, has resigned America to a long and grinding war. I support the use of air and sea power—but not all of our power. I am opposed to the use of nuclear weapons."

In a statement on Nov. 2, 1967:

"What is at stake in this war is not just the future of Vietnam, but the future of peace and freedom in the Pacific. That means our future."

The Johnson Administration has "based its policy on the false assumption that the Soviet Union wants to end this war. . . . Its policy of gradualism has resulted in frittering away our immense military and economic advantages. . . . Let's end this war. But let's end it in a way that will bring lasting peace—and not produce another war."

A statement in Chicago on Feb. 18:

"Where the Communists are concerned—as we learned in Korea—when we talk, they fight. We must never forget that after truce talks started in Korea, there were 18,000 American deaths—more than died before the truce talks began. We must never let that happen in Vietnam."

At Corvallis, Oreg., April 25: Mr. Nixon opposed a "coalition Government" in South Vietnam which would include the Viet Cong Communists, saying: "That would end the war, but lose the peace."

A statement issued in Chicago on June 20: "I believe a negotiated settlement in Vietname is in the interest of the U.S. and our allies," but presidential candidates should be careful what they say during peace negotiations.

"Any candidate who takes a weaker position than the President on Vietnam is taking a chance of exploding the peace talks. . . . Nothing would do more to discourage an end to the war, than to say we will not resort to military needs in Vietnam."

Foreign policy

An NBC network radio speech on March 28: "Never has the U.S. been in more trouble in more places than it is today—in Europe, in Latin America, in the Middle East, in Southeast Asia. . . .

"We have come to a time when America must reappraise . . . its role and its responsibilities in the world. . . . If the other nations of the free world want to remain free, they must rise in their own defense. They can no longer afford the luxury of relying on American power."

Foreign aid

A speech in New York on Sept. 12, 1967: "The economic history of the poorer countries since World War II points to one clear fact: that the successful countries . . . have adopted an incentive economy, while those that have followed the socialist road have failed. So, let's stop apologizing for the success of free enterprise."

Mideast

A statement in Chicago on February 18:

"In the Middle East . . . the big winner turns out to be the Soviet Union. They have a naval presence in the Mediterranean they've never had before. They have immense diplomatic and political influence, from Iran to Morocco.

"So what we face . . . is another powder keg developing, and we've just got to get some leadership in the U.S., and some cooperation from European friends, which will defuse this situation, or it will explode again—and the next time, it could ignite a world war."

Defense

A speech in New York on January 27:

"Seven years ago, with Dwight Eisenhower in office, there was no question about our power, and none about his credibility. That is why we were able to end one war, and avoid other wars during the Eisenhower Administration.

"Today, that power which was at least 6 or 7 to 1 in our favor has been reduced to 2½ to 1 in terms of deliverable nuclear capability. Unless there is new leadership, and a change of policy, within two or three years the Soviet Union will equal us in nuclear capabilities, and will then pass us—unless we do something about it."

Mr. Nixon recalled that an alleged "missile gap" was used as an argument against him in the 1960 election. Because of the superiority in nuclear-weapons systems built up during the Eisenhower Administration, Mr. Nixon pointed out in an NBC radio address on March 28:

"In 1962, at the time of the Cuban missile crisis, the balance of strategic power made it possible for President Kennedy to deliver a fully credible threat of nuclear retaliation. . . . The President was able to face down the Soviet leaders, and to force them to withdraw their offensive missiles from Cuba.

"But the U.S. no longer has such a decisive power advantage. . . . As we approach the day of nuclear parity between the U.S. and the Soviet Union, we approach the moment of truth in relations between East and West. . . .

"We must restore at least a part of the strategic advantage that we once held—not because we want power, but because in the world as it is, we need power if we are to be secure."

This is the public record of Richard Nixon—the prospective Republican nominee for President in 1968.

CONNECTICUT EDITORIALS ABOUT GUN CONTROL LEGISLATION

Mr. DODD. Mr. President, last week I spoke in the Senate about the distressing and disgraceful experience which I had just undergone the day before while testifying before a State legislative committee concerning new gun control laws for Connecticut.

I decried the discourteous and, indeed, crude conduct of the spectators who had obviously been packed into the hearing room by the gun lobby.

As I stated last week, this type of activity can only lead to the erosion of our entire democratic system.

Their jeers and boos, shouts and insults, disrupted that important legislative session and incurred the rightful anger of all open-minded and sensible citizens of Connecticut.

For the last week I have been greatly heartened and gratified by the overwhelming response of the people of Connecticut to this scandalous spectacle by an extremely small but vocal minority.

I have a number of editorials from various newspapers published throughout Connecticut which are highly critical of the treatment which I received on this occasion.

The Norwich Bulletin editorialized:

> No matter how one feels on the matter of strict gun control laws, that exhibition of heckling and harassment of Senator Thomas J. Dodd at a hearing on the gun control in Hartford last week was disgraceful.

The New London Day speculated:

> This kind of shout-out compels many to wonder whether such people as the hecklers have any business having weapons of any type.

The New Britain Herald exclaimed:

> The raucous outbursts by opponents of gun control legislation . . . were inexcusable. Their unwillingness to let Senator Thomas Dodd and others testify was a blatant violation of free speech and common decency.

The Greenwich Time declared:

Opponents of stronger gun control bills gave comfort to those who worry about the promiscuous ownership of firearms by the nature of their conduct at a hearing in Hartford this week.

The Meridan Journal editorialized:

The tumult at the hearing could not suppress reasoned opinion. "The gun nuts" proved only that loudmouths make fools of none but themselves.

The Bridgeport Post concluded:

To try and find reason in unreason is hopeless. We shall not make that mistake today.

Mr. President, I ask unanimous consent that the complete text of these editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Norwich Bulletin]

Disgraceful Spectacle

No matter how one feels on the matter of a strict gun-control law, that exhibition of heckling and harassment of Sen. Thomas J. Dodd at a hearing on the gun control in Hartford last week was disgraceful. Whether Sen. Dodd's claim that the hearing was packed in favor of those opposed to stricter gun laws is true or not, has little bearing on the rowdy attitude of those present.

America has prided itself on giving the right of expression of ideas without undue harassment. However, when Sen. Dodd tried to place his ideas before the hearing he was not accorded the courtesy of being heard. From his first appearance until the conclusion of the hearing he was heckled, abused personally and given little chance to lay his ideas before the gathering. Some of the remarks were strictly of the vicious type and dealt with personality rather than on the issue at hand.

Although James E. Murray III, chairman of the state Board of Firearms Permit Examiners, who, incidentally, was proposed for his post by the Connecticut State Rifle and Revolver association, denies that he packed the hearings with those persons who oppose gun control laws there certainly was a preponderance of opponents. It was those persons who continually interrupted Sen. Dodd and hurled abusive remarks.

We feel that Sen. Dodd was given unfair treatment at the hearing and that the attorney general should give the matter thorough consideration. We also felt that Mr. Murray was going far beyond his authority as chairman of a state agency if he was responsible for the disgraceful outburst of heckling and harassment.

We also feel that Sen. Dodd has the right idea about gun-control and that registration of guns and licensing of guns would inflict no great burden upon sportsmen and owners of guns.

[From the New London (Conn.) Day, July 18, 1968]

The Hearing That Wasn't

The announced purpose of a public hearing called for Tuesday in the ornate and domed Hall of the House at the State Capitol was to elicit ideas for possible gun control legislation at the state level. But any ideas were lost in the disgraceful outburst against U.S. Sen. Thomas J. Dodd.

They shouted unbelievable insults, interrupting him time and again and finally drawing him into efforts to insult them in return—a feat probably impossible in the light of their recklessness. "You're gun nuts!" he finally retorted. They have gotten to him.

Yet, the whole affair did more for Dodd, who has been buffeted on several fronts in the past two years, than anything else could. And the boorish behavior of his opponents severely damaged the cause of more moderate sportsmen, clubs and manufacturers who oppose registration in the sincere belief that it will be costly to them in terms of time and money and that it simply will not be possible to list every weapon in the country.

This kind of shout-out compels many to wonder whether such people as the hecklers have any business having weapons of any type. Their reckless emotionalism verged on violence and had nothing whatever to do with honestly held opinion or responsible opposition. Connecticut has a reputation as the "land of steady habits," as a place where citizen action and debate along earnest and constructive lines ultimately produce fair public policy. The hooligans at the Hartford hearing sullied that image.

One of the first orders of business for respectible sportsmen's clubs now must be efforts to restore their own images, for there were many at the hearing who did not join in the outbursts; some, in fact, who apologized for them. It is their cause which suffered most in Hartford Tuesday.

[From the New Britain Herald, July 18, 1968]

The Gun Hearings

The raucous outbursts by opponents of gun control legislation before the General Assembly's interim Judiciary Committee, were inexcusable.

Their unwillingness to let Senator Thomas Dodd and others testify was a blatant violation of free speech and common decency.

They do more harm than good to their own cause. Their boos and catcalls and derogatory remarks, totally out of context of the subject hearing, are just the kind of thing that make people wonder about the attitude of outraged indignation on the part of gun exponents. Is there something more to their position than their contention that their Constitional rights would be violated by more stringent gun control measures? Is there some more selfish or sinister motive behind this?

Senator Dodd, who is recognized as a national leader in the effort to regulate the sale of weapons in this country, deserved the courtesy of being heard. Opponents may not have liked what he had to say, but they were dead wrong to resort to the way of the demagogue to shout him down.

Regrettably, this kind of behavior drew attention away from what was truly a substantive hearing. The arguments, pro and con, went on for about seven hours. Points were made that were well worth considering. But the impression that was most strongly created was that the Judiciary Committee would do well to ignore the outbursts as reflecting no more than the bad manners of some individuals, hardly indicative of the attitude of the great majority of Connecticut residents.

[From the Greenwich Time, July 19, 1968]

A Nasty Hearing

Opponents of stronger gun control bills gave comfort to those who worry about the promiscuous ownership of firearms by the nature of their conduct at a hearing in Hartford this week. Noisy and nasty they were, as they hooted down Sen. Tom Dodd and generally disported in a rude way.

One vociferous opponent declared that "what this country needs is more gun training and more guns in the hands of the people . . . I'm going to keep them to protect me and mine. I defy anyone to try to take them away."

The anti-control people refused to accept assurances that there is no intent to deprive them of their firearms. They see any measures as the first step toward outlawing possession of guns.

The issue is joined, both in Hartford and Washington. The gunslingers seem to be gaining the upper hand again. It's unbelievable!

[From the Meridian Journal, July 18, 1968]

"The Gun Nuts" Do Their Stuff

Sen. Thomas J. Dodd called them "the gun nuts." Although he spoke in anger, his characterization was accurate.

Opponents of gun control legislation who appeared at the hearing in the State Capitol put on a disgraceful exhibition. They shouted, booed, indulged in name-calling, and by sheer volume of sound tried to prevent the advocates of the proposed bill from having their say.

Many of these people call themselves sportsmen because they belong to associations of hunters and fishermen. Their conduct at the hearing showed they haven't a single drop of sporting blood in their veins. But they did furnish an object lesson that should not be disregarded. Persons so inconsiderate of the rights of their fellow citizens should not be allowed to possess firearms except under the strictest of controls. A gun goes off all too easily in the hands of a person with a hate complex.

The General Assembly's Interim Judiciary Committee is doubtless well aware that a packed hearing, loaded with intemperate propagandists can furnish no true guide to the feeling of the majority of people of the state on the subject of gun controls.

The legislation under consideration at the hearing may not be the perfect answer to the problem of establishing proper gun controls—but it is surely worthy of close study and serious consideration by the General Assembly at its next session.

The tumult at the hearing could not suppress reasoned opinion. "The gun nuts" proved only that loudmouths make fools of none but themselves.

[From the Bridgeport Post]

Unreasonable Attitude

There is no excuse for the uncivilized conduct practiced Tuesday by antagonistic opponents of possible new state gun legislation.

Some of these people—who obviously believe lethal weapons should be readily accessible to everyone no matter what the intent of the would-be user might be—were utterly indifferent to evidence contrary to their opinion. These people were so ill-mannered that they chose to disgrace themselves and their cause by openly insulting Senator Thomas J. Dodd.

Senator Dodd, despite the enormous press of business in Washington, traveled to the State Capitol in Hartford to speak in favor of intelligent state laws which would restrict the sale of handguns, rifles, shotguns, and make mandatory the registration of all firearms.

Few men, if any, are as capable as Senator Dodd to speak on this subject. Since the assassination of President Kennedy five years ago he has studied all aspects of the sale of firearms and the misuse of these weapons. All the while he has fought virtually singlehandedly for passage by Congress of laws in line with the mood that prevails in America during the third quarter of the 20th century. It has been a losing struggle for Senator Dodd and the bullets have continued to ring out stealing the lives of Dr. Martin Luther King, Senator Robert F. Kennedy, and hundreds of lesser known Americans.

But Senator Dodd has persisted, feeling that someday the whole question would be assessed in its proper perspective.

He came to Connecticut and appeared at the public hearing to share his knowledge and register his opinion. As he diligently tried to pursue these objectives some members of the audience went to the extremes in discourtesy. They recklessly plunged into personal attacks on the Senator. These insulting remarks were not pertinent to the subject before the Legislature's interim Judiciary Committee.

Those who spoke in this manner showed no respect for a man with long years of service to his government, a man who is dedicated to preventing any further episodes of the violence that has shamed America.

The anti-gun law group had within it at this particular session an element which cannot be condoned, people so crass they do not respect the rights of others.

To try and find reason in unreason is hopeless. We shall not make that mistake today.

A WAVZ Editorial, Broadcast July 17-18, 1968

The organized sportsmen who descended on the legislative hearing in Hartford to block gun control legislation showed that they could do just what the National Rifle Association has been doing in Washington—create an impression of overwhelming objections to gun control legislation.

These tactics on a national level were successful for years in lulling Congress to inaction. However, independent surveys of the people around the country have shown in recent months that a majority want stricter regulations such as registration of guns.

The sports club members were rude to Senator Dodd, who has been a consistent advocate of gun control legislation. They were emotional and noisy, but we think they overreached themselves. This is not an issue to be decided on the basis of emotional outbursts. Between now and the next session of the Legislature, the Judiciary Committee members and the legislators generally are going to be spending a lot of time with the folks at home who elect them. We think they'll find that the majority of the people in Connecticut, as elsewhere in the country, want legislation requiring registration of guns with the local police. Chances of getting this from Congress are getting slimmer and we must look to the Legislature to work for a meaningful law in Connecticut.

Thank you for your attention.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The ACTING PRESIDENT pro tempore. Under the previous unanimous-consent agreement, the Chair lays before the Senate the unfinished business, which will be stated.

The Legislative Clerk. A bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. MANSFIELD. Mr. President, what is the pending question?

The ACTING PRESIDENT pro tempore. It is the motion to recommit the pending business, S. 3724, with instructions.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes.

DISTRICT OF COLUMBIA REVENUE ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1429, H.R. 16361. It has been cleared on both sides.

The PRESIDING OFFICER (Mr. Gore in the chair). The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 16361) to provide additional revenue for the District of Columbia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia, with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "District of Columbia Revenue Act of 1968".

TITLE I—FEDERAL PAYMENT AUTHORIZATION

Sec. 101. Section 1 of article VI of the District of Columbia Revenue Act of 1947 (D.C. Code, sec. 47-2501a) is amended (1) by striking out "June 30, 1968", and inserting in lieu thereof "June 30, 1969", and (2) by striking out $70,000,000" and inserting in lieu thereof "$98,000,000".

TITLE II—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

Sec. 201. Section 3 of title VI of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47-1567b(a)) is amended to read as follows:

"Sec. 3. Imposition and Rates of Tax.—In the case of a taxable year beginning after December 31, 1967, there is hereby imposed on the taxable income of every resident a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $1,000	2% of the taxable income.
Over $1,000 but not over $3,000.	$20 plus 3% of excess over $1,000.
Over $3,000 but not over $5,000.	$80 plus 4% of excess over $3,000.
Over $5,000 but not over $10,000.	$160 plus 5% of excess over $5,000.
Over $10,000	$410 plus 6% of excess over $10,000."

Sec. 202. (a) Section 2 of title VII of such Act (D.C. Code, sec. 47-1571a) is amended by striking out "5 per centum" and inserting in lieu "6 per centum".

(b) Section 3 of title VIII of such Act (D.C. Code, sec. 47-1574b) is amended by striking out "5 per centum" and inserting in lieu thereof "6 per centum".

Sec. 203. (a) Section 7(a)(4) of title XII of such Act (D.C. Code, sec. 47-1586f(a)(4)) is amended to read as follows:

"(4) Employers.—Every employer required to deduct and withhold tax under this article shall make a return of, and pay to the District, the tax required to be withheld under this article for such periods and at such times as the District of Columbia Council may prescribe."

(b) Section 1(b) of title XIII of such Act (D.C. Code, sec. 47-1589(b)) is amended to read as follows:

"(b) Failure To File Employer's Return.—In the case of any employer—

"(1) who pursuant to this article is required to withhold taxes on wages, make a return of such taxes, and pay to the District the taxes required to be withheld pursuant to this article, and

"(2) who fails to withhold such taxes, make such return, or pay to the District the taxes required to be withheld pursuant to this article,

there shall be imposed on such employer a civil penalty (in addition to any criminal penalty provided for in this article) of 5 per centum of the amount required to be shown as tax on such return if the failure is for not more than one month, with an additional 5 per centum for each additional month or fraction thereof during which such failure continues, not exceeding 25 per centum in the aggregate."

Sec. 204. (a) The repeal or amendment of any provision of the District of Columbia Income and Franchise Tax Act of 1947 shall not affect any act done or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause before such repeal or amendment; but all rights and liabilities under such Act shall continue, and may be enforced in the same manner and to the same extent, as if such repeal or amendment had not been made.

(b) All offenses committed, and all penalties incurred, under any provision of law hereby repealed or amended, may be prosecuted and punished in the same manner and with the same effect as if this title had not been enacted.

Sec. 205. The amendments made by sections 201 and 202 of this title shall be applicable to taxable years beginning after December 31, 1967. The amendments made by section 203 of this title shall take effect on the date of enactment of this Act.

TITLE III—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT AND THE DISTRICT OF COLUMBIA USE TAX ACT

Sec. 301. Section 107 of the District of Columbia Sales Tax Act (D.C. Code, sec. 47-2601, par. 7) is amended by striking out ": *Provided, however,* That the word 'food' shall not include spiritous or malt liquors and beer" and inserting after the period at the end of such section the following new sentence: "The word 'food' shall not include spiritous or malt liquors, beer, or wines."

Sec. 302. Subsection (a) of section 114 of the District of Columbia Sales Tax Act (D.C. Code, sec. 47-2601, par. 14(a)) is amended by adding at the end thereof the following new paragraph:

"(7)(A) The sale of or charges to subscribers for local telephone service. The inclusion of such sales and charges in the definition of the terms 'retail sale' and 'sale at retail' shall not authorize any tax to be imposed under this title on so much of any amount paid for the installation of any instrument, wire, pole, switchboard, apparatus, or equipment as is properly attributable to such installation.

"(B) The term 'local telephone service' means—

"(i) the access to a local telephone system, and the privilege of telephonic quality communication with substantially all persons having telephone or radio telephone stations constituting a part of such local telephone system, and

"(ii) any facility or service provided in connection with a service described in paragraph (i).

The term 'local telephone service' does not include any service which is a 'toll telephone service' or a 'private communication service' as defined in subparagraphs (C) and (D).

"(C) The term 'toll telephone service' means—

"(i) a telephonic quality communication for which (a) there is a toll charge which varies in amount with the distance and elapsed transmission time of each individual communication and (b) the charge is paid within the United States, and

"(ii) a service which entitles the subscriber, upon payment of a periodic charge (determined as a flat amount or upon the basis of total elapsed transmission time), to the privilege of an unlimited number of telephonic communications to or from all or a substantial portion of the persons having telephone or radio telephone stations in a specified area which is outside the local telephone system area in which the station provided with this service is located.

"(D) The term 'private communication service' means—

"(i) the communication service furnished to a subscriber which entitles the subscriber—

"(a) to exclusive or priority use of any communication channel or groups of channels, or

"(b) to the use of an intercommunication system for the subscriber's stations,

regardless of whether such channel, groups of channels, or intercommunication system may be connected through switching with a service described in subparagraph (B) or (C),

"(ii) switching capacity, extension lines and stations, or other associated services which are provided in connection with, and are necessary or unique to the use of, channels, or systems described in paragraph (i) of this subparagraph, and

"(iii) the channel mileage which connects a telephone station located outside a local telephone system area with a central office in such local telephone system,

except that such term does not include any communication service unless a separate charge is made for such service."

Sec. 303. Section 114(b)(2) of such Act (D.C. Code, sec. 47-2601, par. 14(b)(2)) is amended to read as follows:

"(2)(A) Sales of transportation and communication services other than sales of local telephone service.

"(B) Sales of local telephone service rendered by means of a coin-operated telephone available to the public; except that where such coin-operated telephone service is furnished for a guaranteed amount, the amounts paid under such guarantee plus any fixed monthly or other periodic charge shall be subject to the tax imposed on local telephone service by this title."

Sec. 304. Section 125 of such Act (D.C. Code, sec. 47-2602) is amended to read as follows:

Sec. 125. A tax is imposed upon all vendors for the privilege of selling at retail certain tangible personal property and for the privilege of selling certain selected services (defined as sales at retail in this title). The rate of such tax shall be 4 per centum of the vendor's gross receipts from the sale of such tangible personal property and services, except that the rate of tax with respect to sales or charges for any room or rooms, lodgings, or accommodations, furnished to transients by any hotel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients, shall be 5 per centum of the gross receipts from such sales or charges, and the rate of tax with respect to sales of food for human consumption off the premises where such food is sold shall be 1 per centum of the gross receipts from such sales."

Sec. 305. Section 201(b)(2) of the District of Columbia Use Tax Act (D.C. Code, sec. 47-2701, par. 1(b)(2)) is amended to read as follows:

"(2) Sales of transportation and communication services other than sales of local telephone service."

Sec. 306. The last sentence of section 212 of the District of Columbia Use Tax Act (D.C. Code, sec. 47-2702) is amended to read as follows: "The rate of the tax imposed by this section shall be 4 per centum of the sales price of the tangible personal property or services rendered or sold, except that the rate of tax with respect to sales of food for human consumption off the premises where such food is sold shall be 1 per centum of the sales price of such sales."

Sec. 307. The amendments made by this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act. The imposition of sales tax on local telephone service shall be applicable to the sales price or charge made by a vendor for local telephone service as stated on the bills rendered to the purchaser by the vendor on and after such effective date.

TITLE IV—AMENDMENTS TO DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

Sec. 401. (a) The first sentence of the second paragraph of section 7 of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25-107) is amended to read as follows: "The District of Columbia Council shall have authority to make rules and regulations for the issuance, transfer, and revocation of licenses; to facilitate and insure the collection of taxes; to govern the operation of the business of licensees, with full power and authority to prescribe the terms and conditions under which alcoholic beverages may be sold by each class of licensees; to forbid the issuance of licenses for manufacture, sale, or storage of alcoholic beverages in such localities in, and such sections and portions of, the District of Columbia as the Council may deem proper in the public interest to limit the number of licenses of each class to be issued in the District of Columbia and to limit the number of licenses of each class in any locality in, or sections or portions of, the District of Columbia as the Council may deem proper in the public interest; to forbid the issuance of licenses for businesses conducted on such premises as the Council, in the public interest, may deem inappropriate; to forbid the issuance of any class or classes of licenses for businesses established subsequent to the date of enactment of this Act near or around schools, colleges, universities, churches, or public institutions; to prescribe the hours during which alcoholic beverages may be sold; and to prohibit the sale of any or all alcoholic beverages on such days as the Council determines necessary in the public interest."

(b) The amendments made by this section shall take effect on the date of enactment of this Act.

Sec. 402. Section 14(a) of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25-115(a)), is amended—

(1) by striking out in paragraph 2 "a citizen of the United States,";

(2) by adding immediately after paragraph 2 the following new paragraph:

"3. That (A) each individual, each member of a partnership, and each principal officer of a corporation (other than a club), applying for a license, is a citizen of the United States, and (B) a majority of the principal officers of a club, applying for a license, are citizens of the United States."; and

(3) by redesignating paragraphs 3, 4, and 5 and all references thereto, as paragraphs 4, 5, and 6, respectively.

Mr. SPONG. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1448), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of this bill is to provide additional revenue needed to finance District government activities that are supported from the District of Columbia general fund, which includes the cost of police, fire protection, education, health, welfare, courts, trash, and refuse disposal, and various other general government functions. The bill amends existing law:

(1) To increase the annual Federal payment authorization (not appropriation) for the District of Columbia from $70 million to $98 million;

(2) To increase the individual income tax in the District of Columbia by amending the present rate and bracket structure;

(3) To increase the tax rate on the taxable income of corporations and unincorporated businesses operating in the District of Columbia from 5 percent to 6 percent;

(4) To increase the District of Columbia general sales and use tax from 3 percent to 4 percent;

(5) To remove the present exemption of local telephone service from the sales and use tax and apply the new 4 percent rate to such service;

(6) To amend the District of Columbia Alcoholic Beverage Control Act to eliminate the existing statutory prohibition against the sale on Sundays of alcoholic beverages, other than light wines and beer, and to authorize the District of Columbia Council to prohibit the sale of any such beverages on such days as the Council determines necessary in the public interest; and

(7) To amend the District of Columbia Alcoholic Beverage Control Act to permit the issuance of a license to noncommercial, nonprofit clubs if a majority of the principal officers of such a club are citizens of the United States.

INCREASES FOR FISCAL YEAR 1969

As shown in the following exhibit, proposed increases in District of Columbia operating expenses for fiscal year 1969 total $105.5 million. Of this amount, $57.2 million represents increases in fixed obligations over which the District has no control. For example, $34.5 million is needed to defray the cost of salary increases already provided by the Congress, or scheduled during fiscal year 1969. Salary legislation covering the Federal civil service covers District of Columbia classified employees as well, and will cost the District an additional $10,411,000 in fiscal year 1969. Pay increases recently granted District of Columbia policemen and firemen will cost $7,076,000, and increases for teachers and other school personnel will total an additional $12,800,000.

The remaining $22.6 million is required to meet other fixed and continuing expenses such as increased pension requirements, support of District residents at St. Elizabeths Hospital, and the District's obligations under programs such as medicaid.

Of the balance, some $42.1 million is requested to finance additional staff, increased workloads, and improvements in service; $6.2 million is being requested for new services.

DISTRICT OF COLUMBIA—ANALYSIS OF INCREASES FOR 1969—OPERATING EXPENSES

[In thousands of dollars]

1969 base	374,721
Increases: In document	80,573
Reserved for pay increases	25,026
	480,320

	In budget document	Pay actions	Total
Required:			
Wage board increases	3,403		3,403
Classified pay increases	5,261	5,150	10,411
Policemen and firemen salary increase		7,076	7,076
Teachers salary increase		12,800	12,800
Interns in residence	420		420
Nurses	345		345
Recreation Board (per diem)	128		128
Space rental	436		436
All other	22,199		22,199
Subtotal, required	32,192	25,026	57,218
Staffing	1,855		1,855
Workload	16,890		16,890
Improved services	23,390		23,390
New services	6,246		6,246
Total	80,573	25,026	105,599

ADDITIONAL POLICEMEN

Over and above the $8.6 million originally budgeted for public safety law enforcement, on May 27, 1968, the President asked the Congress to add—on an urgent basis—1,000 more police officers to the Metropolitan Police Department. In his communication of

July 3, 1968, the President stated that "When crime's lengthening shadow falls on the Nation's Capital, it touches not only the citizens who live and work here—it reaches out to every American." He noted the Federal Government's special and direct responsibility for the local Washington community.

Certainly, this committee concurs in the President's observations and shares his deep concern over the public safety problems that beset the District. The committee's strong support for the Metropolitan Police, and its long efforts to develop and enact effective local anticrime legislation are matters of record. The committee supports an increase in police manpower.

BALANCING THE GENERAL FUND BUDGET

The record before the committee shows that the District of Columbia requires an estimated $49.1 million in additional revenue in order to balance its general fund budget for fiscal year 1969. The table below shows the estimated revenue increases provided by H.R. 16361 as passed by the House and as amended by this committee.

REVENUE INCREASE PROVIDED BY H.R. 16361, AS AMENDED AND AS PASSED BY THE HOUSE

[In millions]

Item	Increased annual yield		Increased fiscal year 1969 yield	
	Senate	House	Senate	House
Title I:				
Federal payment authorization:				
Senate, $90,000,000	$28.0		$28.0	
House, $80.000,000		$10.0		$10.0
Title II:				
Increase in individual income tax:				
Senate	8.2		8 2	
House		8.2		8.2
Increase in corporation and unincorporated business tax from 5 to 6 percent:				
Senate	+2.9		2.9	
House		2.9		2.9
Title III:				
Increase general sales tax from 3 to 4 percent:				
Senate	13.9		10.4	
House		[1] 17.2		[1] 12.9
Remove exemption and apply 4 percent sales tax rate to local telephone service:				
Senate	1.4		1.1	
House		1.4		1.1
Totals	54.4	38.3	50.6	35.1

[1] House-passed bill imposed a 5-percent rate on restaurant meals and sales of alcoholic beverages. Senate bill applies the 4-percent rate.

The House-passed bill would authorize $35.1 million in additional revenue for fiscal year 1969, $14 million less than the District has requested. As indicated earlier in this report, H.R. 16361 makes no provision for the 1,000 additional policemen requested by the President and the District government.

COMMITTEE EVALUATION AND ACTION

As amended by this committee, H.R. 16361 authorizes revenue sources estimated to provide an additional $50.6 million in fiscal 1969, or $1.5 million above the District's estimate of its needs. The committee's action was preceded by a careful examination and evaluation of the District's revenue proposals, and results from the following conclusions:

First. The committee supports the President's recommendation that more policemen be added to the Metropolitan Police force. The crime rate in the Nation's Capital is intolerable. As stated earlier, the committee is impressed by the District's recent success in recruiting new officers, and hopes that the recruitment drive will be pressed even more vigorously. This effort is of the utmost importance and should not be impaired by any lack of authorized revenue sources.

Second. In the committee's judgment, allowance should be made to compensate for unforeseen reductions in revenue production, particularly in view of the adverse effects of the April riots. The record before the committee shows that the restaurant and hotel industries experienced serious losses of business during the spring, and the indications are that they have not yet regained their former strength. Other businesses have been similarly affected.

Third. Figures available to the committee show that in both fiscal years 1967 and 1968 revenue actually received by the District government fell below the budget estimates for those periods by more than $3 million.

Fourth. In the committee's view, the $98 million Federal payment authorization proposed by the amended bill—approximately 30 percent of local District tax revenues for fiscal year 1969—is a fair and equitable contribution to the general fund expenses of the District government.

TAX EXEMPTIONS FOR CERTAIN PRINTING AND FOOD SALES

The committee has deleted section 305 of the House-passed bill, which would exempt certain printing operations and certain food sales conducted by private concessionaires in the majority and minority rooms, and in the cloakrooms of the House of Representatives from District of Columbia sales and use taxes. The exemption for printing operations would be retroactive to January 1, 1961.

The Finance Office of the District of Columbia Government has determined that the House printing clerks are liable to the District for payment of sales taxes on sales of printing and for use taxes on equipment and supplies used or consumed by the clerks in their business. Information provided by the District indicates that the printing clerks conduct their activities, to a large extent, essentially as does a commercial printer and that they make specific charges for printing services and supplies. The committee is further advised by representatives of the Finance Office that a review of the activities of the printing clerks indicates that a substantial amount of work performed by the clerks is for persons other than Members of the House of Representatives.

The District Government is of the view, and the committee concurs, that the broad printers exemption proposed would permit tax exempt sales of such services to anyone, and would give the commercial printers in the House a competitive advantage over other printers in the District. In the committee's view, only sales by the printing clerks of materials and services to a Member of Congress for use in the performance of his official duties should be exempt from sales tax.

Regarding the proposal that a sales tax exemption be granted as to sales of food, beverages, and other goods made to any person for use in the operation of the majority and minority cloakrooms of the House, title 4, United States Code, section 105 (1958) provides in pertinent part as follows:

> "§ 105. State, and so forth, taxation affecting Federal areas; sales or use tax.
>
> "(a) No person shall be relieved from liability for payment of, collection of, or accounting for any sales or use tax levied by any State, or by any duly constituted taxing authority therein, having jurisdiction to levy such a tax, on the ground that the sale or use, with respect to which such tax is levied, occurred in whole or in part within a Federal area; and such State or taxing authority shall have full jurisdiction and power to levy and collect any such tax in any Federal area within such State to the same extent and with the same effect as though such area was not a Federal area."

As can readily be seen, this statutory provision grants the States the power to levy and collect taxes on sales and uses occurring wholly or partially within a Federal area. An analogous situation exists here as to the District of Columbia with respect to the activities carried on by the operators of the food and beverage stands in the two House cloakrooms. Thus, to relieve these operators from liability for District sales and use taxes would be inconsistent with a previous act of Congress authorizing such taxation by the States.

PROHIBITIONS ON EXPENDITURES

The committee has deleted title IV from H.R. 16361, as passed by the House. The provisions of section 401 relate to the expenditure of District funds for the education of elementary and secondary school children, and involve certain questions of policy which the committee believes are matters best left to the localities, in this case the District of Columbia government, to decide. The District government decision will, of course, be subject to review by the Appropriations Committees of the Congress respecting costs and proposed expenditures. Moreover, the committee believes that the limitations in section 401(2) of the House-passed bill would prevent the District's Department of Public Welfare and related local agencies from providing for the education of hundreds of foster children and other wards of the local government placed in homes and institutions outside the District of Columbia.

Section 402 of the House-passed bill, also deleted by the committee, is an extremely broad provision and would prohibit the use of funds appropriated for the District to furnish materials or services to "promote or further any demonstration undertaken for the purpose of influencing legislation or other governmental actions * * *". The breadth of the House provision is such that no clear assessment of its impact is possible. As the Nation's Capital, the District of Columbia is host to many and various individuals and organizations intent on petitioning the National Government. The committee is concerned that any such general prohibition would unduly restrict the District Government from providing necessary protective services and taking such emergency actions as may be required for the public health, safety, and welfare.

CONCLUSION

The committee has through the years consistently favored, and continues to favor, obtaining the major share of District of Columbia revenues from local taxation. It also recognizes, however, that the Federal Government has a special interest in and an inescapable responsibility for the welfare of the Nation's Capital. Revenues adequate to finance the all-important general fund can be met only through the combined efforts of the local taxpayers and the National Government.

The present bill looks to the taxpaying public of the District of Columbia for by far the major portion of general fund operating revenues. It is this committee's firm judgment that the $98 million Federal payment authorization contained in the amended bill—representing 30 percent of local tax revenue under the bill in fiscal year 1969—is a fair and reasonable contribution by the United States to the cost of maintaining and operating the Nation's Capital.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

Mr. SPONG. Mr. President, I wish to make a brief statement respecting the purposes and provisions of H.R. 16361.

The bill is a District of Columbia revenue measure, and also provides for certain changes in the District of Columbia Alcoholic Beverage Control Act.

The major purpose of the proposed legislation is to authorize additional revenue for the general fund of the District of Columbia government.

Title I of the bill, as amended by the

District Committee, increases the annual Federal payment authorization for the District from the present level of $70 to $98 million—an increase of $28 million.

Title II increases individual income taxes in the District of Columbia, and also increases the tax rate on corporations and unincorporated businesses doing business in the District.

Title III of the bill increases the general sales tax rate, and also applies the new rate to local telephone service.

Finally, title IV amends the District of Columbia Alcoholic Beverage Control Act in two respects:

First, present law prohibits the sale on Sunday in Washington of any alcoholic beverages other than light wines and beers. Title IV would remove this blanket proscription and authorize the District of Columbia City Council to determine the times alcoholic beverages may be sold.

Second, title IV amends the local Alcoholic Beverage Control Act to permit the District of Columbia Alcoholic Beverage Control Board to issue a license to a nonprofit club so long as a majority of the principal officers of the club are citizens of the United States. Current law permits issuance of the license only if all officers are U.S. citizens.

As I have said, Mr. President, the primary purpose of H.R. 16361 is to provide additional revenue for the District of Columbia government's general fund.

The bill has been urgently requested by the Mayor-Commissioner and the Chairman of the District of Columbia Council to overcome a $49 million gap between available general fund revenue and estimated general fund expenses in fiscal year 1969.

The record before the District Committee shows that local tax collections plus normal use of the District's existing loan authority and the presently authorized Federal payment of $70 million will provide only $501 million of the $550 million budgeted for general fund expenses during the current fiscal year.

The District of Columbia general fund is the basic source of operating funds for the District government. It supports the multiplicity of general governmental services required by the Nation's Capital. The major activities that must be financed by the fund include police and fire protection, the local courts, the public education system, health and welfare services, parks and recreation, and a host of other essential functions.

As amended and reported by the District Committee, this bill will close the present $49 million revenue gap by providing increased local tax revenue—taxes collected within the District of Columbia—by approximately $22.6 million in fiscal year 1969. The balance of the present deficit would be met through funds appropriated out of the $28 million increase in the annual Federal payment authorization provided by the amended bill.

FEDERAL PAYMENT

Title I of H.R. 16361, as amended, increases the annual Federal payment authorization for the District of Columbia government from a fixed amount of $70 million to a fixed amount of $98 million, an increase of $28 million. The House version of the bill raised the authorization to $80 million, an increase of $10 million.

In submitting their revenue requests to Congress early this year, the administration and the District of Columbia government again recommended the adoption of a formula approach in establishing the relative amounts to be provided by District taxpayers and the Federal Government to finance the general fund. The District requested approval of a statutory formula under which the authorized Federal payment for the current and future fiscal years would be established at an amount equal to 30 percent of local District tax revenues.

With respect to the present recommendation of a fixed-level Federal payment authorization, I wish to note that the District Committee and the Senate approved District revenue legislation in the 89th Congress (H.R. 11487) and in the first session of the 90th Congress (H.R. 8718), providing such a formula approach to the Federal payment. In both instances, the provision was changed in Senate-House conference in favor of a fixed-sum increase. Again this year, the House has considered, but not accepted, the formula concept.

I want to make it clear that the present recommendation of a fixed-sum Federal payment authorization is not to be viewed as an abandonment of the Senate District Committee's preference for the formula approach. Nothing has occurred to alter the committee's well-known views on the subject.

Action on the District of Columbia Appropriation Act for fiscal year 1969 has, however, been delayed pending the completion of action on this revenue bill. Because the bill has come on so late in the session, and recognizing the necessity for prompt action, the committee has elected not to press for a 30-percent formula at this time. It anticipates that further efforts toward that objective will be necessary in due course. The recommended $98 million Federal payment authorization approximates 30 percent of the local tax revenues anticipated by the District during fiscal year 1969. In the committee's judgment, this recommendation is reasonable and offers the best hope that adequate additional revenue will be made available to the District of Columbia for the current fiscal year.

TAX INCREASES

Income tax: In general, the tax increases in the amended bill have been recommended by the District of Columbia government.

Title II of the bill will provide an estimated $8.2 million in new revenue this fiscal year.

It provides a revised rate schedule for computing the individual income tax paid by District residents. The new tax rates would range from 2 percent on the first $1,000 of taxable income to 6 percent on all such income over $10,000.

The proposed income tax rate schedule is more progressive than the present scale.

It also compares favorably with the individual income tax scales in the neighboring jurisdictions of Virginia and Maryland. Virginia's maximum rate is 5 percent on incomes over $5,000. The maximum rate in Maryland is 5 percent on all taxable income over $3,000.

The schedule now proposed for the District uses five rate steps to reach its maximum rate of 6 percent.

Corporate and business tax: Title II of the bill also increases from 5 to 6 percent the franchise tax rate on corporations and unincorporated businesses doing business in the District of Columbia.

The committee understands that the proposed increase will generate some $2.9 million of additional revenue annually.

Sales taxes: Title III of the bill provides for an increase in the general sales tax rate in the District from 3 to 4 percent. This increase was also requested by the District government. It is expected to produce $7.9 million in additional revenue this fiscal year, and an additional $10.6 million on an annual basis.

The 4-percent tax would apply to all items and services now taxed at the present 3-percent rate, including restaurant meals and sales of alcoholic beverages.

Title III makes one other notable change in the District of Columbia Sales Tax Act. Local telephone service is now exempt from sales tax. This bill will eliminate the exemption and apply the new 4-percent tax rate to such service.

Both gas and electric utility services are already subject to sales tax in the District, and the committee feels there is little, if any, logic in not taxing local telephone service as well.

By way of comparison, Mr. President, in Maryland, the present sales tax rate is 3 percent. In Virginia, the combined State and local sales tax amounts to 4 percent.

In view of the District's need for additional revenue, the committee agrees with the District government that this sales tax increase is justified, and will not unduly affect the overall competitive position of the District vis a vis its neighboring jurisdictions.

Mr. President, title IV of H.R. 16361 amends the District of Columbia Alcoholic Beverage Control Act in two respects. Section 401 of the bill would eliminate the present statutory prohibition against the sale of alcoholic beverages on Sunday here in the District of Columbia.

In place of the blanket prohibition imposed by the present law, section 401 would vest the District of Columbia Council with full authority to prohibit the sale of any or all alcoholic beverage on such days as the Council determines necessary in the public interest.

Mr. President, the present law already vests the Council with substantial authority to make rules and regulations governing the sale of alcohol. The Council may establish regulations respecting the issuance, transfer, and revocation of licenses to sell such beverages. It may regulate the conduct of the business of licensees. It may prescribe rules governing the conduct of the business, including the terms and conditions under which such beverages may be sold. The Council may regulate the location of licenses, and limit the number of licensees. It may also prescribe the hours alcoholic beverages may be sold on Mondays through Saturdays.

Mr. President, the change made in the committee bill was requested by the Mayor-Commissioner and by the District of Columbia Council. It is strongly supported by the District's Alcoholic Beverage Control Board, by the Metropolitan Washington Board of Trade, the hotel and restaurant associations, and by the business community in general.

Mr. President, there are a number of reasons for such a change. The record before the committee leaves no doubt that Washington's restaurant and hotel industries are in serious trouble. The committee is advised that since the April riots in the District, restaurant business has suffered declines ranging from 35 percent to 75 percent. The Hotel Association of Washington, D.C., representing 42 District hotels, testified that its members' actual losses for April amounted to $2 million; for May $1½ million; for June $1,750,000, or a total for the 3-month period of $5,250,000.

According to the hotel industry, conventions tend to avoid weekends in Washington or even to go elsewhere because of the present Saturday shutdown at midnight. At the present time, there is a greater need than ever before to take steps to attract both conventions and visitors to the District. Increased tourism would also augment various revenues. In addition, extending hours for hotels and restaurants would be a desirable stimulus to employment, including not only skilled entertainers and chefs but many unskilled jobs.

Section 402 of the bill amends the District of Columbia Alcoholic Beverage Control Act to permit the issuance of a license to noncommercial, nonprofit clubs if a majority of the clubs' principal officers are U.S. citizens.

The act presently requires the Alcoholic Beverage Control Board, as a prerequisite to the issuance of a license under that act, to find, among other findings, that if an applicant for such license is a corporation, each of its principal officers is a citizen of the United States. The bill amends the act to permit the Board, in the case of an incorporated club, to find that a majority, rather than all, of the principal officers of the club are citizens of the United States.

The record before the committee shows that some of the clubs in the District of Columbia licensed under the authority of the act include among their membership persons who are not citizens of the United States. At present, no such person can be elected to one of the principal offices of any such club, regardless of the desires of the membership, without jeopardizing the club's license to sell alcoholic beverages.

Section 402 would allow such a club to elect, as one of its principal officers, a person who is not a citizen of the United States, without calling into question the authority of the Alcoholic Beverage Control Board to continue to license the club.

In closing my remarks, Mr. President, I invite attention to the fact that through the years the District Committee and Congress have recognized that the Federal Government has a special interest in and an inescapable responsibility for the Nation's Capital.

At the same time, the committee has consistently favored, and continues to favor, obtaining the major share of District of Columbia revenue from local taxation.

According to their ability to pay, the citizens of every community across the Nation are called upon to bear the expense of operating, maintaining, and improving their community facilities and providing essential services such as police and fire protection; modern and effective school systems; health, welfare, and recreation programs, and a host of other necessary services.

No less can be expected of District residents.

I believe the bill now before the Senate strikes a proper balance. It looks to local District of Columbia tax sources for the great bulk of the revenue needed to operate and improve this city.

Local taxes are being increased to meet these needs.

In addition to the nearly $23 million in new local taxes provided by this bill, the District government recently increased its real estate and personal property tax rates to raise another $4 million in the current fiscal year.

All together, local tax sources and borrowings will provide some $450 million, or about 80 percent, of the $550 million needed to finance the general fund budget this year.

Thus, the committee is satisfied that the first of its two standards is being met by this legislation.

The second standard—a Federal payment authorization that realistically faces up to Congress unique obligation—indeed its constitutional responsibility—for the welfare of the Nation's Capital City is also being met by this bill.

As the committee points out in its report, a $98 million Federal payment would represent approximately 30 percent of local District of Columbia tax revenue in fiscal year 1969, and would constitute a reasonable contribution to the high cost of operating the Capital City.

The United States owns 43 percent of the land area in Washington and some 42 percent of the total land value. All of this is, of course, nontaxable. In addition, another 7 percent is in other tax-exempt ownership.

This means that just about one-half of the District's real estate, and the improvements occupying it, is tax-free.

In effect, the Federal payment is a contribution in lieu of taxes, and it is the judgment of the District Committee that the proposed authorization is a fair and reasonable contribution.

Mr. President, I urge the passage of this bill.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 16361) was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SPONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPONG subsequently said: I move that the Senate insist on its amendments to H.R. 16361, request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Fong, Mr. Morse, and Mr. Morton conferees on the part of the Senate.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McINTYRE. Mr. President, I oppose the motion offered by the Senator from Utah to recommit this bill to the Committee on Banking and Currency.

It seems to me that there are only two valid reasons for voting to recommit a bill to a Senate committee.

The first is to consider new factual developments in the situation which gave rise to the need for the legislation. There are no new facts in the mutual fund industry.

Indeed, the picture of the mutual fund industry is one of dreary sameness. Every month, four and a half million shareholders have their equity reduced to cover the cost of management fees. Every month, thousands of salesmen knock on thousands of doors to introduce front end loaded contractual plans to unsuspecting potential purchasers. And every month, mutual fund managers draw higher and higher management fees resulting—not from more or better management effort on their part—but simply from the swelling assets of their funds. The factual situation has not changed at all.

So, clearly, new developments cannot be urged as a reason for voting to recommit.

There is, of course, a second reason which is sometimes offered in justification for recommittal. That is that additional study of the subject matter is needed.

Well, Mr. President, let the record be clear on this point. The issues raised by this bill have been under as much and as intensive and as capable study as those of any other subject to come before this body.

The distinguished chairman of my committee, the Senator from Alabama, will shortly discuss in detail the time and effort spent by our committee, the SEC, and other studying this matter. I simply want to make two points about this.

I am serving my second term in the Senate. In my very first year of service, the Banking and Currency Committee received the chapter of the report of the special study of securities markets on mutual funds. So these issues have been before the committee at least since the beginning of my Senate service.

Now, the special study was not the first time that the committee had this matter before it. The Wharton School report was commissioned in 1958. That is 10 years ago.

I would remind my colleagues that from the time of the adoption of the Articles of Confederation in 1781 to the ratification of the Federal Constitution in 1789 was only 8 years. How can Senators say that an amendment to the Investment Company Act which has been studied for more years than the Founding Fathers devoted to the Constitution has not yet received enough study?

The problems in the mutual fund industry are not going to be studied to death. Their solutions require legislation. Let us vote this bill up or down. I urge the defeat of the motion to recommit.

Mr. President, at this time I would like to clarify certain remarks made yesterday by the distinguished chairman of the committee, Senator SPARKMAN, concerning the judicial burden of proof which must be sustained by a plaintiff wishing to challenge mutual fund management fees.

Under section 36 of the Investment Company Act, the SEC must prove "gross abuse of trust" in order for it to enjoin any violations of that act.

The act is silent as to the burden of proof which a mutual fund shareholder must meet in order to challenge a management fee. However, due to the statutory requirement of unaffiliated director approval of the fee and shareholder ratification—provisions originally intended to protect the fund but which have had the opposite result—the courts have by judicial determination, set a standard of corporate waste or as one eminent jurist has stated, "excessively excessive."

This standard is clearly stated in the case of Saxe against Brady which is reprinted on page 23303 of Thursday's RECORD.

Finally, I would like to restate the fact that throughout history no shareholder has ever sustained this most difficult burden in a mutual fund case.

Mr. BENNETT. Mr. President, I have listened with interest to the comments of my colleague, and I think the item to which he averted at the end of his statement is ample reason for the recommital of this bill. Yesterday, we engaged in a rather heated discussion over an attempt to interpret the legal responsibility of shareholders who wish to sue the directors of a mutual fund in order to upset any of their decisions, particularly the contract for management fees.

Now, the Senator comes in to explain that at least part of the explanation given on his side was in error. Maybe the rest of it needs further review. We can continue the debate on the floor of the Senate citing one legal authority against another legal authority, but the whole heart of this problem is the responsibility of directors who make contracts for management fees and the extent to which and the conditions under which these actions can be legally challenged in the court.

We have had a partial retreat from the position on the other side, as was made perfectly clear yesterday, and I repeat it now. I am not a lawyer. Lawyers representing the interests of mutual funds have been studying the problem overnight because of the erroneous interpretations given here yesterday. I think one could find no better reason for referring this problem back to the committee than the reason that it is necessary to clear up this variation of judicial interpretation on which the heart of the debate rests over this particular section of the bill, which would turn over to the Securities and Exchange Commission and the court the power to set the fee to be paid for the management and the adviser of the fund. I think that we must take that reason into consideration.

There will be more debate throughout the day over the legal interpretation of this particular provision.

Mr. President, from the debate which has occurred on this bill it is readily apparent that there is one aspect of this bill which has implications so far reaching and so misunderstood that I must strongly urge that the bill be recommitted to committee for further study.

I am referring to the provision which would regulate the management fees paid by mutual funds.

First of all, it is apparent that the proponents of the bill are, themselves, confused as to what is the present applicable law and as to the changes which this bill would make. They have already admitted that in part. They have implied that there is something unique about the law applicable to mutual funds which protects the payments made by them. Yet, the body of law to which they refer is the same law applicable to all corporations. If the payment made has been approved by directors who have no interest in the payment and by the shareholders, then the judgment of the directors and the approval of the shareholders is not subject to review by the court or being set aside by the court unless the payment authorized is so excessive as to cause the court to feel that no reasonable man would have approved it. This is the doctrine which has been evolved by the courts so as to keep them out of the business of running corporations, to prevent their being in the business of simply substituting their judgment for the judgment of the corporations and shareholders whenever the judge finds that he disagrees. We are referring now to law applicable to all corporations, and not just mutual funds.

What we are being asked to do is make a congressional finding that the judgment of independent directors and the judgment of shareholders of a corporation is not to be trusted, nor to be allowed to govern the affairs of their corporations. If we are to accept this determination, if we are to make this finding, if we are to say as we are being asked to say, that the shareholders of mutual funds shall not be allowed to have their determination stand, then I ask when are we next going to be asked by the SEC to apply the same doctrine to all corporations and to make the same finding with respect to the shareholders of General Motors, Xerox, or of all corporations whose shares are listed on a national securities exchange and distributed in interstate commerce and, therefore, subject to the SEC.

Never before in the history of this country and with our economic structure has Congress taken such action.

The true nature of this bill as a price regulatory statute was made clear yesterday, perhaps inadvertently, when the chairman of the committee [Mr. SPARKMAN], suggested that there was nothing unusual about this bill, or this provision of the bill, because in the past, Congress has often required that prices be reasonable. He then referred to the Interstate Commerce Act, the Federal Power Act, and to the Federal Communications Act. All of these are, of course, acts authorizing agencies to regulate the prices of public utilities or enfranchised monopolies. In such corporations the power to set a price or even to agree on one is, indeed, taken away from the shareholders of the corporations. They are utilities and regulated monopolies. Now we are being asked for the first time to extend this principle to an industry which is not a utility, an industry where there is a fierce competition, and where persons who decide to take advantage of the service of the industry have a choice of several hundred mutual funds.

I think that the implications of the action we are being requested to take are great and severe. Moreover, the proponents of this bill have tried to gloss over the implication in the bill and to kid the Senate into believing that they are doing nothing that was not common. If we are to take action such as is being asked of us, then the issues should be faced squarely, and we should have time in the committee to carefully delve into and investigate this principle of price regulation of an industry that is not a public utility and not an enfranchised monopoly in light of the law applying to all corporations and the court decisions behind that law. We have not made a study of that kind and nothing we have done in committee justifies the extraordinary action being asked of the Senate.

I therefore recommend, Mr. President, that the bill be recommitted to the committee to study the questions raised on the floor of the Senate which were never raised in committee.

Mr. President, I now yield 10 minutes to the Senator from California [Mr. MURPHY].

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. MURPHY. Mr. President, yesterday, I engaged in colloquy with my distinguished colleague who supports the bill, as I have objection to it. Since that time, I have had correspondence with some of my constituents, who have a great deal more knowledge and interest in these matters than I. The Congressional Record does not make clear that the distinguished Senator from New Hampshire [Mr. McIntyre] was talking about Mr. John Hare who is chairman of the Investment Company Institute of the Anchor Corp., which sponsors Fundamental Investors, Inc.

The Senator was talking about—I am led to believe—an old case which began back in 1959 and 1960, known as Saxe against Brady; is that not correct?

Mr. McINTYRE. That is correct.

Mr. MURPHY. The important point the distinguished Senator did not mention is that in that case the judge decided that a one-half of 1 percent management fee was not unreasonable. Actually, Mr. Hare was the head of Fundamental Investors, Inc., at that time. Since he has been chief executive officer, management fees have been reduced to one-quarter of 1 percent on new investors' money coming into the fund, because of the fund's progress, size, expansion, and more efficient management.

In the Saxe case, the record actually shows that Mr. and Mrs. Saxe invested $1,652 in Fundamental Investors, Inc., in 1952. Returns on their investment, plus its value in 1961, came to $4,680.

The management fee attributable to their account of this remarkable result was $120 for continuous management for 9 years, plus other services.

The important point is that the Court refused to substitute its judgment for that of the shareholders who had ratified the management agreement. So it would seem that the performance of Mr. Hare actually was pretty good. I would say that the cost of the services to the shareholders was very small.

The SEC report on public policy implications on investment company growth, on which the present bill, S. 3724, is based, indicates that there were some 58 shareholder suits against mutual funds in the 1960's alleging excessive management fees, and that not one of the suits was decided against the mutual fund by the courts. Indeed, all but three were settled, and in the most important one, the case my distinguished colleague from New Hampshire selected, to show that unaffiliated directors do not protect against unreasonable fees, the court ruled that they had done their job and had done it properly. Indeed, the names of the directors of 425 registered mutual funds with the SEC are outstanding leaders in American industry, men whose integrity and judgment are known and respected in the business world.

The pending bill may encourage false charges and so-called strike suits against these men and, thereby, cause the shareholders needless expense.

More important than that, possibly, it would discourage these men from continuing to serve, discourage them from lending their knowledge, experience, and expertise in the management job with which they have been charged.

The Investment Company Institute, under the chairmanship of Mr. Hare, seems to be doing a good job of keeping the public informed on mutual fund matters and working with the SEC to improve investor protection as changing conditions might require.

Mr. President, the central issue, in this matter as I see it, is whether Congress shall abandon the basic principles of corporate democracy under which the investor can choose to buy or not to buy shares of any one of 425 mutual funds, or of some 25,000 companies whose shares are traded on national security exchanges, or over the counter.

Securities are not a necessity. No one is required to invest. We are not even required to invest in war bonds—although I have made it a practice over the past 30 years to buy them because I think it is a practice that should be commended and recommended.

Any shareholder who is not satisfied with management, or with the management compensation, can sell his shares back to the mutual fund at the net asset value, and does not even have to pay a brokerage fee in so doing. I do not know of any other instance where that is possible. It is almost like withdrawing money from the bank.

The present mutual fund law—the Investment Company Act of 1940—is, in my opinion, very stringent. Management fees must be approved each year by the shareholders or by the directors whom the shareholders elected. Each year there must be a shareholders' meeting with the proxy statement approved by the SEC, giving complete disclosure on every aspect of management fees, and every other matter such as sales agreements, custodian agreements, the names of directors, and similar information.

The management agreement terminates automatically when it is assigned, and can be terminated on 60 days' notice by either party.

There are serious criminal and civil penalties for violation of fiduciary duties by the directors. The SEC must approve a mutual fund prospectus before it becomes effective. Every piece of sales literature must also be approved and carefully scrutinized by the SEC.

The National Association of Security Dealers does the same thing. There is a double regulation by the SEC as well as by the industry itself.

Mr. BENNETT. Mr. President, will the Senator from California yield for just a moment.

Mr. MURPHY. I am happy to yield.

Mr. BENNETT. Mr. President, I must leave the floor briefly. At the end of the time allotted to the Senator from California, I should like to allot 10 minutes to the distinguished Senator from Illinois [Mr. Percy].

The PRESIDING OFFICER. The Senator's request will be recognized.

Mr. MURPHY. What then, does the SEC want?

It seems to me that the SEC wants to substitute its judgment for that of the shareholders—who own the mutual fund—in deciding what they should pay management.

Does the SEC next want to substitute its judgment for the shareholders of other corporations as to executive salaries?

I do not see that there is any great difference. I would think it might be a great temptation for further invasion by Government agencies, of which, in my humble judgment, we have already too much.

We have had a truth-in-securities law since 1933.

We have had a truth-in-mutual funds law since 1940. The Investment Company Act of 1940 took care of that.

The pending bill is not a full disclosure law. We have that. It is, rather, an interference with the right of an investor to decide for himself what directors and managers he wants for his company, and what he thinks they are worth as directors and managers.

There is keen competition among the 425 mutual funds for the confidence of investors, and keen competition among the mutual fund managers to produce growth and earnings.

Surely, an American investor who has money to invest is capable of deciding which fund, and the conditions of management of each fund, he would choose as the recipient of his investment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MURPHY. Mr. President, I ask unanimous consent to have 3 additional minutes.

The PRESIDING OFFICER. Does the Senator from Utah yield 3 minutes to the Senator from California?

Mr. PERCY. Mr. President, I am happy to yield some time to the Senator.

Mr. BENNETT. Mr. President, I yield 3 minutes to the Senator from California.

Mr. MURPHY. I thank my distinguished colleagues from Illinois and Utah.

First of all, I ask, Is there a need for the law? I believe more money is invested in mutual funds in the State of California than in any other State. As far as I can find out, a survey of the situation shows no one has been able to conclusively show so far that the fees are not reasonable. There have been no objections.

These fees are determined under the free enterprise system, or the profit system, or the incentive system—call it what you like—the free flow in the marketplace. That is where the proper balance, the ratio of fees to services, should be set.

That is the system that has made our Nation the most progressive, the most dynamic, the most productive in the history of the world; and I see no reason why we should start at this point changing one little piece of machinery, which will lead to the changing of another later on, and then a third piece.

I know there have been those who have never understood our system in this country, and some of those who lack an understanding have been in favor of changing it. So over the years we have seen a greater intrusion into the area that was once the business world's.

The entire system is now nicely divided between the private sector and the public sector. More and more we find public sector desiring to take charge of the private sector. I would point out that, without the success of the private sector, the public sector would find it very hard to continue, because I do not know where the funds for the continuance would come from.

So, Mr. President, I would like to say, first, I do not believe there is a need for this law; and, second, I am quite certain that this invasion is one that we would regret.

I would sincerely hope that those of my colleagues in the Senate who agree with this point would study this matter carefully and, finding no reason for the law, would agree with the Senator from Utah and join him in this effort to have the bill recommitted.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. MURPHY. I am glad to yield.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McINTYRE. Mr. President, I yield 2 minutes from my time.

The PRESIDING OFFICER. The Senator from New Hampshire yields 2 minutes.

Mr. McINTYRE. The Senator from California speaks in glowing terms of the free marketplace. I would like to inquire if he understands that in 1940, when the Investment Act was placed on the books, it contained section 22(d), which was actually put in by the Congress to protect what was then a fledgling, infant industry. So when the Senator speaks of the marketplace, does he appreciate and understand that section 22(d) is a price-fixing section of that act; that it says, in effect, that every underwriter can set the price on what his commission load, or sales commission, is going to be; and that the effect of this decision goes through the retailers and wholesalers? So salesman A or salesman B distributing the ABC mutual fund is prevented from competing in the free market? There is no permission to cut prices or bring this commission down to a lower rate. It is fixed by law.

Mr. MURPHY. Mr. President, will the Senator yield for a question in return?

Mr. McINTYRE. I would like to know if the Senator appreciates this section 22(d).

Mr. MURPHY. I do.

Mr. McINTYRE. But the Senator calls that a free market?

Mr. MURPHY. Oh, yes.

Mr. McINTYRE. Oh, the Senator does?

Mr. MURPHY. A certain amount of regulation is always necessary. There is regulation in practically everything we do, but this proposal would get into the area of actually fixing the fees. In some areas there is too much regulation. I think that a great majority of the people in this country would agree with that.

Mr. McINTYRE. Why would not the Senator be in favor, then, of deleting section 22(d), so the free forces of competition could apply?

Mr. MURPHY. My distinguished friend knows that is not sound logic. That is like saying, "Why don't you take two spark plugs out of an eight-cylinder car and let it run on six?" which is not sound. As a matter of fact, its very existence takes care of the condition that the bill allegedly hopes to take care of.

The PRESIDING OFFICER. The time of the Senator is expired.

Mr. McINTYRE. Mr. President, I yield 2 additional minutes.

Mr. BENNETT. Mr. President, I would think, if the other side is going to question the Senator from California——

Mr. McINTYRE. I am taking it out of my time.

Mr. BENNETT. Very well.

The PRESIDING OFFICER. The Senator from New Hampshire yields 2 additional minutes.

Mr. MURPHY. Mr. President, I would like to say I have had some experience in these matters—not to any great extent. Years ago I was a messenger on Wall Street. I got to be head runner in a brokerage house. So I got to know a lot of background. Knowing that much, I knew why the Securities and Exchange Commission came into existence. I knew all the circumstances intimately. There was wrongdoing. People were being fooled. Certain individuals were taking advantage of certain inside information. The price of stocks was moving over the weekend when the exchange was closed. I do not care to go into those details at this time, but I assure my colleague I have that information. I know exactly why. Fortunately, the Securities and Exchange Commission took care of it.

So far as we can find, there has been no reason or necessity for this kind of restriction to be placed on the transactions of mutual funds. In spite of rate fixing, they are allowed to compete with each other and there is still, to a great extent, a free flow of competition. It is that to which I referred.

I thank the Senator from New Hampshire for yielding me time.

Mr. McINTYRE. The reason I asked the question was that when the Senator speaks in glowing terms of the free market and when he talks about General Motors, the Senator is not talking about mutual funds, and I called attention to the fact that section 22(d) is in the law. That is my only point. That section enabled price fixing. That section was placed in the 1940 act to help the industry get off the ground.

I must say the industry has acted creditably. There is nothing in this report, there is nothing in the urgency I feel for the legislation, that does not take off its hat to the mutual fund industry. The gentlemen who were in this body before us in 1940 said this section was necessary to help that infant industry, which at that time was a $400 million industry. In 1958 the SEC commissioned a complete surveillance of the industry. What we are proposing today is an SEC recommendation. That is an efficient agency, and one of the most highly respected ones. We are coming in here with what we think is a corrective proposal to protect the industry, even though the industry opposes it.

Mr. PERCY. Mr. President, I was pleased to hear the Senator from New Hampshire indicate that he is not attacking the mutual fund industry. I think that is a wise judgment on his part. This certainly has been one of the truly great industries that has grown up in this country. It has filled a tremendous need. It is acclaimed by everyone concerned.

In fact, during the course of the hearings, I heard no criticism come from any of the 11 million people in Illinois, hundreds of thousands of whom have been sophisticated investors in this industry, or any credence of any kind put in the allegations or charges that now, because of success, because the American people have responded, we had better get in on the act and regulate the industry.

Why do we have to do this? What is the cause for suddenly moving in now and saying that we have to regulate this industry?

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. PERCY. I will yield on the Senator's time. My time is very short.

Mr. McINTYRE. We have plenty of time. The Senator may yield on my time.

Does the Senator from Illinois, as he extolls this industry for what it does represent in the American dream, have any misgivings about the so-called contractual or front-end load programs that are being sold throughout the country? Does the Senator have any misgivings about that sort of plan as part of the mutual fund industry?

Mr. PERCY. The investor is perfectly free to purchase that type or some other type of fund. He has an absolute freedom of choice within this industry. He is free to go into many different types of mutual funds.

Mr. McINTYRE. The Senator would not classify the front-end load contractural plan as an inferior type of investment, would he?

Mr. PERCY. This particular type of fund is not legal in Illinois.

Mr. McINTYRE. The Senator has not answered my question. Would the Senator classify the front-end load contractual plan as an inferior type investment, as part of the mutual fund industry?

Mr. PERCY. I would say that an investor has a free choice. I might or might not make such a choice myself—but that is beside the point. If an investor feels that it is inferior, he does not have to buy it. There is full disclosure required. Under a free market system, we leave it to the investor to evaluate the facts for himself.

Mr. McINTYRE. The State of Illinois has already said that it is illegal there.

Mr. PERCY. The Senator is correct. And other States can make this kind of investment illegal too. However, I see no reason for the Federal Government to interfere in this particular area. There are adequate State regulations that could be interjected.

The industry has provided a response to a tremendous need. It has given millions of people who otherwise would not have sophisticated advice available to them an opportunity to have the best possible management of their portfolio. It has enabled the American people to invest in a growing economy. It has given them the best hedge they could possibly have against inflation. And the "people's capitalism" and the mutual investment funds have taken away some of the hysteria we had in 1928 and 1929 when stock market tips were received from bootblacks and elevator operators.

It has given the small investor a chance to go in and have the best possible management of his portfolio.

It has meant a profitable investment opportunity for the small college and churches and other institutions who now have available the expertise of portfolio management.

The success and acceptability of mutual funds is demonstrated in a sense by the total lack of any public condemnation.

In this industry when we have a reasonably sophisticated consumer who seems perfectly satisfied with the opportunities available to him in the free market, there is no need for regulation.

Therefore, one would expect that if the mutual fund industry were to be changed, there would be a strong evidence of gross abuse or something that approaches the record compiled during the course of development of the Securities and Exchange Act of 1940. But there is simply no demonstration of abuse that has been given. To me, that would appear reasonable and prudent to show evidence of first before we move in.

Unbelievably, there has been no equivalent study of the effects of the legislation as was carried on prior to the legislation of 1940.

Even if such a record were developed, I doubt if there would be warrant to impose this new concept of regulation on mutual fund industry.

The grant to the Securities and Exchange Commission of the ultimate power to regulate sales costs is simply unnecessary. And it is extremely unwise in its precedent for other industries such as insurance, real estate, and others. Why should we not then regulate insurance, real estate, and other types of investments or industries we might next be asked to move on? Why should we treat the mutual fund industry as a public utility?

The shift in the market regulation of management fees to a deceptively simple court-administered standard of reasonableness is directly contrary to our tradition of corporate democracy and shareholder participation.

I have been amazed that the pending bill is called consumer legislation. I doubt that the consumer wants it or needs it.

The bill goes beyond the traditional concepts of consumer legislation. It abandons the protection afforded the shareholder by the corporate form of business operation and substitutes the judgment of a Government regulatory operation—and Congress for regulation by open competition in the marketplace.

There has been no determination that the pending legislation will actually help the consumer. In its injury to the industry, it may be detrimental to him. I agree with those who feel the industry and the Securities and Exchange Commission should be given the opportunity to negotiate on an equal footing, and Congress should then formulate legislation based on those negotiations plus the results of a study of the impact of all institutional investors on the market.

Mr. President, I support the motion to recommit because I am convinced the evidence shows clearly that this bill could cause a large amount of damage to an industry and its investors which, based on its performance over a long period of time, it ill deserves, and because there is no evidence that the public interest would be served by its passage.

The most onerous section of the bill deals with giving the SEC power to substitute its judgment as to what a proper management fee should be for that of the board of directors and the shareholders after full disclosure has been made. If the Senate chooses to take this step it will be breaking new ground in a whole field of corporate law based on nothing more than the desire of the SEC and its staff to gain power over the business decisions of the mutual fund industry. There is no public outcry. There is no scandal. There are no cases cited of little people losing their investment. There are no instances of misleading or erroneous information being given to the shareholders.

The facts are exactly the opposite. Millions of Americans have expressed their confidence in this industry and its management by investing their hard-earned dollars in mutual funds. This is the best way they can diversify their investment and at the lowest cost. The American investor, large and small, is a canny and careful soul who has the capacity to make his own decision provided he is not given false or inadequate information.

Let us examine what the situation is under existing law. Presently the management fee must be fully disclosed in the fund's prospectus and three times annually thereafter, in the annual and semiannual audited reports of the investment company and in the proxy statement for its annual meeting. Certainly the prudent investor knows how much the management fee is before he buys a single share of a mutual fund if he cares to and gets up-dated information constantly after he becomes a shareholder.

Another significant fact to consider is that without legislation such as we are now considering, most of the large funds have voluntarily and progressively reduced their advisory fees over the years so that the average fee in these funds is now 0.37 percent instead of the 0.50 percent it used to be—a tremendous decrease in cost.

Another important point is that despite allegations of the SEC and the distinguished Senator from New Hampshire, to the contrary, the unaffiliated directors, that is those having no connection of any kind with the investment adviser, have exclusive control over the negotiation of the management contract. Where is the evidence that these people are incompetent, or corrupt, or derelict in their duty so as to require that the SEC substitute its judgment for theirs? I have not seen or heard it.

In my experience, I simply cannot testify to the fact that the judgment of the courts, or the people in the Security and Exchange Commission would be any better or even as good as that of the financial and business judgment of nonaffiliated mutual fund directors. Throughout the country they have been acclaimed for serving the public interest. Certainly there is no testimony to the contrary, that their desire to serve the public will is any less ardent than that of those who are now being asked to take over the regulation of the industry.

We must not forget that the mutual fund industry provides a service to the small investor which is unique and that mutual fund shareholders, despite the hue and cry we have heard from a government agency, pay less—usually much less—for the fund's investment management than they would normally pay for investment advice from bonds or private investment counselors, if indeed it is available at any price to the small investor.

May I at this time comment on the term "reasonable" as used in the bill before us? How can one argue with the word "reasonable?" It sounds so reasonable. But this section is really unreasonable because it gives the power to the SEC to set fees in accordance with its judgment of what is reasonable instead of leaving that to the normal democratic business procedure of leaving this up to the unaffiliated directors and the shareholders or customers. Merely by threatening litigation, the SEC will be able to impose its will whether its own position were reasonable or not. And if it did not bring suit, the "strike suit lawyer" might. How could any director exercise his corporate responsibility under such circumstances?

In conclusion, Mr. President, I urge all the Members of this body to join me in supporting the motion to recommit because this legislation completely abandons Congress' traditional position of protecting the investor by requiring full and honest disclosure of all pertinent information and substitutes instead the concept of Government control of business decisions.

Mr. McINTYRE. Mr. President, will the Senator yield to me on my time?

Mr. PERCY. I have no time remaining. I will be glad to yield to the Senator on his time.

Mr. McINTYRE. The distinguished Senator from Illinois was present during a good part of the committee hearings. Was he not impressed with the growth of this industry from somewhere in the vicinity of $400 million in 1941 to $45 billion in a span of 27 or 28 years?

Mr. PERCY. I was very much impressed; and I take this as strong evidence that the industry is serving a great need, has been well received by millions of investors, and is overwhelmingly endorsed by the leadership of the financial community of America.

Mr. McINTYRE. As we turned our attention to the question of management fees, was it not true that we found that at the beginning it was one-half of 1 percent of the gross assets; that that was really the criterion upon which the fees were based?

Mr. PERCY. That is true; but the fee has been steadily reduced as the industry has grown, even though the amount of money devoted to research and analysis by the companies has steadily increased.

Mr. McINTYRE. One-half of 1 percent was the criterion when the industry began in 1940. Did not the testimony show that as the assets increased, the expenses of research also increased?

Mr. PERCY. Yes; expenses have increased tremendously. Despite this, all but two of the top 25 funds have lowered their fees in recent years, and have done so voluntarily, without any requirement by the SEC or by Congress. It is competition and a sense of fairness that has caused them to bring their fees down.

Mr. McINTYRE. As we examined the tables, we saw the growth of assets boom to $45 billion. Would not the Senator from Illinois, as an industralist of high reputation, agree that expenses for research have not kept pace, as compared with the growth of assests of mutual funds?

Mr. PERCY. I think that varies by companies. This is the reason why, in my judgment, it is impossible to come up with a definition of "reasonable fee." One company may increase its investment in research tremendously; another may increase its investment in sales expenses to provide a broader market that further benefits the customer.

It is difficult to say which of these methods is right. The customer judges a company by the end result. If at the same time the fee has gone down from one-half of 1 percent to .37 percent, and an investor has improved his position through retained dividends by 10 percent, this management fee cost is insignificant, when we consider the benefits and the service that he has available always, at any instant he can make liquid the assets he holds. Would a fee of .001 percent be "reasonable" for a fund if the purchaser has lost money ever since he entered the fund?

Mr. McINTYRE. Did not the testimony at the hearings clearly show that although assets boomed, expenses increased, but nowhere nearly at the same ratio? I ask the Senator, an industrialist who had a firm of great magnitude under his control: Has he not had to increase sales expenses to increase profits?

Mr. PERCY. Many times in the course of my 28 years experience in business, I might well have increased my companies sales by a disproportionate increase in expenses. But we still could have lost money. In fact, the whole history of the mutual fund industry indicates that generally the adviser loses money during the early period. Virtually none of the firms was able to break even for a long period of time at their inception, because of the necessity of plowing in a great deal more money than they were able to take out early in the game.

Mr. McINTYRE. Has not the testimony we heard at the hearings caused a majority of the committee to support the proposals in the bill?

Mr. PERCY. Yes; but that does not necessarily make them right. My own judgment tells me that this is the most outrageous thing we could try to do. We would set a precedent for the Government, with all the other problems we have in this country, to tie up our courts, to have men who have been raised to the bench suddenly impose their judgment upon the business judgment of some of the finest people in the financial world, who have spent their lifetime trying to determine fairness and equity and to stimulate growth in an industry fulfilling a great need. Because their efforts have been so successful, suddenly the Government seeks to move in and begin to regulate the mutual fund industry.

We have all seen the Government move into the agricultural field. For 30 years or more the Government has been trying to regulate and control agriculture, and agriculture now yields the smallest return on investment of any major industry in the country.

What are we seeking to do? Provide the same benefits for the mutual fund industry as we have provided for agriculture for 30 years? The Government cannot successfully regulate and control even seven basic crops; yet it proposes to move in and regulate the complicated price structure of the mutual fund industry, far more effectively controlled by the forces of the free market.

What is a reasonable fee for a mutual fund that appreciates 10 percent a year for its stockholders? What is a reasonable fee for a mutual fund that increases or accelerates an investment return of 20 percent, even though the cost may be lower for the second investment than for the first? Is this a cost-plus-fixed-fee arrangement? Or do we judge by end results? If so, should the insurance industry be regulated in the same way?

Mr. McINTYRE. I am perfectly willing to have the Senator from Illinois, on my time, be rather unresponsive to my question. All I am trying to indicate is that the Senator heard the testimony, and we apparently disagree as to its meaning. The mutual fund industry made a one-half of 1 percent of gross assets charge in 1940; yet we stand here today, give or take 6 months, and find that the industry has a sales charge, despite the great increase in assets, of .48 percent on gross assets.

Mr. PERCY. To the best of my knowledge, it is a .37 percent, which is a tremendous 26-percent decrease in cost.

Mr. McINTYRE. The information I have from all our reports is that it is .48 percent, as an average. I am merely attempting to establish that no one is trying to whip the industry; no one is trying to say that unaffiliated directors are criminals, or derelict in their duties, or anything else. What we are trying to do is to show, as the SEC has told us, namely, that from their investigation, plus the committee hearings, the industry is beginning to show signs of a need for correction. When we talk about free enterprise, as the Senator from California [Mr. MURPHY] has, we forget that section 22(d) is in the bill to protect the industry.

I would merely say, in answer to the statement about reasonableness, that as a law student and as a practitioner in my small State of New Hampshire, which I love so much, I found replete in the law that the standard of reasonableness is included in all the tests. But the Senator from Illinois suddenly becomes worried about whether courts can determine reasonableness. I say that the courts have been determining reasonableness. almost from time immemorial.

Mr. PERCY. I cannot cite any precedent in which the courts have set the rates charged by an entire industry that is not a public utility. Why not set the rates charged by insurance companies or real estate brokers or mail-order houses that use the mails? Why not say that as insurance coverage increases, profit margins should decrease?

Does not the Senator from New Hampshire think that as private industrial sales increase in New Hampshire, by his reasoning, earnings should decrease? It is like saying that because a company is doing four times as much business today as it was in 1940, the percentage of return on sales should be one-fourth what it is today. How are we going to know?

How much lack of confidence can we express in the way this great system operates in the marketplace?

Mr. McINTYRE. The distinguished Senator from Illinois continues to talk about private industry. I do not consider a mutual fund dealing in securities or shares as a private industry in the same way in which we think of private industry in New Hampshire.

Mr. PERCY. Would my colleague have us regulate sales commissions, profits, overhead expenses, or whatever they may be, of the insurance industry which is State regulated?

Mr. McINTYRE. I think that to a certain extent they are fixed by insurance commissioners.

Mr. PERCY. Should we conduct hearings into the real estate industry? What will be the next industry we shall try to regulate? Millions of people are satisfied with the mutual fund industry. I have not received a single letter from a stockholder in a mutual fund saying, "I hope you will move in and regulate them; I am dissatisfied." Almost uniformly, they say they have been treated very well by the mutual fund industry and are very happy.

What public interest are we protecting? If people are satisfied, what is the need for control? I say there is no need for it.

Mr. McINTYRE. Does the distinguished Senator from Illinois believe that before this body acts, we must have complaints rushing in from Illinois and telegrams streaming in from New Hampshire? Do we not have some sort of duty, some sort of obligation, to look forward, as the majority of the committee is doing in respect to this bill? Please do not give the impression to the Members of the Senate that this is something we thought up last month. This matter has been under study for 8 or 10 years. So far as the public interest is concerned, that is our purpose in this bill.

Mr. PERCY. But has not the parallel been made with the 1940 Securities and Exchange Commission Act; that we regulated then, we moved in, and now we must move in again? There has not been a situation exposed comparable with that of 1940. Of course we do not base our actions on our mail. But if conditions in the industry are as unwholesome as they are painted by the proponents of this legislation, I should think I would have received at least a letter or two.

Mr. McINTYRE. I shall have to end the colloquy at this point, or I will use up all my time.

For the RECORD, Mr. President, I should like to indicate that on page 98 of the report of the Securities and Exchange Commission on the Implications of Investment Company Growth is a chart which indicates that the median advisory fee rates of externally managed mutual funds is .48.

Mr. PERCY. Mr. President, just so

that the Record will be clear on the discrepancy between my figures and those used by the Senator from New Hampshire, the .37-percent figure which I use is a weighted mean rather than the median used by the Senator. The median is the fee charged by the fund halfway in a listing of funds in order of magnitude of the fee percentage. Because there are many smaller firms and we are primarily dealing here with a proposed reduction as the fund increases in size, I feel that the weighted mean is a far more representative average than the median point.

The PRESIDING OFFICER (Mr. Hollings in the chair). Who yields time?

Mr. McINTYRE. Mr. President, does the Senator from Massachusetts [Mr. Brooke] desire some time?

Mr. BROOKE. My understanding is that the distinguished Senator from Alabama was to speak next and that I would follow.

Mr. McINTYRE. No.

Mr. BROOKE. I will speak on Senator Bennett's time.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. BROOKE. I yield myself as much of Senator Bennett's time as I may require.

Mr. McINTYRE. The Senator from Massachusetts will speak on Senator Bennett's time?

Mr. BROOKE. Yes.

Yesterday, the Senator from New Jersey [Mr. Case] made the point that if the state of affairs in the investment company industry was as grim as described by Senator McIntyre, the courts would find a remedy for shareholders through longstanding common law doctrines. I am advised that Senator Case was quite correct in his analysis. If the independent directors of the mutual funds are in fact dominated and controlled by the investment adviser, there is abundant precedent for granting relief to the shareholders from unreasonable management fees.

State corporate law has long recognized that if so-called independent directors are dominated and controlled by the other party to a contract, then the burden of proving that the terms of the contract were fair and reasonable are on the defendants in an action brought by a dissenting shareholder. In such cases, the doctrine of "waste" of corporate assets has no applicability whatsoever. These principles are brought out more fully in the joint legal opinion of Sullivan & Cromwell and Gaston, Snow, Motley & Holt, at pages 324 to 327 of the printed record of hearings, dealing with standards applied by courts to advisory fees and the remedies of mutual fund shareholders.

Furthermore, not only are these remedies under the general corporate law of the States quite clear, but also, there are specific provisions in the Investment Company Act of 1940 for a proceeding before the SEC itself to determine whether directors are dominated or controlled. Section 2(a)(9) of the act provides:

> A natural person shall be presumed not to be a controlled person . . . Any such presumption may be rebutted by evidence . . . [but] shall continue until a determination to the contrary [is] made by the Commission . . .

The section goes on to provide that such a proceeding can be instituted by any interested party, which includes a shareholder, or by the Commission on its own motion.

The legal consequences of a determination by the Commission under section 2(a)(9) that the unaffiliated directors of a mutual fund are in fact controlled by the investment adviser would invalidate the advisory contract where approval by the directors is the basis for the assertion that an advisory fee is reasonable. This is so because the approval of such a fee by directors which is required by section 15 of the act must include approval by a majority of the directors who are not affiliated persons of the investment adviser, and under section 2(a)(3) of the act a director who is controlled by the investment adviser is an affiliated person of the investment adviser.

Thus, shareholders, or the SEC itself can, in an SEC proceeding achieve all the relief necessary if the independent directors are subservient to or dominated by the investment adviser. The fact that the SEC has not—as the law allows it to, on its own motion—commenced such proceedings, proves that the issue of domination and control is a false one and has been injected into the debate on this bill as a red herring to mask the true nature of the management fee section—which is nothing more than thinly disguised rate regulation.

If it is claimed—and I have heard no such claim—that the route under section 2(a)(9) which I have just outlined is inadequate, where are the cases brought under such section in which the SEC has failed to obtain necessary relief? Such cases might provide the basis for further legislation. There are no such cases, because the SEC has never brought any.

Since I do not believe that the SEC has failed in its job for the last 28 years, there is only one other explanation—namely, that it must be presumed that the SEC had no evidence that mutual fund directors are dominated or controlled. This in itself is a powerful reason why the traditional concepts of corporate democracy should not be abandoned in favor of coercive control of corporate affairs by Government—in business enterprises which are not monopolies or public utilities.

I believe one other point might be made. The doctrine of waste which so concerns the SEC is not something written into State or Federal statutes. It is judge-made law and is merely one of many judicially created doctrines which can apply to a particular case. If the situation in the industry is as outrageous as a few have claimed why has not a single judge in the 50 or so management fee cases fashioned an appropriate remedy?

This background is also necessary to approach the questions which Senator Javits propounded yesterday. The amendment which Senator Bennett has offered provides that if the fees are approved by a unanimous vote of all of the independent directors and also by two-thirds of the outstanding voting shares of the investment company, then under the amendment such fees may not be challenged as unreasonable for purposes of section 8(d) of the bill. Under section 10 of the Investment Company Act, at least 40 percent of the investment company's directors must be independent of the investment adviser and a majority must be independent of the principal underwriter.

This amendment must be viewed against the present law both on the State level and the additional rights which are already contained in the Investment Company Act of 1940. Shareholders will continue to retain their rights under State law and those which I have described as already included in the Investment Company Act.

In the context of present law the amendment merely provides a reasonable limitation on section 8(d) of the bill which provides an additional extraordinary remedy to those which already exist. Such a limitation is necessary because the section grants the unprecedented right to the SEC or a judge to substitute their business judgment for that of shareholders and directors even when two-thirds of the shareholders and 100 percent of the independent directors have approved the contract.

Even with the amendment of the Senator from Utah the section would make inroads on established concepts of corporate democracy. However, it would keep the hands of the Government and a court off any situation where State law is complied with and independent directors and two-thirds of the shareholders, acting on the basis of proxy material which is already subject to SEC jurisdiction, have decided that a management fee is reasonable.

My answer, therefore, to the first question of the Senator from New York [Mr. Javits] is in the negative, but it is important to realize that it is both unnecessary and unwise to open a contract to SEC and judicial revision where directors have acted honestly and independently and where two-thirds of the shareholders, acting on honest information, have approved a management fee contract. As I have pointed out, in cases where directors are dominated or controlled or where false or misleading information has been the basis of shareholder approval the contract is not insulated from judicial review and the court may find fees that are unreasonable.

My answer to the second question of the Senator from New York [Mr. Javits] follows from my answer to the first and is also in the negative. A suit allowable under the amendment would not be confined to a determination of whether there was approval by a required number of directors or shareholders. Either the SEC or a shareholder would have the right to prove that a director was controlled or that the vote of shareholders was improperly procured, with the result that the amendment did not apply. A dissenting shareholder can, therefore, go behind the vote of directors and his fellow shareholders.

My answer to the third question of the Senator from New York [Mr. Javits] is in the affirmative. The shareholder and the SEC has ample remedy against misfeasance or malfeasance by directors.

The amendment is merely a limitation on an extraordinary remedy directing the SEC and the courts to act as a kind of "superdirector," and giving them authority to overrule an honest decision on which reasonable men might differ.

In this connection, I must point out that under section 36 of the Investment Company Act of 1940, the SEC may bring action in Federal court to remove a director from office for "gross misconduct or gross abuse of trust." I might also correct a statement made yesterday, in reply to comments by the Senator from New Jersey [Mr. CASE] that section 36 dealing with gross abuse of trust or gross misconduct limits shareholders actions against directors. The first seven words of section 36 of the Investment Company Act read as follows:

> The Commission is authorized to bring action. . . .

This section is directed to actions by the SEC, not shareholders, and Senator CASE was correct in his statement that section 36 does not limit shareholder rights otherwise existing under law. In any event, section 20 of the bill we are considering modifies the gross abuse standard of section 36, so that an action may be brought by the SEC in cases of "breach of fiduciary duty involving personal misconduct." This modification was unanimously agreed to by the committee and would provide a further check, to the extent that any may be needed, on irresponsible actions by directors and it would certainly provide another statutory remedy against directorial malfeasance or misfeasance.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator from Utah yield?

Mr. BENNETT. I yield.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 10 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

Mr. BENNETT. Mr. President, I yield 10 minutes to the minority leader, the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, I had not intended to speak particularly in connection with this measure, but there are some observations that have occurred to me with reference to it.

The Senate already has authorized a rather sweeping investigation to be made by the Securities and Exchange Commission of institutional financing, and they are expected to make a report before September of 1969. It would occur to me that before we undertake to enact a sweeping measure of this kind we should have the benefit of that study and we should have the benefit of that report.

After all, we are dealing here with a $48 billion industry, and as I recall, there are something in excess of 400 different mutual fund operations in this country today. The industry has enjoyed a rather healthy and successful growth ever since the Investment Company Act was passed in 1940. There is an experience record now of virtually 28 years. I think, in the main, they have done quite well. These funds have been rather prudently managed and they have been successful; and, of course, they give the small investor a chance to get into the American market and enjoy the benefit of the growth of our economy. This is one way he can do it.

There have been no scandals, certainly no major scandals, no abuses, and no great widespread public interest or demand for legislation. If there has been, I have not seen it. I have not seen it reflected in the mails or by telephone calls, or from any other source that I know.

If there are these abuses and if there are these dangers the SEC has complete and full authority to require absolute and total disclosure of every detail with respect to the industry. So they do not need this measure, because actually it is something of a reform measure.

But I think we should pause for a moment and think what its disruptive impact could be on the security markets of the country and the mutual fund industry itself.

Here is another aspect of the matter. Certainly, the House of Representatives is going to do nothing about it. They made July 9 the cut-off date for legislation. We can go through the motions here, but that is as far as it will go. That is something that should be taken into consideration in connection with a bill of this dimension and importance in the waning hours of the session.

I, for one, believe the measure should go back to the committee because there is not that much urgency and haste about it in view of the authority that the Security and Exchange Commission has and exercises today.

There is one other aspect about it that I should mention. Mr. President, if you undertake to give the SEC authority to regulate the fees, as is proposed in this measure, what you are in a sense doing is making the mutual fund industry a public utility subject to Federal regulation. This industry is not comparable to a public utility. When you deal with a utility you deal with a monopoly, for one thing, which operates under a charter and which is given the exclusive right to purvey a public service to a given area. That is not the case here. This is a competitive industry operating in every corner of the country, one competing with another; and as a result we would be taking the first step in converting it into a kind of public utility, and I do not believe it ought to be done. That is just another aspect of the matter that deserves consideration.

Mr. President, for these reasons, and I think all of them are quite persuasive, I do believe this bill should go back to the committee, and it can be considered in the next Congress when we get around to it. Then, we will have the benefit, surely, of the study we have authorized the SEC to make.

I, therefore, urgently hope that the bill will go back to committee.

Mr. BENNETT. Mr. President, how much time do the opponents have remaining?

The PRESIDING OFFICER. The Senator from Utah has 9 minutes remaining.

Mr. BENNETT. I reserve the remainder of my time for the time being.

The PRESIDING OFFICER. Who yields time?

Mr. McINTYRE. Mr. President, how much time do the proponents of the bill have remaining?

The PRESIDING OFFICER. The proponents of the bill have 33 minutes remaining.

Mr. McINTYRE. Mr. President, I yield so much time as he may desire to the distinguished chairman of the committee.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SPARKMAN. Mr. President, I have listened with interest to the remarks of the distinguished minority leader. I noted his reference to postponing this action through the means of recommitting until a study is made under Senate Joint Resolution 160.

Mr. President, Senate Joint Resolution 160 does not have anything to do with the mutual fund issues contained in this bill. It relates to the mass buying or block buying of securities by all institutional investors. Some mutual funds may well be covered under this study.

But the subject of the study relates to matters brought up in a speech made by William McChesney Martin of the Federal Reserve Board on the occasion of the 150th anniversary of the New York Stock Exchange. He called attention in that speech to something he felt was a threat; namely, that the great block buying now going on could affect the market and swing it one way or the other. He spoke of pension and trust funds and other great institutional investors. It could also apply to mutual funds. But, that is not the problem we are dealing with here today. Senate Joint Resolution 160 is not intended to do that. Therefore, it would not be reasonable to postpone this bill and wait until action is taken under Senate Joint Resolution 160.

The distinguished minority leader also pointed out that the House was operating under a provision of the Rules Committee; that they would not consider legislation reported after July 9. Of course, when that was done, it was on the assumption we were going to adjourn the Congress by August 3.

I want to say I have been in touch with the chairman of the House committee which has jurisdiction over this legislation, and he has told me, that if we do come back after the conventions, he feels certain that action will be taken by his committee. I have kept in close touch with him in connection with this legislation. We should not delay action because of the ruling which has been stated by the minority leader.

One other point the minority leader made, and it was also made by the junior Senator from Illinois [Mr. PERCY] and, I suppose, by some others. He referred to this bill as if we were just starting out to regulate mutual funds. Mutual funds have been regulated for years. With this bill we are just trying to set a rule whereby the reasonableness of management fees can be determined.

It is in line with the rules which have in the past been laid down in connection with all regulatory legislation. That is to go through the administrative procedures required and if either side is not satisfied, then it can resort to the courts and have the courts act.

In every one of those cases, again I say I believe without exception, the court has the power to pass on whether the decision made at the regulatory and administrative level is reasonable. All we are trying to do is to put the same rule in effect in this area.

The Senator from New Hampshire has pointed out that in 1940, when the Investment Company Act was passed, mutual funds were relatively few in number and their assets were small in size. But they have had a remarkable growth over the past decade, and they are still growing today. As the Senator from New Hampshire points out, the fees have not come down accordingly. There have been some reductions, and the table which the Senator placed in the RECORD will show some of them but they have not come down in proportion to the increase in assets.

Fees are based upon a percentage of assets, so as the assets go up, the fees go up. Certainly, as the assets go up—I am not saying the fees should not go up some—but there should be a rational and proportional decline in the amount.

But, over the years, the average fee has been approximately one-half of 1 percent.

Today, the median fee is .48 percent. In other words, the average over the years, in spite of this tremendous growth, has gone down two one-hundredths of 1 percent. Growth has gone up far beyond that figure.

Mr. LAUSCHE. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. Do I correctly understand the Senator to say that the Administrative Procedure Act would apply and that an aggrieved party could go to the regulatory agency to have an adjudication of what is a reasonable fee?

Mr. SPARKMAN. No. They could go there to present their claim and ask for the right to go to court in order to establish the——

Mr. LAUSCHE. Do they have to obtain authority merely to go to court?

Mr. SPARKMAN. The SEC is given 6 months in which to act.

Mr. LAUSCHE. The Senator further stated that every regulatory body——

Mr. SPARKMAN. I believe—I think I am right—I said I believe without exception.

Mr. LAUSCHE. I think the Senator is correct. That is, every regulatory body does have the power, first, to fix what is reasonable.

Mr. SPARKMAN. Yes, to fix what is reasonable. But not to fix the actual fees.

Mr. LAUSCHE. Then, if any one of the parties is——

Mr. SPARKMAN. Aggrieved——

Mr. LAUSCHE. He has the authority to go to court.

Mr. SPARKMAN. Correct.

Mr. LAUSCHE. And obtain a review where the rate is fixed.

Mr. SPARKMAN. Correct.

The same test is applied here, the test of reasonableness. The court will decide the reasonableness. The argument has been made at times that it would be impossible for a court to pass on this. But how does the court pass on many other very involved, and complicated rate cases?

Mr. LAUSCHE. I was interested in another aspect of the Senator's statement, that the percentage of the fee remains unchanged regardless of the growth of the corpus of assets.

Mr. SPARKMAN. It has been changed in some cases. Some have come down.

Mr. LAUSCHE. Some have.

Mr. SPARKMAN. Yes. But the average, generally, has been one-half of 1 percent. The 70 largest investment companies now have a median fee of .48 percent. In other words, they have come down .02 percent.

Mr. LAUSCHE. Then the .48 percent is the corpus of $100,000 or the corpus of $100 million?

Mr. SPARKMAN. Whatever it is, the fee is set by the company.

Mr. LAUSCHE. Yes.

Mr. SPARKMAN. Therefore, it varies from company to company.

Mr. LAUSCHE. It varies from company to company.

Mr. SPARKMAN. Yes.

Mr. LAUSCHE. But——

Mr. SPARKMAN. But it is based on the asset value.

Mr. LAUSCHE. On the asset value. In the probate courts of Ohio, the administrator is allowed a certain percentage of the estate as a fee. For example, 6 percent, I think it is, on the first $10,000, 4 percent on the next $20,000, and——

Mr. SPARKMAN. There is no graduation there.

Mr. LAUSCHE. There is no graduation here. Does the Senator argue that failure to have such a graduation by compulsion of law is in error?

Mr. SPARKMAN. No. I do not argue that point. But I argue that in a case where the fee is large and the shareholders believe it is too large, they should have the right to go to court and have the court decide. The reasonableness of the fee.

Mr. LAUSCHE. I thank the Senator very much.

Mr. SPARKMAN. Now, Mr. President, the motion to recommit offered by the senior Senator from Utah, my very good friend, to whom I pay tribute for the tremendous job he has done as ranking minority member of the Committee on Banking and Currency, is based on two factors: First, that the Committee on Banking and Currency, in considering this legislation, has acted in haste.

Let us see if it has been in haste. We have spent more than 15 months on this legislation and a great part of that time was in hearings, in executive sessions, and delays, in order that the concerned parties might get together and work out a settlement. Ninety percent of the bill has been worked out.

There is only one principal point upon which there was not almost complete agreement.

The second point is that Senate Joint Resolution 160—and I have already mentioned this—which authorizes a study by the Securities and Exchange Commission of the activities of institutional investors, will provide us with additional information so that we may better judge the merits of this legislation.

Mr. President, in my opinion, both of these arguments are without merit.

S. 3724 is the result of over 15 months of extensive hearings and review by the full Banking and Currency Committee. Prior to my introduction of the legislation, 10 additional years were spent researching this subject by the Wharton School of Finance and Commerce of the University of Pennsylvania and the Securities and Exchange Commission.

I shall not go into the contents of the reports, but they are here on my desk. Here are three of the reports that dealt with this subject. Here are two reports which dealt with the hearings of the committee. Here is the report of the committee itself. Certainly, I believe that is a fair demonstration that we have done a big job and a thorough job and that we are not likely to be able to do much more in the event the bill is recommitted.

The Wharton School report is 595 pages in length and was printed as an official document by the House of Representatives on August 28, 1962. Surely no one here today can claim that he lacked the time to study this report adequately.

The Wharton report was followed by another comprehensive study of the mutual fund industry completed in 1963. This study was conducted by a specially selected staff which acted independently of the Securities and Exchange Commission. Once again, the report was printed as a House document, and for 5 long years it has been available for careful study and review to all Members of this body.

Perhaps, in order to inform fully those who had not read the first two reports, the Securities and Exchange Commission, on December 2, 1966, issued its report on "Public Policy Implications of Investment Company Growth." This report, which is 346 pages in length is also a House document. It has been available for almost 2 years to all Members of this body. Certainly all of the facts concerning this bill are a matter of public record.

On May 1, 1967, I introduced S. 1659, the proposed Investment Company Amendments Act. To make sure that all Members of this body were fully informed of all of the bill's provisions, the Banking and Currency Committee on the same date issued a committee print containing a copy of the legislation, a short summary of the bill, and a detailed section-by-section analysis. The purpose of this committee print was to give all Members of the Senate ample opportunity to study and understand all of the bill's provisions before hearings were held.

Beginning on July 31, 1967, and for 7 days thereafter, extensive hearings were held on this legislation. The first two volumes of these hearings were printed and made available to all Members of this body in September of 1967. The third volume, which was limited to the McIntyre amendment concerning banks and insurance companies, was printed in December. Here again all Members of this body were furnished with a copy of the hearings and were given ample opportunity to carefully consider all points of view.

After months of negotiations and consultations with members of the securities industry and with the Securities and Exchange Commission, agreement was reached on 35 of the issues contained in this proposed legislation. Our minority staff director was notified and consulted during these negotiations. In October of 1967 a committee print of a revised bill and a section-by-section analysis explaining all 35 points were issued by the Banking and Currency Committee. These documents were distributed to all members of the committee and were readily available to all Members of this body.

The minority members of the committee then made numerous requests for additional time to study this legislation. These requests were honored and executive sessions were not held until late June of 1968. At that time an agenda setting out all of the unresolved issues was distributed to the entire committee. Any member of the committee who wished to be heard or who wished to raise objections to any of the provisions of this legislation was given the opportunity to do so. I am, therefore, amazed at the charge that the committee acted in haste. During my 22 years in the U.S. Senate there have been few occasions when a committee has taken up so much of its time with one piece of legislation.

The second reason for further delay now given by the senior Senator from Utah is that the proposed study of institutional investors which is to be conducted by the Securities and Exchange Commission will give us additional information on which to make informed judgements. He suggests that we delay our consideration of this legislation until late 1969 or perhaps 1970.

Mr. President, when I introduced Senate Joint Resolution 160 of April 18, 1968, I stated:

> That this resolution is not intended to be a substitute for, or a prerequisite to the legislative proposals set forth in S. 1659, the proposed Investment Company Amendments Act. S. 1659 contains the recommendations of the Securities and Exchange Commission's "Report on Public Policy Implications of Investment Company Growth" on which the Banking and Currency Committee has completed its hearings. This joint resolution is intended to be a separate measure which will enable us to look further into the problems arising from the increasing influence of institutional investors on our Nation's securities markets.

My remarks were printed on that date in the CONGRESSIONAL RECORD. The full Banking and Currency Committee then held hearings on this resolution. The senior Senator from Utah was present at these hearings. The resolution was later discussed in executive session, reported from the committee, placed on the Senate Calendar, and unanimously approved. At no time did any Member of this body state that Senate Joint Resolution 160 was intended to be a substitute for the legislation now pending before us.

On December 4, 1967, a similar resolution was jointly introduced in the House of Representatives by Congressman Moss, of California, the chairman of the Subcommittee on Commerce of the Committee on Interstate and Foreign Commerce, and by Congressman KEITH, of Massachusetts, the ranking minority member of the subcommittee. Their remarks were printed in the CONGRESSIONAL RECORD. Congressman Moss stated:

> Mr. Speaker, in closing, I want it made very clear that the resolution my colleague and I are introducing, and the study provided for therein, are not intended as a substitute for, or as a prerequisite to, the legislative proposals contained in H.R. 9510 and 9511—

I may say those bills are comparable bills to the one pending before us—

> These two bills embody recommendations contained in the Securities and Echange Commission report on public policy implications of investment company growth, and our subcommittee has already completed hearings on them. Rather, this resolution is intended as a supplementary measure to enable the Congress and the Commission to deal with further problems which the Commission referred to in its report, but on which it did not make any legislative recommendations, since further information would be needed before this could be done.

These remarks, until today, have never been challenged.

Mr. President, the purpose of Senate Joint Resolution 160 is to study the effects of large stock transactions by institutional investors on our Nation's securities markets.

Again, I say it is not a substitute for this bill, nor does it have any appreciable bearing upon it.

It is also intended to provide us with information concerning the characteristics of all institutional investors. It is not limited to mutual funds but is intended to cover banks, insurance companies, employee pension and welfare funds, foundations, and college endowments. It is not and was never intended to cover management fees, mutual fund sales commissions, or front-end loads, the major areas encompassed by S. 3724. I am, therefore, unable to comprehend the statements made by the proponents of this motion that we wait for the results of the institutional investors study before acting on this bill.

Mr. President, for all of these reasons, I would hope that the Senate will acknowledge the many months of hard work put into this bill by the entire Banking and Currency Committee and reject the motion to recommit.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, I understand I have 9 minutes remaining.

The PRESIDING OFFICER. That is correct.

Mr. BENNETT. How much time does the other side have?

The PRESIDING OFFICER. Twelve minutes.

Mr. BENNETT. I suggest the other side ought to take the responsibility of evening the time pattern out.

The PRESIDING OFFICER. What is the pleasure of the Senate? Who yields time?

Mr. McINTYRE. Mr. President, I yield the distinguished Senator from New Jersey [Mr. WILLIAMS] 5 minutes.

Mr. WILLIAMS of New Jersey. Mr. President, the Banking and Currency Committee has devoted much of its time, over the past 14 months, to the many problem areas which are embodied in S. 3724, the Investment Company Amendments Act. Under the able leadership of our chairman, the Senator from Alabama [Mr. SPARKMAN], I believe that the committee has reported a bill which will up-date and improve the original Investment Company Act and will at the same time encourage greater public investment in mutual funds.

I fully support all of the provisions of this legislation. However, I wish to address my remarks to the provision concerning sales charges. The high sales charges paid by the many millions of Americans who invest in contractual plans have been the greatest concern of all members of the committee who seek adequate consumer protection. This legislation will accomplish that objective.

It will also, at the same time, continue to provide equitable compensation for mutual fund salesmen.

Many investors buy mutual funds on an installment basis by investing relatively small amounts of money at monthly intervals usually for between 10 and 12 years. The typical contractual plan purchaser invests $3,000 by making payments of $25 a month over 10 years. Under current law, 50 percent of this investor's first year's payments may be deducted for sales commissions, although the basic sales charge is limited to 9 percent. Such an arrangement is detrimental to the investor, particularly if he discontinues his payments at an early date. Unless the stock market rises rapidly, he is certain to lose money. The National Association of Securities Dealers emphasizes this point in its manual, which is distributed to all member stockbrokers. The NASD has found that an investor with a typical contractual plan must continue making payments for at least 5 years before he will show a profit. Such a situation should not be tolerated, especially when it is realized that people who buy contractual plans do so for investment purposes. They are not purchasing life insurance, automobiles or clothing where high sales charges might be a little more justifiable.

The contractual plan purchaser is the securities consumer most in need of legislative protection. The Wharton School of Finance and Commerce of the University of Pennsylvania, in a survey of mutual fund investors, found that these purchasers generally were of moderate income with minimal savings. They were concerned with the safe approach to investing and were not speculators. They invested in mutual funds for professional management, for regularity of savings, and for conservative investment purposes.

The typical contractual plan investor was found to be in his late thirties, married, with three dependents. He has a high school education and an annual family income of between $5,000 and $10,000. Such an investor must be able to forecast his ability to continue payments over a period of several years to avoid paying excessive sales charges and suffering severe financial loss. Studies have shown that few small investors have been able to achieve this result.

This bill will not reduce the statutory 9 percent sales commission which may be charged on contractual plans. It would merely spread the first year's 50 percent front-end load out over a period of years so that not more than 20 percent of an investor's payments over a given year may be deducted for sales loads.

In addition to providing increased consumer protection, this provision will also provide a monetary incentive for salesmen to encourage increased investor persistence. Unfortunately, where the selling organization receives most of its commissions during the first year, such incentive does not exist. Finally, by spreading out the sales load, the consumer will have more money actually invested in underlying securities. He will be protected from the serious financial losses which currently are incurred if for any reason he discontinues his payments during the first years of the plan.

Mr. President, the case against recommittal has been most eloquently stated by the chairman of our committee, the Senator from Alabama. I can only add that it seems to me that recommittal at this point would only be doing again what has already been done many times.

I think it was during the administration of President Eisenhower that a study was started on mutual funds, their operations, and the whole complex of sales fees, front-end loading, and management fees. That was a long time ago. The Senator from Alabama said it started 10 years ago. We had the Wharton study, and we have had study after study since then.

All of us have been here long enough to know that you can study things into extinction. That, would be the result of this motion to recommit for further study. It is somewhat surprising to me that a man of the efficiency of the senior Senator from Utah would want to put both bureaucracy and the legislative branch to this unusual and unnecessary expense of further study.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. BENNETT. I did not introduce the resolution. The study is ordered. The expense has been authorized. I have not recommended an additional study; I simply recommended that we wait until the existing study, already underway, has been completed.

Mr. WILLIAMS of New Jersey. As I understand it, what the SEC is doing now has nothing to do with what we are dealing with in the pending legislation; is that right? I see the Senator from Alabama shakes his head in total agreement.

Mr. BENNETT. Mr. President, I would suggest that the Senator read the language of the study resolution.

Mr. SPARKMAN. Mr. President, will the Senator from New Jersey yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. SPARKMAN. As the Senator knows, this study relates to institutional buying or, as I described it, block buying, which has been a threat to the operation of our exchanges and our economy. That was called to the attention of the country by William McChesney Martin in his speech celebrating the 150th anniversary of the New York Stock Exchange.

I do wish to make it absolutely clear that funds do engage in block buying. Mutual funds can do a great deal of block buying. Some of them do and some of them do not. But that is only incidental. The purpose is to study block buying, and not the regulation of mutual funds.

Mr. WILLIAMS of New Jersey. I think the word "incidental" is the key.

Mr. SPARKMAN. That is right.

Mr. WILLIAMS of New Jersey. The legislation before us goes directly to the subject of mutual funds management fees and sales charges.

Mr. SPARKMAN. That is correct.

Mr. WILLIAMS of New Jersey. I have nothing further to say. I commend the chairman for his patience and generosity in this matter. The Senator has been engaged in other hearings for several days, has he not?

Mr. SPARKMAN. The Senator is correct.

Mr. WILLIAMS of New Jersey. The committee had the help of eminent staff.

Mr. SPARKMAN. I thank the Senator from New Jersey for his own contribution. This is a field in which he has had a great deal of experience.

Mr. WILLIAMS of New Jersey. Only legislative experience, not personal experience.

Mr. SPARKMAN. I mean legislative experience, of course.

Mr. BENNETT. Mr. President, I yield myself such time as I may require. I want to make it perfectly clear that I have no feeling of animosity nor any personal involvement in this argument. I have worked with the Senator from Alabama under his direction as chairman, and I have been very happy with the relationship that has existed. I am sure that this debate will not injure that relationship.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BENNETT. I am happy to yield.

Mr. SPARKMAN. I appreciate those words, and, of course, I have the same feeling. The Senator from Utah is one of the best qualified and most competent Senators with whom I have ever worked, not only in the area of this legislation, but in every other field. He has always been most patient and helpful, and I am very grateful to him.

Mr. BENNETT. The chairman has been most cooperative. It is always a painful thing to have to become involved in this kind of argument. As the chairman has pointed out, the committee has been considering this matter for 15 to 18 months. Actually, we had 8 days of hearings and 2 days of executive sessions. The staff, of course, has done a great deal of work. But the basic problem that has arisen on the floor of the Senate in the last 2 days is as to the technical significance and the legal effect of this particlar proposal that the SEC have the right to overrule the decisions of independent directors and stockholders, and that then that right be passed on to the courts. I believe this is a very serious breach in the pattern of corporate law in this country, and we certainly did not study that problem as extensively as I think it should be studied.

It has been suggested that these directors may be incompetent, corrupt, or derelict. There is no evidence that they are that kind of people. There is no evidence that would require that this power be taken away from them and given to the Securities and Exchange Commission to substitute its judgment for theirs.

Mr. President, I cannot support such a proposition.

Mr. TOWER. Mr. President, will the Senator yield me 2 minutes?

Mr. BENNETT. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Utah has 1½ minutes remaining.

Mr. BENNETT. Mr. President, I yield my remaining time to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I thank the Senator. I concur in and associate myself with his remarks.

Mr. President, I am opposed to the measure primarily because I feel that it represents a significant and unjustified intrusion of the Federal Government into the private sector. The provisions of this bill represent a major change in the philosophy and purpose for which the Securities and Exchange Commission was established. In addition to requiring full disclosure of information, this legislation would authorize the SEC to make judgments on the appropriateness of sales charges and management compensation for investment advice and other services.

Proponents of the bill advise that it is a reasonable one. I would point out, however, that frequent use of the term "reasonable" provides camouflage for measures which would accomplish several undesirable results:

First. It would totally reject a now well-established concept of consumer protection by substituting a principle of rigid administrative procedure for the traditional principle of full disclosure;

Second. By providing for unprecedented governmental intrusion into business decisions, this bill rejects the basic representational structure of corporate form by which business corporations have been managed for two centuries; and

Third. Perhaps without intent, this proposal grants unparalleled power of ratemaking over competitive private enterprise.

I believe that a given industry and the Securities and Exchange Commission can work out any difficulties involved. I therefore fervently hope that the Senate will support the motion made by the Senator from Utah.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McINTYRE. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. McINTYRE. Mr. President, will the Senator from Utah yield on my time for a question?

Mr. BENNETT. I yield.

Mr. McINTYRE. Mr. President, does the figure that continues to come out from opponents of the bill, No. 37 as the median, include the internally managed funds?

Mr. BENNETT. The figure is the mean and is the common measure of the term "average," not the median referred to by the Senator. I will try to find the figure in our hearings and determine for sure whether the internally managed funds are included.

On that, I am not positive.

Mr. McINTYRE. I would appreciate it if the Senator would do that.

As far as the internally managed funds are concerned, we who favor the bill do not find there the conflict of interest that is so disturbing in the externally managed funds.

Mr. BENNETT. I find that the figure of .37 percent does include internally managed funds and wish the record to be clear on that point.

Mr. McINTYRE. Mr. President, I thank the Senator very much.

Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. McINTYRE. Mr. President, I do not want to be repetitious. First, when my good friend the Senator from Utah talks about the Securities and Exchange Commission setting fees and states that the Securities and Exchange Commission is going to overrule the directors, I must point out that no provision in the bill would cause that to happen.

All we provide is the right to ask a court in the final analysis to overrule the decision if the court finds by the test of reasonableness that it does not measure up.

I think that as we consider the motion to recommit at this time, we must remember the argument presented by the distinguished chairman of the committee. Back in 1938 and 1940 when the Investment Act was passed, the matter was considered. And in 1940, even at that time, Congress said: "We put into this bill almost a direction to the Securities and Exchange Commission to keep an eye on the industry."

We find that as time has passed, the industry has grown. In 1958, a Republican Securities and Exchange Commission under a Republican President ordered the Wharton report and study to be made. Every member of the Committee on Banking and Currency was furnished that report well in advance, years ago. It is a most detailed, structured analysis. Together with the Securities and Exchange Commission study and report on the implication of growth in the industry, the Securities and Exchange Commission presented a bill, and that bill was not brought in as an intrusion. They say that we are intruding by providing for regulation by the Government.

The Government in 1940 was involved in this by regulating to protect the industry and give it a chance to get off the ground, under section 22(d). It has grown and we are delighted by that fact.

Nothing contained in the bill would prejudice the mutual fund industry. As a matter of fact, we are trying to follow the mandate laid down by Congress in 1940 that we keep an eye on the industry and that if any structural changes need to be made, we must make them in the interest of the public.

It would be foolish at this time to recommit the bill to a committee that has pored over it and done its very best to report a good bill.

Mr. BENNETT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that there be a quorum call, even if it runs beyond the allotted time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROOKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. BROOKE. Mr. President, the United Press International——

The PRESIDING OFFICER. There is an order to vote.

Is there objection to the request of the Senator from Massachusetts that the order for the quorum call be rescinded? The Chair hears none, and it is so ordered.

All time under the previous order has expired. The question is on agreeing to the motion to recommit. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that the quorum call be reinstituted.

Mr. MOSS. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. MOSS. I have a commitment I must meet, and I want to vote before I leave. I object to the unanimous-consent request of the Senator from Ohio.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. BOGGS voted in the affirmative.

Mr. LAUSCHE. Mr. President, I asked for the floor before the response on the vote.

The PRESIDING OFFICER. The Chair states, in response to the Senator from Ohio, that the clerk was calling the roll. The call of the roll will proceed.

The legislative clerk concluded the call of the roll.

Mr. BYRD, West Virginia. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Alaska [Mr. GRUENING], the Senator from Maine [Mr. MUSKIE], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] and the Senator from Oregon [Mr. MORSE], are absent on official business.

On this vote, the Senator from Alaska [Mr. BARTLETT] is paired with the Senator from Colorado [Mr. DOMINICK]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from Colorado would vote "yea."

On this vote. the Senator from Pennsylvania [Mr. CLARK] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from Nebraska would vote "yea."

On this vote, the Senator from Oregon [Mr. MORSE] is paired with the Senator from Vermont [Mr. AIKEN]. If present and voting, the Senator from Oregon would vote "nay," and the Senator from Vermont would vote "yea."

I further announce that, if present and voting, the Senator from Alaska [Mr. GRUENING] and the Senator from Maine [Mr. MUSKIE] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. AIKEN] is absent on official business.

The Senator from Kansas [Mr. CARLSON], the Senator from Colorado [Mr. DOMINICK], and the Senator from Nebraska [Mr. HRUSKA] are necessarily absent.

On this vote, the Senator from Vermont [Mr. AIKEN] is paired with the Senator from Oregon [Mr. MORSE]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Oregon would vote "nay."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from Alaska [Mr. BARTLETT]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Alaska would vote "nay."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 29, nays 49, as follows:

[No. 239 Leg.]

YEAS—29

Allott
Baker
Bennett
Boggs
Brooke
Curtis
Dirksen
Ervin
Fannin
Fong
Griffin
Hansen
Hickenlooper
Holland
Jordan, Idaho
Kuchel
Miller
Morton
Mundt
Murphy
Pearson
Percy
Prouty
Scott
Smith
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—49

Anderson
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church

Cooper
Cotton
Dodd
Ellender
Gore
Harris
Hartke
Hatfield
Hill
Hollings
Jackson
Javits
Jordan, N.C.
Lausche
Long, La.
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Moss
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Spong
Stennis
Symington
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—21

Aiken
Bartlett
Bayh
Carlson
Clark
Dominick
Eastland
Fulbright
Gruening
Hart
Hayden
Hruska
Inouye
Kennedy
Long, Mo.
McCarthy
Morse
Muskie
Russell
Smathers
Talmadge

So Mr. BENNETT's motion to recommit was rejected.

Mr. SPARKMAN. Mr. President, I move that the vote by which the motion to recommit was rejected be reconsidered.

Mr. McINTYRE. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM—ORDER FOR FOREIGN RELATIONS COMMITTEE TO MEET ON TUESDAY

Mr. DIRKSEN. Mr. President, there has been inquiry as to whether there is likely to be a session tomorrow, Saturday, and what measures will be up for consideration at that time. I should like to ask the distinguished majority leader whether he can acquaint the Senate now as to what the plans will be.

Mr. MANSFIELD. Yes, indeed; I am glad to respond to the questions raised by the distinguished minority leader.

First, we already have consent to come in at 10 o'clock tomorrow morning. I think it would be advisable for the Senate, while it has time, before the great exodus starts, to dispose of as much of this legislation as possible.

It is evidently going to take several more hours, at least, on the mutual fund bill, the pending business.

Following that, the Senate will consider the bill (H.R. 15387), Calendar No. 1438, affecting postal personnel limitations, and that measure, I understand, will take a good deal of time for disposition. It is very important that it be considered however, and the air cleared as much as possible one way or the other on this entire matter.

There are certain unobjected-to items on the calendar to be considered tomorrow, and very likely, following those, the poultry inspection bill will be called up.

It is hoped that, time allowing, it will be possible to take up State, Justice, and Commerce appropriations on Monday; and, following that, the foreign aid authorization bill. It is anticipated that that measure will then be ready for consideration.

On Tuesday morning, it is hoped the Senate will allow itself to come in at 10 o'clock for the purpose of expressing their feelings about the passing of our late, beloved colleague, the Senator from New York, Mr. Kennedy.

Other matters will be considered during the week. I hope it will be possible to dispose of the HEW and Labor appropriations bill and, perhaps, the District of Columbia appropriation bill.

I am sorry that the Appropriations Committee was not allowed enough time this morning to complete its markup of the bill on HEW, an I understand that it will not be possible for that committee to resume its consideration until Monday next.

Mr. DIRKSEN. What about foreign aid?

Mr. MANSFIELD. Foreign aid would follow, I hope, consideration of the State, Justice, and Commerce appropriation bill and, very likely, in between, we will have the eulogies for our late departed colleague.

Several Senators addressed the Chair.

Mr. SPARKMAN. Mr. President, do I understand correctly from the Senator's response to the Senator from Illinois that for the business on Tuesday, I assume, we will probably come in early—I did not catch the time.

Mr. MANSFIELD. Yes, indeed—10 o'clock on Tuesday morning, it is anticipated.

UNANIMOUS-CONSENT AGREEMENT

Mr. SPARKMAN. Mr. President, I wonder whether the distinguished Senator would propound a unanimous-consent request to allow the Committee on Foreign Relations to sit on that day.

Mr. MANSFIELD. I am sure that would meet the approval of the leadership as a whole and, therefore, Mr. President, I ask unanimous consent that on Tuesday next, July 30, 1968, the Committee on Foreign Relations may be permitted to meet during the session of the Senate that day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, do I understand correctly the Senator to say it will be the intention to complete action tonight on the bill to suspend application of the reduction in personnel, closing of post offices, and cessation of service in a number of post offices, and permanently closing others throughout the country, and that the bill would be allowed to be discussed and his purpose is to secure a vote tonight?

Mr. MANSFIELD. If possible; but that depends on what develops in the Senate. I could not give the Senator any flat assurance that it would be completed tonight; but, if not, it will be taken up tomorrow.

Mr. MONRONEY. Certain Senators have very important engagements, including myself. I am not selfish in this matter, but I think we all should be present to vote on this bill because it will affect most importantly the mail service of this Nation. Once we close every post office in the land all day Saturday and set that precedent, it will take a great deal of time and effort to answer all the mail that will be flooding in as to why we raised the rates to bring in $1 billion and now we are giving less service because a Senate provision to prevent this reduction in personnel, and so forth, was not taken care of by the conference committee.

Mr. MANSFIELD. All I can say is that without giving any definite assurance that this bill will be completed tonight, the joint leadership will do its best to try to get that objective attained, but we cannot guarantee it.

Mr. MONRONEY. I appreciate that assurance that it will be an objective and not a pledge.

Mr. JAVITS. Mr. President, the Senator from Montana did not mention S. 1436, the various health programs, and so forth.

Mr. MANSFIELD. That will be taken up at the appropriate time. I do not anticipate any difficulty there. It will be taken up at the appropriate time. The leadership does not anticipate any difficulty.

Mr. JAVITS. I thank the Senator.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

AMENDMENT NO. 899

Mr. BENNETT. Mr. President, I call up my amendment No. 899, which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The BILL CLERK. On page 25, line 10, insert after the word "circumstances" the following: "but no compensation or payments shall be found to be unreasonable for purposes of this subsection if such compensation or payments have been approved or ratified by the affirmative vote of two-thirds of the outstanding voting securities of such company and by the unanimous vote of all directors of such company who are not interested persons of such company."

Mr. PROXMIRE. Mr. President, at first blush the amendment offered by Senator BENNETT on management fees seems innocuous. If all of the unaffiliated directors and two-thirds of the shareholders agree that a particular management fee is reasonable, why should the courts intervene?

But when one looks at the realities of the mutual fund industry—at the powerlessness of the shareholders and dependence of the unaffiliated directors on the management to do anything about management fees—it becomes apparent that this amendment would nullify the standard of reasonableness contained in the bill. The amendment would confirm the fund managers' power to fix their own compensation unilaterally. It would immunize them from any restraint other than their own sense of self-restraint. And the S.E.C. study shows that this sense of self-restraint has been a very feeble check indeed.

Almost 30 years of experience with shareholder voting under SEC regulation shows that the great majority of shareholders vote as management asks them to do. They have no real choice in the matter. When shareholders vote on a mutual fund investment advisory contract, the contract is presented to them by management on a take-it-or-leave-it basis. Should they vote to "leave it" and to disapprove the proposed advisory fee contracts, they would leave the company completely without management and jeopardize the success of their entire investment.

The possibility of shareholder disapproval of an investment advisory contract presented by management is purely academic. Even in the normal corporate situation, shareholder dissent from management proposals is uncommon. In the mutual fund field it is virtually unheard of.

Now, what makes the mutual fund different from other corporations? In ordinary corporations there is always the possibility that a large shareholder or a small group of large shareholders has enough at stake in the company to spend large sums and exert real effort to curb, unseat, or replace existing management. In the mutual fund industry, however, share ownership is more highly dispersed than in other publicly held enterprises. The dispersion is greatest in the larger funds. Seldom does any individual or any organized group of public shareholders own a significant portion of the outstanding shares.

The mutual fund shareholder population consists of hundreds of thousands of very small investors whose interest in the fund is too small to warrant their spending vast sums of money—which they do not have—in attempts to oppose management. That is why shareholder voting on management-proposed investment advisory contracts has been and always will be a wholly ineffective control.

It has been suggested that the requirement in the amendment of a two-thirds vote of all the outstanding voting securities constitutes an effective check on management fees. This is scarcely so. The experience of the SEC shows that the manager who controls the proxy machines will have no trouble meeting this requirement. And if the two-thirds requirement means that management will have to exert more effort and spend more money than it now does in order to get a large shareholder turnout, whose money will management be spending? The managers, unlike shareholders who oppose management, will be spending the fund's money to keep themselves in office. Under existing law the "ins" have the right to spend the corporation's funds in the solicitation of proxies. The "outs" have no such right.

It has been argued that the amendment merely reflects basic democratic principles. But these mutual fund elections are not really "democratic." The managers control the election machinery. The managers—and only the managers—have access to campaign funds. And the managers say to the shareholders, "take it or leave it." Where there is no choice between alternatives in an election there is no democracy. There is only a formal ritual.

Now what about the unaffiliated directors? First of all, who selects them? Management does. Do you expect these directors, handpicked by management, to fight management on fees? Can management's own nominees even be expected to ask embarrassing questions about the fees of those who nominated them?

It is the advisers who run the funds. The organization that manages the fund is the adviser's organization, not the fund's.

The fund seldom has any employees of its own. It depends completely on the adviser's organization. Indeed, in some cases the fund does not even have any records of its own. The records belong to the adviser. The fund itself is little more than a name on the stock certificates.

The record of the hearings has demonstrated beyond any doubt that the independent directors have not been able to act effectively to reduce management fees. As the only unaffiliated director of a mutual fund who appeared before your committee candidly testified:

> You cannot do much arm's-length bargaining unless you are in a position to say 'unless, Mr. So-and-So, you meet our terms or we're going to fire you and get someone else' . . ., the fact is that [this] just doesn't exist and cannot exist in this industry for very obvious reasons.

The amendment proposed by Senator Bennett would just go on propagating the myth that the unaffiliated directors can be effective in the area of management fees. Even under the present grossly inadequate standards for judicial review the only real check against excessive fees is impartial judicial examination of the fees and the threat of such an examination. This amendment would remove that check. It might even deprive the millions of mutual fund shareholders of the feeble and limited protection against excessive fees that they now have.

Mr. President, I believe the committee position should be sustained by the Senate. I can see nothing wrong or harmful in a judicial test that mutual fund management fees be reasonable.

Mr. BENNETT. Mr. President, I yield 1 minute to the Senator from New Jersey [Mr. Case].

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 1 minute.

Mr. CASE. Mr. President, on behalf of the Senator from New York [Mr. Javits] and myself, I offer an amendment to the amendment of the Senator from Utah and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The Chair would advise the Senator from New Jersey that the amendment to the amendment will be in order after all time has been consumed on the providing amendment.

Mr. CASE. I ask unanimous consent, in spite of the rule, that I may be permitted to offer this amendment at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey? The Chair hears none, and it is so ordered.

Mr. BENNETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state it.

Mr. BENNETT. Is the amendment offered by the Senator from New Jersey a perfecting or a substitute amendment?

The PRESIDING OFFICER. The Chair will advise the Senator from Utah that it is a perfecting amendment, adding to, in addition to, rather than in lieu thereof.

Mr. CASE. Mr. President, I am sorry. If I may, I think that the Chair is in error here. This replaces the language——

The PRESIDING OFFICER. The Chair will advise the Senator from New Jersey to state his amendment more clearly. The amendment at the desk is an addition to rather than in lieu thereof. The clerk will state the amendment as a substitute.

Mr. CASE. Mr. President, I ask unanimous consent that reading of the amendment be eliminated, that it be printed in the Record at this time, and that for the purposes of the Record a short statement in explanation be printed at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is as follows:

> In lieu of the language proposed to be inserted, insert: "But any compensation or payments shall be presumed reasonable for purposes of this subsection if such compensation or payments have been approved or ratified by the affirmative vote of holders of two-thirds of the outstanding voting securities of such company and by the unanimous vote of all directors of such company who are not interested persons of such company, but such presumption may be rebutted by a preponderance of the evidence."

The explanatory statement is as follows:

> I support the concept included in the bill as reported, which would establish a standard of reasonableness for management fees charged to mutual funds by investment advisors. At the same time, I do feel that if 100% of the disinterested directors together with two-thirds of the shareholders approve as reasonable the compensation or payments which are made this should be given more than that consideration which the bill as reported would appear to do. This bill as reported merely states that approval by the directors shall be given substantial weight and such ratification by shareholders shall be given such consideration as deemed appropriate under all circumstances.
>
> The amendment of the Senator from Utah would deem any compensation or payment reasonable for purposes of this subsection if two-thirds of the shareholders and 100% of the directors agree. My amendment would merely change the conclusive intent of the Senator from Utah to a rebuttable presumption. Thus, my amendment would presume compensation or payments to be reasonable if two-thirds of the shareholders and 100% of the directors so agreed, but such presumption might be rebutted by a preponderance of the evidence.
>
> My amendment would merely shift the burden of going-forward, in legal terms, so that if 100% of the directors and two-thirds of the shareholders did agree, the burden would be on the Securities and Exchange Commission or the individual shareholders to show by a preponderance of the evidence that in spite of these actions by the shareholders and directors, the fee is unreasonable.

Mr. JAVITS. Mr. President, will the Senator yield 1 minute to me?

Mr. BENNETT. Mr. President, I am happy to yield 1 minute to the Senator from New York.

The PRESIDING OFFICER. The Senator from New Jersey has the time under control.

Mr. CASE. Mr. President, I yield to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I had prepared this amendment to be offered by myself. The Senator from New Jersey [Mr. CASE] has very graciously agreed to handle it as a joint measure for both of us because of exigencies which require me to leave the Senate.

Before I leave, I would like to commend it to the Senate. It is a matter that I believe commends itself, on the basis of the questions and answers raised on the record. If the Senate should think well of the amendment of the Senator from New Jersey [Mr. CASE], it seems to me the way it can be made most fair to the high fiduciary standard which we wish to impose on mutual funds is by giving the benefit to the amendment of the Senator from Utah [Mr. BENNETT] of a presumption which the courts will observe, and leave the corporation and directors in that condition relieved from any burden of proof. If assailed, the burden of proof will be laid upon those who wish to assail, but it will not cut off absolutely the right of anybody to assail it in court.

It seems to me it is a fair middle ground, considering the situation. The Senator from New Jersey [Mr. CASE] agrees with me. I am honored that he will join me in the amendment and that he will be carrying the burden of it, but I think this is a fair way in which the Senate should go if it chooses to go the Bennett route.

I thank the Senator.

Mr. CASE. Mr. President, I am very glad to cooperate with the Senator, because I thoroughly agree with him. I understand the concern of the Senator from Utah [Mr. BENNETT] and his colleagues, and particularly those on this side, with respect to the provisions of the bill in this matter. I would like to get agreement on changes in both his amendment and through an amended amendment—the Bennett amendment—changes in the bill which would meet the demands of justice and the practicalities of the situation.

I think a determination by unanimous vote of the independent directors, plus two-thirds of the shareholders, with adequate knowledge, which they would be presumed to have under the proxy statement rules, ought to be accorded a presumption of validity and finality; but I do not think it ought to be more. There are many situations that occur to me where a presumption should be overturned, such as questions involving the nature of transactions, the relationships of independent directors, even though they may honestly be independent, to the corporation and to the sponsors, and many questions of that sort.

I am not satisfied with either the bill or the Bennett amendment as it stands, but I shall be able to vote for the Bennett amendment if it is amended or if, in substitution for its language, the provisions of the Case-Javits amendment were adopted.

That is all the time I wish to take at this time. I reserve the remainder of my time.

I yield 5 minutes to the Senator from Massachusetts [Mr. BROOKE] and ask unanimous consent that the rule of germaneness not be enforced at this juncture.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENTS OF ATTORNEY GENERAL RAMSEY CLARK CONCERNING SENATE OPPONENTS OF THE FORTAS NOMINATION

Mr. BROOKE. Mr. President, I thank the distinguished Senator from New Jersey for yielding me this time.

The United Press-International reported that Attorney General Ramsey Clark charged today that Senators fighting the nomination of Abe Fortas as Chief Justice are "those who oppose securing equal rights and civil rights for the people."

United Press-International further goes on by saying that the Attorney General said:

> Dominant in the opposition is a highly partisan strain, but I see many other bases for opposition. Those who oppose securing equal rights and civil rights are opposing the nomination. I would say the basis for the opposition in truth is their opposition to the very great advances made in civil rights under the law, he said, without naming anyone.

Mr. President, I checked this with the United Press-International, because it was difficult for me to believe that the Attorney General would have made such a statement. I do not join with some of my colleagues in opposing the Fortas nomination as Chief Justice of the United States. However, Mr. President, I cannot stand by or sit by and have the Attorney General of the United States make a statement indicting all those in the Senate who are in opposition to the nomination of Mr. Fortas as Chief Justice of the United States as anticivil rights Senators.

I have great respect for the Attorney General. On many occasions on the floor of the Senate I have seen fit to stand up and to support him and his rulings and his procedures, but I think it is regrettable—seriously regrettable—that he has seen fit under these circumstances to improperly, and without justification, attack the voting record and the integrity and beliefs of learned Members of this body.

I have looked at the list of Senators who have opposed the nomination of Mr. Fortas. I have in my hand a statement which was signed by many of our colleagues on this side of the aisle. That statement reads as follows, and I think it is pertinent at this time:

> It is the strongly held view of the undersigned that the next Chief Justice of the United States, and any nominees for vacancies on the Supreme Court, should be selected by the newly elected President of the United States, after the people have expressed themselves in November's election.
>
> We will, therefore, because of the above principle, and with absolutely no reflection on any individuals involved, vote against confirming any Supreme Court nominations of the incumbent President.

Mr. President, at no place in this statement is there any reference to civil rights or equal rights. The Senators who are named on this list have, in the main, voted for and debated in favor of civil rights on this floor for a long period of time. I think it is unfair to charge them with being anti-civil-rights merely because they have exercised, or will exercise, or have announced an intention of exercising, their legal right to oppose a nomination based upon the reasons as they have set forth in their statement.

So I hope that the Attorney General will correct that statement. I call upon him to review the record of the distinguished Senators whom he has indicted unfairly and make an apology to those Members of the Senate whom he has inaccurately regarded as being opponents of civil rights.

I thank the Senator for yielding.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. BROOKE. I yield to the distingushed Senator from Kansas.

Mr. PEARSON. Mr. President, I want to associate myself with all of the comments made by the distinguished Senator from Massachusetts. I, like the distinguished Senator, did not join in the particular statement which is the subject of his remarks, and my first inclination is to reply to the Attorney General in kind, but that will serve no useful purpose.

I simply want to say that I think his comments were unfair and unworthy—a form, if you please, of press relations blackmail—which constituted, in my mind, an attack on the integrity of the Senate.

I do not think the administration needs to resort to such tactics. I think these nominations can stand on their own. The Attorney General is a friend of mine, and I regret that he made the statement. I think that on reflection he also will regret it. I hope that such comments—which add nothing to the constitutional procedures that must be followed in this matter—will hereafter be restricted to their proper forum and their proper sphere.

Mr. COOPER. Mr. President, will the Senator from Massachusetts yield?

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired. Does the Senator from New Jersey yield him further time?

Mr. BROOKE. Mr. President, I ask for 4 additional minutes.

Mr. CASE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 20 minutes remaining.

Mr. BENNETT. Mr. President, I yield the Senator from Massachusetts 4 minutes on the bill.

Mr. COOPER. Mr. President, I associate myself completely with the statement made by the distinguished Senator from Massachusetts. The statement he has made is further testimony to his integrity and his sense of fairness, which we have seen manifested so many times on this floor.

I, too, did not sign the statement issued by a number of our colleagues opposing the confirmation of Justice Fortas to be Chief Justice of the United States. I did not do so, because I thought it my duty to make my decision upon the basis of the record and upon the merits of Justice Fortas to be Chief Justice. It has been my intention to support his nomination upon his merits as a judge.

I think the statement of the Attorney General wholly unfair. I have served with the Senators who signed that statement. Many of them are strong supporters of civil rights. I do not believe they would oppose confirmation upon the ground of civil rights. They are men of integrity.

The statement of the attorney is a reprehensible method of attack, and particularly so when the Senate is attempting to arrive at its decision on the merits and the qualifications of Justice Fortas. As I have said, it is my intention now to vote for the confirmation of his nomination.

I repeat, the Senator from Massachusetts has once again demonstrated his own great integrity and fairness.

Mr. BROOKE. I thank the Senator from Kentucky. I might just add to what the distinguished Senator has said that, as Senators know, I was very active in the debate on this floor leading to the enactment of the recent Civil Rights Act, and, as the Senator from Kentucky knows very well, if it had not been for some of the very Senators listed on this list who have been indicted by the Attorney General—and the Attorney General himself knows this—that civil rights bill would not have been enacted by this Congress.

I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, the Senator from Massachusetts has today demonstrated very pointedly and conspicuously the reason why the citizens of Massachusetts hold him in such high esteem.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. BENNETT. I yield 4 additional minutes on the bill.

Mr. LAUSCHE. On first sight, it would appear that the Senator from Massachusetts has taken a position inimical to his own political future. If he has done that, in the interests of presenting truth, he is to be highly praised.

It is tragic that efforts are now being made on practically all seriously controverted questions to inject into the questions the element of racism. I think it is highly unfortunate that the Attorney General of the United States has seen fit to make the statement, as read by the Senator from Massachusetts, that all who oppose or consider opposing the nomination of Justice Fortas are hostile to a just solution of the racial problems in our country. I concur with what the Senator from Massachusetts has said about the misfortune of the Attorney General's declaration, and about the need that he retire to the solitude of his bedroom and ponder and meditate his transgression against decently thinking Members of the Senate.

Mr. CASE. Mr. President, will the Senator yield?

Mr. LAUSCHE. In a moment.

I have not decided what I will do with respect to my vote on the confirmation of the nomination of Justice Fortas, but I can frankly say that I am deeply disturbed by the recent testimony that he has approved a moving picture showing a woman lying in bed, going through all the gyrations of sexual intercourse, expressing herself facially and bodily, and that he joined in a judgment that though the picture was prurient, lust-inducing, it was nevertheless permissible because, in the end, it presented a moral lesson.

We are concerned about juvenile delinquency in this country. We are concerned about the breakdown of morals among the youth in our universities. Let a motion picture of the type that I have described, although rejected by the lower courts, was approved by the highest court of the land.

I believe the time has come when judicial appointments will have to be scrutinized from top to bottom, with the view of seeing what the social philosophies of the individuals concerned may be.

I was Governor of my State for 10 years. Time and again, I had to make appointments to the appellate courts of my State. Those appellate courts have three members. Never did I permit the court to become a court of one political complexion. I always made appointments in such a way as to insure that both concepts of economic and social questions would be represented. Thus, by the end of my 10 years, most of the courts had on them two Republicans and one Democrat, or two Democrats and one Republican, so that there would be a balanced consideration of the issues coming before the court.

I commend the Senator from Massachusetts most deeply and thankfully for his great courage and display of Americanism.

Mr. BROOKE. I thank the distinguished Senator.

Mr. CASE. Mr. President, I yield to the Senator from Massachusetts 2 minutes, and ask him to yield to me briefly.

Mr. BROOKE. Mr. President, I thank the Senator from Ohio for his contribution to the colloquy.

I intend to vote for confirmation of the nomination of Abe Fortas as Chief Justice of the Supreme Court. Nothing I have heard today changes that intention. But that is not the issue, as I hope all Senators have understood, that I intended to raise on the floor of the Senate today.

The only issue I have sought to raise is the issue of that unfortunate statement made by the Attorney General of the United States, indicting Senators for allegedly being anti-civil-rights, merely because they have been in opposition to the nomination of Mr. Abe Fortas as Chief Justice of the United States.

I yield to the Senator from New Jersey.

Mr. CASE. Mr. President, I, too, am not one of those who signed the statement protesting that the President has no right to make and that it was not proper for him to make the appointment in his part of his term.

I do not agree with that view of my colleagues, although I respect it. However, I want to say that the action complained of here and protested against here is something that ought to be complained of and protested against.

It makes me think that probably Mr. Justice Fortas is meditating today on the truth of the old statement that a man can protect himself against his enemies but that it is very hard indeed to protect himself against his friends.

It is most unfortunate. If the time comes when the Senate cannot take its own position in the exercise of its right to advise and consent to the President's nominations and confirm or not confirm his appointments under its constitutional power, it will be a sad day for the Senate and for the United States.

Mr. BROOKE. Mr. President, I trust that nothing that has been said on the floor relative to the Attorney General's statement will reflect adversely or in any way upon the nomination of Mr. Abe Fortas as Chief Justice of the United States.

Mr. BENNETT subsequently said: Mr. President, earlier in the day, there was a discussion, spearheaded by the Senator from Massachusetts [Mr. BROOKE], about the action of the Attorney General in criticizing some of the Members of this body who signed a statement expressing their dismay at the process of appointment which brought the name of Justice Fortas before this body for confirmation as Chief Justice, on the ground that those who signed that statement were prima facie opposed to civil rights.

I signed that statement, and I have voted for everyone of the major civil rights bills. I believe that other Senators in the group who signed the statement are in that same position.

I want the Attorney General to know that I resent that kind of implication. If he had taken the trouble to check the record, he might have avoided the mistake he has made.

I think that is an unwarranted type of interference with the legislative process, and if anything has encouraged me to stand on my original decision. It is this completely unfounded charge, and the inferences that go with it that are so disturbing to me.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House has passed the following bills, in which it requested the concurrence of the Senate:

H.R. 15198. An act to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances or a joint committee or joint board empowered to interpret provisions of collective bargaining agreements;

H.R. 15864. An act to provide for the operation of the William Langer Jewell Bearing Plant at Rolla, N. Dak., and for other purposes; and

H.R. 18786. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, and for other purposes.

The message also announced that the House had passed the bill (S. 3769) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1968, and related acts, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill and asked a con-

ference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mrs. GREEN of Oregon, Mr. BRADEMAS, Mr. GIBBONS, Mr. CAREY, Mr. HATHAWAY, Mr. BURTON of California, Mr. AYRES, Mr. QUIE, Mr. REID of New York, Mr. ERLENBORN, and Mr. ESCH were appointed managers on the part of the House at the conference.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 15198. An act to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances or a joint committee or joint board empowered to interpret provisions of collective bargaining agreements; to the Committee on Labor and Public Welfare;

H.R. 15864. An act to provide for the operation of the William Langer Jewel Bearing Plant at Rolla, N. Dak., and for other purposes; placed on the calendar; and

H.R. 18786. An act to amend the Central Intelligence Agency Retirement Act of 1964 for certain employees, and for other purposes; to the Committee on Armed Services.

INVESTMENT COMPANY AMENDMENTS ACT OF 1968

The Senate resumed the consideration of the bill (S. 3724) to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

Mr. CASE. Mr. President, I understand that in view of the fact that my amendment is a substitute, the chairman of the committee or the manager of the bill has charge of the time in opposition. I understand further that he has agreed to yield a certain amount of that time to the Senator from Utah [Mr. BENNETT].

I leave to the manager of the bill how he wants to dispose of the time.

The PRESIDING OFFICER. Who yields time? If no one yields time, the time runs against both parties.

Mr. WILLIAMS of New Jersey. Mr. President, if the Senator from Utah wants time, the proponents of the amendment will yield time to him. How much time does the Senator require?

Mr. BENNETT. Mr. President, would the Senator yield to the Senator from Missouri as much time as he wishes?

Mr. WILLIAMS of New Jersey. Very well.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. SYMINGTON. Mr. President, during the legislative course of the SEC proposal for regulation of the mutual fund industry, I have heard from many mutual fund shareholders in Missouri and their message has been that they are well satisfied with the management of their investments.

Because disclosure is the rule in the industry, those who buy mutual fund shares do so with knowledge of the management fee charges and other matters.

As now recommended by the Committee on Banking and Currency, the bill's provisions with respect to management fees require that they be "reasonable," a concept with which we all concur. On the suit of the SEC or a shareholder, there would be a judicial determination of whether a management fee was or was not reasonable.

Under this bill, S. 3724, the court is directed to give "substantial weight" to the determination of the board of directors, and such weight as it may find appropriate to approval of the management fee by the shareholders.

The amendment offered by the Senator from Utah [Mr. BENNETT] simply adds to this section a prohibition against a judicial determination that management fees are unreasonable when they have been approved by the affirmative vote of two-thirds of the outstanding voting shareholders and also by 100 percent of the independent directors on the board of the mutual fund.

I support the amendment because I believe it sets "a reasonable limit" on the SEC power over the business judgments of private management and affords the industry and the courts protection from litigation of an unfair or frivolous nature.

The test imposed by the amendment is a stiff test and in line with the procedure required under most State corporation laws for action by a corporation on the most fundamental matters involving the corporation.

Under the laws of most States, a two-thirds vote of the shareholders is required for important corporate actions, such as sales of assets, mergers, and major charter amendments.

Under present law, at least 40 percent of the fund's directors must be independent of the management company. Actually, in most mutual funds a majority of the directors are now independent of the management company.

This amendment thus follows the principle that it is the shareholders—acting through their own vote and the vote of their duly elected representatives, the directors—who should determine what compensation management should receive and how their company shall be managed.

On this matter of management fees, the vote required would be two-thirds of the shareholders as well as all of the independent members of the board of directors.

Business and financial enterprises have a practical need for reasonable certainty and finality in the conduct of their affairs. This bill, in its present form, would create uncertainty and expose mutual funds to strike law suits on the basis that courts are directed to determine what is a "reasonable" management fee, even when approved by the shareholders and the directors. This would deprive the investors and shareholders who have their money at stake of the right to exercise the authority that is normally given to shareholders in American corporations.

As a practical matter, the provisions on management fees, if unmodified by this amendment, may simply give the SEC the power to fix management fees because the SEC could, simply by threatening suit, coerce the directors into changing the management fees against their better judgment.

The mutual fund industry is made up of over 300 funds that compete for the investor's dollar among themselves and with other investment media such as bank common trust funds, bank managing agency accounts, variable annuities, different types of insurance policies, savings and loan associations, and other forms of investment.

During the last 2 years, more and more new companies have been entering the mutual fund field, especially mutual funds sponsored by insurance companies, and we can be sure that competition among the funds is going to be even more intense in the future. Indeed, this very bill permits the entry of banks into the mutual fund business, a business which banks have hitherto been denied entry by the provisions of the Glass-Steagall Act of 1933.

Although supporting most provisions of the bill before us, the extent of the ratemaking and price regulation in the area of management compensation that would be permitted in the bill would appear unwarranted in this highly competitive industry.

It is for this reason that I shall vote for the amendment offered by the Senator from Utah [Mr. BENNETT] as a desirable adjunct to the requirement that management fees be reasonable.

Mr. SPARKMAN. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 6 minutes.

Mr. SPARKMAN. Mr. President, my esteemed friend the Senator from Utah [Mr. BENNETT] offered an amendment to the pending bill under which the reasonableness of the management fee could not be attacked in court if the fee had been approved by all of the "unaffiliated" directors and two-thirds of the shareholders.

Under this amendment, the management fee section of S. 3724 would revert to current law. The fee could only be challenged if the court found corporate waste or as one eminent jurist put it, if the fee were "excessively excessive."

The test of corporate waste concerning management fees has been defined in the case of Saxe against Brady—the leading case in this field and I had that decision printed in the RECORD yesterday—as to whether the compensation is so excessive that no person of ordinary sound business judgment would determine it to be worth what the corporation has paid.

The unusual structure of the mutual fund industry whereby all of the management functions of the fund are contracted out to a separate corporation has created this unusual situation. It has reduced the standard of fiduciary duties which ordinarily govern corporate compensation to a test of corporate waste. Under this artificial structure, neither the unaffiliated director nor the shareholder is able to bargain effectively for lower management fees. As a practical matter, the contract is approved by the directors of the fund who are appointed and selected by the investment adviser—the one who profits most from high management fees.

Evidence presented at the committee's hearings by unaffiliated directors shows that they do not consider it their duty truly to negotiate management fees. These directors feel that it would be improper for them to negotiate with any investment adviser other than the one which controls the fund. One unaffiliated director stated:

> How can an independent director come along later on and say we are going to fire that particular management company, replace them with somebody else?
>
> I don't believe it is the function of the director to put his judgment in replacing the judgment exercised by the man the day he bought the shares. He didn't buy it because I am on the board. He bought it because X company is doing the managing.
>
> * * * * *
>
> Except for the question of management fees, and I would say the independent directors I have had the privilege of serving with do an alert and intense job . . .

Thus, the ordinary laws of the marketplace concerning competitive bidding do not apply in this area. Director ratification even by a unanimous vote is in most instances meaningless and in the past has not provided adequate shareholder protection.

So far as the shareholders are concerned, the management contract is submitted to them on a "take it or leave it" basis. Competing offers and alternatives are not presented to the shareholders. Therefore, the fairness of the contract is not systematically evaluated by a truly independent body.

I am sure all will agree that under these circumstances, which exist only in the mutual fund industry, neither the unaffiliated directors nor the shareholders can exercise effective control over the reasonableness of management fees.

Mr. President, the issue before the Senate today is not whether management fees are reasonable. All agree that we are not in a position to make such a determination. The real issue is whether the mutual fund shareholder is to have standing in a court of law to ask for a judicial determination of the reasonableness of the management contract. Under present law and under the Bennett amendment, the fund shareholder is barred from having such a determination made. The standard of corporate waste which the Bennett amendment would continue to perpetrate has effectively precluded court adjudication of management fees. The issue before us today is solely whether we wish to continue this practice and to continue to bar independent review of the reasonableness of management fees.

Mr. President, as I view the amendment proposed by the Senator from Utah, it virtually bars the shareholder from entering court. There is nothing he can do with reference to the reasonableness of the management fees, provided they are voted for in a certain manner. I believe that all court doors should remain open for everybody to have a chance to come in, and be heard.

The substitute offered by the distinguished Senator from New Jersey, as I understand it, opens those doors by saying that the evidence is rebuttable. But even then, the burden will be up to the shareholder.

I ask the Senator from New Jersey if I am correct.

Mr. CASE. The intention of the amendment, and I believe its effect, is to change the burden of proof. Once ratification of the sort provided in the amendment occurred, then it would be up to anyone attacking the transaction to carry the burden of proving that it was not reasonable.

Mr. SPARKMAN. That is correct. But it leaves the courthouse door open.

Mr. CASE. I believe I am correct—and we would not want to have any misunderstanding—I am sure the Senator from Utah would agree that the effect of his amendment would be—unless my substitute for it is adopted—once the ratification described in the amendment is shown to have taken place, the court would be unable to go any further with any objection.

Mr. SPARKMAN. The door would be closed.

Mr. CASE. The Senator is correct.

Mr. SPARKMAN. And this amendment would keep it open. I believe every shareholder is entitled to have that door kept open until he has his day in court.

I support the substitute, and I am opposed to the Bennett amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). Who yields time?

Mr. McINTYRE. I yield 15 minutes of my time to the distinguished Senator from Utah, to oppose the amendment.

Mr. BENNETT. I appreciate the generosity of the Senator from New Hampshire.

Mr. President, this rather unusual situation was created by the way in which the Senator from New Jersey was allowed to bring up his substitute.

I cannot completely agree with the explanation that has been given as to the difference between my amendment and the substitute offered by the distinguished Senator from New York [Mr. JAVITS] and presented by the distinguished Senator from New Jersey.

This is, as has been made clear—at least to me—a contest or a disagreement between two approaches. The thing that has bothered me all along about the approach suggested by the Securities and Exchange Commission is the fact that if this bill is passed in its recent form, without any amendment, the SEC would have complete coercive power upon the shareholders and directors of every mutual fund; because any disgruntled shareholder, any striped-suit lawyer, could take a shareholder to the SEC, and the SEC could hold the mutual fund dangling for 6 months while it tried to decide whether it would attempt to set the fee. It is just that simple.

Someone might say, "Well, they could say the present fee is reasonable." That is setting it just as much as saying it is unreasonable. But for 6 months the fund and its corporate officers would dangle. During that 6 months, undoubtedly, the SEC is going to remind these officers of what they already know: "You'd better deal with us, and let us find the fee that is reasonable. If you don't, you'll have to face the cost of a lawsuit."

That, to me, is baldly and simply coercion of the worst sort.

My amendment was offered with the hope we could put those officers beyond the reach of the SEC and the striped-suit lawyer by saying if all of their independent directors and not half but two-thirds of the shareholders agreed the fee was reasonable, then, with that authority, these officers and shareholders should be free from that coercion and from that potential cost. This does not preclude the shareholder from the common law remedies which he presently has.

The amendment offered by the distinguished Senator from New Jersey as a substitute for my amendment seems to me, as a nonlawyer, to make the situation worse than it is at present, because, whereas it is rebuttable now on an action a majority of the shareholders, and a majority of the unaffiliated directors, the substitute would make it rebuttable on the action of two-thirds of the shareholders.

May I ask the Senator from New Jersey a question: Is not the burden of proof always on the one who brings the suit?

Mr. CASE. Well, he may have the initial burden of going ahead and showing certain facts; but once a situation of the sort contemplated here exists, then the burden is on the other side.

If the Senator will rephrase his question, perhaps I can be more helpful.

Mr. SPARKMAN. Mr. President, will the Senator yield to me so that I may reply?

Mr. CASE. I yield.

Mr. SPARKMAN. Under the wording of the Bennett proposal, initially the burden would be on the company or whoever was the defending party——

Mr. BENNETT. That there had been two-thirds——

Mr. SPARKMAN (continuing). To show the decision had been made on the basis set out in the Senator's formula.

Mr. BENNETT. That is correct.

Mr. SPARKMAN. Then, once that had been done, under the Case amendment the burden of proceeding—I was always taught that originally it was the burden of proof, but thereafter it was the burden of proceeding—was upon or would be shifted to the other party, and he would have to carry it.

Mr. BENNETT. Under the present law where action may be taken by a majority of the directors, where is the burden?

Mr. CASE. The present law. Is the Senator talking about the Investment Company Act as it stands before any change?

Mr. BENNETT. Yes.

Mr. CASE. In this matter I wish the chairman of the committee would answer these questions because he is the expert on the present act, and this is not really relevant to my amendment.

The question, I may say to the Senator, is: In a test on transactions of this sort under present law, who has the burden?

Mr. SPARKMAN. Would the Senator mind repeating that?

Mr. CASE. We are trying to ask questions through the Senator. I wonder if the Senator from Utah would restate the question so that the Senator from Alabama can hear it.

Mr. BENNETT. I thought it was a simple question. I did not realize the way I stated it would be controlling with respect to the answer.

Mr. SPARKMAN. Without dealing with the percentages, the burden is always borne by the person advancing the claim. Now, in this case, originally the burden would be on the person who started the action, but if the company or the individual or whoever it was, against whom the complaint was brought, should show the two conditions to be present that the Senator has in his amendment, then the burden would come back to the person offering the suit.

Mr. BENNETT. That is perfectly clear to the Senator, but the statement has been made that if the amendment of the Senator from New Jersey was agreed to, it becomes rebuttable. What becomes rebuttable? Is it the presumption that two-thirds supported it and 100 percent support it? There is no problem on that. But do we then get into the question of unreasonableness or are we still talking about the two-thirds and the 100 percent?

Mr. SPARKMAN. No. This is my opinion. The Senator has outlined two conditions in order for the person to get into court on the question of reasonableness.

Mr. BENNETT. Yes.

Mr. SPARKMAN. I think the effect of the Case amendment, where it said it was rebuttable, is that the question of reasonableness could be contested; that is, whether or not the conditions are met.

Mr. BENNETT. Assuming that were established without question, then would the effect of the Case amendment be to require the stockholder prove unreasonableness of the——

Mr. SPARKMAN. The Senator is correct.

Mr. McINTYRE. The burden shifts to him.

Mr. SPARKMAN. To prove reasonableness.

Mr. BENNETT. You have a case where a fee has been set.

Mr. SPARKMAN. Yes; the unreasonableness of the fee.

Mr. LAUSCHE. The presumption is, when the vote is cast, as set forth in the amendment, the fee is reasonable. The plaintiff must go into court and, by the burden of evidence, prove it is unreasonable.

Mr. SPARKMAN. The Senator is correct. I wish that the Senator from Utah would accept the amendment.

Mr. BROOKE. The test now is reasonableness.

Mr. SPARKMAN. The Senator is correct.

Mr. BROOKE. The preponderance of evidence would be on the reasonableness of the transaction.

Mr. SPARKMAN. The Senator is correct.

Mr. BROOKE. It seems to me that the defendant, in addition to getting two-thirds or 100 percent of the directors, then comes back to the preponderance he already had under the bill or the same test as the bill now provides.

Mr. SPARKMAN. No; the plaintiff has to. We say that presumption is rebuttable by the preponderance of the evidence.

Mr. CASE. In a court of law.

Mr. BROOKE. But under the Case-Javits-Bennett amendment, because they have taken the Bennett amendment and added on, is not the defendant in a much worse position than he would be under the bill?

Mr. SPARKMAN. I do not think so.

Mr. LAUSCHE. May I comment on that?

Mr. SPARKMAN. We are trying to leave that door slightly open for the man who is entitled——

Mr. BYRD of West Virginia. Mr. President, we cannot hear.

The PRESIDING OFFICER. The Senate will be in order.

Mr. SPARKMAN. Mr. President, I wish to say to the Senator from Massachusetts that according to my construction, the Bennett amendment closes the other door. This amendment leaves it slightly ajar but places the burden of opening it on the claimant.

Mr. BROOKE. It closes the door only if 100 percent and two-thirds have not been obtained.

Mr. SPARKMAN. The Senator is correct. I would like to say, and this is somewhat facetious but relevant, I do not know if the Senator has really construed closely the meaning of "unaffiliated."

They do not deal at arm's length. It is a closed body. They are unaffiliated but, in spite of all that is said, they are not really independent of the company.

Mr. BENNETT. I wish to ask this question. I do not know who has the floor.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. BENNETT. If it were shown that the so-called independent or unaffiliated directors were, in fact, not affiliated, does not the defendant have recourse under the present law?

Mr. BROOKE. Under the common law.

Mr. SPARKMAN. To me "unaffiliated" is a term that is legally applied to these directors and does not carry the ordinary meaning. When one speaks of an independent director, he thinks of him as being independent. In the mutual fund field he cannot be independent. The tieup is such that they are dealing with each other.

Mr. BENNETT. Is it not true, if that condition exists, the shareholder already has the power under the common law, as my friend from Massachusetts says, to proceed against the directors for breach of their fiduciary responsibility?

Mr. SPARKMAN. For waste or gross negligence. That is what the Saxe case held.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. BROOKE. This point was raised yesterday. I referred to the Investment Company Act of 1940, section 36, and I believe that is what the Senator has referred to. This is authority given to the Commission, authorizing the Commission to bring action in the proper district court of the United States, and if the Commission's allegations of gross misconduct or gross abuse of trust in respect of any registered investment company are established, they are enjoined "from acting in such capacity or capacities either permanently or for such period of time as in its discretion shall deem appropriate."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, I yield 10 minutes on the bill to the Senator from Utah.

Mr. BROOKE. Now this particular section gives the Commission authority to enjoin a director or an officer of the corporation.

Mr. SPARKMAN. Yes.

Mr. BROOKE. That is the sole authority granted under that section where the requirement of abusive trust is set forth under the law. It is not applicable to the stockholder. It applies only to officers or directors, or those persons named in section 36 of the Investment Act of 1940.

Mr. SPARKMAN. I think the Senator is correct in the statement he is making. The fact is that a short statement was read into the RECORD this morning, and I wonder whether I might read it again, because I think it is so pertinent to this discussion. It was made by the Senator from New Hampshire [Mr. McINTYRE].

It reads as follows:

> Mr. President, at this time I would like to clarify certain remarks made yesterday by the distinguished chairman of the committee, Senator Sparkman, concerning the judicial burden of proof which must be sustained by a plaintiff wishing to challenge mutual fund management fees.
>
> Under Section 36 of the Investment Company Act, the SEC must prove "gross abuse of trust" in order for it to enjoin any violations of that Act.
>
> The Act is silent as to the burden of proof which a mutual fund shareholder must meet in order to challenge a management fee. However, due to the statutory requirement of unaffiliated director approval of the fee and shareholder ratification—provisions originally intended to protect the fund but which have had the opposite result—the Courts have by judicial determination set a standard of corporate waste or as one eminent jurist has stated, "excessively excessive."
>
> This standard is clearly stated in the case of *Saxe* v. *Brady* which is reprinted on Page S. 9418 of Thursday's RECORD.
>
> Finally, I would like to restate the fact that throughout history no shareholder has ever sustained this most difficult burden in a mutual fund case.

Mr. BROOKE. That is judicial law.

Mr. SPARKMAN. That is correct. But it applies.

Mr. BROOKE. It is nowhere written in the statute at all.

Mr. SPARKMAN. That is correct. Neither is it in the injunctive process that——

Mr. BYRD of West Virginia. Mr. President, I have difficulty in distinguishing between Senators and their aides. I do not know who is speaking louder. Will Senators kindly speak more loudly so that their remarks may be heard by Senators and visitors in the gallery?

The PRESIDING OFFICER. The Senator's point is well taken.

Mr. CASE. It is a question of whose aides are aiding whom.

Mr. BENNETT. I am still waiting for an answer to my fundamental question, as to whether it can be shown that the independent directors are not, in fact, independent, and that they did not deal at arm's length. Does not the shareholder have the same right to proceed against them that any shareholder would have in any corporation, mutual fund, or not, on the grounds that they had not carried out their fiduciary responsibility?

Mr. BROOKE. They have that right, and, in addition, under the so-called Bennett amendment, they have the right to go to court and prove the preponderance of the evidence only, that there was not 100 percent approval of the board of directors and two-thirds approval of the stockholders.

Mr. BENNETT. May I go a step further——

Mr. SPARKMAN. I want to comment on this before the Senator gets away from it.

Mr. BENNETT. I am not going to get away from it. Would they not also have the right to go to court as part of this, to prove that the so-called independent directors, even though they voted, were not independent?

Mr. BROOKE. Yes.

Mr. CASE. Mr. President, I guess I have some time in my own right.

The PRESIDING OFFICER. Does the Senator from Utah relinquish the floor?

Mr. BENNETT. Mr. President, I yield the floor.

Mr. CASE. Mr. President, I should like to refer to the last colloquy——

The PRESIDING OFFICER. How much time does the Senator from New Jersey yield himself?

Mr. CASE. Two minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 2 minutes.

Mr. CASE. It is my understanding that the ordinary rules of law in regard to the relationship among stockholders, directors, and persons who are under control, or control the corporation, are interfered with by the existing Investment Company Act and, among other things, that interference has taken the form of the well-meant provisions for the protection of stockholders, which have not worked complete justice and have proved to be other than a protection, as in the case of actions where the affiliated directors have approved transactions and, thereby, prevented recovery, except in the cases of so-called gross abuse of trust or waste.

Now this is not said in criticism of the men who have held the positions, because they are estimable men, but because of the fact that people who may be independent, nevertheless, do not have the zeal, the drive, or the motivation to go after things of this sort, and who must rely very much upon corporate officers, or corporate employees, for their information, and that the committee has proposed this change in existing rules; is that not correct, I ask the Senator from Alabama?

Mr. SPARKMAN. I think that is a fair statement. Has the Senator finished?

Mr. CASE. It is only because that in my understanding of the situation and I am unhappy about the fact that——

Mr. SPARKMAN. We rule by judicial-made laws.

Mr. CASE. A judicial-made law, which has taken the provisions of the Investment Company Act and erected them into a defense against actions which otherwise would be actionable at common law.

Mr. SPARKMAN. The Senator is correct.

Mr. CASE. We are attempting as best we can, in a difficult situation, to respond to normal relations of trust, without harming the industry, without harming anyone.

Mr. SPARKMAN. I think the Senator is right.

Mr. BENNETT. Mr. President, will the Senator from New Jersey yield to me? How much time does the distinguished Senator from New Jersey have?

Mr. CASE. I have 15 minutes.

Mr. BENNETT. Will the Senator yield to me for a question?

Mr. CASE. Of course. Mr. President, I yield myself such time as I may need.

Mr. BENNETT. Since the Senator's amendment adds to the language concerning rebuttable presumption, that still leaves the corporation with the responsibility of getting a two-thirds vote of the shareholders plus 100 percent of the directors. While now all it has to do is to get the approval of the majority of each. If we take the rebuttable presumption on top of it, then we are putting the industry in a much tougher position than it is, even under present law.

Mr. CASE. I do not think that is quite a fair statement. The introduction of the Investment Company Act, even the committee bill, an effect of ratification by the stockholders and a certain percentage of the independent directors, using the independent directors as a defense, is an interference with the normal business judgment of a company. In most cases, if we have a situation in which a stockholder or any aggrieved person brings suit against the board of directors, he has to prove his case, and that is the situation at common law. And it should be so, except that the law also, either judge-made law or statutory law, in cases of affiliation of trust relationships, requires the trustee to establish the soundness and the fairness of the transaction that he has with his principal.

I think that is generally accepted as familiar law, too.

In most cases, these are transactions—and I make this on my own statement—where people are not dealing at arm's length. The chairman of the committee is absolutely right. This is not said in any way derogatorily of the individuals concerned. It is just a plain fact.

A corporation which is a sponsor of another corporation which is a mutual fund is not different, even though it may have a number of directors who are not common directors. The control of the mutual company in almost every case is by the affiliated, sponsoring company, which may be a company which sells these shares, which may be a company which sells its investment services or performs other services for it. It is this closeness of relationship that we are trying to work within.

Considering the facts, even independent directors realize why they are selected by sponsoring companies. They are independent, yes, but they know very well that if they are not reasonable, they are not going to be reappointed at the end of their term. It is perfectly natural that they should be chosen because they are friends, with a trust of the individual already in business. I have never felt that independent directors, except where they are forced into a situation, really could be regarded as independent, except as they force their influence on a minority group.

It is with regard to that situation that we are trying to have legislation.

I think it is quite reasonable to have a defense suggested by a vote of two-thirds of the shareholders of a mutual fund and all of the unaffiliated directors, but only to the extent of shifting the burden of going forward with the evidence and making it necessary for the attacking person to prove the unreasonableness, which is a very difficult thing to do.

Mr. BENNETT. Is it the feeling of the Senator from New Jersey that there is really not much difference between a majority in both cases and two-thirds and 100 percent, as my provision proposes; that these are just barriers along the way that do not really get at the heart of the matter?

Mr. CASE. I think the Senator's suggestion that a defense be required to have approval of 100 percent of the independent directors is much better than half. I think it is better to have two-thirds of the shareholders than just half, or a bare majority. I do not think in the latter case it means very much, because the shareholders, to a great extent, are an inert body, except for the large shareholders who constitute banks, insurance companies, or other institutions, which have a general fellowship of feeling and can be counted on to give proxies.

Mr. President, does the opposition to my amendment have any further desire for time?

The Senator from Illinois wanted a couple of minutes on an extraneous matter, but he is not in the Chamber at present.

Mr. BENNETT. Mr. President, I have a question I was trying to get an answer to. I wanted enough time to ask it and get an answer.

The PRESIDING OFFICER. Who yields time?

Mr. CASE. Mr. President, I am happy to yield the time for the formulation of the question.

Mr. BENNETT. The question is: Is the burden of proof that presently exists under present law, in the event that there is not 100 percent of the directors and two-thirds of the shareholders required in the amendment which I offered, altered in any way by the Senator's amendment to my amendent?

While the Senator is looking at the written question, I would like to ask my two colleagues on the other side of the argument the same question.

Is the burden of proof that presently exists under present law altered by the requirement of two-thirds and one-half, in the amendment of the Senator from New Jersey as a substitute for or an addition to my amendment? Does it not really make the burden more difficult for the corporation?

Mr. McINTYRE. Mr. President, if I may try to answer the question—and I am not certain I can—I take it from the wording of the Senator's amendment, as I viewed it from the beginning, that when a mutual fund is sued and it is in the position of having shown that two-thirds of the shareholders and all of the unaffiliated directors had approved the contract, the door is then closed.

With the addition of the wording of the amendment of the Senator from New York and the Senator from New Jersey, it simply says that even after the mutual fund company pleads the approval of two-thirds of the shareholders and 100-percent approval of the unaffiliates, the presumption is, after the evidence has been offered, that the fees are reasonable. Then comes the shareholder and takes over the burden of proof, and he must prove, by a preponderance of the evidence, that the fees are actually unreasonable. Is that an answer to the question?

Mr. BENNETT. It seems to me the burden on the company is increased, because it would be now two-thirds and 100 percent, whereas under the normal operating procedure, the fee needs only to be approved by a majority of unaffiliated directors and a majority of shareholders.

Mr. McINTYRE. I would not think that would be too much of a burden, because if I were attorney for a company, I would want to show, as a matter of evidence, that I had 100 percent of my unaffiliates, and perhaps 69 percent of my shareholders. I would want to prove that.

Mr. CASE. We are getting at where, under existing law, a majority of the stockholders and a majority of the independent directors can create a contract which may or may not be a presumption of the reasonableness of a provision which may or may not be rebuttable for the purpose of the Investment Company Act.

Mr. BENNETT. Is it not rebuttable now under present law?

Mr. CASE. Under present law, it may be rebuttable if one can show fraud or overreaching, or something of that sort, but the test would be that there could not be a giveaway by a majority of the shareholders or by the independent directors. They would still be liable for the giveway, and a giveway is sometimes talked of legally as a waste or gross mismanagement. Plain mistakes, even plain negligence, probably would not be actionable under existing law.

Under my amendment we are raising the requirement of two-thirds of the stockholders and 100 percent of the independent directors in order to shift the burden of proof in situations of that sort. When the Senator from Utah says we are putting this burden on the company, I sort of object to that statement, because this is for the benefit of the corporation. The burden is on the affiliate, the service company, the company which provides service either in the form of investment advice or stock sales, statistical, or other services. It is that company which has that burden, and I agree the burden is greater.

Mr. BENNETT. It seems to me under present circumstances if a stockholder can get into court—we are talking about a stockholder's suit, not an action by the Securities and Exchange Commission—the burden is on him finally under any circumstances. Is it not?

Mr. CASE. The burden is on him as to certain facts. If he can prove a relationship between these companies—that there is one control or common control—the burden of proof of the reasonableness of the transaction would completely shift.

Mr. SPARKMAN. Mr. President, may I ask the Senator a question? I see his point—the difference between existing law, which is 50 percent and 50 percent, as against 100 percent and two-thirds.

If the Senator is disturbed about that—why not just change it and make it 50 and 50, as in the present law, and take the amendment?

Mr. BENNETT. That is the point I am trying to make.

Mr. CASE. I do not think there is any point in this unanimity provision.

Mr. BROOKE. What difference would it make?

Mr. BENNETT. If the amendment can be changed—

Mr. CASE. I think it is within my authority to change the amendment, and I therefore ask that it be changed from two-thirds of the stockholders to a majority of the stockholders, and from all of the directors to a majority of the directors.

Mr. BENNETT. Mr. President, to the extent that my agreement is required, since I was the author of the original amendment, I concur in the modification.

Mr. SPARKMAN. I concur, Mr. President, and I am ready for the question.

The text of the modified amendment is as follows:

> In lieu of the language proposed to be inserted, insert "But any compensation or payments shall be presumed reasonable for purposes of this subsection if such compensation or payments have been approved or ratified by the affirmative vote of holders of a majority of the outstanding voting securities of such company and by the vote of a majority of directors of such company who are not interested persons of such company, but such presumption may be rebutted by a preponderance of the evidence."

The PRESIDING OFFICER. Does the Senator from New Jersey yield back the remainder of his time?

Mr. CASE. I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New Jersey, as modified by him, to the amendment of the Senator from Utah.

The amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Utah, as amended by the modified amendment offered by the Senator from New Jersey.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, on behalf of the Senator from Oklahoma [Mr. MONRONEY] I call up his amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Oklahoma [Mr. MONRONEY] proposes an amendment for himself and Senators DIRKSEN, BENNETT, YARBOROUGH, TOWER, and ALLOTT, as follows:

> On page 8, strike out lines 9 to 18, inclusive.
>
> On page 8, line 19, strike out "(6)" and insert in lieu thereof "(5)".

Mr. MONRONEY. Mr. President, regulation by the Federal Government should not be imposed on the business activities of the Nation unless abuses exist that cannot be eliminated effectively in any manner other than Federal regulation.

The Congress, observing this principle, wisely gave an appropriate exemption in section 3(c)(11) of the Investment Company Act of 1940 which expressly excludes from the definition of an investment company "any person substantially all of whose business consists of owning or holding oil, gas, or other mineral royalties or leases, or fractional interests therein, or certificates of interest or participation in or investment contracts relative to such royalties, leases, or fractional interests."

Congress not only recognized that abuses did not exist with respect to the subject matter of the exemption but it has, in addition, recognized that the business of exploration and producing of oil is one fraught with many risks and difficulties. It is in the national interest that new sources of petroleum be constantly sought.

Under the terms of S. 3724 both absence of abuses and need to encourage exploration for new sources of oil would be ignored. Specifically section 3(b)(5) of S. 3724 would amend section 3(c)(11) to read "any person who is not engaged in the business of issuing redeemable securities, face-amount certificates of the installment type, or periodic plan certificates and substantially all of whose business consists of owning or holding oil, gas, or other mineral royalties or leases, or fractional interests therein, or certificates of interest or participation in or investment contracts relative to such royalties, leases, or fractional interests."

Section 3(c)(11) of the Investment Company Act of 1940 relates to companies which do not come within the generally understood concept of a conventional investment company investing in stocks and bonds of corporate issuers and thus not subject to the same types of regulation. On pages 35 and 36 of report No. 1351 of the Senate Committee on Banking and Currency, dealing with S. 3724, it is stated that companies engaged primarily in factoring, discounting, and real estate businesses have attempted to capitalize on the popularity of open end mutual fund companies by issuing redeemable securities.

While the practices of these companies for the purposes of section 3(b)(3) of S. 3724 may well have resulted in abuses, such abuses should not be attributed to those companies at which S. 3724 is directed. The issuance of redeemable securities in the oil business benefits the investor to the degree of the liquidity extended by such redemptions. If an investor finds it necessary to sell, it is much better to have a redemption price based upon a formula which was known to him before he invested rather than forcing him to negotiate a price from the oil operator in a climate of adversity. The standard given for regulation is redemption at the investor's option. Why redemption at the issuer's option is better than redemption at the investor's option is neither explained; nor is the logic in such a standard apparent on its face.

S. 3724 would depress the independent oil industry and thus would be contrary to congressional intent and the public interest. As stated previously, Congress has sought, in the public interest and for national defense, to provide incentives for the finding of reserves of oil and gas in this country.

However, the decline of drilling activities has been causing concern not only in industry but in Government agencies, and in Congress itself.

Modern formulations of investment plans for individuals in limited partnerships on a quarterly basis are raising significant amounts of money which go immediately into drilling through the independent petroleum industry and support the vital role of the independent oil producer. S. 3724 would limit this important source of financing.

If there is fear that abuses exist, there is sufficient authority under the Securities Act of 1933 and the Securities Exchange Act of 1934 to control any abuses which might arise.

But the fact is abuses do not exist. Had such abuses existed there is no doubt they would have been described fully in the course of the hearings on S. 3724.

While direct investments in oil and gas are seldom available to the investor of "modest means," the issue and sale of the redeemable securities outlined in section 3(c)(11) provides the small investor with advantages previously afforded only by the larger more affluent investor. To deny the small investor the advantages generally available to those more affluent investors is an unwarranted discrimination.

This exception excluding those whose business involves gas and oil was written into the Investment Company Act of 1940 in its inception and should not be amended without expressed reasons and after further consideration by Congress. The request for regulatory authority implies abuses to be corrected by restrictions; restrictions should not be imposed without reasons. No reasons or statement of alleged abuses have been given. Accordingly section 3(b)(5) of S. 3724 should be stricken, which my amendment would do; thus leaving existing law the same as it now is with respect to the oil and gas industry.

I urge the Senate to adopt the amendment.

Mr. ALLOTT. Mr. President, I rise to support the motion offered by the senior Senators from Oklahoma and Illinois to strike section 3(b)(5) from the pending bill. I do so because I cannot believe that additional Federal regulation should be imposed on the activities of our Nation's business interests without an overriding justification, the need for which has been thoroughly examined and documented by the Congress.

Mr. President, no such justification exists in this case. No compelling need has been manifested by either the hearing record or the report of the committee. There is no demonstrable abuse which would provide the element of urgency to do that which the committee now seeks to provide. In fact, the reasons used to support this effort bear more the mark of recent exhumation than they do of critical examination.

As the Senate is aware, section 3(c)(11) of the Investment Company Act of 1940 presently excludes from the definition of an investment company "any person substantially all of whose business consists of owning or holding oil, gas, or other mineral royalties or leases, or fractional interest therein, or certificates of interest or participation in or investment contracts relative to such royalties, leases, or fractional interest." This exclusion was expressly provided to allow an exemption to those companies which do not come within the generally understood concept of a conventional investment company, investing in stocks and bonds of corporate issuers and thus not subject to these same type regulations.

Mr. President, lest Members of the Senate assume that these 3(c)(11) companies are excluded from Federal regulations relating to the issuance and sale of their securities, I ask unanimous consent to have printed in the RECORD at this point in my remarks a brief memorandum which sets forth a few of the Federal regulations which presently cover the issue, sale, and distribution of securities described in section 3(c)(11) of the Investment Company Act of 1940.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

The following sections which relate to the Federal regulation over the issue, sale, and distribution of securities are but a few of the regulations imposed and administered by the Securities and Exchange Commission.

SECURITIES ACT OF 1933

1. Section 5(a) states it is illegal to utilize the facilities of interstate commerce to offer to sell or deliver securities (which includes oil and gas interests, etc.) unless an effective registration statement has been filed with the Securities and Exchange Commission.[1]

Section 5(b)(1) makes it unlawful to utilize the facilities of interstate commerce to carry or transmit a prospectus with respect to which a registration statement has been filed with the Securities and Exchange Commission unless certain prescribed requirements are met.[2]

Section 5(b)(2) makes it illegal to transmit through the facilities of interstate commerce, for the purpose of sale or delivery after sale, any security not accompanied or preceded by a prospectus meeting certain requirements.[3]

Section 5(c) makes the offer to buy or offer to sell unregistered securities a violation of the law and makes offers of registered securities a violation of federal law under certain other conditions.[4]

2. Section 11 pertains to civil liabilities which arise on account of a false registration statement.[5]

3. Section 12 pertains to civil liabilities which arise in connection with the use of prospectuses and other communications.[6]

4. Section 15 indicates the joint and several liability of "controlling persons" where there are violations of Sections 11 and/or 12.[7]

5. Section 17 contains very pervasive antifraud provisions under which the Securities & Exchange Commission has, and will in the future, take action. This Section is construed very broadly to encompass any fraudulent, deceitful, or deceptive devices including the omission to state a material fact.[8]

6. Section 18 indicates the state of territorial jurisdiction which exists over any security or person thereby resulting in additional regulation pursuant to the various state statutes.[9]

7. Section 20 enables the Commission to take injunctive action and prosecute offenses when it is deemed appropriate.[10]

SECURITIES ACT OF 1934

In addition it should be noted that pursuant to the Securities Exchange Act of 1934 there are also a number of regulatory provisions, not enumerated herein, which pertain to the issue, sale and distribution of the Securities above mentioned.

Mr. ALLOTT. The passage of section 3(c)(11) of the Investment Company Act of 1940 not only recognized that abuses did not exist with respect to the subject matter of the exemption, but also took cognizance of the fact that the business of exploration and production of oil is fraught with risk and is an industry which must attract capital investment. In addition, of course, it was recognized then and it surely is today that a reasonable climate for oil and gas exploration must be provided if we are to assure continued national security reserves.

Mr. President, I am concerned that the present action of the committee in proposing to amend section 3(c)(11) abandons not only the concept of providing a reasonable encouragement to the oil and gas industry for exploration purposes, but also leads us down a legislative avenue where there has been no indication of demonstrable abuse. Specifically, the committee now seeks to reach those persons or associations of persons whose business it is to hold oil and gas or other mineral interests for investment purposes and who use the financial vehicles of redeemable securities, face amount certificates of the installment type, or periodic plan certificates with which to attract capital.

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[1] Securities Act of 1933, 5(a), 48 Stat. 77, as amended by 68 stat. 684, 15 USC Section 77e–5(a), (1933).

[2] Securities Act of 1933, 5(b)(1), 48 stat. 77, as amended by 68 stat. 684, 15 USC Section 77e–5(b)(1), (1933).

[3] Securities Act of 1933, 5(b)(2), 48 stat. 77, as amended by 68 stat. 684, 15 USC Section 77e–5(b)(2), (1933).

[4] Securities Act of 1933, 5(c), 48 stat. 77, as amended by 68 stat. 684, 15 USC Section 77e–5(c), (1933).

[5] Securities Act of 1933, Section 11, 48 Stat. 907, 15 USC Section 77k–11, (1933).

[6] Securites Act of 1933, Section 12, 48 Stat. 84, as amended by 68 Stat. 186, 15 USC Section 77(i)–12, (1933).

[7] Securities Act of 1933, Section 15, 48 Stat. 84, as amended by 48 Stat. 908, 15 USC Section 77o–15, (1933).

[8] Securities Act of 1933, Section 17, 48 Stat. 84, as amended by 68 Stat. 686, 15 USC Section 77q–17, (1933).

[9] Securities Act of 1933, Section 18, 48 Stat. 85, 15 USC Section 77r–18, (1933).

[10] Securities Act of 1933, Section 20, 48 Stat. 86, as amended by 63 Stat. 107, 15 USC Section 77t–20, (1933).

I do not believe, Mr. President, that we have had any showing either by the report or in any of the hearings that the section 3(c)(11) exemption should no longer be allowed. Certainly in many of these types of companies there is no ready market for the interest held by the investor. The issuance of redeemable securities in the oil business is a common practice in order to benefit the investor by providing him with the degree of liquidity afforded only by such redemption opportunity. For example, if an investor finds it necessary to sell, it is much better to have a redemption price based upon an agreed upon formula which was known to the investor before he invested rather than requiring the negotiation of a price from the oil operator in an atmosphere of fiscal uncertainty. In addition, Mr. President, many of these companies, in fact I would say the predominant majority, are those interested solely in close financial relationships to pool the risks of drilling. As such, of course, their expectancy of either gain or loss is not based solely upon the royalties which may or may not accrue from such drilling operations.

The committee has failed to demonstrate the number of companies which may be affected by this proposed change. For example, Mr. President, there have developed within recent years modern formulations of investment plans for individuals in limited partnerships, the rights and liabilities of such partners being clearly definable by law and by contract. These partners certainly are not the naive, modest investors contemplated by the need for legislative protection under either the Securities Act of 1933, the Securities Exchange Act of 1934, or the 1940 Act with which we are dealing today.

Mr. President, as I pointed out earlier these companies issuing securities under the provisions of section 3(c)(11) are presently circumscribed by adequate Federal regulation to assure the fullest protection of the public interest. Now we are being asked to move into an area where there has not been a full opportunity for members of the affected industries to demonstrate their ability to reasonably operate if the proposed amendments are enacted. Because I believe that the action suggested by the committee requires the fullest discussion through the congressional hearing process, I should encourage all Senators to support the efforts of Senators Monroney and Dirksen in striking section 3(b)(5) from the present bill.

Mr. SPARKMAN. Mr. President, we have discussed this amendment. I understand that the Senator from Utah is agreeable to it.

Mr. BENNETT. I am one of the sponsors of the amendment.

Mr. SPARKMAN. I have discussed it with the Senator from Oklahoma, and we are willing to accept the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. SPARKMAN. On behalf of the Senator from Oklahoma, I yield back his remaining time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. BENNETT. Mr. President, I yield myself 3 minutes.

We have marched up the hill and down on this particular section. I think this is very bad legislation, but it has become obvious, in this very free colloquy on the floor of the Senate, that the amendment of the Senator from New Jersey, as proposed, would have made it worse for the mutual funds, so I have reluctantly agreed that the section should be included.

I think we had our test on the bill when we voted on the question of recommital, and I see no point in bringing Senators back for a record vote on passage. But I should like to take just a minute to say that we have today destroyed one of the fundamental principles of management responsibility in nonpublic utilities or nonregulated corporations. We have set up a situation in which an agency of the Federal Government can step in and, by use of its coercive powers, force corporations to bow to its will.

Previously, the right to set rates given to regulatory bodies has referred only to utilities. Now we are moving that right into the area of mutual funds. Who knows where it will go next?

I hope that our friends at the other end of the Capitol, after an opportunity to study the record of this debate, will be very slow to follow our example.

Mr. SPARKMAN. Mr. President, I yield myself 3 minutes.

I am pleased that we are coming to the end of the consideration of this bill. It has been a long and laborious undertaking.

I do not intend at this point to enter into a debate with my friend from Utah, but I cannot agree with him in the things he has said with reference to regulating the mutual fund industry. As a matter of fact, the business is already regulated. I would say that this is a progressive change, or a change in the right direction, of some of the features connected with that regulation.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. BENNETT. I used the wrong term where I used the word "regulated."

Mr. SPARKMAN. I am sorry; I believe the Senator used the word in connection with rates.

Mr. BENNETT. Yes. When I said "regulated companies," I was thinking of utilities or franchised or regulated monopolies, and later corrected myself.

Mr. SPARKMAN. Very well. The Senator did say "rates," that is true.

But, Mr. President, in all charity, I must say I think the Senator is assuming a great deal as to the terrible treatment that the Securities and Exchange Commission is going to give these companies. As a matter of fact, under the provisions of this bill, the Securities and Exchange Commission cannot treat them too badly. I think they are well protected. I want to see them well protected. I want to see them continue to grow. They mean a great deal to the economic life of this country.

Mr. President, I have had some things to say with regard to the so-called independent or unaffiliated directors. We have gathered some interesting testimony taken with reference to them, their selection, how much work they did, what they knew about it, and so forth.

The senior Senator from Utah [Mr. Bennett] has placed great faith in the judgment of the independent director. However, I must disagree with that assumption. Over the years, the facts have proven otherwise. With one possible exception, mutual fund management fees have never been changed through the action of the independent directors. Independent directors have never succeeded and in most instances have never tried to reduce management fees. When they have done so they have been unsuccessful except when pending lawsuits or other similar pressures were present. I am not exaggerating when I say that mutual fund management contracts are almost always renewed by these unaffiliated directors as a matter of routine.

The following statements made by unaffiliated directors during actual investigations and in court transcripts are, I believe, relevant to any claim that independent directors have been effective as representatives of fund shareholders. These statements provide adequate warning against extensive reliance on these directors. They are concerned with first, the selection of the unaffiliated directors; second, understanding of the unaffiliated directors of their responsibilities; third, the information given to these directors; fourth, the approval of advisory fees; and, fifth, the possibility of changing advisers.

Therefore, I ask unanimous consent that these excerpts from testimony of unaffiliated directors be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Selection of Unaffiliated Directors

There is no real doubt that unaffiliated directors are selected by their affiliated colleagues and are persons who are unlikely to be active in procuring lower fees on behalf of fund shareholders. The following statement is not atypical:

"Q. And why did he want you, particularly, to become a director of the fund?

"A. Well, I think—I don't know, I'm not a mindreader, but I have known (the investment adviser) since 1940, and he was in college at the same time with my wife and she had known him ten or more years before that. We used to know them very well when we lived in Winnetka before, which was in the early 1940's."

Asked to describe the circumstances of his becoming a director, another independent director gave a similar account:

"This is rather vague, too; I presume it was more or less chance, as I recall it. I was chatting with (the investment adviser of the mutual fund) and he said, 'Would you like to be a director of (the mutual fund)?' I probably said I would think about it. I am not much to jump into directorships, but it

was pretty informal, pretty simple, as I recall it."

The director of a different fund said of his selection, "Well, I knew the (adviser) personally. My wife's father had been formerly associated with (the advisory company), and I had met (the adviser) through him."

Another director gave this account of being chosen as a director:

"(The investment adviser) called me. (He) is a cousin of mine, and I have known him, of course, for a few years and he called me and told me that they were organizing a fund which was to invest in some special situations to be a growth fund for those who were particularly interested in capital advancement rather than income, and wanted to know if I would help them out by being on the Board.

"And I told (the adviser) that I didn't know the first thing about the funds or really investments at all, that I didn't see what I could contribute to the Board.

"And he said, well, I could be of some help to them because I had just the general background that they wanted to get a varied Board put together and I could be of some help to them.

"I said, 'What you really want to do is use my name.'

"And he said, 'Well, if you want to put it that way, I suppose that is it.' "

When asked how he had come to be a mutual fund director one independent director explained:

"Well, I was a personal physician of (the adviser's father), and in my relationship with the family at that time I met (the adviser), and after his father's death I was the personal physician of (the adviser), and when he, when they, set up this (fund) I had a little money to invest and I put it in the shares, and I think just as a gesture to me he asked me if I wanted to be on the Board."

One director was asked, in view of his lack of knowledge of the securities markets, what he had expected to contribute to the Board:

"It was a fairly small fund in those days and I did not expect to give him (the adviser) any investment advice. He was giving me investment advice, but I could at least give him a friendly director—a person who knew and had confidence in him and also had an impression of his ability and his character."

UNDERSTANDING OF RESPONSIBILITIES

One director was asked if the responsibilities imposed on an independent director by the Investment Company Act had ever been explained to him:

"A. Yes. But it (the explanation) was very sketchy and not adequate.

"Q. Who gave you this briefing or was that research you did on your own?

"A. My own. I really did not have a thorough concept. The first Board meetings I attended things would come up. I would make notes on these.

"Q. Have you subsequently had somebody explain to you the duties and liabilities of an independent director as they are conceived in the Investment Company Act?

"A. No, I don't think so. I think more or less again *by osmosis*, I have acquired some concept of the responsibilities. . . ."

Though he had gained an understanding of his responsibilities "by osmosis," this director concluded, "I feel them very keenly."

Few of the directors interviewed had received a briefing on the potential liabilities and specific duties of an independent director under the Investment Company Act. It is not surprising, then, that many of them had only a hazy concept of their responsibilities as directors:

"Q. How about something such as the amount of the load to be charged in the marketing of (the fund's) shares; do you as directors, go into that, or is that again something that is within the competence primarily of the (underwriting) organization?

"A. Well, that would be the (underwriting) organization.

"Q. How about the allocation of certain kinds of expenses between the funds, especially certain kinds of corporate expenses; do you discuss that?

"A. No, that's entirely management.

"Q. You don't spend any time discussing that or reviewing that?

"A. No."

Another director related the following experience.

"Q. What did he say in the course of his invitation that you become a director of the Fund?

"A. Well, I don't recall in detail. He said, 'We would like to have you as director and would consider it an honor if you would go on our Board.'

"Q. Did you make him aware in all modesty of your limitations as a securities expert?

"A. I probably mentioned that I had no background. I don't know.

"Q. Did he find that no deterrent—

"A. Evidently."

Again, the difficulty an independent director has in acting effectively is indicated by this statement:

"At the time that (the adviser) asked me if I would like to become a director I asked (his employer) what that would mean as far as my director's duties were concerned, and (the employer) said: 'Well, as you know, directors represent the stockholders, and it is their job to hire the officers that run the company, fix their salaries and any contracts that they have to have, to approve those . . ." I think he mentioned an investment adviser contract and a sales contract.

At that time (the adviser) was functioning as both (underwriter and adviser). So I asked (the employer) if that was the way that things were done, and he said it was legal for (the adviser) to have both contracts. And he said, 'Of course, as a director, you really won't have too much to do, because I will take care of the S.E.C. . . . "—and then he again pulled out his card and said that he understood the S.E.C. and what was necessary, and whatever registration was necessary, and that the company would be registered under the S.E.C., and as such would have to make regular reports to the S.E.C. Then the thing that made me a believer, he said, 'You have quite a few shares in there, and if you are one of the directors, you can find out what is going on.' "

INFORMATION GIVEN INDEPENDENT DIRECTORS

One of the difficulties confronting independent directors is that they are not fully informed. Some directors do not have even an accurate idea of their fund's performance. In one fund, whose ten-year performance record was among the poorest of any of the mutual funds, two of its independent directors claimed that it always "won" in comparisons with other similar funds and that its performance looked good in relation to that of other funds. Another director of the same fund "not only recommended that the (advisory fee) contract be formally approved but also that the (adviser) be commended for the excellent investment results during the past year, the high quality of its services and the promise this arrangement offers for the future."

In most situations the independent director must rely entirely on the adviser and the affiliated directors for his information and advice. A problem that can arise from such a situation is illustrated by the following excerpt from an interview with an independent director:

"Q. Could you explain briefly what business was transacted at meetings of the executive committee of (the fund).

"A. Well, usually (the person who is president of both the fund and its adviser) would come over to my office . . . and he would bring along the little sheet with the recommended payments on these shares, and we would talk them over. I would ask him if he thought they were all right, and if he said that they were all right and that it was recommended and I thought they looked all right, I signed them.

"Q. What information was contained on the sheet which he showed you?

"A. Well, it was principally a question of filing dividends on certain groups. I can't remember the exact groups, but he would say that—he'd show me a figure, maybe paying three cents out of income, maybe six cents out of capital gains, and I would say, 'Well, is that, is that all right? Do you have things in line? Can you pay it?' And if he would say yes, why, I would go ahead and sign it."

The independent directors are generally uninformed on many matters which are basic to the efficient management of a mutual fund. Few understand that brokerage commissions may be used to pay for investment advice. Fewer understand what is meant by the term "give-ups" or that the Third Market may be used to reduce the cost of brokerage commissions. When asked whether the underwriter for his fund paid certain expenses, one independent director thought it did but admitted, "You have me there. I am not sure. They should. I ought to make darn sure that they do." The director of a different fund finally conceded that "the only information I had" was material the adviser was using "in the regular course of business" and "the annual report when it went to other shareholders." Even where ample information was given to the independent directors, those interviewed often had little understanding of its meaning or importance.

APPROVAL OF ADVISORY CONTRACTS

Under the Investment Company Act, the usual way of continuing an advisory fee contract which is in effect is through yearly renewal by the board of directors of the fund. In a growing number of cases, however, the contracts are submitted to shareholders annually, with the recommendation of the board of directors that the continuation of the contract be approved. The directors, then, are responsible for making certain that the fund is obtaining investment advice at a reasonable price. However, it is clear from studies that the renewal of advisory and underwriting contracts has been, and is, generally a matter of routine. Today, there is more window-dressing, more information given directors, more attention given the advisory contracts, but there is little substance to the ritual. The contracts are still approved routinely—with one exception no adviser has been replaced by the action of unaffiliated directors; neither have fees come down substantially at their instance.

The director of one fund said that when the matter of renewal came up "we would usually approve it with a special resolution of thanks or approbation. Actually we would incorporate that in the minutes, in the resolution." Few of the independent directors had investigated the advisory fee before voting to approve the advisory contract. Representative of the interviews with independent directors on this point was the following:

"Q. Did you ever make an investigation check into (the investment adviser) to see the type of services that were being provided for (the advisory fee)?

"A. Did I make an investigation?

"Q. Yes.

"A. No.

"Q. Did you ever go into the office and find out who was working for (the adviser) and rendering this advice that they were supposed to render?

"A. I did not.

"Q. Well, were you concerned at all as to whether (the fund) was getting (the) value they were supposedly receiving from the adviser?

"A. Well, the Fund had reasonable success and I assumed that they were getting certain valuable services.

"Q. But you never checked in particular as to who was rendering the services or what services were, in fact, being rendered, did you?

"A. That's right."

Another independent director was asked to explain what was considered by the directors in renewing the advisory contract:

"A. Well, I think (naming the person who was president both of the fund and of the fund's adviser) would say, 'Well we have to renew our contract with (the adviser) again. Is the contract satisfactory?' And usually there weren't any remarks, and he said, 'Well, anybody have any objections?' If there was some discussion then a motion would be made to renew the contract and that's the way it's handled.

"Q. Was there any financial data presented to the Board, that is, the financial information of (the adviser)——

"A. Never.

"Q. Presented to the Board of Directors of (the fund)?

"A. Never that I can remember.

"Q. Did you ever make any inquiry at this time as to how (the adviser was) spending its money that was being paid under the fee?

"A. Well, that was rather a little touchy subject and I didn't have much to do with these companies because they wanted me to invest some money in it and I wouldn't invest any money in it and they were a little touchy on the subject of my fooling around with it, so I didn't bother.

"Q. They wanted, who is 'they'? You mean (the president of the fund and the fund adviser)——

"A. (Yes.)

"Q. Wanted you to invest in (the fund adviser)?

"A. (Yes.)"

The advisory fee of one of the funds had for years been unchallenged and the advisory contract had been regularly renewed by the directors. Ultimately a suit was brought alleging that the fee that the fund had been paying was excessive. The reaction of one of the fund's independent directors to this attempt to have the fee reduced was the following:

"Q. I recall seeing in the minute books statements and I don't remember who made them any more, about expressing shock and expressing the belief that the advisers had done a good job and that there was absolutely no foundation to the claims being made in the litigation?

"A. That is correct.

"Q. And I assume that part of what you meant there was that the funds were being given proper service and at a fee which constituted fair compensation?

"A. That's right.

"Q. Yet because of the problems involved in the litigation, eventually the advisers decided that a scaledown in fees was feasible?

"A. They decided that.

"Q. Didn't you feel when that occurred that—do you feel that now the advisers are working for too little money?

"A. I was very much opposed to the settlement.

"Q. Why was that?

"A. I thought they were strictly suits that some lawyer had gotten hungry and thought this was sort of an open market to get clients, and they were just starting these suits without any foundation and that a settlement would reflect on the management and on the directors. . . ."

A few funds are charged a "continuing fee" in addition to the usual advisory fee. A director of one fund which pays such a fee was asked if the directors of the fund had ever been told what the fee was for. He replied that he thought they had but could not recall. When asked if the directors had ever thought of discontinuing the payment of the fee he answered that he didn't recall "any specific discussion on that." Another director of the same fund was asked about the fee:

"Q. Why should this fee be levied, do you know?

"A. I don't know.

"Q. Have you ever raised any questions about it?

"A. No.

"Q. Have you known that it was unusual?

"A. I didn't know it was unusual, no.

"Q. You have no idea of what the continuing fee is used for?

"A. No.

"Q. In each of these years when you approved the advisory contract, you also approved the contract with (the underwriter). What kind of discussions centered about the recommending of approval of that contract or approving that contract that you recall?

"A. I don't remember what the discussions were."

POSSIBLE CHANGE OF ADVISERS

Many of the independent directors seem hampered in obtaining the most reasonable price for investment advice by their own reluctance to consider changing advisers. Perhaps, much of this reluctance is attributable to the usual close relationship between the advisers and the unaffiliated directors. In one situation where a subadviser was brought in to do the work of the principal adviser the question was raised why the fund did not deal at the lower price with the subadviser:

"Q. What I was really going to ask is if (fund adviser B) can furnish the advice which is required by the fund for less money than (the rate) that (fund adviser A) charges the fund, why have you not, as an independent director said, 'Why don't we try to make a direct contract with (fund adviser B). We don't need (fund adviser A) because they don't contribute anything. It would be cheaper for us.'

"A. As I sit here, I don't recall the discussion that occured when this contract was approved—but I must have been satisfied at the time that there would be an increased expense involved and maybe they were looking ahead. I don't know.

"They may have been trying to project their organization to some future requirement. I don't know. It did not seem out of line a great deal to me.

"Q. You didn't think this was perhaps just a way to permit (fund adviser A) to share in any potential profits which would be derived from the management company because he brought this in?

"A. No. I am not at all a suspicious soul. I wish I questioned motives more. I have had a terrible shock and disillusionment, but it never occurred to me. He (the fund adviser) has such an excellent reputation.

"Q. I don't say this would be a shocking thing for him to do. From his point of view it might be a legitimate way of making the business go on. I was wondering what you thought was behind it, what seems at first blush a kind of organization just inserted. I don't know that I fully understand what that company does and contributes to the giving of advice to the fund.

"A. I remember they brought in around four million in assets. This is sort of hazy, but as you talk things come back to me incident to it.

"Q. I just wonder whether this is the kind of thing that lay behind that deal?

"A. That is a good question.

"Q. If it was and if that was the sole purpose of that arrangement would you vote to discontinue that arrangement?

"A. Yes. I am going to request it at the next meeting. I have to be sure of myself and I have to be awfully careful that I don't question people's motives."

Another director, in discussing the transfer of fund advisers, said:

"Some of the fellows wanted to cancel the whole thing though, throw them out and run our own organization—do everything, crazy. I was one of them. Hell, they have millions of dollars. They have equipment. They have a thousand employees. You can't throw that kind of thing out the window. . . ."

One director of a fund whose investment adviser also handled sales of fund's share said that, if the advisory contract was cancelled, the adviser's sales force might encourage redemptions of fund shares, exerted great pressure on the directors to retain the adviser.

A director of one fund suggested that it would be improper for the directors of a fund to consider shifting advisers:

"Q. Did you ever, for example, attempt to find out whether equally good but cheaper advice was available, for example, whether an adviser to another fund which had performed as well as (this fund) might be willing to do this work, the same work for less, or wouldn't you consider that a proper line of inquiry?

"A. I wouldn't have considered that proper. The people who were investing in these funds were investing on their faith in the (adviser's) organization. They didn't care anything about (my) opinion; the opinion they wanted was the (adviser's) opinion.

"Q. Did you ever suggest to the (adviser) that they could perform the services they were performing for less money?

"A. No.

"Q. Did you consider that a proper line of inquiry for you?

"A. No."

These comments are indicative of the plight of most independent directors. This was recognized by one such director who regretfully noted, "(B)y and large every director is invited to join the Board of these respective funds because of friendship, because of admiration for the individual or personal admiration, and possibly not always based on that individual's capacity to be an outstanding director. . . ." Another director remarked, that after searching for two or three independent directors, he had concluded, "(T)he problem of getting somebody that is not subject to being called a personal friend and, therefore, dominated, and then have some qualifications, is not a very simple one sometimes."

The foregoing is not to suggest that unaffiliated directors who bring a diversification of business experience to the operation of an investment company do not perform useful and important functions. In areas involving conflicts between the fund adviser and fund shareholders, however, they have not proved to be, and are not, in a position to effectively represent the interests of the shareholders. Indeed, their presence has often done more to insulate the adviser from independent judicial scrutiny of advisory fee arrangements than to serve the interests of shareholders.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MONRONEY. I express my appreciation to the distinguished chairman of the committee and to the ranking majority and minority members of the committee, as well as to all members of the committee, for the consideration they have given this matter.

The committee could not have been considerate and understanding of the fact that the scope of this bill could hardly encompass the type of investments not normally found in mutual funds.

I deeply appreciate the understanding

of the chairman and of the members of the committee, and I hope that at the earliest possible date next year, if any legislation is necessary to properly regulate these securities concerning the type of investments and their security, that legislation will be undertaken by the Committee on Banking and Currency over which the distinguished junior Senator from Alabama so ably presides.

Mr. SPARKMAN. Mr. President, I thank the Senator from Oklahoma.

Mr. McINTYRE. Mr. President, I send to the desk two technical amendments and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the amendments.

The assistant legislative clerk proceeded to read the amendments.

Mr. McINTYRE. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be printed in the Record.

The amendments ordered to be printed in the Record are as follows:

On page 71, line 19, strike "sections 13 and 15(d)" and insert therein "sections 12, 13, 14(a), 14(c), 15(d) and 16".

On page 39, line 16, strike "Act of 1949", and insert therein "Act of 1940".

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc of the Senator from New Hampshire.

The amendments were agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3724) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3724

An act to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Investment Company Amendments Act of 1968".

Sec. 2. Section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)) is amended as follows:

(1) Paragraph (5) is amended to read as follows:

"(5) 'Bank' means (A) a banking institution organized under the laws of the United States, (B) a member bank of the Federal Reserve System, (C) any other banking institution or trust company, whether incorporated or not, doing business under the laws of any State or of the United States, a substantial portion of the business of which consists of receiving deposits or exercising fiduciary powers similar to those permitted to national banks under the authority of the Comptroller of the Currency, and which is supervised and examined by State or Federal authority having supervision over banks, and which is not operated for the purpose of evading the provisions of this title, and (D) a receiver, conservator, or other liquidating agent of any institution or firm included in clause (A), (B), or (C) of this paragraph."

(2) Paragraphs (19) through (35) are redesignated as paragraphs (20) through (36), respectively, and paragraphs (36) through (42) are redesignated as paragraphs (38) through (44), respectively.

(3) A new paragraph is inserted immediately after paragraph (18) to read as follows:

"(19) 'Interested person' of another person means—

"(A) when used with respect to an investment company—

"(i) any affiliated person of such company,

"(ii) any member of the immediate family of any natural person who is an affiliated person of such company,

"(iii) any interested person of any investment adviser of or principal underwriter for such company,

"(iv) any person or partner or employee of any person who at any time since the beginning of the last two fiscal years of such company has acted as legal counsel for such company,

"(v) any broker or dealer registered under the Securities Exchange Act of 1934 or any affiliated person of such a broker or dealer, and

"(vi) any natural person whom the Commission by order shall have determined to be an interested person by reason of having had, at any time since the beginning of the last two fiscal years of such company, a material business or professional relationship with such company or with the principal executive officer of such company or with any other investment company having the same investment adviser or principal underwriter or with the principal executive officer of such other investment company:

Provided, That no person shall be deemed to be an interested person of an investment company solely by reason of (aa) his being a member of its board of directors or advisory board or an owner of its securities, or (bb) his membership in the immediate family of any person specified in clause (aa) of this proviso; and

"(B) when used with respect to an investment adviser of or principal underwriter for any investment company—

"(i) any affiliated person of such investment adviser or principal underwriter.

"(ii) any member of the immediate family of any natural person who is an affiliated person of such investment adviser or principal underwriter,

"(iii) any person who knowingly has any direct or indirect beneficial interest in, or who is designated as trustee, executor, or guardian of any legal interest in, any security issued either by such investment adviser or principal underwriter or by a controlling person of such investment adviser or principal underwriter,

"(iv) any person or partner or employee of any person who at any time since the beginning of the last two fiscal years of such investment company has acted as legal counsel for such investment adviser or principal underwriter,

"(v) any broker or dealer registered under the Securities Exchange Act of 1934 or any affiliated person of such a broker or dealer, and

"(vi) any natural person whom the Commission by order shall have determined to be an interested person by reason of having had any time since the beginning of the last two fiscal years of such investment company a material business or professional relationship with such investment adviser or principal underwriter or with the principal executive officer or any controlling person of such investment adviser or principal underwriter. For the purposes of this paragraph (19), 'member of the immediate family' means any parent, spouse of a parent, child, spouse of a child, spouse, brother or sister, and includes step and adoptive relationships. The Commission may modify or revoke any order issued under clause (vi) of subparagraph (A) or (B) of this paragraph whenever it shall find that such order is no longer consistent with the facts. No order issued pursuant to clause (vi) of subparagraph (A) or (B) of this paragraph shall become effective until at least sixty days after the entry thereof, and no such order shall affect the status of any person for the purposes of this title or for any other purpose for any period prior to the effective date of such order."

(4) A new paragraph is inserted immediately after redesignated paragraph (36) (formerly paragraph (35)) as follows:

"(37) 'Separate account' means an account established and maintained by an insurance company pursuant to the laws of any State or territory of the United States, or of Canada or any province thereof, under which income, gains and losses, whether or not realized, from assets allocated to such account, are, in accordance with the applicable contract, credited to or charged against such account without regard to other income, gains, or losses of the insurance company."

Sec. 3. (a) Paragraph (2) of section 3(b) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(b)(2)) is amended to read as follows:

"(2) Any issuer which the Commission, upon application by such issuer, finds and by order declares to be primarily engaged in a business or businesses other than that of investing, reinvesting, owning, holding, or trading in securities either directly or through (A) majority-owned subsidiaries, or (B) controlled companies conducting similar types of businesses. The filing of an application under this paragraph in good faith by an issuer, other than a registered investment company, shall exempt the applicant for a period of sixty days from all provisions of this title applicable to investment companies as such. For cause shown, the Commission by order may extend such period of exemption for an additional period or periods. Whenever the Commission, upon its own motion or upon application, finds that the circumstances which gave rise to the issuance of an order granting an application under this paragraph no longer exist, the Commission shall by order revoke such order."

(b) Section 3(c) of such Act (15 U.S.C. 80a-3(c)) is amended as follows:

(1) The material preceding paragraph (1) is amended to read as follows:

"(c) Notwithstanding subsection (a), none of the following persons is an investment company within the meaning of this title:".

(2) Strike paragraphs (4) and (8) and redesignate paragraphs (5) through (15) as paragraphs (4) through (13), respectively.

(3) Redesignate paragraph (5) (formerly paragraph (6)) is amended to read as follows:

"(5) Any person who is not engaged in the business of issuing redeemable securities, face-amount certificates of the installment type, or periodic payment plan certificates, and who is primarily engaged in one or more of the following businesses: (A) purchasing or otherwise acquiring notes, drafts, acceptances, open accounts receivable, and other obligations representing part or all of the sales price of merchandise, insurance, and services; (B) making loans to manufacturers, wholesalers, and retailers of, and to prospective purchasers of, specified merchandise, insurance, and services; or (C) purchasing or otherwise acquiring mortgages and other liens on and interests in real estate."

(4) Redesignated paragraph (8) (formerly paragraph (10)) is amended to read as follows:

"(8) Any company subject to regulation under the Public Utility Holding Company Act of 1935.'

(5) Redesignated paragraph (11) (formerly paragraph (13)) is amended to read as follows:

"(11) Any employees' stock bonus, pension, or profit-sharing trust which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954; or any collective trust fund maintained by a bank consisting solely of assets of such trusts; or any separate account the assets of which are derived solely from (A) contributions under pension or profit-sharing plans which meet the requirements of such section or the requirements for deduction of the employer's contribution under section 404(a)(2) of such Code, and (B) advances made by an insurance company in connection with the operation of such separate account."

SEC. 4. (a) Section 9(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-9. (a)) is amended to read as follows:

"(a) It shall be unlawful for any of the following persons to serve or act in the capacity of employee, officer, director, member of an advisory board, investment adviser, or depositer of any registered investment company, or principal underwriter for any registered open-end company, registered unit investment trust, or registered face-amount certificate company:

"(1) any person who within ten years has been convicted of any felony or misdemeanor involving the purchase or sale of any security or arising out of such person's conduct as an underwriter, broker, dealer, or investment adviser, or as an affiliated person, salesman, or employee of any investment company, bank, or insurance company;

"(2) any person who, by reason of any misconduct, is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an underwriter, broker, dealer, or investment adviser, or as an affiliated person, salesman, or employee of any investment company, bank, or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any security; or

"(3) any company any affiliated person of which is ineligible, by reason of paragraph (1) or (2), to serve or act in the foregoing capacities.

For the purposes of Paragraphs (1), (2), and (3) of this subsection, the term 'investment adviser' shall include an investment adviser as defined in title II of this Act."

(b) Section 9 of such Act (15 U.S.C. 80a-9.) is further amended by redesignating subsection (b) as subsection (c) and inserting immediately after subsection (a) a new subsection to read as follows:

"(b) The Commission may, after notice and opportunity for hearing, by order prohibit, conditionally or unconditionally, either permanently or for such period of time as it in its discretion shall deem appropriate in the public interest, any person from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter, if such person—

"(1) has willfully made or caused to be made in any registration statement, application or report filed with the Commission under this title any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any such registration statement, application, or report any material fact which was required to be stated therein; or

"(2) has willfully violated any provision of the Securities Act of 1933, or of the Securities Exchange Act of 1934, or of title II of this Act, or of this title, or of any rule or regulation under any of such statutes; or

"(3) has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of the Securities Act of 1933, or of the Securities Exchange Act of 1934, or of title II of this Act, or of this title, or of any rule or regulation under any of such statutes."

SEC. 5.(a) Section 10(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-10. (a)) is amended to read as follows:

"(a) No registered investment company shall have a board of directors more than 60 per centum of the members of which are persons who are interested persons of such registered company."

(b) Section 10(b) of such Act (15 U.S.C. 80a-10. (b)) is amended to read as follows:

"(b) No registered investment company shall—

"(1) employ as regular broker any director, officer, or employee of such registered company, or any person of which any such director, officer, or employee is an affiliated person, unless a majority of the board of directors of such registered company shall be persons who are not such brokers or affiliated persons of any such brokers;

"(2) use as a principal underwriter of securities issued by it any director, officer, or employee of such registered company or any person of which any such director, officer, or employee is an interested person, unless a majority of the board of directors of such registered company shall be persons who are not such principal underwriters or interested persons of any of such principal underwriters; or

"(3) have as director, officer, or employee any investment banker, or any affiliated person of an investment banker, unless a majority of the board of directors of such registered company shall be persons who are not investment bankers or affiliated persons of any investment banker. For the purposes of this paragraph, a person shall not be deemed an affiliated person of an investment banker solely by reason of the fact that he is an affiliated person of a company of the character described in section 12(d)(3)(A) and (B)."

(c) Section 10(c) of such Act (15 U.S.C. 80a-10. (c)) is amended to read as follows:

"(c) No registered investment company shall have a majority of its board of directors consisting of persons who are officers, directors, or employees of any one bank, except that, if on March 15, 1940, any registered investment company had a majority of its directors consisting of persons who are directors, officers, or employees of any one bank, such company may continue to have the same percentage of its board of directors consisting of persons who are directors, officers, or employees of such bank."

(d) Section 10(d) of such Act (15 U.S.C. 80a-10. (d)) is amended to read as follows:

"(d) Notwithstanding subsections (a) and (b)(2) of this section, and, in the case of a registered investment company which is a collective or other pooled fund maintained by a bank for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as managing agent, notwithstanding subsections (b)(3) and (c) of this section, a registered investment company may have a board of directors all the members of which, except one, are interested persons of the investment adviser of such company, or are officers or employees of such company, if—

"(1) such investment company is an open-end company;

"(2) such investment adviser (A) is registered under title II of this Act and is engaged principally in the business of rendering investment supervisory services as defined in title II, or (B) is a bank;

"(3) no sales load is charged on securities issued by such investment company;

"(4) any premium over net asset value charged by such company upon the issuance of any such security, plus any discount from net asset value charged on redemption thereof, shall not in the aggregate exceed 2 per centum;

"(5) no sales or promotion expenses are incurred by such registered company; but expenses incurred in complying with laws regulating the issue or sale of securities shall not be deemed sales or promotion expenses;

"(6) such investment adviser is the only investment adviser to such investment company, and such investment adviser does not receive a management fee exceeding 1 per centum per annum of the value of such company's net assets averaged over the year or taken as of a definite date or dates within the year;

"(7) all executive salaries and executive expenses and office rent of such investment company are paid by such investment adviser; and

"(8) such investment company has only one class of securities outstanding, each unit of which has equal voting rights with every other unit."

SEC. 6. Section 11(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-11.(b)) is amended to read as follows:

"(b) The provisions of this section shall not apply to any offer made pursuant to any plan of reorganization, which is submitted to and requires the approval of the holders of at least a majority of the outstanding shares of the class or series to which the security owned by the offeree belongs."

SEC. 7. Section 12(d) of the Investment Company Act of 1940 (15 U.S.C. 80a-12.(d)) is amended to read as follows:

"(d)(1)(A) It shall be unlawful for any registered investment company (the 'acquiring company') and any company or companies controlled by such acquiring company to purchase or otherwise acquire any security issued by any other investment company (the 'acquired company'), and for any investment company (the 'acquiring company') and any company or companies controlled by such acquiring company to purchase or otherwise acquire any security issued by any registered investment company (the 'acquired company'), if the acquiring company and any company or companies controlled by it immediately after such purchase or acquisition own in the aggregate—

"(i) more than 3 per centum of the total outstanding voting stock of the acquired company;

"(ii) securities issued by the acquired company having an aggregate value in excess of 5 per centum of the value of the total assets of the acquiring company; or

"(iii) securities issued by the acquired company and all other investment companies (other than treasury stock of the acquiring company) having an aggregate value in excess of 10 per centum of the value of the total assets of the acquiring company.

"(B) It shall be unlawful for any registered open-end investment company (the 'acquired company'), any principal underwriter therefor, or any broker or dealer registered under the Securities Exchange Act of 1934 knowingly to sell or otherwise dispose of any security issued by the acquired company to any other investment company (the 'acquiring company') or any company or companies controlled by the acquiring company, if immediately after such sale or disposition—

"(i) more than 3 per centum of the total outstanding voting stock of the acquired company is owned by the acquiring company and any company or companies controlled by it; or

"(ii) more than 10 per centum of the total outstanding voting stock of the acquired company is owned by the acquiring company and other investment companies and companies controlled by them.

"(C) It shall be unlawful for any investment company (the 'acquiring company') and any company or companies controlled by the acquiring company to purchase or otherwise acquire any security issued by a registered closed-end investment company, if immediately after such purchase or acquisition the acquiring company, other investment companies having the same investment adviser, and companies controlled by such investment companies, own more than 10 per centum of the total outstanding voting stock of such closed-end company.

"(D) The provisions of this paragraph (1) shall not apply to a security received as a dividend or as a result of an offer of exchange approved pursuant to section 11 or of a plan of reorganization of any company (other than a plan devised for the purpose of evading the foregoing provisions).

"(E) The provisions of this paragraph (1) shall not apply to a security purchased or acquired by an investment company if—

"(i) the depositor of, or principal underwriter for, such investment company is a broker or dealer registered under the Securities Exchange Act of 1934, or a person controlled by such a broker or dealer;

"(ii) such security is the only investment security held by such investment company; and

"(iii) in the event such investment company is not a registered investment company, the purchase or acquisition is made pursuant to an arrangement with the issuer of, or principal underwriter for, the issuer of the security whereby such investment company is obligated—

"(aa) either to seek instructions from its security holders with regard to the voting of all proxies with respect to such security and to vote such proxies only in accordance with such instructions, or to vote the shares held by it in the same proportion as the vote of all other holders of such security, and

"(bb) to refrain from substituting such security unless the Commission shall have approved such substitution in the manner provided in section 26 of this Act.

"(F) The provisions of this paragraph (1) shall not apply to securities purchased or otherwise acquired by a registered investment company if—

"(i) immediately after such purchase or acquisition not more than 3 per centum of the total outstanding stock of such issuer is owner by such registered investment company and all affiliated persons of such registered investment company; and

"(ii) such registered investment company has not offered or sold after July 1, 1968, and is not proposing to offer or sell any security issued by it through a principal underwriter or otherwise at a public offering price which includes a sales load of more than 1½ per centum.

No issuer of any security purchased or acquired by a registered investment company pursuant to this subparagraph shall be obligated to redeem such security in an amount exceeding 1 per centum of such issuer's total outstanding securities during any period of less than thirty days. Such investment company shall exercise voting rights by proxy or otherwise with respect to any security purchased or acquired pursuant to this subparagraph in the manner prescribed by subparagraph (E) of this subsection."

"(G) For the purposes of this paragraph (1), the value of an investment company's total assets shall be computed as of the time of a purchase or acquisition or as closely thereto as is reasonably possible.

"(H) In any action brought to enforce the provisions of this paragraph (1), the Commission may join as a party the issuer of any security purchased or otherwise acquired in violation of this paragraph (1), and the court may issue any order with respect to such issuer as may be necessary or appropriate for the enforcement of the provisions of this paragraph (1).

"(2) It shall be unlawful for any registered investment company and any company or companies controlled by such registered investment company to purchase or otherwise acquire any security (except a security received as a dividend or as a result of a plan of reorganization of any company, other than a plan devised for the purpose of evading the provisions of this paragraph) issued by any insurance company of which such registered investment company and any company or companies controlled by such registered company do not, at the time of such purchase or acquisition, own in the aggregate at least 25 per centum of the total outstanding voting stock, if such registered company and any company or companies controlled by it own in the aggregate, or as a result of such purchase or acquisition will own in the aggregate, more than 10 per centum of the total outstanding voting stock of such insurance company.

"(3) It shall be unlawful for any registered investment company and any company or companies controlled by such registered investment company to purchase or otherwise acquire any security issued by or any other interest in the business of any person who is a broker, a dealer, is engaged in the business of underwriting, or is either an investment adviser of an investment company or an investment adviser registered under title II of this Act, unless (A) such person is a corporation all the outstanding securities of which (other than short-term paper, securities representing bank loans, and directors' qualifying shares) are, or after such acquisition will be, owned by one or more registered investment companies; and (B) such person is primarily engaged in the business of underwriting and distributing securities issued by other persons, selling securities to customers, or any one or more of such or related activities, and the gross income of such person normally is derived principally from such business or related activities."

SEC. 8. (a) Section 15(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-15(a)) is amended to read as follows:

"(a) It shall be unlawful for any person to serve or act as investment adviser of a registered investment company, except pursuant to a written contract, which contract, whether with such registered company or with an investment adviser of such registered company, has been approved by the vote of a majority of the outstanding voting securities of such registered company, and—

"(1) precisely and separately describes all compensation to be paid thereunder for (A) investment advisory services, and (B) for all other services;

"(2) shall continue in effect for a period more than two years from the date of its execution, only so long as such continuance is specifically approved at least annually by the board of directors or by vote of a majority of the outstanding voting securities of such company;

"(3) provides, in substance, that it may be terminated at any time, without the payment of any penalty, by the board of directors of such registered company or by vote of a majority of the outstanding voting securities of such company on not more than sixty days' written notice to the investment adviser; and

"(4) provides, in substances, for its automatic termination in the event of its assignment."

(b) Section 15(b) of such Act (15 U.S.C. 80a–15(b)) is amended to read as follows:

"(b) It shall be unlawful for any principal underwriter for a registered open-end company to offer for sale, sell, or deliver after sale any security of which such company is the issuer, except pursuant to a written contract with such company, which contract—

"(1) shall continue in effect for a period more than two years from the date of its execution, only so long as such continuance is specifically approved at least annually by the board of directors or by vote of a majority of the outstanding voting securities of such company; and

"(2) provides, in substance, for its automatic termination in the event of its assignment."

(c) Section 15(c) of such Act (15 U.S.C. 80a–15. (c)) is amended to read as follows:

"(c) In addition to the requirements of subsections (a) and (b) of this section, it shall be unlawful for any registered investment company having a board of directors to enter into, renew, or perform any contract or agreement, written or oral, whereby a person undertakes regularly to serve or act as investment adviser of or principal underwriter for such company, unless the terms of such contract or agreement and any renewal thereof have been approved by the vote of a majority of the directors, who are not parties to such contract or agreement or interested persons of any such party, cast in person at a meeting called for the purpose of voting on such approval. It shall be the duty of the directors of a registered investment company to request and evaluate, and the duty of an investment adviser to such company to furnish, such information as may be reasonably necessary to determine the reasonableness of compensation provided for in any contract whereby a person undertakes regularly to serve or act as investment adviser of such company."

(d) Section 15(d) of such Act (15 U.S.C. 80a–15. (d)) is amended to read as follows:

"(d)(1) All compensation for services or payments of a material nature paid by a registered investment company, or by all the security holders thereof as a class, to an investment adviser, officer, director, or controlling person of, or principal underwriter for, such investment company, and to any affiliated person of such investment adviser, officer, director, controlling person, or principal underwriter, shall be reasonable taking into account (A) all other compensation or payments paid to such person by such investment company and its security holders as a class; (B) the nature and extent of all services provided to such investment company and its security holders as a class by such person in all capacities; and (C) such other factors as are relevant and material under all the circumstances. The fact that compensation or payments paid or to be paid may have been approved or ratified by vote of the shareholders of such investment company, or that a determination has been made by the board of directors of such investment company, or by a majority of directors who are not interested persons of the investment company, that such compensation or payments are reasonable, shall not affect the requirement that such compensation or payments be reasonable, but such determination by the board of directors shall be given substantial weight and such ratification or approval by shareholders shall be given such consideration as is deemed appropriate under all the circumstances. But any compensation or payments shall be presumed reasonable for purposes of this subsection if such compensation or payments have been approved or ratified by the affirmative vote of holders of a majority of the outstanding voting securities of such company and by the vote of a majority of directors of such company who are not interested persons of such company, but such presumption may be rebutted by a preponderance of the evidence.

"(2) This subsection shall not apply to compensation or payments made in connection with transactions expressly permitted by section 17 of this title or rules, regulations or orders thereunder, or to sales loads for the acquisition of any security issued by a registered investment company.

"(3) If in any action pursuant to this subsection a court finds that the board of directors of an investment company determined in the exercise of due care that any compensation or payment is reasonable, then no recovery shall be obtained against any person for compensation paid or accured prior to the date on which the action was instituted or, if such compensation is paid or accrued pursuant to a contract subject to the provisions of subsection (a) or (b) of this section and such contract is in effect on the date such action is instituted, prior to the date such contract terminates or would terminate unless renewed. Due care, for the purposes of this paragraph, shall be the standard of care required of a prudent person in the management of his own property or affairs.

"(4) The court may direct in any judgment entered in an action under this subsection, if it finds that the compensation to be paid pursuant to a contract then in existence with an investment company is unreasonable, that the rate of compensation or payments to be paid pursuant to such contract shall not exceed the rate of compensation or payments in effect under such contract reduced by the ratable portion of the compensation or payments determined by the court to be unreasonable.

"(5) No judgment shall be granted under this subsection against any person other than the recipient of such compensation or payment, and any recovery in any such action shall be limited to that portion, if any, of the compensation or payment which the court finds unreasonable and which has been paid or accrued within one year prior to the date on which the action was instituted plus such interest as the court in its discretion may award.

"(6) Any action pursuant to this subsection may be brought only in an appropriate district court of the United States. Such action may be maintained by a security holder of a registered investment company acting in a derivative or representative capacity, if the Commission refuses or fails within six months to bring such action upon the written request of such security holder.

"(7) No finding by a court pursuant to this subsection shall be deemed to be a finding of a violation of this title for the purposes of sections 9 and 49 of this title, section 15 of the Securities Exchange Act of 1934, and section 203 of title II of this Act, or to establish a cause of action under section 36 of this title."

Sec. 9. (a) Section 17(f) of the Investment Company Act of 1940 (15 U.S.C. 80a–17. (f)) is amended to read as follows:

"(f) Every registered management company shall place and maintain its securities and similar investments in the custody of (1) a bank (including in the case of a registered investment company which is a collective fund maintained by a bank, the bank maintaining such fund) or banks having the qualifications prescribed in paragraph (1) of section 26(a) of this title for the trustees of unit investment trusts; or (2) a company which is a member of a national securities exchange as defined in the Securities Exchange Act of 1934, subject to such rules and regulations as the Commission may from time to time prescribe for the protection of investors; or (3) such registered company, but only in accordance with such rules and regulations or orders as the Commission may from time to time prescribe for the protection of investors. Rules, regulations, and orders of the Commission under this subsection, among other things, may make appropriate provision with respect to such matters as the earmarking, segregation, and hypothecation of such securities and investments, and may provide for or require periodic or other inspections by any or all of the following: Independent public accountants, employees and agents of the Commission, and such other persons as the Commission may designate. No such member which trades in securities for its own account may act as custodian except in accordance with rules and regulations prescribed by the Commission for the protection of investors. If a registered company maintains its securities and similar investments in the custody of a qualified bank or banks, the cash proceeds from the sale of such securities and similar investments and other cash assets of the company shall likewise be kept in the custody of such a bank or banks, or in accordance with such rules and regulations or orders as the Commission may from time to time prescribe for the protection of investors, except that such a registered company may maintain a checking account in a bank or banks having the qualifications prescribed in paragraph (1) of section 26(a) of this title for the trustees of unit investment trusts with the balance of such account or the aggregate balances of such accounts at no time in excess of the amount of the fidelity bond, maintained pursuant to section 17(g) of this title, covering the officers or employees authorized to draw on such account or accounts."

(b) Section 17(g) of such Act (15 U.S.C. 80a–17(g)) is amended to read as follows:

"(g) The Commission is authorized to require by rules and regulations or orders for the protection of investors that any officer or employee of a registered management investment company who may singly, or jointly with others, have access to securities or funds of any registered company, either directly or through authority to draw upon such funds or to direct generally the disposition of such securities (unless the officer or employee has such access solely through his position as an officer or employee of a bank) be bonded by a reputable fidelity insurance company against larceny and embezzlement in such reasonable minimum amounts as the Commission may prescribe."

(c) Section 17 of such Act (15 U.S.C. 80a–17.) is further amended by adding at the end thereof a new subsection as follows:

"(j) It shall be unlawful for any affiliated person of or principal underwriter for a registered investment company, or any affiliated person of an investment adviser of or principal underwriter for a registered investment company, to engage in any act, practice, or course of business in connection with the purchase or sale, directly or indirectly, by such person of any security held or to be acquired by such registered investment company in contravention of such rules and regulations as the Commission may adopt to define, and prescribe means reasonably necessary to prevent, such acts, practices, or courses of business as are fraudulent, deceptive or manipulative. Such rules and regulations may include requirements for the adoption of codes of ethics by registered investment companies and investment advisers of, and principal underwriters for, such investment companies establishing such standards as are reasonably necessary to prevent such acts, practices, or courses of business."

Sec. 10. Section 18(f)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a–18.(f)(2)) is amended to read as follows:

"(2) 'Senior security' shall not, in the case of a registered open-end company, include a class or classes or a number of series of preferred or special stock each of which is preferred over all other classes or series in respect of assets specifically allocated to that class or series: *Provided*, That (A) such company has outstanding no class or series of stock which is not so preferred over all other classes or series; or (B) the only other outstanding class of the issuer's stock consists of a common stock upon which no dividend (other than a liquidating dividend) is permitted to be paid and which in the aggregate represents not more than one-half of 1 per centum of the issuer's outstanding voting securities. For the purpose of insuring fair and equitable treatment of the holders of the outstanding voting securities of each class or series of stock of such company, the Commission may by rule, regulation, or order direct that any matter required to be submitted to the holders of the outstanding voting securities of such company shall not be deemed to have been effectively acted upon unless approved by the holders of such percentage (not exceeding a majority) of the outstanding voting securities of each class or series of stock affected by such matter as shall be prescribed in such rule, regulation, or order."

Sec. 11. Section 19 of the Investment Company Act of 1940 (15 U.S.C. 80a–19.) is amended to read as follows:

"DIVIDENDS

"Sec. 19. (a) It shall be unlawful for any registered investment company to pay any dividend, or to make any distribution in the nature of a dividend payment, wholly or partly from any source other than—

"(1) such company's accumulated undistributed net income, determined in accordance with good accounting practice and not including profits or losses realized upon the sale of securities or other properties; or

"(2) such company's net income so determined for the current or preceding fiscal year;

unless such payment is accompanied by a written statement which adequately discloses the source or sources of such payment. The Commission may prescribe the form of such statement by rules and regulations in the public interest and for the protection of investors.

"(b) It shall be unlawful in contravention of such rules, regulations, or orders as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors for any registered investment company to distribute long-term capital gains, as defined in the Internal Revenue Code of 1954, more often than once every twelve months."

Sec. 12. (a) Section 22(b) of the Investment Company Act of 1940 (15 U.S.C. 80a–22.(b)) is amended to read as follows:

"(b)(1) Such a securities association may also, by rules adopted and in effect in accordance with said section 15A, and notwithstanding the provisions of subsection (b)(8) thereof but subject to all other provisions of said section applicable to the rules of such an association, prohibit its members from purchasing, in connection with a primary distribution of redeemable securities of which any registered investment company is the issuer, any such security from the issuer or from any principal underwriter except at a price equal to the price at which such security is then offered to the public less a commission, discount, or spread which is computed in conformity with a method or methods, and within such limitations as to the relation thereof to said public offering price, as such rules may prescribe in order that the price at which such security is offered or sold to the public shall not include an excessive sales load but shall allow for reasonable compensation for sales personnel, broker-dealers, and underwriters, and for reasonable sales loads to investors.

"(2) At any time after the expiration of eighteen months from the date of enactment of the Investment Company Amendments Act of 1968, or after a securities association has adopted rules as contemplated by this subsection, the Commission may make such rules and regulations pursuant to section 15(b)(10) of the Securities Exchange Act of 1934 as are appropriate to effectuate the purpose of this subsection with respect to sales of shares of a registered investment company by broker-dealers subject to regulation under section 15(b)(8) of that Act: *Provided*, That the underwriter of such shares may file with the Commission at any time a notice of election to comply with the rules prescribed pursuant to this subsection by a national securities association specified in such notice, and thereafter the sales load shall not exceed that prescribed by such rules of such association, and the rules of the Commission as hereinabove authorized shall thereafter be inapplicable to such sales.

"(3) At any time after the expiration of eighteen months from the date of enactment of the Investment Company Amendments Act of 1968, the Commission may alter or supplement the rules of any securities association as may be necessary to effectuate the purposes of this subsection in the manner provided by section 15A (k)(2) of the Securities Exchange Act of 1934.

"(4) If any provision of this subsection is in conflict with any provision of any law of the United States in effect on the date this subsection takes effect, the provisions of this subsection shall prevail."

(b) Section 22(c) of such Act (U.S.C. 80a–22.(c)) is amended to read as follows:

"(c) The Commission may make rules and regulations applicable to principal underwriters of, and dealers in, the redeemable securities of any registered investment company, whether or not members of any securities association, to the same extent, covering the same subject matter, and for the accomplishment of the same ends as are prescribed in subsection (a) of this section in respect of the rules which may be made by a registered securities association governing its members. Any rules and regulations so made by the Commission, to the extent that they may be inconsistent with the rules of any such association, shall so long as they remain in force supersede the rules of the association and be binding upon its members as well as all other underwriters and dealers to whom they may be applicable."

(c) Section 22(d) of such Act (15 U.S.C. 80a–22(d)) is amended to read as follows:

"(d) No registered investment company shall sell any redeemable security issued by it to any person except either to or through a principal underwriter for distribution or at a current public offering price described in the prospectus, and, if such class of security is being currently offered to the public by or through an underwriter, no principal underwriter of such security and no dealer shall sell any such security to any person except a dealer, a principal underwriter, or the issuer except at a current public offering price described in the prospectus. Nothing in this subsection shall prevent a sale made (i) pursuant to an offer of exchage permitted by section 11 including any offer made pursuant to section 11(b); (ii) pursuant to an offer made solely to all registered holders of the securities or of a particular class or series of securities issued by the company proportionate to their holdings or proportionate to any cash distribution made to them by the company (subject to appropriate qualifications designed solely to avoid issuance of fractional securities); or (iii) in accordance with rules and regulations of the Commission made pursuant to subsection (b) of section 12."

(d) Section 22 of such Act (15 U.S.C. 80a–22) is further amended by adding a new subsection at the end thereof as follows:

(h) No provision of law shall be deemed to prohibit—

"(1) the creation or operation of a registered investment company, or a collective trust fund exempt from the definition of 'investment company' under section 3(c) (11) of this title, which is maintained by a bank or banks in compliance with any applicable regulations of the Comptroller of the Currency, or

"(2) the underwriting, distribution, or sale by a bank of securities issued by a registered investment company which issues such securities only for distribution and sale by banks,

if such securities issued by such investment company are sold at a public offering price which does not include a sales load.

Sec. 13. Section 24(d) of the Investment Company Act of 1940 (15 U.S.C. 80a–24(d)) is amended to read as follows:

"(d) The exemption provided by paragraph (8) of section 3(a) of the Securities Act of 1933 shall not apply to any security of which an investment company is the issuer. The exemption provided by paragraph (11) of said section 3(a) shall not apply to any security of which a registered investment company is the issuer, except a security sold or disposed of by the issuer or bona fide offered to the public prior to the effective date of this title, and with respect to a security to sold, disposed of, or offered shall not apply to any new offering thereof on or after the effective date of this title. The exemption provided by section 4(3) of the Securities Act of 1933 shall not apply to any transaction in a security issued by a face-amount certificate company or in a redeemable security issued by an open-end management company or unit investment trust, if any other security of the same class is currently being offered or sold by the issuer or by or through an underwriter in a distribution which is not exempted from section 5 of said Act, except to such extent and subject to such terms and conditions as the Commission, having due regard for the public interest and the protection of investors, may prescribe by rules or regulations with respect to any class of persons, securities, or transactions."

Sec. 14. Section 25(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–25(c)) is amended to read as follows:

"(c) Any district court of the United States in the State of incorporation of a registered investment company, or any such court for the district in which such company maintains its principal place of business, is authorized to enjoin the consummation of any plan of reorganization of such registered investment company upon proceedings instituted by the Commission (which is authorized so to proceed upon behalf of security holders of such registered company, or any class thereof), if such court shall determine that any such plan is not fair and equitable to all security holders."

Sec. 15. (a) Section 26 of the Investment Company Act of 1940 (15 U.S.C. 80a–26) is amended by redesignating subsections (b) and (c) thereof as subsections (c) and (d), respectively, and by inserting immediately after subsection (a) a new subsection as follows:

"(b) It shall be unlawful for any depositor or trustee of a registered unit investment trust holding the security of a single issuer to substitute another security for such security unless the Commission shall have approved such substitution. The Commission shall issue an order approving such substitution if the evidence establishes that it is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this title."

(b) Redesignated subsection (c) (formerly subsection (b) of section 26 of such Act is amended to read as follows:

"(c) In the event that a trust indenture, agreement of custodianship, or other instrument pursuant to which securities of a registered unit investment trust are issued does not comply with the requirements of subsection (a) of this section, such instrument will be deemed to meet such requirements if a written contract or agreement binding on the parties and embodying such requirements has been executed by the depositor on the one part and the trustee or custodian on the other part, and three copies of such contract or agreement have been filed with the Commission."

Sec. 16. (a) Section 27(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–27.(a)) is amended to read as follows:

"(a) It shall be unlawful for any registered investment company issuing periodic payment plan certificates, or for any depositor of or underwriter for such company, to sell any such certificate, if—

"(1) the sales load on such certificate exceeds 9 per centum of the total payments to be made thereon;

"(2) more than 20 per centum of payment thereon is deducted for sales load, or any average of more than 16 per centum is deducted for sales load from the first forty-eight monthly payments thereon, or their equivalent;

"(3) the amount of sales load deducted from any one of the first twelve monthly payments, the thirteenth through twenty-fourth monthly payments, the twenty-fifth through thirty-sixth monthly payments, or the thirty-seventh through forty-eighth monthly payments, or their equivalents, respectively, exceeds proportionately the amount deducted from any other such payment, or the amount deducted from any subsequent payment exceeds proportionately the amount deducted from any other subsequent payment;

"(4) the deduction for sales load on the excess of the payment or payments in any month over the minimum monthly payment, or its equivalent, to be made on the certificate exceeds the sales load applicable to payments subsequent to the first forty-eight monthly payments or their equivalent;

"(5) the first payment on such certificate is less than $20, or any subsequent payment is less than $10;

"(6) if such registered company is a management company, the proceeds of such certificate or the securities in which such proceeds are invested are subject to management fees (other than fees for administrative services of the character described in clause (C) of paragraph (2) of section 26(a)) exceeding such reasonable amount as the Commission may prescribe, whether such fees are payable to such company or to investment advisers thereof; or

"(7) if such registered company is a unit investment trust the assets of which are securities issued by a management company, the depositor of or principal underwriter for such trust, or any affiliated person of such depositor or underwriter, is to receive from such management company or any affiliated person thereof any fee or payment on account of payments on such certificate exceeding such reasonable amount as the Commission may prescribe."

(b) Section 27 of such Act (15 U.S.C. 80a–27.) is further amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

Sec. 17. Section 28 of the Investment Company Act of 1940 (15 U.S.C. 80a–28.) is amended by adding at the end thereof a new subsection as follows:

"(i) The foregoing provisions of this section shall apply to all face-amount certificates issued prior to the effective date of this subsection; to the collection or acceptance of any payment on such certificates; to the issuance of face-amount certificates to the holders of such certificates pursuant to an obligation expressed or implied in such certificates; to the provisions of such certificates; to the minimum certificate reserves and deposits maintained with respect thereto; and to the assets that the issuer of such certificate was and is required to have with respect to such certificates. With respect to all face-amount certificates issued after the effective date of this subsection, the provisions of this section shall apply except as hereinafter provided.

"(1) Notwithstanding subparagraph (A) of paragraph (2) of subsection (a), the reserves for each certificate of the installment type shall be based on assumed annual, semiannual, quarterly, or monthly reserve payments according to the manner in which gross payments for any certificate year are made by the holder, which reserve payments shall be sufficient in amount, as and when accumulated at a rate not to exceed 3½ per centum per annum compounded annually, to provide the minimum maturity or face amount of the certificate when due. Such reserve payments may be graduated according to certificate years so that the reserve payment or payments for the first three certificate years shall amount to at least 80 per centum of the required gross annual payment for such years; the reserve payment or payments for the fourth certificate year shall amount to at least 90 per centum of such year's required gross annual payment; the reserve payment or payments for the fifth certificate year shall amount to at least 93 per centum of such year's gross annual payment; and for the sixth and each subsequent certificate year the reserve payment or payments shall amount to at least 96 per centum of each such year's required gross annual payment: *Provided*, That such aggregate reserve payments shall amount to at least 93 per centum of the aggregate gross annual payments required to be made by the holder to obtain the maturity of the certificate. The company may at its option take as loading from the gross payment or payments for a certificate year, as and when made by the certificate holder, an amount or amounts equal in the aggregate for such year to not more than the excess, if any, of the gross payment or payments required to be made by the holder for such year, over and above the percentage of the gross annual payment required herein for such year for reserve purposes. Such loading may be taken by the company prior to or after the setting up of the reserve payment or payments for such year and the reserve payment or payments for such year may be graduated and adjusted to correspond with the amount of the gross payment or payments made by the certificate holder for such year less the loading so taken.

"(2) Notwithstanding paragraphs (1) and (2) of subsection (d), (A) in respect of any certificate of the installment type, during the first certificate year, the holder of the certificate, upon surrender thereof, shall be entitled to a value payable in cash not less than 80 per centum of the amount of the gross payments made on the certificate; and (B) in respect of any certificate of the installment type, at any time after the expiration of the first certificate year and prior to maturity, the holder of the certificate, upon surrender thereof, shall be entitled to a value payable in cash not less than the then amount of the reserve for such certificate required by clauses (1) and (2) of subparagraph (D) of paragraph (2) of subsection (a), less a surrender charge that shall not exceed 2 per centum of the face or maturity amount of the certificate, or 15 per centum of the amount of such reserve, whichever is the lesser, but in no event shall such value be less than 80 per centum of the gross payments made on the certificate. The amount of the surrender value for the end of each certificate year shall be set out in the certificate."

Sec. 18. Section 32(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-31.(a)) is amended to read as follows:

"(a) It shall be unlawful for any registered management company or registered face-amount certificate company to file with the Commission any financial statement signed or certified by an independent public accountant, unless—

"(1) such accountant shall have been selected at a meeting held within thirty days before or after the beginning of the fiscal year or before the annual meeting of stockholders in that year by the vote, cast in person, of a majority of those members of the board of directors who are not interested persons of such registered company;

"(2) such selection shall have been submitted for ratification or rejection at the next succeeding annual meeting of stockholders if such meeting be held, except that any vacancy occurring between annual meetings, due to the death or resignation of the accountant, may be filled by the vote of a majority of those members of the board of directors who are not interested persons of such registered company, cast in person at a meeting called for the purpose of voting on such action;

"(3) the employment of such accountant shall have been conditioned upon the right of the company by vote of a majority of the outstanding voting securities at any meeting called for the purpose to terminate such employment forthwith without any penalty; and

"(4) such certificate or report of such accountant shall be addressed both to the board of directors of such registered company and to the security holders thereof.

If the selection of an accountant has been rejected pursuant to paragraph (2) or his employment terminated pursuant to paragraph (3), the vacancy so occurring may be filled by a vote of a majority of the outstanding voting securities, either at the meeting at which the rejection or termination occurred or, if not so filed, at a subsequent meeting which shall be called for the purpose. In the case of a common-law trust of the character described in section 16(b), no ratification of the employment of such accountant shall be required but such employment may be terminated and such accountant removed by action of the holders of record of a majority of the outstanding shares of beneficial interest in such trust in the same manner as is provided in section 16(b) in respect of the removal of a trustee, and all the provisions therein contained as to the calling of a meeting shall be applicable. In the event of such termination and removal, the vacancy so occurring may be filled by action of the holders of record of a majority of the shares of beneficial interest either at the meeting, if any, at which such termination .and removal occurs, or by instruments in writing filed with the custodian, or it not so filed within a reasonable time then at a subsequent meeting which shall be called by the trustees for the purpose. The provisions of paragraph (42) of section 2(a) as to a majority shall be applicable to the vote cast at any meeting of the shareholders of such a trust held pursuant to this subsection."

Sec. 19. Section 33 of the Investment Company Act of 1940 (15 U.S.C. 80a-32) is amended to read as follows:

"FILING OF DOCUMENTS WITH COMMISSION IN CIVIL ACTIONS

"Sec. 33. Every registered investment company which is a party and every affiliated person of such company who is a party defendant to any action or claim by a registered investment company or a security holder thereof in a derivative or representative capacity against an officer, director, investment adviser, trustee, or depositor of such company, shall file with the Commission, unless already so filed, (1) a copy of all pleadings, verdicts, or judgments filed with the court or served in connection with such action or claim, (2) a copy of any proposed settlement, compromise, or discontinuance of such action, and (3) a copy of such motions, transcripts, or other documents filed in or issued by the court or served in connection with such action or claim as may be requested in writing by the Commission. If any document referred to in clause (1), (2), or (3)—

"(A) is delivered to such company or party defendant, such document shall be filed with the Commission not later than five days after the receipt thereof; or

"(B) is filed in such court or delivered by such company or party defendant, such document shall be filed with the Commission not later than two days after such filing or delivery."

Sec. 20. Section 36 of the Investment Company Act of 1940 (15 U.S.C. 80a-35) is amended to read as follows:

"INJUNCTIONS AGAINST BREACH OF FIDUCIARY DUTY INVOLVING PERSONAL MISCONDUCT

"Sec. 36. The Commission is authorized to bring an action in the proper district court of the United States, or in the United States court of any territory or other place subject to the jurisdiction of the United States, alleging that a person serving or acting in one or more of the following capacities has engaged within five years of the commencement of the action or is about to engage in any act or practice constituting a breach of fiduciary duty involving personal misconduct in respect of any registered investment company for which such person so serves or acts—

"(1) as officer, director, member of any advisory board, investment adviser, or depositor; or

"(2) as principal underwriter, if such registered company is an open-end company, unit investment trust, or face-amount certificate company.

If such allegations are established, the court may enjoin such person from acting in any or all such capacities either permanently or temporarily and award such injunctive or other relief against such person as it in its discretion deems appropriate in the circumstances, having due regard to the protection of investors and to the effectuation of the policies declared in section 1(b) of this title."

Sec. 21. Section 43(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-42(a)) is amended to read as follows:

"(a) Any person or party aggrieved by an order issued by the Commission under this title may obtain a review of such order in the court of appeals of the United States within any circuit where in such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the entry of such order, a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall be forthwith transmitted by the clerk of the court to any member of the Commission, or any officer thereof designated by the Commission for that purpose and thereupon the Commission shall file in the court the record upon which the order complained of was entered, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition such court shall have jurisdiction, which upon the filing of the record shall be exclusive, to affirm, modify, or set aside such order, in whole or in part. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Commission or unless there were reasonable grounds for failure to do so. The findings of the Commission as to the facts, if supported by substantial evidence, shall be conclusive. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such additional evidence in the proceeding before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts by reason of the additional evidence so taken, and it shall file with the court such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court affirming, modifying, or setting aside, in whole or in part, any such order of the Commission

shall be final subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code."

SEC. 22. Section 44 of the Investment Company Act of 1940 (15 U.S.C. 80a-43.) is amended to read as follows:

"JURISDICTION OF OFFENSES AND SUITS

"SEC. 44. The district courts of the United States and the United States courts of any territory or other place subject to the jurisdiction of the United States shall have jurisdiction of violations of this title or the rules, regulations, or orders thereunder, and, concurrently with State and territorial courts, of all suits in equity and actions at law brought to enforce any liability or duty created by, or to enjoin any violation of, this title or the rules, regulations, or orders thereunder. Any criminal proceeding may be brought in the distict wherein any act or transaction constituting the violation occurred. A criminal proceeding based upon a violation of section 34, or upon a failure to file a report or other document required to be filed under this title, may be brought in the district wherein the defendant is an inhabitant or maintains his principal office or place of business. Any suit or action to enforce any liability or duty created by, or to enjoin any violation of, this title or rules, regulations, or orders thereunder, may be brought in any such district or in the district wherein the defendant is an inhabitant or transacts business, and process in such cases may be served in any district of which the defendant is an inhabitant or transacts business or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 1254, 1291, 1292, and 1294 of title 28, United States Code. No costs shall be assessed for or against the Commission in any proceeding under this title brought by or against the Commission in any court. The Commisison may intervene as a party in any action or suit to enforce any liability or duty created by, or to enjoin any noncompliance with, section 15(d) of this title, or rules, regulations, or orders thereunder, brought by or on behalf of a registered investment company at any stage of such action or suit prior to final judgment therein."

SEC. 23. Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2. (a)) is amended by redesignating paragraphs (17) through (20) as paragraphs (18) through (21), respectively, and inserting immediately after paragraph (16) a new paragraph as follows:

"(17) The term 'person associated with an investment adviser' means any partner, officer, or director of such investment adviser (or any person performing similar functions), or any person directly or indirectly controlling or controlled by such investment adviser, including any employee of such investment adviser, except that for the purposes of section 203 of this title (other than subsection (f) thereof), persons associated with an investment adviser whose functions are clerical or ministerial shall not be included in the meaning of such term. The Commission may by rules and regulations classify, for the purposes of any portion or portions of this title, persons, including employees controlled by an investment adviser."

SEC. 24. (a) Section 203(b) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3. (b)) is amended to read as follows:

"(b) The provisions of subsection (a) shall not apply to—

"(1) any investment adviser all of whose clients are residents of the State within which such investment adviser maintains his or its principal office and place of business, and who does not furnish advice or issue analyses or reports with respect to securities listed or admitted to unlisted trading privileges on any national securities exchange;

"(2) any investment adviser whose only clients are insurance companies; or

"(3) any investment adviser who during the course of the preceding twelve months has had fewer than fifteen clients and who neither holds himself out generally to the public as an investment adviser nor acts as an investment adviser to any investment company registered under title I of this Act."

(b) Section 203(c) of such Act (15 U.S.C. 80b-3. (c)) is amended to read as follows:

"(c) Any investment adviser, or any person who presently contemplates becoming an investment adviser, may register under this section by filing with the Commission an application for registration. Such application shall contain such of the following information, in such form and detail, as the Commission may by rules or regulations prescribe as necessary or appropriate in the public interest or for the protection of investors:

"(1) information in respect of—

"(A) the name and form of organization under which the investment adviser engages or intends to engage in business; the name of the State or other sovereign power under which such investment adviser is organized; the location of his or its principal business office and branch offices, if any; the names and addresses of his or its partners, officers, directors, and persons performing similar functions or, if such an investment adviser be an individual, of such individual; and the number of his or its employees;

"(B) the education, the business affiliations for the past ten years, and the present business affiliations of such investment adviser and of his or its partners, officers, directors, and persons performing similar functions and of any controlling person thereof;

"(C) the nature of the business of such investment adviser, including the manner of giving advice and rendering analyses or reports;

"(D) the nature and scope of the authority of such investment adviser with respect to clients' funds and accounts;

"(E) the basis or bases upon which such investment adviser is compensated; and

"(F) whether such investment adviser, or any person associated with such investment adviser, is subject to any disqualification which would be a basis for denial, suspension, or revocation of registration of such investment adviser under the provisions of subsection (e), and

"(2) a statement as to whether the principal business of such investment adviser consists or is to consist of acting as investment adviser and a statement as to whether a substantial part of the business of such investment adviser consists or is to consist of rendering investment supervisory services.

Except as hereinafter provided, such registration shall become effective thirty days after receipt of such application by the Commission, or within such shorter period of time as the Commission may determine. Any amendment of an application filed not more than fifteen days after the filing of such application shall be deemed to have been filed with and as a part of such application. Any amendment of an application filed more than fifteen days after the filing of such application and before such application becomes effective shall be deemed a new application incorporating by reference the unamended items of the earlier application. Any amendment filed after the application has become effective shall become effective thirty days after the filing thereof, or at such earlier date as the Commission may order."

(c) Section 203 of such Act (15 U.S.C. 80b-3) is further amended by redesignating subsection (d) as subsection (e), redesignating subsection (e) as subsection (g), and inserting after subsection (c) a new subsection as follows:

"(d) Any provision of this title (other than subsection (a) of this section) which prohibits any act, practice, or course of business if the mails or any means or instrumentality of interstate commerce are used in connection therewith shall also prohibit any such act, practice, or course of business by any investment adviser registered pursuant to this section or any person acting on behalf of such an investment adviser, irrespective of any use of the mails or any means or instrumentality of interstate commerce in connection therewith."

(d) Redesignated subsection (e) (formerly subsection (d) of section 203 of such Act (15 U.S.C. 80b-3.(d)) is amended to read as follows:

"(e) The Commission shall, after appropriate notice and opportunity for hearing, by order censure, deny registration to, or suspend for a period not exceeding twelve months, or revoke the registration of, an investment adviser, if it finds that such censure, denial, suspension, or revocation is in the public interest and that such investment adviser or any person associated with such investment adviser, whether prior to or subsequent to becoming such—

"(1) has willfully made or caused to be made in any application for registration or report filed with the Commission under this title, or in any proceeding before the Commission with respect to registration, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or who has omitted to state in any such application or report any material fact which is required to be stated therein; or

"(2) has been convicted within ten years preceding the filing of the application or at any time thereafter of any felony or misdemeanor which the Commission finds (A) involves the purchase or sale of any security, (B) arises out of the conduct of the business of a broker, dealer, or investment adviser, (C) involves embezzlement, fraudulent conversion, or misappropriation of funds or securities, or (D) involves the violation of section 1341, 1342, or 1343 of title 18, United States Code; or

"(3) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or an affiliated person or employee of any investment company, bank, or insurance company, or from engaging in or continue any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security; or

"(4) has willfully violated any provision of the Securities Act of 1933, or of the Securities Exchange Act of 1934, or of title I of this Act, or of this title, or of any rule or regulation under any such statutes; or

"(5) has aided, abetted, counseled, commanded, induced, or procured the violation by any other person of the Securities Act of 1933, or the Securities Exchange Act of 1934, or of title I of this Act, or of this title, or of any rule or regulation under any of such statutes or has failed reasonably to supervise, with a view to preventing violations of such statutes, rules, and regulations, another person who commits such a violation, if such other person is subject to his supervision: *Provided*, That, for the purposes of this paragraph (5), no person shall be deemed to have failed reasonably to supervise any person, if—

"(A) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person; and

"(B) such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with; or

"(6) is subject to an order of the Commission entered pursuant to subsection (f) of this section barring or suspending the right of such person to be associated with an investment adviser, which order is in effect with respect to such person."

(e) Section 203 of such Act (15 U.S.C. 80b–3.) is further amended by redesignating subsections (f) and (g) as subsections (h) and (i), respectively, and inserting after redesignated subsection (e) a new subsection as follows:

"(f) The Commission may, after appropriate notice and opportunity for hearing, by order censure any person or bar or suspend for a period not exceeding twelve months any person from being associated with an investment adviser, if the Commission finds that such censure, barring, or suspension is in the public interest and that such person has committed or omitted any act or omission enumerated in paragraph (1), (4), or (5) of subsection (e) of this section, or has been convicted of any offense specified in paragraph (2) of subsection (e) within ten years of the commencement of the proceedings under this subsection, or is enjoined from any action, conduct, or practice specified in paragraph (3) of subsection (e). It shall be unlawful for any person as to whom such an order barring or suspending him from being associated with an investment adviser is in effect, willfully to become, or to be, associated with an investment adviser, without the consent of the Commission, and it shall be unlawful for any investment adviser to permit such a person to become, or remain, a person associated with such investment adviser without the consent of the Commission, if such investment adviser knew, or in the exercise of reasonable care should have known of such order."

Sec. 25. Section 205 of the Investment Advisers Act of 1940 (15 U.S.C. 80b–5.) is amended to read as follows:

"INVESTMENT ADVISORY CONTRACTS

"Sec. 205. No investment adviser, unless exempt from registration pursuant to section 203(b), shall make use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to enter into, extend, or renew any investment advisory contract, or in any way to perform any investment advisory contract entered into, extended, or renewed on or after the effective date of this title, if such contract—

"(1) provides for compensation to the investment adviser on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client;

"(2) fails to provide, in substance, that no assignment of such contract shall be made by the investment adviser without the consent of the other party to the contract; or

"(3) fails to provide, in substance, that the investment adviser, if a partnership, will notify the other party to the contract of any change in the membership of such partnership within a reasonable time after such change.

Paragraph (1) of this section shall not (A) be construed to prohibit an investment advisory contract which provides for compensation based upon the total value of a fund averaged over a definite period, or as of definite dates, or taken as of a definite date, or (B) apply to an investment advisory contract with an investment company registered under title I of this Act which provides for compensation based on the asset value of the company averaged over a specified period and increasing and decreasing proportionately with the investment performance of the company over a specified period in relation to the investment record of an appropriate index of securities prices or such other measure of investment performance as the Commission by rule, regulation, or order may specify. For purposes of clause (B) of the preceding sentence, an index of securities prices shall be deemed appropriate unless the Commission by order shall determine otherwise. As used in paragraphs (2) and (3) of this section, 'investment advisory contract' means any contract or agreement whereby a person agrees to act as investment adviser or to manage any investment or trading account of another person other than an investment company registered under title I of this Act."

Sec. 26. The Investment Advisers Act of 1940 (15 U.S.C. 80b–1.–21.) is further amended by inserting immediately after section 206 a new section as follows:

"EXEMPTIONS

"Sec. 206A. The Commission, by rules and regulations, upon its own motion, or by order upon application, may conditionally or unconditionally exempt any person or transaction, or any class or classes of person, or transactions, from any provision or provisions of this title or of any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this title."

Sec. 27. (a) Section 2 of the Securities Act of 1933 (15 U.S.C. 77b.) is amended by adding at the end thereof two new paragraphs as follows:

"(13) The term 'insurance company' means a company which is organized as an insurance company, whose primary and predominant business activity is the writing of insurance or the reinsuring of risks underwritten by insurance companies, and which is subject to supervision by the insurance commissioner, or a similar official or agency, of a State or territory or the District of Columbia; or any receiver or similar official, or any liquidating agent for such company, in his capacity as such.

"(14) The term 'separate account' means an account established and maintained by an insurance company pursuant to the laws of any State or territory of the United States, the District of Columbia, or of Canada or any province thereof, under which income, gains and losses, whether or not realized, from assets allocated to such account, are in accordance with the applicable contract, credited to or charged against such account without regard to other income, gains, or losses of the insurance company."

(b) Section 3(a)(2) of such Act (15 U.S.C. 77c. (a)(2)) is amended to read as follows:

"(2) Any security issued or guaranteed by the United States or any territory thereof, or by the District of Columbia, or by any State of the United States, or by any political subdivision of a State or territory, or by any public instrumentality of one or more States or territories, or by any person controlled or supervised by and acting as an instrumentality of the Government of the United States pursuant to authority granted by the Congress of the United States; or any certificate of deposit for any of the foregoing; or any security issued or guaranteed by any bank; or any security issued by or representing an interest in or a direct obligation of a Federal Reserve Bank; or any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as trustee, executor, administrator, or guardian; or any interest or participation in a collective trust fund maintained by a bank or in a separate account maintained by an insurance company which interest or participation is issued in connection with (A) a stock bonus, pension, or profit-sharing plan which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954, or (B) an annuity plan which meets the requirements for the deduction of the employer's contribution under section 404(a)(2) of such Code, other than any plan described in clause (A) or (B) of this paragraph and which covers employees, some or all of whom are employees within the meaning of section 401(c)(1) of such Code. The Commission, by rules and regulations or order, shall exempt from the provisions of section 5 of this title any interest or participation issued in connection with a stock bonus, pension, profit-sharing, or annuity plan which covers employees, some or all of whom are employees within the meaning of section 401(c)(1) of the Internal Revenue Code of 1954, if and to the extent that the Commission determines this to be necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this title. For the purposes of this paragraph, a security issued or guaranteed by a bank shall not include any interest or participation in any collective trust fund maintained by a bank; and the term 'bank' means any national bank, or any banking institution organized under the laws of any State, territory, or the District of Columbia, the business of which is substantially confined to banking and is supervised by the State or territorial banking commission or similar official; except that in the case of a common trust fund or similar fund, or a collective trust fund, the term 'bank' has the same meaning as in the Investment Company Act of 1940."

(c) Section 3(a)(5) of such Act (15 U.S.C. 77c.(a)(5) is amended to read as follows:

"(5) Any security issued (A) by a savings and loan association, building and loan association, cooperative bank, homestead association, or similar institution, which is supervised and examined by State or Federal authority having supervision over any such institution, except that the foregoing exemption shall not apply with respect to any such security where the issuer takes from the total amount paid or deposited by the purchaser, by way of any fee, cash value or other device whatsoever, either upon termination of the investment at maturity or before maturity, an aggregate amount in excess of 3 per centum of the face value of such security; or (B) by (i) a farmer's cooperative organization exempt from tax under section 521 of the Internal Revenue Code of 1954, (ii) a corporation described in section 501(c)(16) of such Code and exempt from tax under section 501(a) of such Code, or (iii) a corporation described in section 501(c)(2) of such Code which is exempt from tax under section 501(a) of such Code and is organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization or corporation described in clause (i) or (ii);".

(d) Section 25 of such Act (15 U.S.C. 77y.) is amended by inserting "(a)" after "Sec. 25.", and by adding at the end thereof of new subsection as follows:

"(b) In respect of any interest or participation in any collective trust fund maintained by a bank which is issued in connection with a stock-bonus, pension, or profit-sharing plan which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954 and covers employees, some or all of whom are employees within the meaning of section 401(c)(1) of such Code, the powers, functions, and duties vested in the Commission under this title, including all the powers, functions, and duties vested in the Commission under section 3(a)(2), (1) with respect to funds maintained by national banks and banks operating under the Code of Law for the District of Columbia, are vested in the Comptroller of the Currency, (2) with respect to funds maintained by all other member banks of the Federal Reserve System, are vested in the Board of Governors of the Federal Reserve System, (3) with respect to funds maintained by all other banks whose deposits are insured by the Federal Deposit Insurance Corporation, are vested in the Board of Directors of the Federal Deposit Insurance Corporation, and (4) with respect to funds maintained by any other bank, are vested in whichever of the above-named agencies such bank elects by filing with such agency a written declaration that it elects to maintain a collective trust fund described in this subsection. The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Board of Directors of the Federal Deposit Insurance Corporation shall have power to make such rules and regulations as may be necessary for the execution of the functions vested in them, as provided in this section, and none of the rules, regulations, forms, or orders issued or adopted by the Commission pursuant to this title shall be in any way binding upon such officers and agencies in the performance of such functions, or upon any such funds in connection with the performance of such functions. For the purposes of this subsection, the term 'bank', when used in connection with a collective trust fund, has the same meaning as in the Investment Company Act of 1940."

Sec. 28. (a) Section 3(a)(12) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)) is amended to read as follows:

"(12) The term 'exempted security' or 'exempted securities' includes securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States; such securities issued or guaranteed by corporations in which the United States has a direct or indirect interest as shall be designated for exemption by the Secretary of the Treasury as necessary or appropriate in the public interest or for the protection of investors; securities which are direct obligations of or obligations guaranteed as to principal or interest by a State or any political subdivision thereof, or by any agency or instrumentality of a State or any political subdivision thereof, or by any municipal corporate instrumentality of one or more States; any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as trustee, executor, administrator, or guardian; any interest or participation in a collective trust fund maintained by a bank or in a separate account maintained by an insurance company which interest or participation is issued in connection with (A) a stock-bonus, pension, or profit-sharing plan which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954, or (B) an annuity plan which meets the requirements for the deduction of the employer's contribution under section 404(a)(2) of such Code, other than any plan described in clause (A) or (B) of this paragraph which covers employees some or all of whom are employees within the meaning of section 401(c)(1) of such Code; and such other securities (which may include, among others, unregistered securities the market in which is predominantly intrastate) as the Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions or for stated periods, exempt from the operation of any one or more provisions of this title which by their terms do not apply to an 'exempted security' or to 'exempted securities'."

(b) Section 3(a)(19) of such Act (15 U.S.C. 78c(a)(19)) is amended to read as follows:

"(19) The terms 'investment company', 'affiliated person', 'insurance company', and 'separate account' have the same meanings as in the Investment Company Act of 1940."

(c) Section 12(g)(2) of such Act (15 U.S.C. 78l. (g)(2)) is amended by adding at the end thereof a new subparagraph as follows:

"(H) any interest or participation in any collective trust funds maintained by a bank or in a separate account maintained by an insurance company which interest or participation is issued in connection with (i) a stock bonus, pension, a profit-sharing plan which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954, or (ii) an annuity plan which meets the requirements for deduction of the employer's contribution under section 404(a)(2) of such Code, which covers employees some or all of whom are employees within the meaning of section 401(c)(1) of such Code."

(d) Section 12(i) of such Act (15 U.S.C. 78l(i)) is amended to read as follows:

"(i) In respect of any securities issued by banks the deposits of which are insured in accordance with the Federal Deposit Insurance Act, or any interest or participation in any collective trust fund maintained by a bank which is issued in connection with a stock bonus, pension, or profit-sharing plan which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954 and covers employees, some or all of whom are employees within the meaning of section 401(c)(1) of such Code, the powers, functions, and duties vested in the Commission under this title to administer and enforce sections 12, 13, 14(a), 14(c), 15(d), and 16, (1) with respect to funds maintained by national banks and banks operating under the Code of Law for the District of Columbia, are vested in the Comptroller of the Currency, (2) with respect to funds maintained by all other member banks of the Federal Reserve System, are vested in the Board of Governors of the Federal Reserve System, (3) with respect to funds maintained by other banks whose deposits are insured by the Federal Deposit Insurance Corporation, are vested in the Board of Directors of the Federal Deposit Insurance Corporation, and (4) with respect to funds maintained by any other bank, are vested in such one of the above-named agencies as any such bank may elect by filing with such agency a written declaration that it elects to maintain a collective trust fund described in this subsection. The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Board of Directors of the Federal Deposit Insurance Corporation shall have power to make such rules and regulations as may be necessary for the execution of the functions vested in them as provided in this section, and none of the rules, regulations, forms, or orders issued or adopted by the Commission pursuant to this title shall be in any way binding upon such officers and agencies in the performance of such functions, or upon any such funds in connection with the performance of such functions."

Sec. 29. This Act shall take effect on the date of its enactment, except that—

(1) sections 5 (a), (b), and (c); 8 (a), (c), and (d); 9(a); 11; 18; 24(a); and 25 (amending sections 10 (a), (b), and (c); 15 (a), (c), and (d); 17(f); 19; and 32(a) of the Investment Company Act of 1940; and sections 203(b) and 205 of the Investment Advisers Act of 1940, respectively) shall take effect upon the expiration of one year after the date of enactment of this Act;

(2) that part of section 5(d) which substitutes "interested persons" for "affiliated persons" in section 10(d) of the Investment Company Act of 1940 shall take effect upon the expiration of one year after the date of enactment of this Act; and

(3) sections 16(a) and 17 (amending sections 27(a) and 28 of the Investment Company Act of 1940) shall take effect upon the expiration of six months after the date of enactment of this Act.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McINTYRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the distinguished Senator from New Hampshire [Mr. McIntyre] deserves the high praise of the Senate for the exemplary manner in which he steered the mutual funds measure to its successful adoption. Joined by the distinguished Senator from Alabama [Mr. Sparkman], the able chairman of the Banking Committee, he exhibited the strong advocacy and keen diligence that have characterized his service in this body. We are grateful.

We are grateful, also, for the splendid cooperation of the distinguished senior Senator from Utah [Mr. Bennett] on this measure. While expressing a differing view on the merits of some features of the proposal, he joined to assure its efficient disposition. The same may be said of the distinguished Senator from New Jersey [Mr. Case] and the other Senators whose support and assistance were so generously forthcoming.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17903) making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes; and that the House receded from its disagreement to the amendment of the Senate numbered 3 to the bill, and concurred therein.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16913) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 13 to the bill and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 14, 19, 24, 25, and 40 to the bill and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 10915) to amend section 202 of the Agricultural Act of 1956.

The message also announced that the House insisted upon its amendments to the bill (S. 3638) to extend for 3 years the authority of the Secretary of Agriculture to make indemnity payments to dairy farmers for milk required to be withheld from commercial markets because it contains residues of chemicals registered and approved for use by the Federal Government, disagreed to by the Senate; agreed to the conference asked by the Senate, on the disagreeing votes of the two Houses thereon, and that Mr. POAGE, Mr. GATHINGS, Mr. MCMILLAN, Mr. BELCHER, and Mr. TEAGUE of California were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a joint resolution (H.J. Res. 1420) making continuing appropriations for the fiscal year 1969, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S.J. Res. 181) to authorize the President to designate the week of August 4 through August 10, 1968, as "Professional Photography Week," and it was signed by the Acting President pro tempore.

ASSAULTS ON POSTAL EMPLOYEES AND POSTAL SERVICE CURTAILMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1438, H.R. 15387.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 15387) to amend title 39, United States Code, to provide a disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Post Office and Civil Service, with amendments, on page 2, line 7, after the word "forcibly" strike out "assaults, resists, opposes, impedes, intimidates, or interferes with" and insert "assaults"; and after line 20, insert a new section, as follows:

> SEC. 3. Effective on the date of enactment of this Act—
>
> (1) the provisions of section 201 of the Revenue and Expenditure Control Act of 1968 shall cease to apply with respect to officers and employees of the Bureau of Research and Engineering of the Post Office Department, and officers and employees in the postal field service except those in regional offices; and
>
> (2) in applying the provisions of such section to the departments and agencies in the executive branch, the officers and employees of the Bureau of Research and Engineering of the Post Office Department and the officers and employees in the postal field service, except those in regional offices, shall not be taken into account.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, the pending bill does three things. It amends the House-passed bill which provides a new section to give the Postmaster General the right to take appropriate disciplinary action including, when circumstances warrant, suspension from duty without pay, reduction in pay, demotion in grade, or removal from service, against any employee who forcibly assaults any other employee while such other employee is engaged in the performance of his official duties or on account of the performance by such other employee of his official duties.

The second section of the bill strikes out the words "any post office inspector" and adds language to make it a crime to effectuate an assault upon "any postal inspector, any postmaster, officer, or employee in the field service of the Post Office Department."

This makes it a Federal offense to interfere physically with anyone engaged in the delivering of the U.S. mail. Certainly, the many such happenings across the country, and particularly in the large cities, show that our postal employees are being subjected to physical abuse and bodily injury because of assaults that have been and are being made upon them. These assaults are being made for the purpose of attempting to secure items that are in the U.S. mail. This wording tightens up the law.

Third, and perhaps the only controversial part of the bill, is a provision making effective from the date of this act a matter which the Senate thought it had disposed of in passing the bill which included the tax increase and the cutback in the number of personnel that was provided by the Smathers-Williams amendment.

When that bill left the Senate, it provided for no cutback whatsoever in the Post Office Department employees. It was recognized that this Department is a tremendous user of manpower in the Government. In fact, over 750,000 of the Federal employees—which number some 2.8 million—are postal employees. Further, more than 99 percent of the number of employees in the Post Office Department are engaged in the physical handling of the tremendous volume of mail that this country handles each year.

To have applied the vast shrinkage provided for in the bill that came from the conference, amplifying and going beyond the Smathers-Williams amendment, including the Post Office in this series of cuts, to have made effective this series of cuts, we would have insured, by the Senate action and by the House action, if they failed to pass the proposed legislation before the Senate, that the United States would have not only second-class mail service but also third- and fourth-class mail service—despite the fact that we have charged the first-class users of the mail approximately $500 million a year more and the other users of mail some $500 million additional, making a total of a billion dollars of new revenue. We made the promise that we would give better service, and we are trying to do so.

The most rapid turnover of employees in the Federal Government is that in the Post Office Department. Consequently, because of the filling of jobs by attrition, this would be limited to filling only three out of every four jobs and definitely would bring about third- or fourth-class mail delivery for the first-class users, who are, of course, the preferred customers of the Post Office Department.

This bill would exempt the postal field service, from the employment ceiling provided in section 201 of Public Law 90-364.

On July 22 and 23, the Committee on Post Office and Civil Service held public hearings on the effect of section 201 on the operations of the postal service. Postmaster General W. Marvin Watson and Director of the Budget Charles J. Zwick testified at length on the precise effect which the employment ceiling will have upon postal operations and the legal authority of the Director to relieve the postal service from the effect of the employment ceiling. Additional testimony was heard from the National Association of Letter Carriers, United Federation of Postal Clerk, and the National Postal Union, which, collectively, represent more than 600,000 postal employees. The hearings have been printed and are available to the Senate.

Postmaster General Watson testified that in order to comply with section 201 the postal service would, over a 4-year period, make the following reductions in service and, correspondingly, in positions:

Service change	*Reduction in positions*
Close all rural (4th-class) post offices and 50 percent of contract stations	7, 410
Close 5,000 3d-class post offices	5, 000
Close all window services at 1st- and 2d-class post offices 1 day a week	2, 274
Eliminate all postal work on Saturday and Sunday without regard to delay in mail or extra force required for handling backlog	23, 272
Schedule work force so as to gain additional 2-percent increase in clerical productivity without regard to delay in mail	8, 558
City residential delivery—eliminate Saturday and 1 additional day	22, 711
Parcel post delivery—reduce service to 5 days per week	1, 112
City business delivery—eliminate Saturday service and reduce service on other days to 1 delivery a day	1, 378
Rural delivery—reduce service to 3 days per week	1, 797
City, residential and rural delivery—no extension of service to new homes	3, 670

Service change	*Reduction in positions*
Collection service—restrict Saturday service to the Sunday schedule	380
Eliminate new training programs, certain mechanization projects, management programs for service improvements, certain transportation and logistical support	5, 676
Total	83, 238

The new subdivisions and additions, the new shopping centers, and the new office buildings that grow up around the perimeter would be denied any service whatever, unless they went to a postal substation or to a central station. They would not receive door-to-door delivery.

Mr. President, you might drop a letter in the box on Saturday and you will find there will be one pickup, made at perhaps 9 o'clock in the morning of the day on which you mail the letter.

Based on historical attrition in the Post Office Department, a reduction would be required in the positions that we now use to carry the mail in the most expeditious type service.

The Director of the Bureau of the Budget testified that the authority granted him under section 201 to provide relief for agencies was limited and could not be used for wholesale relief from the employment ceiling. He said:

> Mr. Zwick. I doubt if I will give any agency complete relief. I doubt if that will meet the test of most efficient operation of the Government under these provisions, and I would further doubt that in the next few months at least—we will look at it again in 3 months—that we are going to give any relief to the Post Office Department under the provisions of this law. If the Congress can distinguish between the Post Office and all other activities and want to exempt it, we certainly have no objection, and therefore I have no objection.
>
> Senator Hartke. What you are saying is that you intend to make no recommendations concerning the Post Office Department as you see it at the present time, now or in the foreseeable future. Is that fair?
>
> Mr. Zwick. That is right.
>
> Senator Hartke. So as far as they are concerned, whatever is necessary in their judgment to live with, you say, "Well be it. That is just your bad luck, and whoever is involved has to suffer. Is that fair?"
>
> Mr. Zwick. Yes, sir.

JUSTIFICATION FOR THE EXEMPTION

The committee unanimously recommends that post offices and the Bureau of Research and Engineering in the Post Office Department headquarters be exempted entirely from provisions of section 201, and that the number of employees in post offices and the Bureau of Research and Engineering not be taken into account in applying the employment ceiling to agencies of the executive branch. The committee recommends that the employment ceiling be made to apply to the regional offices of the postal service and the headquarters in Washington, other than the Bureau of Research and Engineering.

The committee does not consider it necessary to dwell at length on the importance of the postal service to the American public. It is the vital lifeline in our society and economy, without which our economic, industrial, and social institutions would be seriously disrupted. That has never happened in this Nation's history. The postal service has functioned 7 days a week ever since the Government was established, even including the Civil War, when the U.S. Post Office Department continued to deliver mail in the Confederacy.

Unlike some Government functions, the volume of mail cannot be controlled unless Congress increases rates of postage to make it economically unrealistic, or unless Congress enacts legislation placing an embargo upon the mailing of a particular class or kind of mail. Absent these extraordinary remedies, mail volume will increase as the economy grows and as the population increases.

To roll back by attrition the level of employment in the Post Office to that existing on June 30, 1966, would require a reduction of 76,539 full-time permanent positions and 6,669 nonpermanent positions, a total of 83,238. Mail volume has increased from 75.6 billion pieces in fiscal year 1966, to an estimated 84 billion pieces in fiscal year 1969, an increase of 8.4 billion pieces. There are 4 million more city deliveries, 666,000 more rural deliveries, and 358,000 more business deliveries estimated for fiscal year 1969 than there were in fiscal year 1966.

The population of the United States has increased 4 million. The gross national product has increased from $717.5 billion in fiscal year 1966 to $822.1 billion in fiscal year 1968. Mail to American servicemen in Vietnam has increased 59 percent during the same 2-year period.

POSTAL REVENUES

The postal service will collect $6,287,552,000 in fiscal year 1969 and has been authorized by Congress to spend $7,128 million. The cash flow from the Treasury of tax dollars will be $735,427,000. That means this amount comes out of ordinary revenues of our country, uncovered by the actual receipts of the Post Office. Under the provisions of the Postal Policy Act of 1958, certain services provided by the Post Office are exempt from consideration for the purpose of ratemaking. These exemptions, which relate to transmission of religious, charitable, and philanthropic second- and third-class mail, a portion of rural and star route costs, and other specifically identified services, costs $622 million. Thus, the only portion of the entire 1969 postal appropriations which is not recaptured either by postal revenues or by a specific provision of law enacted by Congress is $113 million.

The 8.4-billion increase in mail volume since 1966 has generated nearly a billion dollars in additional revenue. The 2-billion-piece increase estimated for fiscal year 1969 will bring in approximately $149 million in additional revenue at a cost of $113 million. Thus, the Post Office gains $35 million toward its operating cost.

By decreasing services, closing post offices, and restricting delivery in business and residential areas, the Post Office cannot and will not reduce operating expenses as rapidly as it will lose revenue. Revenue stops the day the postage is not purchased. Operating expenses stop only when employees are laid off, when facilities are shut down, or whenever other long-term actions are taken.

POSTAL EMPLOYMENT

There are about 730,000 employees in the entire postal establishment at the present time. They can be divided into three groups: full-time permanent, commonly referred to as "regular"; part-time permanent, commonly referred to as "carreer substitute"; and part-time temporary, who may be appointed for an indefinite period or for a specific time limitation.

By law there are five full-time positions in each post office for every one part-time career position. There are no statutory limitations on the employment of part-time temporaries, although a limit imposed by appropriations exists.

To fill only 75 percent of postal vacancies would not reduce the volume of work in the post offices across the Nation; it would merely increase the amount of work necessary for each employee. It would also result in increased expenditures for overtime work and the employment of additional part-time employees whose efficiency and effectiveness is measurably less than that of full-time permanent employees.

Both Congress and the Department have stressed the need for increased postal efficiency. The recruitment and retention of a cadre of full-time permanent employees and an effective group of part-time regulars and career substitutes is the way to achieve this efficiency. To leave positions vacant while the mail piles up makes that goal unachievable.

The restrictions of section 201 do not take into account the nature of the postal service. For instance, Easter in 1967 occurred in the month of March, while in 1969 it will occur in the month of April. Thus, the number of additional postal clerks who can be employed during the month of April 1969 to handle several billion Easter cards—I repeat, to handle several billion—cannot exceed the number who were employed in April 1967, even though the April 1967 number was not the number which handled the Easter mail.

The volume of political mail during the remaining months of 1968, and particularly in October, will be substantially greater than the corresponding months in 1967, when there was no election, but the substitutes available will be based on the 1967 figure.

If the Congress wishes to reduce postal services, it should do so by the appropriate legislative committees recommending legislation, rather than an arbitrary employment ceiling being imposed upon the one agency of the Government which reaches into every home and office in the Nation.

The Postmaster General has no alternative to a reduction in services because of the employment ceiling. He has not threatened blackmail. He has complied with the law.

Mr. President, the Postmaster General has not threatened blackmail. He has complied with the law of this Congress. Although it might not be a good law, it is not his prerogative to question but to perform the dictates of Congress. Here we have the head of the biggest Department in Government employment, and the most far-reaching Department.

If this is a bad law, or an unworkable law, it is our duty to change that law. That is what we propose to do in this bill.

No man can say that this is blackmail when the Postmaster General is merely trying to achieve the attrition based on the law, the services that will have to be curtailed, and the places where they will have to be curtailed.

I have already argued specifically that if any man challenges these reductions as being blackmail, then let him take the floor and tell Congress and the Senate just where he will make the cuts, because the legislation forces these cuts to be made. I have looked over the list, and I do not know how they could be made otherwise. They are spread all across sections of the Post Office Department, as spread they must be, because this is a very multisided business operation which reaches into the smallest hamlet and the greatest metropolis. It reaches around the oceans of the world in those services to our men who are serving our country at home and abroad.

So I say that the Postmaster General has done all that humanly can be done to comply with the law in the Post Offices throughout the land, dozens of which will be closed forever—tomorrow—tomorrow—unless this Congress passes legislation to register the intent of one House, at least, that it wants to postpone the cuts and will try to effectuate personnel reductions to the best of its ability.

The Postmaster General has announced the steps he will take to fulfill the specific objectives required by the Revenue and Expenditure Control Act. It is the opinion of this committee, which has the legislative responsibility for postal operations, that the postal service should be exempted from the ceiling.

I say that as chairman of this great legislative committee, and I say it as chairman of the Subcommittee on Post Office, and Treasury Appropriations of the Appropriations Committee. So that I am concerned with both appropriation expenditures and legislation, trying to perfect and continue decent postal service for the American people.

BUREAU OF RESEARCH AND ENGINEERING

The committee also recommends that the exemption apply to the Bureau of Research and Engineering in the Post Office Department headquarters. This Bureau, which was created by Public Law 89-492 on July 5, 1966, represents a real hope for economy, a real hope for cuts, a real hope to substitute machines of modern design for vast numbers of manpower. Certainly, no one would want to cut away the efficiency and progress we are making in this field. It can only be done by using effective methods, by improving efficiency. This vast organization in the Post Office Department is just as large as A.T. & T., the Ford Motor Co., or General Motors Corp. Only by modern business methods can we hope to effect genuine economies made possible by better handling costs and by mechanization, electronic sorting, and all these other things.

Since its creation, appropriations for research and engineering have increased from $18 million in fiscal year 1966 to $35 million in fiscal year 1969. The number of employees has increased from 276 on June 30, 1966, to 517 on June 30, 1968. The Congress recently authorized 160 additional positions for this Bureau.

Are we going to roll back the 276 employees, the staffing of this most essential operation that will give the greatest hope for mechanization and improvement in the handling of mail at a lower cost?

The progress which this Bureau can achieve in the future for improved postal services is far more important to the Government and the taxpayers than the number of people it employs or the amount of money it spends can indicate. It would be a tragic and foolish waste to cut back this vitally important Bureau to the 1966 employment level.

The exemption will not apply to other bureaus in the headquarters or to the 15 regional offices across the Nation. Although many vitally important postal functions operate at the headquarters and regional level, the committee does not believe they are as important as research and engineering in the Post Office Department or any more important than other bureaus or agencies in the executive branch to which the employment ceiling will apply.

POSTAL ASSAULTS

H.R. 15387, as referred to the committee, provides specific statutory authority for the Postmaster General to take appropriate disciplinary action against any employee who assaults another employee during, or because of, his official functions.

Public hearings were held before the Subcommittee on Postal Affairs on June 26, at which time representatives of employee organizations and officials of the Post Office Department stressed the need for Federal law to protect postal employees from violent assault.

Section 2 of H.R. 15387 does this by including all post office employees within the provisions of section 1114 of title 18, United States Code, as well as section 111 of title 18, which makes it a Federal crime to murder or to assault certain enumerated Federal officials.

The committee believes that it is in the best interest of the postal service to provide this Federal remedy to protect letter carriers who deliver valuable mail, and to authorize specifically that the Postmaster General may take appropriate disciplinary action.

The committee has amended section 1 of the bill as referred to eliminate surplus words.

Mr. President, I urge favorable and immediate action on this vitally important legislation.

The American people are waiting for the mailman.

To summarize, Mr. President, we leave the clerical, white collar, and management jobs in headquarters actually under the personnel ceiling as are all other departments. We require the regional offices in the several States to stand the cut. We are including the exemption only for the mail-handling force, the inspectors, the auditors necessary to be in the field, and the research and engineering personnel, who comprise an insignificant number of employees.

Mr. RANDOLPH. Mr. President, will the Senator from Oklahoma, the chairman of our committee, yield?

Mr. MONRONEY. I yield.

Mr. RANDOLPH. Mr. President, it is necessary that I attend a conference with the House Public Works Committee on the pending omnibus flood control—rivers and harbors measure. Before leaving, I wish to ask the chairman a specific question which relates not to the movement of domestic mail. That is important.

It is my understanding that the mail going from the United States to the members of our Armed Forces in Vietnam has increased approximately 60 percent during the past 2 years. Is that figure correct?

Mr. MONRONEY. That is approximately correct. I have not seen the latest figures, but the last figure I have is a 60-percent increase.

Mr. RANDOLPH. As the Senator from Oklahoma has discussed the picture from the standpoint of the domestic mail, there is also the important factor of the wives, the children, the fathers, the mothers, the relatives, and the friends who are corresponding with members of our Armed Forces overseas. If the situation outlined by the Senator from Oklahoma comes into being, we would then expect that the flow of mail from the people of the United States to our fighting forces in Vietnam would be curtailed. Is that correct?

Mr. MONRONEY. It would be slowed down, because all this mail obviously originates in the United States. If it originated in the small towns and villages which supply an abnormal amount of our fighting men, 50 percent of their contract stations would be closed. So they would have to drive some 15, 20, or 25 miles to mail a letter in the first place, instead of having it handled in the local village station. If it were a third-class office, 5,000 of those would be closed. If it were a first- or second-class post office, it would be closed all day Saturday and all day Sunday, and the mail would not move on those 2 days.

In other words, this would be a standstill with respect to the movement of mail, because the offices generally would not be open. It would eliminate all postal work on Saturdays and Sundays, without regard to delay of mail or extra force required for handling the backlog. All the way through the entire postal system, until the day it reached the port of embarkation, the slowdown. would occur. Then the Army would take over. God bless them. It would move as rapidly as we could move packages and material by mail, and I am glad they are getting that service; but there would be a 3-day delay in the mail getting there, if we make this delay.

Mr. RANDOLPH. I wish to impress upon Senators that the slowdown of a letter going from a mother, father, or wife to a member of the Armed Forces in Vietnam would result in a delay of approximately 3 days.

Mr. MONRONEY. The Senator is correct.

In addition, the long-sought letter would be equally delayed 3 days on its arrival at San Francisco or Los Angeles or Seattle; and perhaps the check that the son was sending to help a widowed mother would be delayed 3 days by this arbitrary, compulsory, legislated slowdown of the mail.

Mr. RANDOLPH. The Senator is correct. It works both ways.

I know that to a member of our Armed Forces overseas, that letter is a very precious communication from his family—from those who are closest to him. The prompt delivery of correspondence and packages from home has always been a critical factor in maintaining the high morale of our service personnel.

Mr. President, we cannot overemphasize the impact that would occur in the handling of mail to and from veterans if the situation is allowed to worsen as the chairman has indicated.

Mr. MONRONEY. Mr. President, the statement of the Senator is correct. This situation is also true of the hundreds of thousands of men serving around the world—in Germany, Greenland, Iceland, and on the Arctic line. It would create a 3-day legislative standstill of that great service which was one referred to as the U.S. mail. We like to think of it as that today and with the will of the Senate, we hope that it will remain to be so.

Mr. RANDOLPH. Mr. President, I am privileged to join with the distinguished chairman of the Committee on Post Office and Civil Service in discussing these matters because I feel, as he indicated, it should be and will be the sense of the Senate to move in the direction advocated unanimously by the committee.

Mr. MONRONEY. Mr. President, no one has been more active than the Senator in trying to speed up the mail and seeing to it that Vietnam mail goes and comes with the highest priority humanly possible, nor has anyone resisted more than he attempts to reduce the budget at the expense of what the consumer of the service is now paying.

Mr. RANDOLPH. I appreciate the statement of the Senator.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the committee amendments to the bill which are contained in the printed bill be agreed to en bloc, and that the bill be considered as original text for the purpose of further amendment.

Mr. WILLIAMS of Delaware. I have no objection to agreeing to the first committee amendment, but the last one, I should like to have a vote on. I have no objection to agreeing en bloc to the committee amendments on page 2 of the bill, section 3108, but on section 3, I would want to have a vote.

Mr. MONRONEY. I would agree to that. I would merely say, there are three amendments to the bill, so let us vote on each one separately, or vote on all three—whichever the Senator wants.

Mr. WILLIAMS of Delaware. I have no objection to those in section 3108.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the Senate agree to all the language on pages 1 and 2 down to but not including line 21.

The PRESIDING OFFICER. Without objection, the amendment on page 2, lines 7 and 8, is agreed to.

The amendment was, on page 2, lines 7 and 8, to strike out "assaults, resists, opposes, impedes, intimidates, or interferes with" and insert "assaults."

Mr. MONRONEY. There will be a vote specifically on the last amendment. I appreciate the opportunity to accommodate the Senator from Delaware.

The PRESIDING OFFICER. The clerk will state the last amendment.

The LEGISLATIVE CLERK. On page 2, line 1, insert a new section 3, as follows:

SEC. 3. Effective on the date of enactment of this Act—

(1) the provisions of section 201 of the Revenue and Expenditure Control Act of 1968 shall cease to apply with respect to officers and employees of the Bureau of Research and Engineering of the Post Office Department, and officers and employees in the postal field service except those in regional offices; and

(2) in applying the provisions of such section to the departments and agencies in the executive branch, the officers and employees of the Bureau of Research and Engineering of the Post Office Department and the officers and employees in the postal field service, except those in regional offices, shall not be taken into account.

Mr. FONG. Mr. President, will the Senator yield for a few questions?

Mr. MONRONEY. I yield.

Mr. FONG. Is it not true that the Post Office Department is one of the very few agencies that produces revenue?

Mr. MONRONEY. I suppose one could say that the Internal Revenue produces more, but it collects money as taxes, while the Post Office Department takes money from the people for direct service. The figures show that only $135 million of tax revenues are required from the general Treasury to make up for the cost of the operation of this service, if the bookkeeping were complete. The Post Office Department earns its way, with a very small percentage of additional funds needed to cover the entire expense. This includes the payment in full each year for brand new post office buildings, whether they be $10,000 buildings or $1 million buildings. The cost of those buildings is written off. This is true of all equipment, mechanization, trucks, and electrical machinery. The expense for that is written off not, as is true in industry, over 50 years or 5 years, but the day that equipment is bought.

So the Post Office Department would show beyond a balanced budget on the earnings of the Post Office Department, plus the public service benefits, if it kept a normal business type set of books.

Mr. FONG. Is it not true that the Post Office Department has not reached the point of diminishing returns? That is, even with the additional mail volume business, and after paying off all expenses, the Post Office Department will make more money on the new business?

Mr. MONRONEY. That is correct. In the last postal bill, which the Senator from Hawaii helped get passed, the first-class rate on letters was increased from 5 cents to 6 cents. The cost of third-class mail was almost doubled. With the increased volume, more than $1 billion of new revenue was brought into the Department. That is not new revenue which we have said to the taxpayer, "You must pay." He is waiting at the window of the post office saying, "I want to buy." He is purchasing this transportation, because it is the only communication available to him worldwide or villagewide.

Mr. FONG. If we cut the number of post office employees by 11 percent, we would lose more than we would gain. Is that not correct?

Mr. MONRONEY. We would lose far more than we would gain, because the volume would be lowered without reducing our overhead substantially.

Mr. FONG. By increasing the revenues of the Post Office Department by more than $1 billion, we promised the taxpayers and the mail users better service. Did we not?

Mr. MONRONEY. We certainly did. How well I remember the great fight the Senator from Hawaii made over the years so the mail would not be riding the trains for 3 days from New York to San Francisco. Today one can put a first-class stamp on an envelope anywhere in the continental United States and it will go to Hawaii, Nome, Alaska, or elsewhere by air.

Mr. FONG. Yes. We have expedited the moving of the mail by the bill Congress passed last year, and we hope that the mail will be expedited even more.

May I ask the Senator one more question? From June 30, 1966, to the end of the fiscal year 1968, there has been an increase of approximately 11 percent in the volume of mail. Is that correct?

Mr. MONRONEY. That is correct.

Mr. FONG. If we were to cut the total number of employees from the 1969 employee authorization figure which we gave the Post Office Department in the fiscal year 1969 appropriation act and force it back to the 1966 level, we would be cutting back approximately 11 percent in the number of postal employees. Is that correct?

Mr. MONRONEY. That is correct.

Mr. FONG. With that large cut, we could never give the postal patrons the type of service we promised. Is that correct?

Mr. MONRONEY. Or we would expect those employees to walk 10 or 15 percent more miles or work 10 or 15 percent faster. Because they worked more hours, we would have to pay them time and a half. So that would be a poor way to economize. The result would be a vast buildup of time-and-a-half pay, because we would have limited the number of employees we could replace or hire.

Mr. FONG. Mr. President, I rise to commend the distinguished Senator from Oklahoma, chairman of the Committee on Post Office and Civil Service, for a very fine bill. Through his leadership we have brought to the floor of the Senate a good bill.

I urge my colleagues to approve H.R. 15387, with the amendment added by the Senate Post Office and Civil Service Committee. This amendment exempts certain activities of the Post Office Department from the employee limitations imposed by section 201 of the Revenue and Expenditure Control Act of 1968.

The Senate will recall that the tax bill was initially passed by the Senate on April 2 with a provision exempting the postal field service from the employee ceiling provision. Unfortunately, that exemption was stricken from the bill in the Senate-House conference.

Under section 201 of the tax act the executive branch would have to reduce its permanent employee level to that of June 30, 1966. This would be done by filling only three out of four vacancies which occur by people leaving the Federal service. In addition, temporary and part-time employment would be held at the level of the corresponding month in 1967. To the Post Office Department this would mean a loss of 83,238 employees within 4 years.

On Monday and Tuesday of this week the Senate Post Office and Civil Service Committee questioned both the Postmaster General and the Director of the Bureau of the Budget in great detail on the effects section 201 would have on the Post Office Department.

Present Post Office Department employment is approximately 728,000. Its 1966 employment level was 675,423. Therefore, the Post Office Department employee reduction under section 201 of Public Law 90–364 would be 83,238. I understand this reduction figure would be reached in 4 years.

Only a month ago the Congress approved sufficient funds for the Post Office Department to hire an additional 15,000 permanent and 4,000 to 5,000 temporary employees. This raised the Department's authorized strength to approximately 762,000.

However, the employee limitation under the tax law would have the immediate effect of precluding the Department from hiring these much needed 20,000 additional postal workers. In addition, the Department would have to cut down approximately 1,250 employees a month. This would amount to 30,000 employees the first year the employee limitation was in effect.

The volume of mail being sent through our postal system has increased from 75.6 billion pieces in 1966 to 84 billion pieces in 1969. This is an increase of 11.1 percent, or an average of 3.6 percent each year since 1966. Projections indicate this volume will increase to 87.2 in 1970, 89.4 billion in 1971, 91.2 billion in 1972, and 93 billion in 1973.

To handle this ever-increasing mail volume, we are telling the Post Office Department to cut down its employment by 11 percent. I submit that this cannot be done and still give to the citizens of our country the postal service they pay for and deserve. We are telling the Post Office Department to handle an increase in mail of over 25 percent in 7 years with approximately 11 percent less employees. To do so, service will have to be cut down.

Last year we passed a postal revenue bill increasing the cost of sending all classes of mail. From this increase in postal rates, the postal system brings in an additional $900 million each year. For this increase in postal fees, if the employee ceiling is retained, the postal patron will receive much less service.

The Post Office Department is doing a good job in inventing machines that will help expedite the handling of the mail. I understand that an experimental scanning machine is presently being used which reads the addresses of approximately 36,000 letters an hour. However, this and similar machines are still in the development stages. We must still rely on the mail handlers, mail clerks, and letter carriers to get the mail processed and delivered. It takes a lot of manpower to process and deliver the over 84 billion pieces of mail flowing through our postal system each year.

The amendment added by the Post Office and Civil Service Committee to H.R. 15387 would allow the Post Office Department to hire the manpower it needs, within the authorizations contained in the Post Office Department's appropriation bill. The exception applies only to those who handle and move the mail and do the research necessary to produce machines which will help expedite the mail. The Post Office Department's administrative divisions in headquarters and the regional offices will still be subject to the employee limitations.

I urge the Senate to adopt H.R. 15387, as amended, today so that the Post Office Department can move ahead with the business of moving the mail. This will also allow the Department to restore the services which are scheduled for reduction tomorrow.

Mr. MONRONEY. I thank my distinguished colleague. He has been a most faithful, energetic, understanding, and well-informed member of the Post Office and Civil Service Committee. I certainly agree with his logic and the strong appeal that he is making—that we not furnish less service for the $1 billion we are now charging the American public for the letters they mail.

Mr. FONG. I thank the distinguished Senator from Oklahoma for yielding.

Mr. MONRONEY. Mr. President, I yield the floor.

Mr. YARBOROUGH. Mr. President, I have just written the Postmaster General to urge that the Post Office Department maintain the post office in Buffalo Gap, Tex. Buffalo Gap is a growing, thriving town, with new buildings, an important State park, and heavily used encampment grounds. It is the center of an increasing tourist trade, and has been experiencing an economic boom for 2 years. Closing the post office might well cripple the economic development of this town. It would be a result one might expect from the unreasonable reduction in Government operations which the Congress is threatening to impose. There is a point at which false economy becomes a threat to the basic services which we owe to our citizens, and the Post Office is in danger of being pushed past that point.

The pending bill, H.R. 15387, would reduce the necessity of cutting back on the needed operations, and I urge the Senate to adopt it.

Mr. President, I ask unanimous consent that my letter to the Postmaster General, together with two letters I have received from Buffalo Gap, be printed at this point in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate, Committee on Labor
and Public Welfare,
Washington, D.C., July 26, 1968.

Hon. Marvin Watson,
Postmaster General of the United States, Post Office Department, Washington, D.C.

Dear General Watson: I would like to call your attention to the enclosed letters concerning the proposed closing of the post office at Buffalo Gap, Texas.

This post office is the oldest one in Taylor County, and still in heavy use. Buffalo Gap is a thriving, growing community, with a new school house, Presbyterian encampment grounds, and the Abilene State Park. It is also the center of an increasing tourist business. To close this post office might well mean crippling the economic development of a prosperous and growing town. Such an event would be very unfortunate, and I hope that you will not allow it to happen.

With my very best wishes, I am

Sincerely yours,

Ralph W. Yarborough.

Abilene, Tex., *July 17, 1968.*

Hon. Ralph Yarborough,
U.S. Senate,
Washington, D.C.

Dear Senator Yarborough: It is my understanding that there is a move afoot to close a good many fourth class Post Offices throughout the nation. This, as I understand it, is the result of an economy move by virtue of the recent budget cut as voted by the Congress.

It has further come to my attention that due to the fact that Buffalo Gap is without a permanent Postmaster, that their facility would possibly be one of those which is planned to be closed. This comes as quite a surprise since I consider Buffalo Gap as a community which is on the move. I therefore feel, that it would be an injustice to close their facility under these circumstances. The business barometer of Buffalo Gap has spiraled within the past two years and I am of the opinion that it will continue to do so. As a result of this new spurt in the economy, I can foresee no other alternative for the town except for a continued new growth.

It would therefore seem that a move to close their postal facility at this time would be not only a serious inconvenience to the community but an untimely move on the part of the Postal Officials in view of the potential growth of the town.

Please consider this as a personal solicitation for your earnest effort in avoiding the closing of this postal facility.

Sincerely,

Doyle W. Taylor.

Buffalo Gap, Tex.,
July 17, 1968.

Hon. Ralph Yarborough.

Dear Senator: I want to ask your support to help us keep our post office here at Buffalo Gap. It is the oldest one in the county. We have a population of 350. It is the sight of Taylor County's first college. Our ultra-modern school house is constructed of the colleges red sandstone. We have the Presbyterian incampment grounds which are used by many groups. The Abilene State Park is located here, and we have many tourists.

Our town is growing.

This was the camping ground of many Indians and Buffalo.

Thanks for your help.

Lydia P. Shipman, D.C.

Mr. BAKER. Mr. President, today we are asked to exempt the Post Office from its part in what we know is a necessary cutback in Federal spending. I do not believe that we can possibly justify such a change of attitude, and I voice my opposition to H.R. 15387, as amended by the committee.

The Revenue and Expenditure Control Act of 1968 has a provision which allows for a tremendous degree of flexibility in determining which agencies will be affected by the cutbacks. Title II of the act states:

> The Director of the Bureau of the Budget may reassign authorized temporary and part-time employment from one department or agency to another department or agency when such reassignment is, in the opinion of the Director, necessary or appropriate because of the creation of a new department or agency, because of a change in functions, or for the more efficient operation of the Government.

The effect of the bill before us would be to remove this flexibility by making a special-interest exemption to the cutbacks, an effect which would be completely unnecessary. If the Director of the Bureau of the Budget determines that the prescribed cutbacks for the Post Office are unduly severe, then he can shift some of the burden to other areas. The point is that, at present, we are not in a position to make such a determination.

I think it is particularly significant to note the recent comment of Budget Director Charles J. Zwick with regard to this proposal. He stated that he personally would not support the exemption because other Federal programs such as social security, air traffic control, and safe streets have greater personnel needs. I fully concur with his judgment.

Any exemption for postal employees would merely be at the expense of the employees of all the other agencies. It is my understanding that there will probably be several such efforts at special-interest exemptions for different agencies. The passage of H.R. 15387 would do nothing but open the doors to the supporters of these other bills and make the task of establishing priorities all the more difficult. In view of our commitment to a specified reduction in Federal spending, we cannot afford to engage in a game of leapfrog, shifting the burden of this $6 billion cutback from one area to the next.

There is, I believe, a broader issue involved in this debate, that of the urgency of reform of our entire postal system. For some time, I have advocated a restructuring of the Post Office along the lines of a publicly owned, self-financing corporation similar to the TVA model. At worst, this plan would remove time-consuming postal affairs from the hands of Congressmen. At best, it would boost efficiency tremendously, encourage an even greater responsiveness of postal officials to the public demand, and allow the Post Office to finance its operation for the first time in its history.

Therefore, I was greatly encouraged to read that the recently published report of the President's Commission on Postal Organization calls for a similar overhaul of the system. I commend the members of the Commission on their constructive, thought-provoking proposals, and I would hope that the issues raised by them will demonstrate to the Senate the urgency for legislation more comprehensive than the kind of stop-gap measure that we are presently considering.

AMENDMENT OF THE RENEGOTIATION ACT OF 1951

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1364, H.R. 17324, to extend and amend the Renegotiation Act of 1951.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, I move that H.R. 17324 be recommitted to the Committee on Finance with instructions to report such bill back forthwith with the amendments originally reported by the Committee on Finance and with the following additional amendments:

First. Amendment No. 889, relating to the Antidumping Act, 1921.

Second. Amendment No. 890, relating to the International Coffee Agreement, 1968.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

Mr. LONG of Louisiana. Mr. President, pursuant to the motion which has just been agreed to, I report the bill H.R. 17324, and ask unanimous consent that the bill be placed on the calendar and that the Committee on Finance be permitted to file a supplementary report on H.R. 17324 as so reported.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1969—CONFERENCE REPORT

Mr. HOLLAND, Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16913) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HARTKE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 26, 1968, pp. 23613, 23614, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HOLLAND. Mr. President, I shall not report on the details of the conference agreement since the full text of the conference report and the statement of the managers on the part of the House appears in House Report No. 1794 and in the CONGRESSIONAL RECORD of July 26, beginning on page 23613.

Mr. President, the conference agreement deals with 46 different numbered amendments, of which six will be reported to the Senate in technical disagreement after the adoption of the conference report. In several instances individual amendments embody several differences involving various projects and activities. The final conference agreement was reached after three sessions of the conference committee.

The Senate passed the appropriation bill on May 29, but the House did not appoint its conferees until June 24. The first conference meeting was held on July 9 and the second meeting was held on July 11. The conference committee resumed again yesterday morning and reached agreement on all of the amendments, including those which I will ask to be reported in disagreement after the adoption of the conference report.

I am pleased to report that the conference report was unanimously agreed to and signed by the conferees of both bodies.

Mr. President, since the Senate passed the agricultural appropriation bill, the conference report on H.R. 15414, The Revenue Expenditures Control Act of 1968, has been adopted by both bodies and has now become Public Law 90–364. In view of the enactment of this measure calling for a reduction in expenditures totaling $6 billion, below those estimated in the President's budget message, the conference committee has attempted to emphasize by its actions those items it considered to be of importance and thereby to provide some guidance to the Secretary of Agriculture and the Bureau of the Budget if further reductions in expenditures are required of the Department of Agriculture.

SUMMARY OF ESTIMATES AND APPROPRIATIONS

The conference bill is in the amount of $5,531,296,650. This total is $1,392,683,150 under the budget estimates, $1,615,657,050 under the adjusted appropriations for fiscal year 1968, and is $7,661,150 over the House-passed version of the bill and $9,253,650 under the Senate version of the bill.

Mr. President, the conference report to which I referred earlier (House Rept. No. 1794) describes in detail the net amount agreed for the many items in the appropriation bill.

PAYMENTS TO STATES FOR RESEARCH AND EXTENSION WORK

I will deal only briefly with a few of the items of general interest and concern to members of the Senate. The Senate had restored the 1968 appropriation level for the payments to the State experiment stations under the Hatch Act formula in the amount requested by the budget; namely, $54,965,000, an increase of $3,852,000 over the House passed bill. In the conference the House yielded to the Senate in the amount of $1,832,000 to be directed to pay comparability adjustments—in other words, for Pay Act costs. The conference action thus provides $52,945,000 to be distributed under the formula instead of $51,113,000 as provided by the other body.

For payments to the States for cooperative extension work the Senate had provided restoration of the 1968 appropriation level, an increase of $3,385,000 over the House version of the bill, and in the conference it was agreed that $3 million of this increase be retained for pay comparability adjustments. The conference agreement thus provides $81,532,500 for distribution to the States under the Smith-Lever formula.

Year after year the Senate has insisted that appropriations for the Federal share of pay comparability adjustments for workers at the State experiment stations and for the county extension offices should be provided in the appropriate amounts following Federal Employee Pay Act adjustments, but so far the Bureau of the Budget has not recognized this rather clear-cut principle.

Mr. President, we think we have a definite obligation in those matters.

SOIL AND WATER CONSERVATION PROGRAMS

The advance authorization for the agricultural conservation program under which cost-sharing conservation payments are made to farmers has been agreed to at $195,500,000. This is the amount of the current program level following the reduction pursuant to Public Law 90–218 and represents a reduction of $24,500,000 under the $220 million program proposed by the House, and is $95,500,000 over the request in the budget for $100 million for next year. Unquestionably, the full level of $220 million previously authorized for this program is needed to meet soil and water conservation needs of our Nation, but in view of the general atmosphere of economy, it was felt that $195,500,000 should be authorized with the full expectation that when the fiscal situation improves this program will be restored to an adequate level.

The budget estimates for 1969 had proposed sharp reductions in programs administered by the Soil Conservation Service. In particular, it was proposed to reduce the watershed protection and development programs and thereby to cause further disparity and delay between planning and construction.

I am pleased to report that both bodies were in general agreement on the essentiality of continuing these important construction programs, under which approximately 40 percent of the costs are borne by local sponsors, and by local and State governments.

The conference agreement provides essentially the 1968 appropriation level for these important resource development projects.

AGRICULTURAL CREDIT PROGRAMS

The Senate had recommended a $300 million authorization for the farm operating loans administered by the Farmers Home Administration.

I am glad to see in the Chamber the distinguished Senator from South Dakota [Mr. Mundt], who, together with the distinguished Senator from North Dakota [Mr. Young], was most interested in this item.

The conference agreement provides $275 million. This is $25 million over the House bill and the budget estimate and will enable the agency to continue at the 1968 level.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I am happy to yield to the Senator from South Dakota.

Mr. MUNDT. I appreciate what the distinguished chairman of the committee has said about the efforts of the Senator from North Dakota and myself to try to get additional money for FHA operating loans. I also appreciate the efforts of the distinguished chairman of the committee, who fought hard for the additional appropriation in conference and who succeed in bringing back half of what we had requested, which is in the nature of a compromise, but which is, of course, that much better than if we had not taken the action we took in the Senate committee.

Mr. HOLLAND. The Senator from Texas [Mr. Yarborough] was also very much interested in this item, and collaborated with the efforts of the Senators I have mentioned.

The Senate had proposed $329 million of new loan authorization for the rural electrification program. This amount, coupled with the carryover of $41 million, will provide a total electrification loan program of $370 million as compared to the $391 million approved a year ago, but subsequently reduced to $350 million by the Bureau of the Budget pursuant to Public Law 90–218. The House conferees have yielded to the Senate increase of $25 million over the House bill and over the budget estimate for this program.

Again, the Senators from South Dakota, North Dakota, and Texas collaborated in the effort to obtain the increase which I have noted, which was approved in conference, for the REA electrification program.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I am happy to yield.

Mr. MUNDT. Again I thank the distinguished Senator from Florida for his words of commendation, and point out to all friends of REA the fact that on this item, we were a little more successful than they were on the Farmers Home Administration, and succeeded in getting the House of Representatives fully to sustain the Senate position, which does move REA forward, not at the rate at which it would like to go, and probably not at the rate that it ought to go, but at a far faster rate than that provided for by the House of Representatives, and probably at as rapid a rate as we can expect under the financial conditions confronting the country.

While I am on my feet, however, I should like to call attention to the fact that the language on the part of the managers of the House of Representatives which appears on page 9 of the conference report includes this paragraph:

> In view of the urgent need for additional distribution facilities, therefore, it is essential that generation and transmission loans be held to a minimum in the coming year. The committee recognizes the importance of the availability of G. & T. loan funds to the bargaining positions of the REA cooperatives. It does not feel, however, that this position will be weakened by a careful policy in regard to such loans.

I wish to say for the benefit of all persons who read the Record something which is well known to all Members of the Senate and the House of Representatives, which is that the statement I have just read is a statement on the part of the conference managers of the House of Representatives, and does not reflect the sentiment of the Senate nor its conferees. Under present rules, we do not provide a printed statement on behalf of the conferees on the part of the Senate, so that we have to take recourse to the floor of the Senate to make clear the position that the Senate conferees held. I have long advocated that the Senate should also have a conference report from its own managers.

I think the best way to make our position clear under prevailing circumstances is to read into the Record at this time the Senate language which was written in our Senate report on the same subject of transmission lines generation.

Our report said and continues to say, without any expression of retreat or equivocation or limitation of that language on our part now:

> The committee recognizes that generation and transmission facilities are, in many rural areas of the Nation, a necessary part of the rural electrification program. It is aware of the beneficial effect which the operation of these facilities has had in reducing wholesale power costs for the distribution cooperatives serving the thin rural areas. It recognizes the need for "heavying up" generation and transmission facilities, as well as distribution facilities, to enable power-type cooperatives to meet their power supply obligations to their members and honor their commitments to other electric power systems where they are working together in power pools. It acknowledges the importance of having financing available for such facilities where distribution systems find it necessary to escape from unreasonable or damaging conditions sometimes imposed by unfriendly power suppliers.

That language recognizes that in some areas and in some instances distribution and generation facilities are required by power supply co-ops to meet the commitments they have to a power pool in which very frequently the private power utility organizations are also a part. It enables them to cooperate better for improved electrical service for all concerned.

It is recognized that they also find themselves at times in a competitive position against a private power supplier in trying to bid for business, so it also at times gives them a better competitive position.

I have read one paragraph from the Senate report language. However, to be sure that nothing is left out and that it is not out of context, and that the entire matter is before the reading public and the administrators of the REA, I ask unanimous consent to have all four paragraphs of our committee report language printed at this point in the Record.

There being no objection, the paragraphs were ordered to be printed in the Record, as follows:

> The committee recommends new loan authorization of $329 million for the electrification program for the next fiscal year. This amount, together with an estimated carryover of $41 million will provide a program level of $370 million as compared to the level of $391 million approved last year but subsequently reduced to $350 million pursuant to Public Law 90–218.
>
> The amount recommended is $25 million over the House bill and the estimate, and $15 million over the new authorization provided last year. Under the committee recommendation, no reserve authorization is provided.
>
> The committee recognizes that generation and transmission facilities are, in many rural areas of the Nation, a necessary part of the rural electrification program. It is aware of

the beneficial effect which the operation of these facilities has had in reducing wholesale power costs for the distribution cooperatives serving the thin rural areas. It recognizes the need for "heavying up" generation and transmission facilities, as well as distribution facilities, to enable power-type cooperatives to meet their power supply obligations to their members and honor their commitments to other electric power systems where they are working together in power pools. It acknowledges the importance of having financing available for such facilities where distribution systems find it necessary to escape from unreasonable or damaging conditions sometimes imposed by unfriendly power suppliers.

The Administrator has advised the committee that the loan level for electric facilities proposed in the budget request will necessitate the deferment of some loan needs which would normally be met in fiscal year 1969.

The committee urges the Administrator to screen all applications for loan funds with extraordinary care in view of the Nation's need for practicing the maximum economy in fiscal year 1969 to insure that loan funds will be available to finance those facilities, including generation and transmission, which cannot be delayed without causing serious and lasting damage to existing rural electric systems and the economy and effectiveness of their operations.

Mr. HOLLAND. Mr. President, I am glad that the Senator from South Dakota has made that point. The wording incorporated in the statement of the managers on the part of the House was only a repetition of a portion of the report on the House bill and was so stated. The wording that has been placed in the Record by the distinguished Senator from South Dakota is a repetition of the wording contained in the Senate committee report to which the committee is committed.

I am glad that language has been incorporated in the Record at this time.

Mr. MUNDT. Mr. President, at this time I thank the distinguished Senator from Florida for helping to compile that language in the Senate report. There have been times when our distinguished friend, the Senator from Florida, has been unjustly criticized by certain groups in the REA for being, in their opinion, antagonistic to this particular kind of REA service. Certainly the proof of the pudding is in the eating or in the reading thereof. This demonstrates the Senator's battle to keep this matter in proper balance.

Mr. HOLLAND. Mr. President, I have never been enthusiastic about G. & T. loans if there is any possibility at all of utilizing commercially produced power.

I have frequently expressed myself on that subject. However, I have never been willing to remove from the REA organizations the opportunity to avail themselves of this particular type of loan in the event that they would have to do so as a matter of protecting their right to exist and grow and prosper.

Unless there are questions on the part of Members regarding the items embodied in the conference report, I will ask that it be adopted at this point after which the amendments in disagreement will be reported. When amendment No. 25 is reported—that is one of the amendments to be reported in technical disagreement and the one that deals with section 32 provisions—before we move to concur in the House amendment to the Senate amendment on No. 25, I will discuss the full funding of the school lunch and special feeding programs.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

Mr. MUNDT. Mr. President, speaking for the Republican members of the committee and for the Republican members of the Appropriations Committee, we thoroughly approve of the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

Mr. HOLLAND. Mr. President, I am glad to reiterate a statement made in the beginning of my report that I was happy to have the Senate know that all Senate conferees on both sides of the aisle had agreed to the report and had signed it. It was a unanimous report on the part of the Senate conferees.

I am happy also to report that it was a unanimous report on the part of the House conferees.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 16913, which was read as follows:

Resolved, That the House recede from its disagreement to amendment of the Senate numbered 13, to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 14, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert "*$57,220,000*".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert "*$116,264,500*".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24, to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert "*$1,000,000*".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 25, to the aforesaid bill, and concur therein with an amendment, as follows:

Restore the matter stricken, amended to read as follows:

"REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

"(SECTION 32)

"Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than $2,950,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) not more than $45,000,000 (including not to exceed $1,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided,* That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 40, to the aforesaid bill, and concur therein with an amendment, as follows:

Restore the matter stricken, amended to read as follows: ". Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts."

Mr. HOLLAND. Mr. President, six amendments are reported in disagreement. Since I do not think there is any problem concerning them or any necessity for explanation, I first request that amendments numbered 13, 14, 19, and 24 be reported en bloc and I will move that the Senate recede and concur on them. Then when amendment numbered 25, dealing with the section 32 provisions, is reported, I will make a brief statement before moving that the Senate concur in the amendment of the House to the amendment of the Senate.

I make this statement because I realize that there is very great interest and concern in the subject matter of amendment No. 25.

I now ask unanimous consent that Amendments numbered 13, 14, 19, and 24 be reported and considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be stated.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to amendment of the Senate numbered 13, to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 14, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert "*$57,220,000*".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert "*$116,264,500*".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24, to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert "*$1,000,000*".

Mr. HOLLAND. Mr. President, I move that the Senate recede and concur in amendments Nos. 13, 14, 19, and 24.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

Mr. HOLLAND. Mr. President, I ask that amendment No. 25 be reported, and I would like then to make a brief statement about it.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 25, to the aforesaid bill, and concur therein with an amendment, as follows:

Restore the matter stricken, amended to read as follows:

"REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES "(SECTION 32)

"Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers provided in this Act; (3) not more than $2,950,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) not more than $45,000,000 (including not to exceed $1,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided,* That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability."

Mr. HOLLAND. Mr. President, before the Chair puts the question, I would like to make a brief explanation of the amendment which deals with the school lunch and special feeding programs.

The conference agreement and amendment No. 25, as recommended, provide a total funding in this bill of $287,799,000 as follows:

Cash payments to States	$162, 097, 000
Special cash assistance (section 11)	10, 000, 000
Pilot school breakfast program	3, 500, 000
Nonfood assistance (equipment)	750, 000
Operating expenses	2, 127, 000
Total appropriation	178, 474, 000
TRANSFERS FROM SECTION 32	
Section 6 food purchases (provided for by Appropriation Act)	64, 325, 000
New feeding programs (amendment No. 25)	45, 000, 000
Total transfers	109, 325, 000
Total available	287, 799, 000

In dealing with the school lunch amendments, the House conferees insisted that the Senate yield to them on the increase made by that body over the estimate for cash payments to schools under the regular lunch program, and declined to yield to the Senate on its increases for special programs. In the final conference, the Senate conferees agreed to a $5 million increase over the Senate figure on the regular formula funds, and the House then yielded to the Senate on the $5 million it had added over the House for section 11, thereby retaining $10 million for this program.

This $5 million retained in conference, together with the additional language in the pending amendment (No. 25), providing for $45 million to be used at the discretion of the Secretary of Agriculture out of section 32 funds, for special child feeding and nutritional programs for needy children from low-income families, provided $50 million for meeting these special objectives which are in addition to the regular school lunch program.

It should be noted that the school lunch and feeding programs receive $104 million, not mentioned in this tabulation, for the special milk program, and donations from section 32 and section 416 should approximate another $250 million. I should say that that has to be an approximation, because no one can tell at the beginning of a year what will be the purchases of surplus commodities out of section 32 funds or what will be the amount of surplus foods under section 416 in the custody of CCC which can be donated to the school lunch program.

Also available in 1969 is $10 million for the new special assistance feeding program for day care centers approved in the last supplemental for 1968.

The Federal contributions for lunch and special assistance for children thus total about $651,799,000, and the amounts especially set forth for special assistance and feeding programs represent a total increase over the 1968 act of $60 million.

I will yield for questions or comments.

Mr. President [Mr. TYDINGS in the chair], I have made these comments on the details of these feeding programs because they are, of course, of great concern to Members of the Senate and of the House and to the general public.

I yield to the Senator from Michigan.

Mr. HART. I thank the Senator from Florida.

Mr. President, perhaps I should state the remark that normally would be the concluding remark in the series of exchanges that we will have. For those of us in the Senate who have over a period of months—several years now—developed increasing concern that we respond just as effectively as our resources permit to the needs of children in this country who, for one reason or another, by all objective standards, can be labeled as getting a deficient nutritional intake, I wish to thank the able Senator from Florida for waging what I suspect was not a very easy battle in the conference.

Surely, the Senator from New York [Mr. JAVITS], for example, who spent hours supporting this effort, would want me to voice that appreciation, also. I know that the Senator from Oregon [Mr. MORSE] and the Senator from Pennsylvania [Mr. CLARK] equally were concerned. All of us will continue to have this concern.

I believe that the initial steps—which are not insubstantial—reflected in the report now before the Senate promise a brighter day for a great many children in this country who live, unhappily, almost in darkness.

So I rise, first of all, to thank the Senator from Florida.

Mr. HOLLAND. I am grateful for that expression.

No one has been more active in this general group of objectives, which really is one—that is, to feed poorly fed children, and grownups also, but especially children who are suffering from nutritional deficiency—than has the Senator from Michigan.

The Senator from New York [Mr. JAVITS], who unfortunately was called elsewhere this afternoon, was, of course, very instrumental in the offering and successful handling of the amendment which brought about amendment 25 in the conference report, which is now before the Senate.

I recall that the senior Senator from Pennsylvania [Mr. CLARK] was very active in that effort.

I recall, also, that the distinguished Senator from Oregon expressed great interest. As a matter of fact, I have been able to discuss the matter with the Senator from Oregon, the Senator from New York, and the Senator from Michigan. I have not been able, because of his absence, to discuss the matter with the distinguished Senator from Pennsylvania. But I want the RECORD to show the very active interest which all of the Senators mentioned—and others—have exhibited in this matter.

So I believe we all have some reason to feel good about this matter, and I am grateful to the Senator from Michigan for his most gracious comment.

Mr. HART. Mr. President, may I attempt at this point, with leave of the Senator from Florida, to summarize the progress that has been made in the area of our concern?

When this exchange concludes, I would ask unanimous consent—if the figures I shall raise with the Senator from Florida are confirmed by him—to have printed in the RECORD a table reflecting the figures.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Special feeding and nutrition programs

1968 Appropriation Act	$9, 250, 000
1969 estimates	24, 800, 000
House bill, 1969	9, 250, 000
Senate bill, 1969	18, 500, 000
Conference agreement, 1969	14, 250, 000
Additional section 32 transfer, 1969	45, 000, 000
Total available, 1969	59, 250, 000
Compared to 1968 Appropriation Act	+50, 000, 000
Compared to 1969 estimates	+34, 450, 000
Compared to House bill, 1969	+50, 000, 000
Compared to Senate bill, 1969	+40, 750, 000
2d supplemental 1968 (available in 1969—special food service program for children	10, 000, 000
Total available, 1969	69, 250, 000

In summary appropriations available in 1969, and transfers for special feeding assistance programs are $60 million over the 1968 Appropriation Act.

Mr. HART. It is my understanding that the regular 1968 appropriation for special feeding and nutritional programs, the area of very intense concern of the Senators named by the Senator from Florida, started at a figure of $9¼ million.

Mr. HOLLAND. I believe that is correct. It was $5 million under section 11, $3.5 million under the special pilot breakfast program, and $750,000 for nonfood assistance, to buy refrigerators, stoves, and other equipment for school districts that simply were without means to equip themselves to handle any lunch program.

Mr. HART. This was my understanding.

And the estimate for 1969 was in the amount of $24.8 million. The House bill for 1969 provided $9¼ million, and the Senate bill, for fiscal 1969, carried the amount of $18,500,000. The conference figure produced a figure of $14,250,000.

Mr. HOLLAND. The Senator is correct on all of these items. I regret that we were not able to hold in conference the increase in the appropriation for the breakfast program, which, as I recall, was $3 million, and the $1,250,000 increase under the equipment program, which account for the difference between the Senate bill content of $18,500,000 for the special food and nutrition programs and the amount for those programs provided in the conference agreement, which is $14,250,000.

Mr. HART. It will not surprise the Senator from Florida nor, I hope, disturb him to add that those associated with me in this effort will continue our efforts to persuade our colleagues to the higher figure, and beyond, if that becomes necessary.

Mr. HOLLAND. The attitude, the conduct, and the aggressive activities of the Senator from Michigan and other Senators who have worked with him, not only this year but for several years, compel me to believe that there will be no stoppage on that road on his part or on the part of other Senators.

Mr. HART. It is to the great credit of the Senator from Florida that notwithstanding our persistence and, on occasions, I suppose, almost our annoying pursuit of him, he has not weakened his effort in conference to hold to the higher figure.

Mr. HOLLAND. The Senator from Michigan has never annoyed me, because he has always been most courteous. I want the Record to show that.

Mr. HART. The able Senator from Florida did report the addition, through the section 32 transfer, of $45 million, thus producing a sum available in this bill of $59,250,000. I think we ought to compare these figures, since we have established the validity of them, with certain markings that indicate the progress that is reflected in the figures.

Mr. HOLLAND. I believe the total figure is $69,250,000.

Mr. HART. I think the Senator from Florida has in mind an additional $10 million which could be reflected, as he suggests; but in the tabulation I have in hand it is carried on a later line. I think that together we will be able to make clear the total, whether we handle it now or later.

Mr. HOLLAND. The Senator from Michigan is correct. The $10 million which he is talking about now was made available under the second supplemental appropriation bill for 1968, but it is available for this year.

Mr. HART. That is correct. Using, now, the $59,250,000 figure and comparing it with the 1968 act, the increase over the 1968 act is $50 million. When we compare it with the estimate, it is an increase of $34,450,000. In other words, using another comparison, it is an increase of $50 million when we compare it with the House figure, and an increase of $40,750,000 when it is compared with the Senate figure.

Mr. HOLLAND. I have not had a chance to follow the computations, but the figures stated by the Senator as basic are correct and the arithmetic he cited I am sure is also correct, although I have not had a chance to check it.

Mr. HART. I have confidence it is correct. The Senator from Florida already referred to our action of some weeks ago which the conference settled on just a few days ago, which provided, as a result of the second supplemental, an additional $10 million. I understand the conference by technical amendment did assure that $10 million would be available for 1969 uses for special food service programs.

Mr. HOLLAND. That is correct; the $10 million is available during fiscal 1969.

Mr. HART. Therefore, we have the figure of total availability for fiscal 1969 of $69,250,000 which, as the able Senator from Florida reported a few moments ago, shows that there is an increase when we have in mind the $10 million that the second supplemental provided for 1969 over 1968 of $60 million. It is for this reason, of course, if the Senator confirms that figure, that I rise to thank him.

Mr. HOLLAND. The Senator certainly correctly stated the matter. To accentuate what the Senator said this has no relation to the regular school lunch program. This has to do only with an increase in the special feeding and nutrition program for the poverty-stricken people and particularly to poverty-striken children of the Nation.

Mr. HART. Mr. President, will the Senator yield briefly?

Mr. HOLLAND. I am glad to yield to the Senator from Michigan.

Mr. HART. Mr. President, I wish to reiterate our appreciation. We regard this as the taking of some initial steps and we will persist so long as there are children whom medical authorities indicate are not adequately provided for in terms of nutritional meals until that sad aspect of our social face is removed. But we are grateful.

Mr. HOLLAND. I thank the distinguished Senator. I must say I think we have completely fulfilled the commitment made by the Senator from Louisiana and the Senator from Florida at the time of the recent agreement on the higher education bill under which it was agreed if this $50 million could be secured in this conference report as available funds for use in these special feeding programs in fiscal 1969, that the Senator from Oregon, as chairman of the conference for the Senate had agreed he would drop the Senate committee bill covering this subject, which was for a $50 million appropriation for each of 2 years, 1969 and 1970, and which was added to the higher education bill as an amendment at the time of that debate.

Mr. President, unless there are further comments, I move the adoption of amendment No. 25.

The PRESIDING OFFICER (Mr. Tydings in the chair). The question is on agreeing to amendment No. 25. [Putting the question.]

The amendment was agreed to.

Mr. HOLLAND. Mr. President, there is one further amendment, No. 40, which I ask to have stated at this time.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> *Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 40, to the aforesaid bill, and concur therein with an amendment, as follows:
>
> Restore the matter stricken, amended to read as follows:
>
> "Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts."

Mr. HOLLAND. Mr. President, without discussion, because I know of no difference of opinion on this matter, I ask that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 40. [Putting the question.]

The amendment was agreed to.

Mr. HOLLAND. Mr. President, that ends the adoption of the conference report and the amendments reported in technical disagreement.

However, I wish to make two additional comments. First, my distinguished friend, the Senator from Nebraska [Mr. Hruska], who is the ranking minority member of the Subcommittee on Appropriations which handles agriculture appropriations, was unable to be here this afternoon. I wish to him to express my deep appreciation to him for his very active and helpful assistance on the handling of this bill through hearings, on the floor of the Senate, in conference, and at all stages.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed in the Record at this point a comparative table showing the 1968 appropriations which have been adjusted to reflect changes resulting from the passage of Public Law 90-392, the Supplemental Appropriations Act for fiscal year 1969. This table also shows the 1969 budget estimate, the amounts appropriated in the Senate and House bills, the conference allowances and comparisons with the above-mentioned items.

There being no objection, the table was ordered to be printed in the Record, as follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1968 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1969

[Note: All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item	New budget (obligational) authority, fiscal year 1968	Budget estimates of new (obligational) authority, fiscal year 1969	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference allowance, 1969	Conference bill (+) or (−)— Budget estimates, 1969	Conference bill (+) or (−)— House bill, 1969	Conference bill (+) or (−)— Senate bill, 1969	Conference bill (+) or (−)— 1968 appropriations
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Agricultural Research Service, salaries and expenses:									
Research:									
Direct appropriation	$129,094,200	$136,273,100	$125,972,500	$131,950,600	$129,118,300	−$7,154,800	+$3,145,800	−$2,832,300	+$24,100
Transfer from sec. 32 [1]	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)				
Total, research	(144,094,200)	(151,273,100)	(140,972,500)	(146,950,600)	(144,118,300)	(−7,154,800)	(+3,145,800)	(−2,832,300)	(+24,100)
Plant and animal disease and pest control	87,615,300	88,647,500	85,298,500	88,239,500	86,639,500	−2,008,000	+1,341,000	−1,600,000	−975,800
Special fund (reappropriation)	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)				
Total, salaries and expenses	218,709,500	224,920,600	211,271,000	220,190,100	215,757,800	−9,162,800	+4,486,800	−4,432,300	−2,951,700
Salaries and expenses (special foreign currency program)	8,500,000	12,700,000	4,500,000	4,500,000	4,500,000	−8,200,000			−4,000,000
Total, Agricultural Research Service	227,209,500	237,620,600	215,771,000	224,690,100	220,257,800	−17,362,800	+4,486,800	−3,432,300	−6,951,700
Cooperative State Research Service: Payments and expenses	58,958,000	62,179,000	58,958,000	61,125,000	59,105,000	−3,074,000	+147,000	−2,020,000	+147,000
Extension Service:									
Payments to States and Puerto Rico	78,532,500	81,917,500	78,532,500	81,917,500	81,532,500	−385,000	+3,000,000	−385,000	+3,000,000
Retirement costs for extension agents	8,818,500	9,333,500	8,818,500	9,333,500	9,318,500	−15,000	+500,000	−15,000	+500,000
Penalty mail	3,299,000	3,500,000	3,299,000	3,299,000	3,299,000	−201,000			
Federal Extension Service	2,838,000	2,878,000	2,838,000	2,838,000	2,838,000	−40,000			
Total, Extension Service	93,488,000	97,629,000	93,488,000	97,388,000	96,988,000	−641,000	+3,500,000	−400,000	+3,500,000
Farmer Cooperative Service	1,341,000	1,848,000	1,341,000	1,341,000	1,341,000	−507,000			
Soil Conservation Service:									
Conservation operations	114,975,000	116,313,000	114,893,000	114,893,000	114,893,000	−1,420,000			−82,000
Watershed planning	6,192,000	6,224,000	6,165,000	6,165,000	6,165,000	−59,000			−27,000
River basin surveys and investigation	8,503,000	8,780,000	8,780,000	8,780,000	8,780,000				
Works of improvement	61,900,000	33,368,000	[2] 56,220,000	[2] 57,907,000	[2] 57,220,000	+23,852,000	+1,000,000	−687,000	+277,000
Flood prevention	25,753,000	12,395,000	[3] 20,000,000	[3] 17,500,000	[3] 20,000,000	+7,605,000		+2,500,000	−4,680,000
Great Plains conservation program	16,336,000	13,414,000	[4] 16,000,000	[4] 16,000,000	[4] 16,000,000	+2,586,000			−5,753,000
Resource conservation and development	6,249,000	6,474,000	6,256,000	6,474,000	6,256,000	−218,000		−218,000	+7,000
Total, Soil Conservation Service	239,908,000	196,968,000	228,314,000	227,719,000	229,314,000	+32,346,000	+1,000,000	+1,595,000	−10,594,000
Economic Research Service: Salaries and expenses	12,789,000	13,964,000	12,789,000	13,089,000	12,789,000	−1,175,000		−300,000	
Statistical Reporting Service: Salaries and expenses	14,249,500	14,674,000	14,184,500	14,467,500	14,326,000	−348,000	+141,500	−141,500	+76,500
Consumer and Marketing Service:									
Consumer protective, marketing, and regulatory programs	95,493,000	119,846,000	[5] 118,989,500	[5] 116,314,500	[5] 116,264,500	−3,581,500	−2,725,000	−50,000	+20,771,500
Payments to States and possessions	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000				
Special milk program: Transfer from sec. 32 [1]	(104,000,000)	(104,000,000)	(104,000,000)	(104,000,000)	(104,000,000)				
Total, special milk program	(104,000,000)	(104,000,000)	(104,000,000)	(104,000,000)	(104,000,000)				
School lunch program:									
Direct appropriation	[6] 187,897,000	184,443,000	182,825,000	177,849,000	[6] 178,474,000	−5,969,000	−4,351,000	+625,000	−9,423,000
Transfer from sec. 32 [1]	(45,000,000)	(64,325,000)	(64,325,000)	(64,325,000)	(64,325,000)				+19,325,000
Total, school lunch program	(232,897,000)	(248,768,000)	(247,150,000)	(237,674,000)	(242,799,000)	(−5,969,000)	(−4,351,000)	(+625,000)	(+9,902,000)
Food stamp program:									
Direct appropriation	161,800,000	225,000,000	[7] 225,000,000	[7] 225,000,000	[7] 225,000,000				+63,200,000
Reappropriation	23,200,000								−23,200,000
Total, food stamp program	185,000,000	225,000,000	[7] 225,000,000	[7] 225,000,000	[7] 225,000,000				+40,000,000
Total, Consumer and Marketing Service	470,140,000	531,039,000	528,564,000	516,413,500	521,488,500				
Foreign Agricultural Service:									
Salaries and expenses	21,154,500	22,414,500	21,153,800	21,928,800	21,541,300	−873,200	+387,500	−387,500	+386,800
Transfer from sec. 32 [1]	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)				
Transfer from CCC	(2,012,175)	(2,107,000)	(2,012,175)	(2,012,175)	(2,012,175)	−94,825			
Total, Foreign Agricultural Service	(26,283,675)	(27,638,500)	(26,282,975)	(27,057,975)	(26,670,475)	(−968,025)	(+387,500)	(−387,500)	(+386,800)
Commodity Exchange Authority	1,560,000	1,584,000	1,530,000	1,530,000	1,530,000	−54,000			−30,000

See footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1968 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1969—Continued

[Note: All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item	New budget (obligational) authority, fiscal year 1968	Budget estimates of new (obligational) authority, fiscal year 1969	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference allowance, 1969	Conference bill (+) or (−)— Budget estimates, 1969	House bill, 1969	Senate bill, 1969	1968 appropriations
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Agricultural Stabilization and Conservation Service:									
Expenses, ASCS:									
Direct appropriation	$140,331,400	$143,933,700	$141,031,400	$141,031,400	$141,031,400	−$2,902,300			+$700,000
Transfer from CCC	(58,608,600)	(62,764,100)	(62,764,100)	(62,764,100)	(62,764,100)				(+4,155,500)
Total, ASCS, expenses	(198,940,000)	(206,697,800)	(203,795,500)	(203,795,500)	(203,795,500)	(−2,902,300)			(+4,855,500)
Sugar Act program	80,000,000	82,300,000	80,000,000	82,000,000	82,000,000	−300,000	+$2,000,000		+2,000,000
Agricultural conservation program:									
Advance authorization for 1969 program (contract authorization)	220,000,000	100,000,000	220,000,000	195,500,000	195,500,000	+95,500,000	−24,500,000		−24,500,000
Liquidation of contract authorization	(220,000,000)	(195,500,000)	(190,000,000)	(190,000,000)	(190,000,000)	(−5,500,000)			(−30,000,000)
Cropland conversion program	−7,560,000								+7,560,000
Cropland adjustment program	84,500,000	85,700,000	84,500,000	85,700,000	84,500,000	−1,200,000		−$1,200,000	
Limitation on authorization for 1969 program		(55,500,000)		(30,500,000)		(−55,500,000)		(−30,500,000)	
Conservation reserve program	123,000,000	109,500,000	109,000,000	109,000,000	109,000,000	−500,000			−14,000,000
Emergency conservation measures	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Total, Agricultural Stabilization and Conservation Service	645,271,400	526,433,700	639,531,400	618,231,400	617,031,400	+90,597,700	−22,500,000	−1,200,000	−28,240,000
Rural Community Development Service	450,000	469,000	463,000	463,000	463,000	−6,000			+13,000
Office of Inspector General	12,146,000	12,867,000	12,276,000	12,576,000	12,426,000	−441,000	+150,000	−150,000	+280,000
Packers and Stockyards Administration	2,640,300	3,166,000	2,565,300	3,065,300	2,815,300	−350,700	+250,000	−250,000	+175,000
Office of General Counsel	4,486,000	5,033,000	4,461,000	4,761,000	4,611,000	−422,000	+150,000	−150,000	+125,000
Office of Information	1,965,000	1,997,000	1,965,000	1,997,000	1,997,000		+32,000		+32,000
National Agricultural Library	2,638,000	3,419,000	3,166,500	3,419,000	3,292,750	−126,250	+126,250	−126,250	+654,250
Office of Management Services	2,746,000	2,910,000	2,821,000	2,862,200	2,841,600	−68,400	+20,600	−20,600	+95,600
General administration	4,598,000	4,664,000	4,614,000	4,614,000	4,614,000	−50,000			+16,000
Total new budget (obligational) authority, title I, general activities	1,817,738,700	1,740,878,800	1,847,957,000	1,831,680,800	1,828,772,650				
TITLE II—CREDIT AGENCIES									
Rural Electrification Administration:									
Loan authorizations:									
Electrification	314,000,000	304,000,000	304,000,000	329,000,000	329,000,000	+25,000,000	+25,000,000		+15,000,000
Telephone	120,600,000	120,000,000	120,000,000	120,000,000	120,000,000				−600,000
Total loans (authorization to spend debt receipts)	434,600,000	424,000,000	424,000,000	449,000,000	449,000,000	+25,000,000	+25,000,000		+14,400,000
Salaries and expenses	12,705,000	12,937,000	12,805,000	12,805,000	12,805,000	−132,000			+100,000
Total, Rural Electrification Administration	447,305,000	436,937,000	436,805,000	461,805,000	461,805,000	+24,868,000	+25,000,000		14,500,000
Farmers Home Administration:									
Direct loan account: (limitations)									
Real estate loans	(110,000,000)	(83,000,000)	(83,000,000)	(83,000,000)	(83,000,000)				(−27,000,000)
Operating loans	(300,000,000)	(250,000,000)	(250,000,000)	(300,000,000)	(275,000,000)	(+25,000,000)	(+25,000,000)	(−25,000,000)	(−25,000,000)
Soil conservation loans	(7,500,000)	(4,900,000)	(4,900,000)	(4,900,000)	(4,900,000)				(−2,600,000)
Total, direct loan account	(417,500,000)	(337,900,000)	(337,900,000)	(387,900,000)	(362,900,000)	(+25,000,000)	(+25,000,000)	(−25,000,000)	(−54,600,000)
Rural housing direct loans	(15,000,000)	(30,000,000)	(15,000,000)	(30,000,000)	(30,000,000)		(+15,000,000)		(−15,000,000)
Total, loan limitations	(432,500,000)	(367,900,000)	(352,900,000)	(417,900,000)	(392,900,000)	(+25,000,000)	(+40,000,000)	(−25,000,000)	(−39,600,000)
Participation sales authorization (authorization to spend agency debt receipts)	750,000,000	425,000,000				−425,000,000			−750,000,000
Payment of participation sales insufficiencies	13,268,000		(1)	(1)	(1)				−13,268,000
Rural water and waste disposal grants	28,000,000	27,250,000	28,000,000	28,000,000	28,000,000	+750,000			
Rural renewal	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000				
Rural housing for domestic farm labor	3,500,000	5,000,000	3,500,000	5,000,000	4,250,000	−750,000	+750,000	−750,000	+750,000
Salaries and expenses:									
Direct appropriation	57,518,000	59,132,000	57,641,000	58,319,000	57,980,000	−1,152,000	+339,000	−339,000	+462,000
Transfer from ACIF	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)				
Transfer from other accounts	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)				
Total, salaries and expenses	(60,268,000)	(61,882,000)	(60,391,000)	(61,069,000)	(60,730,000)	(−1,152,000)	(+339,000)	(−339,000)	(+462,000)
Total, new budget (obligational) authority, Farmers Home Administration	853,886,000	517,982,000	90,741,000	92,919,000	91,830,000	−426,152,000	+1,089,000	−1,089,000	−762,056,000
Total, title II, credit agencies	1,301,191,000	954,919,000	527,546,000	554,724,000	553,635,000	−401,284,000	+26,089,000	−1,089,000	−747,556,000

TITLE III—CORPORATIONS

Federal Crop Insurance Corporation, administrative and operating expenses:									
Appropriation	$10,489,000	$12,000,000	$10,487,000	$12,000,000	$11,243,500	−$757,000	+$756,500	−$756,500	$+754,500
Premium income	(2,850,000)	(1,430,000)	(2,850,000)	(1,430,000)	2,140,000	+710,000	−710,000	+710,000	−710,000
Total, FCIC	(13,339,000)	(13,430,000)	(13,337,000)	(13,430,000)	(13,383,500)	(−46,500)	(+46,500)	(−46,500)	(+44,500)
Commodity Credit Corporation:									
Contract authorization	988,860,000								−988,860,000
Liquidating appropriation		(350,467,000)	(350,467,000)	(350,467,000)	(350,467,000)				(+350,467,000)
Reimbursement for net realized losses	1,400,000,000	3,298,039,000	2,837,645,500	2,837,645,500	2,837,645,500	−460,393,500			+1,437,645,500
Total, appropriation	[10] (2,388,860,000)	(3,648,506,000)	(3,188,112,500)	(3,188,112,500)	(3,188,112,500)	(−460,393,500)			+799,252,500
Limitation on administrative expenses	(31,500,000)	(31,500,000)	(31,500,000)	(31,500,000)	(31,500,000)				
Public Law 480:									
Sales, title I	1,305,500,000	361,537,000	100,000,000	100,000,000	100,000,000	−261,537,000			−1,205,500,000
Donations, title II	300,000,000	556,606,000	200,000,000	200,000,000	200,000,000	356,606,000			−100,000
Total, Public Law 480	1,605,500,000	918,143,000	300,000,000	300,000,000	300,000,000	−618,143,000			−1,305,500,000
Bartered materials for supplemental stockpile	23,000,000								−23,000,000
Total, new budget (obligational) authority, title III, corporations	4,027,849,000	4,228,182,000	3,148,132,500	3,149,645,500	3,148,889,000	−1,079,293,000	+756,500	−756,500	−878,960,000

TITLE IV—RELATED AGENCIES

Farm Credit Administration: Limitation on administration expenses	(3,282,000)	(3,436,000)	(3,436,000)	(3,436,000)	(3,436,000)				(−154,000)
National Advisory Commission on Food and Fiber	175,000								−175,000
Total, title IV	175,000								−175,000

RECAPITULATION

Title I—General activities	1,817,738,700	1,740,878,800	1,847,957,000	1,836,180,800	1,828,772,650	+87,893,850	−19,184,350	−7,408,150	+11,033,950
Title II—Credit agencies	1,301,191,000	954,919,000	527,546,000	554,724,000	553,635,000	−401,284,000	+26,089,000	−1,089,000	−747,556,000
Title III—Corporations	4,027,849,000	4,228,182,000	3,148,132,500	3,149,645,500	3,148,889,000	−1,079,293,000	+756,500	−756,500	−878,960,000
Title IV—Related agencies	175,000								−175,000
Total, new budget (obligational) authority	7,146,953,700	6,923,979,800	5,523,635,500	$5,540,550,300	5,531,296,650	−1,392,683,150	+7,661,150	−9,253,650	−1,615,657,050
Consisting of—									
1. Appropriations	4,728,293,700	5,974,979,800	4,879,635,500	4,896,050,300	4,886,796,650	−1,088,183,150	+7,161,150	−9,253,650	+158,502,950
2. Reappropriations	25,200,000								−25,200,000
3. Contract authorizations	1,208,860,000	100,000,000	220,000,000	195,500,000	195,500,000	+95,500,000	−24,500,000		−1,013,360,000
4. Authorizations to spend from debt receipts	1,184,600,000	849,000,000	424,000,000	449,000,000	449,000,000	−400,000,000	+25,000,000		−735,600,000
Memoranda:									
1. Appropriations to liquidate contract authorizations	(220,000,000)	(545,967,000)	(540,467,000)	(540,467,000)	(540,467,000)	(−5,500,000)			(+320,467,000)
2. Appropriations, including appropriations for liquidation of contract authorizations	(4,948,293,700)	(6,520,946,800)	(5,420,102,500)	(5,436,517,300)	(5,427,263,650)	(−1,093,683,150)	(+7,161,150)	(−9,253,650)	(478,969,950)
3. Transfers from sec. 32	(167,117,000)	(186,442,000)	(186,442,000)	(186,442,000)	[11] (186,442,000)				(+19,325,000)

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[1] Included in total transfers of $186,442,000 from sec. 32 shown at end of table under heading "Memoranda."

[2] In House and Senate report carryover balance was estimated at $6,715,000 but actual carryover was $6,768,548.

[3] In House and Senate report carryover balance was estimated at $5,800,000 and actual carryover was $7,652,750.

[4] In House and Senate report carryover balance was estimated at $1,736,000 and actual carryover was $1,826,693.

[5] Of the amount provided, $13,440,250 is placed in reserve to be released only after the inspection activities of this service have been fully coordinated and placed on an efficient and economical operating basis.

[6] Includes 2d Supplemental Appropriation Act, 1968, appropriation of $10,000,000 available in fiscal year 1969 for special food service program, pursuant to Public Law 90-302. This appropriation provides $178,474,000 for cash payments to States plus $64,325,000 transfer from sec. 32. $10,000,000 is appropriated for sec. 11, special assistance; $3,500,000 for pilot school breakfast; and $750,000 for nonfood assistance, plus authority under sec. 32 for not more than $45,000,000 for accelerating child feeding and nutrition programs, and including $1,000,000 for State administrative expenses.

[7] Of the funds provided, $25,000,000 is placed in reserve to be used only to the extent needed to meet program requirements after certain corrections are made in program. Senate bill provided not to exceed $2,500,000 for payment of obligations incurred in fiscal 1968, reduced to $1,000,000 in conference.

[8] Use of prior year funds proposed by transfer in Public Law 90-392, Supplemental Appropriation Act, 1968.

[9] Budget proposed indefinite appropriation which was not allowed.

[10] Includes $988,800,000 of contract authorization established under authority of basic law rather than in an appropriation bill.

[11] In addition, authority under sec. 32 provides not more than $45,000,000 for accelerating special child feeding and nutrition programs.

Mr. YARBOROUGH. Mr. President, I appreciate the colloquy between Senator MUNDT and Senator HOLLAND concerning the REA appropriation for generation and transmission loans. I offered the following language for the Senate report and it was reported in the Senate Appropriations Committee Report No. 1138, at page 29:

> The committee recognizes that generation and transmission facilities are, in many rural areas of the Nation, a necessary part of the rural electrification program. It is aware of the beneficial effect which the operation of these facilities has had in reducing wholesale power costs for the distribution cooperatives serving the thin rural areas. It recognizes the need for "heavying up" generation and transmission facilities, as well as distribution facilities, to enable power-type cooperatives to meet their power supply obligations to their members and honor their commitments to other electric power systems where they are working together in power pools. It acknowledges the importance of having financing available for such facilities where distribution systems find it necessary to escape from unreasonable or damaging conditions sometimes imposed by unfriendly power suppliers.
>
> The Administrator has advised the committee that the loan level for electric facilities proposed in the budget request will necessitate the deferment of some loan needs which would normally be met in fiscal year 1969.
>
> The committee urges the Administrator to screen all applications for loan funds with extraordinary care in view of the Nation's need for practicing the maximum economy in fiscal year 1969 to insure that loan funds will be available to finance those facilities, including generation and transmission, which cannot be delayed without causing serious and lasting damage to existing rural electric systems and the economy and effectiveness of their operations.

The colloquy between the distinguished Senator from Florida and the distinguished Senator from South Dakota was to the effect that the language of the Senate Appropriations Committee is still in full force and effect. I wish to associate myself with this colloquy reemphasizing that the right of the REA to loan money for the purpose of building generating plants and transmission lines has not been stopped or defeated by the House language.

Mr. JAVITS. Mr. President, while I and many of my colleagues would have hoped for a good deal more, I feel that this conference report reflects a very material gain for us in our efforts to feed the hungry of this Nation. Depending on how the figures are calculated, the conferees have come out with an increase of $45 or $50 million in new funds to feed needy persons. I believe that the amount which the conferees reported over and above the Senate-passed appropriation is properly calculated at $45 million, and we had thought that $50 million would be forthcoming. I think it is most regrettable that the last $5 million could not be gained, but I recognize that there has been a substantial increase.

It is my understanding from members of the committee staff, and I believe this to be Senator HOLLAND's understanding as well, that this extra $45 million is solely for use in connection with needy persons—that it is not to be dispersed, for example, throughout the regular school lunch program where it might go to subsidize costs for children who can afford to pay. Second, by way of legislative history, I understand further that this $45 million does not include the cost of surplus foods that might be used in connection with the school lunch or other programs, which the Secretary has the general authority to acquire and make available with section 32 funds. The $45 million is to be supplemented with these surplus commodities.

I wish to make clear that I feel that the conferees have in substance fulfilled our expectations on this matter, and that I will consent to an agreement by the Senate conferees on the vocational education bill to drop from that bill the $50 million for fiscal 1969 for the school lunch program added by my amendment on the floor. I do not feel that the $50 million added to that bill for school lunch for fiscal year 1970 is encompassed by what the conferees on the Agriculture appropriations have done, so I believe I remain free to treat that as a separate matter. Moreover, I will pursue in the conference on the vocational education bill the effort to pass the measure to strengthen the School Lunch Act; namely, that portion of my amendment which incorporated the provisions of H.R. 17873. That Agriculture Committee reported the bill, and I believe we should move forward on it as soon as possible.

Let me also say that the reinsertion into the agriculture appropriation bill of the language on section 32 funds which the Senate, pursuant to my amendment, had agreed to strike, should in no way be taken by the Secretary of Agriculture to indicate that that language limits his discretion in the use of those funds. The deletion and subsequent reinsertion of that language neutralize each other as far as legislative history is concerned, and we return to the status quo ante. I still firmly believe that the Secretary is free to use those funds to feed the needy throughout this country, and I will continue to press this view.

Mr. HOLLAND. Mr. President, I intend to call up next, at the request of the distinguished Senator from Arizona, the chairman of the Committee on Appropriations, a continuing resolution. However, since I wish to have certain Senators in the Chamber when I call up the continuing resolution, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTAL ASSAULTS AND POSTAL SERVICES CURTAILMENTS

The Senate resumed the consideration of the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees of the postal field service who assault other employees in such service in the performance of official duties, and for other purposes.

Mr. HARTKE. Mr. President, I want to talk about the pending bill and take a minute or two to talk about the issue which I consider to be of basic national importance—that is, our postal service.

I congratulate the chairman of the Committee on Post Office and Civil Service the Senator from Oklahoma [Mr. MONRONEY] for an excellent statement which is clear and concise. He spoke of why the restriction on the number of postal employees must be acted upon by the Senate, and by Congress, or, otherwise, we will have what will be equivalent to a national disaster.

Right now we see in our neighbor to the north a postal strike—which is crippling the economic life of that country.

A few years ago we had a breakdown of postal service in Chicago that dealt a heavy blow to the economy of many firms throughout the Nation.

I think every citizen should be concerned with action designed to improve mail service.

Certainly, the country can neither tolerate nor afford policies which, by accident or design, will not only make more difficult the achievement of better mail service, but will actually cause a sharp deterioration of that service.

This is a first-class country, and deserves first-class mail service.

There are certain activities, whether of the human body or of a business or government organization, which may be considered primary.

One may help a sick person recover by limiting his activity, but limiting the flow of blood from his heart would do him great injury.

One may help a business by postponing certain new activities, but one would only hurt the business by closing down its outlets or refusing it raw materials.

Similarly with Government—there are certain activities that, though desirable, may be postponed or slowed. There are others that are primary. Certainly the Founding Fathers thought the post office was such an activity, for other than the Defense Establishment, it is the only executive agency specifically provided for in the Constitution.

The postal service is not the kind of activity that can be hindered or slowed—unless we are willing to take the consequences.

The postal service is not some kind of drone that can be starved. It is a worker; it contributes to the economic life of the Nation. A vigorous efficient postal service feeds economic activity; a sluggish, inefficient postal service would hinder and hurt the economy.

I am sure, if the proper economic studies were made, we would find that any apparent saving from a deep slash in postal service would in fact cost the economy more than would be saved in the Federal budget.

For some savings are only apparent. The factory that refuses to provide preventive maintenance may, for awhile, show a profit. But, eventually, that apparent profit will be shown to be an actual loss.

Section 201 of Public Law 90-364, the

tax surcharge bill, will produce some apparent savings—but the ultimate result will be a far greater cost than such savings could possibly justify.

I want to emphasize a point that has been overlooked and obscured about this section of the new tax law.

This section, with its requirement that Federal personnel levels be reduced to the 1966 levels, has nothing whatever to do with the $6 billion budget reduction, the price the President agreed to pay for congressional action on the much needed surcharge.

I am not speaking now to advocate any favoritism to the Department concerning this cut.

But the President, in making his "gentleman's agreement" did not foresee that the Congress, in addition—in addition—to the $6 billion cut would require a rollback of personnel to the 1966 level.

We are now in fiscal 1969. Next year we will be in fiscal 1970. The year after that 1971.

I make that self-evident statement, because section 201 reminds me of the lines of the poet Omar Khayyam:

> The moving finger writes; and, having writ, Moves on: nor all thy Piety nor Wit Shall lure it back to cancel half a line, Nor all thy Tears wash out a Word of it.

Section 201 is an effort to cancel time. It is constructed without concern for agencies that must respond to increasing population, increasing economic activity, increasing demand.

The Post Office is such an agency. It sees, each day, more and more demand upon its services. Neither piety, nor wit, nor legislation is going to turn back the volume of mail so that yesterday's workforce can handle tomorrow's workload.

Of course, we can ignore, as section 201 ignores, that fact of life. The result will be what logic would lead us to conclude—mail service will deteriorate.

I have calculated a simple statistic that places this whole matter in perspective. In 1966, the Post Office Department processed 75.6 billion pieces of mail. This year, conservative estimates show a volume of 84 billion pieces. This is an increase of 8.4 billion pieces—an increase that reflects the great forward surge of our economy and our rising population.

Eight point four billion pieces of mail is more mail than was processed in the year 1902, when the Post Office Department employed some 140,000 persons.

It took 140,000 workers then to process about 8 billion pieces of mail.

The provision of the Public Law that I direct your attention to assumes that the same amount handled by 140,000 employees in 1902 can be handled by no employees in 1968.

This provision of the law, in short, is not designed for an agency such as the Post Office, an agency that cannot postpone its workload.

This provision of the law was based on hope rather than fact.

This provision of the law will hurt the mail service, hurt the economy, and hurt the American people who have just been given a $1 billion increase in their postal costs.

This provision of the law advances the interests of no one, but hurts all.

In view of these facts, and to prevent serious injury to the postal service that affects every family in this land, I ask you to consider exempting the Post Office Department from the personnel rollback provision of section 201 of Public Law 90-364.

CONTINUING RESOLUTIONS, 1969

Mr. HOLLAND. Mr. President, House Joint Resolution 1420, continuing appropriations until September 30, 1968, was passed by the House a little while ago.

The distinguished chairman of the Appropriations Committee [Mr. HAYDEN] was given unanimous consent by members of the Committee on Appropriations during a meeting this morning, at which more than a quorum was present, to call up this matter as soon as it was passed by the House. The Senator from Arizona is not able to be here this afternoon, because he is tied up on other, highly important Senate business, and has asked that I present this matter at this time.

I ask that the House message covering House Joint Resolution 1420 be laid before the Senate.

The PRESIDING OFFICER laid before the Senate House Joint Resolution 1420, making continuing appropriations for the fiscal year 1969, and for other purposes, which was read twice by its title.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HOLLAND. Mr. President, all this resolution does is change the termination date of the existing continuing resolution, which expires July 31, 1968, to a new date, September 30, 1968. This will cover the period of the conventions and enough time thereafter to allow the Congress to take action on the remaining appropriation bills, we hope, before the expiration of the suggested new date, September 30, 1968.

I ask that the joint resolution be passed.

Mr. MILLER. Mr. President——

Mr. HOLLAND. Mr. President, I am glad to yield to the Senator from Iowa.

Mr. MILLER. Mr. President, as I understand the joint resolution, it would continue the appropriation level until September 30.

Mr. HOLLAND. The Senator is correct.

Mr. MILLER. All of us in the Senate are concerned about an early adjournment. First, we were hoping for an adjournment before the conventions. Things are moving along pretty rapidly. We are having Saturday sessions. As I understand it, the appropriations are coming along pretty well.

I must say that I cannot understand why this has to go on until September 30. I would think we might try to extend this date to September 15 and then see how things are, but, if we make it the 30th, we are foredoomed then until September 30 for an adjournment. That seems to be a very pessimistic outlook.

May I say that the Senator from Iowa is not campaigning for reelection this year, but a good many of our colleagues are; and, having been faced with an adjournment beyond September 30 in 1966, I have the deepest sympathy for those of our colleagues who are held up by a late adjournment in this session.

I would think if the Senate really got down to late sessions during the day and evening, we would get out by September 15.

I was wondering if the Senator might not see fit to have the joint resolution modified to a September 15 date rather than September 30.

Mr. HOLLAND. I am sorry to say I would not have any such authority. This matter was taken up at a full meeting of the Appropriations Committee this morning. I am unable to state how many were there, but it was over 14, 14 being a quorum or a majority. I believe there were 16 members present when it happened, and it was unanimously agreed to.

The ranking members of the minority on the Appropriations Committee were there. In fact, the ranking minority member, the Senator from North Dakota [Mr. YOUNG], requested that this measure be held up until we were sure we had a full quorum. Later he called attention to the fact that there was more than a quorum present and asked that the matter be adopted.

Obviously the Senator from Florida could not agree, and would not agree, to that change. He would like to advise the Senator from Iowa that the fact that the date in the continuing resolution is fixed at September 30, 1968, by no means fixes the adjournment date of the Congress.

The President is entitled, under the Constitution, some time after adjournment of the Congress, to consider legislation which the Congress passes. This resolution simply would provide that in handling the financial matters of the Nation, the President, the Budget Bureau, and the various officials of the Nation who have to handle the payment of our obligations would be protected up until September 30.

I hope that the Senator will not offer such an amendment. If he does, I will, of course, have to oppose it, because this measure has already passed the House. It has been suggested by the able chairman of the House Appropriations Committee after considering the whole situation.

I have already said it was approved by the unanimous membership of the Senate Appropriations Committee which was present this morning. I trust that the Senator from Iowa will permit the measure to be passed as it has been passed by the House and is now before us.

I see on the floor the distinguished Senator from North Dakota [Mr. YOUNG]. My recollection is that prior to calling up this measure he asked that we be sure that we had a quorum present. Then he suggested that it be called up.

That is my recollection.

Mr. YOUNG of North Dakota. Mr. President, if the Senator will yield, the

Senator from Florida is correct. I discussed this with Chairman HAYDEN and other members of the committee. As far as I know, there was no objection in the committee to the extension to the last of September.

My feeling is that when we come back on the 4th of September, as I understand the date, it may be a week or more before we get around to doing any business. So I really believe that a later date than that suggested by the Senator from Iowa is necessary.

Mr. HOLLAND. I call attention to the fact that the President must be given some time to consider legislation which the Congress has passed. He has that time under the Constitution. Assuming that some of that legislation is on his desk when we do come to an adjournment sine die—which I hope will be as soon as possible when we come back following the conventions—the President has this period of time, allowed by the Constitution, thereafter to pass on appropriations bills or any other bills on his desk. I do not think it would be wise for us to change this date to September 15.

Mr. MILLER. Mr. President, in response to the Senator from Florida, may I ask him whether or not we are faced with some more of these continuing resolutions besides this one which are going to be extended to September 30, this year, or is this to be the only one?

Mr. HOLLAND. This is the only one pending now. Of course, if we have not adjourned by shortly before September 30, it is quite possible that at that time there may have to be another resolution. However, there is no plan, so far as I know, or no request for another such resolution. I ask the distinguished Senator from North Dakota, who, I am sure, has discussed this matter with the Senator from Arizona [Mr. HAYDEN], chairman of the committee.

I yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, we will have only about three bills left after we recess. They will be the Defense appropriation bill, the foreign aid appropriation bill, and the last supplemental appropriation bill. Personally, I do not think it will take over 2 weeks to handle the Defense appropriation bill. I am not sure about the foreign aid bill. That one may take longer, but certainly not any longer than the last of September. The last supplemental bill could be handled in the last few days. It seems to me we could finish by the 30th of September. If we go past that date, we will probably go until Christmas.

Mr. HOLLAND. I agree with the Senator as to what is possible as to the date. I hope it will become probable. I am sure other Senators do. I do not think it would be wise, and I am sure it would be unwise, to advance this date to September 15.

Mr. MILLER. Mr. President, I appreciate the response of the Senator from Florida. I will not offer an amendment to change the date to September 15, but I want to serve notice that if, along about the 20th of September, we are faced with another continuing resolution, I am going to take whatever parliamentary action I can to prevent that from happening, because I think if the Senate bends its will to do the job, we will not have to have another continuing resolution.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. YOUNG of North Dakota. It is not the Senate's fault that we have not completed action on the appropriation bills. The defense authorization bill was held up by the House Armed Services Committee until a little while ago. We cannot get through an $80 billion bill in our committee in a matter of 3 or 4 days on the Senate side. The same is true of the foreign aid bill. Once we get the appropriation bill from the House we will go to work on it immediately.

Mr. MILLER. The point of the Senator from North Dakota is well taken, I will say, subject to the extent to which the House of Representatives would be culpable in this respect.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. MANSFIELD. I agree with what the Senator from North Dakota has said. It has not been the fault of the Senate. We have to wait for the bills to come over from the House of Representatives. The appropriation bills for Defense, foreign aid, and military construction have still not been acted upon. All the appropriation bills have to originate over there, and the Senate has been ahead in its own schedule.

Mr. MILLER. I recognize that, but I wondered whether it was the part of wisdom to lay the foundation for them to delay further. I wondered if we should set a September 15 deadline rather than a September 30 deadline. I would hope that thus the House might be induced to move a little faster. If, toward the end of September, we are faced with another one of these resolutions, I think we ought to do more than just rubber stamp a continuing resolution passed by the House of Representatives, if the House is responsible for delaying further consideration of the appropriation bills.

Mr. HOLLAND. Mr. President, I join the Senator from Iowa in his expression of anxiety for a speedy adjournment. I hope we will be able to adjourn well before September 30.

I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I am thoroughly in sympathy with the point of view expressed by the Senator from Iowa. As the Senator from Florida knows, I went to him earlier in the day and raised some question as to why the date specified was September 30, and was told that during a meeting of the committee, when I was not able to be present due to a vote being taken in another committee of which I am a member, it was taken up and agreed to rather hastily, I believe by unanimous agreement of those present, so that I did not have a chance to voice my opinion at that time. Consequently, I do not feel that I should make a motion now. Had I been in the committee room at the time it was considered, or expected it to come up, I would have suggested a deadline of about September 20, or whatever date would be a Saturday night in that area of the month because I do not think it is wise to give Congress and the country the expectation that we will be in session all through a political campaign. I have seen these postconvention sessions of Congress before, and it sort of represents a third political convention, with both parties represented. It is not a climate which is conducive to good legislation.

I think we should have kept a little firmer prod on both Houses, because both of us have been a little dilatory. We could have moved a little more rapidly. In the RECORD day after day, new items are being listed that we are going to take up "during the September session of Congress." It will be a pretty busy session, it seems to me, without encouraging any additional delays in terms of action on the part of the Appropriations Committees.

Not having suggested it when I intended to, for the reason that I was not in the committee room at the time—it is just a matter of 10 days, anyway—but I hope that the Members of the House of Representatives and of this body will recognize that there will be one whale of a fight if we are asked to continue a continuing resolution beyond this date.

I think we ought to get down to our knitting and get this thing done. The Committee on Foreign Relations has approved the authorization bill for foreign aid. We can get on to that just as soon as the distinguished majority leader finds a slot in our busy schedule to discuss it. We all know from experience that it takes a little time on the appropriations side, which I hope we can get to very soon after our return in September. But I just hope that we will gird ourselves to an expectation that we are going to be out of here sine die before the end of September—the earlier the better for the country—and I think the earlier the better for the reputation of Congress.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I am happy to yield to the Senator from Georgia.

Mr. RUSSELL. Mr. President, I am as anxious to leave here as anyone, and I have worked as hard this year, with the volume of work increasing from year to year, as I have in any year in my life. But I wish to say that I think we are very optimistic to think we can get through with the appropriation bills by the latter part of September.

I point out that the bill to authorize procurement for the Department of Defense has not been enacted into law. There has not been any authorization for either the House or the Senate Appropriations Committees to proceed with the defense appropriation bill, which is, of course, the largest of all appropriation measures. The Senate has not been derelict; we have worked diligently on these bills. We passed the authorization bill back in April. The bill has been in the House of Representatives since then. It passed the House on July 11—only then did the House pass a bill even to authorize the defense appropriations.

That bill is stuck in conference. The conference committee has not been able to agree. I am not a member of that committee. It so happened that at the time the bill came up, I had been ill for some time, and asked the distinguished Senator from Mississippi [Mr. STENNIS] to handle the measure on the floor, which he did with his accustomed vigor and ability.

In a case of that kind, I do not put myself on the conference committee; I always pass it to the man who has done the work to deal, in conference, with the authorization bill.

Today the chairman of the Committee on Appropriations of the House of Representatives, despairing of getting an authorization, sought a rule to bring the appropriation bill to the floor of the House, and was unsuccessful in his efforts to take up the bill in the other body. He could not bring up the appropriation bill, and they have not been able to get any agreement on the authorization that would make a rule unnecessary.

So, as far as that bill is concerned, and the budget request for that major bill of more than $77 billion—by all odds the largest of all appropriation bills, representing more than one-half of the entire budget—it has not even been authorized.

I do not think it is fair for the Senate to take up a bill of that magnitude, and consider the hundreds of amendments that will undoubtedly be brought forward, and push it through the Senate in a matter of days. The committee has completed hearings on the Defense appropriation bill. We completed them some time ago, but we have a custom, in that committee, of reopening the hearings for a day or two after a bill passes the House of Representatives, in order that we might get the testimony of the Secretary of Defense on the various changes that may have been made in the bill in the other body.

I know there is increasing tendency for Members of the Senate to shake their heads and say, "Well, we ought not to have a defense appropriation bill anyhow." I know there is an increasing tendency to disarm this country, or reduce our military capacity very greatly; but there are some of us, who deal with this problem from day to day, who think it is still a matter of vital importance in today's world. We have been standing by, ready to proceed with this appropriation bill, but the position of the House of Representatives is to refuse to even consider it here on the very eve of recess for the month of August. Under those conditions, Mr. President, I think we will be extremely fortunate if we wind up action on these appropriation bills by the end of September.

Mr. HOLLAND. I thank the Senator for his wise observations. Certainly I agree with him.

Mr. President, I know of no amendments.

The PRESIDING OFFICER. The joint resolution (H.J. Res. 1420) is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 1420) was ordered to a third reading, was read the third time, and passed.

PATIENCE IS NEEDED AT PARIS—BUT A CHANGE OF POLICY IS NEEDED MORE

Mr. HARTKE. Mr. President, I am disturbed by the sparse attention which has been given to recent Presidential statements on the Paris peace negotiations. Meeting in Honolulu last weekend, Presidents Johnson and Thieu issued a joint communique which outlined their official views on the political future of Vietnam. The communique was significant because it exposed the depth of our entanglement in the narrow political interests of the Saigon regime. Ignoring both diplomatic prudence and political reality, the communique offered gross reassurances to the government of South Vietnam. Promising full consideration for the uncompromising position of the Saigon regime, President Johnson specifically rejected any negotiated settlement which would impose a coalition government on the South Vietnamese rulers.

By stating publicly that we will not press the South Vietnamese into a coalition, we have effectively ruled out the most promising text which we had at our disposal for negotiating a conclusion to this tragic war. Once again, we have made it clear that an end to the fighting is far down on the list of priorities which are built into our present Vietnam policy. As long as we continue to endorse the position of the Saigon government, no settlement is possible in the South. The first step—a cease-fire—will never come about until both we and Saigon are willing to talk and deal directly with the National Liberation Front.

It disturbs me that the greatest and the strongest democracy in the world should continue to tie its foreign policy to the uncertain future of this ruling group in South Vietnam. The history of our misjudgment in Vietnam is one of believing too strongly in the ability of a repressive military clique to develop into an effective, representative government. And now, with the long-awaited opportunity to compromise at hand, we continue to reward the disappointing performance of the South Vietnamese rulers with our assurances and with our support.

We will need more than patience at the bargaining table to resolve the crisis in Vietnam; our position must change if negotiations are to succeed. This is not the time for concerned Americans to sit back and watch. Ever since the Paris talks began I have noticed a significant deescalation in the public debate over American policy in Vietnam, and it is appropriate, of course, that care be taken not to upset the negotiations or to stalemate discussions with a complete exposure of our bargaining position. But it would be unfortunate if any voluntary moratorium on public debate should serve to postpone the important changes in American policy which are prerequisite for progress at the bargaining table. As one of the original participants in the Vietnam debate, Mr. President, I intend to continue the discussion as long as the changes we seek are not forthcoming.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the following concurrent resolutions:

S. Con. Res. 68. Concurrent resolution to print additional hearings on amendments to the Federal Firearms Act; and

S. Con. Res. 77. Concurrent resolution authorizing the printing of additional copies of parts 1 and 2 of Senate hearings on "Status and Future of Small Business."

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 9606. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia; and

H.R. 10213. An act to amend the Life Insurance Act of the District of Columbia, approved June 19, 1934 (48 Stat. 1125).

POSTAL ASSAULTS AND POSTAL SERVICES CURTAILMENTS

The Senate resumed the consideration of the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees of the postal field service who assault other employees in such service in the performance of official duties, and for other purposes.

Mr. MONRONEY. Mr. President, I see the distinguished senior Senator from Delaware is ready to speak. He opposes the amendment, and I yield to him.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, I express opposition to the committee amendment, the purpose of which is to exempt the Post Office Department from the expenditure-cut and rollback-of-employment provisions of the recently enacted tax increase bill.

In support of this committee action we have heard it said that it is an unduly harsh restriction of Federal employment and an irresponsible action taken under section 201, as supported by the Senator from Florida [Mr. SMATHERS] and me. It has also been stated that any proposed employment reduction was politically inspired.

We have heard the expenditure control action called silly and the most absurd proposal that has ever been mentioned.

Before the proponents of the amendment get too far, I point out that we adopted the idea for controlling Federal employment came from the man who is now sitting in the White House, the President of the United States. And I hope that my Democratic colleagues who are referring to this as silly, absurd, and intended to create chaos in the Government will not be so hard on their own presidential candidate. I say that because I understand he may very well be their candidate again.

The idea to control the number of employees first originated back in 1965 at which time, on December 2, 1965, President Johnson, speaking from Texas, issued a statement that appeared in the New York Times.

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 2, 1965]

PRESIDENT BACKS A CUT IN U.S. JOBS—APPROVES PLAN TO RETIRE 25,000—SPENDS QUIET DAY

AUSTIN, TEX., December 1.—President Johnson approved this afternoon a plan that could eliminate 25,000 Government jobs.

The plan, contained in a memorandum from the Budget Bureau and released here, instructs the heads of Government departments and agencies to reduce their employment by 1 to 1.25 per cent by the end of the fiscal year 1966, which ends next June 30.

Joseph Laitin, assistant White House press secretary, said the plan did not mean that present employees would be dismissed. It is designed, he said, to take advantage of stepped-up retirements from Government jobs.

These retirements have been increasing because of a new law offering certain inducements, including larger pensions, to employes who retire before the first of the year. "The vacancies thus created," the memorandum said, "present an opportunity to take new specific action to carry out the President's long-standing instructions to hold Federal employment at the minimum necessary to carry out Government operations effectively."

The President spent a quiet day at his ranch studying reports and preparing for a meeting tomorrow with Secretary of Agriculture Orville L. Freeman and Secretary of State Dean Rusk.

The main topic at the meeting is expected to be the world food situation and Mr. Johnson's forthcoming talk with President Mohammed Ayub Khan of Pakistan.

Mr. Rusk is expected to join Mr. Johnson and Defense Secretary Robert S. McNamara for a discussion of world problems this weekend or early next week. The White House announced yesterday that this meeting would be held tomorrow or Friday. However officials explained today that administrative work at the Pentagon would keep Mr. McNamara in Washington longer than expected.

The President also spoke by telephone with his special assistant for national security affairs, Mr. McGeorge Bundy. Mr. Laitin, in response to a question, said that the subject of Mr. Bundy's future had not been discussed and that, to the best of his knowledge, the two men had never discussed it. Mr. Bundy has been offered a post as head of the Ford Foundation.

Mr. WILLIAMS of Delaware. On the day that President Johnson issued this statement—it appeared in headlines all over the country—it was hailed as a great step toward economy. The Government on that date had 2,550,742 employees on the payroll. What happened? Instead of cutting back 25,000 as he said he would, between December 2, 1965, and June 30, 1966, he actually added 190,124 to the payroll.

I asked the Director of the Budget how he could reconcile this action with the great hullaballoo that was caused when the President said he was going to reduce the number of employees. I got this startling explanation. The Director said that really what the President did not say, or what the press did not carry, was that he had in mind adding 225,000 to the payroll. He just did not say anything about that, and since he added only 190,000, he really saved 35,000 instead 25,000. That is the administration's explanation that appears in the committee hearings.

After adding 190,000 employees between December 1965 and July 1, 1966, the 1966 elections was approaching.

On September 20, 1966, President Johnson recognized that perhaps the administration was under serious criticism for not having lived up to the promise that he was going to roll back the number of employees, and to offset this criticism he issued an Executive order on September 20, 1966, in which he directed the head of every agency to take steps to hold employment in full-time, permanent positions for the remainder of 1967 at or below the level which prevailed on July 31, 1966.

Agencies whose employment was above the July 1966 level were to reduce employment to the July 31 level as expeditiously as possible by not filling vacancies. That was stated in the President's own Executive order.

What happened after that order was issued? Between July 1966 and the end of the fiscal year, June 30, 1967, 242,112 more employees were added.

It was in recognition of the fact that this type of false economy was about to bankrupt the Government that some of us felt the time had come to write into the law a mandatory provision for a reduction in the number of employees. So we merely wrote into the law the terms of the President's own Executive order of September 20, 1966.

If Senators on the other side of the aisle wish to refer to this action as an irresponsible action they are only referring to the irresponsibility of President Johnson. All I was trying to do was to carry out what the President said he wanted to do. I accepted his statement in good faith. Perhaps I did not understand his motives as Senators on the other side of the aisle understood it; namely, that he was merely making a political speech and did not inend to fulfill his promise.

I was not in on the conference, if he were not speaking in good faith then I have never heard of hypocrisy. Far be it from me to defend the President of the opposite party, but this is what he himself advocated. We just took him at his word and wrote his Executive order into the law.

Now we proceed further. When this proposal was offered and passed in Congress it was passed by the Senate by an overwhelming vote. Before the bill went to conference it is true that the Senate bill proposed that they give priority—not exemption but priority—and recognize the special needs and problems of the Defense Department, the Post Office Department, the CIA, and the FBI. That proposal was also in the President's Executive order.

But it also stated that to the extent that those agencies did not absorb their proportionate part of the reduction some other agency must make the reduction both in employees and in expenditures.

When we got to the conference, as the Senator from Florida knows—he was the coauthor of this—several agencies come to the conference and pointed out that they—the Tax Court, the Treasury Department, the Post Office Department, HEW—had a special problem, and each began to present to the committee its special situation. It was unanimously agreed by the conferees, after conferring with the Director of the Budget of the Budget. Mr. Zwich, and the Secretary of the Treasury, Mr. Fowler, that it would be the best and most orderly procedure to strike out all exemptions in this statute and let the Director of the Budget have the complete authority, at his discretion, to assign the reductions in those areas where they would least disrupt the public services.

I do not know who suggested this plan first, but it was upon complete agreement of all concerned, including the Director of the Budget, that the Director could best administer this program by having this discretionary authority; and we gave that authority.

I ask unanimous consent that section 201, as it was passed and approved by the conferees by the Senate, be printed at this point in the RECORD.

There being no objection, the excerpt from the section was ordered to be printed in the RECORD, as follows:

Sec. 201. Limitation on the number of civilian officers and employees in the executive branch.

(a) Except as otherwise provided in this section—

(1) No person shall be appointed as a full-time civilian employee to a permanent position in the executive branch during any month when the number of such employees is greater than the number of such employees on June 30, 1966.

(2) The number of temporary and part-time employees in any department or agency in the executive branch during any month shall not be greater than the number of such employees during the corresponding month of 1967.

(b) (1) During any period when appointments are otherwise prohibited under subsection (a) (1), the head of any department or agency may, except as otherwise provided in this subsection, appoint a number of persons as full-time civilian employees in permanent positions in such department or agency equal to 75 percent of the number of vacancies in such positions which have occurred during such period by reason of resignation, retirement, removal, or death.

(2) For purposes of paragraph (1), all agencies which, on the first day of any period when appointments are otherwise prohibited under subsection (a) (1), have 50 or fewer full-time civilian employees in permanent positions shall be treated as one agency, and the Director of the Bureau of the Budget (hereinafter in this section referred to as the "Director") shall determine the vacancies in each such agency which may be filled by reason of paragraph (1).

(3) For purposes of paragraph (1), the Director may reassign vacancies from one department or agency to another department or agency when such reassignment is, in the opinion of the Director, necessary or appropriate because of the creation of a new department or agency, because of a change in functions, or for the more efficient operation of the Government.

(4) If a full-time civilian employee in a permanent position is transferred from one department or agency to another department or agency—

(A) such transfer shall be taken into account under paragraph (1) as an appointment by the head of the department or agency to which he transfers, and

(B) subsection (a)(1) shall not apply to an appointment to the vacancy in the department or agency from which he transferred and such vacancy shall not be taken into account under paragraph (1).

(c) For purposes of subsection (a)(2), the Director may reassign authorized temporary and part-time employment from one department or agency to another department or agency when such reassignment is, in the opinion of the Director, necessary or appropriate because of the creation of a new department or agency, because of a change in functions, or for the more efficient operation of the Government.

Mr. WILLIAMS of Delaware. The suggestion has been made that if we do not exempt this agency chaos will result in the Post Office Department. These are just blackmail tactics, so far as I am concerned, being used by each agency to get these exemptions.

Perhaps it is only a strange coincidence, but this week they are having a postal forum at the Statler-Hilton. This hotel could not hold all of them but approximately 2,300 employees of the Post Office Department and representatives of industry are here at this time. It is a mere coincidence, I am sure, that this date just happened to be at the time when we are debating this issue. Many of these postal employees were brought here at the expense of the U.S. Government, paid for by the Post Office Department. This was for no purpose other than to lobby Congress, even though it is said that they are here for a general convention.

I have been told by the Post Office Department that many of them were brought here at the request of the Department and that the Department is paying the expenses for some of them.

At any rate, no suggestion has been made that we can make any reduction on the cost of these lobbying activities. We have not had even one suggestion from any agency, particularly from this agency, that they could cut back expenses in any area.

The Senator from Oklahoma referred to a list of the postal services and changes that would result from a reduction of this personnel, and I ask unanimous consent to have the list printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

POSTAL SERVICE CHANGES REQUIRED BY REDUCTION IN PERSONNEL

[Dollar amounts in millions]

Service change	Dollar saving	Reduction in positions
1. Close all rural (4th class) post offices and 50 percent of contract stations	$18.1	7,410
2. Close 5,000 3d class post offices	14.6	5,000
3. Close all window services at 1st and 2d class post offices 1 day a week	13.5	2,274
4. Eliminate all postal work on Saturday and Sunday without regard to delay in mail or extra force required for handling backlog	170.0	23,272
5. Schedule work force so as to gain additional 2 percent increase in clerical productivity without regard to delay in mail	50.8	8,558
6. City residential delivery—Eliminate Saturday and 1 additional day	159.1	22,711
7. Parcel post delivery—Reduce service to 5 days per week	9.2	1,112
8. City business delivery—Eliminate Saturday service and reduce service on other days to 1 delivery a day	$9.8	1,378
9. Rural delivery—Reduce service to 3 days per week	71.2	1,797
10. City residential and rural delivery—No extension of service to new homes	28.1	3,670
11. Collection service—Restrict Saturday service to the Sunday schedule	2.7	380
12. Eliminate new training programs, certain mechanization projects, management programs for service improvements, certain transportation and logistical support	108.4	5,676
Total	655.5	83,238

Mr. WILLIAMS of Delaware. With this list the Postmaster General threatens to close all rural—fourth-class—post offices and 50 percent of the contract stations, thus saving $18 million and 7,410 employees, that he will close 5,000 third-class post offices and save $14,600,000 through a reduction of 5,000 employees, and that he will close all window services at first- and second-class post offices one day a week at a savings of $13½ million and a reduction of 2,274 employees.

Adding these totals, it would appear that he would save approximately $50 million. But in reading this I do not see one suggestion that he is going to cut back on his overstaffed office downtown. No, they are not going to cut that patronage. They only threaten to cut the basic services of the Government.

Mr. MONRONEY. Mr. President (Mr. HART in the chair), will the Senator yield?

Mr. WILLIAMS of Delaware. I should like to complete my statement, if I may. I placed the list in the RECORD.

There is not a single proposal that they eleminate any of the overstaffed bureaucracy in Washington. They are only talking about reducing the services.

We were told they will have to reduce the rural carrier service to 3 days a week. The fact is that we have less rural carriers today than we had a few years ago because with better roads they can cover more territory. This is just another blackmail threat to get more money.

I invite attention to a Comptroller General's report of June 1965. This report cited many glaring examples of waste; yet the Postmaster General has never said a word about it, nor has he done anything to correct any abuse.

On page 66 of this GAO report, he calls to the attention of the Postmaster General the fact that if they had been efficient in handling the leases for four facilities, Detroit, Harrisburg, Cincinnati, and Toledo, they could have saved $62 million. This $62 million would more than offset the savings the Postmaster General has claimed he will effect by closing all the third- and fourth-class post offices and all the window services. But the Postmaster General does not say that he will correct this abuse and this waste. He does not say a word about that. Oh, no; he just closes more post offices.

I ask unanimous consent that the paragraph from the Comptroller General's report, on page 66, where the Comptroller General states that $62 million could be saved by the difference in the leasing arrangements, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

COSTS OF ACQUIRING POSTAL FACILITIES THROUGH LEASING EXCEED COSTS OF ACQUIRING POSTAL FACILITIES FOR GOVERNMENT OWNERSHIP

We estimate that, if the four facilities included in our review had been constructed for Government ownership, the total cost to the Government, including imputed interest, would be about $62 million less over the basic 30-year terms of the leases. This amount, however, is not the full measure of the probable additional cost to the Government resulting from leasing rather than Government ownership, because it does not take into consideration (1) the additional rentals to be paid if the Government exercises its lease renewal options and (2) the additional rentals which probably will be paid as a result of tax escalation provisions included in the leases. In addition, by leasing, the Government fails to acquire any interests in the residual value of the properties at the end of the lease periods.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MURPHY. The Senator stated something earlier that interests me, about the assembly of postal workers in Washington at this time. I recall reading that a dinner was held last night. I am told that 2,250 postal workers attended.

Mr. WILLIAMS of Delaware. The Senator is correct. And I understand that the Vice President—or should I say the presidential candidate of the Democratic Party—was the speaker of the evening. And they paid $15 apiece for the dinner. I do not know who received the proceeds.

Mr. MURPHY. Which presidential candidate?

Mr. WILLIAMS of Delaware. The Johnson presidential candidate, or his stand-in at this moment.

Mr. MURPHY. The Vice President. Did he go there as the Vice President or as the presidential candidate, does the Senator suppose?

Mr. WILLIAMS of Delaware. Well, what is on the mind of the Vice President at this time when he goes anywhere? Certainly this was a political arrangement, paid for by the taxpayers.

I do not blame the employees who were brought to Washington. Let us make that clear. They were ordered here by the Postmaster General, but I do question the propriety of this agency's spending the taxpayers' money in such a way, an agency which is shedding so many tears about the shortage of money and its inability to render essential services to the public.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. SMATHERS. First, I wish to associate myself with the remarks made by the distinguished Senator from Delaware.

My memory is short, but it is not so

short that I can forget the days, not too long ago, when we all spoke on the floor of the Senate about the need to reduce the size of this Government and the cost of this Government, and the need to try to stop inflation, which was eroding the pension rights and the value of the dollar that each of us has in the United States.

I can well remember when many Senators said it is something we have to do and the best way to bring this about is to start not only with economy at home but also with a reduction of expenditures of the Government. That is what the Senate went on record as advocating, as I understood it, on that occasion—and I thought it was a most momentous occasion.

The result, in my judgment, has been very salubrious for the Nation. We have already seen a certain amount of inflation begin to drain out of our economy. We have seen inflation slow down, and we all agree it needed to be slowed down.

So it seems to me not very logical, not very sensible, and certainly not very consistent, after having made what was then a very wise decision, one that was accepted and applauded by all the business community and all the leaders of government, everywhere, that now, having marched up that hill and achieved a great victory, in some respects over ourselves, demonstrating certainly a great deal of self-discipline, we would now give away the victory we won by opening the door a little bit here and a little bit there.

As the Senator has pointed out, we wrestled in the conference committee how to portion out the reduction with respect to the personnel. We had present at that meeting representatives of the Bureau of the Budget, the Secretary of the Treasury, representatives of the Department of Labor, and other departments.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. SMATHERS. They all unanimously agreed that the way we should accomplish this reduction in personnel was to give the Director of the Bureau of the Budget authority to make the cuts because he can see which departments have too many employees and which departments can best be cut.

For us now to embark on a course where each Member of the Senate who handles a particular appropriation for a particular department, knowing his great understanding of the problems of a particular department—and usually being very sympathetic to that department—would have us agree when the appropriation comes up for these departments that we apply the cut but not to his particular department, would undo the good we have done.

If we follow that course and follow it through each appropriation, we might as well have not passed the bill in the first place and, as I have said, we would undo the good we have done.

I think the Senator from Delaware deserves all of the support it is possible for us to give him. I commend him for his position and I associate myself with him. I think the proposal now presented that we excuse the Post Office Department from these limitations is, as I said earlier, to march up the hill and then to turnaround and march down the hill and undo all the good work that was once done.

I think it made sense, as we all agreed, both in the House and over here, that we would leave the matter of cutting personnel to the Director of the Bureau of the Budget. That was taken as the wisest course to follow and I still think it is the wisest course to follow. I hope the Senate stands by what it has previously done and leaves that authority to the Director of the Bureau of the Budget.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. RUSSELL. Did the Director of the Bureau of the Budget or any of those at that conference to which the Senator from Florida adverts, when we were considering the serious matter of this legislation, say that they would have to close down the Post Office Department if that measure went through?

Mr. SMATHERS. The answer is no. As a matter of fact, it was not even suggested. It was apparently the view of those in the conference that there were ways and means of reducing the number of personnel in the Government without picking out those isolated departments which would most affect the public. No mention was made of the Post Office Department, as I recall.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. SMATHERS. As the Senator said, one could stomach this a little better if those who talk about cutting the Post Office Department would cut it out of the bureaucracy branch up here and not out of those who deliver the mail to the citizens, who cannot very well stand a cut. To make a cut in that area and not in the office area clearly evidences to me that they are only proposing this to try to embarrass the Senate and the Congress——

Mr. RUSSELL. And frighten them.

Mr. SMATHERS. And frighten them, and attempt to make them believe some essential services have to be done away with.

Mr. RUSSELL. It is the vast bureaucracy at the top and the huge regional offices all over the country that should be affected, but the only people they are prepared to discharge are the people delivering the mail to the homes of the American people. That is a strange paradox, indeed. Instead of reducing the brass in the army, they are going to fire the privates and those who are doing the fighting.

Mr. SMATHERS. The Senator is correct. And they get people aroused and they blame it on Congress.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HOLLAND. Mr. President, it seems to me that there is a question of good faith involved here also. I talked with the conferees while the conference was going on, and I talked to some Members of the House who were stoutly insisting they would not pass the tax-reduction bill unless a $6 billion expenditure reduction was adopted, and this was a sizable chunk of that reduction.

I wish to ask my distinguished friend whether I am correct in my understanding that the House would not go along with the tax reduction unless there was also attached to the bill which he and the Senator from Delaware handled so ably and fearlessly, an expenditure reduction in the amount of $6 billion.

Mr. SMATHERS. The Senator is correct. That was the case. There was no possible way to get the tax increase bill through this body, and certainly not through the other body, without an agreement that there would be the expenditure reduction, and that, of course, included the reduction in the size of the number of employees in the Government.

That was a part of the package. That is what we all agreed to and voted on. Now, to open the door, let it all leak out, and say we did not mean it, does not show good faith on our part and it gives away a great victory won on an earlier day.

Mr. WILLIAMS of Delaware. I thank the Senator from Florida. He is correct. At the time we were passing that measure Congress and the country were in an emotional state because there was great fear throughout the country with respect to the value of the dollar.

The Senator from Florida was in the numerous conferences and was aware of the fear with respect to whether we could get that proposal through Congress in time to save the dollar. I spoke on the floor of the Senate at that time to the effect that removal of the gold cover was part of the package, the tax increase was a part of the package, and the expenditure reduction was a part of the package.

It could not be said we could take any two of the parts and leave out the third part; each was equally important. It might be well to review the events in the conference we had. The Senate should be on notice that to a large degree as a result of the passage of that expenditure control, tax increase act, as well as certain other factors, the dollar was saved and seems to be a little more stable. However, it was not many weeks ago that we were fearful as to what the value of the dollar would be on the morrow.

For the information of the Senate I shall review this period of crisis for our dollar.

I go back to March 14, 1968, when we had a meeting in the office of the majority leader. I was notified to be there not later than 12:15 p.m. We went into the majority leader's office separately; we did not want the press to know too much about the meeting at that time. At that meeting there were present William McChesney Martin, Jr., of the Federal Reserve Board; Henry Fowler, Secretary of the Treasury; the majority leader; the minority leader; the Senator from Louisiana [Mr. LONG], and myself representing the Committee on Finance; the Senator from Utah [Mr. BENNETT], and the Senator from Alabama [Mr. SPARKMAN], representing the Committee on Banking and Currency; the Senator from Georgia [Mr. RUSSELL], representing the Committee on Armed Services; and the Senator from Missouri [Mr. SYMINGTON].

At that time Mr. Martin—and this

was the day we were debating in the Senate the necessity of removing the gold cover—pointed out the immediate urgency of getting the gold cover removed.

In that conference I raised the question: If we remove the gold cover and take no further action with respect to taxes or reducing expenditures, what have we done? He said we would have done nothing except to have bought a few more days time. He said, "You have to take these other steps."

I said, "Suppose we remove the gold cover and raise taxes but do not cut spending. Would that do it?" He said, "You have to do all three."

I agreed with Chairman Martin and pleaded at that meeting with the Secretary of the Treasury to join by giving administration support of the Williams-Smathers amendment. The Committee on Finance was scheduled to have a meeting that afternoon at 2:30 to act on the House bill dealing with extension of excise taxes. I regret we were unable to get administration support, but the Senator from Florida and I offered the amendment in the committee anyway, and we came within one vote of having it accepted.

Later that evening the Senate acted to remove the gold cover.

The next day, Friday, March 15, the price of gold was again higher. Panic was developing in financial circles in Washington and throughout the country.

Mr. Zwick, Director of the Budget, called my office early that Friday morning and said that there had been a meeting the night before at the White House; the only ones I recall him mentioning as being at that meeting were the Chairman of the Federal Reserve Board, the Director of the Budget, and, of course, the President. Mr. Zwick said that after that meeting Mr. Martin had insisted that it would be almost useless for him, as Chairman of the Federal Reserve Board, to meet the following day with representatives of the six central banks due here on Saturday unless he could carry to them a commitment that our Government was going both to curtail its expenditures and to raise taxes. He said that out of that meeting came instructions to him, as Director of the Budget, to arrange a conference with me and see if we could not work out a package to raise taxes and cut expenditures on which we could agree.

I had been asking for an $8 billion cut in spending, as the Senator from Florida remembers. I said I was not frozen in my position and that I hoped we could get together. I added that I would be available for a conference at his convenience over that weekend.

He pointed out that one defect in the bill we had sponsored was that we had exempted from the $8 billion cut only the cost of the Vietnamese war since it could not be estimated, but he also said we could not estimate and should therefore exempt the interest on the national debt. The Federal Reserve Board had raised interest rates about one-half a point a day or two before, which added $400 million or $500 million to interest charges.

I agreed with him that that was a defect and that I would correct it. I wanted to approach this conference with an open mind. I gave him my telephone number in Delaware and even offered to stay in town or come back at his convenience. He said that he and the Chairman of the Federal Reserve Board would be busy that weekend, meeting with the central banks on Saturday, but perhaps we could try to get together on Sunday. I told him that I would be back in Washington not later than 2 o'clock Sunday afternoon, and that he could leave a message at the hotel.

When I got back to Washington on Sunday afternoon, I called Mr. Zwick and asked him whether we could get together that afternoon. This was March 17, 1968. He had planned to meet with me but said that the President had issued a statement from Texas earlier that day endorsing an $8 billion reduction in spending authority for fiscal 1969.

This statement by the President was recognized in the country and largely interpreted as an endorsement of the tax-reduction proposal which Senator SMATHERS and I had introduced, yet both Mr. Zwick and I recognized that there is a difference in a reduction of $8 billion spending authority and an $8 billion reduction in spending. Mr. Zwick said that he knew that I had been talking about a reduction in spending. He said he thought that that was what they were talking about when they were meeting at the White House on the evening of March 14. Since there appeared to be a misunderstanding, he said that we had better get it clear before we had our meeting, and suggested we wait until Monday morning, March 18, before getting together. I was called later that evening by a representative of UPI, Mr. Pat Sloyan, and he wanted to know if I had heard the President's statement and if I were encouraged by the fact that the President had endorsed the $8 billion cut in spending authority. Mr. Sloyan recognized the difference between a reduction in spending authority and a reduction in spending.

I told him that I was interpreting the President's statement as an endorsement of my package until I was told differently. I was advised Monday by Mr. Zwick that the President did not mean a reduction in spending but only in spending authority.

I would not accept that. So we planned to get together later. The Senator from Florida came to my office with Secretary Fowler the following Thursday, March 21, again trying to reach an agreement where we could get administration support for this package.

What we wanted and what Chairman Martin was supporting was a reduction in spending and an increase in taxes, but we were unable to reach agreement even though I said at that time that I would support the $6 billion reduction. It was on a Friday, March 22, 1968, that the bill H.R. 15414 was made the pending business, and the Senator from Florida and I on that date joined in introducing the so-called Williams-Smathers package as an amendment to this bill, an amendment which embraced a 10-percent tax increase, a $6 billion spending cut, a rollback in Federal civilian employment to the level of July 1966 in line with the President's previous Executive order, and a moratorium on new public works projects unless they were certified as essential to our national security.

On Tuesday, March 26, the chairman of the Finance Committee, the Senator from Louisiana [Mr. LONG], offered an amendment to strike out of the package that portion of it which would reduce expenditures, and by a sizable rollcall vote it was defeated.

The Senator from Wisconsin [Mr. PROXMIRE] then offered an amendment to strike the 10-percent tax increase out of the William-Smathers package, and that was defeated.

The package was still intact.

It was on Thursday, the 28th of March, that the Senator from West Virginia [Mr. RANDOLPH] was successful in deleting that section which dealt with the moratorium on public works.

Believing that the moratorium on public works should remain in effect until the budget was balanced or the Vietnam war was ended, both the Senator from Florida and I were discouraged because it was felt that many Members who had been supporting us up to that time were so greatly disappointed because this was deleted, and we were fearful that we would lose some votes. Both of us frankly admitted to the press that in our best opinion the package was in jeopardy as to whether it would pass. The Treasury Department likewise was told we faced defeat. The Senate convened on Friday, March 29, early, as I recall it, around 9:30, because we wanted to get the bill completed and a vote taken on the Williams-Smathers amendment so that we would get out of here and go home.

It was around 10:30 or 11 o'clock that morning that the Senator from Florida came to me to say that he had just received a call from Secretary Fowler, who was in Stockholm. The Secretary told him that they had gotten word that we were going to vote on the Williams-Smathers package, that it was in serious jeopardy, and that there was a chance that it would be defeated. The Secretary pleaded that under no circumstances should the Senate vote on the bill that day if there were a possibility of its defeat, because if the bill were defeated the conference in Stockholm would go down the drain—Chairman Martin was there with him at that time; and he said that the situation was so serious their chance of reaching an agreement on the question of special drawing rights that our dollar was in real jeopardy. The Senate adjourned early without voting that day; it was specifically adjourned so that we would not take a defeat that day. Not only was it pointed out that their chance for a successful conference was in jeopardy if we did not pass it but also with the London gold market opening on the following Monday we were told in no uncertain terms that if it turned out that the Senate rejected the increase in taxes and the spending reductions the dollar could very well tumble the first part of that following week.

So the vote was postponed until Tuesday, April 2, 1968, at which time we passed the bill, and it went to conference. By this time the administration was so alarmed that they helped us get enough votes to pass the bill.

I review these events only to show that during those days and hours the American dollar was hanging over the precipice. It was recognized by the chairman of the Federal Reserve Board, by the congressional leaders, and by all the important committees that we could not afford to let the dollar go over the precipice by inaction and that the Congress had no alternate except to pass the bill. This action was a major step toward saving the dollar up to that point.

We are still not out or trouble with the dollar, and I review this record today only to show that this was an emergency. The package that the Senator from Florida and I had was the only vehicle which was in a strategic position whereby Congress and the administration could save the dollar by taking prompt action.

Those are the facts and I cannot understand why today there are those in the Senate and the administration who will again gamble with the stability of our dollar.

Have they forgotten just how close their fiscally irresponsible policies had come to pushing us over the precipice?

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. Would the Senator elaborate on what was taking place at the Stockholm meeting, who was in attendance, why they were gathered there, and what was the critical issue involved which brought the conferees in Stockholm together?

Mr. WILLIAMS of Delaware. It was representatives of the six central banks, meeting with our representatives and trying to reach agreement on the special drawing rights. They did reach an agreement, and it has proved to be a constructive force; but, again, it was only buying time. We were buying time but we are going to have to pay for that time.

Next week we expect to receive a report from the Treasury Department showing that we closed the last fiscal year with close to a $25 billion deficit. Just think of it. That is a deficit of $2 billion a month. Our country cannot stand that kind of deficit and maintain a solvent dollar.

When we speak of a devalued dollar we are not hurting the man who has his investments in equities, in real estate, or television stations; we are hurting those who can really afford it the least; namely, those who live on fixed pensions, social security, teacher pensions, or public or private pensions, or savings accounts. They are the ones who are penalized as a result of the inflation, which still is not under control in this country. It is still a serious threat.

If we back down now by yielding and chopping down that act one by one by these exemptions, it means that that law is going down the drain and that there will be no $6 billion spending cut. That spending cut is just as important as the tax increase, even though both of them are painful.

I yield to the Senator from Florida.

Mr. SMATHERS. Is it not a fact that at this very late hour the Secretary of the Treasury and members of the Department of Commerce have pending before the Finance Committee a proposal to limit in some fashion the imbalance in our international balance of payments by endeavoring to set up a program which will, in effect, stop people from traveling overseas this year and taking money overseas because our international balance of payments is in such a bad and drastic situation that we cannot, according to them, continue to allow it to go on any longer? That particular proposal is a very necessary adjunct of these other measures which we have already adopted, all of which are calculated to bring our financial and fiscal house in order and try to reestablish, if at all possible, the integrity of the dollar, and thereby to stop the erosion of the value of the dollar and protect the pension of the older people in this country, protect the salaries of all the working people in this country, protect the insurance values of all the insurance policies in this country, and, once again, get this country's financial and fiscal problems straightened out and put on a sound basis.

Are we not now involved, at the urging of the Secretary of the Treasury and the President of the United States, in considering further methods and further means along the very same lines to limit the amount of expenditures?

Mr. WILLIAMS of Delaware. The Senator from Florida is correct. The President has other proposals which should have been considered. I for one have said some of these proposals need to be adopted. We still have not solved the fiscal problem. It was pointed out in the committee that even though there was no action on the travel tax there were favorable results, not just the result of scaring people upon its being introduced but favorable results were obtained in our balance of payments because of the reduced travel caused by the fact that Americans traveling abroad could not cash American travelers' checks. For several days American dollars were not accepted in exchange for foreign currency. This was a sharp lesson to the American tourist. It was the first time within memory that foreigners did not welcome receiving American dollars. But for a few days American travelers were unable to buy services and pay for them with American dollars. American dollars were being traded at a discount. Even today in some of these areas our dollars are selling at a discount.

Mr. STENNIS. Will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. STENNIS. The Senator will recall that this week we had an amendment that the Senator from Mississippi was in favor of, suspending and setting aside a provision of the Williams-Smathers amendment. That was based directly on a showing that certain persons were essential for air safety. We are in a crisis in that matter. We are short of necessary employees. I thought it was necessary to adopt that measure, and the Senator from Delaware very clearly stated his position.

I am not going to support this proposed exemption. I have not been convinced that it is necessary. Unless it is essential and necessary, I think we have to stand by the law we passed. We passed that belt-tightening law because we felt it was necessary. The facts are still what they were then, as a general proposition, and I am going to stand by that law.

I commend the Senator from Delaware and the Senator from Florida for their positions on the matter.

Mr. WILLIAMS of Delaware. I thank the Senator from Mississippi. I reviewed this record only to show that we were faced with an emergency in this country. I have been here 22 years, but it was one of the greatest emergencies in which I ever participated in trying to find a solution. I know there were many people in the Capital losing sleep those nights over whether we would be able to head off a catastrophe. It would have been a dire catastrophe to have been forced to devalue our currency. The point I am making is that these expenditure cuts must be made, and there are areas wherein the Postmaster General can cut if he wishes. He has not talked about any of these areas.

I cite one of the Comptroller General's reports which was sent to the committee. Perhaps the committee studied it, but I know of no action taken. In this report the Comptroller General criticized the millions that were being wasted in the construction of post offices throughout the country under our lease-purchase contracts and the building of large offices, which are entirely unnecessary, unreasonable, and furnished too lavishly.

In the report the Comptroller General points out that the private offices for the postmasters in the large cities are larger under the Post Office specifications than are any of the offices for a U.S. Senator or a Member of the House. I may mention that they are larger than any offices of members of the Cabinet.

The Comptroller General criticized this extravagance. When asked for an explanation this is the startling answer the Post Office Department gave to the Comptroller General in justification of this elaborate expenditure for offices for postmasters. I am quoting from page 12 of the Comptroller General's report No. B–153129:

> When questioned as to the need for providing postmasters with private offices of such size, Post Office Department officials informed us that a large office is necessary to impress visiting representatives of labor, industry, and public organizations with the importance and dignity of the postmaster's position. Under Post Office Department standards, postmasters in the top three grades of the Postal Field Service (PFS) are allowed private offices containing more space than is provided in the Senate and House Office Buildings for private offices of the United States Senators and Representatives.

The Post Office Department can impress the American people much better by saving this money and giving them service than it can by putting millions of dollars into these elaborate offices.

I cite another manner in which expenditures were handled rather loosely. The Post Office Department had contracted for a leased post office in Detroit, Mich. The low bid was $1.8 million rental a year over a 30-year period. The successful bidder had agreed that he would furnish all maintenance, all repairs, and all necessary essentials—heat, and so forth—for the offices. When the office building was practically completed, and just before the Post Office Department moved in, the terms of the contract were changed on a negotiated basis, and the Government assumed all the responsibility for heat, oil, maintenance, air conditioning, and for keeping it in as good condition, and turning it back in 30 years in the same condition it was when it started.

What did the Comptroller General say about that? I quote from his report. He said the taxpayers lost $2.8 million over the 30 years just by that one decision. I quote from page 18 of the report:

> On the basis of estimates on future maintenance costs provided to us by the Detroit post office officials, we estimate that assumption of maintenance by the government will result in the Post Office Department's cost of maintenance being $2.8 million more over the basic 30-year lease term than if maintenance had remained the responsibility of the lessor in accordance with the terms of the agreement to lease.

Does either the Senator from Oklahoma or the Postmaster General seem concerned about this waste?

By the way, the owner of this building and the beneficiary of this $2.8 windfall was Mr. McCloskey, once the finance chairman of the Democratic Party.

When I asked who negotiated this lease, I received the startling reply that the records of that transaction on the leasing arrangement had been lost, and therefore they could not determine who was responsible.

I quote from the Comptroller General's report, page 17:

> Our review of the Detroit facility was hindered because of the lack of adequate documentation on procedures followed by POD in planning the Detroit facility. According to a postal inspector's report of February 7, 1962, data prepared by OR&E on the Detroit facility was lost in December 1961. Available records describe the lost records as 25 folders containing original correspondence and OR&E file copies dealing with the construction of the Detroit facility.

I ask, Why have we not heard some explanation from the Department of this waste? Why do they not move in and say something about where they can save a little money?

I cite another example of waste listed in the Comptroller General's report. On page 55 he calls attention to the fact that in Cincinnati the Post Office Department had leased a vacant garage and paid rent of $17,875 for a little more than 5 months. They never used it a day.

As if that were not enough they rented another building for what they called a mail-handling room, paid $700,000 rent for the period November 1963 to October 1965. I am quoting from page 25 of the report. It, too, was never used a day, nor ever had a piece of equipment in it.

But, neither the Postmaster General nor the Senator from Oklahoma say anything about cutting out this waste. Oh, no; they are going to cut our rural carriers instead. They are going to cut out city mail deliveries. In fact, the Department is always boasting about how much it can save on these lease arrangements and how profitable they are for the Government.

Just how profitable are they? Take the Detroit office for example. It cost $15,807,650 to construct. This was leased to the Federal Government at an annual rate of $1,801,473.33. At the end of 20 years we will have paid $36 million in rent; but we have an option to buy it, so they claim the Government is protected.

Oh, they have an option, all right. But what is the option? They have an option to buy that office after 20 years, after paying $36 million in rent, for $17.3 million, or a million and a half more than it cost to build in the first place.

Someone might raise the question, as I did, that in the meantime, taxes for Mr. McClosky will probably be higher, and it would cost more to pay the real estate taxes, and so forth.

These leases now carry an escalation clause whereby if taxes rise over the term of the lease it automatically raises the rent, and they are assured of the tax base as of the day of leasing.

I might say that this is the Detroit office where all the maintenance was transferred over to the Government. But this is only one example. You can go through the report and find numerous cases.

There was a leased office in Buffalo, N.Y. The Government leased that office, which cost $10,875,000. That figure is broken down by the Comptroller General into $10,375,000 plus $500,000 for extras, a total of $10,875,000. This is leased for 30 years at $958,479.76 a year. At the end of 10 years, after paying $9.5 million rent, we have an option to buy that post office, that cost $10.8 million, for $11 million. At the end of 20 years, after paying $18 million in rent, we can buy it for $9.5 million.

We leased an office in Oklahoma City that was built recently. This office cost $4,738,336. I quote from page 128 of the Comptroller General's report which was sent to the committee. This office was leased by the Government for 30 years at $349,300 a year. At the end of 30 years we will have paid that owner $10,479,000 in rent, but here again they say the Government is fully protected in that we have an option to buy it at the end of 3 years.

What is the option? At the end of 30 years the Government can buy this office for $5 million, or a quarter of a million dollars more than it cost originally to build.

Mr. President, I say these leases are not advantages to the Government. The Comptroller General has written several reports charging that millions of dollars are going down the rathole in this program. Why has not some of this loss been examined by the Post Office Department or by the Senate committee? Have they no concern over the desperate plight of the taxpayer who finances this waste and extravagance?

I shall not take the time of the Senate to enumerate all these examples. I have scores of such examples. I have discussed them before. I merely point out some of them here again today to argue that the executive department is not acting in good faith. We propose to roll back Federal employment, not in an arbitrary manner, but only to carry out what the President of the United States said himself on September 20, 1966, should be done, when he said, "Let us roll it back to the July 1, 1966, level." We even did better than that under the order because we spelled out that they can hire three replacements for every four resignations, which is more liberal than it was when it passed the Senate, because then it was only two out of every four.

No one disputes the fact that the Director of the Budget does have the authority to reassign these cuts in those areas where it would least disrupt the public service. The Senator from Oklahoma does not dispute it. He did say that he doubted if the Director of the Budget would do it, and the Director of the Budget told the committee he doubted if he would do it. I accept that. I, too, doubt if he would save expenses unless forced to do so. The Director of the Budget does not like any reduction in expenditures. Spend, tax, and elect—that is his motto. But I still say he has the discretionary authority to cut expenses if he wishes to. He sat in the conference when the conferees agreed; he agreed, and we all agreed, that the best procedure to achieve a reduction in employment was not to start spelling out exceptions, because if we skipped one, another department might be equally essential and yet be left out. That decision was made, as the Senator from Florida knows, when the Veterans' Administration first claimed that they were going to close down about 20,000 beds in about 60 or 70 hospitals. We all recognize we cannot close down those hospital beds in the midst of the Vietnam war with wounded veterans coming home. Certainly not.

I regret we have not had the cooperation from downtown to which I feel we were entitled. It is no great honor, I know, and the Senator from Florida feels the same way, to be the author of a bill which increases taxes on one side—nobody likes to pay taxes—and in another section cuts backs spending, because you are taking things away. It is much easier, politically, to advocate a spending program and increased expenditures, and it is much easier to advocate reduced taxes. But the time had come when something had to be done, and I firmly believe if we had not passed the bill which we did, embracing the Smathers-Williams proposal, increasing taxes and cutting spending, the American dollar would not be in the position it is today. I may be wrong, but I am not alone in that view. I do not believe we could have saved and protected the dollar if we had not taken this action when we did, and I do not want to sit back idly and see this protection eroded away item by item, because that is what we are doing. Once we erode the spending reductions the tax increase will not do the job done.

I have said many times that I have never felt, from my study of history, that Herbert Hoover was responsible for the great depression, even though it happened in his administration. I think if it were a question of fixing responsibility I would fix it back on the preceding administration, which permitted the economy to get inflated and out of hand. As we know, call money went to 20 percent. Interest rates got up to 6 and 7 percent, and everybody was making money on the stock market. We had wild inflation during 1927 and 1928, and it was let ride on the basis that we could have, as Neville Chamberlain would have said, "Prosperity in our time."

Then when President Hoover came in office he had no choice except to put the brake on this speculative spree, and when you put the brake on it is going to hurt some people.

Maybe the brakes went on too hard then. We are not debating that question. But if we reject this proposal I think we will be laying the groundwork for a depression here in this country, and I think the Johnson administration will be responsible for it, because if the administration rejects the expenditure reduction proposals one by one, it will automatically be increasing the Government's spending and doing away with the $6 billion spending reduction. If we reject the spending reduction and go back to the freewheeling spending during the next few months we will stimulate more inflation and be right back where we were, with an unsound dollar,

It makes us seem more prosperous at the time but the day of reckoning will come.

There is no question about it. The more we stimulate the economy the greater will be the break when it comes. We are back on the boom and bust circuit. I think we would be much better off if we were to put the brakes on and slow down now. In fact, I think we should have put them on 15 or 18 months ago.

I made a speech in the Senate in August 1965 and said that our economy was getting overheated. I recommended that we put on a 5-percent tax increase and curtail expenditures. There was a war to finance.

I immediately endorsed President Johnson's 6-percent tax increase when proposed in 1967, and I criticized him when he reversed that procedure 4 weeks later in February, when instead of supporting a tax increase, the administration asked for a tax reduction through the restoration of the investment tax credit by stimulating the economy to the extent of $2 billion a year.

I said then I thought we were making a mistake and that we should raise the taxes rather than lower them. I was one of two Senators who opposed the measure. I do not like to advocate an increase in taxes, but I think it is better to do that than to sit idly by and see our country go bankrupt. And it will go down the drain when the American dollar is gone.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. Mr. President, I commend the Senator from Delaware for the magnificent presentation he has made of this critical problem that confronts the Senate and the people of our country.

It is too bad that more Senators are not present on the floor to hear what the Senator has said. I concur with him completely in his statement that it is a simple and popular matter to reduce taxes and increase spending. However, it is a rather brave course to follow when one says: "In the interest of the security of the country, I will advocate an increase in taxes and a reduction in spending."

Mr. President, I have certain questions to ask the Senator from Delaware in order to summarize what has been said.

Am I correct in my understanding that in the discussions had with the administration and the Secretary of the Treasury, it was agreed that the gold cover of the paper dollars in our pockets had to be removed so that gold would be available to meet our obligations to our international creditors?

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. LAUSCHE. Am I also correct in my understanding that it was agreed that there must be a 10-percent surtax imposed.

Mr. WILLIAMS of Delaware. I do not know that the figures at that meeting were referred to as being 10 percent. However, the matter was referred to, and it was said that there must be a tax increase and, of course, by implication, we were all referring to that at that time.

Mr. LAUSCHE. Mr. President, did the Senator from Delaware ask if it would be adequate to solve the threat to the dollar merely to repeal the gold cover and impose a tax, or whether it would also be necessary to reduce spending?

Mr. WILLIAMS of Delaware. I did, and I got the most emphatic answer from Chairman Martin that we had to take all three steps. He said:

> If you are only going to take one step and remove the gold cover, it will only buy us a little time.

He thought that action should be taken, but he was very frank and said:

> If in your mind and in the minds of Congress you are going no farther, I am not sure whether it is better to face the crisis today or postpone it for a few weeks, because it is inevitable. We have to take the other two steps.

He said also:

> You cannot stop this by cutting expenditures alone, even though we may think the expenditures are $10 billion or $15 billion too high.

We had to increase taxes.

I like to compare it to a car that is going down the road at an excessive rate of speed, perhaps at 80 or 90 miles an hour. The driver wants to bring the car under control. However, he does not apply the brakes immediately, but first takes his foot off the accelerator. That is the first step he takes to bring the car under control; then he begins to apply the brakes. We have to have both steps.

Throughout all of the conferences I have had—and I am sure the Senator from Florida [Mr. SMATHERS] will concur—it has been insisted it would take both steps in order to present this $12 or $14 billion package without unbalancing the economy more. We had to cut expenses, and we had to raise taxes.

That is what we have tried to do, and we got the best package we could get. We got the only package we could get through Congress. The measure was first approved in the Senate. When it came back as a conference report, if there had been those Senators who were opposed to it, amendments to the conference report were in order. Amendments could have been offered to delete or modify any section they wished. Not a single Senator offered an amendment. The Senate approved the measure as it was presented by the conferees.

Now they are trying to repeal the expenditure controls in order to turn the spending faucet on full force before the 1968 election.

Mr. LAUSCHE. Mr. President, I direct the attention of the Senator to what was taking place that was causing great worry at the time the representatives of the Central Bank and Mr. Fowler were meeting in Stockholm.

Did I correctly understand the Senator to say he received a telephone call from Mr. Fowler while he was in Stockholm asking that the Smathers-Williams bill be not brought up when the portents were that it might be defeated, but that we should wait until a later day when the indications would be more favorable?

Mr. WILLIAMS of Delaware. We did get such a call from the Secretary in Stockholm to the effect that it would be disastrous, in fact a catastrophe, to let word go out that the measure was defeated by the U.S. Senate. We were told that unless we were sure it would be passed that Friday afternoon we should by no means let it come to a vote. And accordingly the leadership adjourned the Senate and avoided a vote at that time.

Mr. LAUSCHE. When did we finally vote?

Mr. WILLIAMS of Delaware. On the following Tuesday.

Mr. LAUSCHE. We voted on the following Tuseday?

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. LAUSCHE. What was done was that the gold cover was removed, a 10-percent surtax was imposed, and a $6 billion spending cut was instituted, all in conformity with an understanding with the administration and possibly under the threat that it had to be done to prevent a collapse of the dollar.

Mr. WILLIAMS of Delaware. No question about it. And I am sure that no one in the administration liked it. We would rather not have raised taxes or cut expenses in this manner; however, we recognized that it had to be done. There were many Senators who would not have voted for that bill had the expenditure reduction feature not been included. The same thing is true in the House.

We had a balanced package. We sold it to the Congress in good faith that we would stand by it. I think that it would be a great catastrophe and would be a betrayal of faith on our part as sponsors if we did not try to defend this position here today.

Even now the dollar is not out of danger. The suggestion was made the other day by one of the officials that with the benefit of the tax bill we should close the fiscal year 1969 with a deficit of only $2.5 or $3 billion. That is not a true figure. It is not that close.

Even if we hold the $6 billion reduction and with the increase in taxes the projected deficit for next year is about $10 or $11 billion. Where they got the $2.5 billion to $3 billion figure was by subtracting from the $10 or $11 billion the $8 billion increase in the trust funds, the railroad retirement, and social security funds, and so forth, which by no stretch of the imagination belong to the Federal Government. The Federal Government cannot spend these trust funds for the normal expenses of government.

The railroad retirement fund represents money collected in the form of taxes, yes, but it consists of payments made by the employee and by the railroad company. That money is sent to the Federal Treasury as a trustee.

That money is put into the trust fund, and that money must be used to pay only the costs of the pension fund. That is the law. It could not be done otherwise.

The social security fund is paid in its entirety by the workers of America and the employers. There is no Government money involved in that. We are the trustees. And yet they count that money. That is wrong. Sure, when we compute the amount that is coming out of the economy as a whole we take it into consideration, but it does not help to balance the Federal budget.

Mr. LAUSCHE. Mr. President, last week we did exempt the air traffic control service. Today we have before us a measure that requests the exemption of the mail carriers. Will the Senator tell us which other departments of the Government, while the conference was going on, were arguing that they should be exempt. The Senator identified several of them earlier.

Mr. WILLIAMS of Delaware. I do not think too many came down at the time, because both administrative representatives—the Secretary of the Treasury and the Director of the Budget—and the conferees gave the word that we were not going to make these special exemptions.

As I recall it, HEW did come down and present its case; Labor, Defense, and perhaps others came down also. The Secretary of Labor was there, if I recall correctly.

Mr. SMATHERS. I believe the Secretary of Labor made the representation that he wanted his Department excused from this limitation; also the Veterans' Administration and the Tax Court. As a matter of fact, the members of the Tax Court to this day are endeavoring to have a loophole opened, so to speak, for them. The circuit court of appeals judges have written that they want to be excused.

I do not know of any agency of the Government that finally will not be able to make a good case as to why its department is entitled to have more people. This is why the Government has been growing as it has. It was this very thing we wanted to stop.

As my distinguished colleague from Florida indicated a few moments ago, we entered into a good faith contract with respect to the best way to meet our monetary and fiscal crisis. Some thought we should reduce the size of government, and others thought we should have a tax increase. But it was finally agreed that neither one standing by itself would do. It was agreed that we would take it all: We would have a limitation of expenditures of Government, which would mean a limitation of personnel, and at the same time we would vote for a tax increase. It was a combination of the two. At this late date to begin to open the door and say, "My department ought to be excused" is to me a betrayal of faith.

I ask the Senator to forgive me for interrupting.

Mr. LAUSCHE. Under the crisis that has been mentioned by the Senator from Florida, Congress recognized that drastic action had to be taken. We faced that crisis, and, as the Senator from Florida has said, we proudly and bravely marched to the mountaintop, proclaiming that we will perform the duty that was demanded. Well, we went to the top, and now we are starting back to the bottom, bringing the country into the same dangerous position it was in before we adopted the Williams-Smathers amendment.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HOLLAND. First, I wish to express my very great gratitude to the Senator from Delaware and the junior Senator from Florida, my colleague. They made a wonderful bipartisan fight for this great legislation, which was needed, to strengthen our dollar and uphold our credit and good faith in the eyes of the world. I am delighted that they are continuing that fight together today, shoulder to shoulder. They have my deep gratitude.

Second, it seems very clear to me that when we have done this job, which has never been done before in the 22 years I have been in the Senate, under the leadership of these two distinguished Senators—inaugurated a very impressive, powerful, and necessary tax measure in the Senate, which is not permitted, under the Constitution, to initiate such legislation, and which can do so only by attaching amendments to a House bill—and when the amendment so far overshadowed what came from the House that there was no comparison with the importance of the bill, because the amendment adopted in the Senate was so vastly more important than the relatively minor bill—an important bill, but minor as compared with the amendment—when they have done that successfully and now stand by it, the senior Senator from Florida is going to stand with them.

He stood with them throughout their fight. He feels that the Senate should stand with them now. He feels that in these days, when we are trying to adjourn, the adoption of this amendment would be very apt to make a wide breach between this body and the body at the other end of the Capitol.

The senior Senator from Florida feels exactly as has been stated by both these distinguished Senators. It is true that the House did not want the tax increase and would not accept it unless it was attached to the expenditure reduction, that the package was worked out in one of the longest conferences that any of us can remember. I do not recall how long it was, but it was over 2 months, as I recall. I would be glad if either Senator would refresh my recollection on it. It was a very long conference, and a very controversial conference, one in which House was arrayed against House, committee of the Senate arrayed against committee of the Senate, administration with one committee on one point and with another committee on another point—finally coming rather regretfully into line with the working out of the final package.

I do not believe we can afford to take a position now that attacks the strength of the package that was worked out, which did render such very great service to our Nation as a whole and which points the way to a stabilizing of our financial situation in a way that is completely required if we are to do our duty by our country.

I am not assailing those who want to take this action at this time. I believe it is a mistaken action. I regret to see it started. I believe it will lead to other actions of the same type. But before that, I have every expectation that it will lead to friction with the body at the other end of the Capitol.

I strongly hope that the efforts of the distinguished Senators from Delaware and Florida to sustain and retain the effect of their work of so many weeks and months will be successful, and that the Senate will stand by them in supporting the effort of the Senator from Delaware to strike that portion of this bill which would undo so much of the good work that was done in the tax increase and expenditure reduction measure.

I congratulate the Senators again. I shall stand by them.

Mr. WILLIAMS of Delaware. I thank the Senator.

In order to set the record straight, I call the attention of the Senator to the fact that the first vote will be on the committee amendment, which I am opposing. The committee amendment would exempt the Post Office Department and it would be a direct vote on the committee amendment. A negative vote would sustain the position of the junior Senator from Florida and myself.

Mr. HOLLAND. I was not on the floor when the issue was first presented. I did not understand it was presented in that way. I wish to make it very clear, then, that I am supporting the two distinguished Senators in opposing the committee amendment to the House bill. As I understand it, the committee amendment relates to the withdrawal of the Post Office Department, with respect to most of its personnel, from the expenditure reduction part of the Senators' amendment which finally became law, after an unparalleled success in maintaining the prestige of the Senate in its right to initiate powerful tax legislation. It is the first time that has been done since I have been a Member of the Senate, and I believe the Senators have every right to feel proud of their work and to stand by it and to see it not impaired as is proposed.

Mr. WILLIAMS of Delaware. I thank the Senator.

I shall yield in a moment to the Senator from Nebraska.

Mr. President, it has been a pleasure to work with the junior Senator from Florida. Both he and I have been greatly concerned about this fiscal problem for months. We got together, and we agreed that it would be better for the two of us to cosponsor the bill. We did not seek or accept any other cosponsors because we felt we did not want this to become balanced as a political issue. A serious problem confronted our country. It did not confront our country as members of the Democratic Party or the Republican Party. It confronted all of us as Americans, and we felt that if the two of us, one from each party, joined as cosponsors of this amendment we would be more successful.

Now, the question has been asked, since the House committee, the chairman of that committee, and others were insisting that a reduction of expenditures and tax increases go together as one bill why they did not originate it in the House. Under the House rules they could not do what we did under the Senate rules because under the rule of germaneness in the House if they introduced the same package one section would have gone to the Appropriations Committee, another section would have gone to the Ways and Means Committee, another section to the Banking and Currency Committee, and another section to the Post Office Committee. Under the rules of the Senate, the Senator from Florida and I were able to put them all into one package and hold them together.

While I respect the position of the Senator from Oklahoma and his sincerity, I hope we can defeat the committee amendment. In the interests of our country let us not again jeopardize the security of our dollar.

I yield the floor.

Mr. CURTIS. Mr. President, I wish to congratulate and praise the efforts of the distinguished Senator from Delaware [Mr. WILLIAMS] and the distinguished Senator from Florida [Mr. SMATHERS]. They have served their country in a time of need.

I particularly wish to stress the fact that it was not just one amendment, the Smathers-Williams amendment, for which they have fought; but over many months and years the distinguished Senator from Delaware has championed the cause of sound economy and the preservation and integrity of the American dollar.

While that is rather unpopular in Washington where bureaus love to have money and expand and grow, and bureaucrats want bigger offices and plusher offices, I wish to say to the distinguished Senators that there are millions of people all over the country who appreciate what they have done. There are millions of people who live on fixed incomes, there are millions of minors who do not have the vote and who have a great stake in the value of the American dollar, and what has been done in cutting back expenses and increasing taxes has been done for the benefit of those people. I contend that those people are in the majority. I congratulate the distinguished Senator from Florida and the distinguished Senator from Delaware. I expect to vote with them.

When this expenditure cut was enacted including the limitation on employment, every Member of Congress who voted for it had a right to expect that the economies and reductions in employment would first be applied to the least essential services and that it would be applied lastly to the most essential services.

Because this economy cut was unpopular in Washington, and after all, the sentiment in Washington is not the sentiment all over America, it was not only opposed to the "*n*th" degree but now we have repeated attempts to torpedo that effort.

A few days ago we were called upon to vote a preference for air safety. There is nothing in the law that would prevent the President through the Director of the Bureau of the Budget from making air safety the last item to be cut in the entire budget of the United States. There is nothing in the law to prevent the President through his Director of the Budget from making essential carrying of the mail one of the last things to be touched by a reduction in expenditures or a reduction in personnel.

As a matter of fact, the Post Office Department can stand both and still carry the mail. I raise the question: Why do they not come in here and say, "We have remedied the wasteful procedures cited by the distinguished Senator from Delaware"?

Why is it that the Post Office Department is becoming notorious all over the country for the inefficiency of its workers? Why is that problem not attacked? Why is there not a greater effort and a more systematized effort to do a better job with less money and fewer hours?

If we could mobilize the hours spent in Washington lobbying for appropriations and against cuts, and have less time spent trying to torpedo those efforts, we would have enough manpower to carry the mail for a good many days, I am sure.

I do not subscribe to the theory that in preserving this Republic the only people ever called upon to sacrifice are soldiers in the battlefield and the taxpayers. Let us have a little bit of austerity in Government operations. Let us ask Government departments to do what taxpayers must often do, and that is to go without or make a little bit go a long way. Why should that be a rule for taxpayers and not a rule for the Government.

Mr. President, I hope that the leadership of Congress will exert sufficient pressure and influence upon the proponents of the measure who would exempt the Post Office Department from this economy so that it will be withdrawn. It is not needed. They have a perfect right now to give the highest priority to the most essential things and the lowest priority to those things that can be delayed or those things which can be done away with altogether.

There was no reason why Congress had to say that air safety is important. Everybody knows it. There was sufficient legal authority to say that this is one of the last things we will touch.

Now, I have a strong belief that the Post Office Department could be a little wiser in the application of its cuts. We have heard something about the closing of post offices so I made a few inquiries.

I found that we have a little over 7,000 fourth-class post offices. I picked up my telephone and called them and asked them, what is the average amount of receipts in fourth-class post offices, do they have it in that form? I was informed no, they do not have it that way, but they are in six groups, and that group No. 1 comprised post offices that take in less than $378 in a whole year.

Does the Senate know how many such post offices we have? Four hundred and sixty-five.

I asked the Post Office Department how many post offices they proposed to close.

They replied, somewhere between 300 and 400.

Yet the threat is to close all fourth-class post offices and part of third-class post offices.

I also asked, what is their formula for closing a post office.

Now, this is really good.

They replied, "We are going to close those post offices where there is a vacancy in the postmastership."

Imagine that.

Here is a spot in the road where the continuation of a post office cannot be justified in any manner, but the postmaster has 10 or 12 years yet to go, so that post office is continued.

But, here is another community, which has a sizable business community, and a number of people live there, and there is a public need which would indicate they need a post office; but they happen to be in the process of selecting a new postmaster, so they are closed.

Well, to state it another way, here is what it means: This great bureaucracy, the Post Office Department, has so forgotten the people of the United States that it takes as its criteria for closing a post office, job security for Government workers and turns its back on the public need and the public good.

It is just that plain.

I have a strong feeling that they must have realized, when they formulated such a ridiculous and indefensible formula for closing a post office, that they would disturb some people who would, in turn, call their Representatives or Senators and perhaps that could torpedo the Smathers-Williams amendment.

Well, here is one Senator who is not going to be bluffed.

They have a right under the law to apply this reduction of personnel and cut in expenditures. There is nothing to inhibit them from cutting out the least essential things first in this Government and continuing to perform the most essential until the time comes that Congress would not give them one dime. Of course, that will never happen.

Mr. LAUSCHE. Mr. President, will the Senator from Nebraska yield at that point?

Mr. CURTIS. I yield.

Mr. LAUSCHE. The statement has been made that the privates are being destroyed and the generals are being retained. The statement was made that in the Washington bureau, not a single central office employee will be found to be excessive, but all of those who are supposed to contribute to the argument that this exemption should be granted will be discharged. In other words, they will fire the privates and keep the generals.

Mr. CURTIS. I thank the distinguished Senator.

Mr. President, just as we made a mistake the other day in exempting one agency, we will compound it today in exempting a second agency. An exemption is not needed. There is authority to decide what is essential and what is important. There is authority to decide what is the least important and what is the least essential. And, there is authority to cut that out first.

Until the bureaus in Washington make an honest effort to do that, they should not come and ask Congress to choose between them and the future of the United States, to choose between them—the bureaus—and the citizens, be they aged or children, who depend upon the value of the dollar.

That is where the clash is. It is not across the aisle here. The conflict of interest is between those who are at the mercy of the government, who will be ruined and hurt materially if this Republic falls, or if our dollars fails, or if inflation gets out of control, it is those people versus the bureaus in Washington, who have given little evidence—most of them—of caring, other than to have their empire go on.

Again I commend the two distinguished Senators for what they have accomplished so far, and I hope that it will not be chipped away, that their efforts will not be torpedoed.

If the Post Office Department were to say to the world, "We think the delivery of the mail is one of the least essential functions, and we are going to cut it out first," then let them assume that responsibility.

The authority rests with the executive.

Mr. MONRONEY. Mr. President, I ask for the yeas and nays on the pending measure.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the pending amendment there be a time limitation of 20 minutes—to be equally divided——

Mr. WILLIAMS of Delaware. We are ready to vote now.

The PRESIDING OFFICER. The yeas and nays have been ordered——

Mr. WILLIAMS of Delaware. Mr. President, for the information of the Senate, the vote is on the committee amendment and those who want to exempt the agency should vote "yea," and those who feel that there should be no exemption and would want to support the Smathers-Williams position should vote "nay."

Mr. MONRONEY. Mr. President, I agree that to vote with the Post Office and Civil Service Committee, the vote will be "yea." It would reestablish the provisions of the Williams-Smathers amendment that did exempt the entire Post Office. This amendment exempts only the field service. Research is not exempted. Even the field service and regional offices are not exempt from the cuts.

Mr. President, I will respond briefly to the Senator from Delaware. First, the National Postal Forum, which is meeting here this week, is not paid for at all by the taxpayers; it is paid for by the 2,500 businessmen who are meeting with postal officials. Postmasters and regional postal officials are participating at Government expense, because there would be little, if any, reason to ask American businessmen to come to Washington to discuss postal problems if the managers of the postal service are not here to talk.

I agree with the Senator from Delaware that lease-purchase programs in the Post Office are sometimes unwise. I opposed them when the Republican administration started them in 1953. I still do. I have introduced a bill, S. 3726, to provide for construction of all postal facilities by the Post Office itself. I invite the Senator's support.

The "good faith" contract which the Senator mentions is interesting. I voted, in good faith, for the original tax bill which completely exempted the postal field service from the ceiling. I regret the conferees were unable to support the Senate position, but I do not believe their decision was bad faith.

Our committee amendment does not in any way remove the postal service from the requirement to reduce its budget and expenditures. That provision of the tax law is completely untouched. All we do is exempt postal employees from the employment ceiling which would require a cutback of 83,000 employees. That would mean a cutback in postal service. I did not guide the postal rate bill through this body last December, raising an additional $900 million in postal revenue in order to give the American people poorer mail service.

I ask unanimous consent to insert in the RECORD at this point a letter from the Postmaster General concerning service curtailments.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HON. A. S. MIKE MONRONEY,
Chairman, Post Office and Civil Service Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As we discussed in our telephone conversation yesterday afternoon, July 25, it will be necessary for the Post Office Department to take a series of phased actions in order to comply with the terms of Section 201, Public Law 90–364.

Action already taken includes:

1. A freeze on present delivery service—no extension to newly eligible patrons.
2. A freeze on filling Postmaster vacancies to third- and fourth-class post offices.
3. A freeze on filling rural carrier vacancies pending consideration of consolidation.
4. A freeze on overall postal employment at the June 1968 level.

Action authorized with immediate effect includes:

1. Elimination of window service at first- and second-class post offices on Saturday, effective July 27.
2. Revision of Saturday collection service to use the less frequent Sunday schedule, effective July 27.

Action authorized with near term effect includes:

1. August closing of 314 fourth-class post offices where vacancy existed.
2. Additional closings of fourth-class post offices to bring total for July and August to 500.

Actions that must be taken at a later date include:

1. Elimination of Saturday residential delivery service to be effective in October or November.
2. Continued closings of third- and fourth-class offices at the rate of 250 each month until all fourth-class offices and 50 per cent of contract stations are closed and 5,000 third-class offices eliminated.
3. Reduction of parcel post delivery to 5 days in residential sections.
4. Reduction of multi-trip business deliveries to one per day.
5. Reduction of residential delivery to 4 days per week.
6. Reduce rural delivery service to 3 days per week.

In addition, Mr. Chairman, certain other actions, not linked to specific service curtailments, will be necessary in the relatively near future. These include:

1. Elimination of all postal work on Saturday and Sunday without regard to delay in mail or extra force required for handling backlog.
2. Rescheduling work force to gain an additional two per cent increase in clerical productivity without regard to delay in mail.
3. Elimination of new training programs, certain mechanization projects, management programs for service improvements, and certain transportation and logistical support efforts.

Finally, it must be pointed out that there is no experience in the Department with programs to dismantle postal service. While the series of steps I have outlined at present appear to enable the Department to comply with the rollback requirements of Section 201, there is no guarantee that steps will be sufficient.

I would be less than frank, Mr. Chairman, if I failed to tell you that I review the above timetable with dismay, and that I contemplate implementing this planned deterioration in service with great reluctance. Hence, should the Senate vote the Department an exemption from the rollback provision, I would view such action as sufficient indication of Congressional intent to enable me to postpone the steps now planned for immediate and near term effect.

Sincerely yours,
W. MARVIN WATSON.

Mr. WILLIAMS of Delaware. Sometime ago, I received a report to the effect that some of the slowdown in our mail service can be accounted for by the fact that in many of the post offices in our larger cities morale was at a very low level. Allegedly this was primarily due to the fact that a few politically sponsored employees who were either too lazy or too incompetent to fulfill their duties were being favored with special treatment.

To determine the accuracy of this report I asked the Post Office Department to cooperate in a spot check of the Washington office.

It appears there has been a letdown in the qualification standards of employees in the post offices as the result of too much emphasis being placed on patronage. This statement is definitely not an indictment against the overwhelming percentage of the employees who are well qualified and who are trying to do a good job. In fact, not only should we not criticize the majority of such employees but we should sympathize with the fact that their jobs are made harder when the political drones or incompetents are continued on the payrolls, working beside them—ofttimes drawing the same or even higher salaries.

As a glaring example of how the Department coddles incompetent employees I review the situation at the Washington Post Office. An examination of this office disclosed that there were 80 employees in whose accounts shortages have been discovered.

After replacing the shortages, some of the employees were reassigned to other duties; others continued in the same position. A few were continuing to work with deductions being taken from their salaries in order to reimburse the Government for shortages in their accounts.

It is recognized that accidentally errors will happen with anyone, and the Department regulations have established tolerances within which shortages or overages are not required to be adjusted immediately when it has been established that such discrepancies are due only to errors.

The tolerances as outlined in the regulations are as follows:

Amount of accountability:	*Tolerance*
$1 to $300	$1
$300.01 to $1,000	5
$1,000.01 to $5,000	10
$5,000.01 and above	20

As an example of how this tolerance has been ignored I call attention to the fact that the accounts of four employees in the Washington office showed shortages of over $500 each. Their shortages were as follows: $790.65; $899.40; $752.08; and $848.27. One had an overage of $518.87. Eight employees had shortages in their accounts of between $200 and $500. In examining the accounts of 27 employees, shortages of between $100 and $200 were found.

The Department has minimized the seriousness of these shortages on the basis that they represent a very small percentage of the overall receipts of the Washington office. I disagree completely with that line of reasoning. The real loss to the American taxpayers and to the mail service in general results not from the shortages as measured in the dollar volume but rather as these shortages raise a question as to the competence or eligibility of the employees to fulfill the duties of their jobs. What is most disturbing is the apparent laxity on the part of the superiors who have condoned such loose practices and who even now seem to defend the situation.

I strongly recommend that the Senate Committee on Post Office and Civil Service extend this examination to other large offices to see if this same pattern prevails.

I ask unanimous consent that a letter I received from the Postmaster General under date of December 1, 1966, be printed in the Record followed by a list of the various employees short in their accounts.

There being no objection, the letter was ordered to be printed in the Record, as follows:

POST OFFICE DEPARTMENT,
CHIEF POSTAL INSPECTOR,
Washington, D.C., December 1, 1966.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This has reference to your letter of October 26, 1966, in which you request a report of the Department's experience in connection with shortages in post office employee's accounts, and Postmaster General O'Brien's reply of October 31, 1966. The Postmaster General directed that we provide you with the information you desire.

The term shortage as used in the Postal Service is the failure of a postal employee to account for the full amount of the funds and/or postage stock assigned to or received by him in the performance of his official duties. On the other hand, an "overage" is any excess over and above accountability existing in the funds and/or stock officially in possession of an employee.

The Post Office Department has established tolerances within which shortages or overages are not required to be adjusted immediately where such discrepancies are due only to errors. The tolerances are as follows:

Amount of accountability:	*Tolerance*
$1 to $300	$1
$300.01 to $1,000	5
$1,000.01 to $5,000	10
$5,000.01 and above	20

Postmasters and employees are required by law (Title 39, U.S. Code, Sections 2208 and 2209) to account for all public funds that may come into their possession or into custody of their office. In keeping with this requirement, specific control and protective regulations have been established by the Department in an endeavor to protect the interest of the Government as well as the accountable employee.

Control is accomplished principally by means of assigning fixed accountabilities of stamped paper and funds, and obtaining a receipt from the accountable employee or contractor.

Postmasters are required to establish controls within their respective offices to assure proper accounting. As a means of assuring that controls are maintained, regulations have been issued prescribing that postmasters, finance examiners, or other designated employees, are to examine all fixed credits at least once in each six-month cycle. Examinations may be made more frequently where conditions indicate such action is needed or advisable.

Where no criminality is indicated in connection with shortages or overages disclosed, postmasters take corrective action by requiring that the employees replace the shortages or show some extenuating circumstance that would warrant submission and consideration of a claim for remission of liability. In such circumstances, consideration may be given to having the adjustment made by installment payments. Overages are immediately collected, but an overage may be used to offset a related shortage in the accountability of the same or another employee. In all these cases, postmasters also consider whether other administrative corrective action is in order.

If a financial examination discloses a serious loss of Government funds or embezzlement is indicated or suspected, the postmaster is required to report to the appropriate Postal Inspector in Charge by telephone or telegraph and make no futher investigation or inquiry. Moreover, all shortages or overages of $50.00 or more in the official accountability of an employee or contractor handling Government funds or accountable paper are reported to appropriate Postal Inspectors in Charge, but postmasters go ahead with adjustments where criminality is not indicated.

The Departmental policy is to recommend to the General Accounting Office that employees not be held personally liable for any loss or deficiency resulting from circumstances beyond their control. It is necessary in these instances that it be clearly established that the employee had, in fact, complied with regulations.

In addition to shortages reported to the Inspectors in Charge by postmasters, inspectors find shortages when conducting their regular inspections of post offices. During the current calendar year through October 31 there have been 2,625 investigations by postal inspectors initiated on shortages reported by postmasters or disclosed by inspections, 81 of them at Washington, D.C. There were 97 arrests and 85 convictions for embezzlements by postmasters, postal employees, and contractors, but none of these was in the Washington, D.C. Post Office. In all these cases, inspectors also give attention to the need for any corrective administrative action. Where such need is clearly in evidence, inspectors prepare and present letters of proposed adverse action to offending employees. Generally, where there is an arrest and/or embezzlement is proven, the employee is removed from the Service.

Regardless of the existence or non-existence of criminality and the necessity for consideration of initiating appropriate disciplinary proceedings, inspectors are required to make demand on the employees for replacements of the amounts of shortages in those cases investigated by them. Where there is no criminality on the part of the employee, if the amount exceeds that which the employee can replace at the time and he requests permission to make restitution by paying by installments, the postal inspector submits a written report for administrative review and decision at the regional or departmental level as to approval of the arrangement. If criminality is involved, however, and the employee cannot, or will not, replace the shortage immediately, all funds due him, including retirement deductions to the extent of the indebtedness, are subject to being withheld and applied to the amount due. Any balance remaining due the United States is then collected from the employee's surety company.

By concentrating our attention on the one post office, Washington, D.C., it is possible to provide the particulars of the shortage situation in that post office thereby giving you a meaningful presentation. In order to furnish similar information on all offices, it would be necessary to request reports from all postmasters, because, except for the cases reported to Inspectors in Charge mentioned earlier herein, the records are maintained at the individual post offices.

With regard to the Washington, D.C. Post Office, it is the present policy to consider a transfer from financial assignment of any employee who is found short in his fixed credit in the amount of $100.00 or more. If an employee is short less than $100.00 but has been found short in his fixed credit in the amount of $100.00 or more as the result of two or more examinations, consideration will also be given to such a transfer.

During the 4th postal accounting period from September 10 through October 7, 1966, the accountability of the post office at Washington, D.C., for stock and funds on hand, including receipts and disbursements, totalled $67,733,664.37. The shortages, pending adjustment and shown in the suspense account of that post office on October 7, 1966, totalled $9,010.40, representing .00013 of the total accountability of the office for the period. During the period January 1 through October 12, 1966, total shortages disclosed in the Washington, D.C. Post Office were $13,339.40. In that same period, total overages were about $7,900.00.

Enclosed for your confidential information is a listing of the 81 shortages in the post office at Washington, D.C. that were reported to the Postal Inspection Service, during the current calendar year through October 31. This listing shows any administrative and/or adjustment action taken in each case, and where investigation has not yet been completed that is indicated. We ask that this be kept confidential as there is no evidence of deliberate wrong-doing in these cases, and, therefore, no reason to make them part of a public record.

We trust that this will adequately answer any questions you may have on this problem, but, if further particulars are desired, please let me know.

Sincerely,

H. B. MONTAGUE,
Chief Inspector.

Date shortage discovered	Amount of shortage	Roster designation	Administrative action	Adjustment
Jan. 10, 1966	$61.06	Assistant superintendent.		Adjusted from overages.
Jan. 12, 1966	66.76	Clerk		Shortage replaced.
Jan. 13, 1966	71.28	do	Reassigned	Do.
Jan. 18, 1966	790.65	do	do	Do.
Jan. 21, 1966	57.46	do	do	Do.
Do	81.47	do		Do.
Jan. 25, 1966	63.26	do		Adjusted from overages in the trust fund.
Do	106.80	do		Adjusted from overages.
Jan. 26, 1966	899.40	Stamp clerk	Reassigned	Shortage replaced by installments.
Jan. 28, 1966	198.95	Assistant superintendent.		Adjusted from overages.
Feb. 8, 1966	100.00	Money order clerk		Shortage replaced.
Feb. 9, 1966	67.09	Clerk		Do.
Do	158.52	do		Do.
Feb. 10, 1966	74.42	Superintendent		Adjusted from overages.
Feb. 14, 1966	96.51	Clerk in charge, contract station.		Shortage replaced.
Feb. 17, 1966	194.24	Clerk		Adjusted from overages in trust fund.
Feb. 21, 1966	350.65	do	Reassigned	Shortage replaced.
Do	70.87	do		Investigation pending.
Mar. 7, 1966	62.37	do		Do.
Mar. 16, 1966	70.05	do		Adjusted from overages.
Do	222.00	Clerk in charge, contract station.		Shortage replaced.
Mar. 17, 1966	59.07	Clerk		Do.
Mar. 18, 1966	62.97	do		Adjusted from overages.
Mar. 30, 1966	50.06	Assistant superintendent.		Shortage replaced.
Apr. 4, 1966	50.57	Clerk	Cautioned	Do.
Apr. 7, 1966	60.82	do		Do.
Do	317.46	Superintendent		Shortage replaced by installments.
Apr. 15, 1966	98.68	do		Adjusted when a discrepancy came to light.
April 28, 1966	[1]518.87	Operations officer		Adjusted to shortage of clerk.
May 5, 1966	55.06	Clerk		Shortage replaced.
Do	752.08	do	Reassigned	Adjusted from overages and replaced $233.21.
Do	58.04	do		Shortage replaced.
May 12, 1966	109.39	Assistant superintendent.		Investigation pending.
May 13, 1966	174.73	Clerk	Cautioned and reassigned.	Shortage replaced.
May 16, 1966	69.02	do		Do.
May 19, 1966	184.48	do		Shortage replaced by installments.
May 19, 1966	$68.05	Clerk		Shortage replaced.
Do	112.63	do		Adjusted from overages.
Do	120.41	do	Cautioned	Do.
May 27, 1966	124.02	do	Reassigned	Shortage replaced.
May 31, 1966	90.63	do		Do.
Do	50.10	Substitute clerk		Adjusted with patron.
June 2, 1966	224.66	Clerk in charge, contract station.		Shortage replaced.
July 18, 1966	848.27	Clerk		Investigation pending.
July 25, 1966	50.06	do		Shortage replaced.
Aug. 4, 1966	119.58	Superintendent		Investigation pending.
Aug. 10, 1966	83.85	Clerk		Shortage replaced.
Aug. 15, 1966	60.30	do	Reassigned	Do.
Do	68.12	do	do	Do.
Do	276.30	Assistant superintendent.		Do.
Aug. 16, 1966	100.04	Foreman		Adjusted from overages.
Do	126.83	Clerk		Reduced $41.01 from overages. Balance replaced.
Aug. 17, 1966	78.26	do		Adjusted from overages in trust fund.
Do	57.93	do		Shortage replaced.
Do	136.53	do		Adjusted from overages.
Aug. 18, 1966	121.27	Acting superintendent		Shortage replaced.
Aug. 23, 1966	182.60	Clerk	Reassigned	Investigation pending.
Aug. 29, 1966	134.51	do		Do.
Aug. 31, 1966	214.14	do		Do.
Do	82.81	do		Do.
Do	76.56	do		Shortage replaced.
Sept. 1, 1966	68.86	do		Investigation pending.
Do	57.25	Foreman	Reassigned	Shortage replaced.
Sept. 7, 1966	121.93	Clerk		Adjusted from overages.
Sept. 6, 1966	100.00	Money order clerk		Do.
Sept. 8, 1966	79.63	Clerk		Shortage replaced.
Do	167.25	Foreman		Adjusted from overages.
Do	77.39	Clerk		Shortage replaced.
Sept. 15, 1966	70.65	do		Do.
Sept. 23, 1966	107.56	do		Investigation pending.
Sept. 27, 1966	97.45	do		Do.
Sept. 29, 1966	106.63	do		Do.
Do	138.74	Foreman		Do.
Do	263.92	do		Do.
Sept. 30, 1966	127.73	Clerk		Do.
Do	175.83	do		Do.
Oct. 24, 1966	56.04	do		Replaced $5.94 and balance adjusted from overages.
Do	194.90	do		Adjusted from overages in trust fund.
Do	63.52	do		Investigation pending.
Oct. 26, 1966	293.87	do		Do.

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[1] Overage.

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Vermont [Mr. AIKEN], I ask unanimous consent to have printed in the RECORD a statement which he had prepared on this subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR AIKEN

I am in favor of exempting the Post Office Department from the law which requires cuts in personnel.

I do this because rightly or wrongly, and I believe wrongly, the Department is using this requirement for cuts to eliminate many rural post offices to the detriment of the communities involved.

We are trying, with considerable success, to develop the rural areas of America but when a community loses its identity through the closing of its post office, the objective is more difficult to achieve.

In Vermont we have several rural post offices which have made such gains over the last two years as to be almost eligible for a raise in grade from Fourth Class to Third Class offices.

I am afraid it is the policy of the Post Office Department to do away with as many rural offices as possible before growth in the community raises them to a higher level.

I do not like this policy.

I assume that if this legislation is approved exempting the Post Office from the personnel cuts that those offices which had been designated for closing between July 26 and August 31 will remain open.

For that reason I hope that the pending legislation is approved by this Senate.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "As the Budget Cuts Begin To Bite," published in the St. Louis Post-Dispatch of July 24, 1968.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AS THE BUDGET CUTS BEGIN TO BITE

The consequences of meat-ax budget cutting are now beginning to be felt, and nobody likes them. Postal service is being drastically curtailed because of manpower reductions dictated by the budget cut; inevitably, Congress is pressed to exempt the Post Office from the payroll ceilings in order to keep the service up. A crisis in air transport is developing as traffic controllers demonstrate the inadequacy of their numbers to handle scheduled flights without delay; and inevitably Congress is pressed to exempt the FAA, too, from manpower ceilings.

So it will go through all the federal agencies, and particularly those dealing with welfare services, as the budget cuts begin to bite. It is a grand and glorious feeling for congressmen to cut expenditures in the abstract, but when these are translated into reduced services in the concrete, nobody is happy.

There is something grotesque about the spectacle of the richest nation in the world paring down its essential public services at the same time it squanders billions abroad in military adventures and outworn military postures. We close the post offices on Saturdays in order to support a wretched war in Asia which nobody wants and which our leadership does not know how to end. We jeopardize lives on the airways because we insist on supporting an anachronistic military establishment in Europe and at scores of assorted bases around the world. We reduce vital welfare services at a time of domestic social crisis while pouring billions into nuclear overkill capacity and the race to put a man on the moon.

It is fashionable now to say we need a new set of priorities, but how many are ready for the hard decisions that a genuine re-ordering of resources and energies involves? A good case in point concerns the long-standing effort of Senator Symington, Senator Mansfield, and others to bring about an orderly reduction of American troop levels in Europe.

The effort began several years ago, and it was based on the sound view that, since no European member of NATO has seen fit to meet its own military commitments, and since Europe's basic military situation has changed since the commitments were made, the United States would be thoroughly justified in cutting down the 250,000-man force it maintains in Europe. Yet one excuse after another has been found for fiercely resisting all but token reductions of this costly troop deployment, which disrupts not only the budget but our international balance of payments.

Senator Symington is being sharply criticized now for daring to persist in the face of the Soviet menace to Czechoslovakia, but he deserves support. Actually, the Czech affair is merely the latest pretext for hanging onto a frozen military position which has long since ceased to serve any real security function. If you asked the Czechs, they would be the first to encourage a reduction of American troop strength in Europe; for they know that the American position gives Moscow an excuse to meddle in the affairs of central Europe. The Czechs are asserting their independence not because of NATO but in spite of it; they would be strengthened in their cause by a reduction of military deployment on both sides.

No doubt the Czech scare will be sufficient to rescue the military establishment this time, just as other scares have rescued it in the past. The fact remains that, with France effectively out of NATO, with the other members declining to meet their force levels, with the threat of a Soviet attack on Western Europe reduced to absurdity, an American military policy adopted early in the '50s is no longer appropriate to the late '60s.

Sooner or later the President and Congress will have to recognize the costly folly of garrisoning Europe forever. When they do, it will be found advantageous on more than one ground to bring the troops home, save the dollar, and restore essential domestic services.

Mr. ALLOTT. Mr. President, as my record will indicate, I support the objectives of the Revenue and Expenditure Control Act. I am deeply concerned about the present fiscal and budgetary situation in which this country finds itself and I believe we are headed for a weaker dollar, not a stronger dollar; for a bigger deficit; not a smaller deficit; for a loss in international support and faith in the U.S. dollar, not a more solid dollar, unless drastic action is taken by our Government now and in the months ahead.

As I said when we introduced the independent officers appropriation bill on the floor a week ago, I feel it is our responsibility, here in the Congress, and on the Appropriations Committees, to live up to the objectives of the Revenue and Expenditure Control Act, so that the tremendous on-going, and ever-increasing obligations we place on the budget of the United States can be controlled and can be tailored in relation to our income. If there are nonbelievers in what I say then let them wait and see what happens to this country if we do not now get our budgetary expenditures under control. Feeling this, and knowing this, I wish I could stand here and say I support the inclusion of the whole Post Office Department within the criteria established by the Revenue and Expenditure Control Act. This act gave the budget director discretion with the various Government agencies and departments as to where the attrition of personnel is to be made. The act calls for firing no one. The act allows replacements for three-quarters of the people who leave the U.S. Government service. I wish that the operations of the Post Office Department could be included in this overall personnel reduction plan. But the mail increases. We expect a 3.8-percent increase during this fiscal year, which represents hundreds-of-millions of pieces of mail. The mail must be picked up, sorted, and delivered, and mainly this is still done by hand. I wish that our great expenditures in research had resulted in dramatic breakthroughs in mechanized handling of our mail or had in other ways reduced our dependence on an ever-increasing number of mailmen to handle this ever-increasing load.

The House Appropriations Committee this year noted that there has been a fall-off of productivity in the operations of the Post Office Department since 1965. They also noted that about 140,000 personnel leave postal employment each year. Let me say that I, for one, look for increased productivity in the handling of our mail and I think this can be done. I know that the Postmaster and assistant postmasters and others will work toward this end, for there is more mail, not less mail. For this reason, the Congress in the appropriations for fiscal year 1969 gave the Post Office Department funds for 20,000 additional postal employees in the Operations Division of the Post Office Department, just to keep up with the increased mail volume.

I have said that I wish we could include the Post Office Department within the overall Government personnel cutback. I am willing to call on the good people of Colorado to help in any sacrifice that has to be made in order that this country can keep its fiscal house in order. I know that the people in Colorado do not want tax increases. I know that they are willing to share in any burdens placed on this country to keep this country strong. Senior Post Office Department officials came to me within the last week and told me that certain fourth-class and third-class post offices in Colorado must be closed to live within the budget and personnel cutbacks directed by the Congress. I do not believe that any of us here on the Senate floor should flinch when we, and the people in our State, are called upon to make sacrifices for the good of the United States. But I also know that the mail must be delivered, and that unless we exempt Post Office operations personnel from the attrition formula of the Revenue and Expenditure Control Act, the mail just will not be delivered. Some mail, or a lot of mail, will end up in storage bins instead of in our mail boxes, and this we cannot abide.

Mr. President, I therefore will vote to exempt the Post Office Department Field Service from the personnel criteria established in the Revenue and Expenditure Control Act.

LET'S FIX THE POST OFFICE, NOT EXEMPT IT

Mr. HANSEN. Mr. President, I rise to join the distinguished senior Senator from Delaware in opposing this committee amendment.

The report of the President's Commission on Postal Organization which has been made public within the past several weeks, is unequivocal in its recommendations. As that report points out, our present postal system is a mess. The report says:

> The Post Office today is failing—failing the users by not providing the quality of service they deserve; failing the public by costing far more than it should; and failing its employees by stifling their potential.

I do not know why the President and his present Postmaster General have been so lukewarm in their response to the decisive recommendations of the Postal Reorganization Commission. I do not care to speculate on that. But I do conclude that this leaves it up to the Congress to implement the recommendations just as quickly as we can.

Stopgap measures such as the proposal before us to exempt the Post Office Department from employee restrictions that were written into the tax and spending cut bill, would only help to aggravate the present post office crisis. This exemption proposal as reported out by the Senate Post Office Committee is like trying to breath life into a relic of the past long after it has been fossilized.

If it can be demonstrated that the Post Office has legitimate short-term employment needs, then the Postmaster has every right to appeal to the Director of the Bureau of the Budget for an assignment of vacancies to his department. This procedure was clearly spelled out in debate earlier this week by Senator WILLIAMS, Senator BAKER, and myself. I refer, of course, to section 201 of Public Law 90–364, the Revenue and Expenditure Control Act of 1968.

For the benefit of Senators, let me read once again from section 201,(b)(3):

> For purposes of paragraph (1), the Director may reassign vacancies from one department or agency to another department or agency when such reassignment is, in the opinion of the Director, necessary or appropriate because of the creation of a new department or agency, because of a change in functions, or for the more efficient operation of the Government.

I am sure that the Director of the Bureau of the Budget has all of the authority he needs to give the Post Office Department emergency employment freedom if a real need can be demonstrated. As Senator WILLIAMS told the Senate earlier this week, this was clearly the intent of the Conferees when this section was written into the 1968 tax bill.

I do not believe that the Senate should be bamboozled with any threats from the Postmaster General, nor do I believe that we should succumb to the petty pleadings for special treatment and exemptions. The Post Office is in rotten shape. That is clear now and it has been clear for a long time. The time has come for the Congress to clean up this mess, not to prolong it by giving in to pleas for special treatment and exemptions.

I hope the Senate will follow the leadership of the Senator from Delaware and reject this amendment.

Mr. President, I ask unanimous consent that an editorial appearing in the Wall Street Journal of July 25, 1968 along with an article from the Washington Post dated July 23, 1968 entitled "A Catalogue of Postal Problems" be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 25, 1968]

THE STAMP OF PRIVATE ENTERPRISE

Now that the report of the President's Commission on Postal Organization has been given a lukewarm reception by both President Johnson and Postmaster General W. Marvin Watson, it is pretty plain that Congress is not likely to act on its recommendations any time soon. Still, a few rosy clouds can be discerned on the horizon.

To avert what former Postmaster General Lawrence O'Brien called his department's "race with catastrophe" the commission (it was headed by Frederick R. Kappel, former board chairman of the American Telephone and Telegraph Co.) proposed a number of moves. Congress should set up a Government corporation to carry the mail and set postal rates, subject to Congressional review; appointment of postmasters and rural mail carriers should be made nonpolitical; and "immediate steps" should be taken to improve the quality and kinds of postal service.

In view of the unlikelihood of speedy action, a couple of possible portents may be noted. An outfit called the Independent Postal System of America was formed in Oklahoma City last February with three clients, its aim being to deliver material handled by post offices as third class mail at rates lower than those charged by the Post Office Department. It now has 75 clients, including department stores, a large mail order house and a bank.

Moreover, the independent system is extending its service to Dallas and St. Louis, and in September plans to go into business in Canada. There, incidentally, the firm will be allowed to put the advertising matter or magazines it delivers into mail boxes; in the U.S., postal laws bar its use of mail boxes, and it makes deliveries in plastic bags hung on door knobs.

U.S. postal laws, however, are more lenient in another area. The Post Office Department's general counsel has ruled that it is permissible "to establish a service for collecting letters from firms or individuals for delivery to a post office" and for collecting for the addressees letters received at the post office, providing the letters remain unopened.

As a result, private mail services have sprung up in several large cities—one in New York has 80 trucks operating around the clock—and these transport a client's mail to and from post offices. The client thus can set his own internal mail schedules and does not have to gear his operations to post office schedules. For service between one post office and another he remains dependent on the whim of the postal system.

It was the increasing availability of savings banks that finally put the Postal Savings System out of business; maybe if operations bearing the stamp of private enterprise keep chipping away at the postal service, some day in the future the whole system gradually will come to be business-run. Unless, of course, the Post Office Department loses its race with catastrophe, in which case some sort of corporate takeover could happen a lot sooner.

[From the Washington Post, July 23, 1968]

A Catalogue of Postal Problems

(By Paul W. Valentine)

For three weeks in October, 1966, the overloaded 13-story Post Office in Chicago literally ceased functioning.

Portions of the physical plant broke down. Management authority ebbed, more than 10 million pieces of mail piled up in a massive backlog; trains and trucks jammed all approaches to the building; total paralysis set in. It took a special Government task force to untangle the mess.

Last year, another major post office received five new automatic machines. Nine months after delivery, one had been installed and it was not working properly. The other four were still in packing crates.

The Post Office Department today still abides by an 1879 law charging 1 or 2 cents for in-county delivery of publications. The result is that many of today's five-pound Sunday papers go through the mails for one cent each.

ATTACKED AS "ANOMALIES"

These are random examples of what a presidential commission politely calls "anomalies" in a blistering critique of the Post Office Department released last week.

The President's Commission on Postal Organization, headed by Frederick R. Kappel, retired board chairman of American Telephone and Telegraph Co., recites an unrelenting catalogue of inefficiencies ranging from ancient and jumbled rate structures to weak management, jobs controlled by political patronage, outmoded technology and disregard of employee incentives.

The only way to salvage the Department, the Commission concludes, is to convert it from a Cabinet agency to a business operation—that is, a Government-owned corporation. The Commission's recommendations were published in Wednesday editions of The Washington Post.

"The United States Post Office faces a crisis," the Commission report says. "Each year it slips further behind the rest of the economy in service, in efficiency and in meeting its responsibilities as an employer. Each year it operates at a huge financial loss."

On Thursday, Postmaster General W. Marvin Watson appointed a nine-member task force, including himself, to study the report. "I have every intention of submitting to Congress a solid appraisal of the Kappel report, plus our own plans for modernization and mechanization," he said.

Sen. Howard H. Baker Jr. (R–Tenn.) has endorsed the idea of turning the postal service over to a self-financing public corporation similar to the Tennessee Valley Authority.

"With efficient business management," Baker said, "retaining the present safeguards for the security of the mails, I firmly believe the service could be vastly improved."

At the outset of the 212-page report, the Commission notes that the Post Office Department is fundamentally different from "most other Cabinet agencies, because it generates much of its own revenue and has other characteristics of a business enterprise.

MASSIVE OPERATIONS

In fiscal 1967, the Department collected $4.96 billion in revenues and spent $6.13 billion. Its 716,000 employes worked in more than 44,000 facilities and processed almost 80 billion pieces of mail.

The massive scale of this operation, strapped by legislative and bureaucratic impediments, simply defies management without some form of corporate streamlining, the Commission says.

The Department suffers from what the Commission calls the phenomenon of "no control." There are thousands of postmasters, regional supervisors and other chieftans, but their power is limited and they are stripped of discretion by a "hodgepodge of postal laws 200 years in the making."

Their finances are "enmeshed in the Federal budgetary process," and "because of statutory constraints, the nominal managers of the system cannot make the adaptations required by a fast-moving economy."

LOG IN TECHNOLOGY

Because the Department must go to Congress for appropriations, "the approval of a major facility for the Post Office is a tedious process typically requiring 8 to 10 years between initial approval and occupancy," the Commission says.

The Department has also ignored available technological advances and failed to exploit fully those it has: "The multiposition letter sorting machine, for example, requires ten fewer employes to sort the same amount of mail and pays for itself in two years or less in the normal installation. Yet, only 39 post offices use this equipment."

On the human side, the Department has imposed on its employes poor working conditions, antiquated hiring practices, inadequate supervision, little incentive for promotion and hardly any career training the report says.

"It takes at least 13 weeks to hire an employe," the report says, "and a recent Post Office survey showed that 67 per cent of job applicants in 17 large metropolitan areas did not wait around to complete the process."

The report points to "dirty facilities, crowded and noisy work areas, inadequate locker space and rest rooms and poor lighting, heating and cooling systems" as common working conditions. "Local management rarely has the power to correct these conditions if correction costs money," the report says. "It has little incentive to correct these conditions and many defenses in the rule book for not so doing.

As an indication of limited career opportunities, the Commission notes that 85 per cent of all postal workers are in the five lowest pay grades, and more than 80 per cent finish their careers at the same level they started.

SKILLED IGNORED

Employes are hired "under an anachronistic combination of Civil Service and political appointments," the report says.

"Placement on the basis of specific skills is virtually nonexistent," it says.

"An inflexible seniority system places an individual at the bottom of the totem pole with regard to work scheduling and assignments upon accepting a new job classification, regardless of the length of his postal service."

Labor-management relations remain cumbersome with 87.5 per cent of the Department's 716,000 employes represented by 11 rank-and-file labor unions and three management associations.

STRIKES FORBIDDEN

"They represent workers forbidden by law to strike," the report says, "and they exercise their primary influence not at the bargaining table but with Congress, which determines pay, hours, benefits, job descriptions and other matters of direct concern to postal employes."

Finally, the report says, the Department's postage-rate system, which pays 81 per cent of postal costs, is "irrational."

Uneven, overlapping and illogical rates, developed and promulgated over the years by a changing Congress, "reflect the effect of special considerations won by one interest group or another," the report says.

"The postal system must be given a management system consistent with its mission if it is to meet its responsibilites as a supplier of a vital service . . ." the report concludes in urging conversion of the Department to a Government owned corporation. "Piece-meal changes to the present system will not do the job: a basic change in direction is necessary."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning on page 2, line 20 of the bill.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the affirmative). Mr. President, on this vote I have a pair with the distinguished Senator from Arkansas [Mr. FULBRIGHT]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore I withdraw my vote.

Mr. DIRKSEN (after having voted in the affirmative). Mr. President, on this vote I have a pair with the distinguished Senator from Tennessee [Mr. BAKER]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore I withdraw my vote.

Mr. JORDAN of Idaho (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Hawaii [Mr. INOUYE] and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Montana [Mr. METCALF], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Georgia [Mr. TALMADGE], and the Senator from Texas [Mr. YARBOROUGH] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Missouri [Mr. LONG], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Montana [Mr. METCALF], the Senator from Oregon [Mr. MORSE], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senators from Vermont [Mr. AIKEN and Mr. PROUTY] are absent on official business.

The Senator from Tennessee [Mr. BAKER], the Senator from Massachusetts [Mr. BROOKE], the Senator from Kansas [Mr. CARLSON], the Senator from Colorado [Mr. DOMINICK], the Senator from Nebraska [Mr. HRUSKA], the Senator from New York [Mr. JAVITS], the Senator from California [Mr. KUCHEL], the Senator from California [Mr. MURPHY], the Senator from South Carolina [Mr. THURMOND], and the Senator from Texas [Mr. TOWER], are necessarily absent.

If present and voting, the Senator from California [Mr. KUCHEL] and the Senator from Texas [Mr. TOWER] would each vote "yea."

The pair of the Senator from Tennessee [Mr. BAKER] has been previously announced.

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from California [Mr. MURPHY]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from California would vote "nay."

On this vote, the Senator from Vermont [Mr. AIKEN], is paired with the Senator from New York [Mr. JAVITS]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from New York would vote "nay."

The result was announced—yeas 46, nays 17, as follows:

[No. 240 Leg.]

YEAS—46

Allott
Anderson
Bible
Boggs
Burdick
Byrd, W. Va.
Cannon
Case
Cotton
Dodd
Ervin
Fannin
Fong
Gore
Griffin
Harris
Hart
Hartke
Hill
Hollings
Jackson
Jordan, N.C.
Magnuson
McClellan
McGee
McIntyre
Miller
Mondale
Monroney
Montoya
Mundt
Nelson
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Scott
Smith
Sparkman
Symington
Tydings
Williams, N.J.
Young, N. Dak.
Young, Ohio

NAYS—17

Bennett
Byrd, Va.
Cooper
Curtis
Ellender
Hansen
Hatfield
Hickenlooper
Holland
Lausche
Morton
Pearson
Russell
Smathers
Spong
Stennis
Williams, Del.

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—3

Dirksen, for.
Jordan of Idaho, against.
Mansfield, against.

NOT VOTING—33

Aiken
Baker
Bartlett
Bayh
Brewster
Brooke
Carlson
Church
Clark
Dominick
Eastland
Fulbright
Gruening
Hayden
Hruska
Inouye
Javits
Kennedy
Kuchel
Long, Mo.
Long, La.
McCarthy
McGovern
Metcalf
Morse
Moss
Murphy
Muskie
Prouty
Talmadge
Thurmond
Tower
Yarborough

So the committee amendment was agreed to.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 900

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment, No. 900, and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 900) of Mr. WILLIAMS of Delaware is as follows:

At the end of the bill add a new section as follows:

"SEC. . (a) Section 3311 (relating to method of appointment of postmasters) of title 39, United States Code, is amended to read as follows:

"'§ 331. Method of appointment

"'(a) The Postmaster General shall appoint postmasters at post offices of the first, second, and third classes in the competitive civil service without term. He shall make the appointments in accordance with the civil service laws and rules by—

"'(1) competitive examinations; and

"'(2) promotions from within the postal service.

"'(b) The Postmaster General shall appoint postmasters at post offices of the fourth class without term.

"'(c) Notwithstanding any other provision of law, the Postmaster General shall make each appointment to a position of postmaster at a post office of any class without regard to any recommendation or statement, with respect to any applicant for such appointment, made by—

"'(1) any Member of the Senate or House of Representatives (including the Resident Commissioner from Puerto Rico); or

"'(2) any official of a partisan National, State, county, or municipal or other local political party.

"'(d) Notwithstanding any other provision of law, a person within the purview of subparagraph (1) or (2) of subsection (c) of this section is hereby prohibited from making or transmitting to the Postmaster General, or to any other officer or employee of the Federal Government, any recommendation or statement with respect to any applicant for appointment to a position of postmaster of any class. The Postmaster General and any other officer or employee of the Federal Government—

"'(1) shall not solicit, request, consider, or accept any such recommendation or statement; and

"'(2) shall return any such recommendation or statement received by him, appropriately marked as in violation of this section, to the person making or transmitting the same.

"'(e) An applicant for appointment to a position of postmaster at a post office of any class is hereby prohibited from requesting or soliciting any such recommendation or statement from any person within the purview of subparagraph (1) or (2) of subsection (c) of this section. An applicant making such solicitation or request, knowing the same to be in violation of this subsection, is disqualified for appointment to the position of postmaster concerned.

"'(f) Each application form of the Federal Government used in connection with an application for appointment to a position of postmaster at a post office of any class shall contain appropriate language in boldface type informing the applicant of the provisions of this section.'.

"(b) Section 3315 (relating to the filling of vacancies in positions of postmaster) of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"'(d) The prohibitions, restrictions, and related provisions of section 3311 of this title governing the appointment of postmasters also shall apply with respect to the interim appointment, assignment, or designation of any person in accordance with subparagraphs (1) to (4), inclusive, of subsection (a) of this section.'.

"(c) Section 3338 (relating to the filling of vacancies on rural routes) of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"'(g) The prohibitions, restrictions, and related provisions of section 3311 of this title governing the appointment of postmasters also shall apply with respect to the appointment of any person to a position of rural carrier and the application and assignment of any rural carrier with respect to any rural route.'.

"(d) The amendments made by this section shall not affect the status or tenure, on the effective date of this section, of—

"(1) postmasters in office;

"(2) persons appointed, assigned, or designated in accordance with subparagraphs (1) to (4), inclusive, of section 3315(a) of title 39, United States Code; and

"(3) persons holding positions of rural carrier.

"(e) This section shall take effect on January 1, 1969."

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of not to exceed 20 minutes on the pending amendment, the time to be equally divided between the majority leader or whomever he may designate and the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, that is agreeable to me, but I understand the minority leader wishes to address the Senate for 5 minutes. May the time on my amendment start after he has finished his statement?

Mr. MANSFIELD. The time to begin after the minority leader's 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Does the Senator from Delaware request the yeas and nays?

Mr. WILLIAMS of Delaware. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, there is a great overtone in the Senate Chamber.

Mr. MUNDT. Mr. President, may we have order, so we can hear the minority leader?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DIRKSEN. Mr. President, here is a classic case of how the Senate gets itself into an awkward position.

On the 2d of April, we voted on the surtax bill, and I think by a vote of 56 to 35, we passed it.

In that surtax bill was an exemption of the FBI, the postal workers, and the civil defense workers. That is the way the bill went to conference.

That provision was dropped in conference, and we in good faith accepted it, so we finally passed the surtax bill with the exemption removed.

Now the House of Representatives sends us a bill to restore the exemption, and we are right where we were on the 2d of April, and are asked now to redo what we did before.

This is pretty awkward. I wanted to vote with the distinguished Senator from Delaware and the Senator from Florida, knowing all the work they have done, and being a member of the Committee on Finance I felt it was my duty to vote with them. I suppose, as a last resort, I would have voted "yea," but I gave a pair to someone who could not be present.

Now the Postmaster General comes before the committee. He says to the committee that the volume of mail matter will be 3 billion pieces greater in fiscal 1969 than it was in 1968, and 7 billion pieces greater than it was in 1967. He says also the way things stand now, he has been denied 18,000 jobs he needs to handle the mail, and the mail must go through.

In addition, he would lose 15,800 jobs, as I understand, under this personnel provision whereby Government employment has to go back to the 1966 level. So, finally, he is going to be 33,000 positions short.

When this is all added up, we ask them to deliver 85 billion pieces of mail. What happened? The Post Office and Civil Service Committee unanimously sent the bill to the Senate. And every Republican was present, I understand, and every Republican voted for it.

What do you expect the leader to do? Kick his own Members in the teeth under those circumstances, with the Members putting back all we put in the tax bill in the first place? And if that is not an awkward situation, then I have never seen one.

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS of Delaware. Mr. President, I want to discuss the amendment, but first I want to point out to the Senator from Illinois that he is slightly confused. The House did not send to the Senate this bill proposing to exempt this agency.

The bill sent from the House made no reference to such an exemption. That exemption was a Senate amendment. Thus far the House has refused to make any exemptions. Likewise, the exemption which is in the bill before us is not the same exemption which was in the Smathers-Williams bill that left the Senate.

Mr. DIRKSEN. It is the same thing.

Mr. WILLIAMS of Delaware. No, it is not. The bill that passed the Senate stated that to the extent the cutback in employment in Post Office and Defense was not applied to that agency the reductions had to be applied elsewhere.

Under the amendment just approved this does not have to be applied elsewhere. They can now add another one-half million to the Post Office payroll as far as this bill is concerned without regard to Williams-Smathers employment reduction proposal.

The Senate has just taken off the ceiling. The Smathers-Williams expenditure reduction has been torpedoed by the Senate action.

That is a fact, no matter who supports it. The Senate has just shot the bottom out of the expenditure reduction controls, and it has been done with votes on both sides of the aisle.

Had there been those in the Senate who did not like the Williams-Smathers bill when it came back from the conference it was subject to amendment. It could have been amended at the time, yet not a Senator on either side of the aisle raised one single objection to it until after all of the extensive lobbying from the Departments.

I pointed out earlier how there were many areas in which we could make reductions in expenditures in the Post Office Department. I respectfully point out that the Postmaster General in all of the cutback of service never made one reference to a cutback of the overstaffed bureaucracy in the city of Washington—not one. All he talks about is a reduction in service.

This is the typical reaction of a free-wheeling spender who is using the taxpayers' money.

I now discuss the pending amendment which should take only a very short time. This amendment would merely remove the necessity of the Senate's confirming postmasters. We would go back to the appointment of the postmasters in the same manner in which rural carriers are now selected.

The identical language of this amendment has already been passed by the Senate without any objection. It is a part of the Reorganization Act which contains many other features, but it has not been acted on in conference with the House.

I read a memorandum provided by the staff legislative counsel explaining the amendment:

> The amendment changes the law relating to postmaster appointments so as to provide that in the future postmasters at post offices of the first, second, and third class will be appointed by the Postmaster General in the competitive service in accordance with civil service rules and regulations. Under existing law appointments to these offices are made by the President by and with the advice and consent of the Senate.
>
> The amendment also provides that in the appointment of postmasters of all classes, as well as in the appointment of acting postmasters and rural carriers, recommendations of Members of Congress or officials of political parties may not be considered. The Postmaster General would be prohibited from seeking or accepting from Members of Congress or political officials, and Members of Congress and political officials would be prohibited from making, any recommendation or statement concerning an applicant for such a position. An applicant soliciting such a recommendation knowing of the prohibition would be disqualified for appointment.
>
> Changes made by the amendment are made inapplicable to persons holding office on its effective date.
>
> Except for the effective date, which is fixed as January 1, 1969, the provisions of the amendment are identical to provisions contained in the legislative reorganization bill (S. 355) as passed by the Senate in March 1967.

I repeat, this is identical to the position which the Senate has already taken. Certainly it is a constructive step toward modernizing and making more efficient the operation of the post office. The Senate claims it is interested in improving the efficiency of this organization, as demonstrated by its willingness to open the flood gates of the Federal Treasury and pour out the money to them.

Why should I be interested in who is confirmed as postmaster of Timbuktu, or in Michigan, or in South Dakota? Why should they be interested in who is postmaster in our areas?

Let us remove these posmasters from political patronage, let us stop making it a political football. By doing so we can save a lot of money and extend a lot more real services in which some of the Senators seem to be so interested today.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Delaware has 5 minutes remaining.

Mr. WILLIAMS of Delaware. I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, first of all I supposed the Postmaster General has already closed the post office in Timbuktu, S. Dak., because I cannot seem to identify such a community among the hometowns of my constituents.

Do I correctly understand that the Senator from Delaware is repeating today what we had acted on affirmatively in terms of the method of appointing post office employees and postmasters so that we will remove them from partisanship entirely, as was done in the Reorganization Act?

Mr. WILLIAMS of Delaware. That is correct. This is identical to the provisions passed by the Senate, except that we changed the effective date to January 1, 1969.

Mr. MUNDT. The Senate approved that in a vote. I voted for it, and I am going to reaffirm my vote.

Is the Senator certain that he has taken all the partisanship out of the selection of postmasters?

Mr. WILLIAMS of Delaware. That is the intention. This is the same provision which was approved by the committee before. It was handled by the same committee. We should get an overwhelming, almost unanimous, vote.

Mr. MUNDT. It specifically prohibits political recommendations in the selection of postmasters?

Mr. WILLIAMS of Delaware. It prohibits political considerations in the selection of postmasters. It means that from now on they are supposed to be selected on the basis of their qualifications and not on the basis of political affiliations.

Mr. YOUNG of North Dakota. Would they still be appointed by the President of the United States?

Mr. WILLIAMS of Delaware. They would be appointed by the Postmaster General.

Mr. MONRONEY. I yield such time as he desires to the distinguished minority leader.

Mr. DIRKSEN. Mr. President, I want to read what we did on the 2d of April:

> (a) During any period in which the aggregate number of full-time civilian officers and employees (including the full-time equivalent of part-time employment) in the executive branch of the Government exceeds the aggregate number employed on September 20, 1966, no vacancy in any office or position in any department or agency in the executive branch of the Government resulting from the resignation, retirement, transfer removal, or death of the incumbent of such office or position shall be filled, except pursuant to a determination of the Director of the Bureau of the Budget (hereinafter referred to as the "Director") under subsection (b).

Then we go down to another subsection which reads:

> (a) During any period in which the aggregate number of full-time civilian officers and employees (including the full-time equivalent of part-time employment) in the executive branch of the Government exceeds the aggregate number employed on September 20, 1966, no vacancy in any office or position in any department or agency in the executive branch of the Government resulting from the resignation, retirement, transfer, removal, or death of the incumbent of such office or position shall be filled, except pursuant to a determination of the Director of the Bureau of the Budget (hereinafter referred to as the "Director") under subsection (b).

Now, the Senator can read into it whatever he thinks he has in that language.

Mr. WILLIAMS of Delaware. Mr. President, the very last lines read by the Senator represent the major difference between what the Senate did in April and what has been done today.

I read from page 3 of the bill approved last April:

> . . . except that such employees, offices, and positions shall be taken into consideration in determining the aggregate number of officers and employees for the purpose of subsection (a).

In other words, these reductions "shall be taken into consideration" by an offsetting reduction in another agency. That is the bill as it was passed.

I will read the language of the bill which was just approved. I am reading from page 3, section 2:

> (2) in applying the provisions of such section to the departments and agencies in the executive branch, the officers and employees of the Bureau of Research and Engineering of the Post Office Department and the officers and employees in the postal field service, except those in regional offices, shall not be taken into account.

I put emphasis on that last line: "shall not be taken into account." They shall not be taken into account under the bill before us here today, and the other says they will be taken into account except as determining the aggregate numbers. That is the key difference—whether you take this reduction into account or whether you do not.

If the Senator wishes to amend this bill further and spell out that to the extent this agency does not absorb its part of the reductions some other agency of the Government must absorb it, then he would be in line with the vote he cast on April 2.

Mr. DIRKSEN. All I can say is that in April we exempted 2⅓ million civilian employees in the executive branch. Then we conferred executive power upon the Director in taking into consideration this and that and making these studies. For practical purposes, what we have done here is miniscule compared with what the Senate did on April 2, 1968.

I do not care to belabor the matter any further.

Mr. WILLIAMS of Delaware. Mr. President, how much time do I have remaining?

Mr. MONRONEY. Does the Senator need time?

Mr. WILLIAMS of Delaware. There is a difference.

I respect the position of the Senator from Illinois, but if there were no difference, these agencies would not be interested in getting the exemption. The agency has indicated that they want approximately 83,000 employees that they think they would not get otherwise. Those 83,000 employees, by the Postmaster General's own statement, represent $655 million more that he would be able to spend.

I do not wish to debate this matter further. I wish the Senator from Illinois had been in the Chamber when we debated the issue.

Let us pass this amendment now before us to take the postmasters out of politics.

Mr. MONRONEY. Mr. President, I rise in opposition, regretfully, to the amendment offered by my distinguished friend and colleague the senior Senator from Delaware. I love his amendment. I am very proud of his amendment. I am happy to be the author of the courageous, glorious language that is contained in a "Declaration of Independence" which would free the Senate from having to create so many enemies among the Members of the House of Representatives in confirming appointments.

I believe the Post Office Department has been greatly improved. One of the keystones in our Reorganization Act was the elimination of political patronage in the management jobs of the Post Office. But I, too, claim the experience of being a legislator, familiar, as many Senators are, with the habits of the House and the habits of the Senate.

This amendment, which was an integral part of the Reorganization Act, a very important part of it, killed the Reorganization Act in the House of Representatives, because it is dead, dead, dead; and one of the principal reasons is the objection of the House to the postmasters being withdrawn from the right of recommendation for appointment.

So, at this late hour, when, by an overwhelming rollcall vote, we have exempted the 730,000 employees of the Post Office Department who must handle some 88 billion pieces of mail per year; if you send this measure to the House, it will be considered a dead cat, and it will hold up the final achievement of passage before Congress adjourns.

Technically, the bill before the Senate for passage is all right. No. 1 and No. 2 amendments are identical with House-passed bills, and the bill carries a House number. The difference in the bill as it goes to the House is only the addition of the matter we have just completed and passed on, by an overwhelming majority, to exempt the postal field service from the application of the manpower ceiling reduction. If we add this item, the bill probably will have to go to conference, which will guarantee that the post offices will be closed tomorrow—if we do not pass this bill or show evidence of passage—and perhaps there will be no bill at all before Congress adjourns.

I like this bill. I hope we can pass the reorganization bill and I hope we can give it artificial respiration. If it cannot be done this year, we will come back again and again until we get a reorganization bill. I ask that the Senate not add this provision which would sink what we have done by a 2-to-1 majority.

Mr. President, I move to table the amendment of the Senator from Delaware.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Oklahoma to table.

Mr. MONRONEY. Mr. President, I withhold my motion to table.

If the Senator from Delaware wishes to speak further, I am happy to yield to him.

The **ACTING PRESIDENT** pro tempore. The Senator has 3 minutes remaining.

Mr. **WILLIAMS** of Delaware. Mr. President, I will only need 1 minute.

I hope the Senate will let us vote on the merits of this proposal. Why not vote on it direct?

What is wrong with taking these postmasters out of politics?

As the Senator pointed out, this is language which he once supported. I have been introducing a similar amendment for years. This would work toward more efficiency in the Department. The Senator's committee agreed on that. I do not think the House of Representatives cares if the Senate confirms postmasters or not. We confirm postmasters now and not the House of Representatives.

All I am saying is that we do not need to go through the farce of confirming postmasters, and it is a political farce. It would be far more efficient if postmasters were picked on the basis of their qualifications. I hope we can get a vote on the merits of the question. I have asked for the yeas and nays. They have been ordered. I am willing to yield back the remainder of my time and let us have a rollcall vote.

Mr. **MONRONEY**. Mr. President, I would like to accommodate the distinguished Senator from Delaware and I have tried to do so in this debate. I feel that Senators know the issue, and I feel that when the Senate passed on the matters involved in the reorganization bill we gave evidence of how we felt. The failure of the House in 15 months to release the bill would have something to do with it.

The Senator speaks only of Senate confirmation. This proposal would prohibit any Member of Congress to make any recommendation whatsoever for any postmaster job. They could not even certify that the man is a member of the Methodist Church, the Rotary Club, or a member in good standing of a farm organization. This is a matter that the House is concerned with. This is why it was a matter of joint committee action.

I ask that at this late date the Senate not now try to sink a bill that is adequate for the delivery of 88 billion pieces of mail to 200 million Americans before the end of this year, and cripple us with 3-day delivery on rural routes, and a 5-day week in the post office, when there are 7-day mailings.

I say the motion is in order, and that it is germane.

The **ACTING PRESIDENT** pro tempore. Do Senators yield back the remainder of their time?

Mr. **MONRONEY**. I yield back the remainder of my time, unless the Senator from Delaware wishes to speak further. If he does, I am happy to yield to him. I am always happy to yield to the Senator from Delaware and cooperate in any way that I can.

Mr. **WILLIAMS** of Delaware. Mr. President, I shall only take one-half minute. This is the identical amendment approved unanimously by the Senate before and contains the same language once supported by the distinguished Senator from Oklahoma. I cannot conceive anyone in either the House or the Senate trying to defend the use of the post offices for political patronage. Surely, at a time when we are all expressing so much interest in efficient service in the Government we can forget political considerations for just a few minutes and take these postmasters out of politics.

Mr. **MONRONEY**. Mr. President, I ask for the yeas and nays on the motion to table.

The **ACTING PRESIDENT** pro tempore. Does the Senator wish to renew his motion to table?

Mr. **MONRONEY**. Mr. President, I renew my motion to table, and I ask for the yeas and nays.

The **ACTING PRESIDENT** pro tempore. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

The question is on agreeing to the motion to table, and the clerk will call the roll.

The bill clerk called the roll.

Mr. **BYRD** of West Virginia. I announce that the Senator from Hawaii [Mr. Inouye] and the Senator from Oregon [Mr. Morse] are absent on official business.

I also announce that the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Idaho [Mr. Church], the Senator from Pennsylvania [Mr. Clark], the Senator from Mississippi [Mr. Eastland], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Massachusetts [Mr. Kennedy], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Minnesota [Mr. McCarthy], the Senator from South Dakota [Mr. McGovern], the Senator from Utah [Mr. Moss], the Senator from Maine [Mr. Muskie], the Senator from Rhode Island [Mr. Pastore], the Senator from Georgia [Mr. Talmadge], and the Senator from Texas [Mr. Yarborough] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from Maryland [Mr. Brewster], the Senator from Indiana [Mr. Bayh], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Oregon [Mr. Morse], and the Senator from Rhode Island [Mr. Pastore] would each vote "yea."

Mr. **DIRKSEN**. I announce that the Senators from Vermont [Mr. Aiken and Mr. Prouty] are absent on official business.

The Senator from Massachusetts [Mr. Brooke], the Senator from Kansas [Mr. Carlson], the Senator from Colorado [Mr. Dominick], the Senator from Nebraska [Mr. Hruska], the Senator from New York [Mr. Javits], the Senators from California [Mr. Kuchel and Mr. Murphy], the Senator from South Carolina [Mr. Thurmond], and the Senator from Texas [Mr. Tower] are necessarily absent.

If present and voting, the Senator from Colorado [Mr. Dominick], the Senators from California [Mr. Kuchel and Mr. Murphy], and the Senator from Texas [Mr. Tower] would each vote "nay."

The result was announced—yeas 34, nays 33, as follows:

[No. 241 Leg.]

YEAS—34

Anderson
Bible
Burdick
Byrd, W. Va.
Cannon
Case
Cotton
Dodd
Ervin
Gore
Harris
Hartke
Hill
Hollings
Jackson
Jordan, N.C.
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Mondale
Monroney
Montoya
Pell
Randolph
Russell
Sparkman
Stennis
Symington
Tydings
Williams, N.J.
Young, N. Dak.

NAYS—33

Allott
Baker
Bennett
Boggs
Byrd, Va.
Cooper
Curtis
Dirksen
Ellender
Fannin
Fong
Griffin
Hansen
Hart
Hatfield
Hickenlooper
Holland
Jordan, Idaho
Lausche
Miller
Morton
Mundt
Nelson
Pearson
Percy
Proxmire
Ribicoff
Scott
Smathers
Smith
Spong
Williams, Del.
Young, Ohio

NOT VOTING—32

Aiken
Bartlett
Bayh
Brewster
Brooke
Carlson
Church
Clark
Dominick
Eastland
Fulbright
Gruening
Hayden
Hruska
Inouye
Javits
Kennedy
Kuchel
Long, Mo.
Long, La.
McCarthy
McGovern
Morse
Moss
Murphy
Muskie
Pastore
Prouty
Talmadge
Thurmond
Tower
Yarborough

So Mr. Monroney's motion, to lay the amendment of Mr. Williams of Delaware on the table, was agreed to.

Mr. **MONRONEY**. Mr. President, I move that the vote by which the motion to lay on the table the amendment of the Senator from Delaware was agreed to be reconsidered.

Mr. **RANDOLPH**. Mr. President, I move to lay that motion on the table.

Mr. **WILLIAMS** of Delaware. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the amendment of the Senator from Delaware was rejected.

On this question the yeas and nays have been ordered, and the clerk will call the roll; but before the clerk calls the roll, the Senator from Delaware is recognized.

Mr. **WILLIAMS** of Delaware. Mr. President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator from Delaware will state it.

Mr. **WILLIAMS** of Delaware. What is the pending question?

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the amendment of the Senator from Delaware was rejected.

The legislative clerk called the roll.

Mr. **BYRD** of West Virginia. I announce that the Senator from Hawaii

[Mr. Inouye] and the Senator from Oregon [Mr. Morse] are absent on official business.

I also announce that the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Virginia [Mr. Byrd], the Senator from Idaho [Mr. Church], the Senator from Pennsylvania [Mr. Clark], the Senator from Mississippi [Mr. Eastland], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Alabama [Mr. Hill], the Senator from Massachusetts [Mr. Kennedy], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Minnesota [Mr. McCarthy], the Senator from South Dakota [Mr. McGovern], the Senator from Utah [Mr. Moss], the Senator from Maine [Mr. Muskie], the Senator from Rhode Island [Mr. Pastore], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Virginia [Mr. Spong], the Senator from Georgia [Mr. Talmadge], and the Senator from Texas [Mr. Yarborough] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Oregon [Mr. Morse], and the Senator from Rhode Island [Mr. Pastore] would each vote "yea."

Mr. DIRKSEN. I announce that the Senators from Vermont [Mr. Aiken and Mr. Prouty] are absent on official business.

The Senator from Massachusetts [Mr. Brooke], the Senator from Kansas [Mr. Carlson], the Senator from Colorado [Mr. Dominick], the Senator from Nebraska [Mr. Hruska], the Senator from New York [Mr. Javits], the Senators from California [Mr. Kuchel and Mr. Murphy], the Senator from South Carolina [Mr. Thurmond], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Utah [Mr. Bennett], the Senator from Iowa [Mr. Hickenlooper], the Senator from Kentucky [Mr. Morton], and the Senator from Kansas [Mr. Pearson] are detained on official business.

If present and voting, the Senator from Utah [Mr. Bennett], the Senator from Colorado [Mr. Dominick], the Senator from Iowa [Mr. Hickenlooper], the Senators from California [Mr. Kuchel and Mr. Murphy], the Senator from Kentucky [Mr. Morton], the Senator from Kansas [Mr. Pearson], and the Senator from Texas [Mr. Tower] would each vote "nay."

The result was announced—yeas 33, nays 25, as follows:

[No. 242 Leg.]

YEAS—33

Anderson
Bible
Burdick
Byrd, W. Va.
Cannon
Case
Cotton
Dodd
Ervin
Gore
Harris
Hartke
Hollings
Jackson
Jordan, N.C.
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Mondale
Monroney
Montoya
Nelson
Pell
Randolph
Sparkman
Stennis
Symington
Tydings
Williams, N.J.
Young, Ohio

NAYS—25

Allott
Baker
Boggs
Cooper
Curtis
Dirksen
Ellender
Fannin
Fong
Griffin
Hansen
Hart
Hatfield
Holland
Jordan, Idaho
Lausche
Miller
Mundt
Percy
Proxmire
Ribicoff
Scott
Smith
Williams, Del.
Young, N. Dak.

NOT VOTING—41

Aiken
Bartlett
Bayh
Bennett
Brewster
Brooke
Byrd, Va.
Carlson
Church
Clark
Dominick
Eastland
Fulbright
Gruening
Hayden
Hickenlooper
Hill
Hruska
Inouye
Javits
Kennedy
Kuchel
Long, Mo.
Long, La.
McCarthy
McGovern
Morse
Morton
Moss
Murphy
Muskie
Pastore
Pearson
Prouty
Russell
Smathers
Spong
Talmadge
Thurmond
Tower
Yarborough

So the motion to lay on the table the motion to reconsider was agreed to.

The ACTING PRESIDENT pro tempore. If there are no further amendments——

Mr. MILLER. Mr. President, I send an amendment to the desk and ask that it be read.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment of the Senator from Iowa.

The bill clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, may we have order so the reading of the amendment can be heard?

The ACTING PRESIDENT pro tempore. The Senator from Iowa will please suspend. The Senate will be in order.

The clerk will read the amendment.

The bill clerk read the amendment, as follows:

> On page 3, insert the following at the end of line 10: "*Provided*, That any personnel reductions that would otherwise have occurred in said Bureau of Research and Engineering and said postal field service shall be made by other agencies of the executive branch not otherwise exempted from the application of said section 201."

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. MANSFIELD. Would the Senator consider the possibility of a time limitation?

Mr. MILLER. It will take me only 2 or 3 minutes to explain the amendment. I think the issue will be clear.

Mr. MANSFIELD. Let us make it 10 minutes.

Mr. MILLER. I am agreeable to 5 minutes on a side.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered——

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 10 minutes, the time to be equally divided between the sponsor of the amendment and the Senator from Oklahoma.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. MILLER. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. MILLER. Mr. President, the amendment, I am sure, is quite clear to my colleagues. It does what we did at the time we passed the reduction bill.

The Senator from Illinois has already pointed out what an awkward position we are in right now, because here we are, having voted for a personnel reduction some time ago, and now, as a result of the action we have taken so far this afternoon, we have just about cut that reduction in half.

My amendment, if adopted, would make it clear that the personnel reduction most of us voted for some time ago will stand, but still the postal service will be exempted from it.

I think that is about all I need to say about it.

The amendment enables us to keep faith with ourselves and our position at the time we voted for the tax increase and the $6 billion expenditure reduction.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. WILLIAMS of Delaware. If I understand the Senator's amendment, it merely restores the principle of the exemption as it was embodied in the original bill.

Mr. MILLER. The Senator is corrected. I voted to exempt the postal service this afternoon. I think the Senator from Oklahoma was perfectly sound when he pointed out the volume of mail increase and the employees needed to handle it.

But at the same time, at the time I voted for the expenditure reduction, I intended an overall reduction in the personnel in our executive branch, and this amendment will make it clear that that overall reduction will occur, but it will not affect the postal service nor any other service that is exempted by Congress.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. MONRONEY. Will the Senator from Iowa tell the Senate how many jobs he is attempting to require other agencies of the Government to absorb?

Mr. MILLER. As I understand, it would be the same number that we have just saved the postal service. The Senator from Oklahoma knows the answer to that better than I do.

In other words, what I say is this: We have exempted the postal field service, and have had a good reason to do so, but that number of personnel which we have exempted will have to be absorbed by such other agencies of the executive branch as the executive branch will determine.

Mr. MONRONEY. Mr. President, I would remind the distinguished Senator from Iowa that this is 83,000 jobs he is talking about, that would become vacant within the Post Office Department, that would be filled by the Post Office Department to carry the ever-increasing billions of pieces of mail, because we have to use those to fill in; then the Senator seeks to roll back on the other agencies of Government, those not as heavily manned as the postal field service with its 730,000 employees, and expect them to accept the cuts that would otherwise have been made in the postal field service, had we not made the exemption.

Mr. MILLER. The Senator is correct.

Mr. MONRONEY. I say that this is a meat ax approach.

What I am trying to say is that the reason for the legislation is the impossibility of other smaller agencies absorbing the other 83,000 employees a year that would be quitting the service, but whose replacements must be hired by the postal service.

If we do this, we will come next to the Department of Defense, and they are going to have an exemption, so we are going to have to find the exemptions for the 83,000 in the Post Office, and then the exemptions of all those in the Department of Defense as well, and between them, you crowd into the Internal Revenue Service and all the other agencies, which need their personnel, and wind up with a very badly run Government, one that will have no social security checks out at the right time of the month, without the medical research program, or the necessary personnel to run the regular establishments of Government.

We do not touch the expenditures—and after all, that is what we are concerned about. I could not care less about the numbers.

The ACTING PRESIDENT pro tempore. The time of the Senator from Iowa has expired.

Mr. MILLER. Mr. President, was the Senator from Oklahoma talking on my time?

The ACTING PRESIDENT pro tempore. The Senator from Iowa yielded. He was talking on the Senator's time.

Mr. MONRONEY. I ask unanimous consent that the Senator from Iowa have additional time.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma may yield him his 5 minutes.

Mr. MONRONEY. I yield to the Senator from Iowa.

Mr. MILLER. Mr. President, what the Senator from Oklahoma is really saying is that the position that the Senate took at the time of enactment of section 201 was a stupid position, because the agencies of the Federal Government could not absorb this reduction. I believe the Senator from Oklahoma voted against that, so he is perfectly consistent in the position he takes now. But the majority of Senators voted for it.

I must say that when we realize that in the last 7 years 581,000 more civilians have been added to the Federal payroll, I do not believe the other agencies would have too much trouble absorbing the 83,000 that will be used for necessary postal services. The Senator mentions the Defense Department. I am not too sure that the Defense Department should be exempted. There are some agencies of the Defense Department that are personnel-fat, and we all know that. So I am not going to take such a dim view of that.

All I am offering here is a chance for the Senate to be consistent with the position we took at the time we passed section 201.

Mr. MONRONEY. That was why the conference felt compelled to change it, and thrust it all on the Bureau of the Budget. The Bureau of the Budget say they cannot find a way of passing over to other agencies a shrinkage from their personnel to take care of the shrinkage in the Post Office Department, the 83,000 that would have to be cut out somewhere under the spinning-off process.

This is economy by accident. We are not figuring out exactly what people we are going to lay off; we are going to lay off more in the jobs where the turnover is greatest; the nurses in the veterans hospitals are an example of that, where turnover is high. The cooks and chefs in the hospitals—this is where the ax will fall, because the higher the turnover, the greater penalty on the Department, because it can fill only three out of every four vacancies, or 75 percent.

It is reduction by accident, and I object to that. I voted for economy. I voted for the dollar figures, the requirements to reduce expenditures. But we are not talking about expenditures. We had a speech today about some leased buildings. They are not concerned in the Williams-Smathers amendment at all. They are not in the bill.

No one wants to attack the economy measures in dollar figures, but let us not, by accident of resignations in the Post Office Department, turn over to our other departments in government, many performing most valuable services, jobs they cannot do with fewer personnel, because the cut in the Post Office had to be 83,000.

Mr. MILLER. Mr. President, the Senator from Oklahoma is consistent in his position, but the majority of the Senate decided to let the Bureau of the Budget make the determination, and I believe the Senate should be consistent.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MILLER. I yield 2 minutes to the Senator from Delaware.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. MONRONEY. I yield 2 minutes to the Senator from Delaware; then I intend to yield back the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, I just want to comment on these statistics that are floating around this Chamber.

We are told that if we do not take this action the Post Office Department will lose 82,238 employees. I have another letter from the Department of Defense stating that they want to be exempted to the extent of 95,000 employees. The Federal Aviation Agency, under the Department of Transportation, has been exempted for 29,400, and the Veterans' Administration claims they are going to lose 30,000.

The figures for those four agencies, if we accept them at face value, total 237,638. All the Williams-Smathers amendment did was roll back the total by 241,000. If those estimates are correct that leaves only 4,000 to be taken out of all the other agencies of Government—Agriculture, HEW, Justice, the State Department, Interior, Commerce, and all the rest of them.

That is utterly ridiculous. Every one of these agencies comes in here with the problem all magnified out of proportion. On the basis of the way they are talking it might be concluded they are planning to cut a half million employees from the payroll within the next 30 days.

As I pointed out earlier, we had 2,550,742 employees on the payroll in December 1965. President Johnson said he was going to cut the payroll by 25,000 between that date and the end of that fiscal year. But what did he do? He added 190,124 employees to the payroll between December 1965 and June 30, 1966. Then he got in trouble during the election in 1966, and on September 20 he issued an Executive order and said, "I am going to roll the total back to the July 1, 1966, level."

But what did he do after issuing that executive order? He added 240,000 more; and I say we are going broke on this Texas hypocrisy in the guise of economy.

The ACTING PRESIDENT pro tempore. The time of the Senator from Oklahoma has expried. All time has expired, and the question is on agreeing to the amendment of the Senator from Iowa. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Hawaii [Mr. Inouye], and the Senator from Oregon [Mr. Morse] are absent on official business.

I also announce that the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Virginia [Mr. Byrd], the Senator from Idaho [Mr. Church], the Senator from Pennsylvania [Mr. Clark], the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Alabama [Mr. Hill], the Senator from Massachusetts [Mr. Kennedy], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Minnesota [Mr. McCarthy], the Senator from South Dakota [Mr. McGovern], the Senator from Utah [Mr. Moss], the Senator from Maine [Mr. Muskie], the Senator from Rhode Island [Mr. Pastore], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Virginia [Mr. Spong], the Senator from Georgia [Mr. Talmadge], the Senator from Texas [Mr. Yarborough], and the Senator from Ohio [Mr. Young] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Pennsylvania [Mr. Clark], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Oregon [Mr. Morse], and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. DIRKSEN. I announce that the Senators from Vermont [Mr. AIKEN and Mr. PROUTY] are absent on official business.

The Senator from Massachusetts [Mr. BROOKE], the Senator from Kansas [Mr. CARLSON], the Senator from Colorado [Mr. DOMINICK], the Senator from Nebraska [Mr. HRUSKA], the Senator from New York [Mr. JAVITS], the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senator from South Carolina [Mr. THURMOND], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Utah [Mr. BENNETT], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Kentucky [Mr. MORTON], and the Senator from Kansas [Mr. PEARSON] are detained on official business.

If present and voting, the Senator from New York [Mr. JAVITS], the Senator from California [Mr. MURPHY], the Senator from South Carolina [Mr. THURMOND], and the Senator from Texas [Mr. TOWER] would each vote "yea."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from California would vote "nay."

The result was announced—yeas 22, nays 34, as follows:

[No. 243 Leg.]

YEAS—22

Allott
Baker
Boggs
Cooper
Cotton
Curtis
Dirksen
Fannin
Griffin
Hansen
Hatfield
Jordan, Idaho
Lausche
Miller
Mundt
Nelson
Percy
Proxmire
Scott
Smith
Symington
Williams, Del.

NAYS—34

Anderson
Bible
Burdick
Byrd, W. Va.
Cannon
Case
Ellender
Ervin
Fong
Gore
Harris
Hart
Hartke
Holland
Hollings
Jackson
Jordan, N.C.
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Mondale
Monroney
Montoya
Pell
Randolph
Ribicoff
Sparkman
Stennis
Tydings
Williams, N.J.
Young, N. Dak.

NOT VOTING—43

Aiken
Bartlett
Bayh
Bennett
Brewster
Brooke
Byrd, Va.
Carlson
Church
Clark
Dodd
Dominick
Eastland
Fulbright
Gruening
Hayden
Hickenlooper
Hill
Hruska
Inouye
Javits
Kennedy
Kuchel
Long, Mo.
Long, La.
McCarthy
McGovern
Morse
Morton
Moss
Murphy
Muskie
Pastore
Pearson
Prouty
Russell
Smathers
Spong
Talmadge
Thurmond
Tower
Yarborough
Young, Ohio

So Mr. MILLER's amendment was rejected.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, there has been further inquiry concerning what will be considered on Saturday.

I ask the distinguished majority leader what legislation is contemplated.

Mr. MANSFIELD. Mr. President, in response to the question raised by my distinguished friend, the minority leader, it is intended after the pending business has been disposed of to lay before the Senate S. 2932, the poultry inspection proposal. That and other minor proposed legislation which is noncontroversial, hopefully, will be taken up tomorrow. If all these bills are disposed of, it is the intention then to lay before the Senate the State, Justice, and Commerce appropriations bill for consideration on Monday next.

Following the State, Justice, and Commerce appropriations bill, the foreign aid authorization measure will be taken up, although, I think I should remind the Senate again that on Tuesday morning the Senate will meet at 10 o'clock. A certain amount of time will be set aside for eulogies covering the passing of our late, beloved colleague, Robert F. Kennedy.

POSTAL ASSAULTS AND POSTAL SERVICES CURTAILMENTS

The Senate resumed the consideration of the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees of the postal field service who assault other employees in such service in the performance of official duties, and for other purposes.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. CURTIS. Mr. President, I ask for the yeas and nays on the passage of the bill.

The years and nays were ordered.

The ACTING PRESIDENT pro tempore. The bill having been read a third time, the question is: Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Hawaii [Mr. INOUYE], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Alabama [Mr. HILL], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Virginia [Mr. SPONG], the Senator from Georgia [Mr. TALMADGE], the Senator from Texas [Mr. YARBOROUGH], and the Senator from Ohio [Mr. YOUNG] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Oregon [Mr. MORSE], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. KUCHEL. I announce that the Senators from Vermont [Mr. AIKEN and Mr. PROUTY] are absent on official business.

The Senator from Massachusetts [Mr. BROOKE], the Senator from Kansas [Mr. CARLSON], the Senator from Colorado [Mr. DOMINICK], the Senator from Nebraska [Mr. HRUSKA], the Senator from New York [Mr. JAVITS], the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senator from South Carolina [Mr. THURMOND], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Utah [Mr. BENNETT], the Senator from Kentucky [Mr. COOPER], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Kentucky [Mr. MORTON], and the Senator from Kansas [Mr. PEARSON] are detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from New York [Mr. JAVITS], the Senator from California [Mr. KUCHEL], and the Senator from Texas [Mr. TOWER], would each vote "yea."

On this vote, the Senator from Vermont [Mr. AIKEN] is paired with the Senator from South Carolina [Mr. THURMOND]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from South Carolina would vote "nay."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from California [Mr. MURPHY]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from California would vote "nay."

The result was announced—yeas 47, nays 8, as follows:

[No. 244 Leg.]

YEAS—47

Allott
Anderson
Baker
Bible
Boggs
Burdick
Byrd, W. Va.
Cannon
Case
Cotton
Dirksen
Ervin
Fannin
Fong
Gore
Griffin
Harris
Hart
Hartke
Hollings
Jackson

Jordan, N.C.
Jordan, Idaho
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Miller
Mondale
Monroney
Montoya
Mundt
Nelson
Pell
Percy
Proxmire
Randolph
Ribicoff
Scott
Smith
Sparkman
Symington
Tydings
Williams, N.J.
Young, N. Dak.

NAYS—8

Curtis
Ellender
Hansen
Hatfield
Holland
Lausche
Stennis
Williams, Del.

NOT VOTING—44

Aiken
Bartlett
Bayh
Bennett
Brewster
Brooke
Byrd, Va.
Carlson
Church
Clark
Cooper
Dodd
Dominick
Eastland
Fulbright
Gruening
Hayden
Hickenlooper
Hill
Hruska
Inouye
Javits
Kennedy
Kuchel
Long, Mo.
Long, La.
McCarthy
McGovern
Morse
Morton
Moss
Murphy
Muskie
Pastore
Pearson
Prouty
Russell
Smathers
Spong
Talmadge
Thurmond
Tower
Yarborough
Young, Ohio

So the bill (H.R. 15387) was passed.

Mr. LAUSCHE. Mr. President, today, July 26, the Senate torpedoed all the good it did on April 2 in the passage of the bill providing for expenditure reduction of the Federal Government. Today, we repudiated all the good that was done by the bill passed on April 2, which imposed a 10 percent surtax and ordered the reduction of Federal expenditures by $6 billion.

On April 2, the Senate was courageous. It faced its responsibility without hesitation. Today, we took a position that is completely opposite to the courage we displayed on April 2.

When the Senator from Oklahoma stated that the added expense that resulted from the adoption of the Post Office amendment could not be transferred to other departments, he absolutely declared that whatever was done under the April 2 proposal reducing expenditures by $6 billion has been nullified, rendered meaningless, and torpedoed.

I should like to hear the opinion of the Senator from Delaware on that subject.

Mr. WILLIAMS of Delaware. There is no question but that they have torpedoed the $6 billion reduction as well as the control over Government employees.

Those who say that all we did was to allow this agency to hire 83,000 employees, without regard to the ceiling, without any effect on any other agency, and who at the same time say they are planning to maintain the sacredness of the $6 billion cut in expenditures are just whistling in the dark. It cannot be done.

The Postmaster General was very honest about it. He did not want to take any part of this reduction. This exemption will cost $655 million extra, and the Senate here today has given him the permission, under this bill, to spend that amount with regard to the expenditure ceiling.

There is no question that the Senate cannot give authority to an agency to hire 83,000 employees beyond that ceiling limit and then say it is not going to cost any money. The employees must be paid. The Senate marched up the hill last April, but it has retreated here today, and by so doing it may very well have paved the way for a major depression.

Mr. President, I say that for this reason. For the last several years we have been pumping money into this economy through deficit spending and planned inflation. This means that the break, when it comes, will be worse. For the last 2 years some of us tried to put the brakes on spending. It would have been better had we acted earlier. We tried last year, and we were unsuccessful.

On April 2, 1968, we did pass the tax bill, which put some brakes on this ever-spiraling interest rate. However, the Senate has taken the controls off spending again in order that we may have a little more prosperity for the immediate future. They are willing to let the day of reckoning come later.

The longer this spending spree continues the worse it will be when the break comes. When this reaction comes I want Congress to name it the "Johnson Planned Depression."

Mr. LAUSCHE. Mr. President, I think the epitaph should be established today and that epitaph should be "Here lies the body of a noble sentiment of the U.S. Congress, which on April 2 reflected its purpose to serve the country; but that noble body was killed on July 26."

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. WILLIAMS of Delaware. That part of the April 2 action that is left is the 10-percent tax. This tax is going to be taken out of the pockets of the American taxpayers to pay for this ever-spending bureaucracy which this Congress refuses to control. They are pouring more into the spending stream and further fanning the fires of inflation.

Mr. LAUSCHE. Mr. President, I conclude by saying: "Rest in peace, noble spirit. You tried to do a good job but you were killed on July 26."

Mr. HANSEN. Mr. President, I rise to express my extreme regret that the Senate has seen fit to take the action it has taken this afternoon.

I recall earlier this year, when we removed the gold cover and when the dollar was under great stress in international circles, how intently the bankers of the world, of foreign countries, watched with bated breath the action of this body to determine if we meant business and whether we were going to take steps other nations have taken—which England took and which France took, and which have been taken by all nations when their currencies have been in great distress.

As a result of the action of the Senate in passing the surtax, cutting back on expenditures, and providing for cutbacks in Federal employment, we gave sufficient indication of our desire to take both steps that would restore some degree of financial stability to our Government to reinstill the confidence that was at that time waning in foreign circles.

Mr. President, I think the action taken here today will once again give rise to the lack of certainty in the minds of representatives of foreign countries. I think the action we have taken today will cause foreign countries to be uncertain as to the stability of the dollar.

I voted against this bill on final passage, not because I have any reason at all to think that we could dispense with the services of the Post Office, but to register my protest, my dismay, and my regret that the Senate did not stand fast and did not live up to the confidence we had inspired by our actions earlier on April 2.

I would like to associate myself with the remarks made by the distinguished Senator from Ohio and the distinguished Senator from Delaware. I think it is a most unfortunate circumstance that the Congress has said to the American people, "We are for fiscal responsibility. We will do these things. We will cut back on spending. We will hold down on Federal employment, and we will try to balance the budget to a greater degree than we have done." And then, when we have to face up to the issue, as we have this afternoon, to repudiate these actions. We gave lipservice one moment to fiscal and financial responsibility, but when the crunch comes, we yield and knuckle under as we did. I am sorry the Senate took the action it did in rejecting the amendments this afternoon.

Mr. WILLIAMS of Delaware. Mr. President, in conclusion, I express my regrets that the administration did not stand back of us and lend its support to achieving some of these spending reductions. The bill we brought from conference was worked out in the manner with which they had agreed.

The President has said he did not want a $6 billion spending cut or any spending cut at all. Let us face it. This administration is more interested in spending. There has been much said in the last 5 years by the present occupant of the White House, Mr. Johnson, and his interest in the economy. To paraphrase a great English statesman, never has any one man said so much and done so little. We have never had in the White House a man who even began to match the spendthrift policies of the Johnson administration.

Next week the Treasury Department will report a $25 billion deficit, and they still are not concerned. They have their eyes on the 1968 election rather than on what is good for the American people.

Mr. MANSFIELD. Mr. President, I rise to thank the distinguished senior Senator from Oklahoma [Mr. MONRONEY] for his outstanding advocacy on this measure. His clear and thoughtful presentation assured its success. The achievement was in keeping with his already established record as a highly effective legislator. The Senate is again in his debt.

I wish to extend particular thanks to the distinguished senior Senator from Delaware [Mr. WILLIAMS]. Again he has cooperated to assure orderly action though his views differed considerably. He urged his position with sincerity, with dignity, and with strong advocacy. His generous cooperation was essential to final action this evening and we are grateful.

The Senator from Iowa [Mr. MILLER], the Senator from Ohio [Mr. LAUSCHE], and the other Senators who joined the discussion are also to be thanked for their contributions.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 450) to provide for the popular election of the Governor of the Virgin Islands, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3497) to assist in the provision of housing for low- and moderate-income families, and to extend and amend laws relating to housing and urban development.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H.J. Res. 1420) making continuing appropriations for the fiscal year 1969, and for other purposes.

WHOLESOME POULTRY PRODUCTS ACT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1430, S. 2932. I do this so that the bill may be the pending business.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with an amendment, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Wholesome Poultry Products Act".

SEC. 2. Section 2 of the Poultry Products Inspection Act (71 Stat. 441, as amended; 21 U.S.C. 451) is hereby amended to read:

"SEC. 2. Poultry and poultry products are an important source of the Nation's total supply of food. They are consumed throughout the Nation and the major portion thereof moves in interstate or foreign commerce. It is essential in the public interest that the health and welfare of consumers be protected by assuring that poultry-products distributed to them are wholesome, not adulterated, and properly marked, labeled, and packaged. Unwholesome, adulterated, or misbranded poultry products impair the effective regulation of poultry products in interstate or foreign commerce, are injurious to the public welfare, destroy markets for wholesome, not adulterated, and properly labeled and packaged poultry products, and result in sundry losses to poultry producers and processors of poultry and poultry products, as well as injury to consumers. It is hereby found that all articles and poultry which are regulated under this Act are either in interstate or foreign commerce or substantially affect such commerce, and that regulation by the Secretary of Agriculture and cooperation by the States and other jurisdictions as contemplated by this Act are appropriate to prevent and eliminate burdens upon such commerce, to effectively regulate such commerce, and to protect the health and welfare of consumers."

SEC. 3. Section 3 of said Act (21 U.S.C. 452) is hereby amended to read:

"SEC. 3. It is hereby declared to be the policy of the Congress to provide for the inspection of poultry and poultry products and otherwise regulate the processing and distribution of such articles as hereinafter prescribed to prevent the movement or sale in interstate or foreign commerce of, or the burdening of such commerce by, poultry products which are adulterated or misbranded. It is the intent of Congress that all poultry which is injurious for human consumption shall be condemned. The reason for condemnation must be supported by substantial scientific fact."

SEC. 4. Section 4 of said Act (21 U.S.C. 453) is hereby amended to read:

"SEC. 4. For purposes of this Act—

"(a) The term 'commerce' means commerce between any State, any territory, or the District of Columbia, and any place outside thereof; or within any territory not organized with a legislative body, or the District of Columbia.

"(b) Except as otherwise provided in this Act, the term 'State' means any State of the United States and the Commonwealth of Puerto Rico.

"(c) The term 'territory' means Guam, the Virgin Islands of the United States, American Samoa, and any other territory or possession of the United States, excluding the Canal Zone.

"(d) The term 'United States' means the States, the District of Columbia, and the territories of the United States.

"(e) The term 'poultry' means any domesticated bird, whether live or dead.

"(f) The term 'poultry product' means any poultry carcass, or part thereof; or any product which is made wholly or in part from any poultry carcass or part thereof, excepting products which contain poultry ingredients only in a relatively small proportion or historically have not been considered by consumers as products of the poultry food industry, and which are exempted by the Secretary from definition as a poultry product under such conditions as the Secretary may prescribe to assure that the poultry ingredients in such products are not adulterated and that such products are not represented as poultry products.

"(g) The term 'adulterated' shall apply to any poultry product under one or more of the following circumstances:

"(1) if it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, such article shall not be considered adulterated under this clause if the quantity of such substance in or on such article does not ordinarily render it injurious to health;

"(2)(A) if it bears or contains (by reason of administration of any substance to the live poultry or otherwise) any added poisonous or added deleterious substance (other than one which is (i) a pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive) which may, in the judgment of the Secretary, make such article unfit for human food;

"(B) if it is, in whole or in part, a raw agricultural commodity and such commodity bears or contains a pesticide chemical which is unsafe within the meaning of section 408 of the Federal Food, Drug, and Cosmetic Act;

"(C) if it bears or contains any food additive which is unsafe within the meaning of section 409 of the Federal Food, Drug, and Cosmetic Act;

"(D) if it bears or contains any color additive which is unsafe within the meaning of section 706 of the Federal Food, Drug, and Cosmetic Act: *Provided*, That an article which is not otherwise deemed adulterated under clause (B), (C), or (D) shall nevertheless be deemed adulterated if use of the pesticide chemical, food additive, or color additive in or on such article is prohibited by regulations of the Secretary in official establishments;

"(3) if it consists in whole or in part of any filthy, putrid, or decomposed substance or is for any other reason unsound, unhealthful, unwholesome, or otherwise unfit for human food;

"(4) if it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health;

"(5) if it is, in whole or in part, the product of any poultry which has died otherwise than by slaughter;

"(6) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health;

"(7) if it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to section 409 of the Federal Food, Drug, and Cosmetic Act; or

"(8) if any valuable constituent has been in whole or in part omitted or obstructed therefrom; or if any substance has been substituted, wholly or in part therefor; or if damage or inferiority has been concealed in any manner; or if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

"(h) The term 'misbranded' shall apply to any poultry product under one or more of the following circumstances:

"(1) if its labeling is false or misleading in any particular;

"(2) if it is offered for sale under the name of another food;

"(3) if it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word 'imitation' and immediately thereafter, the name of the food imitated;

"(4) if its container is so made, formed, or filled as to be misleading;

"(5) unless it bears a label showing (A) the name and the place of business of the manufacturer, packer, or distributor; and (B) an accurate statement of the quantity of the product in terms of weight, measure, or numerical count: *Provided*, That under clause (B) of this subparagraph (5), reasonable variations may be permitted, and exemptions as to small packages or articles not in packages or other containers may be established by regulations prescribed by the Secretary;

"(6) if any word, statement, or other information required by or under authority of this Act to appear on the label or other labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

"(7) if it purports to be or is represented as a food for which a definition and standard of identity or composition has been prescribed by regulations of the Secretary under section 8 of this Act unless (A) it conforms to such definition and standard, and (B) its label bears the name of the food specified in the definition and standard and, insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food;

"(8) if it purports to be or is represented as a food for which a standard or standards of fill of container have been prescribed by regulations of the Secretary under section 8 of this Act, and it falls below the standard of fill of container applicable thereto, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard;

"(9) if it is not subject to the provisions of subparagraph (7), unless its label bears (A) the common or usual name of the food, if any there be, and (B) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavoring, and colorings may, when authorized by the Secretary, be designated as spices, flavorings, and colorings without naming each: *Provided*, That to the extent that compliance with the requirements of clause (B) of this subparagraph (9) is impracticable or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the Secretary;

"(10) if it purports to be or is represented for special dietary uses unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the Secretary, after consultation with the Secretary of Health, Education, and Welfare, determines to be, and by regulations prescribes as, necessary in order fully to inform purchasers as to its value for such uses;

"(11) if it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact: *Provided*, That, to the extent that compliance with the requirements of this subparagraph (11) is impracticable, exemptions shall be established by regulations promulgated by the Secretary; or

"(12) if it fails to bear on its containers as the Secretary may by regulations prescribe, the official inspection legend and official establishment number of the establishment where the article was processed, and, unrestricted by any of the foregoing, such other information as the Secretary may require in such regulations to assure that it will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the article in a wholesome condition.

"(i) The term 'Secretary' means the Secretary of Agriculture or his delegate.

"(j) The term 'person' means any individual, partnership, corporation, association, or other business unit.

"(k) The term 'inspector' means: (1) an employee or official of the United States Government authorized by the Secretary to inspect poultry and poultry products under the authority of this Act, or (2) any employee or official of the government of any State or territory or the District of Columbia authorized by the Secretary to inspect poultry and poultry products under authority of this Act, under an agreement entered into between the Secretary and the appropriate State or other agency.

"(l) The term 'official mark' means the official inspection legend or any other symbol prescribed by regulation of the Secretary to identify the status of any article or poultry under this Act.

"(m) The term 'official inspection legend' means any symbol prescribed by regulations of the Secretary showing that an article was inspected for wholesomeness in accordance with this Act. The Secretary shall not require any change in the official inspection legend in use under this Act on the date of enactment of the Wholesome Poultry Products Act.

"(n) The term 'official certificate' means any certificate prescribed by regulations of the Secretary for issuance by an inspector or other person performing official functions under this Act.

"(o) The term 'official device' means any device prescribed or authorized by the Secretary for use in applying any official mark.

"(p) The term 'official establishment' means any establishment as determined by the Secretary at which inspection of the slaughter of poultry, or the processing of poultry products, is maintained under the authority of this Act.

"(q) The term 'inspection service' means the official Government service within the Department of Agriculture designated by the Secretary as having the responsibility for carrying out the provisions of this Act.

"(r) The term 'container' or 'package' includes any box, can, tin, cloth, plastic, or other receptacle, wrapper, or cover.

"(s) The term 'label' means a display of written, printed, or graphic matter upon any article or the immediate container (not including packaged liners) of any article; and the term 'labeling' means all labels and other written, printed, or graphic matter (1) upon any article or any of its containers or wrappers, or (2) accompanying such article.

"(t) The term 'shipping container' means any container used or intended for use in packaging the product packed in an immediate container.

"(u) The term 'immediate container' includes any consumer package; or any other container in which poultry products, not consumer packaged, are packed.

"(v) The term 'capable of use as human food' shall apply to any carcass, or part or product of a carcass, of any poultry, unless it is denatured or otherwise identified as required by regulations prescribed by the Secretary to deter its use as human food, or it is naturally inedible by humans.

"(w) The term 'processed' means slaughtered, canned, salted, stuffed, rendered, boned, cut up, or otherwise manufactured or processed.

"(x) The term 'Federal Food, Drug, and Cosmetic Act' means the Act so entitled, approved June 25, 1938 (52 Stat. 1040), and Acts amendatory thereof or supplementary thereto.

"(y) The terms 'pesticide chemical', 'food additive', 'color additive', and 'raw agricultural commodity' shall have the same meanings for purposes of this Act as under the Federal Food, Drug, and Cosmetic Act.

"(z) The term 'poultry products broker' means any person engaged in the business of buying or selling poultry products on commission, or otherwise negotiating purchases or sales of such articles other than for his own account or as an employee of another person.

"(aa) The term 'renderer' means any person engaged in the business of rendering carcasses, or parts or products of the carcasses, of poultry, except rendering conducted under inspection or exemption under this Act.

"(bb) The term 'animal food manufacturer' means any person engaged in the business of manufacturing or processing animal food derived wholly or in part from carcasses, or parts or products of the carcasses, of poultry."

SEC. 5. Section 5 of said Act (21 U.S.C. 454) is hereby amended to read:

"SEC. 5. (a) It is the policy of the Congress to protect the consuming public from poultry products that are adulterated or misbranded and to assist in efforts by State and other government agencies to accomplish this objective. In furtherance of this policy—

"(1) The Secretary is authorized, whenever he determines that it would effectuate the purposes of this Act, to cooperate with the appropriate State agency in developing and administering a State poultry product inspection program in any State which has enacted a mandatory State poultry product inspection law that imposes ante mortem and post mortem inspection, reinspection and sanitation requirements that are at least equal to those under this Act, with respect to all or certain classes of persons engaged in the State in slaughtering poultry or processing poultry products for use as human food solely for distribution within such State.

"(2) The Secretary is further authorized, whenever he determines that it would effectuate the purposes of this Act, to cooperate with appropriate State agencies in developing and administering State programs under State laws containing authorities at least equal to those provided in section 11 of this Act; and to cooperate with other agencies of the United States in carrying out any provisions of this Act. In carrying out the provisions of this Act, the Secretary may conduct such examinations, investigations, and inspections as he determines practicable through any officer or employee of any State or Territory or the District of Columbia commissioned by the Secretary for such purpose.

"(3) Cooperation with State agencies under this section may include furnishing to the appropriate State agency (i) advisory assistance in planning and otherwise developing an adequate State program under the State law; and (ii) technical and laboratory assistance and training (including necessary curricular and instructional materials and equipment), and financial and other aid for administration of such a program. The amount to be contributed to any State by the Secretary under this section from Federal funds for any year shall not exceed 50 per centum of the estimated total cost of the cooperative program; and the Federal funds shall be allocated among the States desiring to cooperate on an equitable basis. Such cooperation and payment shall be contingent at all times upon the administration of the State program in a manner which the Secretary, in consultation with the appropriate advisory committee appointed under subparagraph (4), deems adequate to effectuate the purposes of this section.

"(4) The Secretary may appoint advisory committees consisting of such representatives of appropriate State agencies as the Secretary and the State agencies may designate to consult with him concerning State and Federal programs with respect to poultry product inspection and other matters within the scope of this Act, including evaluating State programs for purposes of this Act and obtaining better coordination and more uniformity among the State programs and between the Federal and State programs and adequate protection of consumers.

"(b) The appropriate State agency with which the Secretary may cooperate under this Act shall be a single agency in the State which is primarily responsible for the coordination of the State programs having objectives similar to those under this Act. When the State program includes performance of certain functions by a municipality or other subordinate governmental unit, such unit shall be deemed to be a part of the State agency for purposes of this section.

"(c) (1) If the Secretary has reason to believe, by thirty days prior to the expiration of two years after enactment of the Wholesome Poultry Products Act, that a State has failed to develop or is not enforcing, with respect to all establishments within its jurisdiction (except those that would be exempted from Federal inspection under subparagraph (2) of this paragraph (c)) at which poultry are slaughtered, or poultry products are processed for use as human food, solely for distribution within such State, and the products of such establishments, requirements at least equal to those imposed under sections 1–4, 6–10, and 12–22 of this Act, he shall promptly notify the Governor of the State of this fact. If the Secretary determines, after consultation with the Governor of the State, or representative selected by him, that such requirements have not been developed and activated, he shall promptly after the expiration of such two-year period designate such State as one in which the provisions of said sections of this Act shall apply to operations and transactions wholly within such State: *Provided*, That if the Secretary has reason to believe that the State will activate such requirements within one additional year, he may delay such designation for said period, and not designate the State, if he determines at the end of the year that the State then has such requirements in effective operation. The Secretary shall publish any such designation in the Federal Register and, upon the expiration of thirty days after such publication, the provisions of said sections of this Act shall apply to operations and transactions and to persons engaged therein in the State to the same extent and in the same manner as if such operations and transactions were conducted in or for commerce. However, notwithstanding any other provision of this section, if the Secretary determines that any establishment within a State is producing adulterated poultry products for distribution within such State which would clearly endanger the public health he shall notify the Governor of the State and the appropriate advisory committee provided for by subparagraph (a)(4) of this section of such fact for effective action under State or local law. If the State does not take action to prevent such endangering of the public health within a reasonable time after such notice, as determined by the Secretary, in light of the risk to public health, the Secretary may forthwith designate any such establishment as subject to the provisions of said sections of this Act, and thereupon the establishment and operator thereof shall be subject to such provisions as though engaged in commerce until such time as the Secretary determines that such State has developed and will enforce requirements at least equal to those imposed under said sections.

"(2) The provisions of this Act requiring inspection of the slaughter of poultry and the processing of poultry products shall not apply to operations of types traditionally and usually conducted at retail stores and restaurants, when conducted at any retail store or restaurant or similar retail-type establishment for sale in normal retail quantities or service of such articles to consumers at such establishments if such establishments are subject to such inspection provisions only under this paragraph (c).

"(3) Whenever the Secretary determines that any State designated under this paragraph (c) has developed and will enforce State poultry products inspection requirements at least equal to those imposed under the aforesaid sections of this Act, with respect to the operations and transactions within such State which are regulated under subparagraph (1) of this paragraph (c), he shall terminate the designation of such State under this paragraph (c), but this shall not preclude the subsequent redesignation of the State at any time upon thirty days' notice to the Governor and publication in the Federal Register in accordance with this paragraph, and any State may be designated upon such notice and publication, at any time after the period specified in this paragraph whether or not the State has therefore been designated, upon the Secretary determining that it is not effectively enforcing requirements at least equal to those imposed under said sections.

"(4) The Secretary shall promptly upon encatment of the Wholesome Poultry Products Act, and periodically thereafter, but at least annually, review the requirements, including the enforcement thereof, of the several States not designated under this paragraph (c), with respect to the slaughter, and the processing, storage, handling, and distribution of poultry products, and inspection of such operations, and annually report thereon to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate in the report required in section 27 of this Act.

"(5) Poultry products under State inspection at any establishment in any State, not designated under this paragraph (c), in accordance with requirements which the Secretary has determined are at least equal to those under sections 1–4, 6–10, and 12–22 of this Act, shall be eligible for distribution in commerce (including entry into any establishment at which inspection is maintained under this Act) upon the same basis as poultry products inspected under this Act, when they are marked under such supervision and other conditions as the Secretary may by regulation prescribe, with a combined State-Federal official inspection legend.

"(d) As used in this section, the term 'State' means any State (including the Commonwealth of Puerto Rico) or organized territory."

Sec. 6. Section 6 of said Act (21 U.S.C. 455) is hereby amended as follows:

(a) Paragraph (a) is amended to read:

"(a) For the purpose of preventing the entry into or flow or movement in commerce of, or the burdening of commerce by, any poultry product which is capable of use as human food and is adulterated, the Secretary shall, where and to the extent considered by him necessary, cause to be made by inspectors ante mortem inspection of poultry in each official establishment processing poultry or poultry products for commerce or otherwise subject to inspection under this Act."

(b) Paragraph (b) is amended by deleting the phrase "in, or for marketing in a designated city or area" and substituting the phrase "otherwise subject to inspection under this Act"; by inserting the word "and" before the word "reinspection"; and by inserting the phrase "capable of use as human food" after the phrase "poultry products" the first time the latter phrase appears in the paragraph.

(c) Paragraph (c) is amended by deleting the phrase "unwholesome or" and the phrase "not unwholesome and" each time they appear therein; and by inserting the word "other" before the phrase "poultry products".

Sec. 7. In section 7 of said Act (21 U.S.C. 456) paragraph (a) is hereby amended by deleting the phrase "in or for marketing in a designated major consuming area" and substituting the phrase "otherwise subject to inspection under this Act"; by deleting the phrase "in a designated major consuming area" and substituting the phrase "burdensome effect upon commerce"; and by deleting the phrase "unwholesome or".

Sec. 8. Section 8 of said Act (21 U.S.C. 457) is hereby amended to read:

"Sec. 8. (a) All poultry products inspected at any official establishment under the authority of this Act and found to be not adulterated, shall at the time they leave the establishment bear, in distinctly legible form, on their shipping containers and immediate containers as the Secretary may require, the information required under paragraph (h) of section 4 of this Act.

"(b) The Secretary, whenever he determines such action is nececsary for the protection of the public, may prescribe: (1) the styles and sizes of type to be used with respect to material required to be incorporated in labeling to avoid false or misleading labeling in marking and labeling any articles or poultry subject to this Act; (2) definitions and standards of identity or composition or articles subject to this Act and standards of fill of container for such articles not inconsistent with any such standards established under the Federal Food, Drug, and Cosmetic Act, and there shall be consultation between the Secretary and the Secretary of Health, Education, and Welfare prior to the issuance of such standards under either Act relating to articles subject to this Act to avoid inconsistency in such standards and possible impairment of the coordinated effective administration of these Acts. There shall also be consultation between the Secretary and an appropriate advisory committee provided for in section 5 of this Act, prior to the issuance of such standards under this Act, to avoid, insofar as feasible, inconsistency between Federal and State standards.

"(c) No article subject to this Act shall be sold or offered for sale by any person in commerce, under any name or other marking or labeling which is false or misleading, or in any container of a misleading form or size, but established trade names and other marking and labeling and containers which are not false or misleading and which are approved by the Secretary are permitted.

"(d) If the Secretary has reason to believe that any marking or labeling or the size or form of any container in use or proposed for use with respect to any article subject to this Act is false is misleading in any particular, he may direct that such use be withheld unless the marking, labeling, or container is modified in such manner as he may prescribe so that it will not be false or misleading. If the person using or proposing to use the marking, labeling, or container does not accept the determination of the Secretary, such person may request a hearing, but the use of the marking, labeling, or container shall, if the Secretary so directs, be withheld pending hearing and final determination by the Secretary. Any such determination by the Secretary shall be conclusive unless, within thirty days after receipt of notice of such final determination, the person adversely affected thereby appeals to the United States Court of Appeals for the circuit in which such person has its principal place of business or to the United States Court of Appeals for the District of Columbia Circuit. The provisions of section 204 of the Packers and Stockyards Act, 1921 (42 Stat. 162, as amended; 7 U.S.C. 194) shall be applicable to appeals taken under this section."

Sec. 9. Section 9 of said Act (21 U.S.C. 458) is amended to read:

"Sec. 9. (a) No person shall—

"(1) slaughter any poultry or process any poultry products which are capable of use as human food at any establishment processing any such articles for commerce, except in compliance with the requirements of this Act;

"(2) sell, transport, offer for sale or transportation, or receive for transportation, in commerce, (A) any poultry products which are capable of use as human food and are adulterated or misbranded at the time of such sale, transportation, offer for sale of transportation, or receipt for transportation; or (B) any poultry products required to be inspected under this Act unless they have been so inspected and passed;

"(3) do, with respect to any poultry products which are capable of use as human food, any act while they are being transported in commerce or held for sale after such transportation, which is intended to cause or has the effect of causing such products to be adulterated or misbranded;

"(4) sell, transport, offer for sale or transportation, or receive for transportation, in commerce or from an official establishment, any slaughtered poultry from which the blood, feathers, feet, head, and viscera have not been removed in accordance with regulations promulgated by the Secretary, except as may be authorized by regulations of the Secretary;

"(5) use to his own advantage, or reveal other than to the authorized representatives of the United States Government or any State or other government in their official capacity, or as ordered by a court in any judicial proceedings, any information acquired under the authority of this Act concerning any matter which is entitled to protection as a trade secret.

"(b) No brand manufacturer, printer, or other person shall cast, print, lithograph, or otherwise make any device containing any official mark or simulation thereof, or any label bearing any such mark or simulation, or any form of official certificate or simulation thereof, except as authorized by the Secretary.

"(c) No person shall—

"(1) forge any official device, mark, or certificate;

"(2) without authorization from the Secretary use any official device, mark, or certificate, or simulation thereof, or alter, detach, deface, or destroy any official device, mark, or certificate;

"(3) contrary to the regulations prescribed by the Secretary, fail to use, or to detach, deface, or destroy any official device, mark, or certificate;

"(4) knowingly possess, without promptly notifying the Secretary or his representative, any official device or any counterfeit, simulated, forged, or improperly altered official certificate or any device or label or any carcass of any poultry, or part or product thereof, bearing any counterfeit, simulated, forged, or improperly altered official mark;

"(5) knowingly make any false statement in any shipper's certificate or other nonofficial or official certificate provided for in the regulations prescribed by the Secretary; or

"(6) knowingly represent that any article has been inspected and passed, or exempted, under this Act when, in fact, it has, respectively, not been so inspected and passed, or exempted."

Sec. 10. Section 10 of said Act (21 U.S.C. 459) is hereby amended by deleting the phrase "in or for marketing in a designated major consuming area" and substituting the phrase "otherwise subject to this Act".

Sec. 11. Section 11 of said Act (21 U.S.C. 460) is hereby amended to read:

"(a) Inspection shall not be provided under this Act at any establishment for the slaughter of poultry or the processing of any carcasses or parts or products of poultry, which are not intended for use as human food, but such articles shall, prior to their offer for sale or transportation in commerce, unless naturally inedible by humans, be denatured or otherwise identified as prescribed by regulations of the Secretary to deter their use for human food. No person shall buy, sell, transport, or offer for sale or transportation, or receive for transportation, in commerce, or import, any poultry carcasses or parts or products thereof which are not intended for use as human food unless they are denatured or otherwise identified as required by the regulations of the Secretary or are naturally inedible by humans.

"(b) The following classes of persons shall, for such period of time as the Secretary may by regulations prescribe, not to exceed two years unless otherwise directed by the Secretary for good cause shown, keep such records as are properly necessary for the effective enforcement of this Act in order to insure against adulterated or misbranded poultry products for the American consumer; and all persons subject to such requirements shall, at all reasonable times, upon notice by a duly authorized representative of the Secretary, afford such representative access to their places of business and opportunity to examine the facilities, inventory, and records thereof, to copy all such records, and to take reasonable samples of their inventory upon payment of the fair market value therefor—

"(1) Any person that engages in the business of slaughtering any poultry or processing, freezing, packaging, or labeling any carcasses, or parts or products of carcasses, of any poultry, for commerce, for use as human food or animal food;

"(2) Any person that engages in the business of buying or selling (as poultry products brokers, wholesalers or otherwise), or transporting, in commerce, or storing in or for commerce, or importing, any carcasses, or parts or products of carcasses, of any poultry;

"(3) Any person that engages in business, in or for commerce, as a renderer, or engages in the business of buying, selling, or transporting, in commerce, or importing, any dead, dying, disabled, or diseased poultry or parts of the carcasses of any poultry that died otherwise than by slaughter.

"(c) No person shall engage in business, in or for commerce, as a poultry products broker, renderer, or animal food manufacturer, or engage in business in commerce as a wholesaler of any carcasses, or parts or products of the carcasses, of any poultry, whether intended for human food or other purposes, or engage in business as a public warehouseman storing any such articles in or for commerce, or engage in the business of buying, selling, or transporting in commerce, or importing, any dead, dying, disabled, or diseased poultry, or parts of the carcasses of any poultry that died otherwise than by slaughter, unless, when required by regulations of the Secretary, he has registered with the Secretary his name, and the address of each place of business at which, and all trade names under which, he conducts such business.

"(d) No person engaged in the business of buying, selling, or transporting in commerce, or importing, dead, dying, disabled, or diseased poultry, or any parts of the carcasses of any poultry that died otherwise than by slaughter, shall buy, sell, transport, offer for sale or transportation, or receive for transportation, in commerce, or import, any dead, dying, disabled, or diseased poultry or parts of the carcasses of any poultry that died otherwise than by slaughter, unless such transaction, transportation or importation is made in accordance with such regulations as the Secretary may prescribe to assure that such poultry, or the unwholesome parts or products thereof, will be prevented from being used for human food.

"(e) The authority conferred on the Secretary by paragraph (b), (c), or (d) of this section with respect to persons engaged in the specified kinds of business in or for commerce may be exercised with respect to persons engaged, in any State or organized territory, in such kinds of business but not in or for commerce, whenever the Secretary determines, after consultation with an appropriate advisory committee provided for in section 5 of this Act, that the State or territory does not have at least equal authority under its laws or such authority is not exercised in a manner to effectuate the purposes of this Act, including the State or territory providing for the Secretary or his representative being afforded access to such places of business and the facilities, inventories, and records thereof, and the taking of reasonable samples, where he determines necessary in carrying out his responsibilities under this Act; and in such case the provisions of paragraph (b), (c), or (d) of this section, respectively, shall apply to such persons to the same extent and in the same manner as if they were engaged in such business in or for commerce and the transactions involved were in commerce."

Sec. 12. Section 12 of said Act (21 U.S.C. 461) is hereby amended as follows:

(a) Paragraph (a) is amended by changing the first sentence to read:

"Any person who violates the provisions of section 9, 10, 11, 14, or 17 of this Act shall be fined not more than $1,000 or imprisoned not more than one year, or both; but if such violation involves intent to defraud, or any distribution or attempted distribution of an article that is adulterated (except as defined in section 4(g)(8) of this Act), such person shall be fined not more than $10,000 or imprisoned not more than three years, or both."

(b) Paragraph (b) is amended by deleting the phrase "not otherwise eligible" and substituting the phrase "otherwise not eligible"; by deleting the word "slaughtered" each time it appears; and by adding the following before the period at the end of the paragraph: "or unless the carrier refuses to furnish on request of a representative of the Secretary the name and address of the person from whom he received such poultry or poultry products, and copies of all documents, if any there be, pertaining to the delivery of the poultry or poultry products to such carrier".

(c) A new paragraph (c) is added to read:

"(c) Any person who forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any person while engaged in or on account of the performance of his official duties under this Act shall be fined not more than $5,000 or imprisoned not more than three years, or both. Whoever, in the commission of any such acts, uses a deadly or dangerous weapon, shall be fined not more than $10,000 or imprisoned not more than ten years, or both. Whoever kills any person while engaged in or on account of the performance of his official duties under this Act shall be punished as provided under sections 1111 and 1114 of title 18, United States Code."

Sec. 13. (a) Section 14 of said Act (21 U.S.C. 463) is hereby amended by designating the present provisions thereof as paragraph (b); by inserting the word "other" before the word "rules" in said paragraph; and by adding a new paragraph (a) to read:

"(a) The Secretary may by regulations prescribe conditions under which poultry products capable of use as human food, shall be stored or otherwise handled by any person engaged in the business of buying, selling, freezing, storing, or transporting, in or for commerce, or importing, such articles, whenever the Secretary deems such actions necessary to assure that such articles will not be adulterated or misbranded when delivered to the consumer. Violation of any such regulations is prohibited.

(b) Section 14 of said Act is further amended by inserting at the end thereof the following new subsection:

"(c) In applying the provisions of section 553(c) of title 5, United States Code, to proposed rulemaking under this Act, an opportunity for the oral presentation of views shall be accorded all interested persons."

Sec. 14. Section 15 of said Act (21 U.S.C. 464) is hereby amended as follows:

(a) In paragraph (a), subparagraph (1) is deleted and subparagraphs (2), (3), and (4) are designated, respectively, as subparagraphs (1), (2), and (3);

(b) In paragraph (a), in redesignated subparagraph (2) (formerly (3)), the date "July 1, 1960" is deleted and the date "January 1, 1970" is substituted therefor;

(c) Paragraph (b) is redesignated as paragraph (e) and new paragraphs (b), (c), and (d) are added to read:

"(b) The Secretary may, under such sanitary conditions as he may by regulations prescribe, exempt from the inspection requirements of this Act the slaughter of poultry, and the processing of poultry products, by any person in any Territory not organized with a legislative body, solely for distribution within such Territory, when the Secretary determines that it is impracticable to provide such inspection within the limits of funds appropriated for administration of this Act and that such exemption will aid in the effective administration of this Act.

"(c)(1) The provisions of this Act shall not apply to (i) poultry producers with respect to poultry of their own raising on their own farms: *Provided*, That such producers slaughter not more than 4,000 turkeys, or not more than an equivalent number of birds of all species during the calendar year for which this exemption is being determined (4.5 birds of other species being deemed the equivalent of one turkey): *Provided further*, That such poultry producers do not engage in buying or selling poultry products other than those produced from poultry raised on their own farms: *Provided further*, That none of such poultry moves in commerce (as defined in section 4(a) of this Act) other than directly to household consumers or restaurants, hotels, and boarding houses for use in their own dining rooms or in the preparation of meals for sale direct to consumers only: *Provided further*, That such producers do not engage in selling dressed poultry or poultry products which are not sound, healthful, clean, and otherwise fit for human food; nor (ii) to any person who slaughters, processes, or sells poultry the wholesale dressed value of which does not exceed $15,000 during the current calendar year: *Provided*, That none of such poultry moves in commerce (as defined in section 4(a) of this Act): *Provided further*, That such persons do not engage in selling dressed poultry or poultry products which are not sound, healthful, clean, and otherwise fit for human food; nor (iii) to the slaughtering by any person of poultry of his own raising, and the processing by him and transportation in commerce of the poultry products exclusively for use by him and members of his household and his nonpaying guests and employees; nor (iv) to the custom slaughter by any person of poultry delivered by the owner thereof for such slaughter, and the processing by such slaughterer and transportation in commerce of the poultry products exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided*, That such custom slaughterer does not engage in the business of buying or selling any poultry products capable of use as human food.

"(2) In addition to the specific exemptions provided herein the Secretary shall, when he determines that the protection of consumers from adultered or misbranded poultry products will not be impaired by such action, provide by regulation for further exempting the operation and products of small enterprises (including poultry producers) engaged in slaughtering and/or cutting up poultry for distribution as carcasses or parts thereof, which are subject to the provisions of this Act only under section 5(c) from such provisions of this Act as he deems appropriate, while still protecting the public from adulterated or misbranded products, under such conditions, including sanitary requirements, as he shall prescribe to effectuate the purposes of this Act: *Provided*, That any such further exemption may be revoked by the Secretary with respect to any establishment if he determines that the operations of an establishment under the exemption have resulted or will result in the distribution of adulterated or misbranded poultry products or that the operator of the establishment has failed to comply with the conditions of exemption.

"(d) The adulteration and misbranding provisions of this Act, other than the requirement of the inspection legend, shall apply to articles which are exempted from inspection or not required to be inspected under this section, except as otherwise specified under paragraphs (a) and (c)."

SEC. 15. Section 16 of said Act (21 U.S.C. 465) is hereby amended to read:

"SEC. 16. The Secretary may limit the entry of poultry products and other materials into any official establishment, under such conditions as he may prescribe to assure that allowing the entry of such articles into such inspected establishments will be consistent with the purposes of this Act."

SEC. 16. Section 17 of said Act (21 U.S.C. 466) is hereby amended to read:

"SEC. 17. (a) No poultry products which are capable of use as human food shall be imported into the United States if such articles are adulterated or misbranded and unless they comply with all the inspection, building construction standards, and all other provisions of this Act and regulations issued thereunder applicable to such articles in commerce within the United States. All such imported articles shall, upon entry into the United States, be deemed and treated as domestic articles subject to the other provisions of this Act and the Federal Food, Drug, and Cosmetic Act: *Provided*, That they shall be marked and labeled as required by such regulations for imported articles: *Provided further*, That nothing in this section shall apply to any individual who purchases poultry products outside the United States for his own consumption except that the total amount of such poultry products shall not exceed fifty pounds.

"(b) The Secretary may prescribe the terms and conditions for the destruction of all such articles which are imported contrary to this section, unless (1) they are exported by the consignee within the time fixed therefor by the Secretary, or (2) in the case of articles which are not in compliance with the Act solely because of misbranding, such articles are brought into compliance with the Act under supervision of authorized representatives of the Secretary.

"(c) All charges for storage, cartage, and labor with respect to any article which is imported contrary to this section shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against such article and any other article thereafter imported under this Act by or for such owner or consignee.

"(d) The knowing importation of any article contrary to this section is prohibited.

"(e) Not later than March 1 of each year the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate a comprehensive and detailed written report with respect to the administration of this section during the immediately preceding calendar year. Such report shall include, but shall not be limited to—

"(1) a certification by the Secretary that foreign plants exporting poultry products referred to in subsection (a) of this section have complied with requirements at least equal to all the inspection, building construction standards, and all other provisions of this Act and regulations issued thereunder;

"(2) the names and locations of plants authorized or permitted to have imported into the United States therefrom poultry products referred to in subsection (a) of this section;

"(3) the number of inspectors employed by the Department of Agriculture in the calendar year concerned who were assigned to inspect plants referred to in paragraph (e)(2) hereof and the frequency with which each such plant was inspected by such inspectors;

"(4) the number of inspectors licensed by each country from which any imports subject to the provisions of this section were imported who were assigned, during the calendar year concerned, to inspect such imports and the facilities in which such imports were handled and the frequency and effectiveness of such inspections; and

"(5) the total volume of poultry products referred to in subsection (a) of this section which was imported into the United States during the calendar year concerned from each country, including a separate itemization of the volume of each major category of such imports from each country during such year, and a detailed report of rejections of plants and products because of failure to meet appropriate standards prescribed by this Act."

SEC. 17. Section 18 of said Act (21 U.S.C. 467) is hereby amended to read:

"SEC. 18. (a) The Secretary may (for such period, or indefinitely, as he deems necessary to effectuate the purposes of this Act) refuse to provide, or withdraw, inspection service under this Act with respect to any establishment if he determines, after opportunity for a hearing is accorded to the applicant for, or recipient of, such service, that such applicant or recipient is unfit to engage in any business requiring inspection upon this Act because the applicant or recipient or anyone responsibly connected with the applicant or recipient, has been convicted, in any Federal or State court, within the previous ten years of (1) any felony or more than one misdemeanor under any law based upon the acquiring, handling, or distributing of adulterated, mislabeled, or deceptively packaged food or fraud in connection with transactions in food; or (2) any felony, involving fraud, bribery, extortion, or any other act or circumstance indicating a lack of the integrity needed for the conduct of operations affecting the public health. For the purpose of this paragraph a person shall be deemed to be responsibly connected with the business if he was a partner, officer, director, holder, or owner of 10 per centum or more of its voting stock or employee in a managerial or executive capacity.

"(b) Upon the withdrawal of inspection service from any official establishment for failure to destroy condemned poultry products as required under section 6 of this Act, or other failure of an official establishment to comply with the requirements as to premises, facilities, or equipment, or the operation thereof, as provided in section 7 of this Act, or the refusal of inspection service to any applicant therefor because of failure to comply with any requirements under section 7, the applicant for, or recipient of, the service shall, upon request, be afforded opportunity for a hearing with respect to the merits or validity of such action; but such withdrawal or refusal shall continue in effect unless otherwise ordered by the Secretary.

"(c) The determination and order of the Secretary when made after opportunity for hearing, with respect to withdrawal or refusal of inspection service under this Act shall be final and conclusive unless the affected applicant for, or recipient of, inspection service files application for judicial review within thirty days after the effective date of such order in the United States Court of Appeals as provided in section 8 of this Act. Judicial review of any such order shall be upon the record upon which the determination and order are based. The provisions of section 204 of the Packers and Stockyards Act of 1921, as amended, shall be applicable to appeals taken under this section."

SEC. 18. Sections 19 through 22 of said Act (21 U.S.C. 468, 469, 451 note) are hereby redesignated as sections 25, 26, 28, and 29, respectively, and new sections 19, 20, 21, 22, 23, 24, and 27 are added to the Act to read, respectively:

"Sec. 19. Whenever any poultry product, or any product exempted from the definition of a poultry product, or any dead, dying, disabled, or diseased poultry is found by any authorized representative of the Secretary upon any premises where it is held for purposes of, or during or after distribution in, commerce or otherwise subject to this Act, and there is reason to believe that any such article is adulterated or misbranded and is capable of use as human food, or that it has not been inspected, in violation of the provisions of this Act or of any other Federal law or the laws of any State or Territory, or the District of Columbia, or that it has been or is intended to be, distributed in violation of any such provisions, it may be detained by such representative for a period not to exceed twenty days, pending action under section 20 of this Act or notification of any Federal, State or other governmental authorities having jurisdiction over such article or poultry, and shall not be moved by any person, from the place at which it is located when so detained, until released by such representative. All official marks may be required by such representative to be removed from such article or poultry before it is released unless it appears to the satisfaction of the Secretary that the article or poultry is eligible to retain such marks.

"Sec. 20. (a) Any poultry product, or any dead, dying, disabled, or diseased poultry, that is being transported in commerce or otherwise subject to this Act, or is held for sale in the United States after such transportation, and that (1) is or has been processed, sold, transported, or otherwise distributed or offered or received for distribution in violation of this Act, or (2) is capable of use as human food and is adulterated or misbranded, or (3) in any other way is in violation of this Act, shall be liable to be proceeded against and seized and condemned, at any time, on a libel of information in any United States district court or other proper court as provided in section 21 of this Act within the jurisdiction of which the article or poultry is found. If the article or poultry is condemned, it shall, after entry of the decree, be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs and fees, and storage and other proper expenses, shall be paid into the Treasury of the United States, but the article or poultry shall not be sold contrary to the provisions of this Act, or the laws of the jurisdiction in which it is sold: *Provided,* That upon the execution and delivery of a good and sufficient bond conditioned that the article or poultry shall not be sold or otherwise disposed of contrary to the provisions of this Act, or the laws of the jurisdiction in which disposal is made, the court may direct that such article or poultry be delivered to the owner thereof subject to such supervision by authorized representatives of the Secretary as is necessary to insure compliance with the applicable laws. When a decree of condemnation is entered against the article or poultry and it is released under bond, or destroyed, court costs and fees, and storage and other proper expenses shall be awarded against the person, if any, intervening as claimant of the article or poultry. The proceedings in such libel cases shall conform, as nearly as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any case, and all such proceedings shall be at the suit of and in the name of the United States.

"(b) The provisions of this section shall in no way derogate from authority for condemnation or seizure conferred by other provisions of this Act, or other laws.

"Sec. 21. The United States district courts, the District Court of Guam, the District Court of the Virgin Islands, the highest court of American Samoa, and the United States courts of the other territories, are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of, this Act, and shall have jurisdiction in all other kinds of cases arising arising under this Act, except as provided in section 8(d) or 18 of this Act. All proceedings for the enforcement or to restrain violations of this Act shall be by and in the name of the United States. Subpenas for witnesses who are required to attend a court of the United States, in any district, may run into any other district in any such proceeding.

"Sec. 22. For the efficient administration and enforcement of this Act, the provisions (including penalties) of sections 6, 8, 9, and 10 of the Federal Trade Commission Act, as amended (38 Stat. 721–723, as amended; 15 U.S.C. 46, 48, 49, and 50) (except paragraphs (c) through (h) of section 6 and the last paragraph of section 9), and the provisions of subsection 409(l) of the Communications Act of 1934 (48 Stat. 1096, as amended; 47 U.S.C. 409(l)), are made applicable to the jurisdiction, powers, and duties of the Secretary in administering and enforcing the provisions of this Act and to any person with respect to whom such authority is exercised. The Secretary, in person or by such agents as he may designate, may prosecute any inquiry necessary to his duties under this Act in any part of the United States, and the powers conferred by said sections 9 and 10 of the Federal Trade Commission Act as amended on the district courts of the United States may be exercised for the purposes of this Act by any court designated in section 21 of this Act.

"Sec. 23. Requirements within the scope of this Act with respect to premises, facilities and operations of any official establishment, which are in addition to, or different than those made under this Act may not be imposed by any State or Territory or the District of Columbia, except that any such jurisdiction may impose recordkeeping and other requirements within the scope of paragraph (b) of section 11 of this Act, if consistent therewith, with respect to any such establishment. Marking, labeling, packaging, or ingredient requirements (or storage or handling requirements found by the Secretary to interfere with the free flow of poultry products in commerce) in addition to, or different than, those made under this Act may not be imposed by any State or Territory or the District of Columbia with respect to articles prepared at any official establishment in accordance with the requirements under this Act, but any State or Territory or the District of Columbia may, consistent with the requirements under this Act, exercise concurrent jurisdiction with the Secretary over articles required to be inspected under this Act, for the purpose of preventing the distribution for human food purposes of any such articles which are adulterated or misbranded and are outside of such an establishment, or, in the case of imported articles which are not at such an establishment, after their entry into the United States. This Act shall not preclude any State or Territory or the District of Columbia from making requirement or taking other action, consistent with this Act, with respect to any other matters regulated under this Act.

"Sec. 24. (a) Poultry and poultry products shall be exempt from the provisions of the Federal Food, Drug, and Cosmetic Act to the extent of the application or extension thereto of the provisions of this Act, except that the provisions of this Act shall not derogate from any authority conferred by the Federal Food, Drug, and Cosmetic Act prior to enactment of the Wholesome Poultry Products Act.

"(b) The detainer authority conferred by section 19 of this Act shall apply to any authorized representative of the Secretary of Health, Education, and Welfare for purposes of the enforcement of the Federal Food, Drug, and Cosmetic Act with respect to any poultry carcass, or part or product thereof, that is outside any official establishment, and for such purposes the first reference to the Secretary in section 19 shall be deemed to refer to the Secretary of Health, Education, and Welfare.

"Sec. 27. The Secretary shall annually report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate with respect to the slaughter of poultry subject to this Act, and the preparation, storage, handling, and distribution of poultry parts, poultry products, and inspection of establishments operated in connection therewith, including the operations under and the effectiveness of this Act."

Sec. 19. The heading "Designation" preceding section 5 of said Act is hereby amended to read "Federal and State cooperation"; the heading "Labeling" preceding section 8 of said Act is hereby amended to read "Labeling and containers; standards"; the heading "Records of interstate shipment" preceding section 11 of said Act is hereby amended to read "Articles not intended for human food; record and related requirements for processors of poultry products and related industries engaged in commerce; registration requirements for related industries engaged in commerce; regulation of transactions in commerce in dead, dying disabled, or diseased poultry and carcasses thereof; authority to regulate comparable intrastate activities"; and the heading "Violations by exempted persons" preceding section 16 of said Act is hereby amended to read "Entry of materials into official establishments."

Sec. 20. The Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584) is amended—

(1) by striking out paragraph (t) of section 1 of such Act and inserting in lieu thereof the following:

"(t) The term 'official inspection legend' means any symbol prescribed by regulations of the Secretary showing that an article was inspected and passed in accordance with this Act, including any combined State-Federal official inspection legend prescribed by the Secretary under subparagraph (5) of section 301(c) of this Act."; and

(2) by adding at the end of section 301(c) of such Act a new subparagraph as follows:

"(5) Notwithstanding any other provisions of this Act, carcasses, parts thereof, meat and meat food products prepared under State inspection at any establishment in any State, not designated under this paragraph (c), in accordance with requirements which the Secretary has determined are at least equal to those under titles I and IV of this Act, shall be eligible for distribution in commerce (including entry into any establishment at which inspection is maintained under title I) upon the same basis as carcasses, parts thereof, meat and meat food products inspected under title I, when they are marked under such supervision and other conditions as the Secretary may by regulation prescribe, with a combined State-Federal official inspection legend."

Sec. 21. If any provisions of this Act or of the amendments made hereby or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the remaining amendments and of the application of such provision to other persons and circumstances shall not be affected thereby.

Sec. 22. This Act shall become effective upon enactment except as provided in paragraphs (a) through (c):

(a) The provisions of subparagraphs (a) (2) (A) and (a) (3) of section 9 of the Poultry Products Inspection Act and the provisions of section 17 of said Act, as amended by sections 9 and 16 of this Act, shall become effective upon the expiration of sixty days after enactment hereof.

(b) Section 14 of this Act, amending section 15 of the Poultry Products Inspection Act, shall become effective upon the expiration of sixty days after enactment hereof.

(c) Paragraph 11(d) of the Poultry Products Inspection Act, as added by section 11 of this Act, shall become effective upon the expiration of sixty days after enactment hereof.

ADJOURNMENT UNTIL TOMORROW AT 10 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and (at 7 o'clock and 17 minutes p.m.) the Senate adjourned until tomorrow, Saturday, July 27, 1968, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 26, 1968:

DIPLOMATIC AND FOREIGN SERVICE

Edson O. Sessions, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ecuador.

Raul H. Castro, of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

HOUSE OF REPRESENTATIVES—*Friday, July 26, 1968*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He that abideth in Me and I in him, the same bringeth forth much fruit.—John 15: 5.

Most merciful God, in this midday moment of meditation we come to Thee knowing Thou wilt receive us and never send us away emptyhanded or emptyhearted.

Make our minds shrines of Thy truth, our hearts sanctuaries of Thy love, and send us out into this new day with the glorious spirit of those who build highways of peace and good will among the children of men.

Help us now and always to walk worthily in the ways of Thy word and when temptations and troubles come may we prove to be faithful to Thee and fruitful in all good works.

We pray for our beloved country that she may be Thine instrument of good will in bringing together in a deep unity of spirit all the members of the human race.

In the spirit of Christ, we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 9606. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia; and

H.R. 10213. An act to amend the Life Insurance Act of the District of Columbia, approved June 19, 1934 (48 Stat. 1125).

The message also announced that the Senate agrees to the amendment of the House to a joint resolution of the Senate of the following title:

S.J. Res. 181. Joint resolution to authorize the President to designate the week of August 4 through 10, 1968, as "Professional Photography Week."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13781) entitled "An act to amend title II of the Marine Resources and Engineering Development Act of 1966," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. PELL, and Mr. JAVITS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3416. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the rendering of direct assistance to and performance of special services for the Inaugural Committee; and

S. 3865. An act to clarify the status of National Guard technicians, and for other purposes.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. MONRONEY and Mr. CARLSON members of the Joint Select Committee on the Part of the Senate for the Disposition of Executive Papers referred to in the report of the Archivist of the United States numbered 68–16.

AMENDING SECTION 202 OF AGRICULTURAL ACT OF 1956

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10915) to amend section 202 of the Agricultural Act of 1956, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That section 202 of the Agricultural Act of 1956 is amended by adding at the end thereof the following new subsection:

"'(c) Notwithstanding any other provision of law, raw, semiprocessed, or processed extra long staple cotton, as described in section 347(a) of the Agricultural Adjustment Act of 1938, as amended, which is the product of a country which has failed to maintain diplomatic relations with the United States shall not constitute any portion of the quota of such extra long staple cotton set forth in subsection (a) of this section for the import quota year (1) beginning August 1, 1968 (or, if this subsection is not enacted prior to the planting of the 1969 crop, August 1, 1969), or (2) beginning next after the severance of diplomatic relations, whichever occurs later, and shall continue to be excluded until the end of the second import quota year beginning after the resumption of diplomatic relations; and such quota set forth in subsection (a) shall be reduced by the average annual amount of extra long staple cotton received from any such country during the five quota years immediately preceding the quota year in which such severance of diplomatic relations occurs: *Provided*, That any such reduction shall continue only until the end of the second import quota year beginning after the resumption of diplomatic relations by such country with the United States. Notwithstanding any other provision of law, beginning with the 1969 crop, the Secretary shall give domestic producers the opportunity to produce an amount of such extra long staple cotton equal to any reduction in supply which may result from the enactment of this subsection and any contracts entered into for the purchase and shipment of such extra long staple cotton from such countries, shall be allowed entry into the United States subject only to existing United States quota limitations, if said contracts have been entered into before December 1, 1967.'"

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 3638, INDEMNITY PAYMENTS TO DAIRY FARMERS FOR MILK

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3638) to extend for 3 years the authority of the Secretary of Agriculture to make indemnity payments to dairy farmers for milk required to be withheld from commercial markets because it contains residues of chemicals registered and approved for use by the Federal Government, with amendments of the House thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. POAGE, GATHINGS, MCMILLAN, BELCHER, and TEAGUE of California.

AUTHORIZING THE PRINTING AS A HOUSE DOCUMENT OF THE LETTERS OF VICE ADM. HYMAN G. RICKOVER RELATING TO THE DISTINGUISHED AMERICANS IN WHOSE HONOR THE U.S. NAVY POLARIS NUCLEAR SUBMARINES WERE NAMED

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1801) on the concurrent resolution (H. Con. Res. 213) authorizing the printing as a House document of the letters of Vice Adm. Hyman G. Rickover relating to the distinguished Americans in whose honor the U.S. Navy Polaris nuclear submarines were named, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 213

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document the letters of Vice Admiral Hyman G. Rickover, United States Navy, to the Speaker of the House of Representatives relating to the distinguished Americans in whose honor the United States Navy Polaris nuclear submarines were named. The copy for such House document shall be prepared under the supervision of the Joint Committee on Printing.

SEC. 2. In addition to the usual number, there shall be printed ten thousand additional copies of such House document, of which four thousand copies shall be for the use of the Senate, and six thousand copies shall be for the use of the House of Representatives.

With the following committee amendments:

On page 1, line 10, strike out "ten" and insert in lieu thereof "twelve".

On page 2, line 1, strike out "six" and insert in lieu thereof "eight".

On page 2, after line 2, insert the following:

"SEC. 3. That, notwithstanding any provision of the copyright laws and regulations with respect to publications in public domain, the letters shall be subject to copyright by the author thereof, Vice Admiral Hyman G. Rickover, United States Navy.

"SEC. 4. Copies of such document shall be prorated to Members of the Senate and House of Representatives for a period of sixty days, after which the unused balance shall revert to the respective Senate and House document rooms."

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING AS A HOUSE DOCUMENT THE PUBLICATION "THE PRESENT-DAY KU KLUX KLAN MOVEMENT," AND PROVIDING FOR THE PRINTING OF ADDITIONAL COPIES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1802) on the concurrent resolution (H. Con. Res. 781) authorizing the printing as a House document the publication "The Present-Day Ku Klux Klan Movement," and providing for the printing of additional copies, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 781

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document with three thousand additional copies for the use of the Committee on Un-American Activities the publication entitled "The Present-Day Ku Klux Klan Movement," Ninetieth Congress, first session.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

TO AUTHORIZE THE PRINTING OF THE PAMPHLET "THE AMERICAN'S CREED" AS A HOUSE DOCUMENT

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1803) on the concurrent resolution (H. Con. Res. 784) to authorize the printing of the pamphlet "The American's Creed" as a House document, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 784

Resolved by the House of Representatives (the Senate concurring), That the pamphlet entitled "The American's Creed" by William Tyler Page (House Document Numbered 416 of the Sixty-ninth Congress, first session) be printed with illustrations as a House document; and that seven hundred and thirty-four thousand five hundred additional copies be printed, of which two hundred and nineteen thousand five hundred shall be for the use of the House of Representatives, and five hundred and fifteen thousand shall be for the use of the Senate.

SEC. 2. Copies of such document shall be prorated to Members of the Senate and House of Representatives for a period of sixty days, after which the unused balance shall revert to the respective Senate and House document rooms.

With the following committee amendments:

On page 1, line 6, strike out "seven hundred and thirty-four thousand five hundred" and insert in lieu thereof "six hundred and forty-five thousand".

On page 1, lines 7 and 8, strike out "two hundred and nineteen thousand five hundred" and insert in lieu thereof "four hundred and thirty-nine thousand".

On page 1, line 9, strike out "five hundred and fifteen thousand" and insert in lieu thereof "two hundred and six thousand".

The SPEAKER. The gentleman from Ohio is recognized.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa.

Mr. GROSS. What, again, is the subject matter of this publication?

Mr. HAYS. It is a publication that was originally published in the 69th Congress. It is a small pamphlet. The main emphasis of it is on Americanism. It is a monograph, I believe you would call it, entitled "The American's Creed" by William Tyler Page. It has been a House document for many years.

The original bill which the gentleman from Maryland [Mr. MATHIAS] introduced, gave the Senate twice as many as the House. The committee amended it and gave the Senate half as many as the House.

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR PRINTING OF PROCEEDINGS OF COMMITTEE ON AGRICULTURE INCIDENT TO PRESENTATION OF PORTRAIT OF HON. W. R. POAGE

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1804) on the resolution (H. Res. 1088), providing for the printing of the proceedings of the Committee on Agriculture incident to the presentation of a portrait of the Honorable W. R. POAGE, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1088

Resolved, That the transcript of the proceedings in the Committee on Agriculture of February 26, 1968, incident to the presentation of a portrait of Honorable W. R. Poage to the Committee on Agriculture be printed as a House document with illustrations and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed one thousand copies of such document for use of the Committee on Agriculture.

With the following committee amendment:

On page 1, line 5, after the word "suitable" strike out the word "binding." and add the following: "binding in such styles as may be directed by the Joint Committee on Printing."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF REPORT ENTITLED "CIVILIAN ADVISORY PANEL ON MILITARY MANPOWER PROCUREMENT"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1805) on the resolution (H. Res. 1161) authorizing the printing of the report entitled "Civilian Advisory Panel on Military Manpower Procurement," and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1161

Resolved, That there be printed as a House document the report to the Committee on Armed Services, House of Representatives, entitled "Civilian Advisory Panel on Military Manpower Procurement," dated February 28, 1967, and that ten thousand additional copies be printed for the use of the House Committee on Armed Services.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TO PRINT AS HOUSE DOCUMENT EULOGY PROCEEDINGS ON FORMER SPEAKER JOSEPH W. MARTIN, JR.

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1806) on the resolution (H. Res. 1166), to print as a House document the eulogy proceedings on former Speaker Joseph W. Martin, Jr., and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1166

Resolved, That there shall be printed as a House document such tributes and encomiums as were made in the Congress on the occasion of the passing of the Honorable Joseph William Martin, Junior, former Speaker of the House of Representatives and a renowned and distinguished public servant. This document shall be published with appropriate illustrations and in such typographical design and case bindings as is directed by the Joint Committee on Printing.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TO AUTHORIZE PRINTING AS HOUSE DOCUMENT OF COMMITTEE PROCEEDINGS HONORING START OF 40TH YEAR IN CONGRESS OF HON. WRIGHT PATMAN

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1807) on the resolution (H. Res. 1183) to authorize the printing, as a House document, of the committee proceedings honoring the start of the 40th year in Congress of Hon. WRIGHT PATMAN, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1183

Resolved, That the transcript of the proceedings in the Committee on Banking and Currency of March 5, 1968, incident to the ceremony honoring the start of the fortieth year in Congress of Honorable Wright Patman be printed as a House document with illustrations and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed two thousand copies of such document for the use of the Committee on Banking and Currency.

With the following committee amendment:

On page 1, line 5, after the word "suitable" strike out the word "binding." and add the following: "binding in such style as may be directed by the Joint Committee on Printing."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF THE PUBLICATION ENTITLED "CONDUCT OF ESPIONAGE WITHIN THE UNITED STATES BY AGENTS OF FOREIGN COMMUNIST GOVERNMENTS"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1808) on the resolution (H. Res. 1189), authorizing the printing of additional copies of the publication entitled "Conduct of Espionage Within the United States by Agents of Foreign Communist Governments," and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1189

Resolved, That there be printed for the use of the Committee on Un-American Activities twenty-five hundred additional copies of the publication entitled "Conduct of Espionage Within the United States by Agents of Foreign Communist Governments," Ninetieth Congress, first session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF THE HOUSE REPORT NO. 1351, 90TH CONGRESS, SECOND SESSION

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1809), authorizing the printing of additional copies of the House Report No. 1351, 90th Congress, second session, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1190

Resolved, That there be printed for the use of the Committee on Un-American Activities fourteen thousand additional copies of House Report Numbered 1351, Ninetieth Congress, second session, entitled "Guerrilla Warfare Advocates in the United States."

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING AS A HOUSE DOCUMENT DEDICATION CEREMONY OF PORTRAIT OF HON. L. MENDEL RIVERS, CHAIRMAN, COMMITTEE ON ARMED SERVICES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1810) on the resolution (H. Res. 1195) authorizing the printing as a House document the dedication ceremony of the portrait of the Honorable L. MENDEL RIVERS, chairman, Committee on Armed Services, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1195

Resolved, That the transcript of the proceedings in the Committee on Armed Services of May 1, 1968, incident to the presentation of a portrait of the Honorable L. Mendel Rivers to the Committee on Armed Services be printed as a House document with illustration and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed two thousand copies of such document for the use of the Committee on Armed Services.

With the following committee amendment:

On page 1, line 5, after the word "suitable" strike out the word "binding." and add the following: "binding in such style as may be directed by the Joint Committee on Printing."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING ADDITIONAL HEARINGS ON AMENDMENTS TO THE FEDERAL FIREARMS ACT

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1811) on the Senate concurrent resolution (S. Con. Res. 68) to print additional hearings on amendments to the Federal Firearms Act, and ask for immediate consideration of the concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 68

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary four thousand additional copies of the hearings before its Subcommittee To Investigate Juvenile Delinquency during the Ninetieth Congress, first session, on proposed amendments to the Federal Firearms Act.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL COPIES, PARTS 1 AND 2 OF SENATE HEARINGS ON "STATUS AND FUTURE OF SMALL BUSINESS"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1812) on the Senate concurrent resolution (S. Con. Res. 77) authorizing the printing of additional copies of parts 1 and 2 of Senate hearings on "Status and Future of Small Business," and ask for immediate consideration of the concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 77

Resolved by the Senate (the House of Representatives concurring), That there be printed, with illustrations, for the use of the Senate Select Committee on Small Business three thousand additional copies each of parts 1 and 2 of hearings before the committee during the Ninetieth Congress, first session, entitled "Status and Future of Small Business".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

FOREIGN AID FOLLIES

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, we are again being treated to a demonstration of the weak foreign policy of the Johnson administration and being taught one of the follies of foreign aid.

It is unbelievable that this great Nation has been reduced to international helplessness. We have seen our fishing boats captured by Peru 100 miles at sea, and seen our State Department pay ransom for their release.

Only a few days ago here on the floor of the House of Representatives, we noted the sorry 6 months' anniversary of the seizure by North Korea of our ship, the U.S.S. *Pueblo*. Yesterday, we noted the ominous threats from North Korea that they plan to punish our men unless the United States apologizes.

Now we see Cambodia, which has received $343.2 million in U.S. taxpayers' foreign aid money to keep its economy going, capturing one of our military cargo boats and threatening to try the crew unless we ransom them. Prince Norodom Sihanouk, Cambodian Chief of State, has demanded 12 bulldozers in exchange for the 12 Americans, and maintains that the boat must be retained in any event. Our State Department has announced that it is "looking into" the outrageous matter of this seizure of another of our military vessels.

I ask, Mr. Speaker, how low, how low must U.S. prestige fall before our Government begins to assert our rights? How many ungrateful foreign countries are our taxpayers going to be asked to support while our cities crumble? When is Uncle Sam going to stop being "Uncle Sucker"? The American people deserve an answer.

THE HONOLULU CONFERENCE

Mr. REID of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REID of New York. Mr. Speaker, President Johnson's second Honolulu conference with General Thieu represents a step backward for peace, validates past policies and mistakes, and reaffirms a veto for General Thieu over U.S. peace initiatives by explicitly guaranteeing "a leading role" for his government in discussions of a settlement.

The conference communique and the President's statement at Cincinnati—which appears to reverse U.S. policy back to the pre-March 31 hard line on the war—come at a time when the American people have unmistakably said through the ballot box and by their voices that they want an end to the war and a negotiated settlement.

In my judgment, diplomatic progress away from the present stalemate in Paris will only result if the President will call for a halt to the bombing over all of North Vietnam and call for an early cease-fire. He should do so forthwith.

An unconditional halt to the bombing north of the DMZ should place the responsibility for serious peace negotiations squarely with the Soviet Union, Hanoi, and the NLF, all of whom have pledged serious negotiations once this step is taken. Clearly the President in any announcement of a bombing halt should state that we assume that the parties to the talks would respect our restraint in the interest of substantive negotiations.

Further, as I said over 2 years ago, the NLF should be a party to these negotiations and a failure to recognize this constitutes a failure to recognize the lessons of the paix de la brave in Algeria—although the situations are not totally similar. Ultimately, both the United States and Saigon must deal with forces and people in the field in interim arrangements looking toward a cease-fire and guarantees of free elections flowing from a negotiated settlement.

An obvious advantage of creating the conditions necessary for serious negotiations would be to require our Government to develop clearly our peace terms and to make Saigon recognize the imperatives and realities of a negotiated settlement. Unless this occurs, Saigon is liable to fail to take major steps to end corruption, meet the horrendous refugee needs, carry out major land reform, and face the fact that neither a military victory nor a narrowly based government will be supported by the people of South Vietnam or by the people of the United States.

In sum, we should not, as a great nation, permit Saigon to have a veto on our policies or pursue a course without diplomatic rationale which is likely to result in protracted fighting and higher American and Vietnamese casualties, and postpone into the future, if not prevent, a negotiated, honorable settlement.

MILITARY TRIBUNAL IN SAIGON SENTENCES TRUONG DINH DZU

Mr. BINGHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BINGHAM. Mr. Speaker, I regard the action of the military tribunal in Saigon in sentencing Mr. Truong Dinh Dzu to 5 years at hard labor for his advocacy of practical steps toward peace in South Vietnam as an affront to the American people. It demonstrates the opposite of "a decent respect for the opinions of mankind."

Ever since the Tet offensive of last winter, it has become clear to an ever-increasing number of Americans—including, I believe, the President of the United States—that no military victory can be achieved in Vietnam and that the only solution is a political settlement involving the participation of all groups in South Vietnam, including the National Liberation Front and its constituent elements.

The action of the military tribunal, taken no doubt at the behest of the Saigon government, appears to be a rude way of confirming statements made by President Thieu and others that they will never deal with the National Liberation Front nor will they permit its supporters to participate in any way in the political life of the country.

Yet they are insisting that the United States must continue to protect them and that American men must continue to die in Vietnam.

To condemn a man for 5 years at hard labor for advocating policies that the government disagrees with is bad enough—and totally foreign to American concepts of democracy. But to do so in such a way as to undercut the possibility of meaningful negotiations in Paris is intolerable.

CONFERENCE REPORT ON H.R. 17903, PUBLIC WORKS APPROPRIATION BILL

Mr. BOLAND. Mr. Speaker, I call up the conference report on the bill (H.R. 17903), making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1788)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17903) "making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 8, 9, 13, and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 10, 12, and 20; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$30,015,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$865,682,500"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$20,775,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$37,484,500"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$166,915,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$214,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$50,250,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,602,500"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,109,300,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$461,574,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 3.

MICHAEL J. KIRWAN,
JOE L. EVINS,
EDWARD P. BOLAND,
JAMIE L. WHITTEN,
THOMAS G. MORRIS,
GEORGE MAHON,
JOHN J. RHODES,
GLENN R. DAVIS (except amendments 1, 2, and 20).
HOWARD W. ROBISON (except amendments 1 and 2),
FRANK T. BOW,
Managers on the Part of the House.

ALLEN J. ELLENDER,
RICHARD B. RUSSELL,
JOHN L. MCCLELLAN,
LISTER HILL,
WARREN G. MAGNUSON,
SPESSARD L. HOLLAND,
JOHN STENNIS,
ALAN BIBLE,
JOHN O. PASTORE,
JENNINGS RANDOLPH,
THOMAS H. KUCHEL,
ROMAN L. HRUSKA,
MILTON R. YOUNG,
KARL E. MUNDT,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at a conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17903) making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments; namely:

TITLE I—DEPARTMENT OF DEFENSE—CIVIL

Department of the Army

Corps of Engineers—Civil

General investigations

Amendment No. 1: Appropriates $30,015,000 instead of $29,600,000 as proposed by the House and $37,470,000 as proposed by the Senate. The increase over the House bill includes $205,000 for coastal engineering research and development studies and $210,000 for studies as listed below.

The general reduction of $6,000,000 made due to the availability of larger carryover balances than reflected in the budget request should be applied proportionately to the various program categories and activities.

The increase provided over the House bill shall be allocated to the following projects:

ALASKA	
(N) Seldovia Harbor Watch Point	$5,000
(FC) Unalaklet	10,000
ARKANSAS	
(N) White River navigation mouth to Batesville, Ark	30,000
CALIFORNIA	
(FC) Cache Creek Basin	15,000
FLORIDA	
(N) Okeechobee WW	20,000
(FC) Lake Istokpoga, Highland County	30,000
HAWAII	
(FC) Waipio River Harbor	10,000
MAINE	
(N) Fore River Channel, Portland Harbor	8,000
MISSOURI	
(FC) Little River-Hubble Creek-Ramsey Branch	5,000
MONTANA	
(FC) Yellowstone River, Mont. and Wyo	10,000
NEW MEXICO	
(FC) Pojaque River and Tributaries	10,000
NORTH CAROLINA	
(N) Roanoke River	[1] 7,000
OREGON	
(FC) Silvies River and Tributaries	6,000
RHODE ISLAND	
(FC) Pawcatuck River and Narragansett Bay drainage basin, R.I., and Blackstone River, R.I. and Mass	30,000
TEXAS	
(FC) Red River, above Denison, Tex. and Okla	10,000
WISCONSIN	
(N) Racine Harbor	4,000

[1] Increase in House bill figure.

Construction, general

Amendment No. 2: Appropriates $865,682,500 instead of $812,329,000 as proposed by the House and $917,393,000 as proposed by the Senate. The funds appropriated under this heading are to be allocated as shown in the following tabulation:

	Construction, general, State, and project[1]	Budget estimate for fiscal year 1969 (as amended)		Conference allowance	
		Construction	Planning	Construction	Planning
	abama:				
(N)	Alabama River channel improvement	$1,261,000		$1,223,000	
(N)	Claiborne lock and dam	4,900,000		4,753,000	
(R)	John Hollis Bankhead lock and dam (spillway)	900,000		873,000	
(N)	John Hollis Bankhead lock and dam		$350,000		$340,000
(MP)	Jones Bluff lock and dam	9,600,000		9,312,000	
(MP)	Millers Ferry lock and dam	8,900,000		8,633,000	
(N)	Perdido Pass	402,000		390,000	
(N)	Tennessee-Tombigbee Waterway, Ala. and Miss		500,000		485,000
	Tombigbee River and tributaries, Alabama and Mississippi. (See Mississippi.)				
	West Point Dam, Ala. and Ga. (See Georgia.)				
	Alaska:				
(MP)	Bradley Lake power project		50,000		49,000
(N)	Myers Chuck Harbor (restudy)		10,000		9,700
(MP)	Snettisham power project	5,000,000		4,850,000	
	Arizona:				
(FC)	Santa Rosa Wash (Tat Momolikot Dam)		625,000		606,000
(FC)	Winslow	500,000		485,000	
	Arkansas:				
(N)	Arkansas River and tributaries, Arkansas and Oklahoma:				
	(a) Bank stabilization and channel rectification	3,500,000		3,395,000	
	(b) Navigation locks and dams	80,879,000		78,453,000	
(FC)	Bayou Bartholomew (1950 and 1966 acts), Ark. and La		310,000		301,000
(MP)	Dardanelle lock and dam	8,600,000		8,342,000	
(MP)	De Gray Reservoir	7,000,000		6,790,000	
(FC)	De Queen Reservoir	2,500,000		2,425,000	

See footnotes at end of table.

	Construction, general, State, and project[1]	Budget estimate for fiscal year 1969 (as amended)		Conference allowance	
		Construction	Planning	Construction	Planning
	Arkansas:—Continued				
(FC)	Dierks Reservoir	$1,000,000		$970,000	
(FC)	Garland City	125,000		121,000	
(FC)	Gillham Reservoir	2,500,000		2,425,000	
(FC)	Little Rock levee		$31,000		$30,000
(N)	Ouachita and Black Rivers, Ark. and La	8,300,000		8,051,000	
(MP)	Ozark lock and dam	10,500,000		10,185,000	
(FC)	Pine Mountain Dam		225,000		218,000
(FC)	Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex	600,000		582,000	
(FC)	Village Creek White River and Mayberry Levee Districts	646,000		627,000	
	California:				
(FC)	Alameda Creek, Del Valle Dam	3,300,000		3,201,000	
(FC)	Corte Madera Creek	1,250,000		1,213,000	
(N)	Dana Point Harbor	447,000		434,000	
(FC)	Dry Creek (Warm Springs) Reservoir	2,500,000		2,425,000	
(FC)	Eel River (delta area) 1965 act		200,000		194,000
(FC)	Hidden Reservoir (land acquisition)	400,000		388,000	
(FC)	Klamath River	1,500,000		1,455,000	
(FC)	Lakeport Reservoir, Scotts Creek		300,000		291,000
(FC)	Los Angeles County drainage area	4,500,000		4,365,000	
(FC)	Lytle and Warm Creeks (1956 act)		425,000		412,000
	Martis Creek Reservoir, Calif. and Nev. (See Nevada.)				
(MP)	Marysville Reservoir		800,000		776,000
(FC)	Mojave River Reservoir (West Fork)	1,000,000		970,000	
(FC)	Mormon Slough	[2] 1,264,000		1,206,000	
(FC)	Napa River (1965 act)		375,000		364,000
(FC)	New Bullards Bar Reservoir (reimbursement)	4,060,000		3,938,000	
(FC)	New Don Pedro Reservoir (reimbursement)	1,000,000		970,000	
(MP)	New Melones Reservoir	2,800,000		2,716,000	
(FC)	Oroville Reservoir (reimbursement)	11,061,000		10,729,000	
(FC)	Pajaro River (1966 act)		200,000		194,000
(FC)	Pine Flat Reservoir	1,000,000		970,000	
(FC)	Redwood Creek	769,000		746,000	
(FC)	Russian River Basin (Coyote Valley Dam)	120,000		116,000	
(FC)	Sacramento River and major and minor tributaries	400,000		388,000	
(FC)	Sacramento River bank protection	1,400,000		1,358,000	
(N)	Sacramento River deep water ship channel	100,000		97,000	
(N)	San Diego River and Mission Bay	150,000		146,000	
(FC)	San Diego River and Mission Valley		300,000		291,000
(FC)	Sonoma Creek		100,000		97,000
(BE)	Surfside, Sunset, and Newport Beach (reimbursement)	[2] 285,000		276,000	
(BE)	Ventura-Pierpont	300,000		291,000	
(FC)	Walnut Creek	2,100,000		2,037,000	
	Canada:				
(FC)	Arrow Lakes Reservoir, British Columbia (reimbursement)	52,100,000		52,100,000	
	Colorado:				
(FC)	Chatfield Reservoir	12,700,000		12,319,000	
(FC)	Trinidad Reservoir	1,700,000		1,649,000	
	Connecticut:				
(FC)	Ansonia-Derby	2,500,000		2,425,000	
(FC)	Black Rock Reservoir	2,400,000		2,328,000	
(FC)	Colebrook River Reservoir	1,406,000		1,364,000	
(FC)	Danbury		150,000		146,000
(FC)	Derby	500,000		485,000	
(FC)	New London Barrier	200,000		194,000	
(FC)	Stratford		200,000		194,000
(FC)	Trumbull Pond Reservoir		170,000		165,000
	Delaware:				
	Delaware River, Philadelphia to sea, anchorages, Delaware, New Jersey, and Pennsylvania. (See New Jersey.)				
(N)	Inland waterway, Delaware River to Chesapeake Bay (Chesapeake and Delaware Canal), pt. II Delaware and Maryland	4,050,000		3,929,000	
	Florida:				
(N)	Apalachicola River channel improvement	575,000		558,000	
(N)	Canaveral Harbor	440,000		427,000	
(FC)	Central and southern Florida	11,500,000		11,155,000	
(N)	Cross Florida Barge Canal	4,600,000		4,462,000	
(N)	East Pass Channel at Destin	328,000		318,000	
(FC)	Four Rivers Basins	3,500,000		3,395,000	
(N)	Gulf County Canal (1966 act)	387,000		375,000	
(N)	Jacksonville Harbor (1965 act)	2,000,000		1,940,000	
(BE)	Mullet Key (reimbursement)	[2] 129,000		125,000	
(BE)	Palm Beach County, Lake Worth Inlet to South Lake Worth Inlet (reimbursement)	9,000		8,700	
(BE)	Pinellas County, Treasure Island (1966 act)	258,000		250,000	
(N)	Ponce de Leon Inlet	740,000		718,000	
	Georgia:				
(MP)	Carters Dam	3,400,000		3,298,000	
(MP)	Lazer Creek Dam		260,000		252,000
(N)	Savannah Harbor, 40 feet (1965 act)	900,000		873,000	
(N)	Savannah Harbor (sediment basin)	1,700,000		1,649,000	
(MP)	Trotters Shoals Reservoir, Ga. and S.C		500,000		485,000
(MP)	West Point Reservoir, Ala. and Ga	7,800,000		7,566,000	
	Hawaii:				
(N)	Honokahau Harbor	531,000		515,000	
	Idaho:				
(FC)	Cottonwood Creek Reservoir		90,000		87,000
(MP)	Dworshak (Bruces Eddy) Reservoir	45,500,000		44,135,000	
(FC)	Portneuf River and Marsh Creek	1,142,000		1,108,000	
(FC)	Ririe Reservoir	750,000		728,000	
(FC)	Stuart Gulch Reservoir		65,000		63,000
	Illinois:				
(FC)	East St. Louis and vicinity		50,000		49,000
(FC)	Freeport	430,000		417,000	
(N)	Horse Island and Crescent Bridge (Mississippi River), Illinois and Iowa	575,000		558,000	
(FC)	Hunt Drainage District and Lima Lake Drainage District	395,000		383,000	
(N)	Illinois Waterway Calumet-Sag modification, pt. I, Illinois and Indiana	5,350,000		5,190,000	
(N)	Illinois Waterway duplicate locks		500,000		485,000
(FC)	Indian Grave Drainage District	1,200,000		1,164,000	
(N)	Kaskaskia River (navigation)	[3] 12,300,000		11,931,000	
(FC)	Levee District 21 (Vandalia), Kaskaskia River		150,000		146,000
(FC)	Levee District 23 (Dively), Kaskaskia River		30,000		29,000
	Lock and dam 52, Illinois and Kentucky. (See Kentucky.)				
(N)	Mississippi River between Ohio and Missouri Rivers, Ill. and Mo.:				
	(a) Chain of Rocks	125,000		121,000	
	(b) Regulating works	1,000,000		970,000	
(N)	Mound City lock and dam, Illinois and Kentucky		395,000		383,000
(FC)	Oakley Reservoir (land acquisition)	2,000,000		1,940,000	
FC)	Peoria		300,000		291,000

See footnotes at end of table.

	Construction, general, State, and project[1]	Budget estimate for fiscal year 1969 (as amended)		Conference allowance	
		Construction	Planning	Construction	Planning
	Illinois:—Continued				
(FC)	Rend Lake Reservoir	$5,500,000		$5,335,000	
(FC)	Rockford		$150,000		$146,000
(FC)	Rock Island	300,000		291,000	
(FC)	Saline River and tributaries	700,000		679,000	
(FC)	Shelbyville Reservoir	6,870,000		6,664,000	
(FC)	Wood River Drainage and Levee District (1965 act)		30,000		29,000
	Indiana:				
(FC)	Big Pine Reservoir		227,000		220,000
(FC)	Brookville Reservoir	3,000,000		2,910,000	
(N)	Burns Waterway Harbor (reimbursement)	[2]9,500,000	45,000	9,215,000	44,000
(N)	Cannelton locks and dam, Indiana and Kentucky	6,300,000		6,111,000	
(FC)	Clifty Creek Reservoir		243,000		236,000
(FC)	Huntington Reservoir	3,110,000		3,017,000	
	Illinois Waterway, Calument-Sag modification, pt. I, Illinois and Indiana. (See Illinois.)				
(FC)	Island levee	200,000		194,000	
(FC)	Levee unit 5, Wabash River	1,267,000		1,229,000	
(R)	Michigan City Harbor	470,000		456,000	
(N)	Newburgh locks and dam, Indiana and Kentucky	10,800,000		10,476,000	
(FC)	Patoka Reservoir (land acquisition)	900,000		873,000	
(N)	Uniontown locks and dam, Indiana and Kentucky	4,300,000		4,171,000	
	Iowa:				
(FC)	Ames Reservoir		165,000		160,000
(FC)	Des Moines	1,328,000		1,288,000	
(FC)	Dubuque	1,600,000		1,552,000	
(FC)	Guttenberg	1,000,000			
	Horse Island and Crescent Bridge, Mississippi River, Ill. and Iowa. (See Illinois.)				
(FC)	Marshalltown	400,000		388,000	
(FC)	Missouri River Levee system, Iowa, Kansas, Missouri, and Nebraska	2,100,000		2,037,000	
(N)	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska	5,000,000		4,850,000	
(FC)	Muscatine Island Levee District and Muscatine-Louisa County Drainage District No. 13	569,000		552,000	
(FC)	Rathbun Reservoir	3,800,000		3,686,000	
(FC)	Red Rock Reservoir	5,800,000		5,626,000	
(FC)	Saylorville Reservoir	6,000,000		5,820,000	
(FC)	Waterloo		200,000		194,000
	Kansas:				
	Arkansas-Red River chloride control, Texas, Oklahoma, and Kansas. (See Texas.)				
(FC)	Atchison	1,811,000		1,757,000	
(FC)	Clinton Reservoir (land acquisition)	1,000,000		970,000	
(FC)	Cow Creek, Hutchinson	250,000		243,000	
(FC)	El Dorado Reservoir		350,000		340,000
(FC)	Great Bend		150,000		
(FC)	Hillsdale Reservoir		200,000		194,000
(FC)	Lawrence	1,300,000		1,261,000	
(FC)	Melvern Reservoir	6,000,000		5,820,000	
	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
(FC)	Onaga Reservoir		100,000		97,000
(FC)	Osawatomie	500,000		485,000	
(FC)	Perry Reservoir	6,500,000		6,305,000	
(FC)	Topeka	800,000		776,000	
	Kentucky:				
(MP)	Barkley Dam, Ky. and Tenn.	1,650,000		1,601,000	
	Cannelton locks and dam, Indiana and Kentucky. (See Indiana.)				
(FC)	Carr Fork Reservoir	3,100,000		3,007,000	
(FC)	Cave Run Reservoir	4,000,000		3,880,000	
(FC)	Dayton		80,000		78,000
(FC)	Frankfort, North Frankfort area	1,000,000		970,000	
(FC)	Green River Reservoir	4,929,000		4,781,000	
(FC)	Kehoe Reservoir		239,000		232,000
(R)	Kentucky Peninsula	565,000		548,000	
(MP)	Laurel River Reservoir	2,500,000		2,425,000	
(N)	Lock and dam 52, Illinois and Kentucky	6,150,000		5,966,000	
(FC)	Martin		95,000		92,000
	Mound City lock and dam, Illinois and Kentucky. (See Illinois.)				
	Newburgh locks and dam, Indiana and Kentucky. (See Indiana.)				
(FC)	Paintsville Reservoir		215,000		208,000
(FC)	Red River Reservoir	800,000		776,000	
(FC)	Sturgis	918,000		890,000	
(FC)	Taylorsville Reservoir		200,000		194,000
	Uniontown locks and dam, Indiana and Kentucky. (See Indiana.)				
(FC)	Yatesville Reservoir		202,000		196.000
	Louisiana:				
	Bayou Bartholomew, Ark. and La. (See Arkansas.)				
(FC)	Bayou Bodcau and tributaries		40,000		39,000
(N)	Bayou LaFourche and LaFourche Jump Waterway	500,000		485,000	
(FC)	Caddo Dam	990,000		960,000	
(FC)	Grand Isle and vicinity		60,000		58,000
(FC)	Lake Pontchartrain and vicinity	7,800,000		7,566,000	
(N)	Mississippi River, gulf outlet	550,000		534,000	
(FC)	Monroe floodwall (1965 and 1966 acts)		200,000		194,000
(FC)	Morgan City and vicinity		110,000		107,000
(FC)	New Orleans to Venice hurricane protection	1,000,000		970,000	
	Ouachita and Black Rivers, Ark. and La. (See Arkansas.)				
(N)	Overton-Red River Waterway (lower 31 miles only)	1,800,000		1,746,000	
	Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex. (See Arkansas.)				
(N)	Vermilion lock (replacement)		25,000		24,000
	Maine:				
(MP)	Dickey-Lincoln School Dam and Reservoirs		1,276,000		
	Maryland:				
(N)	Baltimore Harbor and Channels	1,060,000		1,030,000	
(FC)	Bloomington Reservoir, Md. and W. Va. (land acquisition)	800,000		776,000	
	Inland waterway, Delaware River to Chesapeake Bay, Del. and Md. (C. & D. Canal), pt. II. (See Delaware.)				
(N)	Pocomoke River, Md. and W. Va. (restudy)		8,000		7,800
	Massachusetts:				
(FC)	Baker Brook		90,000		87,000
(FC)	Nookagee Reservoir		70,000		68,000
(N)	Plymouth Harbor	440,000		427,000	
(N)	Provincetown Harbor	1,100,000		1,067,000	
(N)	Weymouth Fore and Town Rivers	1,300,000		1,261,000	
(FC)	Whitmanville Reservoir		170,000		165,000
	Michigan:				
(R)	Grand Marais Harbor (piers)	330,000		320,000	
(FC)	Kalamazoo River		75,000		73,000
(FC)	Lansing		150,000		145,000
(N)	Point Lookout Harbor, Au Gres River	225,000		220,000	
(FC)	River Rouge	3,100,000		3,007,000	
(FC)	Saginaw River (flood control)	850,000		825,000	

See footnotes at end of table.

	Construction, general, State, and project[1]	Budget estimate for fiscal year 1969 (as amended)		Conference allowance	
		Construction	Planning	Construction	Planning
	Michigan:—Continued				
(N)	Saginaw River (navigation)	$2,500,000		$2,425,000	
(R)	Saint Joseph Harbor	485,000		470,000	
(R)	South Haven Harbor	500,000		485,000	
	Minnesota:				
(FC)	Big Stone Lake-Whetstone River, Minn. and S. Dak. (land acquisition)	600,000		582,000	
(FC)	Mankato-North Mankato	500,000		485,000	
FC)	Roseau River		$75,000		$73,000
(FC)	Rushford	[2]718,000		696,000	
((N)	Stone Arch Bridge (reimbursement)	[2]704,000		683,000	
	Mississippi:				
(N)	Biloxi Harbor	730,000		708,000	
	Tennessee-Tombigbee Waterway, Ala. and Miss. (See Alabama.)				
(FC)	Tombigbee River and tributaries, Alabama and Mississippi	640,000		621,000	
	Missouri:				
(FC)	Chariton River (1944 act)	550,000		534,000	
(MP)	Clarence Cannon (Joanna) Reservoir	2,400,000		2,328,000	
(FC)	Gregory Drainage District	850,000		825,000	
(MP)	Kaysinger Bluff Reservoir	7,000,000		6,790,000	
(FC)	Long Branch Reservoir		150,000		146,000
(FC)	Meramec Park Reservoir (land acquisition)	1,000,000		970,000	
	Mississippi River between Ohio and Missouri Rivers, Ill. and Mo. (See Illinois.)				
	Missouri River Levee System, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
(FC)	Pattonsburg Reservoir (Highway I-35 crossing)	1,000,000		970,000	
(FC)	Platte River		100,000		97,000
(FC)	St. Louis	6,400,000		6,208,000	
(FC)	Smithville Reservoir		200,000		194,000
(MP)	Stockton Reservoir	14,500,000		14,065,000	
(FC)	Union Reservoir		500,000		485,000
	Montana:				
(FC)	Great Falls	700,000		679,000	
(MP)	Libby Reservoir	65,000,000		63,050,000	
	Nebraska:				
	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
(FC)	Norfolk	450,000		437,000	
	Nevada:				
(FC)	Martis Creek Reservoir, Calif. and Nev	1,230,000		1,193,000	
	New Jersey:				
(N)	Delaware River, Philadelphia to sea (anchorages), Delaware, New Jersey, and Pennsylvania	50,000		49,000	
(FC)	Elizabeth River	300,000		291,000	
(N)	Newark Bay, Hackensack and Passaic Rivers (1966 act)	2,000,000		1,940,000	
(FC)	Raritan and Sandy Hook Bays	600,000		582,000	
(FC)	Rahway (sec. 205)			(429,000)	
(N)	Shrewsbury River Inlet		100,000		97,000
(MP)	Tocks Island Reservoir, Pa., N.J., and N.Y. (land acquisition)	4,000,000		3,880,000	
	New Mexico:				
(FC)	Albuquerque diversion channels	2,600,000		2,522,000	
(FC)	Cochiti Reservoir	5,000,000		4,850,000	
(FC)	Galisteo Reservoir	2,800,000		2,716,000	
(FC)	Las Cruces	500,000			
(FC)	Los Esteros Reservoir and modification of Alamogordo		300,000		290,000
	New York:				
(FC)	East Rockaway Inlet to Rockaway Inlet and Jamaica Bay		300,000		290,000
(FC)	Fire Island Inlet to Montauk Point	2,000,000		1,940,000	
(N)	Great Lakes to Hudson River Waterway (reimbursement)	1,885,000		1,830,000	
(FC)	Ithaca, Cayuga Inlet	1,076,000		1,045,000	
(N)	Lake Montauk Harbor	485,000		470,000	
(N)	Little Neck Bay	670,000		650,000	
(N)	Moriches Inlet, Long Island		140,000		136,000
(N)	New York Harbor (anchorages)	1,500,000		1,455 000	
(FC)	Nichols	610,000		592,000	
(FC)	North Ellenville	700,000		680,000	
(FC)	Red Creek		100,000		97,000
(FC)	Rosendale	1,000,000		970,000	
(FC)	Salamanca	1,310,000		1,271,000	
(FC)	South Ellenville	440,000		427,000	
	Tocks Island Reservoir, Pa., N.J., and N.Y. (See New Jersey).				
	North Carolina:				
(N)	Cape Fear River above Wilmington	1,149,000		1,115,000	
(FC)	Carolina Beach and vicinity	500,000			
(BE)	Fort Macon State Park (reimbursement)	258,000		250,000	
(FC)	New Hope Reservoir	3,100,000		3,007,000	
(FC)	Reddies River Reservoir (restudy)		60,000		58,000
(N)	Wilmington Harbor, 38- and 40-foot depth (1962 act)	1,080,000		1,048,000	
	North Dakota:				
(R)	Garrison Reservoir (embankment repair)	[2]1,200,000		1,164,000	
(FC)	Missouri River, Garrison Dam to Oahe Reservoir (bank stabilization)			1,100,000	
	Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)				
(FC)	Pipestem Reservoir (land acquisition)	450,000		437,000	
	Ohio:				
(FC)	Alum Creek Reservoir (land acquisition)	500,000		485,000	
(FC)	Athens	1,000,000		970,000	
(FC)	Big Darby Creek Reservoir	500,000			
(FC)	Caesar Creek Reservoir	1,800,000		1,746,000	
(FC)	Clarence J. Brown Dam and Reservoir	1,900,000		1,843,000	
(N)	Cleveland Harbor: Bridge replacement, widening Cuyahoga and Old Rivers (1958 act)	[2]800,000		776,000	
(FC)	East Fork Reservoir	1,650,000		1,601,000	
(FC)	Fremont	600,000		582,000	
(N)	Hannibal locks and dam, Ohio and West Virginia	13,000,000		12,610,000	
(FC)	Mill Creek Reservoir (relocation of U.S. Highway 36)	415,000		403,000	
(FC)	North Branch Kokosing River Reservoir	900,000		873,000	
(FC)	Paint Creek Reservoir	3,500,000		3,395,000	
(N)	Racine locks and dam, Ohio and West Virginia	10,000,000		9,700,000	
(N)	Willow Island lock and dam, Ohio and West Virginia	5,223,000		5,066,000	
(FC)	Youngstown, Crab Creek	400,000		388,000	
	Oklahoma:				
	Arkansas Red River chloride control, Texas, Oklahoma, and Kansas. (See Texas.)				
	Arkansas River and tributaries, Arkansas and Oklahoma. (See Arkansas.)				
(MP)	Broken Bow Reservoir	3,500,000		3,400,000	
(FC)	Candy Reservoir		125,000		122,000
(FC)	Clayton Reservoir		100,000		97,000
(FC)	Crutcho Creek			200,000	
(FC)	Hugo Reservoir	3,300,000		3,201,000	
(FC)	Kaw Reservoir	4,800,000		4,656,000	
(FC)	Lukfata Reservoir		66,000		64,000
(FC)	Oologah Reservoir	3,500,000		3,195,000	

See footnotes at end of table.

	Construction, general, State, and project[1]	Budget estimate for fiscal year 1969 (as amended)		Conference allowance	
		Construction	Planning	Construction	Planning
	Oklahoma—Continued				
(FC)	Optima Reservoir	$2,800,000		$2,715,000	
(FC)	Pine Creek Reservoir	5,489,000		5,325,000	
(MP)	Robert S. Kerr (Short Mountain) lock and dam	14,200,000		13,774,000	
(FC)	Shidler Reservoir		$175,000		$170,000
(FC)	Waurika Reservoir (land acquisition)	900,000		873,000	
(MP)	Webbers Falls lock and dam	15,500,000		15,035,000	
	Oregon:				
(FC)	Blue River Reservoir	3,100,000		3 007,000	
(MP)	Bonneville lock and dam (2d power unit) Oregon and Washington		500,000		485,000
(FC)	Cascadia Reservoir		429,000		416,000
(FC)	Catherine Creek Reservoir		100,000		97,000
(N)	Chetco River	800,000		776,000	
(N)	Columbia River and lower Willamette River, 35- and 40-foot projects, Oregon and Washington	2,000,000		1,940,000	
(FC)	Elk Creek Reservoir		146,000		142,000
(FC)	Gate Creek Reservoir		285,000		276,000
(MP)	John Day lock and dam, Oregon and Washington	26,300,000		25,511,000	
(FC)	John Day River	570,000		553,000	
(MP)	Lost Creek Reservoir	2,000,000		1,940,000	
(FC)	Lower Columbia River bank protection, Oregon and Washington	400,000		388,000	
(MP)	McNary lock and dam, Oregon and Washington	1,000,000		970,000	
(N)	Port Orford	580,000		563,000	
(N)	Siuslaw River and Bar	793,000		770,000	
(FC)	Scappose Drainage District		30,000		29,000
(MP)	The Dalles lock and dam, Oregon and Washington (additional power units)	7,500,000		7,275,000	
(N)	Tillamook Bay and Bar (south jetty)	750,000		728,000	
(FC)	Willamette River Basin bank protection	375,000		365,000	
(N)	Yaquina Bay and Harbor	300,000		291,000	
	Pennsylvania:				
(FC)	Aylesworth Creek Reservoir	520,000		504,000	
(FC)	Beltzville Reservoir	5,700,000		5,529,000	
(FC)	Blue Marsh Reservoir (land acquisition)	1,650,000		1,601,000	
(FC)	Chartiers Creek	2,500,000		2,425,000	
(FC)	Cowanesque Reservoir		400,000		388,000
	Delaware River, Philadelphia to sea (anchorages), Delaware, New Jersey, and Pennsylvania. (See New Jersey.)				
(FC)	Foster Joseph Sayers Dam (Blanchard)	2,600,000		2,522,000	
(FC)	Raystown Reservoir	4,500,000		4,365,000	
(FC)	Tioga-Hammond Reservoir (land acquisition)	1,000,000		970,000	
	Tocks Island Reservoir, Pa., N.J., and N.Y. (See New Jersey.)				
(FC)	Tyrone		75,000		73,000
(FC)	Union City Reservoir	2,500,000		2,425,000	
(FC)	Woodcock Creek Reservoir	1,200,000		1,164,000	
	Rhode Island:				
(BE)	Cliff Walk			50,000	
(N)	Providence River and Harbor	4,000,000		3,880,000	
	South Carolina:				
	Trotters Shoals Reservoir, Ga. and S.C. (See Georgia.)				
	South Dakota:				
(MP)	Big Bend Dam-Lake Sharpe	1,000,000		970,000	
	Big Stone Lake-Whetstone River, Minn. and S. Dak. (land acquisition). See Minnesota.				
(FC)	Cottonwood Springs Reservoir	800,000		776,000	
(MP)	Oahe Reservoir, S. Dak. and N. Dak	1,550,000		1,504,000	
	Tennessee:				
	Barkley Dam, Ky. and Tenn. (See Kentucky.)				
(MP)	Cordell Hull lock and dam	9,200,000		8,924,000	
(MP)	J. Percy Priest Reservoir	4,900,000		4,753,000	
	Texas:				
(FC)	Arkansas-Red River chloride control (pt. I) Texas, Oklahoma, and Kansas		400,000		388,000
(FC)	Arkansas-Red River chloride control (supplemental studies), Texas, Oklahoma, and Kansas		1,000,000		970,000
(FC)	Belton Reservoir (raise water level)		85,000		82,000
(FC)	Buffalo Bayou and tributaries	2,500,000		2,425,000	
(FC)	Cooper Reservoir and channels	300,000		291,000	
(FC)	Duck Creek channel improvement		30,000		29,000
(FC)	El Paso		350,000		340,000
(FC)	Fort Worth Floodway, Clear Fork extension	1,400,000		1,358,000	
(FC)	Freeport and vicinity	3,000,000		2,910,000	
(R)	Galveston Harbor and Channel (groins)	500,000		485,000	
(N)	Gulf Intracoastal Waterway, Chocolate Bayou	1,300,000		1,261,000	
(FC)	Highland Bayou	500,000		485,000	
(FC)	Lake Kemp Reservoir	1,500,000		1,455,000	
(FC)	Lakeview Reservoir		400,000		388,000
(FC)	Lavon Reservoir modification and channel improvement	4,200,000		4,074,000	
(FC)	Liberty, Trinity River		50,000		49,000
(FC)	Port Arthur and vicinity (hurricane flood protection)	4,600,000		4,462,000	
	Red River levees and bank stabilization, below Denison Dam, Ark., La. and Tex. (See Arkansas.)				
(N)	Sabine-Neches Waterway, 40-foot project and channel to Echo	6,730,000		6,528,000	
(FC)	San Antonio Channel	1,500,000		1,455,000	
(FC)	San Gabriel River tributary to Brazos River (land acquisition)	1,500,000		1,455,000	
(FC)	Texas City, hurricane protection	2,300,000		2,231,000	
(N)	Trinity River Bridges	1,000,000		850,000	
(FC)	Vince and Little Vince Bayous	900,000		873,000	
(N)	Wallisville Reservoir, Trinity River	3,200,000		3,104,000	
	Vermont:				
(FC)	Gaysville Reservoir		100,000		97,000
	Virginia:				
(FC)	Gaithright Reservoir	3,000,000		2,910,000	
(N)	Hampton Roads	3,000,000		2,910,000	
(FC)	Norfolk	500,000		485,000	
(BE)	Virginia Beach (reimbursement)	130,000		126,000	
	Washington:				
	Bonneville lock and dam, 2d power unit, Oregon and Washington. (See Oregon.)				
(MP)	Chief Joseph Dam (additional power units)		200,000		194,000
	Columbia River and lower Willamette River, 35- and 40-foot projects, Oregon and Washington. (See Oregon.)				
	John Day lock and dam, Oregon and Washington. (See Oregon.)				
(MP)	Little Goose lock and dam	24,000,000		23,280,000	
	Lower Columbia River bank protection, Oregon and Washington. (See Oregon.)				
(MP)	Lower Granite lock and dam	19,000,000		18,430,000	
(MP)	Lower Monumental lock and dam	16,500,000		16,005,000	
	McNary lock and dam, Oregon and Washington. (See Oregon.)				
	The Dalles lock and dam, Oregon and Washington. (See Oregon).				
(FC)	Wynoochee River Reservoir	2,500,000		2,425,000	
	West Virginia:				
(FC)	Beech Fork Lake	800,000		776,000	
	Bloomington Reservoir, Md. and W. Va. (See Maryland).				

See footnotes at end of table.

	Construction, general, State, and project [1]	Budget estimate for fiscal year 1969 (as amended)		Conference allowance	
		Construction	Planning	Construction	Planning
	West Virginia—Continued				
(FC)	Burnsville Lake (land acquisition)	$700,000		$679,000	
(FC)	East Lynn Lake	3,900,000		3,783,000	
	Hannibal locks and dam, Ohio and West Virginia. (See Ohio.)				
	Pocomoke River, Md., and W. Va., restudy. (See Maryland.)				
(FC)	R. D. Bailey (Justice) Lake	11,670,000		11,320,000	
	Racine locks and dam, Ohio and West Virginia. (See Ohio.)				
(FC)	Rowlesburg Lake		$133,000		$129,000
(FC)	Stonewall Jackson Lake		250,000		243,000
(FC)	West Fork Lake		150,000		146,000
	Willow Island lock and dam, Ohio and West Virginia. (See Ohio.)				
	Wisconsin:				
(FC)	Eau Galle River, Spring Valley	1,122,000		1,088,000	
(N)	Green Bay Harbor (1962 act)	100,000		97,000	
(R)	Kenosha Harbor	340,000		330,000	
(FC)	La Farge Reservoir, Kickapoo River (land acquisition)	700,000		679,000	
	Miscellaneous:				
(FC)	Emergency bank protection	300,000		291,000	
(FC)	Small projects for flood control and related purposes not requiring specific legislation (sec. 205)	7,000,000		7,219,000	
(FC)	Snagging and clearing	250,000		243,000	
(N)	Small navigation projects not requiring specific legislation costing up to $500,000 (sec. 107)	2,000,000		1,940,000	
	Recreation facilities, completed projects	9,000,000		8,730,000	
	Fish and wildlife studies (U.S. Fish and Wildlife Service)	580,000		563,000	
	Aquatic plant control (1965 act)	900,000		873,000	
	Employees compensation	656,000		656,000	
	Total programed amounts	1,010,434,000	20,430,000	980,741,700	18,437,500
		(1,030,864,000)		(999,179,200)	
	1968 reserve applied in fiscal year 1969	−61,700,000		−61,700,000	
	Undistributed reduction (underfinancing)	−50,752,000		−71,796,700	
	Appropriation allowance, construction, general	897,982,000	20,430,000	847,245,000	18,437,500
		(918,412,000)		(865,682,500)	

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[1] Key to symbols: (N) navigation; (FC) flood control; (BE) beach erosion; (R) rehabilitation; (MP) multiple purpose, including power; (Spec) special.

[2] Original budget amount revised in budget amendment submitted in H. Doc. 318.

In reference to the Red River Reservoir project, Kentucky, the conferees note that an evaluation of alternatives by the Chief of Engineers, the Secretary of the Interior, and the Secretary of Agriculture was completed on March 15, 1968. On the basis of that evaluation, it was concluded that the site presently under design is the best site for construction of the multipurpose project. With respect to the project storage requirements contemplated for this site, the conferees direct the Chief of Engineers, to review the plan so as to preserve to the maximum extent feasible, the Red River Gorge. This review should include consideration of local flood protection possibilities for Clay City and other communities to be protected by the reservoir and the assurance of adequate water supply for Lexington and other cities to be provided from the reservoir, including consideration of supplies which might be available from existing and planned reservoirs, such as, Buckhorn and Carr Fork.

The conferees request the Chief of Engineers to report his findings to the House and Senate Appropriations Committees as soon as possible. Until he receives the concurrence of the committees, the Chief of Engineers should proceed with land acquisition. Construction shall be limited to such work as will not be affected by any changes in the reservoir size. The Committee has allowed $776,000 for such purposes.

The $850,000 allowed for the Trinity River Bridges, Texas, is to continue advance participation by the Corps of Engineers with the Texas State Highway Department in the planning of Interstate Highway Bridge No. 45 and the construction of high-level bridges for Interstate Highway 635 and State Highway 31 in connection with the pending navigation project. The action of the conferees is in no way to be interpreted as approval of the planning and construction of the navigation portion of the Trinity River Project.

$50,000 has been allowed which, together with an advance of local funds, will permit initiation of construction of the beach erosion project to restore and protect the Cliff Walk at Newport, R.I.

The conferees have approved within available funds the use of $25,000 to coordinate with local interests and the Bureau of Reclamation details of operation of the Humboldt River and tributaries project, Nevada, and arrangements for payment, through the Bureau, of the local interests contribution towards project costs and other preliminary work required prior to the initiation of planning.

As reflected in the allowances as shown in the table above, the conferees agreed to a 3-percent reduction in the budget request for each project as compared with the 5 percent reduction as proposed by the House. The conferees also agreed to an undistributed general reduction of $21,044,700 in addition to the undistributed reduction of $50,752,000 reflected in the budget estimate.

Amendment No. 3: Reported in disagreement.

Operation and maintenance, general

Amendment No. 4: Appropriates $223,700,000 as proposed by the Senate instead of $215,000,000 as proposed by the House. Within the amount provided, $1,000,000 shall be available for the operation and maintenance of mooring cells at Locks and Dams 50 and 51 on the Ohio River to alleviate the critical traffic situation developing pending construction of the Smithland Lock and Dam.

Flood control, Mississippi River and tributaries

Amendment No. 5: Appropriates $69,600,000 as proposed by the House instead of $69,610,000 as proposed by the Senate. The amount provided includes $10,000 to initiate a study of the Old and Atchafalaya Rivers.

General expenses

Amendment No. 6: Appropriates $20,775,000 instead of $20,650,000 as proposed by the House and $21,200,000 as proposed by the Senate.

The Panama Canal

Canal Zone Government

Operating expenses

Amendment No. 7: Appropriates $37,484,500 instead of $37,100,000 as proposed by the House and $37,869,000 as proposed by the Senate.

Capital outlay

Amendment No. 8: Appropriates $200,000 as proposed by the House instead of $1,061,000 as proposed by the Senate.

Panama Canal Company

Limitation on general and administrative expenses.

Amendment No. 9: Provides a limitation of $13,600,000 as proposed by the House instead of $13,691,000 as proposed by the Senate.

TITLE II—DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

General investigations

Amendment No. 10: Appropriates $15,948,500 as proposed by the Senate instead of $15,700,000 as proposed by the House. The increase provided over the House bill includes: $98,500 for transfer to the Office of Business Economics, Department of Commerce, for preparation of economic analyses and projections for the Water Resources Council; and $150,000 to initiate pilot weather modification projects in connection with the atmospheric water resources research program.

Construction and rehabilitation

Amendment No. 11: Appropriates $166,915,000 instead of $166,300,000 as proposed by the House and $167,665,000 as proposed by the Senate. The increase provided over the House bill is for increased costs on the Fryingpan-Arkansas project, Colorado. The conferees agree that, within available funds, not to exceed $300,000 shall be used to initiate construction of a lateral system to serve Block 251 on the Columbia Basin project, Washington. The conferees direct that $75,000 of the $125,000 placed in reserve under P.L. 90-218 be used to continue pre-construction planning on the Midstate Division, Nebraska.

The conferees have deleted the $450,000 proposed to initiate construction of the Great Falls to Browning, Mont., 115-kilovolt transmission line pending negotiations between the Bureau and the Montana Power Co. for furnishing of wheeling through the company's facilities. The conferees urge the parties to expedite the negotiations in an effort to work out satisfactory arrangements at an early date to provide adequate service to the preference customers in the area.

Operation and maintenance

Amendment No. 12: Appropriates $49,900,000 as proposed by the Senate instead of $50,000,000 as proposed by the House. The reduction in the House bill is based on reduced requirements due to the postponement of planned dredging for the Topock Gorge division of the Colorado River front and levee system. The conferees are in agreement that within funds available not to exceed $50,000 may be used to study means of alleviating the erosion and dust problem at the Canyon Ferry Dam and Reservoir, Montana, arising from water level fluctuations.

Federal Water Pollution Control Administration

Water Supply and Water Pollution Control

Amendment No. 13: Appropriates $88,838,000 as proposed by the House instead of $101,435,000 as proposed by the Senate.

Construction Grants for Waste Treatment Works

Amendment No. 14: Appropriates $214,000,000 instead of $203,000,000 as proposed by the House and $225,000,000 as proposed by the Senate.

TITLE III—INDEPENDENT OFFICES

Tennessee Valley Authority

Payment to Tennessee Valley Authority Fund

Amendment No. 15: Appropriates $50,250,000 instead of $50,200,000 as proposed by the House and $53,200,000 as proposed by the Senate. The increase provided over the House bill, together with not to exceed $450,000 of available funds, may be used for engineering and design of the modernization of fertilizer production facilities. The conferees note that the budgeted program includes a total of $670,000 for general equipment and design studies and emergency replacements which may be used for this purpose.

Water Resources Council

Financial Assistance to States

Amendment No. 16: Appropriates $2,602,500 instead of $2,470,000 as proposed by the House and $2,735,000 as proposed by the Senate.

TITLE IV—ATOMIC ENERGY COMMISSION

Operating expenses

Amendment No. 17: Appropriates $2,109,300,000 instead of $2,080,000,000 as proposed by the House and $2,132,300,000 as proposed by the Senate. The increase over the House bill is for the NERVA nuclear rocket program providing a total of $60,300,000, including $53,000,000 in operating costs and $7,300,000 for changes in selected resources incident to the program.

Plant and capital equipment

Amendment No. 18: Appropriates $461,574,000 instead of $456,600,000 as proposed by the House and $469,500,000 as proposed by the Senate. The increase in the House bill amount is for the 200 BEV Accelerator to be located in Du Page and Kane Counties, Illinois. The bill provides a total for the project of $14,574,000, including available carryover funds of $2,500,000. The amount provided is to be allocated as follows: Engineering and design, $8,674,000; land improvements, $700,000; Other Structures (transfer hall, booster housing, Linac housing), $5,000,000; and for temporary utilities related to the Other Structures, $200,000.

The funds made available shall not be allocated to any other phases or components of the project plan but flexibility is granted in the allotment of the carryover of $2,500,000 to the items specified above.

TITLE V—GENERAL PROVISIONS

Departments, agencies, and corporations

Amendment No. 19: Restores House language pertaining to the financing of interdepartmental boards, commissions, councils, committees, or similar groups.

Amendment No. 20: Deletes language proposed by the House pertaining to expenditure limitation.

MICHAEL J. KIRWAN,
JOE L. EVINS,
EDWARD P. BOLAND,
JAMIE L. WHITTEN,
THOMAS G. MORRIS,
GEORGE MAHON,
JOHN J. RHODES,
GLENN R. DAVIS (except amendments 1, 2, and 20),
HOWARD W. ROBISON (except amendments 1 and 2),
FRANK T. BOW,
Managers on the Part of the House.

Mr. BOLAND. Mr. Speaker, the total for the Public Works and Atomic Energy Commission appropriation bill for fiscal year 1969 as agreed to by the conferees is $4.6 billion. This includes $2.6 billion for the Atomic Energy Commission and $2 billion for the other agencies covered by the bill involved in water and power resources development.

The conference figure represents a decrease of $300,236,000 in the budget estimates. The figure is $109,198,000 over the bill as passed by the House and $119,201,500 under the bill as passed by the Senate.

Compared with fiscal year 1968, the new obligational authority allowed for fiscal year 1969 represents a reduction of $85,082,000. This consists of a reduction of $146,823,000 in funds for the water and power resources development programs covered by the bill and an increase of $61,741,000 for the Atomic Energy Commission, primarily for the weapons program.

The major issue between the House and Senate conferees concerned the amount of the reduction to be reflected in the construction and planning projects for the Corps of Engineers. The House had made an across-the-board, 5-percent reduction in each budgeted project. The Senate restored the full budget estimate. The Senate was adamant in maintaining this full restoration but after lengthy discussion, agreement was reached to make a 3-percent reduction in the budgeted amount for each project and this has been reflected as shown in the tables in the conference report. The 3-percent reduction together with an undistributed reduction of $21,000,000 agreed to by the conferees under the Senate bill amount makes a total reduction in the new funds requested in the budget for the Corps' construction and planning program of $52.7 million. This reduction together with the undistributed reduction for underfinancing reflected in the budget estimate makes a total cut of about $101 million, or about 10 percent, in the amounts programed for each project as originally estimated by the Corps of Engineers for fiscal year 1969. The reductions made in the House bill in the construction programs of the Bureau of Reclamation and the power agencies have been maintained in the conference report except for the restoration of the budget estimate, amounting to an increase of $615,000, for the Fryingpan-Arkansas project in Colorado. This restoration was necessary because of additional work that is now required on the divide tunnel during fiscal year 1969.

The bill as it passed the House included no unbudgeted planning or construction starts or additions. The only exceptions to this policy agreed to in conference involve three small projects with a total cost of only $2.7 million. In each of these instances, the House conferees felt that an emergency situation existed which warranted an exception to the policy. The only other unbudgeted addition to the House bill for construction was to permit continuation of emergency bank stabilization work on the Missouri River to correct critical erosion situations which could not be funded in the House bill pending an increase in the monetary authorization ceiling.

Although the Senate had restored the budget estimate of $1,276,000 to complete planning on the Dickey-Lincoln School Dam and Reservoirs project in Maine, the House conferees insisted on its deletion in the light of the House action in eliminating funds for the project. Therefore, there are no funds in the bill to resume planning on the project.

Two major programs of the Atomic Energy Commission were at issue in the conference. For the NERVA nuclear rocket program, the conferees agreed on a total figure of $60.3 million compared with the House bill amount of $31,000,000 and the Senate bill allowance of $83,300,000. At the time of House bill action, our committee recommended and the House approved, a reduced figure for the program as House action on the NASA authorization bill had curtailed the portion of the rocket engine development program being conducted by NASA. Since then, however, the full NASA authorization of $55 million has been approved, necessitating an increase in the AEC figure to provide a balanced program. The agreed conference figure represents the amount appealed to the Senate by AEC and should provide for a minimum level continuation of the program.

The other AEC item concerned the 200-Bev accelerator to be constructed in Du Page and Kane Counties, Ill. The House had approved $7.1 million for the continuation of engineering and design of the project. The Senate bill provided $20,000,000 to initiate construction. The conferees finally agreed on a total of $12,074,000 for the program. This together with carryover funds of $2.5 million will make a total of $14,574,000 available for the current fiscal year. The conferees have limited the use of these funds to engineering and design, land improvements, and the initiation of construction of "other structures"—including the transfer hall, booster housing, and linac housing—and the temporary utilities related to these other structures. The House conferees insisted on limiting the program during the current fiscal year to these phases of the project in order to limit the current commitment for construction funds in fiscal year 1970 and the succeeding years. The approved construction items will require only $18.5 million in fiscal year 1970 and about $5,000,000 to complete after fiscal year 1970.

The budget estimate provided for expenditures in fiscal year 1969 of $4.6 billion of which 55 percent pertained to the

AEC programs. Although it is difficult to translate with precision reductions in new obligation authority into reductions in expenditures, the reduction of $300 million made in the bill in new obligation authority should result in an expenditure reduction of about $178 million below the budget estimate. This will result in expenditures of about $4.5 billion, or about $73 million more estimated expenditure level for the fiscal year 1968.

Although the reduced allowances for the water and power resources development programs covered by the bill result in an estimated expenditure reduction of about $38 million below the estimated 1968 level of expenditure, the AEC programs will result in net increased expenditures of about $111 million due to the expansion of the weapons program.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Speaker, I thank the distinguished gentleman from Massachusetts for yielding. This is a conference report which I support. The bill, as the distinguished gentleman from Massachusetts stated, is lower than it has been for many, many years.

Mr. Speaker, I feel it would be well to take this opportunity to compliment the Members of the House and other body in the good sense they have used in adding very few new starts above the budget. I think the bill on both sides of the Capitol has been handled with the restraint which is obviously necessary at this time due to the budgetary problems of the Nation.

However, Mr. Speaker, I support the report.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the distinguished gentleman from North Carolina.

Mr. JONAS. Mr. Speaker, I cannot help but express disappointment that the House conferees were not able to sustain the position of the House on amendment No. 20 which imposed some expenditure limitations on this bill. This bill in the main deals with new obligational authority and the totals do not specifically control spending in fiscal year 1969. The spending limitation was inserted to do that.

The Bow amendment was offered by me when the bill was on the floor of the House, was accepted by the chairman of the subcommittee who was in charge of the bill, and it was unanimously approved by the House.

I know the House cannot always have its will in conferences with the other body, but I believe this expenditure limitation is the only real control that Congress has over the spending level in any particular bill.

Mr. Speaker, I rise merely to express my disappointment that the House conferees are not able to sustain the position of the House. I assume they made an effort to do so, although I was not a member of the conference and did not participate in the deliberations, and I feel that it was a very serious mistake to eliminate this spending limitation.

Mr. BOLAND. Mr. Speaker, I appreciate the remarks of the gentleman from North Carolina. After discussion of the matter we finally agreed to deletion of the limitation for since passage of the bill by the House on June 19 it has been superseded by the overall expenditure limitation of $6 billion included in the Revenue and Expenditure Control Act of 1968. We felt, therefore, that the retention of a limitation in this bill was no longer necessary.

Mr. Speaker, at this time I yield to the gentleman from Mississippi [Mr. WHITTEN] who was one of the conferees.

Mr. WHITTEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, there are only two or three places where perhaps I should comment. Most projects and problems were handled in the House bill on which I commented on April 19. I quote from the statement on the part of the managers:

RED RIVER

> In reference to the Red River Reservoir project, Kentucky, the conferees note that an evaluation of alternatives by the Chief of Engineers, the Secretary of the Interior, and the Secretary of Agriculture was completed on March 15, 1968. On the basis of that evaluation, it was concluded that the site presently under design is the best site for construction of the multipurpose project. With respect to the project storage requirements contemplated for this site, the conferees direct the Chief of Engineers, to review the plan so as to preserve to the maximum extent feasible, the Red River Gorge. This review should include consideration of local flood protection possibilities for Clay City and other communities to be protected by the reservoir and the assurance of adequate water supply for Lexington and other cities to be provided from the reservoir, including consideration of supplies which might be available from existing and planned reservoirs, such as, Buckhorn and Carr Fork.

This provision firms up the dam at the present authorized location.

TENNESSEE VALLEY AUTHORITY

Payment to Tennessee Valley Authority Fund

> Amendment No. 15: Appropriates $50,250,000 instead of $50,200,000 as proposed by the House and $53,200,000 as proposed by the Senate. The increase provided over the House bill, together with not to exceed $450,000 of available funds, may be used for engineering and design of the modernization of fertilizer production facilities. The conferees note that the budgeted program includes a total of $670,000 for general equipment and design studies and emergency replacements which may be used for this purpose.

This provision says go ahead now and get ready for construction.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

> Amendment No. 5: Appropriates $69,600,000 as proposed by the House instead of $69,610,000 as proposed by the Senate. The amount provided includes $10,000 to initiate a study of the Old and Atchafalaya Rivers.

This provision provides for the study but not as a separately appropriated item.

Mr. BOLAND. Mr. Speaker, I now yield to the gentleman from New York [Mr. ROBISON] a member of the committee, and a conferee.

Mr. ROBISON. Mr. Speaker, I would merely like to note for the record that I took an exception to amendments 1 and 2, as covered by the conference report on this bill, because they have the effect of funding a number of unbudgeted studies or construction items as well, in a few instances, of funding some of the same or other items at levels above the budget request.

In normal fiscal times, I would not object to this for I do feel that Congress should exercise its own judgment as to budgetary priorities, and should feel free to take care of true "emergency" situations as they may arise and as funds provided under a bill such as this may assist in doing so.

However, as we all so well know, these are not normal fiscal times—and surely none of us need be reminded of that—and it is incumbent upon us, having mandated a $6 billion spending cut on the President to take no action that might make his job even more difficult than it already is in this respect. Quite frankly, I have not had the time I would like to go into the details of each such unbudgeted project—or project increase over the budget—but, on the surface, it does not seem to me that they cover true "emergency" situations.

I therefore deeply regret that the other body has broken the rule that our committee set for itself—in drawing a difficult line against any unbudgeted additions to this bill in any public-works category—and that the conferees, having a need, of course, to end our consideration of this measure and to move along toward the completion of our business for the year, felt it necessary to agree to the breaking of that rule. However, there it is—and now you must each make your judgment as to how you vote on this report. This is not as good—nor as tight—a bill as it was when it left the House, and we have also had to yield 2 percentage points on the direct 5 percent reduction we applied, in the interests of economy, against each construction project in it for the Corps of Engineers and the Bureau of Reclamation, which cut I had felt at the time made this bill worthy of your and my support, because this is the fairest method of spreading the cuts we all know will have to be made across the Nation and into each of our districts, as opposed to having the President decide where such cuts and deferrals should be applied.

But—as I have said—there it is. This is the best the conferees on our side of the Capitol felt we could do, and now you will have to make your decision, as I will make mine. I think we gave too much, and intend to vote "No," but I would not urge the same course upon any of you for I doubt we can hope to thus change the eventual result.

Mr. BOLAND. Mr. Speaker, I now yield to the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Speaker, I regret that the powerline between Great Falls and Browning, Mont., was not included in the appropriation bill. But I want to thank the committee and the gentleman from Ohio, Chairman KIRWAN, for their consideration of this project.

Chairman KIRWAN has promised that he will review this matter again next year after negotiations have been continued between the Montana Power Co. and the Bureau of Reclamation.

I do not expect anything to come from these negotiations. This is a project that must be financed by the Government. The communities of Browning, Cut Bank, and Shelby with their surrounding rural customers must not become captives of any private utilities. They must not be isolated and fed the lifeblood of electricity at the whim of a private giant. If these communities are to be served adequately, Government financing is the only answer.

In the next few weeks, hearings have been planned to provide additional evidence for the Public Works Committee. I am certain that the evidence will be overwhelming in supplementing the present weight of authority that this must be a Government project.

Mr. BOLAND. Mr. Speaker, under permission to revise and extend my remarks I include the following table:

CONFERENCE SUMMARY—PUBLIC WORKS FOR WATER AND POWER RESOURCES DEVELOPMENT AND ATOMIC ENERGY COMMISSION APPROPRIATION BILL, 1969

	New budget (obligational) authority, fiscal year 1968 (enacted to date) [1]	Budget estimates of new (obligational) authority, fiscal year 1969 (as amended)	New budget (obligational) authority recommended in House bill	New budget authority recommended in Senate bill	New budget (obligational) authority recommended in conference action	Conference action compared with—			
						New budget (obligational) authority, fiscal year 1968 (enacted to date)	Budget estimates of new obligational authority, fiscal year 1969	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Title I, new budget (obligational) authority, Department of Defense, Civil	$1,363,394,000	$1,329,569,000	$1,204,479,000	$1,328,303,000	$1,267,457,000	−$95,937,000	−$62,112,000	+$62,978,000	−$60,846,000
Title II, new budget (obligational) authority, Department of Interior	750,152,000	765,019,000	699,348,000	735,458,500	711,111,500	−39,040,500	−53,907,500	+11,763,500	−24,347,000
Title III, new budget (obligational) authority, independent offices	70,824,000	59,469,000	58,796,000	62,061,000	58,978,500	−11,845,500	−490,500	+182,500	−3,082,500
Total, new budget (obligational) authority, titles I, II, and III (excluding AEC)	2,184,370,000	2,154,057,000	1,962,623,000	2,125,822,500	2,037,547,000	−146,823,000	−116,510,000	+74,924,000	−88,275,500
Title IV, new budget (obligational) authority, Atomic Energy Commission	2,509,133,000	2,754,600,000	2,536,600,000	2,601,800,000	2,570,874,000	+61,741,000	−183,726,000	+34,274,000	−30,926,000
Grand total, new budget (obligational) authority Ila titles	4,693,503,000	4,908,657,000	4,499,223,000	4,727,622,500	4,608,421,000	−85,082,000	−300,236,000	+109,198,000	−119,201,500

[1] Amounts have not been reduced to reflect reserves established pursuant to Public Law 90-218 (H.J. Res. 888). Includes funds appropriated in 2d Supplemental Appropriation Act, 1968.

Mr. PRICE of Illinois. Mr. Speaker, I want to compliment the conferees on the public works-Atomic Energy Commission appropriations bill on their conference report generally and, more specifically, on their decision to increase the appropriation for the 200-Bev accelerator from the amount originally included in the House-passed bill. I was gratified by their recommendation because, while it recognizes the realities of the budget situation confronting us this year, it will also permit the project to move forward at a pace consistent with our national needs in high energy physics.

Page 32 of the conference report accompanying H.R. 17903 states:

> Amendment No. 18: Appropriates $461,574,000 instead of $456,600,000 as proposed by the House and $469,500,000 as proposed by the Senate. The increases in the House bill amount is for the 200 Bev accelerator to be located in Du Page and Kane Counties, Ill. The bill provides a total for the project of $14,574,000, including available carryover funds of $2,500,000. The amount provided is to be allocated as follows: Engineering and design, $8,674,000; land improvements, $700,000; Other Structures (transfer hall, booster housing, Linac housing), $5,000,000; and for temporary utilities related to the Other Structures, $200,000.
>
> The funds made available shall not be allocated to any other phases or components of the project plan but flexibility is granted in the allotment of the carryover of $2,500,000 to the items specified above.

In other words, this amendment increases the appropriation from the $7.1 million in the original House bill to $12.074 million and removes the restriction which would have limited fiscal year 1969 work on the project to architect-engineering only. With the latter restriction lifted, the construction of vitally needed structures and utilities at the Du Page and Kane County site in Illinois can now progress.

You will recall that when the public works-Atomic Energy Commission fiscal year 1969 appropriations bill, H.R. 17903, was passed by the House on June 19, I stated that I planned to ask the staff of my Subcommittee on Research, Development, and Radiation to review the probable effects of the House's reduction in the amount the administration requested for this project. When the report on this staff review was completed I forwarded copies to the chairman of the Senate Appropriations Committee Subcommittee on Public Works-Atomic Energy Commission, the Honorable LISTER HILL, and in a forwarding letter brought to the attention of the subcommittee the adverse effects on the project which would ensue if somewhat increased funding and limited construction work were not permitted.

Specifically, I recommended to the subcommittee chairman that the $7.1 million authorized by the House be increased to at least $20 million and that the architect-engineering limitation be lifted. I also made these recommendations available to the leadership of the House Appropriations Committee. The report to which I refer and my letters to the Appropriations Committees are printed in the hearings of the Senate Appropriations Committee on H.R. 17903, starting on page 27. My colleague on the Joint Committee, the gentleman from California [Mr. HOLIFIELD], also introduced my recommendations and my subcommittee staff report into the RECORD of July 3 starting on page 19988.

Although the conference committee did not see fit to go along with the increase to $20 million which I recommended, I know that the increase that they did provide will help in carrying out this vital national project. The scientists of our Nation anxiously look forward to the completion of the 200 Bev accelerator by which our Nation will again attain the position of leadership in the high energy physics field—a field which has recently been taken over by the Soviets with their Serpukhov accelerator which has achieved 84 Bev.

In closing, I want again to thank the conferees for increasing the support of the 200 Bev accelerator project.

Mr. BOLAND. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 3: Page 4, line 25, insert: ": *Provided further*, That funds appropriated for the Robert S. Kerr Lock and Dam, Oklahoma, shall be available to provide a 9-foot deep auxiliary navigation channel and 1,000-foot-long turning basin along Sans Bois Creek, with appropriate widths and an overall length of approximately ten miles: *Provided further*,".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the motion was laid on the table.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include tabulations.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks upon the conference report just adopted.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONTINUING APPROPRIATIONS, 1969

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on last Wednesday, I call up the joint resolution (H.J. Res. 1420) making continuing appropriations for the fiscal year 1969, and for other purposes, and I ask unanimous consent that the joint resolution be considered in the House as in the Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 1420

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of June 29, 1968 (Public Law 90–366), is hereby amended by striking out "July 31, 1968" and inserting in lieu thereof "September 30, 1968."

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this continuing resolution is necessary by virtue of the fact that some of the appropriation bills for fiscal year 1969 have not been enacted into law and will not be enacted by July 31, the date the present continuing resolution expires. In those cases where bills have been enacted into law, this continuing resolution of course, has no application.

The resolution would continue the availability of funds for the various government departments until September 30, 1968. It is the customary resolution under the circumstances.

Mr. Speaker, before yielding to the gentleman from North Carolina [Mr. Jonas], I would like to say that I shall ask unanimous consent to insert at this point in the Record certain pertinent data, tables, and information with regard to the status of the appropriation bills and in regard to the details of the resolution which has been presented.

Under permission granted, Mr. Speaker, I am including pertinent excerpts from the committee report on the resolution, and a tabulation of the appropriation bills:

This is the second continuing resolution of the session. It merely extends to September 30 the existing provisions of the first continuing resolution covering the month of July under which governmental activities without their regular annual appropriations have operated on a minimum basis since June 30. (H.J. Res. 1368, Public Law 90–366, the general terms and conditions of which are fully explained in H. Rept. 1588.)

Five appropriation bills for the current fiscal year 1969 that began the first of this month have either cleared Congress or are about to. These are: Treasury-Post Office; Interior; Legislative; Public Works; Agriculture.

Two bills for 1969 are in conference. These are: Independent Offices-HUD and Transportation.

Two bills for 1969 are pending in the Senate. These are: State-Justice-Commerce-Judiciary and Labor-HEW.

Three bills pending on the House floor—Defense, District of Columbia, military construction—are scheduled to be acted on by the House before the impending recess but will not be signed into law before the end of this month.

Two bills for 1969—Foreign assistance and the customary closing supplemental—are still pending in the Committee on Appropriations.

Thus, prompt enactment of this second continuing resolution is required to avoid interruption of necessary functions of government after July 31.

SCOPE OF THE RESOLUTION

The whole thrust of the resolution is to keep the Government functioning on a minimum basis until funds for the full year are supplied in the regular course of events. Briefly, the emphasis in the resolution is on the *continuation of existing projects and activities* at the lowest of one of several rates, namely, the fiscal year 1968 rate; the budget request for 1969 where no action has been taken by either House; the more restrictive amount adopted by either of the two Houses; or an even more restrictive rate where the Executive branch, under the mandate of title II of the Revenue and Expenditure Control Act of 1968, has imposed or does impose lower ceilings.

In this general connection, the President issued the following memorandum to the heads of departments and agencies on the day he signed the expenditure reduction provisions:

"The White House,
"Washington, June 28, 1968.

"Memorandum for the Heads of Departments and Agencies

"I have today signed Public Law 90–364. Its provisions will require significant readjustments, and I shall expect you to achieve these promptly and in a manner consistent with the Nation's interests.

"We must reduce spending and lending by at least $6 billion below my original estimates for fiscal 1969. It will also be necessary to restrict hiring until Federal civilian employment is reduced to the June 1966 level.

"I regard this situation as a challenge to management ingenuity. Make every dollar available to you go a little further; make sure every person in your agency is being used in the most effective way possible. This must not be a mechanical, across-the-board exercise. That's the easy way.

"I will expect each of you to concern yourself personally with management decisions that will best allocate your diminished resources in money and manpower. All decisions should be made in the light of agency-wide priorities.

"The necessary procedures on hiring restrictions and budget reductions are being sent to you by the Budget Director. However, the precise dollar limitations for each agency must await completion by Congress of the 1969 appropriations. In the interim, I shall expect you to proceed with caution in obligating funds so that you can be sure that your agency will be able to make the necessary adjustments under the new law in an orderly manner.

"Lyndon B. Johnson."

A two month rather than a one month extension is required to bridge the time the House is expected to be in recess for the national political conventions and to allow time after the recess in which to undertake disposition of the remaining appropriations business. While the outside date in this second resolution is September 30, it is just that—an outside date. Like continuing resolutions of the past, it ceases to apply to an agency or activity concurrent with approval by the President of the applicable appropriation bill in which provision for such agency or activity is made. Thus, the scope of the resolution constricts as each regular bill is enacted; and it becomes wholly inoperative after the last approval.

As with previous continuing resolutions, this one does not in any way augment the appropriation for a given project or activity in the regular bills for the fiscal year 1969. In the words of section 105 of the resolution being extended:

"Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law."

In other words, while this resolution—as in the case of similar resolutions of previous years—does not enumerate *specific* amounts that may be obligated and expended for the countless activities of government during the July–September period (or such shorter period as the resolution may operate as to particular departments or agencies), the controlling factor, known to all who have any responsibility for the management of the programs or the obligation of the funds, is that whatever is used during this interim must be taken out of, or charged against, whatever amount is finally appropriated, or otherwise made available, for the whole year, as those amounts may be reduced pursuant to the expenditure reduction legislation.

* * * * *

BILLS FOR FISCAL 1969 IN THE HOUSE

In the 12 bills for fiscal 1969, *including* the Defense, military construction, and District of Columbia bills, pending floor action, the House has made reductions of $11,577 million in new budget (obligational) authority relating to fiscal 1969. In addition, $242 million was cut from the $1,200 million advance fiscal 1970 request for elementary and secondary education considered in connection with the Labor-HEW bill. The totals involved on this basis are: Requests, $133,342 million; approved $121,523 million; reduction, $11,819 million; $242 million against the 1970 item, and $11,577 million against the 1969 requests, the latter amount including $2,685 million relating to participation sales authorization and $126 million (committee bill, $256 million) stricken on a floor point of order.

EXPENDITURE CONTROL PROVISIONS

It is easy to make a precise comparison of House actions on new budget (obligational) authority in the 12 appropriation bills for 1969 in relation to the "not less than" $10 billion reduction figure in title II of the Revenue and Expenditure Control Act of 1968, since the budget *requests* and the *bills* are stated on the basis of "new budget authority". But for several reasons it is virtually impossible to make a precise translation of the effects of those actions on the budget *estimates* (not "requests") of 1969 outlays (expenditures and net lending). There are several imponderables not within the scope of the bills that can and do affect *expenditure* (disbursement) rates and timing. Carryover balances are involved. Uncertainties of deliveries; unforseeable administrative changes; construction schedule changes; lag of expenditures behind obligations for various research and other grants; and so on. All that can be done is to undertake reasonable approximations of the *expenditure* reductions.

Specifically, as to *House* actions in the 12 appropriation bills for 1969—again, including the *reported* versions of the three bills pending floor action:

1. $11,577 million has been cut from new budget (obligational) authority requests—considerably above the $10 billion reduction goal. And this will be added to when the foreign assistance and closing supplemental bills are processed.

2. $3,768 million, based on tentative approximations, of the $6 billion outlay (expenditure) reduction goal has been achieved. And this will be added to when the foreign assistance and closing supplemental bills are acted upon.

* * * * *

FINAL ACTIONS ON 1969 BILLS

Three appropriation bills—Treasury-Post Office, Interior, and Legislative—have been sent to the President, totaling $3,364 million in new budget (obligational) authority, a cut of $337 million from the budget requests. This would count toward the $10 billion reduction goal. On a budget outlay (expenditure) rather than new budget authority basis, the tentative estimation is that the cuts would translate into *expenditure* reductions of approximately $243 million from the January budget estimates. This would count toward the $6 billion reduction goal.

Conference action has been concluded on two additional bills—Public Works and Agriculture; the reports are in process of clearing. These two conference bills carry new budget authority of $10.139 million for 1969, and represent cuts of $1,693 million from the budget requests. They entail reductions of approximately $517 million from the budget *expenditure* estimates.

A summary of the totals of new budget obligational authority on the appropriation bills to date follows:

ACTIONS ON BUDGET ESTIMATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY IN APPROPRIATION BILLS, 90TH CONG., 2D SESS., AS OF JULY 26, 1968

[Does not, of course, include any "back-door" type budget authority; or any permanent (Federal or trust) authority, under earlier or "permanent" law,[1] without further or annual action by the Congress]

Bill and fiscal year	House actions		Senate actions		Enacted	(+) or (−), latest action compared with budget requests
	Budget requests considered	Approved	Budget requests considered	Approved		
Bills for fiscal 1969:						
1. Treasury-Post Office (net of estimated postal revenues appropriated)	$1,959,535,000	$1,777,800,000	$1,959,885,000	$1,781,053,000	$1,780,653,000	−$179,232,000
(Memoranda: Total, including authorizations our of postal funds)[2]	(8,337,359,000)	(8,155,624,000)	(8,337,709,000)	(8,158,877,000)	(8,158,477,000)	(−179,232,000)
2. Agriculture	6,923,979,800	5,523,635,500	6,923,979,800	5,540,550,300	[3] 5,531,296,650	[3] −1,392,683,150
3. Independent offices-HUD (including 1970 advance)	16,570,580,300	13,670,636,000	18,353,717,300	15,505,214,000		−2,848,503,300
(Fiscal year 1969 amounts only)	(16,570,580,300)	(13,670,636,000)	(16,953,717,300)	(14,255,214,000)		(−2,698,503,300)
4. Interior	1,410,342,300	1,280,880,300	1,432,342,300	1,284,372,800	1,284,989,300	−147,353,000
5. State Justice, Commerce, and judiciary	2,203,820,900	1,794,981,500				−408,839,400
6. Public works (and AEC)	4,908,657,000	4,499,223,000	4,908,657,000	4,727,622,500	[3] 4,608,421,000	[3] −300,236,000
7. Labor-HEW (including 1970 advance)	18,205,261,000	17,224,771,000				−980,490,000
(Fiscal year 1969 amounts only)	(17,005,261,000)	(16,267,057,000)				(−738,204,000)
8. Legislative	257,162,531	247,497,349	308,897,533	298,151,396	298,151,396	−10,746,137
9. Transportation (including 1970 advances)	1,620,832,000	1,353,391,000	1,932,032,000	1,788,411,000		−143,621,000
(Fiscal year 1969 amounts only)	(1,620,832,000)	(1,353,391,000)	(1,637,032,000)	(1,523,411,000)		(−113,621,000)
10. District of Columbia (Federal funds)	176,961,000	[4] 145,672,000				[4] −31,289,000
(District of Columbia funds)	(594,662,000)	[4] (528,886,000)				[4] (−65,776,000)
11. Defense	77,074,000,000	[4] 72,239,700,000				[4] −4,834,300,000
12. Military construction	2,031,500,000	[4] 1,765,019,000				[4] −266,481,000
13. Foreign assistance	(3,654,711,000)					
14. Supplemental						
Total, these bills—						
As to fiscal 1969	132,142,631,831	120,565,492,649	34,124,510,933	29,410,374,996	13,503,511,346	[5] −11,121,487,987
As to fiscal 1970	1,200,000,000	957,714,000	1,695,000,000	1,515,000,000		−422,286,000
Total, 1969 bills	133,342,631,831	121,523,206,649	35,819,510,933	30,925,374,996	13,503,511,346	[5] −11,543,773,987
Bills for fiscal 1968:						
1. Urgent supplemental	[6](1,216,020,863)	[6](1,214,780,863)	[6](1,216,020,863)	[6](1,405,445,863)	([6])	([6])
2. Unemployment compensation (H.J. Res. 1229)	28,800,000	28,000,000	28,800,000	28,000,000	28,000,000	−800,000
3. Claims and judgments (H.J. Res. 1268, which also carried $400,000,000 highway "liquidation cash")	50,980,863	50,980,863	50,980,863	50,980,863	50,980,863	
4. Secret Service (H.J. Res. 1292)		400,000		400,000	400,000	+400,000
5. 2d supplemental	6,716,514,679	6,346,283,924	6,738,311,393	6,373,735,498	6,295,831,498	−442,479,895
Release of reserves (under Public Law 90-218)	(2,976,051,100)	(2,674,902,800)	(2,976,051,100)	(2,687,902,800)	(2,674,902,800)	(−301,148,300)
Total, 1968 bills	6,796,295,542	6,425,664,787	6,818,092,256	6,453,116,361	6,375,212,361	−442,879,895
Cumulative totals for the session:						
House	140,138,927,373	127,948,871,436				[5]−12,190,055,937
Senate			42,637,603,189	37,378,491,357 +		[7]−5,259,111,832
Enacted			22,351,853,889		19,878,723,707	[8]−2,473,130,182

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[1] In round amounts, the January budget—for fiscal 1969—tentatively estimated total new budget (obligational) authority for 1969 at $214,581,000,000 ($201,723,000,000 net of certain offsets made for budget summary purposes only), of which $73,085,000,000 would become available without further action by Congress and $141,496,000,000 would require "current" action by Congress.

[2] These figures assume the January budget estimate of 1969 postal revenues will hold.

[3] Conference report.

[4] Committee bill as reported (subject to floor action).

[5] Includes $2,685,000,000 related to participation sales authorizations (Agriculture, $425,000,000; VA and HUD, $2,110,000,000; State-Justice bill, $150,000,000); also includes $126,500,000 (committee bill, $256,000,000) deleted on floor point of order on State-Justice bill.

[6] Not added in totals, because every budget request and every item otherwise involved has been dealt with in other supplementals for 1968 listed herein.

[7] Includes $2,535,000,000 related to participation sales authorizations (Agriculture, $425,000,000; VA and HUD, $2,110,000,000).

[8] Includes $425,000,000 related to participation sales authorizations (Agriculture).

Mr. Speaker, I now yield to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. I think a word or two in further explanation of what is involved here would be in order.

I am not sure whether the distinguished chairman of the Committee on Appropriations intends to put this in the RECORD or not, but even so it will not hurt to repeat it here on the floor because considerable interest has been expressed to me in this continuing resolution and its effect on the Revenue and Expenditure Control Act of 1968.

May I say to those who have inquired and who are interested that if they will read the report of the committee on this continuing resolution, they will obtain there a current status report on the status of the appropriation bills that must be considered for fiscal year 1969.

Three bills are ready and pending in the House and when they are disposed of there will remain only two bills that have to be considered—foreign aid and a final supplemental.

This continuing resolution restricts the expenditure of funds to the lowest of one of several rates:

First, the fiscal year 1968 rate;

Second, the budget request for 1969, where no action has been taken by either House;

Third, the more restrictive amount adopted by either of the two Houses; and

Fourth, an even more restrictive rate where the executive branch under the mandate of title II of the Revenue and Expenditure Control Act of 1968 has imposed or imposes lower ceilings.

Now I have been asked by a number of Members how the administration is proceeding to implement the Revenue and Expenditures Control Act of 1968. That is a pertinent question because when this continuing resolution is adopted, as I am sure it will be today because I know of no opposition to it, we will have completed the first quarter of the current fiscal year—July, August, and September—and unless some of the spending limitations are imposed during this quarter, we will find they will all have to be imposed in the second, third, and fourth quarters and that would create such an imbalance that I think it would be catastrophic for the departments and agencies of the Government.

I am pleased to be able to report to the House today that the distinguished gentleman from Texas [Mr. MAHON], the ranking minority member of the Committee on Appropriations, and I, had a conference recently with the Director of the Bureau of the Budget and he gave us full assurances that he is making a direct effort to implement the expenditure limitations recently imposed by Congress and that all agencies and departments of Government have been directed to proceed promptly to implement their own part of the act.

I would like to read one or two paragraphs from the directives that have been issued by the Director of the Bureau of the Budget to all agencies and departments of Government to make this assurance crystal clear.

The SPEAKER. The time of the gentleman from Texas [Mr. MAHON] has expired.

Mr. JONAS. Mr. Speaker, I move to strike out the last two words.

There has been a general impression, not shared I am sure by the Members of this body, but held by some elements of the press, the general public, and heads of some departments of Government, that the job limitation or rollback provided in the Revenue and Expenditure Control Act applies with equal effect to every individual agency and department of Government, and that there is no flexibility.

Quite the contrary is true. The directives issued by the Director of the Bureau of the Budget make that quite clear. For example, he issued on June 28, a bulletin to the heads of all executive departments and establishments in which he directed that they take specific action to comply with the terms of Public Law 90-366 with respect to spending cuts and employment levels. Specifically he directs that they "provide for the reassignment of vacancies resulting from separations for the specified causes between components of his agency and among various types of positions so as to achieve the most effective and efficient use of those vacancies which he is authorized to fill."

In another paragraph he specifically directed that:

> The agency head should provide for the reassignment, as he determines to be necessary and desirable, of vacancies resulting from the specified causes. He may fill the number of vacancies allowable under the 75 percent rule (including new positions established to carry on new and increased workloads) without regard to the specific positions vacated. For example, four vacancies resulting from the resignations of statisticians and typists in Chicago and Los Angeles could be used to hire three nurses for a hospital in New York under the jurisdiction of the same agency.

Then he says further, and I continue to quote:

> The Director of the Bureau of the Budget may reassign vacancies between agencies if, in his opinion, such action is necessary or appropriate because of the creation of a new agency, because of a change in functions, or for the more efficient operation of the Government.
>
> The Director may authorize a higher replacement rate for vacancies in full-time permanent positions for some agencies and prescribe a lower replacement rate for other agencies in such manner as to adhere to the overall limitation for the executive branch.

This should explode the argument that it is necessary for some specific agency or department to impose these ceilings on the most sensitive areas of their responsibility. The requirement is for a Government-wide reduction in employment, and there is complete flexibility given to the Director of the Bureau of the Budget and the President to make these assignments and reassignments among various agencies and within the agencies themselves for a more efficient operation of the Government.

I hope that these assignments and reassignments will be made so that Congress will not be asked to make any exceptions to the bill that recently passed after long and hard study, effort, and work, which imposed some expenditure limitations and reductions in employment levels through attrition—all designed to forestall a fiscal crisis of major proportions. Congress must not be expected or asked to march up to the economy hill one day and back down that hill the next day.

Mr. GROSS. Mr. Speaker, I move to strike the last three words.

Mr. Speaker, I shall take only a moment or two. I ask the gentleman from Texas, will there be another continuing resolution in September or October or does the gentleman think that this will be the last one?

Mr. MAHON. I would hope that it will not be necessary to have another such resolution. As far as the appropriations bills are concerned, when we finish with the bills that are now pending in the House, there will remain only one regular bill; namely, the foreign aid appropriation bill, which is awaiting authorization.

The other body is now moving rather rapidly with those bills. Of course, we do not know what may develop in the other body and what may develop with respect to other legislation, but certainly we are in good shape from the standpoint of the position of the House on dealing with the money bills, so I would not anticipate that there would be any need for another continuing resolution. I would certainly hope not.

Mr. GROSS. Mr. Speaker, does the gentleman contemplate that next October or November another supplemental appropriation bill?

Mr. MAHON. Mr. Speaker, I contemplate a cleanup supplemental. The Bureau of the Budget, the Director, has been requested not to submit any of those matters at this time, in view of the fact that the target of a sine die adjournment on August 2 or 3 has been abandoned. We have asked him to hold those matters and submit, when he does submit them, the very minimum in what may come before us in September.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his response.

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 16913, DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1969

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 16913) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1794)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16913) "making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 15, 16, 17, 22, 23, 29, and 30.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 5, 6, 7, 12, 21, 27, 28, 34, 37, 39, 45, and 46; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$129,118,300"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$86,639,500"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$52,945,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$59,105,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$80,082,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$81,532,500"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,318,500"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$14,326,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$178,474,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$21,541,300"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,426,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,815,300"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,611,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,292,750"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,841,600"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$275,000,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,250,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$57,980,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,243,500"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,140,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 13, 14, 19, 24, 25, and 40.

Jamie L. Whitten,
William H. Natcher,
W. R. Hull, Jr.,
Thomas G. Morris,
George E. Shipley,
George Mahon,
Robert H. Michel,
Odin Langen,
William H. Harrison,
Charles R. Jonas,
Managers on the Part of the House.
Spessard L. Holland,
Richard B. Russell,
John Stennis,
Allen J. Ellender,
Roman L. Hruska,
Milton R. Young,
Karl E. Mundt,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16913) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments; namely:

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

Amendment No. 1: *Research.*—Appropriates $129,118,300 instead of $125,972,500 as proposed by the House and $131,950,600 as proposed by the Senate. The increase over the amount approved by the House includes the following:

Funds deferred in 1968 for staffing laboratories	+$1, 892, 400
Other research deferred in 1968	+244, 900
Contingency research fund	+500, 000
Research contracts, grants, and cooperative agreements deferred in 1968	+750, 000
Full year cost of pay increases	—241, 500
Net increase	+3, 145, 800

Amendment Nos. 2 and 3: *Plant and animal disease and pest control.*—Appropriate $86,639,500 instead of $85,298,500 as proposed by the House and $88,239,500 as proposed by the Senate, and provide for the acquisition of land for plant quarantine activities at Presidio, Tex. The increase over the House bill includes $300,000 for plant quarantine inspection and $1,041,000 for control of the imported fire ant. The conferees are fully agreed that none of the $5,000,000 provided for fire ant control for fiscal year 1969 is to be diverted to any other use.

During fiscal year 1968, the Department was able to carry out a very effective enforcement program under the Laboratory Animal Welfare Act. During this period, all dealers except those recently licensed were inspected at least five times; all research sites were inspected at least twice; intensive surveillance of auction and trade-day sales was provided; and interstate control over research animals was expanded. A total of 861 complaints were handled. Some 29 alleged violations were found, four warnings were issued, and 16 cases are being reviewed for possible prosecution. Thirty-six dealers gave up their licenses, and 15 research facilities were granted extensions of time to correct deficiencies. The conferees are agreed that the Department is doing an adequate job of enforcement and should continue as at present. They further agree that not to exceed $900,000 shall be available to continue these enforcement activities in the next fiscal year.

Cooperative State research service

Amendment No. 4: *Hatch Act funds.*—Appropriates $52,945,000 instead of $51,113,000 as proposed by the House and $54,965,000 as proposed by the Senate. The increase of $1,832,000 is provided to meet salary increases in the next year.

Amendment No. 5: *Cooperative forestry research.*—Appropriates $3,485,000 as proposed by the Senate instead of $3,370,000 as proposed by the House.

Amendment No. 6: *Contracts and grants for scientific research.*—Appropriates $2,000,000 as proposed by the Senate instead of $1,800,000 as proposed by the House.

Amendment No. 7: *Grants for facilities.*—Eliminates funds as proposed by the Senate.

Amendment No. 8: *Total, payments and expenses.*—Appropriates $59,105,000 instead of $58,958,000 as proposed by the House and $61,125,000 as proposed by the Senate.

The conferees call attention to the fact that Hatch Act and Smith-Lever funds are appropriated for specific purposes for distribution by formula fixed by law and that the State experiment stations and Extension Service operate on a memorandum of agreement with the Department and are not subject to the control of the Secretary of Agriculture.

Extension Service

Amendment Nos. 9 and 10: *Payments to States.*—Appropriate $81,532,500 instead of $78,532,500 as proposed by the House and $81,917,500 as proposed by the Senate. The additional $3,000,000 is provided to meet salary increases in the next year.

Amendment No. 11: *Retirement costs.*—Appropriates $9,318,500 instead of $8,818,500 as proposed by the House and $9,333,500 as proposed by the Senate.

Soil Conservation Service

Amendment Nos. 12–14: *Watershed protection.*—Establish separate appropriations for "River basin surveys and investigations" and "Works of improvement" as proposed by the Senate.

Amendment No. 13 is reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

Amendment No. 14 is reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, amended to appropriate $57,220,000 instead of $56,220,000 as proposed by the House and $57,907,000 as proposed by the Senate.

Amendment No. 15: *Flood prevention.*—Appropriates $20,000,000 as proposed by the House instead of $17,500,000 as proposed by the Senate.

Amendment No. 16: *Resource conservation and development.*—Appropriates $6,256,000 as proposed by the House instead of $6,474,000 as proposed by the Senate. To the extent feasible within the funds provided, the Department should initiate work on the 10 new projects proposed in the 1969 budget.

Economic Research Service

Amendment No. 17: *Salaries and expenses.*—Appropriates $12,789,000 as proposed by the House instead of $13,089,000 as proposed by the Senate. Within the funds provided, the development of economic indicators of change in the rural economy should be stressed.

Statistical Reporting Service

Amendment No. 18: *Salaries and expenses.*—Appropriates $14,326,000 instead of $14,184,500 as proposed by the House and $14,467,500 as proposed by the Senate.

Consumer and Marketing Service

Amendment No. 19: *Consumer protective, marketing and regulatory programs.*—Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $116,264,500 instead of $118,989,500 as proposed by the House and $116,314,500 as proposed by the Senate. The amount agreed to includes an additional $100,000 for the market news service, including a new cooperatively financed project for the floriculture industry.

Amendment Nos. 20–23: *School lunch program.*—Appropriate $178,474,000 for this program, instead of $182,825,000 as proposed by the House and $177,849,000 as proposed by the Senate, as follows:

Cash payments to States	$162,097,000
Special cash assistance (Section 11)	10,000,000
Pilot school breakfast program	3,500,000
Nonfood assistance (equipment)	750,000
Operating expenses	2,127,000
Total appropriation	178,474,000

The amount provided for cash payments to States includes an additional $5,000,000 above the House-approved amount. This is to be added to an increase of $45,000,000 provided under section 32 for additional feeding programs authorized by the School Lunch, Child Nutrition, and other acts, making a total increase of $50,000,000 for these purposes.

In addition, $64,325,000 is transferred from section 32 for purchase and distribution of food under section 6 of the act, making a grand total of $287,799,000. Donations of commodities to schools under section 32 and section 416, which have averaged around $200 million in recent years, would provide a total Federal contribution to the school-lunch and child-feeding programs of nearly one-half billion dollars in fiscal year 1969.

Amendment No. 24: *Food stamp program.*—Reported in technical disagreement. The managers on the part of the House will offer a motion to concur in the Senate language, amended to provide $1,000,000 in lieu of the $2,500,000 proposed by the Senate. The conferees direct that a minimum of $5,000,000 be held in reserve to prevent overobligation of this appropriation in fiscal year 1969.

Amendment No. 25: *Section 32 funds.*—Reported in technical disagreement. The managers on the part of the House will offer a motion to restore language stricken by the Senate amendment which will provide additional funds for (a) child feeding programs authorized by the School Lunch and Child Nutrition Acts, and (b) direct distribution of food to needy children and low-income persons determined by the Secretary of Agriculture to be suffering from general and continued hunger. Insofar as practical, as a condition to qualification under the latter provision, each recipient determined to be employable should be registered with a local, State, or U.S. employment service and should be available for employment.

A total of $50,000,000 has been added to the bill for this purpose, $5,000,000 under the school lunch appropriation for cash payments to States and $45,000,000 under this heading for child feeding and direct feeding purposes.

Foreign Agricultural Service

Amendment No. 26: *Salaries and expenses.*—Appropriates $21,541,300 instead of $21,153,800 as proposed by the House and $21,928,800 as proposed by the Senate.

Agricultural Stabilization and Conservation Service

Amendment No. 27: *Sugar Act program.*—Appropriates $82,000,000 as proposed by the Senate instead of $80,000,000 as proposed by the House.

Amendment No. 28: *Agricultural conservation program.*—Authorizes a program of $195,500,000 for 1969 as proposed by the Senate instead of $220,000,000 as proposed by the House.

Amendment Nos. 29 and 30: *Cropland adjustment program.*—Appropriates $84,500,000 as proposed by the House instead of $85,700,000 as proposed by the Senate and eliminates $30,500,000 proposed by the Senate for the diversion of an additional 1 million acres during fiscal year 1969.

Emergency conservation measures.—The managers on the part of the House concur in the statement in the Senate report which places a limitation of 10 percent on transfers to cover the technical assistance of Soil Conservation Service personnel on emergency projects.

Office of Inspector General

Amendment No. 31: *Salaries and expenses.*—Appropriates $12,426,000 instead of $12,276,000 as proposed by the House and $12,576,000 as proposed by the Senate.

Packers and Stockyards Administration

Amendment No. 32: *Salaries and expenses.*—Appropriates $2,815,300 instead of $2,565,300 as proposed by the House and $3,065,300 as proposed by the Senate.

Office of General Counsel

Amendment No. 33: *Salaries and expenses.*—Appropriates $4,611,000 instead of $4,461,000 as proposed by the House and $4,761,000 as proposed by the Senate.

Under the act of May 23, 1908, as amended, (16 U.S.C. 500), the act of July 22, 1937 (7 U.S.C. 1012), and similar legislation, where lands are taken by the Department of Agriculture for national forests by and with the consent of a State, 25 percent of the proceeds from timber sales from such lands are committed to such State for use on roads and schools. Such funds have been repeatedly held to belong to the State under agreement with the Federal Government, subject only to control by the State legislature. Notwithstanding this fact, the Department has been withholding these funds from States to which they belong. The conferees are agreed that funds withheld, both as a matter of contract and of law, should be paid immediately to such State or States as may be entitled to such funds as a result of such agreement. They agree further that in the future such payments should be made when due.

Office of Information

Amendment No. 34: *Salaries and expenses.*—Appropriates $1,997,000 as proposed by the Senate instead of $1,965,000 as proposed by the House.

National Agricultural Library

Amendment No. 35: *Salaries and expenses.*—Appropriates $3,292,750 instead of $3,166,500 as proposed by the House and $3,419,000 as proposed by the Senate.

Office of Management Services

Amendment No. 36: *Salaries and expenses.*—Appropriates $2,841,600 instead of $2,821,000 as proposed by the House and $2,862,200 as proposed by the Senate.

Rural Electrification Administration

Amendment No. 37: *Loan authorizations.*—Authorizes $329,000,000 for electrification loans as proposed by the Senate instead of $304,000,000 as proposed by the House. The managers on the part of the House call attention to the following language in the House report concerning the use of these funds:

"In view of the urgent need for additional distribution facilities, therefore, it is essential that generation and transmission loans be held to a minimum in the coming year. The committee recognizes the importance of the availability of G. & T. loan funds to the bargaining positions of the REA cooperatives. It does not feel, however, that this position will be weakened by a careful policy in regard to such loans."

Farmers Home Administration

Amendment No. 38: *Direct loan account.*—Authorizes the use of $275,000,000 for operating loans instead of $250,000,000 as proposed by the House and $300,000,000 as proposed by the Senate.

Amendment Nos. 39 and 40: *Rural housing direct loan account.*—Amendment No. 39 authorizes the use of $30,000,000 as proposed by the Senate instead of $15,000,000 as proposed by the House.

Amendment No. 40 is reported in technical disagreement. The managers on the part of the House will offer a motion to include language which will authorize the Secretary to require as security for a loan under Section 502 or 517 of the Housing Act of 1949 only so much of the farm and buildings as he determines are of sufficient value to secure the loan, as is done for owners of nonfarm tracts.

Amendment No. 41: *Rural housing for domestic farm labor.*—Appropriates $4,250,000 instead of $3,500,000 as proposed by the House and $5,000,000 as proposed by the Senate.

Amendment No. 42: *Salaries and expenses.*—Appropriates $57,980,000 instead of $57,641,000 as proposed by the House and $58,319,000 as proposed by the Senate.

Federal Crop Insurance Corporation

Amendment No. 43: *Administrative and operating expenses.*—Appropriates $11,243,500 instead of $10,487,000 as proposed by the House and $12,000,000 as proposed by the Senate.

Amendment No. 44: *Federal Crop Insurance Corporation Fund.*—Authorizes $2,140,000 instead of $2,850,000 as proposed by the House and $1,430,000 as proposed by the Senate.

General provisions

Amendment Nos. 45 and 46: *Section 509.*—Delete the expenditure limitation proposed by the House and adjust section number.

Personnel reductions

In instances where new positions have been authorized in this bill, it is not intended to give preference to such positions over those of existing programs in effecting personnel reductions required by law.

JAMIE L. WHITTEN
WILLIAM H. NATCHER
W. R. HULL, Jr.
THOMAS G. MORRIS
GEORGE E. SHIPLEY
GEORGE MAHON
ROBERT H. MICHEL
ODIN LANGEN
WILLIAM H. HARRISON
CHARLES R. JONAS
Managers on the Part of the House.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be considered as read.

The **SPEAKER.** Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. **WHITTEN.** Mr. Speaker, today we bring to the House the report of the committee on conference on the bill making appropriations for the Department of Agriculture for fiscal year 1969. The new budget obligational authority allowed in the conference agreement is $5,531,296,650. This is $9,253,650 below the bill passed by the other body, and $7,661,150 above the bill passed by the House.

The compromise agreement allows $1,392,683,150 less in new obligational authority than the amount requested in the President's budget. This is approximately a 20-percent decrease in the 1969 budget request. A reduction of this size in the moneys we spend to guarantee food to our people now and in the future may not be wise in the long run. However, in view of the pressure to reduce Federal spending, we have attempted to hold back in most areas so as to be able to provide for those programs which are most critical to the health and welfare of our children, our consumers, our farming industry, our natural resources—and which provide a decent life for our rural people.

FOOD AID

It is estimated that around $1 billion will be available for various domestic food programs run by the Department of Agriculture in fiscal year 1969, as follows:

	Million
Special milk program	$104.0
School lunch program (By appropriation and transfer)	242.8
Additional section 32 funds for various food distribution programs	45.0
Food stamp program (total presently authorized)	225.0
Total appropriated or transferred	616.8
Total value of commodities estimated to be purchased with section 32 or CCC (section 416) funds for distribution to welfare recipients, institutions and schools	447.0
Total food aid	1,063.8

In addition it is estimated that contributions from State and local sources to the school lunch program will exceed the $455 million provided in 1968. Payments by children should equal or surpass the $990 million in 1968. Thus, the total amount to be spent for school lunch and other food assistance programs will approximate $2.5 billion in fiscal year 1969.

We have heard a great deal in recent months about supposed starvation in America. I believe the reports on the extent of such malnutrition have been greatly exaggerated. However, in order to insure that isolated instances of such malnutrition will be promptly taken care of in the event they are found to exist, the committee has provided authority for the Secretary of Agriculture to utilize funds under section 32 to provide direct distribution of food to needy children and low-income persons determined by the Secretary to be suffering from hunger. This authority may be used on the basis specified in the bill, whether or not such cases occur in areas already being served by the food stamp program or by the commodity distribution program.

The exact language in the bill is as follows:

> Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than $2,950,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) not more than $45,000,000 (including not to exceed $1,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided*, That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability.

REA AND FHA LOANS

The bill includes an increase of $25,000,000 over the House bill for electrification loans under the Rural Electrification Administration to help meet the urgent need for additional electrical distribution facilities in rural areas. This will provide a total of $329 million for electrification loans in fiscal year 1969. This is the most we could provide even though it is less than half the amount needed to fully cover the $700 million of loan applications expected to be received. In this connection, the managers on the part of the House included the following language in the conference report:

> In view of the urgent need for additional distribution facilities, therefore, it is essential that generation and transmission loans be held to a minimum in the coming year. The committee recognizes the importance of the availability of G. & T. loan funds to the bargaining positions of the REA cooperatives. It does not feel, however, that this position will be weakened by a careful policy in regard to such loans.

Electricity is a necessary factor in modern agriculture. It is especially critical for farm and ranch operators who must depend on mechanized operations run by electricity to take the place of labor that they cannot obtain.

In view of the serious credit situation in rural areas, the conferees agreed to the amount of $275,000,000 for farm operating loans of the Farmers Home Administration. This amount is $25,000,000 above the budget and the House bill. These loans are provided to farmers who have no other source of credit for loans to finance seasonal farm operating expenses. A survey completed several weeks ago by the Farmers Home Administration indicates that, even with the additional funds provided, less than half of these farmers who are eligible and who need FHA operating loans will receive such loans.

The conferees also agreed on the amount of $30,000,000 requested in the President's budget for rural housing direct loans. This is $15,000,000 over the House bill and $15,000,000 over the amount approved in fiscal year 1968.

THE 4-H CLUBS

Although it is relatively small in cost, I wish to mention the 4-H program, for which funds are provided in this bill under the Extension Service. The conferees allowed an increase of $3 million over the House bill to meet the Federal share of the cost of salary increases for extension agents who carry on this important work. The effect of 4-H Club activities on America's rural youth has been so wholesome that many people feel it should be extended to our cities, as well as to other parts of the world. At a time when youth seems threatened by the influences of violence from within this country and subversion from abroad, the work of the 4-H Clubs of this country is providing an essential stabilizing influence.

EFFECT ON EXPENDITURES

The conference agreement will increase expenditures above those allowed in the House bill by an estimated $75 million. Of this amount, the additional section 32 funds provided for child nutrition and other feeding programs account for $45 million. The balance results from the increase of $25 million allowed for Farmers Home Administration operating loans and various other items. The conference agreement still will result in a reduction in expenditures of $339 million below the 1969 budget estimate.

We cannot control the extent to which the executive branch may make additional cuts in agricultural programs to reach the $6 billion total cut required by law. However, it is our intention, by reducing expenditures substantially through the action of Congress on individual items in this bill, to set austere levels which should serve as guidelines to those in the executive branch. It is expected that they will not unduly curtail the programs of the Department of Agriculture to carry out expanded programs in other agencies or departments, or to favor one or more programs in the Department by cutting other programs far below the levels that Congress has set for them.

At this point, I place in the RECORD a table showing for each appropriation item the amounts agreed to as compared to the 1969 budget and the House and Senate bill:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1968 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1969

						Difference between conference action and—			
Agency and item (1)	New budget (obligational) authority, fiscal year 1968 (2)	Budget estimates of new (obligational) authority, fiscal year 1969 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	Conference action (6)	New budget (obligational) authority, fiscal year 1968 (7)	Budget estimates of new (obligational) authority, fiscal year 1969 (8)	New budget (obligational) authority recommended in House bill (9)	New budget (obligational) authority recommended in Senate bill (10)
TITLE I—GENERAL ACTIVITIES									
Agricultural Research Service, salaries and expenses:									
Research:									
Direct appropriation	$129, 094, 200	$136, 273, 100	$125, 972, 500	$131, 950, 600	$129, 118, 300	+$24, 100	−$7, 154, 800	+$3, 145, 800	−$2, 832, 300)
Transfer from sec. 32 [1]	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)				
Total, research	(144, 094, 200)	(151, 273, 100)	(140, 972, 500)	(146, 950, 600)	(144, 118, 300)	(+24, 100)	(−7, 154, 800)	(+3, 145, 800)	(−2, 832, 300)
Plant and animal disease and pest control	87, 615, 300	88, 647, 500	85, 298, 500	88, 239, 500	86, 639, 500	−975, 800	−2, 008, 000	+1, 341, 000	−1, 600, 000
Special fund (reappropriation)	2, 000, 000	(2, 000, 000)	(2, 000, 000)	(2, 000, 000)	(2, 000, 000)	−2, 000, 000			
Total, salaries and expenses	218, 709, 500	224, 920, 600	211, 271, 000	220, 190, 100	215, 757, 800	−2, 951, 700	−9, 162, 800	+4, 486, 800	−4, 432, 300
Salaries and expenses (special foreign currency program)	8, 500, 000	12, 700, 000	4, 500, 000	4, 500, 000	4, 500, 000	−4, 000, 000	−8, 200, 000		
Total, Agricultural Research Service	227, 209, 500	237, 620, 600	215, 771, 000	224, 690, 100	220, 257, 800	−6, 951, 700	−17, 362, 800	+4, 486, 800	−4, 432, 300
Cooperative State Research Service: Payments and expenses	58, 958, 000	62, 179, 000	58, 958, 000	61, 125, 000	59, 105, 000	+147, 000	−3, 074, 000	+147, 000	−2, 020, 000
Extension Service:									
Payments to States and Puerto Rico	78, 532, 500	81, 917, 500	78, 532, 500	81, 917, 500	81, 532, 500	+3, 000, 000	−385, 000	+3, 000, 000	−385, 000
Retirement costs for extension agents	8, 818, 500	9, 333, 500	8, 818, 500	9, 333, 500	9, 318, 500	+500, 000	−15, 000	+500, 000	−15, 000
Penalty mail	3, 299, 000	3, 500, 000	3, 299, 000	3, 299, 000	3, 299, 000		−201, 000		
Federal Extension Service	2, 838, 000	2, 878, 000	2, 838, 000	2, 838, 000	2, 838, 000		−40, 000		
Total, Extension Service	93, 488, 000	97, 629, 000	. 93, 488, 000	97, 388, 000	96, 988, 000	+3, 500, 000	−641, 000	+3, 500, 000	−400, 000
Farmer Cooperative Service	1, 341, 000	1, 848, 000	1, 341, 000	1, 341, 000	1, 341, 000		−507, 0000		
Soil Conservation Service:									
Conservation operations	114, 975, 000	116, 313, 000	114, 893, 000	114, 893, 000	114, 893, 000	−82, 000	−1, 420, 000		
Watershed planning	6, 192, 000	6, 224, 000	6, 165, 000	6, 165, 000	6, 165, 000	−27, 000	−59, 000		
River basin surveys and investigations	70, 403, 000	42, 148, 000	65, 000, 000	8, 780, 000	8, 780, 000	−4, 403, 000	+23, 852, 000	+1, 000, 000	−687, 000
Works of improvement [2]				57, 907, 000	57, 220, 000				
Flood prevention [2]	25, 753, 000	12, 395, 000	20, 000, 000	17, 500, 000	20, 000, 000	−5, 753, 000	+7, 605, 000		+2, 500, 000
Great Plains conservation program [2]	16, 336, 000	13, 414, 000	16, 000, 000	16, 000, 000	16, 000, 000	−336, 000	+2, 586, 000		
Resource conservation and development	6, 249, 000	6, 474, 000	6, 256, 000	6, 474, 000	6, 256, 000	+7, 000	−218, 000		−218, 000
Total, Soil Conservation Service	239, 908, 000	196, 968, 000	228, 314, 000	227, 719, 000	229, 314, 000	−10, 594, 000	+32, 346, 000	+1, 000, 000	+1, 595, 000
Economic Research Service: Salaries and expenses	12, 789, 000	13, 964, 000	12, 789, 000	13, 089, 000	12, 789, 000		−1, 175, 000		−300, 000
Statistical Reporting Service: Salaries and expenses	14, 249, 500	14, 674, 000	14, 184, 500	14, 467, 500	14, 326, 000	+76, 500	−348, 000	+141, 500	−141, 500
Consumer and Marketing Service:									
Consumer protective, marketing, and regulatory programs	95, 493, 000	119, 846, 000	[3] 118, 989, 500	[3] 116, 314, 500	[3] 116, 264, 500	+20, 771, 500	−3, 581, 500	−2, 725, 000	−50, 000
Payments to States and possessions	1, 750, 000	1, 750, 000	1, 750, 000	1, 750, 000	1, 750, 000				
Special milk program: Transfer from sec. 32 [1]	(104, 000, 000)	(104, 000, 000)	(104, 000, 000)	(104, 000, 000)	(104, 000, 000)				
Total, special milk program	(104, 000, 000)	(104, 000, 000)	(104, 000, 000)	(104, 000, 000)	(104, 000, 000)				
School lunch program:									
Direct appropriation	[4] 187, 897, 000	184, 443, 000	182, 825, 000	177, 849, 000	[5] 178, 474, 000	−9, 423, 000	−5, 969, 000	−4, 351, 000	+625, 000
Transfer from sec. 32 [1]	(45, 000, 000)	(64, 325, 000)	(64, 325, 000)	(64, 325, 000)	(64, 325, 000	(+19, 325, 000)			
Total, school lunch program	(232, 897, 000)	(248, 768, 000)	(247, 150, 000)	(242, 174, 000)	[5] (242, 799, 000)	(+9, 902, 000)	(−5, 969, 000)	(−4, 351, 000)	(+625, 000)
Food stamp program:									
Direct appropriation	161, 800, 000	225, 000, 000	[6] 225, 000, 000	[6] 225, 000, 000	[6] 225, 000, 000	+63, 200, 000			
Reappropriation	23, 200, 000					−23, 200, 000			
Total, food stamp program	185, 000, 000	225, 000, 000	225, 000, 000	225, 000, 000	225, 000, 000	+40, 000, 000			
Total, Consumer and Marketing Service	470, 140, 000	531, 039, 000	528, 564, 500	520, 913, 500	521, 488, 500	+51, 348, 500	−9, 550, 500	−7, 076, 000	−575, 000
Foreign Agricultural Service:									
Salaries and expenses	21, 154, 500	22, 414, 500	21, 153, 800	21, 928, 800	21, 541, 300	+386, 800	−873, 200	+387, 500	−387, 500
Transfer from sec. 32 [1]	(3, 117, 000)	(3, 117, 000)	(3, 117, 000)	(3, 117, 000)	(3, 117, 000)				
Transfer from CCC	(2, 012, 175)	(2, 107, 000)	(2, 012, 175)	(2, 012, 175)	(2, 012, 175)		(−94, 825)		
Total, Foreign Agricultural Service	(26, 283, 675)	(27, 638, 500)	(26, 282, 975)	(27, 057, 975)	(26, 670, 475)	(+386, 800)	(−968, 025)	(+387, 500)	(−387, 500)
Commodity Exchange Authority	1, 560, 000	1, 584, 000	1, 530, 000	1, 530, 000	1, 530, 000	−30, 000	−54, 000		

See footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1968 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1969—Continued

Agency and item	New budget (obligational) authority, fiscal year 1968	Budget estimates of new (obligational) authority, fiscal year 1969	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1968	Budget estimates of new (obligational) authority, fiscal year 1969	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Agricultural Stabilization and Conservation Service:									
Expenses, ASCS:									
Direct appropriation	$140,331,400	$143,933,700	$141,031,400	$141,031,400	$141,031,400	+$700,000	−$2,902,300		
Transfer from CCC	(58,608,600)	(62,764,100)	(62,764,100)	(62,764,100)	(62,764,100)	(+4,155,500)			
	(198,940,000)	(206,697,800)	(203,795,500)	(203,795,500)	(203,795,500)	(+4,855,500)	(−2,902,300)		
Sugar Act program	80,000,000	82,300,000	80,000,000	82,000,000	82,000,000	+2,000,000	−300,000	+$2,000,000	
Agricultural conservation program:									
Advance authorization for 1969 program (contract authorization)	220,000,000	100,000,000	220,000,000	195,500,000	195,500,000	−24,500,000	+95,500,000	−24,500,000	
Liquidation of contract authorization	(220,000,000)	(195,500,000)	(190,000,000)	(190,000,000)	(190,000,000)	(−30,000,000)	(−5,500,000)		
Crop and conversion program	[7] −7,560,000					+7,560,000			
Cropland adjustment program	84,500,000	85,700,000	84,500,000	85,700,000	84,500,000		−1,200,000		−$1,200,000
Limitation on authorization for 1969 program		(55,500,000)		(30,500,000)			(−55,500,000)		(−30,500,000)
Conservation reserve program	123,000,000	109,500,000	109,000,000	109,000,000	109,000,000	−14,000,000	−500,000		
Emergency conservation measures	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Total, Agricultural Stabilization and Conservation Service	645,271,400	526,433,700	639,531,400	618,231,400	617,031,400	−28,240,000	+90,597,700	−22,500,000	−1,200,000
Rural Community Development Service	450,000	469,000	463,000	463,000	463,000	+13,000	−6,000		
Office of Inspector General	12,146,000	12,867,000	12,276,000	12,576,000	12,426,000	+280,000	−441,000	+150,000	−150,000
Packers and Stockyards Administration	2,640,300	3,166,000	2,565,300	3,065,300	2,815,300	+175,000	−350,700	+250,000	−250,000
Office of General Counsel	4,486,000	5,033,000	4,461,000	4,761,000	4,611,000	+125,000	−422,000	+150,000	−150,000
Office of Information	1,965,000	1,977,000	1,965,000	1,997,000	1,997,000	+32,000		+32,000	
National Agricultural Library	2,638,500	3,419,000	3,166,500	3,419,000	3,292,750	+654,250	−126,250	+126,250	−126,250
Office of Management Services	2,746,000	2,910,000	2,821,000	2,862,200	2,841,600	+95,600	−68,400	+20,600	−20,600
General administration	4,598,000	4,664,000	4,614,000	4,614,000	4,614,000	+16,000	−50,000		
Total new budget (obligational) authority, title I, general activities	1,817,738,700	1,740,878,800	1,847,957,000	1,836,180,800	1,828,772,650	+11,033,950	+87,893,850	−19,184,350	−7,408,150
TITLE II—CREDIT AGENCIES									
Rural Electrification Administration:									
Loan authorizations:									
Electrification	314,000,000	304,000,000	304,000,000	329,000,000	329,000,000	+15,000,000	+25,000,000	+25,000,000	
Telephone	120,600,000	120,000,000	120,000,000	120,000,000	120,000,000	−600,000			
Total loans (authorization to spend debt receipts)	434,600,000	424,000,000	424,000,000	449,000,000	449,000,000	+14,400,000	+25,000,000	+25,000,000	
Salaries and expenses	12,705,000	12,937,000	12,805,000	12,805,000	12,805,000	+100,000	−132,000		
Total, Rural Electrification Administration	447,305,000	436,937,000	436,805,000	461,805,000	461,805,000	+14,500,000	+24,868,000	+25,000,000	
Farmers Home Administration:									
Direct loan account: (limitations)									
Real estate loans	(110,000,000)	(83,000,000)	(83,000,000)	(83,000,000)	(83,000,000)	(−27,000,000)			
Operating loans	(300,000,000)	(250,000,000)	(250,000,000)	(300,000,000)	(275,000,000)	(−25,000,000)	(+25,000,000)	(+25,000,000)	(−25,000,000)
Soil conservation loans	(7,500,000)	(4,900,000)	(4,900,000)	(4,900,000)	(4,900,000)	(−2,600,000)			
Total, direct loan account	(417,500,000)	(337,900,000)	(337,900,000)	(387,900,000)	(362,900,000)	(−54,600,000)	(+25,000,000)	(+25,000,000)	(−25,000,000)
Rural housing direct loans	(15,000,000)	(30,000,000)	(15,000,000)	(30,000,000)	(30,000,000)	(+15,000,000)		(+15,000,000)	
Total, loan limitations	(432,500,000)	(367,900,000)	(352,900,000)	(417,900,000)	(392,900,000)	(−39,600,000)	(+25,000,000)	(+40,000,000)	(−25,000,000)
Participation sales authorization (authorization to spend agency debt receipts)	750,000,000	425,000,000				750,000,000	−425,000,000		
Payment of participation sales insufficiencies	13,268,000	(5)	(5)	(5)	(5)	−13,268,000			
Rural water and waste disposal grants	28,000,000	27,250,000	28,000,000	28,000,000	28,000,000		+750,000		
Rural renewal	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000				
Rural housing for domestic farm labor	3,500,000	5,000,000	3,500,000	5,000,000	4,250,000	+750,000	−750,000	+750,000	−750,000
Salaries and expenses:									
Direct appropriation	57,518,000	59,132,000	57,641,000	58,319,000	57,980,000	+462,000	−1,152,000	+339,000	−339,000
Transfer from ACIF	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)				
Transfer from other accounts	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)				
Total, salaries and expenses	(60,268,000)	(61,882,000)	(60,391,000)	(61,069,000)	(60,730,000)	(+462,000)	(−1,152,000)	(+339,000)	(−339,000)
Total, new budget (obligational) authority, Farmers Home Administration	853,886,000	517,982,000	90,741,000	92,919,000	91,830,000	−762,056,000	−426,152,000	+1,089,000	−1,089,000
Total, title II, credit agencies	1,301,191,000	954,919,000	527,546,000	554,724,000	553,635,000	−747,556,000	−401,284,000	+26,089,000	−1,089,000

TITLE III—CORPORATIONS									
Federal Crop Insurance Corporation, administrative and operating expenses:									
Appropriation	10,489,000	12,000,000	10,487,000	12,000,000	11,243,500	+754,500	−756,500	+756,500	−756,500
Premium income	(2,850,000)	(1,430,000)	(2,850,000)	(1,430,000)	(2,140,000)	(−710,000)	(+710,000)	(−710,000)	(+710,000)
Total, FCIC	(13,339,000)	(13,430,000)	(13,337,000)	(13,430,000)	(13,383,500)	(+44,500)	(−46,500)	(+46,500)	(−46,500)
Commodity Credit Corporation:									
Contract authorization	$988,860,000					−988,860,000			
Liquidating appropriation		($350,467,000)	($350,467,000)	($350,467,000)	($350,467,000)	(+$350,467,000)			
Reimbursement for net realized losses	1,400,000,000	3,298,039,000	2,837,645,500	2,837,645,500	2,837,645,500	+1,437,645,500	−460,393,500		
Total, appropriation	[9] (2,388,860,000)	(3,648,506,000)	(3,188,112,500)	(3,188,112,500)	(3,188,112,500)	(+799,252,500)	(−$460,393,500)		
Limitation on administrative expenses	(31,500,000)	(31,500,000)	(31,500,000)	(31,500,000)	(31,500,000)				
Public Law 480:									
Sales, title I	1,305,500,000	361,537,000	100,000,000	100,000,000	100,000,000	−1,205,500,000	−261,537,000		
Donations, title II	300,000,000	556,606,000	200,000,000	200,000,000	200,000,000	−100,000,000	−356,606,000		
Total, Public Law 480	1,605,500,000	918,143,000	300,000,000	300,000,000	300,000,000	−1,305,000,000	−618,143,000		
Bartered materials for supplemental stockpile	23,000,000					−23,000,000			
Total, new budget (obligational) authority, title III, corporations	4,027,849,000	4,228,182,000	3,148,132,500	3,149,645,500	3,148,889,000	−878,960,000	−1,079,293,000	+$756,500	−$756,500
TITLE IV—RELATED AGENCIES									
Farm Credit Administration: Limitation on administration expenses	(3,282,000)	(3,436,000)	(3,436,000)	(3,436,000)	(3,436,000)	(+154,000)			
National Advisory Commission on Food and Fiber	175,000					−175,000			
Total, title IV	175,000					−175,000			
RECAPITULATION									
Title I—General activities	1,817,738,700	1,740,878,700	1,847,957,000	1,836,180,800	1,828,772,650	+11,033,950	+87,893,850	−19,184,350	−7,408,150
Title II—Credit agencies	1,301,191,000	954,919,000	527,546,000	554,724,000	553,635,000	−747,556,000	−401,284,000	+26,089,000	−1,089,000
Title III—Corporations	4,027,849,000	4,228,182,000	3,148,132,500	3,149,645,500	3,148,889,000	−878,960,000	−1,079,293,000	+756,500	−756,500
Title IV—Related agencies	175,000					−175,000			
Total, new budget (obligational) authority	7,146,953,700	6,923,979,800	5,523,635,500	5,540,550,300	5,531,296,650	−1,615,657,050	−1,392,683,150	+7,661,150	−9,253,650
Consisting of—									
1. Appropriations	4,728,293,700	5,974,979,800	4,879,635,500	4,896,050,300	4,886,796,650	+158,502,950	−1,088,183,150	+7,161,150	−9,253,650
2. Reappropriations	25,200,000					−25,200,000			
3. Contract authorizations	1,208,860,000	100,000,000	220,000,000	195,500,000	195,500,000	−1,013,360,000	+95,500,000	−24,500,000	
4. Authorizations to spend from debt receipts	1,184,600,000	849,000,000	424,000,000	449,000,000	449,000,000	−735,600,000	−400,000,000	+25,000,000	
Memoranda:									
1. Appropriations to liquidate contract authorizations	(220,000,000)	(545,967,000)	(540,467,000)	(540,467,000)	(540,467,000)	(+320,467,000)	(−5,500,000)		
2. Appropriations, including appropriations for liquidation of contract authorizations	(4,948,293,700)	(6,520,946,800)	(5,420,102,500)	(5,436,517,300)	(5,427,263,650)	(+478,969,950)	(−1,093,683,150)	(+7,161,150)	(−9,253,650)
3. Transfers from sec. 32	(167,117,000)	(186,442,000)	(186,442,000)	(186,442,000)	[5] (186,442,000)	(+19,325,000)			

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[1] Included in total transfers of $186,442,000 from section 32 shown at end of table under heading "Memoranda."

[2] In addition, carryover balances will be available in fiscal 1969.

[3] Of the amount provided, $13,440,250 is placed in reserve to be released only after the inspection activities of this service have been fully coordinated and placed on an efficient and economical operating basis.

[4] Includes Second Supplemental Appropriation Act, 1968, appropriation of $10,000,000 for fiscal year 1969 for special food service program established under Public Law 90-302.

[5] In addition, $45,000,000 to be available from section 32 for school lunch and child nutrition programs and direct distribution to hungry people.

[6] Of the funds provided, $25,000,000 are placed in reserve to be used only to the extent needed to meet program requirements after corrections are made in program. Senate bill provided $2,500,000 and conference amount provided $1,000,000 for payment of obligations incurred in pervious fiscal year.

[7] Use of prior year funds.

[8] Budget proposed indefinite appropriation, which was not allowed.

[9] Includes $988,860,000 of contract authorization established under authority of basic law rather than in an appropriation bill.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague from Illinois.

Mr. MICHEL. Mr. Speaker, while we went to conference with the Senate to iron out the 45 differences between the House- and Senate-passed bills, we reached agreement after a number of meetings fairly easily. The biggest item of controversy, I believe, had to do with the so-called Javits amendment, adopted in the Senate that would have opened up the floodgates of section 32 funds for food and nutrition programs. I would call the Members' particular attention to the remarks of the chairman of our subcommittee, the gentleman from Mississippi [Mr. WHITTEN] on the subject of food aid, which shows very clearly that we are currently providing for better than $1 billion in this field.

The conferees have agreed to allow the Secretary of Agriculture to release up to an additional $45 million of section 32 funds for child feedings and nutritional programs to help alleviate hunger and malnutrition in the United States.

While we have many starving people in this country, our first obligation is to them and we must take care of them before spending millions of dollars abroad to feed the starving of the world.

But in taking care of our own, we do not want to open the floodgates to promiscuous, uncontrolled, and unlimited expenditure of funds. We have, therefore, set a ceiling of $45 million in transfer of section 32 funding and further included language in the report that low-income recipients who are determined to be employable register with a local, State, or U.S. Employment Service and should be available for employment.

The other significant money differences had to do with splitting the difference of the $50 million increase in FHA loans carried in the Senate bill—the $25 million increase over the House figures in REA loans, and the cut of $24.5 million from the House figure on the ACP program.

The action of the conferees in increasing REA's electric loan authorization by $25 million over the $304 million contained in the budget estimate and approved by the House was taken within the framework of the language contained in the House report on the bill with respect to generation and transmission loan policy. The managers on the part of the House explained the effect of the action agreed upon and recommended by the conferees and called attention to the language in the House report as the basis upon which the conferees agreed to the increased amount for REA. This language stated:

> In view of the urgent need for additional distribution facilities, therefore, it is essential that generation and transmission loans be held to a minimum in the coming year. The committee recognizes the importance of the availability of G. & T. loan funds to the bargaining positions of the REA cooperatives. It does not feel, however, that this position will be weakened by a careful policy in regard to such loans.

The Administrator of REA, Mr. Clapp, had testified on the budget request to the effect that a loan authorization of $304 million for 1969 would be adequate to meet the most urgent needs of the rural electric cooperatives.

While I personally agree with his statement and feel that the budget estimate and the House allowance was sufficient to carry forward an orderly program, I yielded to the $25 million Senate increase in view of the conference stipulation that the program be prudently administered so as to assure that loans for distribution would have priority and that G. & T. loans would be held to a minimum.

It is important to note that the trend in all sectors of the electric power industry—private, public, and cooperative—is toward large scale generation and transmission as the most economical, efficient, and reliable means of producing and distributing electric energy. Some of these huge plants involve tremendous sums of money, reaching into hundreds of millions of dollars. In the list of 82 electric loan application pending before REA on July 1 of this year, for example, only five are for major generation and transmission facilities but these alone total almost $200 million. It is obvious that approval of these loans would leave little money to fulfill the needs for distribution facilities.

I think we are all fully aware of the necessity for heavying up existing distribution lines to meet the continuing growth of consumer loads in rural areas. Obviously, loans for such purposes must have first priority.

While it may be important to have funds available for generation and transmission loans to afford borrowers a bargaining position for their wholesale power supplies, extreme care must be exercised to assure that funds are not used for generation and transmission facilities when suitable alternatives exist. Funds are to be loaned for such purposes only if fair and reasonable wholesale power contracts cannot be obtained. This procedure is not only in the interest of the consumer from the standpoint of power costs and reliability, but it also increases the amount of money available for distribution purposes, thereby making the best use of loan authorizations for the most urgent purposes.

The conference report emphasized that it is essential that "generation and transmission loans be held to a minimum." Such loans should be made only after the Administrator has certified that self-generation will result in the lowest cost power to the borrower and that the savings forthcoming from such facilities will be passed on by the borrower to the ultimate consumer in lower rates.

In addition, due to the heavy demands on the U.S. Treasury in this period of serious financial crisis, Federal agencies have special responsibilities for careful review and evaluation of every proposed commitment and expenditure. Furthermore, it is expected that the Bureau of the Budget, in its regular responsibility for apportionment of funds, as well as in discharging its responsibilities under Public Law 90–364, the Revenue and Expenditure Control Act of 1968, will carefully monitor this program to assure that the intent of Congress is carried out.

As I said earlier, the conferees accepted the Senate figure of $195,500,000 for the Agricultural Conservation program, which is a reduction from the House figure of $220 million. This is the item we have attempted to cut considerably in years past, with little success on the floor of this House and frankly, I am happy that we agreed on the Senate's lower figure and would appear to be moving in the right direction on this program.

I must say that so far as the Agricultural Research Service is concerned, I am less than enthusiastic about the $5 million item carried in this conference report, providing for fire ant control for the fiscal year 1969. While we state in our report that "none of the $5 million be diverted to any other use," I would hope we would see some significant progress in its control, for in our hearings, part II, page 252, we read:

> The fire ant does not significantly affect land values, the labor market, agricultural productivity or national health or welfare.

And that any losses sustained because of it are very disproportionate to what we are spending for its eradication when you compare figures for some of the other pests, and insects that are causing losses of many millions of dollars.

For example, the cereal leaf beetle, according to Dr. Irving of the Department of Agriculture, is "as serious as any problem we have and that is for two reasons: the relatively large size of the cereal crop, and no outlook, for a sure-fire means of containing it."

Studies at Purdue and Michigan State University show that yields could be reduced up to 23 percent of wheat and 17 to 30 percent in oats and barley because of an infestation of the cereal leaf beetle.

I recall several years ago seeing a map showing the presence of the beetle only in the southwestern section of the State of Michigan, and now it has spread to parts of Indiana, Pennsylvania, Ohio, and Illinois. I expressed the fear and concern that if we did not move rapidly and with dispatch in combating the cereal leaf beetle, we would be opening up the breadbasket of this country to this pestilence. When you consider the fact that we are talking about a $1.5 billion cereal grain crop that is in danger and that we are only spending approximately $1.3 million for its eradication, you can get the impact of the comparison I am trying to make.

In summary, Mr. Speaker, the conference amount agreed to in this bill is $5,531,300,000, which is $1,392,700,000 under the budget—roughly 7.7 million over the House-passed bill, and $9.3 million under the Senate-passed bill. I believe we arrived at a good compromise and would urge Members to support the adoption of the conference report.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. JONAS. I believe the gentleman from Mississippi should say a word or two about the personnel reduction statement in the report.

Mr. WHITTEN. I thank the gentleman. The statement referred to is the one we placed in the report.

There are several new or expanded programs in this bill. They were budgeted and were considered by the committee. The committee, in view of the legislation passed some time ago reducing overall Federal expenditures and personnel, wished to make certain that these so-called new or expanded programs were not carried on at the level authorized in this bill at the expense of existing programs.

So in the language which appears on page 10 of the statement of the managers we provide the following:

> In instances where new positions have been authorized in this bill, it is not intended to give preference to such positions over those of existing programs in effecting personnel reductions required by law.

Mr. JONAS. Mr. Speaker, will the gentleman yield further?

Mr. WHITTEN. I yield further.

Mr. JONAS. Since the statement appears only in the statement on the part of the managers of the House, I believe my colleague will confirm my statement that this was discussed in the conference and it was agreed to by the conferees of both bodies.

Mr. WHITTEN. All conferees agreed without exception, according to my recollection.

We were also concerned that the Department of Agriculture should not be seriously curtailed or crippled in order to enable full staffing of new or expanded programs in other departments and agencies. We believe that those programs which preserve and protect our food supply and natural resources must not be sacrificed to less essential functions.

THE LESSONS OF HISTORY

In this connection, I should like to call attention to a statement from my report on the appropriation bill which I handled earlier in the year. I quote:

> Ancient Greece had forested hills, ample water supplies, and productive soil. In parts of this area today, the old erosion-proof Roman roads stand several feet above a barren desert. Ancient irrigation systems in many parts of China and India are abandoned today and filled with silt. Most of India's present land problems are due to excessive deforestation, erosion and siltation made necessary by tremendous population growth during the past two centuries.
>
> The highly developed civilization of ancient Guatemala and Yucatan are merely history today. Archaeologists believe that they exploited their land as intensively as possible until its fertility was gone and their prosperous civilizations vanished.

The long-since-gone city-states of history used up and wore out their natural resources. In 2000 B.C. the Valley of the Nile was a granary for the Roman Empire. Today its productivity is largely gone because of neglect and misuse. In 3500 B.C. the valleys of the Tigris and Euphrates Rivers supported a large and prosperous civilization. Today less than 20 percent is productive.

Why are those areas gone today, so far as the ability to support their people is concerned? It is because the people were unwilling, year after year, to put back into the land a fair share of what they took out.

For us to fail, whatever our problems, to look after the basic resources on which all our well-being depends would not merely endanger our standard of living but life itself would be affected. We would be heading in the direction of India and China; and there would not be any foreign aid when our country is worn out.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. GROSS. As I remember the bill when it left the House, it provided for approximately a 20-percent reduction in spending as compared with last year. Is that correct?

Mr. WHITTEN. It is approximately 20 percent below the 1969 budget request, and not too far from that figure as compared to the amount obligated last year.

Mr. GROSS. Of course, the latter figure is the meaningful figure, the gentleman will agree.

Mr. WHITTEN. The budgeted items for 1969 and expenditures for last year were virtually the same.

Mr. GROSS. It is approximately 20 percent below?

Mr. WHITTEN. The obligational authority in this bill actually is about 24 percent below last year.

Mr. GROSS. Twenty-four percent below the actual spending for the same general purposes last year?

Mr. WHITTEN. That is correct.

Mr. GROSS. And this bill is only slightly higher than when it left the House?

Mr. WHITTEN. About $7 million, which is a small figure, percentagewise.

Mr. GROSS. I thank the gentleman.

Mr. WHITTEN. I thank my colleague.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 13: On page 11, after line 22, insert:
>
> "RIVER BASIN SURVEYS AND INVESTIGATIONS
>
> "For necessary expenses to conduct research, investigations and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1006), to remain available until expended; $8,780,000, with which shall be merged the unexpended balances of funds heretofore appropriated to the Department for river basin survey purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $60,000 shall be available for employment under 5 U.S.C. 3109."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 14: Page 12, line 12, insert:
>
> "WORKS OF IMPROVEMENT
>
> "For necessary expenses to carry out preventive measures, including, but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001–1005, 1007–1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), to remain available until expended; $57,907,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That $3,000,000 of the funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert: "$57,220,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 19: Page 17, line 5, strike out "$118,989,500" and insert "$116,314,500."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$116,264,500".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 24: Page 18, line 26, insert:
>
> "*Provided*, That not to exceed $2,500,000 of this appropriation shall be available for the payment of obligations incurred under the appropriation for similar purposes for the preceding fiscal year."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$1,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 19, line 4, strike out:

"REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES (SECTION 32)

"No funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used for any purpose other than commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956, (2) transfers otherwise provided in this Act, and (3) not more than $2,950,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein with an amendment, as follows: Restore the matter stricken, amended to read as follows:

"REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES (SECTION 32)

"Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than $2,950,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) not more than $45,000,000 (including not to exceed $1,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided*, That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: Page 31, line 7, Strike out "*Provided*, That the farmer applicants for housing loans shall be required to offer only such collateral security as is required of owners of nonfarm tracts."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein with an amendment, as follows: Restore the matter stricken, amended to read as follows:

"Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

PROVIDING FOR WAIVING POINTS OF ORDER DURING CONSIDERATION OF H.R. 18707, DEPARTMENT OF DEFENSE APPROPRIATIONS, 1969

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1273 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1273

Resolved, That during the consideration of the bill (H.R. 18707) making appropriations for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, all points of order against said bill are hereby waived.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the minority, the distinguished gentleman from Ohio [Mr. Latta], and pending that, Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a rather simple resolution, but it does encompass a rather controversial matter in that it waives points of order.

Mr. Speaker, this resolution simply makes in order the consideration of the appropriation bill for the Department of Defense for fiscal year 1969. Of course, as the membership is aware, the Appropriations Committee reports and bills are privileged. They do not require ordinarily a rule to bring them to the floor. But in this case a rule was requested and granted simply because the authorizing legislation which ordinarily precedes the reporting and consideration of an appropriation bill has not been finally enacted.

The matter is now in conference, and the Committee on Appropriations, I understand, with the concurrence of the leadership, came to the Committee on Rules and requested a rule waiving points of order.

The chairman of the Committee on Appropriations, the able and distinguished gentleman from Texas [Mr. Mahon], frankly stated before the Committee on Rules that that was the main reason for their appearance and their request, although with equal frankness he stated that there were a number of other matters in the bill that would be subject to a point of order if some Member of the House saw fit to raise that point, because they violated the rule on legislating upon an appropriation bill.

Mr. PIKE. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I will be happy to yield in just a moment, if my friend from New York will bear with me.

Chairman Mahon stated that as far as the committee was concerned they were not particularly concerned about these matters, that they had been carried from year to year, and that the House had seen fit to go along with them.

In the interest of orderly procedure, the committee saw fit to grant a rule waiving all points of order, and that is what we are doing here today.

Now, Mr. Speaker, I would just like to add this personally; ordinarily I am opposed to the general granting of a rule waiving all points of order. As a matter of fact, this year for the first time the Committee on Rules adopted a rule of its own requesting that all chairmen of committees asking for a waiver of a point of order specifically state in writing why the request was made.

The Committee on Appropriations has seen fit to comply with that rule, and I have a statement here listing these provisions of the subject to points of order which I shall ask unanimous consent, Mr. Speaker, to insert in the Record as a part of my remarks, but which I do not believe is necessary to go into at this time.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The list referred to, follows:

(a) On page 5, beginning at line 4, appropriations for National Guard Personnel, Army, are made available without regard to Sec. 107 of Title 32, U.S. Code, which section prescribes apportionments on the basis of numbers of enlisted personnel as between the States;

(b) The same situation prevails with respect to appropriations for National Guard Personnel, Air Force, on page 5, beginning on line 13;

(c) On page 11, beginning at line 18, language provides that personnel of the National Guard may be employed as civilians without regard to their military rank and that the number of caretakers authorized to be employed may be such as is deemed necessary by the Secretary of the Army. Basic law limits the number of caretakers and provides that they must be enlisted men except under certain conditions;

(d) On page 12, beginning on line 10, a further legislative provision in the appropriation Operation and Maintenance, Army National Guard, is the same as that carried in connection with the Personnel appropriations for National Guard.

(e) On page 13, beginning at line 9, the previously cited provisions with respect to caretakers and apportionment of funds are indicated in connection with the appropriation for Operation and Maintenance, Air National Guard;

(f) On page 14, beginning at line 16, Procurement appropriations, are affected by the pending authorization bill. In addition, certain language with respect to the construction and furnishing of facilities and equipment contained in each of the procurement appropriation paragraphs, first shown at page 15, beginning at line 1, constitutes legislation and each of them would be subject to a point of order. Each of the appropriations for Research, etc., beginning on page 21, line 6, is also affected by the pending authorization.

(g) On page 26, beginning at line 8, Sec. 506 provides the only statutory authority for the overseas dependents education program of the Department of Defense. Further on in that section, other subsections also provide legislative authority for certain current practices of the Department.

(h) On page 28, beginning at line 19, Section 508 is clearly legislation providing for Defense Department assistance to American small business;

(i) On page 31, beginning at line 4, Sec. 512 provides legislative authority for certain deficiency apportionments or, in two cases, the actual creation of deficiencies and as such is clearly legislation;

(j) On page 33, beginning at line 8, Sec. 514 provides authority for the payment of flight pay to flying officers under certain conditions without their actual engagement in flying duties;

(k) On page 35, beginning at line 3, Section 519 provides authority for the acceptance of certain property and services from foreign countries when provided as reciprocal international courtesies or services customarily made available without charge;

(l) On page 38, beginning at line 11, Section 526 provides authority for the purchase of household furnishing, house trailers and automobiles from both military and civilian personnel on duty outside the continental United States for purposes of resale, which authority is legislation;

(m) On page 39, beginning at line 4, Section 528 provides authority for the transfer, without reimbursement, of ammunition upon requisition of the National Board for the Promotion of Rifle Practice;

(n) On page 42, beginning at line 3, Section 535 provides an additional transfer authority to give the Secretary of Defense still further leeway in accommodating to emergency situations;

(o) On page 43, beginning at line 13, Sec. 539 provides authority for the maintenance of minimum cash balances in the various working capital funds of the Department of Defense, and also provides for transfers between such amounts.

Mr. COLMER. Mr. Speaker, I want particularly to call attention again to the reason why we are here in this extraordinary procedure. This was a part and parcel of the overall objective in which I was particularly interested of trying to adjourn this Congress before the political conventions, adjourn it sine die, so that we would not have to come back here after the political conventions and furnish a political forum for the discussion of the platforms of the political parties.

I regret deeply and sincerely that we have not achieved that objective, although the Rules Committee has certainly done its full part.

I want to repeat—I still think it is a mistake and a grave mistake and not in the interest of the country for the Congress to come back. But even though my committee saw fit to adopt a rule and a formula by which no new matters would be considered excepting in cases of emergency or in a procedural matter such as we now have here, we are faced with the fact that we are going to come back here sometime in September—so I am informed by those who are running the show.

Now, Mr. Speaker, I am now happy to yield to my friend, the gentleman from New York [Mr. PIKE].

Mr. PIKE. Mr. Speaker, I thank the chairman very much for yielding.

I am certainly aware that there is no man in this body who has a higher regard for orderly procedure than the gentleman.

I have certainly had my own differences with the Committee on Armed Services from time to time.

But is it not true, however, that what we are waiving points of order on here is the entire military procurement bill which amounts to some $21 billion and put on this bill that we have before us and there is $21 billion at least some of which was in some controversy?

Mr. COLMER. Of course, I would have to answer the gentleman by saying that is the purpose of the rule.

Mr. PIKE. It seems to me that we are really in this instance making a sham of the legislative process and we are making the efforts and the work of the Committee on Armed Services rather meaningless—if we can pass the appropriation bill without any authorization bill having been passed—then we do not need the Committee on Armed Services. Is that not a fair statement, Mr. Speaker?

Mr. COLMER. I would have to say again with equal frankness that if that were adopted as a permanent policy, yes, that would be true. It would be then as it was before the appropriating authority was separated from the authorization authority, because as the gentleman is aware that was at one time all handled by the same committee.

Mr. PIKE. I would simply like to say that although I have had my differences with my own chairman and with my own committee from time to time, I take rather great pride in it and in its efforts, and I am reluctantly obliged to oppose this rule and I hope the rule is not passed.

I am glad to see my chairman here.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the distinguished gentleman from South Carolina, the chairman of the Committee on Armed Services.

Mr. RIVERS. Mr. Speaker, I would like to say to the gentleman, there is no committee in this House that puts in longer hours than does our committee with its far-reaching jurisdiction.

We have been working day and night to bring the 412 authorization conference report to this floor.

We are now tied up in a conference with the other body. Indeed, we have already acted on two procurement sections for which this bill makes money available.

Now I do not think the great Committee on Appropriations—since the objective of adjourning at the end of August is not to be attained and since time is not of the essence—will really be saving any time. Nobody knows when we will get away from here now. We are not going to finish this month. I doubt that we will finish next month.

So, we are not going to finish this week. And we are not going to finish next week. This appropriations bill will not even be considered by the other body until sometime in September. I am hopeful that the great chairman, with whom I have never had a disagreement and with whom I have cooperated to the extent of forgoing our committee jurisdiction on supplementals bills for Southeast Asia, will not insist on this bill now. It is a bad precedent. I do not want to have a misunderstanding now.

I think the sound and considerate thing to do is to consider the jurisdiction of a committee which has broken its neck to cooperate with the great Committee on Appropriations. I do not want to get into any controversy with them, but this bill could end up as the authorization for the appropriation and, as the gentleman from New York has said, the appropriation would really repeal the jurisdiction of our committee.

If this is what you want, go ahead and do it. We could come on the floor and let the Armed Services Committee do the authorization and the appropriation, as it used to do before some of you gentlemen came to Congress. This is what I would not want to see.

Mr. COLMER. Would the gentleman from South Carolina permit me to make this statement—if the gentleman will permit me, what I have to say to the gentleman is this: He knows the very high regard I have for him and the splendid personal relations that exist between us, and so on. But I must confess that I am just a little surprised at my friend raising this question now. I assume he had notice that the great Committee on Appropriations was going to appear before the Rules Committee and request this rule. The chairman of the Armed Services Committee—he does such a great job and I am for him all the way—did not come up there nor did any member of his committee.

Mr. RIVERS. Not a single member. No we did not.

Mr. COLMER. Nor did any other Member.

Mr. RIVERS. Will the gentleman from Mississippi yield further?

Mr. COLMER. I yield to my friend from South Carolina.

Mr. RIVERS. It has always been the practice for the chairman to bring out this bill unless it had something of vital interest to some other Member. It may be my fault. I have been tied up in conference every single day from 10 o'clock in the morning until late in the afternoon. Ask the other conferees. Maybe I should have looked out for it, but I did not do it. Two wrongs do not make a right.

Mr. COLMER. Mr. Speaker, I quite agree with the gentleman on that. I also repeat, I agree with the gentleman that as a general proposition I do not like this procedure, but I come back to the point that we were trying to adjourn this Congress, and that is why this rule was granted. This is nothing new. It was done last year. It has been done on many occasions. There is no precedent set here.

Finally, I want to say to my friend from South Carolina, before we get further on with this, that now that we are going to have to come back here, I do not care what we do with this rule, whether we vote it up or vote it down.

The committee came up there, as it has a right to do, and asked for the rule, and not one scintilla of question was raised.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Speaker, first I would like to say, as a member of the Subcommittee on Defense Appropriations, we were told over 4 weeks ago that we must have this bill ready for action here on the floor of the House today. Every effort was made by our committee to do the necessary work so this bill would be before the House this week. We are not responsible for the delay in getting the necessary authorization bills passed by this late date.

I would assure the chairman of the Committee on Armed Services that, in the markup of this bill, that the authorization levels established by his committee were followed. There is not a single item in this bill that goes beyond the authorization granted, for appropriations, whether it is in procurement, or research and development, or in any other section. We very religiously followed the markup of the gentleman's procurement authorization bill as it was approved on the floor of the House. We on the Appropriations Committee did not exceed any item in this bill any authorization authority. I personally did not ask for this rule waiving all points of order, but it is here and it should be approved. We can then call up the legislation after we return from the recess.

The Appropriations Committee is held up on quite a few authorization bills. We have the same thing happening with HEW, which passed here the other day, and the Senate has gone ahead in that HEW appropriations bill and added programs in the extent of more than $1 billion, which have not been authorized. We will go to conference within the next week or so. It is being acted upon in the Senate committee today. We are reaching a serious impasse because of lack of authorizations.

If we want to adjourn by the 15th of October, we are going to have to work on some of these appropriation measures, and I hope we can go into conference on the HEW bill between now and the 15th of September.

We know those authorizations are not going to be through, but I think it is important this year at least to try to make the adjournment target of the 15th of October. If we wait for all authorizations we will be here until Christmas. The time has come to authorize 1 year in advance.

I hope the leadership will understand there was not any attempt on the part of the Appropriations Committee to usurp any power in any way. We just do not want any Member to blame our committee for any delays.

Mr. COLMER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, what we are discussing here is principally a technicality. To provide a little background, it was the program, I believe, of the leadership that we would try to adjourn this year by July 31, the date specified in the Reorganization Act, unless there are special circumstances to the contrary.

The Appropriations Committee went to work, and worked long and hard, and has presented or will present all the regular annual appropriation bills except one, the foreign aid bill which lacks authorization, before we recess next week. We all resolved to try to get these bills behind us.

We were prepared to have the Defense Department appropriation bill ready for presentation to the House a long time ago, on June 14, to be exact. We did not seek to move, however, because the Armed Services Committee had not completed action on the bill authorizing appropriations for certain procurement, and for research and development, and so forth.

When we were given guidelines by the Armed Services Committee, as to what it would approve—by way of its report of July 5—and since the other body had already taken action—having passed the bill on April 19—we knew the framework under which we could operate. We did not work in a vacuum. We marked up the Defense appropriation bill on the basis of the action of the Armed Services Committee of the House.

The work of the Armed Services Committee was not meaningless. It was just as potent and effective, from the standpoint of constraints on the Appropriations Committee as if the bill had been signed into law by the President.

In order to save time, then, and at the suggestion of the leadership, we asked for the pending rule in order to bring the bill before the House and assist in moving toward the adjournment of Congress.

We are below the limits of authorization on all of the items as contained in the House version of the authorization (S. 3293).

Of course, this bill will go to the other body when we have passed it here. The other body will act on it. The authorizations will become law. What will be achieved will be the will of both this body and of the other body.

I want to compliment the able chairman of the Committee on Armed Services, the gentleman from South Carolina, for his good work. We have worked together in perfect harmony through the years. We shall continue to work together. We complement each other—complement and compliment—in connection with these various duties.

Nothing is being done here to downgrade or to embarrass anybody. All we are seeking to do is to cooperate with the leadership and to accommodate the House by getting these appropriation bills processed and enacted into law. As I pointed out, we are already some weeks behind schedule on this bill, and this is not chargeable to the Appropriations Committee.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from South Carolina.

Mr. RIVERS. The gentleman knows my affection for him. We have done this whenever there were cases involving some sort of emergency, when there was something of a supplemental nature. We have forgone our own jurisdiction in order to do the very thing the gentleman said.

Since the bottom has fallen out of the bucket, and August 1 is no longer the target date. I just do not believe it wise to continue to pressure through this course.

I would not ever impute any kind of shady dealings to the gentleman.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. COLMER. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. RIVERS. I would not dare to impute anything but the most lofty motives to the distinguished gentleman from Texas. But I do say, in view of the fact that September 1 now is the date—and I suspect it will go beyond—time is not of the essence. We should not continue to carry out this sort of thing, in view of the fact that we in the conference are having trouble. Already we have taken some things out of this bill. Already we have many troubles.

I believe this sort of procedure is dangerous to the sanctity of the basic jurisdiction under which the legislative committees have to operate.

Mr. MAHON. Mr. Speaker, as the gentleman knows, the administration has urged that the appropriations bills be enacted and sent to the President as soon as possible in order that the $6 billion expenditure cut prescribed in the tax bill can be applied with knowledge of the will of Congress. The action on this bill now will give clear warning to the executive branch that we propose to cut the Defense Department appropriations by $4.8 billion. Additional cuts beyond this figure may be necessary to meet the $6 billion expenditure reduction.

I believe we have to go ahead with this matter. I regret the situation that has arisen. The chairman of the Rules Committee has repeatedly urged me, as he knows, and with good cause, to bring these bills to the floor as soon as we reasonably could. We wanted to adjourn sine die next week. But we are not going to be able to do that.

This bill represents about half of that portion of the budget on which we act annually. We are considering in this bill $72 billion, not just the $22 billion involved in the pending authorization bill in conference.

So I would hope that we will vote that we proceed with this bill, as awkward and as difficult as it is, under the circumstances.

The fiscal year for which this bill makes appropriations began nearly 4 weeks ago, on July 1. Departments and agencies of the Government generally are entitled to know the amount of funds which they will have available. The continued delay, week after week, year after year, in enacting appropriation bills—for lack of the annual authorizing legislation—is, I am afraid, the heart of much of the criticism of congressional organization and management.

By way of illustration, I include a tabulation of the hearing dates, reporting dates, and other statistics relating to the consideration of the authorization and appropriations for Defense.

DEFENSE BILL CONSIDERATIONS (Calendar year 1968)

	Authorization (S. 3293)		Appropriation, House
	Senate	House	
Hearings began	Feb. 1 [1]	Apr. 30	Feb. 6
Hearings end	Mar. 14	June 27	May 28
Bill reported	Apr. 10	July 5	[2] July 18
Bill passed	Apr. 19	July 11	
Hearing volumes	1	1	6
Hearing pages	1,202	1,469	4,481

[1] Sentinel system briefing, Apr. 3.
[2] Scheduled date, June 14.

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. LATTA. Mr. Speaker, I will be pleased to yield the gentleman from Texas 1 minute if he desires it.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. CURTIS. The whole theory of authorization is being bypassed here. It is not what the Committee on Armed Services says alone, but this House has to act on the recommendations of the Committee on Armed Services. Frankly, there are a lot of questions in establishing priorities and total authorization levels that ought to be debated in the House. We cannot very well do it on an appropriation bill. The way the gentleman expressed it, it is almost as if the authorization function of the House and not the Armed Services Committee was insignificant.

Mr. MAHON. No, it is not insignificant. It is the controlling factor in this measure. The House has already passed the authorization bill and we are acting in keeping with the authorization bill of the House. This is in no sense downgrading the House at all.

Mr. CURTIS. The waiver of points of order is because you do not have the authorization in certain areas. Is that not correct?

Mr. MAHON. The authorization has passed the House, but it has not become the law. The only reason we sought the rule was to protect the appropriations that are subject to authorization.

Mr. CURTIS. Well, that is my very point.

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Speaker, there is a situation that has not been discussed here. The House today is engaged in a conference with the Senate in the authorization bill. We have been involved in it for some time and it has been a rough-and-tumble conference. The House conferees are trying to maintain the views of the House on very important matters. If this rule is granted and we pass the appropriation bill at this time, as is being attempted, that section will destroy any of those in the bill now in conference with the Senate. In all of the time that I have been here, Mr. Speaker, I have never voted to bypass the Committee on Appropriations. I do not think there is a person here whose record has been any clearer on that. I am a great admirer of the Committee on Rules. I think there has been a misunderstanding, however, or we would not be in the position we now find ourselves. I do not believe the Committee on Rules would have taken the stand that they did if they had known the true facts. If they had known them, they would have consulted the Committee on Armed Services and suggested that we appear before them. We would have been very happy to do so. In fact, if this planned action goes through as it is now contemplated, this will be a precedent to throw aside the authorizing authority of any committee in the Congress. This is a very dangerous precedent to start. Not only do we cut the ground out from under the House's version of the authorization bill, but I feel that this is a direct but unintended insult to the House. The House has accepted by overwhelming votes certain items in the Authorization bill. If we go ahead with this present rule and proceed to pass the appropriations bill we have destroyed the ability of the House conferees to represent the House in the present conference with the Senate. That would be a sad day.

Mr. Speaker, this matter ought to be voted down and withdrawn.

The SPEAKER. The time of the gentleman has expired.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, I find myself in complete agreement with the chairman of the Committee on Armed Services in the position he takes. In view of the fact that only a few moments ago we passed a continuing resolution on appropriations, I might ask the question, What do we gain by now taking immediate action on adoption of this rule? Nothing at all would be the answer. We will be here in September as we now are all aware. Other matters of importance will be coming before us during September. It would seem to me, in following precedent, though we may have at one time or other broken precedents on a matter of this kind, it seems to me it is bad practice for the House to do what we are now contemplating doing this afternoon and establish another precedent for the future. Breaking precedent too often soon becomes a pattern and this we do not want to do.

So, Mr. Speaker, I would say that those of us on the Committee on Armed Services feeling as we do about this matter now before us, means that we might well delay action on this appropriation bill until later after we have completed action on the authorization legislation. It is my opinion that we should first come to some conclusion in the conference with the other body in which we are having considerable difficulty.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. RUMSFELD].

Mr. RUMSFELD. Mr. Speaker, I am strongly opposed to this rule. In listening to the debate on this rule, it seems there have been three basic arguments made, in the attempt to justify or excuse this unusal procedure. One of them is to the effect that we are bringing this rule, waiving all points of order, to the floor of the House today because of a rush to adjourn the House for the conventions.

I think it is clear at this point that that is not possible. And further, it should be pretty clear that even if it were possible it would not be a valid excuse for such an extraordinary procedure as this rule.

Mr. Speaker, the second argument is the argument of the Committee on Armed Services with reference to this matter. I am not a member of the Committee on Armed Services and I do not rise in opposition to the rule for that reason. It is my view that the committee's prerogatives and the prerogatives of the House of Representatives as a whole are both at stake. Therefore, the concern of the Committee on Armed Services which has been expressed here today on the floor of the House is only a part of the problem and the smaller part at that.

Mr. Speaker, the real point is that in this bill we are dealing with the sum of $74 billion. The chairman of the Appropriations Committee has stated that it is important that we proceed with the consideration of this bill at this time, even though the Committee on Armed Services has yet not reached agreement in conference on the authorization bill for procurement. That bill involves about $21 billion out of $74 billion in the present bill. The important point I wish to make is that this rule does not simply waive points of order with respect to that $21 billion portion of the authorization bill which has not been cleared. On the contrary, the rule waives all points of order with reference to every program contained in the entire bill, thus including the remaining $53 billion and there is no excuse for that. Is that correct, may I ask the gentleman?

Mr. COLMER. The gentleman is correct.

Mr. RUMSFELD. So, it would seem to me that the debate about the armed services bill not having been cleared, which represents only $21 billion out of a total of $74 billion, is clearly a valid point but is only a small aspect of a rather sizable problem.

Mr. LIPSCOMB. Mr. Speaker, will the gentleman yield?

Mr. RUMSFELD. I yield to the distinguished and hardworking gentleman from California.

Mr. LIPSCOMB. The appropriation bill which we had intended to take up today covers personnel, operation and maintenance, procurement, and research, development, test and evaluation. The Armed Services Committee authorization bill covers procurement of aircraft, missiles, naval vessels and tracked combat vehicles, research and development, and Reserves strengths, it authorizes only $21.6 billion.

The appropriation bill is considerably broader in scope than the armed services bill, and involves over $72 billion.

Mr. RUMSFELD. I thank the gentleman for making this point. This is my point exactly and I appreciate the gentleman from California for clarifying it.

Finally, Mr. Speaker, the fact is that the House of Representatives at this time in late July, and anticipating a recess during the month of August, still has not completed its work on the appropriations bill. This means that the work of the Congress on appropriations bills will not be completed until September or October, 3 months into the new fiscal year. This is not the way to operate government.

Let me say, however, that this is not the fault of the Appropriations Committee. Rather, I think it points up the need for the Congress to streamline and update some of our rules and procedures. I would point out the fact that the congressional reform legislation that passed the Senate more than 1 year ago by a unanimous vote is still in the Rules Committee and has still not been brought to the floor of the House of Representatives for consideration.

Mr. Speaker, I would hope, as we stumble through the days remaining in this session, that the legislative reorganization bill will be brought up—under an open rule—and adopted so that this body could begin to function as a more efficient instrument of government. There is absolutely no excuse for not considering congressional reform legislation before this session ends.

Mr. Speaker, I oppose this rule and urge its defeat.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say that I for one do not want to be any referee between two important committees of this Congress. Had I thought there was any controversy whatsoever between the Committee on Armed Services and the Committee on Appropriations on this matter, I certainly would not have voted to bring this rule to the floor of the House today.

We had absolutely no opposition to the granting of this rule, and we were led to believe—or at least, I was led to believe at the time this matter was under consideration by the Committee on Rules—that all were in agreement to bringing this matter to the floor under this procedure and that the Committee on Armed Services favored the same.

There is, however, nothing unusual about this procedure. This procedure is used many times during the year. If we are going to adjourn this Congress, we are going to have to get on with our work. We will be faced with the same problem very soon on the foreign aid bill. The foreign aid authorization bill is not going to be passed and signed into law by the time we are ready to pass on the appropriations. Every Member knows this is not an unusual procedure.

A matter which I believe needs the attention of the Members in the bill now under consideration, is that I am informed that nothing is new so far as the legislation matters are concerned. They have been in appropriation bills time and time again before this bill was reported.

Now I will yield to anyone who wishes to refute this statement.

Let me say that we needed a general waiver of points of order. Why? Because there are 25—get that—areas in this bill that are subject to a point of order.

Let me spell it out to the Members:

On page 5, lines 4 to 6.
On page 5, lines 13 to 15.
On page 11, lines 18 to 21.
On page 12, lines 10 to 12.
On page 13, lines 9 to 16.
On page 14, lines 15 to 25.
On page 15, lines 1 to 25.
On page 16, lines 1 to 25.
On page 18, lines 4 to 24.
On page 19, lines 1 to 16.
On page 21, lines 6 to 24.
On page 22, lines 1 to 22.
On page 23, lines 1 to 21.
On page 26, lines 7 to 19.
On page 28, lines 19 to 25.
On page 29, lines 1 to 9.
On page 31, lines 4 to 24.
On page 32, lines 1 and 2.
On page 33, lines 8 to 24.
On page 34, lines 1 and 2.
On page 35, lines 3 to 11.
On page 38, lines 11 to 23.
On page 39, lines 4 to 16.
On page 42, lines 3 to 14, and
On page 43, lines 13 to 21.

These are the reasons there is a request for general waiver of points of order. There are 25 different areas subject to a point of order.

I am perfectly willing to stay in session from now until January 1; but I was under the impression that the leadership of this House had given signs of wanting to adjourn this Congress. This procedure will undoubtedly be used many times between now and the time Congress adjourns. I want to point out, as I pointed out in the beginning of my remarks, that had we had any knowledge that there was opposition to this rule by the Committee on Armed Services, such a rule would not have had my vote. We would have waited until the authorization bill was signed into law.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Iowa.

Mr. GROSS. The point can and should be made, for whatever it is worth, that the rule waiving points of order was granted on Tuesday of this week. It was a well-known fact when the rule was granted, for it was announced on Friday of last week, that the House would not adjourn, a well-known fact, that it would not adjourn sine die before the political conventions.

Mr. LATTA. Let me say to my friend from Iowa there was no opposition to the granting of this rule before the Committee on Rules. If the gentleman had any opposition to this procedure, even though the fact was announced that we were not going to adjourn as scheduled, he could have come before the Committee on Rules and protested the granting of this rule. I make this statement even though the gentleman is not a member of the Armed Services Committee. We meet in public session. We do not meet in secret.

Mr. GROSS. I had not the slightest idea that the Committee on Appropriations would come before the Committee on Rules and ask for a rule which waived all points of order on a $72 billion bill. I cannot conceive even now that such a request would be made.

Mr. LATTA. I thought the gentleman was aware of the fact that the Committee on Rules was meeting, and this bill was to receive our attention.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding.

I want to say that I for one would have been with the Committee on Armed Services as a member thereof and testified loudly and clearly against this rule, had I known that there was going to be such a rule requested.

As the gentleman well knows, since the 9th of July the Committee on Rules by its own action has allegedly been closed down to all new legislative requests except those of dire emergency nature. The leadership has confirmed this repeatedly on the floor.

But I really prefer to compliment the gentleman for complying with the Committee on Rules own rule, and listing all the points of order that are being waived.

Now there is a second reason, as the chairman of the Committee on Rules so clearly delineated in his opening statement, whereby this unusual resolution, House Resolution 1273, which is before us for consideration right now waives points of order. It is a lack of authorizing legislation, due to a locked conference. I do hope it will be withdrawn.

As the chairman of the Committee on Armed Services set forth so well, we are in disagreement in conference. Had we known there was going to be a request by the operating committee, and that we were going to be asked as individual members to override the function of legislating or authorizing committee, many of us would have been present to protest in the Committee on Rules.

I simply want to make one more point in closing. In view of the continuing resolution and in view of the now planned recessed session, the House convening again in September no longer requires urgent passage; the point I want to make, Mr. Speaker, is that we are in a paradoxical situation here and the Members should know it especially since it has not been mentioned, the continuing resolution will authorize the continuing expenses of the Department of Defense during the month of August and September, at a higher rate than either the authorizing committee or the operating Committee on Appropriations plans in their respective bills.

Therefore, there could be 2 months, that is one-sixth of a year of higher expenditures, if we do not take action and withdraw this House resolution, or vote it down.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman.

Mr. BOW. I only want to ask the gentleman from Missouri [Mr. HALL] one question.

Could the gentleman tell me when his great Committee on Armed Services started their hearings on the authorization bill?

Mr. HALL. Yes, I think this year for the first time in history, we started them after the military construction authorization bill was completed by the committee, but then they both have been before this House, as the gentleman well knows, and passed by the House.

Mr. BOW. Could the gentleman tell me when the committee started hearings on the authorization bill?

Mr. HALL. No, I cannot. I do not have that information at hand.

Mr. LATTA. Mr. Speaker, let me emphasize again that the Committee on Rules is attempting to cooperate with the leadership in this matter today and we were attempting to cooperate with the leadership of this House when this rule was granted.

The Committee on Appropriations does not come before the Committee on Rules, as everyone knows, unless the committee is requesting a waiver of points of order.

As I pointed out earlier, even though the Appropriations Committee was requesting this particular rule, I as one member of the committee, would not have voted for it had I known of the opposition of the Committee on Armed Services. I had no knowledge of any opposition, in fact I knew nothing of any opposition from the Committee on Armed Services until today.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman.

Mr. WYDLER. What I do not understand about the situation is this. Why could we not simply avoid the situation from ever arising in the future by simply having the chairman of the Committee on Appropriations speak affirmatively with the authorizing committee chairman before he makes this request so that he can make an affirmative statement that there is no objection by the chairman of the authorizing committee to the Rules Committee when he asks for the approval.

Mr. LATTA. The gentleman makes a very good suggestion.

But let me hasten to point out, as the chairman of the Committee on Armed Services has already pointed out, that these committees are very, very busy. The Committee on Armed Services is meeting every day. Every time we have a rule which could indirectly or directly affect a particular committee; I do not think we should be calling on the chairman of the committee to make an appearance to set forth his position.

Mr. WYDLER. If the gentleman will yield further, I was not suggesting that you would have to have an appeal, but I think you could well take the word of the Appropriations Committee chairman that he had spoken to the chairman of the authorizing committee and he had no objection to the request. It would be as simple as that.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from South Carolina.

Mr. RIVERS. For the first time the other body acted on the requirements of Public Law 412 before we did. This year we reversed the order and took up the construction bill, with 1,300 items. The other body does not spend nearly as much time on these bills as does our committee. Indeed, they generally take our hearings, meet about a week, and report the bill out. We spent weeks on the construction bill, and weeks upon weeks upon weeks on the authorization bill. We worked hard. We were trying to meet the deadline set by the distinguished chairman of the Rules Committee, and I assume approved by the leadership, and we just did make it.

In addition, I have had to spend some time home to get reelected, for which I do not apologize. I did not come here to liquidate Mendel Rivers any more than you came to liquidate your job. I put in as much time on my job as anyone. I am seldom here later than 6:30, and I spend 12 hours here just about every day. So I work. I think there is a misunderstanding.

The SPEAKER. The time of the gentleman has expired.

Mr. LATTA. Mr. Speaker, I yield the gentleman from South Carolina 2 additional minutes.

Mr. RIVERS. I do not impute anything to the chairman of the Rules Committee, nor do I impute anything to the chairman of the Appropriations Committee. But this procedure really knocks us out of the box. When it was needed for Southeast Asia, we did forgo our jurisdictions. I said that we would interpose no objection. We wanted to cooperate.

Now, since the deadline will not be met, I think the wise course for us to follow is for us not to consider this appropriations bill until we resolve the differences we have with the other body. We have been meeting morning and afternoon with representatives of the other body. I am trying to uphold the position of the House of Representatives before the other body; indeed, I am doing it to the best of my ability.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the distinguished minority whip.

Mr. ARENDS. While I cannot put words in the mouth of my chairman, I hope I am speaking for him when I say that as far as the members of the Armed Services Committee are concerned, we are not finding fault with what the Rules Committee did. We are not finding fault with what the Appropriations Committee did. What we are concerned with and discussing here today is a matter of procedure, in order that the proposed procedure does not become a pattern in this House of Representatives. That is what we are talking about.

Mr. RIVERS. I thoroughly concur with the gentleman from Illinois. Since we do not see adjournment around the corner, this procedure is just a little premature. We are having troubles with the other body, and I am not in the business of retreating from the other body or anybody else. It takes a little time to get my point over sometimes, but I do the best I can. The gentleman from Illinois [Mr. Arends] will tell you that we are having a little trouble.

Mr. HALL. Mr. Speaker, will the gentleman yield for one question?

Mr. LATTA. I yield to the gentleman from Missouri.

Mr. HALL. There are really two questions, or one question that needs to be separated into two parts:

First, who is the mystical Member or person who said that this appropriation bill must be considered today regardless of authorizing legislation?

Second, who did, in fact, if not the appropriating committee, request a rule with waiver of all points of order making the consideration of the appropriation bill in order? I believe before we vote on the rule one way or the other, the Members of the House ought to know the answers to those questions.

Mr. LATTA. I thank the gentleman for his comments.

Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi.

Mr. COLMER. Mr. Speaker, with the consent of the gentleman from Ohio, I yield the 3 minutes to the gentleman from Texas, the chairman of the Appropriations Committee [Mr. Mahon].

Mr. LATTA. Mr. Speaker, I agree to have the gentleman yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, this discussion has been altogether unanticipated. We have always worked together with the Armed Services Committee, and we have undertaken to do so in this instance. The imminent consideration of this bill has been well known to the Members of the House, and the House leadership on both sides of the aisle for many days. In view of the discussion which has taken place and in order to resolve the problem I have just conferred on the floor here with the gentleman from Mississippi [Mr. Colmer], the chairman of the Committee on Rules, and the gentleman from South Carolina [Mr. Rivers], the chairman of the Armed Services Committee, and it occurs to me that our purposes might best be served if we agree to the rule and agree not to take the bill up for consideration in the House until after the conference report on the authorizing bill has passed both Houses. This would seem to be agreeable to all concerned.

Mr. RUMSFELD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield briefly; I do not have much time.

Mr. RUMSFELD. Mr. Speaker, the point that I tried to make earlier is that it would not be agreeable. All that this arrangement would satisfy is the minor question of the portion of the bill that is still in conference with the Senate. It would ignore the fact that points of order would still be waived on the remainder of the bill. I am still strongly opposed to this rule.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. Rivers].

Mr. RIVERS. Mr. Speaker, of course, there has been cooperation. This is perfectly satisfactory. All we want is the opportunity to work out our conference with the other body. Then the legislative will and the regular procedure will be accomplished. I think this will be a good solution. I do not want to do anything to any committee. I have had fine relations with both committees.

Mr. MAHON. Mr. Speaker, the gentleman from South Carolina and the gentleman from Texas agree that upon the adoption of the rule, the bill will not be called up in the House by the Committee on Appropriations until the conference report on the authorization bill has been adopted by both bodies.

Mr. RIVERS. Mr. Speaker, that is agreeable to me.

Mr. LATTA. Mr. Speaker, I yield to my chairman, the gentleman from Mississippi.

Mr. COLMER. Mr. Speaker, does the gentleman have further requests for time. If not, I will move the previous question.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, may I ask a question?

Are we now to vote upon a rule waiving points of order or a rule that would be wide open?

Mr. LATTA. Mr. Speaker, the only rule before this House, is one waiving points of order.

Mr. GROSS. But why should we vote on a rule waiving points of order if we are going to hold the rule in abeyance until after the conference has been agreed upon? Adoption of the conference report eliminates the reason for the waiver.

Mr. LATTA. Mr. Speaker, let me just say to my friend from Iowa, the best reason I can think of offhand is that the chairman of the Committee on Armed Services, and the chairman of the Committee on Appropriations, and the chairman of the Rules Committee, and apparently the leadership of the House have agreed on it.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. RUMSFELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1969

Mr. NATCHER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 18706) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1969, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Wisconsin [Mr. Davis] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER. The Chair designates as the Chairman of the Committee of the Whole the gentleman from Illinois [Mr. Price] and requests that the gentleman from Illinois [Mr. Rostenkowski] temporarily assume the chair.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 18706, with Mr. Rostenkowski (Chairman pro tempore) in the chair).

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN pro tempore. Under the unanimous-consent agreement, the gentleman from Kentucky [Mr. Natcher] will be recognized for 30 minutes and the gentleman from Wisconsin [Mr. Davis] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. Natcher].

Mr. NATCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at this time we submit for your approval the annual District of Columbia appropriation bill for the fiscal year 1969.

As chairman of the Subcommittee on the District of Columbia Budget, it is a distinct honor for me to serve with the gentleman from Wisconsin [Mr. Davis], the gentleman from Connecticut [Mr. Giaimo], the gentleman from Pennsylvania [Mr. McDade], the gentleman from New Jersey [Mr. Patten], the gentleman from Michigan [Mr. Riegle], and the gentleman from Arkansas [Mr. Pryor]. All of these gentlemen are outstanding members of the Committee on Appropriations.

For the fifth consecutive year the Congress has been presented a budget that is out of balance. The original budget, submitted in February, required $29,200,000 in additional revenue from proposed sources contingent on the passage of enabling legislation. Hearings were completed by our subcommittee on May 28, and on June 24 the deficit had risen to an estimated $37,292,000. On July 3 the House approved the District of Columbia Revenue Act of 1968 which, if enacted into law, will provide additional revenue of $35,100,000 to the general fund and reduce the estimated deficit to $2,200,000. Following completion of the hearings, our subcommittee held the bill in abeyance until action was taken to place the District of Columbia budget in balance.

This is the first budget presented by the new government of the District of Columbia and the Commissioner, together with the Assistant Commissioner and the Council, should be in better position next year to present a budget which will be prepared in its entirety by the officials now in office and the presentation to the committees in Congress will be much easier than the budget upon which we have just completed action.

The District of Columbia is financed out of five funds: a general fund, a highway fund, a water fund, a motor vehicle parking fund, and a sanitary sewage works fund.

We carefully considered budget estimates totaling $594,662,000 for fiscal year 1969 and we recommend to the House that the sum of $528,886,000 be approved. We recommend to the House that a Federal payment of $75 million be approved. The $528,886,000 added to the estimated amount to be received from Federal grants totaling some $186,857,674 will make an overall total of $715,743,674 for use in operating the District of Columbia government. This is the largest amount ever recommended by the subcommittee for the District of Columbia budget. The total amount recommended is $10,017,736 above 1968 fiscal year appropriations and $65,776,000 under the budget estimates as submitted.

Mr. Chairman, we recommend a Federal contribution of $75 million to the general fund; $2,098,000 to the water fund, and $1,184,000 to the sanitary sewage works fund, making a total of $78,282,000 in Federal funds.

We recommend that the sum of $600,000 be retained as a small surplus in the general fund.

Our committee recommends loans to the District of Columbia for capital outlay to be obtained from the U.S. Treasury for the general fund amounting to $58,140,000; to the highway fund in the sum of $8 million, and to the water fund in the sum of $1,250,000. Federal funds heretofore recommended to the general fund, water fund, and sanitary sewage works fund, together with the loans set forth herein, make a total of $145,672,000.

Our committee recommends an appropriation of $31,703,000 for general operating expenses. This is $3,732,742 more than fiscal year 1968 and $1,596,000 less than the budget estimates.

We recommend an appropriation of $100,475,000 for public safety. This is $1,486,724 more than for 1968 and $1,019,000 less than the budget estimates. A total of $1,611,000 is recommended for the operation of the Office of the Corporation Counsel. This is an increase of $151,500 for mandatory items and the cost of three legal clerks in the Law Enforcement Division which will relieve three police officers for active police type duties. The Corporation Counsel currently has a total of 73 attorneys in his office and 11 additional attorney positions were requested for fiscal year 1969. The additional attorney positions were denied by the committee. As has been the case for a number of years, the committee has approved substantially the full request for the Metropolitan Police Department. For 1969 it totals $48,069,000 which is only $137,000 less than asked in the budget, and with this amount volunteered by the Police Chief during the hearings as not necessary. The estimate for 1,000 additional policemen and for additional overtime set forth in House Document No. 346 arrived too late for committee consideration and inclusion in this bill. Our committee recommends that $25,000 be included to provide legal counsel for policemen. The procedure for the use of this money is set forth in the report accompanying the bill. It seems that we have reached a sad state of affairs in the District of Columbia when legal counsel must be employed by the Chief of Police to assist patrolmen who are the subject of complaints from citizens of misconduct in the performance of their official duties. This is unusual procedure not only for our Capital City but for any other city in the United States, and certainly our committee is unable to recommend additional attorneys for the Corporation Counsel when legal counsel must be employed to assist policemen who are endeavoring to carry out their official duties.

We have an excellent Police Department in the Capital City and we have a good Chief of Police. If this Department received better support from the courts and from the people in the District of Columbia, we would have a better Police Department and one which could fill its vacancies without any difficulty. We have a good starting salary now for police officers and this Department is entitled to better support. We recommend the full amount requested for the Fire Department, Office of Civil Defense, District of Columbia Court of Appeals, District of Columbia Tax Court, U.S. courts, and District of Columbia Bail Agency. As set forth in the report, only minor reductions are recommended in the juvenile court, court of general sessions, and the Legal Aid Agency for the District of Columbia. We recommend $11,872,000 for the Department of Corrections, $4,693,319 for the Department of Licenses and Inspections, and the full amount of $244,000 requested for the National Guard.

We recommend a total of $100,839,000 for public schools for fiscal year 1969. We further recommend a total of 10,334 positions for public schools and with this being 436 above 1968 and 243 below the number requested. In addition to the appropriations recommended for public schools, it is estimated that $20,442,499 will be available through Federal grants for the public schools. In 1960, $54,095,500 was appropriated for the District of Columbia public schools. In 1965 the sum of $89,724,026 was appropriated. We recommend the $100,839,000 for operating expenses for the District of Columbia public schools for fiscal year 1969; $25,528,900 for capital outlay for public schools and these two amounts added to the Federal funds of $20,442,499 makes an overall total for fiscal year 1969 of $146,810,399.

Mr. Chairman, we recommend $17,041,000 for parks and recreation. This is an increase of $1,567,100 over the current year, and $2,003,000 less than the budget request.

We recommend an appropriation of $122,343,000 for health and welfare. This is an increase of $15,458,400 over the current year and $5,072,000 less than the budget request. For public health our committee recommends a total of $74,637,000 for 1969 which is an increase of $8,055,600 over 1968. Our committee recommends a total of $46,807,000 for public welfare. This is a reduction of $2,882,000 in the amount requested, but $7,160,600 more than was appropriated for 1968.

We recommend an appropriation of $17,621,000 for highways and traffic for fiscal year 1969. This is an increase of $931,600 over the current year and $144,000 less than the budget request.

Our committee recommends $30,735,000 for sanitary engineering. This is an increase of $3,293,070 over the current year and $472,000 less than the budget request.

Mr. Chairman, the amount necessary for the inauguration ceremonies will total $440,000. The amount necessary in 1965 was $283,000.

Mr. Chairman, for capital outlay we recommend a total of $90,572,000 which is $22,178,500 less than was appropriated in 1968 and $51,457,000 below the budget estimates. A total of $25,528,900 has been included for 40 school projects for acquisition of sites, construction services, construction, furniture and equipment, and permanent improvements to existing buildings. The original request as submitted in February contained 43 projects and the justifications presented to the committee in April included these projects. In May school officials proposed the deletion of 13 projects—three which excluded the entire 1969 request from the budget and 10 which reduced the 1969 budget estimate but which did not exclude the project from the budget—and the addition of eight new projects. Hearings were held on the new request the following week after receiving assurance from the school officials that the estimates were firm and the money requested could be used during fiscal year 1969 if approved. It developed during the course of the hearings that a total of $19,300,000 involving 22 projects could not be used during 1969 due to problems of site acquisition, delays in construction, and this amount of $19,300,000 was withdrawn. The remainder of the reduction in public school construction totaling $1,044,000 represents the removal of funds requested for the construction and equipping of prekindergarten suites. This is the second year the committee has been presented with a school capital outlay budget that has not been fully developed.

Again we would like to state as we did in last year's report, that future budget requests should be limited to projects that have been fully developed as to scope and related site, plans and specifications, and construction cost estimates. Justification material should be correct, up to date, and conform with oral testimony given in support of the requests. During the hearings we stated to the new School Superintendent that in our opinion it would be a right difficult matter to explain to the people in our Nation's Capital the reasons given to our committee for withdrawing $19,300,000 involving 22 projects, and he agreed that it would be difficult for him to explain this to the people.

As set forth on pages 24, 25, and 26, we recommend to the committee the sum of $823,614 for furnishing and equipping the new downtown central library. We further recommend 11 of the 15 capital outlay projects for the Recreation Department. All of the capital outlay items requested by the Metropolitan Police, Fire Department, Office of Community Renewal, Department of Public Health, Public Welfare, Department of Buildings and Grounds, higher education, Department of Sanitary Engineering, and Washington Aqueduct were approved by the committee and we recommend approval today. We recommend 11 of the 15 requested for the Recreation Department, four of the five requested for the Department of Corrections, and 17 of the 18 requested for the Department of Highways and Traffic.

Our committee has approved $75,000 for a preliminary survey for two new west administration buildings. District officials who appeared before our committee gave this project a No. 1 priority pointing out the need to consolidate operations as well as materially reducing the annual cost of renting space for personnel. The total required for the rental of space for fiscal 1969 will be $4,097,000. For a number of years now a request has been presented for construction of a new administration building, or buildings, and with school buildings and other structures more necessary at the time the committee simply could not recommend to the Congress the appropriation of funds for new administration buildings. The time has arrived when this request is fully justified and we recommend same to the committee.

For a number of years the members of this committee have expressed the belief that there is a place for both a freeway system and a rapid transit system in the Capital City. Since 1962 a series of delays and obstacles to the construction of the authorized highway projects have occurred. The Three Sisters Bridge project has been the focal point of the freeway system proposed in the District of Columbia and has been continuously blocked. In 1959, it was a part of the transportation plan for the region developed after 5 years of study and cooperative effort by nationally recognized experts and officials of the local governments concerned. In 1962 the Congress first appropriated money for the project. By 1966 the project was still being delayed so the Congress asserted its position by insisting that there be a balanced transportation system instead of one so limited that the people of the area and the entire country would find their Nation's Capital to be a transportation nightmare. Progress was made in 1966 in breaking the planning logjam but in 1967 the newly created Department of Transportation came into the picture to such an extent that the Three Sisters Bridge project was used by that Department as a means by which the entire interstate highway program in the District of Columbia was blocked.

On January 23, 1968, the Department of Transportation imposed an obligation ceiling of $600,000,000 in Federal funds upon the highway departments of the country which was purported to represent a normal 5-percent reduction. When applied to the District of Columbia only $15.8 million was allowed for the entire calendar year 1968 or an actual cutback of 70 percent based on the funds regularly apportioned to the District or a cutback of 88 percent based on the program the District was undertaking to catch up with past delays. Later in May of 1968, the Department of Transportation raised the District's portion of funds available to $47 million.

In February of 1968 the U.S. Court of Appeals reversed a lower court ruling on a citizen's suit opposing elements of the freeway system and in effect stopped the freeway program completely. The appeals court decision only named four projects, the Three Sisters Bridge, the North Central Freeway, and the east leg of the inner loop, all of which are on the Interstate System and the Missouri Avenue Expressway which is a part of the ABC system. The District has held, however, that even though only four projects were named in the suit, that a legal cloud has been thrown over all freeway projects and thus no further freeway projects will be started without specific authorizing legislation.

From 1962 to 1966 these kinds of delays have caused authorized highway projects which have undergone the complete appropriations process to be shunted aside so that in mid-1966 the District had accumulated $165 million in funds that could not be used. Each year during the period, 1962 to 1966, the same thing happened: the Congress would appropriate the money and then obstacles would be raised so that more and more of the money provided could not be spent.

There was a slight breakthrough in fiscal year 1967 when the District was able to obligate $58 million out of an $82 million program. This was a greater obligation than had occurred in any of the 4 previous years, but still not keeping pace with the current program, let alone catching up with the backlog. As a result, the accumulation of funds that could not be used reached $189 million in 1967.

For the fiscal year 1968 the District has obligated $34 million up to May 1, but, due to the cutback in Federal funds and the pending lawsuit, it is estimated the accumulation of unused funds may be over $200,000,000.

The delays to the freeway program in the District of Columbia have resulted in increased project costs which are cause for considerable concern. For example, the first appropriation for the Northeast-North Central Freeway was made in fiscal year 1965, and totaled $26,056,000. The present estimated cost is $76,420,000. The first appropriation for the Three Sisters Bridge, now referred to as the Central Potomac River Bridge Crossing, was made in fiscal 1962 and the total estimated cost at that time was $5,800,000. Current estimates are about $15,000,000. As of May 1, 1968, the Department of Highways and Traffic has expended $3,325,314 in preliminary engineering and design plans which have been discarded due to changes in planning and $1,419,431 in plans held in abeyance, for a grand total of $4,744,745. The details supporting the figures and facts just summarized appear in part 2 of the printed hearings on pages 7 through 27.

The committee's position that there is a place for both a freeway system and a rapid transit system in the Capital City, is still unchanged. It has been expressed over the years, both during the hearings, in its reports, and on the floor of the House. Both systems are necessary to meet the tremendous day-by-day growth of traffic and population in the metropolitan area. In 1966 the committee recommended that the funds requested for the rapid transit system be denied until approval was granted to proceed on the freeway system. The House concurred in this recommendation. A slight breakthrough did occur, as mentioned earlier, and funds were obligated for the highway program. As a result, the rapid transit funds were agreed to in conference. A similar situation exists currently and until the freeway system is allowed to proceed the committee is again reluctant to provide additional funds for the construction of the rail rapid transit system by the Washington Metropolitan Area Transit Authority, and has accordingly denied the $27,574,000 requested for the District of Columbia's share of capital outlay for the rail rapid transit system.

Mr. Chairman, our committee recommends this bill to the Members of the House.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the distinguished gentleman for yielding to me.

Is it not true, also, in fiscal year 1968 when we considered the regular appropriation and supplemental that we gave to the District of Columbia every dollar of Federal payments which were authorized under the law, $70 million?

Mr. NATCHER. The gentleman is correct. I want to thank him for his observation.

Mr. Chairman, at this time I yield to my distinguished friend from Virginia [Mr. BROYHILL], a member of the legislative committee.

Mr. BROYHILL of Virginia. Mr. Chairman, I thank the gentleman for yielding.

I notice in the report that the committee cut back the request for $27 million for construction of the rapid rail transit system. It states in the report the reason for cutting it back was due to the delay and the deadlock that has been allowed to continue to exist in highway and freeway construction.

Now, can the gentleman give us any assurance that whenever this deadlock is eliminated that the committee may go along with the appropriation for the construction of the rapid transit system?

Mr. NATCHER. I want to thank my distinguished friend from Virginia for asking that question. Our committee recommends at this time deletion of the $27,574,000 requested for the District's share of capital outlay for the rail rapid transit system under the Washington Metropolitan Area Transit Authority.

Included in this bill is $1,135,345 for operating expenses of the Washington Metropolitan Area Transit Authority. We recommend the entire request.

Now, as the gentleman from Virginia knows, beginning in the year 1962 we started appropriating for the freeway system. All down through the years we have recommended appropriations and the House has gone along. Due to delays it is estimated a total of over $200 million in unused funds have accumulated as of the end of fiscal year 1968. The freeway system in our Nation's Capital has been stopped.

Our committee is of the opinion that there is a place in our Capital City for both systems—rapid transit and freeways. As soon as the freeway system goes underway, beyond recall, our committee will recommend the appropriation of construction funds for the rail rapid transit system.

Mr. Chairman, let me say to the distinguished gentleman from Virginia [Mr. BROYHILL]—and I think the other Members of the House ought to know this—about 4 years ago we authorized a rapid transit system of 25 miles to cost an estimated $431 million.

This year the Washington Metropolitan Transit Agency entered into an agreement, which they have not brought to your legislative committee, for the construction of a regional system of some 98 miles at a cost of just about $2.5 billion.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. NATCHER. Mr. Chairman, I yield myself 2 additional minutes.

The CHAIRMAN. The gentleman from Kentucky is recognized for 2 additional minutes.

Mr. NATCHER. They are going to the Department of Housing and Urban Development, other departments of the Government, and to the States themselves—Texas, Kentucky, and the State of Iowa, as well as the balance of the 50 States of the Union—for $1.725 billion, and propose deriving the remaining $850 million from revenue bonds.

Now, Mr. Chairman, I want to say this to the gentleman, insofar as the authorized system is concerned. We believe in that system. We have stated that as soon as they turn the freeway system loose, we will recommend the money for the construction of that system. But as far as a system of 98 miles which would cost an estimated sum of $2.5 billion, I want them to go back to the legislative committee on the District of Columbia and explain what they are doing and ask that that system be authorized. I shall never come to the House and recommend money for that system unless this course is followed.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Chairman, I would say to the gentleman that I have cautioned the communities who are participating in this transit authority, that the gentleman is referring to that the Congress is not going to look with too much favor on a billion-dollar-plus Federal contribution for a rapid rail system for the metropolitan area of Washington, and the surrounding communities are going to have to pay a lot larger portion than they have planned to pay

I have already indicated to them that this may well be the sentiment of the Congress.

Mr. Chairman, let me add one other thing concerning what the gentleman has stated about the conflict between the proponents and opponents of the highway construction and the efforts by some to use the rapid transit system to delay construction of the highways. I wholeheartedly agree with the gentleman in the well that we should not let them——

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. NATCHER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. BROYHILL of Virginia. We should not let the rapid transit system be used to hold up the freeway system. And with the assurances from the gentleman in the well that he will proceed with the appropriations for rapid transit as soon as this deadlock is overcome, that I support the gentleman in his delay in that appropriation.

Mr. NATCHER. I thank the gentleman from Virginia.

Mr. Chairman, let me say to the gentlemen who are standing that I am going to yield to all of them.

I will yield first to the distinguished gentleman from Maryland [Mr. MACHEN].

Mr. MACHEN. Mr. Chairman, I thank the gentleman for yielding. I certainly want to compliment the gentleman on his statement, and on his expressing the opinion on the sentiment of the committee that there must be a balanced transportation system for the city of Washington, not all freeways and not all subways.

I certainly want to compliment the gentleman also on his mentioning the tragic situation we are confronted with in that, as the gentleman has pointed out, we have spent millions of dollars on plans and more plans for 10 years, and yet still have many of the major highways not completed. I agree that this has been tragic. It has been through a rearguard action by a few that have blocked not only the will of Congress, but the consensus of Congress in going ahead with a balance transportation system. Also I wish to commend the gentleman in what he has stated concerning the cooperation that has been needed from the Public Works Committee in order to get a mandate to go forward with this highway program. And I am satisfied that the gentleman will recommend the appropriation of the money required for the transit system as soon as the freeway system problem is resolved.

Mr. NATCHER. I thank the gentleman from Maryland.

I now yield to the distinguished gentleman from Maryland [Mr. GUDE].

Mr. GUDE. Mr. Chairman, I thank the gentleman for yielding, and I want to applaud the gentleman from Kentucky for his remarks, in which he reaffirms his support for a balanced transportation system.

I believe the House is well aware of the roadblock against a balanced transportation system——

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. NATCHER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. GUDE. Which at the moment seems centered in the Department of Transportation itself. And this has been a rearguard action against freeways, as the gentleman from Prince Georges County [Mr. MACHEN] has indicated.

As the gentleman knows, we have had 20 years of freeway planning at $1 million a year, $20 million in the planning of freeways. We must have our rapid transit system begin this year, and we must also have the implementation of an expressway system which the House has overwhelmingly endorsed. The delay of both systems has already meant additional cost for the taxpayers of our Washington metropolitan area as well as the Nation. And if we delay approval of the transit system just 1 more year, the additional cost of the basic system will be $25 million while the additional cost of the regional system will be $90 million. This increased cost is due to higher land acquisition and construction costs and the same factors will be at work with further delays in expressway planning and construction. The cost of delay in building both systems when measured in terms of inadequate transportation for business, industry, workers, and the public in general is incalculable but obviously great. We must push forward with both systems and I heartily endorse the gentleman from Kentucky's determination to have both quickly.

Mr. NATCHER. I thank the gentleman.

I now yield to my friend, the distinguished gentleman from Illinois [Mr. KLUCZYNSKI], who serves on the Committee on Public Works, and I want to commend him for the outstanding job that he and the subcommittee under the direction of my friend, the distinguished gentleman from Maryland [Mr. FALLON] have performed in this respect.

Mr. KLUCZYNSKI. Mr. Chairman, I want to thank the gentleman from Kentucky for yielding to me. I want to commend the gentleman on his very fine work in the committee.

I also want to say to the Members of this House that the gentleman from Kentucky [Mr. NATCHER] is a man of his word.

As the gentleman has explained, there is over $200 million laying here for the construction of highways, and there is nothing being done for the residents of the area or for the thousands of visitors to get in and out of Washington.

As the gentleman knows, we have held extensive hearings, and this afternoon, in the next hour or so, we will be able to vote on a conference report and we will be able to use those highway funds.

Again I want to compliment the gentleman for the splendid work he has done in insisting on a comprehensive transportation system including both highways and mass transportation. I know the gentleman considers the freeway construction as being very important to mass transportation, and that we will be able to satisfy everybody in the District and the surrounding areas.

Mr. Chairman, I also want to thank the chairman of the Committee on Public Works [Mr. FALLON] and to say that I appreciate working with him.

Again I thank the gentleman for yielding.

Mr. NATCHER. I want to commend the gentleman and thank him.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my friend, the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I want to commend the committee first on the great amount of work that goes into this bill.

Under the rules of the House, as you know, these hearings are closed and a lot of people do not realize the great amount of work that goes into this bill and the great amount of work that the subcommittee does.

One of the things I think is not realized is that it was this subcommittee that for 5 or 6 years has been pushing the school administration to try to get a hot lunch program.

We hear a lot today about the need for a hot lunch program and for food for schoolchildren.

Actually the school administration in Washington, D.C., has not used the money that is now available and it is this subcommittee that has been pushing them and trying to get them to use the money that is available for the hot lunch program and has been pushing them along so that there could be hot lunches available for all the schoolchildren.

Mr. NATCHER. I thank my colleague, the gentleman from Iowa.

Now I yield to my distinguished friend, the gentleman from North Carolina [Mr. WHITENER]. Before I yield to the gentleman, I want to say this.

I want to commend you on your service on the House Committee on the District of Columbia. You have done a good job. I do not have the chance to say this to you very often.

When this rapid transit bill was first brought to the House, you brought it out here and you explained it to the House.

My colleague knows what I said in the well this afternoon is true, and I commend you on the outstanding job you have done down through the years.

Mr. WHITENER. Mr. Chairman, I want to commend the gentleman from Kentucky for the position he has taken for a well-balanced transportation system.

The gentleman will remember that from the outset this was one of the contentions that those of us who were proponents of the rapid transit system made.

If I may review a little of the history, since the gentleman has mentioned the authorization legislation—the subcommittee of which I am chairman brought out legislation for a rapid transit system and we required the transit agency, the National Capital Transportation Agency, to cut their original proposal down, as the gentleman has suggested, to approximately 25 miles rather than to try to go all over Maryland and Virginia at one time. We did that and the House approved the legislation of which I was the author.

That legislation authorized what we referred to as a core system.

Then the folks in Maryland and Virginia got hungry and brought about through the approval of a majority of the Members of the House this compact, which I oppose.

It was my feeling that if we had completed the authorized system and had been content to get that done, as the first step, we would today be well on the way to having a rapid transit system completed.

I join the gentleman in saying, as he so well said, that I do not believe there is any authorization that gives any agency of the Government the right to just run railroad tracks underground anywhere they want to in Maryland and Virginia.

There is a definite approval and that is the only approval that has been given except in the compact legislation which I must again say I regret that the Congress ever accepted.

I commend the gentleman. I think we must have a rapid transit system, but at the same time I do not believe that some of those who are opposed to both highways and rapid transit ought to be able to use this fight to keep both of them from being built.

Mr. NATCHER. I thank my distinguished colleague.

Now, Mr. Chairman, I want to yield to my distinguished friend, the gentleman from Minnesota [Mr. NELSEN], the ranking member on the House Committee on the District of Columbia.

I want to say to my colleague, you have done a good job. I now yield to the gentleman.

Mr. NELSEN. Mr. Chairman, I want to thank the gentleman and also to express my appreciation for the cooperation that has existed between the Committee on Appropriations and the Committee on the District of Columbia.

I would like to call attention to the fact that this deadlock has existed by virtue of downtown mismanagement, in my judgment, and has cost the taxpayers millions of dollars, because the inflationary trend seems to be driving costs up on highways and also on the transit system, so that the longer the delay, the greater the cost apparently will be. I am sure the gentleman would agree and I thank the gentleman for yielding.

Mr. NATCHER. The gentleman is exactly correct. I wish to thank him for his observation.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman yielding. I compliment him on his report and the straightforwardness in which he has informed the Members about our Federal City's appropriation situation.

Mr. Chairman, much has been said here on the floor by many and by the distinguished gentleman in the well about mismanagement, about delays, and about the cost of inflation. As an old personnel officer, I would make an observation that I hope is a truism.

On the one hand, that such poor function is usually due to understaffing and lean anemia on the part of the agency, and I hope that would be the Washington Metropolitan Area Transit Authority, or else they are so engorged, overstuffed and rheumy with gout or other surfeited disorder, that they do not move. Does the gentleman have any information as to adequate staffing and adequate pay or, on the other hand, overstaffing and overpay of this so-called Transit Authority, which has so long delayed fulfillment of the desires of both the legislative and the operating committees here?

Mr. NATCHER. Mr. Chairman, in answer to the question of the distinguished gentleman from Missouri, I think that this committee should know the facts concerning the Washington Metropolitan Area Transit Authority. The distinguished gentleman from Missouri has inquired about salaries. Let me say to the gentleman that during the hearings my friend, the distinguished gentleman from Wisconsin [Mr. DAVIS] the ranking member of the subcommittee, asked a number of questions concerning the organization of the Authority, and developed facts pertaining to salaries. I give him full credit for it.

Let me say to the distinguished gentleman from Missouri that the Director of this agency is a retired general in the Army. He receives retirement pay of $15,441. His salary from WMATA is $28,194, making a total of $43,635. I think the House and the committee should have that information.

I want to commend the gentleman for directing his question concerning the salaries of this agency. I know the gentleman from North Carolina is interested in these figures. Let me point out one or two others.

Mr. HALL. I was just going to ask the gentleman if he could give us a general concurrence that the others are in accordance with the Director's.

Mr. NATCHER. Let me just read some of them. We have here a distinguished gentleman retired from the District Government. His retirement pay is $15,570; his salary from WMATA is $26,598, or a total of $42,168.

Now, here are some other totals: $33,743, $23,751, $24,118, $18,940, $16,951, $38,074, $34,968, $27,148, $33,348, $43,635, $24,721, and $42,168.

Mr. HALL. I appreciate the gentleman bringing those facts out. I believe maybe he would agree with me that they are choleric and overstuffed and, if they do not, indeed, need a purge, then we have a right in this House and this body to expect performance.

Mr. NATCHER. Mr. Chairman, I think those amounts are certainly adequate pay for these individuals, and I do believe, and I say this in all frankness to the Members of the House, that is information the House Committee on the District of Columbia should have.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. Mr. Chairman, I yield to the distinguished gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Chairman, I think if the gentleman will remember the debate on the so-called compact, this was one of the things that one or two of us tried to predict would happen if we got this matter out of Federal control and put it in the hands of politicians from the three jurisdictions.

I hope the gentleman and his committee will undertake to see that this golden horse is not ridden so hard that he will melt.

Mr. NATCHER. Mr. Chairman, I thank the gentleman from North Carolina.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I commend the gentleman for giving us the figures he has just presented. I ask the gentleman if these high-priced thinkers and planners are going to be kept on the payroll despite the fact that the committee has denied the $27.5 million?

Mr. NATCHER. Mr. Chairman, the funds in this bill for operating expenses for the Washington Metropolitan Transit Authority total $1,135,345. We recommend every dime they requested. We do not recommend any additional funds at this time.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, there are a number of good reasons why I should be precise, and I shall be. I think two of the very good reasons for brevity are, first, the concise and informative nature of the report, which bears the name of the chairman of our subcommittee, and the other, the detailed fashion in which the gentleman has appropriately covered those matters which have been brought into question.

Mr. Chairman, this is indeed the chairman's bill, just as it is the chairman's report. I say that only by way of emphasizing that we have all been able, under the capable leadership of the gentleman, of making a substantial contribution to the fashioning of the bill—which in some instances he has adopted as his own—but the gentleman certainly has been the major architect of this legislation and of the report that accompanies it. Fortunate are we that this is the case.

This report and this bill represent the best that we could do—in my opinion the best that anyone could do—under the circumstances that did confront us. I would like to say simply this to any Members who might be tempted to offer amendments to this bill—I would, as strongly as I could, dissuade those Members. We have made use in the bill as presented of all the available funds there are, so any effort to increase the expenditures would have the direct effect of throwing this bill out of balance and making it necessary for us in conference with the Senate to find some other place, that might not exactly please people, to reduce it back to the overall total amount which is shown in this bill.

There are certainly some disappointments in connection with this measure. I think all of us were disappointed that we could not do better with respect to school construction in the District. I say that with the background of asserting that the school construction program in the District of Columbia has not been the orphan that some people would like to have Members believe. The record shows quite the contrary. It has been a very substantial construction program over the years, which compares favorably with that of almost any large metropolitan area that we could name around the country.

Having said that, I still say we wish we could have done better.

I believe the responsibility for failure to do better rests not with our committee but with those charged with responsibility for presenting the school construction program to us. Too often—in fact, often enough to be embarrassing—the chairman would make inquiry relating to particular education construction projects and we would be told by representatives of the Department of Buildings and Grounds that they simply were not ready to proceed, and that they could not use the money. So some of the construction projects we would have preferred to go ahead with we simply could not because money alone would not put the construction into place. This was where we found ourselves.

I believe it made all of us feel kind of glad that we are going to have a new School Board here in the District after the election has taken place. When we recall the failures of presentation before our committee and read in the papers as we do of bickering that continues with respect to the Board of

Education here, I believe we can all be happier with the prospect of a new School Board in accordance with the existing law.

We could not be too happy, either, with the record which we found of expansion both in the number of personnel and in the amount of money for the operation of the District of Columbia. Perhaps we leaned over backward in providing additional personnel and in providing additional money because, as all Members know, a new form of government has been placed into operation here. We did not want to be guilty of embarassing them in their effort to bring improvement, and to get into control of the District of Columbia, during this period of infancy, at a time when they were harassed beyond reason by the tragedy which occurred here in the city last April. So perhaps we did not do some of the pruning we might otherwise have done with respect to some of the administrative agencies here. We wanted them to be in a position to get their feet on the ground and to get going before we did anything which might hamper the efforts they made, which we certainly hope will be successful.

I believe we are waiting for this new government to demonstrate some of the effectiveness and some of the efficiencies which are so badly needed here in the District.

I should like to call to the attention of Members particularly some of the things we tried to dig into. One of them appears on page 8 of the report, and represents primarily the efforts of our colleague [Mr. McDade] to delve into a problem, where it appears that the District of Columbia has not gotten hold of the thing or gotten control of a particular program here within the District of Columbia.

We also made considerable inquiries with respect to the complaints by individual policemen who felt the need for asking for a fund so that they could hire attorneys to defend them against the charges of residents of the District of Columbia. We thought this was one of the prime responsibilities of the Office of the Corporation Counsel, to defend the people who are hired to administer the Government of the District of Columbia. I still think, and we still think, it is the responsibility of his office, but if he is not going to defend properly these men who have such a great responsibility in the District of Columbia, then I guess we are going to have to see to it that they are properly defended by other means. But just take that into consideration with respect to the funds that are to be made available to the Office of the Corporation Counsel, and that is what we did.

Mr. Chairman, I think this committee has performed a very useful purpose in pinpointing several of the problem areas here within the District of Columbia. They are reflected in the report and in the funding or lack of funding which is reflected in this bill.

Before I conclude, Mr. Chairman, I did want to enter into this discussion a bit where our chairman was asked some questions as to the salaries of some of the people on the Metropolitan Area Transit Authority. I think there is fair room for some criticism, but I believe it is important also that we be fair and not leave a false impression here. The people who are working here and who are already drawing a retirement—and as the chairman said, I delved into this to some extent—I think it is fair to recall that these men will get that retirement pay whether or not they are working for the Transit Authority.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield myself 3 additional minutes.

The question we need to ask ourselves is this: Whether those people have been encouraged to retire from some branch of the Federal Government, whether it is military or civilian, in order to come in here and feather their nests by a combination of retirement pay and the salaries which they receive. I think in all fairness it should be pointed out that the head of the agency, the general manager or director or whatever his title might be, a retired major general, had retired before this opportunity came, on the grounds of physical disability. He himself decided to accept a salary $7,000 less than was authorized by the commission which set up these personnel scales. I simply mention that because I think when we criticize it is important that we be fair.

There is enough to criticize without leaving any unfair or inaccurate impressions in relation to this matter. That is why I did make rather detailed inquiry into it. But I felt no useful purpose would be served by making a public record. It was important that our committee have this information, but it was also fair that not all of it be revealed as a matter of public record.

Mr. ZWACH. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am glad to yield to the gentleman from Minnesota.

Mr. ZWACH. I thank the gentleman for yielding.

Mr. Chairman, I would like to say that I have been serving on the District of Columbia Committee in this session and am most happy to see that there is a subcommittee delving into some of these matters rather carefully. It has been my privilege to serve in various legislative halls for my entire lifetime. I am convinced here we have an institution that gives us very, very poor mileage for our Federal dollar. I think it is less mileage than anything I have ever seen. We need to bring lean and efficient government to this District. I think the Congress will play a part in doing that.

I wish to commend the gentleman from Wisconsin and the chairman and the others for the work that you are doing in this area.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. Is there any money in this bill to pay any of the expenses with respect to the so-called march on Washington?

Mr. DAVIS of Wisconsin. No; there is not any such in this bill. We keep wondering which day is going to be the one when we will get a supplemental request to cover some of those things, which request will be very carefully considered by this subcommittee, I assure the gentleman.

Mr. GROSS. Is there any language in the bill prohibiting the use of funds to be appropriated in this bill for the purpose of defraying any of those expenses?

Mr. DAVIS of Wisconsin. There is no specific prohibition but neither is there any authorization to do so. I think that is a fair statement, Mr. Chairman.

Mr. GROSS. I thank the gentleman.

Mr. DAVIS of Wisconsin. Mr. Chairman, I support this bill wholeheartedly because I believe it represents a job well done under difficult circumstances and is a fine legislative monument to the work of our committee.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. DAVIS of Wisconsin. I yield myself 1 additional minute.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Chairman, I wish to thank the gentleman for his comments with reference to the rapid transit program. I do not like to recall unpleasant history to any of our brethren, but I have here the Congressional Record, volume 112, part 19, page 25656, when we were considering the compact which brought about this agency to which the gentleman from Wisconsin has referred.

Referring to that page I said at that time:

> I say to you gentlemen in all earnestness that the proposed Compact is about as devoid of any protection of the interests of the taxpayers and citizens of the Federal Government as any minds could have created anywhere in this country. It could constitute a raid on the Federal Treasury and on the Treasury of the District of Columbia, for reasons that I shall point out as I offer amendments later.

And, Mr. Chairman, in the Congressional Record, volume 112, part 19, page 25678 in a colloquy with the gentleman from Maryland [Mr. Mathias], I said:

> Let me say to the gentleman, since it is my time, I am appreciative of his mentioning the bait on the hook, because ever since this House approved $150 million, some of the folks in Maryland have been just like a fish after the bait. They just cannot stand it, and they want to get their hands on it so fast that they have been wriggling like a red worm on an old 10-cent fish hook.

Mr. Chairman, I think the bait has been bitten pretty good as the gentleman pointed out.

I would point out further too, in that compact in the Congressional Record, volume 112, part 19, page 25681——

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield myself 1 additional minute.

Mr. WHITENER. Mr. Chairman, will the gentleman yield further?

Mr. DAVIS of Wisconsin. I yield further to the gentleman from North Carolina.

Mr. WHITENER. I said:

In other words, gentlemen, whoever drafted this compact is saying that they are creating an agency or an authority which is exempt from all laws, rules, regulations, and orders not only of Maryland and the District of Columbia and Virginia, but of the United States of America.

Mr. Chairman, as one who has desired a sensible rapid transit program completed here, I am disturbed at the findings of the gentleman from Wisconsin and his subcommittee about the effort that is apparently being made to make the predictions come true which I uttered back in 1966. I hope we can eliminate this type of thinking and get on down to the business of building a transit system.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, I wish to comment on the statements of the distinguished gentleman from North Carolina and say that he is not only a very valuable and diligent member of the Legislative Committee on the District of Columbia as all of us know him to be, but that he was both an accurate and picturesque prophet at the time he made those comments.

Mr. Chairman, I have no further requests for time on this side of the aisle.

Mr. NATCHER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Federal Payment to the District of Columbia

For payment to the following funds of the District of Columbia for the first year ending June 30, 1969: $75,000,000 to the general fund; $2,098,000 to the water fund; and $1,184,000 to the sanitary sewage works fund, as authorized by the District of Columbia Revenue Act of 1947, as amended (D.C. Code, Sec. 47-2501(a); 81 Stat. 339), and the Act of May 18, 1954 (D.C. Code, Sec. 43-1541 and 1611).

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The gentleman from Iowa is recognized for 10 minutes.

Mr. GROSS. Mr. Chairman, I take this time to address a few questions to the gentleman from Kentucky [Mr. NATCHER] and to commend the gentleman at the same time for the bill that he has brought to the floor of the House, as well as to commend the ranking minority member, the gentleman from Wisconsin [Mr. DAVIS] and the other members of the subcommittee. I do regret to find that the committee is putting so much money into the District.

Mr. Chairman, I have done some reading of the hearings, and I have a few questions.

I understand the District of Columbia Corporation Counsel's Office has refused to represent policemen charged with that all-too-familiar offense of "police brutality."

Since these attorneys are working for and being paid by the District government the same as the policemen, and they both represent the District of Columbia, why should they not provide the defense for a policeman when he is charged with "brutality" or any other charge arising out of his duty?

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I am delighted to yield to the gentleman.

Mr. NATCHER. Mr. Chairman, I want to thank my friend from Iowa for the statement he has just made in regard to our subcommittee. I want the gentleman to know that I appreciate it personally.

In answer to the question propounded by the gentleman, the Corporation Counsel's Office has 73 attorneys. A representative from that office appeared before our committee this year and requested 11 additional attorneys, along with other items.

The budget included a request of $25,000 for the Metropolitan Police Department to provide legal counsel for policemen in cases where complaints are made by citizens as a result of a police officer performing his duty.

I want the distinguished gentleman from Iowa to know that we were amazed. We said to the Chief of Police: "Chief, you do not mean that we have reached that state of affairs in our Capital City where you have to come before our committee and request $25,000 be added to this budget to employ attorneys to take care of the police officers?" He said: "We have."

We recommend to the House—it is in this bill—$25,000 to provide such legal counsel, and to be under the control and direction of the Chief of Police. We have stipulated in the report how it is to be used, the requirements, and so forth. We recommended it.

The Corporation Counsel asked for 11 additional attorneys. We recommend no additional attorneys.

We cut the budget of the Corporation Counsel, and the $25,000 comes out of his office.

Mr. GROSS. I want to commend again the committee for the action they took in this case, and suggest that the Legislative Committee on the District of Columbia might be well advised to haul representatives of this Corporation Counsel's office in, and find out why Congress must appropriate $25,000 for the defense of policemen in the District of Columbia, when the Corporation Counsel's lawyers ought to be doing the job.

Mr. NATCHER. And as the gentleman noticed in my remarks the Corporation Counsel has 73 lawyers, and has requested 11 more, which we do not recommend.

Mr. GROSS. Yes, and I believe I am right in saying that there are some supergrades in the Corporation Counsel's Office.

Mr. NATCHER. The gentleman is correct.

Mr. GROSS. I know I am right when I say to you that in the supergrade bill that has been pending before the House there is the request for a number of additional supergrades by the District government without any justification having been made to the House committee.

Mr. Chairman, I note that in 1949 13,406 windows were broken in the school buildings of the District and it cost the taxpayers $19,000 to replace them.

I note from your hearings, Mr. NATCHER, that vandals last year broke out 36,525 windowpanes and it cost the taxpayers $180,202 to replace them.

Congress has been more than generous in the matter of educational facilities in the District on the basis that this would raise the standards of conduct of the people.

How in all conscience could the cost of replacing windowpanes broken out by vandals in the District's school buildings during the summer have increased from a cost of $19,000 in 1949 to $180,202 last year, 1967?

What is wrong with this educational system and the people here?

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I am glad to yield to the gentleman.

Mr. NATCHER. The gentleman's figures are correct. That was the amount required to cover the cost of replacing windowpanes in the school buildings during the past year.

I hate to say to the gentleman that that amount has increased year after year. We have asked the school officials why is it we have to pay nearly $200,000 to replace broken windows in school buildings?

They say that in some instances the students do not like the principal and maybe they do not like some of the teachers. When the schools are closed, they remember these things and they throw rocks at the particular building.

We had a good school Superintendent in the District of Columbia, an outstanding man, a man who I believe was trying to do a good job. But a certain group decided they would oust him and they did.

We now have a new Superintendent and he has only been here about 6 months.

Mr. GROSS. And they want him out before he has barely had time to take off his hat.

Mr. NATCHER. They want him out right now. The four Board members who brought him in are now saying to him "We want you to leave."

Now the distinguished gentleman from Iowa has brought out the fact that it cost all this money and you say—Why? The school system in our Nation's Capital is in a turmoil.

Mr. GROSS. I know the gentleman is giving me the facts but I cannot take very much consolation from them, even though I know his committee is trying to bring some order out of chaos.

The General Accounting Office says that the District of Columbia system has a janitorial staff with a padded payroll costing about $1,200,000 a year. I understand that District school officials are going to spend, or perhaps have already spent $25,000 to go out and hire a management consultant to prove to the world that instead of having too many janitors, they ought to hire some more.

What type of insanity is that? Can the gentleman help me with that one?

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I am glad to yield to the gentleman.

Mr. NATCHER. I am sorry to say to the distinguished gentleman from Iowa, I cannot help you with that one. I just agree with you 100 percent.

Mr. GROSS. I notice that of the cities in this country with populations of 500,000 to 1,000,000 the District of Columbia is the third highest in the amount of money spent per pupil for education. What portion of that is borne by the taxpayers of the entire United States? Can I assume it is the percentage which the Committee on Appropriations says is now close to 16 percent?

Mr. NATCHER. The gentleman is correct.

Mr. GROSS. I thank the gentleman.

Mr. NATCHER. I want to thank the gentleman from Iowa for his observations.

Mr. GIAIMO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of this legislation.

At this time I would like to take a few moments to commend my chairman, the chairman of this subcommittee, for what I think is one of the outstanding jobs done on any bill which has been brought before the House of Representatives.

I have had the privilege of serving with the gentleman from Kentucky since 1963 and I have had an opportunity to observe, at firsthand, his keen awareness and his keen concern of problems of the District of Columbia.

All the Members of this House should realize the tremendous effort that goes into this legislation not only on the part of the subcommittee but certainly on the part of the chairman, the gentleman from Kentucky [Mr. NATCHER]. We are grateful to him, and I know that the people in the District of Columbia recognize the work which he does and the results thereof, which mean better government for more understanding of the problems of the people of the District of Columbia.

I would like to point out that in this legislation we have had tremendous increases. If we look at the appropriations for the District of Columbia schools on page 16, we will see that great increases have taken place from 1959 to 1969. It almost tripled from roughly $52 million to $146 million. If we look in the committee reports, we can see the same thing in regard to public safety; we can see the same thing in regard to welfare and health. This should concern us seriously, because it indicates the tremendous increasing costs which are required in order to run an American city, and certainly in order to run the District of Columbia.

When we reflect on the fact that we are pushing against the ceilings on our revenues, we recognize that in a very few years we will be headed for serious trouble. Increasing costs are pushing up our annual budgets, and we are beginning more and more to wonder where we are going to find the money to do the job which must be done.

I would urge all Members to look into these statistics which are in the report and in the hearings, and which foretell of problems and bode ill for the future of budgeting in the District of Columbia.

I would also like to comment on the capital outlays for the public school system, where they requested $45 million and we recommended $25 million. It would appear, if one were to take a casual glance, that we cut them drastically.

I would like to advise the House that this is not a drastic cut. If, in fact, it is a cut at all, because the evidence and the testimony before our subcommittee brought out that in almost every one of these instances the school system and the District government were not in a position to use these moneys which they requested, so that in giving the school system $25 million for capital improvements and buildings, we have given them just about every dollar which they can use in this fiscal year. So that there is no cut, basically, and there can be no justification for giving them more. The hearings are quite clear on this point.

One other point, Mr. Chairman, and that is on the question of a balanced transportation system for the District of Columbia. I want to say to the Committee that I stand foursquare with my chairman, the gentleman from Kentucky, in what he is trying to accomplish in the District of Columbia, and that is to have a balanced transportation system, mass rapid transit, and highways. There is a need for both. Its need has been demonstrated, and the Congress wills it this way. I think the gentleman from Kentucky is absolutely right in what he has said in this regard, and I think we should all support him.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. Do I correctly understand that we are making a contribution of $75 million to the District of Columbia through this bill?

Mr. GIAIMO. Through the Federal payment?

Mr. GROSS. The Federal payment.

Mr. GIAIMO. Yes.

Mr. GROSS. Then there is an additional $186 million in grants from other agencies?

Mr. GIAIMO. Those are grants from other Federal agencies that are allocated to the District of Columbia as they are to other cities in the United States.

Mr. GROSS. In other words, a total of Federal funds to the District for the next fiscal year of $261 million; is that correct?

Mr. GIAIMO. I have not checked the mathematics, but if the gentleman's figures add up to that amount, that is it. In other words, in addition to the Federal grant we have these other Federal payments which are made by various Federal agencies directly to the city of Washington.

Mr. GROSS. Since the advent of the New Frontier and the Great Society, the increase in Federal funds to the District through this committee is $50 million a year according to the figures on page 9 of the report.

Mr. GIAIMO. That is true.

Mr. NATCHER. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any points of order?

Are there any amendments?

Mr. KYL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we seem to have some time and I do not want the opportunity to pass without saying a word about the extremely fragile situation we have in the District of Columbia at this time in the matter of police and law enforcement. I have had an opportunity to work with police and to work closely with them because of my interest in juvenile delinquency. I do not suppose there is a Member of the House who has had a greater opportunity to see what actually happens in the streets than I have had.

Because there has been so much publicity in recent weeks about the bad policemen, I think I should add my little warning to the Members of the House regarding the difficult situation we face and to say a word on behalf of the officers who are members of the Metropolitan Police Department.

If there are officers who violate the law or who violate sensible principles of policy, they should be punished, because one bad officer reflects on all others; and we cannot tolerate that situation at any time, let alone in a time of crisis such as this. But, Mr. Chairman, I have personally witnessed some of those occasions when charges of police brutality were leveled against officers. In one such instance, a single officer was attempting to arrest two young men on a charge of breaking and entering. The two young men got into the car peacefully enough, but four adults immediately set upon the officer and beat him rather thoroughly. In the process of this action, he knocked one of them unconscious with a billy club. He had a gun, but he did not shoot. That officer was hospitalized. He has since been removed from the active force because of his physical condition. I cannot say there is a connection between that circumstance and the beating which he once took.

In each of these instances where police brutality was charged, when I had an opportunity to see what went on, I know those charges were foundationless.

As a matter of fact, I am amazed at the quality of our Metropolitan Policemen and their dedication to trying to help the circumstances which create problems for them. We should consider the number of thousands of hours that Metropolitan Policemen spend in directing the Police Boys' Clubs and in working with these youngsters. If we take a look at those officers who spend their own vacation time in taking youngsters to camp and fishing and boating with them and in other various activities, one has to draw the conclusion that the great body of these men at least are doing a great deal more to try to prevent delinquency and crime than most of those agencies which are paid for that purpose specifically.

This work is all done on their extra time, and their own time, by the police involved in this situation.

I have been amazed that these officers can act with as much restraint—and any Member of the House may find this for himself—because there are certain areas in this city where an officer or a pair of officers cannot walk or ride down the street without receiving the harshest kind of vituperative comments from those who line the streets. On occasion, the officers are even spat upon.

I think they have exercised a great deal of restraint.

We have to make the decision whether we enforce the law or whether we turn our back on crime and the criminal. There comes a point in almost every day in the duty hours of the policeman when he is faced with the decision: Do I enforce the law here or do I retreat? I think one gets a little different picture of the situation if he goes with the officer or with these officers into the darkest streets and alleys and homes of the community, knowing the officer is a few yards from a person he has been called upon to arrest or apprehend, and knowing that the individual is armed in some way, and knowing the kind of attitude that prevails in most of these areas.

It is not only those who are harassed who need consideration. I can say flatly, having had considerable experience with the Metropolitan Police force, that this is a force of which every Member of this House and this city can be proud.

Mr. WHITENER. Mr. Chairman, I move to strike the requisite number of words.

I should like to ask the chairman or the ranking member of the subcommittee about a situation here in the Nation's Capital.

A few days ago it was my responsibility to handle a piece of legislation on the floor of the House which would have provided for the removal of rubble and debris from private property at Government expense as a result of the April riots. That bill was defeated, much to my disappointment. I noted in the press a few days later that the Department of Housing and Urban Development had written a check to the District government to do exactly what the House of Representatives had refused to allow. Now, let me say again I was disappointed with the position that the House took on the bill that we had before us, but once that position was taken it should have been binding on the District officials and on other agencies of the Government.

Is this going on in other areas to any appreciable extent here in the District of Columbia?

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Kentucky.

Mr. NATCHER. I should like to say to my distinguished friend, so far as I know personally this is the only incident which has been brought to our attention during the past 12 months. I also read the article that the Department of Housing and Urban Development did approve a grant, I believe of a little over $200,000, to be used for the purpose the gentleman just mentioned. I want the gentleman to know that I concur with what he has said. If the House turns it down I do not think any department of Government has a right to issue a grant or to allocate funds for a purpose such as the gentleman has called to the attention of the House. I agree with the gentleman.

Mr. WHITENER. It would seem to me, if we are to preserve the representative system in Government, that once the Congress or either body in the Congress has made a decision on a policy matter, even though that decision is not desirable to certain Government agencies—as the one made in this case was not satisfactory to me—the agencies should be bound by it. I felt bound by it. If our system is to prevail we must have a little better appreciation on the part of these executive agencies of our constitutional system.

Mr. NATCHER. Mr. Chairman I certainly concur with the gentleman's statement.

Mr. WHITENER. Mr. Chairman, I yield back the remainder of my time.

Mr. NATCHER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 18706) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1969, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. NATCHER. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONFERENCE REPORT ON S. 3497, HOUSING AND URBAN DEVELOPMENT ACT OF 1968

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (S. 3497) to assist in the provision of housing for low and moderate income families, and to extend and amend laws relating to housing and urban development, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1785)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3497) to assist in the provision of housing for low and moderate income families, and to extend and amend laws relating to housing and urban development, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Housing and Urban Development Act of 1968".

DECLARATION OF POLICY

SEC. 2. The Congress affirms the national goal, as set forth in section 2 of the Housing Act of 1949, of "a decent home and a suitable living environment for every American family".

The Congress finds that this goal has not been fully realized for many of the Nation's lower income families; that this is a matter of grave national concern; and that there exist in the public and private sectors of the economy the resources and capabilities necessary to the full realization of this goal.

The Congress declares that in the administration of those housing programs authorized by this Act which are designed to assist families with incomes so low that they could not otherwise decently house themselves, and of other Government programs designed to assist in the provision of housing for such families, the highest priority and emphasis should be given to meeting the housing needs of those families for which the national goal has not become a reality; and in the carrying out of such programs there should be the fullest practicable utilization of the resources and capabilities of private enterprise and of individual self-help techniques.

JOBS IN HOUSING; EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH ASSISTED PROJECTS

SEC. 3. In the administration of the programs authorized by sections 235 and 236 of the National Housing Act, the below-market interest rate program under section 221(d)(3) of such Act, the low-rent public housing program under the United States Housing Act of 1937, and the rent supplement program under section 101 of the Housing and Urban Development Act of 1965, the Secretary of Housing and Urban Development shall—

(1) require, in consultation with the Secretary of Labor, that to the greatest extent feasible opportunities for training and employment arising in connection with the planning, construction, rehabilitation, and operation of housing assisted under such programs be given to lower income persons residing in the area of such housing; and

(2) require, in consultation with the Administrator of the Small Business Administration, that to the greatest extent feasible contracts for work to be performed pursuant

to such programs shall, where appropriate, be awarded to business concerns, including but not limited to individuals or firms doing business in the fields of design, architecture, building construction, rehabilitation, maintenance, or repair, located in or owned in substantial part by persons residing in the area of such housing.

IMPROVED ARCHITECTURAL DESIGN IN GOVERNMENT HOUSING PROGRAM

SEC. 4. The Congress finds that Federal aids to housing have not contributed fully to improvement in architectural standards. This objective has been contemplated in Federal housing legislation since the establishment of mortgage insurance through the Federal Housing Administration.

The Congress commends the Department of Housing and Urban Development for its recent efforts to improve architectural standards through competitive design awards and in other ways but at the same time recognizes that this important objective requires high priority if Federal aid is to make its full communitywide contribution toward improving our urban environment.

The Congress further finds that even within the necessary budget limitations on housing for low and moderate income families architectural design could be improved not only to make the housing more attractive, but to make it better suited to the needs of occupants.

The Congress declares that in the administration of housing programs which assist in the provision of housing for low and moderate income families, emphasis should be given to encouraging good design as an essential component of such housing and to developing housing which will be of such quality as to reflect its important relationship to the architectural standards of the neighborhood and community in which it is situated, consistent with prudent budgeting.

ANNUAL REPORT ON AREAS OF PROGRAM ADMINISTRATION AND MANAGEMENT WHICH REQUIRE IMPROVEMENT

SEC. 5. The Secretary shall, as early as practicable in the calendar year 1969 and in the calendar year 1970, make a report to the respective Committees on Banking and Currency of the House of Representatives and the Senate identifying specific areas of program administration and management which require improvement, describing actions taken and proposed for the purpose of making such improvements, and recommending such legislation as may be necessary to accomplish such improvements. Each such report shall include, but not be limited to, the following areas of program administration and management: uniformity and standardization in program requirements, simplification of program procedures, ways and means of expediting consideration of proposed projects and applications for assistance, the provision of more useful and specific assistance to communities, organizations and individuals seeking to utilize the Department's programs, and ways and means of combining or otherwise adapting the Department's programs to increase their usefulness in meeting the individual needs of applicants.

TITLE I—LOWER INCOME HOUSING

HOMEOWNERSHIP FOR LOWER INCOME FAMILIES

SEC. 101. (a) Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"HOMEOWNERSHIP FOR LOWER INCOME FAMILIES

"SEC. 235. (a) For the purpose of assisting lower income families in acquiring homeownership or in acquiring membership in a cooperative association operating a housing project, the Secretary is authorized to make, and to contract to make, periodic assistance payments on behalf of such homeowners and cooperative members. The assistance shall be acomplished through payments to mortgagees holding mortgages meeting the special requirements specified in this section.

"(b) To qualify for assistance payments, the homeowner or the cooperative member shall be of lower income and satisfy eligibility requirements prescribed by the Secretary, and—

"(1) the homeowner shall be a mortgagor under a mortgage which meets the requirements of and is insured under subsection (i) or (j)(4) of this section: *Provided*, That a mortgage meeting the requirements of subsection (i)(3)(A) of this section but insured under section 237 may qualify for assistance payments if such mortgage was executed by a mortgagor who is determined not to be an acceptable credit risk for mortgage insurance purposes (but otherwise eligible) under subsection (j)(4) of this section or under section 221(d)(2) or 234(c) and accepted as a reasonably satisfactory credit risk under section 237; or

"(2) the cooperative association of which the family is a member shall operate a housing project the construction or substantial rehabilitation of which has been financed with a mortgage insured under section 213 and which has been completed within two years prior to the filing of the application for assistance payments and the dwelling unit has had no previous occupant other than the family: *Provided*, That if the initial cooperative member receiving assistance payments transfers his membership and occupancy rights to another person who satisfies the eligibility requirements prescribed by the Secretary, such new cooperative member may qualify for assistance payments upon the filing of an application with respect to the dwelling unit involved to be occupied by him: *Provided further*, That assistance payments may be made with respect to a dwelling unit in an existing cooperative project which meets such standards as the Secretary may prescribe, if the family qualifies as a displaced family. as defined in section 221(f), or a family which includes five or more minor persons, or a family occupying low-rent public housing: *Provided further*, That the amount of the mortgage attributable to the dwelling unit shall involve a principal obligation not in excess of $15,000 ($17,500 in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require), except that with respect to any family with five or more persons the foregoing limits shall be $17,500 and $20,000, respectively.

"(c) The assistance payments to a mortgagee by the Secretary on behalf of a mortgagor shall be made during such time as the mortgagor shall continue to occupy the property which secures the mortgage: *Provided*, That assistance payments may be made on behalf of a homeowner who assumes a mortgage insured under subsection (j)(4) with respect to which assistance payments have been made on behalf of the previous owner, if the homeowner is approved by the Secretary as eligible for receiving such assistance. The payment shall be in an amount not exceeding the lesser of—

"(1) the balance of the monthly payment for principal, interest, taxes, insurance, and mortgage insurance premium due under the mortgage remaining unpaid after applying 20 per centum of the mortgagor's income; or

"(2) the difference between the amount of the monthly payment for principal, interest, and mortgage insurance premium which the mortgagor is obligated to pay under the mortgage and the monthly payment for principal and interest which the mortgagor would be obligated to pay if the mortgage were to bear interest at the rate of 1 per centum per annum.

"(d) Assistance payments to a mortgagee by the Secretary on behalf of a family holding membership in a cooperative association operating a housing project shall be made only during such time as the family is an occupant of such project and shall be in amounts computed on the basis of the formula set forth in subsection (c) applying the cooperative member's proportionate share of the obligations under the project mortgage to the items specified in the formula.

"(e) The Secretary may include in the payment to the mortgagee such amount, in addition to the amount computed under subsection (c), (d), or (j)(7), as he deems appropriate to reimburse the mortgagee for its expenses in handling the mortgage.

"(f) Procedures shall be adopted by the Secretary for recertifications of the mortgagor's (or cooperative member's) income at intervals of two years (or at shorter intervals where the Secretary deems is desirable) for the purpose of adjusting the amount of such assistance payments within the limits of the formula described in subsection (c).

"(g) The Secretary shall prescribe such regulations as he deems necessary to assure that the sales price of, or other consideration paid in connection with, the purchase by a homeowner of the property with respect to which assistance payments are to be made is not increased above the appraised value on which the maximum mortgage which the Secretary will insure is computed.

"(h)(1) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including such sums as may be necessary to make the assistance payments under contracts entered into under this section. The aggregate amount of contracts to make such payments shall not exceed amounts approved in appropriation Acts, and payments pursuant to such contracts shall not exceed $75,000,000 per annum prior to July 1, 1969, which maximum dollar amount shall be increased by $100,000,000 on July 1, 1969, and by $125,000,000, on July 1, 1970.

"(2) Not more than 20 per centum of the total amount of assistance payments authorized to be contracted to be made pursuant to appropriation Acts shall be contracted to be made on behalf of families whose incomes at the time of their initial occupancy exceed 135 per centum of the maximum income limits which can be established in the area, pursuant to the limitations prescribed in sections 2(2) and 15(7)(b)(ii) of the United States Housing Act of 1937, for initial occupancy in public housing dwellings, but the incomes of such families at the time of their initial occupancy shall in no case exceed 90 per centum of the limits prescribed by the Secretary for occupants of projects financed with mortgages insured under section 221(d)(3) which bear interest at the below-market interest rate prescribed in the proviso of section 221(d)(5). The limitations prescribed in this paragraph shall be administered by the Secretary so as to accord a preference to those families whose incomes are within the lowest practicable limits for achieving homeownership with assistance under this section. The Secretary shall report annually to the respective Committees on Banking and Currency of the Senate and House of Representatives with respect to the income levels of families on behalf of which assistance payments have been made under this section.

"(3) Notwithstanding the provisions of subsections (b)(2) and (i)(3)(A) with respect to the prior construction or rehabilitation of a dwelling, or of the project in which there is a dwelling unit, for which assistance payments may be made, and notwithstanding the provisions of subsection (j)(1) authorizing the purchase of housing which is neither deteriorating nor substandard, not more than—

"(A) 25 per centum of the total amount of contracts for assistance payments authorized by appropriation Acts to be made prior to July 1, 1969,

"(B) 15 per centum of the total additional amount of contracts for assistance payments authorized by appropriations Acts to be made prior to July 1, 1970, and

"(C) 10 per centum of the total additional amount of contracts for assistance payments authorized by appropriations Acts to be made prior to July 1, 1971,

may be made with respect to existing dwellings, or dwelling units in existing projects.

"(i)(1) The Secretary is authorized, upon application by the mortgagee, to insure a mortgage executed by a mortgagor who meets the eligibility requirements for assistance payments prescribed by the Secretary under subsection (b). Commitments for the insurance of such mortgages may be issued by the Secretary prior to the date of their execution or disbursement thereon, upon such terms and conditions as the Secretary may prescribe.

"(2) To be eligible for insurance under this subsection, a mortgage shall meet the requirements of section 221(d)(2) or 234(c), except as such requirements are modified by this subsection.

"(3) A mortgage to be insured under this subsection shall—

"(A) involve a single-family dwelling which has been approved by the Secretary prior to the beginning of construction or substantial rehabilitation, or a two-family dwelling one of the units of which is to be occupied by the owner if the dwelling is purchased with the assistance of a nonprofit organization and is approved by the Secretary prior to the beginning of substantial rehabilitation, or a one-family unit in a condominium project (together with an undivided interest in the common areas and facilities serving the project) which is released from a multifamily project, the construction or substantial rehabilitation of which has been completed within two years prior to the filing of the application for assistance payments with respect to such family unit and the unit has had no previous occupant other than the mortgagor: *Provided*, That the mortgage may involve an existing dwelling or a family unit in an existing condominium project which meets such standards as the Secretary may prescribe, if the mortgagor qualifies as a displaced family as defined in section 221(f), or a family which includes five or more minor persons, or a family occupying low-rent public housing: *Provided further*, That the mortgage may involve an existing dwelling or a family unit in an existing condominium project if assistance payments have been made on behalf of the previous owner of the dwelling or family unit with respect to a mortgage insured under subsection (j)(4): *Provided further*, That the mortgage may involve a dwelling unit in an existing project covered by a mortgage insured under section 236 or in an existing project receiving the benefits of financial assistance under section 101 of the Housing and Urban Development Act of 1965;

"(B) where it is to cover a one-family unit in a condominium project, have a principal obligation not exceeding $15,000 ($17,500 in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require), except that with respect to any family with five or more persons the foregoing limits shall be $17,500 and $20,000, respectively; and

"(C) be executed by a mortgagor who shall have paid (i) in the case of any family whose income is not in excess of 135 per centum of the maximum income limits which can be established in the area, pursuant to the limitations prescribed in sections 2(2) and 15(7)(b)(ii) of the United States Housing Act of 1937, for initial occupancy in public housing dwellings, at least $200, or (ii) in the case of any other family, at least 3 per centum (or such larger amount as the Secretary may require) of the Secretary's estimate of the cost of acquisition, which amount (in cash or its equivalent) in either instance may be applied for the payment of settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premiums, and other prepaid expenses.

"(j)(1) In addition to mortgages insured under the provisions of subsection (i), the Secretary is authorized, upon application by the mortgagee, to insure a mortgage (including advances under such mortgage during rehabilitation) which is executed by a nonprofit organization or public body or agency to finance the purchase of housing, and the rehabilitation of such housing if it is deteriorating or substandard, for subsequent resale to lower income home purchasers who meet the eligibility requirements for assistance payments prescribed by the Secretary under subsection (b). Commitments for the insurance of such mortgages may be issued by the Secretary prior to the date of their execution or disbursement thereon, upon such terms and conditions as the Secretary may prescribe.

"(2) To be eligible for insurance under paragraph (1) of this subsection, a mortgage shall—

"(A) be executed by a private nonprofit organization or public body or agency approved by the Secretary, for the purpose of financing the purchase (with the intention of subsequent resale), and rehabilitation where the housing involved is deteriorating or substandard, of property comprising one or more tracts or parcels, whether or not contiguous, consisting of (i) four or more single-family dwellings of detached, semidetached, or row construction, or (ii) four or more one-family units in a structure or structures for which a plan of family unit ownership approved by the Secretary is established; except that in a case not involving the rehabilitation of deteriorating or substandard housing the property purchased may consist of one or more such dwellings or units;

"(B) be in a principal amount not exceeding the appraised value of the property at the time of its purchase under the mortgage plus the estimated cost of any rehabilitation;

"(C) bear interest (exclusive of premium charges for insurance and service charge, if any) at not to exceed such per centum per annum (not in excess of 6 per centum), on the amount of the principal obligation outstanding at any time, as the Secretary finds necessary to meet the mortgage market;

"(D) provide for complete amortization (subject to paragraph (4)(E)) by periodic payments within such term as the Secretary may prescribe; and

"(E) provide for the release of individual single-family dwellings from the lien of the mortgage upon their sale in accordance with paragraph (4).

"(3) No mortgage shall be insured under paragraph (1) unless the mortgagor shall have demonstrated to the satisfaction of the Secretary that (A) the property involved is located in a neighborhood which is sufficiently stable and contains sufficient public facilities and amenities to support long-term values, or (B) the purchase or rehabilitation of such property plus the mortgagor's related activities and the activities of other owners of housing in the neighborhood, together with actions to be taken by public authorities, will be of such scope and quality as to give reasonable promise that a stable environment will be created in the neighborhood.

"(4)(A) No mortgage shall be insured under paragraph (1) unless the mortgagor enters into an agreement, satisfactory to the Secretary, that it will offer to sell the dwellings involved, after purchase and upon completion of any rehabilitation, to lower income individuals or families meeting the eligibility requirements established by the Secretary under subsection (b).

"(B) The Secretary is authorized to insure under this paragraph mortgages executed to finance the sale of individual dwellings to lower income purchasers as provided in subparagraph (A). Any such mortgage shall—

"(i) be in a principal amount not in excess of that portion of the unpaid principal balance of the blanket mortgage covering the property which is allocable to the individual dwelling involved;

"(ii) bear interest at the same rate as the blanket mortgage; and

"(iii) provide for complete amortization by periodic payments within a term equal to the remaining term (determined without regard to subparagraph (E)) of such blanket mortgage.

"(C) The price for which any individual dwelling is sold under this paragraph shall be in an amount equal to that portion of the unpaid principal balance of the blanket mortgage covering the property which is allocable to the dwelling plus such additional amount, not less than $200 (which may be applied in whole or in part toward closing costs and may be paid in cash or its equivalent), as the Secretary may determine to be reasonable.

"(D) Upon the sale under this paragraph of any individual dwelling, such dwelling shall be released from the lien of the blanket mortgage. Until all of the individual dwellings in the property covered by the blanket mortgage have been sold, the mortgagor shall hold and operate the dwellings remaining unsold at any given time, in such manner and under such terms as the Secretary may prescribe, as though they constituted rental units.

"(E) Upon the sale under this paragraph of all the individual dwellings in the property covered by the blanket mortgage and the release of all individual dwellings from the lien of the blanket mortgage, the insurance of the blanket mortgage shall be terminated and no adjusted premium charge shall be charged by the Secretary upon such termination.

"(5) Where the Secretary has approved a plan of family unit ownership, the terms 'single-family dwelling', 'single-family dwellings', 'individual dwelling', and 'individual dwellings' shall mean a family unit or family units, together with the undivided interest (or interests) in the common areas and facilities.

"(6) For purposes of this subsection, the terms 'single-family dwelling' and 'single-family dwellings' (except for purposes of paragraph (5)) shall include a two-family dwelling which has been approved by the Secretary if one of the units is to be occupied by the owner.

"(7) In addition to the assistance payments authorized under subsection (b), the Secretary may make such payments to a mortgagee on behalf of a nonprofit organization or public body or agency which is a mortgagor under the provisions of paragraph (1) in an amount not exceeding the difference between the monthly payment for principal, interest, and mortgage insurance premium which the mortgagor is obligated to pay under the mortgage and the monthly payment for principal and interest such mortgagor would be obligated to pay if the mortgage were to bear interest at the rate of 1 per centum per annum.

"(8) A mortgage covering property which is not deteriorating or substandard may be insured under this subsection only if it is situated in an area in which mortgages may be insured under section 221(h).

"(k) The Secretary shall from time to time allocate and transfer to the Secretary of Agriculture, for use (in accordance with the terms and conditions of this section) in rural areas and small towns, a reasonable portion of the total authority to contract to make assistance payments as approved in appropriation Acts under subsection (h)(1).

"(l) In determining the income of any person for the purposes of this section, there shall be deducted an amount equal to $300 for each minor person who is a member of the immediate family of such person and living with such family, and the earnings of any such minor person shall not be included in the income of such person or his family."

(b)(1) Section 221(d)(2)(A) of the National Housing Act is amended—

(A) by striking out "not to exceed (i) $12,500" and inserting in lieu thereof "not to exceed (i) $15,000 (or $17,500, if the mortgagor's family includes five or more persons)"; and

(B) by striking out "not to exceed $15,000" in the second proviso and inserting in lieu thereof "not to exceed $17,500 (or $20,000 if the mortgagor's family includes five or more persons)".

(2) Section 221(d)(2)(B) of such Act is amended—

(A) by inserting ", in cash or its equivalent" before the semicolon after "acquisition cost" in the first proviso; and

(B) by inserting before the semicolon after "appraised value" at the end thereof the following: ": *Provided further*, That, if the mortgagor is the owner and an occupant of the property, such mortgagor shall to the maximum extent feasible be given the opportunity to contribute the value of his labor as equity in such dwelling".

(c)(1) Section 221(h)(5)(B)(ii) of such Act is amended to read as follows:

"(ii) bear interest at the same rate as the principal mortgage or such lower rate, not less than 1 per centum, as the Secretary may prescribe if in his judgment the purchaser's income is sufficiently low to justify the lower rate, and provide for complete amortization within a term equal to the remaining term (determined without regard to subparagraph (E)) of such principal mortgage: *Provided*, That, if the rate of interest initially prescribed is less than the rate borne by the principal mortgage and the purchaser's income (as determined on the basis of periodic review) subsequently rises, the rate of interest so prescribed shall be increased (but not above the rate borne by such principal mortgage), under regulations of the Secretary, to the extent appropriate to reflect the increase in such income, and the mortgage shall so provide."

(2) Section 221(h)(4) of such Act is amended by striking out "$20,000,000" and inserting in lieu thereof "$50,000,000".

(3) Section 221(h) of such Act is further amended by adding at the end thereof the following new paragraph:

"(6) In addition to the mortgages that may be insured under paragraphs (1) and (5), the Secretary is authorized to insure under this subsection at any time within one year after the date of the enactment of this paragraph, upon such terms and conditions as he may prescribe, mortgages which are executed by individuals or families that meet the income criteria prescribed in paragraph (5)(A) and are executed for the purpose of financing the rehabilitation or improvement of single-family dwellings of detached, semidetached, or row construction that are owned and occupied in each instance by a mortgagor who has purchased the dwelling from a nonprofit organization of the type described in this subsection. To be eligible for such insurance, a mortgage shall—

"(A) be in a principal amount not exceeding the lesser of $15,000 or the sum of the estimated cost of repair and rehabilitation and the Secretary's estimate of the value of the property before repair and rehabilitation, except that in no case involving refinancing shall such mortgage exceed such estimated cost of repair and rehabilitation and the amount (as determined by the Secretary) required to refinance existing indebtedness secured by the property;

"(B) bear interest (exclusive of premium charges for insurance and service charge, if any) at 3 per centum per annum or such lower rate, not less than 1 per centum, as the Secretary may prescribe if in his judgment the mortgagor's income is sufficiently low to justify the lower rate: *Provided*, That, if the rate of interest initially prescribed is less than 3 per centum per annum and the mortgagor's income (as determined on the basis of periodic review) subsequently rises, the rate shall be increased (but not above 3 per centum), under regulations of the Secretary, to the extent appropriate to reflect the increase in such income, and the mortgage shall so provide;

"(C) involve a mortgagor that shall have paid on account of the property at the time of the rehabilitation such amount (which shall not be less than $200 in cash or its equivalent, but which may be applied in whole or in part toward closing costs) as the Secretary may determine to be reasonable and appropriate under the circumstances; and

"(D) contain a provision that, if the low-income mortgagor does not continue to occupy the property, the interest rate shall increase to the highest rate permissible under this section and the regulations of the Secretary effective at the time the commitment was issued for insurance of the mortgage; except that the increase in interest rate shall not be applicable if the property is sold and the purchaser is (i) a nonprofit organization which has been engaged in purchasing and rehabilitating deteriorating and substandard housing with financing under a mortgage insured under paragraph (1) of this subsection, (ii) a public housing agency having jurisdiction under the United States Housing Act of 1937 over the area where the dwelling is located, or (iii) a low-income purchaser approved for the purposes of this paragraph by the Secretary."

(4) The purchase of any individual dwelling, sold by a nonprofit organization pursuant to the provisions of section 221 (h)(5) of the National Housing Act after the date of enactment of this section, may be financed with a mortgage insured under the provisions of section 235(j)(4) of such Act, but such mortgage shall bear interest at the rate provided in section 235(j)(2)(C) of such Act.

(d) Section 212(a) of such Act is amended by inserting "or section 235(j)(1)" after "subsection (h)(1)" each place it appears.

(e) The Secretary of Housing and Urban Development is authorized to provide, or contract with public or private organizations to provide, such budget, debt management, and related counseling services to mortgagors whose mortgages are insured under section 235(i) or 235(j)(4) of the National Housing Act as he determines to be necessary to assist such mortgagors in meeting the responsibilities of homeownership. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

CREDIT ASSISTANCE

SEC. 102. (a) Title II of the National Housing Act is amended by adding after section 236 (as added by section 201 of this Act) the following new section:

"SPECIAL MORTGAGE INSURANCE ASSISTANCE

"SEC. 237. (a) The purpose of this section is to help provide adequate housing for families of low and moderate income, including those who, for reasons of credit history, irregular income patterns caused by seasonal employment, or other factors, are unable to meet the credit requirements of the Secretary for the purchase of a single-family home financed by a mortgage insured under section 203, 220, 221, 234, or 235(j)(4), but who, through the incentive of homeownership and counseling assistance, appear to be able to achieve homeownership.

"(b) The Secretary is authorized upon application by the mortgagee to insure under this section any mortgage meeting the requirements of this section.

"(c) To be eligible for insurance under this section, a mortgage shall—

"(1) meet the requirements of section 203, (except subsection (m)), 220(d)(3)(A), 221 (d)(2), 221(h)(5), 221(i), 234(c), or 235(j) (4), except as such requirements are modified by this section;

"(2) involve a principal obligation (including such initial service charges, and such appraisal, inspection, and other fees, as the Secretary shall approve) in an amount not to exceed $15,000: *Provided*, That the Secretary may increase the amount to not exceed $17,500 in any geographical area where he finds that cost levels so require: *Provided further*, That no mortgage meeting the requirements of section 203(h) or 203(i) shall be eligible for insurance under this section if its principal obligation is in excess of the maximum limits prescribed in such section;

"(3) be executed by a mortgagor who the Secretary has determined, after a full and complete study of the case, would not be an acceptable credit risk for mortgage insurance purposes under section 203, 220, 221, 234, or 235(j)(4), because of his credit standing, debt obligations, total annual income, or income characteristics, but who the Secretary is satisfied would be a reasonably satisfactory credit risk, consistent with the objectives stated in subsection (a), if he were to receive budget, debt management, and related counseling: *Provided*, That, in determining whether the mortgagor is a reasonably satisfactory credit risk, the Secretary shall review the credit history of the applicant giving special consideration to those delinquent accounts which were ultimately paid by the applicant and to extenuating factors which may have caused credit accounts of the applicant to become delinquent; and the Secretary shall also give special consideration to income characteristics of applicants whose total income over the two years prior to their applications has remained at levels of eligibility (as required under paragraph (4) of this subsection), but who, because of the character of their seasonal employment or for other reasons, have not maintained continuous employment under one employer during that time; and

"(4) require monthly payments which, in combination with local real estate taxes on the property involved, do not exceed 25 per centum of the applicant's income, based on his average monthly income during the year prior to his application or the average monthly income during the three years prior to his application, whichever is higher.

"(d) The Secretary shall give preference in approving mortgage insurance applications under this section to families living in public housing units, especially those families required to leave public housing because their incomes have risen beyond the maximum prescribed income limits, and families eligible for residence in public housing who have been displaced from federally assisted urban renewal areas.

"(e) The Secretary is authorized to provide, or contract with public or private organizations to provide, such budget, debt management, and related counseling services to mortgagors whose mortgages are insured under this section as he determines to be necessary to meet the objectives of this section. The Secretary may also provide such counseling to otherwise eligible families who lack sufficient funds to supply a downpayment to help them to save an amount necessary for that purpose.

"(f) The aggregate principal balance of all mortgages insured under this section and outstanding at one time shall not exceed $200,000,000.

"(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of subsection (e) of this section."

(b) Section 226 of the National Housing Act is amended by inserting "235(i), 237," after "234,".

RELAXATION OF MORTGAGE INSURANCE REQUIREMENTS IN CERTAIN URBAN NEIGHBORHOODS

SEC. 103. (a) Section 223 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"(e) Notwithstanding any of the provisions of this title except section 212, and without regard to limitations upon eligibility contained in any section of this title, the Secretary is authorized, upon application by the mortgagee, to insure under any section of this title a mortgage executed in connection with the repair, rehabilitation, construction, or purchase of property located in an older, declining urban area in which the conditions are such that one or more of the eligibility requirements applicable to the section of this title under which insurance is sought could not be met, if the Secretary finds that (1) the area is reasonably viable, giving consideration to the need for providing adequate housing for families of low and moderate income in such area, and (2) the property is an acceptable risk in view of such consideration. The insurance of a mortgage pursuant to this subsection shall be the obligation of the Special Risk Insurance Fund."

(b) Section 203(l) of such Act is repealed.

SPECIAL RISK INSURANCE FUND

SEC. 104. (a) Title II of the National Housing Act is amended by adding after section 237 (as added by section 102 of this Act) the following new section:

"PAYMENT OF INSURANCE—SPECIAL RISK INSURANCE FUND

"SEC. 238. (a)(1) Any mortgagee under a mortgage insured under section 235(i), 235(j)(4), or 237 shall be entitled to receive the benefits of the insurance as provided in section 204(a) with respect to mortgages insured under section 203. The provisions of subsections (b), (c), (d), (g), (j), and (k), of section 204 shall be applicable to mortgages insured under section 235(i), 235(j)(4), or 237, except that all references therein to the 'Mutual Mortgage Insurance Fund' shall be construed to refer to the 'Special Risk Insurance Fund', and all references therein to section 203 shall be construed to refer to section 235(i), 235(j)(4), or 237, as may be appropriate.

"(2) Any mortgagee under a mortgage insured under section 235(j)(1) or 236 shall be entitled to receive the benefits of insurance as provided in section 207(g) with respect to mortgages insured under section 207. The provisions of subsections (d), (e), (h), (i), (j), (k), (l), and (n) of section 207 shall be applicable to mortgages insured under section 235(j)(1) or 236, except that all references therein to the 'General Insurance Fund' shall be construed to refer to the 'Special Risk Insurance Fund' and the premium charge provided in section 207(d) shall be payable only in cash or debentures of the Special Risk Insurance Fund.

"(3) In lieu of the amount of insurance benefits computed pursuant to paragraph (1) or (2) of this subsection the Secretary, in his discretion and in accordance with such regulations as he may prescribe may, (with respect to any mortgage loan acquired by him) compute and pay insurance benefits to the mortgagee in a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Secretary and made previously by the mortgagee under the provisions of the mortgage.

"(b) There is hereby created a Special Risk Insurance Fund (hereinafter referred to as the 'fund') which shall be used by the Secretary as a revolving fund for carrying out the mortgage insurance obligations of sections 223(e), 233(a)(2), 235, 236, and 237, and the Secretary is hereby authorized to advance to the fund the sum of $5,000,000 from the General Insurance Fund established pursuant to the provisions of section 519. Such advance shall be repayable at such times and at such rates of interest as the Secretary deems appropriate. Premium charges, adjusted premium charges, inspection and other fees, service charges, and any other income received by the Secretary under sections 223(e), 233(a)(2), 235, 236, and 237, together with all earnings on the assets of the fund, shall be credited to the fund. All payments made pursuant to claims of mortgagees with respect to mortgages insured under sections 233(a)(2), 235, 236, and 237 or pursuant to section 223(e), cash adjustments, the principal of and interest paid on debentures which are the obligation of the fund, expenses incurred in connection with or as a consequence of the acquisition and disposal of property acquired under such sections, and all administrative expenses in connection with the mortgage insurance operations under such sections shall be paid out of the fund. There is authorized to be appropriated such sums as may be needed from time to time to cover losses sustained by the fund in carrying out the mortgage insurance obligations of sections 223(e), 233(a)(2), 235, 236, and 237. Moneys in the fund not needed for current operations of the fund shall be deposited with the Treasurer of the United States to the credit of the fund or invested in bonds or other obligations of, or in bonds or other obligations guaranteed by, the United States. The Secretary, with the approval of the Secretary of the Treasury, may purchase in the open market debentures which are the obligation of the fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtained from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued."

(b) Section 224 of such Act is amended by striking out "or section 233" and inserting in lieu thereof "section 233, or section 238".

(c) Section 519(e) of such Act is amended by inserting after "section 213(k)" the following: ", or the provisions of sections 223(e), 233(a)(2), 235, 236 and 237".

CONDOMINIUM AND COOPERATIVE OWNERSHIP FOR LOW AND MODERATE INCOME FAMILIES

SEC. 105. (a) Section 221 of the National Housing Act is amended by adding at the end thereof two new subsections as follows:

"(i)(1) The Secretary is authorized, with respect to any project involving a mortgage insured under subsection (d)(3) which bears interest at the below-market interest rate prescribed in the proviso of subsection (d)(5), to permit a conversion of the ownership of such project to a plan of family unit ownership. Under such plan, each family unit shall be eligible for individual ownership and provision shall be included for the sale of the family units, together with an undivided interest in the common areas and facilities which serve the project, to low or moderate income purchasers. The Secretary shall obtain such agreements as he determines to be necessary to assure continued maintenance of the common areas and facilities. Upon such sale, the family unit and the undivided interest in the common areas shall be released from the lien of the project mortgage.

"(2)(A) The Secretary is authorized, upon application by the mortgagee, to insure under this subsection mortgages financing the purchase of individual family units under the plan prescribed in paragraph (1). Commitments may be issued by the Secretary for the insurance of such mortgages prior to the date of their execution or disbursement thereon, upon such terms and conditions as the Secretary may prescribe. To be eligible for such insurance, the mortgage shall—

"(i) be executed by a mortgagor having an income within the limits prescribed by the Secretary for occupants of projects financed with a mortgage insured under subsection (d)(3) which bears interest at the below-market rate prescribed in the proviso of subsection (d)(5);

"(ii) involve a principal obligation (including such initial service charges, and such appraisal, inspection, and other fees, as the Secretary shall approve) in an amount not to exceed the Secretary's estimate of the appraised value of the family unit, including the mortgagor's interest in the common areas and facilities, as of the date the mortgage is accepted for insurance;

"(iii) bear interest at a rate determined by the Secretary (which may vary in accordance with the regulations of the Secretary promulgated pursuant to the last sentence of paragraph (4) of this subsection) but not less than the below-market rate in effect under the proviso of subsection (d)(5) at the date of the commitment for insurance; and

"(iv) provide for complete amortization by periodic payments within such term as the Secretary may prescribe, but not to exceed the lesser of forty years from the beginning of amortization of the mortgage or three-quarters of the Secretary's estimate of the remaining economic life of the building improvements.

"(B) The price for which the individual family unit is sold to the low or moderate income purchaser shall not exceed the appraised value of the property, as determined under subparagraph (A) (ii), except that the purchaser shall be required to pay on account of the property at the time of purchase at least such amount, in cash or its equivalent (which shall be not less than 3 per centum of such price, but which may be applied in whole or in part toward closing costs), as the Secretary may determine to be reasonable and appropriate.

"(3) Upon the sale of all of the family units covered by the project mortgage, and the release of all of the family units (including the undivided interest allocable to each unit in the common areas and facilities) from the lien of the project mortgage, the insurance of the project mortgage shall be terminated and no adjusted premium charge shall be collected by the Secretary upon such termination.

"(4) Any mortgage covering an individual family unit insured under this subsection shall contain a provision that, if the original mortgagor does not continue to occupy the property, the interest rate shall increase to the highest rate permissible under this section and the regulations of the Secretary effective at the time the commitment was issued for the insurance of the project mortgage; except that the requirement for an increase in interest rate shall not be applicable if the property is sold and the purchaser is (i) a nonprofit purchaser approved by the Secretary, or (ii) a low or moderate income purchaser who has an income within the limits prescribed by the Secretary for occupants of projects financed with a mortgage insured under subsection (d)(3) which bears interest at the below-market rate prescribed in the proviso of subsection (d)(5). The mortgage shall also contain a provision that, if the Secretary determines that the annual income of the original mortgagor (or a purchaser described in clause (ii) of the preceding sentence) has increased to an amount enabling payment of a greater rate of interest, the interest rate of the individual mortgage may be increased up to the highest rate permissible under the regulations of the Secretary for mortgages insured under this section effective at the time the commitment was issued for the insurance of the mortgage.

"(5) For the purpose of this subsection—

"(i) the term 'mortgage', when used in relation to a mortgage insured under paragraph (2) of this subsection, includes a first mortgage given to secure the unpaid purchase price of a fee interest in, or a long-term lease-hold interest in, a one-family unit in a multifamily project and an undivided interest in the common areas and facilities which serve the project; and

"(ii) the term 'common areas and facilities' includes the land and such commercial, community, and other facilities as are approved by the Secretary.

"(j)(1) The Secretary is authorized, with respect to any rental project involving a mortgage insured under subsection (d)(3) which bears interest at the below-market interest rate prescribed in the proviso of subsection (d)(5), to permit a conversion of the ownership of such project to a cooperative approved by the Secretary. Membership in such cooperative shall be made available only to those families having an income within the limits prescribed by the Secretary for occupants of projects financed with a mortgage insured under subsection (d)(3) which bears interested at such below-market rate: *Provided,* That families residing in the rental project at the time of its conversion to a cooperative who do not meet such income limits may be permitted to become members in the cooperative under such special terms and conditions as the Secretary may prescribe.

"(2) The Secretary is authorized, upon application by the mortgagee, to insure under this subsection cooperative mortgages financing the purchase of projects meeting the requirements of paragraph (1). Commitments may be issued by the Secretary for the insurance of such mortgages prior to the date of their execution or disbursement thereon, upon such terms and conditions as the Secretary may prescribe. To be eligible for such insurance, the mortgage shall—

"(i) involve a principal obligation (including such initial service charges and appraisal, inspection, and other fees as the Secretary shall approve) in an amount not exceeding the appraised value of the property for continued use as a cooperative, which value shall be based upon a mortgage amount on which the debt service can be met from the income of the property when operated on a nonprofit basis, after the payment of all operating expenses, taxes, and required reserves;

"(ii) bear interest at the below-market rate prescribed in the proviso of subsection (d)(5); and

"(iii) provide for complete amortization within such term as the Secretary may prescribe."

(b) Section 221(g)(1) of such Act is amended by striking out "or paragraph (5) of subsection (h) of this section" and inserting in lieu thereof "paragraph (5) of subsection (h) of this section, or paragraph (2) of subsection (i) of this section".

(c) Section 221(g)(2) of such Act is amended by striking out "or paragraph (1) of subsection (h)" and inserting in lieu thereof "paragraph (1) of subsection (h) of this section, or paragraph (2) of subsection (j),".

(d) Section 221(*f*) of such Act is amended by inserting after "subsection (h)" in the third sentence of the second paragraph the following: ", (i), or (j)".

ASSISTANCE TO NONPROFIT SPONSORS OF LOW AND MODERATE INCOME HOUSING

Sec. 106. (a) The Secretary of Housing and Urban Development is authorized to provide, or contract with public or private organizations to provide, information, advice, and technical assistance with respect to the construction, rehabilitation, and operation by nonprofit organizations of housing for low or moderate income families. Assistance by the Secretary may include—

(1) the assembly, correlation, publication, and dissemination of information with respect to the construction, rehabilitation, and operation of low and moderate income housing, and

(2) the provision of advice and technical assistance with respect to the construction, rehabilitation, and operation of low and moderate income housing.

(b)(1) The Secretary is authorized to make loans to nonprofit organizations for the necessary expenses, prior to construction, in planning, and obtaining financing for, the rehabilitation or construction of housing for low or moderate income families under any federally assisted program. Such loans shall be made without interest and shall not exceed 80 per centum of the reasonable costs expected to be incurred in planning, and in obtaining financing for, such housing prior to the availability of financing, including, but not limited to, preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site acquisition, application and mortgage commitment fees, and construction loan fees and discounts. The Secretary shall require repayment of loans made under this subsection, under such terms and conditions as he may require, upon completion of the project or sooner, and may cancel any part or all of a loan if he determines that it cannot be recovered from the proceeds of any permanent loan made to finance the rehabilitation or construction of the housing.

(2) The Secretary shall determine prior to the making of any loan that the nonprofit organization meets such requirements with respect to financial responsibility and stability as he may prescribe.

(3) There are authorized to be appropriated for the purposes of this subsection not to exceed $7,500,000 for the fiscal year ending June 30, 1969, and not to exceed $10,000,000 for the fiscal year ending June 30, 1970. Any amounts so appropriated shall remain available until expended, and any amounts authorized for any fiscal year under this paragraph but not appropriated may be appropriated for any succeeding fiscal year.

(4) All funds appropriated for the purposes of this subsection shall be deposited in a fund which shall be known as the Low and Moderate Income Sponsor Fund, and which shall be available without fiscal year limitation and be administered by the Secretary as a revolving fund for carrying out the purposes of this subsection. Sums received in repayment of loans made under this subsection shall be deposited in such fund.

NATIONAL HOMEOWNERSHIP FOUNDATION

Sec. 107. (a)(1) There is hereby created a body corporate to be known as the "National Homeownership Foundation" (hereinafter referred to as the "Foundation") to carry out a continuing program of encouraging private and public organizations at the national, community, and neighborhood levels to provide increased homeownership and housing opportunities in urban and rural areas for lower income families through such means as—

(A) encouraging the investment in, and sponsoring of, housing for lower income families;

(B) encouraging the establishment of programs of assistance and counseling to lower income families to enable them better to achieve and afford adequate housing;

(C) providing a broad range of technical assistance through publications and advisory services to public and private organizations which are carrying out, or are desirous of carrying out, programs to expand homeownership and housing opportunities for lower income families; and

(D) providing grants and loans to public and private organizations carrying out homeownership and housing opportunity programs for lower income families to help cover some of the expenses of such programs.

(2) The Foundation shall be deemed to be a corporation without members organized and established under the provisions of the District of Columbia Nonprofit Corporation Act, with all the rights, powers, and responsibilities thereof except as limited by this section and any amendments thereto. This section shall constitute the articles of incorporation and charter of the Foundation, which shall not be an agency or instrumentality of the United States Government. The Congress expressly reserves the exclusive right to alter or amend this charter. The Foundation shall have succession until dissolved by Act of Congress. The Foundation shall maintain its principal office in the District of Columbia.

(3) No part of the net earnings of the Foundation shall inure to the benefit of any private person, and no substantial part of its activities shall be devoted to attempting to influence legislation. The Foundation shall not participate or intervene in any political campaign on behalf of any candidate for public office. The Foundation shall be operated and administered at all times as a charitable and educational foundation.

(4) No employee or officer of the Foundation shall receive compensation in excess of that received by or hereafter prescribed by law for heads of executive departments.

(5) The Foundation shall make maximum use of existing public and private agencies and programs, and in carrying out its functions the Foundation is authorized to contract with individuals, private corporations, organizations, and associations, and with agencies of the Federal, State, and local governments.

(6) The Foundation is authorized to receive donations and grants from individuals and from public and private organizations, foundations, and agencies.

(7) The Foundation may use only donated funds, or funds derived from payment of interest on loans made by it, for the principal and interest payments on any borrowings.

(b)(1) The Foundation shall have a Board of Directors consisting of eighteen members, fifteen of whom shall be appointed by the President of the United States, with the advice and consent of the Senate. The other three members shall be, ex officio, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Director of the Office of Economic Opportunity. The President shall appoint one of the fifteen appointed members to serve as Chairman of the Board during his term of office as a member.

(2) Within thirty days after the date of enactment of this Act, the President shall appoint the fifteen appointed members of the Board. Not more than five of such members shall, at the time of their appointment, be serving full time as officers or employees of the Federal Government, or as officers or employees of any State or local government. Each appointed member of the Board shall hold office for a term of three years, except that (A) any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (B) the terms of the members first taking office shall expire, as designated by the President at the time of appointment, five at the end of the first year, five at the end of the second year, and five at the end of the third year after the date of appointment. Members of the Board, however appointed, shall be eligible for reappointment, but at no time shall there be more than five members of the Board who at the time of their appointment or reappointment were full-time officers or employees of the Federal Government or of any State or local government.

(3) Appointed members of the Board who are not employees of the Federal Government, while attending meetings or conferences of the Board or otherwise serving on business of the Board, shall be entitled to receive compensation at rates fixed by the President, but not exceeding $100 per day, including travel time, and while so serving away from their homes or regular places of business they may be allowed travel ex-

penses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(4) The Board shall appoint an Executive Director of the Foundation. The Executive Director shall be the chief executive officer of the Foundation and shall serve at the pleasure of the Board, and all other executive officers and employees of the Board shall be responsible to him. The Board shall also cause to be appointed a secretary, a treasurer, and such other officers as may be necessary to conduct properly the business of the Foundation, and shall provide for filling vacancies in such offices.

(5) The Board shall adopt bylaws for the Foundation which shall be made available for public inspection upon request.

(c) (1) The Foundation shall assist public and private organizations, at their request, in initiating, developing, and conducting programs to expand homeownership and housing opportunities for lower income families. To provide such assistance and to carry out the purposes of this section, the Foundation is authorized to—

(A) carry out a continuing program of encouraging private and public organizations at the national, community, and neighborhood levels in the establishment of such programs;

(B) assist in the formation of organizations the purpose of which is the development and carrying out of such programs, including the establishment of local development funds for financing housing for lower income families through the pooling of moneys from private sources;

(C) identify and arrange for the technical and managerial assistance and personnel needed for the successful operation of such programs by public and private organizations;

(D) assist public and private organizations in obtaining the mortgage financing, insurance, and other requirements or aids necessary for conducting programs of housing construction, rehabilitation, or improvement for lower income families;

(E) arrange for, or provide on a limited basis, training for persons in the skills needed in administering programs of homeownership and housing opportunity for lower income families;

(F) encourage research and innovation, and collect and make available such information as may be desirable to further the purposes of this section, including but not limited to such activities as the sponsoring of seminars, conferences, and meetings and the establishment of a continuing information program to acquaint lower income families with the means they can use to improve the quality of their housing and the homeownership and housing opportunities available to them;

(G) assist private and public organizations in establishing, in connection with their homeownership and housing opportunity programs for lower income families, counseling and similar activities designed to advise lower income families of the means available to better themselves economically through job training and manpower development programs; and

(H) perform other similar services in order to further the purposes of this section.

(2) The Foundation may, if it deems it appropriate, charge a reasonable fee for any assistance or service provided under this subsection.

(d) (1) In order to assist public and private organizations which are carrying out homeownership and housing opportunity programs for lower income families to fill unmet needs, initiate exceptional programs, and experiment with new approaches and programs, the Foundation is authorized, subject to such terms and conditions as it may prescribe, to make grants and loans to such organizations to help defray the following expenses:

(A) organizational and administrative expenses incurred in commencing the operation of a program, or in expanding an existing program, to the extent that the activities are related to providing homeownership and housing opportunities for lower income families;

(B) necessary preconstruction costs incurred for architectural assistance, land options, application fees, and similar items; and

(C) the cost of carrying out programs providing counseling or similar services to lower income families for whom housing is being provided, in order to enable those families better to achieve and afford adequate housing, in such matters as home management, budget management, and home maintenance.

(2) In order to be eligible for a grant or loan under this subsection, the organization seeking such assistance shall demonstrate to the satisfaction of the Foundation that the funds requested are not otherwise available from Federal sources: *Provided*, That a grant or loan under this subsection may be provided to help cover that portion of the cost of an eligible activity not covered by Federal funds.

(3) The Foundation shall encourage cooperation between public and private organizations carrying out programs of homeownership and housing opportunity for lower income families and the neighborhoods and communities affected by such programs. To help assure such cooperation and in order to coordinate, to the maximum extent feasible, any construction or rehabilitation activities with the development goals of the neighborhood or community affected, no application for a loan or grant under this subsection shall be considered unless such application has been submitted to the governing body of the community affected, or to such other entity of local government as may be designated by the governing body, for such recommendations as the local governing body or its designee may desire to make. Any recommendations so made shall be given careful consideration by the Foundation before taking final action on any such application. If, upon the expiration of thirty days after any such application has been submitted to such governing body or its designee, such body or designee fails to provide such recommendations, the application may be considered without the benefit of such recommendations.

(e) The Foundation shall coordinate its activities and consult with the Department of Housing and Urban Development and other Federal departments and agencies engaged in providing homeownership and housing opportunities for lower income families.

(f) (1) Not later than one hundred and twenty days after the close of each fiscal year, the Foundation shall prepare and submit to the President and to the Congress a full report of its activities during such year. Such report shall include an account of the Foundation's experiences with the efforts of private and public organizations to expand homeownership and housing opportunities for lower income families, together with such recommendations as it deems appropriate.

(2) Whenever in its judgment the general unavailability of mortgage funds is sufficiently serious to deter the Foundation from carrying out its objective of expanding homeownership and housing opportunities for lower income families, the Foundation shall, in its annual report or in a separate report to the President and the Congress, state its findings and make such recommendations for alternate means of financing housing for such families as it deems appropriate.

(g) (1) The financial transactions of the Foundation shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Foundation and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. The audit shall cover the fiscal year corresponding to that of the United States Government.

(2) A report of each such audit shall be made by the Comptroller General to the Congress not later than January 15 following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and shall include a statement of assets and liabilities, capital, and surplus or deficit; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep the Congress informed of the operations and financial condition of the Foundation, together with such recommendations with respect thereto as the Comptroller General may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking, observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President and to the Foundation at the time submitted to the Congress.

(h) Funds of the Foundation shall be deposited, to the extent practicable, in accounts with financial institutions which are actively engaged in making loans or are otherwise carrying on activities in furtherance of homeownership and housing opportunities for lower income families.

(i) There is authorized to be appropriated to the Foundation not to exceed $10,000,000 to carry out the purposes of this section. Appropriations made hereunder shall remain available until expended.

NEW TECHNOLOGIES IN THE DEVELOPMENT OF HOUSING FOR LOWER INCOME FAMILIES

SEC. 108. (a) In order to encourage the use of new housing technologies in providing decent, safe, and sanitary housing for lower income families; to encourage large-scale experimentation in the use of such technologies; to provide a basis for comparison of such technologies with existing housing technologies in providing such housing; and to evaluate the effect of local housing codes and zoning regulations on the large-scale use of new housing technologies in the provision of such housing, the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall institute a program under which qualified organizations, public and private, will submit plans for the development of housing for lower income families, using new and advanced technologies, on Federal land which has been made available by the Secretary for the purposes of this section, or on other land where (1) local building regulations permit the construction of experimental housing, or (2) State or local law permits variances from building regulations in the construction of experimental housing for the purpose of testing and developing new building technologies.

(b) The Secretary shall approve not more than five plans utilizing new housing technologies which are submitted to him pursuant to the program referred to in subsection (a) and which he determines are most promising in furtherance of the purposes of this section. In making such determination the Secretary shall consider—

(1) the potential of the technology employed for producing housing for lower income families on a large scale at a moderate cost;

(2) the extent to which the plan envisages environmental quality;

(3) the possibility of mass production of the technology; and

(4) the financial soundness of the organization submitting the plan, and the ability of such organization, alone or in combination with other organizations, to produce at least one thousand dwelling units a year utilizing the technology proposed.

(c) In approving projects for mortgage insurance under section 233(a)(2) of the National Housing Act (as added by subsection (f) of this section), the Secretary shall seek to achieve the construction of at least one thousand dwelling units a year over a five-year period for each of the various types of technologies proposed in approved plans under subsection (b). The Secretary shall evaluate each project with respect to which assistance is extended pursuant to this section with a view to determining (1) the detailed cost breakdown per dwelling unit, (2) the environmental quality achieved in each such unit, and (3) the effect which local housing codes and zoning regulations have, or would have if applicable, on the cost per dwelling unit.

(d) Notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949, any land which is excess property within the meaning of such Act and which is determined by the Secretary to be suitable in furtherance of the purposes of this section may be transferred to the Secretary upon his request.

(e) The Secretary shall, at the earliest practicable date, report his findings with respect to projects assisted pursuant to this section (including evaluations of each such project in accordance with subsection (c)), together with such recommendations for additional legislation as he determines to be necessary or desirable to expand the available supply of decent, safe, and sanitary housing for lower income families through the use of technologies the efficacy of which has been demonstrated under this section.

(f)(1) Section 233(a) of the National Housing Act is amended—

(A) by inserting "(1)" after "(a)",

(B) by redesignating clauses (1), (2), and (3) as clauses (A), (B), and (C), respectively, and

(C) by adding at the end thereof the following new paragraph:

"(2) The Secretary is further authorized to insure and to make commitments to insure, under this section, mortgages (including advances on mortgages during construction) secured by properties in projects to be carried out in accordance with plans approved by the Secretary under section 108 of the Housing and Urban Development Act of 1968.".

(2) Section 233(c) of such Act is amended by inserting at the end thereof the following new sentence: "Any authority which the Secretary may exercise in connection with a mortgage, or property covered by a mortgage, insured under any other section of this title (including payments to reduce rentals for, or to facilitate homeownership by, lower income families) may be exercised in connection with a mortgage, or property covered by a mortgage, meeting the requirements of such other section (except as specified in subsection (b)), which is insured under this section to the same extent and in the same manner as if the mortgage insured under this section was insured under such other section."

INSURANCE PROTECTION FOR HOMEOWNERS

SEC. 109. (a) The Secretary of Housing and Urban Development is authorized, in cooperation with the private insurance industry, to develop a plan for the establishment at the earliest practicable date of an insurance program to help homeowners in meeting mortgage payments in times of personal economic adversity. Such insurance program shall be designed to protect mortgagors against foreclosure due to curtailment of income resulting from factors beyond their effective control, including such factors as death, disability, illness, and unemployment. Such insurance program shall also be designed to be actuarially sound through the use of premiums, fees, extended or increased payment schedules, or other similar methods, in conjunction with such Federal participation as may be necessary.

(b) Within six months following the date of enactment of this Act, the Secretary shall report to the Congress on his actions under this section, and shall recommend to the Congress such legislation as he deems appropriate to authorize him to enter into agreements with any insurance company, or any corporation or joint enterprise formed to provide home mortgage insurance protection, for the purpose of reinsuring insurance reserve funds, subsidizing premium payments on behalf of lower income mortgagors, or otherwise making possible the insurance protection of homeowners in accordance with subsection (a). In preparing such recommendations the Secretary shall consult with other agencies or instrumentalities of the United States which insure or guarantee home mortgages in order that such legislation as may be recommended affords equal benefits to mortgagors participating in their programs.

NATIONAL ADVISORY COMMISSION ON LOW INCOME HOUSING

SEC. 110. (a)(1) There is hereby established the National Advisory Commission on Low Income Housing (hereinafter referred to as the "Commission"). The Commission shall be composed of twenty-one members as follows:

(A) Four members appointed by the President of the Senate, two from the majority party and two from the minority party;

(B) Four members appointed by the Speaker of the House of Representatives, two from the majority party and two from the minority party; and

(C) Thirteen members appointed by the President, not more than three of whom shall be from the Federal Government, and of whom four shall be representative of persons, eligible for low income housing. Appointment shall be made by the President, whenever practicable, after consultation with the ranking majority and minority members of the Housing Subcommittees of the Committees on Banking and Currency of the Senate and House of Representatives.

(2) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(3) Eleven members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

(4) The members of the Commission shall elect a Chairman and a Vice Chairman from the membership of the Commission.

(b)(1) The Commission shall undertake a comprehensive study and investigation, to further the policy set forth in section 2 of this Act, of practicable and effective ways of bringing decent, safe, and sanitary housing within the reach of low income families. Such study shall evaluate existing housing programs designed to assist such families, and explore new ways by which public and private resources may be more effectively utilized in meeting the housing needs of such families. In the carrying out of such study, the Commission may, where necessary or desirable, utilize the services of private research organizations, and shall, insofar as is practicable, seek to coordinate its investigation with studies undertaken, or being undertaken by the Banking and Currency Committees of the Senate and House of Representatives.

(2) The Commission shall be organized and begin its functions at the earliest possible date, and shall submit to the President and to the Congress an interim report with respect to its findings and recommendations not later than July 1, 1969. A final report of its findings and recommendations shall be submitted to the President and the Congress not later than July 1, 1970.

(c)(1) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member authorized by the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(2) Each department, agency, and instrumentality of the executive branch of the Government is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this section.

(3) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates shall have the power—

(1) to appoint and fix the compensation of such staff personnel as he deems necessary, and

(2) to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $50 a day for individuals.

(d)(1) Any member of the Commission who is appointed from the executive or legislative branch of the Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of duties vested in the Commission.

(2) Members of the Commission, other than those referred to in paragraph (1), shall receive compensation at the rate of $75 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reinbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission.

(e) There are authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this section.

(f) The Commission shall cease to exist thirty days after the submission of its final report.

TITLE II—RENTAL HOUSING FOR LOWER INCOME FAMILIES

PART A—PRIVATE HOUSING

RENTAL AND COOPERATIVE HOUSING FOR LOWER INCOME FAMILIES

SEC. 201. (a) Title II of the National Housing Act is amended by adding after section 235 (as added by section 101 of this Act) the following new section:

"RENTAL AND COOPERATIVE HOUSING FOR LOWER INCOME FAMILIES

"SEC. 236. (a) For the purpose of reducing rentals for lower income families, the Secretary is authorized to make, and to contract to make, periodic interest reduction payments on behalf of the owner of a rental housing project designed for occupancy by lower income families, which shall be accomplished through payments to mortgagees holding mortgages meeting the special requirements specified in this section.

"(b) Interest reduction payments with respect to a project shall only be made during such time as the project is operated as a rental housing project and is subject to a mortgage which meets the requirements of, and is insured under, subsection (j) of this section: *Provided*, That interest reduction payments may be made with respect to a rental or cooperative housing project owned by a private nonprofit corporation or other private nonprofit entity, a limited dividend corporation or other limited dividend entity, or a cooperative housing corporation, which is financed under a State or local program providing assistance through loans, loan insurance, or tax abatements, and which prior to completion of construction or rehabilitation is approved for receiving the benefits of this section.

"(c) The interest reduction payments to a mortgagee by the Secretary on behalf of a project owner shall be in an amount not exceeding the difference between the monthly payment for principal, interest, and mortgage insurance premium which the project owner as a mortgagor is obligated to pay under the mortgage and the monthly payment for principal and interest such project owner would be obligated to pay if the mortgage were to bear interest at the rate of 1 per centum per annum.

"(d) The Secretary may include in the payment to the mortgagee such amount, in addition to the amount computed under subsection (c), as he deems appropriate to reimburse the mortgagee for its expenses in handling the mortgage.

"(e) As a condition for receiving the benefits of interest reduction payments, the project owner shall operate the project in accordance with such requirements with respect to tenant eligibility and rents as the Secretary may prescribe. Procedures shall be adopted by the Secretary for review of tenant incomes at intervals of two years (or at shorter intervals where the Secretary deems it desirable).

"(f) For each dwelling unit there shall be established with the approval of the Secretary (1) a basic rental charge determined on the basis of operating the project with payments of principal and interest due under a mortgage bearing interest at the rate of 1 per centum per annum; and (2) a fair market rental charge determined on the basis of operating the project with payments of principal, interest, and mortgage insurance premium which the mortgagor is obligated to pay under the mortgage covering the project. The rental for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the fair market rental charge, as represents 25 per centum of the tenant's income.

"(g) The project owner shall, as required by the Secretary, accumulate, safeguard, and periodically pay to the Secretary all rental charges collected in excess of the basic rental charges. Such excess charges shall be deposited by the Secretary in a fund which may be used by him as a revolving fund for the purpose of making interest reduction payments with respect to any rental housing project receiving assistance under this section, subject to limits approved in appropriation Acts pursuant to to subsection (i). Moneys in such fund not needed for current operations may be invested in bonds or other obligations of the United States or in bonds or other obligations guaranteed as to principal and interest by the United States.

"(h) In addition to establishing the requirements specified in subsection (e), the Secretary is authorized to make such rules and regulations, to enter into such agreements, and to adopt such procedures as he may deem necessary or desirable to carry out the provisions of this section.

"(i)(1) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including such sums as may be necessary to make interest reduction payments under contracts entered into under this section. The aggregate amount of contracts to make such payments shall not exceed amounts approved in appropriation Acts, and payments pursuant to such contracts shall not exceed $75,000,000 per annum prior to July 1, 1969, which maximum dollar amount shall be increased by $100,000,000 on July 1, 1969, and by $125,000,000 on July 1, 1970.

"(2) Not more than 20 per centum of the total amount of interest reduction payments authorized to be contracted to be made pursuant to appropriation Acts shall be contracted to be made with respect to families, occupying rental housing projects assisted under this section, whose incomes at the time of the initial renting of the projects exceed 135 per centum of the maximum income limits which can be established in the area, pursuant to the limitations prescribed in sections 2(2) and 15(7)(b)(ii) of the United States Housing Act of 1937, for initial occupancy in public housing dwellings, but the income of such families at the time of the initial renting of the projects shall in no case exceed 90 per centum of the limits prescribed by the Secretary for occupants of projects financed with mortgages insured under section 221(d)(3) which bear interest at the below-market interest rate prescribed in the proviso of section 221(d)(5). The limitations prescribed in this paragraph shall be administered by the Secretary so as to accord a preference to those families whose incomes are within the lowest practicable limits for obtaining rental accommodations in projects assisted under this section. The Secretary shall report annually to the respective Committees on Banking and Currency of the Senate and House of Representatives with respect to the income levels of families living in projects assisted under this section.

"(j)(1) The Secretary is authorized, upon application by the mortgagee, to insure a mortgage (including advances on such mortgage during construction) which meets the requirements of this subsection. Commitments for the insurance of such mortgages may be issued by the Secretary prior to the date of their execution or disbursement thereon, upon such terms and conditions as he may prescribe.

"(2) As used in this subsection—

"(A) the terms 'family' and 'families' shall have the same meaning as in section 221;

"(B) the term 'elderly or handicapped families' shall have the same meaning as in section 202 of the Housing Act of 1959; and

"(C) the terms 'mortgage', 'mortgagee', and 'mortgagor' shall have the same meaning as in section 201.

"(3) To be eligible for insurance under this subsection, a mortgage shall meet the requirements specified in subsections (d)(1) and (d)(3) of section 221, except as such requirements are modified by this subsection. In the case of a project financed with a mortgage insured under this subsection which involves a mortgagor other than a cooperative or a private nonprofit corporation or association and which is sold to a cooperative or a nonprofit corporation or association, the Secretary is further authorized to insure under this subsection a mortgage given by such purchaser in an amount not exceeding the appraised value of the property at the time of purchase, which value shall be based upon a mortgage amount on which the debt service can be met from the income of the property when operated on a nonprofit basis, after payment of all operating expenses, taxes, and required reserves.

"(4) A mortgage to be insured under this subsection shall—

"(A) be executed by a private mortgagor eligible under subsection (d)(3) or (e) of section 221;

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum (not in excess of 6 per centum), on the amount of the principal obligation outstanding at any time, as the Secretary finds necessary to meet the mortgage market; and

"(C) provide for complete amortization by periodic payments within such term as the Secretary may prescribe.

"(5) The property or project shall—

"(A) comply with such standards and conditions as the Secretary may prescribe to establish the acceptability of the property for mortgage insurance and may include such nondwelling facilities as the Secretary deems adequate and appropriate to serve the occupants and the surrounding neighborhood: *Provided*, That the project shall be predominantly residential and any nondwelling facility included in the mortgage shall be found by the Secretary to contribute to the economic feasibility of the project, and the Secretary shall give due consideration to the possible effect of the project on other business enterprises in the community: *Provided further*, That, in the case of a project designed primarily for occupancy by elderly or handicapped families, the project may include related facilities for use by elderly or handicapped families, including cafeterias or dining halls, community rooms, workshops, infirmaries, or other inpatient or outpatient health facilities, and other essential service facilities;

"(B) include five or more dwelling units; and

"(C) be designed primarily for use as a rental project to be occupied by lower income families or by elderly or handicapped families: *Provided*, That lower income persons who are less than sixty-two years of age shall be eligible for occupancy in such a project, but not more than 10 per centum of the dwelling units in any such project shall be available for occupancy by such persons.

"(6) With the approval of the Secretary, the mortgagor may sell the individual dwelling units to lower income or elderly or handicapped purchasers. The Secretary may consent to the release of the mortgagor from his liability under the mortgage and the credit instrument secured thereby, or consent to the release of parts of the mortgaged property from the lien of the mortgage, upon such terms and conditions as he may prescribe, and the mortgage may provide for such release.

"(k) As used in this section the term 'tenant' includes a member of a cooperative; the term 'rental housing project' includes a cooperative housing project; and the terms 'rental' and 'rental charge' mean, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

"(l) The Secretary shall from time to time allocate and transfer to the Secretary of Agriculture, for use (in accordance with the terms and conditions of this section) in rural areas and small towns, a reasonable portion of the total authority to contract to make periodic interest reduction payments as approved in appropriation Acts under subsection (i).

"(m) In determining the income of any person for the purposes of this section, there shall be deducted an amount equal to $300 for each minor person who is a member of the immediate family of such person and living with such family, and the earnings of any such minor person shall not be included in the income of such person or his family."

(b)(1) Section 212(a) of the National Housing Act is amended by striking out "or 232" in the first sentence of the second paragraph and inserting in lieu thereof ", 232, or 236".

(2) Section 227(a) of such Act is amended by striking out "or (viii) under section 234(d)" and inserting in lieu thereof "(viii) under section 234(d), or (ix) under section 236".

(3) Section 227(c) of such Act is amended by striking out "or section 233(b)(2)" each place it appears and inserting in lieu thereof "section 233, or section 236".

(c) The Secretary of Housing and Urban Development is authorized, upon such terms and conditions as he may prescribe, to transfer to section 236(j) of the National Housing Act the insurance of a mortgage which has not been finally endorsed for insurance under section 221(d)(3) of such Act and which has been approved for the below-market interest rate prescribed in the proviso of section 221(d)(5) of such Act.

(d) The Secretary of Housing and Urban Development is authorized, upon such terms and conditions as he may prescribe, to insure under section 236(j) of the National Housing Act a mortgage meeting the requirements of such section which is given to refinance a mortgage loan made under section 202 of the Housing Act of 1959: *Provided*, That the application for such insurance is filed with the Secretary on or before the date of project completion, or within such reasonable time thereafter as the Secretary may permit.

(e)(1) Section 101(d) of the Housing and Urban Development Act of 1965 is amended by adding at the end thereof the following: "In determining the income of any tenant for the purposes of this section, there shall be deducted an amount equal to $300 for each minor person who is a member of the immediate family of such tenant and living with such tenant, and the earnings of any such minor person shall not be included in the income of such tenant."

(2) Section 101(g) of such Act is amended by striking out "or section 231(c)(3)" and inserting in lieu thereof ", 231(c)(3), or section 236".

(3) Section 101(j)(1) of such Act is amended—

(A) by striking out "and" at the end of subparagraph (B);

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(C) by inserting after subparagraph (C) a new subparagraph as follows:

"(D) a private nonprofit corporation or other private nonprofit legal entity, a limited dividend corporation or other limited divided legal entity, or a cooperative housing corporation, which is assisted under section 236 of the National Housing Act and which has been approved for receiving the benefits of this section: *Provided*, That payments shall not be made with respect to more than 20 per centum of the dwelling units in any property so financed."

(f) Section 207 of the Appalachian Regional Development Act of 1965 is amended—

(1) by inserting in the heading "AND SECTION 236" immediately after "SECTION 221";

(2) by inserting "or section 236" after "section 221" each place it appears;

(3) by inserting "or 'section 236' " after " 'section 221' " in subsection (a); and

(4) by inserting ", Government National Mortgage Association," immediately after "Federal Housing Administration" in subsection (c).

(g) The first sentence of section 305(i) of the National Housing Act is amended—

(1) by striking out "or (3)" and inserting in lieu thereof "(3)"; and

(2) by inserting after "221(e)" the following: ", or (4) a mortgage insured under section 236".

RENT SUPPLEMENT PROGRAM

SEC. 202. (a) Section 101(a) of the Housing and Urban Development Act of 1965 is amended by striking out everything after the word "exceed" the second time the word appears in the third sentence and inserting in lieu thereof the following: "$150,000,000 per annum prior to July 1, 1969, which maximum dollar amount shall be increased by $40,000,000 on July 1, 1969, and by $100,000,000 on July 1, 1970."

(b) Section 101(b) of such Act is amended by inserting after the first sentence the following: "Such term also includes a private nonprofit corporation or other private nonprofit legal entity, a limited dividend corporation or other limited dividend legal entity, or a cooperative housing corporation, which is the owner of a rental or cooperative housing project financed under a State or local program providing assistance through loans, loan insurance, or tax abatement and which prior to completion of construction or rehabilitation is approved for receiving the benefits of this section."

PART B—LOW-RENT PUBLIC HOUSING

INCREASED LOW-RENT PUBLIC HOUSING AUTHORIZATION

SEC. 203. (a) Section 10(e) of the United States Housing Act of 1937 is amended by striking out "$366,250,000 per annum, which limit shall be increased by $47,000,000 on the date of enactment of the Housing and Urban Development Act of 1965, and by further amounts of $47,000,000 on July 1 in each of the years 1966, 1967, and 1968, respectively," in the first sentence and inserting in lieu thereof the following: "$554,250,000 per annum, which limit shall be increased by $100,000,000 on the date of enactment of the Housing and Urban Development Act of 1968 and by further amounts of $150,000,000 on July 1 in each of the years 1969 and 1970,".

(b) Section 20 of such Act is amended—

(1) by striking out "not to exceed $1,500,000,000" in the first sentence and inserting in lieu thereof "which shall not, unless authorized by the President, exceed $1,500,000,000"; and

(2) by inserting after the first sentence the following: "For the purpose of determining obligations incurred to make loans pursuant to this Act against any limitation otherwise applicable with respect to such loans, the Secretary shall estimate the maximum amount to be loaned at any one time pursuant to loan agreements then outstanding with public housing agencies."

UPGRADING MANAGEMENT AND SERVICES IN PUBLIC HOUSING PROJECTS

SEC. 204. Section 15 of the United States Housing Act of 1937 is amended by adding at the end thereof the following new paragraph:

"(10) The Secretary is authorized to enter into contracts to make grants to public housing agencies to assist, where necessary, in financing tenant services for families living in low-rent housing projects. In making such contracts and grants, the Secretary shall give preference to programs providing for the maximum feasible participation of the tenants in the development and operation of such tenant services. For purposes of this paragraph the term 'tenant services' includes the following services and activities for families living in low-rent housing projects: counseling on household management, housekeeping, budgeting, money management, child care, and similar matters; advice as to resources for job training and placement, education, welfare, health, and other community services; services which are directly related to meeting tenant needs and providing a wholesome living environment; and referral to appropriate agencies when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services. There are authorized to be appropriated for the purposes of this paragraph not to exceed $15,000,000 for the fiscal year ending June 30, 1969, and not to exceed $30,000,000 for the fiscal year ending June 30, 1970. Any amount so appropriated shall remain available until expended, and any amounts authorized for any fiscal year under this paragraph but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1970."

PURCHASE OF UNITS BY TENANTS

SEC. 205. Section 15(9) of the United States Housing Act of 1937 is amended by striking out "which is suitable by reason of its detached or semidetached construction" and inserting in lieu thereof ", if the property to be acquired is sufficiently separable from other property retained by the public housing agency to make it suitable".

PUBLIC HOUSING IN INDIAN AREAS

SEC. 206. (a) Section 1 of the United States Housing Act of 1937 is amended by striking out "urban and rural nonfarm" in the first sentence and inserting in lieu thereof "urban, rural nonfarm, and Indian".

(b) Section 10(a) of such Act is amended by inserting "or Indian" after "nonfarm" in the fourth proviso.

LIMITATION ON HIGH-RISE STRUCTURES IN LOW-RENT PUBLIC HOUSING PROJECTS

SEC. 207. Section 15 of the United States Housing Act of 1937 is amended by adding at the end thereof (after the new paragraph added by section 204 of this Act) the following new paragraph:

"(11) Except in the case of housing predominantly for the elderly, upon enactment of this paragraph, the Secretary shall not approve high-rise elevator projects for families with children unless he makes a determination that there is no practical alternative."

SALE TO TENANTS OF LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS

SEC. 208. (a) Section 23(f) of the United States Housing Act of 1937 is amended by inserting "(1)" after "shall not apply to", and by inserting before the period at the end thereof the following: ", or (2) housing purchased (or in the process of purchase) by the public housing agency for resale to tenants as provided in subsection (g)".

(b) Section 23 of such Act is further amended by adding at the end thereof the following new subsection:

"(g) To the extent authorized in contracts entered into by the Authority with a public housing agency, such agency may purchase any structure containing one or more dwelling units leased to provide low-rent housing in private accommodations under this section for the purpose of reselling the structure to the tenant or tenants of the structure or to a group of such tenants occupying units aggregating in value at least 80 per centum of the structure's total value. Any such resale shall be made subject to such terms and conditions (including provisions for deferment of the required downpayment and for elimination of or adjustments in the required interest payments during a temporary period) as may be necessary to enable the tenants involved to make the purchase without undue financial hardship."

ADDITIONAL SUBSIDY FOR LARGE FAMILIES AND FAMILIES OF UNUSUALLY LOW INCOME

SEC. 209. (a) Section 2(2) of the United States Housing Act of 1937 is amended by inserting at the end thereof the following new sentences: "The term 'large families' means families which include four or more minors. The term 'families of unusually low income' means families with incomes below the income level established by the public housing agency, as approved by the Authority, who could not be housed without the additional subsidy authorized under section 10(a)."

(b) The first proviso in section 10(a) of such Act is amended—

(1) by inserting after "an elderly family," the following: "or a large family, or a family of unusually low income,";

(2) by striking out "to lease the dwelling unit to an elderly or displaced family at a rental it could afford and"; and

(3) by striking out ", and, in the case of displaced families, if and to the extent that the average or estimated average rental for units so occupied by such families was less than the rental which the Authority determines, on the basis of the average or estimated average project rentals, would have been established in leasing the units to families which were neither elderly nor similiarly displaced".

PROHIBITION AGAINST CERTAIN LIMITATIONS ON TYPES OR CATEGORIES OF LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS

SEC. 210. The first sentence of section 23(d) of the United States Housing Act of 1937 is amended by inserting before the period at the end thereof the following: "(and no limitation not specifically provided for in this section shall be imposed by regulations of the Authority on the types or categories of structures or dwelling units, qualifying under subsection (a)(3) and approved under subsection (c), which may be so used in any community)".

TITLE III—FEDERAL HOUSING ADMINISTRATION INSURANCE OPERATIONS

MORTAGE INSURANCE PREMUIMS FOR SERVICEMEN AND THEIR WIDOWS

SEC. 301. Section 222 of the National Housing Act is amended—

(1) by striking out "Secretary of the Treasury" each place it appears and inserting in lieu thereof "Secretary of Transportation"; and

(2) by adding at the end thereof two new subsections as follows:

"(f) The Secretary is authorized to transfer to this section the insurance on any mortgage covering a single-family dwelling or a one-family unit in a condominium project insured under this Act, if the mortgage indebtedness thereof has been assumed by a serviceman who at the time of assumption is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or, in the case of the United States Coast Guard, other assignment.

"(g) Where a serviceman dies while on active duty in the Armed Forces of the United States or in the United States Coast Guard, leaving a surviving widow as owner of the property, the periods of ownership by the serviceman (within the meaning of subsection (c) of this section) shall extend for two years beyond the date of the serviceman's death or until the date the widow disposes of the property, whichever date occurs first. The Secretary of Defense or the Secretary of Transportation, as the case may be, shall notify such widow promptly following the serviceman's death of the additional costs to be borne by the mortgagor following termination of the two-year period."

MODIFICATIONS IN TERMS OF INSURED MORTGAGES COVERING MULTIFAMILY PROJECTS

SEC. 302. Title II of the National Housing Act is amended by adding after section 238 (as added by section 104 of this Act) the following new section:

"MODIFICATIONS IN TERMS OF INSURED MORTGAGES COVERING MULTIFAMILY PROJECTS

"SEC. 239. (a) The Secretary shall not consent to any request for an extension of the time for curing a default under any mortgage covering multifamily housing, as defined in the regulations of the Secretary, or for a modification of the terms of such mortgage, except in conformity with regulations prescribed by the Secretary in accordance with the provisions of this section. Such regulations shall require, as a condition to the granting of any such request, that, during the period of such extension or modification, any part of the rents or other funds derived by the mortgagor from the property covered by the mortgage which is not required to meet actual and necessary expenses arising in connection with the operation of such property, including amortization charges under the mortgage, be held in trust by the mortgagor and distributed only with the consent of the Secretary; except that the Secretary may provide for the granting of consent to any request for an extension of the time for curing a default under any mortgage covering multifamily housing, or for a modification of the terms of such mortgage, without regard to the foregoing requirements, in any case or class of cases in which an exemption from such requirement does not (as determined by the Secretary) jeopardize the interests of the United States.

"(b) Whoever, as an owner of a property which is security for a mortgage described in subsection (a), or as a stockholder of a corporation owning such property, or as a beneficial owner under any business organization or trust owning such property, or as an officer, director, or agent of any such owner, (1) willfully uses or authorizes the use of any part of the rents or other funds derived from property covered by such mortgage in violation of a regulation prescribed by the Secretary under subsection (a), or (2) if such mortgage is determined, as provided in subsection (a), to be exempt from the requirement of any such regulation or is not otherwise covered by such regulation, willfully and knowingly uses or authorizes the use, while such mortgage is in default, of any part of the rents or other funds derived from the property covered by such mortgage for any purpose other than to meet actual and necessary expenses arising in connection with such property (including amortization charges under the mortgage), shall be fined not more than $5,000 or imprisoned not more than three years, or both."

CONDOMINIUMS

SEC. 303. (a) Section 234(c) of the National Housing Act is amended by striking out "rental housing, and (3)" in the first sentence and inserting in lieu thereof the following: "rental housing: *Provided*, That a one-family unit in a multifamily project involving eleven or less units shall be eligible for insurance without having been covered by a project mortgage, and (3)".

(b) Section 234(c) of such Act is further amended by striking out "(iii) 75 per centum" in the third sentence and inserting in lieu thereof "(iii) 80 per centum".

(c) Section 234(f) of such Act is amended by striking "five" and inserting in lieu thereof "four".

INSURANCE OF LOANS FOR PURCHASE OF FEE SIMPLE TITLE FROM LESSORS

SEC. 304. (a) Title II of the National Housing Act is amended by adding after section 239 (as added by section 302 of this Act) the following new section:

"PURCHASE OF FEE SIMPLE TITLE FROM LESSORS

"SEC. 240. (a) The Secretary is authorized, upon such terms and conditions as he may prescribe, to make commitments to insure and to insure loans made by financial institutions for the purpose of financing purchasers by homeowners of the fee simple title to property on which their homes are located.

"(b) As used in this section—

"(1) the term 'financial institution' means a lender approved by the Secretary as eligible for insurance under section 2 or a mortgagee approved under section 203(b)(1); and

"(2) the term 'homeowner' means a lessee under a long-term ground lease.

"(c) To be eligible for insurance under this section, a loan shall—

"(1) relate to property on which there is located a dwelling designed principally for a one-, two-, three-, or four-family residence;

"(2) not exceed the cost of purchasing the fee simple title, or $10,000 per family unit, whichever is the lesser;

"(3) be, limited to an amount which when added to any outstanding indebtedness related to the property (as determined by the Secretary) creates a total outstanding indebtedness which does not exceed the applicable mortgage limit prescribed in section 203(b);

"(4) bear interest at not to exceed such per centum per annum (not in excess of 6 per centum), on the amount of the principal obligation outstanding at any time, as the Secretary finds necessary to meet market conditions, and such other charges (including service charges and appraisal, inspection, and other fees) as may be approved by the Secretary;

"(5) have a maturity satisfactory to the Secretary, but not to exceed twenty years from the beginning of amortization of the loan or three-quarters of the remaining economic life of the home, whichever is the lesser; and

"(6) comply with such other terms, conditions, and restrictions as the Secretary may prescribe.

"(d) The provisions of paragraphs (3), (5), (6), (7), (8), and (10) of section 220(h) shall be applicable to loans insured under this section and, as applied to loans insured under this section, references in those paragraphs to 'home improvement loans' and 'this subsection' shall be construed to refer to loans under this section."

(b) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding immediately after the next to the last paragraph the following new paragraph:

"Notwithstanding any other provision of this subsection, an association may invest in loans or obligations, or interests therein, as to which the association has the benefit of insurance under section 240 of the National Housing Act, or of a commitment or agreement therefor, and such investments shall not be included in any percentage of assets or other percentage referred to in this subsection."

EXTENSION OF SECTION 221(d)(2) SALES HOUSING PROGRAM FOR TWO-, THREE-, AND FOUR-FAMILY RESIDENCES TO ALL LOW AND MODERATE INCOME FAMILIES

SEC. 305. Section 221(d)(2) of the National Housing Act is amended by striking out "a displaced family" at the end of the first proviso and inserting in lieu thereof "the mortgagor".

REMOVAL OF DIVIDEND RESTRICTION FOR NONDWELLING FACILITIES IN SECTION 221 PROJECTS

SEC. 306. Section 221(f) of the National Housing Act is amended by striking out in the first sentence all that follows the word "mortgage" in the proviso and inserting in lieu thereof ": *Provided further*, That, in the case of a mortgage which bears interest at the below-market interest rate prescribed in the proviso of subsection (d)(5), the provisions of section 220(d)(3)(B)(iv) shall only apply if the mortgagor waives the right to receive dividends on its equity investment in the portion thereof devoted to commercial facilities."

SUPPLEMENTAL LOAN PROGRAM FOR PROJECTS FINANCED WITH FEDERAL HOUSING ADMINISTRATION INSURED MORTGAGES

SEC. 307. Title II of the National Housing Act is amended by adding after section 240 (as added by section 304 of this Act) the following new section;

"SUPPLEMENTAL LOANS FOR MULTIFAMILY PROJECTS

"SEC. 241. (a) With respect to a multifamily project or group practice facility covered by a mortgage insured under any section or title of this Act, the Secretary is authorized, upon such terms and conditions as he may prescribe, to make commitments to insure, and to insure, supplemental loans (including advances during construction or improvement) made by financial institutions approved by the Secretary. As used in this section, 'supplemental loan' means a loan, advance of credit, or purchase of an obligation representing a loan or advance of credit made for the purpose of financing improvements or additions to such project or facility: *Provided*, That a loan involving a nursing home covered by a mortgage insured under section 232 or a loan involving a group practice facility covered by a mortgage insured under title XI may also be made for the purpose of financing equipment to be used in the operation of such nursing home or facility.

"(b) To be eligible for insurance under this section, a supplemental loan shall—

"(1) be limited to 90 per centum of the amount which the Secretary estimates will be the value of such improvements, additions, and equipment, except that such amount when added to the outstanding balance of the mortgage covering the project or facility, shall not exceed the maximum mortgage amount insurable under the section or title pursuant to which the mortgage covering such project or facility is insured;

"(2) have a maturity satisfactory to the Secretary but not to exceed the remaining term of the mortgage;

"(3) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum (not in excess of 6 per centum), on the amount of the principal obligation outstanding at any time, as the Secretary finds necessary to meet market conditions;

"(4) be secured in such manner as the Secretary may require;

"(5) be governed by the labor standards provisions of section 212 that are applicable to the section or title pursuant to which the mortgage covering the project or facility is insured; and

"(6) contain such other terms, conditions, and restrictions as the Secretary may prescribe.

"(c) The provisions of subsections (d), (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 shall be applicable to loans insured under this section, except that (1) all references to the term 'mortgage' shall be construed to refer to the term 'loan' as used in this section, (2) loans involving projects covered by a mortgage insured under section 213 that is the obligation of the Cooperative Management Housing Insurance Fund shall be insured under and shall be the obligation of such fund, and (3) loans involving projects covered by a mortgage insured under section 236 shall be insured under and shall be the obligation of the Special Risk Insurance Fund."

HOME IMPROVEMENT LOANS—INCREASE IN MAXIMUM MATURITY, FINANCE CHARGE, AND LOAN AMOUNT

Sec. 308. Section 2(b) of the National Housing Act is amended—

(1) by striking out "$3,500" and inserting in lieu thereof "$5,000";

(2) by striking out "five years" and inserting in lieu thereof "seven years";

(3) by striking out "$5 discount" and inserting in lieu thereof "$5.50 discount"; and

(4) by striking out "$4 discount" and inserting in lieu thereof "$4.50 discount".

EXPERIMENTAL HOUSING PROGRAM

Sec. 309. Section 233 of the National Housing Act is amended—

(1) by striking out "of this title" immediately before the semicolon in subsection (b) and inserting in lieu thereof "or titles of this Act"; and

(2) by striking out so much of subsection section (e) and inserting in lieu thereof "or title of this Act".

TERM OF FEDERAL HOUSING ADMINISTRATION MORTGAGES FOR LAND DEVELOPMENT

Sec. 310. Section 1002(d)(1) of the National Housing Act is amended—

(1) by striking out "seven" and inserting in lieu thereof "ten"; and

(2) by striking out the semicolon and inserting in lieu thereof the following: ": *Provided*, That the Secretary may agree to a reasonable extension of the term of a mortgage, the maturity of which is limited by this paragraph to not more than ten years, if he determines that unusual or unforeseen circumstances make such extension necessary to avoid undue hardship to the mortgagor;".

REHABILITATED MULTIFAMILY PROJECTS IN URBAN RENEWAL AREAS

Sec. 311. (a) Section 220(d)(3)(B)(ii) of the National Housing Act is amended by inserting immediately before the semicolon at the end thereof ": *Provided further*, That the mortgage may involve the financing of the purchase of property which has been rehabilitated by a local public agency with Federal assistance pursuant to section 110(c)(8) of the Housing Act of 1949, and, in such case the foregoing limitations upon the amount of the mortgage shall be based upon the appraised value of the property as of the date the mortgage is accepted for insurance".

(b) Section 221(d)(3)(iii) of such Act is amended by inserting immediately before the colon at the end of the first proviso ": *Provided further*, That the mortgage may involve the financing of the purchase of property which has been rehabilitated by a local public agency with Federal assistance pursuant to section 110(c)(8) of the Housing Act of 1949, and, in such case, the amount of the mortgage shall not exceed the appraised value of the property as of the date the mortgage is accepted for insurance".

MISCELLANEOUS HOUSING INSURANCE

Sec. 312. (a) Section 223 of the National Housing Act is amended—

(1) by striking out so much of subsection (a) as precedes paragraph (1) and inserting in lieu thereof the following:

"(a) Notwithstanding any of the provisions of this Act and without regard to limitations upon eligibility contained in any section or title of this Act, the Secretary is authorized, upon application by the mortgagee, to insure or make commitments to insure under any section or title of this Act any mortgage—":

(2) by striking out "applicable to loans insured under section 203, 207, 213, 220, 221, 222, 231, 232, or 233, as the case may be" in the first and second provisos of subsection (a)(7) and inserting in lieu thereof "prescribed under the applicable section or title of this Act";

(3) by striking out "this title" each time it appears in subsection (c) and inserting in lieu thereof "this Act";

(4) by striking out "title I, title II, title VI, title VII, title VIII, or title IX" in subsection (c) and inserting in lieu thereof "any section or title of this Act"; and

(5) by striking out "(except that in any case the payment of insurance shall be in debentures)" at the end of subsection (c).

(b) Section 223(d) of such Act is amended by striking out all that follows "as he may prescribe," and inserting in lieu thereof the following: "insure under the same section as the original mortgage a loan by the mortgagee in an amount not exceeding the excess of the foregoing expenses over the project income. Such loan shall (1) bear interest (exclusive of premium charges for insurance) at not to exceed the per centum per annum currently permitted for mortgages insured under the section under which it is to be insured, (2) be secured in such manner as the Secretary shall require, and (3) be limited to a term not exceeding the unexpired term of the original mortgage. The Secretary is authorized to collect a premium charge for insurance of loans pursuant to this subsection in an amount computed at the same premium rate as is applicable to the original mortgage. This premium shall be payable in cash or in debentures of the insurance fund under which the loan is insured at par plus accrued interest. In the event of a failure of the borrower to make any payment due under such loan or under the original mortgage, both the loan and original mortgage shall be considered in default, and if such default continues for a period of thirty days, the lender shall be entitled to insurance benefits, computed in the same manner as for the original mortgage, except that in determining the interest rate under section 224 for the debentures representing the portion of the claim applicable to the loan, the date of the commitment to insure the loan and the insurance date of the loan shall be taken into consideration rather than the commitment or insurance date for the original mortgage."

SUPPLEMENTARY LOANS FOR COOPERATIVE HOUSING PURCHASED FROM THE FEDERAL GOVERNMENT

Sec. 313. Section 213(j) of the National Housing Act is amended—

(1) by inserting after the first sentence of paragraph (1) the following sentence: "The Secretary is further authorized to make commitments to insure and to insure supplementary cooperative loans (including advances during construction or improvement) with respect to any property purchased from the Federal Government by a nonprofit corporation or trust of the character described in paragraph (1) of subsection (a), if the property is covered by an uninsured mortgage representing a part of the purchase price."; and

(2) by adding before the semicolon at the end of paragraph (2)(B) the following: "; except that, in the case of repairs or improvements to a property covered by an uninsured mortgage dated more than twenty years prior to the date of the commitment to insure, of such magnitude that the Secretary deems them to be a major rehabilitation or modernization of such property, the loan may have a maturity date up to ten years in excess of the remaining term of the uninsured mortgage".

EQUIPMENT IN NURSING HOMES

Sec. 314. Section 232 of the National Housing Act is amended—

(1) by striking out subsection (b)(2) and inserting in lieu thereof the following:

"(2) the term 'mortgage' means a first mortgage on real estate in fee simple, or on the interest of either the lessor or lessee thereof (A) under a lease for not less than ninety-nine years which is renewable, or (B) under a lease having a period of not less than fifty years to run from the date the mortgage was executed. The term 'first mortgage' means such classes of first liens as are commonly given to secure advances (including but not limited to advances during construction) on, or the unpaid purchase price of, real estate under the laws of the State in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby, and any mortgage may be in the form of one or more trust mortgages or mortgage indentures or deeds of trust, securing notes, bonds, or other credit instruments, and, by the same instrument or by a separate instrument, may create a security interest in initial equipment, whether or not attached to the realty. The term 'mortgagor' shall have the meaning set forth in section 207(a) of this Act.":

(2) by striking out "of this title" in sub-(d) as precedes paragraph (1) and inserting in lieu thereof the following:

"(d) In order to carry out the purposes of this section, the Secretary is authorized to insure any mortgage which covers a new or rehabilitated nursing home, including equipment to be used in its operation, subject to the following conditions:"; and

(3) by striking out "when the proposed improvements are completed" before the period at the end of subsection (d)(2) and inserting in lieu thereof the following: ", including equipment to be used in the operation of the nursing home, when the proposed improvements are completed and the equipment is installed".

FLEXIBLE INTEREST RATES FOR CERTAIN FHA INSURANCE PROGRAMS

SEC. 315. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, is amended by inserting "235(j)(2)(C), 236(j)(4)(B), 240(c)(4), 241(b)(3), 242(d)(3)(B)," after "234(f),".

FHA SECTION 221(H) PROGRAM

SEC. 316. (a) Section 221(h)(2)(A) of the National Housing Act is amended to read as follows:

"(A) be executed by a private nonprofit corporation or association, approved by the Secretary, for financing the purchase and rehabilitation (with the intention of subsequent resale) of property comprising one or more tracts or parcels, whether or not contiguous, upon which there is located deteriorating or substandard housing consisting of (i) four or more single-family dwellings of detached, semidetached, or row construction, or (ii) four or more one-family units in a structure or structures for which a plan of family unit ownership approved by the Secretary is established;".

(b) Section 221(h) of such Act is amended by adding at the end thereof (after the new paragraph added by section 101(c)(3) of this Act) two new paragraphs as follows:

"(7) Where the Secretary has approved a plan of family unit ownership, the terms 'single-family dwelling', 'single-family dwellings', 'individual dwelling', and 'individual dwellings' shall mean a family unit or family units, together with the undivided interest (or interests) in the common areas and facilities.

"(8) For purposes of this subsection, the terms 'single-family dwelling' and 'single-family dwellings' (except for purposes of paragraph (7)) shall include a two-family dwelling which has been approved by the Secretary if one of the units is to be occupied by the owner."

HOUSING IN OUTLYING AREAS

SEC. 317. Section 203(i) of the National Housing Act is amended by striking out "not in excess of $12,500" and inserting in lieu thereof "not in excess of $13,500".

SEASONAL HOMES

SEC. 318. Section 203 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(m) The Secretary is authorized to insure under this section any mortgage meeting the requirements of subsection (b) of this section, except as modified by this subsection. To be eligible, the mortgage shall involve a principal obligation not in excess of $15,000 and not in excess of 75 per centum of the appraised value of the property, as of the date the mortgage is accepted for insurance. The mortgage shall cover a dwelling for single-family occupancy which is approved for mortgage insurance prior to the beginning of construction. The dwelling need not be designed for year-round occupancy, but it shall (1) meet standards prescribed by the Secretary, and (2) be located in an area where the Secretary finds it is not practicable to obtain conformity with many of the requirements essential to the insuring of mortgages on housing in built-up urban areas. The development of the property with respect to which the mortgage is executed shall be consistent with the conservation of water and other natural resources of the area, and such property shall be an acceptable risk, giving consideration to the economic potential of the area in which the dwelling is located and the contribution that the housing will make toward improving the area. The Secretary may suspend the issuance of commitments under this subsection for the insurance of mortgages secured by properties situated in any area, whenever he determines that (i) there is a serious and unusual shortage of mortgage funds for residential construction in such area, (ii) such insurance would affect materially and adversely the availability of mortgage funds for residential construction in such area, and (iii) such suspension would not have an adverse impact upon the balanced economic development of the area."

TITLE IV—GUARANTEES FOR FINANCING NEW COMMUNITY LAND DEVELOPMENT

CITATION

SEC. 401. This title may be referred to as the "New Communities Act of 1968".

PURPOSE

SEC. 402. It is the purpose of this title, by facilitating the enlistment of private capital in new community development, to encourage the development of new communities that—

(1) contribute to the general betterment of living conditions through the improved quality of community development made possible by a consistent design for the provision of homes, commercial and industrial facilities, public and community facilities, and open spaces.

(2) make substantial contributions to the sound and economic growth of the areas in which they are located;

(3) provide needed additions to the general housing supply;

(4) provide opportunities for innovation in housing and community development technology and in land use planning;

(5) enlarge housing and employment opportunities by increasing the range of housing choice and providing new investment opportunities for industry and commerce;

(6) encourage the maintenance and growth of a diversified local homebuilding industry; and

(7) include, to the greatest extent feasible, the employment of new and improved technology, techniques, materials, and methods in housing construction, rehabilitation, and maintenance under programs administered by the Department of Housing and Urban Development with a view to reducing the cost of such construction, rehabilitation, and maintenance, and stimulating the increased and sustained production of housing under such programs.

GUARANTEE AUTHORITY

SEC. 403. To carry out the purposes of this title the Secretary is authorized to guarantee, and enter into commitments to guarantee, the bonds, debentures, notes, and other obligations issued by new community developers to help finance new community development projects. The Secretary may make such guarantees and enter into such commitments, subject to the limitations contained in sections 404 and 405, upon such terms and conditions as he may prescribe, taking into account (1) the large initial capital investment required to finance sound new communities, (2) the extended period before initial returns on this type of investment can be expected, (3) the irregular pattern of cash returns characteristic of such investment, and (4) the financial and security interests of the United States in connection with guarantees made under this title.

ELIGIBLE NEW COMMUNITY DEVELOPMENT

SEC. 404. No guarantee or commitment to guarantee may be made under this title unless the Secretary has determined that—

(1) the proposed new community (A) will be economically feasible in terms of economic base or potential for growth, and (B) will contribute to the orderly growth and development of the area of which it is a part;

(2) there is a practicable plan (including appropriate time schedules) for financing the land acquisition and land development costs of the proposed new community and for improving and marketing the land which, giving due consideration to the public purposes of this title and the special problems involved in financing new communities, represents an acceptable financial risk to the United States;

(3) there is a sound internal development plan for the new communty which (A) has received all governmental approvals required by State or local law or by the Secretary; and (B) is acceptable to the Secretary as providing reasonable assurance that the development will contribute to good living conditions in the area being developed, will be characterized by sound land use patterns, will include a proper balance of housing for familes of low and moderate income, and will include or be served by such shopping, school, recreational, tranportation, and other facilities as the Secretary deems satisfactory; and

(4) the internal development plan is consistent with a comprehensive plan which covers, or with comprehensive planning being carried on for, the area in which the land is situated, and which meets criteria established by the Secretary for such comprehensive plans or planning.

ELIGIBLE OBLIGATIONS

SEC. 405. (a) Any bond, debenture, note or other obligation guaranteed under this title shall—

(1) be issued by a new community developer, other than a public body, approved by the Secretary on the basis of financial, technical and administrative ability which demonstrates his capacity to carry out the proposed project;

(2) be issued to and held by investors approved by, or meeting requirements prescribed by, the Secretary, or if an offering to the public is contemplated, be underwritten upon terms and conditions approved by the Secretary;

(3) be issued to finance a program of land development (including acquisition or use of land) approved by the Secretary: *Provided*, That the Secretary shall through cost certification procedures, escrow or trusteeship requirements, or other means, insure that all proceeds from the sale of obligations guaranteed under this title are expended pursuant to such program;

(4) involve a principal obligation in an amount not to exceed the lesser of (A) 80 per centum of the Secretary's estimate of the value of the property upon completion of the land development or (B) the sum of 75 per centum of the Secretary's estimate of the value of the land before development and 90 per centum of his estimate of the actual cost of the land development;

(5) bear interest at a rate satisfactory to the Secretary, such interest to be exclusive of any service charges and fees that may be approved by the Secretary;

(6) contain repayment and maturity provisions satisfactory to the Secretary; and

(7) contain provisions which the Secretary shall prescribe with respect to the protection of the security interests of the United States (including subrogation provisions), liens and releases of liens, payment of taxes, and such other matters as the Secretary may, in his discretion, prescribe.

(b) The outstanding principal obligations guaranteed under this title with respect to a single new community development project shall at no time exceed $50,000,000.

FEES AND CHARGES

Sec. 406. The Secretary is authorized to establish and collect fees for guarantees made under this title and may make such charges as he considers reasonable for the analysis of development and financing plans and for appraisals and inspections related to new community development projects. On or before January 1, 1970, the Secretary shall make a report to the Congress concerning the fees and other charges under this title that he estimates will be adequate to provide income sufficient for a self-supporting program.

GUARANTEE FUND

Sec. 407. (a) To provide for the payment of any liabilities incurred as a result of guarantees made under this title, the Secretary is authorized to establish a revolving fund which shall be comprised of (1) receipts from fees and charges; (2) recoveries under security or subrogation rights or other rights, and any other receipts obtained in connection with such guarantees; and (3) such sums, which are hereby authorized to be appropriated, as may be required for program operations and nonadministrative expenses and to make any and all payments guaranteed under this title.

(b) The full faith and credit of the United States is pledged to the payment of all guarantees made under this title with respect to both principal and interest, including (1) interest, as may be provided for in the guarantee, accruing between the date of default under a guaranteed obligation and the payment in full of the guarantee, and (2) principal and interest due under any debentures issued by the Secretary toward payment of guarantees made under this title.

(c) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real and other property by the United States, the Secretary shall have power, for the protection of the interests of the guarantee fund authorized under this section, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property acquired by him under this title; and notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in carrying out this title.

(d) The aggregate of the outstanding principal obligations guaranteed under this title shall at no time exceed $250,000,000.

INCONTESTABILITY

Sec. 408. Any guarantee made by the Secretary under this title shall be conclusive evidence of the eligibility of the obligations for such guarantee, and the validity of any guarantee so made shall be incontestable in the hands of a qualified holder of the guaranteed obligation except for fraud or material misrepresentation on the part of such holder.

ENCOURAGEMENT OF SMALL BUILDERS

Sec. 409. The Secretary shall adopt such requirements as he deems necessary to assure that new community construction assisted under this title will encourage the maintenance of a diversified local homebuilding industry and broad participation by builders, particularly small builders.

LABOR

Sec. 410. All laborers and mechanics employed by contractors or subcontractors in land development assisted under section 403 shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). No assistance shall be extended under section 403 for land development without first obtaining adequate assurance that these labor standards will be maintained upon the construction work involved in such development. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267), and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

REAL PROPERTY TAXATION

Sec. 411. Nothing in this title shall be construed to exempt any real property that may be acquired and held by the Secretary as a result of the exercise of lien or subrogation rights from real property taxation to the same extent, according to its value, as other real property is taxed.

SUPPLEMENTARY GRANTS

Sec. 412. (a) The Secretary is authorized to make supplementary grants to State and local public bodies and agencies carrying out new community assistance projects, as defined in section 415(c), if the Secretary determines that such grants are necessary or desirable for carrying out a new community development project approved for assistance under section 403, and that a substantial number of housing units for low and moderate income persons is to be made available through such development project.

(b) In no case shall any grant under this section exceed 20 per centum of the cost of the new community assistance project for which the grant is made; and in no case shall the total Federal contributions to the cost of such project be more than 80 per centum.

(c) In carrying out his authority under this section the Secretary shall consult with the Secretary of Agriculture with respect to new community assistance projects assisted by that Department, and he shall, for the purpose of subsection (b), accept that Department's certifications as to the cost of such projects.

(d) There are authorized to be appropriated for grants under this section not to exceed $5,000,000 for the fiscal year ending June 30, 1969, and not to exceed $25,000,000 for the fiscal year ending June 30, 1970. Any amounts so appropriated shall remain available until expended, and any amounts authorized for any fiscal year under this subsection but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1970.

GENERAL PROVISIONS AND RULES AND REGULATIONS

Sec. 413. In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties (including the authority to issue rules and regulations) set forth in section 402, except subsections (c)(2), (d), and (f), of the Housing Act of 1950: *Provided*, That subsection (a)(1) of section 402 shall not apply with respect to functions, powers, and duties under section 412 of this title.

AUDIT BY GENERAL ACCOUNTING OFFICE

Sec. 414. Insofar as they relate to any grants or guarantees made pursuant to this title, the financial transactions of recipients of Federal grants or of developers whose obligations are guaranteed by the United States pursuant to this title may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, account, records, reports, files, and all other papers, things, or property belonging to or in use by such developers or recipients of grants pertaining to such financial transactions and necessary to facilitate the audit.

DEFINITIONS

Sec. 415. As used in this title—

(a) The term "land development" means the process of grading land, making, installing, or constructing water lines and water supply installations, sewer lines and sewage disposal installations, steam, gas, and electric lines and installations, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or work, whether on or off the site, which the Secretary deems necessary or desirable to prepare land for residential, commercial, industrial, or other uses, or to provide facilities for public or common use. The term "land development" shall not include any building unless it is (1) a building which is needed in connection with a water supply or sewage disposal installation or a steam, gas, or electric line or installation, or (2) a building, other than a school, which is to be owned and maintained jointly by the residents of the new community or is to be transferred to public ownership, but not prior to its completion.

(b) The term "actual costs" means the costs (exclusive of rebates or discounts) incurred by a new community developer in carrying out the land development assisted under this title. These costs may include amounts paid for labor, materials, construction contracts, land planning, engineers' and architects' fees, surveys, taxes, and interest during development, organizational and legal expenses, such allocation of general overhead expenses as are acceptable to the Secretary, and other items of expense incidental to development which may be approved by the Secretary. If the Secretary determines that there is an identity of interest between the new community developer and a contractor, there may be included as a part of actual costs an allowance for the contractor's profit in an amount deemed reasonable by the Secretary.

(c) The term "new community assistance projects" means projects assisted by grants made under section 702 of the Housing and Urban Development Act of 1965, section 306(a)(2) of the Consolidated Farmers Home Administration Act, or title VII of the Housing Act of 1961.

CONFORMING AMENDMENTS

Sec. 416. (a) Section 202(b)(4) of the Housing Amendments of 1955 is amended by adding before the period at the end of the second sentence "or under title IV of the Housing and Urban Development Act of 1968".

(b) The first paragraph of section 24 of the Federal Reserve Act is amended by striking out all that follows "national banking association" in the fourth sentence and adding "may make loans or purchase obligations for land development which are secured by mortgages insured under title X of the National Housing Act or guaranteed under title IV of the Housing and Urban Development Act of 1968.".

(c) The paragraph which, prior to the amendments made by this Act, was the next to last paragraph of section 5(c) of the Home Owners' Loan Act of 1933 is amended by adding at the end thereof the following new sentence: "Without regard to any other provision of this subsection, an association may invest in loans or obligations, or interests therein, as to which the association has the benefit of any guaranty under title IV of the Housing and Urban Development Act of 1968, as now or hereafter in effect, or of a commitment or agreement therefor, and such investments shall not be included in any percentage of assets or other percentage referred to in this subsection."

TITLE V—URBAN RENEWAL

NEIGHBORHOOD DEVELOPMENT PROGRAMS

SEC. 501. (a) Title I of the Housing Act of 1949 is amended by adding after the title heading the following new subheading:

"PART A—URBAN RENEWAL PROJECTS, DEMOLITION PROGRAMS, AND CODE ENFORCEMENT PROGRAMS"

(b) Title I of such Act is further amended by adding at the end thereof the following new part:

"PART B—NEIGHBORHOOD DEVELOPMENT PROGRAMS

"PURPOSE AND AUTHORITY

"SEC. 131. (a) To facilitate more rapid renewal and development of urban areas on an effective scale, and to encourage more efficient and flexible utilization of public and private development opportunities by local communities in such areas, the Secretary is authorized to make financial assistance available under this title to local public agencies for undertakings and activities which are carried out under a neighborhood development program approved by him pursuant to this part.

"(b) A neighborhood development program shall consist of urban renewal project undertakings and activities in one or more urban renewal areas which are planned and carried out on the basis of annual increments in accordance with the provisions of this title for planning and carrying out urban renewal projects, except as modified by the provisions of this part.

"(c) No application for financial assistance in planning and carrying out a neighborhood development program shall be approved by the Secretary unless—

"(1) the governing body of the locality has, by resolution or ordinance, approved the proposed program and the annual increment covered by the application and authorized the filing of the application for financial assistance; and

"(2) the Secretary has concluded that there is the necessary capacity to carry out the undertakings and activities included under the program.

"FINANCIAL PROVISIONS

"SEC. 132. (a) Upon the approval of a neighborhood development program by the Secretary, the cost of any undertakings and activities authorized as part of the program shall be financed in accordance with the loan, capital grant, and project cost provisions of part A, except that—

"(1) net project cost may be calculated on the basis of costs incurred and proceeds derived for the account of the program during a specified twelve-month period, and may be recalculated for succeeding periods of twelve months to reflect additional costs and additional proceeds since the date of the last computation or recomputation; and

"(2) if property has been acquired but not disposed of prior to the computation or recomputation of net project cost, temporary loans made or secured under this title to finance undertakings or activities included in the program may remain outstanding until the property has been disposed of and the proceeds thereof, together with additional funds becoming available to the program, are sufficient to permit repayment of the loans.

"(b) In the event that gross project cost as computed for a specified twelve-month period is exceeded, with respect to that period, by the sum of (1) the sales price of land or other property sold, and (2) the imputed capital value of land or other property leased or retained by the local public agency in accordance with the provisions of the urban renewal plan, the local public agency shall pay to the Secretary two-thirds of the excess (or three-fourths in the case of a program on a three-fourths grant basis), which amount shall be available to the Secretary for grant payments under section 103.

"LOCAL GRANTS-IN-AID

"SEC. 133. (a) For the purpose of determining the eligibility of local grants-in-aid in connection with undertakings and activities carried out under a neighborhood development program, the three-year period referred to in the second paragraph of section 110(d) shall be deemed to be a period of three years prior to the authorization by the Secretary of the first contract for financial assistance under the program which includes the urban renewal area which is benefited by the public improvement or facility for which credit is claimed; and the seven-year period referred to in clause (1) of section 112(b) shall be deemed to be a period of seven years prior to the date of authorization by the Secretary of the first contract for financial assistance under the program which includes the urban renewal area which is benefited by the expenditures for which credit is claimed.

"(b) No portion of the cost of a public improvement or public facility (to the extent otherwise eligible) may be included as a local grant-in-aid in computing the gross project cost of an approved program for any twelve-month period—

"(1) prior to commencement of construction of the improvement or facility, or

"(2) in excess of the amount actually expended or obligated by contract.

"(c) The provisions of section 104 with respect to the pooling of local grants-in-aid among the various projects undertaken by a local public agency shall not be applicable with respect to any excess local grants-in-aid resulting from the urban renewal projects contained in a neighborhood development program.

"GENERAL PROVISIONS

"SEC. 134. (a) For purpose of this part—

"(1) the workable program requirement in section 101(c) shall apply to the authorization, rather than the execution, of any contract for loans or capital grants;

"(2) capital grants on a three-fourths basis may only be made under section 103(a)(2)(B);

"(3) the relocation requirements specified in section 105(c) shall apply to each annual increment of an approved program;

"(4) section 106(g) (relating to transient housing) shall apply to activities undertaken under approved programs, except that the determination as to need for transient housing shall be made with respect to any sale or lease of land for construction of such housing prior to such sale or lease; and

"(5) the requirement concerning demolition and removal of buildings and improvements stated in clause (A) of the sentence following paragraph (10) of section 110(c) shall apply to each annual increment of an approved program.

"(b) The approval by the Secretary of financial assistance for one or more annual increments of a neighborhood development program shall not be considered as obligating him to provide financial assistance for any subsequent annual increments.

"(c) The urban renewal plan referred to in section 110(b) may cover one or more of the urban renewal areas covered by a neighborhood development program and such plan may be modified from time to time to cover additional urban renewal areas added to the program. The Secretary may establish such requirements as he deems appropriate prescribing the scope and content of such plan, taking into consideration, among other matters, the degree of detail needed in the plan to properly and expeditiously carry out the activities and undertakings proposed in any annual increment of a neighborhood development program."

(c) Notwithstanding any requirement or condition to the contrary in section 6 or 20(i) of the District of Columbia Redevelopment Act of 1945 or in any other provision of law, the District of Columbia Redevelopment Land Agency may plan and undertake neighborhood development programs under part B of title I of the Housing Act of 1949 (as added by this section), subject to all of the provisions of such Act of 1945 to the extent not inconsistent with such part B, and any such program shall be regarded as complying with the requirements of such sections 6 and 20(i) and of such other provision of law if it meets the applicable requirements established under such part B.

INCREASED AUTHORIZATION

SEC. 502. (a) Section 103(b) of the Housing Act of 1949 is amended by striking out everything in the first sentence after "exceed" and inserting in lieu thereof "$7,600,000,000, which amount shall be increased by $1,400,000,000 on July 1, 1969".

(b) Section 103(b) of such Act is further amended by striking out "$250,000,000" in the second sentence and inserting in lieu thereof "$600,000,000".

REHABILITATION GRANTS

SEC. 503. (a) The second sentence of section 115(a) of the Housing Act of 1949 is amended by striking out the words "a structure" and "such structure" and inserting in lieu thereof "real property" and "such real property", respectively.

(b) Section 115(b) of such Act is amended by striking out "$1,500" and inserting in lieu thereof "$3,000".

(c) Section 115(b) of such Act is amended by inserting "(1)" after "(a)", and by adding at the end thereof a new paragraph as follows:

"(2) In addition to the authority conferred by paragraph (1), and notwithstanding any other provision of this title, the Secretary is authorized, through the utilization of local public agencies where feasible, to make grants (payable from any grant funds provided under section 103(b)) to an individual or family, as described in subsection (b), to cover the cost of repairs and improvements necessary to make real property owned and occupied by such individual or family conform to public standards for decent, safe, and sanitary housing. No grants shall be made under this paragraph in the case of any property, unless (A) such property is in an area within a locality (other than an urban renewal or code enforcement area) which the governing body of the locality has determined, and so certifies to the Secretary, contains a substantial number of structures in need of such repairs and improvements, (B) there is in effect for the locality a workable program meeting the requirements of section 101(c), and (C) the area is definitely planned for rehabilitation or concentrated code enforcement within a reasonable time, and such repairs and improvements to such property are consistent with the plan for rehabilitation or concentrated code enforcement."

(d) Section 115 of such Act is further amended—

(1) by redesignating subsection (b) as subsection (c) and inserting after subsection (a) a new subsection (b) as follows:

"(b) The Secretary is authorized to make grants (payable from any grant funds provided under section 103(b)), through the utilization of local public and private agencies where feasible, to an individual or family, as described in subsection (c), who owns and occupies real property which has been determined to be uninsurable because of physical hazards after an inspection pursuant to a statewide property insurance plan approved by the Secretary under title XII of the National Housing Act. Such grants may only be made to rehabilitate such property to the extent which the Secretary determines to be necessary to make it meet reasonable underwriting standards imposed by such plan."; and

(2) by striking out "subsection (b)" in subsection (a) and inserting in lieu thereof "subsection (c)".

REHABILITATION IN URBAN RENEWAL AREAS

SEC. 504. Section 110(c)(8) of the Housing Act of 1949 is amended by striking out (1) "guidance purposes, and", and (2) the proviso at the end thereof.

DISPOSITION OF PROPERTY FOR LOW AND MODERATE INCOME HOUSING

SEC. 505. Section 107(a) of the Housing Act of 1949 is amended—

(1) by inserting after "public body or agency," the following: "or other approved purchaser or lessee,";

(2) by inserting ", section 221(h)(1), section 235(j)(1), or section 236" after "or (d)(4)";

(3) by inserting "or lessee" after "a purchaser" and after "such purchaser", and "or lease" after "purchase";

(4) by striking out "rental or cooperative";

(5) by striking out "moderate" and inserting in lieu thereof "low or moderate"; and

(6) by inserting before the period at the end thereof the following: "; *Provided*, That when property is made available under clause (1) to an approved purchaser or lessee other than a limited dividend corporation, nonprofit corporation or association, cooperative, or public body or agency, the Secretary shall assure that the benefits of this subsection will go to the occupant of the property rather than to such purchaser or lessee".

GRANTS FOR LOW AND MODERATE INCOME HOUSING IN OPEN LAND PROJECTS

SEC. 506. Section 103(a)(1) of the Housing Act of 1949 is amended by inserting before the period at the end thereof the following: ", except that he may contract for a grant in an amount not to exceed two-thirds of the difference between the proceeds from any land disposed of pursuant to section 107 and the fair value of the land without regard to such section".

URBAN RENEWAL LOAN CONTRACTS

SEC. 507. (a) Section 102(c) of the Housing Act of 1949 is amended—

(1) by striking out "at interest rates lower than provided in the loan contract" in the first sentence; and

(2) by inserting before the period at the end of the first sentence the following: ": Provided, That, if at any time during the undertaking of the project, the interest rate on such a loan from a source other than the Federal Government is greater than the rate at which funds could be made available under the Federal loan contract, the Secretary may make a supplemental grant to the local public agency in the amount of the difference between the interest cost from such sources and the interest cost at the contract rate, and no part of the amount of any such grant shall be required to be contributed as a part of the local grant-in-aid".

(b) Loan contracts outstanding on the date of enactment of this section may be amended to incorporate the provisions authorized by the amendment contained in subsection (a) without regard to the proviso in section 110(g) of the Housing Act of 1949.

PROJECT COMPLETION PRIOR TO DISPOSITION OF CERTAIN PROPERTY

SEC. 508. (a) Section 106 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(i) Upon a determination by the Secretary that (1) not more than 5 per centum of the total area of land acquired as part of an urban renewal project remains to be disposed of, (2) the local public agency does not expect to be able, due to circumstances beyond its control, to dispose of such land in the near future, (3) all other project activities are completed, and (4) the local public agency has agreed to dispose of or retain such land for uses in accordance with the urban renewal plan, the urban renewal project may be deemed completed, and the net project cost may be computed and the capital grant paid."

(b) Section 110(f) of such Act is amended by inserting before the period at the end thereof the following: "or for subsequent disposition or retention as provided under section 106(i)".

REHABILITATION LOANS

SEC. 509. (a) The first sentence of section 312(d) of the Housing Act of 1964 is amended to read as follows: "There is authorized to be appropriated not to exceed $150,000,000 for each fiscal year which shall constitute a revolving fund to be used by the Secretary in carrying out this section."

(b) Section 312(h) of such Act is amended by striking out "October 1, 1969" and inserting in lieu thereof "June 30, 1973".

(c) Section 312(a) of such Act is amended to read as follows:

"(a) The Secretary is authorized, through the utilization of local public and private agencies where feasible, to make loans as herein provided to the owners and tenants of property to finance the rehabilitation of such property. No loan shall be made under this section unless—

"(1)(A) the property is situated in an urban renewal area or an area in which a program of concentrated code enforcement activity is being carried out pursuant to section 117 of the Housing Act of 1949, and the rehabilitation is required to make the property conform to applicable code requirements or to carry out the objectives of the urban renewal plan for the area and, in addition, to generally improve the condition of the property; or

"(B) (i) the property is in an area (other than an area described in subparagraph (A)) which the governing body of the locality has determined, and so certifies to the Secretary, contains a substantial number of structures in need of rehabilitation, (ii) there is in effect for the locality a workable program meeting the requirements of section 101(c) of the Housing Act of 1949, (iii) the property is residential and owner-occupied, (iv) the property is in need of rehabilitation and is in violation of the local minimum housing or similar code, and (v) the area is definitely planned for rehabilitation or concentrated code enforcement within a reasonable time, and the rehabilitation of such property is consistent with the plan for rehabilitation or code enforcement;

"(2) the applicant is unable to secure the necessary funds from other sources upon comparable terms and conditions; and

"(3) the loan is an acceptable risk taking into consideration the need for the rehabilitation, the security available for the loan, and the ability of the applicant to repay the loan."

(d) Section 312 of such Act is further amended—

(1) by inserting "or" after the semicolon at the end of paragraph (1)(B) in subsection (a) (as amended by subsection (c) of this section), and by inserting after such paragraph (1)(B) the following new subparagraph:

"(C)(i) the property has been determined to be uninsurable because of physical hazards after an inspection pursuant to a statewide property insurance plan approved by the Secretary under title XII of the National Housing Act, and (ii) the loan is made to the owner or tenant of the property to finance rehabilitation which the Secretary determines to be necessary to make the property meet reasonable underwriting standards;"; and

(2) by striking out "or" after "applicable codes" in subsection (b)(1) and inserting in lieu thereof a comma, and by inserting after "urban renewal plan" in such subsection ", or a statewide property insurance plan".

(e) Section 312(a) of such Act (as amended by the preceding provisions of this section) is amended by adding at the end thereof the following new sentence: "Notwithstanding the preceding provisions of this subsection, no loan with respect to residential property shall be made under this section to any person whose annual income, as determined pursuant to criteria and procedures established by the Secretary, exceeds the limits prescribed by the Secretary for occupants of projects financed with below-market interest rate mortgages insured (in the area involved) under section 221(d)(3) of the National Housing Act: *Provided*, That the provisions of this sentence shall not apply to property in the area of an urban renewal project or a code enforcement project for which the city or other local public body or agency is receiving financial assistance under title I of the Housing Act of 1949 if, prior to the date of enactment of the Housing and Urban Development Act of 1968, such local public body or agency specifically developed plans for such project in reliance upon the availability of loans under this section."

DEMOLITION GRANTS

SEC. 510. (a) The first sentence of section 116(a) of the Housing Act of 1949 is amended by inserting after "unsound" the following: ", a harborage or potential harborage of rats,".

(b) Section 116(b) of such Act is amended by inserting after the comma at the end of clause (2) the following: "or will be consistent with a systematic rodent control program being undertaken in the neighborhood,".

AIR RIGHTS SITES IN URBAN RENEWAL AREAS

SEC. 511. (a) Section 110(c)(1)(iv) of the Housing Act of 1949 is amended by striking out "for use for industrial developing" and inserting in lieu thereof "for use for the development of industrial or educational facilities".

(b) Section 110(c)(7) of such Act is amended by striking out "for industrial development" and inserting in lieu thereof "for the development of industrial or educational facilities".

LOW AND MODERATE INCOME HOUSING IN RESIDENTIAL URBAN RENEWAL AREAS

SEC. 512. Section 105(f) of the Housing Act of 1949 is amended to read as follows:

"(f) A majority of the housing units provided in each community's total of such approved urban renewal projects as will be redeveloped for predominantly residential uses and which receive Federal recognition after the date of enactment of the Housing and Urban Development Act of 1968 shall be standard housing units for low and moderate income families or individuals: *Provided*, That the units in each community's total of such approved urban renewal projects which are for low-income families or individuals shall constitute at least 20 per centum of the units in such projects, except that the Secretary may waive the requirement of this proviso in any community to the extent that units for low-income families and individuals are not needed. The Secretary shall promptly report any waiver under the proviso in the preceding sentence to the Committees on Banking and Currency of the Senate and the House of Representatives."

WORKABLE PROGRAM REQUIREMENT IN CASE OF INDIAN TRIBES

SEC. 513. Section 101(c) of the Housing Act of 1949 is amended by inserting after "1964" in the second proviso the following: "or, in the case of an Indian tribe, band, or nation, commencing January 1, 1970".

INTERIM ASSISTANCE FOR BLIGHTED AREAS

SEC. 514. Title I of the Housing Act of 1949 is amended by adding after section 117 a new section as follows:

"INTERIM ASSISTANCE FOR BLIGHTED AREAS

"SEC. 118. Notwithstanding any other provision of this title, the Secretary is authorized to enter into contracts (in an aggregate amount not to exceed $15,000,000 in any fiscal year) to make, and to make, grants as provided in this section (payable from any grant funds provided under section 103(b)) to cities, other municipalities, and counties for the purpose of assisting such localities in carrying our programs to alleviate harmful conditions in slum and blighted areas which are planned for substantial clearance, rehabilitation, or federally assisted code enforcement in the near future but in which some immediate public action is needed until clearance, rehabilitation, or code enforcement activities can be undertaken. Such grants shall not exceed two-thirds (or three-fourths in the case of any city, other municipality, or county having a population of fifty thousand or less according to the most recent decennial census) of the cost of planning and carrying out programs which may include (1) the repair of streets, sidewalks, parks, playgrounds, publicly owned utilities, and public buildings to meet needs consistent with the short-term continued use of the area prior to the undertaking of the contemplated clearance or upgrading activities, (2) the improvement of private properties to the extent needed to eliminate the most immediate dangers to public health and safety, (3) the demolition of structures determined to be structurally unsound or unfit for human habitation and which constitute a public nuisance and serious hazard to the public health and safety, (4) the establishment of temporary public playgrounds on vacant land within the area, and (5) the improvement of garbage and trash collection, street cleaning, and similar activities. The Secretary shall encourage, wherever feasible, the employment of otherwise unemployed or underemployed residents, of the area in carrying out the activities and undertakings assisted under this section. The provisions of sections 101(c), 106, and 114 shall be applicable to activities and undertakings assisted under this section to the same extent as if such activities and undertakings were being carried out in an urban renewal area as part of an urban renewal project."

UTILIZATION OF LOCAL PRIVATE NONPROFIT AGENCIES FOR REHABILITATION GRANTS IN CODE ENFORCEMENT AREAS

SEC. 515. Section 117 of the Housing Act of 1949 is amended by inserting the following before the period at the end thereof: ": Provided, That the Secretary may, in addition to authorizing a local public agency to make grants as prescribed in section 115, make such grants through the utilization of local private nonprofit agencies".

RELOCATION PAYMENTS

SEC. 516. Section 114(c) of the Housing Act of 1949 is amended—

(1) by striking out the first sentence of paragraph (2) and inserting in lieu thereof the following: "In addition to any amount under paragraph (1), a local public agency may pay to or on behalf of any displaced family, displaced individual sixty-two years of age or over, or displaced handicapped individual, monthly payments over a period not to exceed twenty-four months in an amount not to exceed $500 in the first twelve months and $500 in the second twelve months to assist such displaced family or individual to secure a decent, safe, and sanitary dwelling,";

(2) by striking out "relocation adjustment" in the second sentence of paragraph (2) and inserting in lieu thereof "additional";

(3) by striking out the second proviso in paragraph (2) and inserting in lieu thereof the following: ": *Provided further*, That additional payments under this paragraph may be paid on a lump sum or other than monthly basis in cases in which the small size of the payments that would otherwise be required do not warrant a number of separate payments or in other cases in which other than monthly payments are determined warranted by the Secretary: *And provided further*, That no payment received under this paragraph shall be considered as income for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal Act"; and

(4) by inserting a new paragraph (3) as follows:

"(3) In addition to any amount under paragraph (1), a local public agency may make a payment to a displaced family or individual, who does not receive the additional payment authorized under paragraph (2) and who is the owner of real property which is acquired for a project assisted under this title and which is improved by a single- or two-family dwelling occupied by the owner for a period of not less than one year prior to the initiation of negotiations for the acquisition of such property. Such payment, not to exceed $5,000, shall be an amount which, when added to the acquisition payment, equals the average price required for a decent, safe, and sanitary dwelling of modest standards adequate in size to accommodate the displaced owner, reasonably accessible to public services and places of employment and available on the private market: *Provided*, That such payment may be made only to a displaced owner who purchases and occupies a dwelling within one year subsequent to the date on which he is required to move from the dwelling acquired for the project: *Provided further*, That no such payment may be made if the owner-occupant receives a payment required by the State law of eminent domain which is determined by the Secretary to have substantially the same purpose and effect as this paragraph and to be part of the cost of the project for which Federal financial assistance is available."

TITLE VI—URBAN PLANNING AND FACILITIES

COMPREHENSIVE PLANNING

SEC. 601. Section 701 of the Housing Act of 1954 is amended to read as follows:

"COMPREHENSIVE PLANNING

"SEC. 701. (a) In order to assist State and local governments in solving planning problems, including those resulting from the increasing concentration of population in metropolitan and other urban areas and the out-migration from and lack of coordinated development of resources and services in rural areas; to facilitate comprehensive planning for urban and rural development, including coordinated transportation systems, on a continuing basis by such governments; and to encourage such governments to establish and improve planning staffs and techniques on an areawide basis, and to engage private consultants where their professional services are deemed appropriate by the assisted governments, the Secretary is authorized to make planning grants to—

"(1) State planning agencies for the provision of planning assistance to (A) cities and other municipalities having a population of less than 50,000 according to the latest decennial census, and counties without regard to population: *Provided*, That grants shall be made under this paragraph for planning assistance to counties having a population of 50,000 or more, according to the latest decennial census, which are within metropolitan areas, only if (i) the Secretary finds that planning and plans for such county will be coordinated with the program of comprehensive planning, if any, which is being carried out for the metropolitan area of which the county is a part, and (ii) the aggregate amount of the grants made subject to this proviso does not exceed 15 per centum of the aggregate amount appropriated, after September 2, 1964, for the purposes of this section, (B) any group of adjacent communities, either incorporated or unincorporated, having a total population of less than 50,000 according to the latest decennial census and having common or related urban planning problems, (C) cities, other municipalities, and counties referred to in paragraph (3) of this subsection, and areas referred to in paragraph (4) of this subsection, and (D) Indian reservations;

"(2) State, metropolitan, and regional planning agencies for metropolitan or regional planning, and to cities, within metropolitan areas, for planning which is part of comprehensive metropolitan planning and which shall supplement and be coordinated with State, metropolitan, and regional planning;

"(3) (A) economic development districts designated by the Secretary of Commerce under title IV of the Public Works and Economic Development Act of 1965, and

"(B) cities, other municipalities, and counties which (i) are situated in redevelopment areas or economic development districts designated by the Secretary of Commerce under title IV of the Public Works and Economic Development Act of 1965, or (ii) have suffered substantial damage as a result of catastrophe which the President, pursuant to section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855a), has determined to be a major disaster;

"(4) official governmental planning agencies for areas where rapid urbanization has resulted or is expected to result from the establishment or rapid and substantial expansion of a Federal installation, or for areas where rapid urbanization is expected to result on land developed or to be developed as a new community approved under section 1004 of the National Housing Act or title IV of the Housing and Urban Development Act of 1968;

"(5) States for State and interstate comprehensive planning and for research and coordination activity related thereto, including technical and other assistance for the establishment and operation of intrastate and interstate planning agencies;

"(6) State planning agencies for assistance to district planning, or planning for areas within districts, carried on by or for district planning agencies;

"(7) metropolitan and regional planning agencies, with the approval of the State planning agency or (in States where no such planning agency exists) of the Governor of the State, for the provision of planning assistance within the metropolitan area or region to cities, other municipalities, counties, groups of adjacent communities, or Indian reservations described in clauses (A), (B), (C), and (D) of paragraph (1) of this subsection;

"(8) official governmental planning agencies for any area where there has occurred a substantial reduction in employment opportunities as the result of (A) the closing (in whole or in part) of a Federal installation, or (B) a decline in the volume of Government orders for the procurement of articles or materials produced or manufactured in such area;

"(9) tribal planning councils or other tribal bodies designated by the Secretary of the Interior for planning for an Indian reservation;

"(10) the various regional commissions established by the Appalachian Regional Development Act of 1965 or under the Public Works and Economic Development Act of 1965 for comprehensive planning for the regions established under such Acts (or State agencies or instrumentalities participating in such planning); and

"(11) local development districts, certified under section 301 of the Appalachian Regional Development Act of 1965, for comprehensive planning for their entire areas, or for metropolitan planning, urban planning, county planning, or small municipality planning within such areas in the Appalachian region, and for planning for Appalachian regional programs.

Planning assisted under this section shall, to the maximum extent feasible, cover entire areas having common or related development problems. The Secretary shall encourage cooperation in preparing and carrying out plans among all interested municipalities, political subdivisions, public agencies, and other parties in order to achieve coordinated development of entire areas. To the maximum extent feasible, pertinent plans and studies already made for areas shall be utilized so as to avoid unnecessary repetition of effort and expense. Planning which may be assisted under this section includes the preparation of comprehensive transportation surveys, studies, and plans to aid in solving problems of traffic congestion, facilitating the circulation of people and goods in metropolitan and other areas and reducing transportation needs. Planning carried out with assistance under this section shall also include a housing element as part of the preparation of comprehensive land use plans, and this consideration of the housing needs and land use requirements for housing in each comprehensive plan shall take into account all available evidence of the assumptions and statistical basis upon which the projection of zoning, community facilities, and population growth is based, so that the housing needs of both the region and the local communities studied in the planning will be adequately covered in terms of existing and prospective inmigrant population growth. Funds available under this section shall be addition to and may be used jointly with funds available for planning surveys and investigations under other federally aided programs, and nothing contained in this section shall be construed as affecting the authority of the Secretary of Transportation under section 307 of title 23, United States Code.

"(b) A planning grant made under subsection (a) shall not exceed two-thirds of the estimated cost of the work for which the grant is made: *Provided*, That such a grant may be made for up to 75 per centum of such estimated cost when made for planning primarily for (1) redevelopment areas, local development districts, or economic development districts, or portions thereof, described in paragraph (3) (A) and (11) of subsection (a), (2) areas described in subsection (a)(8), and (B)(i) and paragraph (3) the various regions, as described in subsection (a)(10). All grants made under this section shall be subject to terms and conditions prescribed by the Secretary. No portion of any grant made under this section shall be used for the preparation of plans for specific public works. The Secretary is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant made under this section. There are authorized to be appropriated for the purposes of this section not to exceed $265,000,000 prior to July 1, 1969, and not to exceed $390,000,000 prior to July 1, 1970. Of the amount available prior to July 1, 1969, $20,000,000 may be used only for district planning grants under subsection (a)(6), which amount shall be increased by $10,000,000 on July 1, 1969. Any amounts appropriated under this section shall remain available until expended: *Provided*, That, of any funds appropriated under this section, not to exceed an aggregate of $10,000,000 plus 5 per centum of the funds so appropriated may be used by the Secretary for studies, research, and demonstration projects, undertaken independently or by contract, for the development and improvement of techniques and methods for comprehensive planning and for the advancement of the purposes of this section, and for grants to assist in the conduct of studies and research relating to needed revisions in State statutes which create, govern, or control local governments and local governmental operations.

"(c) The Secretary is authorized, in areas embracing several municipalities or other political subdivisions, to encourage planning on a unified regional, district, or metropolitan basis and to provide technical assistance for such planning and the solution of problems relating thereto.

"(d) It is the further intent of this section to encourage comprehensive planning, including transportation planning, for States, cities, counties, metropolitan areas, districts, regions, and Indian reservations and the establishment and development of the organizational units needed therefor. In extending financial assistance under this section, the Secretary may require such assurances as he deems adequate that the appropriate State and local agencies are making reasonable progress in the development of the elements of comprehensive planning. The Secretary is authorized to provide technical assistance to State and local governments and their agencies and instrumentalities, and to Indian tribal bodies, undertaking such planning and, by contract or otherwise, to make studies and publish information on related problems.

"(e) In the exercise of his responsibilities under this section, the Secretary shall consult with those officials of the Federal Government responsible for the administration of programs of Federal assistance to the States and municipalities for various categories of public facilities and other comprehensively planned activities. He shall, particularly, consult with the Secretary of Agriculture prior to his approval of any district planning grants. under subsections (a)(6) and (g), and with the Secretary of Commerce prior to his approval of any planning grants which include any part of an economic development district as defined and designated under the Public Works and Economic Development Act of 1965. The Secretary of Agriculture and the Secretary of Commerce, as appropriate, may provide technical assistance, with or without reimbursement, in connection with the establishment of districts by the Secretary of Housing and Urban Development and the carrying out of planning by such districts.

"(f) The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in the comprehensive planning for the growth and development of interstate, metropolitan, or other urban areas, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.

"(g) In addition to the planning grants authorized by subsection (a), the Secretary is further authorized to make grants to organizations composed of public officials representative of the political jurisdictions within the metropolitan area, region, or district for the purpose of assisting such organizations to undertake studies, collect data, develop metropolitan, regional, and district plans and programs, and engage in such other activities, including implementation of such plans, as the Secretary finds necessary or desirable for the solution of the metropolitan, regional, or district problems in such areas, regions, or districts. To the maximum extent feasible, all grants under this subsection shall be for activities relating to all the developmental aspects of the total metropolitan area, region, or district including, but not limited to, land use, transportation, housing, economic development, natural resources development, community facilities, and the general improvement of living environments. A grant under this subsection shall not exceed two-thirds of the estimated cost of the work for which the grant is made.

"(h) In addition to the other grants authorized by this section, the Secretary is authorized to make grants to assist any city, other municipality, or county in making a survey of the structures and sites in such locality which are determined by its appropriate authorities to be of historic or architectural value. Any such survey shall be designed to identify the historic structures and sites in the locality, determine the cost of their rehabilitation or restoration, and provide such other information as may be necessary or appropriate to serve as a foundation for a balanced and effective program of historic preservation in such locality. The aspects of any such survey which relate to the identification of historic and architectural values shall be conducted in accordance with criteria found by the Secretary to be comparable to those used in establishing the national register maintained by the Secretary of the Interior under other provisions of law; and the results of each such survey shall be made available to the Secretary of the Interior. A grant under this subsection shall not exceed two-thirds of the cost of the survey for which it is made, and shall be made to the appropriate agency or entity specified in paragraphs (1) through (11) of subsection (a) or, if there is no such agency or entity which is qualified and willing to receive the grant and provide for its utilization in accordance with this subsection, directly to the city, other municipality, or county involved.

"(i) As used in this section—

"(1) The term 'metropolitan area' means a standard metropolitan statistical area, as established by the Bureau of the Budget, subject, however, to such modifications or extensions as the Secretary deems to be appropriate for the purposes of this section.

"(2) The term 'region' includes (A) all or part of the area of jurisdiction of one or more units of general local government, and (B) one or more metropolitan areas.

"(3) The term 'district' includes all or part of the area of jurisdiction of (A) one or more counties, and (B) one or more other units of general local government, but does not include any portion of a metropolitan area.

"(4) The term 'comprehensive planning' includes the following:

"(A) preparation, as a guide for governmental policies and action, of general plans with respect to (i) the pattern and intensity of land use, (ii) the provision of public facilities (including transportation facilities) and other government services, and (iii) the effective development and utilization of human and natural resources;

"(B) long-range physical and fiscal plans for such action;

"(C) programing of capital improvements and other major expenditures, based on a determination of relative urgency, together with definitive financing plans for such expenditures in the earlier years of the program;

"(D) coordination of all related plans and activities of the State and local governments and agencies concerned; and

"(E) preparation of regulatory and administrative measures in support of the foregoing.

Comprehensive planning for the purpose of districts shall not include planning for or assistance to establishments in relocating from one area to another or assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts theretofore customarily performed by them: *Provided*, That this limitation shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity, if the Secretary finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

"(5) The term 'State planning agencies' includes official State planning agencies and (in States where no such planning agency exists) agencies or instrumentalities of State government designated by the Governor of the State and acceptable to the Secretary.

"(6) The terms 'metropolitan planning agencies', 'regional planning agencies', and 'district planning agencies' mean official metropolitan, regional, and district planning agencies, or other agencies and instrumentalities designated by the Governor (or Governors in the case of interstate planning), and acceptable to the Secretary, empowered under State or local law or interstate compact to perform metropolitan, regional, or district planning, respectively: *Provided*, That such agencies and instrumentalities shall, to the greatest practicable extent, be composed of or responsible to the elected officials of the unit or units of general local government for whose jurisdictions they are empowered to engage in planning."

PLANNED AREAWIDE DEVELOPMENT

SEC. 602. (a) The heading of title II of the Demonstration Cities and Metropolitan Development Act of 1966 is amended to read as follows: "TITLE II—PLANNED AREAWIDE DEVELOPMENT".

(b) Section 201 of such Act is amended to read as follows:

"FINDINGS AND DECLARATION OF PURPOSE

"SEC. 201. (a) The Congress hereby finds that the welfare of the Nation and of its people is directly dependent upon the sound and orderly development and the effective organization and functioning of our State and local governments.

"It further finds that it is essential that our State and local governments prepare, keep current, and carry out comprehensive plans and programs for their orderly physical development with a view to meeting efficiently all their economic and social needs.

"It further finds that our State and local governments are especially handicapped in this task by the complexity and scope of governmental services required, the multiplicity of political jurisdictions and agencies involved, and the inadequacy of the operational and administrative arrangements available for cooperation among them.

"It further finds that present requirements for areawide planning and programing in connection with various Federal programs have materially assisted in the solution of areawide problems, but that greater coordination of Federal programs and additional participation and cooperation are needed from the States and localities in perfecting and carrying out such efforts.

"(b) It is the purpose of this title to provide through greater coordination of Federal programs, and through supplementary grants for certain federally assisted development projects, additional encouragement and assistance to States and localities for making comprehensive areawide planning and programing effective."

(c) Section 202 of such Act is amended by striking out "metropolitan" each place it appears and inserting in lieu thereof "areawide".

(d) (1) Section 205 of such Act is amended by striking out "metropolitan development" each place it appears and inserting in lieu thereof "areawide development".

(2) Such section is further amended by striking out "metropolitan areas" and "metropolitan area" and inserting in lieu thereof "areas" and "area", respectively.

(3) Such section is further amended by striking out "metropolitanwide" each place it appears, and inserting in lieu thereof "areawide".

(4) Such section is further amended by striking out "metropolitan planning" each place it appears and inserting in lieu thereof "areawide planning".

(5) Such section is further amended by inserting "where appropriate," after "(B)" in subsection (c)(1).

(6) Such section is further amended by striking out "within the metropolitanwide area" in subsection (f).

(e) (1) Paragraphs (1) and (2) of section 208 of such Act are amended by striking out "Metropolitan" and inserting in lieu thereof "Areawide".

(2) Paragraph (7) of such section is amended—

(A) by striking out "or metropolitan or regional" and inserting in lieu thereof ", metropolitan, regional, or district"; and

(B) by striking out "metropolitan" in the parenthetical phrase. (f) Section 206(b) of such Act is amended by striking out the second sentence and inserting in lieu thereof the following: "Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1970."

ADVANCE ACQUISITION OF LAND

SEC. 603. (a) Section 701 of the Housing and Urban Development Act of 1965 is amended by striking out "in connection with the future construction of public works and facilities" in clause (3) and inserting in lieu thereof "in the future for public purposes".

(b) Section 704 of such Act is amended to read as follows:

"ADVANCE ACQUISITION OF LAND

"SEC. 704. (a) In order to encourage and assist the timely acquisition of land planned to be utilized in the future for public purposes, the Secretary is authorized to make grants to States and local public bodies and agencies to assist in financing the acquisition of a fee simple estate or other interest in such land.

"(b) The amount of any grant made under this section shall not exceed the aggregate amount of reasonable interest charges on the loans or other financial obligations incurred to finance the acquisition of such land for a period not in excess of the lesser of (1) five years from the date of acquisition of such land or (2) the period of time between the date on which the land was acquired and the date its use began for the purpose for which it was acquired: *Provided*, That where all or any portion of the cost of such land is not financed through borrowings, the amount of the grant shall be computed on the basis of the aggregate amount of reasonable interest charges that the Secretary determines would have been required.

"(c) No grant shall be made under this section unless the Secretary determines that the land will be utilized for a public purpose within a reasonable period of time and that such utilization will contribute to economy, efficiency, and the comprehensively planned development of the area. The Secretary shall in all cases require that land acquired with the assistance of a grant under this section be utilized for a public purpose within five years after the date on which a contract to make such grant is entered into, unless the Secretary (1) determines that due to unusual circumstances a longer period of time is necessary and in the public interest, and (2) reports such determination promptly to the Committees on Banking and Currency of the Senate and House of Representatives.

"(d) No land acquired with assistance under this section shall, without approval of the Secretary, be diverted from the purpose originally approved. The Secretary shall approve no such diversion unless he finds that the diversion is in accord with the then applicable comprehensive plan for the area. In cases of a diversion of land to other than a public purpose, the Secretary may require repayment of the grant, or substitution of land of approximately equal fair market value, whichever he deems appropriate. An interim use of the land for a public or private purpose in accordance with standards prescribed by the Secretary, or approved by him, shall not constitute a diversion within the meaning of this subsection.

"(e) Notwithstanding any other provision of law, no project for which land is acquired with assistance under this section shall, solely as a result of such advance acquisition, be considered ineligible for the purpose of any other Federal loan or grant program, and the amount of the purchase price paid for the land by the recipient of a grant under this section may be considered an eligible cost for the purpose of such other Federal loan or grant program."

WATER AND SEWER FACILITIES PROGRAM

SEC. 604. (a) Section 702(c) of the Housing and Urban Development Act of 1965 is amended by striking out "July 1, 1968" and inserting in lieu thereof "October 1, 1969".

(b) Section 702(b) of such Act is amended—

(1) by striking out "a basic public sewer facility" and inserting in lieu thereof "a basic public water or sewer facility"; and

(2) by striking out "a public or other adequate sewer facility" and inserting in lieu thereof "a public or other adequate water or sewer facility".

(c) Section 702 of such Act is amended by adding at the end thereof a new subsection as follows:

"(d) In the administration of this section the Secretary shall require that, to the greatest extent practicable, new job opportunities be provided for unemployed or underemployed persons in connection with projects the financing of which is assisted under this section."

AUTHORIZATIONS FOR THE WATER AND SEWER FACILITIES, NEIGHBORHOOD FACILITIES, AND ADVANCE ACQUISITION OF LAND PROGRAMS

SEC. 605. (a) Section 708(b) of the Housing and Urban Development Act of 1965 is amended by striking out "July 1, 1969" and inserting in lieu thereof "July 1, 1970".

(b) Section 708(a) of such Act is amended—

(1) by striking out "$200,000,000 for grants under section 702" and inserting in lieu thereof "$200,000,000 (or $350,000,000 in the case of the fiscal year commencing July 1, 1968) for grants under section 702"; and

(2) by adding at the end thereof the following new sentence: "In addition, there is authorized to be appropriated for grants under section 702 not to exceed $115,000,000 for the fiscal year commencing July 1, 1969."

OPEN-SPACE LAND PROGRAM

SEC. 606. (a) Section 702(b) of the Housing Act of 1961 is amended to read as follows:

"(b) There are authorized to be appropriated, for the purpose of making grants under this title, not to exceed $310,000,000 prior to July 1, 1969, and not to exceed $460,000,000 prior to July 1, 1970. Any amounts appropriated under this section shall remain available until expended."

(b) Section 708(b) of such Act is amended by striking out "$50,000" and inserting in lieu thereof "$125,000".

AUTHORIZATION TO MAKE FEASIBILITY STUDIES IN THE PUBLIC WORKS PLANNING ADVANCES PROGRAM

Sec. 607. Section 702(a) of the Housing Act of 1954 is amended by inserting after "to aid in financing the cost of" the following: "feasibility studies,".

TITLE VII—URBAN MASS TRANSPORTATION

GRANT AUTHORIZATIONS

Sec. 701. (a) Section 4(b) of the Urban Mass Transportation Act of 1964 is amended (1) by striking out the word "and" where it first appears in the first sentence, and (2) by inserting before the period at the end of first sentence "; and $190,000,000 for fiscal year 1970".

(b) Section 6(c) of such Act is amended (1) by striking out "$50,000,000" and inserting in lieu thereof "$56,000,000", and (2) by inserting at the end thereof the following: "On or after July 1, 1969, the Secretary may make available to finance projects under this section such additional sums out of the grant authorization provided in section 4(b) as he deems appropriate."

DEFINITION OF MASS TRANSPORTATION

Sec. 702. Section 12(c)(5) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(5) the term 'mass transportation' means transportation by bus, rail, or other conveyance, either publicly or privately owned, which provides to the public general or special service (but not including school buses or charter or sightseeing service) on a regular and continuing basis."

EXTENSION OF EMERGENCY PROGRAM UNDER THE URBAN MASS TRANSPORTATION ACT

Sec. 703. Section 5 of the Urban Mass Transportation Act of 1964 is amended by striking out "November 1, 1968" and inserting in lieu thereof "July 1, 1970".

NON-FEDERAL SHARE OF NET PROJECT COST

Sec. 704. (a) Section 4(a) of the Urban Mass Transportation Act of 1964 is amended by striking out the last sentence and inserting in lieu thereof of following: "The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds. Not more than 50 per centum of such remainder may be provided from other than public sources, and any public or private transit system funds shall be provided solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital; except that in cases of demonstrated fiscal inability of an applicant actively engaged in preparing and effectuating a program for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, such remainder may be provided from other than public sources. No refund or reduction of the remainder of the net project cost shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant."

(b) Section 5 of such Act is amended by striking out the last sentence and inserting in lieu thereof the following: "The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds. Not more than 50 per centum of such remainder may be provided from other than public sources, and any public or private transit system funds shall be provided solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital; except that in cases of demonstrated fiscal inability of an applicant actively engaged in preparing and effectuating a program for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, such remainder may be provided from other than public sources. No refund or reduction of the remainder of the net project cost shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant."

TITLE VIII—SECONDARY MORTGAGE MARKET

PURPOSES

Sec. 801. The purposes of this title include the partition of the Federal National Mortgage Association as heretofore existing into two separate and distinct corporations, each of which shall have continuity and corporate succession as a separated portion of the previously existing corporation. One of such corporations, to be known as Federal National Mortgage Association, will be a Government-sponsored private corporation, will retain the assets and liabilities of the previously existing corporation accounted for under section 304 of the Federal National Mortgage Association Charter Act, and will continue to operate the secondary market operations authorized by such section 304. The other, to be known as Government National Mortgage Association, will remain in the Government, will retain the assets and liabilities of the previously existing corporation accounted for under sections 305 and 306 of such Act, and will continue to operate the special assistance functions and management and liquidating functions authorized by such sections 305 and 306.

AMENDMENTS TO THE FEDERAL NATIONAL MORTGAGE ASSOCIATION CHARTER ACT

Sec. 802. (a) The heading of title III of the National Housing Act is amended by striking out "FEDERAL NATIONAL MORTGAGE ASSOCIATION" and inserting in lieu thereof "NATIONAL MORTGAGE ASSOCIATIONS".

(b) Section 301 of such Act is amended—

(1) by striking out "in the Federal Government a";

(2) by striking out "facility for" and inserting in lieu thereof "facilities for";

(3) by striking out "of such facility" and inserting in lieu thereof "thereof";

(4) by striking out "facility to" and inserting in lieu thereof "facilities to"; and

(5) by striking out "the existing mortgage portfolio of the Federal National Mortgage Association" and inserting in lieu thereof "federally owned mortgage portfolios".

(c) Section 302(a) of such Act is amended—

(1) by inserting "(1)" immediately following "(a)";

(2) by striking out "(hereinafter referred to as the 'Association')"; and

(3) by adding at the end thereof the following new paragraph:

"(2) On the effective date established pursuant to section 808 of the Housing and Urban Development Act of 1968, the body corporate described in the foregoing paragraph shall cease to exist in that form and is hereby partitioned into two separate and distinct bodies corporate, each of which shall have continuity and corporate succession as a separated portion of the previously existing body corporate, as follows:

"(A) One of such separated portions shall be a body corporate without capital stock to be known as Government National Mortgage Association (hereinafter referred to as the 'Association'), which shall be in the Department of Housing and Urban Development and which shall retain the assets and liabilities acquired and incurred under sections 305 and 306 prior to such effective date, including any and all liabilities incurred pursuant to section 302(c). The Association shall have succession until dissolved by Act of Congress. It shall maintain its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof. Agencies or offices may be established by the Association in such other place or places as it may deem necessary or appropriate in the conduct of its business.

"(B) The other such separated portion shall be a body corporate to be known as Federal National Mortgage Association (hereinafter referred to as the 'corporation'), which shall retain the assets and liabilities acquired and incurred under sections 303 and 304 prior to such effective date. The corporation shall have succession until dissolved by Act of Congress. It shall maintain its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof."

(d) Section 302(b) of such Act is amended—

(1) by striking out "the Association is authorized" and inserting in lieu thereof "each of the bodies corporate named in subsection (a)(2) is authorized";

(2) by striking out "lend (under section 304) on the security of,";

(3) by inserting immediately before the colon in the first sentence "; and the corporation is authorized to lend on the security of any such mortgages and to purchase, sell, or otherwise deal in any securities guaranteed by the Association under section 306(g)"; and

(4) by striking out "no mortgage may be purchased" and inserting in lieu thereof "the Association may not purchase any mortgage".

(e) Section 302(c)(1) of such Act is amended by striking out ", consistent with section 307,".

(f) Section 302(c)(2)(C) of such Act is amended to read as follows:

"(C) The Department of Housing and Urban Development."

(g) Section 302(c)(2) of such Act is amended by striking out "incurred by the Federal National Mortgage" and inserting in lieu thereof "incurred by the".

(h) The heading of section 303 of such Act is amended to read as follows: "CAPITALIZATION—FEDERAL NATIONAL MORTGAGE ASSOCIATION".

(i) Section 303(a) of such Act is amended—

(1) by striking out "nonvoting common stock" and inserting in lieu thereof "common stock, without par value, which shall be vested with all voting rights, each share being entitled to one vote with rights of cumulative voting at all elections of directors";

(2) by striking out "nonvoting preferred stock" and inserting in lieu thereof "nonvoting preferred stock, with a par value of $100 per share,";

(3) by striking out the second and third sentences thereof and inserting in lieu thereof "The free transferability of the common stock at all times to any person, firm, corporation, or other entity shall not be restricted except that, as to the corporation, it shall be transferable only on the books of the corporation.";

(4) by striking out "of the capital surplus and the general surplus accounts";

(5) by striking out "retire" and inserting in lieu thereof "retire, at par,"; and

(6) by striking out "the Association shall deem feasible" and inserting in lieu thereof "possible subsequent to the effective date established pursuant to section 808 of the Housing and Urban Development Act of 1968".

(j) Section 303(b) of such Act is amended—

(1) by striking out "for its services" and inserting in lieu thereof ", which may be regarded as elements of pricing,"; and

(2) by striking out the last sentence.

(k) Section 303(c) of such Act is amended—

(1) by striking out "(only in denominations of $100 or multiples thereof)";

(2) by inserting immediately after the first sentence the following: "In addition to the

shares of common stock issued under the foregoing sentence, the corporation may issue additional shares in return for appropriate payments into capital or capital and surplus. The corporation shall at all times require each servicer of its mortgages to own a minimum amount of common stock of the corporation, measured by its stated value. Such minimum amount shall not exceed 2 per centum, as determined from time to time by the corporation with the approval of the Secretary of Housing and Urban Development, of the aggregate outstanding principal balances of all mortgages of the corporation which have been purchased subsequent to the effective date established pursuant to section 808 of the Housing and Urban Development Act of 1968 and which are then serviced by such servicer for the corporation."; and

(3) by striking out "the general surplus account of the Association shall not be reduced through the payment of dividends applicable to such common stock which exceed in the aggregate 5 per centum of the par value of the outstanding common stock of the Association" and inserting in lieu thereof "the aggregate amount of cash dividends paid on account of any share of such stock shall not exceed any rate which may be determined from time to time by the Secretary of Housing and Urban Development to be a fair rate of return after consideration of the current earnings and capital condition of the corporation".

(l) Section 303(d) of such Act is amended by striking out "$225,000,000" and inserting in lieu thereof "$225,000,000; but no such stock may be issued subsequent to the effective date established pursuant to section 808 of the Housing and Urban Development Act of 1968".

(m) Section 303(f) of such Act is amended by striking out "contributions, and" and inserting in lieu thereof "contributions, to purchase additional shares of such stock, and".

(n) Section 303(g) of such Act is repealed.

(o) The heading of section 304 of such Act is amended to read as follows: "SECONDARY MARKET OPERATIONS—FEDERAL NATIONAL MORTGAGE ASSOCIATION".

(p) Section 304(a)(1) of such Act is amended by striking out "and the Association shall not purchase any mortgage insured or guaranteed prior to the effective date of the Housing Act of 1954".

(q) Section 304(b) of such Act is amended by striking out "earnings and in" and inserting in lieu thereof "earnings unless a greater ratio shall be fixed at any time or from time to time by the Secretary of Housing and Urban Development. In".

(r) Section 304(c) of such Act is amended by striking out "(1) all of the preferred stock of the Association held by the Secretary of the Treasury has been retired, or (2)".

(s) Sections 303 and 304 of such Act, as amended by the foregoing subsections of this section, are further amended—

(1) by striking out "Association" each place it appears and inserting in lieu thereof, in each such place, "corporation"; and

(2) by striking out "Association's" each place it appears and inserting in lieu thereof, in each such place, "corporation's".

(t) The heading of section 305 of such Act is amended to read as follows: "SPECIAL ASSISTANCE FUNCTIONS—GOVERNMENT NATIONAL MORTGAGE ASSOCIATION".

(u) The heading of section 306 of such Act is amended to read as follows: "MANAGEMENT AND LIQUIDATING FUNCTIONS—GOVERNMENT NATIONAL MORTGAGE ASSOCIATION".

(v) Subsection (a) and (b) of section 307 of such Act are repealed.

(w) Section 307 of such Act is further amended—

(1) by striking out "SEC. 307.";

(2) by striking out "(c) All of the benefits and burdens incident to the administration of" and inserting in lieu thereof the following:

"SEC. 307. All of the benefits and burdens incident to the administration of"; and

(3) by striking out "board of directors of the Association" and inserting in lieu thereof "Secretary of Housing and Urban Development".

(x) The heading of section 308 of such Act is amended to read as follows: "MANAGEMENT".

(y) Section 308 of such Act is amended—

(1) by inserting "(a)" immediately following "308";

(2) by striking out the first two sentences and inserting in lieu thereof "All the powers and duties of the Government National Mortgage Association shall be vested in the Secretary of Housing and Urban Development and the Association shall be administered under the direction of the Secretary.";

(3) by striking out "the board shall determine" and inserting in lieu thereof "the Secretary shall determine";

(4) by striking out "Association. The chairman of the board" and inserting in lieu thereof "Association, and shall have power to adopt, amend, and repeal bylaws governing the performance of the powers and duties granted to or imposed upon it by law. The Secretary";

(5) by striking out "by the board of directors," and inserting in lieu thereof "by the Secretary,";

(6) by striking out the last sentence; and

(7) by adding at the end thereof the following new subsection:

"(b) The Federal National Mortgage Association shall have a board of directors which shall consist of fifteen persons, one-third of whom shall be appointed annually by the President of the United States, and the remainder of whom shall be elected annually by the common stockholders. The board shall at all times have as members appointed by the President at least one person from the homebuilding industry, at least one person from the mortgage lending industry, and at least one person from the real estate industry. Each member of the board of directors shall be appointed or elected for a term ending on the date of the next annual meeting of the stockholders, except that any such member may be removed from office by the President for good cause. Any elective seat on the board which becomes vacant after the annual election of the directors shall be filled by the board, but only for the unexpired portion of the term. Any appointive seat which becomes vacant shall be filled by appointment of the President, but only for the unexpired portion of the term. Within the limitations of law and regulation, the board shall determine the general policies which shall govern the operations of the corporation, and shall have power to adopt, amend, and repeal bylaws governing the performance of the powers and duties granted to or imposed upon it by law. The board of directors shall select and effect the appointment of qualified persons to fill the offices of president and vice president, and such other offices as may be provided for in the bylaws. Any member of the board who is a full-time officer or employee of the Federal Government shall not, as such member, receive compensation for his services."

(z) Section 309(a) of such Act is amended—

(1) by striking out "The Association" and inserting in lieu thereof "Each of the bodies corporate named in section 302(a)(2)";

(2) by striking out "by its board of directors, to adopt, amend, and repeal bylaws governing the performance of the powers and duties granted to or imposed upon it by law;";

(3) by striking out "conduct its business" and inserting in lieu thereof "conduct its business without regard to any qualification or similar statute";

(4) by striking out "the Association may deem" and inserting in lieu thereof "it may deem"; and

(5) by striking out "the purposes of the Association" and inserting in lieu thereof "its purposes".

(aa) Section 309(c) of such Act is amended—

(1) by striking out "(1)";

(2) by striking out "The Association" and inserting in lieu thereof "(1) The Association";

(3) by striking out ", and (2) the Association shall, with respect to its secondary market operations under section 304 after the cutoff date referred to in section 303(d) of this title, pay annually to the Secretary of the Treasury, for covering into miscellaneous receipts, an amount equivalent to the amount of Federal income taxes for which it would be subject if it were not exempt from such taxes with respect to such secondary market operations"; and

(4) by adding at the end thereof the following new paragraph:

"(2) The corporation, including its franchise, capital, reserves, surplus, mortgages or other security holdings, and income, shall be exempt from all taxation now or hereafter imposed by any State, territory, possession, Commonwealth, or dependency of the United States, or by the District of Columbia, or by any county, municipality, or local taxing authority, except that any real property of the corporation shall be subject to State, territorial, county, municipal, or local taxation to the same extent as other real property is taxed."

(bb) Section 309(d) of such Act is amended—

(1) by inserting "(1)" immediately following "(d)";

(2) by striking out "Chairman of the Board" and inserting in lieu thereof "Secretary of Housing and Urban Development";

(3) by striking out "agents," and inserting in lieu thereof "agents of the Association,"; and

(4) by adding at the end thereof the following new paragraph:

"(2) The board of directors of the corporation shall have the power to select and appoint or employ such officers, attorneys, employees, and agents, to vest them with such powers and duties, and to fix and to cause the corporation to pay such compensation to them for their services, as it may determine; and any such action shall be without regard to the Federal civil service and classification laws. Appointments, promotions, and separations so made shall be based on merit and efficiency, and no political tests or qualifications shall be permitted or given consideration. Each officer and employee of the corporation who is employed by the corporation prior to the termination of the transitional period referred to in section 810(b) of the Housing and Urban Development Act of 1968 and who on the day previous to the beginning of such employment will have been subject to the civil service retirement law (subch. III of ch. 83 of title 5, United States Code) shall, so long as his employment by the corporation continues without a break in continuity of service, continue to be subject to such law; and for the purpose of such law his employment by the corporation without a break in continuity of service shall be deemed to be employment by the Government of the United States. The corporation shall contribute to the Civil Service Retirement and Disability Fund a sum as provided by section 8334(a) of title 5, United States Code, except that such sum shall be determined by applying to the total basic pay (as defined in 5 U.S.C. 8331(3) and except as hereinafter provided) paid to the employees of the corporation who are covered by the civil service retirement law, the per centum rate determined annually by the United States Civil Service Commission to be the excess of the total normal cost per centum rate of the civil service retirement system over the employee deduction rate specified in section 8334(a) of title 5, United States Code. The corporation shall also pay into the Civil Service Retirement and Disability Fund such portion of the cost of administration of the fund as is determined by the United States Civil Service Commission to be attributable to its employees. Notwithstanding the foregoing provisions, there shall not be considered for the purposes of the civil service retirement law that portion of the basic pay in any one year of any officer or employee of the corporation which exceeds the basic pay provided for in section 5312 of title 5, United States Code, on the last day of such year. Except as provided in this subsection, the corporation shall not be subject to the provisions of title 5, United States Code."

(cc) Section 309(e) of such Act is amended—

(1) by striking out "body corporate created by section 302" and inserting in lieu thereof "bodies corporate named in section 302 (a)(2)";

(2) by inserting ", 'Government National Mortgage Association'," immediately following "'Federal National Mortgage Association'"; and

(3) by striking out the second sentence and inserting in lieu thereof the following: "Violations of the foregoing sentence may be enjoined by any court of general jurisdiction at the suit of the proper body corporate. In any such suit, the plaintiff may recover any actual damages flowing from such violation, and, in addition, shall be entitled to punitive damages (regardless of the existence or nonexistence of actual damages) of not exceeding $100 for each day during which such violation is committed or repeated."

(dd) Section 309(g) of such Act is amended to read as follows:

"(g) The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for each of the bodies corporate named in section 302(a)(2), for its own account or as fiduciary, and such banks shall be reimbursed for such services in such manner as may be agreed upon; and each of such bodies corporate may itself act in such capacities, for its own account or as fiduciary, and for the account of others."

(ee) Section 309 of such Act is amended by adding at the end thereof the following new subsection:

"(h) The Secretary of Housing and Urban Development shall have general regulatory power over the Federal National Mortgage Association and shall make such rules and regulations as shall be necessary and proper to insure that the purposes of this title are accomplished. No stock, obligation, security, or other instrument shall be issued by the corporation without the prior approval of the Secretary. The Secretary may require that a reasonable portion of the corporation's mortgage purchases be related to the national goal of providing adequate housing for low and moderate income families, but with reasonable economic return to the corporation. The Secretary may examine and audit the books and financial transactions of the corporation, and he may require the corporation to make such reports on its activities as he deems advisable."

(ff) Section 311 of such Act is amended—

(1) by striking out "the Association" and inserting in lieu thereof "either of the bodies corporate named in section 302(a)(2)"; and

(2) by adding at the end thereof the following: "All stock, obligations, securities, participations, or other instruments issued pursuant to this title shall, to the same extent as securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States, be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission; but all such issuances shall be made only with the approval of the Secretary of Housing and Urban Development."

PARTICIPATIONS

SEC. 803. Section 302(c)(5) of the National Housing Act is amended by inserting at the end thereof the following: "In the event that the insufficiency required by the trustee is on account of principal maturities of outstanding beneficial interests or participations authorized to be issued pursuant to paragraph (4) of this subsection, or pursuant hereto, the trustee is authorized to elect to issue additional beneficial interests or participations for refinancing purposes in lieu of requiring any trustor or trustors to make payments to the trustee from appropriated funds or other sources. Each such issue of beneficial interests or participations shall be in an amount determined by the trustee but not in excess of the aggregate amount which the trustee would otherwise require the trustor or trustors to pay from appropriated funds or other sources, and may be issued without regard to the provisions of paragraph (4) of this subsection. All refinancing issues of beneficial interests or participations shall be deemed to have been issued pursuant to the authority contained in the appropriation Act or Acts under which the beneficial interests or participations were originally issued."

MORTGAGE-BACKED SECURITIES

SEC. 804. (a) Section 304 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(d) To provide a greater degree of liquidity to the mortgage investment market and an additional means of financing its operations under this section, the corporation is authorized to set aside any mortgages held by it under this section, and, upon approval of the Secretary of the Treasury, to issue and sell securities based upon the mortgages so set aside. Securities issued under this subsection may be in the form of debt obligations or trust certificates of beneficial interest, or both. Securities issued under this subsection shall have such maturities and bear such rate or rates of interest as may be determined by the corporation with the approval of the Secretary of the Treasury. Securities issued by the corporation under this subsection shall, to the same extent as securities which are direct obligations of or obligations guaranteed as to principal and interest by the United States, be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission. Mortgages set aside pursuant to this subsection shall at all times be adequate to enable the corporation to make timely principal and interest payments on the securities issued and sold pursuant to this subsection."

(b) Section 306 of such Act is amended by adding at the end thereof the following new subsection:

"(g) The Association is authorized, upon such terms and conditions as it may deem appropriate, to guarantee the timely payment of principal of and interest on such trust certificates or other securities as shall (1) be issued by the corporation under section 304 (d), or by any other issuer approved for the purposes of this subsection by the Association, and (2) be based on and backed by a trust or pool composed of mortgages which are insured under the National Housing Act or title V of the Housing Act of 1949, or which are insured or guaranteed under the Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code. The Association shall collect from the issuer a reasonable fee for any guaranty under this subsection and shall make such charges as it may determine to be reasonable for the analysis of any trust or other security arrangement proposed by the issuer. In the event the issuer is unable to make any payment of principal of or interest on any security guaranteed under this subsection, the Association shall make such payment as and when due in cash, and thereupon shall be subrogated fully to the rights satisfied by such payment. Any Federal, State, or other law to the contrary notwithstanding, the Association is hereby empowered, in connection with any guaranty under this subsection, whether before or after any default, to provide by contract with the issuer for the extinguishment, upon default by the issuer, of any redemption, equitable, legal, or other right, title, or interest of the issuer in any mortgage or mortgages constituting the trust or pool against which the guaranteed securities are issued; and with respect to any issue of guaranteed securities, in the event of default and pursuant otherwise to the terms of the contract, the mortgages that constitute such trust or pool shall become the absolute property of the Association subject only to the unsatisfied rights of the holders of the securities based on and backed by such trust or pool. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection. There shall be excluded from the total amounts set forth in subsection (c) the amounts of any mortgages acquired by the Association as a result of its operations under this subsection."

(c) Section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof the following:

"Ninth. To issue and sell securities which are guaranteed pursuant to section 306(g) of the National Housing Act."

(d) The first proviso of section 21(a)(1) of the Banking Act of 1933 (12 U.S.C. 378(a)(1)) is amended by inserting ", or issuing securities," immediately following "investment securities".

(e) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof a new paragraph as follows:

"Any such association may issue and sell securities which are guaranteed pursuant to section 306(g) of the National Housing Act."

SUBORDINATED AND CONVERTIBLE OBLIGATIONS

SEC. 805. Section 304 of the National Housing Act is amended by adding thereto (after subsection (d) as added by section 804 of this Act) the following new subsection:

"(e) For the purposes of this section, the corporation is authorized to issue, upon the approval of the Secretary of the Treasury, obligations which are subordinated to any or all other obligations of the corporation, including subsequent obligations. The obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as may be determined by the corporation with the approval of the Secretary of the Treasury and may be made redeemable at the option of the corporation before maturity in such manner as may be stipulated in such obligations. Any of such obligations may be made convertible into shares of common stock in such manner, at such price or prices, and at such time or times as may be stipulated therein. The total principal amount of such subordinated obligations which may be outstanding at any one time shall not exceed two times the sum of (1) the capital of the corporation represented by its outstanding common stock and (2) its surplus and undistributed earnings of such time. The outstanding total principal amount of such obligations, which are entirely subordinated to the obligations of the corporation issued or to be issued under subsection (b), shall be deemed to be capital of the corporation for the purpose of determining the aggregate amount of obligations issued under subsection (b) which may be outstanding at any one time. Obligations issued by the corporation under this subsection shall, to the same extent as securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States, be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission. The corporation shall insert appropriate language in all of its obligations issued under this subsection clearly indicating that such obligations, together with the interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the corporation. The corporation is authorized to purchase in the open market any of its obligations outstanding under this subsection at any time and at any price."

SPECIAL ASSISTANCE AUTHORIZATION

SEC. 806. Section 305(c) of the National Housing Act is amended—

(1) by striking out "and" after "July 1, 1967,"; and

(2) by striking out the period and inserting in lieu thereof ", and by $50,000,000 on July 1, 1969."

AMENDMENTS TO OTHER LAWS

SEC. 807. (a) Section 306(b) of the Housing Act of 1959 is amended by striking out "Federal National Mortgage Association pursuant" and inserting in lieu thereof "Government National Mortgage Association pursuant".

(b) Section 312(d) of the Housing Act of 1964 is amended by striking out "Federal" and inserting in lieu thereof "Government".

(c) Section 5(b) of the Department of Housing and Urban Development Act is amended—

(1) by striking out "The Federal" and inserting in lieu thereof "The Government"; and

(2) by striking out ", and the position of the President of said Association is hereby allocated among the positions referred to in section 7(c) hereof".

(d) Section 7(b) of the Department of Housing and Urban Development Act is repealed.

(e) Section 101 of the Government Corporation Control Act is amended by striking out "Federal National Mortgage Association" and inserting in lieu thereof "Government National Mortgage Association".

(f) Section 13(4)(F) of the Public Buildings Act of 1959 is amended by striking out "Federal" and inserting in lieu thereof "Government".

(g) Section 6(b) of the Participation Sales Act of 1966 is amended by striking out "secondary market operations carried on by the Federal" and inserting in lieu thereof "the Government".

(h) Section 1820(e) of title 38, United States Code, is amended by striking out "Federal National" in three places and inserting in lieu thereof, in each such place, "Government National".

(i) Section 709 of title 18, United States Code, is amended by striking out "Federal National Mortgage Association" each place it appears and inserting in lieu thereof, in each such place, "Government National Mortgage Association".

(j) Section 5136 of the Revised Statutes is amended by inserting "or the Government National Mortgage Association" immediately following "Federal National Mortgage Association".

(k) Section 11(h) of the Federal Home Loan Bank Act is amended by inserting "or the Government National Mortgage Association, in the stock of the Federal National Mortgage Association" immediately following "Federal National Mortgage Association".

(l) Section 16 of the Federal Home Loan Bank Act is amended by inserting "or the Government National Mortgage Association" immediately following "Federal National Mortgage Association".

(m) Section 5(c) of the Home Owners' Loan Act of 1933 is amended by inserting "or the Government National Mortgage Association," immediately following "Federal National Mortgage Association" and by inserting "or the stock of the Federal National Mortgage Association" immediately after "any other agency of the United States".

(n) Section 8(8)(E) of the Federal Credit Union Act is amended by inserting "or the Government National Mortgage Association" immediately following "Federal National Mortgage Association".

EFFECTIVE DATE

SEC. 808. The amendments made by this title shall be effective from and after a date, no more than one hundred and twenty days following the date of enactment of this Act, as established by the Secretary of Housing and Urban Development. Notice of the establishment of such effective date shall be published in the Federal Register at least thirty days prior thereto.

SAVINGS PROVISIONS

SEC. 809. (a) No cause of action by or against the Federal National Mortgage Association existing prior to the effective date established pursuant to section 808 shall abate by reason of the enactment of this title. Any such cause of action may thereafter be asserted by or against the appropriate corporate body named in section 302 (a)(2) of the National Housing Act.

(b) No suit, action or other proceeding commenced by or against the Federal National Mortgage Association, or any officer thereof in his official capacity, prior to the effective date established pursuant to section 808 shall abate by reason of the enactment of this title. A court may at any time thereafter during the pendency of any such litigation, on its own motion or that of any party, order that the litigation may be maintained by or against the appropriate corporate body named in section 302 (a)(2) of the National Housing Act or the appropriate corresponding officer thereof.

TRANSITIONAL PROVISIONS

SEC. 810. (a) On the effective date established pursuant to section 808 of this Act, each share of outstanding nonvoting common stock, with a par value of $100 per share, of the Federal National Mortgage Association shall be changed into and shall become one share of voting common stock, without par value, of such corporation.

(b)(1) The provisions of section 308(b) of the National Housing Act (as added by section 802(y)(7) of this Act) shall be applicable only to the extent that its provisions do not conflict with this subsection.

(2) For a transitional period after the effective date established pursuant to section 808 of this Act, the board of directors of the Federal National Mortgage Association shall consist of nine persons. For a term expiring on the date of the first annual meeting of the corporation's stockholders, all members of the board shall be appointed by the Secretary of Housing and Urban Development. For a term beginning on such date, seven members of the board shall be appointed by the Secretary, and two members shall be elected by the common stockholders. For subsequent terms beginning prior to the termination of the transitional period, five members shall be appointed by the Secretary, and four members shall be elected by the common stockholders. For each term beginning prior to the termination of the transitional period, the Secretary shall appoint as a member of the board the president of the corporation. During the transitional period, the president of the corporation shall be appointed by the President, by and with the advice and consent of the Senate, and may be removed from office by the President for good cause.

(3) The transitional period referred to in paragraph (2) shall come to an end at such time as the board of directors shall find, with the approval of the Secretary, that not less than one-third of the corporation's common stock is owned by persons or institutions in the mortgage lending, homebuilding, real estate, or related businesses; but in no event shall it end sooner than May 1, 1970, or later than May 1, 1973.

(c) From the effective date established pursuant to section 808 and until the retirement of the last of the outstanding shares of its preferred stock, the Federal National Mortgage Association shall be deemed to be a wholly owned corporation for the purposes of the Government Corporation Control Act. Notwithstanding the foregoing provisions of this paragraph, the financial transactions of the Federal National Mortgage Association shall continue to be subject to audit by the General Accounting Office for such period as there may be outstanding obligations of the Federal National Mortgage Association which are guaranteed as to principal or interest by the Government National Mortgage Association.

(d) Those persons who are the officers and employees of the Federal National Mortgage Association immediately prior to the effective date established pursuant to section 808 shall become the officers and employees of the Government National Mortgage Association on such date. The Federal National Mortgage Association and the Government National Mortgage Association shall provide by contract for the conditions and methods under which and by which the Federal National Mortgage Association during the transitional period may employ those individuals who are employees of the Government National Mortgage Association on such effective date; and may provide by contract for the operation by either of such corporations of any of the functions of the other. The Secretary of Housing and Urban Development shall make every reasonable effort to place in other comparable Federal positions any individuals who are career or career-conditional employees of the Government National Mortgage Association on such effective date and who are subsequently during the transitional period neither employed by the Federal National Mortgage Association nor retained by the Government National Mortgage Association.

TITLE IX—NATIONAL HOUSING PARTNERSHIPS

STATEMENT OF PURPOSE

SEC. 901. The Congress finds that the volume of housing being produced for families and individuals of low or moderate income must be increased to meet the national goal of a decent home and a suitable living environment for every American family, and declares that it is the policy of the United States to encourage the widest possible participation by private enterprise in the provision of housing for low or moderate income families. The Congress has therefore determined that one or more private organization should be created to encourage maximum participation by private investors in programs and projects to provide low and moderate income housing.

CREATION OF CORPORATIONS

SEC. 902. (a) There is hereby authorized to be created a private corporation for profit (hereinafter in this title referred to as the "corporation"). The corporation will not be an agency or establishment of the United States Government. The corporation shall be subject to the provisions of this title and, to the extent consistent with this title, to the District of Columba Business Corporation Act (D.C. Code, sec. 29–901 et seq.).

(b) Whenever the President finds it in the national interest to do so, he may cause the creation of an additional corporation or additional corporations to carry out the purposes of this title. All the provisions of this title shall thereupon become applicable to each such corporation, and to the limited partnership formed by it pursuant to section 907.

(c) Nothing in this title shall be construed to preclude private persons from creating other corporations and organizing other partnerships, joint ventures, or associations for the purposes set forth in this title as the purposes of the corporation and the partnership described in section 907.

PROCESS OF ORGANIZATION

SEC. 903. (a) The President of the United States shall appoint, by and with the advice and consent of the Senate, incorporators of the corporation, one of whom shall be designated by the President to serve as chairman. The incorporators shall serve as the initial board of directors until the first annual meeting of stockholders or until their successors are elected and have qualified.

(b) The incorporators shall take whatever actions are necessary or appropriate to establish the corporation, including the filing of articles of incorporation as approved by the President.

(c) The incorporators shall also arrange for an initial offering of shares of stock in the corporation and of interests in the partnership described in section 907 of this title. If the incorporators deem it advisable in order to carry out the purposes of this title, the initial offering may be made upon terms which require the purchase of other securities of the corporation or of interests in such partnership.

DIRECTORS

SEC. 904. The corporation shall have a board of directors (hereinafter in this section referred to as the "board"), consisting of fifteen members. Three members of the board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, effective on the date on which the other members are elected, and for terms of three years or until their successors have been appointed and have qualified, except that the first three members of the board so appointed shall continue in office for terms of one, two, and three years, respectively, and any member so appointed to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. Twelve members of the board shall be elected by the stockholders.

FINANCING THE CORPORATION

SEC. 905. The corporation shall have the power to create and issue the number of shares stated in its articles of incorporation. Such shares may be divided into one or more classes, any or all of which classes may consist of shares with par value, or shares without par value, with such designations, preferences, voting powers, and special or relative rights and such limitations, restrictions, or qualifications thereof as shall be stated in the articles of incorporation. The articles of incorporation may limit or deny the voting power of the shares of any class.

PURPOSES AND POWERS OF THE CORPORATION

SEC. 906. (a) In order to achieve the objectives and carry out the purposes of this title, the corporation is authorized to—

(1) plan, initiate, and carry out, pursuant to Federal programs or otherwise, the building or rehabilitation of housing and related facilities primarily for the benefit of families and individuals of low or moderate income;

(2) buy, own, manage, lease, or otherwise acquire or dispose of property in connection with the developments, projects, or undertakings referred to in paragraph (1); and

(3) provide such funds as may be necessary to accomplish the developments, projects, or undertakings referred to in paragraph (1).

(b) Included in the activities authorized to the corporation for the accomplishment of the purposes indicated in subsection (a) of this section are, among others not specifically named—

(1) to enter into partnerships, limited partnerships, joint ventures, and other associations with individuals, corporations, and private and governmental agencies, organizations, and institutions;

(2) to act as manager or general partner of any such partnership, venture, or association;

(3) to conduct or contract for research and studies related to the development, demonstration, and evaluation of improved techniques and methods of constructing, rehabilitating, and maintaining housing;

(4) to provide technical assistance to nonprofit corporations, limited dividend corporations, and others with respect to the planning, financing, construction, rehabilitation, maintenance, and management of housing for low and moderate income families and individuals;

(5) to make loans or grants including grants of interests in housing and related facilities, to nonprofit corporations, limited dividend corporations, and others, in carrying out its activities under subsection (a) of this section; and

(6) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the corporation in carrying out the purposes of this title.

(c) To carry out the foregoing purposes and engage in the foregoing activities, the corporation shall have the usual powers conferred upon a stock corporation by the District of Columbia Business Corporation Act.

(d) Nothing in this title shall have the effect of waiving or otherwise affecting the applicability of the provisions of the Davis-Bacon Act (40 U.S.C. 267a—276a-5), or any other law requiring compliance with labor standards, in the case of any construction to which such provisions would otherwise apply.

NATIONAL HOUSING PARTNERSHIP

SEC. 907. (a) The corporation is authorized to arrange for the formation, as a separate organization, of a limited partnership (hereinafter in this title referred to as the "partnership") under the District of Columbia Uniform Limited Partnership Act (D.C. Code, sec. 41-401 et seq.) for the purpose of engaging in any of the activities authorized for the corporation under section 906 of this title, and to enter into a partnership agreement governing the affairs of such limited partnership.

(b) The partnership shall be subject to the provisions, to the extent consistent with this title, of (1) the District of Columbia Uniform Limited Partnership Act and (2) those provisions of the District of Columbia Uniform Partnership Act (D.C. Code, sec. 41-301 et seq.) made applicable by section 6(2) of that Act (D.C. Code, sec. 41-305(2)). Notwithstanding any inconsistency between the provisions of such Acts, or of any other law, and the provisions of this section, the partnership organized pursuant to this section shall be deemed to have the legal status of a limited partnership.

(c) The partnership is authorized to enter into partnerships, limited partnerships, or joint ventures organized under applicable State or local law for the purpose of engaging in low and moderate income housing developments, projects, or undertakings in particular localities.

(d) The corporation shall be the general partner in the partnership. The capital of the partnership and the contributions of the partners shall be in such amounts and at such times as are set forth in or pursuant to the partnership agreement.

(e) The partnership agreement shall include provisions designed to assure that (1) the partnership shall participate in low and moderate income housing developments, projects, or undertakings in a manner designed to encourage the participation therein of local interests, and (2) in any such development, project, or undertaking the partnership shall not subscribe to more than 25 per centum (including equity investments made in services or property) of the aggregate initial equity investment unless, in the judgment of the corporation as general partner, the balance of the required equity investment is not readily obtainable from other responsible investors residing or doing business in the local community.

(f) The partnership agreement may without limitation (1) permit each of the stockholders of the corporation to become a member of the partnership as a limited partner, (2) authorize the inclusion of other limited partners in addition to the stockholders of the corporation, (3) provide that the assignee of the partnership interest of a limited partner of the partnership who is also a stockholder of the corporation may not become a substituted limited partner unless he also acquires the assignor's stock of the corporation, and (4) include provisions requiring that the corporation as a general partner approve the substitution or addition of a member of the partnership.

(g) A corporation which is a limited partner in the partnership shall not become liable as a general partner by reason of the fact that (1) such corporation is a holder of shares of voting stock of the corporation constituting not more than 5 per centum of the total number of outstanding shares of such stock and exercises any of the rights (including voting rights) of a holder of such shares, and/or (2) a person who is an officer or director of such corporation (or of another corporation which controls or is subject to the control of, or is under common control with, such corporation) is a director of the corporation and performs the duties of that office. The interest of a limited partner in the partnership shall not be treated as a stock interest in the corporation, notwithstanding that such interest of a limited partner may be proportionate to his stock interest in the corporation.

(h) The certificate of the partnership and any amendment thereof required by the District of Columbia Uniform Limited Partnership Act shall be executed and acknowledged by the corporation as member and by each other member of the partnership or his attorney-in-fact duly authorized by power of attorney in writing. The corporation may execute and acknowledge the certificate and any amendment thereof as attorney-in-fact for any member, member to be substituted or added, or assigning member, by whom the certificate or amendment is required to be executed and acknowledged and who has appointed the corporation as such attorney.

REPORT TO CONGRESS AND RECORDS

SEC. 908. (a) The corporation shall submit an annual report to the President for transmittal to the Congress within six months after the end of its fiscal year. The report shall include a comprehensive and detailed report of the operations, activities, and financial condition of the corporation and the partnership under this title.

(b) The accounts of the corporation and of the partnership shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States.

ANTITRUST LAWS

SEC. 909. Nothing contained herein shall affect the applicability of the Federal antitrust laws to the activities of the corporation and the partnership created under this title and of the persons participating therein or in partnerships, limited partnerships, or joint ventures with either of them.

RIGHT TO REPEAL, ALTER, OR AMEND

SEC. 910. The right to repeal, alter, or amend this title at any time is expressly reserved.

AMENDMENT TO BANKING LAWS

SEC. 911. Paragraph "Seventh" of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof the following: "Notwithstanding any other provision in this paragraph, the association may purchase for its own account shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968, and may make investments in a partnership, limited partnership, or joint venture formed pursuant to section 907(a) or 907(c) of that Act."

TITLE X—RURAL HOUSING

HOUSING FOR LOW AND MODERATE INCOME PERSONS AND FAMILIES

SEC. 1001. Title V of the Housing Act of 1949 is amended by adding at the end thereof the following new section:

"LOANS TO PROVIDE OCCUPANT-OWNED, RENTAL, AND COOPERATIVE HOUSING FOR LOW AND MODERATE INCOME PERSONS AND FAMILIES

"SEC. 521. (a) Notwithstanding the provisions of sections 502, 517(a) and 515, loans to persons of low or moderate income under section 502 or 517(a) (1), and loans under section 515 to provide rental or cooperative housing and related facilities for persons and families of low or moderate income or elderly persons and elderly families, shall bear interest at a rate prescribed by the Secretary at not less than a rate determined annually by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, less not to exceed the difference between the adjusted rate determined by the Secretary of the Treasury and 1 per centum per annum: *Provided*, That such a loan may be made only when the Secretary determines that the needs of the applicant for necessary housing cannot be met with financial assistance from other sources including assistance under section 235 or 236 of the National Housing Act: *Provided further*, That interest on loans under section 502 or 517(a) to victims of natural disasters shall not exceed the rate which would be applicable to such loans under section 502 without regard to this section.

"(b) Housing and related facilities provided with loans described in subsection (a) shall be located in rural areas; and applicants eligible for such loans under section 502 or 517(a) (1), or for occupancy of housing provided with such loans under section 515, shall include otherwise qualified nonrural residents who will become rural residents.

"(c) There shall be reimbursed to the Rural Housing Insurance Fund by annual appropriations the amounts by which nonprincipal payments made from the fund during each fiscal year to the holders of insured loans described in subsection (a) exceed interest due from the borrowers during each year; and the Secretary from time to time may issue notes to the Secretary of the Treasury under section 517(h) to obtain amounts equal to such unreimbursed excess payments, pending the annual reimbursement by appropriation."

HOUSING FOR RURAL TRAINEES

"SEC. 1002. Title V of the Housing Act of 1949 is amended by adding after section 521 (as added by section 1001 of this Act) the following new section:

"HOUSING FOR RURAL TRAINEES

"SEC. 522. (a) Upon the application of any State or political subdivision thereof, or any public or private nonprofit organization, the Secretary is authorized, after consultation with the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, and the Director of the Office of Economic Opportunity, and after the Secretary determines that the housing and related facilities cannot reasonably be provided in any other way, to provide financial and technical assistance for the establishment, in rural areas, of housing and related facilities for trainees and their families who are residents of a rural area and have a rural background, while such trainees are enrolled and participating in training courses designed to improve their employment capability. The selection of training sites and location of housing shall be made with due regard to the economic viability of the area, and only after consideration of a labor area survey and full coordination among all Government agencies having primary responsibility for administering related programs.

"(b) Housing and related facilities assisted under this section shall be safe and sanitary, constructed in the most economical manner, and of modest design, giving due consideration to the purposes to be served and the needs of the occupants, and may, in the discretion of the Secretary, include mobile family quarters. Design and location shall be such as to facilitate, as feasible, the use of such housing and related facilities for other purposes when no longer needed for the primary purpose.

"(c) The applicant shall contribute the necessary land, or funds to acquire such land, from its own resources, including land acquired by donation or from funds repayable under subsection (e) or borrowed from other sources.

"(d) No financial assistance shall be made available under this section unless, to the extent and for the periods required by the Secretary, the applicant agrees that—

"(1) such housing will be maintained at all times in a safe and sanitary condition in accordance with standards prescribed by State or local law, or, in the absence of such standards, with requirements prescribed by the Secretary;

"(2) priority shall be given at all times, in granting occupancy of such housing and facilities, to the trainees and their families described in subsection (a); and

"(3) rentals charged them shall not exceed amounts approved by the Secretary after considering the portion of the actual total family income which the family can afford to pay for rent while meeting its other immediate needs during occupancy.

"(e) The Secretary may make advances pursuant to any contract for financial assistance under this section at such times and in such manner as may be specified in the contract. Such advances for the purchase of land shall be repayable with interest and within a period not to exceed thirty-three years and may be made upon such security, if any, as the Secretary requires. Advances for other purposes may be made repayable with or without interest or nonrepayable, as determined by the Secretary on the basis of the anticipated income and cost of operation of the housing and related facilities and the ability of each applicant to finance such facilities. Any advances shall be limited to cover the capital costs of constructing such facilities, plus interest on borrowings to cover such costs.

"(f) Should housing and related facilities assisted pursuant to a contract under this section be sold to an ineligible transferee or diverted to a use other than its primary purpose within a period specified in the contract, all advances made under such contract shall be repaid to the Secretary, up to the amount of the sales price or the fair value of the property as determined by the Secretary, whichever is higher, with interest from the date of the sale or diversion. If no suitable alternate use of the property is available, as determined by the Secretary, after the purpose of this section can no longer be served, the property shall be returned to its original condition by the recipient of the assistance.

"(g) Interest charged on advances made under this section shall be at a rate, prescribed by the Secretary, which shall be not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, less not to exceed the difference between the adjusted rate determined by the Secretary of the Treasury and 1 per centum per annum, as determined by the Secretary.

"(h) The Secretary shall prescribe regulations to insure that Federal funds expended under this section are not wasted or dissipated.

"(i) As used in this section (1) the term 'related facilities' shall include any necessary community rooms or buildings, infirmaries, utilities, access roads, water and sewer services, and the minimum fixed or movable equipment determined by the Secretary to be necessary to make the housing reasonably habitable by trainees and their families; and (2) the term 'trainee' means any person receiving training under any federally assisted training program.

"(j) There are authorized to be appropriated such sums as may be necessary to carry out this section."

APPROPRIATIONS

SEC. 1003. Section 513 of the Housing Act of 1949 is amended—

(1) by striking out "and (e)" and inserting in lieu thereof "(e)"; and

(2) by inserting before the period at the end thereof the following: "; and (f) such sums as may be required by the Secretary to administer the provisions of sections 235 and 236 of the National Housing Act".

PURCHASE OF LAND FOR BUILDING SITES

SEC. 1004. Section 514(f) (2) of the Housing Act of 1949 is amended—

(1) by striking out "and" before "(B)", and

(2) by inserting before the semicolon at the end thereof the following: "and (C) land necessary for an adequate site".

MUTUAL AND SELF-HELP HOUSING

SEC. 1005. Title V of the Housing Act of 1949 is amended by adding after section 522 (as added by section 1002 of this Act) the following new section:

"MUTUAL AND SELF-HELP HOUSING

"SEC. 523. (a) The purposes of this section are (1) to make financial assistance available on reasonable terms and conditions in rural areas and small towns to needy low-income individuals and their families who, with the benefit of technical assistance and overall guidance and supervision, participate in approved programs of mutual or self-help housing by acquiring and developing necessary land, acquiring building materials, providing their own labor, and working cooperatively with others for the provision of decent, safe, and sanitary dwellings for themselves, their families, and others in the area or town involved, and (2) to facilitate the efforts of both public and private nonprofit organizations providing assistance to such individuals to contribute their technical and supervisory skills toward more effective and comprehensive programs of mutual or self-help housing in rural areas and small towns wherever necessary.

"(b) In order to carry out the purposes of this section, the Secretary of Agriculture (in this section referred to as the 'Secretary') is authorized—

"(1) (A) to make grants to, or contract with, public or private nonprofit corporations, agencies, institutions, organizations, and other associations approved by him, to pay part or all of the cost of developing, conducting, administering, or coordinating effective and comprehensive programs of technical and supervisory assistance which will aid needy low-income individuals and their families in carrying out mutual or self-help housing efforts; and

"(B) to establish the Self-Help Housing Land Development Fund, referred to herein as the Self-Help Fund, to be used by the Secretary as a revolving fund for making loans, on such terms and conditions and in such amounts as he deems necessary, to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, and cooperatives eligible for assistance under section 235 or 236 of the National Housing Act or section 521 of this Act. Such a loan, with interest at a rate not to exceed 3 percent per annum, shall be repaid within a period not to exceed two years from the making of the loan, or within such additional period as may be authorized by the Secretary in any case as being necessary to carry out the purposes hereof; and

"(2) To make loans, on such terms and conditions and in such amounts as he deems necessary, to needy low-income individuals participating in programs of mutual or self-help housing approved by him, for the acquisition and development of land and for the purchase of such other building materials as may be necessary in order to enable them, by providing substantially all of their own labor, and by cooperating with others participating in such programs, to carry out to completion the construction of decent, safe, and sanitary dwellings for such individuals and their families, subject to the following limitations:

"(A) there is reasonable assurance of repayment of the loan;

"(B) the amount of the loan, together with other funds which may be available, is adequate to achieve the purpose for which the loan is made;

"(C) the credit assistance is not otherwise available on like terms or conditions from private sources or through other Federal, State, or local programs;

"(D) the loan bears interest at a rate not to exceed 3 per centum per annum on the unpaid balance of principal, plus such additional charge, if any, toward covering other costs of the loan program as the Secretary may determine to be consistent with its purposes; and

"(E) the loan is repayable within not more than thirty-three years.

"(c) In determining whether to extend financial assistance under paragraph (1) or (2) of subsection (b), the Secretary shall take into consideration, among other factors, the suitability of the area within which construction will be carried out to the type of dwelling which can be provided under mutual or self-help housing programs, the extent to which the assistance will facilitate the provision of more decent, safe, and sanitary housing conditions than presently exist in the area, the extent to which the assistance will be utilized efficiently and expeditiously, the extent to which the assistance will effect an increase in the standard of living of low-income individuals participating in the mutual or self-help housing program, and whether the assistance will fulfill a need in the area which is not otherwise being met through other programs, including those carried out by other Federal, State, or local agencies.

"(d) As used in this section, the term 'construction' includes the erection of new dwellings, and the rehabilitation, alteration, conversion, or improvement of existing structures.

"(e) The Secretary is authorized to establish appropriate criteria and procedures in order to determine the eligibility of applicants for the financial assistance provided under this section, including criteria and procedures with respect to the periodic review of any construction carried out with such financial assistance.

"(f) There are hereby authorized to be appropriated for each fiscal year commencing after June 30, 1968, and ending prior to July 1, 1973, such sums, not in excess of $5,000,000 for any such fiscal year, as may be necessary to carry out the provisions of this section. No grant or loan may be made or contract entered into under the authority of this section after June 30, 1973, except pursuant to a commitment or other obligation entered into pursuant to this section before that date.

"(g) There are hereby authorized to be appropriated for the purposes of subsection (b)(1)(B) not to exceed $1,000,000 for the fiscal year ending June 30, 1969, and not to exceed $2,000,000 for the fiscal year ending June 30, 1970. Any amount so authorized to be appropriated for any fiscal year which is not appropriated may be appropriated for any succeeding fiscal year or years. Amounts appropriated under this subsection shall be deposited in the Self-Help Fund, which shall be available without fiscal year limitation for making loans under subsection (b)(1)(B). Instruments and property required by the Secretary in or as a result of making such loans shall be assets of the Self-Help Fund. Sums received from the repayment of such loans shall be deposited in and be a part of the Self-Help Fund."

TITLE XI—URBAN PROPERTY PROTECTION AND REINSURANCE

SHORT TITLE

SEC. 1101. This title may be cited as the "Urban Property Protection and Reinsurance Act of 1968."

FINDINGS AND DECLARATION OF PURPOSE

SEC. 1102. (a) The Congress finds that (1) the vitality of many American cities is being threatened by the deterioration of their inner city areas; responsible owners of well-maintained residential, business, and other properties in many of these areas are unable to obtain adequate property insurance coverage against fire, crime, and other perils; the lack of such insurance coverage accelerates the deterioration of these areas by discouraging private investment and restricting the availability of credit to repair and improve property therein; and this deterioration poses a serious threat to the national economy; (2) recent riots and other civil commotion in many American cities have brought about abnormally high losses to the private property insurance industry for which adequate reinsurance cannot be obtained at reasonable cost, and the risk of such losses will make most lines of property insurance even more difficult to obtain; (3) the capacity of the private property insurance industry to provide adequate insurance is threatened, and the continuity of such property insurance protection is essential to the extension of credit in these areas; and (4) the national interest demands urgent action by the Congress to assure that essential lines of property insurance, including lines providing protection against riot and civil commotion damage will be available to property owners at reasonable cost.

(b) The purposes of this title are, therefore, to (1) encourage and assist the various State insurance authorities and the property insurance industry to develop and carry out statewide programs which will make necessary property insurance coverage against the fire, crime, and other perils more readily available for residential, business, and other properties meeting reasonable underwriting standards; and (2) provide a Federal program of reinsurance against abnormally high property insurance losses resulting from riots and other civil commotion, placing appropriate financial responsibility upon the States to share in such losses.

AMENDMENT OF THE NATIONAL HOUSING ACT

SEC. 1103. The National Housing Act is amended by adding at the end thereof the following new title:

"TITLE XII—NATIONAL INSURANCE DEVELOPMENT PROGRAM

"PROGRAM AUTHORITY

"SEC. 1201. (a) The Secretary is authorized to establish and carry out the programs provided for in parts A, B, and C of this title.

"(b)(1) The powers of the Secretary under this title shall terminate on April 30, 1973, except to the extent necessary—

"(A) to continue reinsurance in accordance with the provisions of section 1223(b) until April 30, 1976;

"(B) to process, verify, and pay claims for reinsured losses and perform other necessary functions in connection therewith; and

"(C) to complete the liquidation and termination of the reinsurance program.

"(2) On April 30, 1976, or as soon thereafter as possible, the Secretary shall submit to the Congress for its approval, a plan for the liquidation and termination of the reinsurance program.

"ADVISORY BOARD; MEETINGS, DUTIES, COMPENSATION, AND EXPENSES

"SEC. 1202. (a) (1) There is established an Advisory Board (hereinafter called the 'Board') consisting of nineteen members appointed by the Secretary. Members of the Board shall be selected from among representatives of the general public, the insurance industry, State and local governments including State insurance authorities, and the Federal Government. Of these members of the Board, not more than six shall be regular full-time employees of the Federal Government, and not less than four shall be representatives of the private insurance industry and not less than four shall be representatives of State insurance authorities.

"(2) The Secretary shall designate a Chairman and a Vice Chairman of the Board.

"(3) Each member shall serve for a term of two years or until his successor has been appointed, except that no person who is appointed while a full-time employee of a State or the Federal Government shall serve in such position after he ceases to be so employed, unless he is reappointed.

"(4) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of that term.

"(b) The Chairman shall preside at all meetings, and the Vice Chairman shall preside in the absence or disability of the Chairman. In the absence of both the Chairman and Vice Chairman, the Secretary may appoint any member to act as Chairman pro tempore. The Board shall meet at such times and places as it or the Secretary may fix and determine, but shall hold at least four regularly scheduled meetings a year. Special meetings may be held at the call of the Chairman or any three members of the Board, or at the call of the Secretary.

"(c) The Board shall review general policies and shall advise the Secretary with respect thereto, and perform such other functions as are specified in this title.

"(d) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States, and such members, except those who are regular full-time employees of the Government, shall receive for their services, as members, the per diem equivalent to the rate for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, when engaged in the performance of their duties, and each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title for persons in the Government service employed intermittently.

"DEFINITIONS

"SEC. 1203. (a) When used in this title, unless the context otherwise requires, the term—

"(1) 'environmental hazard' means any hazardous condition that might give rise to loss under an insurance contract, but which is beyond the control of the property owner;

"(2) 'essential property insurance' means insurance against direct loss to property as defined and limited in standard fire policies and extended coverage endorsement thereon, as approved by the State insurance authority and insurance for such types, classes, and locations of property against the perils of vandalism, malicious mischief, burglary, or theft, as the Secretary by rule shall designate. Such insurance shall not include automobile insurance and shall not include insurance on such types of manufacturing risks as may be excluded by the State insurance authority;

"(3) 'inspection facility', with respect to any State, means any rating bureau or other person designated by the State insurance authority to perform inspections under fair access to insurance requirements plans under part A;

"(4) 'insurer' includes any insurance company or group of companies under common ownership which is authorized to engage in the insurance business under the laws of any State;

"(5) 'pool' means any pool or association of insurance companies in any State which is formed, associated, or otherwise created for the purpose of making property insurance more readily available;

"(6) 'losses resulting from riots or civil disorders' means losses resulting from riots or civil disorders under policies for standard lines of property insurance for which reinsurance is offered under section 1221, as determined under regulations of the Secretary;

"(7) 'property owner', with respect to any real, personal, or mixed real and personal property, means any person having an insurable interest in such property;

"(8) 'person' includes any individual or group of individuals, corporation, partnership, or association, or any other organized group of persons;

"(9) 'reinsured losses' means losses on reinsurance claims and all direct expenses incurred in connection therewith including, but not limited to expenses for processing, verifying, and paying such losses;

"(10) 'standard line of property insurance' includes—

"(A) fire and extended coverage;

"(B) vandalism and malicious mischief;

"(C) other allied lines of fire insurance;

"(D) burglary and theft;

"(E) those portions of multiple peril policies covering perils similar to those provided for in subparagraphs (A), (B), (C), and (D);

"(F) inland marine;

"(G) glass;

"(H) boiler and machinery;

"(I) ocean marine;

"(J) aircraft physical damage; and

"(K) such other lines generally offered to the public which include protection against damage from riot or civil commotion as the Secretary by regulation may designate;

"(11) 'State' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions, and the Trust Territory of the Pacific Islands;

"(12) 'urban area' includes any municipality or other political subdivision of a State, subject to population or other limitations defined in rules and regulations of the Secretary and such additional areas as may be designated by the State insurance authority; and

"(13) 'year' means a calendar year, fiscal year of a company, or such other period of twelve months as may be designated by the Secretary.

"(b) The Secretary is authorized to define, by rules and regulations, any technical or trade term, insofar as such definition is not inconsistent with the provisions of this title.

"PART A—STATEWIDE PLANS TO ASSURE FAIR ACCESS TO INSURANCE REQUIREMENTS

"FAIR PLANS

"SEC. 1211. (a) Each insurer reinsured under this title shall cooperate with the State insurance authority in each State in which it is to acquire such reinsurance in establishing and carrying out statewide plans to assure fair access to insurance requirements (FAIR plans).

"(b) Such plans must be approved by, and administered under the supervision of, the State insurance authority, or be authorized or required by State law, and shall be designed to make essential property insurance more readily available in, but not necessarily limited to, urban areas. Such plans may vary in detail from State to State because of local conditions, but all plans shall contain provision that—

"(1) no risk shall be written at surcharged rates or be denied insurance coverage for essential property insurance unless there has first been an inspection of the risk, without cost to the owner, by an inspection facility and a determination by the insurer, based on information in the inspection report and other sources, that the risk does not meet reasonable underwriting standards at the applicable premium rate;

"(2) inspections under the plan may be requested by the property owner or his representative, the insurer, or the insurance agent, broker or other producer, and such requests need not be made in writing;

"(3) the absence of a building owner or his representative during an inspection shall not preclude a tenant seeking insurance from obtaining an inspection under the plan;

"(4) following the inspection, a copy of the inspection report shall be promptly sent by the inspection facility to the insurer or insurers, or to an all-industry placement facility referred to under section 1212, as may be designated by the person requesting the inspection;

"(5) after the inspection report is received by an insurer, it shall promptly determine if the risk meets reasonable underwriting standards at the applicable premium rate and shall promptly return to the inspection facility the inspection report and provide an action report setting forth—

"(A) (i) the amount of coverage it agrees to write; and if the insurer agrees to write the coverage with a surcharge (if such a surcharge is authorized by the State insurance authority), the improvements necessary before it will provide coverage at an unsurcharged premium rate; and

"(ii) the amount of coverage it agrees to write if certain improvements specified in the action report are made; or

"(B) the specific reasons it declines to write coverage;

"(6) if the insurer declines the risk, or agrees to write the coverage sought on condition that the property will be improved, it shall also promptly send a copy of both the inspection and action reports to the property owner and the State insurance authority, and at the time the insurer sends such reports to the property owner, it shall also explain his right, under applicable State laws, to appeal the decision of the insurer to the State insurance authority, setting forth the procedures to be followed for such appeal;

"(7) all policies written pursuant to the plan shall be promptly written after inspection or reinspection and shall be separately coded so that appropriate records may be compiled for purposes of performing loss prevention and other studies of the operation of the plan;

"(8) the inspection facility shall submit to the State insurance authority and to the Secretary periodic reports setting forth information, by individual insurers, including the number of risks inspected under the plan, the number of risks accepted, the number of risks conditionally accepted and reinspections made, the number of risks declined, and such other information as the State insurance authority may request;

"(9) notice will be given to any policyholder a reasonable time prior to the cancellation or nonrenewal of any risk eligible under the plan (except in case of nonpayment of premium or evidence of incendiarism), to allow ample time for an application for new coverage to be made and a new policy to be written under the plan, and the insurer shall, in writing, explain to the policyholder the procedures for obtaining an inspection under the plan in the notice of cancellation or nonrenewal; and

"(10) a continuing public education program will be undertaken by the participating insurers, agents, and brokers to assure that the plan receives adequate public attention.

"ALL-INDUSTRY PLACEMENT FACILITY

"SEC. 1212. Any plan under this part shall include an all-industry placement facility doing business with every insurer participating in the plan in the State, and shall provide that this facility shall perform certain functions including, but not limited, to the following:

"(1) seeking, upon request by or on behalf of any property owner requesting an inspection under the plan, to distribute the risks involved equitably among the insurers with which it is doing business; and

"(2) seeking to place insurance up to the full insurable value of the risk to be insured with one or more insurers with which it is doing business, except to the extent that deductibles, percentage participation clauses, and other underwriting devices are employed to meet special problems of insurability.

"INDUSTRY COOPERATION

"SEC. 1213. (a) Each insurer seeking reinsurance under this title shall file a statement with the State insurance authority in each State in which it is participating in a plan under this part, pledging its full participation and cooperation in carrying out the plan, and shall file a copy of such statement with the Secretary.

"(b) No insurer acquiring reinsurance under this title shall direct any agent or broker or other producer not to solicit business through such a plan, nor shall any agent, broker, or other producer be penalized by such insurer in any way for submitting applications for insurance to an insurer under the plan.

"PLAN EVALUATION

"SEC. 1214. (a) In accordance with such rules and regulations as the Secretary may prescribe, each State insurance authority shall—

"(1) transmit to the Secretary any proposed or adopted plan, or amendments thereto; and

"(2) advise the Secretary, from time to time, concerning the operation of the plan, its effectiveness in providing essential property insurance, and the need to form a pool of insurers or adopt other programs to make essential property insurance more readily available in urban areas of the State.

"(b) The Secretary may, after full consultation with the Board, by rules and regulations, modify the plan criteria set forth under this part, if he finds, on the basis of experience, that such action is necessary or desirable to carry out the purposes of this title. The Secretary may also, with respect to any State, waive compliance with one or more of the plan criteria, upon certification by the State insurance authority that compliance is unnecessary or inadvisable under local conditions or State law.

"PART B—REINSURANCE COVERAGE

"REINSURANCE OF LOSSES FROM RIOTS OR CIVIL DISORDERS

"SEC. 1221. (a)(1) The Secretary is authorized to offer to any insurer or pool, subject to the conditions set forth in section 1223, reinsurance against property losses resulting from riots or civil disorders in any one or more States.

"(2) Reinsurance shall be offered to any such insurer or pool only on all standard lines of property insurance enumerated under subparagraphs (A) through (E) of section 1203(a)(10) together, and any insurer or pool purchasing such reinsurance shall also be eligible to purchase reinsurance on any one or more standard lines of property insurance enumerated under subparagraphs (F) through (J) of section 1203(a)(10) or which may be designated by regulation pursuant to subparagraph (K) of that section.

"(b) Reinsurance coverage under this section may be provided immediately following the enactment of this title to any insurer or pool in any State on a temporary basis, and on such terms and conditions as may be agreed upon, and coverage under such terms and conditions may be bound with respect to any such insurer or pool by means of a written binder which shall remain in force not more than ninety days and shall expire at the earlier of either—

"(1) the termination of such ninety-day period, or

"(2) the effective date of any governing contract, agreement, treaty, or other arrangement entered into between the insurer or pool and the Secretary under section 1222 for the purpose of providing reinsurance coverage against losses resulting from riots or civil disorders.

"(c) No reinsurance shall be offered to any insurer or pool in a State after the expiration of the written binder entered into under subsection (b), unless there is in effect in such State a plan as set forth under part A and the insurer or pool is participating in such plan, and unless, in the case of an insurer in a State where a pool has been established pursuant to State law, the insurer is participating in such a pool.

"REINSURANCE AGREEMENTS AND PREMIUMS

"SEC. 1222. (a) During the first year following the date of the enactment of this title, the Secretary is authorized to enter into any contract, agreement, treaty, or other arrangement with any insurer or pool for reinsurance coverage, in consideration of payment of such premiums, fees, or other charges by insurers or pools which the Secretary, after full consultation with the Board, deems to be adequate to obtain aggregate reinsurance premiums for deposit in the National Insurance Development Fund established under section 1233 in excess of the estimated amount of insured riot losses during the calendar year 1967, on the assumption that a substantial proportion of the property insurance written will be reinsured under this title, and thereafter the Secretary may increase or decrease such premiums for reinsurance if it is found after full consultation with the Board and the National Association of Insurance Commissioners that such action is necessary or appropriate to carry out the purposes of this title.

"(b) Reinsurance offered under this title shall reimburse an insurer or pool for its total proved and approved claims for covered losses resulting from riots or civil disorders during the term of the reinsurance contract, agreement, treaty, or other arrangement, over and above the amount of the insurer's or pool's retention of such losses as provided in such reinsurance contract, agreement, treaty, or other arrangement entered into under this section.

"(c) Such contracts, agreements, treaties, or other arrangements may be made without regard to section 3679(a) of the Revised Statutes of the United States (31 U.S.C. 665 (a)), and shall include any terms and conditions which the Secretary deems necessary to carry out the purposes of this title. The premium rates, terms, and conditions of such contracts with insurers or pools, throughout the country, in any one year shall be uniform.

"(d) Any contract, agreement, treaty, or other arrangement for reinsurance under this section shall be for a term expiring on April 30, 1969, and on April 30 each year thereafter, and shall be entered into within ninety days after the date of the enactment of this title or within ninety days prior to April 30 each year thereafter, or within ninety days after an insurer is authorized to write insurance eligible for reinsurance in a State which it was not authorized to write in the preceding year.

"CONDITIONS OF REINSURANCE

"SEC. 1223. (a) Subject to the provisions of subsection (b), reinsurance shall not be offered by the Secretary in a State or be applicable to insurance policies written in that State by an insurer—

"(1) after one year following the date of the enactment of this title, or, if the appropriate State legislative body has not met in regular session during that year, by the close of its next regular session, in any State which has not adopted appropriate legislation, retroactive to the date of the enactment of this title, under which the State, its political subdivisions, or a governmental corporation or fund established pursuant to State law, will reimburse the Secretary, in an amount up to 5 per centum of the aggregate property insurance premiums earned in that State during the preceding calendar year on those lines of insurance reinsured by the Secretary in that State during the current year, such that the Secretary may be reimbursed for amounts paid by him in respect to reinsured losses that occurred in that State during a calendar year in excess of (A) reinsurance premiums received in that State during the same calendar year plus (B) the excess of (i) the total premiums received by the Secretary for reinsurance in that State during a preceding period measured from the end of the most recent calendar year with respect to which the Secretary was reimbursed for losses under this title over (ii) any amounts paid by the Secretary for reinsured losses that occurred during the same period;

"(2) after thirty days following notification to the insurer that the Secretary finds (after consultation with the State insurance authority) that there has not been adopted by the State, or the property insurance industry in that State, a suitable program or programs, in addition to plans under part A, to make essential property insurance available without regard to environmental hazards, and that such action is necessary to carry out the purposes of this title; except that this paragraph shall not become effective until two years after the date of the enactment of this title, or at such earlier date as the Secretary, after consultation with the State insurance authority, may determine;

"(3) after thirty days following notification to the insurer that the Secretary, or the State insurance authority, finds that such insurer is not fully participating—

"(A) in the plan in the State;

"(B) where it exists, in a pool; and

"(C) where it exists, in any other program found by the Secretary to aid in making essential property insurance more readily available in the State:

Provided: That the Secretary shall not make any such finding with respect to any insurer unless (i) prior to making such finding the Secretary has requested and considered the views of the State insurance authority as to whether such finding should be made, or (ii) the Secretary has made such a request in writing to the State insurance authority and such authority has failed to respond thereto within a reasonable period of time after receiving such request;

"(4) following a merger, acquisition, consolidation or reorganization involving one or more insurers having lines of property insurance in the State reinsured under this title and one or more insurers with or without such reinsurance, unless the surviving company—

"(A) meets the criteria of eligibility for reinsurance, other than as provided under section 1222(d); and

"(B) within ten days pays any reinsurance premiums due; or

"(5) upon receipt of notice from the insurer or pool that it desires to cancel its reinsurance agreement with the Secretary in the State.

"(b) Notwithstanding the foregoing provisions of this section, reinsurance may be continued for the term of the policies written prior to the date of termination or nonrenewal of reinsurance under this section, for as long as the insurer pays reinsurance premiums annually in such amounts as are determined under section 1222, based on the annual premiums earned on such reinsured policies, and for the purpose of this subsection, the renewal, extension, modification, or other change in a policy, for which any additional premium is charged, shall be deemed to be a policy written on the date such change was made.

"(b)(1) Upon disallowance of any claim under color of reinsurance made available under this title, or upon refusal of the claimant to accept the amount allowed upon any such claim, the claimant may institute an action against the Secretary on such claim in the United States district court for the district in which a major portion (in terms of value) of the claim arose.

"(2) Any such action must be begun within one year after the date upon which the claimant received written notice of disallowance or partial disallowance of the claim, and exclusive jurisdiction is hereby conferred upon United States district courts to hear and determine such actions without regard to the amount in controversy.

"FISCAL INTERMEDIARIES AND SERVICING AGENTS

"SEC. 1232. (a) In order to provide for maximum efficiency in the administration of the reinsurance program under this title, and in order to facilitate the expeditious payment of any funds under such program, the Secretary may enter into contracts with any insurer, pool, or other person, for the purpose of providing for the performance of any or all of the following functions:

"(1) estimating or determining any amounts of payments for reinsurance claims;

"(2) receiving and disbursing and accounting for funds in making payments for reinsurance claims;

"(3) auditing the records of any insurer, pool, or other person to the extent necessary to assure that proper payments are made;

"(4) establishing the basis of liability for reinsurance payments, including the total amount of proved and approved claims which may be payable to any insurer, and the total amount of premiums earned by any insurer in the respective States for reinsured lines of property insurance; and

"(5) otherwise assisting in any manner provided in the contract to further the purposes of this title.

"(b)(1) Any such contract may require the insurer, pool, or other person, or any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bond to the United States in such amounts as the Secretary may deem appropriate.

"(2) In the absence of gross negligence or intent to defraud the United States—

"(A) no individual designated pursuant to a contract under this section to certify payments shall be liable with respect to any payment certified by him under this section; and

"(B) no officer of the United States disbursing funds shall be liable with respect to any otherwise proper payment by him if it was based on a voucher signed by an individual designated pursuant to a contract under this section to certify payments.

"NATIONAL INSURANCE DEVELOPMENT FUND

"Sec. 1233. (a) To carry out the programs authorized under this title, the Secretary is authorized to establish a National Insurance Development Fund (hereinafter called the 'fund') which shall be available, without fiscal year limitations—

"(1) to make such payments as may, from time to time, be required under reinsurance contracts under this title;

"(2) to pay such administrative expenses as may be necessary or appropriate to carry out the purposes of this title; and

"(3) to repay to the Secretary of the Treasury such sums, including interest thereon, as may be borrowed from him for purposes of such programs under section 520(b).

"(b) The fund shall be credited with—

"(1) reinsurance premiums, fees, and other charges which may be paid or collected in connection with reinsurance provided under part B;

"(2) interest which may be earned on investments of the fund;

"(3) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

"(4) receipts from any other source which may, from time to time, be credited to the fund; and

"(5) funds borrowed by the Secretary under section 520(b) and deposited in the fund.

"(c) If, after any amounts which may have been advanced to the fund from appropriations have been credited to the appropriation from which advanced (including interest thereon at the rate prescribed under section 520(b)), the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

"(d) An annual business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849)) for wholly-owned Government corporations.

"RECORDS, ANNUAL STATEMENT, AND AUDITS

"Sec. 1234. (a) Any insurer or pool acquiring reinsurance under this title shall furnish the Secretary with such summaries and analyses of information in its records as may be necessary to carry out the purposes of this title, in such form as the Secretary, in cooperation with the State insurance authority, shall, by rules and regulations, prescribe. The Secretary shall make use of State insurance authority examination reports and facilities to the maximum extent feasible.

"(b) Any insurer or pool acquiring reinsurance under this title shall file with the Secretary a true and correct copy of any annual statement, or amendment thereof, filed with the State insurance authority of its domiciliary State, at the time it files such statement or amendment with such State insurance authority.

"(c) Any insurer or other person executing any contract, agreement, or other appropriate arrangement with the Secretary under section 1222 or section 1232 shall keep reasonable records which fully disclose the total costs of the programs undertaken or the services being rendered, and such other records as will facilitate an effective audit of liability for reinsurance payments by the Secretary.

"(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of investigation, audit, and examination to any books, documents, papers, and records of any insurer or other person that are pertinent to the costs of any program undertaken for, or services rendered to, the Secretary. Such audits shall be conducted to the maximum extent feasible in cooperation with the State insurance authorities and through the use of their examining facilities.

"STUDY OF REINSURANCE AND OTHER PROGRAMS

"Sec. 1235. (a) The Secretary is authorized and directed to conduct a study of reinsurance and other means to help assure—

"(1) an adequate market for burglary and theft and other property insurance in urban areas; and

"(2) adequate availability of surety bonds for construction contractors in urban areas.

"(b) The Secretary shall submit the results of this study, together with appropriate recommendations, to the President and Congress no later than one year following the date of the enactment of this title.

"OTHER STUDIES

"Sec. 1236. (a) The Secretary is authorized to undertake such studies as may be necessary to carry out the purposes of this title including, but not limited to, inquiries concerning—

"(1) the operation of plans under part A;

"(2) the extent to which essential property insurance is unavailable in urban areas;

"(3) the market for private reinsurance; and

"(4) loss prevention methods and procedures, insurance marketing methods, and underwriting techniques.

"(b) To such extent and under such circumstances as may be practicable and feasible, the Secretary shall conduct any study authorized under this section in cooperation with State insurance authorities and the private insurance industry.

"GENERAL POWERS

"Sec. 1237. In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties (including the authority to issue rules and regulations) set forth in section 402, except subsections (c)(2), (d), and (f), of the Housing Act of 1950. Any rules and regulations of the Secretary shall only be issued after full consultation with the Board and after notice and hearing, if granted, as required by the Administrative Procedure Act.

"SERVICES AND FACILITIES OF OTHER AGENCIES—UTILIZATION OF PERSONNEL, SERVICES, FACILITIES, AND INFORMATION

"Sec. 1238. The Secretary may, with the consent of the agency concerned, accept and utilize, on a reimbursable basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, except that any such agency having custody of any data relating to any of the matter within the jurisdiction of the Secretary shall, to the extent permitted by law, upon request of the Secretary, make such data available to the Secretary.

"ADVANCE PAYMENTS

"Sec. 1239. Any payments which are made under the authority of this title may be made, after necessary adjustments on account of previously made underpayments or overpayments in advance or by way of reimbursement. Payments may be made in such installments and on such conditions as the Secretary may determine.

"TAXATION

"Sec. 1240. (a) The National Insurance Development Fund, including its reserves, surplus, and income, shall be exempt from all taxation now or hereafter imposed by the United States, or by any State, or any subdivision thereof, except that any real property acquired by the Secretary as a result of reinsurance shall be subject to taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

"(b) Any measures undertaken by any State to meet or to fund its obligations under section 1223(a)(1) shall not be the subject of any retaliatory or fiscal imposition by any other State.

"APPROPRIATIONS

"Sec. 1241. There are hereby authorized to be appropriated such sums as may be necessary to carry out this title."

FINANCING

Sec. 1104. Section 520(b) of the National Housing Act is amended by inserting "(1)" after "necessary" in the first sentence, and by striking out the period at the end of such sentence and inserting in lieu thereof ", and (2) to make payments for reinsured losses under title XII of this Act: *Provided, however*, That borrowings to make payments for reinsured losses under title XII shall be limited to $250,000,000 or such further sum as the Congress, by joint resolution, may from time to time determine."

FEDERAL INSURANCE ADMINISTRATOR

Sec. 1105. (a) There is hereby established in the Department of Housing and Urban Development the position of Federal Insurance Administrator.

(b) Section 5315 of title 5 United States Code, is amended by adding at the end thereof the following new paragraph:

"(91) Federal Insurance Administrator, Department of Housing and Urban Development."

CLARIFYING AMENDMENTS TO ACTS REFERRING TO DISASTERS

Sec. 1106. (a) Section 7(b)(1) of the Small Business Act is amended by inserting ", riots or civil disorders," before "or other catastrophes".

(b) Section 101(c)(2)(E) of the Housing and Urban Development Act of 1965 is amended by striking out "natural".

(c) Section 111 of the Housing Act of 1949 is amended by striking out "the Secretary" after "disaster," and inserting in lieu thereof "or which the Secretary has determined is in need of such redevelopment or rehabilitation as a result of a riot or civil disorder, he".

(d) Section 203(h) of the National Housing Act is amended by inserting "riot or civil disorder," before "or other catastrophe".

(e) No person who has been convicted of committing a felony during and in connection with a riot or civil disorder shall be permitted, for a period of one year after the date of his conviction, to receive any benefit under any law of the United States providing relief for disaster victims.

TITLE XII—DISTRICT OF COLUMBIA INSURANCE PLACEMENT ACT

SHORT TITLE

Sec. 1201. This title may be cited as the "District of Columbia Insurance Placement Act".

DECLARATION OF PURPOSE

Sec. 1202. The purposes of this title are—

(1) to assure stability in the property insurance market for property located in the District of Columbia;

(2) to assure the availability of basic property insurance as defined by this title;

(3) to encourage maximum use, in obtaining basic property insurance, of the normal

insurance market provided by authorized insurers; and

(4) to provide for the equitable distribution among insurers of the responsibility for insuring qualified property in the District of Columbia for which insurance cannot be obtained through the normal insurance market and to authorize the establishment of a joint underwriting association in the District of Columbia to provide for reinsuring of basic property insurance without regard to environmental hazards.

DEFINITIONS

SEC. 1203. As used in this title, unless the context otherwise requires—

(1) The term "Commissioner" means the Commissioner of the District of Columbia or his designated agent.

(2) The term "basic property insurance" means (1) insurance against direct loss to property caused by perils as defined and limited in the standard fire policy and extended coverage endorsement thereon, as approved by the Commissioner, and (2) such other insurance (including insurance against the perils of vandalism, malicious mischief, burglary, theft, and robbery), as the Commissioner may designate (under regulations adopted or made under section 1205 of this title) from those lines of property insurance for which reinsurance is available for losses from riots or civil disorders under part B of title XII of the National Housing Act.

(3) The term "environmental hazard" means any hazardous condition that might give rise to loss under an insurance contract, but which is beyond the control of the property owner.

(4) The term "inspection bureau" means any rating bureau or other organization designated by the Commissioner to perform inspections to determine the condition of the properties for which basic property insurance is sought.

(5) The terms "Industry Placement Facility" and "Facility" mean the facility consisting of all insurers licensed to write and engaged in writing basic property insurance (including homeowners and commercial multiperil policies) within the District of Columbia to assist agents, brokers, and applicants in securing basic property insurance.

(6) The term "premiums written" means gross direct premiums charged with respect to property in the District of Columbia on all policies of basic property insurance and the basic property insurance premium components of all multiperil policies, less all premiums and dividends returned, paid, or credited to policyholders or the unused or unabsorbed portions of premiums deposits.

(7) The term "property owner" means any person having an insurable interest in real, personal, or mixed real and personal property.

INDUSTRY PLACEMENT FACILITY

SEC. 1204. (a) Within thirty days after the date of the enactment of this title all insurers licensed to write and engaged in writing in the District of Columbia, on a direct basis, basic property insurance or any component thereof in multiperil policies, shall establish an Industry Placement Facility. The Facility shall formulate and administer a program, subject to disapproval by the Commissioner in whole or in part, to seek the equitable apportionment among such insurers of basic property insurance which may be afforded applicants in the District of Columbia whose property is insurable in accordance with reasonable underwriting standards and who individually or through their insurance agent or broker request the aid of the Facility to procure such insurance. The Facility shall seek to place insurance with one or more participating companies up to the full insurable value of the risk, if requested, except to the extent that deductibles, percentage participation clauses, and other underwriting devices are employed to meet special problems of insurability.

(b) The Facility may, subject to the approval of the Commissioner, provide as part of its program for the equitable distribution of commercial risks and dwelling risks among insurers.

(c) Each insurer licensed to write and engaged in writing in the District of Columbia, on a direct basis, basic property insurance or any component thereof in multiperil policies shall participate in the Industry Placement Facility program in accordance with the established rules of the program as a condition of its authority to transact such kinds of insurance in the District of Columbia, except that, in lieu of revoking or suspending the certificate of authority of any company for any failure to comply with any of the established rules of the program, the Commissioner may subject such company to a penalty of not more than $200 for each such failure to so comply when in his judgment he finds that the public interest would be best served by the continued operation of the company in the District of Columbia.

FAIR ACCESS TO INSURANCE REQUIREMENTS

SEC. 1205. (a) The Industry Placement Facility shall on its own motion, or within thirty days after a request by the Commissioner, submit to the Commissioner such proposed rules and regulations applicable to insurers, agents, and brokers deemed necessary to assure all property owners fair access to basic property insurance through the normal insurance markets, including rules and regulations concerning—

(1) the manner and scope of inspections of risk by an inspection bureau;

(2) the preparation and filing of inspection reports and reports on actions taken in connection with inspected risks, and summaries thereof;

(3) the operation of the Facility, including rules and regulations concerning—

(A) the basic property insurance coverages to be provided through the Facility;

(B) the reasonable effort to obtain insurance in the normal commercial market required of an applicant before recourse to the Facility; and

(C) the appeals procedure within the Facility for any applicant for insurance regarding any ruling, action, or decision by or on behalf of the Facility.

(b) The Commissioner may adopt such of the rules and regulations submitted pursuant to subsection (a) of this section as he approves. If the Commissioner disapproves any proposed rule or regulation submitted, he shall state the reasons for so doing, and he shall require the Facility to submit a revision thereof within such time as he may designate, but no less than ten days. During such designated time, the Commissioner and the Facility shall consult regarding any such disapproved rule or regulation. If the Facility fails to submit a proposed rule or regulation, or revision thereof, within the designated time, or if a revised rule or regulation is unacceptable to the Commissioner, the Commissioner may make such rules and regulations covering the proposed general subject matter as he shall deem necessary to carry out the purposes of this title. Any rule or regulation adopted or made under this section shall be consistent with the requirements of part A of title XII of the National Housing Act.

JOINT UNDERWRITING ASSOCIATION

SEC. 1206. (a) The Commissioner is authorized to establish by order a joint underwriting association if he finds, after notice and hearing, that such association is necessary to carry out the purposes of this title. Such joint underwriting association shall consist of all insurers licensed to write and engaged in writing in the District of Columbia, on a direct basis, such basic property insurance as may be designated by the Commissioner or any component thereof in multiperil policies.

(b) Every such insurer shall be and remain a member of the association and shall comply with all requirements of membership as a condition of its authority to transact such kinds of insurance in the District of Columbia, except that in lieu of revoking or suspending the certificate of authority of any company for any failure to comply with any of the requirements of membership, the Commissioner may subject such company to a penalty of not more than $200 for each such failure to so comply when in his judgment he finds that the public interest would be best served by the continued operation of the company in the District of Columbia.

(c) (1) Within sixty days following the effective date of the order of the Commissioner under this section the association shall submit to him a proposed plan of operation, consistent with the provisions of this title, which shall provide for economical, fair, and nondiscriminatory administration of the association and for the prompt and efficient provision of reinsurance, without regard to environmental hazards, for such basic property insurance as may be designated by the Commissioner. The plan of operation shall include provisions for—

(A) preliminary assessment of all members for initial expenses necessary to commence operations;

(B) establishment of necessary facilities;

(C) management and operation of the association;

(D) assessment of members to defray losses and expenses;

(E) commission arrangements;

(F) reasonable underwriting standards;

(G) assumption and cession of reinsurance; and

(H) such other matters as the Commissioner may designate.

(2) The plan of operation shall not take effect until approved by the Commissioner. If the Commissioner disapproves the proposed plan of operation (or any part thereof), he shall state the reasons for so doing, and the association shall within thirty days thereafter submit for his review an appropriately revised plan of operation. During such time, the Commissioner and the association shall consult regarding the disapproved plan or part thereof. If the association fails to submit a revised plan of operation, or if the revised plan so submitted is unacceptable to the Commissioner, the Commissioner shall promulgate a plan of operation.

(3) The association may, on its own initiative, amend such plan, subject to approval by the Commissioner, and shall amend such plan at the direction of the Commissioner if he finds such action is necessary to carry out the purposes of this title.

(d) All members of the association shall participate in its writings, expenses, profits, and losses, or in such categories thereof as may be separately established by the association, subject to approval by the Commissioner, in the proportion that the premiums written by each such member during the preceding calendar year bear to the aggregate premiums written in the District of Columbia by all members of the association, or in accordance with such other formula as the association may devise with the approval of the Commissioner. Such participation by each insurer in the association shall be determined annually on the basis of such premiums written during the preceding calendar year as disclosed in the annual statements and other reports filed by the insurer with the Commissioner.

(e) The association shall be governed by a board of eleven directors, elected annually by cumulative voting by the members of the association, whose votes in such election shall be weighted in accordance with the proportionate amount of each member's net direct premiums written in the District of Columbia during the preceding calendar year. The first board shall be elected at a meeting of the members or their authorized representatives, which shall be held within thirty days after the effective date of the order under this section establishing the association, at a time and place designated by the Commissioner.

EXAMINATION BY COMMISSIONER

SEC. 1207. The operation of any inspection bureau, the Industry Placement Facility, and the joint underwriting association shall at all times be subject to the supervision and regulation of the Commissioner. The Commissioner shall have the power of visitation of and examination into such operations and free access to all the books, records, files, papers, and documents that relate to such operations, may summon and qualify witnesses under oath, and may examine directors, officers, agents, employees, or any other person having knowledge of such operations.

WAIVER OF LIABILITY

SEC. 1208. There shall be no liability on the part of, and no cause of action of any nature shall arise against, insurers, any inspection bureau, the Industry Placement Facility, the joint underwriting association, the agents or employees of such bureau, Facility, or association, or any officer or employee of the District of Columbia, for any statements made in good faith by them concerning the insurability of property (A) in any reports or other communications, (B) at the time of the hearings conducted in connection therewith, or (C) in the findings with respect thereto required by the provisions of this title. The reports and communications of any inspection bureau, the Industry Placement Facility, and the joint underwriting association with respect to individual properties shall not be open to inspection by, or otherwise available to, the public.

ANNUAL REPORTS BY JOINT UNDERWRITING ASSOCIATION

SEC. 1209. The joint underwriting association shall file with the Commissioner, annually on or before the 1st day or March, a statement which shall contain information with respect to its transactions, condition, operations, and affairs during the preceding year. Such statement shall contain such matters and information as are prescribed by the Commissioner and shall be in such form as is approved by him. The Commissioner may at any time require the association to furnish him with additional information with respect to its transactions, condition, or any matter connected therewith which he considers to be material and which will assist him in evaluating the scope, operation, and experience of the association.

APPEALS

SEC. 1210. (a) Any applicant for insurance and any affected insurer may appeal to the Commissioner within ninety days after any final ruling, action, or decision by or on behalf of any inspection bureau, the Industry Placement Facility, or the joint underwriting association, following exhaustion of remedies available within such bureaus, Facility, or association.

(b) All final orders or decisions of the Commissioner made under this title shall be subject to review by the District of Columbia Court of Appeals under section 11-742 of the District of Columbia Code.

REIMBURSEMENT FOR REINSURANCE PROVIDED UNDER NATIONAL INSURANCE DEVELOPMENT PROGRAM

SEC. 1211. (a) In order to carry out the purposes of this title and to make available to insurers who participate hereunder the reinsurance afforded under part B of title XII of the National Housing Act against losses to property resulting from riots or civil disorders, the Commissioner is authorized to assess each insurance company authorized to do business in the District of Columbia an amount, in the proportion that the premiums earned by each such company in the District of Columbia, on lines reinsured in the District of Columbia by the Secretary of Housing and Urban Development, during the preceding calendar year bear to the aggregate premiums earned on those lines in the District of Columbia by all insurance companies, sufficient to provide a fund to reimburse the Secretary of Housing and Urban Development in the manner set forth in section 1223(a)(1) of such part B. Such fund may be added to or such fund may be created by moneys appropriated therefor by the Congress.

(b) Insurers shall add to the premium rate an amount, to be approved by the Commissioner, sufficient to recover, within not more than three years, any amounts assessed under subsection (a) of this section during the preceding calendar year. Such amount shall be a separate charge to the insured in addition to the premium to be paid and shall be reflected as such in the policy of insurance. No commission shall be paid thereon to any agent or broker producing or selling the policy of insurance wherein such amount is added.

DELEGATION

SEC. 1212. The Commissioner is authorized to delegate any of the functions vested in him by this title.

JUDICIAL REVIEW

SEC. 1213. Section 11-742(a) of the District of Columbia Code is amended (1) by striking out "and" immediately following paragraph (10); (2) by striking out the period following paragraph (11) and inserting in lieu thereof "; and"; and (3) by adding at the end thereof the following new paragraph:

"(12) final orders and decisions of the Commissioner of the District of Columbia under the provisions of the District of Columbia Insurance Placement Act."

TITLE XIII—NATIONAL FLOOD INSURANCE

SHORT TITLE

SEC. 1301. This title may be cited as the "National Flood Insurance Act of 1968".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 1302. (a) The Congress finds that (1) from time to time flood disasters have created personal hardships and economic distress which have required unforeseen disaster relief measures and have placed an increasing burden on the Nation's resources; (2) despite the installation of preventive and protective works and the adoption of other public programs designed to reduce losses caused by flood damage, these methods have not been sufficient to protect adequately against growing exposure to future flood losses; (3) as a matter of national policy, a reasonable method of sharing the risk of flood losses is through a program of flood insurance which can complement and encourage preventive and protective measures; and (4) if such a program is initiated and carried out gradually, it can be expanded as knowledge is gained and experience is appraised, thus eventually making flood insurance coverage available on reasonable terms and conditions to persons who have need for such protection.

(b) The Congress also finds that (1) many factors have made it uneconomic for the private insurance industry alone to make flood insurance available to those in need of such protection on reasonable terms and conditions; but (2) a program of flood insurance with large-scale participation of the Federal Government and carried out to the maximum extent practicable by the private insurance industry is feasible and can be initiated.

(c) The Congress further finds that (1) a program of flood insurance can promote the public interest by providing appropriate protection against the perils of flood losses and encouraging sound land use by minimizing exposure of property to flood losses; and (2) the objectives of a flood insurance program should be integrally related to a unified national program for flood plain management and, to this end, it is the sense of Congress that within two years following the effective date of this title the President should transmit to the Congress for its consideration any further proposals necessary for such a unified program, including proposals for the allocation of costs among beneficiaries of flood protection.

(d) It is therefore the purpose of this title to (1) authorize a flood insurance program by means of which flood insurance, over a period of time, can be made available on a nationwide basis through the cooperative efforts of the Federal Government and the private insurance industry, and (2) provide flexibility in the program so that such flood insurance may be based on workable methods of pooling risks, minimizing costs, and distributing burdens equitably among those who will be protected by flood insurance and the general public.

(e) It is the further purpose of this title to (1) encourage State and local governments to make appropriate land use adjustments to constrict the development of land which is exposed to flood damage and minimize damage caused by flood losses, (2) guide the development of proposed future construction, where practicable, away from locations which are threatened by flood hazards, (3) encourage lending and credit institutions, as a matter of national policy, to assist in furthering the objectives of the flood insurance program, (4) assure that any Federal assistance provided under the program will be related closely to all flood-related programs and activities of the Federal Government, and (5) authorize continuing studies of flood hazards in order to provide for a constant reappraisal of the flood insurance program and its effect on land use requirements.

AMENDMENTS TO THE FEDERAL FLOOD INSURANCE ACT OF 1956

SEC. 1303. (a) The second sentence of section 15(e) of the Federal Flood Insurance Act of 1956 (79 Stat. 1078) is amended—

(1) by striking out "rate" the second time it appears in such sentence, and inserting in lieu thereof "market yield", and

(2) by striking out "as of the last day of", and inserting in lieu thereof "during".

(b) Section 15(e) of such Act is further amended by striking out the last sentence thereof.

(c) Sections 2 through 14, subsections (a) through (d), and (f) and (g) of section 15, and sections 16 through 23 of such Act are hereby repealed.

CHAPTER I—THE NATIONAL FLOOD INSURANCE PROGRAM

BASIC AUTHORITY

SEC. 1304. (a) To carry out the purposes of this title, the Secretary of Housing and Urban Development is authorized to establish and carry out a national flood insurance program which will enable interested persons to purchase insurance against loss resulting from physical damage to or loss of real property or personal property related thereto arising from any flood occurring in the United States.

(b) In carrying out the flood insurance program the Secretary shall, to the maximum extent practicable, encourage and arrange for—

(1) appropriate financial participation and risk sharing in the program by insurance companies and other insurers, and

(2) other appropriate participation, on other than a risk-sharing basis, by insurance companies and other insurers, insurance agents and brokers, and insurance adjust-

ment organizations, in accordance with the provisions of chapter II.

SCOPE OF PROGRAM AND PRIORITIES

SEC. 1305. (a) In carrying out the flood insurance program the Secretary shall afford a priority to making flood insurance available to cover residential properties which are designed for the occupancy of from one to four families and business properties which are owned or leased and operated by small business concerns.

(b) If on the basis of—

(1) studies and investigations undertaken and carried out and information received or exchanged under section 1307, and

(2) such other information as may be necessary,

the Secretary determines that it would be feasible to extend the flood insurance program to cover other properties, he may take such action under this title as from time to time may be necessary in order to make flood insurance available to cover, on such basis as may be feasible, any types and classes of—

(A) other residential properties,

(B) other business properties,

(C) agricultural properties,

(D) properties occupied by private nonprofit organizations, and

(E) properties owned by State and local governments and agencies thereof;

and any such extensions of the program to any types and classes of these properties shall from time to time be prescribed in regulations.

(c) The Secretary shall make flood insurance available in only those States or areas (or subdvisions thereof) which he has determined have—

(1) evidenced a positive interest in securing flood insurance coverage under the flood insurance program, and

(2) given satisfactory assurance that by June 30, 1970, permanent land use and control measures will have been adopted for the State or area (or subdivision) which are consistent with the comprehensve criteria for land management and use developed under section 1361, and that the application and enforcement of such measures will commence as soon as technical information on floodways and on controlling flood elevations is available.

NATURE AND LIMITATIONS OF INSURANCE COVERAGE

SEC. 1306. (a) The Secretary shall from time to time, after consultation with the advisory committee authorized under section 1318, appropriate representatives of the pool formed or otherwise created under section 1331, and appropriate representatives of the insurance authorities of the respective States, provide by regulation for general terms and conditions of insurability which shall be applicable to properties eligible for flood insurance coverage under section 1305, including—

(1) the types, classes, and locations of any such properties which shall be eligible for flood insurance;

(2) the nature and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;

(3) the classification, limitation, and rejection of any risks which may be advisable;

(4) appropriate minimum premiums;

(5) appropriate loss-deductibles; and

(6) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the purposes of this title.

(b) In addition to any other terms and conditions under subsection (a), such regulations shall provide that—

(1) any flood insurance coverage based on chargeable premium rates under section 1308 which are less than the estimated premium rates under section 1307(a)(1) shall not exceed—

(A) in the case of residential properties which are designed for the occupancy of from one to four families—

(i) $17,500 aggregate liability for any dwelling unit, and $30,000 for any single dwelling structure containing more than one dwelling unit, and

(ii) $5,000 aggregate liability per dwelling unit for any contents related to such unit;

(B) in the case of business properties which are owned or leased and operated by small business concerns, an aggregate liability with respect to any single structure, including any contents thereof related to premises of small business occupants (as that term is defined by the Secretary), which shall be equal to (i) $30,000 plus (ii) $5,000 multiplied by the number of such occupants and shall be allocated among such occupants (or among the occupant or occupants and the owner) under regulations prescribed by the Secretary; except that the aggregate liability for the structure itself may in no case exceed $30,000; and

(C) in the case of any other properties which may become eligible for flood insurance coverage under section 1305—

(i) $30,000 aggregate liability for any single structure, and

(ii) $5,000 aggregate liability per dwelling unit for any contents related to such unit in the case of residential properties, or per occupant (as that term is defined by the Secretary) for any contents related to the premises occupied in the case of any other properties; and

(2) any flood insurance coverage which may be made available in excess of any of the limits specified in subparagraph (A), (B), or (C) of paragraph (1) (or allocated to any person under subparagraph (B) of such paragraph) shall be based only on chargeable premium rates under section 1308 which are not less than the estimated premium rates under section 1307(a)(1), and the amount of such excess coverage shall not in any case exceed an amount which is equal to the applicable limit so specified (or allocated).

ESTIMATES OF PREMIUM RATES

SEC. 1307. (a) The Secretary is authorized to undertake and carry out such studies and investigations and receive or exchange such information as may be necessary to estimate, and shall from time to time estimate, on an area, subdivision, or other appropriate basis—

(1) the risk premium rates for flood insurance which—

(A) based on consideration of the risk involved and accepted actuarial principles, and

(B) including—

(i) the applicable operating costs and allowances set forth in the schedules prescribed under section 1311 and reflected in such rates, and

(ii) any administrative expenses (or portion of such expenses) of carrying out the flood insurance program which, in his discretion, should properly be reflected in such rates,

would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage is available under section 1305(a) (or is recommended to the Congress under section 1305(b));

(2) the rates, if less than the rates estimated under paragraph (1), which would be reasonable, would encourage prospective insureds to purchase flood insurance, and would be consistent with the purposes of this title; and

(3) the extent, if any, to which federally assisted or other flood protection measures initiated after the date of the enactment of this title affect such rates.

(b) In carrying out subsection (a), the Secretary shall, to the maximum extent feasible and on a reimbursement basis, utilize the services of the Department of the Army, the Department of the Interior, the Department of Agriculture, the Department of Commerce, and the Tennessee Valley Authority, and, as appropriate, other Federal departments or agencies, and for such purposes may enter into agreements or other appropriate arrangments with any persons.

(c) The Secretary shall give priority to conducting studies and investigations and making estimates under this section in those States or areas (or subdivisions thereof) which he has determined have evidenced a positive interest in securing flood insurance coverage under the flood insurance program.

ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

SEC. 1308. (a) On the basis of estimates made under section 1307 and such other information as may be necessary, the Secretary shall from time to time, after consultation with the advisory committee authorized under section 1318, appropriate representatives of the pool formed or otherwise created under section 1331, and appropriate representatives of the insurance authorities of the respective States, prescribed by regulation—

(1) chargeable premium rates for any types and classes of properties for which insurance coverage shall be available under section 1305 (at less than the estimated risk premium rates under section 1307(a)(1), where necessary), and

(2) the terms and conditions under which, and the areas (including subdivisions thereof) within which, such rates shall apply.

(b) Such rates shall, insofar as practicable, be—

(1) based on a consideration of the respective risks involved, including differences in risks due to land use measures, floodproofing, flood forecasting, and similar measures,

(2) adequate, on the basis of accepted actuarial principles, to provide reserves for anticipated losses, or, if less than such amount, consistent with the objective of making flood insurance available where necessary at reasonable rates so as to encourage prospective insureds to purchase such insurance and with the purposes of this title, and

(3) stated so as to reflect the basis for such rates, including the differences (if any) between the estimated risk premium rates under section 1307(a)(1) and the estimated rates under section 1307(a)(2).

(c) Notwithstanding any other provision of this title, the chargeable rate with respect to any property, the construction or substantial improvement of which the Secretary determines has been started after the identification of the area in which such property is located has been published under paragraph (1) of section 1360, shall not be less than the applicable estimated risk premium rate for such area (or subdivision thereof) under section 1307(a)(1).

(d) In the event any chargeable premium rate prescribed under this section—

(1) is a rate which is not less than the applicable estimated risk premium rate under section 1307(a)(1), and

(2) includes any amount for administrative expenses of carrying out the flood insurance program which have been estimated under clause (ii) of section 1307(a)(1)(B),

a sum equal to such amount shall be paid to the Secretary, and he shall deposit such sum in the National Flood Insurance Fund established under section 1310.

FINANCING

SEC. 1309. (a) All authority which was vested in the Housing and Home Finance Administrator by virtue of section 15(e) of the Federal Flood Insurance Act of 1956 (70 Stat. 1084) (pertaining to the issue of notes or other obligations to the Secretary of the Treasury), as amended by subsections (a) and (b) of section 1303 of this Act, shall be available to the Secretary for the purpose of carrying out the flood insurance program under this title; except that the total amount of notes and obligations which may be issued by the Secretary pursuant to such authority shall not exceed $250,000,000, and all authority of the Secretary to issue notes and obligations under said section 15(e) beyond such sum is hereby rescinded.

(b) Any funds borrowed by the Secretary under this authority shall, from time to time, be deposited in the National Flood Insurance Fund established under section 1310.

NATIONAL FLOOD INSURANCE FUND

SEC. 1310. (a) To carry out the flood insurance program authorized by this title, the Secretary is authorized to establish in the Treasury of the United States a National Flood Insurance Fund (hereinafter referred to as the "fund") which shall be available, without fiscal year limitation—

(1) for making such payments as may, from time to time, be required under section 1334;

(2) to pay reinsurance claims under the excess loss reinsurance coverage provided under section 1335;

(3) to repay to the Secretary of the Treasury such sums as may be borrowed from him (together with interest) in accordance with the authority provided in section 1309; and

(4) to pay such administrative expenses (or portion of such expenses) of carrying out the flood insurance program as he may deem necessary; and

(5) for the purposes specified in subsection (d) under the conditions provided therein.

(b) The fund shall be credited with—

(1) such funds borrowed in accordance with the authority provided in section 1309 as may from time to time be deposited in the fund;

(2) premiums, fees, or other charges which may be paid or collected in connection with the excess loss reinsurance coverage provided under section 1335;

(3) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(4) interest which may be earned on investments of the fund pursuant to subsection (c);

(5) such sums as are required to be paid to the Secretary under section 1308(d); and

(6) receipts from any other operations under this title (including premiums under the conditions specified in subsection (d), and salvage proceeds, if any, resulting from reinsurance coverage).

(c) If, after—

(1) all outstanding obligations of the fund have been liquidated, and

(2) any outstanding amounts which may have been advanced to the fund from appropriations authorized under section 1376(a)(2)(B) have been credited to the appropriation from which advanced, with interest accrued at the rate prescribed under section 15(e) of the Federal Flood Insurance Act of 1956, as in effect immediately prior to the enactment of this title,

the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

(d) In the event the Secretary makes a determination in accordance with the provisions of section 1340 that operation of the flood insurance program, in whole or in part, should be carried out through the facilities of the Federal Government, the fund shall be available for all purposes incident thereto, including—

(1) cost incurred in the adjustment and payment of any claims for losses, and

(2) payment of applicable operating costs set forth in the schedules prescribed under section 1311,

for so long as the program is so carried out, and in such event any premiums paid shall be deposited by the Secretary to the credit of the fund.

(e) An annual business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849)) for wholly-owned Government corporations.

OPERATING COSTS AND ALLOWANCES

SEC. 1311. (a) The Secretary shall from time to time negotiate with appropriate representatives of the insurance industry for the purpose of establishing—

(1) a current schedule of operating costs applicable both to risk-sharing insurance companies and other insurers and to insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations participating on other than a risk-sharing basis, and

(2) a current schedule of operating allowances applicable to risk-sharing insurance companies and other insurers,

which may be payable in accordance with the provisions of chapter II, and such schedules shall from time to time be prescribed in regulations.

(b) For purposes of subsection (a)—

(1) the term "operating costs" shall (without limiting such term) include—

(A) expense reimbursements covering the direct, actual, and necessary expenses incurred in connection with selling and servicing flood insurance coverage;

(B) reasonable compensation payable for selling and servicing flood insurance coverage, or commissions or service fees paid to producers;

(C) loss adjustment expenses; and

(D) other direct, actual, and necessary expenses which the Secretary finds are incurred in connection with selling or servicing flood insurance coverage; and

(2) the term "operating allowances" shall (without limiting such term) include amounts for profit and contingencies which the Secretary finds reasonable and necessary to carry out the purposes of this title.

PAYMENT OF CLAIMS

SEC. 1312. The Secretary is authorized to prescribe regulations establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage to or loss of property which is covered by flood insurance made available under the provisions of this title.

DISSEMINATION OF FLOOD INSURANCE INFORMATION

SEC. 1313. The Secretary shall from time to time take such action as may be necessary in order to make information and data available to the public, and to any State or local agency or official, with regard to—

(1) the flood insurance program, its coverage and objectives, and

(2) estimated and chargeable flood insurance premium rates, including the basis for and differences between such rates in accordance with the provisions of section 1308.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF BENEFITS

SEC. 1314. (a) Notwithstanding the provisions of any other law, no Federal disaster assistance shall be made available to any person—

(1) for the physical loss, destruction, or damage of real or personal property, to the extent that such loss, destruction, or damage is covered by a valid claim which may be adjusted and paid under flood insurance made available under the authority of this title, or

(2) except in the situation provided for under subsection (b), for the physical loss, destruction, or damage of real or personal property, to the extent that such loss, destruction, or damage could have been covered by a valid claim under flood insurance which had been made available under the authority of this title, if—

(A) such loss, destruction, or damage occurred subsequently to one year following the date flood insurance was made available in the area (or subsdivision thereof) in which such property or the major part thereof was located, and

(B) such property was eligible for flood insurance under this title at that date;

and in such circumstances the extent that such loss, destruction, or damage could have been covered shall be presumed (for purposes of this subsection) to be an amount not less than the maximum limit of insurable loss or damage applicable to such property in such area (or subdivision thereof), pursuant to regulations under section 1306, at the time insurance was made available in such area (or subdivision thereof).

(b) In order to assure that the provisions of subsection (a)(2) will not create undue hardship for low-income persons who might otherwise benefit from the provision of Federal disaster assistance, the Secretary shall provide by regulation for the circumstances in which the provisions of subsection (a)(2) shall not be applicable to any such persons.

(c) For purposes of this section, "Federal disaster assistance" shall include any Federal financial assistance which may be made available to any person as a result of—

(1) a major disaster (within the meaning of that term as determined by the President pursuant to the Act entitled "An Act to authorize Federal assistance to State and local governments in major disasters, and for other purposes", as amended (42 U.S.C. 1855–1855g)),

(2) a natural disaster, as determined by the Secretary of Agriculture pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), or

(3) a disaster with respect to which loans may be made under section 7(b) of the Small Business Act (15 U.S.C. 636(b)).

(d) For purposes of section 10 of the Disaster Relief Act of 1966 (80 Stat. 1230), the term "financial assistance" shall be deemed to include any flood insurance which is made available under this title.

STATE AND LOCAL LAND USE CONTROLS

SEC. 1315. After June 30, 1970, no new flood insurance coverage shall be provided under this title in any area (or subdivision thereof) unless an appropriate public body shall have adopted permanent land use and control measures (with effective enforcement provisions) which the Secretary finds are consistent with the comprehensive criteria for land management and use under section 1361.

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

SEC. 1316. No new flood insurance coverage shall be provided under this title for any property which the Secretary finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in flood-prone areas.

COORDINATION WITH OTHER PROGRAMS

SEC. 1317. In carrying out this title, the Secretary shall consult with other departments and agencies of the Federal Government, and with interstate, State, and local agencies having responsibilities for flood control, flood forecasting, or flood damage prevention, in order to assure that the programs of such agencies and the flood insurance program authorized under this title are mutually consistent.

ADVISORY COMMITTEE

SEC. 1318. (a) The Secretary shall appoint a flood insurance advisory committee, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such committee shall advise the Secretary in the preparation of any regulations prescribed in accordance with this title and with respect to policy matters arising in the administration of this title, and shall perform such other responsibilities as the Secretary may, from time to time, assign to such committee.

(b) Such committee shall consist of not more than fifteen persons and such persons shall be selected from among representatives of—

(1) the insurance industry,

(2) State and local governments,

(3) lending institutions,

(4) the homebuilding industry, and

(5) the general public.

(c) Members of the committee shall, while attending conferences or meetings thereof, be entitled to receive compensation at a rate fixed by the Secretary but not exceeding $100 per day, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as is authorized under section 5703 of title 5, United States Code, for persons in the government service employed intermittently.

INITIAL PROGRAM LIMITATION

SEC. 1319. The face amount of flood insurance coverage outstanding and in force at any one time under this title shall not exceed the sum of $2,500,000,000.

REPORT TO THE PRESIDENT

SEC. 1320. The Secretary shall include a report of operations under this title in the annual report to the President for submission to the Congress required by section 8 of the Department of Housing and Urban Development Act.

CHAPTER II—ORGANIZATION AND ADMINISTRATION OF THE FLOOD INSURANCE PROGRAM

ORGANIZATION AND ADMINISTRATION

SEC. 1330. Following such consultation with representatives of the insurance industry as may be necessary, the Secretary shall implement the flood insurance program authorized under chapter I in accordance with the provisions of part A of this chapter and, if a determination is made by him under section 1340, under part B of this chapter.

PART A—INDUSTRY PROGRAM WITH FEDERAL FINANCIAL ASSISTANCE

INDUSTRY FLOOD INSURANCE POOL

SEC. 1331. (a) The Secretary is authorized to encourage and otherwise assist any insurance companies and other insurers which meet the requirements prescribed under subsection (b) to form, associate, or otherwise join together in a pool—

(1) in order to provide the flood insurance coverage authorized under chapter I; and

(2) for the purpose of assuming, on such terms and conditions as may be agreed upon, such financial responsibility as will enable such companies and other insurers, with the Federal financial and other assistance available under this title, to assume a reasonable proportion of responsibility for the adjustment and payment of claims for losses under the flood insurance program.

(b) In order to promote the effective administration of the flood insurance program under this part, and to assure that the objectives of this title are furthered, the Seccretary is authorized to prescribe appropriate requirements for insurance companies and other insurers participating in such pool including, but not limited to, minimum requirements for capital or surplus or assets.

AGREEMENTS WITH FLOOD INSURANCE POOL

SEC. 1332. (a) The Secretary is authorized to enter into such agreements with the pool formed or otherwise created under this part as he deems necessary to carry out the purposes of this title.

(b) Such agreements shall specify—

(1) the terms and conditions under which risk capital will be available for the adjustment and payment of claims,

(2) the terms and conditions under which the pool (and the companies and other insurers participating therein) shall participate in premiums received and profits or losses realized or sustained,

(3) the maximum amount of profit, established by the Secretary and set forth in the schedules prescribed under section 1311, which may be realized by such pool (and the companies and other insurers participating therein),

(4) the terms and conditions under which operating costs and allowances set forth in the schedules prescribed under section 1311 may be paid, and

(5) the terms and conditions under which premium equalization payments under section 1334 will be made and reinsurance claims under section 1335 will be paid.

(c) In addition, such agreements shall contain such provisions as the Secretary finds necessary to assure that—

(1) no insurance company or other insurer which meets the requirements prescribed under section 1331(b), and which has indicated an intention to participate in the flood insurance program on a risk-sharing basis, will be excluded from participating in the pool,

(2) the insurance companies and other insurers participating in the pool will take whatever action may be necessary to provide continuity of flood insurance coverage by the pool, and

(3) any insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations will be permitted to cooperate with the pool as fiscal agents or otherwise, on other than a risk-sharing basis, to the maximum extent practicable.

ADJUSTMENT AND PAYMENT OF CLAIMS AND JUDICIAL REVIEW

SEC. 1333. The insurance companies and other insurers which form, associate, or otherwise join together in the pool under this part may adjust and pay all claims for proved and approved losses covered by flood insurance in accordance with the provisions of this title and, upon the disallowance by any such company or other insurer of any such claim, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallowance or partial disallowance of the claim, may institute an action on such claim against such company or other insurer in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.

PREMIUM EQUALIZATION PAYMENTS

SEC. 1334. (a) The Secretary, on such terms and conditions as he may from time to time prescribe, shall make periodic payments to the pool formed or otherwise created under section 1331, in recognition of such reductions in chargeable premium rates under section 1308 below estimated premium rates under section 1307(a)(1) as are required in order to make flood insurance available on reasonable terms and conditions

(b) Such payments shall be based only on the aggregate amount of flood insurance retained by the pool after ceding reinsurance in accordance wtih the provisions of section 1335, and shall not exceed an aggregate amount in any payment period equal to the sum of the following:

(1) an amount for losses which bears the same ratio to the amount of all proved and approved claims for losses under this title during any designated period as the amount equal to the difference between—

(A) the sum of all premium payments for flood insurance coverage in force under this title during such designated period which would have been payable during such period if all such coverage were based on estimated risk premium rates under section 1307(a)(1) (excluding any administrative expenses which may be reflected in such rates, as specified in clause (ii) of section 1307(a)(1)(B)), and

(B) the sum of the premium payments actually paid or payable for such insurance under this title during such period, bears to the amount specified in clause (A); and

(2) subject to the terms and conditions specified in the agreements entered into with the pool under section 1332, a proportionate amount for appropriate operating costs and allowances (as set forth in the schedules prescribed under section 1311) during any designated period which bears the same ratio to the total amount of such operating costs and allowances during such period as the ratio specified in paragraph (1).

(c) Designated periods under this section and the methods for determining the sum of premiums paid or payable during such periods shall be established by the Secretary.

REINSURANCE COVERAGE

SEC. 1335. (a) The Secretary is authorized to take such action as may be necessary in order to make available, to the pool formed or otherwise created under section 1331, reinsurance for losses (due to claims for proved and approved losses covered by flood insurance) which are in excess of losses assumed by such pool in accordance with the excess loss agreement entered into under subsection (c).

(b) Such reinsurance shall be made available pursuant to contract, agreement, or any other arrangement, in consideration of such payment of a premium, fee, or other charge as the Secretary finds necessary to cover anticipated losses and other costs of providing such reinsurance.

(c) The Secretary is authorized to negotiate an excess loss agreement, from time to time, under which the amount of flood insurance retained by the pool, after ceding reinsurance, shall be adequate to further the purposes of this title, consistent with the objective of maintaining appropriate financial participation and risk sharing to the maximum extent practicable on the part of participating insurance companies and other insurers.

(d) All reinsurance claims for losses in excess of losses assumed by the pool shall be submitted on a portfolio basis by such pool in accordance with terms and conditions established by the Secretary.

PART B—GOVERNMENT PROGRAM WITH INDUSTRY ASSISTANCE

FEDERAL OPERATION OF THE PROGRAM

SEC. 1340. (a) If at any time, after consultation with representatives of the insurance industry, the Secretary determines that operation of the flood insurance program as provided under part A cannot be carried out, or that such operation, in itself, would be assisted materially by the Federal Government's assumption, in whole or in part, of the operational responsibility for flood insurance under this title (on a temporary or other basis) he shall promptly undertake any necessary arrangements to carry out the program of flood insurance authorized under chapter I through the facilities of the Federal Government, utilizing, for purposes of providing flood insurance coverage, either—

(1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States.

(2) officers and employees of the Department of Housing and Urban Development, and such other officers and employees of any executive agency (as defined in section 105 of title 5 of the United States Code) as the Secretary and the head of any such agency may, from time to time, agree upon, on a reimbursement or other basis, or

(3) both the alternatives specified in paragraphs (1) and (2).

(b) Upon making the determination referred to in subsection (a), and at least thirty days prior to implementing the program of flood insurance authorized under chapter I through the facilities of the Federal Government, the Secretary shall make a report to the Congress and such report shall—

(1) state the reasons for such determination,

(2) be supported by pertinent findings,

(3) indicate the extent to which it is anticipated that the insurance industry will be utilized in providing flood insurance coverage under the program, and

(4) contain such recommendations as the Secretary deems advisable.

ADJUSTMENT AND PAYMENT OF CLAIMS AND JUDICIAL REVIEW

SEC. 1341. In the event the program is carried out as provided in section 1340, the Secretary shall be authorized to adjust and make payment of any claims for proved and approved losses covered by flood insurance, and upon the disallowance by the Secretary of any such claim, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallowance or partial disallowance by the Secretary, may institute an action against the Secretary on such claim in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.

PART C—PROVISIONS OF GENERAL APPLICABILITY

SERVICES BY INSURANCE INDUSTRY

SEC. 1345. (a) In administering the flood insurance program under this chapter, the Secretary is authorized to enter into any contracts, agreements, or other appropriate arrangements which may, from time to time, be necessary for the purpose of utilizing, on such terms and conditions as may be agreed upon, the facilities and services of any insurance companies or other insurers, insurance agents and brokers, or insurance adjustment organizations; and such contracts, agreements or arrangements may include provision for payment of applicable operating costs and allowances for such facilities and services as set forth in the schedules prescribed under section 1311.

(b) Any such contracts, agreements, or other arrangements may be entered into without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law requiring competitive bidding.

USE OF INSURANCE POOL, COMPANIES, OR OTHER PRIVATE ORGANIZATIONS FOR CERTAIN PAYMENTS

SEC. 1346. (a) In order to provide for maximum efficiency in the administration of the flood insurance program and in order to facilitate the expeditious payment of any Federal funds under such program, the Secretary may enter into contracts with pool formed or otherwise created under section 1331, or any insurance company or other private organization, for the purpose of securing performance by such pool, company, or organization of any or all of the following responsibilities:

(1) estimating and later determining any amounts of payments to be made;

(2) receiving from the Secretary, disbursing, and accounting for funds in making such payments;

(3) making such audits of the records of any insurance company or other insurer, insurance agent or broker, or insurance adjustment organization as may be necessary to assure that proper payments are made; and

(4) otherwise assisting in such manner as the contract may provide to further the purposes of this title.

(b) Any contract with the pool or an insurance company or other private organization under this section may contain such terms and conditions as the Secretary finds necessary or appropriate for carrying out responsibilities under subsection (a), and may provide for payment of any costs which the Secretary determines are incidental to carrying out such responsibilities which are covered by the contract.

(c) Any contract entered into under subsection (a) may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law requiring competitive bidding.

(d) No contract may be entered into under this section unless the Secretary finds that the pool, company, or organization will perform its obligations under the contract efficiently and effectively, and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

(e)(1) Any such contract may require the pool, company, or organization or any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bond to the United States in such amount as the Secretary may deem appropriate.

(2) No individual designated pursuant to a contract under this section to certify payments shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment certified by him under this section.

(3) No officer disbursing funds shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by an individual designated to certify payments as provided in paragraph (2) of this subsection.

(f) Any contract entered into under this section shall be for a term of one year, and may be made automatically renewable from term to term in the absence of notice by either party of an intention to terminate at the end of the current term; except that the Secretary may terminate any such contract at any time (after reasonable notice to the pool, company, or organization involved) if he finds that the pool, company, or organization has failed substantially to carry out the contract, or is carrying out the contract in a manner inconsistent with the efficient and effective administration of the flood insurance program authorized under this title.

SETTLEMENT AND ARBITRATION

SEC. 1347. (a) The Secretary is authorized to make final settlement of any claims or demands which may arise as a result of any financial transactions which he is authorized to carry out under this chapter, and may, to assist him in making any such settlement, refer any disputes relating to such claims or demands to arbitration, with the consent of the parties concerned.

(b) Such arbitration shall be advisory in nature, and any award, decision, or recommendation which may be made shall become final only upon the approval of the Secretary.

RECORDS AND AUDITS

SEC. 1348. (a) The flood insurance pool formed or otherwise created under part A of this chapter, and any insurance company or other private organization executing any contract, agreement, or other appropriate arrangement with the Secretary under part B of this chapter or this part, shall keep such records as the Secretary shall prescribe, including records which fully disclose the total costs of the program undertaken or the services being rendered, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the pool and any such insurance company or other private organization that are pertinent to the costs of the program undertaken or the services being rendered.

CHAPTER III—COORDINATION OF FLOOD INSURANCE WITH LAND-MANAGEMENT PROGRAMS IN FLOOD-PRONE AREAS

IDENTIFICATION OF FLOOD-PRONE AREAS

SEC. 1360. The Secretary is authorized to consult with, receive information from, and enter into any agreements or other arrangements with the Secretaries of the Army, the Interior, Agriculture, and Commerce, the Tennessee Valley Authority, and the heads of other Federal departments or agencies, on a reimbursement basis, or with the head of any State or local agency, or enter into contracts with any persons or private firms, in order that he may—

(1) identify and publish information with respect to all flood plain areas, including coastal areas located in the United States, which have special flood hazards, within five years following the date of the enactment of this Act, and

(2) establish flood-risk zones in all such areas, and make estimates with respect to the rates of probable flood-caused loss for the various flood-risk zones for each of these areas, within fifteen years following such date.

CRITERIA FOR LAND MANAGEMENT AND USE

SEC. 1361. (a) The Secretary is authorized to carry out studies and investigations, utilizing to the maximum extent practicable the existing facilities and services of other Federal departments or agencies, and State and local governmental agencies, and any other organizations, with respect to the adequacy of State and local measures in flood-prone areas as to land management and use, flood control, flood zoning, and flood damage prevention, and may enter into any contracts, agreements, or other appropriate arrangements, to carry out such authority.

(b) Such studies and investigations shall include, but not be limited to, laws, regulations, or ordinances relating to encroachments and obstructions on stream channels and floodways, the orderly development and use of flood plains of rivers or streams, floodway encroachment lines, and flood plain zoning, building codes, building permits, and subdivision or other building restrictions.

(c) On the basis of such studies and investigations, and such other information as he deems necessary, the Secretary shall from time to time develop comprehensive criteria designed to encourage, where necessary, the adoption of permanent State and local measures which, to the maximum extent feasible, will—

(1) constrict the development of land which is exposed to flood damage where appropriate,

(2) guide the development of proposed construction away from locations which are threatened by flood hazards,

(3) assist in reducing damage caused by floods, and

(4) otherwise improve the long-range land management and use of flood-prone areas,

and he shall work closely with and provide any necessary technical assistance to State, interstate, and local governmental agencies, to encourage the application of such criteria and the adoption and enforcement of such measures.

PURCHASE OF CERTAIN INSURED PROPERTIES

SEC. 1362. The Secretary may, when he determines that the public interest would be served thereby, enter into negotiations with any owner of real property or interest therein which—

(1) was located in any flood-risk area, as determined by the Secretary,

(2) was covered by flood insurance under the flood insurance program authorized under this title, and

(3) was damaged substantially beyond repair by flood while so covered,

and may purchase such property or interests therein, for subsequent transfer, by sale, lease, donation, or otherwise, to any State or local agency which enters into an agreement with the Secretary that such property shall, for a period not less than forty years following transfer, be used for only such purposes as the Secretary may, by regulation, determine to be consistent with sound land management and use in such area.

CHAPTER IV—APPROPRIATIONS AND MISCELLANEOUS PROVISIONS

DEFINITIONS

SEC. 1370. As used in this title—

(1) the term "flood" shall have such meaning as may be prescribed in regulations of the Secretary, and may include inundation from rising waters or from the overflow of streams, rivers, or other bodies of water, or from tidal surges, abnormally high tidal water, tidal waves, tsunamis, hurricanes, or other severe storms or deluge;

(2) the terms "United States" (when used in a geographic sense) and "State" includes the several States, the District of Columbia, the territories and possessions, the Commonwealth of Puerto Rico, and the Trust Territory of the Pacific Islands;

(3) the terms "insurance company", "other insurer", and "insurance agent or broker" include any organizations and persons authorized to engage in the insurance business under the laws of any State;

(4) the term "insurance adjustment organization" includes any organizations and persons engaged in the business of adjusting loss claims arising under insurance policies issued by any insurance company or other insurer;

(5) the term "person" includes any individual or group of individuals, corporation, partnership, association, or any other organized group of persons, including State and local governments and agencies thereof; and

(6) the term "Secretary" means the Secretary of Housing and Urban Development.

STUDIES OF OTHER NATURAL DISASTERS

SEC. 1371. (a) The Secretary is authorized to undertake such studies as may be necessary for the purpose of determining the extent to which insurance protection against earthquakes or any other natural disaster perils, other than flood, is not available from public or private sources, and the feasibility of such insurance protection being made available.

(b) Studies under this section shall be carried out, to the maximum extent practicable, with the cooperation of other Federal departments and agencies and State and local agencies, and the Secretary is authorized to consult with, receive information from, and enter into any necessary agreements or other arrangements with such other Federal departments and agencies (on a reimbursement basis) and such State and local agencies.

PAYMENTS

SEC. 1372. Any payments under this title may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary may determine.

GOVERNMENT CORPORATION CONTROL ACT

SEC. 1373. The provisions of the Government Corporation Control Act shall apply to the program authorized under this title to the same extent as they apply to wholly owned Government corporations.

FINALITY OF CERTAIN FINANCIAL TRANSACTIONS

SEC. 1374. Nothwithstanding the provisions of any other law—

(1) any financial transaction authorized to be carried out under this title, and

(2) any payment authorized to be made or to be received in connection with any such financial transaction,

shall be final and conclusive upon all officers of the Government.

ADMINISTRATIVE EXPENSES

SEC. 1375. Any administrative expenses which may be sustained by the Federal Government in carrying out the flood insurance program authorized under this title may be paid out of appropriated funds.

APPROPRIATIONS

SEC. 1376. (a) There are hereby authorized to be appropriated such sums as may from time to time be necessary to carry out this title, including sums—

(1) to cover administrative expenses authorized under section 1375;

(2) to reimburse the National Flood Insurance Fund established under section 1310 for—

(A) premium equalization payments under section 1334 which have been made from such fund; and

(B) reinsurance claims paid under the excess loss reinsurance coverage provided under section 1335; and

(3) to make such other payments as may be necessary to carry out the purposes of this title.

(b) All such funds shall be available without fiscal year limitation.

EFFECTIVE DATE

SEC. 1377. This title shall take effect one hundred and twenty days following the date of its enactment, except that the Secretary, on the basis of a finding that conditions exist necessitating the prescribing of an additional period, may prescribe a later effective date which in no event shall be more than one hundred and eighty days following such date of enactment.

TITLE XIV—INTERSTATE LAND SALES

SHORT TITLE

SEC. 1401. This title may be cited as the "Interstate Land Sales Full Disclosure Act".

DEFINITIONS

SEC. 1402. For the purposes of this title, the term—

(1) "Secretary" means the Secretary of Housing and Urban Development;

(2) "person" means an individual, or an unincorporated organization, partnership, association, corporation, trust, or estate;

(3) "subdivision" means any land which is divided or proposed to be divided into fifty or more lots, whether contiguous or not, for the purpose of sale or lease as part of a common promotional plan and where subdivided land is offered for sale or lease by a single developer, or a group of developers acting in concert, and such land is contiguous or is known, designated, or advertised as a common unit or by a common name such land shall be presumed, without regard to the number of lots covered by each individual offering, as being offered for sale or lease as part of a common promotional plan;

(4) "developer" means any person who, directly or indirectly, sells or leases, or offers to sell or lease, or advertises for sale or lease any lots in a subdivision;

(5) "agent" means any person who represents, or acts for or on behalf of, a developer in selling or leasing, or offering to sell or lease, any lot or lots in a subdivision; but shall not include an attorney at law whose representation of another person consists solely of rendering legal services;

(6) "blanket encumbrance" means a trust deed, mortgage, judgment, or any other lien or encumbrance, including an option or contract to sell or a trust agreement, affecting a subdivision or affecting more than one lot offered within a subdivision, except that such term shall not include any lien or other encumbrance arising as the result of the imposition of any tax assessment by any public authority;

(7) "interstate commerce" means trade or commerce among the several States;

(8) "State" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States;

(9) "purchaser" means an actual or prospective purchaser or lessee of any lot in a subdivision;

(10) "offer" includes any inducement, solicitation, or attempt to encourage a person to acquire a lot in a subdivision.

EXEMPTIONS

SEC. 1403. (a) Unless the method of disposition is adopted for the purpose of evasion of this title, the provisions of this title shall not apply to—

(1) the sale or lease of real estate not pursuant to a common promotional plan to offer or sell fifty or more lots in a subdivision;

(2) the sale or lease of lots in a subdivision, all of which are five acres or more in size;

(3) the sale or lease of any improved land on which there is a residential, commercial, or industrial building, or to the sale or lease of land under a contract obligating the seller to erect such a building thereon within a period of two years;

(4) the sale or lease of real estate under or pursuant to court order;

(5) the sale of evidences of indebtedness secured by a mortgage or deed of trust on real estate;

(6) the sale of securities issued by a real estate investment trust;

(7) the sale or lease of real estate by any government or government agency;

(8) the sale or lease of cemetery lots;

(9) the sale or lease of lots to any person who acquires such lots for the purpose of engaging in the business of constructing residential, commercial, or industrial buildings or for the purpose of resale or lease of such lots to persons engaged in such business; or

(10) the sale or lease of real estate which is free and clear of all liens, encumbrances, and adverse claims if each and every purchaser or his or her spouse has personally inspected the lot which he purchased and if the developer executes a written affirmation to that effect to be made a matter of record in accordance with rules and regulations of the Secretary. As used in this subparagraph, the terms "liens," "encumbrances," and "adverse claims" are not intended to refer to property reservations which land developers commonly convey or dedicate to local bodies or public utilities for the purpose of bringing public services to the land being developed nor to taxes and assessments which, under applicable State or local law, constitute liens on the property before they are due and payable.

(b) The Secretary may from time to time, pursuant to rules and regulations issued by him, exempt from any of the provisions of this title any subdivision or any lots in a subdivision, if he finds that the enforcement of this title with respect to such subdivision or lots is not necessary in the public interest and for the protection of purchasers by reason of the small amount involved or the limited character of the public offering.

PROHIBITIONS RELATING TO THE SALE OR LEASE OF LOTS IN SUBDIVISIONS

SEC. 1404. (a) It shall be unlawful for any developer or agent, directly or indirectly, to make use of any means or instruments of transportation or communication in interstate commerce, or of the mails—

(1) to sell or lease any lot in any subdivision unless a statement of record with respect to such lot is in effect in accordance with section 1407 and a printed property report, meeting the requirements of section 1408, is furnished to the purchaser in advance of the signing of any contract or agreement for sale or lease by the purchaser; and

(2) in selling or leasing, or offering to sell or lease, any lot in a subdivision—

(A) to employ any device, scheme, or artifice to defraud, or

(B) to obtain money or property by means of a material misrepresentation with respect to any information included in the statement of record or the property report or with respect to any other information pertinent to the lot or the subdivision and upon which the purchaser relies, or

(C) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon a purchaser.

(b) Any contract or agreement for the purchase or leasing of a lot in a subdivision covered by this title, where the property report has not been given to the purchaser in advance or at the time of his signing, shall be voidable at the option of the purchaser. A purchaser may revoke such contract or agreement within forty-eight hours, where he has received the property report less than forty-eight hours before he signed the contract or agreement, and the contract or agreement shall so provide, except that the contract or agreement may stipulate that the foregoing revocation authority shall not apply in the case of a purchaser who (1) has received the property report and inspected the lot to be purchased or leased in advance of signing the contract or agreement, and (2) acknowledges by his signature, that he has made such inspection and has read and understood such report.

REGISTRATION OF SUBDIVISIONS

SEC. 1405. (a) A subdivision may be registered by filing with the Secretary a statement of record, meeting the requirements of this title and such rules and regulations as may be prescribed by the Secretary in furtherance of the provisions of this title. A statement of record shall be deemed effective only as to the lots specified therein.

(b) At the time of filing a statement of record, or any amendment thereto, the developer shall pay to the Secretary a fee, not in excess of $1,000, in accordance with a schedule to be fixed by the regulations of the Secretary, which fees may be used by the Secretary to cover all or part of the cost of rendering services under this title, and such expenses as are paid from such fees shall be considered non-administrative.

(c) The filing with the Secretary of a statement of record, or of an amendment thereto, shall be deemed to have taken place upon the receipt thereof, accompanied by payment of the fee required by subsection (b).

(d) The information contained in or filed with any statement of record shall be made available to the public under such regulations as the Secretary may prescribe and copies thereof shall be furnished to every applicant at such reasonable charge as the Secretary may prescribe.

INFORMATION REQUIRED IN STATEMENT OF RECORD

SEC. 1406. The statement of record shall contain the information and be accompanied by the documents specified hereinafter in this section—

(1) the name and address of each person having an interest in the lots in the subdivision to be covered by the statement of record and the extent of such interest;

(2) a legal description of, and a statement of the total area included in, the subdivision and a statement of the topography thereof, together with a map showing the division proposed and the dimensions of the lots to be covered by the statement of record and their relation to existing streets and roads;

(3) a statement of the condition of the title to the land comprising the subdivision, including all encumbrances and deed restrictions and covenants applicable thereto;

(4) a statement of the general terms and conditions, including the range of selling prices or rents at which it is proposed to dispose of the lots in the subdivision;

(5) a statement of the present condition of access to the subdivision, the availability of sewage disposal facilities and other public utilities (including water, electricity, gas, and telephone facilities) in the subdivision, the proximity in miles of the subdivision to nearby municipalities, and the nature of any improvements to be installed by the developer and his estimated schedule for completion;

(6) in the case of any subdivision or portion thereof against which there exists a blanket encumbrance, a statement of the consequences for an individual purchaser of a failure, by the person or persons bound, to fulfill obligations under the instrument or instruments creating such encumbrance and the steps, if any, taken to protect the purchaser in such eventuality;

(7) (A) copy of its articles of incorporation, with all amendments thereto, if the developer is a corporation; (B) copies of all instruments by which the trust is created or declared, if the developer is a trust; (C) copies of its articles of partnership or association and all other papers pertaining to its organization, if the developer is a partnership, unincorporated association, joint stock company, or any other form of organization; and (D) if the purported holder of legal title is a person other than developer, copies of the above documents for such person;

(8) copies of the deed or other instrument establishing title to the subdivision in the developer or other person and copies of any instrument creating a lien or encumbrance upon the title of developer or other person, or copies of the opinion or opinions of counsel in respect to the title to the subdivision in the developer or other person, or copies of the title insurance policy guaranteeing such title;

(9) copies of all forms of conveyance to be used in selling or leasing lots to purchasers;

(10) copies of instruments creating easements or other restrictions;

(11) such certified and uncertified financial statements of the developer as the Secretary may require; and

(12) such other information and such other documents and certifications as the Secretary may require as being reasonably necessary or appropriate for the protection of purchasers.

TAKING EFFECT OF STATEMENTS OF RECORD AND AMENDMENTS THERETO

SEC. 1407. (a) Except as hereinafter provided, the effective date of a statement of record, or any amendment thereto, shall be the thirtieth day after the filing thereof or such earlier date as the Secretary may determine, having due regard to the public interest and the protection of purchasers. If any amendment to any such statement is filed prior to the effective date of the statement, the statement shall be deemed to have been filed when such amendment was filed; except that such an amendment filed with the consent of the Secretary, or filed pursuant to an order of the Secretary, shall be treated as being filed as of the date of the filing of the statement of record. When a developer records additional lands to be offered for disposition, he may consolidate the subsequent statement of record with any earlier recording offering subdivided land for disposition under the same promotional plan. At the time of consolidation the developer shall include in the consolidated statement of record any material changes in the information contained in the earlier statement.

(b) If it appears to the Secretary that a statement of record, or any amendment thereto, is on its face incomplete or inaccurate in any material respect, the Secretary shall so advise the developer within a reasonable time after the filing of the statement or the amendment, but prior to the date the statement or amendment would otherwise be effective. Such notification shall serve to suspend the effective date of the statement or the amendment until thirty days after the developer files such additional information as the Secretary shall require. Any developer, upon receipt of such notice, may request a hearing, and such hearing shall be held within twenty days of receipt of such request by the Secretary.

(c) If, at any time subsequent to the effective date of a statement of record, a change shall occur affecting any material fact required to be contained in the statement, the developer shall promptly file an amendment thereto. Upon receipt of any such amendment, the Secretary may, if he determines such action to be necessary or appropriate in the public interest or for the protection of purchasers, suspend the statement of record until the amendment becomes effective.

(d) If it appears to the Secretary at any time that a statement of record, which is in effect, includes any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, the Secretary may, after notice, and after opportunity for hearing (at a time fixed by the Secretary) within fifteen days after such notice, issue an order suspending the statement of record. When such statement has been amended in accordance with such order, the Secretary shall so declare and thereupon the order shall cease to be effective.

(e) The Secretary is hereby empowered to make an examination in any case to determine whether an order should issue under subsection (d). In making such examination, the Secretary or anyone designated by him shall have access to and may demand the production of any books and papers of, and may administer oaths and affirmations to and examine, the developer, any agents, or any other person, in respect of any matter revelant to the examination. If the developer or any agents shall fail to cooperate, or shall obstruct or refuse to permit the making of an examination, such conduct shall be proper ground for the issuance of an order suspending the statement of record.

(f) Any notice required under this section shall be sent to or served on the developer or his authorized agent.

INFORMATION REQUIRED IN PROPERTY REPORT

SEC. 1408. (a) A property report relating to the lots in a subdivision shall contain such of the information contained in the statement of record, and any amendments thereto, as the Secretary may deem necessary, but need not include the documents referred to in paragraphs (7) to (11), inclusive, of section 1406. A property report shall also contain other information as the Secretary may by rules or regulations require as being necessary or appropriate in the public interest or for the protection of purchasers.

(b) The property report shall not be used for any promotional purposes before the statement of record becomes effective and then only if it is used in its entirety. No person may advertise or represent that the Secretary approves or recommends the subdivision or the sale or lease of lots therein. No portion of the property report shall be underscored, italicized, or printed in larger or bolder type than the balance of the statement unless the Secretary requires or permits it.

COOPERATION WITH STATE AUTHORITIES

Sec. 1409. (a) In administering this title, the Secretary shall cooperate with State authorities charged with the responsibility of regulating the sale of lots in subdivisions which are also subject to this title and may accept for filing under section 1405 and declare effective as a statement of record, if he finds such action to be appropriate in the public interest or for the protection of purchasers, material filed with and found acceptable by such authorities.

(b) Nothing in this title shall affect the jurisdiction of the real estate commission (or any agency or office performing like functions) of any State over any subdivision or any person.

CIVIL LIABILITIES

Sec. 1410. (a) Where any part of a statement of record, when such part became effective, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein, any person acquiring a lot in the subdivision covered by such statement of record from the developer or his agent during such period the statement remained uncorrected (unless it is proved that at the time of such acquisition he knew of such untruth or omission) may, either at law or in equity, in any court of competent jurisdiction, sue the developer.

(b) Any developer or agent, who sells or leases a lot in a subdivision—

(1) in violation of section 1404, or

(2) by means of a property report which contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein, may be sued by the purchaser of such lot.

(c) The suit authorized under subsection (a) or (b) may be to recover such damages as shall represent the difference between the amount paid for the lot and the reasonable cost and any improvements thereto, and the lesser of (1) the value thereof as of the time such suit was brought, or (2) the price at which such lot shall have been disposed of in a bona fide market transaction before suit, or (3) the price at which such lot shall have been disposed of after suit in a bona fide market transaction but before judgment.

(d) Every person who becomes liable to make any payment under this section may recover contribution as in cases of contract from any person who, if sued separately, would have been liable to make the same payment.

(e) In no case shall the amount recoverable under this section exceed the sum of the purchase price of the lot, the reasonable cost of improvements, and reasonable court costs.

COURT REVIEW OF ORDERS

Sec. 1411. (a) Any person, aggrieved by an order or determination of the Secretary issued after a hearing, may obtain a review of such order or determination in the court of appeals of the United States, within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the entry of such order or determination, a written petition praying that the order or determination of the Secretary be modified or be set aside in whole or in part. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Secretary, and thereupon the Secretary shall file in the court the record upon which the order or determination complained of was entered, as provided in section 2112 of title 28, United States Code. No objection to an order or determination of the Secretary shall be considered by the court unless such objection shall have been urged before the Secretary. The finding of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon a hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts by reason of the additional evidence so taken, and shall file such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and his recommendation, if any, for the modification or setting aside of the original order. Upon the filing of such petition, the jurisdiction of the court shall be exclusive and its judgment and decree, affirming, modifying, or setting aside, in whole or in part, any order of the Secretary, shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Secretary's order.

LIMITATION OF ACTIONS

Sec. 1412. No action shall be maintained to enforce any liability created under section 1410 (a) or (b)(2) unless brought within one year after the discovery of the untrue statement or the omission, or after such discovery should have been made by the exercise of reasonable diligence, or, if the action is to enforce a liability created under section 1401(b)(1), unless brought within two years after the violation upon which it is based. In no event shall any such action be brought by a purchaser more than three years after the sale or lease to such purchaser.

CONTRARY STIPULATIONS VOID

Sec. 1413. Any condition, stipulation, or provision binding any person acquiring any lot in a subdivision to waive compliance with any provision of this title or of the rules and regulations of the Secretary shall be void.

ADDITIONAL REMEDIES

Sec. 1414. The rights and remedies provided by this title shall be in addition to any and all other rights and remedies that may exist at law or in equity.

INVESTIGATIONS, INJUNCTIONS, AND PROSECUTION OF OFFENSES

Sec. 1415. (a) Whenever it shall appear to the Secretary that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this title, or of any rule or regulation prescribed pursuant thereto, he may, in his discretion, bring an action in any district court of the United States, or the United States District Court for the District of Columbia to enjoin such acts or practices, and, upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond. The Secretary may transmit such evidence as may be available concerning such acts or practices to the Attorney General who may, in his discretion, institute the appropriate criminal proceedings under this title.

(b) The Secretary may, in his discretion, make such investigations as he deems necessary to determine whether any person has violated or is about to violate any provision of this title or any rule or regulation prescribed pursuant thereto, and may require or permit any person to file with him a statement in writing, under oath or otherwise as the Secretary shall determine, as to all the facts and circumstances concerning the matter to be investigated. The Secretary is authorized, in his discretion, to publish information concerning any such violations, and to investigate any facts, conditions, practices, or matters which he may deem necessary or proper to aid in the enforcement of the provisions of this title, in the prescribing of rules and regulations thereunder, or in securing information to serve as a basis for recommending further legislation concerning the matters to which this title relates.

(c) For the purpose of any such investigation, or any other proceeding under this title, the Secretary, or any officer designated by him, is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memorandums, or other records which the Secretary deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State at any designated place of hearing.

(d) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memorandums, and other records and documents. And such court may issue an order requiring such person to appear before the Secretary or any officer designated by the Secretary, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.

(e) No person shall be excused from attending and testifying or from producing books, papers, correspondence, memorandums and other records and documents before the Secretary, or in obedience to the subpena of the Secretary or any officer designated by him, or in any cause or proceeding instituted by the Secretary, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

ADMINISTRATION

Sec. 1416. (a) The authority and responsibility for administering this title shall be in the Secretary of Housing and Urban Development who may delegate any of his functions, duties, and powers to employees of the Department of Housing and Urban Development or to boards of such employees, including functions, duties, and powers with respect to investigating, hearing, determining, ordering, or otherwise acting as to any work, business, or matter under this title. The persons to whom such delegations are made with respect to hearing functions, duties, and powers shall be appointed and shall serve in the Department in compliance with sections 3105, 3344, 5362, and 7521 of title 5 of the United States Code. The Secretary shall by rule prescribe such rights of appeal from the decisions of his hearing examiners to other hearing examiners or to other officers in the Department, to boards of officers or to himself, as shall be appropriate and in accordance with law.

(b) All hearings shall be public and appropriate records thereof shall be kept, and any order issued after such hearing shall be based on the record made in such hearing which shall be conducted in accordance with the provisions of the Administrative Procedure Act.

UNLAWFUL REPRESENTATIONS

SEC. 1417. The fact that a statement of record with respect to a subdivision has been filed or is in effect shall not be deemed a finding by the Secretary that the statement of record is true and accurate on its face, or be held to mean the Secretary has in any way passed upon the merits of, or given approval to, such subdivision. It shall be unlawful to make, or cause to be made, to any prospective purchaser any representation contrary to the foregoing.

PENALTIES

SEC. 1418. Any person who willfully violates any of the provisions of this title or the rules and regulations prescribed pursuant thereto, or any person who willfully, in a statement of record filed under, or in a property report issued pursuant to, this title, makes any untrue statement of a material fact or omits to state any material fact required to be stated therein, shall upon conviction be fined not more than $5,000 or imprisoned not more than five years, or both.

RULES, REGULATIONS, AND ORDERS

SEC. 1419. The Secretary shall have authority from time to time to make, issue, amend, and rescind such rules and regulations and such orders as are necessary or appropriate to the exercise of the functions and powers conferred upon him elsewhere in this title. For the purpose of his rules and regulations, the Secretary may classify persons and matters within his jurisdiction and prescribe different requirements for different classes of persons or matters.

JURISDICTION OF OFFENSES AND SUITS

SEC. 1420. (a) The district courts of the United States, the United States courts of any territory, and the United States District Court for the District of Columbia shall have jurisdiction of offenses and violations under this title and under the rules and regulations prescribed by the Secretary pursuant thereto, and, concurrent with State courts, of all suits in equity and actions at law brought to enforce any liability or duty created by this title. Any such suit or action may be brought to enforce any liability or duty created by this title. Any such suit or action may be brought in the district wherein the defendant is found or is an inhabitant or transacts business, or in the district where the offer or sale took place, if the defendant participated therein, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 1254 and 1291 of title 28, United States Code. No case arising under this title and brought in any State court of competent jurisdiction shall be removed to any court of the United States, except where the United States or any officer or employee of the United States in his official capacity is a party. No costs shall be assessed for or against the Secretary in any proceeding under this title brought by or against him in the Supreme Court or such other courts.

APPROPRIATIONS

SEC. 1421. There are authorized to be appropriated such sums as may be necessary to carry out this title.

EFFECTIVE DATE

SEC. 1422. This title shall take effect upon the expiration of two hundred and seventy days after the date of its enactment.

TITLE XV—MORTGAGE INSURANCE FOR NONPROFIT HOSPITALS

AMENDMENT TO NATIONAL HOUSING ACT

SEC. 1501. Title II of the National Housing Act is amended by adding at the ond thereof (after the new section added by section 307 of this Act) the following new section:

"MORTGAGE INSURANCE FOR NONPROFIT HOSPITALS

"SEC. 242. (a) The purpose of this section is to assist the provision of urgently needed hospitals for the care and treatment of persons who are acutely ill or who otherwise require medical care and related services of the kind customarily furnished only (or most effectively) by hospitals.

"(b) For the purposes of this section—

"(1) the term 'hospital' means a facility—

"(A) which provides community service for inpatient medical care of the sick or injured (including obstetrical care);

"(B) not more than 50 per centum of the total patient days of which during any year are customarily assignable to the categories of chronic convalescent and rest, drug and alcoholic, epileptic, mentally deficient, mental, nervous and mental, and tuberculosis; and

"(C) which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and

"(2) the terms 'mortgage' and 'mortgagor' shall have the meanings respectively set forth in section 207(a) of this Act.

"(c) The Secretary is authorized to insure any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and to make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

"(d) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers a new or rehabilitated hospital, including equipment to be used in its operation, subject to the following conditions:

"(1) The mortgage shall be executed by a mortgagor approved by the Secretary. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary may make such contracts with and acquire for not to exceed $100 such stock or interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the General Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

"(2) The mortgage shall involve a principal obligation in an amount not to exceed $25,000,000, and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the hospital, when the proposed improvements are completed and the equipment is installed.

"(3) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum (not in excess of 6 per centum), on the amount of the principal obligation outstanding at any time, as the Secretary finds necessary to meet the mortgage market.

"(4) The Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) of the Public Health Service Act for the State in which is located the hospital covered by the mortgage, a certification that (A) there is a need for such hospital, and (B) there are in force in such State or the political subdivision of the State in which the proposed hospital would be located reasonable minimum standards of licensure and methods of operation for hospitals. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory from the State agency that such standards will be applied and enforced with respect to any hospital located in the State for which mortgage insurance is provided under this section.

"(e) The Secretary may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(f) The activities and functions provided for in this section shall be carried out by the agencies involved so as to encourage programs that undertake responsibility to provide comprehensive health care, including outpatient and preventive care, as well as hospitalization, to a defined population.

"(g)(1) Notwithstanding any of the other provisions of this title, the Secretary may insure under this section a mortgage which provides permanent financing or refinancing of existing mortgage indebtedness in the case of a hospital whose permanent financing is presently lacking, if the construction of such hospital was completed between January 1, 1966, and the date of the enactment of this Act.

"(2) The aggregate principal balance of all mortgages insured under paragraph (1) and outstanding at any one time shall not exceed $20,000,000.

"(h) The provisions of subsections (d), (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 shall apply to mortgages insured under this section and all references therein to section 207 shall be deemed to refer to this section."

LABOR STANDARDS

SEC. 1502. Section 212(a) of the National Housing Act is amended by inserting after the fifth sentence the following new sentence: "The provisions of this section shall also apply to the insurance of any mortgage under section 242, except that compliance with such provisions may be waived by the Secretary in cases or classes of cases where laborers or mechanics, not otherwise employed at any time on the project, voluntarily donate their services without compensation for the purpose of lowering the costs of construction and the Secretary determines that any amounts thereby saved are fully credited to the nonprofit corporation or association undertaking the construction; and each laborer or mechanic employed on any facility covered by a mortgage insured under section 242 shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in the workweek, as the case may be."

TITLE XVI—HOUSING GOALS AND ANNUAL HOUSING REPORT

REAFFIRMATION OF GOAL

SEC. 1601. The Congress finds that the supply of the Nation's housing is not increasing rapidly enough to meet the national housing goal, established in the Housing Act of 1949, of the "realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family". The Congress reaffirms this national housing goal and determines that it can be substantially achieved within the next decade by the construction or rehabilitation of twenty-six million housing units, six million of these for low and moderate income families.

REPORT OUTLINING PLAN

Sec. 1602. Not later than January 15, 1969, the President shall make a report to the Congress setting forth a plan, to be carried out over a period of ten years (June 30, 1968, to June 30, 1978), for the elimination of all substandard housing and the realization of the goal referred to in section 1601. Such plan shall—

(1) indicate the number of new or rehabilitated housing units which it is anticipated will have to be provided, with or without Government assistance, during each fiscal year of the ten-year period, in order to achieve the objectives of the plan, showing the number of such units which it is anticipated will have to be provided under each of the various Federal programs designed to assist in the provision of housing;

(2) indicate the reduction in the number of occupied substandard housing units which it is anticipated will have to occur during each fiscal year of the ten-year period in order to achieve the objectives of the plan;

(3) provide an estimate of the cost of carrying out the plan for each of the various Federal programs and for each fiscal year during the ten-year period to the extent that such costs will be reflected in the Federal budget;

(4) make recommendations with respect to the legislative and administrative actions necessary or desirable to achieve the objectives of the plan; and

(5) provide such other pertinent data, estimates, and recommendations as the President deems advisable.

Such report shall, in addition, contain a projection of the residential mortgage market needs and prospects during the coming year, including an estimate of the requirements with respect to the availability, need, and flow of mortgage funds (particularly in declining urban and rural areas) during such year, together with such recommendations as may be deemed appropriate for encouraging the availability of such funds.

PERIODIC REPORTS

Sec. 1603. On January 15, 1970, and on each succeeding year through 1979, the President shall submit to the Congress a report which shall—

(1) compare the results achieved during the preceding fiscal year for the completion of new or rehabilitated housing units and the reduction in occupied substandard housing with the objectives established for such year under the plan;

(2) if the comparison provided under clause (1) shows a failure to achieve the objectives set for such year, indicate (A) the reasons for such failure; (B) the steps being taken to achieve the objectives of the plan during each of the remaining fiscal years of the ten-year period; and (C) any necessary revision in the objectives established under the plan for each such year;

(3) project residential mortgage market needs and prospects for the coming calendar year including an estimate of the requirements with respect to the availability, need, and flow of mortgage funds (particularly in declining urban and rural areas) during such period, in order to achieve the objectives of the plan;

(4) provide an analysis of the monetary and fiscal policies of the Government for the coming calendar year required to achieve the objectives of the plan and the impact upon the domestic economy of achieving the plan's objectives for such period:

(5) make recommendations with respect to any additional legislative or administrative action which is necessary or desirable to achieve the objectives of the plan; and

(6) provide such other pertinent data, estimates, and recommendations as the President deems advisable.

COMMISSION ON MORTGAGE INTEREST RATES

Sec. 1604. Funds appropriated and available for studies of housing markets and credit as authorized by section 301 of the Housing Act of 1948 and section 602(a) of the Housing Act of 1956 shall be available for expenses of the Commission established by section 4(b) of Public Law 90-301, including the report required to be rendered by such Commission.

TITLE XVII—MISCELLANEOUS

MODEL CITIES

Sec. 1701. (a) Section 111(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" the third time it appears; and

(2) by inserting before the period at the end thereof ", and not to exceed $12,000,000 for the fiscal year ending June 30, 1969".

(b) Section 111(b) of such Act is amended—

(1) by striking out "and" the third time it appears; and

(2) by inserting before the period at the end thereof ", and not to exceed $12,000,000 for the fiscal year ending June 30, 1969".

(c) Section 111(c) of such Act is amended to read as follows:

"(c) Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1970."

URBAN RENEWAL DEMONSTRATION GRANT PROGRAM

Sec. 1702. (a) Section 314(a) of the Housing Act of 1954 is amended—

(1) by striking out in the first sentence "to public bodies, including cities and other political subdivision," and inserting in lieu thereof "to public bodies (including cities and other political subdivisions) and nonprofit organizations,";

(2) by inserting after the first sentence the following: "In the case of any such grant to a nonprofit organization, the Secretary shall require that the assisted activities and undertakings are not inconsistent with the program of the local public agency."; and

(3) by striking out in the second sentence "No such grant shall exceed two-thirds of the cost, as determined or estimated by said Secretary, of such activities or undertakings," and inserting in lieu thereof the following: "No such grant shall exceed 90 per centum of the cost, as determined or estimated by the Secretary, of the assisted activities or undertakings,".

(b) Section 314(c) of such Act is amended by striking out "$10,000,000" and inserting in lieu thereof "$20,000,000".

AUTHORIZATION FOR URBAN INFORMATION AND TECHNICAL ASSISTANCE SERVICES PROGRAM

Sec. 1703. (a) The first sentence of section 906 of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "and not to exceed $5,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof "not to exceed $5,000,000 for each of the fiscal years 1968 and 1969, and not to exceed $15,000,000 for fiscal year 1970".

(b) The second sentence of section 906 of such Act is amended to read as follows: "Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1970."

ADVANCES IN TECHNOLOGY IN HOUSING AND URBAN DEVELOPMENT

Sec. 1704. (a) Section 1010(d) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by inserting before the period at the end of the first sentence the following: ", and not to exceed such sums for subsequent fiscal years as may be necessary".

(b) Section 1010(c) of such Act is amended by striking out "two years" in the second sentence and inserting in lieu thereof "four years".

(c) Section 1010(a) of such Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) a new paragraph as follows:

"(3) require, to the greatest extent feasible, the employment of new and improved technology, techniques, materials, and methods in housing construction, rehabilitation, and maintenance under programs administered by the Department of Housing and Urban Development with a view to reducing the cost of such construction, rehabilitation, and maintenance, and stimulating the increased and sustained production of housing under such programs."

COLLEGE HOUSING

Sec. 1705. (a) The heading of section 401 of the Housing Act of 1950 is amended by striking out "LOANS" and inserting in lieu thereof "ASSISTANCE IN THE FORM OF LOANS OR ANNUAL GRANTS".

(b) Section 401(a) of such Act is amended to read as follows:

"(a) To assist educational institutions in providing housing and other educational facilities for students and faculties, the Secretary may make loans of funds to such institutions for the construction or purchase of such facilities or may, as an alternative to all or part of the loan (in the case of any such institution), make annual grants to the institution to reduce the cost of its borrowing from other sources for such construction or purchase: *Provided*, That no such assistance shall be provided unless (1) the educational institution involved is unable to secure the necessary funds for the construction or purchase from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (2) the Secretary finds that any such construction will be undertaken in an economical manner, and that any such facilities are not or will not be of elaborate or extravagant design or materials."

(c) Section 401(c) of such Act is amended—

(1) by inserting "(1)" after "(c)";

(2) by striking out "of (1)" and "or (2)" and inserting in lieu thereof "of (A)" and "or (B)", respectively; and

(3) by adding at the end thereof the following new paragraph;

"(2) Annual grants to an educational institution with respect to any housing or other educational facilities shall be made over a fixed period not exceeding 40 years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount equal to the difference between (A) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction or purchase of such facilities, and (B) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amount if the applicable interest rate were the rate specified in paragraph (1): *Provided*, That the amount on which such grant is based shall be approved by the Secretary but in no event shall exceed the total development cost of the facilities."

(d) Section 401(d) of such Act is amended by inserting "(1)" after "(d)", and by adding at the end thereof the following new paragraph:

"(2) There are hereby authorized to be appropriated to the Secretary such sums as may be necessary, together with loan principal and interest payments made by educational institutions assisted with loans made hereunder, for payments on notes or other obligations issued by the Secretary under this section."

(e) Section 401(f) of such Act is amended to read as follows:

"(f)(1) There are hereby authorized to be appropriated to the Secretary such sums as may be necessary for the payment of annual grants to educational institutions in accordance with this section.

"(2) Contracts for annual grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual grants which may be paid to educational institutions in any year pursuant to contracts entered into under this section shall not exceed $10,000,000, which amount shall be increased by $10,000,000 on July 1, 1969."

(f) Section 403 of such Act is amended by striking out "the funds provided for in this title in the form of loans" and inserting in lieu thereof "the amount of the funds provided for in this title in the form of loans, and not more than 12½ per centum of the funds provided for in this title for grants,".

(g)(1) Section 401(g) of such Act is amended to read as follows:

"(g) Except as otherwise provided in the second paragraph of section 404(b), in the case of any loan which is made under this section to a nonprofit student housing cooperative corporation referred to in clause (5) of section 404(b), or which is obtained from other sources by such a corporation and is the subject of a contract for annual grants entered into under this section, the Secretary shall require that the note securing such loan be cosigned by the educational institution (referred to in clause (1) of such section) at which such corporation is located, and that, in the event of the dissolution of such corporation, title to the housing constructed with such loan will vest in such educational institution."

(2) Section 404(a) of such Act is amended by inserting "or existing" immediately after "new".

(3) Clause (3)(B) of section 404(b) of such Act is amended by striking out "of any loan secured under this title" and inserting in lieu thereof the following: "of any loan which is made under section 401, or is the subject of a contract for annual grants entered into under section 401,".

(4) Clause (4) of section 404(b) of such Act is amended by striking out "to obtain loans" and inserting in lieu thereof "to obtain loans or grants".

(5) The second paragraph of section 404 (b) of such Act is amended by inserting after "clause (5) of this subsection," the following: "and in the case of any loan which is obtained from other sources by such a corporation and is the subject of a contract for annual grants entered into under section 401,".

(6) Section 404(c) of such Act is amended by inserting before the period at the end thereof the following: "; except that in the case of the purchase of facilities such term means the cost as approved by the Secretary".

(7) Section 404(h) of such Act is amended by inserting "or existing" immediately after "new".

(h) The last sentence of paragraph "Seventh" of section 5136 of the Revised Statutes (12 U.S.C. 24) (appearing immediately before the sentence added by section 911 of this Act) is amended by inserting after "the Asian Development Bank" the following: ", or obligations issued by any State or political subdivision or any agency of a State or political subdivision for housing, university, or dormitory purposes,".

HOUSING FOR THE ELDERLY

SEC. 1706. Section 202(a) of the Housing Act of 1959 is amended—

(1) by inserting in paragraph (1) after "corporations," the following: "limited profit sponsors,";

(2) by inserting in paragraph (2) after "(as defined in subsection (d)(2))," the following: "to any limited profit sponsor approved by the Secretary,"; and

(3) by inserting in paragraph (3) after "Secretary" the following: ", except that in the case of other than a corporation, consumer cooperative, or public body or agency the amount of the loan shall not exceed 90 per centum of the development cost".

FEDERAL-STATE TRAINING PROGRAMS

SEC. 1707. (a) Title VIII of the Housing Act of 1964 is amended—

(1) by inserting after "urban centers," in section 801(b) the following: "and with business firms and associations, labor unions, and other interested associations and organizations"; and

(2) by striking out "technical and professional people" in sections 801(b)(1) and 802 (a)(1) and inserting in lieu thereof "technical, professional, and other persons with the capacity to master and employ such skills"; and

(3) by inserting after "which has responsibility for community development" in sections 801(b)(1) and 802(a)(1) the following: ", or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs".

(b) Section 805 of such Act is amended by inserting "Guam, American Samoa, the Trust Territory of the Pacific Islands," after "the Commonwealth of Puerto Rico,".

ADDITIONAL ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT

SEC. 1708(a) The first sentence of section 4(a) of the Department of Housing and Urban Development Act is amended by striking out "five" and inserting in lieu thereof "six".

(b) Paragraph (87) of section 5315 of title 5, United States Code, is amended by striking out "(4)" and inserting in lieu thereof "(6)".

INTERNATIONAL HOUSING

SEC. 1709. Section 604 of the Housing Act of 1957 is amended to read as follows:

SEC. 604. (a) The Secretary of Housing and Urban Development may exchange data relating to housing and urban planning and development with other nations and assemble such data from other nations, through participation in international conferences and other means, where such exchange or assembly is deemed by him to be beneficial in carrying out his responsibilities under the Department of Housing and Urban Development Act or other legislation. In carrying out his responsibilities under this subsection the Secretary may—

"(1) pay the expenses of participation in activities conducted under authority of this section including, but not limited to, the compensation, travel expenses, and per diem in lieu of subsistence of persons serving in an advisory capacity while away from their homes or regular places of business in connection with attendance at international meetings and conferences, or other travel for the purpose of exchange or assembly of data relating to housing and urban planning and development; but such travel expenses shall not exceed those authorized for regular officers and employees traveling in connection with said activities; and

"(2) accept from international organizations, foreign countries, and private nonprofit foundations, funds, services, facilities, materials, and other donations to be utilized jointly in carrying out activities under this section.

"(b) International programs and activities carried out by the Secretary under the authority provided in subsection (a) shall be subject to the approval of the Secretary of State for the purpose of assuring that such authority shall be exercised in a manner consistent with the foreign policy of the United States."

ELIGIBILITY FOR RENT SUPPLEMENT PAYMENTS

SEC. 1710. Notwithstanding any other provision of law respecting the date after which a mortgage must have been approved for mortgage insurance under section 221(d)(3) of the National Housing Act, the Secretary of Housing and Urban Development is authorized to make and contract to make, rent supplement payments under the provisions of section 101 of the Housing and Urban Development Act of 1965 to the owners of the housing projects known as the 114th Street rehabilitation project and the 114th Street rehabilitation project numbered 2, in New York City, New York (project numbers 012–33501 and 012–33512).

CONSOLIDATION OF LOW-RENT PUBLIC HOUSING PROJECTS IN THE DISTRICT OF COLUMBIA

SEC. 1711. All projects now operated and maintained by the National Capital Housing Authority pursuant to title I of the District of Columbia Alley Dwelling Act are deemed to be low-rent housing projects and may be consolidated, pursuant to section 15(6) of the United States Housing Act of 1937, into any contract for annual contributions covering projects maintained and operated pursuant to title II of the District of Columbia Alley Dwelling Act.

URBAN RENEWAL PROJECT IN GARDEN CITY, MICHIGAN

SEC. 1712. Notwithstanding the date of commencement of construction of the Florence Primary School in Garden City, Michigan, local expenditures made in connection with such school shall, to the extent otherwise eligible, be counted as a local grant-in-aid toward the Cherry Hill urban renewal project (Mich. R–46) for purposes of title I of the Housing Act of 1949.

URBAN RENEWAL PROJECT IN SACRAMENTO, CALIFORNIA

SEC. 1713. Notwithstanding the date of commencement of construction of the storm drainage system in the Capital Mall Riverfront urban renewal project (Calif. R–67) in Sacramento, California, local expenditures made in connection with such storm drainage system located in that project shall, to the extent otherwise eligible, be counted as a local grant-in-aid toward that project for purposes of title I of the Housing Act of 1949.

SELF-HELP STUDIES

SEC. 1714. (a) Section 207 of the Housing Act of 1961 is amended by inserting after the words "improved means" the following: ", including the study of self-help in the construction, rehabilitation, and maintenance of housing for low-income persons and families and the methods of selecting, involving, and directing such persons and families in self-help activities,".

(b) The Secretary of Housing and Urban Development shall make a report to the

Congress, within one year after the date of enactment of this Act, setting forth the results of the self-help studies and demonstrations carried out under section 207 of the Housing Act of 1961, together with such recommendations as he deems appropriate.

EARTHQUAKE STUDY

Sec. 1715. Section 5 of the Southeast Hurricane Disaster Relief Act of 1965 is amended by striking out "three years after the appropriation of funds for this study" and inserting in lieu thereof "June 30, 1969".

SAVINGS AND LOAN ASSOCIATIONS

Sec. 1716. (a) Section 5(b) of the Home Owners' Loan Act of 1933 is amended to read as follows:

"(b)(1) An association may raise capital in the form of such savings deposits, shares, or other accounts, for fixed, minimum, or indefinite periods of time (all of which are referred to in this section as savings accounts and all of which shall have the same priority upon liquidation) as are authorized by its charter or by regulations of the Board, and may issue such passbooks, time certificates of deposit, or other evidence of savings accounts as are so authorized. Holders of savings accounts and obligors of an association shall, to such extent as may be provided by its charter or by regulations of the Board, be members of the association, and shall have such voting rights and such other rights as are thereby provided. Except as may be otherwise authorized by the association's charter or regulation of the Board in the case of savings accounts for fixed or minimum terms of not less than thirty days, the payment of any savings account shall be subject to the right of the association to require such advance notice, not less than thirty days, as shall be provided for by the charter of the association or the regulations of the Board. The payment of withdrawals from savings accounts in the event an association does not pay all withdrawals in full (subject to the right of the association to require notice) shall be subject to such rules and procedures as may be prescribed by the association's charter or by regulation of the Board, but any association which, except as authorized in writing by the Board, fails to make full payment of any withdrawal when due shall be deemed to be in an unsafe or unsound condition to transact business within the meaning of subsection (d) of this section. Savings accounts shall not be subject to check or to withdrawal or transfer on negotiable or transferable order or authorization to the association, but the Board may by regulation provide for withdrawal or transfer of savings accounts upon nontransferable order or authorization.

"(2) To such extent as the Board may authorize by regulation or advice in writing, an association may borrow, may give security, and may issue such notes, bonds, debentures, or other obligations, or other securities (except capital stock) as the Board may so authorize."

(b) Section 5(c) of the Home Owners' Loan Act of 1933 is amended—

(1) by striking out "shares" in the first sentence and inserting in lieu thereof "savings accounts"; and

(2) by inserting after the first semicolon in the second proviso the following words: "or in time deposits, certificates, or accounts of any bank the deposits of which are insured by the Federal Deposit Insurance Corporation;".

Section 5(c) of such Act is amended by inserting in the second paragraph after property alteration, repair, or improvement" the following: ", including the construction of new structures related to residential use of the property".

(d) Section 5(c) of such Act is amended by adding immediately after the second paragraph thereof the following new paragraph:

"Without regard to any other provision of this subsection, but subject to such prohibitions, limitations, and conditions as the Board may by regulation prescribe, any such association may make and invest in—

"(A) any loan not exceeding $5,000 made for the repair, equipping, alteration, or improvement of any real property, or

"(B) any loan made for the purpose of mobile home financing."

(e) The first sentence of the paragraph which, prior to the amendments made by this Act, was the next to the last paragraph of section 5(c) of such Act, is amended—

(1) by inserting "(1)" immediately before "invest";

(2) by striking out "(1)" before "secured";

(3) by inserting ", now or hereafter in effect," after "National Housing Act"; and

(4) by striking out all that follows "(2)" and inserting in lieu thereof the following: "acquire and hold investments in housing project loans, or interests therein, having the benefit of any guaranty under section 221 of the Foreign Assistance Act of 1961, as now or hereafter in effect, or loans, or interests therein, having the benefit of any guaranty under section 224 of such Act, or any commitment or agreement with respect to such loans, or interests therein, made pursuant to either of such sections."

(f) Section 5(c) of such Act is amended by adding immediately before the last paragraph thereof the following new paragraph:

"Any such association may invest in loans, or interests in loans, to financial institutions with respect to which the United or any agency or instrumentality thereof has any function of examination or supervision, or to any broker or dealer registered with the Securities and Exchange Commission, secured by loans, obligations, or investments in which it has any statutory authority to invest directly."

FEDERAL HOME LOAN BANK ACT

Sec. 1717. Section 12 of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1432), is amended by inserting "(a)" after "Sec. 12.", and by adding at the end thereof a new subsection as follows:

"(b) Subject to such regulations as may be prescribed by the Board, one or more Federal home loans banks may acquire, hold, or dispose of, in whole or in part, or facilitate such acquisition, holding, or disposition by members of any such bank of, housing project loans, or interests therein, having the benefit of any guaranty under section 221 of the Foreign Assistance Act of 1961, as now or hereafter in effect, or loans, or interests therein, having the benefit of any guaranty under section 224 of such Act, or any commitment or agreement with respect to such loans, or interests therein, made pursuant to either of such sections."

FEDERAL RESERVE ACT

Sec. 1718. Section 24 of the Federal Reserve Act, as amended (12 U.S.C. 371), is amended—

(1) by striking out "twenty-four months," wherever it appears in the third paragraph and inserting in lieu thereof "thirty-six months";

(2) by striking out "when the entire amount of such obligation is sold to the association", wherever it appears in the first and second paragraphs, and inserting in lieu thereof "in whole or in part and at any time or times prior to the maturity of such obligation"; and

(3) by striking out the last paragraph and inserting in lieu thereof the following:

"Loans made to any borrower (i) where the association looks for repayment by relying primarily on the borrower's general credit standing and forecast of income, with or without other security, or (ii) where the association relies on other security as collateral for the loans (including but not limited to a guaranty of a third party), and where, in either case described in clause (i) or (ii) above, the association wishes to take a mortgage, deed of trust, or other instrument upon real estate (whether or not constituting a first lien) as a precaution against contingencies, such loans shall not be considered as real estate loans within the meaning of this section but shall be classed as ordinary non-real-estate loans."

LOW-RENT PUBLIC HOUSING—CORPORATE STATUS

Sec. 1719. (a) The first sentence of section 3 of the United States Housing Act of 1937 is amended by striking "a body corporate of perpetual duration to be known as".

(b) Section 17 of such Act is repealed. The capital stock referred to in such section shall be retired; and sum of $1,000,000 represented by such stock shall be returned to the Treasury of the United States.

(c) Such Act is amended by adding a new section 17 as follows:

"Sec. 17. In the performance of, and with respect to, functions powers, and duties under this Act, the Secretary shall have (in addition to any authority otherwise vested in him) the functions, powers, and duties set forth in subsections (a), (b), and (e) of section 402 of the Housing Act of 1950."

(d) Section 101 of the Government Corporation Control Act is amended by striking out "United States Public Housing Authority and including public housing projects financed through appropriated funds and operations thereof;".

SPECIAL STUDIES OF SAVINGS AND LOAN INDUSTRY

Sec. 1720. That part of chapter IV of the Second Supplemental Appropriation Act, 1966, which relates to expenses necessary for special studies of the savings and loan industry is amended by striking out "1968" and inserting "1969".

SMALL BUSINESS ACT

Sec. 1721. Subsection (a) of section 4 of the Small Business Act is amended by inserting immediately after "the Commonwealth of Puerto Rico," the following: "the Trust Territory of the Pacific Islands,".

TECHNICAL AMENDMENTS

Sec. 1722. (a) Section 110(c) of the Housing Act of 1949 is amended by striking out "paragraphs (7), (8), and (9)" in the second unnumbered paragraph following the numbered paragraphs and inserting in lieu thereof "paragraphs (7), (8), (9), and (10)".

(b) Section 110(d) of the Housing Act of 1949 is amended by striking out "clauses (2), (3)" and inserting in lieu thereof "clauses (2), (3), (7)".

(c) Section 110(e) of the Housing Act of 1949 is amended by striking out "and (9)" in clause (i) and inserting in lieu thereof "(9), and (10)".

(d) Section 1101(c)(3) of the National Housing Act is amended by inserting "from the beginning of amortization of the mortgage" immediately after "twenty-five years".

(e) Section 213(o) of the National Housing Act is amended by adding at the end thereof four new sentences as follows: "Moneys in the Cooperative Management Housing Insurance Fund not needed for current operations of the fund shall be deposited with the Treasurer of the United States to the credit of the Cooperative Management Housing Insurance Fund or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures which are the obligations of the Cooperative Management Housing Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this subsection. Debentures so purchased shall be canceled and not reissued."

(f) Section 810(e) of the National Housing Act is amended—

(1) by striking out "private corporation, association, cooperative society, or trust" in the first sentence and inserting in lieu thereof "mortgagor approved by the Secretary", and

(2) by striking out "corporation, association, cooperative society, or trust" in the third and fourth sentences and inserting in lieu thereof "mortgagor".

(g) Section 220(d)(2)(B) of the National Housing Act is amended by striking out "corporations restricted by" and inserting in lieu thereof "corporations or other legal entities restricted by or under".

And the House agree to the same.

Wright Patman,
William A. Barrett,
Leonor K. Sullivan,
Henry S. Reuss,
Thomas L. Ashley,
William S. Moorhead,
William B. Widnall,
Florence P. Dwyer,
Garry Brown,
Managers on the Part of the House.

John Sparkman,
William Proxmire,
Harrison A. Williams, Jr.,
Edmund S. Muskie,
Wallace F. Bennett,
John Tower,
Charles Percy,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3497) to assist in the provision of housing for low and moderate income families, and to extend and amend laws relating to housing and urban development, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House amendment and the Senate bill. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House amendment and the substitute agreed to in conference.

Employment opportunities

The Senate bill contained a provision not in the House amendment requiring consultation with the Secretary of Labor, and covered "training", "planning", and "operation of housing", in addition to employment in construction and rehabilitation. The Senate bill also contained a provision directing the awarding of contracts to the greatest extent feasible to business concerns in the area of such programs in consultation with the Administrator of the Small Business Administration. The conference report contains the Senate provisions.

Annual report on program administration and management

The House amendment contained a provision requiring annual reports beginning with an interim report on January 15, 1969, to the Banking and Currency Committees of the House and Senate on areas of program administration and management which require improvement. The conference substitute contains the House provision but requires only two reports, the first as early as practicable in calendar year 1969, and the second in calendar year 1970.

TITLE I—LOWER INCOME HOUSING

Homeownership for lower income families

The Senate bill describes the title of section 101 as "Homeownership for Lower Income Families". The section title of the House amendment was "Homeownership for Low and Moderate Income Families". The conference substitute conforms to the Senate bill.

Family income ceiling

The Senate bill limited eligibility for interest rate subsidies to families with incomes less than 70 percent of section 221(d)(3) BMIR program except that 20 percent of the funds could be used for families with incomes exceeding that limit. The House amendment limited initial elgibility and continued assistance to families with incomes less than 130 percent of income levels of continued occupancy in the area which can be established pursuant to the public housing law.

The conference substitute provides the following income limits: For 80 percent of the funds authorized, the income limit is 135 percent of the public housing level in the area for initial occupancy, plus $300 per minor child. For the remaining 20 percent of the funds authorized, the income limit is 90 percent of the maximum levels established in the area under the Below Market Interest Rate program, plus $300 per minor child.

The conference substitute also directs the Secretary to the maximum extent practicable to use the authorized funds for the lowest income families for whom homeownership is practicable.

The conference substitute also requires an annual report by the Secretary to the Banking and Currency Committees of the Senate and House on the income groups being served by the program.

Deduction for children

The Senate bill contained a deduction of $300 per minor child from family income for purposes of determining monthly payment as well as income eligibility. The House amendment allowed a $200 deduction from family income in determining the monthly payment. The conference substitute contains the Senate provision.

Downpayment

The Senate bill contained a provision permitting a $200 downpayment for families whose incomes are below 70 percent of section 221(d)(3) level, and 3 percent downpayment for all others. The House amendment permitted $200 downpayment for displaced families, and 3 percent for others.

The conference substitute provides for a $200 downpayment for families receiving subsidy assistance whose incomes fall below the ceiling of 135 percent of public housing initial occupancy income levels, and a 3-percent downpayment for all others.

Eligibility of standard existing housing

The Senate bill contained a provision which limited eligibility generally to new and rehabilitated housing but made exceptions with respect to standard existing housing as follows:

a. Displaced families.
b. Families with five or more minors.
c. Families occupying public housing.
d. A dwelling unit in a rent supplement project.
e. A dwelling unit in a section 236 project.

However, assistance for standard existing housing including the above categories but not limited to them cannot exceed—

a. 25 percent of funds for fiscal year 1969;
b. 15 percent of funds for fiscal year 1970;
c. 10 percent of funds for fiscal year 1971.

The House amendment placed no statutory restrictions on existing structures, provided they met standards prescribed by Secretary of HUD, or if assistance payments are made on behalf of the previous owner who purchased the unit from a nonprofit organization pursuant to 235(j).

The conference substitute conforms to the Senate provisions except that it retains the provision in the House amendment extending eligibility for existing housing if assistance payments are made on behalf of a family who purchased the unit from a nonprofit organization pursuant to section 235(j) and other standard housing aided under section 235(j).

Preference for benefits

The House amendment contained a provision which would have provided a general preference for displaced families, families with five or more minors and families occupying public housing. The Senate bill did not contain this provision and none is contained in the conference substitute.

Eligibility of cooperative members

The Senate bill contained a provision permitting payments to an otherwise eligible cooperative member who receives membership by transfer from an initial member who received assistance payments under the program. This provision, not contained in the House amendment, is contained in the conference substitute.

Interest subsidy benefits for housing purchased by nonprofit organizations for resale to lower income families under the new section 235(j)

(*a*) *Sponsor.*—The Senate bill contained a provision permitting sponsorship by public bodies or agencies as well as by nonprofit organizations. The House amendment limited sponsorship to nonprofit organizations. The conference substitute conforms to the Senate bill.

(*b*) *Type of housing.*—The Senate bill contained a provision limiting this program to substandard housing in need of rehabilitation. The House amendment made eligible the purchase and resale of existing standard housing as well as a two-family dwelling, one unit of which will be occupied by the purchaser. The conference substitute conforms to the House amendment except that eligibility (in the case of standard housing) is to be confined to the type of neighborhoods in which the present section 221(h) program operates.

(*c*) *Subsidy payment.*—The Senate bill contained a provision authorizing payments to lower income families purchasing and occupying units sold by a nonprofit organization. The House amendment authorized payments to low and moderate income families who either purchased the unit from the nonprofit group or purchased by assumption from the previous owner who received assistance payments. The conference substitute conforms to the House amendment but confines eligibility to lower income families.

(*d*) *Price of individual unit sold by nonprofit sponsor.*—The Senate bill contained a provision authorizing a fixed price based on the allocable share of the unpaid mortgage plus at least $200 in cash or its equivalent. The House amendment contained a similar provision except it contained no provision for paying the $200 in the equivalent of cash. The conference substitute conforms to the Senate bill.

The section 221(h) rehabilitation program for subsequent resale to low income families

(*a*) *Interest rate.*—The House amendment contained a provision not in the Senate bill which would authorize the Secretary to set interest rates as low as 1%. The conference substitute adopts the House provision but requires the Secretary to raise the rate as high as 3% if subsequent income review shows an increase in the homeowner's income.

(*b*) *New authority for rehabilitation and refinancing of existing indebtedness.*—The House amendment contained a provision not in the Senate bill authorizing the Secretary to insure mortgages for rehabilitation and refinancing under the following conditions:

(1) Maximum mortgage $15,000.

(2) Interest rate between 1 and 3 percent depending on income.

(3) Reasonable downpayment as determined by the Secretary, but at least $200.

(4) Family income cannot exceed local public housing level.

The conference substitute contains the provision in the House amendment except that the refinancing authority which will be available is limited to a period of one year following enactment and requires the Secretary to raise the rate as high as 3 percent if subsequent income review shows an increase in the homeowner's income.

Credit assistance

Both the House and Senate bills authorized FHA mortgage insurance for marginal credit risks who could be qualified for mortgage credit with the aid of counseling. The Senate bill limited such insurance to $200 million outstanding while the House bill imposed a limit of $100 million. The conference substitute conforms to the Senate bill.

Special risk insurance fund

The House bill contained a provision, not in the Senate bill, requiring an annual business-type budget for the newly established Special Risk Fund in FHA. While the conference substitute does not include this requirement, the conferees expect the Federal Housing Administration to give particular emphasis to this Fund in its annual reports and maintain its accounts in such a way that experience under this program can be readily evaluated.

Advisory commission on low income housing

The Senate bill contained a provision establishing a National Advisory Commission on Low Income Housing. The House amendment contained no such provision. The conference report contains the Senate language.

TITLE II—RENTAL HOUSING FOR LOWER INCOME FAMILIES

Rental and cooperative housing

(*a*) *Section title.*—The Senate bill described the title of section 201 as "Rental and Cooperative Housing for Lower Income Families". The section title of the House amendment was "Rental and Cooperative Housing for Low and Moderate Income Families". The conference substitute conforms to the Senate bill.

(*b*) *Family income ceiling.*—The Senate bill limited eligibility to families with incomes less than 70 percent of section 221 (d)(3) below market interest rate levels, except that 20 percent of the funds could be used for families with incomes exceeding that limit. The House amendment limited initial eligibility to families with incomes less than 130 percent of income levels for continued occupancy in the area which can be established pursuant to public housing law.

The conference substitute provides the following income limits: For 80 percent of the funds authorized the income limit is 135 percent of the public housing level in the area for initial occupancy, plus $300 per minor child. For the remaining 20 percent of the funds authorized the income limit is 90 percent of the maximum level established under the below market interest rate program in the area, plus $300 per minor child.

The conference substitute also requires an annual report by the Secretary to the Banking and Currency Committees of the Senate and House on how the subsidy program is operated with respect to the income limits provided in the conference substitute.

(*c*) *Deduction for children.*—The Senate bill contained a provision not in the House amendment providing a $300 deduction per minor child from family income for purposes of determining monthly payment as well as income eligibility.

The conference substitute contains the Senate language.

Rent supplements; percent of income payable

The House amendment contained a provision not in the Senate bill requiring a payment of 20 percent of income (existing law requires 25 percent of income). The conference substitute retains the 25 percent requirement in existing law but permits a deduction from income of $300 per minor child.

Public housing

(*a*) *Number of units per structure in leased section 223 housing.*—The House amendment contained a provision not in the Senate bill which would have limited eligible units in a single structure to the lesser of (a) 10 units or 10 percent, whichever is greater, or (b) 50 percent of the units in the structure. No such provision is contained in the conference substitute.

(*b*) *Tenant services.*—The Senate bill contained a provision not in the House amendment which authorized grants to local housing authorities to provide tenant services with an authorized limit on appropriations of $20 million for fiscal year 1969, and $40 million in fiscal year 1970. The conference substitute authorizes $15 million for fiscal year 1969 and $30 million for fiscal year 1970 and lists the types of services to be covered.

The list is that contained in the bill reported by the House Committee on Banking and Currency with two changes. The committee-reported bill stated that "the term 'tenant services' includes (without being limited to) the following services and activities." The parenthetic phrase "without being limited to" has been stricken in the conference substitute. The committee-reported bill also included in the list of eligible activities a reference to "intertenant activities" which has been stricken in the conference substitute.

TITLE III—FEDERAL HOUSING ADMINISTRATION INSURANCE OPERATIONS

Supplemental loans for multifamily projects

The Senate bill contained a provision applying to a supplemental loan the labor standards provisions "that are applicable to" the section under which the original mortgage was insured. The House amendment applied the labor standards provisions "without regard to" the section under which the original mortgage was insured. The conference substitute conforms to the Senate bill.

It is the intention of the conferees that the construction financed by these loans be governed by the same labor standards provisions of section 212 of the National Housing Act that are applicable, at the time the commitment to insure a supplemental loan is issued, to the program under which the mortgage covering the project or facility is insured. This would mean that the owner of an existing FHA multifamily project wishing to obtain a supplemental loan to expand or modernize his project would be governed by the same labor standards provisions that would govern the construction of a new project of the same type.

Term of Federal Housing Administration mortgages for land development

The Senate bill contained a provision not in the House amendment giving the Secretary authority to extend the maturity of land development mortgages beyond 10 years if he determines such an extension warranted by unusual or unforeseen circumstances. The conference substitute contains the Senate provision.

Equipment in nursing homes; mortgage maturity

The House amendment contained a provision limiting the maturity of mortgages covering equipment to the reasonable use expectancy of the equipment. The Senate bill contained no provision and none is contained in the conference report.

Housing in outlying areas

The House amendment contained a provision increasing the maximum mortgage under the section 203(i) program from $12,500 to $15,000. The Senate bill contained no provision. The conference substitute retains this provision, with an amendment providing that the maximum mortgage be raised to $13,500.

Notification prerequisite in connection with local government for section 221(d)(3) projects

The House amendment contained a provision requiring the Secretary of HUD to notify a local governing body of a proposed section 221(d)(3) project, requesting a statement of the project's impact on local public services and its relationship to any locally adopted master plans. The Senate bill contained no provision, and no such provision is contained in the conference substitute.

Seasonal homes

The Senate bill authorized FHA to insure mortgages on seasonal homes not exceeding $15,000, and 75 percent of the appraised value, on an acceptable risk basis, taking into consideration the economic potential of the area and the effect the insurance on such mortgages would have on the availability of mortgage credit in the area.

The Senate bill also requires that proper steps be taken to preserve the natural resources of the area. The House amendment contained no provision. The conference report contains the Senate provision.

TITLE IV—NEW COMMUNITIES

Guarantees for financing new community development

The Senate bill contained a provision, not in the House bill, authorizing the Secretary of HUD to guarantee bonds, debentures, notes, and other obligations issued by private new community developers to help finance development of new community projects.

The maximum guarantee could not exceed the lesser of (a) 80 percent of the Secretary's estimate of the value of the property upon completion of the land development, or (b) the sum of 75 percent of the Secretary's estimate of value of land before development and 90 percent of his estimate of actual cost of the land development.

The guarantee could not exceed $50 million for any single new development and $250 million aggregate outstanding principal obligation at any one time.

Fees and charges collected by the Secretary will be deposited in a revolving fund to cover any liabilities under guarantees. In addition, full faith and credit of the United States is pledged to payment of guarantees and debentures and appropriations to cover program operations and nonadministrative expenses and, if necessary, any guarantee payments are authorized.

The provision would require HUD to adopt requirements encouraging small builders to participate in new community projects.

The provision would authorize supplemental grants to States and localities assisting new community development with basic water and sewer and open space projects. The additional grant is limited to 20 percent of cost of the facility and requires, if supplementary grants are used, that a substantial number of housing units for low and moderate income persons must be made available through such development project. (Total Federal grant cannot exceed 80 percent of facility cost.) Appropriations of not to exceed $5 million for supplemental grants for fiscal year 1969 and not to exceed $25 million for fiscal year 1970 would be authorized.

Sections of this title also require cost certifications in connection with a land development project and authorize the General Accounting Office to audit the transactions of developers whose obligations are guaranteed pursuant to this title.

The conference substitute contains the Senate provision with a modification restricting the GAO audits to transactions related to new community undertakings.

TITLE V—URBAN RENEWAL

Extension of rehabilitation grants to property located outside urban renewal and code enforcement areas

The Senate bill contained a provision authorizing grants under section 115 of the Housing Act of 1949 to property located in an area certified by a local governing body as containing a substantial number of structures in need of repairs and improvements; also the locality must have the workable program and the area must be scheduled for rehabilitation or code enforcement within a reasonable time, and repairs to property must be consistent with such plans. The House amendment contained a provision requiring that such property be located in an area certified by a local governing body as containing a substantial number of structures in need of rehabilitation. The conference report contains the Senate provision with a requirement that the area be "definitely planned" for rehabilitation or code enforcement.

The House amendment also contained a provision authorizing grants for property determined to be uninsurable after inspection under the FAIR plan where located in an area which has a substantial number of properties in need of rehabilitation. The Senate bill contains no provision. The conference report retains the House provision, with an amendment providing that such properties will be eligible regardless of location.

Disposition of urban renewal land

The House amendment contained a provision not in the Senate bill authorizing the disposition of urban renewal property at fair value to private developers (in addition to nonprofit groups, limited dividend corporations, and public organizations eligible under existing law). The conference substitute retains the House provision with an amendment directing the Secretary to assure that the benefit of this provision goes to the home buyer rather than to the private developer.

Rehabilitation loan program

Both the House and Senate bills broadened eligibility for rehabilitation loans under section 312 of the Housing Act of 1964 to areas outside urban renewal and code enforcement. The Senate bill required that such areas contain a substantial number of structures in need of rehabilitation; that the areas be scheduled for rehabilitation or code enforcement within a reasonable time; that the rehabilitation be consistent with the plan; that there be a workable program covering the area; and that the property be in violation of local codes. The House bill required that the area contain a substantial number of structures in need of rehabilitation and that the property required substantial rehabilitation. The conference report contains the Senate provision with a requirement that the area be "definitely planned" for rehabilitation or code enforcement.

The House amendment also contained a provision authorizing section 312 loans for property determined to be uninsurable after inspection under the FAIR plan where located in an area which has a substantial number of properties in need of rehabilitation. The Senate bill contained no provision. The conference report retains the House provision, with an amendment providing that such properties will be eligible regardless of location.

The House bill also included an amendment not in the Senate bill limiting section 312 rehabilitation loans to persons whose income is within locally applicable section 221 (d)(3) BMIR limits. The conference report retains this provision with an amendment limiting this restriction to residential loans and exempting urban renewal and code enforcement projects now receiving financial assistance under title I of the Housing Act of 1949 which contemplate the use of these loans.

Interim assistance for blighted areas

The Senate bill contained a provision not in the House amendment authorizing the use of up to $20 million a year of the regular urban renewal authorization to assist localities in alleviating harmful conditions in slum and blighted areas where urban renewal or code enforcement activities are planned but some immediate action is needed until those activities can be begun. The conference substitute contains the Senate provision with a reduction in the dollar amount to $15 million.

Low and moderate income housing in residential areas

The Senate bill contained a provision requiring that a majority of housing units in urban renewal areas to be developed for predominately residential uses be for low and moderate income families. The House amendment required that a majority of housing units in each community's urban renewal projects to be developed for predominately residential uses be for low and moderate income families and that at least 20 percent of the total units in such projects in each community be for low income families. The conference substitute contains the House provision with authority for the Secretary to waive the requirement of 20 percent for low income families where he determines that this is not needed. In any case in which the Secretary exercised this waiver authority, he would be required by the conference substitute to report on his action to the Committees on Banking and Currency.

Workable program for Indian tribes

The House amendment contained a provision not in the Senate bill deferring the effective date for meeting the code enforcement requirement of the workable program in the case of Indian tribes until January 1, 1969. The conference substitute contains the House provision but extends the date to January 1, 1970.

Property damage by limestone quarry subsidence

The House amendment contained a provision permitting urban renewal project payment of unreduced value upon acquisition of property damaged by limestone quarry subsidence. There was no similar provision in the Senate bill and none is contained in the conference report.

TITLE VI—URBAN PLANNING AND FACILITIES

Comprehensive planning

The Senate bill contained a provision making eligible for planning grants under section 701 grant program the various regional commissions established under the Public Works and Economic Development Act of 1965. The House amendment contained no provision. The conference report contains the Senate language.

Consultation with the Secretary of Commerce

The Senate bill contained a provision requiring the Secretary of HUD to consult with the Secretary of Commerce before approval of any planning grant which includes any part of an economic development district, and also permits the Secretary of Commerce to provide technical assistance in the establishment of districts and their planning. The House amendment contains no such language. The conference report contains the Senate language.

Implementation of planning

The House amendment contained a provision which provides that grants to councils of governments may be used for implementation of plans. The Senate bill contained no provision. The conference report contains the House language. The conferees wish to state that none of these grant funds used for the implementation of plans may be used for construction.

Water and sewer program

The House amendment contained a provision increasing the authorization for water and sewer facilities program to $500 million for each of fiscal years 1968 and 1969. The Senate bill provided an additional $115 million for fiscal year 1970. The conference report authorizes an increase to $350 million for fiscal year 1969 and $115 million for 1970.

Repeal of 1966 provision for coordination of Federal aids in metropolitan areas

The House amendment contained a provision repealing section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 which provides for review by an areawide planning body of applications under certain Federal programs. There is no such provision in the Senate bill and none is contained in the conference substitute.

TITLE VII—URBAN MASS TRANSIT

Extension of emergency program

The Senate bill contained a provision extending the emergency program from November 1, 1968, to July 1, 1970. The House amendment extended the program to October 1, 1969. The conference report contains the Senate language.

TITLE VIII—SECONDARY MORTGAGE MARKET

Debt to capital ratio

The Senate bill contained a provision permitting the Secretary of HUD to fix the debt to capital ratio at a figure higher than the present limit of fifteen times the sum of its capital, surplus, and reserves. The House amendment contained a provision permitting the Board of Directors to set the debt to capial ratio instead of the Secretary of HUD. The conference report contains the Senate language.

GNMA guaranteed securities

The Senate bill contained a provision making it possible for savings and loan associations and banks to issue and sell GNMA guaranteed securities. The House amendment contained no provision. The conference report contains the Senate language.

TITLE X—RURAL HOUSING

Labor standards

The House amendment contained a provision requiring labor standards of the Davis-Bacon Act to be applied in all housing constructed for rural trainees where eight or more units are involved. The Senate bill contained no provision and none is contained in the conference report.

TITLE XI—NATIONAL INSURANCE DEVELOPMENT PROGRAM

Operation of the program

The conference substitute generally conforms to the House provisions for the operation of the National Insurance Development Program. The Senate bill included a provision not included in the House bill for an Executive Director to administer the program. In place of this, the conference substitute provides for a Federal Insurance Administrator at executive level IV, who will be responsible for both this program and the flood insurance program provided for in title XIII of the bill. Also, the House bill provided that the definition of "essential property insurance" would be approved both by the State insurance authority and the Secretary. The conference substitute requires approval by the State insurance authority only.

FAIR plans

Both bills required as a condition of reinsurance that participating companies comply with FAIR plans designed to assure the property owners of fair access to insurance requirements. The conference substitute includes a provision not in the House bill that the FAIR plans must be administered under the supervision of the State insurance authority. Both bills provided that reinsurance will not be available following notification that the Secretary has found that programs other than the FAIR plans are needed but have not been implemented. The conference substitute includes a provision not in the House bill requiring the Secretary to consult with State insurance authorities in making this determination. The conference substitute also provides that the Secretary must request the views of the State insurance authority before denying reinsurance to an insurer on the grounds that he is not fully participating in the FAIR plan pool or other program.

Studies

Both bills authorized various studies in connection with the insurance program. The Senate bill directed that these studies be made in cooperation with State insurance authorities, while the House bill made this optional. The conference substitute directs cooperation with State authorities to the maximum extent feasible.

General powers

The conference substitute includes a provision contained in the Senate bill but not in the House bill, requiring that in issuing rules and regulations the Secretary must consult with the Advisory Board provided for in this title.

Financing

Both the House and Senate bills authorized Treasury borrowing to meet the Federal commitment under this program. The Senate bill placed no limitation on this borrowing, while the House bill limited it to $150 million or such further sums as may be determined by congressional joint resolution. The conference report limits the borrowing to $250 million and such further sums as may be authorized by joint resolution.

Disaster relief

The Senate bill contained provisions not included in the House bill amending section 7(b)(1) of the Small Business Act, section 101(c)(2)(E) of the Housing and Urban Development Act of 1949, and section 203(h) of the National Housing Act to make clear that their provisions apply in case of riot or civil disorder, and further providing that no person convicted of a felony during the riot or civil disorder shall be permitted to benefit from the disaster relief laws of the United States. The conference substitute included the Senate provisions, but places a 1-year limit on the prohibition on disaster relief to persons convicted of felonies.

Cancellation of insurance

It has been called to the attention of the conference that a number of existing insurance policies covering inner city properties have been canceled since the April, 1968 disorders. Presumably many of these cancellations were due to the unavailability of reinsurance for riot loss. The conference expects that policies canceled for this reason will be reinstated as soon as reinsurance under this title becomes available, without waiting for implementation of the FAIR plans, and that the Secretary shall encourage to the maximum extent feasible the acceptance of requests for reinstatement of such insurance.

TITLE XIII—NATIONAL FLOOD INSURANCE

Extension of coverage

The Senate bill gave the Secretary of HUD discretionary authority to extend flood insurance coverage to multifamily residential properties, larger business, farm, nonprofit, and public property. The House bill (which authorized initial coverage of smaller businesses) authorized the Secretary to make recommendations to Congress for extended coverage but did not empower the Secretary to act. The conference substitute restores the House provision on initial coverage of smaller businesses and contains the Senate provision giving the Secretary discretionary authority to extend coverage.

Financing

The Senate bill authorized the same general Treasury borrowing authority provided in the Federal Flood Insurance Act of 1956 (which limits borrowing to $500 million plus such additional sums as the President may authorize). The House bill limited this authority to $150 million and rescinded the unused portion of the Federal Flood Insurance Act authority. The conference substitute limits the borrowing to $250 million and rescinds the balance of the 1956 authority.

National flood insurance fund

The Senate bill authorized the Secretary to establish in the Treasury a fund to pay insurance claims as necessary to make premium equalization payments and to pay administrative expenses. The House provision is similar except that it did not provide for payment of administrative expenses. The conference substitute conforms to the Senate provision.

Federal operation of the program

In the event that the alternative federally operated program were undertaken, the Senate bill authorized the Secretary to operate the program through the facilities of the Federal Government by utilizing personnel of HUD and any other executive agency (and through insurance companies, agents, brokers, and organizations as fiscal agents). The House bill was similar except it had no expressed provision authorizing the use of HUD or other executive agency employees. The conference substitute conforms to the Senate provision.

Effective date

The Senate bill contained a provision not in the House bill making the National Flood Insurance Act effective 120 days after enactment unless the Secretary extends the date to a maximum of 180 days. The conference substitute includes the Senate provision.

TITLE XIV—INTERSTATE LAND SALES

This title includes title XIII of the Senate bill with two amendments. "The Interstate Land Sales Full Disclosure Act" requires developers and promoters selling or leasing 50 or more unimproved lots pursuant to a common promotional plan to file a registration statement, called a "statement of record" with the Secretary of Housing and Urban Development. The statement of record must disclose all material and legal information relating to the property. The purpose of full disclosure is to deter or prohibit the sale of land by use of the mails or other channels of interstate commerce through misrepresentation of material facts relating to the property. A property report, which would include part of the statement of record, must be submitted to the purchaser who may revoke the contract if it is not submitted. He may also revoke the contract within 48 hours after signing if the report was submitted within 48 hours before the signing. The revocation authority does not apply where the purchaser has received the report and inspected the lot and so acknowledges such by signature.

The conference substitute adopted all the exemptions contained in the Senate bill with one exception: Section 1403(a)(10) provides that, absent any purpose to evade the provisions of the title, the sale or lease of real estate is exempt where the purchaser or his or her spouse has personally inspected the lot purchased. However, to gain the exemption, the real estate must be free and clear of liens, encumbrances, and adverse claims. The latter terms are not intended to include property reservations which land developers commonly convey or dedicate to local agencies or public utilities and do not include taxes and assessments which constitute liens on the property before they are due and payable.

Notwithstanding the specific exemptions contained in section 1403, the conferees agreed that the Secretary has the discretion to exempt sales which would be technically covered but are intrastate or almost entirely intrastate in nature. An example would be where a few out-of-State purchasers buy lots only being offered for sale within the State of the land's location or in nearby communities.

The bill also contains provisions directing the Secretary to cooperate with States which have comparable disclosure and registration laws. The Secretary may accept for filing, the registration statement required by such State law.

Unless the Secretary finds material error in the statement of record the latter becomes effective upon the 30th day following filing. The Secretary is authorized to file suits to enjoin the sale of lots in violation of title XIV; and appropriate relief, including damages, is provided purchasers of lots who are victimized because of fraud or material misrepresentation in the required disclosures.

The conference substitute provides that this title will be effective 270 days after enactment, rather than 180 days after enactment as provided in the Senate bill.

TITLE XV—MORTGAGE INSURANCE FOR NONPROFIT HOSPITALS

Mortgage insurance for existing hospitals

The House amendment contained a provision permitting the insurance of a mortgage to provide permanent financing or refinancing of existing indebtedness for a hospital lacking permanent financing if construction was completed after 1965 and before the date of enactment. The Senate bill did not contain this provision. The conference report retains the House language with an amendment providing that mortgage insurance not exceeding $20 million at any one time will be available for this provision.

Equipment mortgage

The House amendment contained a provision providing that the maturity of a mortgage covering equipment could not exceed a reasonable use expectancy of the equipment. There is no such provision in the Senate bill, and none is contained in the conference report.

TITLE XVI—TEN YEAR HOUSING PROGRAM—HOUSING GOALS AND ANNUAL HOUSING REPORT

Declaration of purpose

The House amendment contained a provision that the Congress finds that the Nation's housing supply is not increasing rapidly enough to meet the national housing goal—the "realization as soon as feasible, of the goal of a decent home and a suitable living environment for every American family"; the Congress reaffirms this goal and determines that it should be met within the next decade by the construction or rehabilitation of 26 million housing units including 6 million for low- and moderate-income families. The conference report contains the House language with an amendment that states that this goal should be substantially achieved within the next decade.

Report outlining plan

The Senate bill contained a section adding new provisions to the housing laws requiring the President to submit a report, not later than January 15, 1969, containing a 10-year plan for the national housing needs, along with legislative recommendations for fulfilling these needs. The House amendment contained no provision. The conference report contains the Senate language.

Periodic reports

The Senate bill contained a provision requiring annual reports to be made by the President on January 15, 1970, and on each succeeding year through 1978 showing the progress made under the plan and the reasons why, if any, the goals set forth in the plan have not been reached along with the estimates of the need for the following year. The House amendment contained a provision directing the Secretary of HUD to submit annually to the President and the Council of Economic Advisers a report containing an estimate of the number of standard housing units produced in the preceding year, the number of such units produced for low- and moderate-income families, his assessment of whether the 10-year housing goal is being met, his recommendation of the current annual goal, and his recommendations of the legislative and administrative actions required to achieve the 10-year housing goal. The conference report contains the Senate language with an amendment requiring the Secretary of HUD to submit his legislative recommendations and the administrative actions required to achieve the 10-year housing goal. The conference report also contained an amendment providing that funds available for studies of housing markets and credit as authorized by section 301 of the Housing Act 1948 and section 602(a), the Housing Act of 1966, shall be available for expenses of the commission established by Public Law 90–301 including the report required to be rendered by such commission.

TITLE XVII—MISCELLANEOUS

Advances in technology

The Senate bill contained a provision authorizing research contracts for periods of up to 4 years instead of the presently authorized 2-year period. The House bill limited contracts to 3 years. The conference substitute conforms to the Senate bill.

The Senate bill also directed the Secretary to require to the greatest extent feasible employment of new and improved technology in programs administered by HUD. This provision which was not in the House bill is included in the conference substitute.

Housing for the elderly

The House amendment contained a provision amending the Davis-Bacon Act prevailing wage requirements on the direct loan program for housing for the elderly to permit waiver of these requirements only where persons involved donate their services without any compensation. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

The House bill authorized refinancing of FHA section 231 housing for the elderly projects where commitments were issued prior to July 1, 1967, under the section 202 direct loan program for the elderly. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

Savings and loan industry

Investment authority for Federal savings and loans

(a) The House amendment contained a provision authorizing Federal savings and loan associations to invest in loans secured by investments in which the association has statutory authority to invest directly. The Senate bill contained a similar provision authorizing Federal savings and loan associations to invest in loans to federally supervised financial institutions secured by investments in which the association has direct authority to invest. The conference report contains the Senate language with an amendment authorizing such loans to any broker or dealer registered with the Securities and Exchange Commission.

(b) The Senate bill contained a provision not in the House amendment authorizing federal savings and loan associations to invest up to 1% of assets in AID guaranty loans to developing countries outside of Latin America. The conference substitute contains the Senate provision.

(c) The Senate bill contained a provision not in the House amendment authorizing savings and loan associations to make loans not exceeding $5,000 to finance new structures related to residential uses. Conference substitute contains the Senate provision.

(d) The House amendment contained a provision authorizing loans not exceeding $5,000 for equipping real property. The conference substitute retains this provision but it is the intention of the conferees that the term "equipping" refers to fixtures attached to the realty.

Authority for savings and loans to raise capital

The House amendment contained a provision authorizing federal savings and loan associations to raise capital in the form of savings deposits or other accounts or to borrow or issue bonds or other securities. The conference substitute includes this provision but it is the intention of the conferees that any debentures or other debt instruments issued under this authority should always be subordinated to the withdrawable or face value of savings accounts authorized under section 5(b)(1) of the Home Owners' Loan Act of 1933. Such obligations would not be eligible for insurance, and it is expected that the Board will require sellers of any such instruments to make full disclosure to purchasers consistently with the requirements of Federal securities laws.

Federal Reserve Act

The Senate bill contained a provision:

(1) changing the present 24-month limit on construction loans to 36 months;

(2) permitting national banks to continue to purchase participations in existing mortgages; and

(3) providing that loans by national banks shall not be considered real estate loans where a bank looks primarily for repayment out of income of borrowers or security other than real estate even though a bank take a mortgage on real estate as additional security for loan.

The House amendment contains no provision. The conference report contains the Senate language.

Corporate status of low rent public housing

The Senate bill contained a provision not in the House amendment eliminating the present corporate status of HUD's public housing entity and providing for the retirement of that entity's $1 million capital stock. The conference substitute includes the Senate provision.

Special studies of savings and loan industry

The Senate bill contains a provision extending for one year, until 1969, a study of the savings and loan industry authorized by The Second Supplemental Appropriations Act of 1966. The House amendment contained no provision. The conference report contains the Senate language.

The Trust Territory of the Pacific Islands

The Senate bill contained a provision including the Trust Territory of the Pacific Islands in the definition of the term "United States" thereby extending the provisions of the Small Business Act to such Territory. The House contained no provision. The conference report contains the Senate language.

WRIGHT PATMAN,
WILLIAM A. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
THOMAS L. ASHLEY,
WILLIAM S. MOORHEAD,
WILLIAM B. WIDNALL,
FLORENCE P. DWYER,
GARRY BROWN,
Managers on the Part of the House.

Mr. PATMAN (during the reading). Mr. Speaker, I ask unanimous consent, in view of the fact that the conference report on this bill was printed in the RECORD of today, at pages 23636 to 23682, that further reading be dispensed with.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I hope I shall not have to object, I assume the gentleman will take adequate time to explain the changes that were made in the bill.

Mr. PATMAN. Yes, sir. Within the limitations allowed for debate.

Mr. GROSS. And yield for some questions.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. TALCOTT. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 286]

Anderson, Tenn.
Ashley
Blanton
Bolling
Carter
Cederberg
Celler
Clark
Cowger
Cunningham
Dent
Diggs
Dole
Dow
Edwards, La.
Eilberg
Evins, Tenn.
Fino
Flood
Fulton, Tenn.
Gallagher
Green, Oreg.
Gubser
Gurney
Halleck
Hanna
Hansen, Idaho
Hawkins
Hays
Hébert
Herlong
Holifield
Holland
Jacobs
Johnson, Pa.
Karsten
Kirwan
Kupferman
Landrum
Long, La.
McEwen
Mathias, Calif
Moore
O'Hara, Ill.
Podell
Rarick
Resnick
Rhodes, Pa.
Rivers
Snyder
Stuckey
Sullivan
Teague, Tex.
Tuck
Wiggins

The **SPEAKER** pro tempore (Mr. ALBERT). On this rollcall, 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON S. 3497, HOUSING AND URBAN DEVELOPMENT ACT OF 1968

The **SPEAKER** pro tempore. The gentleman from Texas is recognized for 1 hour.

Mr. PATMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report on S. 3497, the Housing and Urban Development Act of 1968, which is now before the House, authorizes several important new programs and makes numerous amendments to existing law. Naturally, in an omnibus proposal of this scope a great number of differences between the two houses can be expected. About 159 items were considered during the 5 days of conference. Many of these were minor or technical, others represented different, but not conflicting approaches. As the statement of managers indicates, we were able to maintain a substantial proportion of the significant House positions. The House receded on 57 items and the Senate receded on 102 items.

Titles I and II of the conference report contain the heart of our housing assistance for lower income families—

through homeownership and rental housing. One of the most important and controversial items considered for the new homeownership and rental assistance program is what maximum income limit would be established for eligibility under these programs. Both bodies have tried to assure, through statutory restrictions, that assistance is directed to the neediest families. The House guidelines are substantially incorporated in the report, with modifications which I believe perfect the intent of the House.

The House formula restricted eligibility to families whose incomes were not in excess of 130 percent of the limits for continued occupancy in public housing dwellings. The conference report modifies this formula by generally lowering the basic income limits that will apply to the use of 80 percent of the funds. The formula worked out by your conferees is based on 135 percent of the much lower income limits for initial occupancy in public housing dwellings and makes an allowance of $300 for each minor child.

Many Members have indicated, however, that in their districts because of very high construction costs and other factors a restrictive income formula that is generally valid would be unfair. The bill as passed by the Senate contained an exception to permit up to 20 percent of the contract funds to go to families whose incomes exceeded the formula limits. The conference report adopts this exception, but with an important change to insure that assistance is still directed to the lowest possible income levels. This change is to place an income ceiling on use of this 20-percent exception which did not appear in the Senate bill. Under the conference version, the maximum ceiling under this exception would be 90 percent of the limits for occupancy in a 221(d)(3) below-market interest rate project, with a $300 allowance for each minor child. Also, the conference report adds a requirement that a preference must be given to families with the lowest possible incomes who can afford the housing.

We were able to keep four out of five public housing provisions appearing in the House but not in the Senate bill. The Senate conferees insisted, however, on retaining the provision on tenant services which was not included in the House-passed bill. We did obtain agreement on a 25-percent reduction in the appropriation authorization for this program.

Title III of the conference report makes various amendments to Federal Housing Administration programs. A number of relatively minor differences were resolved, some in favor of the House provisions and others in favor of the Senate provisions.

Title IV of the conference report authorizes Federal guaranties of bonds to finance new community development. While there had been no similar provision in the House bill, the subject had been discussed in the committee and the Subcommittee on Housing heard testimony on new communities earlier this year. The Senate was adamant on its provision which holds promise for relieving population pressures on the big cities in the long run.

Title V of the conference report makes various amendments to the urban renewal program. Most of the differences were resolved in favor of the House provisions. With minor modifications, all the House provisions relating to the rehabilitation loan program were agreed upon. These include generally limiting rehabilitation loans to borrowers whose incomes are within 221(d)(3) BMIR limits, authorizing annual appropriations of $150 million through June 30, 1973, and extending loans to properties which are determined to be uninsurable after an inspection under the national insurance development program.

Title V also includes a significant House provision requiring that a majority of the housing units provided in each community's new residential urban renewal areas be for low- and moderate-income families, with at least 20 percent for low-income families. However, the conferees agreed to permit the Secretary of Housing and Urban Development to waive the latter figure to the extent that such housing is not needed. In order that this discretion is not abused, however, a report to the Banking and Currency Committees on each waiver is required. The Senate conferees, however, insisted on their provision to permit grant authority for interim assistance for blighted areas, but we were able to reduce the authorization from $20 million to $15 million.

There were not many substantial differences in titles VI, VII, VIII, IX, and X of the bill and all but a few of the House differences were retained. For the very important water and sewer grant program, we were able to achieve a net increase in authorization of $265 million, as opposed to an increase of only $115 million in the Senate bill. We also retained the new self-help housing provisions for rural areas which were in the House bill but not the Senate bill.

Mr. Speaker, I would like now to move on to the insurance programs in the conference report. We were very successful here in having the House approaches accepted. With respect to the administration of the riot reinsurance program, the Senate version placed it in a new corporation within HUD, while the House version placed all the authority with the Secretary. The latter approach is adopted by the conference report. In addition, the conferees thought it desirable to establish an insurance administrator within the Department, at executive level IV, who would administer both this program and the flood insurance program under the supervision of the Secretary. This is in lieu of an executive director, at the same level, for just the riot reinsurance program provided in the Senate bill.

We were also able to obtain agreement on the House approach to financing payments on insurance claims for both programs. For the riot reinsurance program, the Senate version provided no limit on borrowing authority, while the House version placed a limit of $150 million with any further sums to be determined by joint resolution. The conference report adopts a specific limit, but increased it to $250 million. For the flood insurance program, the Senate version provided borrowing authority of $500 million plus such additional sums as the President might authorize, while the House version placed a limit of $150 million. Again, the conference report adopts a limit of $250 million.

Mr. Speaker, I have one final matter in connection with title XI, the new urban insurance program. Last month, it was brought to my attention that during the Senate District Committee hearings, the insurance industry proposed a model insurance code. This code was supposed to be the kind of proposal that the insurance industry had in mind for the FAIR plans. I was quite disturbed at the insurance industry's proposal because I did not feel that it offered to the residents of our inner city areas the kind of insurance guarantees that we are trying to provide them through this bill. Therefore, on June 28, 1968, I wrote to the Secretary of the Department of Housing and Urban Development outlining my objections to this proposed model code and inquiring as to the Secretary's view as to whether or not he felt that this code was the type of proposal he would approve as an adequate FAIR plan.

Fortunately, Secretary Weaver replied that the code is "inconsistent with the criteria set forth in the proposed Federal legislation and unresponsive to its objectives."

Mr. Speaker, as part of the legislative history on this historic housing legislation, I include my correspondence with the Secretary of Housing and Urban Development on this subject.

The conference report also contains a provision from the Senate bill designed to protect prospective home buyers from fraud or misrepresentation in the case of interstate land sales where the buyer may not be able to inspect the property personally.

Mr. Speaker, there are other changes made in conference and they are described in the statement of the managers. We believe they are reasonable and can be justified.

The conference report is a great achievement of the 90th Congress and a clear indication of our determination to overcome the blight of rural and urban areas. I urge every Member of the House to support it.

The correspondence referred to follows:

JUNE 28, 1968.

Secretary ROBERT C. WEAVER,
Department of Housing and Urban Development, Washington, D.C.

DEAR MR. SECRETARY: The purpose of this letter is to solicit your comments with respect to a rather serious development on the Urban Insurance Bill. It appears there are grave differences between Congressional intent on the FAIR Plan proposal and a recent insurance company proposal for a "model" FAIR plan, a copy of which is enclosed. This proposal came to light during the Senate District Committee's hearings on the D.C. FAIR Plan bill when industry witnesses proposed the model plan. It was also discussed at a recent meeting of the National Association of Insurance Commissioners held in Portland, Oregon, last week. Although the NAIC rejected the plan, many commissioners thought it acceptable.

You or your staff may recall that early in the legislative stage a "waiver" amendment was proposed by your Department and accepted by the Congressional sponsors. This amendment emanated from discussions between HUD, the industry and state commissioner representatives and provided that the Secretary may modify or waive one or more FAIR plan criteria where the purpose of the act would be better served or where compliance is unnecessary or inadvisable under local conditions or State law. (See 1214(a)7).

My fear is that some misguided or uninformed State commissioner may request such a modification or waiver in order to effectuate this industry "model" code which flouts the concept and intent of the Bill.

A few features of the industry "model" bill are illustrative. It is particularly puzzling, for example, why the industry should now seek to attempt to impose limits on the amount of insurance it will place through the Industry Placement Facility, when the industry assured the Housing Subcommittee it would attempt to use this facility to broaden the market for insurance and when such a proposal is in contradiction to the specific provisions of H.R. 17989.

It is also puzzling why the industry should propose that property owners be required to make their own diligent—and presumably fruitless—search for insurance before obtaining an inspection of their property, when H.R. 17989 specifically provides that no owner is to be denied property insurance without an inspection. This particular industry proposal seems to be even more restrictive than the present urban area plans which the Hughes Panel found wanting, and seems to indicate that the industry will be less willing to provide insurance in the urban core with federal backup than without it. Similarly, the industry seems intent on limiting the operation of FAIR Plans and other programs to urban renewal areas, when even now many urban area plans cover an entire city, and in spite of the fact the Subcommittee rejected this proposal by the industry.

Further, and perhaps most important, it is surprising to see the industry proposing a self-regulatory program at the State level when in its testimony before the Congress it strongly urged the federal legislation provide for greater State regulation, not industry self-regulation. In fact the industry's "model" legislation seems designed to limit the State insurance authority to performing a merely passive role of approving or disapproving whatever programs the industry might like to provide.

The insurance industry has assured the Committee that it stands ready to carry out faithfully the recommendations of the Hughes Panel and the provisions of the Federal legislation. I supported the legislation on this understanding, and on the understanding that industry performance would be subject to close supervision by State insurance regulators who would have authority to initiate and impose whatever additional requirements were necessary to meet particular local conditions.

Your views on this subject at this juncture would be of immeasurable assistance in clarifying the intent to afford to inner city residents and businessmen the fullest opportunity to purchase essential property insurance. I think it important that we have your views prior to the House debate in order to avoid confusion and possible opposition.

The favor of an early reply will be appreciated.

Very truly yours,
Wright Patman,
Chairman.

The Secretary of Housing and
Urban Development,
Washington, D.C., July 8, 1968.

Subject: Urban Insurance Bill—Title X, H.R. 17989.

Hon. Wright Patman,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

Dear Mr. Chairman: This is in reply to your letter of June 28, 1968, requesting our views concerning a recent insurance industry FAIR Plan proposal which was submitted to the Senate Committee on the District of Columbia in connection with its consideration of S. 3556, the proposed "District of Columbia Insurance Placement Act." Your letter identifies several of the instances where the industry proposal deviates from the minimum criteria specified in the proposed Federal legislation, and expresses special concern about the limited role of the State insurance commissioner under the industry proposal. You also indicate that you are fearful that the "waiver" provision in section 1214(b) of the Federal bill might be used to effectuate the industry proposal.

This Department shares your concern about the inadequacies of the so-called "FAIR Plan" proposed by the insurance industry in connection with the pending District of Columbia legislation. This proposal is inconsistent with the criteria set forth in the proposed Federal legislation and unresponsive to its objectives. Such a plan would clearly fail to satisfy the requirements for the provision of Federal reinsurance under section 1221 of the proposed legislation. It should be noted in this connection, that this Department has supported S. 3556, the proposed "District of Columbia Insurance Placement Act," as it was introduced by Senator Tydings. I'm sure you agree that S. 3556 is in accord with the requirements of the Federal legislation in all respects, including the requirement for close State supervision.

In the event that title X of H.R. 17989 is enacted, you may be assured that this Department will administer its provisions in a manner that is fully consistent with the spirit and intent of the legislation. Only those States with FAIR Plans which satisfy the statutory criteria will be provided Federal reinsurance coverage. Active participation and supervision of the plan by the State insurance authority will be an essential element in any plan. This Department is especially mindful of its obligation to administer the FAIR Plan program so as to assure the availability of property insurance to residents and businesses in our urban areas. In no event would we permit the waiver provision of section 1214(b) to be used to dilute the effectiveness of the FAIR Plan requirement.

As you may know, a detailed analysis of the deficiencies contained in the insurance industry proposal for the District of Columbia, prepared by a former staff member of the Hughes Panel, has been furnished to the insurance industry. We understand that the insurance industry is in the process of modifying its model plan in light of that analysis. We are also advised that industry representatives are working with staff members of the Senate District Committee in developing an insurance program for the District of Columbia, based on S. 3556, which will satisfy the requirements of the Federal legislation and meet the needs of the industry.

Sincerely yours,
Robert C. Weaver.

Mr. Speaker, at this point I would like to yield to the gentleman from New Jersey [Mr. Widnall], the ranking minority member, 30 minutes for purposes of debate.

Mr. WIDNALL. Mr. Speaker, I rise in support of S. 3497 as amended by the House. To say that this is the biggest housing bill that has ever been before us is redundant. It has 17 titles and perhaps 200 sections and subsections. I know of no other bill of this size and breadth.

There is much in this bill that is easy to support, particularly homeownership for lower income families. A year ago, Senator Percy in the other body with 36 cosponsors and I, in the House, joined by 112 Republican Members, presented the National Homeownership Foundation program. The administration did not take kindly to the idea, and attacked our proposal most vigorously, to use their own phrase. Remembering how they once attacked a minority proposal for rent certificates, and how they have since used it with growing approval, I was not surprised—even a little flattered—when they embraced our philosophy of homeownership and made it the lead title in their giant housing bill that the gentleman from Pennsylvania [Mr. Barrett] has now piloted so well through the Congress.

In addition to homeownership, there are other titles which, sponsored by the minority, I am sure should be persuasive to this side of the aisle. I refer to the insurance titles, particularly that dealing with flood insurance, which at my instance, was added in the full Banking and Currency Committee executive hearings; to title XV, FHA Insurance for Hospital Construction, which was co-sponsored by the distinguished minority leader, the gentleman from Michigan; the urban mass transportation title; the title setting up national housing goals and providing for annual reports as to how well they are being reached; a new setup for FNMA that takes the first step toward returning it to private control where it should be. There are also a number of improving amendments which I or other Republicans sponsored, dealing with such matters as increased authorizations for water and sewer grants, a most vital program; improvements in the handling of administration of the rent certificate-leased housing program, of the 312 rehabilitation program, instituting needed business-type budgets in FHA, and other matters.

Mr. Speaker, the conferees retained in the bill the House amendment which I authored in committee, and which was greatly improved from the contributions of Congressmen Reuss and Brock, relating to low- and moderate-income housing within residential urban renewal projects. The amendment directs that a majority of the units in a community's residential urban renewal projects must be for low- and moderate-income families, with a 20-percent floor for low-income units. The only modification made in conference was to allow the Secretary some discretion on the 20-percent figure. Conferees had the one project community in mind, and the report makes clear that the Secretary is to file with Congress a report on each exception allowed.

In connection with section 412, it should be noted that existing moderate-income housing programs under State sponsorship, as in New York and New Jersey, will continue to qualify for inclusion in the aggregate number of units figure for units serving low- and moderate-income families, just as they qualified under the old section 105(f) which I authored in 1966. These programs are of considerable value in high cost metropolitan areas in conjunction with urban renewal.

The conference also retained, with two modifications, the income limitations placed on the 312 low-interest rehabilitation loan program. When I authored that program in 1964, it required applicants to show that they could not obtain loans from other sources on reasonable terms and conditions. The wording was changed by the other body in 1965 to read "comparable" instead of "reasonable," and as a result anyone of any income level could be assisted. This year the new change is for the better. Now that the Congress has authorized mortgages down to 1 percent interest, I would hope that the Department of Housing and Urban Development would make use of the flexibility built into the rehabilitation loan program in 1964 which allows interest rates below 3 percent at the discretion of the Secretary. Again, this would be an added tool in high cost areas, to aid those with lower incomes.

The reason the House conferees did not immediately sign the report of the managers after the conclusion of the conference was that we were greatly disturbed by the impact of the eligibility income limits which the conference set in title I of the bill, where we are attempting to establish homeownership for lower income families. These figures run to almost $11,000 in New York City, just below $10,000 in Chicago, Detroit, Los Angeles, Boston, Newark, and Milwaukee to cite a few examples. They are not as generous in Philadelphia and other places, but still well above the $6,000 figure cited so often in testimony by the Secretary of Housing and Urban Development as the top range in which the new program would operate. Yet HUD has made representations to the effect that it must have these higher income limits to make the program work. At any rate with income limits like these, it hardly appears to be a program for lower income families.

I still support passage of the legislation, reassured by the statement in the conference report in relation to this problem which "directs the Secretary to the maximum extent practicable to use the authorized funds for the lowest income families for whom homeownership is practicable." Given that guidance I have high hopes that the goals of the original Percy-Widnall proposals will be gained.

With that in mind, and giving my personal assurance that I will do everything possible within reason to attain these goals, Mr. Speaker, I urge my colleagues to support the legislation.

Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WILLIAMS].

Mr. WILLIAMS of Pennsylvania. Mr. Speaker, I would like to say that I agree with the distinguished gentleman from New Jersey when he states that there is much in this bill that is good. This is the reason that I voted for the original bill.

However, you will recall that we had a recommittal motion, and on that recommittal motion by an overwhelming vote we took out tenant services and interim aid to blighted areas, both of which are new programs and in my opinion of very questionable value.

Now, the conference put back in this bill for tenant services a total of $45 million for the next 2 years. The original figure was $60 million.

Under the tenant services are such things as counseling on household management, housekeeping, budgeting, money management and child care.

I want to tell the Members that almost every State welfare department, almost every municipal welfare department, and all Community Chest and United Front oriented organizations are supporting this sort of counseling all over this country right now for poor families.

Also in the other matter of interim assistance for blighted areas this was taken out of the House bill altogether, a brandnew program. This was put back in and, rather than the original $20 million, $15 million was put in.

Let me read to the Members just some of the things that this interim aid for blighted areas is to be used to repair: Streets, sidewalks, parks, playgrounds, public utilities, and public buildings.

And it goes on to include improvement of garbage and trash collection, street cleaning, and similar activities.

Every one of these activities today is a direct responsibility of local government.

If we are going to put $15 million in here, you are going to have the mayor of virtually every major city down here to get a grant for street cleaning or garbage or trash collection or fixing up their sidewalks and streets; $15 million will prove to be only a drop in the bucket.

Once these two programs get started, you can rest assured these appropriations will continue to increase rapidly every year.

On this interim aid for blighted areas for streets, sidewalks, and trash and garbage collection and street cleaning, if we start appropriating money for Federal grants for such purposes all we will be doing is paying a premium to poor and inefficient local government for their failure to do their job.

Mr. Speaker, I urge the defeat of this conference report.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Pennsylvania. I yield to the gentleman.

Mr. BROWN of Michigan. Mr. Speaker, as a conferee on the House bill, I found it difficult to sustain the conference position insofar as tenant services and interim services are concerned.

I was one of those who opposed the motion to recommit—the motion to recommit having consisted of the interim services and tenant services provisions.

The House having worked its will in the motion to recommit, I felt as a conferee I was obligated to support the position of the House with respect to these two matters.

I am sorry that the other conferees on the part of the House did not feel so committed.

I may not concur with the rationale that the gentleman in the well has stated with respect to these two matters but I certainly concur with his position that the House position should have been sustained in conference.

Mr. WILLIAMS of Pennsylvania. I simply want to say this to you—if the other managers on the part of the House did not sustain the position of the House after the overwhelming recommittal vote which removed these two sections from the original bill, in my opinion, they were not doing the job as it should have been done.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Pennsylvania. I yield to the gentleman.

Mr. GROSS. I want to join the gentleman in his protest to the adoption of this conference report because of the action of the conference committee in reinserting in the bill $45 million for tenant services and intertenant activities, as it is called.

Mr. PATMAN. Mr. Speaker, I yield to the gentleman from Colorado [Mr. ROGERS.]

Mr. ROGERS of Colorado. Mr. Speaker, President Johnson, reporting to us on the state of the Union at the opening of this session, said:

> Surely a nation that can go to the moon can place a decent home within the reach of its families . . . We must make it possible for thousands of families to become homeowners, not rent-payers.

The Housing and Urban Development Act of 1968 opens new avenues for achieving homeownership for our lower income constituents, allowing them to cease being rentpayers and to invest that money in their own future.

As you know, the Housing and Urban Development Act of 1965 contains many innovations that carry us forward in our pursuit of the national housing goal, "a decent home and a suitable living environment for every American family."

This bill enables a homeowner to apply his labor on that home as equity on it. It offers a man who is renting the chance to buy his home. Those who already own homes will be able to make necessary repairs and improvements. Owners and tenants of homes uninsurable because of physical hazards would become eligible for rehabilitation loans. Enactment of this bill affords the man who wants to help himself the opportunity to do so.

This legislation not only brings us closer to the national housing goal, but also contributes to the solution of other urban problems facing us. Low income residents in the area of a housing project will have the opportunity of employment on the project. Our older, declining areas will be revitalized, the tax base of local governments will be increased, individual living conditions will improve, tax-eaters will become taxpayers and the living environment of our cities will be enhanced.

The enactment of S. 3497 will prove to our needy constituents that this Congress is interested in them and willing to take the steps necessary to afford them the opportunities heretofore out of their reach.

At one time the moon was out of reach. This is no longer true. Now, with this bill, a decent home will be within the reach of every American family.

Mr. WIDNALL. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. BROCK].

Mr. BROCK. Mr. Speaker, I guess I should take this time to congratulate the majority conferees for a remarkably effective hatchet job on the amendments that was passed by this body. Virtually every one of them was stricken. I want to draw your attention to just a couple which are of concern, at least to me.

In the debate I pointed out that one area involved granting mortgage assistance to nursing homes and hospitals for the purchase of equipment. I pointed out that in most cases the equipment has a shorter life than the hospital, or the building itself, and I suggested that it might be worthy of your consideration that we have separate maturities, because the equipment was not a satisfactory guarantee for the mortgage after it had exhausted its useful life.

That amendment was agreed to by the House majority and the minority leaders, and yet we see the conference rejecting an obviously intelligent approach to financing. I cannot imagine why.

But I look through the conference report and I note repeated examples of this. In most instances you bought the Senate provisions, with very few exceptions—excepting the Anderson amendment. Even there you raised it to 135 percent. Then you still exclude 20 percent from that. So Mr. Weaver can continue his assistance programs to moderate and upper income families in order that, statistically, he can come back to the Ameriacn people and say, "Look what a good job I have done despite the obvious inadequacies and failures of a miserably mismanaged program." And the House plays the game—allows him to continue this sort of thing.

The minority in its effort to amend this bill made an effort to be responsible. We made an effort to improve the bill, particularly on the motion to recommit. We could have offered a motion to recommit striking the whole billion dollars for these demonstration cities, and with the mood of the House on that particular day I believe that we would have passed that motion. But, no, we limited ourselves to a sincere effort to improve. We expected some support of the House position from the Members of the House who attended the conference. This we did not receive, except from a few Members of the minority.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. BROCK. I yield to the gentleman from Virginia.

Mr. SCOTT. Could the gentleman tell me just how, moneywise in total funds, this report differs from the bill as it passed the House? Is it more overall money, or how does it compare?

Mr. BROCK. It is considerably more, but I cannot give the gentleman an honest figure, because I do not have it, and I am not sure that it is available. I will state that it is in excess of $400 million.

Mr. Speaker, I ask the defeat of this conference report.

Mr. LLOYD. Mr. Speaker, will the gentleman yield?

Mr. BROCK. I yield to the gentleman from Utah.

Mr. LLOYD. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I note in the conference report under title IV, Guarantees for Financing New Community Land Development, which begins on page 42, there is authorization for the sum of $250 million, and that is on page 45.

Mr. BROCK. That is correct.

Mr. LLOYD. Mr. Speaker, does the gentleman know whether that is also a new title that was not included in the House bill as it was passed?

Mr. BROCK. Yes, it is entirely new.

Mr. LLOYD. Mr. Speaker, perhaps we will have an explanation as this debate continues as to the action of the conferees in accepting that new title.

Mr. Speaker, this conference report brings to us legislation which is far different than the legislation passed by this House. I am particularly concerned about title IV, which authorizes a completely new program of guarantees in the financing of new towns. This provision was stricken in the House Banking and Currency Committee and attempts to restore it on the House floor were defeated. As originally conceived by the administration, there was an authorization in excess of half-a-billion dollars. As now accepted by the conferees the figure has been reduced to $250 million but it is obvious that we are incurring vast new debts in a time when we can least afford this blow at our fiscal ability.

In addition the conferees have accepted the reinstatement of the tenant services provision with a price tag of $20 million. I feel very sure that the American taxpayer would look upon us today almost unbelievably as it occurred to him that we were authorizing this type of new expenditure.

I voted for this legislation when it was before the House with these and other newly added provisions deleted. There are many provisions of this bill which should be enacted, and I am confident that if we refuse to accept this conference report today we will receive back a bill which we can again approve. In its present form, however, I must register my strong protest and negative vote.

Mr. BROCK. They simply washed out the action of the House in striking provisions like that.

Mr. PATMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Speaker, in response to the question the gentleman just propounded as to how the new community section found its way into the conference report, of course it is entirely true that the House bill did not contain this provision. It is just as true and just as apparent that the other body, after due consideration in committee and on the floor, wrote it into their Senate bill. In conference the matter was discussed and deliberated at considerable length, and, upon the basis of the merits of the argument, the House conferees acceded to the Senate conferees. There is nothing very new, startling, or alarming about this procedure.

Mr. BROCK. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Tennessee.

Mr. BROCK. Mr. Speaker, on some 40 to 50 areas of substantive disagreement, can the gentleman name me more than two in which the House did not accept the Senate version?

Mr. ASHLEY. That is indeed possible. The House receded on 57.

Mr. BROCK. Fifty-seven. I was understating the case. I am sorry. The Senate receded on language, we receded on substance.

Mr. ASHLEY. And the Senate receded on 102 items.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I commend the gentleman from Tennessee, however, for his efforts in the House in restoring the 25 percent of income figure to the rent supplement program. In the House the percentage had been reduced to 20 percent. In conference we were able to accept the Senate provision which put it back up to 25 percent.

Mr. BROCK. Mr. Speaker, I thank the gentleman.

Mr. WIDNALL. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON of Illinois. Mr. Speaker, I want to take this brief opportunity to commend the House conferees for insisting on an income formula for eligibility for the new housing programs which bear a striking resemblance to the formula which I had the privilege of offering to the House and which was approved by a substantial majority.

However, more significant than the formula itself is the decision by the Congress in approving this conference report to withdraw—or perhaps "retreat" is a better word—from the middle- or moderate-income orientation which has characterized the section 221(d)(3) program.

In 1961 Congress enacted the section 221(d)(3) program as one for moderate-income families, families ranging far beyond the national median income. It was a program which held out a false hope to more than 70 percent of American families that they too were entitled to some housing subsidy.

The new programs in the housing bill are substitutes for section 221(d)(3). The record is clear that their enactment means a phasing out of the 221(d)(3) program. However, what is more significant is that the beneficiaries of the two new programs are to be within income ranges substantially below those for the section 221(d)(3) program. In other words, this conference report is a move away from the moderate-income subsidy concept and toward helping those families of lower income.

I have taken a random sampling of 18 cities and note that the conference report reduces the income ceilings from that recommended by the administration by as much as $2,950 in Washington, D.C. In most other ctiies the reduction varies from $1,100 to $2,600, and in only one instance was the reduction less than $500, and this was in my home community of Rockford—a reduction of $40. I find it difficult to believe that this change in the formula would, for example, involve a reduction in income level eligibility in Milwaukee of $1,180, in Cleveland of $2,060, in St. Louis of $1,150, and in

Rockford of only $40. Certainly, this bookkeeping could not be the result of any special consideration which the Secretary of Housing and Urban Development entertains for me and my congressional district.

Perhaps the Secretary is trying to tell me that public housing in Rockford, Ill., unike most other cities, does not serve the poor and therefore the formula in the conference report is almost equal to the section 221(d)(3) limits. If this be the case then the Secretary, rather than needling me with this anamoly, should concern himself with the poor in Rockford and discover why the income limits for admission and continued occupancy in public housing in Rockford are higher than other cities of comparable size in Illinois and throughout the country.

I believe the Department of Housing and Urban Development should make available the income limits for admission to public housing and section 221 (d)(3) projects before or during congressional committee consideration of housing legislation. For example, the new limits for section 221(d)(3) were made available upon the eve of conference consideration of the housing bill. On Thursday, July 18, I requested by telephone, of the Office of the Assistant Secretary for Housing Assistance and Renewal, a copy of the new limits for admission to public housing. I thought perhaps that these admission ceilings had been raised and that I was using obsolete figures bearing a 1966 date. Instead of complying with my request, a messenger from the Department gave me a comparison of the income limits based on the various proposed formulae under consideration by the conferees. Fortunately, I have a rudimentary knowledge of algebra and was able to compute the income admission figures which I desired. But I thought it highly significant that HUD did not have available for a Member of Congress the current admission figures for public housing at a time when the Congress was considering housing legislation geared to public housing admission levels.

I believe that the Secretary owes a greater obligation to the Congress than he displayed in his approach to congressional consideration of this bill. After all, it was the Secretary himself who, in his testimony before the House Housing Subcommittee—pages 184 and 185 of the hearings—said that in defining "low and moderate income families"—the beneficiaries of these new programs, he was talking about a range, and I quote—"from $3,000 to $5,000 or $6,000 a year." Subsequently, he admitted that the upper level would be around $7,000.

Even the tables submitted for the record revealed examples of $3,000 to $6,000 a year. However, I cannot reconcile this apparent dedication to the poor with the efforts of the administration to raise these income levels to section 221(d)(3) limits which are predominantly in the $7,000 and $8,000 brackets.

I hope that the Secretary in his implementation of these new programs will make meaningful his own assurances that the beneficiaries of these programs will be in the $3,000 to $7,000 income range.

I congratulate the conferees for their rejection of the administration's request, and for their decision to redirect housing subsidies to families of lower income.

Mr. BROCK. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I am glad to yield to the gentleman from Tennessee [Mr. BROCK].

Mr. BROCK. I want to endorse the gentleman's remarks, and to compliment him for them.

I also want to point out to the Members of the House, had it not been for the efforts of the gentleman from Illinois we would not have income limitations in this bill. We would not have this program focused on the low-income families otherwise, because the Department of Housing and Urban Development simply refused to do it.

I compliment the gentleman for helping to provide better legislation. He has made a major and significant improvement.

Mr. ANDERSON of Illinois. I appreciate very much the gracious remarks of the gentleman from Tennessee.

Mr. Speaker, I ask unanimous consent to include with my remarks a table of income eligibility levels which shows the differences between the limitations that existed under the formula which I proposed in my amendment and the formula now brought back in the form of this conference report.

Very quickly I point out that under the original amendment the income eligibility level was $9,867, for example, for the city of Chicago, and under the conference report provisions it would be $9,810.

The **SPEAKER** pro tempore (Mr. MATSUNAGA). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The table is as follows:

INCOME ELIGIBILITY LEVELS (FAMILY OF 5)

City and State	90 percent of 221(d)(3)	70 percent of 221(d)(3)	90 percent of 221(d)(3) plus 3 minors	Full 221(d)(3)	Public housing admission limits	135 percent of public housing admission limits	135 percent of public housing admission limits plus 3 minors	130 percent of public housing continued occupancy
Austin, Tex	$7,155	$5,565	($8,055)	$7,950	($4,400)	$5,940	($6,840)	$7,150
Birmingham, Ala	6,435	5,005	(7,335)	7,150	(3,800)	5,130	(6,030)	6,175
Boston, Mass	8 505	6,616	(9,405)	9,450	(5,900)	7,965	(8,865)	9,588
Chicago, Ill	9,090	7,070	(9,990)	10,100	(6,600)	8,910	(9,810)	9,867
Detroit, Mich	8,730	6,790	(9,630)	9,700	(5,400)	7,290	(8,190)	8,580
Washington, D.C	9,180	7,140	(10,080)	10,200	(4,100)	5,535	(6,435)	6,630
Los Angeles, Calif	9,045	7,035	(9,945)	10,050	(5,400)	7,290	(8,190)	9,360
Milwaukee, Wis	8,505	6,615	(9,405)	9,450	(5,150)	6,953	(7,853)	8,125
New York City, N.Y	9,360	7,280	(10,260)	10,400	[1] (7,476)	10,093	(10,993)	11,440
Newark, N.J	8,820	6,860	(9,720)	9,800	(4,740)	6,399	(7,299)	7,722
Philadelphia, Pa	7,470	5,810	(8,370)	8,300	(4,000)	5,400	(6,300)	6,500

[1] 2 projects with 5½-room units have an entry figure of $6,408.

Mr. WIDNALL. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. BLACKBURN].

Mr. BLACKBURN. Mr. Speaker, I voted for the bill when we voted on it previously, when it was under consideration by the House. I must confess at this juncture I am going to be compelled to vote against it.

I want to make an observation regarding these numbers which are thrown around about our conceding on 57 points and the Senate conceding on 102 points. Those do not mean a thing to me.

Apparently most of the concessions dealt with the definition terms. The concessions by the Senate dealt with definition terms, but on the "gut" concessions, as to those dealing with authorizations which can go on for the next 50 or 100 years, we conceded.

We conceded on the development of a new program involving $15 million a year for an indefinite period. Apparently it is now limited to 3 years, but we know how these programs go on.

Once they get started they never get off. We can see a new community action program has started off with a $200 million authorization, and heaven knows how many years this sort of program can go on.

Mr. Speaker, I support those who would vote against this conference report.

Mr. PATMAN. Mr. Speaker, I would ask if the gentleman from New Jersey will use his time, because we have only one other speaker.

Mr. WIDNALL. That may be so, but you have 20 minutes of time left.

Mr. PATMAN. Mr. Speaker, I insist.

The **SPEAKER** pro tempore. Does the gentleman from New Jersey care to yield time to anyone?

Does the gentleman from Texas?

Mr. PATMAN. After the minority finishes their time.

Mr. COLLIER. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Will the gentleman withhold his point of order for a moment?

Mr. COLLIER. I will withhold my point of order, Mr. Speaker.

Mr. WIDNALL. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. WINN].

Mr. WINN. Mr. Speaker, I thank the gentleman for yielding to me.

I only wish to point out that I deeply regret that in title V, under urban renewal, the conference committee did not see fit to retain the House amendment which permitted urban renewal project payment of unreduced value upon the acquisition of property where damage has occurred by limestone quarry subsidence as was passed in the same instance for coal mines in the 89th Congress.

The report says on page 157 that there was no similar provision in the Senate bill, and obviously none is contained in the conference report. I only hope that in the future the conference committee might be able to retain such amendments and without getting public letters from HUD against such constructive amendments.

I would hope the people of the Hilltop area of Kansas City, Kans., will not only continue to be patient with the slow wheels of Federal legislation, but would also look to the State and city for immediate relief.

Mr. PATMAN. Mr. Speaker, I would like to yield 2 minutes to the gentleman from Wisconsin [Mr. Reuss].

Mr. REUSS. Mr. Speaker, I thank the distinguished chairman, and I now yield for a question from the gentleman from Maryland [Mr. Machen].

Mr. MACHEN. I thank the gentleman for yielding. I was disappointed in reading this conference committee report to find that my amendment accepted by the House dealing with a mandatory provision requiring the Secretary of Housing and Urban Development to notify local political subdivisions in certifying financing under 221(d)(3) was eliminated; and thus not be able to ascertain that local services such as schools, roads, and recreational areas were adequate to serve such proposed projects. Even though they say that the program might begin to be phased out, why could not this amendment have been accepted?

Mr. REUSS. I will be glad to explain to the gentleman. The other body's conferees were adamant on this point because of their feeling that the House language was insufficiently flexible. Your House conferees did stand fast but were ultimately not able to prevail. However, it is the intention of the conferees, despite the absence from the legislation of this provision that the Secretary of Housing and Urban Development would be expected as a matter of good administration in each case under 221(d)(3) to ascertain and verify that local public services, such as schools, utilities, and so on, would be available so that the project's impact would not be an improper one, and further that it be congruent with the locally adopted master plan. So we would expect that the Secretary in the exercise of good administration would achieve substantially what the gentleman from Maryland had in mind when he introduced his amendment.

Mr. WIDNALL. Mr. Speaker, I yield 3 minutes to the distinguished minority leader, the gentleman from Michigan [Mr. Gerald R. Ford].

Mr. GERALD R. FORD. Mr. Speaker, when this measure was before the House I supported it. I recognized even in its final House version that it was not perfect legislation. However, it was materially improved by the Anderson amendment which placed income limitations upon a very vital and, in my opinion, a very good program so that that particular portion of the bill now ends up as a program to help the poor. The House committee bill, until improved by the Anderson amendment, was too broad in that it would have provided substantial subsidy for middle-income housing.

Mr. Speaker, I was glad to support the measure in the House because of the motion to recommit which eliminated the interim services and the tenant services provision.

Also, I thought that the insurance provisions for riot and flood insurance had been carefully worked out and would provide a reasonable limitation on the Federal Government obligation and at the same time get both programs underway.

I was also glad to have included the provision involving FHA financing for hospitals, which is a breakthrough, I think, in a very important area.

I must say, however, that I am disappointed in the action of the conferees in capitulating on the interim services and on the tenant services provisions of the bill. The will of the House was not really respected in those areas, and in addition the flood and riot insurance limitations were increased, I think, unnecessarily.

Furthermore, the new-town program which was not recommended by the House committee and not included in the House version now appears in the conference report. I am opposed to that program.

Mr. Speaker, I must agree with the gentleman from Georgia who put it quite bluntly that the House conferees, although they receded in a fewer number of areas, receded in those areas which were of substance and they prevailed for the House in those areas which were really not very meaningful.

Mr. Speaker, if this conference report is approved, and I suspect it will be under these parliamentary circumstances, I think we should put on notice those who did capitulate on the interim services and the tenant services that when the appropriation bill for the funding of those programs comes to the floor of the House for consideration we will do everything we possibly can to prevent any funding whatsoever for those programs. Mr. Speaker, I say this because I do not think those programs under our current fiscal situation ought to be included in this bill or in any subsequent appropriation bill. We will also oppose the funding of other programs not included in the House version. This is the only way under this parliamentary situation that we can continue to indicate our opposition to these unwarranted programs. This is a responsible position for those who supported the House bill but who oppose certain provisions in the conference report.

Mr. PATMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. Ashley], a member of the committee, in order that he may respond to questions propounded by the gentleman from Ohio [Mr. Taft] concerning new communities.

Mr. TAFT. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I shall be pleased to yield to the gentleman from Ohio.

Mr. TAFT. I thank the gentleman for yielding to me at this time for the purpose of propounding certain questions with reference to the conference report.

Mr. Speaker, the reason that I am here is because I feel there are questions to be asked about the new communities program that have never been discussed in the House of Representatives committee report or on the floor of the House which I think ought to be brought up at this time.

Mr. Speaker, it seems to me upon a quick review of the program that there is a real danger here that while the bill is directed toward the development of areas trying to help those who need housing in this country, it may be a means of providing an excuse of running away from solving the problem of housing, particularly with reference to the problems we have in the large cities of our country and in the congested areas of our country.

I notice in the description of title IV that it seems to go only to guarantees as to land values concerning which it would be only a small part in the investment in any new towns. It seems to me, therefore, that the developers of these towns are going to tend to go again, as they have in many of the housing programs, toward moderately high income levels, and there may necessarily be a de facto segregation involved in the new community concept.

I would like to know what assurances there are that this will not occur, and what justification there is for going ahead with a program that, rather than solving the problem of the ghettos where they need to be solved, is taking them out of there into the newly developed areas away from the problems that exist.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. TAFT. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Speaker, the whole approach, let me say to my colleague from Ohio, with regard to the new communities setup is based upon recognition of the fact that there are great difficulties with regard to the central city housing, so that we have greater and greater densities and more and more human beings being concentrated within the same given section in every large city in the United States.

The only hope that we have of solving our housing problems is, first of all, to renovate and make more livable the shelters within our central cities on the one hand, and at the same time to find new locations, new towns, existing towns, perhaps, in some instances, but new towns in others, that can serve as a relocation center for these desperately increasing densities within our cities at this time.

Mr. TAFT. May I say to the gentleman, that if from these apparently dense areas in the cities the people are going to move into the new towns, is there financing in this bill or contemplated to make it possible for those in the lowest economic strata who, unfortunately, find themselves in these conditions, to move to the new towns.

Mr. ASHLEY. That is exactly what we are saying.

Mr. TAFT. How is that going to be implemented, is what I would like to find out.

The SPEAKER pro tempore (Mr. Matsunaga). The time of the gentleman from Ohio has again expired.

Mr. PATMAN. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio.

Mr. ASHLEY. I will point out to the gentleman from Ohio that on page 43 of the conference report it is made clear that in approval for the guaranteeing of these debentures by FHA that it must include a proper balance in the new communities of housing for families of low and moderate incomes.

Mr. TAFT. What is the proper balance? Is this 20 percent? 30 percent? Why should we help those who do not need help at all when we can help those who need help 100 percent, not 30 or 40 or 50 percent?

Mr. ASHLEY. I do not quite understand the point the gentleman is driving at.

What the conference report makes absolutely clear is that we are not going to be creating new lily-white suburbs at all, but that the condition of approval is that families of lower income, to use the phrase of the gentleman from Illinois, must be taken into consideration at the same time.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mrs. SULLIVAN. Mr. Speaker, I want to express my support for the Housing and Urban Development Act of 1968. This is without doubt the most significant housing legislation the Congress has passed in many years. Its many significant provisions, if adequate appropriations are provided, will make it possible to make a real start toward the elimination of substandard housing and living conditions in America.

I am particularly pleased by the heavy emphasis this legislation places on providing homeownership for families of low and moderate income. I strongly believe that no American family should be denied the right to the security, independence, privacy, and pride which homeownership can provide. The circumstance of low income should not be permitted to frustrate legitimate aspirations of responsible people to own their own homes.

I know from personal experience that there are thousands of responsible lower income families who can and will achieve homeownership if the opportunity is provided to them. I know that the responsibilities and opportunities of homeownership can give hope and purpose to these families. Not only will homeownership strengthen these low income families, it will add stability to the fabric of our urban society.

Two years ago, I introduced an amendment to the Housing and Urban Development Act of 1966 to authorize FHA insured below market interest rate loans to assist nonprofit groups to rehabilitate slum dwellings and then to sell them to low-income families, with the below market interest rate loan going to the families to make it possible for them to own the rehabilitated dwellings. This amendment was passed by the Congress and became the section 221(h) homeownership program.

This was the first program ever passed by the Congress to make low interest rate loans available to assist low income families to become homeowners. This program received unusually quick and widespread response from private nonprofit groups all over the country. The group which pioneered in this significant and worthwhile development, and the one which received the first commitment for mortgage financing under section 221(h), was the Bicentennial Civic Improvement Association in my own city of St. Louis. Now there are 192 homeownership projects in 60 cities being financed under section 221(h).

I feel sure the legislation now under consideration, building on the successful experience under section 221(h), will make it possible for thousands of American families of low income to realize their dreams of homeownership.

Mr. Speaker, I must forgo a vote on this conference report this afternoon in order to catch a plane for St. Louis where I have a business engagement of long standing. Were I here, I would vote "yea" for the passage of this legislation.

Mr. BARRETT. Mr. Speaker, our action today on the housing bill is one of the most important actions to be taken in the 90th Congress and approval of the report will mark this Congress as one of historic importance in our efforts to eliminate slums, improve our cities, and help low-income families to obtain decent housing. Among the many new approaches to our housing and other urban problems, the greatest breakthrough in my judgment, is the aid that this bill offers for homeownership. Past housing legislation has provided vitally important assistance through public housing and through assistance for nonprofit rental housing, but our first step toward making homeownership possible for lower income families was pioneered by our distinguished colleague the gentlewoman from Missouri [Mrs. SULLIVAN], through low-interest loans to low-income families to enable them to afford homeownership. The conference report now before the House provides a greatly expanded approach to homeownership through interest subsidies which can reduce the effective rate to as low as 1 percent. These subsidies will help as many as one-half million families to become homeowners over the 2-year period covered by the bill.

A similar interest subsidy approach is also provided for rental and cooperative housing and again can reduce the cost of financing such housing to as low as 1 percent. Because the interest subsidy approach has a minimal impact on the Federal budget, since the financing is provided by private lenders, we can greatly accelerate our production of new housing to meet the needs of lower income families.

President Johnson has announced a 10-year goal of eliminating substandard housing and this goal is reaffirmed in the conference report. To do this will require a major increase in both new construction and the rate at which we are rehabilitating our existing housing supply. The 3-year program provided in this bill will set us on course to meet that objective. In addition to the interest subsidy programs it would authorize increased funds for urban renewal together with the requirement that a majority of the housing units built in residential projects must be for low- and moderate-income families.

The conference report also authorizes the appropriation of an additional $1 billion for the model cities program which holds great promise for not only physically restoring blighted areas of our cities but also offers the people who live there a wide range of assistance. Further aid for rehabilitating our present housing supply would be provided through improvements to the present loan and grant programs. This legislation would make them available in areas not now covered and the rehabilitation grant to a homeowner would be increased from the present limit of $1,500 to $3,000.

Mr. Speaker, the conferees have worked long and hard on this legislation and I believe have made decisions which should be very favorably received in the House. All of the conferees were cooperative and constructive and I particularly want to thank the distinguished ranking minority member on our committee, the gentleman from New Jersey [Mr. WIDNALL], and his colleagues, the gentlewoman from New Jersey [Mrs. DWYER] and the gentleman from Michigan, Mr. GARRY BROWN, for their effort in fashioning the original legislation and this conference report.

Mr. Speaker, the desperate needs of our cities have resulted in turmoil throughout the country and it is imperative that we answer these pleas with the kind of solid and substantial assistance this bill will provide. The housing bill was approved by the House earlier this month by a very substantial majority and I hope that the margin of approval of the conference report will be even larger.

Mr. ST GERMAIN. Mr. Speaker, the conference report on the Housing and Urban Development bill, now before the House, would authorize many important new programs as well as improving our existing programs. I want to cite one new program which I believe to be of particular importance and which I have been closely associated with. This is the title which at long last will create a workable program of flood insurance. Tremendous destruction has been wrought in our country every year by flooding and the losses are appallingly high. In fact, they are so high that the private insurance industry has been unable to provide protection to property owners from this hazard. As long ago as 1956, a flood insurance program was enacted but it did not prove workable and has never gone into effect. Now in this bill we have worked out these problems and will create a program which has wholehearted endorsement by the insurance industry.

The question is not whether or not to accept this new insurance program or to avoid cost to the Government altogether since disaster relief entails a heavy cost. In my judgment, this is a much better approach to the problem because it assures the property owner of a prompt and known payment when disaster strikes. Also the bill is designed to encourage wiser use of land in flood-prone areas through protective zoning. I would like to point out that there is no conflict between this insurance program and the need for flood control works since it is still our aim to avoid the destruction of floods and there will be no letup in Federal aid for this purpose.

I share with a number of Members of this body a first-hand experience in the anguish and despair caused by disastrous flooding. As recently as March of this year flooding along the Blackstone River Valley caused more than $1 million in property losses for residents of the First Congressional District of Rhode Island which I represent.

In other years this district has also suffered severe and uninsured flood losses. In 1955, in my hometown of Woonsocket, Hurricane Diane caused flooding up to the level of the street lights in some areas. This one storm caused more than $38 million in property losses for the State of Rhode Island. I know the vital need for flood insurance and I support this program to make it available.

Under this cooperative Government-private industry approach the resources of the insurance companies, agents and brokers would be utilized to sell and service flood insurance coverage for homes and small businesses. In order to make coverage economically feasible for owners of existing properties which are located in identified flood-prone areas, the program permits insurance to be made at reasonable rates which in most cases would be lower than actuarial rates.

Under this legislation the Federal Government would provide for full industry participation in the flood insurance program on a feasible risk-sharing basis by providing for premium equalization payments reflecting the difference between actuarial and reasonable rates for existing properties and by assuming liability for a share of any catastrophic flood losses incurred under flood insurance policies.

Ratemaking data for flood insurance have already been collected for 42 areas and, as soon as the program goes into effect, additional areas will be studied as quickly as possible. Coverage will be made available in each area as soon as feasible after the necessary flood data have been collected. I understand that following enactment of this legislation the Department of Housing and Urban Development will undertake these studies in a number of additional areas so that flood insurance will be available at the earliest practicable date.

Mr. Speaker, I would like to mention another part of the bill in which I have a strong interest. The conference report will improve the benefits of the rehabilitation loan and grant programs by making them available in areas not now eligible. Also, the maximum rehabilitation grant to homeowners is doubled in this legislation from the present $1,500 to $3,000. These provisions will go far to help us make the best use of our existing housing supply to meet our housing needs.

Mr. Speaker, I have mentioned only two facets of the conference report which contains many more needed and constructive provisions. Taken as a whole, this bill will make a major contribution toward improving our cities and providing decent housing for all Americans. I strongly urge its adoption.

Mr. KARTH. Mr. Speaker, the Housing and Urban Development Act of 1968 caps the administration's broad effort to build a better America. It is indeed the "charter of renewed hope for the American city" which President Johnson called his urban program when it went up to Congress.

In detailing that program, the President said:

> If our cities are to be saved from the blight of obsolescence and despair, we must now firmly set the course that America will travel. There is no time to lose.

The housing bill provides the assistance our cities need for their task of rebuilding, replenishing, and revitalizing the Nation's housing and public facilities. It establishes a top priority on help for the poor through expanded job opportunities as well as improved housing.

The bill furthers this administration's pledge to end the paradox of squalor in the midst of affluence. The administration has acted on that pledge by—

Its pursuit and persistence in getting medical care for everybody over 65;

Advocating and getting needed aid for schooling of children from poor families;

Declaring war on poverty and developing a broad-gauged program for attacking it;

Giving the Nation a fundamental package of protective legislation so that all Americans could enjoy equally the full range of their civil rights;

Persisting until we now have a fair housing law;

Bringing private enterprise, with its powerful resources, into the development of housing for markets unreached before; and

Bringing opportunity for homeownership to our low-income families.

This bill, with its explicit goals of conserving and expanding the housing supply for low- and moderate-income families, encouraging new enterprise that produces jobs and houses, and giving quick, tangible, visible help to areas with the most critical and urgent needs—puts a new face on our national programs and helps to build an urban world sufficient to the needs of all Americans.

Mr. WOLFF. Mr. Speaker, the Housing and Urban Development Act of 1968 is another strong link in the chain which has been forged by the administration of President Johnson to improve the human and physical conditions in our cities.

In recent years, this administration has led the way in providing the means with which to cope with the problems of the cities and the suburbs and their people.

The remarkable record of achievement includes among others:

The Civil Rights Acts of the past 4 years which will result in the elimination of discrimination in job opportunities, in public accommodations, housing and voting.

The provision of job training for several million disadvantaged men and women to make them able to support themselves in dignity and self-respect.

The various education acts which extend the opportunities for millions of children throughout the Nation.

The provision of health care to the elderly and to the poor through medicare and medicaid.

The various measures designed to combat the perils of pollution of the air and of the water.

The Economic Opportunity Acts which helped many millions of Americans to begin their climb out of abject poverty and despair.

The various housing measures which during the past 4 years resulted in the establishment of the Department of Housing and Urban Development, in the creation of the rent supplements program to increase the supply of housing for needy families, in the inauguration of the model cities program, the innovative program which focuses the entire complement of programs onto a poor neighborhood to restore it to a livable community.

The bill before us today adds another large measure of help—a large measure of opportunity for people to help themselves and others—to make our cities and suburbs better places in which to live, in which to work, in which to rear a family.

In general this Housing and Urban Development Act will increase the number of units which can be started under the low-rent public housing program for those who need Federal assistance to obtain decent housing.

This act will continue the effort to restore the core of our center cities and to improve the lives of those who live there through the model cities program.

This act will bring the talents and energies of private enterprise to the task of housing low-income families through the creation of an effective partnership between the Government and business.

This act will augment the existing urban renewal program and provide a new approach to the program to help cities restore and renew dying portions of the community.

The act will help cities develop modern and efficient mass transit systems and services.

The act provides for a program of helping to develop new communities to accommodate urban growth and to improve the planning for the orderly development of public facilities.

All in all, this omnibus housing bill provides the vehicle by which cities and suburbs can help themselves meet many of the current problems and by which millions of Americans can be helped to become homeowners or tenants in decent housing.

While we might have been able to do more in this area; we certainly cannot do less. I am happy to vote for the enactment of this bill.

Mr. ROONEY of Pennsylvania. Mr. Speaker, I speak in support of the Housing and Urban Development Act of 1968, a bill which provides badly needed homes for millions of America's ill housed. This bill not only enables families to own homes and rent apartments that they would otherwise be unable to afford, but it also provides for building of new housing as well as renovating existing structures. Furthermore, our cities are to be revitalized through various programs ranging from mass transportation to providing essential public facilities. These are essential if our cities are to continue to be viable places for our people to live.

The most essential features are those which deal with new ways to meet the housing needs of today's lower income families. The Federal Government would in effect, subsidize their mortgages by paying interest supplements to the mortgagors. Furthermore, already existing programs such as the turnkey and rent supplement programs are being expanded to meet the ever-increasing demands for better and more readily available housing. The rent supplement program is of special interest—it encourages privately built, financed, and owned housing. Strongly endorsed by private industry, it is already well underway. However, the program has been grossly underfunded. If it is to provide the additional 375,000 rent units proposed for the next 5-year period, additional funds of $40 million for 1970 and amounts of $100 million in each fiscal year of 1970 and 1971 must be made available.

Like rent supplements, the model cities program is well underway, but in order to achieve the goals that have been set for the program and maintain our commitment to the cities involved, additional sums of money must be available. This is a highly innovative program covering the broad social, economic, and physical problems of our cities. It also provides for a concentrated approach to these problems. It offers the communities an opportunity to establish their own priorities, provide their own solutions, and develop new methods of approaching the problems facing them. By 1970 we will have 130 to 140 communities involved in the program. The communities involved range from whole towns to specific areas of larger cities. One billion dollars is required for supplemental grants for 1970 and for 1971. As of today, only the planning stage has been funded. If we are to insure the cooperation and support of these communities we must reassure them of our continuing commitment by funding the rest of the program.

I urge your support of this bill which is essential not only to the future growth of our cities, but more importantly to the physical and social well-being of millions of American families.

Mr. PHILBIN. Mr. Speaker, the housing bill is comprehensive, constructive, and, I believe, it brings lasting credit. Most of the essential provisions of the omnibus bill were enacted and should be very helpful.

I regret that the income eligibility levels for families seeking Federal subsidy of interest payment on mortgages for their homes was severely limited in the House.

Actually, the House endorsed homeownership for the poor only, and this is not a total solution, since if families are to escape from the ghettos, they can hope to do so only in an expanding housing market in which both poor and middle-income families have mobility to make room for one another.

I am greatly concerned about the $20 million cut in the low-rent supplement program, because it ended valuable social services for tenants. Obviously, it is a contradiction to provide the poor with shelter and then not acquaint them with job opportunities and training programs, and to inform them of available health programs and establish day-care centers for working mothers.

Failure to act in these areas will impose serious restrictions upon the housing program and deny important benefits that seem to be vital to a well-rounded comprehensive housing program.

However, on the whole, this is a good, promising, and constructive bill, and it will be very helpful to many communities and people, and I have been pleased to work hard to advance it and to support it in the House.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this conference report on S. 3497 and include any relevant extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

Mr. WIDNALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 228, nays 135, not voting 69, as follows:

[Roll No. 287]

YEAS—228

Adams
Addabbo
Albert
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspinall
Barrett
Bates
Bell
Biester
Bingham
Blatnik
Boggs
Bolton
Brademas
Brasco
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, Calif.
Bush
Button
Byrne, Pa.
Carey
Chamberlain
Clausen, Don H.
Cleveland
Cohelan
Conable
Conte
Conyers
Corman
Culver
Daddario
Daniels
Davis, Ga.
Dawson
de la Garza
Delaney
Dellenback
Diggs
Dingell
Donohue
Dow
Downing
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Esch
Eshleman
Evans, Colo.
Everett
Fallon
Farbstein
Fascell
Feighan
Foley
Ford, Gerald R.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Garmatz
Giaimo
Gibbons
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Hardy
Harvey
Hathaway
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Howard
Irwin
Joelson
Johnson, Calif.
Jones, Ala.
Kastenmeier
Kazen
Kee
Keith
Kluczynski
Kyros
Latta
Leggett
Long, Md.
McCarthy
McDade
McDonald, Mich.
McFall
Macdonald, Mass.
MacGregor
Machen
Madden
Mailliard
Mathias, Md.
Matsunaga
Meeds
Meskill
Miller, Calif.
Minish
Mink
Minshall
Mize
Monagan
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pike
Pollock
Price, Ill.
Pryor
Pucinski
Quie
Railsback
Randall
Rees
Reid, N.Y.
Reifel
Reuss
Riegle
Robison
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roth
Roush
Roybal
Ruppe
Ryan
St Germain
St. Onge
Saylor
Scheuer
Schweiker
Schwengel
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stephens
Stratton
Stubblefield
Taft
Talcott
Taylor
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Wampler
Watts
Whalen
White
Widnall
Willis
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zwach

NAYS—135

Abernethy
Adair
Andrews, Ala.
Arends
Ashbrook
Ashmore
Baring
Battin
Belcher
Bennett
Berry
Betts
Bevill
Blackburn
Bow
Bray
Brinkley
Brock
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Byrnes, Wis.
Cabell
Cahill
Casey
Clancy
Clawson, Del
Collier
Colmer
Cramer
Curtis
Davis, Wis.
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Duncan
Edwards, Ala.
Erlenborn
Findley
Fisher
Flynt
Fountain
Gathings
Gettys
Goodling
Griffin
Gross
Hagan
Haley
Hall
Halleck
Hammerschmidt
Harrison
Harsha
Henderson
Hosmer
Hunt
Hutchinson
Ichord
Jarman
Jonas
Jones, N.C.
King, N.Y.
Kleppe
Kornegay
Kyl
Laird
Langen
Lennon
Lipscomb
Lloyd
Lukens
McCloskey
McClure
McMillan
Mahon
Marsh
Martin
May
Mayne
Michel
Miller, Ohio
Mills
Montgomery
Morton
Myers
Nelsen
Nichols
O'Neal, Ga.
Passman
Pelly
Pettis
Pirnie
Poff
Price, Tex.
Reid, Ill.
Reinecke
Rhodes, Ariz.
Rivers
Roberts
Rogers, Fla.
Rumsfeld
Sandman
Satterfield
Schadeberg
Scherle
Schneebeli
Scott
Selden
Smith, Calif.
Smith, Okla.
Springer
Steiger, Ariz.
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Utt
Waggonner
Watkins
Watson
Whalley
Whitener
Whitten
Wiggins
Williams, Pa.
Wilson, Bob
Zion

NOT VOTING—69

Abbitt
Anderson, Tenn.
Ayres
Blanton
Boland
Bolling
Carter
Cederberg
Celler
Clark
Corbett
Cowger
Cunningham
Dent
Dole
Edwards, La.
Eilberg
Evins, Tenn.
Fino
Flood
Ford, William D.
Fulton, Tenn.
Gallagher
Gardner
Gilbert
Gubser
Gurney
Hansen, Idaho
Hawkins
Hays
Hébert
Herlong
Holifield
Holland
Horton
Hull
Hungate
Jacobs
Johnson, Pa.
Jones, Mo.
Karsten
Karth
Kelly
King, Calif.
Kirwan
Kupferman
Kuykendall
Landrum
Long, La.
McClory
McCulloch
McEwen
Mathias, Calif.
Pickle
Poage
Podell
Purcell
Quillen
Rarick
Resnick
Rhodes, Pa.
Rosenthal
Roudebush
Snyder
Stuckey
Sullivan
Teague, Tex.
Tenzer
Tuck

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Kirwan with Mr. Ayres.
Mr. Celler with Mr. Fino.
Mr. Hébert with Mr. Corbett.
Mr. Evins of Tennessee with Mr. Gubser.
Mr. Rosenthal with Mr. Horton.
Mr. King of California with Mr. Carter.
Mr. Dent with Mr. Johnson of Pennsylvania.
Mr. Hull with Mr. Kuykendall.
Mr. Eilberg with Mr. McClory.
Mr. Flood with Mr. Cowger.
Mr. Hays with Mr. McCulloch.
Mr. Gilbert with Mr. McEwen.
Mr. Clark with Mr. Cunningham.
Mr. Holifield with Mr. Mathias of California.
Mrs. Kelly with Mr. Kupferman.
Mr. Edwards of Louisiana with Mr. Dole.
Mr. Anderson of Tennessee with Mr. Gardner.
Mr. Blanton with Mr. Gurney.
Mr. Hungate with Mr. Hansen of Idaho.
Mr. Long of Louisiana with Mr. Quillen.
Mr. Jacobs with Mr. Roudebush.
Mr. Boland with Mr. Snyder.
Mr. Hawkins with Mr. Gallagher.
Mr. Pickle with Mr. William D. Ford.
Mrs. Sullivan with Mr. Stuckey.
Mr. Landrum with Mr. Karth.
Mr. Purcell with Mr. Rarick.
Mr. Fulton of Tennessee with Mr. Herlong.
Mr. Tenzer with Mr. Tuck.
Mr. Rhodes of Pennsylvania with Mr. Abbitt.
Mr. Podell with Mr. Karsten.
Mr. Resnick with Mr. Holland.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 1420. Joint resolution making continuing appropriations for the fiscal year 1969, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16913) entitled "An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 14, 19, 24, 25, and 40 to the foregoing.

POPULAR ELECTION OF GOVERNOR OF THE VIRGIN ISLANDS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 450) to provide for the popular election of the Governor of the Virgin Islands, and for other purposes, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment, as follows:

Page 13, of the House engrossed amendment, strike out lines 18 to 22, inclusive, and insert:

"The following provisions of and amendments to the Constitution of the United States are hereby extended to the Virgin Islands to the extent that they have not been previously extended to that territory and shall have the same force and effect there as in the United States or in any State of the United States: article I, section 9, clauses 2 and 3; article IV, section 1 and section 2, clause 1; the first to ninth amendments inclusive; the thirteenth amendment; the second sentence of section 1 of the fourteenth amendment; and the fifteenth and nineteenth amendments: *Provided, however,* That all offenses shall continue to be prosecuted in the district court by information as heretofore, except such as may be required by local law to be prosecuted by indictment by grand jury.

"All laws enacted by Congress with respect to the Virgin Islands and all laws enacted by the territorial legislature of the Virgin Islands which are inconsistent with the provisions of this subsection are repealed to the extent of such inconsistency."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. MORTON. Mr. Speaker, reserving the right to object, and I will not object, but I would like to take this time to ask the distinguished chairman of the full Committee on Interior and Insular Affairs if the amendment that was added to this bill in the Senate is germane to the bill as passed by the House?

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. MORTON. I yield to the gentleman from Colorado.

Mr. ASPINALL. Mr. Speaker, S. 450 provides for the popular election of the Governor and Lieutenant Governor of the Virgin Islands, revises the present law relating to the appointment, tenure, and duties of the Government comptroller, and for other purposes.

This legislation also passed the House on June 17, 1968, with an amendment striking all after the enacting clause and inserting the House amendment. The other body has agreed to the House amendment with an amendment which extends to the Virgin Islands certain provisions of the U.S. Constitution not now applicable in the Virgin Islands.

These provisions are similar to those just enumerated in the bill providing for the popular election of the Governor and Lieutenant Governor of Guam, with the exception that all offenses in the Virgin Islands shall continue to be prosecuted in the district court by information, except where required by local law to be prosecuted by indictment of the grand jury.

Mr. Speaker, the amendment adopted by the other body improves the legislation and resolves technical questions raised by the House language.

I ask unanimous consent that the House agree to the amendment of the other body.

Mr. MORTON. Is this a modification of the amendment that was offered by the gentlewoman from Hawaii [Mrs. MINK] dealing with the constitutional rights of the people in the islands?

Mr. ASPINALL. If the gentleman will yield further, the gentleman is correct, and the words are satisfactory to the sponsor, Mrs. MINK.

Mr. MORTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. CAREY. Mr. Speaker, reserving the right to object, and I shall not object, I just wish to take this brief moment to commend the ranking minority member of the subcommittee which produced this legislation permitting election of the Governorship in the Virgin Islands and soon in Guam—also to point out that I believe all Americans should take note of this hour in which, from one end of our country to the other, that people can participate to a greater degree in the electoral process.

We owe this to the bipartisan nature of the sponsorship of this legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment to the House amendment was concurred in.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 3418, FEDERAL-AID HIGHWAY ACT OF 1968

Mr. FALLON. Mr. Speaker, I call up the conference report on the bill (S. 3418) to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1799)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3418) to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal-Aid Highway Act of 1968".

REVISION OF AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SYSTEM

SEC. 2. Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—

For the purpose of expediting the construction, reconstruction, or improvement, inclusive of necessary bridges and tunnels, of the Interstate System, including extensions thereof through urban areas, designated in accordance with the provisions of subsection (d) of section 103 of title 23, United States Code, there is hereby authorized to be appropriated the additional sum of $1,000,000,000 for the fiscal year ending June 30, 1957, which sum shall be in addition to the authorization heretofore made for that year, the additional sum of $1,700,000,000 for the fiscal year ending June 30, 1958, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1959, the additional sum of $2,500,000,000 for the fiscal year ending June 30, 1960, the additional sum of $1,800,000,000 for the fiscal year ending June 30, 1961, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1962, the additional sum of $2,400,000,000 for the fiscal year ending June 30, 1963, the additional sum of $2,600,000,000 for the fiscal year ending June 30, 1964, the additional sum of $2,700,000,000 for the fiscal year ending June 30, 1965, the additional sum of $2,800,000,000 for the fiscal year ending June 30, 1966, the additional sum of $3,000,000,000 for the fiscal year ending June 30, 1967, the additional sum of $3,400,000,000 for the fiscal year ending June 30, 1968, the additional sum of $3,800,000,000 for the fiscal year ending June 30, 1969, the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1970, the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1971, the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1972, the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1973, and the additional sum of $2,225,000,000 for the fiscal year ending June 30, 1974. Nothing in this subsection shall be construed to authorize the appropriation of any sums to carry out sections 131, 136, or 319(b) of title 23, United States Code, or any provision of law relating to highway safety enacted after May 1, 1966."

AUTHORIZATION OF USE OF COST ESTIMATE FOR APPORTIONMENT OF INTERSTATE FUNDS

SEC. 3. The Secretary of Transportation is authorized to make the apportionment for the fiscal years ending June 30, 1970, and 1971, of the sums authorized to be appropriated for such years for expenditures on the National System of Interstate and Defense Highways, using the apportionment factors contained in the revision of table 5 of House Document Numbered 199, Ninetieth Congress, set forth in Senate Report 1340, Ninetieth Congress.

EXTENSION OF TIME FOR COMPLETION OF SYSTEM

SEC. 4. (a) The second paragraph of section 101(b) of title 23, United States Code, is amended by striking out "sixteen years'" and inserting in lieu thereof "eighteen years'" and by striking out "June 30, 1972", and inserting in lieu thereof "June 30, 1974".

(b) The introductory phrase and the second and third sentences of section 104(b)(5) of title 23, United States Code, are amended by striking "1972" where it appears and inserting in lieu thereof "1974", and such section 104(b)(5) is further amended by striking the three sentences preceding the last sentence and inserting in lieu thereof the following: "Upon the approval by the Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the fiscal years ending June 30, 1970, and June 30, 1971. The Secretary shall make a final revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section, in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1970. Upon the approval by the Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the fiscal years ending June 30, 1972, June 30, 1973, and June 30, 1974."

AUTHORIZATIONS

SEC. 5. For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system and the Federal-aid secondary system and for their extension within urban areas, out of the Highway Trust Fund, $1,100,000,000 for the fiscal year ending June 30, 1970, and $1,100,000,000 for the fiscal year ending June 30, 1971. Nothing in this paragraph shall be construed to authorize the appropriation of any sums to carry out section 131, 136, 319(b) or chapter 4 of title 23, United States Code. The sums authorized in this paragraph for each fiscal year shall be available for expenditure as follows:

(A) 45 per centum for projects on the Federal-aid primary highway system;

(B) 30 per centum for projects on the Federal-aid secondary highway system; and

(C) 25 per centum for projects on extensions of the Federal-aid primary and Federal-aid secondary highway systems in urban areas.

(2) For traffic operation projects in urban areas as authorized in section 135 of title 23, United States Code, out of the Highway Trust Fund, $200,000,000 for the fiscal year ending June 30, 1970, and $200,000,000 for the fiscal year ending June 30, 1971.

(3) For forest highways, $33,000,000 for the fiscal year ending June 30, 1970, and $33,000,000 for the fiscal year ending June 30, 1971.

(4) For public lands highways, $16,000,000 for the fiscal year ending June 30, 1970, and $16,000,000 for the fiscal year ending June 30, 1971.

(5) For forest development roads and trains, $170,000,000 for the fiscal year ending June 30, 1970, and $170,000,000 for the fiscal year ending June 30, 1971.

(6) For public lands development roads and trails, $3,500,000 for the fiscal year ending June 30, 1970, and $5,000,000 for the fiscal year ending June 30, 1971.

(7) For park roads and trails, $30,000,000 for the fiscal year ending June 30, 1971.

(8) For parkways, $11,000,000 for the fiscal year ending June 30, 1971.

(9) For Indian reservation roads and bridges, $30,000,000 for the fiscal year ending June 30, 1970, and $30,000,000 for the fiscal year ending June 30, 1971.

(10) For carrying out section 402 of title 23 United States Code (relating to highway safety programs), $75,000,000 for the fiscal year ending June 30, 1970, and $100,000,000 for the fiscal year ending June 30, 1971. Sums for carrying out section 402 of title 23, United States Code, authorized by this paragraph shall not be apportioned until Congress, by law enacted after the date of enactment of this Act, shall provide for such apportionment.

(11) For carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway safety research and development), the additional sum of $30,000,000 for the fiscal year ending June 30, 1970, and the additional sum of $37,500,000 for the fiscal year ending June 30, 1971.

(12) For the Federal-aid primary system and the Federal-aid secondary system, exclusive of their extensions in urban areas, out of the Highway Trust Fund, $125,000,000 for the fiscal year ending June 30, 1970 and $125,000,000 for the fiscal year ending June 30, 1971, such sums to be in addition to the sums authorized in paragraph (1) of this subsection. The sums authorized in this paragraph for each fiscal year shall be available for expenditure as follows:

(A) 60 per centum for projects on the Federal-aid primary highway systems; and

(B) 40 per centum for projects on the Federal-aid secondary system.

HIGHWAY BEAUTIFICATION

SEC. 6. (a) Section 131(d) of title 23, United States Code, is amended by inserting the following sentence between the second and third sentences of the subsection: "Whenever a bona fide State, county, or local zoning authority has made a determination of customary use, such determination will be accepted in lieu of controls by agreement in the zoned commercial and industrial areas within the geographical jurisdiction of such authority."

(b) The first sentence of section 131(j) of title 23, United States Code, is amended by striking out "or the control required by this section, whichever control is stricter".

(c) Section 131(m) of title 23, United States Code, is amended to read as follows:

"(m) There is authorized to be appropriated to carry out the provisions of this section, out of any money in the Treasury not otherwise appropriated, not to exceed $20,000,000 for the fiscal year ending June 30, 1966, not to exceed $20,000,000 for the fiscal year ending June 30, 1967, and not to exceed $2,000,000 for the fiscal year ending June 30, 1970. The provisions of this chapter relating to the obligation, period of availability and expenditure of Federal-aid primary highway funds shall apply to the funds authorized to be appropriated to carry out this section after June 30, 1967."

(d) Section 131 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(n) No sign, display, or device shall be required to be removed under this section if the Federal share of the just compensation to be paid upon removal of such sign, display, or device is not available to make such payment."

(e) Section 136(m) of title 23, United States Code, is amended to read as follows:

"(m) There is authorized to be appropriated to carry out this section, out of any money in the Treasury not otherwise appropriated, not to exceed $20,000,000 for the fiscal year ending June 30, 1966, not to exceed $20,000,000 for the fiscal year ending June 30, 1967, and not to exceed $3,000,000 for the fiscal year ending June 30, 1970. The provisions of chapter 1 of this title relating to the obligation, period of availability, and expenditure of Federal-aid primary highway funds shall apply to the funds authorized to be appropriated to carry out this section after June 30, 1967."

(f) Section 319(b) of title 23, United States Code, is amended by striking out the last two sentences and inserting in lieu thereof the following: "There is authorized to be appropriated to carry out this subsection, out of any money in the Treasury not otherwise appropriated, not to exceed $120,000,000 for the fiscal year ending June 30, 1966, not to exceed $120,000,000 for the fiscal year ending June 30, 1967, and not to exceed $20,000,000 for the fiscal year ending June 30, 1970. The provisions of chapter 1 of this title relating to the obligation, period of availability, and expenditure of Federal-aid primary highway funds shall apply to the funds authorized to be appropriated to carry out this subsection after June 30, 1967."

(g) There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for necessary administrative expenses in carrying out sections 131, 136, and 319(b) of title 23, United States Code, not to exceed $1,250,000 for the fiscal year ending June 30, 1969, and $1,250,000 for the fiscal year ending June 30, 1970.

ADVANCE ACQUISITION OF RIGHTS-OF-WAY

SEC. 7. (a) Subsection (b) of section 108 of title 23, United States Code, is amended by striking out "this section" and inserting in lieu thereof "subsection (a) of this section".

(b) Section 108 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) (1) There is hereby established in the Treasury of the United States a revolving fund to be known as the right-of-way revolving fund which shall be administered by the Secretary in carrying out the provisions of this subsection. Sums authorized to be appropriated to the right-of-way revolving fund shall be available for expenditure without regard to the fiscal year for which such sums are authorized.

"(2) For the purpose of acquiring rights-of-way for future construction of highways on any Federal-aid system and for making payments for the moving or relocation of persons, businesses, farms, and other existing uses of real property caused by the acquisition of such rights-of-way, in addition to the authority contained in subsection (a) of this section, the Secretary, upon request of a State highway department, is authorized to advance funds, without interest, to the State from amounts available in the right-of-way revolving fund, in accordance with rules and regulations prescribed by the Secretary. Funds so advanced may be used to pay the entire costs of projects for the acquisition of rights-of-way, including the net cost to the State of property management, if any, and related moving and relocation payments made pursuant to section 133 or chapter 5 of this title.

"(3) Actual construction of a highway on rights-of-way, with respect to which funds are advanced under this subsection, shall be commenced within a period of not less than two years nor more than seven years following the end of the fiscal year in which the Secretary approves such advance of funds, unless the Secretary, in his discretion, shall provide for an earlier termination date. Immediately upon the termination of the period of time within which actual construction must be commenced, in the case of any project where such construction is not commenced before such termination, or upon approval by the Secretary of the plans, specifications; and estimates for such project for the actual construction of a highway on rights-of-way with respect to which funds are advanced under this subsection, whichever shall occur first, the right-of-way revolving fund shall be credited with an amount equal to the Federal share of the funds advanced, as provided in section 120 of this title, out of any Federal-aid highway funds apportioned to the State in which such project is located and available for obligation for projects on the Federal-aid system of which such project is to be a part, and the State shall reimburse the Secretary in an amount equal to the non-Federal share of the funds advanced for deposit in, and credit to, the right-of-way revolving fund."

(c) There is authorized to be appropriated, out of the highway trust fund, to the right-of-way revolving fund established by subsection (c) of section 108 of title 23, United States Code, $100,000,000 for the fiscal year ending June 30, 1970, $100,000,000 for the fiscal year ending June 30, 1971, and $100,000,000 for the fiscal year ending June 30, 1972.

(d) On or before January 1 next preceding the commencement of each fiscal year for which funds are authorized to be appropriated to the right-of-way revolving fund by subsection (c) of this section, the Secretary shall apportion the funds so authorized for such fiscal year to the States. Each State shall be apportioned for such fiscal year an amount which bears the same percentage relationship to the total amount being apportioned under this subsection as the total of all apportionments made to such State for such fiscal year under paragraphs (1), (2), (3), and (5), of subsection (b) of section 104 of title 23, United States Code, bears to the total of all amounts apportioned under such paragraphs to all States for such fiscal year. Amounts apportioned under this subsection shall not be construed to be authorizations of appropriations for the construction, reconstruction, or improvement of the Interstate System for the purposes of subsection (g) of section 209 of the Highway Revenue Act of 1956.

(e) Funds apportioned to a State under this subsection (d) of this section shall remain available for obligation for advances to such State until October 1 of the fiscal year for which such apportionment is made. All amounts not advanced or obligated for advancement before such date shall revert to the right-of-way revolving fund and together with all other amounts credited and reimbursed to such fund shall be available for advances to the States to carry out subsection (c) of section 108 of title 23, United States Code, in an equitable manner, taking into consideration each State's need for, and ability to use, such advances, in accordance with such rules and regulations as the Secretary of Transportation shall establish.

DEFINITIONS OF FOREST ROAD OR TRAIL AND FOREST DEVELOPMENT ROADS AND TRAILS

SEC. 8. The fourth and fifth paragraphs in section 101(a) of title 23, United States Code, are amended to read as follows:

"The term 'forest road or trail' means a road or trail wholly or partly within or adjacent to and serving the national forests and other areas administered by the Forest Service.

"The term 'forest development roads and trails' means those forest roads or trails of primary importance for the protection, administration, and utilization of the national forest and other areas administered by the Forest Service or, where necessary, for the use and development of the resources upon which communities within or adjacent to the national forest and other areas administered by the Forest Service are dependent."

FOREST DEVELOPMENT ROADS AND TRAILS

SEC. 9. Subsection (c) of section 205 of title 23, United States Code, is amended to read as follows:

"(c) Construction estimated to cost $15,000 or more per mile or $15,000 or more per project for projects with a length of less than one mile, exclusive of bridges and engineering, shall be advertised and let to contract. If such estimated cost is less than $15,000 per mile or $15,000 per project for projects with a length of less than one mile or if, after proper advertising, no acceptable bid is received or the bids are deemed excessive, the work may be done by the Secretary of Agriculture on his own account."

URBAN AREA TRAFFIC OPERATIONS IMPROVEMENT PROGRAMS

SEC. 10. (a) Chapter 1 of title 23, United States Code, is amended by adding immediately after section 134 the following new section 135:

"§ 135. Urban area traffic operations improvement programs

"(a) The Congress hereby finds and declares it to be in the national interest that each State should have a continuing program within the designated boundaries of urban areas of the State designed to reduce traffic congestion and to facilitate the flow of traffic in the urban areas.

"(b) The Secretary may approve under this section any project on an extension of the Federal-aid primary or secondary system in urban areas for improvements which directly facilitate and control traffic flow, such as grade separation of intersections, widening of lanes, channelization of traffic, traffic control systems, and loading and unloading ramps, if such project is based on a continuing comprehensive transportation planning process carried on in accordance with section 134 of this title.

"(c) The sums authorized to carry out this section shall be apportioned in accordance with section 104(b)(3) of this title.

"(d) The Secretary shall report annually on projects approved under this section with any recommendations he may have for further improvement of traffic operations in accordance with this section."

(b) The analysis of chapter 1 of title 23, United States Code, is hereby amended by adding thereto, immediately after the catchline for section 134, the following:

"135. Urban area traffic operations improvement programs."

FRINGE PARKING FACILITIES

SEC. 11. (a) The Secretary may, until June 30, 1971, approve as a project under title 23, United States Code, for demonstration purposes, the acquisition of land adjacent to the right-of-way on any Federal-aid highway system outside a central business district, as defined by the Secretary, and the construction of publicly owned parking facilities thereon or within such right-of way, including the use of the air space above and below the established grade line of the highway pavement, to serve an urban area of more than fifty thousand population. Such parking facility shall be located and designed to permit its use in conjunction with existing or planned public transportation facilities. In the event fees are charged for the use of any such facility, the rate thereof shall not be in excess of that required for maintenance and operation (including compensation to any person for operating such facility).

(b) The Federal share payable on account of any project authorized by this section shall be 50 per centum. The sums apportioned in accordance with section 104(b)(3) of title 23, United States Code, shall be available to finance the Federal share payable under this section.

(c) The Secretary shall not approve any project under this section until—

(1) he has determined that the State, or the political subdivision thereof, where such project is to be located, or an agency or instrumentality of such State or political subdivision, has the authority and capability of constructing, maintaining, and operating the facility;

(2) he has entered into an agreement governing the financing, maintenance, and operation of the parking facility with such State, political subdivision, agency, or instrumentality, including necessary requirements to insure that adequate public transportation services will be available to persons using such facility; and

(3) he has approved design standards for constructing such facility developed in cooperation with the State highway department.

(d) The term "parking facilities", for purposes of this section, shall include access roads, buildings, structures, equipment, improvements, and interests in lands.

(e) Nothing in this section, or in any rule or regulation issued under this section, or in any agreement required by this section, shall prohibit (1) any State, political subdivision, or agency or instrumentality thereof, from contracting with any person to operate any parking facility constructed under this section, or (2) any such person from so operating such facility.

(f) The Secretary shall not approve any project under this section unless he determines that it is based on a continuing comprehensive transportation planning process carried on in accordance with section 134 of title 23, United States Code.

(g) The Secretary shall submit to Congress annually a report of the demonstration projects approved under this section together with his recommendations with respect to the future operation of these projects including, but not limited to, the possible sale of such projects to private enterprise and the possibility of future construction of projects of this type by private enterprise.

PREVAILING RATE OF WAGE

SEC. 12. (a) Section 113 of title 23, United States Code, is amended to read as follows:

"§ 113. Prevailing rate of wage

"(a) The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on the initial construction work performed on highway projects on the Federal-aid systems, the primary and secondary, as well as their extensions in urban areas, and the Interstate System, authorized under the highway laws providing for the expenditure of Federal funds upon the Federal-aid systems, shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor in accordance with the Act of August 30, 1935, known as the Davis-Bacon Act (40 U.S.C. 267a).

"(b) In carrying out the duties of subsection (a) of this section, the Secretary of Labor shall consult with the highway department of the State in which a project on any of the Federal-aid systems is to be performed. After giving due regard to the information thus obtained, he shall make a predetermination of the minimum wages to be paid laborers and mechanics in accordance with the provisions of subsection (a) of this section which shall be set out in each project advertisement for bids and in each bid proposal form and shall be made a part of the contract covering the project.

"(c) The provisions of the section shall not be applicable to employment pursuant to apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting equal employment opportunity in connection with Federal-aid highway construction programs."

(b) The analysis of chapter 1 of title 23, United States Code, is hereby amended by striking out

"113. Prevailing rate of wage—Interstate System."

and inserting in lieu thereof:

"113. Prevailing rate of wage."

HIGHWAY SAFETY PROGRAM

SEC. 13. The fourth sentence of subsection (c) of section 402 of title 23 of the United States Code is amended by striking out "December 31, 1968" and inserting in lieu thereof "December 31, 1969", and the fifth sentence of such subsection is amended by striking out "January 1, 1969" and inserting in lieu thereof "January 1, 1970".

INTERSTATE SYSTEM ADJUSTMENTS

SEC. 14. (a) The first sentence of paragraph (1) of subsection (d) of section 103 of title 23, United States Code, ic amended by inserting after the word "and" a comma and the following: "except as provided in paragraphs (2) and (3) of this subsection,".

(b) Subsection (d) of section 103 of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) In addition to the mileage authorized by paragraphs (1) and (2) of this subsection, there is hereby authorized additional mileage of not to exceed 1,500 miles for the designation of routes in the same manner as set forth in paragraph (1), in order to improve the efficiency and service of the Interstate System to better accomplish the purposes of that System."

PROHIBITION OF IMPOUNDMENT OF APPORTIONMENTS AND DIVERSION OF FUNDS

SEC. 15. Section 101 of title 23, United States Code, is amended by adding at the end thereof the following new subsections:

"(c) It is the sense of Congress that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-aid system which has been apportioned pursuant to the provisions of this title shall be impounded or withheld from obligation, for purposes and projects as provided in this title, by any officer or employee of any department, agency, or instrumentality of the executive branch of the Federal Government, except such specific sums as may be determined by the Secretary of the Treasury, after consultation with the Secretary of Transportation, are necessary to be withheld from obligation for specific periods of time to assure that sufficient amounts will be available in the highway trust fund to defray the expenditures which will be required to be made from such fund.

"(d) It is the sense of Congress that funds authorized to be appropriated from the Highway Trust Fund may be used to pay only those administrative expenses of the Federal Highway Administration (including the Bureau of Public Roads) which are incurred under this title and are attributable to Federal-aid highways. No funds authorized to be appropriated from the Highway Trust Fund shall be used to pay the administrative expenses of any other Federal department, agency, office, or instrumentality, or any other agency, instrumentality, or entity established by Federal law, executive order, or otherwise by the Federal Government, either by transfer of funds, reassignment of personnel or activities, contract, or otherwise, unless the expenditures are to meet obligations incurred under this title, which are attributable to Federal-aid highways and are—

"(1) contracted for in accordance with the Act of March 4, 1915, as amended (31 U.S.C. 686) and (A) relate to work or services of a type not usually performed by the Federal Highway Administration or (B) relate to the furnishing of materials, supplies, or equipment; or

"(2) are specifically identified in the budget and included in an appropriation Act."

ADDITIONS TO THE INTERSTATE SYSTEM

SEC. 16. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 139. Additions to Interstate System

"Whenever the Secretary determines that a highway on the Federal-aid primary system meets all of the standards of a highway on the Interstate System and that such highway is a logical addition or connection to the Interstate System, he may, upon the affirmative recommendation of the State or States involved, designate such highway as a part of the Interstate System. The mileage of any highway designated as part of the Interstate System under this section shall not be charged against the limitation established by the first sentence of section 103(d) of this title. The designation of a highway as part of the Interstate System under this section shall create no Federal financial responsibility with respect to such highway."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"§ 139. Additions to Interstate System."

FUNCTIONAL HIGHWAY CLASSIFICATION STUDY

SEC. 17. The Secretary of Transportation shall, in the report to Congress required to be submitted by January 1970 by section 3 of the Act of August 28, 1965 (79 Stat. 578; Public Law 89–139), include the results of a systematic nationwide functional highway classification study to be made in cooperation with the State highway departments and local governments with particular attention to the establishment of highway system categories, rural and urban, according to the functional importance of routes, desirable as one of the bases of realigning Federal highway programs to better meet future needs and priorities.

PRESERVATION OF PARK LANDS

SEC. 18. (a) Section 138 of title 23, United States Code, is amended to read as follows:

"§ 138. Preservation of parklands

"It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of the Federal-Aid Highway Act of 1968, the Secretary shall not approve any program or project which requires the use of any publicly owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use."

(b) Section 4(f) of the Department of Transportation Act (80 Stat. 931; Public Law 89–670) is amended to read as follows:

"(f) It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of the Federal-Aid Highway Act of 1968, the Secretary shall not approve any program or project which requires the use of any publicly owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use."

FORT WASHINGTON PARKWAY

SEC. 19. (a) The Secretary of the Interior is authorized to acquire by (1) donation, (2) purchase with donated funds, (3) purchase with funds appropriated to him under subsection (c) of this section, (4) transfer from any other Federal department, agency, or instrumentality (including the government of the District of Columbia), or (5) exchange, lands and interests in lands in Prince Georges County, Maryland, within the boundary depicted on drawing NCR 117.4—186 which is on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Notwithstanding any other provision of law, any property of the United States within the boundary depicted on such drawing may, with the concurrence of the head of the department, agency, or instrumentality having jurisdiction thereof, be transferred without reimbursement to the Secretary of the Interior to carry out this section.

(b)(1) With respect to those lands which are identified on the map by the legend "Fee simple acquisition to be acquired", striped green, the Secretary of the Interior is authorized to acquire the fee simple absolute title to such property.

(2) With respect to lands which are identified on the map by the legend "Private development areas" striped blue, the Secretary of the Interior is authorized to acquire only such easements and other interests in lands less than fee simple title as may be necessary to protect the natural scenery and shoreline of such property, and to prohibit the use of such property for industrial or commercial purposes or for residential purposes, other than low density single family detached dwellings, except that any such property which on the date of enactment of this section is lawfully used for any purposes thereafter prohibited by this paragraph may continue to be used for such purpose until such time as it ceases to be so used.

(c) No money shall be expended by the Secretary of the Interior under this section until he shall have received definite commitments from the State of Maryland or from political subdivisions thereof, for one-third the cost of acquiring land easements or interests in lands under subsection (b) of this section, other than lands belonging to the United States on the date of enactment of this section or donated to the United States to carry out this section. In the discretion of the Secretary he may advance the State of Maryaind, or any political subdivision thereof, the full amount of the funds necessary for the acquisition of lands under subsection (b) of this section on the condition that the State or political subdivision reimburse the United States one-third the cost of such acquisition, without interest, within a period of not to exceed 8 years from the date such funds are so advanced.

(d) There is authorized to be appropriated to the Secretary of the Interior to carry out this section an amount equal to the unappropriated balance of the amount authorized to be appropriated in subsection (a) of the first section of the Act of May 29, 1930 (46 Stat. 482), as amended, for acquiring and developing the George Washington Memorial Parkway, and the authorization contained in such first section of such Act of May 29, 1930, is reduced by such amount.

(e) Upon the completion of the acquisition of all of the real property and interests in real property authorized by this section, the Secretary of the Interior shall report to Congress his recommendations (including any necessary legislation) on the construction of the Fort Washington Parkway through the portion of Prince Georges County, Maryland, authorized to be acquired under this section. Such report shall include cost estimates and other information as may be necessary for the authorization of construction of such parkway by Congress.

GARDEN STATE PARKWAY

Sec. 20. (a) The amount of all Federal-aid highway funds paid on account of those sections of the Garden State Parkway in the State of New Jersey referred to in subsection (c) of this section shall, prior to the collection of any tolls thereon, be repaid to the Treasurer of the United States. The amount so repaid shall be deposited to the credit of the appropriation for "Federal-Aid Highways (Trust Fund)". At the time of such repayment the Federal-aid projects with respect to which such funds have been repaid and any other Federal-aid project located on said sections of such parkway and programed for expenditure on any such project, shall be credited to the unprogramed balance of Federal-aid highways funds of the same class last apportioned to the State of New Jersey. The amount so credited shall be in addition to all other funds then apportioned to said State and shall be available for expenditure in accordance with the provisions of title 23, United States Code, as amended or supplemented.

(b) When the New Jersey Highway Authority shall have constructed toll-free highway facilities in the vicinity of said sections of the Garden State Parkway in accordance with a general plan approved by the Secretary of Transportation as adequate to service local traffic, and pursuant to an agreement between the Authority and the State of New Jersey, acting by and through its State House Commission concerning the financing and construction of such facilities, then upon the repayment of Federal-aid highway funds and the cancellation and withdrawal from the Federal-aid highway program of all projects on such sections of the Garden State Parkway, as provided in subsection (a) of this section, such sections shall become and be free of any and all restrictions contained in title 23, United States Code, as amended or supplemented, or in any regulation thereunder, with respect to the imposition and collection of tolls or other charges thereon or for the use thereof.

(c) The provisions of this section shall apply to the following sections of the Garden State Parkway:

(1) That section of the parkway near Cape May Court House from interchange numbered 8 to interchange numbered 12 at route United States 9—a distance of approximately four and twenty one-hundredths centerline miles.

(2) That section of the parkway from a point near its connection with route United States 9 north of Toms River to Dover Road in South Toms River—a distance of approximately two and fifty one-hundredths centerline miles.

(3) That section of the parkway from route United States 9 in Woodbridge to the Middlesex-Union County line—a distance of approximately six and thirty-seven one-hundredths centerline miles.

(4) That section of the parkway from a point near its connection with the Middlesex-Union County line to a point near its connection with route United States 22 in Union Township—a distance of approximately seven and ninety-two one-hundredths centerline miles.

SECTION 103, TITLE 23, UNITED STATES CODE

Sec. 21. Paragraph (2) of subsection (d) of section 103 of title 23, United States Code, is amended by striking out "1965 Interstate System cost estimate set forth in House Document Numbered 42, Eighty-ninth Congress" and inserting in lieu thereof "1968 Interstate System cost estimate set forth in House Document Numbered 199, Ninetieth Congress, as revised".

EQUAL EMPLOYMENT OPPORTUNITY

Sec. 22. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 140. Equal employment opportunity

"Prior to approving any programs for projects as provided for in subsection (a) of section 105 of this title, the Secretary shall require assurances from any State desiring to avail itself of the benefits of this chapter that employment in connection with proposed projects will be provided without regard to race, color, creed or national origin. He shall require that each State shall include in the advertised specifications, notification of the specific equal employment opportunity responsibilities of the successful bidder. In approving programs for projects on any of the Federal-aid systems, the Secretary shall, where he considers it necessary to assure equal employment opportunity, require certification by any State desiring to avail itself of the benefits of this chapter that there are in existence and available on a regional, statewide, or local basis, apprenticeship, skill improvement or other upgrading programs, registered with the Department of Labor or the appropriate State agency, if any, which provide equal opportunity for training and employment without regard to race, color, creed or national origin. The Secretary shall periodically obtain from the Secretary of Labor and the respective State highway departments information which will enable him to judge compliance with the requirements of this section and the Secretary of Labor shall render to the Secretary such assistance and information as he shall deem necessary to carry out the equal employment opportunity program required hereunder."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"140. Equal employment opportunity."

(c) Subsection (b) of section 112 of title 23, United States Code, is amended by adding at the end thereof the following: "Contracts for the construction of each project shall be awarded only on the basis of the lowest responsive bid submitted by a bidder meeting established criteria of responsibility. No requirement or obligation shall be imposed as a condition precedent to the award of a contract to such bidder for a project or to the Secretary's concurrence in the award of a contract to such bidder, unless such requirement or obligation is otherwise lawful and is specifically set forth in the advertised specifications."

DISTRICT OF COLUMBIA

Sec. 23. (a) Notwithstanding any other provision of law, or any court decision or administrative action to the contrary, the Secretary of Transportation and the government of the District of Columbia shall, in addition to those routes already under construction, construct all routes on the Interstate System within the District of Columbia as set forth in the document entitled "1968 Estimate of the Cost of Completion of the National System of Interstate and Defense Highways in the District of Columbia" submitted to Congress by the Secretary of Transportation with, and as a part of, "The 1968 Interstate System Cost Estimate" printed as House Document Numbered 199, Ninetieth Congress. Such construction shall be undertaken as soon as possible after the date of enactment of this Act, except as otherwise provided in this section, and shall be carried out in accordance with all applicable provisions of title 23 of the United States Code.

(b) Not later than 30 days after the date of enactment of this section the government of the District of Columbia shall commence work on the following projects:

(1) Three Sisters Bridge, I–266 (Section B1 to B2).

(2) Potomac River Freeway I–266 (Section B2 to B4).

(3) Center Leg of the Inner Loop, I–95 (Section A6 to C4), terminating at New York Avenue.

(4) East Leg of the Inner Loop, I–295 (Section C1 to C4), terminating at Bladensburg Road.

(c) The government of the District of Columbia and the Secretary of Transportation shall study those projects on the Interstate System set forth in "The 1968 Interstate System Cost Estimate", House Document Numbered 199, Ninetieth Congress, within the District of Columbia which are not specified in subsection (b) and shall report to Congress not later than 18 months after the date of enactment of this section their recommendations with respect to such projects including any recommended alternative routes or plans, and if no such recommendations are submitted within such 18-month period then the Secretary of Transportation and the government of the District of Columbia shall construct such routes, as soon as possible thereafter, as required by subsection (a) of this section.

(d) For the purpose of enabling the District of Columbia to have its Federal-aid highway projects approved under section 106 or 117 of title 23, United States Code, the Commissioner of the District of Columbia may, in connection with the acquisition of real property in the District of Columbia for any Federal-aid highway project, provide the payments and services described in sections 505, 506, 507, and 508 of title 23, United States Code.

(e) The Commissioner of the District of Columbia is authorized to acquire by purchase, donation, condemnation or otherwise, real property for transfer to the Secretary of the Interior in exchange or as replacement for park, parkway, and playground lands transferred to the District of Columbia for a public purpose pursuant to section 1 of the Act of May 20, 1932 (47 Stat. 161; D.C. Code, sec. 8-115) and the Commissioner is further authorized to transfer to the United States title to property so acquired.

(f) Payments are authorized to be made by the Commissioner, and received by the Secretary of the Interior, in lieu of property transferred pursuant to subsection (e) of this section. The amount of such payment shall represent the cost to the Secretary of the Interior of acquiring real property suitable for replacement of the property so transferred as agreed upon between the Commissioner and the head of said agency and shall be available for the acquiring of the replacement property.

URBAN IMPACT AMENDMENT

SEC. 24. The first sentence of subsection (a) of section 128 of title 23, United States Code, is amended by striking everything after the word "economic" down to and including the period at the end thereof and inserting in lieu thereof the following: "and social effects of such a location, its impact on the environment, and its consistency with the goals and objectives of such urban planning as has been promulgated by the community.".

CONSTRUCTION BY STATES IN ADVANCE OF APPORTIONMENT

SEC. 25. (a) Subsection (a) of section 115 of title 23, United States Code, is amended to read as follows:

"§ 115. Construction by States in advance of apportionment.

"(a) When a State has obligated all funds for any of the Federal-aid systems, including the Interstate System, apportioned to it under section 104 of this title, and proceeds to construct any project without the aid of Federal funds, including one or more parts of any project, on any of the Federal-aid systems in such State, including the Interstate System, as any of those systems may be designated at that time, in accordance with all procedures and all requirements applicable to projects on any such system, except insofar as such procedures and requirements limit a State to the construction of projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such State and his approval of such application, is authorized to pay to such State the Federal share of the costs of construction of such project when additional funds are apportioned to such State under section 104 of this title if—

"(1) prior to the construction of the project the Secretary approves the plans and specifications therefor in the same manner as other projects on the Federal-aid system involved, and

"(2) the project conforms to the applicable standards adopted under section 109 of this title;

The Secretary may not approve an application under this section unless an authorization is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such State and that no application may be approved which will exceed the State's expected apportionment of such authorizations."

(b) Subsection (b) of section 115 of title 23, United States Code, is amended by striking the following: "of subsection (b)(5)".

(c) The analysis of chapter 1 of title 23, United States Code, as it refers to section 115, is hereby amended to read as follows:

"115. Construction by States in advance of apportionment."

BRIDGE INSPECTION

SEC. 26. Section 116 of title 23, United States Code, is amended by adding at the end thereof the following:

"(d) The Secretary in consultation with the State highway departments and interested and knowledgeable private organizations and individuals shall as soon as possible establish national bridge inspection standards in order to provide for the proper safety inspection of bridges on any of the Federal-aid highway system. Such standards shall specify in detail the method by which inspections shall be conducted by the State highway departments, the maximum time lapse between inspections and the qualifications for those charged with the responsibility for carrying out such inspections. Each State shall be required to maintain written reports to be available to the Secretary pursuant to such inspections together with a notation of the action taken pursuant to the findings of such inspections. Each State shall be required to maintain a current inventory of all bridges on the Federal-aid system.

"(e) The Secretary shall establish in cooperation with the State highway departments a program designed to train appropriate employees of the Federal Government and the State governments to carry out bridge inspections. Such a program shall be revised from time to time in light of new or improved techniques. For the purposes of this section the Secretary may use funds made available pursuant to the provisions of section 104(a) and section 307(a) of this title."

EMERGENCY RELIEF

SEC. 27. (a) The first sentence of section 125 of title 23, United States Code, is amended to read as follows: "An emergency fund is authorized for expenditure by the Secretary, subject to the provisions of this section and section 120, for the repair or reconstruction of highways, roads, and trails which he shall find have suffered serious damage as the result of (1) natural disaster over a wide area such as by floods, hurricanes, tidal waves, earthquakes, severe storms, or landslides, or (2) catastrophic failures from any cause, in any part of the United States."

(b) The first sentence of section 120(f) of title 23, United States Code, is amended by inserting after the period at the end the following: "The Secretary may increase the Federal share payable on account of any repair or reconstruction under this section up to 100 per centum of the replacement cost of a comparable facility if he determines it is in the public interest".

(c) The amendments made by this section shall be applicable to repair or reconstruction with respect to which project agreements have been entered into on or after January 1, 1968.

TOLL ROADS

SEC. 28. Section 129(b) of title 23 of the United States Code is amended by adding at the end thereof the following: "After June 30, 1968, all agreements between the Secretary and a State highway department for the construction of projects on the Interstate System shall contain a clause providing that no toll road will be constructed after June 30, 1968, on the interstate highway route involved without the official concurrence of the Secretary. The Secretary shall not concur in any such construction unless he makes an affirmative finding that, under the particular circumstances existing, the construction of such road as a toll facility rather than a toll-free facility is in the public interest. The preceding two sentences shall not apply to any toll bridge or toll tunnel."

HIGHWAY STUDY—GUAM, AMERICAN SAMOA, AND THE VIRGIN ISLANDS

SEC. 29. (a) The Secretary of Transportation, in cooperation with the government of Guam, the government of American Samoa, and the government of the Virgin Islands, shall make studies of the need for, and estimates and planning surveys relative to, highway construction programs for Guam, American Samoa, and the Virgin Islands.

(b) On or before April 1, 1969, the Secretary of Transportation shall submit a report to the Congress which shall include—

(1) an analysis of the adequacy of present highway programs to provide satisfactory highways in both the rural and urban areas in Guam, American Samoa, and the Virgin Islands;

(2) specific recommendations as to a program for the construction of highways throughout Guam, American Samoa, and the Virgin Islands; and

(3) a feasible program for implementing such specific recommendations, including cost estimates, recommendations as to the inclusion of all or parts of such highways on the Federal-aid systems and as to the sharing of cost responsibilities, and other pertinent matters. (c) Costs of the studies required by this section shall be paid from funds made available to the Secretary under section 104(a) of title 23, United States Code.

RELOCATION ASSISTANCE

SEC. 30. Title 23, United States Code, is hereby amended by adding at the end thereof a new chapter:

"CHAPTER 5.—HIGHWAY RELOCATION ASSISTANCE

"Sec.
"501. Declaration of policy.
"502. Assurances of adequate relocation assistance program.
"503. Administration of relocation assistance program.
"504. Federal reimbursement.
"505. Relocation payments.
"506. Replacement housing.
"507. Expenses incidental to transfer of property.
"508. Relocation services.
"509. Relocation assistance programs on Federal highway projects.
"510. Authority of Secretary.
"511. Definitions.

"§ 501. Declaration of Policy

"Congress hereby declares that the prompt and equitable relocation and reestablishment of persons, businesses, farmers, an nonprofit organizations displaced as a result of the Federal highway programs and the construction of Federal-aid highways is necessary to insure that a few individuals do not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole. Therefore, Congress determines that relocation payments and advisory assistance should be provided to all persons so displaced in accordance with the provisions of this title.

"§ 502. Assurances of adequate relocation assistance program

"The Secretary shall not approve any project under section 106 or section 117 of this title which will cause the displacement of any person, business, or farm operation unless he receives satisfactory assurances from the State highway department that—

"(1) fair and reasonable relocation and other payments shall be afforded to displaced persons in accordance with sections 505, 506, and 507 of this title;

"(2) relocation assistance programs offering the services described in section 508 of this title shall be afforded to displaced persons; and

"(3) within a reasonable period of time prior to displacement there will be available, to the extent that can reasonably be accomplished, in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and individuals displaced, decent, safe, and sanitary dwellings, as defined by the Secretary, equal in number to the number of and available to such displaced families and individuals and reasonably accessible to their places of employment.

"§ 503. Administration of relocation assistance program

"In order to prevent unnecessary expenses and duplication of functions, a State highway department may make relocation payments or provide relocation assistance or otherwise carry out the functions required under this chapter by utilizing the facilities, personnel, and services of any other Federal, State, or local governmental agency having an established organization for conducting relocation assistance programs.

"§ 504. Federal reimbursement

"(a) The Secretary shall approve, as a part of the cost of construction of a project under any Federal-aid highway program which he administers, the cost of providing the payments and services described in section 502, except that notwithstanding any other law, the Federal share of the first $25,000 of such payments to any person, on account of any real property acquisition or displacement occurring prior to July 1, 1970, shall be increased to 100 per centum of such cost.

"(b) Any project agreement with a State highway department executed before the date of enactment of this chapter with respect to property which has not been acquired as of the date of enactment of this chapter under any such program shall be amended to include the cost of providing the payments and services described in section 502 with respect to such property.

"§ 505. Relocation payments

"(a) PAYMENTS FOR ACTUAL EXPENSES.—Upon application approved by the State agency, a person displaced by any highway project approved under section 106 or section 117 of this title may elect to receive actual reasonable expenses in moving himself, his family, his business, or his farm operation, including personal property.

"(b) OPTIONAL PAYMENTS—DWELLINGS.—Any displaced person who moves from a dwelling who elects to accept the payments authorized by this subsection in lieu of the payments authorized by subsection (a) of this section may receive—

"(1) a moving expense allowance, determined according to a schedule established by the Secretary, not to exceed $200; and

"(2) a dislocation allowance of $100.

"(c) OPTIONAL PAYMENTS—BUSINESSES AND FARM OPERATIONS.—Any displaced person who moves or discontinues his business or farm operation who elects to accept the payment authorized by this section in lieu of the payment authorized by subsection (a) of this section, may receive a fixed relocation payment in an amount equal to the average annual net earnings of the business or farm operation, or $5,000, whichever is the lesser. In the case of a business, no payment shall be made under this subsection unless the State agency is satisfied that the business (1) cannot be relocated without a substantial loss of its existing patronage, and (2) is not part of a commercial enterprise having at least one other establishment, not being acquired by the State or by the United States, which is engaged in the same or similar business. For purposes of this subsection, the term 'average annual net earnings' means one-half of any net earnings of the business or farm operation, before Federal, State, and local income taxes, during the two taxable years immediately preceding the taxable year in which such business or farm operation moves from the real property acquired for such project, and includes any compensation paid by the business or farm operation to the owner, his spouse, or his dependents during such two-year period.

"§ 506. Replacement housing

"(a) In addition to amounts otherwise authorized by this title, the State agency shall make a payment to the owner of real property acquired for a project which is improved by a single-, two-, or three-family dwelling actually owned and occupied by the owner for not less than one year prior to the initiation of negotiations for the acquisition of such property. Such payment, not to exceed $5,000, shall be the amount, if any, which, when added to the acquisition payment, equals the average price required for a comparable dwelling determined, in accordance with standards established by the Secretary, to be a decent, safe, and sanitary dwelling adequate to accommodate the displaced owner, reasonably accessible to public services and places of employment and available on the private market. Such payment shall be made only to a displaced owner who purchases and occupies a dwelling within one year subsequent to the date on which he is required to move from the dwelling acquired for the project. No such payment shall be required or included as a project cost under section 504 of this title if the owner-occupant receives a payment required by the State law of eminent domain which is determined by the Secretary to have substantially the same purpose and effect as this section and to be part of the cost of the project for which Federal financial assistance is available.

"(b) In addition to amounts otherwise authorized by this title, the State agency shall make a payment to any individual or family displaced from any dwelling not eligible to receive a payment under subsection (a) of this section which dwelling was actually and lawfully occupied by such individual or family for not less than 90 days prior to the initiation of negotiations for acquisition of such property. Such payment, not to exceed $1,500, shall be the amount which is necessary to enable such person to lease or rent for a period not to exceed 2 years, or to make the down payment on the purchase of, a decent, safe, and sanitary dwelling of standards adequately to accommodate such individual or family in areas not generally less desirable in regard to public utilities and public and commercial facilities.

"§ 507. Expenses incidental to transfer of property

"(a) In addition to amounts otherwise authorized by this title, the State shall reimburse the owner of real property acquired for a project for reasonable and necessary expenses incurred for (1) recording fees, transfer taxes, and similar expenses incidental to conveying such property; (2) penalty costs for prepayment of any mortgage entered into in good faith encumbering such real property if such mortgage is on record or has been filed for record under applicable State law on the date of final approval by the State of the location of such project; and (3) the pro rata portion of real property taxes paid which are allocable to a period subsequent to the date of vesting of title in the State, or the effective date of the possession of such real property by the State, whichever is earlier.

"(b) No payment received under this chapter shall be considered as income for the purposes of the Internal Revenue Code of 1954 or for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal law.

"§ 508. Relocation services

"(a) Each State shall provide a relocation advisory assistance program which shall include such measures, facilities, or services as may be necessary or appropriate in order—

"(1) to determine the needs, if any, of displaced families, individuals, business concerns, and farm operators for relocation assistance;

"(2) to assure that, within a reasonable period of time, prior to displacement there will be available, to the extent that can reasonably be accomplished, in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and individuals displaced, housing meeting the standards established by the Secretary for decent, safe, and sanitary dwellings, equal in number to the number of, and available to, such displaced families and individuals and reasonably accessible to their places of employment;

"(3) to assist owners of displaced businesses and displaced farm operators in obtaining and becoming established in suitable locations; and

"(4) to supply information concerning the Federal Housing Administration home acquisition program under section 221(d)(2) of the National Housing Act, the small business disaster loan program under section 7(b)(3) of the Small Business Act, and other State or Federal programs offering assistance to displaced persons.

"(b) Nothing in this chapter shall be construed to prohibit any person from exercising any right or remedy available to him under State law with respect to any action of a State agency in carrying out this chapter.

"§ 509. Relocation assistance programs on Federal highway projects

"Notwithstanding any other provision of law, on and after the effective date of this title any Federal agency which acquires real property for use in connection with a highway project authorized by section 107 and chapter 2 of this title or any other Federal law shall, in accordance with regulations issued by the Secretary, provide the payments and services described in sections 502, 505, 506, 507, and 508 of this title. When real property is acquired by a State or local government agency for such a Federal project for purposes of this chapter, the acquisition shall be deemed an acquisition by the Federal agency having authority over such project.

"§ 510. Authority of the Secretary

"(a) To carry into effect the provisions of this chapter, the Secretary is authorized to make such rules and regulations as he may determine to be necessary to assure—

"(1) that the payments authorized by this chapter shall be fair and reasonable and as uniform as practicable;

"(2) that a displaced person who makes proper application for a payment authorized for such person by this chapter shall be paid promptly after a move or, in hardship cases, be paid in advance; and

"(3) that any person aggrieved by a determination as to eligibility for a payment authorized by this chapter, or the amount of a payment, may have his application reviewed by the head of the State agency making such determination.

"(b) The Secretary may make such other rules and regulations consistent with the provisions of this chapter as he deems necessary or appropriate to carry out this chapter.

"§ 511. Definitions

"As used in this chapter—

"(1) The term 'person' means—

"(A) any individual, partnership, corporation, or association which is the owner of a business;

"(B) any owner, part owner, tenant, or sharecropper who operates a farm;

"(C) an individual who is the head of a family; or

"(D) an individual not a member of a family.

"(2) The term 'family' means two or more individuals living together in the same dwelling unit who are related to each other by blood, marriage, adoption, or legal guardianship.

"(3) The term 'displaced person' means any person who moves from real property on or after the effective date of this chapter as a result of the acquisition or reasonable expectation of acquisition of such real property, which is subsequently acquired, in whole or in part, for a Federal-aid highway, or as the result of the acquisition for a Federal-aid highway of other real property on which such person conducts a business or farm operation.

"(4) The term 'business' means any lawful activity conducted primarily—

"(A) for the purchase and resale, manufacture, processing, or marketing of products, commodities, or any other personal property;

"(B) for the sale of services to the public; or

"(C) by a nonprofit organization.

"(5) The term 'farm operation' means any activity conducted solely or primarily for the production of one or more agricultural products or commodities for sale and home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

"(6) The term 'Federal agency' means any department, agency, or instrumentality in the executive branch of the Government and any corporation wholly owned by the Government.

"(7) The term 'State agency' means a State highway department or any agency designated by a State highway department to adminster the relocation assistance program authorized by this chapter."

SMALL BUSINESS ACT

SEC. 31. Paragraph (3) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended to read as follows:

"(3) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a business, or in establishing a new business, if the Administration determines that such concern has suffered substantial economic injury as the result of its displacement by, or location in, adjacent to, or near, a federally aided urban renewal program or a highway project or any other construction constructed by or with funds provided in whole or in part by the Federal Government; and the purpose of a loan made pursuant to such project or program may, in the discretion of the Administration, include the purchase or construction of other premises whether or not the borrower owned the premises occupied by the business; and".

EMINENT DOMAIN

SEC. 32. Nothing contained in chapter 5 of title 23, United States Code, shall be construed as creating in any condemnation proceedings brought under the power of eminent domain, any element of damages not in existence on the date of enactment of such chapter 5.

ANNUAL REPORT

SEC. 33. The Secretary of Transportation shall report annually to Congress, but no later than January 15 of each year, concerning his administration of chapter 5 of title 23, United States Code, together with his recommendations, including any necessary legislation with respect to such chapter.

FEDERAL SHARE

SEC. 34. Section 120(a) of title 23, United States Code, is hereby amended to read as follows:

"(a) Subject to the provisions of subsection (d) of this section, the Federal share payable on account of any project, financed with primary, secondary, or urban funds on the Federal-aid primary system and the Federal-aid secondary system shall either (A) not exceed 50 per centum of the cost of construction, except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State, is of its total area, or (B) not exceed 50 per centum of the cost of construction, except that in the case of any State containing nontaxable Indian lands, individual and tribal, public domain lands (both reserved and unreserved), national forests, and national parks and monuments, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State is of its total area, except that the Federal share payable on any project in a State shall not exceed 95 per centum of the total cost of any such project. In any case where a State elects to have the Federal share provided in clause (B) of this subsection, the State must enter into an agreement with the Secretary covering a period of not less than one year, requiring such State to use solely for highway construction purposes (other than paying its share of projects approved under this title) during the period covered by such agreement the difference between the State's share as provided in clause (B) and what its share would be if it elected to pay the share provided in clause (A) for all projects subject to such agreement."

REAL PROPERTY ACQUISITION POLICIES

SEC. 35. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"§ 141. Real property acquisition policies.

"Before approving projects under this chapter, the Secretary shall obtain from the State highway department the following assurances:

"(1) that every reasonable effort shall be made to acquire the real property by negotiation;

"(2) that the construction of projects shall be so scheduled that to the greatest extent practicable no person lawfully occupying the real property shall be required to move from his home, farm, or business location without at least 90 days' written notice from the State or political subdivision having responsibility for such aquisition; and

"(3) that it will be the policy of the State, before initiating negotiations for real property, to establish an amount which is believed to be just compensation, under the law of the State, and to make a prompt offer to acquire the property for the full amount so established."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"§ 141. Real property acquisition policies."

SEPARABILITY

SEC. 36. If any provision of this Act (including the amendments made by this Act), or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of the provision to other persons or circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 38. This Act and the amendments made by this Act shall take effect on the date of its enactment, except that until July 1, 1970, sections 502, 505, 506, 507, and 508 of title 23, United States Code, as added by this Act, shall be applicable to a State only to the extent that such State is able under its laws to comply with such sections. After July 1, 1970, such sections shall be completely applicable to all States. Section 133 of title 23, United States Code, shall not apply to any State if section 502, 505, 506, 507, and 508 of title 23, United States Code, are applicable in that State, and effective July 1, 1970, such section 133 is repealed.

And the House agree to the same.

GEORGE H. FALLON,
JOHN C. KLUCZYNSKI,
JIM WRIGHT,
ED EDMONDSON,
WILLIAM C. CRAMER,
WILLIAM H. HARSHA,
DON H. CLAUSEN,
Managers on the Part of the House.

JENNINGS RANDOLPH,
ERNEST GRUENING,
B. EVERETT JORDAN,
BIRCH BAYH,
STEPHEN M. YOUNG,
HIRAM L. FONG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3418) to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The differences between the House amendment to the text of the Senate bill and the substitute agreed to in conference are noted below, except for clerical corrections, incidental changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

AUTHORIZATION OF USE OF COST ESTIMATE FOR APPORTIONMENT OF INTERSTATE FUNDS

The Senate bill authorized the apportionments for fiscal years 1970 and 1971 for the Interstate System using the factors contained in revised table 5 of House Document No. 199, 90th Congress. This table was printed in Senate Report 1340.

Section 3 of the House amendment provided for the apportionment in accordance with the factors contained in table 5A.

The table referred to in the Senate bill contained the Century Freeway in California as well as the West Virginia Turnpike.

The conference substitute except for clarifying language is the same as the Senate bill.

The revised table 5 as it appeared on page 21, Senate Report No. 1340, 90th Congress, dated June 28, 1968, includes funds for the proposed acquisitions and reconstruction of the West Virginia Turnpike, presently a two-lane toll facility, 86 miles in length and designated as I–77. The conferees on the part of the House recommend approval of the inclusion of these funds, but in doing so specifically require that no Federal funds be used for acquisition of the turnpike or for any work with respect thereto prior to approval by the Public Works Committee of the House of Representatives of the plan for acquisition of the turnpike by the State, its conversion to toll-free status, and the subsequent timing of effective Federal participation.

AUTHORIZATIONS

(1)

The Senate bill authorized $1,200,000,000 for fiscal year 1970 and $1,400,000,000 for fiscal year 1971.

Section 5(1) of the House amendment authorized $1,000,000,000 each for these 2 years.

The conference substitute authorizes $1,100,000,000 for each of these 2 fiscal years.

(2)

The Senate bill authorized $250,000,000 for each of the fiscal years 1970 and 1971 for the Topics program.

Section 5(2) of the House amendment authorized $125,000,000 for each of these years for such program.

The conference substitute authorizes $200,000,000 for each of these 2 years for such program.

(3)

The Senate bill authorized $40,000,000 for fiscal year 1971 for highway safety and research.

Section 5(11) of the House amendment authorized $35,000,000 for such year for such purposes.

The conference substitute authorizes $37,500,000 for such year for such purposes.

Since the Federal Aid Highway Act of 1964, the ABC program has been maintained at the $1 billion level, but costs have continued to rise; and safety and construction standards have been improved; and highway needs have increased. This has resulted in proportionately less money being available for work on the primary and secondary systems and their urban extensions. It is apparent that more money must be placed in this part of the Federal-aid highway program if the States are to keep pace with growing needs in these road categories. For these reasons the conferees recommend that the ABC authorizations for 1970 and 1971 be increased from $1 billion to $1.1 billion. These authorizations, together with the $125 million, for 1970 and 1971, for the primary and secondary roads contained in section 5(12) and the $200 million, for each of these years, for the Topics program in urban areas, bring the total authorizations for the ABC System to $1,425,000,000 annually.

HIGHWAY BEAUTIFICATION

The Senate bill made no substantive amendments to those provisions of title 23 of the United States Code which are generally referred to as the "Highway Beautification Act". It authorized $5,000,000 for billboard control, $10,000,000 for junkyard control, and $70,000,000 for landscaping and scenic enhancement for each of the fiscal years 1969, 1970, and 1971, and a deduction not to exceed 5 percent of such amounts for administrative expenses. This is a total of $255,000,000 of the program funds.

Section 6 of the House amendment made billboard control entirely a voluntary program, eliminated the existing 10 percent penalty for failure to effectively control junkyards, and substitute in lieu thereof a requirement that a State's eligibility for landscaping and scenic enhancement funds, at 100 percent Federal cost, be dependent upon its effective control of junkyards.

Section 6(b) of the House amendment clearly established that responsibility for the determination of "customary use" and "unzoned commercial and industrial areas" would rest entirely in the hands of the States or the appropriate local jurisdiction.

The House amendment contained no program funds.

The conference substitute would continue the existing 10 percent penalty against construction funds for both billboard and junkyard controls; makes a technical clarifying amendment with respect to the elimination of dual controls presently required in section 131(j) of title 23, thereby requiring that bonus payments must be made to those States having 1958 bonus agreements so long as they maintain the control required by the 1958 act, irrespective of what controls are required by the 1965 act; and authorizes program funds for the fiscal year 1970 only, and in the following amounts: $2,000,000 for billboard control, $3,000,000 for junkyard control, and $20,000,000 for landscaping and scenic enhancement, or a total of $25,000,000, which is less than the total authorization recommended for these programs in H.R. 17134, as reported to the House by the House Public Works Committee. The conference substitute provides $1,250,000 for administrative expenses for fiscal years 1969 and 1970. Section 6(a) provides that areas subject to bona fide State, county and local zoning control do not have to be included in agreements entered into between the States and the Secretary. The section sets forth in the statute the method of administration of the act with respect to "customary use" outlined in the Secretary of Transportation's letter to the Chairman of the Subcommittee on Roads, House of Representatives, dated May 24, 1967, which reads as follows:

"THE SECRETARY OF TRANSPORTATION,
"*Washington, D.C., May 8, 1967*.

"Hon. JOHN KLUCZYNSKI,
"*Chairman, Subcommittee on Roads,*
"*House Public Works Committee,*
"*House of Representatives,*
"*Washington, D.C.*

"DEAR MR. CHAIRMAN: The recent hearings before your subcommittee have helped us to understand the feelings of your committee. We hope they may have produced commensurate insight into our thinking. Surely none of us are infallible. We earnestly want to administer the Highway Beautification Act of 1965 faithfully, and to do so in complete fidelity to Congressional intent. To this end, the hearings may have been productive of an improved climate of mutual understanding. Since practically all of the previous misunderstanding revolved around the divergent interpretations of exactly what was meant in Title I of the bill, let me reiterate the following four points which should demonstrate our total interest and concern in administering the law as the Congress would want it administered:

"1. As the law directs, we are fully prepared to accept state determinations with respect to zoned commercial and industrial areas.

"2. Concerning unzoned commercial and industrial areas, we shall be happy to request the guidance and suggestions of the several states with respect to designating these areas. The only absolute requirement upon which we would have to insist would be the existence of at least one commercial activity in any such area. Surely this could not be considered unreasonable.

"3. With regard to the determination of what constitutes 'customary use' in the zoned commercial and industrial areas, we shall be glad to look to the states for certification that either the state authority or a bona fide local zoning authority has made such a determination. With respect to unzoned areas, we will recognize local practice on customary use as mutually agreed to by State and Federal agencies. It will be our policy to assume the good faith of the several states in this regard.

"The only exception to the above would be a situation in which a state or local authority might attempt to circumvent the law by zoning an area as 'commercial' for billboard purposes only. We think you will agree that this is a reasonable position, since we know that the Congress does not wish for the law to be deliberately evaded by subterfuge.

"4. What is determined in good faith by a bona fide local or state zoning authority as 'customary use' will be an acceptable basis for standards as to size, spacing and lighting in the commercial and industrial areas within the geographical jurisdiction of that state or local authority.

"I believe that this memorandum addresses itself substantially to the principal points of concern expressed by members of your subcommittee with respect to the administration of the Act. We would be very glad to have your concurrence with this basic understanding.

"Sincerely,

"ALAN S. BOYD."

URBAN AREA TRAFFIC OPERATIONS IMPROVEMENT PROGRAMS

Section 110 of the Senate bill in establishing the Topics program authorized the funds available to be used for any projects including, but not limited to, those which directly facilitate and control traffic flow.

Section 10 of the House amendment in establishing the Topics program provided that it could be used for projects on an extension of the Federal-aid primary or secondary system in urban areas for capital improvements which directly facilitate and control traffic flow.

The conference substitute is the same as the House amendment with the exception of the deletion of the word "capital". The word "capital" was deleted to indicate that this program is not intended to be limited exclusively to major construction projects. The examples of the types of improvements contemplated are contained in the new section 135; there are other examples, including arterial connectors and pedestrian ramps. The conferees wish to make it clear, however, that the deletion of the word "capital" is not intended to indicate that the Topics program may under any circumstances include expenditures for operating or maintenance costs.

FRINGE PARKING FACILITIES

Section 11 of the House amendment, in establishing a program for demonstration purposes for the construction of fringe parking facilities, authorized the Federal share to be 75 percent and limited the total available funds to not more than 5 percent of the sums apportioned in accordance with section 104(b)(1), (2), and (3) of title 23 (the ABC program).

The conference substitute is the same as the House amendment with respect to fringe parking facilities, except that the Federal share has been reduced from 75 to 50 percent, and the sums available are limited to those apportioned in accordance with section 104(b)(3) of title 23.

HIGHWAY SAFETY PROGRAM

Section 13 of the House amendment eliminated the 10 percent penalty contained in section 402(c) of title 23 of the United States Code which is imposed on a State for failure to implement a highway safety program approved by the Secretary.

The Senate bill contained no comparable provision.

The conference substitute retains the 10 percent penalty but delays its application until January 1, 1970, rather than January 1, 1969, which is presently provided in the law. Based on the testimony of the Department of Transportation before the House, it is clearly understood by the Public Works Committees of both the Senate and the House of Representatives that, because of the nature and scope of the highway safety program, its high eventual cost, and the limited Federal funds currently available for it, any State will be considered in compliance and therefore not subject to penalty if it is making reasonable progress on the program standards. Complete compliance with all standards, or even a major part of them, would be out of the question, even by the extended penalty date of January 1, 1970, and the conferees expect that administration of the Highway Safety Act will continue on this basis.

INTERSTATE SYSTEM ADJUSTMENTS

Section 14 of the House amendment authorized an additional 3,000 miles on the Interstate System.

The Senate bill contained no comparable provision.

The conference substitute authorizes an additional 1,500 miles on the Interstate System for the purpose of improving the efficiency and service of that system.

The Interstate System now stands at 41,000 miles. All of it has been designated, and less than 15 miles remain for making adjustments of any kind.

The System was laid out in 1947 to connect principal centers of population. At that time and when the System was authorized in 1956, no provision was made for flexibility which would make it possible to meet the tremendous changes that have taken place in population and development in many sections of the nation. As a result, there are several cities of more than 100,000 population that are not now on the Interstate System. In addition, because of these and other factors, there are critical gaps in the System which will prevent its efficient functioning as the nation's major continuous interconnected highway network. No one suggests that the 41,000 miles are not needed where they are now planned and firmly committed. By the same token, virtually everyone recognizes that these serious missing segments must, in many instances, be built in the very near future if the System's ability to handle its traffic is to be maintained.

The original mileage limitation and the now vastly changed conditions have led to missing segments which constitute critical gaps between major cities (for example, Tampa, St. Petersburg, Miami, and approximately 87 miles to complete the Springfield-Decatur-Champaign expressway in Illinois), and in some instances to the perpetuation of "killer" roads in those corridors (U.S. 41 south out of Chicago and through Indiana); to missing segments of beltways (the 16-mile missing quadrant of the Ft. Worth circumferential and 5-mile extension of I–29 to complete the Hartford, Conn., circumferential); to unconnected mileage (6 miles in Mobile, Ala., extending from I–10 to I–65 and 28 miles to complete location of I–82 in southeastern Washington); to the failure to include state capitols on the System (Raleigh, North Carolina and Carson City, Nevada); to absent and essential radial and connector mileage (14 miles in Massachusetts extending I–295 from I–95 to the Rhode Island State line and 12 miles to complete gaps in Oklahoma City and Tulsa, Okla.); to missing segments in areas that carry very heavy and still increasing direct defense traffic in addition to excessive non-defense traffic (32 miles to extend I–95 in Dade County, Florida, southward from its present terminus through Homestead, and 20 miles in Dade County, Florida, extending I–75 from the East-West Expressway to an intersection with I–95 at the western boundary of Homestead Air Force Base); and so on.

The conference substitute therefore authorizes the addition of 1500 miles to the System. This mileage, however, is authorized to be used to meet the kind of critical missing link situation described above. These 1500 miles will not, therefore, be apportioned among the states; they will, to state it simply, be available so that an individual state may, if it wishes, submit to the Department of Transportation its request for x number of miles to permit the construction of one of these missing links. No additional authorization of funds for this mileage is included and these 1500 miles have no effect on the apportionments authorized by this legislation. The conferees wish to make it very clear, therefore, that it will be up to the state to decide whether its missing link mileage should take priority over a project already designated under the original 41,000 miles. In other words, the state must decide which need must be met first—and these 1500 miles are authorized to meet critical needs, not simply to extend the system where it would be nice to have an extension. Any part of the 1500 miles added to an individual State system will be charged against the mileage allocated to that State under the future long-range highway programs to be authorized following completion of the functional classification study.

Once the state has made its decision, and submitted to the Secretary what he considers adequate justification of the critical nature of the project, including critical time problems relating to scheduling of construction, the Secretary is then authorized to approve the allocation of that additional mileage to the state, which may then proceed as it would under any other Interstate project. The conferees wish to make it clear as well that while the Secretary obviously must determine whether the mileage is in fact critical, once given that fact and assuming the proposal meets other Interstate System requirements, he may not then substitute his judgment for that of the state in making the choice between construction of this additional mileage at an early date and the necessitated deferral of construction of the previously programmed mileage. It is up to the state to decide which mileage it needs when.

These 1500 miles, to the extent they are used, will increase the ultimate cost of the system, but they will also provide essential flexibility in maintaining the usefulness and efficiency of the entire Interstate System, and its ability to meet the purpose for which it is being constructed. That flexibility is desperately needed now, on an interim basis, pending the time when the Congress determines what the long-range future highway program will be.

PROHIBITION OF IMPOUNDMENT OF APPORTIONMENTS AND DIVERSION OF FUNDS

Section 15 of the House amendment adds to section 104 of title 23 of the United States Code (relating to apportionments) two new subsections. The first of these subsections prohibits the impoundment of withholding of any apportioned funds.

The second subsection provided that no funds are authorized from the Highway Trust Fund to pay the administrative expenses of any Federal department, agency or instrumentality other than the Bureau of Public Roads, by transfer of funds, reassignment of personnel, contract, or otherwise unless these funds are identified as a line item in an appropriation Act and are to meet obligations attributable to highway contruction, planning, research, or development in connection therewith.

The Senate bill contained no comparable provision.

The conference substitute amends section 101 of title 23 which contains the general declaration of policy applicable to that title declaring it to be the sense of Congress that funds apportioned shall not be impounded or withheld from obligation, and further declaring it to be the sense of Congress that funds authorized to be appropriated from the Highway Trust Fund may be used to pay only the administrative expenses of the Federal Highway Administration (including the Bureau of Public Roads) incurred under title 23 and attributable to Federal-aid highways. No funds authorized to be appropriated from the Highway Trust Fund are to be used to pay the administrative expenses of any other Federal department, agency, office, or instrumentality or entity established by Federal law, Executive order or otherwise by transfer of funds, reassignment of personnel or activities, contract, or otherwise, unless they are to meet obligations incurred under title 23 which are attributable to Federal-aid highways and are contracted for in accordance with the Economy Act and related either to work or service of a type not usually performed by the Federal Highway Administration or to the furnishing of materials, supplies, or equipment or specifically identified in the Budget and included in an appropriation Act.

PRESERVATION OF PARK LANDS

The Senate bill amended section 138 of title 23 to make it conform to the declaration of policy set forth in section 4(f) of the Department of Transportation Act relating to the preservation of park lands.

Section 18 of the House amendment amended section 4(f) of the Department of Transportation Act to make that declaration of policy conform with the declaration of policy in section 138 of title 23 of the United States Code on that subject.

The conference substitute amends both section 4(f) of the Department of Transportation Act and section 138 of title 23 of the United States Code so that the declaration of policy will be identical in each instance and this declaration reads as follows:

"It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of the Federal-Aid Highway Act of 1968, the Secretary shall not approve any program or project which requires the use of any publicly owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use."

This amendment of both relevant sections of law is intended to make it unmistakably clear that *neither* section constitutes a mandatory prohibition against the use of the enumerated lands, but rather, is a discretionary authority which must be used with both wisdom and reason. The Congress does not believe, for example, that substantial numbers of people should be required to move in order to preserve these lands, or that clearly enunciated local preferences should be overruled on the basis of this authority.

FORT WASHINGTON PARKWAY

The House amendment in section 19 authorized the acquisition of certain property in Prince Georges County Maryland in order to protect the natural scenery and shoreline of the Potomac River and required a report to Congress on recommendations of the Secretary of the Interior for the construction of the Fort Washington Parkway through the lands authorized to be acquired. The State of Maryland is required to pay one-half the cost of acquiring lands, easements, or interests in lands.

The conference substitute is the same as the House amendment except that the State of Maryland is required to pay one-third the cost of such land acquisition.

The legislative authority for Prince Georges County's participation is presently limited to $4.5 million; the latest informal estimate of cost is about $11 million. The decrease from ½ to ⅓ in the cost participation required of the County will, in all probability, enable it to meet its obligation without further financial authorization from the Maryland legislature. The committee cannot overemphasize the urgency of the Park Service's proceeding immediately to acquisition of those lands which it is to acquire in fee. That should be the first priority in this project. The conferees also here correct a typographical error which occurred in House Report 1584, wherein is set forth the terms of the easements to be acquired for this Parkway. The second sentence of the last full paragraph on page 16 of House Report 1584 should read as follows: "The easements may restrict the cutting of trees and other natural foliage directly along the shoreline of the river, but they may *not* impose restrictions of this nature behind the shoreline."

EQUAL EMPLOYMENT OPPORTUNITY AND CONSTRUCTION CONTRACTS

The Senate bill amended section 105 of title 23 of the United States Code to add a new subsection dealing with equal employment opportunity. Generally, this subsection required the Secretary in consultation with the Secretary of Labor to receive assurances that employment in connection with proposed projects will be open to all qualified applicants, without regard to race, color, creed or national origin. In addition, he shall require each State to notify all prospective bidders of their equal employment opportunity responsibilities. It further requires certification by a State that there is in existence and available on an areawide or statewide basis registered apprentice and skill improvement programs to insure equal employment opportunity as well as a certification that all persons are being given full opportunity to achieve employment on the projects, without regard to race, color, creed or national origin. The Secretary is required to receive from the Secretary of Labor and State highway departments information to enable him to judge compliance, and the Secretary of Labor is required to render such assistance and information as he deems necessary to carry out the equal employment opportunity program required by this subsection. Acceptance by the Secretary of the program submitted by a State shall be in lieu of any other preaward or preconstruction requirement concerning equal employment opportunity.

The House amendment contained no comparable provision.

Section 22 of the House amendment provided that contracts for construction of each highway project are to be awarded only on the basis of the low responsive bid submitted by a bidder meeting established criteria of responsibility and no requirement or obligation is to be imposed as a condition precedent to the Secretary's concurrence in the award of a contract to the bidder unless that requirement or obligation is specifically set forth in the advertised specifications.

The conference substitute adds a new section to title 23 of the United States Code which is section 140 and deals with equal employment opportunity. It requires that before approving programs for projects the Secretary shall receive assurances from the State that employment in connection with the proposed projects will be provided without regard to race, color, creed, or national origin. He must further require that the State include in the advertised specifications notification of the bidders' specific equal employment opportunity responsibilities. If the Secretary considers it necessary to assure equal employment opportunity, he shall require certification by the State of the existence of availability on a regional, statewide, or local basis of registered apprenticeship, skill improvement, or other upgrading programs which provide equal opportunity for training and employment. The Secretary is required to obtain from the Secretary of Labor and the State highway departments information to enable him to judge compliance with this section and the Secretary of Labor is required to render such assistance and information as he deems necessary to carry out the equal employment opportunity program required under this section.

In addition, the conference substitute also amends section 112 of title 23 relating to construction contracts to add the same requirements contained in the House amendment, except that the prohibition against any requirement or obligation not specifically set forth in the advertised specifications from being imposed as a condition precedent to the Secretary's concurrence in the award of a contract is broadened to include its prohibition as a condition precedent to the award of the contract to the bidder as well.

DISTRICT OF COLUMBIA

The House amendment contained a provision requiring that all routes on the Interstate System in the District of Columbia set forth in "The 1968 Interstate System Cost Estimate" House Document Numbered 199, Ninetieth Congress, be constructed as soon as possible.

The Senate bill contained no comparable provision.

The proposed conference substitute requires that, notwithstanding any other provision of law, or any court decision or administrative action to the contrary, the Secretary of Transportation and the government of the District of Columbia shall, in addition to those routes already under construction, not later than 30 days after enactment, commence work on the following projects:

1. Three Sisters Bridge, I–266

In early 1966 an agreement was reached among all affected parties as to the location of the Three Sisters Bridge. Consultant engineers have completed a type-size-and-location report on the bridge.

The specific design for the bridge was approved by the Fine Arts Commission on September 20, 1967. In writing to the Department of Highways and Traffic granting its approval, Mr. William Walton, Chairman of the Fine Arts Commission stated in part "we felt your designer had performed brilliantly in creating a design for one of the most important scenic sites around the Capital. Its simplicity and its daring both are very commendable characteristics."

The decision of the Fine Arts Commission in this respect safeguards the aesthetic values of concern to so many and preserves the beauty and recreational characteristics of the Potomac River. The design approved by the Fine Arts Commission shall be carried out precisely as approved with respect to materials and architecture.

The National Capital Planning Commission approved the general alinement of the bridge on September 15, 1966 and the geometrics on May 2, 1967 subject to certain reviews by the Department of Transportation. The Department of Transportation by letter to the National Capital Planning Commission in February of 1968 returned the decision to local prerogatives. The bridge location and geometrics shall therefore proceed as presented to the National Capital Planning Commission in September of 1966 and May of 1967 with no further actions required by that or any other body.

With respect to the scheduling of construction, the Congress directs that the first substructure contracts be advertised for construction within 90 days of the enactment of this legislation.

Immediately upon completion of construction of the bridge, the District of Columbia shall relinquish to the National Park Service the right-of-way through Glover Archbold Park that it presently holds. The design of the bridge does not require intrusion on the Park and the Congress directs that no intrusion of the Park take place.

2. The Potomac River Freeway

That section of the Interstate Route I–266 known as the Potomac River Freeway and extending from the Three Sisters Bridge to approximately Thirty First Street in Northwest Washington shall proceed immediately into the final design stage, and right-of-way acquisition shall be resumed immediately on those parcels remaining to be acquired which are required for the facility and which have already been authorized by the Bureau of Public Roads.

The project shall be built from its eastern extremity at the already completed portion of the Potomac River Freeway at Thirty First Street westward to the Three Sisters Bridge in the vicinity of the intersection of Foxhall Road and Canal Road. It shall be an eight lane facility consisting of two four-lane roadways.

The westbound roadway will proceed as an elevated structure from Thirty First Street along the present Whitehurst Freeway to a point just west of Key Bridge where it will proceed *under* the existing C & O Canal to an alinement between the present Canal Road and Georgetown University. It will then proceed past the vicinity of the intersection of Foxhall Road and MacArthur Boulevard to join the westbound lane of the Three Sisters Bridge.

The east bound roadway shall proceed from the terminus of the existing completed elevated section of the Potomac River Freeway at Thirty First Street dropping as soon as possible, consistent with Interstate standards, into a tunnel section under the Georgetown waterfront and proceeding westward *under* the C & O Canal to an alinement immediately parallel to the westbound roadway between the existing Canal Road and Georgetown University. The alinement will then proceed westerly to the eastbound roadway of the Three Sisters Bridge.

In the vicinity of the Three Sisters Bridge there will be provided ramp connections to the proposed Palisades Parkway which is the extension of the already completed section of the George Washington Memorial Parkway. Provision shall be made for connections from the Palisades Parkway to the intersection of Foxhall Road and MacArthur Boulevard.

Canal Road which presently follows directly adjacent to the C & O Canal shall be relocated from Key Bridge to the intersection of Foxhall Road and MacArthur Boulevard by placing it between the Potomac River Freeway and Georgetown University on a high level which will overlook the beauty and splendor of the C & O Canal and this reach of the Potomac River.

The District of Columbia Department of Highways shall immediately upon enactment of this legislation proceed to design this entire facility, by use of consultants or otherwise, to begin no later than sixty days from enactment of this legislation. Construction shall commence in a logical sequence as soon as designs have been prepared.

3. Center leg of the Inner Loop, I–95

The Center Leg is already under construction, in various stages. It shall be completed to New York Avenue, where it will terminate until plans are completed for its continuation and connection with other parts of the system to be approved at a later date.

4. The east leg of the Inner Loop, I–295, including interchange "C"

Interchange "C" is in various stages of design and construction from 6th Street, S.E., to and including Barney Circle. It is the essential connecting link to the East Leg of the Inner Loop, and its construction shall proceed under the current schedule until completion.

The East Leg of the Inner Loop, extending from Barney Circle to Bladensburg Road as a part of Interstate Route I–295, shall proceed immediately as described herein.

The project shall proceed as an eight lane roadway from Barney Circle to just south of the East Capitol Street Bridge and thence northerly as a six lane facility. It shall follow the alinement approved by the National Capital Planning Commission on September 15, 1966 and the geometrics as presented to the National Capital Planning Commission at that time. It shall proceed northerly from Barney Circle adjacent to the Congressional Cemetery and thence to the east of the D.C. Stadium and under the west approaches to the East Capitol Street Bridge. Access shall be provided to the D.C. Stadium parking areas as indicated in the plan presented to the National Capital Planning Commission. The alinement shall proceed northward under Benning Road and immediately east of the proposed athletic field in the Spingarm High School complex. In the vicinity of the Arboretum at Maryland Avenue an interchange will be provided in conjunction with proposals by the Arboretum for a new entrance treatment at that location. The alinement will then proceed slightly onto Arboretum lands to avoid residences along M Street in accordance with agreements already arrived at with the Arboretum. The design of the terminus at Bladensburg Road will take into account the possibility of extension of this project as a tunnel under Mt. Olivet Road.

A design consultant has already proceeded with much of the design between Barney Circle and Benning Road. The District shall direct him to resume work, with the first construction contract to be advertised within 90 days of enactment of this legislation.

With respect to the portion from Benning Road to Bladensburg Road the District of Columbia shall immediately upon enactment of this legislation commence negotiations for a design contract, said contract to start within 60 days of enactment of this legislation. Construction on this part of the project shall commence as soon as plans have been prepared. The alinement for this portion of the route shall be as presented at a public hearing in January of 1967 and subsequently approved by the National Capital Planning Commission on February 9, 1967 and the D.C. Board of Commissioners on March 9, 1967.

The plan here described already has the approval of all the agencies concerned, including the Park Service, the National Capital Planning Commission, and to the extent required, the Fine Arts Commission. The plan contemplates rebuilding the existing golf course in the Kingman Lake area, and the development of an extensive recreation area, including a marina on the Anacostia River, ball diamonds, etc. The Congress expects that these plans will be carried to full completion at the earliest possible date.

Those Federal agencies affected by or with interests in the projects under this section are expected to cooperate with the District Government in the implementation of the projects in the manner here indicated and to expedite any actions on their part to meet the time schedule set forth herein.

With respect to those parts of the Interstate System included in the 1968 Cost Estimate and not specifically dealt with above, the government of the District of Columbia and the Secretary of Transportation are directed to study those projects and report to the Congress within 18 months from the date of enactment their recommendations with respect to such projects, including any recommended alternative routes or plans, so that the remainder of the Interstate System within the District of Columbia may be appropriately authorized.

If no recommendations are submitted within the 18-month period, then the Secretary of Transportation and the government of the District of Columbia are required to construct the routes outlined in the 1968 Cost Estimate as they are contained therein.

Section 23(d) of the bill authorizes the District of Columbia's participation in the relocation program contained in the new chapter 5, title 23. The committee cannot overemphasize the importance of these relocation provisions to the District of Columbia situation, as well as that of many other urban areas.

Sections 23(e) and 23(f) authorize the District of Columbia to transfer lands or make payments to the Department of the Interior in even exchange for lands acquired from the Department for public purposes.

URBAN IMPACT AMENDMENT

The Senate bill made a series of amendments to title 23 of the United States Code to require that economic, social, environmental, and other impacts caused by a highway project should be considered in the formulation and approval of such a project.

The House amendment had no comparable provision.

The conference substitute amends section 128 of title 23 to require that, in addition to the economic effects of a route location, the public hearings held by a state highway department are also for the purpose of considering the social effects of such location, its impact on the environment, and its consistency with the goals and objectives of such urban planning as has been promulgated by the community.

CONSTRUCTION BY STATES IN ADVANCE OF APPORTIONMENT

The Senate bill revises portions of section 115 of title 23 to extend advance construction authority to all the Federal-aid highway systems rather than just the Interstate System as is presently the case. The condition is added, however, that anticipation of future apportionments by States should only be permitted for those years for which authorizations have been established by law.

The House amendment contained no comparable provision.

The conference substitute is the same as the Senate bill.

BRIDGE INSPECTIONS AND TRAINING PROGRAMS

The Senate bill would require that the Secretary after consultation with the State Highway Department and other appropriate private experts establish national bridge safety inspection standards in addition to standards relating to the methods and frequency of such inspections, and the qualifications of the inspectors. The States would be required to maintain reports and a current inventory of all bridges on its portions of the Federal-aid highway systems. The Senate bill also contained a section requiring the Secretary to establish a program to train Federal and State governmental employees to carry out bridge inspections. Administrative funds and highway planning and research funds are made available for this purpose.

The House amendment contained no comparable provisions.

Except for an amendment to insure that standards are to specify the method by which inspections shall be conducted by the *State Highway Departments* and minor clarifying amendments, the conference substitute is the same as the Senate bill with regard to bridge inspection and training programs.

EMERGENCY RELIEF

The Senate bill amends section 125 of title 23 of the United States Code to allow the use of the emergency fund to repair or reconstruct highways damaged by catastrophic failures from any cause in any part of the United States. While this fund is presently limited to repairs or reconstruction caused by natural disasters, this amendment would permit the use of the fund for repair or reconstruction caused by other than natural catastrophes. In addition, the Senate bill would authorize the Federal share payable for such repair or reconstruction to be up to 100 percent of the replacement costs of a comparable facility if the Secretary determines it is in the public interest.

The House amendment contained no comparable provision.

The conference substitute is the same as the Senate bill, except for a clarifying amendment to make this applicable to repairs and reconstruction with respect to which project agreements have been entered into on or after January 1, 1968.

TOLL ROADS

The Senate bill amends section 129 of title 23 of the United States Code to require that after June 30, 1968, as a condition for the addition of toll highway facilities on the Interstate System, the approval of the Secretary is required. He would be required to make an affirmative finding that the inclusion of such toll facility is in the public interest.

The House amendment contained no comparable provision.

The conference substitute is the same as the Senate bill except for clarifying amendments to make it absolutely clear that this provision does not apply to any toll bridge or toll tunnel and to make it absolutely clear that it does not apply to any toll road already constructed.

GUAM

The Senate bill would extend the entire Federal-aid highway program to Guam.

The House amendment contained no comparable provision.

The conference substitute would require the Secretary of Transportation in cooperation with the Governments of Guam, American Samoa, and the Virgin Islands to study the needs for, and estimates and planning surveys relative to, highway construction programs for Guam, American Samoa, and the Virgin Islands and would require a detailed report thereon to Congress on or before April 1, 1969. The costs of these studies are to be paid from the administrative funds available to the Secretary under section 104(a) of title 23, United States Code.

RELOCATION ASSISTANCE

The provisions relating to highway relocation assistance contained in the conference substitute are the same as those contained in the House amendment with two exceptions, the first difference being that the Federal share of the first $25,000 of such payments to any person on account of any real property acquisition or displacement occurring before July 1, 1970, shall be 100 percent of such cost. It is the intention of the conferees that on July 1, 1970 the applicable state share shall become mandatory, and the conferees state categorically that to the extent it is within their power, there will be no extension of this 100 percent federal cost beyond June 30, 1970. The second difference is that project agreements by State highway departments executed before the date of enactment of chapter 5 of title 23 of the United States Code with respect to property which has not been acquired on such date of enactment are required to be amended to include the cost of providing the payments and services described in section 502 of such chapter 5.

The Senate bill provided that the 100 percent Federal share should be applicable until July 1, 1971.

FEDERAL SHARE

The House amendment amended subsection (a) of section 120 of title 23 of the United States Code relating to the Federal share payable on the ABC program to provide that such share shall not exceed 50 per centum of the cost of construction, except that in the case of a State containing nontaxable Indian lands, individual and tribal, public domain lands (both reserved and unreserved), and national forests and national parks and monuments, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State is of its total area except that the Federal share payable on any project in any State is not to exceed 95 per centum of the total cost of the project.

The Senate bill contained no comparable provision.

The conference substitute provides that the Federal share payable on a project on the ABC program shall either be determined in accordance with existing law or in accordance with the formula provided in the House amendment at the election of the State. If, however, a State elects to have the Federal share provided in the House amendment, it must enter into an agreement with the Secretary covering a period of at least one year which requires the State to use solely for highway construction purposes (other than paying its share of projects approved under title 23) during the period covered by such agreement, the difference between the State's share as provided in the House amendment and what its share would be computed in accordance with existing law on all projects subject to that agreement. Since each State would make the election depending on its own circumstances, the Secretary in the agreement necessarily would have to include such terms and conditions as would be necessary to insure that the savings to a State under the election would be used solely for highway construction purposes.

REAL PROPERTY ACQUISITION POLICIES

The Senate bill amends section 106 of title 23 of the United States Code to require that every State highway department make every effort (1) to acquire property by negotiated purchase, (2) to provide that acquisition be scheduled so that no person will be displaced with less than 90 days' written notice, and (3) to insure that the State establish a fair and reasonable price for property, at no less than its appraised value, and make a prompt offer to acquire the property at that price. States would also be required to assure that no owner will have to surrender possession of real property without receiving or having access to fair compensation, that any decrease in the value of property being acquired which is caused by the location of a highway will be disregarded in determining compensation, and that tenants will be given certain rights with respect to the determination of compensation for improvements which they have the right or obligation to remove at the expiration of their term.

The House amendment contained no comparable provision.

The conference substitute adds a new section to title 23 of the United States Code on real property acquisition policies which would require that before approving projects the Secretary obtain from the State highway department assurances (1) that every reasonable effort will be made to acquire the property by negotiation, (2) that the construction will be scheduled so that to the greatest extent practicable no one will be required to move without at least 90 days' written notice from the State or political subdivision having responsibility for the acquisition, and (3) that it will be the policy of the State before starting negotiations to establish an amount believed to be just compensation under the law of the State and to make a prompt offer to acquire the property for the full amount so established.

EFFECTIVE DATE

The Senate bill provided that it was to take effect on the date of its enactment.

The House amendment provided that the Act and the amendments made by it were to take effect on the date of enactment, except that for the first three years after such date of enactment the provisions relating to relocation were to apply to a State only to the extent that the State was able under its laws to comply with such provisions. Thereafter, the relocation sections were to be completely applicable to all States. Section 133 of title 23, United States Code, the present provision relating to relocation, was to become inapplicable in each State as the new provisions relating to relocation assistance became applicable.

The conference substitute is essentially the same as the House amendment, except that instead of three years for a State to comply with the new relocation provisions, the States will have until July 1, 1970, and thereafter such provisions will be completely applicable to all States. Until such date such sections will be applicable to a State only to the extent it is able under its laws to comply.

GEORGE H. FALLON,
JOHN C. KLUCZYNSKI,
JIM WRIGHT,
ED EDMONDSON,
WILLIAM C. CRAMER,
WILLIAM H. HARSHA,
DON H. CLAUSEN,
Managers on the Part of the House.

The SPEAKER. The gentleman from Maryland is recognized for 1 hour.

Mr. FALLON. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the conference report which is before the House at the present time is on a bill which the subcommittee on roads of the Committee on Public Works has worked for many months and which was brought to the floor of the House and passed unanimously without a record vote.

The conferees on the part of the House have been with the conferees from the other body for 2 weeks and I think we have brought out one of the finest road construction programs that we have ever been able to present.

Mr. Speaker, I commend the conferees on the minority side, the gentleman from Florida [Mr. CRAMER], the gentleman from Ohio [Mr. HARSHA], and the gentleman from California [Mr. DON H. CLAUSEN], as well as the chairman of our subcommittee, the gentleman from Illinois [Mr. KLUCZNYSKI], the gentleman from Texas [Mr. WRIGHT], and the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. Speaker, I believe we are presenting to you a bill that is not only a workable bill but one which will go a long way toward relieving the congestion in traffic that exists today and promote safety on the highways as well as helping to build up the economy of this country, which is so important and vital to the future of America.

Mr. Speaker, I am proud to present to this Congress the unanimous conference report on behalf of the members of the House conferees on S. 3418, the Federal-Aid Highway Act of 1968. This legislation continues our great Federal aid highway program, and is, in my opinion, the most important piece of legislation covering the highway program to be reported to this body since the passage of the historic 1956 act. After 2 weeks of meetings with the Senate conferees and after great give and take, I believe the conferees on the part of the House have upheld the House position and are bringing to the House today a fine highway program for the benefit of all Americans. The legislation before you continues the authorization for the Interstate System through and including 1974. It increases the authorization for the ABC program, one of our most needed highway programs for the fiscal years 1970 and 1971 to $1.1 billion. It continues in existence at a proper fiscal level the many other necessary highway programs covered by title 23 of the United States Code. It continues on a proper financial level, due to the existing circumstances of the economy, the highway beautification program, with an overall appropriation of $25 million for the fiscal year 1970. It brings into being two needed programs for the development and increased efficiency of our urban highways, the so-called Topics program and the fringe parking program. I would emphasize once again the importance of the safety program, and there is proper funding in that program for that legislation. We also think we have taken care of the problems relating to parklands, the District of Columbia highway program, and other features such as bridge inspection, prevailing rate of wage, the Davis-Bacon section, advance acquisition of rights-of-way. One of the most important programs contained in this legislation is a meaningful relocation program, one that is essential for proper highway development and one which will take care of individuals, businesses, or organizations which are forced to relocate because of highway construction. Proper compensation is afforded to these groups under the terms of the relocation section in this report.

This is a fine conference report. This is good legislation and I recommend its adoption by the House.

Under leave to extend my remarks, I include for the benefit of the Members a breakdown by State of the apportionment each State will receive under S. 3418 covering the interstate program, the ABC program, the Topics program, and the additional special funding for the primary and secondary highways in rural areas:

FEDERAL-AID HIGHWAY PROGRAM—APPROXIMATE APPORTIONMENT OF $1,100,000,000 OF ABC FUNDS AND $4,000,000,000 OF INTERSTATE FUNDS

[In thousands of dollars]

State	ABC				Interstate [1] ($4,000,000)	Total ($5,100,000)
	Primary ($495,000)	Secondary ($330,000)	Urban ($275,000)	Total ($1,100,000)		
Alabama	9,576	7,296	3,688	20,560	74,749	95,309
Alaska	26,403	17,719	180	44,302		44,302
Arizona	7,114	4,612	2,050	13,776	59,422	73,198
Arkansas	7,235	5,731	1,495	14,461	24,327	38,788
California	24,129	10,996	29,692	64,817	354,722	419,539
Colorado	8,616	5,597	2,793	17,006	54,863	71,869
Connecticut	4,233	2,391	4,320	10,944	70,858	81,802
Delaware	2,432	1,621	630	4,683	9,629	14,312
Florida	9,442	5,868	7,713	23,023	67,399	90,422
Georgia	11,383	8,656	4,445	24,484	77,853	102,337
Hawaii	2,432	1,621	1,018	5,071	51,758	56,829
Idaho	5,511	3,951	580	10,042	28,257	38,299
Illinois	18,092	9,879	17,614	45,585	216,582	262,167
Indiana	10,541	7,655	6,155	24,351	76,517	100,868
Iowa	11,195	8,327	2,932	22,454	40,086	62,540
Kansas	11,138	7,773	2,691	21,602	31,990	53,592
Kentucky	8,131	6,869	2,738	17,738	67,006	84,744
Louisiana	7,549	5,418	4,293	17,260	94,949	112,209

See footnote at end of table.

FEDERAL-AID HIGHWAY PROGRAM—APPROXIMATE APPORTIONMENT OF $1,100,000,000 OF ABC FUNDS AND $4,000,000,000 OF INTERSTATE FUNDS—Continued

[In thousands of dollars]

State	ABC				Interstate [1] ($4,000,000)	Total ($5,100,000)
	Primary ($495,000)	Secondary ($330,000)	Urban ($275,000)	Total ($1,100,000)		
Maine	3, 590	2, 730	931	7, 251	26, 763	34, 014
Maryland	4, 620	2, 888	4, 960	12, 468	78, 875	91, 343
Massachusetts	5, 903	2, 545	9, 465	17, 913	98, 918	116, 831
Michigan	14, 857	9, 318	12, 439	36, 614	161, 051	197, 665
Minnesota	12, 663	8, 913	4, 497	26, 073	86, 421	112, 494
Mississippi	7, 856	6, 561	1, 611	16, 028	40, 715	56, 743
Missouri	13, 419	9, 179	6, 095	28, 693	76, 124	104, 817
Montana	8, 942	6, 205	628	15, 775	74, 513	90, 288
Nebraska	8, 642	6, 168	1, 582	16, 392	16, 427	32, 819
Nevada	5, 519	3, 670	414	9, 603	24, 327	33, 930
New Hampshire	2, 432	1, 621	726	4, 779	21, 969	26, 748
New Jersey	6, 676	2, 229	11, 786	20, 691	110, 276	130, 967
New Mexico	7, 592	5, 122	1, 326	14, 040	40, 793	54, 833
New York	21, 836	9, 434	31, 593	62, 863	188, 483	251, 346
North Carolina	11, 609	10, 349	3, 598	25, 556	51, 208	76, 764
North Dakota	6, 431	4, 698	482	11, 611	23, 619	35, 230
Ohio	16, 246	10, 100	15, 501	41, 847	168, 243	210, 090
Oklahoma	9, 971	6, 935	3, 026	19, 932	29, 672	49, 604
Oregon	7, 684	5, 365	2, 292	15, 341	84, 377	99, 718
Pennsylvania	17, 512	11, 216	17, 458	46, 186	198, 779	244, 965
Rhode Island	2, 432	1, 621	1, 649	5, 702	20, 357	26, 059
South Carolina	6, 299	5, 489	1, 964	13, 752	42, 601	56, 353
South Dakota	6, 869	4, 969	499	12, 337	22, 794	35, 131
Tennessee	10, 032	7, 859	3, 907	21, 798	95, 656	117, 454
Texas	29, 848	18, 866	15, 244	63, 958	193, 238	257, 196
Utah	5, 199	3, 370	1, 431	10, 000	55, 885	65, 885
Vermont	2, 432	1, 621	294	4, 347	27, 549	31, 896
Virginia	9, 419	7, 333	4, 756	21, 508	92, 827	114, 335
Washington	7, 815	5, 282	4, 103	17, 200	113, 656	130, 856
West Virginia	4, 970	4, 426	1, 444	10, 840	133, 306	144, 146
Wisconsin	11, 406	8, 027	5, 307	24, 740	34, 348	59, 088
Wyoming	5, 600	3, 810	324	9, 734	23, 148	32, 882
District of Columbia	2, 432	1, 621	1, 722	5, 775	72, 115	77, 890
Puerto Rico	2, 432	2, 705	2, 107	7, 244		7, 244

[1] Apportionment factors based on inclusion of the Century Freeway in California and the West Virginia Turnpike in the Interstate System.

APPROXIMATE APPORTIONMENT OF FUNDS FOR URBAN AREA TRAFFIC OPERATIONS IMPROVEMENT PROGRAM

[In thousands of dollars]

State	Amount (200, 000)
Alabama	2, 682
Alaska	131
Arizona	1, 491
Arkansas	1, 087
California	21, 594
Colorado	2, 031
Connecticut	3, 142
Delaware	458
Florida	5, 609
Georgia	3, 233
Hawaii	740
Idaho	422
Illinois	12, 810
Indiana	4, 476
Iowa	2, 133
Kansas	1, 957
Kentucky	1, 992
Louisiana	3, 122
Maine	677
Maryland	3, 607
Massachusetts	6, 884
Michigan	9, 047
Minnesota	3, 270
Mississippi	1, 172
Missouri	4, 433
Montana	457
Nebraska	1, 150
Nevada	301
New Hampshire	528
New Jersey	8, 572
New Mexico	964
New York	22, 976
North Carolina	2, 617
North Dakota	350
Ohio	11, 273
Oklahoma	2, 200
Oregon	1, 667
Pennsylvania	12, 697
Rhode Island	1, 199
South Carolina	1, 429
South Dakota	363
Tennessee	2, 842
Texas	11, 087
Utah	1, 041
Vermont	214
Virginia	3, 459
Washington	2, 984
West Virginia	1, 050
Wisconsin	3, 860
Wyoming	235
District of Columbia	1, 252
Puerto Rico	1, 533

APPROXIMATE APPORTIONMENT OF FUNDS FOR THE FEDERAL-AID PRIMARY AND SECONDARY HIGHWAY SYSTEMS IN RURAL AREAS

[In thousands of dollars]

State	Primary [1]	Secondary [2]	Total [3]
Alabama	1, 451	1, 105	2, 556
Alaska	4, 001	2, 685	6, 686
Arizona	1, 078	699	1, 777
Arkansas	1, 096	868	1, 964
California	3, 656	1, 666	5, 322
Colorado	1, 305	848	2, 153
Connecticut	641	362	1, 003
Delaware	368	246	614
Florida	1, 431	889	2, 320
Georgia	1, 725	1, 311	3, 036
Hawaii	368	246	614
Idaho	835	599	1, 434
Illinois	2, 741	1, 497	4, 238
Indiana	1, 597	1, 160	2, 757
Iowa	1, 696	1, 262	2, 958
Kansas	1, 688	1, 178	2, 866
Kentucky	1, 232	1, 041	2, 273
Louisiana	1, 144	821	1, 965
Maine	544	413	957
Maryland	700	438	1, 138
Massachusetts	895	385	1, 280
Michigan	2, 251	1, 412	3, 663
Minnesota	1, 919	1, 350	3, 269
Mississippi	1, 190	994	2, 184
Missouri	2, 033	1, 391	3, 424
Montana	1, 355	940	2, 295
Nebraska	1, 310	934	2, 244
Nevada	836	556	1, 392
New Hampshire	368	246	614
New Jersey	1, 012	338	1, 350
New Mexico	1, 150	776	1, 926
New York	3, 309	1, 429	4, 738
North Carolina	1, 759	1, 568	3, 327
North Dakota	974	712	1, 686
Ohio	2, 462	1, 530	3, 992
Oklahoma	1, 511	1, 051	2, 562
Oregon	1, 164	813	1, 977
Pennsylvania	2, 653	1, 699	4, 352
Rhode Island	368	246	614
South Carolina	954	832	1, 786
South Dakota	1, 041	753	1, 794
Tennessee	1, 520	1, 191	2, 711
Texas	4, 523	2, 858	7, 381
Utah	788	511	1, 299
Vermont	368	246	614
Virginia	1, 427	1, 111	2, 538
Washington	1, 184	800	1, 984
West Virginia	753	670	1, 423
Wisconsin	1, 728	1, 216	2, 944
Wyoming	849	577	1, 429
District of Columbia	368	246	614
Puerto Rico	368	410	778

Footnotes at end of article.

[1] Apportionment to primary system, $75,000,000.
[2] Apportionment to secondary system, $50,000,000.
[3] Apportionment to primary and secondary systems combined, $125,000,000.

Mr. Speaker, at this point I yield to the chairman of the subcommittee on roads, the distinguished gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Speaker, we are proud of this highway bill, and I think every Member of this body can justly share that satisfaction. There has been a lot of publicity about it, and most of the publicity has centered around its less significant sections.

Looking at this legislation from the nationwide, long-range point of view, its immediate and future impact should be substantial. It includes what is beyond question the most progressive and soundly written relocation program the Federal Government has ever undertaken. It includes a specific program designed to relieve traffic congestion in our urban areas. It establishes a pilot program for fringe parking to link our highway systems and our mass transportation systems. It continues the highway beautification program, but with recognition of our financial situation and reasonable priorities. It actually strengthens the position of the States and local governments in the protection of parklands, historic areas, and similar lands. It makes it possible to resolve the strangling deadlock on transportation in the Nation's Capital. It provides protection for the Potomac shoreline in Maryland on an equitable and workable basis. It includes 1,500 miles for needed critical adjustments in the Interstate System, and it authorizes the funds for the completion of the Interstate System and for badly needed increased work on the A B C systems.

Section 12 of the act provides for the extension of Davis-Bacon prevailing wage rates to the entire Federal aid highway program. It previously was limited to construction work on the Interstate System. Subsection (c) of this new section makes special provision for persons to be trained under the equal opportunity program, as required by section 22 of the legislation, and becomes a new section 140 in title 23 of the United States Code.

These two sections in combination will assure that the Federal aid highway program offers excellent opportunity for the employment, training, and skill improvements for persons in minority groups.

Section 22 of the legislation provides that the Secretary must assure himself that employment on Federal aid highway projects is provided without regard to race, color, creed, or national origin. Lacking such certification from a State, the Secretary may require the development of areawide or statewide apprenticeship, skill improvement or other training programs to upgrade equal employment opportunities.

Subsection (c) of the section extending prevailing wage rate determinations to the entire Federal aid highway program will allow special wage provisions so that members of minority groups may be trained and qualify for full craftsman wages under the prevailing wage rates as determined by the Secretary of Labor.

I know that many of us are hard-pressed to find the time to fully analyze all of the provisions of all the legislation that is brought before us, but I think that if every Member reads both the original committee report and the conference report on this legislation, he will be able to tell his people confidently and accurately that the programs it contains hold more promise for the future development of the Nation through transportation than any legislation that has been presented in this field since 1956.

I want to thank every member of the Public Works Committee and every one of the conferees for their diligent attention to this bill. But most of all I want the Members of the House to be aware that all of the major provisions of this legislation are presented to you here as they were written, and rewritten, by your committee until they had achieved the best possible form as to both policy and language. I know I speak for both the House committee and the conferees when I tell you that this legislation deserves your enthusiastic support.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Iowa.

Mr. GROSS. What did this trip to conference cost the taxpayers by way of an increase over the bill as it left the House?

Mr. KLUCZYNSKI. You mean the cost of this legislation?

Mr. GROSS. No, I mean what did the conference add to the House bill? How much?

Mr. KLUCZYNSKI. They did not add very much to it.

Mr. GROSS. Say about a couple of hundred million dollars? About $200 million, $100 million a year for 2 years?

Mr. KLUCZYNSKI. I do not have the exact figures. The gentleman from Texas [Mr. WRIGHT] will explain that.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Texas.

Mr. WRIGHT. The additions in the entire bill over the amount provided in the House bill come to somewhat more than $200 million. This, as the gentleman knows, extends over the remainder of the life of the Interstate System, which is probably in the nature of a $21.5 billion project.

Mr. GROSS. Should we be thankful that it will not cost the taxpayers any more than $200 million for the trip over to see the representatives of the other body?

Mr. WRIGHT. If the gentleman will yield further, I join the gentleman from Iowa in saying a prayer of thanksgiving that that is the case.

Mr. GIAIMO. Mr. Speaker, will the gentleman yield?

Mr. **KLUCZYNSKI**. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the gentleman for yielding. I should like to ask a question concerning the section which deals with the preservation of parklands. I believe it is section 138 of title XXIII, where it sets forth the functions, duties, and responsibilities of the Secretary of Transportation to make certain that before he takes any parklands, he finds there is no feasible or prudent alternative to the taking of such land. There was some question as to whether or not this applied to Federal parklands or to State and local parklands. Many of the people in my district are concerned about this provision because it would perhaps permit the roads to go through local parks or State parks.

Is my understanding correct that, as the law now is, this applies to all parklands, whether they be Federal, State, or local?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Texas.

Mr. WRIGHT. In response to the question of the gentleman from Connecticut, that is correct. The precise language included in the conference report on the bill is as follows:

> * * * any publicly owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials * * *.

Mr. GIAIMO. Mr. Speaker, I thank the gentleman. So it is correct to say that when the Secretary of Transportation has to make these determinations concerning where an interstate highway has to go, he will have to make it whether it be a local park, a State park, or Federal park?

Mr. WRIGHT. Mr. Speaker, if the gentleman from Illinois will yield further, the answer to that question is "Yes."

Mr. GIAIMO. Mr. Speaker, I thank the gentleman.

I commend the committee for coming in with this type language and with this particular provision in this instance.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Speaker, I take this time to commend the committee for bringing this report, but I am rather concerned by the question just asked by our colleague, the gentleman from Connecticut, because on page 32 of the report appears this language:

> This amendment of both relevant sections of law is intended to make it unmistakably clear that *neither* section constitutes a mandatory prohibition against the use of the enumerated lands, but rather, is a discretionary authority which must be used with both wisdom and reason.

It seems to me if we are going to have the agencies of the Federal Government and the State governments and of our local communities encouraged to set aside parklands and to spend their money for parklands for the benefit of all the people, then it is rather unusual that the highway commissioner and the highway engineer could be given any authority to take these parks. It seems to me that they are given this authority even though they are supposed to use it with discretion, and with due deference to the members of the committee—who, I think, did a marvelous job—I do not think the highway engineers are imbued with the same kindly attitude toward these areas as are the gentlemen of the House, because the engineers look for the cheapest place to build it and many times the cheapest place to build it is not the best place to build the highway. I would like to have some comment from the members of the committee.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, I think the gentleman from Pennsylvania can be well pleased with the language which was the final product of the conference. The prohibitory language relating to the use of any of these lands for a public highway, is as strong as it was in section 4(f) of the Department of Transportation Act, is as strong as it was in the Senate-passed bill, and is stronger than it was in the bill as it passed the House. That prohibition applies:

> * * * unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use.

It is not up to the highway departments to make this determination. It is up to the Federal, the State, or the local government, and wherever a local government or a State government determines that this is a public park, then regardless of what a highway engineer might declare, this prohibition applies.

Mr. SAYLOR. Mr. Speaker, I am delighted to have that explanation, and I am delighted to know that those who have charge of this area in the Federal Government and the State governments and the local communities will have this veto authority.

Mr. Speaker, I commend the committee, and I thank the gentleman from Texas.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, following the question asked by the gentleman from Pennsylvania, I would like to ask the gentleman in the well or the gentleman from Texas whether this applies equally well to airports as to highways?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, the application of the law to airports remains unchanged as the law originally applies to airports. This language amends both the Department of Transportation Act and the original Interstate Highway Act, so as to bring them into conformity.

The very same prohibition applies in the law now, assuming this conference report is adopted and the bill is passed and signed by the President, to all those areas affected both by the Department of Transportation Act and by the Highway Act.

Mr. HECHLER of West Virginia. I add my commendation.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Missouri.

Mr. CURTIS. I thank the gentleman. I was interested in the colloquy between the gentleman from Iowa [Mr. Gross], and the gentleman from Texas [Mr. Wright]. The gentleman from Texas [Mr. Wright], as I understood it, said that this was a little less than $200 million more authorization than in the House bill.

If we compute it from pages 26 and 27, it comes up to about $377.5 million increase over the bill that passed the House. I believe that is correct.

I might itemize it. Beginning on page 25, the House authorized $1 billion for each of 2 years and the conference substitute would authorize $1.1 billion for each of these 2 fiscal years; which makes $200 million. The second item is an increase of $75 million for each of 2 years, or another $150 million; making $350 million. Then there is a $25 million item on page 27.

Unless there is some explanation, that is very evident.

Mr. FALLON. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Maryland.

Mr. FALLON. The figures the gentleman is talking about are a redistribution of money out of the trust fund. There is no increase. The only increase in the bill, over when it left the House, is $25 million for beautification.

Mr. CURTIS. Mr. Speaker, will the gentleman yield for a further clarification.

Mr. KLUCZYNSKI. I am happy to yield to the gentleman from Missouri.

Mr. CURTIS. What the gentleman is saying, in a round about way, is that it does not come out of the general revenue, but is involved in the trust fund, so that the increase is only $25 million; the other increases would be funded from the trust fund.

On the other hand, I do believe it is important, inasmuch as the administration has proceeded to a consolidated budget—to my regret, by the way—and does include in the $186 billion expenditure level they give for this fiscal year, and projected future years, what would be spent on these various authorizations.

The gentleman has clarified this, and I appreciate it.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I thank the gentleman for yielding.

Following up on what was indicated by the gentlemen previously, if Members in their districts find that the highway departments are trying to use park land and this fact is brought to the attention of the committee, I would hope the committee would give us an assurance now that it would immediately look into this and insist the Secretary carry out the intent of this law that we do not want park land used in the building of highways. I should like to have some assurance from the gentleman.

Mr. KLUCYNSKI. I yield to the gentleman from Oklahoma [Mr. Edmondson] to answer that question.

Mr. EDMONDSON. Mr. Speaker, with regard to the park land situation, I believe the language which came out of the conference is very strong language.

It gives us very good assurance on that point.

Going back to the point of the dollar value of this bill, as compared with the dollar value of the bill as it passed the House originally, I believe when we take into consideration the fact that a 3,000-mile addition to the Interstate System, which would have had a very substantial cost figure attached to it, has been reduced to a 1,500-mile addition to the Interstate System as a result of the conference, we will find that the overall value figure of this bill as compared with the bill the House passed is many, many millions of dollars below the House passed bill.

Mr. ROGERS of Florida. Mr. Speaker, would the gentleman allow my question to be answered? Would the committee look into this if Members of Congress find park lands are to be used in the building of highways?

Mr. KLUCZYNSKI. I yield to the gentleman from Texas [Mr. Wright] to respond.

Mr. WRIGHT. Mr. Speaker, if I may respond to that, certainly to the extent I can speak for the committee, absolutely yes, if there were any evidence at all that the law were not being complied with in any of its particulars, and especially in that regard.

Mr. ROGERS of Florida. I thank the gentleman.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Florida.

Mr. CRAMER. Mr. Speaker, I do not think we ought to let the record stand, however, that this is intended to be a prohibition for the obvious reason that the Secretary makes the determination and he is supposed to give priority to preservation, but should also consider all other aspects. To some extent it has been redrafted, and local authorities make the initial decisions, based on all community values involved and giving priority to the preservation of parks.

Mr. ROGERS of Florida. If the gentleman will yield, what I am concerned about is the State road department in Florida. For example, that department started to build a road through a State park in my area. Because of the local protests, I hope we have stopped this, but I certainly would raise a very vigorous protest if this type of activity continues in other areas of our State or in my own area. However, I hope the committee would make it very clear that we do not intend this type of action to be taken in building roads.

Mr. KLUCZYNSKI. Mr. Speaker, I am going to yield back the balance of my time, because the ranking member of our committee wants to be heard and we are using up the hour.

Mr. WRIGHT. Mr. Speaker, I yield 30 minutes to the gentleman from Florida [Mr. Cramer].

Mr. CRAMER. Mr. Speaker, I yield myself such time as I may consume.

I shall use only a very small portion thereof, largely because I think the basic questions in controversy have been covered by questions and answers already disposed of; secondly, because I believe that this is 90 percent, or nearly so, the House version of the legislation that we passed.

It has already been suggested that one exception to this is highway beautification. Relating to that and since I am the one who moved to strike it from the House reported bill, I would like to say this: We did not go along with the Senate authorizations for 3 years, but we went for 1 year only. We did not authorize funds for 1969, which is the critical contract obligation period at this time. We authorized program funds for 1970—only 1970. We cut it back to less than one-twelfth of what the Senate had in its version. We cut it back partially on my insistence, I believe, in view of the House vote.

We battled over this issue and a few others for 13 days. That is the longest highway conference probably in the history of the Congress, and certainly in the brief 14 years that I have had the privilege of serving here.

So, Mr. Speaker, I say that with the exception of highway beautification perhaps, I think this is about 90 percent the House language and I think this is a reasonable conference. I signed the conference report and I intend to vote for it.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Missouri.

Mr. CURTIS. I would like to get some clarification on the comment of the gentleman from Oklahoma about this meaning a cutback in which he referred to the fact that there is a cutback in the amount of miles in the Federal highway program. Actually, in the conference report itself it shows an increase of authorization and spending of about $350 million. I ask these questions not to quarrel about this but to try to get a clarification because the financing of this has to come out of the Committee on Ways and Means, of course. We are already aware of the fact that the trust fund, as it has been projected, is insufficient in order to finance the future authorizations. I am puzzled a little bit about the comment of the gentleman from Oklahoma when he said that the conference actually cut back on the amount of authorization from the trust fund because you have cut back on the amount of miles. Will the gentleman clarify that?

Mr. CRAMER. I think the gentleman's question is academic, because it relates to how much is authorized to be expended. How much can actually be expended is limited by the amount of money in the highway trust fund, under the Byrd amendment. What the bill does is to shift emphasis of the programs. We say that we should have more emphasis on the ABC system, more emphasis on the new Topics program. And, Mr. Speaker, other than the $25 million in the bill for beautification, which comes out of the general fund, it is academic to argue, other than to question the emphasis and where the money is best spent. One could argue whether we shall put our money into the ABC or interstate program, or whether to put more money into Topics. All of this money comes out of the same pot—the highway trust fund. If you add $15 million for Topics, it would still come out of the same pot, unless the Committee on Ways and Means is willing to put more money into the pot for the highway users, which I hope it will do in the future.

Mr. CURTIS. Mr. Speaker, if the gentleman will yield further; that is the problem itself. I think it is important, and I realize that my good friend, the gentleman from Florida, and I, along with others, especially the distinguished gentleman from Louisiana [Mr. BOGGS], all favor the objective of trying to preserve the integrity of the trust fund.

We are talking here—and it is important to realize when you set up money to go into the trust fund, that is really the key to how fast the highway program does move forward.

I frankly am puzzled about this because we in the Committee on Ways and Means should have been looking into this before, because I am afraid we are going to wake up some day and find that we really have cut back on the orderly planning of this program because we have not provided the necessary funding with which to carry it out.

Mr. CRAMER. I thank the distinguished gentleman from Missouri for his contribution and I would concur wholeheartedly with him in that observation, because I think if there are any taxes paid about which people do not gripe much, it is tax money which goes into this trust fund out of the highway users' fees, because they can see what they are getting and it is earmarked and they can see for what it is used.

Mr. BRAY. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Indiana.

Mr. BRAY. There have been some problems about the Government taking money out of the highway trust fund and using it for other purposes.

Has anything been done beyond the mention of that in the House bill to grant such action in the future?

Mr. CRAMER. I will say to the gentleman from Indiana that there were two actions taken in the House and in the conference with respect to that matter. The gentleman from Ohio [Mr. HARSHA] offered an amendment which was included in the House bill to prevent the President from withholding apportioned highway funds to be used for another purpose because they are supposed to be used for highway construction. The Senate bill did not have a comparable provision. In the compromise agreed to by the conferees, it was made the sense of Congress position, a statement of the position of the conferees to the effect that it is the sense of the Congress that under existing law there shall not be used money out of the trust fund for other than highway purposes. This would include these studies relating to such matters which we specifically prohibited through the sense of Congress position.

Mr. BRAY. Mr. Speaker, if the gentleman will yield further, will the gentleman send a letter to the administration calling its attention to that again?

Mr. CRAMER. I will do even better than that. I will be in constant contact with them and will continue to do all I can and insist that our committee continue its surveillance of this matter.

Mr. BRAY. I thank the gentleman.

I have written letters to the administration with reference to this matter and have received back a lot of bunk and baloney with reference to how they were using those funds. I would suggest, perhaps, a stronger word than transfer of funds or shift of emphasis and use the words "embezzlement."

Mr. CRAMER. I will say to the gentleman that I would not go quite that far.

Mr. Speaker, there were a number of questions asked with regard to the 1,500 miles which is included in the conference report, reducing the 3,000 miles contained in the House version.

I believe it is a correct statement to say that those miles that were testified about and included in the report language contained at page 4 of the House report totaled about 1,191 miles, and the conference agreed mileage is 1,500 miles, therefore making available—assuming that even all of those were approved—additional mileage for the purpose of flexibility. And of course the miles cited in the House version and the miles cited in the report version are intended to indicate examples of problem areas to the administration when the States submit them to the Secretary of Transportation.

I will say for the record that I hope the Secretary of Transportation will follow the mandate of the Congress relating to this matter despite the fact that the Secretary opposed the inclusion of the provision.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Missouri.

Mr. HALL. I want to again bring up the question of the preservation of parklands. I will do it in the spirit of complimenting the conferees.

I believe if you read the full paragraph in the midportion on page 32 of the conference report and statement of the managers on the part of the House, it is crystal clear. I for one would rather commend the conferees and the parent committees for not condemning more private land or insisting that it be done simply to detour around a park or a forest, or something like that, than I would for making it crystal clear they could not transgress federally owned land at a time when our land acquisition laws are lax, and are in need of revision; that at a time when we control 34 percent of the acreage of the United States in Federal fee simple title, then I believe it is well when the committee says that, "neither section constitutes a mandatory prohibition against the use of the enumerated lands, but rather, is a discretionary authority," and so forth.

I compliment the committee. I want to make it crystal clear that it is discretionary, and that the committee says the Congress does not believe that substantial numbers of people should be required to move in order to preserve these lands, or that clearly enunciated local preferences should be overruled on the basis of this authority, and thus that private lands should be used instead of public land.

I thank the gentleman.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

Returning to the 1,500 miles of extra mileage in the Interstate System, I note here an item of some 28 miles of Interstate 82 in southeastern Washington.

There is a controversy with respect to the routing. The controversy is between the States of Oregon and Washington on the routing of Interstate 82. You are adding 28 miles. I am wondering whether this 28 miles is attached to any particular routing, or whether this leaves the exact routing flexible for a decision between the States of Oregon and Washington on this matter?

Mr. CRAMER. This specific language in the report is 28 miles to permit location of Interstate 82 in southeastern Washington. And it does not specifically refer to a location. That is up to the State to determine, submit it to the Bureau, and the location then can be determined, but they first have to get the designation of it as an interstate.

Mr. ULLMAN. In other words, the way the system operates—obviously the portion that goes through Oregon would have to be satisfactory to the State of Oregon and approved by the State highway department?

Mr. CRAMER. The State commissions of both States would have to request it to be included on the Interstate System, and then they would be the ones to submit the location to the Federal Government.

Mr. ULLMAN. I thank the gentleman.

Mr. CRAMER. We do not intend to get in the middle of all of these arguments if we can avoid it.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I thank the gentleman from Florida for yielding.

I just want to bring the attention of the Members of the House to an item that I believe is of great importance to people concerned with improving the highways in counties and communities throughout the country.

First, for the primary and secondary roads, there is a 22.5-percent increase in the revenue allocation based upon the formula adopted in this bill. Second, for the urban extension there will be a 10-percent increase.

The item relating to traffic operational problems—TOPICS—in urban areas is, I think, going to be of great importance to improve the orderly flow of traffic in metropolitan areas. There is $200 million to help resolve some of those congested traffic problems.

This coupled with the functional classification study that is planned to coincide with the needs study completion date will bring forth a recommendation for future planning of the highway needs of the country that, in my judgment, will set the trend or provide, ultimately, a master plan for the development of a balanced system of highways in the United States. It will promote economic growth and hopefully lend itself to the positive program of decentralization concept some of us have been advocating. A balanced system of highways will help balance the distribution of our population.

I am proud and pleased to have been a member of the road subcommittee and the conference committee responsible for drafting this historic piece of legislation.

Mr. CRAMER. Mr. Speaker, I yield such time as he may require to the gentleman from Ohio [Mr. HARSHA].

Mr. HARSHA. Mr. Speaker, I rise in support of the conference report on S. 3418, the Federal-Aid Highway Act of 1968. The bill, as agreed to by the conferees, is a sound measure which will continue the tremendously important Federal-aid highway program, make adjustments in the program to improve its effectiveness, and will add provisions to the basic law which should go far in minimizing damages, inconvenience, and hardships which are sometimes caused by highway construction.

I am disappointed that the position of the House regarding amendments to the Highway Beautification Act of 1965 was not sustained. It must be remembered, however, that S. 3418 is by far the most complex, far-reaching highway legislation to be considered by the Congress since the enactment of the Federal-Aid Highway Act of 1956, which launched the program to complete the Interstate System.

There were some 40 differences between the Senate-passed version and the House-passed version of the bill, and 20 or more of these differences involved major differences of policy. Compromises were necessary in order to reach agreement on this essential legislation. It should also be pointed out that while the position of the House regarding Highway Beautification authorizations was not fully sustained, the conferees were successful in greatly reducing the amounts which would have been authorized by the Senate-passed bill. The Senate bill would have authorized $85 million annually for three fiscal years for the highway beautification program, a total of $225 million. The compromise reached by the conferees reduces this to a total of $25 million for one fiscal year only, plus $1.25 million for each of the fiscal years 1969 and 1970 for administration. Thus, although some amounts were authorized for the highway beautification program, the principle on which the House based its refusal to authorize funds has been sustained: luxury and cosmetic programs must be drastically curtailed until the economic situation of the United States is substantially improved.

I would like to comment very briefly on several sections of the bill as agreed to by the conferees.

Section 15 of the bill, which relates to the prohibition of impoundment of apportionments and diversion of funds, is substantially the same as in the House-passed bill. The first portion of this section was based upon my bill, H.R. 14641. This section clearly spells out what many of us have believed for some time: that existing law does now and has for some time made withholding or impoundment of apportioned Federal-aid highway funds unlawful. It reflects the firm conviction of the Congress that the Federal-aid highway program is far too important to permit it to fluctuate wildly.

Section 26 of the bill requires the establishment of national bridge inspection standards and permits the use of Federal funds to train State and Federal employees to carry out bridge inspections. This section is similar to H.R. 14904 which I introduced last January, and was the direct outgrowth of the collapse of the Point Pleasant Bridge which spanned the Ohio River between West Virginia and Ohio. The bridge had been inspected by highway department personnel shortly before its collapse and, while I am not critical of the inspectors concerned, it is quite apparent that more thorough and careful inspections of bridges should be carried out by trained, qualified inspectors. Section 26 of the bill will go far in strengthening our bridge inspection procedures, and hopefully, may prevent another catastrophe such as the collapse of the Point Pleasant Bridge which caused 46 deaths.

Section 27 of the bill would amend the present law relating to emergency relief. Under existing law, Federal funds are available for the repair or reconstruction of highways which have suffered serious damage as a result of natural disasters over a wide area. Funds are not presently available under existing law for a local disaster such as the collapse of the Point Pleasant Bridge no matter how catastrophic it may be. Under this section, as it will be revised by S. 3418, Federal funds will be permitted to assist in repair or reconstruction of highways and bridges in case of catastrophic failures from any cause in any part of the United States. Federal funds can pay up to 100 percent of the replacement cost after the Secretary of Transportation determines this is in the public interest, and the bill is written so that it will make funds available for the reconstruction of the Point Pleasant Bridge.

I would like to make one brief comment with respect to section 12 relating to the prevailing rate of wage. Existing law pertains only to the Interstate System, and section 12 would extend this to the ABC program as well. The section as it appears in the bill contains the following provision:

> (c) The provisions of the section shall not be applicable to employment pursuant to apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting equal employment opportunity in connection with Federal-aid highway construction programs.

I have heard it said that this section will permit the payment of lower wages to members of minority groups who will constitute the bulk of those in need of apprenticeship and skill training programs. This is absolutely not the case. The greatest need for some of the members of the minority group is for apprenticeship and skill training programs. If the full wages paid to skilled craftsmen is required to be paid to trainees engaged in the apprenticeship and skill training programs, it simply means that industry will not provide such programs. Accordingly, the section I read was designed to, and in my opinion does, promote the establishment of apprenticeship and skill training programs. After they have served their apprenticeship and obtained the necessary training then they will be eligible for higher payments and higher benefits commensurate with their ability and this will enable them to become fully employable personnel at existing rates. It will help provide the necessary assistance to those now underemployed or nonemployed and permit them to become self-sustaining members of our society.

Mr. Speaker, I strongly support S. 3418, the Federal-Aid Highway Act of 1968, and urge that my colleagues approve the conference report.

Mr. WRIGHT. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WOLFF] for purposes of debate only.

Mr. WOLFF. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the statement made by the gentleman from Florida [Mr. ROGERS]. I should like to ask a question of the gentleman from Texas relative to the preservation of local autonomy, as well as State autonomy against the intrusion of Federal roads in the public lands and parks.

Mr. WRIGHT. In response to the question of the gentleman from New York, I think the language of the proposed law is abundantly clear in that regard in that it places upon the National, State, or local officials having jurisdiction over such lands the power and the privilege of determining them officially to be lands of either local, or State, or National significance—thereby bringing them, so long as they are publicly owned park or recreation or wildlife areas or areas of historical significance, into the purview of this act.

Mr. WOLFF. I thank the gentleman.

Mr. WRIGHT. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. McCARTHY] for purposes of debate only.

Mr. McCARTHY. Mr. Speaker, I would like to ask the gentleman from Texas a few questions.

First of all, as to section 4(f) of the Transportation Act, would it be correct to say that what we have here in the conference report is actually stronger in terms of the preservation of conservation and historic values than was the case under the previous law.

Mr. WRIGHT. I do not think there is

any question but that it is stronger than it was in the Highway Act—and stronger therefore than it was in the language brought to the House by the Committee on Public Works; and stronger than was contained in the bill as passed by the House.

Mr. McCARTHY. I wonder if the gentleman from Texas could explain what was done with reference to the District of Columbia highways?

Mr. WRIGHT. In response to the gentleman's question, I would point out to him that a compromise was reached between the House and Senate positions. The House, as the gentleman will recall, had directed the construction of the entire network of interstate highways within the District of Columbia. The Senate had no such provision.

The compromise which was agreed to in conference directs the immediate construction of those segments on which there is relatively little controversy; namely, the parkway along the riverfront, the north central leg and the east leg of the expressway and the Three Sisters Bridge.

As regards the rest, the bill directs a study to be made within 18 months and a report to be made not later than January 1970, by the District government as to its plans, intentions, and programs for the remainder.

Mr. McCARTHY. I call the attention of the gentleman from Texas to the program for the preservation of highway beautification. Could the gentleman tell the House what was settled in the conference on that program?

Mr. WRIGHT. In response to the gentleman, I would say that a compromise was reached on this area also. So far as money is concerned, the bill authorized $25 million for 1 year, fiscal 1970. $255 million was authorized for 3 years in the Senate bill. There was no money authorized for these three programs in the House bill. The Senate accepted the House language with respect to determination of what constitutes "customary use" for size, spacing, lighting, and compensation. The House was forced to yield from its position with respect to the so-called Randall amendment. I think that summarizes it.

Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Speaker, I hope that perhaps the gentleman from Florida might yield me an additional minute or two to discuss a point of some interest that relates to the matter of highway beautification. I appreciate the job the committee has done in reducing the amount of money for the beautification program, but I am afraid that once we get any funds in here and get going on this program, taking down signs and billboards on the basis of the formula in the Highway Beautification Act of 1965, the interests of the small businessman are going to be very seriously damaged.

I am certainly not against highway beauty. What I am concerned about is that the particular formula in the act for allegedly protecting beauty will do grave damage to thousands of small motel and restaurant owners. I hold here in my hand a publication of the Small Business Administration designed to help new motel owners stay in business.

Here is what this document says:

> Undoubtedly the most extensively used form of motel advertising is the sign or billboard beside the highway. It serves as the motel introduction to the greatest number of potential guests. Thousands of owner-managers say their very existence depends directly on the signs doing their intended task.

This quote is from page 45 of the SBA publication, "Starting and Managing a Small Motel." And here is what they say on page 47:

> Many motel operators find it to their advantage to start their sign "campaign" about 250 miles from the motel—the average day's drive for most travelers. Average highway speed is about 50 miles an hour, so a sign every 50 miles will remind travelers of your business once an hour.

In other words, the SBA, one agency of Government, tells the small motel operator he needs at least five or six highway signs in order to survive. And yet we are going to have another agency of Government, the Department of Transportation, demanding that the very signs he must erect in order to stay in business are to be taken away from him now. What kind of nonsense is this?

Now, Mr. Speaker, this is just not my own assertion. I have here a final and official report prepared by Rensselaer Polytechnic Institute in Troy for the New York Department of Transportation "to investigate the impact on the outdoor advertising industry in reaction to the Highway Beautification Act of 1965." This report, completed in 1967, has only now been released, though I have previously brought its preliminary conclusions to the attention of the House.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. STRATTON. Mr. Speaker, will the gentleman from Florida yield 1 or 2 minutes to me?

Mr. CRAMER. I yield 1 minute to the gentleman for purposes of debate only.

Mr. STRATTON. I appreciate the gentleman yielding. Now, Mr. Speaker, the conclusion of this scholarly, 2-inch thick study is that the highway beautification program with regard to signs and billboards is simply not going to aid beautification. But what it is going to do is to put the small tourist restaurant and motel owner out of business. Let we quote from this RPI report:

> It is our considered opinion that the Highway Beautification Act will give advantage to large national chains, promote concentration in businesses serving the traveling public, lead to the extinction of small independently owned firms, and finally concentrate those firms offering lodging and shelter along the interstate and thruway system to the detriment of the traveling public, who need on-site direction to more beautiful, though less accessible places, which the national chains, except in the case of extremely important tourist objectives, seem disinclined to serve. The Finger Lakes region (which is described in detail in this report) is an excellent example.

Here is what they say about the chances of a small business getting a sign you can see 660 feet away:

> Similarly, a "spectacular" beyond 660 feet from the highway is as much out of reach of the small firm as time on the Ed Sullivan program.

As far as ultimate beautification is concerned, the RPI study points out that any business can always erect a sign on its own property, and have it go just as high up in the air as they want. Here is what the study says about these on-premise signs:

> I will build the biggest on-premises sign I can afford—and the government will pay me enough for the sign I use to erect it.

The report quotes the user of outdoor advertising as saying. And then the report continues:

> It may be that few who favor the Act realize that the on-premise sign, or the sign erected in a beautiful site beyond 660 feet from the highway may well be their main complaint. And, equally, fail to recognize that these signs may become larger, more obnoxious, and probably more distracting and dangerous as travel-oriented businesses turn to these as an alternative to the long-distance sign. Our interviews have led us to believe the erection of one furlong distant and "on-premise" signs of a larger and more obnoxious character are a certain result of the Highway Beautification Act.

So this, Mr. Speaker, is the sure and certain result if, with the funds in this bill, we now proceed to implement the billboard and sign provisions of the Highway Beautification Act of 1965. It will not be beauty, but it will mean curtains and bankruptcy for thousands of small tourist businessmen across the country.

I doubt, as the report itself says, whether very many Members of this House really do understand what this bill will do. We think it will enhance highway beauty. This is what the title says. We are all for highway beauty, of course. But the fact is that the bill will not have that result, and you do not have to take my word for it. This is the carefully researched conclusion of one of the Nation's most respected educational institutions, Rensselaer Polytechnic Institute, in a study paid for by the U.S. taxpayers. In fact I would not wonder if this RPI study were not the first and perhaps only careful study yet made by any impartial group on this important subject.

Many Members of the House may say, "Well, what is the shouting all about? We have had this law on the books now for 3 years. I have not had any complaints about it. It must be all right." But the fact is, Mr. Speaker, that although the Highway Beautification Act has been law for 3 years, no money has yet been appropriated to implement the sign and billboard section of it, and most States have done nothing to implement the legislation either. So most businessmen who are likely to be hurt in the way the RPI report points out are just not yet aware of what is going to happen to them.

We in New York State are in a slightly different position. The State has begun to implement the program. Tourist businessmen in the Finger Lakes area are, therefore already well aware of what these rules can mean to them, and the great Finger Lakes Association of Penn

Yan, N.Y., has done yeoman service in getting this word around to their membership in upstate New York.

Mr. Speaker, I do not oppose highway beauty. What I believe is necessary is that the 1965 act be amended so that we can give the small businessman some other way to promote beauty than just by the 660-foot-distant sign, which, as the RPI report says, is about as accessible to him "as time on the Ed Sullivan show." But once we approve funds today to get this program started, we shall never as a practical matter have a chance to amend the basic act until a good deal of damage has already been done.

So I think we ought to hold up on this program. We need to stop, look, and listen. To that end, Mr. Speaker, I intend to offer a motion to recommit this conference report back to the conference committee to delete these beautification funds, and give us time to protect the small businessman.

Mr. WRIGHT. Mr. Speaker, for purposes of debate, I yield 1 minute to the gentleman from Missouri [Mr. RANDALL].

Mr. RANDALL. Mr. Speaker, I am most grateful to the gentleman from Texas for yielding to me.

As the RECORD will show, at the time the Highway Act was considered in the House, on July 3, I was able to gain the support of both the majority and minority members of the Committee on Public Works to have accepted as an amendment, wording which would leave to the States a determination of whether outdoor advertising could be erected in unzoned business and commercial areas.

I greatly regret our conferees did not hold the line to keep this amendment as a part of the conference report. When the bill left our body it contained an amendment which clearly established responsibility for the determination of what is "customary use" and what is "unzoned industrial areas," in the hands of the State or the appropriate local jurisdiction, including the governing bodies of the counties in unincorporated areas or the governing bodies of the cities in urban areas.

What is involved in this situation is mainly a determination of what has been the customary use of those lands which are not actually zoned for business, commercial or industrial use. To state the issue differently, if in fact the business or industry is situated on a tract of land as so occupied, such land long before the adoption of any zoning law or ordinance, then there is created by such circumstances a right which in zoning terminology is called a "nonconforming use." Put differently, as to lands which are actually devoted to and have been continuously used for business or industrial long prior to the imposition of zoning regulations may continue such uses as such a status after zoning regulations come into being whether or not there is ever formal application for rezoning filed or whether in fact there is any order by any authorizing body that these lands are actually zoned. Such users of such lands should have the right to continue under what has come to be known as the grandfather clause.

It is these lands which should be determined by the States or the appropriate local governing bodies as being used by business and industry rather than this determination be made by the Secretary of Transportation or some other Federal authority. We had it worked out in the House bill as it left our body and it is certainly a great step backward that our conferees receded on this point.

I find on page 27 of the conference report a letter written over a year ago—on May 24, 1967. I do not recall seeing this letter in the report accompanying the bill we debated on July 3 in the House. But whoever resurrected this letter and caused it to be printed as a part of the conference report may have done a service to those of us who believe the States and not the Federal Government should determine what is "customary use" of the lands in the unzoned commercial and industrial areas which are actually being used for business or industrial purposes.

The second paragraph of the Secretary of the Department of Transportation's letter of May 27, 1967, is encouraging if he means what he said over a year ago that as an absolute minimum requirement there must be some commercial activity in the unzoned areas to qualify for outdoor advertising.

Paragraph No. 3 of Secretary Boyd's letter of May 24, 1967, says the Department would be glad to look to the States for certification of what constitutes customary use of the zoned commercial and industrial areas but then with respect to unzoned areas he most regrettably slips backward to the contention that what constitutes customary use must be mutually agreed to by States and Federal agencies.

That was the point of the fight we made in the House on July 3 and were successful in having an amendment accepted by both sides of the aisle that States would have this determination without the process of agreement between the States and the Federal Government. We all know full well in the Department of Transportation there are those persons who are so eager for beautification they would never agree even to a reasonable compromise that might be for the benefit of the small businessmen that have no other way to advertise their motels and other roadside business except by outdoor advertising.

One of the real regrets is that after the House approved an amendment which removed funds for the highway beautification program, the conference report comes back with a restoration of funds by an authorization for $25 million for fiscal 1970. I suppose we should be happy there is nothing in the program for fiscal 1969 and 1971. Yet, how can any of us forget that the House by a rollcall vote, which was tantamount to instructions to our conferees, worked its will, only to see these funds be put into the report and have to realize we will be faced with another effort to strike out these funds? How can those of us who opposed this money, stand mute today and accept this conference report? It is a large order to serve up to our constituents to ask them to understand why they must bear the burden of a 10-percent surtax to be accompanied with reduction in expenditures of $6 billion and then set out to authorize expenditures for highway beautification?

I hope Mr. Speaker we may have a chance under some kind of parliamentary procedure for every Member to be able to get on the record again. While there may be nothing evil or bad about highway beautification in times when there is no financial or fiscal restraints, there is certainly a lot wrong with continuing a program of this kind concurrent with the tax increase and the necessity to cut nonessential expenditures. Highway beautification is certainly not essential. It is something that can be put off until after Vietnam or until the day we have fewer budgetary problems than we face now.

Mr. WRIGHT. Mr. Speaker, in connection with the remarks of the gentleman from Missouri, I ask unanimous consent that a copy of the letter to which the gentleman referred, signed by Secretary of Transportation Alan S. Boyd, be made a part of the RECORD at this point.

The SPEAKER. Is there objection to to the request of the gentleman from Texas?

There was no objection.

(The letter referred to follows:)

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., May 24, 1967.

Hon. JOHN KLUCZYNSKI,
Chairman, Subcommittee on Roads, House Public Works Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The recent hearings before your subcommittee have helped us to understand the feelings of your committee. We hope they may have produced commensurate insight into our thinking. Surely none of us are infallable. We earnestly want to administer the Highway Beautification Act of 1965 faithfully, and to do so in complete fidelity to congressional intent. To this end, the hearings may have been productive of an improved climate of mutual understanding. Since practically all of the previous misunderstanding revolved around the divergent interpretations of exactly what was meant in title I of the bill, let me reiterate the following four points which should demonstrate our total interest and concern in administering the law as the Congress would want it administered.

1. As the law directs, we are fully prepared to accept State determinations with respect to zoned commercial and industrial areas.

2. Concerning unzoned commercial and industrial areas, we shall be happy to request the guidance and suggestions of the several States with respect to designating these areas. The only absolute requirement upon which we would have to insist would be the existence of at least one commercial activity in any such area. Surely this could not be considered unreasonable.

3. With regard to the determination of what constitutes "customary use" in the zoned commercial and industrial areas, we shall be glad to look to the States for certification that either the State authority or a bona fide local zoning authority has made such a determination. With respect to unzoned areas, we will recognize local practice on customary use as mutually agreed to by State and Federal agencies. It will be our policy to assume the good faith of the several States in this regard.

The only exception to the above would be a situation in which a State or local authority might attempt to circumvent the law by zoning an area as "commercial" for billboard purposes only. We think you will agree that this is a reasonable position, since we know that the Congress does not wish for the law to be deliberately evaded by subterfuge.

4. What is determined in good faith by a bona fide local or Sate zoning authority as "customary use" will be an acceptable basis

for standards as to size, spacing, and lighting in the commercial and industrial areas within the geographical jurisdiction of that State or local authority.

I believe that this memorandum addresses itself substantially to the principal points of concern expressed by members of your subcommittee with respect to the administration of the act. We would be very glad to have your concurrence with this basic understanding.

Sincerely,

Alan S. Boyd.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Mr. Speaker, I yield, for purposes of debate, to the gentleman from Oklahoma 30 seconds.

Mr. EDMONDSON. Mr. Speaker, may I say to the gentleman from Missouri on that point, no action was taken by this committee of conference that in any way relieved the Secretary of Transportation of any commitment he has made with reference to the operation of the beautification and roads programs.

Mr. WRIGHT. Mr. Speaker, for purposes of debate, I yield 45 seconds to the gentleman from Maryland [Mr. Machen].

Mr. MACHEN. Mr. Speaker, I thank the gentleman for yielding.

I commend the members of the conference committee on both sides of the aisle and the members of the committee and the subcommittee and convey to them my appreciation for their understanding of the problems faced in Washington. I am grateful we have now arrived at a point where it looks as if we can get started on a balanced transportation system. My hat is off to all who have helped in that and for their acknowledgment of urgency in acquiring lands to protect the natural scenery and shoreline along the Potomac in Prince Georges County.

I thank all concerned for aiding in planning and authorization of projects that when completed will make Washington a better place in which to live.

Mr. CRAMER. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. Gude].

Mr. GUDE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am happy to see the improvement in section 4(f) which was made in the conference.

I joined with the gentleman from New York [Mr. McCarthy] in opposition to the weakening amendment which was made when the legislation passed the House.

The amendment as now drafted will better preserve the natural beauty of our countryside, public park, and recreation lands, and historic sites.

Mr. PRICE of Illinois. Mr. Speaker, passage of the Housing and Urban Development Act of 1968 underscores the dedication of Congress to meeting the needs of our urban areas.

Our cities, which provided the sinew for our Nation in two World Wars, the Korean war, and the Vietnam conflict, have been allowed to decay and erode under the relentless pressures of industrial stress and population growth.

It was not until after World War II that this Nation took a serious look at itself and decided that our vast metropolitan communities, with their slums and attendant social problems, were just as much in need of rebuilding as their bombed-out Western European and Asian counterparts.

What has happened in Western Europe, where new cities are sparkling, can and must happen and is happening in the United States. Today's housing bill is indeed a credit to the vision of the present administration. It is a step along the path that President Johnson has suggested our Nation should follow.

Lower income families will be helped by the $300 million authorized for use in rental and cooperative housing through fiscal year 1971.

Those of us who represent citizens living in blighted areas cannot help but be heartened by the increases in funding for urban renewal, $350 million in 1969 for projects in model cities areas, and $1.4 billion for urban renewal in 1970. Our constituencies will also benefit from the $350 million 3-year authorization for public housing.

I must call attention to the fact that the bill is aimed at a goal of achieving the construction of 6 million units over a decade, with 300,000 units being started by the end of fiscal year 1969.

Preservation of many of the buildings which contribute to the charm of so many of our big cities will be helped under the extension of our rehabilitation loan program. Much of the blight that has plagued us can be stopped and will be stopped in its tracks under the new grant program of interim assistance which is geared to relieve harmful deterioration of housing and environs. This program will step in where renewal or code enforcement is still in the planning stage but where immediate action is needed.

To quote President Johnson:

> The challenge of changing the face of the city and the men who live there summons us all—The President and the Congress, Governors and Mayors. The challenge reaches as well into every corporate board room, university, and union headquarters in America. It extends to church and community groups and to the family itself. The problem is so vast and the answer can only be forged by responsible leadership from every sector, public and private. We dare not fail to answer—loud and clear.

This bill makes it plain that this great body has heard our President and is acting accordingly.

Mr. EDMONDSON. Mr. Speaker, I support this conference report and believe it should be approved by an overwhelming vote.

The provision of 1,500 additional miles to the Interstate System assures critically needed mileage to close existing gaps in the system.

The authorization provided for billboard control, junkyard control, and scenic enhancement which is approximately one-tenth the sum authorized in the Senate passed bill, is a minimum figure for these programs which takes fully into account our current budget situation.

Finally, this bill assures continued development and progress on the world's greatest highway system. It is indispensable to that progress and development.

Mr. MILLER of Ohio. Mr. Speaker, it is very important to the economy of southern Ohio that section 27 of the Federal-Aid Highway Act of 1968 be retained. I am pleased that the conference report on S. 3418 maintained the emergency relief section intact.

The economy of southern Ohio received a serious blow last December when the Silver Bridge collapsed and fell into the Ohio River.

The immediate loss of life was a dreadful tragedy. But the long-range effect has been one of hardship on many residents of the area in and around Gallipolis, Ohio, and Point Pleasant, W. Va.

Structures of the type necessary to replace the Silver Bridge are ordinarily under consideration for a number of years. They usually come about as needs increase over a long period of time. But in this catastrophe an important highway artery was severed with no warning. There is not time for planning for funds to replace the bridge. An extended period of time without means of crossing the river at this point could cost many times the price of a structure to the economy of the areas involved.

Section 27 of S. 3418 takes into account the serious hardship imposed by catastrophic failures, and authorizes an emergency fund through which the Federal Government can pay 100 percent of the cost of replacement in such cases.

I heartily endorse passage of this section and implore my colleagues in this body to concur.

Mr. CRAMER. Mr. Speaker, I yield back the balance of my time.

Mr. WRIGHT. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

MOTION TO RECOMMIT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. It the gentleman opposed to the conference report?

Mr. STRATTON. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Stratton moves that the conference report be recommitted to the committee of conference on the bill S. 3418 with instructions to the managers on the part of the House that they insist on the position of the House in deleting all program funds for highway beautification as described on page 27 of the statement on the part of the managers on the part of the House.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. STRATTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 166, nays 168, not voting 98, as follows:

[Roll No. 288]

YEAS—166

Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Arends
Ashbrook
Ashmore
Baring
Bates
Battin
Belcher
Bennett
Berry
Betts
Bevill
Biester
Bolton
Bow
Bray
Brinkley
Brock
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Byrnes, Wis.
Cabell
Cahill
Chamberlain
Clancy
Clawson, Del
Cleveland
Collier
Colmer
Conable
Conte
Davis, Ga.
Davis, Wis.
Dellenback
Denney
Derwinski
Dickinson
Dowdy
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evans, Colo.
Findley
Fisher
Flynt
Ford, Gerald R.
Fountain
Galifianakis
Gathings
Goodling
Griffin
Gross
Hagan
Haley
Hall
Halleck
Hamilton
Harrison
Harvey
Heckler, Mass.
Henderson
Hosmer
Hunt
Ichord
Jarman
Jonas
Jones, Mo.
Jones, N.C.
Keith
King, N.Y.
Kleppe
Kornegay
Laird
Langen
Latta
Lennon
Lipscomb
Lloyd
McDade
McMillan
Macdonald, Mass.
MacGregor
Marsh
Martin
Mathias, Md.
Mayne
Meskill
Michel
Miller, Ohio
Mills
Minshall
Mize
Montgomery
Myers
Nelsen
Nichols
O'Konski
O'Neal, Ga.
Passman
Pettis
Pirnie
Poff
Pollock
Price, Tex.
Quie
Randall
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Riegel
Rogers, Fla.
Rooney, Pa.
Roth
Roush
Rumsfeld
Satterfield
Schadeberg
Scherle
Schneebeli
Schweiker
Selden
Shipley
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Springer
Stanton
Steiger, Ariz.
Steiger, Wis.
Stratton
Thompson, Ga.
Thomson, Wis.
Ullman
Utt
Vander Jagt
Vigorito
Walker
Wampler
Watkins
Watson
Whalley
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyman
Zion
Zwach

NAYS—168

Adams
Addabbo
Albert
Annunzio
Ashley
Aspinall
Bell
Bingham
Blatnik
Boggs
Brademas
Brasco
Brooks
Brown, Calif.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Carey
Casey
Clausen, Don H.
Cohelan
Conyers
Corman
Cramer
Culver
Curtis
Daddario
Daniels
Dawson
de la Garza
Dingell
Dorn
Dow
Dulski
Eckhardt
Edmondson
Edwards, Calif.
Everett
Fascell
Feighan
Foley
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fuqua
Garmatz
Gettys
Giaimo
Gibbons
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Grover
Gude
Halpern
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Hardy
Harsha
Hathaway
Hechler, W. Va.
Helstoski
Hicks
Howard
Irwin
Joelson
Johnson, Calif.
Jones, Ala.
Kastenmeier
Kazen
Kee
Kluczynski
Kyros
Long, Md.
McCarthy
McCloskey
McDonald, Mich.
McFall
Machen
Madden
Mahon
Mailliard
Matsunaga
May
Meeds
Miller, Calif.
Minish
Mink
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Poage
Price, Ill.
Pryor
Pucinski
Purcell
Rees
Reuss
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rostenkowski
Roybal
Ryan
St Germain
St. Onge
Sandman
Saylor
Scheuer
Schwengel
Sikes
Sisk
Slack
Smith, Iowa
Stafford
Staggers
Steed
Stephens
Stubblefield
Taft
Talcott
Taylor
Teague, Calif.
Thompson, N.J.
Tiernan
Tunney
Udall
Van Deerlin
Vanik
Waggonner
Waldie
Watts
White
Wilson, Charles H.
Wolff
Wright
Yates
Young
Zablocki

NOT VOTING—98

Abbitt
Anderson, Tenn.
Andrews, N. Dak.
Ayres
Barrett
Blackburn
Blanton
Boland
Bolling
Broomfield
Brotzman
Carter
Cederberg
Celler
Clark
Corbett
Cowger
Cunningham
Delaney
Dent
Devine
Diggs
Dole
Donohue
Dwyer
Edwards, La.
Eilberg
Esch
Evins, Tenn.
Fallon
Farbstein
Fino
Flood
Ford, William D.
Fulton, Tenn.
Gallagher
Gardner
Gilbert
Goodell
Griffiths
Gubser
Gurney
Hansen, Idaho
Hawkins
Hays
Hébert
Herlong
Holifield
Holland
Horton
Hull
Hungate
Hutchinson
Jacobs
Johnson, Pa.
Karsten
Karth
Kelly
King, Calif.
Kirwan
Kupferman
Kuykendall
Kyl
Landrum
Leggett
Long, La.
Lukens
McClory
McClure
McCulloch
McEwen
Mathias, Calif.
Moore
Morton
O'Neill, Mass.
Pike
Podell
Quillen
Railsback
Rarick
Reid, N.Y.
Resnick
Rhodes, Pa.
Rosenthal
Roudebush
Ruppe
Scott
Snyder
Stuckey
Sullivan
Teague, Tex.
Tenzer
Tuck
Whalen
Willis
Wyatt
Wydler
Wylie

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Andrews of North Dakota for, with Mr. O'Neill of Massachusetts against.

Mr. Blackburn for, with Mr. Kirwan against.

Mr. Devine for, with Mr. Eilberg against.

Mr. Fino for, with Mr. Holland against.

Mr. Gardner for, with Mr. Delaney against.

Mr. Gurney for, with Mr. Celler against.

Mr. Wylie for, with Mr. Barrett against.

Mr. Snyder for, with Mr. Gilbert against.

Mr. Roudebush for, with Mrs. Griffiths against.

Mr. Quillen for, with Mrs. Sullivan against.

Mr. Morton for, with Mr. Rosenthal against.

Mr. Mathias of California for, with Mr. Podell against

Mr. Scott for, with Mr. Tenzer against.

Mr. Kyl for, with Mr. Leggett against.

Mr. Cederberg for, with Mr. Donohue against.

Mr. Brotzman for, with Mr. Boland against.

Mr. Hansen of Idaho for, with Mr. Hawkins against.

Mr. Broomfield for, with Mr. Dent against.

Mr. Abbitt for, with Mr. Corbett against.

Mr. Johnson of Pennsylvania for, with Mr. Farbstein against.

Mr. Tuck for, with Mr. Horton against.

Mr. Rarick for, with Mr. Kupferman against.

Mr. Kuykendall for, with Mr. Flood against.

Mr. Hutchinson for, with Mr. Holifield against.

Mr. Herlong for, with Mr. Reid of New York against.

Mr. McEwen for, with Mr. Jacobs against.

Mr. Lukens for, with Mr. Fallon against.

Until further notice:

Mr. Anderson of Tennessee with Mr. Ayres.

Mr. Evins of Tennessee with Mr. Ruppe.

Mr. Blanton with Mr. Wydler.

Mr. Pike with Mr. Cunningham.

Mr. Fulton of Tennessee with Mr. Goodell.

Mr. Long of Louisiana with Mr. Whalen.

Mr. Edwards of Louisiana with Mr. McCulloch.

Mrs. Kelly with Mr. Carter.

Mr. Hull with Mr. Wyatt.

Mr. Hungate with Mr. Cowger.

Mr. Karth with Mr. Esch.

Mr. Teague of Texas with Mr. Gubser.

Mr. Willis with Mrs. Dwyer.

Mr. Landrum with Mr. Dole.

Mrs. Kelly with Mr. McClure.

Mr. Rhodes of Pennsylvania with Mr. Diggs.

Mr. Clark with Mr. McClory.

Mr. Hébert with Mr. Moore.

Mr. Hays with Mr. Railsback.

Mr. William D. Ford with Mr. Resnick.

Mr. Stuckey with Mr. Karsten.

Messrs. McMILLAN, BARING, CONTE, and BROYHILL of Virginia changed their votes from "nay" to "yea."

Messrs. PRYOR, HICKS, SAYLOR, BELL, HAMMERSCHMIDT, TAFT, CASEY, DULSKI, and CONYERS changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON H.R. 15189, MARITIME AUTHORIZATION

Mr. GARMATZ. Mr. Speaker, I call up the conference report on the bill (H.R. 15189) to authorize appropriations for certain maritime programs of the Department of Commerce, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. GROSS. Mr. Speaker, I object.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1678)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15189) to authorize appropriations for certain maritime programs of the Department of Commerce, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$200,000,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$10,960,000"; and the Senate agree to the same.

Edward A. Garmatz,
Thomas N. Downing,
Alton Lennon,
Wm. S. Mailliard,
Thomas M. Pelly,
Managers on the Part of the House.

Warren G. Magnuson,
Daniel B. Brewster,
Robert P. Griffin,
Winston Prouty,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15189) to authorize appropriations for certain maritime programs of the Department of Commerce, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Paragraph (a) of the first section of the House bill authorized an appropriation of $237,470,000 for acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships. Senate amendment No. 1 struck out the House figure and proposed an authorization of $119,800,000. The House recedes with an amendment which provides an authorization of $200,000,000.

Amendment No. 2: Paragraph (c) of the first section of the House bill authorized an appropriation of $11,000,000 for research and development activities. Senate amendment No. 2 struck out the House figure and proposed an authorization of $6,700,000. The House recedes with an amendment which provides an authorization of $10,960,000.

Edward A. Garmatz,
Thomas N. Downing,
Alton Lennon,
Wm. S. Mailliard,
Thomas M. Pelly,
Managers on the Part of the House.

The SPEAKER pro tempore. (Mr. Albert). The gentleman from Maryland [Mr. Garmatz] is recognized for 1 hour.

Mr. GARMATZ. Mr. Speaker, in the conference report the House receded from its disagreement to Senate amendment No. 1 and in lieu of the matter proposed to be inserted by the Senate amendment it inserted $200 million for shipbuilding. The Senate agreed to the same.

In lieu of the matter proposed to be inserted by the Senate in Senate amendment No. 2, the House agreed with the following:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$10,960,000."

And the Senate agreed to the same.

Mr. Speaker, what this really does is bring it back somewhat nearer what the original amount of money was that the House asked for. The House originally asked for $237,470,000. The conferees cut it back to $200 million. In the House bill there was $11 million allocated for research, and we cut that back to the original request. That was the request of the committee.

Now, Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. Downing] a member of the committee.

Mr. DOWNING. Mr. Speaker, I do urge my colleagues to vote for this conference report. We worked hard on it in the conference. The House was adamant in their positions and we did prevail in restoring some money to the construction features of the bill.

Those of us who are in the maritime field are extremely worried about the national merchant marine and the condition it is in. It is declining too fast for the good of this country.

This conference report is just for fiscal year 1969. We have introduced legislation which would be designed to provide the country with an overall vibrant, strong merchant marine, and hopefully we can bring this bill to the floor for passage in the early part of the next session. However, for right now we would very much like to get this conference report through. It is my understanding it would provide us with about 15 to 17 ships to be constructed in fiscal year 1969.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DOWNING. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, there is so much noise and confusion here that I could not hear how much this figure is above the figure as it left the House. Is it $80 million or $100 million?

Mr. DOWNING. The Maritime Administrator requested $338 million. The Bureau of Budget cut him back to $119 million. The House submitted a recommendation for $237 million, but the Senate came back with $119 million, which was the budget figure. In conference we went to $200 million, and we agreed on that figure.

Mr. GROSS. Then, it is a $80 or $90 million increase in the bill?

Mr. DOWNING. That is correct.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. DOWNING. I yield to the gentleman from California.

Mr. MAILLIARD. I think the gentleman from Iowa got quite the wrong impression here. The question he asked is how much is it above the House bill. It is almost $38 million less than the House bill.

Mr. DOWNING. That is exactly right. The House bill was $237 million. The bill before us, the conference report before us, is $200 million.

Mr. ROONEY of New York. Mr. Speaker, would the distinguished gentleman from Virginia [Mr. Downing] yield at this point?

Mr. DOWNING. Yes.

Mr. ROONEY of New York. Is the gentleman from Virginia acquainted with the fact that there was presented to the other body on yesterday afternoon a report of its Committee on Appropriations with respect to this very subject, ship construction, and that the amount recommended by the Senate committee is $119.8 million?

The SPEAKER pro tempore (Mr. Matsunaga). The time of the gentleman from Virginia has expired.

Mr. GARMATZ. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. ROONEY of New York. Mr. Speaker, will the distinguished gentleman yield further?

Mr. DOWNING. I yield further to the gentleman from New York.

Mr. ROONEY of New York. Is the gentleman from Virginia also familiar with the fact that that amount is only $119.8 million as compared with the $245 million that the Subcommittee on Appropriations that the gentleman who is now addressing the House brought here to the House floor?

Mr. DOWNING. I think the figure was $247 million.

Mr. ROONEY of New York. $245 million.

Mr. DOWNING. That is correct.

Mr. ROONEY of New York. Does the gentleman now understand that this may all become tweedledum and tweedledee, because the House Committee on Appropriations as the result of the action of the House Committee on Merchant Marine and Fisheries last year in insisting on annual authorizations, will have confined its Appropriations Committee to bringing back to the House not more than $119.8 for ship construction; is that not the fact?

Mr. DOWNING. Well, I hope "plus."

Mr. ROONEY of New York. I am sure the gentleman from Virginia knows that if this situation I am talking about prevails and the other body sustains its Appropriations Committee, the amount will only be $119.8 million.

Mr. DOWNING. Well, now, this is the conference report on the authorization.

Mr. ROONEY of New York. Yes, and this is the authorization for this fiscal year.

Mr. DOWNING. For fiscal year——

Mr. ROONEY of New York. Fiscal year 1969.

Mr. DOWNING. That is correct.

Mr. ROONEY of New York. Not last year but this year.

Mr. DOWNING. That is correct.

Mr. ROONEY of New York. Does the gentleman agree with the gentleman from New York?

Mr. DOWNING. No.

Mr. ROONEY of New York. What is the sense of enacting this $200 million here today in an authorization bill when it does not mean anything?

Mr. DOWNING. Is it the gentleman's point that the Appropriations Committee will not consider any amount more than $119.8 million?

Mr. ROONEY of New York. The gentleman should know that the Appropriations Committees of the House and of the Senate cannot consider any amount higher than that for ship construction.

Mr. DOWNING. If the authorization bill is $200 million will not the Appropriations Committee honor that figure?

Mr. ROONEY of New York. Does not the gentleman understand that if the other body sustains its Appropriations Committee in the amount of $119.8 million, since points of order were made against the bill here in the House of Representatives, the question before the conference committee becomes either $119.8 million tops or down to nothing, with reference to how much will be recommended to be appropriated. And, is it not the fact that this unfortunate situation was brought about by the gentleman's committee because previously we had open-end appropriations under the 1936 Merchant Marine Act? Is not that the fact?

Mr. DOWNING. No, as I understand it, the House Committee on Merchant Marine and Fisheries submitted a request for an authorization of $237 million and the gentleman in the well, the gentleman from New York, by an additional appropriation of money recommended an amount above the authorization.

Mr. ROONEY of New York. Oh, no. We do not as yet have an authorization. We do not have any authorization as yet at all. We will not have an authorization until the pending bill is enacted into law when signed by the President; is not that the fact?

Mr. DOWNING. That is correct.

Mr. ROONEY of New York. So, there was not any authorization, and for that reason points of order were made against the recommendation of the House Appropriations Committee which resulted in the House failing to appropriate any money at all for ship construction which is so urgently needed in our merchant marine.

Mr. DOWNING. I am in full accord with the gentleman's point of view and his statement.

Mr. ROONEY of New York. The gentleman from Virginia knows why it is that the gentleman from New York is criticizing the action which was taken which did away with the open end appropriation authorization for maritime ship construction.

Mr. DOWNING. The gentleman did not agree with that when we enacted the bill.

Mr. ROONEY of New York. I think the gentleman is going to find out within the next week or weeks that there will arise a situation where the House conferees on the State, Justice, Commerce, and so forth appropriations bill will be confronted with having to arrive at an amount for ship construction not greater than $119.8 million.

Mr. DOWNING. If that is all that is appropriated it is going to be harmful to the merchant marine.

Mr. ROONEY of New York. Of course. That is exactly the point the gentleman from New York has been trying to make for the past year with the great House Committee on Merchant marine and Fisheries.

Mr. GARMATZ. Is that the wish of the gentleman from New York that it be $119 million?

Mr. ROONEY of New York. No. I wish it could be $245 million. The gentleman ought to understand that.

Mr. GARMATZ. I hope the gentleman is sincere.

Mr. MAILLIARD. Will the gentleman yield?

Mr. GARMATZ. I yield 5 minutes to the gentleman from California.

Mr. MAILLIARD. Mr. Speaker, I thank the gentleman for yielding. I certainly do not question the sincerity of the gentleman from New York. I believe he has proven that over and over again. But may I say that the committee hopes with the new administration coming in in January that this authorization will not be a matter of futility and that we can get additional funds through a supplemental appropriation bill.

Mr. Speaker, I yield back the balance of my time.

Mr. GARMATZ. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1166, NATURAL GAS PIPELINE SAFETY ACT OF 1968

Mr. KORNEGAY. Mr. Speaker, I call up the conference report on the bill (S. 1166) to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1795)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1166) to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Natural Gas Pipeline Safety Act of 1968'.

"DEFINITIONS

"SEC. 2. As used in this Act—

"(1) 'Person' means any individual, firm, joint venture, partnership, corporation, association, State, municipality, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof;

"(2) 'Gas' means natural gas, flammable gas, or gas which is toxic or corrosive;

"(3) 'Transportation of gas' means the gathering, transmission or distribution of gas by pipeline or its storage in or affecting interstate or foreign commerce; except that it shall not include the gathering of gas in those rural locations which lie outside the limits of any incorporated or unincorporated city, town, village, or any other designated residential or commercial area such as a subdivision, a business or shopping center, a community development, or any similar populated area which the Secretary may define as a nonrural area;

"(4) 'Pipeline facilities' includes, without limitation, new and existing pipe rights-of-way and any equipment facility, or building used in the transportation of gas or the treatment of gas during the course of transportation but 'rights-of-way' as used in this Act does not authorize the Secretary to prescribe the location or routing of any pipeline facility;

"(5) 'State' includes each of the several States, the District of Columbia and the Commonwealth of Puerto Rico;

"(6) 'Municipality' means a city, county, or any other political subdivision of a State;

"(7) 'National organization of State commissions' means the national organization of the State commissions referred to in part II of the Interstate Commerce Act;

"(8) 'Interstate transmission facilities' means pipeline facilities used in the transportation of gas which are subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act; and

"(9) 'Secretary' means the Secretary of Transportation.

"STANDARDS ESTABLISHED

"SEC. 3. (a) As soon as practicable but not later than three months after the enactment of this Act, the Secretary shall, by order, adopt as interim minimum Federal safety standards for pipeline facilities and the transportation of gas in each State the State standards regulating pipeline facilities and the transportation of gas within such State on the date of enactment of this Act. In any State in which no such standards are in effect, the Secretary shall, by order, establish interim Federal safety standards for pipeline facilities and the transportation of gas in such State which shall be such standards as are common to a majority of States having safety standards for the transportation of gas and pipeline facilities on such date. Interim standards shall remain in effect until amended or revoked pursuant to this section. Any State agency may adopt such additional or more stringent standards for pipeline facilities and the transportation of gas not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act as are not incompatible with the Federal minimum standards, but may not adopt or continue in force after the interim standards provided for above become effective any such standards applicable to interstate transmission facilities.

"(b) Not later than twenty-four months after the enactment of this Act, and from time to time thereafter, the Secretary shall, by order, establish minimum Federal safety standards for the transportation of gas and pipeline facilities. Such standards may apply to the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities. Standards affecting the design, installation, construction, initial inspection, and initial testing shall not be applicable to pipeline facilities in existence on the date such standards are adopted. Whenever the Secretary shall find a particular facility to be hazardous to life or property, he shall be empowered to require the person operating such facility to take such steps necessary to remove such hazards. Such Federal safety standards shall be practicable and designed to meet the need for pipeline safety. In prescribing such standards, the Secretary shall consider—

"(1) relevant available pipeline safety data;

"(2) whether such standards are appropriate for the particular type of pipeline transportation;

"(3) the reasonableness of any proposed standards; and

"(4) the extent to which such standards will contribute to public safety.

Any State agency may adopt such additional or more stringent standards for pipeline facilities and the transportation of gas not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act as are not incompatible with the Federal minimum standards, but may not adopt or continue in force after the minimum Federal safety standards referred to in this subsection become effective any such standards applicable to interstate transmission facilities.

"(c) Any standards prescribed under this section, and amendments thereto, shall become effective thirty days after the date of issuance of such standards unless the Secretary, for good cause recited, determines an earlier or later effective date is required as a result of the period reasonably necessary for compliance.

"(d) The provisions of subchapter II of chapter 5 of title 5 of the United States Code shall apply to all orders establishing, amending, revoking, or waiving compliance with, any standard established under this Act. The Secretary shall afford interested persons an opportunity to participate fully in the establishment of such safety standards through submission of written data, views, or arguments with opportunity to present oral testimony and argument.

"(e) Upon application by any person engaged in the transportation of gas or the operation of pipeline facilities, the Secretary may, after notice and opportunity for hearing and under such terms and conditions and to such extent as he deems appropriate, waive in whole or in part compliance with any standard established under this Act, if he determines that a waiver of compliance with such standard is not inconsistent with gas pipeline safety. The Secretary shall state his reasons for any such waiver. A State agency, with respect to which there is in effect a certification pursuant to section 5(a) or an agreement pursuant to section 5(b), may waive compliance with a safety standard in the same manner as the Secretary, provided such State agency gives the Secretary written notice at least sixty days prior to the effective date of the waiver. If, before the effective date of a waiver to be granted by a State agency, the Secretary objects in writing to the granting of the waiver, any State agency action granting the waiver will be stayed. After notifying such State agency of his objection, the Secretary shall afford such agency a prompt opportunity to present its request for waiver, with opportunity for hearing, and the Secretary shall determine finally whether the requested waiver may be granted.

"TECHNICAL PIPELINE SAFETY STANDARDS COMMITTEE

"SEC. 4. (a) The Secretary shall establish a Technical Pipeline Safety Standards Committee. The Committee shall be appointed by the Secretary, after consultation with public and private agencies concerned with the technical aspect of the transportation of gas or the operation of pipeline facilities, and shall be composed of fifteen members each of whom shall be experienced in the safety regulation of the transportation of gas and of pipeline facilities or technically qualified by training and experience in one or more fields of engineering applied in the transportation of gas or the operation of pipeline facilities to evaluate gas pipeline safety standards, as follows:

"(1) Five members shall be selected from governmental agencies, including State and Federal Governments, two of whom, after consultation with representatives of the national organization of State commissions, shall be State commissioners;

"(2) Four members shall be selected from the natural gas industry after consultation with industry representatives, not less than three of whom shall be currently engaged in the active operation of natural gas pipelines; and

"(3) Six members shall be selected from the general public.

"(b) The Secretary shall submit to the Committee all proposed standards and amendments to such standards and afford such Committee a reasonable opportunity, not to exceed ninety days, unless extended by the Secretary, to prepare a report on the technical feasibility, reasonableness, and practicability of each such proposal. Each report by the Committee, including any minority views, shall be published by the Secretary and form a part of the proceedings for the promulgation of standards. In the event that the Secretary rejects the conclusions of the majority of the Committee, he shall not be bound by such conclusions but shall publish his reasons for rejection thereof. The Committee may propose safety standards for pipeline facilities and the transportation of gas to the Secretary for his consideration. All proceedings of the Committee shall be recorded and the record of each such proceeding shall be available for public inspection.

"(c) Members of the Committee other than Federal employees may be compensated at a rate to be fixed by the Secretary not to exceed $100 per diem (including travel time) when engaged in the actual duties of the Committee. All members, while away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. Payments under this section shall not render members of the Committee employees or officials of the United States for any purpose.

"STATE CERTIFICATIONS AND AGREEMENTS

"SEC. 5. (a) Except for the fourth sentence of section 3(b), section 12(b), and except as otherwise provided in this section, the provisions of this Act shall not apply to pipeline facilities and the transportation of gas (not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act) within a State when the safety standards and practices applicable to same are regulated by a State agency (including a municipality) which submits to the Secretary an annual certification that such State agency (1) has regulatory jurisdiction over the safety standards and practices of such pipeline facilities and transportation of gas; (2) has adopted each Federal safety standard applicable to such pipeline facilities and transportation of gas established under this Act as of the date of the certification; (3) is enforcing each such standard; and (4) has the authority to require record maintenance, reporting, and inspection substantially the same as are provided under section 12 and the filing for approval of plans of inspection and maintenance described in section 11; and that the law of the State makes provision for the enforcement of the safety standards of such State agency by way of injunctive and monetary sanctions substantially the same as are provided under sections 9 and 10; except that a State agency may file a certification under this subsection without regard to the requirement of injunctive and monetary sanctions under State law for a period not to exceed two years after the date of enactment of this Act. Each annual certification shall include a report, in such form as the Secretary may by regulation provide, showing (i) name and address of each person subject to the safety jurisdiction of the State agency; (ii) all accidents or incidents reported during the preceding twelve months by each such person involving personal injury requiring hospitalization, fatality, or property damage exceeding $1,000, together with a summary of the State agency's investigation as to the cause and circumstances surrounding such accident or incident; (iii) the record maintenance, reporting, and inspection practiced by the State agency to enforce compliance with such Federal safety standards, including a detail of the number of inspections made of pipeline facilities by the State agency during the preceding twelve months; and (iv) such other information as the Secretary may require. The report included with the first annual certification need not show information unavailable at that time. If after receipt of annual certification, the Secretary determines that the State agency is not satisfactorily enforcing compliance with Federal safety standards, he may, on reasonable notice and after opportunity for hearing, reject the certification or take such other action as he deems appropriate to achieve adequate enforcement including the assertion of Federal jurisdiction. When such notice is given by the Secretary, the burden of proof shall be upon the State agency to show that it is satisfactorily enforcing compliance with Federal safety standards.

"(b) With respect to any pipeline facilities and transportation of gas (not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act) for which the Secretary does not receive an annual certification under subsection (a) of this section, the Secretary is authorized by agreement with a State agency (including a municipality) to authorize such agency to assume responsibility for, and carry out on behalf of the Secretary as it relates to pipeline facilities and the transportation of gas not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act the necessary actions to—

"(1) establish an adequate program for record maintenance, reporting, and inspection designed to assist compliance with Federal safety standards;

"(2) establish procedures for approval of plans of inspection and maintenance substantially the same as are required under section 11;

"(3) implement a compliance program acceptable to the Secretary including provision for inspection of pipeline facilities used in such transportation of gas; and

"(4) cooperate fully in a system of Federal monitoring of such compliance program and reporting under regulations prescribed by the Secretary.

Any agreement executed pursuant to this subsection shall require the State agency promptly to notify the Secretary of any violation or probable violation of a Federal safety standard which it discovers as a result of its program.

"(c)(1) Upon an application submitted not later than September 30 in any calendar year, the Secretary is authorized to pay out of funds appropriated pursuant to section 15 up to 50 per centum of the cost of the personnel equipment, and activities of a State agency reasonably required to carry out a safety program under a certification under subsection (a) or an agreement under subsection (b) of this section during the following calendar year. No such payment may be made unless the State agency making application under this subsection gives assurances satisfactory to the Secretary that the State agency will provide the remaining cost of such a safety program and that the aggregate expenditures of funds of the State, exclusive of Federal grants, for gas safety programs will be maintained at a level which does not fall below the average level of such expenditures for the last two fiscal years preceding the date of enactment of this section.

"(2) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments and underpayments.

"(3) The Secretary may, by regulation, provide for the form and manner of filing of applications under this section, and for such reporting and fiscal procedures as he deems necessary to assure the proper accounting for Federal funds.

"(d) A certification which is in effect under subsection (a) of this section shall not apply with respect to any new or amended Federal safety standard for pipeline facilities or the transportation of gas, not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act, established pursuant to this Act after the date of such certification. The provisions of this Act shall apply to any such new or amended Federal safety standard until the State agency has adopted such standard and has submitted an appropriate certification in accordance with the provisions of subsection (a) of this section.

"(e) Any agreement under this section may be terminated by the Secretary if, after notice and opportunity for a hearing, he finds that the State agency has failed to comply with any provision of such agreement. Such finding and termination shall be published in the Federal Register, and shall become effective no sooner than fifteen days after the date of publication.

"JUDICIAL REVIEW OF ORDERS

"Sec. 6. (a) Any person who is or will be adversely affected or aggrieved by any order issued under this Act may at any time prior to the sixtieth day after such order is issued file a petition for a judicial review with the United States Court of Appeals for the District of Columbia or for the circuit wherein such petitioner is located or has his principal place of business. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose.

"(b) Upon the filing of the petition referred to in subsection (a), the court shall have jurisdiction to review the order in accordance with chapter 7 of title 5 of the United States Code and to grant appropriate relief as provided in such chapter.

"(c) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

"(d) Any action instituted under this section shall survive, notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

"(e) The remedies provided for in this section shall be in addition to and not in substitution for any other remedies provided by law.

"COOPERATION WITH FEDERAL POWER COMMISSION AND STATE COMMISSIONS

"Sec. 7. Whenever the establishment of a standard or action upon application for waiver under the provisions of this Act, would affect continuity of any gas services, the Secretary shall consult with and advise the Federal Power Commission or State commission having jurisdiction over the affected pipeline facility before establishing the standard or acting on the waiver application and shall defer the effective date until the Federal Power Commission or any such commission has had reasonable opportunity to grant the authorizations it deems necessary. In any proceedings under section 7 of the Natural Gas Act (15 U.S.C. 717f) for authority to establish, construct, operate, or extend a gas pipeline which is or will be subject to Federal or other applicable safety standards, any applicant shall certify that it will design, install, inspect, test, construct, operate, replace, and maintain the pipeline facilities in accordance with Federal and other applicable safety standards and plans for maintenance and inspection. Such certification shall be binding and conclusive upon the Commission unless the relevant enforcement agency has timely advised the Commission in writing that the applicant has violated safety standards established pursuant to this Act.

"COMPLIANCE

"Sec. 8. (a) Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall—

"(1) at all times after the date any applicable safety standard established under this Act takes effect comply with the requirements of such standard; and

"(2) file and comply with a plan of inspection and maintenance required by section 11; and

"(3) permit access to or copying of records, and make reports or provide information; and permit entry or inspection, as required under section 12.

"(b) Nothing in this Act shall affect the common law or statutory tort liability of any person.

"CIVIL PENALTY

"Sec. 9. (a) Any person who violates any provision of section 8(a), or any regulation issued under this Act, shall be subject to a civil penalty of not to exceed $1,000 for each such violation for each day that such violation persists, except that the maximum civil penalty shall not exceed $200,000 for any related series of violations: *Provided*, That for a reasonable period of time, not to exceed one year after the date of enactment of this Act, such civil penalties shall not be applicable to pipeline facilities existing on such date of enactment.

"(b) Any such civil penalty may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged, the gravity of the violation, and the good faith of the person charged in attempting to achieve compliance, after notification of a violation, shall be considered. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged or may be recovered in a civil action in the United States district courts.

"INJUNCTION AND JURISDICTION

"Sec. 10. (a) The United States district courts shall have jurisdiction, subject to the provisions of rule 65 (a) and (b) of the Federal Rules of Civil Procedure, to restrain violations of this Act (including the restraint of transportation of gas or the operation of a pipeline facility) or to enforce standards established hereunder upon petition by the appropriate United States attorney or the Attorney General on behalf of the United States. Whenever practicable, the Secretary shall give notice to any person against whom an action for injunctive relief is contemplated and afford him an opportunity to present his views, and, except in the case of a knowing and willful violation, shall afford him reasonable opportunity to achieve compliance. However, the failure to give such notice and afford such opportunity shall not preclude the granting of appropriate relief.

"(b) In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this section, which violation also constitutes a violation of this Act, trial shall be by the court or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

"(c) Actions under subsection (a) of this section and section 9 may be brought in the district wherein any act or transaction constituting the violation occurred, or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or transacts business or wherever the defendant may be found.

"(d) In any action brought under subsection (a) of this section and section 9, subpenas for witnesses who are required to attend a United States district court may run into any other district.

"INSPECTION AND MAINTENANCE PLANS

"Sec. 11. Each person who engages in the transportation of gas or who owns or operates pipeline facilities not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act shall file with the Secretary or, where a certification or an agreement pursuant to section 5 is in effect, with the State agency, a plan for inspection and maintenance of each such pipeline facility owned or operated by such person, and any changes in such plan, in accordance with regulations prescribed by the Secretary or appropriate State agency. The Secretary may, by regulation, also require persons who engage in the transportation of gas or who own or operate pipeline facilities subject to the provisions of this Act to file such plans for approval. If at any time the agency with responsibility for enforcement of compliance with the standards established under this Act finds that such plan is inadequate to achieve safe operation, such agency shall, after notice and opportunity for a hearing, require such plan to be revised. The plan required by the agency shall be practicable and designed to meet the need for pipeline safety. In determining the adequacy of any such plan, such agency shall consider—

"(1) relevant available pipeline safety data;

"(2) whether the plan is appropriate for the particular type of pipeline transportation;

"(3) the reasonableness of the plan; and

"(4) the extent to which such plan will contribute to public safety.

"RECORDS, REPORTS, AND INSPECTION FOR COMPLIANCE

"Sec. 12. (a) Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall establish and maintain such records, make such reports, and provide such information as the Secretary may reasonably require to enable him to determine whether such person has acted or is acting in compliance with this Act and the standards established under this Act. Each such person shall, upon request of an officer, employee, or agent authorized by the Secretary, permit such officer, employee, or agent to inspect books, papers, records, and documents relevant to determining whether such person has acted or is acting in compliance with this Act and the standards established pursuant to this Act.

"(b) The Secretary is authorized to conduct such monitoring of State enforcement practices and such other inspection and investigation as may be necessary to aid in the enforcement of the provisions of this Act and the standards established pursuant to this Act. He shall furnish the Attorney General any information obtained indicating noncompliance with such standards for appropriate action. For purposes of enforcement of this Act, officers, employees, or agents authorized by the Secretary, upon presenting appropriate credentials to the individual in charge, are authorized (1) to enter upon, at reasonable times, pipeline facilities, and (2) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such facilities. Each such inspection shall be commenced and completed with reasonable promptness.

"(c) Accident reports made by any officer, employee, or agent of the Department of Transportation shall be available for use in any civil, criminal, or other judicial proceeding arising out of such accident. Any such officer, employee, or agent may be required to testify in such proceedings as to the facts developed in such investigations. Any such report shall be made available to the public in a manner which need not identify individuals. All reports on research projects, demonstration projects, and other related activities shall be public information.

"(d) All information reported to or otherwise obtained by the Secretary or his representative pursuant to subsection (a), (b), or (c) which information contains or relates to a trade secret referred to in section 1905 of title 18 of the United States Code shall be considered confidential for the purpose of that section, except that such information may be disclosed to other officers or employees concerned with carrying out this Act or when relevant in any proceeding under this Act. Nothing in this section shall authorize the withholding of information by the Secretary or any officer, employee, or agent under his control, from the duly authorized committees of the Congress.

"ADMINISTRATION

"SEC. 13. (a) The Secretary shall conduct research, testing, development, and training necessary to carry out the provisions of this Act. The Secretary is authorized to carry out the provisions of this section by contract, or by grants to individuals, States, and nonprofit institutions.

"(b) Upon request, the Secretary shall furnish to the Federal Power Commission any information he has concerning the safety of any materials, operations, devices, or processes relating to the transportation of gas or the operation of pipeline facilities.

"(c) The Secretary is authorized to advise, assist, and cooperate with other Federal departments and agencies and State and other interested public and private agencies and persons, in the planning and development of (1) Federal safety standards, and (2) methods for inspecting and testing to determine compliance with Federal safety standards.

"ANNUAL REPORT

"SEC. 14. (a) The Secretary shall prepare and submit to the President for transmittal to the Congress on March 17 of each year a comprehensive report on the administration of this Act for the preceding calendar year. Such report shall include—

"(1) a thorough compilation of the accidents and casualties occurring in such year with a statement of cause whenever investigated and determined by the National Transportation Safety Board;

"(2) a list of Federal gas pipeline safety standards established or in effect in such year with identification of standards newly established during such year;

"(3) a summary of the reasons for each waiver granted under section 3(e) during such year;

"(4) an evaluation of the degree of observance of applicable safety standards for the transportation of gas and pipeline facilities including a list of enforcement actions, and compromises of alleged violations by location and company name;

"(5) a summary of outstanding problems confronting the administration of this Act in order of priority;

"(6) an analysis and evaluation of research activities, including the policy implications thereof, completed as a result of Government and private sponsorship and technological progress for safety achieved during such year;

"(7) a list, with a brief statement of the issues, of completed or pending judicial actions under the Act;

"(8) the extent to which technical information was disseminated to the scientific community and consumer-oriented information was made available to the public;

"(9) a compilation of—

"(A) certifications filed by State agencies (including municipalities) under section 5 (a) which were in effect during the preceding calendar year, and

"(B) certifications filed under section 5(a) which were rejected by the Secretary during the preceding calendar year, together with a summary of the reasons for each such rejection; and

"(10) a compilation of—

"(A) agreements entered into with State agencies (including municipalities) under section 5(b) which were in effect during the preceding calendar year, and

"(B) agreements entered into under section 5(b) which were terminated by the Secretary during the preceding calendar year, together with a summary of the reasons for each such termination.

"(b) The report required by subsection (a) shall contain such recommendations for additional legislation as the Secretary deems necessary to promote cooperation among the several States in the improvement of gas pipeline safety and to strengthen the national gas pipeline safety program.

"APPROPRIATIONS AUTHORIZED

"SEC. 15. For the purpose of carrying out the provisions of this Act over a period of three fiscal years, beginning with the fiscal year ending June 30, 1969, there is authorized to be appropriated not to exceed $500,000 for the fiscal year ending June 30, 1969; not to exceed $2,000,000 for the fiscal year ending June 30, 1970; and not to exceed $4,000,000 for the fiscal year ending June 30, 1971."

And the House agree to the same.

HARLEY O. STAGGERS,
TORBERT H. MACDONALD,
HORACE R. KORNEGAY,
LIONEL VAN DEERLIN,
WILLIAM L. SPRINGER,
JAMES T. BROYHILL,
JAMES HARVEY,
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
MIKE MONRONEY,
VANCE HARTKE,
NORRIS COTTON,
THRUSTON B. MORTON.
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1166) to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendment.

In large part the provisions of the Senate bill and the House substitute amendment were the same or similar, but there were some rather important differences.

The committee of conference recommends that the Senate recede from its disagreement from the amendment of the House to the text of the bill, with an amendment which is a substitute for both the text of the Senate bill and the House amendment. The differences between the House amendment to the text of the bill and the substitute agreed to in conference are noted below, except for clerical corrections, and minor drafting and clarifying changes.

SECTION 5. (A) PROCEDURES FOR STATE ENFORCEMENT OF FEDERAL SAFETY STANDARDS

Section 5(a) of both the Senate bill and the House amendment provided procedures for State instead of Federal enforcement of the Federal safety standards applicable to gathering, distribution, and local transmission lines. The Senate bill did this through a State written agreement with the Secretary. The House amendment did this through an annual State certification to the Secretary.

Either procedure required a State agency to adopt the Federal standards and to enforce them through section 11 (plans of inspection and maintenance) and section 12 (plans of reporting).

The Senate agreement procedure had a condition precedent that the States must have authority to impose the sanctions of section 9 (money penalties) and section 10 (injunctions). The certification procedure under the House amendment required that the law of the State make provision for monetary and injunctive sanctions.

The substitute agreed to in conference retains the certification procedure of the House amendment but provides that there be a condition precedent to State agency certification; namely, that the law of the State make provision for injunctive and monetary sanctions "substantially the same as are provided under sections 9 and 10." The conference substitute also adds a provision that a State agency may file a certification without regard to the requirement of injunctive and monetary sanctions under State law for a period of not more than 2 years after the date of enactment of this legislation.

SECTION 5. (a) PROCEDURES FOR REJECTION OR TERMINATION OF STATE CERTIFICATIONS OR AGREEMENTS

If, one the basis of information required to be filed with the Secretary under this legislation, information obtained by the Secretary through a program of Federal monitoring under section 12(b), or information otherwise obtained by him, the Secretary determined that a State agency was not in compliance with its agreement or annual certification, he could have terminated the agreement with the State agency under section 5(e) of both the Senate bill and the House amendment or, under section 5(a) of the House amendment, he could have rejected the annual certification of the State agency. Inasmuch as under either subsection the termination or the rejection must be preceded by notice and opportunity for hearing, it would appear that the basic administrative procedures would be the same, as the administrative procedure provisions contained in chapter 5 of title 5 of the United States Code would apply. Under either it was presumed that the Secretary would have instituted a proceeding requiring the State agency to show cause why its agreement should not be terminated or its certification rejected.

The substitute agreed to in conference retains the certification procedure of the House amendment but adds a provision to make it clear that when the Secretary moves to reject a certification the burden of proof is on the State agency to show that it is in compliance.

SECTION 9. (a) CIVIL PENALTIES

Section 9(a) of the Senate bill provided that any person who violated any provision of section 8(a), or any regulation issued under this legislation, would be subject to a civil penalty of not more than $1,000 for each violation for each day it persists, except that the maximum penalty could not exceed $400,000 for any related series of violations.

Section 9(a) of the House amendment required the Secretary to give notice to any person the Secretary had reason to believe was violating any portion of section 8(a) or any regulation issued under this legislation, and to allow such person a reasonable opportunity to achieve compliance before imposing any penalty. Under the House amendment, the penalty was not more than $500 for each day that a violation persists, except that the maximum penalty could not exceed $100,000 for any related series of violations.

The managers on the part of the Senate insisted upon the language of the Senate bill relating to civil penalties. The managers on the part of the House finally agreed to include the Senate language in the substitute agreed to in conference with the modification that the maximum penalty cannot exceed $200,000 for any related series of violations, and with the further modification that for a reasonable period of time, not to exceed 1 year after the date of enactment of this legislation, the civil penalties will not be applicable to pipeline facilities existing on such date of enactment.

SECTION 15. APPROPRIATIONS AUTHORIZED

Section 15(a) of the Senate bill authorized appropriations of $10,000,000 for the fiscal year 1969, $13,000,000 for the fiscal year 1970, and $15,000,000 for the fiscal year 1971.

Section 15(b) of the Senate bill authorized the Secretary to require the payment to him of a reasonable annual fee by all persons engaged in the transportation of gas to help defray the expenses of Federal inspection and enforcement under this legislation.

Section 15 of the House amendment authorized appropriations of $500,000 for the fiscal year 1969, $2,000,000 for the fiscal year 1970, and $3,000,000 for the fiscal year 1971.

The substitute agreed to in conference follows the provisions of the House amendment with one modification; namely, that the authorization for the fiscal year 1971 is increased from $3,000,000 to $4,000,000.

Harley O. Staggers,
Torbert H. Macdonald,
Horace R. Kornegay,
Lionel Van Deerlin,
William L. Springer,
James T. Broyhill,
James Harvey,
Managers on the Part of the House.

Mr. **STAGGERS** (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be considered as read.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The **SPEAKER** pro tempore. The gentleman from West Virginia is recognized for 1 hour.

Mr. **STAGGERS**. Mr. Speaker, the conferees had two meetings on this bill, and I believe that we came out with a pretty good bill. Of course, we had to compromise some, but basically the conferees have accepted the House bill with several changes in it.

Mr. Speaker, first, the Senate accepts the House procedure as to certification by the States of their ability to enforce the Federal standards. However, the conference bill agreed to by the House managers provides that the States must meet the Federal sanctions as to penalties. They are given 2 years to do this.

Second. Under the conference agreement the Secretary is given the power of the House amendment to reject certifications by the States if he thinks the States are not enforcing the laws. The conferees have agreed, however, that in the case of such rejection, there should be language making it clear that the burden of proof is on the States to show they are enforcing the laws.

Third. The Senate insisted on its penalties and finally the managers on the part of the House receded from the House amendment in this regard with a slight modification. The penalties are $1,000 a day for violation with a maximum of $200,000.

Fourth. The House amendment reduces the 3-year Senate appropriation authorization of $38 million to $5,500,000. The conferees have agreed to $6,500,000.

Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. Broyhill].

Mr. **BROYHILL** of North Carolina. Mr. Speaker, the House conferees have agreed basically to the House position on section 5(a) with two exceptions. The language change is inserted in the statement of the managers on the part of the House which explains the changes that were made and some of the language that was adopted in conference.

Mr. Speaker, the substitute which we agreed to in conference does retain the certification procedure which was adopted not only in the subcommittee of the House and upheld by the full committee but also by the House of Representatives.

There was a change made that any State which chooses to use the certification procedure would have to show that the law of the State does make provision for the injunctive and monetary sections substantially the same as we provide in sections 9 and 10 of the bill.

We also give opportunity for the States up to 2 years after the date of enactment of this legislation to bring the laws of their State up to the levels of the penalties and the provisions of sections 9 and 10.

This is the change that was made in this particular section.

Mr. **STAGGERS**. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. Harvey], a member of the committee.

Mr. **HARVEY**. Mr. Speaker, I want to say just one word about a change that was made in section 9 of the bill relative to penalties.

When this matter first came up in the House we had a totally different section on penalties and an amendment was offered to substitute the Senate bill at that time and the House rejected it.

Yet the conference committee has seen fit to yield on that position and go back to the Senate language insofar as penalties are concerned, and then insofar as any prior notice to afford an opportunity to achieve compliance should be given.

The other change that was made in the amount of the penalties was in the actual amount itself and a compromise was reached here between the House version and the Senate version.

But I would point out in our discussion relative to the change on whether notice should be given to achieve compliance or not to an individual or to a company, I argued strenuously for the House position. Yet those who opposed the position of the House all stated and all seemed to agree that section 9(b), if I am correct—in itself reflected the intent of all that the Secretary be reasonable and that he give reasonable notice to the company or to the individual to achieve compliance with the particular standard.

As I read the language of section 9(b), I can see the merit of that particular argument. It was for that reason, Mr. Speaker, that I yielded in my argument and I in turn agreed to sign the statement of the Managers on the part of the House.

Mr. **KORNEGAY**. Mr. Speaker, will the gentleman yield?

Mr. **HARVEY**. I yield to the gentleman.

Mr. **KORNEGAY**. With reference to the point that the gentleman from Michigan raised on section 9(a), as to why it was necessary for the House conferees to recede to a portion of the Senate position, I would point out we were successful in adding the modification or proviso to section 9(a) which provides as follows:

> That for a reasonable period of time, not to exceed one year after the date of enactment of this Act, such civil penalties shall not be applicable to pipeline facilities existing on such date of enactment.

I want to point out, in concurring in what the gentleman has said, that it was my understanding that the backing off of the managers on the part of the House did not mean to indicate that we were not interested in seeing that the Secretary cooperate with and work with the industry in every way possible to accomplish the purposes of the act—and not to come in and very arbitrarily and without notice and without any effort on the part of the Secretary to gain compliance with the standards which he promulgates.

Mr. **HARVEY**. I thank the gentleman for his statement. I would point out to him also that one of the factors that was to be considered of the House version of section 9(b) by the Secretary was "the good faith of the person charged in attempting to achieve compliance after notification of violation." I think it was that factor considered by the conference which led to accepting the Senate version of 9(a) rather than the House version. Would the gentleman agree with me?

Mr. **KORNEGAY**. I would agree with the gentleman.

Mr. **HARVEY**. I thank the gentleman.

Mr. **BROWN** of Michigan. Mr. Speaker, will the gentleman yield?

Mr. **BROYHILL** of North Carolina. I yield to the gentleman from Michigan.

Mr. **BROWN** of Michigan. I would like to inquire of the gentleman from Michigan, the gentleman from North Carolina [Mr. Broyhill], the chairman of the committee, or the gentleman from North Carolina [Mr. Kornegay], what the basic changes are in section 5(a). How has section 5(a) been changed? That was the section which, as I recall, when the matter was up for debate in the House, created the greatest controversy, and when an effort was made to substitute the Senate version for that which was submitted by the Interstate and Foreign Commerce Committee, there was an effort by Members of the House to amend this back to the Senate version. It accomplished, I think, 59 favorable votes on the teller vote, and that was all. Apparently the conferees have yielded to some extent on that point, and I wonder if someone could explain to me in what way the conferees yielded to the Senate version in this regard.

Mr. HARVEY. Mr. Speaker, would the gentleman from North Carolina like to respond? Or I would be happy to do so.

Mr. KORNEGAY. Mr. Speaker, I would be happy to respond to the gentleman. There were two changes, as I recall it, in section 5(a). The first one dealt with enforcement procedures. That is the statement that was necessary for the State to certify with reference to enforcement procedures. That was modified to state that "the law of the State makes provision for injunctive and monetary sanctions." This is where the change came in, substantially the same as is provided under sections 9 and 10.

The conference substitute also added the provision that "a State agency may file a certification under this subsection without regard to the requirement of injunctive and monetary sanctions under State law for a period not to exceed 2 years after the date of enactment of this act."

The effect of that change would be that, in order to certify, a State must have in effect penalties or sanctions substantially the same as those provided in sections 9 and 10 of the bill, and they are of course, the sections relating to civil penalities under section 9 and injunctions under section 10.

Mr. BROWN of Michigan. Does the gentleman recall whether comity States might be affected by this?

Mr. KORNEGAY. That is a very difficult question to answer in that 49, I believe, of the 50 States have injunctive relief, and 49 of the 50 have some sort of monetary penalty. Many of them are in the nature of a criminal penalty rather than a civil penalty. Thirty-four, if I recall the figure correctly, is the number of States that have either civil or criminal penalties that will amount to as much as the maximum period under section 9 of the bill.

Some of those are criminal penalties. Whether or not the Secretary would interpret that to mean that they are substantially the same, of course, I have no way of knowing.

The additional provision giving States 2 years was placed in the act in order to permit any and every State which wishes to come under the certification provisions to have time to change its laws, if necessary, by their State legislature.

Mr. BROYHILL of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from North Carolina.

Mr. BROYHILL of North Carolina. Mr. Speaker, on that point on which the gentleman was commenting, this is my interpretation, that for a 2-year period, during the time in which the Secretary would be promulgating permanent standards, during the period when the interim standards are in effect, a State can certify under section 5(a) and enforce the provisions of this act. Then, after the end of this 2-year period, if the laws of the States call for penalties or sanctions substantially the same as in sections 9 and 10, then the States would be able to certify thereafter under Section 5(a).

Mr. KORNEGAY. Yes.

Mr. BROWN of Ohio. But if they are not, they must adjust the State law, or they would not be able to certify.

Mr. BROYHILL of North Carolina. Then they would be under section 5(b) of the act, which is the "agreement" section.

Mr. KORNEGAY. For a 2-year period after enactment of the bill, they would be able to certify regardless of what their standards might be.

The second point deals with the fact that the burden of proof is on the State to prove they are satisfying all terms and conditions set forth in the certification.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield 1 minute?

Mr. STAGGERS. I yield the gentleman from Ohio 1 additional minute.

Mr. BROWN of Ohio. Mr. Speaker, if I may ask the gentleman from North Carolina [Mr. KORNEGAY], does that then infer that if the Secretary feels the State is not complying, the State must then prove that it is complying, rather than the Secretary being in a position of having to prove the State is not complying?

Mr. KORNEGAY. Correct. In other words, the provision under certification is that the Secretary has authority, after notice and hearing, to reject the certification.

The question arose as to where the burden of proof was. It has been my contention all along that this element is really not involved and that the burden is on the States, but in order to make it amply clear and to satisfy some who questioned where the burden of proof was, we added the simple statement that it is incumbent upon the State agencies to prove that they are fulfilling all the provisions of the certification.

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman.

Mr. ALBERT. Mr. Speaker, I rise to commend the conferees on the Natural Gas Pipeline Safety Act, the members of the Interstate and Foreign Commerce Committee, and the Congress as a whole for positive and constructive legislation to protect the safety of the public in the use of natural gas as a source of energy.

Natural gas supplies approximately a third of the energy consumed in America. Its use is growing and the network of pipelines transporting and distributing natural gas to the consuming public now reaches every area of the Nation.

The gas industry has in my opinion maintained a fine safety record through the years and the adoption of this legislation is not intended to reflect on that record. As I see it, this is not in any way punitive legislation but gives the Federal Government the authority to make sure that safety standards in this industry are adequate, that they are obeyed and that they are enforced.

The gas industry has had a safety code for years, but it has been a voluntary code. This legislation makes safety standards mandatory and centralizes responsibility for enforcement of those standards. It is a good piece of legislation, in keeping with the President's recommendation for a strong bill in the public interest.

Properly administered, this legislation will, I believe, prove beneficial both to the public and to the natural gas industry in the years to come.

In many respects, this is pioneering legislation which could very well set a pattern for similar efforts in other fields as the need is demonstrated.

The bill we adopted harnesses the technical skills of the private sectors of our economy with those of Government in a cooperative effort to achieve the best possible standards in what is, basically, a technological field involving the sciences of engineering, metallurgy, physics, chemistry, and others. I refer to the Technical Pipeline Safety Standards Committee to be appointed by the Secretary of Transportation. The Secretary has the opportunity here to select the best available brains in the country, from government, from colleges and universities, from research centers, and from the industry itself to assist him in achieving the highest possible competence in the standards he sets.

It seems to me this is extremely important because the technical skills available in our Nation should be brought to bear in cooperation with Government on the technological problems we face—such as air pollution, water pollution, and other areas where the health and welfare of our people are involved. I would like to see more such cooperation in many fields and I think this legislation points the way.

Again, I wish to commend those who worked hard and long to achieve a very constructive result in the Natural Gas Pipeline Safety Act of 1968.

Mr. STAGGERS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CONFERENCE REPORT ON S. 222, DESIGN AND CONSTRUCTION OF BUILDINGS FINANCED WITH FEDERAL FUNDS TO BE ACCESSIBLE TO THE PHYSICALLY HANDICAPPED

Mr. GRAY. Mr. Speaker, I call up the conference report on the bill (S. 222) to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1787)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 222) to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That, as used in this Act, the term 'building' means any building or facility (other than (A) a privately owned residential structure and (B) any building or facility on a military installation designed and constructed primarily for use by able bodied military personnel) the intended use for which either will require that such building or facility be accessible to the public, or may result in the employment or residence therein of physically handicapped persons, which building or facility is—

"(1) to be constructed or altered by or on behalf of the United States;

"(2) to be leased in whole or in part by the United States after the date of enactment of this Act after construction or alteration in accordance with plans and specifications of the United States; or

"(3) to be financed in whole or in part by a grant or a loan made by the United States after the date of enactment of this Act if such building or facility is subject to standards for design, construction, or alteration issued under authority of the law authorizing such grant or loan.

"Sec. 2. The Administrator of General Services, in consultation with the Secretary of Health, Education, and Welfare, is authorized to prescribe such standards for the design, construction, and alteration of buildings (other than residential structures subject to this Act and buildings, structures, and facilities of the Department of Defense subject to this Act) as may be necessary to insure that physically handicapped persons will have ready access to, and use of, such buildings.

"Sec. 3. The Secretary of Housing and Urban Development, in consultation with the Secretary of Health, Education, and Welfare, is authorized to prescribe such standards for the design, construction, and alteration of buildings which are residential structures subject to this Act as may be necessary to insure that physically handicapped persons will have ready access to, and use of, such buildings.

"Sec. 4. The Secretary of Defense, in consultation with the Secretary of Health, Education, and Welfare, is authorized to prescribe such standards for the design, construction, and alteration of buildings, structures, and facilities of the Department of Defense subject to this Act as may be necessary to insure that physically handicapped persons will have ready access to, and use of, such buildings.

"Sec. 5. Every building designed, constructed, or altered after the effective date of a standard issued under this Act which is applicable to such building, shall be designed, constructed, or altered in accordance with such standard.

"Sec. 6. The Administrator of General Services, with respect to standards issued under section 2 of this Act, and the Secretary of Housing and Urban Development, with respect to standards issued under section 3 of this Act, and the Secretary of Defense with respect to standards issued under section 4 of this Act, is authorized—

"(1) to modify or waive any such standard, on a case-by-case basis, upon application made by the head of the department, agency, or instrumentality of the United States concerned, and upon a determination by the Administrator or Secretary, as the case may be, that such modification or waiver is clearly necessary, and

"(2) to conduct such surveys and investigations as he deems necessary to insure compliance with such standards."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title and agree to the same.

Kenneth J. Gray,
Robert E. Jones,
Jim Wright,
James R. Grover,
Robert C. McEwen,
Managers on the Part of the House.

Jennings Randolph,
Everett B. Jordan,
Hiram L. Fong,
J. Caleb Boggs,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 222) to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The differences between the House amendment to the text of the Senate bill and the substitute agreed to in conference are noted below, except for clerical corrections, incidental changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

RESIDENTIAL STRUCTURES

The Senate bill exempts all residential buildings.

The House amendment exempts all residential structures containing less than four dwelling units.

The conference substitute exempts all privately owned residential structures. The conferees agreed that the basic import of this legislation shall be confined to publicly owned buildings including public housing, or buildings accessible to the public.

MILITARY INSTALLATIONS

The Senate bill included all nonresidential buildings, structures, and facilities under the Department of Defense including the military departments.

The House amendment specifically excluded all such buildings, structures, and facilities.

The proposed conference substitute would exclude those buildings or facilities on a military installation which are designed and constructed primarily for use by able bodied military personnel. The conferees believe that barracks, recreation facilities, mess halls, drill halls, and other buildings and facilities which are primarily for use by those members of the Armed Forces who are not physically handicapped should be exempt from the provisions of this bill. However, those buildings and facilities primarily for use by physically handicapped military personnel as, for example, military hospitals, treatment centers, and other special facilities for the benefit of men who have been wounded or who are otherwise injured or ill as the result of active duty, should be, and are, subject to this bill.

In addition, the conference substitute provides in section 4 that the Secretary of Defense will, with respect to all buildings, structures, and facilities of the Department of Defense (including the military departments), be authorized to prescribe design, construction, and alteration standards necessary to insure ready access to, and use of, such buildings by the physically handicapped. This is the same authority which is granted to the Secretary of HUD in section 3 with respect to those publicly owned residential structures subject to this Act. The conferees believe that the Secretary of Defense, having all other authority with respect to the design and construction of these buildings, structures, and facilities, should, in addition, have this authority with respect to the standards relating to the access to and use of such structures by the physically handicapped.

Kenneth J. Gray,
Robert E. Jones,
Jim Wright,
James R. Grover, Jr.,
Robert C. McEwen,
Managers on the Part of the House.

Mr. GRAY (during the reading). Mr. Speaker, I ask **unanimous consent** that further reading of the statement on the part of the managers be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. Gray] is recognized for 1 hour.

Mr. GRAY. Mr. Speaker, this is a very important piece of legislation. Today 22 million people in this country have some degree of physical handicap. Many of them are literally locked out of our public buildings. After hearings before our committee, we found that many buildings are being constructed and rented with Federal funds, but there is no access to these buildings for the physically handicapped.

The conference report brought back to the House is essentially the same as the bill that passed the House. There are two changes we think will benefit the bill.

First, we eliminated any reference to private dwellings. The House bill would have required that people constructing private dwellings with FHA financing comply with this act. We felt it would be too cumbersome and would be unworkable. That was eliminated in the conference.

Second, we included military installations. The bill as passed by the House did not require the Secretary of Defense to see that administrative and other types of buildings constructed for military use were accessible to the physically handicapped. We felt that they should be. Wherever practicable, the Secretary of Defense should modernize existing buildings, and certainly when new military installations are to be constructed it should be mandatory that they have at least one entrance and one exit for the physically handicapped.

Mr. Speaker, it is ironic that we have all types of campaigns urging people to hire the physically handicapped, yet today, in this modern 20th century, we find there are many buildings which will not allow the physically handicapped to enter even on business, much less to work every day during the week.

We believe this is a good conference

report. The bill passed the House unanimously on a rollcall vote.

I urge the adoption of the conference report.

Mr. GROVER. Mr. Speaker, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from New York.

Mr. GROVER. I am quite in agreement with the gentleman. I believe we have improved the bill substantially, due to the fact that we have eliminated the provision on private dwellings from the application of the law. That is to say, private residential dwellings are eliminated.

I am still a little troubled about the language which is in item 3, at the bottom of page 1 of the report. It is indicated there "be financed in whole or in part by a grant or a loan made by the United States after the date of enactment of this act."

We should make some legislative history in this regard. No mention was made, when we passed the bill originally, as to the possibility of the application of this to the foreign aid funds. Therefore, if Pakistan or some other country should put up a building for public use or public disposition, my opinion is that this bill would not apply in that case.

Mr. GRAY. I want to say to my distinguished friend, a very able member of the committee of conference, that the Secretary of State, in this particular instance, if it were foreign aid money, could make a determination as to what type of buildings being built by foreign aid would be "public buildings" and the General Services Administrator, in promulgating the rules and regulations, could take into account whether or not he wanted to include buildings constructed with foreign aid money.

I would want some latitude for the Administrator of GSA and the various departments in setting up these regulations. I would think that if a public building were used for a public use, financed by foreign aid funds, it would be applicable under the law.

Mr. GROVER. I would point out that in section 6(1), which gives the authority to modify this on a case-by-case basis, there is no reference made to such other things as the foreign countries.

Mr. GRAY. We did not spell out any specific type of program. This is why we used the words "all public buildings" and left it to the Administrator of GSA to determine the buildings.

I would certainly believe, in making the legislative history, we should make it clear that wherever tax dollars are used for constructing public buildings, whether it is in Afghanistan or West Frankfort, Ill., it should apply, and the physically handicapped ought to be able to get into these buildings.

Mr. GROVER. The gentleman would put a broad interpretation on it, despite the language?

Mr. GRAY. I would most certainly do so.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. GRAY. I yield to my distinguished friend from Illinois.

Mr. MICHEL. With reference to that section having to do with defense installations, that surely does not mean to imply that every barracks or every building on a military post would be fitted with a ramp or something.

Mr. GRAY. I would say to my distinguished friend from Illinois, they are excluded. These are the administrative buildings, where people are working.

Mr. MICHEL. I thank the gentleman.

Mr. BENNETT. Mr. Speaker, I want to compliment Senator BARTLETT, who first introduced this measure, and the committees of the House and Senate, and particularly Congressman GRAY, for their careful preparation and presentation of this measure. It is a good one. I was honored to be the original introducer of it in the House and I consider it one of the best pieces of legislation to come out of Congress this session. I urge my colleagues to vote for it unanimously. And I hope the architects throughout the country may apply its message on a voluntary basis as widely as possible to all publicly used buildings they design, such as churches, court houses, city halls, and so forth. Moreover, perhaps its idea can be applied voluntarily even to private buildings, such as residences and others. It is a humanitarian measure; and it makes good sense from an economic point of view, too, for it will enable some to make a living or advance themselves as wage producers and taxpayers—some who might find it otherwise impossible.

Mr. GRAY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 15387. An act to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes.

GENERAL LEAVE TO EXTEND

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just passed.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Illinois?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 12843, TO ESTABLISH A NATIONAL EYE INSTITUTE IN THE NATIONAL INSTITUTES OF HEALTH

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1250 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1250

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12843) to amend the Public Health Service Act to provide for the establishment of a National Eye Institute in the National Institutes of Health. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California [Mr. SMITH], pending which I yield myself such time as I might require.

Mr. Speaker, House Resolution 1250 provides an open rule with 1 hour of general debate for consideration of H.R. 12843 to establish a National Eye Institute in the National Institutes of Health.

There are over 400,000 blind persons in the United States, and it is estimated that some 90 million Americans suffer from some form of eye disorder or impaired vision.

The present programs of the National Institutes of Health with respect to blindness and visual disorders are administered through the National Institute of Neurological Diseases and Blindness, which uses approximately 15 to 20 percent of its appropriations each year for programs involving vision. By providing for the establishment of a new National Eye Institute, the bill would provide a clear focus for the efforts of those interested in eye research needs, and the Director of the new Institute would be better able to concentrate efforts in the training of ophthalmologists and other eye specialists.

The overriding reason for the separate Eye Institute is that the problems of the eye are unique medically and require, in the evolution of programs for research and training, the decisions of men qualified as specialists in disorders of vision. There is a need for an Eye Institute with a Director who has had clinical experience and research training in the eye field, and there is a need for a council made up exclusively of eye men in both civilian and medical areas.

H.R. 12843 would establish a new institute in the NIH, known as a National Eye Institute, which would be responsible for the conduct and support of research for new treatment, cures, and training relating to blinding eye diseases and visual disorders. The new institute would have the same administrative structure as is true of the other institutes in the NIH.

The eye institute will provide the administrative mechanism for establishing research laboratories in blinding disease which will provide the model for research development as has been done in heart disease, cancer, neurologic disease, and arthritis and metabolism.

Also, it will develop intramural laboratories devoted to hereditary disease of the eye, tumors of the eye, the nervous and muscle control of the eyes, and the relationship to vision.

Mr. Speaker, I urge the adoption of House Resolution 1250 in order that H.R. 12843 may be considered.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of the bill is to establish within the National Institutes of Health a National Eye Institute which will be primarily responsible for research into all aspects of eye disease, its treatment and prevention.

There are over 400,000 blind Americans today, and almost half the population suffers from some eye disorder or impaired vision.

The present eye research program is carried on as a part of the National Institute on Neurological Diseases and Blindness, accounting for some 15 to 20 percent of its annual appropriations. The bill will transfer the eye research functions to the new Institute which will be solely interested in such problems. Funds for the new Institute are not separately authorized by the bill. Twenty percent of the appropriations from the Neurological Institute would approximate some $4 million this fiscal year.

Funds will be used for basic research into eye problems and eye function to gain fuller understanding of this vital organ. The report states that tremendous advances are now possible if dedicated work is pushed forward now.

The bill also authorizes the Secretary of Health, Education, and Welfare to appoint a council to advise him with respect to matters pertaining to the Institute.

There are no minority views contained in the report.

Mr. Speaker, I urge the adoption of the rule.

Mr. YOUNG. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. PATTEN. Mr. Speaker, I rise in support of H.R. 12843 establishing a National Eye Institute.

We must determine the causes and cures of blindness. It is both incredible and tragic that 80 percent of all blindness is the result of diseases whose causes are unknown to science. Surely we must do more to help fight the battle against these crippling diseases.

Over 30,000 Americans will lose their sight this year. In fact, already more than 3½ million persons suffer from serious eye afflictions.

An independent institute in the National Institutes of Health will prove to be the most effective means of discovering cures for blindness and eye ailments. This institute would promote research for new treatment, cures and training in reference to blinding eye diseases and other optic disorders. Under provisions of the bill, the Surgeon General would be authorized to provide training and instruction and establish traineeships and fellowships in the institute.

When you consider that 90 million Americans suffer from some kind of eye trouble, the need for such a valuable institute is apparent. Mr. Speaker, as a cosponsor and as one who knows many persons who are afflicted with eye diseases, I urge favorable consideration of this bill.

PROVIDING FOR CONSIDERATION OF H.R. 15757, HEALTH MANPOWER ACT OF 1968

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1262 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1262

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15757) to amend the Public Health Service Act to extend and improve the programs relating to the training of nursing and other health professions and allied health professions personnel, the program relating to student aid for such personnel, and the program relating to health research facilities, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill, and read by titles instead of by sections. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee on the Whole to the bill or committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 15757, the Committee on Interstate and Foreign Commerce shall be discharged from further consideration of the bill S. 3095, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 15757 as passed by the House.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California [Mr. Smith] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1262 provides an open rule with 1 hour of general debate for consideration of H.R. 15757 to amend the Public Health Service Act to extend and improve the programs relating to the training of nursing and other health professions and allied health professions personnel, the program relating to student aid for such personnel, and the program relating to health research facilities, and for other purposes. The resolution also makes it in order to consider without the intervention of a point of order the committee substitute; the substitute shall be considered as an original bill for the purpose of amendment, and read by titles instead of by sections. After passage of H.R. 15757, the Committee on Interstate and Foreign Commerce shall be discharged from further consideration of S. 3095 and it shall be in order to strike all after the enacting clause of the Senate bill and amend it with the House-passed language.

The reason for the waiver of points of order against the committee substitute is that the paragraph beginning on line 20, page 51 of the bill, constitutes an appropriation within the meaning of the Rules of the House since it permits the use of funds appropriated for the fiscal year ending June 30, 1969, for purposes in addition to those already specified in the law.

The Nation's need for health manpower is urgent, a need which is both quantitative and qualitative.

H.R. 15757 proposes to continue for 2 years and strengthen five major health programs authorized by the Health Professions Educational Assistance Act of 1963; the Nurse Training Act of 1964; the Allied Health Professions Personnel Training Act of 1966—limited to 1 year extension; the Health Research Facilities Act of 1956; and the Public Health Service Act authorities for public health traineeships in project grants for graduate or specialized training in public health.

The main purpose of the legislation is to sustain the Federal commitment to alleviate critical shortages of professional health personnel.

Under these programs, matching grants are made for the construction of teaching facilities, and grants are made to strengthen and improve the programs of institutions training professional health personnel. Student loan programs and scholarship programs are established to aid students at these schools and traineeships are provided for advanced training of persons to be teachers, and to serve in administrative capacities at these institutions.

The bill, as reported, authorizes a total of $1,141.8 million.

Mr. Speaker, I urge the adoption of House Resolution 1262 in order that H.R. 15757 may be considered.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I shall be glad to yield to the able gentleman from Iowa.

Mr. GROSS. Is the gentleman privy to any information as to whether it is going to be 3 or 4 o'clock tomorrow morning before we conclude the business of the day? Here is a 40-page bill with a report of almost 100 pages. I wonder if we are proposing to go on with this bill tonight?

Mr. PEPPER. I will say to my distinguished friend from Iowa I do not know about the bill itself, whether it will be taken up or not. But we should be able to dispose of the rule very quickly. That is what I am concerned with.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, what I am concerned with is whether we are going to spend the night here tonight, and if we are we need to send out and get some cover.

Mr. PEPPER. I am concerned with the adoption of the rule only at this particular point in time.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. ALBERT). Evidently a quorum is not present.

Mr. ROSTENKOWSKI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names·

[Roll No. 289]

Anderson, Tenn.
Andrews, N. Dak.
Ashley
Ayres
Baring
Barrett
Blanton
Boland
Bolling
Brademas
Brock
Broomfield
Brown, Calif.
Brown, Mich.
Button
Cabell
Carter
Cederberg
Celler
Clark
Corbett
Cowger
Cunningham
Davis, Ga.
Davis, Wis.
Delaney
Denney
Dent
Devine
Diggs
Dole
Donohue
Dwyer
Edwards, Calif.
Edwards, La.
Eilberg
Esch
Evins, Tenn.
Farbstein
Fino
Flood
Ford, William D.
Fraser
Fulton, Tenn.
Gallagher
Gardner
Gibbons
Gilbert
Goodell
Green, Oreg.
Griffiths
Gubser
Gurney
Hamilton
Hanna
Hansen, Idaho
Hardy
Hawkins
Hays
Hébert
Holifield
Holland
Horton
Howard
Hungate
Hutchinson
Jacobs
Johnson, Pa.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kelly
King, Calif.
King, N.Y.
Kirwan
Kupferman
Kuykendall
Kyl
Landrum
Leggett
Lloyd
Long, La.
McClory
McCloskey
McClure
McCulloch
McEwen
Madden
Mailliard
Mathias, Calif.
Miller, Calif.
Moore
Mosher
O'Hara, Ill.
O'Neill, Mass.
Pelly
Pike
Podell
Rarick
Rees
Reid, N.Y.
Resnick
Rhodes, Pa.
Rivers
Rosenthal
Roudebush
Ruppe
Schadeberg
Scott
Snyder
Steiger, Wis.
Stuckey
Sullivan
Teague, Tex.
Tuck
Udall
Whalen,
Willis
Wright
Wyatt
Wylie

The SPEAKER. On this rollcall 310 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 15757, HEALTH MANPOWER ACT OF 1968

The SPEAKER. The gentleman from Florida [Mr. PEPPER] has the floor.

Mr. PEPPER. Mr. Speaker, I yield to the able gentleman from California [Mr. SMITH].

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, House Resolution 1262 provides an open rule, with 1 hour of debate, for consideration of H.R. 15757, the Health Manpower Act of 1968. The rule waives points of order because of certain language transferring funds, and makes the substitute amendment in order.

The purpose of the bill is to extend for 2 years—fiscal 1970 and 1971—a number of programs that aim at alleviating the critical shortages in professional health personnel in all fields.

Existing acts covered by the bill include: the Health Professions Educational Assistance Act; the Nurse Training Act; the Allied Health Professions Personnel Training Act; the Health Research Facilities Act, and; the Public Health Service Act. These acts cover a number of programs which provide funds for: First, matching grants for construction of teaching facilities; second, matching grants to strengthen and improve programs of instruction; third, student loan programs, and; fourth, scholarships and traineeships for qualified students.

The administration recommended a 4-year extension costing $2,621,200,000. The reported bill extends the programs for 2 years and authorizes appropriations totaling $1,141,800,000. Fiscal 1970 is authorized at a level of $536,000,000; 1971 at a level of $649,800,000.

The report points out the obvious need for additional medical professional and technical personnel in all phases of the medical professions. It notes that most Federal programs in the area are very new and have not yet had a great impact on the shortages. Large backlogs in construction grants exist; this will be reduced substantially by the bill. As more facilities are available for use, a greater use can be made of funds for scholarships and student loans. This will reduce and hopefully eliminate the ever-increasing shortage in all medical professions.

Major authorizations contained in the bill include: $395,000,000 for construction grants; $102,800,000 for scholarships and student loans; $60,000,000 for construction grants for nurses schools; $125,000,000 for scholarships and student loans for nurses, and; $50,000,000 for construction grants for research facilities.

All interested agencies support the bill. There are no minority views.

The bill is a committee substitute; the rule reflects this.

Mr. Speaker, I urge the adoption of the rule.

Mr. PEPPER. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair might state, for the benefit of Members, that this concludes the legislative business for today.

VIOLENCE ON TELEVISION

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HUNGATE. Mr. Speaker, on July 2, I introduced a resolution to direct the Federal Communications Commission to conduct a comprehensive study and investigation of the effects of the display of violence in television programs.

In connection with that resolution, I call the attention of the Members to an article on violence on television which appeared in the July 25 issue of the Christian Science Monitor:

VIOLENCE DOMINATES U.S. SUMMERTIME TV: WILL IT LESSEN IN AUTUMN?

(By John Dillin)

Six weeks after the assassination of Sen. Robert F. Kennedy, television network programs continue to blast out a grisly trail of violence with rifles and six-shooters, cannons and space guns.

A survey of 85½ hours of television spanning prime evening hours and Saturday morning "cartoons" showed that violence still dominates the American airwaves.

Staff members of this newspaper watched the shows and in seven evenings of viewing recorded 81 murders and killings and a total of 210 incidents or threats of violence. An additional 162 incidents were recorded on Saturday morning—generally regarded as children's hours.

Surprisingly, the most violent evening hours were those between 7:30 and 9 p.m.—again a period when large numbers of children are among the television audience. Official network estimates indicate that during those hours 26.7 million children between the ages of 2 and 17 are watching.

In those early evening hours, violent incidents occurred on an average of once every 16.3 minutes. After 9 p.m., violence tapered off quickly, with incidents occurring once every 35 minutes. In the early evening, there was a murder or killing once every 31 minutes. Later, once every two hours.

In the aftermath of the Kennedy assassination, leading television producers have promised to reduce video's violent element, particularly in shows seen by children. Quick changes were promised. But so far the changes are not apparent, perhaps because many of the shows are summer reruns. Future network plans should be more apparent with the introduction of the new shows in the fall.

By far the most violent evening program of the week was a Sunday showing of "Voyage to the Bottom of the Sea." The one-hour ABC presentation, which began at 7 p.m., was a continuous series of fights, pursuits, shootings, and explosions. During the show, viewers counted 33 incidents of violence, or more than one every two minutes. There were eight killings and lengthy fight scenes.

Although a few of the programs surveyed were of local origin, the vast majority originated with the three major networks: CBS, NBC, and ABC.

CBS programing was easily the least violent during the evening hours. In seven full nights of viewing, its affiliates displayed 41 incidents and 14 killings. That was less than half those on ABC, which led the field with 97 incidents, including 48 killings. NBC stood in the middle on both counts with 63 incidents and 23 killings.

But what credit CBS won for its evening shows, it lost on Saturday morning.

MONSTER PEOPLE 'DONE IN'

Two of the most violent cartoons for children were on CBS. In a half-hour, the "Herculoids" raced through 18 violent incidents during which 20 monster people of various descriptions were shot, vaporized, or mashed.

Vying for top-horror honors was CBS's "Dyno-Boy and the Space Ghost." It featured 22 incidents, but only three creature people were destroyed.

The Saturday morning lineup far outstripped any other time segment for violence. In only seven hours, the morning shows rolled up 162 incidents, compared with 210 for the entire evening spectrum of 78½ hours.

Almost all the cartoon shows ranked among the most violent. There were an average of 23 incidents an hour, nearly 10 times the rate for evening shows. One tabulator noted:

"The violence was happening so fast, I had to call on my roommate for help in writing them down. As it was, I think we may have missed some."

In revealing contrast to those monster-filled minutes, where even the heroes are often weird characters, are the advertisements aimed at children—the sweet and innocent-sounding ads for cooing dolls and baby carriages, toy trains, and crunchy cereals.

AREAS FOR IMPROVEMENT

Considering this deluge of violence, certainly one of the most obvious areas for quick improvement on both Saturday morning and regular evening shows lies in the previews of coming attractions. Many previews are capsules of violence. In a few seconds, one preview featured snips of a machine-gun battle, three fistfights, an explosion, and a "laser-beam" attack.

But the biggest reform job involves the shows themselves. The survey found that more than half the programs—55 percent—include violence.

The most violent single evenings were Sunday on ABC, Monday on NBC, and Tuesday on ABC. ABC's Sunday rating can be directly attributed to "Voyage," already cited. NBC's Monday of violence was due mostly to "The Champions" (16 violent incidents, 3 murders) and "I Spy" (11 incidents, 3 killings or murders). ABC's Tuesday displayed violence on every show, but the worst were "Garrison's Gorillas" (5 incidents, 12 killings) and "N.Y.P.D." (4 incidents, 1 killing).

On the other side of things, CBS had by far the best overall rating with 59 percent of its shows rated "clean." ABC and NBC affiliates turned up with 38 percent and 37 percent nonviolent ratings, respectively.

Nonviolent evenings were achieved by CBS (Tuesday) and ABC (Saturday). Evenings with only one violent show were Sunday on CBS and Thursday on ABC.

ATTENTION FOCUSED AGAIN

Television violence has received attention in the United States in previous years, but recent killings again have focused attention on TV's influence.

Rep. Edward J. Gurney (R) of Florida recently quoted an earlier study which found that the average American child between the ages of 5 and 15 watches the violent destruction of 13,400 persons on television.

"It is difficult to believe," Mr. Gurney said, "that this heavy dosage of antisocial behavior does not have some effect on its viewers and on the rising incidence of lawlessness and violence that has been sweeping our country during the past few years."

Sen. Gaylord Nelson (D) of Wisconsin has warned broadcasters that if violence is not reduced, the public may act through new laws to regulate program content. He urged voluntary restraint as the best assurance of freedom.

Advertising men have formed a committee, "Advertising Men for Deescalation of Violence on Television," to arouse public opinion against violence and to push research on possible connections between violence on television and rising crime.

NETWORKS TAKE ACTION

The networks, too, have taken action. Some Saturday-morning cartoons will be dropped in favor of humorous features. Violence scenes are being edited out of some of the new evening shows for next fall, it is argued.

But the temptation toward violent shows will still be there for the networks. According to prevalent thinking among broadcasters, violence means viewers; and viewers mean money; and money means a show stays on the air.

Shoot-'em-ups like "Gunsmoke," "Daniel Boone," "Wild, Wild West," and "Garrison's Gorillas" command good audiences and top prices from sponsors. Next fall, for example, a one-minute commercial on "Gunsmoke" will cost $52,000.

With money like that at stake, the networks face a severe challenge. By cutting the violence, they risk slashing their revenue. Retain the violence, and the government may act.

Tune in next fall's premieres to find out who wins in this exciting drama. . . .

INTERNATIONAL CONVENTION TO BAR HIJACKING OF COMMERCIAL AIRCRAFT

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, I have today introduced a sense of Congress resolution urging the President to lead the way in the United Nations toward adoption of an international convention which would impose uniform severe penalties on those who hijack commercial airliners and land them in foreign countries.

I have taken this action as a result of an editorial suggestion made by the Chicago's American in which this outstanding publication suggested that an international agreement, setting severe, uniform, and mandatory penalties for hijacking, would be a most effective deterrent to this growing menace.

The Chicago's American pointed out that a skyjacker would face certain punishment wherever he stepped off the hijacked airplane if such an international convention were adopted by the United Nations.

The Chicago's American quite properly calls attention to this growing peril to commercial aviation.

In an editorial which appeared this Wednesday and which I will place in the Record in its entirety at the conclusion of my remarks, the editors of this excellent newspaper called attention to the hijacking of an Israel airliner by Palestinian Arab nationalists and pointed out that this act makes it clear that air piracy is not an exclusively North American headache.

The growing menace of hijacking airplanes threatens, in fact, the Chicago's American points out, a specialized form of guerilla warfare with worldwide implications and one of its worrisome aspects is that it is the kind of crime likely to occur precisely in the world's hottest trouble spots.

Mr. Speaker, the Chicago's American has performed a notable public service by urging this legislation.

We are now deeply concerned about the mounting crises of the *Pueblo* which was taken into custody by the North Korean Communists.

I can envision the day when hijacking an American airliner and landing it in a foreign country which is hostile to the United States and if such foreign country refuses to return the aircraft, a major international situation could arise which would create new military tensions.

I do not believe we can treat this problem of hijacking commercial aircraft with impunity any longer.

It occurs to me that the United Nations should address itself to this international problem with dispatch and surely, the United Nations can provide the machinery and the leadership to have all nations adopt uniform punishment for such a crime.

We can, through the United Nations, make it clear to potential hijackers that they will be promptly arrested and prosecuted to the full extent of international law if they are foolish enough to engage in this act of aerial piracy.

We have sufficient precedent for such an international agreement. A good deal of our admiralty law is uniform in nature; many years ago nations entered into agreements barring piracy on the high seas, and we are now discussing international agreements to deal with outer space.

It occurs to me then, Mr. Speaker, that Congress ought to take up my resolution as quickly as possible and assure its early enactment before this whole business of hijacking commercial aircraft becomes a serious threat to orderly international relations and international commerce.

Mr. Speaker, the excellent editorial which appeared in Chicago's American follows:

Will Skyjackings Spread?

The hijacking of an Israeli air liner by Palestinian Arab nationalists makes it clear that air piracy is not an exclusively North American headache, and is likely to be less and less so. It threatens, in fact, to become a specialized form of guerrilla warfare with world-wide implications; and one of its worrisome aspects is that it's the kind of crime likely to occur precisely in the world's hottest trouble spots, where emotions are already seething.

The conditions that seem to encourage skyjackings are bitter hostility between two nations or national groups that are geographically close, one of them—or each of them—having many of the other's nationals on its territory. The elements are present in many areas—the United States and Cuba; Israel and the Arab nations; southeast Asia; Greece Turkey, and Cyprus. And all that's needed to activate them is a single fanatic with a gun.

The crime has a reckless, dramatic quality that appeals to the fanatic mind, and it gives at least a symbolic opportunity for an individual to injure a whole nation, to revenge himself on a government he hates.

So far no lasting damage has been done, but yesterday's piracy of the El Al jet liner carried an ominous hint: After the skyjackers had forced it to land in Algeria, the Palestine Liberation organization, an extremist Arab group, urged the Algerian government to hold the 18 Israelis aboard as hostages for

Arab commandos imprisoned in Israel. This would change the crime from an individual act of piracy to a severe international provocation and invite reprisals; it would also call for emergency action by the United Nations. Israel has already asked Secretary General Thant to act.

Last week we proposed at least a partial answer: An international agreement, setting severe, uniform, and mandatory penalties for this crime, so that a skyjacker would face certain punishment wherever he stepped off the plane. The International Civil Aviation organization in Montreal could initiate this move if one of its members proposed it, and we believe the United States should propose it.

Enforcement, of course, would be a problem; nations that didn't feel like obeying the skyjacking law would simply ignore it, as Cuba ignores present laws on air piracy. But international sanctions against this crime would at least tend to discourage it—and it clearly needs discouraging fast.

LANDMARK HOUSING LEGISLATION

Mr. DOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOW. Mr. Speaker, the housing legislation that we expect to come before us today for the final time will be a landmark not only for the 90th Congress but in the history of our Nation. It will provide the tools for accomplishing a stated policy of over a decade—"a decent home and a suitable living environment for every American family." For too long this policy has been nothing more than idle words—our action today can make it a reality.

In the first year alone, we can double the production of housing for low- and moderate-income families to 300,000 units. This bill is the first step in a 10-year effort that will produce 6 million housing units for such families and replace the substandard units where over 20 million Americans are forced to live today. Families who in the past have effectively been denied the American dream of homeownership would be given the initial financial boost they need to buy homes. Other families would have the opportunity for decent rental housing that meets their needs by paying a reasonable one-fourth of their incomes.

Although reaching the goals set out in this legislation will require a volume of housing far greater than in the past, the goal is not unrealistic. We have in this legislation sound, flexible, and imaginative tools for achieving that goal. For the first time we will be able to tap the resources of private industry to attack the housing problem. The subsidy for homeownership will create a substantial market for low- and moderate-cost housing which does not exist today. I have every confidence that the homebuilding industry can and will respond.

Through the national housing partnership, the financial and management resources of private enterprise will be used to solve the housing problem on a national scale. The productivity of the private sector of the American economy is unmatched anywhere in the world. This legislation will unleash the huge potential of private enterprise, so it can produce the large volume of housing we must have.

As President Johnson said earlier this year in his message on housing and cities:

> The Government's concern is to stimulate private energy and local action—to provide capital where needed, to guarantee financing, to offer assistance that encourages planning and construction.

At this time when America's housing needs are so great, the plight of our poor urban dwellers so desperate, the crisis of our cities so deep, an alliance between private enterprise and Government is both realistic and wise. I hope my fellow Members will join with me in showing compassion for the needs of our cities and a commitment to meeting those needs by voting for this legislation.

PROGRAM INFORMATION ACT

Mr. ROTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. ROTH. Mr. Speaker, the response to two legislative proposals which I have introduced with cosponsors in the House to improve the efficiency of our Federal Government has been most gratifying. These two bills are H.R. 18113, the Program Information Act, which would require the President, through the Bureau of the Budget, to issue and maintain an up-to-date catalog on Federal assistance programs, and H.R. 18574, "the Executive Reorganization and Management Improvement Act."

I am pleased to report that currently we have more than one-fourth of the membership of the House as cosponsors of each of these legislative proposals. As of today, 120 Members, Democrats and Republicans, are cosponsors of the Program Information Act, and 128 Members are cosponsors of the reorganization legislation.

Equally significant, is the fact that other key Government officials have gone officially on record in support of this legislation. I am highly pleased to report that the National Governors' Conference, which held its 16th annual meeting this week in Cincinnati, Ohio, unanimously adopted a resolution endorsing both proposals. The adoption of this resolution was again a bipartisan effort.

In a bipartisan spirit, the distinguished Governor of Delaware, Charles L. Terry, Jr., drafted and proposed the resolution that was adopted by the conference. This effort was aided by the able Gov. Spiro Agnew of Maryland. As I have indicated, this resolution was unanimously adopted by the conference, which was attended by 48 Governors.

This resolution provides:

IMPROVED MANAGEMENT AND REPORTING OF FEDERAL ASSISTANCE PROGRAMS

Whereas, there are more than 1,270 Federal programs offering assistance to local and state governmental units; and

Whereas, these programs are operated by various agencies of the federal government and in many instances have become competitive and overlapping; and

Whereas, the overall effect of the number, complexity and duplication is to create a situation of difficulty and confusion; and

Whereas, this difficulty and confusion could be alleviated by the annual publication of a complete compendium of federal assistance programs and by the establishment of a commission for the improvement of government management and organization insofar as they affect state and local governmental units:

Now, therefore, be it resolved that the Sixtieth Annual National Governors' Conference assembled in Cincinnati, Ohio on the twenty-third day of July, 1968 go on record as supporting (1) the annual publication by the federal government of a complete compendium of all operating programs offering assistance to state and local governmental units, and (2) the creation on the national level of a commission for the improvement of government management and organization insofar as they affect state and local governmental units such as the commission envisioned by H. R. 18113.

I would also like to report that the National Association of Counties has written me of their endorsement of H.R. 18113. This important association represents the chief executives of our county governments. Mr. Bernard F. Hillenbrand, executive director, wrote me as follows:

NATIONAL ASSOCIATION OF COUNTIES,
Washington, D.C., July 18, 1968.

Hon. WILLIAM V. ROTH,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ROTH: I am writing to note this Association's support of your bill, H.R. 18113, the Program Information Act. We commend you on your leadership in seeking the creation of a catalogue of Federal assistance programs which would identify for potential beneficiaries all existing Federal assistance programs wherever administered. Certainly, as Federal programs have grown in number and complexity, county officials have long needed the complete, master reference work which you envision.

A number of the dramatic catalogue features which you would require would prove immensely helpful to county officials. Requirements that the President revise the catalogue at no less than monthly intervals, that the catalogue state the level of funding for each program and that there be a statement of the cost to the recipient of receiving assistance and of duties required after receiving benefits can assist county governments in making more informed judgments relating to Federal assistance programs.

Section 10 of your bill, as introduced, requires that the catalogue shall be the only compendium of program information published by any Federal agency or department. This master list or reference point is needed and laudatory; at the same time, we would hope that various Federal agencies would still have leave to develop and disseminate information in depth relating to programs within their jurisdiction in supplementation of the catalogue.

Your proposal includes machinery for the constant improvement, simplification and consolidation of the many program forms and guidelines and this too should help to improve an area that has been the cause of much frustration in county circles nationally.

Your efforts can lead to substantial strengthening of our Federal system.

Sincerely,
BERNARD F. HILLENBRAND,
Executive Director.

In my judgment, endorsements by the National Governors' Conference, the National Association of Counties, one-fourth of the membership of the House, and a number of newspapers and editorial writers which have been reprinted recently in these pages, clearly shows the broad consensus of support that has developed around these two proposals seeking to bring about more efficient and effective machinery to solve the grave problems we face at all levels of government.

NELSEN PROTESTS CUTBACKS IN POSTAL SERVICE

Mr. NELSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. NELSEN. Mr. Speaker, we have heard much from the Postmaster General during the past few days, both through the press and in testimony before the Senate Post Office and Civil Service Committee, concerning reduction in postal services, some of which have already been put into effect and others which are planned, programed, or threatened. The reasons given for these actions are the expenditure reductions and employment restrictions in the recent tax increase bill. First let me say that these threats are in line with statements we have been hearing from other agencies, which have threatened catastrophic results in services rendered if their particular agency is affected by these expenditure cuts.

For example, Budget Director Charles J. Zwick has been quoted as saying that the following programs would be among those bearing the brunt of the reductions: Elementary and secondary education, cancer and heart research, rural electrification and telephone loans, veterans' medical care, anticrime activities, maternal and child welfare grants, school lunch and food stamp programs, and air and water pollution control.

Significantly, we have heard almost nothing about the possibility of reducing spending in such fields as the space program, new public works projects, the supersonic transport program, the foreign aid program, and others. Few of these programs are ever mentioned as areas for potential cuts.

The point is that the Director of the Budget and, in this case, the Postmaster General are stating directly and/or implying that unless Congress exempts, for example, the Post Office Department from the requirements of the reductions and spending cuts in the recent tax bill, these many essential services and programs will bear the brunt of such reductions. And, of course the services, the discontinuance of which would stir maximum public reaction, are always the ones principally mentioned to go under the knife—this in the hope, of course, of promoting a congressional exemption from the cuts for the agency or department. The simple truth is that the Director of the Budget presently has complete discretionary authority under the recent tax legislation to assign these personnel cuts to those agencies in a manner which will have the least disturbing effect on the public service. He has the authority, for instance, to exempt the Post Office Department in whole or in part if such be necessary.

Through the use of this authority a reasonable system of priorities should be applied throughout the Government service to leave essential services and programs untouched and to cut out the waste. There is no agency, bureau, or department in the Federal Government that is run so efficiently that savings cannot be made in selected places in both personnel and money during these times of financial crisis.

With these options open to the administration, I do not think that we who believe in reasonable reduction in Government spending must be intimidated by these not-so-subtle blackmail threats.

I believe that this postal crisis situation could be solved tomorrow through the exercise by the administration of prerogatives which it already holds without further congressional action.

For the moment, however, I certainly agree with the concern of the folks back home over the actual and threatened cuts. I shall attempt to find out just how much the Postmaster General intends to save by his proposed cutbacks and then if there is no other solution—that is if the administration refuses to act sensibly in adjusting priorities for these reductions—I shall as a last resort support a move to rescind the overall expenditure cut in an amount to take care of these necessary postal services. But I think we as a Congress should not and need not now start legislating blanket exemptions for various departments or agencies or it will not be but a short time before the cuts and reductions in Government spending written into the tax bill will be "gone with the wind."

For the future, serious consideration should be given to the recent results of the blue-ribbon task force study which recommended that the Post Office Department be reorganized into a nonpolitical Government-owned corporation. So far this report has been given a cold shoulder by both the President and the Postmaster General.

TODAY THERE ARE CELEBRATIONS IN CUBA

Mr. **ROGERS** of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. **ROGERS** of Florida. Mr. Speaker, today, the 26th of July, there will be celebrations in Cuba. There will be celebrations because Fidel Castro says there will be celebrations.

But indeed, there is little for the people of Cuba to celebrate. July 26, the day that Castro started his march to power in Cuba, must ironically and realistically represent the day that the people of Cuba were betrayed.

Today's celebration in Cuba will be in honor of Fidel Castro, not the Cuban people and not the Cuban nation. The nation has been delivered by Castro into the hands of communism and the people of Cuba have been delivered into poverty, hunger, and hopelessness.

For these reasons, I was surprised to read the unrealistic comments of a Member of the Senate this week. This Member of the Senate proposed that the United States change its position toward Cuba, recognize the Communist government there and in effect loosen the economic isolation which we have employed against Cuba.

He says that the people of Cuba are better off now than they were before Castro. This is not only unrealistic, but shows either a lack of knowledge on the present state of affairs in Cuba, or a refusal to recognize the fact that Castro has turned that island nation from one of the most prosperous countries in Latin America into the beggar nation of the Communist world.

I would like to just touch on a few points to indicate what Castro has done to a nation which was well on its way to self-sufficiency.

The Cuban economy is in shambles. The gross national product in 1967 was approximately the same as it was in 1959—$2.5 billion—despite the increase in population and vast scientific and technical advances in methods of farming and manufacturing.

The per capita annual income has dropped since Castro took over. Before Castro, Cuba rated third in Latin America in per capita income.

Before Castro, Cuba's domestic production satisfied domestic demand for poultry, eggs, beef, milk, cheese and butter and most other foodstuffs. Now there are severe rations on food. Cubans are limited to three-fourths of a pound of meat per week, or about 3 pounds per month when it is available and it is not always available. Milk is rationed for those under 5 years of age. Coffee is limited to ounces per month. Eggs and bread are hard to come by.

Clothing is also on the scarce list. The ration book in February, 1968, entitled each person to buy two shirts, one pair of trousers and two pairs of shoes a year. But shoes are often impossible to find.

Before Castro, Cuba had one of the world's leading sugar crops. But since Castro took over, Cuba has never matched the peak production established prior to his regime. This, despite the fact that he has disrupted the entire economy in mad attempts to set records. As a result, all other phases of the economy have suffered, including the educational processes and the routine duties of government.

Before Castro, Cuba's oil and petroleum industry was helping stabilize the economy, producing enough for domestic use and exporting much abroad. Now Cuba has to call on Russia for oil and petroleum imports. Many refineries have been closed down. Again, this has contributed to placing a dependency on sugar as the country's only economic product.

In addition, Castro has not been content to bring ruin to Cuba. He has tried to export communism to other Latin

American countries, most notably Bolivia, where Che Guevara led an unsuccessful attempt to overthrow the government.

I think the Senator should look over these facts. And I think others in the Government who would advocate recognizing Cuba and who urge that we open trade and diplomatic relations with her consider these things. I might add that if Cuba were situated in Lake Erie, I think the Senator would have a different view.

And I think that those who promote the idea that Cubans are satisfied with the dictatorship of Fidel Castro ask themselves why have more than 350,000 Cubans fled their homeland for asylum in the United States.

In 1959, Castro promised free elections within 4 years. There have been none. Nor do I think there will be.

We have no way of knowing what Castro will use as the theme of his annual 26th of July speech. But I would suspect that it might be that he intends to continue to export communism to our sister nations of South America.

There is no reason, on this tragic day, why any American should welcome Fidel Castro into the community of free nations of the Western Hemisphere. And I certainly would oppose any such proposal as long as Fidel Castro and the Communist regime are in power there.

The people of Cuba have been betrayed. Their nation has been delivered into bondage. The peoples of the free world can only recognize the 26th of July as the anniversary of the death of a free people.

GUN-CONTROL LAWS MISS MARK

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, the Cleveland Plain Dealer, in its editorial of yesterday, sets forth a very reasonable analysis of the gun and ammunition control bill which the House passed Wednesday. The need for legislation to control and regulate traffic in ammunition and firearms in an effort to stop or at least lessen violence is imperative. The bill which passed is a first step, inadequate though it may be. I am pleased that the gentleman from New York [Mr. CELLER], chairman of the Committee on the Judiciary, has stated that hearings will be held in September on the latest proposal by President Johnson which was embodied in the bill which the chairman introduced, H.R. 18181.

The tragic spectacle of killings by firearms in Cleveland shows a crying need for legislation to protect the lives of our citizenry. The Cleveland Plain Dealer is to be congratulated for its very cogent editorials in the public interest on the subject of control and regulation of ammunition and firearms. By permission, I include yesterday's Plain Dealer editorial, to which I have referred:

GUN CONTROL LAWS MISS MARKS

There is a bitter lesson for all America in the story of the deadly sniper attack on Cleveland policemen, a lesson about guns.

Federal firearms control laws so far enacted or contemplated fall far short of what the country needs.

The snipers who shot the policemen were well armed. They had both handguns and long guns, the latter including shotguns and rapid-fire military type weapons. They had plenty of ammunition for all guns.

No law now on the books makes it impossible for a dangerous person to obtain handguns, shotguns, ordinary rifles or even semiautomatic weapons such as those used by the Cleveland snipers.

The fully-automatic guns which police said were used in the East Side shootout are another matter, however.

Such rapid-fire weapons are meant for military use. When they show up on the home front, it is evidence that the users have avoided federal surveillance and violated federal law. The law requires those who possess fully automatic weapons to be registered through the payment of a $200 ownership transfer tax and the posting of a $5,000 surety bond.

That modern military weapons could be, and were, used by snipers to gun down Cleveland policemen is one shock for Americans.

That members of Congress, only a few hours after the Cleveland violence, could act favorably on only the mildest sort of gun control legislation, is a second shock.

The similar bills approved by the House of Representatives and the Senate Judiciary Committee are weakened versions of President Johnson's proposal to prohibit the mail order sale of rifles, shotguns and ammunition.

The House measure which now goes to the Senate contains large loopholes. Its ammunition clause refers only to bullets for handguns, not rifles and shotguns. Among other things, it exempts shipments from the National Board for Promotion of Rifle Practice to persons enrolled in the million-member National Rifle Association.

It can be said that even with its exceptions, the House bill is welcomed. It does, after all, provide at least a little more restriction on interstate traffic in guns and ammunition.

It does not, however, provide the strong control the nation needs.

Clearly and forcefully, Americans—and Clevelanders—must bring that fact to the attention of those who represent them in Congress.

LEGISLATIVE PROGRAM FOR WEEK OF JULY 29

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for next week.

Mr. ALBERT. Mr. Speaker, will the distinguished minority leader yield?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the request for the program for next week, we will announce the following program:

H.R. 18785, military construction appropriation bill, fiscal year 1969;

H.R. 18249, to amend the Food Stamp Act of 1964—open rule, 1 hour of debate;

H.R. 17126, extension of Food and Agriculture Act of 1965—open rule, 2 hours of debate;

H.R. 12843, to provide for a National Eye Institute—open rule, 1 hour of debate—the rule for which has been adopted today;

H.R. 15757, Health Manpower Act of 1968—open rule, 1 hour of debate—the rule for which has been adopted today;

House Resolution 1239, authorizing a Special Committee To Investigate and Report on Campaign Expenditures of Candidates for the House of Representatives;

House Resolution 1247, to grant additional travel authority to the Committee on Public Works;

S. 2484, extension of New Senate Office Building site—open rule, 1 hour of debate;

H.R. 18209, amending the Consolidated Farmers Home Administration Act—open rule, 1 hour of debate;

H.R. 17685, supplemental air transportation—open rule, 1 hour of debate;

H.R. 11618, to prevent the importation of endangered species of fish or wildlife—open rule, 1 hour of debate, making in order the committee substitute for purpose of amendment;

H.R. 15681, Foreign Military Sales Act—open rule, 1 hour of debate;

S. 633, Foreign Services Information Officers Corps—open rule, 1 hour of debate; and

H.R. 14314, trust funds for educational scholarships and child care centers—open rule, 1 hour of debate.

This announcement is made subject to the usual reservation that conference reports may be brought up at any time and any further program may be announced later.

ADJOURNMENT OVER TO MONDAY, JULY 29

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR RULE ON WEDNESDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to dispense with the business in order under the Calendar Wednesday rule on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, may I inquire of the distinguished minority leader whether as a matter of preparation for the adjournment over until September 4, we might at some time next week ask that the suspension and consent calendars which would be in order on Monday, September 2 be put over until Tuesday, September 10?

Mr. GERALD R. FORD. As I have

indicated to the majority leader, I personally have no objection to such a request being granted inasmuch as we——

Mr. ALBERT. I see that my good friend, the distinguished gentleman from Iowa, is trying to urge me to make the request right now.

Would the gentleman from Iowa object if I made the request right now?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Iowa will object if you ask for that unanimous consent right now.

Mr. ALBERT. The gentleman from Oklahoma really respects the opinion of the gentleman from Iowa and would not under the circumstances consider making the request at this time.

A SELF-SUPPORTING POSTAL SERVICE

The SPEAKER. Under previous order of the House the Chair recognizes the gentleman from New York [Mr. ROBISON] for 20 minutes.

Mr. ROBISON. Mr. Speaker, the adequacy and the problems of our Nation's postal system have—even despite Vietnam, political campaigns and gun control laws—briefly become front-page news items.

In the first instance, we have recently seen the release of the report of the President's Commission on Postal Organization which—pointing to the inadequacies of the present management system and the service's consequent and constant loss record—urgently recommends a major reorganization of the system; and, in the second instance, we have heard much of Postmaster General Watson's plea for relief from the recently-enacted job-cut requirements of the surtax package lest he be thereby required to sharply curtail postal services in order to comply with the same.

Both events, of course, are interrelated. And both demand the urgent, but objective, consideration by the appropriate committees of this Congress, and by this Congress, itself, during whatever may still remain of this session.

All of us are receiving—speaking of mail—an increasing amount of constituent mail these days relative to Mr. Watson's well-publicized threat to eliminate such as Saturday mail deliveries in residential areas along with all post office window service on Saturdays, to deny extension of delivery service to all new communities or suburban developments, to accelerate the elimination of rural—fourth-class—post offices so that all will be shut down in about 4 years, and so on.

These, to many persons, are disturbing developments—and unhappy prospects—with the possible exception of that rather surprisingly large number of regular letter carriers who appear to endorse the idea of no residential mail deliveries on Saturday so that they, like their counterparts in private-enterprise jobs, can also enjoy the advantages of a straight 5-day work week. These workers, in this attitude, seem to be at some odds with their national associations that, of course, must also be concerned about the jobs of substitute carriers, utility men, an so on.

Be that as it may, it is certain that this Congress—in this election year—will be most sensitive to the public attitude toward all this as it further develops.

Mr. Speaker, if my mail from my constituents on this subject has been anything like that of my colleagues, it would seem that there is a general lack of public understanding as to the real reason for Postmaster General Watson's dilemma and for his cry for help.

For much of my mail to date is calling upon me to "give the Post Office some more money" so that these curtailments of service need not take place.

However, money for once is not the problem—at least not the whole problem—for this Congress has already acted on the Postal Department's budget for this fiscal year and has given it enough to operate at normal levels of service between now and next June 30 as best as this can ever be anticipated in advance.

At the same time, when this Congress enacted what has become known as the surtax package—and which has now been signed into law—that package contained a little-discussed and, evidently, little-noticed section under which it was agreed that, with respect to permanent full-time civilian employees in the executive branch, only three out of every four vacancies henceforth occurring could be filled until such time as the overall number of such employees got back down to the level of June 30, 1966.

The section also stated that, in the case of temporary or part-time employees, the number of such in any department or agency in any month could not exceed the number of such employees in the corresponding month in 1967. This, offhand, would seem to give the Post Office Department some slight measure of relief—at least at such times as the forthcoming, heavy-mail Christmas season—though I have not seen this partial escape hatch mentioned in any published reports of the Postmaster General's pleas to the Ways and Means Committee—where he first turned for relief—or elsewhere, now that he has had to find a more sympathetic ear. Nor, in the same way, have I seen much public attention given to the fact, at least as I read the job-cut section of the surtax bill, that the Bureau of the Budget is authorized to allocate the reduced levels of Federal employees among our numerous departments and agencies as best it can, which would seem to mean that it could permit the Post Office Department to go on filling vacancies, as might be needed, so long as other vacancies were left unfilled elsewhere thoughout the Federal establishment.

And then, finally along this same line, the surtax package section aimed at reducing overall Federal employment did also exempt from its mandate "casual" employees—however this might be defined for postal purposes—along with up to 70,000 summer employees from the ranks of the "disadvantaged" between the ages of 16 and 22, of which the Post Office aimed to take its share this summer, as well as Presidential appointees, which would at least seem to exempt postmasters and rural carriers from the cutback mandate.

Well, then, why is all this such an immediate problem for the Post Office?

The answer is a two-part one.

First, the mail volume it is called upon to handle goes up automatically every year—and the Department has no control over this. To handle its fiscal 1969 anticipated increase in mail volume, this Congress—in one of the few appropriation bills that have cleared it this year so far—granted the Department enough funds to bring onboard 15,780 new employees, in one category or another. But, as I understand the job-cut section, the Department can now hire none of such new employees—being required, instead, to grapple as best it can with a steadily growing volume of mail with such employees as it already has.

Second, the Department now experiences a high rate of turnover—at something like 20.8 percent for the 1966 pay year—among its some present 716,000 employees, which figure ranks it among the largest of all employers in the United States.

Perhaps if the Department could somehow, overnight, improve employee morale—something I will touch on again in a moment—it could reduce this rate; but, assuming it cannot, even if the Budget Bureau could find enough other vacancies elsewhere to offset postal vacancies over a longer period of time, it could probably not do this on a short term basis.

Thus, something has to give—and the Postmaster General has made it abundantly clear what he thinks that will have to be.

This immediately creates two dilemmas for this Congress, in that, to cope with the situation, it will evidently have to go back on one or the other of two implied promises it has recently made.

The first was a promise to the taxpayers—when it called upon them to take up a notch or two in their taxpaying belts—that it would do what it could to reduce Federal expenditures so that Uncle Sam would have to tighten his belt, too; and not just on a short term, anti-inflationary basis, by requiring the President to somehow cut back on his fiscal 1969 spending plans by $6 billion, but on a longer term basis as well, by eventually rescinding some $8 billion in the President's estimated $222.3 billion spending pipeline, and by restraining—and even rolling back—the startling and seemingly inevitable recent growth in Federal employment.

The second promise was less specific, but nonetheless implicit in the minds of many. This was a promise to try to give mail patrons better service in return for the recently enacted increase in postal rates—something which, surprisingly enough, now seems to have been almost forgotten since many of the people who now write me about all this now ask why, if the Post Office does not have enough money to operate on, we do not just raise the rates.

Well, what should we do?

Perhaps the immediate answer lies as much in the laps of the people, as it does in ours.

Quite obviously, we cannot escalate the

level of spending on all manner of domestic Federal programs while, meantime, fighting what has become a major war abroad and, simultaneously, defend the dollar against the further inroads of inflation at home as well as lack of confidence in it abroad.

Again, something just simply has to give.

Unless—that is, and I have about given up on this prospect in this Congress—we can do a better job than we have been on sorting and re-sorting out today's true national priorities.

Mr. Speaker, my belief in our need to do this led me, earlier this year, to offer an amendment to the Post Office appropriation bill when it was before us that would have had the effect of eliminating for the time being residential deliveries of mail on Saturdays along with reducing rural deliveries by 1 day a week.

I offered that amendment—which later became a recommital motion as most of us will recall—because it seemed to me that this particular item of service was the one now rendered by the Post Office to the loss of which the public, and the service, itself, could most easily adjust.

That amendment—and the subsequent recommital motion—lost, of course, in what was probably this year's first test of this body's willingness to seriously consider relative priorities. I was more discouraged than surprised at the result. If the amendment had been adopted, we could have saved $121.2 million. This was at a time, incidentally, when some of us were looking for $100 million to put into Headstart programs and summer youth-employment projects; money we never found. Well, I admit I may well have my priorities backward, but I still cannot help but believe that these purposes are more important—or should be more important to us—than receiving mail at our homes 6 days a week.

We could brush this off, now, as all merely water over the dam except for the possibility—that at least still haunts me—that if, on that first appropriation bill of the year, we had taken a firm stand on priorities, and begun to make, here in this Chamber, the specific cuts that we all knew needed to be made, and had kept following through on that line, then maybe—just maybe—the surtax bill, itself, with its currently bothersome job-cut mandate, might not have been necessary after all.

But that former chance—slim though it may have been—is gone now, and we must deal with matters as they are, not as we might wish them to be.

I therefore have little doubt but that this body will soon vote to exempt the Post Office from the job-cut mandate—though I would hope that, in so doing, we will only exempt the postal field service, and I say this because I believe the administrative end of the Department, with the possible exception of the Bureau of Research and Engineering, could stand a little of the same discipline to which all other Federal departments or administrative agencies will remain subject.

Of course, there is something a bit more than discouraging about all this—and I can well understand why, in the other body, the senior Senator from Delaware has rather plaintively suggested, as he did recently, that we might just as well junk the whole job-cut idea, now as to "keep shooting bullet holes in the bottom of the bucket." For, as we yield on this—and then on the next item—we will only be giving evidence for all to see that Federal spending is, still, nowhere near under adequate control; and probably never will be so long as the people we try to represent keep on demanding, or leave us to believe they do, a constantly rising level of overall governmental services with no cutbacks anywhere.

But what, now, of the longer range future? Especially, for the postal service?

Well, here Mr. Speaker, I do see some signs for encouragement in the report of that Presidential Commission that I mentioned at the beginning of these remarks.

I say this because I strongly support the idea of a Government corporation to take over the present postal service—and I am greatly impressed by the conclusion reached by the members of this distinguished panel to the effect that, if this is done, not only could our postal service be modernized and improved but the traditional postal deficit could be eliminated releasing, as the report states, "over a billion dollars a year of tax money to other purposes."

Note, also, this further statement from the report:

> The long-run potential for (fiscal) improvement, furthermore, is so high that we are reluctant to estimate its size.

Why?

Well, Mr. Speaker, as the report suggests, the postal corporation's objective would be to completely support itself by its own revenues, in part through reducing postal costs by at least 20 percent if normal investment and modern operating practices used by private industry are made available to postal management.

Let me pick up, here and there from the report, some of its salient points that we ought to be considering: It is stated, for instance, that the postal operation is "big business"—as it surely is—the Department collecting $4.96 billion in revenues and spending over $6.13 billion in fiscal 1967.

But, says the Commission, it is not "run as a business"—as of course it is not—and piecemeal changes will not do the job; instead, "a basic change in direction is needed."

Then the Commission takes dead aim at what I have always felt was the underlying cause for the service's failure to meet the challenge of providing the Nation with not just an adequate but a superb mail system, geared to today's world: politics.

A year ago January, when the then Postmaster General O'Brien came before our Post Office-Treasury Subcommittee of the Committee on Appropriations and made his now-famous statement about the service being in a "race with catastrophe," he was lead by our chairman, the gentleman from Oklahoma [Mr. STEED], into a discussion about the management handicaps under which the service has had to operate all these years, and into the question of "politics" in the Post Office.

At that time, Mr. O'Brien—who I feel was one of our more effective Postmaster Generals of recent years even despite his rather short stay in that job—sort of passed that question back to us, or so I thought, declining to give us his opinion as to whether or not it was important to get the Post Office out of "politics"—or vice versa.

This rather bothered me and I then said to him:

> If you really want to provide, and I am sure you do, superlative postal service in this Nation, then it seems to me it becomes incumbent upon you to state your opinion, not now perhaps, but eventually, as to whether or not "politics" in the Post Office is a management problem. I am not asking you to do it now, but I think one of these days we all are going to have to face up to this issue and look at it objectively and honestly, and I think the time has almost come when we are going to have to do it.

Well, in any event, shortly after that Mr. O'Brien did get the previously mentioned study underway and now we have its valuable result, which I hope we will not allow to merely gather dust on our respective office shelves.

And one of that report's major targets, as I have said, was that question of "politics" in the Post Office—something that has a direct effect on its poor management record and its present poor employee morale.

As the report says in this respect:

> Providing the Nation with a superb mail service is not a partisan issue: Postal purposes do not change with the national administration. The postal system deserves the best talent available and all employees deserve career opportunities based on ability and performance. The present patronage system cuts off the opportunities of many potential managers among career employees and inevitably has an adverse effect upon morale. Moreover, it is an unwarranted drain on the time and energy of Members of Congress and officials of the Executive Branch.

The classic example of where the system may now be headed, unless it is given a basic change in direction, is provided by that colossal mail jam in Chicago in October of 1966. Some of the elements leading up to that catastrophe, as the report notes, were these: A vacancy in the Postmaster's position for the preceding 6 months; the retirement of an unusually large number of experienced supervisors; low employee morale and a great many disciplinary actions; a sick-leave ratio double the national average, and the lowest postal productivity record in the Nation.

To this evidence of management failure at Chicago, must be added the obvious shortcomings in the physical plant at that major post office; shortcomings that are duplicated throughout the entire system, and that when added to the fact that the nominal managers of each post office do not really have the authority to run it, render possible at almost any time a repetition of the Chicago fiasco practically anywhere in the Nation.

However, Mr. Speaker, let me make one thing clear in this connection—as did the Commission. That is that, in my opinion as in that of the Commission, though the system's principal failure is one of management, it is a failure of method rather than of men.

The report quotes a postmaster in a large midwestern city as saying:

> How do I manage this operation? My friend, I don't manage it, I administer it!

And how many times have we heard this same sort of complaint from our individual postmasters in our districts. And the reason for these recurring complaints is because, as the report notes:

> The postal system is not managed, in the accepted sense of the word. Rather, it is operated according to rules established somewhere else . . . (with) a hodgpodge of postal laws two hundred years in the making (constraining) managerial judgment and initiative.

But, perhaps the line I like best in the report is this one:

> In appearance, many people are responsible for running the Post Office; (but) in fact, no one is.

Well, now, undoubtedly a basic change such as the Commission recommends will have to be carefully studied. One would not—and should not—expect either Congress, or many of the people now working at higher managerial levels in the present system, nor those in the widespread field service, nor the union leaders who represent them, to welcome this recommendation with open arms or to eagerly rush forward to embrace it.

That is not the nature of Congress—nor would it be typical of any portion of the Federal Establishment or of those who labor within it.

But, Mr. Speaker, this recommendation does point out, I believe, the direction in which we ought to be thinking about going if we are ever going to win the Postal Department's "race with catastrophe." With the technological and managerial sophistication this Nation has developed, it ough to be able to provide its patrons with the best, rather than with a barely-adequate, postal system.

It will not be easy to accomplish.

But it can be done.

And we now have a guideline for action—if we do not lose sight of it.

Mr. Speaker, I would like to close these remarks now by inserting the following editorial from the July 16 edition of the Wall Street Journal, which sets forth some rather pointed remarks concerning the method we adopted—wisely or not—in our effort to roll back the level of Federal employment. Reading it may help those who, in turn, may read these remarks get a clearer picture of the background and dimension of our current problem in this respect—at least I hope so.

The editorial referred to follows:

PARING THE FEDERAL PAYROLL

The new law requiring a reduction in Government employment is already bringing a bureaucratic backlash. Perhaps the uproar will help some Congressmen look for a better way to pare the Federal payroll.

Since the job cutback was part of the tax-increase measure, many members of the public probably ignored it. But you can bet it got plenty of attention in Washington's myriad of agencies.

The chief provision is that no agency can fill more than three of any four vacancies in permanent jobs until employment is reduced to the level of June 30, 1966. In addition, the number of temporary or part-time jobs in any month cannot exceed the figure for the like month of the previous year.

If all goes as scheduled, total permanent jobs eventually will be reduced by 244,000 from the present level of 2.6 million. There's more than a little question, however, that everything will go precisely as planned.

For one thing, the effort gores a great many pet Congressional oxen. Almost before the ink was dry on the bill the Senate rushed through an amendment that would, if finally adopted, entirely exempt the Tennessee Valley Authority from the cutback.

Then, too, Federal agencies are beginning to fight back with weapons of their own. In testimony before the House Ways and Means Committee, for instance, Postmaster General Marvin Watson warned, in effect, that the job reduction would make the postal service even more of a disaster area than it is now.

Apparently aiming to pink Congressmen in their parochialism, Mr. Watson led off with a threat to close 9,000 small post offices. Whether these offices are needed or not, few things wound local pride more, or inspire more fiery letters to legislators, than elimination of a community's postal identity.

Just to make sure that the impact would be felt everywhere, the Postmaster General also suggested that residential deliveries would have to be cut from six a week to four (we're old enough to remember when the mailman used to drop by twice a day). Nearly everything would feel Mr. Watson's axe, in fact: Business deliveries, parcel post, employe training and mechanization programs.

The problem is simply that the Post Office, along with much of the rest of the Government, has wandered completely out of control. Now Congress, the chief architect of the confusion, has clumsily tried to clean up the whole Government by forcing an arbitrary slash of 244,000 jobs.

There isn't even a pretense of setting priorties; the more efficient and useful agencies will be hit right along with those that are on the borderline or below. Employes who quit the Government, moreover, are only too likely to be the higher-caliber workers, easily able to find jobs in private industry; those who stay on are quite likely to include all the drones.

It's difficult enough as it is for Federal officials to fire anyone. Some of them are sure to resist attempting a dismissal if the employe involved is of any use whatsoever.

Caught in a crossfire between bureaucrats and constituents, maybe some legislators will decide that it isn't so difficult after all to pick up and choose which Federal programs can be dispensed with and thus reduce employment in a sensible fashion. And that it isn't actually impossible to upgrade the efficiency of a number of Government agencies. To cite only one example, former Postmaster General Lawrence O'Brien's suggestion of a Comsat-like agency to run the Post Office deserves far more legislative attention than it has as yet received.

It's easy to understand why Congress, faced with the huge bureaucracy it created, felt so frustrated that it pushed through the across-the-board cutback. What the Federal establishment needs, though, is not thoughtless slashing but thoughtful surgery.

STATEMENT INTRODUCING SWITCHBLADE KNIFE BILL

The SPEAKER. Under previous order of the House the gentleman from New York [Mr. WOLFF] is recognized for 15 minutes.

Mr. WOLFF. Mr. Speaker, only a few short weeks ago, I walked into a store in the times square area of New York City and purchased, without difficulty, a switchblade knife, a 5-inch gravity knife, and a crude long blade that folds into the disguise of a pocket pen. In this store, and in many others like it, a variety of vicious knives is readily available; some stores even go as far as to coax prospective customers with display cases filled with gleaming switchblades. This strikes me as a brazen invitation to murder. The temptation to buy is made even greater by the low prices at which these knives are offered for sale. Anyone, maniac, or criminal, 10 years old or 80, may purchase such a knife, any day of the week.

This situation is repeated day after day in all of our major cities. We are dealing here with a severe and threatening problem. These switchblades and gravity knives are lethal weapons; they are used to inflict terrible injuries or mortal wounds, and they have no other purpose. These knives are audaciously displayed and indiscriminately sold—to drug addicts, to juveniles, to anyone.

The proliferation of dangerous knives is evident in the crime statistics compiled by the FBI. In all parts of the country the number of knife murders is steadily climbing. During 1965 and 1966, the last years for which figures are available, there were approximately 20,000 homicides in the United States. Of those, 4,700 were committed with knives—that is just under 25 percent, Mr. Speaker. And a national magazine recently reported that in some communities knife murders exceed gun murders by as much as five to one.

This report, forcefully written by nationally known writer Jack Harrison Pollack, details in vivid terms the shocking situation facing us in regard to switchblade knives. Mr. Pollack's revelations are in the highest tradition of constructive journalism, and both he and Parade magazine, in which the article appeared, are to be commended for the service they have done in alerting us to this continuing danger.

Clearly, it is time for us to undertake the most serious effort possible to stay the tide of rising lawlessness and violent crime in this country. But if we really mean to conquer this menace, we must attack the problem on all fronts. Paralleling our effort to control the promiscuous use of firearms in the United States, we need to have far stronger Federal laws to control switchblades and other deadly knives. We must control the "tools of violence" in the "age of violence."

I am introducing today legislation to effectively banish switchblades and gravity knives, as well as folding knives with an exposed blade exceeding 3 inches in length, by banning their manufacture and distribution within the United States. My bill also contains strict provisions to plug the loopholes which have been used to evade existing Federal legislation, known as the Switchblade Knife Act of 1958. While that act did manage to curtail some of the traffic in switchblades across State lines, it has not been able to eliminate these knives decisively. My bill strengthens and clarifies the 10-year-old law by amending it in order to add the following prohibitions: Beyond barring interstate commerce in these knives, it further outlaws the sale of a switchblade or gravity knife to anyone who is not a resident of the State in which the sale occurs; it specifically prohibits any individual from carrying one of these knives across State lines; it prohibits the use of any interstate communications facility for purposes of buying or selling these weapons; and it makes illegal the possession of a switchblade with the intention of violating any of these provisions. Most importantly, my bill directs that any person who engages in interstate commerce of any kind may not manufacture, sell, or possess any of the designated knives.

Now no one claims that writing laws will prevent crime absolutely but no one can doubt that depriving a criminal or insane person of a weapon as deadly as this switchblade knife will be a major deterrent to violence. By bill is designed to provide just such a deterrent.

There is ample justification for enactment of a measure of this kind. First of all, State laws on this matter are diverse and contradictory. Fifteen States now have laws prohibiting the manufacture of switchblade knives within their borders. Twenty-seven States prohibit the sale of switchblade knives. Twenty States prohibit the carrying of these knives. Twenty States prohibit the possession of such a knife. But switchblades and gravity knives still enter these States, despite the Federal law prohibiting traffic in these knives across State boundaries. The present State laws, and the Federal law making traffic illegal, are simply not strong enough to do the job. The laws are vague and amorphous—and for that reason they are rarely enforced.

In the decade since existing Federal legislation was passed, only 17 convictions have resulted. What is needed is a law that will go at the heart of the problem: The manufacture of these sickening weapons. While enforcement is clearly a large part of the problem, there is no doubt that stronger legislation is required, legislation that can be well enforced. It would be a simple matter to enforce this proposed law prohibiting not only the traffic in these knives, but manufacture itself, for once they are manufactured, these knives are distributed easily.

Without stronger Federal legislation, State laws will continue to be circumvented by interstate acquisition and distribution of these vicious knives. To solve the problem, we need uniform law—and only Federal legislation can provide that uniformity.

Mr. Speaker, as one who has long supported legislation to halt the irresponsible traffic in firearms in this country, I am deeply encouraged by the tide of public opinion which has swept the Nation in favor of strict controls on the sale and shipment of guns. But I believe it would be a mistake if we neglected to focus on the central problem—and that is violence. We must direct our attention to halting all violence in whatever form. All of the arguments we have heard favoring strong controls on firearms apply analogously to deadly knives. Yet, Mr. Speaker, I want to point out an essential difference between the situations regarding firearms and switchblade knives. In the first case, it is a recognized fact that there are numerous legitimate uses for firearms. The Congress has clearly stated its recognition of this fact. But I cannot emphasize strongly enough that there are no legitimate uses for switchblades for which other types of knives are not equally well or better suited. Knife manufacturers throughout the country support me on this fact.

Legislation to ban switchblade knives receives their whole-hearted support, because every time a switchblade is used, a poor light is cast on their industry, by the association in people's minds of the words "knife" and "weapon." But I am not saying that knives are weapons; I am saying that switchblades and gravity knives, and folding knives with excessively long blades, are weapons, murderous weapons. They are made to do violence; they are brutal instruments designed expressly for the purpose of harming a human being; they are totally lacking in any kind of redeeming social value. We must make them completely unavailable.

No condemnation of these knives can be too strong. Many of them, called dirks and stilettoes, have no cutting edge at all, but only a needle-sharp point used to puncture and stab. And as for those which do have a cutting edge, there is no case to be made for them as hunting or fishing knives. Sportsmen's groups have testified that the mechanical devices and pushbuttons in these knives make them extremely inefficient. Salt water or animal blood gets into the mechanisms and rusts or otherwise destroys the knife. Sheath knives are far better suited for hunters and fishermen, and they may still be used quickly with only one hand.

Switchblades and gravity knives are a dreadful extension of violence in our society. Control of these knives must follow gun control legislation because experience in areas that have gun-control legislation has shown a sharp increase in knife murders when guns become harder to get. As I have said, current knife laws are weak and ineffectual. If we have any hope of clamping down on the perverse peddlers of these pernicious knives who prey on the sick and the ignorant, it must come through tough legal measures. We must state the offenses clearly and unambiguously, and make them punishable by the strictest penalties of the law.

But our power to put an end to switchblade knives only begins with legislation. If it is going to be effective, a campaign against these knives demands that the laws be firmly enforced. Despite Federal customs regulations and postal laws prohibiting the importation of these knives, we still find that a large percentage of the switchblades sold in our cities are foreign-made. In one European country, the manufacture of these knives is banned except for exportation—and a great number of them are destined for the United States. I have made a number of inquiries to high officials of law enforcement in this country in an effort to learn why these importation laws, and other laws, are not being thoroughly enforced. I hope my colleagues will join me in calling for strict and comprehensive enforcement of the laws relating to these deadly knives.

In summary, Mr. Speaker, switchblade and gravity knives have no constructive use; they are needed only by those who would use them violently. State and local authorities have been unable to combat this problem adequately. These knives are still boldly displayed and sold, even to minors. Unless the Federal Government halts their manufacture altogether, the States will be powerless to control switchblades and similar deadly knives. Something must be done to end the circulation of this silent death. The bill I am proposing will end this problem once and for all.

Mr. WIDNALL. Mr. Speaker, I have joined my colleague, Representative Lester L. Wolff of New York, and over 100 other Members of the House in a bipartisan effort to ban switchblade knives and other similar deadly weapons.

In view of the recent efforts in the House with regard to crime and the increased concern and emphasis on the crime in the street problem, I can see no reason why switchblade knives should be exempted from legislative action. There has been a bill passed banning the interstate sale of guns, and legislation enacted placing limitations on the sale of handguns. Although this problem of switchblade use affects all residents of metropolitan areas, it is of major concern in our urban ghettos. The residents of those areas are in fact those most often attacked, robbed, mugged and murdered, and the switchblade plays an undisputed role in these crimes. It has been noted that at close range, a switchblade knife can be more dangerous and deadly than a gun, and I cannot see any legitimate uses of such weapons, for which other knives could not be easily substituted.

I believe this bill, H.R. 18951, will effectively stop interstate transactions related to these types of knives. Specifically, it will ban the manufacture and distribution of switchblades, gravity knives, and similar knives with long, concealed blades by any company doing business in interstate commerce. It will also prohibit the carrying of any illegal knife in interstate commerce, the sale of such a knife to a nonresident of the State in which the sale takes place, the use of any interstate communications facility to buy or sell such knives, and the possession of an illegal knife with the intention of violating any section of this bill. The only exceptions are for possible military use of these weapons.

In my opinion, Congress should take steps to enact this legislation immediately.

FOOD AND AGRICULTURE ACT

Mr. OLSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN. Mr. Speaker, there has been considerable discussion in Congress this summer over extension of the basic farm law of the land—the Food and Agriculture Act of 1965—the law which expires with the 1969 crop year.

I am well aware that there are a number of our colleagues who would prefer that the matter not come up this year—that it be left to the new Congress when it convenes next year. Some have argued that since the legislation continues through the 1969 crop year, that nothing need be done now.

I would like to speak to that point—especially as it applies to the wheat farmer—and in doing so to demonstrate the importance of the extension of this legislation and the reasons why this Congress must take action on the bill.

If no action is taken on legislation as it applies to wheat then an old program will automatically go into effect. Under this old program it would be necessary for the Secretary of Agriculture to proclaim marketing quotas, thus compulsory controls, no later than next April 15 for the 1970 crop.

What this means is that if this Congress takes no action on the 1965 farm act, the new Congress would have to vote on a farm bill early next year to keep a voluntary program in effect for wheat. And if the new Congress did not act in a timely fashion, farmers would be caught in the middle—wondering whether they would be operating under an old program or whether the Congress later in the year would take some action on extending the 1965 farm act.

So I think you will agree that particularly in the case of wheat, it is of extreme importance that this Congress vote on the bill. And it is my belief that when Members have reviewed the record of this legislation they will agree that it has been effective in its basic aim—to bring supply and demand into reasonable balance and to increase income to farmers.

The 1965 farm act was landmark legislation. It, more than any previous legislation, provided the means to deal with agriculture's basic problem—that of excess productive capacity.

Here again, let me confine my remarks to the wheat section of the bill. The basic idea behind the wheat provisions are that of a two-price plan—one that sets price supports at levels nearer those of world market prices and supplements incomes through direct certificate payments for wheat consumed as food here in the United States.

Under this program the mountains of wheat that were in Government hands when it was enacted have been brought down to reasonable levels and income from wheat has risen. In addition, dollar sales of wheat abroad have averaged higher under this program than in previous years—and this, of course, has helped greatly with the balance-of-payments problem.

This, briefly, is the record of the present wheat program—a program that has increased income from wheat, brought surpluses down and helped move greater amounts of U.S. wheat into dollar markets abroad.

It has other provisions that have been popular—flexibility that allows farmers to substitute wheat for feed grains or feed grains for wheat—its voluntary nature that allows farmers to decide for themselves whether they want to take part in it.

All this would be lost if we fail to extend the act. Defeat would require farmers to vote on an old, mandatory program—a concept which they, and Congress, have rejected in the past.

The basic principles in the 1965 farm act are tried and tested. They have worked—and they have worked well. I urge that Members look at this record of success and vote for a 4-year extension of the program.

POEM IN TRIBUTE TO THE LATE SENATOR KENNEDY

Mr. HANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HANLEY. Mr. Speaker, in this era, many adults choose to view the aims of our young people with skepticism. I make it clear, however, that I am not in that category, for from my observation of our young people in general the majority of them have noble ambitions for a good education along with a desire to develop into good, responsible adult citizens.

I use this preface to introduce some poetry authored by a 17-year-old high school student, Miss Sandy Ponto, a resident of my congressional district, who exemplifies the young American to whom I have referred. I wish to share with my colleagues her thoughts of the late Senator Kennedy, expressed so beautifully in this poem:

A JOYOUS FLIGHT TO HEAVEN

(By Sandy Ponto)

Brother John, I have come to visit you
  Won't you please show me the way
I've served my life upon the earth
  In fact I'm here to stay.

I've tried to help this nation of ours,
  to bring peace and the strongest name,
But with all the violence and hatred,
  The world will probably remain the same.

I wanted to understand people,
  and hoping they understood me,
John, it takes more than one man to convince
  them, to give people the way to see.

No more can a man stand up for his rights
  To speak what he wants to say,
For there are some, in this big world
  who will lead the weak astray.

If I could have stayed much longer,
  even for a little while,
Maybe I could have done something,
  Perhaps make the sad smile.

Well, now I will start my journey,
  and John, meet me in the joyous world
The angels come now to take me,
  With all my hopes unfurled.

Ethel, I now will say my final words,
  and hope that you won't forget,
The love and joys as a family we shared,
  and some sorrows that we have met.

And Freckles, I heard that you were there
  when they brought my children home,
You're a good dog Freckles, now you take
  care,
  and please stay close, don't roam.

My children I have tried my best,
  to bring you up the right way
And with the help of your mother,
  she is now on her own today.

To my wife, no words can express,
  of the years we've shared in love,
God bless you and the children,
  I'll be watching from above.

Now brother John, let me take your hand,
  as we have once done before,
Show me around our resting place,
  and lead me to the Golden Door.

COPPER IMPORTS

Mr. OLSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN. Mr. Speaker, I rise to discuss the issue of copper import tariffs, H.R. 16654. The bill would continue until the end of June 30, 1970, the existing suspension of duties on certain forms of copper. The bill calls for the suspension of duty on imports of unwrought copper—except nickel-silver—copper waste and scrap, and copper articles imported to be used in remanufacture by smelting. The bill would also extend for the same period the existing suspension of duties applicable to the copper content of certain copper-bearing ores and materials. The duties that would remain suspended under the bill as reported would, in each case, amount to 1.5 cents per pound of pure copper which may be commercially obtained from the imported articles, except that in the case of nickel-silver waste and scrap, the current rate is 1.5 cents per pound of the commercially recoverable copper content plus 9 percent ad valorem.

Some time ago I wrote a letter to each Member of the House explaining my position in opposition to this bill, and asking your support. I want to take a few moments to explain the reasons why this bill should not be allowed to become law.

First, the United States has in the last few years developed a very considerable excess of imports over exports. The imposing of the 1.5-cents-per-pound tariff on copper would help correct the unfavorable balance of payments and also would assist in increasing employment in our depressed domestic copper industry.

Second. I am enclosing a copy of a table from the Engineering and Mining Journal of March 1968, showing expected copper mine expansion projected for the next 5 years—table I. We expect an increase of almost 40 percent in domestic production and almost as great an amount outside of the United States. We are certainly not a copper-poor Nation.

Third. We must realize it is important to maintain and operate the domestic mines, mills, and smelters producing copper. Possibly with the exception of nickel, copper is our most strategic and critical defense material. We have survived an 8½-month countrywide strike and have kept the copper consuming industry supplied with sufficient metal to continue its operations. Therefore, we can be assured that in normal times there will be no shortage of copper and no need to encourage imports.

Fourth. Since the end of the recent copper strike, employment in my State of Montana has suffered a reduction in the total number of jobs available in the copper industry. In Montana the Anaconda Co. has announced it is curtailing its operations and at the same time it is increasing its foreign production. Previous to the strike there were 2,000 miners employed. Following the strike the Anaconda Co. announced that only 530 miners will be required in its Butte mining operations.

Since the strike, imports have poured into the country at a fantastic rate—see table II. U.S. imports of copper and brass mill products in April jumped 21 percent above the March level to set a new all-time monthly high.

TABLE 1.—COPPER MINE CAPACITY END OF YEAR, IN THOUSANDS OF SHORT TONS

Date	Capacity	Net increase	Total increase	Total percent of increase
DOMESTIC				
1966	1,518			
1967	1,675	157		
1968	1,698	23		
1969	1,847	149		
1970	2,014	167		
1971	2,104	90		
Total			586	35.6
OUTSIDE UNITED STATES [1]				
1966	3,642			
1967	3,814	172		
1968	3,873	159		
1969	4,223	250		
1970	4,598	375		
1971	4,932	334		
Total			1,290	35.6
Total and average			1,876	36.4

[1] Excludes Communist countries.

TABLE II.—COPPER IMPORTS

Month	Refined	Blister	Ore, matte, etc.	Total
July	18,200	20,500	800	39,500
August	17,200	13,500	5,800	36,500
September	26,900	30,900	0	57,800
October	45,400	15,500	0	60,900
November	58,000	19,600	0	77,600
December	47,700	9,500	6,000	63,200
January	78,300	16,700	3,000	98,000
February	74,500	10,300	0	84,800
March	74,500	11,700	0	86,200
April	73,400	36,100	0	109,500
Total	514,100	184,300	15,600	714,000

The April arrivals were up a whopping 115 percent from the April 1967 level and for the first 4 months of this year ran 44 percent more imports during the same period in 1967 according to the Copper and Brass Fabricators Council, Inc.

Recordbreaking imports in April of this year reflected the distortion in foreign trade caused by the 8½-month strike in the U.S. copper mining and fabricating industries. The strike also had spread to shut down—at one time—about 40 percent of domestic fabricating capacity.

April totals came to 30,947,000 pounds, compared with the previous monthly high of 28,596,000 pounds set in January of this year. There also were 16,537,000 pounds more than during April 1967, when imports were curtailed by domestic consumers in line with a general easing in the business economy plus large inventories of mill products carried by both consumers and domestic mills.

I realize that many segments of our economy are clamoring for increased tariffs and quota protection, but I submit that nothing will be harder hit by imports in the next few years than the domestic copper industry. Because of the expected increase of over 40 percent in productive capacity in the next 5 years and the tremendous inroads being made by substitutional materials—plastics, aluminum, and so forth—there is going to be a glut of copper within the year.

During the 8½-month strike just ended in March, imports of all types and from previously little known sources were encouraged. Once these doors have been opened and the pathway for entry of copper established it is going to be difficult to close them.

When the pinch of retrenchment comes in the domestic copper industry because of the influx of imports, nowhere will it be applied more severely than to our domestic mines.

I am not unmindful of the need to maintain good relations around the world and am sympathetic to the aims of the administration in this regard but the planned 60- to 80-percent copper production expansion in Chile alone, to say nothing of other such moves in Zambia, the Congo, and so forth, is carrying it too far, and if something is not done about it our copper producing industry will most certainly be in a bad way.

I am also submitting for the information of my colleagues an informative article which appeared in the April issue of Mining Engineering:

WHAT IS A "HAVE NOT" NATION?

(The 1968 Jackling Award Lecture Delivered by Francis Cameron, chairman of the board, St. Joseph Lead Co.)

Mining is both exciting and rewarding—although at times somewhat frustrating—and we all can have real pride in our industry, in its people, and in its accomplishments. It is, however, with concern that I have noted a deterioration in this Country in what might be called mining's stature and in the growth of a belief in many quarters that our mineral reserves are rapidly approaching exhaustion. In other words, there is a popular image that we are fast becoming a "have not" nation in many respects and that the domestic mining industry can no longer be considered, in the vernacular of Wall Street, to offer much in the way of "growth potential."

I do not subscribe to this hypothesis, nor do I believe that the record of the mining industry bears this out. However, let me add that we can, in time, talk ourselves into this frame of mind and we can hasten the day when this very well might come about by unnecessary and unwise legislation or regulation. My remarks today are basically designed to give my reasons for refuting this negative philosophy and to review our record. With your help, I know we can improve our image, and the public's recognition of our industry's peculiar problems.

The progress of our civilization over the centuries has been fundamentally based upon proper use of raw materials, both agricultural and mineral, and upon energy, human or otherwise. As the standard of living has progressed century by century, the demands for mineral raw materials have increased in an irregular, but steadily rising progression. Fortunately, those minerals on which we depend most, i.e., iron, coal, petroleum, copper, aluminum, lead, and zinc have been neither too difficult to find nor to process into useful form.

Iron, the most useful of all metals, is present in various amounts in most rock types and soils. Gold, seemingly the most generally desired (but certainly not the most useful of all metals), occurs in sea water in a far greater total tonnage than has been won from all of the world's known gold mines. If the latter is true, then why do we not see large installations treating sea water for the recovery of its gold content? The answer, of course, is that even the French, who seem, from their recent actions, to value gold above all else, have not devised a way of doing this at a profit. Theoretically, it is possible, but not with today's technology at a cost which would justify the effort.

Man has exploited only those mineral concentrations which accidents of nature have placed within his so far limited means of finding and utilizing. What we geologists and engineers refer to as an orebody is nothing more than a concentration of minerals, exploitable with available knowledge, that will yield a value greater than the value attached to the energy and capital required to produce it. What is "ore" and what is not "ore" is, in the end, a matter of economics. The economic problem stems from the physical and chemical character of mineral deposits. The good Lord stacked the cards heavily in favor of rising costs by limiting the amount of the higher grade ores easily available. As the best and most accessible ores are depleted, it becomes necessary to work harder and with greater ingenuity to produce more from less accessible and lower grade resources.

The quantity of mineral raw materials we can have in the future will be determined largely by what we can afford to pay for them in terms of human effort, capital outlay and production energies. We will always have the problem of cost with us and our only real means of keeping ahead of rising costs is by continually improving our technical abilities. We, in this country at least, no longer have open to us large and unexpired virgin wildernesses in which a pick-and-shovel prospector might uncover an untouched mineral bonanza. The rest of the world also has few conventional frontiers left in which the explorer-prospector is free to roam. We do, however, have enormous land areas unexplored, and untouched potentials in the continental shelves. What may be covered by valley wash, surface flows, or water is an intriguing speculation and one which presents a challenge to geologists and technicians now and in future years.

It was only when Rome required silver, tin, copper and lead in greater amounts than were readily and economically obtainable in the ancient world of the eastern Mediterranean, that Roman legions pushed westward into Spain, and later into the British Isles. History tells us that real estate and agricultural land, at that time was relatively abundant, and certainly there was no population pressure demanding "lebensraum." There was, however, a very definite demand for these metals, and both Spain and Cornwall were believed to contain them in relative abundance. A similar cycle of events has been repeated throughout history. The need for new sources of metal has continually pushed back frontiers and opened up new areas of the world for development. We see the same sequence in modern trappings occurring now in the effort being made to open up the Arctic. Our efforts today focus more and more on improving technology to utilize what has already been discovered, or in devising ways and means to find that which has hitherto been hidden or unavailable because we did not possess the exploration or extractive know-how.

Those nations that have made the greatest progress in advancing their standards of living have almost invariably been those which were blessed with adequate mineral reserves within their own boundaries, or which were so situated that they could readily obtain the required supplies abroad. The possession or control of large or rich ore deposits has influenced the progress of nations, for better or worse, to a remarkable degree. Few among us probably appreciate that without the silver and lead from the mines of Laurium, the Athenians would not have been able to finance the Greek fleet which determined the outcome of the Persian war in the 5th Century B.C. and stopped the Persian expansion westward. Without the financial resources provided by the great copper orebody of Kopperburg at Falun, Sweden could not in the 16th and early 17th centuries have been able to subject nearly all of Northern Europe to her control. In our own history, the silver production from the Comstock Lode contributed enormously to the financial strength of the Northern States in our Civil War—a resource that the South did not have. Unquestionably, the greater availability of mineral raw material to the Allied cause in World War II was a decisive factor in our success.

It is not my intent to discuss either mineral history or mineral economics, or to describe in detail the fascinating impact that mining has had on the growth of our Western civilization. I have, however, provided some background to set the stage for my thoughts with respect to our own domestic mining industry.

THE PALEY REPORT REVISITED

World War II descended upon the mining industry of this country just as it was emerging from the great depression of the 1930's when, because of then prevailing economic conditions, both available ore reserves as well as plant and equipment, were at a low point in the economic cycle. The unprecedented demand for metal, far beyond the ability of a recovering industry to fulfill, necessitated combining the free world for whatever was available. Through this effort and by depleting, at a non-economic rate, domestic reserves, we barely managed to meet minimum wartime requirements. As a consequence, responsible people both in and out of government were understandably concerned about the future. The Korean episode further pointed up the seriousness of maintaining adequate raw materials supplies.

President Truman, recognizing the seriousness of the problem and its implications, appointed the "President's Materials Policy Committee," under the chairmanship of W. S. Paley, to review the matter in a broad, long-range fashion. It was hoped this study would form the basis for future policy and long term development decisions. In 1952, the Commission submitted to the President the second volume of its report, "The Outlook for Key Commodities." The Paley Report, as it came to be known, was a highly sophisticated and comprehensive study which endeavored to project and analyze known and potential resources with probable future domestic requirements. It attempted to forecast for the 25-year period ending in 1975, the outlook for raw materials supplies which might be available to our expanding economy and our defense requirements. Admittedly, this was a Herculean task, and one bound to engender considerable controversy.

In that section dealing with the outlook for non-ferrous metals, the authors, after sifting through an enormous amount of data on potential reserves, costs, etc. obtained on a confidential basis from industry questionnaires and government sources, drew the general conclusion that the next quarter century this country would have to rely heavily on imports if we were going to be able to meet industry and defense requirements with metals having a reasonable cost. Potential reserves of iron, coal and petroleum were considered to be adequate, but domestic resources of copper, lead and zinc were judged to be insufficient. Manganese of conventional grade was viewed as practically nonexistent and the report noted that we would have to be dependent on imports of metallurgical grade manganese because of economic considerations, although very large—but low grade—reserves were available in this country. Nickel and tin were listed as domestically unavailable but, fortunately, the former could be obtained from our neighbor to the north and, in an emergency to meet defense requirements, the latter could probably be obtained from retreated scrap. The report emphasized, however, that technological changes and new discoveries could alter its appraisal, but that this was considered to be problematical.

With the publication of the report, the philosophy that we had reached the stage of being essentially a "have not" nation received a very considerable boost. Both government and university thinking subscribed almost whole-heartedly to the report's conclusions about the non-ferrous industry, and all sorts of programs were proposed (some of which were hardly in the best interests of the domestic mining industry). Many of us in the industry protested vigorously that we were not in accord with some of the conclusions, but the record unfortunately shows that this made little or no impression in those government quarters where policy was being established. In the years that have followed, this thinking (to my mind) has resulted in much harm to both the industry and our nation. I believe it formed the basis for decisions which led to government stockpiling on an absurd scale; to policies leading to too rapid expansion and too generous subsidizing of foreign mineral production, with consequent disruption of orderly markets, about which I will have more to say; and, of even more importance to our industry, to the rejection by a large majority of brilliant technical students of mining or metallurgy as a desirable and challenging career.

It is 16 years since the Paley Report was issued. The world of today is a different one, both politically and economically, from that of 1950. It seems appropriate, therefore, to assess the present position of our domestic industry—where we now stand with respect to what was forecast, and what can be reasonably expected in the years remaining until 1975.

The U.S. population in 1950 was approximately 150 million, and was expected to approach 200 million in 1975; the Gross National Product, in terms of constant dollars, was projected to double in this period. The latest census estimate shows that we reached the 200 million population figure in late 1967, and the latest GNP estimates for 1967 is a figure of around $780 billion, or, in terms of constant dollars, an increase of just about 100% over 1950. With more mouths to feed and more money to spend, how have our mineral raw material supplies met this challenge?

Those material reserves which were adequate largely have held up as expected. Iron ore is still abundant and relatively cheap. Modest contributions to domestic reserves have been made by new discoveries, and we have witnessed great technical advances in ore beneficiation and in metallurgy. The low grade taconite ores of Minnesota and Michigan have come into their own through the development of pelletizing. The St. Lawrence Seaway has made accessible large reserves of low cost Canadian ore. The development of large offshore oil-gas reserves have assured continued availability of these materials again at reasonable costs.

What about copper, lead, and zinc-metals which were expected to present a supply problem over the 25-year period? The accompanying charts illustrate mine production, total available supply, and estimated consumption for each metal during the period 1950–1967. The dashed trend lines show forecasted mine production and consumption, all according to the Paley Report. Mine production and secondary production figures, as well as imports less exports, are from data published by the Bureau of Metal Statistics in its annual report. Consumption estimates are those of the U.S. Bureau of Mines.

The difference between total supply and consumption curves theoretically represents stocks, both Government- and consumer-held. Shown at the bottom of each chart is the average of metal prices for each year. By using averages, particularly with respect to price, the curves are flattened, but since our primary interest is in trends, I think they well illustrate what has happened over the period of review.

COPPER

In the case of copper (Fig. 1) U.S. mine production in 1950 was estimated at 907,000 short tons. According to the forecast, a gradual decline to approximately 800,000 tons by 1975 was expected. Up to 1955, mine production acted about as expected, with the year 1954 being a low point in production because of labor troubles in the industry. By 1955, mine production had increased rather sharply with the bringing in of new mines and the expanded production at older properties. There has been a gradual increase in production ever since, except for the temporary declines in 1959 and, of course, in 1967, as a result of the prolonged industry strike. Thus, for 12 years U.S. mine production substantially exceeded the forecasted trends of the report.

The consumption curve, starting from an estimated 1.8 million tons in 1950, was expected to reach an estimated 2.5 million tons by 1975. During the entire period, consumption has been less than that forecasted except in 1966 when apparent consumption reached 2.23 million tons. During these same years, secondary production increased at a very gradual rate. Total available supply, consisting of mine production, secondary metal, and imports less exports, showed total supply below the predicted consumption trend.

The relatively large increase in mine production has resulted mainly from new mines brought into production, as well as from major expansions of some of the larger existing properties. The San Manuel property of Magma Copper Co. came into production in 1956, but did not reach its initial rated capacity until 1958; Anaconda expanded its Butte project with the opening of the Berkeley pit; its Weed Heights property began production in 1953; Duval's Esperanza mine went into production in the years 1957–1958. The cumulative effect of these increases more than made up for any decrease of production at older producing properties. From 1960 to date, production has expanded more rapidly. New projects, which have been major contributors to this increase, are the Pima mine, the Mission mine, the greater Butte project of Anaconda, and the expansion of production at the White Pine mine.

When the new projects now on the drawing boards are completed over the next few years, a further sharp expansion in mine production can be anticipated. If all of the new production planned materializes, we will see an increase of 500,000 tons in new capacity over the next five years. Anaconda will have a major new mine at Twin Buttes within two to three years. Kennecott has already expanded and will continue to expand its Utah facilities, as well as those in Arizona. Phelps Dodge will bring the Tyrone mine on stream, and the White Pine Co. expects very substantial increases at its Michigan properties.

Of equal importance from the point of view of future domestic supply is the really great amount of exploration work which has taken place in all of the Rocky Mountain states, and particularly in the Southwest. Out of this wave of activity has already come a number of geophysical and geochemical prospects which are currently being tested by deep drilling. Most of these new discoveries and most of the expansion at major properties have resulted through the application of highly refined and sophisticated exploration techniques, based on careful and detailed mapping and geologic interpretations. None, to my knowledge, resulted from what one might call a chance or lucky find. In most instances, there were no outcrops. The ultimate discovery was obtained only after expensive and careful investigation.

LEAD

Turning now to lead, Fig. 2 illustrates mine production, secondary production, imports less exports and, therefore, total supply as well as the USBM's curve on consumption. Mine production from 1950 to 1967 was below the forecasted trend, and consumption was materially so.

This graph is of particular interest in several respects. It shows secondary lead contributing more to supply than did mine production for the entire period, and that this source in recent years has expanded appreciably. Imports, particularly from 1951 through 1959, showed a very large increase. This excess in total supply largely represented the stockpile efforts of our government.

With the imposition of quotas in October 1958, consumption and supply became more or less in balance and, in fact, in the period 1962–1965 there was an actual deficit which allowed producer stocks to be drawn down. With the removal of quotas on lead in the fall of 1966, total supply again began to exceed consumption and this trend has continued.

The lead price curve during this period showed prices reaching their peak in the years 1951–1952, then gradually declining to a low in 1962. Prices began to climb again in the years 1963–1965. During the period under review, new mines coming into production just about balanced the gradual decline in output from older properties until 1964, when the new Viburnum project of the St. Joseph Lead Co. came into production. This new mine opened up what promises to be one of the major new lead-producing districts developed in the past century.

Since Viburnum, one other large Missouri property has come into production—the Fletcher mine. By the end of this year, three other substantial producers are expected to come on stream—the Magmont mine at Buick, the AMAX-Homestake property, also at Buick, and the Kennecott development near Ellington.

Two new lead smelters, the first to be built in this country in 50 years, are likewise slated to come into production in 1968. The AMAX smelter at Buick will treat concentrate supplied from the Magmont and AMAX properties, while the Glover, Mo., plant at ASARCO will process concentrates coming primarily from the Kennecott project. (Mine production from St. Joe's Fletcher and Viburnum properties is smelted at the company's expanded Herculaneum plant.)

When these new mines reach designed capacity, lead mine production in this country will be just about double that of the past few years. It is hardly to be expected that consumption will increase rapidly enough to absorb this sharp increase. Neither is it likely that secondary production will decline appreciably. Therefore, if imports are to continue at anything like the rate which has prevailed since the removal of quotas, a build-up such as occurred in the early 1950's and a subsequent weakness in domestic prices seem inevitable. To complicate the situation even further, the Government stockpile, amounting to 1.2 million tons of metal, has been declared surplus, and this Administration has expressed interest in substantially reducing it as the opportunity develops.

In this situation, the outlook for the higher-cost lead producers is not a rosy one. They will continue to be squeezed by rising costs on the one hand and overproduction and consequent price weakness on the other. It seems probable that some of the older underground mines will fall by the wayside, but having survived the post-war ups and downs, the decline will be a gradual, rather than a sudden, abandonment.

History since 1950 indicates that the Paley Commission greatly overestimated the lead consumption trend. The new Missouri discoveries have upset all predictions as to future mine production and have virtually assured a total domestic supply which will be well in excess of probable requirements, unless imports are correspondingly reduced.

ZINC

Fig. 3 for zinc uses the same basic source data as was used for both lead and copper, with the exception that consideration of secondary metal as a component of total supply has been eliminated because data with respect to secondary production is unreliable. Likewise, just how much secondary zinc reports back in the consumption estimates is unknown. It is generally believed that about 75,000 tons of metal equivalent is recovered annually from treated scrap and that this represents, more or less, a circulating load and, therefore, does not materially affect either available supply or consumption estimates.

Mine production of zinc, with the exception of a short period from 1950–1952 has been below the forecast production level. From 1958 until 1966–1967, when labor troubles caused a temporary reversal, production has been increasing gradually, and is expected to continue with steadily mounting mine production from Tennessee and New York. Production from the Rocky Mountains and the western states is less assured and will depend largely on future zinc prices since zinc recovery, in many instances, can be regarded as a byproduct of lead-silver mining in Idaho, Utah, Montana and Washington. Zinc mine production is also vulnerable because practically all of it comes from underground mines, and they will be caught in the same cost-price squeeze as lead.

Except for the short period 1954–1955, consumption of zinc was below the projected trend until 1956–1966. But as the use of zinc in continuous line galvanizing and in die-casting continues to expand, consumption is expected to average above the trend line during the remaining eight years of the period.

As with lead, the period from 1951 until the imposition of quotas in late 1958 saw available supply exceeding consumption. Most of this surplus metal ended up in Government stocks, which now total approximately 1.2 million tons. Beginning in late 1958, consumption exceeded supply until last year, when the effect of the removal of quotas and a slight slowing down in general business brought supply and demand into balance. During the above period, producers' stocks, which had risen to burdensome levels in the late 1950s, were largely drawn down as demand, both here and in Europe, increased. In fact, almost 175,000 tons of Government-held stocks of metal were released in 1965 and 1966 to meet domestic requirements.

Zinc imports differ from copper and lead imports in that something over 50% of the total zinc content is in the form of zinc concentrates which are converted at domestic plants. Canada and Mexico supply the bulk of this tonnage, and a continuation of these imports is vital to the zinc smelting industry. The troubles in the zinc industry occur with a falling demand abroad and a weakness in price at home, thus bringing a surge of metal imports. Nothing in the way of additions to domestic zinc ore reserves has been made comparable to those in copper and lead. Moreover, it is unlikely, in the face of excess world supplies, that a major immediate effort will be made by industry to seek new domestic sources of supply. If price levels were to go higher, domestic production unquestionably could be expanded; but lacking this price incentive, any large, short term expansion is not probable.

In the past few years, zinc mine production in Canada has more than doubled, with very large production coming in from new mines in the Mattagami area, Pine Point, Texas Gulf Sulphur's Kidd mine, and from Brunswick Mining and Smelting Co. Further increases will come as properties now being developed reach production stage. In these circumstances, every effort will be made to market much of this production in the United States.

A LOOK TOWARD 1975

As far as domestic mine production of copper, lead and zinc is concerned, the forecasts of the Paley Commission, as of this date, have been somewhat wide of the mark—copper production has been greater, and both lead and zinc production have been below that estimated. From now to 1975, it seems probable that copper and lead production will continue to exceed forecasted estimates by substantial amounts, and zinc should likewise be slightly higher.

With respect to consumption, the Commission's estimates for copper have been within the ballpark. For zinc, only recently has consumption exceeded the forecasted level. In lead, consumption has lagged well below predicted levels. For the remaining years of the period, that is until 1975, the best guesses are that domestic consumption can be expected to increase at annual rate of 6–7% for copper, 5–6% for zinc, and 3–4% for lead. Should these guesses prove valid, then the 1975 consumption forecasted by the Paley Report will be exceeded in the case of copper and zinc, but will not be reached in the case of lead.

Is there an explanation as to why lead and zinc mine production fell short of the forecasts over the period since 1950? The answer is "yes". One explanation is that, stimulated by higher prices and the Government's stockpile acquisition program, both lead and zinc production world-wide quickly exceeded demands; another explanation is that U.S. Government-held metal stocks, which by 1958 had reached 1.5 million tons of each metal, was a built-in deterrent to investment in either exploration or in developing new reserves.

Had the economic climate been as favorable for lead and zinc as it was in the case of copper, results would certainly have been different, for it was not until imports were restrained as a result of quotas, that the lead and zinc people began to see patches of blue appear in what has been a heavily overcast sky.

MINING'S NEED FOR RECOGNITION

Admittedly, the picture I have been painting has been with a broad brush, but I believe it illustrates the fact that, given a reasonable climate in which to operate, the United States is *definitely not* a "have not" nation in respect to most of our metals. If we were, it is hard to conceive why major mining and oil companies, which operate on a world-wide basis, would be devoting much of their major exploration efforts to the investigation of prospects here.

As a geologist by training, I have always been an optimist with a great desire to know what was on the other side of the mountain. Now I want to see what is hidden under the alluvial cover, the shallow sediments, the ocean floor, and the waters of our lakes, bays and continental shelves. The great strides made in geophysical and geochemical techniques and electronic instrumentation, together with our growing knowledge of ore deposits, promises to make this possible, if not today, then in the near tomorrows. The cardinal sin a young mining geologist is never forgiven is to say "It isn't there"—and then have the next fellow find it.

No nation is ever, or probably ever will be, self-sufficient in all its mineral raw material requirements but, of all modern nations, the United States has been more fortunate than most. It has developed over the last century an aggressive and viable mining industry which, in its mining, metallurgical and geologic know-how, has become the envy of the world. In terms of its economic contribution to the nation, mining occupies a far greater position of importance than the number of its people would seem to warrant. But as an industry, we suffer from an inferiority complex. We are viewed by many as the desecrators of the landscape, the source of air pollution and, in effect, the destroyers of the birthright of present and future generations. This is absurd. What else can we expect, however, when the average citizen still thinks of lead as being largely used in the manufacture of lead pencils. And, if he thinks at all about mining, fails to appreciate that his automobile and most of his household appliances would be well beyond his financial reach without metals at reasonable costs. He seems not to understand or appreciate that mining, unlike agriculture, is basically a one crop business. Its fields do not turn green with the coming of each spring, and a ton of ore once mined is gone forever except from the feedback which comes from recovered scrap. Our new crops come from new discoveries, and if this is to continue, an equitable climate must exist.

A democratic society, such as we enjoy in this country, is based on an informed citizenry, for government at all levels means people. We might as well face the fact that, in the public's image, our industry does not enjoy the status that it did in the era of D. C. Jackling. Of all the extractive industries, mining faces problems that are unique, and since the price-supply relationship is a very delicately balanced one, governmental policies have great bearing on the industry's policies and future.

THE "HAVE NOT" NATION

What is a "have not" nation is difficult to define in very precise terms, but, in my judgment, it is a nation which through lack of understanding and, therefore, largely by default, relegates its basic industries—those which supply its raw material and defense base—to a role of insignificance in its economy. It is one which, in an effort to achieve the good life, continually constructs, by national and local policies, regulations and tax programs which inhibit growth and incentive. It is one which allows technological competence to degenerate to the point of stagnation.

To avoid any such possibility, it seems to me that steps must be taken to:

(1) Educate the public to the economic importance of the mining industry in terms of our national economy.

(2) Educate both public and government, at all levels, to the hard fact that mineral raw materials are international commodities and that our requirements will be happily supplied by others if we do not manage to do so. This will contribute to the imbalance of payments under present circumstances and, in effect, mean an exodus of American jobs.

(3) Convince our technical educators of the potential that exists for rewarding employment in the extractive mineral industries, and make such employment more attractive to the youngsters who will follow us.

(4) Correct the unfortunate image of our industry from that portrayed on television; that is, one composed of handsome, young men in high boots, standing by a circa 1902 headframe and surface plant, run by rich and unscrupulous characters.

(5) See that we keep alert to the latest technological changes that are taking place and that we utilize these new tools to maintain and advance our own efficiency.

From a long-range point of view, there is little question but that the world-wide increase in population and the demands of emerging nations, will require all of the metal that can be produced both in the United States and abroad. But, over the short term, the road ahead may be rocky and full of bumps. Nevertheless, we, in this Country, would be unwise to allow ourselves to become dependent on foreign sources for our major raw materials. Our consumers of copper can speak eloquently on this subject after their experiences of the past months.

REDUCTION IN POSTAL SERVICE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Mr. Speaker, I am going to make a press release today regarding the reduction in postal service that has recently been recommended by the executive department. Because this is a matter of grave concern to all of my colleagues, I introduce the pertinent release to the CONGRESSIONAL RECORD:

> Congressman George A. Goodling today charged the responsibility for the proposed reduction in postal service to the President . . . and his administration.
>
> "The curtailment in postal service," said Goodling, "it quite obviously the handiwork of the President who, apparently, is miffed over the budget cut of $6 billion imposed upon him by the Congress in the recently enacted Revenue and Expenditure Control Act. He has, accordingly, permitted Postmaster General W. Marvin Watson to announce that window service at the post offices would be cut down shortly, that Saturday deliveries would soon be eliminated, that other cutbacks on weekly deliveries would be considered for the future, and that some 347 small-town post offices would be closed down at a not-too-distant date."
>
> The 19th District legislator pointed out that the Post Office Department has been made a whipping boy because it services more people than any other Department. The reduction in mail service would have a severe effect on business and citizens, particularly on individuals who lived on close budgets and depended on Social Security and other forms of retirement checks received in the mail. It would also interfere with the delivery of newspapers and magazines, forms of communication upon which Americans have come to have a vital dependence.
>
> "There is no need for such severe action on the part of the President," said Congressman Goodling. This whole furor on mail deliveries has stemmed from the cutback in Federal personnel required as a part of the budget reduction set forth in the Revenue and Expenditure Control Act just passed by the Congress. Such a reduction does not, however, have to take place immediately. It was designed to be accomplished on a gradual basis, by filling only three out of four vacancies as they occur. Too, the rate of turnover in Federal personnel is not rapid; hence, there is no desperate need for making any radical adjustments for vacancies.
>
> "Over and above this, the Revenue and Expenditure Control Act gives the Director of the Budget (an agent of the President) authority to prevent reductions in employment levels in any agency where this would interfere with the operation of Government by making reductions in other agencies."
>
> It was pointed out that the Act concerned required an ultimate reduction of 245,000 in all Federal Employees, thereby bringing Federal employment down to the 1966 level. For the Post Office Department this would represent a total employment of 761,314, a figure 83,238 lower than the present figure.
>
> "In brief," said Goodling, "it would appear that the President is trying to avoid the 'economy notice' served upon him by the Congress in the Revenue and Expenditure Control Act. If the Congress—his Democratic Congress—yields to this coercion by passing legislation preventing any reductions in postal personnel, it will be providing legislatively what the Democratic President could have supplied administratively—it will also be abandoning its economy theme and sowing the seeds of dollar-destroying inflation. It would seem, then, that this is an across-the-board Administrative matter, and this is where the responsibility should fall."
>
> Congressman Goodling pointed out that it is ironic that while the Administration is, in one instance, apparently concerned over Federal personnel reduction to cut down expenses, it is, at the same time, sponsoring legislation that would increase by more than 428 the number of super grade positions paying an annual salary of between $22,835 and $28,000. "This makes the economy theme something of a myth," Goodling said.

STUDY OF BANKS AND THEIR GROWING ECONOMIC POWER—A POPULAR AND CRITICAL SUCCESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on July 9, 1968, the Subcommittee on Domestic Finance of the House Banking and Currency Committee released a two-volume, 2,000-page study entitled "Commercial Banks and Their Trust Activities: Emerging Influence on the American Economy." The tremendous impact of this study on the public was immediate and startling. Lengthy reports appeared on the front pages and in finance sections of newspapers and magazines all over the country. Several periodicals even reprinted parts of the study in their pages.

The public also responded overwhelmingly. Within a few days the subcommittee, Members of both the House and Senate and the Government Printing Office were deluged with thousands of requests for copies of this report. The complete supply, including the committee's and the GPO's which sold for $13—all 3,500 copies, were exhausted within 8 days and a large backlog of requests has been accumulated.

Because of this great demand, on July 12, 1968, I introduced House Concurrent Resolution 797 for reprinting of this important document.

Critical comment also has been enthusiastic. Several commentators have referred to this report as a "landmark" study of banks and their trust activities. Even some sources who are closely akin

to those who might regard the study as critical of their activities have been surprisingly complimentary in their remarks. Editorial comment has appeared in such important journals as the Cleveland Plain Dealer, the Wall Street Journal and the American Banker. Comment from these and other journals is submitted for the Record at this point:

[From the Cleveland (Ohio) Plain Dealer, July 10, 1968]

Useful Report on Banks' Power

The congressional report on links between America's commercial banks and businesses is a useful document in that it points to potential harm which might result from the abuse of power inherent in such alliances.

The report should be of considerable value to the federal government's legislative and regulatory bodies which serve as watchdogs over the American economy.

In its detailed report on close bank-business relationships in 10 cities including Cleveland, the staff of the domestic finance subcommittee of the House Banking and Currency Committee indicates that the existence of bank-business power combines pose more than questions of ethical conduct. It notes that the banks, intentionally or unintentionally and all too easily, can exert influences tending to restrain and restrict free competition and trade.

The potential for much good, or much evil, is built into the structure of the banking business. Because banks must profitably manage funds entrusted to their care, they must of necessity be interested in operations of enterprises in which the funds are invested. Because they must keep a sensitive finger on the economic pulse of the nation and the community they must elect as their directors persons who are leaders in business affairs.

All of this makes for a concentration of enormous power.

When directorships of individual banks are interlocked with those of individual businesses and when the bank as a fund trustee can exert influences on many businesses, some of them competitive, it is a natural that a question of possible conflicts of interest should arise.

To head off the conflicts, to prevent possible abuses of bank-business power, the domestic finance subcommittee came up with a number of recommendations. Among them are for actions to:

Place limits on the amount of stock held by a bank trust department in a single corporation.

Prohibit bank officers and directors from serving as directors of a corporation if the bank holds more than 5% of the corporation's stock or manages the corporation's employe benefit fund.

Apply the Securities Exchange Act rule against profiteering by "inside" information to bank trust departments.

Require annual disclosures of stock holdings and proxy voting of the holdings by bank trust departments.

In the interest of the nation's economic good health these and other proposals from the subcommittee, as well as the subcommittee's findings, should be examined carefully by members of regulatory agencies and Congress.

[From the Wall Street Journal, July 16, 1968]

Mr. Patman's Point

Wright Patman, chairman of the House Banking Committee, has a point when he suggests that investments of bank trust departments are worthy of further study. He's inclined, however, to push it too far and too fast.

A 13-pound subcommittee report released by Mr. Patman showed, among many other things, that bank trust departments hold $250 billion in assets, including a great deal of common stock. It also indicated that a good many bankers serve as directors of large business corporations.

Neither of these findings is especially surprising. In a growing economy bank trust departments have quite naturally become custodians of the funds of increasing numbers of people. And with inflation an omnipresent condition the bank trustees, as conscientious guardians of these funds, have invested heavily in common stock.

When a business corporation chooses a board of directors, moreover, it may well decide that it needs someone with a knowledge of finance, and the obvious choice is often a representative of one of the banks with which the corporation deals.

The figures assembled by the subcommittee, in any event, hardly seem to justify automatically Mr. Patman's proposal that the Justice Department take immediate antitrust action to deal with "thousands" of interlocking relationships between many banks and companies. Nor do the statistics alone necessarily prove a need for all of the sweeping new laws and regulations that the subcommittee urges.

What the figures do is to underline once again the pivotal role that banks play in the nation's economy; banks can indeed act in ways that undermine the workings of free competition. Because of those facts, though, banks are already subject to far tighter regulations than most other businesses.

Before the Government adds substantially to the existing mass of regulations, it should at least produce evidence that banks are abusing their trust. The public, with its heavy reliance on dependable financial institutions, should expect nothing less.

[From the American Banker, July 17, 1968]

Much More Good Than Harm

Rep. Wright Patman, D., Tex., chairman of the House Banking and Currency Committee, and not known for excessive partiality towards banks, has done the industry an immense service by producing, through the efforts of the staff of the subcommittee on domestic finance, a landmark study of the size and shape of bank trust operations.

Mr. Patman, to be sure, infers a sinister conspiracy of financial power from the massive two-volume, 2,000 page study; he has asked for antitrust investigation of the danger which he discerns. But even though his conclusions differ sharply from the actual practice of the industry, and even though his charges are a source of annoyance as he has voiced them, and could demand a great deal of industry time and energy to refute if implemented, nevertheless at this time it appears that on balance Mr. Patman has done the banking industry much more good than harm.

For by using the authority of the Congress, he has been able to compile, from sources normally the most reluctant in the whole industry to make public their affairs, a detailed compendium of trust activities by commercial banks.

Moreover, as he has done so, Mr. Patman has given weight and shape to the importance of bank trust departments in the nation's financial community. It had long been widely assumed that this role was great indeed; but until Mr. Patman put numbers to it, no one had known exactly how great.

His operating premise that size alone is foreboding, and that bank administration of trust accounts somehow implies improper influence upon management of corporations, and that occasional proximity of directors creates a sinister pattern of control—all are quite properly subject to challenge, and will probably not go far.

Banks have been competing ferociously for trust business for years, and with mounting intensity as they have come to realize the enormous growth potential of this part of their business; and as it happens, the bigger they are, the harder they fight.

Actually, this Patman report—the third in a series looking into concentration of banking power—is likely to stimulate competition in the industry, but in a way quite different from what he had intended.

Rather than providing a basis for government action to curtail the activities of the greatest powers in the bank trust field, the ultimate effect of the report is more likely to step up competition among institutions which have not amassed such power.

To that purpose, it has shown the banks which are active in this field just how they stack up against their competition, in various ways. Not only is this kind of performance chart bound to be instructive, but it should also in most cases tend to encourage more and better work.

And now that Mr. Patman has shown the way, it is also to be hoped that trust activities will not be allowed again to drift out of the public ken, and that both the banking industry and its regulatory authorities will recognize the value in keeping this information up to date, and public.

For much of the information that Mr. Patman has now made public is of immense value. It is true that some of the material he gathered is irrelevant and misleading, and it is true that many of the conclusions he has drawn go beyond any reasonable interpretation of the evidence. But in putting it all on the record, he has asserted to the banking community and its regulators the interest of the public in both the propriety and the skill of the industry's administration of its enormous trust power. And that is good for banking.

[From the American Banker, July 19, 1968]

Academicians Can Have Field Day Researching Patman Trust Report

(By Joseph D. Hutnyan)

Washington.—There is a growing hunch here that the real benefits are yet to be reaped from Rep. Wright Patman's fascinating profile on the bank trust business.

The data published in the 2,000-page report is being hungrily devoured by the serious students of banking.

For Mr. Patman and his research staff, publication of the landmark study was the end, but for the academic community, it is only the beginning. Researchers will be digging for answers to a lot of intriguing questions.

For instance, how does the performance of bank-involved corporations stack up against those with no banks among their shareholders? Is there a definite pattern of anticompetitive conduct in those instances where bank trusts are substantial holders of a corporation's stock?

The question also is part of the broader issue raised by the doctrine of potential competition—a subject calculated to start a fight whenever antitrust experts gather.

The Patman report hit the nation's headlines with bombshell force. No other effort by the chairman of the House Banking and Currency Committee has had such wide exposure.

It kindled the usual charges and countercharges from those who were personally involved. Of more interest, however, is the reaction of those here who can still view the issue with a relatively open mind and temperate emotion either because they have no direct interest or because they just do not know enough about the subject but are eager to learn.

The consensus among the uncommitted is that Mr. Patman's two-volume opus on the trust business neither supports nor refutes his charges.

But it raises a lot of questions, including these:

Why was it necessary to extract this data, by Congressional subpoena, from the banks? Suppose this kind of information had been published routinely by the banking agencies. Would not such disclosure automatically discredit wild charges that this aspect of the business is the black art of banking where collusion and conspiracy are on the daily agenda?

One can assume that the bank trust business has been on the whole efficiently and honestly operated because, if there were wall-to-wall hanky panky, the lid would have blown a long time ago. However, does not the potential for self-dealing and conflict of interest exist? Are statutory safeguards needed? Is the trust man's legendary devotion to his beneficiary enough to protect the public?

These are some of the questions that are being asked here by the Congressmen, lobbyists, legislative technicians, banking scholars and others who found the trust study provocative reading.

The answers will not be found in the press releases or newspaper editorials that blossomed along with the report. More searching analysis is needed. The best part of the Patman trust study is still to come.

[From the American Banker, July 12, 1968]

PATMAN REPORT ON BANK TRUSTS REPRESENTS MAJOR ADVANCE IN BANK OPERATIONS DISCLOSURE

(By Ben Weberman)

NEW YORK.—A major advance in disclosure of the nature of banking operations was achieved during the week when the source of trust department assets and the investment of these funds was made public for the first time ever in the report of Rep. Wright Patman, D., Tex., on "Commercial Banks and their Trust Activities."

While the conclusions of Mr. Patman's subcommittee on domestic finance staff are controversial and have been subject to considerable criticism, the listing of the top 300 bank holdings of trust assets was considered a major breakthrough which will provide a benchmark for future reporting, voluntarily or through regulatory agency requirement.

The census of trust department assets complements the segregation of trust department income which was required for the first time in 1967 statements where such income was at least 5% of gross revenues. The income data were compiled and published in the American Banker on June 18. Reprints are available.

The subcommittee's statistical report shows that bank trust assets aggregated $253.3 billion at the end of 1967. These consisted of $72.9 billion of funds managed for employee benefit accounts, $126.2 billion for personal trusts and $54.2 billion managed under investment advisory contracts.

The 300 banks with the largest trust departments, the data revealed, accounted for 94% of the aggregate holdings of all trust department assets. The questionnaires generally were returned to the staff of the House Banking and Currency subcommittee through April 1, 1968. The banks had an option: They could report holdings as of any one date during the last 60 days of 1967, or as of the date of the most recent annual review of each account. These data were shown in the report as Table 4 which is reprinted today in the American Banker.

As of the end of 1967, the trust departments of all reporting banks held $161.7 billion of stock, largely common stock; $68.8 billion of bonds, including a growing volume of convertible debentures, $12.5 billion of real estate and mortgages, and $8 billion of cash and miscellaneous holdings.

The real estate value probably is understated, it was noted, because holdings are not revalued with any degree of frequency and often are carried on books of the banks at a level well under market rates.

Securities, however, are carried on the basis of market value and do closely reflect the standing of commercial banks' trust holdings.

The biggest trust department, by a wide margin, is that of Morgan Guaranty Trust Co. This bank, with $16.824 billion of trust assets derives $9.654 billion from corporate pension plans, $3.172 billion from personal trust accounts and $3.997 billion from agency accounts where investment advisory services are offered. The bank ranks first by a long distance for pension, third for personal and third for agency accounts. Ranking behind Morgan in total assets managed by the trust department are Chase Manhattan Bank NA with $13.644 billion of assets; Bankers Trust Co. with $11.090 billion, and First National City Bank of New York with $10.871 billion.

The lists puts to rest the long-standing debate over which bank has the greatest volume of pension fund business. Following the $9.654 billion of Morgan is Bankers Trust, which holds $7.685 billion of employees benefit assets, and Chase, which has $6.513 billion.

First National City Bank of New York came in fourth spot at $4.706 billion of pension fun assets.

This bank was pulled up markedly in total ranking by its fiduciary management of $4.101 billion of personal trust accounts, the leading bank in the country in this endeavor. In addition, as the accompanying table shows, the bank managed $2.063 billion of assets under investment advisory contracts.

Bankers Trust at one time led all banks in management of pension fund portfolios when it was the sole fiduciary for the Bell System. But the telephone companies have since distributed their employee benefit funds among many banks, leaving Bankers Trust in second spot for this category.

Among banks managing personal trust accounts, headed by First National City Bank of New York, Wilmington Trust Co. of Delaware was in second place with assets of $3.948 billion. This is understood to include a large amount of money from the duPont family. Wilmington Trust at year end 1967 was in eighth place for total assets with $5.624 billion under its umbrella.

Third largest bank for managing personal trusts was Morgan Guaranty with $3.172 billion of assets, which was fractionally better than the $3.172 billion of United States Trust Co.

Bankers Trust which has not pushed personal business was in 12th place in this category, managing $2.168 billion of assets.

The other major category segregated by the Patman Committee staff is described as "agency accounts" and by request does not include assets held only as custodian. By definition of the committee, it includes "both those accounts qualifying as managing agency accounts and those agency accounts where investment advice is supplied, with power of approval remaining in the customer."

Under this definition, United States Trust Co. leads the country, holding $4.533 billion of assets, some of which involve only limited bank review and heavy customer responsibility.

Chase Manhattan has the second largest portfolio of trust assets under agency management. And Morgan Guaranty Trust is third with First National City Bank fourth.

Mellon National Bank and Trust of Pittsburgh was sixth in standing among all banks for all trust assets, holding $7.62 billion of assets, while First National Bank of Chicago and Continental Illinois National Bank of Chicago were in ninth and tenth places, respectively. Manufacturers Hanover Trust was eighth.

Bank of America, with more deposits than any other bank, ranked fifteenth among trust assets, managing $3.696 billion.

United States Trust Co. and Bank of New York which have large private trust departments are less important in corporate pension trusts. National Bank of Detroit, with ties to General Motors, has large pension trust assets and less important personal trust activity.

Tables developed by the House Banking & Currency Committee classifying the assets of bank trust departments will be printed in a forthcoming edition.

[From the Lorain (Ohio) Journal, July 11, 1968]

THE GIANT BANK DANGER

Congressman Wright Patman deserves the thanks of the nation for the important Congressional report pointing up the dangers of allowing big banks to exert so much influence and control on business, industry, competition, finances, mergers and the economy.

Two years ago, The Journal did a series of articles on the Cleveland Trust Co., explaining the problem.

Now, Patman's Congressional staff has come up with a massive and painstaking report on 49 banks in 10 cities across the nation.

It showed the clear danger of how a handful of banks could dominate the nation's economy and how a few banking giants were in a position to exercise significant influence, and perhaps even control, over some of the largest corporations in America.

Fortunately, there are steps that can be taken to curb some of the potential abuse from such a concentration of economic power in the hands of a relatively few men. Here's what Congress can do:

Require all banks to use cumulative voting of stock, so that minority interests could have a voice in management.

Prevent banks from voting their own stock to prevent bank management from perpetuating itself in office.

Require annual disclosures of stock holdings and proxy voting of the holdings by bank trust companies.

Prevent banks from holding or voting stock in competitive banks.

Apply the Securities Exchange Act rule against profiteering by "inside" information to bank trust departments.

Prohibit bank officers and directors from serving as directors of a corporation if the bank holds more than 5 per cent of the corporation's stock or manages the employees' benefit fund.

Place limits on the amount of stock held by a bank trust department in a single corporation.

There is a real need for Congress to protect the public from the concentrated wealth of a handful of bankers, who today have the power behind closed doors to merge corporations, restrain competition, control prices, establish prices for whole industries, and keep bank interest rates high.

[From the Mitchell (S. Dak.) Daily Republic, July 15, 1968]

"NEW MONOPOLY"

It was in the early part of this century, Theodore Roosevelt was trust busting. J. P. Morgan the elder was called before a Congressional committee. On his lap was a dwarf. The picture that appeared on front pages across the country destroyed the idea that the great banker was a monopolist who held in the palms of his hands the industrial power of the nation. It seemed too ridiculous to believe of a man who could clown with a dwarf.

It is half a century later now. The staff of the Subcommittee on Domestic Finance of the House Banking and Currency committee has produced a 964-page report charging that the nation's biggest banks are emerging as the "single most important force in the economy" through interlocking directorships, with industrial control of huge pension funds and private trusts.

Again, the House of Morgan, now merged into the Morgan Guaranty Trust Co. of New

York, is Exhibit A. It is cited among the 3,100 commercial banks and trust companies in the country who hold a grand total of $250 billion trust assets which give them economic power linked to nearly every key industry in the country.

The study says that Morgan Guaranty is tied to 203 corporations, including 72 major ones, with "director interlocks." That is, each firm has on its board one or more directors nominated by the bank, or else has nominated one or more of its own directors to the board of Morgan.

Rep. Wright Patman, Texas Democrat, chairman of both the parent and subcommittee * * * "is an important example of commercial banks that play the role of middleman between competing businesses in practically every major industry in the United States."

However, Thomas S. Gates, chairman of Morgan Guaranty, said the bank had become No. 1 because the trust department makes investment decisions "solely to achieve the best investment results for our trusts" and the use of any other considerations would bring swift and sure punishment.

So the issue is joined once more. Patman wants to break up these new concentrations of wealth. Morgan denies it is monopolistic. It looks as if Morgan Guaranty is going to have to make the case for the "new monopoly" as it did for the old, 50 years ago.

[From the Portland (Oreg.) Oregonian, July 13, 1968]

POTENTIAL POWER

From a statistical standpoint Rep. Wright Patman, D-Texas, seems on sound ground in seeking an anti-trust investigation of the "snowballing economic power" of the big-city banks.

The chairman of the House Banking Committee has noted that 49 banks in 10 cities hold more than 54 per cent of the nation's bank assets. Of the approximately $1 trillion invested in U.S. businesses of all kinds, $607 billion or nearly 60 per cent is held by commercial banks. The trust departments of these banks administer and in most cases exercise voting rights for $250 billion in securities owned by private individuals, organizations and welfare and pension funds.

Clearly the banks could, whether or not they operated in collusion, exert an enormous influence over the competitive situation of U.S. industry. A staff report of the House subcommittee on domestic finance, also chaired by Congressman Patman, has noted that Morgan Guaranty Trust Company of New York held in July, 1967, more than 7 per cent of the stock of three competing airlines. Had it chosen to increase its holdings, Morgan Guaranty surely would have been in a position to advance the fortunes of one airline at the expense of the others.

Remaining unanswered, however, are questions of whether U.S. banks have been trying to use their implicit power in these directions, or whether they have any such motives. Guaranty Trust's chairman, Thomas S. Gates, has denied the implications of the subcommittee's report. His trust department, he says, is the nation's biggest and most successful because it keeps its eye fixed on a single goal: To obtain the best investment results for the trust funds it administers. If Guaranty Trust should let itself be diverted into trying to tinker with the competitive balance of U.S. industry, its own competitors might move in, says Mr. Gates.

It is a sound argument, if you're already No. 1. But Mr. Gates can't speak for all U.S. bankers. Some of them may have different ideas about the best way to elevate themselves in the financial world. Whenever there is a concentration of power, the possibility remains that somebody will try to use it adversely to the public interest. That's why the federal anti-trust apparatus was created. It won't hurt to do as Rep. Patman suggests, and have a precautionary look.

[From the Providence (R.I.) Bulletin, July 12, 1968]

THE BIG ONES

Serious questions about control of the U.S. business world were raised by the report of the House subcommittee on domestic finance. The subcommittee headed by Rep. Wright Patman, D-Tex., found that the biggest banks of the country "are emerging as the single most important force in the economy." They are doing this through interlocking directorates with industry and control of huge pension funds and private trusts. The report suggested that in such a situation there were bound to be conflicts of interest and development of practices designed to reduce or eliminate competition.

Thus, said the report, we are headed back to a situation similar to that of the late 19th and early 20th Century when small groups controlled whole industries and wielded great economic power. The power of the banks is not the same as that of the "trusts" that prompted the Sherman and Clayton Acts. But the effect may be almost the same. The U.S. has more than one trillion dollars of institutional investment today, and more than 600 billion of that is controlled by commercial banks. There is even an implication in the report that some of the banks are powerful enough to challenge again the control that has been exercised by the federal government in recent years.

The subcommittee of the House banking and currency committee urged the Justice Department to crack down on the interlocking-director aspect of these bank holdings. It stressed that this was a huge issue, compared with some of the anti-trust actions the department has undertaken recently. The animus of the subcommittee is not against bigness in itself. Most of the country has come to accept big industries as necessary to the efficiency of modern production and the supply of world markets that are constantly expanding because of the population explosion. The prevailing view today is, however, that competition should be maintained, that at least a few big firms in each industry are desirable to prevent monopoly or conspiracy to rig prices at artificially high levels.

Another aspect of economic power in the U.S. today is the conglomerates that have holdings in many different and diverse industries. Some of these have grown so big that they can wield enormous power just as can the large banks. Whether they will use the power wisely, for the public interest, or selfishly, for narrow purposes, to enrich a handful of individuals and families, is a question that ought to be explored by Congressman Patman's committee or another one. Governmental power, under the U.S. system, is checked in many ways, ultimately by the people. But the power of private holding companies can grow and grow, with little publicity and less restraint. Congress should explore this question thoroughly.

[From the Kent-Ravenna (Ohio) Record Courier, July 10, 1968]

POWER CAN CORRUPT

Our economic system is based on competitive free enterprise—the feeling that competition means better service, better prices and better products for all involved.

The sophistication of the American economy in the last century has to a certain degree eroded that competition, partially sacrificing it to the gods of efficiency and mass production.

And certainly we have benefited from the economic centralization that has come about in so many industries—it has enabled cheaper production of many goods and allowed more of us to enjoy them.

However, there is danger in this over-centralization, danger that the competitive aspect of our economy will be completely snuffed out. We have already had our share of price-fixing cases in many industries, and each stands as a black mark against the free enterprise system.

The recent report of the House Banking Committee, headed by Wright Patman of Texas, indicates that same type of centralization has been occurring in our economic institutions, and that a relatively few number of institutions control a relatively large segment of the nation's economic power.

The report also cited the numerous instances of interlocking directorates, where bank directors sit on the boards of often-competing industries.

Patman was quick to point out that there was little indication of actual misfeasance uncovered, but urged anti-trust action to break up the tremendous centralization of economic power which has been accomplished in these large-city banks.

This is what Patman apparently has in mind in this instance, and he may well have a point.

[From the Deer Park (N.Y.) Suffolk Daily Sun, July 10, 1968]

WHERE THERE'S SMOKE THERE'S USUALLY FIRE

A House Banking committee has reported that a handful of commercial banks has gained control of a major part of American industry through interlocking directorships in competitive companies. This appears to be a sensational prima facie accusation of wrongdoing.

Rep. Wright Patman, the Texas Democrat who is chairman of the committee, has acted properly and prudently in asking Att. Gen. Ramsey Clark to investigate the possibility of anti-trust violations before his committee takes any action.

For the report suggests only that various trust banks have acquired a "dangerous snowballing economic power" which could influence competing concerns to the public's detriment, and not that there is any evidence of improper influence having been exerted.

That banks should have representatives on the boards of concerns in which they have investments amounting to as much as five per cent of the stock seems to be a logical and normal method of protecting their interests.

The suspicion of impropriety lies in the interlocking directorships, the innocence of which is compromised only by the committee's finding that the practice is widespread.

The speed with which business organizations identified by the committee issued denials of wrongdoing reveals the sensitivity of financial houses to this type of investigation.

When on firm ground banking houses usually remain silent.

THE SLOWDOWN OF AIR TRAFFIC DUE TO MANY FACTORS

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, the slowdown in air traffic which began last week is the result of many factors. The most immediate and direct cause was the decision by the Federal Aviation Administration traffic controllers to rigidly enforce the regulation requiring a minimum of 3 miles separation between incoming flights. This decision brought a strong and loud reaction from the public, including a good deal of confusion and many inaccurate statements.

Generally, three major issues have been raised as a result of the slowdown. The first involves the ability of the traffic controllers to handle the present traffic load. It is obvious, I think, that there is a critical shortage of qualified traffic controllers, a shortage that could have been anticipated years ago. Presently, in the more congested airports, traffic controllers must work 50-hour weeks at a job which involves tremendous strain and demands perfection at all times. These men are forced to handle as many as twice the number of planes they should handle at any one time. They are required to work 6-day weeks, often at reduced pay for the overtime period. This situation is not only unfair to the controller, but by causing such strain and fatigue it poses a threat to air safety.

Last Tuesday the Senate amended the Department of Transportation appropriation bill to include an additional 1,996 positions and an increase of $15,750,000 over the House and budget estimates for that purpose. The Senate also provided an addition $121 million for the purchase and installation of equipment for traffic control systems. This appropriations bill is now in conference.

I personally will support the Senate amendments to the bill to increase the number of traffic controllers and to provide for new equipment; both are vitally needed in the interest of airport safety.

While an increase in positions and equipment may help to cope with the problem of airport congestion, however, a second major issue, the question of airport safety, still remains. The traffic controllers maintain that their rigid enforcement of the 3-mile separation regulation for incoming flights is both legal and necessary for safety reasons. If this is the case, then certain questions must be asked and answered. If strict adherence to the 3-mile spacing is necessary for safety, then why has it been rigidly enforced only in the last week? Were flights prior to that time unsafe? Is this rigid enforcement just a means of increasing airport congestion in order to force Congress to appropriate more funds for the traffic controllers and the FAA?

I have asked the FAA to respond to these questions, and I expect that their answer will include information on the time between flights before last week, during the past week, and whether the separation time has any direct relationship to the amount of congestion at the airport being studied.

The increase in the number of traffic controllers and the enforcement of safety regulations are both means of handling present airport congestion; neither one, however, offers a means of reducing that congestion. This brings me to the third major issue, the critical and urgent need for more airports.

There has been a recognized need for a fourth jet airport in the New York-New Jersey metropolitan area for 10 years. The Port of New York Authority, under the direction of the States of New York and New Jersey, has made three studies, in 1959, 1961, and 1966, to suggest possible sites for the fourth jet airport. The final selection, however, must be made by the States through approval in both State legislatures. Their joint failure to approve a site in 10 years is at the bottom of the airport congestion problem we face today. The States of New York and New Jersey have completely abandoned their responsibility in this matter.

I have asked Congressman STAGGERS, the chairman of the House Interstate and Foreign Commerce Committee, to conduct hearings at the earliest possible date to determine the nationwide requirements for new airport construction in the next 5, 10, and 20 years. I have also asked him to include in those hearings an investigation of the means at the disposal of the Federal Government to facilitate the selection of airport sites in areas such as New York and New Jersey.

In addition, I am writing to Governor Hughes of New Jersey and Governor Rockefeller of New York to determine why they have failed to meet the critical need for a fourth jet airport in the New York City area. This is not a new or unexpected problem; it was anticipated 10 years ago, but the warning signs apparently did not get through to either Governor.

What makes this problem even more critical is that construction of a new airport takes from 5 to 7 years. Unless immediate use is made of an airport such as Calverton, a move I have suggested a number of times in the past, we will be stuck with our existing airport congestion, which can only get worse, for at least 5 years. The Airport Development Act of 1968, which was reported by the Senate Commerce Committee July 1, is an important step in the right direction.

Besides the need for additional airports, there is a second method of reducing airport congestion; rescheduling of flights to avoid congestion at certain peak hours of the day and rerouting planes to less congested airports. The airlines have shown little inclination to act on either of these proposals voluntarily. Apparently the passenger's dollar is their only consideration.

The Civil Aeronautics Board has the authority to designate the airport to be served by airlines applying for a new route, but this apparently does not include the authority to change the airport for regularly scheduled airline traffic. Further, the CAB does not consider that its present statutory authority permits any general, affirmative control of schedules as a means of alleviating congestion.

In my opinion some control is necessary, however, and possibly a negative control, whereby the CAB could order some flights to be diverted to adjacent airports, would be a proper solution. I have contacted the CAB and requested that they draft legislation which would give them such negative authority.

Finally, I call on the airlines to work together to develop a satisfactory system for alleviating airport congestion through more realistic flight scheduling. The congestion is damaging to the airlines as well as the passengers, and certainly the airlines have a stake in finding a solution to the problem. I look forward to their suggestions.

NEW PLAN FOR SHIPMENT OF MILITARY CARGO SHOULD BE DELAYED

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, recently the Department of Defense announced a new plan for the shipment of military cargo called Respond, which would provide the military with sealift in time of emergency.

The overall effect of this new program would be to give the subsidized carriers an edge in carrying military cargo. It would in a sense give the subsidized carriers a third Government subsidy. Presently they receive subsidy payments for ship construction and for ship operation.

Since this type of cargo is vital to the survival of unsubsidized carriers, I think Project Respond should be delayed until the proper congressional committees can investigate its full impact on the American merchant marine. In addition, Congress is still studying the relationship between subsidized and unsubsidized carriers, which is closely tied into this problem of cargo allocation; Project Respond should at least be delayed until this study has been completed.

There is no mention of this program in the Department of Defense authorization bill this year, and I am informed that the General Counsel of the Defense Department has stated that the Department can carry out this program internally, without congressional authorization.

For this reason, I am writing today to the Secretary of Defense asking him to halt the implementation of Project Respond until the Congress has had the opportunity to give full consideration to the impact it will have.

GUNS OUT OF CONTROL

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, the recent action of the House in defeating our efforts to amend the State Firearms Control Assistance Act of 1968, in order to require the registration of all firearms and the licensing of gun users, was most distressing. As the sponsor of H.R. 17879, the Gun Crime Control Prevention Act, which was introduced in the Senate by

Senator TYDINGS, I will continue to work for effective and comprehensive controls over guns and ammunition. I will continue to do whatever I can to assist the Emergency Committee for Gun Control headed by Col. John Glenn, and the National Committee for a Responsible Firearms Policy headed by Mr. James Bennett, who have pledged to carry on their dedicated efforts.

Unfortunately, the House was not satisfied in defeating our amendments to strengthen the legislation reported out by the Judiciary Committee, but it substantially weakened it. It exempted rifle, shotgun, and .22-caliber ammunition. It created a large loophole for National Rifle Association members.

The Congress, as we have seen, is extremely loath to defy the powerful gun lobbies and enact meaningful gun control legislation. Only in the face of a storm of public protest will Congress respond. Therefore, I urge all interested in putting an end to the gun madness to continue the battle. The millions of responsible Americans who have signed petitions and otherwise engaged in this fight must not surrender. We must not wait for the next national tragedy to galvanize a short flurry of intense, but unsuccessful, activity. Only through a sustained vigorous campaign will the objective be attained.

The New York Times on July 25, 1968, the morning after the House acted, carried an editorial on the subject which I want to call to the attention of my colleagues; it follows:

[From the New York Times, July 25, 1968]

GUNS OUT OF CONTROL

What will it take to arouse Congress to pass a real gun-control law? A few hours after the crack of rifle and automatic weapons fire had resounded over Cleveland and police had fallen dead from sniper bullets, the House and the Senate Judiciary Committee in Washington were doing all they could do to weaken the gun bills. If the purpose of legislation is to insure "law-and-order," how can legislators fail to back up the strongest possible controls that would help to end these deaths in the streets?

The Senate Judiciary Committee reported out what can only be branded a phony bill. Although there is a ban on mail-order sales of long guns and a limitation on over-the-counter sales to out-of-state residents, the crippling amendments to the bill in effect say, "We really didn't mean it."

Example 1: Any person who says he intends to go into business as a "dealer" can pay the Treasury Department $10 for a license and exempt himself from the supposed law, then purchase lots of guns.

Example 2: Any person who says he is a "collector" can pay a $10 license fee as such and buy himself some old Thompson submachine guns, then put them in working order.

Example 3: Worst of all, although interstate mail-order sales of ammunition is forbidden, an exception is allowed for rifle and shotgun ammunition—which takes the bill two steps backward because only handgun ammunition is controlled.

The Senate Judiciary bill in this form now goes briefly to the Commerce Committee, where it is possible, some of the damaging amendments can be modified.

Meanwhile, the House yesterday approved its version of the same bill, with its own weakening provisions—enough of them to make National Rifle Association advocates say they "can live with it." To which one Congressman rightly added, "Tens of thousands of Americans can die with it."

SOME AIRPORT QUESTIONS AND ANSWERS

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, in order to clarify the official position of the Federal Aviation Administration concerning the Charleston-Huntington airport proposals, I asked a series of questions to which the Federal Aviation Administration supplied clear and meaningful answers. The exchange of correspondence follows:

JULY 11, 1968.

Mr. CHESTER G. BOWERS,
Director, Airports Service, Federal Aviation Administration, Department of Transportation, Washington, D.C.

DEAR MR. BOWERS: In the light of the presentation of the Engineering Report on the Midway Airport to the FAA on June 21, it would be helpful if you provided me with information on the following points:

1. Is there anything legally defective in the nature of the Midway application?

2. How would you compare the status of the two applications on file for upgrading Kanawha Airport and financing Midway? Are either of the two applications dead, or do they both enjoy the same general status?

3. Must a new application be filed for the Midway proposal to be considered? If so, must not the same rule apply to an application for upgrading Kanawha Airport?

4. Have the proponents of the Midway Airport been in any way delinquent in supplying necessary information concerning their application? If so, what additional information is needed?

5. Has the Federal Aviation Administration made any official statements pertaining to the development of airport facilities for southern West Virginia which would give rise to a different interpretation or a change of FAA's official position from the statement of May 15, 1967 concerning the development of facilities in the Charleston-Huntington area and a recommendation of the Midway site as the best location to meet the long-range airport requirements of southern West Virginia?

6. Am I correct in stating that the latest Engineering Report for Midway was financed in part with FAA funds and the current Engineering Report for Kanawha Airport was not?

7. Is the Midway Airport included in the National Airport Plan?

Sincerely,

KEN HECHLER.

DEPARTMENT OF TRANSPORTATION,
FEDERAL AVIATION ADMINISTRATION,
Washington, D.C., July 18, 1968.

Hon. KEN HECHLER,
House of Representatives,
Washington, D.C.

DEAR MR. HECHLER: We will follow the same sequence as your letter of July 11, 1968, in answering questions you had about airport expansion in the Charleston-Huntington area.

1. The request for financial assistance filed under the 1969 Federal-aid Airport Program (FAAP) for development at the Midway site is not defective.

2. Both of the requests filed for assistance at Midway and the Kanawha Airport were considered in preparing the 1969 Program that was announced on April 25, 1968. Neither of these requests is technically dead.

3. The requests for both Midway and Kanawha were prepared several months ago. Additional facts and views have been developed since preparation. We would expect each of the sponsors to modify their requests to reflect the additional facts and views developed in the past months. We believe that the modification would probably entail the preparation of the new requests with supporting information.

4. The proponent of Midway has not been delinquent in supplying information. A grant was made for advance engineering through which studies have been made. From these studies information has been developed that will undoubtedly influence the development planned at Midway.

5. The Federal Aviation Administration (FAA) has not made any official statement that would change its position on the need for airport development in the Charleston-Huntington area. We still feel that the Midway site offers the best location to meet the long-range airport requirement of the area.

6. You are correct that the latest engineering report for Midway was financed with aid of FAA funds and the current engineering report for Kanawha was not.

7. The National Airport Plan will list the need for a new airport to serve the Charleston-Huntington area. The Midway site would qualify as the location listed in the plan.

Sincerely,

CLYDE W. PACE, Jr.,
Acting Director,
Airport Service, AS-1.

CAPT. ROBERT W. HUBBARD, U.S. MARINE CORPS

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, the grandson of Mrs. Sam Britt, a gracious lady whom I have known since boyhood and whose father, Rev. A. W. Briscoe, baptised me as a boy, was one of those gallant Americans who early this year gave his life for the cause of freedom in Vietnam.

This gallant captain in the Marine Corps was Capt. Robert W. Hubbard of Auburn, Ala. His great and distinguished service and his gallant death are movingly recited in the citation of the Secretary of the Navy for the President in presenting posthumously to Capt. Robert W. Hubbard the Navy Cross as an inspiring example of the finest expression of patriotism on the part of a great American young man. I place the citation of the Secretary of the Navy posthumously to Captain Hubbard in the RECORD at this point:

CITATION

The President of the United States takes pride in presenting the Navy Cross posthumously to Captain Robert W. Hubbard, United States Marine Corps, for service as set forth in the following citation:

"For extraordinary heroism while serving as an Advisor to the Revolutionary Development Cadre, Thua Thien Province, in the city of Hue, Republic of Vietnam from 31 January to 4 February 1968. On 31 January, while carrying out his advisory duties within the city of Hue, the quarters in which Captain Hubbard was temporarily residing, together with two military and two civilian personnel, came under intense enemy ground attack. Quickly assuming command, he organized a defense against the repeated assaults from the enemy forces and covered the front door along with two of his companions. Every attempt by the enemy to overrun their strongpoint was thwarted, until finally, after two of his group were seriously wounded, withdrawal was necessary. Quickly assessing the situation, he braved the intense enemy fire while searching for a covered route through which his group could withdraw. Despite the ever increasing enemy fire, he elected to cover the withdrawal of his unit and inflicted numerous casualties upon the enemy. During the ensuing days, the enemy maintained almost complete control of the city of Hue and Captain Hubbard's group of men found it necessary to move from shelter to shelter to escape death or possible capture. Although acting in the capacity as a civilian advisor at the time of the Tet Offensive, Captain Hubbard's skill as a Marine infantry officer instantly surfaced during this crisis. He was constantly moving, administering to the wounded, foraging for food and water for his companions, searching for assistance from friendly forces, and returning deadly accurate fire on the enemy. On 4 February, with all food, water and ammunition depleted, he led the group, armed only with a single hand grenade, in an attempt to reach friendly forces south of the city. During this time he was hit and mortally wounded by small-arms fire. By his brilliant leadership, intrepid fighting spirit and exceptional fortitude, Captain Hubbard was largely responsible for the escape of his fellow Americans. His outstanding courage and valiant devotion to duty reflected the highest credit upon himself, the Marine Corps and the United States Naval Service. He gallantly gave his life for his country."

For the President,

PAUL R. IGNATIUS,
Secretary of the Navy.

WEST VIRGINIA'S WORK IN RADIO ASTRONOMY

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, I wish to include below an article appearing in the Sunday Gazette-Mail of Charleston, W. Va., published June 23, 1968, describing a unique operation in my State at Green Bank, W. Va. Not only is the facility at Green Bank unique, but their work on Pulsars puts West Virginia foremost in this interesting and advanced field of science. This facility is known as the National Radio Astronomy Observatory and is operated with the assistance of the National Science Foundation. Emphasis there is on astronomy with the objective of finding out as much as possible about the universe, the stars, and the nature of and evaluation of the planets. It is a fascinating field of science that uses radio waves to probe and analyze just like the optical astronomer uses the lens and camera to find, theorize and prove many unknowns about the universe.

The major differences in these two science fields is that radio astronomy is just beginning and West Virginia is in the forefront with the most advanced equipment and facilities for this work. Additionally, the Green Bank site was chosen because it is relatively noise free. This site has the lowest electronic noise pollution of any site in the Eastern United States.

Behind our rugged mountains you can tune sensitive receiving equipment to register the faint radio signals that started out thousands of billions of miles away as enormous bursts of energy. By much study and painstaking effort, scientists then attempt to restructure our universe and try to make heads or tails out of the signals that they have received. It seems that there is no dearth of new material to observe. We build a new telescope to see better an observation that has been recorded, and then we find a new one that has more interesting and tantalizing characteristics which spur us on. And the process repeats itself.

At Green Bank the National Observatory has a 300-foot telescope that can be steered as the earth rotates. This steering is necessary to insure that our scientists can point to the desired source in space. This accuracy is four one-hundredths of a degree. To move an enormous structure like this with an accuracy of this magnitude is quite a task itself. A great antenna size is required for two reasons: First, because the screen must collect this faint energy from the source and concentrate it at the receiver so that the signal is strong enough to be recorded, and second, in order that the resulting beam width of the antenna in distant space can be narrow enough to point accurately at the sources.

At Green Bank there are three major facilities that are used for radio astronomy. They represent the most advanced state of the art for this interesting scientific endeavor. Normally, there are about 200 people employed there and the yearly expenditure is approximately $4.8 million. I believe this facility will serve well as a source of much knowledge for our scientific community and as an inspiration for the youth of West Virginia.

This interesting article by Frank Carey is as follows:

HELLO-O-O-O, WAY OUT THERE

(NOTE.—A pulsar is a source of energy located somewhere deep in space. The question is, what's the source of the source? Is it a signal from some unknown life in the hinterlands of our galaxy—or beyond it? Could be. Then again—.)

(By Frank Carey)

GREEN BANK.—Across trillions of miles from the outer distances of space, mysterious signals are reaching man on earth.

What are they? Evidences of an advanced civilization somewhere "out there?" Or only still unidentified natural phenomena? Whatever they are, the signals, discovered by astronomers of England's Cambridge University late last year, have excited scientists throughout the world.

Astronomers are betting heavily that the pulsars—the signal senders—eventually will be identified as natural celestial objects, perhaps stars whose internal fires have largely burned out, the so-called "white dwarfs." Or, perhaps they'll provide evidence to support a theory held by scientists that explosions of supernovae have littered the universe with neutron stars.

But the same sky-gazers are hedging their bets by conceding the possibility—but only the possibility—that the signals are from an inhabited planet far beyond earth's solar system.

"The civilization concept has not yet been ruled out, and remains a possibility," said Dr. Kenneth Kellerman of the National Science Foundation's Radio Astronomy Observatory at Green Bank.

There is no conclusive evidence one way or the other, Kellerman said.

Dr. Frank Drake, director of the U.S. observatory at Arecibo, Puerto Rico, agreed, but added, "It is our opinion that intelligent origin is very unlikely."

Drake said there are two strong arguments against the possibility of the signals originating from an advanced civilization: The vast energy required to transmit them, and great number of radio frequencies used which, he said, would be a waste incompatible with intelligent beings.

Scientists have long been intrigued by the idea that life, as it is known on earth, exists elsewhere in the universe, although most of them do not believe it exists on other planets of earth's solar system.

"Present indications are that there is a very high degree of probability that life forms may have emerged elsewhere in the universe," Sir Bernard Lovell, director of Great Britain's satellite-tracking observatory at Jodrell Bank, has said. "Man must give up the idea that he is unique—or at least the idea that the solar system is unique."

Here Lovell makes the primary argument for the theory of a plurality of worlds—a possibility first advanced by theologians in the 14th century. The argument goes like this: Man's galaxy is only one among literally billions, and among these galaxies there must be millions of other stars, similar to man's sun that possess planets capable of supporting life.

Among scientists striving to determine if the mysterious pulsars are messages from another world, or purely natural phenomena, are the astronomers who man the Green Bank observatory high in the Allegheny Mountains of West Virginia.

Here in secluded Deer Creek Valley one recent night, two of the men gathered around an electronic instrument in a little shack at the base of one of the world's largest radio telescopes—a huge silvery dish of steel and aluminum, as tall as a 22-story building.

The 300-foot diameter dish of the radio telescope picks up radiowaves emitted by celestial objects, permitting the instrument in the shack to monitor their progress across the void. Two needles traced parallel lines on moving graphpaper.

Above the shack, the antenna was poised to try to pick up radio signals from one of four recently-discovered mysterious, pulsating radio sources or pulsars.

This night's target was reckoned to be the closest of the four to the earth—45 light-years or 270 trillion miles away.

If the antenna picked up the pulsars, the signals would be recorded on the graphpaper inside the shack. Earlier in the evening a hunt for one of the other pulsars had failed.

So the men had their fingers crossed as they watched the squiggly lines—one colored red, the other green—trace a monotonously regular pattern that meant no signals had been received.

Suddenly, at 7:59:30, both needles swerved slightly. For several seconds, distinct spokes erupted from among the squiggles.

One of the astronomers, Dr. Heinz Wendker, sucked in his breath sharply as the spokes appeared, then said, cautiously, "It could be the pulsar, but it also could be a big truck on Route 28."

"I'm not sticking my neck out to say definitely it was the pulsar. But something that looks like a few pulses showed up at just the right time"

For Wendker, a visiting astronomer from

the University of Illinois, it was his first experience in monitoring the mysterious signals regularly spaced at slightly more than a second apart for three of them, and a quarter of a second apart for this particular target.

Whatever the nature of the pulsars, one of them—called CP–0950—had been expected to come within range of the Green Bank telescope for exactly 120 seconds this night, with peak intensity at 7:59:30 p.m. and at precisely that time, action started on the graph paper.

Dr. Michael Davis of the observatory's staff said after analyzing the readings that there was "a fairish possibility" that the signals came from the pulsar.

If the spokes on the graph paper did represent some coded signal from a mysterious planet, the radio operator had sent them earthward on a May night in 1923. It would have taken 45 years for the signals to get to earth from the presumed distance of Pulsar CP–0950. He also was sending blind.

If the signals—whether natural or artificial—had indeed come from the pulsar, it was a notable score for the Green Bank telescope, for these reasons, according to Dr. Davis:

Signals from the four pulsars are as regular as a perfectly ticking clock when they do appear, but they are random signals. That is, their intensity varies, and weeks pass when the signals are too weak to be detected by any radio telescope on earth.

Green Bank's 300-footer is a "transit telescope" that has only one axis of rotation. It must always be pointed due north or south as regards the celestial sphere, and can catch its targets only as they cross the meridian.

In the case of each of the pulsars, this transit time is 120 seconds once every sideral day—the "star-day" that is about four minutes shorter than the earth's 24-hour day.

In contrast, the hugh American scope at Arecibo, Puerto Rico—featuring a 1,000-foot diameter, chicken-wire-like antenna set in a natural bowl among mountain peaks—can track pulsars for hours. And, at least two British instruments can track them for appreciable periods.

On this particular night, the Green Bank instrument was pulsar—tracking only as a sideline to its main mission of rechecking the status of several more conventional celestial radio sources discovered by astronomers of the University of Illinois.

And, for this main job, the instrument was geared to receive only on radio frequencies that are far from being the best bets for picking up the pulsars.

As for further studies of the mysterious pulsars, some Green Bank astronomers are hoping to team up with others at Arecibo in an unusual experiment that could have at least indirect bearing on the haunting question whether the signals are coming from an advanced civilization.

In the study, Green Bank's 300-footer would be synchronized with the mammoth dish in Puerto Rico in such a way that a radio telescope having in effect a 2,000-mile diameter collecting surface would be trained on the pulsars.

The main idea would be to get a better gauge on the actual size of the objects, if indeed they are solid objects.

Meanwhile, the opinions of astronomers at both observatories on the question whether the pulsars are transmissions from some super-civilization can be summed up this way?

It's very unlikely, but still a possibility that can not be ruled out.

If there is such a civilization out there, it must be one that scoffs at electric bills.

The electricity needed to generate the pulse power of the pulsars is about 10 billion times greater than the entire electrical generating capacity of all the power stations on the earth.

CHARLESTON SPEAKS OUT FOR MIDWAY

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, the Charleston, W. Va., Gazette of July 24 contained a lead editorial setting forth the cogent arguments supporting a Midway Airport, to be located along Interstate Highway 64, to serve West Virginia's two largest cities, Charleston and Huntington, and the surrounding area. If anything ever made sense—and saved taxpayers' dollars—it is this proposal which has generated such widespread support and interest. Another powerful voice spoke out in favor of the Midway project when West Virginia Governor Hulett C. Smith stated on July 25:

> I think it is essential to build this Midway Airport, and the sooner you can get it started, the better.

The major jet airport to serve southern West Virginia is not the private property and domain of one city, or one State. It is built to serve air travelers from all over the Nation, indeed, all over the world. We must have the vision to build for the future to serve the future, and not be cramped into a space which will become obsolete within a very few years. Those who have concluded that Kanawha County and the city of Charleston are against the Midway Airport would be well advised to read carefully this outstanding editorial from Charleston's greatest newspaper, and the newspaper with the largest circulation in the State of West Virginia:

Airport Question Answers Itself—Unite for Midway

For those who stop at reading headlines, the announcement that United Air Lines will begin jet service at Kanawha Airport on Nov. 15 will be cheering news. But those who read on will learn that this only intensifies the gloom of Charleston's airport problem.

The UAL announcement, along with other recent developments, serves to emphasize two major points:

It is not feasible to upgrade Kanawha Airport to provide satisfactory jet service.

The only reasonable alternative is for Charleston and Kanawha County to join with Huntington and Cabell County and other communities in building a regional jet port at another location, such as the Putnam County side midway between Charleston and Huntington, which already has the technical blessing of the Federal Aviation Administration.

By United's own assessment, the Boeing 737 and 727 jet service it plans at Kanawha Airport "is not going to be a satisfactory operation," but the only other alternative would be to suspend operations altogether until a new, larger airport could be built. And plans of the Kanawha Valley Regional Airport Authority to extend the main runway from its present 5,600 feet to 6,300 or 6,500 feet would not improve the situation, in the opinion of United's experts.

This will be a limited, restricted service. United's flights, which now board up to 90,000 passengers a year at Kanawha Airport, will be reduced from 11 to seven daily. They will use only the longest runway, will land only when the runway is dry and there is no tailwind, and will take off and land only when cross winds are 10 knots or less.

All of this is in the interest of safety. And United's vice president of flying estimates this will mean 25 percent of the jet flights will overfly Charleston between December and March, 20 per cent in November and April, and 10 per cent, the remainder of the year.

Another controlling factor will be temperature. The 91-passenger B–737 can carry a full load plus 5,520 pounds of cargo from Charleston to New York when the airport temperature is 20 degrees or lower, and all other factors are favorable, but when the temperature reaches 95 degrees the load would have to be restricted to 43 passengers and no cargo.

A natural question is this: Where do we go from here?

Transportation Secretary Alan S. Boyd says "The Federal Aviation Administration feels that the upgrading of Kanawha Airport is fully justified"—but holds out no prospect for federal financial help.

The FAA suggests that a 6,300-foot runway would be sufficient, rather than the 6,500-foot length planned by the local airport authority—but United says it would require a 7,200-foot runway plus 400 feet of overrun for unrestricted operations.

The planned upgrading of Kanawha Airport, which is considered only a short range answer to the Charleston area's airport needs, would cost up to about $5 million. But with FAA poor mouthing, and the Appalachian Regional Commission talking only about contributing $2,550,000 to construction of a midway jetport in Putnam County, where would the money come from? And how could Kanawha County peddle 15–20 year revenue bonds for an improvement acknowledge to cover only short-term needs?

All of this is quite confusing. One reason is that virtually all of the talk about upgrading Kanawha Airport has been in terms of lengthening one runway, whereas there are in reality many other factors to be considered.

The unhappy truth is that Kanawha Airport is now, inadequate for the service it is providing, not to mention the monumental problems of moving it into the jet age. There is not enough parking space, and no room to expand it. There are not sufficient servicing facilities, and no space for enlarging them. There is not enough room in the terminal building for handling present traffic—either passengers or cargo. And when you step off Kanawha Airport anywhere, you step off into space—which means that finding additional land for anything will involve astronomical costs.

But there is still a real need for Kanawha Airport, and that is to serve the ever-growing general aviation fleet—the privately owned single-engine propeller-driven aircraft, the air taxis, the corporate craft, and perhaps shuttle planes. To give an idea of the growth of this fleet, there were 84,121 such aircraft nationally in 1963, 104,706 at the end of 1967, and 160,000 are expected by 1974. Kanawha Airport may be adequate for many years in handling this type of traffic.

Considering all the factors, the problem confronting Charleston and Kanawha County is simply this: Should they attempt to go it alone in upgrading Kanawha Airport to accommodate what at best will be a limited, restricted jet service for a relatively short term; or should they pool their resources with their neighbors in building a new regional jet port elsewhere? The question, in our opinion, provides its own answer.

CRIME

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, as Members of the House know, I have been speaking out for more rigid enforcement of existing laws against crime and proposing positive steps to strengthen laws where needed.

These have included my bill against LSD, steps to impose added criminal penalties against those who use guns in Federal crimes, stricter bonding procedures, and bills aimed at curbing the Supreme Court.

Many of these proposals have received wide news coverage, indicating a public concern about the growing crime problem and the search for solutions.

I place a group of these news items from around the Nation and from Florida at this point in the RECORD.

"Criminals and Guns," from the Orlando Sentinel July 8, 1968.

"Eminently Sound Idea," from the Palm Beach Post, July 6, 1968.

"House Okays Long Term for Gun Use," from the Fort Lauderdale News and Sun-Sentinel, July 20, 1968.

"Rogers Urges President Crack Down on Crime in District of Columbia," from the Palm Beach Post, June 27, 1968.

" 'Poor City' Called National Disgrace," from the Miami Herald.

"Drug Curb Voted by House, 319 to 2," from the New York Times, July 13, 1968.

"Rogers Says District of Columbia Judges' Sentences Fail to Match Seriousness of Crime," from the Dania Press, July 3, 1968.

[From the Orlando (Fla.) Sentinel, July 8, 1968]

CRIMINALS AND GUNS

It appears that politics and the gun lobby may be successful for this session of Congress in blocking passage of a needed law to register and license firearms and halt their sale by mail order.

It is a pity that more thousands of Americans, most of them innocent victims, may have to be shot or murdered before Congress gains the courage to say no to the gun lobby.

You hear some tired old statements in opposition to laws to protect citizens from guns, the favorite being that only decent people will register their firearms; criminals won't.

Congr. Paul C. Rogers of Florida has an answer to this: He has introduced a bill setting a minimum sentence of five years in prison—with no suspension of sentence, probation or parole—for any person convicted of commiting a federal crime with a gun in his possession.

Even if registration fails this session, the Rogers bill should be passed. It would do more to protect the innocent and unwary from crazy, gun-wielding hoodlums than any legislation on the books now.

And it provides a proper foundation for future registration and licensing of all guns, because it tends to destroy the argument that such laws would penalize only the decent.

Only fault in the Rogers bill is that it does not apply to those convicted of having guns in their possession during the commission of other than federal crimes.

But with the federal example before them, states could go ahead and adopt similar legislation, although there is nothing to stop them from doing that now. The Florida Legislature should give priority to enactment of such a bill when it meets again.

[From the Palm Beach (Fla.) Post-Times, July 6, 1968]

EMINENTLY SOUND IDEA

While a variety of unwise and ineffective gun control bills were floating around legislative halls on a wave of emotionalism, Florida's Rep. Paul G. Rogers came up with a proposal that might do more to inhibit the criminal use of firearms than all the laws now on the books or proposed.

He introduced a bill into the U.S. House of Representatives which would provide for an automatic sentence of five years imprisonment for anyone convicted of using a gun while committing a federal crime, in addition to the sentence for the crime itself under present law.

There would be no parole, no suspension of sentence, no probation. Anyone found guilty of a crime which involved use of a gun would automatically serve a full five years in prison, plus whatever the court imposed for the crime itself.

By itself, Rep. Rogers' bill would not solve the problem. But if all state legislatures used it as a model and approved statutes with essentially the same provisions, crimes involving the use of guns would without doubt show a dramatic decrease.

The idea is eminently sound because it aims at criminals—not at law-abiding citizens, as many gun control proposals do. After all, it is criminals we are seeking to control . . . isn't it?

[From the Fort Lauderdale (Fla.) News & Sun-Sentinel, July 20, 1968]

HOUSE OKAYS LONG TERM FOR GUN USE

WASHINGTON.—Rep. Paul Rogers' move to make certain that criminals, found guilty of using a gun in committing a felony, serve a mandatory jail sentence was passed by the House Friday.

Rogers spoke as the House considered the Gun Control Bill and urged members to adopt a mandatory sentence as proposed by an amendment offered by Rep. Richard Poff, R–Va.

Rogers originally proposed a five-year sentence for anyone convicted of using a gun in the commission of a federal crime in a bill introduced on July 2. The sentence in both the Rogers and Poff proposal cannot be suspended and the convicted person cannot be paroled.

[From the Palm Beach (Fla.) Post, June 27, 1968]

ROGERS URGES PRESIDENT CRACK DOWN ON CRIME IN DISTRICT OF COLUMBIA

WASHINGTON.—Rep. Paul Rogers, D-Fla., urged President Johnson Wednesday to order a crackdown on crime in the District of Columbia.

He told the House that the President appointed this city's mayor and commissioners and Atty. Gen. Ramsey Clark.

Rogers said there was a 40 per cent increase in crime in Washington in May over the same month last year.

"A 40 per cent increase in crime is an indictment against those in lawful authority who have not acted to meet this serious problem," he said.

Federal and Washington officials should do their job of preserving law and order or resign, he said.

"If they choose to do neither, the President should remove them and appoint someone else in their place.

"And that applies to judges, prosecutors, mayors, council members, and those in the Justice Department who continue to fret about the problem and the rights of the criminals instead of taking strong and decisive action to protect the rights of law-abiding citizens," he said.

Rogers also was critical of court action during the last week dealing with 17 cases involving crimes committed with guns before seven district judges.

He said that suspended sentences were given in six cases and that four were sentenced under the Youth Corrections Act, although they were not minors.

"Perhaps even more shocking were the sentences given out for murder. One individual guilty of first degree murder and robbery received a two-year minimum sentence. Another convicted of second degree murder received an eight-month minimum sentence. And there was one suspended sentence for assault with intent to kill," he said.

"In each of these cases guns were used. In each case, guilty verdicts were entered. Do these sentences match the seriousness of the crimes? I think not," Rogers said.

[From the Miami (Fla.) Herald]

"POOR CITY" CALLED NATIONAL DISGRACE

(By John McDermott)

A Florida congressman Monday placed blame for Resurrection City on the U.S. Department of the Interior and said it served as a "national disgrace" to the nation of preferential treatment given lawbreakers.

"If we are going to have respect for the law, it must be administered fairly and equally," declared U.S. Rep. Paul Rogers, a Palm Beach Democract representing South Florida's Ninth District.

Rogers said there was "no excuse" in the first place for Secretary of Interior Stewart L. Udall issuing a permit to the so-called Poor People's March on Washington for a camp site on the Washington Mall.

Rogers wrote Udall a blistering condemnation Friday and urged that any further extension of the permit for Resurrection City be refused.

It was—and the "city" with its residents were ejected from the Mall Monday morning.

"But the entire thing never should have been allowed to happen," Rogers said. "And most certainly the disregard for law and order should not have been permitted."

Rogers accused Udall of failing to uphold his own oath of office which included swearing to uphold the laws of the United States.

"If high-ranking officials of the government have so little regard for law and order, how can we expect to build any respect among others?" Rogers asked.

[From the New York Times July 13, 1968]

DRUG CURB VOTED BY HOUSE, 319 TO 2—BILL IMPOSES STIFFER PENALTIES FOR THE POSSESSION OF LSD

WASHINGTON, July 12.—The House voted today to stiffen penalties for illegal traffic in drugs like LSD.

By a vote of 319 to 2, it passed and sent to the Senate a bill that also contains special provisions designed to take into consideration the plight of youthful first offenders.

Representative Paul G. Rogers, Democrat of Florida, said testimony showed that 3 to 5 per cent of the nation's high school and college students have experimented with LSD, which can produce changes in a person's perceptions of reality.

For the first time, the bill makes it a misdemeanor to possess LSD and other hallucinogens, depressant and stimulant drugs for personal use without a prescription.

Penalties range from a $1,000 fine and one-year prison term or both for the first offense, to three years and $10,000 for subsequent violations.

[From the Dania Press and South Broward News, July 5, 1968]

ROGERS SAYS D.C. JUDGES' SENTENCES FAIL TO MATCH SERIOUSNESS OF CRIME

WASHINGTON, D.C.—Congressman Paul Rogers, in a speech on the 40% increase in crime in Washington reported for May 1968 over the same month last year, took special note of a routine newspaper report on the District Court sentencing for last week, in which 17 cases involving crimes committed with guns were up before 7 District judges.

Rogers reported the cases handled by each judge, and the sentences imposed. He pointed out that of the 17, 6 cases, or about ⅓, resulted in suspended sentences, and 4 resulted in sentences under the Youth Corrections Act, although they involved serious crimes and the individuals were 18, 19, 20 and 21 years old, all old enough to have been tried as adults—for having committed adult crimes with weapons.

"Perhaps even more shocking were the sentences given out for murder. One individual guilty of first degree murder and robbery received a 2-year minimum sentence. Another convicted of second degree murder received an 8-month minimum sentence. And there was one suspended sentence for assault with intent to kill," Rogers reported.

"In each of these cases guns were used. In each case, guilty verdicts were entered. Do these sentences match the seriousness of the crimes? I think not!" Congressman Rogers said.

The Florida Congressman said that only one of Washington's 15 police precincts showed a drop in crime for May over a year ago. One showed an 88% increase in crime, 4 others increased over 50%, and 4 more were up over 30%.

Congressman Rogers called on the President to order a crackdown on crime in Washington by the men the President has appointed to office, including those in the Justice Department.

ALGERIAN GOVERNMENT CONDONING AND ENCOURAGING PIRACY

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, on Tuesday of this week the Palestine Liberation Front, an Arab terrorist organization, hijacked an Israeli airliner and kidnaped its passengers. The hijackers forced the pilot to land in Algiers where they turned plane and passengers over to the Algerian Government.

Instead of releasing the plane and its 24 Israeli passengers, and thereby advancing the cause for peace in the Middle East, the Algerian Government has chosen to hold them hostage. By their acts they are condoning and encouraging piracy.

Two days later in Cairo, President Nasser of Egypt told his countrymen that they must have "patience in order to score victory in the end." He boasted that "our troops are working day and night."

These incidents by governments and terrorists alike are calculated to keep the pot boiling in the Middle East.

Since the end of last June's 6-day war the Arab Nations have spent their time and money rebuilding their military machines. Instead of seeking a lasting peace, they are building for a disastrous war. Instead of maintaining calm, they encourage aggression. We can no longer afford to ignore the facts. The present intent is clear.

I therefore call upon the administration to conclude the sale of the much needed Phantom jets, to Israel, and to replace the arms loss suffered during last year's 6-day war. If we are going to preserve peace in the Middle East then we must help maintain the balance of power. We must act and we must act now.

We can only hope that Arab leaders will realize the folly in the course they are pursuing and begin taking steps that will lead to fruitful negotiations for peace. The release of the Israeli airliner and its passengers would be a step in that direction.

OUR BELOVED SPEAKER

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, my attention has been drawn to a recent splendid radio editorial lauding the service, contributions, and outstanding qualities of our beloved Speaker.

Under unanimous consent I extend my remarks in the Record and include this felicitous, eloquent tribute to the great American and gracious, compassionate gentleman, who presides with such impressive ability, dignity, fairness, and impartiality over this greatest of legislative bodies.

Our Speaker is distinguished as few in the long history of the Nation. No Speaker ever excelled him in his love of the rank and file of our people, his unyielding determination to serve them faithfully and well, to preserve their liberties, to guard their rights, and to enhance and enrich their prosperity and well-being.

Esteemed, respected, admired, and loved by his colleagues, his constituents, and the people of the country, his fame and luster as a great, dedicated leader of our democracy and our people has spread to every corner of the Nation and the world.

All of us here are thankful to station WEEI for its most significant editorial comment on our illustrious Speaker. And we proudly join in its hearty applause and best wishes to him, and his lovely, gracious helpmate and wife, Harriet, for many more years together, and many more contributions to the Nation and the world.

The editorial follows:

House Speaker John McCormack

The list of men from Massachusetts who have served their country both in the past and in modern times with vision, distinction and style would include some very august company. One thinks of John Adams and John Quincy Adams, Paul Revere, Daniel Webster, Henry Cabot Lodge, Leverett Saltonstall, Oliver Wendell Holmes, and of course the gallant men of the tragedy-stricken Kennedy family. This is indeed distinguished company and yet any comprehensive list would be glaringly incomplete if it did not contain the names of John W. McCormack, Representative from the 9th District since 1928 and Speaker of the House of Representatives since 1961.

It would be impossible in these few short moments to even begin to list the accomplishments of Speaker McCormack. During these long and turbulent 40 years, almost every piece of legislation, from the New Deal of Franklin Roosevelt to the Square Deal of Harry S. Truman, and from the New Frontier of John F. Kennedy to the Great Society of Lyndon B. Johnson, has had the touch and influence of John McCormack. Then, there's John McCormack the man. The quality and character of Speaker McCormack are best expressed in a biography which stated, and we quote: "Congressman McCormack was and is a man of the people, making no pretensions of loftiness or superiority, who rigidly adheres to the highest code of honor. He is a religious man who acts in the light as God permits him to see the light, untiring in his efforts to do his best for the United States and his fellow citizens. Reflecting the same high standards, his abilities and efforts have always been and will continue to be available to the people of the district whom he represents individually and collectively.

This, indeed, is the mark of the man. His extraordinary sensitivity to the needs and wishes of his constituents is expressed not only in legislative action, but in a responsiveness and correspondence distinguished by his graciousness and personal attention. One could not count the number of persons of both high and low station who cherish handwritten notes received from the Speaker over the years. For his many outstanding legislative contributions, for his qualities as a man and his responsiveness to his constituency, WEEI applauds Speaker John McCormack for his 40 years in high office and wishes him many more.

DUTY OF THE SENATE

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include pertinent material.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, an editorial that appeared this week in the Joplin, Mo., Globe points out that the "other body" has a very important constitutional duty to perform in the appointment of all Supreme Court Justices. Already, the hearings on the Abe Fortas nomination have shown that there is good cause why he should not be confirmed as Chief Justice of the Supreme Court. If the Senate desires further information bearing on this subject it would seem most appropriate that members of the Fortas law firm be called upon to testify on all the dealings surrounding the Presidential pardon accorded Mr. Lawrence Callanan of the Steamfitters Local No. 562 in St. Louis, Mo. Certainly the article in Life magazine this week raises implications that Abe Fortas' influence with the President played a part in bringing about the Presidential pardon. The fact that President Johnson was later given $57,000 from the political fund which Callanan controls raises serious implications. I insert at this point in the Record the following editorial from the Joplin Globe:

Duty of the Senate

There has been a great outcry of protest by some of the liberal intellectual extremists, both in and out of government, against the grilling of Supreme Court Justice Abe Fortas relative to his qualifications to be the new Chief Justice of the United States. Some have even called the inquisition by the Senate Judiciary Committee "disgraceful."

But the simple fact is that the Senate has a very important constitutional duty to perform in the appointment of all Supreme Court justices. The President's role is to nominate, the Senate's to confirm or reject, and the latter obligation is quite as important if not more so than the former.

It is a matter of common knowledge that revolutionary decisions by the "Warren Court" promulgating entirely new concepts of constitutional law have had enormous impact on every phase of our national life. They have triggered upheaval, riot and violence bordering on anarchy. They invoked more widespread public criticism of the Court than at any time in our history, including a rebuke by the National Conference of State Chief Justices.

All of this suggests that perhaps the Senate in the past has been negligent in its probative function before routinely confirming nominations to the highest court in the land. More thorough inquisitions and debate manifestly are indicated, regardless of how time-consuming they may be, or how great the prestige of any nominee. Their theories of social reform as related to construing the Constitution, or altering it by edict, become of paramount concern.

No one questions that Justice Fortas is a brilliant lawyer of integrity. But in three years on the high Court he has supported the Warren concept of revolutionary constitutional interpretation. The Senate Judiciary Committee has brought out that he has been a close personal adviser of the President before and since going on the Court, a relationship that easily could violate the constitutional concept of separation of powers. This makes the "cronyism" issue pertinent.

The basic qualifications of the man designated to head the judicial branch of government for the next decade or two transcends partisan or personal considerations; they are vital to American freedoms under constitutional government. This is the matter to which the Senate is duty bound to address itself.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SIKES, for 30 minutes, on July 29, 1968; and to revise and extend his remarks and include extraneous matter.

Mr. ROBISON (at the request of Mr. MIZE), for 20 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. WOLFF (at the request of Mr. MATSUNAGA), for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WHITTEN during the consideration of the conference report on H.R. 16913 and to include tables and related matter on the conference report on appropriations for the Department of Agriculture and related agencies, 1969.

Mr. MICHEL during the consideration of the conference report on H.R. 16913 and to include tables and related matter on the conference report on appropriations for the Department of Agriculture and related agencies, 1969.

Mr. MAHON to revise and extend his remarks in connection with House Joint Resolution 1420 and insert pertinent data, tables, and related matter.

Mr. NATCHER during the consideration of the District of Columbia appropriation bill.

Mr. PATTEN to extend his remarks after the adoption of the rule on H.R. 12843.

(The following Members (at the request of Mr. MIZE) and to include extraneous matter:)

Mr. SCHWENGEL in two instances.
Mr. MIZE in three instances.
Mr. BUSH.
Mr. RUMSFELD.
Mr. ANDERSON of Illinois.
Mr. GERALD R. FORD.
Mr. ASHBROOK in two instances.
Mr. BATTIN.
Mr. WYMAN in three instances.
Mr. SCHERLE in two instances.
Mr. HARRISON.
Mr. BLACKBURN.
Mrs. REID of Illinois.
Mr. FINDLEY.
Mr. BUCHANAN in two instances.
Mr. TAFT.
Mr. MCCULLOCH.
Mr. HOSMER in two instances.
Mr. O'KONSKI.
Mr. REID of New York.
Mr. SHRIVER.
Mr. RUPPE.
Mr. CONTE in two instances.
Mr. DERWINSKI in two instances.
Mr. MATHIAS of Maryland in five instances.
Mr. STEIGER of Wisconsin.

(The following Members (at the request of Mr. MATSUNAGA) and to include extraneous matter:)

Mr. BINGHAM in two instances.
Mr. OTTINGER.
Mr. BARING.
Mr. HOWARD.
Mr. FUQUA.
Mr. DONOHUE in two instances.
Mr. SMITH of Iowa in three instances.
Mr. BROOKS.
Mr. RODINO.
Mr. DINGELL.
Mr. FLOOD.
Mr. PEPPER.
Mr. BROWN of California.
Mr. ROYBAL in five instances.
Mr. O'NEILL of Massachusetts in two instances.
Mr. FRIEDEL in three instances.
Mr. EDWARDS of California.
Mr. GRIFFIN in two instances.
Mr. RYAN in four instances.
Mr. GIBBONS in two instances.
Mr. PATTEN.
Mr. BOLAND.
Mr. LONG of Maryland in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3865. An act to clarify the status of National Guard technicians, and for other purposes; to the Committee on Armed Services.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 9606. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia;

H.R. 10213. An act to amend the Life Insurance Act of the District of Columbia, approved June 19, 1934 (48 Stat. 1125); and

H.J. Res. 1420. Joint resolution making continuing appropriations for the fiscal year 1969, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled joint resolution of the Senate of the following title:

S.J. Res. 181. Joint resolution to authorize the President to designate the week of August 4 through August 10, 1968, as "Professional Photography Week."

ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until Monday, July 29, 1968, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2090. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Savings and Loan Insurance Corporation supervised by the Federal Home Loan Bank Board for the year ended December 31, 1966 (H. Doc. No. 367); to the Committee on Government Operations and ordered to be printed.

2091. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 3, 1968, submitting a report, together with accompanying papers and an illustration, on a review of the report on Waukegan Harbor, Ill., requested by a resolution of the Committee on Public Works, House of Representatives, adopted June 29, 1955 (H. Doc. No. 368); to the Committee on Public Works and ordered to be printed with an illustration.

2092. A letter from the Secretary of Health, Education, and Welfare, transmitting the annual report of the Rochester Institute of Technology, pursuant to section 5(b)(3) of Public Law 89–36; to the Committee on Education and Labor.

2093. A letter from the Comptroller General of the United States, transmitting a report on the review of reliability of the Air Force personnel data system; to the Committee on Government Operations.

2094. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication, "Hydroelectric Power Evaluation"; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations.

House Joint Resolution 1420. Joint resolution making continuing appropriations for the fiscal year 1969, and for other purposes (Rept. No. 1800). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 213. Concurrent resolution authorizing the printing as a House document of the letters of Vice Adm. Hyman G. Rickover relating to the distinguished Americans in whose honor the U.S. Navy Polaris nuclear submarines were named; with amendment (Rept. No. 1801). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 781. Concurrent resolution authorizing the printing as a House document the publication "The Present-Day Ku Klux Klan Movement," and providing for the printing of additional copies (Rept. No. 1802). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 784. Concurrent resolution to authorize the printing of the pamphlet "The American's Creed" as a House document; with amendment (Rept. No. 1803). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 1088. Resolution providing for the printing of the proceedings of the Committee on Agriculture incident to the presentation of a portrait of Hon. W. R. Poage; with amendment (Rept. No. 1804). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 1161. Resolution authorizing the printing of the report entitled "Civilian Advisory Panel on Military Manpower Procurement" (Rept. No. 1805). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 1166. Resolution to print as a House document the eulogy proceedings on former Speaker Joseph W. Martin, Jr. (Rept. No. 1806). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 1183. Resolution to authorize the printing, as a House document, of the committee proceedings honoring the start of the 40th year in Congress of Hon. Wright Patman; with amendment (Rept. No. 1807). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 1189. Resolution authorizing the printing of additional copies of the publication entitled "Conduct of Espionage Within the United States by Agents of Foreign Communist Governments" (Rept. No. 1808). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 1190. Resolution authorizing the printing of additional copies of House Report No. 1351, 90th Congress, second session, (Rept. No. 1809). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 1195. Resolution authorizing the printing as a House document the dedication ceremony of the portrait of Hon. L. Mendel Rivers, chairman, Committee on Armed Services; with amendment (Rept. No. 1810). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 68. Concurrent resolution to print additional hearings on amendments to the Federal Firearms Act (Rept. No. 1811). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 77. Concurrent resolution authorizing the printing of additional copies of parts 1 and 2 of Senate hearings on "Status and Future of Small Business" (Rept. No. 1812). Ordered to be printed.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 16771. A bill to designate certain lands in the Great Swamp National Wildlife Refuge, Morris County, N.J., as wilderness; with amendment (Rept. No. 1813). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 16092. A bill to extend for 1 year the authority for more flexible regulation of maximum rates of interest or dividends, higher reserve requirements, and open market operations in agency issues; with amendment (Rept. No. 1814). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 6909. A bill to amend item 709.10 of the tariff schedules of the United States to provide that the rate of duty on parts of stethoscopes shall be the same as the rate on stethoscopes; with amendment (Rept. No. 1815). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRASER:

H.R. 18976. A bill to establish a community self-determination program to aid the people of urban and rural communities in securing gainful employment, achieving the ownership and control of the resources of their community, expanding opportunity, stability, and self-determination, and making their maximum contribution to the strength and well-being of the Nation; to the Committee on Ways and Means.

By Mr. HOWARD:

H.R. 18977. A bill to amend title 39, United States Code, to permit acceptance by postal employees of checks and money orders under certain conditions, to curtail the mailing of certain articles which present a hazard to postal employees or processing machines; to provide for the employment of necessary postal field service personnel, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 18978. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,200 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 18979. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. SCOTT:

H.R. 18980. A bill to authorize the government of the District of Columbia to convey interests in certain property owned by the District of Columbia in Prince William County, Va., and for other purposes; to the Committee on the District of Columbia.

By Mr. WILLIS:

H.R. 18981. A bill to extend the provisions of the Commercial Fisheries Research and Development Act of 1964; to the Committee on Merchant Marine and Fisheries.

By Mr. BINGHAM (for himself, Mr. Brademas, Mr. Brown of California, Mr. Burke of Florida, Mr. Collier, Mr. Daddario, Mr. Daniels, Mr. Diggs, Mr. Dow, Mr. Edwards of California, Mr. Eilberg, Mr. Fraser, Mr. Fulton of Pennsylvania, Mr. Gilbert, Mr. Helstoski, Mr. Kastenmeier, Mr. Kyros, Mr. Lukens, Mr. Meeds, Mrs. Mink, Mr. Ottinger, Mr. Reid of New York, Mr. Thompson of New Jersey, Mr. Tiernan, and Mr. Charles H. Wilson):

H.R. 18982. A bill to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 18983. A bill to establish and develop the Chesapeake and Ohio Canal National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HALPERN (for himself, Mr. Duncan, Mr. Findley, Mr. Hathaway, Mr. Hicks, Mr. Hungate, Mr. Kee, Mr. McCloskey, Mr. Murphy of Illinois, Mr. Murphy of New York, Mr. Pirnie, Mr. Robison, Mr. Sandman, Mr. Schwengel, Mr. Talcott, and Mr. Derwinski):

H.R. 18984. A bill to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. KING of California:

H.R. 18985. A bill to amend the Revenue and Expenditure Control Act of 1968 to provide a pool of 14,000 additional appointments which may be made without regard to the employee ceilings of section 201 of that act; to the Committee on Ways and Means.

By Mr. KUPFERMAN (for himself, Mr. Adams, Mr. Annunzio, Mr. Button, Mr. Byrne of Pennsylvania, Mr. Dawson, Mr. Dent, Mrs. Dwyer, Mr. Fallon, Mr. Garmatz, Mrs. Griffiths, Mr. Howard, Mrs. Kelly, Mr. McClory, Mr. McEwen, Mr. Matsunaga, Mr. Rodino, Mr. Ronan, Mr. Rosenthal, Mr. Roybal, Mr. Tenzer, Mr. Udall, Mr. Van Deerlin, Mr. Winn, and Mr. Yates):

H.R. 18986. A bill to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS:

H.R. 18987. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. McCARTHY (for himself, Mr. Addabbo, Mr. Brasco, Mr. Carey, Mr. Clark, Mr. Delaney, Mr. Farbstein, Mr. Fascell, Mr. Flood, Mr. William D. Ford, Mr. Friedel, Mr. Leggett, Mr. MacGregor, Mr. Machen, Mr. Minish, Mr. Morgan, Mr. Nix, Mr. O'Hara of Illinois, Mr. Patten, Mr. Price of Illinois, Mr. Resnick, Mr. Scheuer, Mr. Smith of New York, Mr. Vander Jagt, and Mr. Vigorito):

H.R. 18988. A bill to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. MOORHEAD:

H.R. 18989. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. O'NEILL of Massachusetts:

H.R. 18990. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. REID of New York:

H.R. 18991. A bill to amend the U.S. Housing Act of 1937, as amended, to include within the definition of "elderly families" those widows who may elect to receive survivors benefits under the Social Security Act so as to make such widows eligible for consideration for low rent public housing; to the Committee on Banking and Currency.

By Mr. ROTH (for himself, Mr. Bow, Mr. DUNCAN, Mr. GIAIMO, Mr. HORTON, Mr. LEGGETT, Mr. PUCINSKI, and Mr. WIGGINS):

H.R. 18992. A bill to establish the Commission for the Improvement of Government Management and Organization; to the Committee on Government Operations.

By Mr. RUPPE:

H.R. 18993. A bill to provide compensation for firemen not employed by the United States killed or injured in the performance of duty during a civil disorder, and for other purposes; to the Committee on the Judiciary.

By Mr. MAHON:

H.J. Res. 1420. Joint resolution making continuing appropriations for the fiscal year 1969, and for other purposes; to the Committee on Appropriations.

By Mr. ULLMAN:

H.J. Res. 1421. Joint resolution authorizing and requesting the President to extend his proclamation of a period to "See the United States," and for other purposes; to the Committee on the Judiciary.

By Mr. LENNON (for himself, Mr. ASHLEY, Mr. DOWNING, Mr. DOW, Mr. KARTH, Mr. HATHAWAY, Mr. CLARK, Mr. ST. ONGE, Mr. JONES of North Carolina, Mr. HANNA, Mr. MOSHER, Mr. PELLY, Mr. KEITH, Mr. SCHADEBERG, Mr. DELLENBACK, and Mr. POLLOCK):

H. Con. Res. 803. Concurrent resolution to express the sense of the Congress with respect to an International Decade of Ocean Exploration during the 1970's; to the Committee on Merchant Marine and Fisheries.

By Mr. PUCINSKI (for himself, Mr. ROSTENKOWSKI, Mr. ANNUNZIO, Mr. RONAN, Mr. MURPHY of Illinois, Mr. O'HARA of Illinois, Mr. KLUCZYNSKI, Mr. YATES, Mr. COLLIER, Mr. ANDERSON of Illinois, Mr. MICHEL, Mr. PRICE of Illinois, Mr. MACGREGOR, Mr. WOLFF, Mr. OTTINGER, Mr. PEPPER, Mr. GRAY, Mrs. MINK, and Mr. DULSKI):

H. Con. Res. 804. Concurrent resolution expressing the sense of the Congress with respect to an international convention on aircraft hijacking; to the Committee on Foreign Affairs.

By Mr. BINGHAM:

H. Res. 1275. Resolution in relation to reduction of American forces in Europe; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 18994. A bill for the relief of Leonora M. Baldemor; to the Committee on the Judiciary.

By Mr. ADDABBO:

H.R. 18995. A bill for the relief of Giovanni Nardulli, also known as Juan Nardulli, and his wife, Antonia Nardulli, and their minor child, Anna Nardulli; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois:

H.R. 18996. A bill for the relief of Benny Ove Nielsen; to the Committee on the Judiciary.

By Mr. ASHMORE:

H.R. 18997. A bill for the relief of certain civilian employees and former civilian employees of the Bureau of Reclamation; to the Committee on the Judiciary.

By Mr. BARRETT:

H.R. 18998. A bill for the relief of Fausto D'Angelo; to the Committee on the Judiciary.

H.R. 18999. A bill for the relief of Maria Rosaria Sesto; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia (by request):

H.R. 19000. A bill for the relief of Sarkis Bagdat; to the Committee on the Judiciary.

H.R. 19001. A bill for the relief of Russell L. Chandler; to the Committee on the Judiciary.

H.R. 19002. A bill for the relief of Clinton M. Hoose; to the Committee on the Judiciary.

By Mr. BUTTON:

H.R. 19003. A bill for the relief of Mr. Jose S. Luzadas and Mrs. Angelina Bringas-Luzadas; to the Committee on the Judiciary.

By Mr. DE LA GARZA:

H.R. 19004. A bill for the relief of Carl J. Young; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 19005. A bill for the relief of Jan Jakubcak; to the Committee on the Judiciary.

By Mr. HANSEN of Idaho:

H.R. 19006. A bill for the relief of Jose Luisdamborieno; to the Committee on the Judiciary.

By Mr. HECHLER of West Virginia:

H.R. 19007. A bill for the relief of Dr. Anacleto Capua and his wife, Erlinda Castillo Capua; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 19008. A bill for the relief of Ciro Benanti; to the Committee on the Judiciary.

By Mr. MADDEN:

H.R. 19009. A bill for the relief of Magdaline Takacsova; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 19010. A bill for the relief of Antonia Campo; to the Committee on the Judiciary.

By Mr. MURPHY of Illinois:

H.R. 19011. A bill for the relief of Maria Kovac; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 19012. A bill for the relief of Abraham Glick; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 19013. A bill for the relief of Luigi and Maria Carmen Maiorino; to the Committee on the Judiciary.

By Mr. SANDMAN:

H.R. 19014. A bill for the relief of Pasquale D'Agostino; to the Committee on the Judiciary.

By Mr. TUNNEY:

H.R. 19015. A bill for the relief of Erna Karla Auguste Deumlich; to the Committee on the Judiciary.

By Mr. VANIK:

H.R. 19016. A bill for the relief of Terezija Kranjec; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

BASIC POLICIES IN FOREIGN AFFAIRS

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, July 26, 1968

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks a column entitled "Why Can't We Be Realistic?" written by Henry J. Taylor and published in the Richmond Times-Dispatch of July 24, 1968.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHY CAN'T WE BE "REALISTIC"?

President Johnson, having attempted to give away the Panama Canal without the consent of Congress or the American people, is now in the process of giving back the war-won Japanese mid-Pacific islands, several of which could be important for the defense of the United States. They would be in the hands of a demilitarized Japan.

Japan asked Russia the same favor—to return the Kuriles and other islands the Soviet holds. The U.S.S.R. said in effect, drop dead. The Kremlin added, officially: "Japan's government has lost its sense of reality." Russia is protecting the U.S.S.R.

Everybody and his brother knows that Panama is fully as chaotic as the Dominican Republic, Haiti, and El Salvador, and Red-infested Costa Rica and Colombia that border Panama. Except Nicaragua, our one-mile-wide Canal Zone is the only area of stability in the region.

The next Red objective through the contrived force of "world opinion" is the abandonment of our Guantanamo naval base. "Like Gibraltar, this fiendish monument to colonialism's oppression must go," said Castro. If we pull out of the Canal Zone, how can we conceivably justify not pulling out of Guantanamo? And who will move in?

The utterly dangerous difference between the USSR and ourselves is our stupid infatuation with "world opinion," which is never defined. And it is a stupidity which extends to the farthest reaches of Washington's foreign policy.

While our men die in Vietnam, Washington allows our great canal to serve the enemy mightily. Castro's vessels sailing from Cuba to North Vietnam, always partly and usually fully loaded with materials for the war, pass through it. Yet our American authorities usher them through. Why?

Those only partly loaded invariably call at Japan, where they pick up materials for North Vietnam, or head directly for Red China where these are loaded, and often overloaded. Then they are allowed to enter North Vietnamese waters without being challenged by the U.S. Navy patrols. They're merely photographed by our aircraft overhead, and that is all. Thus the Americans on the ground stop the bullets.

Yet Washington has ordered our great Navy and Air Force to seize the vessels of Cuban Freedom Fighters on the high seas. We not only bring the vessels back to U.S. ports; we impound them. Moreover, on Justice Department orders, we usually also seize and impound the crews' private automobiles.

Washington supports the British in blockading Rhodesia, a country absolutely innocent of any crime against us, and says in the same breath that we cannot stop the ships of Castro, or even of our Allies, to say nothing of Iron Curtain ships, going to North Vietnam.

More than a year ago Senate Armed Services Committee member Harry F. Byrd Jr., D.-Va., officially asked Ambassador Arthur J. Goldberg why the Johnson administration had not even advocated economic sanctions against our North Vietnam enemy. He reminded Ambassador Goldberg that the Johnson administration had shown no hesitancy in having him talk in the Security Council on April 9, 1966, and demand sanctions against Rhodesia. Why not now?

Trotting out the old wheeze about "world opinion," and with one eye cocked on the gang-up against us in the U.N. voting structure, Ambassador Goldberg unabashedly replied, by letter: "Because of the sharply divided opinions, this is not realistic."

So there we have it, folks. When Japan asks Russia to do something against Russia's interest Russia replies to Japan that the Tokyo government "has lost its sense of reality." When we ask our own government why it fails to protect the American interest our own administration tells us "this is not realistic."

No wonder the North Vietnamese still think they have a chance. No wonder the United States always seems to get the short end of the stick.

Our government should follow three basic policies in foreign affairs: The United States should be seen to support its friends, define its American interests clearly, and stop allowing those interests to be sabotaged by a contrived "world opinion." If our enemies can be "realistic" why can't we?

HISTORY WILL RECORD LYNDON JOHNSON AS A MAN OF PEACE

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. BROOKS. Mr. Speaker, the distinguished journalist, Roscoe Drummond, writing in the Christian Science Monitor, has come up with a comprehensive and penetrating analysis of President Johnson and the vital issue of war and peace.

In the words of Mr. Drummond:

> The President is beginning to get results in his patient and persistent efforts to reduce the strains of the cold war, to bring the Soviet Union and the United States into a closer working relationship on behalf of peace, and to stand against Communist expansion-by-force in Southeast Asia.
>
> This doesn't mean that a secure and comfortable peace is within easy reach. There will be roadblocks and uncertainties and disappointments along the way.
>
> But it does mean that a more peaceful world is now more nearly within sight, and that meaningful steps are being taken by Russia and the United States largely through Mr. Johnson's undeterred initiative.

Dr. Drummond cites the Johnson record on moves aimed at peace. He lists, first, the prospect of nuclear disarmament talks; second, the nonproliferation treaty; third, the United States-Soviet Consular Treaty; fourth, the treaty barring nuclear weapons in outer space; fifth, the treaty for cooperation in saving the lives of astronauts; sixth, the opening of New York-to-Moscow air service; and seventh, efforts by the President to confine the Arab-Israel war from breaking into a global war.

Mr. Drummond then concludes with this prediction of how history will regard Lyndon Johnson:

> I believe the time will come when Lyndon Johnson will look more like a Man of Peace than anything else.

I insert this thoughtful column by Roscoe Drummond in the RECORD, as follows:

L. B. J.: THE LONG VIEW

(By Roscoe Drummond)

WASHINGTON.—Historians almost certainly will reject his war-opponents' view of President Johnson.

As the record is now developing, their verdict will far more likely refer to "Lyndon the Peacemaker" than to "Lyndon the Warmaker."

The President is beginning to get results in his patient and persistent efforts to reduce the strains of the cold war, to bring the Soviet Union and the United States into a closer working relationship on behalf of peace, and to stand against Communist expansion-by-force in Southeast Asia.

This doesn't mean that a secure and comfortable peace is within easy reach. There will be roadblocks and uncertainties and disappointments along the way.

But it does mean that a more peaceful world is now more nearly within sight, and that meaningful steps are being taken by Russia and the United States largely through Mr. Johnson's undeterred initiative.

Some domestic critics have disdained and belittled his efforts to further the cause of peace in order to portray him as an eager ally of war. Pacifists have yelled "murderer" at the President and demonstrators have spat out their chants of "LBJ, LBJ, how many kids have you killed today?"

But in the longer view of history these purposeful smears will recede into the back ground and a clearer image of what the President has been doing on behalf of peace will emerge.

It is already beginning to emerge, not because reporters are writing about it or people are thinking about it, but because actions which Johnson has been nurturing for a long time are now taking shape. Singly, they are useful; together, they constitute a promising agenda of accomplishment—and hope.

Only as one puts these events into perspective on a single canvas does the President's larger role as peacemaker come into view. In sum, it seems to me a pretty impressive record, especially with the prospect of more to come:

1. United States-Soviet nuclear disarmament talks to begin in earnest "in the nearest future." Truman, Eisenhower, Kennedy all tried and Moscow said no. Johnson kept on trying and now Kosygin has said, let's begin. Johnson sought the Glassboro summit meeting and stressed how much better it would be for both lands to avoid building costly antiballistic missiles than to escalate the arms race without getting one jot more of security. Later Johnson initiated an exchange of letters with the Soviet Premier on the subject. Kosygin demurred, but has now agreed.

2. The nonproliferation treaty is now signed by enough nations to bring it into force. Johnson kept at it during all the time the Soviets were saying no, no, no. It is now reality.

3. The Johnson administration negotiated the first United States-Soviet consular treaty since the Communists came to power.

4. And a treaty to bar weapons of mass destruction in outer space.

5. And a treaty providing Soviet-United States cooperation in the rescue of astronauts.

6. And the beginning of New York-to-Moscow air service.

There can be no doubt that the President worked coolly and capably with the Soviets to keep the Arab-Israeli war from exploding into world conflict.

Johnson is doing everything to keep the Vietnam peace talks going in Paris.

He is seeking to expand trade with those Eastern European nations which want to reduce their dependence upon Russia.

I believe the time will come when Lyndon Johnson will look more like a Man of Peace than anything else.

STATEMENT BY EDMUND ROVNER, OF MONTGOMERY COUNTY, MD.

HON. JOSEPH D. TYDINGS

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Friday, July 26, 1968

Mr. TYDINGS. Mr. President, the Maryland delegation to the Democratic National Convention is holding hearings throughout the State on the critical issues of the platform. On Tuesday, July 25, a hearing was held by the delegation in Prince Georges County. One of those who testified was Edmund Rovner, a distinguished leader in Montgomery County, who spoke on behalf of the Montgomery County Citizens for Kennedy.

I ask unanimous consent that Mr. Rovner's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MONTGOMERY COUNTY CITIZENS FOR KENNEDY: PLATFORM RECOMMENDATIONS

Robert F. Kennedy was, in the words of his brother, "a good and decent man who saw wrong and tried to right it, saw suffering and tried to heal it, saw war and tried to stop it." Those of us who supported him shared his concerns and now want to see his high hopes for America incorporated in the platform of the Democratic party. To this end, we have discussed at length among ourselves Robert Kennedy's approaches to the issues of our times; and we share with you tonight positions that we believe reflect, at least in part, his vision, his courage, his compassion.

Southeast Asia policy continues to divide our nation, tearing at its unity, imposing an obstacle to meeting vital domestic programs, largely because the national will has not been mustered to provide guns abroad and butter for the poor at home. The war on Vietnam takes a mounting toll in human life—American and other. It obscures the essential humanity of the American spirit. It jeopardizes world peace. It frustrates a world effort to improve the quality of life everywhere. The war—as we know it—is intolerable.

New initiatives are needed to secure a negotiated settlement. Among these are: a total cessation of bombing of North Vietnam; an explicit willingness to have the National Liberation Front participate, in its own name, in peace talks; a commitment to a settlement which provides a role for the NLF in the future political life of South Vietnam; an end to corruption in South Vietnam; domestic reforms in South Vietnam and social programs to end poverty and deprivation—programs formulated and accepted by the people of South Vietnam and assisted by other world powers.

Unilateral withdrawal by the United States would be irresponsible but unilateral pursuit of a military solution is unacceptable. We must seek peace with no less commitment and no less effort and courage than we display on the battlefront.

Foreign policy in the coming years must be recast as old policies prove inadequate to the challenges and potentialities of the times. In the final analysis, democracy and freedom can be encouraged by our example, not imposed by guns. Democracy and freedom cannot suitably be proffered on the point of a bayonet. The old reflex commitment of U.S. troops and massive economic aid to any peoples threatened by a nation or group linked to the communist world is antiquated, ineffective and counterproductive to the larger goal of a stable world with decent living standards for all people in an environment of freedom.

The United Nations and other international bodies designed to protect the peace and promote progress must be strengthened. Reforms in the UN structure and method of representation and expansion of its powers must be realized if it is to deal effectively with today's conflicts. And such reforms demand leadership, in word and deed, on the part of the United States.

Foreign aid should be largely multilateral and should be designed to help people, not governments. The United States should avoid intervention in the domestic affairs of other nations. At the same time, we should work in concert with others to help stimulate domestic reforms among the developing nations so that their people may have dignity and freedom.

Military actions should be avoided without the sponsorship of multi-national bodies such as the United Nations and the Organization of American States. We must make it crystal clear that dictatorships cannot oppress their own peoples and ignore popular will in the expectation that the U.S. will help to perpetuate them in power. At the same time, we must honor prudent commitments made in good faith, to protect the weak against predatory neighbors. Israel must be given what is needed to prevent a Soviet-armed Arab world from driving that democracy into the sea. India is entitled to protection against Red China's incursions. The integrity of West Berlin is, in large part, a U.S. responsibility. As we honor commitments we should strive, nonetheless, to substitute multilateral for bilateral responsibilities where possible.

Recent trends and achievements in the reduction of international tensions should be carried forward. The goal of world disarmament and arms control must have the highest priority, both for nuclear and conventional weapons. Steps must be taken to end Mainland China's hostile isolation from the community of nations. Interchange of goods, ideas and the arts between nations must be increased.

DOMESTIC POLICY

To Seek a Newer World for American Citizens means mustering the will and the skill to commit human and material resources to goals which we all share. It means summoning up the courage to try new, unproven programs as well as to examine programs which have worked to see if they can be modified to work better. It means experimentation. It requires the faith and daring to move on uncharted seas. It means that we must have the courage to change.

Essential to progress is not only the willingness to try new ideas but also the involvement of all segments of our society. Essential to progress means accepting the premise that we are more than our brother's keeper; we are our brother's brother. We need the cooperation of government—at all levels—and private business, organized labor, religious bodies, neighborhood groups, schools and private organizations. Our goal must be a mobilization of our society commensurate with a total war—the enemy being the traditional coalition of poverty, ignorance and despair.

Our agenda of social programs includes:

An end to hunger and malnutrition, regardless of the failure of some state and local governments to cooperate.

Speedy and complete implementation of the Kerner Commission recommendations.

Providing for every American: decent housing in a decent environment; education limited only by ability and desire; full employment in meaningful work with adequate wages; adequate income for those who cannot earn it, without the dehumanizing stricture of existing welfare programs; and respect for individual human aspirations.

Redistribution of tax burdens by closing tax loopholes as part of a major program of tax reforms.

An agricultural program which includes enhancement of rural life and production of food and fiber without exploitation of the poor and helpless—and a program which looks to a healthy rate of production without windfalls for the over-privileged.

Overhaul of our Selective Service System to eliminate discrimination without needlessly dislocating our academic institutions.

POLITICAL REFORM

It is vital to democracy's success that the men and women engaged in politics exhibit the highest personal qualities. They must be able to perfect and advance the nation's ideals; to inspire the nation's youth; to kindle the fires of hope and dampen the flames of frustration. They must, by deed and devotion, ensure that the practice of politics becomes in fact what it should be in theory: the highest of all callings in a society of free men.

Critical to the decade ahead is perfection of our political system so that the consent of the governed will be more completely ascertained and controlling. To this end, we seek:

Political conventions free of artificial restrictions such as enforcement of party decisions to have unit rules.

A requirement that all delegates be selected by the voters in the election year on a one-man one-vote basis and that there be no racial or religious discrimination in this selection procedure.

Measures to enable candidates to seek political office regardless of their own financial status or those of their supporters. The goal must be procedures to ensure that every candidate may have meaningful access to the voters through such reforms as the franking privilege for at least one mailing, free public service time on radio and television; use of public halls; reduced rates for public utilities; enforceable and enforced restrictions on political contributions coupled with tax incentives designed to broaden the base of contributors.

Revision of the Hatch Act to permit greater freedom for government employees while protecting them against political pressures.

Overhaul of the structures of government so that units of government will be commensurate with the problems they face but small enough to permit maximum impact by the individual on the largest possible number of decisions which affect his life.

Reduce the overpowering influence of power blocs by more effective enforcement of our anti-trust laws and more thoughtful formulation of national policies to prevent the perpetuation or formation of massive power concentrations.

Complete Home Rule for the District of Columbia.

Elimination of government control, manipulation and suppression of information except for true national security information.

Special restrictions on political and lobbying activities of the military-industrial complex.

Congressional reform.

JUSTICE AND LAW ENFORCEMENT

The security of the citizen in a just society is a never-ending quest. To achieve this, we need:

Complete implementation of the recommendations of the President's Commission on Law Enforcement and Administration of Justice. This can, and must, be done without diminution of the rights of the individual—the recent actions of the Congress to the contrary notwithstanding.

Enactment and enforcement of comprehensive firearms regulations including national registration and federal or state licensing of both long guns and hand weapons.

"If there is any period one would desire to be born in—is it not the age of revolution when the old and the new stand side by side and admit of being compared; when the energies of all men are searched by fear and hope; when the historic glories of the old can be compensated by the rich possibilities of the new era? This time like all times is a very good one if one but knows what to do with it."—Ralph Waldo Emerson.

HON. JAMES A. FARLEY ADDRESSES ELKS CENTENNIAL GRAND LODGE SESSION

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ROONEY of New York. Mr. Speaker, the Grand Lodge of the Benevolent and Protective Order of Elks met last week in New York marking the 100th anniversary of that fine organization of which I am proud to be a member and past Exalted Ruler of Brooklyn Lodge. It was fitting that New York City, the site of New York Lodge No. 1 of the BPOE, was selected as the convention location and it was even more fitting that my good friend the Honorable James A. Farley was asked to address the opening session. As Jim pointed out in his speech:

> I have been an elk for more than half of the total number of years of the Order's existence.

He also noted that when he joined in 1911 the order had 331,288 members who were responsible for charitable expenditures of $458,301. Membership today stands at a little over 1,450,000 and the total spent last year on charitable causes was $8,454,643. As Jim Farley so ably put it:

> The cardinal principles of Charity, Justice and Brotherly Love, which bring us together, continue to attract men of good will to our ranks and their generosity has never waned.

Mr. Speaker, under the permission heretofore unanimously granted to me, I place the following remarks of the Honorable James A. Farley at this point in the RECORD:

ADDRESS BY HON. JAMES A. FARLEY, PAST PRESIDENT OF THE NEW YORK STATE ELKS ASSOCIATION, OPENING CEREMONY, BENEVOLENT AND PROTECTIVE ORDER OF ELKS CENTENNIAL, GRAND LODGE SESSION, NEW YORK HILTON HOTEL, NEW YORK CITY, JULY 14, 1968

Past Grand Exalted Ruler George I. Hall, Grand Exalted Ruler Robert E. Boney, Rev. Francis P. Fenton, O.S.A., Past Grand Exalted Rulers, Officers and Members of the Grand Lodge and my Brother Elks, may I at the outset express my sincere and grateful thanks to George I. Hall for his altogether too generous introduction. At the same time, I want to acknowledge my appreciation to the Committee on Arrangements who made it possible for me to participate in the Opening Session of this Centennial celebration.

I know that the sessions will all be interesting and that the reports that will be submitted for your consideration will be most pleasing, not only to the members of the Grand Lodge but to the members of the Order who will receive and read in due course the printed proceedings.

I am glad this Centennial Meeting is in New York, the home city of New York Lodge

No. 1. And I know it is gratifying not only to the members of New York Lodge No. 1 but to the members of the lodges in the neighboring states. There is much to be seen here and the families who accompanied you will find much of interest in the few days they will be in our great city. I am sure many will observe the great changes that have taken place in New York's skyline in the past ten years. Those changes will continue to take place in the years to follow.

I became a member of Haverstraw, New York, Lodge No. 877 in 1911. This means that I have been an Elk for more than half of the total number of years of the Order's existence. John P. Sullivan of New Orleans was the Grand Exalted Ruler at the time. My attention focused on the Grand Lodge in 1914 when my good friend Edward Leach of New York was Grand Exalted Ruler. During those years, Past Grand Exalted Ruler Joseph Fanning of Indiana was a revered and respected leader in Grand Lodge affairs. I was elected Exalted Ruler of Haverstraw Lodge in 1915—the same year that James Nicholson of Springfield, Massachusetts, was the Grand Exalted Ruler. I recall other great leaders at that time, Edward Rightor of New Orleans, Fred Harper of Lynchburg, Virginia, Bruce Campbell of East St. Louis, Illinois, Frank Rain of Fairbury, Nebraska, William Abbott of San Francisco, Edgar Masters and John K. Tener of Charleroi, Pennsylvania, and Rush Holland of Washington, D.C., my very old and very dear friend Sam Stern of Fargo, North Dakota, who was a Past Grand Exalted Ruler—the names of a few of the leaders whom I knew intimately during my early years as a member of the Grand Lodge.

Arthur Moreland was the publisher of the Elks Antlers, before the institution of our Elks Magazine. I met him most frequently at New York Lodge meetings, which I attended on Sunday evenings.

When I became an Elk in 1911 the Order had 331,288 members. Today, we enjoy a membership of over 1,450,000.

In 1911 the total charitable expenditures were $458,301. The total last year was recorded as $8,454,643. Thus, the cardinal principles of Charity, Justice and Brotherly Love, which bring us together, continues to attract men of good will to our ranks and their generosity has never waned.

When we recall the memory of those I mentioned, let us not overlook the leadership now being given in its full measure by the Past Grand Exalted Rulers on this platform and the dedicated labors of other Past Grand Exalted Rulers who have passed on to hold their session with the Grand Exalted Ruler of the Universe.

I am very sorry, of course, to note the absence of my very good friend, James T. Hallinan, Past Grand Exalted Ruler, Queens Borough Lodge #878, and my good friend Edward J. McCormick, Past Grand Exalted Ruler, Toledo, Ohio Lodge #53 who are absent because of illness. I hope nothing will prevent their attending the Convention next year.

Our Order has made many significant contributions to the benefit and support of our National Government.

Few of us remember that when the Order was instituted in 1868 the nation was still bleeding from the wounds of the Civil War. The guns were stilled but the North and South were still divided. Extreme bitterness rankled in the hearts of both sides of the conflict. An infant fraternity called the Benevolent and Protective Order of Elks emerged on this troubled scene. It spread the gospel of Charity, Justice, Brotherly Love and Fidelity. As lodges were instituted throughout the United States men joined ranks in brotherhood that overcame regional animosity. This was evidenced by lodge numbers as the charters were dispensed. No. 1 in New York, No. 2 in Philadelphia, No. 3 in San Francisco, No. 4 in Chicago, No. 6 in Sacramento, No. 8 in Louisville, No. 9 in St. Louis, No. 17 in Denver, No. 29 in Little Rock, No. 30 in New Orleans, and so on. Thus, the Order of Elks played a major role in uniting the antagonists and soothing the hurts of a bitter family struggle, just as it is provided in our ritual.

We also formulated a few things for the first time in the United States. For example, the first two field hospitals to arrive on the battlefields of France in World War One were provided by the Grand Lodge of the Benevolent and Protective Order of Elks.

The first Veterans Hospital in the history of America was a fully equipped 700 bed facility in Boston, Massachusetts, presented to the government by the Grand Lodge in 1918. It cost over a million dollars.

A first for ourselves was the appearance of a lady to address a closed session of Grand Lodge. It was Evangeline Booth, the leader of the Salvation Army. She appeared to thank the Elks for their financial support during World War One. She acknowledged that the famed Salvation Army Huts with the "Hi, Buddy"—the doughnuts and the "Everybody Welcome—Everything Free", would not have been possible if the members of the Elks had not dug down deep to help finance the program.

The GI loan program which is a household word with banks and veterans today was originated by the Grand Lodge back in 1918. The government provided rehabilitation centers to train handicapped veterans for jobs. Overlooked, however, was any provision for travel, meals and lodging until the pension check came through. The Grand Lodge immediately set up a million dollar revolving fund. It was supervised in part by the government and later adopted by Congress in its entirety.

Your Grand Exalted Ruler and Grand Lodge Committees will bring you up to date on the progress of the Order during the past year, under the able leadership of Grand Exalted Ruler Boney.

Meanwhile, it has been rewarding to refer briefly to past Elks Achievements. They have enriched America. As an Elk of 57 years, I am proud and happy of my membership in the Nation's leading patriotic and fraternal organization and I know you join me in that justifiable pride.

I know your sessions will be interesting and most fruitful and that the results of the deliberations of this Convention will continue to stress the work of the past and the continuing activities planned by your next Grand Exalted Ruler in the year ahead.

In closing, may I again express my thanks for the opportunity afforded me to participate in these opening ceremonies and to wish for all of you a most delightful visit to our great city and that God willing you will all return to your homes in good health, bearing with you pleasant recollections of your visit to New York and this great Convention. Good luck and God bless you all.

TELLING COMMENTS ON GREEK CONSTITUTION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. FRASER. Mr. Speaker, the following letter from the Sunday New York Times of July 21 has particular significance because the writer, a man well informed on Greek affairs, was cultural attaché of the Greek Embassy in Washington until the attempted royal countercoup last December:

ALBANY, *July 15, 1968.*

PROSPECTS FOR GREECE

To the EDITOR:

The draft Constitution presented on July 11 with much fanfare by the Papadopoulos regime should fill all thoughtful observers of the Greek scene with the darkest forebodings.

This unique document in effect introduces, for the first time in democratic constitutional history, provisions amounting to the institutionalization of military interference in Greek political life.

The recognition as normal of the worst traditions of Greek military meddling in politics and in the law of the land can only usher in a new "time of troubles," comparable to the 1920's and '30's, when the transfer of power by military coup and countercoup had become a matter of course.

Papadopoulos's intention to restore the Metaxas dictatorship should now be clear to all. It should also be clear that this development approximates the most poignant of ancient Greek tragedies. The Greeks are innocent. They have done nothing to deserve this praetorian tyranny which has descended upon them like Zeus's vulture on Prometheus—unless we are to hold against them their brief effort to steal the divine fire of Western democratic decency.

JOHN NICOLOPOULOS.

MR. LEON GOODMAN ADDRESSES FIRST JOHN E. FOGARTY MEMORIAL LUNCHEON

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. CAREY. Mr. Speaker, last April, Mr. Leo Goodman, then secretary of the Atomic Energy Technical Committee of the Industrial Union Department, AFL–CIO, addressed the first John E. Fogarty memorial luncheon sponsored by the American Public Health Association.

His address, entitled "Radiation Hazard in Modern Industry," contained numerous references to the many contributions made to public health and medical care by our late colleague, Hon. John E. Fogarty.

So that the other Members of the Congress may have the benefit of the information contained in Mr. Goodman's address, I ask that it be printed at this point in the RECORD:

RADIATION HAZARD IN MODERN INDUSTRY

(By Leo Goodman)

I am proud, indeed, to have been asked to speak to the first John Fogarty Memorial Luncheon. Like John Fogarty, I came to my interest in public health and medical care without the benefit of a medical degree or, for that matter, without the benefit of any degree.

John Fogarty came to the Congress in 1940 and in his modesty inserted the shortest biography in the Congressional Directory of any member of Congress. John Fogarty said merely that he was "a Democrat of Harmony, Rhode Island, elected in 1940 and to the succeeding Congresses." But what a great career in health that short biography encompasses.

We in organized labor like to think that John Fogarty, in serving as a member of Congress with only the background of a high school education, ten years as a bricklayer and union official, had great impact on the development of a high standard of health both through medical research and through the establishment of facilities to apply the knowledge gained in that research for the benefit of mankind.

John Fogarty was courageous. He began his impact on the Federal allocations for health research under the chairmanship of Congressman Clarence Cannon. Congressman Cannon was not one to trifle with the Federal budget merely for the improvement of health. I can remember the personal experience when my testimony before the House Interstate and Foreign Commerce Committee in behalf of the Hill-Burton bill was delayed so that Congressman Cannon, with his personal doctor by his side, could advise the Committee that the purposes of the bill were worthwhile but, because the Federal government was practically bankrupt, we could not afford to provide assistance for the construction of hospitals in virtually every county in America.

John Fogarty succeeded in persuading the Congress to provide the funds to make the NIH the great institutions that they are today in spite of Congressman Cannon's objection.

In a lead editorial in *Science* shortly after his death, Philip Abelson, AAAS Editor, said "Fogarty built skillfully and well. He understood the vital relationship between the support of fundamental science and practical objectives. He built for permanence . . ."

The people of Rhode Island knew the impact of his work. In recent years, rather than chasing about his district in Rhode Island, campaigning for reelection, each month of October and the first week of November in the even years, John Fogarty assembled the awards and plaques and certificates which he received from virtually every segment of the medical and public health community in the United States and tastefully displayed these in the windows of a shop at the corner of Washington and Eddy Streets in Providence.

Following his death, his colleague in the House of Representatives from the State of Rhode Island, the Honorable Fernand J. St Germain, inserted in the daily Congressional Record a tabulation of these awards, and they appear in three solid pages of fine type beginning on page A1359, March 16, 1967.

Yet, of all of the impacts which John Fogarty had on public health, I believe that the greatest and, in the long run, the most important, will be the reorganization of the U.S. Public Health Services, which for many decades had attempted to operate basically through a structure known as the Bureau of State Services. Under constant prodding by John Fogarty this Bureau has now reorganized its main function into the field of environmental health. John Fogarty was deeply concerned about the inadequacies under the old arrangement and sought to bring into existence an effective operating division to meet the problems of people in the modern age, in modern industry and in modern employment, because he recognized the new hazards that modern industrial activity brings to the worker on the job and the community where the industry is located.

John Fogarty was interested in the structure of the Federal health program. He was also interested in what happened to the individual worker on the job. Long after it became clear that the recommendations of the National Advisory Committee on Radiation to the Surgeon General, issued in March of 1959, were not going to be implemented under the Eisenhower Administration, John Fogarty assured me that under the reorganization establishing the Environmental Health Services a new structure would replace the inadequate Division of Radiological Health in the Bureau of State Services, which originally had had a budget of $260,000 a year. In the original draft of its first report, NACOR recommended a minimum budget to meet the needs for radiological health program of $50 million. The Eisenhower Administration refused to endorse the proposed budget so the Committee revised its recommendations to recommend that the funding "will reach a level of approximately $50 million in a period of five years" and that this sum "be developed gradually perhaps at a level of approximately $2½ million in the fiscal year 1959–1960 and increasing in magnitude until full development is reached in 1965." [1]

We all know what happened. The AEC insisted that it continue as the major agency of responsibility. The Department of Defense proposed legislation to exempt it from the standards adopted by any agency of government. The Washington pattern was followed. A cabinet-level committee was formed first by executive order followed by legislation sponsored by the AEC to revise the executive order. The Federal Radiation Council was established, not to look into the radiation hazards and do something about them, not to analyze the difficulties of radiation hazard in modern employment, but to make recommendations which the President would then pass on to the agencies for their consideration.

The Department of Defense took its marbles and went home. It refused to play in that yard. The Committee capitulated and in order to attract the Department of Defense back to the game wrote a memorandum to the President which Dwight Eisenhower signed on May 13, 1960, to vitiate any effect of the establishment of the Federal Radiation Council. The memorandum did this in one sentence. The sentence in paragraph No. 7 reads: "The guides may be exceeded only after the Federal agency having jurisdiction over the matter has carefully considered the reason for doing so in light of the recommendations of this paper." What Defense could not get from the Congress—a total exemption from any standards—they had secured from the Federal Radiation Council by their mere absence from the meetings of the Committee. What an incredible performance!

Congressman Fogarty knew the effects of that memorandum out of the occurrences in the atomic energy industry in the State of Rhode Island. After consultation with him, I had begun a study of case histories of accidents in the atomic industry. In the early days, the leads to the dates and locations and the types of accidents had been made available to me from some of the reports filed with the Congress by the Atomic Energy Commission. It was possible also to find some leads of atomic accidents in the public literature. But to my amazement most of the data was contained in classified reports and those interested in occupational health and safety were denied access to the facts. The mere possession of the classified reports—and I show you two published long after the war as restricted data: one, CF–56–2–105, "Radiation Incident of February 1, 1956," published at the Oak Ridge National Laboratory on February 15, 1956; and two, ORNL–2359 entitled "Metal Recovery Plant Radiation Report, January-March 1957," published by the Oak Ridge National Laboratory and distributed October 9, 1957—would have put me in jail. I took a sample of these to the Congress and asked how the occupational safety profession could possibly arrange procedures to avoid the repetition of these types of accidents if the facts regarding them were being kept in the nature of military secrets.

Great changes have taken place since. The AEC has dropped the exclusive use of the word "incident," and they now admit to the existence of the word "accident." They even publish reports which fit their definition of the word "accident." [2]

This has been a continuing problem and I am happy to report that the Journal of the American Public Health Association recently published a discussion of this problem by Robert Longood of the New York State Department of Health in Albany, New York, under the heading of "Radiation Accidents—The Public's Right to Know." [3]

But the AEC maintains membership in the National Safety Council and at first there seemed to be an arrangement to give the AEC an annual plaque as the safest industry in the country, only once a year. Later, as I sought hearings on this subject from the Joint Committee on Atomic Energy, the rate of the awards increased. For a while it was only once a year and then just prior to the occasion of the hearings before the Joint Committee on Atomic Energy of the Congress. Later, the rate of the awards increased further.

I refuse to take credit for the rate of the increase. All I did was periodically publish revisions of the tabulations which I was making of various types of accidents which occurred in atomic industry. These lists were made available to the Joint Committee in the Congress,[4] the European Nuclear Energy Agency,[5] Euratom,[6] the Study Center of the Permanent Commission on Atomic Risks of the European Committee on Insurance,[7] and the entire tabulation was reprinted in 1966 in Germany by Erich Schultz.[8]

Requests for this information have come from all over the world, because contrary to the conditioned thinking among professionals in the United States, there is concern throughout the industrial world about the effects on environmental health which the misuse of atomic science is bringing to mankind.

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[1] Report to the Surgeon General, U.S. Public Health Service, on "The Control of Radiation Hazards in the United States," prepared by The National Advisory Committee on Radiation, March 1959, page 19.

[2] TID–5360, "A Summary of Accidents and Incidents Involving Radiation in Atomic Energy Activities, June 1945 Through December 1955," August 1956. Also TID–5360 (Supplement) published August 1957; TID–5360 (Supplement 2) published September 1959; TID–5360 (Supplement 3) (Revised) published December 1961; TID–5360 (Supplement 4) published December 1963; TID–5360 (Supplement 5) published December 1965. See also "Operational Accidents and Radiation Exposure Experience Within A.E.C. 1943–1964," U.S. Government Printing Office, April 1965.

[3] *American Journal of Public Health*, Volume 56, No. 10, October 1966, "Radiation Accidents—The Public's Right to Know," by Robert J. Longood, A.B., pages 1751–1755.

[4] Hearings before the Subcommittee on Research and Development of the Joint Committee on Atomic Energy, 86th Congress, March 10, 1959 entitled: Employee Radiation Hazards and Workmen's Compensation, page 589 ff; and Hearings before the Joint Committee on Atomic Energy, 86th Congress, February 16–19, 23–25, 1960 entitled: Development, Growth, and State of the Atomic Energy Industry, page 466.

[5] Progress in Nuclear Energy, Series X, Law and Administration, Volume 3, Nuclear Liability, editor Jerry L. Weinstein, published by The Macmillan Company, New York, 1962, "Review of Nuclear Incidents," by Henri B. Smets, page 89, n.b. page 165.

[6] *Medical Supervision of Workers Exposed to Ionizing Radiations*, EUR 421, Proceedings of the International Symposium held in Stresa, Italy, May 2–5, 1961, published by Euratom in September 1963, pages 86 and 359.

[7] "List of Reactor & Radiation Accidents," by Study Center of the Permanent Commission on Atomic Risks of the European Committee on Insurance, July 1, 1962.

[8] *Accidents and Incidents in Atomic Industry*, by Erich H. Schulz, published by Verlag Karlthiemig Kg Munchen, Germany, n.b. page 412.

In the past few weeks, we have finally seen the impact of radon gas on underground uranium miners. John Fogarty knew this story. But John Fogarty knew that the deaths of workers in atomic industry were not confined to underground uranium miners in the Colorado Plateau. When we met with the leaders of the Rhode Island State AFL–CIO in November of 1965, to discuss the events which had followed the death of one Robert Peabody in Charlestown, Rhode Island, John Fogarty bemoaned the failure of the Joint Committee and the AEC for their failure to take any steps of enforcement or punishment of the criminal policy which led to Peabody's death.[9]

Peabody worked for one of the largest nuclear corporations in the United States—the United Nuclear Corporation. They had established a plant to chemically reprocess enriched radioactive materials. Peabody had no training in this field whatsoever. Yet, he was given a plastic container, five inches in diameter and 60 inches high, to rock on his shoulder to bring about the chemical mixture desired. This instruction was criminal. But even more so was the decision to speed up the process following mixture on the human shoulder by pouring the contents from the safe shape of that plastic container into a mixing jar 18 inches in diameter and 26 inches high, a shape capable of containing a liquid critical mass. This is the technical term for a mass capable of a runaway chain reaction which gives off a lethal dose of radiation and creates sufficient energy to cause an explosion.

The operation of this plant did not, in my opinion, fit into any of the descriptions of modern technology, and certainly not within the description of Admiral Rickover's proposed "Humanistic Technology,"[10] because Robert Peabody poured the liquid into the sodium carbonite makeup tank between 5 and 6 p.m. on July 24, 1964, and he died from the effects of the runaway chain reaction at 7:20 p.m. Sunday, July 26, 1964. His death was an unnecessary tragedy to his family, a crime to all of industry in Rhode Island and a shame to all of atomic industry in the United States. But an equally great shame must be expressed about the sequence of events between 5 p.m. July 24 and 7:20 p.m. July 26. For these events:

1. As the radioactive liquid had splattered over his body, he ran out of the plant screaming but had enough presence of mind to disrobe as he approached the plant gate, prancing around because of the effects of the radioactive liquid on his body. There were no facilities to meet his immediate medical needs until a volunteer ambulance from Westerly, Rhode Island, could be called and have time to drive to the plant. Shame No. 1 therefore is the absence of medical facilities near the plant to meet the needs of any possible occurrence.

2. The ambulance driver logically drove to the nearest hospital. On arrival, he advised the admitting officer of the nature of the patient's illness. The hospital refused to admit the patient. Only after telephone communication was the decision made as to where the patient should be taken for possible treatment. This occurrence in spite of the fact that five years earlier, Congressman Fogarty had endorsed the proposal of the Rhode Island State AFL–CIO that facilities in Rhode Island and New England be established to meet emergencies in the developing atomic industry in that state and region. Shame No. 2 is the failure to plan a medical program to handle accidents in an area where atomic industry is rapidly developing.

3. After an extensive automobile ride to Providence, Rhode Island, the patient, Mr. Peabody, was admitted to the Rhode Island Hospital in Providence. A fellow worker named Spencer rode with the driver, and both received extensive contamination from radioactivity on the patient's body. No facilities for transporting radioactive patients were available. The medical reports regarding the following 45 hours, signed by Dr. Roy E. Albert (New York University Medical Center) states that "Dr. Karas and others did the decontamination without gloves and had considerable difficulty cleaning themselves later. Shame No. 3 is that the medical profession in Rhode Island had had no training and made no preparation for the treatment of radioactive contamination on patients.

Extensive inquiries were held subsequent to the accident. Nothing new or surprising occurred except that the U.S. government gave the company involved an extensive contract to help pay the costs of decontamination of the plant and to expand its facilities at Charlestown, Rhode Island.

When Congressman Fogarty asked the officials of the Rhode Island State AFL–CIO to review for him the developments following this accident, I joined at a review luncheon and heard him say he was appalled at the pressures which resulted in rewarding United Nuclear for having had the accident. He was also appalled at the failure to accept the recommendations which had been submitted by organized labor in 1959 and 1964 that a New England regional program be established for the medical treatment of victims of radiation accidents.

Robert Peabody's death represents the inadequacy of the technology in atomic industry in the East but what about the inadequacy of the nuclear mining industry throughout the industrial world. Some of you have seen the stories in the *Washington Post* last month regarding this problem. The first article on March 9, stated the problem of John Morrill of Nucla, Colorado, with the subheading on that story of "Uranium Miners Are the Hidden Casualties of the Atomic Age." Then on April 14, the revelation that the Colorado Industrial Mining Commission had hired the firm of Woodward and Fondiller Inc. of New York to make a study of the probability of the total claims by cancer-stricken miners or their widows which would be filed as a result of the failure to provide protection against radon gas in underground uranium mining. The report, of course, was highly restricted, but the conclusion that the Industrial Commission of Colorado could expect to face $8,500,000 in claims for compensation was an electric shock. The Commission has paid a number of claims.[11] It paid:

Mrs. Shirden G. Blood, Colo., $22,858.

Mrs. Carey Athey, Natuita, Colo., $19,541.

Mrs. Robert C. Williams, Nucla, Colo., $18,367.

Mrs. Lloyd Reed, Redvale, Colo., $16,700.

Mrs. Sheldon Houle, Salida, Colo., $16,664.

Mrs. Frederick R. Graham, Gateway, Colo., $16,017.

Mrs. Kermit Burbridge, Nucla, Colo., $14,958.

Mrs. Charles E. Trask, Idaho Springs, Colo., $14,194.

Mrs. Virgil S. Nidiffer, Grand Junction, Colo., $15,010.

Mrs. Robert D. Johnson, Uravan, Colo., $13,520.

But the State of Utah, to date, has not paid any claim and today, April 26, 1967, the national interest in the Utah case is being expressed by the filing of briefs amicus by a number of parties urging the Supreme Court of Utah to require the State Industrial Commission to accept the expertise of the U.S. Public Health Service in determining which miners died from radon gas as distinguished from those whose lung cancers had a different etiology.

While the *Washington Post* was reporting some of these cases, staff members of the Working Committee of the Federal Radiation Council were sitting in conflict here in Washington and in an inability to agree on a proposed standard for the future for air contamination with radon gas in underground mining. This was not a case of locking the barn door after the horse was stolen but rather of nailing down the casket lid on miner after miner who have been exposed and who are continuing to be exposed in the present procedures of the uranium mining industry.

Meanwhile, the AEC for the Executive; the Joint Committee on Atomic Energy for the Legislative; and Judge Robert Taylor of the U.S. District Court for the Eastern District of Tennessee, for the Judicial Departments of the U.S. government continue to deny to the widows of the men whom we in the IUD call the "Atom's Peaceful Soldiers"—the men who die working in this industry but whose widows can not get even a measly workmen's compensation because the AEC's funds are used instead to create a national psychology that they have the safest industry in the country and besides no single person has ever been hurt. The AEC lies; the others accept the lies.

As a matter of fact, when I first began publishing the list of atomic science fatalities, the safety section of the Industrial Relations Division of the AEC sought to ridicule our case histories by publishing an analysis of fatal accidents with the lead-off case of the man who died because he fell into the soup. I would suggest that today the AEC is in the "soup." They have to account to the American people for the failure to require ventilation in the underground mines which could have totally eliminated the problem of radon deaths. Almost ten years ago, I personally presented to the AEC and to the Congress the fact stated in a report written for the French government and publicized at the Second Atoms for Peace Conference[12] in Geneva that ventilation costing only 1 percent of the operating cost of the mine could totally eliminate the hazards of radon gas in underground uranium mining.

HISTORY OF THE RANDON GAS PROBLEM[13]

First substantial evidence of the hazards of radon gas in the underground mining of uranium resulted from studies regarding the fate of workers in the Erzgebirge Mountains identified in Germany as Schneeberg and in Czechoslovakia as Joachimstal. Mining had been carried on in this area for close to 400 years when Lange reported that lung cancer accounted for *65 percent* of the deaths of the miners. Between 1935 and 1939, following further investigations Brandt, Hueck and Peller reported that approximately one-half of all the miners of Schneeberg and Joachimstal dying up to 1935 died of lung cancer and that 80 percent of the non-cancer deaths were from lung diseases including tuberculosis, silicosis, emphysema and chronic bronchitis. About 90 percent died of lung involvement!

As a result of these studies, the International Commission on Radiation Protection establisned a concentration of radon in air which they recommended as maximum permissible for occupational exposure in underground radon mines. This value measured in curies of radioactivity per cubic meter of air was one of the lowest levels of exposure established by any standards association. It was the equivalent of 0.0000000000001 curie of radioactivity of radon gas per cubic meter of air in the workplace. Tests were continued up through 1948 of the Erzgebirge Mountains by many authorities including the British National Physical Laboratory.

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[9] *Evening Bulletin*, Providence, Rhode Island, series entitled "Chain Reaction—By Mistake," November 9–13, 1964.

[10] Vice Admiral H. G. Rickover, U.S. Navy to the British Association for the Advancement of Science, London, England, October 27, 1965.

[11] Digest of Lung Cancer Cases filed with the Colorado State Compensation Insurance Fund, December 14, 1966.

[12] Proceedings, Second United Nations Conference on Peaceful Uses of Atomic Energy, Geneva, 1958, Volume 21, page 62.

[13] Proceedings, First United Nations Conference on Peaceful Uses of Atomic Energy, Geneva, 1955, Volume 13, page 168.

In 1948 on April 9 the United States AEC issued its first price schedule for uranium as part of an effort to induce uranium prospecting and mining.

The U.S. Public Health Service, aware of the European studies, immediately began checking the atmospheric concentrations of radon and its disintegration products in the uranium mines and mills established in the Colorado Plateau. Of 400 samples taken in 75 mines, it was found that the radon concentrations ranged between 20 and 230 times the internationally acceptable level. In reporting this fact to the First United Nations Conference on Peaceful Uses of Atomic Energy held in Geneva, Switzerland, August of 1955, the International Labor Office characterized the findings in the following term: "and thus give cause for considerable disquiet."[13]

The following year, the U.S. Public Health Service issued Publication No. 494 entitled "Control of Radon and Daughters in Uranium Mines and Calculations on Biologic Effects." This publication opened with the conclusion that "Surveys of Colorado Plateau uranium mines have shown that 65 percent of the miners were exposed to concentrations of radon and its daughters comparable to those reported to exist earlier in European mines." Samples were taken from mines located in a number of states, including the State of Utah. Studies showed maximum concentrations of radon in mine atmospheres in 1952 ranged from 59 times the permissible level to twice the permissible level as follows:

Area and number of mines:	*Times permissible level*
Bull Canyon, 11	59.0
Long Park, 17	48.7
Marysvale, 2	25.9
Gypsum Valley, 3	18.0
Calamity Mesa, 6	23.0
Slick Rock, 11	22.0
Cottonwood Wash, 4	9.9
Polar Mesa, 3	7.3
Uravan, 4	7.1
Monument Valley, 3	6.1
Paradox Valley, 2	3.8
Gateway, 4	3.2
East Reservation, 6	2.2
Grants, 3	2.0

As of 1960, there were nearly 1000 active underground uranium mines in the western United States.[14] There were over 10,000 underground miners exposed to one or more units of what I shall call a "holifield." I define one "holifield" as that amount of underground exposure which is sufficient to give the statistical chance of 60 percent of lung cancer development following the latent period of 7–27 years. Thus, the recently revealed figures of the Woodward and Fondiller study are a minimization of the estimate of those underground miners who are potentially subject to the development of lung cancer or other lung conditions. What a deep tragedy resulting from bureaucratic avoidance. The AEC used a technicality in the law to evade the responsibility for health and safety of the underground uranium miners. The Joint Committee on Atomic Energy accepted this fallacious reasoning and evaded even when I personally called the problem to their attention almost ten years ago.

When proposals were made that the United States Department of Labor exercise its authority under the Walsh-Healey Act to set protective standards, they also agreed to comply with the AEC's desires and permit AEC's will to prevail in regard to standards for underground uranium miners. Many other agencies of government have fallaciously cooperated with the AEC. One official in ICC told me that though apparently adequate standards were established for the transportation of radioactive materials, that the staff of the ICC had been advised to "play ball" with AEC and not be too tough with the application of the standards and the regulations. How many shipments of radioactive materials have been lost or broken in transit?

Last summer in 1966, the Public Health Service revealed the extensive efforts which they made to find two of the shipments which had been lost. The first of the lost capsules was sought along the right-of-way between Ft. Worth, Texas, and Newark, New Jersey, and a subsequent undefined truck route between Newark, New Jersey, and Long Island City in Queens, New York. The package was shipped July 26, 1966, from the Gearhart-Owen Company of Ft. Worth, Texas, to the Radium Chemical Company, Inc., of Woodside, Queens. The crate apparently was smashed open during transit which took three weeks. The shipment by rail went via Dallas, St. Louis, Pittsburgh and Newark. From Newark it was shipped by truck across the George Washington Bridge to Long Island City.

The second lost shipment reported last summer was shipped from a doctor's office in Seattle, Washington, to the same Radium Chemical Company in Woodside, Queens. This one was shipped on August 15, also in a container called a lead pig but again when the crate arrived at the Woodside plant, the radioactive capsule was missing. I am told that several hundred thousand dollars were spent trying to find these two capsules. These two reported losses out of over a million shipments in the industrialized western world. Two reported widely following brief discussions which I had with the Surgeon General regarding the failure to report any losses in the United States even though the Mexican government had made available a report early in 1963 regarding the consequences of such a loss of a similar capsule and the subsequent death of virtually an entire family.

I translated and made available to the technical community in this country, and any who requested it, a translation of the "First Report About a Radiation Accident" issued by the Mexican National Nuclear Energy Commission and dated November 1962. Subsequently, I talked with Surgeon General William Stewart and through his cooperation secured the translation from *Revista Medica*, Supplement No. 1, Volume 3, 1964, of the most comprehensive article published anywhere regarding "observations on the accidental exposure of a family to a source of cobalt 60," by a group of doctors associated with the Mexican Institute of Social Security. This comprehensive study of the effect of callousness on the part of a nuclear engineer trained as a six-week wonder in the United States where he learned about industrial radiography. The cobalt which he purchased from Atomic Energy of Canada Limited was sold to him on August 3, 1961 in the form of seven pellets one millimeter cubes. They were enclosed in a container and shipped to Baja California. The container was apparently disposed of or thrown away in Mexico City where it landed on top of the town dump near where the Espindola family lived.

Henry Espindola, playing in the town dump, found the container and brought it home in his pants pocket. Somehow between March 21 and April 1, 1962, the capsules were removed from the container. When Henry's mother removed the container from his pocket, it was placed on the table and then on a piece of furniture in the kitchen. By April 17, the grandmother, Augustina Ibarra, noticed that the drinking glasses in the kitchen were darkening. By April 29, Henry was dead at the hospital. The mother died July 19; the cause of the deaths were recognized too late and the capsule was removed from the house on July 22. Henry's sister died on August 18 and the grandmother on October 15. Only the father survived, presumably out of the practice in Mexico under which the father lives around the corner in another house.

How many capsules have been lost in the United States? Our tabulations show 88 lost or stolen. How many more have been picked up by little Henrys or Toms or Dicks or Harrys? We don't know how many have been found but it is interesting that there is no single reference in the medical literature in the United States to the consequences such as those which the Mexican technicians have so carefully documented in *Revista Medica*.

Not all of these losses were due to industrial use of nuclear science and radiation. The Public Health Service in its Environmental Health Series No. 999–RH–16 has recently documented a few cases of the effect of the loss of radioactive materials from medical use. I have avoided as much as possible in my tabulations case histories involving loss of radioactive materials from hospitals and clinics. This is difficult to avoid when transportation is also involved, but I refer you to the Public Health Service document listed above and entitled "Medical Uses of Radium and Radium Substitutes," particularly pages 15 through 19.

We have reviewed uranium mining, transportation and loss of radioactive materials, the deaths which occur from critically, and now we must move on to the hazards in the air as well as in the water systems of this country.

The release of uranium hexafluoride occurred too many times in the gaseous diffusion operations of the uranium enrichment plants at Oak Ridge, Paducah and Portsmouth. I was able to find 139 documented cases. In addition, we were able to locate 80 releases of other isotopes.

Dr. Malcolm Peterson of Washington University has done a thoughtful piece entitled "Environmental Contamination from Nuclear Reactors,"[15] and recently he has predicted that one byproduct of nuclear power, krypton 85, *alone* may exhaust our present margin of permissible exposure to radioactivity in the air within the next 100 years.

There are some who would deny that such releases have or can occur but the fact is that both the NRX reactor accident at Chalk River, Canada, on December 12, 1962, and the Windscale accident on October 10, 1957, in Cumberland released large quantities of radioactivity to the atmosphere and I am sure that it would be news to most of the men making decisions regarding nuclear power in this country that the Windscale reactor released, and I quote from the *Manchester Guardian* of March 19, 1958, "The quantity of the radioactivity released in the Windscale No. 1 reactor during the accident in October was probably considerably more than that released during the explosion of an atomic bomb of the Hiroshima type."

Recently I negotiated with Governor Nelson Rockefeller in regard to a proposed $8 billion power program which he recommended to the Legislature should be subsidized into early construction. When we came to the question of location of the proposed plants as it affected safety, the Governor stated that his personal atomic advisor,

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[14] Public Health Service Publication No. 843, HEW, Government Printing Office, page 10.

[15] *Scientist and Citizen*, November 1965, page 1, St. Louis Citizens' Committee for Nuclear Information, St. Louis, Missouri.

Mr. Edward Teller, warned him that someday one of these plants was going to explode and spray a city or even an entire watershed with excessive radioactivity which will require the evacuation of the area.

BERYLLIUM

Dr. Harriet Hardy, Director of the Occupational Medical Service of the Massachusetts Institute of Technology, reported at length in the New England Journal of Medicine (December 25, 1963), of the effects of the rapid expansion of the beryllium industry whose product is so urgently needed in nuclear science. Here was a case where the hazard of berylliosis not only threatened the worker in the plant but also the residents in the neighboring community. Yet the space industry requirements have multiplied the use of beryllium in industry by twenty times.

WATER

I believe the Muskie committee has shown the impact of radioactive pollution of our water systems. The hearings of May 6, 1966, which were held based upon the work of the Federal Water Pollution Control Administration in the Colorado Basin Water Quality Project revealed the callous accumulation of tailing piles in the millions of tons each containing distintegration products of uranium and radium families which polluted the Colorado River with isotopes whose half-lives ranged up to 1620 years. These isotopes leached by the weather from the piles polluted the river as well as the atmosphere.

AIR POLLUTION

Just last week the Surgeon General, testifying before the U.S. Senate Committee on Public Works, said "Air pollution is a problem of many dimensions . . ." Each of four types of studies, considered alone, present impressive evidence of air pollution damage to health. Taken together, they add up to a disturbing and convincing portrait of a major health menace. He talked of Donora, Pennsylvania, and New York and London. I could have talked to you today about Aberfan, Torrey Canyon, Thresher and Apollo. These were similar tragedies and much needs to be done to avoid their occurrences. But the story of over 1,000 case histories of releases of radiation or fires or explosions in the presence of radiation, or fires or explosions of the new exotic metals developed for use in nuclear science all add up to an increase in the background radioactivity with which all of mankind must wrestle.

This fact is a matter of major health importance. No longer can we leave decisive control to those assigned the task of developing a nuclear power industry. No longer can we rely on the same agencies who failed to take timely action to prevent the 6,000 deaths which are coming to the underground uranium miners. Nor can the control of the health problem in the nuclear plants be left to physicists even if they camouflage their function by calling themselves health physisists.* Those interested in medical care must rise up and insist on the priority to which their role in society entitles them.

The hearings called again by the Joint Committee on Atomic Energy regarding health hazards were previously held in May and August of 1959 but the Committee didn't act on the testimony before it and it shares the shame on our government for failing to take action in time to protect those who contributed so much to the stockpile of weapons in our nuclear arsenal. They have announced the witnesses to be heard[16] who will be representatives of the Atomic Energy Commission, the Interior, Labor and HEW Departments as well as the Federal Radiation Council. These are the men who have known the problem all along, who have been in continuous session these recent months and are still unable to agree on steps to adequately protect underground miners.

I proposed instead the following witnesses: Mrs. Carey Athey, Mrs. Shirden G. Blood, Mrs. Kermit Burbridge, Mrs. Douglas Garner, Mrs. Frederick R. Graham, Mrs. Sheldon Houle, Mrs. Robert D. Johnson, Mrs. Virgil S. Nidiffer, Mrs. Lloyd Reed, Mrs. Charles E. Trask, Mrs. Robert C. Williams.

Each of these know more than all of the bureaucrats now scheduled to testify. They know what their husbands lived through before they died. They know what their friends and neighbors now are living through in fear and dread of the similar consequences to their husbands. They know the obligations of the Federal government. Following their testimony before the Joint Committee on Atomic Energy, I proposed that the Public Health Service introduce a bill before their standing committees in the Congress and give these widows an opportunity to discuss the effects on the health of their husbands. Prior to any final action by the Congress, I proposed that these women be invited to visit him in Washington by the Secretary of Labor and that he discuss with them while they are here at his Department's expense, a fair and proper compensation system to relieve them from the anxieties of the future now that the family breadwinner is no longer able to provide for them.

I propose that the President of the United States issue a new executive order to supplement the one that established the Federal Radiation Council that would make its recommendations binding on all departments of the Federal government, not merely advisory, to be ignored at will. I propose that the truth about atomic accidents be told, that the case histories I have tabulated be analyzed, that the public be told the truth, and that from that knowledge we adopt in our society a prudent program for the peaceful uses of the nuclear sciences.

THE POSTAL CUTBACK AND THOSE WHO PLAY DEVIL'S ADVOCATE

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. CHARLES H. WILSON. Mr. Speaker, the proposed cutback in postal services, particularly the elimination of Saturday deliveries, has touched off a storm of public indignation. And rightfully so. Indeed, the Post Office Department is our main communications artery in this great Nation. Television, radio, newspapers, all of these are impersonal, objective media, but the mail is deeply personal and therefore of vital importance to all of us.

Why this personnel cutback? Certainly, the newly enacted surtax demanded a parallel economy move in Federal Government operations; I understood the need for compromise when I reluctantly voted in favor of the 10-percent surcharge. However, a compromise does not mean a sellout, and I understood at the time that Government personnel cutbacks would consider what the traffic would bear and would not jeopardize necessary Federal services. I certainly did not foresee that anyone could find the Post Office Department expendable.

Yet that self-appointed economy bloc, the Republican leadership and a majority of their party members as well as the majority of Congressmen from Southern States, has not hesitated to take the sails out of the Post Office Department and has, consequently, double-crossed the taxpaying American public. For, if the postal "freeze" is allowed to take effect, it is because these Members of Congress have mistaken sound economy for indiscriminate budget slashing.

But while the question of the postal personnel ceiling is still under consideration, the House Post Office and Civil Service Committee, of which I am a member, will exert every effort to secure positive House action on H.R. 18663, to exempt the Post Office and Civil Service Department from the manpower cutback imposed under the Revenue and Expenditures Control Act of 1968. We on this committee, all intimately acquainted with the problems besetting our Nation's postal operations, are agreed that postal service—affecting as it does every citizen in this Nation—must not be impeded. By all rights, this should be a bipartisan consensus, and I am frankly shocked that these House Members whom I have cited should seek to make the Post Office Department a scapegoat for this country's economic ills.

Also, I should not fail to mention the disastrous effect Federal personnel ceilings are having on the Federal Aviation Administration. The shortage of aviation personnel, especially in the critical area of air traffic control, is already slowing down our commercial airline service. And, with the number of airplanes in operation increasing daily, the situation threatens to become catastrophic.

Both the Post Office Department and the Federal Aviation Administration—vital communications arteries—are in grave peril these days. I cannot understand how our Congress can sit idly by and let this great Nation grind slowly to a near halt. It is clear, in this important matter, that we cannot let the end justify the means.

HOUSING AND URBAN DEVELOPMENT ACT OF 1968

HON. DANIEL J. RONAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. RONAN. Mr. Speaker, in 1949 the Congress announced our national housing policy of "a decent home and a suitable living environment for every American family."

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* In a revealing statement, one health physicist wrote (Volume 11, June 1964, *Health Physics*, "The Professional Responsibilities of the Health Physicist or Virtue in Compromise," by H. J. Dunster, page 308) as follows:

"Just as in conventional safety the slogan of the 1930's, "Safety First," has since been discarded in favour of a balance between accident prevention and operational convenience or economy, so in the radiological field a balance has always been necessary between radiation risks and operational considerations. It is the ability to reach a rational and satisfactory balance or compromise that is the fundamental test of the health physicist's professional ability."

[16] *Washington Post*, Monday, April 24, 1967, page A19.

In 1968, and the years in between, that policy has been renewed.

We now have before us a conference report that will set in motion the massive revitalization and regeneration of the Amercian city.

That report encompasses the Housing and Urban Development Act of 1968.

In his message to this Congress on the crisis of the cities, President Johnson said:

> As we respond to the cities problems—to the problems caused by the accumulated debris of economic stagnation, physical decay and discrimination—let us recall and reaffirm the reasons for our national strength: unity, growth and individual opportunity.
>
> And recalling these truths, let us go forward, as one nation in common purposes joined, to change the face of our cities and to end the fear of those—rich and poor alike—who call them home.

The conference report furthers this goal.

We dare not fail to answer, loud and clear, the challenge set before us of changing the face of the city.

The crisis of the cities is not going to vanish if we close our eyes and ears. Caused by generations of deprivation, generated by years of apathy and fanned by frustration, the crisis has caused turmoil and strife in the streets of our cities.

Part of the solution to this crisis lies with us here today.

We can enact legislation that will have far-reaching effect, that contains imaginative and innovative ideas for the present and the future.

In 1961, President Kennedy said:

> A nation that is partly ill housed is not as strong as a nation with adequate homes for every family. A nation with ugly crime-infested cities and haphazard suburbs does not present the same image to the world as a nation characterized by bright and orderly urban development.

The Housing and Urban Development Act provides for adequately housed Americans. It deals with orderly, planned development of our cities and their environs.

But, most of all, it deals with the problems faced by the people living in crowded quarters, in blight and decay, and in Backstreet USA.

Our answer to the challenge is this bill. America's cities and their people are looking at us and what we do here.

I support the conference report and urge my colleagues to join with me in that support.

GALLAGHER CALLS FOR EXPANSION OF FOOD STAMP PROGRAM

HON. CORNELIUS E. GALLAGHER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. GALLAGHER. Mr. Speaker, I rise in support of the substitute bill offered by the distinguished gentlewoman from Missouri [Mrs. SULLIVAN], which I have cosponsored, to eliminate the present dollar limitations on appropriations to the food stamp program for fiscal 1969 and to provide authorization for appropriations for the three subsequent fiscal years.

The record of the food stamp program's success over the past years is clear. The very growth of the program offers evidence of this success. At the program's birth in 1964, there were only 43 areas in 22 States participating. Today there are 838 areas in 44 participating States. The program has helped over 4 million Americans during its years of operation; 2 million of those assisted were given aid in 1967 alone. It is obvious that this program has been meeting a very real need in our society. Unfortunately, that need will continue in the coming years at a higher level than exists even at the present time.

In order to meet the growing challenge of hunger in America, the food stamp program must be continued and expanded. Our duty to ourselves and our fellow citizens is clear, for, as the late President Kennedy said in his inaugural address:

> If a free society cannot help the many who are poor, it cannot save the few who are rich.

There are indeed many poor Americans waiting to be helped. One hundred and fifty-five areas in this country have been designated to receive food stamp operations but have had to be deferred for lack of funds. In addition, 125 areas in 25 States have requested the program but have not been able to receive a target date for lack of funds. I would point out, Mr. Speaker, that the areas in need of food stamps are not only urban centers; many rural sections in this country are in dire need of assistance as well. These facts indicate the necessity for our Government to make a lasting commitment to the proposition that no man, woman, or child will go hungry in this Nation while others are fed.

Mr. Speaker, the Department of Agriculture has reported that in New Jersey there are over 100,000 households with poor diets in Hudson and Union Counties. To date, the food stamp program has helped over 3,000 households in Union County, but this is only a beginning; more is needed. Hudson County has a plan ready to go into action, and 9,000 people are already signed up to participate. These 9,000 people are waiting on our decision today. It would be tragic if the people in desperate need of food stamps are unable to buy them because this Congress refused to lift the ceiling on appropriations to a realistic level. Union and Hudson Counties are only two of the areas throughout the entire Nation that would be gravely affected if we fail to take the proper action on this matter.

The bill as reported by the Agriculture Committee calls for an increase in appropriations from $225 million to $245 million. This is hardly adequate considering that the Secretary of Agriculture has reported he will need at least $300 million for the current fiscal year in order to provide a decent food stamp operation. We simply cannot impose a ceiling on our efforts to eradicate hunger from this country.

Let me emphasize that the food stamp program is not a welfare dole. Hundreds of thousands of families are eligible to participate in this program who are not eligible for welfare assistance since they do not fall into any of the categories prescribed by law for those who need public assistance. Included in this group are the elderly living on limited social security payments or other fixed-income pensions. Included also are young families with children in which the husband is working for low wages. The food stamp program helps these categories of people who would otherwise be denied aid; it helps those who need it most—the elderly unemployed and the youthful underemployed.

At present, participating households are purchasing food coupons at the rate of more than $24 million per month. This figure represents the amount these households could normally be expected to spend for food. These families are receiving an additional food supplement of more than $16 million per month in the form of extra face value coupons. In other words, the food stamp operation is a self-help program; those who participate in it do so with dignity. Moreover, the program helps not only the low-income families by assuring them more nutritional diets, it also aids the farmers by assuring them a broader, expanding market.

The food stamp program has been efficient as well as effective. It has been designed to operate with a minimum of overhead costs and redtape. Participating families shop where they choose, for the kind of food they need, in the quantities they desire. Every phase of the operation is geared for simplicity and ease for the families, the grocers, and the banks. The program is designed to give a maximum amount of assistance with a minimum amount of redtape.

From its initial inception as a pilot program conducted under the Kennedy administration to the present time, the food stamp program has proved its worth in the most dramatic terms. It continues to prove its worth each time it fills another empty mouth. There is simply no doubt that we have the ability to feed our own hungry. It is now up to the Congress to demonstrate that the American people have the desire to combat hunger by enacting legislation which would commit the necessary financial resources.

Mr. Speaker, an affirmative vote on the Sullivan substitute, removing the present dollar limitations on appropriations to the food stamp program for fiscal 1969 and authorizing appropriations for the three subsequent fiscal years, must be considered not only in economic terms, but in human terms. It is not without significance that the leaders of the poor people labeled "feeding the poor" as the No. 1 item on their agenda. I know of no item, outside national defense, which should be ranked higher on our national agenda. In all good conscience, can we allow both Dives and Lazarus to exist within our one Nation? Can we countenance a growing separation between rich and poor, fed and hungry in America? Can this, the most abundant Nation on earth refuse to share its abundance with our deprived citizens? The answer to all these questions is obviously, "No." If just one less person goes hungry because this Congress passes an adequate food stamp program, then we will have produced a major success.

Our vital efforts to feed the hungry must not be allowed to falter or end for lack of sufficient funds. Every Member of this body knows that we have the money to meet a real need. The food stamp program has made great advances over the past years; these advances should give us the necessary confidence to continue, indeed to expand this program so that our Government can mount a full-scale attack on hunger and malnutrition.

Mr. Speaker, I would note at this time that the committee bill attaches on an amendment to the food stamp appropriation which would forbid the sale of food stamps to workers out on strike. It seems to me that this proposal would penalize an American citizen for exercising a legislated right. This Congress has given unions legal status; it has recognized the right of unions to strike; it has supported the collective bargaining system. The proposed amendment has the flavor of a covert assault on the rights of unions to organize and, if they must, to strike. This Government simply cannot say to striking union members: You workers cannot participate in a Federal Government program once you exercise your right to strike. The food stamp program should not be qualified by this type of consideration.

In fact, Mr. Speaker, the food stamp program should not be qualified by any consideration—be it political, labor union, monetary or otherwise—other than the need of American citizens for food. One of the admirable aspects in this program's past operation is that it has concentrated on feeding those who are hungry rather than on trying to fill stomachs with redtape. The program must continue in this manner, free from all extraneous restrictions. Therefore, I urge this body to reject any proposal which would deny the right to eat to those who exercise their right to strike.

Moreover, I urge this body to accept the Sullivan substitute bill so that monetary considerations do not pose an obstacle to feeding the hungry. Whatever the cost may be to provide an adequate food stamp program, we Americans cannot afford to spend less. If we fail our impoverished citizens, we court disaster for ourselves.

THE 1968 HOUSING AND URBAN DEVELOPMENT ACT

HON. SAMUEL N. FRIEDEL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. FRIEDEL. Mr. Speaker, the 1968 Housing and Urban Development Act will surely bring lasting credit to the 90th Congress and steer the country in a dramatic direction toward solving its most glaring domestic ills.

This legislation to save our teeming cities is the boldest and most decisive passed in the last two decades.

The ambitious programs proposed here will double housing production by broadening familiar programs, such as urban renewal, public housing, model cities and rent supplements, and embark on several major innovations to bring more private money into the battle against urban decay and human despair.

Looking for a moment at the provisions for expanding the housing supply we see in the offing an opportunity to transform what is now an urgent housing need into an attractive housing market. At the same time we will make way for the less affluent of this Nation to share in the Federal housing subsidies that have traditionally gone to the middle-income via tax deduction on mortgage interest payments. By subsidizing private construction of lower income housing, the legislation provides an incentive for full private participation and the prospect of more housing worthy of human habitation. This legislation calls not only for decent housing but for enough housing to bring a basic human goal within reach of every American.

Under our public housing laws, we have been able to produce about 675,000 dwelling units. Now we are seeking to build 375,000 such units in 3 years. We can be encouraged by several new developments in the past few years, which indicate a deeper involvement of private enterprise in producing low-rent public housing. Two examples are the turnkey process and the leasing program. With the stepped-up activity within these programs, we can reach the goal of doubling the supply of public housing.

We must grasp the opportunity to help improve the lot of public housing tenants. Today, one of the biggest failures of low-rent public housing programs is the social chaos and emptiness that mark the lives of so many tenants. In many cases these conditions have nullified the benefits of attractive decent housing. The counseling services and other assistance to tenants called for in this legislation have been recognized as critical and vital. Full funding of the tenant service program is one of the important far-reaching steps that can be taken to help better the lives of disadvantaged Americans.

I believe the scope of this legislation and the direction in which it can lead us dictate the action that must be taken. Therefore, it was a pleasure for me to support this legislation when it passed the House on July 10. Let us help underwrite this effort to save America. Now let us give resounding support to the conference report on this measure.

THE "PUEBLO": HOW LONG, MR. PRESIDENT?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. SCHERLE. Mr. Speaker, this is the 185th day the U.S.S. *Pueblo* and her crew have been in North Korean hands.

GOOD HOUSING FOR THE BOSTON GHETTO

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. O'NEILL of Massachusetts. Mr. Speaker, I take the greatest pleasure in presenting a case study in public-private partnership by Eli Goldston, president of the Eastern Gas & Fuel Associates. This study contains an explanation of a project which Mr. Goldston initiated in attempting to solve the massive housing problems of the Boston ghetto.

Mr. Goldston is a close personal friend of mine and a man for whom I have a great deal of admiration. His approach to this urgent problem combines a zestful creativity with a necessary practicality. It is to be hope that it will serve to inspire other businessmen to institute similar programs.

I think that we are all aware of the vicious cycle of poverty which surrounds and stifles the lives of far too many Americans. It takes a great deal of courage, ingenuity and optimism to approach the ugly gorgon poverty and attempt to conquer. In an earnest and sincere desire to assist his fellow man, Mr. Goldston has done just that.

Through the willingness and generosity of such citizens we can begin to eliminate the other America and build toward one America where all enjoy the benefits of a just and free society. May I take this opportunity to applaud Eli Goldston as an eloquent and profound spokesman of the American dream.

Under unanimous consent I submit the remarks of Mr. Goldston for inclusion in the CONGRESSIONAL RECORD, as follows:

GOOD HOUSING FOR THE BOSTON GHETTO: A CASE STUDY IN PUBLIC-PRIVATE PARTNERSHIP

(Presented by Eli Goldston, president, Eastern Gas and Fuel Associates, at the Urban Land Institute Central City Council Meeting, Milwaukee, Wis., May 2, 1968)

There is being worked out at this moment in Boston a formula for public-private cooperation in the urban housing field that we believe may well provide an effective permanent solution to the urgent problem of curbing urban blight while at the same time providing good low and moderate-income housing in the city's black ghetto.

The laboratory is a group of concurrent 221d(3) housing rehabilitation programs covering almost 3000 dwelling units. Included are low interest FNMA mortgages, Rent Supplement, important business ownership participation, leased public housing and the first major all-black development team. The total effort represents Federal Housing Administration commitment of nearly $36 million in guaranteed mortgages, and is the nation's largest rehabilitation program. Organized and given the go-ahead in record time, the total program is now about 25% completed, and by early fall, about one year from its initial conception, it is expected that all units will be completed and occupied . . . more rehabilitation in one city than had been done in the nation before.

Some of the features of the formula are only just emerging but they are distinctively new and could well set a pattern for the national all-out urban housing effort that must, and is bound to, come.

From our Company's experience as a participant, we would say there are four essentials to providing good housing for the ghetto:

1. A program must be large enough and fast enough to be significant . . . to give substantial hope and set a trend.

2. It must offer economic rewards that, with an imaginative marketing-finance approach, will attract major businesses into an enthusiastic, full-time, top-talent participation, but also provide ways for operations by smaller local business organizations.

3. A top priority must be given to the social problems of communications with, and sympathetic relocation of tenants.

4. Every effort must be made to search out, encourage, enlist, train, coach and assist all-black, for-profit, development teams so that business skills and ownership will bring ghetto residents fully and permanently into the economic mainstream of our society.

Detailing these points, the Boston program is, firstly, big and fast enough in relation to the Boston problem to be significant . . . visibly significant. The 3000 units involved represent about one-eighth of the estimated dwelling units in the predominantly Negro sections of Roxbury and Dorchester where the program is centered. Since about one-fifth of the units were in such a bad state of disrepair as to be unoccupied, one in seven of the Negro families of Boston, an estimated 12,000 individuals, will be living in completely renovated, up-to-standard housing when it is done. Conceived in late September last year, put together in October-November, and announced in December, the program is expected to be virtually completed early this fall. By that time, each apartment will have been thoroughly redone inside and out, with new kitchens, bathrooms, plumbing, wiring, heating, appliances, windows, and where necessary, floors, roofs, walls, etc.

Secondly, the program sets up conditions to make it economically attractive for private, for-profit developers, contractors and investors. While moral exhortation and social conscience may generate some well-intentioned, but usually inexperienced, temporary and part-time attention to a very grave problem, the permanent solution in our business economy is to motivate with money. This may sound crass until it is remembered that this is the way that our space, defense and other large "federal" requirements have been met. The Boston program is being carried out by private developers and contractors who are experienced in the assembly, financing, rehabilitation and management of the type of properties involved. Tax incentives and a marketing opportunity combined to create the carrot to attract larger business.

Unique to the "Boston formula" is the participation of a major national industrial organization as a limited partner of the two largest developers. This is my Company, Eastern Gas and Fuel Associates. Our subsidiary, Boston Gas Company, as a franchised utility, had a stake in preventing core city deterioration and also saw an opportunity for substantial new gas load in the rehabilitated housing. The developers needed "front money"; Eastern could use the tax shelter of real estate depreciation, and the agreement was negotiated. A new subsidiary, Eastern Associated Properties Corp., bought a limited partnership with the two largest developers and gas was offered at the low "public housing" rate. In this way, a marginal real estate deal was combined with a large volume but small margin sale of gas to make an economically justifiable business package.

This is not necessarily the exact combination that will set the urban housing wheels in motion in other areas, but I believe it is the sort of imaginative, marketing-finance approach which business must adopt if the millions now in shockingly substandard housing are to be properly housed. When the war in Vietnam ends, the nation is certain to concern itself more intensively with the problems of cities and space. Urban housing can provide opportunities for profit as well as service for American businesses imaginative enough to find ways to do well by doing good.

It was quickly demonstrated that the virtues of the Boston program were its most serious defects. Because speed was of the essence, tenants in the early stages received little advance notice of a move, and that inadequate. This drew serious and justified complaints which have been answered by pledges of the developers to give full and early information and to work with tenants' organizations which came into being. The program's size completely outstripped relocation arrangements. The scope of relocation assistance necessary in a project of this size was badly underestimated. Emergency funding and hasty organization of a relocation program has provided a reasonably effective answer.

Most importantly from the long-range view, complaints of ghetto residents that the program was in the hands of "absentee" owners, developers and landlords, drew attention forcefully to the ghetto's demand for "a piece of the action." As we listened to the demand, its justice and the opportunity it offered were equally clear.

Of all our activity, perhaps the most significant and satisfying has been our help in putting together an all-black, commercially motivated, rehabilitation team which has been awarded FHA mortgage guarantees for a $1 million project. This is the first such award in FHA history. It is important that these men come to the enterprise with the same objectives as we, and are serious, economcially successful Negro businessmen, albeit on a smaller scale than the project they are now undertaking.

They are headed by Thomas Sanders, the star basketball player, "Satch" Sanders, of the Boston Celtics—and are organized as Thomas Sanders Associates. Mr. Sanders, with an income from sports, can use the tax shelter offered by real estate investment and has a desire to help the Roxbury area where he lives. Samuel McCoy and Jack E. Robinson are Roxbury real estate men. Lester Clemente heads his own construction firm.

This group, for all our assistance, is very genuinely on their own. We have only coached from the sidelines to lead them through the intricacies of FHA legal requirements and applications, the complexities of double-declining balance depreciation as it affords tax shelter, and we have encouraged them to engage a more experienced developer on a consulting basis.

In taking on an 83-unit rehabilitation project, these black businessmen will be getting "a piece of the action." They have the opportunity, for which they are already planning, to become an ever larger business force in the community. This is a true beginning in helping the ghetto get good housing by doing it themselves.

We know that what is being done in Boston is important, first of all, because so many people want to hear about it. The invitation to speak here is only one of dozens that have come to us since the program began to get attention outside of the immediate area. Just earlier this week we filled an invitation to describe it in detail for top executives of one of the nation's largest business enterprises. It is apparent that others wish to try as we are trying in Boston, to achieve some lasting solution to the problems of the deprived by following an instruction recorded by the 7th Century B. C. Chinese statesman KUAN-TZU:

> "If you give a man a fish,
> He will feed himself once.
> If you teach him to fish,
> He will feed himself all his life."

GROUNDSWELL FOR LAW AND ORDER

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ASHBROOK. Mr. Speaker, recently in the CONGRESSIONAL RECORD I inserted items concerning my neighboring State, Pennsylvania, and the apparent concern of knowledgeable sources concerning ill-advised decisions of the U.S. Supreme Court. Not too long ago, Chief Justice Bell, of the Pennsylvania Supreme Court, took the highest Court of the land to task for its flight from realism as reflected by recent decisions. Later, the Philadelphia Inquirer ran a story concerning the efforts of the Fraternal Order of Police to circulate nationally petitions protesting actions of the same Supreme Court.

Now, today, July 25, the same Philadelphia Inquirer reported the activities of the 55th annual convention of the Pennsylvania Chiefs of Police Association in Philadelphia, and this time Justice Michael A. Musmanno, of the Pennsylvania Supreme Court, included his own court, along with the Supreme Court in Washington, in his indictment.

If the above-cited cases from my Pennsylvania neighbors is a sampling of the feeling in other States, then there is a good chance that something constructive will result to return the reign of law and order to our land.

I include the article, "Police Cheer as Musmanno Attacks U.S. Supreme Court," by E. J. Hussie, of the Philadelphia Inquirer staff, and appearing in that newspaper on July 25, 1968, in the RECORD at this point:

POLICE CHEER AS MUSMANNO ATTACKS U.S. SUPREME COURT

(By E. J. Hussie)

Justice Michael A. Musmanno of the Pennsylvania State Supreme Court attacked the U.S. Supreme Court on a Wednesday in a speech before a cheering audience of policemen, who voted to send copies to the members of the Nation's highest tribunal.

Musmanno called recent Supreme Court decisions "illogical, fallacious, incongruous, not to say unjust" and declared:

"I have come to the conclusion, most regretfully, that something must be done to curb the irresponsible decisions coming down from the Supreme Court of the United States—decisions which are crippling the police in their duty to prevent crime, to detect criminals and to prosecute those who have declared war on society."

ATTACKS OWN COURT

The jurist also took aim at this State's Supreme Court, in one of numerous departures from his prepared text, he said:

"My court is following in the footsteps of the United States Supreme Court and is doing equally foolish things."

The fiery address was delivered to delegates at the final business session of the three-day 55th annual convention of the Pennsylvania Chiefs of Police Association in the Sheraton.

OFFICERS ELECTED

The delegates elected Chief Michael Kravitsky, of Edwardsville, as president to succeed Superintendent G. Lester Downs, Sr., of Marple township.

Others elected included Inspector William J. Walsh, of Pittsburgh, first vice president; Chief Dean Lohr, of Dale borough, Cambria County, second vice president; Chief S. Clarence Johnston, of Cheltenham township, third vice president, and Chief John T. Rabko, of Hannover township, Luzerne county, fourth vice president.

Virtually every speaker at the convention attacked the U.S. Supreme Court or courts generally. But the 40-minute Musmanno broadside received the warmest reception of them all.

When it was over, a motion from the floor was passed without dissent to send copies to the high court in Washington and to "all of the Presidential candidates."

"District attorneys and (lower) courts," Musmanno said, "have been compelled to release confessed murders and savage malefactors where the guilt was conclusive, only because someone did not play Chief Justice (Earl) Warren's phonograph record of how the police are to act in dealing with killers.

"With all respect for Chief Justice Warren's knowledge, I doubt he knows as much about dealing with crime as do the police."

The Supreme Court has hurt the police in other ways, too, the jurist stated.

"There can be no doubt that the Supreme Court has so condemned police because of their vigorous action against criminals that some officers have become self conscious and thus fail to take the aggressive precaution which otherwise they might have routinely employed.

Finally, Musmanno said, the Supreme Court justices have "taken up their seats in a supersenate that does not exist and to which they have not been elected."

COMMEMORATION OF PUERTO RICAN CONSTITUTION DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ANNUNZIO. Mr. Speaker, 16 years ago today a concept unique in world history became a reality. On July 25, 1952, the Governor of Puerto Rico, with the approval of the Federal Government, proclaimed the establishment of the Commonwealth of Puerto Rico.

Neither a State nor an incorporated territory, Puerto Rico still reflects the dignity of a free people—its citizens, who are citizens of the United States, enjoy practically all of the privileges of statehood except that of national suffrage. In terms of democratic fulfillment, Puerto Rico occupies the highest rank ever attained by an American territory prior to admission to the sisterhood of States.

The successful performance of Puerto Rico under the administration of Munoz Marin has been a matter of great political significance to the democratic cause in recent years. Establishing forward-looking reforms of liberal purpose, the Puerto Rican leaders have accomplished something in the nature of an economic miracle, transforming the island from a poverty-stricken scene of discontent to a well-balanced, successful enterprise, socially and economically, as well as politically. Under the influence of these reforms, the Puerto Rican economy is now the best in Latin America, and the average per capita income the highest.

In addition to the contributions of President Munoz Marin, the father of Puerto Rican reform, the people of the island also are grateful for the remarkable performance of the Honorable Santiago Polanco-Abreu, their Delegate to Congress. For seldom has a Delegate without a vote accomplished so much in Washington for his constituents. The burning intensity of Senor Polanco-Abreu, his dignity and sene of honor, his logical powers, his ability to persuade, all of these attributes have rendered him one of the genuinely outstanding advocates of any cause, here within the Capital City.

I have a particularly warm and close feeling in my heart for the Puerto Rican people, for I have the privilege of representing many of them who reside in the Seventh Congressional District of Illinois. They have made valuable contributions, in the United States as well as in Puerto Rico, and I want to take this opportunity to extend my best wishes to the people of the Commonwealth of Puerto Rico for continuing peace and prosperity in the years ahead. It is certainly a pleasure to join in this salute to Puerto Rico and her people on the occasion of Puerto Rican Constitution Day.

LAS VEGAS ENTERTAINERS SEND MUSICAL CHEER TO WOUNDED

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. BARING. Mr. Speaker, I am extremely pleased to inform my colleagues that through the combined efforts of the Southwestern Radiological Health Laboratory in Las Vegas, Nev., and entertainers currently appearing in Las Vegas, our wounded servicemen aboard two U.S. hospital ships in Vietnam waters are now receiving American entertainment.

The first in this series of musical entertainment programs took place on July 12 at the Mint Hotel in downtown Las Vegas. Officials of the Mint Hotel went to great lengths to provide the necessary facilities for the taping of three outstanding acts.

Appearing on the 3-hour-long "live show in the Mint were the Five Chords, the Four Tunes, and Jim Ware and the Motives. These excellent entertainers outdid themselves in their efforts to bring joy and American music to men aboard the U.S.S. *Repose* and the U.S.S. *Sanctuary*.

I might add, Mr. Speaker, that many members of the three musical groups stayed up all night in order to speak to the wounded men via shortwave radio early Saturday morning. The entertainers cracked jokes, sent words of encouragement and wishes for a speedy trip home.

Their recorded shows have been sent by mail to the two hospital ships in the South China Sea near the shoreline of Vietnam.

All of this was brought about, Mr. Speaker, when Lee Miller, who is a ham operator employed at the Southwestern Radiological Health Laboratory, was told by several of the wounded men he had been in contact with that they would like to hear American music to counter the Communist broadcasts from radio Peiping.

Mr. Miller contacted officials at the laboratory, which houses a large radio transmitter and is one of the volunteer stations in the Department of Health, Education, and Welfare's Public Health Service Emergency Communications System, and approval was given to bring entertainment to the wounded men.

I am extremely proud of the people in my State, Nevada. Last December, a "Las Vegas Christmas Show," featuring top entertainers, visited isolated Air Force bases in the United States. Then we had "Operation Soapbar" in which some 30 tons of bar soap were shipped to South Vietnam to make life a little more bearable for its citizens. And now the latest entertainment program.

I am sure my colleagues would like to join me in giving a warm and hearty "thank you" to the Southwestern Radiological Health Laboratory, the entertainers, the businessmen in Las Vegas and the unions involved, who so graciously cooperated to cheer up the wounded aboard the U.S.S. *Repose* and U.S.S *Sanctuary*.

GUN CONTROL

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1968

Mr. DANIELS. Mr. Speaker, yesterday, I voted "aye" on final passage for H.R. 17735. I must say in all honesty that I voted as I did because I felt that even the emasculated bill was a step in the right direction, a baby step to be sure, but a step nonetheless.

The tragedy of yesterday's vote was that this was the best bill possible. Had I thought otherwise, I would have offered an amendment to recommit the bill to the Judiciary Committee with instructions to report out a really meaningful piece of legislation. Yet I know, as did all Members who went down the line for a strong bill by opposing crippling amendments and supporting those amendments which would have added substance, that there was no chance of getting better so I reluctantly cast my vote in favor.

Mr. Speaker, once again the National Rifle Association, that organization which so effectively represents the manufacturers and merchants of firearms and ammunition was the victor. It successfully mobilized its membership of 1 million and flooded the Congress with letters and telegrams. And, unhappily, despite some last-minute heroics by Col. John Glenn and his Emergency Committee on Gun Control a vocal minority prevailed as they always have in the past over the silent majority.

Mr. Speaker, I am happy to report to you that the people of the 14th Congressional District of New Jersey did their share to fight for gun control legislation.

I have never in my 10 years of service been flooded by mail as I have been in recent weeks by communications from constituents in my native Hudson County. It is with much sorrow that I have to report back to them that, in large measure, their efforts were in vain.

Once again the cause of the economic interests of those who subsidize the National Rifle Association has been put before the needs of the people. In large measure, those leaders of the NRA sitting in their multimillion-dollar palace on Scott Circle have prevailed. I cannot criticize those of my colleagues for voting to gut the proposed legislation. In my efforts in behalf of a strong bill I was supported by the overwhelming number of my constituents. In large measure I was merely reflecting the voice of the people of the 14th District. Unfortunately, there are too many areas, even in rapidly urbanizing America, where the people and the press are unaware of the fact that by sensible legislation we could cut our staggering annual rate of homicides by firearms. I cannot say that I am unusually perceptive or especially attuned to the problem. I can say, however, that my constituents are. I hope that their wisdom spreads from the banks of the Hudson all across this nation, from the coast of California to the stern and rock bound coast of New England, from the blue sky country of the Rockies down into the Sunshine State of Florida. This problem is not going to go away. And if I am privileged to serve again in this House, I know that this debate will be rekindled. I only ask how many great Americans and how many small Americans have to be sacrificed before this House will take action?

Mr. Speaker, I hope that somewhere between this House and the other body agreement can be reached on a piece of legislation which will start us toward legislation to put us on an equal basis with other civilized nations who have managed to control the unrestrained use of firearms. The recently concluded debate shows we have far to go.

RURAL GUARANTEED ANNUAL INCOME

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. MADDEN. Mr. Speaker, on Saturday, July 20, the Senate passed a 4-year extension of the Agricultural Act of 1965. This seems incredible in light of the facts with regard to the operation of this program.

In essence, the Senate has committed the U.S. Treasury for upwards of $12 billion through 1973. During the past few weeks I have pointed out over and over again the tremendous cost of this program and the failure of the program to improve farm income.

I am for improving farm income, but I say again to my colleagues, this is legislation for the rural "fat cats."

This legislation will be before the House next week. I think that my colleagues ought to thoroughly understand the situation that we are faced with. If we pass a 1-year extension of this financial "boondoggle" then we will be faced, within a very short time, with a conference report extending this farm dole monstrosity for 2, 3, or 4 years.

From time to time I have called to the attention of the House certain facts with regard to the operation of the Agricultural Act of 1965. All of these facts are taken from the official hearing record of the Committee on Appropriations of the Senate. Each time I look at this document I become more and more amazed.

I would like to call to the attention of the House the names and addresses of those farmers who received $100,000 or more in 1967. At a later time I will insert those receiving from $50,000 to $100,000. That list is almost twice as long as this "real fat cat list."

If the House extends the Agricultural Act of 1965 it will be one of the shameful deeds done by this 90th Congress.

The above-mentioned follows:

1967 TOTAL PAYMENTS OF $1,000,000 AND OVER UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)

State and name	Address	County	Amount
CALIFORNIA			
Rancho San Antonio	Post Office Box C, Gila Bend, Ariz.	Fresno	$2,863,668
J. G. Boswell Co	Box 128, Litchfield Park, Ariz	Kings	4,091,818
South Lake Farms	Post Office Box 307, Five Points	do	1,304,093
FLORIDA			
U.S. Sugar Corp	Drawer 1207, Clewiston	Hendry	1,275,687
HAWAII			
Hawaiian Commercial and Sugar Co.	Box 3440, Honolulu		1,353,770

1967 TOTAL PAYMENTS OF $500,000 TO $999,999 UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)

State and name	Address	County	Amount
ARIZONA			
Farmers Investment Co	Box 128, Aguila	Maricopa	$554,817
ARKANSAS			
Lee Wilson & Co	Wilson	South Mississippi.	619,489
CALIFORNIA			
Acco Seed	Drawer R, Leoti, Kans	Fresno	814,714
Mount Whitney Farms	Post office Box 247, Five Points	do	591,980
Kern County Land Co	Box 380, Bakersfield	Kern	838,130
S. A. Camp Farms Co	Bin D, Shafter	do	517,285
Salyer Land Co	Post office Box 488, Corcoran	Kings	789,910
FLORIDA			
Southern Puerto Rico Sugar Co.	R.F.D. 1, Box 142, Fellsmere	Palm Beach	610,923
HAWAII			
Kohala Sugar Co	Box 2990, Honolulu		800,718
Waialua Agricultural Co., Ltd.	do		600,477
Oahu Sugar Co	Box 3230, Honolulu		571,453
Lihu Plantation Co., Ltd	do		539,570
Pioneer Mill Co	do		500,296
MISSISSIPPI			
Delta & Pine Land Co	Scott	Bolivar	653,252
MONTANA			
State of Montana	Department of State Lands, Helena.	Daniels	553,358

1967 TOTAL PAYMENTS OF $100,000 TO $499,999 UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)

State and name	Address	County	Amount
ALABAMA			
Joe I. McHugh	Box 17, Orrville	Dallas	$103,870
Edward F. Mauldin	Leighton	Lawrence	165,003
ARIZONA			
Youngker Farms	Box 398, Buckeye	Maricopa	327,523
Goodyear Farms	Litchfield Park	do	270,705
Community Gin	Post Office Box 7446, Phoenix	do	233,231
Harris Cattle Co	Box 456, Chandler	do	165,272
Belluzzi Farms, Inc	Box 223, Avondale	do	160,883
David A. Shumway	Route, 1 Box 19, Queen Creek	do	157,063
Waddell Ranch Co	Waddell	do	154,878
Leyton Woolf	4419 West Royal Palms Road, Glendale.	do	154,650
F. C. Layton	Box 640, Thatcher	do	152,784
Ed Ambrose	Route 1, Box 118-B, Buckeye	do	141,086
Abel Bros	Route 1, Box 75, Tolleson	do	140,458
Martori Bros	Post Office Box 878, Glendale	do	128,479
H L. Anderson	Route 1, Box 515, Peoria	do	127,363
Vans Farms	Post Office Box 48, Palo Verde	do	124,274
J. L. Hodges Farming Co	Post Office Box 68, Buckeye	do	121,864
Morrison Bros	Route 1, Box 13, Higley	do	119,011
Roscoe & Allen	Route 1, Box 1046, Scottsdale	do	114,086
Fridenmaker Farms	223 South 4th St., Phoenix	do	113,504
Southmountain Farms, Inc	Route 1, Box 705, Laveen	do	110,298
Hardesty Bros	1013 Narramore, Buckeye	do	102,247
Bill Hilburn	Box 236, Bowie	Cochise	141,351
BKW Farms, Inc	Box 186, Marana	Pima	321,126
John Kai	Box 428, Marana	do	175,601
John J. & Ola V. Lord	Post Office Box 5761, Tucson	do	112,025
Argee Farms, Inc	105 North Camino, Miramonte, Tucson.	do	108,098
C. & V. Sheep & Cattle Co., Inc	Box 368, Maricopa	Pinal	463,003
Hamilton Farms	Route 1, Box 325, Eloy	do	435,531
Red River Land Co	Box 566, Stanfield	do	416,606
Kirby Hughes	Marana	do	388,259
John D. Singh	Box DD, Casa Grande	do	350,552
AK Chin Enterprises	Box 22, Maricopa	do	327,122
Bogle Farms, Inc	Dexter, N. Mex	do	317,782
Pima Community Farms	Sacaton	do	260,072
Arizona Farming Co	Box 907, Eloy	do	231,805
Coury Bros	Route 1, Box 87, Queen Creek	do	208,378
L-4 Ranches	Queen Creek	do	207,575
W. T. Golston Farms	Box 698, Stanfield	do	182,033
J. A. Roberts	Route 1, Box 207, Casa Grande	do	174,651
Talla Farms, Inc	Box 668, Stanfield	do	172,128
Imperial Valley Cattle Co	Box 148, Arizona City	do	169,392
Thunderbird Farms	Box 1984, Phoenix	do	162,931
Isom & Isom	110-C East Florence Boulevard, Casa Grande.	do	152,682

1967 TOTAL PAYMENTS OF $100,000 TO $499,999 UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)—Continued

State and name	Address	County	Amount
Rancho Tierra Prieta	Box 938, Eloy	Pinal	$147,478
Milton P. Smith, Jr	Route 1, Box 85, Maricopa	do	137,536
Peter J. Robertson	Box 578, Coolidge	do	127,959
Paul Brophy	Box 528, Casa Grande	do	125,560
McFarland & Hanson Ranches.	Box 1497, Coolidge	do	121,513
McCarthy Hilderbrand Farms.	Route 1, Box 246-A, Eloy	do	118,455
Empire Farms	Route 1, Box 326, Elroy	do	109,184
Anderson Bros	Drawer KK, Casa Grande	do	108,641
Santa Cruz Farms, Inc	Box 998, Elroy	do	107,378
L. Z. Farms, Inc	900 North Brown, Casa Grande	do	105,672
Barkley Co. of Arizona	Rural Route 1, Box 73, Somerton	Yuma	375,818
C. M. S. Farming Co	801 North First Ave., Phoenix	do	304,676
J. W. Olberg	Post Office Box 1710, Yuma	do	250,020
Bruce Church, Inc	Post Office Box 1009, Yuma	do	241,689
Ben Simmons	Post Office Box 744, Parker	do	185,740
Cold River Trading Co	Post Office Box T, Parker	do	175,694
Jones Ranches, Inc	404 1st St., Eloy	do	135,583
Earl Hughes	Post Office Box 218, Gadsden	do	106,597
Ed Hall	Box Y, Bouse	do	105,759
Woods Co	Post Office Box 1294, Yuma	do	104,879
ARKANSAS			
Kuhn Rieves Clarke Moore & Hop.	Marion	Crittenden	247,421
Bond Pltg. Co	Box 446, Clarkedale	do	127,868
Carlson Bros	Rural route 1, Box 568, Marion	do	126,465
J. F. Twist Plantation	Twist	do	108,097
Alpe Bros	Crawfordsville	do	102,223
A. & M. Co	E. D. McKnight Ptr., Parkin	Cross	116,334
R. A. Pickens & Son Co	Pickens	Desha	244,265
Stimson Veneer & Lumber Trust.	Dumas	do	105,458
Cornerstone Farm & Gin Co	Box 7008, Pine Bluff	Jefferson	125,893
Sweet Bros	Widener	Lee	107,694
Arkansas Board of Penal Institution.	Box 500, Grady	Lincoln	177,207
Howe Lumber Co., Inc	Wabash	Phillips	296,864
Brooks Griffin	Elaine	do	162,914
Highland Lake Farm	46 Waverly Wood, Helena	do	141,657
Alexander Farms Inc	do	do	111,402
E. Ritter & Co	Marked Tree	Poinsett	198,759
Dan Portis	Lepanto	do	138,205
Wesson Farms, Inc	Victoria	Mississippi	206,354
Amorel Planting Co	Amorel	do	167,232
J. A. Crosthwait	Box 351, Osceola	do	144,160
Rufus C. Branch	Joiner	do	130,991
C. J. Lowrance & Sons	Driver	do	101,657
J. G. Adams & Son	Hughes	St. Francis	124,702
Miller Lumber Co	Marianna	do	113,307
CALIFORNIA			
Boston Ranch Co	Star Route 2, Box 100, Lemoore	Fresno	458,020
Jack Harris, Inc	Box 248, Five Points	do	414,970
Air Way Farms, Inc	Equitable Building, Room 614, Fresno.	do	329,228
Savage Tivy Valley Ranch	222 West Shaw, Fresno	do	256,147
Timco	5720 South Washoe, Mendota	do	230,969
McCarthy & Hildebrand	Box 1, Burrel	do	228,215
Coit Ranch, Inc	2578 South Lyon, Mendota	do	214,976
Schramm Ranches, Inc	Box 487, San Joaquin	do	207,605
M. J. & R. S. Allen	Post Office Box 925, Coalinga	do	195,942
Raymond Thomas, Inc	25810 Avenue 11, Madera	do	194,343
W. J. Deal	Box 427, Mendota	do	192,803
Sullivan & Gragnani	Box 128 A, Tranquillity	do	191,109
Redfern Ranches, Inc	Box 305, Dos Palos	do	173,255
J.E.O. Neill, Inc	Post Office Box 2114, Fresno	do	154,382
Britz Chemical Co	Post Office Box 366, Five Points	do	151,190
Desert Ranch	47375 West Dakota, Firebaugh	do	147,399
V.C. Britton	Post Office Box 397, Firebaugh	do	145,758
Pilibos Bros., Inc	2141 Tuolumne, Fresno	do	133,805
Telles Ranch, Inc	46031 West Nees, Firebaugh	do	131,249
Wood Ranches	Post Office Box 247, Lemoore	do	131,055
Hammonds Ranch, Inc	47375 West Dakota, Firebaugh	do	127,774
Sumner Peck Ranch, Inc	Post Office Box 507, Mendota	do	127,389
Linneman Ranches, Inc	Post Office Box 156, Dos Palos	do	120,713
Wm. Erickson	5250 West Jefferson, Fresno	do	119,296
Weeth Ranches, Inc	Box 924, Coalinga	do	116,930
Giusti Farms	Suite 904, 2220 Tulare, Fresno	do	113,768
O'Neill Farms, Inc	Post Office Box 5, Huron	do	109,670
Rabb Bros	Box 736, San Joaquin	do	101,046
Deavenport Ranches, Inc	910 East Swift, Fresno	do	100,301
H. B. Murphy Co	Post Office Box 74, Brawley	Imperial	442,327
Elmore Co	Post Office Box 119, Brawley	do	359,740
Jack Elmore	Box 156, Brawley	do	299,888
Sinclair Ranches	Box 234, Calipatria	do	208,972
Russell Bros. Ranches, Inc	Box 275, Calipatria	do	206,916
W. E. Young and W. E. Young, Jr.	Box 267, Calipatria	do	198,852
Irvine Co	1567 Elm, El Centra	do	179,695
Stafford Hannon	Post Office Box 1141, Brawley	do	169,070
J. H. Benson Estate	Box 239, Brawley	do	166,795
Donald H. Cox	560 North 8th, Brawley	do	161,504
Stephen H. Elmore	Post Office Box 54, Brawley	do	159,728
C. T. Dearborn	Post Office Box 6055, Calipatria	do	159,472
Neil Fifield Co	Route 2, Box 26, Brawley	do	144,715
Antone Borchard Co	200 Andrita Pl., Brawley	do	140,010
Donald K. Donley	2454 5th St., Yuma, Ariz	do	134,506
Adamek & Dessert	Post Office Box 787, Seeley	do	125,485
Griset Bros	2324 Oakmont Ave., Santa Ana	do	121,243
Fifield Land Co	Route 2, Box 26, Brawley	do	115,460
Raymond O'Connel & Son	Route 1, Box 73, Brawley	do	110,565
Williams & Quick	Box 217, Calipatria	do	107,433
Gerald R. Elmore	Post Office Box 603, Calipatria	do	105,114
Jack Bros. & McBurney, Inc	Post Office Box 116, Brawley	Imperial	$104,860
Hugh Hudson Ranches	Post Office Box 201, Calipatria	do	102,887
George B. Willoughby	Box 860, El Centro	do	102,168
Chas. Vonderahe	6136 Rockhurst Dr., San Diego	do	101,991
California Sturges Ginning Co.	Box 409, Yuma, Ariz	do	101,674
Dixie Ranches	Post Office Box 585, El Centro	do	101,299
Guimarra Vineyard Corp	Box 1969, Bakersfield	Kern	278,721
W. B. Camp & Sons	Post Office Box 2028, Bakersfield	do	238,816
B. V. Farms and Miller & Lux.	550 Kearney, San Francisco	do	237,271
Houchin Bros. Farming	Box 493, Buttonwillow	do	228,240
C. J. Vignolo	Box 1268, Shafter	do	201,321
Mazzie Farms	Box 698, Arvin	do	186,259
Palm Farms Inc	4016 Stockdale Highway, Bakersfield.	do	180,490
D. M. Bryant, Jr	Box 540, Pond	do	177,597
M & R Sheep Co. Trust	Post Office Box 96, Oildale	do	175,597
Reynold M. Mettler	Post Office Box 473, Bakersfield	do	149,311
McKittrick Ranch	1921 Bradford, Bakersfield	do	138,028
M & I Farms	Post Office Box 700, Delano	do	134,195
Bidart Bros	Rural Route 1, Box 860, Bakersfield.	do	131,147
Ridgeside Farms	Bakersfield Savings & Loan Bldg., Bakersfield.	do	126,321
Kern Valley Farms	Box 184, Arvin	do	123,809
Em H. Mettler & Sons	Box 1298, Shafter	do	122,718
Cattani Bros	Rural Route 6, Box 215, Bakersfield.	do	120,482
Tejon Ranch Co	Post Office Box 1560, Bakersfield	do	115,802
Wheeler Farms	Rural Route 1, Box 860, Bakersfield.	do	113,969
Milham Farms	Post Office Box 976, Bakersfield	do	110,633
Willis & Kurtz	Rural Route 6, Box 522R, Bakersfield.	do	106,596
Twin Farms	Rural Route 1, Box 91, Buttonwillow.	do	105,865
Rossi Bros	Rural Route Box 470, Bakersfield	do	103,875
Coberly-West Co	626 Wilshire Blvd., Los Angeles	do	103,041
Marvin Lane	564 Central Ave., Shafter	do	102,678
Westlake Farms	23311 Newton Ave., Stratford	Kings	363,652
Vernon L. Thomas, Inc	Post Office Box 8, Huron	do	305,653
Gilkey Farms, Inc	Post Office Box 426, Corcoran	do	274,314
West Haven Farming Co	24487 Road 140, Tulare	do	180,003
J. G. Stone Land Co	Box 146, Stratford	do	170,554
Borba Bros	5521 22d Ave., Riverdale	do	156,870
R. A. Rowan Co	458 South Spring St., Los Angeles	do	155,424
Kern River Delta Farms	Post Office Drawer D, Wasco	do	136,668
Boyett Farming	Post Office Box 386, Corcoran	do	117,331
Wesley Hansen	Post Office Box 995, Corcoran	do	111,401
Hadley Yocum	9256 Kansas Ave., Hanford	do	107,184
Newhall Land & Farming	5002 El Nido Rd. El Nido	Madera	181,684
Schuh Bros	377 Circle Dr., Chowchilla	do	112,350
Red Top Ranch	Post Office Box 1, Red Top	do	100,374
Wolfsen Land & Cattle	Box 311, Los Banos	Merced	213,930
Sam Hamburg Farms	Post Office Box 547, Los Bancos	do	180,954
Bowles Farming Co	11609 Hereford, Los Bancos	do	126,049
San Juan Ranching Co	Route 1, Box 171B, Dos Palos	do	108,462
Wilco Produce Co	Post Office Box 162, Blythe	Riverside	359,261
Riverview Farm & Cattle Co	Route 1, Box 161, Blythe	do	305,900
John Norton Farms	Post Office Box 1000, Blythe	do	160,985
Clarence Robinson	Post Office Box 1064, Blythe	do	158,685
Kennedy Bros	Post Office Box 275, Indio	do	132,173
C. J. Shannon & Sons	24487 Road 140, Tulare	Tulare	257,931
Nichols Farms, Inc	13762 1st Ave., Hanford	do	140,341
Roberts Farms, Inc	15366 Road 192, Porterville	do	124,913
Roy D. Murray	Route 1, Box 3, Earlimart	do	116,962
G. L. Pratt	31599 Road 132, Visalia	do	113,921
A. E. Panetta Farms	12771 Road 112, Tipton	do	105,586
E. W. Merrit Estate	11188 Road 192, Porterville	do	102,289
COLORADO			
J. Baughman Trust	Box 1178, Liberal, Kans	Kit Carson	280,429
FLORIDA			
Talisman Sugar Corp	Box 814, Belle Glade	Palm Beach	419,178
Florida Sugar Corp	Box 1001, Belle Blade	do	212,454
A. Duda & Sons	Ovieda	do	158,080
715 Farms, Ltd	Box D, Pahokee	do	131,484
New Hope Sugar Co	314 Royal Poin, Palm Beach	do	120,956
Closter Farms, Inc	Box 698, Belle Glade	do	116,890
S. N. Knight Sons, Inc	Box 7, Belle Glade	do	110,784
HAWAII			
EWA Plantation Co	Box 2990, Honolulu		486,233
Kekaha Sugar Co., Ltd	Box 3230, Honolulu		430,061
Mauna Kea Sugar Co., Inc	Post Office Box 3470, Honolulu		392,900
Grove Farm Co., Inc	Puhi Rural Station, Lihue		373,325
Pepeekeo Sugar Co	Post Office Box 3470, Honolulu		347,042
McBryde Sugar Co., Ltd	Box 3440, Honolulu		330,736
Puna Sugar Co., Ltd	Box 3230, Honolulu		321,637
Honokaa Sugar Co	Box 3020, Honolulu		320,735
Laupahoehoe Sugar Co	Box 3020, Honolulu		315,779
Hutchinson Sugar Co., Ltd	Post Office Box 3470, Honolulu		312,231
Olokele Sugar Co., Ltd	Post Office Box 3470, Honolulu		310,577
Wailuku Sugar Co	Post Office Box 3470, Honolulu		309,913
Hamakua Mill Co	Box 3020, Honolulu		281,880
Kahuku Plantation Co	Box 3440, Honolulu		222,457
Paauhau Sugar Co., Ltd	Post Office Box 3470, Honolulu		194,412
Gay and Robinson	Makaweli		184,559
Kilauea Sugar Co., Ltd	Post Office Box 3470, Honolulu		181,540

1967 TOTAL PAYMENTS OF $100,000 TO $499,999 UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)—Continued

State and name	Address	County	Amount
IOWA			
Charles Lakin	Emerson	Sac	$107, 136
LOUISIANA			
Scopena Planatation	Rural route 1, Bossier City	Bossier	127, 927
George Yarbrough	England	Catahoula	154, 031
J. P. Brown	Box 329, Lake Providence	E. Carroll	177, 993
Deltic Farm & Timber Co., Inc.	El Dorado	do	112, 600
Hollybrook Land Co., Inc	Lake Providence	do	111, 175
Barham, Inc	c/o Joe Barham, Oak Ridge	Morehouse	115, 880
J. H. Williams	Route 1, Box 211, Natchitoches	Natchitoches	163, 749
Sterling Sugars, Inc	Post Office Box 572, Franklin	St. Mary	110, 876
Southcoast Corp	Rural Route 1, Napoleonville	Terrebonne	280, 780
Southdown, Inc	Box 52378, New Orleans	do	185, 662
MISSISSIPPI			
Robbins & Long	Rosedale	Bolivar	155, 989
Dan Seligman	Shaw	do	149, 547
Allen Gray Est	Walt. Bosecker, Agent, Mount Carmel, Ill.	do	136, 939
Brooks Cotton Co	Shelby	do	116, 559
J. A. Howarth, Jr	Route 2, Cleveland	do	113, 403
J. G. Gourlay	Rosedale	do	110, 476
McMurchy Farms	Box 181, Duncan	do	101, 739
John B. McKee, Jr	Friars Point	Coahoma	256, 363
Roy Flowers	Mattson	do	210, 832
Kline Planting Co	Alligator	do	150, 434
Roundaway Planting Co	do	do	147, 540
Oakhurst Co	Box 335, Clarksdale	do	124, 816
J. H. Sherard & Son	Sherard	do	121, 018
Garrett & Son	Rural Rou'e 2, Clarksdale	do	118, 002
King & Anderson Inc	Post Office Box 745, Clarksdale	do	115, 441
Fred Tavaleli & Sons	1101 West 2d, Clarksdale	do	114, 569
R. W. Jones & Sons, Inc	Lula	do	109, 583
P. L. Sanders	Walls	De Soto	195, 934
Banks & Co	Hernando	do	123, 064
Howard & Blythe Planting	Lake Cormorant	do	113, 232
Egypt Planting Co	Cruger	Holmes	113, 696
Stonewall Planting Co	Post Office Box 11, Thornton	do	101, 494
J. E. Cunningham, Jr	Tchula	do	101, 487
Blanche R. Slough	Care of T. L. Reed III, Belzoni	Humphreys	140, 477
B. W. Smith Planting Co	Louise	do	133, 764
James E. Coleman	Rural Route 4, Yazoo City	do	115, 510
C. B. Box Co	Midnight	do	108, 145
Gordon & Partridge	Louise	do	103, 303
Nerren Bros	Isola	do	102, 184
W. T. Touchberry	Glen Allan	Issaquena	134, 043
Buckhorn Planting Co	Rural Route 2, Greenwood	Leflore	203, 193
Wildwood Plantation	Rural Route 3, Greenwood	do	156, 518
West, Inc	Box 274, Tchula	do	149, 414
Four Fifths Plantation	Rural Route 3, Greenwood	do	142, 798
Brown Farm	Schlater	do	129, 829
O. F. Bledsoe Plantation	Rural Route 3, Greenwood	do	116, 157
Race Track Plantation	do	do	106, 528
Annapeg, Inc	Care of Rufus Stainback, Minter City.	do	105, 920
L. W. Wade Farms, Inc	Box 1136, Greenwood	do	104, 140
W. H. & J. C. Morgan	Morgan City	do	103, 748
Roebuck Plantation	Sidon	do	103, 508
New Hope Plantation	411 Barton St., Greenwood	do	102, 237
J. W. Patrick	Post Office Box 163, Canton	Madison	107, 709
Yandell Bros	Vance	Quitman	167, 068
Self & Co	Marks	do	122, 563
John B. Ford	Darling	do	101, 396
Pantherburn Co	Pantherburn	Sharkey	212, 303
Cameta Plantation, Inc	Anguilla	do	125, 287
Hagan & Bruton	Hollandale	do	116, 990
Murphy Jones	Nitta Yuma	do	116, 930
H. G. Carpenter	Rolling Fork	do	108, 704
Duncan Farms, Inc	Inverness	Sunflower	161, 615
Eastland Plantation Inc	Doddsville	do	157, 930
Brooks Farms	Drew	do	123, 598
William M. Pitts	Indianola	do	119, 032
Topanga Caine Farm	Lake Cormorant	do	111, 851
R. D. Mallette	Box 578, Indianola	do	108, 554
Lipe Farms, Inc	Care of George Lipe, Indianola	do	102, 197
Billups Plantation, Inc	Indianola	do	101, 040
W. D. Patterson	Rome	do	100, 759
M. T. Hardy	Webb	Tallahatchie	168, 425
Mike P. Sturdivant	Glendora	do	122, 640
Hoparka Plantation	Care of F. M. Mitchener, Sumner	do	101, 196
B. F. Harbert	Robinsonville	Tunica	131, 791
Richard Watson	Tunica	do	124, 528
U. O. Bibb, Jr	Box 122, Tunica	do	106, 243
Paul Battle, Jr	Box 232, Tunica	do	105, 687
Abbay & Leatherman, Inc	Robinsonville	do	105, 165
Potter Bros., Inc	Box 349, Arcola	Washington	257, 169
Live Oak Plantation	Arcola	do	248, 996
H. K. Hammett & Sons	Box 512, Greenville	do	155, 564
Trail Lake Plantation	Tralake	do	151, 175
Torrey Wood & Son	Hollandale	do	136, 531
R. A. Ingram	Leland	do	127, 189
Holly Ridge Planting Co	Holly Ridge	do	122, 286
Baker Planting Co	Box 387, Leland	do	111, 009
I. D. Nunnery	Arcola	do	110, 728
Walker Farms, Inc	Care of George R. Walker, Stoneville.	do	108, 627
J. C. Sides & Sons	Coffeeville	Yalobusha	114, 015
E. T. Jordan & Sons	Rural route 4, Yazoo City	Yazoo	117, 089
Lakeview Planting Co	do	do	115, 800
MISSISSIPPI—Continued			
H. S. Swayze	Route 2, Benton	Yazoo	$106, 379
Harrison Evans	Shuqualak	Noxubee	192, 072
MISSOURI			
E. P. Coleman, Jr	Sikeston	Scott	103, 271
MONTANA			
Campbell Farming	Hardin Mount	Big Horn	166, 336
NEVADA			
Walter J. Williams	1223 Park Circle, Las Vegas	Nye	105, 271
NEW MEXICO			
Emma G. Lawrence	Hobbs	Lea	135, 869
Jerry Lynn Hilburn	Box 1561 Columbus	Luna	101, 724
NORTH CAROLINA			
McNair Farms, Inc	T. J. Harris, Rural Route 3. Red Springs.	Robeson	297, 570
Southern National Bank	Lumberton	do	148, 343
PUERTO RICO			
Luce & Co	Box 1972, Aguire	do	471, 952
Antonio Roig Sucrs S. En C	Box 487, Humacao	do	366, 033
C. Brewer Puerto Rico Co	Box 877, Caguas	do	289, 140
Sucn J. Serralles	Box A, Mercedita	do	250, 121
A. Martinez, Jr., trustee	Box 215, Aguadilla	do	135, 595
SOUTH CAROLINA			
Lawrence E. Pence	Ro,te 1, Box 93, McColl	Marlboro	107, 515
W. R. Mayes	Mayesville	Sumter	188, 812
TENNESSEE			
Riggan Planting Co	Box 978, West Memphis Ark	Shelby	105, 309
TEXAS			
Three Way Land Co	Dekalb	Bowie	156, 052
H. H. Moore & Sons	Box 7, Navasota	Brazos	302, 799
Tom J. Moore	Navasota	do	292, 555
Est. Geo. C. Chance	307 South Main, Bryan	Burleson	141, 422
Porter & Wentz, Inc	Post Office Box 870, Brownsville	Cameron	143, 778
Oscar Mayfield & Sons	Taft	do	128, 135
Martha M. Russell	Route 3, Box 21, San Benito	do	121, 962
John A. Abbott	Route 2, Harlingen	do	116, 966
Hill Farms	Hart	Castro	122, 528
J. K. Griffith	Route 2, Morton	Cochran	306, 149
John A. Wheeler	Route 1, Lorenzo	do	168, 547
F. O. Masten	Route 2, Sudan	do	108, 308
Leslie Mitchell	Box 848, Crosbyton	Crosby	109, 899
Bill Weaver	502 South Houston, Lamesa	Dawson	158, 636
Delmar Durrett	Box 1081, Amarillo	Deaf Smith	129, 768
Taft McGee	Box 69, Hereford	do	119, 143
Lee Moor Farms	Clint	El Paso	102, 474
Basil Abate	Box 99, Bremond	Falls	117, 558
Marble Brothers	Box 91, South Plains	Floyd	117, 251
Texas Department of Corrections.	Central Farm 502, Sugarland	Fort Bend	335, 777
Ercell Givens	Box 817, Abernathy	Hale	163, 150
Rio Farms, Inc	Edcouch	Hidalgo	128, 515
Helen Engelman Stegle	Box 307, Elsa	do	128, 312
Krenmueller Farms	Route 1, Box 77, San Juan	do	127, 411
Shary Farms, Inc	Box 433, Mission	do	125, 711
Lloyd M. Bentsen	Post Office Box 593, Mission	do	108, 904
J. W. Wallace & Sons	Box 929, Edinburg	do	107, 234
R. T. Hoover Farms	Box 816, Fabens	Hudspeth	202, 222
W. E. Armstrong	Route 2, Box 18, Lubbock	Lubbock	105, 419
Dixie Farms	Satartia, Miss	Maverick	174, 707
Coyanosa Farms	Box 235, Coyanosa	Pecos	206, 847
Belding Farms, Inc	Route 1, Beld Farm, Fort Stockton.	do	150, 117
C & C Farms	Box 1387, Fort Stockton	do	124, 086
Marshall C. Rudder	Box 394, Fort Stockton	do	122, 368
Elvin Crow	Box 1130, Pecos	do	108, 857
Kesey Bros	Box 1368, Pecos	Reeves	193, 844
Worsham Bros	Box 1411, Pecos	do	189, 497
Kenneth Lindemann	Box 1947, Pecos	do	172, 042
Clark & Roberts	1927 Jackson, Pecos	do	167, 093
Smallwood Farms	Box 1507, Pecos	do	129, 492
Trans-Pecos Dairy	Box 1383, Pecos	do	125, 170
W. W. Hill	2203 Johnson, Pecos	do	123, 867
Mi Vida Farms, Inc	Box 1210, Pecos	do	111, 223
Joe Lee McMahon	Box 68, Verhalen	do	109, 711
Reetex Farms	Box 741, Pecos	do	108, 285
W. T. Lattner & Son	2114 Johnson, Pecos	do	102, 220
John W. Nigliazzo	Box 786, Hearne	Robertson	108, 219
F. H. Vahlsing, Inc	Care of R. O. Burns, manager, Elsa.	San Patricio	163, 838
Charles Roos III	Box 501, Rio Grande City	Starr	101, 403
Warner Reid	Box 694, Tulia	Swisher	128, 198
W. T. Waggoner Trust Est	Box 2130, Vernon	Wilbarger	143, 702
Sebastian Cotton & Grain Corp.	Box 104, Sebastian	Willacy	149, 811
Norment Foley	801 North Cherry St., Uvalde	Zavala	121, 132
WASHINGTON			
Broughton Land Co	Post Office Box 27, Dayton	Columbia	122, 730
Department of Natural Resource.	Box 7, Ephrata	Whitman	166, 396

NEW ALLIANCE IN VIETNAM

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ROSENTHAL. Mr. Speaker, many who felt some hope for peace in Vietnam when the Paris peace talks began have become quite disillusioned with those meetings. President Johnson reiterated this week his determination to force a military solution to our difficulties in Vietnam. He repeatedly has refused to stop all bombing, even though such a step, in the opinion of United Nations Secretary-General U Thant and others, might lead to successful peace negotiations.

Last week, Sanford Gottlieb, executive director of the National Committee for a Sane Nuclear Policy—SANE—and Rodney Shaw, program director for the Division of World Peace of the United Methodist Church, returned from Paris and Prague, where they spoke to representatives of the National Liberation Front and Hanoi, Vietnamese exiles, and foreign journalists.

On the basis of these talks, Gottlieb and Shaw came to several conclusions, the most interesting of which concerns the newly formed Alliance of National, Democratic, and Peace Forces, which they foresee as playing a vital role. Because I think that the findings of Gottlieb and Shaw on this and other similar matters are of importance, I am including their article in the RECORD.

In addition, I am including an article published in the August 1968 edition of SANE World, in which Mr. Gottlieb goes into greater detail about his views on the Vietnam situation.

The articles follow:

SUMMARY OF CONCLUSIONS: VISIT TO REPRESENTATIVES OF NORTH VIETNAM AND THE NATIONAL LIBERATION FRONT OF SOUTH VIETNAM, PRAGUE, AND PARIS, JULY 11–17, 1968

(By Sanford Gottlieb, executive director, National Committee for a Sane Nuclear Policy; and Rodney Shaw, program director, Division of World Peace, the United Methodist Church)

During a joint visit to Prague and Paris on behalf of our representative organizations, we were able to exchange views at length with the following individuals: Le Quang Chanh, Central Committee member, NLF; Phem Van Chuong, Press Attache, NLF Mission in Prague; Nguyen Thanh Le, official spokesman of North Vietnam at Paris talks; Tran Cong Tuong, General Secretary of Association of Vietnamese Lawyers and Vice Chairman of the Supreme Court of North Vietnam; Xuan Oanh, Secretary of the North Vietnam Committee of Solidarity with the American People; officials of the governments of the United States and France; Vietnamese exiles in Paris; journalists and others with current contacts in North and South Vietnam.

On the basis of these talks, we have arrived at the following conclusions:

1. *The establishment of the Alliance of National, Democratic and Peace Forces of Vietnam represents a serious effort by Hanoi and the NLF to open a political dialogue.*

According to the communique of its founding conference, the Alliance was created on April 20–21 at a meeting near Saigon. The individual leaders whose names have been released are professionals, businessmen, intellectuals and one clergyman. All are city dwellers. With one possible exception, they are not known to have previous involvement or connections with the NLF.

Nevertheless, we assume that the creation of the Alliance was stimulated by the NLF and North Vietnam. The program of the Alliance closely parallels that of the Front. The Alliance and the NLF have publicly stated that they support each other. Various spokesmen for Hanoi and the NLF have stressed the importance of the Alliance.

Rather than attempt to measure the degree of control over the Alliance by the Front and Hanoi, however, we believe it is more illuminating to analyze the *motivation* behind the establishment of the Alliance. The NLF is largely a Communist-led, nationalist peasant movement without a large urban base. The Front recognizes the political problems which it faces in gaining recognition under the present circumstances. The Alliance, in theory at least, provides the first political framework for bourgeois nationalists who want to operate independently of the NLF in opposition to a U.S. military presence in South Vietnam. The relatively privileged members of South Vietnamese society in the Alliance are potentially more effective in communicating with other middle-class leaders than would be the tough guerrilla leaders of the NLF.

Knowledgeable non-Communists with whom we have spoken believe the basic role of the Alliance is to help open a political dialogue in South Vietnam which can eventually bridge the large chasm now separating the Front from the Saigon government.

This impression is enhanced by the Hanoi Foreign Ministry's statement of July 18 which omitted the oft-repeated demand that the future of South Vietnam "must" be settled "in accordance with" the program of the NLF. In our view, Hanoi's latest move is further evidence that the Alliance is being given greater importance as a means of preparing for a meaningful exchange with non-Communist South Vietnamese.

2. *The United States should encourage a positive response to the Alliance.*

If there is to be a political settlement in South Vietnam, it will have to be worked out by representative South Vietnamese factions. At present, however, there is no political process by which this can be done. There is only an extreme left and an extreme right which compete militarily, each supported by its own allies. If the Alliance is seen as an effort to build a more moderate left, there needs to be established in Saigon a more moderate right.

Despite some movement in this direction in recent months, the overall record is dismal. A Saigon military tribunal has condemned the leaders of the Alliance to death. Dr. Dan was recently discharged from his Cabinet post for suggesting negotiations with the NLF. A censor has been arrested for allowing a student newspaper to publish an editorial encouraging negotiations with the NLF. Fear and repression continue.

If the United States truly seeks a political settlement, it must persuade the Saigon government to end the repression, establish basic political freedoms, and permit those genuine nationalists who favor neither the NLF nor the Thieu regime to discuss openly their country's future. It is not for us to suggest to the Administration how this should be done. It is for us simply to observe that the problem is a matter of will.

3. *The United States needs to define its basic goals in Vietnam.*

It is our impression from our conversations that the Administration remains divided between those who still believe that South Vietnam can be converted into a separate, American-oriented state and those who would accept Vietnamese solutions to Vietnamese problems within a framework of neutrality. The first group tends to rely heavily on the use of military force, the second on political solutions. The first group tends to interpret any reduction of NLF and North Vietnamese military activity as a sign of weakness, the second as a deliberate act intended to improve the climate for negotiations.

Since the adversaries of the Saigon regime and the United States are fighting for what they consider an end to American domination in South Vietnam, there can be no negotiations which reach an acceptable political settlement until the Administration firmly and unequivocally acts on the principle of self-determination.

4. *The war will not end until the United States ends the bombing of North Vietnam and removes the obstacles to a Vietnamese solution.*

There is a great deal of misunderstanding in the United States about the Paris talks. The public at large has the impression that the war is ending because it feels that peace negotiations are now being conducted. In reality, the current phase of the Paris talks has been largely limited to discussions of how to end *all* of the bombing of North Vietnam. Only after a complete halt is achieved will substantive political questions be discussed.

We have the impression from speaking with the North Vietnamese that they will not compromise on this issue, which they interpret as a matter of principle. They reject the notion of military reciprocity because they see the bombings as an attack on their sovereignty, when they are not attacking the sovereignty of the United States. There have nevertheless been a number of indirect hints that the end of the siege against Khe Sanh and of the rocket attacks against Saigon constitute acts of restraint. We believe the Administration should interpret such signs in the most favorable light, as President Kennedy interpreted Khrushchev's messages during the Cuban missile crisis, and accept the risks of a total halt to the bombing in preference to the risks of continued bombing and continued war. Otherwise, the next stage in the talks may never begin. If the U.S. had completely halted the bombing in the past, substantive questions would already have been discussed and it would not be facing the current dilemma.

If this hurdle is finally overcome and substantive political questions are discussed in a future stage, a settlement will not be achieved unless the Administration fully abandons the premise that an American-oriented regime in Saigon can form the core of a post-war government, and actively helps to remove the obstacles which now prevent the development of a South Vietnamese political system in which all factions may participate and compete. Unless this is done, the Saigon regime will continue to avoid accommodation and the NLF and the North Vietnamese will continue fighting.

[From SANE World, August 1968]

THE NLF SEEKS AN OPENING TO THE RIGHT

(By Sanford Gottlieb, executive director, SANE)

The journalists probe the off-the-record conversations during the coffee-tea breaks at the Paris talks for hints of movement, but South Vietnam and the United States are where the action is. The outcome of the American election campaign could have a profound effect on a settlement in Vietnam, but the military and, more particularly, the political evolution in South Vietnam will probably be the most decisive factor.

Seen through this perspective, the creation of the Alliance of National, Democratic and Peace Forces is of enormous potential importance. Talks with representatives of North Vietnam and the National Liberation Front in Prague and Paris in July confirmed the importance which they attach to the Alliance.

Conversations with French and American officials and journalists, Vietnamese exiles, and other observers helped to clarify its significance.

I share the analysis which follows with Rodney Shaw, Program Director, Methodist Division of World Peace. The two of us jointly visited Prague and Paris. For Mr. Shaw, this was the second meeting with representatives of North Vietnam and the NLF. It was my fourth in as many years.

The Alliance appears to be a major effort by Hanoi and the NLF, working together, to open a political dialogue with their adversaries in South Vietnam. They hope to do this by involving members of the urban bourgeoisie on their side. Until 1968 the South Vietnamese political scene has been limited to an extreme left and an extreme right, locked in military combat and supported by their respective allies. The extreme left, the NLF, is a Communist-led, nationalist, peasant-based movement. The extreme right is a privileged elite of military chieftains, landowners and some businessmen supported by the United States. No political process exists in South Vietnam through which the two groups can talk to each other, much less compete for power. Yet, short of a military victory for either side, no political settlement can be worked out without a dialogue between both sides.

With the creation of the Alliance, a seemingly less radical element appears on the political left. The program of the Alliance closely parallels that of the Front, and the former has publicly pledged its support to the latter. But the leaders of the Alliance are professionals, businessmen, intellectuals, and a Buddhist clergyman, most of whom have no previous connection with the NLF. This background equips them to communicate with conservative South Vietnamese better than the tough peasant guerrilla leaders of the Front. Their primary role, then, is to help fill in the political chasm between the NLF and the Saigon government and generate a meaningful exchange with a broader political spectrum. The leaders of the Alliance are not meant to hold power; they are to serve as the interlocutors between warring factions.

The establishment of a moderate left invites the establishment of a moderate right, so that eventually a bridge may be built across the current political no-man's land. What has been the response in Saigon since the Alliance announced it had organized on April 20–21? A Saigon military tribunal deliberated for 23 minutes before condemning the Alliance leaders to death in absentia. Dr. Dan, a leading bourgeois politician, was fired from his Cabinet job for suggesting in a Stanford University speech that there should be talks with the Front. A newspaper censor was arrested for allowing a student editorial to be published with the same subversive message.

In short, the Saigon leadership has panicked at the notion of a political dialogue. If there has been any serious American pressure on the Thieu regime to react in a more positive way, the evidence has been well hidden. American officials seek refuge behind affirmations of South Vietnamese "sovereignty". They are right only to the degree that the Saigon regime has become a puppet which knows how to manipulate the puppeteer.

What can the United States legitimately ask in this situation? If it really seeks a political settlement in Vietnam (a rather large "if"), it should insist that Thieu end the political repression and allow the many non-NLF, non-government nationalists to discuss freely the future of their country. It is not much to ask. Indeed, any less than that is a good cause for non-support. When is the last time the Johnson Administration threatened Saigon with non-support in the interest of a peaceful settlement?

This raises the question of the Administration's intentions in Vietnam. Our conversations in July confirmed the impression that the Administration remains divided between those who still seek a Korea-type solution imposed by the force of American arms and those who have come to accept Vietnamese realities and are prepared to see the South Vietnamese work out their own destiny. President Johnson has probably abandoned his earlier hopes of imposing his own terms, but some of his principal advisers continue to nourish the dream of a post-war American-oriented South Vietnam.

Unless the repression ends, there can hardly be much political evolution among non-Communist South Vietnamese toward a moderate right or middle which can engage the Alliance and the Front in dialogue. But the ruling class in Saigon cannot be expected to relinquish its power without a struggle. It will therefore have to be pushed into creating the right conditions for a political settlement. Only the United States is in a position to push. Yet, if the Johnson Administration is truly a house divided, there will be no push and the NLF's opening to the right will not be matched by a Saigon opening to the left.

This leaves the part of the American peace movement which seeks a political settlement in the paradoxical position of urging our government to press its client state for reforms which could lead ultimately to self-determination in South Vietnam. But that is, as it has been for several years, a paradox and not a contradiction. The fact is, the United States holds one of the keys to the development of a new political process in which all South Vietnamese can participate. That key is the exercise of freedom of speech, association and of the press in the urban centers. The United States can oblige the Saigon regime to free the people in the areas it controls to work for a Vietnamese solution.

There should be little doubt that the Front, for its part, is playing an essentially political game. In its program of August, 1967, the NLF stated that it "is prepared to invite and welcome all patriotic forces and individuals who oppose the U.S. aggressors to join its ranks . . . It proposes that *any force which, for one reason or another, does not adhere to its ranks, take joint actions against the common enemy—the U.S. aggressors and their lackeys*" (Emphasis ours—S.G.). Perhaps this was the signal that an effort would be made to stimulate a separate middle-class group which would "take joint actions against the common enemy."

A member of the NLF Central Committee, Le Quang Chanh, told us that the NLF is thinking in terms of the broadest possible group to defend the national interest. "If such groups and individuals want to enter the NLF, we would welcome them," he said. "If they want to work separately and coordinate their efforts, that is fine, too." He confirmed that the Front has dropped its claim to being the "sole" authentic representative of the South Vietnamese people. It now calls itself the "authentic" representative. His only explanation for the change was the creation of the Alliance.

Both Chanh and the NLF press attache in Prague stressed the importance of possible evolution in the thinking of those South Vietnamese who do not now work with the Front. Both were careful not to rule out the possibility that, following the creation of the Alliance, other groups and individuals might change their minds and decide to oppose the "U.S. aggressors". It is of no small importance that Thich Don Hau, a Buddhist clergyman on the Alliance's Central Committee, was one of those who refused the offer of NLF aid during the uprising in Hue against the Saigon regime in May, 1966. With no place else to go to defend nationalist interests, within two years he was leading an open organizational ally of the Front.

It would be a mistake to waste time debating the degree of independence exercised by the Alliance or whether it has more than a handful of members. What is important is the *motivation* of Hanoi and the NLF in helping give it birth. They have invited a political dialogue. If the invitation is accepted positively, the South Vietnamese can begin to discuss the outlines of peace among themselves. If it is rejected, the war will continue while other urban non-Communist nationalists follow Thich Don Hau into the Front or its allies.

TWENTY-SIX SENATORS INTRODUCE THE COMMUNITY SELF-DETERMINATION ACT OF 1968

HON. CHARLES E. GOODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. GOODELL. Mr. Speaker, I am pleased to advise the House that a bipartisan group of Senators headed by the senior Senator of my own State of New York, the Honorable Jacob K. Javits, the Honorable Charles H. Percy, the Honorable Fred R. Harris, and the Honorable Gaylord Nelson yesterday jointly introduced the Community Self-Determination Act in the U.S. Senate.

It is my desire to extend on behalf of myself and the other 37 of our colleagues who introduced this bill on July 18, 1968, our heartfelt thanks for their cooperation and contribution in support of this landmark legislation.

I want to note also the participation of Mr. James Farmer, the former director of the Congress of Racial Equality, now the Republican liberal candidate for New York's 12th Congressional District seat.

I want to urge once again all of our colleagues to review the act with care and give serious consideration to joining with us as sponsors of this legislation. Detailed analyses of the act appear at page 21111 of the Record for July 12, 1968, and page 22132 of the Record for July 18, 1968. The first of these references is a joint statement of Mr. Roy Innis of CORE, Mr. Curtis, Mr. Widnall, Mr. Taft, and myself which was read at the press conference on July 12, when we announced the introduction of the legislation. The second of these references is to special orders taken by a number of our colleagues, including me, to explain in detail this legislation, because of the very complex nature of the 180-page bill.

That these men have joined with 37 House Republicans in support of the community action approach to economic development of our depressed areas is testimony to the bipartisan spirit which increasingly manifests itself as we move toward solution of these grave national problems. This legislation is perhaps the first major development which bears the imprint of Republicans, Democrats, and members of the organizations representing the black Americans who are among those most directly affected by the problem of poverty. I believe those of our colleagues, Messrs. **Widnall**, **Curtis**, **Taft**, **Rumsfeld**, **Brock**, and **Steiger**, who worked closely with me to develop this legislation will agree that the many weeks during which we worked with members of our own staffs, members of the staff of outstanding law firms and nonprofit organizations, and the staff of CORE, stand out in their legislative experience as a unique exercise in bipartisan cooperation among the Congress and interested organizations from the private sector.

I am including, at this point in the Record, the excellent story by Eileen Shanahan in the New York Times of July 25, 1968:

CORPORATIONS FOR THE POOR PROPOSED BY 26 SENATORS

(By Eileen Shanahan)

Washington, July 24.—A bipartisan group of 26 Senators introduced legislation today aimed at the creation in poor areas of the country of community-controlled enterprises that would operate essential community services, such as day care centers, out of the profits of businesses they would own.

Only a relatively small amount of Federal "seed money" would be involved.

James Farmer, former director of the Congress of Racial Equality, pledged that the measure would have the "full support" of "constructive militants in the country."

Mr. Farmer, who has been generally regarded as a militant Negro, is a candidate for Congress on the Republican and Liberal tickets in the 12th District of New York, which includes the Bedford-Stuyvesant area.

He appeared, along with the present director of CORE, Roy Innis, at a press conference with the four Senators who are the major sponsors of the measure, Gaylord Nelson of Wisconsin and Fred R. Harris of Oklahoma, both Democrats, and Charles H. Percy of Illinois and Jacob K. Javits of New York, both Republicans.

Mr. Innis said the legislation had been developed and drafted by his organization with the assistance of some staff experts at the Kennedy Institute of Politics at Harvard University.

This approach, Mr. Innis said, represents "a first."

"The people who have the need structured the solution and brought it to Congress," he asserted. "It always used to be that the white expert brought the material to us."

The complex program provides for the creation of what will be known as community development corporations, which could be established in any area where unemployment is persistently much higher or average income is persistently much lower than in the country as a whole.

The corporations would not be established, however, unless at least 10 per cent of the persons aged 16 or more in the region concerned owned stock in it. Shares of stock would be sold for $5 each, or an individual could contribute personal services—"sweat equity"—equivalent to that amount.

SEED MONEY

"Seed money" from the Federal Government, equal to the paid-in capital of the development corporation at the time it began business, would be provided.

The legislation contemplates the appropriation of no more than $2-billion for "seed money." Not all of it would be appropriated in the first year.

The community development corporations would become owners of stock in business enterprises in their areas and would also sponsor desired neighborhood services including educational services and job counseling and placement.

A group of such development corporations would also, under the bill, combine to organize what would be known as community development banks.

The activities of these banks would be limited to financing the consumer purchases of stockholders in the development corporations and business financing.

WOULD SELL STOCK

The community development banks would receive some Federal financial assistance initially but would also sell stock and bonds to the public to obtain operating capital.

The bonds would be guaranteed against default by money deposited in a special fund from the excess earnings of the Federal Reserve banks. The same sort of system was used, the bill's sponsors noted, when the Federal Deposit Insurance Corporation was created in 1933 to insure bank depositors against bank failures.

The legislation also provides for extensive tax advantage to businesses that set up plants or facilities in the areas designated as needing development and then sell them to the residents of the area through the community development corporation.

Profits from the sale of such installations would avoid taxes entirely if the company invested the proceeds in another business in a poor area.

The community development corporations would also be very lightly taxed on their business profits, so that these could be used for the community services.

GUN CONTROL HYSTERIA

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. WYATT. Mr. Speaker, the Oregon Voter is an outstanding weekly magazine published for many, many, years in Portland, Oreg. It is a publication which has been deeply and perceptively interested in economic, financial, taxation, and public affairs matters of our State and Nation. Its present editor, Mr. A. M. Tewksbury, is carrying on in the finest tradition of the Oregon Voter.

Recently he wrote an editorial on the subject of gun control and I am pleased to bring it to the attention of all of my colleagues:

GUN CONTROL HYSTERIA

(By A. M. Tewksbury)

Like a school of sharks rushing unpredictably from one victim to another, the authoritarian liberals have turned on the gun. Maddened by the assassination of Robert Kennedy they are concentrating their frustrated energies on gun control. The outpouring of hysterical nonsense from vote-crazy politicians, government officials, editors, broadcasters and do-gooders has been phenomenal. As Leslie Shaw of the Lakeview Examiner put it, they have really pushed "the panic button." To hear them tell it, all we need to do is let them put through strict gun controls and most of our problems will disappear. Unfortunately, this superficial approach is too typical.

Even in Oregon, where most men own guns as a matter of course, a few normally level-headed leaders jumped on the gun as the source of all evil. But, of course, the great majority did not, and the Oregon delegation in Congress, in the main, refused to join the gun panic. U.S. Senate candidate Bob Packwood was on the record against gun controls ahead of the Kennedy outrage. Most Oregon editors were critical as the following examples show:

"Gun control laws . . . have little meaning . . ."—Milwaukie Review.

". . . It is not the gun itself that is at the root of the problem . . ."—Myrtle Creek Mail.

". . . legislation alone will not erase crime in our streets . . ."—Brookings Harbor-Pilot.

". . . we could have laws on the books from here to Trenton, N.J., and they wouldn't stop a single murder . . ."—Ashland Daily Tidings.

"The Wrong Approach . . . At best the law will be unenforceable . . . gun legislation will not help . . ."—Dallas Itemizer-Observer.

"Strict gun control as a crime preventive is like using a sieve as a water container. It's not the tool for the job."—Hood River News.

Proponents of tight controls, make a big point of the effectiveness of such controls in European countries. It is ridiculous to compare a country like Britain with the U.S. Britain is small, densely populated with homogenous, responsible people. Until very recently, it has not been a melting pot like America, since the Norman invasion. In contrast, America is big, thinly and diversely populated and has been built by men who carried an axe in one hand and a rifle in the other. Regardless of what some products of big city hothouse complexes may want, the pioneer gun tradition is still dominant with the 80% of Americans who do not live in the big central cities.

Proponents of gun controls like to pretend that opposition to gun controls comes only from the National Rifle Association and gun manufacturers. This is nonsense! Bob Ingalls of the Corvallis Gazette-Times found out the truth of the matter when he polled his readers on gun controls. Over 50% of the 624 readers who filled out the ballot voted for "No gun control legislation" of any kind. Only 21% voted for Federal registration of guns.

Other polls made outside of central cities (and some in) will show similar results. Of course, the gun manufacturers have been pushing for some controls right along. They have succeeded in eliminating mail order sale of hand guns and would like to stop all mail order sales. They sell through dealers and want to shut off competitive imports which are generally sold by mail. Shutting off mail order sales won't prevent criminals from getting guns. About the only result will be to force ranch boys in the West to drive into town to buy their guns; sometimes the nearest gun dealer is a far piece in the West. And, of course, prices will be higher with mail order competition cut off.

Opponents of gun controls point out first that such laws are patently unconstitutional. The Second Amendment to the Constitution is explicit: "A well regulated Militia, being necessary to the security of a free state, the right of the people to keep and bear arms, shall not be infringed." Any gun control law is obviously an "infringement" and so, unconstitutional. Just because the authors of the Amendment listed only one of the reasons why the "right of the people to keep and bear arms" should not be infringed is no excuse for assuming that that was the only reason. But of course, weaseling lawyers have managed to justify gun controls on that basis.

In the second place, gun controls, simply do not work. They restrict honest people without handicapping criminals in any important way. New York has had strict gun control laws for many years and they are firmly enforced. Yet crime in New York both with and without guns seems to be unaffected one way or the other by the control law.

Third, gun controls are another big step in our helpless progress toward more and more centralized regimentation. Elaborate gun control laws will only build up another useless and costly bureaucracy of which we already have so much that nobody in or out of government can even list the programs any more.

Fourth, the widespread ownership of guns has played a very significant role in American history. In every U.S. war, the good marksmanship which American soldiers brought to the battle lines has often been the crucial factor that won for us. Even today, the most effective soldiers in Viet Nam are the boys who learned how to use guns in their teens. It isn't the right example, but the awful carnage of the Civil War was due in great part to close-up battles fought between hundreds of thousands of expert riflemen.

There are several practical measures which can be taken to reduce the gun problem:

1.—Very severe penalties should be established for the use of guns in any crime. We have severe penalties for "breaking and entering," consequently most burglars are mighty careful not to do any "breaking" if they can possibly avoid it. The same would apply to the use of guns.

2.—The widespread ownership of guns is actually an important anti-crime factor. What we need is not more gun controls, but a gun in every home and what is more important, people in every home who know how to use, handle and care for guns. The Swiss have a low crime rate and every household is required to have guns. Our high schools should give short courses in the proper handling and care of guns. They give courses in everything else, why not something important like gun care and handling?

3.—Perhaps the surest way to stop the killing of prominent people would be to cut back about 98% on publicity for the assassins. The tremendous public attention rivited on an assassin is surely a powerful magnet for odd-balls.

The gun controllers conveniently forget that the assassin of Robert Kennedy was violating gun control laws when he shot RFK. As a resident alien, he was forbidden by law to own or carry a concealable weapon. The law didn't stop him nor will it ever stop any other headline-crazed fanatic.

RAILROAD PASSENGER SERVICE

HON. JAMES A. McCLURE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. McCLURE. Mr. Speaker, the railroad industry today is much like a donkey pulling a cart. We dangle before them the "carrot" of Government assistance for capital improvements, job stability, and postal service. But we beat them with a "stick" by condemning shoddy service, poor scheduling, antiquated equipment, work practices, rigid work rules, indifferent service at best, outright neglect at worst.

I suppose it was inevitable that over the years the railroad industry would become heavily regulated by—and therefore dependent upon—the Federal Government. Regardless of where the blame is to fall, the fact remains that passenger service on trains is going the way of high button shoes. The Government shares the blame for this tragic condition, because mail service—once one of the mainstays of railroad revenue—is being routed through other modes of transportation.

There is no plan for combating the situation, so it continues to deteriorate, although the ICC has belatedly called for a study of the problem. Recently, the National Association of Regulatory Utility Commissioners urged that the Interstate Commerce Commission impose a moratorium on all discontinuances until an official study of passenger service is completed and a comprehensive plan is devised. They said:

Whereas, The Interstate Commerce Commission, acting under Section 13a of the Interstate Commerce Act (49 U.S.C., Sec. 13a), has permitted the discontinuance of hundreds of passenger trains in the past several years with the result that rail passenger service is at best sparse throughout the Nation and in some areas has ceased to exist; and

Whereas, The rising tide of passenger train discontinuances has been intensified by the policy of the United States Post Office Department regarding the removal of the mail from passenger trains; and

Whereas, The National Association of Regulatory Utility Commissioners (NARUC) is vitally concerned with the development of a sound and adequate rail passenger service which will be responsive to the needs of a growing America; and

Whereas, We believe that the decline in the use of rail passenger service is merely a temporary episode in the Nation's transportation history because our crowded airways and clogged highways will not be equal to tomorrow's transportation tasks; and

Whereas, The preservation of safe, dependable, all-weather mass rail passenger service is essential not only to the traveling public, but also to the national defense; and

Whereas, Japan's Tokaido Line and the European railroads prove the feasibility and desirability of modern rail passenger systems; and

Whereas, It is *crucial* to the future welfare of America that the Congress now take prompt action to conserve a nucleus of rail passenger service to provide the foundation for expanding to meet tomorrow's transportation needs, otherwise an enormous expenditure of government funds will be required in the future to restore essential passenger service; now, therefore, be it

Resolved, That the Executive Committee of the National Association of Regulatory Utility Commissioners hereby strongly urges the Congress of the United States to promptly enact legislation imposing a moratorium on rail passenger service discontinuances pending the completion of a study, and the submission of recommendations thereon, by the Department of Transportation, the Interstate Commerce Commission, and the National Association of Regulatory Utility Commissioners, relative to practical means for preserving essential rail passenger service, and the role best suited for rail passenger service in joining with other modes to meet America's growing transportation needs; and be it further

Resolved, That the Executive Committee of this Association hereby strongly urges the Congress to promptly amend Section 13a of the Interstate Commerce Act as proposed by S. 1685 (introduced by Senator Case of New Jersey on May 4, 1967) and as further proposed by this Association in testimony before the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives relative to multi-State passenger train discontinuance petitions being first heard and determined by State joint boards with aggrieved parties having right of appeal to the ICC for correction of errors of law.

I have, therefore, introduced today a resolution calling for such a study to be made by the Department of Transportation, the Interstate Commerce Commission, and the National Association of Regulatory Utility Commissioners. This study would evaluate the role of the railroads in our growing transportation needs. It proposes that an inventory be made of passenger trains still in operation as well as an evaluation of the economic effects of the recent discontinuances. It urges that a system be devised by which sufficient mail service could be redeployed on these trains so that adequate passenger service can be maintained without the necessity of using funds from other railroad revenues.

I think such a study is long overdue. While there is still time, the carrot-and-the-stick approach must be replaced by one of initiative, enabling the railroads to regain their role as a vital force in the transportation industry.

Mr. Speaker, I place the text of my resolution at this point in the RECORD:

Whereas the discontinuance of hundreds of railroad trains in the past few years has occurred with the result that passenger service has been sharply curtailed; and

Whereas the increased curtailment of this service has been abetted by policies of the Post Office Department in lessening the amount of mail carried by passenger trains; and

Whereas the Nation's economy and future defense requirements are dependent upon an adequate nationwide network of railroad passenger service; and

Whereas the areas already affected by discontinuance of passenger service have frequently suffered severe economic hardship and a decrease in postal service; and

Whereas this trend must be reversed now in order to prevent the expenditure of vast sums to restore passenger service later on: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the Secretary of Transportation and the Chairman of the Interstate Commerce Commission, in cooperation with the five regional affiliates of the National Association of Regulatory Utility Commissioners, should initiate a study of rail passenger service, and that the study should include:

(1) an evaluation of the most practical means for preserving essential railroad passenger service and the role of railroad passenger service in meeting America's growing transportation needs;

(2) an inventory of the present passenger trains still operating, the quality of these trains, and the scheduling of connections within each region;

(3) an evaluation of the adverse effects that a single train discontinuance can have on a region and on national service;

(4) a study of the link between regional needs and the national network of railroad service;

(5) a study of the use of railroads by the Post Office Department with a view toward reinstituting sufficient mail service, so that, along with passenger revenues, adequate passenger service can be maintained without the necessity of using funds from other railroad revenues.

It is further the sense of Congress that a moratorium on railroad passenger service discontinuances be imposed until the study is completed.

It is further the sense of Congress that the results of this study should be forwarded to the Congress no later than one year from the enactment of this resolution.

Mr. Speaker, Ralph H. Wickberg, president of the Idaho Public Utilities Commission, has suggested that regional studies be made along with a national review of passenger service. I approve his recommendation. My resolution contemplates just such an approach. In any event, we cannot delay any longer if we are to save the railroad industry.

CONGRESSIONAL PENSIONS

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. QUILLEN. Mr. Speaker, with all the talk about an increase in congressional annuities—pensions—I thought the two editorials appearing in the Johnson City Press-Chronicle on Sunday, June 30, and Friday, July 5, would be of interest to the readers of the RECORD.

"How Sweet They Are" appeared first, and "Well, Now You See" followed.

I would like to point out, however, that the annuity proposal now pending in the House increases the Members' participation from 7½ to 10 percent, or a total of $3,000 per year. The judicial pension program requires no participation from those who are recipients.

But this is not the climate for such a measure, and we should tighten our belts as Members of Congress and get down to the business of reducing expenses by saving the taxpayers much-needed dollars.

The editorials follow:

HOW SWEET THEY ARE

Our economy-minded Congress is laboring diligently in the vineyard these days.

We know taxpayers will appreciate their lawmakers' self-sacrificing efforts to cut down on expenses of government.

Only last week, the House Rules Committee showed how serious it is on economizing. It cleared for vote a bill increasing congressional pensions—but only slightly, just 33 per cent as a matter of fact.

Under the bill, defeated or retired lawmakers can carry back to private life annual stipends of $1,000 for each year of service in the Congress (or in the military)—up to a maximum of $24,000. (That's $24,000 a year, Son!)

But taxpayers should not think of what the amount is but of what it might have been. That $24,000 might have been $30,000 or $36,000 or even $50,000, but thanks to economy-mindedness among those who did the deciding, it is only $24,000.

When it comes up on the floor for action, it probably will be dispatched swiftly by what is known as a "voice vote." That saves time, and time is valuable. Time costs taxpayers money. When Congress saves time, that's fine. And a "voice vote" has the advantage of collectivism—that is, everybody votes together and not individually. Let the record show that there is "togetherness" in Congress. Taxpayers should appreciate this, too.

If the bill goes through on schedule—and surely without any crude reminders that a 10 per cent surtax has just been clamped on the home constituency—a 12-term congressman will get $24,000 per year when he retires instead of the present $17,100.

That's sweet, we think—darned sweet!

And as Rep. John Dent of Pennsylvania reminds us, such sugar is only simple justice for hard-working lawmakers who could surely do better for themselves in private employment. No kidding!

WELL, NOW YOU SEE

As we observed in a previous editorial, our congressmen are not thinking of increasing their own pensions very much—only 33 per cent, as a matter of fact.

When Sen. Clifford Hansen of Wyoming heard of this proposal, he said he "couldn't believe any member of Congress would seriously consider such a proposal when Congress plans a tax increase and reductions in spending in order to cope with rampant inflation."

Well, Senator, what do you think now?

The House Rules Committee has approved the increase for action on the floor, where presumably it will be put through unobtrusively on a "voice vote," relieving members of going on record individually.

Maybe congressional pensions ought to be increased, but we question whether now is the time to do it. We also question the 33 per cent. Very few of the congressmen's constituents ever expect to get that much of a boost on anything. (Under terms of the congressional proposal, a member who retired after serving 12 terms would get $24,000 a year; at present, he would get $17,000.)

The tax increase of which Senator Hansen spoke has, of course, already been passed. And under the same legislation, reductions in spending are supposed to be made all along the line. But among many congressmen there apparently is no connection between all this and their own pensions.

GUIDELINES FOR THE ELECTION

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. RHODES of Arizona. Mr. Speaker, although the coming national elections will find us all in customary battle for political office, we will nonetheless be united by a common spirit and faith in our electoral system. This bond which unites us as men has been recognized and eloquently stated by Dr. Hayden S. Sears, pastor of the First Methodist Church in Mesa, Ariz. As a member of Dr. Sear's congregation, I have been long aware of his dedication to principle, so clearly manifest in his words. In his "Guidelines for the Election," which I want to share with my colleagues, can be found words of faith and assurance for all of us in these trying times. Dr. Sears' six election principles follow:

1. Let us have sufficient faith in democracy and our American way of life to feel sure that our country will not collapse no matter which candidate is elected.

2. Let us assume that all of the candidates for high office in this country are honorable men. Let us avoid over-simplification of their ideas and name-calling. For example, not by any stretch of the imagination is Humphrey a friend of Communism or Nixon a Fascist.

3. Let us maintain courtesy and respect for each other, the fact that we differ in our political opinions does not negate us as good Americans. It is the nature of our society that we grow in progress through inter-action of ideas.

4. Let every one of us do our best to express our ideas. Let us support our candidate with intelligence. Let us assume in advance that whoever is elected will be the president of all of the citizens of our nation.

5. Let us pray that the loser may find a place of usefulness in our American way of life. Let us pray that the victor may truly find the will of God as he leads the people in the desperate days that are ahead.

6. Let us never forget that our God is the Lord God Almighty. He is the God of judgment. He blesses those who seek to know and do His will. He makes the wrath of men to praise Him. He is God before, during, and after the election.

YOUTH OPPORTUNITY: THE CONGRESSIONAL INTERN PROGRAM

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. CHARLES H. WILSON. Mr. Speaker, when a young college student majoring in political science or history has an opportunity to participate in a summer "apprenticeship" in a congressional office, he or she generally profits. He or she may decide to make a career out of public service or may decide to enter teaching and use their on-the-scene experience as background material; others—a very small minority—may become disillusioned with practical politics and give vent to this anger. Unfortunately, it is this last group which reaps the publicity.

Last summer's intern program created controversy in some quarters because a small proportion of interns became quite vocal on the subject of the Vietnamese war. Now, a year later, a great many Members of Congress—in many cases, the same men who deplored the interns' "meddlesomeness"—are questioning our involvement in this war. Seen in such perspective, the "sound and fury" accompanying the 1967 intern program seems quite insubstantial. Actually, one should become alarmed when young people are not concerned with public policy, not when they are. Certainly many Members of Congress disagree—at times vociferously—with present policies, and surely the right to dissent is not confined to the Halls of Congress.

This year's congressional intern program was discontinued as a result of last summer's "politics." However, many Members have kept faith in our young people and have tapped their own payrolls to bring them into their Washington offices. Many more young people are so eager to have this exceptional opportunity that they are working without pay this summer—an idea that has become almost obsolete. Also, a number of fine universities have sponsored their own congressional intern program, enabling their brightest students to have an opportunity which otherwise would be denied them. To those Members, colleges, and students who have endeavored to preserve, at least in part, this important program, may I extend my heartfelt appreciation.

Certainly, the discontinuation of the intern program has not resulted in any substantial economy. On the contrary, these energetic, intelligent, and politically aware young people contribute far more than their "cost" to the work of a congressional office.

It is my hope that my fellow Members of Congress will recognize the value of the summer intern program and will reinstate it for 1969 and future years. Indeed, when we show our confidence in youth by proposing the reduction of the voting age to 18, it is inconsistent to withhold our complete confidence by rejecting the congressional intern program.

FORMER INTERNAL REVENUE COMMISSIONER MORTIMER CAPLIN CITES NEED FOR TAX REFORM

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. REUSS. Mr. Speaker, the need for a thorough overhaul of our Federal tax structure has never been more acute than at the present time. The May issue of the Georgetown Law Journal contains an excellent article on Federal tax reform by Mortimer M. Caplin, former Commissioner of Internal Revenue, and I commend it to the attention of my colleagues:

Federal Tax Policy—The Need for Reform †

(By Mortimer M. Caplin) *

(Note.—After considering the reforms of the immediate past, the author discusses those ailments in the present system which are still in need of cure. While acknowledging that simplification of tax rules may be a desirable goal, Mr. Caplin cautions that reformers must not lose sight of the conflicting interests in our ever-changing society.)

A lecturer on taxation is sure to stir his audience with the observation: "The American public cries for tax reform. The time is long overdue to close the loopholes!" Applause, foot-stomping, a standing ovation, are almost inevitable. It is like urging support of God, motherhood, and country.

But when the cheering dies down, and the specifics are scrutinized, the attitude of the listener may change abruptly. It soon becomes apparent that the definitions of "reform" and "loopholes" vary greatly among us, depending on our individual economic and social circumstances. A loophole to one is frequently a lifeline to economic survival to another; and often the reform program we favor most vigorously is one that takes away from someone else the tax benefits on which he has relied for many years. How keen was the insight of the sometimes cynical commentator who said: "Our taxes reflect a continuing struggle among contending interests for the privilege of paying the least."[1]

But despite the difficulty of reaching a consensus on the changes to be made, it is clear that there is need for a constant reevaluation and improvement in the federal tax system as times and attitudes change.

As April 15th—the inevitable day—approaches, some 100 million Americans struggle over a variety of complex tax concepts and try to determine their federal tax liability in a fair and honest manner. Yet, some of our citizens, who realize millions of dollars of income each year, pay no income tax at all. Others do pay tax even though they have annual incomes of no more than a few hundred dollars. People with almost identical levels of income pay taxes in highly varying amounts. People with estates of equal size transfer their property to heirs at entirely different tax costs. And, finally, we hear of particular facets of the tax law which are the subject of widely-publicized abuse: tax-exempt organizations, for example, have frequently been utilized for purposes having considerably more to do with personal advantage than with the advancement of charity or the public weal.[2]

Distortions like these have serious implications for our tax system. The system, after all, requires voluntary assessment by each taxpayer of his own tax liability. Without fundamental public respect for the tax law, we cannot expect the broad-based compliance which is essential to the vitality of the system. Unfairness, discrimination, and abuse erode that respect; and in doing so, they present serious danger to the mechanism by which our federal government supports itself.

The subject of tax reform has special urgency at the present time. President Johnson has proposed and continues to press for a ten percent surcharge upon the existing income tax.[3] The additional revenue to be raised by the surcharge is considerable—an estimated $9.8 billion for fiscal 1969. When those who bear the burden of the present income tax are called upon for an additional contribution of that magnitude, it is hardly surprising that they give special attention to aspects of the tax law which enable others to pay less than their share. And, naturally enough, demands for reform have mounted.

REFORMS OF THE EARLY 1960'S

While the 1968 surcharge proposal creates heightened interest in the subject, tax reform has been of continuing concern to Congress and the executive branch over many years. Indeed, the early years of this decade constituted one of the most intensive periods of tax revision in our nation's history.[4] In 1961[5] and again in 1963,[6] President Kennedy proposed major tax reform programs to Congress, and Congress responded with the Revenue Acts of 1962[7] and 1964.[8] While compromise was characteristic of both acts, and simplicity evident in neither, significant progress was achieved.

In 1962—in addition to the legislative grant of a seven percent investment credit—a number of specific reform measures were adopted. Restrictions were placed on entertainment expenditures, curbing serious abuses which had developed over many years. Measures were enacted to deal with avoidance of United States tax by the use of foreign tax havens and foreign holding companies. Congress also moved to eliminate the hiatus which had permitted cooperatives and their patrons to realize income without the payment of tax by either; to impose a tax on savings and loan associations and mutual savings banks; to limit capital gains treatment on the sale of depreciable personal property; and to require information reporting on payments of dividends and interest.

The 1964 Act changes were more comprehensive. The dividend-received credit was repealed. Deductions were denied for certain state and local taxes, for interest on certain loans to pay life insurance premiums, and for casualty and theft losses under one hundred dollars. The rules were tightened on employee stock options, group-term life insurance, personal holding companies, and multiple corporations. The sick-pay exclusion was narrowed, and certain gains on the sale of realty were taxed at ordinary income rates. On the tax relief side, the 1964 Act made important structural changes in providing for income averaging, lifetime carry forwards of capital losses, a minimum standard deduction, and liberalized child care rules. The 1965 Excise Tax Reduction Act[9] was the next step in major tax revision, wiping away much of the tangled and discriminatory web of excises which had developed ad hoc over the years.

Nor was the tax reform activity of the early 1960's confined to the legislative arena. Important procedural and substantive improvements came at the administrative level. The Internal Revenue Service embarked on a nationwide system of automatic data processing,[10] coupled with a taxpayer master file stored on high-speed magnetic tapes. In addition to achieving more effective enforcement of the tax laws, this had the dual effect of making it possible to secure more information about the actual operation of the tax laws than had ever been available before and assuring minimization of the inequities which arise from departures from those laws. The 1962 depreciation guidelines liberalized depreciation practices by providing for shorter asset lives and by allowing for grouping of assets into a limited number of guideline classes. In addition to encouraging capital investment, the guidelines were expected to simplify depreciation audits and increase definiteness in a field long a major source of controversy and friction between taxpayer and government. While these goals were not always achieved, and while complex amendments were found desirable in 1965[10a] the guideline project was a major administrative advance of great benefit to businesses throughout the country.

PENDING REFORM BILLS

Manifesting the recently renewed interest in improving the tax laws, a number of Congressmen have introduced bills designed to effect basic, revenue-producing, structural reforms in the tax system.

Illustrative of the substantive contents of those proposals is a bill introduced last year by Congressman Reuss.[11] It would end the present income tax exemption of appreciation in property passing on death; abolish the unlimited charitable contribution deduction; repeal the present special treatment provided for stock options; repeal the $100 annual exclusion now granted individuals for dividend income; prevent single business enterprises from making multiple use of the corporate surtax exemptions; remove the present exemption for interest on municipal industrial development bonds; reduce the percentage depletion allowance for oil and a number of minerals; substitute a unified gift and estate tax rate structure for the present dual system, which prescribes substantially lower rates for gifts made during life than for those made at death; eliminate the special estate tax payment advantages possessed by certain U.S. government bonds;

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† This article was originally delivered as a speech before the United States Chamber of Commerce in Washington, D.C., Feb. 14, 1968.

* United States Commissioner of Internal Revenue 1961–1964. Member of the Bars of the District of Columbia, New York, and Virginia.

[1] L. Eisenstein, The Ideologies of Taxation 3–4 (1961).

[2] *See, e.g.*, Chaplin, *Limitations on Exempt Organizations: Political and Commercial Activities*, N.Y.U. 8th Biennial Conference on Charitable Foundations 265 (1967); Paul, *Erosion of the Tax Base and Rate Structure*, 11 Tax L. Rev. 203 (1956); Treas. Dept., Report on Private Foundations (1965).

[3] H.R. 15414, 90th Cong., 2d Sess. (1968); *see* H.R. Doc. No. 152, 90th Cong., 1st Sess. 3 (1967).

[4] *See* Survey, *Federal Tax Policy in the 1960's*, 15 Buffalo L. Rev. 477 (1966).

[5] H.R. Doc. No. 140, 87th Cong., 1st Sess. (1961).

[6] H.R. Doc. No. 43, 88th Cong., 1st Sess. (1963).

[7] 76 Stat. 960 (1962).

[8] 78 Stat. 19 (1964).

[9] 79 Stat. 136 (1965).

[10] *See* Comment, *Internal Revenue Service, ADP Procedure*, 19 A.B.A. Sect. Tax Bull., No. 2, at 74 (1966); Asbill, Loeb & Freed, *Internal Revenue Service: Automatic Data Processing Procedure*, 13 Prac. Law. 35 (1967).

[10a] Caplin and Klayman, *Depreciation—1965 Model*, 119 J. of Accountancy 34 (1935).

[11] H.R. 13490, 90th Cong., 1st Sess. (1967).

and provide for full recapture of depreciation on sales of real estate. Congressman Reuss estimated that the revisions contemplated by his bill would generate more than four billion dollars of additional tax revenue during their first year of operation.[12]

Legislative proposals of this kind are sometimes advocated as substitutes for the administration's proposed surcharge. Leaving aside the merits of the surcharge, I doubt that tax reform is the place to look when the economy requires short-term fiscal action. One explanation customarily offered for this view is that congressional consideration of fundamental tax revisions takes time—too much time for prompt response to fiscal needs. Actually the reason is more basic than that. A tax reform program poses a complex of issues which are altogether different from those involved in a fiscal proposal. Indeed, except for the fact that both affect the federal revenues, the two sets of problems are quite unrelated to each other. Whether the tax exemption for municipal bond interest ought to be continued, for example, must be adjudged upon grounds entirely separate from those which apply to determining whether the condition of the economy demands stimulation or moderation. If the economy in fact requires moderation, it ought to have it; and it ought to have the votes of all who agree that restraining action is necessary, whatever they think of tax-exempt interest.

Another point must be considered. Even if a reform program were enacted immediately, its revenue results would in all likelihood be a good deal longer in coming. The tax rules placed in issue by any such program have been present in our revenue system for many years. In some cases, people have undertaken current commitments or otherwise changed their positions in reliance upon them. In others, the rules have become so embedded in our economic or social structure that they have consequences far beyond their immediate tax effects, whether it be in pricing or modes of operation or otherwise. In that setting, it is unrealistic to expect legislative changes to be made fully effective immediately. Transitional rules, deferred effective dates, and other means of gradual implementation would almost necessarily attend approval of the basic substantive proposals. As a consequence, the full revenue impact of the reforms would not be attained for at least several—and perhaps many—years after enactment. Effective fiscal policy demands readier and more responsive tools.

Nevertheless, in the months immediately ahead, it would not be surprising to have the administration's tax reform bill transmitted to the Congress for future consideration. Not that action or even hearings would be expected on these proposals in 1968. Rather, the administration might feel that the mere presence of such a bill would provide the extra psychological push to get the Ways and Means Committee's favorable vote on its tax surcharge recommendation.

THE DISCOURSE ON TAX REFORM

In considering future improvement of our tax system, we have a rich background upon which to draw. The 1958 and 1959 hearings on general revenue revision before the House Ways and Means Committee[13] and the *Tax Revising Compendium,* compiled in 1959[14] at the request of Chairman Wilbur Mills, brought together the views and recommendations of a considerable number of leading authorities on tax reform. Chairman Mills himself has contributed thoughtful and provocative statements on tax simplification, the overuse of tax credits to accomplish social purposes, and other matters. Senator Russell Long, Chairman of the Senate Finance Committee, has opened new avenues of thought with his proposal[15] of an optional simplified income tax system, which would permit taxpayers to elect to pay a lower rate of tax upon agreeing to forego the benefit of many of the special exclusions, benefits, and deductions provided by present law. The writings of Randolph Paul,[16] Stanley Surrey,[17] Joseph Pechman,[18] Louis Eisenstein,[19] and a great many others have added to our fund of knowledge about tax reform and refined our analysis of its problems. The report of the Carter Commission in Canada,[20] published last year, is notable both for its breadth of inquiry and for its attitude of openness to innovation. The American Law Institute has performed useful work on a variety of subjects, its most recent being an examination of gift and estate tax reform under the able stewardship of James Casner.[21]

Careful examination of tax reform subjects is currently going forward in a number of places. The Treasury Department has for some time been engaged in a broadscale study of a new reform program. A debate, currently being conducted in the *Harvard Law Review* by Richard Musgrave and Joseph Pechman, on the one hand, and Boris Bittker on the other,[22] is exploring the utility of the concept of a comprehensive tax base as a tool in tax reform analysis. The American Bar Association is continuing its effort through a Committee on Substantive Tax Reform.[23] Professor Edwin Cohen of the University of Virginia is experimenting with the use of newly available statistical data to help in evaluating various tax proposals.

Among topics of high interest is that of revenue sharing between the federal and state governments, although Vietnam leaves no room for it in the federal budget at the present time. The plan propounded by Walter Heller and Joseph Pechman[24] would provide for distribution of two percent of the federal income tax base to the states. The total amount distributed would be allocated among the states primarily on the basis of population, and each state would be required to pass part of its share through to local governments. Directed to the clear and growing revenue needs of our states and localities, the proposal has much to recommend it. My own view, however, is that when national fiscal conditions permit consideration of this issue, we should first explore the use of a partial federal income tax credit for income taxes paid to the states. About thirty-five states have already adopted an income tax, and a credit system would undoubtedly encourage the others to follow suit. A credit of thirty to fifty percent of the taxpayer's state income tax liability has been suggested, with a forty percent rate being estimated to reduce federal tax collections today by about one billion dollars. Under such a system, federal intervention in state tax policy would be minimal. As the Advisory Commission on Intergovernmental Relations has stated, "It is more logical to regard it as a measure to reinforce the independence of the states by placing them in a better position to solve their fiscal problems out of their own resources."[25]

Some guides for tax reform

It has been said that "Nothing's new in taxation." Examination of the tax literature indicates the accuracy of that observation. With but few exceptions, there is recurrent emphasis upon many of the same basic themes. Congressman Reuss' proposed bill covers most of the tax provisions that are under fire. All have been the object of criticism by writers, and most have been the subject of specific proposals for legislative change, advanced either by an administration or by particular Congressmen. Despite this continuous assault, no major change has been made.

Not that I mean to single out these particular provisions for criticism. I mean only to suggest that our experience to date demonstrates tax reform to be a gradual process. The Revenue Acts of 1962 and 1964 achieved significant advances, and they ought not be criticized because they left some things undone. The fundamental issues of tax reform involve a multitude of interests; they bring powerful forces into conflict; and they bear consequences which can be discovered only after meticulous investigation of the facts. In such a setting, neither Congress nor the administration is to be blamed for moving with circumspection. Compromise and halfway measures are often the rule of the day.

Tax reform, then, is not a field for the revolutionist who would fashion a new world overnight. Its problems are not to be solved by facile and swift application of appealing abstractions. It is, rather, an area in which improvements come only bit by bit, over time, and with difficulty. The highest praise to be accorded any worker here is that, given his time and circumstances, he did what he could. But if the process of improving our tax system must of necessity be a gradual one, a consciousness of several points may well help us along the road.

Administrative Response to New Problems

It does not advance the cause of tax reform to urge those charged with the responsibility of administering the Internal Revenue laws to petition Congress each time they encounter a new problem under an old statute. Congress has granted the Internal Revenue Service and the Treasury Department broad rulemaking authority to enable them to deal with unanticipated problems and changing conditions. The Service and the Treasury should continue to make full and flexible use of that power.

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[12] *See* 113 Cong. Rec. 13351 (daily ed. Oct. 12, 1967); *id.* at 10659 (daily ed. Aug. 16, 1967).

[13] Staff of the Comm. on Ways and Means, 86th Cong., 1st Sess., Ideas and Suggestions Submitted on the Broad Subject of Revision of the Federal Income Tax Structure (Comm. Print 1960).

[14] Staff of the House Comm. on Ways and Means, 86th Cong., 1st Sess., Tax Revision Compendium: Compendium of Papers on Broadening the Tax Base (Comm. Print 1959).

[15] S. 3250, 88th Cong., 2d Sess. (1964), *reprinted in* Bittker, *An Optional Simplified Income Tax?*, 21 Tax L. Rev. 1, 37–51 (1965).

[16] *E.g.,* Paul, *Erosion of the Tax Base and Rate Structure,* 11 Tax L. Rev. 203 (1956).

[17] *E.g.,* Surrey, *Definitional Problems in Capital Gains Taxation,* 69 Harv. L. Rev. 985 (1956).

[18] *E.g.,* Pechman, *Erosion of the Individual Income Tax,* 10 Nat'l Tax J. 1 (1957).

[19] *E.g.,* L. Eisenstein, The Ideologies of Taxation (1961).

[20] *See, e.g.,* Jones, *Report of the Royal Commission Taxation: An Analaysis,* 5 Alberta L. Rev. 174 (1967); Vineberg, *Royal Commission Proposals Would Revolutionize Canadian Tax System,* 26 J. Taxation 258 (1967).

[21] ALI, Federal Estate & Gift Tax Project (Study Draft No. 2, 1966) (J. Casner, reporter).

[22] Bittker, *Comprehensive Income Taxation: A Response,* 81 Harv. L. Rev. 1032 (1968): Bittker. *A "Comprehensive Tax Base" as a Goal of Income Tax Reform,* 80 Harv. L. Rev. 925 (1967); Galvin, *More on Boris Bittker and the Comprehensive Tax Base: The Practicalities of Tax Reform and the ABA's CSTR,* 81 Harv. L. Rev. 1016 (1968); Musgrave, *In Defense of an Income Concept,* 81 Harv. L. Rev. 44 (1967); Pechman, *Comprehensive Income Taxation: A Comment,* 81 Harv. L. Rev. 63 (1967).

[23] *See* Comment, *Report of the Section of Taxation on Substantive Tax Reform,* 90 A.B.A. Rep. 289 (1965).

[24] W. Heller & J. Pechman, Questions and Answers on Revenue Sharing (1967).

[25] Advisory Commission on Intergovernmental Relations, Federal-State Coordination of Personnel Income Taxes 119 (1965).

In doing so, they must, of course, take care to act fairly and in accordance with the policy of the statute involved. All reasonable steps should be taken to protect those who have acted in reliance upon prior rules. In most circumstances, restrictive changes should be applied prospectively only, with provisions for liberal transitional rules. Every effort should be made to ensure that people who are similarly situated will be treated alike. Where rules of long standing are being changed, or where issues of broad application are involved, the administrator should use the regulation procedure—with its opportunity for a public hearing and public commentary upon proposals published by the Service—in preference to the publication of a revenue ruling. With all of these limits observed, however, tax problems which are within the reasonable reach of the administrative rulemaking power ought to be resolved by it.

Legislation on Limited Problems

All legislative reform need not be accomplished by means of major revenue acts. As the years proceed, administrative experience, court decisions, and other events will disclose defects in particular aspects of the tax law. If the problems are substantial and lie beyond the scope of the administrative rulemaking authority, the Treasury Department should respond with prompt and specific legislative recommendations; and Congress should consider them on a regular annual basis, without delay. Matters of this character are ordinarily of much more limited impact than the major issues which have drawn the attention of writers on tax reform. They are, accordingly, less controversial, and rapid action on them is a more realistic possibility.

The legislation enacted last year on the problem of dependency exemptions for children of divorced parents was an important reform of this kind.[26] Limited in scope, it nonetheless dealt effectively and fairly with an issue which had become a serious administrative burden for Internal Revenue, a major source of litigation, and a recurrent cause of friction among the taxpayers involved.

The problems flowing from the 1965 Supreme Court decision in the *Clay Brown*[27] case have not yet been managed as satisfactorily. That decision accorded capital gains treatment to profits which the owners of a business realized by selling their business to a tax-exempt organization in a bootstrap transaction—an arrangement permitting the organization to acquire the business without any investment of its own funds. Because of the special favorability both to seller and buyer—the seller getting capital gains and a price considerably higher than he could realize by selling to a non-exempt purchaser, and the exempt buyer getting a business entirely without risk—the Supreme Court holding created a very compelling and quite unplanned incentive for the transfer of businesses to exempt organizations. Nonetheless, though the staff of the Joint Committee on Internal Revenue Taxation and the Treasury Department developed a remedial proposal and Chairman Mills[28] and Congressman Byrnes[29] have introduced bills which incorporate that proposal, legislation has not yet resulted. The consequences of the decision are surely sufficiently serious to warrant legislative attention, and I hope that they will receive it this year.

Using the Tax Law for Nonrevenue Purposes

Our tax laws are fundamentally a mechanism for raising revenue; we should be sparing before we use them for any other purpose—whether for regulatory purposes or to accomplish social and economic objectives.

But to state that our tax law must never be used for nonrevenue ends is to ignore both history and reality. The *Internal Revenue Code* is replete with instances of nontax objectives being sought through tax incentives. Prime examples are the investment credit[30] and accelerated depreciation,[31] designed to encourage modernization and expansion of our industrial facilities. Again, we have interest and tax deductions to encourage home ownership;[32] charitable deductions to encourage philanthropy;[33] tax benefits to encourage private retirement programs;[34] rapid amortization deductions to encourage construction of wartime facilities[35] and grain storage facilities;[36] and many other special tax rules to encourage everything from research and development[37] to motivation of inventors and corporate executives,[38] and the development of our farms[39] and natural resources.[40]

President Kennedy faced this issue in his 1961 tax message when he said: "[s]ome departures from [tax] uniformity are needed to promote desirable social or economic objectives of overriding importance which can be achieved most effectively through the tax mechanism."[41] Adopting this statement as a guideline, two preconditions should be satisfied before using our tax laws to achieve nontax goals: (1) The objectives should be one which is of overriding importance to our society; and (2) it should be one whose achievement can be most effectively realized through the tax mechanism. Implicit in this second condition are the requirements that tax incentive should be better able to achieve the desired result than alternative governmental programs, and that they should be able to accomplish this result without substantially higher costs or waste of resources. This cautioning was implicit in Chairman Wilbur Mills' recent criticism of "back-door spending" through excessive use of tax credits.

The choices become increasingly difficult as more and more nontax goals compete for our support: aid to education, assistance to rural areas, air and water pollution control, job training for the hardcore unemployed, low-cost housing in urban poverty areas, and greater employment in businesses within these areas. To assume a stance of blanket disapproval of tax incentives is not warranted, particularly if the concept of government-business partnership is to be successful in achieving social and economic goals. Rather, the responsible course is to examine each proposal rigorously, to weigh the alternatives carefully, and to determine whether the standards mentioned are satisfied.[42]

Using these same tests, I would reject a popular tax proposal whose purpose is receiving strong support—the so-called "negative income tax."[43] The aim of the negative income tax is to relieve poverty by, generally, providing federal payments through the tax system to those whose deductions exceed their income. While the objection has obvious social significance, I doubt that the tax mechanism is the right method for achieving it. In the first place—assuming that a guaranteed income is socially desirable—the statutory arbitrariness of the tax concepts of gross income, adjusted gross income, taxable income, exclusions, exemptions, credits, and deductions are hardly accurate standards to measure poverty levels. Beyond this, the assignment of this function to the Internal Revenue Service would be a distortion of its traditional role. A large new group of returns would have to be audited .Audit techniques developed primarily to examine tax returns showing substantial taxable income would not suffice; new techniques would have to be devised. Further, the limited audit resources of Internal Revenue would be diverted to low bracket, or even no-bracket returns and revenue agents would find themselves functioning in an upside-down world. In my judgment, this is an area in which direct federal action has clear advantages over use of the tax mechanism, whether it be through direct HEW subsidies or through guaranteed job training and career development programs.

Regular Accounting for Revenue Losses Stemming from Tax Benefits

Assistant Secretary Surrey[44] recently proposed that a specific accounting be made in the federal budget for the revenue losses produced by the various preferential provisions in the income tax system. He argued that a special tax benefit is the equivalent of a direct government expenditure—each reduces the amount of money which the government would otherwise have—and that Congress and the administration should have the same clear specification of tax expenditures as they have for direct expenditures.

It is difficult to quarrel with the argument that we should know how much it is costing us to establish an incentive, afford relief, or provide assistance by means of a given tax measure. In evaluating the utility of the tax benefit and comparing it with alternative courses of action, data of that kind would be particularly useful. Moreover, an annually published statement of the revenue results of tax preferences would help to develop consciousness of and focus attention upon them and would establish a basis for an informed public judgment on whether we wish to keep those preferences in the tax law.

Adoption of the proposal would present difficult practical problems, both of definition and data gathering, but on balance the idea is essentially a good one. In implementing this program, however, care should be taken not to overburden the public through additional complexity of tax returns or excessive recordkeeping requirements.

Simplification

Despite the difficulties involved, one of the guiding principles of any tax reform program should be simplification of our tax rules. Indeed, Senator Miller of Iowa has proposed legislation[45] to establish a commission whose sole concern would be tax simplification. With the enormous growth in the size and scope of our income tax laws over the past fifty years, the need for simplification has become ever more pressing.

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[26] Int. Rev. Code of 1954, § 152, *as amended* Pub. L. No. 90–78 (1967); *see* Sander, *Dependency Exemptions for Children of Divorced or Separated Spouses—The New Amendments to the Internal Revenue Code,* 45 Taxes 710 (1967).

[27] Commissioner v. Brown, 380 U.S. 563 (1965).

[28] H.R. 12663, 90th Cong., 1st Sess. (1967).

[29] H.R. 12664, 90th Cong., 1st Sess. (1967).

[30] Int. Rev. Code of 1954, §§ 38, 46–48.

[31] *Id.* §§ 167(b)(2),(3).

[32] *E.g., id.* §§ 163, 164.

[33] *Id.* § 170.

[34] *Id.* §§ 401–407.

[35] *Id.* § 168.

[36] *Id.* § 169.

[37] *E.g., id.* § 174.

[38] *E.g., id:* §§ 1235, 421–25.

[39] *Id.* §§ 175, 180, 182.

[40] *Id.* §§ 263(c), 613–617, 631.

[41] H.R. Doc. No. 140, 87th Cong., 1st Sess. 4 (1961).

[42] An excellent example of nontax use of the Internal Revenue laws is Senator Robert Kennedy's proposed bill to grant tax credits for private entrepreneurs who build in and rehabilitate urban poverty areas. *See Hearings on S. 2100 Before the Senate Comm. on Finance,* 90th Cong., 1st Sess. 242 (1967) (testimony of Mortimer M. Caplin).

[43] *See, e.g.,* C. Green, Negative Taxes and the Poverty Program (1967); Shannon, *Positive and Negative Income Tax Credits—A New Dimension in Intergovernmental Relations,* 19 Nat'l Tax J. 18 (1966).

[44] Address by the Honorable Stanley S. Surrey, Ass't Secretary of the Treasury, Before the Money Marketeers Ass'n, Nov. 15, 1967.

[45] S. 1680, 90th Cong., 1st Sess. (1967).

Writing in 1965, Chairman Mills [46] pointed out the reasons for the present complexity of our tax law: the complexity of our society; the variations in forms of our business enterprises; the tendency in enacting legislation to become overly engrossed in fine points of equity or avenues of avoidance; and the addition, year after year, of new provisions. Where controversial matters are concerned, simplicity is an almost inevitable casualty of the legislative process. Powerful contending interests make compromise essential—and compromise adds to complexity. The 1962 provisions governing the taxation of foreign income [47] and the 1966 legislation suspending the investment credit [48] are ready illustrations.

As Chairman Mills observed, there are three general areas for simplification: modifying Code provisions which complicate tax forms, pruning the Code to eliminate surplusage, and adopting Code provisions to ease administration and compliance. Chairman Mills has made the second, chopping the deadwood out of the Code, a current project for the staff of the Joint Committee on Internal Revenue Taxation and I understand the staff has already made considerable headway.[49]

Simplification of the third sort—that of administration and compliance—would be significantly advanced by reducing the itemization of personal deductions. A limited liberalization of the standard deduction, by itself, would be of considerable assistance here. If we are prepared to accept some revenue loss, the present one thousand dollar and ten percent upper limitations might be elevated somewhat, and the minimum standard deduction might also be raised from its present level. Such an approach may be criticized as violating "the rationale of the itemized deductions since it tends to reduce differentiation in tax liabilities." [50] Nevertheless, the resulting relief to recordkeeping requirements and to taxpayer compliance largely compensates for any theoretical objection.

In striving for tax simplification, it should always be kept in mind that the Internal Revenue Service administers a mass income tax system of some one hundred million tax returns, and that everything possible must be done to ease the burdens of compliance by American taxpayers. As a practical matter, the minutiae of every problem cannot be covered, and we should be prepared to lean more on general averages and accept some tax leakage as the price for a workable tax system.

Particular Areas Deserving Early Legislative Attention

An exhaustive list of substantive problems that call for legislative attention is beyond the scope of this discussion; but I would like to mention three areas which seem particularly deserving of early consideration.

Minimum and Maximum Limits on the Individual Income Tax

The existence of tax patterns in which individual taxpayers with very large real incomes pay little or no tax is fundamentally incompatible with a balanced income tax system. Without attempting to judge the merit of each such provision—such as tax-exempt municipal bond interest, percentage depletion, intangible drilling costs, highly leveraged depreciation, and the unlimited charitable contribution deduction—it seems altogether fair to say that individuals ought not to be allowed to utilize them to avoid making any contribution whatever to the costs of government. Every individual with a substantial real net income should be required to bear at least some basic share of the national tax burden.

Hence, I would favor consideration of a minimum limit on the individual income tax. As a beginning, one possible approach would be to provide that an individual's income tax would not be permitted to fall below a specified percentage of the tax computed by applying the present ordinary income rates to an adjusted and broadened tax base. This could be accomplished by expanding an individual's taxable income by (a) including tax-exempt interest and the full amount of capital gains, and (b) excluding the unlimited charitable contributions deduction and the excess of percentage depletion over cost. To eliminate marginal cases and minimize administrative difficulty, relatively large exemptions could be provided.

Action should also be taken to give relief to those taxpayers upon whom the upper range of the income tax rate schedule operates too harshly. There is much to be said in favor of the proposition that no taxpayer should be compelled to pay more than half his total income in federal income tax. To this end, I would favor the imposition of a fifty percent maximum limitation upon the effective tax rate applicable to any individual taxpayer. In determining a taxpayer's total income for purposes of applying the fifty percent limit, the broadened tax base which I have described for the minimum tax might again be used. A maximum limitation of this sort would actually lose little revenue.

Neither the minimum nor the maximum limit would affect the average taxpayer. In terms of numbers of cases, neither would have wide application. However, in the situations to which they would apply, they would constitute a significant contribution to the fairness of the tax system, and would assure the public at large that no one with the ability to pay is escaping his share of the costs of government.

Tax-Exempt and Other Tax-Favored Organizations

The statutory framework for tax-exempt organizations has not been comprehensively reviewed since it came into the tax law. Numerous problems have arisen. The Treasury's 1965 *Report on Private Foundations* covers a particular variety of abuses—self-dealing, delay in benefit to charity, foundation involvement in business, family use of foundations to control corporate and other property, financial transactions unrelated to charitable functions, and narrowness of foundation management. On several occasions, President Johnson has asked for correction of these abuses.[51]

One of the most pressing issues goes beyond private foundations. It relates to the multitude of commercial activities engaged in by a considerable number of exempt organizations—churches, publicly supported charitable organizations, and others.[52] The present unrelated business income tax applies to some kinds of exempt organizations, but not to others; nor does it apply to related businesses of exempt organizations. In those instances in which the unrelated business income tax does apply, it is in need of technical adjustment to prevent ready avenues of avoidance.

Other forms of tax-favored enterprises, such as large cooperatives and mutual savings banks, also compete unfairly in the market place. The aim here should be to place all competing businesses on an equal tax footing, regardless of their historically favored tax position. Clearly in order is a thorough legislative re-examination of this entire field, and highly desirable is prompt legislative action on the business competition problem.

Estate and Gift Tax Revision

The estate and gift tax laws also need broadscale review. They have not had major legislative attention for many years, and a variety of inequities and defects have become apparent. The rate structure, the present maximum limit on the marital deduction, the ability to avoid estate taxes by long-term trust arrangements, the discrepancies between the treatment of lifetime gifts and testamentary gifts, and related matters ought to be thoroughly considered. At the same time, the present ability to avoid the income tax permanently on appreciated property passing at death should also be re-examined.

CONCLUSION

As we review the fiscal history of the 1960's, it is clear that our tax policy has moved far beyond the tax philosophy of the 1930's. Our income tax is no longer the prime tool to redistribute the wealth of our citizenry. Even an ardent tax reformer has said: "After more than 20 years of rates reaching beyond 80 and 90 percent, a rate schedule that stops at 70 percent is a welcome respite." [53]

In the longrun, both the administration and the Congress seem to lean towards lower rates of taxation, with increased reliance on private decision-making. They have learned to respect the potency of our tax system as a counter-cyclical force—recognizing the need to use it to increase demand and to provide incentives for investment, modernization and risk-taking.

As the Senate Finance Committee stated in its 1964 report: "The major thrust of the present tax bill is to provide a long-range expansion in . . . the tax base . . . and thereby to increase the revenue potential. To accomplish this result the bill encourages the expansion of the private, rather than public, sector of the economy." [54] Here is a revealing espousal of the New Economics on the upside, at least when the state of the economy suggests the need for stimulation of aggregate demand. Recent developments, however, indicate less enthusiasm for this school of thought when the call is for economic restraint and increased taxes.

On the side of structural tax revision, some advances have been made in recent years, but even here the goal has been achieved at the high cost of added complexity in our tax laws. The thirteen months of heated debates leading up to the 1964 Revenue Act exploded the myth that the carrot of tax reduction would win the day for broad tax reform. Despite $11½ billion of annual tax reduction, Joseph Pechman [55] has pointed out that, measured in terms of revenue, only about twenty-five percent of the proposed individual revenue-raising reforms survived, while sixty percent of the revenue-*losing* reforms were adopted. Soon after the passage of the 1964 Act, Chairman Wilbur Mills was quick to note: "There's a lot left to be done in the field of tax policy. Many of us would like to see more extensive accomplishments in the area of broadening the tax base by eliminating those differential provisions which have outlived any usefulness they might once have had."[56]

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[46] Mills, *Plan for Simpler Taxpaying*, Nation's Business, Dec. 1965, at 51.

[47] INT. REV. CODE of 1954, §§ 951–964.

[48] INT. REV. CODE of 1954, §§ 48(h)-(j), *as amended*, Pub. L. No. 90–26 (1966).

[49] The Joint Committee has recently transmitted its proposed "deadwood" bill to the American Bar Ass'n Tax Section for comment and criticism. Conversation with staff member of Joint Comm. on Internal Revenue Taxation, in Washington, D.C., Apr. 1, 1968.

[50] J. PECHMAN, FEDERAL TAX POLICY 80 (1966).

[51] *See, e.g.*, H.R. Doc. No. 152, 90th Cong., 1st Sess. 3 (1967).

[52] *See* Caplin, *Limitations on Exempt Organization: Political and Commercial Activities*, N.Y.U. 8TH BIENNIAL CONFERENCE ON CHARITABLE FOUNDATIONS 265 (1967).

[53] Pechman, *Individual Income Tax Provisions of the Revenue Act of 1964*, 20 J. FINANCE 247, 266 (1965).

[54] S. REP. No. 830, 88th Cong., 2d Sess. 7 (1964).

[55] Pechman, *supra* note 53, at 266.

While the United States tax system is the most effective in the world, our existing tax laws still contain serious defects of long standing, and it is essential that we press forward to improve them. The facts, forces, and considerations which have produced our present system will not melt away magically in the face of new reform programs and new legislative techniques. The process is a familiar and continuous one calling for patience and endurance as well as creative use of tax principles. There must be painstaking attention to the facts as well as sensitive response to the needs of both industry and individuals. Reformers must demonstrate the ability, thoughtful and judicious, to reconcile the many conflicting interests which are inevitable in a vigorous democracy.

HOUSING AND URBAN DEVELOPMENT ACT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. EILBERG. Mr. Speaker, the Housing and Urban Development Act offers a decent future for America's disadvantaged. It offers the opportunity of homeownership to those who could not even dream of a decent apartment, let alone being homeowners.

The final action lies in this Congress. This legislation has gone through both Houses and the differences have been negotiated in conference committee. I believe the conferees have done a good job.

Now the commitment made to the American people of a decent home for all citizens can and must be renewed by us.

The legislation provides new programs aimed at the crisis in our cities. It reenforces old programs geared to the needs of the people.

Our support will indicate to all concerned that opportunity does not lie only in the path of the affluent.

This legislation, introduced before the disorders in April, proposes positive measures to meet the problems of the poor, to upgrade their lives and homes.

Imagination and thought have gone into the preparation of this act. The interest rate subsidy program and its wide-ranging effects, is a new concept in aiding the less fortunate.

President Johnson said:

> Owning a home can increase responsibility and stake out a man's place in his community. The man who owns a home has something to be proud of and good reason to protect and preserve it.

The interest rate subsidy program fulfills this goal. It offers people near the public housing income limits an opportunity to partake of the pride and responsibility of owning a home.

It breaks down the barriers that have prevented these people from staking a future in this community or neighborhood. It provides incentives to bring up their families in decent surroundings.

For the first time in our history, nearly all Americans will have the chance to become a part of the total American scene.

This is one facet of this legislation.

There is another which provides interest rate subsidies in rental housing. Earlier programs are providing some rental housing. Those programs can now be improved upon and enlarged to serve more people in need of assistance.

The conference committee report on the Housing and Urban Development Act of 1968 deserves our support.

This Nation needs it.

AHEPA UNDERTAKES PROGRAM FOR OUR YOUTH

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. DERWINSKI. Mr. Speaker, one of the outstanding civic organizations in the country is the AHEPA which produces vigorous leadership in the American Hellenic community.

Recently the AHEPA has greatly expanded its youth programs in an effort to continue the great tradition of the early Greek Olympic games and to help build up the bodies and spirits of the youth of America.

I was very pleased to note that editorial commentary supporting this program appeared in the Greek Star, the voice of American Hellenism, published in Chicago in its July 20 edition.

The editorial follows:

AHEPA UNDERTAKES PROGRAM FOR OUR YOUTH

Athletics in ancient times played a vital role in the lives of the Greeks. Through the Olympic Games they succeeded in elevating the spirit of noble competition to a religion. They believed, beyond any doubt, that a good mind can only develop if the body is strong and healthy.

The conception of this ideal re-lived again with the organization of the modern Olympiads, where the flower of the youth of all nations, regardless of their political and philosophical differences, and their struggle for power, gather together, as in ancient Greece where wars stopped so that the belligerents could participate in the Olympic Games, once every four years, to compete among themselves and try to win the medal of the victor, as their counterparts many centuries ago did for the sacred olive branch.

By tradition then, Hellenes have carried over the centuries a strong interest and love for all sports and athletic competition. Track and field events are part of a young man's education and upbringing in Greece today. Here in the United States our athletes have made a good name in classic events as well as in modern games like baseball, basketball, and football. All over the world the name of Jim Londos is a renowned example of courage, determination and honesty.

It is then with great enthusiasm that the Hellenic community in America has received the news that AHEPA now is pursuing a policy of promoting the interest for athletics among its membership. This heart-warming program, so close to the heart of every Hellene, has already produced satisfactory results. All chapters and districts are now cooperating in organizing meetings and banquets for promoting this ideal, in which well known athletes participate and meet younger ones and the Ahepans of their area. Here in Chicago, the 13th District held such a meeting during which young athletes were introduced. Johnny Morris, of the Chicago Bears and of Hellenic descent himself acted as the MC.

But the promotion of the ideal of Athletics is not a matter that concerns only AHEPA. The Order under its Supreme President Andrew Fasseas initiated this program which now must have the unlimited support and endorsement of every other organization, the church, and every Hellene-American.

To create interest in Athletics among our youngsters should be of primary importance, not only to a few but to the many. From such a well-established and organized program big benefits will eventually be derived. The beneficiary will be our youth. The American Hellenic youth which deserves our unlimited interest and support.

REMEMBERING THE "PUEBLO"

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. ASHBROOK. Mr. Speaker, several organizations in Illinois have decided to act on the suggestion of our distinguished colleague, CHARLOTTE REID, and fly the American flag Sunday in tribute to the men of the U.S.S. *Pueblo.*

In addition, the Illinois House of Representatives has passed a resolution asking for immediate release of the ship, asking for action from the President and Secretary of State and calling the capture a "disgraceful episode in our history."

I hope the concern expressed by groups and persons in the Chicago area and throughout Illinois, in addition to the great concern expressed by my constituents in central Ohio, will carry across the Nation. Public opinion appears to be the only means of gaining the facts, let alone action, from the administration.

I include at this point a news article from the Chicago Tribune which discusses the Flag Day action and an editorial from the same newspaper which discusses the lack of action by the executive branch:

A SORRY INDICTMENT

Mrs. Lloyd Bucher, wife of the commander of the U.S.S. Pueblo, went to Washington in the hope of bringing about action to repatriate the ship and its crew of 82 men. All she achieved was to dramatize the inaction of the Johnson administration.

When a boarding party from communist North Korean patrol boats seized the intelligence vessel last January—a move resulting in the death of one American crew member—the administration was ready with words of indignation. Secretary Rusk called it "an act of war." He said it was "intolerable," and he advised North Korea to "cool it." The clear implication was that the United States was not going to be insulted by a two-bit communist puppet government.

In retrospect, it has been the United States, not North Korea, which cooled it. For six months our administration has tolerated the intolerable. When Mrs. Bucher arrived in Washington she was greeted with a good deal of oratory on Capitol hill, but it was hollow. When she appealed to the White House to talk with her husband's commander in chief, she was advised to make a written request for an appointment with the President. Six letters from the Korean desk of the state department have told her nothing.

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[56] Press Release, Feb. 24, 1964.

After all of this, Mrs. Bucher admits that she is "disillusioned, bewildered, frustrated, and afraid."

"I don't know what should be done," she said. "I don't have the information on which to make the judgments. But I am so tired of patient diplomacy. Suppose this patient diplomacy doesn't work after one, two, or five years. What do we do then? Issue another protest?"

Mrs. Bucher is not speaking only for herself. She is speaking for the relatives of the 81 other crew members of the Pueblo and also for the relatives of the 500 or so Americans who have disappeared in Viet Nam, never to be reported either as dead or as prisoners of the North Vietnamese, who have refused even to list their prisoners. All of these people deserve better treatment than they are getting from a government which seems afraid to insist on its own rights and those of its citizens and which prefers to tolerate the intolerable.

[From the Chicago (Ill.) Tribune, July 24, 1968]

Groups Hail Flag Day for "Pueblo" Crew

(By Sara Jane Goodyear)

A flag day this Sunday in honor of the men of the captive ship, the U.S.S. Pueblo, has found support among patriotic organizations here.

"We're 100 per cent behind it," said Russell P. Bieritz, commander of the American Legion department of Illinois. "I don't know of any better way to pay tribute to these men and let them know we support them."

LEGION TO MENTION

Special mention of the flag day will be made at an executive committee meeting and at general sessions of the American Legion convention being held thru Sunday in the Palmer House, Bieritz said.

The flag day was suggested by Rep. Charlotte Reid [R., Ill.], who urged in a House speech Monday that Americans fly their flags on Sunday in a salute to the officers and men of the Pueblo.

It was six months ago yesterday that the ship was captured by North Korea.

ECHOES LEGION SUPPORT

Mrs. Evelyn Gill, adjutant and public relations officer for the Grand Army of the Republic Memorial Association of Cook County, echoed Bieritz's pledge of support.

"We always favor flying the flag and certainly would urge all Americans to fly their flags in honor of the Pueblo," Mrs. Gill said. "I will send out flag postal cards to all council members and representatives of veterans organizations to spread the word of the special day."

August C. Sisco, president of the Chicago council of the Navy league, added his indorsement.

"I certainly think the officers and men of the Pueblo are deserving of such a tribute," he said. "I think it would be a good gesture on the part of all Americans to fly the flag Sunday—I am sure most Americans would join in this thought."

URGED TO FLY FLAGS

The flag day will be announced at a council meeting of the Veterans of Foreign Wars Saturday in Rock Island and all members will be urged to fly their flags, said Thomas J. Russell, department of Illinois commander.

"This seems a very desirable tribute," Russell said. "It lets the men know Americans are behind them."

Donald Fournier, commander of the Amvets department of Illinois, is sending letters to all Amvet posts in the state urging that members and their families fly their flags on Sunday.

"There's no question that we have a responsibility to these men of the Pueblo," he said. "They're doing their job and we should support them."

THE CASE FOR CLEAR CHANNEL BROADCASTING

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. COLLIER. Mr. Speaker, more than half of the country is a "radio desert" at night without clear channel broadcasting. Millions of Americans depend on such broadcasting as their only source of nighttime radio programming, yet a "creeping paralysis" threatens this vital public service.

Ward L. Quaal, who is president of the Clear Channel Broadcasting Service, as well as president of station WGN, Chicago, speaks eloquently in behalf of the listeners who depend upon the clear channel stations. Under leave to extend my remarks in the RECORD, I include Mr. Quaal's article:

The Case for Clear Channel Broadcasting

Radio clear channels are vital to America. Without them, millions would be deprived of their only nighttime AM radio service. The stations using these channels are licensed to provide wide area nighttime service—radio to all America.

These stations provide the only radio listening available to residents and travelers in rural regions encompassing nearly 60 per cent of the nation's land area.

These areas enjoy good daytime reception from local and regional stations. Beginning at sunset, however, because of changes in the ionosphere which reduces the coverage of regional and local stations, they are without AM radio except for clear channel signals.

AN EXCLUSIVE ROADWAY

Clear channel means, simply a channel of air or a roadway through the sky that is used exclusively by one station at night, transporting radio signals over vast areas which cannot be reached in any other way after sunset.

Technically, clear channel wide area coverage is possible because of radio's skywaves, one of two kinds of signals emitted by all AM radio stations. The other is groundwave.

Skywave signals are directed toward the sky. During the daytime, few return to earth. But at night, the ionosphere changes so that it acts as a mirror and scatters usable skywaves back to earth over great distances. Therefore, only one station may use a clear channel at night.

Groundwaves, on the other hand, parallel the curvature of the earth day and night. They provide dependable service as long as the signal is strong enough to overcome static, noise and interference.

DANGERS OF DUPLICATION

If more than one station operates on a channel at night (duplication) their skywave and groundwave signals clash so that they are damaged or destroyed.

This is why only clear channel stations provide skywave service. However, over the years Federal policies have permitted an alarming number of stations in urban areas to transmit on some clear channels, thus destroying skywave service to remote rural areas.

Duplication—or breakdown—of 15 of these irreplaceable clear channels has resulted in less programming for underserved regions and increased programming to already well-served urban communities.

Of the original 40 clear channels, only 25 exist today. The others have been dissipated by duplication.

Generally, once a second station is assigned to a clear channel, other such assignments follow. Today, there are as many as 11 stations operating on what was at one time a very valuable and, indeed, "precious" (service-wise) 1–A clear channel.

UNREALISTIC POWER "CEILING"

Another alarming condition is the government's unrealistic ceiling on transmitting power. The use of additional power is needed to carry reliable signals.

Higher power (above 50 kilowatts) will help to overcome the growing interference from foreign stations operating on U.S. clear channels, static, the peculiar variances of skywave service and to counteract increasing levels of electrical noise.

Though the number of U.S. radio (AM) stations has increased from 503 in 1938 to more than 4,150 today, it is the few remaining clear channel stations that still provide the only nighttime AM radio for huge rural and small town regions.

RADIO FOR ALL AMERICA

Clear channel broadcasting, a service in the public interest since radio's infancy, provides Americans in the nation's vast, thinly populated regions with their only source of AM radio listening after sunset.

Millions of these Americans, who enjoy daytime broadcasting from local and regional channels, would live in a radio desert at night if it were not for clear channel signals that reflect from the ionosphere to provide needed wide area coverage.

They depend largely and, in many cases, solely upon clear channel stations for their news, weather, entertainment, sports, cultural, music, education, agricultural and religious programming.

Over the years, however, Federal policies have permitted many clear channels to be dissipated by allowing multiple station use of the same channel at night. This has brought more programs to local and already well-served city areas, but has reduced programs reaching under-served rural regions.

Preservation of the all too few remaining clear channels is imperative as a vital link in our civil and national defense, plus providing programming excellence that enhances the daily lives of more than 25 million Americans.

Moreover, the government's unrealistic AM ceiling on transmitting power must be removed so as to better carry reliable signals to remote areas and to assist in overcoming growing interference from foreign stations, fading, static and increasing levels of manmade noise.

Clear channel stations are pledged to provide radio to all America, now and in the future, and to continue to serve the public interest under our enviable free enterprise system of broadcasting.

VIOLENCE IN TELEVISION PROGRAMS

HON. JAMES A. McCLURE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. McCLURE. Mr. Speaker, Jean de La Bruyère said long ago:

> If poverty is the mother of crimes, want of sense is the father.

In our modern society there is a growing conviction that television may be fathering much of the moral decay which our country is experiencing.

Studies by behavioral psychologists indicate a possible significant impact on the views of violent television programs.

Of primary concern is the role television might have played in shaping the lives of our young people. Daily exposure to the murders, beatings, and crimes of popular espionage series has lulled our children into accepting crime as a form of entertainment. At an early age they have already attached a certain glamour to lawlessness.

Mr. Speaker, I am today joining a number of my colleagues in introducing a joint resolution calling for an investigation of the effects of the display of violence in television programs. While I recognize television as a superior educational tool and an excellent media of entertainment, I deplore the role it plays in bringing violence into our homes. I am hopeful that the television and entertainment industries will fully cooperate in our effort to halt the rising crime rate in this Nation.

AID TO INDIA

HON. WILLIAM H. AYRES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. AYRES. Mr. Speaker, last week the House, after spirited debate, passed the foreign aid authorization. Even though a substantial reduction from the administration's authorization request was made, very little was done to change the basic program which has been plagued by careless administration.

Of special interest to the Members during the debate was the belligerent anti-Americanism by the Government of India despite the huge amount of aid from the United States which has kept that country afloat.

My attention has just been drawn to a column by Willard Edwards in the Tuesday, May 28 Chicago Tribune in which he reveals an exchange of correspondence between our colleague, Representative ED DERWINSKI, of Illinois, and U.S. Ambassador to India, Chester Bowles. This is a very interesting and revealing article and since the House will act again on the aid authorization conference report as well as the annual aid appropriation bill, this article is still of very timely nature. It follows:

AID TO INDIA

(By Willard Edwards)

WASHINGTON, May 27.—The letter from New Delhi, India, dated April 16, displayed the embossed seal of the United States embassy. Across the top of the first page, in bold, capitalized letters, was this solemn warning:

"Personal, private, and off-the-record."

Rep. Edward J. Derwinski [R., Ill.], a member of the House foreign affairs committee, was understandably intrigued. He found himself saluted as "Dear Ed" and turned to the signature at the end of the 1,500-word message. It was that of an American ambassador to India, Chester Bowles, who inscribed himself "with warmest regards" as "Chet."

As Derwinski read, he found that he was being urged personally, privately, and off-the-record to turn a deaf ear to any nonsense he might hear about any danger to the United States involved in India's construction of a mighty military machine with the aid of the Soviet Union.

It was true, Bowles conceded, that India, while accepting billions in food and technical assistance from the United States to avert famine, now had the largest noncommunist army in the world, second only to the United States. Russia, thru rupee loans, had financed this military modernization.

But India, he continued, could not be blamed for becoming virtually dependent upon the Soviet Union for jet fighters, missiles, tanks, frigates, and submarines. Its leaders had vainly sought military aid from the United States and were "deeply disappointed as being forced to go to the Soviets."

PRESSURED NOT TO PENALIZE INDIA

There was much more along the same line. Derwinski knew that he and other members of the foreign affairs committee, working on President Johnson's request for 2.9 billions in foreign aid, including 706 millions for India, Pakistan, and Turkey, were being pressured not to penalize India for accepting a role as a front for communist expansion in southern Asia.

The more he considered the Bowles "off-the-record" approach, the more indignant Derwinski became. On May 21, he fired off an answer:

"One of the basic defects of our foreign policy is exemplified by performances such as yours. You are apparently far more interested in the well-being of the government of India than you are in the United States of America.

"The only conclusion I can reach is that you are an active lobbyist for foreign aid to the government of India. Perhaps it would be in order for the state department to have you return to the States for an extended period of consultation and emphasize the basic obligation you have to the citizens and taxpayers of the United States of America."

This blunt language, presumably, did not ruffle Bowles. A millionaire advertising man, now 67, who retired in 1941 to embark on a public career, his devotion to the interests of foreign countries, especially India, has often earned him epithets in Congress.

His letter spoke, somewhat condescendingly, of the "near total lack of understanding" both in Congress and in the American press, of India's problems.

This had led, he said, "to a certain amount of confusion and exasperation . . . misconceptions" about India's intentions. He gave comforting assurance that "the well-trained and highly motivated Indian army is a major asset, not a liability, to the United States."

NEW SPEARHEAD FOR RUSS IN ASIA

Derwinski thought Bowles, himself, needed "enlightenment" and mailed him a copy of the Washington report of the American Security council which recently published an authoritative summary of India's military buildup. Its conclusion: "India is indeed the new spearhead for Russian penetration in Asia in 1968."

Derwinski, who has access to secret intelligence reports as an influential member of the foreign affairs committee, agreed with the report's comment that:

"At the very time the United States was rushing between 16 and 17 million tons of food to prevent a famine in India in 1967, New Delhi made a deal with the Soviet Union for the purchase of 600 million dollars worth of jet fighter-bombers to modernize the already large Indian air force."

"The Indian formula," the report noted, "appears to be to spend its desperately strained funds on building its military might, primarily with Moscow's help, and then turn appealingly to the rest of the world to bail its people out of famine and deprivation."

AVON CALLING OPENS THE DOOR

HON. THEODORE R. KUPFERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. KUPFERMAN. Mr. Speaker, located at Rockefeller Plaza in New York City, in my district, is the home office of a cosmetics company that has grown to be the world's largest through reliance on personal service to its customers. Avon Products, Inc., founded by David H. McConnell in 1886, has constantly adhered to a policy of quality products and friendly service.

Today, "Avon Calling" is familiar to families throughout this country and is gaining wide acceptance from South America to Europe; Canada to Australia; and soon even Japan. From the success of the company overseas, it has become apparent that people are universal in appreciating the convenience and comfort of purchasing cosmetics in the privacy of their own homes from neighbors serving as Avon representatives.

Not only has Avon, through the representatives, been able to provide a convenience to customers, but the company has given earning opportunities to women who would otherwise not have been able to supplement their families' income.

Mr. Speaker, I believe many of my colleagues will be interested in learning more about this leading company. In that connection, by unanimous consent, an article from the New York Times relating to Avon is printed in the RECORD following my remarks:

[From the New York Times, May 1, 1968]

IN ANY LANGUAGE "AVON CALLING" OPENS THE DOOR

(By Angela Taylor)

They travel by bicycle, burro and Buick. Some of them work in miniskirts, others wear flowered hats. Although their signature is the chiming of a doorbell, they sometimes go to doors that have no bells and "Avon calling" comes out "Avon llama" or "Voici Avon."

They are a sisterhood numbering 300,000, of which two-thirds work in the United States. Their rounds take them to high-rise apartments, suburban houses and farms on R.F.D. routes. Neighborhood kids, spotting the neat sample cases, greet them with "Here's the Avon lady." The satisfaction of being in business for themselves, yet babied by the company, keeps the women on their enthusiastic rounds and has made Avon the largest cosmetics concern in the world, a fact that the publicity-shy corporation rarely brags about. Its sales, all made by women going door-to-door amounted to $474,814,000 in 1967.

It makes 300 products (more like 1,000 if shades and fragrances are taken into account) with names such as "To a Wild Rose" and "Ribbon 'n' Lace." Blatant sexiness is avoided in its advertising, and the Avon lady is always represented as a next-door-neighbor type who wears a hat as she spreads the products on the coffee table. Even the signature chime on television was carefully chosen for its friendliness; the company auditioned dozens of bells before it settled on its present one—C followed by A.

Mrs. William Noble makes her rounds in a powder-blue station wagon through a pleasant section of Rye, N.Y., where robins fly from flowering cherry trees to lawns where children and dogs tumble. Mrs. Noble, a blond, blue-eyed mother of four, has been an Avon representative for five years and knows her customers by their first names. Her husband is an engineering assistant with American Telephone and Telegraph.

After telling Marie Louise, 7 to stay with a neighbor and Robert, 12, to "please don't leave the block," she packed her blue tweed sample case and called first on Mrs. Thomas R. Coash at 5 Onondaga Street.

Sally Coash, who looked more like the baby sitter than the mother of three sons and a daughter, apologized for her jeans and sneakers and ran up to bring Laura, 2, down from her nap. Laura, a small edition of her mother with her blond hair tied in ribbons, watched solemnly while Mrs. Noble spread out her wares in the living room, and then agreed that Daddy (who is a McGraw-Hill executive) might like the smell of the shaving lotion.

OBSERVANT DAUGHTER

Janie Hueffed, 5, opened the red door of the fieldstone house at 49 Mendota Street a minute before her mother, Mrs. Robert G. Hueffed, wife of the sales manager for an environmental control systems company. Mrs. Hueffed was a little breathless from having helped ferry 29 children on a school field trip—"and the bus broke down."

While Janie took in every word, Mrs. Hueffed sniffed the room freshener, tried a bit of leg make-up on her hand, and said she preferred a lipstick as pink as her dress to the new orange shades.

Mrs. Don Herring of 6 Highland Park Place was dashing off to pick up her son at school, but had a few minutes to pay for the order Mrs. Noble delivered and to look at the new unscented hair spray and suntan lotion.

"My mother was an Avon lady in Pennsylvania," said Dot Herring, whose husband is with the Benjamin Moore Paint Company. "That's how she supported us."

MAKE-UP FOR EYES

In the pretty blue and green living room of 184 Highland Road, Mrs. Kenneth W. Ake Jr., whose husband is a stockbroker, wanted some of that "soft beige eye-shadow that doesn't look as though you have it on." Also, she needed an eyeliner brush—"my child made off with mine."

Mrs. Ake settled for a case with four shadows and a brush, which her daughter, 9, and son, 5, were less likely to get at. She ordered some children's shampoo—"I use it, too,"—and said she would telephone her lipstick order when she decided between two sample shades Mrs. Noble gave her.

"Some days I work just a couple of hours, sometimes straight through," Mrs. Noble explained as she headed for another customer. "I really love it. It's more creative than housework."

A competitor says of Avon: "It's corny, but it works." Along with "corny," adjectives like "wholesome" and "human" have been applied to the company's way of doing business. Its beginnings were certainly wholesome enough.

The company was founded in 1886 by David H. McConnell, then a 28-year-old door-to-door book salesman from Oswego, N.Y. Mr. McConnell traveled New England on horseback selling "Pilgrim's Progress" and "The American Book of Home Nursing." To get his foot in the door, he offered each housewife a small vial of perfume. The perfume made a bigger hit than the books, and Mr. McConnell decided to switch businesses.

A friend who had gone to California wrote back about the glory of West Coast flowers and also lent him $500 to start the California Perfume Company—a name that sounded more flowery than Brooklyn, where the business started. Along with perfume, Mr. McConnell manufactured a line of household products called Avon Maid, which later gave its name to the present concern.

The first Avon lady was Mrs. P. F. E. Albee, a widow living in Manchester, N. H., who was a friend of the McConnell family and needed money to support her brood. Mrs. Albee traveled by train and horse-drawn vehicle to sell Avon products to the women of New England.

Other Avon ladies, in long skirts and bonnets, soon began to ring doorbells, first in New England and then in the Middle West. (The first of the company's seven branches was opened in Kansas City in 1905.) They would call on the minister when they went into a strange town to be introduced to prospects and attended church suppers. ("They still do," says a company spokesman.)

There is no typical Avon lady, one of its executives explained the other day. She may be anywhere from 17 to 80—a college girl who needs money for clothes, a housewife who wants a new refrigerator or even a wealthy woman who donates her money to charity. She can earn as much as $7,000 a year but is more likely to clear $1,000 to $2,000.

She is recruited by women district managers who place ads in local newspapers or follow up applicants recommended by other Avon representatives. Once "appointed," the new saleswoman receives a case with products, training material and order blanks and is assigned to a specified territory.

The Avon representative is now in business for herself. She makes her calls, taking orders at full retail price plus local taxes. At the end of a three-week period she sends her orders to a branch office. When she receives her merchandise, she is billed for 60 per cent of the amount. Now she must deliver purchases to her customers (and, it is hoped, take other orders) and collect payment. The 40 per cent is her profit. Sales taxes are taken care of by the company, which does virtually everything by computer.

Now in a dozen foreign countries, Avon has its eye on new markets.

"In many countries, there are few job opportunities for women," a spokesman explained.

"It not only helps the woman, but the local economy," she added, looking toward a future with Avon ladies in saris, kimonos and caftans cheerfully announcing the local equivalent of "Avon calling."

CONGRESSIONAL QUESTIONNAIRE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. RARICK. Mr. Speaker, I include a copy of my letter I am mailing to each constituent who replied to a recent congressional questionnaire in the RECORD:

DEAR CONSTITUENT: Thank you for taking the time to complete and return to me your Congressional Questionnaire. I appreciate your giving me your opinion on important legislation facing Congress.

Please allow me to apologize for the informality of this reply. The returns have been so overwhelming that our staff's heavy work load does not permit a more personalized answer at this time.

I do, however, want you to know that I have reviewed your questionnaire and have noted your answers with interest and careful deliberation.

I hope in the near future to tabulate the replies so we can summarize the feelings of all the people in our district. I will be happy to send you the results at that time. Your individual questionnaire will remain in strictest confidence.

Thank you once again for sharing with me your views, and for your continued interest in good government.

If I can be of service at any time, please let me hear from you.

Sincerely,

JOHN R. RARICK,
Member of Congress,
Sixth District, Louisiana.

THE HOUSING BILL

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. NIX. Mr. Speaker, the action taken on the housing bill by the 90th Congress will merit for this administration and the 90th Congress a permanent place of prominence in the history of this country.

President Johnson, in his message on the crisis of the cities, underscored the necessity of saving our cities by saving their inhabitants. We must not delude ourselves to believe there can be one without the other. In that message, Mr. Johnson said:

> Our concern must be as broad as the problems of men—work and health, education for children and care for the sick. These are the problems of men who live in cities. And the very base of man's condition is his home: he must find promise and peace there.

During this administration, Federal housing programs have epitomized the human element in programs for our cities. The 30-year-old low-rent public housing program has been enlarged and broadened to help make the President's goal a reality.

Today there are more than 60 types of social service programs in public housing. They include health, family-life education, child care, recreation, scouting, elderly, welfare, and employment activities. They are made possible by both public and private sponsors. But despite these programs and their growing numbers, the lack of social services and facilities stands as one of the major deterrents to viable communities and family life among people in and around public housing project areas.

While over 675,000 dwelling units have been built since the inception of the public housing program and another 55,000 units are under construction, it seems unbelievable that we are not providing enough public housing, or that tenants are not finding full satisfaction with their homes.

Family units, already weakened by economic deprivation and emotional instability, are further victimized by the inadequate supply of community services, transportation, and other public facilities, which compound already frustrating circumstances.

Let us do what we are empowered to do and what this country can afford to do to avail many working mothers of day care services; to bring to many of these families, who are unfamiliar with the complexities of urban living, counseling in the economics of family budgeting, in the ways of homemaking, employment, and in how to obtain job training and education.

The provision for tenant services included in this bill will work toward this end. It will prepare many of the disadvantaged in our innercity areas to take their place in the mainstream of American life. It will give them new pride in their neighborhoods and communities. They will value their communities, as middle-class Americans, for the services they provide.

The tenant service program should be supported by this body. Failure to support this program would surely be a shortsighted move.

LET US END FARM SUBSIDIES NOW

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. OTTINGER. Mr. Speaker, the House is being asked to approve a 1-year extension of the agricultural subsidy program. The Senate already has approved a 4-year extension of what has become an annual $3½ billion boondoggle which benefits primarily a few large interests to the detriment of the average farmer and the American consumer.

The basic inequity in the farm subsidy program is demonstrated clearly by the fact that the 2 percent of American farmers whose gross incomes are over $100,000 a year receive 20 percent of the subsidies. The President's National Advisory Commission on Rural Poverty noted that the subsidy program bypasses the rural poor. The Commission reported that "farms under 140 acres in size received only about one-fourth of the agricultural conservation program payments in 1964. Yet farms under 140 acres in size comprise more than half the total number of farms."

Our farm program is nothing more than a bribe to take acres out of production, and the greater the acreage, the greater the bribe. It is significant that the largest individual farm subsidy paid in 1967—$4,091,818—was greater than the total farm subsidy payments in the States of Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, and Delaware, plus the Virgin Islands. Ten farming interests received a total of $14,785,760, which is more than the total subsidy payments in the States of Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, West Virginia, New Jersey, Maryland, Hawaii, Utah, and Wyoming.

And yet, efforts to place limitations on the amount of subsidy a single farming operation may receive have been rejected out of hand. There might be some merit in a 1-year extension of the program if Congress were to set a reasonable limitation—perhaps $25,000—on payments to a single farming interest. In the absence of such safeguards, no extension of the subsidy program can be justified. It is long past time we sought new directions in agricultural policy—in the interests of the farmer, the consumer, and the taxpayer.

It seems strange to be faced with a proposal to renew our counter-productive and outdated agricultural policy when the 1965 Agricultural Act still has a year to run. Rather, we should be conducting full and fair inquiries into alternatives and exploring new policies. Having just recently saddled the American taxpayer with a 10-percent tax surcharge and approved a $6 billion cut in Government spending as an economy move, we should be looking for ways to reduce or eliminate unnecessary programs. The farm subsidy is an ideal place to start.

I have stated my objections to our agricultural policy on frequent occasions. A policy which was established to deal with a national emergency in the 1930's simply has no relevance today. The evidence is overwhelming that our farm policy does little or nothing to help the small farmer, but benefits the affluent farmer and large agricultural interests which are virtual cartels. Our farm policy has contributed mightily to the flight of farmers to our cities. It is an unfair and heavy burden to the American taxpayer. It should be relegated to the scrap heap with other relics of a bygone era.

OCEAN'S NO PLACE TO DUMP SEWAGE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. EDWARDS of California. Mr. Speaker, an editorial in a recent—July 16—issue of the San Jose Mercury emphasized the need for foresight and planning in sewage disposal methods. The Mercury cited the warnings of marine biologists, John Harville and John Phillips, against dumping garbage in the ocean. Further, the editors suggested underground percolation of treated sewage as a viable alternative to dumping.

I commend this article to my colleagues, and applaud Drs. Harville and Phillips and the Mercury for their wisdom and concern.

The article follows:

OCEAN'S NO PLACE TO DUMP SEWAGE

Two marine biologists, Dr. John Harville of the California State College System's Moss Landing facility, and Dr. John Phillips, of Stanford University's Hopkins laboratory in Monterey, are on record against dumping sewage into the Pacific Ocean.

Basically, the scientists argue that man cannot say with assurance that treated sewage will do no harm to ocean life because man does not know that much about the ecology of the oceans. It is a compelling argument.

"The answer," says Dr. Phillips, "isn't to dump effluent into the sea at Monterey, Santa Cruz, Half Moon Bay or anyplace else. It's to find an alternative."

One of the most attractive alternatives, if it can be made economically feasible, is to treat sewage to the point that it can be returned to the earth's natural underground reservoirs via percolation. This would, of course, kill two birds with one stone. It would solve the effluent problem and bolster sagging water tables. The latter is especially important in the fast growing, yet essentially arid, West.

YOU CAN GO TO COLLEGE

HON. BENJAMIN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. BLACKBURN. Mr. Speaker, today the House is considering the Higher Education Amendments of 1968. The purpose of these amendments is to improve the quality of education in the United States.

Last session, I had the privilege of introducing a bill to provide a tax credit to an individual who incurs the expense of higher education. This is a step in the direction of easing the increasingly heavy burden of the cost of higher education on a student or his family.

Many private organizations have established private scholarship and loan funds to help deserving students. Furthmore, the Federal Government has numerous student loan programs. I have compiled information on these various programs into a booklet which I am inserting into the RECORD for the public's information:

OPPORTUNITIES FOR YOUR EDUCATION

This booklet attempts to give briefly the possibilities of obtaining college loan or scholarship aid from all available sources. In addition to those mentioned in this booklet, there are countless loan, scholarship, and work-study opportunities at the individual colleges and universities and you should not overlook the possibility of obtaining some kind of financial assistance from the college or university of your choice.

You may have to combine several sources to finance your educational program. Complete information on the details of such programs can be secured *only* by writing directly to the institution.

If you have a good high school record and need financial help, you should proceed as follows:

1. Check with your high school guidance counselor, principal or advisor for scholarship information.

2. Write to admission directors at the colleges in which you are interested. New scholarship programs are being established every day and it would be impossible to list them all in this booklet.

3. Write to foundations and private businesses which offer special grants, such as the General Motors and Ford Foundation Scholarship Plans; the Kroger Company; Sears, Roebuck Foundation; Procter & Gamble; etc.

4. Write to the College Scholarship Service of the College Entrance Board, 475 Riverside Drive, New York, New York 10027. They will provide information on their services and a parental financial statement upon request.

5. Write to the Division of Student Financial Aid, Bureau of Higher Education, U.S. Office of Education, Washington, D.C. 20201, for a copy of "Federal Aids for College Students." There is no charge for this publication.

The national merit scholarship program awards 4-year scholarships which may be used in any accredited college or university in the United States. Students are selected through a process starting with nation-wide competitive examinations. This is a national program, and students compete each year for over 2,300 awards ranging from $100 to $1,500 per year in value. Applicants must take the National Merit Scholarship Qualifying Test in the year preceding high school graduation, normally as juniors. For detailed information, consult your high school counselor or write the National Merit Scholarship Cor-

poration, 990 Grove Street, Evanston, Illinois 60201.

The national achievement scholarship program awards 4-year scholarships to outstanding Negro students in an annual nation-wide competition. Winners may use their awards at any accredited college or university in the United States and receive from $250 to $1,500 per year. Over 250 awards are given annually. The program is administered by the National Merit Scholarship Corporation. For detailed information, consult your high school counselor or write the National Achievement Scholarship program, 990 Grove Street, Evanston, Illinois 60201.

Knights of Columbus educational trust fund—Scholarships are available to sons and daughters of Knights who were killed or disabled as a result of military service during World War II, the Korean War or the Viet Nam War. In addition, special $1000 scholarships are awarded for undergraduate study at The Catholic University of America, Washington, D.C., for sons and daughters, brothers and sisters of living or deceased members of the Knights of Columbus. Write to the Supreme Secretary, Knights of Columbus, Drawer 1670, New Haven, Connecticut 06507.

Westinghouse science scholarships and awards—The Science Clubs of America conduct an annual talent search for outstanding students who are interested in science. 40 winners are selected with the top five getting $25,000 in scholarships and the other 35 awards of $250 each. Information may be obtained from the Science Clubs of America, 1719 N Street, N.W., Washington, D.C. 20036. Deadline for all materials is December 27.

The Elks have scholarship programs for children of members who were killed or died in the armed services. Applications should be made directly to the lodge of which their father was a member.

Fraternal Order of Eagles offers medical, dental and educational assistance to minor children of Eagle members who lost their lives while in the armed services. For information contact the local Eagle Aerie or Eagles Memorial Foundation, 4710 14th St., W., Bradenton, Florida 33505.

The AMVETS grant scholarships to high school seniors whose fathers are deceased or disabled veterans of World War II or the Korean War. Write: AMVETS, 1710 Rhode Island Avenue, N.W., Washington, D. C. 20036.

American Association of University Women Educational Foundation—Awards about 50 fellowships. Write American Association of University Women, 2401 Virginia Avenue, N.W., Washington, D. C. 20007.

The Hattie M. Strong Foundation makes loans without interest or collateral up to $3,000 to students who are within 2 years of their final degree. Loans are based almost entirely on need—top limit of $1,500 per year per student. For additional information write the Hattie M. Strong Foundation, Room 409, 1625 Eye Street, Washington, D. C. 20006.

The Woodrow Wilson National Fellowship Foundation grants 1,000 fellowships for first year graduate students interested in college teaching careers in the liberal arts field. Current grants are contingent upon availability of funds beyond June, 1968. Write the Woodrow Wilson National Fellowship Foundation, Box 642, Princeton, New Jersey 08540.

Foundation for Independent Education, 224 Clarendon Street, Boston, Massachusetts. Approximately 8 to 10 scholarships valued at $300 are awarded annually to attend private junior colleges. For information write: Funds for Education, Inc., 319 Lincoln Street, Manchester, New Hampshire 03103.

Church scholarships are available through many denominations. 500 National Methodist Scholarships are awarded to outstanding students in over 100 accredited Methodist institutions. Students may also obtain loans from the Methodist Student Loan Fund while attending any institution of higher education accredited by its regional accrediting association. Write, Department of Student Loans and Scholarships, P.O. Box 871, Nashville, Tenn. 37202. The American Baptist Student Aid Fund also awards national scholarships and further information on this program may be obtained by writing, American Baptist Student Aid Fund, Valley Forge, Pa. 19481. The United Presbyterian Church U.S.A. offers 50 scholarships to qualified Presbyterian youths entering 45 church-related colleges. Application forms may be secured from the Board of Christian Education, United Presbyterian Church, 425 Witherspoon Building, Philadelphia, Pa. 19107. The Lutheran Churches affiliated with the Lutheran Council in the U.S.A. have a unified graduate scholarship program in social work for qualified Lutheran applicants. For details write: Division of Welfare Services, LCUSA, 315 Park Avenue South, New York, New York. 10010. The National Jewish Welfare Board, 145 East 32nd Street, N.Y., N.Y. 10016, will furnish information about careers in social group work and scholarship help for graduate social work education.

United Daughters of the Confederacy Committee on Education provides annual scholarship grants and loans which range from $50 to $500. For further information, write UDC Divisions or Chapters in the States or Mrs. Pansy B. Fetzer, Box 1167, Shelby, N.C. 28150.

THE FIELD OF MEDICINE

Federal: The Health Professions Educational Assistance Act of 1963, as amended in 1965, provides for loans up to $2,500 per year for students pursuing a full-time course of study leading to a doctorate degree in medicine, dentistry, osteopathy, optometry, pharmacy, podiatry, and surgical chiropody. The 1965 Amendments provide for scholarships up to $2,500 per year for students in schools of medicine, osteopathy, dentistry, and optometry. Specific enquiries should be addressed to the institution to which students have applied for admission, or at which they are enrolled.

Medical Social Work: Medical Social Work Section, National Association of Social Workers, 2 Park Avenue, New York, N.Y. 10016.

Physical Therapy: American Physical Therapy Association, 1740 Broadway, New York, N.Y. 10019.

Medicine: Council on Medical Education and Hospitals, American Medical Association, 535 North Dearborn Street, Chicago, Illinois 60610 or Association of American Medical Colleges, 2530 Ridge Avenue, Evanston, Illinois 60201.

Occupational Therapy: American Occupational Therapy Assn., 251 Park Ave., South, New York, N.Y. 10010.

NURSES

If you are interested in a career as a nurse, or in furthering your education if you are presently in nursing, you may want to contact the following sources for information:

Department of Information Services, National League for Nursing, 10 Columbus Circle, New York, N.Y. 10019.

The National Foundation, 800 Second Ave., New York, N.Y. 10017.

The 8 and 40 Tuberculosis Nursing Scholarship Fund assists students in securing advanced preparation for positions in supervision, administration or teaching with a direct relationship to tuberculosis control. Write: Box 1055, Indianapolis, Indiana 46206.

A list of institutions offering nursing traineeships is available at no cost from the Division of Nursing, Public Health Service, Room 407, 800 N. Quincy St., Arlington, Va. 22203.

The nursing student loan program provides for the establishment of a student loan fund in those public or nonprofit schools of nursing which wish to participate.

Talented high school graduates in need of financial assistance to enter and complete basic programs in nursing should apply for admission to the schools of their choice. Once admitted, they are eligible for loans under this Act. For information, write: Division of Community Health Services, Rm. 810, 800 N. Quincy St., Arlington, Va. 22203.

Students may cancel up to 50% of their loan for full-time employment as a professional nurse in any public or nonprofit private institution or agency. For each complete year of service, the rate of cancellation shall be 10% of the loan, plus interest, which is unpaid on the first day of employment.

FEDERAL ASSISTANCE

The national defense student loan program

In 1958, President Eisenhower signed into law the National Defense Education Act in which most colleges and universities in the United States participate.

High school graduates who have been accepted for enrollment by colleges and universities and who need financial help for educational expenses are eligible for student loans.

An undergraduate student may borrow up to $1,000 each academic year—to a total of $5,000. Repayment does not begin until 9 months after college; interest also does not begin until then. Repayment at 3% interest per annum may be extended over a 10-year period although the school may require a minimum repayment of $15 a month.

The "Teachers' Forgiveness Clause" in this program provides that if a borrower becomes a full-time teacher in an elementary or secondary school or an institution of higher education, up to half of the loan may be forgiven at the rate of 10% for each year of teaching service. Borrowers who elect to teach in certain eligible schools located in areas of primarily low-income families or to teach handicapped children may qualify for cancellation of their entire obligation at the rate of 15% per year.

The colleges and universities—Not the Federal Government—approve and make the loans. A student desiring this financial assistance should make application directly to the college or university which has accepted him.

A booklet containing a summary of this loan program and listing participating colleges and universities may be obtained by writing to the Department of Health, Education, and Welfare, Office of Education, Washington, D.C. 20201 or to me.

Federal grants and guaranteed loans

One of the final acts of the First Session of the 89th Congress was the Higher Education Act of 1965, which authorizes both Federally-financed grants and guaranteed student loans.

The grants are available through colleges and universities for students found to be in exceptional financial need. The maximum annual grant will be $800, except that a student who is in the upper half of his college class scholastically may receive an additional $200.

The colleges and universities will determine who is to receive the scholarships, and in what amount, so that application should be made directly to the college the student is attending or plans to attend.

Special emphasis will be placed upon identifying able students while they are still in high school with the promise of scholarship aid upon graduation from high school.

Guaranteed student loan program

Under this program, students may borrow from a local commerical bank, savings and loan association, mutual savings bank, insurance company, credit union, or other eligible lender to help meet college costs. The loan is made directly to the student, and is, in turn, guaranteed against default by a guarantee agency designated for each State. Loans may range up to $1,500 per year. Repayment may begin not less than nine nor more than twelve months after the student leaves college. For such loans, the Federal Government will pay a portion of the interest charges for eligible students.

Training for teachers of handicapped children

Grants are available through selected institutions for individuals for training as teachers or specially trained education personnel for children who are mentally retarded, seriously emotionally disturbed, hearing, speech or sight impaired, crippled, or otherwise health impaired. Available are traineeship grants for full-time senior year undergraduate study as well as post-graduate study. For information write: Division of Handicapped Children and Youth, U.S. Office of Education, Washington, D.C. 20201.

Federal loan assistance for vocational students

Students attending public and private vocational schools (including private schools operated for profit) may also apply for loans under a loan guarantee program highly similar to that described above. Such students are also eligible for Federal interest benefits.

Information concerning this assistance may be obtained through local Commissions for Higher Education, from high school counselors and from the business, trade, or vocational school the student plans to attend.

The U.S. Army sponsors the Army Reserve Officers Training Corps (AROTC) wherein a male student may earn a commission in the Regular Army of a Reserve Component. The student may enroll in a 4-year program in his freshman year of college or, under a new program, may qualify for enrollment in a 2-year program in his junior year of college. 4-year and 2-year ROTC scholarships are also avaliable for selected students who are interested in a military career. For detailed information, write to the Professor of Military Science at any Army ROTC or to Army ROTC, Fort Monroe, Virginia 23351.

The Army has a pamphlet, "Educational Scholarships, Loans, and Financial Aids," which contains information regarding the Army Scholarship and Loan Program and numerous other public, private and military programs which offer financial aid for education primarily to dependent children of active, retired and deceased military personnel. Copies of this publication may be obtained from The Adjutant General, Department of the Army, Attn: AGMG-D, Washington, D.C. 20315. Another Army publication, "Study for Your Future with the New Action Army," contains information regarding opportunities to continue various levels of education while on active duty. Copies of this publication may be obtained from the Adjutant General, Department of the Army, Attn: AGMG-G, Washington. D.C. 20315.

The war orphans' education program offers assistance to the children of deceased or permanently and totally disabled veterans in certain categories. Financial aid is available for the education of children of veterans who are, or who died while, permanently and totally disabled from or whose death was due to disease or injury incurred or aggravated in the line of duty during the Spanish-American War, World War I, World War II, the Korean Conflict, the Vietnam Conflict and the induction period. The latter is the period, exclusive of war time, when young men are liable to induction under the Universal Military Service and Training Act.

Children of the above veterans may be entitled to help for 36 months or 4 academic years. Those who attend approved colleges, vocational and business schools can receive $130 monthly if on a full-time basis. Those on a ¾ time basis may receive $95 monthly and those on half-time may get $60 monthly.

To inquire about this program, write to the Veterans Administration Office nearest to your home, or to me.

The U.S. Navy enrolls in the Regular Naval Reserve Officers Training Corps (NROTC) selected male candidates who are sincerely interested in pursuing careers as officers in the Regular Navy and Marine Corps. High school seniors and graduates are eligible to take the Navy College Aptitude Test, the qualifying mental examination, which is given each December. Selectees are appointed Midshipmen, United States Naval Reserve, and receive not more than four years of training and education at one of 52 colleges and universities. Midshipmen receive tuition, educational fees, uniforms, Naval science textbooks, and a subsistence allowance of $50.00 per month.

NROTC Bulletins of Information with application blanks are available each spring at high schools. Navy Recruiting Stations, NROTC colleges and universities, from the Chief of Naval Personnel, Department of the Navy, Washington, D.C. 20370, or from my office.

The Navy also enrolls male college freshmen in the Contract NROTC Program, which commissions graduates as reserve officers in the Navy and Marine Corps. Selections are made by Commanding Officers of NROTC Units at 53 colleges and universities. Students may also enter this program at the junior level by attending a special summer course. During the junior and senior years, students receive $40.00 a month subsistence allowance. Brochures are available at Naval Recruiting Stations, NROTC Units, and the Bureau of Naval Personnel.

Navy-Marines

Scholarship awards are available for sons and daughters of officers and enlisted men of the Navy and Marine Corps, active, retired with pay, or deceased. Applications may be obtained from Chief of Naval Personnel, Navy Department, Washington, D.C. Dependents of discharged personnel are not eligible for these benefits.

Air Force education assistance

Central Welfare Education Assistance Program—The Air Force, through the United States Air Force Central Welfare Education Assistance Program, will provide financial assistance to a limited number of dependent children of its military members to obtain a college education. Funds from this program will be used annually to support four-year Air Force Merit Scholarships. Air Force Regulation 214–13 sets forth the eligibility criteria. Information about the program may be obtained from the Personnel Services Office at any Air Force base.

Education Services Program—The Air Force, through the Education Services Program, provides tuition assistance to eligible active-duty personnel who participate in off-duty college programs either on or nearby Air Force Installations. The amount of assistance, as authorized by law, may provide for as much as 75% of the tuition cost or fees in lieu of tuition not to exceed $14.25 for each semester-hour credit or $9.50 for each quarter-hour credit. All Air Force personnel are encouraged to participate—provided it does not conflict with their primary duty responsibilities. A wide range of college courses qualify for such financial assistance.

Reserve Officers' Training Corps—The Air Force enrolls male college freshmen in the basic Reserve Officers' Training Corps (AFROTC). Students are selected for enrollment in the advanced AFROTC course from a list of eligible applicants by Professors of Aerospace Studies at colleges which have these programs.

Transfer students from junior colleges and sophomores enrolled in a 4-year course of studies may also apply for admission in the advanced course. However, these qualified applicants must successfully complete a six-week basic military training program between their sophomore and junior years before being admitted into advanced AFROTC.

Students selected for the advanced course receive $40.00 a month during their junior and senior years. Necessary uniforms and textbooks are furnished at no cost to the student. Students enrolled in a 4-year ROTC program may apply for scholarship assistance covering the cost of tuition, fees, books and laboratory expenses.

For a complete list of colleges participating in this program and information concerning scholarships, write: Commandant, AFROTC, Maxwell AFB, Alabama.

The U.S. Coast Guard appoints qualified young men as cadets, and upon the successful completion of a 4-year course at the U.S. Coast Guard Academy in New London, Connecticut, they receive a Bachelor of Science degree and a commission as Ensign in the U.S. Coast Guard. Candidates are selected solely on the basis of a nationwide competitive examination and must apply to the Coast Guard prior to 15 December each year. Candidates themselves must also arrange to take the prescribed College Entrance Examination Board tests given in December and request that the scores be sent directly to the Coast Guard Academy. This should be done prior to the late October deadline set by the CEEB for receipt of applications. They must take both the verbal and mathematics scholastic aptitude tests and the achievement tests in mathematics (level I or level II), and English composition (not the writing sample).

The Academy will inform applicants of their status in mid-February. Submit application prior to the date of the December College Entrance Examination Board test to: Director of Admissions, U.S. Coast Guard Academy, New London, Connecticut 06320.

ADDITIONAL REFERENCES

The American Legion publishes a booklet entitled "Need a Lift?" This booklet lists scholarships and fellowships available through private and public sources and may be obtained by sending 25¢ to the Child Welfare Service, American Legion, Indianapolis, Indiana.

"How About College Financing" is a booklet describing various approaches to college financing for students and parents. Copies may be obtained for 30¢ from the American Personnel and Guidance Association, 1607 New Hampshire Ave., N.W., Washington, D.C. 20009.

"How to Pay for Your Child's College Education" may be obtained by sending 25¢ to Public Affairs Pamphlets, 22 East 28th Street, New York, N.Y. 10016.

"The New American Guide to Scholarships, Fellowships and Loans" may be obtained at 75¢ a copy by writing New American Library of World Literature, 1301 Avenue of the Americas, New York, N.Y. 10019.

Visit your local library and ask to see a copy of "How to Finance a College Education" by W. Bradford Craig, published by Henry Holt & Company.

The United Business Schools Association maintains a listing of schools it has accredited. Many of these schools offer general work or service scholarships to eligible students. Some also offer work-study programs. For a listing of these business schools write: Accrediting Commission for Business Schools, 5057 Woodward Ave., Detroit, Michigan 48202.

College Admissions Information Centers. The following three college admissions information centers have been established to help high school seniors and graduates looking for colleges and colleges looking for prospective students. These centers charge a nominal fee and function as clearing centers where the records of student applicants are reviewed by interested colleges. Students make individual college applications only after they are requested to do so by colleges desiring more information.

American College Admissions Advisory Center, 12th & Walnut Streets, Phila., Pa.; College Admissions Assistance Center, 41 E.

65th Street, New York, New York; College Admissions Center, 610 Church Street, Evanston, Illinois; Catholic Colleges Admissions and Information Center, 500 Salisbury Street, Worcester, Mass. 01609.

In an effort to help the graduating high school students in my district, I have informed them of the services my office can perform in their behalf. For the information of my colleagues, I hereby insert a letter which I sent to all high school graduates into the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 20, 1968.

DEAR HIGH SCHOOL GRADUATE: Now that you have graduated and your diploma is only a little over one month old, I wanted to take this opportunity to congratulate you upon this splendid achievement.

As a resident of the Fourth Congressional District, you may be planning a college career, and it may be that I, as your Congressman, can be of some help to you in finding the resources to finance it. I have prepared a short summary of such sources for funds, and I will be happy to send it to you if you request it.

Should you seek employment or have problems with any Federal agency, bureau, or department, I may also be able to help. Write or telephone me in Washington or at my District Office in Decatur, if the need arises.

Once again, please accept my congratulations on your achievement, and accept my best wishes for success as you set forth to seek your fortune.

Very sincerely,
BEN B. BLACKBURN,
Member of Congress, Fourth District, Georgia.

HEADSTART VIA EDUCATIONAL TV

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. CAREY. Mr. Speaker, John Leonard of the Times Book Review staff wrote an article entitled "Why Not Use TV for a Headstart Program?" which appeared in the New York Times Magazine on Sunday, July 14.

In the article the author explores in detail the possibility and feasibility of employing educational television as a form of Headstart, or in some instances, as its substitute. Citing such impressive statistics as the number of hours preschool children watch television—about 30 hours per week—he concludes that each of the 12 million children presently between the age of 3 and 5 will have clocked 15,000 television hours by their graduation from high school as compared with only 10,800 hours of actual school time. It would appear, therefore, that television offers the greatest potential for improving education of any known medium.

The present Headstart program, which must be considered one of the most successful educational innovations of recent years, was able to reach only 465,000 youngsters at a cost of $127 million. The proposed Children's Television Workshop, which is jointly sponsored by the Carnegie Corp., the Ford Foundation and the U.S. Office of Education, would expect to spend about one-sixteenth of that amount with the possibility of reaching 25 times as many children.

Mr. Leonard examines the problems and obstacles confronting those engaged in research directed toward the development of educational TV as well as the latter's limitations, but since more families have television sets than any other modern invention, it is the author's contention that every effort should be expended to exploit the opportunities offered by this medium.

At this time when critically needed programs such as Headstart face deep cuts in funding, I believe it is imperative that we consider every avenue and approach that offers assistance toward the solution of our education problems.

Mr. Speaker, I believe that our colleagues will find the contents of Mr. Leonard's informative and provocative article well worth the time and I ask that it be printed at this point in the RECORD, as follows:

SINCE THE KIDDIES ARE HOOKED: WHY NOT USE TV FOR A HEADSTART PROGRAM?

(By John Leonard)

"The boys tend to bark while the girls whine through their noses. Traditional human speech seems to have passed them by, but then one must never forget that they are the first creations of that television culture which began in the early Fifties. Their formative years were spent watching pale gray figures . . . move upon a 21-inch screen. As a result, they are bland and inattentive, responsive only to the bold rhythms of commercials. . . . For almost 20 years the minds of our children have been filled with dreams that will stay with them forever, the way those maddening jingles do. . . . The relationship between consumer and advertiser is the last demonstration of necessary love in the West, and its principal form of expression is the television commercial."—GORE VIDAL, *"Myra Breckenridge"*

"Playing solitaire 'til dawn
With a deck of fifty-one;
Smoking cigarettes and watching
Captain Kangaroo—
Now don't tell me
I've nothing to do."

—POPULAR SONG*

Two years ago, when he was 4, my son had a television problem. Despite all admonitions, he would rise at the crack of dawn, sneak down the stairs to the living room and switch on the the TV set to blow his mind with Air Force documentaries, religious shorts, farm reports and lessons in Portuguese. I took to leaving an ear on the staircase, attached by a neutral wire to an alarm circuit in my brain.

One morning at quarter of 6, he trod on that ear. I roused myself, cursed Sarnoff and at length stomped down to confront my son. He sat on the coffee table, crosslegged, pouchy-eyed, self-absorbed. The TV screen was dark.

"What are you doing, Andrew?"

"Painting," he said. He offered as evidence his Walt Disney water-color crayons and his Famous Artists tablet. I stared at the tablet; staring back at me was a huge, vaguely symmetrical technicolored abstraction. I was moved—creativity!—until, with the fink-instinct natural to fathers, I placed my hand on the television set. The machine was warm; I switched it on; there was nothing but a hum, and the pattern. I looked more closely at my son's abstraction.

"Andrew, you've been painting the TV pattern!"

He denied it, without conviction. I remonstrated, without conviction. Andrew then resumed painting the pattern, while I resorted to a cigarette. Enjoying our particular brands of death, we waited together for "The Star-Spangled Banner" to begin that day's deluge of jingles.

Scene: A large, bright, bookless office on the 33d floor of the C.B.S. Building, 52d Street, Manhattan. One wall is window; another displays a chart on which are plotted weekly ratings of the afternoon soap opera, "Love Is a Many-Splendored Thing." Beneath the chart is a long cabinet containing two TV screens, one in color, the other in black and white, both tuned soundless to the soap opera.

The office belongs to Fred Silverman. Silverman is the man responsible for children's programs and daytime shows on the C.B.S. television network.[1] Right now he's worried about the incompetence of one of his soap-opera actors. Standing, he takes a telephone call. Listening, a cigarette in his mouth, he gropes for matches, snaps his fingers. An associate ignites him. "Let's write around the part," says Silverman into the phone, "until we dig up someone who won't butcher it." Hanging up, he says to his associate: "He was *bad.*" "He was worse than bad," agrees the associate. "He was terrible," says Silverman. "He was, what can I say, Fred, he was a disgrace."

Silverman turns to the interviewer. "Children's programs!" He begins to pace. "We're moving away from adventure." (Adventure is a TV euphemism for violence.) "Our fall schedule will be revolutionary. New forms. A 2½-hour comedy bloc on Saturday mornings. Road Runner, Bugs Bunny. We've bought reruns of 'The Monkees,' and we'll slot them in there, too. Maybe a circus thing. The sponsors are all for it."

He sits down. "My job is to hire competent people and let them do *their* job. Take Bob Keeshan." (Keeshan produces, and stars as, "Captain Kangaroo.") "He's got total control of his program. Everything, even the commercial copy. We had a chance to buy a fat package of Warner cartoons; Bob wouldn't use them. And he won't do war-toy ads. Bob goes into 4 million homes every morning."

Middle-class homes, primarily?

"He cuts across all lines. All kinds of kids like his stuff. Ping-Pong balls. Mr. Greenjeans. Bunny Rabbit steals the carrots."

Then Nielsen does break the ratings down into socio-economic groups?

"We don't subscribe to that part of the service up here. Our research people could tell you about it."

Is it a good idea for Captain Kangaroo to do the fantasy thing and personally hustle for products at the same time?

"Bob is very gentle. He never *tells* kids to go tell their mothers to buy this or that. He suggests. It's a gentle approach."

Scene: Leather bathtubs, fierce portraits, the gloomy first-floor lounge of the Columbia University Club on West 43d Street. The alumni are gathering for a dinner to discuss the recent student demonstrations.[2] Enter

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* "Flowers on the Wall," words and music by Lewis DeWitt. © 1955 by Southwind Music, Inc., New York. Used by permission.

[1] "Love That Bob," "Candid Camera," "Beverly Hillbillies," "Andy Griffith," "Dick Van Dyke," plus "Love of Life," "Search for Tomorrow," "Guiding Light," "As the World Turns," "Love Is, etc.," "Edge of Night" and "Secret Storm."

[2] Marshall McLuhan, The New York Times, May 26, 1968: "The Columbia students have no goals, neither do the Negroes. As long as we provide them with new technology, they must struggle for a new image . . . When the TV generation arrives, they're as likely as

Father John M. Culkin, S.J., director of Fordham University's Center for Communications. More than any other man, John Culkin was responsible for bringing Marshall McLuhan down from Toronto to New York. Like McLuhan, he is one of the New Breed—the professor as stand-up comic, a free-associational thinking machine dispensing provocative one-liners:

"TV," says Culkin, "is the biggest experience in our lives until adulthood. Today's 6-year-old has already learned a lot of stuff by the time he shows up for the first day of school. Right after his umbilical cord was cut he was planted in front of a TV set 'to keep him quiet.' He liked it enough there to stay for some 4,000 hours before he started the first grade. By the time he graduates from high school he's clocked 15,000 hours of TV time and only 10,800 hours of school time."

That fact doesn't frighten Father Culkin. "Kids are natural citizens of the electronic age. The new media are the liberal arts of that age. Kids learn more on the tube than they do in school. Elementary education is now visiting such atrocities on little children that they'd be better off running wild in the streets."

What atrocities?

"Learning to read may be the worst thing to happen to a kid, making him specialize on one sense at the expense of the others, blocking his all-around development, locking him up inside a pencil box. When was the last time you ever heard *love* mentioned in relation to education? Or joy? Or laughter? The last time a teacher *touched* a child? Touching today means either punishment or a morals charge."

What should we be doing?

"Educate the emotions. That's where the game is. *Tune up the sensorium.* Go after the kinetic, the tactile, the aural. Rhythm. Structure. Totality. Dance. Dance may be the big thing."

What's TV's role in all this?

"Kids today are learners in a new way, products of the all-at-once electronic environment. They feel out of it in a linear, one-thing-at-a-time school environment. Introduce them to form, structure, gestalt. Guide them to be their own data processors, to operate through pattern recognition. TV not only introduced them to pattern recognition, to data processing, but it is or should be a proper object of study itself. Kids should be taught how camera angles lie, how cartoons are animated. Then they should make films of their own. That's where it's at—an all-media literacy, *doing* instead of *consuming.*"

What about the TV these children *have* been consuming? Aren't all the research studies inconclusive?

"The mindlessness of research conclusions is just a reflection of the mindlessness of the researchers. The generation in college today came home from the hospital to find a tube in their living room. After 18 years of it, now there's upheaval on 62 American college campuses. Coincidence? Accident?"

Between Fred Silverman and Father Culkin, there is my son Andrew: one wants to revolutionize his Saturday mornings with a 2½-hour bloc of comedy programs, the other wants to tune up his sensorium.

That's where it's really at. There are 12 million Andrews—ages 3 to 5—in the Vast Wasteland. On March 21, 1968, the front page of The New York Times announced that those 12 million "spend upward of 54.1 hours a week watching TV." [3]

A mind-bending statistic. It was used by the Carnegie Corporation, the Ford Foundation and the United States Office of Education to call attention to their new, jointly sponsored Children's Television Workshop. With $8 million, the Workshop intends to produce 26 weeks of daily hour-long programs directed specifically at preschoolers. The series, to be telecast on 170 educational TV channels across the nation, will be designed "to stimulate the intellectual and cultural growth of young children from disadvantaged areas."

The idea behind Children's Television Workshop is that with all their TV-watching, disadvantaged Andrews might as well learn to recognize the alphabet and numbers. And because preschoolers are "already accustomed to slick, action-packed television fare," the Workshop series in "both the content and pace of the show must be lively, entertaining and varied." Content and contour will be hammered out this summer in expert-studded seminars. Pilot programs—"with professional child-watchers watching children watch"—will play the closed circuit this fall, and what works will be mass-printed (in color) for the 1969 schedule.

Any project seducing the philanthropies of two private foundations and a Government agency is suspect. The consensus on the Workshop should excite the cynical in us simply because (a) servicing the disadvantaged is an American industry potentially as profitable as maintaining an Asian Presence; (b) like most service classes, the De-Disadvantagers usually disburse more of their budget in defining than in dealing with The Problem, and (c) Government agencies are permitted to exist by Wilbur Mills only so long as they use hair sprays to attack our various social Medusas.

Is the Children's Television Workshop a hair spray? What arguments were used to get that $8-million? A look at the Workshop proposal is instructive (italics mine):

Plugging the Class Gap: In Andrew's age group, "94 per cent of the 3-year-olds, 81 per cent of the 4-year-olds and 26 per cent of the 5-year-olds do not attend any form of school." An "academic achievement gap between disadvantaged and middle-class children shows up very early in the school years and increases dramatically in the higher grades."

American Technology Needs You: "In an increasingly complex age, burdened with more information and demanding more sophisticated ways of thinking than ever before, many educators feel that we must start children learning how to learn sooner. As a nation, we shall need unprecedented numbers of talented people. To develop them, it may well be that we cannot afford to ignore five or six years of their intellectual lives."

Sublimating Trouble-Making: Studies indicate that an "intellectually oriented preschool program . . . has tended to reduce aggressive behavior. . . . Learning itself, [psychologists] emphasize—a sense of achievement and mastery over the environment—also makes for good adjustment.

Wilbur Millenium: In 1966 the National Education Association recommended, "All children should have the opportunity to go to school at public expense beginning at the age of 4." But *all* would mean an additional 5 million school children, and the public expense would be an additional $2.75 billion. Is there a cheaper way? Well, since more families have TV sets than have bathtubs, telephones, toasters, vacuum cleaners or regular daily newspapers, "the medium is there; it is only the message which needs changing." After all, Head Start spends $127 million on only 465,000 "youngsters." The Children's Television Workshop would be spending one-sixteenth of that with the possibility of reaching 25 times as many children.

A game theory, then, that touches all the social bases: existing potential, academic gap, technological needs, reduced aggressiveness, improved adjustment, more results for less money. Admittedly, like comic books and body counts of enemy dead, the foundation proposal is a pop-culture art form, with conventions appropriate to its audience. Fairness demands we look at the people who will be implementing the proposal. And the person most deeply involved is Joan Ganz Cooney, Workshop director. In the presence of Mrs. Cooney's charm and intelligence, even a churl would find it hard to be cynical.

Mrs. Cooney describes herself as "a modified McLuhanist." As ontogeny recapitulates phylogeny, Mrs. Cooney's career recapitulates McLuhanism. She began as a reporter for the Arizona Republic (print-culture); switched to publicity work for R.C.A., N.B.C., and U.S. Steel (information-processing), and was hired "without experience" to produce award-winning public-affairs programs for New York's Channel 13 (the Global Village). After submitting a study on "The Potential Uses of Television in Preschool Education" to the Carnegie Corporation, she became their TV consultant in 1967, and after helping to prepare the Workshop proposal, she became this spring—at age 38—one of the most important women executives in broadcasting.

Mrs. Cooney is well aware that 26 weeks of educational TV isn't going to solve the slum situation, nor be a substitute for nursery schools. She is convinced that a child's natural enthusiasm for TV can be turned to intellectual account if the programs are professionally produced and if the project is effectively promoted.

On production: "The problem is to reach the head through the emotions, rather than the other way around. Children watch and enjoy commercials long before they are interested in programs, because commercials are often the best-produced and most imaginatively conceived moments on TV. Children liked Batman and now like Rowan and Martin's Laugh-In because there's so much going on, everything's quick, the eye and ear are always being excited by something different. We intend to use those devices and style shifts to compete for attention *professionally.* Jingles, animated cartoons, repetition, suspense, quick takes and and dissolves, visual puns, games, mime, dance. Since TV is a medium for personality, our hosts will probably be actors. It's easier to teach actors how to teach than it is to teach teachers how to be personalities. There's no reason why a child can't memorize the alphabet and number sequences just the way he memorizes advertising jingles. A lot of frustrated ad men and TV producers have jumped at the chance this project offers to prove that it can be done."

On promotion: "People in ghettos don't watch educational TV, we know that. We have to make an all-out publicity effort. During this fall's trial run of pilot programs, we'll concentrate on a few target areas. With sound trucks, for instance, visiting slum neighborhoods with the stars of the show. Posters in barbershops, bars, subway stations. Leaflets in churches. Ads in neighborhood newspapers like El Diario and The Amsterdam News. Reaching preschoolers

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not to burn down every school. They won't hesitate to end the existence of cities either. They hate cities and machinery. . . . All the young are in the same position as the Negro. The discrepancy between the riches of the TV feast and the poverty of the school experience is creating great ferment, friction and psychic violence."

[3] Not true, it turns out. The 54.1 figure was based on a misinterpretation of Nielsen statistics. The average American household with preschool children has the TV set *on* from 55 to 60 hours a week; preschoolers are actually *watching* only about 30 hours a week. Still, those 30 hours represent more than a doubling of preschooler TV time since the last comprehensive survey seven years ago. The average American adult will spend from 10 to 15 years of his life watching TV.

through their older brothers and sisters, getting school cooperation to ask those older brothers and sisters to take home publicity to their parents. We honestly don't know if this kind of campaign *will* make a difference, but we have to find out."[4]

One of the reasons for the Head Start disappointment, aside from insufficient funding and lack of continuity or follow-through, seems to be not enough community participation and parental involvement. Won't the Workshop face the same problem?

"Yes," says Mrs. Cooney. "We've got to get everyone involved. First in the home: slum mothers are just as concerned about their children's education as middle-class mothers. We must make them aware of our program and encourage them to have their children watch. Then in the classroom: working on a six-week lead, we can supply outlines of each program to teachers in Head Start, nursery schools and kindergartens. They will be able to tune in on whatever's useful to them, or use us in addition to their regular work. A third area is existing groups, like New York's Family-Career Day Care program. Four hundred welfare mothers regularly take into their homes six children of other welfare mothers, freeing those mothers to take jobs. A daily hour-long children's program would be invaluable as part of that.

"Finally, there are new groups. Volunteers to be responsible for organizing and supervising viewing sessions. The Junior League or a neighborhood settlement house could do it. Public-housing projects have day rooms equipped with TV sets, ready-made situations for interested volunteers. We'll approach every civic organization."

Will the same program work for "middle-class" and "disadvantaged" children?

"Middle-class children," says Mrs. Cooney, "love to be wrong. They take correction. Disadvantaged children need reinforcement. We have to provide that reinforcement with supervision and encouragement, with printed materials, with things to do *after* the show. We must supply teachers, volunteers, day-care supervisors and mothers with that printed material. We know that TV improves preschoolers' vocabularies and provides quite a bit of 'incidental learning.' Can it be directed? Increased? Does intervention even help? We don't know, and we have to find out."

The Workshop hopes to find out during this summer's series of seminars. Educators, psychologists, sociologists, TV executives, musicians, composers, authors and illustrators of children's books, film makers, ad men, Government officials and technicians will address themselves to questions almost as old as sex: Perception; Language and Reading; Social, Moral and Affective Development; Numerical Skills; Music and Art.

"The trouble," says Mrs. Cooney, "is that if we fail, people aren't going to investigate *why* we failed. They're just going to remember that it didn't work, and then it will take 10 years before someone else tries TV as a tool to do this sort of thing."

Scene: The day room of the east wing of the north building of a high-rise, low-income housing project not very far from Columbia University. There are a dozen children, ranging in age from 2 to 10; three girls on a couch, two boys leaning against the wall, the rest sitting in a semicircle on the floor around a television set which is tuned to the Saturday morning cartoon bloc of "Super Heroes." Two supervisory mothers are stationed at the back, on folding chairs, one reading The Daily News, the other watching TV and smoking. There are also a cart with a missing wheel, a torn coloring book, a few broken crayons and a box of unused blocks—the overly familiar, somehow neutral furniture of an almost abstract municipal listlessness.

The day room is an Aid to Dependent Children dumping ground where mothers, on their way to work or to do their laundry or their shopping, can deposit their children. (As a dumping ground, it is probably not much different from middle-class living rooms in midafternoon on weekdays, with children gathered around the great plastic eye.) On the screen, a square-jawed superhero in hip-hugging fighter tights orders a blonde girl at a control panel to press a button; an island explodes, with blossoming mushroom clouds. The superhero says: "They must have hidden away a couple of atom bombs."

Most striking is the silence in the room, a wide-eyed whole-cloth silence without comments, giggles, shoving, yawns. The two (older) boys against the wall will occasionally slump, then straighten up. A 2-year-old sucks gravely on his pacifier as he watches. But otherwise they are children of the moon.

Until the fact of a visitor is noted. He is stared at for a moment, then all eyes return to the TV set—and a commercial. The visitor asks a 5-year-old what he likes about the program. The 5-year-old shrugs, then grins: "They fly in a rocket ship. And they got guns that burn." One of the boys at the wall corrects him: "*Laser* guns." "Laser guns," agrees the 5-year-old.

Demonstrably, TV improves the vocabulary of preschoolers.

I hope Mrs. Cooney's seminars come up with something, that her Workshop succeeds. Doubts derive from the feeling that the Workshop is nibbling away at the periphery of more basic questions—questions which, despite the organized assault on them by certified solution-swotters, intractably resist all answer men. The pages of this magazine have for more than a decade testified to the inability of competing experts to agree on such matters as permissiveness in the home, "controlled" versus "creative" environments, reinforced versus latitudinarian "authority rituals," the observing versus the participating child, the structuring of children versus structuring of the milieu. After 50 years spent investigating how best to teach our children to read, we still don't know whether a "code-emphasis method" or a "meaning-emphasis method" (phonics versus look-say) is preferable.

We know even less about television. We know that our children spend more time watching TV than they spend doing anything else except sleeping. But what happens to them while they are watching TV? Our most popular books on child care are virtually silent on the subject. Dr. Ginott devotes two pages out of 223 to TV; the Gesell Institute, three pages out of 384, and Dr. Spock, two pages out of 627. All three agree that the evidence—on the relationship between TV and schoolwork, TV and delinquency, TV and socializing ability, TV and eyesight—is as contradictory as it is meager.

It is, indeed. Reviewing the literature on TV and children is as fatiguing as a day with C.B.S. Seven years ago Stanford University Press published "Television in the Lives of Our Children," by Wilbur Schramm, Jack Lyle and Edwin B. Parker. After three years spent examining the TV-watching habits of 6,000 children in 10 American and Canadian communities, they concluded:

(1) TV cuts into moviegoing, radio listening, comic-book and pulp-magazine reading; reduces playtime; postpones bedtime, and dominates leisure time. (2) TV's prestige and importance decline during the teen years. (3) Children prefer "fantasy" to "reality" experiences on TV. (4) TV improves preschooler vocabulary, but because of its repetitiousness contributes little by way of "reality" or "school related" knowledge after preschool years. (5) "Mental ability, social norms and social relationships, in addition to age and sex, we found to be the chief variables in a child's life that helped us to predict what use he would make of television." (6) Children who by the 10th grade "have internalized the social norm of self-betterment, deferred gratification and activity which is considered, in our culture, to be typical of the upward mobile middle class . . . become the chief users of print, viewers of educational television, and the viewers who more than others select reality programs from commercial television."

Father Culkin comments: "Schramm would deal with measles by counting the number of spots." Other substantive complaints might be pressed against the Stanford study—that the sample was uniformly middle-class; that a presumption of value attached to "upward mobility" and "print consumption"; that "reality experiences" were geared to school and social success—but the fact remains that the literature on TV and children since Schramm has been mostly encores. Thumbing through a recent collection of research studies and essays, entitled "Television's Impact on the Child," we learn from—

Paul A. Witty (author of "Research About Children and TV"): "At present there are many medicore TV programs and far too many offerings which feature violence. . . . We should take advantage of children's interest in TV. Research students should direct attention to discovering ways to obtain greater benefits from the universal appeal of the electronic Pied Piper."

Marie Townsend Moore and Juliana Townsend Gensley (coordinators of a pilot study, "The Curriculum Content of Children's Programs"): "Children's programs, particularly cartoons, have a high content of accidents, arson, kidnapping, burglary, vandalism, use of or threat with deadly weapons, but no murder or rape. . . . Crime and destruction . . . are portrayed as humorous and as having no serious consequences."

Lee Bennett Hopkins (senior consultant, the Educational Resources Center of the Bank Street College of Education): "Teachers are surely increasingly aware that with the tremendous influence mass media have on youth today, the need for educating intelligent consumers must now start before the child enters junior high or high school."

From a recent feature article in TV Guide by Rosalyn L. Switzen (chairman of the board of Mass Educational Resources Institute of Technics, Inc.) we learn that TV provides "automatic, first-step reading lessons that radio could never have produced for us," that televised baseball games and quiz-show scores teach children arithmetic, that Dean Martin teaches all of us Italian, and that "Dr. Kildare" and "Ben Casey" teach "some useful things about psychoanalysis." Mrs. Switzen says, "Our study of TV's ghost teachers has turned up a remarkable statistic: No less than one-tenth of the entertainment programing on television was found to be educative in one way or another—either motivation for learning, or transmission of new information, or just plain drill." No less than one-tenth! In other words, a good deal less than the amount of education that goes on at drive-in movies.

And so on—a formidable body of literature celebrating the obvious, the banal and the irrelevant, with each contributor citing the others, and Schramm, incessantly. Mrs. Cooney's seminars might considerably enlighten us. For instance:

McLuhan and Father Culkin and the rest of the surfers now riding the electromagnetic wave are asking some pertinent questions. *If* it is true that our TV-weaned children find it difficult to concentrate in school today, *why?* Is it because school learning has been compartmentalized into subjects—French, geography, hygiene—and compares unfavorably with "all-at-onceness" and pattern recognition? Is it because the seats in the average classroom are bolted down? Is a "total environment" sort of education possible, an institutionalized "happening"? When children watch TV, are they in fact "participating," "filling in" a low-definition cartoonlike image, digging the gaps in the picture the way acidheads claim to dig the gaps (the abysses!) in each other's conversation on a trip? Would the impact of TV on children be substantially different if the image were more highly defined, if hundreds of extra lines were added—from the 800 lines we have now to, say, the 8,000 lines Bell Telephone is fiddling around with?

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[4] One promotional device not mentioned by Mrs. Cooney but included in the original Workshop proposal: "Program publicity would be stuffed into phone bills, light bills and welfare checks, since everyone in a slum area receives at least one of these."

Then there is that whole set of questions that the McLuhanists—tongue-wagging about "strategies for survival" and "value-free" probes—avoid or ignore or disdain. We live in a world of consequences. We wake up and inconvenient empirical facts are waiting for us, no matter how philosophically objectionable the whole thing is. We cope by registering phenomena, analyzing them, selecting among responses and acting. Thinking, analyzing, extrapolating "are not anomalous acts" (to quote the Argentine writer Jorge Luis Borges), "they are the normal respiration of intelligence." Now: a huge share of our children's phenomena-experience comes out of a box in the living room; the phenomena so experienced, the data to be processed, the patterns being recognized, consist of explicit content messages as well as subliminal contextual messages. Yet all is uncritically devoured, without evoking (to quote economist Kenneth Boulding) "dialogue and/or feedback between the originator and the recipient of messages"—unless it is Nielsen ratings or war-toy sales charts. Despite McLuhan, the message is part of the message.

Take violence. Do the TV children of today play more aggressively, more viciously than the children William Golding observed in British boarding schools and recorded to such disquieting effect in "Lord of the Flies?" Is violence on TV significantly different from the traditional mayhem in Grimm's fairy tales and in Punch and Judy shows, the puppeteering pratfall, Biblical blood and gore? Were there in the fairy tales, etc., other elements—beauty, reconciliation, magic, innocence—missing from the TV message? Can we assume that all myths—of superpowers, of love's efficacy, of fist and fervor—are equally valid or equally unimportant? (Value: without it, on what basis do we discriminate among books by McLuhan, comic strips like "Mary Worth," reruns of "The Monkees"?) If we agree on a "validity scale" for myths, then what about the myths being hustled on TV today? Is everything just a commercial package? How much does TV seep into children's dreams, and how long do they remember those dreams? Is TV control as important as gun control?

Take contexts. What differences exist between the reactions and "participations" of Harlem children and Scarsdale children to the same TV shows? Program the parameters! And among those parameters include squalor, lovelessness, powerlessness, cynicism, cruelty, humiliation. Art historian Ernst Gombrich has written: "Neither communication nor expression can function in a void." The demeaned and disenfranchised who riot in our megalopolises steal color TV sets instead of burning down the Sam Rayburn Building; in the medium of this kind of revolution, is there a substantive message?

Take perception. Art historians have been doing a lot of the work TV researchers should be doing. Colin Cherry writes: "Signals do not convey information as railway trucks carry coal. Rather we should say: Signals have an information content by virtue of their potential for making selections. Signals operate upon the alternatives forming the recipients' doubts. They give power to discriminate amongst or select from these alternatives." Michael Kitson writes: "The interpretation of any expression requires extrinsic clues: we need a frame of reference, a standard of comparison, a context, before we can read the message or even feel sure that a message has been sent." Do any children have that frame of reference, that standard of comparison, that context, much less "disadvantaged" children? And if they do, who or what provides it? How does the social situation refine or distort it? Does television create our fantasies, or just express them? Is there a circular relationship, a feedback unmentioned by Boulding?

Take, finally, our nation. If the frame of reference in which our children operate is nothing more than an all-pervading "electronic environment," if the standard of comparison they employ to discriminate among messages is nothing more than the next channel, are we prepared to leave the defining of that environment to General Sarnoff and Dr. Stanton? To vouchsafe a permanent trust to the programers and producers who have disgraced themselves and brutalized the rest of us for 20 years? To rely solely upon an underfunded educational TV to explore the possibilities of the medium for the development of our children? The airwaves supposedly belong to *us:* we have leased them out to entrepreneurs. And if we know anything at all about television, it is that the custodians of our trust are cynics or dwarfs or both.

I had originally intended to end on an upbeat—with an anecdote concerning the other Sunday morning, when I as researcher and my son as participant watched Channel 5's "Wonderama." The "Wonderama" format is a batch of cartoons, a rock 'n' roll musical score, an engaging host and games with "live" children. One of the games involves the children in trying to stump the host with riddles. On this particular Sunday morning, a little boy asked the host: "What's green all over and very dangerous?" The host was stumped. The little boy explained: "A herd of stampeding pickles." And I thought: despite television, there's hope for children and therefore, of course, for all of us.

But another weekend inevitably arrived, and the message was quite different. Andrew and I watched Robert Kennedy's requiem mass and funeral train. Andrew was impatient. He didn't understand. Neither do I.

What's *our* favorite program? The late-night war news? The latest assassination? The riot of selves and souls, videotaped and re-run over and over again, to be over and over again passively consumed in our living-rooms, every channel Death? Is electronic shock-therapy possible for this country?

FORMER JUDGE FRANK L. PINOLA HONORED

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. FLOOD. Mr. Speaker, as a friend of Judge Frank Pinola for many years I know at first hand of his many contributions to our State of Pennsylvania and the Nation. His is a truly outstanding career.

Earlier this year, the Wilkes-Barre Law and Library Association honored Frank Pinola upon his retirement as president judge of the Luzerne County Courts.

It gives me great pleasure to insert as part of my remarks today the fine introduction at the dinner by Attorney Arthur Silverblatt and the response by Judge Pinola:

INTRODUCTION BY ARTHUR SILVERBLATT, ESQ., OF HON. FRANK L. PINOLA AS AN HONORED GUEST AT THE ANNUAL DINNER OF THE WILKES-BARRE LAW AND LIBRARY ASSOCIATION

The first thing I want to say is that I regard the Vice-Presidency of this Association as a great honor and I am more pleased with it than any other designation that I might have received in my own career. I am doubly pleased at being Vice-President of this Association because I have been given the opportunity to pay tribute this evening to our retired President Judge and to present him with a symbol of the respect, affection and regard of the members of this Association and of his fellow members of the Bar.

My association with Judge Pinola goes back a great many years, 35 to be exact. I can well remember the day of October 16, 1933, when a very young and callow lawyer, who was myself, was admitted to the Bar by what seemed to be an austere and venerable group of five judges comprising the court en banc. As I walked out of the court room, certainly impressed with the dignity and solemnity of the occasion, I remember, as if it were yesterday, being greeted by a friendly and pleasant elderly lawyer, who must then have been all of 40. It was Frank Pinola and he informed me that the court had appointed me a Master in a divorce case and provided I performed acceptably in that exacting role, I would receive the magnificent fee of $25.00.

Many of the younger members of the Bar who have appeared before Judge Pinola over the twenty years of his service on the Bench may have overlooked the fact that prior to his election in 1947, he was one of the outstanding practitioners in this County and State. No specialist, Frank Pinola was an expert at everything a lawyer was called upon to do. He was a skillful and redoubtable trial lawyer. He was a wise and shrewd counsellor to his business clients. He was not "plaintiff's counsel" or "defense counsel". He represented both defendants and plaintiffs. His performance as defense counsel in criminal cases was sparkling and scintillating.

He was more than just a busy lawyer. He was active in civic affairs. He was known throughout the United States as a youthful national commander of the American Legion. He was the Republican candidate for State Treasurer of Pennsylvania in 1934. He was President of the Wyoming Valley Community Chest and President of this Association. He was active in a myriad of community affairs. He took an active role in the State Bar Association. In 1947, when he won election to the Bench he was known and respected as an outstanding member of this Bar.

But this evening, in paying this tribute to him, I want to talk about Judge Pinola as a Judge. Some of you may have read the recent volume entitled "The Lawyers" by Martin Mayer. That book has a chapter which is entitled 'The Personality of the Judge". That chapter begins with two quotations, among others, which I think are quite appropriate this evening.

The first is "There is no guarantee of justice except the personality of the judge. The greatest task that can be given to a man to discharge, justice, requires a standard of mental and moral greatness far above the common average". It is by opinion, and I think it is shared by all of us, that Frank Pinola possesses a standard of mental and moral greatness far above the common average.

Martin Mayer's book has another quotation, from Mr. Dooley. "If I had me job to pick out", said Mr. Dooley, "I'd be a judge.

I've looked over all th' others an' thats th' onl'y wan that suits. I have th' judicyal timperamint. I hate wurruk". That statement represented the popular misconception that judges don't have to work. Those of us who have observed Judge Pinola over the last twenty years are convinced that he lacks judicial temperament as Mr. Dooley saw it. Judge Pinola never hated work. He loved work and he thrived on it. And Luzerne County and the lawyers of Luzerne County are better off because Judge Pinola liked to work and did work.

He will be long remembered as one of the finest judges of our County. I have tried to reflect upon what are the ideal qualities of a judge and as I listed them I found that the man whom we honor tonight possesses all of them to a marked degree. First, a judge should be industrious. This is what he has been. Secondly, a judge should have compassion and all of us who have had experience in the criminal courts in the last twenty years know that Judge Pinola is a compassionate judge. I can attest to this from my years of experience in the District Attorney's Office while he was on the Bench. A judge should have had broad experience and no judge ascended the Bench with more experience than Judge Pinola. He should have a clear and analytical mind, and that he has.

The fifth quality of a good judge is humanity. Izaak Walton in "The Compleat Angler" stated "If thou be a severe, sour complexioned man, then I disallow thee to be a competent judge". Judge Pinola has never been severe, and certainly never sour complexioned. His humanity has been one of his outstanding characteristics. One of his associates on the Bench stated to me that Judge Pinola's door was never closed to him or to any of his colleagues who sought his judgment and advice.

Next in the list of judicial qualities, of course, is absolute incorruptibility and this has been true of Judge Pinola.

The seventh quality of a judge is decisiveness. Again, referring to Mayer's book, the author stated that the thing about the courts is that they make decisions. "Society places upon the judge one prime responsibility", Mayer wrote. "He must decide. The only correct temperament is that of Louis D. Brandeis who, when asked how sure someone has to be before he acts, replied quickly '51 percent' ". Judge Pinola has been decisive.

The remaining three qualities that I would say are the indicia of a good judge are fearlessness, humility and a sense of humor. All of these abound in Judge Pinola. He may truly be said to be a man who has the courage of his convictions.

Judge Pinola is a deeply religions man. Somehow I believe that all through his tenure on the Bench he has been mindful of the scriptural prayer (I Kings III) "Give thy servant an understanding heart to judge thy people, that I may discern between good and bad".

Judge Pinola, I speak for all who are assembled here, when I say that your prayer was granted, that you have had an understanding heart to judge thy people, and that you have always been able to discern between good and bad. This gift from this Association carries with it the respect and admiration of your fellow members of the Bar and the fervent hope that you may enjoy many long years of retirement from the Bench and will continue to grace our community with your energetic, friendly and intellectual presence.

REMARKS OF HON. FRANK L. PINOLA AT THE ANNUAL DINNER OF THE WILKES-BARRE LAW AND LIBRARY ASSOCIATION, MAY 1, 1968

Ladies and gentlemen, Judge Medina once wrote: "After all is said and done, we cannot deny the fact that a judge is almost of necessity surrounded by people who keep telling him what a wonderful fellow he is. And if he once begins to believe it, he is a lost soul."

After that glowing tribute by Mr. Silverblatt, I am afraid I am in trouble, and I had better get to church!

A public servant has few rewards. In the case of a lawyer, there is one sure reward. You have heard me say many times that, "the highest reward that can come to a lawyer is the esteem of his professional brethren". I count myself indebted to all the lawyers at our Bar for having elected me President of this association for two terms.

So many of you have heard of my connection with the bank, but very few know how it came about. I think this is a good time to tell the story.

Back in 1920, there were six banks in Pittston. I had worked at the First National Bank during summer vacations, and they were willing to take my title search in connection with loans to my clients. Each of the other banks had its own lawyer, and they would not take my search, even though it was in connection with one of my own clients. This limited my practice, and I went to the presidents of all the banks and told them that unless they took my title search, I would have to start a bank of my own. All of them refused, so I set out, and in three weeks, sold $300,000 of stock in the new bank, the Liberty National Bank of Pittston. We opened on November 5, 1920, in the middle of a panic year, with $200,000 in deposits. Today our assets exceed $15,000,000. I have served as president since 1925, so, you see, I was identified with banking long before I became a judge.

The State Banking Code permits a director to continue to serve as such after election as a judge. Provision is made for continuation of service as a director by one who served in a national bank and later became a judge. I tell you this story for one reason, and one reason only. From the day we started, we have taken the title search of any lawyer at our Bar, and even of the Lackawanna Bar who represented one of our customers. In other words, I practiced what I preached.

I wish to take this opportunity to thank all the lawyers who cooperated with me during my thirty-two years at the Bar and to thank all of the lawyers and all of the judges with whom I worked during the last twenty years for their many kindnesses and considerations.

On this occasion, I would remind you that the judge who is conscientious faces a great challenge. Not long ago, in the case of Haefele vs. Davis, (399 Pa. 504), the son of a Supreme Court justice appeared to argue one side of the case. I decided against him and he took an appeal to the Supreme Court. I ran into Justice Eagen and he told me an interesting story. He said, "Frank, all of the judges were in favor of reversing you in the Haefele case and I was assigned to write the decision. I read this decision carefully and the more I read it the more I was convinced you were right so I went back and changed the mind of all of the justices and the opinion was written affirming your decision.

I had a somewhat similar experience. A retired miner was seeking restoration of his pension rights. There was a provision in the regulations of the Welfare Fund of the United Mine Workers that if a retired person returned to work in the industry, his rights to a pension ceased forever. In this case, the miner was returned to work as a watchman at the garage. It was obvious that he was out. However, I went back and read the record again and I discovered that he had been receiving the pension for three years before the regulation was adopted. Immediately, it occurred to me that he had a vested right which could not be taken from him by the new regulation, and accordingly, I reversed my opinion and decided in his favor.

It seems to me that judges should have more time in which to consider their decisions, so that ultimately the right will prevail.

In the evening of life, as shadows lengthen, I would like to look forward to a few years of serenity, in the assurance that I have the warm affection of my professional brethren and their hearty goodwill. So, I ask you to overlook my faults and errors, although the latter have been corrected by appellate judges, some good, and some not so good.

This being Law Day, I feel I should make a brief reference to a condition which gives me much concern.

All that stands between man and the jungle, really, is a thin veneer of civilization.

And basic to this civilization is respect for law and order. "One of the sordid tragedies in America today is the malignant growth of disrespect for law and order."

Without that respect, civilization degenerates into the kind of anarchy we have seen in Watts, in Newark, Detroit, Baltimore and Washington.

Ironically, some religious organizations have gone on record as favoring the doctrine of civil disobedience, a doctrine which attacks the very foundation of law.

For civil disobedience must inevitably lead to criminal disobedience and criminal disobedience leads, of course, to chaos.

The seeds of this pernicious doctrine have been sown and the results have been devastating.

Therefore, I would urge you sincerely to give attention to the slogan of Law Day, and take advantage of every possible opportunity to see to it that law and order do prevail. This is necessary because intellectuals including a former bishop now argue that we have made an idol of "law and order."

NOLAN ESTES LEAVING FEDERAL SERVICE

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1968

Mr. FLOOD. Mr. Speaker, Nolan Estes, the U.S. Office of Education's Associate Commissioner for Elementary and Secondary Education, is leaving Washington to become superintendent of schools in Dallas, Tex. I would not want this occasion to go unnoticed for a number of special reasons.

He came to the Office of Education 2½ years ago, at a time when the programs of the 1965 Education Act were just getting underway. In putting these programs into operation, he has been deeply sensitive to the intent of Congress. He has administered them vigorously, responsibly, and creatively. His exceptionally broad experience in the field of education and his great professional abilities, combined with his deep concern for the education of young children, has made his implementation of the Elementary and Secondary Education Act a model of creative Federalism. He has built on his perceptive recognition of local needs to assure the effectiveness of Federal programs.

Through his vigorous and imaginative administration of the innovative title III program, he has made a particularly significant contribution to the progress of American education. He has encouraged and assisted school districts throughout the country to take a bold new look at their educational needs, and his leadership has resulted in hundreds of exemplary projects which have already provided enriching new experiences for several million schoolchildren and their teachers. He has led the way in assuring that the Federal funds provided under title III shall serve their purpose of bringing about constructive change and vitally needed renewal in our educational system.

The organization he has created is a tribute to the personal leadership he brought to his Bureau. His youthful enthusiasm and high character have attracted talented and dedicated young people to the Federal Government. This, perhaps, is his most valuable contribution. For no congressionally enacted legislation can succeed without the implementation of alert and concerned administrators. No organization is better than the sum of the people who make it up. And Nolan Estes has built an effective organization through his understanding of people and their individual needs and capacities.

In my dealings with Nolan Estes, I have found him invariably straightforward and understanding, sensitive and courageous. He has displayed complete and unwavering devotion to the public interest. His leadership has been distinguished by his insistence upon, and his own adherence to, the highest standards of intellectual and moral excellence. I know of no one who could have filled this key job during this critical period with greater distinction.

Greatly as we must regret Nolan Estes' departure from the Federal Government, I believe it is a heartening omen that a man with such broad experience at so many levels of education should give his services to a local—and particularly to a large city—school system. I congratulate the Dallas school system on the acquisition of such a distinguished and capable superintendent, and wish Nolan Estes every success with his new assignment.

BUFFALO BILL HISTORICAL PARK

HON. CHESTER L. MIZE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. MIZE. Mr. Speaker, the city of Leavenworth, Kans., will pay further tribute to the colorful career of Col. William F. Cody, the famous Buffalo Bill of frontier days, when it dedicates the Buffalo Bill State Park during Buffalo Bill Days, August 14 to 18. The new State park occupies the site of the Cody homestead northwest of Leavenworth where Buffalo Bill grew up as a boy.

I will have the honor of participating in the opening parade to start Buffalo Bill days on August 14. In order for my colleagues to know about the importance of this event, I wish to place in the RECORD an article on the new Buffalo Bill Historical Park which appeared in the latest issue of Kansas, the quarterly publication of the Kansas Economic Development Commission. The article follows:

BUFFALO BILL HISTORICAL PARK

A museum, camping and picnic areas are planned on the site of the boyhood home of Colonel William F. Cody four miles northwest of Leavenworth on Highway US 73. It was here in Salt Creek Valley that Bill Cody, known throughout the world as "Buffalo Bill" spent his early years.

William F. Cody, one of the great early pioneering characters of America, was many things to many people. He was born in Iowa, moved to Weston, Missouri and then Salt Creek Valley. Buffalo Bill killed 4,000 buffalo, was an Army scout and received the Congressional Medal of Honor only to have it taken away 50 years later, since he was not actually in the service. Cody's wild west show traveled the world and he became an ambassador of goodwill for the U.S.

A bill passed by the 1968 legislature authorized the State Historical Society to acquire in the name of the state, for establishing and maintaining as an historical landmark, a tract of land not to exceed 12 acres commemorating the boyhood home of Colonel William F. Cody.

Civic, professional and business clubs and organizations of Leavenworth are represented on the Buffalo Bill State Park Committee which is promoting the project. A huge boulder has been placed on the acreage by the Buffalo Bill Boy Scout Council and a sign on the highway also advertises the location. Leavenworth boosters of the plan envision a park featuring a reconstruction of the Cody homestead, a pioneer museum and eventually even a frontier zoo complete with deer, antelope and buffalo.

The City of Leavenworth will observe Buffalo Bill Cody Days during the period August 14 through August 18. The entire community is pitching in to make the five-day celebration a huge success. Many historical, entertaining and educational events and activities are being planned.

The Leavenworth Barbers' Union is sponsoring a beard growing contest as an attraction leading up to Buffalo Bill Cody Days in August. The four official beard styles for which prizes will be awarded are longest handlebar mustache, best VanDyke, best goatee and the longest beard.

Special displays at the Fort Leavenworth museum will emphasize vehicles, uniforms and equipment of the Buffalo Bill era (1846–1917). The museum is famous for its outstanding collection of 19th century horse-drawn vehicles. Most prominent among the collections are the carriage used by Abraham Lincoln on his visit to Kansas in December 1859, an Abbott-Downing stagecoach (1838) and a Conestoga wagon (1790).

There will be five days of parades, dancing in the streets and contests. A horse show is scheduled for August 16. During the five-day celebration a steamboat will take passengers for rides on the Missouri River. Buffalo Bill Cody Days are planned to be an annual affair at Leavenworth.

CRISIS IN OUR POSTAL SYSTEM

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. HOWARD. Mr. Speaker, we are fast approaching a crisis in our postal system. Neither snow, nor rain, nor heat, nor gloom of nights stays these couriers from the swift completion of their appointed rounds. But the Government may.

The 3-day suspension of mail deliveries each weekend, set to begin on July 27, would be a drastic drag on communications. This setback would hurt all levels of our economy, which depends on swift communication for its existence. Business would be affected, as well as the average citizen communicating with family and friends.

Our postal system carries over half the world's mail. The volume of this load increases by over 2 billion new pieces of mail each year, and 5 million more delivery locations have been added to their burden since 1966. This Congress has now asked the Post Office Department to eliminate more than 80,000 post office positions—reducing their manpower to the level of June 30, 1966. It is unreasonable to expect postal service to remain the same under these conditions.

Further, with unemployment one of the greatest problems in this country, it is cruel to say to a man and his family that, although we have just asked you to pay 10 percent more on your income tax, you must now lose the means by which you may pay that tax.

To forestall the negation of postal progress, I would urge support of the bill I am introducing today, which exempts the postal field service jobs from this cutback.

Mr. Speaker, Americans cooperate with their Government's request that they add five digits to their addresses to zip the mails. Their Government has now further burdened these Americans by increasing their taxes. Now the Government must reciprocate so that infrequent, expensive, discriminatory service does not sap the mails.

FLY YOUR FLAG FOR THE "PUEBLO" DAY

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 22, 1968

Mr. WIDNALL. Mr. Speaker, as of July 23, the U.S.S. *Pueblo* had been in North Korean hands for 6 months. Debate will continue, no doubt, on the whys and wherefores of its capture, and what should have been done militarily, to prevent this occurrence. Negotiations continue between the United States and North Korea on the release of the ship and its crew. The question in the minds of many Americans is what can be done to help. I would like to urge the residents of Bergen County to support the suggestion made by my colleague, Representative CHARLOTTE REID of Illinois, that July 28, next Sunday, should be "Fly Your Flag for the *Pueblo* Day," in recognition of the fact that we, the American people, have not abandoned hope or forgotten these Americans.

The evidencing of wide public support for our Government's efforts, will be most helpful, coming from the American people as it will, in view of the present state of our negotiations with the North Koreans to obtain the release of our ship and its men. What is too often forgotten by those who advocate immediate military action is that we are not dealing with a civilized nation of undisputed international standing, dealing in the accepted rules of international conduct, but a nation which is at present under a tyrannical and Communist regime. Should any military action be taken, there is no doubt in my mind that one of its first actions would be to execute Commander Bucher and his men.

Because our first consideration in this case should be the safe return of the *Pueblo* crew, because of our already heavy commitment in the Southeast Asia area, and because any forcible action would necessarily mean further heavy costs in human life to the United States, probably without accomplishing the avowed goal, I believe that all peaceful means should be exhausted before any military action is considered. Although there have been 19 meetings between the United States and the North Koreans, 19 more would not be too much to pay for the lives of 82 men, so long as the possibility of release still remains. We must also explore all possible diplomatic or economic means of persuasion.

I understand that Mrs. Bucher, wife of the commander of the *Pueblo*, met on July 24, with Secretary of State Dean Rusk, in talks that have been described as "very fruitful," although no time schedule for release has been established. Possibly, this is the first sign of any nature which could be taken as a favorable one. At this time, therefore, I would urge all Americans to fly their flags on July 28, in memory of the *Pueblo's* capture. This is perhaps the best form of silent, nonofficial diplomacy that the average citizen can take part in. In this way, we as citizens, can support our official negotiators and show the North Koreans that their delaying tactics have not caused America to forget, that we are still deeply concerned, and that we will not abandon our country's honor or the lives of these men.

PAY FOR NOT WORKING?

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. WYMAN. Mr. Speaker, the concept of a guaranteed annual income whether you work or not, is foreign to American tradition and practice. Essentially such a proposal means that those who do work and produce are to have a portion of their earnings taken from them and given outright to others whether or not they work. Such a concept is not a "bold new idea" opposition to which constitutes reactionary devotion to the status quo. On the contrary, such schemes contain all the elements needed for the destruction of our free economy as well as the ending of individual incentive and initiative.

In this connection I commend the reading of Allan Brownfield's remarks appearing in Roll Call issue of July 25, 1968:

SELF-HELP FOR THE POOR

(By Allan C. Brownfeld)

It is clear to all who have projected current trends into the future that our society will face increasing problems of unemployment. It is equally clear that the majority of those who will be placed in this unfortunate position will be Negroes.

Over the last 25 years, machines for planting and picking cotton have replaced Negro farm labor on plantations in the South. This, according to Professor William E. Griffith of the Fletcher School of Law and Diplomacy, has happened at a time when industry was booming in northern cities, creating new jobs. As a result, nearly 3,700,000 Negroes migrated to the North between 1940 and 1966, and they are still coming at a rate of some 100,000 per year. But now, with the increased use of computers and automation, industry has dwindling need for unskilled labor. Thus, the Negro, having lost his job in the South is finding less opportunity in the North.

The same is true of the poor whites in Appalachia. In those communities which based their economy on coal mining, the end of this industry marked the end of any hope for meaningful employment. The families of Appalachia have deep roots in the land and do not wish to migrate to areas where employment would be more likely. Industry, seeking skilled labor, good transportation facilities and marketing outlets, does not wish to move to Appalachia. The situation persists and worsens and large areas of our country have the appearance of ghost towns, but one difference: the people remain.

Reacting to the problems of present and future unemployment, a number of economists have advocated the creation of a guaranteed minimum income program. Economist Robert Theobold is one of the main advocates of such a program. He writes: "The moment of truth on automation is coming—a lot sooner than most people realize. The shattering fact is that the United States is still totally unprepared for the approaching crisis. . . . It's already clear that no one has any real solution to the problem of automation. . . . As a result there'll be a great deal of anguish and dislocation as emergency adjustments are made, crash programs improvised."

The concept of a federally guaranteed income, however, remains unpopular with the American people. A recent Gallup Poll shows that, nationally, a majority of Americans oppose the idea, with only 36 per cent in favor and 58 per cent against such a plan. It is especially significant that 77 per cent of the white and 86 per cent of the nonwhite population would support a plan guaranteeing everyone enough work to earn a minimum income.

The older American idea was expressed as far back as 1624 in the Jamestown Colony in Virginia. At that time Captain John Smith wrote of the colony: "When our people were fed out of the common store, and labored jointly together, glad was he that could slip from his labor, or slumber over his tasks. He cared not how—nay, the most honest among them would hardly take so much pains in a week, as now for themselves they will do in a day; either cared they for the increase, presuming that howsoever the harvest prospered the general store must maintain them, so that we reaped not so much corn from the labors of thirty, as now 3 or 4 do provide for themselves."

This philosophy that one man should not live on the fruits of the labor of another man is a deep-seated one. While many political spokesmen, including such labor unions as the United Auto Workers, have advocated a minimum wage guaranteed for all by the government, most observers have been critical of this idea. Before his death, Robert Kennedy expressed the view that the answer to poverty boils down basically to jobs. He opposed the concept of a guaranteed income and stated that "To give priority to income payments would be to admit defeat on the critical battleground of creating jobs."

The fact is that government has been a failure in this area. While it has attempted a welfare state, it has instead created a society with more poverty, more unemployment, and more social tensions than the kind of society it replaced. At long last liberals and conservatives are both reaching the conclusion that government is not the answer to the problems of the poor.

Discussing the failure of the New Deal-Great Society approach, Senator Eugene McCarthy said the following at the Colorado State Democratic convention: "Mr. Humphrey reports that when people ask him 'What ever happened to the whole liberal program you stood for?' he replies 'We passed it, does that upset you?' My answer is yes, it does upset me. For the condition of the American city despite the 'liberal program' is getting worse—not better. We have had progressive programs in form but not in substance. We have had reform in appearance but not in reality."

Most important of all, perhaps, is the fact that Negro leaders have come to the realization that government is not going to solve any of their problems. They are rapidly turning away from the standard liberal responses of a previous generation. Thomas B. Jones, a Negro economist in New York, stated that "The economic problems of the Negro have not been solved by Government programs or a changing attitude on the part of the power structure. The Negro, therefore, decided that self-development is a practical, realizable approach to the solution of his problems."

Dr. Thomas Matthew, leader of the National Economic and Growth Reconstruction Organization (NEGRO), received a franchise to operate a bus line in California, but not in New York. His response: "We got the fullest cooperation from Governor Reagan and Mayor Yorty. You see, those with a less liberal viewpoint are really happy with our efforts. Many of them never believed we would help ourselves. They're willing to give us a chance, though, and we are making the most of it. Many liberals, like Mayor Lindsay, want to do it for the Negro and not let him do it for himself. That's why, at this point, it's easier to work with conservatives."

The Congress of Racial Equality called for the Negro community to develop its own commerce and industry. "We seek to harness the creative energy of private enterprise to achieve a solution to America's crisis. Handouts are demeaning. They do violence to a man, strip him of dignity, and breed in him a hatred of the total system." CORE's answer is a community development program "to draw funds from many sources and promote self-generating growth with the aim in time of ending reliance upon the taxpayer." Its base would be non-profit, community owned "Community Development and Service Corporations" to develop new and diversified industry inside the Negro ghetto.

Thus, it appears that self-help is the path most desired by those in need of assistance and the path most likely to help in solving these serious problems. Bobby Kennedy saw that, Eugene McCarthy appears to see part of it, Richard Nixon has articulated it, and a group of House Republicans have proposed it. In this sense, the welfare state philosophy may be dead. If it is, it is because it failed to fulfill its promise, a good reason indeed.

What we may be moving toward is a humane society which evidences a concern for people but does not seek to establish a government superstructure to control them. A society which helps people to help themselves is far different from the all powerful state which many twentieth century ideologies have urged. It is, in a sense, the American Dream revisited and applied to the modern world.

AMERICAN SECURITY AND DEFENSE APPROPRIATIONS—II

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. BROWN of California. Mr. Speaker, on Monday of this week I made clear that I could not vote for the 1969 Defense Appropriation Act, which totals $72.3 billion, because it failed—in its massive misallocation of the Nation's resources—to contribute to our national interest and security. Instead, it actually compounded the errors which have been made in the past and, in all likelihood, decreased our security in vital areas of military posture and of domestic strain.

I made reference in my previous remarks to proposals for cutting $10.8 billion in non-Vietnam expenditures from the President's proposed defense budget which appeared in the Congressional Quarterly, and I suggested additional cuts in Vietnam spending of a comparable size.

Since making these remarks, I have had the opportunity to glance at portions of a book, "The Betrayal," by Col. William R. Carson, a distinguished marine combat veteran of Vietnam who retired this month—at least in part because of the strong differences he expressed with U.S. military policy in Vietnam. Colonel Carson, who is not a "dove" by any stretch of the imagination, feels quite strongly that we have failed to achieve our goals in Vietnam, and suggests that these goals could be obtained more efficiently and quickly by some major changes in tactics and strategy. Among the major proposals that he makes are:

First, stop all aerial warfare against North Vietnam except reconnaissance overflights.

Second, eliminate all illegal land rents and agricultural taxes in Vietnam.

Third, establish an improved educational system in Vietnam to help develop upward mobility in the society.

Fourth, direct U.S. administration of the refugee program.

Fifth, direct U.S. administration of the AID program at all levels.

Sixth, adoption of a realistic military strategy that takes account of the political realities in South Vietnam, including the following:

First, reduction of our force level in Vietnam to 250,000 troops.

Second, closing 10 of the 12 tactical high-performance aircraft bases and redeploying three-fourths of the aircraft and supporting personnel to the United States with the remaining one-fourth transferred to Thailand.

Third, moving three of the four U.S. Navy aircraft carriers from "Yankee Station" off North Vietnam to the waters of South Vietnam to provide tactical close air support, and redeploying the fourth one back to the United States.

Fourth, turning over, to provide the initial increment, 70 of the 100-plus base camps to house the refugees.

Fifth, closing seven-eighths of the massive post-exchange system operating in Vietnam.

Sixth, immediate redeployment of one full division each to Okinawa, the Philippines, and Korea to establish a strategic reserve.

Seventh, immediate deployment of 45 of the remaining 70-plus U.S. maneuver—infantry and air cavalry—battalions to mobile positions in the country side to provide protection to the rural population.

Eighth, retaining approximately three full divisions as a mobile reserve in South Vietnam to exploit tactical situations on the security periphery.

Ninth, "adopting" and taking over direct control of 45 ARVN battalions to assist in the security of the population periphery. These battalions would operate as an integral element of the U.S. maneuver battalions.

Tenth, merging and placing the Regional and Popular Forces under direct U.S. command to form a massive combined action program with a U.S. contribution of approximately 60,000 troops. This force would be used to provide relevant and credible military security in 3,500 to 3,750 of the so-called C, D, and E hamlets.

Eleventh, using the remaining Regional and Popular Forces—approximately 30,000—to provide security for the refugee camps.

Twelfth, turning over the responsibility for the DMZ to the ARVN.

Thirteenth, leaving the responsibility for security in the cities to the national police.

All of these suggestions by Colonel Carson would have a major impact on Vietnam expenditures. They would produce economies of a very great magnitude. Without attempting an expert analysis, I would estimate that their effect would be to reduce costs in Vietnam by a minimum $10 billion, and possibly as much as $20 billion.

I am not suggesting that in acting on the defense appropriation bill we should adopt amendments embodying all of these proposals. I am suggesting, as strongly as possible, that those who defend this gargantuan piece of spending legislation on the grounds that only in this way can U.S. security needs be met, and that suggestions for cutting this bill would reduce our security, are not dealing in reality. And failure to deal in reality is the quickest way to undermine our national security.

CONGRESSMAN JIM BATTIN REPORTS FROM WASHINGTON

HON. JAMES F. BATTIN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. BATTIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

YOUR CONGRESSMAN, JIM BATTIN, REPORTS FROM WASHINGTON

JULY 26, 1968.

DEAR FRIENDS: As expected, the House of Representatives passed a gun control bill this week. The margin of the vote, 305 to 118, was surprisingly high in an issue that should have been very close. Most people knew in their own minds that this legislation would pass because of the emotional atmosphere which surrounded consideration. Of course, *I voted against the bill and did all I could to see that many changes were made to rule out as many objectionable provisions as possible*. Those of us in Congress who opposed the idea of government control over the personal ownership of firearms were able to defeat amendments that would have included licensing and registration from the bill but overall the finished product is poor legislation. *The only good sections in the bill were those that recognized the culprit and gave severe penalties to the criminal use of firearms*. These amendments which I supported, however, had a bad effect in that they provided a reason for many members to vote for the final bill even though they were against federal firearms restrictions that apply to responsible citizens.

In all, almost 100 amendments were considered on the floor of the House during four days of extensive debate. *The firearms bill was virtually written on the floor*. The entire four days of debate and the process of rewriting the bill lends support to the argument that this bill was considered emotionally rather than through thoughtful deliberation. The usual procedure of the Congress is to refer legislation to a committee that is experienced in dealing with the particular subject. In committee hearings, government and private witnesses are encouraged to testify and lend their wisdom to the discussion. Through service on the committee, Congressmen become well versed in specific legislative areas and are prepared to write the best possible legislation to cover the needs that prompted the bill. By the time a bill reaches the floor, it should be ready for a vote after enough discussion to be sure that every member has a clear idea of what the legislation includes. The committee system has worked for all the history of Congress, but suddenly it is being avoided on highly controversial matters which have great need for deliberation. *It happened in April with the Open Housing Bill and again in July with the Gun Control Bill*.

Although the most restrictive measures of licensing and registration were defeated, this legislation can become a real threat to the right of responsible individuals to buy weapons and have them in their homes. The final bill is loosely structured allowing much latitude in enforcement along with arbitrary authority for the federal officials charged with implementing the provisions. Just as the current farm program could have been effective if properly administered, the new gun control statutes can be good or bad depending on the Administration. With Attorney General Ramsey Clark, the chief enforcement officer, there's no cause for optimism that it will be effectively used. I fully expect Mr. Clark to use the law to limit and discourage the purchase of firearms by private individuals. From the public announcements of the Justice Department it appears the Administration's theory is that criminals will be limited by placing restrictions on sportsmen and other responsible citizens. *The mail I have received and petitions from thousands of Montanans indicate that most of the people in our state believe that criminals are the only people who won't be affected by this legislation*.

During the fight on the House bill, I testified before the Committee on Rules against bringing this legislation to the floor without full consideration in Committee. The Committee that I serve on had jurisdiction over firearms legislation during the 89th Congress and held extensive hearings before deciding that action was not justified on restrictions against sportsmen and responsible citizens. The Judiciary Committee which handled the bill on the floor this year never held public hearings, but passed the bill out in a hurry after the shooting of Sen. Robert F. Kennedy. I hope next year this issue will be taken up again in the calm light of reason and that provisions are added to make the criminal use of guns more risky, while allowing the same rights of private ownership that have been enjoyed since our government was founded.

Of course, this legislation isn't in final form because it will have to be combined with the Senate version of gun controls before it is sent on for the President's signature. The current proposals in the Senate are far more restrictive than the final House version and it looks like another fight is in the making when the two bills are compromised. Although it is almost certain that some form of gun restriction will be passed this year, the best thing would be for a deadlock between the House and Senate version which would mean deferral until next year when a more reasonable approach can be taken.

Sincerely,

JIM BATTIN.

WONDERFUL WYOMING AND THE UNION PACIFIC — PARTNERS IN PROGRESS

HON. WILLIAM HENRY HARRISON

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. HARRISON. Mr. Speaker, 1968 is the year of the Union Pacific Centennial in Wyoming. It was 100 years ago that the parallel tracks which link east and west were extended from Cheyenne through Laramie, Rawlins, Rock Springs, and Green River to Evanston, reaching there in December of 1868 to complete the laying of this vital line of communication through the sometimes dangerous plains of Wyoming.

The Union Pacific predates the establishment of the State of Wyoming by 23 years; Wyoming having achieved statehood in 1890, and the Union Pacific having reached what was to become her capital city, Cheyenne, on November 13, 1867.

Today, the Union Pacific is Wyoming's economic partner which provides nearly 4,000 jobs for Wyoming citizens, pays nearly $29 million in wages in the State, contributes some $3 million in taxes, and purchases nearly $12 million in Wyoming's products.

In a very real sense, the growth of the Union Pacific has paralleled the growth of Wyoming and although the tracks which traverse the southern tier of Wyoming's counties have given that section of our State a political composition with which I as a Republican do not thoroughly agree, I pay tribute to the UP for being not just a business in, but a partner of, the Equality State.

Over the years and recently Wyoming and the railroad have never unclasped their hands—from the greeting, and the pledge of partnership, which has typified the development of both the business and the governmental entity.

The Union Pacific has recently produced a 28-minute motion picture to promote tourism and industrial development. The movie, "Big Wyoming, the Awakening Giant," was premiered in June at Cheyenne and Casper before many civic leaders and State officials, including Gov. Stan Hathaway.

The picture met with enthusiastic approval with Governor Hathaway stating:

> This is something we have needed for a long time. This will do a tremendous job of telling our Wyoming story and it will be invaluable in showing both industrial prospects and tourists what we have to offer here in Wyoming.

UP did not spare the horses in "Big Wyoming, the Awakening Giant." The film was narrated by the famed Lowell Thomas, a globetrotter and raconteur of international renown. As UP's advertisement in our State papers points out:

> There's a great story to be told about Wyoming; it is told in this motion picture.

Seventy prints are expected to be kept busy. In addition, 71 UP traffic offices across the country are helping to tell about Wyoming's industrial potential and the scenic wonders of the State.

With the recent developments in trona, uranium, oil, gas, iron, coal, oil shale, and other minerals and the even more startling forecasts, Wyoming appears to be ready to turn the corner on its industrial development.

Wyoming has been described as America's storehouse of energy and industrial minerals.

One has only to look at the rankings in mineral deposits—first in coal, second in uranium, and third in oil shale, plus immensely rich reserves of other minerals—to understand why the resources beneath the ground spell wealth and prosperity for those above it.

I happen to be an unashamed and unabashed advocate of wonderful Wyoming where my wife and I have ranched and farmed, practiced law, and raised our children. A number of newspapers in Wyoming have commented editorially on "Big Wyoming, the Awakening Giant" and I include, in addition to various materials relating directly to the movie, editorials from the July 9 Casper Star Tribune and the June 29 Laramie Boomerang, in the RECORD.

I leave my colleagues with the words of John Gunther, who in his book, "Inside U.S.A.," called Wyoming "the friendliest State I have ever been in" and the most "unspoiled of the Western States." Come to Wyoming and see for yourself.

The material referred to follows:

BIG WYOMING

"Big Wyoming—The Awakening Giant", a 28-minute picture to promote Wyoming tourism and industrial development, was premiered Thursday at Cheyenne and Casper before media leaders and state officials, including Governor Stan Hathaway.

The picture met with enthusiastic approval. Governor Hathaway stated: "This is something we have needed for a long time. This will do a tremendous job in helping us to sell our State to tourist and industrial groups out of Wyoming, too many of whom still think we are a land of Indians and cowboys and cold weather."

The motion picture, narrated by the famed Lowell Thomas, generally regarded as the world's no. 1 traveler, includes scenic and industrial shots from every part of the State. "No matter where the picture is shown in Wyoming, there will be familiar local scenes for the audience to enjoy," President Edd H. Bailey of Union Pacific stated.

Wyoming has long recognized the need for a motion picture of this type for both the Natural Resources Board and the Wyoming Travel Commission to utilize in making presentations to out-of-state groups. "Big Wyoming" is designed for this specific purpose. It also will be utilized by Governor Hathaway in his out-of-state presentations in search for new industry for Wyoming.

But the State will get added benefits from the picture. Union Pacific has a well-established film library. Through this library the Wyoming picture will be made available for television stations all over the country, as well as for industrial groups and others interested in the picture, according to William R. Moore, director of PR for U.P. More than 70 prints will be kept in almost constant use in all parts of the country, telling the Wyoming tourism and industry story.

"We have always endeavored to promote Wyoming industrially," said Mr. Bailey, "and we thought it most appropriate to make this much-needed motion picture available during our Centennial Year. We are confident it will play an important part in stepping up the tourist and industry promotion programs in Wyoming."

[From the Casper (Wyo.) Star Tribune, June 9, 1968]

BOOSTING THE STATE

Appreciation and congratulations are extended to the Union Pacific Railroad for its production of the film, "Big Wyoming—The Awakening Giant."

This kind of publicity will do a great deal for the state and its future development. Some embarrassment must be admitted that Wyoming didn't already have something of that kind to exhibit in other parts of the country. Union Pacific filled the gap, and so long as the job was done and done well there is no need to complain about the earlier omission.

Perhaps it is better this way. We have come to depend so much on the public treasury that we overlook the resources of private enterprise. The Union Pacific will benefit from Wyoming development, and the expenditure which it has made will not be lost business-wise. Nevertheless, the entire state also will benefit by this added effort.

[From the Laramie (Wyo.) Daily Boomerang, June 29, 1968]

A REAL BOOST TO WYOMING PUBLICITY

One of the finest movies we've seen to promote Wyoming and to tell the story of the state—its natural resources, its industry and its recreational opportunities—made its premier in Laramie Wednesday at the Laramie Lions Club luncheon meeting.

The movie is "Big Wyoming—The Awakening Giant." The film takes the viewer to many of the industrial sites of the state. These areas cover such things as coal mining, trona, oil and the prospects of shale.

The rivers and streams of Wyoming, a part of the scenic beauty, Senator Hansen taking a shot in the one-shot antelope hunt and fishing are covered.

Scenic beauty takes in the Snowy Range, the Tetons, Devils Tower and other areas. The University of Wyoming receives mention as do other areas, and there is even some footage from a University of Wyoming football game.

The Union Pacific's contribution to promotion of Wyoming through this film should mean a lot to the state. Seventy copies of the film will be made. The five that remain in Wyoming will be with the Wyoming Travel Commission, Game and Fish Department, and other areas, plus the one in the Union Pacific office at Cheyenne. The other 65 will be in the Omaha film library of Union Pacific, available for showing all over the country.

The film, of course, can't show the entire picture of Wyoming. It does, however, take in a large area, dealing sufficiently with each to arouse outside interest. We are certain that anyone seeing the film will realize more of Wyoming's potential than he did before he saw the film.

UNIQUE PROGRAM AT SHIMER COLLEGE

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. ANDERSON of Illinois. Mr. Speaker, I call the attention of the membership to a unique program developed and underway at Shimer College, Mount Carroll, Ill., in my congressional district.

The program was the idea of Milburn P. Akers, recently elected president of Shimer College and retired editor of the Chicago Sun-Times. I believe the program to be an outstanding example of a private enterprise, in this case Shimer College, seeking to find solutions to the problems of its own community, the rural town of Mount Carroll, Ill.

As President Akers discovered upon his arrival in Mount Carroll, the problem of restless youth in the summer is not strictly an urban dilemma. His solution was to lend the college campus to the youngsters of the town and to provide a creative arts and recreation program.

The town's mayor, Lyle Richter, observed that the community had tried to organize such a program in the past but lacked the facilities and the people to supervise it. Shimer College, privately financed, did have the facilities, a supervisor, and an entire campus vacant since Shimer has no summer school program. Thus, now, for the first time, some 200 children in Mount Carroll—population 2,100—are enjoying an organized recreational program at no charge to the town or the participants.

People of the community agree that the program compensates for a shortcoming not often recognized to exist in rural areas by those in urban centers.

> We may have an abundance of open space out here that you don't have in the city—

Said Mayor Richter—

> but the children still need organized and supervised activities. We have a pool in town but children can't swim all the time. That's why I'm very much in favor of the Shimer program.

The major strength of the program, according to the Reverend Earland Lilly, minister of the American Baptist Church of Mount Carroll, and one who helped in recruiting volunteers, is in the arts and crafts and drama workshop. He said:

> This is an excellent attempt to fill a creative gap suffered by rural communities. We're suffering from the problems of affluence out here as well and the young people just don't know how to entertain themselves, creatively or productively.

He added that the summer recreation program at Shimer was "one of the finest gestures on the part of the college to work with the community."

I congratulate the people of Mount Carroll and Shimer College for the initiative to develop such a program. I suggest to my colleagues that other colleges and communities may wish to explore the possibilities of a similar program for their areas. Obviously, Shimer College has come forward with a plan which in effect will help its entire community and the college bears the cost of all expenses involved. I am proud and pleased to commend them for this effort.

THE CHALLENGE OF OPEN OCCUPANCY

HON. DONALD RUMSFELD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. RUMSFELD. Mr. Speaker, with passage of the 1968 Civil Rights Act and its open housing provision, we have heard many dire predictions of what the results might be for our society.

Among these have been that homeowners will either sell their own houses or realty firms will find ways to circumvent the law, that in the areas which become integrated property values will decrease, and that movement of Negro families into all-white suburban areas will cause an exodus of those whites able to afford a move.

The Evanston and North Shore communities in Illinois comprise a high-income area. These are the kinds of communities where one might expect to find the predicted resistance to open housing and near panic among realtors as they try to reflect the supposed desires of their clients.

It was of great interest to me to receive a copy of the July edition of a newsletter published by the Evanston-North Shore Board of Realtors containing an editorial titled "The Challenge of Open Occupancy." This editorial contains one of the most heartening statements I have seen on this complex question. In refuting the dire predictions it sets forth a reaffirmation of faith in our American society which I commend to your attention:

THE CHALLENGE OF OPEN OCCUPANCY

This is a brief summary of the implications of "open occupancy" as seen by members of the Evanston-North Shore Board of Realtors.

There is no general agreement among Realtors—any more than there is general agreement in society as a whole—about how our nation should try to solve its civil rights conflicts. Few Realtors have much expert knowledge of race relations. The Evanston-North Shore Board of Realtors is, however, alert to the impact of changing housing patterns on our communities. Realtors are qualified by professional training and experience to offer some insights into the problems we all face in entering an era of open occupancy.

HOUSING A CRITICAL ISSUE

Housing is a critical issue among the demands for civil rights. This is not because Negroes have a great desire to live next door to whites. They don't. In this context, housing is important only because, in our land, *where* you live determines *how* you will live.

Is your home safe at night? Is your garbage collected regularly? Will your children get a decent education?

The answers to such questions today depend almost entirely on the location of your home or apartment.

If you can afford to live anywhere in the Evanston-North Shore area, your children will attend one of the best schools in the world. Your streets will be clean and safe.

On the other hand, if you must live 15 or 20 miles due south of Evanston, your situation will be quite different, even if you have a decent income. Your talented children may be handicapped for life by a tragically inadequate school environment. It may be hazardous to walk out of your home, day or night.

These are demonstrable facts, as anyone with the courage to stroll through a Chicago ghetto can learn easily.

ADVANTAGES FOR NEWCOMERS

Evanston-North Shore Realtors are not puzzled by "what those people want." They want exactly the same advantages we have been promising and delivering to other newcomers for decades, and they are willing to pay the same price in cash and character. It is too late for easy remedies or temporizing. Tensions have been building since Appomattox. There has again been open warfare in American streets.

What is going to happen in the next 10 or 20 years?

Will Evanston and the North Shore become integrated? Inevitably, yes. It won't happen overnight, and there may well be "black neighborhoods" just as there are other distinctive and enduring neighborhood groupings. However, our entire nation eventually will become more heterogeneous than today.

PROPERTY VALUES INCREASE

As more Negroes move into Evanston and the North Shore, will property values decrease? No. Surveys have shown that property values here after Negro families have moved into a community have risen just as much as property values elsewhere. In other words, the Negro families that have moved to Evanston and the North Shore have had absolutely no effect on rising property values. In the long run, open housing means an open market for property rather than a closed or limited market, and this might be expected to increase property values still more. Generally speaking, the more customers interested in a property, the higher the price.

There is evidence that Negro families moving into good neighborhoods tend to maintain and improve property the same way as their neighbors. Negro families that want to move into all-white neighborhoods generally are educated, articulate, and acceptable as neighbors by any objective criteria other than color of skin.

Will there be violence in Evanston and the North Shore as more Negroes move in? Possibly—but not likely. Sociological surveys have identified the type of person who joins mobs, and he seldom is found in our communities.

NO EXODUS PREDICTED

Will there be an exodus of old-time residents as Negroes move in? Possibly a small exodus, but even this seems remote. Any exodus will not be long-lasting or significant. In a few years, there will be no alternative to having a few Negro neighbors somewhere near your home. You can run, but you can't hide.

Will efforts be made to by-pass the open housing ordinances? Yes, but not for long. The "cocktail party" home market is unstable. Without the professional assistance of Realtors in negotiations, a few buyers will pay far too much and a few sellers will accept far too little for homes, and there may be mortgage and contract difficulties. "Do-it-yourself" real estate transactions have proved costly for all concerned and will be abandoned when the first fears of open occupancy are forgotten.

We are entering a difficult transitional period. We are starting with an excellent foundation, for the Evanston-North Shore community is one of the finest in the world. Our schools, churches, and human relations commissions have built up reservoirs of goodwill to mitigate the tensions and unpleasantness that often accompany social change.

The Evanston-North Shore Board of Realtors pledges to do all it can to ease the tensions and relieve stresses as they arise; to protect the rights and respect the opinions of all; and to provide labor and leadership in the continuing effort to maintain and improve our communities.

THE INDICTMENT OF "SO LITTLE FOR SO MUCH"

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. ASHBROOK. Mr. Speaker, the indictment of the administration's taxation and spending abuses is long and detailed. No one knows this better than the citizen who has recently had another chunk deducted from his paycheck, or the city council members who are against the wall, forced there by the Federal Government monster which steadily moves in on the local tax base.

The Wall Street Journal has pointed out that not only are the taxes continually increasing, but that "a further sore point is that the increasingly onerous taxation buys a remarkable poor governmental performance at all levels."

A prime tax drain is, of course, Vietnam, and the Journal is correct in labeling "a poor bargain" the election of a candidate "who vowed never to send hundreds of thousands of American boys to fight in a land war in Asia." Especially when there is so much evidence that their lives and blood will not achieve victory. Not only is this a poor bargain, but it is a tragic violation of truthful packaging.

It may not be "sophisticated" to complain about high taxes, but some of us, the Wall Street Journal included, will continue to do so. Their editorial of July 23, 1968, follows:

So Little for So Much

The employe was a bit taken aback to find an extra $4 withheld for state taxes from his weekly paycheck. Blaming some stupid computer, he checked with the company—but no, state taxes had in fact been raised on incomes above a certain level. The deed was swiftly done in the last hours of the legislative session, and hardly anybody realized it at the time.

The discovery came before the new Federal surcharge hit last week's paycheck. All in all, this particular employe, like millions of other Americans, is taking home less than he was a year ago. Appreciably less, when you throw in the factor of rampant inflation destroying his purchasing power at the rate of about 4% a year.

Well, there's nothing new about high taxes, and it isn't even considered very sophisticated to complain about them any more. Still, it's worth remarking that taxes of all kinds are rising relentlessly, with not the faintest sign of a halt to the trend. At the least, it is not calculated to fire a man with enthusiasm for working harder; it could have serious consequences for the general economy as well.

For last year this newspaper counted seven new state income or general sales taxes, plus 49 rate increases in existing income, general sales or excise taxes. Property taxes, it seems, are also going up almost everywhere. The wage base for Social Security taxes was increased this year (even while inflation robs more and more of the value of Social Security payments).

Besides the actual cut in take-home income, one of the things that rankles about all this is that the enormous amount of taxes levied by the Federal authorities is not enough to cover spending. The surtax is supposed to reduce the deficit, but a deficit there still will be, and how much of a reduction, if any, is highly conjectural.

A further sore point is that the increasingly onerous taxation buys a remarkably poor governmental performance at all levels. Practically every problem that the politicians promised would be mitigated or solved by heavier spending is worse now than when taxes were considerably lower.

One of the larger tax drains is of course the Vietnam war, and few Americans ever dreamed, much less wanted, that it would become such a huge loss of blood and treasure. Grant that it is possible the Administration's course has been correct; the fact nonetheless remains that the American people, if the 1964 election means anything, voted for the candidate who vowed never to send hundreds of thousands of American boys to fight in a land war in Asia. It seems a poor bargain.

The same is true of many endeavors at home. The Federal Government has poured scores of billions into the nation's cities, and yet they are more congested, slum-infested and riot-prone than ever. Some of its exercises in so-called urban renewal are shockingly inhumane. The same Government subsidizes wealthy farmers while doing little or nothing for the poor farmers, many of whom accordingly move to the clogged cities.

Obviously municipal and state governments have been doing an unsatisfactory job too, despite their constantly rising tax take. They might have done better, however, had not the Federal Government been so greedy for tax monies and what once were state and local prerogatives.

In addition to the impact on incentive, the taxation trend of the times, coupled with the intensifying inflation, could cause a partial drying up of consumer outlays. People who don't want to go deeply into debt may not have the money for marginal expenditures after paying for necessities and the exorbitant cost of Government. That is one way to get an economic slowdown, but in any event taxation of such magnitude is an economic distortion and strain.

We have no illusions that words like these will move the politicians to moderate their spending-taxing binge. But neither do we see why any citizen, getting so little for so much, should sit in docile silence and not even protest the arrogance of officialdom.

THE "PUEBLO": HOW LONG, MR. PRESIDENT?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. SCHERLE. Mr. Speaker, this is the 186th day the U.S.S. *Pueblo* and her crew have been in North Korean hands.

SECRETARY FREEMAN HURTS THE FARMER AGAIN—RATIFICATION OF INTERNATIONAL WHEAT TRADE CONVENTION A MISTAKE

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. CURTIS. Mr. Speaker, on June 13 the U.S. Senate considered, and voted to ratify, the International Wheat Trade Convention. I had grave doubts about the ratification because I believed that this international commodity agreement for wheat would require a U.S. export tax on wheat, restrict U.S. wheat exports, depress U.S. wheat prices, and reduce net income of U.S. wheat farmers.

Secretary of Agriculture Freeman disregarded these arguments. He insisted the Convention would mean higher U.S. wheat producer income. Under Secretary of Agriculture Schnittker forecast on February 29 that U.S. wheat prices would be up to the minimums by July and that the agreement would not have a jolting effect on the wheat market.

What has happened? Freeman and Schnittker have been proved markedly wrong. U.S. wheat prices never got up to the new minimums established by the convention and so the Department of Agriculture has put an export tax on wheat exports to bring their price level up to the artificial prices set by the Wheat Trade Convention. On June 17 the announcement was made that U.S. exporters would be required to pay the following export taxes for the "privilege" of exporting U.S. wheat:

[Cents per bushel]

	Gulf	East coast	West coast
Hard Red Spring	7	8	[1]14
Hard Red Winter	18	18	1
Soft and other	24	24	0

[1] Export subsidy.

What has been the effect on U.S. wheat prices? On June 13, July wheat futures at Chicago were $1.30 per bushel; on July 8, July wheat futures closed at $1.24½—a 5½-cent drop. The situation at the Kansas City market was similar. On June 13, July futures in Kansas City closed at $1.38 per bushel; on July 8, July wheat futures closed at $1.31—a 7-cent drop.

The drop in prices is a reality. The Department of Agriculture was laboring under an illusion that by increasing export prices to a level substantially above the market price, the American farmer would somehow receive a higher price for his production. U.S. wheat producer net income will fall as a result of the ratification of the International Wheat Trade Convention as prices fall.

What has happened to U.S. wheat exports?

In the first full week after the establishment of export taxes, export sales of U.S. wheat dropped to 182,792 tons—less than one-third of the tonnage sold in the previous week. In 2 weeks time U.S. export wheat sales dropped from 602,495 tons to 182,792 tons. Unfortunately, the bad news does not stop here.

The announcement of wheat export taxes has caused the drastic reduction in bookings of future wheat exports. In the first full week after the export taxes were announced, only 1.9 million bushels of wheat were booked for export. This compares to over 13.7 million bushels just 2 weeks previously. The conclusion is inescapable—U.S. wheat exports have gone down, and the facts indicate that they will continue to go down unless the current policy is changed.

These facts show that the Secretary of Agriculture's judgment that U.S. wheat exports would increase was in grave error.

While the Secretary of Agriculture assured the farmer that U.S. wheat would be kept competitive on the world market, no response of the Secretary of Agriculture to this discouraging export situation of the past 2 to 3 weeks has been made.

Wheat export taxes will be increased. For example, the export tax on Hard Red Winter wheat at the gulf and east coast ports has been increased by 3 cents to 21 cents per bushel; and for our soft wheats, the export tax is now 28 cents—4 cents above the June 17 level.

The U.S. Department of Agriculture forecasts a U.S. wheat harvest in excess of 1.5 billion bushels. Yet we are restricting U.S. wheat exports. This will put more wheat on the domestic market and further depress wheat prices thus further reducing wheat producer income.

There are other unfortunate results that will also undoubtedly come from this convention. The higher worldwide minimum prices will encourage inefficient producers around the world to increase their own production which will further depress wheat prices. Countries now importing U.S. wheat will increase production which will mean a contraction in U.S. wheat export volume. It would be so much better for the efficient U.S. farmer to have lower unregulated grain prices in international trade. With free market forces working, the U.S. wheat producer could take over a larger share of the world exports of grain rather than be forced to take a smaller share. Lower prices would encourage new uses for wheat, as they have for soybeans, and increase export volume and net income to producers.

Other unfortunate aspects of the new Convention include the fact that it could encourage agreements for commodities other than wheat thus reducing U.S. exports of those commodities also. It also raises costs for food in developing countries. With starvation endemic in certain parts of the world, the U.S. Department of Agriculture is making it more expensive to eat, thus contributing to further starvation.

The United States will also probably be unable to enforce the new minimum prices. Under the old International Wheat Agreement other countries cut prices to unload wheat surpluses and the United States alone bore the burden of world wheat management. This inequitable situation will undoubtedly be true under the new Wheat Trade Convention as well.

The Convention does not increase U.S. access to other protected markets. The European Common Market still maintains its discriminatory variable levy system which restricts U.S. exports.

Ratification of the International Wheat Trade Convention is proving to be a tragic mistake which will result in lower income to the U.S. wheat producer.

Yet, really what could have been expected of a Secretary of Agriculture who has so frequently during his 8 years in office exercised poor judgment which, intended to help the U.S. farmer, has instead hurt him? The International Wheat Trade Convention is just another example of the bad advice he has given to the agricultural community of this country.

Let us review what has been done in the area of wheat during Secretary Freeman's tenure in office.

First, the price of wheat has fallen to the lowest level in the postwar period:

MID-JUNE FARM PRICES OF WHEAT BY YEARS, 1942 TO 1968

June 15	Farm price of wheat per bushel	June 15	Farm price of wheat per bushel
1942	$0.957	1956	$1.93
1943	1.24	1957	1.91
1944	1.43	1958	1.70
1945	1.50	1959	1.69
1946	1.74	1960	1.72
1947	2.18	1961	1.72
1948	2.11	1962	1.99
1949	1.86	1963	1.86
1950	1.93	1964	1.40
1951	2.08	1965	1.28
1952	2.06	1966	1.59
1953	1.88	1967	1.49
1954	1.91	1968	1.24
1955	2.06		

Wheat prices have dropped from 78 percent of parity in 1963 to 47 percent in June, 1968. The parity ratio would be even lower if it were not for the fact that the program has reduced the adjusted parity base price of wheat.

BASE PRICES, PARITY PRICES, AND FARM PRICES OF WHEAT

	Adjusted parity base price	Parity price [1]	Farm price [1]	Farm price as percent of parity
1963	$0.806	$2.50	$1.94	78
1964	.805	2.52	1.60	63
1965	.796	2.56	1.35	53
1966	.773	2.58	1.55	60
1967	.760	2.60	1.47	57
June 1968	.744	2.63	1.24	47

[1] Simple 12-month calendar year average.

Note: Wheat farmers have become dependent on Government payments for a substantial part of their income and have been increasingly removed from the marketplace economy.

CASH RECEIPT'S FROM MARKETINGS AND GOVERNMENT PAYMENTS TO WHEAT PRODUCERS BY YEARS

[Dollar amounts in millions]

	Cash receipts	Government payments	Total	Percent of total from payments
1960	$2,195.3		$2,195.3	
1961	2,188.1	$42.3	2,230.4	1.9
1962	2,110.0	253.1	2,263.1	10.7
1963	2,143.2	214.5	2,357.7	9.1
1964	1,616.7	438.3	2,055.0	21.3
1965	1,631.1	525.1	2,156.2	24.4
1966	2,025.2	679.0	2,704.2	25.1
1967	(1)	730.5	(1)	(1)

[1] Not available.

Note: Per bushel returns from wheat—including payments—have declined.

SEASON AVERAGE FARM PRICES OF WHEAT AND AVERAGE CERTIFICATE PAYMENTS

	Season average price	Average certificate payment per unit of production [1]	Season average price including certificate payments
1962	$2.04		$2.04
1963	1.85		1.85
1964	1.37	$0.32	1.69
1965	1.35	.36	1.71
1966	1.63	.50	2.13
1967	1.39	.48	1.87

[1] The rates shown here reflect the fact that producers do not receive certificates for all of the wheat that is produced.

Note: The data necessary to estimate season average returns, including payments, are not yet available for the 1968 crop; however, the farm price of wheat was only $1.24 per bushel in June 1968.

Also, the administration's fiscal and monetary policy in general has led to a 4 percent rate of inflation increasing farmers' cost of production and to interest rates the highest since the Civil War. All of this is on top of increased Federal taxes, payroll as well as income.

The Secretary impugns the motives of any critic of his farm program. I do not impugn his motives, but point out his poor judgments. He should stop attacking the motives of his critics and rebut their facts and arguments if he can. This is the only way to develop a good farm program. I say this with some feeling because I have borne the brunt of some of Secretary Freeman's personal attacks for daring to ever suggest that his facts, arguments, and judgments, have been from time to time unsound.

The International Wheat Trade Convention and its harmful effects on the U.S. wheat producer is just the latest episode in a 8-year record of failure after failure. It underlines the necessity for a change in administrations this fall to have a Secretary of Agriculture who knows agriculture and who believes that a strong agricultural community is vital to the United States.

A FLAG FOR THE "PUEBLO"

HON. CHARLOTTE T. REID

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mrs. REID of Illinois. Mr. Speaker, throughout this week many Members of this body have spoken in sincere and heartfelt tribute to the courageous officers and crewmen of the U.S.S. *Pueblo*, seized by North Korea 6 months ago.

As a nation, we can never take lightly the bravery of the men of the *Pueblo* who have served so valiantly on the frontiers of freedom. Neither can we overlook the quiet courage with which their families await their release.

Next Sunday, July 28, I hope that all Americans will remember not only the men of the *Pueblo*, but our servicemen wherever they may be, with prayers for their safe return. We can reassure these Americans that their country stands behind them by flying our flags in salute and as a gesture of gratitude.

Next Sunday, fly your flag for the

Pueblo, and for the men who have taken an oath to defend these United States. Fly your flag for freedom.

CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. DERWINSKI. Mr. Speaker, last week we commemorated Captive Nations Week in the House of Representatives and a spirited discussion in which many Members participated reflected the sustained interest we maintain in the blight of millions of people living under Communist dictatorships.

Since Captive Nations Week merely highlights the continued concern we have for the millions who are being denied freedom and self-determination, I will, from time to time, insert into the RECORD editorials and news material reflecting developments in this area of international relations. I insert at this point an article in the July 1968 edition of ELTA produced by the Supreme Committee for Liberation of Lithuania which describes the continued russification of Lithuania by the tyrants of the Kremlin:

RUSSIFICATION IN LITHUANIA

The Soviet Constitution proclaims the equality of all nationalities in the USSR. But the facts speak an entirely different language. The situation in Soviet-occupied Lithuania today presents a picture of compulsory Russification on an ambitious scale, an imposition of Russian ideas and values.

LITHUANIAN LANGUAGE AND CULTURE—SECOND CLASS STATUS

This Russification campaign is crassly evident in the Lithuanian educational system under Communist rule. Lithuanian language and literature in high schools are overshadowed by courses in Russian language and literature. Thus the national language and culture of a country that ostensibly enjoys "sovereignty in the family of Soviet republics," are given a second-class status vis-a-vis the cultural of the colonial motherland.

RUSSIAN AUTHORS SWAMP LITERATURE COURSES

The imposed dominance of Russian culture is especially obvious in the number of class-hours accorded to individual authors. In the 9–11 grade the classics of Lithuanian literature—Donelaitis, Maironis, Kreve, Plotinus—are given fewer class-hours than Maxim Gorky alone. On the basis of the same Russophile criteria, Pushkin gets twice as many class-hours as Shakespeare and Goethe combined. By the end of 1954, translations of Pushkin in Lithuania totalled 580,100 copies, while Shakespeare had to be content with 42,900. The rich and universally important English, French and German literatures combined receive less than one eighth of classroom time than the Russian language literature. The method is transparent: Russification and assimilation is easier when students are isolated from the influence of other cultures.

RUSSIAN LANGUAGE OBLIGATORY

Although formally the Communist Party program assures "complete freedom for each citizen of the USSR to speak, educate and teach his children in any language, without any compulsion to use one or other language," in real life these guarantees are only partly fulfilled. One may do one's learning in any national language, but at the same time one must (whether one wishes or not) learn the "second native" tongue as well, i.e. Russian. There is not a single school in Lithuania in which one would not have to learn Russian.

The very fact that Lithuanian students must spend an inordinate amount of time for the learning of Russian language and literature, reduces their possibilities to learn their own language and literature properly. Not only must they do it in a very curtailed time, but from the second school year on they must simultaneously learn the Russian language. This negatively affects a regular acquisition of one's native language.

TEXTBOOKS TRANSLATED FROM RUSSIAN EXCLUSIVELY

The Lithuanian students' native language also suffers from the very widely used textbooks, translated from the Russian. The language of these textbooks has been criticized by Lithuania's "Ministry" of Education and the teachers have been clamoring for "more texts by Lithuanian authors." This total dependence on Russian textbooks looks especially strange in the view of a large community of scholars and teachers in Lithuania who could prepare high-quality "native" textbooks. Political considerations are at the base of this unnatural situation. Preparation of textbooks is an ideologically sensitive problem. If each non-Russian republic would start writing its own textbooks, central control would become very difficult.

DEPORTED LITHUANIANS DENIED CULTURAL RIGHTS

Another aspect of the Soviet Russification policy is the treatment of Lithuanians who are compelled to live outside their homeland. Although some victims of Soviet mass deportations were allowed to return to Lithuania, still 175,327 deportees were forced to live in distant Russia in 1959. Their number has changed very little in the past nine years. Although Soviet law guarantees to each citizen of the USSR the right to educate his children in their native tongue, these deported Lithuanians must rely solely on Russian schools. Their children can hardly speak Lithuanian.

While the Lithuanians in Russia are denied national schools, the Russian minority in Lithuania is fully supplied with educational facilities and teachers. Russian kindergartens, boarding schools, high schools exists in each Lithuanian city. A Russia drama theater is active in Vilnius, where a Russian-language daily, *Sovyetskaya Litva*, serves the foreign minority. All official forms, announcements, advertisements are bilingual, i.e. Lithuanian and Russian. The libraries are brimming with Russian books.

In this atmosphere of inequality, such slogans as the "blending" or "coming together" of nations mean nothing but crude Russification. What we have in the USSR today is not a mutual enrichment of various nations in free cultural interplay, but diffusion and imposition of Russian culture on the non-Russian nations at their expense.

HISTORY COURSES DOMINATED BY RUSSIAN AFFAIRS

The Russian cultural colonialism is especially obvious in the history curricula of non-Russian nations. World history is largely Great-Russian History. The so-called course of the history of the USSR is in fact a survey of Russia's growth and expansion; other nations are given a sentence or two, or a footnote, and only in connection with their "joining" with Russia. The history of Lithuania as a separate subject has been abolished.

RUSSIFICATION—EXPRESSION OF BIG POWER IMPERIALISM

The chauvinist tendencies of the Russian communists were noticed quite early by none other than Lenin, who was very critical of the manifestations of Russian imperialism. It was after Lenin's death that Russia gradually acquired an exceptional status among the nationalities of the USSR. The Russian language, literature, history—nothing but national expressions of a specific people—were transformed in an almost mystical manner and elevated into absolute and universal Communist values. Any failure to worship them is considered a crime, any criticism of such a situation becomes a heresy of "nationalism."

It is obvious that Moscow's present Russification policies have nothing to do with the tenets of Marxism or Leninism. They are an expression of naked big power imperialism.

FEDERAL ASSISTANCE PROGRAMS

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. BUSH. Mr. Speaker, in the Houston Chronicle for Monday, July 8, and the Times-Herald, of Waco, Tex., for July 15, appear editorials which praise the efforts of our colleague from Delaware for compiling a listing of over 1,050 operating Federal assistance programs. The results of his efforts indicate that no one, anywhere, knows what the Federal Government is really doing, and that there should be established a Hoover-type commission to identify and evaluate all Federal programs and activities in order to improve their organization and management.

I am happy that I, our colleague from Delaware, and over 125 other Members have now introduced a bill, the Executive Reorganization and Management Improvement Act, H.R. 18574, which will provide for such a Hoover-type commission.

The articles referred to follow:

[From the Houston (Tex.) Chronicle, July 8, 1968]

STUDY GIVE-AWAY PROGRAMS

Perched on every taxpayer's back is the GROGAM, the Great Revolving Overcostly Give-Away Machine, which is financed by federal tax dollars and haphazardly run by the U.S. government.

There is literally a myriad of federal assistance programs which have been created since the '30's and have mushroomed to the point where they are dispensing more than 20 billion dollars a year.

A legitimate question is how well or how badly does the GROGAM function. The only answer available: Nobody knows.

Congress should know for one of its functions is to oversee and evaluate the worth of the vast expenditures it approves. So should the executive but it doesn't.

Recently a freshman congressman, William V. Roth Jr., R-Del., made an attempt to determine the size of the machine. He wanted to find out how many federal assistance programs there are, what they do, and how they are administered.

His survey of the maze disclosed that nobody knows how many federal programs exist and that there is no place to go to find out. Congress, he says, does not have the information to determine which programs should be continued and which should be ended.

The executive department is no better off, Rep. Roth says. It does not have the information to locate overlapping and duplicating efforts which could be unified and thereby streamline and cut down on the costs of the operation.

The congressman did determine that at least the federal government is trying to administer 1,050 assistance programs set up to dispense 20 billion dollars a year, more than 10 percent of the national budget. He adds that as many as 10 cabinet-level departments and 15 or more agencies operate programs devoted essentially to the same purpose.

Though Roth is a Republican, the concern over the tangle of aid programs is not limited to members of his party. Democratic liberals like Daniel Moynihan, assistant secretary of Labor under President Kennedy, charge that the federal government is massively efficient at collecting taxes and grossly inefficient at dispensing federal services.

It would be demagoguery to contend that all federal programs should be abolished but equally absurd not to survey and evaluate the operations of all of them.

Our government is operating at a deficit. Taxes have been raised to help trim it but real progress will not be made until the operations of the machine are checked out and better ways of running it are found.

This can be done with some good results as was shown by the Hoover Commission in the '50s. Since that time there has been a vast technological and managerial leap forward but not all of these tools have been utilized by the federal government.

Establishment of a Hoover-type commission could help the nation to make intelligent decisions about the thousands or more give-away programs. More and more Americans are reaching the conclusion that this nation does not have the financial resources now to do everything that might be desirable. We should cut back, but let's do it on the basis of factual evaluation rather than emotional reaction.

[From the Waco (Tex.) Times-Herald, July 15, 1968]

Freshman Has Bright Idea for Federal Program List

It takes a fresh viewpoint to raise meaningful questions about practices and habits that have grown up without having been subjected to critical analysis. Latest proof of this is seen in the bill filed recently in the U.S. House of Representatives by a freshman member, Rep. William V. Roth, Republican of Delaware.

The newcomer to Congress started looking into the federal grant programs to see what might be useful to his district. The more he looked, the more confused he became. He put his staff to work. They studied the maze of programs and agencies for eight months. The fruit of their study was the bill which Rep. Roth put into the hopper.

The Roth bill would require the President to issue an annual catalogue of federal grant programs and to update it monthly. The President would also be expected to report to Congress each year on his progress, if any, in unifying the myriad of aid programs.

Rep. Roth told his colleagues:

"We found that no one, anywhere, knows exactly how many federal programs there are." His study found 1,090 of them although the best official list carries only 530 programs.

"We found that nowhere is there a central, comprehensive repository where meaningful information on all operating programs can be found.

"We found that more than $20 billions a year is being spent on such programs, yet only with long and great effort can one begin to find meaningful information about all of them.

"We found that there is no common denomination—that is, widely used definition of just what is a 'program.'

"We found that only the largest cities and states and universities have the necessary money and staff required just to keep abreast of the programs from which they might benefit."

Only one agency, Roth said, failed to answer his questions. The Department of Health, Education and Welfare told him that it would take 1,600 man hours to complete his questionnaires and simply refused to do it. He had sent 478 questionnaires to program directors in that department.

If Roth's bill becomes law and is implemented in the spirit in which it was written, it will be possible for the first time for any citizen to read the catalogue, find what programs are applicable to a local need and what is required to qualify for grants or whatever, and go from there. It has been impossible up to now, except for a small set of experts who've spent years in government work, to do anything approaching this.

Numbers of his colleagues are joining Rep. Roth in his campaign for a federal program catalogue. All of them have had sad experiences in which local delegations became lost, bewildered, confused or discouraged in the labyrinth for which no map exists, and returned home unhappy with their congressman and disgruntled with the idea of trying to make progress.

We'd guess that if Congress ever gets a good, clear look at the overlapping and duplication now existing in the programs it has approved over the years, it will start trying to consolidate and streamline the whole business. From the standpoint of the taxpayers, this couldn't happen too soon to suit them.

U.S.S. "PUEBLO" AND CREW

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 22, 1968

Mr. GIBBONS. Mr. Speaker, as we enter the last third of the 20th century, the United States and the modern world have moved well beyond the attitudes of that other era—"Remember the *Maine*, to hell with Spain." But that does not mean that we must forget the *Pueblo* or attack North Korea. The seizure of our intelligence ship the U.S.S. *Pueblo* and its 83-man crew was a blatant act of aggression by the North Koreans in total disregard of international law. We must exert every source of diplomatic pressure to correct this injustice and secure the release of our ship and the 82-surviving crewmen.

The President and the State Department have made a strong and continuing effort to reasonably negotiate the release of the *Pueblo*. We have called an emergency session of the U.N. General Assembly, we have expressed a willingness to allow neutral parties to negotiate, we have met with the North Koreans 19 times at Panmunjom. What does it take to find a reasonable means of obtaining the return of our ship and our men?

We shall not relent in our diplomatic efforts to have the *Pueblo* and its crew released, for we will not forget 82 men who are bravely serving their country even while they languish in a North Korean prison. Furthermore, we shall not be impelled to recklessly respond to the North Koreans disregard for international law and order. We are committed to the cause of peace and stability in Asia and just as we honorably fight in Vietnam for the security of Southeast Asia, we must also responsibly exhaust every diplomatic means of securing the return of these 82 Americans, before even considering a more forceful response to the North Koreans aggressive act. However, the point we must and should make today is that the *Pueblo* will not be forgotten. Such an affront to the sovereignty of the United States cannot be dismissed. It is a matter of our utmost concern that 82 Americans and their vessel are safely and swiftly returned.

WHAT ABOUT GOOD GUYS?

HON. CHESTER L. MIZE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. MIZE. Mr. Speaker, Henry Jameson of the Abilene, Kans., Reflector-Chronicle has cited one of the most obvious imbalances in the way the Great Society operates these days. He has published an excellent editorial, "What About the Good Guys?" I am sure there are a lot of people in this country who take the same point of view expressed in this editorial and wish that the "good guys" could have a day in court once in a while. Under leave to extend my remarks, I include the editorial in the Record. The editorial follows:

What About Good Guys?

The headlines in one paper the other morning had to do with a new program of millions to aid downtrodden alcoholics, another explained a big federal grant for venereal disease "education", increased welfare programs and more about the federal gift of nearly $1 million to the street gangs in Chicago as sort of a bribe to keep them in line.

Regardless of the merit of any of these, and many others, one raises the question of when is somebody going to remember the "good guys"—or the great majority of hardworking, law abiding citizens trying to live decent, honorable lives? They are becoming quite disgusted and tired of the load on their backs, wondering if they are to become the "lost" generation.

Can a nation be regulated to death? Can crime, sex, alcoholism and morals be legislated in or out or bought off?

It would appear that it is more than a coincidence that many of the country's current ills date back to about the time we started legislating out the church, religion, saluting the flag and general respect for law and order.

Many of the so-called "students" and others of that age who are involved in various protests, disturbances and uprisings around the country today were the little boys and girls in grade schools who were told they could no longer repeat a prayer in school, sing patriotic songs and to forget Santa Claus—unless he came from Washington.

It is not surprising they have grown up with less respect for everything, including their families and fellow man. Only trouble can follow. Draft card burning became a symbol of spitting on the American flag. More . . . more . . . has become a symbol of the everything-for-everybody philosophy.

Like the note at the bank, it always comes due. Somebody has to pay.

But when is somebody going to remember the good guys?

THE COMMENCEMENT ADDRESS OF PRESIDENT WILLIAM PARK AT DEERFIELD ACADEMY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. CONTE. Mr. Speaker, it was my pleasure at the graduation of my son John from Deerfield Academy to hear the colorful and interesting commencement address of President William E. Park of Simmons College, Boston. I think two aspects of this address deserve special mention; Dr. Park's engrossing and well-stated praise of Dr. Frank Boyden, headmaster of Deerfield Academy for 66 years, and his first-hand account of the current generation of college rebels. Those of us who have had the privilege of knowing Dr. Boyden must admire the skill with which Dr. Park has interpreted our thoughts on his retirement. I am happy to bring this address to the attention of my colleagues in the House:

THE 1968 COMMENCEMENT AT DEERFIELD

(By President William E. Park)

This morning I want to start by addressing a few remarks to the man I think might be called the top member of this graduating class. I refer to Dr. Boyden. From my very prejudiced point of view the two most outstanding men born in the year 1879 were Dr. Boyden and my father. Sometimes when I have mentioned this, somebody has said "Well, shouldn't you add Stalin who was also born in that year"? Frankly, I never added him to my list. Those two 79ers who are on my list met in the early twenties and became good friends. This in itself is remarkable for Dr. Boyden, as you all know, was born in Foxboro, Massachusetts and has always been a Yankee in all the best senses of that word, whereas my father was born in Belfast, Ireland, and was sometimes referred to as the "Wild Irishman." How a shrewd Yankee and a "Wild Irishman" became such good friends is somewhat of a mystery. Personally I have always thought Dr. Boyden admired my father because he had the rare ability of being able to express very sound ideas in an interesting, original and often humorous way. My father admired Dr. Boyden because he had the rare ability of accepting sound ideas and then applying them practically to his life and his work. That they got along well together is seen in the fact that my father delivered the Commencement addresses in this school from the early twenties to the early fifties. Obviously, he would have been the ideal person to say a few words to Dr. Boyden on his graduation. Since that is impossible, I am going to do the best I can to tell Dr. Boyden what I think my father might have said to him on this occasion, and for the most part I shall use words taken from my father's own writings. He might have said "Dr. Boyden, because you have been regular with your milk and vitamin pills you are about to become emeritus. You have been very wise not to remain longer in office, but rather to choose to enjoy the earthly paradise of existing for a spell as an unofficial human being—a state I reveled in. From this day forth you need not worry about representing anything except yourself, and, therefore, you can say at all times what you think—at least to the extent Mrs. Boyden will let you. You can enjoy the pleasures of not going when solemn committees and conferences are called, for all solemn committees and conferences of which you have attended are really what T. S. Eliot said of dream poetry, 'They never mean as much as they seem to.' You will be free at last as Plato said in his passage on emeritii in The Republic, 'to attain disinterested concentration of purpose, safe from all incidental distractions.' Plato also had an excellent sentence in that work which I am sure Henry Flint could render in the Greek or even a Latin translation, if you so desired, which is this, 'Let them increase the gymnastics of the mind when they are past civic and military service.' Finally, Dr. Boyden, you will recall that I told a graduating class here many, many years ago that a spell of hard work always leaps on to meet you later in life with banners and trumpets. Your spell of hard work for Deerfield Academy lasted sixty-six years, but it is certainly meeting you today with banners and trumpets! So I congratulate you on your graduation and I declare you Deerfield Academy's most distinguished emeritus."

Now I should like to say a few words of my own to the other members of the Class of 1968. Nobody knows the name of the miserable sinner who invented the idea of commencement addresses. After some thirty years of listening to them and worse still delivering a goodly number of them, I am not sure it was a good idea. Since it has become a custom in most educational institutions the saving grace is that the institution can control pretty much the address either directly or indirectly. Deerfield Academy has always used the indirect method. For example, the first time I spoke at a Deerfield Commencement back in 1954 it was held in the church and the dignitaries sat closely together in the pulpit. After I had been speaking for a little while, Dr. Boyden, who was sitting right behind me, took a large watch out of his pocket and started to wind it. Well, I caught the message, namely that Deerfield did not want a long-winded address, and I don't think we've ever had that here. To my knowledge Deerfield has never had as a Commencement speaker a federal government official, a state governor or even a city mayor. The message in that is this school does not want a graduation speech which is just a rehash of international or national affairs. This means that this morning, much as it may disappoint many members of this class, I am not allowed to give you my ideas on Viet Nam, the draft, the Dow Chemical Company, or even the coming Presidential election. Furthermore, Deerfield has an unwritten rule, as are so many of the rules in this school, which does not permit a speaker to indulge in any of the Commencement cliches such as: "This class is most fortunate in being graduated at this particular time rather than any other particular time, because—it so happens that you are graduating this year." Bearing in mind these very intelligent regulations we now turn to my brief, non-political and hopefully cliche-free remarks.

Some of you, especially the faculty, who have attended many of the Deerfield Commencements in the last fifteen years will recall that I have often in my addresses referred to the works of Charles Dickens. This is simply because Dickens happens to be my favorite author, and I have read his novels so often through the years that many of his characters seem to have become almost like close friends of mine. I have many favorites such as Micawber or Sairey Gamp or Reverend Chadband or Pecksniff or Mrs. Jellyby. But it never occurred to me until this year that practically every one of these very humorous and different Dickens characters has one trait in common: namely, self-delusion. Each one of them is self-deluded about something. For example, Mrs. Gamp you will remember was a nurse and, as Dickens said, it was difficult to enjoy her society without being conscious of a smell of spirits. But Mrs. Gamp was certain in her own mind that nobody knew she was hitting the bottle at the rate she did. Reverend Chadband thought of himself as a most pious and religious man, and had no conception of the nonsensical drivel that he spoke or his un-Christian way of life. Mr. Micawber really thought that at any time and without doing a thing, a fine job would turn up, and he never did recognize how he fooled himself. Well, that is my subject today, self-delusion.

Have you ever thought that practically all the great problems in our world and many of the personal problems we have in our own lives are due in the final analysis to some sort of self-delusion? History seems to prove that mankind's capacity for self-delusion is almost limitless. Bertrand Russell wrote in one of his essays: "Man is a rational animal—so at least I have been told. Throughout a long life I have looked diligently for evidence in favor of this statement, but so far I have not had the good fortune to come across it, though I have searched in many countries spread over three continents. On the contrary I have seen the world plunging continually further into madness. I have seen great nations formerly leaders of civilization led astray by preachers of bombastic nonsense. I have seen cruelty, persecution, and self-delusion increasing by leaps and bounds, until we have almost reached the point where praise of rationality is held to mark a man as an old fogey regrettably surviving from a bygone age." For once I find myself in agreement with Mr. Russell. Certainly human beings right through history have always shown an amazing ability to delude themselves. How much of the history of religion, especially in the face of the achievements in science, is the story of man deluding themselves by clinging to worn out theories. I came across a good example of this recently in my reading. It seems that when Benjamin Franklin invented the lightning rod many clergy in both America and England condemned it as an unholy attempt to defeat the will of God. They maintained that lightning was sent by God to punish the wicked, and that therefore Benjamin Franklin had no business inventing something that would attempt to defeat God's will. Or consider, how throughout history, nations have deluded themselves with fallacies about race and blood which reached such unbelievable extremes with the Nazis. Or think of famous men in history who were by no means crackpots, but who ruined or almost ruined their lives by plain self-delusion. An excellent example is Mark Twain, one of the most witty and brilliant Americans who ever lived, but who, if it hadn't been for his friends who bailed him out, would have spoiled his life by the self-delusion that he could help to invent and manufacture a typesetting machine. Yes, the capacity of human beings for self-delusion is limitless, but I want to suggest this morning that we have reached new heights in this area in our day. Let me give you a few illustrations of what I mean.

Some of you listened, as I did, to many of the speeches emanating from the U.N. during the middle east crisis last year. Did any of you feel as I did that it was just unbelievable that these brilliant leaders of the nations of the world could be talking such nonsense? It seems to me that most rational people I meet these days know that war has been outmoded, that it is no longer possible to delude ourselves into thinking that wars can settle anything. The danger that any war can lead today to the destruction of the entire human race should be plain and evident to any rational human being. And yet no one of the speakers I heard seemed to face that fact at all, but rather indulged in threats of war if anyone disagreed with them. In other words our world has radically changed; it is not the same world as it was fifty years ago. National boundaries and national interests are no longer as important as they used to be, and hence we can no longer afford to delude ourselves by talking and thinking the way we were accustomed to years ago.

Or take a more general illustration. Ever since the doctrine of evolution many human beings have assumed that the universe itself is progressive and that indeed progress is a cosmic law. Most generations have been made to feel that they are in a world which is in an escalation going steadily up always progressing from better to better. Now we have had a lot of reasons for thinking this. Our scientific inventiveness no longer makes it possible to believe in a static world. As each new invention has been perfected we have seen a kind of progress which nobody could deny. However, gradually sober people began to wonder if what we thought of as progress was really progress at all. The automobile was quite a change from the horse and buggy, but could a machine which caused thousands of highway deaths a year be said to represent progress? Modern weaponry culminating in nuclear bombs is certainly an advance from stones and clubs, but is it really progress? Our beautiful homes with all their modern gadgets are a long way from log cabins, but are the people living in these homes happier and more contented? In other words many human beings have been and still are deluding themselves with their ideas of progress, for real progress must have something to do with the human spirit. I read somewhere years ago of a famous American actor who speaking of a young friend of his said: "He would in my opinion have been the greatest actor in America if his private character had been as well balanced as his public performance." I have always liked that statement and I think there are many people who are beginning to see that it is time we stopped deluding ourselves into believing that progress can be measured by the marvelous things we produce and possess, and devote equal energy to bringing these things into some kind of balance by the steady development of private character.

Finally, the area of self-delusion that I am most concerned about and the one I am closest to is that found on college campuses today. I don't think it is necessary to go into great detail as you have all seen either in pictures or directly college students sitting down in college halls blocking the passage of administrators or of recruiters from the government, industry, and the armed forces, or even taking over administrative offices or entire college buildings. You have all seen students on a campus or in city streets carrying signs obscenely condemning the President of the United States, demanding the resignation of a college president or dean or instructing their elders to make love, not war. You have all seen the bearded, sandaled, and long-haired youth of indeterminate sex, many of whom are attempting to escape reality with the aid of drugs. Furthermore, you know of the contempt of many of these students for anyone over thirty, and their denial that anyone has authority over them even when they break laws that they find personally distasteful.

Well, you all know what I am talking about and I am sure you recognize that this is still a picture of a minority of college students today. However, we must not forget that it is a very loud minority and that the majority of students are still very quiet. This minority has already damaged higher education in many states and therefore we cannot close our eyes to them. I believe that this minority group is self-deluded and that basically they are fooling themselves by thinking that they will never have to grow up. You see, they are very much like children. You know how children love to go to the attic and rummage in the old trunk and pull out Grandma's or Grandpa's clothes and then parade around in them. Although I probably sound old-fashioned I often prefer Grandma's or Grandpa's clothes to what I see many of the hippies wearing. You all know too how children to get attention often stand around and scream and usually they are protesting something they don't understand themselves. Most children have never liked what used to be known as the Saturday night bath, and anyone who gets too close to some of these college students longs for a revival of that ancient rite. And certainly like children these students long for love and joy, brotherhood and lasting peace, but like children they take no real responsibility for reaching any of these goals. Now what is so tragic is the fact that they cannot stop the passage of time: they cannot prevent themselves from growing up, and therefore the kind of self-delusion they are carrying on may well be a characteristic of theirs all their lives.

Next fall the members of this graduating class will scatter to college campuses all over this country. I suggest this morning that one of the main purposes of a college education is to prevent you from becoming self-deluded, in other words, to help you become a rational man. Now there is only one way that can be accomplished, and that is by making up your mind that you are not going to let yourself be diverted from your main task in college which is study. For the fact is that college is primarily a period of preparation in which you are given a few years to develop the powers of your mind, to be introduced to a variety of areas of knowledge so that you have an understanding of the past and the changes which have taken place, and most of all, to help you find a field of interest to which you can devote yourself perhaps even for a lifetime.

In closing I have these few suggestions which might be of help to you at college. First, forget your identity crisis, in fact if anyone mentions that phrase to you, tell them you settled that matter in kindergarten. Believe me you can save more time for useful pursuits and keep yourself out of more trouble if you are willing to refuse to pay any attention to all the nonsense about identity crisis. Secondly, never protest anything until you have first worked out a careful and thoughtful plan which will help to correct the evils of what you are protesting. This will not only save you time, but a lot of shoe leather and even loss of blood. In the third place, accept the fact that this is the best possible world that you have to live in right now. You cannot escape it, though hopefully you may do something in your lifetime to make it better. Lastly, never forget that you are going to grow up, you cannot prevent it. Indeed most of you will reach emeritus status of some sort. My hope for all the members of this class is that when you reach that status the banners will be waving and the trumpets will be blowing for you as they are for Dr. Boyden today. But remember, these banners wave and these trumpets blow only for rational men.

THE INSPIRING STORY OF THE SUPREME SACRIFICE OF THE LATE ARMY MAJ. FREDERICK G. TERRY, JR.

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. DONOHUE. Mr. Speaker, character, courage, commitment, and dedication are everlasting virtues in an individual or in a nation. They are the fundamental qualities upon which a man or a country lives and completes the good life.

In these challenging days I think we could all benefit from a concrete example of a man's possession and exercise of these virtues in the honorable fulfillment of his duties.

Such an example is given to us in the graphic portrayal, by a gifted journalist, Mr. Jack Tubert, in the Worcester Telegram of July 18, last, of the life and supreme sacrifice of the late Maj. Frederick G. Terry, Jr., the son of Mr. and Mrs. Edward L. Clifford of my home city of Worcester, Mass. I am pleased to include the article at this point:

MAJ. FREDERICK G. TERRY, JR.

(By Jack Tubert)

WEST POINT, N.Y.—The long, gray line came full circle here today for Frederick Garside Terry, Jr., buried where he was born—on the ancient grounds of the U.S. Military Academy.

He was a soldier.

Once he wrote, "I have two things to live for, and one would not be complete without the other—my wife and family and the Army. I love them both for different reasons, but I love them dearly . . ."

He also said he had two very strong convictions:

America is winning the war in Vietnam, and what the United States is doing in that forsaken Asian country is right.

THIRD TOUR

Major Terry was midway through his third tour of duty in Vietnam when he died July 4 on that battleground half a world away from the quiet splendor of The Plain atop this west bank of the Hudson River.

He was a member of the Academy's Class of 1960 . . . son of a member of the Class of 1930, grandson of a member of the Class of 1916, with a great-grandfather who was a member of the Class of 1891 at West Point.

One of the most decorated Army men in Vietnam, Major Terry was 31, the son of Mr. and Mrs. Edward L. Clifford of 1 Bancroft Tower Road, Worcester, Mass.

His widow is the former Carrol F. Worden of Pompton Plains, N.J., mother of two young children.

Once with the storied "Green Berets," Major Terry was an Infantry helicopter pilot with the First Air Cavalry Division—commanding Troop D—when he died in the collision of two military aircraft while on a reconnaisance mission.

He was killed 12 days before the seventh birthday last Monday of his son, Frederick G. (Rick) Terry III.

His father, Lt. Col. Frederick G. Terry Sr., was killed in World War II, in a similar collision of two military aircraft. He died directing artillery fire June 24, 1944, in the battle of Saipan—21 days after his son's seventh birthday.

Last Friday, Major Terry had planned to be reunited briefly with his family in Hawaii. Mrs. Terry, the boy and his four-year-old sister, Deborah Lynne, were flying out from New Jersey for Rick's big seventh birthday party.

Instead, Major Terry's body was en route home on that star-crossed Friday, accompanied on the 10,000 mile journey by his roommate of West Point days, Major John Getgood, arriving back here Monday.

Getgood met his wife at the wedding of the Terrys. He was about to return Stateside after a second tour of duty in Vietnam when accorded the honor of bringing the flag-draped casket home.

Major Terry's father was teaching here at West Point when he was born, June 3, 1937. That was the day the rest of the world celebrated the Duke of Windsor's marriage to Wallis Warfield Simpson. Who bothered to notice the newspaper cartoon that day showing a bomb-shaped world fused by a "Nazi" crisis? Soon, that bomb exploded.

DIED IN BACKLASH

Colonel Terry died in the backlash, helping the U.S. regain Saipan—crossroads to Japan, and the Philippines on the road back. A colonel chipping in to help, up in the skies in a Piper Cub, helping direct artillery fire on Jap troops dug in the sides of Mt. Tapotchau . . .

The lad of seven never forgot . . . schoolboy, cadet, battlefield officer, Major Terry lived only to march in his father's footsteps. To that drum beat hammered at by General MacArthur: "Duty, Honor, Country . . ."

Spock-marked youth he never mentioned: Fred Terry thought only of positive ways to back his country en route to death at the aerial crossroads where his dad died in an earlier Pacific storm.

BOYHOOD PAL

"I think that was what Fred always wanted to do—be a West Pointer," recalled Stephen Smith, a boyhood pal, now living in North Conway, N.H.

"He almost had me convinced to go to West Point," Smith recalled, filled with memories of those pre-teen boyhood days at Bancroft School playing soldier near Bancroft Tower, going to the late-1940 war movies:

"Every war movie we saw three times at least!"

Movie heroics for Fred Terry gave way to the real thing, starting in 1962.

The Silver Star for valor; four distinguished Flying Crosses and a like number of Bronze Stars.

AT LEAST 46 AIR MEDALS

At least 46 Air Medals (each representing 25 aerial missions over enemy territory—that's 1,150 flights) earned by Fred Terry—along with two of the medals GI's try to miss, Purple Hearts for wounds received in action.

"Since my graduation from West Point," Major Terry once wrote, "I have done more than most people do in a lifetime. Although my life is a very dear thing to me, yet I risk it so that others may be free. . ."

He earned the Silver Star in May, 1963 for liberating 194 Montagnard villagers—mostly women and children—in a 26-hour journey out of the highlands against repeated attacks by the Viet Cong, including one near-fatal ambush of his "Green Beret" unit:

"Realizing his disadvantage, and at great personal risk," reads the Army Commendation, "Capt. Terry completely exposed himself to enemy fire and led the Strike Force in a vigorous flanking attack against the enemy position."

COMPLETE DEFEAT

"The result was the complete defeat of the ambush . . . all 194 Montagnard civilians were evacuated, the main success of the mission," added the Army.

"I have no idea what guided me," Capt. Terry wrote later, "or who was watching over me, but somehow I got those people out.

"I believe in God, for what I did was not skill or luck, it was guided by some one greater than myself. Yes, I am more and more convinced that there is a God. No one man can have so much, and do what I have done without divine guidance . . . I may never be famous, and may die tomorrow, but I will realize then I have been very fortunate, and that my life has been filled with so many beautiful things . . ."

This knowledge that death could be the copilot when a man puts his life on the line daily, perhaps was behind Major Terry's desire to make his family secure before heading out the last time—Feb. 15.

In seven years, the Terrys had moved 17 times. Last fall, he purchased a cottage home in Pompton Plains, a community of 5,000 to 7,000 in Pequannock Township, about 20 miles from New York.

From mid-December until he returned to battle, the soldier was with his family constantly, "taking the kids for hikes, just doing things together," his wife said. "I never saw him so relaxed."

He had flown 844 hours in the 12 months of combat duty on his second tour, 1965–66. This, he thought then, was the limit.

In one of his last letters home, Major Terry said he had racked up "16 more Air Medals (25 flights each) by flying 140 hours in 30 days." (That would double the old tour figure, 1680 hours in a 12 month period, if the pace had been sustained.)

And he was flying the AHG-1 (Huey Cobra) armed helicopters. More protection than the chopper he rode Nov. 18, 1965, when he earned his first of four Distinguished Flying Crosses.

HELICOPTER PLATOON

He was leading a helicopter platoon in supporting the landing of troop transport planes, when one of the craft was shot down near Tam Heip.

To draw the fire off the downed transport, then Capt. Terry flew his craft between the VC and the troop planes, drawing action on his chopper, which was ripped by heavy enemy fire.

This maneuver allowed the Allied troops to take cover safely. The chopper commander then supported ground action with his craft before directing medical evacuation for six hours.

"His heroic actions were in keeping with the highest traditions of the military service and reflect great credit upon himself, his unit and the U.S. Army," added the citation.

UNIQUE INDIVIDUAL

"I think he was probably one of the most unique individuals I ever met in my life," said Stephen Smith, whose daughter, Eleanor, has Mrs. Carol Terry as her godmother.

"Fred was not a social individual. The country club set? He was not concerned with that. He was one rare individual entirely happy in life."

His voice now hard to control, Smith said, "It's hard to come out . . . the way I feel. Remembering him as a kid, knowing he realized his goal. But, I think it got to him, a lot of his classmates had been killed.

"There are few people like him. We need more Fred Terrys in the world today," whispered Smith, before the phone went dead.

OPEN FACE

He was a shade under six feet, with the open face of the military man. Gray eyes and a dimpled cheek Fred Terry had, and a great love of family, God and country.

This quiet, gentle man came from a line of seven generations of military men—marching back in time on both sides of his family to Ulysses S. Grant (married to the aunt of Brig. Gen. John Bradbury Bennett's wife; Fred's great-grandmother).

In the peace that death brings, Fred Terry can stop searching—his family will move the body of his father from St. Louis next fall to lie next to his son in the military cemetery that holds the honored dead of West Point.

AIR GUARDSMAN DIES IN WAR

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. LONG of Maryland. Mr. Speaker, Lt. Col. Sherman E. Flanagan, Jr., a fine pilot in the Air National Guard, was killed recently in Vietnam. I wish to commend his bravery and honor his memory by including the following article in the RECORD:

AIR GUARDSMAN DIES IN WAR

WESTMINSTER, MD., July 23—A Westminster lawyer and lieutenant colonel in the Air National Guard, was killed in action when his fighter plane was shot down last Sunday in Vietnam, the Defense Department announced today.

Lt. Col. Sherman E. Flanagan, Jr., 38, husband of Mrs. Virginia L. Flanagan, of 92 Willis street, was killed when his F-100 fighter plane was shot down by ground fire over the border zone dividing Vietnam.

VOLUNTEERED FOR COMBAT

A family spokesman said Colonel Flanagan was a member of the 113th Tactical Fighter Squadron of the District of Columbia Air National Guard that was called to active duty January 27 during the Pueblo crisis.

Colonel Flanagan is believed to be the first guardsman called to duty during that period to have died in action in Vietnam.

A spokesman for the D.C. Air National Guard based at Andrews Air Force Base said Colonel Flanagan had been assigned to train replacement pilots at Myrtle Beach, S.C.

His duties, the spokesman said, required him to make brief trips to Vietnam, and two months ago he volunteered to stay there to fly combat missions.

Colonel Flanagan was one of about fifteen pilots from the 113th Squadron who elected to fly combat missions.

WAS UNIVERSITY OF MARYLAND GRADUATE

Colonel Flanagan was a native of Westminister. He attended Westminster High School and graduated from Charlotte Hall Military Academy in 1947. He graduated from the University of Maryland and the Maryland law school in 1960.

He was a past secretary of the Maryland Bar Association and a member of the Westminster Rotary Club.

Colonel Flanagan joined the Air Force in 1951 and served as a fighter pilot in the Korean War. He joined the Air National Guard in 1956.

Besides his wife, he is survived by his parents, Mr. and Mrs. Sherman E. Flanagan, Sr., of 404 East Main street, Westminster, and two children, Donald, 12, and Sherman 3d, 8.

A memorial service will be held at 2 P.M. Sunday at Grace Lutheran Church, Westminster.

VIOLENCE DOMINATES SUMMERTIME TV

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. DINGELL. Mr. Speaker, the problem of crime and violence in our midst is a matter of great concern to all Americans who are concerned about the welfare of their country and its people. What lies behind this problem? Why are crime and violence so prevalent in our land? We all know that there is no single answer. I do feel, however, that a significant contributing factor is the portrayal of crime and violence in television programs.

The Christian Science Monitor, that great national newspaper which is published in Boston, in its issue of July 25, 1968, carried a report on a staff study of television crime and violence. The Monitor has performed a notable public service in conducting this survey and publishing the results. So that my col-

leagues may be aware of this report on television crime and violence. Under unanimous consent, I include the text of the article at this point in the Record:

[The Christian Science Monitor, July 25, 1968]

WILL IT LESSEN IN AUTUMN?—VIOLENCE DOMINATES U.S. SUMMERTIME TV

(By John Dillin)

Six weeks after the assassination of Sen. Robert F. Kennedy, television network programs continue to blast out a grisly trail of violence with rifles and six-shooters, cannons and space guns.

A survey of 85½ hours of television spanning prime evening hours and Saturday morning "cartoons" showed that violence still dominates the American airwaves.

Staff members of this newspaper watched the shows and in seven evenings of viewing recorded 81 murders and killings and a total of 210 incidents or threats of violence. An additional 162 incidents were recorded on Saturday morning—generally regarded as children's hours.

Surprisingly, the most violent evening hours were those between 7:30 and 9 p.m.—again a period when large numbers of children are among the television audience. Official network estimates indicate that during those hours 26.7 million children between the ages of 2 and 17 are watching.

In those early evening hours, violent incidents occurred on an average of once every 16.3 minutes. After 9 p.m., violence tapered off quickly, with incidents occurring once every 35 minutes. In the early evening, there was a murder or killing once every 31 minutes. Later, once every two hours.

In the aftermath of the Kennedy assassination, leading television producers have promised to reduce video's violent element, particularly in shows seen by children. Quick changes were promised. But so far the changes are not apparent, perhaps because many of the shows are summer reruns. Future network plans should be more apparent with the introduction of the new shows in the fall.

By far the most violent evening program of the week was a Sunday showing of "Voyage to the Bottom of the Sea." The one-hour ABC presentation, which began at 7 p.m., was a continuous series of fights, pursuits, shootings, and explosions. During the show, viewers counted 33 incidents of violence, or more than one every two minutes. There were eight killings and lengthy fight scenes.

Although a few of the programs surveyed were of local origin, the vast majority originated with the three major networks: CBS, NBC, and ABC.

CBS programing was easily the least violent during the evening hours. In seven full nights of viewing, its affiliates displayed 41 incidents and 14 killings. That was less than half those on ABC, which led the field with 97 incidents, including 48 killings. NBC stood in the middle on both counts with 63 incidents and 23 killings.

But what credit CBS won for its evening shows, it lost on Saturday morning.

MONSTER PEOPLE DONE IN

Two of the most violent cartoons for children were on CBS. In a half-hour, the "Herculoids" raced through 18 violent incidents during which 20 monster people of various descriptions were shot, vaporized, or mashed.

Vying for top-horror honors was CBS's "Dyno-Boy and the Space Ghost." It featured 22 incidents, but only three creature people were destroyed.

The Saturday morning lineup far outstripped any other time segment for violence. In only seven hours, the morning shows rolled up 162 incidents, compared with 210 for the entire evening spectrum of 78½ hours.

Almost all the cartoon shows ranked among the most violent. There were an average of 23 incidents an hour, nearly 10 times the rate for evening shows. One tabulator noted:

"The violence was happening so fast, I had to call on my roommate for help in writing them down. As it was, I think we may have missed some."

In revealing contrast to those monster-filled minutes, where even the heroes are often weird characters, are the advertisements aimed at children—the sweet and innocent-sounding ads for cooing dolls and baby carriages, toy trains, and crunchy cereals.

AREAS FOR IMPROVEMENT?

Considering this deluge of violence, certainly one of the most obvious areas for quick improvement on both Saturday morning and regular evening shows lies in the previews of coming attractions. Many previews are capsules of violence. In a few seconds, one preview featured snips of a machine-gun battle, three fistfights, an explosion, and a "laser-beam" attack.

But the biggest reform job involves the shows themselves. The survey found that more than half the programs—55 percent—included violence.

The most violent single evenings were Sunday on ABC, Monday on NBC, and Tuesday on ABC. ABC's Sunday rating can be directly attributed to "Voyage," already cited. NBC's Monday of violence was due mostly to "The Champions" (16 violent incidents, 3 murders) and "I Spy" (11 incidents, 3 killings or murders). ABC's Tuesday displayed violence on every show, but the worst were "Garrison's Gorillas" (5 incidents, 12 killings) and "N.Y.P.D." (4 incidents, 1 killing).

On the other side of things, CBS had by far the best overall rating with 59 percent of its shows rated "clean." ABC and NBC affiliates turned up with 38 percent and 37 percent nonviolent ratings, respectively.

Nonviolent evenings were achieved by CBS (Tuesday) and ABC (Saturday). Evenings with only one violent show were Sunday on CBS and Thursday on ABC.

ATTENTION FOCUSED AGAIN

Television violence has received attention in the United States in previous years, but recent killings again have focused attention on TV's influence.

Rep. Edward J. Gurney (R) of Florida recently quoted an earlier study which found that the average American child between the ages of 5 and 15 watches the violent destruction of 13,400 persons on television.

"It is difficult to believe," Mr. Gurney said, "that this heavy dosage of antisocial behavior does not have some effect on its viewers and on the rising incidence of lawlessness and violence that has been sweeping our country during the past few years."

Sen. Gaylord Nelson (D) of Wisconsin has warned broadcasters that if violence is not reduced, the public may act through new laws to regulate program content. He urged voluntary restraint as the best assurance of freedom.

Advertising men have formed a committee, "Advertising Men for Deescalation of Violence on Television," to arouse public opinion against violence and to push research on possible connections between violence on television and rising crime.

NETWORKS TAKE ACTION

The networks, too, have taken action. Some Saturday-morning cartoons will be dropped in favor of humorous features. Violent scenes are being edited out of some of the new evening shows for next fall, it is argued.

But the temptation toward violent shows will still be there for the networks. According to prevalent thinking among broadcasters, violence means viewers; and viewers mean money; and money means a show stays on the air.

Shoot-'em-ups like "Gunsmoke," "Daniel Boone," "Wild, Wild West," and "Garrison's Gorillas" command good audiences and top prices from sponsors, Next fall, for example, a one-minute commercial on "Gunsmoke" will cost $52,000.

With money like that at stake, the networks face a severe challenge. By cutting the violence, they risk slashing their revenue. Retain the violence, and the government may act.

GUNS AND MONSTERS

Television violence comes in many forms, from thrillers such as "I Spy" (top) on NBC, to science-fiction cartoons like "Space Ghost" (photos 2 and 4) on CBS, to battlefield drama on ABC's "Rat Patrol" (photos 3 and 5).

Tune in next fall's premieres to find out who wins in this exciting drama. . . .

Assisting with this survey were Doris Aldrich, David J. Anable, Ian D. Burman, David Cartmell, Rhysa Davis, George H. Favre, Helen Fuller, June Goodwin, Richard Halverson, Barbara Horngren, Eileen Ives, Nancy Mack, Richard Mack, Wiley Mitchell, George Moneyhun, Florence Mouckley, Joan Nielsen, Peter Nordahl, Carolyn Ruffin, Lansing Sheppard, Peter Tonga, and Martha Ann Wilson.

REDUCTIONS IN POST OFFICE PERSONNEL

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. EDWARDS of California. Mr. Speaker, the Post Office Department has announced that tomorrow may begin the first stage of a reduction in mail service made necessary by the cuts in personnel expenditures voted by Congress earlier this year. Unless the Post Office is exempted from the cutbacks required by the Revenue and Expenditure Control Act of 1968, the Postmaster General has stated that it may eventually be necessary to limit mail deliveries to four times a week, and virtually isolate new residential areas and apartment buildings.

While I appreciate the necessity of reducing Government expenditures wherever possible, I fear that a cutback in personnel expenditures imposed on the Post Office Department would create more serious problems than the illness we are trying to cure.

Despite the fact that the amount of mail handled by the Post Office has increased 11 percent since 1966—to over 84 billion pieces a year—Congress has told the Post Office Department that it must decrease its personnel to the 1966 level. In light of our rapidly increasing population, mushrooming suburban development, and unprecedented economic growth, it would seem that a decrease in postal employees is totally out of the question.

The Ninth Congressional District of California, which I represent, would be particularly hard hit by any deterioration in postal service. The Greater San Jose metropolitan area, with the fastest projected growth rate in the country for the next 15 years, would be the one area most paralyzed by a decline in deliveries and other services.

Not only would a cutback in postal personnel, and consequently mail service, impose a tremendous burden on our private citizens, it also threatens an adverse effect on our economy. By hampering the flow of mail, we would be blocking one of the most vital economic avenues of communication.

Finally, in this catalog of unfortunate results, we must consider the effect on our labor force. In the face of problems of poverty and unemployment, it could be disastrous to eliminate 30,000 postal jobs this year.

The situation would be clearly intolerable, and we must act quickly to prevent it. I urge my colleagues from both sides of the aisle to join with me in support of an exemption for the Post Office Department from the personnel cutback imposed by the tax bill.

SENATE—*Saturday, July 27, 1968*

The Senate met at 10 a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, help of the ages past, hope for the years to come, Thy goodness is ever before us and Thy mercy has followed us all our days.

Speak to us and through us, that we may be the channels of healing good will for this tangled and tragic time.

"Under the shadow of Thy throne
Still may we dwell secure,
Sufficient is Thine arm alone,
And our defense is sure."

May we follow the gleam of the highest and best we know, as it leads o'er moor and fen and crag and torrent till the evening comes and the fever of life is over, and our work is done.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, July 26, 1968, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

HEALTH SERVICE AMENDMENTS OF 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1436, H.R. 15758.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 15758) to amend the Public Health Service Act so as to extend and improve the provisions relating to regional medical programs, to extend the authorization of grants for health of migratory agricultural workers, to provide for specialized facilities for alcoholics and narcotic addicts, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with an amendment, to strike out all after the enacting clause and insert:

TITLE I—REGIONAL MEDICAL PROGRAMS

EXTENSION OF REGIONAL MEDICAL PROGRAMS

SEC. 101. Section 901(a) of the Public Health Service Act (42 U.S.C. 299a), is amended by striking out "and" before "$200,000,000" and by inserting after "June 30, 1968," the following: "$65,000,000 for the fiscal year ending June 30, 1969, $140,000,000 for the fiscal year ending June 30, 1970, and $200,000,000 for the fiscal year ending June 30, 1971,".

EVALUATION OF REGIONAL MEDICAL PROGRAMS

SEC. 102. Section 901(a) of the Public Health Service Act is further amended by inserting at the end thereof the following new sentence: "For any fiscal year ending after June 30, 1969, such portion of the appropriations pursuant to this section as the Secretary may determine, but not exceeding 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the program authorized by this title."

INCLUSION OF TERRITORIES

SEC. 103. Section 902(a)(1) of the Public Health Service Act (42 U.S.C. 299b) is amended by inserting after "States" the following: "(which for purposes of this title includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands)".

COMBINATIONS OF REGIONAL MEDICAL PROGRAM AGENCIES

SEC. 104. Section 903(a) and section 904(a) of the Public Health Service Act (42 U.S.C. 299c, 299d) are each amended by inserting after "other public or nonprofit private agencies and institutions" the following: ", and combinations thereof,".

ADVISORY COUNCIL MEMBERS

SEC. 105. (a) Section 905(a) of the Public Health Service Act (42 U.S.C. 299e) is amended by striking out "twelve" and inserting in lieu thereof "sixteen".

(b) Section 905(b) of such Act is amended by striking out "and four at the end of the third year" and inserting in lieu thereof "four at the end of the third year, and four at the end of the fourth year".

MULTIPROGRAM SERVICES

SEC. 106. Title IX of the Public Health Service Act is further amended by adding at the end thereof the following new section:

"PROJECT GRANTS FOR MULTIPROGRAM SERVICES

"SEC. 910. Funds appropriated under this title shall also be available for grants to any public or nonprofit private agency or institution for services needed by, or which will be of substantial use to, any two or more regional medical programs."

CLARIFYING OR TECHNICAL AMENDMENTS

SEC. 107. (a) Section 901(c) of the Public Health Service Act is amended by inserting before the period at the end thereof "or, where appropriate, a practicing dentist".

(b) Section 901 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) Grants under this title to any agency or institution for a regional medical program may be used by it to assist in meeting the cost of participation in such program by any Federal hospital."

TITLE II—MIGRATORY WORKERS

EXTENSION OF SPECIAL GRANTS FOR HEALTH OF MIGRATORY WORKERS

SEC. 201. Section 310 of the Public Health Service Act (42 U.S.C. 242h) is amended by striking out "and $9,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof "$9,000,000 each for the fiscal year ending June 30, 1968, and the next fiscal year, $15,000,000 for the fiscal year ending June 30, 1970, and $20,000,000 for the fiscal year ending June 30, 1971".

TITLE III—ALCOHOLIC AND NARCOTIC ADDICT REHABILITATION

SEC. 301. The Community Mental Health Centers Act (42 U.S.C. 2681, et seq.) is amended by adding after part B the following new parts:

"PART C—ALCOHOLISM AND NARCOTIC ADDICT REHABILITATION

"DECLARATION OF FINDINGS AND PURPOSES

"SEC. 240. (a) The Congress hereby finds that—

"(1) Alcoholism is a major health and social problem afflicting a significant proportion of the public, and much more needs to be done by public and private agencies to develop effective prevention and control.

"(2) Alcoholism treatment and control programs should whenever possible: (A) be community based, (B) provide a comprehensive range of services, including emergency treatment, under proper medical auspices on a coordinated basis, and (C) be integrated with and involve the active participation of a wide range of public and nongovernmental agencies.

"(3) The handling of chronic alcoholics within the system of criminal justice perpetuates and aggravates the broad problem of alcoholism whereas treating it as a health problem permits early detection and prevention of alcoholism and effective treatment and rehabilitation, relieves police and other law enforcement agencies of an inappropriate burden that impedes their important work, and better serves the interests of the public.

"(4) Narcotic addiction is also a major health problem about which much more needs to be done, and narcotic treatment and control programs should whenever possible be community based with a wide range of medical services that are comprehensive in scope.

"(b) It is the purpose of this part to help prevent and control alcoholism and narcotic addiction through authorization of Federal aid in the construction and operation of facilities for the prevention and treatment of alcoholism or narcotic addiction and in the conduct of appropriate study, research, and experimentation, and in the creation of appropriate demonstration projects relating to alcoholism.

"(c) The Congress further declares that, in addition to the funds provided to carry out this part, other Federal legislation providing for Federal or federally assisted research, prevention, treatment, or rehabilitation programs in the fields of health should be utilized to help eradicate alcoholism and narcotic addiction as a major health problem.

"AUTHORIZATION

"SEC. 241. (a) There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1969, and $25,000,000 for the next fiscal year to enable the Secretary (1) to make grants to States and political subdivisions thereof and to public or nonprofit private agencies and organizations, and contracts with them and with other private agencies and organizations, (A) for the development of field testing and demonstration programs for the prevention and treatment of alcoholism or narcotic addiction, (B) for the development of specialized training programs or materials relating to the provision of public health services for the prevention and treatment of alcoholism or narcotic addiction, or the development of in-service training or short-term refresher courses with respect to the provision of such services, (C) for training personnel to operate, supervise, and administer such services, (D) for the conducting of surveys evaluating the adequacy of the programs for the prevention and treatment of alcoholism or narcotic addiction within the several States with a view to determining ways and means of improving, extending, and expanding such programs, and (E) for a program of research and study relating to (i) personnel practices and current and projected personnel needs in the field of alcoholism (including its prevention, control, treatment, and the rehabilitation of alcoholics), (ii) the availability and adequacy of the educational and training resources of individuals in, or preparing to enter such field, and (iii) the availability and adequacy of specialized training for persons, such as physicians and law enforcement officials, who have occasion to deal with alcoholics, including the extent to which such persons make the best use of their professional qualifications when dealing with alcoholics; and (2) to make grants to or enter into contracts with public or nonprofit private agencies and organizations, and contracts with other private agencies and organizations, with a view toward the developing, constructing, operating, staffing, and maintaining of treatment centers and facilities (including posthospitalization treatment centers and facilities) for alcoholics or narcotic addicts within the States. Such grants or contracts may be made only for facilities which (1) are affiliated with a community mental health center providing at least those essential elements of comprehensive community mental health services which are prescribed by the Secretary, or (2) which are not so affiliated because no such center has yet been established in the area, but with respect to which satisfactory provision (as determined by the Secretary) has been made for appropriate utilization of existing community mental health and other health resources needed for an adequate program of prevention and treatment of alcoholism or narcotic addiction. As soon as the Secretary determines that a community mental health center has been established in the area, affiliation with it shall be required as a condition of further assistance under this section.

"(b) Grants made under 241(a)(2) shall be made only upon application which contains a showing that the application has been approved and recommended by the single State agency designated by the State as being the agency primarily responsible for care and treatment of alcoholics or narcotic addicts in the State, and, in case this agency is different from the agency designated pursuant to section 204(a)(1), a showing that the application has also been approved and recommended by the agency designated pursuant to section 204(a)(1), and, in case neither of these is the State mental health authority, a showing that the application has been approved and recommended by such authority.

"(c) Payments under this section may be made in advance or by way of reimbursement, as determined by the Secretary, and shall be made on such conditions as the Secretary determines to be necessary to carry out the purposes of this title.

"(d) The Secretary is authorized to issue appropriate rules and regulations to carry out the provisions of this part.

"PROTECTION OF PERSONAL RIGHTS OF ALCOHOLICS AND NARCOTIC ADDICTS

"SEC. 242. In making grants, entering into contracts, or in engaging in other activities to carry out the purposes of this part, the Secretary shall take such steps as may be necessary to assure that no individual shall be made the subject of any research which is carried out (in whole or in part) with funds provided under this part unless such individual explicitly agrees to become a subject of such research.

"PART D—CONTINUATION OF EXISTING PROGRAMS

"SEC. 251. There is authorized to be appropriated such sums as may be necessary to enable the Secretary to make grants to continue the projects for which commitments were made under section 402(a) of the Narcotic Addict Rehabilitation Act of 1966, but such grants may be made only for the periods specified in such commitments for such projects."

SEC. 302. Section 402 of the Narcotic Addict Rehabilitation Act of 1966 is hereby repealed.

TITLE IV—HEALTH FACILITY CONSTRUCTION AND MODERNIZATION

SEC. 401. This title may be cited as the "Hospital and Medical Facilities Construction and Modernization Assistance Amendments of 1968".

SEC. 402. (a) Section 601 of the Public Health Service Act is amended—

(1) by striking out "next four" and inserting in lieu thereof "next six", and

(2) by striking out "and $180,000,000 each for the next two fiscal years" and inserting in lieu thereof "$180,000,000 for the fiscal year ending June 30, 1968, $210,000,000 for the fiscal year ending June 30, 1969, $240,000,000 for the fiscal year ending June 30, 1970, and $270,000,000 for the fiscal year ending June 30, 1971."

(b)(1) Section 602(a)(1) of such Act is amended by inserting immediately before the period at the end of the second sentence thereof the following: ", and two-thirds thereof in the case of the fifth and sixth fiscal years thereafter".

(2) Section 602(e)(2) of such Act is amended (A) by striking out "and" at the end of clause (C), (B) by striking out the period at the end of clause (D) and inserting in lieu of such period a semicolon followed by the word "and", and (C) by inserting after and below clause (D) the following new clause:

"(E) in the case of an allotment thereunder for the fiscal year ending June 30, 1970, or the fiscal year ending June 30, 1971, one-half of such allotment."

(c) Title VI of the Public Health Service Act is further amended by redesignating part B as part D, by redesignating sections 621 through 625, and references thereto, as sections 641 through 645, respectively, and by inserting after section 610 the following new parts:

"PART B—LOANS FOR MODERNIZATION OF HOSPITALS AND OTHER HEALTH FACILITIES

"AUTHORIZATION OF LOANS

"SEC. 621. (a) In order to assist public and other nonprofit agencies to carry out needed projects for the modernization of facilities referred to in paragraphs (a) and (b) of section 601, the Secretary is authorized to make (subject to the limitations contained in this part) a loan of funds to such agencies for the purpose of carrying out such projects.

"(b) No loan under this part to carry out any modernization project may, when added to the amount of any grant or loan under part A with respect to such project, exceed 90 per centum of the cost of such project.

"ALLOCATION AMONG THE STATES

"SEC. 622. (a) The Secretary, after consultation with the Federal Hospital Advisory Council, shall allot the amounts available, for each fiscal year, for the making of loans under this part, among the States. Such funds, for any fiscal year, shall be allotted among the States in a manner which is fair and equitable to each State after taking into consideration the population, financial need, and need for modernization of facilities referred to in paragraphs (a) and (b) of section 601, of each State, as compared to the population, financial need, and need for the modernization of such facilities, of all States.

"(b) Any sum allotted to a State prior to the fiscal year ending June 30, 1972, for a fiscal year and remaining unobligated at the end of such year shall remain available to such State, for the purposes for which made, for the next fiscal year (and for such year only), and any such sum shall be in addition to the sums allotted to such State for such purpose for such next fiscal year. Any sum so allotted to a State for a fiscal year shall not (even though remaining unobligated at the close thereof) be considered as available for allotment for the next fiscal year.

"APPLICATIONS

"SEC. 623. (a) For each project for which a loan is sought under this part, there shall be submitted to the Secretary, through the State agency designated in accordance with section 604, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more such agencies. Such application shall set forth all of the descriptions, plans, specifications, assurances, and information which would be required under clauses (1) through (5) of section 605(a) with respect to applications for projects under that section, such other information as the Secretary may require to carry out the purposes of this part, and a certification by the State agency of the total cost of the project for which the application is approved and recommended by such agency, and the amount of the project cost with respect to which a loan is sought under this part.

"(b) The Secretary may approve such application only if (1) there remains sufficient balance in the allotment determined for such State pursuant to section 622 to cover the cost of the project, (2) he makes each of the findings which would be required under clauses (1) through (4) of section 605(b) for the approval of applications for projects thereunder (but with appropriate modifications, for this purpose, in the regulations concerning priority of projects), (3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and (4) he also determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments are reasonable and in accord with regulations.

"(c) No application shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

"(d) Amendment of an approved application shall be subject to approval in the same manner as an original application.

"RECOVERY

"SEC. 624. If any of the events specified in clause (a) or clause (b) of section 609 occurs with respect to any facility for which a loan has been made under this part, before the termination of the period during which a loan made by the Secretary under this part is outstanding, the balance of any loan made by the Secretary under this part shall become immediately due and payable, unless the Secretary for good cause determines to waive the provisions of this section.

"LIMITATION ON AMOUNT OF LOANS OUTSTANDING

"SEC. 625. The cumulative total of the principal of the loans outstanding under this part at any time may not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) in the case of loans from allotments for the fiscal year ending June 30, 1969, $200,000,000; the fiscal year ending June 30, 1970, $400,000-000; and the fiscal year ending June 30, 1971, $600,000,000.

"GENERAL PROVISIONS FOR LOAN PROGRAM

"SEC. 626. (a) Loan made under this part shall—

"(1) be repayable in equal periodic installments over a period of not to exceed twenty-five years,

"(2) bear interest at the rate of 3 per centum per annum, and

"(3) be secured by a mortage or deed of trust on the part of the borrower to repay the principal and such other evidences of financial obligation as the Secretary shall determine to be necessary or desirable to protect the interests of the United States against failure on the part of the borrower to repay the principal and interest on such loan in accordance with the terms thereof.

"(b) No loan shall be made under this part unless—

"(1) the project with respect to which such loan is requested has been recommended by the single State agency (designated in accordance with section 604(a)(1)) of the State in which such project is to be located as being a project which is needed in such State as determined in accordance with the survey of need of such State conducted in accordance with section 604(a)(4); and

"(2) the Secretary is satisfied that there are or will be available funds which when combined with the amount of the loan requested under this part, will be sufficient to complete the project with respect to which such loan is requested.

"REVOLVING LOAN FUND

"SEC. 627. (a) There is hereby created within the Treasury a separate fund for loans for modernization of hospital and other health facilities (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purposes of this part. The total of any loans made from the fund in any fiscal year shall not exceed such limitations as may be specified in appropriation Acts. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government corporations.

"(b)(1) The Secretary, when authorized by an appropriation Act, may transfer to the fund available appropriations provided under section 628 to provide capital for the fund. All amounts received by the Secretary as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived by him from his operations in connection with this part, including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund, shall be deposited in the fund.

"(2) All loans, expenses and payments pursuant to operations of the Secretary under this title shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this part. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this part available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

"APPROPRIATION AUTHORIZATION

"SEC. 628. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this part, including sums for contributions to the revolving loan fund established under section 627.

"DURATION OF LOAN PROGRAM

"SEC. 629. No loans shall be made under this part after June 30, 1972.

"PART C—LOAN GUARANTEES FOR MODERNIZATION OF HOSPITALS AND OTHER HEALTH FACILITIES

"AUTHORIZATION OF LOAN GUARANTEES

"SEC. 631. (a) In order to assist public and other nonprofit agencies to carry out needed projects for the modernization of facilities referred to in paragraphs (a) and (b) of section 601, the Secretary is authorized (subject to the limitations contained in this part) to guarantee, to non-Federal lenders making loans to such agencies for such purpose, payment when due of principal and interest on loans approved under this part.

"(b) No loan guarantee under this part with respect to any modernization project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under part A or B with respect to such project, exceeds 90 per centum of the cost of such project.

"ALLOCATION AMONG THE STATES

"SEC. 632. (a) The Secretary, after consultation with the Federal Hospital Advisory Council, shall allot among the States the amounts available for each fiscal year to cover loans which may be guaranteed under this part. Such amounts, for any fiscal year, shall be allotted among the States in a manner which is fair and equitable to each State after taking into consideration the population, financial need, and need for modernization of facilities referred to in paragraphs (a) and (b) of section 601, of each State, as compared to the population, financial need, and need for the modernization of such facilities, of all States.

"(b) Any amount allotted to a State prior to the fiscal year ending June 30, 1972, for a fiscal year and remaining unobligated at the end of such year shall remain available to such State, for the purposes for which made, for the next fiscal year (and for such year only), and any such amount shall be in addition to the amounts allotted to such State for such purpose for such next fiscal year. Any amount so allotted to a State for a fiscal year shall not (even though remaining unobligated at the close thereof) be considered as available for allotment for the next fiscal year.

"APPLICATIONS AND CONDITIONS

"SEC. 633. (a) For each project for which a loan guarantee is sought under this part, there shall be submitted to the Secretary, through the State agency designated in accordance with section 604, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more such agencies. Such application shall set forth all of the descriptions, plans, specifications, assurances, and information which would be required under clauses (1) through (5) of section 605(a) with respect to applications for projects under that section, such other information as the Secretary may require to carry out the purposes of this part, and a certification by the State agency of the total cost of the project for which the application is approved and recommended by such agency, and the amount of the project cost with respect to which a loan guarantee is sought under this part.

"(b) The Secretary may approve such application only if (1) there remains sufficient balance in the allotment determined for such State pursuant to section 632 to cover the cost of the project, (2) he makes each of the findings which would be required under clauses (1) through (4) of section 605(b) for the approval of applications for projects thereunder (but with appropriate modifications, for this purpose, in the regulations concerning priority of projects), (3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and (4) he also determines that the terms (including the rate of interest), conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are reasonable and in accord with regulations.

"(c) No application shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

"(d) Amendment of an approved application shall be subject to approval in the same manner as an original application.

"(e)(1) The United States shall be entitled to recover from the applicant the amount of any payments made pursuant to any guarantee under this part, unless the Secretary for good cause waives its right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(2) Guarantees under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this part will be achieved, and, to the extent permitted by subsection (f), any of such terms and conditions may be modified by the Secretary if he determines such modification is necessary to protect the financial interests of the United States.

"(f) Any guarantee made by the Secretary pursuant to this part shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"PAYMENT OF INTEREST ON GUARANTEED LOANS

"SEC. 634. (a) The Secretary shall pay to each holder of a loan guaranteed under this part, for and on behalf of the hospital to which such loan was made, so much of the interest which becomes due and payable on such loan as is attributable to the excess of the interest rate of such loan over 3 per centum. Each holder of a loan guaranteed under this part shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

"(b) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of subsection (a).

"(c) Contracts to make the payments provided for in this section shall not carry an aggregate amount greater than such amount as may be provided in appropriations Acts.

"LIMITATION ON AMOUNT OF LOANS GUARANTEED

"SEC. 635. The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this part may not exceed the lesser of—

"(1) such limitations as may be specified in appropriations Acts,

"(2) in the case of loans covered by allotments for the fiscal year ending June 30, 1969, $200,000,000; for the fiscal year ending June 30, 1970, $400,000,000; and for the fiscal year ending June 30, 1971, $600,000,000.

"LOAN GUARANTEE FUND

"SEC. 636. (a) There is hereby established in the Treasury a loan guarantee fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation to enable him to discharge his responsibilities under any guarantee issued by him under this part. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital for the fund.

"(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees issued by him under this part, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund."

SEC. 403. Section 302(c)(2)(B) of the Federal National Mortgage Association Charter Act is amended to read as follows:

"(B) The Department of Health, Education, and Welfare, but only with respect to loans (i) made by the Commissioner of Education for construction of academic facilities, and loans to help finance student loan programs, and (ii) made under part B of title VI of the Public Health Service Act for the modernization of hospitals and other health facilities."

TITLE V—MISCELLANEOUS

SPECIALLY QUALIFIED SCIENTIFIC, PROFESSIONAL, AND ADMINISTRATION PERSONNEL

SEC. 501. The proviso of the first sentence of section 208(g) of the Public Health Service Act (42 U.S.C. 210(g)) is amended by inserting "(1)" after "not more than", and by striking out the word "and" following the last comma and inserting in lieu thereof "or (2) in the case of one such position, the rate specified, at the time the service in such position is performed, for level II of the Executive Schedule (5 U.S.C. 5313), or (3) in the case of one such position, the rate specified, at the time the service in such position is performed, for level I of such Executive Schedule; and such rates of compensation for all positions included in this proviso".

USE OF ALLOTMENTS FOR COST OF ADMINISTRATION

SEC. 502. Section 403 of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2693) is amended by adding at the end thereof the following new subsection:

"(c)(1) At the request of any State, a portion of any allotment or allotments of such State under part A of title II shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration during such year of the State plan approved under such part; except that not more than 2 per centum of the total of the allotments of such State for a year, or $50,000, whichever is less, shall be available for such purpose for such year. Payments of amounts due under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from State sources for such year for administration of the State plan approved under such part A not less than the total amount expended for such purposes from such sources during the fiscal year ending June 30, 1968."

ACKNOWLEDGMENTS

SEC. 503. (a) Title V of the Public Health Service Act is further amended by adding at the end thereof the following new section:

"MEMORIALS AND OTHER ACKNOWLEDGMENTS

"SEC. 512. The Secretary may provide for suitability acknowledging, within the Department (whether by memorials, designations, or other suitable acknowledgments), (1) efforts of persons who have contributed substantially to the health of the Nation and (2) gifts for use in activities of the Department related to health."

(b) Section 501(e) of such Act is repealed.

DUPLICATION OF BENEFITS

SEC. 504. No grant, award, or loan assistance to any student under any Act amended by this Act shall be considered a duplication of benefits for the purposes of section 1781 of title 38, United States Code.

GORGAS MEMORIAL LABORATORY

SEC. 505. Effective for fiscal years ending after June 30, 1968, the first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory", approved May 7, 1928, as amended (45 Stat. 491; 22 U.S.C. 278), is amended by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

SECRETARY

SEC. 506. As used in the amendments made by this Act, the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

Mr. HILL. Mr. President, I am privileged to submit to the Senate H.R. 15758, which was approved in the House of Representatives by a vote of 325 to 1. The measure was unanimously approved by the Committee on Labor and Public Welfare.

H.R. 15758 is comprised of five titles that would extend and improve health programs now authorized under existing law.

Title I would extend for 3 additional years the authorizations for appropriations to assist in financing the regional medical program to combat heart disease, cancer, and stroke, and related diseases. The authorizations for appropriations are those recommended by the Department of Health, Education, and Welfare. They are: $65,000,000 for 1969, $140,000,000 for 1970, and $200,000,000 for 1971. The enactment of this title is recommended by the American Medical Association, the American Hospital Association, the American Heart Association, the American Dental Association and by other health organizations and individuals.

Title II would extend for 3 additional years the authorization for appropriations to assist in financing the health services for migratory agricultural workers. The authorizations for appropriations are those previously approved by the Senate in passing S. 2688 on May 6, 1968. The authorizations are: $9,000,000 for 1969, $15,000,000 for 1970, and $20,000,000 for 1971.

Title III would extend for two additional years the authority for project grants for the rehabilitation of narcotic addicts as provided for under the Narcotic Addict Rehabilitation Act of 1966. Similar grants would be authorized to assist in the rehabilitation of those afflicted with alcoholism. This title would authorize $15 million for 1969 and $25 million for 1970 to assist in financing training programs, evaluation programs, demonstrations, and community programs of prevention and treatment of alcoholism or narcotic addicts. The enactment of this title is recommended by the North American Association of Alcoholism programs, the American Psychiatric Association, the State Mental Health Program Directors, the National Council on Alcoholism, and by other health organizations and individuals.

Title IV would extend for two additional years the authorization for grants under the Hill-Burton Act for the construction and modernization of hospitals and other medical care facilities. This temporary extension will provide for continuity pending completion of the study of the National Advisory Commission on Health Facilities. The authorization for appropriations for grants would be increased by $30 million for 1969 and established at $340 million for 1970 and $370 million for 1971. The Hill-Burton Act would be expanded to authorize a program of Federal loans and a program for mortgage insurance for the modernization of hospitals and other health facilities. Each program would provide for not to exceed $200 million in loans in each of the 3 years 1969, 1970, and 1971. Up to 90 percent of the construction costs of modernization could be covered has been made under this part, before the termination of the period during which a loan made by the Secretary under this part is outstanding, the balance of any loan made by the Secretary under this part shall become immediately due and payable, unless the Secretary for good cause determines to waive the provisions of this section.

"LIMITATION ON AMOUNT OF LOANS OUTSTANDING

"Sec. 625. The cumulative total of the principal of the loans outstanding under this part at any time may not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) in the case of loans from allotments for the fiscal year ending June 30, 1969, $200,000,000; the fiscal year ending June 30, 1970, $400,000-000; and the fiscal year ending June 30, 1971, $600,000,000.

"GENERAL PROVISIONS FOR LOAN PROGRAM

"Sec. 626. (a) Loan made under this part shall—

"(1) be repayable in equal periodic installments over a period of not to exceed twenty-five years,

"(2) bear interest at the rate of 3 per centum per annum, and

"(3) be secured by a mortage or deed of trust on the part of the borrower to repay the principal and such other evidences of financial obligation as the Secretary shall determine to be necessary or desirable to protect the interests of the United States against failure on the part of the borrower to repay the principal and interest on such loan in accordance with the terms thereof.

"(b) No loan shall be made under this part unless—

"(1) the project with respect to which such loan is requested has been recommended by the single State agency (designated in accordance with section 604(a)(1)) of the State in which such project is to be located as being a project which is needed in such State as determined in accordance with the survey of need of such State conducted in accordance with section 604(a)(4); and

"(2) the Secretary is satisfied that there are or will be available funds which when combined with the amount of the loan requested under this part, will be sufficient to complete the project with respect to which such loan is requested.

"REVOLVING LOAN FUND

"Sec. 627. (a) There is hereby created within the Treasury a separate fund for loans for modernization of hospital and other health facilities (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purposes of this part. The total of any loans made from the fund in any fiscal year shall not exceed such limitations as may be specified in appropriation Acts. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government corporations.

"(b)(1) The Secretary, when authorized by an appropriation Act, may transfer to the fund available appropriations provided under section 628 to provide capital for the fund. All amounts received by the Secretary as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived by him from his operations in connection with this part, including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund, shall be deposited in the fund.

"(2) All loans, expenses and payments pursuant to operations of the Secretary under this title shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this part. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this part available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

"APPROPRIATION AUTHORIZATION

"Sec. 628. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this part, including sums for contributions to the revolving loan fund established under section 627.

"DURATION OF LOAN PROGRAM

"Sec. 629. No loans shall be made under this part after June 30, 1972.

"PART C—LOAN GUARANTEES FOR MODERNIZATION OF HOSPITALS AND OTHER HEALTH FACILITIES

"AUTHORIZATION OF LOAN GUARANTEES

"Sec. 631. (a) In order to assist public and other nonprofit agencies to carry out needed projects for the modernization of facilities referred to in paragraphs (a) and (b) of section 601, the Secretary is authorized (subject to the limitations contained in this part) to guarantee, to non-Federal lenders making loans to such agencies for such purpose, payment when due of principal and interest on loans approved under this part.

"(b) No loan guarantee under this part with respect to any modernization project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under part A or B with respect to such project, exceeds 90 per centum of the cost of such project.

"ALLOCATION AMONG THE STATES

"Sec. 632. (a) The Secretary, after consultation with the Federal Hospital Advisory Council, shall allot among the States the amounts available for each fiscal year to cover loans which may be guaranteed under this part. Such amounts, for any fiscal year, shall be allotted among the States in a manner which is fair and equitable to each State after taking into consideration the population, financial need, and need for modernization of facilities referred to in paragraphs (a) and (b) of section 601, of each State, as compared to the population, financial need, and need for the modernization of such facilities, of all States.

"(b) Any amount allotted to a State prior to the fiscal year ending June 30, 1972, for a fiscal year and remaining unobligated at the end of such year shall remain available to such State, for the purposes for which made, for the next fiscal year (and for such year only), and any such amount shall be in addition to the amounts allotted to such State for such purpose for such next fiscal year. Any amount so allotted to a State for a fiscal year shall not (even though remaining unobligated at the close thereof) be considered as available for allotment for the next fiscal year.

"APPLICATIONS AND CONDITIONS

"Sec. 633. (a) For each project for which a loan guarantee is sought under this part, there shall be submitted to the Secretary, through the State agency designated in accordance with section 604, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more such agencies. Such application shall set forth all of the descriptions, plans, specifications, assurances, and information which would be required under clauses (1) through (5) of section 605(a) with respect to applications for projects under that section, such other information as the Secretary may require to carry out the purposes of this part, and a certification by the State agency of the total cost of the project for which the application is approved and recommended by such agency, and the amount of the project cost with respect to which a loan guarantee is sought under this part.

"(b) The Secretary may approve such application only if (1) there remains sufficient balance in the allotment determined for such State pursuant to section 632 to cover the cost of the project, (2) he makes each of the findings which would be required under clauses (1) through (4) of section 605(b) for the approval of applications for projects thereunder (but with appropriate modifications, for this purpose, in the regulations concerning priority of projects), (3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and (4) he also determines that the terms (including the rate of interest), conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are reasonable and in accord with regulations.

"(c) No application shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

"(d) Amendment of an approved application shall be subject to approval in the same manner as an original application.

"(e)(1) The United States shall be entitled to recover from the applicant the amount of any payments made pursuant to any guarantee under this part, unless the Secretary for good cause waives its right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(2) Guarantees under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this part will be achieved, and, to the extent permitted by subsection (f), any of such terms and conditions may be modified by the Secretary if he determines such modification is necessary to protect the financial interests of the United States.

"(f) Any guarantee made by the Secretary pursuant to this part shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"PAYMENT OF INTEREST ON GUARANTEED LOANS

"Sec. 634. (a) The Secretary shall pay to each holder of a loan guaranteed under this part, for and on behalf of the hospital to which such loan was made, so much of the interest which becomes due and payable on such loan as is attributable to the excess of the interest rate of such loan over 3 per centum. Each holder of a loan guaranteed under this part shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

"(b) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of subsection (a).

"(c) Contracts to make the payments provided for in this section shall not carry an aggregate amount greater than such amount as may be provided in appropriations Acts.

"LIMITATION ON AMOUNT OF LOANS GUARANTEED

"SEC. 635. The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this part may not exceed the lesser of—

"(1) such limitations as may be specified in appropriations Acts,

"(2) in the case of loans covered by allotments for the fiscal year ending June 30, 1969, $200,000,000; for the fiscal year ending June 30, 1970, $400,000,000; and for the fiscal year ending June 30, 1971, $600,000,000.

"LOAN GUARANTEE FUND

"SEC. 636. (a) There is hereby established in the Treasury a loan guarantee fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation to enable him to discharge his responsibilities under any guarantee issued by him under this part. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital for the fund.

"(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees issued by him under this part, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund."

SEC. 403. Section 302(c)(2)(B) of the Federal National Mortgage Association Charter Act is amended to read as follows:

"(B) The Department of Health, Education, and Welfare, but only with respect to loans (i) made by the Commissioner of Education for construction of academic facilities, and loans to help finance student loan programs, and (ii) made under part B of title VI of the Public Health Service Act for the modernization of hospitals and other health facilities."

TITLE V—MISCELLANEOUS

SPECIALLY QUALIFIED SCIENTIFIC, PROFESSIONAL, AND ADMINISTRATION PERSONNEL

SEC. 501. The proviso of the first sentence of section 208(g) of the Public Health Service Act (42 U.S.C. 210(g)) is amended by inserting "(1)" after "not more than", and by striking out the word "and" following the last comma and inserting in lieu thereof "or (2) in the case of one such position, the rate specified, at the time the service in such position is performed, for level II of the Executive Schedule (5 U.S.C. 5313), or (3) in the case of one such position, the rate specified, at the time the service in such position is performed, for level I of such Executive Schedule; and such rates of compensation for all positions included in this proviso".

USE OF ALLOTMENTS FOR COST OF ADMINISTRATION

SEC. 502. Section 403 of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2693) is amended by adding at the end thereof the following new subsection:

"(c)(1) At the request of any State, a portion of any allotment or allotments of such State under part A of title II shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration during such year of the State plan approved under such part; except that not more than 2 per centum of the total of the allotments of such State for a year, or $50,000, whichever is less, shall be available for such purpose for such year. Payments of amounts due under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from State sources for such year for administration of the State plan approved under such part A not less than the total amount expended for such purposes from such sources during the fiscal year ending June 30, 1968."

ACKNOWLEDGMENTS

SEC. 503. (a) Title V of the Public Health Service Act is further amended by adding at the end thereof the following new section:

"MEMORIALS AND OTHER ACKNOWLEDGMENTS

"SEC. 512. The Secretary may provide for suitability acknowledging, within the Department (whether by memorials, designations, or other suitable acknowledgments), (1) efforts of persons who have contributed substantially to the health of the Nation and (2) gifts for use in activities of the Department related to health."

(b) Section 501(e) of such Act is repealed.

DUPLICATION OF BENEFITS

SEC. 504. No grant, award, or loan assistance to any student under any Act amended by this Act shall be considered a duplication of benefits for the purposes of section 1781 of title 38, United States Code.

GORGAS MEMORIAL LABORATORY

SEC. 505. Effective for fiscal years ending after June 30, 1968, the first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory", approved May 7, 1928, as amended (45 Stat. 491; 22 U.S.C. 278), is amended by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

SECRETARY

SEC. 506. As used in the amendments made by this Act, the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

Mr. HILL. Mr. President, I am privileged to submit to the Senate H.R. 15758, which was approved in the House of Representatives by a vote of 325 to 1. The measure was unanimously approved by the Committee on Labor and Public Welfare.

H.R. 15758 is comprised of five titles that would extend and improve health programs now authorized under existing law.

Title I would extend for 3 additional years the authorizations for appropriations to assist in financing the regional medical program to combat heart disease, cancer, and stroke, and related diseases. The authorizations for appropriations are those recommended by the Department of Health, Education, and Welfare. They are: $65,000,000 for 1969, $140,000,000 for 1970, and $200,000,000 for 1971. The enactment of this title is recommended by the American Medical Association, the American Hospital Association, the American Heart Association, the American Dental Association and by other health organizations and individuals.

Title II would extend for 3 additional years the authorization for appropriations to assist in financing the health services for migratory agricultural workers. The authorizations for appropriations are those previously approved by the Senate in passing S. 2688 on May 6, 1968. The authorizations are: $9,000,000 for 1969, $15,000,000 for 1970, and $20,000,000 for 1971.

Title III would extend for two additional years the authority for project grants for the rehabilitation of narcotic addicts as provided for under the Narcotic Addict Rehabilitation Act of 1966. Similar grants would be authorized to assist in the rehabilitation of those afflicted with alcoholism. This title would authorize $15 million for 1969 and $25 million for 1970 to assist in financing training programs, evaluation programs, demonstrations, and community programs of prevention and treatment of alcoholism or narcotic addicts. The enactment of this title is recommended by the North American Association of Alcoholism programs, the American Psychiatric Association, the State Mental Health Program Directors, the National Council on Alcoholism, and by other health organizations and individuals.

Title IV would extend for two additional years the authorization for grants under the Hill-Burton Act for the construction and modernization of hospitals and other medical care facilities. This temporary extension will provide for continuity pending completion of the study of the National Advisory Commission on Health Facilities. The authorization for appropriations for grants would be increased by $30 million for 1969 and established at $340 million for 1970 and $370 million for 1971. The Hill-Burton Act would be expanded to authorize a program of Federal loans and a program for mortgage insurance for the modernization of hospitals and other health facilities. Each program would provide for not to exceed $200 million in loans in each of the 3 years 1969, 1970, and 1971. Up to 90 percent of the construction costs of modernization could be covered by the loans. The interest rate for the hospitals and other health facilities would be 3 percent.

Title V provides for several minor or technical amendments, including:

First. The existing authority of the PHS to pay salaries above the general schedule of the Classification Act would be expanded to include two additional positions, one at level 1 of the executive schedule and one at level 2 of the executive schedule.

Second. The Community Mental Health Center legislation would be amended to permit States to use not more than 3 percent of their construction allotments, or $50,000 whichever is less, to pay for not more than one-half of the costs of administration.

Third. The Secretary would be authorized to acknowledge gifts or efforts of persons who have contributed substantially to the health of the Nation.

Fourth. The authorization for appropriation for the operations of the Gorgas Memorial Laboratory would be increased from $500,000 to $1,000,000 per year.

Fifth. An amendment would permit a veteran to supplement GI benefits with a scholarship or student loan under the PHS Act.

The **PRESIDING OFFICER**. The bill is open to amendment.

Mr. **SPONG**. Mr. President, I send to the desk an amendment and ask for its consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill insert a new section as follows:

"ONE YEAR EXTENSION OF SOLID WASTE DISPOSAL AUTHORIZATION

"SEC. 507. Subsections (a) and (b) of section 210 of the Solid Waste Disposal Act (42 U.S.C. 3259) are each amended by inserting before the period at the end thereof a comma and 'and for the succeeding fiscal year'."

Mr. **SPONG**. Mr. President, the amendment to H.R. 15758 which I have sent to the desk does not relate to this particular legislation but is instead an amendment to the Solid Waste Disposal Act of 1965. The language of this amendment is identical to the bill, S. 3201, which was reported by the Senate Committee on Public Works and which simply continues for 1 year the authorizations for the Federal solid waste disposal program. The language of S. 3201 is being added to this legislation in order to facilitate passage during this session of the 90th Congress.

The Committee on Public Works was informed by the appropriate House committee that it would be difficult to hold hearings and report the House version of this legislation this year. The leadership of that committee also indicated that this amendment would be accepted if attached to H.R. 15758. The noncontroversial nature of the simple extension of the solid waste program, combined with a need to have the fiscal year 1970 authorization precede the appropriations suggest the usefulness of this approach.

The Solid Waste Disposal Act of 1965—Public Law 89–272 title II—launched a new program to develop efficient means of disposing the millions of tons of solid wastes that clog the Nation's cities and countryside. In 1965 only two States had identifiable solid waste programs, while today 38 States are developing modern plans for statewide solid waste programs and comprehensive survey of solid waste problems and practices under the Department of Health, Education, and Welfare grants.

The quantities of solid waste have become so great in recent years that traditional methods of disposal are either inefficient or ineffective. Incineration and landfill, the traditionally accepted methods of disposal, are inadequate and often compound existing air and water pollution problems degrading the overall quality of the environment.

A report prepared at the request of Senator J. CALEB BOGGS, entitled "Availability, Utilization, and Salvage of Industrial Materials," suggests that the industrial economy of the United States—and indeed that of the entire industrial word—should undergo a shift from a use-and-discard approach to a system which includes methods of salvage, reprocessing, and reuse. The report further suggests that the timing of this conversion need not be precise, nor immediate, but that it must occur, or man, in the future, faces a continually degrading environment which will eventually be intolerable to him.

The President, in his conservation message of March 11, 1968, called for a comprehensive review of current solid waste disposal technology to be undertaken by the Director of the Office of Science and Technology, working with the appropriate Cabinet officers. This review is to consider two key problems: first, how to lower the present high costs of solid waste disposal, and second, how to improve and strengthen Government-wide research and development in this field.

In order to take advantage of the results of this study it is desirable that a simple 1-year extension of the Solid Waste Disposal Act be granted. This extension is provided by S. 3201. Following completion of the President's study the Public Works Committee will evaluate the results which should indicate the best and most useful methods of handling solid waste disposal. At that time hearings will be held on S. 1646, or similar proposals, which would authorize a massive Federal grant program to assist communities in the construction of solid waste disposal facilities.

Mr. President, I move the adoption of the amendment.

Mr. **BOGGS**. Mr. President, as a cosponsor of S. 3201, now in the form of an amendment, to H.R. 15758, the pending bill, I wish to join in the remarks made by the Senator from Virginia [Mr. SPONG].

Solid waste disposal represents a growing problem in this country, and while we have made good strides in controlling pollution of air and water, we are faced with developing programs and methods to help dispose of the increasing amounts of solid waste.

This simple 1-year extension of the existing Solid Waste Disposal Act will give the Department of Health, Education, and Welfare the authority to continue its research and fund some pilot programs seeking an answer to this serious problem.

I commend the Senator from Maine [Mr. MUSKIE] for his continued leadership in the pollution field and I urge approval of this amendment by the Senate.

Mr. **HILL**. We have no objection to the amendment.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

Mr. **HILL**. Mr. President, the Senator from New York [Mr. JAVITS] is unable to be present today. He favors the bill. I ask unanimous consent that a statement of the Senator from New York, in support of the bill, together with excerpts from the committee report to which he refers be printed at this point in the RECORD.

There being no objection, the statement and excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JAVITS

Mr. President, I rise in support of HR 15758, which was reported from the Senate Committee on Labor and Public Welfare with the unanimous support of both majority and minority Senators. This comprehensive measure bespeaks the bipartisan support which has characterized constructive health legislation coming before this body and is a tribute to the leadership of our distinguished chairman, the gentleman from Alabama, Mr. Hill, who so appropriately bears the title, "Mr. Health", in the Congress.

There are two parts of this bill which are of particular concern to me; namely, Title III, which deals with Alcoholic and Narcotic Addict Rehabilitation, and Part C of Title IV, which Part deals with Loan Guarantees for Modernization of Hospitals and Other Health Facilities. I should like to discuss them separately.

ALCOHOLISM

There is, most fortunately, a growing recognition that alcoholism is a major health problem, one affecting directly some 5 million Americans, which must be dealt with as are our other health problems. It is, as the Public Health Service and the Crime Commission both have described it, the Nation's most serious health menace, ranking behind only heart disease, mental illness and cancer. But, as the Supreme Court observed in its decision in the *Powell* case last month, "the legislative response to this enormous problem has in general been inadequate."

Title III of this bill seeks to deal with this problem and represents the first comprehensive legislative effort in the fight against alcoholism to be presented for debate and vote before this body.

In its provisions concerning alcoholism, Title III follows in good part the pattern laid down by S–1508, the measure introduced in April of last year by the distinguished Senator from Utah, Mr. Moss, and myself, together with thirty-four colleagues from both parties. We are proud that this pioneer effort has borne this fruit. I ask that at this point in the RECORD there appear the names of the Senators who had joined in cosponsoring the Javits-Moss bill:

Messrs. Birch Bayh, Alan Bible, Edward Brooke, Quentin Burdick, Howard Cannon, Frank Church, Joseph Clark, John Sherman Cooper, Thomas Dodd, Sam J. Ervin, Jr., Paul Fannin, Hiram Fong, Philip Hart, Mark Hatfield, Daniel Inouye, Thomas Kuchel, Edward Long, Warren Magnuson, Eugene McCarthy, Gale McGee, Jack Miller, Walter Mondale, Wayne Morse, George Murphy, Gaylord Nelson, Claiborne Pell, Charles Percy, Winston Prouty, Jennings Randolph, Hugh Scott, Strom Thurmond, Joseph Tydings, Harrison Williams, Ralph Yarborough and Milton Young.

I include at this point in the Record that portion of the section-by-section analysis of H.R. 15758 in the committee report covering title III:

"PART C—ALCOHOLISM AND NARCOTIC ADDICT REHABILITATION

"DECLARATION OF FINDINGS AND PURPOSES

"The new section 240 of the Community Mental Health Centers Act contains congressional findings that—

"(1) Alcoholism is a major health and social problem afflicting many people, and much more needs to be done to develop effective prevention and control;

"(2) Alcoholism treatment and control programs should, where possible, be community based, provide a comprehensive range of services under proper medical auspices on a coordinated basis, and be integrated with and involve active participation by a wide range of public and private agencies;

"(3) Treating chronic alcoholics within the criminal justice system aggravates the problem, whereas treating chronic alcoholism as a health problem better serves the interests of all concerned; and

"(4) Narcotic addiction is also a major health problem about which much more needs to be done, and programs for its prevention and control should, where possible, be community based with a wide range of medical services that are comprehensive in scope.

"It is, therefore, the purpose of this part to help prevent and control alcoholism and narcotic addiction through construction and operation grants under this part and through use of other relevant Federal and federally assisted programs. It is also the purpose of this part to authorize Federal aid for appropriate study and demonstration projects relating to alcoholism.

"AUTHORIZATION

"The new section 241, which would be added to the Community Mental Health Centers Act, would authorize $15 million for fiscal year 1969 and $25 million for fiscal year 1970 for the prevention and treatment of alcoholism and narcotic addiction. The Secretary would be authorized to make grants to States, to their political subdivisions, and to public and non-profit-private agencies and organizations, and to make contracts with them and with other private agencies and organizations, for the developing of field testing and demonstration programs, for the developing of specialized training programs and materials, for the training of personnel to provide the services, for the evaluation of the programs for the prevention and treatment of alcoholism and narcotic addiction, and for research into personnel practices and training needs in the field of alcoholism. The new section 241 would also authorize the Secretary to enter into grants with public and non-profit-private agencies and organizations, and to make contracts with them and with other private agencies and organizations, for the development, construction, operation, staffing, and maintenance of treatment centers and facilities (including posthospitalization treatment centers and facilities).

"Grants could be made only with respect to facilities which were affiliated with community mental health centers. If no such center had yet been established in the area, the facility, to be eligible, would have to be included as part of a program making appropriate utilization of existing community resources needed for an adequate program of prevention and treatment of alcoholism and narcotic addiction.

"Grants for the development, construction, operation, staffing, or maintenance of treatment facilities would be made only upon an application which contained a showing of approval of the project by the State agency primarily responsible for the treatment of alcoholics and narcotic addicts, as well as by the State agency under the existing community mental health centers construction program and the State mental health authority.

"Under this new section, payments could be made in advance or as reimbursement and could be made on such terms and conditions and installments, as the Secretary determined to be necessary to carry out the purpose of this title. The Secretary would be authorized to issue appropriate rules and regulations to carry out the provisions of parts C and D of this title.

"PROTECTION OF PERSONAL RIGHTS OF ALCOHOLICS

"The new section 242, which would be added to the Community Mental Health Centers Act, would direct the Secretary to take necessary steps in carrying out the new provisions on alcoholics and narcotic addicts to assure that no one will be made the subject of research assisted under the new part unless he explicitly agrees to do so."

Mr. JAVITS. Alcoholism is a costly affliction, measured not alone in terms of its estimated annual cost of $2 billion to business and industry or to the cost to taxpayers of the 2 million arrests each year for public drunkenness—but it is costly also measured in terms of the five to six million of our fellow citizens who are afflicted with alcoholism and their families and friends who bear the burdens of this affliction with them. We are privileged in this Congress to have the opportunity to act to deal with this health problem of alcoholism in an effective way and to enact pioneer legislation to meet its challenge.

HOSPITAL MODERNIZATION

I should now like to direct my remarks to Title IV, Part C, Loan Guarantees for Modernization of Hospitals and Other Health Facilities. This provision, of which I was the sponsor, is aimed at correcting the condition of intolerable obsolescence which afflicts at least one third of the nation's hospital capacity, a situation which according to health authorities is reaching crisis proportions in many metropolitan areas.

This provision would authorize federally insured mortgages in the amount of $200 million in each of the three years, FY 1969 through FY 1971, for the modernization of hospitals and other medical care facilities. The Federal Government would pay interest above 3%.

This Part is similar to Section 401 of the Higher Education Amendments of 1968, which provides for guaranteed loans for academic facilities, Section 1705 of the Housing and Urban Development Act of 1968, which provides for guaranteed loans for college housing. Both also provide similar interest subventions.

I include at this point in the Record that portion of the section-by-section analysis of HR 15758 in the committee report covering Part C of title IV:

"Part C would be entitled—Loan Guarantees for Modernization of Hospitals and Other Health Facilities.

"AUTHORIZATION OF LOAN GUARANTEES

"The new section 631 of the Public Health Service Act would authorize the Secretary to guarantee the payment of principal and interest to non-Federal lenders who made loans to public and other nonprofit agencies for projects for the modernization of medical facilities. The amount of a loan guarantee with respect to any modernization project under this part, when added to a grant or a loan under part A or B, could not exceed 90 percent of the cost of such modernization project.

"ALLOCATION AMONG THE STATES

"The new section 632 would authorize the Secretary, after consultation with the Federal Hospital Advisory Council, to allot the amount available for loans which might be guaranteed under this part among the States in a fair and equitable manner after considering relative population, financial need, and need for modernization of facilities. Any amounts allotted for the guarantee of loans, but unobligated by a State at the end of the fiscal year would remain available for the next fiscal year.

"APPLICATIONS AND CONDITIONS

"Under the new section 633, loans would be guaranteed only upon an application submitted to the Secretary through the State agency designated under section 604 as the sole agency responsible for the administration of the State plan. An application would have to meet certain specified requirements. First, the application would have to meet the requirements under clauses (1) through (5) of section 605(a). These requirements relate to the inclusion in the application of a description of the site for the project, plans and specifications for the project, assurance that the applicant has proper title, assurance of adequate financial support to complete and operate the project, and assurance as to compliance with the prevailing wage provision in the Davis-Bacon Act.

"The application would also have to contain a certification by the State agency of what it determines the cost of the modernization project will be.

"In order for an application to receive approval, the Secretary would have to find that four requirements were met. First, a sufficient amount to cover the cost of the project would have to remain in the State's allotment under new section 622. Second, the Secretary must make the findings required under clauses (1) through (4) of section 605(a). These required findings are that the application contains assurance as to title, financial support, and payment of prevailing wages, that the plans and specifications are in accord with regulations, that the application is in conformity with the State plan approved under section 604, and that the application has been approved and recommended by the State agency and has priority over other projects. (Under this part, the finding by the State agency that an application has priority over others would be based on appropriately modified regulations.) Third, the Secretary must obtain assurances that the applicant will keep records and make reports which the Secretary reasonably requires. Finally, the Secretary must determine that the terms and conditions of the loan are reasonable and in accord with regulations.

"The Secretary could not disapprove an application without affording the State agency an opportunity for a hearing. Amendments to an approved application would be subject to approval just as if they were original applications.

"The United States would be entitled to recover from the applicant the amount of any payments made under a guarantee under this part. (The Secretary for good cause could waive this right of recovery.) The United States would be subrogated to the rights of the applicant upon its recovery of payments from the applicant. The Secretary would be authorized to subject guarantees under this part to the terms and conditions that he might determine to be necessary to carry out the purposes of this part. In order to protect the financial interest of the United States, the Secretary would be authorized to modify any of the terms and conditions of the guarantee.

"Neither the applicant on whose behalf a loan guarantee is made nor any other person who made a loan to the applicant could contest any guarantee made by the Secretary, with one exception. Fraud or misrepresentation could make the guarantee contestable.

"PAYMENT OF INTEREST ON GUARANTEED LOANS

"The new section 634 would create a contractual right to each holder of a loan guaranteed under this part to receive from the United States any interest above 3 percent which becomes due and payable. Such amounts as might be necessary to carry out this section would be authorized. Contracts to meet the payments provided for in this section could not amount to an aggregate greater than the amount provided for in appropriation acts.

"LIMITATION ON AMOUNT OF LOANS GUARANTEED

"The new section 635 would establish a limit on the cumulative total of loan guarantees under this part that could be outstanding at any one time. For fiscal year 1969, the maximum allowable limit of outstanding loans guaranteed would be $200 million; for fiscal year 1970, $400 million; and for fiscal year 1971, $600 million. These limits would apply unless appropriation acts specified a lower limit.

"LOAN GUARANTEE FUND

"Under the new section 637, a separate loan guarantee fund for loan guarantees for the modernization of hospital and medical facilities would be established within the Treasury. The fund would be available without fiscal year limitation. Such amounts as might be necessary to provide capital for the fund would be authorized to be appropriated.

"The Secretary would be authorized to borrow funds to discharge his responsibilities under guarantees issued under this part. In order to borrow funds, the Secretary would be authorized to issue notes and other forms of obligations bearing interest at a rate determined by the Secretary of the Treasury. The Secretary of the Treasury would be authorized to purchase these obligations issued by the Secretary. The amounts borrowed under this part would be deposited in the fund. The Secretary would also redeem, from the fund, the notes and obligations issued under this section.

"SECTION 403

"This section of the bill would amend section 302(c)(2)(B) of the Federal National Mortgage Association Charter Act (added by the Participation Sales Act of 1966—Public Law 89–429), which authorizes FNMA to establish trusts for HEW with respect to certain loans by the Commissioner of Education, so as to authorize such trusts also with respect to loans under these new provisions of the PHS Act."

Mr. JAVITS. American communities are meeting only 59% of the country's modern hospital needs. In New York State, for example, outside New York City, more than $287 million in hospital modernization is required, 52% of the area's capacity. And New York City, according to the most recent estimates, needs an estimated $1.25 billion in modernization funds.

The Hospital Review and Planning Council of Southern New York has observed that while on the one hand modern developments have made possible new patterns of diagnosis and treatment, these advances have placed such heavy demands on existing hospital facilities that virtually every hospital plant in New York City requires costly alterations or complete replacement. Among the 130 general care hospitals in the city, 72% of the surgical suites are inadequate, 90% of the X-ray suites are inadequate, 71% of the emergency departments are inadequate, 72% of the outpatient facilities are inadequate and only 17% would pass Public Health Service fire standards.

Twentieth century medical care cannot be given in 19th century hospitals. It is necessary that we proceed with a hospital modernization program without delay, not only in the interests of providing urgently needed health care but also in the interest of economy. Hospital construction costs are increasing an estimated 7% annually. Thus, postponing for one year the $1 billion needed for hospital modernization annually would add another $70 million to hospital construction costs, an increase which is passed on to local taxpayers and local users of hospital services.

Hospital modernization will also serve to hold down costs to patients. Hospital fees are the fastest increasing item in the cost of living—last year, the index rose 16.5% and some authorities anticipate further increases ranging up to 30% for the current year.

Obsolete and outmoded hospitals can be wasteful of the most expensive element in hospital operation—key hospital personnel. Personnel costs now exceed 70% of hospital operation costs and are becoming an increasingly important consideration.

Part C, providing for guaranteed loans, complements the other two parts of Title IV, which provide extension of the Hill-Burton program and provide direct modernization loans.

Since its inception twenty-one years ago, the Hill-Burton program has provided $2.9 billion in support of modernization and construction of hospital and other health care facilities. It is indeed fitting that this bill, one of the last of the many major health bills he has shepherded through this body, should contain an extension of the program bearing Sen. Hill's name. This provision is yet another affirmation of the high regard in which our committee's chairman is held by his colleagues and by the nation. Although he will not be with us in this chamber next year, his monumental efforts on behalf of our Nation's health will be long carried on.

Mr. President, in conclusion I urge the enactment of H.R. 15758, known as the Health Services Amendments, with the hope that it may soon be signed into law.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Utah [Mr. Moss] is necessarily absent today. On his behalf, I ask unanimous consent to have printed in the RECORD a statement prepared by him on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. MOSS

I am most gratified that the Senate has before it—at long last—a bill which provides a comprehensive program for the rehabilitation of our more than 5 million alcoholics. This is recognition of the fact that the Federal government does have a responsibility in dealing with a problem which is national in scope, which affects about one out of every five families in this country, and which the states and localities have not been able to deal with alone. I sincerely hope there will be no question about the worth of the alcoholism amendments contained in Title III, or the desirability of putting them into operation as quickly as possible.

As Senators may remember, I introduced the first bill in the Senate which provided for a locus of responsibility in the Federal government. It was S. 2657 of the 89th Congress, and it called for the establishment of an alcohol control administration within the Department of Health, Education, and Welfare, and for grants in aid to the States for the establishment or expansion of State study and rehabilitation facilities. The bill had 18 cosponsors from both sides of the aisle.

Then at the beginning of this session, I joined with the distinguished Senator from New York (Mr. Javits) in working out the provisions of S. 1508, which again provided for a strong public health approach to the growing problem of alcoholism. However, I see no objection in going the route provided in the bill before us today—that is, to amend the Community Mental Health Centers Act to expand the existing program with grants for the construction and operation of facilities for both alcoholics and narcotic addicts. Our objective, after all, is to provide good treatment and rehabilitation facilities to alcoholics, and to improve techniques and find effective ways of preventing the disease of alcoholism. I am not wedded to any particular administrative machinery. Since the House of Representatives and now the Senate Committee has agreed upon the method provided in Title III of H.R. 15758. I am glad to lend my support.

It was evident to me long before I came to Congress that a comprehensive national program to help States and communities deal with the alcoholic and his problems was one of our most urgent needs. I sat as a city judge in Salt Lake City, and one of my jurisdictions was the criminal court, the court before which anyone charged with drunkenness is brought for sentencing. During those years, alcoholism, from a legal standpoint, was treated like any other antisocial behavior problem. Although many of us realized then that it was an illness, we had no machinery for treating it. All we could do was sentence anyone picked up on a charge of drunkenness to a jail sentence—or as an alternative, we could give him a floater sentence—which meant he had to get out of town within 24 hours. This merely passed most of them on to another court in another city where they would be brought up again on another drunk charge and put in another jail to dry out.

It was a heart-breaking, baffling experience, a losing game every day in the week. The same drunks came up before me day after day. I would give them a sentence long enough for them to "dry out" but they would be back in a few days. I had excruciating experiences, such as having to sentence some of my best friends—men I had grown up with. They needed treatment, not jail sentences, but there was no machinery to provide such treatment.

When I came to the Senate I resolved that as soon as I could do so I would begin to work on legislation which would give the states and communities the help they needed to meet this tragic social problem, and it has been one of my major fields of endeavor.

As the Senate knows, two famous court decisions gave us the impetus we needed. The decisions in Driver vs. Hinnant and Easter vs. the District of Columbia established the principle that an alcoholic is a person suffering from a disease which should be treated medically. He is not a criminal but a sick man who properly should be the responsibility of health officials, not law enforcement officials.

The President's Commission on Law Enforcement and the Administration of Justice took cognizance of these decisions in the report it issued wherein it endorsed the principle that alcoholics should be handled medically and socially.

Some people may feel that these decisions were somewhat undermined by the recent Supreme Court decision in Powell vs. Texas. By a narrow 5–4 decision in Powell vs. Texas, that a chronic alcoholic with a wife, family, and home in which "to stay off the streets while drunk" could be convicted under a State law against public drunkenness. However, some constitutional experts have already stated that this decision only confirms the rationale of the Easter and Driver decisions, which ruled that a 'homeless' alcoholic cannot be jailed for public drunkenness.

Mr. Justice White, who broke a 4–4 deadlock in Powell vs. Texas said in his opinion that in the case of a homeless alcoholic, a criminal conviction for public intoxication would be unconstitutional.

So I think it may be said in all fairness that the United States Supreme Court has now joined with Congress, the Justice Department, the American Medical Association, the American Bar Association, and the many public spirited men and women who have been working in the alcoholism field for many years in indicating that something more should be done of a substantiative nature at the Federal level to combat alcoholism. We have an opportunity to take that long step today in passing the bill before us.

The **PRESIDING OFFICER**. The question is on the engrossment of the amendment in the nature of a substitute, as amended, and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 15758) was read a third time, and passed.

Mr. **HILL**. Mr. President, I move to reconsider the vote by which H.R. 15758 was passed.

Mr. **MANSFIELD**. I move to lay that motion on the table.

The **PRESIDING OFFICER**. The motion to lay on the table was agreed to.

BILL INDEFINITELY POSTPONED

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that Calendar No. 1427, S. 3201, to protect the public health by extending for 1 year the provisions on research and assistance for State and interstate planning for solid waste disposal, and for other purposes, be indefinitely postponed.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

A COMMENTARY ON HISTORY

Mr. **HICKENLOOPER**. Mr. President, in the June 1968—vol. 3, No. 9—issue of the Washingtonian, a magazine published in Washington, D.C., appears a lengthy article about columnist Drew Pearson. I do not intend to read the entire article, but three or four paragraphs in it are very significant from the historical standpoint, and I ask unanimous consent that these paragraphs be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> [From the Washingtonian Magazine, June 1968]
>
> Few Congressmen can afford to ignore Pearson's jabs, for they can start talk back home, mobilize letter writers, snowball into major political problems. One prominent Senator who was driven to near distraction by Pearson's pinpricks in the 1950's was Lyndon B. Johnson. In those days, Pearson felt Johnson was too cozy with the oil lobby and had been soft on McCarthy, and he liked to call him "Landslide Lyndon" and "Lyin'-Down Johnson."
>
> But in 1959 Pearson decided he wanted to block Eisenhower's nomination of Lewis Strauss as Secretary of Commerce, and he knew that his only hope of doing so was to "make a deal with Lyndon." Jack Anderson was therefore dispatched to the Majority Leader's office.
>
> "How would you like to get Drew off your back?" he asked Johnson.
>
> "Who do I have to kill?" Johnson replied.
>
> Lewis Strauss, Anderson replied, and explained what Pearson wanted. It was impossible, Johnson said. Okay, Anderson said, and started for the door. Wait, Johnson called, maybe it was not impossible. Terms were negotiated, agreement was reached, Strauss was defeated, and Pearson, for a time, was off Johnson's back.

Mr. **HICKENLOOPER**. This commentary on history indicates what things will be done to sacrifice great American servants for political purposes.

ESTABLISHMENT OF A COMMISSION ON ORGANIZATION, OPERATION, AND MANAGEMENT OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1433, S. 3640.

The **PRESIDING OFFICER**. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3640) to establish a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy.

Mr. **RIBICOFF**. Mr. President, S. 3640 would establish a new Hoover-type Commission to streamline and modernize the Federal Government.

This bill has the support of 61 Senators, including 33 Democrats and 28 Republicans. Senator PEARSON of Kansas joined me in introducing S. 3640 as a "clean" bill following 7 days of hearings by the Subcommittee on Executive Reorganization on several bills designed to improve the organization and the management of the Federal Government.

The Commission would undertake a comprehensive and in-depth analysis of the machinery of Government in order to make recommendations in the following areas:

First, the organization and operation of the executive branch as a whole, as well as its individual departments, agencies and bureaus.

Second, the coordination and cooperation among the various Federal departments, agencies, and bureaus.

Third, the elimination or consolidation of Federal programs; and

Fourth, the establishment of priorities among Federal programs.

The Commission would be composed of eight members. Four would be appointed by the President of the United States. Of these, two would be from the executive branch and two from private life. Four would be appointed by the Congress. The President of the Senate would appoint two Senators. The Speaker of the House would appoint two Representatives. The two major political parties would be equally represented on the Commission.

The need for an independent Commission to conduct a total review and examination of the entire executive branch is one of the most obvious facts of our national life.

In the 13 years since the second Hoover Commission made its final report, the United States has undergone some of the most rapid and profound changes in our history. Yet throughout this time, we have operated and managed the executive branch as if time had stood still.

Some reforms have been achieved. We have three new agencies of Government—the Department of Housing and Urban Development, the Office of Economic Opportunity, and the Department of Transportation. Other agencies have experienced reorganization on a lesser scale as the Subcommittee on Executive Reorganization has acted on 18 reorganization plans during the past 4 years. And we have had numerous studies, commissions, and task forces on individual agencies and special problems. The last 3 years alone have seen more than 100 Presidential commissions, boards, and advisory groups.

But looking at the parts—no matter how large—is no substitute for looking at the whole.

And that is what we have failed to do in the past—and why we must approve S. 3640 today.

We must begin immediately to pay serious attention to the growth, development and operation of the Federal Government.

The facts demand no less.

For example:

The Federal budget has doubled in the past 13 years, and domestic expenditures have increased by 170 percent.

The new Federal budget of $186 billion means that the United States will spend $5,515 every second and $20 million every hour.

In California alone, there are 50 percent more Federal employees than in all of Washington, D.C.

In Connecticut, there are 256 Federal agencies listed in the Hartford telephone book—and 92 State agencies.

At last count, there were 150 separate Federal departments, agencies, bureaus, and boards in Washington—plus over 400 regional and area field offices—administering Federal programs to States, cities, and individuals through 459 separate channels.

Eight Cabinet departments and 12 agencies are involved in health.

Eighteen separate agencies are conducting programs to improve the natural environment.

Eight departments and four agencies are operating major credit programs and thereby affecting monetary policy.

Ten Cabinet departments and more than 15 other agencies are involved in education.

Ten agencies in three departments are managing manpower programs.

All this suggests we may be trying to force the future into the framework of the past. And that is bound to be wasteful and inefficient—both in terms of the money that we spend and the results that we achieve.

Clearly, a major examination of the executive branch of Government—its organization, its operation, and its management—is in order.

With the single exception of the Bureau of the Budget, all the 17 witnesses who testified at our hearings enthusiastically supported the establishment of this Commission.

While the witnesses were concerned about the importance of streamlining government to correct past mistakes and shortcomings, they felt this would be only half of the job that needed to be done.

The other half of the job is the future.

In the past decade, America has found herself on the frontier of some of the most profound revolutions and transformations in the history of the world: space technology, automation, urbanization, and, most important of all, human aspirations.

Although we have only explored and experienced the beginnings of these profound changes, it is already clear that they will touch every city, town and farm in America, as well as each man, woman and child.

Clearly, then, we have a deep responsibility to organize for the future if America is to fulfill her promise. And the first step in such an effort is to reassess our highest institutions of government with a view toward organizing them into a modern and effective system for achieving our national goals and purposes.

Unfortunately, Americans are rarely interested in questions of organization until they decide it is too expensive not to be interested.

But while all of us share this fiscal concern, we must also bear in mind that in the last analysis the Federal Government will be judged in terms of its success in dealing with the crucial problems of our age.

Thus, the machinery of government—how it works and how well it works—will be the primary concern of the Commission.

It is not the job of this Commission to define national goals. As Luthur Gulick, a member of President Roosevelt's 1937 Committee on Administrative Management has written:

> I think this kind of goal-making must be handled chiefly through the President and the Congress. The Commission should therefore start with the decisions which have been made by the President and the Congress and should then consider how adequate is the organism and the functioning of our governmental system to perform this important and changing workload. And the major test would be not the bits and pieces, but the broad system, the comprehensive managerial system, under which we are operating.

Within this framework, it is contemplated that the Commission will foster both long-range planning, as is customary in American business, and the much needed and much neglected evaluation of current programs.

In response to the growing awareness that the more than 400 Federal Government programs require a thorough examination, the committee has specifically charged the Commission with the duty of recommending "criteria, systems, and procedures" for establishing priorities among these programs. The Commission will not actually perform the evaluation or establish priorities, but will recommend ways and means of doing so to the Executive and the Congress.

The success of the Commission will be measured in terms of the improved performance of the executive branch from top to bottom. The Commission will not be able to provide an answer to every problem of so large an organization and bureaucracy. But by focusing on a limited number of matters of cardinal importance, it can point the way to a more modern executive branch sensitive to the people and the times.

Finally, Mr. President, let me speak to what may be the most basic issue that this Commission can help resolve: the trust and confidence that must exist between the government and the governed.

James Madison warned us early in our history that government must be able to control itself. It is just as true that when government cannot control itself, it may lose what it can never afford to lose: the consent of the governed.

There is no reason—and no need—for this to occur in the United States. Our people must have confidence in their National Government and its ability to manage its own—as well as some of their own—affairs.

It is the responsibility of government to build and to maintain this confidence. It is the fundamental premise of this Commission that government must always be accountable—and responsible—to those whom it serves: the people of the United States.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. PEARSON. Mr. President, first I wish to commend the distinguished Senator from Connecticut for his leadership in this particular matter, and for putting the final touches on this piece of legislation which I first introduced in the 89th Congress, then in the 90th Congress, and it was only when the Senator from Connecticut [Mr. RIBICOFF] became interested in this matter that it began to move in spite of a presidential recommendation in this field.

I think the need is greater than ever before, not only because of the great proliferation of programs, but also because as a result of H.R. 15414 we are under great pressure to reduce Federal expenditures and provide better and more efficient services to the people of this country.

EXECUTIVE REFORM: THE NEED FOR A NEW HOOVER COMMISSION

Mr. President, today the cost of operating the Federal Government is enormous. Based on the fiscal 1968 budget the Federal bureaucracy is spending $334,094 per minute, which equals over $20 million per hour, or more than $3.3 billion per week. The Archivist of the United States has been quoted as saying that paper work alone costs roughly 7 percent of the Federal administrative budget, or a total of $9.5 billion last year. The average cost of a letter in the executive branch has reached $2.44, while one page of a directive costs $300. Former General Services Administrator Lawson Knott testified that over the past 8 years "we have had to accommodate 6,000 additional employees in the Washington area every year. That is the equivalent of about a 900,000 or 1 million square foot building every year." It is important to remember that Mr. Knott was speaking only about the Washington area.

Some of these rising costs may be attributable to growth alone, others are the result of shoddy organization and poor management. The increase in the number, scope, and variety of Federal operations in recent years has certainly been nothing short of phenomenal. In the past 13 years more than 500,000 civilians have been added to the Federal payroll, the Federal budget has doubled, and domestic spending alone has soared 170 percent.

Until recently, Mr. President, there was no way of even estimating the number of new agencies, departments, and bureaus that have been spawned since the last thoroughgoing review of executive operations was finished by the second Hoover Commission in 1955. A few months ago I asked the Legislative Reference Service to undertake such a survey and while the results are not complete due to the many serious obstacles the researchers faced, the tentative results are nonetheless startling. For example, when the Office of Economic Opportunity was created it had a staff of 428 on January 1, 1965. In 2 years this personnel figure had more than quintupled to 2,393. In the same period the agency budget rose from approximately $200 million to $1.8 billion—a ninefold increase.

In addition, the Administration on Aging nearly doubled the size of its work force from 47 to 86 during the first 2 years of its existence from 1965 to 1967, while its budget increased eight times from $2.1 million to $16.7 million.

These and other similar examples show that since 1955, a total of at least $19.1 billion and 142,000 employees have been invested in new programs alone. The subsequent rate of increase of these new projects is even more surprising. Since these new programs were begun in many instances just 1 or 2 years ago, roughly 52,190 employees and $12.5 billion have fueled their expansion. And this rate of growth is still increasing.

Increases in payroll salaries or jumps in the number of personnel or new programs are not necessarily undesirable or even unavoidable developments. But the rate of government growth we have been experiencing has been so rapid as to outstrip the ability of the executive branch to organize the bureaucracy efficiently to achieve our national goals.

Mr. President, the administration of Federal grant-in-aid programs is a prime example of what can happen when project growth is poorly controlled. In April, 1964, there were approximately 239 such programs. Today there are over 400. These programs now cost over $17 billion a year. By 1973 it has been estimated that this figure may increase to over $60 billion.

Experienced figures such as former HEW Secretary John Gardner have commented on the increasingly serious problem of program proliferation. Testifying before the Senate Subcommittee on Intergovernmental Relations in the fall of 1966 he said:

> In almost every domestic program we are encountering crises of organization. Coordination among Federal agencies leaves much to be desired. Communications between the various levels of government—Federal, State, local—is casual and ineffective.

There is little doubt that duplication, waste and overlapping have reached enormous proportions. For example, at present there are approximately 33 Federal agencies engaged in 296 consumer protection activities. And, as the Secretary of Labor testified before Congress:

> There are 15 to 30 separate manpower programs administered by public and private agencies, all supported by Federal funds, in each major U.S. metropolitan area."

A special study by the Library of Congress in the fall of 1966 showed that over 1,000 projects in the field of research and development on environmental pollution were being conducted in 192 installations involving at least nine agencies and departments.

Mr. President, many other illustrations could be given. For example, three separate programs are attending to the treatment of deaf children, while 30 are involved in teacher-training efforts. Fifteen different Federal departments and agencies administer 79 different training and education programs. And nine separate programs deal with job recruitment, while at least five subsidize on-the-job training projects.

The list of overlapping programs goes on and on and on. These illustrations are merely scattered straws in the wind, however. They represent just the tip of the iceberg. The great bulk of waste and duplication goes unreported.

If the windows of the Federal bureaucracy are to be thrown open to fresh thinking and new management techniques, a complete review of administrative practices and organizational structure is urgently required.

Mr. President, while the Bureau of the Budget, the General Accounting Office, and the Congress are continually attempting to upgrade the quality of Federal operations, the fact remains that each is subject to certain limitations and biases which make its work only partially effective.

It is my feeling that an outside review, similar to the two previous Hoover Commissions, is a much better way to meet today's critical need for efficient, responsive government. Such a study would have the advantage of objectivity and nonpartisanship. By virtue of the prestige of its membership, the Commission's activities and findings would attract special attention from the press, the public, the President, and the Congress. The involvement of Members of Congress in its deliberations would help to insure a fuller appreciation of the need for Executive reform when the Commission's recommendations were translated into legislative proposals.

Moreover, the Commission would have at its disposal a large and capable staff as well as the services of special consultants when necessary.

The value of such a review is sure to be considerable, not only because of the budgetary savings which would be achieved, but also because of the many revisions in organizational structure which would significantly improve our ability to meet today's serious challenges.

For example, the first Hoover Commission made approximately 273 recommendations. Seventy-two percent of these were subsequently adopted. The second Commission proposed roughly 314 changes, of which 77 percent were accepted in whole or part.

The costs of these two studies were quite low. The first Hoover Commission was financed by an appropriation of $1,983,600. The second received appropriations totaling $2,848,534, of which $83,527 was later returned to the Treasury.

When one stops to consider the monetary gains made by these studies, the performance of the Commissions appears even more remarkable. For example, it has been estimated that the recommendations of the first Hoover Commission alone resulted in savings of more than $7 billion. And who can accurately estimate the value of higher quality Government programs of a bureaucracy more responsive to the citizens it serves, and of faster social progress?

Mr. President, in January 1967 I introduced legislation (S. 47) which would establish a blue-ribbon commission on the executive branch to undertake a 2-year study of the organization and operations of the Federal bureaucracy similar to the investigations of the first two Hoover Commissions. This legislation was subsequently cosponsored by 41 other Senators and formed the basis, along with several other similar measures, for hearings by the Senate Subcommittee on Executive Reorganization.

When the hearings were concluded, the subcommittee chairman, Senator ABRAHAM RIBICOFF, and I introduced a revised bill (S. 3640), which is now sponsored by a total of 61 Senators, including most Republicans, and which is now the pending business. This bill would create a commission similar to the one proposed initially in S. 47 composed of eight members, two chosen by the President of the Senate, two chosen by the Speaker of the House, and four chosen by the President. Thus, the group which would undertake this vital 2-year review would represent a balance between legislative, executive, and private views and would be completely bipartisan as well.

The need for such a study has never been more clear. The world has turned over many times in the past 13 years, and almost each turn has brought new problems for the American people and their Government. To deal with these urgent challenges, we must assess the need for such matters as improved budgeting systems, new management techniques, and better program coordination. The proper role of the Federal bureaucracy in furthering its assigned objectives and cooperating with other units of government must also be subject to searching scrutiny.

We have looked at bits and pieces for too long. We now need to examine the executive branch as an entity in order to improve the interrelationship of its many parts and to render better service to the American people. As the Senate Committee on Expenditures in the Executive Departments said 21 years ago as it helped launch the first Hoover Commission:

> The time is ripe for a general overhauling, for going through the government with a fine-tooth comb and for casting some light into all the many dark places.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill (S. 3640) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Executive Reorganization and Management Act of 1968".

FINDINGS OF FACT AND DECLARATION OF POLICY

SEC. 2. (a) The Congress declares that it is the responsibility of the President, in conformance with policy set forth by Congress, to administer the executive branch effectively and economically, and that it is the joint responsibility of the President and the Congress to provide an executive organization structure which will permit the efficient and economical discharge of the duties imposed upon the President by the Constitution.

(b) The Congress finds that there are more than one hundred and fifty departments, agencies, boards, commissions, bureaus, and other organizations in the executive branch engaged in performing the functions of government; that such a proliferation of governmental units tends to produce a lack of coordination between them and overlapping, conflict, and duplication of effiort among them; that the Congress and the President do not have adequate information and techniques to determine the best means of improving the conduct of the public business in so many governmental establishments.

(c) The Congress further finds and declares that in order to promote the efficient management and improved coordination essential to the economical administration of governmental services and to assure that program expenditures and performance are consistent with the policies established by the Congress, a commission to review the organization, operation, and management of the executive branch should be established.

COMMISSION ESTABLISHED

SEC. 3. (a) For the purpose of carrying out the policy set forth in section 2 of this Act, there is hereby established a commission to be known as the Commission on the Reorganization and Management of the Executive Branch (referred to hereinafter as the "Commission"). The Commission shall be composed of eight members; four appointed by the President of the United States, two from the executive branch of the Government and two from private life; two appointed by the President of the Senate from the membership of the Senate; two appointed by the Speaker of the House of Representatives from the membership of the House. The Commission shall elect a Chairman and a Vice Chairman from among its members.

(b) Five members of the Commission shall constitute a quorum. A vacancy in the membership of the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) Members of the Commission appointed from private life shall represent equally the majority and minority parties; with respect to members of the Commission appointed from the House of Representatives and the Senate, there shall be a Representative and a Senator from the majority party and one each from the minority party.

(d) Members of the Commission appointed from private life shall receive compensation at the rate of $100 per diem when engaged in the actual performance of duties of the Commission. Members of the Commission who are Members of Congress or officers of the executive branch of the Government shall serve without compensation in addition to that received for their services as Members of Congress or officers of the executive branch. All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses actually incurred by them in the performance of the duties of the Commission.

(e) For the purposes of chapter 11, title 18, United States Code, a member of the Commission appointed from private life shall be deemed to be a special Government employee.

(f) Members of the Commission appointed pursuant to this section may continue to serve during the existence of the Commission. Any member of the Commission appointed pursuant to section 3(a) of this Act who, at the time of his appointment is serving as a Member of Congress, may continue to serve as a member of the Commission without regard to whether he continues to hold office as a Member of Congress.

DUTIES OF THE COMMISSION

Sec. 4. (a) It shall be the function of the Commission to—

(1) Analyze and assess the current organization, coordination, and management of the executive branch and recommend appropriate actions, modifications, innovations, and reorganizations to achieve the purposes of this Act;

(2) Consider, evaluate, and make recommendations regarding criteria, systems, and procedures for improved coordination and cooperation among Federal agencies to insure the maximum degree of consistency in governmental actions;

(3) Appraise the current status of administrative management in the executive branch and its individual departments, agencies, bureaus, boards, commissions, independent establishments, and other organizations with a view to proposing reforms and new procedures, techniques, and facilities which will improve the conduct of Government service; and

(4) Consider, evaluate, and make recommendations regarding criteria, systems, and procedures for the: (a) establishment of priorities among Federal programs; (b) consolidation and redirection of those programs; and (c) reduction or elimination of those which are of marginal utility or which are unnecessary.

(b) The Commission shall submit an interim report to the Congress one year after the date of its appointment and at such other times as the Commission may feel necessary or desirable and shall complete its study and investigation no later than two years after the date of its appointment. Within sixty days after the completion of such study and investigation the Commission shall transmit to the Congress a report of its findings and recommendations. Upon the transmission of such report, the Commission shall cease to exist.

POWERS OF THE COMMISSION

Sec. 5. (a) The Commission shall have power to appoint and fix the compensation of the Executive Director and other personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) The Commission may procure temporary and intermittent services of experts and consultants to the same extent as is authorized for the departments by section 3109 of title 5, United States Code, but at rates not to exceed $75 per diem for individuals.

(c) To carry out the provisions of this Act, the Commission, or any duly authorized subcommittee or member thereof, may hold such hearings; act at such times and places; administer such oaths; and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, the chairman of any such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman, or member. The provisions of sections 102 to 104, inclusive, of the Revised Statute (U.S.C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(d) To enter into contracts or other agreements with Federal agencies, private firms, institutions, and individuals for the conduct of research or surveys.

(e) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestion, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish on a nonreimbursable basis such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

APPROPRIATIONS

Sec. 6. There are hereby authorized to be appropriated to the Commission such sums as may be required to carry out the provisions of this Act.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which S. 3640 was passed.

Mr. PEARSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the legislative calendar be called in sequence beginning with Calendar No. 1441.

The PRESIDING OFFICER. Without objection, it is so ordered.

CERTAIN CASES IN WHICH THE ATTORNEY GENERAL HAS SUSPENDED DEPORTATION

The concurrent resolution (S. Con. Res. 78) forgoing the suspension of deportation of certain aliens was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien thereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended (66 Stat. 204; 8 U.S.C. 1251):

A–1472909, Baglieri, George.
A–6816735, Funk, Thomas Fredrik.
A–6563286, Nebelsky, Manfred Robert.
A–8106820, Eha, Elmar.
A–10681050, Salinas-Villata, Jorge Alberto.
A–1473222, Asencio-Placencio, Pedro.
A–7216780, Kowal, John.
A–4679692, Quong, Wong.
A–17140325, Chin, Kay Ming.
A–2691116, Hagglund, Nils Ture.
A–5633712, Valencia-Sanchez, Enrique.
A–3253579, Riccioli, Paoli.
A–6474478, Viveros, Nazario Geniz.
A–9702536, Ying, Ah Sing.
A–10491431, Wong, Yen Kwong.
A–9765182, Yim, Chee.
A–10476667, Lok, Wai Ching.
A–12644334, Gee, Yook Shiu.
A–5227719, Lee, High Suey.
A–13069928, Fong, Shue Kee.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1461), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE CONCURRENT RESOLUTION

The purpose of the concurrent resolution is to record congressional approval of suspension of deportation in certain cases in which the Attorney General has suspended deportation pursuant to section 244(a)(2) of the Immigration and Nationality Act, as amended. Under the prescribed procedure affirmative approval by both the Senate and the House of Representatives is required before the status of the aliens may be adjusted to that of aliens lawfully admitted for permanent residence.

STATEMENT OF FACTS

The concurrent resolution relates to certain cases in which the Attorney General has suspended deportation under the provisions of section 244(a)(2) of the immigration and Nationality Act, as amended. These cases are submitted to the Congress under the provisions of that section subsequent to its amendment by section 4 of Public Law 87–885. The aliens are deportable as former subversives, criminals, immoral persons, violators of the narcotic laws, or violators of the alien registration laws. The discretionary relief may be granted to an alien within these categories upon a showing (1) of 10 years' continuous physical presence in the United States following the commission of an act or the assumption of a status constituting a ground for deportation; (2) that he has not been served with a final order of deportation up to the time of his application for suspension of deportation; (3) that he has been a person of good moral character during the required period of physical presence; and (4) that his deportation would result in exceptional and extremely unusual hardship to himself or to his spouse, parent, or child, who is a citizen or an alien lawfully admitted for permanent residence.

Included in the concurrent resolution are 20 cases which were referred to the Congress between February 1, 1967, and December 1, 1967. Eight cases referred during that period were not approved. In each case included in the concurrent resolution, a careful check has been made to determine whether or not the alien (*a*) has met the requirements of the law; (b) is of good moral character; and (*c*) warrants the granting of suspension of deportation.

The committee, after consideration of all the facts in each case referred to in the concurrent resolution, is of the opinion that the concurrent resolution (S. Con. Res. 78) should be agreed to.

NEW HAMPSHIRE-VERMONT INTERSTATE SCHOOL COMPACT

The Senate proceeded to consider the bill (S. 3269) to consent to the New Hampshire-Vermont Interstate School Compact.

Mr. KUCHEL. Mr. President, in behalf of the Senator from Vermont [Mr. Prouty], I ask unanimous consent to have printed in the Record a statement he had prepared for delivery on this subject.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR PROUTY

Today is an important milestone in the history of the States of Vermont and New Hampshire. It is also an important day for education in these two States, as well as in all of the United States.

The pending bill, S. 3269, gives Congressional Consent to an interstate compact between the States of Vermont and New Hampshire for the formation of interstate school districts. Thus, through cooperative effort of the citizens of both States on both sides of the Connecticut River, the schoolchildren will now be able to have the advantages of superior educational opportunity. The combined resources of two communities separated only by the Connecticut River can, in many cases, produce a very fine school system which would not otherwise be possible.

The Judiciary Committee has reported this bill without dissent. There is certainly no objection to the legislation which I have been able to discover, and it does not entail expenditure of a single dime by the Federal Government.

This bill, S. 329, was introduced on April 2nd of this year by me and my colleagues from both Vermont and New Hampshire, Senator Aiken from Vermont and Senators Cotton and McIntyre of New Hampshire. Each of us has worked with the Judiciary Committee in a sincere effort to have this bill passed and signed into law during the present session of the Congress. We are hopeful, with prompt passage by the Senate, that the House might also be able to act quickly in order that the President might sign the bill into law.

The Committee Report accompanying this bill contains within it ample justification for the pending legislation. Naturally, the bill has the endorsement of the State governments of both New Hampshire and Vermont, since it embodies the law enacted by the legislature of each of the States. My files and I think the files of my colleagues contain ample testimony to the need of our two States for this legislation. And, I am not aware of a single negative vote on the subject.

Although preliminary work was done prior to that time, the significant history of this legislation begins with the adoption in the spring of 1963 of legislation very similar in nature to the pending bill.

That year, the same four sponsors were successful in having enacted into law a bill giving consent to the establishment of an interstate school district in our two States. In that year, the Dresden Interstate School District was formed for the two towns of Norwich, Vermont and Hanover, New Hampshire.

That experiment, Mr. President, has worked admirably, and it has been watched very closely by nearby communities in both Vermont and New Hampshire.

The pending bill extends the interstate School District idea to include other communities on both sides of the Connecticut River. Towns such as Bradford, Newbury, Fairlee, Corinth and Canaan, Vermont and Orford, Piermont and Lyme, New Hampshire, have expressed interest in the legislation. I am certain that others are equally interested in the interstate school district concept.

With the passage of the pending bill, Mr. President, these communities can investigate the possibilities of a cooperative effort with others in the neighboring State in order to provide their children with the best possible school system.

We know, from the Dresden School District example, that the idea works and that it works very well. Others want the opportunity and this bill will surely give it to them.

Of course, there is nothing mandatory about the interstate school district idea. It simply permits neighboring towns across State lines to act if they decide for themselves that the idea best fits their individual needs.

It is my hope that the Senate will pass S. 3269 forthwith.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1460), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize a compact to encourage the formation of interstate school districts between New Hampshire and Vermont, each composed of a natural social and economic region with adequate financial resources and a number of pupils sufficient to permit the efficient use of school facilities within the interstate district and to provide improved instruction. The formation of any such interstate school district and the adoption of its articles of agreement would be subject to the approval of the State boards of education of both States.

STATEMENT

The Department of Health, Education, and Welfare has no objection to the enactment of this legislation.

The Legislatures of Vermont and New Hampshire have enacted an interstate school compact to enable adjoining communities in both States to form a cooperative school system on an educationally and economically sound basis. The interstate school compact is patterned after the similar legislation enacted by both States authorizing the establishment of the Dresden Interstate School District composed of the towns of Hanover, N.H., and Norwich, Vt. The Congress gave its consent to the establishment of this interstate school district in 1963 and the supreme court in each State found the legislation entirely proper.

The prototype interstate school district between Norwich and Hanover has proved so successful that other towns want to have the opportunity to use this method of providing quality educational programs for their children. The town of Lyme, N.H. has indicated an interest in being included in the present Dresden Interstate School District. Following passage of the interstate compact in New Hampshire in 1957, other towns, including Fairlee, Canaan, and Bradford in Vermont and Orford and Lyme in New Hampshire have begun exploratory discussions to establish an interstate school district. Passage of the act in Vermont has accelerated these studies. The towns of Barnet, Vt., and Monroe, N.H. are prepared to establish an interstate district as soon as the legislation is finally approved. There are strong economic and social ties between many other towns also. However, the political barrier of the Connecticut River has in the past prevented these communities from planning for their educational needs along these natural avenues. Generally, the towns are without sufficient financial resources to provide a comprehensive educational program by themselves. The natural economic and community ties which span the Connecticut River have prevented school district consolidation with towns east and west of the river. Accordingly, this legislation would be of immense assistance to these towns in evolving a community educational system.

The legislation reflects the traditions of both New Hampshire and Vermont by requiring a local referendum on the formation of consolidated school districts. The interstate school compact is primarily designed to insure fair apportioning of school board representation, financial support, and sharing in State assistance to the school districts involved. The legislation provides that communities wishing to join in an interstate school district must first reach an agreement on all the vital matters relating to the government of such a district. There is flexibility in allowing these communities to reach their own solutions to problems that might arise, although such solutions would have to be approved by the Commissioner of Education in each State.

The primary effect of the legislation is to permit the towns involved to solve their educational problems along congenial community lines without hinderance by the State boundary line.

Copies of the legislative enactments approving this legislation by the States of New Hampshire and Vermont are contained in the files of the committee.

After a review of all of the foregoing, the committee believes that the bill is meritorious and recommends it be considered favorably.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress consents to the New Hampshire-Vermont Interstate School Compact which is substantially as follows:

"NEW HAMPSHIRE-VERMONT INTERSTATE SCHOOL COMPACT

"ARTICLE I

"GENERAL PROVISIONS

"A. STATEMENT OF POLICY.—It is the purpose of this compact to increase the educational opportunities within the states of New Hampshire and Vermont by encouraging the formation of interstate school districts which will be a natural social and economic region with adequate financial resources and a number of pupils sufficient to permit the efficient use of school facilities within the interstate district and to provide improved instruction. The state boards of education of New Hampshire and Vermont may formulate and adopt additional standards consistent with this purpose and with these standards; and the formation of any interstate school district and the adoption of its articles of agreement shall be subject to the approval of both state boards as hereinafter set forth.

"B. REQUIREMENT OF CONGRESSIONAL APPROVAL.—This compact shall not become effective until approved by the United States Congress.

"C. DEFINITIONS.—The terms used in this compact shall be construed as follows, unless a different meaning is clearly apparent from the language or context:

"a. 'Interstate school district' and 'interstate district' shall mean a school district composed of one or more school districts located in the state of New Hampshire associated under this compact with one or more school districts located in the state of Vermont, and may include either the elementary schools, the secondary schools, or both.

"b. 'Member school district' and 'member district' shall mean a school district located either in New Hampshire or Vermont which is included within the boundaries of a proposed or established interstate school district. In the case of districts located in Vermont, it shall include city school districts, town school districts, union school districts and incorporated school districts. Where appropriate, the term 'member district clerk' shall refer to the clerk of the city in which a Vermont school district is located, the clerk of the town in which a Vermont town school district is located, or the clerk of an incorporated school district.

"c. 'Elementary school' shall mean a school which includes all grades from kindergarten or grade one through not less than grade six nor more than grade eight.

"d. 'Secondary school' shall mean a school which includes all grades beginning no lower than grade seven and no higher than grade twelve.

"e. 'Interstate board' shall refer to the board serving an interstate school district.

"f. 'New Hampshire board' shall refer to the New Hampshire state board of education.

"g. 'Vermont board' shall refer to the Vermont state board of education.

"h. 'Commissioner' shall refer to Commissioner of education.

"i. Where joint action by both state boards is required, each state board shall deliberate and vote by its own majority, but shall separately reach the same result or take the same action as the other state board.

"j. The terms 'professional staff personnel' and 'instructional staff personnel' shall include superintendents, assistant superintendents, administrative assistants, principals, guidance counselors, special education personnel, school nurses, therapists, teachers, and other certified personnel.

"k. The term 'warrant' or 'warning' to mean the same for both states.

"ARTICLE II

"PROCEDURE FOR FORMATION ON AN INTERSTATE SCHOOL DISTRICT

"A. Creation of Planning Committee.—The New Hampshire and Vermont commissioners of education shall have the power, acting jointly to constitute and discharge one or more interstate school district planning committees. Each such planning committee shall consist of at least two voters from each of a group of two or more neighboring member districts. One of the representatives from each member district shall be a member of its school board, whose term on the planning committee shall be concurrent with his term as a school board member. The term of each member of a planning committee who is not also a school board member shall expire on June thirtieth of the third year following his appointment. The existence of any planning committee may be terminated either by vote of a majority of its members or by joint action of the commissioners. In forming and appointing members to an interstate school district planning board, the commissioners shall consider and take into account recommendations and nominations made by school boards of member districts. No member of a planning committee shall be disqualified because he is at the same time a member of another planning board or committee created under the provisions of this compact or under any other provisions of law. Any existing informal interstate school planning committee may be reconstituted as a formal planning committee in accordance with the provisions hereof, and its previous deliberations adopted and ratified by the reorganized formal planning committee. Vacancies on a planning committee shall be filled by the commissioners acting jointly.

"B. Operating Procedures of Planning Committee.—Each interstate school district planning committee shall meet in the first instance at the call of any member, and shall organize by the election of a chairman and clerk-treasurer, each of whom shall be a resident of a different state. Subsequent meetings may be called by either officer of the committee. The members of the committee shall serve without pay. The member districts shall appropriate money on an equal basis at each annual meeting to meet the expenses of the committee, including the cost of publication and distribution of reports and advertising. From time to time the commissioners may add additional members and additional member districts to the committee, and may remove members and member districts from the committee. An interstate school district planning committee shall act by majority vote of its membership present and voting.

"C. Duties of Interstate School District Planning Committee.—It shall be the duty of an interstate school district planning committee, in consultation with the commissioners and the state departments of education: to study the advisability of establishing an interstate school district in accordance with the standards set forth in paragraph A of Article I of this compact, its organization, operation and control, and the advisability of constructing, maintaining and operating a school or schools to serve the needs of such interstate district; to estimate the construction and operating costs thereof; to investigate the methods of financing such school or schools, and any other matters pertaining to the organization and operation of an interstate school district; and to submit a report or reports of its findings and recommendations to the several member districts.

"D. Recommendations and Preparation of Articles of Agreement.—An interstate school district planning committee may recommend that an interstate school district composed of all the member districts represented by its membership, or any specified combination of such member districts, be established. If the planning committee does recommend the establishment of an interstate school district, it shall include in its report such recommendation, and shall also prepare and include in its report proposed articles of agreement for the proposed interstate school district, which shall be signed by at least a majortiy of the membership of the planning committee, which set forth the following:

"a. The name of the interstate school district.

"b. The member districts which shall be combined to form the proposed interstate school district.

"c. The number, composition, method of selection and terms of office of the interstate school board, provided that:

"(1) The interstate school board shall consist of an odd number of members, not less than five nor more than fifteen;

"(2) The terms of office shall not exceed three years;

"(3) Each member district shall be entitled to elect at least one member of the interstate school board. Each member district shall either vote separately at the interstate school district meeting by the use of a distinctive ballot, or shall choose its member or members at any other election at which school officials may be chosen;

"(4) The method of election shall provide for the filing of candidacies in advance of election and for the use of a printed nonpartisan ballot;

"(5) Subject to the foregoing, provision may be made for the election of one or more members at large.

"d. The grades for which the interstate school district shall be responsible.

"e. The specific properties of member districts to be acquired initially by the interstate school district and the general location of any proposed new schools to be initially established or constructed by the interstate school district.

"f. The method of apportioning the operating expenses of the interstate school district among the several member districts, and the time and manner of payments of such shares.

"g. The indebtedness of any member district which the interstate district is to assume.

"h. The method of apportioning the capital expenses of the interstate school district among the several member districts, which need not be the same as the method of apportioning operating expenses, and the time and manner of payment of such shares. Capital expenses shall include the cost of acquiring land and buildings for school purposes; the construction, furnishing and equipping of school buildings and facilities; and the payment of the principal and interest of any indebtedness which is incurred to pay for the same.

"i. The manner in which state aid, available under the laws of either New Hampshire or Vermont, shall be allocated, unless otherwise expressly provided in this compact or by the laws making such aid available.

"j. The method by which the articles of agreement may be amended, which amendments may include the annexation of territory, or an increase or decrease in the number of grades for which the interstate district shall be responsible, provided that no amendment shall be effective until approved by both state boards in the same manner as required for approval of the original articles of agreement.

"k. The date of operating responsibility of the proposed interstate school district and a proposed program for the assumption of operating responsibility for education by the proposed interstate school district, and any school construction; which the interstate school district shall have the power to vary by vote as circumstances may require.

"l. Any other matters, not incompatible with law, which the interstate school district planning committee may consider appropriate to include in the articles of agreement, including, without limitation:

"(1) The method of allocating the cost of transportation between the interstate district and member districts;

"(2) The nomination of individual school directors to serve until the first annual meeting of the interstate school district.

"E. Hearings.—If the planning committee recommends the formation of an interstate school district, it shall hold at least one public hearing on its report and the proposed articles of agreement within the proposed interstate school district in New Hampshire, and at least one public hearing thereon within the proposed interstate school district in Vermont. The planning committee shall give such notice thereof as it may determine to be reasonable, provided that such notice shall include at least one publication in a newspaper of general circulation within the proposed interstate school district not less than fifteen days (not counting the date of publication and not counting the date of the hearing) before the date of the first hearing. Such hearings may be adjourned from time to time and from place to place. The planning committee may revise the proposed articles of agreement after the date of the hearings. It shall not be required to hold further hearings on the revised articles of agreement but may hold one or more further hearings after notice similar to that required for the first hearings if the planning committee in its sole discretion determines that the revisions are so substantial in nature as to require further presentation to the public before submission to the state boards of education.

"F. Approval by State Boards.—After the hearings a copy of the proposed articles of agreement, as revised, signed by a majority of the planning committee, shall be submitted by it to each state board. The state boards may (a) if they find that the articles of agreement are in accord with the standards set forth in this compact and in accordance with sound educational policy, approve the same as submitted, or (b) refer them back to the planning committee for further study. The planning committee may make additional revisions to the proposed articles of agreement to conform to the recommendations of the state boards. Further hearings on the proposed articles of agreement shall not be required unless ordered by the state boards in their discretion. In exercising such discretion, the state boards shall take into account whether or not the additional revisions are so substantial in nature as to require further presentation to the public. If both state boards find that the articles of agreement as further revised are in accord with the standards set forth in this compact and in accordance with sound educational policy, they shall approve the same. After approval by both state boards, each state board shall cause the articles of agreement to be submitted to the school boards of the several member districts in each state for acceptance by the member districts as provided in the following paragraph. At the same time, each state board shall designate the form of warrant, date, time, place, and period of voting for the special meeting of the member district to be held in accordance with the following paragraph.

"G. Adoption by Member Districts.—Upon receipt of written notice from the state board in its state of the approval of the articles of agreement by both state boards, the school board of each member district shall cause the articles of agreement to be filed with the member district clerk. Within ten days after receipt of such notice, the school board shall issue its warrant for a special meeting of the member district, the warrant to be in the form, and the meeting to be held at the time and place and in the manner prescribed by the state board. No approval of the superior court shall be required for such special school district meeting in New Hampshire. Voting shall be with the use of the check list by a ballot substantially in the following form:

" 'Shall the school district accept the provisions of the New Hampshire-Vermont Interstate School Compact providing for the establishment of an interstate school district, together with the school districts of ——— and ———, etc., in accordance with the provisions of the proposed articles of agreement filed with the school district (town, city or incorporated school district) clerk?

" 'Yes (☐) No (☐)'

"If the articles of agreement included the nomination of individual school directors, those nominated from each member district shall be included in the ballot and voted upon, such election to become effective upon the formation of an interstate school district.

"If a majority of the voters present and voting in a member district vote in the affirmative, the clerk for such member district shall forthwith send to the state board in its state a certified copy of the warrant, certificate of posting, and minutes of the meeting of the district. If the state boards of both states find that a majority of the voters present and voting in each member district have voted in favor of the establishment of the interstate school district, they shall issue a joint certificate to that effect; and such certificate shall be conclusive evidence of the lawful organization and formation of the interstate school district as of its date of issuance.

"H. Resubmission.—If the proposed articles of agreement are adopted by one or more of the member districts but rejected by one or more of the member districts, the state boards may resubmit them, in the same form as previously submitted, to the rejecting member districts, in which case the school boards thereof shall resubmit them to the voters in accordance with paragraph G of this article. An affirmative vote in accordance therewith shall have the same effect as though the articles of agreement had been adopted in the first instance. In the alternative, the state boards may either (a) discharge the planning committee, or (b) refer the articles of agreement back for further consideration to the same or a reconstituted planning committee, which shall have all of the powers and duties as the planning committee as originally constituted.

"ARTICLE III

"POWERS OF INTERSTATE SCHOOL DISTRICTS

"A. Powers.—Each interstate school district shall be a body corporate and politic, with power to:

"a. To acquire, construct, extend, improve, staff, operate, manage and govern public schools within its boundaries;

"b. To sue and be sued, subject to the limitations of liability hereinafter set forth;

"c. To have a seal and alter the same at pleasure;

"d. To adopt, maintain and amend bylaws not inconsistent with this compact, and the laws of the two states;

"e. To acquire by purchase, condemnation, lease or otherwise, real and personal property for the use of its schools;

"f. To enter into contracts and incur debts;

"g. To borrow money for the purposes hereinafter set forth, and to issue its bonds or notes therefor;

"h. To make contracts with and accept grants and aid from the United States, the state of New Hampshire, the state of Vermont, any agency or municipality thereof, and private corporations and individuals for the construction, maintenance, reconstruction, operation and financing of its schools; and to do any and all things necessary in order to avail itself of such aid and cooperation;

"i. To employ such assistants, agents, servants, and independent contractors as it shall deem necessary or desirable for its purposes; and

"j. To take any other action which is necessary or appropriate in order to exercise any of the foregoing powers.

"ARTICLE IV

"DISTRICT MEETINGS

"A. General.—Votes of the district shall be taken at a duly warned meeting held at any place in the district, at which all of the eligible legal voters of the member districts shall be entitled to vote, except as otherwise provided with respect to the election of directors.

"B. Eligibility of Voters.—Any resident who would be eligible to vote at a meeting of a member district being held at the same time, shall be eligible to vote at a meeting of the interstate district. The board of civil authority in each Vermont member district and the supervisors of the check list of each New Hampshire district shall respectively prepare a check list of eligible voters for each meeting of the interstate district in the same manner, and they shall have all the same powers and duties with respect to eligibility of voters in their districts as for a meeting of a member district.

"C. Warning of Meetings.—A meeting shall be warned by a warrant addressed to the residents of the interstate school district qualified to vote in district affairs, stating the time and place of the meeting and the subject matter of the business to be acted upon. The warrant shall be signed by the clerk and by a majority of the directors. Upon written application of ten or more voters in the district, presented to the directors or to one of them, at least twenty-five days before the day prescribed for an annual meeting, the directors shall insert in their warrant for such meeting any subject matter specified in such application.

"D. Posting and Publication of Warrant.—The directors shall cause an attested copy of the warrant to be posted at the place of meeting, and a like copy at a public place in each member district at least twenty days (not counting the date of posting and the date of meeting) before the date of the meeting. In addition, the directors shall cause the warrant to be advertised in a newspaper of general circulation on at least one occasion, such publication to occur at least ten days (not counting the date of publication and not counting the date of the meeting) before the date of the meeting. Although no further notice shall be required, the directors may give such further notice of the meeting as they in their discretion deem appropriate under the circumstances.

"E. Return of Warrant.—The warrant with a certificate thereon, certified by oath, stating the time and place when and where copies of the warrant were posted and published, shall be given to the clerk of the interstate school district at or before the time of the meeting, and shall be recorded by him in the records of the interstate school district.

"F. Organization Meeting.—The commissioners, acting jointly, shall fix a time and place for a special meeting of the qualified voters within the interstate school district for the purpose of organization, and shall prepare and issue the warrant for the meeting after consultation with the interstate school district planning board and the members-elect, if any, of the interstate school board of directors. Such meeting shall be held within sixty days after the date of issuance of the certificate of formation, unless the time is further extended by the joint action of the state boards. At the organization meeting the commissioner of education of the state where the meeting is held, or his designate, shall preside in the first instance, and the following business shall be transacted:

"a. A temporary moderator and a temporary clerk shall be elected from among the qualified voters who shall serve until a moderator and clerk respectively have been elected and qualified.

"b. A moderator, a clerk, a treasurer, and three auditors shall be elected to serve until the next annual meeting and thereafter until their successors are elected and qualified. Unless previously elected, a board of school directors shall be elected to serve until their successors are elected and qualified.

"c. The date for the annual meeting shall be established.

"d. Provision shall be made for the payment of any organizational or other expense incurred on behalf of the district before the organization meeting, including the cost of architects, surveyors, contractors, attorneys, and educational or other consultants or experts.

"e. Any other business, the subject matter of which has been included in the warrant, and which the voters would have had power to transact at an annual meeting.

"G. Annual Meetings.—An annual meeting of the district shall be held between January fifteenth and June first of each year at such time as the interstate district may by vote determine. Once determined, the date of the annual meeting shall remain fixed until changed by vote of the interstate district at a subsequent annual or special meeting. At each annual meeting the following business shall be transacted:

"a. Necessary officers shall be elected.

"b. Money shall be appropriated for the support of the interest district schools for the fiscal year beginning the following July first.

"c. Such other business as may properly come before the meeting.

"H. Special Meetings.—A special meeting of the district shall be held whenever, in the opinion of the directors, there is occasion therefor, or whenever written application shall have been made by five per cent or more of the voters (based on the check lists as prepared for the last preceeding meeting) setting forth the subject matter upon which such action is desired. A special meeting may appropriate money without compliance with RSA 33:8 or RSA 197:3 which would otherwise require the approval of the New Hampshire superior court.

"I. Certification of Records.—The clerk of an interstate school district shall have the power to certify the record of the votes adopted at an interstate school district meeting to the respective commissioners and state boards and (where required) for filing with a secretary of state.

"J. Method of Voting at School District Meetings.—Voting at meetings of interstate school districts shall take place as follows:

"a. School directors.—A separate ballot shall be prepared for each member district, listing the candidates for interstate school director to represent such member district; and any candidates for interstate school director at large; and the voters of each member district shall register on a separate ballot their choice for the office of school director or directors. In the alternative, the articles of agreement may provide for the election of school directors by one or more of the member districts at an election otherwise held for the choice of school or other municipal officers.

"b. Other Votes.—Except as otherwise provided in the articles of agreement or this compact, with respect to all other votes (1) the voters of the interstate school district shall vote as one body irrespective of the member districts in which they are resident, and (2) a simple majority of those present and voting at any duly warned meeting shall carry the vote. Voting for officers to be elected at any meeting, other than school directors, shall be by ballot or voice, as the interstate district may determine, either in its articles or agreement or by a vote of the meeting.

"Article V

"officers

"A. Officers: General.—The officers of an interstate school district shall be a board of school directors, a chairman of the board, a vice-chairman of the board, a secretary of the board, a moderator, a clerk, a treasurer and three auditors. Except as otherwise specifically provided, they shall be eligible to take office immediately following their election; they shall serve until the next annual meeting of the interstate district and until their successors are elected and qualified. Each shall take oath for the faithful performance of his duties before the moderator, or a notary public or a justice of the peace of the state in which the oath is administered. Their compensation shall be fixed by vote of the district. No person shall be eligible to any district office unless he is a voter in the district. A custodian, school teacher, principal, superintendent or other employee of an interstate district acting as such shall not be eligible to hold office as a school director.

"B. Board of Directors.—

"a. How Chosen.—Each member district shall be represented by at least one resident on the board of school directors of an intertate school district. A member district shall be entitled to such further representation on the interstate board of school directors as provided in the articles of agreement as amended from time to time. The articles of agreement as amended from time to time may provide for school directors at large, as above set forth. No person shall be disqualified to serve as a member of an interstate board because he is at the same time a member of the school board of a member district.

"b. Term.—Interstate school directors shall be elected for terms in accordance with the articles of agreement.

"c. Duties of board of directors.—The board of school directors of an interstate school district shall have and exercise all of the powers of the district not reserved herein to the voters of the district.

"d. Organization.—The clerk of the district shall warn a meeting of the board of school directors to be held within ten days following the date of the annual meeting, for the purpose of organizing the board, including the election of its officers.

"C. Chairman of the Board.—The chairman of the board of interstate school directors shall be elected by the interstate board from among its members at its first meeting following the annual meeting. The chairman shall preside at the meetings of the board and shall perform such other duties as the board may assign to him.

"D. Vice-Chairman of the Board of Directors.—The vice chairman of the interstate board shall be elected in the same manner as the chairman. He shall represent a member district in a state other than that represented by the chairman. He shall preside in the absence of the chairman and shall perform such other duties as may be assigned to him by the interstate board.

"E. Secretary of the Board.—The Secretary of the interstate board shall be elected in the same manner as the chairman. Instead of electing one of its members, the interstate board may appoint the interstate district clerk to serve as secretary of the board in addition to his other duties. The secretary of the interstate board (or the interstate district clerk, if so appointed) shall keep the minutes of its meetings, shall certify its records, and perform such other duties as may be assigned to him by the board.

"F. Moderator.—The moderator shall preside at the district meetings, regulate the business thereof, decide questions of order, and make a public declaration of every vote passed. He may prescribe rules of procedure; but such rules may be altered by the district. He may administer oaths to district officers in either state.

"G. Clerk.—The clerk shall keep a true record of all proceedings at each district meeting, shall certify its records, shall make an attested copy of any records of the district for any person upon request and tender of reasonable fees therefor, if so appointed, shall serve as secretary of the board of school directors, and shall perform such other duties as may be required by custom or law.

"H. Treasurer.—The treasurer shall have custody of all of the monies belonging to the district and shall pay out the same only upon the order of the interstate board. He shall keep a fair and accurate account of all sums received into and paid from the interstate district treasury, and at the close of each fiscal year he shall make a report to the interstate district, giving a particular account of all receipts and payments during the year. He shall furnish to the interstate directors, statements from his books and submit his books and vouchers to them and to the district auditors for examination whenever so requested. He shall make all returns called for by laws relating to school districts. Before entering on his duties, the treasurer shall give a bond with sufficient sureties and in such sum as the directors may require. The treasurer's term of office is from July 1 to the following June 30.

"I. Auditors.—At the organization meeting of the district, three auditors shall be chosen, one to serve for a term of one year, one to serve for a term of two years, and one to serve for a term of three years. After the expiration of each original term, the successor shall be chosen for a three year term. At least one auditor shall be a resident of New Hampshire, and one auditor shall be a resident of Vermont. An interstate district may vote to employ a certified public accountant to assist the auditors in the performance of their duties. The auditors shall carefully examine the accounts of the treasurer and the directors at the close of each fiscal year, and at such other times whenever necessary, and report to the district whether the same are correctly cast and properly vouched.

"J. Superintendent.—The superintendent of schools shall be selected by a majority vote of the board of school directors of the interstate district with the approval of both commissioners.

"K. Vacancies.—Any vacancy among the elected officers of the district shall be filled by the interstate board until the next annual meeting of the district or other election, when a successor shall be elected to serve out the remainder of the unexpired term, if any. Until all vacancies on the interstate board are filled, the remaining members shall have full power to act.

"Article VI

"appropriation and apportionment of funds

"A. Budget.—Before each annual meeting, the interstate board shall prepare a report of expenditures for the preceding fiscal year, an estimate of expenditures for the current fiscal year, and a budget for the succeeding fiscal year.

"B. Appropriation.—The interstate board of directors shall present the budget report of the annual meeting. The interstate district shall appropriate a sum of money for the support of its schools and for the discharge of its obligations for the ensuing fiscal year.

"C. Apportionment of Appropriation.—Subject to the provisions of article VII hereof, the interstate board shall first apply against such appropriation any income to which the interstate district is entitled, and shall then apportion the balance among the member districts in accordance with one of the following formulas as determined by the articles of agreement as amended from time to time:

"a. All of such balance to be apportioned on the basis of the ratio that the fair market value of the taxable property in each member district bears to that of the entire interstate district; or

"b. All of such balance to be apportioned on the basis that the average daily resident membership for the preceding fiscal year of each member district bears to that of the average daily resident membership of the entire interstate school district; or

"c. A formula based on any combination of the foregoing factors. The term 'fair market value of taxable property' shall mean the last locally assessed valuation of a member district in New Hampshire, as last equalized by the New Hampshire state tax commission.

"The term 'fair market value of taxable property' shall mean the equalized grand list of a Vermont member district, as determined by the Vermont department of taxes.

"Such assessed valuation and grand list may be further adjusted (by elimination of certain types of taxable property from one or the other or otherwise) in accordance with the articles of agreement, in order that the fair market value of taxable property in each state shall be comparable.

"'Average daily resident membership' of the interstate district in the first instance shall be the sum of the average daily resident membership of the member districts in the grades involved for the preceding fiscal year where no students were enrolled in the interstate district schools for such preceding fiscal year.

"D. Share of New Hampshire Member District.—The interstate board shall certify the share of a New Hampshire member district of the total appropriation to the school board of each member district which shall add such sum to the amount appropriated by the member district itself for the ensuing year and raise such sum in the same manner as though the appropriation had been voted at a school district meeting of the member district. The interstate district shall not set up its own capital reserve funds; but a New Hampshire member district may set up a capital reserve fund in accordance with RSA 35, to be turned over to the interstate district in payment of the New Hampshire member district's share of any anticipated obligations.

"E. Share of Vermont Member District.—The interstate board shall certify the share of a Vermont member district of the total appropriation to the school board of each member district which shall add sum to the amount appropriated by the member district itself for the ensuing year and raise such sum in the same manner as though the appropriation had been voted at a school district meeting of the member district.

“Article VIII

“BORROWING

“A. Interstate District Indebtedness.—Indebtedness of an interstate district shall be a general obligation of the district and shall also be a joint and several general obligation of each member district, except that such obligations of the district and its member districts shall not be deemed indebtedness of any member district for the purposes of determining its borrowing capacity under New Hampshire or Vermont law. A member district which withdraws from an interstate district shall remain liable for indebtedness of the interstate district which is outstanding at the time of withdrawal and shall be responsible for paying its share of such indebtedness to the same extent as though it had not been withdrawn.

“B. Temporary Borrowing.—The interstate board may authorize the borrowing of money by the interstate district (1) in anticipation of payments of operating and capital expenses by the member districts to the interstate districts and (2) in anticipation of the issue of bonds or notes of the interstate district which have been authorized for the purpose of financing capital projects. Such temporary borrowing shall be evidenced by interest bearing or discounted notes of the interstate district. The amount of notes issued in any fiscal year in anticipation of expense payments shall not exceed the amount of such payments received by the interstate district in the preceding fiscal year. Notes issued under this paragraph shall be payable within one year in the case of notes under clause (1) and three years in the case of notes under clause (2) from their respective dates, but the principal of and interest on notes issued for a shorter period may be renewed or paid from time to time by the issue of other notes, provided that the period from the date of an original note to the maturity of any note issued to renew or pay the same debt shall not exceed the maximum period permitted for the original loan.

“C. Borrowing for Capital Projects.—An interstate district may incur debt and issue its bonds or notes to finance capital projects. Such projects may consist of the acquisition or improvement of land and buildings for school purposes, the construction, reconstruction, alteration, or enlargement of school buildings and related school facilities, the acquisition of equipment of a lasting character and the payment of judgments. No interstate district may authorize indebtedness in excess of ten percent of the total fair market value of taxable property in its member districts as defined in article VI of this compact. The primary obligation of the interstate district to pay indebtedness of member districts shall not be considered indebtedness of the interstate district for the purpose of determining its borrowing capacity under this paragraph. Bonds or notes issued under this paragraph shall mature in equal or diminishing installments of principal payable at least annually commencing no later than two years and ending not later than thirty years after their dates.

“D. Authorization Proceedings.—An interstate district shall authorize the incurring of debts to finance capital projects by a majority vote of the district passed at an annual or special district meeting. Such vote shall be taken by secret ballot after full opportunity for debate, and any such vote shall be subject to reconsideration and further action by the district at the same meeting or at an adjourned session thereof.

“E. Sale of Bonds and Notes.—Bonds and notes which have been authorized under this article may be issued from time to time and shall be sold at not less than par and accrued interest at public or private sale by the chairman of the school board and by the treasurer. Interstate district bonds and notes shall be signed by the said officers, except that either one of the two required signatures may be a facsimile. Subject to this compact and the authorizing vote, they shall be in such form, bear such rates of interest and mature at such times as the said officers may determine. Bonds shall, but notes need not, bear the seal of the interstate district, or a facsimile of such seal. Any bonds or notes of the interstate district which are properly executed by the said officers shall be valid and binding according to their terms notwithstanding that before the delivery thereof such officers may have ceased to be officers of the interstate district.

“F. Proceeds of Bonds.—Any accrued interest received upon delivery of bonds or notes of an interstate district shall be applied to the payment of the first interest which becomes due thereon. The other proceeds of the sale of such bonds or notes, other than temporary notes, including any premiums, may be temporarily invested by the interstate district pending their expenditure; and such proceeds, including any income derived from the temporary investment of such proceeds, shall be used to pay the costs of issuing and marketing the bonds or notes and to meet the operating expenses or capital expenses in accordance with the purposes for which the bonds or notes were issued or, by proceedings taken in the manner required for the authorization of such debt, for other purposes for which such debt could be incurred. No purchaser of any bonds or notes of an interstate district shall be responsible in any way to see to the application of the proceeds thereof.

“G. State Aid Programs.—As used in this paragraph the term ‘initial aid’ shall include New Hampshire and Vermont financial assistance with respect to a capital project or the means of financing a capital project, which is available in connection with construction costs of a capital project or which is available at the time indebtedness is incurred to finance the project. Without limiting the generality of the foregoing definition, initial aid shall specifically include a New Hampshire state guarantee under RSA 195–B with respect to bonds or notes and Vermont construction aid under chapter 123 of 16 V.S.A. As used in this paragraph the term ‘long-term aid’ shall include New Hampshire and Vermont financial assistance which is payable periodically in relation to capital costs incurred by an interstate district. Without limiting the generality of the foregoing definition, long-term aid shall specifically include New Hampshire school building aid under RSA 198 and Vermont school building aid under chapter 123 of Title 16 V.S.A. For the purpose of applying for, receiving and expending initial aid and long-term aid an interstate district shall be deemed a native school district by each state, subject to the following provisions. When an interstate district has appropriated money for a capital project, the amount appropriated shall be divided into a New Hampshire share and a Vermont share in accordance with the capital expense apportionment formula in the articles of agreement as though the total amount appropriated for the project was a capital expense requiring apportionment in the year the appropriation is made. New Hampshire initial aid shall be available with respect to the amount of the New Hampshire share as though it were authorized indebtedness of a New Hampshire cooperative school district. In the case of a state guarantee of interstate districts bonds or notes under RSA 195–B, the interstate district shall be eligible to apply for and receive an unconditional state guarantee with respect to an amount of its bonds or notes which does not exceed fifty per cent of the amount of the New Hampshire share as determined above. Vermont initial aid shall be available with respect to the amount of the Vermont share as though it were funds voted by a Vermont school district. Payments of Vermont initial aid shall be made to the interstate district, and the amount of any borrowing authorized to meet the appropriation for the capital project shall be reduced accordingly. New Hampshire and Vermont long-term aid shall be payable to the interstate district. The amounts of long-term aid in each year shall be based on the New Hampshire and Vermont shares of the amount of indebtedness of the interstate district which is payable in that year and which has been apportioned in accordance with the capital expense apportionment formula in the articles of agreement. The New Hampshire aid shall be payable at the rate of forty-five per cent, if there are three or less New Hampshire members in the interstate district, and otherwise it shall be payable as though the New Hampshire members were a New Hampshire cooperative school district. New Hampshire and Vermont long-term aid shall be deducted from the total capital expenses for the fiscal year in which the long-term aid is payable, and the balance of such expenses shall be apportioned among the member districts. Notwithstanding the foregoing provisions, New Hampshire and Vermont may at any time change their state school aid programs that are in existence when this compact takes effect and may establish new programs, and any legislation for these purposes may specify how such programs shall be applied with respect to interstate districts.

“H. Tax Exemption.—Bonds and notes of an interstate school district shall be exempt from local property taxes in both states, and the interest or discount thereon and any profit derived from the disposition thereof shall be exempt from personal income taxes in both states.

“Article VIII

“TAKING OVER OF EXISTING PROPERTY

“A. Power To Acquire Property of Member District.—The articles of agreement, or an amendment thereof, may provide for the acquisition by an interstate district from a member district of all or a part of its existing plant equipment.

“B. Valuation.—The articles of agreement, or the amendment, shall provide for the determination of the value of the property to be acquired in one or more of the following ways:

“a. A valuation set forth in the articles of agreement or the amendment.

“b. By appraisal, in which case, one appraiser shall be appointed by each commissioner, and a third appraiser appointed by the first two appraisers.

“C. Reimbursement to Member District.—The articles of agreement shall specify the method by which the member district shall be reimbursed by the interstate district for the property taken over, in one or more of the following ways:

“a. By one lump sum, appropriated, allocated, and raised by the interstate district in the same manner as an appropriation for operating expenses.

“b. In installments over a period of not more than twenty years, each of which is appropriated, allocated, and raised by the interstate district in the same manner as an appropriation for operating expenses.

“c. By an agreement to assume or reimburse the member district for all principal and interest on any outstanding indebtedness originally incurred by the member district to finance the acquisition and improvement of the property, each such installment to be appropriated, allocated, and raised by the interstate district in the same manner as an appropriation for operating expenses.

“The member district transferring the property shall have the same obligation to pay to the interstate district its share of the cost of such acquisition, but may offset its right to reimbursement.

“Article IX

“AMENDMENTS TO ARTICLES OF AGREEMENT

“A. Amendments to the articles of agreement may be adopted in the same manner provided for the adoption of the original articles of agreement, except that:

"a. Unless the amendment calls for the addition of a new member district, the functions of the planning committee shall be carried out by the interstate district board of directors.

"b. If the amendment proposes the addition of a new member district, the planning committee shall consist of all of the members of the interstate board and all of the members of the school board of the proposed new member district or districts. In such case the amendment shall be submitted to the voters at an interstate district meeting, at which an affirmative vote of two-thirds of those present and voting shall be required. The articles of agreement together with the proposed amendment shall be submitted to the voters of the proposed new member district at a meeting thereof, at which a simple majority of those present and voting shall be required.

"c. In all cases an amendment may be adopted on the part of an interstate district upon the affirmative vote of voters thereof at a meeting voting as one body. Except where the amendment proposes the admission of a new member district, a simple majority of those present and voting shall be required for adoption.

"d. No amendment to the articles of agreement may impair the rights of bond or note holders or the power of the interstate district to procure the means for their payment.

"ARTICLE X

"APPLICABILITY OF NEW HAMPSHIRE LAWS

"A. General School Laws.—With respect to the operation and maintenance of any school of the district located in New Hampshire, the provisions of New Hampshire law shall apply except as otherwise provided in this compact and except that the powers and duties of the school board shall be exercised and discharged by the interstate board and the powers and duties of the union superintendent shall be exercised and discharged by the interstate district superintendent.

"B. New Hampshire State Aid.—A New Hampshire school district shall be entitled to receive an amount of state aid for operating expenditures as though its share of the interstate district's expenses were the expenses of the New Hampshire member district, and as though the New Hampshire member district pupils attending the interstate school were attending a New Hampshire cooperative school district's school. The state aid shall be paid to the New Hampshire member school district to reduce the sums which would otherwise be required to be raised by taxation within the member district.

"C. Continued Existence of the New Hampshire Member School District.—A New Hampshire member school district shall continue in existence, and shall have all of the powers and be subject to all of the obligations imposed by law and not herein delegated to the interstate district. If the interstate district incorporates only a part of the schools in the member school district, then the school board of the member school district shall continue in existence and it shall have all of the powers and be subject to all of the obligations imposed by law on it and not herein delegated to the district. However, if all of the schools in the member school district are incorporated into the interstate school district, then the member or members of the interstate board representing the member district shall have all of the powers and be subject to all of the obligations imposed by law on the members of a school board for the member district and not herein delegated to the interstate district. The New Hampshire member school district shall remain liable on its existing indebtedness; and the interstate school district shall not become liable therefor, unless the indebtedness is specifically assumed in accordance with the articles of agreement. Any trust funds or capital reserve funds and any property not taken over by the interstate district shall be retained by the New Hampshire member district and held or disposed of according to law. If all of the schools in a member district are incorporated into an interstate district, then no annual meeting of the member district shall be required unless the members of the interstate board from the member district shall determine that there is occasion for such an annual meeting.

"D. Suit and Service of Process in New Hampshire.—The courts of New Hampshire shall have the same jurisdiction over the district as though a New Hampshire member district were a party instead of the interstate district. The service necessary to institute suit in New Hampshire shall be made on the district by leaving a copy of the writ or other proceedings in hand or at the last and usual place of abode of one of the directors who reside in New Hampshire, and by mailing a like copy to the clerk and to one other director by certified mail with return receipt requested.

"E. Employment.—Each employee of an interstate district assigned to a school located in New Hampshire shall be considered an employee of a New Hampshire school district for the purpose of the New Hampshire teachers' retirement system, the New Hampshire State employees' retirement system, the New Hampshire workmen's compensation law and any other law relating to the regulation of employment or the provision of benefits for employees of New Hampshire school districts except as follows:

"1. A teacher in a New Hampshire member district may elect to remain a member of the New Hampshire teachers' retirement system, even though assigned to teach in an interstate school in Vermont.

"2. Employees of interstate districts designated as professional or instructional staff members, as defined in article I hereof, may elect to participate in the teachers' retirement system of either the state of New Hampshire or the state of Vermont, but in no case will they participate in both retirement systems simultaneously.

"3. It shall be the duty of the superintendent in an interstate district to: (a) advise teachers and other professional staff employees contracted for the district about the terms of the contract and the policies and procedure of the retirement systems; (b) see that each teacher or professional staff employee selects the retirement system of his choice at the time his contract is signed; (c) provide the commissioners of education in New Hampshire and in Vermont with the names and other pertinent information regarding each staff member under his jurisdiction so that each may be enrolled in the retirement system of his preference.

"ARTICLE XI

"APPLICABILITY OF VERMONT LAWS

"A. General School Laws.—With respect to the operation and maintenance of any school of the district located in Vermont, the provisions of Vermont law shall apply except as otherwise provided in this compact and except that the powers and duties of the school board shall be exercised and discharged by the interstate board and the powers and duties of the union superintendent shall be exercised and discharged by the interstate district superintendent.

"B. Vermont State Aid.—A Vermont school district shall be entitled to receive such amount of state aid for operating expenditures as though its share of the interstate district's expenses were the expenses of the Vermont member district, and as though the Vermont member district pupils attending the interstate schools were attending a Vermont union school district's schools. Such state aid shall be paid to the Vermont member school district to reduce the sums which would otherwise be required to be raised by taxation within the member district.

"C. Continued Existence of Vermont Member School District.—A Vermont member school district shall continue in existence, and shall have all of the powers and be subject to all of the obligations imposed by law and not herein delegated to the interstate district. If the interstate district incorporates only a part of the schools in the member school district, then the school board of the member school district shall continue in existence and it shall have all of the powers and be subject to all of the obligations imposed by law on it and not herein delegated to the district. However, if all of the schools in the member school district are incorporated into the interstate school district, then the member or members of the interstate board representing the member district shall have all of the powers and be subject to all of the obligations imposed by law on the members of a school board for the member district and not herein delegated to the interstate district. The Vermont member school district shall remain liable on its existing indebtedness; and the interstate school district shall not become liable therefor. Any trust funds and any property not taken over shall be retained by the Vermont member school district and held or disposed of according to law.

"D. Suit and Service of Process in Vermont.—The courts of Vermont shall have the same jurisdiction over the districts as though a Vermont member district were a party instead of the interstate district. The service necessary to institute suit in Vermont shall be made on the district by leaving a copy of the writ or other proceedings in hand or at the last and usual place of abode of one of the directors who resides in Vermont, and by mailing a like copy to the clerk and to one other director by certified mail with return receipt requested.

"E. Employment.—Each employee of an interstate district assigned to a school located in Vermont shall be considered an employee of a Vermont school district for the purpose of the state teachers' retirement system of Vermont, the state employees' retirement system, the Vermont workmen's compensation law, and any other law relating to the regulation of employment or the provision of benefits for employees of Vermont school districts except as follows:

"1. A teacher in a Vermont member district may elect to remain a member of the state teachers' retirement system of Vermont, even though assigned to teach in an interstate school in New Hampshire.

"2. Employees of interstate districts designated as professional or instructional staff members, as defined in article I hereof, may elect to participate in the teachers' retirement system of either the state of Vermont or the state of New Hampshire but in no case will they participate in both retirement systems simultaneously.

"3. It shall be the duty of the superintendent in an interstate district to: (a) advise teachers and other professional staff employees contracted for the district about the terms of the contract and the policies and procedures of the retirement system; (b) see that each teacher or professional staff employee selects the retirement system of his choice at the time his contract is signed; (c) provide the commissioners of education in New Hampshire and in Vermont with the names and other pertinent information regarding each staff member under his jurisdiction so that each may be enrolled in the retirement system of his preference.

"ARTICLE XIII

"ADOPTION OF COMPACT BY DRESDEN SCHOOL DISTRICT

"The Dresden School District, otherwise known as the Hanover-Norwich Interstate School District, authorized by New Hampshire laws of 1961, chapter 116, and by the laws of Vermont, is hereby authorized to adopt the provisions of this compact and to become an interstate school district within the meaning hereof, upon the following conditions and subject to the following limitations:

"a. Articles of agreement shall be prepared and signed by a majority of the directors of the interstate school district.

"b. The articles of agreement shall be submitted to an annual or special meeting of the Dresden district for adoption.

"c. An affirmative vote of two-thirds of those present and voting shall be required for adoption.

"d. Nothing contained therein, or in this compact, as it affects the Dresden School District shall affect adversely the rights of the holders of any bonds or other evidences of indebtedness then outstanding, or the rights of the district to procure the means for payment thereof previously authorized.

"e. The corporate existence of the Dresden School District shall not be terminated by such adoption of articles of amendment, but shall be deemed to be so amended that it shall thereafter be governed by the terms of this compact.

"ARTICLE XIII

"MISCELLANEOUS PROVISIONS

"A. STUDIES.—Insofar as practicable, the studies required by the laws of both states shall be offered in an interstate school district.

"B. TEXTBOOKS.—Textbooks and scholar's supplies shall be provided at the expense of the interstate district for pupils attending its schools.

"C. TRANSPORTATION.—The allocation of the cost of transportation in an interstate school district, as between the interstate district and the member districts, shall be determined by the articles of agreement.

"D. LOCATION OF SCHOOLHOUSES.—In any case where a new schoolhouse or other school facility is to be constructed or acquired, the interstate board shall first determine whether it shall be located in New Hampshire or in Vermont. If it is to be located in New Hampshire, RSA 199, relating to schoolhouses, shall apply. If it is to be located in Vermont, the Vermont law relating to schoolhouses shall apply.

"E. FISCAL YEAR.—The fiscal year of each interstate district shall begin on July first of each year and end on June thirtieth of the following year.

"F. IMMUNITY FROM TORT LIABILITY.—Notwithstanding the fact that an interstate district may derive income from operating profit, fees, rentals, and other services, it shall be immune from suit and from liability for injury to persons or property and for other torts caused by it or its agents, servants or independent contractors, except insofar as it may have undertaken such liability under RSA 281:7 relating to workmen's compensation, or RSA 412:3 relating to the procurement of liability insurance by a governmental agency and except insofar as it may have undertaken such liability under 21 V.S.A. Section 621 relating to workmen's compensation or 29 V.S.A. Section 1403 relating to the procurement of liability insurance by a governmental agency.

"G. ADMINISTRATIVE AGREEMENT BETWEEN COMMISIONERS OF EDUCATION.—The commissioners of education of New Hampshire and Vermont may enter into one or more administrative agreements prescribing the relationship between the interstate districts, member districts, and each of the two state departments of education, in which any conflicts between the two states in procedure, regulations, and administrative practices may be resolved.

"H. AMENDMENT.—Neither state shall amend its legislation or any agreement authorized thereby without the consent of the other in such manner as to substantially adversely affect the rights of the other state or its people hereunder, or as to substantially impair the rights of the holders of any bonds or notes or other evidences of indebtedness then outstanding or the rights of an interstate school district to procure the means for payment thereof. Subject to the foregoing, any reference herein to other statutes of either state shall refer to such statute as it may be amended or revised from time to time.

"I. SEPARABILITY.—If any of the provisions of this compact, or legislation enabling the same, shall be held invalid or unconstitutional in relation to any of the applications thereof, such invalidity or unconstitutionality shall not affect other applications thereof or other provisions thereof; and to this end the provisions of this compact are declared to be severable.

"J. INCONSISTENCY OF LANGUAGE.—The validity of this compact shall not be affected by any insubstantial differences in its form or language as adopted by the two states.

"ARTICLE XIV

"EFFECTIVE DATE

"This compact shall become effective when agreed to by the States of New Hampshire and Vermont and approved by the United States Congress."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

ADEL LESSERT BELLMARD ET AL.

The bill (H.R. 8391) for the relief of Adel Lessert Bellmard, Clement Lessert, Josephine Gonvil Pappan, Julie Gonvil Pappan, Pelagie Gonvil Franceour de Aubri, Victore Gonvil Pappan, Marie Gonvil, Lafleche Gonvil, Louis Laventure, Elizabeth Carbonau Vertifelle, Pierre Carbonau, Louis Joncas, Basil Joncas, James Joncas, Elizabeth Datcherute, Joseph Butler, William Rodger, Joseph Cote, four children of Cicili Compare and Joseph James, or the heirs of any who may be deceased was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1462), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to pay to the heirs of the persons named in the bill their proportionate share of the amounts set opposite the name of their respective ancestors in full settlement of the claims of the individuals for the detriment suffered by reason of the loss of those lands due to the failure of the United States to protect the rights of the original allottees.

The determinations made by the Secretary of the Interior as provided in this bill are to be final and conclusive. The bill further provides that the money paid shall not be subject to State or Federal taxes.

STATEMENT

The facts surrounding the claims of the individuals named in the bill are stated in the House report on H.R. 8391, as follows:

"The events upon which the claims embodied in H.R. 10596 began on June 3, 1825, when the United States entered into a treaty with the Kansas or Kaw Nation of Indians. Under that treaty, the Indians ceded certain lands in the State of Missouri and Kansas territory to the United States. Article 6 of that treaty (7. Stat. 244) reserved from those lands twenty-three 1-square-mile tracts for certain identified halfbreeds of the Kansas Nation. In the years prior to 1860, the Indian agent charged with responsibility for protecting the interests of the Indians indicated that intruders had settled on the lands and driven the allottees away. As a result of these reports, on May 26, 1860, the Congress passed a law to remedy the situation. Section 1 of that act vested in each of the allottees then living all of the title, interest, and state of the United States in his allotment. In the event that the original allottee was dead, the Secretary of the Interior was directed to determine the heirs and the title of the United States was vested and confirmed by the act in such heirs. Section 1 also provided that nothing in the act would give any binding effect to any prior sale of the land by an allottee or heir.

"Section 2 of the act of May 26, 1860, authorized the Secretary of the Interior to sell an allotment on request of the allottee or heir, and to sell the allotment of deceased allottees who left no heirs. Section 3 of the act authorized the Secretary to apply the proceeds of the sale in the manner that would be most advantageous to the persons entitled thereto.

"As is outlined in the Department of the Interior report, to facilitate carrying out the 1960 act, the Secretary of the Interior appointed W. H. Walsh and William H. Coombs to prepare reports in accordance with the purposes of the act. These reports were prepared in 1861–62. In transmitting the Walsh-Coombs reports to the Senate in June 1862, the Secretary noted that the reports disclosed that many settlers were on the land (some of whom had made improvements), and that the settlers claimed they had a right to purchase the lands. The reports also set forth the difficulties encountered in properly determining the descendants of the deceased reserves.

"The whole process was changed by Congress in the act of July 17, 1862 (12 Stat. 628). This act repealed section 2 and 3 of the 1860 act and that part of section 1 which authorized the Secretary to determine the heirs of the allottees. The Department of the Interior states that the effect of the 1862 act was to remove any Federal interest in the lands and to terminate any trust responsibilities the Government may have had on the basis of earlier legislation. The departmental report goes on to state in connection with this termination that 'In retrospect, the wisdom of termination of the Federal interest in 1862 in view of the known situation which existed at that time may be questioned. Nevertheless, that action represented a deliberate policy decision by the Congress.' The committee feels that the foregoing statement does not foreclose a present-day attempt to remedy this longstanding inequity.

"The bill in the 89th Congress, H.R. 10596, was the subject of a hearing on August 18, 1966. The current bill, H.R. 8391, was the subject of a hearing in the 90th Congress on October 5, 1967. The members of the subcommittee in the 89th Congress were concerned over the issues raised in the departmental report concerning the difficulties which might be encountered in determining the identity of the heirs of the original allottees. At the hearing, detailed charts were displayed to the subcommittee indicating the heirship of the individuals involved. Under the terms of the bill, the actual determination of heirship would be the responsibility of the Secretary of the Interior. Therefore, the committee merely observes that there appears to be information available which will be accessible to the Secretary and will therefore be available for his consideration.

"In recommending this legislation, the committee has fixed the land value of the allotment on the basis of a valuation of $5 an acre. The valuation of this land is based upon the fact that an appraisal was made of the property in 1862, and that each allotment was given a valuation on the basis of its value per acre. Averaging the values made at that time approximates $5 an acre, so that this is the value adopted by the committee in fixing the amounts set forth in the amended bill. The material submitted to the committee in this connection is as follows:

"Abstract of the report of William H. Coombs, special commissioner, to investigate the titles to certain Kansas halfbreed lands, 1862

"Survey:	*"Valuation per acre*
1	$6.00
2	19.00
3	8.00
4	6.00
5	5.00
6	5.00
7	1.25
8	5.00
9	5.00
10	6.00
11	5.00
12	5.00
13	5.00
14	5.00
15	3.00
16	2.00
17	3.00
18	4.00
19	6.00
20	6.00
21	6.00
22	6.00
23	4.00

"The above figures were taken from the Kansas halfbreed Indian files in the Archives of the United States, Washington, D.C.

"The committee after a full consideration of the material submitted in connection with the hearing and as set forth in the departmental report concluded that this is a proper subject for legislative relief.

"The change in the bill, H.R. 8391, which would be added by the committee amendment would be to provide that the determination by the Secretary of the Interior under the authority of this act concerning heirship and entitlement are to be final and conclusive. This is because the committee feels that this matter should be settled once and for all under the authority of this bill and that therefore complete finality should attach to the determinations by the Secretary of the Interior. The amended bill provides the means for an equitable adjustment of the matter and it is recommended that the bill with the amendments suggested by the committee be considered favorably."

After a study of the foregoing the committee concurs in the action of the House Judiciary Committee and recommends that the bill, H.R. 8391, be considered favorably.

MRS. CLAUDETTE C. DONAHUE

The bill (H.R. 10321) for the relief of Mrs. Claudette C. Donahue was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1463), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize and direct the Administrator of Veterans' Affairs to pay Mrs. Claudette C. Donahue of Bristol, Conn., $5,000 out of funds available for the payment of policies of national service life insurance reduced by the aggregate of any amounts repaid her because of the increased premium paid by her late husband for national service life insurance. The payment would be in full settlement of all her claims against the United States for the difference between the $5,000 she was paid and the $10,000 of insurance on the life of the late Sgt. Daniel F. Donahue for which premiums were paid during the life of the serviceman.

STATEMENT

The facts of the case are contained in the House report on this bill, and are as follows:

"The Department of the Air Force in its report to the committee deferred to the Veterans' Administration and the Veterans' Administration questions relief in this instance. Mrs. Claudette C. Donahue is the widow of Daniel F. Donahue who served in the U.S. Air Force from March 17, 1949, until June 21, 1963, when he lost his life in the crash of a military aircraft. On March 25, 1949, shortly after he entered the service Daniel F. Donahue applied for $5,000 insurance under the 5-year level premium term plan then in effect designating his mother and sister as principal and contingent beneficiaries. On July 22, 1952, he executed a change of beneficiary, naming his wife, Claudette C. Donahue, as the principal beneficiary and his mother as contingent beneficiary. When he originally applied for insurance he authorized an allotment from his service pay of $3.20 a month, which is the premium for a $5,000 policy. When the law was changed to authorize a serviceman's indemnity of $10,000 without cost to service personnel less any Government insurance in force, the law provided for the waiver of payment of premiums on existing insurance contracts and also provided that effective April 25, 1951, no new Government insurance could be purchased by persons in the Armed Forces.

"As is outlined in the Department of the Air Force report on January 1, 1957, the serviceman's indemnity coverage was terminated by Public Law 84–881. At that time, servicemen who had policies of national service life insurance were required to resume payment of insurance premiums to continue their coverage. In January of 1957, Sergeant Donahue established an allotment for national service life insurance premiums in the amount of $6.60. As is noted in the Air Force report, he apparently assumed that he was authorized $10,000 of national service life insurance, which would equal the $10,000 of coverage he possessed from 1951 to 1957 under the serviceman's indemnity law. Both the Air Force and the Veterans' Administration have indicated that this was not the fact. The Veterans' Administration subsequently informed the Air Force that the allotment was in error and refunded the premiums to Sergeant Donahue. However, the Air Force continued to deduct $6.60 from this pay through May of 1963, the month prior to that in which he met his death. Following Sergeant Donahue's death, the Veterans' Administration authorized the settlement of $5,000 national service life insurance to Mrs. Donahue commencing as of June 21, 1963, in monthly installments of $144.95. Final payment was made in May 1966. The excess amount withheld from Sergeant Donahue's pay was certified for payment to Mrs. Donahue on April 30, 1964, but she returned the check indicating that she felt she was entitled to settlement for the full $10,000 of insurance. Her claim for additional insurance was rejected by the Veterans' Administration.

"The committee has determined that the widow is equitably entitled to payment equal to a full coverage of $10,000 and the bill would provide for such a settlement less any amounts refunded as excess premiums. The Veterans' Administration has stated that the serviceman's death was traceable to the extra hazards of military service and recommended that if the bill is favorably considered, payment should be made payable from the national service life insurance appropriation. The committee is aware that the Veterans' Administration opposed relief in this instance but feels that the equities support relief to this widow under these particular circumstances. Accordingly, it is recommended that the bill, amended as recommended by the Veterans' Administration regarding payment from the national service life insurance appropriation, be considered favorably."

After a review of the circumstances surrounding this claim, the committee feels that relief should be accorded the claimant, and concurs in the action of the House in recommending that the bill, H.R. 10321, be considered favorably.

AMENDMENT OF SECTION 376(a), TITLE 28, UNITED STATES CODE

The bill (H.R. 9391) to amend section 376(a) of title 28, United States Code, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1464), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to amend the Judicial Survivors Annuity Act (28 U.S.C. 376) to allow entry into the survivorship plan of a judge who is unmarried at the time he takes office and who does not marry until after expiration of the 6-month period in which he must now elect to participate in the judicial survivors annuity system.

STATEMENT

Under existing law a Federal judge has only one opportunity to bring himself within the judicial survivors annuity system. A Federal judge must elect to participate or remain outside the system within 6 months after he takes office and his decision is irrevocable. A judge who has no wife or dependent children at the time of his election can gain no advantage by joining the system. However, if he fails to join within the 6-month period and subsequently marries he is unable to join the judicial survivors annuity system and thereby provide the protection for his wife and children. The proposed legislation would correct this undesirable situation.

The proposed legislation would give all judges who have not elected to participate in the system 6 months in which to do so. Judges who are appointed in the future, who are single at the time of their appointment, but who subsequently marry would be given an opportunity within 6 months after their marriage to participate in the system.

The proposed legislation would not affect any feature of the existing annuity system except the time in which a judge must elect to bring himself within the system. If a judge who is single at the time of appointment elects to come under the system within 6 months after his marriage or in the case of judges already on the bench, within 6 months of the enactment of the amendment, that judge must make a contribution to the system for all the time in which he has held office. Thereafter he will have 3 percent of his salary withheld each month for contribution to the judicial survivors annuity system.

As of June 1, 1968, there were 490 judges participating in the annuity system, 40 judges not participating, and one recent appointee who has the matter under consideration. Of the 40 nonparticipating judges, seven were unmarried at the time of declination, and two have since married. These two who have since married have both expressed a desire to participate under the system if this amendment is enacted.

BILL PASSED OVER

The bill (S. 1704) to amend title 28, United States Code, section 1491, to authorize the Court of Claims to implement its judgments for compensation, was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

WILLIAM D. PENDER

The Senate proceeded to consider the bill (S. 908) for the relief of William D. Pender which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the word "of" where it appears the second time, strike out "$6,292.40," and insert "$3,602.69,"; so as to make the bill read:

S. 908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William D. Pender, an employee of the Department of the Army, the sum of $3,602.69, in full satisfaction of all claims of the said William D. Pender against the United States for compensation for the loss of household goods and personal effects which he had to abandon in Fairbanks, Alaska, after he was incorrectly informed by the Department of the Army personnel that such goods and effects could not be stored or shipped at Government expense incident to his transfer from Fort Greely, Alaska, to Fort Belvoir, Virginia, and which could not otherwise be disposed of by the said William D. Pender because of prohibitively high commercial storage rates and the shortage of time between the issuance of transfer orders and the reporting date at his new duty station: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1466), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the bill, as amended, is to pay to William D. Pender the sum of $3,602.69 for the loss of his household goods and personal effects.

STATEMENT

The Department of the Army has advised the committee that it would have no objection to the enactment of the bill if it is amended to the figure suggested by the Department of the Army.

The sponsor of the legislation, Hon. E. L. Bartlett, has advised the committee that he has no objection to the amendment.

In its report on the bill, the Department of the Army sets forth the facts in the case and its recommendations as follows:

This bill would authorize and direct the Secretary of the Treasury to pay $6,292.40 to Mr. Pender for his claims against the United States for the loss of his household goods and personal effects which he abandoned in Fairbanks, Alaska, after being incorrectly informed by Army personnel that such property could not be stored or shipped at the expense of the United States pursuant to his transfer from Fort Greely, Alaska, to Fort Belvoir, Va.

The Department of the Army has no objection to the bill if amended as suggested in this report.

"Official records disclose that on September 5, 1962, Mr. William D. Pender, a resident of Alaska, received notification that he had been selected for an appointment as a nuclear powerplant operator at the Fort Greely Nuclear Powerplant. He reported to duty on the next day and worked at Fort Greely until September 20, 1962, when he began preparing for his departure to Fort Belvoir, Va., for a 48-week course pertaining to the operation of nuclear powerplants. He states that he was told by administrative personnel on Friday, September 21, 1962, that his goods could not be stored at Government expense over 90 days or shipped to Fort Belvoir. It is not clear when Mr. Pender was finally told that he could not store or ship his goods at Government expense but his travel orders, dated September 6, 1962, limited him and his wife to 400 pounds of hold baggage. He and his wife left by plane to the Fort Belvoir area on September 22, 1962, after disposing of most of their household goods to the Salvation Army because of prohibitive rates of commercial storage in Alaska. The only property not disposed of consisted of four boxes of clothes stored commercially, a box of tools stored with a neighbor, and a table and a record player stored with Mr. Pender's sister. The travel orders, dated September 6, 1962, were erroneous and were amended on November 6, 1962, to include shipment of Mr. Pender's household goods, but no administrative means were available to compensate him for his loss. Mr. Pender returned to Alaska following completion of the course at Fort Belvoir.

"The Department of the Army does not oppose a bill of this nature when a civilian employee has sustained financial loss resulting from an erroneous administrative determination as to travel allowances. The travel orders, dated September 6, 1962, were clearly erroneous in restricting Mr. and Mrs. Pender to 400 pounds of hold baggage pursuant to a permanent change of station. The amount provided for in the bill represents replacement value as indicated by prices in the Sears and Roebuck catalog of all of the property disposed of by Mr. Pender when he departed Alaska for Fort Belvoir. A more reasonable means of reimbursement, however, would appear to be the estimated depreciated value of the disposed of property which is the method of reimbursement normally used when a claim is filed against the United States for loss of property pursuant to a permanent change of station. In an interview held in Alaska with Mr. Pender on April 18, 1966, Army personnel attempted to make an estimate of the depreciated value of Mr. Pender's property. Mr. Pender, however, could not recall with any precision the acquisition dates of many of the items. As some items were accumulated over a 12-year period, the most reasonable evaluation of all of the property would appear to be on the basis of a mean period of 6 years for depreciation, an estimated value of $4,527.69.

"This figure, however, should be further reduced to $3,602.69 because of Mr. Pender's action upon his departure for Fort Belvoir in entrusting to his neighbor a box of tools which were never returned and in carelessly disposing of other small items of substantial value, such as a rifle, a shotgun, and a tape recorder, which could have been stored commercially or entrusted to his sister.

"In a letter, dated March 28, 1966, to the Department of the Army, Mr. Pender stated that his financial situation was marginal and his living costs were extremely high because he lives in an isolated area of Alaska. In an earlier letter to a Member of Congress, Mr. Pender stated that he was $5,000 in debt and that the financial hardship of replacing his household goods had caused that indebtedness. In view of these equitable considerations, the Department of the Army has no objection to the bill if amended as suggested in this report.

"The cost of this bill, if enacted as introduced, will be $6,292.40. If enacted as suggested in this report, the cost will be $3,602.69."

The committee believes that the bill, as amended, is meritorious and recommends it favorably.

MARTINA ZUBIRI GARCIA

The bill (H.R. 1648) for the relief of Martina Zubiri Garcia was considered, ordered to a third reading, read the third time, and passed.

DWAYNE C. COX AND WILLIAM D. MARTIN

The bill (H.R. 2281) for the relief of Dwayne C. Cox and William D. Martin was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1468), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed bill is to relieve Dwayne C. Cox and William D. Martin, employees of the Umatilla Army Depot, Department of the Army, Hermiston, Oreg., of all liability for repayment to the United States of the sum of $1,216.80 and $1,810.40 representing salary overpayments to the said Dwayne C. Cox and William D. Martin, respectively, for the respective periods October 21, 1962 through June 11, 1966, and October 21, 1961 through July 9, 1966, as a result of administrative errors without fault or knowledge on their parts, in adjusting their salary rates under section 504 of the Federal Salary Reform Act of 1962 (76 Stat. 842, 5 U.S.C. 1173, 1964 ed.). The bill would authorize the refund of any amount repaid or withheld by reason of the liability.

STATEMENT

The Department of the Army is not opposed to enactment of the bill.

The facts of the legislation are contained in the report of the House of Representatives, as follows:

"Mr. Cox was employed as a mechanical engineer on April 6, 1961, and Mr. Martin was employed as a mechanical engineer and supervisory mechanical engineer on April 21, 1958, at the Umatilla Army Depot, Hermiston, Oreg.

"The Federal Salary Reform Act of 1962 (supra) authorized the President or such agency as he might designate to establish higher minimum rates of basic compensation for certain employees when the salary rates of private enterprise exceeded the statutory salary rates for the position concerned to such a point as to handicap the Government's recruitment or retention of well-qualified persons. The President, by Executive Order 11056 dated October 11, 1962, designated the Civil Service Commission as the agency responsible for administering this provision of law as it relates to employees subject to civil service laws and regulations.

"Under authority granted to it by the President, the Civil Service Commission issued instructions (Federal Personnel Manual Letter 531–16, dated October 11, 1962) for the adjustment of salaries under the new law, that is, to fix the hiring rates to conform with former section 803 of the Classification Act of 1949, as amended (68 Stat. 1106) by adjusting increased salaries of employees occupying positions to the lowest per annum rates (by changes in step level or rate range) to equal or exceed their salaries as increased by the new law (Federal Salary Reform Act of 1962, supra). Paragraph 5(b) of Federal Personnel Manual Letter 531–16 provides:

"Employees occupying positions covered by increased minimum rates under former section 803 of the act immediately prior to the effective date of compensation schedule I of section 603(b) of the Classification Act shall, after their salaries are initially fixed under compensation schedule I in accordance with the provisions of section 602(b) of the Federal Salary Reform Act of 1962, then be placed at the lowest salary rate in the increased rate range established under paragraph (a) of this section which equals or exceeds their salaries as initially fixed under compensation schedule I.

"The overpayments referred to in H.R. 2281 resulted from errors made in attempting to adjust the salaries of Mr. Cox and Mr. Martin under this law. Their salaries were adjusted to the increased rate in accordance with compensation schedule I of the Federal Salary Reform Act of 1962 on October 21, 1962. Mr. Cox's salary was properly fixed at that for GS–9, step 5, $7,575 per annum. His step then should have been adjusted to step 3 (of GS–9) with a per annum salary of $7,575 under the provisions of Federal Personnel Manual Letter 531–16. He was erroneously left in step 5 at $8,025 per annum by the Umatilla Army Depot administrative personnel. Mr. Martin's salary rate was properly fixed at that for GS–11, step 7, $9,635 per annum. His step then should have been adjusted to step 5 (of GS–11) with a per annum salary of $9,635 as specified in the Federal Personnel Manual Letter 531–16. The depot erroneously left him in step 7 at $10,165 per annum. The mistakes made in conversion of the two employee's salaries caused future errors in statutory pay adjustments and within-grade step increases in their salaries.

"It was not until an audit of the General Accounting Office of the civilian payroll at the Umatilla Army Depot in January and February of 1966 that it was ascertained that an error had been made in fixing the salary rates of Mr. Cox and Mr. Martin. Mr. Cox was overpaid $1,138.03 for the period October 21, 1962, through June 11, 1966, as the result of an administrative error in adjustment of his salary on October 21, 1962. The cumulative retirement adjustment of $78.77 for his erroneous pay brings his total indebtedness to the United States to $1,216.80. Similarly, Mr. Martin was overpaid $1,676.53 for the period October 21, 1962, through July 9, 1966. Adjustments in his cumulative retirement of $117.87 and Federal employees' group life insurance of $16 result in a total indebtedness for Mr. Martin of $1,810.40."

In indicating that it had no objection to relief under these circumstances, the Department of the Army stated its reasons for not opposing relief as follows:

"The Department of the Army generally does not oppose a bill of this nature when civilian employees have received in good faith and for services rendered an erroneous payment in salary. These overpayments resulted from the failure of administrative personnel of the Department to make proper step adjustments for Mr. Cox and Mr. Martin under the Federal Personnel Manual letter (supra). The overpayments were received in good faith and through no fault of Mr. Cox or Mr. Martin. In financial statements submitted to this Department, Mr. Cox and Mr. Martin indicate that repayment of the debts will impose a severe hardship on them and their families. In view of these equitable considerations, the Department of the Army has no objection to the bill."

The committee, after reviewing the facts of the case, concurs in the action of the House of Representatives, and recommends that the bill, H.R. 2281, be favorably considered.

PETER BALINAS AND LEE BALINAS

The bill (H.R. 6195) for the relief of Peter Balinas and Lee Balinas was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1469), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to provide that, notwithstanding section 3010 of title 38, United States Code, or any statute of limitations, the application filed on or about November 7, 1966, in behalf of Peter Balinas and Lee Balinas for benefits or compensation under the veterans' benefits provisions of title 38 of the United States Code as the surviving children of the late Peter T. "Pedro" Balinas (XC–3–345–947) who died October 1, 1965, shall be held and considered to have been filed with the Veterans' Administration within 1 year of his death.

STATEMENT

The House of Representatives, in its favorable report on the bill, relates the following:

"The Veterans' Administration in its report to the committee on the bill recommended the favorable consideration of the bill.

"The beneficiaries named in the bill, Peter Balinas and Lee Balinas, are the surviving children of the late Peter T. 'Pedra' Balinas. Peter T. Balinas had served honorably in the U.S. Army from January 17, 1941, to September 3, 1943, and from July 9, 1948, to April 8, 1952. At his death in London, England, on October 1, 1965, he was survived by a widow, Mrs. Beryl Hardy Balinas, and twin sons, Peter and Lee Balinas, under 18 years of age, who were subsequently ascertained to be in the custody of the veteran's divorced wife, Verby L. Balinas.

"The widow, Mrs. Beryl Hardy Balinas, filed a claim for Veterans' Administration death benefits for herself on October 8, 1965. When her claim was being developed the veteran's records revealed that there were children, and she was specifically requested to furnish information as to their existence and whereabouts. She replied that she had no information of them whatsoever.

"A letter soliciting a claim was sent to the children's custodian, Mrs. Verby L. Balinas, at her last address of record, which was in New Orleans, La. The letter was returned as unknown at that address. Then a letter was mailed to the children's custodian, directed to the veteran's last known U.S. address of record, which was in Pasadena, Tex. This letter was also returned as not at that address.

"The widow, in establishing her marriage, had submitted a copy of the decree of divorce granted to the children's custodian from the veteran. A letter was sent to the clerk of the court of domestic relations which had issued the decree, requesting the last addresses of record of the children's custodian and her attorney, or any information as to the location of the children. The clerk replied that the address of the custodian was unknown, but he supplied the name and address of her attorney. Upon request, the attorney furnished the current address of the children's custodian, and a letter soliciting a claim was sent to her on October 27, 1966. As a result of this letter a claim on behalf of the two children was received November 7, 1966, more than 1 year after the veteran's death.

"Chapter 13 of title 38, United States Code, authorizes payment of monthly dependency and indemnity compensation to a widow of a veteran whose death was service connected. Section 411(a) of that chapter provides a formula for payment of a particular amount to each widow irrespective of whether there are children. Under section 411(b) an additional amount is payable to the widow in certain cases wherein two or more children survive the veteran. No amount is provided by the dependency and indemnity compensation law for direct payment to children under 18 years of age.

"Section 3107 of title 38 provides, however, that where any of the children of a deceased veteran are not in the custody of the veteran's widow, the dependency and indemnity compensation otherwise payable to the widow may be apportioned for the benefit of the children as prescribed by the Administrator of Veterans' Affairs Pursuant to that statutory authority, VA Regulation 1461(B) provides for payment of specified shares, out of the dependency and indemnity compensation otherwise payable to the widow, for each child of a veteran under 18 years of age not in the custody of the widow (38 CFR 3.461(B)).

"The veteran's death was determined to be service connected and an award of dependency and indemnity compensation was made to the widow, under title 38, United States Code, section 411(a), in the amount of $150 monthly effective October 1, 1965, and raised to $151 monthly effective July 1, 1966, pursuant to Public Law 89–501. There was withheld from each monthly benefit otherwise due the widow the amount of $70 for a possible retroactive apportionment for the two children. If a claim on account of the children had been received within 1 year from the veteran's death, the consequent apportionment of $70 from the widow's section 411(a) benefit would have been made effective the same date as the widow's award, October 1, 1965, in accordance with title 38, United States Code, section 3010(d).

"Upon expiration of 1 year from the veteran's death, without a claim on behalf of the children having been received, the amounts withheld at the rate of $70 per month were released to the veteran's widow. When the claim for the children was subsequently received, on November 7, 1966, an apportioned award for them of $70 per month, from the dependency and indemnity amount otherwise due the widow under title 38, United States Code, section 411(a), was made effective the date of receipt of said claim, to continue until the children's 18th birthday. This action accorded with title 38, United States Code, section 2010(a), which provides, in effect, that where a claim is not filed within 1 year of the veteran's death, an award shall become effective not earlier than the date of claim.

In addition to the apportionment of $70 per month for the children since November 7, 1966—from the widow's section 411(a) benefit—payments of $14 per month are being made to their mother for them, also effective November 7, 1966, based on the aforementioned section 411(b) of title 38, United States Code.

The Veterans Administration in its report to the committee notes that the bill provides that the application of November 7, 1966, is to have been considered as if it was filed within 1 year of the veteran's death. The Veterans' Administration states that it interprets the intent of the bill to be that the Veterans' Administration will be required to pay the surviving children amounts they would have been entitled to under applicable law for the period October 1, 1965, through November 7, 1966. These amounts are $70 per month, representing the amount payable under section 411(a) of title 38 which would have been apportioned for the children if there had been a timely application, and an additional amount of $14 a month which was not previously paid to anyone for the specified period under section 411(b) of the same title. The bill makes no provision for a recoupment for amounts heretofore paid and the cost of the measure, if enacted, would be $1,108,80.

"This committee has determined that it is only just that legislative relief be extended to these children of the veteran as provided in the bill. The history of the matter outlined in detail in his report demonstrates that the children were prejudiced by events beyond their control and there appears to be no way in which they could be notified of their rights except as was done in this case. The Veterans' Administration has made it clear that under existing law, the Veterans' Administration had no choice but to follow the course of action taken in this case which had the effect of denying the benefits to the children. As has been noted, a concerted effort was made to locate the custodian of the children in order to advise the custodian their rights to secure the necessary application for benefits, but this was not possible until after the 12 months' period fixed in the law had expired. The Veterans' Administration recognizes the equities of this case and in recommending favorable consideration of the bill stated that current law is too rigid in cases such as this. The Veterans' Administration in this connection stated as follows:

" 'We feel that the current law is too rigid in cases such as this. We plan to study the desirability of legislation that would allow more equitable determinations under these and similar circumstances. Favorable consideration of this bill is accordingly recommended.'

"In view of the equities outlined in this report, the favorable recommendation of the Veterans' Administration, and the fact that this bill merely makes it possible to pay the children the amounts they would have been entitled to under applicable law, it is recommended that the bill be considered favorably."

The committee, after consideration of all of the foregoing concurs in the action of the House of Representatives and recommends that the bill (H.R. 6195) be considered favorably.

MARY JANE ORLOSKI

The bill (H.R. 6655) for the relief of Mary Jane Orloski was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1470), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Mary Jane Orloski, of Rockville, Md., of liability to the United States in the amount of $1,847.20 for overpayments as an employee of the National Bureau of Standards from June 21, 1964, through July 30, 1966, which resulted from administrative error.

STATEMENT

The facts of the case as contained in House Report No. 1355 are as follows:

"The Department of Commerce, in its report to the committee on the bill, indicated that it had no objection to its enactment. The General Accounting Office, in its report on the bill, indicated a policy question but concluded that the determination of relief in this instance is a matter for determination by the Congress.

"The difficulty which gave rise to the overpayment referred to in the bill occurred because on June 21, 1964, Miss Orloski came to the National Bureau of Standards from Walter Reed Army Medical Center on a transfer-career conditional. At the time Miss Orloski left Walter Reed she held the position of mechanical engineer, GS–7, step 2, on the shortage category pay schedule as provided for in section 504 of the Federal Salary Reform Act of 1962 (Public Law 87–793, dated Oct. 11, 1962; 76 Stat. 842; 5 U.S.C. 5303).

"The position to which Miss Orloski was appointed at the National Bureau of Standards was technical publication editor (Physical Sciences and Engineering) GS–7. Through administrative error her salary was set at the same annual rate she received at Walter Reed. There was no legal basis for this action inasmuch as positions of technical publications editor are not a shortage category for pay purposes and are paid in accordance with the general schedule. In fact, such action is specifically prohibited in supplement 990–1 of the Federal Personnel Manual (Laws, Executive Orders, Rules, and Regulations), section 531–203(d)(2) which states in pertinent part, 'The highest previous rate may not be based on * * * (ii) a rate of compensation established under section 504 of the Federal Salary Reform Act of 1962.'

"Thus, because of the error, Miss Orloski was initially paid at the rate of $6,965 (the seventh step of GS–7 on the general schedule) rather than the correct rate of $5,795 (the first step of GS–7 on the general schedule). The error remained unnoticed throughout a series of personnel actions affecting her during the 2-year period which followed. Details of the pay period by pay period computations, which show the amount Miss Orloski was actually paid and the amount she should have been paid, are attached.

"The mistake was ultimately discovered in late July 1966 when Miss Orloski's official personnel folder was being reviewed in connection with a proposed reassignment to a position of mechanical engineer in another division of the National Bureau of Standards. It was corrected at the start of the pay period commencing on July 31, 1966.

"The report of the Department of Commerce states that Miss Orloski is blameless in connection with the overpayment. At the time she accepted the position at the National Bureau of Standards she believed she would be paid the same salary as received previously. There is little likelihood that she would have accepted the transfer to the National Bureau of Standards had she known that her new salary was to be $1,170 per annum less than her salary at Walter Reed. Moreover, until the overpayment was discovered, Miss Orloski was unaware that she had been overpaid. Repayment of the money involved would cause an economic hardship to Miss Orloski.

"The committee has carefully considered the facts outlined above and feel that this is clearly a case for legislative relief. It is obvious that the employee would have had no notice of the invalidity of the amounts paid her for she was being compensated at the same rate as she had received in her former position with the Government at the Walter Reed Army Medical Center. As was noted above and in the report of the Department of Commerce, she accepted this transfer with the understanding that she would be paid the same salary. It has also been noted that overpayment in this instance would create an economic hardship on the employee. Under these circumstances it has been concluded that justice and equity require that the relief provided for in this bill, amended to provide for the technical correction of the date as to the period involved, be considered favorably."

In agreement with the favorable views of the House of Representatives and the Department of Commerce, the committee recommends that the bill do pass.

LOUIS J. FALARDEAU ET AL.

The bill (H.R. 10327) for the relief of Louis J. Falardeau, Irva G. Franger, Betty Klemcke, Wineta L. Welburn, and Emma L. McNeil, all individuals employed by the Department of the Army at Fort Sam Houston, Tex., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1471), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve five named employees of the Department of the Army at Fort Sam Houston, Tex., of the obligation to repay the amount set opposite their names which they received due to administrative errors in the determination of salary adjustments at the end of a salary retention period following reductions in grade and in the case of one employee due to errors in adjustment of pay incident to a promotion. The bill authorizes the refund of any amounts paid or withheld by reason of the obligations referred to in the bill.

STATEMENT

The Department of the Army is not opposed to the bill.

The facts in the case are contained in the House report on H.R. 10327 and are as follows:

"The four persons named in section 3 of the bill were overpaid as a result of administrative errors in the adjustment of salaries following a period of salary retention or 'saved pay' after a reduction in grade. These errors were disclosed in an audit conducted by the General Accounting Office in January of 1966. The employees were reduced in grade during the period November 22, 1960, and July 30, 1961. As is authorized in section 507 of the Classification Act of 1949, as amended (5 U.S.C. 1107 (1958 ed.)), they received the salary of their higher grade for a period of 2 years after the date of reduction. Each of the four employees named in section 3 was placed in a step within the lower grade which prior to the Classification Act Amendments of 1962 (76 Stat. 843, 5 U.S.C. 1113(b)), was a longevity step. This action was subsequently determined to be incorrect by the Comptroller General (43 Comp. Gen. 169, Aug. 20, 1963). The report of the Department of the Army detailed the specific manner in which the errors occurred in each of these four cases. The Army stated:

"On December 31, 1962, Louis J. Falardeau was erroneously placed in step 9 of grade GS–7. He should have been placed in step 7 of grade GS–7. On April 12, 1964, he was promoted to grade GS–9, step 5. He should have been placed in step 4 of grade GS–9. These errors resulted in gross overpayments for the period December 31, 1962, through January 15, 1966, of $919.82. A retirement adjustment of $60.12 reduced the overpayment to $859.70. The amount of $30 was deducted from his salary before suspension of collection action by the General Accounting Office effective March 27, 1966. Information received from Mr. Falardeau indicates 3 years are necessary for repayment of his debt, that he is 62 years of age, and it is necessary to postpone his retirement in order to satisfy the debt.

"On July 30, 1963, Irva G. Franger was erroneously placed in step 10 of grade GS–4. She should have been placed in step 8 of grade GS–4. Due to this error, gross overpayments for the period of July 30, 1963, through January 15, 1966, were $713.67. A retirement adjustment of $44.77 reduced the overpayment to $668.90. The amount of $10 was deducted from her salary prior to suspension of collection action on March 27, 1966. Mrs. Franger informed this Department that the cost of her son's special grade school education consumes all of the family earnings and that repayment imposes a hardship.

"On January 1, 1963, Betty Klemcke was erroneously placed in step 10 of grade GS–4. She should have been placed in step 8 of grade GS–4. On January 6, 1963, she was promoted to grade GS–5, step 8. She should have been placed in step 7 of grade GS–5. On January 10, 1965, she was demoted from grade GS–5 to grade GS–4 with saved pay at a per annum salary of $6,155. This salary was also in error as it was based on step 8 of grade GS–5 and should have been at a per annum rate of $5,990, the rate for step 7 of grade GS–5. These errors resulted in gross overpayments for the period January 1, 1963, through January 15, 1966, of $525.32. A retirement adjustment of $33.22 reduced the overpayment to $492.10. Mrs. Klemcke refunded $20 of this amount prior to suspension of collection action on March 27, 1966. Information received by this Department indicates repayment of the debt will result in the postponement of Mrs. Klemcke's retirement indefinitely. She is now 63 years old.

"On November 22, 1962, Wineta L. Welburn was erroneously placed in step 10 of grade GS–4. She should have been placed in step 8 of grade GS–4. This error resulted in gross overpayments for the period November 22, 1962, through January 15, 1966, of $598.99. A retirement adjustment of $33.72 reduced the overpayment to $560.72. Mrs. Welburn refunded $10 prior to suspension of collection action on her debt by the General Accounting Office effective March 27, 1966.

"The employee named in the fourth section of the bill, Mrs. Emma L. McNeil, received gross overpayments of $422.74 in her salary for the period August 28, 1955, through August 20, 1960. On August 28, 1955, she was promoted to GS–3 with a salary of $3,770 per annum. An administrative error was made in adjusting her pay in the new position. Under pertinent regulations her salary should have been fixed at $3,685 per annum, the maximum step of the grade, instead of $3,770 per annum, the first longevity step of the grade (CPR N1.6–4b(1)). Under regulations in effect at the time of her promotion she did not meet the length-of-service requirement for the longevity step increase (CPR P8.3–3). The administrative error was discovered on September 20, 1960, and appropriate adjustments were made which reduced the debt to $304.25. Mrs. McNeil paid this amount by check on October 14, 1960."

The Department of the Army, in its report to the House Committee on the Judiciary, states its investigation disclosed that the employees named in the bill received the overpayments in good faith and for services performed; and further observed that the overpayments were caused by administrative error on the part of personnel of the Department of the Army.

The committee concurs in the action of the House of Representatives and is in accord that repayment of the obligations would cause hardship to the employees concerned. Accordingly, it is recommended that favorable consideration be given to H.R. 10327 without amendment.

E. L. TOWNLEY ET AL.

The bill (H.R. 11381) for the relief of E. L. Townley, Otis T. Hawkins, and Leo T. Matous was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1472), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the bill is to authorize and direct the Secretary of the Treasury to pay out of any money in the Treasury not otherwise appropriated, to each individual named in section 2 of the bill an amount representing overpayment of compensation while an employee of the Department of the Navy at the U.S. Naval Air Station, Dallas, Tex.

STATEMENT

The Department of the Navy is not opposed to enactment of the bill, and in its report to the House Committee on the Judiciary states in part:

"The records of this Department show that a recent GAO payroll audit at Corpus Christi, Tex., revealed that three employees of the U.S. Naval Air Station, Dallas, Tex., were overpaid as a result of an administrative error. Mr. Ernest L. Townley (identified in H.R. 11381) and Mr. Otis T. Hawkins received salary overpayments resulting from an administrative error in determining their salary on the termination of saved pay benefits. Both employees were changed to lower grades effective January 1, 1961, with 2-year salary retention benefits. Both employees were erroneously paid at a higher step rate than that to which they were entitled upon termination of the salary retention period on January 1, 1963. Mr. Townley received an overpayment of $1,658.40 from January 1, 1963, to March 25, 1967. Mr. Hawkins received an overpayment of $1,598.72 from January 1, 1963, to March 25, 1967. The third employee at NAS, Dallas, Tex., who received an overpayment was Mr. Leo T. Matous. Mr. Matous was given a within-grade increase effective May 10, 1964, prior to the completion of the required waiting period. He had been changed to a lower grade with salary retention benefits effective September 2, 1962, and was repromoted to the former grade on July 21, 1963. In accordance with Comptroller General decision, dated April 23, 1964 (43 Comp. Gen. 701), a new waiting period for a within-grade increase would begin at the date of repromotion on July 21, 1963, and the next within-grade increase would not be due until July 17, 1966. As a result, Mr. Matous was overpaid $487.20 during the period May 10, 1964, to July 16, 1966.

"The Department of the Navy would have no objection to the enactment of H.R. 11381 if it is amended to relieve all employees identified by the GAO audit."

The committee, after reviewing the facts set forth in the report of the Department of the Navy, concurs in the action of the House of Represenatives. The committee notes that the overpayments to the named employees were due to administrative error, and that repayment would in all cases be a hardship upon each individual involved. Accordingly, it is recommended that favorable consideration be given to H.R. 11381, without amendment.

JOSEPH M. HEPWORTH

The bill (H.R. 12119) for the relief of Joseph M. Hepworth was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1473), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purposes of the proposed legislation is to relieve Joseph M. Hepworth, chief personnelman, U.S. Navy (retired), of La Mesa, Calif., of liability to the United States in the amount of $1,823.45, representing overpayments of disability retired pay made to him by the United States through administrative error from February 1, 1954, through June 30, 1964. The bill would authorize the repayment of any amounts repaid or withheld by reason of this liability.

STATEMENT

The facts of the case as contained in House Report No. 863 are as follows:

"The Department of the Navy in its report to the committee on this bill indicates that it would not oppose favorable consideration of the bill.

"Joseph M. Hepworth, a retired chief personnelman of the N.S. Navy, was serving in the Philippines at the time of the outbreak of hostilities in that area during World War II. He subsequently was decorated for extraordinary heroism during the period he was serving in the beach defenses on Fort Hughes, a fortified island in Manila Bay. In April of 1942, he volunteered to join a party of men to dig out two men reported buried alive on the top of the fort after an air bombardment, in the midst of a second enemy bombardment. This is the citation referred to in the Navy report. As is indicated in that report, Chief Hepworth was transferred to the Fleet Reserve on August 13, 1953, but retained on active duty until February 1, 1954. Prior to this latter date, he was determined to be eligible for temporary disability retirement. This finding gave him the election, under then existing policy, of being released to inactive duty as a fleet reservist under the source law now contained in 10 U.S.C. 6330, or being placed on the temporary disability retired list under law now codified in 10 U.S.C. 1401 et seq. In either case, his pay—retainer or retired—would have been the same: 2½ percent times 20 (years) times $275.18 (existing base pay) or $137.59, except that under the provisions of law which have become 10 U.S.C. 6330(c) he was eligible to receive an additional 10 percent of retainer pay for having been decorated for extraordinary heroism in the line of duty. This additional pay was not, and is not, authorized for personnel retired for physical disability.

"The Navy investigation of this matter disclosed that Chief Hepworth was misinformed concerning his right to an additional 10 percent in pay to which he would be entitled in connection with disability retirement. He was advised that if he elected to be placed on the temporary disability retired list, he would receive the same compensation that he was entitled to as a fleet reservist, including the additional 10-percent payment for his heroism. He acted on the information that he received and elected to be placed on the temporary disability retired list on February 1, 1954, and he was transferred to the permanent disability retired list on July 1, 1957. As a result, he was paid the additional 10 percent continuously from February 1, 1954, until July 1, 1964.

"On June 18, 1964, the Comptroller General ruled that there was an administrative error in the determination in Chief Hepworth's case and the payment he had received for extraordinary heroism had been improper. As a result, the payment was stopped and steps were taken to recoup the $1,823.45 paid to the retired Navy man.

"The committee finds that the facts of this case cearly demonstrate that this is a proper subject for legislative relief. The Navy has found that there is no evidence of wrongdoing on Chief Hepworth's part. His indebtedness has resulted from the action of governmental employees in giving him erroneous advice in processing his retirement. The Navy has pointed out that the erroneous interpretation is understandable, when it is considered that two men with 20 years of service could take part in the same act of extraordinary heroism and receive the same recognition for their acts. If one of those servicemen escaped injury and subsequently transferred to the Fleet Reserve, he would be eligible for the 10-percent additional retired pay. On the other hand, if the other serviceman were wounded and placed on the disability retired list (even on the same date and with the same service as the other), the second individual could not lawfully receive additional retirement pay.

"In view of the particular circumstances of this case and the equities it involves, the committee recommends that the bill, as amended, be considered favorably."

In agreement with the favorable views of the House of Representatives and the Department of the Navy, the committee recommends that the bill do pass.

LYDIA M. PARSLEY

The bill (H.R. 14167) for the relief of Lydia M. Parsley was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1474), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Lydia M. Parsley, of Brownsdale, Minn., of liability in the amount of $3,927.09 claimed by the Post Office Department resulting from a miscalculation of postage in 78 mailings of third-class mail in the period from May 24, 1961, through November 14, 1962. The bill would authorize the refund of any amounts repaid or withheld by reason of the indebtedness.

STATEMENT

The facts of the case as contained in House Report 1445 are as follows:

"The Post Office Department in its report to the committee on the bill stated that it would have no objection to its enactment.

"The indebtedness which gave rise to the introduction of H.R. 14167 was caused by the fact that there was a miscalculation of the postage required on 78 mailings of third-class mail and Miss Parsley as the postmaster was held responsible for the deficiencies. As is noted in the Post Office Department report, the mailings occurred between May 24, 1961, and November 14, 1962.

"Miss Parsley is postmaster of the Brownsdale Post Office, a small post office, which at the time of this incident was a third-class office. She had only one permit imprint mailer, and she had accepted mailings from this mailer who is identified as the publisher, The Bargain Counter, Brownsdale, Minn., consisting of about 500 pieces for a long time at the 2½-cent minimum charge per piece which was correct. In 1961, this mailer began mailing approximately 2,500 pieces each week, and according to the postal regulations at that time, Miss Parsley could have collected 2½ cents minimum charge per piece. She interpreted the somewhat confusing regulations to mean that when the mailer had more than 20 pounds that she should collect the pound rate rather than the minimum per-piece rate. The committee has learned that Miss Parsley did not have anyone in the office to consult on this and she followed the regulations as she interpreted them and collected the postage which she understood to be correct. The committee feels that it is pertinent to note that Miss Parsley's office was not inspected from July 1, 1961, to July 1, 1962. Miss Parsley was adversely affected by this delay since, had inspections been more frequent, and had a year not passed before the inspeotor noticed the erroneous charge of a smaller rate of postage, the loss to the Post Office Department would not have been as large. Of course, Miss Parsley did not benefit in any way from the mistake. Although the Post Office Department made at least two attempts to collect sufficient postage from the mailer, he refused to remit on the basis that he was able to reduce advertising rates because of the lesser amount of postage.

"The committee has concluded that it is unfair that Miss Parsley should be held financially responsible. Had she collected the correct amount of postage from the mailer, her salary would have been increased due to the increase in the gross receipts of her office. The Post Office report further states that the records of the Post Office Department indicate that there was no misappropriation of funds or wrong-doing on the part of Miss Parsley. After its examination of the matter, the Post Office in its report stated that it would have no objection to the bill in view of the particular circumstances of the case.

"It was not possible for Miss Parsley to raise the entire amount of the deficiency; and as a consequence, it was necessary for her to borrow the money to make the required periodic payments which reduced her indebtedness to a balance of $1,127.09. Miss Parsley has only a few years left before she is to be retired from her position. This indebtedness is therefore a difficult burden at this time.

"In view of the position adopted by the Post Office Department and in view of the equitable considerations involved in the case, the committee recommends that the bill be considered favorably."

In agreement with the favorable views of the House of Representatives and the Post Office Department, the committee recommends that the bill do pass.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

BADLANDS NATIONAL MONUMENT

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9098.

The **PRESIDING OFFICER** laid before the Senate H.R. 9098, to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes.

Mr. JACKSON. Mr. President, on July 3, the Senate passed with an amendment H.R. 9098, a bill to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes.

The Senate's amendment was to delete the word "Indian" thereby placing all of the former owners of lands acquired for the Badlands Gunnery Range—both Indian and non-Indian—in the same relative position to repurchase their former holdings, or substitute lands if their previous holdings were not available for acquisition.

On July 16, the House of Representatives disagreed with the Senate amendment and adopted House Concurrent Resolution 798 directing the clerk of the House, in the enrollment of H.R. 9098, to change the language on page 4, lines 9 through 21, of the House engrossed bill by inserting the following:

> (b) Any former Indian or non-Indian owner of a tract of such land, whether title was held in trust or fee, may purchase such tract from the Secretary of the Interior under the following terms and conditions:
>
> (1) The purchase price to a former Indian owner shall be the total amount paid by the United States to acquire such tract and all interests therein, plus interest thereon from the date of acquisition at a rate determined by the Secretary of the Treasury taking into consideration the average market yield of all outstanding marketable obligations of the United States at the time the tract was acquired by the United States, adjusted to the nearest one-eighth of 1 per centum. The purchase price to a former non-Indian owner shall be the present fair market value of the tract as determined by the Secretary of the Interior.

The effect of this most recent change in the bill is to specify the terms and conditions under which either a former Indian owner or a former non-Indian owner may purchase lands. The purchase price to a former Indian owner will be the total amount paid by the United States to acquire the property plus interest from the date of acquisition. The purchase price to a former non-Indian owner will be the present fair market value as determined by the Secretary of the Interior.

I wish to make it very clear that this provision permitting former non-Indian owners of Federal lands to repurchase those lands should not be considered a precedent. Under ordinary circumstances this property would be disposed of through regulations of the General Services Administration. However, this is an unusual situation, the former owners having been assured they would be able to repurchase their land following the end of World War II. In any event, the Federal Government will be receiving today's fair market value for the lands former non-Indian owners may reacquire.

On July 17, the Senator from West Virginia [Mr. Byrd] requested that the Chair lay before the Senate, House Concurrent Resolution 798, and the resolution was agreed to. Subsequently, on July 18, at the request of the Committee on Interior and Insular Affairs, the Senator from West Virginia entered a motion for the reconsideration of the vote by which House Concurrent Resolution 798 was agreed to on July 17. The purpose in requesting reconsideration was to permit the chairman to consult with the Senators from South Dakota to make certain that the language adopted by the House in House Concurrent Resolution 798 was satisfactory to them and their constituents.

I am in receipt of communications from persons who represent the former owners of the lands in question, giving assurance that the House language is agreeable to them, and I ask unanimous consent that a telegram from Mr. J. M. Doyle, of Rapid City, S. Dak., a telegram from Robert E. Updike, and a statement by Mrs. Ellen Janis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RAPID CITY, S. DAK.,
July 22, 1968.

Senator GEORGE MCGOVERN,
Chairman, Senate Indian Affairs Subcommittee, Senate Office Building, Washington, D.C.:

I am attorney for, and represent the interests of, Mr. Paul Guiser, Ward and Pearl Ellis, and Mr. Whitty, and appeared in their behalf before the subcommittee when testimony was taken regarding H.R. 9098. My clients are agreeable with the House provision providing that they can repurchase subject property at fair market value.

J. M. DOYLE, *Attorney.*

DENVER, COLO.,
July 24, 1968.

Senator GEORGE MCGOVERN,
U.S. Senate, Washington, D.C.:

Received call from Congressman Berry this morning. Bill seems to be okay with others involved. Will go along with them. Disregard my last letter.

ROBERT E. UPDIKE.

To Whom It May Concern:

I, Ellen Janis, am a Yankton Sioux Indian, but my husband is an Oglala Sioux, enrolled on the Pine Ridge Indian Reservation. We had a very fine farm and ranch headquarters prior to the time that our land was taken for an aerial gunnery range during World War II.

I have represented the Indian and non-Indian former owners for the past 15 years. First, in a successful effort to obtain passage of legislation to pay each family $3500.00 to compensate them for their loss and physical damage in being excluded from their homes on the aerial gunnery range area.

I have represented both the Indians and non-Indians for an equal length of time in an effort to obtain legislation permitting the former owners to repurchase their lands after they had been declared surplus to the needs of the Department of Defense. My family and I lived among these people. I knew them well prior to the time we were excluded from the gunnery range area. Both the Indians and non-Indians were our friends.

I have held many, many meetings down through the years, explaining the legislative progress to these people, the last meeting which was held in Rapid City, South Dakota on February 16, 1968, was attended by both the Indians and the non-Indians interested in redeeming their land. At that time Congressman E. Y. Berry explained to all of us that the difficulties had been ironed out so far as the former Indian owners were concerned and that there was little question but what they would be able to redeem their land at the price the government paid them, plus a reasonable interest rate. But he pointed out there was opposition in the House Interior Committee to the non-Indians obtaining the same advantage. At that time he obtained an agreement of the non-Indians to an amendment he proposed to offer which would permit them to repurchase their land, either at public auction, or at an appraised price to be determined by the Secretary of Interior. All of the non-Indian former owners present agreed that while they would much prefer obtaining the same deal that the former Indian owners were getting, they would be satisfied with either an appraised price, or public auction. Nearly all of the former non-Indian owners were present at that meeting.

After the House amendment providing that the former non-Indian owners could repurchase this land at an appraised price, I again contacted all of them and all of them again expressed their feeing that whie they would, of course, like to be able to redeem as cheaply as possible, they would be satisfied with the provisions of the House amendment permitting them to redeem at an appraised price, to be determined by the Secretary of Interior.

Dated this 23rd day of Juy, 1968.

ELLEN JANIS.

Witness:

MAVIS G. DALY,
SUZAN WILSON.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HOLLAND. Why should former Indian owners be treated less generously than the non-Indian former owners? It seems to me they are entitled to equal treatment.

Mr. JACKSON. This is why the junior Senator from Washington, the chairman of the committee, asked that this matter be brought back.

I now yield to the Senator from South Dakota who is familiar with this matter.

Mr. MUNDT. Mr. President, I appreciate the courtesy of the Senator from Washington in bringing this matter up today to dispose of it because this is something which has been doing an injustice to the people of South Dakota for over 20 years. The situation started at the time of World War II when the Government came into an area called the Bad Lands Gunnery Range, occupied by Indians and whites, because they had to take the land over for military purposes, and it brought disruption to many farmers and ranchers, both Indian and non-Indian.

We have been trying for two decades to get the matter worked out so the land could go back to the rightful owners. Most of the Indian owners are still there and also some of the former white landowners remain in the area. Finally an equitable arrangement has been worked out with the white owners in conjunction with the Indian owners. So as much of the land as former owners desire to regain can be procured from the Government on equitable and mutually satisfactory terms.

On the House side for many years they refused to make any concessions to the white owners in the gunnery range bill. This year they passed a bill to make restoration to former Indian owners but leaving undecided what to do about the former white owners.

This bill now before us is an illustration of fine and fair racial relationships in South Dakota.

The statement from Ellen Janis, which the Senator from Washington has had printed in the RECORD, is a statement from a genteel, conscientious, and considerate Sioux Indian lady in South Dakota seeking equitable treatment for all concerned. This Indian lady is a great worker both for her people and the entire community in Rapid City, especially those on and near the Pine Ridge Indian Reservation, and she also works for justice throughout the entire Indian country.

She testified before the committee—even after the House had approved the gunnery range bill setting the claims insofar as her people were concerned. She stated that the white people also were her neighbors and they had lived together happily all these years, that the whites had employed many Indian youths, and she wanted to work out some arrangement that would likewise be equitable to former white landowners in the same area. In other words, she came down virtually lobbying for her white neighbors and fellow ranchers. Thus, a formula has been worked out which is a just and equitable approach to both Indians and the white people, all of whom were dispossessed of their lands. They have all signed statements, waivers, and letters, asking that it be handled in the way set out in this bill as amended by the Senate and the House. Let me say to my good friend from Florida that handling this equitably is a complicated business, in this checkerboard area where some of it is Indian land and some of it is white land and where different forms and degrees of ownership entitlements prevail. So this has been worked out and the bill before us deals with the situation equitably. I desire to congratulate the committee of the Senate and the House for finally evolving this solution satisfactory to all claimants.

Mr. HOLLAND. Do I understand the Senator from South Dakota correctly to be now advising the Senate that the former white owners, or the former American citizen owners of the land affected by the bill, filed written statements to the effect that they will accept the same basis of settlement for their claims?

Mr. MUNDT. That is correct, except because of the curious and cumbersome bureaucratic methods by which Indian affairs are handled, it has to be a different arrangement for each group, but the white former owners have provided us with documents, which the Senator from Washington is placing in the RECORD, showing that this is fair and equitable and, speaking for themselves, they are satisfied. The Indians are likewise gratified and satisfied that long delayed justice is finally prevailing. After 20 years, they are happy that we have worked out a formula agreeable both to the whites and the Indians, and both sets of former landowners have so advised the committee and Congress.

Mr. HOLLAND. Do I understand correctly, then—and I should like to have this in the RECORD—that the white owners of the land formerly owned by them, as to which they will have the right of repurchase under the waiver, will have exactly the same right, and no more, as that accorded to the Indian owners?

Mr. MUNDT. Yes; although I do not know how we would define the words "exactly the same right and no more." All concerned have complete, equitable treatment, each working one with the other, and they have worked out a formula satisfactory to both, and to the advantage of neither. It is a perfectly equitable arrangement. I can assure the Senator the former white owners are receiving no preferential treatment as compared with our Indian citizens.

Mr. HOLLAND. I thank the Senator.

Mr. JACKSON. Mr. President, let me make this clear: The junior Senator from Washington was concerned with this provision because the amount paid to the Indians will be more than the amount paid to the non-Indians.

I took the position that if this was the case, the waivers, or acquiescence to the arrangements made by the House, should be received from the non-Indian owners. That has been done. In view of the fact that non-Indian owners have agreed to this, it is on that basis I agreed to concur in the language adopted by the House.

Therefore, Mr. President, I move that the Senate recede from its amendment to the bill, H.R. 9098.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. JACKSON. Mr. President, with the concurrence of the junior Senator from West Virginia [Mr. Byrd], I ask unanimous consent that the motion to reconsider, entered by the Senator from West Virginia on July 18 in connection with House Concurrent Resolution 798, be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROVISION FOR THE OPERATION OF THE WILLIAM LANGER JEWEL BEARING PLANT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1458, H.R. 15864.

The PRESIDING OFFICER. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 15864) to provide for the operation of the William Langer jewel bearing plant at Rolla, N. Dak., and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report on S. 2886 (No. 1475), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

This bill would authorize the Administrator of General Services to provide for the operation of the William Langer Jewel Bearing Plant, by contract or otherwise, to produce jewel bearings and related items for Government use or for sale. Prices fixed for the sale of jewel bearings would be sufficient to recover the operating costs, including depreciation on buildings, machinery, and equipment.

It would authorize the establishment on the books of the Treasury a separate revolving fund to be used by the Administrator of General Services, without fiscal year limitation, for defraying the cost of operating the plant. Provision is also made for transferring the plant and all of the assets to the revolving fund upon termination of the existing lease.

The continued operation of the William Langer Jewel Bearing Plant is considered by the Office of Emergency Planning to be essential to the national security.

BACKGROUND

The proposed legislation is part of the legislative program of the General Services Administration for the 90th Congress and its enactment would make possible more efficient operation and production of the jewel plant.

This bill would remove several limitations that now hamper the effective operation of the William Langer Jewel Bearing Plant. The present fiscal year basis of funding seriously impedes the implementation of the most economically efficient operational procedures at the plant. Funding without fiscal year limitations would permit necessary raw materials, supplies, and services to be provided for through the most effective and economically competitive business management methods.

The plant is currently leased to the Bulova Watch Co. for the production of jewel bearings and related items for sale to the national stockpile, to Government contractors and subcontractors, and to other industrial consumers. The lease will expire June 30, 1968.

Funds for operating the plant are limited to two sources: (1) sales by Bulova to Government contractors and subcontractors and other industrial users, and (2) sales to the national stockpile under a purchase contract between GSA and Bulova. Sales to the stockpile are made at actual cost. Sales to others are made at fixed prices approved by the Government, based on estimated production costs.

Any excess of total sales income over actual costs on nonstockpile sales is required by the terms of the lease to be placed in a direct order rental account. This account may be used only to meet any losses, including uncollectible accounts, resulting from nonstockpiled sales.

As a result, there is no means of financing the costs of raw materials, work in process, operating supplies, and other operating expenses in advance. The facility is therefore operated as "job shop," and except for bearings required under the stockpile contract, is unable to plan its production schedule on a rational basis.

Because of the absence of working capital funds, the plant is unable to maintain appropriate inventories of finished bearings. This not only limits unduly the ability of the plant to fill orders requiring immediate delivery, but also results in high unit costs due to small production runs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 1456, S. 2886, the Senate counterpart bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations in the U.S. Marine Corps, and the nominations placed on the Secretary's desk only.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. MARINE CORPS

The bill clerk read the nomination of Lt. Col. Haywood R. Smith, U.S. Marine Corps, for temporary appointment to the grade of colonel, to hold such grade while serving as Armed Forces aide to the President.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The bill clerk proceeded to read sundry nominations in the Army, which had been placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unamimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOST RECENT OUTRAGE PERPETRATED BY SOUTH VIETNAM DICTATORS

Mr. YOUNG of Ohio. Mr. President, the conviction of Truong Dinh Dzu by a military court in Saigon is an insult to every American family whose sons have been compelled to fight—and many, unfortunately, to die—to maintain the corrupt regime ruling in Saigon. Indeed, this latest action by the ruling clique in Saigon is an affront to humanity.

Truong Dinh Dzu is a leading Saigon lawyer. He had never held public office. He is not a member of the National Liberation Front. He did not fight on the side of the French when they sought to restore their oppressive Indochinese colonial empire from 1946 to 1954. He was never in his life accused of any crime. Last September he was a candidate for President of South Vietnam in the election under the supervision of Ky and Thieu. He was the most outspoken peace candidate of those who campaigned under severe restrictions and limitations enforced by the police authority of the Saigon regime with a white dove of peace displayed as his ballot symbol. He startled the ruling junta in South Vietnam and administration officials in this country when he received 17 percent of the total vote. This, despite the fact that Communists, Buddhists, members of the National Liberation Front, and men and women termed neutralists by Ky and Thieu were arbitrarily barred from voting or participating in that so-called election. McGeorge Bundy and other administration leaders in statements on that South Vietnam election even prated about "one man, one vote." The facts are, in thousands of instances, members of the South Vietnam—ARVN—Army had two votes—one cast by them at their army posts under supervision of their commanding officers and then also another vote in their hamlets, cities, or villages where they lived. Even with all that, Thieu and Ky were elected President and Vice President by only 34 percent of the total vote. They had very cleverly barred from the ballot Duong Van Minh—Big Minh—who was the popular former President of South Vietnam ousted by them and nine other generals in their coup of June 1965 and exiled to Thailand. They thought they had it made by an overwhelming majority. All opposition candidates favored peace and the most outspoken was Dzu. The election proved clearly that the South Vietnamese people by an overwhelming margin lacked confidence in the Saigon military junta and demonstrated a strong demand for peace. That Dzu piled up half as many votes as they did was a shocker to them.

The military court took about 40 minutes to find Dzu guilty of having "acted against the anti-Communist spirit of the people and the armed forces." This kangaroo court then proceeded to sentence Dzu to 5 years at labor.

What was the crime? He stated in an interview and on the radio:

> The South Vietnamese Government officials could talk peace with some of the nationalists in the National Liberation Front.

That was his "crime." He is sentenced to serve 5 years in prison at hard labor for what he said. He is in jail. The Johnson administration leaders support a corrupt military regime so dictatorial that a political opponent—the runner-up—lands in prison for statements he made offensive to Thieu and Ky. We should feel shocked and humiliated that Ambassador Bunker remains silent. Liberty loving Americans and decent people the world over when they learn of this disgraceful tyrannical action must share a feeling of outrage that President Johnson and his leaders appear to approve this most recent act of brutality. The President and our Ambassador should either speak out and free this man or they are aiding and abetting a vengeful brutal military junta. Mankind and human decency are affronted and violated.

What is more shocking and unbelievable is the fact that, according to United Press International news reports, the American mission in Saigon had no comment on the Dzu case. American officials in Saigon should be exerting every effort and applying all possible pressure to reverse this latest outrage perpetrated by the Saigon junta. Furthermore, it should be repudiated at the highest level. This blatant injustice should be denounced in the strongest terms by President Johnson himself. If necessary the President in an address to the Nation should repudiate the Saigon dictators for this outrageous action and thereby help remove the stain of this gross injustice from our national conscience.

It is a disgrace and an outrage that President Johnson should continue his warlike policies in South Vietnam in support of the cruel military junta that represents but a very small minority of the people of South Vietnam.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. YOUNG of Ohio. I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG of Ohio. Mr. President, the alleged crime for which Dzu was convicted was the fact that he was quoted in the Saigon press and on the radio as saying:

> The South Vietnamese government officials could talk peace with some of the nationalists in the National Liberation Front, the political arm of the VC.

If that is a crime, Mr. President, then a good many Members of the U.S. Senate could be convicted of it under South Vietnamese law. Furthermore, only a month ago Prime Minister Tran Van Huong stated before the South Vietnamese House of Representatives that the National Liberation Front had included nationalist elements when it was originally formed. After being booed and shouted down, he recanted and stated that there were no more nationalists in the National Liberation Front. He escaped arrest. It is obvious this trumped-up charge against Dzu was a drastic act to silence and imprison the most popular and outspoken South Vietnamese opponent of the war and of the ruling generals of the Saigon regime. Also, as a warning to others who might voice their opposition to the war and the official party line.

Mr. President, rather than standing by silently and witnessing the imprisonment of an innocent man who stated publicly what he felt was best for his people, our administration leaders should be encouraging Dzu and others who agree with him in South Vietnam to establish a viable coalition government there—a government representing all elements of South Vietnam including representatives of the National Liberation Front—a government elected in a free election and able to make meaningful steps toward ending the civil war in Vietnam and bringing about peace to that troubled land.

If there remains any doubt as to the nature of the regime we are supporting in South Vietnam, the conviction and imprisonment of Dzu should dispel them. By standing by silently we will further this travesty and give it the appearance of respectability. Whom are we trying to fool by claiming the regime we are defending is "free" and "democratic"? What can the Vietnamese peasant expect from Western democracy when it is presented to him through kangaroo courts and Nazi-style justice by our collaborators in Vietnam—the tories, Thieu and Ky and their cohorts. This man following a short trial before a military court in Saigon was found guilty and sentenced to 5 years of hard labor.

Mr. President, this latest outrage points out once again the fact that the so-called Constitution of South Vietnam is nothing more than a scrap of worthless paper that makes a mockery of freedom, democracy, justice, and all of the other principles which we Americans cherish. It points out again that 600,000 Americans are fighting in Vietnam to maintain in power a corrupt-ridden, dictatorial regime of militarists who have no interest whatever in the welfare of their people, but only in fattening their bank accounts in Swiss and Hong Kong banks. The United States is the most powerful nation that ever existed. We are a proud nation as well as a powerful nation. We must not permit a few rag-tag Fascist generals in Saigon—generals who fought against their own countrymen in their war for independence—to sully and besmirch our honor. We must disavow them immediately and proceed to disengage from this ugly civil war in which we have permitted them to involve us for more than 5 years.

If real and honest elections were to be held and if men such as Dzu were permitted to campaign freely, as they were not, the civil war now raging in South Vietnam might shortly be brought to an end. If the real voice of South Vietnam could be heard, it would be asking for peace.

Mr. MANSFIELD. Mr. President, I am delighted that the distinguished Senator from Ohio has called to the attention of the Senate the fact that Truong Dinh Dzu, a presidential candidate in last September's election in South Vietnam, a man who finished second in it, ran on a peace platform, and polled 800,000 votes, has been tried by a military court-martial and has been sentenced to 5 years of hard labor. His crime was to suggest the possibility of the National Liberation Front and the Saigon government getting together. He discussed that openly during the course of the campaign last September.

I would point to the fact that not only did a great number of South Vietnamese record their support of this peace candidate, but, that on the basis of percentages, he came pretty close to the number of votes received by the present President of South Vietnam, President Thieu.

It is a deplorable state of affairs when, under a so-called democratic constitution, a situation like this can develop, when a government can try a leading candidate for expressing his views on how to achieve peace in Vietnam. This candidate was not only entitled to speak out, he was expressing a view which, I believe, was not at variance with the expressed views of our own Government on achieving peace. He was expressing a view which might give some meaning to what has been transpiring in Paris.

We are coming to a very sad state of affairs when a man of Mr. Dzu's stature and following is sentenced by a military court for proposals he made during the course of a regularly conducted presidential campaign.

It is my belief that what the South Vietnamese military have done is not only to inflict an injustice but also to create a distinct embarrassment for this Government. Whether we like it or not, we cannot escape some measure of at least indirect responsibility for this deplorable action.

When you tie this strange name "justice" in the name of freedom to the fact that some days ago 10 South Vietnamese were sentenced, in absentia, to death because they advocated somewhat the same proposal that Mr. Dzu did, I think it is time for us to take a very close look at the relationship which exists between our two countries. In this relationship the great burden is on the United States as far as men, material, and money are concerned. To that may well be added still another burden of explaining the inconsistencies of its acts with its outward professions of freedom.

It is also interesting to note that Prince Souvanna Phouma the Prime Minister of Laos, yesterday in Paris stated that in his opinion one way to get peace negotiations going would be to stop the bombing of North Vietnam and to consider the possibility of a broadened Saigon government, meeting with the NLF, the political arm of the Vietcong.

In any event, these factors are part of a pattern which I think calls for more understanding, more comprehension, and perhaps more discrimination in our relationship with the Saigon government on the part of our country.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 o'clock on Monday morning next.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 222) to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1166) to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3418) to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15189) to authorize appropriations for certain maritime programs of the Department of Commerce.

The message further announced that the House had passed a bill (H.R. 18706) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1969, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 213. Concurrent resolution authorizing the printing as a House document of the letters of Vice Adm. Hyman G. Rickover relating to the distinguished Americans in whose honor the U.S. Navy Polaris nuclear submarines were named;

H. Con. Res. 781. Concurrent resolution authorizing the printing as a House document the publication "The Present-Day Ku Klux Klan Movement," and providing for the printing of additional copies; and

H. Con. Res. 784. Concurrent resolution to authorize the printing of the pamphlet "The American's Creed" as a House document.

HOUSE BILL REFERRED

The bill (H.R. 18706) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year year ending June 30, 1969, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions of the House were severally referred to the Committee on Rules and Administration:

H. Con. Res. 213. Concurrent resolution authorizing the printing as a House document of the letters of Vice Adm. Hyman G. Rickover relating to the distinguished Americans in whose honor the U.S. Navy Polaris nuclear submarines were named;

H. Con. Res. 781. Concurrent resolution authorizing the printing as a House document the publication "The Present-Day Klu Klux Klan Movement," and providing for the printing of additional copies; and

H. Con. Res. 784. Concurrent resolution to authorize the printing of the pamphlet "The American's Creed" as a House document.

SENATE RESOLUTION 382—RESOLUTION TO ESTABLISH THE COMMISSION ON ART AND ANTIQUITIES OF THE U.S. SENATE

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted the following resolution (S. Res. 382), which was referred to the Committee on Rules and Administration:

S. RES. 382

Resolved, by the Senate of the United States of America: That (a) there is hereby established a Commission on Art and Antiquities of the United States Senate (hereinafter referred to as "the Commission") consisting of the President Pro Tempore of the Senate, the chairman and ranking minority member of the Committee on Rules and Administration of the Senate, and the majority and minority leaders of the Senate.

(b) The Commission shall elect a Chairman and a Vice Chairman at the beginning of each Congress. Three members of the Commission shall constitute a quorum for the transaction of business, except that the Commission may fix a lesser number which shall constitute a quorum for the taking of testimony.

(c) The Commission shall select a Curator of Art and Antiquities of the Senate who shall be an employee of the Office of the Secretary of the Senate. The Curator shall serve at the pleasure of the Commission, shall perform such duties as it may prescribe, and shall receive compensation at a gross rate, not to exceed $22,000 per annum to be fixed by the Commission. At the request of the Commission the Secretary of the Senate shall detail to the Commission such additional professional, clerical, and other assistants as, from time to time, it deems necessary.

(d) The Commission shall be empowered to hold hearings, summon witnesses, administer oaths, employ reporters, request the production of papers and records, take such testimony, and adopt such rules for the conduct of its hearings and meetings, as it deems necessary.

SEC. 2. (a) The Commission is hereby authorized and directed to supervise, hold, place, and protect all works of art, historical objects, and exhibits within the Senate wing of the Capitol, and in all rooms, spaces, and corridors thereof, which are the property of the United States, and in its judgment to accept any works of art, historical objects, or exhibits which may hereafter be offered, given, or devised to the Senate, its committees, and its officers for placement and exhibition in the Senate wing of the Capitol, the Senate Office Buildings, or in rooms, spaces, or corridors thereof.

(b) The Commission shall prescribe such regulations as it deems necessary for the care, protection, and placement of such works of art, exhibits, and historical objects in the Senate wing of the Capitol and the Senate Office Buildings, and for their acceptance on behalf of the Senate, its committees, and officers. Such regulations shall be published in the Congressional Record at such time or times as the Commission may deem necessary for the information of the Members of the Senate and the public.

(c) Regulations authorized by the provisions of section 1820 of the Revised Statutes (40 U.S.C. 193) to be issued by the Sergeant at Arms of the Senate for the protection of the Capitol, and any regulations issued, or activities undertaken, by the Committee on Rules and Administration of the Senate, or the Architect of the Capitol, in carrying out duties relating to the care, preservation, and protection of the Senate wing of the Capitol and the Senate Office Buildings, shall be consistent with such rules and regulations as the Commission may issue pursuant to subsection (b).

(d) The Committee on Rules and Administration of the Senate in consultation with the Architect of the Capitol and consistent with regulations prescribed by the Commission under subsection (b), shall have responsibility for the supervision, protection, and placement of all works of art, historical objects, and exhibits which shall have been accepted on behalf of the Senate by the Commission or acknowledged as United States property by inventory of the Commission, and which may be lodged in the Senate wing of the Capitol or the Senate Office Buildings by the Commission.

SEC. 3. The Commission shall have responsibility for the supervision and maintenance of the Old Senate Chamber on the principal floor of the Senate wing of the Capitol insofar as it is to be preserved as a patriotic shrine in the Capitol for the benefit of the people of the United States.

SEC. 4. The Commission shall, from time to time, but at least once every ten years, publish as a Senate document a list of all works of art, historical objects, and exhibits currently within the Senate wing of the Capitol and the Senate Office Buildings, together with their description, location, and with such notes as may be pertinent to their history.

SEC. 5. There is hereby authorized to be appropriated out of the contingent fund of the Senate for the expenses of the Commission the sum of $15,000 each fiscal year, to be disbursed by the Secretary of the Senate on vouchers signed by the Chairman or Vice Chairman of the Commission. Payment on such vouchers shall be deemed and are hereby declared to be conclusive upon all departments and officers of the Government, and these vouchers shall be reported in the annual report of the Secretary of the Senate: *Provided*, That no payment shall be made from such appropriation as salary.

ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. KUCHEL. Mr. President, on behalf of the distinguished junior Senator from Texas [Mr. TOWER], I ask unanimous consent that at its next printing, the name of the Senator from New Mexico [Mr. MONTOYA] be added as a cosponsor of Senate Joint Resolution 184, to authorize the President to issue annually a proclamation designating the 7-day period beginning September 10 and ending September 16 of each year as "National Hispanic Heritage Week."

The PRESIDING OFFICER. Without objection, it is so ordered.

WHOLESOME POULTRY PRODUCTS ACT—AMENDMENTS

AMENDMENTS NOS. 909 AND 910

Mr. MONTOYA (for himself, Mr. MONDALE, Mr. MCGOVERN, Mr. HATFIELD, and Mr. CLARK) submitted two amendments, intended to be proposed by them, jointly, to the bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes, which were ordered to lie on the table and to be printed.

(See reference to the above amendments when submitted by Mr. MONTOYA, which appears under a separate heading.)

AMENDMENT NO. 911

Mr. MONTOYA (for himself, Mr. MONDALE, Mr. MCGOVERN, Mr. HATFIELD, Mr. CLARK, and Mr. FONG) proposed amendments to Senate bill 2932, supra, which were ordered to be printed.

(See reference to the above amendments when proposed by Mr. MONTOYA, which appears under a separate heading.)

DEATH OF CAPT. KENNETH D. KREHBIEL IN VIETNAM

Mr. PEARSON. Mr. President, Capt. Kenneth D. Krehbiel died in Vietnam on October 17, 1967.

How often in the Senate we speak of the war in terms of budget deficit, inflation, and more taxes. But the real story of the war is actually told in the many short newspaper notices where remembrance is made of those who have died for the American commitment in Vietnam.

According to such a recent news account, the Distinguished Flying Cross was awarded this noble young Kansan. In the same ceremony, he was also awarded the Air Medal with five oak leaf clusters, the Bronze Star, and the Vietnam Medal of the Vietnamese Republic.

I ask unanimous consent that the article be printed in the RECORD so that Senators may review the proud record of a fine young man from Kansas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DISTINGUISHED FLYING CROSS AWARDED TO CAPTAIN KREHBIEL

The Distinguished Flying Cross was awarded posthumously yesterday to Capt. Kenneth D. Krehbiel at Forbes AFB, Topeka. The award was presented to this widow, Mrs. Kenneth D. Krehbiel, by Col. Gordon Duncan, commander of the 838th Air Division of the Tactical Air Command at Forbes. His parents are Mr. and Mrs. Kenneth R. Krehbiel of McPherson.

During the same ceremony, Colonel Duncan also awarded Capt. Krehbiel the Air Medal with five oak leaf clusters, the Bronze Star and the Vietnam Medal of the Vietnamese Republic.

During the four months he was in Vietnam, Capt. Krehbiel flew more than 120 combat missions as Forward Air Controller and worked from 16 to 18 hours a day. In addition to his duties as Forward Air Controller, he also served for weeks at a time as Air Liaison Officer, coordinating infantry and artillery strikes with air strikes. He was on another mission when his aircraft crashed on Oct. 17, 1967.

The official citations for the awards follow:

DISTINGUISHED FLYING CROSS

Captain Kenneth D. Krehbiel distinguished himself by extraordinary achievement while participating in aerial flight as a Forward Air Controller in Vietnam on Aug. 9, 1967. On that date, Captain Krehbiel took control of the Tactical Air Support and virtually directed the counter-attack in support of U.S. Army troops that had, unknowingly, been helicopter-landed directly on to a very heavily defended and fortified hostile command post. At the time Captain Krehbiel took command of the air support battle, the assaulting U.S. troops could not move because of the intense hostile fire.

The only aircraft available for coordination of ground fire, artillery fire, and tactical air support was the undefended and unprotected O–1 aircraft piloted by Captain Krehbiel. He virtually directed the counter-attack for two hours and 15 minutes. In the process he directed three flights of fighter aircraft delivering ordnance on the hostile positions. After expending his rockets, Captain Krehbiel was forced to fly directly over the sources of hostile fire in order to mark them with smoke grenades. Throughout this period he was subject to the pressures of dense hostile fire, decreasing visibility and the responsibility of coordinating US infantry and artillery fire and fighter strikes upon the hostile positions. His actions contributed largely to the destruction of the heavily fortified enemy positions, a very significant reduction in US casualties and the safe evacuation of American casualties by medical helicopter. The professional competence, aerial skill and devotion to duty displayed by Captain Krehbiel reflect great credit upon himself and the United States Air Force.

AIR MEDAL

The Air Medal with five oak leaf clusters was awarded to Captain Krehbiel in recognition of 120 combat flights and 400 hours in the air over hostile territory during the four months he served in Vietnam from June 15, to Oct. 18, 1967. During this period, outstanding airmanship and courage were exhibited in the successful accomplishment of important missions under extremely hazardous conditions including the continuous possibility of hostile ground fire. His highly professional efforts contributed materially to the mission of the United States Air Force in Southeast Asia. The professional ability and outstanding aerial accomplishments of Captain Krehbiel reflect great credit upon himself and the United States Air Force.

BRONZE STAR

Captain Kenneth D. Krehbiel distinguished himself by mertiorious service as a United States Air Force Forward Air Controller with the 1st Air Cavalry Division in Vietnam, from June 25, 1967, to Oct. 17, 1967. During this period, Captain Krehbiel organized and brought to bear hundreds of tactical air support missions in support of military operations. For weeks at a time Captain Krehbiel acted as Air Liaison Officer. In this capacity, working seven days a week and 16 to 18 hours a day under constant hostile harassment in primitive field conditions, Captain Krehbiel significantly improved US Army planning for the offensive use of Tactical Air Support sorties flown in support of the 1st Air Cavalry Division. Captain Krehbiel's advice came to be frequently sought and highly regarded, and his penetrating and professional analysis of these problems earned the respect and admiration as well as the enthusiastic cooperation of all with whom he came in contact. The exemplary leadership, personal endeavor and devotion to duty displayed by Captain Krehbiel in this responsible position reflect great credit upon himself and the United States Air Force.

TWENTY-THREE YEARS AGO WE RATIFIED THE U.N. CHARTER

Mr. PROXMIRE. Mr. President, 23 years ago tomorrow the U.S. Senate ratified the Charter of the United Nations. In doing so, the United States pledged itself "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life in larger freedom"

Mr. President, I ask the Senate today whether we have kept our word on that pledge of ours. I ask whether we have supported the U.N., the "last best hope of mankind." Have we done what should be expected of the leader of the world whose commitment to world peace led to the creation of the United Nations in San Francisco over 20 years ago?

The answer to that question, as far as human rights are concerned, is a resounding "No." The U.S. Senate has failed in this area. We have failed because some Senators listen to certain legal hairsplitters rather than their own consciences. We have failed because the message these international prophets of doom spread forbids any interference in the internal affairs of other sovereign nations. What they mean by "interference" apparently means any kind of moral, political, or economic suasion aimed at protecting the most basic rights of the citizenry of these nations.

We have before us the horrors of starvation and mass exploitation in Nigeria-Biafra. We have before us the stirrings in Eastern Europe of a nationalism that portends greater freedom for millions heretofore living under the control of totalitarianism. Yet the U.S. Senate still fails to ratify those United Nations' human rights conventions, ratification which would permit the United States to speak credibly on these issues.

Mr. President, the time is far past due when the Senate should have ratified the human rights conventions now pending. The time for ratification is now. The responsibility for ratification is now. The responsibility for ratification, should we fail to act, will haunt us in the future as it will haunt those innocent human beings we will have failed to protect.

LEGISLATIVE HISTORY OF SPACE NUCLEAR PROPULSION FOR FISCAL YEAR 1969

Mr. **ANDERSON**. Mr. President, I ask unanimous consent that a "Legislative History of Space Nuclear Propulsion for Fiscal Year 1969" be printed in the Record.

There being no objection, the history was ordered to be printed in the Record, as follows:

Legislative History of Space Nuclear Propulsion for Fiscal Year 1969

Space nuclear propulsion is a joint program between the National Aeronautics and Space Administration and the Atomic Energy Commission carried out under the management of the Joint AEC–NASA Space Nuclear Propulsion Office. The NASA portion of the program is the Nuclear Rockets Program; AEC calls its portion of the program Reactor Development: Space Propulsion Systems.

The legislative history of the 90th Congress, 2nd Session, on space nuclear propulsion confirms the continued vigorous support of the Congress for this space research and development activity and provides that the appropriate agencies should proceed with the development of the NERVA–I nuclear rocket engine.

AUTHORIZATION

Final action by the Congress on both the AEC and NASA fiscal year 1969 authorization bills strongly supports the continued development of space nuclear propulsion and urges that development of the NERVA nuclear rocket engine proceed during fiscal year 1969.

NASA AUTHORIZATION FOR FISCAL YEAR 1969

The House Committee on Science and Astronautics recommended that NASA's Nuclear Rockets Program request of $60 million be cut to $11.7 million and that recommendation was accepted by the House. However, the House later reversed itself and accepted the Senate's position so that $55 million has been authorized for the NASA Nuclear Rockets Program.

The Senate Committee on Aeronautical and Space Sciences recommended $55 million for the NASA Nuclear Rockets Program and strongly urged in its report to the Senate that NASA move forward as planned during fiscal year 1969 in space nuclear propulsion and specifically with the development of the NERVA–I nuclear rocket engine. The language of the report (Senate Report No. 1136, pp. 57–59) follows:

"COMMITTEE COMMENT

"A special effort was directed to thoroughly review the Nuclear Rockets Program. Three days of hearings were devoted to this program during which eight expert witnesses testfied. As a result of this careful consideration your committee recommends a reduction of $5 million in the Nuclear Rockets program, but strongly recommends against the crippling reduction of $48.3 million suggested by the House.

"The Nuclear Rockets program to date has been directed to the development of the technology necessary to build a nuclear rocket engine. This technology program has been extremely successful in producing propulsion efficiencies and operating times much greater than expected. Because of this success, the United States is now in a position to move forward with the development of a flyable engine which would provide the United States with a major advancement in space propulsion capability.

"Due to the high efficiency of nuclear rocket engines compared with the efficiencies achievable with chemical rocket engines, the nuclear rocket engine, NERVA I, will provide a vastly increased performance capability for space exploration by the last half of the 1970's; moreover, it is the only major space propulsion development underway in the United States which can give an increased propulsion capability by that time as lead times for the development of advanced space propulsion systems are long—between 5 and 10 years.

"The NERVA I engine, when used in a nuclear third stage on the Saturn V launch vehicle, would increase the payload capability of the Saturn V from 65 to 100 percent and enhance its operational characteristics for a variety of missions. Some of the missions for which a NERVA I power stage would provide operational and payload advantages are: large payloads to synchronous craft; earth orbital plant transport missions; heavy manned or unmanned lunar missions; and, eventually heavy payload missions beyond the moon. However, the size of the NERVA I engine makes it undesirable for heavy planetary missions and therefore very unattractive for manned planetary missions.

"Since the Nuclear Rockets program is a joint program of the AEC and NASA, and since the authorization for the AEC portion of the program ($69 million) has already been approved by the Congress, it would be inconsistent to reduce the NASA portion by the $48.3 million suggested by the House.

"The House committee's report said:

" 'This action was taken in recognition of the severe funding requirements of the Nation and with the full understanding of the progress that has been made in this program. In no way should this action be construed as a lack of confidence in the program but purely as a desire to defer the actual NERVA I development and reduce the level of effort in the nuclear rockets program.'

"Many of the activities of the Nuclear Rockets program are in midstream and the $11.7 million left in the program by the House would not permit testing of experimental engine systems already built and might not even cover all termination costs. In spite of the language in the House report, then, it seems unavoidable that the Nuclear Rockets program would have to be terminated if funding is reduced to the level recommended by the House.

"Through fiscal year 1968 about $1.1 billion will have been invested in it by both NASA and AEC. To terminate it now would be to waste the knowledge already paid for and to lose the many highly skilled people on the program to other pursuits. The experts agree the technology is available to proceed now with the development of the NERVA I nuclear rocket engine and that nothing would be gained, and indeed much would be lost, if the development of the nuclear rocket engine was not undertaken at this time. Nearly everyone agrees that nuclear rocket propulsion will be required for space exploration, and attempts to reinstate the program at some future time would be extremely costly both in time and money.

"The program presented by NASA would provide a flexible nuclear rocket engine that can be adapted to many kinds of missions. It is, therefore, the committee's recommendation that this country move forward now with the development of a nuclear rocket engine. At the level recommended by your committee for the Nuclear Rockets program, $55 million, NASA can move forward with that development during fiscal year 1969. This level will protect the $1.1 billion already invested and avoid the costly and inefficient reinstatement that would necessarily follow if the program were terminated this year."

The Senate accepted this recommendation. Moreover, during the Senate debate on the authorization bill an amendment was offered to cut several of the line items (NASA programs) in the bill back to the lower House figure; the amendment was agreed to. Among the cuts included in the original amendment was a cut in the Nuclear Rockets Program to take it back to the House amount of $11.7 million. However, an amendment to the amendment striking the cut in the Nuclear Rockets Program so as to bring the program back to the amount recommended by the Senate Space Committee was offered before passage; the amendment to the amendment was agreed to firmly establishing the support of the Senate for the NASA Nuclear Rockets Program. The House accepted the Senate-passed bill without a conference, and thereby adopted the Senate's position on the Nuclear Rockets Program as the House position. Therefore, very strong congressional support for the NASA Nuclear Rockets Program is expressed by the fiscal year 1969 NASA authorization bill.

AEC AUTHORIZATION FOR FISCAL YEAR 1969

The Joint Committee on Atomic Energy recommended $69 million for the AEC Nuclear Space Propulsion Systems and strongly recommended that the program proceed during fiscal year 1969. This position was adopted by both the House and the Senate. The language of the Joint Committee on Atomic Energy report to the Congress (Senate Report No. 1074, House Report No. 1266, pp. 26–28) follows:

"Space Propulsion Systems

"A. AEC request

"The AEC has requested $72,000,000 for fiscal year 1969 operating costs for the space propulsion systems (Project ROVER) program. This is $1,500,000 more than the estimated costs for fiscal year 1968, and $6,591,794 less than actual costs in fiscal year 1967. Of the total, $39,000,000 is for development of the NERVA I rocket engine technology and the definition and design of the NERVA I reactor subsystem; $23,000,000 is for advanced reactor technology; and $10,000,000 is for operations at the Nuclear Rocket Development Station (NRDS), Nevada.

"B. Committee action

"The committee recommends approval of $69,000,000 of the amount requested. The cut of $3,000,000 is recommended reluctantly and only as a result of extreme budgetary pressure. The decrease should be applied in those areas calculated to have the least effect on the current program schedule.

"In last year's authorization report, when the executive branch wanted to stop further work on NERVA I and initiate a new NERVA II program, the committee recommended that further intensive analysis should be initiated immediately to verify the true growth potential of the NERVA I nuclear rocket engine, with particular emphasis on clarifying the question of versatility of such an uprated engine in terms of meeting earlier unmanned mission requirements as well as possible subsequent manned missions. The committee notes that in complying with that recommendation, the Commission has reached a decision to initiate the development of an approximately 1,500 megawatts (MW), 75,000 pound thrust engine, NERVA I, for use in a variety of space missions. The reevaluation of NERVA I revealed that application of this system is equal or superior to the NERVA–II (the 200,000 pound thrust engine, the development of which the Commission proposed in the fiscal year 1968 budget) in missions of interest with the exception of the difficult manned mission to Mars.

"The latter mission, however, is not an authorized objective at this time. It should be noted that even as to this mission, NERVA I still has the capability, but with some weight penalties when compared with the larger engine. The savings achieved by the decision to forego development of NERVA–II and to concentrate on uprating NERVA–I are on the order of half a billion dollars.

"The progress in this technology program has been steady and very impressive. In the most recent of a long series of successful reactor and engine tests, the NRX–A6 reactor was run on December 15, 1967 at full power (1100 megawatts, 3500° F. exhaust) for 60 minutes. This duration signifies a tremendous step forward, and is representative of a reactor capability to achieve the kinds of missions now being planned. The NRX–A6 test, as in the previous reactor tests, was operated at fuel temperatures equivalent to 800 seconds of specific impulse (440 seconds is characteristic of advanced chemical rockets).

"The committee is disturbed by the recent signs indicating that support for this program may be faltering, and that development of the NERVA nuclear rocket engine may be curtailed. They are the more surprising in view of the rapid technological advances being made in the program. Lack of support for the NERVA engine in fiscal year 1969 could seriously impair the country's ability to make use of the tremendous technical capability developed in this program over the past 12 years. Worse yet, without the development of a nuclear rocket engine, it is not possible to project a viable space program based on a significant step-wise advancement in propulsion capability. Deferral is not possible without incurring certain irreversible penalties which will be very costly to this Nation in the long run. The flight engine program is a logical continuation of an existing capability, not a build-up of a new one. Moreover, the recommended pace has been determined in the light of current budgetary pressures. Only because of intense competition for funds, largely to meet commitments in the defense area, has the committee seen fit to recommend a cut of $3 million in this year's program.

"In the post-Apollo period, requirements for payload and velocity increments will be much higher than those with which we are now dealing. In this connection, there are many ways to cite the superiority of the NERVA I engine. For the moon mission it represents a 65-percent greater payload capacity, a capability which would permit direct landing at any point on the moon. In deep space it provides not only extra payload capacity, but increased reliability and maneuverability, higher power for measurements and communications, and flexibility in trading payload for shortened mission times. There are also attractive applications in connection with earth-orbiting missions.

"In view of the progress to date and the importance of the nuclear rocket to our future space program, the committee believes the program is deserving of continued vigorous support, and that the present schedule should be maintained. Scheduled for fiscal year 1969 is a Phoebus 2–A test (5,000 megawatt, large reactor initially picked to mate with the large NERVA–II engine). This test, for which the hardware was in existence when the decision to go to NERVA I was made, will be useful as a test of fuel with a very high power density. Also scheduled for fiscal year 1969 are tests of two engines, XE–1 and XE–2. Their purpose is to obtain additional operating data of a nuclear rocket engine as a system, under startup, steady state, and transient conditions and at partial and full power. These engines will contain the 1,100 megawatt NERVA type reactor, similar to NRX–A6.

"The bulk of the engine technology effort, then, is expected to be completed in fiscal year 1969. Development will be continued in fiscal year 1969 on a flight type engine, thrust level of 75,000 pounds, and a reactor power of about 1400 megawatts. The goal is 825 seconds of specific impulse and a 4,000° F. temperature, entailing a propellant flow of about 90 pounds per second.

"Work on improved fuels will be continued in a reactor test bed called Peewee. It represents about one quarter of a NERVA I type reactor core, and hence minimizes fuel and testing costs.

"The committee will be following with great interest this program's progress in fiscal year 1969, including the post mortem examination of NRX–A6. In noting the projected date of 1976 for availability of NERVA I for flight test, the committee would expect the Commission's fiscal year 1970 budget proposal to contain details of the actual steps to be taken toward the flight test program. It is recommended that the program for fiscal year 1970 be separated into two parts, the first to be directed toward an unmanned flight program making use of the NERVA I reactor, the second devoted to a continuing technology effort to upgrade the NERVA I reactor for longer range application in association with the manned planetary missions. This approach is certainly supported by the impressive success of the NERVA I reactor, and by the recent studies which show the utility of the NERVA I reactor for achieving a spectrum of useful space missions. In establishing a program plan which is divided into flight test and advanced technology segments, every possible reduction in expenditures should be invoked in the interest of economy.

"The committee notes with interest the range of applicability cited by the Commission for electric propulsion. The useful functions attributed to even small electric propulsion engines (of a few electrical watts) would seem to indicate early and widespread application. Large amounts have been funded for suitable power sources for electric propulsion. To date, however, the committee has not received a quantitative assessment of any class of actual requirements. It would be helpful to receive in the fiscal year 1970 Commission budget proposal a documented statement of such a requirement, along with a provision for an organizational entity which would provide for liaison with the using agencies at the technical competence level as well as at the policy or administrative level."

APPROPRIATIONS

Final action of both the House and the Senate Appropriations Committees on both the Independent Offices bill and the AEC Appropriations bill also support space nuclear propulsion and NERVA–I nuclear rocket engine development during fiscal year 1969.

HOUSE INDEPENDENT OFFICES APPROPRIATION FOR FISCAL YEAR 1969

The House Appropriations Committee in its Independent Offices and Department of Housing and Urban Development Appropriations bill for fiscal year 1969, recommended that $3,383,250,000 be appropriated for NASA research and development programs. The Committee report language (House Report No. 1348, pp. 11–12) follows:

"NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"The Committee considered budget estimates totaling $4,370,400,000 for the National Aeronautics and Space Administration and recommends a total of $4,008,223,000 for 1969. This is a reduction of $362,177,000 below the budget request and is $580,677,000 less than appropriations for similar purposes in fiscal year 1968. It is $959,777,000 below the appropriations provided in fiscal year 1967.

"Our national space program has come a long way during the first decade of the space age. We have launched more vehicles, have traveled more miles, and have achieved more time in space than any other nation in the world.

"The Nation's achievements in space are outstanding and the Administrator, the astronauts and the team of the National space program are to be commended. The Nation is proud of our national effort in space exploration.

"The Committee recognizes the current budgetary situation with increased costs of the Vietnam conflict and domestic demands, and accordingly, of necessity, has reduced the program levels in all new appropriations for 1969. The funding provided will afford a balanced space program to carry out national policy goals and objectives while considering other financial requirements of the country. It should be pointed out that overall space expenditures for NASA have been reduced from about a $6,000,000,000 level in recent years, to a $4,000,000,000 obligational level in the current fiscal year as herein recommended.

Research and Development.—The budget proposes $3,677,200,000 for research and development activities in 1969. The Committee recommends $3,383,250,000, which is a reduction of $293,950,000 below the budget and $541,750,000 less than the amount provided in fiscal year 1968. The Committee takes cognizance of the fact that the momentum of the Apollo program has been reestablished following a number of delays and setbacks. The Committee recommends that only the most important and highest priority programs be funded at this time."

The House passed the fiscal year 1969 Independent Offices appropriation bill containing the NASA appropriation before the NASA fiscal year 1969 authorization bill was enacted by the Congress and the NASA research and development appropriation in the House bill exceeds the total amount provided for research and development in the authorization bill. In its report the House Appropriation Committee states that only the most important and highest priority programs be funded during fiscal year 1969; no individual program discussion is included. Therefore, one must look elsewhere to find out which programs the Congress considers important and of high priority. As pointed out above, the NASA fiscal year 1969 authorization bill authorizes $55 million for the Nuclear Rockets Program and the Congress is clearly on record because of its action on the authorization bill that it supports the NASA Nuclear Rockets Program for fiscal year 1969. It is, therefore, clear that by its final actions the view of the Congress is that the Nuclear Rockets Program is one of the most important and highest priority programs in NASA and should move forward as planned during fiscal year 1969.

SENATE INDEPENDENT OFFICES APPROPRIATIONS FOR FISCAL YEAR 1969

The Senate Appropriations Committee recommended to the Senate that $3,370,300,000 be appropriated for NASA research and development programs and the Committee specifically noted in its report that it was convinced that a viable space program required the development of a nuclear rocket engine and that deferral of such development would be very costly to the Nation. The recommendation of the Committee was accepted by the Senate. The language of the Senate Appropriations Committee report (Senate Report No. 1375, pp. 9–10) follows:

"RESEARCH AND DEVELOPMENT

1968 appropriation	$3, 925, 000, 000
Estimate, 1969	3, 677, 200, 000
Authorization, 1969	3, 370, 300, 000
House allowance	3, 383, 250, 000
Committee recommendation	3, 370, 300, 000

"A reduction of $12,950,000 is recommended by the committee, to provide a total amount for the programs authorized for 'Research and development' of $3,370,300,000, which is $306,900,000 below the budget estimate.

"The committee concurs in the House recommendation that only the most important and highest priority programs be funded at this time. It is essential to continue the momentum of the Apollo program that has been reestablished. Also, the committee is convinced that without the development of a nuclear rocket engine it is not possible to project a viable space program based on advancement in propulsion capability, and deferral of such development will be very costly to the Nation in the long run.

"For the NERVA program, being developed jointly by NASA and AEC, the NASA authorization is $55 million and the AEC authorization is $69 million. The committee recommends that an adequate funding level be provided to assure that a balanced program is maintained between the two agencies."

The amount finally appropriated for NASA research and development for fiscal year 1969 will not be less than $3,370,300,000, which equals the total amount for the individual research and development programs in the fiscal year 1969 NASA authorization bill including $55 million for the Nuclear Rockets Program.

AEC APPROPRIATION FOR FISCAL YEAR 1969

The House Appropriations Committee considered its Public Works for Water and Power Resources Development and Atomic Energy Commission Appropriations Bill for fiscal year 1969 immediately after the NASA authorization bill passed the House. The House Appropriations Committee consequently disallowed $41 million of the AEC budget request providing only $31 million for continuing the space propulsion systems work in the AEC. This action was taken by the House Appropriations Committee because of the House action on the NASA authorization bill and the Committee felt it had no alternative but to take comparable action in connection with AEC. However, the House Appropriations Committee in its report specifically made note of the fact that it had supported up to this time an adequate funding level for the NERVA program because of its importance to our future space program and specifically states that it would reconsider its action in the future to assure a balanced program between NASA and the AEC. The language of the House Appropriations Report (Report No. 1549, p. 83) follows:

"*Space Propulsion Systems* (*Rover*).—Because of the action by the House on the NASA authorization bill curtailing the portion of the NERVA nuclear rocket engine development program being conducted by NASA, the Committee has had no alternative but to take comparable action in connection with related funding level for the work programmed by AEC. The Committee has therefore disallowed $41,000,000 of the budget request, including $3,000,000 deleted in the 1969 Authorization Act. The Committee has allowed $31,000,000, $2,000,000 less than the budget estimate, for continuing the advanced rocket reactor technology program and the nuclear rocket development station operations.

"The Committee has supported to date an adequate funding level for the NERVA Program because of its importance to our future space program and will reconsider its action as appropriate in the future to assure that a balanced program is maintained between the two agencies."

The Senate Appropriations Committee restored $37 million of the House cut and recommended to the Senate that $68 million be appropriated to the AEC for Reactor Development—Space Propulsion Systems. The Committee in its report said it is convinced that the development of the NERVA–I engine should proceed under an AEC/NASA balanced program without costly setbacks in order to assure a strong space propulsion capability so essential for future missions. The Senate accepted this position. The language of the Senate Appropriations Committee Report (Report No. 1405, p. 39) follows:

"REACTOR DEVELOPMENT—SPACE PROPULSION SYSTEMS

"Restoration of $36,000,000 is recommended by the committee for reactor propulsion (Rover) NERVA, the full amount of the authorization by the Joint Committee on Atomic Energy.

"Restoration of $1 million is also recommended by the committee for advanced rocket reactor technology, to provide $21,500,000, which is $1 million below the authorization by the Joint Committee.

"For the total on space propulsion systems, the restorations of $37 million will provide appropriations of $68 million, a reduction of $4 million from the budget estimate and a reduction of $1 million from the authorization.

"The restorations recommended are necessary in order to balance the funding of the NERVA program, being developed jointly by AEC and NASA, for which the NASA authorization is $55 million, a reduction of $5 million below the budget estimate.

"The committee is convinced that development of the NERVA–I engine with 75,000-pound thrust should proceed under a balanced program, without costly setbacks, in order to assure a strong space propulsion capability which is so essential for future missions."

The conference committee on the AEC appropriations for fiscal year 1969 agreed to $53 million on the AEC's program in Reactor Development—Space Propulsion Systems, a figure more than halfway between the House lower figure and the Senate higher figure.

CONCEPTS OF GOOD CITIZENSHIP

Mr. PEARSON. Mr. President, I received a letter from the Omega Youth of the Jewell Christian Church of Jewell, Kans., in which they resolved and affirmed certain concepts which they believe to represent good citizenship within our republican form of government which must be guided by christian principles.

The statement, which is both simple and eloquent, speaks for itself. Because of my pride in these young Kansas citizens and my concurrence with their views, I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Omega Youth,
Jewell Christian Church,
Jewell, Kans., July 25, 1968.

Hon. Mr. Pearson,
The Senate,
Washington, D.C.

Dear Senator Pearson: We, the Omega Youth of Jewell Christian Church, Jewell, Kansas, do hereby affirm and resolve that:

1. We will seek to know and to obey the laws of our land and seek to follow the constitution of the United States of America that was drawn up by our fathers and our forefathers.

2. We will endeavor to influence our friends to join us in our determination to be good citizens.

3. We will oppose all forms of lawlessness and violence, though recognizing and cherishing the right of free speech.

4. We are in favor of upholding our constitutional right to bear arms. We feel that anyone who wants to violate a law will not turn in his gun or will steal one that is legally registered to an innocent citizen.

5. We oppose the many inconsistencies in the laws of our states and our nation with regard to the rights of the 18–21 year old citizens. These inconsistencies should be dealt with in such way as to provide for these youth to properly develop their citizenship in all matters.

6. We, though believing war to be against God's will for mankind, notwithstanding this, are trying to be good citizens and so back our President and his policies with regard to Vietnam in the belief that he is trying to do his best for our country.

7. We will support our church, believing "In God we trust" to be the most significant statement of our nation's character and purpose.

The foregoing resolutions were affirmed by:

Sheila Hoel, Cheryl Fenner, Darrell Bohnert, Jim C. Dooley, Melinda Headrick, Steve Butts, Nick Butts, Kerma Headrick, Teresa Fenner, Calvin Bohnert, Scott Fenner, Rex Miller, Juanita Abram, Deborah McMillan, John McDaniel, Steven Green, June Butts, Rex Flin.

ADDRESS BY CHIEF JUSTICE JOHN C. BELL, JR., OF THE SUPREME COURT OF PENNSYLVANIA

Mr. ERVIN. Mr. President, on July 8, 1968, Chief Justice John C. Bell, Jr., delivered a forthright address to the District Attorneys' Association of Pennsylvania on the decline of law and order in our country. Judge Bell singles out recent Supreme Court decisions which he feels are contributing to the lawlessness in our country and, as he stated, are "literally jeopardizing the future welfare of our country."

In these days, when so many feel that the decisions of the Supreme Court are sacrosanct, it is indeed refreshing to hear someone of Judge Bell's stature look closely at recent Court decisions and their effect on our country.

In his speech Judge Bell states:

> The recent decisions of (a majority of) the Supreme Court of the United States which shackle the police and the Courts and make it terrifically difficult (as you well know) to protect Society from crime and criminals, are, I repeat, among the principal reasons for the turmoil and the near-revolutionary conditions which prevail in our Country, and especially in Washington.

Mr. President, I hope that all Senators will have a chance to read Judge Bell's remarks. I ask unanimous consent that they be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by John C. Bell, Jr., Chief Justice, to the District Attorneys' Association of Pennsylvania on July 8, 1968

One of the few things I remember from my college days is the definition of "a familiar essay." A familiar essay is "A ramble around a subject in pleasant company." So, tonight, I'm not going to make a speech; it's going to be a familiar essay!

The Land of Law and Order—the Land which all of us have loved in prose and poetry and in our hearts—has become a Land of unrest, lawlessness, violence and disorder—a Land of turmoil, of riotings, lootings, shootings, confusion and Babel. And you who remember your Genesis remember what happened to Babel.

Respect for Law and Order—indeed, respect for *any* public or private authority—is rapidly vanishing. Why? There isn't just *one* reason—there are a multitude and a combination of reasons. Many political leaders are stirring up unrest, discontent and greed by promising every voting group Heaven on earth, no matter what the cost. Many racial leaders demand—not next year, or in the foreseeable future, but right *now*, a blue moon for everyone with a gold ring around it. Moreover, many racial leaders, many church leaders and many college leaders advocate mass civil disobedience and intentional violation of any and every Law which a person dislikes. We all know, and we all agree, that there is a need for many reforms, and that the poor and the unemployed must be helped. However, this does not justify the breaking of any of our Laws or the resort to violence or burnings and lootings of property or sit-ins, lie-ins, sleep-in students, or mass lie-downs in the public streets, or the blockading of buildings, or rioting mobs. Television shows which feature gun battles (of course, unintentionally) add their bit to stimulating widespread violence. Furthermore, the blackmailing demands of those who advocate a defiance of Law and Order under the cloak of worthy objectives and commit all kinds of illegal actions which they *miscall* civil rights, are harming, not helping, their cause.

Let's face it—a dozen recent revolutionary decisions by (a majority of) the Supreme Court of the United States in favor of murderers, robbers, rapists and other dangerous criminals, which astonish and dismay countless law-abiding citizens who look to our Courts for protection and help, and the *mollycoddling* of law-breakers and dangerous criminals by many Judges—each and all of these are worrying and frightening millions of law-abiding citizens and are literally jeopardizing the future welfare of our Country.

Is this still America? Or are we following in the footsteps of ancient Rome, or are we becoming another revolutionary France?

Let's consider some of these problems one by one. In the first place, we cannot think or talk about crime and criminals, without thinking about the newspapers and other news media. Our Constitution, as we all remember, guarantees the "freedom of the press." (First Amendment to the Constitution of the United States, and Article I, section 7 of the Constitution of Pennsylvania) and this freedom of the press means an *awful* lot to our Country, even though it isn't absolute and unlimited. (*Matson* v. *Margiotti*, 371 Pa. 188; see, also, *New York Times Co.* v. Sullivan, 376 U.S. 254.)

We all know that newspapers are written, edited and published by human beings and therefore it is impossible for a newspaper to be always accurate or always fair or always right. Nevertheless, the newspapers and other news media are *terrifically important* in our lives, and particularly in showing up incompetent or crooked public officials and *dangerous* criminals. Indeed, it is not an exaggeration to say, that they are absolutely *vital and indispensable* for the protection of the public against crime and criminals. No matter what unrealistic people may say, the only way it is possible for law-abiding persons to *adequately* protect themselves against criminals is to be informed of a crime as soon as it happens, and all relevant details about when and where and how the crime occurred, together with pertinent data about the suspected criminal or criminals. I repeat, this is the quickest and surest way, although of course not the only way our people can be alerted and protect themselves. For these reasons, it is imperative that we must resist constantly and with all our power, every attempt to "muzzle" the press by well-meaning and unrealistic persons who mistakenly believe that this press coverage with its protective shield for the public will prevent a fair trial. I need hardly add that if the press publicity so prejudices a community that a fair trial for the accused cannot be held therein, the Courts process, and whenever necessary exercise the power to transfer the trial of such a case to another County in Pennsylvania.

Let's stop kidding the American people! It is too often forgotten that crime is increasing over six times more rapidly than our population. This deluge of violence, this flouting and defiance of the Law and this crime wave cannot be stopped, and crime cannot be eliminated by pius platitudes and by Governmental promises of millions and billions of dollars. We have to stop worshipping mammon and return to worshipping God, and we next have to change, if humanly possible, the coddling of criminals by our Courts.

The recent decisions of (a majority of) the Supreme Court of the United States which shackle the police and the Courts and make it terrifically difficult (as you well know) to protect Society from crime and criminals, are, I repeat, among the principal reasons for the turmoil and the near-revolutionary conditions which prevail in our Country, and especially in Washington.

No matter how atrocious the crime or how clear the guilt, the Supreme Court never discuss in their Opinions or even mention the fact that the murderer, robber, or dangerous criminal or rapist, who has appealed to their Court for Justice is undoubtedly guilty, and they rarely ever discuss the rights and the protection of the law-abiding people in our Country. Instead, they upset and reverse convictions of criminals who pleaded guilty and were found guilty recently or many years ago, on newly created technical and unrealistic standards made of straw. Although I do not doubt their sincerity, most Judges, most lawyers and most of the law-abiding public believe that they have invented these far-fetched interpretations of our Constitution with a Jules Verne imagination and a Procrustean stretch which out-Procrustes Procrustes; and either legally or Constitutionally they must be changed!

Now, here is where *you* come in. The people of Pennsylvania need, as never before in our history, District Attorneys who will without fear or favor act promptly, vigorously, and of course fairly, to prosecute and convict the lawless, the violent and the felonious criminals who are alarming and terrifying our Society. How can you do this? There are several ways which occur to me, and I am sure numerous additional ones will occur to you.

The *first* is: You must prosecute as quicky as possible all persons who violate any law, no matter how or under what cloak of sheep's clothing they may attempt to justify their criminal actions.

Secondly: Study—and you will have to study as never before—all of the many United States Supreme Court decisions handed down in the last few years concerning crime and criminals, their confessions and their newly created rights. These are so numerous that I will not have time to analyze and discuss them. However, I will capsulize my feelings with respect thereto by the following quotations from the dissenting Opinions in *Wesberry* v. *Sanders*, 376 U.S. 1, 20–21, 42, which said, inter alia: ". . . The Constitutional right which the Court creates is manufactured out of whole cloth;" and in the dissenting Opinion in *Lucas* v. *Colorado General Assembly*, 370 U.S. 713, where one of the dissenting Opinions said (page 751): " 'To put the matter plainly, there is nothing in all the history of this Court's decisions which supports this constitutional rule. The Court's draconian pronouncement, which makes unconstitutional the legislatures of most of the 50 States, finds no support in the words of the Constitution, in any prior decision of this Court, or in the 175-year political history of our Federal Union. . . .' "

In the very recent case of *Witherspoon* v. *Illinois*, which was decided on June 3rd of this year, the dissenting Justices went even further and said that the majority Opinion was completely without support in the record and was "very ambiguous." With these conclusions I strongly agree. However, what is more important is the question of what *Witherspoon* really holds. The majority Opinion thus summarizes it: *Specifically*,[1] we hold that *a sentence of death* cannot be carried out if the jury that imposed or recommended it was chosen *by excluding veniremen for cause* simply because they voiced general objections to the death penalty or expressed conscientious or religious scruples against its infliction. . . . *Nor does the decision in this case affect the validity of any sentence other*[2] *than one of death*. Nor, finally, does today's holding render invalid the *conviction*[2] as opposed to the *sentence*,[2] in this or any other case. . . . [W]e have concluded that neither the reliance of law enforcement officials, cf. Tehan v. Shott, 382 U.S. 406, 417; Johnson v. New Jersey, 384 U.S. 719, 731, nor the impact of a retroactive holding on the administration of justice, cf. Stovall v. Denno, 388 U.S. 293, 300, warrants a decision against the fully retroactive application of the holding we announce today."

Thirdly: You will have to more carefully and more thoroughly prepare your cases than ever before, especially on the question of the voluntariness and admissibility of confessions, in order to avoid new trials, now or 25 years from now.

Fourth: You will have to personally make sure that a complete detailed record is kept of all the trial and pre-trial and post-conviction proceedings in every case, in order to adequately answer and refute, immediately or many years after the trial, a convict's contentions that he was deprived of a number of his Constitutional rights. These allegations of unconstitutionality may include a contention that his confession or guilty plea was coerced or involuntary; or that he did not have a lawyer at the taxpayers' expense at the time of his confession or any time to adequately prepare his case; or that he was not advised or did not understand all his rights at every critical stage of the trial and pre-trial proceedings, including his right to remain silent; and all his other required Constitutional warnings; or that he was not competent to stand trial; or that he was insane; or that his lawyer was incompetent; or that he was not advised of his right to appeal and to have a tax-paid lawyer represent him in his appeal; and also every imaginable lie which he can invent; as well as every technical defense which an astute criminal lawyer can, after the trial or after many post-conviction proceedings, conceive.

Fifth: You will have to aid (of course, diplomatically) every trial Judge, in order that his rulings and his charge to the jury and his statement of the law and the facts are accurate, adequate, fair and comply with all the recently created technical standards.

Sixth: And this is very, very, very important—I strongly recommend:

First, that your Association state courteously and publicly the position of the District Attorneys' Association of Pennsylvania with respect to every decision of the Supreme Court of the United States and of an appellate Court of Pennsylvania which the Association is convinced is unfair to our law-abiding people and is unjustified by the Constitution or by any statutory law, together with the reasons and the legal authorities which support your position; and that you simultaneously send a copy of all of the Association's recommendations, resolutions and criticisms to the Supreme Court of the

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[1] Italics, ours.

[2] Emphasis in original Opinion.

United States, and to the appellate Courts of Pennsylvania;

Secondly, that each of you write, and likewise be sure to see the members of the State Legislature from your district and your Congressman and your two United States Senators about the Association's recommendations and resolutions and criticisms, and the reasons for the Association's opinions and convictions.

Finally, you must fight with all your might and power and as never before for all the law-abiding people of our wonderful State who are consciously or unconsciously relying upon you (and the Courts) to protect them from felonious criminals and from all law-breakers.

DEATH OF MARGARET BAYNE PRICE

Mr. PELL. Mr. President, I mourn with intense regret the loss of Mrs. Margaret Price who left us on the 23d of this month.

When a good friend leaves us, we are all saddened. But, Margaret Price was much more than that, for during much of her life she was dedicated to trying to shape history for the betterment of her country.

Arduous tasks and thankless jobs were frequently her lot. She did them well, with flair and imagination. She sought not glory, but achievement

Modesty and effectiveness were her attributes.

Operation Support, Four for '64, Flying Caravans, Tell-a-Friend, were the products of her drive and leadership.

Millions of women across the Nation respected and admired "Mrs. Democrat" for her leadership and sincerity of purpose.

In essence, she was a lady of vision, verve, and vitality.

From a personal viewpoint, she was a good and valued friend.

The passing of Margaret Price will prove to be a great loss to her country and her party; we all miss her deeply.

BALTIMORE SPEAKS OUT ON SUPREME COURT NOMINATIONS

Mr. GRIFFIN. Mr. President, an aroused American public is beginning to make its voice heard concerning the President's nominations to the Supreme Court. Letters and telegrams are pouring into our office from all parts of the Nation, and the tide is running overwhelmingly in favor of the position I have taken.

I wish to call attention to another indication of the public's view of this matter. On July 10, television station WMAR-TV in Baltimore, Md., conducted a poll.

The station asked its viewers to respond by telephone to this question: "Should the U.S. Senate delay confirmation of L. B. J.'s Supreme Court nominations so these could be made by the new President next January?"

The poll was conducted during prime viewing time—between the hours of 7:30 and 11 p.m. During that 3½-hour period, the station reported that 1,459 persons called to register their opinion.

Sixty-four percent of those voting supported the view that the Senate should not confirm the pending nominations. That is a margin of nearly 2 to 1 in an area where the President would be expected to have strong political support.

A Gallup poll taken in June, before the current controversy erupted, indicated that public confidence in the Supreme Court has fallen to an all-time low. It is not unreasonable to suggest that public confidence in the Court will not be enhanced if the Senate should rubberstamp the pending nominations.

The residents of Baltimore have registered their opinion. I am confident that other cities and States will follow their lead.

I ask unanimous consent that a newspaper article containing the Gallup poll be printed in the RECORD.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 10, 1968]

THE GALLUP POLL: HIGH COURT GETS A LOW RATING

(By George Gallup)

PRINCETON, N.J., July 9.—Favorable attitudes toward the U.S. Supreme Court have declined during the last year, as judged by a nationwide Gallup survey just completed.

Today, unfavorable feelings toward the High Court outweigh favorable sentiment by a 3–2 ratio. In a survey reported in July, 1967, Americans showed feelings toward the Court—with about as many giving it "excellent" or "good" marks as gave it "fair" or "poor" rating.

Over the past 30 years the Gallup Poll has regularly checked on the public's attitudes toward the Supreme Court as a branch of government. This survey was not designed to gauge public reaction to the recent Administration appointments of Abe Fortas and Homer Thornberry to the Court.

This is a question put to a representative national sample of 1534 adults the last weekend in June:

"In general, what kind of rating would you give the Supreme Court—excellent, good, fair or poor?"

[In percent]

	Latest	July 1967
Excellent	8	15
Good	28	30
Total favorable	36	45
Fair	32	29
Poor	21	17
Total unfavorable	53	46
No opinion	11	9

A person's opinion of the Supreme Court is closely related to how he identifies himself politically. Rank-and-file Republicans are most critical of the Court (60 per cent give the Court an unfavorable rating) while Democrats are about evenly divided between favorable and unfavorable ratings.

Persons with college training are more inclined to give the Court a favorable rating than those with less formal education. Still, college-trained persons are evenly divided in their evaluation of the Court.

Southerners are more critical of the Court than are residents of other regions. About half of young adults, those in their twenties, give the Court either an "excellent" or "good" rating, while older persons tend to be less favorably disposed toward the Court.

Following are the results by major groups in the population:

[In percent]

	Excellent	Good	Fair	Poor	No opinion
National	8	28	32	21	11
Republicans	7	21	35	25	12
Democrats	10	32	30	17	11
Independents	7	29	32	24	8
College	14	34	27	21	4
High school	6	29	35	20	10
Grammar school	6	21	31	23	19
East	11	32	31	16	10
Midwest	8	31	29	17	15
South	5	18	35	31	11
West	9	31	33	19	8
21 to 29 years	11	37	32	12	8
30 to 49 years	9	31	31	18	11
50 and older	6	19	32	29	14

The public favors certain changes in the way Supreme Court Justices are selected. Sixty-one per cent support the proposal that the American Bar Association draw up a list of candidates it prefers and then let the President make a choice from the list.

In addition, three out of every four people in this country favor President Eisenhower's proposal that Justices of the Supreme Court and other Federal judges be required to retire at the age of 72.

VOCATIONAL EDUCATION

Mr. PEARSON. Mr. President, vocational education has become one of the fundamental individual achievements of our national economic strength. Recognition of this fact was most recently stated in a statement on KLEO radio station in Wichita, Kans., on July 22 and 23 of this year. It is a strong plea for Senate action.

Because I share this view, I ask unanimous consent that this statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[An editorial comment broadcast on KLEO, July 22–23, 1968]

OBSERVATION 148

The House in Washington has passed the vocational educational amendments and sent them to the Senate. These represent an important step forward in making more occupational education available to the youth of our Nation. We can only hope that the bill will not get lost, watered down or killed in the rush of the final days of congressional meetings before the political conventions. Here in Kansas we have made great movements forward in having excellent Vo-Tec schools, but if approved, the Federal provisions would be given assist in broadening these opportunities here and throughout the Nation.

EVANS AND NOVAK ON THE JOHNSON-FORTAS RELATIONSHIP

Mr. GRIFFIN. Mr. President, in considering the nominations pending for the Supreme Court, questions have arisen as a result of a past and continuing relationship between Mr. Fortas and President Johnson.

A carefully researched book, written by the respected columnists, Rowland Evans and Robert Novak, throws considerable light upon that relationship.

I ask unanimous consent that a number of excerpts from the book "Lyndon B. Johnson: The Exercise of Power," along with my introductory remarks be printed in the RECORD.

There being no objection, the introductory remarks and excerpts were ordered to be printed in the RECORD, as follows:

Mr. GRIFFIN. On page 9 of the book, the authors refer to the beginning of the relationship in the late thirties with these words:

"THE ROAD TO THE SENATE

"But most important, the doors were opened to the great and near-great—to the Princes of the New Deal who usually didn't come within miles of a freshman Congressman. In separate conversations, Roosevelt remarked to those two feuding chieftains of the New Deal, Harold Ickes and Harry Hopkins, that here was a young man Franklin Roosevelt might have been—if he hadn't been saddled with a Harvard education! Further, the President added, young Johnson could well become the first President from the South since the Civil War. Ickes and Hopkins got the message and began introducing Johnson around and doing him little favors.

"Slowly, Johnson began to assemble a stable of non-Texas advisers—some to last a generation, some to be shucked off quickly. Hopkins introduced him to a shrewd Wall Street lawyer named Edwin Weisl, who was deeply impressed by Johnson, Secretary of the Interior Ickes put him in touch with two brilliant men in their late twenties—a young lawyer from Memphis named Abe Fortas, then working his way up the ladder in the Interior Department, and Eliot Janeway, then business editor of Time and an unofficial economic adviser to Ickes. Weisl, Fortas, Janeway—all were called upon by the young Congressman for advice, as were FDR's Young Guard from the White House and the new Securities and Exchange Commission (through Johnson's interlocking relationships with both Rayburn and Roosevelt).

"Apart from the fact that Sam Johnson had served with Sam Rayburn in the Texas legislature and backed Rayburn for Speaker in 1909, Lyndon Johnson had been attentive to Rayburn during his stint as Kleberg's secretary in the House. As chairman of the House Commerce Committee during Roosevelt's Hundred Days of 1933, Rayburn was midwife at the birth of the SEC. Thus the Rayburn link, together with Roosevelt's own sponsorship, put Johnson in close touch with SEC Chairman William O. Douglas and the young White House aides of the later New Deal—Ben Cohen, Thomas (Tommy the Cork) Corcoran, James Rowe."

In 1948, candidate Lyndon Johnson won nomination for Senator by a contested 87 votes. The circumstances and the role played by Mr. Fortas, are described in the book, beginning on page 24, as follows:

". . ., the campaign of 1948 bore little resemblance to 1941. This time Johnson was not bound by the handicaps of a pro-administration candidate. Swooping down on voters in his helicopter, Johnson was prepared to say whatever he had to say to win. While never having joined the segregationist bloc in Congress, he now opened fire on Truman's whole civil rights program, and while privately telling friends that he really favored federal control of tidelands oil, he campaigned for a bill to place the tidelands in Texan hands. But nowhere did Johnson display his ability—and willingness—to work both sides of the political fence in order to get into the Senate as he did on the Taft-Hartley issue.

"Johnson's vote for Taft-Hartley helped nail down the kind of money support that shunned him seven years earlier—led by the newly oil-rich Brown brothers. Old Wall Street friend Ed Weisl (whose clients included the Hearst Corporation) obtained an endorsement for Johnson from the Hearst newspapers in Texas—an endorsement out of the question if Johnson had voted against Taft-Hartley. That single vote panicked the Texas State AFL into an absurd endorsement of Johnson's right-wing Tory Democratic foe, Governor Coke Stevenson, playing directly into Johnson's hands. Fearful of taking a stand on Taft-Hartley because of the AFL endorsement, Stevenson was a sitting target for Johnson's political arrows aimed at his labor support. Labor-baiting fit snugly into the prevailing anti-labor mood in the Southwest. Challenging Stevenson to repudiate his AFL support, Johnson asked rhetorically: 'Does he place his greed for votes above the welfare of his native land?' A major issue of the day, said Johnson, was 'whether we should bow our necks to labor dictatorship through the repeal or softening of the anti-Communist Taft-Hartley Bill.'

"But while the AFL went for Stevenson, a wiser labor official was on the other side. Robert Oliver, a Texas staff member for Walter Reuther's CIO Auto Workers, persuaded state CIO officials not to follow the AFL into the Stevenson camp. In return, Johnson led Oliver to believe that he would take a generally pro-labor stance in the campaign. While Oliver quietly recruited CIO locals behind Johnson (without formally endorsing him), Johnson gradually stepped up his campaign in favor of Taft-Hartley. But Oliver was trapped, because by then it was too late to reverse the CIO, which voted for Johnson. But most important of all, in the August 28, 1948, Democratic primary, Johnson remembered Roosevelt's advice about sitting on the ballot boxes.

"Counted out by O'Daniel's ballot-counters in 1941, Johnson was counted in this time by 87 votes out of 988,295 cast, thanks to a late, late count on September 3, giving him 202 additional votes from the ballot box in Precinct No. 13 in the hamlet of Alice in Duval County on the Mexican border. After a long and bitter debate, the State Democratic Executive Committee, meeting in Fort Worth on September 14, certified Johnson as the nominee of the party to be placed on the general election ballot—as good as election in the Texas of 1948. Stevenson immediately appealed to the federal courts with charges of fraud, and on September 15, U.S. District Judge T. Whitfield Davidson, a Southern conservative from rural east Texas, issued an injunction denying Johnson a place on the ballot. At a hearing before Davidson in Fort Worth on September 21, *Stevenson's lawyers produced evidence to show that "voters" from the graveyard and from across the border in Mexico had been recorded for Johnson in Precinct No. 13*. Davidson, clearly intending to rule against Johnson, sent a lawyer into Duval County to take evidence as a master of chancery for his court.

"The full weight of the Truman Administration and the entire liberal wing of the Democratic party now was thrown behind Johnson. For all of his conservative transgressions during the 80th Congress, Lyndon Johnson was infinitely preferable to Dixiecrat Coke Stevenson in the Senate. The President told Johnson precisely that on September 25, when his transcontinental whistle-stop tour passed through Texas with Representative Johnson as the honored guest, Johnson's old friends gathered about him as his political career teetered in the balance. John Connally was in overall command. In Texas, Alvin Wirtz headed his defense. In Washington, Abe Fortas, now in private practice, was his principal attorney. Joining them on a volunteer basis were prominent liberal lawyers, including Joseph Rauh, a national leader of the liberal Americans for Democratic Action, who in years to come was to be one of Johnson's principal antagonists.

"Judge Davidson's hearing in Fort Worth reopened on September 28, but it was short-lived. Johnson's lawyers had appealed Davidson's injunction to the U.S. Court of Appeals in New Orleans. Unable to get a quick decision there, they went to the Supreme Court in Washington. On September 29, Justice Hugo Black issued an order staying the Davidson injunction and putting Johnson's name back on the election ballot. Davidson's hearing came to an abrupt end, and further appeals were moot. Stevenson was beaten—by the disputed 87 votes. The November election was a formality."

In 1949, President Truman nominated Leland Olds for a third term as a member of the Federal Power Commission. Freshman Senator Lyndon Johnson was a leading opponent, and the Senate finally voted to reject the nomination.

In their book, beginning on page 35, Evans and Novak relate the circumstances and point up the interesting role played by Mr. Fortas in this matter:

"Leland Olds, a native of Rochester, New York, graduated from Amherst College in 1912, served in the Army in 1918, and then spent nine years as an economic consultant and writer for *Labor Letter*, published by Federated Press. (His economic orientation was considerably left of center.) In the following eight years he headed the New York State Power Authority, until President Roosevelt appointed him to the Federal Power Commission in 1939. As a member, then vice-chairman and chairman of the FPC, he was the commission's most militant advocate of tough government regulation of private utility rate-making.

"Thomas L. Stokes, the liberal columnist, referred to Olds as a 'mild-mannered, tough-minded, zealous old New Dealer.' His zeal got him into trouble, and not just with the private utilities. Like all the New Dealers, he loved nothing better than a roaring bureaucratic battle. Unfortunately for Olds, his foes included one of the New Deal's expert in-fighters: Secretary of the Interior Harold Ickes. Ickes believed that Olds had poisoned President Roosevelt's mind against him thereby ruining Ickes' chances to become chairman of a new federal Water-Power Commission. The Old Curmudgeon never forgot, nor did his close friends.

"By 1949, Olds had served ten years on the FPC and was hoping for still another term. But, in fact, his day was done in Washington. Olds had run afoul of the postwar natural gas boom. Once a relatively unimportant by-product of the oil industry, natural gas had become big business. Interstate pipelines brought gas from the Southwest and revolutionized the home-heating business across the nation. The rise of the oil and gas industry brought a new political power, not just to Texas, but to Washington also. With Bob Kerr leading the way in the Senate, the industry refused to tolerate an FPC dedicated to tough regulation of natural gas prices. The reappointment of Leland Olds for another term on the FPC would have ensured an anti-industry majority on the commission. Olds was a marked man.

"Majority Leader Scott Lucas, increasingly harassed in his unhappy role of attempting to chaperone the Fair Deal through a hostile Senate, warned Truman in the fall of 1949 that the Senate would never confirm Olds for another term. He pleaded with the President not to make the nomination, but Truman had become impervious to defeat in Congress. Furthermore, he was increasingly concerned with international affairs. He not only ignored Lucas' advice but, as with so much Fair Deal legislation, just about forgot the Olds nomination once it reached Capitol Hill. Scarcely a telephone call on Olds' behalf was made by the White House. Lucas, who had his own doubts about Olds, went through the motions for the presidential nominee. But it was a hopeless cause. With the indefatigable Kerr beating the drums against Olds and oligarchs Russell and Taft both opposed to him, he had no chance.

"What makes the inevitable senatorial lynching of Leland Olds noteworthy was the aggressive part played by the freshman Senator in charge of the special Senate Commerce Subcommittee set up to study the Olds nomination. Lyndon Johnson sought the job—but only when Olds was already clearly marked for extinction.

"There seems little doubt that Ickes, nursing his old grudge against Olds, was egging on his protégé, Johnson. Abe Fortas, who had been Ickes' Under Secretary of Interior and was still close to him, although now in private law practice, was the behind-the-scenes counsel for Johnson, supplying him with material and arguments against Olds."

Mr. Fortas has come under criticism because, while serving as a Justice of the Supreme Court, he has engaged in certain extra-judicial activities. In light of that criticism, the following excerpt, taken from page 337 of the book, should be noted:

"There was first the question of the assassination itself. Inevitably, irresponsible demagogues of the left and right spread the notion that not one assassin but a conspiracy had killed John Kennedy. That it occurred in Johnson's own state on a political mission urgently requested and promoted by Johnson only embellished rancid conspiratorial theories. If he were to gain the confidence of the people, the ghost of Dallas must be shrugged off.

"In his earliest hours as President, then, Johnson, *assisted by Abe Fortas* and other counselors, *conceived his plan for a blue-ribbon commission composed of the nation's most eminent citizens* to make a painstaking investigation of the tragic events of November 22 and exorcise the demons of conspiracy. Moreover, it had to be a commission of consensus, skillfully drawn from contrasting segments of the population. He made the choices and telephoned them himself: from the Eastern Establishment, John McCloy, an esteemed banker and diplomat; from the liberal Republicans, Senator John Sherman Cooper of Kentucky, Kennedy's close friend; from the orthodox Republicans, Representative Gerald Ford, Jr., of Michigan; from the Democratic party House leadership, Representative Hale Boggs of Louisiana; from the top echelon in the world of international intelligence, Allan W. Dulles, the former director of the Central Intelligence Agency.

"The two most important members of the commission were the hardest to get. To symbolize his hope for national reconciliation, binding together the distraught nation, Johnson wanted opposites: Chief Justice Earl Warren (who would head the commission and give it its name) and Senator Richard Russell. It was the Supreme Court under Warren's vigorous leadership that, through its civil rights decisions, brought about the Negro Revolution that whittled down the political power of Russell's South. In hour upon hour of Senate oratory, Russell had denounced the judicial usurpation of the "Warren Court." Now, Johnson wanted these two antagonists side by side in a moment of national peril.

"Warren protested. He knew that past members of the Supreme Court had been subject to heavy criticism when they accepted nonjudicial assignments. He told Johnson that neither he nor any member of the federal judiciary should serve on the commission."

The following is found on page 346 of the Evans and Novak book:

"Fortas had remained on intimate terms with Johnson all during the vice-presidency. When White House lawyers prepared the fair housing order to be enforced by Vice-President Johnson's Committee on Equal Employment Opportunity, Johnson asked them to let Abe Fortas have a look at it, even though he had no official government position. Now with Johnson as President, Fortas—still without official status—was constantly on the scene after November 22: writing speeches, giving advice, keeping Johnson company. [Fortas had been retained by Bobby Baker as his counsel in the multiple legal complications that began late in the summer of 1963, but Fortas dropped Baker as a client when Johnson became President.]"

The following excerpt is from page 348:

"On Saturday, November 23, (1963), Johnson asked Sorensen to write this first major speech—the same task he had performed so well for Kennedy. Later that day, Johnson by accident ran into Galbraith in an elevator in the Executive Office Building. Worried about the speech to Congress four days later, Johnson asked Galbraith whether he worked well with Sorensen. When the answer was yes, Johnson asked him to collaborate on the address. That night, Sorensen and Galbraith got together in the handsome Georgetown house of Katherine Graham, widow of Philip Graham and now publisher of the *Washington Post*. Galbraith hatched ideas and Sorensen put them in writing.

"When Sorensen prepared his speeches for Kennedy, the draft was circulated, amendments were made, and it was then returned to Sorensen for final polishing. With Johnson, it was different. After the Sorensen-Galbraith draft was submitted to Johnson, they never saw it again. Johnson gave it to Abe Fortas, who did a top-to-bottom rewrite. 'I corned it up a little,' Fortas said later. The result was an amalgam that was neither pure Kennedy nor pure Johnson. It was a transition address."

And on page 358, the following:

"Christmas week at the ranch was the beginning of the end of Johnson's transition as President. There remained only the President's address to the opening of the second session of the 88th Congress on January 8, 1964. Returning to Washington, the President called in his chief advisers on foreign policy for a final session in the Cabinet Room on the State of the Union Message, already in draft form.

"There, gathered in the Cabinet Room, were three layers of advisers, each separate from the other, each with its uncommon tradition but all now joined together. The first layer was the Kennedy-holdover layer: Rusk and McNamara, the CIA's John McCone, McGeorge Bundy, Arthur Schlesinger, Walt Rostow of the State Department Policy Planning staff, Don Wilson of the USIA; the second layer was the core of Johnson's new, inside advisers: Moyers, Valenti, and, of course, Walter Jenkins; finally, the third layer—the triumvirate of Fortas, Clifford, and Rowe."

Beginning on page 412 of the book:

"This strict demarcation line between the Private and Public Person began to crumble during Johnson's freewheeling overseas trips as Vice-President. But the problem was magnified beyond control in his early presidency when he tried to deal with fifty or more White House correspondents in the same style that he had dealt with a dozen Senate regulars. Stories inevitably were published that concentrated on the Private Person and displayed the new President as a whiskey-drinking Texas primitive, who told dirty jokes and mistreated his Secret Service bodyguard.

"Johnson's aides knew all too well that such exposé in the press fitted neatly with the image of the President as a Texas wheeler-dealer that began to emerge in early 1964 quite apart from his treatment in the press. Two long, meticulously researched articles in the *Wall Street Journal* on March 23 and 24 by Louis M. Kohlmeier described how Lyndon and Lady Bird Johnson had made their fortune in the government-regulated communications industry. The Kohlmeier articles, which won him a Pulitzer Prize, set off a year-long discussion of Johnson's personal fortune—a subject related to the Private Person, not the Public Person.

"Furthermore, the Bobby Baker case was warming up. On January 17, 1964, the Senate Rules Committee published incendiary testimony in its Baker investigation from Don B. Reynolds, a garrulous insurance salesman from the Washington suburb of Silver Spring, Maryland, who said he had taken Baker into his insurance firm as a vice-president in the late 1950s to exploit his invaluable political contacts. Baker suggested in 1957, Reynolds testified, that Reynolds sell a life insurance policy to Senator Johnson, two years after his severe heart attack. Johnson was obviously a high risk, but Reynolds placed $100,000 in life insurance with an underwriter. Shortly thereafter, Reynolds testified, Walter Jenkins suggested that he purchase advertising time from KTBC, the Johnsons' television station in Austin. The clear implication was that Reynolds owed Johnson a favor for the commissions he would receive as broker for the $100,000 of life insurance. Reynolds bought the television advertising at a cost of $1,208. Two years later, in 1959, according to Reynolds' testimony, Baker suggested that he give Johnson a high-fidelity stereophonic phonograph of a particular type desired by Mrs. Johnson. Reynolds said he sent such a set, costing him $584.75 for purchase and installation, to Johnson's home in Washington accompanied by invoices that indicated Reynolds was the buyer. In 1961, after he became Vice-President, Johnson bought another $100,000 life insurance policy from Reynolds.

"*As he often did when trouble loomed, Johnson turned to those two canny Washington lawyers, Abe Fortas* and Clark Clifford. Their advice boiled down to this: Jenkins should not testify before the Rules Committee and risk a cross-examination that might escalate Reynolds' testimony into a full-fledged crisis. But, Fortas and Clifford went on, the President must reply to Reynolds' charges and innuendo. That's precisely what Johnson did. At an impromptu press conference on January 23, the President gave a brief history of the life insurance policies purchased from Reynolds but said nothing at all about the advertising bought by Reynolds from KTBC. As for the stereo set, Johnson described it first as 'a gift . . . that an employee of mine [Baker] made to me and Mrs. Johnson' and then as a gift of 'the Baker family.'

"Democratic politicians generally disagreed with the *Fortas*-Clifford advice. Anything the President said, they believed, would elevate the whole matter and build it up as a political issue. Nor were these politicians happy when, at another presidential press conference on January 25, Johnson clumsily tried to equate the Reynolds-Baker stereo set with a miniature television set received from his office staff by Senator Barry Goldwater, then campaigning in the New Hampshire primary for the presidential nomination. 'I am a little amused when you talk about the stereo and the miniature television,' said Johnson with deep irony. 'I don't know what the difference is, but I guess there is some difference.'"

In 1964, considerable pressure was building up to get President Johnson to accept Senator Robert F. Kennedy as a running mate. How President Johnson responded and the role of Mr. Fortas, are described in the following passages, beginning at page 444.

"John Kenneth Galbraith had resigned as Ambassador to India and, since his part in drafting Johnson's first speech to Congress on November 27, 1963, had become a frequent visitor to the White House and adviser to the President. On July 21, 1964, the eve of his departure for a lengthy trip to Europe, Galbraith is known to have written President Johnson along the following lines: recalling a converstion he had with Johnson several days earlier on the subject of the vice-presidency, he praised Bobby Kennedy as a calm, competent person of great ability. The Kennedys, wrote Galbraith, had made one special contribution to the country: they had involved the new generation in politics on the grand scale, just as Franklin Roosevelt had done in those days when Galbraith had first met Johnson in Washington. The enthusiasm of youth, wrote Galbraith, is a vital campaign asset. Moreover, youth and the involvement of youth would be even more important to the Johnson Administration in the forthcoming four-year period. In fact, concluded Galbraith, whether youth were enthusiastic for the Johnson ticket or disappointed in it could determine the result of the election.

"In his letter to the President, Galbraith was lobbying for Bobby Kennedy, and Galbraith had one of those eloquent liberal voices that, if sounded out loud, could attract much attention and make much trouble for Lyndon Johnson. Here it was, some five weeks before the Atlantic City convention. The Bobby Problem remained unsolved, and one of the most skilled publicists in the Democratic party was writing a letter as if there really were a possibility that Johnson would give second place on the ticket to Kennedy.

"Such continued persistence by Kennedy men made it clear to Johnson that the last feeble beating of Bobby-for-Vice-President hopes could not be permitted to continue into the National Convention itself, when the confusion and grief for John Kennedy among the delegates might somehow produce a climate of revolt at Atlantic City.

"Thus, during the week of July 27, one week after receiving Galbraith's letter and four weeks before the convention opened, Johnson quietly moved to prevent an emotionally supercharged atmosphere from developing at the big Convention Hall on the boardwalk. The Arrangements Committee for the convention had scheduled an opening day documentary film in memory of John F. Kennedy. It would, no doubt, be a deeply moving, tearful review for the three thousand delegates and alternates and would be carried across the country over television. Fearful it might start a vice-presidential bandwagon for Bobby Kennedy, Johnson ordered the memorial film postponed from the first to the last day of the convention—the night *after* the candidate for Vice-President had been nominated. Then, all the emotion in the world would avail for nothing.

"But changing the date of a movie by no means removed The Bobby Problem. For weeks, the President had quietly discussed various alternatives for removing Kennedy from all consideration for the vice-presidential nomination. Now he was ready to act. The best of all possible worlds from Johnson's point of view would have been for Kennedy to voluntarily disqualify himself from vice-presidential consideration, but that plainly was not going to happen. Johnson, still insecure in wielding the full political power of the presidency, did not want to risk alienating the Kennedy wing of the party by ruling out Bobby Kennedy in a simple statement. Thus it was that Johnson in secret consultation with his triumvirate of senior political advisers—Abe Fortas, Clark Clifford, and James Rowe—hit upon the final solution to The Bobby Problem.

"On Monday, July 27, the President telephoned the Attorney General and arranged for a meeting at the White House on Wednesday, July 29.

"When Bobby Kennedy walked into the President's Oval Office at 1 p.m. on Wednesday, Johnson came at once to the point. Kennedy, said the President, would probably run the country on his own someday but Johnson wanted him to know that he did not plan to put him on the ticket in 1964. The reason, Johnson said, was that he had decided Kennedy was not the Democrat who as Vice-President could contribute the most to the party, to the country, or to the President. Johnson offered Kennedy any foreign diplomatic post he wanted, and any Cabinet post, if and when incumbent Cabinet members resigned.

"Kennedy accepted this verdict quietly and told Johnson he would do everything he could to help in the election. Johnson then asked him to become the campaign manager, as he had done for his brother.

"Kennedy replied he would have to resign as Attorney General to do that, and he wouldn't resign unless Johnson named Nicholas Katzenbach, then Deputy Attorney General, to succeed him. [Kennedy did resign as Attorney General on September 3, 1964, to run for the Senate in New York. After five months of soul-searching, Johnson finally named Katzenbach to take his place.]

"Kennedy now had been informed, but the larger problem—chewed over in such great detail with the Fortas-Clifford-Rowe triumvirate—of informing the world remained for Johnson. At that Wednesday afternoon confrontation with Kennedy in the White House, there was some discussion of how the President's decision would be announced, but nothing was decided. Johnson still hoped to solve The Bobby Problem in the most expeditious way: a voluntary withdrawal by Kennedy himself.

"After the Wednesday meeting, he sought the help of Kenny O'Donnell to urge Kennedy to make such a statement. But O'Donnell, in an anomalous position through all of 1964 as presidential assistant with far closer ties to the Attorney General than to the President, declined. He told Johnson that Kennedy felt it was the President's repsonsibility to make whatever announcement he wanted, not Kennedy's. The President next enlisted his chief National Security aide, McGeorge Bundy, a nominal Republican who had never been ordered to engage in party politics before. On behalf of the President, Bundy asked Kennedy to announce he was not a candidate. Kennedy was both hurt and angry by Bundy's intervention and refused.

"With Kennedy refusing to jump overboard, *Johnson now moved the alternative strategy he had devised with Fortas-Clifford-Rowe to push Bobby over with a minimum political risk*. On Thursday evening, July 30, the President unexpectedly went before television cameras at the White House and read an announcement without precedent in American history: "*I have reached the conclusion that it would be inadvisable for me to recommend to the convention any member of my Cabinet or any of those who meet regularly with the Cabinet.*" [Humphrey had not been informed of the Cabinet's wholesale elimination in advance, did not tune in his television set to watch the President on July 30, and was first informed of Johnson's startling announcement by a telephone call from a reporter. After hanging up the phone, Humphrey remarked to an aide that the reporter who had called him was invariably reliable but must be having hallucinations now. Humphrey could not believe the story.]

"Politicians who had tuned in on the President could scarcely believe their own ears. In shooting down Bobby Kennedy, the President had performed a mass execution of his entire Cabinet as well as two vice-presidential dark horses 'who meet regularly with the Cabinet,' Adlai Stevenson and Sargent Shriver.

"All of Washington guffawed at the clumsiness and transparency of the ploy. Yet, it was not without political logic. A case could be made that the Cabinet caper did muffle the blow against the Kennedys and thereby minimized the reaction of Kennedy forces in the party. Although every politician and newsman in the country knew Johnson was aiming only at Bobby Kennedy, the President had a plausible argument to the contrary. He claimed that his decision grew out of the larger consideration of good government. He couldn't spare any of his valued Cabinet aides, and that was as true of the other nine as it was of Bobby Kennedy. [Johnson was so eager to prove that the exclusion was aimed at Cabinet members other than Bobby Kennedy that he told White House reporters in a background session on July 31 that covert vice-presidential campaign were under way for Dean Rusk and Orville Freeman in their respective home states of Georgia and Minnesota. This marked the first—and last—report of any such efforts.]"

Of interest also is the following, beginning on page 478 of the Evans and Novak book:

"From the beginning, the realistic among Barry Goldwater's campaign advisers felt that the one slim hope for a monumental political upset lay in what became known as the morality issue. A vague, unfavorable image of the President—based partly on emotion, partly on his reputation as a Texas wheeler-dealer not unwilling to cut a corner here and there—had taken hold throughout the country. Like all such moods, this one was based on innuendo, coupled with the hard fact of Johnson's fortune, built up while he held public office, and his earlier relationship with Bobby Baker in the Senate years. The polls showed that this mood was prevalent even among some voters who definitely planned to vote for Johnson anyway.

"But how to exploit it? A tough, skillfully prepared documentary movie called 'Choice' made a subtle effort to connect Johnson with a decline in public morality. But a sharp difference of opinion inside the Goldwater high command kept it off the television screens. There was surreptitious Republican help in some areas in distributing anti-Johnson smear literature, most disreputable of which was *A Texan Looks at Lyndon* by J. Evetts Haley, a Texas right-wing Democrat. As the campaign grew more bitter, the speeches of Goldwater and lesser Republicans became more explicit in challenging Johnson's character.

"But to elevate these fragments into an important campaign issue required a genuine scandal. The Bobby Baker affair happened to be the only scandal at hand, and Republicans hoped and prayed that somehow the revelations of Baker's extracurricular financial deals would implicate the President. The Baker case had been glossed over by the Senate Rules Committee, but Republicans got new hope on September 10 when the Senate, by a vote of 75 to 3, reopened the matter because of new evidence and assigned it for full investigation to the Rules Committee. For a moment, it appeared that the escapades of the bright young man from Pickens, South Carolina, whom Johnson had not seen or spoken to since he became President, might suddenly spring into the headlines again, just on the eve of the presidential election.

"Certainly that was the intent of Senator John J. Williams of Delaware, whose persistent sleuthing had uncovered the new evidence sufficient to convince the Senate to reopen the case. [Johnson made an unscheduled, last-minute campaign stop in Delaware in a futile effort to beat Williams, who was running for a fourth term in the Senate.] Certainly that was the hope expressed by the Republican minority on the Rules Committee. *But the President was in close touch with the Senate on the Baker case through the discreet efforts of Abe Fortas*. Thus, having reopened the case of September 10, the Senate on October 13 postponed the investigation until *after* the election. The last question during the campaign asked the President on this subject came on September 9. He answered that he favored 'a thorough investigation and study of every indication that any federal law may have been violated.' What he meant but didn't say was that it not come during the campaign.

"Against this backdrop of Republican frustration, the tragic events revealed on October 14 came like a ray of hope to the Republican National Committee. Here was a bona fide scandal in being, perhaps striking at the heart of personal conduct that was Johnson's weakness. It was the first and only crisis of the campaign for Johnson.

"On October 7, *Walter Jenkins was arrested*—along with an inmate of an old soldiers' home—in the men's room at the YMCA, one block west of the White House on G Street, for 'disorderly conduct,' *a euphemism for inexplicable departure from accepted sexual conduct*. Rumors flooded Washington, and the Republican National Committee, quickly notified, helped spread them. *Abe Fortas and Clark Clifford vainly tried to kill publication of the news by personally visiting each of the three daily Washington newspapers*. But the news could not be suppressed and was transmitted across the country by United Press International on October 14.

"Walter Jenkins was no mere employee of the President. For twenty-five years, he had labored faithfully, effective, and energetically as Johnson's confidential assistant. Alone among all of Johnson's aides, he had stayed and lasted, the faceless, anonymous servant to the end, serving Johnson without question and without ambition. His daughter Beth was Luci Johnson's best friend. Lady Bird Johnson and Marge Jenkins were warm friends. Jenkins had been privy to every Johnson hope and aspiration not only during the long years in the Senate but in the White House as well. He had, in fact, brought on his own destruction by driving himself in the service of Lyndon Johnson eighteen hours a day, seven days a week, until, his body exhausted and his mind stretched taut by overwork, he had simply fallen apart.

"On October 15, Mrs. Johnson, heartsick over the tragedy, issued a statement from the White House filled with sympathy for Jenkins and his family. Johnson was campaigning in New York. He said nothing for well over twenty-four hours, despite the strongest advice from both his staff and from Mrs. Johnson herself that he say something to ease the anguish of his friend. But Johnson was torn between two conflicting forces: friendship and the fact the election was less than three weeks away.

"For, in those dark hours the evening of October 14, a wave of fear swept through the White House that this could be the happening that would change the course of history. Jenkins had been privy to every piece of classified intelligence in the White House. Was it possible that he had been subjected to blackmail, that the incident of October 7, or perhaps previous incidents, had been exploited by enemies of the United States? Within hours of the disclosure, Republicans were suggesting just that. Goldwater began talking about Johnson's 'curious crew' to the roar of approval from the Republican faithful.

"Johnson resolved the conflict between friendship and the election by coming down on the side of the election.

"He said nothing at all about Jenkins. He did not speak to Jenkins. He did what he had to do as President, instructing Abe Fortas to get Jenkins' resignation. He ordered an immediate investigation by the FBI (resulting in a report by J. Edgar Hoover on October 22 that there was no evidence of any kind that Jenkins had compromised the security of the United States).

"Simultaneously, the President commissioned Ollie Quayle to take an emergency public-opinion poll. It indicated the Jenkins case would have no perceptible effect on the election. Only then, late at night on October 15, the day after the story had broken, did the President finally issue a statement praising Jenkins' twenty-five years of 'personal dedication, devotion, and tireless labor' and expressing 'deepest compassion' for both him and his family."

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

WHOLESOME POULTRY PRODUCTS ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Bill Clerk. A bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLLAND. Mr. President, I wish to give notice that the quorum call which I am about to request will be a live quorum.

Mr. President, if there are any other matters that can be transacted shortly, I shall be happy to yield for them.

I am not trying to hold up the business of the Senate, but in considering a measure as important as this, first, I wish to discover whether we have a quorum present, and, second, I think every Senator ought to have a chance to pass upon a certain matter that will come up for consideration, which is unanimously supported by the commissioners of agriculture of the 50 States, and which has been supported heretofore in writing by the Secretary of Agriculture, in testimony by his Assistant Secretary, Dr. Mehren, and in writing by the Administrator of the Meat Inspection and Poultry Inspection Division of the Department of Agriculture.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HOLLAND. I am happy to yield.

Mr. MANSFIELD. Mr. President, the Senator from Florida has been most considerate to allow us to get a lot of business out of the way. I would suggest that he repeat his request for a quorum call, and assure him notice will be served to attachés that this will be a live quorum.

Mr. HOLLAND. I wonder how the majority leader would feel about this: after we have concluded our arguments today, as I understand, there will be only one amendment on which there will be any controversy. Could a vote on that amendment and final passage be had on Monday?

Mr. MANSFIELD. I would be delighted, if it meets with the approval of all concerned.

Mr. HOLLAND. I have not discussed this with the chairman of the committee, the distinguished Senator from Louisiana [Mr. Ellender], nor with the Senator from New Mexico [Mr. Montoya], but it would seem to me, if we complete the debate today, that no one involved would be likely to disagree, even if we have a bare quorum today, that as full a representation of the Senate as possible ought to be present to pass on this controversial matter.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. MONTOYA. I agree with the Senator from Florida that this is a very vital amendment, on which most of Members of the Senate should have a chance to vote. It affects consumer interest throughout this country, and I personally am willing to put it over until Monday.

Mr. MANSFIELD. Not the discussion; the vote.

Mr. MONTOYA. The vote; yes. To put the vote over until Monday, so that we can have a more extensive representation of the Senate.

Mr. HOLLAND. I thank the Senator. I am not surprised that he takes the position he does, because I believe most Senators will wish to be recorded on this matter. I have no idea how they will want to be recorded, but I certainly would protect their right to be recorded on this matter.

Mr. MANSFIELD. Am I correct in my understanding that there is only one amendment the Senator knows of?

Mr. HOLLAND. There is another amendment, which I understand will not be opposed, but, as far as I know, only one controversial amendment is to come up. If the Senator from Louisiana or the Senator from New Mexico has any different information, I shall be happy to yield to them.

Mr. ELLENDER. Mr. President, there were four amendments added to the bill other than those recommended by the subcommittee that considered this measure. I do not foresee any lengthy debate on any amendment adopted by the committee itself, other than the one proposed by the distinguished Senator from Florida. I am very hopeful we can get a few Senators present to listen to this debate, because it is very important. My fear is if we now announce we will postpone the vote, we will be debating the matter with only two or three or four Senators in the Chamber.

Mr. MANSFIELD. No; because if any of the Senators have any ideas like that, I can assure them there will be live quorum calls this afternoon. We are not here just to put on a charade.

Mr. HOLLAND. Mr. President, as far as I am concerned, I do not propose to ask now for any postponement, and if there is a large attendance of Senators today, let us say 70 or more, I would not make that proposal.

Mr. MANSFIELD. There are not that many.

Mr. HOLLAND. I do feel, and I am glad that the Senator from New Mexico agrees with me, that the membership of the Senate generally should have the right to be recorded on this amendment.

Mr. ELLENDER. Mr. President, I wonder whether the distinguished majority leader would fix the hour for voting.

UNANIMOUS-CONSENT REQUEST

Mr. MANSFIELD. Mr. President ,I ask unanimous consent that when the Senate meets at 11 o'clock on Monday morning next, there be a time limitation of 1 hour, the time to be equally divided between the majority and minority leaders or whatever Senators they may designate, and that the vote be taken on the Holland amendment not later than 12 o'clock.

Mr. HOLLAND. Mr. President, I shall agree to that request after we discover whether a quorum is present today, but I ask for a live quorum first. Assuming that a quorum is present, I shall support the request of the majority leader.

Mr. President, I suggest the absence of a quorum. It will be a live quorum call.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 245 Leg.]

Allott
Anderson
Baker
Bible
Boggs
Byrd, W. Va.
Case
Cotton
Curtis
Ellender
Ervin
Fong
Griffin
Hansen
Harris
Hatfield
Hickenlooper
Hill
Holland
Hollings
Hruska
Jackson
Jordan, N.C.
Jordan, Idaho
Kuchel
Mansfield
McGee
McIntyre
Metcalf
Mondale
Montoya
Mundt
Nelson
Pearson
Pell
Proxmire
Randolph
Ribicoff
Russell
Scott
Smathers
Sparkman
Stennis
Williams, N.J.
Young, Ohio

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, the following Senators entered the Chamber and answered to their names:

Byrd, Va.
Cooper
Dirksen
Dodd
Fannin
Hayden
McClellan
Spong
Symington
Tydings

Mr. BYRD of West Virginia. I announce that the Senator from Hawaii [Mr. Inouye] is absent on official business.

I also announce that the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from North Dakota [Mr. Burdick], the Senator from Nevada [Mr. Cannon], the Senator from Idaho [Mr. Church], the Senator from Pennsylvania [Mr. Clark], the Senator from Mississippi [Mr. Eastland], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Alaska [Mr. Gruening], the Senator from Michigan [Mr. Hart], the Senator from Indiana [Mr. Hartke], the Senator from Massachusetts [Mr. Kennedy], the Senator from Ohio [Mr. Lausche], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from South Dakota [Mr. McGovern], the Senator from Oklahoma [Mr. Monroney], the Senator from Oregon [Mr. Morse], the Senator from Utah [Mr. Moss], the Senator from Maine [Mr. Muskie], the Senator from Rhode Island [Mr. Pastore], the Senator from Georgia [Mr. Talmadge], and the Senator from Texas [Mr. Yarborough] are necessarily absent.

Mr. KUCHEL. I announce that the Senators from Vermont [Mr. Aiken and Mr. Prouty] are absent on official business.

The Senator from Utah [Mr. Bennett], the Senator from Massachusetts [Mr. Brooke], the Senator from Kansas [Mr. Carlson], the Senator from Colorado [Mr. Dominick], the Senator from New York [Mr. Javits], the Senator from Kentucky [Mr. Morton], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], the Senator from South Carolina [Mr. Thurmond], the Senator from Texas [Mr. Tower], and the Senator from Delaware [Mr. Williams] are necessarily absent.

The Senator from Iowa [Mr. Miller], the Senator from North Dakota [Mr. Young], and the Senator from Maine [Mrs. Smith] are detained on official business.

The PRESIDING OFFICER. A quorum is present.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. I should like again to propound the unanimous-consent request, that, at the conclusion of the disposition of the Journal on Monday morning next, July 29, 1968, at approximately 11:02 a.m. or 11:03. a.m. there be a time allocation, not to go beyond 12 o'clock, to be equally divided between the minority and majority leaders or whomever they may designate; and that the vote on all amendments take place at 12 o'clock.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. HOLLAND. Mr. President, of course, I have no objection, but when it takes an hour to get a bare quorum here this morning, 50 out of 99 Senators, it is obvious that Senators will not have an opportunity to express themselves on this very important matter today.

If we go ahead to a vote, I would suggest, however, that the time allowance, under what I have heard recently, be separate on each amendment, because my present understanding from the Senator from Louisiana is that there will probably be a discussion of at least one more amendment than the one I offered, which is a controversial amendment.

Mr. ELLENDER. Mr. President, I think that we should be able to discuss the amendments this afternoon. I am sure that many Senators will read the Record and probably have a better opportunity to learn what the bill is all about than by being present. I believe that we should debate from 11 o'clock until 12 o'clock and then start voting on the amendments one after the other; and, then on the bill itself.

Mr. HOLLAND. Mr. President, I have no objection to that approach. However, I would suggest that at least half an hour be allowed on any amendment. I understand that the distinguished Senator from Georgia is not here today and may have an amendment that he wants to modify and support. I do not want him to feel that we are not taking care of him as well as we are taking care of the Senator from Florida.

My suggestion would be that the unanimous-consent agreement be modified to provide at least 30 minutes of debate to be allowed on any amendment, after which there will be a roll call vote. That would make the unanimous-consent agreement quite acceptable to me.

Mr. MANSFIELD. Mr. President, with that modification, I renew my unanimous-consent request and also ask that the usual rules and regulations be followed in respect to it.

The PRESIDING OFFICER. Will the Senator from Montana please restate his unanimous-consent request.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the disposition of the Journal on Monday next, there be a time limitation of one-half hour on each amendment, the time to be equally divided between the sponsor of the amendment and the Senator in charge of the bill; and that, hopefully, the vote can take place beginning at 12 o'clock.

Mr. ELLENDER. Right.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. NELSON. At 12 o'clock?

Mr. MANSFIELD. We come in at 11 o'clock on Monday next.

Mr. NELSON. Mr. President, I object to that. I am here on Saturday. I canceled out my engagement in Wisconsin. Other Senators have also done so. I am now going to Wisconsin. I will get back here about noon on Monday, which will be just in time to miss the vote.

Mr. MANSFIELD. Just in time to make the vote.

Mr. NELSON. That will not give me enough time, because of my schedule, and so forth.

Mr. HOLLAND. Mr. President, if the Senator will yield, that will be acceptable to me.

Mr. MANSFIELD. Mr. President, I change the time to 12:30 o'clock.

Mr. SCOTT. Mr. President, reserving the right to object—and I shall not object—I merely wish to point out the fact that a number of us are here on Saturday, a number of us have changed our appointments and our engagements and, therefore, it operates a degree of harshness upon us, that those who are now here are penalized and those who stayed away are rewarded.

As a result of this procedure, some of us will have to be away to take part in a great American function, beginning on Monday next. For patriotic reasons—and I should like it to be noted—I shall ask for a leave of absence to be away during the sessions of the Senate next week, purely in the interests of furthering my patriotic motivations. But, Mr. President, I shall not object at this time, although I am sorely distressed.

Mr. MANSFIELD. When that request is made, will the Senator make it an official leave of absence?

Mr. SCOTT. Yes, I shall be delighted to be official about it.

Mr. HANSEN. Mr. President, reserving the right to object—and I shall not object—I, too, would like to note that those of us in the minority party do find ourselves somewhat at a disadvantage in this instance, because those who serve on the platform committee are going to miss either the actions of the Senate or participation in some of the activities having to do with the formulation of a platform for party in Miami this coming week.

I would note that the same handicap will not befall our friends on the other side of the aisle.

Mr. MANSFIELD. We did not plan it that way, though.

Mr. HANSEN. I simply observe what the facts are. With great respect and admiration for the distinguished majority leader, I, too, want to point out that I am here today, that I have been rather diligent in trying to be on hand when the Senate has been in session. It is not pleasant to contemplate missing considerable activity and participation in discussion and the votes being taken during the coming first 3 days of this next week which will either witness my having missed the votes of being unable to participate in some activities important to my party in Miami.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none and the order is entered.

The unanimous-consent request as later reduced to writing, is as follows:

Ordered, That, effective after the approval of the Journal on Monday, July 29, 1968, during the further consideration of the bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes, debate on any amendment, motion or appeal except a motion to lay on the table, shall be limited to one-half hour, to be equally divided and controlled by the mover of any such amendment or motion and the Senator from Louisiana [Mr. ELLENDER]: *Provided*, That in the event the Senator from Louisiana is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That no vote shall occur on any amendment prior to 12:30 p.m. on Monday next.

Mr. MANSFIELD. I wish to thank the Senate and especially those Members who had to make a real sacrifice. There are many here today attending this session. May I say that while we have a quorum, we have gone beyond the number of Senators required to be present.

Furthermore, for the information of the Senate, it took just 35 minutes to achieve a quorum this morning. That is not too bad, considering the time, the day, and so forth.

May I express my appreciation to all those Members who canceled engagements to be here today and to assure them that I personally appreciate what they have done.

LEAVE OF ABSENCE

Mr. SCOTT. Mr. President, at the moment, my attendance record is something in the neighborhood of 95 percent.

Through no fault of my own, or of my side of the aisle, I shall be unable to be present during much of next week.

I therefore ask unanimous consent that I may have official leave of absence for next week.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, may I make a plea for mercy, if not for justice, on the part of those who might be disposed to call for record votes next week, wherever a voice vote will do. I hope that mercy will prevail over the record.

Mr. ELLENDER. Mr. President, during the last few years, there have been many legislative proposals with respect to red meat inspection as well as poultry.

It will be recalled that in 1967 Congress revised the act of 1906 in reference to red meat inspection, and in 1957 we had a bill enacted which provided for inspection of poultry in interstate commerce.

Today we have before us a bill designed to provide for a cooperative effort between the Federal Government and the State governments in order to have poultry inspection that would affect all poultry, whether sold in interstate commerce or intrastate commerce.

The subcommittee headed by the Senator from North Carolina [Mr. JORDAN] held hearings on this bill. Last week the subcommittee made its report to the full committee. All of the recommendations, I think, made by the subcommittee were adopted by the full committee. The full committee adopted four additional amendments, which I shall discuss in a few moments.

Mr. President, I am very hopeful that we can have this bill enacted before Congress recesses. I think it is an important bill. It is a step in the right direction. The bill is patterned after the red meat inspection bill that Congress enacted in 1967.

The inspection will be done on a cooperative basis. The Federal Government will furnish the States funds in order to work out methods for inspection. At the end of 2 years it is expected that, if the States have inspection service equal to or better than Federal inspection, such poultry will be able to be shipped in interstate as well as intrastate commerce. If some of the States do not complete their programs of inspection within the first 2 years, then a third year will be given.

The pending bill provides almost the identical language that was provided in the red meat inspection bill, which gives the Federal Government the right to go into a State and take over the inspection of, let us say, a particular packing plant which is producing adulterated poultry products endangering the public health.

However, as I understand the proposed act we are now considering, under no conditions can the Federal Government take over unless, as I have said, the inspection shall not be equal to or better than the Federal inspection.

My good friend the Senator from New Mexico [Mr. MONTOYA], who was a member of the subcommittee that handled the hearings, will go into more detailed discussion of the bill as a whole than I hope to present this afternoon. What I expect to do is to give just a general statement of the overall effect of the bill.

The present Poultry Products Inspection Act became law about 11 years ago. Although it is a model as far as it goes, it does not provide complete assurance that all consumers will have access to wholesome poultry.

The 1957 act established a Federal inspection system for poultry and poultry products processed by plants shipping in interstate and foreign commerce. For the products covered, it has worked well because it assures that the birds or products bearing its mark are wholesome, unadulterated, and honestly labeled. For the poultry products not covered, inspection service, when provided, is often inadequate.

Instead of replacing the Poultry Products Inspection Act completely, S. 2932 amends it to authorize the establishment of a Federal-State cooperative inspection service for poultry products comparable to that provided under the Federal Meat Inspection Act, as amended in 1967. Through help in the development of trained staffs and the provision of funds by the Federal Government, the States are encouraged to enact and administer effective mandatory inspection programs under State administration or jointly with the Federal Government. Two years are allowed the States in which to implement such a system. If the Secretary has reason to believe a State will meet this requirement, an additional year will be given to complete the installation and employment of the system.

The bill extends Federal inspection and regulation to poultry processed for shipment within the States where the States do not enforce requirements at least equal to the Federal requirements after the specified times above.

Where poultry products processed solely for intrastate commerce endangered the public health, the Federal requirements could, under specified conditions, be applied at any time to those particular establishments.

Through such extension of the existing Poultry Products Inspection Act, the proposed Wholesome Poultry Products Act provides that the bulk of the 13 percent—some 1.6 billion pounds—of the poultry slaughtered each year in the United States without Federal inspection would soon be covered by requirements equal to the 87 percent now federally inspected.

In measures similar to those in title II of the Federal Meat Inspection Act, the bill would authorize surveillance of the activities where adulteration or misbranding could occur other than just the processing or slaughtering phases. The persons or firms subject to such supervision would include, among others in commerce, poultry products brokers, renderers, animal-food manufacturers, and dealers in dead, dying, disabled, or diseased poultry or parts of poultry that died other than by slaughter.

The Subcommittee on Agricultural Research and General Legislation held hearings on July 1 and 2, 1968, on all poultry bills before it.

All witnesses except one testified in favor of updating the act. However, a number of amendments were proposed.

Later the subcommittee met and, using H.R. 16363 as a base, decided to recommend five amendments to the full committee, which was to meet on Wednesday, July 17, 1968.

The full committee at its regular meeting approved all amendments proposed by its subcommittee. These were:

First, to strike the word "knowingly" from section 9(a), in order to conform that section to the corresponding section of the Meat Inspection Act. This change does not affect carriers, since section 12 (b) of the law absolves carriers "unless the carrier has knowledge, or is in possession of facts which would cause a reasonable person to believe" that the poultry was not eligible for transportation.

Second, to prohibit the Secretary from requiring any change in the official inspection legend. That legend is and would continue to be "inspected for wholesomeness". The Department has given some consideration to changing it to "inspected and passed for wholesomeness". Since the legend cannot be applied to products which are not passed, this change would not give the consumer any greater protection.

Third, to strike out requirements that labeling information be placed on both the carcass and the container in the case of nonconsumer packed carcasses. Poultry carcasses cannot be stamped like red meat. Metal or plastic tags have been tried, but these present some danger to the consumer, if they are inadvertently ingested.

The record shows, Mr. President, that in one or two instances, consumers of poultry marked with some kind of metal marker swallowed one of the markers and had to go to a doctor, and there was a suit for damages. But the Secretary, as I understand it, in this bill is given discretion for the use of markers if necessary. The evidence showed that it would be rather difficult for each bird to be marked. And even if this were possible it would provide little additional protection to the consumer, particularly when the bird comes to the retailer, is cut up, and the parts repackaged, so that the mark on the carcass never reaches the consumer. It would be burdensome but would not provide the consumer with any way to tell whether or not the bird was properly inspected. But the bill does make it necessary that all poultry shipped—that is, the container—be marked. Sometimes one may ship a dozen, two dozen, or three dozen chickens, but the bill provides that the package must be stamped.

I repeat, I think the evidence showed conclusively that it would be almost impossible for us to maintain identification in this manner from the place where the poultry was slaughtered to the purchaser. As I have stated, the Secretary of Agriculture is allowed wide discretion as to how best to maintain such identification, if it is at all possible, but this provision would not contribute to that objective.

Fourth. To provide interested parties with an opportunity to present their views orally with respect to proposed rulemaking under the Poultry Products Inspection Act. Title 5, United States Code, section 553(c), now provides them with the opportunity to present written views. Judicial review is provided for by chapter 7 of title 5 of the United States Code.

Fifth. To prohibit any State, territory, or the District of Columbia from imposing storage or handling regulations with respect to articles prepared at any official establishment which would act as trade barriers to interfere with the free flow of poultry products in interstate commerce, and extend the Secretary's authority to regulate storage and handling under section 13 of the bill to cover storage and handling at retail stores and other establishments which make purchases in commerce.

Individual Senators also proposed several amendments.

The Senator from Georgia [Mr. TALMADGE] offered and the committee accepted by voice vote an amendment to the declaration of policy which is contained in section 3 of the bill stating the intent of Congress that all poultry which is injurious for human consumption shall be condemned, and stating that the reason for condemnation must be supported by substantial scientific fact.

The committee accepted an amendment of the Senator from Florida [Mr. HOLLAND] by a record vote of 10 to 2, among the objectors being the distinguished Senator from Oregon [Mr. HATFIELD] and my good friend from New Mexico [Mr. MONTOYA], Senator MONTOYA reserving the right to offer on the floor an amendment striking from the bill the provisions of the amendments to which I have just referred; that is, the amendment of the Senator from Georgia [Mr. TALMADGE] and that of the Senator from Florida [Mr. HOLLAND]. The amendment of the Senator from Florida would permit poultry products and meat and meat products which have been processed under State inspection to move in interstate commerce, where the Secretary has determined that the State inspection system is equal to or better than the Federal system.

After the committee had acted upon the bill, there developed quite a lot of opposition from outside the committee to the amendment submitted by the Senator from Georgia as well as the amendment submitted by the Senator from Florida. The Senator from New Mexico [Mr. MONTOYA] came to see me before the bill was reported, with a view of trying to have the bill retained by the committee until the committee could go over these amendments again, and perhaps modify them, change them, or do something with them that might be acceptable to the committee as a whole.

I stated to Senator MONTOYA that if he could satisfy the Senator from Georgia and the Senator from Florida, I would have no objection to that, because they were the ones primarily interested in these two amendments. I also suggested that if we returned the bill to the committee, more time would be consumed; that probably someone would suggest the introduction of evidence, which would delay the passage of the bill, and for that reason, I suggested that the matter be discussed first with the Senator from Florida and the Senator from Georgia. I further suggested that they try to iron out their differences before the bill was presented to the Senate for debate.

Somehow, a meeting of the minds did not occur. The distinguished Senator from Florida and the distinguished Senator from Georgia suggested that it might be best for the bill to be reported as voted by the committee and that we would have the Senate, as a forum, in which to discuss the two amendments and let the Senators judge the measure by the facts developed in the debate. That is why the bill is pending today with those two amendments in it.

I do not wish to discuss in detail those amendments, but I point out that when I introduced the original bill on behalf of myself and quite a few other Senators, the amendment suggested by the distinguished Senator from Florida was in the bill.

That provision appears on page 19 of the bill. That bill was sent to us by the Department of Agriculture with a description, title by title, and a request that it be introduced and enacted by Congress.

The provision proposed by the distinguished Senator from Florida is the same as appears on pages 19 and 20 with the exception that he added a provision to cover red meat also.

Mr. President, I ask unanimous consent that that amendment be printed at this point in the RECORD as it appears on pages 19 and 20 of the bill.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

> (5) Poultry products processed under State inspection at any establishment in any State, not designated under this paragraph (c), in accordance with requirements which the Secretary has determined are at least equal to those under sections 1–4, 6–10, and 12–22 of this Act, shall be eligible for distribution in commerce, upon the same basis as poultry products inspected under this Act, when they are marked under such supervision and other conditions as the Secretary may by regulation prescribe, with a combined State-Federal official inspection legend.

Mr. ELLENDER. Mr. President, the provision simply provides that if, as, and when the Federal Government certifies that State inspection is equal to, as good as, or better than that of the Federal Government, then through the inspection services in those States poultry can be shipped in interstate commerce just as though it were federally inspected.

Personally, I do not see any reason why the provision should be stricken from the bill. When the matter came before the committee, I sided with the distinguished Senator from Florida. I hope that during the debate the Senate will consider the proposal and act fairly about the matter. I cannot understand why there was this great, outside opposition to the amendment.

I am very hopeful the matter can be properly presented today and that on Monday we can vote on it. As far as I am concerned, I expect to vote for the inclusion in the bill of the Holland amendment.

I do not know whether the opposition stems from the fact that red meat was added to the Holland amendment. However, if that be the reason, it might be that we could strike out the red meat reference and let it apply to poultry within the confines of this act.

I assume that the Senator from New Mexico [Mr. MONTOYA] and the Senator from Oregon [Mr. HATFIELD] will offer reasons why the amendment should not be agreed to.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I am looking at the bill which the distinguished Senator from Louisiana graciously introduced on behalf of himself and others. It is my understanding that he introduced the measure on behalf of himself and the Senator from New Mexico [Mr. MONTOYA] only.

I ask if the Senator will look at the bill and see if that is not correct.

Mr. ELLENDER. The Senator is correct. The other names were added later.

Mr. HOLLAND. The original print of the bill shows that the Senator from Louisiana introduced the bill on behalf of himself and the Senator from New Mexico [Mr. MONTOYA].

Mr. ELLENDER. The Senator is correct. The provision is included, and the Senator from New Mexico and I proposed it.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MONTOYA. Mr. President, I state to the distinguished Senator from Louisiana and to the distinguished Senator from Florida that I had been checking on the drafting of the pending bill. My office had access to a copy of a draft and this provision was not in the last draft of the bill that we had seen. It appeared in the final draft submitted to the Senator from Louisiana, in which draft I joined with him as a cosponsor.

I state also, since this has been made a point of contention, that the subcommittee which considered the bill recommended the deletion of the so-called Holland amendment to the full committee. That deletion took place.

The House committee, when it considered a similar bill, recommended that the so-called Holland provision be deleted from the House bill. The House bill came to us without the so-called Holland provision.

It was not until we met in full committee that the provision offered by the Senator from Florida was reinserted in the bill.

By way of further clarification of the RECORD, in my testimony before the subcommittee, I recommended in my statement to the subcommittee that it delete the so-called Holland provision and the subcommittee did in fact delete it. Since the committee added it, I have an amendment pending at the desk to delete it.

Mr. ELLENDER. Mr. President, I merely desired to state the facts. And as I have stated them a moment ago, the subcommittee which considered the bill offered five amendments and that was all. Later, the amendment of the Senator from Florida and the amendment of the Senator from Georgia were agreed to by the committee.

Mr. MONTOYA. I am not disputing the Sentor's statement of facts. However, I merely wanted to add a few facts of my own to put the whole matter in the proper context.

Mr. ELLENDER. The Senator will have ample opportunity to do that, I am sure.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Mr. President, I thought I understood the Senator to say that the bill was an administration bill prepared in the Department of Agriculture and introduced by the Senator from Louisiana for himself and the Senator from New Mexico.

Mr. ELLENDER. The Sentor is correct. Before the bill was put in the proper form, I went over it with the staff very carefully. I think we made a few minor changes. It was then that I presented the measure to the Senate.

Mr. HOLLAND. The Senator did not, however, put in this particular amendment?

Mr. ELLENDER. No.

Mr. HOLLAND. That amendment came in this particular form from the Department of Agriculture.

Mr. ELLENDER. The Senator is correct.

Mr. HOLLAND. I thank the Senator.

Mr. ELLENDER. There is no doubt about that.

As I said in my opening statement a while ago, the pending bill follows very closely the red meat inspection bill, almost on all counts. It more or less substituted poultry for red meat. That is about what it did

The Senator from Vermont [Mr. AIKEN] proposed an amendment, also accepted by a voice vote, which would change the producer exemption provided by section 15(c)(1)(i) of the law as it would be amended by section 14 of the bill as passed by the House to provide for an exemption based on the number of birds processed, instead of the "wholesale dressed value" of the birds slaughtered.

In other words, it exempted poultry of not to exceed $15,000 in value. It was thought by the Senator from Vermont that if we could change this to make it apply to the number of birds, to wit, 4,000 turkeys or an equivalent number of other birds, it would be better. Four and a half other birds would be considered equal to each turkey.

As I have said, that amendment was merely to clarify exemptions and, instead of making it on a value basis, to put it on a number basis.

Finally, the committee accepted an amendment of the Senator from Iowa [Mr. MILLER] which amends the imported poultry products provision to correspond to the provisions adopted last year in the Federal Meat Inspection Act.

I do not believe anyone opposes the amendment. It was adopted unanimously. It is a provision, as I recall, that was included in the Red Meat Act in 1967.

Mr. President, the statement I have just made is a general one, and I believe it covers the main points in the bill. I presume that the distinguished Senator from New Mexico, who I understand will speak now, will give a little more detailed expression of what is in the bill.

Mr. MONTOYA. Mr. President, I have listened to the remarks of the distinguished Senator from Louisiana, and I believe he has done a splendid job in explaining the intricate provisions of the proposed legislation. I, too, have prepared a comprehensive statement and I will read it so that it will appear in the RECORD for the perusal of Senators who may not be present today.

Mr. President, the country has awakened in the last several years to an acute danger facing every citizen. There exists in some areas of American enterprise a tiny minority of unscrupulous persons who prey upon the American shopper. By ignoring elementary rules of ethical conduct, they endanger the health and well-being of millions of unsuspecting consumers.

Last year we were all collectively shocked to realize that millions of Americans were constantly exposed to unwholesome meat. Congress responded with vigorous action in the form of the new National Meat Inspection Act, which I was happy to sponsor in the Senate.

Now we must turn our attention to yet another menace confronting us—unwholesome poultry and poultry products. S. 2932, the wholesome poultry products bill, which the Senator from Louisiana [Mr. ELLENDER] and I have introduced, and in which we have been joined by other Senators, is aimed at correcting this insufferable situation.

The primary purpose of the wholesome poultry products bill is to assure all consumers that all poultry products produced commercially in the United States meet a minimum standard of wholesomeness, whether inspected under a State or a Federal system. Intent of S. 2932 is similar to provisions of the Wholesome Meat Act which I sponsored last year.

This bill would amend the Poultry Products Inspection Act to—

First. Authorize Federal assistance—including grants—to State poultry inspection programs, such assistance not to exceed 50 percent of the cost of the cooperative program;

Second. Extend Federal inspection to intrastate transactions in States which fail to develop adequate State systems in 2 years—or 3 years if at the end of 2 years it appears that the State will develop an adequate system;

Third. Provide immediate authority to extend Federal inspection to intrastate plants producing adulterated products which endanger the public where the State does not remove such danger;

Fourth. Prohibit commerce in poultry products not intended for human use, unless denatured;

Fifth. Extend the present recordkeeping provision to additional persons—including those dealing in dead, dying, disabled, or diseased poultry—and enlarge it to cover facility and inventory examination;

Sixth. Provide for registration of certain persons dealing in poultry—including those dealing in dead, dying, disabled, or diseased poultry;

Seventh. Provide for regulation of dealers in dead, dying, disabled, or diseased poultry;

Eighth. Authorize regulation of poultry product storage and handling;

Ninth. Modify exemptions;

Tenth. Provide for withdrawal of service, detention, seizure and condemnation, injunction, and investigation as new enforcement tools; and

Eleventh. Otherwise revise the Poultry Products Inspection Act.

The manner in which inspection of poultry is now handled by the Federal Government is excellent. USDA's Consumer and Marketing Service is doing a laudable job of protecting consumer interests. However, now we perceive the same condition that pertained in the meat crises of last year. They are able only to inspect that portion of production that moves interstate or in foreign commerce. In 1966, this amounted to 10 billion pounds, or 87 percent of poultry slaughtered in our Nation.

That 13 percent produced solely for sale within a State's boundaries has been left strictly to States as far as inspection is concerned. USDA's figures show that 12 States have a mandatory law requiring poultry inspection, five States have a voluntary inspection statute and 33 cover poultry inspection in general food legislation.

This multibillion-dollar-yearly industry depends upon the trust of our American consumers. Once she doubts the integrity of our poultry supply, that industry is in desperate trouble. Therefore, it is imperative that we plug these inspection loopholes swiftly. We can accomplish this by expanding our already excellent Poultry Products Inspection Act.

Nor is there any doubt that such action is necessary. A January 1968 survey by the Department of Agriculture of 97 non-federally-inspected poultry slaughtering and processing plants in 12 States revealed that over one third of them required major overhaul in order to meet Federal sanitary requirements.

When we realize there are some 26 different diseases common to poultry that may be passed on to human beings through consumption of unwholesome poultry, we have significant cause for concern.

In poultry processing plants that are federally inspected, there is a 4-percent rejection rate because of disease or contamination. This amounts to over 400 million pounds. When we apply the same percentage of rejection to poultry which is not federally inspected, we discover an added 64 million pounds which should be rejected. Further, this figure is on the conservative side, since there is a practice among some poultry producers to send inferior poultry which would face Federal rejection, to plants which are not federally inspected.

Total impact of these statistics? Each year every American is likely at least once to have placed before him a diseased, contaminated, or adulterated poultry product.

Poultry has become big business due to tremendous technological advances, automation and creation of giant poultry farms and processing plants.

A typical broiler plant now processes approximately 4,800 birds hourly, with an estimated output of 60 birds per man hour. Such factories have turned to palletized coop-handling, automatic killing and defeathering, chilling and wrapping systems. Approximately 75 percent of the output of these plants is sold more than 200 miles from point of slaughter, with birds being raised in areas of concentrated commercial production far removed from eventual markets.

Mr. President, this is a clearly set out problem. A tiny minority of unscrupulous businessmen are poisoning the minds of consumers by permitting a steady stream of unwholesome poultry to reach American tables. The peace of mind of the consumer is in as much danger as his digestion.

As long as American shoppers can enter a business establishment with a reasonable amount of confidence in what they are going to purchase, our marketplace is safe and our system with it.

But, as soon as the consumer feels his personal safety is in jeopardy, our entire system is as endangered as our marketplace.

It is imperative that public confidence in basic, everyday products and the progression producing them be restored.

I am not seeking to penalize an entire industry. It is an increasingly valuable and contributing segment of America's business life. All the more reason for us to perform as we must and eliminate this small but deadly amount of poison entering its bloodstream.

Consumer protection is business protection. By removing the unscrupulous operator, it makes our business life that much healthier and able to perform its functions.

Consumers are not the blind buyers of yesterday. Rather, they are more informed and aware than ever before. Not content with half measures, they look to business and to Congress for a clean house. This we can do with a minimum of aggravation and force.

Our poultry industry is progressive and desirous of aiding us in this task. Furthermore, this measure is a fair one. It allows States fair leeway to set up their own programs. We do not seek to have the National Government come in and trample upon State functions. Rather, we seek to have that National Government aid our States to set up their own programs in order to safeguard their own consumers. This is the main intent and thrust of this legislation.

But above all, we must keep in mind the fact that no matter what, the American shopper and consumer must be able to purchase her poultry and poultry products with complete confidence. We must and can remove this shadow from their minds. Each of us is affected and endangered.

Mr. President, in reporting out S. 2932, the committee adopted the language of the House-passed companion bill, H.R. 16363, and amended that language in several respects. One notable improvement over the House-passed language is the rejection of the proposal that a violation of the provisions of the act had to be done "knowingly" to constitute a violation. This provision which was adopted by the House, but which your committee rejected, would have made prosecution for violations of the act much more difficult if not impossible. The Poultry Products Inspection Act has thus been kept in conformity with other statutes for protection of the public health, such as the Federal Food, Drug, and Cosmetic Act and the Federal Meat Inspection Act. We, thus, also recognize the need for putting affirmative responsibility on persons engaged in producing or distributing products which are susceptible of endangering the public health or committing commercial fraud on the public, to exercise all necessary precautions to avoid these results. The Senate version in this respect is a substantial improvement over H.R. 16363 and will aid in effectuating the purpose of protecting the consumer.

Mr. President, it was the committee's intent in reporting S. 2932 to the Senate to afford as complete consumer protection against adulterated or misbranded poultry products, as was provided to consumers of red meat by enactment of the Wholesome Meat Act last year.

In general, the provisions of S. 2932 closely parallel and in many instances are identical to the provisions of the Wholesome Meat Act. I know that the consumers of this Nation have been waiting for us in Congress to deliver our promise of last year to insure them against adulterated poultry as we did for red meat. It was with this objective in mind that S. 2932 was submitted by the President to the Congress, and it was with this objective in mind that I—although I had been drafting a proposal of my own—readily joined Senator ELLENDER, chairman of the Committee on Agriculture and Forestry, in introducing the bill. And, it was with this in mind that the Subcommittee on Agricultural Research and General Legislation held hearings on the bill and reported it out to the full committee for its consideration.

However, Mr. President, because of certain amendments that were adopted at the last moment in committee, with very little time for discussion or deliberation, the committee has failed in its objective. As an individual Senator and member of the committee, it is incumbent upon me to bring to the attention of the Senate, provisions contained in the bill which I strongly feel not only detracts from, but which could very well destroy, the very intent which has followed this bill's progress to this point.

Mr. President, when this bill was reported out by the committee, I filed a minority report pointing to major weaknesses in this bill and proposing remedial alternatives. In this minority report, I was joined by the distinguished Senator from Minnesota [Mr. MONDALE], who fought so valiantly for the passage of the Wholesome Meat Act last year. I was also joined by my good friend the distinguished Senator from South Dakota [Mr. MCGOVERN]. And I was joined by the distinguished and able Senator from Oregon [Mr. HATFIELD].

Mr. President, it is now my understanding that the Senator from Georgia [Mr. TALMADGE] will offer a substitute amendment to his committee amendment which I was going to move to strike out. I will, therefore, accommodate Senator TALMADGE and withhold my amendment to his amendment until he is here on Monday and I have had an opportunity to discuss this further with him. I would, however, like to direct some remarks to the Talmadge committee amendment so that Senators will have an opportunity to review this over the weekend.

Mr. President, as we pointed out in our minority views, the committee amended section 3 of the bill containing a statement of legislative policy by adding at the end thereof the following:

> It is the intent of Congress that all poultry which is injurious for human consumption shall be condemned. The reason for condemnation must be supported by substantive scientific fact.

Mr. President, if Senator TALMADGE had been here, I would have called up an amendment on behalf of myself, Senator MONDALE, Senator MCGOVERN, and Senator CLARK, to strike out this provision from the bill.

This language may appear harmless, but it is not.

In the most simple terms, it says that Congress does not object to diseased poultry being offered to consumers if it is not injurious to human health.

It will subject the Department of Agriculture to pressures to allow diseased poultry to be approved as wholesome.

The Congress must be clear on this point, we must be explicit. Diseased poultry must be condemned. Diseased poultry is not wholesome, and it cannot be offered to consumers with even the implied consent of the Congress.

This amendment, first of all, is inconsistent with the substantive provisions of the bill which clearly indicate the concern of Congress in protecting the consumers from all adulterated products, not only those injurious to humans, as indicated by the provisions for condemnation of adulterated poultry products. Secondly, the last sentence of the amendment would indicate that it is the intention that "substantive scientific fact" would have to be established as a prerequisite to a valid condemnation of any poultry product.

Mr. President, I wish to say that when the Senator from Georgia [Mr. TALMADGE] offered the amendment in committee, he had a noble purpose, indeed. However, the ramifications of the amendment he proposed were not foreseen by the committee until they began to study it.

I am happy to say that the Senator from Georgia and his office have assured us they are trying to get a different version of the amendment so that it will be more palatable to the Senate but yet not dilute the consumer protection intent of the bill.

This amendment would raise serious problems in that there are a number of circumstances or conditions which under the act warrant condemnation of poultry products with respect to which they may not be available substantive scientific fact and in some cases such facts would necessarily not be involved. There are conditions warranting condemnation, but with respect to which there may not be positive "substantive scientific fact" to establish their potential injury to humans. The adulteration provisions of the bill dealing with commercial fraud, such as the substitution of inferior material to deceive the public, do not in any way involve "substantive scientific facts."

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief, discussing the many poultry diseases which may affect humans. Some of the diseases listed are detected on ante- or post-mortem inspection. Others are detected through the enforcement of sanitary requirements designed to minimize the contamination of edible products with disease-producing agents.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

POULTRY DISEASES WHICH MAY AFFECT HUMANS

Poultry inspection includes organoleptic ante- and post-mortem examinations of poultry in slaughtering and eviscerating plants. It also includes inspection for environmental sanitation and the application of sanitary processing procedures and inspection for the soundness of ingredients, inprocess products, and finished products in slaughtering and eviscerating and further processing plants.

Some of the diseases listed on the following pages are detected on ante- or post-mortem inspection. Others are detected through the inspection of ingredients, inprocess products, and finished products for soundness or they are controlled through the enforcement of sanitary requirements designed to minimize the contamination of edible products with disease-producing agents.

The following diseases have been found transmissible from poultry to man.

A. BACTERIAL DISEASES

1. Erysipelas
2. Tuberculosis
3. Airsacculitis
4. Salmonellosis
5. Diptheria
6. Brucellosis
7. Newcastle disease
8. Paracolon infections
9. Staphylococcosis
10. Streptococcosis
11. Tularemia

B. VIRAL DISEASES

1. Encephalomyelitis
2. Encephalitis
3. Newcastle disease
4. Ornithosis
5. Rabies
6. Leukosis (cancerous)

C. FUNGAL DISEASES

1. Aspergillosis
2. Favus
3. Thrush

D. TOXIC ILLNESSES

1. Tetanus
2. Botulism

E. PARASITIC ILLNESSES

1. Echinostomiasis
2. Schistosomiasis
3. Dermanyssus gallinae
4. Toxeplasmosis

The following diseases may be carried by poultry and can infect humans. Usually come about through insanitary processing and passed on to humans:

1. Typhoid fever
2. Bacillary dysentery
3. Enterobiasis
4. Lymphocytic choniomeningitis
5. Paratyphoid fever
6. Amebic dysentery
7. Infectious hepatitis
8. Chemical poisoning

ERYSIPELAS

Erysipelas among poultry is most prevalent in turkeys. It is however also found in both chickens and ducks. It is a bacterial infection, which in poultry causes general weakness, sometimes diarrhea and petechial, or diffuse hemorrhages in many internal organs, and most commonly a deep reddish purple caruncle. Humans usually contract this disease through skin scratches and sores when in contact with infected poultry and poultry products.

ORNITHOSIS

Ornithosis is caused by an intracellular parasite. All species of domesticated poultry are susceptible, although the disease is more prevalent in turkeys. The symptoms in poultry are inflammations in the conjunctivae, respiratory passages, pericardium, and intestinal tract. The disease is better known to humans under the name of *Psittacosis*, although that name should technically be reserved for a nearly identical disease transmitted to man from psittacine birds such as parrots. Infections in humans occur mostly as an occupational disease among handlers of live poultry. Cases have however also been reported where the infection has been traced to noneviscerated poultry purchased by family households. Infection occurred in these cases through contamination with intestinal contents of the diseased birds.

SALMONELLOSIS

Salmonellosis is common to all species of domesticated poultry. There are numerous different serotypes of Salmonella bacteria, many of which are disease producing. Salmonella infections in humans are normally contracted through ingestion. Over the past several years, 3–500 Salmonella isolations from humans have been reported per week. The source of many of these isolations is never determined. Of those traced to source of origin, poultry and poultry products are frequently incriminated.

TUBERCULOSIS

Avian tuberculosis is a disease very similar to tuberculosis in mammals. It is in poultry usually contracted through the intestinal tract and lesions are thus prevalent in these organs with more infrequent lung lesions. Tuberculosis in fowl has a protracted course and it is usually not seen in young birds. It will eventually lead to emaciation and the death of the involved animal. Transmission to humans usually occurs through ingestion.

Mr. MONTOYA. Basic to meat and poultry inspection laws is the authority and requirement for the condemnation of adulterated livestock and poultry. The term "adulterated" encompasses inspection findings of conditions that can be injurious to human health—and of conditions not of themselves specifically harmful to human health, but nevertheless considered unfit for human food purposes.

Some examples of diseases which can infect humans either from contact with a carcass or portion of the carcass, from consumption, or contamination of other foods are: tuberculosis, salmonellosis, ererysipelas, encephalitis, psittacosis, ornithosois; newcastle disease, staphylcoccus, and streptococcus infections.

Diseases and conditions are also found for which no direct causal relationship with human health can be shown. In these situations the animal or a part is condemned on grounds that any diseased animal or part is not wholesome for human consumption. Here would be included conditions such as tumors, cancers, parasitic infections such as roundworms, liver flukes, sheep tapeworm cysts, specific infectious diseases such as hog cholera, caseous lymphadenitis in sheep and blackhead in turkeys and coccidiosis in poultry. This too is "adulteration."

The standard for meat, either livestock or poultry, that has been developed through public policy, is that it must be clean and that it be derived from healthy animals which are free of disease, abnormalities and contamination with noxious substances and filth; that is, bruises, injuries, emaciation, dead before slaughter, parasites, healed lesions, and so forth.

This standard is not based on identifiable—scientifically established human health hazards, but on the basic premise that the consumer would not of free choice consume a diseased animal nor feed it to another person as it is unsound or otherwise unfit for human consumption.

Among the diseases which have been found transmissible from poultry to man, are some 11 bacterial diseases, six viral diseases, three fungal diseases, two toxic illnesses, and four parasitic illnesses. Eight other diseases may be carried by poultry and can infect humans.

Mr. President, unless the committee amendment is deleted or modified, the condemnation of poultry carrying these diseases would become impossible with resultant disastrous results. Mr. President, I will await the return of Senator TALMADGE on Monday before suggesting action on this bill. But I am sure the language should be changed in order to effectuate the purpose for which it was introduced but not have the ramifications that I am afraid would be inimical to the consumers' interest at the present time.

Mr. HATFIELD. Mr. President, will the Senator from New Mexico yield?

Mr. MONTOYA. I yield.

Mr. HATFIELD. I should like to ask a question or two of the distinguished Senator from New Mexico; but, before doing so, would like to comment that, as a member of the committee who has listened and made certain conclusions on this very important subject, I believe the Senator from Louisiana [Mr. ELLENDER], our chairman; the Senator from Florida [Mr. HOLLAND], who proposes one of the amendments; the Senator from Minnesota [Mr. MONDALE]—for that matter, everyone on the committee— are seeking the same basic goals; namely, to protect the consumer.

As I understand it, it is basically now a question of the best procedures to follow in order to accomplish those goals.

My question to the Senator is this: Whether it does not really come right down to the question of how we interpret the language of Federal and State requirements in relation to inspection, that State programs are at least equal to Federal inspection programs?

Mr. MONTOYA. Yes; that is the tenet and the purpose of the bill; namely, to encourage a State inspection system which will be equal to or excel the Federal system. That is the noble purpose of the bill. The Senator is right, that the point of inquiry here is: Does the bill accomplish that purpose in the consumers' interest, and if it does not, how can we improve upon the language in the bill?

Mr. HATFIELD. How would the Senator from New Mexico interpret the language "at least equal"? Is this in the wording of State statutes? Does it include the matter of inspection procedure? Does it include, as well, matters of enforcement? In other words, how do we interpret the words "at least equal" to Federal inspection?

Mr. MONTOYA. I believe that there is general agreement, so far as the committee is concerned, and so far as Congress is concerned—Congress having considered and enacted the Red Meat Inspection Act of 1967—that equality of inspection means that the States must have the kind of mandatory inspection that would be equal to the Federal laws, and coincident with such particular laws, there must be the same quality of enforcement. These two things must coincide and be parallel to the Federal structure before we can say that we have protected the consumer at the same level that Federal inspection laws do today, or will in the future.

Mr. HATFIELD. If the Senator will yield further, would the Senator say that this is a question, then, and a very comprehensive question, of interpreting what is equal not only in the language of the statute but also in matters of inspection, and in matters of enforcement and, therefore, that it will take time to be able appropriately to evaluate the State laws that we want to determine as being equal to the Federal laws?

Mr. MONTOYA. There is no question about that, because we have very little experience across the vast landscape with respect to intrastate inspection under State laws, because this is an entirely new field that has come up in the past few years. In fact, I tell the Senator here, and will read for the RECORD, that under the present state of conditions in this country, we have a few States with mandatory inspections, and a few other States with voluntary inspections, and we have States with no poultry inspection laws at all. Specifically, there are 33 States with no poultry inspection laws. The only inspection that is provided in the 33 States I am mentioning is by virtue of the food and drug laws which have been passed, and the general authority is there with respect to food. But, specifically, there are no poultry inspection laws in 33 States.

There are five States with voluntary inspections, and that is optional with the States, and the inspection is optional with the particular producer. Therefore, the inspection laws are not adequate in those States. For all intents and purposes, there are at least 38 States which do not have adequate inspection laws.

Mr. HATFIELD. A further question: Is it not only a question, then, of getting laws on the statute books but also a question of having personnel adequately trained and geared to the machinery of State inspection programs that we have this question that arises now as to the time factor?

Mr. MONTOYA. The Senator is absolutely correct. The State inspection service over poultry and meat is an entirely new approach. In fact, the committee report of the House of Representatives states that there are only four active inspection programs in this country today, even though we have mandatory laws in several other States. There are only four active inspection programs in this country.

Mr. HATFIELD. I understand, then, that the Senator's feeling is at this time that until the Federal law is truly in operation in every respect, until the States themselves are geared up, it is premature at this time to start amending the red meat inspection law which was enacted only recently, actually to weaken it as it relates to Federal inspection.

Mr. MONTOYA. Absolutely.

Mr. HATFIELD. Would the Senator agree, further, that there is today a great deal of confusion that oftentimes exists between Federal and State agencies in the same field of endeavor, and, many times we hear as a Senator from our State, as I do from mine, and when I was formerly Governor of Oregon I recognized it, that when a Federal regulation or a Federal law is put into effect, and before the States have time to get involved and get geared up, the Federal Government is accused—and I think there is substantial evidence that it is guilty on occasion—of changing that regulation or law, or amending it, thus creating a state of confusion which makes it more difficult for the States really to comply or move in to a common purpose and a common program.

Mr. MONTOYA. The Senator from Oregon is absolutely correct.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. HOLLAND. In connection with the same subject that has been discussed in the colloquy between the distinguished Senator from New Mexico and the distinguished Senator from Oregon, is it not true that the bill makes the Secretary of Agriculture the sole judge of whether the law of any particular State and its enforcement is equal to or better than the Federal law and its enforcement?

Mr. MONTOYA. That is correct. However, there is this misgiving about that provision: While the States, on paper, may have inspection laws equal to the Federal law, will they be so enforced and if not, what, if anything, can be done to protect the consumer from watered down enforcement once the Secretary of Agriculture has relinquished his control to make a positive finding that the method of enforcement or the method of inspection, across the vast American landscape, can be standardized, and thus properly certificate a particular State inspection system as contemplated by the amendment of the Senator from Florida. That is one of the main points of contention.

Further, the particular provision that is espoused by the Senator from Florida has a way of bringing the States into certification by the Secretary of Agriculture provided they have equality of standards and equality of inspection procedures and methods of enforcement thereof. But the Holland amendment contains no provision to the effect that the Secretary may later remove those certifications.

Mr. HOLLAND. The Senator has not read the bill carefully, because the bill provides that the Secretary has the complete right, and it shall be his duty, to remove recognition which he has previously given to a State system and its enforcement, in the event he finds that the standards do not remain up to or equal to or better than equal to Federal standards.

Mr. MONTOYA. I am fully aware of that provision; but that provision requires the Secretary of Agriculture, under certain circumstances which are alien to this particular provision, to give the States 30 days' notice to change the conditions in a certain plan; otherwise, Federal inspection will step in. After that due notice, if the State fails, then there must be publication for an additional 30 days. Then there might be some kind of court procedure, in addition to that, if the State still refuses. In the meantime, there is at least a 60-day lapse during which meat is being moved in interstate commerce, affecting the consumers of this country. That lapse can be dangerous to the consumers.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield to the Senator from Minnesota.

Mr. MONDALE. Under the Wholesome Meat Act of 1967, if a plant now under a State system wishes to market its production interstate—that is, nationally—may it not do so by immediately rejoining the Federal system today?

Mr. MONTOYA. That is correct.

Mr. MONDALE. So that if there is a plant that wants a national market now, it has a full and complete remedy available to it?

Mr. MONTOYA. That is correct.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield to the Senator from Florida.

Mr. HOLLAND. Is it not true that a provision of the bill—and this is also true in the case of the Wholesome Meat Act—permits the Federal Government to pay portions of the inspection costs and enforcement costs up to 50 percent of the total in the event the Secretary has found the enforcement is at least equal to the Federal enforcement? And, does it not provide that when he finds that is not the case, he has the right to call off that Federal contribution to the expense of the enforcement?

Mr. MONTOYA. The Secretary may offer up to 50 percent to the States as a contribution for the enforcement of the State inspection system. That is basic in this law, and it is basic in the Red Meat Inspection Act. The additional provision to which the Senator from Florida refers, I do not at this time recall.

Mr. HOLLAND. Well, the Senator will find in the bill that the Secretary has a right to discontinue the contributions to the enforcement costs, just as he has the right to call off recognition.

Mr. MONTOYA. If there is failure of enforcement.

Mr. HOLLAND. Yes; if the enforcement is not equal to or better than Federal inspection, he has the right to call it off. So that additional weight is given to the Secretary's powers in this matter.

I happen to know, as chairman of the subcommittee handling agricultural appropriations, that already we have increased this year the Federal payment for this purpose in order that we can now help the States to reach this "at least equal to" performance. As a matter of fact, they are asking far more than we granted.

I just want the record to show we have imposed upon the Secretary the duty that if States at first meet the Federal standards and have a law and enforcement that are at least equal to Federal enforcement, he first can make the allotment of the Federal funds up to 50 percent of the cost; and then, if the State fails in its enforcement, he can call it off. That is exactly what he should do.

It looks to me like my distinguished friend has little confidence in the attitude of the Secretary of Agriculture or in his employees, who, by this law, are given the right to go into every plant, into any plant, and check any aspect of enforcement, check on enforcement in the field, where the consumers' interest is affected, which is not permitted State inspected products if the product goes beyond the State lines. And the Secretary has the power to cut off that contribution of up to 50 percent of the cost in the way of Federal funds, which is given only if the State law has been found by the Secretary to be equal to the Federal law and if the enforcement of the law has been found equal to Federal enforcement.

Mr. MONTOYA. May I say to my good friend from Florida that I do not think he and I disagree on what we are trying to accomplish. I want to say for the record here that I do not mean to impugn the motives of my good friend from Florida or of any member of the committee with respect to their individual stand on this particular provision which the Senator from Florida has offered in committee and which is now part of the bill. However, I have great concern, may I say to my friend from Florida, that, because of the experience we have had, the consumer is not going to be as fully protected as he would be under the Federal-State relationship which is threaded through the red meat inspection act which we adopted last year.

In my opinion, I think the amendment offered by the Senator from Florida dilutes the noble purpose that we have in mind, and I think it opens the back door for the opportunity for unscrupulous dealers in meat to invade the channels of interstate commerce with a State inspection level which is permissible under the amendment the Senator from Florida has offered as part of this bill.

That is one of my great concerns, and I intend to discuss the specifics of it in my discussion of the so-called Holland amendment.

Mr. President, I would like to discuss the specifics of the Holland amendment. I am sorry to take up so much time on this, but I think it is a very important element in our consideration of the bill.

AMENDMENT NO. 911

On behalf of myself, Senator Mondale, Senator McGovern, Senator Hatfield, Senator Clark, and Senator Fong, I have proposed an amendment, which is at the desk, dealing with the so-called Holland amendment. I ask that it be called up at this time.

The PRESIDING OFFICER. The Chair wishes to inquire of the Senator whether that is No. 1 or No. 2.

Mr. MONTOYA. It is No. 3.

The PRESIDING OFFICER. No. 3. The clerk will state the amendment.

The Legislative Clerk. It is proposed, on page 63, beginning with line 7, strike out all down through line 17.

On page 91, beginning with line 13, strike out all down through line 13 on page 92.

On page 92, line 14, strike out "Sec. 21" and insert in lieu thereof "Sec. 20".

On page 92, line 20, strike out "Sec. 22" and insert in lieu thereof "Sec. 21".

The PRESIDING OFFICER. Are those amendments to be considered en bloc?

Mr. MONTOYA. The ones I have just called up I ask unanimous consent be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I have two other amendments at the desk, applying to the so-called Talmadge provision and the so-called Aiken exemption provision in the present bill. I ask unanimous consent that they be ordered to be printed and lie at the desk.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie at the desk.

Mr. MONTOYA. Mr. President, I ask unanimous consent that they be printed at this point in the Record.

The amendments referred to were ordered to be printed in the Record, as follows:

On page 46, after the period in line 15, strike out all down through the period in line 18.

On page 77, beginning with line 3, strike out all down through line 15 on page 79, and insert in lieu thereof the following:

"(c) (1) The Secretary shall, by regulation and under such conditions, including sanitary standards, practices, and procedures, as he may prescribe, exempt from specific provisions of this Act—

"(A) the slaughtering by any person of poultry of his own raising, and the processing by him and transportation in commerce of the poultry products exclusively for use by him and members of his household and his nonpaying guests and employees;

"(B) the custom slaughter by any person of poultry delivered by the owner thereof for such slaughter, and the processing by such slaughterer and transportation in commerce of the poultry products exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided*, That such custom slaughtered does not engage in the business of buying or selling any poultry products capable of use as human food;

"(C) the slaughtering and processing of poultry products in any State or Territory or the District of Columbia by any poultry producer on his own premises with respect to sound and healthy poultry raised on his premises and the distribution by any person solely within such jurisdiction of the poultry products derived from such operations, if, in lieu of other labeling requirements, such poultry products are identified with the name and address of such poultry producer, and if they are not otherwise misbranded, and are sound, clean, and fit for human food when so distributed; and

"(D) the slaughtering of sound and healthy poultry or the processing of poultry products of such poultry in any State or Territory or the District of Columbia by any poultry producer or other person for distribution by him solely within such jurisdiction directly to household consumers, restaurants, hotels, and boarding houses, for use in their own dining rooms or in the preparation of meals for sales direct to consumers, if, in lieu of other labeling requirements, such poultry products are identified with the name and address of the processor, and if they are not otherwise misbranded and are sound, clean, and fit for human food when distributed by such processor.

The exemptions provided for in clauses (C) and (D) above shall not apply if the poultry producer or other person engages in the current calendar year in the business of buying or selling any poultry or poultry products other than as specified in such clauses, or if the number of head of poultry processed by him in the current calendar year exceeds such limits as the Secretary may by regulation prescribe, consistent with subparagraph (3), as appropriate to avoid a requirement of inspection of processing operations of such a size that the cost of furnishing inspection would be excessive in relation to the volume processed or the rendering of inspection would otherwise be impracticable.

"(2) In addition to the specific exemptions provided herein, the Secretary shall, when he determines that the protection of consumers from adulterated or misbranded poultry products will not be impaired by such action, provided by regulation, consistent with subparagraph (3), for the exemption of the operation and products of small enterprises (including poultry producers), not exempted under subparagraph (1), which are engaged in any State or Territory or the District of Columbia in slaughtering and/or cutting up poultry for distribution as carcasses or parts thereof solely for distribution within such jurisdiction, from such provisions of this Act as he deems appropriate, while still protecting the public from adulterated or misbranded products, under such conditions, including sanitary requirements, as he shall prescribe to effectuate the purposes of this Act.

"(3) No exemption under subparagraph (1) (A) or (B) or subparagraph (2) shall apply to any poultry producer or other person who slaughters or processes the products of more than 4,000 turkeys or an equivalent number of poultry of all species in the current calendar year (4.5 birds of other species being deemed the equivalent of one turkey).

"(d) The adulteration and misbranding provisions of this Act, other than the requirement of the inspection legend, shall apply to articles which are exempted from inspection under this section, except as otherwise specified under paragraphs (a) and (c)."

Mr. MONTOYA. Mr. President, the committee very unwisely adopted an amendment which not only undercuts the effectiveness of the new provisions to the Poultry Products Inspection Act which we are presently considering, but also undermines the existing Federal poultry inspection program, and would render meaningless all of the countless man-hours that went into the adoption of the Wholesome Meat Act of last year.

Mr. President, the bill we have before us contains provisions which would amend both the Poultry Products Inspection Act and the Wholesome Meat Act to permit the movement in interstate commerce of both meat and poultry products processed under State inspection at any establishment in a State under requirements which the Secretary determines are at least equal to those under the Federal act. In addition, such products may be brought into and used in a federally inspected establishment.

Subsection 5(c) (5) of S. 2932, provides in substance that poultry products processed under State inspection at any establishment in any State not made subject to Federal inspection under requirements at least equal to those provided for Federal inspection would be eligible for distribution in interstate commerce, the same as poultry products receiving Federal inspection.

The House considered a similar provision and wisely voted to delete it from the House-passed bill, H.R. 16363. Consumer group, industry organizations, and labor unions, all opposed this provision in testimony before the Livestock and Grains Subcommittee. They said it would endanger the present Federal inspection program and threaten the uniformity of inspection.

In testifying before the House Subcommittee on Livestock and Grains, Representative Neal Smith, who I understand was one of the authors and introducers of the bill, recommended deletion of this provision from H.R. 15146. I quote from his statement appearing in the House hearings on pages 2 and 3:

> If left in the bill, this provision would permit nonfederally inspected poultry from plants in States which had qualified for Federal funds to be sold in interstate commerce. This provision is not in the Red Meat Act and I understand it was added to the poultry bill, as recommended by the Department, at the request of some State secretaries of agriculture.
>
> When a State meets Federal standards and has an enforcement program at least equal to the Federal program they are removed from the list of States where intrastate plants will be federally inspected; however, they could become lax for several months before they can be placed back on the list. This is because section 5(c) (3) provides that reinstating Federal inspection shall only be after a 30-day notice and publication in the Federal register. By the time Federal inspection could be reinstated, millions of pounds of contaminated poultry products could have moved all over the United States or the world. The constant possibility that this would be occurring could hurt both our domestic and foreign markets for poultry.
>
> If poultry from these plants were to move in interstate commerce, the very least that should be provided is a continuing review by Federal inspectors of the whole operations within the State and authority to reinstate Federal inspection instantly if the State fell below the Federal standards. That kind of provision, I think, would create such great friction when applied, and be so costly and disrupting, that it seems to me the added language should simply be eliminated.

Mr. President, I was heartened by the fact that the House had taken Representative Smith's advice. Congressman Smith, one of the proponents of a strong and effective meat inspection act last year did much to contribute to the excellent piece of legislation which finally became law. So he is not without qualifications to speak on the subject.

While this measure was before the House, another strongly consumer-oriented Representative, who likewise contributed to the success of the Wholesome Meat Act last year, Representative Tom Foley, of Washington, opposed this provision. In the House committee report, Representative Foley had this to say about the House decision to delete this provision:

> The provision would have given a blank check to State programs which are untried—in fact, to ones which do not even exist right now. While these programs are to be "at least equal" to the Federal one, according to the bill, there are bound to be variations in actual practice. In fact, one large industry trade association warned the committee that if this provision were to stay in the bill, then firms must have to decide whether each of their individual plants which ship across State lines should be under Federal or State inspection.

On this point, during the hearings before the Senate Subcommittee on Agricultural Research and General Legislation, Mr. Vic Pringle, representing the Institute of American Poultry Industries, appeared to testify on this point. I might state for the Record, Mr. President, that the institute is a 40-year-old nonprofit national association, representing all segments of the poultry and egg industries. Its members process and market the major share of the Nation's chickens, turkeys, ducks, and other poultry. In addition, their membership includes producers, breeders, hatcherymen, and allied interests.

Mr. Pringle testified as follows, as shown on page 243 of the Senate hearings:

> Nevertheless, if the committee should adopt a program which would provide for multi-inspection programs as provided by S. 2032, including the provisions of section 5(c)5 which permits interstate shipment, we believe it necessary for the bill to make it clear that a plant presently under Federal inspection, but located in a State which establishes a State system as provided in this bill, will have the election of operating under the State system if it so desires.

Mr. President, what we would have, as this testimony clearly points out, would be competition between the Federal and the State programs and between the States themselves on which can attract more clients. Unscrupulous producers and processors would shop around for the States with the least rigid enforcement practices where they could establish plants free from the effective Federal inspection. The end result would be unwholesome and adulterated meat and poultry products flowing to every table in this country. This cannot be tolerated. If there is even one hint that this would be done, Congress would be remiss in even thinking about such a proposal as is now contained in S. 2932. The primary issue to which we must address ourselves to here today is consumer protection.

And, Mr. President, this would not be limited to poultry products. As I have already stated, the provision as contained in the bill adds section 20 to S. 2932 and would amend the Wholesome Meat Act to incorporate comparable provisions in that act.

Mr. President, in January of this year the U.S. Department of Agriculture did a survey of nonfederally inspected poultry plants. Reports were prepared jointly by the USDA and the States on conditions in nonfederally inspected plants. My staff prepared a summary of the kinds of situations these reports reflect. In addition, inspection personnel experienced in these matters were interviewed in order to be more precise as to the conditions actually found. I would like to relate to my colleagues some of the conditions which these reports revealed:

Only a few of the plants surveyed fully met minimum Federal sanitation requirements.

Approximately one-third need major changes, one-third minor changes, and one-third could be considered basically in compliance with the Poultry Products Inspection Act standards.

The sanitary conditions in many of the nonfederally inspected poultry plants were so bad that production of sanitary product was impossible.

Wood floors, cracked, leaking, and soaked with blood, meat juices, and water exuded a sour odor and could never be adequately cleaned. Many concrete floors were pitted, worn, and eroded so that pools of blood water were common in areas where food products were being processed. Many of the floor drains were untrapped with the result that sewer gas and other odors of decomposing meat and blood were present in the processing rooms.

In many instances, windows and doors were not screened or kept closed with the result that flies could move freely from the filthy and decomposing poultry carcasses, feathers, and manure into the processing room where product was being prepared for food.

Accumulations of rubbish, junk, manure, and rotting chicken parts around the outside of the plant were infested with rodents which also had free access to move over tables, other equipment, and product when the plant was not in operation. It is well known that rodents always contaminate with urine and feces wherever they have access.

Because of inadequate ventilation and the crowding of operations, feces, dust, and feathers from live birds were present in the processing rooms and contaminating the poultry meat. Rough ceilings and moisture condensation on ceilings and walls resulted in the growth of mold and accumulation of dust, dirt, scaling paint, and other filth which was a constant source of contamination of product.

In many instances, there were no facilities for producing hot water or steam and it was obvious that the plant facilities had never been adequately cleaned. Picking rooms and equipment were unbelievably filthy and stinking with accumulation from months of operations never being completely removed.

In many cases, there were no handwashing facilities so that employees who used the toilet facilities were unable to wash their hands before handling product. Also soiling of the hands from feathers, feces, or diseased conditions, including pus and infectious materials could not be adequately removed from the employee's hands.

Poultry carcasses and meat were being cut up and handled on the tables and other equipment made of wood which was water and blood soaked. Thick accumulations of fat and meat juices, sour and decomposing were often seen on this equipment.

Mr. President, I ask unanimous consent to have some materials printed at this point in the RECORD listing conditions in intrastate plants that have been designated to State officials as endangering health.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRASTATE PLANTS THAT HAVE BEEN DESIGNATED TO STATE OFFICIALS AS ENDANGERING PUBLIC HEALTH, FROM JAN. 1, 1968, TO JULY 26, 1968

State and address of plant	Type of operation	Reason for action	Followup action
Arizona: Casa Grande (included in 1962 survey).	Slaughtering	Failure to control insects and vermins. Lack of environmental sanitation. Insanitary handling of meat and meat byproducts.	Corrective inspectional procedure instituted.
Arizona: Mesa	do	Failure to control insects. Insanitary procedures used in manufacturing products. Lack of environmental sanitation.	Do.
Arizona: Tucson	do	Failure to control inedible and condemned products. Lack of environmental sanitation. Insanitary procedures used in manufacturing product.	Do.
Connecticut: Plainfield	do	Failure to control condemned, diseased carcasses which had been marked inspected and passed. Spoiled meat byproducts present in cooler.	Immediately closed by State officials.
Delaware: Dover	Slaughtering and processing	Nonpotable water (contaminated) being used in producing products for human consumption.	Closed by State program director
Idaho: Coeur d'Alene	do	Failure to properly control inedible and condemned products.	Corrective inspection procedures instituted by the State officials.
Idaho: Kingston	Slaughtering and sausage processing.	Improper control of condemned animals. Lack of proper environmental sanitation. Improper control of inedible and condemned products.	Corrective inspection procedures instituted by the State officials.
Idaho: Wallace	Wholesale slaughtering and processing.	Lack of proper environmental sanitation. Lack of control of inedible and condemned. Insanitary procedures used in manufacturing product	Do.
Idaho: Idaho Falls	Slaughtering and processing	Lack of proper environmental sanitation	Do.
Idaho: Rupert	do	do	Do.
Illinois: Alhambra	Slaughtering	do	A plant closed by State program director.
Michigan: Detroit	Processing	do	Corrective action taken by State officials. Subsequently the plant requested and was approved for Federal inspection.
Michigan: Richmond (included in 1967 survey).	Slaughtering and processing	Insanitary handling of product. Lack of proper environmental sanitation.	Closed by State officials.
Michigan: Iron River (included in 1967 survey).	do	Insanitary handling of product. Lack of environmental sanitation. Lack of control of inedible and condemned products.	State officials have instituted corrective inspectional procedures and have had the plant correct and change facilities and equipment to alleviate sanitary deficiencies.
New Hampshire: Goffstown	Slaughtering and retail store	Nonpotable water (contaminated) being used in producing products for human consumption.	Discontinued slaughter operations as a result of State corrective action. Source of water to retail operations converted to new source.
Nevada: Reno	Processing	Improper environmental sanitation	Plant closed temporarily to nitiate a cleanup.
Nevada: Elko	Slaughtering and processing	Failure to control condemned and inedible products. Insanitary procedures used in manufacturing products.	Corrective inspectional procedures instituted by the State officials.
Nevada: Gardnerville	do	do	Do.
Nevada: Las Vegas	Processing	Improper environmental sanitation. Lack of control of condemned and inedible products.	Do.
Pennsylvania: Dalton	Slaughtering	Failure to properly control condemned product	State program director instituted corrective inspection procedures as well as providing increased supervision.
Pennsylvania: Johnstown (included in 1962 survey).	do	Improper environmental sanitation	Do.
Utah: Lehi	Processing	Lack of control of insects and vermins. Improper environmental sanitation. Insanitary handling of product.	Immediate corrective action was taken by the State officials and have increased inspection coverage.
Utah: Salt Lake City	do	Improper environmental sanitation. Insanitary handling of product.	Do.
Utah: Vernal	Slaughtering and processing	Lack of proper environmental sanitation	Corrective inspection procedures instituted by State officials. Inspection coverage has been increased.
Nebraska: Omaha	do		
Puerto Rico: 8 plants			
Texas: Terrell	Slaughtering and processing		
Texas: Eagle Pass	do		

Mr. MONTOYA. Mr. President, these are not examples from a science fiction novel. Neither are they citations from Upton Sinclair's book, "The Jungle," which was quoted so widely during the discussion on the Wholesome Meat Act last year. These are not examples of the conditions which existed in the red meat industry prior to passage of the Wholesome Meat Act. They are examples of the very conditions which are prevalent today—right this minute—in the nonfederally inspected plants of this country.

Plants were surveyed in the States of

Alabama, California, Florida, Georgia, Louisiana, Mississippi, Missouri, North Carolina, Ohio, South Carolina, Texas, and Tennessee. Production in the surveyed plants ranged in volume from 50 to 500,000 birds per week.

Certainly poultry and poultry products prepared under these conditions are highly contaminated. They are so repulsive that should consumers of this Nation have any idea of the primitive conditions under which the product was prepared, they would never pick up another piece of poultry again except to chuck it out the back door for the vultures.

Mr. President, I cite these examples not as a condemnation of the poultry industry of this country for they have been very responsible in trying to enact a bill which would truly give the consumers of this Nation the protection from adulterated poultry products they deserve. The poultry industry of this country, in general, supports 100 percent the deletion of the provision which I seek to delete. I will cite specific endorsements on behalf of the industry in support of my efforts here today. However, I do cite these examples of the filthy conditions discovered within the nonfederally inspected plants to illustrate the crying need to not only strengthen the State programs but to do all we can to see that Federal inspection is not diluted. My amendment would insure that the consumer is fully protected.

I know it will be argued that the provisions of this bill would not become fully operative until the State programs meet requirements which the Secretary of Agriculture determines are at least equal to those of the Federal program. To this I would say, Mr. President, let us look at the record of State laws today: Only 13 States have mandatory inspection for wholesomeness and of these only four have active programs; five States have mandatory inspection laws for spot check, sanitation, or general food laws; five States have voluntary inspection programs; two States have Federal-State agreements; one State could not even refer the Department of Agriculture officials to any one in the State house who could even answer the questions asked; and 24 States have no law other than spot check, health control, or general food law.

I am further informed by the Department of Agriculture that none of these would even begin to meet the Federal standards. After all these years and the States have failed to move to perfect their poultry inspection systems.

Let us assume for the sake of argument that one State did qualify and met all the Federal requirements both on paper and in practice. How would we the consumers know that that State did not revert back to its original loose laws? We would not unless we required continued costly surveillance on the part of the Secretary of Agriculture to insure that they did not slack off on their enforcement. And what could be done if a State qualified for interstate shipment and then fell down in its enforcement or deleted its laws. Probably nothing.

Mr. President, I do not wish my remarks to be interpreted as a witch hunt against the State inspection systems. There is no one in this Chamber that has worked any harder then I to establish a truly Federal-State cooperative atmosphere. The Wholesome Meat Act of last year was in this vein. I struggled to preserve the Federal-State relationship by opposing complete federalization of the meat inspection program. And I might say I struggled successfully. The fruits of that struggle are now beginning to be felt. Again this year when we had before the committee legislation which would have completely federalized the poultry inspection system, I opposed them and insisted that we preserve our Federal-State system and give the States their due recognition.

However, by the same token, Mr. President, let us recognize where the true lines of division ought to be made. If we are to have a Federal-State system. Let us leave to the Federal Government that which is truly within their constitutional jurisdiction; namely, control over interstate commerce. And, let us leave to the States that which has been traditionally been left to their policing; namely, intrastate commerce.

This is a two-way street. If we are to protect against complete Federal infringement, then let us be as vigorous in our defense against State involvement in traditionally and constitutionally Federal domain.

Mr. President, I would like to read excerpts from a letter which was written by Mr. E. H. Flitton, vice president of one of our large meatpacking plants in this country, George A. Hormel & Co., to illustrate that what I say is not idle thinking. This is a letter dated July 12, 1968, and addressed to the Honorable Harold LeVander, Governor of Minnesota. It reads as follows:

JULY 12, 1968.

Hon. HAROLD LEVANDER,
Governor of Minnesota,
St. Paul, Minn.

MY DEAR GOVERNOR: I read with considerable interest the story in last Tuesday's paper about discussions held at the Midwest Governors' Conference regarding the new Federal Meat Inspection Act.

At this time, I cannot speak for your entire Advisory Committee; but, as one member representing the Hormel Company, would like to respectfully advise you of our position regarding any efforts to have the Federal government allow state inspected meat to ship in interstate commerce even though the state Inspection Act, when it is hopefully passed, will meet with the approval of U.S.D.A. regulations for state meat inspection programs on a cooperative basis.

We think that this would be wrong in principle. Since Federal inspection is available upon application, we think that establishments desiring to ship interstate should be required to meet the higher Federal standards.

Our concern is that the state cooperative program will not be as stringent in regulating the smaller plants as the U.S.D.A. is in regulating plants who ship interstate. State inspection laws to be approved for implementation by the U.S.D.A. over all meat slaughtering and meat processing will require that Federal standards be met with respect to formulations but that Federal standards, with respect to facilities, will probably not have to be observed.

As we see it, the only reason that a plant wishing to ship on an interstate basis would not apply for Federal inspection would be to avoid spending the monies necessary to accommodate its facilities to the rigid standards required by the U.S.D.A. but not required by the state law.

If the state standards are adequate to protect the public health in interstate commerce, then it would seem that the higher Federal standards might be thought to be unnecessary. We believe that all of us who sell across state lines ought to play the game uniformly according to the same set of rules and regulations.

Since we now understand that your position and that of Commissioner Schwandt differ from ours on this issue, we wanted to respectfully express our views to you.

Cordially yours,

E. H. FLITTON.

Mr. President, I have gone on at length and I beg my colleagues indulgence for just a few more moments. However, I feel so strongly that our meat and poultry inspection systems will be eroded and consumer protection so adversely affected that I feel it incumbent to fight these particular provisions in the bill with every ounce of strength I can muster.

Mr. President, it has come to my attention that the major meat processors have underway major construction changes, including alteration, remodeling, and modernization in their existing intrastate processing plants. This as a result of the requirements of the Wholesome Meat Act. The result of such updating will be better consumer protection and will in the end be to the credit of the industry. However, should the provisions which I seek to delete be permitted to remain in the bill, the tendency of these plants will, I am informed, to forget about the modernization of their plants until they see what the States are going to do. If they feel they can operate within a State without updating their plants and still qualify for shipping in interstate commerce, then their modernizing plans, which is costing them money, will be disposed of in the wastebasket. The end result will be that the consumer will suffer the consequences.

It is important to note, too, that we are talking about a multibillion-dollar industry. The industry itself supports my position for they recognize that otherwise they would be exposed to sheer confusion. There would be variations in the provisions of the laws from State to State and between the State and the Federal programs. The eventual cost to the industry to operate under such a variation of laws would be crippling. This in turn would be crippling to our economy. I emphasize, Mr. President, this is no simple proposition with which we are toying here today.

Not only would the industry itself be confused, but think of the effect on the poor consumer. When the consumer went to purchase meat or poultry, she would not know whether that product was processed in the best of sanitary conditions or in the worst. She would be confused, hurt, and downright frustrated.

Mr. President, in closing, I would like to insert for the record a number of endorsements of my efforts as well as a number of other materials which I think should clarify for our colleagues as to what groups are supporting my position. I think it will become clear that apparently only one group stands behind the attempts to keep these undesirable amendments in the bill.

As I have stated before, the poultry industry as a whole wishes me every success. I referred earlier to the Institute of American Poultry Industries, a 40-year-old, nonprofit national association, representing all segments of the poultry and egg industries, has testified in support of deleting the very section which I seek to delete. Their testimony before the Senate Committee may be found on pages 240–248 of the hearings. I quote from their testimony on page 243, when referring to the House action in deleting a similar provision from the House-passed bill:

> We commend the House for leaving out that provision in its bill, H.R. 16363.

Their representatives have also been by to see me personally and express their support.

I have a telegram from the National Broiler Council, the national organization which represents the broiler producers of this Nation, which I read into the Record:

Washington, D.C.,
July 26, 1968.

Senator Joseph M. Montoya,
Senate Office Building,
Washington, D.C.:

Strongly urge you support passage of poultry inspection bill with Montoya amendments on exemptions and deleting section 5–C–5 so that only chicken from federally inspected plants could move in interstate commerce.

Frank Frazier,
Executive Vice President, National Broiler Council.

I have a letter from Mr. Andrew J. Biemiller, director, Department of Legislation, American Federation of Labor and Congress of Industrial Organizations, urging Senators to back my position. Mr. President, I ask unanimous consent that this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

American Federation of Labor and Congress of Industrial Organizations,
Washington, D.C.

Dear Senator: The AFL–CIO strongly supports strong, effective poultry inspection legislation. As you know, the AFL–CIO wholeheartedly supported the meat inspection law enacted in the 1967 session of the 90th Congress.

Unfortunately, three changes made by the Senate Agriculture Committee in the House-passed poultry inspection bill, H.R. 16363, would seriously undermine and weaken vital consumer protection programs. They would even jeopardize the existing meat and poultry inspection program and they would make the proposed poultry inspection program worse than ineffective.

One change would require an impossible burden of proof for condemnation of unfit poultry products.

A second change—weakening both meat and poultry inspection programs—would undermine present federal inspection by permitting state-inspected plants to ship poultry products into interstate commerce.

A third change widens an unfortunate exemption in the House-passed bill to allow millions of pounds of poultry to go into intra-state and interstate commerce without any inspection for wholesomeness and sanitation.

We urge you to oppose these three provisions. Without these three amendments, the bill approved by the Senate Agriculture Committee will protect consumers effectively, but if these amendments are kept, the new poultry inspection bill would be a big step backward and would seriously harm consumers.

Sincerely yours,
Andrew J. Biemiller,
Director, Department of Legislation.

Mr. MONTOYA. Mr. President, I ask unanimous consent to have printed at this point in the Record a letter of support from Mr. Thomas J. Lloyd, international president, and Mr. Patrick E. Gorman, international secretary-treasurer, Amalgamated Meat Cutters & Butcher Workmen of North America. This, as you know, Mr. President, is the union representing those individuals employed in the industry which would be affected by this bill.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Amalgamated Meat Cutters & Butcher Workmen of North America,
Chicago, Ill., July 24, 1968.

Hon. Edmund S. Muskie,
U.S. Senate,
Washington, D.C.

Dear Senator Muskie: The federal meat and poultry inspection programs are now in great jeopardy because of some amendments which the Senate Agriculture Committee added to the House-passed poultry inspection bill. Instead of simply increasing consumer protection, H.R. 16363, as amended, would actually curtail the consumer-protective effectiveness of the present federal poultry and meat inspection programs.

One amendment would require that condemnation of unfit poultry "must be supported by substantial scientific fact" that the bird "is injurious for human consumption." As a result, an inspector would probably have to approve cancerous poultry because "substantial scientific fact" does not exist that the poultry cancer can be transmitted to humans. Or he could not condemn birds containing fecal matter or other filth because there is no "substantial scientific fact" that it "is injurious for human consumption."

Another amendment would permit poultry and meat which was inspected by a state program to be shipped into interstate commerce. As a result, the present federal meat and poultry inspection system would have to compete with the less rigorous state programs for plants to inspect. Eventually, the state and federal programs would have to bid on the basis of who would provide the more lenient inspection.

Congress has gone as far as it can in the legislation to provide that the state programs be "at least equal" to the federal one. But that hardly means that the state programs would provide equally effective regulations and enforcement in every aspect of inspection. There certainly will be variations from state to state and between states and the federal program depending upon the political situation in each state.

A third amendment increases an unfortunate exemption already contained in the House bill. Under this provision, plants shipping tens of millions of pounds of poultry annually into intra-state and inter-state commerce would be exempted not only from inspection for wholesomeness, but also from any sort of sanitation control.

We respectfully urge that you oppose these three provisions. If they are kept in the bill, then H.R. 16363 will be extremely harmful to consumers—instead of increasing protection for them. We repeat: these provisions would damage not only any new program, but would also hurt existing meat and poultry inspection.

Without these three amendments, the bill would be similar to the Wholesale Meat Act of 1967. It would be a strong, meaningful and effective addition to the consumer-protective legislation which the 90th Congress has written into law.

Very truly yours,
Thomas J. Lloyd,
International President.
Patrick E. Gorman,
International Secretary-Treasurer

Mr. MONTOYA. Mr. Daniel S. Bedell, legislative representative, International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, has expressed the support of his multimillion-member organization and I ask unanimous consent to have his letter made a part of the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

International Union, United Automobile, Aerospace & Agricultural Implement Workers of America—UAW,
Washington, D.C., July 23, 1968.

Hon. Joseph M. Montoya,
Senate Office Building,
Washington, D.C.

Dear Senator Montoya: The Poultry Inspection bill, H.R. 16363, that has been under consideration by your Committee concerns a matter about which we are deeply concerned—that of giving the consumers complete confidence in the wholesomeness of *all* poultry and poultry products.

The areas of the bill which, in our opinion, would make this confidence less than valid would be the impossible requirement of proof for condemnation; allowing poultry products to be shipped in interstate commerce from inadequate inspected state plants, and the permitting of poultry to be shipped from plants that do not conform to the Federal Whole and Sanitary Inspection requirement.

Your consideration of the consumer's protection in these three areas is urgently requested.

Sincerely,
Daniel S. Bedell,
Legislative Representative.

Mr. MONTOYA. Mr. President, throughout my statement I made references to the widely acclaimed Wholesome Meat Act which we enacted last year. Probably no individuals had more to do with the successful passage of that measure than Congressman Graham Purcell of Texas, Congressman Neal Smith of Iowa, and Congressman Thomas S. Foley of Washington. Again this year, they have combined forces in introducing the Wholesome Poultry Products Act. Their expertise in this field is second to none. They know the pitfalls, the strengths, the weaknesses of this measure. Because of their personal knowledge of conditions in the poultry industry and their own contributions, I was greatly pleased to learn of their support of position also. Again, Mr. President, I ask unanimous consent that a letter of support, bearing all three signatures which they have sent to my colleagues, be made a part of the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

JULY 27, 1968.

DEAR SENATOR: We fear that an amendment added to the House-passed Poultry Inspection Bill by the Senate Agriculture Committee would seriously weaken the Wholesome Meat Act of 1967 and we would like to advance some reasons for your consideration. The amendment referred to would permit state-inspected meat and poultry to move in interstate commerce.

At present, only federally inspected meat and poultry may be sold in interstate commerce. Under the Wholesome Meat Act of 1967, as well as the new Poultry Inspection Bill, the States are given a minimum of at least two years to bring their inspection programs up to Federal standards; otherwise, the Federal inspection programs will apply to all plants in the State, including those which do not sell outside the State.

As a practical matter, these State programs may not always measure up in all respects to Federal standards, and when a state legislation fails to appropriate enough funds for inspectors or inspectors for any reason become less effective, it may take several months to correct the situation. These more politically vulnerable State inspectors also may not condemn labeling or the mixing of large portions of fillers. The Committee amendment would permit these plants under law inspections to ship all over the United States. This would be unfair to U.S. inspected plants which ship interstate to the same market. It could result in promises of accommodating inspections to meat plants which will relocate and provide more pressure upon State legislatures for under-funding of State inspection systems.

A consumer could not keep adequately informed as to which plants in certain States were really up to Federal standards and, since foreign meat must meet Federal Standards at all times, he may conclude that the only thing to do is buy only imported meat.

Any way one looks at it, we believe it would seriously undermine the Wholesome Meat Act we passed last year.

We understand the National Broiler Council is opposed to this amendment, and that many of the legitimate packers and processors oppose the amendment and fear that it would result in a lack of confidence in meat products and a loss of markets. We also understand that when S. 2932 comes to the Floor, Senator Montoya with bi-partisan co-sponsors will offer an amendment to strike the Committee amendment. As sponsors in the House of both the Wholesome Meat Act and the Poultry Bill, we sincerely hope you will consider the reasons we have set forth above and support Senator Montoya's motion.

Sincerely,

GRAHAM PURCELL,
Member of Congress from Texas.
NEAL SMITH,
Member of Congress from Iowa.
THOMAS S. FOLEY,
Member of Congress from Washington.

Mr. MONTOYA. Mr. President, I also ask unanimous consent to have inserted at this point in the RECORD, a news release, dated July 10, 1968, from the Office of the Special Assistant to the President for Consumer Affairs, voicing the support of that office of my position.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

BETTY FURNESS ATTACKS AMENDMENTS TO POULTRY BILL

Betty Furness today attacked several new Senate amendments to the poultry inspection bill as "very unfortunate provisions that can do nothing but harm to the consumer."

The Special Assistant to the President for Consumer Affairs said amendments attached by the Senate Agriculture Committee could "seriously impair the effectiveness of both the new poultry legislation and the Meat Inspection Act passed last year."

"American consumers need, deserve and demand strong and effective inspection procedures for the food they consume," Miss Furness said. "If the Senate amendments are written into law it will become very difficult to insure that such procedures will be applied to meat and poultry."

"If the new amendments are enacted," she said, "States with meat and poultry inspection programs that appear to equal the Federal poultry program and the Federal meat program will be able to ship their products anywhere in the country without the Federal stamp."

"States will be competing with each other to attract meat and poultry packers and a very ready form of competition could be the lowering of inspection standards. All poultry and meat that enter into interstate commerce should continue to be Federally inspected."

"There is danger," the President's consumer advisor said, "that the whole Federal food inspection program will be undermined if these amendments stand. I think that would be an error of the very first order."

Miss Furness also attacked other Senate-drafted amendments to the poultry bill. One, she said would "require that poultry inspectors be supported by 'substantial scientific fact' before they can condemn the birds they inspect. Such scientific fact is almost impossible to come by in many cases of defects that render birds unfit for human consumption. Inspectors have neither the time nor the facilities to furnish scientific data on every carcass that ought to be condemned."

"And, if the new amendments are enacted, the Secretary of Agriculture will no longer have the authority to require identifying labels on all nonconsumer packaged carcasses shipped in bulk in interstate commerce. The absence of those labels raises the strong possibility that birds not intended or fit for human consumption will find their way to family tables."

"Last year," Miss Furness said, "this very consumer-conscious Congress enacted one of the most effective food inspection laws in the history of consumer protection. The Wholesome Meat Act will go a very long way toward insuring the cleanliness and healthfulness of all the meat sold in America."

"I think the poultry inspection act should be patterned after that bill. If it is not, I think there is danger that the meat law will be seriously, even dangerously, undermined. If flying foodstuff doesn't have to undergo rigorous inspection, then why should walking foodstuff?"

"The public is under the impression," Miss Furness said, "that the poultry legislation now being fashioned in Congress is designed for their benefit, that it will provide them with the protection they need. It is labeled a consumer bill and widely touted as that."

"But pure poultry in the title of a bill is not quite as good as pure poultry on the table. The only way we can insure that all the fowl—like all meat—consumed in this country is clean and wholesome will be through strong inspection laws. I hope the Senate will restore that strength by deleting these new amendments."

Mr. MONTOYA. The news media, too, has not been remiss on this subject. Representative of the various news accounts of this endeavor and of the problems involved with these particular provisions in the bill, is an article appearing in the Des Moines, Iowa, Register on July 23, 1968, entitled, "Undercutting Meat Inspection." I ask unanimous consent that this be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Des Moines (Iowa) Register, July 23, 1968]

UNDERCUTTING MEAT INSPECTION

The Senate Agriculture Committee last week approved a desirable poultry inspection plan but, in the process, it okayed a proposal which could wring the strength from the existing federal meat inspection program.

The poultry bill, like last year's Wholesome Meat Act, would cover intrastate sales. States which don't meet federal standards in three years would receive federal inspections.

The hooker in the committee-approved version of the bill provides that when a state meets federal inspection requirements, state-inspected plants also could sell interstate. At present interstate shipments have to be federally inspected. Of even greater significance, the committee went back into the red meat act and there, too, would allow state-inspected plants to ship interstate.

On the surface, this might seem to make little difference as long as state inspectors meet federal standards.

Below the surface, however, this makes no sense and would seriously weaken the consumer protection sought in both the poultry proposal and the meat inspection law.

For 60 years there has been a federal meat inspection program, and for some 15 years there has been a poultry inspection system. Federal inspectors have checked the purity of 87 per cent of the poultry—that sold interstate—75 per cent of all slaughtered meat and 85 per cent of all processed meat.

The nation long has accepted the view that assuring the wholesomeness of meat shipped interstate is a federal responsibility. There are sound reasons for this.

The proposed change would present major meat processors with as many as 51 different inspection systems to choose from—50 state and the federal programs. States might compete for new meat plant locations with promises of accommodating inspections.

The change would be apt to create 50 continuing disputes over whether a state's inspections truly met federal standards. In the past, state agriculture departments have been appallingly lax in their inspection programs—which is why a federal remedy has been demanded by consumers. State legislatures consistently have under-funded state inspection operations.

These same handicaps are likely to persist. The outlook then would be one of marginal state inspection systems, struggling to comply with federal requirements, and bitter disagreements over whether they have succeeded. The consumer would be the loser, as some states and some processors would try to get by as cheaply as possible.

The change is supported by state secretaries of agriculture, who were aroused last year by stories showing they hadn't been doing their jobs, and by small independent meat packers who would rather take their chances with closer-to-home and more politically vulnerable state inspectors.

It is opposed by consumer spokesmen, including Representative Neal Smith (Dem., Ia.), a sponsor of the poultry bill. "It is horrifying to contemplate the possible dismantlement of the federal inspection system," writes Nick Kotz, Register reporter

> who won this year's Pulitzer Prize for exposing unsanitary meat handling conditions and lax state inspections.
>
> The House voted down an identical change before approving the poultry inspection bill. Before the measure is passed, either the full Senate or House-Senate conferees should insist on plucking this harmful change from the bill.

Mr. MONTOYA. The cattlemen of this country, also, have voiced their opinion, Mr. President. On yesterday evening, I received a personal call from Mr. C. W. McMillan, president of the National Cattlemen's Association, informing me that the cattlemen of this Nation want complete consumer protection and therefore support me in attempting to remove this damaging provision from the bill. He has authorized me to so state for the record.

Every segment of the industry has endorsed my efforts. These include those already mentioned as well as the National Turkey Federation and others. Last, Mr. President, much has been made over just where does the U.S. Department of Agriculture stand on this issue of allowing interstate shipment of State-inspected meat and poultry products. Part of the alleged confusion revolves around a letter of April 18, 1968, to Senator ELLENDER as chairman of the Committee on Agriculture and Forestry, from Mr. Rodney E. Leonard, Administrator, Consumer and Marketing Service, U.S. Department of Agriculture. I would like to read that letter for the RECORD and for the enlightenment of our colleagues.

It reads as follows:

> U.S. DEPARTMENT OF AGRICULTURE,
> CONSUMER AND MARKETING SERVICE,
> *Washington, D.C., April 18, 1968.*
>
> Hon. ALLEN J. ELLENDER,
> *Chairman, Committee on Agriculture and Forestry, U.S. Senate.*
>
> DEAR MR. CHAIRMAN: Mr. Harker Stanton asked us to express the Department's views on Senator Holland's proposed amendment to S. 2932—"To clarify and otherwise amend the Poultry Products Inspection Act to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes."
>
> Mr. Holland's proposal would amend the Federal Meat Inspection Act to provide the basis for State inspected meats to move in interstate commerce when the State inspection system is equal to the Federal program.
>
> We believe this proposal is a reasonable and logical approach to meaningful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply. However, it must be recognized that at this point in time, there exists a substantial "body" of negative confidence toward taking this direction.
>
> We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.
>
> Sincerely yours,
> RODNEY E. LEONARD,
> *Administrator.*

Mr. President, to me, this letter was rather explicit. I will reread the last paragraph which reads as follows:

> We (the Department) feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

As I stated, to me, this was quite clear that Mr. Leonard was stating that the Department would not support such an amendment as was adopted by the committee at this time.

However, there apparently was justifiable confusion on the part of others as a result of this letter and other testimony presented and statements made by other Department witnesses. Things apparently were so confusing to some, that the committee report states on page 12:

> The committee adopted Senator HOLLAND's amendment, believing as does the Department that it is manifestly reasonable and logical.

This statement in the committee report could not have been more wrong.

I personally asked Secretary of Agriculture Freeman to relate to me on black and white just what the Department's position on the Holland amendment was. Yesterday, July 26, I received the following letter from the Secretary and I read it now for the RECORD:

> DEPARTMENT OF AGRICULTURE,
> *Washington, D.C. July 26, 1968.*
>
> Hon. JOSEPH M. MONTOYA,
> *U.S. Senate.*
>
> DEAR SENATOR MONTOYA: The Holland amendments to the Wholesome Poultry Products Act now being considered by the Senate, would permit interstate shipment of State-inspected meat and poultry after that State's inspection program had been certified as being at least equal to Federal inspection standards.
>
> No State inspection system has been so certified yet, and it does not appear likely that any will be in the immediate future.
>
> The Congress in future sessions will have ample opportunity—and more information on which to base a decision—to consider fully the question of whether the States should perform inspection responsibilities now carried out by the Federal Government.
>
> The immediate goal is to develop a legislative framework and the program structure to achieve uniformity of inspection, whether it is performed by the Federal Government or by the States. I am opposed to including the provisions which would allow meat and poultry inspected under State programs to move in interstate commerce as part of the Wholesome Poultry Products Act.
>
> Sincerely yours,
> ORVILLE L. FREEMAN.

If there was confusion as to the Department's position before, there should certainly be no confusion now. I will repeat the Secretary's last sentence:

> I am opposed to including the provisions which would allow meat and poultry inspected under State programs to move in interstate commerce as part of the Wholesome Poultry Products Act.

How much more direct can a position be stated? The Department stands squarely against the Holland amendment and in support of the Montoya amendment.

In summary, Mr. President, the provisions of the Holland amendment would endanger the present Federal inspection programs with respect to both poultry and meat products and threaten the uniformity of inspection at a time when the records before the committees of Congress with respect to both of these areas indicate the need for substantial accomplishments under Federal and State cooperation before it can be expected that full protection of the consumer public with respect to all poultry and meat products can be achieved. Few States presently have any type of inspection program with respect to poultry and those few that do fall far short of being at least equal to the Federal program.

The cooperative program provided under the Wholesome Meat Act is in its infancy and it is too early to anticipate attainment of the end objective thereof which certainly is a prerequisite to any serious consideration of provisions such as those here referred to.

It is true that both the meat inspection law and the proposed poultry inspection legislation call for State programs which are at least equal to the Federal inspection. But these provisions will not mean that State programs will be as totally effective as the Federal one in every aspect. There will be variations in the provisions and in the enforcement from State to State and between the State and Federal programs. The result will be confusion in the industry and confusion of the part of the consumer.

Taking such congressional actions now, while many plants are making preparations to meet the new requirements and many States are changing their inspection programs, can only sow confusion and doubt about how rigorous and how meaningful a consumer-protection program Congress really wants.

Mr. President, I believe it is central to our discussion here, to note that any plant shipping into interstate commerce can get Federal inspection free of charge right now providing it meets the requirements. There is no reason to begin a competition between the Federal and the State programs on which can attract more clients. There is no need to encourage weak enforcement in order to entice plants into a State.

I wish only to add that this is not an effort on our part in offering this amendment here today, to seek to delete provisions we know nothing about. Not only am I a member of the Agriculture and Forestry Committee, but so are Senator MONDALE, Senator MCGOVERN, and Senator HATFIELD, who join me in this effort. I have heard concern expressed in this Chamber during recent days that Senators not even familiar with the subject matter take to the floor to propose amendments that effect the nature of the bill under consideration. This is not the case today. I am a committee member and I am joined by other committee members in trying to bring to your attention the damaging action which was so casually taken in committee.

Mr. President, on behalf of myself, Senator MONDALE, Senator MCGOVERN, and Senator CLARK, I will now discuss our amendment No. 910 which is at the desk.

The committee amended section 14 of S. 2932, which amends section 15 of the Poultry Products Inspection Act, by providing in subsection (c) thereof for substantial exemptions from all provisions of the act to certain producers. Anyone raising their own poultry who does not slaughter or process more than 4,000 head of turkeys or equivalent number of birds of other species—on the ratio of 4½ to 1—would also be exempt from all provisions of the act. Also exempt would be any person engaged in the slaughter, processing, or selling of poultry the wholesale dressed value of which does not exceed $15,000 in the current year.

As in the House-passed bill, these exemptions are limited to intrastate commerce, except in the case of producers who would be authorized to move their product in interstate commerce, to a household consumer, restaurant, boardinghouses, and similar establishments.

These provisions in subsection 15(c) (1) will undermine the intent of the legislation to increase the protection afforded consumers of poultry. By reason of the broad exemptions from all provisions of the act, they would constitute an open invitation for such enterprises to expose the consumers to the very things which we are attempting to protect them from. These enterprises would not be subject to sanitary requirements or inspection with respect to such requirements, the keeping of records or the making of records available, or requirements for labeling or identification of poultry products. As a result effectuating the purposes of the act in protecting the consumers or enforcing the provisions of the exemptions would be, if not impossible, extremely difficult and costly.

While it is recognized that a definite need may exist to exempt certain small operations from costly, impracticable, continuous inspection, any such exemption should be subject to such conditions as are necessary to insure full protection of the consumer public from adulterated or deceptively labeled product. The Secretary of Agriculture, subject to a statutory maximum limitation, should be vested with the authority to determine and establish the level of production under which exemptions should apply and the safeguards which are necessary to protect the public and permit adequate enforcement of necessary conditions of the exemptions.

Mr. President, the substitute amendment which I have just sent to the desk is a logical approach to the problem of the small producer. This amendment proposed to do three things:

First. It gives the Secretary of Agriculture the authority to exempt intrastate operations from the provisions of the act if he determines that to do so is necessary and will not unduly expose the consumer to unwholesome poultry products.

Second. It places a maximum level of production over and above which the Secretary cannot exempt. This level of production would be 4,000 turkeys—or the equivalent number of birds of other species figured on the basis of 4.5 birds for every turkey. This follows the suggestions of Senator AIKEN to state the level of exemption in terms of number of birds rather than dollar value. Translated into dollar value, we would be talking of approximately $15,000 worth of birds—dressed value.

Third. It provides that even for those establishments which the Secretary exempts from the other provisions of the act, he must as a minimum require such sanitation requirements or other conditions as will protect the public from adulterated or misbranded products.

To summarize, then, Mr. President, my substitute amendment would grant the Secretary of Agriculture the authority to exempt those operations which process less than an equivalent of 4,000 turkeys in a calendar year. But these exemptions will be from only those provisions of the act which he feels will not subject the consumers of this Nation to adulterated poultry products. I believe this amendment is only fair and equitable. We have some operations which are too small to make it feasible and would be too costly to require them to meet all the conditions of the act. However, even these exempted establishments should be required to maintain a sanitary plant to protect our consumers. And, I think it is only logical that we limit the exemptions to small operations.

This amendment has been worked out with the concurrence of the Department of Agriculture. I have discussed it with the Senator from Vermont [Senator AIKEN] who had amended the language in committee, and he is agreeable to this approach to the extent that he had an interest in it. I have also discussed this with other members of the committee.

I urge its support by Senators.

Mr. President, I urge all my colleagues to join me in expressing our support of strong, effective consumer protection.

Mr. HOLLAND. I shall read one paragraph for emphasis. Mr. Leonard is speaking for the Department with respect to this proposal. Referring to the Holland amendment, or the State amendment, or the Department amendment—call it what we will—he writes:

> We believe this proposal is a reasonable and logical approach to meaningful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply. However, it must be recognized that at this point in time, there exists a substantial "body"—

For some reason, Mr. Leonard encloses the word "body" in quotation marks. I do not know what that may mean, but Senators can make up their own minds. I continue:

> a substantial "body" of negative evidence toward taking this direction.

Then he concludes with a statement which shows the falling backward of the Department of Agriculture. Apparently the Department cannot withstand pressure from Miss Furness and Mr. Nader, and a few others. Mr. Leonard adds this final paragraph:

> We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

I commend Mr. Leonard for saying that this is a reasonable and logical thing to do, following upon the passage of the Federal-State cooperative program of last year.

I also commend those who are urging the adoption of my amendment, which was supported in committee by, I believe, a vote of 10 to 2, by calling attention to the fact that we know, or thought we knew, what the attitude of the Secretary of Agriculture who is now serving was with respect to the amendment. We thought we knew what his enforcement officer felt about it. We have written statements from both of them. We do not know who will be the Secretary of Agriculture after January 20 next year. We do not know what changes may be expected as a result of the pressure from folks like Miss Furness and Mr. Nader.

A distinguished Senator whom I see in the Chamber at this time remarked a while ago that he did not think Mr. Nader knew any more about this question than he would know about the use of certain automobile parts or the making of butter, or something of that kind.

Mr. MONDALE. Mr. President, I warmly congratulate the distinguished Senator from New Mexico for continuing his brilliant struggle to defend the consumers and the ethical business leaders in the meat and poultry industry of this country.

I believe his leadership in developing the Wholesome Meat Act of 1967, and today, on the Senate floor, in pushing ahead the consumer protection in the poultry field as well, to prevent any retrogression in the efforts to protect the American consumer against the production, processing, and sale of unwholesome meat and poultry products, already mark his Senate career as a remarkable and effective one for the people of this country.

Senator MONTOYA detailed fully and well, it seems to me, the situation that exists in terms of State inspection of meat and poultry products. It is not an encouraging picture. It is one which we hope will be corrected as time goes on, by the application of a Wholesome Meat Act of 1967. But the hope and the fulfillment of that hope are two separate matters. I believe these two matters are at the heart of the debate as we have heard it thus far, and as we will continue to hear it in the hours ahead.

The theory of the Wholesome Meat Act of 1967 is that States must establish inspection systems "at least equal" to the federal system or face the risk of having those systems taken over by the Federal inspection service and established according to the latter standards.

As Senator MONTOYA has properly pointed out, the present situation in both meat and poultry at the State level is not encouraging. Very few States have systems which are even theoretically adequate to the task. Thus, we might ask ourselves how long it will be and how difficult it will be to achieve the objectives of the act we passed in 1967. If we do not achieve those objectives quickly and in a revolutionary fashion; if we permit, as is proposed by the Holland amendment, the interstate shipment of the production of meat or poultry products to consumers around this Nation, outside the Federal inspection system, the net effect may be to move us backward rather than ahead of where we were at the time the Wholesome Meat Act was passed. This Holland proposal would radically alter the system of Federal and State inspection in a way not contemplated by the Wholesome Meat Act by permitting access to interstate markets of the production of intrastate meat and poultry plants.

The Holland amendment has a fine theoretical ring to it. Access to interstate markets could not be permitted until the State systems were "at least equal" to the Federal system.

The problem is that practice may well be at wide variance with the theory. We do not know, and will not know for some time, what the effectiveness will be of the Wholesome Meat Act and the now-to-be-adopted Poultry Act. Until we have had actual experience, and until we know that the State inspection systems are in fact equal to the Federal system, we will risk the health and the purchasing power of the American consumer by the adoption of the Holland amendment.

U.S. statutes are replete with unachieved legislative objectives. We cannot be sure, however much we desire it, that we will achieve the Wholesome Meat Act objectives immediately, in light of the many obstacles that stand in their way, and questions we cannot now answer.

Will Congress appropriate sufficient funds for adequate supervision by the U.S. Department of Agriculture of over 50 separate inspection systems in this country and in the territories?

Will we have the funds to undertake the cost of such supervision?

Can we obtain the seasoned and trained inspectors to do the job?

It is a mammoth task, particularly in light of the present disarray and inadequacy of the State systems.

I would say that if the Wholesome Meat Act in 2 years achieves that revolution, it will probably be the most superbly successful act ever passed by Congress.

Representatives PURCELL, FOLEY, and SMITH, who have led the fight in the House of Representatives for wholesome meat, prepared an excellent letter, dated July 25, 1968, which they sent to the Members of the U.S. Senate. I believe one paragraph is particularly pertinent on the point I am trying to make. They state:

> As a practical matter, these States programs may not always measure up in all respects to Federal standards, and when a state legislature fails to appropriate funds for enough inspectors or inspectors for any reason become less effective, it may take several months to correct the situation. These more politically vulnerable State inspectors also may not condemn labeling or the mixing of large portions of fillers. The Committee amendment would permit these plants under lax inspections to ship all over the United States. This would be *unfair* to U.S. inspected plants which ship interstate to the same market. It could result in promises of accommodating inspections to meat plants which will relocate and provide more pressure upon State legislatures for under-funding of State inspection systems.

Mr. President, I ask unanimous consent that the letter from these three Members of the House of Representatives be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 25, 1968.

DEAR SENATOR: We fear that an amendment added to the House-passed Poultry Inspection Bill by the Senate Agriculture Committee would seriously weaken the Wholesome Meat Act of 1967 and we would like to advance some reasons for your consideration. The amendment referred to would permit state-inspected meat and poultry to move in interstate commerce.

At present, only federally inspected meat and poultry may be sold in interstate commerce. Under the Wholesome Meat Act of 1967, as well as the new Poultry Inspection Bill, the States are given a minimum of at least two years to bring their inspection programs up to Federal standards; otherwise, the Federal inspection programs will apply to all plants in the State, including those which do not sell outside the State.

As a practical matter, these State programs may not always measure up in all respects to Federal standards, and when a state legislature fails to appropriate funds for enough inspectors or inspectors for any reason become less effective, it may take several months to correct the situation. These more politically vulnerable State inspectors also may not condemn labeling or the mixing of large portions of fillers. The Committee amendment would permit these plants under lax inspections to ship all over the United States. This would be unfair to U.S. inspected plants which ship interstate to the same market. It could result in promises of accommodating inspections to meat plants which will relocate and provide more pressure upon State legislatures for under-funding of State inspection systems.

A consumer could not keep adequately informed as to which plants in certain States were really up to Federal standards and, since foreign meat must meet Federal standards at all times, he may conclude that the only thing to do is buy only imported meat.

Any way one looks at it, we believe it would seriously undermine the Wholesome Meat Act we passed last year.

We understand the National Broiler Council is opposed to this amendment, and that many of the legitimate packers and processors oppose the amendment and fear that it would result in a lack of confidence in meat products and a loss of markets. We also understand that when S. 2932 comes to the Floor, Senator Montoya with bi-partisan cosponsors will offer an amendment to strike the Committee amendment. As sponsors in the House of both the Wholesome Meat Act and the Poultry Bill, we sincerely hope you will consider the reasons we have set forth above and support Senator Montoya's motion.

Sincerely,

GRAHAM PURCELL,
NEAL SMITH,
THOMAS S. FOLEY,
Members of Congress.

Mr. MONDALE. Mr. President, in addition, we have the difficulty of the Department of Agriculture dealing with the sovereign States in the administration of their own inspection systems. It is obviously much more difficult and delicate than dealing with a particular plant. We do not yet know how difficult or how long it will be before we achieve the objectives of the Wholesome Meat Act.

Next, a plant having equal access to interstate markets under either system—that is, Federal or State—as proposed by the Holland amendment, could play one system off against the other. We have seen this practice before, and we have seen it abundantly under the present system. What are the possibilities for reducing inspection standards if the lure of national markets is available under either system?

In addition, when one asks why the Federal system has achieved what most would acknowledge to be the world's best inspection system, I believe one would have to conclude that it has been the department's power to exclude nonfederally inspected meat from interstate commerce that has been its chief asset.

In other words, in order to get access to a national market, a plant has had to subject itself to Federal inspection as a condition. This has been perhaps the chief contributing factor to the strength and vitality of this magnificent Federal inspection system. If we weaken the Federal inspection program, as proposed, we may find the net effect of the attempt of the 90th Congress to improve consumer protection in this field has been to worsen it.

Another feature of the proposed amendment should be considered. Bad as the State systems of inspection have been, the unwholesome products of those plants at least were limited to the consumers of the same State. Those products could not be marketed to States many thousands of miles away. At least it could be said that the consumers of that State had some hope of acquiring personal knowledge—however little it was—of which State plants were producing wholesome meat. Consumers had a small way of protecting themselves. Also, the consumers of that State could, as voters, resort to the political remedy of improved inspection methods. Under the proposed amendment, even this limited traditional consumer protection would disappear.

It is significant to note that under the Holland amendment, a new type, joint Federal-State inspection stamp is contemplated, one which would give to State production the Federal aura.

With this new Federal-State inspection stamp, the consumer in a foreign State buying a product of a State under an inadequate State inspection system may be buying unwholesome meat, but the consumers would know nothing, and the voters of the State could do nothing because the products were from another State.

Finally, consumers would be lulled into a sense of false security as a result of false labeling. Under the Holland amendment, a State-inspected plant in State A could market unwholesome meat and unwholesome poultry products to the unsuspecting person in a State thousands of miles away. They could not possibly protect themselves or remedy the situation through their political power and protect themselves from the inadequate inspection system of the other State.

If the Wholesome Meat Act of 1967 fails to achieve its objective of State systems at least equal to the Federal system, the net effect of the Holland amendment would be to permit an increase in the profits of a plant in State A at the expense of the health and the purchasing power of citizens and consumers in State B.

Let us think for a moment about the interests of the industry. Plants which have come under the Federal inspection system have come under that system at great expense to themselves. It is costly to qualify according to Federal inspection standards. Internal inspection facilities, and other efforts must be undertaken which cost a great deal of money in order for a plant to qualify under the Federal inspection program, and obtain the prestige of the Federal inspection stamp.

Is it fair to permit a State-inspected plant which has not undergone these expenses, which has not exercised high standards, which could benefit by a substandard system of inspection, to cut costs and compete in interstate markets with plants meeting higher Federal standards?

We cannot underestimate the cost advantage such a plant would have. First, they could purchase meat which is substandard, diseased, and unwholesome. Second, they could process the meat in a dirty plant and save a substantial amount of money by operating an unsanitary plant. Next, they could use large amounts of cheap fillers that would reduce the cost to the plant and increase the cost to the consumer. Finally, they could gain a competitive advantage by resorting to false labeling practices.

Ralph Nader testified 2 years ago before the Committee on Agriculture and Forestry that in this country bad meat had become good business; and like Gresham's law, bad meat was driving out good meat, and the profits went to those who could escape the cost and high standards of the Federal system.

By eliminating inadequate plants, by restricting markets and limiting them to a single State, we close another advantage to those who wish to escape the high standards of the Federal inspection system.

What about reducing the cost of inspection standards? Plants, desperate to be competitive, will jump from one inspection system to another, always seeking that system which reduces their cost and gives the competitive advantage.

The argument for the proposal to permit access to interstate market for intrastate plants hangs on a doubtful and slim reed, namely, that the Wholesale Meat Act will revolutionize the whole system of State inspections and that this revolution will quickly take place. This is something we all hope will happen. However, we must all doubt that it all will happen quickly.

If our fears are justified, the Holland amendment could leave not only State systems in disarray, but go far toward destroying the fine Federal inspection system as well. Further, it would visit the cost of this deterioration on the consumer in terms of health hazards and reduced purchasing power. It could also visit on the highly ethical members of the industry competition that is unfair from plants able to cut costs because they are in a system which does not have the same standards.

Finally, I would ask: What is the rush? We have just passed the Wholesome Meat Act. The ink is barely dry. Why can we not wait a few years to determine if the act will work as well as we hope it will? Why can we not give time to see if it can establish itself to the point where we will have a fine system which is equal and adequate to serve the interests of the consumers of this country?

If there are any plants today which are intrastate and wish interstate markets, they can get those interstate markets by joining the Federal system. We do not deny a single competitor the opportunity to participate in national markets if they choose to do so.

Therefore, I support the Montoya amendment. I congratulate the Senator from New Mexico for proposing the amendment to the pending poultry inspection bill.

I do not wish to be misunderstood. I have enormous respect for the leadership of the Senator from Florida. I have enjoyed working with him over the years in the Committee on Agriculture and Forestry. I realize that what divides us here is a good-faith, honest difference of opinion. However, I do feel that the Holland amendment would seriously impair the effectiveness of the Wholesome Meat Act and the Poultry Act, which I hope we adopt. Further, it could have serious consequences for the consumers of the country.

I also wish to state at this time my support for Senator MONTOYA's amendment to strike the condemnation section amendment suggested by the gentleman from Georgia.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. MONDALE. I am delighted to yield to the Senator from New Mexico.

Mr. MONTOYA. Mr. President, I wish to commend the junior Senator from Minnesota for the avid interest he has shown in behalf of the consumers of this country. Last year he proved to be a very valuable ally to me in the presentation of the Red Meat Act which is now the law of the land. This year he has been most helpful in trying to articulate not only before this body, but also before other groups and with other individuals the need for consumer protection with respect to poultry.

I think his argument today has been most eloquent and very appropriate indeed, because he has brought out points which fortify the argument which I have made previously with respect to the need to delete the Holland amendment from the provisions of the bill. I wish to pay my greatest commendation to my good friend from Minnesota for the interest he has shown and the great contribution he has made with respect to this debate.

Mr. MONDALE. Mr. President, I am obviously very grateful to the Senator from New Mexico for those kind remarks. It seems to me he is unduly modest because he led the fight in the Senate for the Wholesome Meat Act, as he leads the fight today for strengthening the Poultry Inspection Act. I have great confidence that, as in the former case, he is going to be successful in the current matter. I think the issue in which we are now involved is important and significant, and I am most hopeful that the prediction I just made will be correct.

Mr. BYRD of Virginia. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. BYRD of Virginia. Mr. President, I have listened with considerable interest to the lengthy debate this morning—I suppose I should add this afternoon as well, because it is now well into the afternoon—on the two subjects we have been discussing. One is the red meat inspection and the other deals with poultry.

In my brief comments, I should like to confine my remarks to the poultry proposal.

As I have listened to the debate, and as I understand the situation, the original proposal in regard to poultry was introduced by the distinguished Senator from Louisiana [Mr. ELLENDER] for himself and the distinguished Senator from New Mexico [Mr. MONTOYA].

As I gathered from the debate, and if I am in error about this I hope that I shall be corrected, the original proposal was submitted to the Congress and to the distinguished chairman of the committee by the Department of Agriculture.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield at that point?

Mr. BYRD of Virginia. I yield.

Mr. HOLLAND. I am glad the Senator has brought out that point. The proposal did come from the Department of Agriculture. The bill was introduced by the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER]. He has already stated in debate that he carefully examined the bill before he introduced it and thought that its provisions were good and is still supporting them. It was introduced for himself and the Senator from New Mexico [Mr. MONTOYA]. This proposal, coming as a suggestion from the Department of Agriculture, was also transmitted to the House of Representatives, where it was introduced by Representative PURCELL, of Texas, for himself and others, and contained the same proposal, in substance—although I believe there was some change in wording—but there is no question about it, the proposal is the same and came from the Department of Agriculture.

All this is in accordance with the commitments made in writing by the Secretary of Agriculture himself, before the introduction of these bills which, I shall show, when I have the opportunity to debate this matter; in accordance with the position taken by the Assistant Secretary of Agriculture in the hearings before the House committee, who supported this measure there; and in accordance with the recommendations of the head of the division which enforces both the Red Meat Act and the Poultry Act, which recommendation he stated not only to the Congress but also to the Independent Meat Packers of the Nation in a convention before these bills were introduced. I will be glad to bring these matters into the RECORD later. I thank the Senator for having brought this point into the RECORD at this time.

Mr. BYRD of Virginia. I am grateful to the distinguished Senator from Florida for bringing out in such detail a factual account of the introduction of this legislation.

It is an extremely important piece of legislation.

It is important to the consumers of the Nation and important to those involved in the poultry industry.

The more one learns about the proposal and the way it has been handled, the more confused he becomes.

I might say—well, I shall not say it exactly that way—I will say it a little differently—but before doing that, I want to read from the CONGRESSIONAL RECORD of July 22 part of the statement made by the distinguished Senator from Florida [Mr. HOLLAND] in which he points out that the Administrator of the Agriculture Department Consumer Marketing Service, Mr. Leonard, wrote the distinguished Senator from Louisiana [Mr. ELLENDER], chairman of the committee, that the Holland proposal is "a reasonable and logical approach to meanful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply."

Mr. President, I understand that the Department of Agriculture, which prepared the bill, which had the essence of the Holland amendment in it as originally introduced, and which asked the chairman of the committee to introduce it, and other Senators became cosponsors of it, is now complaining about the proposal and is in opposition to it.

Mr. MONTOYA. Mr. President, will the Senator from Virginia yield at that point?

Mr. BYRD of Virginia. I yield.

Mr. MONTOYA. If the Senator from Virginia will read the last paragraph of the letter from which he has been quoting, Mr. Leonard stated:

> We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

In addition to this, I would like to read a quotation from the latest letter which I have received, addressed to me by the Secretary of Agriculture, and which is already a part of the RECORD. I asked the Secretary to reply to me as to the Department's position on the Holland amendment.

Mr. BYRD of Virginia. If the Senator from New Mexico will yield briefly at that point, when we get into this business of the latest letters, it reminds me of the meat inspection bill we had before the committee when, every few days, we received a different letter from the Department of Agriculture saying what they wanted.

Mr. MONTOYA. The Senator is correct. In fact, I had a little quarrel with the different voices speaking on a particular bill.

Mr. BYRD of Virginia. I remember that the Senator from New Mexico did. He was correct, too.

Mr. MONTOYA. I would like to quote from the Secretary's letter, Mr. President.

Mr. BYRD of Virginia. How does the Senator know it is good today? When was it written?

Mr. MONTOYA. July 26, 1968. I hope it will convince the Senator from Virginia. It convinces me as to the Department's position.

I quote from the latest letter to me, dated July 26, 1968, as follows:

> The Holland amendments to the Wholesome Poultry Products Act now being considered by the Senate, would permit interstate shipment of State-inspected meat and poultry after that State's inspection program had been certified as being at least equal to Federal inspection standards.
>
> No State inspection system has been so certified yet, and it does not appear likely that any will be in the immediate future.
>
> The Congress in future sessions will have ample opportunity—and more information on which to base a decision—to consider fully the question of whether the States should perform inspection responsibilities now carried out by the Federal Government.
>
> The immediate goal is to develop a legislative framework and the program structure to achieve uniformity of inspection, whether it is performed by the Federal Government or by the States. I am opposed to including the provisions which would allow meat and poultry inspected under State programs to move in interstate commerce as part of the Wholesome Poultry Products Act.
>
> Sincerely yours,
>
> ORVILLE L. FREEMAN.

Mr. BYRD of Virginia. If I may comment at that point—and I shall be brief and then yield the floor—that letter which the distinguished Senator from New Mexico has just read further dramatizes the point I started out to make a moment ago and then concluded to phrase it a little differently.

The point I am greatly concerned about is that the legislation was submitted to the committee, submitted to the chairman of the committee, with the request that it be introduced.

It was drawn by the Department of Agriculture. It contained in essence the Holland amendment. So the Department of Agriculture was thoroughly in sympathy with it when it asked the Members of the Senate to introduce the legislation.

I was not a cosponsor of the piece of legislation involved. I am glad I am not, because we never know, from one day to the next, apparently, just what the people at the Department of Agriculture think or want the Members of the Senate to think.

The only thing I want to say, in concluding my remarks, is that it seems to me it is going to be very awkward for Members of the Senate to cooperate with the Department of Agriculture in getting through the Senate important legislation, when the Department submits one proposal, and then, when Senators are kind enough or cooperative enough, as the Senator from Louisiana [Mr. ELLENDER] was, and as the Senator from New Mexico [Mr. MONTOYA] was, to accept that proposal and introduce it in the Senate, the Department comes along and wants to kill it.

I feel that the Senator from Florida is on sound ground. His amendment does exactly what the Department of Agriculture said it wanted the Senate to do. So I am glad to stand side by side with the distinguished senior Senator from Florida in regard to this amendment.

Mr. HOLLAND. Mr. President, if the Senator will yield, first, I want to express my very great appreciation to the Senator from Virginia. I expected no less of him. Second, I want to make it clear that this doubletalk goes a good deal further than has been indicated in the colloquy. For example, Mr. Leonard, appearing as the Administrator of the wholesome meat program, in February of this year, before the Mid-Year Conference of the National Independent Meat Packers Association, was questioned on this very point as to the attitude of the Department of Agriculture with reference now to the Wholesome Meat Act and the amendment of it. I shall read from the printed copy of the proceedings at that time what the question put to him was and what his answer was. The question is found on page 2 of the printed transcript of those proceedings:

> Question: Is it the intention of the Administration to seek an amendment to the Wholesome Meat Act to allow State-inspected establishments operating under a State system which has met the requirements of "at least equal to" under title III of the Wholesome Meat Act to engage in interstate commerce?

That question is very clear, and here is the answer of Mr. Leonard, speaking for the Department of Agriculture and as the responsible head of the Enforcement Division of that unit:

> Answer: Yes, it is the intention of the Department of Agriculture to transmit a draft amendment to the Congress for passage this year.

That occurred in February of this year, on the occasion which I have mentioned.

Frankly, the Senator from Florida is even more puzzled than is the Senator from Virginia about the vacillation and the double talk—and I use the words "double talk" advisedly—which comes from the Department of Agriculture. The Senator from Florida has considerable responsibility in this field. He is the ranking majority member of the legislative Committee on Agriculture, on which he is honored to serve with the distinguished Senator from Virginia and the distinguished Senator from New Mexico, under the chairmanship of our able chairman, the distinguished Senator from Louisiana.

Besides that, the Senator from Florida is chairman of the Appropriations Subcommittee which handles all appropriations for the Department of Agriculture.

The Senator from Florida cannot understand the trend which has become so manifest in this matter—and this, I am sorry to say, is not the only matter in which it has become clear—the tendency and trend of the Department to speak out of one side of its mouth today and out of the other side of its mouth tomorrow.

I am just serving notice now and here that the Senator from Florida is going to be much more cautious from here on out about accepting at face value the declarations of the Department of Agriculture, so long as it is operated as it is now.

I thank the Senator from Virginia for his able statement and for his support of my position.

Mr. BYRD of Virginia. Mr. President, the Senator from Florida has stated so ably the feeling of the Senator from Virginia. I want to cooperate with the Department of Agriculture.

I think the Senator from New Mexico and the Senator from Minnesota will agree that the Senator from Virginia cooperated fully in the hearings and the deliberations preceding the enactment of the Wholesome Meat Act.

At the request of the distinguished chairman of the committee, I chaired most of those hearings. I am very much interested in the subject of protecting the consumers. But what I find it very difficult to do is to deal with a department which submits one program and then, when that program is introduced for Senate consideration, comes down and attempts to cut the feet out from under those who have taken the responsibility for presenting such a program. I am not in that position, because I am not a copatron of this legislation, but other Senators are. I concur in the statement by the distinguished senior Senator from Florida that it is very difficult to cooperate with a department which acts in such a fashion.

Mr. President, I yield the floor.

Mr. HOLLAND and Mr. BYRD of West Virginia addressed the Chair.

Mr. HOLLAND. Mr. President, does the Chair recognize the Senator from Florida?

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. HOLLAND. I am glad to yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. I thank the Senator.

HIGHER EDUCATION AMENDMENTS OF 1968

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3769.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3769) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts, which was, strike out all after the enacting clause, and insert:

That this Act may be cited as the "Higher Education Amendments of 1968".

TITLE I—AMENDMENTS TO COMMUNITY SERVICE PROGRAM PROVISIONS

EXTENSION OF GRANT PROGRAM

Sec. 101. (a) The first sentence of section 101 of the Higher Education Act of 1965 as amended (1) by striking out "and" after "1966," and (2) by inserting before the period at the end of such sentence the following: ", $10,000,000 for the fiscal year ending June 30, 1969, and $50,000,000 for the fiscal year ending June 30, 1970".

(b) The second sentence of such section is amended by striking out "1969 and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) The second sentence of section 106(a) is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "six succeeding fiscal years".

MODIFICATION OF REQUIREMENT FOR COMPREHENSIVE COORDINATED AND STATEWIDE SYSTEM OF COMMUNITY SERVICE PROGRAMS

Sec. 102. Section 105(a)(2) of the Higher Education Act of 1965 is amended by inserting before the semicolon at the end thereof the following: "(except that if a comprehensive, coordinated, and statewide system of community service programs cannot be effectively carried out by reason of insufficient funds, the plan may set forth one or more proposals for community service programs in lieu of a comprehensive, coordinated, and statewide system of such programs)".

TITLE II—AMENDMENTS TO COLLEGE LIBRARY ASSISTANCE AND LIBRARY TRAINING AND RESEARCH PROGRAMS

Part A—College Library Resources

EXTENSION OF PROGRAM

Sec. 201. (a) The first sentence of section 201 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$25,000,000 for the fiscal year ending June 30, 1969, and $35,000,000 for the fiscal year ending June 30. 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

ELIGIBILITY OF BRANCH INSTITUTIONS FOR SUPPLEMENTAL AND SPECIAL PURPOSE GRANTS

Sec. 202. (a)(1) The first sentence of section 203(a) of such Act is amended by inserting after "institutions of higher education," the following: "(and to each branch of such institution which is located in a community different from that in which its parent institution is located)".

(2) The second sentence of such section is amended by inserting "(or branch)" after "institution".

(b) Section 204(a)(2)(A) of such Act is amended by inserting after "institutions of higher education" the following: "(or to branches of such institutions which are located in a community different from that in which the parent institution is located)".

(c) Section 204(a)(2)(B) of such Act is amended by inserting after "institutions of higher education" the following: "(or to such branches)".

REVISION OF MAINTENANCE-OF-EFFORT REQUIREMENT FOR SPECIAL PURPOSE GRANTS

Sec. 203. (a) Section 204(b)(2) of the Higher Education Act of 1965 is amended by inserting after "June 30, 1965" the following: ", or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is less".

(b) The amendment made by subsection (a) shall be effective with respect to applications for grants payable on or after the date of the enactment of this Act.

Sec. 204. (a) The first sentence of section 202 of the Higher Education Act of 1965 is amended (1) by striking out "and" and inserting in lieu thereof a comma, and (2) inserting after "such institutions" the following: ", and, in accordance with criteria prescribed by regulation, new institutions of higher education in the fiscal year preceding the first year in which students are to be enrolled".

(b) The amendments made by subsection (a) shall be effective with respect to appropriations for grants under title II of the Higher Education Act of 1965 for fiscal years beginning after June 30, 1969.

Part B—Library Training and Research, and Library School Development

EXTENSION OF PROGRAM

Sec. 221. (a) The first sentence of section 221 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$11,800,000 for the fiscal year ending June 30, 1969, and $28,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

AMENDMENTS TO LIBRARIANSHIP TRAINING PROVISIONS

Sec. 222. The second sentence of section 223(a) of the Higher Education Act of 1965 is amended—

(1) by striking out "to assist in covering the cost of courses of training or study for such persons, and" and inserting in lieu thereof "(1) to assist in covering the cost of courses or training or study (including short term or regular session institutes) for such persons, (2)"; and

(2) by inserting before the period at the end thereof the following; ", and (3) for establishing, developing, or expanding programs of library and information science".

Part C—Strengthening College and Research Library Resources Through Library of Congress

EXTENSION OF PROGRAM

Sec. 231. (a) Section 231 of such Act is amended by striking out "and" after "1967," and by inserting after "1968," the following: "$5,500,000 for the fiscal year ending June 30, 1969, and $11,100,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

CLARIFYING AUTHORITY TO PURCHASE COPIES; INCREASING AUTHORITY TO PREPARE CATALOG AND BIBLIOGRAPHIC MATERIALS; AUTHORIZING LIBRARIAN TO ACT AS ACQUISITIONS AGENCY

Sec. 232. Section 231 of the Higher Education Act of 1965, as amended by section 231 of this Act, is further amended—

(1) in paragraph (1), by inserting "copies of" before "all";

(2) in paragraph (2), by striking out "for these materials promptly after receipt, and distributing bibliographic information" and inserting in lieu thereof "promptly and distributing this and other bibliographic information about library materials", and by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) enabling the Librarian of Congress to pay administrative costs of cooperative arrangements for acquiring library materials published outside of the States and not readily obtainable outside of the country of origin, for institutions of higher education or combinations thereof for library purposes, or for other public or private nonprofit research libraries."

TITLE III—EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

Sec. 301. (a) Section 301(b)(1) of the Higher Education Act of 1965 is amended by striking out "and" after "1967," and by inserting after "1968," the following: "the sum of $35,000,000 for the fiscal year ending June 30, 1969, and the sum of $55,000,000 for the fiscal year ending June 30, 1970,".

(b) Such section is amended by adding at the end thereof the following new sentence: "For the fiscal year ending June 30, 1971, and the two succeeding fiscal years there may be appropriated to carry out the provisions of this title only such sums as the Congress may hereafter authorize by law."

TITLE IV—STUDENT ASSISTANCE

PART A—AMENDMENTS TO EDUCATIONAL OPPORTUNITY GRANT PROGRAM

EXTENSION OF EDUCATIONAL OPPORTUNITY GRANT PROGRAM

SEC. 401. Section 401(b) of the Higher Education Act of 1965 is amended—

(1) by striking out "two succeeding fiscal years" in the first sentence and inserting in lieu thereof "four succeeding fiscal years"; and

(2) by striking out "1969, and for the succeeding fiscal year" in the second sentence and inserting in lieu thereof "1971, and for the two succeeding fiscal years".

MAXIMUM AMOUNT OF EDUCATIONAL OPPORTUNITY GRANT; TREATMENT OF WORK-STUDY ASSISTANCE FOR MATCHING PURPOSES

SEC. 402. Effective July 1, 1968, the first sentence of section 402 of the Higher Education Act of 1965 is amended by striking out all that follows "which amount" and inserting in lieu thereof the following: "shall not exceed the lesser of $1,000 or one-half of the sum of the amount of student financial aid (including assistance under this title, and including compensation paid under a work-study program assisted under part C of this title) provided such student by such institution and any assistance provided such student under any scholarship program established by a State or a private institution or organization, as determined in accordance with regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 403. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 406 of the Higher Education Act of 1965 is repealed.

(2) Section 405 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 405. The Commissioner shall allot funds appropriated to carry out this part to institutions of higher education with which he has an agreement under section 407, in accordance with section 463 of this Act."

ADMINISTRATIVE EXPENSES

SEC. 404. Effective for fiscal years ending on or after June 30, 1970, part A of title IV of the Higher Education Act of 1965 is amended by inserting after section 405 the following new section:

"EXPENSES OF ADMINISTRATION

"SEC. 406. An institution of higher education which has entered into an agreement with the Commissioner under this part shall be entitled payment for administrative expenses, in accordance with section 464 of this Act."

REVISION OF MAINTENANCE OF EFFORT PROVISION

SEC. 405. Effective for fiscal years ending on or after June 30, 1970, section 407(a)(4) of the Higher Education Act of 1965 is amended to read as follows:

"(4) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);".

AUTHORITY FOR INSTITUTION TO TRANSFER FUNDS TO WORK-STUDY PROGRAM

SEC. 406. Section 407 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new subsection.

"(c) An institution which has in effect an agreement to carry out a work-study program under section 443 of this Act may use to carry out such work-study program any of the funds paid to it from sums appropriated under the first sentence of section 401(b) of this Act for the fiscal year ending June 30, 1969, and the succeeding fiscal years. The requirement in section 444(a)(6) of such Act shall apply to any funds used under the authority of this subsection for such purpose."

CONSOLIDATION AND REVISION OF TALENT SEARCH AND UPWARD BOUND PROGRAMS; SPECIAL SERVICES TO DISADVANTAGED STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

SEC. 407. (a) Section 408 of the Higher Education Act of 1965 is amended to read as follows:

"IDENTIFYING QUALIFIED LOW-INCOME STUDENTS, PREPARING THEM FOR POST-SECONDARY EDUCATION; SPECIAL SERVICES FOR SUCH STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

"SEC. 408. (a) To assist in achieving the objectives of this part the Commissioner is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), to make grants to, or contracts with, institutions of higher education for the purposes of planning, developing, or carrying out one or more of the programs described in subsection (b).

"(b) The programs referred to in subsection (a) are—

"(1) programs designed to—

"(A) identify qualified youths of exceptional financial need and encourage them to complete secondary school and undertake post-secondary educational training,

"(B) publicize existing forms of student financial aid, including aid furnished under this title, and

"(C) encourage secondary-school or college dropouts of demonstrated aptitude to reenter educational programs, including post-secondary-school programs;

"(2) programs (A) which are designed to generate skills and motivation necessary for success in education beyond high school and (B) in which enrollees from low-income backgrounds and inadequate secondary-school preparation participate on a substantially full-time basis during all or part of the program; or

"(3) programs of remedial and other special services for students with academic potential who are enrolled or accepted for enrollment at the institution which is the beneficiary of the grant or contract, and who, by reason of deprived educational, cultural, or economic background, are in need of such services to assist them to initiate, continue, or resume their higher education.

"(c)(1) Programs under paragraph (2) of subsection (b) must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. Such programs must include necessary health services. Enrollees in such programs may not receive stipends in excess of $30 per month. The cost of carrying out any such program may not exceed $150 per enrollee per month. Federal financial assistance by way of grant or contract for such a program may not be in excess of 80 per centum of the cost of carrying out such a program. Such programs shall be carried on within the States.

"(2) Programs carried on under paragraph (3) of subsection (b) may provide, among other things, for—

"(A) counseling, tutorial, or other educational services, including special summer programs, to remedy such students' academic deficiencies,

"(B) career guidance, placement, or other student personnel services to encourage or facilitate such students' continuance, or reentrance in higher education programs, or

"(C) identification, encouragement, and counseling of any such students with a view to their undertaking a program of graduate or professional education.

"(d) There are authorized to be appropriated to carry out this section $41,680,000 for the fiscal year ending June 30, 1969, and $56,680,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this section only such sums as the Congress may hereafter authorize by law."

(b) Section 222(a) of the Economic Opportunity Act of 1964 is amended by striking out paragraph (5) and by redesignating paragraphs (6), (7), and (8) (and references thereto) as paragraphs (5), (6), and (7).

(c)(1) The amendments made by this section shall apply with respect to fiscal years ending after June 30, 1968, except that the Director of the Office of Economic Opportunity may carry out contracts, entered into prior to the date of enactment of his Act, which provide assistance for an Upward Bound program. After the date of enactment of this Act, the Director of the Office of Economic Opportunity may not enter into any contract to carry out a program comparable to any program carried out under section 408(b)(2) of the Higher Education Act of 1965.

(2) Any sums which are appropriated prior to the date of enactment of this Act for the purpose of carrying out Upward Bound programs, or which are allocated for such purpose from any appropriation made prior to such date, shall be available (to the extent not obligated on the date of enactment of this Act to carry out contracts described in paragraph (1)) to the Commissioner for carrying out section 408 of the Higher Education Act of 1965.

(3) For purposes of this subsection the term "Upward Bound program" means a program carried out under section 222(a)(5) of the Economic Opportunity Act of 1964 (as so designated prior to the amendment made by subsection (b) of this section) or a comparable program carried out under section 221 of such Act.

PART B—AMENDMENTS TO INSURED STUDENT LOAN PROGRAM

EXTENSION OF AUTHORITY FOR PAYMENTS TO REDUCE STUDENT INTEREST COSTS; ELIMINATION OF AUTHORITY TO MAKE SUCH PAYMENTS DURING REPAYMENT PERIOD

SEC. 411. (a) Paragraph (4) of section 428(a) of the Higher Education Act of 1965 is amended by striking out "1968" and inserting in lieu thereof "1970", and by striking out "1972" and inserting in lieu thereof "1974".

(b)(1)(A) The portion of the first sentence of section 428(a)(1) which follows subparagraph (C) is amended by striking out ", over the period of the loan,".

(B) The first sentence of section 428(a)(2) of such Act is amended by striking out ", and 3 per centum per annum of the principal amount of the loan (excluding interest which has been added to principal) thereafter".

(2) The amendments made by this subsection shall apply to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965. An application for a certificate of insurance or of comprehensive insurance coverage pursuant to section 429 of such Act shall be issued or shall be effective on or after such sixtieth day with respect to loans

made prior to such sixtieth day without regard to such amendments.

EXTENSION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 412. Subsection (a) of section 424 of the Higher Education Act of 1965 is amended (1) in the first sentence by striking out "and" after "1967," and by inserting after "June 30, 1968" the following: ", and each of the two succeeding fiscal years"; and (2) in the second sentence by striking out "1972" and inserting in lieu thereof "1974".

FEDERAL GUARANTY OF STUDENT LOANS INSURED UNDER NON-FEDERAL PROGRAMS

SEC. 413. (a) Section 421(a) of the Higher Education Act of 1965 is amended by striking out "and" before "(3)", and by inserting before the period at the end of that subsection the following: ", and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C)".

(b) Section 428 of such Act is amended by adding after subsection (b) the following new subsection:

"(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default, death, or permanent and total disability of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

"(2) The guaranty agreement—

"(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diliegnce will be exercised in the collection of loans insured under the program;

"(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

"(D) shall provide that 80 per centum of such amounts as may be made as payments of principal on loans in default, and with respect to which the Commissioner has made payments under the guaranty agreement, shall be paid over to the Commissioner for deposit in the insurance fund established by section 431, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary; and

"(E) may include such other provisions as may be necessary to promote the purposes of this part.

"(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer. Nothing in this subsection shall be construed to require collection of the amount of any loan by the insurance beneficiary or its insurer from the estate of a deceased borrower or from a borrower found by the insurance beneficiary or its insurer to have become permanently and totally disabled.

"(4) For purposes of this subsection—

"(A) the terms 'insurance beneficiary' and 'default' shall have the meanings assigned to them by section 430(e), and

"(B) permanent and total disability shall be determined in accordance with regulations of the Commissioner.

"(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date."

(c) Section 431 of such Act is amended (A) by inserting in the first sentence of subsection (a) ", or in connection with payments under a guaranty agreement under section 428(c)," after "insured by him under this part"; (B) by inserting in the third sentence of subsection (a) ", or in connection with such guaranty agreements," after "insured by the Commissioner under this part"; and (C) by inserting in the first sentence of subsection (b) ", or in connection with any guaranty agreement made under section 428(c)" after "insured by the Commissioner under this part".

(d) Section 432(a)(5) of such Act is amended by inserting "or any guaranty agreement under section 428(c)" after "such insurance".

FEDERAL ADVANCES TO RESERVE FUNDS OF NON-FEDERAL STUDENT LOAN INSURANCE PROGRAMS

SEC. 414. (a) Section 421(b) of the Higher Education Act of 1965 is amended by striking out "and" at the end of paragraph (2); by striking out the period at the end of the first sentence of that subsection and inserting in lieu thereof ", and"; and by adding thereafter the following new paragraph:

"(4) there is authorized to be appropriated the sum of $10,000,000 for making advances under section 422 during the two-fiscal-year period ending June 30, 1970, for the reserve funds of State and nonprofit private student loan insurance programs."

(b) Section 422(a) of such Act is amended—

(1) by striking out "clause (3)" in the first sentence of paragraph (1) and inserting in lieu thereof "clauses (3) and (4)", and by striking out "of the fiscal years ending June 30, 1966, June 30, 1967, or June 30, 1968," and inserting in lieu thereof "fiscal year" in the second sentence of such paragraph; and

(2) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term 'unencumbered non-Federal portion' means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in such fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans."

(c) Section 422(b) of such Act is amended by inserting "(1)" after "(b)", by inserting "prior to July 1, 1968" before "pursuant to subsection (a)" where it appears in the first and third sentences, by deleting the last sentence of such subsection, and by adding at the end of such subsection the following new paragraphs:

"(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b) (A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $20,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $20,000) the amount available for advances to each of the remaining States.

"(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him."

INCREASE OF MAXIMUM INTEREST RATE UNDER STUDENT LOAN INSURANCE PROGRAMS

SEC. 415. (a) Section 427(b) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and all that follows and inserting in lieu thereof "7 per centum per annum on the unpaid principal balance of the loan."

(b) Section 428(b)(1)(E) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and inserting in lieu thereof "7 per centum".

(c) Section 428 of such Act is amended by adding at the end thereof the following new subsection:

"(d) No provisions of any law of the United States (other than this part) or of any State (other than a statute establishing a State student loan insurance program), which limits the rate or amount of interest payable on loans shall apply to a loan—

"(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 percentum per annum, and

"(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit private institution or organization under a program covered by an agreement made pursuant to subsection (b) of this section."

MERGER OF NATIONAL VOCATIONAL STUDENT LOAN INSURANCE ACT OF 1965 WITH STUDENT LOAN INSURANCE PROGRAM OF HIGHER EDUCATION ACT OF 1965

SEC. 416. (a) Section 435 of the Higher Education Act of 1965 is amended—

(1) by redesignating subsections (a), (b), (c), (d), (e), and (f) as (b), (d), (e), (f), (g), and (h), respectively;

(2) by inserting before subsection (b) as

so redesignated the following new subsection:

"(a) The term 'eligible institution' means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.";

(3) by striking out in subsection (b) as so-redesignated "eligible institution" and inserting in lieu thereof "institution of higher education", by striking out in the second sentence of such subsection "any institution outside the States which is comparable to an institution described in the preceding sentence and which has been approved by the Commissioner for the purposes of this title, and also includes"; and

(4) by inserting after subsection (b) the text of subsection (a) of section 17 of the National Vocational Student Loan Insurance Act of 1965 amended as follows:

(A) Strike out "(a)" and insert in lieu thereof "(c)",

(B) Strike out "eligible institution" and insert in lieu thereof "vocational school",

(C) Strike out "Act" in clause (4) (C) and insert in lieu thereof "part".

(b) (1) Section 425(a) of such Act is amended by striking out "(1)" after "SEC. 425. (a)" and by striking out paragraph (2).

(2) Section 427(a) (2) (C) (i) of such Act is amended by striking out "institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner" and inserting in lieu thereof "eligible institution".

(3) Section 428(a) (6) of such Act is repealed.

(4) Section 434 of such Act is amended by striking out "10 per centum" and inserting in lieu thereof "15 per centum".

(5) Section 436(a) of such Act is amended by striking out "title and the National Vocational Student Loan Insurance Act of 1965" and inserting in lieu thereof "part".

(c) (1) The National Vocational Student Loan Insurance Act of 1965 is repealed.

(2) All assets and liabilities of the vocational student loan insurance funds established by section 13 of the National Vocational Student Loan Insurance Act of 1965, matured or contingent, shall be transferred to, and become assets and liabilities of, the student loan insurance fund established by section 431 of the Higher Education Act of 1965. Payments in connection with defaults of loans made on or after the sixtieth day after the date of enactment of this Act and insured by the Commissioner (under the authority of subsections (d) (3) or (d) (4) of this section) under the National Vocational Student Loan Insurance Act of 1965 shall be paid out of the fund established by such section 431.

(d) (1) Except as provided in paragraphs (2), (3), and (4):

(A) This section (and any amendment or repeal made thereby) shall apply to loans made on or after the sixtieth day after the date of enactment of this Act; and the terminal date applicable under the first sentence of section 5(a) and under section 9(a) (4) of the National Vocational Student Loan Insurance Act shall, instead of June 30, 1968, be deemed to be (i) the day immediately preceding such sixtieth day, or (ii) with respect to any particular State or nonprofit private agency to which paragraph (3) relates, the last day of the period required for modification or termination of, or refusal to extend, the Commissioner's agreements with such agency.

(B) In computing the maximum amounts which may be borrowed by a student who obtains an insured loan on or after such sixtieth day, and the minimum amounts of repayment allowable with respect to sums borrowed by such a student, there shall be included all loans, whenever made, (i) insured by the Commissioner, or a State, institution, or organization with which the Commissioner has an agreement under section 428(b) of part B of title IV of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, or (ii) made by a State under section 428(a) (2) (B) of such part or section 9(a) (2) (B) of such Act, or by the Commissioner under section 10 of such Act.

(2) Clause (i) (attendance at eligible institution) of section 427(a) (2) (C) of the Higher Education Act of 1965, shall apply to loans made by the Commissioner and, with the consent of the lender, loans insured by the Commissioner, to students for study at vocational schools, which are outstanding on the sixtieth day after the enactment of this Act, but only with respect to periods of attendance occuring on or after such sixtieth day.

(3) This section (and any amendment or repeal made thereby) shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to the sixtieth day after enactment of this Act, under the Higher Education Act of 1965 or the National Vocational Student Loan Insurance Act of 1965, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428 (b) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965. The Commissioner of Education shall undertake to obtain necessary modifications of agreements entered into by him pursuant to section 428(b) (1) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965 and in force upon the date of enactment of this Act so as to conform the provisions of such agreements to the requirements of such section 428(b) (1). If, however, such modifications cannot be obtained because a party to such an agreement is subject to a statute of a State that prevents such party from complying with the terms of such modification, the Commissioner shall not, before the fourth month after the adjournment of such State's first regular legislative session which adjourns more than sixty days after enactment of this Act, exercise his authority to terminate, or to refuse to extend, such agreement.

(4) A certificate of insurance or of comprehensive insurance coverage pursuant to section 11 of the National Vocational Student Loan Insurance Act of 1965 may be issued or made effective on or after the sixtieth day after the date of enactment of this Act with respect to loans made prior to such sixtieth day without regard to any amendment or repeal made by this section.

AUTHORIZING DEFERMENT OF REPAYMENT OF NON-FEDERALLY INSURED LOANS DURING MILITARY OR PEACE CORPS SERVICE, OR ATTENDANCE AT ELIGIBLE INSTITUTION; FEDERAL PAYMENT OF INTEREST ACCRUING DURING SUCH ATTENDANCE OR SERVICE; ELIMINATION OF DEFERMENT FOR VISTA SERVICE UNDER FEDERAL INSURANCE PROGRAM

SEC. 417. (a) (1) Section 428 of the Higher Educaton Act of 1965 (as amended by this Act) is amended by adding at the end of such section the following new subsection:

"(e) The Commissioner shall encourage the inclusion, in any State student loan program or any State or nonprofit private student loan insurance program meeting the requirements of subsection (a) (1) (B) or (a) (1) (C), of provisions authorizing or requiring that in the case of student loans covered by such program periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an eligible institution, (2) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, or (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act. In the case of any such State or nonprofit private program containing such a provision any such period shall be excluded in determining the period specified in subsection (b) (1) (C) (ii), or the maximum period for repayment specified in subsection (b) (1) (D)."

(2) (A) Section 428(b) (1) (C) (ii) of the Higher Education Act of 1965 is amended by inserting after "(ii)" the following: "except as provided in subsection (e) of this section,".

(B) Section 428(b) (1) (D) of such Act is amended by inserting after "subject to subparagraph (C)" the following: "of this paragraph and except as provided by subsection (e) of this section".

(b) The first sentence of section 428(a) (2) of such Act is amended by inserting before "; but such portion" the following: ", or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a) (2) (C)".

(c) Section 427(a) (2) (C) of such Act is amended by inserting "or" before "(iii)", and by striking out "or (iv) not in excess of three years during which the borrower is in service as a volunteer under title VIII of the Economic Opportunity Act of 1964,".

(d) Deferment of repayment of principal, as provided in the amendments made by subsection (a) of this section, may be authorized (but not required) with respect to loans meeting the requirements of subparagraph (B) or (C) of section 428(a) (1) of the Higher Education Act of 1965 which are outstanding on the sixtieth day after the date of enactment of this Act, but only with respect to periods of attendance or service occurring on or after such sixtieth day. The amendments made by subsection (b) shall become effective on the sixtieth day after the date of enactment of this Act. The amendments made by subsection (c) shall apply with respect to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day.

PARTICIPATION BY PENSION FUNDS AND FEDERAL SAVINGS AND LOAN ASSOCIATIONS

SEC. 418. (a) Section 435(g) of the Higher Education Act of 1965 (as so redesignated by section 416 of this Act) is amended by inserting before the period at the end thereof the following: ", or a pension fund approved by the Commissioner for this purpose".

(b) The third paragraph of section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "expenses of college or university education" and inserting in lieu thereof "expenses of college, university, or vocational education".

ACCESS TO FEDERAL LOAN INSURANCE PROGRAM

SEC. 419. (a) Section 423 of the Higher Education Act of 1965 is amended by striking out "The" after "SEC. 423." and inserting in lieu thereof "(a) Except as provided in subsection (b), the"; and by adding at the end thereof the following new subsection:

"(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

"(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an

advance under section 422 for the benefit of students in such State), or

"(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers."

(b) Section 421(a)(2) is amended by inserting "or lenders" before "who do not have reasonable access".

PART C—AMENDMENTS TO COLLEGE WORK-STUDY PROGRAM

TRANSFER OF WORK-STUDY PROVISIONS TO HIGHER EDUCATION ACT OF 1965

SEC. 431. (a) Title IV of the Higher Education Act of 1965 is amended by striking out part C thereof. Part C of title I of the Economic Opportunity Act of 1964 is transferred to the Higher Education Act of 1965 and inserted as part C of title IV of such Act.

(b) Part C of title IV of the Higher Education Act of 1965 (as amended by subsection (a) of this section) is further amended—

(1) by redesignating sections 141 through 145 (and references thereto) as sections 441 through 445, respectively; and

(2) by designating the section of such part which follows section 445 (as so redesignated) as section 446; and

(3) by amending section 442(a) to read as follows:

"SEC. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of such sums shall be allotted among the States as provided in subsection (b)."

(c) Any reference to any provision of part C of title I of the Economic Opportunity Act of 1964 in any law of the United States shall be deemed to be a reference of the corresponding provision of part C of title IV of the Higher Education Act of 1965 as amended by this section.

EXTENSION OF WORK-STUDY PROGRAM

SEC. 432. Section 441 of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by adding "; APPROPRIATIONS AUTHORIZED" at the end of the section heading, by inserting "(a)" after "SEC. 441.", and by adding at the end of such section the following new subsection:

"(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970, to carry out this part. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated, to carry out this part, only such sums as the Congress may hereafter authorize by law."

ELIGIBILITY OF AREA VOCATIONAL SCHOOLS

SEC. 433. (a) Part C of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by striking out the terms "institution of higher education" and "institutions of higher education" wherever they appear (except in section 442(b)(1)) and inserting in lieu thereof "eligible institution" and "eligible institutions", respectively.

(b) Section 443(b) of such Act (as added by section 431 of this Act) is amended to read as follows:

"(b) For the purposes of this part the term 'eligible institution' means an institution of higher education (as defined in section 435(b) of this Act), or an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963)."

(c) Section 444 of such Act (as added by section 431 of this Act) is amended by inserting "(a)" after "SEC. 444."; by redesignating paragraphs (a) through (h) as paragraphs (1) through (8), respectively; by redesignating subparagraphs (1), (2), and (3) of paragraphs (1) and (3) (as so redesignated) as subparagraphs (A), (B), and (C), respectively; and by adding at the end of such section the following new subsection:

"(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a), a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designed to prepare the student for gainful employment in a recognized occupation."

REVISION OF MATCHING PROVISIONS

SEC. 434. Section 444(a)(6) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;"

SET-ASIDE FOR RESIDENTS OF AMERICAN SAMOA OR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 435. (a) The first sentence of section 442(a) of the Higher Education Act of 1965 (as amended by this part) is amended by inserting "(1)" before "allot not to exceed 2 per centum", and by inserting before the period at the end thereof the following: ", and (2) reserve the amount provided by subsection (e)".

(b) Such section 442 is further amended by adding at the end thereof the following new subsection:

"(e) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students."

ELIMINATION OF AVERAGE HOURS OF EMPLOYMENT LIMITATION DURING NON-REGULAR ENROLLMENT PERIODS

SEC. 436. Section 44 of the Higher Education Act of 1965 (as amended by this part) is amended by adding at the end thereof the following new subsection:

"(c) For purposes of paragraph (4) of subsection (a) of this section, in computing average hours of employment of a student over a semester or other term, there shall be excluded any period during which the student is on vacation and any period of non-regular enrollment. Employment under a work-study program during any such period of non-regular enrollment during which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 437. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 446 of the Higher Education Act of 1965 (as added by section 431 of this Act) is repealed.

(2) Section 442 of such Act (as amended by this part) is amended by striking out so much of such section as precedes subsection (e), by redesignating subsection (e) as subsection (b), and by inserting in lieu of the matter stricken out the following:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 442. (a) The Commissioner shall allot the funds which are appropriated to carry out this part, and which are not reserved under subsection (b), to eligible institutions with which he has entered into agreements under this part, in accordance with section 463 of this Act."

REVISION OF MAINTENANCE OF EFFORT REQUIREMENT

SEC. 438. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(5) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(5) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);"

ADMINISTRATIVE EXPENSES

SEC. 439. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(2) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out all that follows "administrative expenses" and inserting in lieu thereof "in accordance with section 464 of this Act;".

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

SEC. 440. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 443(b) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out "or" after "higher education," and by inserting before the "period at the end thereof the following: ", or a private vocational school (as defined in section 461(b) of this Act)".

(2) Section 444(a)(1) of such Act (as amended by this part) is amended by inserting after "work for the institution itself" the following: "(except in the case of a private vocational school),".

PART D—COOPERATIVE EDUCATION PROGRAMS

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION FOR PROGRAMS OF COOPERATIVE EDUCATION; GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH IN COOPERATIVE EDUCATION

SEC. 441. Title IV of the Higher Education Act of 1965 is amended by redesignating part D as part F, by redesignating sections 461 through 467 as sections 491 through 497, respectively, and by inserting after part C the following new part:

"PART D—COOPERATIVE EDUCATION PROGRAMS

"APPROPRIATIONS AUTHORIZED

"SEC. 451. (a) There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective.

"(b) There are further authorized to be appropriated $750,000 each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year, to enable the Commissioner to make training or research grants or contracts pursuant to section 453.

"(c) For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"(d) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

"GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

"Sec. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

"(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

"(1) set forth programs or activities for which a grant is authorized under this section;

"(2) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

"(4) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

"(c) No institution of higher education may receive grants under this section for more than three fiscal years.

"(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

"GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

"Sec. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

"(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section."

Part E—General Provisions Relating to Student Assistance

AMENDMENTS EFFECTIVE UPON ENACTMENT

Sec. 451. (a) Title IV of the Higher Education Act of 1965 is amended by inserting after part D the following new part:

"Part E—General Provisions Relating to Student Assistance Programs

"Subpart 1—General Provisions

"DEFINITIONS

"Sec. 461. (a) For purposes of this title, the term 'State' includes the Trust Territory of the Pacific Islands.

"(b) For purposes of part C of this title and title II of the National Defense Education Act of 1958, the term 'private vocational school' means a school (1) which provide not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (2) which meets the requirements of section 801(a) (1) and 801(a) (2) of this Act, (3) which does not meet the requirement of section 801(a) (3) of this Act, (4) which is accredited by a nationally recognized accredited agency or association approved by the Commissioner for this purpose, and (5) which has been in existence for at least five years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or assocations which he determines to be reliable authority as to the quality of training offered.

"ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

"Sec. 462. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

"Subpart 2—Advisory Council on Financial Aid to Students

"ESTABLISHMENT OF COUNCIL

"Sec. 469. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act, or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institutions.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government Service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b) Section 433 of the Higher Education Act of 1965 (relating to Advisory Council on Insured Loans to Students) is repealed.

AMENDMENTS EFFECTIVE FOR FISCAL YEAR 1970 AND THEREAFTER

Sec. 452. Effective for fiscal years ending on or after June 30, 1970, part E of title IV of the Higher Education Act of 1965 (as added by section 451 of this Act) is amended by inserting after section 462 the following new sections:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"Sec. 463. (a) The Commissioner shall from time to time set dates by which institutions with which he has entered into agreements under part A or part C of this title must file applications for allotments to such institutions of funds appropriated to carry out programs established under such parts. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions as will most effectively carry out the purposes of the program for which the agreement was made.

"(b) The amount of any allotment made under subsection (a) to carry out a program for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment to carry out the same program in accordance with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year.

"EXPENSES OF ADMINISTRATION

"'Sec. 464. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under this part. The payment for a fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner, and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

"(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

"MAINTENANCE OF EFFORT

"Sec. 465. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditure per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement."

Part F—Amendments to National Defense Education Act

Subpart 1—Amendments to National Defense Student Loan Program

EXTENSION OF NATIONAL DEFENSE STUDENT LOAN PROGRAM

Sec. 471. (a) Section 201 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$7,225,000,-000", (2) by inserting after "June 30, 1968," the following: "$210,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970;", (3) by striking out "and such sums for the fiscal year ending June 30, 1969" and inserting in lieu thereof "and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1971", and (4) by striking out "July 1, 1968" and inserting in lieu thereof "July 1, 1970".

(b) Sections 202(a) and 202(b) of such

Act are each amended by striking out "1968" and inserting in lieu thereof "1969".

(c) Section 206 of such Act is amended by striking out "1972" each time it appears in subsections (a), (b), and (c) of such section, and inserting in lieu thereof "1974".

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 472. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 203 of the National Defense Education Act of 1958 is repealed.

(2) Section 202 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 202. (a) The Commissioner shall from time to time set dates by which institutions of higher education with which he has entered into agreements under this title must file applications for allotments to such institutions of funds appropriated pursuant to section 201. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions of higher education as will most effectively carry out the purposes of this part. The Federal capital contribution to an institution shall be paid to it from its allotment under this section from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title.

"(b) The amount of any allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment in accordance with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year."

(2) Section 203 of such Act is repealed.

ADMINISTRATIVE EXPENSES

SEC. 473. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 204 of the National Defense Education Act of 1958 is amended by inserting "(a)" after "SEC. 204.", and by striking out in paragraph (3)(C) "routine expenses" and all that follows down through "whichever is the lesser," and inserting in lieu thereof "administrative expenses as provided in subsection (b)".

(2) Section 204 of such Act is amended by adding at the end thereof the following new subsection:

"(b) An institution of higher education that has entered into an agreement with the Commissioner under section 203 shall be entitled for each fiscal year during which it makes any student loans from a student loan fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 464(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year."

REVISION OF TEACHER CANCELLATION PROVISION

SEC. 474. (a) Section 205(b)(3) of the National Defense Education Act of 1958 is amended to read as follows:

"(3) part or all of such loan may be canceled for certain service as a teacher, in accordance with section 208;".

(b) Section 208 of such Act is amended to read as follows:

"CANCELLATION FOR CERTAIN SERVICE AS A TEACHER

"SEC. 208. (a) (1) A percentage (specified in paragraph (2)) of the total amount of any loan made after the date of enactment of the Higher Education Amendments of 1968 from a student loan fund established under this title shall be canceled for each complete academic year of service by the borrower—

"(A) as a full-time teacher in an elementary or secondary school described in paragraph (3), or

"(B) as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system.

"(2) The percentage of a loan which may be canceled under paragraph (1) is—

"(A) 10 per centum for the first or second academic year of service described in paragraph (1),

"(B) 15 per centum for each academic year of such service thereafter.

For purposes of this paragraph, an academic year for which the borrower received the benefits of section 205(b)(3) (A) or (B) of this title (as in effect immediately before the date of enactment of the Higher Education Amendments of 1968) shall be considered a year of service described in paragraph (1).

"(3) A teacher may receive cancellation of a loan under subparagraph (A) of paragraph (1) only for service in an academic year in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children described in clause (A), (B), or (C) of section 103(a)(2) of title I of the Elementary and Secondary Education Act of 1965, as amended (using a low-income factor of $3,000) exceeds 50 per centum of total enrollment of the school.

"(b) In the case of a loan made before the date of enactment of the Higher Education Amendments of 1968, not to exceed 50 per centum of such loan shall be canceled for service as a full-time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States, at the rate of 10 per centum of the total amount of such loan for each complete academic year of such service, except that (1) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which there is a high concentration of students from low-income families, except that the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year (2) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system, and (3) for the purposes of any cancellation pursuant to clause (1) or (2), an additional 50 per centum of any such loan may be canceled.

"(c) (1) If for any academic year any portion of a loan is canceled under subsection (a) or (b), the entire amount of interest on such loan which accrues for such year shall be canceled.

"(2) Nothing in this section shall authorize refunding any repayment of a loan.

"(3) For purposes of this section, the term 'academic year' means an academic year or its equivalent (as determined under regulations of the Commissioner).

"(d) In addition to the payments otherwise authorized to be made pursuant to this title, the Commissioner shall pay to the appropriate institution, at such time or times as he determines, an amount which bears the same ratio to the interest which has been prevented from accruing and the portion of the principal which has been canceled on student loans pursuant to this section (and not previously paid pursuant to this subsection) as the total amount of the institution's capital contribution to such fund under this title bears to the sum of such institution's capital contributions and the Federal capital contributions to such fund."

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

SEC. 475. (a) Section 103(b) of the National Defense Education Act of 1958 is amended—

(1) by striking out "and also includes," in the second sentence and inserting in lieu thereof "; any private vocational school as defined in section 461(b) of the Higher Education Act of 1965; and"; and

(2) by inserting after "requirements of clause (5)" in the third sentence the following: "(but meets the requirements of clause (4))".

(b) (1) Effective with respect to the fiscal year ending June 30, 1969, section 203 of such Act (as in effect prior to the amendment made by section 472 of this Act) is amended by adding at the end thereof the following new sentence: "The aggregate amount of Federal capital contributions paid under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000."

(2) Effective for fiscal years ending on or after June 30, 1970, the second sentence of section 202(a) of such Act (as amended by section 472 of this Act) is amended by adding before the period at the end thereof the following: "; except that the aggregate amount of funds alloted under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000".

ELIMINATION OF REQUIREMENT OF SPECIAL CONSIDERATION FOR STUDENTS OF SUPERIOR ACADEMIC BACKGROUND

SEC. 476. Section 204 of the National Defense Education Act of 1958 is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

WAIVING OATH OF ALLEGIANCE REQUIREMENT FOR RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

SEC. 477. Section 1001(f)(1) of the National Defense Education Act of 1958 is amended by inserting after "any individual" the following: "(other than a permanent resident of the Trust Territory of the Pacific Islands)".

SUBPART 2—AMENDMENTS TO NATIONAL DEFENSE FELLOWSHIP PROGRAM

EXTENSION OF PROGRAM

SEC. 481. (a) Section 402(a) of the National Defense Education Act of 1958 is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof "seven succeeding fiscal years".

(b) Section 403(a) of such Act is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "eight succeeding fiscal years".

INCREASING MAXIMUM LENGTH OF FELLOWSHIP FROM THREE TO FOUR YEARS IN SPECIAL CIRCUMSTANCES, AND REQUIRING INSTITUTIONAL EFFORT TO ENCOURAGE RECIPIENTS TO ENTER OR CONTINUE TEACHING

SEC. 482. (a) Subsection (a) of section 402 of the National Defense Education Act of 1958 is amended by inserting "(1)" after "except" in the second sentence thereof, and by inserting immediately before the period at the end of such sentence the following: ", and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this title would most effectively be served thereby".

(b) The Commissioner may in his discretion increase, in accordance with the amendment made by subsection (a), the maximum periods of fellowships awarded prior to the date of enactment of this Act.

(c) The second sentence of section 403(a) is amended by striking out the period at the end of clause (2) of such sentence and inserting ", and" in lieu thereof; and by adding the following new clause:

"(3) that the application contains satisfactory assurance that the institution will make reasonable continuing efforts to encourage recipients of fellowships under this title, enrolled in such program, to teach or continue to teach in institutions of higher education."

(d) The amendment made by subsection (c) of this section shall apply with respect to fellowships awarded on or after the date of enactment of this Act.

REQUIRING STIPENDS TO BE SET IN AN AMOUNT CONSISTENT WITH THOSE AWARDED FOR COMPARABLE FELLOWSHIPS

SEC. 483. (a) Section 404 of the National Defense Education Act of 1958 is amended to read as follows:

"FELLOWSHIP STIPENDS

"SEC. 404. (a) The Commissioner shall pay to persons awarded fellowships under this title such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

"(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amounts as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for any such person."

(b) The amount of any stipend payable with respect to a fellowship awarded prior to the date of enactment of this Act shall not, during the period for which such fellowship was awarded, be less with respect to any year of study than the amount that would in the absence of the amendment made by subsection (a) of this section be payable with respect to such year.

TITLE V—EDUCATION PROFESSIONS DEVELOPMENT (AMENDMENT TO TITLE V OF HIGHER EDUCATION ACT OF 1965)

PROVISION OF MEDICAL INSURANCE COVERAGE TO TEACHER CORPS MEMBERS NOT OTHERWISE COVERED

SEC. 501. Section 514 of the Higher Education Act of 1965 is amended by adding immediately following subsection (d) thereof the following new subsection:

"(e) The Commissioner is authorized to provide medical (including hospitalization) insurance for members of the Teacher Corps who do not otherwise obtain such insurance coverage either under an arrangement made pursuant to subsection (d) of this section or as an incident of an arrangement between the Commissioner and an institution or a State or local educational agency pursuant to section 513."

AUTHORIZING STATE EDUCATIONAL AGENCIES TO ADMINISTER DIRECTLY PROGRAMS OF TEACHER AND TEACHER AIDE RECRUITMENT AND TRAINING

SEC. 502. (a) Subsection (a) of section 518 of the Higher Education Act of 1965 is amended by inserting after "teacher shortages" the following: ", or the efforts of State educational agencies,".

(b) Subsection (a) of section 520 of such Act is amended—

(1) in paragraph (2), by inserting after "local educational agencies" the following: "or of the State educational agency, or both,"

(2) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) with respect to so much of the State program as is to be carried out by local educational agencies, (A) provides assurance that every local educational agency whose application for funds under the plan is denied will be given an opportunity for a fair hearing before the State educational agency and (B) sets forth the policies and procedures to be followed in allocating Federal funds to local educational agencies in the State, which policies and procedures shall insure that such funds will be allocated to local educational agencies having the most urgent need for teachers and teacher aides;" and

(4) by redesignating paragraphs (5) through (10) as paragraphs (4) through (9) respectively.

FELLOWSHIPS FOR SCHOOL ADMINISTRATORS

SEC. 503. The third sentence of section 521 of the Higher Education Act of 1965 is amended by inserting after "become such teachers," the following: "a career in the administration of such schools,".

TECHNICAL CORRECTIONS

SEC. 504. Section 524(a) of the Higher Education Act of 1965 is amended by inserting in paragraphs (1) and (4) "or postsecondary vocational education" after "career in elementary and secondary education".

INCREASE IN COST-OF-EDUCATION ALLOWANCE

SEC. 505. Section 525(b) of the Higher Education Act of 1965 is amended to read as follows:

"(b) The Commissioner shall (in addition to stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for each such person."

TITLE VI—INSTRUCTIONAL EQUIPMENT AND MATERIALS

PART A—EQUIPMENT AND MATERIALS FOR HIGHER EDUCATION (AMENDMENTS TO HIGHER EDUCATION ACT OF 1965)

EXTENSION OF PROGRAM; TECHNICAL AMENDMENT

SEC. 601. (a) Subsection (b) of section 601 of the Higher Education Act of 1965 is amended by striking out all of such subsection after "1967," and inserting in lieu thereof "$60,000,000, for the fiscal year ending June 30, 1968, $14,500,000 for the fiscal year ending June 30, 1969, and $14,800,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants to institutions of higher education, and to combinations of institutions of higher education, pursuant to this part for the acquisition of equipment and for minor remodeling described in section 603(2)."

(b) Such section 601 is further amended by striking out subsection (c) thereof.

(c) Subsection (d) of such section is amended by redesignating it as subsection (c), and by striking out "1969, and for the succeeding fiscal year" and inserting in lieu thereof "1971, and the two suceeding fiscal years".

(d)(1) The first sentence of section 602(a)(1) of such Act is amended by striking out "and (c)".

(2) Section 602(b) of such Act is amended by striking out "(1)" after "(b)"; by striking out "(A)" after "section 603(2)"; and by striking out paragraph (2).

(3) Section 603(2) is amended by striking out "(A)" after "methods"; by inserting "(A)" before "for the acquisition of laboratory"; by striking out "(B) for determining relative priorities of eligible projects", and inserting in lieu thereof "and (B)"; and by striking out "(C)".

ACQUISITION OF CERTAIN COMPUTERS; TECHNICAL AMENDMENT

SEC. 602. Section 603(2) of the Higher Education Act of 1965 is amended by striking out "objective", and by inserting after "special equipment" the following: ", including instructional computers".

PART B—EQUIPMENT AND MATERIAL FOR ELEMENTARY AND SECONDARY EDUCATION (AMENDMENTS TO TITLE III OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

SEC. 621. (a) The first sentence of section 301 of the National Defense Education Act of 1958 is amended by striking out "and" before "$110,000,000" and by inserting after "June 30, 1968," the following: "and $110,000,000 each for the fiscal years ending June 30, 1969, and June 30, 1970,".

(b) Section 301 of such Act is amended by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this section, only such sums as the Congress may hereafter authorize by law."

EQUIPMENT FOR EDUCATIONALLY DEPRIVED CHILDREN

SEC. 622. (a) Title III of the National Defense Education Act of 1958 is amended by inserting immediately below the center heading thereof the following:

"PART A—GRANTS TO STATES"

(b) Title III of such Act is amended (1) by striking out "this title" wherever it appears and inserting in lieu thereof "this part"; and (2) by adding at the end thereof the following new part:

"PART B—GRANTS TO LOCAL EDUCATIONAL AGENCIES

"APPROPRIATIONS AUTHORIZED

"SEC. 311. There are hereby authorized to be appropriated, for carrying out this part, $84,373,000 for the fiscal year ending June 30, 1969, and $160,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"ALLOTMENTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 312. From the sums appropriated pursuant to section 311 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A). From the remainder of such sums the Commissioner shall allot to each local educational agency (other than local educational agencies of States which receive their allotments under this part as provided in subsection 1008(A)) an amount which bears the same ratio to the amount of such remainder as the amount received by such agency from funds appropriated for the preceding fiscal year for grants under title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 874, Eighty-first Congress, as amended) bears to the amount received by all local educational agencies from such funds for such year.

APPLICATION OF LOCAL EDUCATIONAL AGENCY

"SEC. 313. (a) A local educational agency may receive a grant under this part for any fiscal year only on application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

"(1) that payments under this part will be used for the acquisition of equipment and materials referred to in section 303(a) (1) to be used in programs and projects designed to meet the special educational needs of educationally deprived children in school attendance areas having a high concentration of children from low-income families;

"(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which will afford such children the benefits of the equipment and materials provided under this part;

"(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this part, and that title to equipment and materials acquired therewith, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and equipment and materials; and

"(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this part, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

"(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

"STATE APPLICATION

"SEC. 314. (a) Any State desiring to participate under this part shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

"(1) that payments under this part will be used only for programs and projects which have been approved by the State educational agency pursuant to section 313, and that such agency will in all other respects comply with the provisions of this part, including the enforcement of any obligations imposed upon a local educational agency under section 313.

"(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

"(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this part (including such reports as he may require to determine the amounts which local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and vertification of such reports.

"(b) An application submitted under this section shall be deemed a State plan for the purposes of sections 1004 and 1005.

"PAYMENTS

"SEC. 315. (a) The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this part. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

"(b) From the funds paid to it pursuant to subsection (a) each State educational agency shall distribute to each local educational agency of the State which has submitted an application approved to pursuant to section 313(a) the amount for which such application has been approved, except that this amount shall not exceed its allotment for the fiscal year under section 312."

(c) Paragraph (2) of section 1004(c) of the National Defense Education Act of 1958 is amended, (1) by striking out "title III or V" and inserting in lieu thereof "part A or B of title III or under title V"; and (2) by inserting "part or" before "title or section" each time these words appear in such paragraph.

PROVISION FOR WITHIN-STATE EQUALIZATION IN STATE-IMPOSED REQUIREMENTS FOR FINANCIAL PARTICIPATION OF PROJECT APPLICANTS

SEC. 623. Subsection (a) of section 303 of the National Defense Education Act of 1958 is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and by inserting at the end of such subsection the following new paragraph:

"(6) sets forth any requirements imposed upon applicants for financial participation in projects assisted under this part, including any provision for taking into account, in such requirements, the resources available to any applicant for such participation relative to the resources for participation available to all other applicants."

PAYMENT OF STATE ADMINISTRATIVE EXPENSES OUT OF PROJECT FUNDS IN LIEU OF SEPARATE FUNDING

SEC. 624. Effective with respect to fiscal years beginning after June 30, 1968, title III of the National Defense Education Act of 1958 is amended as follows:

(a) Paragraph (1) of subsection (a) of section 303 is amended by striking out "and" before "(B)" and by inserting the following before the semicolon at the end thereof: ", and (C) administration of the State plan, except that the amount used for administration of the State plan for any years shall not exceed an amount equal to 3 per centum of the amount paid to the State under this part for that year, or $50,000, whichever is greater".

(b)(1) Paragraph (5) of such section 303(a), the second sentence of section 301, subsection (b) of section 302, and subsection (b) of section 304 are repealed.

(2) Section 302 is amended by striking out "the first sentence of" in subsection (a)(1); striking out "or (b)" in the first sentence of subsection (c); striking out "subsections (a) and (b)" in the same sentence of such subsection and inserting in lieu thereof "subsection (a)"; striking out "or (b)" in the second sentence of such subsection; and redesignating such subsection (c) as subsection (b); and references elsewhere to such subsection (c) are redesignated accordingly.

(3) Subsection (a) of section 304, and references thereto, are redesignated as section 304; and there is deleted from section 304 "as provided in paragraph (4) of section 302(a)".

(4) Section 304 is further amended (A) by striking out "for projects for acquisition of equipment and minor remodeling referred to in paragraph (1) of section 303(a) which are carried out", and (B) by inserting the following after "except that": "(1) such payments with respect to expenditures for administration of the State plan shall not exceed the limitation established by paragraph (1)(C) of section 303(a), and (2)".

(5) Paragraph (6) of section 303(a), as added by section 623 of this Act, is redesignated as paragraph (5).

PRIVATE SCHOOLS: AUTHORIZING REALLOTMENT OF SET-ASIDE FOR LOANS; REPEALING LOAN ALLOTMENT FORMULA

SEC. 625. (a) Section 305 of the National Defense Education Act of 1958 is amended by striking out "SEC. 305." and all that follows down to but not including subsection (b)(1) and inserting in lieu thereof the following:

"SEC. 305. From the sums reserved for each fiscal year for the purposes of this section under the provisions of section 302(a), the Commissioner is authorized to make loans to private nonprofit elementary and secondary schools in any State. Any such loan shall be made only for the purposes for which payments to State educational agencies are authorized under the first sentence of section 301, and—".

(2) Paragraph (3) of such section is amended by striking out "the current average yield on all outstanding marketable obligations of the United States" and inserting in lieu thereof "the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans".

(b) Section 302(b) of such Act (as so redesignated by section 624 of this Act) is amended to read as follows:

"(b) The amount of any State's allotment under subsection (a) of this section for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to the other States in proportion to the original allotments to such States under subsection (a) of this section, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reserved for any fiscal year for making loans under section 305 which the Commissioner determines will not be required for that purpose for such year shall be available for allotment among the States in the manner provided in the preceding sentence for reallotments. Any amount allotted or reallotted to a State under this subsection during a year from funds appropriated pursuant to section 301 shall be deemed part of its allotment under subsection (a) of this section for such year."

(c) The amendment made by subsection (a)(2) shall apply with respect to loans made after the date of enactment of this Act.

Part C—Financial Assistance for Strengthening Instruction in the Humanities and Arts

EXTENSION OF PROGRAM

Sec. 631. (a) The first sentence of section 12 of the National Foundation on the Arts and Humanities Act of 1965 is amended (1) by striking out "two succeeding years" and inserting in lieu thereof "four succeeding fiscal years", and (2) by striking out "June 30, 1969" and inserting in lieu thereof "June 30, 1971".

(b) Such section is further amended, (1) in subsection (b), by striking out "allotted" and inserting in lieu thereof "reserved, allotted, and reallotted", and by striking out "and (c)" and inserting in lieu thereof "and (b)"; and (2) in subsection (f), by striking out "allot and".

TITLE VII—GUIDANCE, COUNSELING, AND TESTING (AMENDMENTS TO PART A OF TITLE V OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

Sec. 701. (a) Section 501 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$30,000,000" and by inserting after "two succeeding fiscal years," the following: "$25,000,000 for the fiscal year ending June 30, 1969, and $30,000,000 for the fiscal year ending June 30, 1970,", and (2) by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this subsection only such sums as the Congress may hereafter authorize by law."

(b)(1) Section 504(a) of such Act is amended by striking out "eight succeeding fiscal years" and inserting in lieu thereof "thirteen succeeding fiscal years".

(2) Section 504(b) of such Act is amended by striking out "nine succeeding fiscal years" and inserting in lieu thereof "fourteen succeeding fiscal years".

TITLE VIII—LANGUAGE DEVELOPMENT (AMENDMENTS TO TITLE VI OF NATIONAL DEFENSE EDUCATION ACT, 1958)

EXTENSION OF PROGRAM

Sec. 801. (a) Subsections (a) and (b) of section 601 of the National Defense Education Act of 1958 are each amended by striking out "1968" and inserting in lieu thereof "1973".

(b) Section 603 of such Act is amended (1) by striking out "and" before "$18,000,000" and by inserting after "1968," the following: "$16,050,000 for the fiscal year ending June 30, 1969, and $25,000,000 for the fiscal year ending June 30, 1970,", and by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the provisions of this title, only such sums as the Congress may hereafter authorize by law."

TITLE IX—NETWORKS FOR KNOWLEDGE

SHARING OF EDUCATIONAL AND RELATED RESOURCES AMONG COLLEGES AND UNIVERSITIES

Sec. 901. The Higher Education Act of 1965 is amended by redesignating title VIII as title IX, and sections 801 through 804 (and references thereto however styled in such Act, or any other Act, including such references heretofore made in this Act) as sections 901 through 904, respectively. The Higher Education Act of 1965 is further amended by inserting after title VII the following new title:

"TITLE VIII—NETWORKS FOR KNOWLEDGE

"SHARING EDUCATIONAL AND RELATED RESOURCES

"Sec. 801. (a) To encourage colleges and universities to share to an optimal extent, through cooperative arrangements, their technical and other educational and administrative facilities and resources, and in order to test and demonstrate the effectiveness and efficiency of a variety of such arrangements, the Commissioner is authorized to enter into contracts and to make project grants for all or part of the cost of planning, developing, or carrying out such arrangements. Such grants may be made to public or nonprofit private colleges or universities. When in the Commissioner's judgment it will more effectively promote the purposes of this title, the Commissioner may make grants to other established public or nonprofit private agencies or organizations, including professional organization or academic societies and he may enter into contracts with established private agencies and organizations.

"(b) Projects for the planning, development, or carrying out of such arrangements assisted under this title may, subject to the provisions of subsection (c), include—

"(1) (A) joint use of facilities such as classrooms, libraries, or laboratories, including joint use of necessary books, materials, and equipment; or (B) affording access to specialized library collections through preparation of interinstitutional catalogs and through development of systems and preparation of suitable media for electronic or other rapid transmission of materials;

"(2) establishment and joint operation of closed-circuit television or equivalent transmission facilities; and

"(3) establishment and joint operation of electronic computer networks and programs therefor, to be available to participating institutions for such purposes as financial and student records, student course work, or transmission of library materials.

"(c)(1) Grants pursuant to clause (B) of paragraph (1) of subsection (b) may not be used to pay the costs of electronic transmission terminals.

"(2) In the case of a project for the establishment and operation of a computer network, grants may not include—

"(A) the cost of operating administrative terminals or student terminals at participating institutions; or

"(B) the cost, or any participating institution's pro rata share of the cost, of using the central computer facilities of the network, except (i) such costs of systems development and programing of computers and transmission costs as are necessary to make the network operational, (ii) the administrative and program support costs of the central facilities of the network, and (iii) the line-access costs incurred by participating institutions.

"APPROPRIATIONS AUTHORIZED

"Sec. 802. There are authorized to be appropriated, for grants under section 801, $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for such grants only such sums as the Congress may hereafter authorize by law.

"SHORT TITLE

"Sec. 803. This title may be cited as the 'Networks for Knowledge Act of 1968'."

TITLE X—AMENDMENTS TO TITLE VIII (GENERAL PROVISIONS) OF HIGHER EDUCATION ACT OF 1965 AND TO TITLE I (GENERAL PROVISIONS) AND TITLE X (MISCELLANEOUS PROVISIONS) OF NATIONAL DEFENSE EDUCATION ACT OF 1958

ESTABLISHMENT OF ADVISORY COUNCIL ON GRADUATE EDUCATION; ABOLITION OF HIGHER EDUCATION FACILITIES ACT ADVISORY COMMITTEE

Sec. 1001. (a) The Higher Education Act of 1965 is amended by adding after the section redesignated by section 901 of this Act as section 904 the following new section:

"ADVISORY COUNCIL ON GRADUATE EDUCATION

"Sec. 905. (a) There is hereby established in the Office of Education an Advisory Council on Graduate Education (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, of one representative each from the Office of Science and Technology in the Executive Office of the President, the National Science Foundation, and the National Foundation on the Arts and the Humanities, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall be selected from among leading authorities in the field of education, except that at least one of them shall be a graduate student.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to graduate education.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out is functions."

(b)(1) Section 203 of the Higher Education Facilities Act of 1963 is repealed.

(2) Paragraph (1) of section 202(c) of such Act is amended to read as follows:

"(1) The Commissioner shall not approve any application for a grant under this title until he has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate such applications."

DISSEMINATION OF INFORMATION

Sec. 1002. The Higher Education Act of 1965 is further amended by adding after section 905 (as added by this title) the following new section:

"DISSEMINATION OF INFORMATION

"Sec. 906. (a) For the purposes of carrying out more effectively the provisions of this

Act, the National Defense Education Act of 1958, the Higher Education Facilities Act of 1963, and other Acts administered by him in the field of higher education (including those administered by him by delegation), the Commissioner—

"(1) shall prepare and disseminate to institutions of higher education, State agencies concerned with higher education, and other appropriate agencies and institutions (A) reports on programs and projects assisted under such Acts and other programs and projects of a similar nature, and (B) catalogs, reviews, bibliographies, abstracts, analyses of research and experimentation, and such other materials as are generally useful for such purpose;

"(2) may upon request provide advice, counsel, technical assistance, and demonstrations to institutions and agencies referred to in paragraph (1) undertaking to initiate or expand programs or projects under such Acts in order to enhance the quality, increase the depth, or broaden the scope of such programs or projects, and shall inform such institutions and agencies of the availability of assistance pursuant to this paragraph;

"(3) shall from time to time prepare and disseminate to institutions and agencies referred to in paragraph (1) reports setting forth developments in the utilization and adaptation of projects carried out pursuant to such Acts; and

"(4) may enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this section.

"(b) There are authorized to be appropriated to carry out the provisions of this section $2,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law."

CONFORMING DEFINITIONS OF INSTITUTION OF HIGHER EDUCATION ACT OF 1965 AND IN NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 1003. (a) Section 901(a) of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting after "if not so accredited," in clause (5) the following: "(A) is an intitution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B)".

(b) The second sentence of such paragraph (a) is amended by striking out "Such term also includes any business school or technical institution" and inserting in lieu thereof "Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and".

INSERTION OF DEFINITION OF "COMBINATION OF INSTITUTIONS OF HIGHER EDUCATION" IN HIGHER EDUCATION ACT OF 1965

SEC. 1004. Section 901 of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting at the end thereof the following:

"(j) The term 'combination of institutions of higher education' means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf."

PROVISION IN NATIONAL DEFENSE EDUCATION ACT OF 1958 FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS, FOR SCHOOLS OF DEPARTMENT OF INTERIOR FOR INDIAN CHILDREN, AND FOR OVERSEAS DEPENDENT SCHOOLS OF DEPARTMENT OF DEFENSE

SEC. 1005. (a) Section 1008 of the National Defense Education Act of 1958 is amended to read as follows:

"ALLOTMENTS TO TERRITORIES AND POSSESSIONS

"SEC. 1008. The amounts reserved by the Commissioner under sections 302, 312, and 502 shall, in accordance therewith, be allotted among—

"(A) Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Island, and the Trust Territory of the Pacific Islands according to their respective needs for the type of assistance furnished under the part or title in which the section appears, and

"(B) in the case of amounts so reserved under sections 302 and 502, (i) the Secretary of the Interior, according to the need for such assistance in order to effectuate the purposes of such part or title in schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance in order to effectuate the purposes of such part or title in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title."

(b) Sections 302(a)(1) and 502(a) of such Act are each amended by striking out "2 per centum thereof, as he may determine for allotment as provided in section 1008," and inserting in lieu thereof "3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B);".

(c) Section 103(a) of such Act is amended (1) by striking out "or" each time it appears before "the Virgin Islands", (2) by inserting after "the Virgin Islands," as it first appears "and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands," and (3) by inserting before the period at the end thereof "or the Trust Territory of the Pacific Islands".

(d) The amendments made by this section shall be effective with respect to fiscal years ending after June 30, 1968.

PROVISIONS FOR ADEQUATE LEADTIME AND FOR PLANNING AND EVALUATION IN HIGHER EDUCATION PROGRAMS

SEC. 1006. The Higher Education Act of 1965, as amended by this Act, is further amended by adding after section 906 the following new sections:

"PROGRAM PLANNING AND EVALUATION FOR HIGHER EDUCATION PROGRAMS

"SEC. 907. There are authorized to be appropriated $1,117,000 for the fiscal year ending June 30, 1969, and $1,900,000 for the fiscal year ending June 30, 1970, to be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, loans, contracts, or other payments, for (1) planning for the succeeding year programs or projects authorized under any other provision of this Act or any provision of the National Defense Education Act of 1958 or the Higher Education Facilities Act of 1963, and (2) evaluation of programs or projects so authorized. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law.

"ADVANCE FUNDING

"SEC. 908. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, loans, contracts, or other payments under any Act referred to in section 907 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under any such Act will result in the enactment in the same year (whether in the same appropriation Act of otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"EVALUATION REPORTS AND CONGRESSIONAL REVIEW

"SEC. 909. (a) No later than March 31 of each calendar year, the Secretary shall transmit to the respective committees of the Congress having legislative jurisdiction over any Act referred to in section 907 and to the respective Committees on Appropriations a report evaluating the results and effectiveness of programs and projects assisted thereunder during the receding fiscal year, together with his recommendations (including any legislative recommendations) relating thereto.

"(b) In the case of any such program, the report submitted in the penultimate fiscal year for which appropriations are then authorized to be made for such program shall include a comprehensive and detailed review and evaluation of such program (as up to date as the due date permits) for its entire past life, based on the maximum extent practicable on objective measurements, together with the Secretary's recommendations as to proposed legislative action.

"AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

"SEC. 910. Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any Act referred to in section 907, may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year."

TITLE XI—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT OF 1963

EXTENSION OF PROGRAM

SEC. 1101. (a)(1) Section 101(a) of the Higher Education Facilities Act of 1963 is amended by striking out "seven" and inserting in lieu thereof "nine".

(2) Section 101(b) of such Act is amended (A) by striking out "for the fiscal year ending June 30, 1969" and inserting in lieu thereof "each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year"; and (B) by striking out "1970 and the succeeding fiscal year" and inserting in lieu thereof "1971 and the two succeeding fiscal years".

(3) Section 105(b) of such Act is amended (A) by striking out in the first sentence "two succeeding" and inserting in lieu thereof "three succeeding", and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(b) Section 201 of such Act is amended (1) in the first sentence thereof by striking out "seven" and inserting in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years", and (B) striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) Section 303(c) of such Act is amended (1) in the first sentence by striking out "seven" and insert in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years" and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

BROADENING ELIGIBILITY FOR CONSTRUCTION GRANTS

SEC. 1102. (a) Effective with respect to fiscal years ending on or after June 30, 1969—

(1) Section 106 (1) and (2) of the Higher Education Facilities Act of 1963, as amended, is amended by inserting after "enrollment capacity" in each case the following: ", capacity to provide needed health care to students or personnel of the institution,".

(2) The second sentence of section 107(a) of such Act is amended by inserting before the period at the end thereof the following: "and expansion of the capacity to provide needed health care to students and institutional personnel".

(3) Section 108(b) of such Act is amended by striking out "and", at the end of paragraph (5), redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following:

"(6) in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, he determines no financial assistance will be provided such project under title IV of the Housing Act of 1950; and"

(4) Section 303(a) is amended by striking out "and" at the end of clause (2), and by inserting before the period the following: ", and (4) that, in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, no financial assistance will be provided such project under title IV of the Housing Act of 1950".

(5) The first sentence of section 401(a) of such Act is amended by inserting before the period at the end thereof the following: "; and, for purposes of titles I and III, such term includes infirmaries or other facilities designed to provide primarily for outpatient care of students and institutional personnel".

(a) Effective with respect to the first fiscal year for which there is appropriated the full amount authorized for such year by section 101(b) of the Higher Education Facilities Act of 1963—

(1) Section 2 of such Act is amended by striking out "accommodate" and inserting in lieu thereof the following: "to expand and improve the facilities available for the education of".

(2) Section 106 of such Act is amended to read as follows:

"ELIGIBILITY FOR GRANTS

"SEC. 106. An institution of higher education shall be eligible for a grant for construction of academic facilities under this title only if the project is needed and will be efficiently utilized by the institution (1) to provide for increased student enrollments; or (2) to provide a needed expansion of extension, continuing education, or community service programs of the institution; or (3) to remedy existing or developing deficiencies in the instructional, extension, research, student counseling or student health programs of the institution; or (4) to provide administrative, maintenance, storage, or utility services necessary for the continued operation or expansion of the institution; or (5) for a combination of such purposes."

ANNUAL INTEREST GRANTS

SEC. 1103. (a) Title III of the Higher Education Facilities Act of 1963 is amended by adding at the end thereof the following new section:

"ANNUAL INTEREST GRANTS

"SEC. 306. (a) To assist institutions of higher education and higher education building agencies to reduce the cost of borrowing from other sources for the construction of academic facilities, the Commissioner may make annual interest grants to such institutions and agencies.

"(b) Annual interest grants to an institution of higher education or higher education building agency with respect to any academic facility shall be made over a fiscal period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Even such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were the maximum rate specified in section 303(b): *Provided*, That the amount on which such grant is based shall be approved by the Secretary.

"(c)(1) There are hereby authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants to institutions of higher education and higher education building agencies in accordance with this section.

"(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid to institutions of higher education and higher education building agencies in any year pursuant to contracts entered into under this section shall not exceed $10,000,000, which amount shall be increased by $10,000,000 on July 1, 1970.

"(d) No annual interest grant pursuant to this section shall be made unless the Commissioner finds (1) that not less than one-fourth of the development cost of the facility will be financed from non-Federal sources, (2) that the applicant is unable to secure a loan in the amount of the loan with respect to which the annual interest grant is to be made, from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials. A loan with respect to which an interest grant is made under this section shall not be considered financing from a non-Federal source."

EXTENDING AUTHORIZATION FOR HIGHER EDUCATION FACILITIES CONSTRUCTION ASSISTANCE IN MAJOR DISASTER AREAS

SEC. 1104. Section 408(a) of the Higher Education Facilities Act of 1963 is amended by striking out "July 1, 1967," and inserting in lieu thereof "July 1, 1969,".

INCREASING FEDERAL SHARE

SEC. 1105. (a) Sections 107(b) and 401(d) of the Higher Education Facilities Act of 1963 are each amended (1) by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum" and (2) by striking out "40 per centum" and inserting in lieu thereof "50 per centum".

(b) Section 202(b) of such Act is amended by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum".

MINIMUM TITLE I ALLOTMENTS TO STATES AND TERRITORIES

SEC. 1106. (a) Title I of the Higher Education Facilities Act of 1963 is amended bv inserting after the second sentence of section 103 and after the first sentence of section 104 the following: "The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000."

(b) The amendments made by this section shall apply with respect to fiscal years ending on or after June 30, 1969.

TITLE XII—EDUCATION FOR THE PUBLIC SERVICE

TITLE

SEC. 1201. This title may be cited as the "Education for the Public Service Act".

PURPOSE

SEC. 1202. It is the purpose of this title to establish a program of grants and fellowships to improve the education of students attending institutions of higher education in preparation for entrance into the service of State, local, or Federal governments, and to attract such students to the public service.

PART A—GRANTS AND CONTRACTS TO STRENGTHEN AND IMPROVE EDUCATION FOR THE PUBLIC SERVICE

PROJECT GRANTS AND CONTRACTS

SEC. 1203. The Secretary of Health, Education, and Welfare (hereafter in this title referred to as the "Secretary") is authorized to make grants to or contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects (1) for the preparation of graduate or professional students to enter the public service or (2) for research into, or development or demonstration of, improved methods of education for the public service. Such grants or contracts may include payment of all or part of the cost of programs or projects for—

(A) planning for the development or expansion of graduate or professional programs to prepare students to enter the public service;

(B) training and retraining of faculty members;

(C) strengthening the public service aspects of courses or curriculums leading to a graduate or professional degree;

(D) conduct of short-term or regular session institutes for advanced study by persons engaged in, or preparing to engage in the preparation of students to enter the public service; and

(E) research into, and development of, methods of training students or faculty, including the preparation of teaching materials and the planning of curriculum.

The Secretary may also make grants to other public or private nonprofit agencies and organizations, including professional and scholarly associations, or contracts with public or private agencies or organizations, to carry out the purposes of this section when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

APPLICATION FOR GRANT OR CONTRACT; ALLOCATION OF GRANTS OR CONTRACTS

SEC. 1204. (a) A grant or contract authorized by this part may be made only upon application to the Secretary at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it—

(1) sets forth programs, activities, research, or development for which a grant is authorized under this part, and describes the relation thereof to any program set forth by the

applicant in an application, if any, submitted pursuant to part B;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(3) provides for making such reports, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall allocate grants or contracts under this part in such manner as will most nearly provide an equitable distribution of the grants or contracts throughout the United States among institutions of higher education which show promise of being able to use funds effectively for the purposes of this part, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need.

(c) (1) Payments under this section may be used, in accordance with regulations of the Secretary, and subject to the terms and conditions set forth in an application approved under subsection (a), to pay part of the compensation of students employed in public service, other than public service as an employee in any branch of the Government of the United States, as part of a program for which a grant has been approved pursuant to this section.

(2) Departments and agencies of the United States are encouraged, to the extent consistent with efficient administration, to enter into arrangements with institutions of higher education for the full-time, part-time, or temporary employment, whether in the competitive or excepted service, of students enrolled in programs set forth in applications approved under subsection (a).

Part B—Public Service Fellowships

AWARD OF PUBLIC SERVICE FELLOWSHIPS

Sec. 1211. The Secretary is authorized to award fellowships in accordance with the provisions of this part for graduate or professional study for persons who plan to pursue a career in public service. Such fellowships shall be awarded for such periods as the Secretary may determine but not to exceed three academic years.

ALLOCATION OF FELLOWSHIPS

Sec. 1212. The Secretary shall allocate fellowships under this part among institutions of higher education with programs approved under the provisions of this part for the use of individuals accepted into such programs, in such manner and according to such plan as will insofar as practicable—

(1) provide an equitable distribution of such fellowships throughout the United States, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need; and

(2) attract recent college graduates to pursue a carrer in public service.

APPROVAL OF PROGRAMS

Sec. 1213. The Secretary shall approve a graduate or professional program of an institution of higher education only upon application by the institution and only upon his findings—

(1) that such program has as a principal or significant objective the education of persons for the public service, or the education of persons in a profession or vocation for whose practitioners there is a significant and continuing need in the public service as determined by the Secretary after such consultation with other agencies as may be appropriate;

(2) that such program is in effect and of high quality, or can readily be put into effect and may reasonably be expected to be of high quality;

(3) that the application describes the relation of such program to any program, activity, research, or development set forth by the applicant in an application, if any, submitted pursuant to part A; and

(4) that the application contains satisfactory assurance that (A) the institution will recommend to the Secretary, for the award of fellowships under this part, for study in such program, only persons of superior promise who have demonstrated to the satisfaction of the institution a serious intent to enter the public service upon completing the program, and (B) the institution will make reasonable continuing efforts to encourage recipients of fellowships under this part, enrolled in such program, to enter the public service upon completing the program.

STIPENDS

Sec. 1214. (a) The Secretary shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Secretary shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

FELLOWSHIP CONDITIONS

Sec. 1215. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Secretary finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employments approved by the Secretary by or pursuant to regulation.

Part C—General Provisions

DEFINITIONS

Sec. 1221. As used in this title—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State exclusive of an institution of any agency of the United States, which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose. For purposes of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "public service" means service as an officer or employee in any branch of State, local, or Federal Government.

(d) The term "academic year" means an academic year or its equivalent, as determined by the Secretary.

(e) The term "nonprofit" as applied to an institution, agency, or organization, means an institution, agency, or organization owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

COORDINATION OF FEDERAL ASSISTANCE

Sec. 1222. In administering this title, the Secretary shall give primary emphasis to the assistance of programs and activities not otherwise assisted by the Department of Health, Education, and Welfare, or by other agencies of the Federal Government, so as to promote most effectively the title's objectives.

METHOD OF PAYMENT

Sec. 1223. Payments under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

LIMITATION

Sec. 1224. No grant, contract, or fellowship shall be awarded under this title to, or for study at, a school or department of divinity. For the purposes of this section, the term "school or department of divinity" means an institution or department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

UTILIZATION OF OTHER AGENCIES

Sec. 1225. In administering the provisions of this title, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution, on a reimbursable basis or otherwise in accordance with agreements between the Secretary and the head thereof.

FEDERAL CONTROL OF EDUCATION PROHIBITED

Sec. 1226. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, or the selection of library resources by an educational institution, or over the content of any material developed or published under any program assisted pursuant to this title.

REPORT

Sec. 1227. The Secretary shall include in his annual report to the Congress, a report of activities of his Department under this title, including recommendations for needed revisions in the provisions thereof.

AUTHORIZATION OF APPROPRIATIONS

Sec. 1228. There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $15,000,000 for the fiscal year ending June 30, 1970, to carry out the purposes of this title. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the purposes of this title, only such sums as the Congress may hereafter authorize by law. Funds appropriated for the fiscal year ending June 30, 1969, shall be available for obligation pursuant to the provisions of this title during that year and the succeeding fiscal year.

TITLE XIII—MISCELLANEOUS

AGE QUOTAS IN YOUTH WORK AND TRAINING PROGRAMS

Sec. 1301. Section 124 of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"(f) In the case of a program under section 123(a)(1), the Director shall not limit the number or percentage of the participants in the program who are fourteen or fifteen years of age."

ELIGIBILITY FOR STUDENT ASSISTANCE

SEC. 1302. (a) (1) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution shall deny any further payment to, or for the benefit of, such individual under any of the following programs:

(A) The student loan program under title II of the National Defense Education Act of 1958.

(B) The educational opportunity grant program under part A of title IV of the Higher Education Act of 1965.

(C) The student loan insurance program under part B of title IV of the Higher Education Act of 1965.

(D) The college work-study program under part C of title IV of the Higher Education Act of 1965.

(E) Any fellowship program carried on under title II, III, or V of the Higher Education Act of 1965 or title IV or V, of the National Defense Education Act of 1958.

(2) Nothing in this subsection shall be construed to limit the freedom of any student to verbal expression for individual views or opinions.

(b) No loan, guarantee of a loan or grant under a program authorized or extended by this Act shall be awarded to any applicant within three years after he has been convicted by any court of record of any crime which was committed after the date of enactment of this Act, and which involved the use of (or assistance to others in the use of) force, trespass or the seizure of property under control of an institution of higher education to prevent officials or students at such an institution from engaging in their duties or pursuing their studies, by an institution or person having knowledge of such conviction.

SEC. 1303. No standard, rule, regulation, or requirement of general applicability prescribed for the administration of this Act or any Act amended by this Act may take effect (1) until 30 days after it is published in the Federal Register, and (2) unless interested persons are given an opportunity to participate in the formulation of such standard, rule, regulation, or requirement through the submission of views or arguments.

Mr. BYRD of West Virginia. Mr. President, I move that the Senate disagree to the House amendment, agree to the conference requested by the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MORSE, Mr. YARBOROUGH, Mr. CLARK, Mr. RANDOLPH, Mr. WILLIAMS of New Jersey, Mr. NELSON, Mr. PROUTY, Mr. JAVITS, Mr. DOMINICK, and Mr. MURPHY conferees on the part of the Senate.

WHOLESOME POULTRY PRODUCTS ACT

The Senate resumed the consideration of the bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes.

Mr. HOLLAND. Mr. President, as a preface to what I am about to say, I want to make it very clear that the Senator from Florida has a very great interest in the Wholesome Meat Act. It was part of my responsibility last year to serve as chairman of the conference between the Senate and the House on that particular bill, and it was a long conference and a controversial one. I will let the RECORD of last year speak for itself as to what the Senator from New Mexico and the Senator from Minnesota both said at the time of the presentation of the conference report about what they regarded as the quality of the service rendered by the senior Senator from Florida in connection with that conference.

Both of them said, substantially, that the conference would not have been successful without some help from the Senator from Florida, and they went a great deal further in their statements. So I have a substantial interest in the maintenance of the Wholesome Meat Act.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MONTOYA. I would like to restate here and now the great contribution the Senator from Florida made in trying to iron out the differences between both Houses on the Red Meat Inspection Act. I want to say today that the distinguished senior Senator from Florida has certainly been a great contributor to the particular legislation that is now before the Senate.

As I stated previously, while we disagree on his amendment, I do not mean, by any means, to impugn his motives or to detract from his earnest desires to protect the consumers of this country.

Mr. HOLLAND. I thank my distinguished friend for his very gracious statement.

Mr. President, I want the record, first, to show that this matter of cooperative inspection between the Federal Government and the State governments is not new. The great majority of the food products which move into interstate commerce are not inspected by Federal inspectors. I am referring now particularly to fruit products and vegetable products. The Senator from Florida knows something about what he is speaking of, because he introduced in the Florida State Senate measures which provided higher standards of contents for Florida citrus than those required by the Federal law and regulation, and he knows that for a period of years, the Federal Inspection Service and the U.S. Department of Agriculture have been glad to accept and approve the production passed by the Florida Inspection Service in that very large field.

I understand the same thing is true with respect to the inspection of citrus fruits in California, under their State system; and I understand, also, from a direct statement made to me a few days ago by Mr. Leonard, the head of the division which enforces Federal inspection, that the same is true as to most fruits and vegetables—highly perishable crops—which move in interstate commerce, with perfect acceptance by the Federal Inspection Service and by customers and the trade in far distant States.

Mr. President, there is no reason for any Senator to try to make it appear that this is something new, because it is not. It has been the customary procedure for many years as to many edible products, and particularly many perishable edible products.

My second point, Mr. President, is this: We have been moving, in Congress, toward an extension of that cooperative practice between the Federal Government and the States. Several years ago the Congress passed the so-called Aiken-Talmadge bill, which encourages the Department of Agriculture to build up cooperative inspection services with the various States. There is no hint on the part of anyone who introduced or supported that legislation that we are trying to cut down the quality of the products that are handled under State inspection. On the contrary, we are simply trying to recognize the facts, and the facts are that in many cases, the State standards are superior to the Federal standards generally imposed by Federal regulation, but under Federal law giving authority to the Department of Agriculture to make regulations.

Mr. President, last year when we had before us the Wholesome Meat Act, every emphasis was placed upon the creation of a cooperative inspection service. The testimony in the RECORD will show that. The conflict between the bill introduced by the Senator from New Mexico and the bill introduced by other Senators who wanted this whole field put under exclusive Federal handling will show that. The arguments on the floor will show that. The arguments in conference will show that, and the contents of the bill finally passed will show that. We were trying to set up a cooperative State-Federal system of inspection services, and to greatly improve the standard of inspection of the red meats which were covered by that bill, not only in interstate commerce, but in many States where, as the Senator from New Mexico has correctly stated, there were no inspection services, or no adequate inspection services.

The emphasis was on cooperation and a cooperative service. But there was not included anything specifically saying that, after full acceptance of the State laws and standards and State enforcement by the Federal Government those products could move freely in interstate commerce. There was indication of it, because in that bill it was stated that up to 50 percent of the cost of the inspection may be met by the Federal Government. Mr. President, what possible sense would there be in saddling on the Federal Government 50 percent of the cost, unless we were trying to avoid duplication and trying to bring about a condition under which State-inspected meats, under certain requirements already approved by the Department of Agriculture, and constantly checked—because the Secretary would have supervising inspectors in those States at all times—could move in interstate commerce?

So, Mr. President, the question came up, shortly after the adoption of the bill, is it the intention of the Department to make this, in full, by the terms of the bill, a cooperative inspection service? The State secretaries of agriculture in in the 50 States were greatly concerned over that question, because many of the States had inspection setups for meats, and all of them—or at least most of them—have inspection services for the products which they particularly produce and ship. So this became a dialog, beginning last December when the Wholesome Meat Act became operative, between the trade and the U.S. Department of Agriculture.

Mr. President, I have already read it into the RECORD, but for the purpose of having it included at this point, I wish to read once more, because I think it is important, the official statement made by the head of the Inspection Division of the Department of Agriculture, attending the convention, in February of this year, of the independent meatpackers of the Nation. We are talking now about red meats, and not about poultry.

The question asked of Mr. Leonard was:

> Is it the intention of the administration to seek an amendment to the Wholesome Meat Act to allow State-inspected establishments operating under a State system which has met the requirements of "at least equal to" under title III of the Wholesome Meat Act to engage in interstate commerce?

His answer was:

> Yes, it is the intention of the Department of Agriculture to transmit the draft amendment to the Congress for passage this year.

Mr. President, I do not care how much cavilling we have about the matter, this official pronouncement of the Department of Agriculture speaks for itself, and it was made in February of this year.

Later, Mr. President, there was correspondence between the president of the National Association of State Departments of Agriculture and the U.S. Secretary of Agriculture on this question. I have in my hand, and shall offer for the RECORD, a letter signed by Orville L. Freeman, on the stationery of the Department of Agriculture, dated March 4 of this year, addressed to Hon. Stanley T. Trenhaile, president of the National Association of State Departments of Agriculture, at Boise, Idaho. I understand that Mr. Trenhaile, whom I do not know personally, is the Commissioner of Agriculture of the State of Idaho.

The letter speaks for itself, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 4, 1968.

Hon. STANLEY T. TRENHAILE,
President, National Association of State Departments of Agriculture, Boise, Idaho

DEAR STAN: President Johnson has asked us to reply to your letter of February 6, 1968, concerning the resolution of the Board of Directors of the National Association of State Departments of Agriculture that was submitted to him.

We appreciated receiving your resolution on meat inspection and are always glad to have the benefit of the ideas and thoughts of the National Association of State Departments of Agriculture. We hope you will continue to contribute the results of your thinking to us.

Enclosed for your information is a copy of the Meat Inspection Notice that provides for the temporary handling of State inspected products in federally inspected plants. This action should alleviate much of the problem until cooperative agreements can be accomplished between Federal and State programs.

The resolution also supported an amendment to the Wholesome Meat Act which would allow State inspected products to move interstate when the law's requirement of "at least equal to" Federal standards is met by the State program. The Department of Agriculture poses no objections to such an amendment.

The Wholesome Meat Act really has but one goal—to assure every American consumer that all of the meat they purchase is healthful and wholesome. I am confident we can accomplish that goal by working together within the framework laid down by the Act.

Sincerely yours,
ORVILLE L. FREEMAN.

Mr. HOLLAND. Mr. President, I want to read specifically, though, for the RECORD one sentence out of the letter which relates to the same subject Mr. Leonard's statement in February covered.

The paragraph reads:

> The resolution also supported an amendment to the Wholesome Meat Act which would allow State inspected products to move interstate when the law's requirement of "at least equal to" Federal standards is met by the State program. The Department of Agriculture poses no objection to such an amendment.

Mr. President, while Mr. Leonard was speaking for the Department, this statement is from the head of the Department, the Secretary of Agriculture. And it is a followup on the important dialog that was taking place between the Commissioners of Agriculture of the 50 States and the Department of Agriculture as to why when a State had been found to have a law at least equal to the Federal law and to have enforcement at least equal to the Federal enforcement—and I want to point out that such finding could be made by the Secretary of Agriculture himself and no other—products inspected under that State system ought not to have the right to move in interstate commerce.

Mr. President, it is very clear that the Department was committed to such an approach. They had a similar commitment with respect to the poultry bill. I want to make it very clear that they lived up to that commitment, because when they sent to the House of Representatives and to the Senate the legislation prepared by them to cover the poultry inspection field, they prepared legislation including a provision, not identical with, but substantially the same—there is no material difference at all—to the amendments offered by the Senator from Florida which are now sought to be stricken by the motion of the Senator from New Mexico. In effect, Mr. President, the Senator is seeking to strike his own amendment, because the amendment in substance was in the bill which he introduced in company with the Senator from Louisiana, the chairman of our committee, such bill having been an administration bill.

Mr. President, the State commissioners of agriculture asked the Senator from Florida if he would care to introduce the amendment when it was found that the Senate subcommittee, due to pressure brought by such persons as Miss Furness and Mr. Nader—and they have both been referred to by the opponents of the amendment—had omitted the Department's original provision from the bill reported to the full committee.

I did not proceed in any idle manner. I first asked them what had been the attitude and what was the attitude of the Department of Agriculture. They sent me the copy of the letter from the Secretary to Mr. Trenhaile, which I have just had printed in the RECORD, showing that in March of this year the Secretary had advised the organization of the commissioners of agriculture of the 50 States by this letter, addressed to their chairman, that they would not object to such bill.

They also sent me this transcript of what had happened at the meeting of the Independent Meat Packers, and showing what Mr. Leonard had had to say about the bill.

Mr. President, I had considerable knowledge of this subject already, having served, as I have already said, as chairman of the conference committee last year, and with results that were not unsatisfactory, to say the least, to the Senator from New Mexico, the Senator from Minnesota, and others.

I knew that what was being attempted was the setting up of a cooperative service, and that is made particularly clear when we note the bill we passed last year and the poultry bill likewise provided that the Federal Government shall contribute to the support of the inspection service when the States have perfected their inspection service, and may contribute up to 50 percent of the total.

On this very question of participation, that matter came up at the conference of the Independent Meat Packers. The question was asked of Mr. Leonard in the following words:

> The Wholesale Meat Act states that the amount of Federal funds to be used in a cost-sharing program "shall not exceed 50 percent of the estimated total cost of the cooperative program." Is the Federal Government prepared to pay the full 50 percent of this or does the phrase "shall not exceed 50 percent" bear some significance?

The answer of Mr. Leonard is:

> The Federal Government is prepared to financially participate in the State program on a 50–50, equal basis.

Mr. President, as chairman of the Agricultural subcommittee which handles appropriations, I have been able to see what this means. Already this year, they have asked for very substantial increases of their appropriations for the payment of the costs of inspection and have justified it by saying that they have several States moving in the direction of complete cooperation and that they will be able to bring them under the cooperative service as supplying service at least equal to Federal inspection in the near future.

The subcommittee which I had the honor to head recommended a substantial increase of the appropriations for that reason.

The amendment which has been referred to repeatedly as the Holland amendment—and I am very happy to have it so referred to—does not happen to be the Holland amendment at all. It came to me from the secretaries of agriculture of the 50 States in the Union, although I sent it to the legislative counsel, and had them check it over. And they made very minor changes. However, it came to me from them. And it came to the Senate originally when the bill was introduced this year, as to the poultry inspection service, in the form of an administration recommendation.

Mr. President, I am not going to argue about it. We can call it the Holland amendment. We can call it the amendment of the States, offered by the State commissioners of agriculture. We can call it the Department of Agriculture amendment. But the point I make is that this has not come out of the thin air. The report in the Washington Post of last week made it appear that it just came out of the thin air. It said it was a surprise amendment. To the contrary, the amendment had been in the bill originally considered by the subcommittee. It had been supported by a statement from Mr. Trenhaile, president of the National Association of State Commissioners of Agriculture.

That statement appears in the printed record of the committee hearings. And beyond that, I asked the distinguished chairman of our committee to get the present attitude of the Secretary of Agriculture before moving the adoption of the amendment. And that present attitude was given to us on April 28 through a letter signed by Rodney E. Leonard, Administrator of the Consumer and Marketing Service, USDA, addressed to our distinguished chairman, the Honorable Allen J. Ellender.

That letter has been talked about considerably in the debate already.

Mr. President, I ask unanimous consent that the letter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of Agriculture,
Consumer and Marketing Service,
Washington, D.C., April 18, 1968.

Hon. Allen J. Ellender,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

Dear Mr. Chairman: Mr. Harker Stanton asked us to express the Department's views on Senator Holland's proposed amendment to S. 2932, "To clarify and otherwise amend the Poultry Products Inspection Act to provide for cooperation with appropriate State agencies with respect to State poultry inspection programs, and for other purposes."

Mr. Holland's proposal would amend the Federal Meat Inspection Act to provide the basis for State inspected meats to move in interstate commerce when the State inspection system is equal to the Federal program.

We believe this proposal is a reasonable and logical approach to meaningful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply. However, it must be recognized that at this point in time, there exists a substantial "body" of negative confidence toward taking this direction.

We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

Sincerely yours,
Rodney E. Leonard,
Administrator.

Mr. HOLLAND. And that happens to be the case, because he has no background of special information in this field at all.

The addition we made to the inspection figures to assist in the enforcement of the Wholesome Meat Act was $21,134,000. I thank the Senator from Louisiana for procuring those figures for me. I believe that in one House $17 million was granted and in another House a sizeably greater amount, and the conference report states the final amount granted.

Mr. President (Mr. Jordan of North Carolina in the chair), even in this great country, which so many people think is going bankrupt, the appropriation of an extra $21 million to a wholesome cooperative cause is not meaningless. It means something. My own feeling is that that meaning is not fully accomplished unless the bills themselves state quite clearly that what we are trying to do is to build the cooperative system so that when that cooperative system exists, as declared by the Secretary of Agriculture—and he is the only one who can so declare—during such time as he says it continues to exist, under which the State program is at least equal to or better than the Federal program, the 50–50 contribution shall be made.

I should like to say many other things at this time, but I shall not weary the Members of the Senate—there are five of us present, including the Presiding Officer—to listen to the able arguments of the Senator from New Mexico and the Senator from Minnesota and the arguments—whatever they may be—of the Senator from Florida.

I invite attention to the fact that, just as in the Senate there was not complete agreement as to the elimination of this administration proposal, which they now call the Holland amendment—though the Senate Committee on Agriculture and Forestry voted 10 to two for the inclusion of that provision—so in the House there was objection to the elimination of this proposal.

I note such an expression in the additional views of Honorable Catherine May, from the State of Washington, which is included in the report of the committee that handled this matter in the House of Representatives. It is report No. 1333. Mrs. May is a housewife and has always been noted for her attempt to protect the housewives of the Nation and the consumers of the Nation, and I believe it is quite important to note that she happens to be the only member of that House committee who occupies such a favorable position. This is what she said:

> The legislation as originally proposed by the administration and supported by the National Association of State Departments of Agriculture contained a provision (sec. 5(c)5 of H.R. 15146) permitting poultry processed under State inspection systems which are at least equal to the Federal program to be shipped in interstate commerce with a combined State-Federal legend.—

In other words, the inspection would have to show that here is a product of a combined cooperative system—let us say, United States-Florida, United States-New Mexico, United States-Louisiana—

> It is unfortunate that the majority of the committee saw fit to delete this provision.
>
> In my view, this was a logical and sound provision, consistent with the intent of the legislation, and should have been retained in the final version of the bill approved by the committee. If the States are to be required to develop programs at least equal to the Federal program and plants selling only in intrastate commerce are to be required to meet standards equal to those provided in Federal law, then there appears to be no valid reason why the poultry inspected under those State programs should not be permitted to be shipped in interstate commerce, as well. If this legislation is enacted and effectively administered as presently written, there can be no qualitative difference between State poultry inspection programs and the Federal programs, so there could be no possible difference between the wholesomeness of poultry inspected under those State programs and poultry inspected by Federal inspectors.

Mr. President, I wish to pay my respects to Mrs. May. As already stated, I was chairman of that committee. She was a member of the conference. She was a very able and helpful member of the conference. I say now, in the presence of the distinguished Senator from New Mexico, that there were votes and times in that conference when, if her vote had been against the Wholesome Meat Act, that act could not have come out of conference, because we had determined opposition to the passage of that act from several members of the conference, as the Senator will realize. The split at times was such that there was just one vote apart.

I bring out this fact simply to make it clear that people who were interested in the Wholesome Meat Act last year—and that certainly includes Mrs. May and myself—and who rendered some service toward the passage of that act, feel that the reasonable and logical approach to the making of the wholesome meat inspection service a bona fide cooperative State-Federal inspection service needs this additional wording, needs this additional amendment in the act.

I could put many other things in the Record. For example, the Commissioner of Agriculture of my State was completely mortified when the report of the inspection of the plants in Florida came out and it stated that they inspected a couple of plants and found them far from wholesome. Actually, they inspected 12 plants and found 10 plants up to anybody's standard, anywhere, at any time; and they found two plants they could not completely approve. I think that would be the case if there were an inspection of a large number of plants now having the Federal Inspection Service.

I am constantly receiving complaints from plants who are under Federal inspection as to the fact that some inspector has come in and demanded something which has not been demanded by earlier inspectors, and that they are about to be cut off from their Federal Inspection Service. I wanted to say that for the Record because we have a good inspection service. We must have a good inspection service. We entertain nearly 20 million visitors a year.

We have a decided responsibility and duty on our shoulders in our State to have a reasonable and a good inspection service.

I have already said that the Federal Government for many years before I came to the Senate 22 years ago has recognized and approved the Federal inspection service on citrus fruits. As a matter of fact, our service is under standards higher than Federal standards. I think our commissioner of agriculture had every right to complain. I want the Record to show he did complain and I want the Record to show he did not think the Department of Agriculture treated us fairly when, if one will read the report, they inspected only two plants. They did not use the word "only" but they did not comment that they had inspected 12 plants and gave complete approval to 10 plants and that it was only two plants in which they found something about which to complain.

Mr. Stanley I. Trenhaile is the president of the National Association of State Commissions of Agriculture and also the chairman of the National Advisory Commission for the Implementation of the Wholesome Meat Act. Under the provisions of that Act a national advisory commission was set up. I have a wire dated July 24 addressed to me from Mr. Trenhaile as chairman of the National Advisory Committee for the Implementation of the Wholesome Meat Act. I ask unanimous consent that the telegram from Mr. Trenhaile may be printed in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

WASHINGTON, D.C.

Hon. SPESSARD L. HOLLAND,
U.S. Senate,
Washington, D.C.:

The following telegram was sent this date to the Honorable Orville Freeman, Secretary of Agriculture:

"This is to reaffirm the recommendation emanating from the May 22 monthly meeting of your appointed 17-member National Meat Advisory Committee 'moved by Secretary Alampi, New Jersey seconded by Commissioner Conner, Florida, and carried that the full committee recommended to the Secretary of Agriculture through Rodney Leonard, Administrator, that legislation be proposed by the USDA that would permit the recognition of State plants and State meat inspected and duly certified by C and MS as having met all the requirements of the Wholesome Meat act be allowed free movement in interstate commerce'."

STANLEY I. TRENHAILE,
Chairman, National Advisory Committee for the implementaiton of the wholesome Meat Act.

Mr. HOLLAND. Mr. President, there is only one part of that telegram I wish to advert to, and that is that this 17-member committee of very distinguished agricultural experts was appointed by Mr. Freeman; and it calls his attention to the fact that they made this recommendation May 22 and that they reaffirm it now.

Mr. President, there has come to my desk a release memorandum dated July 25, 1968, from John A. Killick, executive secretary of the Washington-based National Independent Meat Packers Association. I wish to call to the attention of the Senate one partcular part of the release which states:

> John A. Killick, Executive Secretary of the Washington-based National Independent Meat Packers Association, has given the Association's full support and backing to Sen. Spessard Holland (D-Fla.), sponsor of the amendment, in obtaining the right for state-inspected meat packers, operating in states which have been certified by the U.S. Department of Agriculture as having meat inspection systems "equal to" the Federal program, to sell their products across state lines. The Holland amendment to the poultry bill (H.R. 16363), now awaiting full Senate action, is applicable to red meats as well as poultry.

Mr. President, I ask unanimous consent to have the entire release printed in the Record at this point.

There being no objection, the release was ordered to be printed in the Record, as follows:

PACKER OFFICIAL OPPOSES DOUBLE INSPECTION STANDARD

WASHINGTON, D.C.—A meat packing industry spokesman has labeled Betty Furness' opposition to a poultry bill amendment which has received the endorsement of the Senate Agriculture Committee as "illogical, specious and discriminatory. . . ."

John A. Killick, Executive Secretary of the Washington-based National Independent Meat Packers Association, has given the Association's full support and backing to Sen. Spessard Holland (D-Fla.), sponsor of the amendment, in obtaining the right for state-inspected meat packers, operating in states which have been certified by the U.S. Department of Agriculture as having meat inspection systems "equal to" the Federal program, to sell their products across state lines. The Holland amendment to the poultry bill (H.R. 16363), now awaiting full Senate action, is applicable to red meats as well as poultry.

"Miss Furness' opposition shows an abysmal lack of confidence in the present Secretary of Agriculture, who would be responsible for determining the adequacy, effectiveness and equality of a state inspection program, to certify a state program as meeting Federal standards. To deny the interstate movement of product to a packer whose state has standards equal to the Federal is outright discrimination since the Federal system affords such an opportunity to packers under its jurisdiction," Killick charged. "USDA officials repeatedly have insisted that two levels of inspection cannot be tolerated, and will not be permitted, and logic—particularly under the conditions which will prevail on December 15, 1969—supports this position," he said.

Mr. HOLLAND. Mr. President, who is against this proposal? We have had two or three packers quoted; and we have had broiler ranchers quoted, who were scared to death by propaganda which has gone to them. Part of that propaganda has come to me. I have nothing further to say about it except that it is part of the doubletalk emanating from the Department of Agriculture.

I think Members of the Senate and the House of Representatives have the right to expect different treatment from the Department of Agriculture. As far as the Senator from Florida is concerned, he restates his position. He is going to be very cautious in approving recommendations made by the Department of Agriculture from this time forward. He thinks he has a right, as a friend of agriculture who has frequently gone to bat, both in the legislative committee so ably headed by the Senator from Louisiana, and in the Appropriations Subcommittee, which he has the honor himself to head, in an effort to get things he thought were right to be done and which were requested by the Secretary of Agriculture, even though the other body at the other end of the Capitol had not seen the matter that way. He is going to be very cautious from this time forward in following such recommendations.

Mr. President, I thank the large assemblage of Senators who have waited to hear my desultory remarks on this very important subject. I yield the floor.

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SPONG in the chair). The clerk will call call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM MONDAY, JULY 29, TO TUESDAY, JULY 30, 1968, AT 10 A.M.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday next, it adjourn until Tuesday at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 11 A.M., MONDAY, JULY 29, 1968

Mr. BYRD of West Virgina. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate adjourn until 11 a.m., on Monday next.

The motion was agreed to; and (at 2 o'clock and 19 minutes p.m.) the Senate adjourned until Monday, July 29, 1968, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 27, 1968:

U.S. MARINE CORPS

Lt. Col. Haywood R. Smith, U.S. Marine Corps, for temporary appointment to the grade of colonel, to hold such grade while serving as Armed Forces aide to the President.

U.S. ARMY

The nominations beginning William C. Hunt, to be second lieutenant, and ending Robert L. Schmidt, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 17, 1968.

EXTENSIONS OF REMARKS

THOMAS QUALTERS

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. O'NEILL of Massachusetts. Mr. Speaker, today I would like to honor a great and courageous American who was a loyal bodyguard to our late beloved President Franklin Delano Roosevelt. Thomas Qualters, who died on Wednesday, was born in Charleston, Mass., in my district, and was graduated from St. John's Preparatory School in Danvers, Mass., and the University of Notre Dame. In 1936, while he was living in Somerville, Mass., also in my district, he was notified of his appointment as chief bodyguard to the President.

For 6 years Tommy rarely left President Roosevelt's side and he was always willing to risk his own life for the safety of our Chief Executive. For his great courage he was honored by the Crown Princes of both Denmark and Norway.

A very versatile man, he was at different times in his life a football player, a coach, a teacher, a member of the Massachusetts State Police, a lieutenant colonel in the Army Air Corps Intelligence Division, and chief of police in Keene, N.H.

This afternoon, Mr. Langdon Marvin Parker, Jr., President Roosevelt's godson, brought Thomas Qualters' obituary in the New York Times to my attention. I think this obituary pays tribute to a dedicated American and loyal friend of President Roosevelt and I would like to submit it to the RECORD at this point:

[From the New York Times, July 26, 1968]

THOMAS QUALTERS, ROOSEVELT GUARD—CLOSE AIDE TO THE PRESIDENT FOR 6 YEARS DIES AT 63

ANTRIM, N.H., July 25.—Thomas Qualters, bodyguard for President Franklin D. Roosevelt, died yesterday at a hospital in Peterboro after an illness of three weeks. He was 63 years old.

He was assistant personnel manager at the Electropac Division of the Honeywell Corporation in Peterboro.

He is survived by his widow, Arlene, and two sisters. The funeral will be Saturday.

CLOSE TO CHIEF EXECUTIVE

Mr. Qualters, a blue-eyed, broad-shouldered ex-Notre Dame halfback, was a 32-year-old Massachusetts state trooper when President Roosevelt chose him in December 1936 to be his bodyguard.

In the next six years, Tommie, as the President called him, was never more than a few feet away from his side during public appearances. Although he rarely had his name in the papers, he was one of the most photographed men in the country, lending his arm and burly frame to support the crippled President.

Mr. Qualters had been bodyguard for the President's son, James, during the 1936 election campaign, and when Gus Gennerich, Mr. Roosevelt's bodyguard, died in 1936 the President selected Mr. Qualters for the job.

"Do I like it," he asked rhetorically when informed of the appointment, as calls and congratulatory messages flooded his home in Somerville, Mass. "I'm delighted."

Mr. Qualters was seldom more than a room away from the President in the White House, and would don white tie and tail coat for a diplomatic reception.

And if the highest-ranking envoy happened to approach the Chief Executive with his arms folded or his hands in the pockets, Mr. Qualters would tap him on the shoulder and tell him to drop his arms to his sides.

QUICK WITH HIS FISTS

Not ordinarily pugnacious, Mr. Qualters was nonetheless quick with his fists if the need arose.

He once displayed his prowess on Willie Hockaday, a Midwesterner who had earlier shown up at the office of the Secretary of War dressed and painted as an Indian on a war dance and toting a sack of feathers that he proceeded to scatter in the name of peace.

The feather-dispenser reappeared in Oklahoma City, where the President was visiting, and Mr. Qualters was on the running board of Mr. Roosevelt's car when Mr. Hockaday, brandishing a shoe-shine cloth, came out of the crowd that lined the sidewalk and rushed toward the moving vehicle.

The cloth looked like a stick or a makeshift weapon to Mr. Qualters, who promptly stepped down from the running board, took two paces, feinted with his left and crossed with his right. Mr. Hockaday found himself lying in the street with a group of local constabulary standing around him.

Mr. Qualters, who was born in Charlestown, Mass., was graduated from St. John's Preparatory School in Danvers, Mass., and the University of Notre Dame. He returned to St. Johns as a teacher and football coach. In 1933 he joined the State Police. He was an expert shot with pistol and rifle and was also a master horseman, boxer and wrestler.

Mr. Qualters entered the Army Air Corps intelligence division as a captain in 1942. He rose to lieutenant colonel. He officially resigned from the Secret Service in 1947 and in 1950 he was named Chief of Police in Kenne.

The Presidential aide was honored in 1939 by the Crown Princes of Denmark and Norway, when they were in Washington. He received a gold crown medal from Prince Frederick of Denmark and a silver cigarette lighter with the Norwegian crest from Prince Olav.

STATEMENTS BY THE REPUBLICAN TASK FORCE ON CRIME

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. GERALD R. FORD. Mr. Speaker, under leave to extend my remarks, I include recent statements by the Republican task force on crime. The statement of July 15 was outlined in a press release of July 16 entitled, "Administration 'Ineffective' in Federal Anticrime Fight." The statement of July 19 explains the bill introduced by members of the task force to increase prison terms for hard-core criminals.

The statements follow:

ADMINISTRATION "INEFFECTIVE" IN FEDERAL ANTICRIME FIGHT

The House Republican Task Force on Crime charged yesterday that despite a substantial increase in Justice Department employees and expenditures since 1960 "there has been no corresponding increase in the Department's effectiveness in the nationwide crime fight." The GOP lawmakers declared that "something is drastically wrong with the policies, means and methods being used in the federal anti-crime fight."

The Task Force noted that the number of persons employed by the Justice Department rose to an all-time high of more than 34,000 in June 1967, and Department expenditures for the year, in excess of $422 million, were 55% greater than 1960. They then cited the nationwide 88% increase in crime since 1960 and disclosed that convictions in federal courts throughout the country, in cases prosecuted by the Justice Department, have *decreased* during this same period, by 3300 or 11%.

The record for the District of Columbia, where the Justice Department has exclusive jurisdiction over all crimes, they said "is even worse." Serious felonies in the District have climbed by 175% since 1960—felony convictions have decreased by 37%.

They said they could understand a decrease in convictions "if it were accompanied by a corresponding decrease in crime. Otherwise, it is indefensible."

The Task Force pointed out that in 1967 for every 45 felonies committed in the District of Columbia, only one felony conviction resulted. "Those odds invite more crime," they said.

"Some criminologists would doubtless blame the courts for such a show of ineffectiveness," the Task Force continued. "However, Attorney General Ramsey Clark has consistently denied any adverse effect of court decisions on law enforcement. Certainly, if the courts are not to blame for this ineffectiveness, the Department of Justice is," the Crime Group concluded.

STATEMENT OF HOUSE REPUBLICAN TASK FORCE ON CRIME, JULY 15, 1968

Crime throughout the United States, as measured by the FBI Crime Index, has increased 88% since 1960. In the District of Columbia serious felonies and misdemeanors have increased 135%, and felonies alone have increased 175% during the same period.

According to the Annual Report of the Attorney General for fiscal year 1967, the Department of Justice conducted an "unprecedented program" to achieve effective law enforcement and reduction of crime last year. The number of persons employed by the Department "rose to an all time high of 34,052 in June 1967" and Department expenditures for the year, in excess of $422 million, were 55% more than 1960.

Despite the substantial increase in personnel, expenditures and, we are given to understand, in effort by the Department of Justice, there has been no corresponding increase in the effectiveness of their anti-crime program. In fact, there has been a substantial decrease.

In fiscal 1960, 30,955 persons were found guilty of crimes in federal courts. In 1967, 27,643 were found guilty, a decrease of 3,312 or approximately 11%.

The record for the District of Columbia where the Justice Department has exclusive jurisdiction over all crime is even worse. The United States District Court for the District of Columbia has jurisdiction over all felony violations committed in the District. During the same period that felonies increased by 175%, felony convictions in the District Court decreased by 37%.

A decrease in convictions is understandable, even welcome, as long as it is accompanied by a decrease in crime. Otherwise it is indefensible.

In 1960 the ratio of known felony offenses to felony convictions in the District stood at approximately 10 to 1, at or about the national average. In 1967 the ratio was 45 to 1. Those odds invite more crime.

Some criminologists doubtless would blame the courts for such a show of ineffectiveness. However, Attorney General Ramsey Clark has consistently denied any adverse effect of court decisions on law enforcement. And the Democrat ex-United States Attorney for the District, David Acheson, has said that "changes in court decisions and prosecution procedures would have about the same effect upon the crime rate as an aspirin would have on a tumor of the brain." Certainly, if the courts are not to blame for this ineffectiveness, the Department of Justice is.

It is evident that something is drastically wrong with the policies, means and methods being employed in the federal anti-crime fight. They are not working. The federal government under the present Administration is not bearing its share of the load in bringing criminals to justice.

TASK FORCE BILL WOULD GIVE COURTS NEW WEAPON—INCREASES PRISON TERMS FOR HARD-CORE CRIMINALS

Fourteen members of the House Republican Task Force on Crime today introduced a bill to empower Federal judges to increase prison terms for certain types of hard-core criminals.

Citing the nation's 88% increase in crime since 1960, the Task Force Chairman, Richard H. Poff (R.-Va.), said the proposal would attack some of the most serious problems of law enforcement—the habitual offender or repeater, the professional or organized crime hoodlum, individuals who use firearms during the commission of a crime—by giving Federal judges authority to extend prison terms up to twenty years over the maximum for the specific offenses of which the accused is convicted.

"The bill," Poff explained, "gives judges an effective tool to protect society as a whole from hard-core undesirables."

The Crime Task Force's proposal works in this way. Following a trial, and conviction, a Federal court would hold a hearing in which the government and the offender present evidence related to the proposed finding. If, after such a hearing and prior to sentencing, the Court finds that the defendant falls into one of the specified categories of hard-core offenders, the grounds for which are clearly set forth in the proposed statute, then the Court may impose the additional sentence. Nothing is mandatory, however.

The bill also contains a unique proposal requiring that all federal conviction records contain the defendants fingerprints and provides for the creation of a central repository for such records from State and Federal Courts within the Department of Justice.

"This," Poff said, "is designed primarily to facilitate the sentencing of repeaters. If all the States were to adopt the fingerprint requirement, it would greatly increase efficiency in seeing to it that all repeaters are recognized and dealt with as such when they are conivcted again. As it is now," he continued, "the process of proving prior convictions is uncertain and cumbersome and nobody really knows in how many instances they are never proven because the evidence is not brought to light."

Poff concluded by noting that some of the provisions of the new bill implement recommendations of the President's Crime Commission and the American Bar Association.

CONGRESSMAN STEIGER REPORTS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. STEIGER of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following report to my constituents in the Sixth District:

WASHINGTON NEWSLETTER, JUNE–JULY 1968

DEAR FRIEND: The work of the 90th Congress has produced major legislation—

FISCAL RESPONSIBILITY: H.R. 15414

The combined tax increase and expenditure control legislation is now law. Included with this newsletter is a copy of the statement I made at the time this bill was considered by the House. I voted for the bill, and my reasons are set forth in the statement.

FIREARMS BILL: H.R. 17735

The State Firearms Control Assistance Act of 1968, H.R. 17735, has passed the House. I supported this bill. A copy of my position statement on gun control legislation is available to anyone who has not received a copy. If you would like a copy please let me know.

I received mail from over 7,000 people in the 6th District on this question. The ease with which firearms can be purchased through the mail has long been of concern to me. H.R. 5037, the Omnibus Anti-Crime bill, which I supported, banned the mail order shipment of hand-guns and H.R. 17735 banned the mail order shipment of rifles and shotguns. These bills together will help reduce the problem of the abuse and illegal use of weapons. I do not support legislation which would provide for federal registration of firearms or licensing of owners.

SCHOOL LUNCH PROGRAM AND AMERICAN HUNGER COMMISSION ACT

Three bills that I co-sponsored concerning improving our school lunch program and accurately determining our needs were recommended by the Committee on Education and Labor and were passed by the House, in July. These stem from the hearings conducted by the Committee when we sought to learn more about the problems of hunger and malnutrition in this country.

Malnutrition received a good deal of attention as a result of the Hunger, USA report of the Citizens Board of Inquiry Into Hunger and Malnutrition in the United States. This privately sponsored report appeared to contain misleading figures, and I immediately questioned some of its statistics and documentation since it included a number of Wisconsin counties including Green Lake County.

When Dr. Leslie Dunbar, co-chairman of the Board of Inquiry, appeared before the Committee on Education and Labor, I asked about Green Lake and presented the results of my own study of government figures. I indicated that the study Hunger, USA was in error. Through the efforts of the Green Lake County Board Chairman, Marvin Knecht, Welfare Director, Steve Szatkowski, State Health Officer, Dr. E. H. Jorris, and Assemblyman Franklin Jahnke, statistics on Green Lake County were developed for presentation.

Within a few days the Citizens Board informed me that my figures were correct. As a result the Board dropped Green Lake County from the "Serious hunger county" category. In addition, Sawyer County was reduced by the Board from the "Emergency" designation it had been given to a "Serious" listing. Five other Wisconsin counties were dropped from the report all together.

Finally, on July 15, the House passed the American Hunger Commission Act (H.R. 17144), to make a complete study and investigation of the unfulfilled needs of those suffering from hunger in the United States, and to establish a coordinated program to insure the fulfillment of basic food needs of Americans. The Washington Post noted that Republicans were responsible for passage of this important legislation. I am grateful for a letter of thanks received from Mr. Robert L. Choate of the Ad Hoc Committee on American Hunger, a group connected with the Citizens' Board of Inquiry In Hunger and Malnutrition in the United States, Mr. Choate wrote: "I would like to personally thank you for the superb effort you made on Monday last in behalf of the Hunger Commission bill. The mood of the House was all too evident. It is seldom that rhetoric actually influences legislation once it has reached the floor. In this particular case your superb comments carried the day."

SENIOR CITIZENS SEMINARS

In April, I was privileged to host two senior citizens seminars in Oshkosh and Sheboygan. In a previous issue of this newsletter I reported on the meetings.

The U.S. Commissioner on Aging, William D. Bechill, has told me that it was a genuine pleasure for him to listen to the comments of the participants at Oshkosh and Sheboygan.

Since the seminars I have joined in cosponsoring a House Resolution, H.J. Res. 1271, to provide a White House Conference on Aging in 1971, to continue our efforts to do a better job for those who have served us well. The legislation has been recommended by the Select Education Subcommittee of the Committee on Education and Labor, on which I serve.

SIXTH DISTRICT PRESS SEMINAR

Through the efforts of local businessmen I was pleased to meet with a number of news media representatives from Wisconsin when they visited Washington.

This seminar was programed to give newspaper and radio people an in-depth picture of the operations of the federal government. They met with such agencies as Interior, Housing and Urban Development, Transportation, Health, Education, and Welfare—all agencies particularly involved in local governemnt assistance.

Senator William Proxmire acted as host to the newsmen in the Senate. The participants were: John Combellick and Richmond Davis of Oshkosh Daily Northwestern; Carl Fiedler of the Sheboygan Press; Stan Gores of the Fond du Lac Commonwealth Reporter; Dan Hanley of UPI—Wisconsin; Mark Huber of the West Bend News; Doug Koplien of Radio WFON, Fond du Lac; Louis Lange of the Fond du Lac Commonwealth Reporter, Cliff Miller of the Twin City News Record; and Phil Wallace of Radio WOSH.

LEGISLATIVE REPORT

Vocational Rehabilitation Act of 1968

The Vocational Rehabilitation Act of 1968 is a bill I was proud to co-sponsor. It will expand the scope of the Vocational Rehabilitation services to handicapped and disabled persons. It passed the House and Senate, and was recently signed into law by the President.

Agricultural and Trade Development and Assistance Act

During the debate in the House on the Agricultural and Trade legislation, I took the floor to discuss the need to increase use of dairy products in the Food for Peace program. An amendment I offered was the vehicle for a dialogue on dairying. The Chairman of the Committee on Agriculture, Hon. Robert Poage (D., Texas), and the ranking minority member, Hon. Page Belcher (R., Okla.), joined with me in expressing the intention of Congress that greater use should be made of dairy products in the Food for Peace program. This legislation has now been signed into law by the President.

SUMMER JOBS FOR YOUTH

In recent weeks I have received a number of letters from young people in search of summer jobs. Employers in the district have been helpful in placing them, and I want to thank everyone who is employing a young person this summer. These young people who need funds to support themselves, or to continue their education, are very grateful for work opportunities.

With best wishes,

WILLIAM A. STEIGER,
Member of Congress.

FEDERAL WORKERS HAVE THE "RIGHT TO REFRAIN"

HON. BENJAMIN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. BLACKBURN. Mr. Speaker, the right of Federal employees to choose or not to choose to join a union as outlined in President Kennedy's Executive Order No. 10988 of 1962 is too valuable to be subject to the whims of whomever might occupy the White House.

There is increasing evidence that there are those in this country that would deny our some 3 million Federal employees this freedom of choice.

Last September, President Johnson announced the appointment of a Labor Management Review Committee to review experience under President Kennedy's Executive order, and to recommend any adjustments needed now, I use his words, to insure its continued vitality in the public interest.

In testimony before that committee, AFL–CIO President George Meany stated, and I quote from the record:

> We recommend that the Executve Order be amended to state explicitly that the Federal government accepts the principle that unions and management in Federal service should have the right to negotiate union security agreements.

On April 2, Mr. B. A. Gritta, of the AFL–CIO Metal Trades Council, commenting on the President's Committee, told a convention of the International Union of Operating Engineers at Bal Harbor, Fla., in these words:

> I am confident that within the very near future that we will be able to negotiate union security provisions in our contracts with the government, or at least have an agency checkoff . . . and this would mean that everybody would have to pay your organization . . .

White House secrecy about the report coupled with the consistent refusal of administration spokesmen to provide any official assurance that unequivocal protection of the "right to refrain" will be included in the new Executive order adds further evidence that the Federal employee's freedom of choice is truly in jeopardy.

In an editorial our Nation's largest circulation newspaper, the New York Daily News, commenting on forced unionism for Government employees stated:

> Union chiefs have been quietly but persistently pressuring the administration to grant them this bountiful bonanza for some time. It may be that LBJ is tempted to go along as a show of gratitude for solid labor backing during the past few stormy months.
>
> The Bennett-Blackburn bill would end any such temptation by taking the problem out of the President's hands. It should be passed—and quickly—

Concluded the News.

To which I add a hearty "amen," and have introduced a companion bill with the gracious support of the following cosponsors:

The Honorable JOHN M. ASHBROOK, Republican, of Ohio.

The Honorable E. Y. BERRY, Republican, of South Dakota.

The Honorable J. HERBERT BURKE, Republican, of Florida.

The Honorable LAURENCE J. BURTON, Republican, of Utah.

The Honorable GEORGE BUSH, Republican, of Texas.

The Honorable WILLIAM O. COWGER, Republican, of Kentucky.

The Honorable WILLIAM C. CRAMER, Republican, of Florida.

The Honorable ROBERT V. DENNEY, Republican, of Nebraska.

The Honorable JOHN N. ERLENBORN, Republican, of Illinois.

The Honorable LEONARD FARBSTEIN, Democrat, New York.

The Honorable O. C. FISHER, Democrat, of Texas.

The Honorable JAMES C. GARDNER, Republican, of North Carolina.

The Honorable E. C. GATHINGS, Democrat, of Arkansas.

The Honorable DURWARD G. HALL, Republican, of Missouri.

The Honorable DELBERT L. LATTA, Republican, of Ohio.

The Honorable ALTON LENNON, Democrat, of North Carolina.

The Honorable CHESTER L. MIZE, Republican, of Kansas.

The Honorable JAMES B. UTT, Republican, of California.

Furthermore, many leading newspapers throughout the country have reported to the people the facts concerning my efforts to insure that every Federal employee shall have the "right to refrain." For the colleagues, I hereby insert into the RECORD a few of the articles on this subject:

[From the Sarasota (Fla.) Herald-Tribune, July 1, 1968]

RIGHT TO WORK GETS A BOOST

The National Right-to-Work Committee has apparently scored another hopeful triumph in its battle to prevent government from imposing compulsory unionism on the laboring man.

The committee, it will be recalled, was a prime mover in the successful 1966 campaign to turn back an effort to repeal the Taft-Hartley Act's famous Section 14b. This "right-to-work" clause permits states to pass a law allowing a man to work without having to belong to a union.

Last month, says Human Events, the Right-to-Work committee blocked a new effort by the administration to please the labor bosses. Hungry for additional members and funds, the AFL–CIO has long called for an executive order that would compel federal government employes to either join unions or pay the equivalent of union dues. Such a recommendation was reported to be in a document prepared by the LBJ-appointed Labor Management Review Committee.

But Labor Secretary Willard Wirtz, chairman of the review committee, announced last week his committee "does not intend to recommend a union or agency shop for federal employes."

Wirtz, it is believed, had been moved by a tidal wave of public opposition to forced federal unionism stirred up by the Right-to-Work organization.

Despite his concession, however, there is still a need to nail down the right of federal employes not to join a union.

The public should still demand that their representatives in Congress pass the pending Bennett-Blackburn bills. Both Sen. Wallace Bennett (R-Utah) and Rep. Benjamin Blackburn (R-Ga.) have introduced bills which would clearly forbid federal employes from having to join a union or pay the union tribute of any sort.

The time to pass such legislation is now, so that no future Administration can again threaten compulsory unionism for federal workers.

[From the St. Louis (Mo.) Post-Dispatch, June 23, 1968]

FEDERAL EMPLOYEE UNION STATEMENT

WASHINGTON, June 22 (AP)—The chairman of President Lyndon B. Johnson's labor-management review committee says the committee does not intend to recommend a union or agency shop for federal employes.

Secretary of Labor W. Willard Wirtz, the chairman, has written to members of Congress that the committee will recommend that the freedom-of-choice provision of a 1962 executive order by President John F. Kennedy be retained. Representative Ben B. Blackburn (Rep.), Georgia, made public Wirtz's statement this week and called for early hearings on bills to spell out freedom of choice for federal employes in the matter of joining unions.

Blackburn is one of a number of House members who have introduced the freedom-of-choice bill originally proposed by Senator Wallace F. Bennett (Rep.), Utah. Blackburn noted that efforts had been made by some unions to require union membership by federal employes.

[From the Pierre (S. Dak.) Capital Journal, June 13, 1968]

FEDERAL EMPLOYEES SHOULD BE PERMITTED TO STAY OUT OF UNIONS

Legislation was introduced by Rep. E. Y. Berry, R-S.D., and other house members Wednesday that would guarantee three million federal employees the right to refrain from joining a union.

He said it would also protect them from "a massive drive by international union leaders from a compulsory unionization."

The right to refrain is now protected by a 1962 presidential order, and Berry said the right is too important to be left to whomever may occupy the White House.

"No citizen should be forced to donate part of his tax-paid salary to compulsory tax-paid bosses in order to work for the government," Berry said.

[From the San Francisco (Calif.) Examiner, June 3, 1968]

Your Civil Service: Bill To Prevent Compulsory Federal Unionism

(By Ned Young)

Washington.—Rep. Ben B. Blackburn, the first Republican ever elected from the fourth congressional district in Georgia, has introduced a bill that guarantees a federal employe the right to refrain from joining a union.

This right is protected at present only by President Kennedy's executive order 10988, Blackburn declared.

An identical bill backed by Blackburn has been introduced in the Senate by Senator Wallace F. Bennett (R., Utah).

There is a "mounting public demand," said Blackburn, that the Kennedy executive order—the part guaranteeing the right to refrain from unionism at least—become law.

He noted that the report of the President's review committee on federal employe-management relations is already overdue.

"I have asked the President what his reaction would be if the committee recommended compulsory unionism," said the Georgia congressman.

Blackburn also noted that there have been rumors that the committee might make such a recommendation.

The committee chairman, he said, is Labor Secretary W. Willard Wirtz who favors compulsory unionism, and the co-chairman is Civil Service Commission Chairman John W. Macy Jr. who stated about a month ago that one of the key issues under consideration was "union security as it relates to something more than dues checkoff."

In answer to questions, Blackburn said that, to date, he has not heard one way or the other from the White House or from George Meany or any other representative of the AFL–CIO.

Meany has testified at hearings in favor of compulsory unionism among government employes.

At least one federal union leader is opposed to such a measure. He is Dr. Nathan T. Wolkomir, national president of the Independent National Federation of Federal Employees.

"A good union doesn't need any such law," Wolkomir commented recently.

[From the Decatur-De Kalb (Ga.) News, May 29, 1968]

Blackburn Asks Johnson Back Right To Work

Congressman Ben B. Blackburn has called on President Johnson for support of bipartisan Senate and House bills that he says would protect 3,000,000 Federal employees from "a massive drive by international union leaders for compulsory unionization of all government workers."

Rep. Blackburn said that there is a mounting public demand that the Kennedy Executive Order guaranteeing Federal Employees the right to refrain from joining a union in order to work for the United States government become law.

"This right to refrain is now protected only by Executive Order issued by President Kennedy in 1962. We feel that this basic right is too important to be left to the sole discretion of the President, no matter who holds that office," Mr. Blackburn declared.

Just a month ago. Civil Service Commission Chairman John W. Macy, Jr., told a press conference that among the key issues under consideration is "union security as it relates to something more than dues checkoff."

He said that he wrote the President in view of mounting contradictions over the reported recommendations of a Labor-Management Review Committee appointed by President Johnson last September and headed by pro-compulsory unionist Labor Secretary W. Willard Wirtz.

"I have asked President Johnson to do two things. One, issue a new executive order reaffirming President Kennedy's order, and two, urge an early passage of the Federal Employees Freedom of Choice Act of 1968, introduced in the Senate by Senator Wallace F. Bennett of Utah, and myself in the House.

"The bills are simply an act of Congress to carry out the wording of Executive Order 10988, and surely the President would not want to strip from Federal workers the right to refrain which President Kennedy guaranteed them."

[From the News American, June 24, 1968]

The Federal Log: Blackburn Backs Anti-union Bill

(By Ned Young)

Now that Labor Secretary W. Willard Wirtz has assured Congress that the President's Labor-management committee will not recommend compulsory unionism, Rep. Ben B. Blackburn (R., Ga.), plans to have the secretary testify on the matter before the House Post Office and Civil Service Committee.

Blackburn has introduced a bill that would guarantee a federal worker the right to refrain from joining a union.

The Congressman is also thinking of testifying himself before the Senate Post Office and Civil Service Committee in regard to the Committee, of which Wirtz is chairman, and its recommendations to President Johnson.

Despite the Secretary's endorsement of voluntary unionism, said Blackburn, when the new Executive Order is prepared, the decision is in the hands of one man—the President.

"At present, Federal employees are protected only by President Kennedy's 1962 Executive Order which gives them a freedom of choice to join or not to join a union in order to work for the United States government.

"This is too important a basic right to be left to the sole discretion of the President, no matter who holds that office, and should be written into federal law.

"It is time to hold committee hearings on the proposed bills so that Chairman Wirtz in public testimony can take away the secrecy surrounding the deliberations of the White Labor Management Review Committee.

"Some 3,000,000 federal employees, and their employers, the American taxpayers, have a right to know," he declared.

Wirtz has announced that the Committee did consider various proposals for union security arrangements in the federal service, but that it has not recommended and does not intend to recommend a union or agency shop for federal employes.

Also, the Labor Secretary has announced the Committee will recommend that the freedom of choice provision in Executive Order 10988 be retained.

Blackburn stated recently that he was told by Barefoot Sanders, legislative counsel to President Johnson, that the Civil Service Commission's views on freedom-of-choice legislation have been sent to the House and Senate Post Office and Civil Service Committees.

This, the Georgia Congressman pointed out, is one reason why he wants to testify before these committees.

[From the Columbia (Mo.) Tribune, June 5, 1968]

Public Employe Unionism

Faced with static membership rolls, the nation's labor unions have turned their attentions to new and hopefully greener pastures in the persons of public employes.

There are three millon people working for the federal government and another nine million on the payrolls of cities, counties and the 50 states. The recent efforts of unions to organize groups of these workers is well known and openly acknowledged by labor leaders.

One of the most troubling points in these negotiations is invariably the issue of the agency shop.

Under this provision the employer agrees to withhold union dues (or their equivalent) from workers' paychecks and send the money directly to the labor organization. From the union standpoint this provision has obvious advantages. It provides a tremendous power base because the union is relieved of having to depend on its members to voluntarily pay their dues—the public employer takes care of that, and the result is a locked in union membership and a loss of independence for the worker.

A bill has been introduced in Congress which guarantees a federal employe the right to refrain from joining a union. Rep. Ben Blackburn (R. Ga.) has put in statutory form the provision that is now only guaranteed by an Executive Order issued by John F. Kennedy when he was President. An identical bill has been introduced in the Senate by Sen. Wallace F. Bennett (R. Utah).

The protection of an individual's right not to join a union is even more important for public employes than those working for private concerns. If it becomes a condition of employment that all federal, state and local public employes must belong to a union—and, of course, pay dues—a situation with frightening consequences will have developed.

Aside from the obvious problem of strikes—an issue which has two sides to it—the financial implications are enough to cause concern all by themselves.

Suppose just the three million federal workers became involved in an agency shop condition. Regular dues alone would total a staggering amount of money over which the employes would have no control. But suppose in addition the AFL–CIO's COPE or some other union political organization made a special election year assessment of just 50 cents per member per month. This would create a war chest of some $18 million. To go on, imagine a like amount extracted from each of the other nine million public workers, and the union influence would be irresistible. An organization with $72 million to dump into a Presidential campaign—well, the implications are just too much. This example of the accumulation of power may be a trifle oversimplified, but the message is clear.

Trade unionism is a viable force in the socio/economic fabric of this country. Just like big business, big labor has its place. But unconscionable power in the hands of one cohesive influence group is bad, and the monolithic nature of big labor leadership makes the possibility of unilateral action likely indeed.

We do not like compulsory unionism any more than we would like compulsory customer allegiance in behalf of an industry. It would be wrong for a rule to be passed and enforced which would require that every citizen of Columbia subscribe to the Tribune. When business or industry loses the need to compete for its means of sustenance it becomes unresponsive and corrupt.

This is the scourge of monopoly.

[From Human Events, May 25, 1968]

L. B. J. To Unionize Government Employees?

Gathering momentum in both the Senate and the House is legislation to block a possible executive order from the White House to force all federal employes to join governmental unions or make them pay the equivalent of union dues.

The AFL–CIO has been pressing L. B. J. to issue such an order for some time. A still-secret report by a Labor-Management-Review Commissioner, headed by Secretary of Labor Willard Wirtz, is believed to have made a similar recommendation to the President, though it may be in the process of being "excised" because of the pressure felt from the National Right-to-Work Committee's grass-roots campaign against any such proposal.

To block the government from implementing any form of compulsory unionism for its employes, Sen. Wallace Bennett (R.-Utah) has introduced a "right-to-work" bill for federal employes. Initial co-sponsors of S. 3843, which is now before the Post Office and Civil Service Committee, include Senators Howard Baker (R.-Tenn.), Carl Curtis (R.-Neb.), Everett Dirksen (R.-Ill.), James Eastland (D.-Miss.), Paul Fannin (R.-Ariz.), Mark Hatfield (R.-Ore.), Bourke Hickenlooper (R.-Iowa) and Spessard Holland (D.-Fla.). Others will unquestionably get into the act.

Several House members, under the leadership of Rep. Blackburn (R.-Ga.), are planning to introduce legislation similar to Bennett's this week.

Even if Johnson doesn't issue any order at this time to compel non-union employes to fork over funds to union coffers, the importance of the Bennett and Blackburn bills was underscored when government agency lawyers acknowledged that they had come up with a "plan whereby . . . it would be legal to require non-union members to pay a 'service charge' to unions on the grounds that all employes are benefited in agencies where unions have exclusive recognition." Readers should press their representatives to pass the Bennett-Blackburn bills in this session of Congress.

[From the Baltimore News-American, May 27, 1968]

THE FEDERAL LOG: UNIONISM CHOICE BILL INTRODUCED

(By Ned Young)

Rep. Ben B. Blackburn, the first Republican ever elected from the Fourth Congressional District in Georgia, has introduced a bill that guarantees a federal employe the right to refrain from joining a union.

This right is protected at present only by President Kennedy's Executive Order 10988, Blackburn declared during a press conference.

An identical bill backed by Blackburn has been introduced in the Senate by Senator Wallace F. Bennett (R., Utah).

There is a "mounting public demand", said Blackburn, that the Kennedy Executive Order—the part guaranteeing the right to refrain from unionism at least—become law.

He noted that the President's Review Committee on Federal Employe-Management Relations is already overdue to make its report to President Johnson.

"I have asked the President what his reaction would be if the committee recommended compulsory unionism," said the Georgia Congressman.

Blackburn also noted that there have been rumors that the committee might make such a recommendation.

The committee chairman, he said, is Labor Secretary W. Willard Witrz who favors compulsory unionism, and the cochairman is Civil Service Commission Chairman John W. Macy, Jr. who stated about a month ago that one of the key issues under consideration was "union security as it relates to something more than dues checkoff".

In answer to questions, Blackburn said that, to date, he has not heard one way or the other from the White House or from George Meany or any other representative of the AFL–CIO. Meany has testified at hearings in favor of compulsory unionism among government employes.

At least one federal union leader is opposed to such a measure. He is Dr. Nathan T. Wolkomir, national president of the independent National Federation of Federal Employes.

"A good union doesn't need any such law," Wolkomir commented recently.

[From the Atlanta (Ga.) Constitution, May 23, 1968]

BLACKBURN PRESSES U.S. JOB-RIGHT BILL—LEADS FIGHT TO PROHIBIT CLOSED SHOP FOR EMPLOYEES

WASHINGTON.—Rep. Ben B. Blackburn, R-Ga., is leading House efforts to pass a national "right-to-work" law covering employes of the U.S. government.

The Decatur congressman has introduced legislation barring closed-shop practices in all federal agencies, and is mustering bipartisan support for the proposal, a check here shows.

The bill, identical to the one introduced in the Senate by Wallace F. Bennett, R-Utah, would write into law an executive order issued in 1962 by then President John F. Kennedy.

The Kennedy order in effect prohibits compulsory union-membership requirements in federal agencies by guaranteeing workers the right to "join . . . or to refrain" from organized labor efforts.

Blackburn said those who oppose compulsory unionization in federal departments "have ample cause for alarm" in the report of a special commission recently appointed by President Lyndon B. Johnson.

Although details have not been disclosed by the White House, columnists here have reported the presidential panel recommended considering "some form" of exclusive bargaining rights.

In a speech on the House floor this week, Blackburn said the legislation he is sponsoring is needed to "protect by law" the guarantees provided in the Kennedy order.

"We feel that this basic right is too important to be left to the sole discretion of the President," Blackburn continued, "no matter who holds that office."

The Fourth District Republican said that if each of 11 million public employes were required to pay $5 a month in union dues, it would total some $700 million a year.

"The stakes are enormous and the compulsory union bosses are at work," he said in his floor speech.

Blackburn already has persuaded Reps. Alton Lennon, D-N.C., and Leo Farbstein, D-N.Y., to co-sponsor the legislation. Also endorsing it are Reps. John N. Erlenborn, R-Ill., and James Utt, R-Calif.

Blackburn said he plans to hold a press conference Friday morning to drum up more attention for the proposal.

[From the Atlanta (Ga.) Journal, May 24, 1968]

BLACKBURN FEARS MANDATORY FEDERAL EMPLOYEE UNIONISM

(By Wayne Kelley)

WASHINGTON.—Republican Congressman Ben B. Blackburn of Decatur Friday kicked off a minicampaign for his bill to prohibit compulsory union membership for federal government employes.

The Georgia congressman held a brief press conference to present his views and warn that a presidential study commission might recommend permitting compulsory unionism for federal government workers.

Rep. Blackburn said he sent President Johnson a letter Thursday urging his support for the right-to-work law for federal employes.

There are some 2.6 million civilian federal employes in the nation and about 73,000 in Georgia. The President's Review Committee on Federal Employe-Management Relations is supposed to make a report by the end of May.

"Speculation is running high . . . that the commission will recommend the possibility of compulsory unionism," Blackburn said.

The Decatur Republican said he would not favor a national right-to-work law for all employes. This would require repeal of the controversial Section 14–B of the Taft-Hartley Law which leaves the decisions up to each state.

"I think I generally favor letting the states run their own affairs," Rep. Blackburn commented.

The Georgia congressman arrived some 15 minutes late for his first national press briefing since taking office in 1967. Seven reporters attended the session in the President's Room of the National Press Club.

"The next bill I introduce will be to improve parking conditions in Washington," Rep. Blackburn said, apologizing for being tardy.

The Blackburn bill will not apply to 8.6 million employes of state and local governments. But the congressman said a decision by the presidential commission to permit compulsory unions for federal workers "would set a very strong precedent for compulsory unionism" at the state level.

President Kennedy issued an executive order in 1962 protecting the right of federal employes to join or not to join a union.

"We feel that this basic right is too important to be left to the sole discretion of the president, no matter who holds that office . . .," Rep. Blackburn said.

The bill is identical to one offered in the Senate by Sen. Wallace F. Bennett, R-Utah. Fifteen House members have cosponsored the Blackburn bill or have introduced similar measures.

BLACKBURN ASKS HEARINGS ON COMPULSORY UNION BILL

WASHINGTON.—Fourth District U.S. Rep. Ben B. Blackburn, R-Ga., said Thursday the chairman of President Johnson's Labor-Management Review Committee is opposed to any form of compulsory unionism for federal employes.

Labor Secretary W. Willard Wirtz, chairman of the review committee, made the statement in a letter to him, Rep. Blackburn disclosed.

The Decatur congressman is a sponsor of legislation which would prevent complusory union membership for any federal employe. He called Thursday for public hearings on the bill.

At present, federal employes are protected by a 1962 executive order by President John F. Kennedy, giving them freedom of choice to join or not to join a union.

The review commission has submitted its recommendations to President Johnson, who will draft a new executive order. Rep. Blackburn and others are concerned that the President might permit compulsory unionism in the new executive order.

"Despite Secretary Wirtz's endorsement of voluntary unionism, the committee report is only advisory to the White House," Rep. Blackburn pointed out.

[From Federal Times, June 5, 1968]

RIGHTS

LEWISBURG, PA.—I would like to call everyone's attention to page 7 of the May 8 issue of Federal Times.

I think each and every redblooded individual, regardless of color, should express his opinion on this forced unionism. It is bad, and we should all realize that, after all, we don't have many rights left. Let's save those we still have.

I certainly am against any forced unionism, and I feel that the money which would be taken from my pay in order to pay some individual who doesn't have the ambition to get out and earn an honest living could be used better by me.

Frank X. Sperl.

Right To Work Campaign Stirs Plea for Law

Washington.—Bipartisan congressional support is increasing for enactment of a law to protect federal employees from being forced to join unions or pay union dues.

There have been rumors that a presidential commission reviewing labor-management relations in the federal government might recommend doing away with present rights of civil servants to refrain from joining unions. The protections are contained in Executive Order 10988 signed by President Kennedy in 1962.

President Johnson is expected to issue a new executive order soon containing the commission's recommendations.

Much of the speculation is being stimulated by the National Right to Work Committee, a group opposed to compulsory unionism. The commmittee is waging an intense advertising campaign warning federal workers that they may be required to join unions or pay dues in order to keep their jobs.

Even if the presidential commission recommends retaining in the new executive order the present "right to refrain" sections of E.O. 10988, some members of Congress want the protections put into law. They say the protections could be abolished by another presidential decision.

But one of the sponsors of such legislation, Rep. Ben B. Blackburn, R-Ga., said chances for passage this year appeared slim.

At a recent press conference he said because of the drive for congressional adjournment by Aug. 1, "I don't see how it would be possible to pass the legislation."

Blackburn announced that he had sent a letter to the President asking that he reaffirm E.O. 10988 and urge passage of legislation banning compulsory unionism in the federal government.

About 30 senators and representatives have introduced bills entitled "Federal Employee Freedom of Choice Act of 1968."

[From the Ogden (Utah) Standard-Examiner, June 2, 1968]

U.S. Employees Right-To-Work Rule

A strange—and disturbing—silence still hangs over the White House in connection with presidential Executive Order No. 10988.

This order, issued originally by President Kennedy, governs the federal government's own labor-management relationships.

The latest available figures show that Uncle Sam had more than 2,634,000 civilian employes, including 38,000 in Utah, most of them in the Greater Ogden Area.

At stake in proposed amendments to Order No. 10988 is the right-to-work of all of these thousands of federal workers, particularly their right to join—or not join—a union.

Hearings on the possibility of changing the order were conducted last October, but a peculiar veil of silence has settled over the status of the order ever since.

A few weeks ago columnist Ralph de Toledano, in an article printed on this page of the Standard-Examiner, wrote that a move was afoot toward what amounts to compulsory union membership for the federal workers.

This report caused, as it should, widespread consternation among the Civil Service employes throughout the country, particularly in our area.

Hundreds of telephone calls were made and telegrams and letters sent to members of the Utah congressional delegation, protesting such arbitrary action.

Compulsory unionism would not only build an ultra-powerful political machine but would enrich the treasuries of the labor organizations involved to the tune of many millions of dollars. Most importantly, the right of decision on unionism would be taken away from those working for the federal government.

As a direct result, Utah Sen. Wallace F. Bennett has introduced a bill in the Senate that would guarantee the U.S. employes their basic, fundamental right to choose whether or not they should join a union.

Identical legislation has been introduced in the House by Rep. Benjamin B. Blackburn, Georgia Republican, on the behalf of himself and 11 other sponsors, including Utah's First District Republican representative, Laurence J. Burton.

Both legislators, in presenting their bills, emphasized that Executive Order 10988, as originally issued on Jan. 17, 1962, by President Kennedy contained this clause:

"Employees of the federal government shall have, and shall be protected in the exercise of, the right, freely and without fear of penalty or reprisal, to form, join and assist any employe organization or to refrain from such activity."

They also pointed out that then-Secretary of Labor Arthur Goldberg had, on Jan. 20, 1962, told members of the American Federation of Government Employes that "the union shop and the closed shop are inappropriate to the federal government."

Secretary Goldberg had added that organizations, to gain members, would have to "win acceptance by your own conduct, your own action, your own wishes, your own wisdom, your own repsonsibility and your own achievements."

So the original opposition to any infringement on federal employes' right-to-work is clear.

Yet, the rumors keep cropping up—as reported in the De Toledano column—that "union security" clauses will be written into Executive Order 10988 by amendments, unless prevented by congressional action.

The Standard-Examiner has repeatedly tried to ascertain from its Washington sources just what the White House proposes to do about amending the order. Every query is met with "no comment."

Until the Johnson administration shows signs to the contrary, we can only interpret this continued silence as support for the rumors that compulsory unionism is being considered.

And as long as that threat remains, Sen. Bennett, Rep. Blackburn, Rep. Burton and others of a like mind are certainly acting in the best interests of our country in pushing for enactment of their bills which they would call the Federal Employee Freedom of Choice Act of 1963.

[From the Indianapolis (Ind.) News, June 28, 1968]

Convert to Freedom?

Voluntary unionism has received support from an unexpected but important source—Willard Wirtz, secretary of labor.

Wirtz, who heads the President's Labor Management Review Committee, has announced that the committee "does not intend to recommend a union or agency shop for Federal employes." Wirtz is the first administration official to oppose the pressure of the AFL–CIO for corralling government workers into unions.

As the chief pro-union spokesman of the Johnson administration, Wirtz has previously intervened in labor-management problems on the side of the union bosses. He opposed the use of migratory workers from Mexico and the West Indies despite the fact that Americans refuse to do the stoop labor required for crop-picking.

Proponents of voluntary unionism are therefore not relying on a change of heart in the administration and are pushing the bills of Sen. Wallace Bennett, R-Utah, and Rep. Benjamin Blackburn, R-Ga., which would forbid compelling government employes to join unions or pay any kind of tribute to them. The bills would prevent any future executive order authorizing the closed shop in Federal agencies.

The public's support of the successful campaign to prevent repeal of Section 14(b) of the Taft-Hartley Act guaranteeing state power to pass right-to-work laws indicates Americans approve Wirtz' new position and the efforts of Bennett and Blackburn to protect Federal employes from coercion.

[From Human Events, June 29, 1968]

Right-To-Work Victory

The National Right-to-Work Committee has apparently scored another stunning triumph in its battle to prevent the Administration from imposing compulsory unionism on the laboring man.

The committee, it will be recalled, was a prime mover in the 1966 campaign which saw a bipartisan group of senators, led by Illinois' golden-tongued orator, Everett Dirksen, turn back an effort to repeal the Taft-Hartley's famous Section 14b. This "right-to-work" clause permits states to pass a law allowing a man to work without having to belong to a union.

Last week the committee blocked a new effort by the Administration to please the labor bosses. Hungry for additional members and funds, the AFL-CIO has long called for an executive order that would compel federal government employes to either join union or pay the equivalent of union dues. Such a recommendation was reported to be in a still-secret document prepared by the LBJ-appointed Labor Management Review Committee.

But Labor Secretary Willard Wirtz, chairman of the review committee, announced last week his committee "does not intend to recommend a union or agency shop for federal employes."

Wirtz, an advocate of compulsory unionism, was believed to have made the statement as a result of the tidal wave of public opposition to forced federal employe unionism stirred up by the Right-to-Work organization.

Despite this concession by Wirtz, there is still a need to nail down the right of federal employes not to join a union. Thus the public should still demand that their representatives in Congress pass the pending Bennett-Blackburn bills. Both Sen. Wallace Bennett (R.-Utah) and Rep. Benjamin Blackburn (R.-Ga.) have introduced bills which would clearly forbid federal employes from having to join a union or pay the union tribute of any sort. The time to pass such legislation is now, so that no future Administration can again threaten compulsory unionism for federal workers.

[From the Rocky Mount (N.C.) Telegram, June 1, 1968]

Voluntary Unionism Favored

Rising public demand for legislation to guarantee the right of federal employees to join or refrain from joining employee unions will inject the issue of compulsory unionism into fall election campaigns, should Congress fail to enact this protective legislation in the remaining weeks of the 90th Congress.

Continuing delay by President Johnson in disclosing contents of the secret report of his Review Committee provides further evidence that the ironclad protection offered by the "Right to Refrain" must be written into federal law so the principle will no longer be subject to political horsetrading by one individual.

Recognition of the precarious nature of the "Right to Refrain," now protected only by a White House Executive Order, has prompted three dozen senators and congressmen, representing all points in the political spectrum, to join in sponsoring the "Federal Employees Freedom of Choice Act of 1968"—and new sponsors are being added constantly.

Rep. Ben Blackburn of Georgia, in introducing this bill, declared on the sole discretion of the President, no matter who holds that office, and therefore I am asking President Johnson to endorse this bill and seek a speedy passage." The act will guarantee the right of federal employees to join or refrain from joining employee unions.

Following on the heels of this action, six additional representatives introduced identical bills and more co-sponsors are expected to join. On the Senate side, support continues to grow for the bill, with Sens. John McClellan, Clifford Hansen and Karl Mundt joining Sen. Bennett on his bill, bringing the total count in the Senate to 18.

Passage of the Bennett-Blackburn bills will have far reaching consequences on the strife and turmoil resulting from strikes by public employees against states and municipalities. Because present laws in many states fail to protect the "Right to Refrain," demands by union professionals for forced unionism underlie many of the most bitter disputes involving teachers, garbagemen, police and public employees of all kinds.

Adoption of the "Right to Refrain" as federal law will set a pattern for similar laws in states where public employees now lack this protection.

Union officials and their covert allies in the Johnson administration, aware that such a precedent would deny them millions of dollars in compulsory dues, are now privately denying any intention to fix compulsory unionism on federal workers.

Johnson is shrewd enough politically to note the sentiments of the voters, even though he is allied with the union bosses. Columnist Joe Young of the Washington Star noted last month that "the proposed new executive order (making union membership for federal employees compulsory) is considered potential political dynamite by the administration, which is well aware of increasing public resentment at strikes called by public employees in various local and state jurisdictions throughout the country."

Voluntary—not compulsory—unionism is approved by an overwhelming majority of the American electorate. No President or congressional candidate, we believe, would consciously choose to flout the will of the American people on this issue.

[From the North Adams (Mass.) Transcript, June 17, 1968]

Rights of Federal Employes Threatened

There are deep suspicions that President Johnson is preparing to pay off big labor for its loyalty and support by quietly sacrificing the right of several million government employees to refrain from joining and paying dues to unions.

As matters now stand, federal workers have a choice: they are free to either join a union, or to refrain from joining.

This situation has prevailed since January, 1962, when President Kennedy issued Executive Order 10988 stating: "Employees of the Federal Government shall have, and shall be protected in the exercise of, the right, freely and without fear of penalty or reprisal, to form, join and assist any employee organization or to refrain from such activity."

Since last September, a commission created by President Johnson has been studying government policy in its own labor relations. Its report is due shortly, and the word is that the commission will recommend that the "right to refrain" will be quietly dropped.

This would be a windfall to big labor's treasury. There are about three million federal workers. Under a policy of compulsory unionism, those who did not sign up to join a union would be forced to fork over "agency fees" equivalent to membership dues.

Recognition of this threat to the right of federal employes to refrain from joining unions if they wish has prompted three dozen senators and congressmen, representing all shades of political opinion, to join in sponsoring the "Federal Employees Freedom of Choice Act of 1968."

We feel that this basic right is too important to be left to the sole discretion of the President, no matter who holds that office," said Rep. Ben B. Blackburn of Georgia in a speech on the House floor when he and 11 cosponsors introduced the bill to guarantee the right of federal employes to join or refrain from joining employe unions.

An identical bill has been filed in the Senate by Senator Wallace F. Bennett of Utah, and both bills are daily winning more legislator support and cosponsorship.

Washington sources, meanwhile, report that the leaders of organized labor have been quietly but persistently pressuring the administration and the President's commission to dump the "right to refrain" clause. The same sources say that the commission has completed its report, that it will recommend the cancellation of the "right to refrain," that its report is temporarily being held up by the President but that Mr. Johnson is expected to go along as a show of gratitude for solid labor backing during recent stormy months.

A matter of such importance to individual government workers and their freedoms should not be left up to the discretion of one man.

The so-called Bennett Bill would take care of that. It would fully guarantee and protect the freedom of choice of federal employes in employe-management relations—giving them the choice of either joining a union or not joining, as their own conscience dictates.

This right is now protected by only a White House executive order, and can be changed any time at the whim of the President.

The issue is clear cut. There is no room for strong arm organizing tactics among federal employes. No citizen should be forced to donate part of his salary to compulsory union bosses in order to work for the U.S. Government. And as President Kennedy said in 1962, the matter of union membership for federal workers should be on a purely voluntary basis.

The Bennett Bill merits quick passage by Congress.

[From the Washington (D.C.) Evening Star, July 12, 1968]

The Federal Spotlight—Union Chief Rule Out Compromise on Bargaining, Membership Plans

(By Joseph Young)

Government union leaders emphatically ruled out a compromise whereby they would obtain collective bargaining rights by law in return for agreeing to a clause that would give federal and postal employes the "right to refrain" from joining unions.

The union leaders say that such a clause in the law would give many employes an excuse not to join unions.

Although such a "right to refrain" provision is contained in the present presidential executive order 10988 on labor-management in government, employe leaders say that if this were incorporated into law it would have a far more devastating effect.

It would be similar to the "crippling" anti-union provisions of the right to work laws in various states, they say.

Actually, no one has officially made such a compromise offer.

But as an antidote for the various bills to give government employe unions official bargaining rights by law, together with binding arbitration rights and a little "NLRB" to administer the program, 14 conservative members of House and Senate have sponsored bills to give government workers the "right to refrain" from joining unions as well as the right to join.

There had been speculation that employe leaders might accept the "right to refrain" provision in return for strong collective bargaining rights.

But as hearings were held by the Senate Civil Service Committee on such legislation, union leaders made it plain before the session got under way that under no circumstances would they accept such a compromise.

The Senate group was to conclude its hearings today.

There is no chance for any collective bargaining legislation at this session of Congress. But union leaders at least wanted hearings to be held, hoping that next year further progress could be made.

The union leaders aren't asking for a "union security" provision in the pending legislation whereby government employes would have to join unions or pay the equivalent of union dues in order to hold their jobs. At least not for the present, although they eventually would like to achieve this goal.

But the union witnesses stressed that collective bargaining rights by law are needed immediately to give any true meaning and effectiveness to labor-management relations in government.

Both the opening union witnesses, Patrick J. Nilan, legislative director of the United Federation of Postal Clerks, and Jerome Keating, president of the National Association of Letter Carriers, were highly praised by Senate committee members for their testimony.

But the Senators made it quite plain that they had no intention of approving a bill this year. The issue is still too hot politically, although such legislation is gradaully gaining support.

Interestingly, neither Nilan nor Keating advocated the right to strike for government unions, even though some rank-and-file postal union members have been clamoring for such action.

Another interesting development was the testimony of Rep. Benjamin Blackburn, R–Ga., who has spearheaded the move among 14 House members in support of legislation to give government workers the "right to refrain" from joining unions as well as the right to join.

Blackburn said he supported compulsory arbitration to settle impasses and stalemates between unions and management in government. Thus, even the more conservative members of Congress are coming around to the idea that compulsary arbitration should be used.

All this could have the effect of hastening the long-awaited revised presidential executive order on labor-maagement to put stronger teeth in the government's labor-management program. Incidentally, the special cabinet-level review committee on this subject headed by Secretary of Labor W. Willard Wirtz has never submitted its recommendations to President Johnson, even though the group reportedly had reached accord on its proposals several months ago.

Wirtz has kept silent on the reasons for the delay in transmitting the recommendations to the President.

BILL S. 2658—TRUCK SIZES AND WEIGHTS: "GRAVE MISTAKE IN PUBLIC ECONOMIC POLICY"

HON. ROBERT C. McEWEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. McEWEN. Mr. Speaker, several of my colleagues have inserted in the RECORD other chapters of the doctoral dissertation of John W. Fuller III, entitled "Current Issues in the Regulation of Motor Vehicle Sizes and Weights." At the conclusion of my remarks, I shall insert the third chapter, "Issues in Size and Weight Regulations."

I urge all of my colleagues to study this material by Dr. Fuller, who studied under Prof. James C. Nelson at Washington State University in Pullman, Wash. It is most unusual to have the benefit of a doctoral dissertation on an item of legislation before the final vote, and we are indebted to Dr. Fuller for his research on this legislation.

Dr. Fuller has worked for the Western Highway Institute, an arm of the American Trucking Association, and has had two of his articles published by that group. In addition, he is a coauthor with Edward N. Smith of "Twenty Years Later: Postwar Employment Trends in the West" published by the U.S. Department of Labor, Bureau of Labor Statistics in their Regional Report No. 8, September 1965.

In his present 400-page study, Dr. Fuller researches the questions involved in S. 2658 and concludes:

> The very great excess of public and social costs over the private benefits discovered by this thesis suggests that any general motor vehicle size and weight increase at this time would be a grave mistake in public economic policy. The recent proposals for size and weight increases at the Federal level, and the numerous proposals at the state level that appear continuously, do not appear economically justifiable. Passage of a bill such as S. 2658 could result in a serious drain on U.S. resources. These economic resources could be used to far greater advantage elsewhere in the economy.

The third chapter follows:

CHAPTER III—ISSUES IN SIZE AND WEIGHT REGULATION

From society's point of view, a determination of the soundness of increased maximum size and weight standards for motor vehicles must focus primarily on the economic issues. Foremost among these issues is consideration of the effect which any proposed regulatory change would have on efficient resource allocation. The economist must judge whether a regulatory change promises an efficient allocation of scarce resources between highway user classes and for highway purposes, as compared with the use of resources in other sectors of the economy. It is necessary for the economist to analyze the compositions of social costs and social benefits which are to be considered in the allocative decision and to attempt to quantify the resulting costs and benefits to determine overall economic efficiency.

The quantification of certain of these economic and social costs requires the aid of technical specialists in engineering and the behavioral sciences. For example, it is essential to determine the manner in which engineering designs and construction costs of pavements vary with increments of axle and tandem-axle weight so that the proper level of construction and maintenance costs can be attributed to a given relaxation of maximum axle-weight standards. Also, how do gross weights affect the costs of bridges and other highway structures? To what extent do longer or wider vehicles require greater turning paths or increased lane width? In addition, there are social engineering questions which must be investigated. What effects on driver behavior could be expected from the utilization of vehicles of increased size? Are certain of these effects a cost to society? Is it possible to estimate the psychological as well as physical costs which would be involved in relaxation of size and weight maximums?

Answers to these technical questions bear intimately on resolution of the economic issues. Economists must depend on engineers and other specialists for factual knowledge of highway design, construction, and maintenance practices essential for the application of economic principles. Indeed, without substantial engineering knowledge and research, economic recommendations for optimal size and weight regulation based on quantitative analysis cannot reliably be proposed. On the other hand, unless engineering experimentation explicitly recognizes and comes to grips with the economic issues involved, engineering results become of little use for social decision-making purposes.

Issues in resource allocation

The Mechanism and Goals of Optimal Resource Allocation in the Market Economy

Motor vehicle size and weight regulation is undertaken by the states and the Federal government primarily to help bring about the most efficient allocation of public resources devoted to the provision of highways that is possible under the circumstances that obtain in practice. Efficiency is measured by the economist in terms of the goals of a society, and economic theory may be used to evaluate the performance of an economy in terms of those goals. This study recognizes that the major goal of a sound transportation system is to provide carriage of goods and persons at the least possible total resource cost to society. In a mature economy, income redistribution or economic growth goals may be considered secondary to minimum cost carriage in the operation of a transportation network. Where minimal cost transport is the primary goal, other goals may be better handled via general taxation than through explicit incorporation as aims toward which to structure the transportation system.[1]

If normal market forces were able to perform efficiently the allocative task unaided, little need would exist for transport regulation. For then, the complete transportation system would assure reasonable standards of service at efficient and nondiscriminatory rates, or prices, reflecting both the social resource costs and the concrete social issues involved. Economic theory explains how, under competitive conditions in a market economy, any good or service in demand is provided to consumers upon payment of a price.

The Function of Prices

Price are based on costs of producing the item, including a normal margin of profit required to elicit the employment of entrepreneural and capital resources. Prices, or user fees as they are termed in the case of public transport facilities, automatically perform several important functions. At any given point in time, a society's available productive capabilities are limited in relation to the wants of that society's members. Thus, from the multitude of possible products, it is necessary to choose those goods that will be produced and the quantities of each that will be demanded.

Prices serve to elicit the resources needed to produce and to market the goods and services that are brought forth, and they also restrict demand to those who will pay the prices established in the markets for those goods. Consumer choice and the allocation of resources among different productive processes are both guided by the market interactions of consumer preferences backed up by consumer buying power and producer willingness to sell at the prevailing prices in terms of the profit incentive. The competitive equilibrium price assures optimal allocation of society's scarce resources.

Limitations of the Price Mechanism

The price mechanism can and does operate to guide most economic transactions. However, under substantially less than perfect competitive conditions, the pricing mechanism can become inaccurate or involve certain inherent difficulties. Especially in transportation, cost finding is at times obscured by the existence of common costs. Such costs are difficult to allocate among classes of traffic, and the true joint costs can only be allocated on a value of service or demand basis, that is in a discriminatory manner. In some modes of transport, however, and particularly in motor and water transport where most carrier costs are variable and rise or fall with changes in output, unit costs of carrier service can be found that are meaningful except in the true joint cost cases of back hauls.

Markets in the real world are generally less perfect than is the competitive ideal. Neither highway transportation, except in some areas of exempt trucking, nor most other sectors of the U.S. economy have perfectly competitive markets. Thus, although the competitive ideal is closely approached in certain markets and still offers the best guide or standard for an efficient allocation of resources to highway construction and maintenance relative to investment in other transport modes or non-transport projects, practical difficulties arise in its application. This is also true for allocation of highway use between various competing consumer classes, such as automotive services and bus and truck operations.

Resource Allocation and the Provision of Collective Services

Moreover, there may be another reason why size and weight regulations for highway use cannot be determined solely by the automatic operation of competitive markets. Certain economic transactions take place on quite a different basis than do normal commercial exchanges. With these transactions, consumption and output are not always limited directly by price. Society provides many economic goods and services to its members at large on a noncommercial basis without requiring specific payments or payments to defray the entire costs of those public goods and services. For example, any community member may avail himself of public library services, generally without price payments. He does not pay for these services on the basis of the number or value of the books borrowed. Nor does society charge for military or police services on the basis of use, however measured. Instead, for reasons of simplicity and civil order, common standards of equity, inability to identify beneficiaries, or a desire for the widest consumption of certain services such as education, society deems it preferable to finance some public goods or services largely or entirely from general tax sources. However, these considerations do not necessarily require all highway services, including those produced by vehicles of the highest size and weight classes, to be supported by general taxation without specific user prices.

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[1] See Herbert Mohring, "Urban Highway Investments," in *Measuring Benefits of Government Investments,* ed. by Robert Dorfman (Washington, D.C.: The Brookings Institution, 1965), pp. 232, 256. However, for a critical evaluation of the efficiency goal see Arthur Maass, "Benefit-Cost Analysis: Its Relevance to Public Investment Decisions," *Quarterly Journal of Economics,* LXXX, No. 2 (May, 1966), 214. Maass is answered by Robert H. Haveman, "Benefit-Cost Analysis: Its Relevance to Public Investment Decisions: Comment," *Quarterly Journal of Economics,* LXXXI, No. 4 (November, 1967), 695–99.

Markets in the Provision of Highway Facilities

Full commercial markets and systems of market prices are usually absent in the case of provision of goods and services by government, although this is not always the situation. However, some highways such as public and private toll roads are developed fully on the commercial principle and their services are rendered on the basis of specific prices. Other principal highways, except for local roads and streets, are justified by their user fee revenues and their services are sold to users on the basis of user fees which have many of the characteristics of prices.[2]

Highways are an example of government provision of facilities based ultimately on market principles. This could be considered a special category of pricing, with perhaps rather different effects on resource allocation than either the general commercial case or the pure case of public goods. Highways are not examples of noncommercial government investments provided free to all, nor are they often illustrative of competitive market pricing. Monopoly provision of highway facilities by government is the general case, precluding competitive market conditions. Yet users are required to make specific payments for their consumption of highway services.

Highways are provided to users upon payment of fees based both on readiness to serve (registration fees and general property taxes) and the amount of travel undertaken (measured by motor fuel taxes, excise taxes, and ton-mile fees.).[3] The above are not general tax sources because they directly affect only highway users or, in the case of property tax financing, apply only to a limited number of local streets and local residents. General fund financing of highways is not an acceptable general procedure because highway users are in competition with other transport agencies, some of which use private ways. If discriminatory subsidies were applied to highway construction or maintenance costs from general tax sources, powerful restraints would be placed on the ability of air, rail, and water agencies to compete for the total traffic. If transfers from noncommercial highway users were made to compensate for costs occasioned by commercial users, as may be the case today for the larger and heavier diesel-powered motor vehicles, much the same uneconomic constraints would result.

While highway user fees are payments for specific services rendered, these fees are only loosely tied in practice to the unit costs of providing highway services. In some instances, it is true, toll roads are in use and do adhere to market pricing. However, toll roads have unfortunately not been widely accepted in the U.S., in part due to the technical difficulties of fare collection and in part due to the wide provision of public highways not entirely based on market principles of financing.

Moreover, user fees, together with expenditures for motor fuel, are only loosely tied in the consumer's mind to his travel on the highway. A specific journey often requires no specific and immediate payment by the motorist for fuel plus the use of the way. Thus, the indirect connection of expenditure and consumption inhibits the motorist's perception of his use of resources. Incompleteness of the perceptual field may well result in an inefficient utilization of resources.

Thus, the prices (user fees) paid for most highway services do not perfectly reflect the resource costs of highway provision. Highway revenues are not a perfect guide to desirable highway investments. Therefore, how do legislative and governmental groups decide upon which highways to build and the amount of public investment funds which should be allotted to any particular highway?

Despite the lack of perfect congruence between user fees and highway costs, highway departments and legislative bodies can and do reasonably depend primarily on user fee revenues to direct the gross magnitude of the highway investment decison.[4] However, when prompted to look beyond the market for highway services, public authorities have increasingly utilized benefit-cost ratings in ranking alternative highway investment projects. Although less perfect than the purely market allocation, a more economic decision can be obtained when public authorities attempt to estimate the magnitude of social benefits and costs in making specific highway investments than when political pressures alone are allowed to resolve an extra-market decision. Moreover, the costs of special features in highways occasioned by the larger and heavier vehicles are specifically considered in designing user fee schedules.

Benefit-cost analysis as a guide to optimal resource allocation

Benefit-cost analysis, one of the analytical tools of economics, can usefully be applied to evaluating the proposed regulatory changes in motor vehicle sizes and weights.[5] The general role for benefit-cost analysis in connection with public goods, particularly in making investment decisions, has been recognized by Robert Dorfman in the following manner: ". . . the government tends to intervene in precisely those markets in which prices are either lacking or are seriously divergent from social values. It is inherent in government enterprises, therefore, that market prices cannot be used in appraising their social contributions. Still, some economic basis is needed for judging which potential government undertakings are worthwhile and which are not. Benefit-cost analysis provides this basis.

Benefit-cost analysis is closely analogous to the methods of investment project appraisal used by businessmen. The only difference is that estimates of social value are used in place of estimates of sales value when appropriate."[6]

Transportation is one of the many economic activities in any economic system. As such, transportation investments, including highways, are subject to the economic laws governing the allocation of relatively scarce resources among alternative uses. An efficient allocation of resources would exist within highway transportation, between highway transportation and other sectors of the transportation industry, and between transportation and the remainder of the economy, under the following conditions. First, the ratio of social benefits to social costs per output unit must be the same for each transport sector. This means that, for the same expenditure of resources, the marginal benefits accruing to society from automobile operation must equal the marginal benefits which accrue from truck operation, and those resulting from air, pipeline, rail, and water operation. Second, the marginal benefit-cost ratio must be the same for each industry in the economy. In equilibrium, were the above conditions to hold, the marginal social benefit derived from each good or service produced in the economy would just equal the marginal social cost and productive resources would be optimally allocated.

Given these broadly defined equilibrium conditions, an exogeneous change, such as a technical break-through in one transport mode, might result in a stream of benefits exceeding costs. The marginal social benefits from resources invested in that mode would exceed the overall rate of return, and resources would gravitate toward the profitable area.

Problems in Ascertaining Benefits and Costs

One of the major economic issues facing those who regulate motor vehicle sizes and weights for highway use is the practical determination of the economic and social benefits and costs for any given revision of size and weight maxima. For example, what would the increased costs be for allowing an increase in the permitted vehicle width limits for use on the Interstate System (from, say, 96 to 102 inches)? Would the specific benefits in highway carrier cost reductions and in improvements in truck and bus services be of sufficient magnitudes of equal or exceed the added costs for the greater widths, including the social costs to the majority of highway users, the automobile travelers? An even more important issue is whether permitting larger vehicle combinations and heavier axle and gross weights would bring specific bus and truck carrier cost reductions greater than the increased highway construction and maintenance costs for stronger surfaces and subbases, wider lanes and highway widths, and stronger bridges.

In addition to directly relevant issues of the type just cited, other broader economic issues are inherent in any thorough consideration of the economic case for or against increasing the existing size and weight restrictions. Would the marginal benefits from an increase in the width regulations be greater than those produced from the same resource expenditures for making it possible to allow an incremental change in maximum vehicle lengths (from 35 to 40 feet, for single-unit vehicles, as an example)? For any one of the proposed increases in size and weight restrictions, would the marignal benefits in relation to the marginal costs of added highway expenditures be greater than the benefits resulting from railway freight car modernization programs? How would the marginal social benefits in relation to marginal social costs of any of the above cases compare with those to be achieved through increased Federal aid to education?

Clearly, decisions to change size and weight limits governing highway use are most complicated and difficult for society to make. Nevertheless, to obtain an efficient transportation system and an economical resource allocation, the state and Federal regulatory standards for motor vehicle size and weight maxima must ideally be adjusted only after close consideration of all the relevant benefit-cost ratios and especially only when the carrier industries directly benefiting from use of larger and heavier vehicles would be willing and able to pay, from the benefits received, all the special highway costs occasioned by higher sizes and weights.

Costs, Benefits, and Externalities

The use of benefit-cost analysis to guide highway regulatory decisions does not provide the analyst with a well-defined set of proven techniques. Rather, benefit-cost analysis is a general approach relying upon careful identification and weighing of the significant factors associated with given alternative solutions to a problem, such as are involved in proposals to lift the size and weight limitations on highway use by large and heavy motor vehicles.

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[2] James C. Nelson, "Pricing of Highway, Road and Street Services" (unpublished manuscript, Pullman, Wash., 1955), p. 5. (Mimeographed.)

[3] *Ibid.*, pp. 6–11.

[4] *Ibid.*, pp. 11–12.

[5] A. R. Prest and R. Turvey, "Cost-Benefit Analysis: A Survey," in *Resource Allocation*, Surveys of Economic Theory, Vol. III (London: Macmillan and Company Limited, 1966; Toronto: The Macmillan Company of Canada Limited, 1966; New York: St Martin's Press Inc, 1966), p. 158.

[6] Robert Dorfman, "Introduction," in *Measuring Benefits of Governments Investments*, ed. by Robert Dorfman (Washington, D.C.: The Brookings Institution, 1965), pp. 6–7.

As commonly applied to highway project investments such as would be necessitated by higher size and weight limitations, benefit-cost analysis investigates the behavior of such factors as the operating cost reductions per ton-mile that the highway carriers can achieve in their private costs and the offsetting, but important, increased highway costs per gross ton-mile of highway service output necessitated in order to accommodate longer, wider, and heavier buses, trucks, and truck-tractor combinations on U.S. highways, roads, and streets.[7]

An analysis of the effects of more liberal size and weight restrictions on carrier operating costs will be made in Chapter V. In that chapter, the economies of scale in size of motor vehicle equipment will be evaluated. In Chapter VII, these private cost savings will be compared with the added costs of highway construction, maintenance, and administration which are investigated in Chapter VI, so as to ascertain whether a program of elevating the state and Federal size and weight restrictions will bring net economic and social benefits sufficient to justify the proposed legislative action on this question.

A chief virtue of benefit-cost analysis is the technique's potential for taking into account all relevant benefits and costs.[8] In practice, an attempt is made to sum all benefits and all costs which can be ascertained in monetary terms. Most practitioners agree that benefit-cost analysis should also be used for the evaluation of externalities and incommensurables, whenever this is practicable and helpful in judging investment projects.[9] However, complete evaluation of all the benefits and costs to society of any particular project or decision presents very hard, if not impossible, problems of measurement.[10] An analysis of the U.S. Department of Commerce has noted the limitations of the method as follows:

"Perhaps the greatest deficiency of past benefit-cost analysis is the inadequate identification and treatment of quantitative factors which are fundamental but which are not usually expressed in dollar terms. These include social costs, such as smog, deterioration of the city and countryside, and improper use of land. They also include social benefits."[11]

Indeed, as analysis of the question of the economic desirability of raising size and weight restrictions ideally involves a complete evaluation of the social benefits and costs, the deficiencies of measurement of the social costs occasioned by having longer, wider, and heavier buses and trucks, or even truck-trains, on the highways, will be a major problem in evaluating a set of policy proposals. Although measurement of such social costs as highway user inconvenience, highway accidents, slower travel time for automobiles, and greater noise and smog will be difficult, it will be attempted in Chapter VI. At least, the types of social costs as well as the external or indirect benefits of changes in size and weight restrictions will be recognized and evaluated as thoroughly as possible with the available data.[12]

Pricing highway services

A given set of regulatory changes in highway size and weight restrictions may be deemed to lie in the public interest because it is found that the direct and indirect benefits resulting from those changes exceed the private and social costs, and the social benefit-cost ratio equals or exceeds the ratios for other possible public investment projects throughout the economy. Nevertheless, it is still essential to assess the direct beneficiaries of that change for any incremental highway or other public costs occasioned, including the social costs. Proper pricing to meet the costs occasioned is important for the maintenance of competition between the modes, for achieving an efficient division of traffic among the modes, and in order to achieve reasonable equity among highway users.

What is required in a proper pricing policy dealing with incremental size and weight changes is that the prices for highway services charged to the specific classes of buses and trucks requiring the revised regulatory standards at least cover the added costs of the additional highway investment and maintenance that will be occasioned to accommodate larger or heavier vehicles on the highways. This raises several questions: Do the large and heavy vehicles presently pay adequately for the highway costs which they occasion differentially? Will the operators of still larger buses and trucks be able and willing to pay higher user fees and tolls?

While this study cannot undertake a complete analysis of the adequacy of existing user fees for buses and trucks of the larger dimensions, it will go into the incremental aspects of these highly relevant questions to the extent that available information permits.

Technical issues included in the analysis

The remainder of this chapter briefly presents the several major technical issues respecting maximum motor vehicle size and weight limits revision which are to be evaluated by means of benefit-cost analysis. For any proposed change in limits, the benefits attained by users and the costs occasioned are a function of the manner in which these engineering and economic issues are resolved.

Benefits to the economy

Proponents of increased size and weight limits for trucks and truck-tractor combinations cite the importance of revised regulatory standards "to the economy."[13] In more precise terms, this argument suggests that lower motor vehicle transport costs can and will promote regional or economy-wide development, in the form of lower product prices and expanded markets for the goods which are transported by the vehicles of increased size and weight.

The "benefits" issue can be an important consideration but, like other issues, should be closely analyzed in economic terms. Industry spokesmen, in advocating the benefits of lower highway transport costs to the economy, are basing these beneficial effects on the private economies of scale in equipment size and weight alone. This study will, of course, investigate the available evidence on the extent of those economies to the motor carriers in Chapter V, and, perhaps through these private cost savings, to the industries and regions which use motor vehicle transportation. However, the truly important economic consideration is whether, after countering added highway construction costs, there are net economies of scale in the size of bus and truck equipment. If there are, then an economic development case can perhaps be made for relaxed standards of size and weight maxima. Yet, the case exists only if the alternative transport modes are unable to offer the demanded transport services at the same rates and costs, or at lower rates and costs, while covering all of the resource costs required for provision of these alternative services. Net social benefits to the economy resulting from size and weight revision decline in direct proportion to the extent that trucking's projected market share in the transport of any given commodity constitutes a small portion of the total traffic, relative to the shares of other agencies.

Equipment Design

The performance characteristics of large and heavy motor vehicles, which would exceed currently applicable size and weight maxima, must be evaluated in relation to the performance of vehicles presently authorized to use the public roads. If the larger and heavier vehicles do not perform as well as currently satisfactory equipment, their use would impose social costs on other highway users, and might even increase the private costs of automobile operation. It is indeed possible that vehicles of the larger and heavier classes, which are already allowed to use the Federal-Aid Highway System, currently exhibit performance characteristics which result in objectionable public and social costs. The heaviest current vehicles may not now adequately pay for the costs of extra pavement thickness, greater bridge strength, and special truck-climbing lanes which they occasion. Long doubles combinations may not adequately compensate the public for the safety hazards their operation presents, including limited sight distances and increased passing time. This thesis cannot fully evaluate the current public and social cost responsibility of longer, higher, wider, and heavier trucks. Besides, extensive investigation of these issues has already been made by the U.S. Bureau of Public Roads.[14] Rather, at issue is the identification and quantification of those incremental costs solely and especially related to the operation of yet larger and heavier motor vehicles, such as would be allowed on the Interstate Highway System by passage of S. 2658.

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[7] For a general example, see Mohring, pp. 231–75.

[8] Prest and Turvey, p. 155.

[9] See E. J. Devine, "The Treatment of Incommensurables in Cost-Benefit Analysis," *Land Economics*, XLII, No. 3 (August, 1966), 383–87. Also Prest and Turvey, pp. 160–62, 168–69. However, some would disagree. According to O'Donoghue, ". . . a motorist may suffer 'monetary' costs such as increased fuel consumption when extra vehicles come on the roads; he may also suffer 'non-monetary' costs such as irritation or nervousness, which lower his consumer's surplus from motoring. I would suggest that we include the former, but exclude the latter effect, from the main measurements." Martin O'Donoghue, "Comments on Dr. Maurice Peston's Report on 'The Theory of Spillovers and Its Connection with Education," *Public Finance*, XXI, No. 1–2 (1966), 205.

[10] However, for a discussion of measuring intangibles within a benefit-cost framework, see Russell L. Ackoff, "Towards Quantitative Evaluation of Urban Services," in *Public Expenditure Decisions in the Urban Community, Papers Presented at a Conference, May 14–15, 1962, under the Sponsorship of the Committee on Urban Economics of Resources for the Future, Inc.*, ed. by Howard G. Schaller (Baltimore, Md.: The Johns Hopkins Press for Resources for the Future, Inc., 1963), pp. 91–117.

[11] U.S., Department of Commerce, National Bureau of Standards, *Notes on the State-of-the-Art of Benefit-Cost Analysis as Related to Transportation Systems*, by Joseph D. Crumlish, NBS Technical Note 294 (Washington, D.C.: Government Printing Office, November, 1966), p. 5.

[12] In general, technological change, such as comes about through the development of larger and heavier motor vehicles, may increase the magnitude and significance of external effects. Such change produces unintended by-products, more complex technical issues, and may require increased public investment. See William J. Baumol, "Urban Services: Interactions of Public and Private Decisions," in *Public Expenditure Decisions in the Urban Community, Papers Presented at a Conference, May 14–15, 1962, under the Sponsorship of the Committee on Urban Economics of Resources for the Future, Inc.*, ed. by Howard G. Schaller (Baltimore, Md.: The Johns Hopkins Press for Resources for the Future, Inc., 1963), pp. 1–18.

[13] William S. Odlin, Jr., "Congress Urged to Update Sizes, Weights," *Transport Topics*, February 26, 1968, pp. 1, 20, 26, 27.

A number of cost-occasioning items must be scrutinized. Longer vehicles may present a safety hazard on present roads due to offtracking, which presents an inability to maneuver in the same amount of space which is tolerable for today's traffic. Heavier trucks may lack the ability to accelerate as rapidly as present vehicles (especially at intersections and on long grades) and may have poorer braking capabilities than are desirable for safety. Longer combinations, such as four or more unit trucktrains, may have especially poor braking characteristics unless braking systems are modified from those at present commonly used by large vehicles. Some motor vehicle industry sources (as will be further explained in Chapter IV) claim that wider vehicles may attain improved braking abilities compared with present equipment, but, even if so, wider vehicles may encounter offsetting clearance problems on the existing highway lanes. High vehicles, even when not meeting difficulties with clearance, may lack the stability on curves and in winds that vehicles of current allowable heights attain. All these matters of technical motor vehicle equipment design characteristics are issues for evaluation in a benefit-cost framework. They require special knowledge and investigation for their resolution, extending into engineering, operating, and other technical factors in motor transport and highway construction.

Highway Design

Heavier equipment, if allowed, will wear out the highway pavements and structures at a more rapid rate than present truck and bus equipment. To avoid these wear and breakdown effects, highways have to be built far stronger to withstand frequent repetitions of heavy axle loads, and bridges may have to be strengthened, or built stronger, to stand heavier gross weights without failure or need for premature replacement. These effects of increased vehicle weight raise the costs of highway construction and maintenance.

Larger equipment may not be able to use the current highway plant in a manner safe for other highway users, or without destroying or impairing the convenience and economy of highways for other users. The highway design issues which arise in connection with proposals to relax the size and weight regulatory standards take the form of questions with respect to quantitative estimates of the costs of highway improvements, such as passing lanes, specially designed freeway on-off ramps, and vehicle staging areas at freeway exists, required to meet the needs of larger vehicles.

Effects on Driver Behavior

Another issue that arises in the analysis of proposals to change the size and weight standards for highways involves the actions and attitudes of automobile drivers toward large and heavy trucks. These are important matters for the development of public policy because the automobile users comprise the largest single highway user class. In addition, driver attitudes are important to public safety on the highways for members of all vehicle classes.

All measurable costs associated with driver behavior must be taken into account. Assume, for example, there are costs associated with the typical driver's desire to maintain constant clearance between vehicles which pass each other in opposite lanes on two-lane roads. If a commercial vehicle of greater width than currently authorized passes by an automobile, the automobile driver's desire for clearance may force him to the road shoulder unless lanes are widened at the time greater vehicle widths are authorized. Then too, passing a longer and wider truck-tractor combination going in the same direction may force automobile drivers to veer toward the shoulder opposite the combination and, in addition, tempt them to take greater risks, without adequate sight-distance, of meeting oncoming vehicles in the opposite lane head-on. Other measurable costs would be increased fuel expenditures (for acceleration requirements) and the greater accident exposure time required to overtake and pass longer or slower (heavier) vehicles.

Furthermore, driver attitudes toward sharing the Highways with larger vehicles should be evaluated. The circumstances that produce negative driver attitudes toward large vehicles occasion costs just as do the circumstances that require thicker and wider highway pavements of stronger bridges. The fact that measurements of driver attitudes have not frequently entered into traditional investment decisions (except indirectly through the political process) is no reason to treat measured changes in attitudes as costless. Thus, an attempt will be made in this thesis to evaluate the significance of driver attitudes with respect to increased vehicle dimensions as a factor in relaxation of size and weight restrictions.

A Concluding Note on Equipment, Highway, and Driver Behavior Costs

The costs imposed by large and heavy vehicles upon automobile users of the highways appear to be of two sorts. The act of permitting vehicles of dimensions which require increased highway investment, in order that future highway service standards may be maintained at today's levels, may impose added user fee costs on automobile operators. Costs to automobile operators could increase unless all required investment costs are borne, as they should be, by the larger vehicles.

The second category of costs, and the more important one, involves costs which come about because the act of allowing the larger and heavier vehicles on the road changes the very nature of highway services available to the automobile user. To the extent that the heavier or larger vehicles cause congestion, auto travel time costs inevitably rise. To the extent that bigger vehicles brake poorly or are unstable, automobile accident involvement costs increase. To the extent that meeting large vehicles on the roadway decreases consumer enjoyment of auto pleasure trips, or increases the difficulty of driving an automobile, costs are occasioned to the highway users of the smaller vehicles which are difficult to measure, but very real.

Summary

Benefit-cost analysis can be considered a meaningful market-oriented method of evaluating change in the motor vehicle size and weight allowances for public highways. Benefit-cost analysis can guide regulatory decisions towards discovering the most efficient method of public resource allocation in transportation.

To utilize the benefit-cost technique, technical questions must be examined concerning highway and equipment design, driver behavior, and the effects of reduced trucking costs, in order to discern the costs occasioned and the expenditures saved by means of a policy of increasing the size and weight maxim a governing highway use. But those technical factors can meaningfully be considered only when proposals to increase size and weight limitations are viewed in terms of total benefits and costs, including the factor of social costs which is often neglected in matters of this type.

This chapter has stressed throughout that evaluation of the proposed changes in size and weight standards must give consideration to all economic costs, including social costs. If the means can be found, even the costs of a change in driver attitudes on the highways must be counted. In any event, an economic case for relaxed size and weight standards cannot be made simply on the basis of the cost savings to the benefited truck and bus operators from utilizing larger and heavier vehicles on the public highways. Important as they are, those direct benefits to commercial operators, and possibly through the operators to the users of their services, far from include all relevant benefits and costs.

TRY GIVING SOMEONE ELSE THE PRAISE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. DERWINSKI. Mr. Speaker, the Harvey Reporter is an imaginative new publication being developed primarily to serve residents in Dixmoor, Harvey, Phoenix, and Robbins communities in southern Cook County, Ill. This publication has emphasized that its editorial principles will be based on dedication to our country, respect for freedom of religion and freedom of speech, support for the law of the land, and effective service to its reading public.

Its July edition carried an extremely moving and penetrating editorial truly reflecting the principles to which its policies are dedicated.

Under unanimous consent I submit the editorial for inclusion in the CONGRESSIONAL RECORD, as follows:

GIVING THE PRAISE

With the hustle and bustle of today's society, we as individuals seldom stop to give anyone the praise.

With so much destruction, racial problems, family problems and financial worry we have forgotten the good.

In spite of world conditions and individual dilemmas there is still some good.

If each of us would stop during our busy activities and look about us we could acknowledge the good.

If parents would begin at home to give a child a little praise when a job has been well done, perhaps the child would be inspired to continue to do better.

In our family circle we should endeavor to discuss topics of good.

On jobs an employer should recognize an employee when he has excelled on his job. Credit for a job well done and a pay raise will create harmony for both the employer and employee. An occasional word of praise can do much to lift ones morale.

A kind word spoken in recognition, a pat on the back, a hearty shake of the hand and a warm smile are unique methods for giving praise.

Lets stop taking people for granted. Many a good deed is done out of sheer concern and willingness. So why not give the praise?

As you know, many ideas are negotiated for the benefit of organizations as a means to an end.

People working towards a good cause should be given the praise.

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[14] See the Highway Cost Allocation Study literature, produced by the Bureau of Public Roads pursuant to section 210 of the Highway Revenue Act of 1956, H. Doc. 54 and U.S., Congress, House, *Supplementary Report of the Highway Cost Allocation Study*, H. Doc. 124, 89th Cong., 1st sess., 1965. Hereinafter referred to as H. Doc. 124.

There are still plenty of worthwhile things to do and people to do them. It doesn't take much to be nice and give praise to the other helping hand. We can all function more properly, with others if we realize that we must all lend expression of approval for that which is well done.

Whether it's a wife preparing a delicious meal, a small child attempting a new task, an individual serving office in an organization, a husband's defeat of a new idea, or any individual experience.

Remember that the effort, desire and concern is worth something.

Try giving someone else the praise.

NATIONAL GALLERY OF ART CALENDAR OF EVENTS

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. FULTON of Pennsylvania. Mr. Speaker, under unanimous consent, I submit the National Gallery of Art Calendar of Events for inclusion in the CONGRESSIONAL RECORD, as follows:

CALENDAR OF EVENTS

MONDAY, JULY 29, THROUGH SUNDAY, AUGUST 4

* Painting of the week: Pieter Bruegel the Elder. *The Temptation of Saint Anthony* (Samuel H. Kress Collection), Gallery 41A, Tues. through Sat. 12:00 & 2:00; Sun. 1:00 & 3:30.

Tour: *Introduction to the Collection.* Rotunda, Mon. through Sat. 11:00, 1:00 & 3:30, Sun. 12:00 & 2:30.

Sunday film lecture: *Winslow Homer and the American Scene, Speaker:* Sally Luczak, Staff Lecturer, National Gallery of Art, Lecture Hall 4:00.

Sunday film: *The National Gallery of Art,* 1:00.

Weekday films: *The National Gallery of Art,* 2:00; *The American Vision,* 4:00.

MONDAY, AUGUST 5, THROUGH SUNDAY, AUGUST 11

*Painting of the week: Turner, *The Junction of the Thames and the Medway* (Widener Collection) Gallery 57, Tues. through Sat. 12:00 & 2:00; Sun. 1:00 & 3:30.

Tour: *Introduction to the Collection.* Rotunda, Mon. through Sat. 11:00, 1:00 & 3:00, Sun. 12:00 & 2:30.

Sunday film lecture: *American Art and Social Commentary, Speaker:* Carleen Keating, Staff Lecturer, National Gallery of Art; Lecture Hall 4:00.

Sunday film: *The National Gallery of Art,* 1:00.

Weekday films: *The National Gallery of Art,* 2:00; *The American Vision,* 4:00.

MONDAY, AUGUST 12, THROUGH SUNDAY, AUGUST 18

*Painting of the week: Jan van Eyck. *The Annunciation* (Andrew Mellon Collection) Gallery 39, Tues. through Sat. 12:00 & 2:00; Sun. 1:00 & 3:30.

Tour: *Introduction to the Collection.* Rotunda, Mon. through Sat. 11:00, 1:00 & 3:00, Sun. 12:00 & 2:30.

Sunday film lecture: *Florentine Renaissance Sculpture, Speaker:* Aileen Laing, Summer Staff Lecturer, National Gallery of Art; Lecture Hall 4:00.

Sunday film: *The National Gallery of Art,* 1:00.

Weekday films: *The National Gallery of Art,* 2:00; *The American Vision,* 4:00.

MONDAY, AUGUST 19, THROUGH SUNDAY, AUGUST 25

* Painting of the week: Jan Davidsz. de Heem. *Vase of Flowers* (Andrew Mellon Fund) Gallery 44, Tues. through Sat. 12:00 & 2:00; Sun. 1:00 & 3:30.

Tour: *Introduction to the Collection.* Rotunda, Mon. through Sat. 11:00, 1:00 & 3:00, Sun. 12:00 & 2:30.

Sunday film lecture: *Art in New York, 1910–1930, Speaker:* Raymond B. Stites, Assistant to the Director, for Educational Services, National Gallery of Art; Lecture Hall 4:00.

Sunday film: *The National Gallery of Art,* 1:00.

Weekday films: *The National Gallery of Art,* 2:00; *The American Vision,* 4:00.

RECENT ACQUISITION

Pumpkins, by the American artist Walt Kuhn (1877–1949), will go on exhibit this month in Lobby D. The painting is a recent gift of the Avalon Foundation.

Painted in 1941, during the last decade of his life, *Pumpkins* shows Kuhn's ability to find order in confusion. The restrained monumentality achieved in this still life of haphazardly arranged vegetables is the result of the artist's constant self-criticism and painstaking struggles with composition. As Kuhn said, "Painting is not that easy. It's not copying." This same searching for form is revealed in his portraits of clowns and entertainers, such as his *White Clown* of 1929. Our painting is unusual for its subject, its rich and vibrant colors, and large size (40 x 50 in.).

Kuhn's importance is based not only on his work as a painter but on his role as a promoter of modern art in America. As a key organizer of the 1913 Armory Show, he introduced European avant-garde art to the American public, thereby altering the development of painting in this country.

SUNDAY FILM LECTURES

Auditorium programs combining films and lectures will be presented on a variety of subjects each Sunday at 4 p.m. this month. The lectures are given by members of the Gallery's educational staff.

DAILY FILMS

Two recent films dealing with art in the collections of the National Gallery are shown in the auditorium on a daily schedule.

PUBLICATIONS

Additions to the current list of books available for purchase through the Publications Fund are *French Painting in the Time of Jean de Berry* by Millard Meiss ($30.00 postpaid) and two new editions of *Signs and Symbols in Christian Art* by George Ferguson (paperback, $3.45 postpaid; clothbound, $7.50 postpaid).

NEW SLIDES

2'' x 2'' Color Slides: Cassatt, *Mother and Child;* Chase, *A Friendly Call;* David, *Madame Hamelin;* Degas, *Ballet Scene;* Delacroix, *Algerian Child;* Sir Anthony van Dyck, *Clelia Cattaneo, Daughter of Marchesa Elena Grimaldi* and *Philip, Lord Wharton;* Fetti, *The Veil of Veronica;* Gainsborough, *Master John Heathcote;* Guardi, *A Seaport and Classic Ruins in Italy;* Fragonard, *A Game of Horse and Rider;* Pieter de Hooch, *The Bedroom;* Fra Filippo Lippi, *The Annunciation;* Longhi, *Blindman's Buff;* Magnasco, *The Baptism of Christ;* Sargent, *Street In Venice* and *Mrs. Adrian Iselin;* Sithium, *The Assumption of the Virgin;* Sully, *Andrew Jackson;* Trumbull, *Alexander Hamilton* and *Patrick Tracy;* Twachtman, *Winter Harmony;* Vigée-Lebrun, *Portrait of a Lady* and *The Marquise de Pezé and the Marquise de Rouget with Her Two Children;* Volk, *Abraham Lincoln.* 35¢ each postpaid.

RECORDED TOURS

The Director's Tour. A 45-minute tour of 20 National Gallery masterpieces selected and described by John Walker, Director. The portable tape units rent for 25¢ for one person, 35¢ for two. Available in English, French, Spanish, and German.

Tour of Selected Galleries. A discussion of works of art in 28 galleries. Talks in each room, which may be taken in any order, last approximately 15 minutes. The small radio receiving sets rent for 25¢.

GALLERY HOURS

Weekdays and Sundays, 10:00 a.m. to 5:00 p.m.

Admission is free to the Gallery and to all programs scheduled.

CAFETERIA HOURS

Weekdays, Luncheon 11:00 a.m. to 2 p.m.; Snack Service 2:00 p.m. to 4:00 p.m.; Sundays, Dinner 11:30 a.m. to 4:00 p.m.

Inquiries concerning the Gallery's educational services should be addressed to the Educational Office or telephoned to 737–4215, ext. 272.

FOOTNOTE

* *11'' x 14'' reproductions with texts for sale this week—15¢ each. (If mailed, 25¢ each.)*

STUDENTS FOR A DEMOCRATIC (?) SOCIETY

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. WYMAN. Mr. Speaker, some indication of the real objectives of the organization calling itself Students for a Democratic Society can be gleaned from a letter sent to Mrs. Alma M. Kittredge of Meriden, Conn., on July 9 by its national secretary, Michael Klonsky. If the objective of revolution by violence is not implicit in Klonsky's signed statement I misread it.

It would be interesting to know what schools and what teachers participated in the development of this young, sick person. Of perhaps greater concern is whether revolution by violence if necessary is an objective of this organization. In any event Michael Klonsky's words are fair warning to all Americans that something is seriously wrong with at least this segment of our younger citizens.

The Klonsky letter follows:

STUDENTS FOR A DEMOCRATIC SOCIETY,
Chicago, Ill., July 9.

MRS. ALMA M. KITTREDGE,
Meriden, Conn.

MRS. KITTREDGE: Regarding your letter of March 18, let me say that I try very hard to find time to answer all the crank mail and calls I receive but sometimes the task of trying to build a revolution in this giant America puts me behind in my correspondence. Please forgive me (or have God do it if you can't).

You ask why I don't act like a man and join the Viet Cong? That is a very good question and I will try to run down the difference between revolutionaries like myself and liberal do-gooders in order to explain why I didn't join the Viet Cong. My analysis of the world situation tells me that the NLF and the oppressed peoples in the U.S. are fighting the same enemy, American imperialism. It is the very same invasion army that is napalming villages in Viet Nam and occupying the ghettoes of Harlem, Watts, Detroit and Chicago. If you can break through your internalized racism for a moment and try and consider the dynamic of all that, perhaps you will have some understanding of why I say, "my fight is here, not in Viet Nam." This is also the reason I won't move to Russia, Cuba, China, etc. . .

I got into college because according to the white, bourgeoise values of my all-white, bourgeoise college, I was judged acceptable. I earned my money for tuition by working summers in a bumper factory if that's any of your business (I know how small people in small towns thrive on small bits of personal information and gossip). I don't think that a free enterprise system exists unless you would call America's history of slavery, exploitation and war on poor people "free enterprise."

I have no prejudice against older people. Some of my best friends are old people. Remember Ho, Mao, Fidel, etc. . . .

One more thing. I am afraid of many things. I am afraid of the armed might of this government of ours. I am afraid that the mass media, which seeps into the minds of millions of people every day and makes them impotent (remember your comment about my manhood) and afraid that they must consume in order to prove their masculinity or feminity will make this a nation of robots.

One thing I am not afraid of however, is fluoride and fascists in case you are thinking ahead to *our coming confrontation, the day when the oppressed and oppressors fight for power* (an historical occurrence). When that day comes, we will see, just who are the successes and who are the failures; who are the weak and who are the strong; who are the free and who are the slaves.

May history forgive you,

MICHAEL KLONSKY,
National Secretary (SDS).

MEDICARE FILLS A NEED

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. ROSENTHAL. Mr. Speaker, we mark this month the second anniversary of medicare. Some day in the future we will no longer pay attention to this anniversary since medicare will be so fixed a part of American life that we need not remind each other that it has not always been with us.

We should honor this month not only the architects of medicare—President Harry Truman, who saw the need for protecting the aged with health insurance, and Secretary Wilbur Cohen, of HEW, who worked so well and so long to make it a reality—but also the 20 million Americans who are enrolled today in medicare. These citizens, upright in their dignity and self-assurance, are medicare's best testimonial.

Medicare has paid over 60 million medical bills in 2 years. Its paid benefits total nearly $8.5 billion in 24 months. But medicare's worth cannot be measured in dollars or its operation totalled in statistics alone. It has shown those who needed proof that this country cares for those who need help, that it can devise a medical care system, fair to all, and open to all, and that progressive legislation can be achieved despite the bitter, narrow, and ill-conceived opposition which fought medicare and still opposes it today.

I include below the 2-year totals of medicare's operating statistics which tell the need for this health insurance with an eloquence sufficient to persuade the most adamant unbelievers:

Medicare statistical highlights,[1] July 1, 1966–June 30, 1968

Enrollment July 1, 1968:	
Hospital insurance (part A)	19, 700, 000
Supplementary medical insurance (part B)	18, 600, 000
Hospital and extended care facility admissions and plans for home health services (July 1966–June 1968):	
Inpatient hospital admissions	10, 600, 000
Extended care facilities admissions	640, 000
Start of home health services	485, 000
Medicare bills paid (July 1966–June 1968):	
Inpatient hospital	10, 600, 000
Outpatient hospital	4, 200, 000
Home health services	1, 400, 000
Extended care facilities	1, 300, 000
Physicians', independent laboratories and other medical services	45, 000, 000
Benefits paid (July 1966–June 1968):	
Hospital insurance (part A)	$6, 300, 000, 000
Supplementary medical insurance (part B)	$2, 100, 000, 000
Participating providers of services (as of June 30, 1968):	
Hospitals (1,160,000 beds)	6, 900
Home health agencies	2, 100
Extended care facilities (325,000 beds)	4, 700
Independent laboratories	2, 550
Intermediaries and carriers:	
Hospital insurance:	
Blue Cross Association (involving 74 plans)	1
Commercials	5
Independent	4
State agency	1
Other	1
Medical insurance:	
Blue Shield	33
Commercials	15
Independent	1
State welfare department	1
Group practice prepayment plans:	
Direct dealing	23
Carrier dealing	42

THE INCOME MAINTENANCE ACT

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. RYAN. Mr. Speaker, as the sponsor of H.R. 17331, the Income Maintenance Act, I have been encouraged by the contuned growth of support for guaranteed income.

In recent weeks, the press has carried stories of new groups and organizations which have joined the long list of those who advocate guaranteed income. The Conference of Mayors at its annual conference June 15 in Chicago adopted a resolution calling for public sector employment programs and a national system of income supplements for those who cannot work.

A few days ago a group of 26 New York business and civic leaders, headed by Undersecretary of Commerce Howard Samuels—presently the acting Administrator of the Small Business Administration—called for a national system of income maintenance.

I include for the RECORD the resolution adopted by the Conference of Mayors, and an article from the New York Times of July 21 concerning the New York group:

[Resolution adopted by the 1968 Annual Conference of Mayors, Chicago, Ill., June 15, 1968]

PUBLIC SERVICE EMPLOYMENT

Whereas, the U.S. Conference of Mayors has repeatedly supported federally-funded manpower development and training programs which attack unemployment within our cities; and

Whereas, there is need to continue strengthening these programs both through better systems of coordination at the local level and through the enlargement of job opportunities for youth and the hard core unemployed; and

Whereas, the continuing high levels of youth and hard core unemployment in our cities require an emergency program of national action; and

Whereas, the cities cannot raise the funds needed to meet long delayed health, welfare, education and social services to deprived areas; and

Whereas, our present system of public welfare fails to provide assistance at a level of health and decency and excludes millions of families in great need; and

Whereas, a basic revision in public assistance programs is required to achieve more stable families and promote thrift and work,

Now therefore be it resolved that the U.S. Conference of Mayors calls upon Congress to enact the following programs: (1) A program to provide at least 1 million public service jobs for needed social services. Funds should be included to implement the improved coordination of all manpower programs at the local level. (2) A national system of income supplements for all people unable to work and whose incomes fall below the officially recognized definitions of poverty.

Be it further resolved that the Conference appoint a special committee to work with Congress and the President, the National League of Cities and the Urban Coalition on the elements of such a system and on the best methods of municipal cooperation in carrying out the program.

[From the New York Times, July 21, 1968]

MINIMUM INCOME FOR NATION URGED—PANEL LED BY SAMUELS ASKS FOR WIDER AID TO POOR

Twenty-six New York business and civic leaders, led by Under Secretary of Commerce Howard J. Samuels, have joined in a call for a national "system of income maintenance," or guaranteed minimum income, to combat poverty.

In a policy statement made public last week at the New School for Social Research, they proposed that this income provide for a "national minimum living standard" for people unable to work.

They called also for full Federal financing of special education for disadvantaged children, as well as for "Federal funds to assure a minimum quality of education throughout the nation."

The recommendations stemmed from a series of seminars sponsored by the New School under Mr. Samuels' chairmanship.

Among the 26 were E. Sherman Adams, senior vice president of First National City Banks; Herbert Bienstock, regional director of the Bureau of Labor Statistics, and Paul

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[1] Data for month of June 1968 is estimated.

Busse, executive vice president of the Economic Development Council.

"Only in the last few years has the Federal Government begun to accept part of the responsibility for the human capital development through its education and manpower training funds," Mr. Samuels said. "The Government has not yet accepted the responsibility for job matching and planning leadership that will be required if we maximize our economic development."

ASKS FLEXIBLE TAXES

He said that the feeling of the group was that every possible opportunity for useful employment should be made available before resorting to Federal income maintenance for those unable to work.

In a joint statement, the group said that "the executive branch should have more authority, through flexible tax rates within a range set by Congress, to fulfill the responsibility for maintaining a sound and balanced full-employment economy."

Their recommendations are based on the belief that the "fiscal resources are simply not available to state and local governments from the present tax system."

The group held that the manpower training programs begun in the last few years must be improved and expanded to facilitate greater job entry for the unemployed and occupational upgrading for the underemployed.

The statement asserted that "the United States Employment Service needs to be completely restructured and re-oriented to meet national requirements and that the Federal Government must take leadership and provide resources to assure jobs in the performance of urgently needed public services."

SEEKS FULL PARTICIPATION

Among the "economic offensives" recommended by the group was Federal responsibility for people moving to where the jobs were or for industries locating where the people were.

The policy statement asserted that "the time has come to bring all of our citizens into full participation in the nation's economy and to provide adequately for those who, through no fault of their own, cannot participate."

Mr. Samuels, who said that government on all levels was "bogged down in bureaucracy," declared:

"Government does have a responsibility for providing the opportunity of useful work if other planning and training fails. That concept accepts the principle that each man has the right to work and that an unemployed human being is a loss not only to himself but a loss to society."

Mr. Samuels said that he had told the Senate Banking Committee last Tuesday that, if his appointment as head of the Small Business Administration was approved, he planned to use the Administration as a tool to aid Negro businessmen.

"Bankers are ready to provide more funds for loans for inner-city business," he said. "I don't need extra government funds for this."

HOUSING AMENDMENT

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. REID of New York. Mr. Speaker, I am introducing today an amendment to the United States Housing Act of 1937. My amendment would broaden the eligibility standards for low-rent housing for the elderly by including the qualification provisions under the Social Security Act for widows over 60 who have not remarried.

Historically, conforming amendments to the 1937 Housing Act have been adopted by the Congress to correlate the qualification standards for the elderly with the Social Security Act governing old-age benefits.

Since 1965, under certain circumstances widows have been entitled to survivors benefits at age 60. It would thus seem entirely appropriate to adopt my amendment in order to remedy what now appears to be a technical injustice to these widows. The board of supervisors of my home county, Westchester, N.Y., has brought this matter to my attention and I am submitting for inclusion in the RECORD the resolution adopted by the board which urges the adoption of this amendment:

RESOLUTION ADOPTED BY WESTCHESTER COUNTY BOARD OF SUPERVISORS ON JULY 1, 1968

Whereas, Section 1402 of the United States Housing Act of 1937, as amended, in defining families of low income to whom low-rent housing under such act shall be available, includes the following language, "The term 'elderly families' means families whose heads (or their spouses), or whose sole members, have attained the age at which an individual may elect to receive an old-age benefit under title II of the Social Security Act, or . . ."; and

Whereas, widows who have reached the age of 60 and have not remarried are not covered by the above definition since they do not receive old-age benefits but survivors' benefits; now therefore be it

Resolved, that the Board of Supervisors of the County of Westchester, New York, on behalf of the people of the county, go on record as favoring an amendment which would include such widows; and be it further

Resolved, that the Congress of the United States be and it is hereby respectfully memorialized to enact an amendment to the United States Housing Act of 1937 so that it shall apply to those individuals who are entitled to apply for widows' benefits at age 60; and be it further

Resolved, that copies of these resolutions be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, to the members of the Senate of the United States representing the State of New York, and to the members of the House of Representatives of the United States representing the County of Westchester, New York, and that the latter be urged to devote themselves to the task of accomplishing the purpose of these resolutions.

HAMPSHIRE COLLEGE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. CONTE. Mr. Speaker, one of my most satisfying projects in recent years has been to assist the founders of Hampshire College with the establishment of their imaginative and forward-looking institution. This coeducational, liberal arts college is scheduled to take in its first class of students in September 1970 thanks in part to the interest of the Department of Housing and Urban Development and its timely response to Hampshire's needs. I found it extremely rewarding to help President Franklin Patterson and his associates fulfill their plans to add another excellent college to the number of fine educational institutions already located in western Massachusetts. Hampshire College is designed to become a pacesetter in meeting the problems of the small liberal arts institution, and it has already attracted international attention. The detailed newspaper article which follows is one of the latest accounts of this exciting venture:

[From the Springfield (Mass.) Republican, July 21, 1968]

HAMPSHIRE COLLEGE, 10 YEARS IN MAKING, WILL OFFER FRESH LEARNING APPROACH

(By Laurence B. Deburro)

It has taken a decade, but very soon now, the dream of a new college in Western Massachusetts dedicated to independent study will become a reality.

OPENS IN 1969

First envisioned in 1958 as a "major departure in higher education," Hampshire College in South Amherst will open its doors in 1969 with a first-year enrollment of 360 students.

The college is being formed with the academic support of Amherst, Mount Holyoke and Smith colleges and the University of Massachusetts. Each is approximately five miles from Hampshire's 450-acre campus, at present largely undeveloped land checkered with apple orchards, hayfields and framed by the Holyoke mountains.

Hampshire's first buildings, which are to be constructed beginning early next year, will include a library and college center. Additionally, there will be one building combining student and faculty residential space, classrooms and faculty offices and a dining room and kitchen.

Eventually there will be a cluster of such facilities, each accommodating approximately 360 students. By 1975 Hampshire expects to have constructed a campus costing $28 million. Its projected enrollment by 1980 is 3600 students. For its entering class, it plans a faculty of 90 and will pay faculty salaries commensurate with those of neighboring institutions. Tuition will be comparable to that at Amherst, Mount Holyoke and Smith.

PLANS UNVEILED

The dream of a new, experiment coeducational, private liberal arts college first was unveiled at a conference hosted by Amherst College Dec. 9, 1958. At that time, a committee from the four cooperating educational institutions, supported by a Ford Foundation grant, outlined "The New College Plan" with proposals for major changes in curriculum, teaching methods and administration. Since emphasis would be on independent study, half the usual faculty would be required—a ratio of 20 students to one teacher.

Additionally, no fraternities, sororities, intercollegiate athletics or physical education program would be required.

The academic world focused sharply on Western Massachusetts and The New College Plan in the late 1950s and early 1960s. Educators were stimulated by the proposal to end "spoon feeding" of students. The experimental college, educators said, "appears on the American educational scene at a time when the testing of new concepts and methods to improve the quality and management of higher education is of profound national importance."

When The New College Plan was first unveiled, the committee said in part:

"It is a widely held conviction among liberal arts faculties that our system of courses and credits has got out of hand and that our students are capable of far more independence than they exercise in present college programs.

"We propose a college which frees both students and faculty from the system which makes education a matter of giving and taking courses to cover subjects.

"At New College, subjects will be covered, not by providing complete programs, of course, but by training the students to master recognized fields of knowledge. A systematic and sustained effort will be made to train students to educate themselves."

PROPOSAL IMPLEMENTED

Although hailed by educators, the New College dream floundered in a years-long sleep period for lack of financial support. Some of the committee's recommendations were implemented in existing curriculums of the four cooperating institutions during the early 1960s. Under the four-college cooperative program, Amherst, Mount Holyoke, Smith and the University of Massachusetts share their combined resources for the enrichment of students and faculty from each institution.

But what was needed, President John W. Lederle of the university said, was an "angel" to awaken the New College plan from dream to reality.

That "angel" emerged in 1965 when Harold F. Johnson, a retired attorney and Amherst College alumnus, breathed life into the idea by pledging $6 million to the project, provided the three colleges and the university would give their blessing and reaffirm their interest in lending their academic support.

Assurance from the neighboring schools was given quickly and enthusiastically. Rapid development followed. Land was purchased, a charter was granted by the commonwealth and a founding board of trustees was formed. The New College Plan—now Hampshire College—became very real. In April, 1966, Franklin Patterson, formerly director of the Carnegie Commission on Educational Television and Lincoln Filene professor of citizenship and public affairs at Tufts University, was appointed as first president.

On May 18, 1967, the Ford Foundation announced a $3 million grant to the college provided Hampshire can raise twice that amount from private sources. The grant to Hampshire is the largest the Ford Foundation has made to any college and the only major grant made to a college not yet operating.

"The Ford Foundation's decision in favor of Hampshire's proposals for innovation in higher education," said President Patterson, "means that a new college in the Connecticut Valley, associated in a cooperative relationship with Amherst, Mount Holyoke and Smith colleges and the University of Massachusetts, has moved one more large step toward reality."

"REINFORCING INTEREST"

McGeorge Bundy, president of the Ford Foundation said "Hampshire College has a plan which is full of interesting and hopeful ideas for doing something new about the problems of higher education. We are not supporting a new college in the usual sense, nor are we backing a dark horse. The foundation, in one way or another, has been interested in the idea which is now Hampshire College since 1959. Now we are extending and reinforcing that interest."

Hampshire's main goals have been described by President Patterson as follows:

—To reconstruct liberal education so that young men and women may find acceptable meaning in social order and acceptable order in the freedom of an increasingly subjective culture.

—To effect operating economies and to strengthen the quality and variety of instruction through cooperation with other institutions.

—To acknowledge the significance of the language of knowledge and to include it in the context of liberal education.

—To orient the college toward an active role as a corporate citizen, active in the affairs of the surrounding community.

President Patterson says Hampshire College will abandon the traditional departmental organization in favor of four schools, each with a faculty representing appropriate disciplines. The four schools will be: Social Science, Humanities and the Arts, Natural Sciences and Language Studies.

A Hampshire student will move through three divisional sequences during his undergraduate career. Successful completion of a sequence will be determined by passing comprehensive and integrative examinations based on subject matter from each of the schools, with emphasis on the student's field of concentration.

Grades, to be given at the option of the teacher, will be: pass—fail—distinction.

"The goal we have set for ourselves," Patterson says, "is not just to create a new college, but to evolve a new pattern for higher education. Hampshire College proposes to create one of the country's fine academic centers. Within an exciting, intellectually stimulating environment. Hampshire will emphasize the importance of teaching students to use their own capabilities fully—to recognize the relatedness between campus and nonacademic worlds and to accept their responsibilities to society."

DR. GEORGE GORE GREAT EDUCATOR

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. **FUQUA**. Mr. Speaker, one of the great names in American education is retiring from an active role.

When Dr. George W. Gore asked to be relieved as president of the Florida A. & M. University at Tallahassee, Fla., he brought to a close one of the bright stories of dedication and humanitarianism in our land.

His was not an easy task. Florida A. & M. was established as a Negro institution and this was its role for many years. During its evolving, this school developed two things which brought pride to its students and to our State—its fabulous marching band and phenomenal football teams.

Dr. Gore is a positive man who exemplifies the highest ideals. He is respected and honored in our State not by race, virtue of creed or color—but for the man that he is.

It is not insensitive to say that in this period of transition that the predominantly Negro institutions of this Nation have faced the most trying of circumstances. There have been proposals to abolish Florida A. & M., but Dr. Gore managed to keep its identity and its purpose.

That purpose and meaning has been to be a haven for those whose educational background would not allow them to attend other universities. We cannot abandon several generations to the ash heap—and thank heaven Florida A. & M. has not done so.

Dr. Gore stood as a solid rock between the extremists on both sides. With men of reason he made his point and he never faltered in his determination to achieve his life's goal—the education of young people.

I have sensed the personal trials which Dr. Gore has endured. I admire him and consider him a friend. Few men have meant as much to Florida education as has this distinguished gentleman. It will be through men such as he that we will find our way through the stormy seas of unrest into the calm waters which I am sure our great land will see in the future.

In the meantime, the task of the helmsman of today is a difficult one.

How can you measure the contribution he has made?

The honest answer is that you cannot.

In rising to make this sincere and humble tribute to a great man, I can only say that he can look back tomorrow and know that he was one of those who made the world a better place in which to live. That which he accomplished in the face of sometimes insurmountable odds will make a better life for a lengthy line of those yet unborn.

I say to the Members of the Congress, and through you to all Americans, here was a man. Here was an educator. Here was greatness. News articles follow:

[From the Tallahassee (Fla.) Democrat, July 5, 1968]

GORE AND FAMU'S FUTURE

Resignation of Dr. George Gore Jr. as President marks a significant turning point for Florida A&M University. What happens after a new leader is selected by the Board of Regents will determine whether the University gets into the mainstream of education or remains something apart.

At a time when other Negro universities were being integrated with consequent loss of identity, FAMU has shown continued physical and academic improvement under Dr. Gore's direction. The hope is that it will continue to be upgraded under his successor.

Perhaps FAMU's greatest achievement during Dr. Gore's 18 years as President was the retention of its identity. There have been various proposals to phase out the University and merge it with Florida State University. In fact a legislative committee made such a recommendation only last year.

FAMU supporters came forward with valid arguments which convinced the Board of Regents that it furnishes too great a service to Florida Negroes to be phased out. The leadership opportunities it provides for Negro students would be lost in a different context. The feats of its superb football team are a continued source of pride, something that it greatly needed at this time.

Great problems have shaken FAMU during Dr. Gore's tenure, and they are far from solved. But it is to Dr. Gore's credit that he has managed to keep the institution on a steady course of improvement through the stormy waters.

Cooperation of faculty and staff with his successor will enable the University to keep its steady course. Because it graduates a large number of Negro school teachers, it can be an important instrument in enabling Negro students to overcome inferior education received in grade school and insuring that future students will not suffer from such debility.

The $12 million building and expansion program currently underway on the campus must be a great source of pride for Dr. Gore as he prepares to make way for a new President. That's a pretty good accomplishment considering that only a year or two ago his University appeared doomed to extinction.

FAMU could be on the threshold of even greater things, and if this turns out to be the case, Dr. Gore certainly will be entitled to a share of the glory.

[From the Jacksonville (Fla.) Star, July 20, 1968]

A SALUTE TO DR. GORE

The announcement that Dr. George W. Gore, Jr., president of Florida A&M University at Tallahassee, has submitted his resignation to become effective, on September 16, came as a surprise. However, it was understandable and most likely a decision which was made following the turmoil on the campus following the death of the late Martin Luther King, Jr.

Shakespeare said upon one occasion that "the good that men do is oft interred with their bones, but the evil lives after their death." While a man of high calling, Dr. Gore got more than his share of criticism from the public which sometimes pointed the finger of "Uncle Tom" at him when he did not deserve it.

What most laymen and the public fail to keep in mind is the fact that the way of a college president is hard, and that of the president of a predominantly Negro institution is "hell." He must try to be all things to all people when it is known that he can't, for whatever he accomplished was in part restricted by state's politicians who cannot always be depended upon.

One should not expect a college president to be chiefly a civil rights promoter for he ought to be chiefly an educator. Whatever he does must be measured by the principles of standard education.

Yet, amidst all the impedances he confronted, Dr. Gore led the way in making FAMU an institution of high standing in terms of the disabling factors. The institution grew in enrollment from 1,600 to more than 4,000; bifurcated into a school of law, a school of pharmacy, a school of liberal arts, school of education, vocational and technical institute, and a graduate school which ceased operation this year.

New buildings sprang up like mushrooms, old ones were improved by renovations. Most recently, a fine arts building, an education building, and laboratory school gymnasium were completed—the latter estimated at $500,000.

The institution has been accredited by several rating agencies. This permitted its graduates to enter many graduate and professional schools across the nation.

This newspaper considers it an honor to salute a gentleman, a friend, fine educational adviser, and Christian.

RICHARD LAPCHICK—PROJECT PRIDE

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. OTTINGER. Mr. Speaker, a young man who resides in my district in Yonkers, N.Y., Mr. Richard Lapchick, has undertaken a courageous project that I believe is worthy of our attention as Members of Congress.

Mr. Lapchick is 22, a fine student, and an excellent example of the initiative being shown by many of the youth of our Nation in these changing times. I am particularly proud, as I know his parents, Mr. and Mrs. Joseph Lapchick are, that his efforts have come to the attention of many of our Nation's leaders, and wish at this time to insert an article that appeared in the Herald Statesman on June 19, 1968, concerning Mr. Lapchick and Project PRIDE in the RECORD:

PRIDE: FRESH APPROACH IN NEGRO CULTURAL EDUCATION PROJECT

(By Bob Foley)

It's called PRIDE. It stands for Peaceful Resources In Democratic Education and hopes for progress and resolution through education.

As part of the emerging force seeking the reclamation of Negro American heritage and culture in the country today, PRIDE is a project initiated by a young Yonkers man who felt he had to "get personally involved," who felt he had to "do something" after the assassination of the Rev. Dr. Martin Luther King, Jr.

Richard E. Lapchick, founder and director of project PRIDE, is currently studying for his Ph. D. in African Studies under a three-year fellowship at the Graduate School of International Studies at the University of Denver. He prefaces his explanation of PRIDE with this quote from the late Dr. King: ". . . our hard won heritage of freedom is ultimately more powerful than our traditions of cruelty and injustice."

With this hopeful statement in mind and reflecting on the tragic death of the man who said it, the 22-year-old student decided, through a new approach, to try and right what he feels is a traditional wrong in our society, ". . . our traditions of . . . injustice" to the Negro American.

"While civil rights legislation marches and protests all call attention to the question of this injustice," Mr. Lapchick says, "they all attack the problem from the top down. He claims there is something fundamental that is missing in the Negro community itself."

Basing his thesis on his studies and his experience teaching Negro American History and Culture, Mr. Lapchick contends that most psychologists who have studied the problem agree that a major obstacle in the path of the Negro American's march forward is his lack of pride in himself.

"Negroes have made many contributions to the American society," Mr. Lapchick continues, "However, these contributions have generally been ignored in the American history textbooks of white America, and have gone unrecognized by the public at large."

Last summer after graduating from St. John's University with a degree in political science Mr. Lapchick taught a Negro American History course in Bedford-Stuyvesant—one of New York City's ghetto districts. On a volunteer basis he instructed an adult class of 17 men and women ranging in age from 19 to 45 years old.

"I was amazed to find how little they knew about themselves and equally amazed at the change in their attitude after they learned," Mr. Lapchick said, "they were truly a people with pride in themselves."

"The idea is simple, and yet so deep," the PRIDE director explains. "It is to attempt to initiate Negro and African history courses in the secondary school system on a national level."

To learn about themselves and their heritage and to be able to see that their history has not been solely composed of slavery, paper emancipation, riots and marches, it is felt, would encourage any man to positively work for the future, Mr. Lapchick explained.

Through the letter-writing efforts of Mr. Lapchick, Project PRIDE has contacted during the past two months prominent Negroes in the civil rights movement, sports and entertainment worlds, educational field and public life. Mr. Lapchick hopes that with their support his project will be able to affect nation-wide influence toward achieving its goal.

"Incredibly enthusiastic" is the way Mr. Lapchick describes the more than 50 promising repiles to his requests for support. He points out that most of them feel that the fresh approach professed in Project PRIDE is probably the most meaningful thing that can be done to bring about a lasting solution to this complex problem of man's frustrating search for pride and identity within himself.

According to Mr. Lapchick, the consensus was: Legislation is fine, but it's not really striking at the heart of the problem.

The partial implementation plan of Project PRIDE has three parts:

First, to employ Negro historians to write definitive Negro American History texts that can be grasped from the high school level on up. Special research fellowships would be awarded to those scholars involved.

Second, to establish special summer institutes to train instructors for the course. Fellowships would be granted to those interested in pursuing such work. Thus, there would be no financial burden on the individual school systems. The institutes could be located on college campuses in various regions of the country, attempting to get a good cross section of instructors.

Mr. Lapchick is presently approaching the chancellors of the following universities as possible summer institute locations: American University in Washington, D.C.; Fisk University in Nashville, Tenn.; Northwestern University in Evanston, Ill.; the University of Denver; and the University of California at Berkeley.

Third, those teachers who have participated in the summer institutes would then teach the prepared curriculum of Negro American History in secondary school systems throughout the country. Preferably, the courses would be taught in freshman year high school in an attempt to get students more involved in their overall course work.

Through the guidance of Dr. Edward Miles of the Graduate School of International Studies at the University of Denver, Mr. Lapchick, on behalf of Project PRIDE, has applied for and expects to get two large grants to implement the program.

An $80,000 grant from one of America's most renowned philanthropic foundations will be used to cover the cost of writing a textbook as a basis for a Negro American History and Culture course; for pre and post evaluative surveys of the project in three large American cities plagued with urban unrest; and to provide administrative salaries for coordinators.

A "very substantial" grant, according to Mr. Lapchick, from the Department of Health, Education and Welfare, would effect the summer institute program.

Another phase of the project is to persuade the administrations of three large American cities with racial problems to adopt the secondary education plan. Mr. Lapchick's first introduction to such a project came two years ago when a student leader of an Afro-American organization at the University of Connecticut discussed the positive accomplishments of a similar educational project, conducted for two years in a specific ghetto district of New Haven.

Last week Mr. Lapchick personally discussed project PRIDE with Mayor Carl Stokes of Cleveland, the first Negro elected to a mayorship of a major American city, and with John Wooten, executive director of the Negro Industrial and Economic Union.

Ironically, just a few short weeks before his tragic death Sen. Robert F. Kennedy expressed a deep interest in the project as Mr. Lapchick discussed it with him and Mrs. Kennedy during a campaign train trip through Nebraska.

Mr. Lapchick, who is the son of Mr. and Mrs. Joseph Lapchick of 3 Wendover Road, attended Yonkers Public Schools and Manhattan Prep before moving to St. John's. Last year he took courses in African Studies at the University of East Africa in Kampala, Uganda.

"I hope that someday, either through this movement or through our own personal attitudes," Mr. Lapchick muses, "we can tell ourselves that we helped to make America truly the land of the free."

CZECHOSLOVAKIAN CRISIS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. BINGHAM. Mr. Speaker, the recent political liberalization in Czechoslovakia and the still uncertain Soviet response to it strengthens the case for reduction and redeployment of American military forces in Western Europe.

The economic advantages of such a move have long been apparent. The costs of maintaining the 337,000 American troops in Western Europe contributed a coverage of $500 million annually to our balance-of-payments deficit for the past 3 years. Say net reduction in that figure would improve our unfavorable balance-of-payments by an equal amount.

The political justification has been less clear. Our NATO allies continue to be highly sensitive to any hint of a weakening of American commitment in Western Europe, although at the same time there is increasing interest among Western European leaders in improving relations with the Eastern bloc. But there is no assurance than any reduction of American troops would bring a mutual reduction by the Soviet Union or the Warsaw Pact. Moreover, some observers feel that such a move might encourage Soviet probes of initiatives, for example, in regard to Berlin.

How to initiate a reduction or redeployment of military forces that would provide maximum incentives for reciprocal rather than retaliatory action by the Soviet Union and the Warsaw Pact has been a major question for the contingency planners and advocates of American force reduction. In hearings last April on Senator MANSFIELD's Senate resolution proposing "a substantial reduction" in American force levels in Western Europe, State Department officials outlined three possible approaches: First, a negotiated withdrawal with a specific quid pro quo; second, a unilateral withdrawal of NATO forces; and third, various "tactical variations" of these two basic approaches. The hearings and subsequent public statements on the issue, however, have produced no clear indication of what circumstances would justify setting any of these plans in motion. The current situation in Czechoslovakia, it seems to me, may provide such an opportunity.

Soviet troops are now reported lingering on Czech soil or obviously maneuvering nearby while the Soviet leaders attempt to bully the Czechoslovaks into backing away from their reforms. As reported in the New York Times yesterday, July 25, 1968, one justification cited by Soviet leaders for the continued presence of Soviet troops is that Czech troops are unable adequately to protect their borders from possible invasion from the West without Soviet assistance.

The situation with respect to Czechoslovakia is, of course, a source of intense concern to us, even while we naturally applaud the apparent determination of the new Czech leaders to move in the direction of greater political freedom and diversity. The administration has, quite properly, endeavored to make clear that the United States has not instigated these new developments in Czechoslovakia and has taken pains to deny Soviet efforts to implicate us—efforts which seem intended to provide a possible basis for intervention. The administration has also, again wisely, made clear to the Soviets that any military intervention on their part would gravely interfere with Soviet-American relations, but has carefully refrained from threatening any military action. Indeed, no responsible Western leader has proposed active intervention in the Czech situation by NATO forces. Any such active intervention would have to be resisted by the Soviets and would surely lead to a catastrophic war which no one wants.

Is there anything further that the United States can do, discreetly and without embarrassing the new Czechoslokia leadership, to discourage Soviet military intervention? I believe that there is.

Responsible observers have reported that the Soviets are motivated in this situation more by an obsessive fear for their own military security than they are by considerations of dogmatic Marxist-Leninist ideology or political considerations. If that is so, it seems reasonable to conclude that announcement of American intention to reduce its forces in Western Europe would tend to defuse the present crisis by giving tangible assurance to the Soviets of our peaceful intentions. It would also contribute to a general lessening of East-West tensions in Europe that could only be a salutory development in the present crisis. Such an announcement would also have the immediate advantage of weakening the Soviet argument that Soviet troops are needed in Czechoslovakia because Czechoslovak forces are insufficient to meet the threat from the West.

I am not suggesting that any sudden move should be made which the Czechoslovak leaders might regard as an indication of a total disinterest on the part of the NATO powers in the internal developments in Czechoslovakia. Such a move might even be taken as a tacit invitation to the Soviets to move in forcefully.

What I do suggest is that the administration announce plans to begin immediate consultations with our NATO allies with a view to the reduction of American forces in Europe in a manner which would contribute to the greatest degree possible to an early reciprocal reduction in Soviet forces in Eastern Europe. It would be helpful also if the Congress were to indicate its support of such a step. Accordingly, I have today introduced a resolution similar, in many respects, to the resolution heretofore introduced in the other body by Senator MANSFIELD. The text of my resolution follows:

H. RES. 1275

Whereas the foreign policy and military strength of the United States are dedicated to the protection of our national security, the preservation of the liberties of the American people, and the maintenance of world peace; and

Whereas the United States, in implementing these principles, has maintained large contingents of American Armed Forces in Europe, together with air and naval units, for twenty years; and

Whereas the security of the United States and its citizens remains interwoven with the security of other nations signatory to the North Atlantic Treaty as it was when the treaty was signed, but the condition of our European allies, both economically and militarily, has appreciably improved since large contingents of forces were deployed; and

Whereas the means and capacity of all members of the North Atlantic Treaty Organization to provide forces to resist aggression has significantly improved since the original United States deployment; and

Whereas the commitment by all members of the North Atlantic Treaty is based upon the full cooperation of all treaty partners in contributing materials and men on a fair and equitable basis, but such contributions have not been forthcoming from all other members of the organization; and

Whereas relations between Eastern Europe and Western Europe were tense when the large contingents of United States forces were deployed in Europe but this situation has now undergone substantial change and relations between the two parts of Europe are now characterized by an increasing two-way flow of trade, people and other peaceful exchange; and

Whereas the reduction of United States forces in Europe will contribute to a lessening of tensions between the Soviet Union and the United States and will help to allay the fears for their security which obsess the leaders of the Soviet Union and which apparently underlie their concerns over the growing tendencies toward freedom in Eastern Europe; and

Whereas the present policy of maintaining large contingents of United States forces and their dependents on the European Continent also contributes further to the fiscal and monetary problems of the United States: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that, with changes and improvements in the techniques of modern warfare and because of the vast increase in capacity of the United States to wage war and two move military forces and equipment by air, a substantial reduction of United States forces permanently stationed in Europe can and should be made.

NEW CAREERS IN EAST LOS ANGELES

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. ROYBAL. Mr. Speaker, the new careers program, administered by the Department of Labor, is designed to help poor people with little education to get a toehold on a career ladder through a subprofessional job. At the same time, it frees the professionals in libraries, hospitals, and educational institutions to devote themselves to the highly skilled work for which they have been trained.

The Los Angeles Times of June 27 reports the launching of a new careers program designed specifically to place underemployed Mexican Americans on ladders to professional careers. Enrollees will spend 8 hours a week earning educational credentials at East Los Angeles College while working up through aide positions toward professional status. The program will stress pride in the enrollees' heritage.

As I commend this effort to bring

Mexican Americans into the mainstream of American society I include in the Record the entire article, "New Careers Training Project for Mexican Americans Opens":

New Careers Training Project for Mexican-Americans Opens

(By Jack Jones)

The nation's first federally financed project designed specifically to place under-employed Mexican-Americans on ladders to professional careers was launched Wednesday in East Los Angeles.

Here to inaugurate the $250,000 New Careers Program of the Mexican-American Opportunity Foundation was Mark Battle, U.S. Department of Labor administrator of work and training programs.

Although the initial program calls for only 50 persons to go into sub-professional positions with county departments and nonprofit agencies, MAOF Executive Director Dioniclo Morales called it "the beginning of new things for East Los Angeles."

Under the plan, East Los Angeles College has developed "an innovative curriculum" for New Careers enrollees so that they will be spending eight hours a week earning educational credentials while working up through aide positions toward professional status.

Battle and Morales said the MAOF New Careers program differs from others financed under the Scheuer Amendment to the Economic Opportunity Act by placing emphasis on pride in heritage.

HERITAGE EMPHASIZED

New Careers money has gone into such endeavors here as the Concentrated Employment Project and the Neighborhood Adult Participation Project. Both seek to place poverty area persons in sub-professional starting positions with established agencies.

Battle said during a press conference at East Los Angeles College that the MAOF project is the first program "the design for which meets the real New Careers concept."

NEW PATTERN FORMED

He said the Labor Department is hoping to establish the notion of "career ladders" in institutions, thus setting up a pattern which could open routes for the poor to professional careers without federal funds being required.

At a late afternoon community ceremony at MAOF headquarters, 4127 E. Brooklyn Ave., Morales praised Battle for seeing to it that "the problems of the Mexican-American are beginning to receive the attention they deserve."

TWO MARYLAND GI'S DIE IN VIETNAM

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. LONG of Maryland. Mr. Speaker, L. Cpl. Michael R. Wiley and Sgt. William H. Foster, two fine young men from Maryland, were killed recently in Vietnam. I wish to commend their bravery and honor their memory by including the following article in the Record:

Dundalk, Severn GI's Die in War—Cpl. Wiley, Sgt. Foster Were Killed in Separate Actions

Two marines from Maryland, one of them on his second tour of duty, have been killed in Vietnam, the Department of Defense reported yesterday:

They were:

Lance Cpl. Michael R. Wiley, 18-year-old son of Mrs. June Wiley, of 3458 Yorkway, Dundalk, and Arthur R. Wiley.

Sgt. William H. Foster, 26, the only son of Lyle O. Foster, of Severn, Md.

Corporal Wiley, who had been in Vietnam since November, 1967, was killed Sunday by fragment wounds of the neck and body from a mine while he was on defensive action in the Thieu Thien Province of South Vietnam.

He was attached to the 81st Mortar Division, 2nd Battalion, 5th Marine Regiment.

Mrs. Wiley said her son had written that he expected to be home for Christmas but then would return for another six months in Vietnam. He had asked for a transfer to the security division of the 1st Air Wing.

ATTENDED DUNDALK HIGH

Corporal Wiley, who would have been 19 August 13, was born in Pax, W. Va. and was brought by his family to Dundalk when he was three months old.

He attended Dundalk High School but left school to join the Marine Corps at the age of 17 in May, 1967. He took training at Parris Island, S.C., and Camp Lejeune, N.C. He was stationed at Camp Pendleton, Cal., before going to Vietnam.

In addition to his parents, his survivors include two brothers, David Wiley and Randy Wiley; three sisters, Sharon, Debbie and Elaine Wiley; his maternal grandparents, Cassie Boggs and Mrs. Thelma Boggs, and his paternal grandparents, Mr. and Mrs. Russell Wiley, all of Dundalk.

Sergeant Foster, a machine gunner in a helicopter attached to the 16th Marine Air Group died when the craft crashed Sunday in the Marble Mountain area of Da Nang.

He had been in Vietnam since April on his second trip there. He had served 21 months in the battle zone the first time, according to his father.

Sergeant Foster attended Arundel High School. He enlisted in the Marine Corps four years ago and took his training at Parris Island and Camp Lejeune.

Besides his father, he is survived by his mother, Mrs. Naomi R. Scharnock, of Ohio, and his step-mother, Mrs. Margarent L. Foster.

MUNICIPAL CAPITAL MARKET EXPANSION ACT

HON. ROBERT TAFT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. TAFT. Mr. Speaker, the financial plight of the State and local governments in America today is one of fiscal poverty. The States are slowly strangling for lack of funds and are continually faced with the problem of how to raise revenues to meet current and future expenditures. This pinch, caused by insufficient funds, has created a reluctance to embark upon new projects demanded by an increasing metropolitan population. Yet, legislation has been introduced in both the House and Senate, H.R. 15991 and S. 3170, the Municipal Capital Market Expansion Act, which would add to the financial problem of the States and tie them further to Washington. I have received a resolution adopted by the city of Cincinnati expressing its opposition to these proposals and I submit it for insertion in the Record:

Resolution

Expressing the sense of Council in opposition to United States Senate Bill No. 3170 and United States House of Representatives Bill No. 15991 and urging that said bills not be passed.

Whereas, U.S. Senate Bill No. 3170 and U.S. House of Representatives Bill No. 15991, each now pending, are intended to encourage state and local governments to waive tax exemption on all their bonds sold to finance public projects; and

Whereas, This is an initial step toward control of the capital programs of all states and municipalities by the Federal Government; and

Whereas, the present administrative redtape related to all of the Federal grant programs is mild compared to the control, regulation, audits, and delays that would result in the Federal Government determining that each state and municipal bond issue (large and small city) is economically sound before the Federal Government would guarantee the issue and provide the interest rate subsidy; and

Whereas, small cities and villages would receive the bulk of the benefit at the expense of the larger cities; all municipal issues would carry the same quality rating; and

Whereas, the present tax exempt status of a debt issue of a well managed city in a good economic environment is worth in excess of 40% interest cost adjustment; and

Whereas, there is no basis for the argument that the capital market for state and municipal issues under the guarantee-subsidy plan would be increased. On the other hand, it would seem that the capital market may be diminished if Federal tax saving incentives are removed with only a Federal guarantee against default substituted therefor; now, therefore,

Be it resolved by the Council of the City of Cincinnati, State of Ohio:

Sec. 1. That it is the sense of Council that United States Senate Bill No. 3170 and United States House of Representatives Bill No. 15991 are detrimental to the best interests of the City of Cincinnati and of the other cities throughout the United States.

Sec. 2. That the House of Representatives and the Senate of the United States are urged to defeat U.S. Senate Bill No. 3170 and U.S. House of Representatives Bill No. 15991.

Sec. 3. That this resolution be spread upon the minutes of Council and that the Clerk transmit copies thereof to Senators Lausche and Young and to all Ohio members of the House of Representatives of the United States, as well as to the presiding officers of both houses of Congress.

WHAT ABOUT GOOD GUYS?

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. SHRIVER. Mr. Speaker, under the leave to extend my remarks in the Record, I include the following editorial from the Abilene, Kan., Reflector Chronicle which is deserving of the attention of Members of the House as we consider the so-called legislative cures for the Nation's ills. The editorial appropriately asks the question, when is somebody going to remember the "good guys," or the great majority of hard-working, law-abiding citizens trying to live decent, honorable lives? The editorial follows:

What About Good Guys?

The headlines in one paper the other morning had to do with a new program of millions to aid downtrodden alcoholics, another explained a big federal grant for venereal disease "education", increased welfare programs and more about the federal gift of nearly $1 million to the street gangs in Chicago as sort of a bribe to keep them in line.

Regardless of the merit of any of these, and many others, one raises the question of when is somebody going to remember the "good guys"—or the great majority of hard-working, law abiding citizens trying to live decent, honorable lives? They are becoming quite disgusted and tired of the load on their backs, wondering if they are to become the "lost" generation.

Can a nation be regulated to death? Can crime, sex, alcoholism and morals be legislated in or out or bought off?

It would appear that it is more than a coincidence that many of the country's current ills date back to about the time we started legislating out the church, religion, saluting the flag and general respect for law and order.

Many of the so-called "students" and others of that age who are involved in various protests, disturbances and uprisings around the country today were the little boys and girls in grade schools who were told they could no longer repeat a prayer in school, sing patriotic songs and to forget Santa Claus—unless he came from Washington.

It is not surprising they have grown up with less respect for everything, including their families and fellow man. Only trouble can follow. Draft card burning became a symbol of spitting on the American flag. More . . . more . . . has become a symbol of the everything-for-everybody philosophy.

Like the note at the bank, it always comes due. Somebody has to pay.

But when is somebody going to remember the good guys?

INSTEAD OF GOLD

HON. SAMUEL N. FRIEDEL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. FRIEDEL. Mr. Speaker, today, the purchasing power of the dollar is on everyone's mind. The interrelations between salaries or wages and the cost of living has long been a topic on which much was written.

Since the questions of "sound" money and inflation are of considerable current interest, problems stemming from the fiscal policies of our country and related matters are necessarily demanding a large portion of my thinking and reading. In this connection, I read a very illuminating article which was published in The Evening Sun of Baltimore on July 2, 1968, entitled "Instead of Gold," which merits our consideration because of a novel approach toward the whole international monetary system.

The Sunpapers of Baltimore are highly respected and influential newspapers and the writers of that article are considered as very knowledgeable in their respective fields of endeavor. Mr. Stanley A. Blumberg is a consultant on foreign securities and Mr. Gwinn Owens is a writer on public affairs for WJZ–TV, one of Baltimore's leading television broadcasting stations. Because of the importance of the subject, I now insert this article in the pages of the Record.

Instead of Gold

(By Stanley A. Blumberg and Gwinn Owens)

In international economics as in religion, nationalism or baseball, old notions die hard. One such notion holds that an international monetary system pegged to the price of gold can keep the world's currencies on an even keel for the foreseeable future. Specifically, the system now hangs on the value of a dollar stabilized by the price of gold. This price is arbitrarily maintained at $35 an ounce. Other nations, through an International Monetary Fund agreement, value their currencies in relation to the relatively stable dollar.

The best that can be said for the gold-based dollar standard is that in pragmatic terms it has worked. The nations that have accepted it are provided with an anchor to keep their own currencies from drifting into oblivion. The upshot has been a sound climate for international trade.

If the system ever stops working, however, it will probably collapse completely, because it is based on an essentially irrational concept—mankind's mythical belief in the special value of gold. In a rational, literal world, such a concept is as unlikely to survive as the divine right of kings. Signs are unmistakable that the system is in permanent trouble.

The purpose of this article is to advance an idea that promises a completely new and more rational approach toward the whole international monetary system. The idea is based on the indisputable fact that no currency, whether it be dollars or doughnuts is worth more or less than what it will buy.

Consider, first the state of the present monetary system. In the fact of a devalued pound, a shaky franc and a threatened dollar, a number of remedies are being tried, including "paper gold" and the two-piece gold market. All are of a stop-gap nature. Another solution, proposed but always rejected, is simply to let all currencies float free and find their own market value. Here again, the problem is the lack of that necessary anchor to keep the whole system from drifting into chaos.

The solution, therefore, must take into account these realities. First, the world will continue to sustain sovereign nations that will maintain their own currencies. Second, the gold standard, sooner or later, will disappear. Third, the dollar will probably remain the world's dominant unit of money. Fourth, there must be a standard upon which the dollar and other currencies can be valued.

How, then, can a value standard be established? The means is already at hand, and it is relatively simple. In the United States, once a month, the exact value of the dollar is established through the Department of Labor's Cost of Living Index. The index, of course, only confirms what the housewife already knows in less exact terms when she buys groceries. Right now, for example, she knows that the value of her dollar is declining.

The Government's Cost of Living Index is computed through price changes in a whole range of goods and services. It is stated in a percentage based on what a dollar would buy in a base period, currently 1957–1959. The latest index shows that the cost of most of the family's needs has gone up sharply and that a dollar will buy about 15 per cent less than it would in the base period.

If the United States can establish so precisely what its dollar is worth, why not establish a similar price index in each of the ten major industrial countries? Then each country, in exchanging goods, services, credit or currency, would have a realistic standard for trading. Commerce would take place on the most rational basis possible—the purchasing power of money.

The system would require that each of the ten countries agree to the component parts of its Cost of Living Index. Every three months, computers would analyze the latest data and establish a revised index. The computing of each index would be strictly supervised by the International Monetary Fund.

Thenceforth, there would never be any question of how many francs a Frenchman would get for his dollar, or how many dollars an American can demand for his pound. The standard would, at any given time, be as absolute as a gold standard—but it would be current and not arbitrary. World-wide inflation would not impose a burden on any one country so long as currencies maintained the same relationship. Sound fiscal policies would be encouraged within each country, lest its currency suffer a relative decline.

By basing currency values on the only real standard—what each unit will buy—the nations of the world would be free from the tyranny of gold. This is the promise of the Cost of Living Index, that is, real purchasing power, as a measure of the value of money.

CAPTIVE NATIONS WEEK

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1968

Mr. WINN. Mr. Speaker, the third week of July marks the 10th annual observance of Captive Nations Week. I join my colleagues in Congress and the people of the Third District of Kansas in commemorating this event. We Americans must remember that millions throughout the world long for the freedoms which we may take for granted. Freedom of religion, freedom of speech, freedom of the arts, and the right to protest or to travel are denied a majority of our fellow men. Millions have lived for years in the midst of political oppression, economic misery, and intellectual starvation. Captive Nations Week serves as a reminder of freedom—the rights enjoyed by free nations and the freedoms denied the Captive Nations.

The United States continues to expend manpower, materials, and economic resources to turn the tide of continuing Communist aggression throughout the world. Therefore, it is important that we remain mindful of the violence and bloodshed which characterized the Communist takeovers of Poland, Hungary, Lithuania, Russia, Czechoslovakia, Rumania, East Germany, Bulgaria, Mainland China, North Korea, North Vietnam, Cuba, and others, to mention a few. These countries are bound to the leash of Soviet imperialism, retaining only the memory of the basic individual liberties once enjoyed by their people—freedoms relinquished only after violent struggles.

Nations have always been subjected to oppression and domination by others. Nevertheless, today as in the past, we must inspire confidence in the captive peoples so that they will be able to remove the chains of their oppression. The recent student turmoil in Poland and Czechoslovakia exemplifies the thirst for freedom within the hearts of these people. Czechoslovakia's subtle defiance of the Soviet Warsaw Pact testifies to the change brewing within the Soviet camp. Therefore, as we endeavor to build a better future, let us not forget those behind the Iron Curtain who yearn and strive for freedom.

STATE FIREARMS CONTROL ASSISTANCE ACT OF 1968

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. McCULLOCH. Mr. Speaker, since the passage of the State Firearms Control Assistance Act of 1968 by the House on July 24, 1968, many Members have requested a summary memorandum of the bill.

When legislation of national importance is brought before the Judiciary Committee, it is our custom to have an analysis prepared to aid in the study of the bill. In view of the fact that some 17 amendments were adopted on the floor, an up-to-date digest become essential to understanding the bill as it passed the House.

Notwithstanding the large number of amendments adopted by the House, the basic thrust and effect of the committee bill remains intact. H.R. 17735 prohibits interstate traffic of firearms as well as over-the-counter sales to nonresidents and all traffic in regard to minors, felons, fugitives, narcotic addicts, the mentally incompetent, and those under indictment for a crime. The very same prohibition applies to pistol ammunition.

The following memorandum is, of necessity, brief and condensed. It does not cover some provisions of the bill such as the procedures for licensing. It is not intended to be definitive of the entire bill. But it does thoroughly digest the prohibitions in the bill as passed by the House. Other detailed questions should be answered by examining the exact language of the bill:

SUMMARY DIGEST OF THE STATE FIREARMS CONTROL ACT OF 1968, H.R. 17735, AS PASSED BY THE HOUSE ON JULY 24, 1968

For the purposes of this Act, the following definitions are controlling:

Firearm—means any weapon (including a starter gun) which will or is designed to or may readily be converted to expel a projectile by the action of an explosive; the frame or receiver of any such weapon; or any firearm muffler or firearm silencer; or any destructive device.

Ammunition—includes only ammunition for a destructive device and pistol or revolver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22 caliber rim fire ammunition.

UNLAWFUL ACTS UNDER H.R. 17735

Unlawful for any person:

1. To manufacture, import or deal in any firearms or ammunition without a federal license (collectors who trade in interstate and foreign commerce must also be licensed);

2. For any person, in connection with obtaining a firearm or ammmunition from a licensee to make a false representation material to such acquisition;

3. To cause to deliver to any common or contract carrier for transportation in commerce any firearm or ammunition to a nonlicensee without written notice to the carrier as to the contents of the package, *except for* firearms and ammunition being transported by a passenger who delivers such firearm or ammunition into the custody of the operator of the carrier for the duration of the trip;

4. Knowingly to transport or ship in commerce any stolen firearm or stolen ammunition;

5. Knowingly to receive, pledge or accept as security or dipsose in commerce of a stolen firearm or stolen ammunition;

6. Knowingly to transport, ship or receive in commerce a firearm with obliterated or altered serial number;

7. Knowingly to import or bring into the United States any firearms or ammunition except that the Secretary may permit importation: (a) for scientific or research purposes; (b) of unserviceable firearms or curios; (c) of firearms and ammunition generally suitable for or adaptable to sporting purposes but not military surplus firearms; (d) of firearms and ammunition taken out of the country by the person bringing them back in.

Unlawful for licensees:

1. To ship or transport in commerce any firearm or ammunition to non-licensees *except for*, returning firearms to persons from whom received, mailing firearms to those eligible to receive them under Title 18 United States Code § 1715—guards, watchmen, officers, and so forth—and this prohibition does not apply differently in the District of Columbia, Puerto Rico, or possessions of the United States than if they were States (this paragraph does not prevent persons from mailing firearms to licensees for repair or customizing);

2. To sell or deliver any firearm or ammunition to a non-licensee under 18 years old or short guns or short gun ammunition to anyone under 21 years old (applies to *inter* and *intrastate* commerce);

3. To sell or deliver any firearm or ammunition to any non-licensee in any State where purchase or possession would be a violation of State law or published ordinance unless the licensee had reasonable cause to believe that it was not a violation;

4. To sell or deliver any firearm to a non-licensee who is a non-resident of the licensee's State *except for* long guns sold or delivered, if permitted by State law, to residents of contiguous states and *except for* long guns sold or delivered to non-residents who are participating in hunting or in an organized shooting contest and who submit a sworn statement (copy mailed to affiant's local police chief) that the long gun has become lost, stolen or inoperative while so engaged.

5. To sell or deliver any destructive device, machine gun or sawed-off rifle to any nonlicense unless authorized by the Secretary.

6. To sell or deliver any firearm or ammunition to any person without recording name, age and address of such person (applies to *inter*state and *intra*state commerce);

7. To transfer any firearm or ammunition to any person having reasonable cause to believe such person is a fugitive from justice, under indictment, a convicted felon, an unlawful user of marijuana, dangerous drugs or narcotics, or has been adjudicated a mental defective or committed to a mental institution (applies to *inter* and *intra*state commerce);

8. To make false entries or fail to make proper entries or maintain records as required by this Act.

Unlaw for non-licensees:

1. To transport into or receive in the State of his residence any firearm obtained outside the State (*exception for* firearms obtained by bequest or interstate succession—*further exception for* long guns otherwise lawfully obtained in a contiguous state—*further exception for* long guns obtained out of state while engaged in hunting or in an organized shooting contest when such hunter or shooter's long gun has become lost, stolen or inoperative and he makes a sworn statement to that effect (copy sent to the local chief of police)—*further exception for* firearms obtained out of state prior to the effective date of the Act;

2. To transport in commerce machine guns, sawed-off rifles and sawed-off shot guns unless authorized by the Secretary of the Treasury;

3. To transfer, transport or deliver any firearm to another non-licensee who resides in another state (*exception for* firearms obtained by bequest or intestate succession—*further exception* for temporary transfers for sporting or other lawful purposes, as provided in the legislative history);

Unlawful for common or contract carriers:

1. To transport in commerce any firearm or ammunition with reasonable cause to believe such transportation is in violation of this Act;

Prohibited persons:

1. Unlawful for any felon, fugitive, person under indictment, unlawful user of marijuana, dangerous drugs or narcotics, adjudicated mental defective or person committed to a mental institution: (a) to ship or transport in commerce any firearm or ammunition; (b) To receive in commerce any firearm or ammunition shipped in commerce.

PENALTIES

Whoever uses a firearm to commit or whoever carries a firearm unlawfully during the commission of a federal felony shall be sentenced to imprisonment for not less than one year nor more than 10 years. In the case of second or subsequent convictions, such person shall be sentenced to imprisonment for not less than five years nor more than twenty-five years. The execution or imposition of any sentence imposed under this provision may not be suspended and probation may not be granted and such sentence must run consecutively to any sentence imposed for the federal felony.

Penalties for violation of the the other prohibitions listed herein are up to $5,000 or 5 years or both.

H.R. 17735 as passed the House on July 24, 1968, and sent to the Senate does not contain any provision requiring the registration of any firearm, nor does it require the licensing of any firearm owner.

THE RIGHT TO VOTE AT 18

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. DONOHUE. Mr. Speaker, in my conviction the time has come in the affairs of this Nation to reassess the proposition of whether or not the youth of this country should be permitted to vote at the age of 18. I think they should.

Therefore I have introduced in this Congress House Joint Resolution 1275, proposing an amendment to the Constitution of the United States to provide that the right to vote shall not be denied on account of age to persons who are 18 years of age or older.

I earnestly believe that the average American 18-year-old today is better educated, more mature, and has a higher sense of personal responsibility and involvement than ever before.

Knowledge, and the opportunity to gain it, is increasing at a rate unparalleled in previous history.

Our youth, today, are extraordinarily knowledgeable on national issues, committed to the betterment of our society and articulate in their convictions.

From the age of 18 to 21 they are certainly, in these times, helping to shoulder the burdens of our society, and they do it mostly with sound judgment; they pay income and property tax, and they bear arms. Surely we must extend every consideration to their right, then, to participate in the decisions of government which establish local, State, and National policy.

As so often asserted by Abraham Lincoln, the basic premise of a democracy assumes that all those who help bear the burdens of society will share in the decisionmaking process of that society.

In order to give our youth their rightful share in decisionmaking, I hope and urge that this Congress will favorably act on my proposal, and similar proposals that have been filed by a great many Members of Congress, before this session adjourns.

FURTHER COMMENTS ON THE FORTAS APPOINTMENT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. ASHBROOK. Mr. Speaker, regarding the present controversy over the nomination of Justice Fortas to the position of Chief Justice of the U.S. Supreme Court, it is hoped that opposition to his appointment will not be indiscriminately ascribed to anti-Semitism motivations. To be sure, there are those in this Nation whose anti-Semitism will play a part in opposing the nomination, the American Nazi Party being a good illustration. It is generally known that this "national socialist" movement is based on the German Nazi Party headed by Adolf Hitler and espouses a line of hatred against the Jews and Negroes. The broad, careless, and indiscriminate application of the anti-Semitism charge to sincere objections to the Fortas appointment based on his judicial and past record could well be placing these objectors in the camp of the American Nazi Party. To say that this would be an unfair and irresponsible disservice is to put it very mildly.

In addition, one would be hard pressed to apply the anti-Semitism label to a person who is a member of the Jewish community both by birth and by basic religious belief. Such a case is that of Mr. Benjamin Ginzburg who testified before the Senate Judiciary Committee against the Fortas appointment and whose testimony appeared in the CONGRESSIONAL RECORD of July 17, 1968. Mr. Ginzburg is the former research director of the Subcommittee on Constitutional Rights of the Senate Judiciary Committee and a past assistant editor of "The Encyclopedia of the Social Sciences."

On July 25, 1968, an advertisement appeared in the Jewish Week, published here in Washington and sponsored by Mr. Ginzburg, in which he comments further on his opposition to the Fortas appointment. To help combat any indiscriminate charge of anti-Semitism regarding the Fortas appointment, I submit the advertisement entitled, "Concerning the Jews and Justice Fortas," for inclusion in the CONGRESSIONAL RECORD, as follows:

CONCERNING THE JEWS AND JUSTICE FORTAS

To the readers of the Jewish Week:

The cry of anti-Semitism raised by professional Jews in connection with the opposition to Justice Fortas' elevation to the post of Chief Justice reminds us of nothing so much as the cry of police brutality raised by professional Negroes whenever a member of their race is charged with a crime. In both cases there is no attempt to determine whether religious or racial prejudice is actually involved—there is simply an automatic reaction to the fact that a Jew or Negro is in trouble and a rush to cry that the whole group is being attacked.

As a member of the Jewish community both by birth and by basic religious belief, I resent the participation of The Jewish Week in the false cry of anti-Semitism. I have followed the hearings on Justice Fortas with close attention. I have talked to many of the Senators opposing his confirmation as Chief Justice. I have not found among them any signs of a whispering campaign or any display of anti-Semitism. Rather I have found good grounds of public policy for the opposition to Justice Fortas. I recognize the right of others, be they Jews or Gentiles, to disapprove of these grounds, and instead to champion the views and qualifications of Justice Fortas as beneficial to the country. But I don't recognize the right to make a Jewish issue out of the Fortas case.

I have no doubt that there are some bigoted groups scattered over the country who are peddling anti-Jewish hate in connection with the Fortas nomination. But this does not mean that all Jews have to rush to Fortas' defense to show their opposition to anti-Semitism, any more than the discovery that Communists endorse a certain program means that anti-Communists must reject that program in order to show their opposition to Communism.

I myself have testified in opposition to Justice Fortas' confirmation because I have read—and digested—his recent pamphlet on Civil Disobedience, and found myself literally stunned by the revelation of his moral-political outlook. It is an outlook which has very close ties with the Marxist outlook and very little connection with the Judaic moral-religious tradition.

I have talked to a number of Jews in Washington who have followed Justice Fortas' career since he came to the Capital City with the New Deal. They agree with my judgment that he is unfit to occupy the august and all-important post of Chief Justice. Some of them would have testified in public against Justice Fortas were they not constrained by their government employment to keep silent. As it happens, I am a retired civil servant and thus feel free to voice my objections to Justice Fortas without fear or favor.

I shall be glad to send to any readers who ask for it a copy of my testimony. In the meantime I would like to discuss a couple of incidents that underscore the inadvisability—to say the least—of Jews rallying around Justice Fortas as their moral standard bearer.

JUSTICE FORTAS AS BIBLICAL SCHOLAR

The other day Justice Fortas sought to bolster his doctrine of a flexible and changing interpretation of the Constitution by indulging in Biblical higher criticism in regard to the Ten Commandments. Thus he declared:

"I was thinking about this the other day. In the Ten Commandments there is a very simple phrase: 'Thou shalt not kill.' A very simple phrase. But that very simple phrase, Senator, has—takes on different meanings. . . . Some people think that it means that you must not kill in a defensive war. Some people think that it means that capital punishment is in violation of the law of God and so on."

Had Justice Fortas read the Jewish Bible either in the original Hebrew or in any of the Jewish translations into English, he would have known that the commandment in question reads: "Thou shalt not murder (Lo tirtsach in Hebrew). Although the King James Christian translation renders the commandment, "Thou shalt not kill," Christian scholars have long recognized that this is a colloquial rendering which really refers to murder. The new Oxford Annotated Revised Standard Version carries a footnote warning the reader that "this commandment forbids murder, not the forms of killing authorized for Israel, *e.g.* war or capital punishment." Thus there is no problem of any ambiguous or changing meaning about this commandment. Every person who takes the trouble to inform himself knows that it is a prohibition against murder and nothing else.

Now I recognize that there is no provision in the Constitution requiring a Chief Justice to be a Biblical scholar. Nevertheless I submit that when a candidate for Chief Justice seeks to impress a Senatorial committee by drawing a purported analogy between a changing Constitution and a changing meaning of the Ten Commandments, he should have first investigated and seen whether the purported analogy is based on fact or fiction. Since he obviously has not done so, his listeners may well be led to wonder whether his constitutional scholarship may not be as weak as his Biblical scholarship.

JUSTICE FORTAS AS VILLAGE ATHEIST

Moreover, evidence has been developed in connection with the hearings indicating that Justice Fortas' ideas about the Bible not only reflect an insufficient acquaintance with the Biblical text but come from his delving into the "village atheist" variety of psychiatrical and anthropological literature. In 1946, while he was Under Secretary of the Interior, he published a laudatory introduction to the William Alanson White Memorial Lecture by G. B. Chisholm—a far ranging Canadian psychiatrist who believes that we can eliminate war and bring bliss to mankind through *"the reinterpretation and eventual eradication of the concept of right and wrong."*

As a convert to Chisholm's ideas, Justice Fortas denounced as a dangerous superstition the whole religious doctrine of divine commandments.

" 'Thou shalt not kill,' " he wrote, "is a reasonable multilateral arrangement among the members of society. But 'Thou shalt not kill,' advanced merely as the ipse dixit of a thunderous war-god (Note: he refers to the God of Moses and the Israelites), is a bewildering contradiction which spawns with equal facility avengers, aggressors, Quakers and Jehovah's Witnesses; the GI's of Bill Mauldin's cartoons and the GI's of the neuro-psychiatric wards."

Justice Fortas went on to advocate a nonreligious type of education.

"Teaching," he wrote, "should not be a substitute provided for thinking. . . . Instead of precepts, it should offer for discussion and analysis the relationships of people and events, factors and things. (Note: Try this method of precept-less discussion and analysis on a 7-year old child, and see what kind of a result you will get.) General Chisholm says, 'Freedom from moralities means freedom to think and behave sensibly.' Freedom from authoritarian imperatives divorced from reason and life means freedom to acquire in usable form, understanding and comprehension of behavior and relationships, which may equip us to deal with the urgent problems of a desperate time."

As far as I know, Justice Fortas has never formally repudiated his anti-religious views. That is why I was amazed to read the article in The Jewish Week headed "I am going to ask them to instruct me in Judaism." The article gives extracts from Justice Fortas' speech last year, in which he appealed to the children of a Hebrew day school in St. Louis to teach him the tenets of his ancestral religion.

NEVER TOO LATE TO REPENT

It is of course never too late to repent. And if Justice Fortas is genuinely interested in repenting his atheistical past and in steeping himself in the living sources of the Judaic religious tradition, I would applaud him in his undertaking. On the other hand, if his talk was simply a ploy to enlist Jewish support for a long-nursed ambition to become Chief Justice, then I would cry, "Shame! Shame!" at the exploitation of the sacred religious feeling and sacred religious feeling and sacred religious learning displayed by the Hebrew day school students.

Benjamin Ginzburg.

Arlington, Va.

NUN JOINS STAFF OF OEO PROJECT

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. O'KONSKI. Mr. Speaker, the other day I came across an interesting article featuring a constituent of mine, Sister Alice Rita Keegan of Eau Claire. Sister Keegan is spending her summer working on the staff of the Office of Economic Opportunity's Upward Bound project on the Paine College campus in Georgia. A white Catholic nun, she is an art instructor at this predominantly Negro Methodist college.

Sister Keegan represents Project Choice—Cooperative Help Integrated College Education—sponsored by the National Catholic Conference for Interracial Justice.

I was especially interested in the article because of the recent discussion in Congress concerning the Upward Bound program. This article struck me as an example of the innovative character of OEO's administration of its programs. I think this is a laudable trait, and OEO should be allowed to continue administering such valuable programs.

I am proud to have as a constituent such a vital individual as Sister Keegan. I congratulate her for her accomplishments. My colleagues, I am sure, will be interested in reading of the work Sister Keegan is doing for Upward Bound. Mr. Speaker, with your permission, I insert this article from the Augusta Herald at this point in the Record:

UPWARD BOUND: NUN JOINS STAFF OF OEO PROJECT

(By Marian Cheek)

When Alice Rita Keegan volunteered to teach in the Upward Bound program here, she had no idea of the striking set of circumstances that would result.

A seldom seen sight, she is quick to agree, is a white Catholic nun from the North teaching students of a predominantly Negro Methodist College in the South.

Sister Keegan, who hails from Eau Claire, Wis., has volunteered her services as an art instructor at Paine College during this summer's Upward Bound Program which continues through July 20.

She represents Project Choice, (Cooperative Help Integrated College Education) program sponsored by the National Catholic Conference for Interracial Justice, headquartered in Chicago.

Project Choice, the soft-spoken sister said, is a volunteer program with the objective to provide "choice" members with cultural enrichment given by serving on a Negro college faculty and at the same time make it possible for Negro teachers to study by being temporarily replaced.

"We teach for a modest stipend and the difference is applied to a Negro teacher who could use the money to further his or her education," she said.

She is "thoroughly enjoying," her summer here and plans to volunteer in future summers.

Sister Keegan is of the Benedictine order and during the year she teaches art at St. Bede's High School in Eau Claire.

Strictly a cooperative venture, the teacher chooses where she would like to teach and the college, in turn, decides whether to sponsor Project Choice.

Upward Bound Director Leonard Dawson said Sister Keegan is the first nun ever to teach at Paine.

The program, he said, involves approximately 60 high school students "for whom motivation and skills necessary for success in college have been a problem."

It consists of a six week residential summer program followed by Saturday sessions during the academic year.

This is the sister's first trip to Georgia. The tempo, here, she said, is "very different." "Everybody is in a mad rush or hurry at home." "But not here."

"Human nature is pretty much the same though everywhere," she smiled.

Paine students were a "little surprised" to see a nun on the first day of class, she said, and overall she finds the students "very unspoiled."

Sister Keegan is a graduate of St. Benedict's College. St. Joseph, Minn.; earned her master's degree at the University of Minnesota and further studied at Notre Dame and Wisconsin University.

She feels Upward Bound has "great possibilities." "The program helps intellectual students fill in background deficiencies," she said.

CONGRESSMAN McCARTHY FIGHTS FOR HIGHWAY SAFETY

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. SCHWENGEL. Mr. Speaker, as the House knows, considerable debate and discussion has been aroused over S. 2658, a bill to increase the size and weight of trucks. The interest being generated in the legislation is due in no small measure to the efforts of the gentleman from New York [Mr. McCarthy].

A consistent advocate of needed highway safety measures, Congressman McCarthy, one of the outstanding Members of Congress has lifted his effective voice against a bill that I too believe would endanger the highway traveler even more.

In the Sunday edition of the Raleigh, N.C., News and Observer, reporter Roy Parker, Jr., tells of Congressman McCarthy's efforts.

[From the Raleigh (N.C.) News and Observer, July 21, 1968]

BILL TO INCREASE TRUCK SIZES FACES APPROVAL

(By Roy Parker, Jr.)

Washington.—A bill that would allow behemoth trailer trucks weighing up to 69 tons on interstate highways is barreling down the road toward almost certain approval in Congress.

Dubbed the "King Kong Bill" by a small band of opponents, the measure would more than double present limits in federal truck weight laws, and open the highways to triple-trailer trucks resembling wheeled freight trains.

The bill would affect only federal laws. Any actual increases in weight limits would have to be made by state legislatures, which have ultimate authority to set them up to, and in some cases above, federal limits.

Well-organized truckers' groups traditionally have had marked success in convincing legislators with arguments that weight increases actually promote transportation economies.

The bill in Congress has passed the Senate and has been cleared by House committees for floor consideration.

Until its opponents began a steady public drumfire of dissent, the bill seemed destined for passage in the next few days.

Now, there is some talk that it may slow down somewhat, perhaps even wait until after Congress returns following an August adjournment for national political conventions.

But even then, there is little real hope among its opponents that it will be forced off the road.

The bill has received a somewhat qualified endorsement from the U.S. Department of Transportation which does, however, want more safety standards written into it.

While its gross weight limit formula is controversial, provisions for increases in single-axle and tandem-axle limits are backed by the National Association of State Highway Officials.

The bill would up the single-axle permissible limit from nine to ten tons, tandem-axle from 16 to 17 tons. The gross weight formula would replace a present limit of 73,280 pounds and would permit multi-unit vehicles of up to 138,000 pounds, according to opponents.

Even its opponents concede that they have no argument with single and tandem axle increases.

But they charge that the gross weight formula, a new twist in laws which have governed truck weights since 1956, is designed for "special interests."

They mean the big triple-trailer operators who constitute only 1.5 per cent of the industry, according to the congressional opponents.

Third-term Rep. Richard McCarthy, a Buffalo, N. Y., Democrat who is among the most vociferous opponents of the bill, says it "is an ill-advised attempt at satisfying a special interest."

He also charged that the bill's proposal to raise the width limit from eight to eight and a half feet would promote "serious safety hazards."

McCarthy mobilized five colleagues, Democrats and Republicans, on the House Public Works Committee to oppose the bill. He has received some support from the U.S. Conference of Mayors, which has passed a resolution against the bill in its present form.

The opposition began to get public attention early last week when it took the rare step of revealing closed-door maneuvering on the bill during consideration by the committee.

McCarthy's group charged that the bill was given "hasty and inadequate testimony" in the House committee.

By the end of the week, the stir had moved federal highway administrator Lowell Bridwell to issue a statement asserting that "after a careful review of the pending legislation, we continue to believe that, on balance, it represents a productive proposal."

However, Bridwell said, the Department of Transportation still believed the bill should contain more safety provisions for brakes and couplings. His department believes it has authority to apply such standards without such provisions, he said.

He also agreed with opponents that larger trucks "will doubtless speed the deterioration of the interstate system," and then plugged again for administration proposals for higher federal user fees on such vehicles.

"In sum, we do not oppose passage of the pending bill," Bridwell said.

Some opponents of the measure think that the administration might be induced to come out in opposition if the House were to reject a safety standards amendment.

McCarthy is considering the possibility of taking the question to the Democratic National Convention's platform committee, if the bill is not taken up in the House before the congressional recess on August 2.

[From the Raleigh (N.C.) News and Observer, July 21, 1968]

POTENTIAL EFFECT IN STATE IS SMALL

(By Rod Cockshutt)

A bill in Congress authorizing bigger and bulkier trucks on the nation's Interstate highways apparently would have little immediate impact in North Carolina since the measure's liberalized length, width and weight limitations already are substantially in effect in the State.

Nevertheless, a number of State officials and some motor club spokesmen are worried about the bill.

They fear that if it passes, the bill will be used as a wedge by the state's well-oiled and well-financed trucking lobby to push the 1969 legislature toward liberalizing size and weight restrictions on all Tar Heel highways.

"That's their (the trucker's) tactic here and in other states," asserted Lt. Col. E. C. Guy of the State Highway Patrol. "They get an inch one place and push for a mile everywhere they can."

"I'm not against the trucking industry making a profit," he continued. "But there's no question in my mind that if trucks get any bigger or longer they will present a serious highway safety problem."

Guy recalled trucking industry efforts during the 1967 General Assembly to win authorization of "twin-trailers" on all State roads.

BRINK OF PASSAGE

The bill was on the brink of final passage when the Senate, apparently attuned to a rising public clamor against the measure, sent it back to committee for further study. It never emerged again.

The bill would have allowed on the State's roads 65-foot long twin trailers—10 feet longer than the 55-foot tractor-trailer rigs now allowed. No increase was sought in the 73,000 pound maximum gross weight limit.

"From a traffic safety standpoint, these double and triple trailers are obviously a lot harder to maneuver on any size highway," Guy said. "More than that, any vehicle as big as they are tends to disrupt the steady flow of traffic.

"In many cases, it is exactly that disruption which leads to serious accidents," he said.

DANGER CONCEDED

J. Thomas Outlaw, executive vice president of the N.C. Motor Carriers Association, representing the trucking industry, conceded that "from a safety standpoint, larger trucks do take longer to stop."

"But we're talking about professional drivers, who know how to compensate for these bigger loads," he added.

Outlaw said the bill before Congress provides for "only very moderate" increases in truck size and weight limitations.

STILL UP TO STATES

"Simply stated, it's still up to the individual states to set limitations within their borders," he said. "This bill just lets the states allow heavier or longer trucks on the interstates, if they want to."

Outlaw said the North Carolina trucking industry has "no plans right now" to push for legislation during the next General Assembly which would allow longer or bigger trucks on the State's highways.

But he would not rule out the possibility that such a push will be made.

Carl Renfro, Wilson tobacco warehouseman and State highway commissioner, is another State official who opposes any increases in size or weight restrictions on trucks.

"I own some trucks myself and use them in my business," Renfro said. "But I'm opposed to them not only because of the safety factor—that's obvious—but because of what they do to the roads."

"During the 1967 twin-trailer hassle, I was the only one on the commission to speak out against it," Renfro said. "But I firmly believe that these bigger trucks really tear up the highway."

Cameron Lee, chief State highway engineer, was reluctant to talk about the bill before Congress. He said he has not studied it in depth, "but I understand that its provisions are not really very different from what we already allow in North Carolina."

NATIONAL INSTITUTIONAL GRANTS PROGRAM

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. PATTEN. Mr. Speaker, earlier in the 90th Congress, I cosponsored the National Institutional Grants Program Act, authorizing funds for further scientific research and education. I cosponsored this bill because of a deep and serious need in the Nation for more scientists and for greater scientific knowledge and training.

Rutgers, the State Universtiy, located in the 15th District of New Jersey which I represent, and all the other State colleges in the New Jersey educational system, will gain from the enactment of this bill, as well as every other State in the Nation.

An educational investment of this sort is as good as any we can make in the country's future.

My distinguished friend and colleague, the gentleman from Kansas [Mr. MIZE] recently testified before the House Science and Astronautics Committee in support of a similar bill. I think my colleagues will all be interested in his clear and persuasive arguments on behalf of his legislation, as follows:

STATEMENT OF CONGRESSMAN CHESTER MIZE, SECOND DISTRICT OF KANSAS, BEFORE THE SCIENCE, RESEARCH, AND DEVELOPMENT SUBCOMMITTEE OF THE SCIENCE AND ASTRONAUTICS COMMITTEE, JULY 18, 1968

Mr. Chairman and members of the subcommittee, I am most appreciative, first of all, for this opportunity to appear before you in support of the legislation under consideration. My support for this approach has been, and is, a matter of record, as has been manifested by the introduction of a companion bill, H.R. 4891, during the first session of the present Congress.

It is not necessary to lay before the subcommittee sheet after sheet of statistics as evidence of the importance of this bill's ideals and purposes; the role of the federal government in aid to higher education and the significance of that role, as well as the statistics I've mentioned, have been well documented. I would only like to remind us all of two simple facts: that total federal aid to higher education has jumped from only $600 million a year a decade ago to over $4 billion a year at present; and that enrollments in the nation's colleges and universities are expected to double, to 9 million students, by 1975. This is phenomenal growth; but more than that it represents a serious and immediate challenge to the government's present system of financial relationships with higher education. This bill is a step, an experimental one to be sure, but nevertheless a step, in the direction of improving those relationships. It will provide for a long-range, stable system of funding upon which the nation's colleges and universities, with student payments even now covering only about one-half of educational costs, will be able to depend without being forced either to lower quality or raise tuitions to again make a college education the province of the few.

The "experimental" aspect of the bill must be kept in mind in any discussion of the legislation; for within the limited scope of the bill, its provisions are adequate to the task, which is the expansion and better distribution of research funds, and the development and diffusion throughout the nation of a strong and solid scientific capability. What must be avoided is attributing to the legislation more than it seeks to accomplish, and then attacking it as too little and too late.

The bill is not designed, primarily, in the interest of institutions already heavily entrenched in research and graduate education. It does provide assistance for smaller institutions on the undergraduate level; so its formula for distributing funds doesn't necessarily protect and strengthen the existing status quo nor perpetuate the imbalance in distribution of those funds which already exists.

The issue of who should receive the funds which flow from Washington is both complex and, by the very size of the amounts in question, of vital concern to the institutions and regions involved in the competition for them. That there is an imbalance in the present distribution of these funds cannot be disputed. According to a report by the National Science Foundation, dated October, 1966, while 1,458 schools shared in $2.3 billion in the 1965 budget, at the top of the list were ten universities that received more than one-fifth of the money—M.I.T., University of Michigan, U.C.L.A., Columbia, Cornell, University of Illinois, University of California (Berkeley), Stanford, University of Minnesota and Harvard—while the top fifty colleges and universities obtained nearly three-fifths, and the top one hundred accounted for almost four-fifths of the money. What this means, by simple division, is that while the top ten stood to receive almost $50-million each, on the average, the bottom 1,350 left to sharing only about a fifth themselves, would have been lucky to have received a bare half-million dollars each. Add to this the fact that on top of the original $2.3 billion, another $915 million more was paid to run 24 contract research centers operated by universities; and that three-fourths of this, almost $700 million, was again administered by only six universities—California Institute of Technology, Stanford, University of California (Berkeley), University of Chicago, Johns Hopkins, and M.I.T.—three of which were among the top ten recipients of the lion's share of the $2.3 billion documented above. All this does not even mention the role of the Defense Department, of whose $1.7 billion in research and development funds distributed to academic institutions in 1964, thirty percent, almost one-third, went to California.

Such a distribution pattern has created quite serious problems for the great majority of institutions at the short end of the stick. The large, famous schools, most successful at attracting federal money under the present system, are able to grow and progress at a more rapid rate than those less successful at doing so, and thus are able to attract even more federal money, creating what the smaller or less prestigious schools see as a vicious circle directed against their interests—the rich becoming more so, and the poor only poorer. Even that is not the whole of the problem; financial starvation and malnutrition in the present too often prevent any hope of recovery in the future. In an interesting observation on just one of the aspects of this situation, Dr. Herbert R. Albrecht, President of North Dakota State University, highlights a typical complaint in this way: ". . . it (the present system of research funding) has subjected them (the less funded institutions) to raiding of their most competent faculty members by institutions more successful in obtaining grants . . . We are cast in the role of scientific faculty farm clubs . . . . We end up discovering, developing and sending on to the major league teams the men who could help us most."

It is these problems that this legislation seeks to, and can, mitigate. It does not provide for a better, forced, distribution of present funds. Such a change would not necessarily be an improvement, as it is certainly true that there are great amounts of talent concentrated in a relatively small number of schools, and to drastically reduce support to these schools would be to make less than full use of our academic resources. What the bill does provide for is additional, complementary funds, and new provisions for the division of those funds which would route more, if not most, of the money to those institutions receiving the least under present programs. In this way the bill will contribute significantly to broadening the base of our academic level scientific research system, while not forcing an ill-advised constriction of present efforts and centers of research to reach that goal. The key is to be found in the bill's new provisions for the distribution of those additional funds which will be made available.

One-third of the funds, $50-million, is to be allocated directly to institutions "as a graduated percentage of the total sum of project awards received by them during the immediately preceding year from the National Science Foundation, the National Institute of Health, and the U.S. Office of Education." Thus, those schools presently receiving the most from these sources would here, too, receive a higher percentage than those schools not receiving as much at present. The important point, however, is that the provision also provides for a limit to the amount that any one school can receive in any one year; it will not be possible, therefore, for the top ten schools to receive one-fifth, or for the top one hundred to receive almost four-fifths, as has happened under the present system alone. The top ten, at most, could here receive only $3-million or 6% of the total offered, while the top one hundred, at most, 60%. The end result, in any case, is that a larger slice of the pie, almost one-half this time, and more than double the size of the slice percentagewise than they are receiving under the present system, would be left to the majority of smaller or less well-known institutions. Such a percentage increase in their share certainly represents a gain for these schools, a meaningful and valuable addition to their sources of funds and not, as has been suggested, simply a continued favoritism of the already strong, whose percentage share under this provision is, in fact, rather drastically reduced.

Another third of the total funding is to be ". . . divided among states in proportion to the ratio that the total number of high-school graduates in the State in the immediately preceding year bears to the total number of high-school graduates in the United States." This provision, again, favors the smaller States, and the smaller or less prestigious universities and colleges most often located within these States, and works to correct the disproportionate share which a few States receive of the present federal dollar. For the smaller States, in effect, export college students while the larger States, and the famous "big name" schools generally found in them, import students. A small population State will, obviously, have a certain percentage of the high-school graduates in the nation; but it generally will not have that same percentage of the college and university students in the nation but will have less, while a large State will have a larger share of these students than it had of high-school students.

This is because a not inconspicuous number of the small State's high-school graduates will have gone out-of-State to attend more prestigious and better known, and often better quality, institutions in other States. Out-of-State students, on the other hand, will not have made corresponding shifts into the smaller State's institutions. Thus, those students lost by the smaller State are not replaced, and the same balance that existed in percentage of high-school students is not maintained in percentage of college and university students, the smaller State having less and the larger State having more.

This being the case, and a situation in large part attributable to the present system of unbalanced educational growth, the small State will be receiving *more* money than it would be entitled to if the money were divided up according to the ratio of each State's college population to the total number of college and university students in the nation; and the large State will be receiving correspondingly less. With more money, proportionately, the smaller State will be able to provide more assistance for its colleges and universities, who need it most, than will the larger State for its schools, which need it less, having received more from earlier programs, and continuing to receive more from other, existing programs. Again, the effect is to provide the presently financially starved States, and the institutions in them, with a larger share of this new funding than they have been receiving to date from existing programs, while not depriving other, already recognized centers of excellence of what they have. Furthermore, over time, the small States will be able to upgrade their own institutions to the point where their own high-school graduates will not find it so necessary to go out-of-State to obtain their educations, keeping them in their States where they are so needed for the steady growth of the country as a whole.

The last third of the funds ". . . shall be allocated to institutions of higher education in proportion to the ratio that the total number of advanced degrees . . . awarded by the institution during the immediately previous three years in the physical, biological and social sciences, engineering, and mathematics bears to the total number of such degrees awarded by all institutions of higher education within the U.S." While it might appear that this provides for giving the most to those who already receive the largest share from existing programs, I propose that this is not the case at all, and that the main recipients of this provision will be the large and rapidly growing, though less well known or prestigious, *State* colleges and universities, and not necessarily the "big name" schools.

For "big" in the context of many of today's most prestigious schools does not mean large in size, an aspect of the criterion for this provision. Of the ten institutions mentioned earlier as receiving over one-fifth of the $2.3 billion that the federal government provided for higher education in 1965, a number, especially M.I.T., Stanford and Harvard, are relatively small in size compared to many of the quite large State colleges and universities found throughout the country. Under the criterion of this section it is both possible, and probable, that most of the money will go, again, to institutions which have not up until now been receiving that money in proportion to their size and needs; this is because these schools often give as many, or more, advanced degrees than the "big name" schools, even though they do not receive the same research and graduate aid funds. And with their number of advanced degrees awarded being greater, so under this provision will be their share of these new funds, allowing them to upgrade and improve the quality of those degrees which they do give, and thereby working toward their development as centers of scientific research equal to the nation's already recognized centers of such research. Again, of course, those great schools which are already the most well funded will not be deprived of anything; they will, however, be prevented from dominating this new funding as they do present fundings.

In closing, I would like to comment on the institution grant approach, as opposed to the student aid approach. The arguments in favor of such a direct-to-student funding approach are that it would assure the financial freedom for the student to attend the college or university of his choice, and that it would avoid the conflict over tax support of religious institutions. While this is certainly true and desirable, it is the arguments against student aid which, in this case, are the more numerous and convincing.

For if a direct-to-student funding approach is used, the colleges must recoup their rising costs by raising tuitions, which are already skyrocketing at an alarming rate. An inflationary spiral in college costs, would, it is widely predicted, be the ultimate result, pricing higher education once again out of the reach of many who find themselves financially hard pressed even at today's fees. Furthermore, if schools continue to raise tuitions, more and more student aid programs would be needed as more and more students, at higher educational costs, found that they needed aid. The government already operates six such programs and they are cumbersome to administer. Politically, of course, it would be difficult to limit such help to only the poor, who too often do not vote, without raising storms of protest from many middle and upper class families, ones that vote regularly, who are also clamoring for relief from ever rising college costs.

Most important, however, in this respect is the problem of restricting any funds, regardless of the approach used, to the educational process. Either the schools or the students might use the grants simply to replace other funds that would have been used anyway, in the absence of grants, in the educational process. The government might well end up subsidizing the non-educational expenses of the schools, such as the construction of fancy but little used "show place" facilities; or of the students, who would be free to use their own funds for more parties, entertainment, cars, etc. In either case, the government would not be using its education dollar for education; and in that case, both education and the nation would be the losers.

Direct-to-institution and through-State funding however, as used in this bill, eliminates most of the problems just cited above in connection with the student aid approach. Such aid can be more easily directed to those institutions which have the best talent, to those institutions in which we are trying to develop that talent, or to both. Administratively such a system is easier and more efficient, having to deal with only a few thousand schools and fifty-five States and territories, instead of with millions of individual students and their families. Qualitatively it allows for better evaluation, by the States and by the Federal government, on which schools are making the most and best use of the funds, and which are making less, allowing for wiser distribution of funds in subsequent years.

Such an approach would also lessen, more than would a direct-to-student approach, the possibilities that the money would be used to subsidize non-educational costs. For universities and colleges, in the great majority of cases, never have enough money; and even with increased federal aid, it is doubtful that they would ever be so caught up with their legitimate needs as not to have something worthwhile on which to use the funds. The need is really that great. Even those schools which now receive the most federal funds, or which are famous as being wealthy and well-endowed and would be thought to have few financial needs, are often the most active in seeking funds from alumni, other private funds and business, not to mention from the government. When Stanford, for instance, one of these schools, finds it necessary to launch a fund drive with a goal of $100-million, how much more money could be used by those schools less successful than Stanford at obtaining the federal money, let alone the private money, that schools like Stanford have been receiving now for years? It is really difficult to see how the presently financially-starved institutions, which this bill would help the most, could become so rehabilitated that they would have money left over to spend on non-educational items; thus there is much less chance that the government would ever end up subsidizing non-educational costs of the schools than there is that it might end up doing so for students under a direct-to-student approach.

I hope that these observations on my part will have been of some help to the subcommittee. It has been my purpose not so much to emphasize my support for this legislation as to clear up, if I could, some of the misconceptions and undeserved criticisms which have become attached to the bill in previous testimony. This legislation is needed because it promises, justly, to go a long way toward rectifying the imbalance of effort which now characterizes our present system of federal funding for higher education, and to do this in a most efficient and a most needed manner. If I may conclude with a quote which appeared in an article by Mr. Harold L. Enaison, Academic Vice President of the University of New Mexico, in the June, 1965 issue of *College and University Business:*

"Collectively the federal agencies contribute significantly to the piling up of federal dollars, federally funded buildings, and faculty talent in the big, powerful institutions . . . federal education programs tend to concentrate academic wealth in existing centers of excellence. No federal agency deliberately sets forth to favor the already strong. But the consequences . . . are no less harmful for being unintended."

It is now time to set about undoing this harm. It is now time for a federal program which deliberately sets forth to favor those institutions which have been neglected for so long. The bill before you would take the first step in this direction, a step that must be taken. Thank you.

THE REAL CUBA

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. WYMAN. Mr. Speaker, actual conditions prevailing in Cuba at this time are less than attractive and certainly incompatible with freedom as we know it in the United States. Of interest in this connection is the report of John Lofton, Jr., appearing in the Manchester, N.H., Union Leader earlier this month.

This column should be read by all who deplore the continuance of Communist control in this country so close to our shores:

APOLOGISTS FOR CUBA STILL "SELLING" CASTRO

(By John D. Lofton, Jr.)

WASHINGTON.—Every so often, a student revolutionary or a black powerite or sometimes even an executive editor of the New York Times, flies off to Cuba, takes the Potemkin Village tour and returns to tell us that life under Castro isn't really that bad and that, well, it certainly beats things as they were under Batista.

Timesman James Reston gave such a verdict last summer after a trip to Red Cuba when he told readers that there seems to be a "sense of common life and purpose" on the island and that Castro has "got the support of his people."

Not to be outdone in the praise of Castro and the conditions in Cuba under the bearded tyrant, the National Education Television network put together a most tendentious piece of propaganda, the implication of which was that everything that has gone wrong in Cuba is directly attributable to the legacy of Uncle Sam.

The film, according to Paul Bethel's highly authoritative "Latin American Report," was co-produced by a man who once worked with the Fair Play for Cuba Committee which was partially financed by Fidel Castro himself.

All of which brings us to a local program recently broadcast, in Spanish, to residents of Santo Domingo in the Dominican Republic. The program entitled, "You Be the Jury," featured an interview with several Cubans who had fled Castro's Island Paradise and the conversation went like this:

Question: You say you had decided to flee because of the regime's oppression. Just how did you feel that oppression?

Answer: We felt it because in a country where there is no democracy, no freedom, where everything is expropriated and all property is closed, the Cuban feels this is his own flesh.

Question: But I understand human rights were not respected under Batista, yet you did not flee then and yet you flee now from Fidel Castro?

Answer: Under Batista's dictatorship, one could have his beliefs, and own property—since no peasant has his own land taken away. Under Fidel's regime, despite what he says about the peasants, it is not so. Things are not the same as he tells the peasants. There is no clothing, no shoes, no nutrition, no entertainment. Then what does it matter if we get a good wage if there is no freedom and nowhere to spend the money?

Question: What about freedom of religion there?

Answer: As for religious freedom, we can say there is none. For I think religious freedom is when any pastor or missionary of any sect can go anywhere to talk of God, without anyone meddling in his ideals. In Cuba, one can only preach the gospel in the churches on Sunday. One cannot go out on any religious mission anywhere. That is part of the freedom that is there.

Question: It is understood, because the Cuban regime has declared it, that the revolution is by and for the peasants? As peasants, have you experienced any improvement in the peasant's previous situation?

Answer: That is Castro's main policy; to announce to the world that the Cuban revolution is by and for the peasant. But that is not so, for we see the exploitation of the peasant, since he is not given the right to own what is his. For example, in regard to human respect under Batista's regime, every citizen owned what was his, he could have a right to it. But under Castro's regime, no peasant can say he owns anything, for everything belongs to the regime, and everything that is harvested must automatically be turned over to the regime. This goes even for small amounts. Products are sold, but for money that is worthless. And even if it has value, one must invest it.

And there you have it. A verbatim testimony of life under Fidel Castro by those who lived it. A story that gibes perfectly with an editorial which appeared recently in the national business and financial weekly, Barron's:

"Pre-Castro Cuba ranked among the leading three Latin American nations in various indices of well-being. Since 1959, however, it has been down hill all the way. Coffee and sugar, which the Pearl of the Antilles used to export in vast quantities, now are rationed. Fruit, meats and milk are virtually unobtainable. The most devastating commentary of life in Cuba today comes from the hordes of refugees, nearly half a million of whom already have opted for penniless freedom abroad and who continue to leave their native land at the rate of 4,000 per month. Many who cannot gain permission to go—younger, more productive people—risk their lives to escape."

ALLIANCE FOR PROGRESS: DEMOCRATIC INSTITUTION BUILDING IN LATIN AMERICA

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. ROYBAL. Mr. Speaker, I believe the Alliance for Progress is definitely on its way toward ultimate success in the achievement of its goals—because I am confident that we in the United States will live up to the expectations of our neighbors in Latin America.

As we know, the Alliance requires close cooperative effort, not only from our neighbors, but from us as well. The Alliance rests upon the traditional American belief that free men, given the right tools, can build their own societies, peacefully, without violence and bloodshed.

As we move forward from the organization and mobilization phase of the Alliance into the reform and institution-building phase, more and more Latin governments today are becoming truly committed to Alliance methods and goals. All sectors are beginning to contribute their fair share to national development efforts. The atmosphere of desperate poverty is being replaced by hope and expectation.

The enlightened leaders of the Americas know that good government dedicated to change and development cannot by itself alone insure lasting improvement in the lives of all its citizens. And these leaders know that such improvement cannot be imposed or controlled from the top.

They realize they must be able to count on the active support of the great mass of people whom they represent if the changes they would introduce are to flourish.

Before a government can adapt itself to the needs and the desires of the people, the people must first be able to identify and then communicate those requirements to their leaders. This democratic function cannot take place until all citizens have an economic and political stake in their society and until they have learned to protect this stake for the benefit of all.

Our contributions to the Alliance for Progress have helped to establish institutions comprised of men and women determined to fulfill a common goal—to achieve the objectives of the Alliance, all designed to raise the standards of their people.

Let us not forget that, after all, the final end of our Alliance for Progress is to improve the lives of people, not simply to increase the wealth of nations.

We have come a long way on the road toward development. The seeds of democratic institutions have been planted in most Alliance nations. To withdraw or diminish U.S. participation now would result in sharply reduced growth rates. We in this country must be prepared to continue our help. We are vitally concerned with the outcome of their endeavors.

In addition, there is still much to be done for the Alliance nations if they are to achieve and maintain political stability. Many of Latin America's basic structures still need to be reformed.

It is encouraging that a growing number of Latin American leaders today have gathered under them, to give shape and substance to the Alliance for Progress, men of vision and intelligence, unswervingly dedicated to the basic changes called for in the Alliance Charter: to bring to all men in the hemisphere "maximum levels of well-being, with equal opportunities for all, in democratic societies adapted to their own needs and desires." These leaders are also convinced that such a tremendous job can be done in peace, and without violence.

Many, however, are sincerely troubled by what they regard as the relatively slow pace of progress brought about in the first 7 years of the Alliance. Some of these men and women have learned at firsthand the complexities and vastness of the problems that stand in the way of a better life for the poor of Latin America, and they have become pessimistic.

It is up to us to prove the doubters wrong and to allay the fears of the pessimists by providing the assistance which will help accelerate the pace of development.

This is a crucial period of reform and institution building in Latin America. We must remind ourselves that we and our neighbors to the south are involved in total hemispheric development. Our nations have agreed on the goals for which we are striving.

This is the time to demonstrate the courage of our mutual conviction that democracy, not tyranny, is the true potential of Latin America.

ON THE NONPROLIFERATION TREATY: ONE MAN'S VOICE

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. HOSMER. Mr. Speaker, there can be no question but that the Nuclear Nonproliferation Treaty now before the other body for ratification has serious ramifications for the future security and defense of the United States. There is, however, considerable disagreement among the experts and so-called experts as to whether these implications are beneficial or detrimental. It has long been my judgment that the people and organizations within the administration responsible for the treaty have never performed an impartial analysis of this issue.

I have spoken out on 22 occasions during the course of the 89th and 90th Congresses, trying to spur those in responsible positions to consider both sides of the issue before they commit the United States to something which may prove unwise. As the Speaker can tell, I am still trying.

For the benefit of those Members of this and the other body who are attempting to research this vital national security issue, particularly those who must soon vote "yea" or "nay" on its ratification, I have compiled a bibliography of the statements I have made on the subject of the Nonproliferation Treaty during the past two Congresses. I also hope it will prove useful to those students of the subject who are undertaking research projects on the history of the Nonproliferation Treaty. The list follows:

July 24, 1968, page 23202: "On the Nonproliferation Treaty Amen, Brother."

July 22, 1968, page 22735: "Testimony Regarding Nonproliferation Treaty."

July 2, 1968, page 19788: "Another View of the Nonproliferation Treaty."

May 7, 1968, page 12103: "Arms Control and Disarmament Agency Assessed."

May 1, 1968, page 11323: "Nonproliferation Treaty Safeguards Costs Staggering."

January 24, 1968, page 825: "Nonproliferation Treaty Hoax."

In volume 113, part 19, page 25648: "Nonproliferation Treaty Is No Bargain."

In volume 113, part 18, page 24031: "Nonproliferation Treaty Will Endanger National Security."

In volume 113, part 4, page 5181: "One If by Land, Two If by Sea, and Three If by Treaty."

Page 5064: "Boozers and Teetotalers and Nonproliferation."

Page 4818: "Schizophrenic Nuclear Pacifists Try Uninventing the Wheel."

Page 4518: "Nonproliferation Treaty—A Nuclear Yalta?"

Page 4383: "Treaty Will Not Stop Spread or Enhance Security."

In volume 113, part 3, page 4169: "The Nonproliferation Treaty Cheating Cannot Be Inspected or Verified." Page 4187, "Nonproliferation Treaty Flunks Cost-Effect Test." Page 4201, "President Accepts GOP Proposals Relating to Plowshare Sharing."

In volume 113, part 3, page 3875, "Disarmers Substituting Pact Pledges for Military Muscle."

Page 3551: "Proliferation Consequences Exaggerated."

Page 3292: "Plowshare Program Victim of Disarmament Zeal."

Page 3465: "The Nonproliferation Treaty Hoax."

In volume 112, part 19, page 26151: "Warning on Nonproliferation Treaty Talk."

In volume 112, part 6, page 7368: "GOP Report and Proposal on Nonproliferation."

In volume 112, part 2, page 2431: "Nuclear Nonproliferation Resolution."

DR. V. D. MATTIA HAILED FOR COMMUNITY SERVICE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. RODINO. Mr. Speaker, an outstanding constituent of mine was recently accorded a signal honor by the Essex County Chapter of the National Football Foundation and Hall of Fame. Dr. Virginius D. Mattia, of Upper Montclair, N.J., received the Distinguished American Award, presented annually "to a former player who has carried the lessons learned on the football field into a life of service to the community."

On July 18 the Nutley Sun described this unique man and the occasion, and I am delighted to commend it to my colleagues' reading, as follows:

ESSEX SPORTS CHAPTER PRESENTS DR. MATTIA WITH DISTINGUISHED AMERICAN AWARD HONORS

Dr. Virginius D. Mattia, president of Hoffmann-La Roche, Inc., Nutley, received the "Distinguished American Award" of the Essex County Chapter of the National Football Foundation and Hall of Fame.

Dr. Mattia was honored by the Essex Chapter at its Third Annual Scholar-Athlete Awards dinner April 17 at the Hotel Suburban, East Orange. Twenty-eight high school football stars from the county's five school divisions were also presented scholar-athlete awards at the dinner.

The Distinguished American Award is presented annually "to a former player who has carried the lessons learned on the football field into a life of service to the community."

In addition to his business responsibilities, Dr. Mattia has long been a civic leader. Last year he was the recipient of the Essex County Civic Association Achievement Award.

CIVIC SERVICE RECORD

He has served as a member of the board of trustees, vice president and president of the Essex County Heart Association and president of the Cerebral Palsy Rehabilitation Institute. He is a former member of the Citizens Committee for Higher Education in New Jersey, and in 1967 was on the New Jersey Board of Higher Education in addition to the boards of the Mount Carmel Guild, the New Jersey Symphony and the Two-Hundred Club of Newark.

Dr. Mattia is a graduate of Rutgers University, where he played 150-pound football, and New York Medical College. He is presently chairman of the Rutgers Medical School Advisory Committee and from 1965 to 1967 was a trustee of the University.

Dr. Mattia's professional affiliations read like an anthology of medical associations. In addition to being a Fellow of six medical colleges, including the International Academy of Law and Sciences, he is also an active member of the American Medical Assn., American Medical Writers' Assn., the Academy of Medicine of New Jersey, the New Jersey Medical Society and the Essex County Medical Society.

He has been an associate editor of "The Merck Manual of Diagnosis and Therapy," a contributor to "Practical Therapeutics" and the author of numerous articles in medical journals.

Dr. Mattia is a director of the American Foundation for Pharmaceutical Education; member of the board of directors of the Pharmaceutical Manufacturers Assn.; and business trustee of the New Jersey College Fund Assn. He is also on the board of the Fidelity Union Trust Co., Newark.

W. CLARKE WESCOE, CHANCELLOR, UNIVERSITY OF KANSAS, PRESENTS STRONG STATEMENT IN SUPPORT OF INSTITUTIONAL GRANTS TO COLLEGES AND UNIVERSITIES

HON. CHESTER L. MIZE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. MIZE. Mr. Speaker, recently I had the pleasure of appearing with W. Clarke Wescoe, chancellor of the University of Kansas, before the Subcommittee on Science, Research, and Development of the House Committee on Science and Astronautics. Chancellor Wescoe was appearing in support of legislation which other Members and I introduced to set up a national program of institutional grants to advance science and the education of scientists in our colleges and universities.

The statement made by Chancellor Wescoe develops certain aspects of this approach with such clarity and forcefulness, I feel I will be doing a service both to higher education and to my colleagues by calling attention to his remarks in this matter. The statement of Chancellor Wescoe follows:

STATEMENT OF W. CLARKE WESCOE, CHANCELLOR, UNIVERSITY OF KANSAS, BEFORE THE SUBCOMMITTEE ON SCIENCE, RESEARCH, AND DEVELOPMENT, HOUSE COMMITTEE ON SCIENCE AND ASTRONAUTICS, ON H.R. 875 AND RELATED BILLS, JULY 18, 1968

Mr. Chairman and Members of the Committee: I am W. Clarke Wescoe, Chancellor of the University of Kansas. I appear before you this morning to support H.R. 875 and related bills, particularly including H.R. 4891 introduced by Representative Chester Mize of Kansas.

This Committee has already heard testimony underscoring the overriding need at this point in history for legislation to provide sustaining, predictable grants to colleges and universities in their own right, and not as a by-product of the mission of a particular agency, to preserve and enhance America's system of higher education as a unique national resource in and of itself. I concur wholeheartedly in respect of this need, but I think it is not necessary for me to take your time or mine to make the case again.

Because of my particular background, however, I would like to take a few minutes to point out that sustaining formula-grant programs are not new to the Federal government and that, where they exist, their value to the institutions is far beyond that which would normally be expected from the level of the funds provided by them.

As for the precedents, I am most familiar with those in the medical and related fields, and I would particularly mention the modest formula-grant program for the operational support of schools of public health since 1958 under the Hill-Rhodes bill (which, incidentally, I think your background Committee print failed to mention) and, more recently, the formula-grant sustaining programs under the Health Professions Educational Assistance Act and the Allied Health Professions Educational Assistance Act. Since it is older and we have more experience under it, let me confine my remarks to the sustaining grant program for the schools of public health.

This program is, quite literally, the lifeblood of the schools of public health. The late Congressman Fogarty once referred to them as of "special, indispensable value," and the then Surgeon General, Dr. Luther Terry, agreed that other types of grants ". . . cannot . . . shore up the school's teaching operations in a general way, as do the formula grants." He went on to point out that ". . . dollar for dollar, the formula-grant program is one of the best investments the taxpayer can make in public health training," and agreed that the formula grants, "in comparison with project grants and others, involve minimum administration and therefore a very slight cost to the Government to run them."

Experience with this program shows that formula sustaining grants can contribute significantly with the development of the whole school as an integral unit and to the achievement of over-all goals and objectives through their unusual flexibility and stability. Under the formula grants, the universities are enabled to participate responsibly in planning for the programs and the level at which they should be supported, something that they cannot do under a straight project-grant system. An interesting illustration of this is seen in the descriptive listing of Federal water resource programs for 1965 drawn up by the staff of the Federal Council for Science and Technology and published in the progress report of the Committee on Water Resources Research. At the top of the list, there is a headnote stating that "No statements concerning the National Science Foundation are contained . . . since its programs cannot be anticipated in advance of receiving actual research proposals." Since the educational institutions cannot know in advance what proposals will, or will not, be approved by the Foundation, and the Foundation cannot know what proposals will be submitted, planning obviously becomes difficult.

I might add, Mr. Chairman, that some members of the Congress have evidently been impressed, along with college and university officials, with the importance of these flexible, predictable formula funds. You will perhaps recall that Senator Smathers, floor manager for the conference report on the measure for a tax surcharge, introduced language barring any reductions in the NIH formula grants for medical and other health related schools. In explaining the provisions of the conference report, he said that "the bill we are now considering could cause some reduction in financial aid to medical schools—probably in the areas involving construction grants and to some extent research project grants. But we could expect that the administration would not make expenditure reductions below the amounts appropriated for 'educational improvement grants' and 'general research support grants.' "

Continuing to use the formula grants in the health fields as a precedent, I might add that, if the bill before us today has a weakness, I would suggest that it might lie in the fact that it makes no provision for meeting unusual institutional circumstances and needs. It is true that there are other programs that, in part at least, aim at meeting this type of need—the university, departmental, and college science development programs of the National Science Foundation, for instance. To this extent, additional types of programs for meeting this need are not required. I am reminded, however, of the special institutional project grants program in the Health Professions Educational Assistance Act. Under that program, grants may be provided to an institution not only to achieve the kinds of things that can be achieved under the science development programs but also to ". . . assist schools . . . in meeting the cost of special projects; to plan, develop, or establish new programs or modifications of existing programs of education . . . or to effect significant improvements in curriculums . . . or for research in the various fields related to education . . . or to develop training for new levels or types of . . . [professional] personnel, or to assist any such schools which are in serious financial straits to meet their costs of operation or which have special need for financial assistance to meet the accreditation requirements, or to assist any such schools to meet the costs of planning experimental teaching facilities or experimental design thereof, or which will otherwise strengthen, improve, or expand programs to train personnel in such health professions needed to meet the health needs of the nation."

Such a program would, of course, expand the scope, flexibility, and authority of present NSF short-term institutional grants programs. It would have to be in addition to a basic formula-based program of sustaining grants, but, as such, could provide a means by which the Foundation could assist with special needs on a short-term base. I suggest this Committee might wish to give some consideration to the addition of such a program to H.R. 875.

Mr. Chairman, although I am testifying as an individual, I was deeply involved as a member of the Executive Committee of the National Association of State Universities and Land-Grant Colleges that worked for over a year and a half in developing the program that would be implemented by enactment of the Miller bill. It might be helpful to your Committee for me to review briefly the discussions within that committee that led to the program we eventually proposed.

At the beginning, I should probably point out that our Executive Committee at that time had on it representatives of a very broad range of types of institutions of higher learning. These included large universities heavily involved in federally sponsored research, such as the Universities of Illinois and Wisconsin; several institutions in what might be called the "middle range," including, for instance, Rutgers and Indiana Universities, as well as my own; and essentially undergraduate institutions with little involvement in Federal grants programs, such as Prairie View A&M College in Texas. In addition, we worked closely with representatives of the American Association of State Colleges and Universities, whose membership consists of characteristically undergraduate institutions rapidly changing into substantial liberal arts and pre-professional colleges, such as the several California and Connecticut state colleges.

We started from the premise that the next logical step—and a desperately needed one—in Federal programs for the support of higher education was the establishment of a broad-based program for continuing, predictable support for the basic functions of higher education to complement and provide a sustaining undergirding for existing project programs. These hearings have shown that we were not alone in this belief, and I think I do not need to dwell on this point.

A second basic decision was that any such support should be made through a formula based on objective, measurable indices. This decision was perhaps more easily arrived at than it might appear, since we were strongly influenced by the experience of our institutions with the almost uniquely successful formula—grant programs for instruction and for research and extension in agriculture in the land-grant institutions and for instruction in the schools of public health.

Our institutions unanimously testify that funds through these programs, although small in comparison with funds from other sources, are valuable to the institutions far beyond what could be expected from the level of sums involved because of their flexibility, stability, and predictability. In addition, the alternatives were unacceptable to us. These included, on the one hand, programs to channel funds to the institutions from Federal sources through grants-in-aid to students, with the institution to recoup these sums through increases in tuition, and, on the other hand, massive extensions of such institutional project programs as the National Science Foundation science development programs. The first of these is, *at the least*, unnecessarily unwieldly and makes impossible any requirements for responsible accounting for the expenditure of the public funds involved, as well as the enforcement of such Federal legislation as the Civil Rights Act. The second could, we believe, place undue power over the colleges and universities in the hands of a Federal agency, with serious implications for the compromise of institutional autonomy; would at least theoretically deny the stability necessary for a sustaining program; would involve unnecessarily expensive administrative costs; and would leave unaided many institutions with great need.

A third basic decision, somewhat more difficult to arrive at, was that the best opportunity at present for the initiation of any such program was in the field of science. A new program with the potential significance to higher education and to the country of the one we were proposing needed, we felt, a trial run—a shakedown cruise, as it were, in a variety of institutions—to test it out in actual practice and to gain experience to guide future developments with wisdom and statesmanship. There is already a long experience with and wide acceptance of Federal participation in the sciences and the social sciences and a substantial and experienced Federal administration with a history of successful relationships with the colleges and universities in the National Science Foundation. The heavy emphasis on mission-oriented and project support in the sciences and the relative concentration of such support in the major universities have created widespread public interest in the procedures and processes by which research support is allocated. These conditions, we concluded, provided the best possible focus for the "trial run" and for an adequate evaluation of the program. Our institutions are mindful of the need of sustaining funds in the arts and the humanities. We are also mindful of the fact that the Arts and Humanities Foundation is as yet a young organization that can use to advantage some time in developing its administrative procedures and structure. Experience with the operation of a national institutional grants program by NSF could help pave the way for a similar program in the Arts and Humanities Foundation, just as NSF experience with project grants has proved helpful to its younger sister foundation.

A fourth basic decision was the easiest of all—that all accredited institutions, private as well as public, and at all levels, should participate in the program, for we believe that each of them is important to the nation.

Working out the details of the formula itself was the most difficult part of the process. We early decided that we should include the basic functions of institutions of higher learning—undergraduate education, graduate training, and basic research—in the funding formula, not only to give recognition to each institution's participation in each of these basic areas but also to indicate the range of activities in which each institution could internally allocate funds under the grant-in-aid provided through the bill and to indicate the close association of these activities in the actual operation of viable academic experiences. Because of factors such as these and in the absence of any absolute guidelines, we also decided to give the three functions equal weight in the funding formula. Furthermore, since the program was to complement and not supplant or diminish any existing programs, we needed to consider such programs in designing the formula.

For the first third—that involving research participation—we had a working model in the institutional grants program of the National Science Foundation. To give frankly favored treatment under this third to the institutions whose research programs are in the developmental stages, we proposed a graduated scale by providing 100 per cent matching for the first $30,000 of applicable grants and a $300,000 ceiling for any one institution. We limited applicable grants to NSF, NIH, and the U.S. Office of Education in an attempt, insofar as possible, to restrict the base to basic research and to the less mission-oriented agencies. Personally, I see considerable merit in Dr. Haworth's suggestion that NIH be eliminated from this part of the formula, since the Institutes already has both its formula-based sustaining grants and its project-based institutional awards, and in using the academic-science base identical to that which will be used by the Foundation this next year for its institutional grants program.

For the middle third—that based on undergraduate programs—we used high-school graduations as a relative measure of the undergraduate opportunities needed in a state. To measure the extent of each institution's contribution to filling this need, we started with the concept of using full-time equivalent enrollment but shifted to undergraduate semester hours taught by the institution as the more accurate measurement. In addition, using this measure makes it possible to determine with great accuracy the institution's "load" by specific courses to maintain the categorical distinctions in other parts of the bill, which no other formulation can do.

I find it difficult to understand the apparent confusion the use of this index has seemed to generate. The term has been carefully defined by the U.S. Office of Education, which requires its use in proposals for facilities construction aid. Quite simply, a student semester hour consists of one student taking a one-credit-hour course. Thus, a three-hour mathematics course with 30 enrolled students would total 90 student semester hours. It is true that national statistics on this base are not now kept, but such statistics are readily available at the institutions or can be obtained at no great expense. It provides many advantages over any other index as a measure of the undergraduate instructional job the institution is doing.

As a further consideration, we elected to fund equally for upper division and lower division students, again to provide an additional "bonus" to those institutions with large enrollment in introductory courses, such as the junior colleges, and the essentially baccalaureate institutions.

It was in consideration of the final third—that based on graduate work—where we found it particularly necessary to take into consideration present programs in designing the formula. In the first place, at this level degree production is a more nearly accurate indication of the institution's "load" than is student enrollment. In the second place, there are already existing substantial programs of support at the doctoral level—the NDEA graduate fellowship program in the Office of Education, graduate fellowship and traineeship programs in NSF and NIH, and others—but almost none at the master's level. Consequently, we decided to make no distinction in the funding as between the two degrees, which effectively "loads" the formula in favor of those institutions with developing graduate programs with relatively heavy emphasis on the master's degree. The equal funding as between the three basic parts of the formula provides a funding differential between undergraduate and graduate work of 1 to about 6.5—that is, an institution would get 6.5 times as much for a graduate student as it would for an undergraduate student—which is about the middle of the range in which the actual cost differential falls.

There is, of course, nothing sacrosanct about this formula. I strongly believe, however, that it provides a logical beginning with which to develop the information upon which to base changes that may be desirable. I would hope that, along with the basic premise of the need for continuing, flexible sustaining funds, the committee would give the formula itself serious consideration.

In discussing the probable effects of the bill on this or that type of institution, I can only express regret that a careful institution-by-institution analysis of the bill has not been carried out. I recall that Mr. Miller first introduced H.R. 875 three years ago in the second session of the 89th Congress. I was, consequently, disappointed to find out from testimony by Commissioner Howe at these hearings that the U.S. Office of Education has to date given only "superficial" attention during these three years to what is obviously an important suggestion for major legislation involving higher education. I am sure the Committee will consider seriously the careful balance we hope is built into the program before accepting generalized statements unsupported by analysis about the effect of the formula on the several types of institutions.

Mr. Chairman, much has been said about the need for maintaining academic and reseach excellence and of enlarging it where it exists. I think no one disagrees with the need for doing this. What seems not to be so clearly understood is the relationship between this goal and the need to establish a general research and science support program for all colleges and universities.

Let me suggest an analogy. To the serious football fans—and America seems full of them—the major league teams are the "centers of excellence." The best football in the country is played between teams in these leagues. If we wish to support excellence in football, we must support these teams, which, as Americans, we seem to do rather handsomely. This support, however, would be largely meaningless if it were not backed up by healthy, appropriately supported systems where young men learn to play the game. While it is true that these top teams establish the standard of excellence, that excellence could not be maintained for long without maintaining both the quality and quantity of the football played elsewhere, nor can that excellence be significantly improved without first improving the quality and quantity of play in the other systems.

At one time, excellence in American science was largely imported, as is the talent for the experiment here in Washington with soccer. But we will not be able to maintain healthy soccer for very long in this country without developing sound, healthy soccer teams throughout the country through which young Americans will be able to learn to play the game well.

All analogies have limitations, but the major lesson here seems to me to be both clear and valid: excellence is not established, maintained, and improved in a vacuum. If we are to maintain the academic and research excellence at our outstanding national universities, we must not only continue (and even increase) our support of their work but also provide an essential undergirding by developing sound academic and research programs in the sciences at regional, state, and local colleges and universities—both public and private—across the country. And we shall not be able to do that by calling the signals from Washington. We will be able to do it only by making it possible for each institution to develop its strengths and eliminate its weaknesses in accordance with its own goals and objectives.

H.R. 875, taken as an addition to present support programs, seems to me to be well designed to make a start toward Federal involvement in achieving this objective. It provides to each accredited institution funds in proportion to its present and continuing contributions to research and the education in the sciences. And it provides these funds in a way that protects the essential autonomy and integrity of each institution and makes it possible for each to make long-range plans, with reasonable expectation of being able to carry them out—that is, for each institution to develop its own potential, to seek its own goals and objectives.

Mr. Chairman, I know that this Committee will give serious and thoughtful consideration to this legislation and to the testimony of those who have appeared before you these last few weeks. The need for a program like that proposed by H.R. 875 is vitally needed—and needed now—if the colleges and universities are going to be enabled to continue to serve the public purposes in basic ways in which only they can serve. We all realize that at no time in recent history has the budget been subject to greater stringencies than at the present time. And we all realize there are serious competing demands for our limited resources. I am also aware that the Morrill Act establishing America's outstanding system of land-grant universities—America's unique contribution to the history of higher education, according to the educational historians—was passed by the Congress and signed into law during the bleakest days of the Civil War. H.R. 875 could be as important to the future of higher education and to this country as was the Morrill Act. I urge that it be enacted.

THE CONTINUING ISRAELI-ARAB CONFRONTATION

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. HALPERN. Mr. Speaker, a serious threat to world peace exists in the Mediterranean-Middle East-Persian Gulf as a result of the continuing Israeli-Arab confrontation, the quickening military-economic-political penetration of the Soviet Union and the withdrawal of British forces from bases that have guaranteed stability for more than a century.

Three dangerous games are being played today in the explosive atmosphere of the Middle East: poker, blindman's bluff, and "chicken." Some would add a fourth game, or perhaps it could more accurately be called a "scenario" and that is Russian roulette. It has become trite to say that the Middle East is a timebomb, but it is nevertheless true. Ironically, Western civilization which began at the tricontinental hub where the Mesopotamian Valley is cradled by the Euphrates and the Tigris Rivers may itself be the prelude to the ending of the human adventure unless positive, imaginative, and forthright political settlements are forthcoming and implemented. Not since the end of World War II has any one corner of the globe been the setting for political and religious strife of such a magnitude of open violence. Since the United Nations created the State of Israel in 1948 three wars alone have been fought over the question of Palestine. Acts of violence have been almost daily occurrences along the Jordan-Israel cease-fire line; other outbreaks of violence have occurred in Lebanon, Iraq, Yemen, and South Yemen, as the former Aden Federation is now known. Conflicting claims have raised tensions in Kuwait and the Trucial States.

The Middle East is of vast importance to the world because of its strategic geography, its vast oil resources—60 percent of the world's known reserve—the political and economic potential of its people, whose religion, science, art and culture have enriched the fabric of Western life and because it has become a critical area of confrontation between pro-Western countries and those supported by the Soviet Union.

This strategic confrontation may appear less dramatic than the Cuban missile crisis but it is no less real, no less deadly, and no less important. The Soviet-American confrontation is of recent origin in the Middle East and is set against a background stage of turmoil that existed long between the emergence of the two great powers who now plot their next moves in the game of political chess in the Middle East.

Russia, under czars and commissars alike, has been intrigued by the prize of the Middle East. From earliest times because of its desire for a southern access to the waterways of the world, Russia has developed a primary political interest in the Middle East. The absorption of vast areas of central Asia with its Moslem population into the Russian empire has been a second motivating source of political concern. There are today more Turkish peoples in the Soviet Union than in Turkey and more Moslems than in the United Arab Republic. Thus Russia has an organic connection with the Middle East, a factor which goes far in explaining their current fascination for the area.

Politically speaking, the United States, in contrast to Russia, is a newcomer to the Middle East. It has strategic interests in the transit routes, the flow of oil and freedom of the area from local conflict and hostile domination. Suez provides for the United States a connecting link between the 6th Fleet in the Mediterranean and the 7th Fleet in the Indian Ocean. Military overflight privileges through Middle East air space are important both in terms of supply of American military installations east of Suez and in carrying out our global defense commitments.

In the face of this situation, the United States has no otherwise options. It must use its influence and its power to maintain peace and to encourage equitable solutions that will guarantee the rights of all peoples in the region.

Hopefully, our allies in the North Atlantic Treaty Organization will join in these initiatives. Indeed, cooperation would seem as essential to the self-interest of our NATO allies as to our own. The Soviet naval buildup in the Mediterranean, the intensive shipment of Russian and Communist-bloc arms to Egypt, Syria, and Algeria, the danger to traditional European oil sources, and the march of Soviet influence across North Africa menaces the eastern and southern flank of NATO's basic Western defense system.

The crux of instability in this region is the festering confrontation between Israel and the Arab world.

An equitable solution of this 20-year-old problem must be a major aim of U.S. foreign policy. The United States played a major role in the creation of the State of Israel and has continued to play an important part in its development. It must now accept the attendant responsibilities. It must take the lead in bringing peace to the area.

It must be recognized that the Soviet Union is trading on Israeli-Arab animosity to push its philosophy of pseudo anticolonialism into nations that have long been friends of the United States and the Western World—nations whose religious-philosophical traditions reject communism.

The protection of Israel's right to exist as a nation must be a paramount U.S. objective. But of equal importance is the protection and encouragement of progressive, independent democracy in each of the Arab States.

Accordingly, we today are introducing a concurrent House resolution setting these principles to control our national policy looking toward a settlement in the Middle East:

1. Israel is entitled to recognition by all nations of her rights to exist.

2. Israel and her Arab neighbors are entitled to automatic, ironclad international guarantees that their borders be free from the threat of aggression and the attacks of terrorist groups in return for national pledges to renounce the use of military force.

3. The United States, the maritime nations and the U.N. recognize, reaffirm and will assure that the Gulf of Aqaba is open sea and that all nations have the right of free and innocent passage through the Straits of Tiran and to innocent passage on equally favorable terms through the Suez Canal.

4. The holy places in the city of Jerusalem must be placed under control of an international agency that will include equal representatives of Jewish, Christian, and Moslem religions. Access to holy places by pilgrims of all faiths must be guaranteed. Any revenues resulting from the traffic of pilgrims should be shared equally by the three faiths. The economic and political interests of Jordan in Jerusalem and the special interests of the international community must be effectively assured in a peace settlement.

5. A halt must be called to the arms buildup throughout the area and steps must be taken to encourage a mutual, inspected demilitarization.

6. Every means must be taken to negotiate the status of territories occupied by Israel in June 1967, conflict. These negotiations must recognize:

(a) Israel's right to defensible frontiers.

(b) The wishes of Arab population in occupied areas.

7. The United Nations—which sanctioned the creation of Israel—has a grave obligation to help preserve stability in the Middle East through refugee assistance and rehabilitation, mediation and conciliation. The judicial arm of the United Nations, the International Court of Justice, offers a forum where legal issues arising from the Middle East conflict could be settled according to the principles of international law by an im-

partial tribunal. Hopefully through resorting to the World Court the rule of law would replace the rule of force.

8. A fair and permanent settlement must be agreed on for the more than 1 million Palestinian refugees who have been homeless since the 1948 Palestinian war. This settlement must be an integral part of our Middle East policy. It cannot be put aside or treated separately. Refugee unrest is one of the major barriers to peace.

Consideration should be given to the possibility of resettling those refugees wherever they can be absorbed into the economies of the area. Creation of a second Palestinian state for Arabs should be given serious thought. Israel should be prepared to meet its obligations by paying suitable compensation and, under conditions of peace, by permitting the return of a number of refugees.

It should be recognized in advance that any new home for these refugees will require a major international investment to provide housing, water, economic opportunity and social security.

The United States should pledge a major contribution toward this end and should expect that Israel and the Arab States would make major contributions, perhaps diverting funds now spent on armaments to the more satisfying prospect of creating a new way of life for refugees who can then make a major contribution to the general economic growth of the entire Middle East.

Such a settlement, enforced in a spirit of constructive regional development instead of destructive regional rivalry, can bring a new dawn to the Middle East. A prosperous Israel, surrounded by prosperous Arab nations, living in harmony, trading and aiding each other is not an impossibility.

The implementation of the Eisenhower-Strauss nuclear-powered desalination of sea water project could lead the way in turning the arid, hostile nations of the Middle East toward a future of peace and prosperity. Certainly prejudice and hatred would not be eliminated immediately, but the collaboration of Arab and Jew in a practical and profitable enterprise of this magnitude might well be the first, long step toward a permanent peace.

The fact that three of the world's great religions trace their origins to the Middle East attests to a reservoir of good will among its people. The fact that this area cradled Western civilization attests to the capacity of its people. Once the thorn of Arab-Israeli hostility is removed, each nation should be encouraged to proceed in its own orderly fashion to improve the lot of its people.

9. Once the principle of nonaggression is established in the Middle East, it should be encouraged across the northern rim of Africa and the Persian Gulf.

Each nation in the region affected is struggling to bring its people out of the shadow of colonialism into the promise of the 20th and soon the 21st century.

This promise cannot be realized until firm steps are taken to end the destructive rivalries and selfish ambitions now afoot. If these evils prevent solutions within the area, it is our responsibility to help root them out.

For if this promise is not realized, there is little promise of peace and security for the United States and its allies in the North Atlantic Treaty Organization.

The fact that it is a Jordanian from Jerusalem who has been accused of the murder of Senator Robert F. Kennedy must not ignite any wave of anti-Arab hysteria. That would be as tragic as the assassination itself.

But the arrest in Los Angeles of this man beset by intense hatred of Israel demonstrates once again that the Arab-Israeli turmoil is not confined to the Middle East. Unless decisive American action is taken to achieve a just and honorable settlement, this turmoil could touch the lives of millions of Americans.

THE ELECTORAL COLLEGE SYSTEM

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. RYAN. Mr. Speaker, earlier this week our colleagues, Mr. Goodell and Mr. Udall, announced the formation of a committee to insure that, if no presidential candidate received a majority of electoral college votes, the House of Representatives would select that candidate who received a plurality of the nationwide popular vote.

Their initiative has focused public attention upon the political problems inherent in the present electoral college system. Yesterday in a very thoughtful column in the New York Times by Tom Wicker, the proposal and the problems it raises are carefully analyzed.

I hope that the 91st Congress will act with speed and wisdom to bring about long overdue electoral reform if we are to avoid being faced with a crisis in a future presidential election year.

I urge all my colleagues to read Tom Wicker's provocative comments in the New York Times of July 25, 1968, as follows:

In the Nation: No, No, and Wallace

(By Tom Wicker)

Washington, July 24.—Nobody loves George Wallace but about 15 or 20 per cent of the people, depending on which poll you read.

Is it possible, then, for the two major parties to bind themselves to thwart him in the House of Representatives?

Should they do so?

And who stands to gain the most from the drive being led by Representatives Goodell and Udall to assure the election of the candidate with the highest popular vote?

On this tally sheet, the answers are no, no, and Wallace.

It is probably not possible to stop Wallace in the House primarily because the election is most unlikely ever to get there. The greatest likelihood, instead, is that the Wallace vote will have great influence on, and perhaps change the outcome of, the race between the major party candidates, particularly if they are Nixon and Humphrey. The Goodell-Udall plan would do nothing to change that.

It is only a secondary possibility, although a real one, that Wallace would carry enough states and their electoral votes actually to prevent either major party candidate from having a majority in the Electoral College.

Even if he did carry that many states, Wallace has no intention of letting the election go to the House as prescribed by the Constitution; there he would have virtually no influence on the ultimate choice, to be made by the state delegations.

Wallace talks about making a prior deal with one of the other candidates, trading his electoral votes for all sorts of dubious agreements and rewards; but this is poppycock. No major party candidate would make such a deal with such a man, knowing he could never govern if he did.

The most advantageous course for Wallace, as Richard Scammon pointed out in a speech to the National Press Club, would be to throw his electors, unasked and without a deal or any hint of a deal, to one of the major candidates—then to spend four years boasting of having made a President, while he prepared a new and more dangerous White House campaign for 1972. The Goodell-Udall proposal would do nothing about that, either.

Goodell and Udall, in fact, would deal only with the remote possibility of an actual roll call of the House delegations to choose a President, although they contend that this safeguard would encourage the major party candidates against making a deal with Wallace.

Even in the House, their proposal would be of dubious efficacy because an American political party is such a vague and amorphous thing, so divided into state and local and even regional power blocs, with so little effective discipline, that there is no real way to "bind" it to any course, or make it stay bound.

And even if these two far-fetched possibilities—an election in the House, and the two parties agreeing to elect the man with the highest popular vote—came to pass, the Goodall-Udall proposal would raise large questions of propriety.

Do the major parties have any right to enter into such collusion against a third-party candidate? Even if that candidate is George Wallace, there is no guarantee that in another year he might not be of another ideological hue—say a "peace" candidate. Moreover, while the man who led the popular vote might have a plurality, the other major party candidate plus Wallace might represent the true majority of the voters.

In any case, there is an established constitutional system for settling an election in which there is no Electoral College majority. It is to send the question to the House for decision, and no matter how faulty that system is, it is constitutional, and if changed ought to be changed by constitutional methods—not on an ad hoc, one-year basis, or out of fear either of Wallace or of deadlock.

THE LITTLE MAN

Beyond the efficacy and propriety of the Goodell-Udall proposal, moreover, lies the question of political advantage. Those who fear George Wallace the most should fight this plan the hardest, for he is a veritable artist of defiance, a virtuoso of defeat, who has found his greatest strength in picturing himself as the little man run down in the schoolhouse door, the "average American" ignored by the "pseudo-intellectuals" controlling the major parties.

Any such plan aimed at Wallace, or even based on his presence in the race, will prove to be his meat and potatoes. By the time he gets through picturing himself as the downtrodden victim of the political establishment—which already is in bad enough odor with all too many voters—he may well add millions to his total next November. Good men like Goodell and Udall ought to leave bad enough alone.

AMERICAN-RUMANIAN NUCLEAR AGREEMENT

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 19, 1968

Mr. PUCINSKI. Mr. Speaker, I should like to call attention to the recent American-Rumanian Agreement signed by Science Advisor of the President, Dr. Donald F. Hornig and Deputy Prime Minister of Rumania—also the fifth-ranking member of the Communist Party Presidium—Alexandru Birladeanu.

The agreement provides for expanding scientists exchange in the theoretical and practical fields of study including collaboration in the field of nuclear energy. American scientific know-how and in the future also funds are to be expended to help construct a nuclear reactor plant in Communist Rumania.

Most of us agree with the President on the necessity of building bridges with the peoples of Eastern Europe which process involves government-to-government contacts as well. While expansion of trade is an issue most often debated, the granting of most-up-to-date, industrially vital and militarily significant information to Communist Rumania is premature and ill-advised unless it can achieve a substantial relaxation of the internal police state in Rumania and the easing of the oppressive discrimination against national minorities, including the 1.75 million Hungarians in Transylvania. Rumania is still a member of the Warsaw Pact, an alliance directed against the United States and NATO, extends sizable military aid to North Vietnam—the 1968 additional protocol on military and economic aid was signed in Bucharest 2 days prior to the leaving of Deputy Prime Minister Birladeanu and his delegation to Washington.

Unfortunately the agreement has already been signed and the best we can do and must do is to call the attention of the administration to the continuing Stalinist atmosphere in domestic affairs in regard to individual and minority rights in Rumania hoping that it will use the agreement as a means to persuade the Bucharest Government to relax its internal dictatorship and further liberalization. This would be a concession to the peoples of Rumania and not to the power interests of the United States, and therefore, it cannot be onerous to those Rumanian officials who are interested in their country's welfare. Even in 1964 our economic agreement was followed by a general amnesty decree in Rumania. This time something more substantial would be needed.

ACTIVITIES AND SPEECHES IN 90TH CONGRESS

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 27, 1968

Mr. DONOHUE. Mr. Speaker, as has been my custom throughout my past years of service here, I desire to include at this time, a summary account, thus far, of my activities and speeches during this 90th Congress.

A MORAL OBLIGATION

In my conscientious conviction, the Biblical mandate "to render an account of thy stewardship" imposes upon every public officeholder a moral obligation. It is an obligation that I have consistently attempted to fulfill.

It is obviously impossible to cover the entire record in view of space restriction regulations and also, because, of course, this Congress has not yet ended its work. However, I shall, herein, present my personal pronouncements and actions upon some of the more important issues that have occurred in this 90th and recent Congresses, through extracts from the RECORD.

THE TRUTH IS IN THE RECORD

The main body of this report will reveal the exact words I presented in the House Chamber when particular measures were being debated and decided.

Mr. Speaker, the true destiny of America is the destiny of the smallest town and the most underprivileged person within our land—to live peacefully, to worship the Diety according to conscience, to work honorably, and enjoy the opportunity to progress in accord with diligence and merit.

The remarks referred to follow:

[November 15, 1967 (H. 15359)]

TO ESTABLISH JUSTICE

THE ECONOMIC OPPORTUNITY ACT

Mr. DONOHUE. Mr. Chairman, I most earnestly urge and hope that this House will overwhelmingly accept, with the adoption of substantial amendment improvements, this bill before us, S. 2388, the Economic Opportunity Amendments Act of 1967.

Back in 1964, our people and this Congress, through the enactment of the original Economic Act, declared war upon the poverty of some 30 millions of American citizens in this acclaimed land of abundance.

The bill now before us is intended to extend and carry on the programs that we then initiated for the successful conduct of the war. Let us further that intention and let us make certain there is sufficient appropriation ammunition made available in this bill to reasonably advance the war.

I very deeply believe that most Members here regard this national mission, basically to help the poor and the deprived to help themselves, as the most noble experiment and objective in which this Nation has ever engaged.

Embodied in this experiment and mission is the first real projection in our history of purposeful cooperative action on all governmental and private organizational levels, to help our poorer families reach for self-independence, to take young people off the street corners and train them for steady employment, and encourage the uncertain to remain in classrooms until they earn their diplomas.

Mr. Chairman, the original legislation initiated projects and programs to inspire our communities to create appropriate measures to eliminate the evil roots of poverty at the local level, to enlarge opportunities for our youth to obtain the basic education, skills, and experience they must have to take a proper place in our society and become responsible parents in the future; to provide a better base for the revitalization of poorer areas in our great metropolitan cities by expanding small business activities; to assist destitute rural families in achieving improved living standards through the extension of capital grants and loans; to project selective plans to benefit undereducated adults; to motivate more States to utilize public assistance as a means to help families help themselves; to throw off the discouragements of poverty and to recruit and train volunteers to carry out the war on poverty.

To those who would seriously question even the limited expenditures provided in this measure, we must ask them to just as seriously consider the cost of not approving this bill in terms of direct public assistance payments alone, which amount to some $4 billion per year.

In addition to these direct payments, it is commonly admitted that the indirect costs of poverty to this country, which show up in juvenile delinquency, crime, health hazards, higher police and fire protection costs, not to mention the loss of productive manpower, would total many billions more, and perhaps everlastingly, of the taxpayers money if we do not do something about it. From all the authoritative evidence and testimony that has been documented here during this debate, it should be obvious that this Nation cannot longer afford the dehumanizing effects of poverty upon our national morale and its tremendous economic drain upon government treasuries at all levels.

Let us, then, in an impartial legislative atmosphere, constructively build upon the experience of these past few years and proceed with the still unfinished task of eliminating the causes of poverty in this great Nation.

By no means do we suggest that programs of perpetual care are to be established. Our only intention is that poverty-stricken people, through no fault of their own, who need and will respond to help will continue to be given such help so that they will help themselves and gradually the desperate need of such help will diminish and the programs themselves can, accordingly, be correspondingly restricted and eventually eliminated.

Mr. Chairman, for those millions of Americans who are truly struggling to free themselves and their children from the haunting bonds of mass economic misery, let us extend our continuing help and encouragement for the simple reason that it is right for us to do so.

(Public Law 222, 90th Congress.)

MODEL CITIES APPROPRIATIONS

Mr. DONOHUE. Mr. Chairman, this bill before us, H.R. 17023, is both of unusual scope and complexity, covering, as it does, recommended appropriations for some 20 independent executive agencies and offices and the vitally important Department of Housing and Urban Development.

I know the measure, in its entirety, will be given careful examination by the Members, but I would like to urge that the most concentrated attention and sympathetic consideration be particularly granted to the appropriations suggested for the Department of Housing and Urban Development because I very deeply believe it is of imperative urgency for us to ensure the Department's wholesome program for model cities, urban planning, urban renewal and their related activities be adequately funded for full operation. The committee, I think, made what they felt was a fair compromise recommendation, but it is my conscientious conviction that a recommendation should have been made and this House should approve, today, the maximum unfunded authorization for the model cities program—$650 million.

Over the past several weeks our appropriation action today in the model cities area and associated programs has become increasingly significant to the unity of this country and our people since it does reflect the true measure of our response toward curing a disease that is threatening the very foundation of our society.

Whatever varying thoughts we may have about the unhappy violence and destruction that recently occurred in so many cities around the country, I think it is universally and unmistakably clear that this Congress has the grave duty of doing everything in our power to correct, as soon as possible, the underlying causes of this great American tragedy.

The vehicle through which this cure and correction can be most effectively carried out is approval of the full appropriation of urban program assistance to our cities which, without our adequate Federal aid, will be left, like the poor feel themselves to be now, without any hope of help in a vital task, of National interest, that is obviously beyond their individual capacities.

May I further say that inadequate funding action might well become one of the greatest imprudences of modern history since it would undoubtedly generate new and higher despair and frustration among great numbers of our people throughout this Nation.

Let me please remind you that when this Congress passed the original model cities bill, it was making practically an inherently binding promise not just to a comparatively few cities that might come to be afflicted with riots and property destruction, but to all those numerous cities qualified for assistance on the basic grounds of low-income population, adequate housing shortages, and associated standards.

At the present time, hundreds of such cities all over the country have invested much time and overtime of community officials and expert volunteers, together with community money, to apply and be approved for this assistance, and this includes my own home city of Worcester, Mass., which has a nationally recognized reputation for community cooperation, and dedication, and for efficient accomplishment in planning, and fulfillment of development programs. If this House withholds endorsement of full funding for the basically qualified and approved city applicants, it will be tantamount to a contradiction and betrayal of the words and promises that were enacted into law less than a year ago.

Mr. Chairman, I again most earnestly exhort my colleagues here to resoundingly register their approval of the administration's full appropriation request for the model cities program to enable my community, and all other qualified communities, to participate in a humane projection wisely designed to grant all of our citizens of whatever race or color or circumstance the opportunity to rightfully share in our National heritage and to enable this country to truly fulfill, in domestic transquility, its destiny of leadership in a world at peace.

(Passed House, May 8, 1968. In conference this date.)

HOUSING AND URBAN DEVELOPMENT

Mr. DONOHUE. Mr. Chairman, our late, beloved President, John F. Kennedy, once said:

"The cities—their needs, their future, their financing—these are the great unspoken, overlooked, underplayed problems of our times.

Mr. Chairman, this bill now before us, H.R. 17989, the Housing and Urban Development Act of 1968, is practically universally acclaimed as a measure representing, in its entirety, the most creative, comprehensive, and prudent legislative response in the history of the Congress to the imperatively urgent national problem of providing decent housing for low- and middle-income families.

On past occasions when we have dealt with the subject of housing here, I have repeatedly expressed my very deep conviction that our civilized society will rise or fall in proportion to the wholesomeness of our family life. Unquestionably one of the fundamentally essential ingredients in the promotion of wholesome family existence and development is decent housing and substandard housing conditions in the cities of our country are of increasing major concern to the Nation.

In substance this measure provides a goal of 6 million low- and moderate-income housing units over the next 10 years; during the next 3 years it would authorize 375,000 units of low-rent public housing.

It would provide an urban renewal authorization of $1.4 billion for fiscal year 1970, greatly reducing the backlog of applications now pending.

It would increase mass transit authorizations by $190 million, a sum which is minimal when compared with our national mass transportation needs as exemplified in my own community and commonwealth.

It would increase model cities authorization by $362 million in fiscal year 1969 and $1 billion in fiscal year 1970.

The first two programs above together with the model cities program enacted in 1966 provides the basis for the overall regeneration of entire communities but they are suffering from a serious lack of funds.

Seventy-five American cities, including my own home city of Worcester, Mass., have already been approved for Federal planning funds for massive rehabilitation and another 75 are expected to qualify before the billion dollars are to be spent in fiscal year 1970.

I believe that in order to fulfill our pledges of 1949, in housing and in 1966 for model cities, it is essential that we approve the full funding for these basic programs and strengthen their effectiveness by the adoption of the other supplemental provisions in this pending bill.

Mr. Chairman, it is not pretended that this proposal is perfect in every detail but it is, as I stated at the outset, commended by nearly every accepted authority as the most responsible by-and-large legislative effort to constructively eliminate one of the fundamental causes for the great social unrest and despair afflicting this country, substandard housing. By all reasonable rules of analysis and judgment of what should be a priority expenditure and investment for the good of all Americans, I believe this bill merits and I hope it will receive the overwhelming approval of this House.

(Sent to the President, July 26, 1968.)

DOMESTIC TRANQUILLITY

OMNIBUS CRIME AND SAFE STREETS ACT

Mr. DONOHUE. Mr. Speaker, last February 7 the President sent to the Congress his recommendations and suggestions for legislative action to reduce the alarming rise in crime in this country and I then expressed my conviction here that the time had come for less discussion and more immediate action by the Congress on this critical issue. Four months have elapsed in the meantime.

This afternoon we have had an authoritative, statistical revelation of an almost incredible crime rise that is nearly inconceivable of occurrence in this otherwise blessed land. There is no need for me or anyone else to re-echo that dreadful recital.

No piece of legislation ever adopted has been entirely perfect. Of course this bill and report is not perfect in every respect and it may well be subject to more effective and technical improvements, especially in the sections designed to affect the Supreme Court rulings in certain criminal cases, authorization of Federal wiretapping and the control of interstate sale of guns.

It is commonly accepted that the real substance of this measure is the provision of Federal assistance to our communities for better educated, better paid, better trained, better equipped and I might add, better backed up by public concern, police forces throughout this country.

The moving point of our congressional determination should be the recognition, with response, that there is unquestionably a massive public requirement and desire for immediate and adequate protection against the astounding and demoralizing increase in crime and criminal violence so that law-abiding citizens and their children can walk the streets of our cities with reasonable safety and sleep in their homes in reasonable security.

Let us not forget that the first obligation of free government is the establishment of law and order.

I think the hour has come to, at least, begin the reestablishment of this foundation part of our wholesome, civilized American society.

(Public Law 351, 90th Congress.)

JUVENILE DELINQUENCY PREVENTION

Mr. DONOHUE. Mr. Chairman, I most earnestly urge and hope the Committee will swiftly and overwhelmingly approve this bill before us, H.R. 12120, the Juvenile Delinquency Prevention and Control Act of 1967.

The recent report of the President's Commission on Law Enforcement and Administration of Justice indicates that the single, most disturbing aspect of our national crime problem is the unfortunately increasing involvement of young people in crime. The cost to the country, of such crime, is authoritatively estimated to be some $4 billion annually. This is a critical situation that continues to require and demand the best efforts of the Congress and the country for adequate solution.

In a commendably realistic approach, the esteemed chairman and distinguished members of the House Education and Labor Committee recommend, in this measure, that concentrated resources and energies should be mainly directed toward strengthening the existing courts, agencies, and institutions within our juvenile justice system; providing urgently needed training programs for personnel attached to, and associated with, these courts, agencies, and institutions; and initiating some limited practical research action to improve the techniques and practices of assembling, evaluating, and distributing, to the appropriate units and officials in our various States and communities, pertinent advice and information on the control and prevention of juvenile delinquency.

Mr. Chairman, in deep concern for the serious financial adjustments facing the country, the limited authorization of $25 million for 1 year, contained in this bill must, I think, under any yardstick, be deemed frugal, indeed, and, in the light of the objective, and unquestionably wise investment that would be nationally dangerous to delay.

This country is unfortunately plagued today, by many critical and complex problems, solutions to which seem to remain tragically unclear. However, Mr. Speaker, there is one thing of which we may be certain. The youth of this Nation is our greatest asset for the future. This measure represents a sound step forward in furtherance of our obligation to help today's troubled youth to be numbered among tomorrow's stable, responsible citizens. Therefore, I again urge my colleagues to resoundingly approve this bill in the great national interest.

(House approved conference report, July 18, 1968.)

GUN CONTROL IN THE PUBLIC INTEREST

Mr. DONOHUE. Mr. Chairman, as we move ahead here, on these strengthening amendments, toward a final determination of this bill, H.R. 17735, I think we should keep foremost in our minds the fact that the majority of the American people want Federal enactment of the strongest gun and ammunition sale and use control measure that the majority of this body can legislatively achieve; we must, and I hope we will, appreciate that they will not accept any legislative stalemate, they have given loud and clear evidence that they want rigid Federal controls placed upon the sale and use of all guns and ammunition.

On this score I am pleased to observe that the legislature in my own Commonwealth of Massachusetts very recently approved a "tight" gun control measure which the Governor termed, "One of the finest pieces of legislation ever signed. This puts us—Massachusetts—in the forefront of gun-control legislation in this country."

The provisions of our Massachusetts State bill include issuance of identification cards to persons owning weapons after a check to screen out felons, mental incompetents, and habitual drug addicts; the licensing of persons who sell ammunition; reporting of sales and purchases of rifle and shotguns within 7 days to the Department of Public Safety; establishment of penalties for false swearing to obtain a permit card; designation of theft of a firearm as an automatic felony; and new and increased penalties for the unlawful use of rifles, shotguns, BB guns, and air rifles. In signing the measure the Governor further emphasized, the bill "does not hurt the legitimate sportsman—it is a model for the country."

I realize full well that there are many earnest and sincere Members here who share the legislative objective of our people but who are also deeply troubled about the possibility of intruding too much upon the constitutional rights of individual citizens and imposing too much upon our already overburdened and harassed taxpayers through increased expense or with more procedural red tape.

Our legislative challenge here is, as it is, indeed, on every critical issue, to reach, in an atmosphere of calm judicial temperament and disposition, majority approval of a genuine control measure that will effectively and efficiently do the job of protecting the lives of American citizens by keeping all kinds of guns and ammunition out of the hands of criminals, psychopaths, drug addicts, and juveniles; by providing much sterner penalties for violations and by requiring the strictest possible enforcement of the law and fulfillment of the penalties. These were among the chief factors I stressed here last June 6 in advocating approval of the Omnibus Crime Control and Safe Streets Act of 1968.

Therefore, I urge every Member here to thoroughly and sympathetically consider, for acceptance, every amendment designed to achieve this objective and thereby carry out the will of the American people. I am sure that on the final determination here that each Member will speak his own conscience and I hope that each Member, in doing so, will remember that the public conscience has already spoken in no uncertain voice.

(Passed House, July 24, 1968.)

PREVENTING VIOLENCE AND INTIMIDATION

Mr. Donohue. Mr. Speaker, as we begin our consideration of this Senate amended Civil Rights Protection Measure, H.R. 2516, previously approved by this body last August 16, I think it may be well to emphasize that this is a fateful hour in the destiny of our country and that the House is faced with one of the greatest legislative challenges in its existence. It is indeed more a time for prompt action than extended eloquence. In view of the most tragic events that have occurred in this Nation in recent days, there is vital need for us, here, to exercise restrained emotion, subdued prejudices, heightened conscience, and supreme patriotism for the welfare and preservation of America and the free world.

Beyond its antiriot and Indian rights provisions, this measure is substantially designed to expand and protect, for all of our citizens everywhere in the country, basic rights and privileges already guaranteed to them under our National Constitution and, indeed, a great many of our State constitutions including my own great Commonwealth of Massachusetts.

Under existing circumstances we all have a special obligation to be patient with each other and to be tolerant of one another's sincere convictions but, finally, our highest obligation is to legislate. I most earnestly hope that legislative obligation will result in resounding approval of this measure, now, so that it may be signed into law by the President at the earliest date.

I hope and urge that our action here this afternoon will result in the enactment of another legislative milestone, for all the world, to see, in advancement of the traditions upon which this noble Nation was founded and upon which, God willing, it will move ahead, in domestic tranquility, as the free world's leader for the peaceful progress of all mankind, now and forever.

(Public Law 284, 90th Congress.)

Our Whole Foreign Policy Needs To Be Revised

Mr. Donohue. Mr. Speaker, in our over-all foreign policy commitments, we must remain mindful that the tax burdens on the average American are becoming intolerable. It would be the height of impractical folly to continue freely subsidizing most of the world and crush our own people in that charitable doing. While we guard against gestures that might discourage or dishearten friendly allies a new firm note should be injected into our relationships with them. The core of that new note in my judgment should be determined diplomatic insistence on realization their personal security and sovereignty is involved in our common defense efforts. Our present attitude of trying to unite these allies by benevolences ought to be gently abandoned. When they see a new attitude on the part of the people of this country it will encourage the adoption of a new attitude toward their responsibilities to us in return for generous help. Our congressional watchword on all future foreign-aid program appropriations must be the American taxpayer and our own economic stability come first.

A FOREIGN POLICY OF SELF-INTEREST AND SELF-HELP: FOREIGN AID

Mr. Donohue. Mr. Chairman, I very earnestly think that our legislative determination of any and all amendments offered here on this bill before us, the Foreign Assistance Authorization Act of 1968, should be based upon two primary factors.

First, we should vividly remember that this House has committed itself to a most substantial reduction of all Federal spending and secondly, that the House, and the Congress, is fundamentally dedicated to the observance of civilized principles of American self-interest, above all else.

If there is anything obvious in modern world history it is the fact that the American people have been extremely compassionate and generous, despite their own great burdens, to other people all over the globe ever since the end of World War II.

This country, itself, is now experiencing great and unusual economic pressures and the time has come to realistically exercise and apply the most exacting standards of prudent public spending, no matter for what purpose the spending is made.

I have no doubt that most Americans desire and demand that the so-called giveaway era be ended and any further aid be principally directed to peoples in actual need, who are capable and disposed to use our assistance to improve their farming techniques, basic industries, schools, hospitals, sanitation systems, and so on.

While, of course, we must ever try to make certain that no people, anywhere, and very especially children anywhere are permitted to suffer from hunger, we request, encourage, and welcome the contributions of other blessed countries in even this civilized wholesome endeavor. Let no one ask or expect the American taxpayers to do all and everything alone particularly in the face of increasing tax burdens being placed upon them because of frustrating military involvement abroad and urgent domestic challenges at home.

Mr. Chairman, I most earnestly think that most of our fellow Americans would be very glad to observe a more positive attitude, on these principles, in our foreign assistance and policy and the sooner we apply that positivism in the extension of these programs the more universally respected, I dare say, we will become.

Let us uphold our great tradition of genuine compassion and charity but let us wisely observe the admonition that the Lord helps those who help themselves.

(Passed House, July 18, 1968.)

AN EQUITABLE SOLUTION OF BALANCE OF TRADE PROBLEM IS ESSENTIAL

Mr. Donohue. Mr. Chairman, I most earnestly urge and hope that the House, after due deliberation, will resoundingly approve the principles and substance of this bill before us, H.R. 478, which proposes to establish procedures to relieve domestic industries and workers injured by increased imports from low-wage areas.

Mr. Chairman, few, if any of us, are diametrically opposed to the basic objectives underlying the accepted long-range purposes of our overall trade expansion program.

However, in fulfilling our responsibility and obligation within this program to our American people, I think it is incumbent upon us to insist that the sentiment expressed by President Eisenhower back in 1953 and the warning presented in the report of the Commission on Foreign Economic Policy should be carefully observed and reasonably carried out. President Eisenhower, in a statement on trade policy contained in his first state of the Union message declared:

"This (trade expansion) objective must not ignore legitimate safeguarding of industries, agriculture, and labor standards."

The report of the Commission on Foreign Economic Policy contains this admonition:

"American labor should not be subjected to unfair competition as a part of any program to expand our foreign trade."

As I have said before, it is truly not a simple or easy problem to solve but it is just as truly our representative responsibility to try to insure the projection of a fair trade program that will be fair to Americans as well as our foreign friends, and some others not so friendly.

On this score, it is my earnest hope that the legislative wisdom of the Congress, the Presidential prudence, the understanding cooperation of our real friends abroad, and the alert attitudes of business and labor will all combine to sensibly project our international trade agreements while patriotically preventing this visitation of extreme hardships upon many of our regional industries and workers and preserving essential defense resources that we can ill afford to dissipate in the face of continuing Communist challenge.

Mr. Chairman, it is with this hope and in this spirit that I urge the House to approve this bill as evidence of our earnest intention of fulfilling our rightful responsibility to try to find an equitable solution to a very serious problem affecting the continuing economic welfare of increasingly larger segments of American industry and their employees.

(Passed House September 28, 1967.)

Statement of Representative Harold D. Donohue at House Ways and Means Committee Public Hearing on Tariff and Trade Proposals, June 13, 1968

Mr. Donohue. Mr. Chairman, although I do have my own legislative proposals pending before the Committee I am not concerned that my suggested solutions should be adopted. I am primarily and only concerned that the central problem itself shall be thoroughly examined and that this Committee will, in its wisdom, select, assemble and recommend, from any and all measures now before you, the proposal you believe to be in our best national and international interest.

As you, Mr. Chairman, and the members of the Committee are aware, I have several times expressed my views here on this problem; I know your burdensome schedule and I realise you have an extraordinarily large number of witnesses to hear. Therefore I have no intention of intruding too long upon you. I shall only, if you will, at this time, present a summary of my sentiments.

Mr. Chairman, the original legislative proposal to greatly expand trade agreements contained pledges to guard against the disintegration of American industries from accelerated and excessive foreign competition which could not possibly and immediately be met by any reasonable and practicable means; avenues of appeal to presidential relief authority, under these circumstances, were established. Unfortunately, they have mostly proved to be little more than expensive but idle gestures contrary to the general understanding of the Congress.

Mr. Chairman, let me emphasize I do not think that anyone intends, and especially I, to convey any thought that any protectionist war shall be initiated or that capricious and negligent business appealers be granted any unwarranted priviliged assistance in detriment to our foundation policy and I do not believe that any responsible businessman in this country would seek or want such help. The responsible American manufacturers and workers who are affected are not asking complete protection from all foreign competition; they are simply asking and seeking an equal opportunity under mutually fair competitive conditions in an open market. I think they should be fully heard and just as responsibly heeded. They have the right.

I would even voice the hope that the Executive Department, by the use of administrative processes already existing, would avoid any disruptive threat to the quota system by granting a reasonable measure of relief on an application of proven, just need.

I would voice the further hope that those abroad would take notice and heed our American situation and particularly the hearings this renowned Committee is even now conducting. I would suggest that very likely the most constructive and wholesome solution of this domestic difficulty lies in their sensitive response to the practical reality that the United States Congress will not leave besieged American industries, with their employees, of just cause, continuously vulnerable to unlimited encroachments from foreign sources. Foreign self-restraint and response in the form of voluntary quotas would undoubtedly offer the best avenue toward averting any serious interruption in the further progress toward wholesome, free international trade.

As I indicated in the beginning, it is truly not a simple or easy problem to solve but it is just as truly our responsibility to try to do so and I know, Mr. Chairman, that you and your Committee associates will diligently seek an equitable answer to this challenge of vital importance to ourselves and all other peoples everywhere.

WE MUST PERSEVERE IN OUR PURSUIT FOR PEACE

Mr. Speaker, it would be unseemly to comment now upon the Vietnam war in any way which might interfere with the hopeful progress of the peace talks now going on in Paris. But there is no doubt that the foremost desire in the minds and hearts of every American, and I hope most peoples everywhere, is that an honorable peace be achieved at the earliest possible date. It was this conviction that led me to take a leading part in the legislation which created the original disarmament agency, which I continue to support and which I still believe has been and will be a most useful and effective instrument toward the final accomplishment of our peaceful objectives. It is commonly held that this disarmament agency played a major part in persuading the Russians to sign the Nuclear Nonproliferation Treaty which is now awaiting action by the United States Senate. Let us all continue in our common efforts and prayers for speedy, lasting peace.

To Promote the General Welfare

If we cannot afford to give a concrete demonstration of the ability of this blessed country to reasonably provide for security of our older citizens' enjoyment of abundant American life then we have no right to tell Communist followers that our democratic process is more inherently Christian than their pagan godless state of servility.

SOCIAL SECURITY

Mr. Donohue. Mr. Chairman, though many of us here have grave doubts about the adequacy of the limited increase in and expansion of benefits, as well as serious misgivings about the possibility of extreme hardships, however much unintended, developing from the proposed revisions in the present welfare and public assistance programs, as presented in this bill, H.R. 12080, the Social Security Amednments of 1967, I, nevertheless, hope that it will be overwhelmingly approved by the Committee as a further, even if somewhat faltering, step along the right road of legislative concern for a major segment of the American people. I also urge its approval because, under the procedures being followed today, we are afforded no opportunity to alter the measure by amendment action; it is either this bill or no bill.

Let us, then, Mr. Chairman, accept this bill now while at the same time we pledge ourselves to its strengthening, liberalization, and expansion to more fully meet the basic needs of our older citizens, at the earliest opportunity in the future.

(Public Law 248, 90th Congress.)

ELIMINATE SOCIAL SECURITY INEQUITIES

Mr. Donohue. Mr. Speaker, everyone is aware that there are a substantial number of us here who have serious misgivings about the potential hardships and inequities that may be inherent in several of the conference report recommendations such as, among others, the proposed freeze on aid to dependent children, the unrealistic features of the mandatory work training programs for welfare recipients, the restrictive costs ceiling on medicade, the very meager increase in the outside earnings limitations and failure to include the workers reduced benefit retirement age to 60.

However, we are reluctantly impelled, at this moment, to accept this report because we all know that under the present Chamber proceedings, we are afforded no opportunity to offer an appeal for support of remedial amendments; it is either this conference report or no social security bill this year or very likely next year.

(Public Law 364, 90th Congress.)

FEDERAL AID TO EDUCATION

Mr. Donohue. Mr. Chairman, I most earnestly hope that, in the national interest, the House will very carefully review, and then approve, without basic alterations of unchartered projection, this bill before us, H.R. 7819, the Elementary and Secondary Education Act Amendments of 1967.

The record shows that, since its origin, over eight million educationally deprived children in virtually all the country's 23,000 school districts have received direct benefits under the act. Authoritative testimony confirms that this far-reaching law finally succeeded in establishing a long-sought and commonly acceptable, reasonable national policy directed at meeting the special needs of all the children in the slum and rural deprived areas.

Of course, this law and the programs under it are, like all others, subject to changes from time to time and very likely some improving changes can, and may, be made following the next few years, during which the existing programs will have greater experience opportunities for more efficient development and operation at local and State levels.

I submit, Mr. Chairman, that the impact of this legislation, as presenty proposed, is "good for all Americans," and I, therefore, hope that the House will adopt this bill without any unnecessarily extended delay.

(Public Law 247, 90th Congress.)

HIGHER EDUCATION ACT

Mr. Donohue. Mr. Chairman, I most earnestly hope that this vitally important bill now before us, H.R. 10943, to amend and extend title V of the Higher Education Act of 1965 will be promptly and overwhelmingly approved.

It may well be the most important and effective educational measure that will come before this Congress for the simple reason that it goes right to the heart of our basic educaional problem by recognizing that the classroom teacher, above all things, is the single most vital factor in our whole educational structure.

By all standards, this is legislation that is good for all Americans, and I urge my colleagues to overwhelmingly approve this bill without any extended delay.

(Public Law 35, 90th Congress.)

THE NATIONAL DEFENSE STUDENT LOAN PROGRAM SHOULD BE EXTENDED

Mr. Donohue. Mr. Chairman, this Higher Education Act Amendments, H.R. 16729, now before us certainly ranks very high among the most important measures presented to the Congress and I most earnestly hope we will follow the example of the esteemed Committee on Education and Labor by speedily and unanimously approving it.

The principal provisions of this measure are designed to extend, through fiscal 1970, the National Defense Education Act, student loan programs, the educational opportunity grant program, and the work-study program and to expand student loan insurance programs to permit the insurance of more student loans by increasing the Federal assistance to State and private student loan insurance agency reserve funds by one-third and by providing a new program of Federal reinsurance of 80 percent of the value of the loan. As the Members here are aware all of these programs are due to expire next June 30 and there is, therefore, an urgent requirement for our authorization action now.

Very truly the continuing welfare of a nation primarily depends on the investment it makes in the human capacities of the citizens who live in it. Let us, then, wisely adopt this measure, in the national interest, without further delay.

(Passed House, May 9, 1968.)

EXTEND THE ADULT EDUCATION ACT

Mr. Chairman, I most earnestly urge and hope that the House will speedily approve this bill before us, H.R. 11276, authorizing appropriations to extend the Adult Education Act of 1966 for two additional years.

The original adult basic education program was established to assist these Americans in improving their education accomplishments and, thereby, their economic opportunities to better provide for themselves and their families as well as reducing the almost absolute dependency of some illiterates.

I submit, Mr. Chairman, that approval of this measure is a sound and prudent investment for true American development and the returns on the investment will be multifold. I hope the bill will be adopted without delay.

(Passed House, December 4, 1967.)

IMPROVE LIBRARIES

Mr. Donohue. Mr. Speaker, I most earnestly hope that the House will resoundingly approve the bill now before us, H.R. 13048, designed to improve the existing Library and Construction Act by the addition of certain technical amendments.

I advocated the initial enactment of this legislation back in 1956 and have continued to urge and support its extension over the past 10 years. This wholesome legislative program, which began with such a modest level, has truly succeeded far beyond the most optimistic expectation. Its overall educational impact has certainly justified the Federal expenditures involved.

(Public Law 154, 90th Congress.)

EXTEND SCHOOL LUNCH PROGRAM TO NONPROFIT SERVICE INSTITUTIONS

Mr. DONOHUE. Mr. Chairman, I urge and hope this House will speedily and overwhelmingly approve this measure before us—H.R. 15398—primarily designed to promote the basic health and welfare of the Nation's most needy children.

It is expertly estimated that over six million children in the United States today are members of families in which the father or mother is working but not earning the minimum standard-of-living income.

Mr. Chairman, in simple substance this measure proposes a reasonable investment to protect and promote the physical and mental health of millions of American children. I submit that by every principle and tradition of our great history such an investment ought to be placed among the highest priorities of prudent Government expenditures, and I again urge the House to unanimously adopt this bill without prolonged delay.

(Public Law 302, 90th Congress.)

EXTEND THE MENTAL HEALTH AMENDMENTS

Mr. DONOHUE. Mr. Speaker, I most earnestly hope the House will speedily approve this bill now before us, H.R. 6431, because of its obvious and imperative importance in helping to solve the tremendous problems related to the proper care of the mentally ill in this country.

Mr. Speaker, a review of the history of financing of these health centers indicates that American communities are both resourceful and independent and that extension of these programs, under H.R. 6431, will permit them to work out additional methods and plans of grouping local, State, and Federal public funds with private funds and insurance benefits to establish these centers and keep them in efficient operation.

Mr. Speaker, this legislation undoubtedly represents a prudent investment in the national interest; it is wholly in accord with the noble spirit and traditions of our people; and it is a timely and concrete demonstration of congressional concern for the health of our constituents. I hope it will be promptly and unanimously enacted.

(Public Law 31, 90th Congress.)

HELP FOR OLDER AMERICANS

Mr. DONOHUE. Mr. Speaker, as an advocator and supporter of the enactment of the original Older Americans Act of 1965 I most earnestly urge this House to expedite approval of this measure, H.R. 10730, principally designed to extend and amplify the provisions of the 1965 act.

Through this act the Congress declared the conviction that the older people of our Nation are entitled to reasonable Government help and encouragement in seeking and attaining the full and free enjoyment of these basic objectives:

First. An adequate income in retirement in accordance with the American standard of living.

Second. The best possible physical and mental health which science can make available and without regard to economic status.

Third. Suitable housing—independently selected—designed and located with reference to special needs and available at costs which older citizens can afford.

Fourth. Full restorative services for those who require institutional care.

Fifth. Opportunity for employment with no discriminatory personnel practices because of age.

Sixth. Retirement in health, honor, dignity—after years of contribution to the economy.

Seventh. Pursuit of meaningful activity within the widest range of civic, cultural, and recreational opportunities.

Eighth. Efficient community services which provide social assistance in a coordinated manner and which are readily available when needed.

Ninth. Immediate benefit from proven research knowledge which can sustain and improve health and happiness.

Tenth. Freedom, independence, and the free exercise of individual initiative in planning and managing their own lives.

(Public Law 42, 90th Congress.)

TRUTH IN LENDING

Mr. DONOHUE. Mr. Chairman, the spirit and the language in this Consumer Credit Protection Act now before us, H.R. 11601, represent a real step forward in this urgent legislative area of truth in lending but a great many of us here are seriously concerned that it does not go far enough to providing the fullest, reasonable protection to the American consumer who needs this protection the most.

It is, unfortunately, all too obvious that in today's modern mass consumer markets commercial selling and lending practices and appeals have grown increasingly confounding and financially burdensome to the ordinary customer and consumer.

Our legislative challenge is to provide the greatest consumer protection to those who need it the most and to prevent the visitation of any discrimination upon and all segments of the industries engaged in these commercial fields. It is of paramount importance that our legislative restrictions and requirements be of absolutely equal impact upon every business unit and activity that is involved.

We have the duty to fully protect the consumer without inequitably or unduly harrassing the affected industries.

By adoption of a strengthened consumer credit protection bill, we can meet these two high duties and obligations, and I urge the House to do so without undue delay.

(Public Law 321, 90th Congress.)

ELIMINATE AIR POLLUTION

Mr. DONOHUE. Mr. Chairman, for the past several years the Congress has been rightfully and seriously concerned with the problem of air pollution, which has now become a major national danger.

This measure now before us, S. 780, represents a further important legislative step forward in more adequately meeting this danger and protecting the lives and safety of many millions of American citizens.

The actual appropriations recommended in this measure are entirely reasonable by any standards, the purposes of the bill are unquestionably in the great public interest and the need is, increasingly urgent. Therefore, I hope that this bill will be approved without extended delay.

(Public Law 148; 90th Congress.)

MODERNIZE MEAT INSPECTION PROCEDURES

Mr. DONOHUE. Mr. Speaker, the evidence developed during recent hearings by the House Agriculture Committee on H.R. 12144, to expand Federal meat inspection standards, emphasizes the urgency for stringent new safeguards for the protection of the public, and particularly for the protection of the poor and lower income families, against the sale and use of contaminated meat for human consumption.

From all the authoritative information and testimony available, it quite clearly appears that, in the very serious public interest, the great majority of slaughterhouses must be subjected to Federal inspection standards and I would urge my colleagues to focus their most conscientious legislative attention upon this problem and its urgency when the subject comes before the House in the near future.

(Public Law 201, 90th Congress.)

OTHER CONSTRUCTIVE LEGISLATIVE ACHIEVEMENTS

(It will be a sad and unwise day in this country if we ever fail to discharge the just obligations owed to the veterans and their families who have made such great sacrifices for their country.)

Mr. DONOHUE. Mr. Speaker, having long urged the adoption of similar legislation, I most earnestly hope the House will overwhelmingly approve the bill now before us, H.R. 2068, the Veterans' Pension and Readjustment Act of 1967.

I am therefore gratified that the bill before us supplements the so-called GI cold war veterans benefits by adding wartime benefits for those members of the Armed Forces and their families, who have served or are serving during the Vietnam period of conflict.

The bill before us grants benefits to those who served in our military forces since August 5, 1964, that are comparable to those already provided for veterans of World War I, World War II, and the Korean conflict.

Together with cost-of-living rate increases for qualified veterans, their widows and children, the current bill, in essence, also grants disability compensation at wartime rates, pension for nonservice disability, authorizes full benefit payments to educationally disadvantaged veterans so they can complete high school without losing their eligibility for college attendance allowance, increases the existing educational assistance rates, extends the period of eligibility in the war orphans educational assistance program, provides limited automobile and burial allowances accorded to veterans of previous conflicts and permits increased benefits for drugs and therapeutic devices.

Mr. Speaker, it is obvious that this bill is just; it is right; it is in strict accord with American tradition and it is certainly timely. I therefore urge and hope this House will solidly approve it without extended delay.

(Public Law 77, 90th Congress.)

PLACE HANDICAPPED PERSONS IN COMPETITIVE EMPLOYMENT

Mr. DONOHUE. Mr. Speaker, I most earnestly hope the House will speedily and overwhelmingly approve this measure before us. H.R. 16819, which is designed to strengthen the existing programs operating under the Vocational Rehabilitation Act and expand the scope of rehabilitation services within the communities and States.

There is no question about the need for these programs; there is no question that the programs have been unusually effective in their operation; and there is no question that the results prove that the program has been a sound investment for the country. Therefore, I again urge that this bill be adopted without extended delay.

(Public Law 391, 90th Congress.)

PROHIBIT AGE DISCRIMINATION IN EMPLOYMENT

Mr. DONOHUE. Mr. Speaker, as the author of similar legislation in this Congress, H.R. 11301, and as one who has been a consistent advocate of such legislation through the past several years, I most earnestly urge and hope that the House will promptly approve the measure now before us, H.R. 13054, designed to prohibit age discrimination in employment.

In summary, study and experience has demonstrated the economic wisdom of hiring older workers, not to mention the great contribution that would thus be given to the national welfare and the personal health and happiness of the individuals concerned.

There is then, Mr. Speaker, the obvious need for the establishment, now, of this public policy, and approval of this legislation ought not to be further delayed.

(Public Law 202, 90th Congress.)

CONSOLIDATE PRESENTLY FRAGMENTED GRANTS IN THE PUBLIC HEALTH FIELD

Mr. DONOHUE. Mr. Chairman, I most earnestly hope that, following full discussion and debate, this House will overwhelmingly approve this bill before us, H.R. 6418, the very aptly termed "Partnership for Health Amendments of 1967."

It directs the Secretary Health, Education, and Welfare to initiate an expanded and coordinated program of research, experiments and demonstrations designed to substantially improve the quality and effectiveness of our health services.

It authorizes and directs the Secretary of Health, Education and Welfare to enter into agreements with health schools, hospitals, and other health care training facilities to provide for the cooperative use of personnel, facilities, services and information in order to better utilize scarce professional personnel and expensive facilities.

Mr. Chairman, in summary, this bill provides for the further consolidation of the many and confused fragmented grants in the public health field into two program grant authorizations, one for formula grants for public health services and another for special project grants. For a number of varied health programs, it establishes a single set of requirements, a single authorization and a single appropriation.

(Public Law 174, 90th Congress.)

SMALL BUSINESS MUST BE PRESERVED TO INSURE THE ECONOMIC INTEGRITY OF THE NATION

Mr. DONOHUE. Mr. Speaker, I want to urge a unanimous vote in support of the Small Defense Plants Administration as an independent agency with the sole and primary responsibility of assisting small business. Up in my home area there are hundreds of small businesses founded on the honored American traditions of private initiative and personal responsibility. They cannot afford to leave their business or send representatives running to Washington, and other procurement sources, in search of Government contracts. The great corporations, as we all know, are well able to fly everywhere and maintain standing field agents at every procurement point. The only voice the little business man has is yours and mine and we are neglecting our obligation if we do not speak up for him in his hour of need.

FISCAL RESPONSIBILITY IN DEFENSE

Mr. DONOHUE. Mr. Speaker, as we approach legislative action on the current Defense Department's requested budget in the amount of $77,074,000,000 I hope and urge that the legislative mood, action, and accomplishment will be founded firmly upon an immovable and unyielding "bare bones" policy, in the public interest.

I would even more hope and urge that any anticipated adjournment haste would not be permitted to lessen or weaken our absolute duty and determination to effect substantial reductions, and sensible savings to the taxpayers, in this requested budget, even if we have to stay here morning and night and even if we have to come back here after the conventions to fulfill our common obligation.

It is widely reported that defense experts both in and outside the Government have publicly proclaimed that huge cuts can be made in this Defense Department budget while retaining or, even in some cases improving the level of combat effectiveness. The same experts have stated their belief that none of these cuts would harmfully affect military combat capabilities and support.

Mr. Speaker, today more than any other time in modern history, this Congress and the people face a challenge of establishing priority spending standards and the most prudent spending procedures in order to maintain and improve the financial stability of this country.

Let us resolutely do this in our legislative action on this Department of Defense budget request and every other budget request that comes before us. For any hesitants let us give calm and reflecting assurance that authorizations can be readily given to any executive department in the case of sudden emergency need. That is what the Congress is for and these are the procedures I hope and urge this House and the Congress to follow in the public interest.

EXCESS PROFITS RECOVERY

Mr. DONOHUE. Mr. Chairman, as an author of similar legislation, to extend and strengthen the existence and authority of the Renegotiation Board, I most earnestly hope that the House will grant the fullest consideration to amendments to improve this bill before us, H.R. 17324, and overwhelmingly adopt it.

The basic purpose of this Board and this legislation is to keep the profits of industries manufacturing military hardware under control and within reason.

There is no intention of any kind here to keep these particular industries and manufacturers from realizing a legitimate profit on their production and investment or to subject them to any extraordinary harassment. Certainly this is no time, when a war is costing the American taxpayer some $26 billion a year, to attempt to dissolve or weaken the Renegotiation Board and it is equally obvious that Defense Department officials are too busy and too involved to try to police their own contracts. Unfortunately, we have had revealed here this afternoon abundant authoritative evidence indicating current profiteering on defense contracts. There is an essential need to legitimately discourage this practice and it is our high duty to do so.

Let us remember that the records show that in its operations the Renegotiation Board has recovered, for the American taxpayer, over $950 million in excess profits.

There can be no question that this legislation is essential, that it is timely and that it is in the best national interest particularly at a very challenging period of our economic history. Therefore, I urge and hope that this measure will be resoundingly approved without undue delay.

(Passed House, May 27, 1968.)

MONDAY HOLIDAYS, COLUMBUS DAY

Mr. DONOHUE. Mr. Chairman, I most earnestly hope that the House will speedily approve this bill before us (H.R. 15951) to provide for uniform annual observance of certain legal public holidays on Monday.

In addition, by affording more time to our citizens for travel, the Monday holiday program would increase the opportunities for pilgrimages to the historical sites connected with our holidays, thereby increasing participation in the commemoration of historical events. At the same time, the program would also afford greater opportunity for leisure at home so that our citizens would be able to enjoy fuller participation in hobbies as well as educational and cultural activities. Finally, the Monday holiday program would stimulate greater industrial and commercial production by reducing employee absenteeism and enabling workweeks to be free from interruptions in the form of midweek holidays.

Mr. Chairman, in response to some who may have reservations about Columbus Day, may I very strongly urge the retention of the inclusion of it as a national holiday and may I emphasize that it is a most appropriate means of recognizing the United States as a "nation of immigrants" as our late and beloved President Kennedy described it; may I remind you further that some 34 of our 50 States already observe Columbus Day as a holiday and there are a great number of legislative proposals, including my own, now pending in the Congress to establish Columbus Day as a national holiday.

(Public Law 363, 90th Congress.)

INTERSTATE COMMERCE TAXES ARE CHAOTIC

Mr. DONOHUE. Mr. Chairman, as one of the original sponsors and advocators of interstate taxation legislation, I most earnestly hope that this House will speedily and overwhelmingly approve this measure, H.R. 2158, designed to bring a real measure of good sense and good order into the presently tangled and confused economic area and ramifications of State taxes imposed on interstate commerce.

The purpose of this bill before us is to carry out the special duty of the Congress to keep the paths of interstate commerce free and clear and grant reasonable protection and guidance to business enterprise from the burdening harassments of conflicting and chaotic multiple-State taxation.

It is by no means pretended here that this bill is perfect in every detail or that it will cure every ill of interstate taxation. But it is a wholesome, forward step in the right direction; it has great bipartisan support in the Congress and it has the endorsement of the great majority of business and tax authorities and associations throughout the country.

It is unquestionably in the great public interest and, as a pioneering effort, in a challenging field, subject to further improvement whenever experience may demonstrate the need, I hope this House will resoundingly approve it now without extended delay.

(Passed House, May 22, 1968.)

AUTHORIZATION OF APPROPRIATIONS UNDER STATE TECHNICAL SERVICES ACT OF 1965

Mr. DONOHUE. Mr. Speaker, I hope and urge that H.R. 16824, which provides for a 1-year renewal of the State Technical Services Act of 1965, will be promptly and resoundingly adopted.

The substantive purpose of this, and the original legislation, is to speed industrial and economic growth of the States, and the country, through improved application and use of technical and scientific knowledge.

Mr. Speaker, the substantial merit of this program is obvious and 46 States have thus far availed themselves of its provisions. There is an excellent program for New England now going on.

As I have stated the program has proven its merits, the amounts being authorized are prudent, and the country at large will undoubtedly continue to vastly benefit by its further operation. Let us, then, give it our resounding approval.

(Passed House, July 12, 1968.)

GRANTS FOR REGIONAL MEDICAL PROGRAMS, HEALTH OF AGRICULTURAL MIGRANT WORKERS, AND ALCOHOLIC AND NARCOTIC ADDICT REHABILITATION FACILITIES

Mr. DONOHUE. Mr. Chairman, this is indeed, a time for much shorter discussion and more expedient, but prudent, legislative action in the public interest. I hope, therefore, that this bill before us, H.R. 15758, will be speedily accepted and approved by the House.

The substance of the bill has been debated here several times over in the past few years. This measure, as you know, is designed to extend, for the 2 additional years of 1969 and 1970, the national medical health programs for heart disease, cancer, and stroke; the medical assistance program for migratory farmworkers; and extend and expand the programs of assistance to narcotic addicts and alcoholics.

(Passed House July 12, 1968.)

HIGH-SPEED GROUND TRANSPORTATION EXTENSION

Mr. DONOHUE. Mr. Speaker, I think it is, as they say, crystal clear to anybody that there is an essential need in this country today of high-speed ground transportation facilities.

This bill, H.R. 16024, is in response to what I believe the great majority of our people need and desire; that is the availability of high-speed ground transportation at the earliest possible moment.

The only sensible way in which these objectives can be met, in the light of the expert testimony given here and the committee's recommendations, is through further research and testing and development by the Department of Transportation.

This bill will permit the Department of Transportation to continue these activities over the next 2 years. The amounts being authorized under all the circumstances, certainly must be considered prudent; the objectives are unquestionably in the national interest. Therefore, I hope that the House will resoundingly approve this measure without extended delay.

(Public Law 423, 90th Congress.)

FEDERAL AID HIGHWAY ACT

Mr. DONOHUE. Mr. Chairman, I earnestly hope that the House will carefully review and overwhelmingly approve this bill, H.R. 17134, the Federal-Aid Highway Act of 1968 because I am firmly convinced that, although not perfect in every respect, it will, nevertheless, add a great many desirable adjustments and improvements to our existing Federal-aid highway program.

As you know, this measure provides the authorization of funds to continue the Nation's network of commerce and travel, and equally important, it spells out new policies designed to make that network increasingly efficient and responsive to the needs of the American people.

Perhaps the most important of the new programs, however, is relocation assistance, which will substantially lessen the housing and financial problems people will face when they are forced to move because of highway construction. The program is mandatory, and it covers individuals and families, businesses and farms, homeowners, and people who rent. It is, I believe, the best thought out and potentially the most effective relocation program the Federal Government has ever proposed.

The bill also makes some other essential changes in the law. It eliminates the penalty provision of the Safety Act.

It provides a revolving fund for advance acquisition of right-of-way, which should make it possible to save substantial amounts of money in this part of the highway program all over the Nation.

It prohibits future cutbacks or freezes on trust funds apportioned to the States.

The bill also strengthens the competitive bidding requirements of existing law which certainly should encourage a more economic and efficient program in the taxpayer's interest.

Mr. Chairman, this measure is truly a commendable example of a bipartisan legislative effort in the national interest and it merits overwhelming support.

THE RIGHT TO VOTE AT 18

Mr. DONOHUE. Mr. Speaker, in my conviction the time has come in the affairs of this nation to reassess the proposition of whether or not the youth of this country should be permitted to vote at the age of eighteen. I think they should.

Therefore I have introduced in this Congress House Joint Resolution 1275, proposing an amendment to the Constitution of the United States to provide that the right to vote shall not be denied on account of age to persons who are eighteen years of age or older.

I earnestly believe that the average American eighteen-year-old today is better educated, more mature and has a higher sense of personal responsibility and involvement than ever before.

Knowledge, and the opportunity to gain it, is increasing at a rate unparalleled in previous history.

Our youth, today, are extraordinarily knowledgeable on national issues, committed to the betterment of our society and articulate in their convictions.

From the age of eighteen to twenty-one they are certainly, in these times, helping to shoulder the burdens of our society, and they do it mostly with sound judgment; they pay income and property tax, and they bear arms. Surely we must extend every consideration to the right, then, to participate in the decisions of government which establish local, state and national policy.

As so often asserted by Abraham Lincoln, the basic premise of a democracy assumes that all those who help bear the burdens of society will share in the decision-making process of that society.

In order to give our youth their rightful share in decision-making, I hope and urge that this Congress will favorably act on my proposal, and similar proposals that have been filed by a great many Members of Congress, before this session adjourns.

CONGRESS SHOULD NOT ADJOURN WHILE ANY VITAL PROBLEMS REMAIN UNSOLVED

Mr. Speaker, I am opposed to adjournment sine die of the House of Representatives at this time. In my opinion we should, if anything, only recess so that we may be readily available to meet projecting problems as they arise or be given definite assurance of recall to immediate session in the event any grave emergency develops.

BILLS INTRODUCED IN 90TH CONGRESS

Mr. Speaker, this summary would be highly inadequate if I did not list, in part some of the bills I introduced in the 90th Congress. They follow:

H. Con. Res. 183, to request the President of the United States to urge certain actions in behalf of Lithuania, Estonia, and Latvia. Referred to Committee on Foreign Affairs.

H.J. Res. 229, proposing an amendment to the Constitution of the United States relative to equal rights for men and women. Referred to Committee on the Judiciary.

H.R. 3910, to amend the Older Americans Act of 1965 to provide for older Americans community service program. Referred to Committee on Education and Labor.

H.R. 3911, to establish a National Commission on Public Management, and for other purposes. Referred to Committee on Government Operations.

H.R. 3912, to protect the public health by amending the Federal Food, Drug, and Cosmetic Act for the purpose of strengthening and facilitating mutual cooperation and assistance, including training of personnel, in the administration and enforcement of that Act and of State and local laws related to food, drugs, devices, or cosmetics, and for other purposes. Referred to Committee on Interstate and Foreign Commerce.

H.R. 3913, to protect the public health by amending the Federal Food, Drug and Cosmetic Act so as to improve the safety and reliability of drugs. Referred to Committee on Interstate and Foreign Commerce.

H.R. 3915, to amend title 18 of the United States Code to make the robbery of a cooperative bank, which is a member of the Federal home loan bank, a crime. Referred to Committee on the Judiciary.

H.R. 3916, to exclude from income certain reimbursed moving expenses. Referred to Committee on Ways and Means.

H.R. 3917, to amend the Internal Revenue Code of 1954 to provide that any unmarried person who maintains his or her own home shall be entitled to be taxed at the rate provided for the head of a household. Referred to Committee on Ways and Means.

H.R. 4107, to establish a system for the sharing of certain Federal tax receipts with the States. Referred to Committee on Ways and Means.

H.R. 4108, to amend the Internal Revenue Code of 1954 to provide an income tax deduction for certain expenses of attending colleges and universities. Referred to Committee on Ways and Means.

H.R. 5713, to amend section 2401 of title 28, United States Code, to extend the time for filing tort actions by persons under the age of twenty-one, or insane or mentally ill, or imprisoned on a criminal charge. Referred to Committee on the Judiciary.

H.R. 7532, declaring October 12 to be a legal holiday. Referred to Committee on the Judiciary.

H.R. 7533, to incorporate the Paralyzed Veterans of America. Referred to Committee on the Judiciary.

H.R. 8361, to provide for the orderly marketing of articles imported into the United States, to establish a flexible basis for the adjustment by the United States economy to expanded trade, and to afford foreign supplying nations a fair share of the growth or change in the United States market. Referred to Committee on Ways and Means.

H.R. 8362, to amend title V of the Social Security Act so as to extend and improve the Federal-State program of child-welfare services. Referred to Committee on Ways and Means.

H.R. 9420, to reclassify certain positions in the postal field service, and for other purposes. Referred to Committee on Post Office and Civil Service.

H.R. 9714, to repeal the authority for the current wheat and feed grain programs that will permit the market system to work more effectively for wheat and feed grains, and for other purposes. Referred to Committee on Agriculture.

H.R. 10294, to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of business development corporations. Referred to Committee on Ways and Means.

H.R. 10805, to extend the life of the Civil Rights Commission. Referred to Committee on the Judiciary. (Public Law 90-198.)

H.R. 11301, to prohibit age discrimination in employment. Referred to the Committee on Education and Labor.

H.R. 11302, to amend the Antidumping Act of 1921. Referred to Committee on Ways and Means.

H.J. Res. 702, creating a Joint Committee To Investigate Crime. Referred to Committee on Rules.

H.R. 11463, to amend the Act of September 21, 1959, to increase the authorization for the Minute Man National Historical Park (Morse bill). Referred to Committee on Interior and Insular Affairs.

H.R. 11760, to provide for orderly trade in textile articles. Referred to Committee on Ways and Means.

H.R. 12480, to provide for uniform annual observances of certain national holidays on Mondays. Referred to Committee on Judiciary.

H.R. 12481, to provide incentives for the creation by private industry of additional employment opportunities for residents of urban poverty areas. Referred to the Committee on Ways and Means.

H.R. 12482, to encourage and assist private enterprise to provide adequate housing in urban poverty areas for low-income and lower middle income persons. Referred to Committee on Ways and Means.

H.R. 13031, to amend title 18 of the United States Code to make it unlawful to assault or kill any member of the armed services engaged in the performance of his official duties while on duty under orders of the President under chapter 15 of title 10 of the United States Code or paragraphs (2) and (3) of section 3500 of title 10 of the United States Code. Referred to Committee on Judiciary.

H.R. 13122, to amend the Nurse Training Act of 1964 to provide for increased assistance to hospital diploma schools of nursing. Referred to Interstate and Foreign Commerce Committee.

H.R. 13687, to amend titles I, IV, X, XIV, XVI, XVII, and XIX of the Social Security Act to require that drugs provided by, or under programs receiving Federal financial assistance pursuant to such titles, must be prescribed and furnished on a nonproprietary or generic basis. Referred to Committee on Ways and Means.

H.R. 14048, to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program. Referred to Committee on Merchant Marine and Fisheries.

H.R. 14927, to amend the Immigration and Nationality Act, and for other purposes. Referred to Committee on the Judiciary.

H.R. 15024, to authorize reimbursement to the States and for certain toll highways, bridges, and tunnels on the Interstate System, and for other purposes. Referred to Committee on Public Works.

H.R. 15147, to amend the Immigration and Nationality Act to provide for the naturalization of persons who have served in combat areas in active-duty service in the Armed Forces of the United States, and for other purposes. Referred to Committee on the Judiciary.

H.J. Res. 1069, to declare the policy of the United States with respect to its territorial sea. Referred to Committee on Foreign Affairs.

H.J. Res. 1087, authorizing the President to proclaim annually the week including February 14 (the birthday of Frederick Douglass) as "Afro-American History Week." Referred to Judiciary.

H. Con. Res. 646, to require France to pay its World War I debt. Referred to Ways and Means.

H.R. 15951, to provide for uniform annual observances of certain legal public holidays on Mondays, and for other purposes. Referred to Judiciary. (Public Law 90–363.)

H.J. Res. 1186, to authorize a study and investigation of information service systems for States and localities designed to enable such States and localities to participate more effectively in federally assisted programs and to provide Congress and the President with a better measure of State and local needs and performance under these programs. Referred to Government Operations.

H.R. 16996, to designate certain lands in the Monomoy National Wildlife Refuge, Barnstable County, Massachusetts, as wilderness. Referred to Interior & Insular Affairs.

H.J. Res. 1275, proposing an amendment to the Constitution of the United States to provide that the right to vote shall not be denied on account of age to persons who are eighteen years of age or older. Referred to Judiciary.

H.R. 17339, to amend title II of the Social Security Act to provide that no reduction shall be made in old-age insurance benefit amounts to which a woman is entitled if she has 120 quarters of coverage. Referred to Ways & Means.

H.R. 17357, to amend the Renegotiation Act of 1951, and for other purposes. Referred to Ways & Means.

H.R. 17358, to provide incentives for the creation by private industry of additional employment opportunities for residents of urban poverty areas. Referred to Ways & Means.

H.R, 17498, to amend the provisions of Chapter 5 of title 5, United States Code, relating to administration procedure. Referred to Judiciary.

H.R. 17560, to eliminate hunger in the United States. Referred to Agriculture.

H.R. 17648, to amend title II of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits thereunder. Referred to Ways & Means.

H.R. 17722, to amend the Food Stamp Act of 1964, as amended, for the purposes of authorizing appropriations for the fiscal years ending June 30, 1969, June 30, 1970, June 30, 1971, and June 30, 1972, and for other purposes. Referred to Agriculture.

H.R. 17830, to authorize the acquisition and maintenance of the Goddard rocket launching site in accordance with the Act of August 25, 1916, as amended and supplemented. Referred to Committee on Interior and Insular Affairs.

H.R. 18483, to amend the Immigration and Nationality Act to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes. Referred to Judiciary Committee.

H.R. 18578, to establish the Commission for the Improvement of Government Management and Organization. Referred to Committee on Government Operations

H.R. 18720, to create a catalog of Federal assistance programs, and for other purposes. Referred to the Committee on Government Operations.

H.R. 18753, to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam. Referred to the Committee on Armed Services.

CONCLUSION

Mr. Speaker, right here I would like to particularly emphasize what I have so often stated in the past, that great credit for the solid record of accomplishment in this 90th Congress must truly be attributed to the patriotic nonpartisan cooperation of many Members in the minority party without whose effective help numerous measures and programs of vital national importance could not have been achieved, particularly those measures involving historic advances in civil rights and educational opportunities for our children.

The words of wise authority remain forever as comforting beacons of guidance in troubled, distressing hours. A counseling message to all Americans is contained in the following extract from a speech given at Harvard University graduation exercises on June 30, 1910, by the late great Chief Justice Charles Evan Hughes:

> The most important agencies of democracy are, after all, not the organs of government, but the influences that shape public opinion. * * * Democracy must prize its public life. It has stripped it almost altogether of ceremonial and of meaningless and absurd forms. It has placed the public officer in a position of power, to be used for service. * * * Having surrounded him with none of the pomp which makes appeal to the thoughtless and ignorant, it must invest him with the higher honor which should be the reward of fidelity. Those who cultivate the true democratic spirit will be as earnest in their support of faithful officers as they are unsparing in their condemnation of the faithless.

THE "PUEBLO": HOW LONG, MR. PRESIDENT?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 27, 1968

Mr. SCHERLE. Mr. Speaker, this is the 187th day the U.S.S. *Pueblo* and her crew have been in North Korean hands.

HOUSE OF REPRESENTATIVES—*Monday, July 29, 1968*

The House met at 12 o'clock noon.

Rabbi Dr. Abraham B. Hecht, Shaare Zion Congregation, Brooklyn, N.Y., offered the following prayer:

אבינו שבשמים - מלך העולם!

A-mighty G-d, ruler of the universe, we express our deep gratitude to you, for the miracle of civilization, we call America. The ideals of liberty, equality, and personal freedom bedrocks of our society, serve today to millions throughout the world, as the most desirable virtues of government.

We thank you, O' L-rd, for this august legislative body which constitutes the finest minds and sincerest hearts, illustrious and dedicated Representatives of all the people of our great Republic.

We pray that You will guide and direct these Members of Congress, to legislate fearlessly in the spirit of truth and justice; to remove the scourges of crime and violence threatening to destroy the fabric of our national security; to pursue the goals of universal peace with honor; to effectuate a conciliation between East and West; to assist the needy and the oppressed at home and abroad; and to recognize the valid claims of the Jewish State for support—moral and material.

We invoke the blessings of our Father in heaven upon every Member of Congress and upon their families. May the L-rd grant them good health, prosperity, and success in their endeavors for humanity.

We pray for the welfare of our Government, led by our distinguished President, Lyndon B. Johnson. May the policies of the Congress continue to be motivated by concern for the commonweal, steadied by moral compunctions, and sustained by moral courage.

In the words of the Psalmist—Psalm CXXXIV—we pray, "May the L-rd who made heaven and earth, bless you from Zion." Amen.

THE JOURNAL

The Journal of the proceedings of Friday, July 26, 1968, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H.R. 1648. An act for the relief of Martina Zubiri Garcia;

H.R. 2281. An act for the relief of Dwayne C. Cox and William D. Martin;

H.R. 6195. An act for the relief of Peter Balinas and Lee Balinas;

H.R. 6655. An act for the relief of Mary Jane Orloski;

H.R. 8391. An act for the relief of Adel Lessert Bellmard, Clement Lessert, Johephine Gonvil Pappan, Julie Gonvil Pappan, Pelagie Gonvil Franceour de Aubri, Victore Gonvil Pappan, Marie Gonvil, Lafleche Gonvil, Louis Laventure, Elizabeth Carbonau Vertifelle, Pieree Carbonau, Louis Joncas, Basil Joncas, James Joncas, Elizabeth Datcherute, Joseph Butler, William Rodger, Joseph Cote, four children of Cicili Compare and Joseph James, or the heirs of any who may be deceased;

H.R. 9391. An act to amend section 376(a) of title 28, United States Code;

H.R. 10321. An act for the relief of Mrs. Claudette C. Donahue;

H.R. 10327. An act for the relief of Louis J. Falardeau, Irva G. Franger, Betty Klemcke, Wineta L. Welburn, and Emma L. McNeill, all individuals employed by the Department of the Army at Fort Sam Houston, Tex.;

H.R. 11381. An act for the relief of E. L. Townley, Otis T. Hawkins, and Leo T. Matous;

H.R. 12119. An act for the relief of Joseph M. Hepworth;

H.R. 14167. An act for the relief of Lydia M. Parsley;

H.R. 15864. An act to provide for the operation of the William Langer Jewel Bearing Plant at Rolla, N. Dak., and for other purposes; and

H. Con. Res. 798. Concurrent resolution authorizing the Clerk of the House of Representatives to make a change in the enrollment of H.R. 9098.

The message also announced that the Senate receded from its amendments to a bill of the House (H.R. 9098) entitled "An act to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes."

The message also announced that the Senate had passed with amendments in which concurrence of the House is requested, bills of the House of the following titles:

H.R. 15758. An act to amend the Public Health Service Act so as to extend and improve the provisions relating to regional medical programs, to extend the authorization of grants for health of migratory agricultural workers, to provide for specialized facilities for alcoholics and narcotic addicts, and for other purposes; and

H.R. 16361. An act to provide additional revenue for the District of Columbia, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 16361) entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPONG, Mr. MORSE, and Mr. MORTON to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3769) entitled "An act to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts," agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MORSE, Mr. YARBOROUGH, Mr. CLARK, Mr. RANDOLPH, Mr. WILLIAMS of New Jersey, Mr. NELSON, Mr. PROUTY, Mr. JAVITS, Mr. DOMINICK, and Mr. MURPHY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 908. An act for the relief of William D. Pender;

S. 3269. An act to consent to the New Hampshire-Vermont Interstate School Compact;

S. 3640. An act to establish a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy;

S. 3724. An act to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes; and

S. Con. Res. 78. Concurrent resolution favoring the suspension of deportation of certain aliens.

RABBI DR. ABRAHAM B. HECHT

Mr. PODELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PODELL. Mr. Speaker, we were privileged, and the Congress was truly honored this morning to welcome Rabbi Abraham B. Hecht, who is the spiritual leader of the Temple Shaare Zion of Brooklyn, N.Y.—a temple which is the symbol of the Sephardic community of Brooklyn, N.Y., today.

Rabbi Abraham Hecht is one of six brothers, all of whom are rabbis. He is a noted scholar, a leading teacher, a great humanitarian, and a great educator. Our House of Representatives was truly honored on this occasion.

Mr. Speaker, I believe the best way to express the spirit of Rabbi Hecht is to quote from the Torah itself:

לא בחיל, לא בכוח, כי אם ברוחי

Which means "not with thy strength, not with thy sword, but only with My spirit, saith the L-rd."

And thus Rabbi Hecht is bringing to his community the great spirit of the Lord in the hearts of all mankind. The world at war could well take heed of the spirit of Rabbi Abraham Hecht.

WHAT'S RIGHT WITH AMERICA

Mr. ICHORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ICHORD. Mr. Speaker, Thomas Jefferson once wrote:

> Laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths disclosed, and manners and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times.

Most of us recognize the necessity of change to keep pace with the times. But we cannot have change merely for the sake of change at the sacrifice of basic principles which have made this country great.

Dr. Solomon Garb, of the University of Missouri, an outstanding American of great intellect and discerning mind, has written a new book to be published in the near future entitled "What's Right With America," rather than was is wrong.

I would recommend this book for the reading of all legislators and governmental officials. I ask unanimous consent to have printed in the Extensions of Remarks of the RECORD, the introduction of his book "What's Right With America," as well as excerpts from the book concerning the pitfalls of the proposed negative income tax or guaranteed income. America should beware of this deadly trap.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEGISLATIVE PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to alert the House that later in the day the distinguished chairman of the Committee on Post Office and Civil Service will, by unanimous consent, seek to take from the Speaker's table and bring before the House H.R. 15387, to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes, with Senate amendments thereto, disagree with the Senate amendments, and ask for a conference with the Senate. The gentleman from New York [Mr. DULSKI] has advised me that he will make that unanimous-consent request at some later time today.

MILITARY CONSTRUCTION APPROPRIATIONS, 1969

Mr. SIKES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 18785) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Michigan [Mr. CEDERBERG] and myself.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 290]

Adair
Anderson, Tenn.
Ashley
Blackburn
Blanton
Bolton
Brock
Brown, Mich.
Burke, Fla.
Burton, Utah
Button
Conte
Conyers
Corman
Cramer
Davis, Wis.
de la Garza
Diggs
Dole
Edwards, Ala.
Esch
Evins, Tenn.
Fino
Flood
Fulton, Tenn.
Gardner
Goodell
Gubser
Hansen, Idaho
Hathaway
Hawkins
Hébert
Herlong
Holifield
Holland
Howard
Karsten
Kirwan
Kupferman
Kuykendall
Laird
Lipscomb
Long, La.
Lukens
McCloskey
McClure
Moorhead
Morris, N. Mex.
Nelsen
Quie
Rarick
Resnick
Rhodes, Ariz.
Satterfield
Schweiker
Steed
Taft
Thompson, Ga.
Waggoner
Wampler

The **SPEAKER**. On this rollcall, 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MILITARY CONSTRUCTION APPROPRIATIONS, 1969

The **SPEAKER**. The question is on the motion offered by the gentleman from Florida [Mr. SIKES].

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 18785) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, with Mr. ULLMAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Florida [Mr. SIKES] is recognized.

Mr. SIKES. Mr. Chairman, H.R. 18785, making appropriations for military construction for the Department of Defense for fiscal 1969, is the most austere construction program in recent history. I am not happy that such is the case. There are too many military bases on which facilities are substandard and inadequate. This is particularly true of housing, and I refer both to family housing and to housing for officers and enlisted men. This subcommittee has had particular concern with the morale factors resulting from a lack of comfortable and satisfactory housing. We are certain this has an adverse effect on retention rates—a very important matter to the services, because retention insures readily available skills and avoids training costs.

By contrast, the House is awaiting action on one of the largest defense appropriation bills in history. Yet in that bill also, very severe cuts were made. Some were in nonessential areas. But additional serious cuts were necessitated by the mandatory budget reductions voted by Congress. The continuing requirements for defense programs are staggering in the enormity of their costs. The present extremely austere military construction budget is understandable in light of the cost requirements of the Vietnamese war, the fact that the military forces are the largest since the Korean war, the fact that pay raises have been voted, that procurement costs haven risen sharply, plus all the other increases.

Yet, defensewise we probably are getting more defense for the dollar than ever before in our history. And let me say no country ever was represented on any battlefield by finer fighting men or by better trained or more heroic soldiers. They deserve the everlasting thanks of the American people and the free world.

The fact remains that because of other mounting cost requirements, military construction, the bill before you has been limited to a very small part of this year's defense budget and the funds we propose are needed down to the last dollar.

Before I go into details on the program, let me express my very great appreciation for the sterling quality of the work of my subcommittee. I am particularly appreciative to each of them, to the gentleman from California [Mr. MCFALL], the gentleman from New Jersey [Mr. PATTEN], the gentleman from Maryland [Mr. LONG], the ranking minority member; the gentleman from Michigan [Mr. CEDERBERG], the gentleman from North Carolina [Mr. JONAS], and the gentleman from California [Mr. TALCOTT]. I am equally appreciative to the staff, headed by Frank Sanders, one of the ablest men in the employ of the Appropriations Committee.

Let me call your attention to the report which is before you. We have tried to make it detailed and inclusive and comprehensive. I believe you will find an accurate and logical explanation of most of the committee's actions. In particular, let me remind you that beginning on page 31 of the report, there is a list by States of the line items approved in this bill. The hearings, which also are before you, contain a complete history of each line item, and a detailed history of each item which was submitted to the committee. There are other features in the hearings which will be useful to most of the members in your reports to your constituents. In particular, I refer to the Sentinel ABM program, which I will discuss in detail later.

Now if you will take up the report with me and note page 1, you will find that the budget estimates for this year's military construction bill were $2,031,500,000. The committee has recommended an appropriation of $1,765,019,000. This is a reduction of $266,481,000. The bill is 13% below the budget, and I can assure you this is a deep cut. The bill is also $328,343,000 below the funds appropriated for military construction and family housing in fiscal 1968. Of equal significance is the fact that the bill is more than $1 billion below last year's budget request.

On page 2 of the report, you will find a breakdown of the budget picture by services.

Now let us look at the areas where the principal cuts were made. The committee found a substantial backlog of funds in the unobligated balances of the services. Whatever the reasons, it is obvious that there are a substantial number of projects not yet under construction. Perhaps there has been a lack of effort to move the program forward in some areas. But this is not the entire picture. The military construction program is by nature a dynamic and changing one. A project which was justified in all good faith last year may, because of the changing picture in warfare or changes in weapons, no longer be required within a year or two. A point at issue is the requirement for facilities for the Navy's F-111B aircraft. These have been funded in anticipation of an increasing Navy inventory of this type of aircraft. Now there will be none. The changing base picture may also result in changed requirements for housing. There have been deferrals which require restudy. All in all, it appears that one of the most profitable areas in which to recoup funds is through a reduction in unobligated balances which are available to the services. This action also gives the services greater flexibility in determining the specific area in which line item cuts should best be made to reflect the up-to-the-minute picture of requirements. In this way, $120 million was recaptured from prior year funds to apply on the current budget program. We think this procedure is particularly applicable in a year when further reductions may be directed in the program by the Department of Defense because of the congressional mandate on budget cuts. Without a doubt, the committee's action will require belt-tightening and a saving of funds. I consider that we are on safe ground when it is taken into consideration that funds approved by the committee, when coupled with existing balances will make available $2,213,819,000 for obligation and $3,436,519,000 available for expenditure by the three services in support of their regular military construction program.

Generally in line item cuts, the principal reductions were made in the field of administrative facilities. I do not question for a moment that the administrative facilities which are sought in this bill are needed. Individuals who are required to work in old warehouse structures which have been partitioned into office space and which may have inadequate lighting and ventilation do not have the surroundings which are conducive for best effort. However, the committee felt a compulsion to make reduc-

tions where possible, and this appears to be the area where it best can be done. Certainly, it is preferable to training facility cuts, or housing cuts.

If you will turn with me to page 8 of the report, you will note the details of the Southeast Asia construction program. In this year's budget, there was a request for $225,375,000. This was reduced to $207,104,000 by the authorizing committees. Your committee has approved the full amount which is authorized. Since early 1965 the Congress has appropriated over $2,500,000,000 for the construction of facilities essential for the support of military operations in Southeast Asia. This includes primarily projects in South Vietnam and Thailand, but also includes strategic training and logistical support bases in the United States and in the Pacific. The construction in Southeast Asia appears to be moving forward in a generally satisfactory manner. The tremendous difficulties confronting the early stages of the program have been overcome, order has been established, and there seems to be little ground for complaint about the progress now being made. The job isn't complete. Additional troops still are being sent to Southeast Asia. They must have quarters, warehousing, training, and airport facilities and port services. But we definitely are over the hump in the Southeast Asia construction program. That will cause some to question what will be done with all of these facilities if peace comes. I think it very obvious that we are not going to bring them back. Some will be required for our own forces for a long time. Others will be made available to the South Vietnam Government, and the compensation, if any, is something that will have to be worked out at that time. Our job has been to provide facilities for our men who live and work and fight there. It was a necessary job and in its execution we have witnessed the outstanding military construction program in history. Full credit should be given to those responsible.

If you will turn back to page 5, you will see a comment on the support of troops in Korea. There is very little in this bill for Korea, approximately a million dollars. But in the Second Supplemental Appropriation Act which was recently passed, there was $87 million. We must face up to the fact that Korea has been a very much neglected area in recent years. The tremendous pressure brought about by the requirements for facilities in the Vietnamese war relegated nearly everything else to second place. More recently the jarring aggressiveness of the North Koreans, combined with the capture of the *Pueblo*, changed all this and brought the sobering realization that we no longer can ignore Korea and our action springboard there. The amount appropriated is not going to be enough, but it provides a good start.

We have added hospital facilities and this is fully justifiable. There are still too many cantonment-type World War II hospitals. They are inefficient to operate and costly to maintain. The requirements in personnel are greater than in modern hospitals. We will do well to eliminate the older hospitals as rapidly as we can. We continue the program of modernization to a limited extent in this bill.

The amount appropriated for the hospital program is $47,010,000. This will be used for five hospitals—William Beaumont, El Paso, Tex.; Fort Benjamin Harrison, Indianapolis, Ind.; the Naval Hospital at Charleston, S.C.; the Naval Hospital at Corpus Christi, Tex.; and England AFB, La. In addition, 10 dental clinics and dispensaries, one clinical laboratory, and alteration and addition to existing hospitals or those approved for funding in prior year.

The committee has provided the full amount of the budget for the reserve components. In addition, we have placed our endorsement on the listing of armory projects approved by the authorizing committee, and spelled out the desire of this committee that those projects designated by the authorizing committees be given priority for the earliest possible construction.

In a comparatively inexpensive action we have provided more shelters for aircraft. This is the third war in the last 25 years in which we have not taken appropriate measures to protect parked aircraft. We seem to have deliberately chosen to take a calculated risk in this area and the result has been a very costly one for us. For a few thousand dollars we can provide shelters to protect aircraft from flying shell fragments, and for a few thousand dollars more we can also provide overhead cover which will provide protection for all except direct bomb or mortar shell hits. The aircraft which we are buying cost from several hundred thousand dollars each to several million dollars each, some of them as high as $10 million or $11 million. It does not make much sense to expose them, when for a few thousand dollars we can have generally adequate protection. The aircraft shelter program contained in this bill is directed primarily to Southeast Asia, but in part it applies to our bases in Europe. Anyone who recalls the Israeli-Arab War last summer will also recall the fact that Israeli aircraft destroyed hundreds of enemy aircraft on the ground. This is the most effective way to destroy aircraft. Aircraft shelters would have saved many of those destroyed aircraft. If there should be a war in Europe, our aircraft will be one of the first targets. We should be doing more to insure a measure of protection than this bill provides.

In this bill, there is a program for only 2,000 family housing units for military personnel. This is the very smallest housing program submitted to the Congress in years, but it is the full amount of the budget. One of the reasons, and probably the principal reason, is that there is a backlog of housing not yet fully constructed of nearly 10,000 units which were authorized and funded in the programs of fiscal 1966 and 1968. Deferral action by the Department of Defense resulted in a virtual stagnation of the family housing program in the last 2 or 3 years. Most of these difficulties have now been surmounted and the military services are in the process of awarding contracts.

Now let us turn to one of the most important items in this bill and one which commands a great deal of interest on the floor. This is the ABM or Sentinel program. In your hearings on page 567 in part 2, you will find in considerable detail a revealing discussion of the program. This, I believe, will provide welcome information to most of you about the actual operation of the program. The funds which are carried in the current bill are spelled out in the next to the last paragraph on page 11 of the report. This is the largest single item in this bill and is in the amount of $263,300,000. Thirteen Sentinel sites have been announced and these are carried on page 90 in part 2 of the hearings. Four new Sentinel sites are still to be announced, and the locations are not at this time available for public announcement. Where possible, Nike Hercules sites are used or other Government-owned land is used. Every effort is made to work out a satisfactory site selection with local leaders in order to insure the minimum in the way of necessary adjustments in the communities. This is part of the so-called thin system which is geared to the threat of a Chinese guided missile capability and will provide protection for some of our principal cities. It would also provide a measure of protection against a Russian ICBM attack, but it obviously is not being built to withstand a saturation attack such as the Russians could be expected to launch. We are moving at the optimum rate to meet a possible Chinese attack. With the slippage which almost certainly will come in the installation of a new program, we cannot afford to wait longer. The Chinese have made significantly more progress in the field of nuclear capability than had been anticipated by our experts. They are an irresponsible force, and we would be extremely unwise not to prepare a defense against their capability and a defense which would prove of some value in the event of a Russian attack.

The recommendations before you represent the careful thinking, deliberate analyses, and much hard work of the subcommittee. We feel that it justifies your full support.

Mr. STEPHENS. Mr. Chairman, will the distinguished gentleman from Florida yield?

Mr. SIKES. I yield to the gentleman from Georgia.

Mr. STEPHENS. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the gentleman to please help me with an explanation. In the committee report on page 10, I was disappointed that the hospital which was authorized at Fort Gordon, Ga., in the military construction authorization bill, has been postponed by the action of this committee. I would like to ask the gentleman one or two questions, if I might.

The first question I would like to ask is this. Does the action of the committee, by not approving funds for fiscal year 1969, have any implication that this hospital is not a high priority?

Mr. SIKES. There is no such implication. Let me say to my distinguished friend, I applaud his interest in this hospital. I know of its importance. I know

there is serious need for it. The gentleman has been most zealous in his efforts to fill that need.

Let me also say to the gentleman, as he knows, it is not a budgeted item. Nevertheless, the gentleman will find on page 10 of our report a paragraph devoted to this item. Although authorization has been approved in the amount of $21,362,000 for the Fort Gordon Hospital, let me point to the fact that "design on the project is only 15 percent complete with final design not scheduled for completion until December 12, 1969." Had we funded the hospital this year, it would not have been possible for the military services to properly utilize the funds.

The committee knows the importance of the project and will expect the design and planning of the hospital to be continued and completed, and hopefully construction can be initiated in fiscal year 1970.

Mr. STEPHENS. Mr. Chairman, will the gentleman yield for an additional question?

Mr. SIKES. I yield to the gentleman from Georgia.

Mr. STEPHENS. Mr. Chairman, the action of the committee does not mean that the Fort Gordon Hospital has to be reauthorized in future legislation?

Mr. SIKES. No. The authorization is a continuing one, and it will not have to be reauthorized next year.

Mr. STEPHENS. Mr. Chairman, will the gentleman yield for an additional question?

Mr. SIKES. I yield to the gentleman from Georgia.

Mr. STEPHENS. Did the Department of Defense authorities indicate to the committee that the Fort Gordon Hospital will be included as a budgeted item for fiscal year 1970?

Mr. SIKES. Of course, the list of budgeted items for fiscal year 1970 will not be available until the beginning of next year. There has not been even discussion, other than in a very preliminary way, at this time of items to be included. Normally it is late in the fall when the formulation of budget items is completed for the following year.

However, let me say I am convinced that the Department knows the need for this hospital and I would hope they will include it in the next program.

Mr. STEPHENS. I thank the gentleman very much for yielding.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

First may I ask the gentleman this question: The appropriation in this bill goes only for the construction of sites. Is that not true?

Mr. SIKES. That is correct.

Mr. YATES. In addition to the funds that are appropriated in this bill for the deployment, are there not additional funds in this bill for the DOD appropriation?

Mr. SIKES. That is correct. Funds in the amount of something over $600 million are in the DOD appropriation bill which has not yet been acted on by the House. This makes a total of approximately $1 billion in funds for the ABM system for the fiscal year 1969.

Mr. YATES. I thank the gentleman for that answer. May I ask an additional question. In addition to the funds that the gentleman just discussed, are there funds for the continued research and development of the ABM system in the DOD bill?

Mr. SIKES. Yes. That is true. There are funds for continued research which are a part of the total amount that I referred to in the defense appropriations bill.

Mr. YATES. I thank the gentleman. May I ask him one more question? With respect to the gentleman's statement that the ABM system will give protection against Chinese missiles through the so-called thin line, it has been made clear that this expenditure is not for a thin line system but is actually the first step in the so-called thick line buildup directed against the Soviet Union.

Mr. SIKES. I do not object to that. I want a defense against atomic attack from the Soviet Union. However, this would not be true unless Congress in later action authorizes and funds an expanded ABM system.

Now I yield to the distinguished gentleman from California [Mr. McFall].

Mr. McFALL. Mr. Chairman, I wish to commend my chairman for his statement here today and for the most efficient way in which he runs our committee. We have presented this bill to the House for its approval. This is an important piece of legislation. The gentleman in the well is certainly in the main responsible for the way in which it is being presented and the way the committee operates so that it can be presented in this way to the House for its approval or rejection.

At this time I would like to tell the House I join the gentleman in the well in his approval of the Sentinel system which will be subject to debate and possible amendment on the floor today. This will be the third time that the ABM system will be debated by the House. On two previous occasions the House sustained one other committee, the Committee on Armed Services and the Defense Appropriation Subcommittee in their determination that the ABM system is necessary to the defense of the United States.

I believe at this time the House will also sustain our committee at this point.

Mr. SIKES. I appreciate very much the comments of the distinguished gentleman from California [Mr. McFall], the vice chairman of the committee.

Mr. CEDERBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do not intend to take very much time discussing this bill, today, because the distinguished gentleman from Florida [Mr. Sikes], the chairman of our subcommittee, has really covered it in great detail, and has given you all the figures recommended in the bill for the various items. I think, from his analysis of this legislation, one can see that we have cut this bill about as far as we should and probably a little further.

Mr. Chairman, I want to mention a few specific figures to put this into perspective and to show the members of the committee how bare bones this bill is in regard to taking care of the necessary facilities that we have, not only in our own country but around the world.

Mr. Chairman, the total of this bill is $1,765,019,000. This represents a substantial reduction from the amount requested by the Bureau of the Budget.

In this $1.7 billion one will find $586,700,000 for military housing. This is broken down in this way: For construction of 2,000 new units, $48.7 million; for operations and maintenance and leasing of existing units, $370.5 million; and debt payment, $168 million.

Now, Mr. Chairman, anyone who has had an opportunity to visit any of our many military installations around the world cannot help but come to the conclusion that much of the housing in which we request our servicemen to live is substandard.

We spend a lot of time around here talking about housing, housing for people in all the cities of the United States. I admit that this is a pressing question and one which needs serious attention. But we have just recently passed legislation providing for a $5 billion plus program of housing. I believe in not shortchanging our servicemen. If we are going to encourage, to provide the incentive for our men to stay in the military service, we have to provide the kind of facilities that our citizens can be proud to live in. Some of these people would be eligible for the rent supplement program under the economic guidelines that have been set up. However, they do not receive any. Yet these are the young men who are defending and fighting and dying for us in the defense of this country in the frontlines and it seems to me they have not been given proper consideration.

Mr. Chairman, we have put many housing units in this bill in the past and many, of course, have not yet been constructed. We have a tremendously large backlog of 10,000 units and, in my opinion, in the very near future we will have to come up with something with which to meet the situation.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I am glad to yield to the distinguished gentleman from North Carolina.

Mr. JONAS. I think the gentleman from Michigan is making a very valid point. Back in 1966, the administration brought out a new housing program for civilians, and that very year the Secretary of Defense, Mr. McNamara, was putting a freeze on military housing. I do not think that the men in uniform should have to make all the sacrifices. Therefore, in my opinion we are fully justified in adding the new units requested in the budget this year. Further, Mr. Chairman, it should be emphasized that the backlog of appropriated units is 10,000. Therefore, when you add that to the 2,000 in this bill, you will find that there is authority to go forward with the construction of 12,000 military housing units.

Mr. CEDERBERG. I thank the gentleman. I certainly concur in the comments which he has just made.

Mr. Chairman, I shall not dwell any longer on the housing situation.

We have, contained in this bill, a total of about $207,104,000 for Southeast Asia. In addition to that we have $263,300,000 for the deployment of the ABM system, as well as other items which bring this bill up to a total of $1.765 billion.

So you can see that if you take these three items out, that is, housing, the ABM, and the money for Southeast Asia, then we have left in this bill approximately $700 million to take care of all of the facilities in all of our military installations for Army, Navy, and Air Force around the world.

Again let me say to the Members that anyone who has had the opportunity to visit any of our installations cannot help but come to the conclusion that we are going to have in future years to spend more money to upgrade our facilities, not only the personnel facilities on these bases, but the operational facilities as well.

So we are going to spend the amount of $700 million in fiscal year 1969 for all of this. This gives you an idea of really how tight the military construction bill is this year.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. COHELAN. I thank the gentleman for yielding.

Mr. Chairman, while we are on this general subject, I would like to know if the distinguished gentleman from Michigan could enlighten us on any contingency plans that we may or may not have in connection with fixed facilities overseas?

We have talked about this on other occasions in connection with the disaster of the NATO infrastructure, for example. What happened to the expenditures at Chalois Orleans, and the Bordeaux pipeline, and other places where we have facilities that are known to the gentleman?

For example, I read in the newspapers only this morning that Peshawar is going to be phased out, and yet this bill appropriates funds for construction there.

Some time ago I was at Bentwaters, England, at one of our bases there, and we talked about phasing out that facility. And yet I see in the very excellent report of the committee that there is an item in here for that base at Woodbridge in England, though perhaps it is going to be phased out.

My question is: What do we do with those fixed items and facilities by way of contingency planning? You were talking about Southeast Asia, and Thailand, and other areas in the world. Do we have any plans which take in to account the possibility of changing world situations?

Mr. CEDERBERG. Do we have any plans, for instance, as to the installations in England?

Mr. COHELAN. Well, for example, suppose we get out of Peshawar, and we may have to get out of some of the other places. Are we going ahead with the construction of that item in spite of the fact that we may be kicked out?

Mr. CEDERBERG. I can assure the gentleman that if there is going to be some problem there I would say "No," we would not go ahead.

Mr. SIKES. There is a definite requirement for improvement of facilities at our base in Pakistan. There has been some disagreement between our Governments on other matters. As a result there is a question of whether or not we are to lease rights for a base in Pakistan.

But let me say that at the time the budget was formulated there was a requirement for the base, and there is a requirement for additional facilities there.

We cannot be responsible for changing conditions in the field of diplomacy. Our job is to support plans for defense as we see those defense needs. We could not be responsible for the vagaries of De Gaulle's mind which caused us to lose our bases in France. We needed bases in France, but France is a sovereign power, so we had no choice but to give them up when this was demanded. This does not change the fact that we needed the bases when they were built. We still need the bases, but they are not available to us. This does not show bad judgment on our part or on the part of the military.

Mr. JONAS. If the gentleman will yield, let me add to what the gentleman has said, and that is that we are not going to approve in this subcommittee any construction at any bases that are scheduled to be phased out.

We cannot read the minds of the people downtown or project what will happen in the future. But at the time we conduct these hearings, we establish the fact that these are fixed bases, and there is no plan to phase them out. If there is a subsequent change we will have to make an adjustment.

Mr. CEDERBERG. I think we have to recognize that military situations change. They are not static at all. We have to be flexible. We have to recognize that potential for change. We are unhappy about the situation in France just as the gentleman from California is. But this is something we could not predict 10 years ago.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman.

Mr. COHELAN. I too have great confidence in the gentleman in the well and in the gentleman from North Carolina and in the distinguished chairman and in fact all members of this subcommittee. I know of their determination and their dedication to not spend money needlessly.

But I raised the question because we do have some experience and it may be significant to review some of these other areas—and I do not want to get into a big foreign policy discussion now—but there are some serious problems.

Mr. CEDERBERG. The gentleman is exactly correct. But when you go into a country to do a job for a considerable number of years, I do not know of any other practical facility except a fixed base facility.

Mr. COHELAN. What I am really trying to get at is—does the gentleman and his committee take into account foreign policy questions at the time they are making their decision?

Mr. CEDERBERG. In our hearings we try to get into as much detail as we can before we give funds to carry out the mission requested in the budget.

Now, to say "Do we go into a full blown foreign policy discussion?" No—because frankly many of these decisions have not been made at the time we get the request for some of the funds.

There is some leadtime in building, and this is why you find occasionally situations where we approve funds and then the funds will not be used because of a subsequent decision either by the Departments of Defense or State.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman.

Mr. JONAS. With respect to the program in the United Kingdom, to which reference was made, there is a buildup going on there right now, and this is contrary to what was in prospect before De Gaulle's action. But many of the supporting elements that were in France have had to be moved into the United Kingdom, and that has necessitated a change.

If we had gone ahead and abandoned some of these facilities in the United Kingdom, we would have had to start over again from scratch and the cost would have been substantially higher.

Mr. COHELAN. I thank the gentleman.

Mr. CEDERBERG. We have a need for storage facilities in West Germany related to the relocation of certain of our Armed Forces from over there.

Well, how do you measure this thing? How do you really come to the right conclusion? All I can tell the gentleman from California is that we try to do the best we can and to get all the details involved before we recommend the appropriation.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman.

Mr. COHELAN. On the question of Vietnam, as we know currently negotiations are going on and we are hopeful—hopeful that one day there will be a cease-fire and some sort of negotiated settlement.

I ask whether there are any contingency plans with reference to fixed base facilities in that part of the world.

Mr. SIKES. If, of course, there is an end of hostilities and everyone hopes and prays this can be achieved on an honorable basis, we still will have a requirement for a considerable period of time to use many of the facilities we have built. We just cannot move our forces out overnight.

Equally obvious is the fact that we are not going to bring those bases back. We have built a tremendous establishment over there in order to meet the needs of over half a million American troops. We are not going to bring those bases back with us. Whatever program is developed for their use, the compensation or other considerations will have to be worked out between our Government and the South Vietnamese Government or the Thai Government as the case may be. So, hopefully, there will be some recompense, but we have no knowledge at this time on the details.

The essential thing is that we must have these bases and these ports and these airfields for the use of our own forces and we had to build them first and wonder afterward what is going to be done with them in peacetime.

Mr. CEDERBERG. I think to be realistic about it, what will eventually happen in Vietnam—and I think we all hope that the Paris talks will be fruitful—is going to be a buildup of the South Vietnamese Army to make it as self-sustaining and efficient an organization as possible.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. COHELAN. Would the gentleman agree with me that the very fact that we have the bases is no reason for us eventually not to retire from the area?

Mr. CEDERBERG. I would love to retire from the area, just as would the gentleman from California, but I think it must be done under the proper conditions. This is what we all want.

Mr. COHELAN. I agree with the gentleman. The point I am making is, as you know, that many of the critics of our policy argue: "Look, we are going to stay because we have all these fixed base facilities." Do you agree with me that that is not a valid argument?

Mr. CEDERBERG. I certainly do agree that it is not a valid argument.

Mr. COHELAN. I thank the gentleman.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. HOSMER. Does my colleague from California argue for more aircraft carriers and fewer fixed bases overseas?

Mr. CEDERBERG. You will have to ask your colleague from California.

In closing, I wish to make a final brief observation.

It has come to our attention that at some of our military hospitals—and I am thinking particularly of Bethesda Naval Hospital and Walter Reed, and I am sure this could be a condition that exists in other areas, and I bring this up only because I know the Record will be read by officials of the Navy and the Army—I understand that some of the wards out there, because of the heat, are almost unbearable for these returning casualty patients. I would like to direct these few comments to the people from the Navy and from the Air Force who will read this record: I suggest that they get on their toes right away and do something about trying to air condition some of those wards. I say to them: "Do not tell us you do not have any money, because if you do not, come on up here and we will see that you get some or try to reprogram funds to provide air conditioning. I think these patients that come back, who are wounded overseas, should get the best care that they can possibly get, and when it is 93 degrees or 98 degrees in Washington and the humidity is high and these patients have to stay out there, then we are going to have to take the air conditioning out of some of the admirals' quarters and put it in some of these wards, if they cannot work out a way to do it otherwise.

In addition, I wish to say that, looking into the future, we all hope that we can get this Vietnamese situation behind us, that we will not have to spend these tremendous amounts of money in Southeast Asia. But I do not want to give anyone the idea that if the Vietnam war ended tomorrow, there would be any great amount of money from the military construction programs that could be put to use in other places. Military construction in this country is just about 10 years behind. We have World War II, and ever older facilities that have to be upgraded. We have personnel facilities that have to be upgraded. We have military housing that is going to have to be taken care of. I hear a lot of candidates for public office going all over the country and talking about a professional military service—and I am all for it. That is fine. But you are not going to get a professional military service if you put those people in substandard housing and working facilities.

So when the war ends, somebody can come back and read the record and realize that they have been warned that there is still money to be spent on military construction, and you will not be able to defer a great deal of it because of the end of that conflict.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. Yates].

Mr. YATES. I thank the chairman for yielding me this time.

Mr. Chairman, those of us who oppose the funds allocated in this bill for the deployment of an anti-ballistic-missile system join with our colleagues who favor and believe in a strong national defense. We do not think that that is an issue which is involved in this bill. We support continued research and development of the ABM system or such other systems which are developed to defend against nuclear attacks.

In fact, we support the appropriation which is in the Department of Defense bill of some $312 million for continued research into this system. What we are opposed to is the construction of the Sentinel ABM system at this time because it would not protect this Nation from nuclear attack.

To construct it at this time would generate a false security among the people of the United States. I do not think there is any doubt that a nuclear power which was armed with an effective ABM system would have an advantage over a nation that did not have such a system, but the Sentinel ABM system, at least on the basis of research up to the present time, is not that system.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from North Carolina.

Mr. JONAS. Mr. Chairman, of course, we have been researching this program for several years.

Mr. YATES. That is correct.

Mr. JONAS. We already have a substantial investment in research and development. As has been pointed out, additional funds are recommended in the Defense Department bill which should have been considered last week before this bill.

Mr. YATES. That is correct, and those of us who are opponents of the system would have preferred that.

Mr. JONAS. We would have too, because that is where the main issue should have been resolved.

Mr. YATES. We would have preferred that too, but we have this bill before us first.

Mr. JONAS. The only provision in this bill is for site development in support of the deployment of the system when it is ready. I do not think we ought to waste the funds that have been spent on research and development. We will not make any utilization of what we have learned unless we put it into practical application. I do not think the fight should be made on the item in this bill, because this item should stand or fall on what we do in the Defense bill.

Mr. YATES. The gentleman, of course, has his opinion. There comes to my mind what has happened in previous systems which have been developed and placed into production on the theory that we have already had sufficient research and development for that system. The F-111 comes to mind. There had been a great deal of research and development in that system. That was put into production and it turned out to be a fiasco.

That is our argument here. There is not sufficient research and development here, because to put it into deployment in our judgment would be a waste of the national resources.

Mr. Chairman, I would like to cite what the majority leader of the other body says about this system. He is in a position to have the facts and information on this. He said this in the debate in the other body, on June 24, 1968, at page 18407:

> During this debate I have heard it said that the Russians have tinkered with an ABM defense and therefore we must also build one. But that is totally without merit. This Nation has already responded to intelligence reports that say the Russians may be building an ABM with a vastly increased offensive warhead capability; the so-called MIRV system. To urge that a proper response to a Soviet ABM system is an American ABM system is a self-defeating proposition. It invites only further increased offensive capability on the part of the Soviets.

That is the crux of our argument. The best defense today against this kind of nuclear attack, according to all experts I have read on the subject, and I have read a great deal, and, of course, one admittedly could read indefinitely on this—is to construct offensive weapons, missiles that are capable of maintaining the balance of terror, the deterrent that now stands between our Nation and attack.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CEDERBERG. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. YATES. Mr. Chairman, I thank the gentleman for yielding.

It is said that this system is being built against a possible Chinese threat. The hearings show that the Chinese will not be able to place into effect a nuclear attack until 1970. The hearings show that the recent disturbances in China have set back Chinese research by at least 1 year. So that argument does not hold water, as far as this is concerned.

Mr. CEDERBERG. Mr. Chairman, I yield to the gentleman from California [Mr. TALCOTT].

Mr. TALCOTT. Mr. Chairman, military construction appropriations provide the wherewithal to support personnel. Personnel is the most precious and essential ingredient of our defense forces.

Certainly—we need the weapons systems, we need the munitions, we need the vehicles—planes, ships, and trucks, we need the research and development programs, and the other items included in the Defense appropriations bill.

But the weapons systems, the munitions, the vehicles, the research are useless without the personnel. To organize a superior defense force with which to guarantee our national security, we need to recruit and maintain the most competent and dedicated people possible.

Morale and retention are two of the most critical problems faced by the Defense Department. Salaries are low, working conditions are onerous and often dangerous, the risks to life and personal safety are high, families are separated often with little notice and at most inconvenient times, assignments are uncertain. Because of the many unavoidable disadvantages of military service, we have some extraordinary responsibilities for providing other inducements.

We also have the responsibility for providing the optimum training for all personnel.

The acquisition, construction, and installation of public works, buildings and facilities for the three major military services and other defense agencies is the responsibility of our committee and the Congress.

The construction and maintenance of all housing for all military personnel, for all training facilities, for all warehousing of all materials and equipment, and for all installations to administer the Defense Department are included in this bill.

The sites and housing for our land-based weapons systems are included in this bill.

Construction in this country and abroad is included in this bill.

Extraordinary construction projects were required in connection with the war in Southeast Asia.

So, I cannot emphasize enough the enormity of the scope of our military construction requirements.

I cannot emphasize enough the great significance of the military construction projects to the morale and efficiency of our military personnel.

Personnel perform better with proper facilities. Housing is as critical to the performance of a serviceman or woman as to a civilian.

Unfortunately, weapons systems, planes, ships, and munitions receive top priorities under the pressures of war—by military leaders and by the Congress.

Too often we have neglected our physical establishment. Too often we permit good facilities to deteriorate. Too often we overcrowd facilities during a war. This diminishes efficiency and effectiveness. This increases the costs.

Too often we tell ourselves we are "getting by" with old, out-of-date, inefficient, deteriorating facilities when we are not "getting by" at all, but are actually permitting valuable and necessary facilities to deteriorate and we are inexorably permitting the degradation of our defense facilities.

The wear and tear on facilities accelerates during the increased mobilization required by war.

Overextended and massive use of buildings, housing, ports, airfields, and training facilities can quickly escalate and compound deterioration.

Wartime should require more military construction projects and larger appropriations, but your committee, because of the critical fiscal condition of the Federal Government, is recommending a reduced appropriation.

The program requested by the Department for fiscal year 1969 would provide $2 billion. This is the approximate amount of the funds approved for fiscal year 1968, yet it contains items not carried in prior year programs. For example, over $200 million is included for Southeast Asia and $264 million for the beginning of the Sentinel program. When one eliminates such major projects, the total program exceeds frugality and becomes rather austere.

The Committee has reduced these rather tight estimates in the amount of $266,481,000. These reductions include $120,632,000 as a result of the thorough and substantial action taken in the authorization process, primarily by the Armed Services Committee.

The expenditure rate for fiscal year 1969 is estimated to be slightly less than that of fiscal year 1968.

The items which have been requested and approved by the committee can be well justified as priority requirements at our various military installations.

In an era of exotic new weapons systems, the maintenance of the military base structure is essential to our combat troops. This has been particularly true in the past as the pressing demands of the intercontinental ballistic missile deployment and of the conflict in Southeast Asia have demanded high priorities. Many of the installations used by our military forces today are temporary structures built in World War II and some even previous to that time. The cost of maintenance is a substantial problem. How can you persuade intelligent, educated, young Americans to make a career of the Armed Forces when even though you make available to them reasonable pay and fringe benefits, they are forced to live, eat, and sleep in outmoded temporary inadequate facilities? We can easily be pennywise and pound foolish in this area.

We must also recognize that the cost of military construction increases every time we deploy a new weapons system or as in the case of the ICBM program, continually modify those now in the inventory. Modifications have to be made in existing facilities, as for example, new aircraft coming into the inventory. These all show up in the military construction bill.

Let me quickly analyze the bill for you and thereby illustrate the austerity of the programs which have been approved. The bill totals $1.765 billion. Of this amount, $587 million is involved in the family housing program of which only $48.7 million relates in any way to the construction of new family housing; $207 million is directly related to Southeast Asia operations; $70 million is required for the emergency fund to support worldwide contingencies which may arise during the coming fiscal year. The amount of $263 million is approved for the Sentinel program. Slightly over $100 million is included for general support programs such as planning and design, and minor construction. These major items total $1.2 billion. This means that we have provided approximately $500 million to finance the facilities and installations necessary to meet other operational, logistical, and mission requirements of the active forces and the sorely needed modernization of a military base structure which had an original cost of $38.5 billion.

At the same time I feel that we have provided adequately for our military forces in view of the present fiscal situation facing the Federal Government. The funds made available by this bill, when coupled with funds remaining from prior years, will provide $3.4 billion for expenditure in support of our regular forces in fiscal year 1969.

I am concerned, lest the Department of Defense not utilize these funds in the proper fashion. Our committee report emphasizes the definite need in the Department for a constant review of the management of these fiscal resources, particularly with reference to Southeast Asia funding procedures. I invite your attention to the previously mentioned report, particularly some of the comments contained in the first eight pages thereof and in the section dealing with the family housing program. The simple fact is that officials of the military services and the Office of the Secretary of Defense must exercise greater stewardship over this essential program.

There are two areas in particular in this bill in which I think we are deficient, although in each instance we have approved all of the authorized funds. The first of these relates to support of our troops in Korea. As the committee report states, realistic and adequate long-range plans must be formulated and implemented to improve and upgrade facilities in support of our forces in Korea and to reduce the vulnerability of these forces to enemy air attack. In this respect, particular attention must be given to the requirement for improved troop housing and troop support facilities.

In a similar vein, I am concerned that more stress is not laid upon the need to provide all types of military housing to support military personnel and their families. It is a simple and obvious fact, that if highly skilled and motivated military personnel so sorely needed by our military forces are to remain as career personnel, they and their families must be provided with realistic and adequate standards of living. This committee has been cognizant of this requirement for some time. In this instance, we have recommended funds in support of the military housing approved in the authorizing legislation. I feel, however, that this is an area to which the Secretary of Defense and the military services must turn increasing attention so that future construction programs presented to the Congress may make better provisions for adequate family and troop housing.

I am satisfied with the reccomendations and the bill which the committee has reported to the House, particularly in view of our present precarious fiscal situation. The bill and the programs approved thereby have been carefully screened in an effective manner through detailed hearings on our part and other hearings and actions in connection with the authorizing legislation. It provides essential funds in support of projects which are essential to our Military Establishment. In this limited context, the bill is adequate to meet the security requirements of this country. In the broader context of providing a military base structure adequate to support the requirements of our military establishment, it provides a solid base or threshold from which future military appropriations can move to meet some of the more pressing operational and personnel requirements. I urge the approval of this bill by the House.

Mr. SIKES. I yield 4 minutes to the distinguished gentleman from California [Mr. Cohelan].

Mr. COHELAN. Mr. Chairman, first I want to take this opportunity to thank the distinguished subcommittee chairman of our eminent Appropriations Committee, and the ranking minority member, for their characteristic courtesies. I wish to say that the staff has been very helpful to us in connection with the detail we required to argue what is obviously a controversial question about which honest men can disagree.

As a matter of fact, the authorities on this tremendous issue are great on both sides of the question, and I should like at the outset, because of the limited time and space, to refer Members to the Record for July 25, page 23415, where I begin a discussion and cite authorities for the Record on some of the points of view of some of the very eminent people in this field.

The material we have submitted in our additional views is based on substantial authority.

The argument is a vital one so far as this country is concerned, and it should go on by all means.

Mr. Chairman, today I will offer amendments to delete this year's funding for the deployment of the Sentinel ABM system. May I say as an aside, the gentleman from Connecticut and the gentleman from Illinois and I would have vastly preferred arguing this provision in the Defense appropriation bill, but because of the order in which the bills have come up it has been necessary to argue it first in connection with the military construction bill.

The gentleman from North Carolina was quite accurate in his observation. We are speaking to both bills, but specifically in this particular bill we are seeking to strike the $263.3 million, which is not an inconsiderable item of money, for ABM deployment.

Because the security of the United States is of utmost concern to me, as it is to all the Members of this body, I have with the gentleman from Illinois [Mr. Yates] and the gentleman from Connecticut [Mr. Giaimo] carefully and objectively considered the arguments for and against the deployment at this time of a limited ABM. I have been following developments of this project since my days on the Committee on Armed Services. I realized that the arguments are complex and that the question is a close one, however, as a result of my study, I am convinced that it would not be wise or prudent to deploy the Sentinel ABM at this time.

It would not be wise because it would expend millions of dollars but provide no real additional defense.

It would not be prudent because it might subvert the impending strategic arms discussions, and it would certainly contribute to the mad momentum of the arms race.

In reaching this conclusion I am not unmindful of the nuclear strength of the Soviet Union or mainland China, or of the impending arms limitation discussions with the Soviets.

For more than a decade, and at the present time, deterrence is the only defense against the threat of a nuclear attack.

If your adversary knows that even if he attacks first you have the ability to assuredly destroy his country, he will be deterred from attacking because he knows that to do so would be suicidal.

Accordingly, the defense of both the United States and the Soviet Union is based on offensive weapons capable of surviving a nuclear attack and still being able to cause the certain destruction of the attacking country.

Both the United States and the Soviet Union are committed to maintaining this assured destruction capability.

I. SOVIET RESPONSE

If we build an antimissile system which threatens to reduce the capacity of the Soviets to deter us, they will certainly respond—most probably by deploying more and better offensive weapons and perhaps by continuing with or expanding their own light ABM.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CEDERBERG. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. COHELAN. I thank the gentleman from Michigan.

In responding, the Soviets will have to plan for the worst plausible case. They will therefore build more offsetting offensive capability than they need. Then in the event of a nuclear exchange more damage will be caused to the United States than if we had never deployed an ABM. This means that limited ABM deployment could cost more American lives, not save them.

The simple fact is that the Soviet Union cannot allow us to take away their assured destruction capability, and they have the resources and the determination to respond to new weapons deployments by the United States. In this situation it is clear that buying new weapons systems does not buy more defense.

A Sentinel deployment matched by the Soviets will cost each country billions of dollars but will not make either safer.

II. STRATEGIC WEAPONS DISCUSSIONS

The Soviets have now agreed to discuss a mutual limitation or reduction in strategic weapons. Some proponents of the Sentinel ABM have argued that we should deploy the system now in order to strengthen our bargaining position in these negotiations.

Those who make this argument, I believe, misjudge the true situation.

Our experts have told us that our response to Soviet ABM deployment should be to improve our offensive forces, not to build an ABM of our own.

Similarly we expect that the Soviet response to an American ABM would be to build greater offensive capabilities.

Thus, negotiations about limiting ABM deployments concern not only defensive systems, but offensive systems as well. The bargain will be—if you do not deploy an ABM, I will not deploy offsetting offensive forces.

The Soviets will be interested in the limitation of ABM if for no other reason than to preclude further increases in offensive weapons.

The threat of ABM deployment will serve as an inducement to negotiations. But the actual deployment may force counter-offensive deployment and thereby subvert the talks.

The strength of our bargaining position lies in our determination to maintain our assured destruction capability through increased offensive force, not in our readiness to proceed with ABM.

III. CHINESE-ORIENTED ABM

For several years prior to September of 1967 the Secretary of Defense argued strongly against the deployment of any anti-ballistic-missile system. Then in September 1967 the Secretary announced that there were "marginal grounds" for proceeding with a limited Chinese-oriented anti-ballistic-missile system. What happened at that time to trigger this decision? Was it a change in the merits of the case for ABM? Political or industrial pressure? The answer is not clear.

We were told that we had to proceed then to build the ABM if we were to have it in time to meet the expected Chinese threat.

Yet previously we were told that we expected Chinese long-range missile tests by the end of 1967. Those tests still have not been conducted. The indication is that the Chinese may be a year behind in their ICBM development. If this is the case, it would be advisable to delay our deployment decision for a year.

But there is more to the question than this.

In recent weeks eminent members of the defense committees of both Houses of Congress have told us that Sentinel is directed not so much at the Chinese as it is against the Soviets. Yet the Secretary of Defense and all the recent science advisers to the President, have warned against building a Soviet-oriented ABM.

Further still, we are told by the Department of Defense that we need an ABM against the threat of a Chinese missile attack. Yet we are also told that the Department of Defense is anxious to reach an agreement with the Soviet Union to stop the building of ABM's.

It seems to me that you cannot have it both ways, either you need the Sentinel ABM or you do not. It must be that the President and the Department of Defense is willing to forego whatever protection an ABM would afford against China if we can achieve an arms limitation agreement with the Soviets.

Our real defense against the Chinese like it is against the Soviets is the deterrence of our overwhelming offensive forces.

ABM might protect the United States from a Chinese attack, but it would not protect Europe or India or any other country we are pledged to defend against the threat of a nuclear attack. Our only defense against the Chinese holding our allies hostage is our offensive capability, not an ABM deployed in the United States.

In sum, Mr. Chairman, it does not seem that a convincing case can be made, even by our most dedicated military planners, for the deployment of a Chinese-oriented ABM.

CONCLUSION

Mr. Chairman, I do not have to remind the Members of this body of the previous ill-advised multibillion-dollar programs which have been recommended to us in the past. The examples of the B-70 Seamaster and the Skybolt should be fresh in the minds of all of us.

The Sentinel ABM has the potential for a similar fate.

Despite the concealing cloak of national security which envelopes defense issues we must look closely at them. A close look at Sentinel reveals a system which may cost billions of dollars, but provide no more real defense.

We face a difficult fiscal situation with a mandate to substantially reduce Federal spending.

We are being asked to fund the deployment of an ABM when there is not a clear case that it would be in the national interest to do so.

I submit that it is our duty to defer the funding of the ABM until such time as it is shown with greater clarity that the ABM is necessary, that it will do the job it is designed to do and that it will not waste Federal funds.

Mr. SIKES. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman has 1 minute remaining.

Mr. SIKES. Mr. Chairman, I yield the remaining time to the distinguished gentleman from Virginia [Mr. DOWNING].

Mr. DOWNING. Mr. Chairman, I was extremely disappointed to see that there was no funding in this bill for an administrative headquarters for the Continental Army Command at Fort Monroe, Va. This is a highly sensitive and important command, as you well know. It seems to me it would be very necessary for it to have the most efficient headquarters that can be provided. As it is, the headquarters are strung out all over the base at Fort Monroe. It is a tribute to the commanding generals who have served there that it has operated so efficiently and well. I would be hopeful that the chairman would give consideration to this matter when it next comes up.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. I yield to the distinguished gentleman from Florida.

Mr. SIKES. Let me say that I applaud the gentleman's interest. This has been a continuing interest for a number of years during which he has sought to improve the facilities at Fort Monroe.

Of course, Mr. Chairman, I recognize the importance of the Continental Army Command and I happen to know firsthand the need for the added facilities. However, I must tell the gentleman that there is no budget request and, consequently, the matter is not now before us. If it were, it would receive our most careful consideration and sympathetic interest. He has made a most valiant effort for this base.

Mr. DOWNING. I thank the distinguished gentleman from Florida for those remarks and assurances. I hope that the committee will see fit to take care of this situation as soon as possible.

Mr. CEDERBERG. Mr. Chairman, I yield 7 minutes to the gentlman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, the error into which I believe the gentleman from California [Mr. COHELAN] and the gentleman from Illinois [Mr. YATES] have fallen with reference to the Soviet strategic nuclear deterrence, is a bad error, it is the error of mirrorimaging their strategic nuclear outlook with our own. The Soviets look at this issue and look at this question of nuclear philosophy quite differently than we do.

That is the first lesson that those who wish to take a part in strategic nuclear decisions should learn.

Mr. Chairman, our nuclear attitude has evolved in several steps. First there was the U.S. monopoly. Then we had massive retaliation, then we had mutual detérrence, and then we had a graduated deterrent philosophy and finally in these last few months there has come into being the acceptance of parity with the Soviet Union.

In short, Mr. Chairman, our initiative and outlook has changed from that of a certainty of deterrence, to a marginal deterrence concept based upon whatever indeterminate outcome of a nuclear exchange is connoted by the phrase "assured destruction." The assured destruction idea is what the two gentlemen whose names I have mentioned are proceeding from. But some other countries lack their confidence in nuclear parity and assured destruction concepts. The Israelis, for instance. Last summer the Israeli's preempted rather than rely upon the oft repeated guarantee of this country and some of the other countries of the Western World. They did so because whether or not the Israelis regard the Soviets as deterred, they certainly regard the present strategic balance as one which has the U.S. deterred. Accordingly, they made a decision to fend for themselves. Their viewpoint must indicate that many other countries are beginning to assess this same U.S. weakness, at least when the chips are down.

Mr. Chairman, while we have phased down our strategic nuclear attitude, the Soviets have phased upward. In support of this let us take a look at the record. We spend, roughly, $50 billion per year, exclusive of Vietnam. They spend about $60 billion a year, $10 billion a year more than we do. They outspend us, and outspend us with a much greater emphasis on nuclear forces. As a matter of fact they outspend us by a factor of two on strategic nuclear offensive and offensive forces and weapons.

While our R.D.T. & E. has been tapering off, the Soviet's has gone up 7 or 8 percent per year. They now outspend us in this area. They have the strategic momentum while we are stationary.

As to the difference between the Soviet outlook on strategic nuclear forces and our own, which from ex-Secretary McNamara you have heard about in terms of so many millions of casualties in a hypothetical nuclear war situation. They are not interested in the wasteful killing of vast quantities of a population to accommodate the casualty tables Mr. McNamara included in his posture statements. They know the way to cause a nation to collapse is to kill off its top management, its trained management. Afterward they need trained workers for farms and factories and at leisure they can proceed to eliminate nonconformists from the surviving population by the process of selective genocide.

Undoubtedly their weapons are sized and numbered and targeted to accomplish one thing—to kill off the central management of the United States, both industrial and public and not, as I have said, just to conform to the casualty tables supplied by Mr. McNamara. They conform to their own ideas of nuclear strategy, not ours.

They can accomplish their war objective with a smaller number of missiles carrying larger warheads say, 20 to 30 megatons—by targeting for the metropolitan complexes where the key American private and public managers are. And without a damage limitating ABM system for our protection they can get such large numbers of weapons though they stand to accomplish their purpose.

The proof of this probable strategic nuclear attitude on the part of the Soviets is that they have developed and deployed their own ABM system to protect their own managers who are concentrated in Moscow and a few other places—much more concentrated than are our own. They are practicing what they preach, acting in accordance with their own doctrines, and we had better not close our eyes to it.

Now, against either the Chinese or the Soviets, starting an ABM system of our own will be a building block toward preserving and protecting the central management of the United States. Eventually it can give us a balanced recovery base and reduce fallout.

Soviet deployment of their ABM system—say what you will—has introduced an uncertainty as to our capability for assured destruction of the kind of targets, top Soviet management, that counts to them. Maybe we can kill a lot of Russians by retaliation, but the question is can we kill the ones that count? That is what nuclear strategy and nuclear deterrents are all about.

Getting started on our own ABM system is essential to introducing into the minds of the Soviet strategists this exact uncertainty that they have introduced into ours. This is as important a factor in deterrence as so-called assured destruction.

It has been said that our ABM will promote an arms race. Do they not know the other side is already off and running? If you have noticed what has happened in the last few years: The Soviets have doubled their ICBM's and quadrupled their deliverable nuclear megatonnage. They have made order-of-magnitude increases in the quality of their nuclear submarines, and have embarked upon a tremendous nuclear submarine building program.

Are we to do absolutely nothing by way of damage limitation in the face of this ever-growing threat? MIRV will not protect the top management of this country any more than it will deter the Soviets once they come to believe that they have clear strategic nuclear superiority.

The ABM system to be started by this bill will do much to make sure they never come to such belief. It can make a decisive difference as to who backs down the next time there is a crisis like the Cuban missile confrontation. I urge defeat of the amendment.

Mr. BROWN of California. Mr. Chairman, today there is little question but that this country has allowed itself to become a tragic victim of the military-industrial complex of which we were warned by President Eisenhower. We can see this, if we but care to look, in every phase of our life, in every major policy area, whether it be foreign or domestic.

Today military expenditures support nearly 5 million of our citizens directly, either in the military forces or in the civilian activities of the Department of Defense. Probably 10 million more are supported by defense procurement contracts, R. & D. contracts, service contracts, and in a multitude of secondary activities which spring from these primary expenditures.

This mighty stream of military dollars has provided, in addition to employment for a major segment of our population, support and direction for our primary efforts in science and technology. The best brains of this country today contribute their talents not to the expansion of human knowledge and the welfare of the human race, but to devising new means of destruction, or to neutralizing the ones they devised yesterday.

The great corporations of this country, more interested in riskless expansion of their markets to a single military customer than to the hazards of increasing competition for a mass consumer market already surfeit with goods, gladly join in pressing for greater "defense" expenditures.

The tragedy of all this is that the American political, business, military, and even intellectual leaders who support this system do so in the name of defending America's goals and values, while the results they achieve destroy and debase every fundamental aspiration of this country.

The poor of this country can no longer understand why a country that can spend $80 billion on "defense" cannot spend the 8 billion more required to wipe out poverty.

The 3½ million unemployed cannot understand why it is so hard to provide them with jobs, and so easy to provide for 3½ million soldiers.

The 30 million black and brown citizens who still do not experience the "liberty and justice for all" we proclaim as ours, do not understand how we are going to bring it to 30 million Vietnamese on the other side of the world.

More and more of the youth, the religious and intellectual leaders and others sensitive to human values, are raising the question of whether a society's "goodness" is measured by GNP and military power, as we seem to believe today, or by the opportunity it provides for moral and intellectual growth, which we have largely forgotten.

Mr. Chairman, these internal conflicts in our country, fundamental differences over the nature of the "good society" and how it can be achieved, are undermining our role throughout the world. Our "preaching" and our "practice" are too obviously at odds with one another. A friend of the United States in Asia, a member of the Japanese Diet who has been a leader in calling for a new U.S. policy in Asia, makes this point in a recent article written for a Japanese publication. Mr. Tokuma Utsunomiya says:

> The power and prestige of the United States right after the end of World War II was supported not only by her overwhelming military and economic power, namely the nuclear and dollar umbrellas, but also by a third factor, which might be termed the 'moral umbrella.' It was the spirit of maintaining fairness and peace in world politics, which stemmed from the spirit of democracy in her own country. However, this has since been totally forgotten.

It is far simpler for those who benefit from the influence of the military-industrial complex to see, and to believe, that we are the best of all possible societies, and that we are threatened on all sides by the evil and envious rulers of other countries, than to see the reality of the world. So they encourage the myth of the "cold war," a myth which has come to dominate our entire foreign policy, and which provides a simple and easy rationale for the diversion of more and more of our energies and resources to military activities and hardware.

Those who oppose this myth, and the growing might of the governmental and corporate bureaucracy built upon it, can easily be dismissed as naive, impractical, or even subversive. Mr. Chairman, I hope that those patriotic Americans who have cast their lot on the side of a "security" protected only by military force do not awake some day to find that their security has lost them their freedom, their democracy, their justice, and perhaps even their humanity.

I am moved to make these remarks today because we have before us the military construction appropriation bill for 1969. While only a minor part of the total military appropriations for the year, this bill is, nevertheless, swollen by the same factors which affect the larger general military appropriations. In particular, this bill contains a 200 or 300 million portion of the multibillion-dollar funding for an ABM system.

There has been, I believe, a reasonable debate on the more obvious defects of this proposed ABM system—the fact that it is unnecessary, that it probably will not work, that it will be obsolete before it is completed, and so forth. It is a sign of encouragement that knowledgeable members of the Appropriation and Armed Services Committees are willing to rise in opposition to the appropriation, and to the position of their leaders on the committees and in the executive branch. I would hope that more members of the minority party would join in this effort to exercise the fundamental prerogatives of the House in controlling the purse-strings of the Nation. Unfortunately, despite the warning of their own President, the Republicans have shown a lamentable lack of concern for this country's drift toward governmental control of the economy—sometimes called socialism—as long as it was hidden behind a military facade.

My own opposition to funding the ABM system, and similar military excesses, goes beyond the immediate technical objections to the question of the role of the military in our society and world today. I will continue to voice these questions at every reasonable occasion.

For these reasons, Mr. Chairman, I will vote against H.R. 18785, the military construction appropriation bill of 1969. I hope that many of my colleagues in the House will do likewise.

Mr. SKUBITZ. Mr. Chairman, I shall support the motion to recommit this bill but for different reasons than have been advanced by some of my colleagues. For example, I cannot agree with those who seek to eliminate the funds necessary for our antiballistic missile facilities. I do not know whether such a program would be 100 percent perfect—I doubt that it would. I do know that it has been estimated that such a program would save 20 million lives in case of an attack. I do know that the Russians are working on such a program. We talk about negotiating with the Russians and stop another race in this field. That is fine, but I am sure of one thing that we had better be in a position of strength when we negotiate and if $263 million is needed at this time—that is cheap when we think in terms of 20 million lives—should we do nothing and negotiations fail.

Can cuts be made in other areas? Now we are talking about military construction, not money for supplies and equipment. I commend the Committee for cutting this year's appropriation $328 million below the appropriation for fiscal 1968. But I call the attention of my colleagues to page 3 of the committee report. Here we find that the estimated unexpended balance that we carry over from fiscal 1968 is $2,287,700,000 and of this amount $1,065,000,000 is unobligated and uncommitted. I repeat—unobligated and uncommitted. It is inconceivable to me that with this kind of a carryover—there is not fat remaining—construction that could be postponed without affecting our essential military construction needs.

Mr. Chairman, I shall support the motion to recommit. If it is defeated then I shall vote for the bill.

Mr. RIVERS. Mr. Chairman, I am happy to rise in support of H.R. 18785, the Defense appropriation bill for military construction for fiscal year 1969.

While it was pleasant "dreaming the impossible dream" that everything we authorized would be funded, obviously this is not the case. But on the other hand, the reductions which the Appropriations Committee made were relatively minor in nature.

For instance, in the Army portion of the bill, four projects were denied funding. One of these, frankly, we did not expect to be funded during this fiscal year; that is, for the construction of the new hospital at Fort Gordon, Ga. We did authorize this facility because of its urgent need, and the authorization itself plus the language in the conference report and the report on the appropriations bill indicate that we expect the Department of Defense to continue the planning and design for the hospital so that funds might be requested and construction initiated in the fiscal year 1970 program.

The Navy program did not survive as well as that for the Army, and projects authorized in the amount of $10,302,000 at six naval installations were deleted while the committee did increase by $400,000 the amount at another location.

The total Navy reduction from the authorization bill is $9,202,000.

I want to compliment the Appropriations Committee for adding $400,000 for the rehabilitation of a mess hall and troop housing facilities at the Naval Support Facility, New Orleans, La. These facilities are required to support enlisted personnel stationed in the New Orleans area in support of a large number of destroyer escorts being constructed there. At the present time, these men live on the local economy. According to GAO, this $400,000 expenditure will save approximately $2 million within a 3-year period. This is what I deem a prudent expenditure.

For the Air Force, the Appropriations Committee reduced seven Air Force installations in the amount of $8,455,000 and an additional facility at another location.

For the Defense Department and the family housing program, the Appropriations Committee made no reduction from the amount authorized.

In the area of homeowners' relief, a reduction of $5,600,000 was made. However, assurances have been given that there are sufficient funds to carry out this program.

While I am somewhat disappointed that no funds were added to the budget request for the Army National Guard and Reserve program, I am pleased with the language in the conference report as follows:

> The funds approved by the committee when coupled with existing unobligated balances, will provide $22,300,000 for expenditure and support of the Army National Guard program and $18 million for the support of the Army Reserve program in fiscal year 1969. The committee will expect these funds to be expended in line with the priority established in the statement of the managers on the part of the House accompanying the conference report on the military construction authorization bill for fiscal year 1969 . . . for the construction of Army National Guard and Reserve projects.

I believe the language in this report plus the conference report on the authorization bill should be and will be sufficient guidelines to the Department of Defense in the construction of their Army and Reserve program for fiscal year 1969.

As I said when I brought the initial military construction authorization bill before you, and repeated during the time I was discussing the conference report, this bill represents the minimum construction necessary during 1969.

Let me assure you, there are no frills. If we are to realistically face our responsibility, we have a tremendous job of upgrading and modernizing $35 million worth of obsolete facilities, but I realize that budgetary limitations make a major step toward correction of the inadequacies this year.

I compliment the gentleman from Florida and the distinguished minority leader of the subcommittee, the gentleman from Michigan [Mr. CEDERBERG], together with all the members of the Military Construction Appropriations Subcommittee for their usual outstanding job.

I hope each of you will join with me in supporting this bill.

Mr. REUSS. Mr. Chairman, I am deeply disturbed by the $263.3 million contained in this bill for deployment of the Sentinel ABM system.

Our cities are smoldering with frustration and unrest, our air is not fit to breath nor our water to drink, inflation is gnawing at our economy, yet we are about to plunk down $5 to $40 billion for the illusory security of a maginot line.

The so-called thin ABM is superfluous if it is meant to protect us against an attack from China, for our strategic retaliatory power would make any Chinese attack against us suicidal. Even if the Chinese should be irrational enough to launch an attack against us, they would certainly not launch the kind of primitive attack that the ABM is effective against, since it is well within Chinese capablity to build into their ICBM's devices which would enable them to penetrate our ABM defense.

If the ABM is to evolve into a "thick" anti-Russian system at a cost of $40 billion, as the military prefers, it is futility squared. The Soviets can build missiles faster and more cheaply than we can expand the ABM system, so that our defense will be continually lagging.

Furthermore, since it will be tempting and quite easy for the Soviets to overcompensate, they are likely to build far more offensive capability than they need. Thus, in the event of a nuclear exchange, more missiles could get through our ABM system than would even have been fired in a pre-ABM attack. Paradoxically, an ABM system intended to limit damage and loss of life might well increase both.

If we are to cut $6 billion from this year's budget, this is surely the place to start.

Mr. CLEVELAND. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague from California [Mr. COHELAN] which would delete the $263.3 million in this bill for deployment of the Sentinel anti-ballistic-missile system.

In their additional views on this bill—House Report 1754—the gentleman from California [Mr. COHELAN] and his colleagues, the gentleman from Connecticut [Mr. GIAIMO] and the gentleman from Illinois [Mr. YATES], made it clear that they "share with the proponents of the Sentinel ABM the belief that the security of the United States is a consideration which is second to none."

I agree wholeheartedly with that statement, Mr. Chairman, and if I felt that opposition to the Sentinel ABM in any way weakened this Nation's defense posture, I would be the first to fight for it.

But, I feel that the limited ABM deployment called for will not save American lives in case of an attack by the Soviet Union; as a matter of fact, much evidence has been presented which tends to show that the ABM may be obsolete or ineffective even before it becomes operational.

In this time of fiscal crisis, when urban needs are increasing and we are trying desperately to hold the fiscal line, there are many programs crying desperately for more funds. If we are truly to adopt a system of national priorities within this Nation's resources, such a marginal program as the Sentinel ABM must give way.

For this reason, I support the proposed amendment, although, if the amendment fails, I will of course vote for the many necessary items in the bill on final passage.

Mr. COHELAN. Mr. Chairman, I want to take this occasion to explain for the record my position on the recommittal motion.

I will vote for the recommittal because I am opposed to the deployment of the Sentinel ABM and because I am concerned by the level of expenditures for fixed overseas facilities. It would be my expectation that if recommitted the committee would be able to correct these two matters.

I am not, however, opposed to much of the very important and worthwhile expenditure which is directed by this bill and, accordingly, I will vote for it on final passage.

CONGRESS SHOULD HALT EXCESSIVE MILITARY SPENDING

Mr. FRASER. Mr. Chairman, 6 weeks ago, the House of Representatives ordered a cut in spending for fiscal year 1969 of $6 billion. We did not tell the President where to cut. We placed on the President the task of cutting various programs financed by the Congress on his own initiative.

While I have confidence that the President will do his best, Congress should not abdicate its responsibility.

I am particularly concerned about the uncritical acceptance of spiraling military expenditures.

An excellent statement in the June 28 Congressional Quarterly made plain the facts about this excessive spending. This journal, with the assistance of defense experts in and outside the Pentagon, demonstrated how over $10 billion could be cut from the defense budget while retaining or even improving the current level of the Nation's defense. Our colleague in the other body, Senator JOSEPH CLARK, placed this article in the CONGRESSIONAL RECORD on the 15th of this month—pages 21219 to 21225. I commend this article to all my colleagues in the House.

I would like to make clear my own commitment to a strong military posture on the part of the United States. We should maintain adequate deterrent forces to insure that our Nation will not be attacked. At the same time, we should consider carefully the words of the late President Kennedy, who pointed out:

> The United States is neither omnipotent nor omniscient; that we are only 6 percent of the world's population; that we cannot impose our will upon the other 94 percent of mankind; that we cannot right every wrong or reverse each adversity; and that therefore there cannot be an American solution to every world problem.

When conflicts break out across the world, unless they clearly threaten the security of the United States, we should seek answers through the machinery of the United Nations. Our defense preparedness should include more adequate development of earmarked or standby forces available to the United Nations. I was pleased that last year the House accepted my amendment to the foreign aid bill to instruct our mission at the United Nations to explore both the means and the prospects for improving U.N. arrangements for standby forces. The report from the President says that our mission did move ahead and was largely responsible for a new study which is currently underway at the U.N. on this subject.

Finally, one measure that needs more support is the foreign aid legislation. I deeply regretted the cuts made by this House to pare down our already too small program of assistance to the developing world. U.S. efforts to help other nations have been working. Our total aid efforts, including food for peace, the Peace Corps, our share of World Bank and U.N. efforts, and our bilateral aid all totaled one-half of 1 percent of our gross national product. We rank below West Germany, France, Australia, and the Netherlands in this respect. The United States can and should do better. If we would reduce this military budget and allocate half of the savings to foreign aid, our security would be far stronger. We are creating only the illusion of security as we increase military spending and cut economic assistance.

Congress must accept more responsibility in these matters. I urge that my colleagues abandon the rhetoric of the past and look carefully at the world in which we live. Although we face vexing problems, we can find the way—but not by continuing the spiraling rise in military spending.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Army as currently authorized in military public works or military construction Acts, and in sections 2673 and 2675 of title 10, United States Code, $554,597,000, to remain available until expended.

AMENDMENT OFFERED BY MR. COHELAN

Mr. COHELAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. COHELAN: On page 2, line 7, strike out "$554,597,000, to remain available until expended." and insert $291,297,000, to remain available until expended: *Provided*, That none of the funds appropriated by this section may be expended for the deployment of the Sentinel antiballistic-missile system."

Mr. COHELAN. Mr. Chairman, my amendment would delete $263.3 million for deployment of the Sentinel ABM from the military construction appropriation.

I introduce this amendment because I am not convinced that it is in the national interest to deploy an antimissile system at this time.

The Soviets are almost certain to respond to our deployment with increases in offensive strength which would negate any advantage we might gain from ABM deployment. In fact they probably would over react and build a potential to kill more Americans than they had before. Thus risking more American lives rather than saving them.

We possess an overwhelming offensive deterrent against the Soviets, and especially against the Chinese. It is so overwhelming in fact, that if we struck first we could wipe out China's entire offensive capability. The Chinese know that a nuclear attack against the United States would mean the certain destruction of their country. The ABM cannot add significantly to this deterrent.

In the impending discussions with the Soviets on the limitation of strategic armaments, we will be telling the Soviets that we will build additional offensive capability to offset their ABM, and that it is therefore futile for them to continue with an ABM. This is to say that our bargaining counter with the Russians on the ABM question will not be our ABM, but our determination to offset their ABM with offensive forces. Accordingly, deployment of an ABM at this time is not essential to a strong bargaining position in these negotiations.

It is argued that the Chinese are not rational and that they cannot be deterred. The evidence is, however, that the Chinese have behaved rationally—in fact like paper tigers—in the past. But even still it is argued that we must have an ABM to nullify their attack threat.

Yet the Sentinel is not proof against all means of delivering nuclear weapons—it does not at present have a capability against sea launched missiles, it may not be able to cope with sophisticated penetration aids, and it is certainly dependent on our partially obsolete air defense system. If the Chinese in their supposed irrationality want badly enough to destroy themselves and to inflict casualties on us, it seems clear that they can find a way unless we build airtight defenses against all means of delivery of nuclear weapons. This Sentinel will not do.

It is not even clear that Sentinel will work. This bill contains $312 million for research and development which is mostly for testing and evaluation. (My amendments would not delete this money.) But the fact is that the tests are not completed.

Further, if ABM is to be any good it must be absolutely reliable, for if even one nuclear warhead gets through it will cause enormous damage and loss of life. Sentinel would be the most complicated engineering task ever undertaken by man. It seems open to question whether this complex task can be carried out with the requisite degree of reliability—especially when the first time it would really be possible to test the entire system would be in case of a nuclear attack.

And further still it seems that our defense planners really do not believe that we need an anti-Chinese ABM for they are willing to forego it if we reach an agreement with the Soviets to halt ABM deployment.

The fact is that the Sentinel will cost billions of dollars and it will not really improve our security.

I urge that we delete the funds for the Sentinel ABM deployment this year.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. COHELAN. I am happy to yield to the gentleman from Illinois.

Mr. YATES. Does not the argument of the gentleman from California [Mr. HOSMER] rest upon a delusion if he believes this proposed system will afford the protection he says it will provide?

As a matter of fact, is there one authority who has stated that the Russian Galosh and Tallinn system could possibly protect the Russian high command, to use his phrase, from U.S. missiles? There is not. Second, is there one authority who has stated that the proposed antiballistic-missile system will protect any part of the United States from Russian missiles?

Mr. COHELAN. As the gentleman knows, none of the literature, and I have voraciously consumed the materials in this field, would lead me to that conclusion. Although I must say, perhaps the distinguished gentleman from California [Mr. Hosmer] may have other authority that I do not possess.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment. I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Chairman, this is an amendment to delete funds for the ABM program. The amendment is predicated on four or five main points: No. 1 is that limited ABM deployment will not save American lives in case of Soviet attack. This is not in any sense correct. The fact that there is an American ABM deployment of any kind will help to avert a Russian attack. Any defense against an enemy weapon can be better than no defense at all. The Soviets have built a defense against our strategic delivery systems and the Chinese are now achieving a nuclear delivery capability while we lag behind. The population centers in the area of the currently projected ABM system will have the same protection to the limit of their capability against Russian missiles as they do against Chinese missiles. This could result in the saving of millions of lives. Universally important is the fact that the central ABM system can be likened to building blocks. More sites can be added and more sophistication can be added as the system is developed.

The statement is made that ABM deployment this year is not necessary to our security against China. Deployment this year is definitely necessary for security against China. Much has been made of a statement that the Chinese ICBM capability has slipped about a year in time. I do not know whether or not this is true. I doubt that anyone does. We have no agents who have access to Chinese secrets. Our interpretation of what we hear may be based on what the Chinese want us to hear.

It is now universally accepted that the Chinese have made much more rapid progress in developing nuclear capability than our experts predicted. It is significant that we were wrong then. We may also be wrong now. We may also have slippage in the development of our Sentinel system. This cannot be disregarded. Secretary McNamara has strongly recommended the ABM system now under construction, specifically because of the Chinese threat. Certainly, we do not want to have our system completed a year after the realization of a Chinese threat. If we are 1 year ahead, so much the better. Communist China is clearly a reckless power.

Chairman Mao has publicly discounted the catastrophic effects of an all-out nuclear war. Human lives mean nothing to him as to his lieutenants. The processor of a small nuclear force must get the jump on the other fellow in the event of war in order to take advantage of his striking capability. A defense against that Chinese threat is also protection against blackmail here or in SEA.

Now let me tell you what Secretary of Defense Clark Clifford has said about this matter, and here are his exact words at the time a similar amendment was under consideration in the Senate on June 19, 1968:

> I understand that a proposal may be introduced in the Senate to eliminate funds for deployment of the Sentinel system in fiscal year 1969 and restrict the program to continued research and development. Approval of such a proposal would disrupt the work currently underway and, more seriously, would lose some two years in the availability of an operating system which in my judgment is important to the security of the United States.

In addition, at a press conference on June 20 in response to the charge that ABM deployment threatened to escalate the arms race, Mr. Clifford said this:

> It's my view that if the Soviets are developing an ABM system, and we know they are developing it, and we know that they are deploying it, I believe we are in a better posture to reach agreement with them on an ultimate step toward disarming if we also go about the deployment of a system.

Finally, in a letter of July 10 to the chairman of the Committee on Armed Services, the gentleman from South Carolina [Mr. Rivers], Mr. Clifford said in part:

> The original reason given for the deployment as a protection against the Chinese threat is, to my mind, still perfectly valid. It will also protect against the danger of an accidental launch. Furthermore, other nations than China and the USSR may acquire nuclear capabilities in the future against which Sentinel could provide an effective defense. In addition, I believe the Sentinel system may be very important in the protection of our strategic offensive forces. Finally, we can only make progress in defense (as in other programs) by moving from the drawing board to the actual deployment when the time is ripe. I believe that that time has now arrived.

The statement has been made that ABM deployment threatens to escalate the arms race. This, of course, is directed at our relations with Russia.

First, let us look at the negotiations on nuclear defense disarmament which are about to begin. Without the actuality of an ABM, the United States will be negotiating increasingly from a position of weakness. Everyone knows the danger of this in dealing with Russia. It would leave us vulnerable in defense and vulnerable in negotiations. The ultimate answer to the approach which is proposed today is that we should disarm ourselves completely so that our enemies will not fear our strength. The Russians now are developing the most modern weapons in history in all fields. They have moved ahead of us in some very important areas. To turn the calendar backward and further to weaken ourselves would be the most dangerous possible thinking.

In effect, what is proposed here is a measure of unilateral disarmament. While we live in a world of international banditry, this is not a sound procedure. As long as the world has no effective police protection, we have to provide our own.

It has been said that ABM is enormously costly. Yes; ABM is costly. But it is going to cost more if we postpone it because every item of hardware and every item of labor is costing more each year. If we do not build it while it will be effective, it would indeed be a waste of money. To build it now can save American lives; millions of them. There is no greater responsibility of government than the defense of its own people and the saving of lives where possible. American lives are more important than money.

Then it has been charged that ABM may be obsolete or ineffective before it is operational. I can state categorically the Sentinel system will not be obsolete or ineffective because it is constantly being modernized. The ABM program is the result of 12 years of intensive research and development. We have spent $4 billion on the program and for 7 years we have been able to intercept and knock down target missiles.

Regardless of what our enemies do, the Sentinel system will complicate any attack they make on the United States. What we build can be modified, expanded, or improved as new capabilities are developed. This has been the history of the ICBM, and it will be the history of the ABM Sentinel system.

Again let it be said we are providing a measure of double protection. Moscow cannot be disregarded. We must not lose sight of the fact that the "Galosh" system is in place around Moscow and ready for use. There is a much broader and more extended system called Talinn. Its purpose has been variously interpreted. Those who oppose the ABM insist that it is an antibomber system. It is not within reason to believe that the Russians, who believe in modern weapons, would be building another costly system directed exclusively at bomber defense at this late date.

Remember, there never has been any doubt on the need for this system expressed by the Joint Chiefs of Staff—even when Mr. McNamara refused to accept the actuality of a Russian ABM system after all the world knew it was under construction. The Joint Chiefs of Staff are the real experts on defense needs.

Whatever intelligence may be available to our friends who oppose ABM, remember that all the intelligence which has been accumulated on defense and defense needs is available to this committee. And we are basing our action today on that intelligence.

Mr. Chairman, there is more to the question of ABM deployment than meets the eye. Whether we like it or not this Nation is the bulwark of the free world. That free world and the world of communism, which opposes it, are both concerned with the threat of nuclear war. This is a many-nation world, including five countries so far that have exploded nuclear devices. It is a world in which possession of a nuclear warhead has become a status symbol of enormous significance to be sought by all.

Today, despite all of the talks and conversations that we hear about disarmament and arms control, the stability of this world rests on the instability of nuclear peace—the so-called pax ballistica. The stability of this peace rests—and will continue to rest—on the ability of this Nation to maintain its position of nuclear deterrence. The United States has made, and is honoring, long-range defense commitments in an effort to insure freedom-loving people of this country and of the world the right to life, liberty, and pursuit of happiness. I believe that the risk of these commitments are commensurate with what is at stake.

The word "commitment" is not a pleasant one in the eyes of many. It does lessen the autonomy of one country or another in some way or other. It does call from time to time on one country to respond in a costly fashion. We are committed, for example, to NATO in regard to an attack on Europe as if it were an attack on ourselves. We have extended commitments in varying degrees to other allies and to some nonalined countries.

It is frequently painful. It has been painful in the past, it is painful today and I predict that it will be painful in the future. But it is not quixotic tilting with windmills. If we do not make it clear and keep it plain that the alinement of our interests and capabilities make the sacrifice smaller in fulfilling commitments than in not fulfilling it, the countries in question will have to preserve their safety by their own means. This, in a nuclear world, can only mean that they will try to obtain nuclear safety by nuclear means.

I submit that if the United States does not protect herself, then how can she protect others. A noted opponent of the ABM deployment has frankly and pointedly stated:

> In my view, the important question for the West is whether the national interest of the United States demands that she try to protect against the—

What he refers to as—

> little-probability threat of nuclear war, even if the chance of effective protection is itself small over the long run. Perhaps any amount of money and any encouragement to the arms race are worth a small chance of protecting American society. And perhaps nothing in the resultant arms race can make the United States much more vulnerable than she is now.

To answer the important question I have just quoted, the national interest of the United States and of the free world demands that she try to protect herself and in protecting herself, protect the free world which today, in the words of the same speaker "look to her for some kind of moral and financial leadership."

The qualified authorities of this country do not feel that it will lead to an arms race. The President's stand in requesting funds for the deployment of an ABM system and its approval by the Senate and the House in authorizing legislation has been accompanied by, of all things, an agreement from the Soviet Union for discussions on arms control measures.

The additional views contained in the report accompanying the military construction bill pose what is referred to as "the basic question, which is the side of safety? Is it to build an ABM system knowing that such action must inevitably provoke a Soviet response, or is it to hold back, temporarily at least, the initiative until it is known where the current discussions on the reduction of nuclear weapons are going?"

Mr. Chairman, our action on the deployment of the ABM system has already provoked a Soviet response. A portion of that response is the current discussions on arms control to which the gentleman refers.

We all believe in the importance of preserving options, or the ability to defer decision in order to make a final resolve on the basis of the utmost in information about various alternatives. This matter has been discussed and debated and studied day in and day out and moment in and moment out by experts in this country and throughout the free world. Volumes are available on both and all sides of the question. There is enough information available to fill a good size library. Some may feel uneasy about getting involved in affairs like this, but, in the words of the former President of the United States, "the buck stops here." Decisions cannot be postponed indefinitely as much as we would like to do so. Putting off the awful day frequently makes things still more awful, as many of us think has been proven in other areas and in other programs and problems facing our country.

We cannot place our faith completely in quixotic utopias which will banish nuclear weapons.

We might as well get used to living with a ballistic peace in some form or another "without," in the words of our Ambassador to NATO, "the clarities of either unambiguous war or unalloyed peace."

Such realities demand that we protect ourselves.

The simple fact is that we must commit ourselves to the deployment of the ABM system today. It may foreclose some options which people like to think they have, but commitment is essential if we want to keep others open in the future, including the arms control talks to which those opposing this program have referred.

This country, I trust, has learned and must continue to learn just as people must learn to distinguish between a legitimate interest in insurance necessary for the security of this country and of obsessive concern for maintaining options and doing nothing about the security of the United States in the quixotic hope that some good fairy riding on a white horse will suddenly come and bring disarmament and peace with a wave of her magic wand to a world beset by nuclear terror.

The security of the free world demands that the United States protect herself and her nuclear capability to the best of our ability. The scientists and military minds in whom we place our faith and trust our lives believe that the ABM system will do this. I am convinced that they are right. Congress has on two occasions in recent months overwhelmingly agreed with that conclusion and I see no reason why it should be changed today. I trust that the amendment will be voted down overwhelmingly, so that the countries of the free world and the people of these United States will know that at least this House of Representatives is willing to make the sacrifice of dollars in order to assure their protection against the threat of a nuclear holocaust.

And finally some of those who oppose the ABM feel that Red China should be recognized by the United States, and have urged that nation's admission to the United Nations. I am confident they do so in good faith. But I do not repose a similar trust in the worlds greatest exponent of communism by force or blackmail.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from North Carolina.

Mr. JONAS. This system cannot be deployed overnight. Whether there is slippage or not, it will take considerable time to get it in operation.

Mr. SIKES. Very definitely. We do not want to complete our system after the China threat is an actuality. I would rather have it ahead of time.

Mr. JONAS. That is correct. May I make one further comment?

Mr. SIKES. Of course.

Mr. JONAS. Is it not somewhat like the situation of the owner of a house? All the money the owner spends on fire insurance is wasted if he never has a fire. But you do not want to have your house unprotected against fire.

Mr. SIKES. Exactly, and we know that China is a reckless power. Chairman Mao has publicly discounted the catastrophic effects of a nuclear war. Human lives mean nothing to him. So a defense against a Chinese threat is also protection against blackmail.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Washington.

Mr. PELLY. Mr. Chairman, I am sure the gentleman from Florida knows studies are being made as to possible sites for the Sentinel. Three sites are under study inside or near the city of Seattle and its vicinity, and we are having great difficulty in getting the Army to justify whatever decision they are going to make as to a location. The people in my congressional district do not want any anti-missile located in or near the city. But the question I cannot answer, for which the gentleman could give me information, is if a successful Sentinel is developed, then in the event that we did intercept a nuclear weapon coming in our direction, would that contaminate the atmosphere to the point that it would result in a "kill" in the city or in the vicinity where these Sentinel sites will be located?

Mr. SIKES. Not necessarily, and probably not. These sites will be some distance away from the centers of population, and every effort is being made, first, to use Government land wherever suitable land is owned already by the Government, and, next, to arrive at a satisfactory decision with the local officials on a site which is least objectionable to the people in the centers which are included in the program. The protection of the populace is uppermost on these considerations.

Mr. GIAIMO. Mr. Chairman, I rise in support of the amendment. I do so after careful consideration of the merits of the argument for and against the deployment of the Sentinel ABM system.

There is not a Member on the floor

who is not concerned with the security of the United States. Doubtless, many Members will vote against this amendment on the belief that the deployment of the Sentinel will provide a defense against an attack by an enemy utilizing intercontinental ballistic missiles. A close study of the testimony and relative data surrounding this program indicates that it does not provide a "defense" in the classical sense of the word.

We are told that the purpose of this system is to provide a defense against the threat of Chinese ICBM's expected to be operative by the mid to late 1970's. Yet we also know that the system will not be effective against missiles with sophisticated penetration aids such as multiple independent reentry vehicles—MIRV's. Surely, Mr. Chairman, the Chinese will be encouraged to develop missiles with such aids. In addition, we know that the Sentinel will be ineffective against missiles launched from submarines.

Since we have strong evidence that the Chinese are involved in a massive submarine construction program we can expect that they will utilize these subs as missile carriers. All they need are a few Chinese subs carrying air-breathing missiles stationed off the west coast and the Sentinel is defeated. When we consider the fact that the ballistic missile paths between the United States and China cross Russia, the obvious difficulty for Chinese firings of ballistic missiles becomes more apparent.

Even if it were effective against the Chinese for a brief span of time, I have some difficulty in understanding the Pentagon's justification for deploying the system now.

Prior to September 1967, we were assured by high authorities that there was no need to deploy such a system, that our deterrent to nuclear war was, and would continue to be, our overwhelming offensive capability. Why is a deterrent deemed to be adequate against the Soviets not adequate against the Chinese.

Last year, Secretary McNamara stated:

> We believe the Soviet Union has essentially the same requirement for a deterrent or "assured destruction" force as the United States. Therefore, deployment by the U.S. of an ABM defense which would degrade the destruction capability of the Soviets' offensive force to an unacceptable level would lead to expansion of that force. This would leave us no better off than we were before.

Except, I would add, that we would have spent $5 to $50 billion dollars.

So it appears that the Defense Department wishes to base its case on the Chinese threat. We know that the so-called Chinese argument is a ploy. The real argument is over the construction of an ABM against the Soviets.

Since the birth of ballistic missiles we have depended upon very massive offensive capability as a deterrent against the Soviets.

The deployment of this ABM system suddenly changes the strategy. Since it is admitted by almost all the experts that the system can be overwhelmed by the use of sophisticated penetration aids, there must be some other reasons for this change in strategy. I think that Secretary McNamara made a highly revealing statement in his statement September 18:

> If a weapons system works—and works well—there is strong pressure from many directions to procure and employ the weapon out of all proportion to the prudent level required.

What pressures, Mr. Chairman, were exerted by the military-industrial complex to deploy this system in the force of overwhelming evidence that it will be ineffective?

It is time that we break out of the dangerous upward spiral of the arms race. It is time that we in Congress asked some hard questions of the Defense Department. If we deploy this system, we may well be injuring the security of the United States instead of protecting it.

In light of the fact that Chinese development of an ICBM has been delayed by a year and that our ability to deploy is much faster than their ability to develop an ICBM, and in light of the fact that United States-Soviet arms limitation talks are imminent, I recommend that these amendments be adopted.

Mr. Chairman, let me state that I believe the first priority which should concern all of us in the Congress is the defense of the United States. But as to whether or not we should undertake this Sentinel program, this anti-ballistic-missile program, it seems to me we have got to try to understand this in layman's terms after we read and study what the experts have told us.

I believe the first question we have to ask ourselves is, will this defensive system work? Will it protect the United States in the event of a nuclear holocaust?

I believe the evidence is clear, in the case of the Soviet Union, it will not furnish us with the defense which would be required, and that the Soviets would have and do have the capability of inflicting tremendous destruction upon the United States, and that our safety lies in our deterrent power, in the fact that we have offensive weapons and second-strike weapons which can deter and must deter if there is to be peace—must deter the Soviet Union from initiating a first nuclear strike against the United States.

There has been much evidence in this field and in this regard.

One of the justifications for an anti-ballistic-missile system and for the deployment of one has been, true, it will not be effective against the Soviets but it may well be effective against a smaller strike from Red China. Well, now that also is questionable because it assumes that a smaller strike from Red China would come from an intercontinental ballistic missile against which the ABM would be effective. It is quite clear that the ABM would not be effective against a submarine missile attack by the Chinese, or an attack from a surface vessel or some other sneak, small attack; if I may characterize a nuclear attack as being small. If, on the other hand, Red China makes tremendous strides in its nuclear capability, we then would find it in the category of a nation similiar to the U.S.S.R., and therefore we would be faced with the same problem vis-a-vis China as we are with Russia, that an ABM will not give us an effective defense.

This has been the thinking of the United States. This has been the thinking of the Secretary of Defense, of the President, and of all who have refused to deploy a system in past years.

Yet today we are suddenly being asked to reverse. I should like to ask the chairman of the committee, the gentleman from Florida [Mr. SIKES], why? What has happened? What has changed, that we are now being asked to deploy a system which we refused to deploy because, I believe, we felt it would not give us effective defense and that our real defense must rest with our offensive capability?

Mr. SIKES. Mr. Chairman, will my good friend yield?

Mr. GIAIMO. I yield to the gentleman from Florida.

Mr. SIKES. I should like to invite the gentleman's attention to the fact that Congress appropriated funds to initiate an ABM system approximately 2 years before deployment of the system was permitted by Secretary McNamara.

The Joint Chiefs of Staff had testified there was a requirement for it. We knew the Russians were building an ABM system. Many of us, in and out of Government had genuine concern about the Russian threat.

For 2 years, under that stimulus, Congress provided funds, which the Joint Chiefs of Staff had recommended, but Secretary McNamara did not allow it to be expended, because he was relying on an ABM penetration capability which he thought was a sufficient deterrent.

Then last year Secretary McNamara reversed himself and, noting the new threat—the Red Chinese missile capability—building up on the West, stated that we should proceed to develop a thin ABM defense. This system will be much less costly than the one previously considered for defense against Russia but it will provide a measure of defense against Red China which we know to be a very reckless power.

The fact that we are to have a thin ABM defense now, will permit us to expand and to build to a larger concept if we see a need for additional defenses against Soviet Russia.

Now, I do not consider that we—the U.S. Government—have changed our minds. Secretary McNamara held the program back for what he considered to be good and sufficient reasons. However, he had cause to change his mind. His recommendations are quite clear and they are that we should proceed with the development of a limited ABM system.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. GIAIMO. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GIAIMO. Let me answer the distinguished chairman of the subcommittee. When I speak of "we," I am referring to the U.S. Government as a matter of policy. I am well aware of the fact that the Joint Chiefs of Staff and the Congress itself have taken a consistent position in this.

However, I am not overly impressed by the fact that the Joint Chiefs of Staff have taken this position, because the history of military leaders and experts, for whom I have the highest respect, is that they have a tendency to err on the side of safety. So is ours. There is no question about that. Still in the past we have seen examples where they have advocated programs which later had to be scrapped. I would not like to see this happen in this instance. I would like to be more convinced before we deploy this defensive weapon that it is going to be effective. I do not see these facts before me now.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the chairman.

Mr. SIKES. Of course, there has to be a balance in the recommendations of our military leaders. That is why we have civilian control over the Department of Defense. Nevertheless I am sure the distinguished gentleman will agree with me, that the military leaders are our best witnesses on defense needs. This is their business and this is their life's work. They have faced the enemy and they know his capabilities. They must attempt to make certain that we will have enough defense to protect our people.

Mr. GIAIMO. There is no question of that. Again I must say it seems to me that we should have some greater evidence before us that we have a capability of deploying a defensive system which will work and that we are not just reacting to the fact that the Russians deployed a questionable system around their cities of Moscow and Leningrad.

Mr. SIKES. I do not wish to take up my friend's time, but may I remind him again that we have had 12 years of intensive research and development on this program and have spent $4 billion in preparation for deployment. For several years we have been able to knock down a target missile with the system which is now in development. I find it difficult to understand why we can not expect the system to work successfully.

Mr. GIAIMO. But is it not true that the evidence is clear that it will not deter a Soviet attack or knock down all of the missiles they could send over here?

Mr. SIKES. If the gentleman will yield further, it will deter a Soviet attack to the limit of the capability which is being built into it. It is a limited system. It will provide protection for military installations, and it will save as many as 20 millions of lives around certain population areas.

Mr. GIAIMO. Yet the fact is that if the Soviets were to strike the United States, even with this thin ABM system they would have missiles that could get through and cause destruction. Is that not so?

Mr. SIKES. Presumably, 20 million people can be saved by this system, and while I would prefer to build a more extensive system that would save 90 million or 100 million lives in case of an all-out Soviet attack, I consider what is now proposed is an important step forward.

Mr. GIAIMO. Twenty million people could be saved if the Soviet Union did not react to our deployment of an ABM system and resorted to a greater overkill capability and to the MIRV type of capability which could inflict greater damage, and then we would not have the benefit of the 20 million lives that would be saved here.

Mr. SIKES. The Soviets have already reacted to this fact by agreeing to go to the conference table and talk about the problem of limiting ballistic missile defenses.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I am glad to yield to the gentleman from Maryland.

Mr. LONG of Maryland. I thank the gentleman for yielding, and I would like to ask him as to whether we have a system which is advanced sufficiently, technically speaking, to justify spending a lot of money on production. I wonder if the gentleman is as concerned with that question as I am.

Mr. GIAIMO. Precisely.

Mr. LONG of Maryland. That is what bothers us all.

Mr. GIAIMO. That is why the amendment leaves in the money for continued research and development.

Mr. LONG of Maryland. In that connection, let me quote to you from what Secretary McNamara had to say on this very question. These are from the defense hearings of 1968:

> Secretary McNAMARA. My opinion is that we are more likely to advance the state of the art without a production program than we are with one. That may sound paradoxical, but I think it is true for this reason: Any one of these programs—posture A let us say at $10 billion, if you could hold it to that, or posture B at $20 billion—is a fantastically large weapons program, larger than any other single weapons program in the history of the world. It would take so much attention from Western Electric and Bell Laboratories and the associated scientists and engineers, that I am sure the research program for advancing the state of the art would suffer.

Are you striving for scientific breakthroughs? Can you strive as hard with this limited ABM budget as you could by spending large sums of money?

Mr. GIAIMO. I thank the gentleman from Maryland.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

(By unanimous consent Mr. GIAIMO was allowed to proceed for 2 additional minutes.)

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from California.

Mr. HOSMER. The answer to the statement that was just made is simply this: No matter if you move ahead with the state of the art, so long as it is in a filing cabinet it is not protecting you from incoming ICBM missiles. It has to be in hardware. No matter how imperfect it may be, it will at least establish a degree of stability and protection with reference to the uncertainty of this particular problem.

Mr. GIAIMO. That is the point I would say to the gentleman that new construction and other improvements will not be able to stop the Soviets or any other nuclear power to get through, we will say, at least five missiles but not over 50, it is still going to create havoc in the United States. We will have to strike with our counterstrike ability and look at the horror which it would create.

Mr. JOELSON. Are there any plans being made to develop this system whereby the so-called thin antiballistic missile would contain an atomic attack from a submarine?

Mr. GIAIMO. As I understand it, it is not specifically designed for submarine attacks but basically the Spartan missile is designed to protect against intercontinental ballistic missiles coming in out of the atmosphere and the Sprint is designed for closer protection.

Mr. SIKES. This is not designed specifically for a missile attack launched from submarines but would provide a measure of defense. It is designed more for eliminating the incoming ballistic missile through the use of the antiballistic missile.

Mr. JOELSON. Mr. Chairman, if the gentleman will yield further, in view of this fact, the fact of the increased building of submarine activity of both potential enemies, I think we are being very ostrich-like in thinking that this type thing would protect us.

Mr. COHELAN. In responding to the statement of the gentleman from New Jersey [Mr. JOELSON], it should be pointed out, that military classification places a good deal of technical information beyond our reach and therefore it is beyond the knowledge of most of us to know the exact capability of the antiballistic-missile system. However, I can say it has been publicly noted on several occasions that the Sentinel ABM is vulnerable to close in sea-launched attacks.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened with a great deal of interest to the debate which has gone on so far. I have a great respect for the gentleman who introduced the amendment and for those gentlemen who support it. However, I might review again what has happened on this question previously this year.

Mr. Chairman, this is not the first time that this subject has been debated. It was debated under the military authorization bill in the other body and, in that body, by a bipartisan vote, it was adopted 72 to 12, a vote to go ahead with the ABM.

Further, we had a debate on the subject on the military procurement authorization bill in this body and it was supported by a vote of 147 for the system and 40 against.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. COHELAN. I would be delighted if the gentleman would give us an opportunity to vote on this on a rollcall vote and oblige us with offering a motion to recommit the bill on this subject.

Mr. CEDERBERG. The gentleman from Michigan does not want to upset the precedents of the House with respect to that matter.

It seems to me that if we have to wait to reach the point when we know whether or not the thing will work, then it is too late for all of us. I believe, if we are going to err we are better to err on the side of safety for the citizens of this country, because I do not know, and the gentleman from Connecticut does not know, whether or not it will work.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I agree with the gentleman completely, and I say that error on the side of safety at this point in our negotiations and our relations with another country, particularly the Soviet Union, means let us build up our offensive capability. That is where our strength is, and not in a defense weapon which is questionable at the most.

Mr. CEDERBERG. The gentleman could be correct, but the gentleman remembers that we developed antiaircraft guns years ago, and we were not sure that they would work. I served in the European Theater, and was, and I am delighted that we had antiaircraft guns. They were not 100-percent effective, but they were a very valuable deterrent, and they are today.

So, if I err, I want to err on the side of safety.

Mr. YATES. If the gentleman will yield, the gentleman talks about erring on the side of safety. It has been discussed on the floor by previous speakers that this system would save approximately 20 million lives. What about the 150 million lives that would be lost in such an attack? What about those people? What about living in a world that has nuclear dust all over in which people could not possibly live?

Mr. CEDERBERG. The gentleman knows that the crying need of our time is total disarmament—but we do not live in that kind of a world. If, we did, we might not even have to have a military construction bill before us today, but the situation is not that easy.

So we have to do the best we can on behalf of the citizens of our country. Possibly we are going to have to take additional measures to try to protect 100 million people instead of 20 million people against a Russian attack. That time may come, and it is going to be expensive when it does.

Mr. LONG of Maryand. Mr. Chairman, if the gentleman will yield, I believe we all agree that we want our country to be safe above everything, but the statement that we must err on the side of safety is in itself a meaningless statement——

Mr. CEDERBERG. If the gentleman will permit me, let me just say it is meaningless unless we get caught not having erred on the side of safety. Then we will be in trouble.

Mr. LONG of Maryland. The point is, if we really want to err on the side of safety, then let us spend the whole national income in being safe, because no sum of money is going to make us completely safe. The important thing is—and I believe the gentleman will agree with me—is how we can best spend our money in defending our country.

I was persuaded by Mr. McNamara on his testimony that the best way to defend our country was not to spend huge sums on defense, but to spend more money offensively.

Mr. CEDERBERG. This is an interesting debate, because I can remember the days when there was talk of massive retaliation. Those were days when people were not saying we should do some of the things the gentleman is saying now. I believe that we must have a strong offensive, but we have to develop the state of the art for the best defenses we can have as far as the ABM system is concerned.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. CEDERBERG was allowed to proceed for 5 additional minutes.)

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from New Jersey.

Mr. JOELSON. I thank the gentleman for yielding.

The gentleman heard the distinguished chairman of the subcommittee saying that this was not designed as a defense against attack from submarines. Now, in view of the obvious increase in submarine building of our potential enemy, I do not believe the enemy is going to be so cooperative and considerate as to deliver the kind of attack that we have a defense for. Would not the enemy forsake this type of an offense, and merely turn to an attack by submarines?

Mr. McFALL. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to my distinguished colleague from California.

Mr. McFALL. I thank the gentleman for yielding.

Mr. Chairman, I believe there is an answer to that. This system is a partial defense against submarines. It is a question of time. If we allow them to sneak up against one of our coasts it possibly would not be a good defense, but that is why we have our antisubmarine warfare units. That is a reason for the amount of money we are spending on antisubmarine warfare—to keep those submarines away from our coast. We are not going to rely solely upon this system for our defense against submarines.

Mr. CEDERBERG. I yield to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. I think it is also an answer to the gentleman who says, obviously, this was not an attempt to protect against submarines, that it is just like complaining because a vaccine does not protect against typhoid that it is no good. That is the logic of the argument—if there is any.

Mr. CEDERBERG. I yield to the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. I would say that anybody who talks about a partial defense against nuclear attack is just living in a dream world.

Mr. CEDERBERG. I think we have to have all kinds of defenses, and by the time we put them all together, we may have a reasonably good deterrent. I do not think we are living in a dream world situation at all.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman.

Mr. MILLER of California. I think when you talk about this submarine warfare, it is a two-way street. We have some submarines that can do just as much damage as their submarines.

Let me point out to you that in World War I, one of the dastardly things that was introduced was poison gas. But in World War II it was not used because we were prepared to use poison gas just as the enemy was. So both sides did not use it. If we have a defense or if we have an aggressive submarine, then it is going to deter the other countries from using their submarines.

Mr. CEDERBERG. Mr. Chairman, I yield to my friend, the gentleman from Connecticut [Mr. GIAIMO].

Mr. GIAIMO. Mr. Chairman, I would like to comment on what my friend, the distinguished gentleman from California, has said. That is exactly what we have been trying to say.

You must rely upon your offensive capabilities and what we are doing here is trying to inject into the picture reliance upon a questionable defensive capability, an antiballistic missile, which we admit will not work effectively completely against the Soviet Union. I do not know what it means when it is said a defense does not work completely against the Soviet Union except to me it means that we will get many missiles which will come in and create destruction.

The only justification is against China, and I do not think it has been demonstrated that there it would be effective either.

Mr. CEDERBERG. Mr. Chairman, I yield to the gentleman from New Jersey [Mr. HUNT].

Mr. HUNT. Mr. Chairman, I want to take this opportunity to congratulate my colleague from Michigan and to say further that your presentment is most refreshing to one who thinks about our defense and saving millions of lives rather than spending money all over the world on programs not conducive to our best interests.

It is about time that we thought about the American people. Whether we are talking about partial defenses which will mean something to us in our Nation or whether we are speaking about massive retaliation, one must not get away from the point.

The thing that we are concerned about and the thing I want to comment on is, when are we going to start thinking about something for the benefit of the population of America for many generations to come—your children and my children and everyone's else's children. That is, solid protective action for all.

Mr. CEDERBERG. I thank the gentleman.

Mr. Chairman, I just want to say in closing, I have great respect for the proponents of this amendment. I recognize that there are arguments on both sides of this question. But so far as I am concerned, if I walk through the teller line, I am going to vote to install this ABM because the Chief of Staff and the Secretary of Defense have changed their mind—and they must have had some reason.

There has been some scientific thinking going on and some reevaluation of the entire situation and I would rather vote on the side of safety. The rest of the membership can do whatever they want.

Mr. TALCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am surprised by the attacks made upon the ABM system in connection with this bill for military construction.

Our bill today includes $263,300 for acquisition of ABM sites only. The principal expenditures for ABM research, development, and deployment are contained in the Defense Subcommittee's appropriation recommendations.

Any attack against the ABM system should be made during the debate on the defense appropriation bill. If the opponents of our ABM system for national defense are successful in defeating the theory and deployment of the ABM system, then our recommendation will be unnecessary and certainly not funded or expended.

Actually, the attack upon the ABM system, or any other matter involving our national defense, should have been made before the authorization committee—the Committee on Armed Services. If the ABM is wrong in theory, practice, philosophy, strategy or tactics, this decision should be made in the legislative committee and by the Congress when considering the authorization bill.

Certainly the Committee on Armed Services and the Subcommittee on Defense of the Appropriations Committee have heard more witnesses, taken more testimony, reviewed more evidence over longer periods of time than was possible, feasible or appropriate for our subcommitee which has the very limited responsibility of providing adequate sites and housing for a system of national defense which has the approval of the administration, the Department of Defense, the legislative committees of the House and Senate.

This is simply not the appropriate time for a forum to present the issue of "an ABM system or no ABM system."

If we have any doubt concerning the efficacy or the correctness of the ABM system, we should err on the side of approving this item for site acquisition for the ABM system.

If after more thorough consideration, we have any valid reason for changing our strategy of national defense, we can easily delete the ABM item in this bill.

I urge the defeat of this amendment.

Also, Mr. Chairman, the procedural problem today is certainly not the fault of the gentlemen who are sincerely attacking the theory of ABM system of national defense today. It is the fault and the lack of management of the leadership of the House to schedule the military construction appropriations bill before the consideration of the defense and procurement appropriations bills.

Mr. PRICE of Illinois. Mr. Chairman, I move to strike out the last word, and rise in opposition to the amendment.

Mr. Chairman, as the gentleman from Michigan said, there are arguments on both sides of this question. But I think it is time to stop debating the matter of deployment of an ABM system and to get on with the deployment.

We have been waiting for about 10 years for the start of a system to meet the threat of ballistic missiles from foreign powers.

As far back as 1958 the Joint Chiefs of Staff recommended the immediate deployment of an ABM system.

Now it is true that at that time the civilian heads of the Department of Defense did not concur in that recommendation. Congress went along with the civilian heads of the Department. Later, however, Congress showed its interest in the anti-ballistic-missile system by several times appropriating funds to start deployment.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California.

Mr. COHELAN. I am sure the gentleman from Illinois, my distinguished chairman of the Research and Development Subcommittee of the Armed Services Committee, who is so knowledgeable in this area, would want the House to know that as we sat through all our Nike–X hearings there was a point in time at which the Joint Chiefs of Staff said, "We should deploy the Nike–X system." Is it not true that had we done so at that time the system would be quite obsolescent today?

Mr. PRICE of Illinois. That may be true. If we had done it at that time, it would be obsolescent today. But this is 10 years later. Sometime in the future it may be possible that we will need an adequate ABM system. But we certainly cannot wait until that day to start deployment of it. I say 10 years later we should at least be deploying the system to meet the threat that exists, not only from one nation today, but now two nations, and it may be three nations sometime in the future. We cannot wait until the first missile arrives before we start building an anti-ballistic-missile system.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Florida.

Mr. SIKES. I believe it is well to remind the Committee that when we first started deploying ICBM's they were a far cry from the missiles we are deploying now. They have been developed and improved through the years. I think the same thing would happen if we had started with the ABM system a number of years ago. Certainly now after all these years of research and development, 12 years of research and development, we are in a position to install what appears to be a very positive answer to a missile threat.

Mr. PRICE of Illinois. The gentleman is correct.

A moment ago the gentleman from North Carolina [Mr. JONAS] made a very good point when he said that it is time now that we put to work the research and development that has been going into this program, about $4 billion worth of it, and we have reached the point at which we will not perfect the system more until we do deploy. The answer to the gentleman from North Carolina by the gentleman in the well at the time was, "We said the same thing about research and development on the F–111, and they refer to it as a fiasco."

Actually the F–111 is not a fiasco. The research and development has paid off as far as its use by the Air Force is concerned. It is the most sophisticated weapon system we have in the air today. It is a successful aircraft and will be improved as it is in operation. So will an anti-ballistic-missile system be improved and become more effective as it is placed in operation, and it will become more effective only after it is placed into operation.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from North Carolina.

Mr. JONAS. That is just the point that I intended to make when I rose to ask the gentleman to yield.

Mr. PRICE of Illinois. The gentleman was absolutely correct. I think if we put another $2 to $300 million of research and development alone into the project and did nothing about deploying the system, we would be wasting a considerable amount of money.

Mr. JONAS. The argument the gentleman is now making leads to a logical conclusion. Could not we say as we look back in time that we have wasted, that is, we have spent a great deal of money on military equipment that we have not had to use, but that is good and I hope we never have to use it. But that is no reason to stop research, development and deployment.

Mr. PRICE of Illinois. I agree. I thank the gentleman.

Before my time expires, I wish to make another point, and that point is this: The decision to deploy the ABM system was not made lightly. The Joint Chiefs of Staff, as we well know, have been in favor of it for a long time. The Congress has been in favor of it for a long time. The civilian heads of the Department of Defense had to be sold on the necessity of deploying the system now, and they did it only after a thorough knowledge of the world situation, the potential threat, and based on sound intelligence.

Mr. YATES. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, let me emphasize once more that the ABM system will not actually provide the type of protection that the proponents of the system say it will.

It is true the nation that develops an effective ABM system would have a tremendous advantage in the world today, but this system will not do so. Our best protection in our confrontation with the Soviets today is still our offensive capability.

I cannot see that the proposed ABM system—and I have read as many experts as I can on the subject—will provide a definite protection. I can understand the pressures the support this kind of system. We all want protection from a nuclear attack. A nuclear attack is too horrible even to contemplate. We want complete protection. If one missile penetrates our defense, it is disastrous. My friends on the other side of the question have stated confidentially that it would save 20 million American lives in the event of a nuclear attack. Pray God that an attack never comes. The consequences of such an attack are so enormous that one hates to think about the consequences. The 20 million lives which would be saved if the attack comes would be saved only at the cost of 150 million or more American lives. And the world in which the 20 million would have to live would be unendurable and probably uninhabitable.

So the important thing is to try to prevent that kind of war from taking place. This dubious ABM system will not serve as a useful instrument for preventing that kind of attack from taking place.

The gentlemen who want the system say the Joint Chiefs of Staff want it. On the other hand, Secretary McNamara says it would serve no useful purpose at this time against the Soviets, minimal at best. He says it would serve only a limited useful purpose against the Chinese system, if any.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. Mr. Chairman, the Secretary of Defense said that some time ago, but in the face of recent intelligence, in the face of the potential threat at this time, Secretary McNamara enthusiastically endorsed this program.

Mr. YATES. Mr. Chairman, may I read to the gentleman from the hearings before another body dated less than a year ago, on November 7, 1967?

Mr. PRICE of Illinois. Mr. Chairman, the gentleman is correct.

Mr. YATES. That is less than a year ago.

Mr. PRICE of Illinois. Mr. Chairman, every civilian head in the Department of Defense on the basis of the most recent intelligence now supports immediate deployment of an ABM system.

Mr. YATES. Mr. Chairman, let me say to the gentleman that the former head of President Kennedy's science advisers, Professor Wiesner, is opposed to it. The former head of General Eisenhower's science advisers, Mr. Kistiakowsky, is opposed to it, Dr. Killian is opposed to it. They say—and these are outstanding experts in the field—they say the system ought not to be deployed at the present time.

Mr. PRICE of Illinois. Perhaps those gentlemen are still basing their feelings and opinions on intelligence they had 2 or 3 years ago. If they were in the Government today and had access to the same intelligence we have today, they would be in favor of the deployment of the system.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr Chairman, the proponents throw away the case with their own arguments. All of us would agree an ABM would be of some value, and would save some lives. The question is: Is this the most effective way to deploy our national resources in order to save these lives?

Mr. YATES. That is correct.

Mr. LONG of Maryland. Mr. Chairman, it is up to Congress not the military to make the decision of how the whole resources of this country are best deployed. Would the gentleman agree that there is a limit to what the U.S. taxpayer will spend even on national defense, and that if we spend too much money on one means of defending our country, we may leave the country vulnerable in some other important aspect?

Mr. YATES. I think that deserves consideration. I will say there are other means available to us which might provide a more effective defense than the proposed thin line.

Mr. LONG of Maryland. For example, submarines. Also our chemical and biological warfare may need more money.

The question to me is whether we are ready technologically, to spend large sums on an ABM system. That question has not been answered.

The question also, is, whether the ABM is directed at the real enemy. A bully; namely, Russia is threatening us, and we are asked to defend ourselves not against the bully, Russia, but against his brother, China, who however nasty is a long way from grown up militarily.

Mr. YATES. I do not think the little brother is so little. He is pretty big. I agree Red China, the little brother does not have the atomic capability at this time where the experts concede he would be able to make this kind of attack.

Mr. Chairman, the question is not one of a so-called thin shield to defend against the big brother's little brother. In truth, that is only an ancillary argument.

I believe we ought to stop, look, and listen, before we take this vital step. It is one of the most important decisions we will have to make in this Congress.

The long-range effects of the proposed ABM deployment are so far reaching, and so potentially disastrous, that we should not be misled by the simplified rationale that is so often offered for its immediate deployment. There is simply too much at stake here to commit ourselves to the ABM program at this time. As long as we do have some leadtime to work with, we ought to utilize it in a careful assessment of the program. In the meantime perhaps the arms control discussions will bear fruit and we will be able to take some substantive steps to stopping the futile arms race that has exhausted our financial and spiritual resources for so long.

I urge support of this amendment.

Mr. SIKES. Mr. Chairman, I wonder if we could reach an agreement on time. There are two bills to follow this one.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. HALL. Mr. Chairman, I do not believe one can reserve time under the unanimous-consent request.

The CHAIRMAN. Would the gentleman from Florida restate his request?

Mr. SIKES. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto to close in 30 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. The Chair will rule that is not in order.

Mr. YATES. Mr. Chairman, may the gentleman not make a request for unanimous consent? This is not a motion.

The CHAIRMAN. Is there objection to the unanimous-consent request of the gentleman from Florida that all debate on this amendment and all amendments thereto conclude in 30 minutes, the last 5 minutes being reserved to the committee?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, I believe we need to review the bidding. It was Secretary McNamara who did recommend the exact system before us today. It is the present Secretary, Mr. Clark Clifford, who continues to recommend it, along with the Joint Chiefs of Staff.

It has been brought into issue here that no one has said the Tallin ABM system will protect Moscow and other Russian cities from ballastic missiles.

Let me say this: There is not one member of the Russian Presidium who is getting up and publicly saying it will not. The people who are saying it will not are American Congressmen. If the Russian military spends its rubles on that system, I would rather trust their judgment as to whether it works than the judgment of certain of the Members of our own body. It is not that I like the Russians better, it is just that they are putting their money where their mouth is and that is a fairly compelling agreement.

Also, it has been said that this Sentinel system will not protect anybody. And it is the same American Congressmen who are poor mouthing the system. Our Joint Chiefs of Staff are not. I agree completely that it will not protect anybody, however, if it is not built. If it is built it will introduce an element of uncertainty in the strategic equation that will enhance our own deterrent power. I would remind the House of Admiral Rickover's observation that if we wait to start building until a perfect system is developed, then it will take as long as the wait for the perfect woman.

Whether or not the Sentinel system is now perfected, or to what degree it is not, is immaterial. By the time it is built its performance will be enhanced by a large measure. What it will do is uncertain to us. But, by like token, it is uncertain to the Soviets and the Red Chinese. The uncertainty as to just how effective it may be at any particular moment is a concern with which Soviet military planners must daily reckon. They cannot afford to poor mouth it as easily as our Congressmen do. The fact that it just might be a pretty good system and severely blunt a surprise attack could contribute considerably to deterring any decision to launch such an attack.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, I was rather interested that so many Members of this body here have become instant authorities on the antiballistic system and say with the utmost confidence that they know that the ABM system will not work. I do not think anybody in the world knows for certain that this system is going to do the job expected of it. There is nothing certain about battle. I have been on the Committee on Armed Services for 16 years and have spent a great deal of time studying the proposed ABM system. I am not certain that it will work. Russia has an ABM system around Moscow. We do know that. Secretary McNamara was about the last man who ever realized it. Everybody else realized it before he did, and then he decided to install this system although Congress had been insistent on this being done for several years. Russia refused to talk to the United States for 5 long years about limiting atomic weapons, especially the ABM systems. Russia proceeded in installing an ABM system around Moscow. Russia refused to talk to the United States on this limitation until the Senate passed the military authorization bill which included the authorization of money for the ABM system. Immediately Russia agreed to talk to us. Why did not Russia discuss this matter with us before the Senate acted. The reason Russia wanted to go ahead developing the ABM and wanted us to do nothing. If now we want to go ahead and get a real simple agreement with Russia, the most stupid thing we could do would be to stop our developing such a system now, and let Russia go ahead. Let us look after the interests and protection of our country.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Cohelan].

Mr. COHELAN. Mr. Chairman, I take time merely to summarize what has been already said. I would urge you to reread the statement in the famous San Francisco speech made by Secretary McNamara in which many of these questions are answered.

The important thing to note as we conclude the debate is that we are arguing the question of proper allocation of our national resources for their most efficient uses. I do not think anyone in this House on either side of the aisle does not want us to have an adequate defense. It is our position that we will have a better one.

Secretary McNamara warned in his San Francisco speech of the danger of deployment of an ABM against the Soviets. He said and I quote:

> The first danger is that we may psychologically lapse into the old over-simplification about the adequacy of nuclear power. The simple truth is that nuclear weapons can serve to deter only a narrow range of threats. This ABM deployment will strengthen our defensive posture—and will enhance the effectiveness of our land-based ICBM offensive forces. But the independent nations of Asia must realize that these benefits are no substitute for their maintaining, and where necessary strengthening, their own conventional forces in order to deal with the more likely threats to the security of the region.
>
> The second danger is also psychological. There is a kind of mad momentum intrinsic to the development of all new nuclear weaponry. If a weapon system works—and works well—there is strong pressure from many directions to procure and deploy the weapon out of all proportion to the prudent level required.
>
> The danger in deploying this relatively light and reliable Chinese-oriented ABM system is going to be that pressures will develop to expand it into a heavy Soviet-oriented ABM system.
>
> We must resist that temptation firmly—not because we can for a moment afford to relax our vigilance against a possible Soviet first-strike—but precisely because our greatest deterrent against such a strike is not a massive, costly, but highly penetrable ABM shield, but rather a fully credible offensive assured destruction capability.
>
> The so-called heavy ABM shield—at the present state of technology—would in effect be no adequate shield at all against a Soviet attack, but rather a strong inducement for the Soviets to vastly increase their own offensive forces. That, as I have pointed out, would make it necessary for us to respond in turn—and so the arms race would rush hopelessly on to no sensible purpose on either side.
>
> Let me emphasize—and I cannot do so too strongly—that our decision to go ahead with a *limited* ABM deployment in no way indicates that we feel an agreement with the Soviet Union on the limitation of strategic nuclear offensive and defensive forces is any the less urgent or desirable.
>
> The road leading from the stone axe to the ICBM—though it may have been more than a million years in the building—seems to have run in a single direction.
>
> If one is inclined to be cynical, one might conclude that man's history seems to be characterized not so much by consistent periods of peace, occasionally punctuated by warfare; but rather by persistent outbreaks of warfare, wearily put aside from time to time by periods of exhaustion and recovery—that parade under the name of peace.
>
> I do not view man's history with that degree of cynicism, but I do believe that man's wisdom in avoiding war is often surpassed by his folly in promoting it.
>
> However foolish unlimited war may have been in the past, it is now no longer merely foolish, but suicidal as well.
>
> It is said that nothing can prevent a man from suicide, if he is sufficiently determined to commit it.
>
> The question is what is our determination in an era when unlimited war will mean the death of hundreds of millions—and the possible genetic impairment of a million generations to follow?
>
> Man is clearly a compound of folly and wisdom—and history is clearly a consequence of the admixture of those two contradictory traits.
>
> History has placed our particular lives in an era when the consequences of human folly are waxing more and more catastrophic in the matters of war and peace.
>
> In the end, the root of man's security does not lie in his weaponry.
>
> In the end, the root of man's security lies in his mind.
>
> What the world requires in its 22nd Year of the Atomic Age is not a new race towards armament.
>
> What the world requires in its 22nd Year of the Atomic Age is a new race towards reasonableness.
>
> We had better all run that race.
>
> Not merely we the administrators. But we the people.
>
> Thank you, and good afternoon.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Pike].

Mr. PIKE. Mr. Chairman, this proposed ABM deployment is based on one concession and one presumption. We concede that it will be ineffective against a sophisticated system such as that of the Russians or our own system. We presume that the Chinese cannot build a sophisticated system. I do not buy the latter presumption. I can remember early in World War II when we were told that the Japanese could not build airplanes. I heard that argument up until the time that I saw my first Zero in World War II which went by us just as though we were standing still. I believe the Chinese can build a sophisticated system and that it will be deployed, and this system will be as great a waste of money as the antibomber system that we have deployed in the past.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Leggett].

Mr. LEGGETT. Mr. Chairman, I have just a couple of points that I wish to make. Secretary McNamara has been quoted a number of times here. Of course, we talk about the deployment of the antiballistic missile. Why did we not do it sooner and deploy it more widely? Of course, Secretary McNamara said that if we had done that, in testimony before our committee last year, we would have wasted $13 or $14 billion. When we asked him about the deployment of an ABM system to handle the Soviet Union, he said:

> I have said I think it will cost about $40 billion. I believe if we go ahead with an ABM deployment now, we will come back several years from now and find it cost that much, but cost will not be the issue. The issue is will we be safer as a result of it. I submit to you we will not be. I do not want to argue this because it sounds like an extreme position.

I want to congratulate my colleagues, Congressmen Giaimo, Cohelan, and Yates, for their well-written and thoughtful remarks on the ABM appended to the report on this military construction appropriation bill. I support the amendment they have offered.

The ABM system, be it a thin system, a light system or a heavy system, is cost ineffective at the present time and moreover, in almost all situations conceivable the system will not measurably improve American security.

First, the antiballistic-missile program can only antagonize and complicate the most important and delicate diplomatic negotiations since the Test Ban Treaty. We are today being asked to fund a program which the President 2 weeks ago proposed to stop.

The threat of a nuclear exchange has been escalating ever since the two major powers became capable of a nuclear exchange. Now at the precise time that this tide of escalation may recede we are about to embark upon the next step program to continue the escalation to nuclear war.

The proponents of the ABM system, however, claim that deployment of the Sentinel system will give the United States a stronger bargaining position in the deescalation negotiations. This argument is fallacious. How can we expect serious talks to develop when we announce in advance that we are stacking the deck.

If the Sentinel system is a credible defense as the proponents believe, then its existence as a program in research and development will exert sufficient influence on the proposed talks without building the hardware. If the Sentinel system is not credible, as I believe it is not, it will not only be useless as a bargaining point if deployed, but rather will give clear indication of our lack of serious purpose.

Continued research on ABM systems will certainly protect our interests. Deployment at this time will not. Continued research will indicate to all parties that we intend to strengthen our nuclear deterrent in a meaningful and intelligent way without jeopardizing the chances of successful talks in advance. This House voted a few weeks ago to spend in the military procurement bill upward of $800 million for deployment and research on an ABM system. We need not now add on an additional $263 million to buy real estate sites.

Second, it is senseless to embark on a program when there is clear evidence that the system is not technically feasible at this time and in all probability will not be feasible in the future.

The original proposal for the Sentinel ABM system envisaged a "moderate" $3½ billion outlay to protect against a primitive Chinese missile attack. This "moderate" $3½ billion is estimated to be at least a "modest" $6 billion at the present time. By 1975, the target date for full deployment, I estimate that the system will have cost $15 billion.

The ABM system will be no good against a fractional orbital ballistic system, or a southern orbital ballistic system, or a multiple ballistics rocket system, or a group of multiple independent reentry rockets, or against a submarine close-range missile.

The Herbert Hoover Institution on War, Revolution, and Peace at Stanford University recently published a contingency study estimating that the Chinese will have a fleet of 50 submarines capable of launching medium range nuclear ballistic missiles by 1976. Mind you, this new system will admittedly be ineffective against this realistic threat.

The yearly upkeep of the Sentinel system will cost at least $1 billion. This, mind you, is the very basic cost, and I need not remind anyone in this Chamber that the basic estimated cost can be easily exceeded in geometric proportions before the first missile site is positioned. I might point out that these costs do not include extras or operation and maintenance of hundreds of sites around the country and pay for the thousands of military personnel.

It might be instructive to ask at this point, What will we get for our $15 billion? The answer is nothing if we are lucky and an expensive arms race if we are not lucky.

The advocates of the Chinese-oriented ABM system claim protection against a primitive Chinese missile attack. By primitive, they mean an attack by missiles in conventional orbit, with no penetration aids. They also mean an attack with a limited number of missiles.

Why any country would launch a limited attack against the United States with the knowledge that retaliation would be swift and complete devastation beyond any comprehension is inconceivable. To argue that the Chinese could blackmail the United States with 20 rockets versus several thousand U.S. rockets makes for little rational sense. Why is this system of retaliation good as to the Soviet Union, but apparently not effective as to China? But assuming that such an attack may be launched, what are the chances of a successful defense?

If 20 simple Chinese missiles are launched against a target defended by 50 Spartan ABM's there is an 81-percent probability of successful defense. If the Chinese can blackmail with 20 rockets, they can do the same thing with two survivable rockets.

However, again I must stress that this statistical analysis predicates only a very primitive Chinese attack. If penetration aids with multiple re-entry vehicles are used, the Sentinel system will be useless. If decoys are employed the Sentinel system will be useless. If low-flying missiles—fractional orbital missiles—are employed, the Sentinel system will be useless.

In his 1967 testimony before the House Armed Services Committee, former Secretary of Defense McNamara gave the most complete and convincing testimony on the efficacy of an ABM system. The fact that McNamara's views are still valid not only points up his clear perceptions of the program at that time, but also shows that in the intervening year nothing has developed to change the technological problem.

The arguments are clear and simple.

First. The U.S. offensive strike capacity is such that even assuming a functional Soviet ABM system, the United States will have an assured destruction capability. This assured destruction capability is the keystone of our as well as the Soviet defensive system. The efficacy of the offensive nuclear deterrent has never been seriously questioned. Yet, an ABM system is counter to the clear logic of a deterrent system. The basis of any system is its credibility to the enemy. Our offensive deterrent is eminently credible. The ABM system is without credibility, and this "credibility gap" could easily reflect on our offensive deterrent.

Second. Assuming for argument that the planned ABM system does have some chance of a degree of success, Secretary McNamara indicated that such system might be obsolete even before it was operational. This is the case with the Soviet system.

The ABM system around Moscow had not been completed and is not being expedited at the present time.

Thus, there seems to be no reason for the United States to embark on a very marginal $5.5 billion system then to extend it to an extremely marginal $40 billion system when the Soviet experience indicates its futility.

Third. Proponents of the system claim that a full blown ABM system—estimated to cost at least $40 billion—will save 80–100 million lives in the event of a nuclear exchange. This estimate assumes no Soviet counter buildup which is against human nature and the affairs of nations.

Fourth. The Soviet Union will in all probability overreact to a light U.S. ABM system to the extent that the United States would be in a poorer defensive position vis-a-vis the Soviet Union with an ABM than without. This is exactly what happened when the Soviets deployed the Gallosh system.

As to the cost to the Soviet Union to offset a U.S. ABM system, the estimate is that it will be one-fourth to one-half the cost of the U.S. defensive system to inflict damage considered a sufficient deterrent. The system is, therefore, cost ineffective.

Fifth. Secretary of the Air Force Harold Brown also testified in 1967 that the U.S. assured-destruction capability is not in any way impaired by the Soviet ABM system, nor can such impairment be foreseen in the future; we merely added offensive missiles.

In terms of a realistic appraisal, it costs less to add offensive missiles to one's inventory than it does for an opponent to expand his defenses so as to counter the additional offensive missiles.

Sixth. The McNamara speech of September 18, 1967, which first proposed a thin ABM system tempered the lukewarm endorsement with a number of warnings. First, the uselessness of an anti-Soviet ABM system was acknowledged. Second, while a thin anti-Chinese program was proposed, McNamara warned that the great danger to this program was that there may be a psychological lapse into the old oversimplification of the adequacy of nuclear power.

The most telling argument also involves a psychological danger as he stated that "There is a kind of mad momentum intrinsic to the development of all nuclear weaponry. If a weapon works—and works well—there is strong pressure from many directions to procure and deploy the weapon out of all proportion to the prudent level required. The danger in deploying this relatively light and reliable Chinese-oriented ABM system is going to be that pressures will develop to expand it into a heavy Soviet-oriented ABM system. This is exactly what is happening, and exactly what the proponents as well as the opponents of the so called light ABM system warned against. The net result in overreaction by the Soviet Union, resulting in decreased security for the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Chairman, I think that it should be established that we have had a breakthrough that makes it possible to develop a thin line defense against offensive nuclear systems. The argument of those who say that we must build greater offensive nuclear weapons is faulted by the fact that we have already reached the parity of nuclear annihilability, and this makes this argument groundless to say it is not effective against submarines lobbying in subatmospheric nuclear devices.

Mr. Chairman, I tire of those who so often repeat that we should do nothing lest we bestir the Russian bear to greater efforts and perfection. In other words, the alternative is to lay down and roll over. This is exactly what these inspired Communists want us to do in order to dominate the world.

We had the opportunity, if not the duty, to destroy the Sino-nuclear capability aborning, but lacked the intestinal fortitude. Have we come to the place where we would not even defend our own against world bullies and aggressors? I fear the same lack of "guts" is all too apparent, here, at peace talks, in the case of the *Pueblo*, and even in the Pentagon.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

The Chair recognizes the gentleman from Rhode Island [Mr. TIERNAN].

Mr. TIERNAN. Mr. Chairman, I would like to speak in favor of the deployment of a limited Chinese-oriented anti-ballistic-missile system. The emergence of China as the world's fifth nuclear power has resulted in a justifiable concern by our Government.

This concern does not stem from the size and capabilities of present Chinese nuclear strike forces, but rather from the political and psychological implications associated with even a token capability. Although the United States now possesses, and will continue to possess, a superior first strike capability with respect to China, the Chinese Communist nuclear threat is growing at a much greater rate than had been originally expected.

Former Secretary of Defense, Robert McNamara, testified in September 1967, that the Chinese are devoting very substantial resources to the development of both nuclear warheads and missile delivery systems. Indications are that they will soon have medium-range ballistic missiles. Further indications are that they will develop an initial intercontinental ballistic missile capability in the early 1970's, and a modest force of ICBM's in the mid-1970's. This timetable could be stepped up considerably if the present Sino-Soviet rupture heals and the Russians then make available to China their considerable storehouse of information on nuclear weaponry.

Assuming that the Chinese do develop a nominal force of 50 ICBM's by 1975 that are comparable in size, thrust, and technical characteristics to first generation Soviet ICBM's, an attack against the United States could result in 40 million casualties. It has been estimated that deployment of Chinese-oriented ABM defenses centered around our 50 largest cities could reduce the number of casualties from Chinese attack by 80 percent.

What is the possibility of such an attack by China upon the United States in the mid-1970's. The possibilities quite obviously are remote, but it is conceivable that China might become so incautious as to attempt such a strike. And since our strategic planning must always be conservative, and take into consideration even the possible irrational behavior of potential adversaries, there are grounds for concluding that a light deployment of U.S. ABM's against this possibility is prudent, according to knowledgeable authorities.

Such a system as the Sentinel would be relatively inexpensive and would have a high degree of reliability against a Chinese attack. Moreover, the Sentinel program would provide an additional indication to Asians that we intend to deter China from nuclear blackmail and therefor the Sentinel could contribute toward our goal of discouraging nuclear weapon proliferation among the present nonnuclear countries.

Finally, the Chinese-oriented ABM deployment system would enable us to add a further defense for our vulnerable Minuteman sites, which, of course, are endangered by the increasing sophistication of Soviet weaponry.

Inasmuch as missiles have come to represent a standard status symbol whereby one nation can intimidate another, it is doubtful that the existence of an effective U.S. missile defense system would completely deter China from pursuing an active missile program. It could, however, conceivably divert Chinese efforts from IRBM channels.

In the light of the present internal upheaval in China, it is difficult to anticipate the future direction of Sino-Soviet relations or the future direction of Chinese nuclear endeavors, but the United States must be prepared for any development. The deployment of an effective missile defense system, of which the Sentinel would be a part, undoubtedly would constitute the best possible course of preparation.

We must always be mindful that the American will to lead in the technological race and to maintain superiority is the most enduring deterrent to nuclear attack upon this Nation. To neglect the national defense in the name of economy is the height of folly.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. MACHEN].

Mr. MACHEN. Mr. Chairman, I rise in opposition to this amendment. I have sat here and I have listened with a great deal of interest to the arguments which have been presented and every one of them go back to the earlier statements of the Secretary of Defense, namely that a defensive system would become obsolete because of the concentration of more effective offensive capability.

Mr. Chairman, I say that we have got to have a balanced system, both offense and defense. To now continue to use the argument that the Secretary has reversed himself on a number of occasions—and, certainly, there are those who have served on the committee longer than I have but I have heard it for 3½ years since I have been here—this reference to the cost effectiveness as against the lives of the American people.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

The Chair recognizes the gentleman from Massachusetts [Mr. BATES.]

Mr. BATES. Mr. Chairman, when this issue was before the House in the procurement bill and was discussed and this particular authorization bill, the same arguments were raised then and as have been raised essentially today.

The House of Representatives resoundingly defeated the amendment.

Mr. Chairman, the supporters of this amendment claim that this ABM system will not be effective. The fact of the matter is that unless you get it into operation and conduct the proper research and development, you will never know.

They say it will become obsolete. I do not know of any weapons system that has not become obsolete which has been developed in the past. They say that it will escalate the arms race between the Soviet Union and the United States. My response to that is that this is a defensive system and not an offensive system. The fact of the matter is that the Russians already have it.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from Minnesota [Mr. FRASER].

Mr. FRASER. Mr. Chairman, I rise in support of the amendment which has been offered by the gentleman from California.

Mr. Chairman, it is my opinion that the proponents of the ABM system have failed to make convincing arguments in view of the substantial expenditure which would be involved. They have the obligation to make a convincing case.

Mr. Chairman, it is clear that the ABM system would not provide a defense for the United States against a major Soviet attack. It is equally clear, in my opinion, that the Chinese will ultimately develop an offensive capability to penetrate the ABM system.

Mr. Chairman, I deplore the trend toward illusory security through more and more hardware as contemplated by this project while at the same time ignoring the needs of the rest of the world as demonstrated by the cuts in the foreign aid bill.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON of Illinois. I know that the unspoken fear in the minds of many of you must be that this is another make-work project supported by the military-industrial complex in this country and what we project as being only a $5 billion or $7 billion system will probably cost $50 billion.

Mr. Chairman, I am constrained to oppose the amendment. I do it for one reason and one reason only, that that is because of the fact that we are at a very critical juncture in the negotiations that will shortly begin with the Soviet Union on the question of a limitation on strategic delivery systems for missiles and antimissiles.

It seems to me we simply cannot begin those negotiations from a position of weakness. We have to demonstrate the ability—and I believe the willingness, if necessary—to make the sacrifices required to at least begin the work on this system. Then hopefully if these negotiations prove successful, as we all hope and pray they will, we can come to some other conclusion than the building of an expensive $50 billion system.

The evidence is conflicting, and in many respects it is a decision of an agonizing nature to be obligated to make in view of the many urgent domestic needs of our country. However, Soviet saber-rattling in Eastern Europe and its attempts to terrorize its tiny neighbor, Czechoslovakia remind us that we still live in a terribly dangerous world. Therefore, we must maintain both the offensive and defensive strength of the United

States until we can convince the Soviet Union that the answer to national security will be found in international cooperation and a decent respect for the sovereignty of other nations rather than the endless pursuit of the arms race.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. OTTINGER].

Mr. OTTINGER. Mr. Chairman, in answer to the gentleman from Illinois, I believe it is quite clear that once we finance the deployment of these ABM missiles they are going to be deployed regardless of the results of negotiations with Russia. These projects fast develop a momentum of their own. Contracts are made which it is too costly to cancel. Let us not delude ourselves. Once a start is made today, we can be sure that ABM missiles, at least $7 billion worth, will be deployed.

The best scientific minds in this country say that there is no defense that we can build that cannot be readily overcome by a more sophisticated offensive system. This ABM system is not even claimed by its proponents to be effective against submarine-based missiles. The best defense in this situation is a good offense.

It is true that Secretary McNamara favored a "thin" ABM system designed to protect against attacks from China. He strongly opposed a "thick" system, however, as totally useless against present or future Russian offensive capabilities.

In the other body, it became apparent that China was not yet near enough to an offensive capability which would warrant our deploying an ABM defense system. The proponents in the Senate dropped all pretense that the present appropriation was just for a "thin" system directed against a Chinese threat and made it clear that in actuality this is the start of a system costing $40 billion to $100 billion to protect against Russia.

I do not believe the ABM program we are discussing today is necessary at all as insurance to protect the safety of the American people. I believe the real purpose of this ABM system is as insurance for our defense contractors. There is now some hope that the Vietnam war may be over in the foreseeable future, and the military-industrial complex wants to be sure that continued billions are going to be flowing into their pockets in the next few years regardless of the outcome of the Paris talks. This appropriation will not only effectively commit us to this huge outlay for the defense contractors to develop and build the missiles; it will also assure them of a nice, juicy acceleration of the arms race, since we will have to build an offense capability sufficient to overcome the ABM's the Russians will be forced to deploy to counter our ABM moves.

The end result will be a missile stalemate at a much higher level of destructive and defensive capability, with the only people to benefit the defense contractors. It will mean a commitment to hundreds of billions of dollars in defense outlays for the future, assuring that funds vital to our domestic needs will be subjugated for the indefinite future.

I think this situation is unconscionable. This newest thrust into wasteful militarism increases the level of horror in the world. It is a fraud on the taxpayers of this country and an outrageous subsidy for the military-industrial complex which will be the sole entity whose security will be enhanced.

I urge my colleagues to warmly support the Cohelan amendment and congratulate my colleague from California for his initiative.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. McFALL].

Mr. McFALL. Mr. Chairman, I oppose the amendment. I agree with the gentleman from Illinois [Mr. ANDERSON] that the peace negotiations, or the negotiations that we are now entering into with Russia, may lead to a peaceful world, and that it is necessary for us to be in a position of strength. But it is also necessary to protect us, and protect both Russia and the United States against the blackmail potential of the Chinese. It will buy us time so that we may then be in a position to talk with China also, so that we can all have a peaceful world.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I rise in support of the amendment by the gentleman from California [Mr. COHELAN] to delete funds for the deployment of the Sentinel anti-ballistic-missile system. Let me say that I would welcome an effective anti-ballistic-missile system for the defense of the United States against its principal threat, the Soviet Union. And in any case, I feel that we should go ahead with research looking toward the development of such a system.

I am not convinced that we have moved ahead sufficiently in the state of the art to justify putting money into hardware at this stage. In the hearings on the 1968 Department of Defense appropriations, I questioned former Secretary of Defense McNamara on this point. He replied:

> My opinion is that we are most likely to advance the state of the art without a production program than we are with one. That may sound paradoxical, but I think it is true for this reason: any one of these programs—posture A let's say at $10 billion, if you could hold it to that, or posture B at $20 billion—is a fantastically large weapons program, larger than any other single weapons program in the history of the world. It would take so much attention from Western Electric and Bell Laboratories and the associated scientists and engineers, that I am sure the research program for advancing the state of the art would suffer.

Furthermore, I am not sure that we could develop an anti-ballistic-missile system as effective for deterring an attack on the United States as spending the same amount of money on offensive weapons, for example more and better submarines and chemical and biological weapons. Let us face it. There is a limit to the amount of money the American taxpayer is willing to spend, even for national defense. If we waste money on the wrong programs, there will be less to spend on effective defense of the United States.

I am also puzzled by the proposal to orient the ABM system toward the Chinese threat. Russia is the real threat so far as capabilities are concerned, and our preparation should be primarily against enemy capabilities since enemy intentions can change from day to day.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I commend the gentleman from California [Mr. COHELAN] and also the gentleman from Illinois [Mr. YATES] and the gentleman from Connecticut [Mr. GIAIMO] for their well reasoned additional views, and for having led this important debate before the House.

This is not only a debate concerning our Nation's defense posture but also a debate over the question of national priorities, the allocation of our resources between domestic programs to meet the crisis of our cities and the military budget, and also priorities within the military budget.

Recently Congressional Quarterly in a very well documented study, pointed out on June 28, 1968, that $10.8 billion could be saved in the military budget without impairing U.S. military capabilities—and let me quote from that study. It said:

> Probably one of the most clear-cut items of "fat," in the view of most CQ sources, was the **ABM system** . . . CQ sources doubt the system will have any chance of working against a realistic attack . . .

This is a good place to start cutting "fat."

The arguments against the deployment of a so-called "thin" ABM system—on strategic as well as economic grounds—have been ably presented by our colleague from California.

We have seen our cities starved for funds, while the war in Vietnam escalates and artificial restraints are placed on the budget. This weapons system bearing a price tag of anywhere from $5 to $50 billion may well buy less security and a new spiral of the arms race.

Militarily, the United States is in a position of relative strategic parity with the Soviet Union; both have sufficient capacity for retaliation so that it is in the interest of neither to strike first. There is, thus, a stabilized, mutual nuclear deterrence. Recently, the Soviet Union has agreed to talks aimed at general reduction in armed force levels.

If an ABM system is deployed by one country, the calculations of the other's offensive capability may be thrown off by an unknown factor, which would be compensated by an increased offensive strength. This will probably yield the same strategic parity we have now, at a higher level. More likely, it will introduce a dangerous new unstabilizing element in the arms race.

The vast billions, which our society urgently requires for civilian needs, will produce a stepped up arms race, with increased cost, and increased instability.

It is essential to reorder our priorities and direct our resources toward pressing domestic problems. And not divert them into an increased arms race.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Culver].

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. CULVER. I yield the balance of my time to Mr. Leggett.

Mr. LEGGETT. Mr. Chairman, I thank the gentlman for yielding.

I would like to say that I believe that those of us urging support of the amendment are not urging a disarmament policy, we want to have the best strength we can, but we want to have this accomplished through the right use of the money.

This really has very much in common with the old maginot line, and we cannot rely on it.

Bob McNamara increasingly urged that if we go ahead with this program that we must not make the mistake of believing that this program is going to be effective against the Soviet Union. He made a long-winded speech to that effect, and pointing up that if we did that, and they redesigned many of their missiles we would be less secure than we were before. I believe as a result of the arguments here today that is exactly where we are going to be. We have made mistakes before, we have spent money for the FDL program, many millions—now we are holding back on that program.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Miller].

Mr. MILLER of California. Mr. Chairman, I think one of the most potent arguments that has been made here today was made by the gentleman from Illinois [Mr. Anderson].

No one thinks that any military system is a permanent system. If you think so, just go down and look at the U.S.S. *Missouri* and the *New Jersey* and the other battleships laying in the mud.

There never was a time when a military system was not progressive—and the defensive system has to keep up with the offensive system.

If this system can take out 25 percent of the missiles that will be thrown at this country—if we have that system and the enemy does not have a system as sophisticated as that, then they are going to think a long time before they are going to loose missiles against us. That is how there is going to be a saving of lives as well as a savings in defense—we have to be ahead of the other fellow.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. Jacobs].

Mr. JACOBS. Mr. Chairman, this debate is reminiscent to me of the debate a few years ago about the air raid shelter system for the country.

At that time the most persuasive argument I heard was that the best possible defense we can ever have is the most powerful military offensive force so that no nation would dare attack us.

The old foreign trade policy of the Soviet Union was supposed to be that they exported the things they needed; and they imported the things they needed worse.

What has happened to us in this country when we can sit in this House of Representatives and know that $2,100,000,000 is a sufficient amount to take disadvantaged children from age zero to age 6 on a preschool program and rebuild this Nation in one generation and not even get a whisper in this House to get that kind of a program through. But on a day when we are talking about escalating by $40 billion the already $81 billion topheavy defense budget, horrors that anyone should question whether the new gadget would work—or even if it did whether we can afford it.

First things first, Mr. Chairman. Do what we cannot survive without doing at home. Then think about foreign adventure. Like charity, security begins at home. Maybe we can do both. But if we do not do the job with these little children today, 10 years from now this Nation could blow up from inside.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut [Mr. Giaimo].

Mr. GIAIMO. Mr. Chairman, ever since the British longbow destroyed the flower of French chivalry at the Battle of Agincourt, I believe it was, one thing is clear to nations and that is that defensive weapons always lag behind offensive weapons.

Whatever offensive weapons mankind design, mankind immediately designs an offensive weapon capable of overcoming the defensive weapon.

We do not want to see the United States rely carelessly and erroneously on a defensive complex, which they may well do with an ineffective anti-ballistic-missile system.

When we are talking about having balanced capabilities in our defense arsenal—defensive and offensive weapons—that is true—we want them.

But when we get into the area of a nuclear confrontation and battle and war with the Soviet Union, the balance quickly disappears because the other side has the capability of annihilating the other and we must rely on our offensive capabilities to deter them and to assure peace.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. Boland].

Mr. BOLAND. Mr. Chairman, I support Congressman Cohelan's amendment to strike the $263 million earmarked for deployment of a Sentinel ABM system.

This $263 million would be merely the first payment in financing a defense project that could reach the staggering total cost of $40 to $50 billion.

And what kind of protection would this vast sum buy for the United States?

All available evidence—military, political, sociological—indicates that it would buy a defense system of only the most trivial value.

A Sentinel ABM system certainly is not necessary at this time to shield the United States against a nuclear attack from Red China. Only now recovering from the political tumult that has rocked its institutions over the past several years, China has fallen more than 12 months behind in its timetable to develop an effective ICBM force by the mid-1970's. China, in any case, is capable of making a thin American ABM system wholly obsolete by the time it is constructed. Our military and scientific experts have made clear that the planned Sentinel system would be next to useless against enemy missiles equipped with penetration aids. Are we so artless—so naive—to assume that Red China would not marshal all available technological and financial resources to make such penetration aids part of its ICBM program?

Military leaders cannot even assure us that a Sentinel ABM system would achieve the quite limited objectives its proponents have cited. The missiles that would be deployed throughout the country's population centers under this system have never been tested in the atmosphere—a fact of major significance when we consider that far less sophisticated missile systems have not reached acceptable reliability levels.

At even maximum efficiency a Sentinel ABM system would be virtually worthless as a means of defense against the Soviet Union. Matching a thin defensive missile system against the Soviet Union's offensive arsenal would be tantamount to using a BB-gun against elephants. Any advantage the Sentinel system would give us—no matter how piddling or how important—could be easily overcome by the Soviets. Like the United States, the Soviet Union has established a defense policy that demands instantly countering any military advance achieved by its adversaries. Constructing a Sentinel ABM system would only spur the Soviets into building weapons that would make the system useless. And we, in turn, would be faced with the cost and effort of blunting the effectiveness of the Soviet Union's new offensive capability.

Such a major escalation in the arms race would be wrong now that the United States and the Soviet Union have agreed to discuss ways of limiting strategic armaments. The experience of the past decade has made clear the foolishness and fruitlessness of the arms race—a grim competition that forces each side to spend billions every time its adversary inches forward in offensive or defensive strength. Construction of an American ABM system would dash hopes around the world that the two superpowers will end this costly and dangerous war of nerves. Awesome new weapons now on the drawing boards in Washington and Moscow—orbiting nuclear weapons, for example—would move into the construction and deployment stages if the United States acts now to accelerate the arms race. The implications of such new weapons stagger the imagination.

Fiscal restraint in the Congress this year has caused major cutbacks in Government programs of the most pressing urgency.

Surely, Mr. Chairman, we can apply that same restraint to a proposed defense system whose deficits far outweigh any assets.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Yates].

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. BINGHAM. Mr. Chairman, I would like to commend the gentleman and his colleagues from the Committee on Appropriations for bringing this matter before us today. I support the amendment.

Mr. YATES. Mr. Chairman, the proponents of this amendment do not advocate eliminating every defensive posture. They do not advocate a static quality for our defense system in opposing this deployment. We say the state of the antimissile-missile art has not progressed to the point where the system under consideration should be deployed.

We do support the research and development fund for the ABM Nike X system. There is in the Department of Defense appropriation bill almost a half billion dollars for that purpose. The exact amount is $477.9 million to advance the worthiness of the system, if that can be done.

In this year of an austere budget it would be best to delay it. As a matter of fact, the Director of the Department of Defense's Research and Development Division testified before a committee that the decision on this system, whether intended against China or against the Soviet Union, need not be made this year.

We urge delay of this appropriation and emphasis on research and development.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. Rivers].

Mr. RIVERS. Mr. Chairman, we debated this issue on the military-public works bill and also on the procurement bill. I hear today all of these experts telling me what is good for America. We had the experts before our Committee on Armed Services before the gentleman from Florida [Mr. Sikes] was entitled by law to come before you. Your experts are your men in uniform, your men who are sworn to die for America, and who take an oath to stand for America. They have been begging for this system day in and day out, year in and year out before many so-called experts got to this House or to the Pentagon.

Mr. Chairman, I remember Guam. I remember Guam before I came to Congress, and this was a long time ago.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

The Chair recognizes the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I yield to the distinguished gentleman from South Carolina.

Mr. RIVERS. Mr. Chairman, at that time Guam was not fortified. Members in the House said, "Do not fortify Guam. The Japs won't touch it." We put a little thin defense there. The Japs came and Guam fell.

We have had McNamara and his cost-effectiveness. If we had not had that, we would now be about our business in building this system, and we would have been in a strong position, as the gentleman from Massachusetts [Mr. Bates] and others have said, to deal with Russia.

Are we crazy? Are we going to study, study, study and never do anything? If we keep on studying, it will lead to slavery.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Indiana.

Mr. HALLECK. I merely want to say that other Members here, if they want to, can vote to leave this country defenseless against this sort of attack. But as far as I am concerned, I am not going to. The defense of our Nation ought to be first in the minds of everybody, and that is for everybody who lives in this country, wherever he lives.

Mr. BROWN of California. Mr. Chairman, I wish to compliment the gentlemen who introduced this amendment. I think it was extremely commendable of them, and I certainly intend to support the amendment.

I have heard many references to Secretary McNamara here and his stand on the matter of the ABM. I do not think it takes a great deal of sophistication to know that Secretary McNamara changed his public views on this question because he was caught in a substantial crunch between the Joint Chiefs of Staff and certain leaders "on the Hill" who wanted him to proceed with this, and he did so. We are caught in the situation where the Joint Chiefs of Staff and those who support them here in the House, whenever they come with a multimillion-dollar expenditure grounded in so-called national security, consider themselves to be safe from criticism of any sort. I think this day must pass, Mr. Chairman, and I think today is a good day to start.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. Mahon].

Mr. MAHON. Mr. Chairman, this issue has been fought out in this body on a previous occasion and the supporters of this amendment have been hopelessly defeated. In the other body this issue has likewise been fought out in recent weeks, and the supporters of this amendment were, likewise, hopelessly defeated. This is but a repetition of the fight which took place here some time ago.

It would seem to me most unwise to cast aside the recommendations of the authorities who feel that we should begin the deployment of the ABM system.

We have invested about $5 billion in it over a period of about 10 years. We finally reached the position that even the skeptical Secretary McNamara decided it was time to move ahead.

I certainly agree that it is time to move ahead.

The President is requesting this program.

The members of the Joint Chiefs of Staff are asking for this program.

The former Secretary of Defense is asking for this program.

The present Secretary of Defense is asking for this program.

The Armed Forces Committees of the House and the Senate are asking for this program.

The Appropriations Committee of this House is asking for this program.

And as said before, both Houses have endorsed this program.

It seems to me that to throw aside all the evidence and the opinion of those who favor going ahead with this program as an essential aid in the defense and security of the United States would be folly of the first magnitude. It would be just unbelievable to cast aside the preponderance of the evidence and adopt the pending motion.

You will recall the discussion that took place between Brutus and Cassius over the growing ambition of Caesar, Cassius speaking to Brutus that familiar line:

> Upon what meat doth this our Caesar feed,
> That he has grown so great?

The minority voices are asking too much when they insist that we follow them. As for the supporters of this amendment, how could they expect the Nation and the Congress, and the people generally of this country, to throw aside the weight of opinion to the contrary and accept the amendment? We cannot accept it.

Further, the effectiveness of this proposed deployment has already paid off. Just a short time after the other body voted to continue the ABM program, the Soviet Union announced it was ready to discuss some type of arms control. It seems to me this is indisputable evidence of the possible value which may grow from this move toward capitalizing upon the work which we have been doing at a cost of some $5 billion.

I have noted carefully the talk about saving lives. It is said that the deployment of this system should save a certain number of lives. We do want to save lives, but the object of this program, my colleagues, is primarily to prevent war. In the event of war, of course, the system is designed to save lives. But if we ever have a nuclear exchange, we are in deadly and desperate trouble. The purpose of this program is to prevent that. It is to prevent the loss of lives and prevent nuclear war.

I urge my colleagues to do what we have already done once this year and vote a resounding defeat to those who are supporting this amendment and let our own people and the people of the world know that we stand firm and ready, not only to have all the offensive weapons we need to build up our offensive strength and to be alert to any offensive moves, but to deploy defensive weapons as well.

Whoever heard of an army or a country that did not look after its defensive requirements? The ABM is an essential and important part in the defense requirements of this Nation.

It is not perfect. Even the trusted musket over the door will misfire or jam at times. Nobody is expecting perfection. What we are hoping for here is that this will be a move toward preventing world war III and the use of nuclear weapons. I certainly urge that this amendment be resoundingly defeated.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. Cohelan].

The question was taken; and on a division (demanded by Mr. Sikes) there were—ayes 37, noes 106.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. SIKES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ULLMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 18785) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. SIKES. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MICHEL. I am in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. MICHEL moves to recommit the bill H.R. 18785 to the Committee on Appropriations.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. RYAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 32, nays 349, not voting 51, as follows:

[Roll. No. 291]

YEAS—32

Adams
Ashley
Bingham
Brown, Calif.
Burton, Calif.
Cohelan
Conyers
Eckhardt
Edwards, Calif.
Farbstein
Fraser
Gilbert
Halpern
Hechler, W. Va.
Helstoski
Kastenmeier
McCarthy
Mathias, Md.
Michel
Morse, Mass.
Mosher
Nedzi
Ottinger
Rees
Reid, N.Y.
Reuss
Rosenthal
Roybal
Ryan
Scheuer
Schneebeli
Skubitz

NAYS—350

Abbitt
Abernethy
Addabbo
Albert
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Arends
Ashbrook
Ashmore
Aspinall
Ayres
Baring
Barrett
Bates
Belcher
Bell
Bennett
Berry
Betts
Bevill
Biester
Boggs
Boland
Bolling
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Mass.
Burleson
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Celler
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conable
Corbett
Cowger
Culver
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Dawson
de la Garza
Delaney
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards, Ala.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Everett
Fallon
Fascell
Feighan
Findley
Fisher
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Gallagher
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gonzalez
Goodling
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gude
Gurney
Hagan
Haley
Hall
Halleck
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Hathaway
Hays
Heckler, Mass.
Henderson
Hicks
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karth
Kazen
Kee
Keith
Kelly
King, N.Y.
Kleppe
Kluczynski
Kornegay
Kuykendall
Kyl
Kyros
Landrum
Langen
Latta
Leggett
Lennon
Lloyd
Long, Md.
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mailliard
Marsh
Martin
Mathias, Calif.
Matsunaga
May
Mayne
Meeds
Meskill
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moore
Moorhead
Morgan
Morton
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Podell
Poff
Pollock
Price, Ill.
Price, Tex.
Pryor
Pucinski
Purcell
Quillen
Railsback
Randall
Reid, Ill.
Reifel
Reinecke
Rhodes, Pa.
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roth
Roudebush
Roush
Rumsfeld
Ruppe
St Germain
St. Onge
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schwengel
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Tunney
Udall
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Watkins
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zion
Zwach

NOT VOTING—51

Adair
Anderson, Tenn.
Battin
Blackburn
Blanton
Blatnik
Bolton
Burke, Fla.
Burton, Utah
Conte
Corman
Cramer
Davis, Wis.
Diggs
Dole
Evins, Tenn.
Fino
Flood
Frelinghuysen
Fulton, Tenn.
Goodell
Gray
Gubser
Hansen, Idaho
Hawkins
Hébert
Herlong
Holifield
Holland
Karsten
King, Calif.
Kirwan
Kupferman
Laird
Lipscomb
Long, La.
Lukens
Morris, N. Mex.
Nelsen
Quie
Rarick
Resnick
Rhodes, Ariz.
Schweiker
Steed
Tenzer
Thompson, Ga.
Waggonner
Wampler
Watson

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Kirwan with Mrs. Bolton.
Mr. Hébert with Mr. Rhodes of Arizona.
Mr. Blanton with Mr. Nelsen.
Mr. Anderson of Tennessee with Mr. Battin.
Mr. Kupferman with Mr. Frelinghuysen.
Mr. Evins of Tennessee with Mr. Adair.
Mr. Fulton of Tennessee with Mr. Gubser.
Mr. Waggonner with Mr. Wampler.
Mr. Tenzer with Mr. Fino.
Mr. King of California with Mr. Lipscomb.
Mr. Blatnik with Mr. Quie.
Mr. Long of Louisiana with Mr. Hansen of Idaho.
Mr. Morris of New Mexico with Mr. Davis of Wisconsin.
Mr. Flood with Mr. Laird.
Mr. Holifield with Mr. Burton of Utah.
Hr. Hawkins with Mr. Dole.
Mr. Steed with Mr. Lukens.
Mr. Gray with Mr. Conte.
Mr. Corman with Mr. Burke of Florida.
Mr. Holland with Mr. Thompson of Georgia.
Mr. Diggs with Mr. Schweiker.
Mr. Resnick with Mr. Goodell.
Mr. Rarick with Mr. Cramer.
Mr. Karsten with Mr. Watson.
Mr. Herlong with Mr. Blackburn.

Mr. MOSHER changed his vote from "nay" to "yea."

Mrs. HECKLER of Massachusetts and Mr. KYROS changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION TO FILE REPORT ON S. 3710, OMNIBUS RIVERS AND HARBORS BILL

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a report on S. 3710, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 15387, DISCIPLINARY ACTION AGAINST EMPLOYEES IN THE POSTAL FIELD SERVICE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. DERWINSKI. Mr. Speaker, reserving the right to object, would the gentleman from New York, the chairman of the Committee on Post Office and Civil Service, explain to us the reason why this request seems to be necessary?

Mr. DULSKI. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman.

Mr. DULSKI. Mr. Speaker, the first Senate amendment is directed to the first section of H.R. 15387 as passed by the House.

That House provision gives the Postmaster General specific statutory authority to discipline any postal employee who "assaults, resists, opposes, impedes, intimidates, or interferes with" any other employee in the performance of official duties.

The Senate amendment gives specific statutory authority to discipline any employee who "assaults" another employee engaged in official duties.

This Section of the bill, as amended by the Senate, leaves undisturbed the general authority of the Postmaster General to take appropriate action in the case of any employee who resists, impedes, intimidates, or interferes with any other employee while such other employer is performing official duties.

The chief purpose of the House-passed provision would still be accomplished with its enactment as amended by the Senate.

The general purpose of the second Senate amendment is the same as the purpose of section 6 of H.R. 18663, which has been reported favorably by the House Committee on Post Office and Civil Service.

A full discussion of this purpose is contained in House Report No. 1777, accompanying H.R. 18663.

Section 6 of our committee bill exempted the entire postal establishment from the cutback required by section 201 of the Revenue and Expenditure Control Act of 1968, Public Law 90–364.

The section also requires the Postmaster General to notify the Committees on Post Office and Civil Service of the House of Representatives and the Senate at least 30 days in advance of the issuance of any order to close a post office.

The second Senate amendment provides a slightly more limited exemption from the employment cutback provisions. This amendment exempts all of the postal field service except the regional offices, and also exempts the research and engineering function at postal headquarters from the employment cutback. In other words, the cutback would still apply to the regional offices and to headquarters in Washington except for the research and engineering function.

Although our Post Office and Civil Service Committee has instructed me, as chairman, to take all possible measures to obtain enactment of a complete exemption for the postal service, the exemption provided by the Senate amendments will enable the Post Office Department to continue operations without any major impairment of service.

The Postmaster General has informed me that continuance of the employment cutbacks in the regional offices and in the headquarters—except research and engineering—will alleviate the most critical difficulties faced by the Department under the total cutback provided by the Tax Act.

The amendment, if enacted, will permit critical employment needs in the field service, other than the regional offices, to be met by the Postal Establishment, in order to restore and maintain normal postal service to the public.

Mr. DERWINSKI. Mr. Speaker, further reserving the right to object, I point out to the Members that we face a rather peculiar situation. I voted for the so-called tax increase and expenditure control measure with the understanding that the Congress would abide by it and with the full understanding that this was worked out at the highest levels of the Government and would carry with it the full cooperation of the executive branch of the Government. I want the Members to know what will take place this afternoon.

We should keep in mind that Postmaster General Watson, having just assumed the responsibilities of the office, shouldn't be held personally accountable for the chaotic conditions he inherited. Recognizing the unusual political problems that have beset the Great Society, we should recognize that Mr. Watson has accepted this difficult assignment after Postmaster General Lawrence O'Brien left the sinking ship.

I suggest that the professional bureaucrats in the Post Office Department who are advising Mr. Watson should first be required to take a long overdue look at present manpower assignments in the Department. Such a review might well show that they can work within the restrictions placed on them by the Revenue and Expenditures Control Act, or as it should more properly be called, L.B.J.'s Tax Bill versus the Public.

The management of the postal service has been in disarray for years and no wonder. We have had four Postmasters General in less than 8 years, one of whom was exiled into Foreign Service when he left the Department. The President's Commission on Postal Organization, in its just-published report, cited this as one of the chief problems of the Department.

> For various reasons—

The report states—

> the median tenure of Postmasters General has been short: in this century it has been only 31 months. The lack of continuity of leadership has without question been one of postal management's most serious handicaps.

It is time for a hard look at the struggling postal facilities, the manpower and promotional policies, and above all else, the political machinations in the Post Office Department. If the hard-working clerks, carriers, supervisors, and foremen could depend on promotions based on merit instead of being frustrated at every turn by political interference, the Department would not need the exemption called for in this legislation.

The Postmaster General, in a Los Angeles speech, declared that in addition to the closure of fourth-class post offices, "we will not be able to add new homes and new businesses to delivery routes." And, "eventually Saturday delivery will have to be eliminated."

This announcement is arbitrary and unjustified. The Postmaster General has the historic obligation to extend postal service wherever the situation warrants.

One of the more knowledgeable men in the field of Federal budgets and employment, Senator JOHN J. WILLIAMS of Delaware, said in a Senate speech on July 12, 1968:

> I want the RECORD to show and I want the heads of these agencies to take notice that we are not going to be intimidated in the least by any such threats or blackmail attempts to exclude their agencies from accepting their portion of these cuts. I point out that the Director of the Budget has complete discretionary authority to assign these cuts to those agencies in a manner which will have the least disturbing effect on public service. That authority was given to him on agreement reached between the conferees and the Director of the Budget.
>
> The mandatory reduction in employment does not require the removal or the firing of a single Federal employee. It restricts the Government only to the extent that they can fill only three out of each four normal resignations and retirements until they return to the July 1966 level. There is nothing wrong with returning to the July 1966 level.
>
> I wish to point out that all we did in the bill was to write into the law President Johnson's own Executive order of September 20, 1966. Surely, he must have made that order in good faith.

If, without a shred of justification the Post Office Department is exempted from the employment limitation, then why not the Defense Department, or the Office of Economic Opportunity, or Health, Education, and Welfare, or the Bureau of Indian Affairs?

This is the beginning of a piecemeal assault on the bill you passed, with some arm twisting, a month ago. Therefore, I wish to advise the gentleman from New York that I will object to the unanimous-consent request knowing full well he has been authorized to move the bill to conference.

Mr. DULSKI. Will the gentleman yield further?

Mr. DERWINSKI. Yes. I yield to the gentleman.

Mr. DULSKI. The gentleman from New York also voted for the tax bill. The Post Office and Civil Service Committee never had any hearings on the employee limitations. The House Ways and Means

Committee never had any hearings on the employee limitations before they were adopted by the conferees. It was an agreement made between the conferees. When we voted for the tax bill as brought in by the conferees, we had no possible way to vote on the personnel cutbacks of any agencies such as the Post Office Department.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from North Carolina.

Mr. JONAS. I would like to say that I voted for that bill on the distinct understanding gained from a reading of the bill and what was said on the floor that there was complete flexibility in the administration to impose these cutbacks across agency lines and department lines. There is not a word in the bill which requires the Postmaster General to close post offices or to curtail services. He is engaging in the same scare tactics that Postmasters General have frequently engaged in whenever there is any talk about economy in the Government.

Mr. HAYS. Mr. Speaker, in view of the fact that the gentleman from Illinois is going to object, I demand the regular order.

Mr. JONAS. Mr. Speaker, reserving the right to object——

The SPEAKER. The gentleman from Ohio [Mr. Hays] has demanded the regular order. The regular order is, Is there objection to the request of the gentleman from New York?

Mr. DERWINSKI. Mr. Speaker, in deference to the gentleman from Ohio, I will reserve my right to object.

Mr. JONAS. Mr. Speaker, I reserve the right to object.

The SPEAKER. The regular order has been demanded, and the Chair has no discretion.

Is there objection to the request?

Mr. ASHBROOK. Mr. Speaker, I object.

MOTION OFFERED BY MR. DULSKI

Mr. DULSKI. Mr. Speaker, pursuant to rule XX of the rules of the House and at the direction of the Committee on Post Office and Civil Service, I move to take from the Speaker's table the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The SPEAKER. The Clerk will report the motion which has been offered by the gentleman from New York [Mr. Dulski].

The Clerk read as follows:

> Mr. Dulski moves to take from the Speaker's table the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Michigan will state his parliamentary inquiry.

Mr. GERALD R. FORD. Under this procedure is there opportunity for debate and discussion on the motion?

The SPEAKER. The Chair will state to the gentleman from Michigan in response to his parliamentary inquiry that the gentleman from New York [Mr. Dulski] will have control of the time, which is limited to 1 hour.

Mr. GERALD R. FORD. Under those circumstances, I would hope that the gentleman from New York would yield time to individuals who would like to raise some questions and who would like to discuss the situation.

Will the gentleman from New York yield to Members on this side for that purpose? We have no intent, really, of interfering with the motion. As a matter of fact on our side if we had had an opportunity to discuss the problem under the reservation of objection, we would have withdrawn the reservation of objection and the gentleman from New York could have obtained unanimous consent.

The SPEAKER. The gentleman from New York [Mr. Dulski] is recognized for 1 hour.

Does the gentleman from New York yield any time?

Mr. DULSKI. As to this resolution, it would never become effective unless we had bipartisan support. The gentleman from New York would very definitely yield as much time as is required to the ranking minority member, the gentleman from Pennsylvania [Mr. Corbett]—such time as he requires.

The SPEAKER. The gentleman from New York has control of the 1-hour time.

Mr. DULSKI. Mr. Speaker, I yield 10 minutes to the gentleman from Arizona [Mr. Udall].

Mr. UDALL. Mr. Speaker, the gentleman from New York, the chairman of our committee, has indicated that he is willing to yield a reasonable amount of time to Members on the minority side so we can discuss very clearly what is involved and make a decision on it this afternoon.

Now, here are the basic facts.

Mr. Speaker, let me make it very clear that the motion now pending before the House is simply a motion to send this bill to conference so that the Members will have an opportunity, after the conferees have met and agreed, to vote on this very important issue—curtailment of the service of the Post Office Department.

Mr. Speaker, I know that dozens of my colleagues have made speeches and pronouncements and have denounced the Postmaster General with reference to the cuts in postal service which have been scheduled for this Saturday.

Mr. Speaker, these cuts will be made on Saturday next, unless the House acts.

The other body has already acted by attaching to a previously House-passed bill an amendment which would exempt the Post Office Department from the manpower limitation provisions of the surtax bill. It would not exempt the regional headquarters of the Post Office Department; it would not exempt the departmental headquarters downtown, but will exempt the clerks and the carriers and the people who are actually moving the mail.

Last year in December we said to the American public that we were going to charge all of the mail users another $1 billion in increased rates, and those rates have gone into effect.

What we are saying now to the American people on Saturday is that we have raised your rates, and now we are going to cut your service.

As far as I am concerned, we are not going to do that. I do not believe Congress should do it. I do not believe this ought to be allowed to happen.

It has been said that this is blackmail; that this is some kind of power play to force the Congress to exempt the Post Office Department from these conditions. But I do not see it that way at all.

The Post Office Department cannot control the volume of mail. It is not like some agencies who can turn on and off their workload. The workload of the Post Office Department is determined by 200 million private individuals who decide the number of envelopes they will drop in the post boxes.

This mandatory cutback in the surtax bill says that we will cut back the postal work force to a level of June 1966. Let me tell you what the mail load was in June of 1966. The mail load was 75 billion pieces of mail. By the end of the year it will not be 75 billion—it will be 84 billion. And we are telling the Postmaster General that he is to now process and handle 84 billion pieces of mail with the same force that handled 75 billion pieces of mail.

In the Post Office Department appropriation bill agreed to earlier this year, we told the Postmaster General that to handle increased volume he was entitled to some 20,000 new employees. Now we tell him we are going to cut him 80,000 people over the next 4 years. So it seems to me we must do something about this very serious situation.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. I thank the gentleman for yielding.

Assume all the statements made by the gentleman from Arizona are totally correct, under the conference report involving the tax increase recommended by President Johnson, the spending limitation imposed by the Congress and the Federal employee cutback also included, is not there flexibility Government-wide to take care of this problem that the gentleman presents?

Mr. UDALL. Oh, yes, there is flexibility; but let me tell the gentleman the true facts. Of the 3 million Federal employees, 730,000 are in the Post Office Department. If you do not spread it equally, if you do not exempt these one-fourth of the employees, if, for example, in order to keep the same level of service we have now if we were to say that we were going to give the Post Office Department the same level of employment, this would mean that 80,000 additional employees would have to be cut out of the remaining Federal agencies.

Mr. GERALD R. FORD. Is that not desirable under our current crisis?

Mr. UDALL. I would suggest that there might be places where you could find 80,000 Federal employees you could cut back, but the Senate——

Mr. GERALD R. FORD. Is that not the impact of what the tax compromise told the executive branch to do?

Mr. UDALL. I suppose that was the intent of the bill, but speaking for myself——

Mr. GERALD R. FORD. How did the gentleman vote?

Mr. UDALL. I voted for the surtax bill.

Mr. GERALD R. FORD. Then I assume the gentleman meant that to be the number cut back.

Mr. UDALL. I did not believe it could be done, and I did not believe that when we voted that we have to close our eyes to the congestion in the air and possible danger to air travelers. And I am going to vote to remove the exemption from the FAA air controllers.

Mr. GERALD R. FORD. There is nothing in that compromise that the gentleman and I voted for that said that the FAA and the Post Office Department have to bear the specific burden. We should have some judicious, intelligent and constructive handling of the personnel problem by the executive branch, and in some departments it is possible to make cuts, and in others it is not.

Mr. UDALL. We voted for a meat-ax cut that was to be spread across the board, and we passed the buck downtown to the Director of the Bureau of the Budget.

Mr. GERALD R. FORD. We have to expect he will use intelligence about it.

Mr. UDALL. Certainly we do. And let me tell the gentleman something——

Mr. GERALD R. FORD. Yes?

Mr. UDALL. Our committee, which specializes in the Post Office Department's work, and the Senate committee which knows something about the operations of the Post Office Department, have not had 5 minutes of hearings in the consideration of these cutbacks. If they had come to our committee and said they are going to have to cut back 80,000 employees, we would have told them it could not be done. If they had gone to the other committees and suggested specific cuts, they would have been told the truth about it, but instead this came out of a room over here, a conference committee that put the buck on the people downtown to make the cuts, when we should have accepted our responsibilities ourselves. And I am going to accept our responsibility as a member of the Post Office and Civil Service Committee, to make sure that the postal system is not crippled by the kind of impact this legislation would have.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. CURTIS. As the only member of the tax expenditure conference who did not sign the conference report and as a member who spoke against its adoption on the floor, is this not exactly what I told the House—not only have we not studied this portion of the bill, but I pointed out that the Committee on Ways and Means had not studied the tax portion of the bill.

Some of the chickens are coming back to roost all right. But I will say this to backstop the gentleman from Michigan [Mr. GERALD R. FORD]—the Executive can apply this formula and cut back the personnel where he sees fit. If he thinks the Post Office should be left alone, he can leave the Post Office alone.

Mr. UDALL. The Director of the Bureau of the Budget said he has no intention of exempting anyone. If this act is going to be applied the way the Congress has required him to do it, the Post Office Department is going to bear its share.

The gentleman said that the chickens were coming home to roost—well, we are living right here in the chicken coop and this is where the problem ought to be handled.

Mr. CURTIS. The Director of the Budget was before the Committee on Ways and Means after this came up and I asked him the specific question that the gentleman from Michigan [Mr. GERALD R. FORD] has asked here. I said, You do not have to use a meat ax, across-the-board cut on personnel. You can apply it in a discriminatory way as to where you think the personnel might be cut with the least amount of difficulty. He agreed that the President had that power and, indeed, he does have.

Mr. UDALL. Let me tell you what is going to occur. We are going to exempt the Post Office Department—and then there will be a motion here to exempt the Defense Department. Then there is going to be one up for the air traffic controllers. Then we are going to have one for the doctors and the nurses in the veterans' hospitals because we cannot let the veterans lie there without care. When you get all through, the whole cut for the whole executive department is going to fall on health, education, welfare, and poverty, and some of the program that some of my friends on this side do not want to see cut.

So far as I am concerned we are going to examine and do what we should have done in the first place, and that is give individual attention to these cuts and let us have some consideration and not pass the buck downtown. We keep saying how the executive department takes all the power and Congress gets downgraded, and this is exactly the way it happens, because we do not meet our responsibilities.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. SCOTT. I will say to the gentleman that I voted against this surtax and the proposal to reduce expenditures exactly because I felt we would increase the taxing authority but we would not reduce expenditures.

Now I think all of us want a good postal service. Certainly, I do, serving with the gentleman on the Committee on Post Office and Civil Service. But I would say, it certainly appears that pressure is being put on the Congress, and hitting the people and getting as close to the people as possible on this governmental agency—this is blackmail, pure and simple, against the Congress.

Mr. UDALL. I do not agree with the gentleman.

Mr. TEAGUE of Texas. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. TEAGUE of Texas. I do not want to leave the impression with the House that the Veterans' Administration has not been taken care of or will not be taken care of.

The original plan was to close a number of veterans' hospital beds. But that has been taken care of by another bill that is coming in here on the Veterans' Administration hospitals.

Mr. UDALL. I want to say that the narrow issue before us now is, Shall we go to conference? I think when we come back from conference and see what the conferees propose, if anything, then we can debate this at some further length.

But I would hope that the House would go along with the motion of the distinguished gentleman from New York to send this matter to conference so that at least we can have some vote before Saturday because, if we do not resolve this by Saturday, we are all going to go home to spend a month of our time explaining and answering questions about why the post offices are closed and why the services are curtailed.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. WHITTEN. I voted against the original action, too, because I could see just what was going to happen. If you do not exempt these places where the service demands are greatly increasing, you are going to push all of this back.

May I say again, in this area you have plenty of people to help get relief. But if you keep this group in with the demand for additional services, you are going to push it back where you are going to let your country go to pot just as sure as we are standing here. We can just as well recognize, I think, what we should have recognized at the start. It takes judicious action to bring about these reductions and we should have done it that way at the outset.

I think anybody with any experience here is bound to know we are going to do it and must do it.

Mr. UDALL. I thank the gentleman. Let me just point out one illustration.

The mail volume of this country has increased since June 1966 by an amount equal to the total mail handled in all of France, yet we have said to the Postmaster General, "You have to handle that additional volume with the same number of people that you had in 1966."

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. EDMONDSON. Mr. Speaker, I merely wish to state my wholehearted agreement with the argument of the gentleman from Arizona that the central issue is whether or not we go to conference and whether or not this motion should be agreed to to permit a conference on this important subject. I do not believe that any Member, whether he voted for or against the surtax, should deny the important process of conference on this question. I think the issue must be faced. I hope the motion will be adopted overwhelmingly.

Mr. UDALL. Mr. Speaker, I would urge the chairman to yield some time to the gentleman from Nebraska to permit him to discuss the matter.

Mr. DULSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. Cunningham].

Mr. CUNNINGHAM. Mr. Speaker, I voted against the tax increase bill because I am against increasing the already high taxes. But I also knew that we have adopted many programs, many of which I voted against, but nevertheless they were adopted and are functioning. They must necessarily require personnel. So I felt that I could not support the tax increase bill with the other provisions that were attached thereto.

I knew when the tax bill was up that this very thing would most likely happen. These new programs, even though I voted against many of them, are functioning and they therefore need their personnel. Even though I voted against many of them, they did pass and are established and going and that is a fact of life.

We must now consider the future. There is one service in the Federal Government that is close to the people, and that is the postal service. It is not nearly what it should be. A desirable, happy situation does not now exist so far as the postal service is concerned. I have spoken on this subject, as other members of the committee have, on many occasions. The mail is running out of our ears. So I support the motion of the gentleman from New York to send this bill to conference, because I do think that the Post Office Department is going to have to be left alone or we are going to have chaos in our communications system across the country.

It is true, and I cannot argue against the statements that this cut is being proposed by the Post Office Department because it may be a political gimmick, since the Post Office Department is so close to the people. That may or may not be true so far as political maneuvering is concerned. Nevertheless, we are faced with a bad situation. As a result of this proposed postal service cutback we met in emergency session this morning at 11 o'clock and we voted favorably on the procedure that is before the House at this time. We voted this measure out of our committee unanimously. There was not a dissenting vote, because we want the post office system to at least function at its present level. It is already in bad shape because of the huge volume of mail and a contributing factor is the continual changes in Postmasters General that happen so frequently. One goes one way and one goes another. So we surely do have a bad situation that needs our attention. We must send this bill to conference, agree to the Senate amendments, and relieve the Post Office Department of the burden that will be placed upon them if they are forced to cut their personnel and other services now performed.

So I would urgently urge the House to send the bill to conference today. As I have said, the committee adopted this procedure unanimously this morning in emergency session. I urge the House to go along with the committee. Unfortunately our Post Office Committee was never consulted on this question, and I think we know quite a bit about this problem that faces the Post Office Department which some other committees may not be aware of.

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Missouri.

Mr. ICHORD. As I understand the amendment, which was added in the Senate to H.R. 15387, it does not relieve us or the Executive of the responsibility of finding some way to make the overall cuts in Federal expenditures of $6 billion.

That is, if we exempt the Post Office Department from the provisions of the Revenue and Expenditure Control Act, it does mean we will still have to find some other place to make the $6-billion cut. Is that a correct interpretation?

Mr. CUNNINGHAM. I think that is a correct interpretation; yes, sir.

Mr. CORBETT. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would point out to the House there are one or two other exceptions. The Post Office Department is the only Department of the Government that has no control over its own functions. The users of the mail who dump the letters and the parcels into the Post Office determine the amount of work that will be required by the postal field service to deliver that mail. Consequently, we cannot go to the Post Office and say, "Cut back." What we are saying is to the users of the mail, "Just do not put so much mail into the box."

If we could tell the Postmaster General to cut back his services, to cut back on the amount of work they are doing, then this action would not be necessary; but it is absolutely necessary now, and we have to go to conference and clean up this mess. I hope the House will support this measure.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. DULSKI. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. CUNNINGHAM. Mr. Speaker, may I conclude by saying that just recently the Congress increased the postal rates substantially. I think we would look pretty bad in the eyes of the public to have increased the postal rates and then have a drastic cutback in the postal service. I hope all Members will bear that in mind when the vote is taken on the motion of the gentleman from New York [Mr. Dulski].

Mr. DULSKI. Mr. Speaker, I yield 1 minute for purposes of debate to the distinguished chairman of the Appropriations Committee [Mr. Mahon].

Mr. MAHON. Mr. Speaker, I feel sure the House will overwhelmingly adopt the motion. Certainly I shall support it.

I hope, furthermore, that the Committee on Ways and Means which handled and presented the legislation which contained the personnel ceiling provisions, would bring out a bill providing for such exceptions as are determined necessary to accommodate the minimum requirements.

But this would not at all mean reversing the action of the Congress on other provisions of the tax bill. Such reasonable adjustments as are urgently necessary ought to be made, but the matter should preferably be handled in one package rather than on a piecemeal basis to cover each situation. Many of the agencies do not need relief from the restrictions on filling personnel vacancies, but some do. I urgently appeal to the House to handle it in a package, give the executive branch such adjustments as are deemed necessary, and then stand firm on the decisions made.

Mr. DULSKI. Mr. Speaker, I yield 5 minutes for the purposes of debate to the distinguished member of the Ways and Means Committee, the gentleman from Wisconsin [Mr. Byrnes].

Mr. BYRNES of Wisconsin. Mr. Speaker, I do not rise to oppose this motion. I think it is too bad, frankly, that we have to go through the process of a motion. There was, however, a feeling among many of us that we should have at least some little discussion on the situation that has developed.

When we imposed the personnel limitation, which was part of the tax increase bill, I said at that time that this limitation together with the dollar ceiling was a crude tool, but that if we were going to ask the people to tighten their belts, we had to make the Federal Government itself tighten its belt, and this was about the only tool we had left and at least we ought to use it to the best of our ability.

I hope we will not throw the tool away without using it at all or at least trying it. I think it would be a mistake even though I do not oppose sending this to conference, but I would be disappointed if we would not find some other way out rather than a straight and complete exception of the Post Office Department.

I think the gentleman from Arizona [Mr. Udall] is right, that we will be just getting onto the path of one exclusion after another and I do not think we want to start that process. I do not think this House should labor up the hill, as we did for over a year on our fiscal problems, and then running down the hill the next day by reversing ourselves.

I believe it would be an error.

I must say this: I believe there is no question we have a situation here where the Post Office Department, because it is a sensitive agency, because it is close to the people, because it is a service agency, has used its position first to scare the American people and then to scare the Congress.

Let me show how they are scaring you. What were the headlines? What are all the news stories? What the Post Office Department has been scaring you with is what can happen by 1972, what they might have to do to get back to the 1966 level of personnel by 1972.

Who is talking about 1972? We want

to know the situation today, and in the next 6 months, or in the next 9 months, and what are the problems under the ceiling. But do they give us that? Very little. They want the scare headlines. They want to scare you and they want to scare the American people, and that is why I call it blackmail.

Let me just say this, Mr. Speaker: I believe we are going to have to provide some relief for some of these agencies, particularly the Post Office Department, but let it not be said that there are no relief mechanics at all.

This bill did not originate in the House of Representatives or in the Ways and Means Committee, Mr. Speaker. It was added in the Senate as a Senate amendment. We tried to make the best out of it in the conference committee that we could face with the insistence of the Senate that we keep the Senate amendment. We liberalized the cutback.

If I recall correctly, under the Senate provision an agency could only replace two out of four. We said that was going too far, and that we would make it three out of four.

The committee also said, because there were exemptions of a few agencies and there were no mechanics for taking care of other agencies, that we should have a mechanism so that this application relates not to individual agencies but to the Government as a whole; and the Director of the Bureau of the Budget has the authority to shift openings from one agency to another, so that an agency which is under extreme pressure, and the service to the people would be damaged, can be given help. The Director of the Bureau of the Budget can give the Post Office Department an opportunity to fill more vacancies by transferring them from an agency that does not have the same personnel need.

There are instances today where they know that can be done. If I am not mistaken, they know the NASA personnel is going to be cut back, because we made substantial cuts in that agency. I believe we made substantial cuts in the appropriations for authorized personnel in that agency. There is nothing at all to prevent the Director of the Bureau of the Budget today from transferring some of those vacancies that will exist to the Post Office Department. He can say, "Here you have some additional help." But, oh, no, they want a crisis. They want to make sure that none of these things work. Yes, and when it comes to it, they will want to make sure that the cut in dollars will not work. They just want to spend and spend—yes, and tax and tax.

We gave them the tax increase on the basis of a fiscal crisis but, we insisted in doing so that they had to tighten their belt, Mr. Speaker, and now they are trying to find every way possible to throw the belt away.

Mr. DULSKI. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. WALDIE] for the purpose of debate.

Mr. WALDIE. Mr. Speaker, I am interested in the analogy of the blackmailer that has been brought forth constantly in the debate.

My recollection of first-year law school is that the blackmailer is the one who threatens to disclose, as to the blackmailee, something that the blackmailee has done that was improper, and that the disclosure of that improper conduct would cause him embarrassment, so the blackmailer attempts to extract something from the blackmailee.

Applying that simple definition of the crime of blackmail to the present debate, I assume that those who talk of blackmail are alleging that the administration knows something that Congress did that the public is not aware of, and unless the Congress acts they will disclose that which Congress did that was improper.

I suspect further that those making this allegation are alleging that what the Congress did that was improper was a failure to recognize the situation that would occur in the Post Office Department by our—and I share in that act—improper act of applying a basic cut to all the departments of the Federal Government without living up to our responsibility of telling the administration where it should cut.

That was an improvident act and it would be embarrassing to us if the administration succeeds in revealing to the American public how unwise and how improvident we were. We should not succumb to that blackmail and should admit we were wrong publicly so that the administration does not disclose that. We should admit our past error, which error I share in, by restoring to the Post Office Department the ability to perform the function of Government that is vested in it.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from Virginia.

Mr. SCOTT. Mr. Speaker, I did use that word "blackmail," but it is my intention to define that word to say that the administration is finding a sensitivity in a department which is close to the people and exerting pressure on the Congress to make Congress do what the administration will.

The SPEAKER. The time of the gentleman has expired.

Mr. DULSKI. Mr. Speaker, I yield an additional minute to the gentleman from California.

Mr. WALDIE. Mr. Speaker, just to respond to the gentleman, your definition of "blackmail," of course, then, was loosely that, but your essential conclusion is correct. It was a sensitive agency and it was an erroneous action on our part in not prohibiting this to be done to it. We ought to act to protect the American people against that which the administration says it will do. The best way that we can act in that respect is to vote for this motion.

Mr. SCOTT. Will the gentleman yield further?

Mr. WALDIE. I yield to the gentleman.

Mr. SCOTT. I believe there are many places this could be done that will not affect the people in this way. Perhaps there are places where these cuts could best be made other than in the postal service.

Mr. WALDIE. There may very well be such places.

Mr. SCOTT. This is a personal way of getting back at us.

Mr. WALDIE. There may very well be such places, but it was our responsibility as Members of the legislative branch to set out those areas, and we did not. Now the chickens have come home to roost, and we ought to live with them.

Mr. DULSKI. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. JONAS], a member of the Committee on Appropriations.

Mr. JONAS. Mr. Speaker, I will not take the 5 minutes, I hope. Many of the things that I had planned to say have already been said.

Mr. Speaker, I would especially like to associate myself with the remarks of the distinguished chairman of the Committee on Appropriations and also the remarks of my friend from the Committee on Ways and Means, the gentleman from Wisconsin [Mr. BYRNES].

The gentleman from Texas [Mr. MAHON] is exactly correct when he says that if we start whittling away at the Revenue and Expenditure Control Act of 1968, only just recently enacted, we will not give the executive branch of the Government an opportunity to live up to the mandate imposed on it by the Congress and accepted by the President. There should be a pool of jobs created which could be allocated by the Director of the Bureau of the Budget to take care of sensitive areas that will develop from time to time and which could not have been foreseen.

I understand that a bill was introduced last Friday by a member of the Committee on Ways and Means from the majority side which does exactly that.

I rise to urge the conferees to consider this solution of the problem because I am sure the motion will be agreed to, although I can think of several reasons why it should not be agreed to, not the least of which is that the Senate attached this exception to an innocuous bill which had passed the House, which, while it may be germane, is certainly extraneous. I think we ought to have an opportunity to debate this matter longer than will be available when a conference report is being considered. I think it ought to be debated under a rule which will give Members ample opportunity for debate and which will give Members the opportunity to offer amendments. That is the orderly and the regular way to operate.

Mr. Speaker, I submit that no one will be hurt by following that procedure, even if we cannot take action until September, because there is absolutely no reason which is compelling the Postmaster General to impose any immediate curtailment of mail service.

He has received a directive, along with other department and agency heads, from the Director of the Bureau of the Budget to canvass his Department in an attempt to find out exactly what has to be done. It has been stated on this floor today that there is going to be a sufficient amount of attrition in the Post Office Department to require a curtailment of service, unless all vacancies are filled. But I remind Members that there is complete flexibility in the law and it ought to be used. The Revenue and Expenditure Control Act specifically states that the Director of the Bureau of the Budget may reassign vacancies from one department or agency to another department or agency for the more efficient operation of the Government.

Mr. CAHILL. Mr. Speaker, will the gentleman yield?

Mr. JONAS. I yield to my friend from New Jersey.

Mr. CAHILL. Mr. Speaker, I wonder, as I am sure a great many Members wonder, why the Postmaster General only starts cutting personnel with the man who delivers the mail and why does he always stop giving home service and delivery? Why does he not for example—since Congress is going to stand in adjournment next week—why does he not eliminate the congressional representatives within the Post Office Department and why does he not get rid of the PR men with the Post Office Department? Why does he always start with the man who delivers and serves the mail?

Mr. JONAS. I would say in response to the question propounded by the gentleman from New Jersey [Mr. Cahill] that he would not get any of these headlines by doing that and such actions would not generate the heat from the public which he hopes to generate by threatening to curtail service to postal patrons.

Mr. CAHILL. I would like to point out that—I am sure every Member of this House can point out—abuses that are occurring today and waste in the Post Office Department. It seems to me what we ought to do is to get the post office and the postmasters out of politics and if we do that we would be able to get rid of the personnel which is not doing the job they are supposed to be doing.

Mr. JONAS. I fully concur in the view expressed by the gentleman from New Jersey. The people are entitled to an efficient postal service and the bill in question does not specify that employment in the Post Office Department be reduced. The reduction mandated is a government-wide reduction and the Director of the Bureau of the Budget has the authority to assign vacancies from other departments to the Post Office Department if, after survey, it appears necessary to do so to provide a more efficient postal service.

Mr. DULSKI. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from Michigan [Mrs. Griffiths] for the purpose of debate only.

Mrs. GRIFFITHS. Mr. Speaker, I really am having quite a good time, and I rise to support the motion of the gentleman from New York.

Mr. Speaker, I was the first member of the Committee on Ways and Means who said unequivocally that I would not support the tax bill if a blanket cut were added to it without telling me where that cut was going to occur. I could not believe it when the conferees agreed on the taxes, and on the cut; and then cut service by the limitation of employment. I pointed out on the floor of this House that they were going to have to cut the delivery of mail to the new suburbs and that the Post Office could not operate with this cut in its employees. In my opinion a 7-year-old kid should have known it. I do not understand how it got into the conference report. However, I am happy to see this attempt to amend it—and I support it delightedly and I hope we repeal some of the other cuts which are being implemented. Furthermore, I predict right now where we are going—and anyone who reads the business papers realizes that we are, as a result of the tax and cuts, beginning a downturn in this country and that the whole tax conference report was for too much.

Mr. GERALD R. FORD. Mr. Speaker, will the distinguished gentlewoman yield to me at this time?

Mrs. GRIFFITHS. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Would the limitation in this conference report preclude any department from hiring new employees?

Mrs. GRIFFITHS. No; it would not but it says that you can only fill three out of every four vacancies.

Now the biggest part of the vacancies are in the Post Office Department, and as I understand it the veterans' hospitals. Very shortly they are going to have to close veterans' hospitals while these kids are coming home from Vietnam.

Mr. GERALD R. FORD. Is there any limitation in the hiring of new employees? What precludes the Post Office Department from hiring such employees to meet the crisis that they have?

Mrs. GRIFFITHS. Because they can only fill three out of four vacancies. If four people quit, they can hire three people, but they cannot hire four.

Mr. GERALD R. FORD. Supposing there are other vacancies, so that the problem that the gentlewoman poses does not arise, they can still, under the limitation, go out and hire 50,000 employees.

Mrs. GRIFFITHS. Not unless there are other vacancies.

I might point out to the gentleman that last weekend I counted nine Members of Congress from Michigan on the flight to Michigan. Let me tell you that I seriously hoped that the shortage of control tower people was not going to affect the safety of that plane, or else Michigan would have had half a delegation on this floor today.

Mr. WHITTEN. Mr. Speaker, if the gentlewoman will yield, I believe the law goes further than that, and says you have to continue that until you get back to the 1966 level.

The SPEAKER pro tempore (Mr. Sisk). The time of the gentlewoman from Michigan has expired.

Mr. DULSKI. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Iowa, a member of the committee [Mr. Gross].

Mr. GROSS. I thank the chairman, the gentleman from New York [Mr. Dulski], for yielding me this time. Mr. Speaker, I was one of those who, when the so-called tax package was before the House, asked for a bill of particulars as to where the cuts would be made. I knew that the 10-percent increase in taxes would be levied, but when I insisted on knowing where the spending cuts and personnel reductions would be made, the answer I received was copious gobs of silence. As someone suggested earlier, the chickens are now coming home to roost. The gentleman from Arizona [Mr. Udall] mentioned the air traffic controllers' slowdown. It seems to me more than passing strange that the control tower operators never discovered that they were operating too expeditiously under the regulations governing them before the tax bill, with its manpower controls, was enacted. Suddenly, and overnight, they discovered they were expediting the movement of planes apparently in violation of regulations, the same regulations under which they worked before the tax bill was passed.

What we are seeing here is described by some as blackmail. I do not know exactly how to describe it other than to say that at the least the administration is engaged in old-fashioned political gimmickry in the Post Office Department and in the FAA.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from Arizona since I mentioned his name.

Mr. UDALL. I thank the gentleman for yielding.

The gentleman suggested that he does not know how to describe it. I would like to make a suggestion. I have always been a strong supporter in adult education, and this is going to be the greatest piece of adult education in the country when you consider that there is a tax increase of $10 billion, and there is a $6 billion cut in Federal expenditures, and a reduction in the Federal employment level——

Mr. GROSS. I am glad to hear the gentleman voted against the tax bill.

Mr. UDALL. I voted for it.

Mr. GROSS. Having heard the gentleman make all these points, I am glad to hear he voted against the tax bill.

Mr. UDALL. I voted for it, because I am for adult education.

Mr. GROSS. Let me ask the gentleman this question while he is on his feet:

When was a hearing held before the Post Office and Civil Service Committee, with the Postmaster General in attendance, the same Postmaster General who is now threatening to curtail service? When was a meeting held in the Post Office and Civil Service Committee at which time the Postmaster General was put on record as saying that if exempted from this manpower reduction provision he would improve the mail service or even maintain the present service?

Who here in the House this afternoon can tell us what the position of the Postmaster General is with respect to mail service if given an exemption?

Mr. UDALL. The only thing I can tell the gentleman, and this is illustrative of what I pointed out before, that hearings on these matters have been held before the Committee on Ways and Means. Our Committee on Post Office and Civil Service has jurisdiction over cutting back on postal service. Mr. Watson has testified before the Committee on Ways and Means within the last couple of weeks, but he has not been over to see us because all the bills that have to do with the Revenue Acts go over to the Committee on Ways and Means.

Mr. GROSS. Of course, this move is being made here and now. I support sending the bill to conference, but the move we make here this afternoon ought to be dependent upon whether the Postmaster General, in exchange for the exemption from manpower controls, is going to improve the mail service and at the minimum maintain what we already have. We do not have that assurance from anyone—no assurance whatever here this afternoon—because the committee, I regret to say, has not performed its duty in getting that assurance from the Postmaster General.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. ASHBROOK. I would like to ask the gentleman from Iowa one simple question.

I think many Members stated and probably correctly that the cut would be too deep in the Post Office Department were the current situation to be allowed. But is there not the other extreme—if this passes there will be no cuts whatsoever and the Post Office Department will not make any contribution at all to the belt tightening that we have all said we need and the economies that we have said are necessary.

So it is a question between total cuts or nothing—and there is no middle ground.

Mr. GROSS. There is nothing to assure that the Post Office Department will not be closing offices and curtailing service.

Mr. ASHBROOK. So it is all or nothing with the Post Office Department.

Mr. GROSS. Yes; that is apparently the story.

Mr. Speaker, I voted against the so-called tax package because I was convinced that beyond loading a 10-percent tax increase on the backs of our citizens, the administration would make only gestures toward cutting expenditures $6 billion and reducing by 240,000 the number of Federal payrollers. As the gentleman from Missouri [Mr. CURTIS] points out expenditures for the next fiscal year have been increased, not reduced by any part of $6 billion as promised, and here is the first indication of welshing on the commitment to cut down on the bloated Federal payroll.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include as part of my remarks the minority views relating to this matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MINORITY VIEWS

We should keep in mind, in considering H.R. 18663, that Postmaster General Watson, having just assumed the responsibilities of the office, shouldn't be held personally accountable for the chaotic conditions he inherited. Recognizing the unusual political problems that have beset the Great Society, we should recognize that Mr. Watson has accepted this difficult assignment after Postmaster General Lawrence O'Brien left the sinking ship.

It is no secret that the core of H.R. 18663 in section 6, which would exempt the Postal Establishment from the Federal employment limitation imposed by the Revenue and Expenditure Control Act of 1968.

Notwithstanding the influence of adjournment and campaign fever, the circumstances surrounding committee approval of this legislation are highly unusual. The committee received no official request from the Postmaster General, or any administration official, that the Post Office Department be granted such an exemption. No hearings were held and no testimony was received to justify the action of the committee. At best, we are legislating on press clippings prompted by the propaganda aides of the Postmaster General.

We suggest that the professional bureaucrats in the Post Office Department who are advising Mr. Watson should first be required to take a long overdue look at present manpower assignments in the Department. Such a review might well show that they can work within the restrictions placed on them by the Revenue and Expenditures Control Act, or as it should more properly be called, "LBJ's Tax Bill vs. the Public."

The management of the postal service has been in disarray for years, and no wonder. We have had four Postmasters General in less than 8 years, one of whom was exiled into Foreign Service when he left the Department. The President's Commission on Postal Organization, in its just-published report, cited this as one of the chief problems of the Department.

"For various reasons," the report states, "the median tenure of Postmasters General has been short: in this century it has been only 31 months. The lack of continuity of leadership has without question been one of postal management's most serious handicaps."

It is time for a hard look at the struggling postal facilities, the manpower and promotional policies, and above all else, the political machinations in the Post Office Department. If the hard-working clerks, carriers, supervisors, and foremen could depend on promotions based on merit instead of being frustrated at every turn by political interference, the Department would not need the exemption called for in this legislation.

The Postmaster General, in a Los Angeles speech, declared that in addition to the closure of fourth-class post offices, "we will not be able to add new homes and new businesses to delivery routes." And, "eventually Saturday delivery will have to be eliminated."

This announcement is arbitrary and unjustified. The Postmaster General has the historic obligation to extend postal service wherever the situation warrants.

One of the more knowledgeable men in the field of Federal budgets and employment, Senator John J. Williams of Delaware, said in a Senate speech on July 12, 1968:

"I want the Record to show and I want the heads of these agencies to take notice that we are not going to be intimidated in the least by any such threats or blackmail attempts to exclude their agencies from accepting their portion of these cuts. I point out that the Director of the Budget has complete discretionary authority to assign these cuts to those agencies in a manner which will have the least disturbing effect on the public service. That authority was given to him on agreement reached between the conferees and the Director of the Budget.

"The mandatory reduction in employment does not require the removal or the firing of a single Federal employee. It restricts the Government only to the extent that they can fill only three out of each four normal resignations and retirements until they return to the July 1966 level. There is nothing wrong with returning to the July 1966 level.

"I wish to point out that all we did in the bill was to write into the law President Johnson's own Executive order of September 20, 1966. Surely, he must have made that order in good faith."

Obviously, the language contained in section 6 of H.R. 18663 is the opening of Pandora's box. If, without a shred of justification the Post Office Department is exempted from the employment limitation, then why not the Defense Department, or the Office of Economic Opportunity, or Health, Education, and Welfare, or the Bureau of Indian Affairs?

The strategy of the Department has now become obvious. The Postmaster General has appeared before the Senate Committee on Post Office and Civil Service reiterating publicly his private "pitch" made to the House Ways and Means Committee urging the exemption. We can probably expect the exemption to come back to the House in the form of a Senate amendment to a House bill, and under those circumstances, neither the House Post Office and Civil Service Committee, nor the full House, will have had the opportunity of receiving testimony on this important subject.

As with section 6, the remaining provisions that make up the conglomerate package of H.R. 18663 are without justification.

No committee hearings have been held on any portion of this legislation and no evidence has been gathered to support its passage.

For example, the first three sections of H.R. 18663 are taken from a separate bill introduced on July 16, 1968, in compliance with an official request from the Postmaster General. These sections make changes in postal law governing the adjustment of claims of postmaster and other accountable officers, and certain penalties attached thereto. However, the committee has not heard a single word of testimony regarding these proposed changes.

Section 4 of the bill amends section 1716 of title 18, the criminal codes, to declare as nonmailable such items as metal or plastic bottle caps, jar tops, can lids, opening strips, and similar articles which are not specially wrapped in accordance with regulations prescribed by the Postmaster General, Concomitant with this prohibition is the penalty for violating the prohibition of a $1,000 fine or imprisonment of not more than 1 year.

Again, the committee held no hearings nor did it receive a shred of testimony to justify this amendment.

Section 7 of the bill changes postal law with respect to the establishment of city delivery service. Under present law, the Postmaster General has the permissive authority to establish city delivery service for the free delivery of mail at a place with a population of not less than 10,000 within its corporate limits, or at a post office which produces a gross revenue of $10,000.

Section 7 would rewrite the law so as to give the Postmaster General permissive authority to establish city delivery services only at a first- or second-class post office which produced an equivalent of 250 or more revenue units for the preceding fiscal year.

The question arises as to why an incorporated community of 10,000 is any less important today than it was 10 or 20 years ago, or why third-class post offices, and some second-class offices should be forever foreclosed from providing city delivery service. Perhaps suitable answers would have been presented at committee hearings, but none were held.

In conclusion, this bill can only be summarized as a can of worms, the most controversial part of which was not requested from this committee by the Postmaster General. The bill evidently was approved by a majority of the committee who obtained their information from seances, since no detailed information was ever presented to them. Since the committee has no record on which to base its views, this bill logically should be put to rest for what little time remains in this session of Congress.

H. R. GROSS.
EDWARD J. DERWINSKI.
JAMES A. MCCLURE.

Mr. DULSKI. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. CORBETT] for purposes of debate.

Mr. CORBETT. Mr. Speaker, I just

want to say to the gentleman who has just left the floor that I do not believe this motion provides us with an all or nothing alternative.

As the conferees meet you will have the Senate position of no cuts. The House has no position whatever. So theoretically the conferees can saw it in half or make it 80 percent or whatnot.

Mr. DULSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. WHITTEN] for purposes of debate.

Mr. WHITTEN. Mr. Speaker, as many of you will remember, last year I offered the successful motion which cut expenditures back to the preceding year's level, with certain exceptions where we could see that exceptions had to be made. The other body refused to go along with that.

The Senate finally passed another bill and in conference we worked out the 4 and 10 provision, or formula, where we would cut expenditures by $4 billion and obligations by $10 billion.

But in that bill we tied those cuts to appropriations that had been made by the Congress after full hearings. We made exceptions in those areas where it was apparent on its face that we had to make exceptions and that is where the workload was growing; but the reduction in expenditures was firm but sensible. However in order to make the reduction practical, we provided $300 million as a cushion which could be released to meet those unexpected essential needs we perhaps had not anticipated. This was my suggestion.

Anybody can see that with the population of this country growing at the rate of 3 to 4 million people a year, there are some problems which have to be met. We know we must have an increase in number of personnel if we are to treat all alike as to services.

Let me say this to you. A great many cities are greatly affected by whether the Postal Service can meet the need for service in new areas. We have apartments growing up all over the place in most cities, and the occupants are entitled to service, if the rest of the country is. Now if service is cut back, these urban areas will doubtless have enough votes to restore the service; but if rural service is cut back, it is unlikely it will ever be restored.

If the increased need for city services which calls for more personnel is met under the present act which permits the filling of three out of four vacancies until we get back to the 1966 level—then perhaps all the attention to watersheds, rivers and harbor development, and those things which go to protecting our country, now and in the future, will go by the board; and our country will end up like India and China, a wornout land.

I do not know how I can improve on what I said when I voted against this package to start with. I quote from the CONGRESSIONAL RECORD of June 20, 1968, when the so-called "package" was passed:

> I do not have time to say how much I think of the chairman of the committee and other members. It is plenty. But I would say we proved last year that the Appropriations Committee and the Congress can act. I offered the measure which cut appropriations by some $7 billion. It passed this House by a vote of 239 to 164 on October 18. I also supported the measure that later passed. It went to the other body, and they sat on it.
>
> We finally agreed on a measure providing that we could cut across the board. Unfortunately $2.4 billion of our cut went later into increased salary. But that was the fault of Congress, or at least a majority of the Congress. . . .
>
> Mr. Speaker, like many others, I have not been responsible for many of the things which have brought about our present serious financial situation. I have voted against many of the programs, many of the appropriations leading to expenditures and have voted against the recommendations of the Ways and Means Committee on numerous occasions both with regard to tax reductions, the sale of participation certificates where we mortgage our mortgages to have more money to spend, and where we have placed copper in our silver so as to have even more money to spend, which has helped generate inflation.
>
> Notwithstanding this fact of my personal voting record, again I recognize that we face a serious situation—a situation that I feel our Committee on Ways and Means should face up to so far as taxes are concerned and that our Appropriations Committee, of which I am third-ranking member out of 51, should face up to so far as appropriations are concerned. I would mention here that in the bill making appropriations for the Department of Agriculture, which was handled by the subcommittee of which I am chairman, which has already passed, we reduced and the House approved cuts of obligational authority by $1.4 billion and expenditures by some $414 million.
>
> As to the statement that you have to have a commitment, in a package, to get the Appropriations Committee and the House of Representatives to cut expenditures, I would call attention to the fact that in the CONGRESSIONAL RECORD, volume 113, part 22, pages 29315 to 29318, the House of Representatives adopted a motion of which I was the author, reducing expenditures—with certain essential exceptions—back to the preceding year's level. This was adopted by a vote of 239 in favor of the motion with only 164 against it. It was estimated that this motion would save from $6 to $7 billion below that which otherwise would have been available.
>
> It is true, Mr. Speaker, that the other body refused to pass this measure and after repeated conferences with the other body, we finally had to settle for a compromise provision which was adopted by the House by a vote of 247 for and 149 against—Public Law 9218. The effect of this proposal was to require a reduction in civilian department and agency personnel by 2 percent, plus an amount of money equal to 10 percent of the budget request for all other controllable items, and with the exception of the war in Vietnam, Defense Department, interest on the debt, and certain corporations and other activities, the total estimated further reduction was $3 billion—which, added to the $6 billion which the Committee on Appropriations had already sponsored, meant a reduction of $9 billion from the budget last year. This was enacted into law—Public Law 9218.
>
> It is true that due to the fact that a majority of the Congress voted salary raises, a major part of it has been taken up since that time—$2.4 billion; and may I point out that any action the Congress takes today would be subject to future actions by the Congress.
>
> Mr. Speaker, as I explained to my good friend, WILBUR MILLS, chairman of the Ways and Means Committee, we are facing a serious situation. The writers of our Constitution anticipated that we would face such serious situations, but they tried to provide safeguards; and under the stress of the moment, we must not yield and remove the control of the purse strings from the people's branch of the Government—the House of Representatives. This is not necessary, and it is my belief that we will rue the day that we took such step. Remember that of the Members of the other body, only one-third come up any particular election, which leaves two-thirds to sit out the people's branch, or the House of Representatives.
>
> Mr. Speaker, if the resolution of the gentleman from Iowa is adopted we will be following the constitutional processes; we will be, in my opinion, saving the Government.
>
> Following that action the gentleman from Arkansas [Mr. MILLS], chairman of the Ways and Means Committee, can immediately call his committee together to take appropriate action so far as tax needs are concerned.
>
> Immediately, too, the chairman of our Committee on Appropriations, Hon. GEORGE MAHON, could call together the Committee on Appropriations to take such further actions as the circumstances may require, and a resolution somewhat similar to that which I hereby present could be acted upon immediately—and I am sure would be acted upon favorably:
>
> "RESOLUTION
>
> "Whereas the authority and responsibility for intiating appropriation bills which make funds available for expenditure by the Federal Government rests with the Appropriations Committee of the House of Representatives; and
>
> "Whereas the authority and responsibility for recommending to Congress the amount of funds available for expenditure rests with the respective Committees on Appropriations of the House and Senate; and
>
> "Whereas the present fiscal situation is sufficiently serious to justify and virtually require that expenditures be reduced below the 1968 level, excluding trust funds, military costs in Vietnam, interest on the public debt, veterans' benefits and indemnities, and farm price supports; and
>
> "Whereas to surrender such right by the legislative, or people's branch, to the executive branch as proposed in the so-called package deal of tax and spending legislation now before Congress would be to further center control and line-item veto in the executive branch, in violation of the Constitution; and
>
> "Whereas for the Committee on Appropriations to vacate its responsibilities to the Committee on Ways and Means, with its customary procedure of considering legislation under closed rules, under which amendments except when sponsored by the committee are not even in order, would be to abdicate its responsibility and surrender its right and duty to propose and limit appropriations even when necessary: Therefore,
>
> "*The Committee on Appropriations of the House of Representatives hereby resolves*, That to the extent that the sum total of all funds appropriated or authorized for expenditure in fiscal year 1969 in the regular appropriations bills fails to limit expenditures to at least $— billion below budget expenditures for fiscal year 1969, the committee resolves to meet and take such additional action and make such additional recommendations to the Congress as will require further reductions in appropriations as may be required to meet the overall objective of this paragraph."
>
> The reason I know it could be done is that we took such action last year, and it was approved by the House on my motion as I pointed out.
>
> Ladies and gentlemen, this is a century of crisis. This is certainly a decade of crisis. If we want to brush aside the Constitution because there is an outcry against communism, we can do it. If we want to brush aside the Constitution because there is concern about crime in the streets, we can do it. Similarly we can disregard the Constitution in the face of fiscal crisis. But if we ever adopt the the-

ory that in times of crisis the Constitution can be disregarded, I say to you in the 20th century, which is a century of crisis, we will have no Constitution and we will be in trouble.

Mr. GROSS. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. WHITTEN] for purposes of debate only.

Mr. Speaker, if we do not give relief where we must, those large groups such as the postal service will get relief under the overall ceiling; and then out will go all public works, all attention to soil conservation, and all the rest of the programs so essential to our present well-being and to the future of our children.

Of course we must send this bill to conference.

Mr. **DULSKI**. Mr. Speaker, I yield to the distinguished minority leader, the gentleman from Michigan [Mr. FORD].

Mr. **GERALD R. FORD**. Mr. Speaker, I appreciate the gentleman's yielding to me. I shall not use the full 5 minutes. I have agreed that I would yield for an observation or comment by the gentleman from Missouri [Mr. CURTIS]. Then I will take the remainder of my time when he is through.

Mr. **CURTIS**. Mr. Speaker, I thank the minority leader, and I certainly want to thank the graciousness of the gentleman from New York for providing this time.

I think it is very clear that the story is this: The Congress cannot cut without the cooperation of the Executive. Certainly the Executive, when he refused to go along originally with the $6 billion cut and talked about a $4 billion cut, indicated his distaste for it. However, the President did sign this bill. About all we are seeing here today is what happens when an Executive does not want to make something work. I think this is what we all primarily should be keeping in mind, because facing our country is high inflation. It is still with us. It is going up at around a 5-percent rate a year now. Our international balance of payments is still in serious deficit. We have the highest interest rates since the Civil War. This country is in serious fiscal danger. The advice given was to cut expenditures, and even then we probably would have to have a tax increase.

As I pointed out on the floor during the tax increase debate, the fiscal year 1969 would begin within 4 days, namely on July 1 and this Executive was not about to cut $6 billion during his remaining 6 months in office. One month of fiscal 1969 is now about past. Instead of cutting down from a $186 billion to $180 billion level, as required, the expenditure figures given are $188.7 billion, having gone up almost $2.5 billion. What we have is an Executive who has decided to demonstrate to the Congress that Congress is not going to push him around even though he signed the law. He is not about to cooperate and put his country first. This is what our difficulty is, and let us face it.

All right. The facts are there. You can groan on that side, but the facts are inescapable. An Executive that wanted to make this expenditure cut work could make it work.

Mr. **GERALD R. FORD**. Mr. Speaker, as the gentleman from New York, the chairman of the Committee on Post Office and Civil Service knows, I did agree that this matter should go to conference between the House and the Senate, and would have agreed to have it go without having the gentleman make the motion that is now on the floor.

Mr. **DULSKI**. That is correct.

Mr. **GERALD R. FORD**. I think that this problem ought to go to a conference where House and Senate conferees can sit down and perhaps make some adjustments. The conferees, in my opinion, ought to bear in mind that the conference report, which included a tax increase as recommended by the President, contained also a spending limitation of $6 billion and the employment cutback as drafted. The employment cutback did not say that the Post Office Department or the FAA or any other department had to take a particular portion of the employment cutback.

It simply said that the executive branch of the Government over the period of fiscal year 1969 had to go back to the employment level of June 30, 1966. There was no identification, there was no specification of how this cutback departmentwise had to be achieved. I hope the conferees will bear in mind that there is flexibility under the existing law.

Second, I hope the conferees will take into consideration that under the conference report compromise, the Post Office Department can add new employees if they must in order to open up a new post office, or if they have to in order to continue and I hope improve the mail services. Yes, there is flexibility both as to how the cutback shall be handled and how the departments, such as the Post Office—and maybe the FAA, that have a need can actually add employees.

The **SPEAKER**. The time of the gentleman from Michigan has expired.

Mr. **DULSKI**. Mr. Speaker, I yield the gentleman from Michigan 1 additional minute.

Mr. **GERALD R. FORD**. Mr. Speaker, I would just point out that the chairman of the committee, and I hope to the conferees, that these are the matters that must be considered as they sit down to review the Senate version and the House version. There is ample flexibility for the conferees, and these matters are the things that should be considered before a final recommendation is made to the House as a whole.

Mr. Speaker, I thank the gentleman from New York for yielding.

Mr. **DULSKI**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in aswer to the remarks of the distinguished minority leader, I assure the gentleman that the conferees will bear in mind all the factors that are connected with this and come back with a bill that can be passed by the Congress.

Mr. **HAYS**. Mr. Speaker, will the gentleman yield?

Mr. **DULSKI**. I yield to the gentleman from Ohio, for an observation.

Mr. **HAYS**. Mr. Speaker, I would just like to observe that the voting public is fairly sophisticated. I hope conferees will bring back a bill to close a certain post office. There will be pretty wide publicity on who voted how, and people who lose mail service will know how to vote in November. They are not as unsophisticated as they once were.

Mr. **DULSKI**. Mr. Speaker, I yield 5 minutes to the gentleman for Montana [Mr. OLSEN] for purposes of debate.

Mr. **OLSEN**. Mr. Speaker, I thank the gentleman from New York for yielding.

Mr. Speaker, I wanted to make a few observations that are perhaps repetitious, but which bear repetition. The reason the limitation is not flexible at all and that we gave recognition to the Post Office Department is that the Post Office Department has one-fourth of the employees in this country. If the Post Office Department does not carry its share of the cutback by administrative exception then many other agencies are going to have to carry a tremendously increased burden of the cutback.

What has been our history with the Post Office has been that we indeed need an increase in employees. We need an increase in the employees in the Post Office Department, and we always shall need an increase. It will never stop. Unless we get some kind of mechanization that is not in sight now, the need for increase in employment in the Post Office Department will not stop. We will need 15,000 additional employees for next year. The Committee on Appropriations brought in a bill, and we passed it, that provided for the dollars that would permit the Post Office Department to have 15,000 additional employees.

Then what is the allocation of the Post Office Department under the cut for the coming year? It is that the Post Office is being told to cut back 15,000 employees. That is what they will have to do if they are going to have to cut back by 1972 to the employment level of 1966, because that total number is more than 83,000 jobs to be cutback. We will need more than that many new jobs by 1972. We will undoubtedly need 100,000 additional employees in the Post Office Department by 1972, instead of a cutback of 83,000.

Mr. **UDALL**. Mr. Speaker, will the gentleman yield?

Mr. **OLSEN**. I yield to the gentleman from Arizona.

Mr. **UDALL**. This is a very important point. The gentleman knows there are 4 million more places receiving mail service today than in 1966—4 million new homes in subdivisions, 4 million new offices in the buildings, 4 million new places that need postal service.

Instead of getting them new employees, we are suggesting that they cut back by 30,000 employees, on the impact this year.

Mr. **DERWINSKI**. Mr. Speaker, will the gentleman yield?

Mr. **OLSEN**. I yield to the gentleman from Illinois.

Mr. **DERWINSKI**. I merely wish to ask if either of the two gentlemen are aware of any study by the Department as to consolidating present services or making better use of existing personnel? Is this a one-way build up?

Mr. **OLSEN**. I can tell the gentleman they have to account for that sort of program annually to the Subcommittee on Appropriations for the Post Office Department, and they do.

Mr. **DERWINSKI**. But not with our committee?

Mr. OLSEN. Oh, they have with our committee, too. They had to do it when the gentleman from Arizona [Mr. UDALL] who was chairman of the compensation hearings last year.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Arizona.

Mr. UDALL. I wish the gentleman would make one more point clear to the House, because the suggestion was made here that there is no guarantee, if we go to conference and pass something like the Senate provision, that the Postmaster General will restore the cuts and take the action we suggest.

What is the gentleman's understanding on that point?

Mr. OLSEN. My understanding is—and it is an absolutely positive understanding, because all the services that were in the order of cutback have been postponed until August 3—that if this body concurs in the action of the other body all of the threatened curtailment will be restored.

I want to say further that the impact of this curtailment would be felt in the Congress. We will be next to feel it, because there is an election this year. The temporary employees who would be necessary to handle the great volume of election mail in September and October cannot be hired. They could not be hired.

As a matter of fact, we would have a cutback in August and in September and in October and in every month. That is what we would face at election time.

Also, at Christmas time, the temporary employees could not be hired.

What would be the alternative? The alternative would be that regular employees would have to work overtime. If they were not sufficient enough to handle that mail by their overtime, then the mail would be delayed.

The SPEAKER. The time of the gentleman from Montana has expired.

Mr. DULSKI. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. OLSEN. I want to say again that all of the threatened curtailment would be restored. I made that inquiry especially because of my situation, having so many rural third- and fourth-class post offices. That was my inquiry, and that was the answer I got, positively.

Mr. DULSKI. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the Postmaster General has no alternative to a reduction in services because of the employment ceiling. He has not threatened blackmail. He has complied with the law. He has announced the steps he will take to fulfill the specific objectives required by the Revenue and Expenditure Control Act. It is the opinion of our committee, which has the legislative responsibility for postal operations, that the postal service should be exempted from the ceiling.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs. DULSKI, HENDERSON, OLSEN, CORBETT, and GROSS.

RESIGNATION AS MEMBER OF COMMITTEE

The SPEAKER laid before the House the following communication which was read:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C. July 26, 1968.

Hon. JOHN W. MCCORMACK,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: As the vital and important initial work of the Committee on Standards of Official Conduct has been completed with hearings conducted, recommendations made, report filed and the Code of Ethics recommended by the Committee adopted by the House, and with the Committee's future work being largely concerned with enforcement of the Code of Ethics, I hereby tender my resignation as a member of the Committee to be effective August 1 next.

Thank you for the honor of giving me the privilege of serving on this committee.

With kindest regards and highest esteem, I am

Sincerely your friend,
JOE L. EVINS,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 16361, ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 16361) to provide additional revenue for the District of Columbia, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? The Chair hears none, and appoints the following conferees: Messrs. McMILLAN, DOWDY, WHITENER, FUQUA, NELSEN, BROYHILL of Virginia, and HARSHA.

PERSONAL ANNOUNCEMENT

Mr. MATHIAS of Maryland. Mr. Speaker, on rollcall No. 285 on July 25, the industrial fund vote, I was necessarily absent. Had I been present, I would have voted "yea."

INCREASE IN 1969 AUTHORIZATION FOR FOOD STAMP PROGRAM

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, and on behalf of the able gentleman from Texas [Mr. YOUNG], I call up House Resolution 1260 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1260

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 18249) to amend the Food Stamp Act of 1964, as amended. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 18249, the Committee on Agriculture shall be discharged from the further consideration of the bill S. 3068, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 18249 as passed by the House.

Mr. PEPPER. Mr. Speaker, I yield all of my time to the able gentleman from Texas [Mr. YOUNG].

Mr. YOUNG. Mr. Speaker, I thank the gentleman from Florida [Mr. PEPPER] for taking my place while I was on the telephone.

Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Nebraska [Mr. MARTIN] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1260 provides an open rule with 1 hour of general debate for consideration of H.R. 18249 to amend the Food Stamp Act of 1964, as amended. The resolution further provides that, after passage of the House bill, the Committee on Agriculture shall be discharged from further consideration of S. 3068 and it shall be in order to move to strike all after the enacting clause of the Senate bill and amend it with the House-passed language.

The food stamp program was devised as an additional means of raising the level of nutrition in economically needy households.

Stamps provide the low-income family with a means of a wider, more varied diet. They incorporate the self-help principle. They utilize the best food distribution system in the world, our commercial marketing complex.

H.R. 18249 is needed to permit orderly growth of the program, and should be expanded and increased to increase further the effectiveness of this program.

Mr. Speaker, I urge the adoption of House Resolution 1260 in order that H.R. 18249 may be considered.

Mr. MARTIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the distinguished gentleman from Texas [Mr. YOUNG] has explained, House Resolution 1260 provides for an open rule with 1 hour of general debate on H.R. 18249, a bill to amend the Food Stamp Act of 1964, as amended.

Mr. Speaker, the bill simply increases the maximum appropriation authority for the fiscal year 1969 from $225 million to $245 million, an increase of $20 million. In addition, Mr. Speaker, there are two amendments to the present law which I feel are very fine amendments and which should be supported as reported out of the Committee on Agriculture.

Mr. Speaker, the committee voted to prohibit the use of food stamps to support participants in voluntary work stoppages or labor disputes. There was also testimony that usage of stamps by college students was being permitted in some jurisdictions.

Mr. Speaker, in view of the original intent and purposes of the food stamp program, the acute need to stretch the funds of the Government to reach as many of the needy as possible and the adequacy of other resources, public and private, if they help students and participants in industrial disagreements, the committee voted to prohibit the use of stamps either to aid education or to aid and support industrial disputes. The amendments were modified so that any person eligible for stamps or not, by virtue of becoming involved in labor dispute or entering an institution of higher learning, without any other change of condition, be disqualified from continuing to obtain necessary nutritional assistance.

Mr. Speaker, I support the rule and I support the bill as reported out of the Committee on Agriculture.

Mr. YOUNG. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole on the State of the Union for the consideration of the bill (H.R. 18249) to amend the Food Stamp Act of 1964, as amended.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 18249, with Mr. Landrum in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. Poage] will be recognized for 30 minutes, and the gentleman from Oklahoma [Mr. Belcher] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. POAGE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, continuing the policy suggested by the Honorable Milo Perkins during the early 1930's, the Committee on Agriculture offers a bill which, if adopted, would serve to further improve the diets of the less fortunates in America. Started once prior to World War II and abandoned, the use of stamps which may be exchanged for groceries is not a new approach to the problems of those persons in need of additional purchasing power to obtain the necessities of life. Regardless of its age, the food stamp program, when used wisely, greatly improves the diets of the participants. We feel this measure properly administered and funded will fill the legitimate needs that exist, and we believe that the bill proposed by the committee would provide for the kind of sound program growth which would avoid a second abandonment of the program.

Contrary to the belief of some persons, the Agriculture Department, and the Agriculture Committee, have been genuinely concerned and involved with the problem of hunger in this country for many years. We have for more than three decades worked, and I feel successfully, at the job of passing legislation which would feed the hungry. Beginning with the distribution by the Red Cross in 1932 of flour and continuing through the end of fiscal 1967, this committee has overseen the administration of relief programs by the Department of Agriculture which have distributed food in an amount totaling $9,295,000,000. At the present these programs account for the feeding of 6.1 million Americans in 2,400 counties. All of this increase in Federal expenditures for domestic feeding has taken place while the national unemployment rate was steadily declining from 6 percent to 4 percent.

Briefly, as background, consider some of our earlier Federal feeding programs, including the beginning of food stamps. It was during the great depression of the 1930's that our Federal Government's feeding programs began. The Red Cross, as mentioned earlier, distributed flour which was milled from wheat purchased and donated to that agency by the old Federal Farm Board. During the early days of the Roosevelt administration, the Federal Government began purchasing commodities and giving them to the States for distribution.

From an initial distribution of food valued at $32 million worth of commodities during fiscal 1936 until the enactment of the school lunch program in fiscal 1946, the food so donated by the Department of Agriculture totaled $512.7 million.

In 1936, the U.S. Comptroller General disputed the authority claimed under section 32. The Congress enacted Public Law 440 which gave clear direction to the Secretary of Agriculture to make such purchases and donations. Using the welfare applications of the section, as broadened by amendment, the Department of Agriculture instituted a food stamp program in 1939.

Then as now eligible persons bought stamps with that portion of their incomes normally expended on food. The stamps that were bought were orange. At the same time of the purchase, the participants received blue stamps which were free. The orange stamps were redeemed at local retail stores for general food products of a greater value than the money for which the stamps were sold. The free blue stamps were redeemed at the stores for foods currently in surplus.

From a rather small beginning in Rochester, N.Y., in 1939, the plan spread to five other experimental areas. By May of 1941, 4 million persons were receiving assistance. By August of 1942, 1,741 counties and 88 cities were included. Declining unemployment during the war years led to termination of the stamp program in 1943.

While the food stamps were getting underway, the Agriculture Department by enactment of Public Law 159 in 1939, received more specific authority for donations of food to low-income groups. Each of the various agriculture acts passed thereafter appropriated sums of money to augment the distribution programs.

The so-called penny milk program started in 1940 allowed schools to purchase milk from local producers for sale to students at a cost of 1 cent per half pint. The schools were reimbursed by the Department of Agriculture. This continued until 1943 when milk became available under the auspices of Public Law 129 through the school lunch program. From that time on more and more foods were utilized in schools and child care other than just surplus.

An attempt to revive the stamp program was made by amending Public Law 480 on the floor in 1959. The permissive 2 year national food stamp plan authorizing the distribution of $250 million worth of food per year to needy persons in the United States was never utilized. The authority expired in January of 1962.

President Kennedy in his economic message to the Congress in February of 1961 announced a directive to the Secretary of Agriculture to initiate a pilot food stamp program under the 1935 act. Because of the imminent expiration of the permissive amendment, precedents established in 1935 under section 32 were used as authority.

The first pilot project was in McDowell County, W. Va. It opened May 25, 1961, and within 1 month seven additional pilot projects were established.

From these meager beginnings, the pilot food stamp program of 49,640 participants has grown until at the end of fiscal 1967 it encompassed 838 areas with 1.8 million participants.

Many of you recall the passage of the Food Stamp Act of 1964. H.R. 10222, the committee bill, was introducted as a result of the hearings involving more than 40 witnesses before our committee.

On the floor seven major amendments were proposed and two of those adopted. Major controversy centered on amendments to require States to pay 50 percent of the value of the free food stamps issued within each State. This amendment failed. The act was passed by a vote of 229 to 189. Afterward, on the same day but not before as some Members have thought, the House passed the wheat-cotton bill.

I would point out to the House that food stamps are not considered partisan now as they were at that time. The recent encampment and the stir in the press and on television about the starvation claimed to exist may have caused many to change their original position on the subject. Mine has not changed, nor has the position of the members of the Agriculture Committee. We still believe in the food stamp program but we also believe in responsible government. We believe this bill to be in that vein.

H.R. 18249 increases the amount authorized to be spent for food stamps from $225,000,000 in fiscal 1969 to $245,000,000. This increase is in keeping with the message of February 28, 1968, from the Secretary of Agriculture, to the Speaker. As was pointed out in the letter, the program had increased by December 1967, to include 1,239 designated areas. The new designations, made from the 1968 fiscal year appropriation of $185 million, were expected to bring total participation to 2,750,000 persons by June 30, 1968. The Secretary felt that the maximum authorized appropriation authority for the fiscal year 1969 would be required, $225 million, to continue a program at the 2,750,000-person level. He felt that a $20 million increase in appropriation authority would be sufficient to move forward in line with the President's recommendations contained in his budget message. Our committee was further advised in this letter that the Bureau of the Budget was in accord with the program of the President. As far as I can determine, that is still the position of the Budget Bureau.

A bill which I introduced, H.R. 15896, was considered by our committee. This bill provided simply for the $20 million increase, in line with the request, nothing more. There were a number of other bills considered, including seven or eight sponsored by the gentlewoman from Missouri and some 100 or more other Members.

In his appearance before the committee last month the Secretary of Agriculture announced his support for the bill as offered by the gentlewoman from Missouri. His explanation was that requests for new areas required substantial additional funding. It was admitted by the Secretary, however, that his new proposal did not have the approval of the Bureau of the Budget and that he did not know whether or not the legislation he had endorsed was consonant with the program of the President.

As a result of the hearings, the committee in its deliberations decided to report the amount of $20 million as the Secretary requested in his original letter.

The bill I introduced did nothing except provide additional funds for the food stamp program. It changed no policies. It related solely to funding and not to philosophy. I recognize that there are many changes which various individuals would like to make but I felt that it was unwise to let the discussion become involved in collateral policy arguments. I, therefore, opposed any amendments in the committee, including those which are now written into the bill.

Two amendments were offered by our friends on the minority side and were approved by a majority of the members of the committee and are now included in the clean bill which is before us. Without taking any position on the merits of the amendments, I would say to the House, as I have said to the committee, that it seems to me to be desirable to keep this issue clear and simply one of additional funding.

I would emphasize to the House that the bill we present, if given an appropriation up to the limit authorized, would result in an increase in funding of almost one-third over fiscal 1968. The amount appropriated for food stamps in 1968 was $185 million; we authorize $245 million for 1969. If the full amount is appropriated, it will increase spending by $60 million. In addition just last week, we provided an additional $45 million of section 32 funds. These are also agricultural funds and they are to be spent in giving more food to certain people.

Food stamps were available to needy persons in 1,027 areas at the time the committee held hearings in June of 1968. Assuming that the administration of the program is handled in such a manner as to obtain the maximum return for each dollar spent, the committee believes that we have provided sufficient authority to meet the needs of the country in this area. We, therefore, request the favorable consideration by the House of H.R. 18249.

Mr. BELCHER. Mr. Chairman, I yield 10 minutes to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I rise in support of H.R. 18249, a bill to increase the appropriation authorization for the food stamp program by $20 million for fiscal year 1969.

I introduced this bill on the first of July at the direction of the House Committee on Agriculture, and it contains two sections.

Section 1 represents the administration's request submitted to the committee in February of this year. It provides for an increase in the food stamp authorization from $225 to $245 million, and is identical to the bill passed earlier this year by the other body and an earlier bill introduced by the chairman of the House Agriculture Committee, the gentleman from Texas [Mr. POAGE].

Section 2 reflects amendments adopted by the Agriculture Committee. The first deals with the eligibility of strikers for participation in the food stamp program. The second deals with students attending institutions of higher learning.

The purpose of these amendments is to keep the program as close as possible to the original intent of the Congress in establishing it as a means of reaching the involuntarily poor.

These two amendments prohibit the use of food stamps either to aid education or to support industrial disputes. They do not, however, prevent students or those engaged in strikes, labor disputes or voluntary work stoppages from participating in the program if they were eligible for and were actually receiving food stamps beforehand.

In adopting these two amendments, the committee took into consideration the original intent and purposes of the food stamp program, the acute need to stretch the funds of Government to reach as many of the needy as possible, and the adequacy of other resources—public and private—to help students and participants in industrial disagreements.

As is pointed out in our committee report, the food stamp program was devised as an additional means of raising the level of nutrition in economically needy households. It was envisioned as an aid to families on welfare; the unemployable, the aged, blind, disabled, and mothers with dependent children. It was designed to serve the persons on small pensions, the unemployed, the underemployed, and the unskilled.

It would be possible, of course, to devise a food stamp program to reduce the cost of food to all Americans, but the expense of such a program would be astronomical, and certainly there is no justification for using public funds to reduce the cost of food to those who are capable of earning enough to buy it. The question, then, becomes one of where to draw the line, and it is up to Congress to keep the guidelines clear. Is the food stamp program to be directed primarily toward the involuntarily poor, or should those who become poor by choice be included as well. I, for one, support the Agriculture Committee's position that the primary purpose of the program should be to meet the needs of those who are involuntarily poor.

In a letter dated February 28 of this year to the Speaker of the House, Secretary of Agriculture Freeman stated that a $20 million "increase in the 1969 appropriation authority is necessary if we are to continue in an orderly way to extend the availability of food assistance to the poor," and that "without an increase in appropriation authority the program could not move forward."

This legislation is designed to meet the need represented by that request, and if it is approved and the full funds are authorized, an increase of $60 million—almost a one-third increase—would be realized in the food stamp program in fiscal year 1969.

Although we are in a period of fiscal crisis, forced to cut back or at least hold the line on most Federal programs, I feel that this increase in authorization is both justifiable and necessary.

The substitute of the gentlelady from Missouri would strike out all after the enacting clause in the commitee bill and extend the program for 3 years beyond June 30, 1969, without any legislative ceiling on expenditures. It also calls for an annual report by the Secretary of Agriculture.

The adoption of the substitute is not desirable in my opinion because:

The committee bill contains a substantial increase in funds for the food stamp program—$20 million plus $40 million additional funds carried in the fiscal year 1969 appropriations bill actually provides $60 million more for the program in fiscal year 1969 than in fiscal year 1968;

The level of spending in the committee bill was recommended by the administration and approved by the Budget Bureau in February 1968;

The substitute would remove any statutory restraint on the level of expenditures for this program which, under the committee bill, would be funded at a rate of nearly a quarter of a billion dollars annually;

The substitute would drastically increase spending beyond levels approved by the administration and the Budget Bureau earlier this year;

The substitute would permit food stamp aid to college students;

The substitute would permit the food stamp program to be used as a subsidy for strikes and labor disputes; and

The substitute was considered in the committee and rejected by a 26-to-4 record vote.

Legislation to establish the food stamp program originally came from the House

Agriculture Committee, and as the program has proven itself, the committee from time to time has recommended legislation to increase its scope and funding authorization. It has been contended that the House Agriculture Committee has been hostile to the food stamp program, but in response to that contention I would just call attention to the fact that the program has steadily been expanded to the point where now more than two and a half million persons are being served in over one thousand counties.

Mr. Chairman, I feel that this legislation merits our support, and I urge my colleagues to approve it as recommended by the House Committee on Agriculture.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, I appreciate the fairness displayed by the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. POAGE] in permitting me to have a portion of the half hour allotted to the majority side for general debate on the pending food stamp legislation. I am not a member of the committee handling the bill; furthermore, for the first time since 1957, a food stamp measure being considered in the House is not a bill carrying my name. Under the circumstances, I do want to express my appreciation for having time allotted to me, and for that I thank the chairman not only for myself but for the 129 other Members of this House who joined me in introducing the legislation which the Committee on Agriculture rejected 26 to 4 before voting out H.R. 18249, the bill now before us.

H.R. 18249 is a completely inadequate bill. It purports to permit some expansion of the food stamp program, but it is my understanding that every cent of additional appropriations it would authorize has already been committed in advance to a limited number of counties scheduled to start the program in the next 2 months. Hundreds of other counties which want the program, and have formally requested it, and are waiting in line for funds to enable them to come into it, will not be able to start food stamping programs during this fiscal year—or even—under the committee bill we are now considering.

No one has been a greater supporter of the food stamp idea since 1957 than the Speaker of the House of Representatives, yet his beloved city of Boston, which wants this program, cannot be admitted to it under the bill we are considering. Most of the members of the New York City delegation have gone down the line on teller votes with me, and voted with me on the rollcall votes, on the food stamp bills since 1957, yet their city could not possibly be admitted to the program under this bill. Springfield, Mass., and Cambridge, Pittsfield, Quincy, Revere, and Dracut, Mass., cannot come in, although they have applied; in Pennsylvania, whose Congressmen have always given the overwhelming majority of their votes to the food stamp program, there are Berks, Delaware, Monroe, Northampton, Butler, Cameron, Centre, Elk, Forest, Warren, Lancaster, and York counties all waiting, patiently, hat in hand, you might say, for the Congress to let them participate in a program which Pennsylvania, probably more than any other State, helped to prove was feasible and provided the votes to get it enacted into law; Alameda and Monterey and Sacramento Counties in California are left out by this committee bill; so are 35 counties in Illinois, all of which had been ready to start this program during this very month if the funds had been available; there are 23 such counties in Michigan, and numerous others in Ohio, South Carolina, Alaska, Louisiana, Iowa, Kentucky, Nebraska, Minnesota, North and South Dakota, Tennessee, North Carolina—read the list in Saturday's CONGRESSIONAL RECORD at pages 22516–22517—hundreds of areas anxious to use this means to help their low-income families obtain good, American-style diets at very little cost to the Federal Government.

But this bill will not help any of those counties or the poor people in them. This measure is not a bill to expand the food stamp program but one which would limit expansion to a comparative few small counties scattered throughout the country.

That is why, when the bill is opened for amendment, I will immediately move to amend it, by offering, as a substitute, the bill sponsored by 130 Members of the House—probably the highest number of sponsors of any bill introduced in the House. And while the Committee on Agriculture saw fit to reject that legislation by a vote of 26 to 4, I think the House itself will reverse that action. I know it will do so if the Members make sure to be present when the teller vote takes place, soon after the end of general debate.

There are three points of view seeking House approval in this debate. One represents the attitude of about a third of the members of the Committee on Agriculture that the food stamp program is the worst idea in the agricultural field ever brought before Congress. A dozen or more members of that committee, who joined enthusiastically in adding silly amendments to this bill, then voted against the bill anyway, even with those amendments. This is what they did last year also, when they tried to gut the program with a requirement that the States shoulder 20 percent of the cost of the stamps. Many of them who were here in 1964 voted then for the 50-percent sharing requirement added by the committee at that time, and then still voted against it in committee even after that amendment was adopted.

Most of the other members of the Committee on Agriculture have a somewhat different view. It is that the food stamp program probably isn't a very good idea, but they need the votes of the urban members on farm legislation, so they might as well vote out some kind of a bill. And that's what they did in this instance.

Finally, there is the viewpoint shared by 130 of us who sponsored H.R. 17721 and its identical companion measures—and also shared by the four members of the Committee on Agriculture who voted for our bill in committee. That viewpoint is that the food stamp program is the best plan we have yet devised for making it possible for all Americans, no matter how poor, to eat properly in a Nation which enjoys such an abundance of food production.

Let me give the Members just one set of comparative figures, and then we can get on to the voting:

The average Federal subsidy to the 2,500,000 persons participating in the food stamp program in nearly 1,100 counties across the country is $6.73 per person per month. Most of the cost of food stamps is paid by the people participating in the program, not by Uncle Sam.

On the other hand, the average cost to the Federal Government of giving out free food to the 3,322,000 persons now getting monthly free handouts of cornmeal, powdered eggs, dried milk, peanut butter, and so on—a shamefully inadequate diet for those who try to live on it—is $11 per month.

In other words, it costs the taxpayers nearly twice as much to dump surplus food handouts on poor people than to let them buy a proper, nutritions diet in the neighborhood grocery store. The participants in the food stamp program pay two-thirds of the cost of their food stamps. Which is the better program? Ask anyone who has tried both.

The answer you will get from the people who have tried both programs will be far different from the answer you get from many of the members of the Committee on Agriculture, who say that the direct handout program is wonderful but that the food stamp program is a terrible burden on the farmer.

How is it a burden on the farmer? Well, their answer seems to be that if we do not have all of these poor people on whom we can dump peanut butter and cornmeal, there may not be sufficient outlet for the farm surpluses we pay to take off the market.

That is as far as they can see.

H.R. 18249 is a 1-year bill, for this year only. If we pass it in this form, we will have to fight this same battle all over again next year, just in order to keep the food stamp program in operation in the areas which now have it. There may not be a farm bill to bargain over next year.

If we adopt my substitute, which provides for a 4-year open-end authorization, the Committee on Agriculture can still go into this program next year, or every week or month for the next 4 years, to recommend changes or amendments. What the committee seems to want is the annual privilege of killing the food stamp program by taking no action at all. All of the members who believe the committee should have the affirmative right to review any program under its jurisdiction, but not kill a good program merely by inaction, will support my substitute amendment, an amendment sponsored by 130 Members, including 10 chairmen of standing committees and four ranking minority members of standing committees.

Certainly the 130 of us who joined in sponsoring the 4-year bill are not rebels against the committee system in the House. We believe in it. But a committee which consistently seeks to destroy a good program which the overwhelming majority of the House supports cannot expect to hold an annual life-and-death power over such a program, nor should it retain the chance to do so. I urge your support for the substitute bill.

Mr. BELCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have never tried to tell any Member of this House of Representatives how to vote and I do not resent for 1 minute the distinguished gentlewoman from Missouri [Mrs. SULLIVAN] trying to amend this particular bill. I have never felt that I had the answer for anyone other than my own vote and my own conscience.

Mr. Chairman, if the majority of the House wants to support the amendment on tomorrow, that will be perfectly all right with me. However, I have felt that I cannot support this amendment and one fact in justifying that position is the fact that I had just voted on a tax bill which called for a $6 billion cut in appropriations.

Mr. Chairman, this bill already has had a built-in additional sum for this year of $40 million. $185 million was spent last year.

Last year, $185 million was spent. Automatically it went to $225 million, but I thought in view of the severe cuts that are going to have to be made in the other appropriation bills that that was as much as we in good conscience could vote toward this particular bill. This bill is moving at a pretty rapid pace, and it is going to continue in my opinion to move at that pace, just like every other program that has started, $185 million, $245 million if the House Committee on Agriculture is sustained, or the Lord only knows how much money if the amendment to be offered by the gentlewoman from Missouri is agreed to by the House.

The Secretary of Agriculture has said that if the amendment to be offered by the gentlewoman from Missouri is sustained, that he will ask for approximately $100 million in place of $20 million. He has further said that to actually put this food-stamp bill in operation throughout the country it will take $1.5 billion.

I feel that a lot of times these programs progress too fast in order to do an efficient job. This program, as I say, is progressing pretty rapidly. I feel that if too much money is poured into the program it will not be as efficiently an operated program as it would be if we look at and eliminate those things that are bad about the program and continue those things which are good.

One of the reasons why the food-stamp plan is catching on is that the Government pays the entire bill. We have tried to put in an amendment that the States would pay part of this bill, feeling that if the States put up part of this money they would be a little more careful as to who they certified. I know State governments, county governments, and local governments well enough to know they are going to shove everything they possibly can onto the food-stamp plan in order to save whatever funds they have for some other program. That is only natural.

We have had cost sharing in almost every program that we have had in the Federal Government, and we feel that where the local people and the Federal Government work in cooperation and in partnership that this results in more efficient operation of the program, and it is for the interest of the local people to see that only the proper people are actually certified for this program.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. I thank the gentleman for yielding, and I had hoped the gentleman would yield just on that point because, while the States do not pay any of the costs of these stamps, they do pay a substantial share of the administrative costs and the people themselves pay for about two-thirds of the cost of the stamps—62 percent of the cost of the food stamps is paid for by the participants.

I want to give you the total cost first for the entire country. The first 9 months of fiscal year 1968, the people who participate paid $226 million of their own money for $368 million worth of stamps. That is 62 percent of the total. In this way, they increased their food purchases by at least $142 million; and that is the $142 million that the Federal Government paid while those other people who are participants paid $226 million of their own money. But every cent of the $368 million legally could be spent only for food and nothing but food.

Mr. BELCHER. The only thing that a person does to participate is that they just use the same amount of money that they now spend for food anyway, and get free stamps for the part that the Government puts in. So I do not see how the gentlewoman can say that a person, because they spend so much money of their own for food, are participating in the food-stamp plan. The food-stamp plan is to supplement what they are already spending. These people, as the gentlewoman says, spent $226 million, and they probably have had to spend $368 million if the Federal Government had not paid for it as part of their grocery bill.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. This is why I have constantly emphasized that it is not a giveaway program. This is a program to give low income people a more adequate diet because they cannot buy the food that is necessary for an adequate diet on the amount of money that they have to spend on food. They could not have spent $368 million of their own money for food—not possibly. Chances are that they wouldn't have spent the $226 million either—but they had to do so in order to get the extra help.

Mr. BELCHER. I do not care how worthy the purpose may be but the Federal Government will be giving $245 million away under the committee bill. Is that not correct?

Mrs. SULLIVAN. That is correct, $245 million worth of food in the grocery stores, for which much, much more than that would have to be spent by the people themselves out of their own money.

Mr. BELCHER. Now you can call that a giveaway or a grant or anything else, but it is $245 million that the Federal Government gives to somebody without absolutely no return from the participants. What would you call it, if it is not a giveaway program?

Mrs. SULLIVAN. It is not a giveaway program because to get something the participants have to give something of their own—a sizable percentage of their income that they can then spend only for food and nothing else.

Mr. BELCHER. They do not have to give anything. They just go down to the grocery store and if they are going to spend $12 for groceries, they will get a certain amount added to that and the stamps will be given to them.

Mrs. SULLIVAN. How do they get the stamps, if I may ask the gentleman?

Mr. BELCHER. They get the stamps simply because the Government pays a part of it and they pay a part of it.

Mrs. SULLIVAN. Well, that is it—they have to pay their share—the amount they are expected to spend for food and nothing else. Many of them pay out more for the stamps then they actually would spend for food; it is a nutrition program.

Mr. BELCHER. If they did not buy the stamps, they would have to buy their groceries.

Mrs. SULLIVAN. That is right—unless they have been "living on the commodities," as they call it, and not buying much food—using their food money for other things. The people we are talking about do not have enough money to buy the groceries and the food necessary for an adequate diet that they need. That is why they qualify for this program.

Mr. BELCHER. But it is a giveaway program. Maybe it is a good giveaway program. Maybe it is the best giveaway program that we have ever devised. But most certainly, you cannot say it is not a Government giveaway program .

Mrs. SULLIVAN. It is a self-help program.

Mr. BELCHER. All right, then; we will say it is a self-help program but nevertheless the Government gives the money.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman.

Mr. MYERS. I wonder if the gentlewoman might have some statistics about the difference in value that the individual puts in. What assurance do you have that they really spend that much extra money? It is not altogether possible that they spend less money now of their own than they spend drinking beer someplace?

Mrs. SULLIVAN. I will let the gentleman read my mail, if the gentleman will kindly yield and if I may just answer him, I would say, of course, people would rather pay nothing because they would much rather spend that money for something different. But I have just cited a figure showing what they do pay out of their own pockets under this program. The criticism has been that too often participants must pay more for food coupons than they would normally have spent for food.

Mr. BELCHER. Under the present operation of the Government and the Department of Agriculture, you only have to pay 50 cents a month for your grocery bill.

Mrs. SULLIVAN. If the gentleman will permit me, I am certain the gentleman knows that these are in extremely poor areas where the people have no money at all.

Mr. BELCHER. All right, but nevertheless they do not have to pay but 50 cents to get the food stamps; is that not correct?

Mrs. SULLIVAN. They have to put up at least 50 cents a month per person or $3 per family, where the family income is less than $20 a month.

Mr. BELCHER. Now let us say that a participant or a person who put up 50 cents was paying for this food-stamp plan given to them by the Department of Agriculture and in addition to that the Secretary of Agriculture is contemplating not charging them anything and sooner or later there will not be a charge to anybody in this program because when it started out, they were going to pay a certain percentage and it has gone down and down and now until it has gotten down to 50 cents per month. Certainly, you cannot claim that a person who puts up 50 cents a month on their grocery bill for participating in a Government program is paying for the program.

Mr. MYERS. Is it not a fact that the Office of Economic Opportunity in some areas puts up the 50 cents and the people do not even put up that much?

Mr. BELCHER. I suppose that is probably true.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentlewoman.

Mrs. SULLIVAN. I will put in the RECORD these percentage figures which show that in the State of Connecticut the participants pay 68 percent of the cost and the Government pays the balance.

In Washington, D.C., the participants pay 60 percent; in New York the participants pay 71 percent; in Vermont 69 percent.

When we get down to the lower income areas—North Carolina—the participants pay 53 percent, that is on the average. South Carolina they pay 40 percent. Georgia they pay 52 percent and in Alabama they pay 44 percent.

Here are the figures for the various States—the average for each State—on the percentage of the cost of the food coupons paid for by the participating families. On the average, the people themselves pay 62 percent of the value of the food stamps. But this varies by States depending on the number of very low-income families participating.

In Mississippi, for instance, the families participating in this program pay only 39 percent of the cost of the stamps and the Federal Government pays the rest, while in Michigan and Illinois the people pay 73 percent and the Federal Government pays only 27 percent.

Nationally, as I said, the Government pays 38 percent and the people participating pay 62 percent. But here is the breakdown by States and regions:

Average percentage of cost of food stamps paid by participants

1. Northeast region (64%):	*Percent*
Connecticut	68
District of Columbia	60
Maine	68
Maryland	60
New Jersey	61
New York	71
Pennsylvania	67
Rhode Island	67
Vermont	69
West Virginia	64

(During the first nine months of the 1968 fiscal year, participants paid $60 million for $93 million worth of coupons.)

2. Southeast region (46%):	*Percent*
Alabama	44
Georgia	52
Kentucky	51
Mississippi	39
North Carolina	53
South Carolina	40
Tennessee	48
Virginia	46

(During the first nine months of the 1968 fiscal year, participants paid $35 million for $75 million worth of coupons.)

3. Midwest region (67%):	*Percent*
Illinois	73
Indiana	65
Iowa	65
Michigan	73
Minnesota	69
Missouri	57
Nebraska	66
North Dakota	48
Ohio	64
* South Dakota	36
Wisconsin	64

* First month's operation only, when stamps are provided to all applicants at half the normal payment requirement.

(During the first nine months of the 1968 fiscal year, participants paid $79 million for $116 million worth of coupons.)

4. Southwest region (53%):	*Percent*
Arkansas	49
Colorado	61
Kansas	68
Louisiana	53
New Mexico	53
Texas	49

(During the first nine months of the 1968 fiscal year, participants paid $19 million for $36 million worth of coupons.)

5. Western region (67%):	*Percent*
Alaska	44
California	69
Hawaii	68
Montana	58
Oregon	67
Utah	68
Washington	65
Wyoming	65

(During the first nine months of the 1968 fiscal year, participants paid $33 million for $48 million worth of coupons.)

Mr. BELCHER. What the gentlewoman is saying there is that they pay 51 percent of their own grocery bill; is that not so?

Mrs. SULLIVAN. No, they pay 51 percent or more of the total amount of money that is spent, by using the stamps, and including their own money.

Mr. BELCHER. That is they pay 51 percent of their own grocery bill and the Government pays 49 percent. There is no other way to figure it because the Government puts up 49 percent and the individual puts up 51 percent, and the individual gets all the groceries; is that not correct?

Mrs. SULLIVAN. That is right. They receive more in food coupons than they spend for the coupons.

Mr. BELCHER. So they pay 51 percent of their grocery bill. Maybe that is a good thing—it may be good for everybody in the United States. You know pretty soon they are all going to be able to qualify on these food-stamp plans and it may be good for the Government to pay the grocery bill of every individual but nevertheless I would call it in the first place, and I want it thoroughly understood that this is a give-away program of the Federal Government and that it is going up from $185 million to $245 million—$100 million extra there and $1,500,000,000 before the program is over.

After a big majority of the Members of the House have voted for the tax bill, and after a big majority of the Members of the House have voted a $6-billion cut in expenditures among all the other agencies, if a majority of this House wants to buy the idea of spending $100 million extra on this particular program, it is all right with me, and I will take my hat off to one of the finest salesmen in this House, the gentlewoman from Missouri, in adding an extra $100 million to this program at the very time when everyone else is getting a cut.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. The gentleman will remember the debate, I believe it was in 1964, shortly after St. Louis first came into this program, changing from direct distribution to the food-stamp program. At that time approximately 50,000 persons were getting free food under the direct distribution program. When we changed over to the food stamps, that number dropped down to about 1,000 persons the first month. Of course, it was made to sound like quite a scandal. It was even used in the debate here. We were asked, "What on earth is wrong with the food-stamp program when you have only 1,000 participants out of 50,000 poor people?" By the time we went into this thing we found that many people did not understand what it was to pay their own money for food; many of them came up with the answer: "Why should I pay for food stamps when I was getting food free?" They were not thinking about what was best for the health of the family, and particularly of the children.

But today, when people understand this program and when they are actually certified—and they are certified as to income eligibility every 3 months—we now have some 23,000 persons participating, compared to the 1,000 the first month we started. This program will expand as more people understand the program and as people continue to have low incomes which are insufficient to enable them to eat properly.

Mr. BELCHER. As far as the American people are concerned, when they find that they can get someone to pay their grocery bills for them, I think you will find that this program will expand a lot faster than you anticipate. The Secretary of Agriculture said he will be able to spend $1.5 billion in a short time. In my opinion it will be several times that $1.5 billion if all the American people find out that they can get somebody to pay for their groceries.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Indiana.

Mr. MYERS. I would like to ask the gentlewoman about a statement in which earlier she charged that in the Committee on Agriculture a couple of silly amendments were offered.

The two amendments that were offered in the committee were those which would prohibit people who were actively engaged in a work stoppage from receiving assistance and those college students going to college from receiving assistance. Do you really think the taxpayers of this country should directly support the college students through the food-stamp program? Do you think you are helping the nutrition of this country, if that is the intent, by giving food stamps to people who are on strike or to various others whose nutrition, you feel, the taxpayers should raise? Is that the purpose and the reason why you call the amendments "silly amendments"?

Mrs. SULLIVAN. I would ask you this question: Are we working on legislation primarily intended to provide benefits for strikers or for "hippies"? That is what the discussion in the committee seemed to indicate. Some of the hippies in some of the areas of the country were getting food stamps because they had no other means of getting food. They would not work. But the program was not introduced primarily for people like that. It is intended for people who have low incomes and not enough food. As for strikers, many times a strike is forced on a person through no fault of his own, and he does not have sufficient money to feed his family. He cannot participate in this program if he has money or assets, stocks and bonds. He cannot have a bank account. He cannot have liquid assets. If he has, and if these assets are above the low maximum amounts, he will not get the stamps.

Mr. MYERS. Why is a recipient prohibited from having those things?

Mrs. SULLIVAN. Why?

Mr. MYERS. You said that he cannot have them. Why can he not have them?

Mrs. SULLIVAN. He does not get the food stamps if he has any significant assets, and he probably has not had the earnings to acquire stocks and bonds and substantial savings, or, if he did, he has to wait until he has used them up before he can get help under this program.

Mr. MYERS. Do not the labor people take care of those people? What about college students?

Mr. BELCHER. Mr. Chairman, I yield no further. I have yielded two-thirds of my time to the gentlewoman from Missouri in the last debate, and I yielded her 10 minutes at the very beginning.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. Yes; I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Chairman, I just would like to say I am going to support the amendment of the gentlewoman from Missouri [Mrs. SULLIVAN] tomorrow, and I would like to have all the Members here, although I would like to say to my colleagues that I would not describe any amendment as silly. It is just a descriptive adjective that has been applied. The gentlewoman from Missouri calls the amendment silly. I would not have voted for the amendments had I been on the committee, because I have lived in an area where I have seen strikes, and I have seen people set on the streets, and I have seen people try to live on sowbelly and beans for months on end—one has to come to an area like that to really appreciate what food stamps have done.

As far as college students, we are willing to give them money to go to college. Maybe there are a few abuses. I am the first to admit probably there have been. But I know from every statistic we have ever seen that when a boy or girl gets out of college, he is a great deal better citizen and he can contribute more to the economy.

I will support the amendment tomorrow, and I hope others do.

Mr. POLLOCK. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Alaska [Mr. POLLOCK].

Mr. POLLOCK. Mr. Chairman, I rise in strong support of the substitute offered by the gentlewoman from Missouri. Mrs. SULLIVAN's substitute will provide authorization for the important food stamp program through fiscal year 1972. The proposed substitute would incorporate the language of seven identical bills, one of which I cosponsored as did 129 other Members of this body, to provide authorization for the appropriation of such sums as may be necessary to fully implement the food stamp program throughout the Nation.

The present bill which was reported by the members of the Agriculture Committee would place a statutory limitation of $245 million for the food stamp program during fiscal year 1969. Yet less than 1 month ago, the Secretary of Agriculture testified that it would take at least $325 million to carry out the program in such a manner as to assure that no truly disadvantaged American suffers malnutrition.

Mr. Chairman, there are now 1,027 counties and independent cities throughout the Nation participating in the food stamp program. At this time there are at least 239 additional areas—areas that have been waiting since last December—awaiting adequate funds to initiate the food stamp program. As of July 1, there were 115 counties which have been fully certified as being capable of implementing an efficient and effective program to meet very real and serious problems of hunger; yet it appears extremely likely that these 115 areas will not participate unless we adopt the so-called Sullivan substitute. In my State of Alaska we have seven such areas—Anchorage, Dillingham, Fairbanks, Juneau, Ketchikan, Nome, and Seward.

Of these seven Alaskan areas, there are a number which have Alaskan natives who live for the most part in isolated villages in conditions of abject poverty which, fortunately, is not duplicated elsewhere in the United States. In 1960, the median annual income for the nonwhite Alaskan family was less than $3,400 and many families do not earn even $1,000 a year. Based upon the assurances of the Secretary of Agriculture late this last spring, the Alaska State Legislature appropriated and spent $50,000 for April, May, and June to prepare to expand the critically needed food stamp program throughout the State. In addition, the Alaska State Legislature appropriated $246 to implement the food stamp program this year. Now we are told that there is not sufficient money to carry out this program for fiscal year 1969.

Mr. Chairman, I commend the gentlewoman from Missouri for her forthright manner in keeping this vital program in proper perspective. I urge adoption of the so-called Sullivan substitute.

Mr. POAGE. Mr. Chairman, I yield 1 minute to the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I rise in support of the proposition presented by the gentlewoman from Missouri [Mrs. SULLIVAN].

I, too, have lived in areas where we have had strikes. As a matter of fact, we had an 8-month-long strike. All of the members of the family did not vote for the strike, nor did all of the male heads of households, head of families, vote for strike. But they were outside the fence, and the mines and mills were shut down, and they all desperately needed the food stamp help. Thank God they had it.

Those poor human beings—I do not know what would have happened to them otherwise because they were outside the fence and were out for 8 months. They were outside for a lot of other reasons than a strike. They were outside the fence because of the cost of copper, and because of the importation of copper. They were in a lockout, as a matter of fact, more than a strike after the strike got going, because imported copper was satisfying the demands of industry.

Mr. BLATNIK. Mr. Chairman, I wish to express my support for the food-stamp bill as amended by Congresswoman SULLIVAN which provides for a 4-year authorization without monetary limitations on appropriations. Her amendment provides for annual congressional reviews prior to each annual appropriation, to assist and guide Congress in its funding decisions.

Congresswoman SULLIVAN's amended food-stamp bill is good because it allows for the adequate time which governing bodies need to smoothly execute the program. The food-stamp program—or any program—cannot operate efficiently if it is constantly being threatened by change. The threat of change is especially harmful to long-range planning.

Mrs. SULLIVAN's amended bill is also good because of the provision for unrestricted funding. How can a program work well if its funds are exhausted? Sufficient funds are vital to a program which involves such as essential commodity as food.

Today, over 1,000 food-stamp projects are operating in 43 States and the District of Columbia. These projects are reaching about 2.5 million persons. These are impressive numbers. They speak for the validity of this program.

Many areas have been designated for

the program and their opening dates are pending. Still more areas have requested that they be included in the program and are anxiously waiting to be designated.

The food-stamp program is a young, vital and growing program. It has been proved, through 7 years, to be a good program. The food-stamp program has been operating in Minnesota since the early days of the program. I am proud that three of the areas chosen to participate in the pilot testing of the program were from my congressional district. As proof of its success in Minnesota, the State welfare agency requested further expansion. As of April, 40 counties were in the program.

According to the April statistics from the Department of Agriculture, over 55,000 persons are receiving the benefits of the food-stamp program in Minnesota. Altogether, these participants receive over $353,000 worth of additional food purchasing power each month. Almost one-third more than they had been spending for food before food stamps.

An article which appeared in a Minnesota newspaper had this to say about the food-stamp program:

> The Food Stamp Program helps farmers by putting food where it belongs, in people's stomachs.
>
> It helps the country by nourishing today boys and girls who'll learn better and faster if they didn't go to school hungry.

A participant wrote a letter lauding the program which reads in part:

> This letter is written to tell you how happy we are because of the Food Stamp Program.
>
> Mealtime is a pleasure now . . . The children are gaining in health and stature. I feel better because of more nourishment and because the tension of providing meals for the family on an inadequate budget has been lifted since the Food Stamp Program started.
>
> I want to thank you for taking the time and effort to relieve this serious problem of the less fortunate citizens.

A retailer in Minnesota expressed a feeling of pride because of his authorization to accept food coupons. He said:

> It's great to be able to help low-income families have a better diet.

The compliments and words of praise do not stop here. But they are indicative of the formidable acceptance the food-stamp program has enjoyed in Minnesota.

We, as a high governing body, have the power to help low-income families raise their nutritional levels. We also have the power to help the administering officials execute the program in an orderly fashion.

The tool which gives us the power to carry these things is Congresswoman SULLIVAN's bill.

Mr. RONAN. Mr. Chairman, I would like to urge the Members of the House to support the amendment to the food stamp bill introduced by Congresswoman SULLIVAN. An amendment which provides for a 4-year authorization with no specific monetary limitation on appropriations.

Food stamps provide the low-income family with the means for a wider, more varied diet—a way to adjust food purchases to the varying needs of the family. It incorporates the desirable self-help principle. It utilizes—rather than competes with—the best food distribution system in the world, our commercial marketing complex.

The food-stamp approach has strong support and appeal among the State and local officials to whom USDA looks to get the food assistance job done. The appeal and support of the program can be a real strength as the Department of Agriculture moves to make the food-stamp program available to all those in need.

The events of the past year have placed new demands upon the food-stamp program—demands that must be taken into account now that future program funding is being discussed and planned.

We cannot develop, fund, or place the food-stamp program into nationwide operation this fiscal year. It is not possible to precisely forecast the maximum possible pace at which the program can expand. Nor can its ultimate cost be predicted. However, we must take the necessary steps to progressively move toward that goal.

The need to eliminate hunger is clear and consistent with the national interest and our standard of value. This certainly should outweigh the uncertainty over the pace at which the food-stamp program can move forward, both from a practical and financial standpoint. No artificial barriers should prevent progress toward that goal. Rather, the urgency of the need dictates development, now, of the best legislative basis under which this country can move toward the kind of stamp program that will meet national need.

The amendment to the food stamp bill requires specific rules for an indepth congressional review prior to each annual appropriation. Therefore, this amendment will assist and guide the Congress in its annual funding decision. The amended bill provides for effective congressional direction, leadership, and program review. It will permit the Congress to make its decision each year in the light of the then-current situation. A 4-year authorization will also remove the uncertainties which the States now face about the future of the program, and will implement the policy of orderly and progressive year-to-year expansion.

Mr. SISK. Mr. Chairman, I rise to announce my support of both the food-stamp program and of the Sullivan bill to provide a 4-year appropriation authorization.

I have closely followed, over the past few years, the efforts of the Department of Agriculture to provide food assistance to needy families under both the commodity distribution and food-stamp programs.

I was especially pleased to learn that one or the other of these programs will be operating in every one of the 1,000 lowest per capita income counties by the end of August. In total, by the end of August, some 2,500 counties and independent cities will have a family food program.

Such a food program should be in every county in the country. With our food abundances, we can settle for nothing less. That is why it is important to put the food-stamp program on a sound legislative basis. If we expect States and localities to respond to the food needs of the poor, we must give them a sound base upon which to formulate their future plans—not year-to-year uncertainty.

If we want these food assistance programs to reach all of those in need of more food, to be effectively and prudently operated—again, the legislative base has to be a sound one.

We all have a stake in these food programs—the city dweller, the suburbanite, the rural nonfarm family, and our farmers. The underconsumption of food by the poor means underdeveloped markets for our farmers.

Better diets for poor families mean more markets for livestock products and feed grains, for fruits and vegetables in all forms, for the whole range of foods produced in this country. And, markets are the base of a viable agricultural economy.

Under the food-stamp program, the extra food for poor families moves through our efficient commercial marketing system. The free stamps mean new dollars in the community, acting as a general stimulus to the local economy.

I appeared before the House Agriculture Committee in support of a general expansion in food stamp authorities. I felt, despite a number of real operating problems, there could be circumstances under which it might be feasible to offer both the commodities and food stamps. I do feel that the approach of the Sullivan bill will not only extend the program but make possible additional program flexibilities and improvements.

The modifications made last July by Secretary Freeman increased food stamp participation by over 20 percent in the areas then in operation. I think this is a clear indication that the food-stamp program has come through its beginning years in good steady condition—with potential for further contribution to both the poor and to agriculture. Additional experience, I am certain, will lead to additional improvements—if the Congress paves the way.

There are scores of counties throughout this country waiting to start the food-stamp program. It is essential that we respond—if we are serious when we express our dismay that there are some hungry or severely malnourished people in this country.

Mr. ROGERS of Colorado. Mr. Chairman, I wish to call the attention of the Members of the House to the necessity that we support the amendment to the food-stamp bill introduced by Congresswoman SULLIVAN. This amendment provides for a 4-year authorization with no specific monetary limitations on appropriations. However, to guide and assist the Congress in making its annual funding decisions, the amendment requires specific rules for an indepth congressional review prior to each annual appropriation. It provides for effective congressional direction, leadership, and program review. And it will permit the Congress to make its decision each year in the light of the then-current situation.

The administrative record of the program is excellent, as has been attested to by Members of this House and the committee. This excellent record has not been attained by slipshod methods, but through intensive and thorough preparation prior to beginning the actual selling of the food coupons.

Such thorough preparation is time consuming, and involves administrative expenses to the States and counties. A bill to provide a 4-year authorization of the program will justify these expenditures. Can the same be said if the program is limited?

The need to eliminate hunger is clear and consistent with the national interest and our standard of values. This certainly should outweigh the uncertainty over the pace at which the food-stamp program can move forward both from a practical and financial standpoint. No artificial barriers should prevent progress toward that goal. Rather, the urgency of the need dictates development, now, of the best legislative basis under which this country can move toward the kind of food-stamp program that will meet the national need.

Mr. GATHINGS. Mr. Chairman, this legislation is sound and meritorious because the food-stamp program has been and is a success. It has worked generally well. There have been instances in which participants have not lived up to the letter and spirit of the act and regulations. The Department of Agriculture and State welfare organizations have moved in swiftly in such situations and brought charges against the offenders. It could be said full well that the plan has been administered capably and efficiently.

The purpose of the program is to aid eligible people in obtaining more nourishing and better foods for their families—to make available to them vast varieties to choose from.

The food stamps are made available through State welfare agencies. The local governmental institutions play a major role in the formulation and administration of the program. For a city or county to apply for authority to establish a food-stamp program, a request is sent to the public welfare agency of the State. It then goes to the Consumer and Marketing Service of the U.S. Department of Agriculture for attention. This branch of the Department considers whether the area embraced in the application is in need of the program and can pay the cost of its administration. The State welfare Department itself makes selection of the people who can buy food stamps. The cost of the stamps to a family is governed by its income and size of the family. The minimum amount of cost is 50 cents per month for each person. Food stamps serve the purpose of money. A person can shop in most grocery stores to obtain his or her food requirements. These stamps cannot be used for the purchase of cigarettes or intoxicating liquors of any description. Neither can they be used for nonfood items such as toothpaste and soap. A community cannot have a food distribution plan and food stamps too. On entering the food-stamp program the food distribution plan must be dropped.

The commodity distribution program now offers a much larger choice of items which are available to welfare clients. Previously the selection was smaller. Principal drawbacks to the commodity system are limited selections; the foods do not always offer balanced diets, and the problem of transportation to and from the warehouse on days of distribution. It has worked hardships on people who have no means of transportation and on the ill and infirm.

The food stamp plan is brought to the communities by channeling purchases through local or neighborhood grocery merchants. It boosts business volume and aids private industry to supply the needs of the people in the particular vicinity.

The growth of the food-stamp movement has been healthy and consistent. Congress has cooperated in its expansion. Here is what has been done: We have appropriated $160 million for this program 2 years ago. A year ago $185 million was provided it. In the current fiscal year $225 million has been made available. The bill we bring to you today increases the available funds by $20 million or to a total of $245 million. It could not be said that the agency has been mistreated. There are those who feel that a faster acceleration is the proper procedure to follow. They propose an open-end type of operation with the Appropriations Committee determining the amount of funds that should be provided.

It cannot be said with validity that representative government has been niggardly in meeting the needs of indigent people in the country. The gentleman from Texas, the chairman of the House Committee on Appropriations [Mr. MAHON] placed tables and pertinent data spelling out the amounts which have been appropriated for needy people. Mr. MAHON's remarks oppeared in the June 20, 1968, CONGRESSIONAL RECORD on pages 18060 and 18061. Here are the figures: Federal aid to the poor through all Federal agencies totaled $9½ billion in 1960; $12½ billion in 1963; $24.6 billion in 1968, and $27.7 billion in fiscal 1969.

That is not just a recognition of a problem. That is concrete evidence of doing something about solving it.

Do these figures indicate dereliction of duty in caring for our unfortunate citizens? To the contrary, they have been receiving lavish treatment at the hands of a compassionate people.

There are jobs aplenty awaiting the takers. The would-be employers are begging for help. "The vineyard is ripe unto the harvest but the workers are few."

Mr. ST GERMAIN. Mr. Chairman, I rise today to voice my strong support of an amendment introduced by the distinguished Representative from Missouri [Mrs. SULLIVAN] which provides for a 4-year authorization of the food-stamp program without specific monetary limitations on appropriations. Included in Mrs. SULLIVAN's amendment are specific rules for an indepth congressional review prior to each annual appropriation thus affording the Congress the opportunity to make its decision each year in the light of the then-current situation.

I consider the amendment offered by the highly esteemed Congresswoman from Missouri to be both reasonable and necessary and fail to see how this body could, in good conscience, reject such a proposal in view of the clearly manifested need for such legislation.

The food-stamp program, which we consider today, is designed to meet the primary need of the poor. It is designed to supplement the diets of low-income families.

For the approximately 19,000 people who participated in the food-stamp program in the State of Rhode Island during the month of April, food stamps meant improved diets and a chance to share in America's abundance of food. In the month of April, food stamp participants in Rhode Island were provided with about $124,000 in bonus stamps. For these low-income families, it has meant more milk, more meat, more poultry, and more fruits and vegetables. These are the foods that make for better diets and improved health.

The food stamp program is supported in Rhode Island because it has proved its worth, and I believe it has proven its worth across our Nation. However, it has not realized the fulfillment of its potentiality in meeting the basic needs of our poor because it has not received the support it needs in terms of adequate authorization from the Congress.

I do not look upon a mere extension of this program for 1 year, as recommended by the House Agriculture Committee, to be either adequate or wise. I opposed a 1-year authorization when we considered this matter last June and I rise in opposition to a mere 1-year authorization again this time around.

What is needed is a firm commitment by the Federal Government to provide assistance to States in building a strong food-stamp program to meet the needs of the Nation's poor. I do not look upon a mere 1-year authorization as being a firm commitment. We must assure the States that adequate funds will be made available in the future to support their efforts to provide the poor with food. We should authorize adequate appropriations for a long enough period so that the States may plan and implement their programs in accordance with the overall needs across the Nation. Sufficient support must be given to generate a program that will embrace all the needy people of our land. We must not settle for anything less.

While I have in the past favored a commitment for a period of 10 years, I feel that in view of the demands for economy in Federal spending, a commitment for a period of 4 years would constitute a firm commitment and, in accordance with Mrs. SULLIVAN's legislation, would afford ample latitude for the Congress to make necessary adjustments in expenditures for this program during that period.

Therefore, I urge all of my colleagues to join me in supporting the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN].

Mr. VAN DEERLIN. Mr. Chairman, the food stamp program is currently helping some 2½ million persons to help themselves. This is a sizable number of people. They reside in more than 1,000 areas in 43 States and the District of Columbia. They are eating better because of food stamps. They also like the program because they can shop almost anywhere they want and buy almost any kind of food. They like the dignity that this program affords them.

In addition to these people, there are many others who have been promised the program. They are waiting for the program to open in their areas. The governing officials of still others areas have submitted their requests for the program to the Department of Agriculture.

Congresswoman SULLIVAN's proposed bill is good because it allows for the adequate time which governing bodies need to smoothly execute a program. This program—or any program—cannot operate efficiently if it is constantly being threatened by change. The threat of change is especially harmful to long-range planning.

The Congresswoman's proposed bill is also good because of this provision for unrestricted funding. How can a program work well if its funds are exhausted? Sufficient funds are so vital to a program which involves such an essential commodity as food.

We, as a high-governing body, have the power to help low-income families raise their nutritional levels. We also have the power to help the administering officials execute the program in an orderly fashion.

The tool which gives us the power to carry out these things is H.R. 18249. Let us pass it.

Mr. GONZALEZ. Mr. Chairman, our responsibility to insure a wholesome supply of food to those who can afford to purchase it is not greater than our responsibility to see that food is available to all who need it.

The problems of hunger—at times, for some poor families—and of malnutrition—for larger numbers of poor families and for longer periods of time—are a present-day fact.

The national need to make a full commitment to eliminate hunger dictates the need for the Congress to authorize a 4-year extension of the food stamp program.

I think it is well that we remind ourselves that the action taken on the bill can have a very personal effect on the day-to-day lives of individual people and families.

Food stamps provide the most practical and efficient way to meet the food problems of poor families. Stamps provide the low-income family with the means for a wide, more varied diet.

The food stamp program is making striking progress and is stepping up its efforts to reach eligible people who are hungry. During the past year major changes were made in the food stamp program. And, it has become clear that the events of the past year have placed new demands upon the food stamp program.

More poor people are coming in to be certified in counties that have the food stamp program, as program provisions are being refined.

More counties want the program and they should have it.

And, more assistance should be provided to those already being reached.

I strongly support a 4-year authorization without specific monetary limitations on appropriations which would require specific rules for an indepth congressional review prior to each annual appropriation. This will permit the Congress to make its funding decision each year in the light of the then-current situation. In addition, a 4-year authorization will remove the uncertainties which the States now face about the future of the food stamp program, and will implement the policy of orderly and progressive year-to-year expansion.

The national need to make a full commitment to eliminate hunger dictates the need for such action.

Mr. VANIK. Mr. Chairman, I am in hearty support of an increase in the 1969 authorization for the food stamp program with the Sullivan substitute amendment which provides for an open-ended, 4-year authorization.

This legislation has been of great help to the urban communities and provides valuable food supplement to families which would otherwise subsist on inadequate diets.

This has been a meaningful program and I certainly support its extension.

Mr. DINGELL. Mr. Chairman, I should like to emphasize my support of Congresswoman SULLIVAN's amendment to the food stamp bill which provides for a 4-year authorization without specific monetary limitations on appropriations. But, to assist and guide the Congress in its annual funding decisions, the amendment requires specific rules for an indepth congressional review prior to each annual appropriation. It will thus permit Congress to make its decision each year in the light of the then-current situation. It will allow the Department of Agriculture and the States to undertake the necessary forward planning that is essential to an effective and prudently administered food stamp program.

The successful implementation of a program of this nature requiring the cooperation of local, State, and Federal governmental bodies cannot be accomplished overnight. State and local governments have major responsibilities for administering this program. They are solely responsible for determining who is eligible to participate, and for the actual issuance of food coupons. In order for them to provide for orderly and well-thought-out expansion, it is essential that they have adequate time to provide the necessary financing, the training of personnel, and the preparation of facilities. We cannot expect them to do this under the uncertainties of a limited program. I, therefore, support a 4-year authorization in order that the food stamp program may continue to grow.

I want to make it completely clear, however, that I want the food stamp program to grow with all possible rapidity to the point where it can provide assistance to all Americans whose diets are inadequate because of insufficient income with which to buy food. The food stamp program must operate in every county in this country and its benefits must be available to every person in this country on the basis of each person's need. To do less than this is to condone malnutrition and even starvation.

The fact of need was graphically pointed up in the recent program, entitled "Hunger in America," carried on the CBS–TV network. I am aware that this program has been attacked as being biased and inaccurate in some aspects. However, the basic point of the program, that is, hunger does exist in the land, cannot be challenged.

We are all fully aware of the fact that the resources are available in the United States to eliminate hunger and starvation domestically. The Congress and the administration have an overriding moral responsibility to meet the problem of hunger and starvation within the country.

Congresswoman SULLIVAN's amendment, which encompasses the terms of legislation of which I am a cosponsor, provides the mechanism by which we can meet our moral responsibility. It should be approved by Congress and it should be implemented by the Department of Agriculture with all possible expedition.

Mr. COHELAN. Mr. Chairman, the food stamp program presently has an authorized ceiling of $225 million. This entire amount has been appropriated by the House this year.

However, the food stamp program cannot be extended to all the counties which have people who need it unless we raise the ceiling. The administration originally asked that the ceiling be raised by $20 million to $245 million. The Agriculture Committee considered this request and has reported out the bill we are now considering to raise the ceiling by $20 million.

However, the committee was also aware of a revised estimate from the Secretary of Agriculture that it would require an increase of $100 million to extend the program to all the needy counties that had requested it.

One hundred and thirty Members of the House, myself included, introduced legislation to raise the ceiling on the food stamp program to whatever was necessary to carry it out wherever it was needed. This bill to provide an unlimited ceiling and to extend the life of the program was rejected by the Agriculture Committee.

Now there is an opportunity to amend the committee bill to remove the ceiling in accordance with the legislation we originally introduced.

The food stamp program provides additional purchasing power for needy families. For many it means the difference between malnutrition and an adequate diet. More specifically, for many it means meat, fresh fruit and vegetables, milk, and enough to eat.

It seems incredible that in this rich country there are millions of people who cannot afford a balanced and adequate diet. But no one who reads the newspapers, or watches television, or who has seen the reports of the Presidential commissions or the Department of Agriculture, can doubt that it is a fact that malnutrition does exist in the United States.

The food stamp program will not by itself, without better education and more informed consumers, assure good nutrition to needy people. But it will certainly go a long way in that direction.

I strongly urge that we adopt the Sullivan amendment and remove the ceiling on the food stamp authorization.

Mr. BELCHER. Mr. Chairman, I reserve the balance of my time.

Mr. POAGE. Mr. Chairman, I yield to the gentleman from Ohio [Mr. FEIGHAN] such time as he may consume.

Mr. FEIGHAN. Mr. Chairman, as a sponsor of the original food stamp legislation, I will support the substitute amendment to be offered by the gentlewoman from Missouri [Mrs. SULLIVAN]. This amendment is identical to my bill.

Such action is necessary primarily for two reasons. First, the appropriations authorization in the committee bill of $245 million for fiscal year 1969 is wholly inadequate. I feel that frugality should be exercised by Congress in light of the prevailing economic situation; however, providing sufficient nutritional requirements for citizens of our country is clearly of such importance that substantial additional funding for this program is necessary.

We must make every effort to abolish the existence of malnutrition in our country. The additional money authorized would be utilized to provide funds for the numerous areas of the country which have already requested the food stamp program, but which cannot get funding because sufficient money is not available. It is grossly inequitable that some counties have the program and others do not. All who desire to participate should be able to do so. Failure to adopt the amendment of the gentlewoman from Missouri will hurt present programs, such as the one in operation in Cleveland, since more areas will be allowed to participate and the money will be spread thinner. It is estimated that without the amendment, the Government may have to reduce its contribution to about $5 a person.

Second, the amendment will provide for open-end authorization for the 3 succeeding years as well as this year. The importance of the program as indicated by its overwhelming success—3 million participants with over 1 million more, if additional money is made available, makes such action necessary to give the food stamp program greater stability.

I urge each of you to support this amendment.

Mr. BELCHER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

H.R. 18249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (a) of section 16 of the Food Stamp Act of 1964, as amended, is amended by deleting the phrase "not in excess of $225,000,000 for the fiscal year ending June 30, 1969;" and inserting in lieu thereof the phrase "not in excess of $245,000,000 for the fiscal year ending June 30, 1969;".

SEC. 2. Section 5(b) of such Act is amended by adding at the end thereof the following: "Notwithstanding any other provision of law, any person who is engaged in a strike, labor dispute, or voluntary work stoppage shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided,* That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to the existence of a strike, labor dispute, or voluntary work stoppage, such person shall not be ineligible for participation in the food stamp program solely as a result of engaging in such strike, labor dispute, or voluntary work stoppage. Notwithstanding any other provision of law, any person who is a student attending an institution of higher learning shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided further,* That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to being enrolled as a student at an institution of higher learning, such person shall not be ineligible for participation in the food stamp program solely as the result of being a student attending an institution of higher learning."

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MRS. SULLIVAN

Mrs. SULLIVAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN: Strike out all after the enacting clause and insert the following:

"That subsection (a) of section 16 of the Food Stamp Act of 1964 is amended (A) by deleting from the first sentence the phrase 'not in excess of $225,000,000 for the fiscal year ending June 30, 1969; and inserting in lieu thereof the following: 'such sums as may be necessary for each of the fiscal years ending June 30, 1969, 1970, 1971, and 1972;' and (B) by adding at the end of the subsection the following sentence: 'On or before January 20 of each year, the Secretary shall submit to Congress a report setting forth operations under this Act during the preceding calendar year and projecting needs for the ensuing calendar year.' "

Mr. POAGE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANDRUM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 18249) to amend the Food Stamp Act of 1964, as amended, had come to no resolution thereon.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill H.R. 18249 and to include therein extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RETIREMENT OF BRIG. GEN. ROBERT F. McDERMOTT, DEAN OF THE FACULTY OF USAF ACADEMY

Mr. FLYNT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FLYNT. Mr. Speaker, this morning, July 29, 1968, Brig. Gen. Robert F. McDermott, USAF, the dean of the faculty of the U.S. Air Force Academy was honored at a retirement ceremony and review. General McDermott will retire after more than 29 years of honorable and distinguished service.

A native of Boston, Mass., he entered the U.S. Military Academy in 1939 and graduated as a second lieutenant, Air Corps, U.S. Army in January 1943. He completed pilot training the same year and during World War II served as a fighter-bomber pilot including service as group operations officer, 474th Fighter Bomber Group, European Theater of Operations. Subsequently, he served as personnel staff officer, Headquarters USAF.

Following World War II he was project officer for schools, Headquarters USAF and in 1948 entered graduate school at the Harvard School of Business Administration.

From 1950 to 1954 he was stationed at the U.S. Military Academy serving as assistant professor of economics, department of social sciences. Some of the courses which he taught included national security and international relations.

As an outstanding officer of the line and with a special aptitude for administration, curriculum and instruction, he was one of the first Air Force officers considered and selected for the initial faculty and staff of the U.S. Air Force Academy.

He has been at and a part of the Academy ever since there has been a U.S. Air Force Academy. He was there when the Academy was in temporary facilities at Lowry Air Force Base, Colo., and moved with, in fact helped move, it to the permanent site near Colorado Springs.

When the Air Force Academy was established in 1954, he was designated professor of economics and vice dean, U.S. Air Force Academy. In 1957 he was appointed as the first permanent professor and in 1959 was appointed by President Eisenhower as the first permanant dean of the faculty and promoted brigadier general, USAF.

His military decorations include the Distinguished Service Medal with Oak Leaf Cluster, the Legion of Merit, Bronze Star Medal, Air Medal with five Oak Leaf Clusters, and the Army Commendation Medal.

In addition to the B.S. degree which he received on graduation from the Military Academy he has subsequently been awarded the degrees of master of business administration, doctor of laws, and doctor of letters.

He was awarded the Air Force Association Hoyt S. Vandenburg Trophy for "outstanding contribution to aerospace progress in the field of education."

He is the author of numerous treatises,

articles, and other documents related to his academic specialties and administration.

He is a highly motivated and completely dedicated individual. He is motivated by his adherence to the highest traditions of the U.S. Air Force and dedicated to its service as well as to the Academy which he has served faithfully and well.

As dean of the faculty of the Academy, he has instituted programs which have included, but have not been limited to, the academic enrichment program, the graduate study program, the development of major courses, and the introduction of new subjects to the curriculum of the Academy.

Under his academic leadership and with the support of every Superintendent of the Academy, the scholastic standards of the U.S. Air Force, in less than 14 years, has taken a rank along with the leading institutions of higher learning when measured by any criteria and yardstick.

He has been honored by his associates and by the cadet corps of the U.S. Military Academy and the cadet wing of the U.S. Air Force Academy. He is respected and recognized by the higher education community as an articulate and effective dean and director of curriculum.

I am grateful to him for his contributions to the development of the Air Force Academy, and I congratulate him on his achievements. I wish him every happiness and success as he leaves active military service.

During my association with the Academy as a member of the Board of Visitors, I have had an opportunity to know General and Mrs. McDermott and their children in a personal as well as an official way. In expressing our appreciation and extending our congratulations to General McDermott, we also express and extend them to Alice and to their children. Each of them has contributed much to the environment and the community of the Air Force Academy.

The Secretary of the Air Force and the Chief of Staff of the Air Force has each succinctly and clearly stated his commendations to General McDermott, and with the permission of each I include the full text of letters from Secretary Harold Brown and Gen. John P. McConnell:

DEPARTMENT OF THE AIR FORCE,
Washington, July 9, 1968.

Brig. Gen. ROBERT F. MCDERMOTT,
Dean of the Faculty, U.S. Air Force Academy, Colo.

DEAR GENERAL MCD: As you approach your retirement from military service, I want you to know how much I appreciate the very important contribution you have made to the United States Air Force through your years of devoted service.

As their retirement draws near, few professional military men are privileged to look back as you can and behold the fine results of their efforts. As Dean at the Academy, you have been personally responsible for the academic system which not only has earned the praise of educators nationwide, but has also proved by its product the soundness of past decisions, decisions for which you were personally responsible. You can view the results of your dedication with pride.

During this final month before your retirement, I want to wish you continued good fortune and happiness as you start your second career. I am sure that success will prevail.

Sincerely,

HAROLD BROWN.

DEPARTMENT OF THE AIR FORCE, OFFICE OF THE CHIEF OF STAFF, U.S. AIR FORCE,
Washington, D.C. July 15, 1968.

Brig. Gen. ROBERT F. MCDERMOTT,
Dean of the Faculty, USAFA,
USAF Academy, Colo.

DEAR BOB: On your departure from active duty I want to join your many friends and associates in expressing our gratitude for your outstanding performance of duty.

I am sure these years of distinguished service to your country will always be a source of great personal satisfaction. As Dean of the Faculty, United States Air Force Academy, you have demonstrated unique qualities as an intellectual leader and military educator. The enviable reputation of the Academy as an educational institution and the high morale of the faculty in large measure can be attributed to your superior direction as an administrator.

Upon retirement you may reflect with pride upon many difficult jobs well done. I am confident that retirement will not diminish your interest in the Air Force.

The Air Staff joins me in extending best wishes for many years of further success and happiness.

Sincerely,

J. P. MCCONNELL,
General, USAF, Chief of Staff.

General McDermott's ability and effective performance have been recognized in the Air Force, the Department of Defense and by the higher education community at large.

His experience as an educator began in 1950 when he was assigned as an instructor in the department of social sciences at West Point under the tutelage of two distinguished educators, Col. Herman Beukema and Col. George A. Lincoln. While serving as assistant professor and director of the courses in economics and personal finance and insurance he wrote two books: "Principles of Insurance and Related Government Benefits for Service Personnel" and "Principles of Personal Finance for Service Personnel"; he edited another book: "Readings in Personal Finance"; and was a contributing author to a fourth book: "Economics of National Security."

His accomplishments from 1950 to 1954 at West Point earned him two promotions, to the grade of colonel, and the following endorsement on his effectiveness report from Col. Herman Beukema, professor and head of the Department of Social Sciences:

> In my 25 years of service at the Military Academy I have had no officer in this Department surpassing Colonel McDermott in quantity and quality of his input, independence and balance of judgment, initiative, devotion to duty, and loyalty to superiors. His future should be brilliant.

It was Colonel Beaukema's recommendation to his West Point classmate Lt. Gen. Hubert R. Harmon that brought Colonel McDermott to work for the first Superintendent of the Air Force Academy at its inception in 1954. Until July 1956 he served as professor and head of the department of economics with additional duties, successively, as vice dean and faculty secretary.

It was during this period that Colonel McDermott introduced the policy of an all-military faculty educated at least to the masters' degree level and the "whole man" selection system for admission to the Academy—a system which gives weighted recognition to the physical, athletic, moral, and leadership attributes of candidates, as well as to their academic potential and registered scholastic achievements. This latter innovation has become standard admissions policy at all service academies and earned Colonel McDermott the award of the Legion of Merit by the Academy's second Superintendent in 1957. For his overall performance during his first 2 years at the Air Force Academy, Colonel McDermott received the following evaluations from his superiors:

> Colonel McDermott has contributed outstandingly to the beginning of the U.S. Air Force Academy. His selfless devotion to duty and untiring efforts have been an inspiration to those associated with him. He has the knack of seeing what to do and gets the job done regardless of the work involved or the way the hands read on the clock. He combined his unusually brilliant mind and capacity for work to produce outstanding results. . . . He is superior general officer material. Among all of the officers I have known, I would place this officer among the most effective five.
>
> Brig. Gen. DON Z. ZIMMERMAN,
> *USAF, Dean of Faculty, USAF Academy.*

> Colonel McDermott is in all respects a topnotch officer and one of extreme value to the Faculty of the Air Force Academy. He is fine looking, dresses well, has a keen sense of humor, and conducts himself with dignity and decorum on all occasions. He possesses, in addition, the highest qualities of loyalty, integrity and leadership.
>
> While Colonel McDermott is a well-rounded Air Force officer, his primary qualification from the point of view of the Air Force Academy is as an educator, in which field he enjoys a fine nation-wide reputation.
>
> Lt. Gen. HUBERT R. HARMON,
> *Superintendent, USAF Academy.*

On the joint recommendation of the Academy's first and second Superintendents, Colonel McDermott was appointed as the acting dean of faculty on August 1, 1956. Successively he was appointed as the Academy's first permanent professor on September 26, 1957, and first permanent dean of the faculty on September 15, 1959. This last appointment was based on the joint recommendations to the second Superintendent, Maj. Gen. James E. Briggs, and the third Superintendent, Maj. Gen. William S. Stone. It carried with it a promotion which made Brigadier General McDermott, then age 39, the youngest flag officer on active duty.

These appointments and promotion were based on solid achievements and innovations which led to many accolades and finally the award of his first Distinguished Service Medal by Maj. Gen. William S. Stone, when he completed his tour as Superintendent in June 1962.

Accomplishments and innovations attributable to General McDermott's leadership during the period 1957–62 include: The introduction of prescribed courses in human physiology, defense policy and astronautics; the conception—pre-Sputnik—and the establishment of the Nation's first undergraduate department of astronautics; the addition of Russian and Chinese to the language options; the development of a program in instructional research; the unprecedented accreditation of the Academy before graduation of its first class in June 1959; the selection and graduate training of an all-military faculty that resulted in this praise from the North Central Association accreditation examiners:

> The faculty is a superior one for the institution's purposes, which are not only to train and educate the cadets but to orient them positively toward a permanent career as Air Force officers.

A record of student achievement acknowledged by the same accreditation examiners in these words:

> There is ample evidence to show that the cadets' performance is much farther above the medians than even their relatively high level of ability would warrant . . . various standardized measures show clearly that standardized achievement, compared to other selected colleges is high, higher indeed than even the relatively excellent abilities of the student body would indicate.

General McDermott's most all-encompassing and far-reaching innovation during this period was the introduction and development of a curriculum enrichment program. This program was at the same time revolutionary and evolutionary—revolutionary in its impact on all service academies and many civilian institutions of higher education; evolutionary in its impact on further curriculum innovations that General McDermott introduced later. As the program existed in 1962, it is best described in General Stone's recommendation for the award of the Distinguished Service Medal to General McDermott:

> A. THE CURRICULUM ENRICHMENT PROGRAM
>
> (1) During this period, General McDermott introduced, developed and implemented the most revolutionary innovation in service academy education in modern times. General McDermott introduced the idea of a curriculum enrichment program designed to challenge each cadet to "advance academically as far and as fast as he can." Taking into account the differences in ability, preparation and interests of entering cadets, General McDermott proposed a program of elective courses for those cadets who had the ability to accelerate, or the preparation to validate courses in the prescribed curriculum, or the ability and interest to take extra elective courses in addition to the normal credit hour load. The enthusiastic response of the cadets to the proposal resulted in adoption of the program by the faculty in 1957. Further developments in subsequent semesters include the offering of majors in international affairs, military management, basic sciences and engineering sciences, as well as graduate level programs in astronautics and international affairs.
>
> (2) The introduction of the curriculum enrichment program at the Air Force Academy was the first major departure from the traditional service academy philosophy that all students should pursue and be limited to a prescribed academic curriculum. Following the success of the Air Force Academy in departing from this philosophy, the other service academies have subsequently adopted similar programs.
>
> (3) It is significant that this program has been emulated by the other academies, but it is equally significant to note that cadets will carry this concept over to their officer careers. The interest in, and enthusiasm for, continuing education as a mark of the professional officer will be of inestimable future value to the Air Force and the nation.
>
> (4) Under General McDermott's guidance, the enrichment concept has been far more than an academic philosophy. More than three-fifths of the cadets have participated each semester in the enrichment program (63% in the fall of 1961) and 80% of the graduates completed additional course work beyond the baccalaureate degree requirements.
>
> (5) The cadets derive more from the enrichment program than the opportunity to develop their intellects to their maximum potential. They are presented with, and have accepted, the challenge of a voluntary self-disciplined pursuit of excellence. The response to this opportunity and challenge is evident in the accomplishments of the most recent graduating class, the Class of 1962; approximately 80% of the 297 graduates completed one or more courses beyond the prescribed curriculum requirements; 35% completed the equivalent of more than one semester of extra work and earned one or more majors; 5% completed the equivalent of two semesters of extra work and earned two majors; one cadet earned three majors.
>
> (6) In developing the enrichment program and in his guidance of total curriculum development, General McDermott anticipated, by several years, many of the new developments in American education.

General McDermott's academic innovations and accomplishments since 1962 have been equally impressive and have earned him further recognition in the award of two honorary degrees and the Air Force Association's Hoyt S. Vandeberg Trophy "for outstanding contributions to aerospace progress in the field of education."

During the period 1962–68 he introduced: a tenure associate professor program designed to keep the Academy's Ph. D. level comparable to that in civilian universities by placing 10 percent of the best qualified faculty members on tenure status in addition to the 21 statutory permanent professors; introduced a sabbatical leave program for all tenured personnel; introduced a summer consultant program to keep faculty members abreast of Air Force problems and developments related to their academic fields; introduced a faculty research program in support of graduate-level teaching and related to Air Force research requirements; introduced a cadet summer research program for those cadets contemplating careers in nonrated fields developed the concept of a core curriculum and academic majors for all graduates—an opportunity previously open only to cadets participating in the enrichment program; attained accreditation of the Academy's five undergraduate engineering majors from the Engineers' Council for Professional Development—another "first" in service academy accomplishments; developed a program to prepare, assist, and select cadets to compete for national and international postgraduate scholarships and fellowships; and arranged cooperative master's degree programs with civilian universities for selected participants in the curriculum enrichment program.

Although the cooperative master's degree innovation had roots in the curriculum enrichment program, it deserves equal billing as a revolutionary development in service academy education, perhaps even more so because it has received some unwarranted criticism. This program began in 1963 as a fallback from an earlier proposal General McDermott had made to award master's degrees at the Academy to selected cadets who could, through the enrichment program, complete the requirements for a baccalaureate degree in 3 years.

When this proposal was turned down by the Department of Defense General McDermott sought arrangements with civilian universities to accept transfer credits for graduate work completed at the Academy, waive the usual 1-year residence requirement, and establish special programs so that graduates could earn master's degrees by the end of the fall semester or winter quarter—within 7 to 8 months after graduation from the Academy.

Starting with the initial programs in astronautics at Purdue University and international relations at Georgetown University the Academy now has a total of six such cooperative programs established with civilian universities. Furthermore, the fears of the critics of the programs that this emphasis on graduate training would detract from cadet motivation for flying have proved to be completely unfounded. Since the inception of the program with the class of 1963, the physically qualified participants have had a significantly higher motivation for flying than their classmates and a still higher success rate in flying training.

Evaluations of General McDermott as an educator have been written by many, both in prophecy and in testimonial. Two of the prophesies were written by his mentors at West Point. Colonel Beukema said simply:

> His future should be brilliant.

Col. George A. Lincoln said:

> I feel that the Air Force Academy will have over the coming years one of the most outstanding leaders, not only in military education but in all of higher education, in Colonel McDermott. This estimate is shared by those of my colleagues at West Point who know him.

In a letter to General Briggs in 1959 Chancellor Chester M. Alter said:

> From every point of view of all of us at the University of Denver we believe Colonel McDermott to be one of the most promising Air Force officers we have had the pleasure of knowing. Aside from this we consider him already an outstanding educational statesman and leader. What he has done in his present position probably has never been done before. A lesser man could not have developed the Academy's academic program to its present high level in such a short time.

The Superintendent of the U.S. Naval Academy, Rear Adm. Draper L. Kauffman, paid this tribute to General McDermott in a letter following a 3-day visit to the Air Force Academy in April 1965:

> I can't tell you how much I admire the job you have done in moving a brand new Academy into the very top ranks of American Universities in such a short time.

The report to the Secretary and the Chief of Staff of the Air Force by the Special Advisory Committee on the U.S. Air Force Academy, dated May 5, 1965, pays indirect tribute to General McDermott in these words:

> On the academic side, the Academy has earned an enviable reputation in the nation's educational community. Educators appearing before the Committee have, without exception, characterized the Academy's progress as extraordinary. One outstanding educator who had numerous contacts with the Academy . . . concluded his testimony by characterizing the Academy's record as a virtual "academic miracle."

Another distinguished educator, Dr. Samuel P. Huntington, professor of government at Harvard University and an advisor to Academy Superintendents since 1962, recently referred to General

McDermott's accomplishments in a letter to the editor of a national magazine as follows:

> For almost 150 years the system of education at the military academies was frozen into the pattern which Sylvanus Thayer set at West Point. Under General McDermott's leadership, the Air Force Academy broke with this pattern, and instituted . . . a diversified course program, majors, an enrichment program, graduate work, and advance standing. These innovations are now being copied by the other service academies. By any standard, General McDermott is one of the leading innovators and statesmen in higher education today.

In July 1968, the Board of Visitors to the Air Force Academy in its report to the President said:

> The Board of Visitors wishes to extend to Brig. Gen. Robert F. McDermott, retiring Dean of the Faculty, its sincerest appreciation for his magnificent efforts over the past thirteen years. As the first Permanent Professor and first permanent Dean of the Academy, General McDermott can truly be called "the father of the curriculum." His innovations, to include the whole-man selection system, the enrichment program, the majors-for-all program, the cooperative masters program, the Tenure Associate Professor concept, and the faculty research program, all attest to his inventiveness, professionalism, and leadership. These innovations are having, and will continue to have, profound and far-reaching effects on the nature and preparedness of our nation's profession of arms. Throughout his tenure, General McDermott has continuously exhibited supreme military professionalism; it can truly be said that he has fulfilled the motto of his own alma mater, West Point, by his demonstrated sense of Duty, Honor, Country.

THE FIRST FLIGHT TO MOSCOW

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, Thomas Vall, publisher and editor of the Cleveland Plain Dealer, makes some interesting observations concerning his airplane trip on the first direct flight from New York to Moscow. Under leave granted, I include three articles published in the Plain Dealer:

The First Flight to Moscow

(By Thomas Vail)

This is the story of a short trip to Russia. The occasion was the inaugural flight of Pan American World Airways marking the first direct air link between the United States and Russia or, in particular, New York and Moscow.

It was a first trip for me to this unusual enigmatic, vast country. I will try to pass on my own impressions and those of experienced Russian experts.

As for the flight itself, it was New York to Moscow via Copenhagen, about seven hours 45 minutes to Copenhagen and another two hours to Moscow. On board were two former American ambassadors to Russia, Charles E. Bohlen, and Foy Kohler, Pan American officials, publishers and government officials many of whom had been in Russia before.

Leaving Copenhagen, a plane must clear Russian air control into the U.S.S.R. Entering point was Riga, Latvia. The pilot announced dramatically that we had clearance to Russian air space from Riga control and we were on our way to Moscow.

As we flew across the plains of Russia from Western Europe, I was amazed at the flatness of the land. It is not too difficult to realize that the Russian fear of invasion from Europe is very real as there is nothing to stop an onrushing army until it reaches the Urals which are beyond Moscow.

The land is green and covered with trees, and at this time of the year has a climate similar to ours but slightly cooler and less humid.

Coming into Moscow airport one is impressed by the lack of air traffic. As we landed at Moscow Airport the usual cluster of officials from the air ministry was on hand and pleasantries were exchanged.

Then into the air terminal for more speeches, coffee and vodka and general agreement among all concerned that the new air link is at least another step forward in understanding between the American and the Russian people.

For our side, our officials made some jokes, too, but there were few smiles from the Russians.

The air terminal, which is three years old, is about the size of a terminal in a middle-sized American city, and the construction work is only fair in quality.

This is one of the outstanding characteristics of Russian construction everywhere. The Russians, according to the Westerners who have lived here, just do not have quality in their buildings, even in the best of them.

The airport ceremony concluded, we got into our cars and buses to ride into Moscow several miles distant.

There are divided, paved highways, less traffic than encountered in most American cities and, enroute, monuments to the men and divisions who stopped the Nazis before Moscow and helped turn the tide of World War II.

Everywhere there are apartments going up, none of them well built. Apparently there are not nearly enough. One hears that the housing situation remains impossible.

Moscow itself differs very little from most well laid out European cities and resembles in many ways most western cities around 1935 before the post-war explosion of steel and glass and other modern forms of construction.

We were housed in Moscow's newest hotel, the Rossia, which, somebody cracked, was Russia's version of the Hilton. While not up to our standards it is apparently a bit advanced for Moscow.

Everywhere we went in Moscow I seemed to be caught between two points of view. One was that in clothing, construction, autos, and entertainment the Russians seem very old fashioned. The illfitting clothes, the jazz music of the 1930's, the medium-sized cars, which look like our autos of the early 1950's and the lack of quality and service as most of us know it in the hotels seem to speak of a nation that has a long way to go to catch up with the United States.

But when one stops to reflect that until 50 years ago Russia was a nation of peasants little removed from the 15th century, a person comes to realize that they are improving all the time and progressing slowly but surely.

The former U.S. ambassadors and publishers and government officials who had been in Russia before all felt that improvements were apparent; particularly that the people are better dressed, that the food which is generally not good is still a bit better, and that there are more products today for the consumer than were available five years ago.

But while the consumer is doing better in Russia and is demanding more, no knowledgeable people say that Russia ever will become a capitalist nation. The opinion of most experts is that as the Russians develop a more consumer-oriented economy and become richer as a nation, changes will be made which will make it easier for us to live with them. But the feeling is that in spite of this Russia will remain a highly controlled Communist dictatorship.

The best minds we talked to also expressed doubt whether tight state control can ever solve the agricultural problem or advance the Russian economy from its present level as quickly as the American economy can advance under free enterprise.

Stated simply, state dictatorship may be good for the first stages of rapid industrialization, but as the economy becomes more sophisticated the effectiveness of centralized control becomes less and less.

Somber Russia Seeks Better Life

(By Thomas Vail)

My first trip to Russia on the Pan American inaugural flight linking New York and Moscow produced many impressions and thoughts about this strange and brooding land which I am trying to pass on to our readers in this second of three columns.

During our trip there were many observations from Russian experts. At the beautiful U.S. embassy residence "Spaso House" Ambassador Llewellyn Thompson confided that Vietnam is definitely the major issue between the United States and Russia and that we will keep hands off Czechoslovakia.

Humorist Art Buchwald, who accompanied us on the trip told his Russian friends that he couldn't accept payment in rubles for his column because he is really a CIA agent and would not want the Russians to know about it, much less pay for it!

Other memories of an historic trip: The daily two or three mile long queue to see Lenin's tomb; a policeman irate because I took his picture; the almost unmarked grave of Joseph Stalin between the Lenin tomb and the Kremlin walls stating simply Stalin's name, birth and death date and no more; a frank exchange of views with staffers of the Russian humor magazine Krokodil (Crocodile). During our discussions with the editors of Krokodil, they were quick to tell us that the old stereotypes of humor no longer apply. For example, the "capitalist" in the tail silk hat and striped pants is just not accepted in Russia anymore. Satire is well understood in Russia as a relief from the boredom of a controlled press and incredibly bleak winters.

The large circulation national newspapers Pravda and Izvestia represent the party and the government respectively. For many years both never ran more than four pages and they are now up to six, still small pages, due to shortages of newsprint. These newspapers are required to print all the party or government material, so the space left for general news is very small. It is extremely difficult to be well informed in Russia; and this is largely the reason for the intellectual ferment under the surface and the satire magazines which supply an outlet for a frustrated citizenry.

Concerning the weather, all Muscovites we talked with were unanimous in the view that the winters are dreary beyond belief. Cold weather starts at the end of September and stays until the end of May with almost constant gray skies, 40 below zero temperatures, and lots of fine grain snow common to such extremely low temperatures. Perhaps this is why alcoholism is a problem in this enormous, monotonous country.

Another reason for the large amount of drinking must have something to do with the way Russian women look. While I do not consider myself an expert on the delightful subject of women, my untrained eye found it very difficult to find many attractive Rusrian women on the streets or elsewhere. Most Russian females are too often large, stubby, round-faced and unattractively attired. Some of them might be first rate material for the Cleveland Browns but hardly likely to raise the temperature of western males.

Around Moscow there is an unusual blending of the past, the present and the future. The old churches with their Byzantine bulbous Greek Orthodox cupolas are maintained by an antireligion government. Inside some of the churches are displays against Christianity denying the tenets of religious faith.

Most of the city buildings look like pre-World War II American and European. There are a few modern buildings like the Hotel Rossia but not many.

There is little for the traveler to buy as the Russian rush from a peasant economy to an industrial one skipped the craftsmanship era of Europe of the Middle Ages and the Renaissance.

The ruble which is officially pegged as worth 90 cents is an artificial value creation of the government. Most Moscow residents can buy rubles on the black market with our hard currency for 15 cents a ruble and better.

To force much needed dollars into the economic system "dollar stores" are maintained by the Russian government where only dollars are accepted and in which the best goods, such as they are, are on display.

In the stores you can buy not very exciting fur hats, unimaginative fur coats, lacquered boxes made near Moscow, caviar similar to that imported here, and wood carvings from southern Russia. Not a great place to do your Christmas shopping!

The Kremlin itself, which is a medieval fortress, includes government buildings, a museum of czarist relics, and three empty Russian Orthodox churches. Every so often from one of the many Kremlin entrances a limousine carrying government officials comes roaring out at close to 80 miles per hour and races through the city right down the center strip of two-way streets. Officials in Russia want to take no chances with assassins, who have played such important roles in their history.

The tourist attractions have been described many times. The fancy subway stations with chandeliers, the GUM department store which looks like Cleveland's Old Arcade multiplied 20 times in size, St. Basil's Cathedral on Red Square which reminded me of Disneyland with its many colored Byzantine turrets and cupolas.

An interesting perspective of their version of Russian history is supplied by most of the official Intourist guides. Everything Russian, including czarist history up to about 100 years ago, is preserved and admitted openly. Czarist relics, palaces and art are preserved at vast government expense; but little is said about the Russia of 100 years prior to the 1917 revolution.

Moscow itself is a somber city where the night life is almost nonexistent. Night clubs as we know them practically are unheard of. The best restaurants are rather poor and uninteresting by our standards.

Because of the Russian agricultural problem and the use of arable land more for grain than grazing, meat is not too good and is not in overabundant supply.

Culture is a province of the state, and the ornate Bolshoi theater has been beautifully restored and maintained for its world famous ballet.

In the Russian tradition foreigners are regarded with suspicion mixed with curiosity. An American car immediately draws a small crowd wherever it is parked.

State restrictions and controls are present everywhere. Foreign journalists are restricted to a 25-mile area around Moscow and the government takes a dim view of people who want to break away from the planned government tours.

To go to a restaurant requires sending a letter in advance. Dinner takes a long time and is not anything special when it does arrive.

Taxis in Moscow are extremely difficult to get.

Somber Russia sprawling between the Occident and the Orient is growing at an ever slowing population rate, assimilating, progressing and working hard for a better life based on our western standards.

Leningrad is a different story and I will try to capture some of its unique atmosphere in a column tomorrow.

LENINGRAD—FAMED ART AND CULTURAL CAPITAL

(By Thomas Vail)

Our inaugural flight New York to Moscow returned to New York via Leningrad. The flight from Moscow to Leningrad is about two hours by Pan American 707 jet and I am told there also is a crack train with excellent accommodations linking the two cities.

Leningrad is regarded by residents and by most others as the cultural capital of Russia. In essence it is a restored 18th century European city which was grafted on Russia after 1703 by Czar Peter the First, called "The Great" (1672–1725).

It is a city of many canals, also on a flat plain like Moscow, and in an area which has a more severe winter even than Moscow.

During World War II Leningrad never was captured by the Nazis although more than 650,000 residents perished and for several years the city was without heat, power or light.

The siege of Leningrad will make some great stories in years to come. It is unusual that more has not been written about it up to this time.

Most of the famous buildings in Leningrad are 18th century European although Intourist guides insist it was mainly Russian architects and craftsmen who put them up.

The famous Hermitage collection of art, one of the three greatest in the world, is housed in the Winter Palace of the czars, an opulent city palace similar to other famous early 18th century palaces of Europe. Inside the Winter Palace is a vast collection of paintings including more than 20 Rembrandts, more than 40 Rubens, over 20 Van Dycks, pictures by Leonardo da Vinci, Raphael and almost every major artist up to 1917 when Russia accepted a revolution in politics but not in art.

One of the most outstanding collections in the Hermitage is one official guides hardly mention. This is the remarkable collection of French impressionists obtained from two Moscow merchants after the revolution. There are rooms and rooms of Cezanne, Monet, Picasso, Renoir, Matisse and all the famous French impressionists who ran counter to Russian party line "realistic" art. Even the Hermitage catalogue has only one page on the great collection of French impressionists.

Leningrad is also the home of the Kirov opera and ballet companies which perform in a beautiful old theater reminiscent of czarist days with tiers of gilded boxes and crystal chandeliers.

People in Leningrad are a little gayer, more intellectual and sophisticated than the typical Moscovite and feel with some justification that they are a little more "with it" than the "squares" from Moscow.

Leningrad, like Moscow, has its empty churches some of which contain anti-Christian propaganda.

One of the most sensational excursions in Russia, or anywhere for that matter, is the 35 minute hydrofoil boat trip to Peter the First's Summer Palace, called Peterhof, on a peninsula across from Leningrad.

Here, in a forest surrounded by beautiful parks and gardens, is a splendid 18th century style palace raised on a height of land facing the sea. It is painted yellow and white and has beautiful gilded domes with the Russian czarist eagles on top.

This fabulous piece of czarist Russia is, strange as it may seem, being restored at enormous government expense by a Communist regime which threw out the czars 51 years ago.

The whole Peterhof Palace was completely destroyed by the Nazis when they withdrew from Leningrad. The restoration which has taken almost 20 years and cost an estimated $100 million is putting back into Russian history one of the most beautiful royal palaces in the world.

Below the palace are hundreds of fountains fed from springs and reservoirs 14 miles away. The palace itself, which was small at the time of Peter the First, was considerably added to and brought to its present magnificent state by Catherine, the Great (1729-1796).

We traveled back to Leningrad 20 miles by bus. En route we saw more blending of old and new. There are a few palatial houses that once belonged to nobles and new apartment buildings going up everywhere.

Close to the outskirts of Leningrad is a monument marking the point beyond which the Nazis did not penetrate. Not far distant are large derricks mining coal.

There is so much more to this amazing country which we did not see, the agricultural Ukraine, the magnificent Caucasus Mountains, the bleak mystery of Siberia.

It is a land of minorities, a country between East and West, and one that slowly but surely is modernizing.

I would not have missed the trip for anything. However, a trip to Russia is really the finest piece of propaganda I know for the United States.

ALLEGATION BY CLEVELAND PLAIN DEALER UNTRUE

Mr. **PERKINS**. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. **PERKINS**. Mr. Speaker, last week the Cleveland Plain Dealer ran a story to the effect that $10,000 in Federal funds had been used by a black nationalist group to purchase arms. That allegation was untrue. No Federal money was used for any such purpose. This false newspaper report has done a great disservice to the Office of Economic Opportunity and the entire Federal Establishment.

Bertrand M. Harding, Acting Director of OEO, has provided me with the facts concerning these allegations. I would like to read his report into the RECORD.

OFFICE OF ECONOMIC OPPORTUNITY, EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, D.C., July 27, 1968.

Hon. CARL D. PERKINS,
Chairman, House Education and Labor Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In an interview appearing in the Cleveland Plain Dealer of July 25, Fred Ahmed Evans, leader of a Cleveland Black Nationalist group, was quoted through a secondary source, that he had received $10,000 in Federal funds and that some of these monies were used to finance his own, self-admitted, destructive activities.

The funds, to which Mr. Evans referred, came from a private group and were channeled through the Hough Area Development Corporation. Since the Office of Economic Opportunity recently awarded a $1.6 million grant to this organization for economic development, the story carried with it the implication that the $10,000 represented OEO funds.

The money in question actually came from Cleveland Now, a private group, heavily supported by local business and industry, which has raised funds to implement what it considers worthwhile local programs. How HADC came to be involved with Evans is in itself a rather complicated story, but the point to be made here is that no Federal funds whatsoever went to Evans.

This fact was made known to the Plain Dealer which in a subsequent story, a copy of which is enclosed, did, to some extent, clarify its first report. In explanation of the earlier story, the Plain Dealer has informed us that it ran Mr. Evans' statement on its face value, and that because of approaching deadlines, it was unable to contact anyone who could have commented on Mr. Evans' allegation.

The relationship between the Hough Area Development Corporation and OEO might best be explained by first reviewing the history of HADC. It was organized in April 1967 as a non-profit community organization by the leaders of the major groups in the Hough area. A wide variety of backgrounds and points of views are represented in HADC which from its beginning has focused its basic attention on economic development.

HADC has managed to weld together persons and organizations of diverse views into a corporation that will prevent duplication of efforts and obtain the maximum results in community betterment.

Its involvement with Mr. Evans and his Astrologists Nationalists came at the request of Cleveland Now and the city administration which sought some agency through which funds could be channeled to three groups that wanted to set up summer programs stressing Afro-American culture.

HADC had the mechanism through which it could disperse payroll funds, handle withholding taxes and social security deductions, and pay invoices for supplies. A total of $35,000 from Cleveland Now was given to HADC for the three groups, including the Astrologists Nationalists.

The Astrologists Nationalists project was approved by Cleveland Now and the Mayor's Council on Youth Opportunities, and the sole function of HADC was to serve as a conduit of funds through its already established administrative office.

HADC was given no monitoring responsibilities. Simply stated, it was used for convenience sake to serve what Cleveland Now believed to be worthwhile projects. HADC has not, at this point, received any OEO funds.

As the most representative of all the groups in the ghettos of Cleveland, HADC accepted the assignment in good faith, believing that by performing what were apparently routine and prosaic duties, it was working for the good of the community.

It would indeed be tragic in unfavorable and unjustified publicity that has been focused on HADC was allowed to cloud the basic purpose of the group—the economic and social upgrading of a ghetto.

If there is any additional information you desire, please let me know.

Sincerely,

BERTRAND M. HARDING,
Acting Director.

City officials admitted last night that Fred Ahmed Evans had received a $10,000 grant from Cleveland Now as part of the summer youth program. The summer youth program is administered by the Greater Cleveland Associated Foundation, said Sydney Spector, Executive Assistant to Mayor Carl Stokes and "the summer youth program is part of Cleveland Now," said Spector.

Walter Beach, former Cleveland Browns defensive back, heads the summer youth program. He was named coordinator of the Mayor's Council of Youth Opportunity last June 12.

Evans now under arrest in the racial disorders has told police he and his group of Astrologist Nationalists led a bloody attack on police Tuesday night on East Side. He told police he used the funds to buy guns used in the attack.

The Cleveland Now grant totalled $31,000, but only $10,000 of the total was earmarked for the Evans organization, The African Cultural Shop. Two other Negro organizations shared the remainder.

Spector said he has not completed his study of the Evans grant, nor has he seen the records kept by Hough Area Development Corporation, the organization to which the funds were allocated.

HADC, a non-profit housing and development group received a $1.6 million Federal grant on July 2 to develop a shopping center and townhouse project at Crawford and Wade Park Avenues, N.E.

That grant was made by the U.S. Office of Economic Opportunity.

Spector stressed that no Federal funds were granted to Evans group by the Cleveland Foundation. Those funds were all local.

U.S. Rep. William E. Minshall (Republican-23rd ward) said yesterday in Washington that he has asked Congress and the general accounting office to investigate the grant to the Hough Area Development Foundation.

Spector said HADC had originally submitted an application for $35,000 to "help counter severe alienations of hard-core unemployed youths."

The application was given to the Mayor's Council on Youth Opportunities headed by Dean Ostrum, a vice-president of Ohio Bell Telephone Company.

The committee recommended approval along with 14 other projects and the application was forwarded to the Foundation, Spector said.

The Rev. DeForest Brown, head of HADC, said although he does not agree with the teachings of Evans "we had confidence in him."

"He wanted to create a black pride in youth and an opportunity to share in African history and promote African arts and culture" said Brown.

Brown said his organization was only going to act as a "depository" for funds from Cleveland Now and disbursements were given to Evans and the two other groups.

It was learned that Evans had originally applied for a $10,000 grant as news of the Cleveland Now was announced.

He attempted to interest various foundations in the proposed craft shop but was turned down. It was at the insistence of Beach that the money was finally funded and channeled to HADC, a HADC spokesman said.

Vouchers received by Brown from Evans showed most of the $5,000 spent during the last three weeks went to wages.

"He told us he needed funds to set up the craft shop and to pay teachers," said Brown. "Evans told me that he knew the craft project would be funded only for a short time until Evans could get his art business going smoothly."

Evans set up his craft shop at East 65th St., and Hough Avenue, N.E.

Brown said some of the funds were used for a station wagon for painting and decorating and supplies.

Brown said remaining funds from the grant were split up by the African Cultural Center headed by Boyd Roberts and the Afro Set headed by Harwell Jones.

"We knew of Evans creative ability," said Brown. "And we placed our trust in him. We had a good relationship, a sort of brotherly relationship."

Evans has been charged by police with shooting to kill, possession of narcotics and possession of an automatic weapon.

OUTLAWING SWITCHBLADES

Mr. DANIELS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DANIELS. Mr. Speaker, last week I joined with my good friend, the able gentleman from New York [Mr. WOLFF] and a large number of other concerned Members of this House in cosponsoring a bill to outlaw switchblades. I commend my friend from across the Hudson River for his leadership in this area. Surely, the switchblade has no place in American society.

One would imagine that such a measure would have a speedy passage through the legislative thicket. One would ask, who could oppose such a piece of public service legislation? However, after listening to almost every single word spoken during the recently concluded debate on the gun control bill, I am not so sure.

Somehow I can, in my mind, conjur up a vision of someone in the well of this House telling us, "Switchblades do not kill people. People do."

Or another denying that this bill will accomplish anything—"All it will do is disarm honest people. Crooks can always steal the switchblades they need."

Possibly an organization like the National Switchblade Association or as some call it, the NSA will emerge and urge its membership to fight the switchblade bill. Perhaps we will be deluged with letters from constituents warning us of the dire portents in a bill designed to injure those hunters and sportsmen who have relied upon their trusty switchblade since childhood.

One telling argument is missing but this can be remedied. The framers of the second amendment were silent on the question of switchblades. This has to be an oversight considering the fact that the British were overcome by an army of switchblade bearing colonials in the War of the Revolution. Indeed this rare lapse on the part of the Founding Fathers can be cured by an amendment to the second amendment reading: "The right of the people to bear switchblades shall not be abridged."

Perhaps we shall again resurrect the scare of a totalitarian takeover. We shall be warned that the first thing a Nazi or Fascist dictator would do would be to round up all the switchblades. The spokesmen for the National Switchblade Association will solemnly state that America's switchblade owners are a force in readiness to protect us against tyranny being established on these shores.

Mr. Speaker, the gentleman from New York is one of the ablest Members in this House. He has taken the lead in promoting legislation of benefit to all segments of the American public. Truly, his heart is always in the right place. Yet, as his friend, I think I should warn him of what he is getting into. Judging from what I have heard during the last 2 weeks, I would hesitate to predict what the outcome will be.

STATE TAXATION OF NATIONAL BANKS

Mr. PODELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PODELL. Mr. Speaker, at its recent term, the U.S. Supreme Court, in *Agricultural Bank* v. *Tax Commission,* (No. 755, 36 L.W. 4686), held that a State may not impose a use or sales tax on the sale of taxable personal property to a national bank for its own use. The Court reached this conclusion, in reliance upon section 41 of the National Bank Act (12 U.S.C. 548), which prescribes the only ways in which the States can tax national banks.

There can be no sound reason why banks chartered under Federal law should be permitted to escape tax responsibility for the support of State and local governments. Like other business and commercial enterprises and like State chartered banks, the national banks are recipients of a myriad of State and local services, and equity demands that they pay for these services just like other enterprises and competitive State banks.

Accordingly, I have this day introduced a bill to clarify the liability of national banks for State and local nondiscriminatory sales and use taxes.

Mr. Speaker, I deem it a matter of the gravest imperative that we act quickly on this bill. In recent years, State and local governments have been under greatest pressures to make budgetary ends meet. Resort to the sales and use taxes has consequently become a major source of revenue for many States and for many local governments. The escape hatch opened by the Supreme Court in Agricultural Bank against Tax Commission will imbalance State and local budgets, many of which are held together by prayer and nothing more substantial than glue and paper clips.

In its decision, the Supreme Court did not determine the application of the McCulloch against Maryland doctrine to these taxes, since it deemed section 41 of the National Bank Act sufficient to sustain the bank's assertion of nonliability. In my judgment, the McCulloch against Maryland is totally inapplicable to national banks as today constituted. In place of the national bank involved in the McCulloch against Maryland we now have the Federal Reserve System. Under the circumstances, a federally chartered national bank cannot be deemed to be a national instrumentality since that has been preempted by the Federal Reserve System.

What is paradoxical about the whole situation is that the banks, which were America's most aggressive exponents for congressional imposition of the income surtax are simultaneously America's most conspicuous refugees from tax responsibility. There is substantial sentiment in the Congress for tax reform, for tightening tax loopholes, so that those who escape the burdens of Government costs will be obliged to share in those costs. I think it urgent that we move even quicker to safeguards State and local government revenue resources.

A CRAZY BUSINESS

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, the physical and mental demands made of our leading presidential candidates during their campaigns almost defy description. Exhausting travel, countless delays, a barrage of petty requests to be met or declined, a haphazard diet, a parade of countless local dignitaries to be charmed, constant cajolery for funds, the need to prepare fresh material for each audience, and the constant scrutiny of the nationwide television networks add up to a set of circumstances which make our electoral process into a form of decathlon.

I have long urged that our presidential campaigns be shortened to focus attention on issues, to preserve the strength of the candidates, to curb exorbitant costs and wasteful expenditures, and to move the quadrennial contests away from the current tendency of ballyhoo and toward a saner, more rational style. Above all it is my contention that the excesses of our system do not illuminate the issues nor do they instruct the voters after they have reached a certain point.

The savage pressures on the candidates are so well described in an article by James Reston in the New York Times of July 26, 1968, that I commend it to the attention of my colleagues, as follows:

WASHINGTON: THE SAVAGE PRESSURES OF THE CAMPAIGN

(By James Reston)

WASHINGTON, July 25.—The pressures of the election campaign are mounting up, and maybe it should be noted, even at this early date, that the American Presidential electoral system demands more energy, patience, and wisdom that most ordinary mortals possess.

Even before the conventions, the major candidates, all of them in their fifties or early sixties, have been on an exhausting schedule for weeks, some of them for months.

Gene McCarthy rented Walter Lippmann's house here on Woodley Road late last year, and has scarcely seen it since. Dick Nixon, who went through all this before in 1960, blames his mistakes in that campaign on the blunders of weariness, and has been running away to Florida every weekend or so to conserve his sanity.

HUMPHREY AND ROCKEFELLER

Hubert Humphrey took almost two weeks to throw off the flu recently after the first few tiresome rushes out into the country, and Nelson Rockefeller, though he started late, comes back from every trip these days croaking like Jimmy Durante.

The tension does not often show on the surface. They have all learned to smile for the photographers, but in private things are different. Humphrey asked an old friend to help him with a speech the other day, and when the friend refused, the Vice President fired off a letter that affronted not only the receiver but his own staff.

When Senator Charles Percy called Richard Nixon on the telephone to say that he had decided to come out publicly for Governor Rockefeller, Mr. Nixon let it be known that he was not amused. Even Gene McCarthy's sense of humor and natural courtesy are often overcome by the endless pressures of flying, eating bad meals, and pretending to be eager when he is really exhausted and bored.

A private meeting here this week between Humphrey and his foreign affairs task force illustrates the pressures that go on behind the scenes. Unlike the other candidates, Humphrey has had to face the problem of trying to be loyal to the President while seeming to be independent and faithful to his own views.

Some of the Kennedy people had called on Humphrey before the meeting to indicate that if he came out for ending the bombing in all of Vietnam, maybe they would eventually support him. But even the Humphrey task force was divided on what the Humphrey statement, already promised publicity, should say.

THE TWO VIEWS

One view presented to the Vice President was that the North Vietnamese were indicating on the battlefield, if not in the Paris negotiations, that they were ready for a compromise. The enemy had stopped rocketing Saigon and the other Vietnamese cities. The casualty rate was visibly down during the last few weeks. These were signals, according to this view, and maybe the Vice President should assume they were significant and think about calling for an end of the bombing.

But wait, said other advisers: There was clear evidence that the enemy was not only sending more and more men from the North into South Vietnam, but preparing for a major offensive against the Americans and South Vietnamese in the cities. How would the Vice President explain calling for an end to the bombing if the enemy offensive started? How could he justify such a position in a campaign even if the bombing didn't affect the enemy infiltration? And what would Lyndon Johnson say and do?

Humphrey and his aides met for over two hours in his office on Capitol Hill, and how he resolved the dilemma, if at all, will not be known until the statement he probably wishes he had never promised comes out.

Meanwhile, he has been flying here and there, dodging antiwar picketers, fenced in by cops, making speeches night and day, going on every free television show he can find, raising funds, hiring staff, writing letters to his old friends in the Kennedy camp and the press, and even getting out a picture campaign book, captions by Humphrey.

It is, at best, a crazy business, hard on the feet and hell on a rational mind, and one of the odd things about it these days is that somehow the frontrunners seem more worried than the challengers.

Maybe it is the prospect of victory, with all its terrible responsibilities, which makes a man a little desperate, while the prospect of defeat at least promises release from the tumult. Whatever it is, all the candidates at least have one thing in common—they all pretend in public and complain about the system in private, and in this sense they all deserve a little pity.

ANNOUNCEMENT PERTAINING TO LEGISLATIVE PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to announce that on tomorrow House Joint Resolution 1371, to provide that it be the sense of Congress that a White House Conference on Aging be called by the President of the United States in 1971, will be taken up under a unanimous-consent request.

PAKISTAN IS TOO GOOD A FRIEND TO LOSE

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 30 minutes.

Mr. SIKES. Mr. Speaker, our good friends in Pakistan are, with good reason, disturbed about a coolness which has developed between our two nations. We should be even more disturbed—we are not blameless. We are not now exhibiting the same degree of friendship for this strong and independent country that we once did. Notably, we have refused to help Pakistan maintain its defenses; this despite the fact that India, which Pakistan does not trust, is obtaining a constant supply of the latest weapons from various sources and a steady outpouring of cash from the U.S. Treasury. Pakistan, being denied new and modern weapons from us, not even being able to obtain spares for the weapons already in inventory, has had to look elsewhere for friendship and support. It would be well to look at the fact that down through the years, it has been Pakistan which has voted with us in the United Nations and supported us in international conferences, while India, time after time, was voting against us.

Let it be said that the United States has attempted to be very careful in seeking to preserve a balance in its relations with both India and Pakistan because of the complex political-diplomatic struggle in the vast and heavily populated Indian subcontinent. But through the manner in which this action has been carried on, the effect has been to irritate Pakistan and achieve no gains in India. The present difficult situation is a recent development. Under the Eisenhower administration, the United States established an especially close relationship with Pakistan, and that country responded by joining the anti-Communist and SEATO alliances.

The United States-Pakistani alliance began to deteriorate in 1962 when Washington initated a military assistance program to India following Chinese Communist border incursions in Ladakh and the Northeast Frontier Agency. Pakistan felt that this increased the Indian threat to its own security and would serve to harden New Delhi's opposition to any change in the status of disputed Kashmir. Moreover, the regime of President Ayub Khan took offense at what it considered to be the Kennedy administration's preferential treatment of India, a neutral, as against Pakistan, an ally.

Relations between Washington and Rawalpindi reached a low ebb during the India-Pakistani hostilities of August to September 1965. The United States reacted to the fighting by suspending arms aid to both countries. This has remained the basic American policy to the present, although the United States decided in April 1967 that it would permit the sale of spare parts for military equipment on a case by case basis.

The U.S. arms suspension was undertaken in a negative sense to promote the objective of effecting a reconciliation between the two countries. In policy statement of April 1967, the Johnson administration said:

> The United States will continue to keep its military sales policy under careful review to insure that it is not contributing to an arms race between India and Pakistan. We strongly hope that both countries will make progress in resolving the problems and differences that divide them and that they accord an increasing priority in the allocation of their resources to agricultural and industrial development.

The United States has not achieved its objectives through the policy of arms suspension. While it has not contributed to an arms race, the arms buildup in India, nonetheless, has proceeded, with increasing anxiety on Pakistan's part. India has continued to purchase arms from Britain and has received a significant quantity of military hardware from the Soviet Union. Moreover, it maintains the production of weapons from domestic industries and has set up with Soviet collaboration three factories to manufacture Mig-21 fighters. Pakistan, with only a single ordnance plant that produces small arms, has countered by turning to Communist China. Chinese aid has consisted mainly of about 80 of the older Mig-19 fighters and an unknown number of T-59 tanks, which apparently represent a much smaller quantity of weaponry than India has received from the Soviet Union alone.

Despite the intense and obviously genuine Pakistani fear of India, the Ayub regime has kept at arms length from Peking. It openly admits that its present foreign policy aims at striking a balance between Washington, Peking, and Moscow. Pakistan has approached both the United States and the Soviet Union for weapons and has continued and expanded its so far successful economic development programs. Moreover, the Government has ousted excessively pro-Chinese officials—most notably former Foreign Minister Bhutto in 1966.

In the months ahead, the United States will face the problem of maintaining its influence in Pakistan in the face of Rawalpindi's increasing need for military modernization and the possibility that the Soviet Union will begin to sell weapons to the Muslim state. Despite Chinese assistance, the bulk of weaponry possessed by the armed forces consists of obsolescent equipment previously supplied by the United States including F-86 Sabre jets, 100; B-57 bombers, 20; and four armored brigades made up of mainly M-4 Sherman, M-47 Patton, and M-48 Patton tanks.

The question of military aid to Pakistan becomes extremely important in terms of overall U.S. policy objectives when one considers that the armed forces represent the political power structure in the country. Yet, the military in Pakistan does not fit the steretoype of the "junta" found in other underdeveloped countries. The Ayub regime has generally followed sound policies, both politically and economically speaking. It has promoted representative government through the creation of "basic democracies" at the local level of government and allowed a presidential election in 1965 which constituted a step forward. Economically, Pakistan has achieved impressive gains in the last 10 years and represents one of the few success stories of U.S. foreign aid. The regime has utilized American assistance effectively and has based its development programs primarily upon private enterprise. Moreover, it also has given top priority to agriculture over the years.

A program of limited military assistance to Pakistan would enable the United States to maintain a better understanding with Pakistan in relation to its policies toward Peking and perhaps even more so to Moscow, which can be expected to continue its efforts to push Pakistan to a greater reliance on the public sector of the economy. Pakistan's present policies will probably work in the long run to increase stability throughout the entire Indian subcontinent. Without additional U.S. support, which certainly is deserved, it is doubtful whether the Ayub regime can maintain its present course in the face of growing deterioration and obsolescence of the armed forces. This factor will likely influence Pakistan to turn increasingly to Communist China or perhaps now to the Soviet Union. At home, the Government may have to further increase defense expenditures; while this has not, as yet, affected the economy, future sharp upswings in the military budget will undoubtedly come at the expense of the economic development program. All of these prospects are detrimental from the U.S. viewpoint. The Johnson administration has tacitly admitted the need to restore some kind of military assistance when it approved the sale of spare parts to Pakistan in 1967 and reportedly sanctioned the sale of 100 U.S.-built M-47 Patton tanks from West Germany.

The United States will no doubt face strong Indian objections if it decides to resume military assistance to Pakistan. Again, let me point to the fact that it is Pakistan which has been our friend through the years, not India. Despite massive aid running into billions upon billions of dollars, India has been found in the enemy camp much more than in ours. We are now in position where further refusal to help Pakistan would cost us a friend, a good and needed friend.

This would be an extremely unfortunate policy and I hope our present course will speedily be corrected by the U.S. Government.

MAKE THE POST OFFICE A GOVERNMENT CORPORATION

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. HECHLER] is recognized for 5 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, earlier today the House sent to conference the bill which concerns the maintenance of adequate postal service. I supported the motion of the gentleman from New York [Mr. DULSKI] to send the bill to conference to consider the necessary action proposed in the amendment of the other body. However, I would like to bring up one point which was not mentioned during the debate. I feel that the action contemplated in the Senate amendment concerning the cutback does not really get to the root of the problem of the postal service. The sound remedy would be to put the postal service on a businesslike basis. I do not think that any action talked about on the floor of the House this afternoon or in committee has really come to grips with this problem.

The report of the Presidential Commission on Postal Organization entitled "Toward Postal Excellence," outlines very clearly some of the problems which face the postal service and which need serious attention by this Congress if we are going to reduce costs in the postal service.

At the present time the annual operating deficit of the Post Office Department runs well over $1 billion. Taking out public service costs, the deficit runs over $450 million annually despite the rate increases voted by the Congress last year. First class postage of 6 cents, of course, more than pays its own way. The cost coverage of first-class mail is now 109 percent. Third-class mail before the rate increase paid 67 percent of the cost of delivery. Now it pays 81 percent. The public gets the feeling it is paying more and more for less and less service. Yet I think all of us reluctantly supported the move to send this bill to conference, because that was the only immediate thing that could be done to avoid the threatened reduction in service. This is like an ice pack applied to a more basic illness.

The headings of the Kappel Commission report, I think, give a clue as to what needs to be done in the postal service. I would like to run down the headings: "The Post Office in Crisis," "The Quality of Postal Service," "A Postal Catastrophe: Chicago," "Dissatisfaction With Day-to-Day Mail Service," "Unresponsiveness to Public Needs," "Antiquated Personnel Practices," "Poor Working Conditions," "Limited Career Opportunities and Training," "Inadequate System for Supervision," "Unproductive Labor-Management Relations," "The Growing and Unnecessary Deficit," "The High Cost of Postal Service," "Opportunities for Savings—Postal Productivity," "Potential Improvements From Technology," "Managing for Savings," "Realizing Potential Savings," "The National Postal Rate System."

In conclusion, Mr. Speaker, this Commission, which was chaired by Mr. Frederick R. Kappel, who is chairman of the board of directors of the American Telephone & Telegraph Co. made these observations:

> The problems which our postal service will face in the next decade constitute a management challenge as great as any in our economy.

The challenge simply cannot be met through the present management structure. The sense of the Commission was well expressed by one of its members:

> What the Post Office needs is management leadership. It needs a management free to manage with all that entails: authorities matched with responsibilities; a sound cost accounting and an information system so that they know where they have been and where they are going.

Therefore, Mr. Speaker, I recommend that very close attention be given by the administration and by the Post Office Committees in both this House and the other body to the recommendations of the Kappel Commission. This is the only way in which we can cure the ills of the postal service and reduce the deficit: by putting the post office on a businesslike basis.

THE CONGRESSIONAL REORGANIZATION BILL

The SPEAKER. Under previous order of the House the gentleman from Iowa [Mr. SCHWENGEL] is recognized for 30 minutes.

Mr. SCHWENGEL. Mr. Speaker, events of the past few weeks prompt me to take the floor today to urge the immediate consideration by the House Rules Committee of the congressional reorganization bill.

Two specific things have made it incumbent that I do this.

First, the consideration of the bill, S. 2658, to increase the size and weights of trucks in the House Public Works Committee. As you know, I have taken the floor several times to point to the need for more extensive studies of this bill. Committee hearings were short and consideration in executive session even shorter. Because of the great burdens of an already overworked minority staff on the Public Works, the assistance available to me to do the needed research was not as great as it would have been if we had adequate minority staffing on congressional committees.

The congressional reform bill now before the House Rules Committee does provide for needed minority staffing. This is a fight I have led for several years. While I was chairman of the Republican Conference Committee on Increased Minority Staffing, research disclosed that there were on the average 10 majority committee staffers for every one minority staffer. While the situation has improved some over the past 2 years, much more needs to be done. In fact, the House Public Works Committee now has funds for another minority staffer, but apparently the majority has failed to approve such a position. This is why we need the congressional reorganization bill, to protect the right of the minority to have adequate staff.

Second, the congressional reform bill contains significant provisions regarding the regulation of lobbyists. The lobbying activity on behalf of the truck bill demonstrates the need to tighten the provisions of existing law. By conferring jurisdiction of lobby reporting to the Comptroller General, broadening the definitions of what lobbyists must report, and putting teeth into the penalties for violation, lobbying activities would be above board and beyond suspicion.

Mr. Speaker, the passage of the congressional reform bill would strengthen Congress.

It would increase confidence in Congress.

It would better enable Congress to deal fully and adequately with legislation.

It would give the minority the staff it needs to present its case.

TRUCK SIZE AND WEIGHT BILL SHOULD BE DEFERRED

Last week I placed before the House chapters V and VII of a doctoral dissertation written by Dr. John Fuller III, of Washington State University. Today I offer the most significant chapter of Dr. Fuller's work—his conclusions. Here once again is evidence of the inadequacy of the testimony before the Public Works Committee.

Dr. Fuller states:

> There can be little doubt that the estimated annual public and social costs, or either one separately, exceed the estimated annual carrier benefits by a wide margin.

In addition, Dr. Fuller states:

> The very great excess of public and social costs over the private benefits discovered by this thesis suggests that any general motor vehicle size and weight increase at this time would be a grave mistake in public economic policy.

I hope the Members will read the well-documented conclusions embodied in Dr. Fuller's last chapter, which follows:

CHAPTER VII—CONCLUSIONS AND RECOMMENDATIONS WITH RESPECT TO THE CURRENT PROPOSALS FOR REVISION OF MOTOR VEHICLE SIZE AND WEIGHT STANDARDS

INTRODUCTION

Interest and concern have been evidenced in regard to motor vehicle sizes and weights by numerous highway users and other parties over the years. To conserve the public investment in highway facilities and to protect the safety and convenience of non-commercial highway users from the deleterious effects of very large and heavy motor vehicles, commercial highway users have been limited by law in the types of motor vehicles they may operate over the highways. Almost from the beginning of modern motor transportation. maximum dimensions of size and weight of motor vehicles have been regulated in the U.S., primarily by the states but in recent years by the Federal government as well.

Federal and state regulation coexist in the field of motor vehicle size and weight restriction. Federal regulatory standards are relatively new. They have applied since 1956 to motor vehicle operations on the newly-planned and constructed Interstate Highway System. The Federal standards have prohibited the regular operation of equipment exceeding 96-inch widths, axle weights of 18,000 pounds single and 32,000 pounds tandem, and 73,280-pound gross weights, except under grandfather-clause provision. State regulatory standards have applied for several decades to motor vehicle operations on the state Federal-aid and other highway systems. The state standards differ from the Federal maximum regulations and vary as between the states, although there are regional similarities. The states not only regulate vehicle weight and width, but also limit the height and length of vehicles under their jurisdiction.

PROBLEMS OF SIZE AND WEIGHT STANDARDS

Motor vehicle size and weight standards draw the attention of many important interests partly because the U.S., in common with most other countries, has a policy of opening the public highways to common use by all classes of motor vehicles. Except for some local streets or scenic parkways, the public highways are seldom reserved wholly for automobiles, or wholly for buses and trucks. Yet these two broad classes of vehicles have different operating characteristics and require different types and standards of highway construction. A special problem is created by the larger and heavier trucks and truck-tractor combinations. The incremental public costs of building roads for trucks and truck-tractor combinations are very high and often difficult to segregate from the costs for building roads suitable for automobiles and light vehicles. The interaction of such vastly dissimilar vehicles with passenger cars and other light vehicles can produce undesirable traffic congestion, accident exposure, extra vehicle operating costs, aversive reactions from automobile operators, and social costs falling on non-highway users.

Under the system of earmarking of highway revenues that is generally used in the U.S., trust-fund financing of new and improved facilities and maintenance of existing highways is provided by user fee payments by both commercial and non-commercial users. But since different highway construction and maintenance costs are occasioned by the different classes of motor vehicles and their varying usage, unresolved problems have arisen as to the proper user tax share of each class. Furthermore, the external social costs imposed by one motor vehicle class on another by reason of physical incompatability in the use of the same roadway can sometimes be minimized by highway construction features charged to the offending class, but the users adversely affected generally go uncompensated. The allocative and distributional problems arising from social cost responsibilities and the public cost requirements for avoidance or minimization of such costs appear to have influenced the legislatures to make what are essentially political decisions in the allocation of cost responsibility. In any case, the economic and technical issues of costing and pricing are difficult to resolve.

The resolution of fundamental questions of highway finance and pricing has further been hampered by the lack of adequate highway cost accounting methods and records. In addition, types of user fees are employed that fail to reflect closely either the costs occasioned or the benefits received by the various highway user groups.

Because highways can have significant external effects on economic growth and development and the location of residential areas, non-highway users can sometimes benefit greatly from roads and highways that serve efficiently the needs of commerce and demands of travelers. For these reasons, several arguments have been put forth for a non-user share in highway financing. However, equally or more convincing rationales can be advanced for compensation by highway users for the large social costs occasioned by motor vehicle noise and smog emissions and by the dislocations of residential or commercial locations caused by road building. Such social costs are imposed by vehicle operations on millions of non-highway users.

The pressures from owners and operators of commercial motor vehicles for permission to utilize larger and heavier vehicles on the public highways are also of concern to other modes of transport. To the extent that automobile and light motor vehicle users subsidize commercial motor vehicle users by financing an excessive share of the annual cost of the highway system in comparison with the costs they occasion or the benefits they receive, highway transport of intercity freight and passengers (by bus) is provided an uneconomic comparative advantage over other modes of transport. To the extent that commercial highway users do not pay their cost-occasioned share of the total annual cost of the highways assigned to users, or insofar as users of the larger and heavier vehicles make inadequate payments toward the costs (including social costs) they occasion, the competitors of the highway mode, and indirectly all transport consumers, are uneconomically disadvantaged. If adequate and efficient transport networks have already been provided by other forms of transportation, large non-highway user contributions to highway financing, or large uncompensated social costs imposed by highway users on the public, will result in additional uneconomic advantages to the commercial carriers by the highway mode.

Consequently, the non-commercial highway users, competing transport modes, and the general public logically view with much concern the expense of building highways for even larger and heavier motor vehicles. They also logically desire assurance that the user compensation made by the large and heavy vehicles will be adequate to cover the costs occasioned. The incremental costs of providing highway features for the operation of large and heavy vehicles must be determined by appropriate scientific and economic procedures. Of equal importance today is ascertainment of the social costs occasioned by the large and heavy vehicles, both those which fall on other highway users and those whose incidence is on non-users of the highways. However, both cost areas are fraught with difficulty and great controversy, and only recently has much effort been given to quantification of social costs attributable to different types of highway use. Thus, definite findings of the additional costs for providing highway features for larger and heavier motor vehicles to be justified by the additional benefits from operation of such vehicles has been lacking.

On the other hand, the needs of commercial highway transport for properly designed and economic highway facilities cannot be neglected. The demands of commerce for truly efficient transport of commodities cannot be thrust aside in favor of giving sole consideration to the needs and convenience of the automobile users, even though they are the most numerous users of highway services. Commercial vehicle operators do pay large sums for provision and maintenance of highways, and common use of the highways can promote economies of utilization in which all highway users share. In total amounts, the user fund contributions of commercial operators may be quite adequate to cover the occasioned highway costs, although the user payments by certain classes of very large and heavy motor vehicles are not. Commercial vehicles of large sizes and weights do perform an essential role in the overall transport nexus. A reasonable balance between the claims of the operators of light motor vehicles and the operators of large and heavy vehicles must be sought. A tenable policy regarding motor vehicle sizes and weights must take into account the benefits that can come from the operations of larger and heavier motor vehicles, as well as the public and social costs occasioned by the use of the public highways by such vehicles.

CURRENT INTEREST IN MOTOR VEHICLE SIZE AND WEIGHT REGULATION

As might be expected, it is the potential carrier benefits from operating large and heavy commercial vehicles that have attracted the current attention of the truck and bus operators to the issue of revised size and weight standards. Commercial operators argue that the needs of commerce and rising operating costs (from inflationary forces) make upward revision of size and weight standards imperative. Few other avenues of cost reduction appear open in the minds of the bus and truck operators. And because of competition with other modes, the air and rail modes in particular, these operators do not wish to raise rates more than rising costs make necessary. Furthermore, it is their opinion that the capabilities of the highways are sufficient to permit operations of larger and heavier vehicles without hazards to safety or damage to highways. They argue that highways as now designed and built are of adequate strength to permit operation of larger and heavier vehicles without production of extra public costs or additional uncompensated social costs to other highway users. The social costs falling on nonhighway users appear not to be a matter for serious consideration to those who would utilize motor vehicles of greater size and weight than are currently permissible. Instead, the operators of large and heavy buses and trucks implicitly assume that the services of highway transport have overcompensated society for the social costs of highway noise and smog through contributing lower real transfer costs for commodities.

Some relevant facts are pertinent. Since the introduction of the Federal standards for size and weight of motor vehicles in 1956, the Interstate System has been more than half completed. And the mileage of other highways has been extended and improved. Total transport demands have grown dramatically, including those involving the rendering of highway services to motor vehicles. Thus, given the skills and productive facilities of the bus and trucking industries, the employment of modern vehicles of greater size and weight improved performance capabilities is at last possible. In view of these facts and the potential gains in reduced operating costs, those bus and trucking interests pressed for introduction of a bill in the Congress in 1967 to update and upgrade the Federal size and weight standards for application on the Interstate System. However, if the proposed legislation becomes law, most interested groups expect that the pressures to authorize similar standards on other state highway systems will become urgent at once. Numerous attempts have already been made to induce the state legislatures to adopt legislation relaxing state size and weight restrictions. Because of the probability that more liberal Federal standards applicable to the Interstate System would include use of other state highway systems by larger and heavier motor vehicles, the issues have become of general significance and of great public importance.

This thesis has carefully considered the carrier operating cost savings that might be obtainable as a result of more liberal size and weight standards. It has also attempted to quantify the annual magnitudes of such potential carrier operating cost savings. In addition, the arguments presented by the representatives of all interested groups in the 1968 Senate Hearings on S. 2658, a bill to raise the size and weight limits applicable to the Interstate System, have been examined and critically evaluated in Chapter IV. That bill, as amended, would allow the operation of vehicles 102 inches wide with 20,000- and 34,000-pound single and tandem axles and gross weights in excess of 100,000 pounds on the Interstate System. The best available evidence as to the annual magnitude of the carrier benefits (savings in operating costs) possible from incremental increases in the size and weight limits has been exhaustively reviewed and the resulting estimates have been presented in Chapter V. Unlike most works on this subject, this thesis has not neglected to identify the marginal public and social costs that would inevitably result from the operation of larger and heavier vehicles than are presently legal on the Federal and state highway systems of the U.S. Attempts have been made to quantify these relevant offsetting public and social costs to the carrier benefits in operating cost savings. Chapter VI presents the author's estimates of the offsetting costs to the carrier benefits found in Chapter V.

The purpose of this final chapter is to provide a synthesis of the arguments for and against revision of size and weight restrictions on motor vehicles; to compare the gains in carried operating cost savings with the public and social costs involved to ascertain whether significant net benefits to society will be forthcoming; and to suggest some recommendations for public decision-making with respect to issues involving the conditions of use of the public highways. In particular, the economic significance of the large gap found between the expected carrier benefits and the probable public and social costs will be pointed out. The findings of this thesis are imperfect and incomplete, but they represent a start toward the kind of serious analysis that is greatly needed to resolve issues in highway and transportation policy along more economic lines, all factors given consideration. Unless full account is taken of all the costs involved, the public interest in an adequate and economical transportation system will not be served. The standards under which large and heavy motor vehicles are currently operated should not be revised upward unless the total real benefits expected to result can be shown to exceed all of the public highway costs and the social costs that would arise from such a change. Indeed, to be economic the net benefits from such a change would have to be greater than all costs by as much as the benefits exceed the relevant costs for other alternative actions and investments in the economy.[1]

SUMMARY REVIEW OF THE BENEFITS AND COSTS OF HIGHER SIZE AND WEIGHT LIMITS FOR HIGHWAYS

The benefits of motor vehicle size and weight increases with which this thesis has been concerned are the direct carrier savings expected to flow from the reduced operating costs to be experienced by the consumers utilizing larger and heavier vehicles. Such operators expect to carry more freight per vehicle-mile and to achieve lower expenditures per ton-mile of freight for such items as labor, fuel, and equipment depreciation. Furthermore, some carriers expect certain terminal handling costs to decrease to an extent under revised size and weight standards. Although the carrier outlays on some cost items may rise, and higher vehicle-mile operating costs will result, the ton-mile cost of carrying freight is expected to fall with increased vehicle weight and cubic capacity. In short, the carriers expect substantial economies to accrue from larger and heavier motor vehicle equipment. In addition, they expect to reduce their unit costs relative to those of competing modes of transportation.

The total savings expected to accrue annually to highway users is the sum of savings to bus operators and to the common, contract, and private motor carriers of freight. As was estimated in Chapter II, approximately 15 percent of the total intercity ton-mile output of motor vehicle freight carriage produced annually in the U.S. can be expected to utilize larger and heavier freight equipment than the types that may now be used under existing regulations pertaining to the Interstate System and the highway systems of most of the states. This 15 percent involves a substantial volume of intercity freight movement, but it only amounts to about 3 percent of the intercity freight ton-mileage transported by all modes in the U.S. It should be noted that most motor vehicles are in no way limited by the maximum size and weight standards now in effect at the state and Federal levels. Accordingly, much bus and truck traffic will continue, at least for many years, to utilize vehicles that lie within the present size and weight ranges even in the case of an upward revision of motor vehicle size and weight standards.

As interest among economists, engineers, and other groups in welfare economics and in social welfare functions increases, it is becoming more widely understood that identification of business costs and returns with those of society can be incorrect unless all economic costs and benefits are counted in benefit-cost calculations. Economic costs and benefits are those considerations that are pertinent to bringing about an efficient allocation of society's limited resources. The vehicle size and weight issue affords an excellent case example of industry costs for producing freight ton-miles with large and heavy motor vehicles that do not reflect all the resource costs that are necessarily involved. The benefits of highway size and weight liberalization consist largely of the obtainable carrier operating cost savings. These cost savings may be assumed to be largely passed on to the public in lower rates. But society's costs are great for accommodating larger and heavier motor vehicles, although complex and very difficult to quantify. While it is essential for an economist to make the attempt to quantify all the economic costs of permitting upward revision of current size and weight limits, it should be recognized that many of the public and social cost estimates made in this thesis are initial efforts. They are suggestive rather than definitive, and are claimed to be viable only within wide dollar-amount ranges.

The cost effects of the use of the public highways by motor vehicles in the upper size and weight ranges can be divided into two categories. One category involves the additional costs for highway construction and maintenance that larger and heavier vehicles necessitate. On the basis of a number of scientific studies, it has been found that large and heavy vehicles affect the design standards and the capital lives of highway pavements and structures in predictable ways. Increased regulatory limits can also bring about greater maintenance needs and can require increased standards for geometric design of roadways and intersections. All of these are the *public monetary costs* of providing a suitable roadway tailored to the needs of large and heavy vehicles. Such costs in reality are part of the direct resource cost per ton-mile and per passenger-mile of providing highway transportation, as buses and trucks cannot produce these traffic units efficiently and continuously without the ways that are afforded by highways, roads, and streets.

A second significant category of cost effects produced by large and heavy vehicles concerns what are known in economics as *social costs*. These take many forms and are costs whose incidence fall both on the highway users and on non-users of the highways. Specifically, this thesis has found incremental social cost effects to bear on users as a result of the congestion and delays caused by large and heavy vehicles, increased accident rates, and the greater burdens of tension and discomfort experienced by drivers of automobiles and other light vehicles. Non-highway users clearly bear many of the effects from increased noise and air pollution attributable to the operation of larger and heavier buses, trucks, and truck-tractor combinations. The modal competitors of trucks and buses may lose significant traffic and revenue from liberalized size and weight limits which, under certain conditions, can be considered a social cost. At the present time, compensation is not paid for any of these social cost effects that large and heavy motor vehicles regularly occasion and it has long been questioned whether the operators of those vehicles, especially the diesel-powered over-the-road buses and trucks, pay adequately for the costs of the highway plant presently required for their use under existing size and weight restrictions.

ESTIMATES OF CARRIER COST SAVINGS

A major premise of the motor carrier advocates of revised size and weight limits is that increased standards governing the use of the public highways will allow the operation of transport equipment having a substantial potential for carrier cost reduction. This thesis has found that general premise to be a reasonable one. However, the truly important questions remain to be answered: what are likely to be the annual magnitudes of the carrier cost savings? Are those annual carrier cost savings partially or completely offset by increased public costs for the ways and by the various types of social costs that are attributable to large and heavy motor vehicles?

In Chapter V, it was shown that the largest part of trucking and bus operations are variable with output over a relatively short span of time or period of production. Some 50 to 60 percent (or more in some cases) of total trucking costs of operation are found in line-haul operations. All of these are variable costs. The sunk public costs invested in the highway plant are of a highly fixed nature, but the costs for highway services borne by motor carriers through the payment of user fees are largely variable with output of final services. Short-haul pick-up and delivery costs are essentially of the same cost-behavior nature as line-haul costs (though at a higher level per ton-mile transported); they also vary closely with the volume of traffic in the short run. Terminal handling costs are highly variable with output in the aggregate, although they do contain fixed elements. No study has shown that economies of scale in size of firm exist to any substantial degree in motor trucking. In fact, most studies have reached negative conclusions on the economies of scale in size of firm, apart from decreased unit costs resulting from the lengthier hauls over extended routes and fuller loads contributed to by concentrating services on densely trafficked roads and highways.

Line-haul trucking costs are the carrier costs most directly affected by size and weight revision. The largest part of the carrier cost savings that have been estimated for operation of larger and heavier vehicles arises in the line-haul area. Pick-up and delivery costs were determined not to be influenced by vehicle size and weight. This is because the number of shipments a driver can handle during a working shift is a prime determinant of the dimensions of these relatively small vehicles. Terminal costs may be affected to some extent by vehicle sizes and weights, but the relationship is most uncertain.

Several industry studies of line-haul carrier cost savings were described in Chapter V. However, these studies (most notably the work published by the Pacific Logging Congress) often exhibited poor experimental design, inexact measurements, and lack of specification of the dependent cost variables that is essential for reliable results. Only the estimates based on data assembled by the Freightliner Corporation appear as valid measures of the costs of larger and heavier motor vehicles.

The cost savings estimates for larger and heavier motor vehicles done by government and government-related groups appear to have been made with greater reliability. In particular, the Highway Research Board of the National Academy of Sciences published a major cross-sectional accounting cost study in 1961 of motor vehicle costs in relation to gross vehicle weight. That study (reported in Highway Research Board Bulletin 301) involved data from 611 motor carriers. Those carriers operated more than 23,000 vehicles which ranged from 22,500 pounds to 192,000 pounds gross weight.

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[1] That is, the benefit-cost ratio as well as the total net benefits for size and weight liberalization must be compared with the benefit-cost ratios and total net benefits anticipated from other regulatory changes and public investment proposals in the economy.

Another governmental estimate of the carrier costs savings possibilities was prepared by the Bureau of Public Roads in their 1964 report, *Maximum Desirable Dimensions and Weights of Vehicles* (House Document 354).

The savings estimates presented in that volume, based on the earlier HRB accounting cost study, can be utilized to determine the magnitude of the aggregative carrier operating cost savings in the U.S. on an annual basis. The procedure utilized in this thesis made use of BPR estimates of the composition of intercity vehicle miles by vehicle type and weight that would occur under the proposed increased size and weight standards.

From the studies and data examined in Chapter V, it clearly appears that the average gross ton-mile carrier costs do fall with vehicle weight up to a fairly high gross-weight plateau. Thereafter, those unit line-haul costs remain constant. These results take place even though certain cost items included exhibit an increasing rate of rise for some of the high-gross equipment types. The analyses in Chapter V revealed that the carrier cost savings resulting from the operation of larger and heavier vehicles could be as high as $326 million or as low as $24 million annually, depending on the study or method adopted. Nevertheless, it seems reasonable to conclude that the carrier savings in operating costs might well range from $200 million to $250 million annually. Due to the numerous uncertainties involved in the estimates, these savings could be higher or lower by a factor of 50 percent ($100 to $375 million). These estimates include the line-haul carrier cost savings from operating motor vehicles with greater cubic and weight capacity and a rough estimate of possible savings in terminal costs.

ESTIMATES OF PUBLIC AND SOCIAL COSTS

Public costs.—The incremental public cost requirements in the event of single- and tandem-axle weight-allowance increases from 18,000 and 32,000 to 20,000 and 34,000 pounds, respectively, were estimated as one offset to the expected carrier cost savings. The estimates were made for operations on the rural state primary systems of the 29 states in which such high axle-weight limits are not currently permitted.

The marginal annual pavement cost of constructing additional mileage of the rural state primary system to greater standards than present design calls for were found to be surprisingly small (about a half-million dollars yearly), based on figures obtained from BPR sources. In part, this is a reflection of the slow annual expansion of that system's mileage (only a 1-percent yearly growth rate was projected). However, that result was also partly the effect of the neglect of demand-change effects in the BPR calculations. The Bureau assumed that the same volume of freight traffic would be transported under heavy as under light axle loadings, in spite of the lower carrier unit costs to be anticipated from increased vehicle weight allowances. This assumption is most likely incorrect because lower motor carrier costs and rates relative to other transport modes can be expected to result in increased motor carrier traffic.

The incremental costs of minor pavement maintenance for the current and annual additional mileage of the state rural primary systems were also found to be low. These costs were determined by projecting the findings of the BPR's Highway Cost Allocation Study for the incremental costs per vehicle mile contributed by the current large and heavy vehicles on the vehicle mileage of travel expected of yet larger and heavier motor equipment. In total, the additional average annual costs of minor pavement maintenance and heavier construction of new pavement to higher standards for the rural primary system were found to approximate $7 million. These costs would all be the result of heavier axle load-limits.

Much higher public costs would be occasioned by higher axle load-limits for reconditioning of the existing pavements on the state rural primary system to greater standards at the end of their useful lives. These continuing costs, over and above the costs of repavement to 18,000- and 32,000-pound standards, were estimated at $31 million in 29 states for the first year after institution of the proposed higher axle limits. However, even greater public costs would be borne by the highway departments in the form of reduced capital lives in the case of highway pavements subjected to higher volumes of heavy-vehicle traffic.

The total cost of reconditioning existing pavements at the end of their useful lives and reductions in the length of lives of the capital in highway pavements was found on the basis of estimates by competent authorities to range from $150 to $251 million in the first year after initiation of greater axle limits. The author's best estimate of these public pavement costs in the first year after a change in weight limits would be about $225 million. The annual costs would decrease gradually thereafter until in 13 years the additional public costs for capital consumption would entirely disappear. This reflects the expectation that all highway pavements would require resurfacing by that time. On an average annual cost basis for the decade after initiation of higher axle-load standards the best annual cost estimate for extra reconstruction costs and capital losses is about $125 million.[2] However, even this very large figure of $125 million a year could underestimate the annual public costs for pavement resurfacing and reduced capital life to the extent that the states now allowing higher axle load-limits have not completely depreciated their highway systems (originally built for 18,000 and 32,000 pounds), or have not provided resurfacing of the optimal strength.

Another large item of public highway expenditure to be occasioned by greater size and weight standards would be for replacement and strengthening of substandard bridges to prevent undue stress and danger of failure. As has been mentioned, current proposals would lift gross-weight limits for the Interstate System from the 73,280-pound level up to the 100,000-pound range by means of a table graduated in terms of vehicle length and number of axles. Heavier loads in that range would create the need for replacement and improvement of substandard bridges approximately three years earlier than otherwise would be needed. On that basis, the annual costs for bridge replacement could total from $116 million to $1,400 million, depending on which bridges it might be decided to replace. The author's best estimate of these expenses on an average annual cost basis was about $150 million yearly.

Altogether, total public costs for adjusting highways to accommodate the operation of vehicles of increased sizes and weights could range from $248 million to $1,532 million per year. The author's best estimate of these public costs was about $282 million per year on an average annual cost basis.

Social costs.—In addition to the very large annual public cost requirements necessitated by the operation of larger and heavier commercial motor vehicles than are presently allowed to use the public highways, there are social costs to be considered. These would be borne both by some groups of highway users and by non-highway users, in fact, the public in general.

Few of the social cost effects of increased vehicle standards appear to be directly quantifiable by measuring the added costs imposed by larger and heavier commercial vehicles on other economic agents. However, one case in which direct quantification appears possible at this time is the loss to society through diversion of traffic from other transport modes to trucking. This is a social cost under the conditions that obtain today in transportation. Thus, the U.S. railroad system exhibits significant excess capacity; relative to motor freight transportation, it is often a low-cost mode of carriage in terms of real resource costs (all important transfer costs included); and the railroads have been induced by regulation to overprice their services on the basis of fully distributed costs rather than on the far lower relevant marginal or incremental cost standard. The social loss from this source was estimated by multiplying the difference between the long-run marginal costs of freight carriage by motor as compared with rail transportation by the estimated diverted ton-miles of long-distance and high-value freight. The added resource cost for carriage by motor was found to be about $57 million annually. Although this estimate may be too high or too low, it is a real social cost that must be taken into account so long as highway transport cannot completely replace rail transport for the carriage of freight at low cost.

There are other social costs that cannot be measured at the present time by any direct estimating means. These costs of larger and heavier vehicles, arise in connection with highway accidents, traffic congestion, and increased driver anxiety and tension. Cost surrogates for these types of social costs can be devised and estimates may be calculated on the basis of those surrogates for these social costs. In the case of public goods, such as highways, the social costs can be valued indirectly in terms of the public nullification costs required to negate the external diseconomies brought about by the use of large and heavy vehicles. Often external diseconomies are imposed on passenger cars and other light motor vehicles by the larger and heavier trucks. An example of this is the decrease in the rate of traffic flow because of increased congestion at intersections and on hills. The public costs required to nullify these effects would include expenditures for truck climbing lanes, truck acceleration lanes, more spacious intersections, and traffic signaling to specially direct the slower vehicles. The public nullification cost surrogate that measures the social costs to other highways users can be regarded as the minimum expenditure needed to prevent the social cost effects from taking place.

The public nullification costs of increased vehicle width and of the greater accident cost effects of larger and heavier vehicles were estimated in this thesis. Estimates were derived by determining the necessary annual highway investment costs needed for major and minor highway widening (not including structure widening on the non-primary systems), for mileage of climbing lanes, and for improved interchanges (not including improvements to urban street intersections). These nullification costs could range from $640 million to $880 million yearly on an average annual cost basis over the first decade after institution of higher size and weight standards. Even such expenditures might not be entirely adequate to reduce the higher incremental social costs that would obtain under the operations of large and heavy vehicles, consisting of accident exposure possibilities, decreased highway capacity, and discomfort of automobile users.

The directly quantifiable social costs and the social costs measured by public nullification costs do not exhaust the list of social cost effects traceable to large and heavy vehicles. However, the remaining social costs of higher size and weight standards that were identified could not be quantified. Among these social cost effects are: (1) the extra audio and air pollution contributed by larger and heavier vehicles, especially in operations on grades; (2) the possible reduction in motor carrier service to small communities resulting from by-passing of towns by the larger-capacity vehicles; and (3) the possible social loss of semi-skilled truck and rail jobs with a move to more capital-intensive methods of production. No doubt, the most significant of these unmeasured social costs are the contributions of large and heavy vehicles to noise and smog. With added research these might be qualified in the future.

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[2] The estimates from data presented in Chapter VI range from $93 million to $150 million on an average annual cost basis. Considering that the majority of capital loss would take place in the first few years, the author has adopted $125 million as his best estimate.

Therefore, the total social cost effects of larger and heavier vehicles that have been estimated in this thesis directly and by the use of cost surrogates could range from $697 million to $937 million a year. These estimates do not include additional social costs that might well be very great, but which could not be quantified by presently available facts and methodology.

In summary, the total of the social costs that were quantified plus the public costs are enumerated below. The annual extra costs attributable to greater motor vehicle size and weight allowances for operation on the Interstate Highway System and major state highways, determined as average figures for the first 10 years following initiation of the proposed size and weight standards increases, are composed of:

Public costs: Minor maintenance costs and construction of new rural state primary system mileage to higher standards, $7,000,000; pavement resurfacing and capital depreciation, $125,000,000; bridge and other structure replacement and strengthening, $116,000,000 to $1,400,000,000; total public costs $248,000,000 to $1,532,000,000.

Quantifiable social costs: diversion of railroad freight traffic, $57,000,000; nullification of accident- and width-effects, $640,000,000 to $880,000,000; total social costs $697,000,000 to $937,000,000.

The sum of these costs ranges from a minimum of $945 million to a high of $2,469 million. These figures compare with total carrier benefits from operating cost savings ranging from a low of $200 million to a maximum of $250 million annually.

THE BENEFIT-COST RATIO

The ratio of the carrier cost savings, or benefits, found in Chapter V ($200 million to $250 million a year) to the total public and social costs quantified in Chapter VI ($945 million to $2,469 million a year) ranges from .265 to .081. Even if the very highest possible estimate of carrier benefits ($375 million per year) were set against the very lowest possible measure of total public and social costs ($945 million per year), the benefit-cost ratio could not reach unity. Neglecting the quantified social cost effects, the lowest estimated public costs of larger and heavier vehicles ($248 million per year) equals the top figure in the realistic carrier benefit range ($250 million per year). Rarely does a benefit-cost analysis for public decisionmaking exhibit such unqualified results. There can be little doubt that the estimated annual public and social costs, or either one separately, exceed the estimated annual carrier benefits by a wide margin.

In fact, if a middle figure for annual benefits ($225 million) were set against a reasonable middle figure for annual total public and social costs ($1,100 million), some $875 million annually in additional costs would be imposed on the non-commercial highway users and the non-highway users in order to permit the over-the-road commercial bus and truck operators to reduce their operating costs by a quarter of a billion dollars a year! Over five years, the excess public and social costs would exceed $4 billion.

CONCLUSIONS AND RECOMMENDATIONS

The very great excess of public and social costs over the private benefits discovered by this thesis suggests that any general motor vehicle size and weight increase at this time would be a grave mistake in public economic policy. The recent proposals for size and weight increases at the Federal level, and the numerous proposals at the state level that appear continuously, do not appear economically justifiable. Passage of a bill such as S. 2658 could result in a serious drain on U.S. resources. These economic resources could be used to far greater advantage elsewhere in the economy.

This is not to conclude that in all cases or at all times the operation of larger commercial vehicles would be without economic justification or social value. Indeed, a developing country with no extensive road or rail transport system might discover the relative freight transport costs via large and heavy trucks and truck-tractor combinations on roads built to the proper standards to be an economic modal decision under certain circumstances. For the U.S. economy, in view of the presence of low weight-capacity roads (but suited to the present vehicle standards) a majority of private automobile traffic, and economical transport alternatives, increased size and weight standards are not needed and would be very costly.[3]

For the reasons given above, the following recommendations with respect to public policy are suggested:

1. Motor vehicle axle weight, gross weight, and width limits be retained at their current levels for operations on all Federal and state highway systems in the U.S.
2. Prior to any increase in motor vehicle standards that might be considered in the future, user fee increases to cover the total public and social cost requirements be instituted. Preferably, such user fee increases should be put into effect far enough in advance of an increase in vehicle size and weight allowances that substantial road improvement can be accomplished before larger and heavier vehicles are allowed to use the public facilities.
3. Consideration be given to the building of highways solely for the operations of motor vehicles in the higher size and weight ranges, with such highways planned from the start specifically for the needs of such vehicles.[4] In order to plan these highways and to aid in the adjustment of user fees for current vehicle classes, substantial highway cost-accounting research should be conducted and combined with economic research on quantification of the social costs of motor vehicles. A great deal is now known concerning the engineering of highways for vehicles of increased sizes and weights. Three large-scale and expensive road test studies have been undertaken to determine the appropriate engineering features required. Yet, largely because of neglect, the knowledge of highway costs is still in its infancy.

Unless these recommendations are adopted, the costs of greater motor vehicle sizes and weights can prove immense.

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[3] However, in at least one relatively underdeveloped area, the same conclusions found by this thesis resulted. As a research engineer for the Province of Ontario, Canada, wrote the author regarding his study of the feasibility of greater axle weights: ". . . any saving due to the possible reduction in the cost of transportation of goods was greatly outweighed by the incurred cost increases of bridge and road construction." Personal letter from K. G. Tamberg, Research Branch, Department of Highways, Downsview, Ontario, July 4, 1967.

[4] Although extensive discussion of a desirable financing program for all-truck highways cannot be adequately attempted at this point, one pricing possibility for such facilities would be a toll system geared to the incremental costs of the features necessitated by and planned for the large and heavy vehicles. In addition, normal user fee sources might be utilized to finance the basic portion of the roadway.

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TABLE 30.—TRUCK AND AUTOMOBILE ACCIDENT INVOLVEMENT RATES COMPARED WITH PERCENT REGISTRATIONS[1]

Year	Trucks		Cars	
	Percent of vehicles involved in accidents	Percent of registered vehicles	Percent of vehicles involved in accidents	Percent of registered vehicles
1948	17.0	18.0	80.0	81.0
1949	15.0	17.0	82.0	82.0
1950	14.0	17.0	84.0	82.0
1951	14.0	17.0	84.0	82.0
1952	13.0	17.0	84.0	82.0
1953	13.0	17.0	85.0	82.0
1954	12.0	16.0	86.0	83.0
1955	12.0	16.0	86.0	83.0
1956	12.0	16.0	86.0	83.0
1957	11.0	16.0	87.0	83.0
1958	11.0	16.0	87.0	83.0
1959	11.0	16.0	87.0	83.0
1960	11.0	16.0	87.0	83.0
1961	11.0	16.0	87.0	83.0
1962	11.0	16.0	87.0	83.0
1963	11.0	16.0	87.0	83.0
1964	10.9	16.1	86.1	82.3

TABLE 30.—TRUCK AND AUTOMOBILE ACCIDENT INVOLVEMENT RATES COMPARED WITH PERCENT REGISTRATIONS[1]—Continued

Year	Trucks		Cars	
	Percent of vehicles involved in accidents	Percent of registered vehicles	Percent of vehicles involved in accidents	Percent of registered vehicles
1965	19.8	16.1	86.0	82.0
1966	10.9	16.1	85.5	81.3

[1] Source: U.S. Congress, Senate, Subcommittee on Roads of the Committee on Public Works, Vehicle Sizes and Weights, hearings before the Subcommittee on Roads of the Committee on Public Works, Senate, on S. 2658, a bill to amend sec. 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations, 90th Cong., second sess. 1968, p. 173.

TABLE 31.—PERCENT DISTRIBUTION OF MILEAGE OF VARIOUS TRAFFIC-LANE WIDTHS ON PRIMARY RURAL STATE HIGHWAYS WITH HIGH-TYPE SURFACES, 1937–66[1]

Year	Width of traffic lanes				
	Under 10 feet	10 feet	11 feet	12 feet and over	Total
1966	18	23	18	41	100
1962	21	25	19	35	100
1956	26	32	20	22	100
1952	34	36	17	13	100
1946	41	38	11	10	100
1942	44	38	9	9	100
1937	40	(2)	(2)	(2)	100

[1] Source: U.S. Congress, Senate, Subcommittee on Roads of the Committee on Public Works, "Vehicles Sizes and Weights," hearings before the Subcommittee on Roads of the Committee on Public Works, Senate, on S. 2658, a bill to amend sec. 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations, 90th Cong., 2d sess., 1968, p. 179. High-type surfaces include bituminous penetration, bituminous concrete, sheet asphalt, and portland cement concrete.

[2] Conclusive data not available.

TABLE 32.—DETERMINATION OF AVERAGE MOTOR CARRIER SHIPMENT WEIGHT[1]

Shipment weight class (pounds)	Tons shipped in weight class (thousands)	Tons of shipments, cumulated by weight class (thousands)	Percent of shipments in weight class to total shipments	Percentage of shipments, cumulated by weight class
Under 1,000	5,553	5,553	5.6	5.6
1,000 to 9,999	15,934	21,487	16.0	21.6
10,000 to 29,999	21,996	43,483	22.1	43.7
30,000 to 30,999	2,082	45,565	2.1	45.8
31,000 to 31,999	2,082	47,647	2.1	47.9
32,000 to 32,999	2,082	49,729	2.1	50.0
33,000 to 39,999	14,577	64,306	14.6	64.6
40,000 and above	35,243	99,549	35.4	110.0
Total	99,549	99,549	100.0	100.0

[1] Source: U.S. Department of Commerce, Bureau of the Census, Meat and Dairy Products (Group 1); Canned and Frozen Foods and Other Food Products, Except Meat and Dairy Products (Group 2); Textile Mill and Leather Products (Group 4); Petroleum and Coal Products (Group 9); Primary Nonferrous Metal Products (Group 15), 1963 Census of Transportation, Commodity Transportation Survey, Shipper Series (Washington, D.C.: Government Printing Office, 1965), table 3, p. 5. 30,000-lb.-and-over class for commodity group 9 assumed distributed 50 percent in the 30,000- to 39,999-lb. class and 50 percent in the 40,000-lb.-and-over class. The 30,000- to 39,999-lb. group was distributed linearly by 1,000-lb. weight increments for all groups up to 33,000 lbs.

TABLE 33.—ANNUAL INCREMENTAL HIGHWAY MAINTENANCE EXPENDITURES FOR ESTIMATED NEW PRIMARY SYSTEM MILEAGE, 29 STATES, 20,000 AND 35,000 AS OPPOSED TO 18,000 AND 32,000 LB. SINGLE AND TANDEM AXLE LOADS

State[1]	Annual new estimated primary system mileage[2] (miles)	Annual incremental maintenance expenditures[3]
Arizona	39	$780
Arkansas	74	1,480
California	108	2,460
Idaho	32	640
Illinois	121	2,560
Indiana	99	2,160
Iowa	83	1,660
Kansas	82	1,640
Kentucky	114	2,340
Louisiana	38	780
Michigan	78	1,700
Minnesota	89	1,780
Mississippi	72	1,440
Missouri	75	1,560
Nebraska	59	1,180
Nevada	14	280
North Dakota	42	840
Ohio	125	2,600
Oklahoma	92	1,840
Oregon	37	780
South Dakota	47	940

TABLE 33.—ANNUAL INCREMENTAL HIGHWAY MAINTENANCE EXPENDITURES FOR ESTIMATED NEW PRIMARY SYSTEM MILEAGE, 29 STATES, 20,000 AND 35,000 AS OPPOSED TO 18,000 AND 32,000 LB. SINGLE AND TANDEM AXLE LOADS—Continued

State[1]	Annual new estimated primary system mileage[2] (miles)	Annual incremental maintenance expenditures[3]
Tennessee	68	$1,380
Texas	302	6,120
Utah	25	500
Virginia	75	1,560
Washington	33	700
West Virginia	43	860
Wisconsin	85	1,720
Wyoming	35	700
Total	2,186	4,450

[1] Source: Table 14, supra, pp. 47–48 for the 29 States with axle load limits less than 20,000 and 35,000 lbs.

[2] Source: Estimated as 1 percent of current system mileage as given in U.S. Department of Transportation, Federal Highway Administration, Bureau of Public Roads, Highway Statistics, 1966 (Washington, D.C.: Government Printing Office, 1968), p. 137.

[3] Source: U.S. Congress, House, Maximum Desirable Dimensions and Weights of Vehicles Operated on the Federal-Aid System, H. Doc. 354, 88th Cong., 2d sess., 1964, pp. 162–66.

Mr. MATHIAS of Maryland. Mr. Speaker, would the gentleman yield?

Mr. SCHWENGEL. I yield to the gentleman from Maryland.

Mr. MATHIAS of Maryland. Mr. Speaker, I want to call to the attention of the House the very long and distinguished record of the gentleman from Iowa [Mr. SCHWENGEL], and in particular the untiring efforts that he has devoted to the problems of reforming the machinery of the House, and the procedures of the House, specifically with respect to the minority staff.

This is a matter of very vital importance, not just to the Members, not just for their personal convenience, but it is important to the entire country. It is not a partisan issue, it is a matter which can cut both ways, as the Members may have observed.

So that the gentleman from Iowa has rendered a very significant service, not only to the House, but to the entire country, for his continuing insistence that there should be legislative reform in this area.

We all owe the gentleman a very deep debt of appreciation.

Mr. SCHWENGEL. I thank the gentleman from Maryland very much, and I want to say at this point that I appreciate the encouraging help that the gentleman from Maryland has given me not only on this, but many other matters that relate to the improvement of the efficiency and effectiveness of the House.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. SCHWENGEL. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I am very pleased that the gentleman from Iowa [Mr. SCHWENGEL], supported by the gentleman from Maryland [Mr. MATHIAS], has advocated passage of reorganization of the Congress.

As a member of the Joint Committee on the Reorganization of the Congress, which helped write the final report and deliberated on the recommendations which were brought out, I share the feeling of the gentleman that it is unfortunate that these recommendations have not gotten further.

I would just like to ask the gentleman from Iowa, because of the strong emphasis the gentleman placed on the minority staffing, whether the gentleman considers that this is far and away the most important aspect of the congressional reorganization?

I ask this question because this seems to be one of the blocks which has prevented action. I wondered if the gentleman would consider any type of a compromise that might help move the bill, because it seems to me that we have to move this bill somehow, and perhaps a compromise is needed to do so.

Mr. SCHWENGEL. I would like to respond first by saying that I thank the gentleman for his interest, and for his comments, and also for his helpful suggestions. I am keenly aware of the work of the gentleman on the committee that brought this to the attention of the House, and the work that the gentleman has done on it.

Now, with reference to the most important aspects, I certainly believe that minority staffing is one of the most important parts of that bill that needs to come before the House. It is in part impossible for a minority to function as a minority unless it has the capability to do so.

The gentleman knows, and I know, that unless and until we have adequate staffing and trained staffing, that we cannot do this job that can be done, and indeed should be done.

There are several other aspects of that bill that need attention. One is the technological advantage that would come to the Congress. We have all kinds of information retrieval machines that are now extremely sophisticated that can be very helpful in our responsibilities as Members of the Congress.

It can help us to make evaluations. For instance, in the area of taxes there are thousands of known facts that could be fed into an IBM machine and within a matter of moments we could make a pretty thorough evaluation of the effect of any proposed new tax or the effect of an extension of taxes.

I have in mind, for example, the social security bill that we considered several years ago where we sought to make some improvements and we found out later that we made a lot of mistakes or misjudgment which could have been avoided had we been able to take advantage of the technology that could come to us if we were to use it.

We have, as you know, in the Library of Congress one of the greatest collections of data and information in this world but it is not fully accessible or available to Congressmen, and it is too bad that it is not.

Another section that is very important and which I refer to is this lobbying section, that I just had some experience on what I think may prove to be some undue influences on the Congress in getting legislation passed. If investigation would prove that there were undue influences, then we could, hopefully with the strengthening of the lobby laws, do something to control that proposition.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. SCHWENGEL. I yield to the gentleman.

Mr. DINGELL. The gentleman has been very much impressed of late by the serious rather gross charges made about a number of his colleagues. Is he charging that any of his colleagues in this body engage in any practice in any way that is not fully ethical?

Mr. SCHWENGEL. Just a moment.

Mr. DINGELL. I am asking the gentleman a question. You have made a lot of charges in the press and I want an answer. Are you making any charges?

Mr. SCHWENGEL. I have not made any charges.

Mr. DINGELL. I may be in error. I just walked in from off the floor to find the Member in the well—and I would like to hear him—is the gentleman charging any unethical behavior by a Member of this body?

Mr. SCHWENGEL. I just made reference to this.

Mr. DINGELL. I ask you a very pointed and a very simple question and I think it can be answered without any difficulty at all. Are you charging any Member of this body with any unethical, immoral, or any improper conduct?

Mr. SCHWENGEL. No, not one Member.

Mr. DINGELL. I am asking you now so that I can understand fully—and I am not quite sure what your motives might be. But your behavior has been certainly no tribute to you or to your district. As a matter of fact, if the rules permitted—and I am very sorry they do not—I might use some terms that would reflect rather differently the attitude I happen to feel toward you—and I do not use the term "gentleman"—but the Member from Iowa.

What I am trying to find out is if the Member from Iowa happens to be aware of any improper conduct by any Member of this body? I want to have this very plainly on the record.

Mr. SCHWENGEL. I am not aware of anything except——

Mr. DINGELL. Except what?

Mr. SCHWENGEL. That the reports were in the paper and I have a letter here.

Mr. DINGELL. Are you alleging that any Member of this body in any way has been unduly influenced by any circumstance that has transpired in the last 60 or 90 days?

Mr. SCHWENGEL. I have said this——

Mr. DINGELL. I want a simple answer to this question; and even the gentleman with relatively limited intellect might be able to answer that without too much difficulty.

Mr. SCHWENGEL. The gentleman has made a statement before he has given me a chance to answer.

I am not leveling any accusation at any Member of the House. I have no proof——

Mr. DINGELL. You know you made a statement in the press.

Mr. SCHWENGEL. I have no proof that any one Member was unduly influenced. I just know of a set of circumstances that look suspicious.

Mr. DINGELL. I very much doubt that the press is going to have the same interest in what you just said as they did in some other instances that have been stated in the press of late.

Mr. SCHWENGEL. I am not responsible for what the press says. I was pursuing the question of truck weights and widths in the committee, and when I failed to get the kind of hearings I thought we should have, I was pressing the issue entirely of weights and sizes; and I have never, and I do not now, point a finger at any Member of this body as having done anything wrong.

Mr. DINGELL. I am aware of the fact that the Member from Iowa is not too bright but I wonder if he is even aware of the fact that I am not a member of the committee that considered those matters.

Mr. SCHWENGEL. I am not accusing you or any Member of the House.

Mr. DINGELL. All right; I want it to be very clear because you do have the protection against the libel laws here on the floor of the Congress.

Mr. SCHWENGEL. I wrote a letter——

Mr. DINGELL. I believe you have said quite enough.

Mr. SCHWENGEL. I wrote a letter to the chairman of the House Committee on Standards of Official Conduct.

Mr. DINGELL. I believe you have said quite enough.

Mr. SCHWENGEL. The letter is addressed to the chairman of the House Committee on Standards of Official Conduct. It reads—among other things:

> This is not to imply that any Member was actually unduly influenced by money given to his campaign fund by the American Truckers Association, Inc.

That ought to be clear enough.

Mr. DINGELL. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). The Chair will count.

Mr. DINGELL. Mr. Speaker, I withdraw my point of order.

AID TO FEDERALLY IMPACTED SCHOOL DISTRICTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Alaska [Mr. POLLOCK] is recognized for 15 minutes.

Mr. POLLOCK. Mr. Speaker, I have been advised by officials of the Bureau of the Budget that there is a possibility that the $91 million appropriated for full funding of the aid to federally impacted school districts under the Public Law 874 program may not be released.

Language in the Second Supplemental Appropriations Act of 1968—Public Law 90-392—provides that the $91 million must be released by the Budget Bureau by July 31, 1968—2 days from now—or the entire $91 million is lost.

Mr. Speaker, the withholding of these funds would bring much harm to our Nation's schools. Such a loss to the school districts of my own State of Alaska would be catastrophic. This body has voted twice—on June 11 and June 26—to provide full funding for this vital Federal educational assistance program. Both votes were an expression of an overwhelming desire by the Congress that education of our children be of utmost priority.

When Congress was considering the President's tax increase/spending reduction program, much attention was devoted to the necessity of establishing realistic priorities. Now I ask, what has higher priority than providing an adequate and proper education for the children of this Nation?

Mr. Speaker, under unanimous consent I include the text of a letter I wrote to the Director of the Bureau of the Budget on July 25 urging prompt action on the allocation of the $91 million.

Mr. Speaker, I yield back the balance of my time.

The letter referred to follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 25, 1968.

Mr. CHARLES J. ZWICK,
Director, Bureau of the Budget, Executive Office Building, Washington, D.C.

MY DEAR MR. ZWICK: I have been advised that there is a possibility that the 91 million dollars for full funding of Federally impacted school districts included in the Second Supplemental Appropriations Act of 1968 (P.L. 30-392) may be withheld. I must vigorously protest any such act since the overall result of Alaska's school system would be catastrophic.

When the Revenue and Expenditure Control Act of 1968 was before the House of Representatives, I pointed out that there is absolutely no reason for the President to react to the passage of this Act by cutting out any of the necessary programs for education, health or welfare. There is absolutely no reason for the President to cut the school lunch program or milk money for the needy school children or the food stamp program for the genuinely needy.

It has been my observation that a favorite ploy is to threaten to dismember unquestionably high priority programs in order to secure funds or manpower for lower priority programs. It seems to me that if the Administration is truly interested in providing a sound fiscal program, there is sufficient slippage in the space program, the supersonic transport program, the farm subsidy program, the cost of maintaining American troops in countries in Western Europe, or other similar programs which are unquestionably a lower national priority than the need to provide adequate education for the nation's children.

Accordingly, I respectfully urge you to make available prior to July 31 the entire 91 million dollars necessary for full funding of the P.L. 874 program.

Cordially,

HOWARD W. POLLOCK,
Congressman for Alaska.

U.S. ENERGY POLICIES: AN AGENDA FOR RESEARCH

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 60 minutes.

Mr. SAYLOR. Mr. Speaker, in support of House Joint Resolution 599, of which I am author, and of the 29 virtually identical resolutions introduced by my colleagues, I call attention to "U.S. Energy Policies: An Agenda for Research," prepared by Resources for the Future, an agency financed by the Ford Foundation, under contract by the President's Office of Science and Technology.

The report not only substantiates the need for congressional approval of the resolutions providing for a thorough and objective study of the Atomic Energy Commission's civilian reactor program; it also answers those members of the Joint Committee on Atomic Energy who are apparently of the opinion that such an investigation is not necessary because of the committee's own authority and responsibility.

While it is generally recognized that the committee has exercised a continuing surveillance of the AEC and indeed carries out the mandate of Congress to promote and encourage the development and use of the atom for peaceful purposes, there nevertheless persists a definite need for a broad reassessment of the entire AEC program in the light of present and upcoming energy demand and supply. Such a study, the resources for the future report makes clear, should be conducted by an objective, independent body which would develop information on what, if any, changes should be made in the civilian reactor program that grew out of the Atomic Energy Act first passed in the 1940's and amended into substantially its present form in the 1950's.

To me it is inconceivable that conditions prevailing in the past decade or two can continue to serve with efficiency and logic as the guidelines on which a Government-financed power program is predicated. The Federal Government's present financial situation would alone appear to be adequate reason for seeking to learn whether revision of whatever costly course set in earlier years might be desirable.

In view of the current national debt and the unfavorable budget imbalance anticipated in this fiscal year, it is obvious that every appropriation undergo closest scrutiny. Of all Federal programs in suspect, the civilian reactor plans require particular examination.

Through fiscal 1973, AEC's projected budget includes $1.15 billion for the development of a more efficient nuclear reactor, the fast breeder. By 1973, judged on the history of AEC's spending habits, the program could cost considerably more. For this reason, and because the proven reserves of fossil fuels preclude the necessity for developing such a facility in the next 5 years—or the next hundred years—I give priority to this project in my recommendations for immediate cutbacks in AEC appropriations, including:

First. Civilian power reactors: Although cost figures on the fast breeder reactor are estimated only through 1973, the reactor is not expected to be perfected before 1985, with untold billions of dollars likely to be needed for research and development in the intervening years. I propose that progress to this date—and I recognize that considerable scientific knowledge has evolved out of the effort put into it thus far—be placed in mothballs until the time the United States can afford and must have further pursuit of the objectives involved. The savings of $90 million earmarked for the fast breeder, plus a reduction of $40 million in such programs as converter reactors and application of nuclear power to desalting, would represent the start of a fast-breeding economic move on the part of the Federal Government.

Second. Advanced research and development: This program is devoted to exploration of advanced reactor concepts and development of research reactors. All of the processes under study are highly experimental and can be reduced—by $7.9 million—without any injurious effect upon the program as a whole.

Third. General reactor technology: Because this item—which happens to carry a $48 million pricetag—consists largely of development work in support of an overall reactor program which has already produced a competitive fuel industry for electric utilities, AEC itself would find difficulty in defending it during a time of extreme need for reducing Government expenditures.

Fourth. Nuclear safety: This $37 million item has no place in a Federal budget. Designed to find the answer to building a reactor in a heavily populated area without endangering the public safety, the program should be the exclusive concern of utilities which seek to build atomic plants in big cities. In lieu of privately financed research, electric power companies would have to find isolated areas—if any are sufficiently removed from centers of population—or else be willing to underwrite insurance plans to the satisfaction of affected residents.

Fifth. Controlled thermonuclear research: Described by AEC as a 30- to 50-year program. This project to cost $27 million for fiscal 1969 could be put aside without sacrificing the long-term goals of the program.

Mr. Speaker, in those areas Congress can cut $249.9 million—barely short of one-quarter billion dollars—from a total expenditure which has been advertised as the reason why a surtax had to be imposed on the American public. There is where Congress should undertake to look carefully to determine whether it is justified in continuing to place such a heavy burden on the taxpayer.

Now, let us take a look at the resources for the future report. At the start it has questioned the competitive status of nuclear power because AEC has yet to make a finding of practical value for a civilian reactor. Thus, despite the fact that electric utilities are planning and designing nuclear plants across the Nation, the AEC has not officially regarded the reactor as fully competitive with coal, oil, or natural gas. Here, there is a lesson in bureaucratic practical value, for, if AEC were to make a finding of practical value in any reactor, there could be no further Federal subsidies for this type of power station. Please note these remarks by Resources for the Future:

> It must be noted that no plant competitive with conventional power plants is yet in operation and that until real operating experience has been accumulated for both large nuclear and fossil fuel units, the factual basis for the atom's competitive status cannot be said to be firmly established. *Moreover, the Atomic Energy Commission, although required by the Atomic Energy Act of 1954 to make a finding of "practical value" when commercial status for any reactor type has been achieved, has declined to make such a finding, even though petitioned to do so by various representatives of the coal industry in 1964 and again in 1966.* Thus, the nuclear power plants now being constructed are still being licensed under the developmental, not the commercial, provisions of the 1954 Act. In denying the 1966 petition the Commission stated:
>
> "Pending the completion of scaled-up plants, and the information to be obtained from their operation, the Commission remains of the view that there has not been sufficient demonstration of the cost of construction and operation of light water, nuclear electric plants to warrant making a statutory finding that any type of such facilities have been sufficiently developed to be of practical value within the meaning of section 102 of the Act."
>
> Although the finding "practical value" may turn on narrowly legalistic questions, and the Commission may simply prefer the greater flexibility which is open to it under the developmental provisions, there are other grounds for raising questions concerning the *true economic status of nuclear power.* These point to areas, listed below,* in which study is required in addition to the study continually under way within the Atomic Energy Commission. *Outside, disinterested study is needed if only because the AEC is under statutory obligation to encourage the development of nuclear energy.* (Emphasis supplied.)

The RFF study points out that there are costs not given in the quoted costs of nuclear power. One is Government expenditures for engineering research and related work on nuclear powerplants, another is whether the Federal insurance program for nuclear reactors is a cost item and there are still other factors which the RFF study says must be taken into consideration in any accurate appraisal of the real costs of nuclear power.

The RFF study poses the fundamental issue in this entire matter as follows:

> In its 1962 report to the President on Civilian Nuclear Power, the AEC estimated that $1.275 billion had been expended by the government to date on the civilian power program, and that industry had expended approximately $0.5 billion of its own funds, mostly for plant and equipment. Currently, according to its 1967 Financial Report, the AEC is spending more than $500 million per year on reactor development, of which between $150 million and $250 million *is assignable to commercial nuclear power. What is the justification for continued expenditure of such large sums for research and development now that commercial nuclear power has apparently been achieved?* (Emphasis supplied.)
>
> The main reason offered is that the class of reactors that are now thought to be economically competitive with fossile-fuel fired power plants are inefficient in their use of nuclear raw materials.

The RFF report quotes the AEC answer to the effect that the class of reactors now in use are relatively inefficient in their use of nuclear raw materials.

But, again the fundamental question is posed as follows:

> The drive to achieve reactors that are more efficient in their use of nuclear raw materials gives rise to a number of questions which require study. *The most basic question is whether the Federal government's concern with the adequacy and cost of future energy supplies justifies any further research at this time, and if so, how much should be devoted to improvement in the utilization of nuclear fuels.* (Emphasis supplied.)

Congress cannot accept AEC's contention that, since the nuclear reactor now in use converts only a small part of the potential energy in uranium, the agency is justified in seeking a reactor which makes better use of the atomic fuel. As the RFF study points out, uranium is only one of the several fuels used to generate electricity, with the conventional fuels in plentiful supply.

There has been, within the past several years, a rush toward nuclear reactors by the utility industry. In 1967 alone, 30 large nuclear plants were ordered, the total capacity being 24,000 megawatts. Within the next 10 years, if schedules now in effect are carried out, 16 percent of the country's power will come from the atom. Sixty-seven nuclear plants will be operative at the end of 1977 if all goes according to plan.

Undoubtedly, the utility companies feel that power from nuclear plants is already competitive with power from coal, oil, and gas. If not, if several billion dollars have been spent on the civilian program without achieving the objective—atomic power competitive with that from the conventional fuels—that fact alone warrants a thorough investigation. Why spend more simply to prove that electricity for civilian uses can be manufactured from the atom?

I should like to call the attention of my colleagues to a proposed amendment to the Atomic Energy Act which I understand has been drafted by the staff of the Joint Committee and introduced in both Houses by members of that committee. This amendment, H.R. 18667 and S. 3851, would provide for two important changes in the act. One would require that all licenses henceforth granted for the construction of single purpose, light water reactors—the common type now being built on a broad scale—would have to be commercial rather than experimental licenses and subject to review by the Justice Department regarding antitrust implications unless the principal purpose of such installation was clearly shown to be research and development. This is a forward step and one that should have been taken many months ago by the Atomic Energy Commission under the authority granted it by Congress to find whether such proven light water reactors have "practical value" and should be licensed under the appropriate section recognizing their commercial status. Inasmuch as the Atomic Energy Commission has thus far refused to make a finding of practical value despite petitions filed and heard before it, it is now possible that the Joint Committee and its staff believe that the Commission was in error in its refusal—thus the amendment to eliminate the practical value clause and sharply clarify the procedure for granting commercial licenses for commercial plants.

Another provision of this amendment would require the AEC to consider the thermal pollution of cooling water from streams or other sources and its effect on the ecology in determining whether licenses for a nuclear powerplant should be issued. Certainly the newly recognized problems of thermal pollution make it imperative that this matter be a prerequisite in the granting of powerplant licenses, and perhaps the AEC is the proper agency to make such a determination in regard to nuclear plants.

But regardless of the desirability of these amendments, the weaknesses of the Atomic Energy Act cannot be cured by patchwork and presumption. Congress can exercise its responsibility only by reconsidering all aspects of the atomic power program from this point forward and by substituting for the archaic and outmoded guidelines contained in the Atomic Energy Act of 1954, as amended, a measure taking full cognizance of all related matters that exist today. To do this intelligently we need the benefit of a high level, impartial and objective study of all of the involved questions as is proposed in the resolution which I have introduced.

There is a matter of urgency in this question which I do not believe is generally recognized. Among other things, study should determine whether the present course could result in exhaustion of the highly limited supply of uranium that can be mined and processed at a reasonable cost. Again quoting from the resources for the future report:

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* U.S. Atomic Energy Commission, Civilian Nuclear Power: The 1967 Supplement to the 1962 Report to the President (Washington: Gov. Printing Office, Feb. '67), p. 56.

> Were breeding to be achieved, the resources or uranium and thorium would dwarf those of all the conventional energy resources by a tremendous margin. Indeed, it is likely that the achievement of economical breeding would remove any danger of energy resource depletion for as far into the future as anyone might reasonably want to look. It is easy to see, therefore, why the attainment of breeding should appear so enticing a technological goal. Certainly, this must be a long-term objective of nuclear reactor technology.
>
> In the meantime there also may be a problem of natural resource adequacy, in terms of sufficiency of uranium to fuel the rapidly growing nuclear power industry. The cry of resource scarcity has been raised not only by those who favor the idea of having the government invest huge sums in an attempt to hasten the achievement of high-gain breeder reactors, but also by those who would like to discourage utilities from deciding to construct nuclear plants at the present time and in the near future.
>
> According to the AEC, known and estimated domestic resources of uranium at prices less than $10 per pound of uranium oxide (U_3O_8) are adequate to meet light water reactor requirements for about the next twenty-five years. Although current exploratory activity is at a high level, this earlier evaluation suggests numerous near-term questions which require early study.
>
> 1. How valid are the uranium resource estimates? What can be learned through geological inference concerning domestic uranium supplies that would be forthcoming at a schedule of prices of uranium oxide (U_3O_8) higher than the $10 per pound upon which current figures on known and estimated domestic resources are based? Attempts to estimate such a supply schedule, along with similar supply schedules for other fuels, is identified as an urgent need in Chapter VIII.
>
> 2. What techniques, if any, should the government employ to step up uranium exploration in the United States? Or should the search be left wholly, or mainly, to private initiative now that the nuclear power industry has started a period of rapid growth, nuclear fuel has been almost completely decontrolled by the federal government, and the tempo of exploration by private industry has been quickened?
>
> 3. Should the embargo on the importation of uranium be lifted? The embargo was introduced to permit the domestic industry to survive during the period in which the uranium market was in the doldrums. Is there reason for its continuation in the changed situation?
>
> 4. Should the growth of light water nuclear power capacity be slowed down so that capacity will not outrun fuel supply? If so, what should be the criteria for adopting such a policy, and what are the techniques by which it might be implemented?
>
> 5. To what extent should the substantial AEC uranium inventory, in excess of military needs, begin to be sold on the open market, and at what price?

Actually, uranium is in very short supply and a tremendous amount will be required for the light water converter program which has expanded so rapidly in the past 3 years. This reactor converts a very small part of the uranium used into energy. It is relatively inefficient. And the power source could be exhausted and not be available for more efficient reactor types if and when the atom is needed to fuel powerplants. Such an eventuality could mean the failure of the entire civilian nuclear program, since atomic power from existing reactors would be too costly for extensive use and uranium would not be available for more efficient reactors. Only then—too late—would there be a realization that the fuel should have been conserved for a period in the future when there is the need for more power. Mr. Speaker, solely on the basis of questions raised by resources for the future with respect to cost of the Federal Government's participation in the civilian reactor program, the necessity for a study as proposed by my resolution is obvious. From the standpoint of uranium supply and fuel requirements of the future, there is further support in the resources for the future report.

Of even greater significance are the safety factors involved in uranium mining, reactor operation, transportation and disposal of nuclear materials, and air and water pollution. Each requires careful and intense investigation if the public welfare is to be served.

Until recently, metropolitan areas have succeeded in preventing erection of reactors within their neighborhoods. Only relatively small communities have been exposed to the next-door hazards of atomic powerplants. Now a number of electric companies, goaded by the reckless defiance of the AEC, threaten to place reactors amid heavy populations. The prospect creates a most serious problem for constituencies of a growing number of our colleagues and, I trust, will prompt wider interest in the resolutions which 29 of my fellow Members of the House have joined in introducing.

Meanwhile, because AEC has shown itself to be irresponsible in matters of public safety and irresponsive to public preference, I have introduced for myself and 16 colleagues H.R. 18767, which would require congressional approval before a license may be granted for the construction of any facility for the commercial generation of electricity from nuclear energy. Cosponsors of the bill are Mr. MOORE, Mr. MORGAN, Mr. PERKINS, Mr. WAMPLER, Mr. BRAY, Mr. CLARK, Mr. STAGGERS, Mr. OLSEN, Mr. BURTON of Utah, Mr. BATTIN, Mr. HAYS, Mr. SLACK, Mr. DENT, Mr. CARTER, Mr. KEE, and Mr. MOORHEAD.

Recognizing that any number of reactors could be planned for any number of communities which do not want them prior to completion of the study of the AEC, we ask Congress through enactment of H.R. 18767 to provide the people of this country with a safety latch for keeping the doors of their cities and towns closed against the danger and fear that atomic plants might otherwise present. There has always been a constitutional question of whether AEC has in fact, the authority to decide upon sites for reactors over protests of local citizens, yet the Commission has brazenly assumed that it alone can and should determine where the A-plants are to be located.

H.R. 18767, in restoring to Congress at least a measure of the power arrogated by the Commission, would give elected officials an opportunity to defend their constituencies against unsolicited invasions by a bureaucratic office which history may prove has been in the business of drawing up death warrants for citizens throughout the land, from the uranium mines of Colorado and Utah to the power stations that might contaminate your district and mine.

The responsibility is clear. Congress must not only provide for reexamination of the whole AEC program, it must also place in the legislative body a definitive power to approve or reject all AEC licenses for nuclear powerplant construction.

EXEMPTING POST OFFICE DEPARTMENT FROM PERSONNEL CUTBACKS

Mr. MINISH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MINISH. Mr. Speaker, today we have the opportunity of preventing a major catastrophe in our national life. We have the opportunity of exempting the Post Office Department from the sweeping personnel cutbacks demanded by section 201 of Public Law 90-364.

The Post Office Department is unique among all Government agencies. It has no control over the amount of business it must do. The American people decide what the volume will be, and it is up to the Postal Establishment to handle that volume as efficiently and as expeditiously as possible.

As a result, the mail volume is growing out of all proportion to the population. In fiscal 1966, for example, the volume rose by 3.7 billion pieces. When the figures are available for fiscal 1967, I am sure we shall see the same rate of increase.

Despite all the talk about mechanization and automation, Mr. Speaker, an increase in mail volume still means an increase in postal employees to handle it. But, unless we take remedial action today we shall be asking the Post Office Department to handle this vast increase in volume while eliminating 15,000 existing jobs this year. Worse than that, we are on the point of insisting that the Department eliminate the 15,780 jobs already authorized for this year to handle the expected increase in volume.

In other words, we are asking that the Post Office handle an increase of about 4 billion pieces of mail with 31,000 fewer people than are necessary to do the job. It just cannot be done.

Furthermore, Mr. Speaker, under the provisions of Public Law 90-364 we have provided for a built-in and continuing catastrophe in the mails. We are insisting that in 4 years' time the Postal Establishment eliminate a total of 83,238 postal jobs, while handling an increase in volume of approximately 10 billion pieces.

The Postmaster General has told us that the only way he can comply with this mandate would be to cut down the service to a point where it will be the laughing stock of the free world, and a source of intense anger and resentment here at home.

Postmaster General Watson has said that, unless we exempt his agency from the provisions of the law, he will have to close down all post offices on Saturdays. He will have to eliminate all deliveries and collections on Saturdays. He will have to stop delivering parcels on Saturdays.

He will also be forced to deny delivery service to all new communities and suburban developments. These people will have to travel to the nearest post office to pick up, or deposit, their mail.

He will also have to accelerate the process of closing down smaller post offices: a total of 13,000 third- and fourth-class post offices would be closed within 4 years.

If the Postmaster General is forced by our shortsightedness to adopt such a drastic course, I can envisage a wave of indignation among the populace almost unparalleled in our history.

And the people have every right to be indignant. Last year we voted to increase their postage rates by a billion dollars a year. The people have a right to expect better postal service when they pay higher rates. Instead, we are proposing to cut down the service to a whisper. How are we going to explain that to our constituents?

And how are we going to explain the fact that, on the one hand, we appropriate money to create jobs for the unemployed while, on the other hand, we vote to eliminate more than 83,000 jobs in the Post Office.

I urge my colleagues not to underestimate the anger of the American people in the face of a collapsing mail service. In 1957, the then Postmaster General, when denied sufficient funds to operate the service, closed down all post offices for just one Saturday. The public outcry was so loud and so angry that Congress was forced to grant the additional money almost immediately.

The irony of the situation, Mr. Speaker, is that—unless we take remedial action—we shall be ruining the postal service without saving any significant amount of money.

Just because we close down post offices, this does not mean that the people will stop mailing letters. The mail will simply build up, creating monstrous backlogs in every major post office in the country. The only way a postmaster will be able to get rid of that backlog will be to make the men he has work overtime, at time and a half. He will, in all probability, have to hire vehicles from private industry to transport the backlogged mail. He may even have to rent storage space to hold the mail until the overworked employees can get to it. This will add up to an extremely expensive operation, and also an extremely slow and sloppy operation. We shall have mail crises every week, and in every city, that will make the disaster in Chicago 2 years ago look like a minor league affair.

Mr. Speaker, we hear a lot of talk these days about the so-called postal deficit. Most of the talk is uninformed and hurtful to the postal service.

In the fiscal year just completed the Post Office spent approximately $7 billion. It received in revenue approximately $6 billion. It returned to the Treasury approximately 84 percent of its appropriations—a figure not even approached by any other agency of Government except the Treasury itself. And yet we do not hear about the State Department deficit, the Interior Department deficit, the Department of Labor deficit, or any of the other deficits in Government.

But also we, the Congress, have insisted that Post Office accounting segregate the nonpostal or public service costs of the establishment from the purely postal costs. When we do that we find that the great bulk of the discrepancy between income and outgo is attributable to the public service functions of the Department—functions which we have decided, quite rightly, should be paid for out of general taxation, and not out of postage rates.

Thus, when we eliminate the nonpostal, public service expenditures of the Department, we find that the Post Office returns approximately 92 percent of its operating costs to the Treasury. This 8-percent so-called deficit is an investment by the American people in the economic, social, political, and educational future of the Nation, and it is one of the best investments it could possibly make.

Mr. Speaker, if we do not approve of this legislation which will exempt the Post Office Department from the restrictive provisions of Public Law 90–364, we shall create perfect chaos in the most essential means of communication available to our people.

If these service cuts go through, then it will be commonplace to take 5 days to send a letter across town and 3 weeks to get a letter across the country. This will have a dire effect on millions of our citizens who depend upon the mails to provide them with the checks upon which they must live. How do we explain to an aged retiree that our shortsighted economies have delayed her annuity check by 2 weeks? How do we explain this to someone dependent upon social security? Or to someone awaiting a dividend check, or a salary check, or a welfare check? There is no way we can do it.

We must not permit a situation to develop in which we have to try to do it. The other body last week took action to forestall the incipient tragedy in the mails. Now it is up to us to follow suit and insure the continuing integrity of the mails.

It is our moral obligation to exempt the Post Office Department from the restrictive provisions of Public Law 90–364.

INAUGURAL ADDRESS OF DR. CLARENCE BOOKBINDER AS THE 43D PRESIDENT OF THE AMERICAN PODIATRY ASSOCIATION, IN CHICAGO, ILL., ON MONDAY, JULY 29, 1968

Mr. CAHILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CAHILL. Mr. Speaker, a distinguished citizen of the Sixth Congressional District of New Jersey, Dr. Clarence Bookbinder, was installed today as the 43d president of the American Podiatry Association. His inaugural address is timely, informative and contributes to the knowledge of this Congress and the American people in an important field affecting and improving the health of the Nation. I recommend it with pride and enthusiasm and place it at this time in the CONGRESSIONAL RECORD.

DR. CLARENCE BOOKBINDER'S INAUGURAL ADDRESS

Mr. Toastmaster, Reverend Clergy, Past President Yale, distinguished guests, and friends, it is always a source of deep satisfaction to reflect on a period of accomplishment—to take a long hard look at where we have been and where we are going. There is certainly no doubt that in recent months we have seen remarkable progress and achievement in our profession: in the inclusion of podiatrists' services in Medicare and the Title XIX programs permitting over twenty million people to avail themselves of the services of podiatrists, the issuance of Bulletin 44 by the Joint Commission on Accreditation of Hospitals, the further extension of Federal Aid to Education programs to our colleges, and the growing realization by Federal, state and local health authorities of the importance of podiatry services in our communities.

These are but the highlights of our areas of involvement; however, they encompass many of the goals which were set by our profession when we proposed and then adopted the "Podiatry Faces the Future" program with your help. We recognized that ours was an ambitious program but we gave it our full support at all levels. The results, as we near its mid-point, may be surprising to some of the doubtful, but they cannot be anything but a source of solid satisfaction to all of us.

However, satisfaction is a double-edged sword and its reverse edge is called "complacency". A lapse into that sad state at this point in our development would not only negate the enormous gains we have achieved in such a short period of time, but it would surely turn our vision from the unmet goals of the 1970's and, beyond that, of the 21st century.

While keeping in mind these distant objectives, we must first face up to the tasks of the coming year. And these, as I see them, are: assuming responsibility, involvement, and solidifying gains and resetting our sights.

As I have pointed out, podiatry is now actively engaged in many of the major community health programs of our nation. Our legislative programs have been directed toward this important goal with the inclusion of podiatrists' services in these programs. But, as a matter of fact, podiatrists will never really function effectively in community health unless they take the initiative, unless they are willing to spend the time and effort to shoulder the responsibilities which are incumbent upon all members of the community health team.

It is not enough to say: "Yes, podiatrists are included in this program. Yes, podiatrists can participate in that health project." Or, on the other hand, to read of the appointments of health professionals to important roles in comprehensive health programs, and to complain: "Why wasn't a podiatrist named?" "Why are we left out?"

That is what I mean by involvement or, as the case may be, the lack of it. And that is why I am so pleased to see the attention that so many podiatrists at this annual meeting are giving to the three-part program on community health which concluded this afternoon. Officials from virtually every Federal agency in which podiatry has an interest have come here to share their knowledge with us, to tell us specifically how podiatry can meet its responsibilities to the health of the community.

I cannot recite every recommendation these dedicated men have made to you, but, I believe I can tell you one that they did not make. And that is "Clear everything with Washington first." Surely, the overall plan is developed in Washington but that is not where the action is. That is not where the need for foot care is. It is in your own states and your own communities. And that also is where the local offices of these government bureaus are, where you will find the people who will assist you and work with you to assure that podiatry is making a maximum contribution to community health.

So, as it is with most human endeavors, the success or failure of podiatry's role in health programs is up to each podiatrist. The opportunity is not wanting, nor is there any lack of helping hands on the part of the government, or on the part of the staffs of APA and the component societies.

Even as we look to the present responsibilities, we must not lose sight of the future. I have said that we are scarcely halfway through "Podiatry Faces the Future." Important goals remain—in education and research, in the social and economic areas.

The immediate goals are set out and you know them well. In education and research—the development of a new curriculum, strengthening of teaching and research staffs, establishment of sound graduate and continuing education programs, improving the physical facilities of our colleges—all these will be prime considerations of the American Podiatry Association.

In the social and economic spheres—inclusion of podiatry services in all major health insurance plans, appointment of podiatrists to positions of responsibility in Federal health agencies, reform of statutes regulating podiatry practice.

We feel that the American Podiatry Association should actively plan and participate in a world-wide podiatry conference involving the profession at a meeting in the near future to coordinate and establish programs with a community of interest to advance the profession to its highest levels wherever podiatry is practiced.

But what of the years beyond "Podiatry Faces the Future", the last decade of this century and the early ones of the next? Must we not begin to consider them now?

What of such matters as the eventual relationship of poditary to other health disciplines? How shall the colleges expand their numbers? What will be the opportunities for deeper involvement in research by podiatrists? How will government podiatry programs be organized and supervised?

These are some of the challenges of the years ahead, and we must begin to plan for them now. The blueprint for the future, looking forward to the 1970's and then on to the 21st century, is a plan now in the process of development by the Officers, members of the Board of Trustees and the Staff of the American Podiatry Association.

In this modern age of heart transplants, kidney transplants and even transplants of the teeth, podiatry must be a part of the research and development of new techniques in the important contribution of total care, because total care of the human body must, of necessity, include total care of the foot. We must also be a part of the team effort in the Aerospace program. As man travels through space, new and different problems affecting the organs of locomotion will present themselves. Our contributions in research of this important area will keep us abreast of the changing scene.

The American Podiatry Association will continue its concern, interest and support to the colleges of podiatry, to the degree that we shall see our colleges achieve the academic excellence so vital in the training of the podiatrists of the future. We also contemplate the development of new and exciting schools of podiatry to be located in various sections of the United States, close to the research centers and universities involved in the programs that we have suggested.

As the President of the American Podiatry Association, I accept the challenges of this decade. Podiatry will face the future with a program and concerted effort that will bring us to the 21st century, with the knowledge that we have assumed our responsibility as the profession devoted to the total foot health of this nation.

A STRONG SUPPORTER OF VICE PRESIDENT HUBERT HUMPHREY

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, as a strong supporter of Vice President HUBERT HUMPHREY for the Presidency of the United States, I am well acquainted with his many accomplishments which, in my opinion, make him the only logical choice for the Presidency this year. I never cease to be amazed, however, when I read a summary of his many legislative accomplishments throughout his more than 20 years of public service. He argued for strong civil rights legislation 20 years ago, he called for medicare nearly 20 years before it was finally enacted by the Congress, he was the man who proposed the Peace Corps and the food-for-peace program, he was in the forefront of the battles for the antipoverty program, the youth training program, and almost every other important social program enacted over the past 20 years. One of the best summaries of his accomplishments is contained in a recent editorial in Justice, the official publication of the International Ladies' Garment Workers' Union. At a time when there seems to be some question in the minds of a few people about who should represent the Democratic Party, this editorial is particularly significant; after reading it, no Democrat, and no American, should have any doubt about whom to support for the Presidency in 1968. Under leave to extend my remarks in the RECORD, I include the text of this editorial:

HIS BROTHER'S KEEPER

In his many years of public life, Vice President Hubert Humphrey has lived the role of his brother's keeper.

When he was elected mayor of Minneapolis in 1945, he put through the first municipal Fair Employment Practices Act in America to open job opportunities to his black-skinned brothers. When he went to the Democratic Party convention in 1948, he made the historic fight for a strong civil rights plank to carry the Minneapolis idea to all America.

When he went to the Senate, his very first bill in 1949 called for medicare to provide health service for his senior citizen brothers.

He proposed the Peace Corps to care for our less fortunate brothers in many lands. He devised the food-for-peace program to feed our hungrier brothers of the earth. He sponsored disarmament programs to ease world tension. He headed the programs for youth employment to give hope to our younger brothers. He battled for antipoverty legislation to help our poorer brothers. He wrote farm legislation to care for his rural brothers and urban legislation for his city brothers.

He did so well in all this that James Reston of the New York Times called him "the most creative legislative mind to come out of the Senate in a generation.

In the Senate, Humphrey had another brother, the junior senator from Minnesota, who generally followed Humphrey's lead. As the Congressional Quarterly wrote in 1964: "When the record indicates McCarthy has co-sponsored a major new bill, it often turns out to be a bill Humphrey has authored."

For many years, McCarthy was able to shine in the reflected glory of Humphrey's energy, creativity, eloquence and legislative skill.

This year, McCarthy backers are calling upon Humphrey to step aside for the "junior" senator. They say that Humphrey has no right to the Democratic nomination because McCarthy is the choice of the people.

To block Humphrey, some McCarthyites have tried to disrupt meetings where Humphrey spoke. Some of them have even threatened to run a separate ticket if Humphrey is nominated. All this is justified by the myth that McCarthy is the man the Democrats want.

WHAT ARE THE FACTS?

According to a Harris poll (July 8) Humphrey is, by far, the choice of Democrats over McCarthy. Among labor people—Negro, white, lower income—Humphrey outstrips McCarthy by three to one. Even in the suburbs, reports Harris, Humphrey has "more appeal than any other Democrat." McCarthy does well among the richer folks. But most Democrats are not rich!

Last week the Gallup Poll made a similar finding: that in contests with Nixon and Wallace, Hubert Humphrey showed greater strength than McCarthy among Democratic rank-and-filers and with such traditionally Democratic groups as manual workers, nonwhites and union families.

The second McCarthy myth is that he has won in the primaries. The myth started in New Hampshire where McCarthy ran unopposed and lost to a Johnson write-in. McCarthy lost in Indiana, Nebraska, South Dakota, and California. The only state where he won against an opposition was in Oregon, where he beat Kennedy.

Now the McCarthy people have spread a new myth that the Kennedy voters were really for McCarthy. But the Harris Poll (July 8) reveals that "among the hard-core following of Robert Kennedy, Humphrey is preferred over McCarthy by 50 to 37 percent."

Those who can recall the Democratic convention of 1960 must be amused by McCarthy's recent conversion to a belief in the primaries. That was the year that John F. Kennedy carried the presidential primaries—which did not stop McCarthy from asking the Democratic convention to ignore this fact and to nominate Adlai Stevenson—a worthy man who had won no primaries.

So far, Hubert Humphrey—his brother's keeper—has withheld criticism from his "old friend." While we admire Humphrey's attitude, the Veep will have to forgive us for scolding his junior brother. We just want to make it clear that while the McCarthyites speak for a minority, they do not, in their opposition to Humphrey, speak for us—or for the millions of plain people who have provided the voting battalions for Roosevelt, Truman, Kennedy, Johnson and now Humphrey.

CONFERENCE REPORT ON H.R. 10915, EXTRA-LONG-STAPLE COTTON

Mr. PICKLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKLE. Mr. Speaker, the first item of business of the House last Friday, July 26, was consideration of the conference report on the extra-long-staple-cotton bill, H.R. 10915. The measure was considered and passed with no debate at a time when few Members were yet on the floor. I had discussed the conference report with the chairman, Mr. POAGE, and told him of my support.

I would like to make a few comments on some of my participation in the background of this bill, and express my support of the conference report as adopted Friday.

The chairman will remember I offered an amendment to H.R. 10915 last year when a similar bill was before the House. As introduced, the bill would have excluded long-staple cotton for any country which has severed diplomatic relations with our country during the year preceding the passage of the pending bill. In effect, it would have removed all cotton imports from Egypt and the Sudan since those countries had severed relations with the United States in June 1967. It would have made permanent the exclusion of any cotton imports for Egypt.

I offered an amendment last year which would have excluded import cotton from these countries and thus the quotas could have been given to our own domestic producers. My amendment added that the quotas could have been restored if diplomatic relations between our country and Egypt had been restored and if, in the judgment of the President of the United States, it was in the national interest to so restore the quotas. We ought not to unduly tie the President's hands in these matters—whether the President is a Democrat or Republican.

I think everyone in the House agreed that we should not trade with Egypt or any country if they had severed diplomatic relations with us, and furthermore, I think we all agreed that we would have liked to have seen this quota given to our own producers here in the United States. We also attempted to make clear that it would be our intent to restore the quotas if diplomatic relations were resumed. The gentlemen from Arizona [Mr. RHODES and Mr. UDALL] and others felt this action would be taken by the House. Further, we pointed out that if our producers were given their extra quota, we must be careful that the new quota not be taken abruptly from them without notice or time for adjustment. It takes considerable investment in land, equipment, fertilizers, and seed to expand a cotton operation.

Nevertheless, the amendment I offered was not accepted by a 56-to-63 division vote. The chairman, I believe, thought we might improve the language of the bill, but under the circumstances, felt that the Congress and not the President should be the sole voice in restoring these quotas.

I am glad the bill as passed makes some corrections in this respect. It does remove the quotas from a country like Egypt and Sudan if diplomatic relations are not or have not been resumed. It allows these quotas to go to our domestic producers, and it sets a time specific before the quotas would be or might be taken from the domestic workers, as follows:

> . . . that any such reduction shall continue only until the end of the second import quota year beginning after the resumption of diplomatic relations by such country with the United States.

In other words, our own producers would be assured of reasonable protection for at least 2 years.

This is an improvement over the House version and I support it now. I still think the amendment I offered last year would be preferable to the bill passed today, but at least this bill does remove the permanent exclusion provisions that might have resulted in no further trade of this kind ever again with Egypt.

Mr. Speaker, we need to keep our trade channels open to all countries if we enjoy diplomatic relations with them. We should not trade with Egypt under present conditions. But the greatest powder keg in the world lies in the Middle East. The fuse is there for someone to light. Several attempts are being made to light it—and the world came dangerously close last year—but so far the keg has not gone off.

Nations ought not to squeeze trade channels too tightly, creating trade wars which could lead to shooting wars, as history tells us.

GRANTS FOR COLLEGE LIBRARY MATERIALS

Mr. STEIGER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Speaker, in 1967 four new Wisconsin institutions of higher education that applied for grants for college library materials under title II–A of the Higher Education Act were disqualified because they did not yet have students enrolled. These four were branches of the University of Wisconsin at Green Bay and Parkside-Kenosha and the Wisconsin State University system at Fond du Lac and Richland Center. The wording of the amendment I introduced to section 202 of the act during floor action on the Higher Education Amendments of 1968 (H.R. 15067) on July 25 will now make it possible for institutions to obtain the resources necessary prior to opening their doors to students. The amendment will enable new colleges to qualify for title II–A library grants during the year previous to admitting students. This will be done, of course, only if the institution meets the regulations prescribed by the Commissioner.

Since national standards for colleges call for 50,000 books as a minimum for an enrollment of 600 students and 20,000 as a minimum for junior college with an enrollment of up to 1,000, this amendment is a most important step in assisting new institutions to approach accreditation. A library cannot be established overnight yet proper educational resources must be available for the students when classes start. A wise college administrator will employ a librarian and staff and begin the acquisition of materials at least 1 year before the college actually goes into operation. A new institution is under unusually severe financial strain during the period of its inception when capital outlay for buildings overshadows all other needs, and library resources are often very meager when its classes begin.

Fifty to sixty new academic institutions have been opened annually during the last 3 years and with the predicted rise in enrollments, this increase will continue for the next 5 years. With the current cost of a book averaging about $8 and the lowest possible charge for processing it to go on the library's shelves about $1.50, the price for each new 4-year college library could be as high as $400,000 plus $75,000 for processing. A junior college's 20,000-volume collection would cost, at the same rates, $160,000 for books and $30,000 for processing.

A BILL TO GIVE THOSE PERSONS WHO RENT THEIR HOMES A DEDUCTION FOR A PERCENTAGE OF THE ANNUAL RENTALS PAID

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I have just introduced a bill which would give to those persons who rent their homes a deduction for a percentage of the annual rentals paid.

In my district and throughout the United States, there are millions of apartment dwellers, there are millions of people who rent houses. None of these people gets the same break at income tax time as the person who owns his own home in conjunction with his friendly bank or savings and loan association. The large interest deduction goes part of the distance to help a large family on a small salary.

Why a rental deduction? I think the fairness of the situation can be demonstrated by the following example.

Suppose that Smith and Jones each owned his own home. Each one had the identical mortgage payments and each paid the same interest and taxes. By the turn of fate Smith was transferred to the city in which Jones lived and Jones to the city where Smith came from. As a matter of fact, Smith, because he did not intend to stay there forever wanted to rent, and Jones, also not intended to make a lifetime in his new habitat, also wanted to rent. To make the hypothesis complete, each rented his house to the other for the exact same rent.

The results of this event would be that Smith and Jones stands only to lose. Each man, by this turn of events, would be placed in a position of being taxed on more income without changing his position one iota.

While it is true that a taxpayer who rents his house can take depreciation and repair deductions, these benefits would never equal the loss in taxes required to be expended in order for each man just to hold his own.

Assuming that both Smith and Jones each made $12,000 per year and that, on the switch, each charged the other $200 per month rent, each man would be taxed an additional $600 just by virtue of renting rather than staying put.

My bill would try to put the apartment renter on a footing with the homeowner. It would permit a person who occupies a dwelling unit or other unit which constitutes his principal residence to deduct up to 30 percent of the rental payments made by him to the owner of the property during the taxable year. The deduction could not exceed $1,000. For the purpose of determining the taxpayer's principal residence, my bill provides that it be a home, established to the exclusion of all others, in which the taxpayer and his family have resided at least 80 percent of the time during the taxable year.

Individual deductions, as added over the years, have included purely personal expenses as deductible items because of acceptance on the policy grounds that they were essential. Among these exceptions which have crept into the law are the deductibility of alimony payments and child care payments. The reasons for permitting deductions of these items seemed both persuasive and desirable.

It is significant that the first income tax was enacted in this country in 1861, and by the amendments of 1863 a provision was made for the deduction of rents. Although that provision expired in 1872, the idea, having had over 100 years to reincubate, holds a lot more to logic and reason than many of the others which have become embedded into the law.

The Congress has passed the Revenue and Expenditure Control Act of 1968 to help curb inflation and stabilize the dollar in the world markets. Surely a deduction for rents is as meritorious as the interest deduction, which has been in the law since 1913, the capital gains provisions, which have been extant since 1921, of the percentage depletion allowance, on the books since 1926. Also, all rent deduction would not drain off one-half as much revenue from the coffers of the Treasury as these other areas of privilege.

It would help those who need help most and I offer it with the sincere hope that it receives the support which I genuinely believe it merits.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Corman, for Monday and Tuesday, July 29 and 30, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Olsen, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. Hechler of West Virginia, for 5 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. Vanik, for 15 minutes, on July 30, 1968; and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Wyatt) and to revise and extend their remarks and include extraneous matter:)

Mr. Findley, for 30 minutes, on July 31.

Mr. Schwengel, for 30 minutes, on each of July 29, July 30, July 31, August 1, and August 2.

Mr. Pollock, for 15 minutes, today.

Mr. Saylor, for 60 minutes, today.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Ichord and to include extraneous matter.

Mr. Sikes in five instances and to include extraneous material.

Mr. Yates and Mr. Cohelan to revise and extend their remarks made today on H.R. 18785 in the Committee of the Whole.

Mr. Madden in two instances and to include extraneous matter.

Mr. Boland to revise and extend his remarks on H.R. 15387 and to include extraneous matter.

Mr. Curtis to revise and extend his remarks on H.R. 15387.

Mr. Belcher to revise and extend his remarks made today in the Committee of the Whole on H.R. 18249.

Mr. Olsen to include extraneous matter on his special order of today.

Mr. Conyers, for 60 minutes, on July 30; to revise and extend his remarks and to include extraneous matter.

Mr. Rostenkowski following the special order of Mr. Hechler of West Virginia.

(The following Members (at the request of Mr. Wyatt) and to include extraneous matter:)

Mr. Quillen in four instances.

Mr. Fulton of Pennsylvania in five instances.

Mr. Scherle.

Mr. Goodling.

Mr. Findley.

Mr. Ashbrooke in two instances.

Mr. Bob Wilson in two instances.

Mr. Buchanan in two instances.

Mr. Curtis.

Mr. Minshall.

Mr. Hosmer in two instances.

Mr. Cramer.

Mr. Bush.

Mr. Kuykendall.

Mr. Pollock in two instances.

Mr. Michel.

Mr. Smith of Oklahoma.

Mr. Wyman in two instances.

Mr. Whalley.

Mr. Harrison in three instances.

Mr. Derwinski in three instances.

(The following Members (at the request of Mr. Hechler of West Virginia) and to include extraneous matter:)

Mr. Eilberg in two instances.

Mr. Podell in three instances.

Mr. Bingham in two instances.

Mr. Rodino.

Mr. Pickle in two instances.

Mr. Addabbo in two instances.

Mr. Gonzalez in three instances.

Mr. Galifianakis.

Mr. Wolff in three instances.

Mr. Hamilton.

Mr. Ottinger.

Mr. Dulski in three instances.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 908. An act for the relief of William D. Pender; to the Committee on the Judiciary.

S. 3269. An act to consent to the New Hampshire-Vermont Interstate School Compact; to the Committee on the Judiciary.

S. 3640. An act to establish a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy; to the Committee on Government Operations.

S. 3724. An act to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. Con. Res. 78. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1648. An act for the relief of Martina Zubiri Garcia;

H.R. 2281. An act for the relief of Dwayne C. Cox and William D. Martin;

H.R. 6195. An act for the relief of Peter Balinas and Lee Balinas;

H.R. 6655. An act for the relief of Mary Jane Orloski;

H.R. 8391. An act for the relief of Adel Lessert Bellmard, Clement Lessert, Josephine, Gonvil Pappan, Julie Gonvil Pappan, Pelagie Gonvil Franceours de Aubri; Victore Gonvil Pappan, Marie Gonvil, Lafleche Gonvil, Louis Laventure, Elizabeth Carvonau Vertifelle, Pierre Carbonau, Louis Joncas, Basil Joncas, James Joncas, Elizabeth Datcherute, Joseph Butler, William Rodger, Joseph Cote, four children of Cicili Compare and Joseph James, or the heirs of any who may be deceased;

H.R. 9098. An act to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes;

H.R. 9391. An act to amend section 376(a) of title 28, United States Code;

H.R. 10321. An act for the relief of Mrs. Claudette C. Donahue;

H.R. 10327. An act for the relief of Louis J. Falardeau, Irva G. Franger, Betty Klemcke, Wineta L. Welburn, and Emma L. McNeil, all individuals employed by the Department of the Army at Fort Sam Houston, Tex.;

H.R. 10915. An act to amend section 202 of the Agricultural Act of 1956;

H.R. 11381. An act for the relief of E. L. Townley, Otis T. Hawkins, and Leo T. Matous;

H.R. 12119. An act for the relief of Joseph M. Hepworth;

H.R. 14167. An act for the relief of Lydia M. Parsley;

H.R. 15189. An act to authorize appropriations for certain maritime programs of the Department of Commerce;

H.R. 15864. An act to provide for the operation of the William Langer jewel bearing plant at Rolla, N. Dak., and for other purposes; and

H.R. 16913. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 450. An act to provide for the popular election of the Governor of the Virgin Islands, and for other purposes; and

S. 3497. An act to assist in the provision of housing for low- and moderate-income families, and to extend and amend laws relating to housing and urban development.

ADJOURNMENT

Mr. HECHLER of West Virginia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 30, 1968, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOORE: Committee on the Judiciary. H.R. 15450. A bill to amend section 101(a) (27)(D) of the Immigration and Nationality Act; with amendment (Rept. No. 1816). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 13419. A bill to amend the tariff schedules of the United States to permit the free entry of certain cellophane membrane; with amendment (Rept. No. 1817). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. S. 1578. An act to authorize the appropriation for the contribution by the United States for the support of the International Union for the Publication of Customs Tariffs (Rept. No. 1818). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on conference. S. 3710. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes (Rept. No. 1819). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 19017. A bill to establish a quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. EDWARDS of Louisiana:

H.R. 19018. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for certain additional persons on a space-available basis; to the Committee on Interstate and Foreign Commerce.

H.R. 19019. A bill to provide for the appointment of additional curcuit and district judges, and for other purposes; to the Committee on the Judiciary.

By Mr. GUDE:

H.R. 19020. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. JOHNSON of Pennsylvania:

H.R. 19021. A bill to amend title 10, United States Code, to equalize the retirement pay of members of the uniformed services of equal rank and years of service, and for other purposes; to the Committee on Armed Services.

By Mrs. MAY:

H.R. 19022. A bill to establish the quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. ROGERS of Florida:

H.R. 19023. A bill to establish the Commission for the Improvement of Government Management and Organization; to the Committee on Government Operations.

By Mr. ROSTENKOWSKI:

H.R. 19024. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer who rents his home or apartment to deduct all or part of his rent payments; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 19025. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. FOLEY:

H.R. 19026. A bill to establish the quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. KARTH:

H.R. 19027. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if any of certain relatives of such member dies, is captured, is missing in action, or is totally disabled as a result of service in the Armed Forces in Vietnam; to the Committee on Armed Services.

H.R. 19028. A bill to establish the quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. MACGREGOR:

H.R. 19029. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if certain relatives of such member died while serving in the Armed Forces in Vietnam; to the Committee on Armed Services.

H.R. 19030. A bill to permit a State to continue in effect the earnings tests presently being applied under certain other programs for purposes of aid to families with dependent children under title IV of the Social Security Act until it has placed in effect the new earnings exemption provisions required by the Social Security Amendments of 1967; to the Committee on Ways and Means.

By Mr. PODELL:

H.R. 19031. A bill to clarify the liability of national banks for sales taxes and use taxes; to the Committee on Banking and Currency.

By Mr. JOHNSON of California (for himself and Mr. BARING):

H.R. 19032. A bill to grant the consent of the Congress to the Tahoe regional planning compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes; to the Committee on the Judiciary.

By Mr. POLLOCK:

H.R. 19033. A bill to provide for the appointment of one additional district judge for Alaska; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 19034. A bill to provide for deferment of construction charges payable by Westlands Water District attributable to lands of the Naval Air Station, Lemoore, Calif., included in said district, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VANIK:

H.R. 19035. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income; to the Committee on Ways and Means.

H.R. 19036. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. BUSH:

H.J. Res. 1422. Joint resolution directing the Secretary of Labor to make recommendations to Congress to increase employment opportunity for young people and the handicapped; to the Committee on Education and Labor.

By Mr. KING of New York:

H.J. Res. 1423. Joint resolution proposing an amendment to the Constitution relating to the appointment of members of the Supreme Court of the United States; to the Committee on the Judiciary.

By Mr. LUKENS:

H.J. Res. 1424. Joint resolution proposing an amendment to the Constitution of the United States to provide a method of nominating and electing judges of the Supreme Court; to the Committee on the Judiciary.

By Mr. MACGREGOR:

H.J. Res. 1425. Joint resolution to direct the Federal Communications Commission to conduct a comprehensive study and investigation of the effects of the display of violence in television programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SCOTT:

H.J. Res. 1426. Joint resolution proposing an amendment to the Constitution of the United States to provide a method of nominating and electing judges of the Supreme Court; to the Committee on the Judiciary.

By Mr. UTT:

H.J. Res. 1427. Joint resolution proposing an amendment to the Constitution of the United States to provide a method of nominating and electing judges of the Supreme Court; to the Committee on the Judiciary.

By Mr. WHALLEY:

H.J. Res. 1428. Joint resolution proposing an amendment to the Constitution of the United States to provide a method of nominating and electing judges of the Supreme Court; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII:

373. The SPEAKER presented a memorial of the Legislature of the State of California, relative to funds for the U.S. Forest Service, which was referred to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 19037. A bill for the relief of Martino Salluzzo; to the Committee on the Judiciary.

H.R. 19038. A bill for the relief of Guiseppa Manciaracina; to the Committee on the Judiciary.

H.R. 19039. A bill for the relief of Joycelyn A. Douglas; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H.R. 19040. A bill for the relief of Eleutherios Bozionelos; to the Committee on the Judiciary.

H.R. 19041. A bill for the relief of James Demos and Kathleen Demos; to the Committee on the Judiciary.

By Mr. BOGGS:

H.R. 19042. A bill for the relief of Angeliki Perivoliotis; to the Committee on the Judiciary.

By Mr. BURTON of California:

H.R. 19043. A bill for the relief of Cecilia Frances Chan; to the Committee on the Judiciary.

H.R. 19044. A bill for the relief of German Mauleon; to the Committee on the Judiciary.

By Mr. CAHILL:

H.R. 19045. A bill for the relief of Frances S. Bender; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 19046. A bill for the relief of John Kaung; to the Committee on the Judiciary.

H.R. 19047. A bill for the relief of Recto P. Luz; to the Committee on the Judiciary.

H.R. 19048. A bill for the relief of Alejandro Koo Castillo; to the Committee on the Judiciary.

H.R. 19049. A bill for the relief of Oumar Nabe; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 19050. A bill for the relief of Ignazio Bivona; to the Committee on the Judiciary.

H.R. 19051. A bill for the relief of Raimondo Marullo; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 19052. A bill for the relief of Ramona Martinez, Mario Martinez, Ambrosio Martinez, and Rene Rolf Martinez; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 19053. A bill for the relief of Charles Shiu-Chor Ho; to the Committee on the Judiciary.

By Mr. HARSHA:

H.R. 19054. A bill for the relief of James Howard Giffin; to the Committee on the Judiciary.

By Mrs. HECKLER of Massachusetts:

H.R. 19055. A bill for the relief of Giovanni Giorgio Mancinelli; to the Committee on the Judiciary.

H.R. 19056. A bill for the relief of Pasquale Mancinelli; to the Committee on the Judiciary.

By Mr. KEITH:

H.R. 19057. A bill for the relief of Vitorino da Costa Cabral; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 19058. A bill for the relief of Stavroula Bonakos; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 19059. A bill for the relief of Gerardo LoPilato; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 19060. A bill for the relief of Peter Ludwig Balss; to the Committee on the Judiciary.

H.R. 19061. A bill for the relief of Ligaya L. Pangcog; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 19062. A bill for the relief of Mrs. Paraskevi Tsaconas; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 19063. A bill for the relief of Miss Margherita Russo; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 19064. A bill for the relief of Blasius G. Mylonopolulos; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

385. By the SPEAKER: Petition of Henry Stoner, Portland, Oreg., relative to the Province of British Columbia, Canada; to the Committee on Foreign Affairs.

386. Also, petition of the City Council of Elizabeth, N.J., relative to initiation of legislation to prevent passengers from carrying dangerous weapons aboard airplanes; to the Committee on Interstate and Foreign Commerce.

SENATE—*Monday, July 29, 1968*

The Senate met at 11 a.m., and was called to order by the Acting President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of all mercies, in a violent day swept by angry forces with which unaided we cannot cope, Thou only art our strength and refuge, amid mortal ills prevailing.

Gird our hearts to seek peace and pursue it, that the sadly sundered family of mankind at last may be bound by golden cords of understanding fellowship around the feet of the one God.

We beseech Thee that our Nation's strength, material and spiritual, be dedicated to throw open the gates of more abundant life for all mankind.

Give us a part in bringing in a redeemed world, delivered from ruthless aggression which threatens the human gains of a thousand years.

We pledge our hopes, our faith, our lives,
  That freedom shall not die,
We pray Thy guidance, strength, and
  grace,
  Almighty God on high.

Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, July 27, 1968, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE WHOLESOME POULTRY PRODUCTS ACT

The ACTING PRESIDENT pro tempore. Under the unanimous-consent agreement the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes.

The Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, the time to be equally divided.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized for 5 minutes.

AMENDMENT NO. 910

Mr. MONTOYA. Mr. President, I ask unanimous consent that the pending amendment be laid aside and that the Senate proceed to the consideration of amendment No. 910.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears no objection, and it is so ordered.

The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MONTOYA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 77, beginning with line 3, strike out all down through line 15 on page 79, and insert in lieu thereof the following:

"(c)(1) The Secretary shall, by regulation and under such conditions, including sanitary standards, practices, and procedures, as he may prescribe, exchange from specific provisions of this Act—

"(A) the slaughtering by any person of poultry of his own raising, and the processing by him and transportation in commerce of the poultry products exclusively for use by him and members of his household and his nonpaying guests and employees;

"(B) the custom slaughter by any person of poultry delivered by the owner thereof for such slaughter, and the processing by such slaughterer and transportation in commerce of the poultry products exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided*, That such custom slaughterer does not engage in the business of buying or selling any poultry products capable of use as human food;

"(C) the slaughtering and processing of poultry products in any State or Territory or the District of Columbia by any poultry producer on his own premises with respect to sound and healthy poultry raised on his premises and the distribution by any person solely within such jurisdiction of the poultry products derived from such operations, if, in lieu of other labeling requirements, such poultry products are identified with the name and address of such poultry producer, and if they are not otherwise misbranded, and are sound, clean, and fit for human food when so distributed; and

"(D) the slaughtering of sound and healthy poultry or the processing of poultry products of such poultry in any State or territory or the District of Columbia by any poultry producer or other person for distribution by him solely within such jurisdiction directly to household consumers, restaurants, hotels, and boarding houses, for use in their own dining rooms, or in the preparation of meals for sales direct to consumers, if, in lieu of other labeling requirements, such poultry products are identified with the name an address of the processor, and if they are not otherwise misbranded and are sound, clean, and fit for human food when distributed by such processor.

The exemptions provided for in clauses (C) and (D) above shall not apply if the poultry producer or other person engages in the current calendar year in the business of buying or selling any poultry or poultry products other than as specified in such clauses, or if the number of head of poultry processed by him in the current calendar year exceeds such limits as the Secretary may by regulation prescribe, consistent with subparagraph (3), as appropriate to avoid a requirement of inspection of processing operations of such a size that the cost of furnishing inspection would be excessive in relation to the volume processed or the rendering of inspection would otherwise be impracticable.

"(2) In addition to the specific exemptions provided herein, the Secretary shall, when he determines that the protection of consumers from adulterated or misbranded poultry products will not be impaired by such action, provide by regulation, consistent with subparagraph (3), for the exemption of the operation and products of small enterprises (including poultry producers), not exempted under subparagraph (1), which are engaged in any State or Territory or the District of Columbia in slaughtering and/or cutting up poultry for distribution as carcasses or parts thereby solely for distribution within such jurisdiction, from such provisions of this Act as he deems appropriate, while still protecting the public from adulterated or misbranded products, under such conditions, including sanitary requirements, as he shall prescribe to effectuate the purposes of this Act.

"(3) No exemption under subparagraph (1) (A) or (B) or subparagraph (2) shall apply to any poultry producer or other person who slaughters or processes the products of more than 4,000 turkeys or an equivalent number of poultry of all species in the current calendar year (4.5 birds of other species being deemed the equivalent of one turkey).

"(d) The adulteration and misbranding provisions of this Act, other than the requirement of the inspection legend, shall apply to articles which are exempted from inspection under this section, except as otherwise specified under paragraphs (a) and (c)."

Mr. MONTOYA. Mr. President, this amendment has been worked out in consultation with the author of a committee amendment which further amended exemption provisions added by the House to H.R. 16363, the companion bill. My good friend, the Senator from Vermont [Mr. AIKEN], in committee, proposed an amendment redefining the exemptions in terms of birds as well as dollars. My amendment would retain his definition of exemptions in terms of birds instead of dollars. However, I have revised the language of the House exemption provision which constitutes the substance of the amendment now pending. This amendment limits the Secretary's authority on granting exemptions to those dealing with less than 4,000 turkeys per year. Also, the Secretary's authority is limited on exemptions to the effect that sanitary standards, practices, and procedures must be adhered to by those who are coming under the exemption. This latter provision is merely an insurance of sanitation to the consumer. The Senator from Vermont, has agreed this latter is a desirable adjunct to his committee amendment.

The amendment provides the Secretary with the kind of authority whereby he may prescribe "by regulation and under such conditions, including sanitary standards, practices, and procedures," these exemptions with a statutory limit of 4,000 turkeys. There is no discretion on his part, to the extent those exempted must be subject to the certain conditions of sanitation contained in the act and the amendment.

Mr. President, the essence of my amendment, thus, is to limit the Secretary's authority to grant wholesale exemptions from all provisions of the act. He would, under my amendment, be limited with respect to the size of plant or individual that would be exempted; such exemption is defined in terms of birds, as proposed by Senator AIKEN; and, those exempted would still be required to meet certain sanitary conditions.

Mr. President, that explains the amendment. I would be glad to answer any questions. Otherwise, I reserve the remainder of my time.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, as I understand from the distinguished Senator from New Mexico, that the Senator from Vermont has been consulted and is willing to add to the committee amendment the language now before the Senate.

Mr. MONTOYA. The Senator is correct; with respect to the portion he expressed interest in—that is, on redefining the exemptions in terms of birds instead of dollars.

Mr. ELLENDER. I wish to state for the benefit of Senators that the Senator's amendment provides a complete substitute for the exemption provisions of sections 15(c) and 15(d) of the act, as provided in the reported bill.

These exemptions deal with, first, producers slaughtering for their own use; second, custom slaughterers; third, producers slaughtering and processing poultry raised by them for sale; fourth, producers and other slaughtering and processing for sale, and, fifth, other small enterprises.

Under the bill these processors would be exempt from all provisions of the bill. Under the amendment they would be subject to such conditions, sanitary standards, practices and procedures as the Secretary might prescribe.

Under the bill producers slaughtering for their own use and custom slaughterers would not be subject to any limitation. Under the amendment they would be subject to a limitation of 4,000 turkeys or an equivalent number of other birds.

Under the bill producers could process up to 4,000 turkeys or an equivalent number of other birds without being subject to the act. Under the amendment the Secretary would set such limits as might be appropriate to avoid inspection that would be costly or impracticable. Such limits would be required to be "consistent with" the 4,000 turkey limit applicable to custom processors.

Mr. President, as I understood the situation, the number of birds agreed upon is 4½ birds for each turkey.

Mr. MONTOYA. The Senator is correct; and that provision is retained in the substitute.

Mr. ELLENDER. So there is no change in that respect.

Mr. MONTOYA. The Senator is correct.

Mr. ELLENDER. Mr. President, under the bill exempt producers could sell their poultry products in interstate commerce to household consumers or restaurants, hotels, and boarding houses. Under the amendment, they could not sell any poultry products in interstate commerce. The amendment would also require the products to be labeled with the name and address of the producer.

Under the bill processors of not to exceed $15,000 worth of poultry annually for intrastate commerce would be exempt. Under the bill they would be subject to limits fixed by the Secretary as in the case of producers, but in no event could they exceed 4,000 turkeys or an equivalent number of other birds.

Mr. President, with the understanding that this addition to the committee amendment has been agreed upon by the Senator from Vermont, I have no objection.

The PRESIDING OFFICER (Mr. MCINTYRE in the chair). The question is on agreeing to the amendment (No. 910) of the Senator from New Mexico [Mr. MONTOYA].

The amendment (No. 910) was agreed to.

Mr. MONTOYA. Mr. President, I do not wish to move to reconsider at this point, because the Senator from Vermont is not here. In the event he would like to have reconsideration and opening up of the amendment, I shall certainly help him, if my statement of the understanding is not correct.

AMENDMENT NO. 909

The PRESIDING OFFICER. Who yields time?

Mr. MONTOYA. Mr. President, I now ask unanimous consent to lay aside the pending amendment and call up amendment No. 909, my amendment to the so-called Talmadge amendment, which is at the desk.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment will be stated.

The assistant legislative clerk read the amendment, as follows:

On page 46, after the period in line 15, strike out all down through the period in line 18.

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum, and I am hopeful that the Senator from Louisiana will agree that the time can be charged to both sides.

Mr. ELLENDER. Mr. President, that is satisfactory.

The PRESIDING OFFICER. The time will be taken out of both sides.

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I send to the desk an amendment to the Talmadge committee amendment, and ask that it be reported.

The PRESIDING OFFICER. Is the amendment of the Senator from Georgia an amendment to the amendment offered by the Senator from New Mexico?

Mr. TALMADGE. No. I did not know the Senator from New Mexico had an amendment pending.

The PRESIDING OFFICER. There is an amendment pending.

Mr. MONTOYA. I had an amendment pending to the Talmadge committee amendment.

Mr. TALMADGE. If the Senator will withdraw his amendment, I will submit mine in lieu thereof.

Mr. MONTOYA. Mr. President, I will withdraw my amendment temporarily.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Mexico is withdrawn.

Mr. TALMADGE. Mr. President, I ask that my amendment be stated.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Georgia will be in order.

The clerk will state the amendment.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Georgia proposes an amendment on page 46, line 15, as follows:

After the word "misbranded" the following language will be inserted in lieu of the original Talmadge language: "It is the intent of Congress that all diseased poultry and poultry products shall be condemned and the reason for condemnation in such instances shall be supported by scientific fact information or criteria and such condemnation under this Act shall be achieved through uniform inspection standards and uniform application thereof."

Mr. TALMADGE. Mr. President, I yield myself 5 minutes.

Mr. President, I offered the committee amendment in the Agriculture Committee and it was agreed to by voice vote, without dissent. There has been some objection from the Department of Agriculture to the amendment that was agreed to by the Committee on Agriculture and Forestry. My staff has conferred with the representatives of the Department of Agriculture and also with representatives of the poultry industry. We have worked out the language which is now pending at the desk and has been agreed to by the Department of Agriculture and also by representatives of the poultry industry.

Mr. President, this amendment is aimed at a problem that has been in existence in my State and some other States, where birds of the same flock, raised under identical conditions, will be sent to one poultry plant and the condemnation rate will vary widely from another plant within 20 miles.

To say the least, the poultry inspection service of the U.S. Department of Agriculture has a monumental task each day of protecting the source of poultry for the consumers of this Nation. This branch of the Department of Agriculture is cooperating with the industry in providing many inspectors for the difficult job of accepting or condemning a chicken carcass in a few seconds.

However, for months now, certain poultry producing regions have registered complaints with their representatives in Congress that there has been a lack of uniformity in the inspection service. In some cases, this lack of uniformity has amounted to such discrepancies so that two plants in the same locality processing birds from the same flock have had the following condemnation rates: 12½ percent versus 4¼ percent; 25 percent versus 13½ percent; 20 percent versus 7 percent; 21 percent versus 9 percent; and 13 percent versus 6½ percent.

The poultry producers and processors in this region do not disclaim the fact that for some unknown reason the disease present in their flocks is slightly above the average, but obviously they are questioning the lack of uniformity by the poultry inspection in the condemnation of the fowl from the same flock.

Through a self-help program, the producers and processors have sought the assistance from several qualified veterinarians who have specialized in poultry diseases. These veterinarians have come both from the Southeast and Central region of our Nation. During this high condemnation period of more than 2 years, these veterinarians have continued to challenge the accuracy of the inspectors at the processing plants. It is the contention of these veterinarians that many of the birds that have been condemned for a particular disease, may have had symptoms that are peculiar to that disease but are actually harmless signs of a scrape of the skin or a feather that was plucked in the incorrect manner.

The Department, in an attempt to meet the above complaints, has continued to hold meetings to correct these inconsistencies. But I am told that, as of this date, the lack of uniformity continues to exist, as well as the continuation of condemnation of healthy birds.

Unfortunately, the Department has raised substantial legal objections to the precise language of the amendment. The Department points out that the amendment would impair the effectiveness of the inspection service by preventing condemnations of poultry which are not suitable for human consumption, for reasons such as excess water content or disease, although the poultry may not necessarily be injurious to human health.

As a result of these objections and the related confusion involving the interpretation of this amendment, I have submitted the amendment which is now pending.

At the same time, I want to emphasize that this action does not in any way indicate disagreement with the objectives of the amendment. Congress should insist, in the interest of the consumer, that the Department develop and communicate to the industry the scientific fact on which condemnations to protect human health are based. It is likewise in the consumer's interest, and Congress should likewise insist that the inspection program be based on uniform criteria which are uniformly applied in every plant and region throughout the Nation.

Mr. President, in order to establish some legislative history, I yield to the distinguished Senator from New Mexico [Mr. MONTOYA]. I assume he will now support the amendment to the amendment, because it has the support of the Department of Agriculture and the poultry industry.

The PRESIDING OFFICER. How much time does the Senator from New Mexico yield himself?

Mr. MONTOYA. The Senator from Georgia has control of his time with the Senator from Louisiana [Mr. ELLENDER].

Mr. TALMADGE. I yield 3 minutes to the distinguished Senator from New Mexico.

Mr. MONTOYA. I should like to preface my remarks by stating that I do not impugn the motives of the Senator from Georgia in offering the original amendment. I have expressed on the floor of the Senate, in a general way, my doubts about the efficacy of the words "scientific fact" or "substantial scientific fact," which is the main thrust of the amendment that was adopted in committee. Those words are still in the amendment.

In order to establish some legislative history, I should like to ask the Senator from Georgia what he considers to be the establishment or basis of scientific fact and whether those words could overrule an inspector who actually sees a tumor on a chicken. Would that situation bar him if he did not know it as a scientific fact, even though the chicken was visibly diseased?

Mr. TALMADGE. The language of the new amendment provides that the reason for condemnation in such instances shall be supported by scientific fact, information, or criteria, and such condemnation under this act shall be achieved through uniform inspection standards and uniform application thereof.

I am sure that if an inspector saw a lesion on a bird, he would recognize that the lesion was present for some reason. I am quite certain also that the inspection service, in sending out directives to the inspectors, many of whom are lay persons, not trained veterinarians, would have them refer to the manual to determine what the instructions were from Washington. The instructions from Washington, I am sure, would be to safeguard the health of consumers.

The veterinarians in all probability would be trained and skilled scientists who could determine, based upon written criteria, what should be observed. on a bird so as to protect the health of consumers. That, in my judgment, would be the meaning of "scientific fact and criteria."

Mr. MONTOYA. Do I understand the Senator to say that an inspector could take from the production line a chicken that is visibly defective, and set the chicken aside pending a further investigation, at the request of the producer, by a veterinarian skilled in such type of inspection?

Mr. TALMADGE. The Senator is entirely correct. As a matter of fact, lay inspectors, if they saw a bird unfit for human consumption, would be likely to lay that carcass aside and consult with a veterinarian in the plant. The veterinarian would have some knowledge of what caused a lesion in the bird, and the inspector would then follow the veterinarian's advice, based on the scientific medical test and instructions from the Department of Agriculture.

Mr. MONTOYA. Diseases that would probably be visible to an inspector while the chicken was on the production line would probably be tumors, sometimes cancers, perhaps parasitic infections, such as round worm, and others that I cannot think of at the moment. Also, diseases of the liver and the byproducts of the chicken. Also, you may have dirty and filthy poultry. If those things were apparent to the naked eye, could the inspector take the chicken out of the production line, call it to the attention of the producer, and prevent it from moving in interstate or intrastate commerce? Is it the intention of the Senator from Georgia that under such conditions the inspector would be inhibited from doing such a thing? Or could he separate the questionable carcass from the production line pending a further investigation and the overturning of his findings by someone skilled in the science, such as a veterinarian, as required by the amendment?

Mr. TALMADGE. The standards issued by the Department of Agriculture should be uniform throughout the Nation. They should be based on scientific knowledge, facts and criteria, so as to protect human health. Whatever is necessary to protect human health should be done, based upon the best advice of skilled scientists who are knowledgeable about diseases of poultry. If a lay inspector sees a bird that might be diseased, it would be his duty, in my judgment, to lay that bird aside and consult with a veterinarian who has knowledge of diseases of poultry, and then make his decision predicated on the knowledge of the veterinarian.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. To whose time will the time for the quorum call be charged?

Mr. TALMADGE. I ask unanimous consent that the time used for the quorum call be charged to neither side.

Mr. ELLENDER. Provided that the time does not go beyond 12 o'clock.

Mr. TALMADGE. This quorum call will take but a short time.

Mr. ELLENDER. One amendment will remain after the disposition of the Senator's amendment. With that understanding, I have no objection to the time for the quorum call not being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I modify the amendment at the desk so that it will read as follows:

> On page 46, line 15, strike commencing with the word "it", down to and including line 18 and insert:
>
> "It is the intent of Congress that when poultry and poultry products are condemned because of disease, the reason for condemnation in such instances shall be supported by scientific fact, information, or criteria, and such condemnation under this Act shall be achieved through uniform inspection standards and uniform applications thereof."

The modification is a modification of the pending amendment which is an amendment in lieu of the committee amendment. I would strike the committee amendment and modify the amendment at the desk.

The PRESIDING OFFICER. The amendment is accordingly modified.

Mr. TALMADGE. Mr. President, the distinguished Senator from New Mexico and I have just conferred with representatives of the inspection service of the U.S. Department of Agriculture. The modification has been agreed by the Department of Agriculture, the distinguished Senator from New Mexico and me. I move its adoption.

Mr. MONTOYA. Mr. President, will the Senator yield for a question?

Mr. TALMADGE. I yield.

Mr. MONTOYA. In view of the fact that this amendment has come up since we had the discussion on the floor of the Senate with respect to legislative intent, I ask the Senator from Georgia whether or not the answers he gave to my questions previously also apply to the new language.

Mr. TALMADGE. They do.

Mr. MONTOYA. The amendment, I understand, now provides that when the USDA's grounds of condemnation are that the poultry is diseased, the reason for condemnation shall be supported by scientific fact, information, or criteria, and the inspectors making the condemnation should follow uniform inspection standards.

This language simply restates the basis under which diseased poultry is now condemned.

It clarifies further the intent to condemn poultry for disease, whether or not it can be shown that it is injurious to human health.

Thus, where the original amendment would have raised serious doubt as to the ability of the inspector to condemn unless poultry was injurious to human health, the language now makes clear that disease in and of itself is a basis for condemnation.

The amendment does not affect the statutory intent and the substantive provisions of the act, which is to condemn for all adulteration including disease. The objectionable feature of the original amendment has been eliminated.

Mr. TALMADGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TALMADGE. Is a vote in order at the present time, provided no record vote is required?

The PRESIDING OFFICER. It is, by unanimous consent.

Mr. TALMADGE. Mr. President, I ask unanimous consent that it may be in order to vote on the pending amendment at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

Mr. MONTOYA. Mr. President, I ask unanimous consent to make the same request retroactively with respect to the Aiken amendment, which was agreed to heretofore.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Georgia, as modified.

The amendment, as modified, was agreed to.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLAND. I move to lay that motion on the table.

Mr. TALMADGE. Mr. President, I withdraw that motion.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 911

Mr. MONTOYA. Mr. President, I call up my amendment to the Holland committee amendment which was heretofore pending, amendment No. 911.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MONTOYA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 63, beginning with line 7, strike out all down through line 17.

On page 91, beginning with line 13, strike out all down through line 13 on page 92.

On page 92, line 14, strike out "SEC. 21" and insert in lieu thereof "SEC. 20".

On page 92, line 20, strike out "SEC. 22" and insert in lieu thereof "SEC. 21".

Mr. **JORDAN** of North Carolina. Mr. President, will the Senator yield?

Mr. **MONTOYA**. I yield 2 minutes to the Senator from North Carolina.

Mr. **JORDAN** of North Carolina. Mr. President, when this bill was discussed in the House of Representatives, there was some discussion of the advisability of a regulation requiring processors to furnish growers with information concerning condemnation of any birds grown by them.

The Secretary of Agriculture advised Representative PURCELL by letter of his belief that such a regulation should be issued, but suggested that if it were the committee's view that such a regulation was within the intent of the bill, such intent should be recorded in the legislative history.

Mr. President, that is the intent of the bill, and such a regulation should be issued. The intent of the bill is to provide wholesome poultry. By advising producers of diseases in their flocks, we will help them to eradicate such diseases and to produce wholesome poultry.

I ask unanimous consent that the Secretary's letter to Representative PURCELL be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 11, 1968.

Hon. GRAHAM PURCELL,
Chairman, Subcommittee on Livestock and Grains, Committee on Agriculture, House of Representatives, Washington, D.C.

DEAR MR. PURCELL: I am writing in answer to the question which has been raised as to what the Department's position would be under H.R. 16363, the Wholesome Poultry Products Act, reported by the Committee on Agriculture, in regard to requiring processors to slaughter and process poultry received from individual growers as separate lots and the furnishing of inspection information relating to the particular lot to the grower whether he be a contract grower or an independent operator.

It is our understanding that the question arises by reason of the fact that it is the view of some members of the Committee that it is important that the various lots of poultry be handled separately. This view is based on the fact that separate antemortem inspection of each bird is not required under section 6. Therefore, if any abnormal condition is found in a particular lot, it will be important that all other birds in that lot be readily identifiable, and that the source of those birds also be readily identifiable in order that proper attention may be given to other poultry arriving at the processing establishment from such source. It is our further understanding that it is felt that it is important where birds in a lot are condemned by inspectors of the Department that information concerning such condemnations and the number of birds processed in the particular lot be furnished to the grower whether he be a contract grower or an independent operator. This is necessary in order that he may be in a position to take whatever action that may be required to eradicate any disease or other abnormal conditions with respect to his flock so that poultry subsequently sent to a processing plant would not be diseased or otherwise subject to condemnation.

There would appear to be merit in the foregoing views. Section 14 of the Poultry Products Inspection Act, as amended by the Bill, provides that the "Secretary shall promulgate such other rules and regulations as are necessary to carry out the provisions of this Act." In view of the foregoing, the Department's position would be that regulations should be issued under the Bill, if enacted, requiring processors subject to the inspection requirements to separately slaughter and process lots of poultry received from individual growers and providing for the furnishing to the grower of information developed on inspection concerning condemnations and the total number of birds processed in the particular lot of the grower.

It is believed that if it is the Committee's view that it is within the intent of the Bill for the indicated action to be taken by the Department thereunder, such intent should be made a matter of record in the legislative history.

Sincerely yours,
ORVILLE L. FREEMAN.

The **PRESIDING OFFICER**. Who yields time?

Mr. **MONTOYA**. I yield myself 5 minutes.

Mr. President, this amendment has been discussed quite extensively, and I believe it is appropriate, for the sake of brevity, to condense what has been said, so that the Senators who are present and who have not read the RECORD might be apprised as to what we conceive to be the impact of the amendment.

In analyzing the argument propounded by the Senator from Florida with respect to the so-called Holland provision in the bill, I believe it is fair to state—and I submit that this is my version of his argument—that it would have poultry and meat products inspected in intrastate commerce move in interstate commerce and to give the departments of agriculture in some States extended jurisdiction over poultry products. I believe that the main thrust of Senator HOLLAND's argument was that the inconsistency of the Department of Agriculture in first impliedly giving consent to the Holland provision and then withdrawing it, in its letter to me of July 26, constituted some kind of argument which fortifies the position of the Senator from Florida. If that is not the case, perhaps he can correct it in his rebuttal.

The point I wish to make is that what is involved is the interest of consumers of this country. Are we to adopt the Holland provision, or are we to delete it through my amendment? What are the issues involved?

We have heard a great many words spoken on the provisions which would amend both the Poultry Products Inspection Act and the Wholesome Meat Act to permit the movement in interstate commerce of both meat and poultry products processed under State inspection if the Secretary determines that the State is operating a program at least equal to the requirements under the Federal act.

I have listened to all that has been said and I have reviewed it carefully, and I find that the substance of the argument for these measures is principally that the States will have their feelings hurt if Congress does not accept these measures.

This is very thin soup on which to make decisions that affect the quality of consumer inspection programs and the promotion of consumer interests.

I have argued that these measures undercut the effectiveness of the new provisions of the Poultry Products Inspection Act and also undermine the existing Federal poultry inspection program, and would render meaningless all of the countless manhours that went into the adoption of the Wholesome Meat Act of last year.

I have introduced testimony from both the meat and poultry industry that these provisions would result in competition between the Federal and State programs, and between the States themselves, as to which could attract more clients. Unscrupulous producers and processors would shop around for the States with the least rigid enforcement practices where they could establish plants free from the effective Federal inspection. The end result would be unwholesome and adulterated meat and poultry products flowing to every table in this country. This cannot be tolerated. If there is even one hint that this would be done, Congress would be remiss in even thinking about such a proposal.

The primary issue to which we must address ourselves today is consumer protection. The evidence is overwhelming in support of this. The surveys of nonfederally inspected poultry plants conducted jointly by the Department of Agriculture and the States, indicate that only a few plants fully meet minimum sanitary requirements. Over one-third need major changes, while another one-third would require less than major changes.

These reports indicate clearly that many nonfederally inspected poultry plants were operating under sanitary conditions so bad that production of clean and wholesome product was impossible. The conditions which were found were in many cases so repulsive that should consumers of this Nation have any idea of the primitive conditions under which the product was prepared, they would never buy poultry or poultry products again.

Mr. President, the Wholesome Meat Act of 1967 has now been operative for roughly over 7 months, but already it is beginning to bear fruit. Under the provisions of that act, should the Department of Agriculture discover conditions in intrastate plants that are endangering human health, notification is to be given to the Governor of that State. The Governor is thus given the prime responsibility to correct any such conditions. However, if the Governor does not do so on his own then the Secretary of Agriculture is given the authority of moving into that particular plant or plants and taking whatever remedial action is necessary.

As I have indicated, the Wholesome Meat Act has been in operation but a short while. However, it has already had tremendous success in helping to put intrastate plants in order. Mr. President, I think it is interesting to note that Federal officials, acting together with State officials, surveyed over 100 plants in which conditions were found necessitating corrective action and in which corrective action was taken on the spot. The success of the Wholesome Meat Act is clear. In addition, however, there were some 35 plants in 12 States and Puerto Rico that had to be designated to State officials as endangering public health. In some of these States, corrective inspectional procedures were instituted by the State officials; in others, the plants were temporarily closed down; and in still others, the plants were immediately closed down by the State officials.

This is a fine example of the protection which the Wholesome Meat Act is providing against adulterated meat products flowing from intrastate plants. This is the excellent consumer protection with which we should not tamper. The Holland amendment would tend to disrupt this arrangement, resulting in reduced consumer protection to the meat and poultry consumers of this Nation.

Mr. President, on Saturday last I had printed in the RECORD a listing of the intrastate meat plants that have been designated to State officials as endangering public health. However, in order to have a proper sequence here, I ask unanimous consent to have that listing printed again at this point in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

INTRASTATE RED MEAT PLANTS THAT HAVE BEEN DESIGNATED TO STATE OFFICIALS AS ENDANGERING PUBLIC HEALTH, FROM JAN. 1, 1968, TO JULY 26, 1968

State and address of plant	Type of operation	Reason for action	Followup action
Arizona:			
Casa Grande (included in 1962 survey).	Slaughtering	Failure to control insects and vermins. Lack of environmental sanitation. Insanitary handling of meat and meat byproducts.	Corrective inspectional procedure instituted.
Mesa	do	Failure to control insects. Insanitary procedures used in manufacturing products. Lack of environmental sanitation.	Do.
Tucson	do	Failure to control inedible and condemned products. Lack of environmental sanitation. Insanitary procedures used in manufacturing products.	Do.
Connecticut: Plainfield	do	Failure to control condemned, diseased carcasses which had been marked inspected and passed. Spoiled meat byproducts present in cooler.	Immediately closed by State officials.
Delaware: Dover	Slaughtering and processing	Nonpotable water (contaminated) being used in producing products for human consumption.	Closed by State program director.
Idaho: Coeur d'Alene	do	Failure to properly control inedible and comdemned products.	Corrective inspection procedures instituted by State officials.
Kingston	Slaughtering and sausage processing	Improper control of condemned animals. Lack of proper environmental sanitation. Improper control of inedible and condemned products.	Do.
Wallace	Wholesale slaughtering and processing.	Lack of proper environmental sanitation. Lack of control of inedible and condemned. Insanitary procedures used in manufacturing products.	Do.
Idaho Falls	Slaughtering and processing	Lack of proper environmental sanitation	Do.
Rupert	do	do	Do.
Illinois: Alhambra	Slaughtering	do	A plant closed by State program director.
Michigan:			
Detroit	Processing	do	Corrective action taken by State officials. Subsequently the plant requested and was approved for Federal inspection.
Richmond (included in 1967 survey)	Slaughtering and processing	Insanitary handling of product. Lack of proper environmental sanitation.	Closed by State officials.
Iron River (included in 1967 survey)	do	Insanitary handling of product. Lack of environmental sanitation. Lack of control of inedible and condemned products.	State officials have instituted corrective inspectional procedures and have had the plant correct and change facilities and equipment to alleviate sanitary deficiencies.
New Hampshire: Goffstown	Slaughtering and retail store	Nonpotable water (contaminated) being used in producing products for human consumption.	Discontinued slaughter operations as a result of State corrective action. Source of water to retail operations converted to new source.
Nevada:			
Reno	Processing	Improper environmental sanitation	Plant closed temporarily to initiate a cleanup.
Elko	Slaughtering and processing	Failure to control condemned and inedible products. Insanitary procedures used in manufacturing products.	Corrective inspectional procedures instituted by the State officials.
Gardnerville	do	do	Do.
Las Vegas	Processing	Improper environmental sanitation. Lack of control of condemned and inedible products.	Do.
Pennsylvania:			
Dalton	Slaughtering	Failure to properly control condemned product	State program director instituted corrective inspection procedures as well as providing increased supervision.
Johnstown (included in 1962 survey)	do	Improper environmental sanitation	Do.
Utah:			
Lehi	Processing	Lack of control of insects and vermins. Improper environmental sanitation. Insanitary handling of product.	Immediate corrective action was taken by the State officials and have increased inspection coverage.
Salt Lake City	do	Improper environmental sanitation. Insanitary handling of product.	Do.
Vernal	Slaughtering and processing	Lack of proper environmental sanitation	Corrective inspection procedures instituted by State officials. Inspection coverage has been increased.
Nebraska: Omaha	do		
Puerto Rico: 8 plants			
Texas:			
Terrell	Slaughtering and processing		
Eagle Pass	do		

Mr. MONTOYA. I shall refer to a few items on the list.

In one plant in Arizona which was inspected—an intrastate plant—it was found that there was failure to control insects and vermin. There was lack of environmental sanitation, and there was unsanitary handling of meat and meat byproducts. Corrective inspectional procedure was instituted.

The PRESIDING OFFICER. The 5 minutes of the Senator have expired.

Mr. MONTOYA. I yield myself 3 additional minutes.

In a plant in Connecticut, the findings were failure to control condemned, diseased carcasses which had been marked "inspected and passed," and spoiled meat byproducts were present in the cooler. The State officials, at the request of the Federal inspectors, closed this plant.

In a plant in Delaware, nonpotable water was being used in producing products for human consumption. This plant was closed by the State program director at the instance and request of the Federal inspector.

At another plant in Illinois the findings were "lack of proper environmental sanitation." The plant was closed by the State program director at the request of the Federal inspector.

In Michigan a plant was closed for "lack of proper environmental sanitation." Corrective action was taken by State officials.

At another plant in Michigan the finding was "insanitary handling of product. Lack of proper environmental sanitation." This plant was closed at the request of Federal officials.

Another plant in Michigan had a finding of "insanitary handling of product. Lack of environmental sanitation. Lack of control of edible and condemned products." The action was that "State officials have instituted corrective inspectional procedures and have had the plant correct and change facilities and equipment to alleviate sanitary deficiencies."

Mr. President, so it goes down the line.

Yet these conditions do not warrant wholesale condemnation of the poultry or meat industries. The poultry industry has been highly responsible in support of a bill which would truly give the consumers of this Nation the type of protection they deserve. The poultry industry in general supports the deletions of the provisions which my amendments would delete. Thus my amendments would insure that the consumer is fully protected and that the responsible elements of the poultry industry are also protected from the unscrupulous few who would seek to make a profit at their expense.

I also wish to make it clear that my remarks should not be interpreted as being against State inspected programs. No one has worked harder than I to establish a truly State-Federal atmosphere for meat and poultry inspection. The goal of a viable State relationship was maintained in the Wholesome Meat Act of last year, even over strong efforts to completely Federalize the meat inspection program.

The record thus far bears out the fact that this is the right approach. As I have previously stated, since the passage of the Wholesome Meat Act, the Department of Agriculture has been able with the cooperation of the State authorities to close down or clean up a substantial number of plants which were hazardous to public health. Some 35 of these plants were declared hazards by the Department and subsequently the States took corrective action, but in addition, the States, when called to their attention, took independent action on two or three times this number of dirty and hazardous meat plants.

The cooperative program provided under the Wholesome Meat Act is in its infancy, and it is too early to anticipate the attainment of goals that the State programs be at least equal to the Federal inspection program; this is a prerequisite for any consideration of the provisions such as those which are before us today.

The Congress should make it emphatic—there should be no compromise—that effective consumer protection requires that State programs be at least equal to the standards of Federal inspection. Already there are requests coming to the Congress not only to allow that State inspected products be shipped in interstate commerce but also to allow the States which are so designated to make determination on plant facilities, construction standards, and other essential criteria to maintaining effective and adequate consumer protection. We should make it clear that there should be no encroachment on, and no deviation from, the high standards which were set under the Wholesome Meat Act and which are proposed under the legislation now before us. The only way we can insure this is to return to the original language of the House passed bill and to delete subsection 5(c)5 and section 20 of S. 2932.

Mr. President, the record thus far bears out the fact that the course I am suggesting is the right approach; that is, that we have joint Federal-State cooperation as in the Red Meat Inspection Act of last year. Unless we do this we will give a license to the State plants to use the State inspection tag which would be authorized by the Senator from Florida [Mr. HOLLAND] so they can use products in interstate commerce. Unsuspecting consumers would buy these products at every store in the country without knowing whether there had been inspection by local meat inspectors, or whether there had been Federal inspection of the meat, which has the label of integrity, resulting from years of inspection, issued by the Federal Government.

Mr. President, that is the issue here and that is why I oppose the provisions of the so-called Holland amendment. That is why I moved, through my amendment, to delete those provisions.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONTOYA. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I wish to congratulate the Senator from New Mexico for the strong stand he has taken in support of his amendment and in opposition to the Holland amendment. I think the consumers of this country are entitled to the protection which the Senator from New Mexico and the Senator from Minnesota would attempt to give them.

I congratulate the Senator for being willing to take the leadership in this battle. It is not easy to combat those who are opposing him. I pledge the Senator my strong support.

Mr. MONTOYA. I thank the Senator.

Mr. PASTORE. Mr. President, will the Senator yield to me for a question?

Mr. MONTOYA. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONTOYA. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator is recognized for 1 additional minute.

Mr. PASTORE. Mr. President, realizing the fact that the Senator from New Mexico was the floor manager of the bill having to do with red meat inspection, does the Holland amendment deviate from the red meat inspection law?

Mr. MONTOYA. Yes, it does. We had no so-called Holland provision in the red meat inspection law, but the present Holland provision would bring in red meat in its effect.

If this amendment is not rejected, there would be local inspection of State meat and poultry plants dealing in interstate commerce and they will be able to move their products in interstate commerce.

Mr. PASTORE. Is that now possible under the existing law?

Mr. MONTOYA. It is not possible.

Mr. PASTORE. I thank the Senator.

Mr. MONTOYA. Mr. President, I would like to state that the only two organizations that back the Holland amendment, as I understand it from his statement of Saturday, are the National Independent Meat Packers Association and the National Association of State Departments of Agriculture. Is that correct?

Mr. HOLLAND. That is not correct. The Federal Farm Bureau supports it. I have a wire from them.

Mr. MONTOYA. That was not stated on Saturday. I accept the correction.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONTOYA. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized for 1 additional minute.

Mr. MONTOYA. Mr. President, the House Agriculture Subcommittee that considered the Holland provision was against it. The House committee was against the Holland amendment. The full House supported the House committee action by a record vote of 352 to 17. The Senate Agriculture Subcommittee which held hearings on this bill, opposed the Holland provision. At least four Senators on the committee filed minority views against the Holland amendment. I quote these facts to indicate that it is not "pressures from outside" as was stated here on the Senate floor on last Saturday. But rather pressures from within the very committees which have been considering these provisions.

Our cause has been supported by virtually everyone in this Nation from all walks of life. I would wish to once again call this support for my stance for the further enlightenment of my colleagues. At least the following have expressed their support of my endeavor, including the entire poultry industry and the U.S. Department of Agriculture: the National Broiler Council, the National Turkey Federation, the Institute of American Poultry Industries, the National Cattlemen's Association, the AFL–CIO, the Amalgamated Meat Cutters & Butcher Workmen of North America, the International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, UAW, the Office of the Special Assistant to the President for Consumer Affairs, the U.S. Department of Agriculture, the press, and a number of red meat plants.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator has expired. The Senator has 1 minute remaining.

Mr. MONTOYA. Mr. President, I reserve that 1 minute.

The PRESIDING OFFICER. Who yields time?

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, I am somewhat disappointed in the statement made by my good friend from New Mexico. This amendment was considered by the full committee and it was voted into the bill by a vote of 10 to 2. The data that the Senator read came about long before there was any move to have a cooperative effort between the States and the United States to inspect meat.

Let us not forget that the language that is now being sought to be deleted was in the bill, as I introduced it. That bill was from the Department of Agriculture. The language is identical.

That language means that since the States will cooperate with the Federal Government, since the Government will put up one-half of the cost and the States will put up one-half of the cost in the inspection of meat or poultry, and since the State must comply with laws equal to or better than the Federal laws, the State-inspected product in those circumstances ought to be permitted to move in commerce.

Mr. President, who is to be the judge of that? The Secretary of Agriculture is to be the judge. He has the last word.

It strikes me that since this is a cooperative effort we should give the States a goal to shoot at. What is that goal? That goal is: Do as well as the Federal Government can do. All that will happen if that occurs is that meat and poultry inspected by the State government under the eyes of the Department of Agriculture will have the same right as federally inspected meat to go into commerce. That is all it means.

The Department of Agriculture will put up 50 percent of the cost of State inspection. The States will furnish 50 percent of the cost of inspection. As was stated in this Chamber last Saturday, the cost of meat inspection in fiscal year 1968 was $49 million plus. This year we have added $21 million plus the $49 million, making a total of $70 million plus for the inspection of federally inspected meat; and also that part of the State inspection to be furnished by the Federal Government.

Mr. President, unless we permit the States to have a goal to shoot for I fear that within the next 4 or 5 years the entire cost of meat and poultry inspection, whether it be for intrastate or interstate, will fall on the shoulders of Uncle Sam. That is what is going to happen because here we have a setup that will be looked after by the Federal Government and the Federal Government will determine whether or not the State inspection service is equal to or as good as the Federal inspection service.

If we do not give the States the opportunity to show what they can do I fear the whole burden of meat inspection will fall on the Federal Government. I am not surprised that all of the unions are for the position of the Senator from New Mexico. They fear they will not be able to unionize under State laws as they can under Federal laws.

In my judgment, the meat to be inspected by the States will be as well inspected and as sound and good as that inspected by the Federal Government. The reason is that no meat can get out of the State, whether it is intrastate or interstate, unless it meets the approval of the Secretary of Agriculture and his workers.

I hope that the amendment is rejected because as I have said, the Committee on Agriculture and Forestry voted the language in, and as I said when I introduced the bill on February 6, 1968, it is an administration bill that came from the Department of Agriculture. The very language that is being sought to be deleted was in the bill when I originally introduced it on behalf of the Department of Agriculture.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield the rest of the time.

Mr. HOLLAND. I am sorry that the Senator from New Mexico made several statements in his original opening remarks, especially one in particular, because it was so misinformed. It is not true that any article could move in interstate commerce with simply the State symbol showing State inspection. To the contrary, if the Senator will read—as apparently he has not——

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. HOLLAND. I will not yield until I get through with my statement.

The Holland amendment is on page 63 of the bill and provides that the right to move in equal status when Federal inspection is given, "when they are marked under such supervision and other conditions as the Secretary may by regulation prescribe, with a combined State-Federal official inspection legend."

That same wording is repeated later, on page 91 of the bill, "including any combined State-Federal official inspection legend prescribed by the Secretary."

Now, it is just not so that any commodity inspected by a State, and moving with only a State inspection marking on it, could ever move in interstate commerce. To the contrary, this amendment makes it clear that the Secretary "rides herd" on the proposal, and that the only way it can ever move is after the Secretary determines State inspection is equal to or better than Federal inspection, and then only under a joint Federal-State inspection legend.

Mr. MONTOYA. Will the Senator from Florida yield for a correction?

Mr. HOLLAND. If I have time.

Mr. MONTOYA. I did not mean to imply that it merely had to carry the State label. I am aware of the situation where the State program under the Senator's amendment, would place a State label and then the Federal Government would have to put a joint label too—in other words, State-inspected and Federal-inspected, with a Federal stamp on it. That is contemplated by the provisions but, actually, what I wanted to say was that this plant was producing goods with such a joint label in strictly State-inspected facilities. Is that correct?

Mr. HOLLAND. The Senator did not understand that, because——

Mr. MONTOYA. But is that statement correct?

Mr. HOLLAND. To the contrary, the bill makes it clear that it must be constantly under Federal supervision. It does not require that one stamp be placed on it by the State inspector and one by the Federal. It requires a Federal-State inspection stamp, just as is placed on citrus fruit from Florida, just as is placed on literally countless fruit and vegetable products that now move in Federal commerce, and just as we intended when we passed 6 years ago the Aiken-Talmadge Act encouraging the setting up of such joint proposals.

Mr. President, I sincerely trust that Senators have read the debate in the RECORD of Saturday when so few of us were here, as well as my statement on the floor of the Senate on Monday, July 22, in regard to the pending bill and the amendment which I offered in committee which was adopted by a vote of 10 to 2. This is an amendment proposed by me for the commissioners of agriculture of the 50 States, the Independent Meat Packers Association, and others, which had the written support of Secretary of Agriculture Freeman, the administrator of the program, Mr. Leonard, and the clear testimony during the House hearings by Dr. Mehren, Assistant Secretary of Agriculture. My earlier statement contains the actual quotations from the letters of Secretary Freeman and Mr. Leonard, as well as the public statement on this very point made by Mr. Leonard to the annual convention of independent meat packers in these words in February of this year:

> It is the intention of the Department of Agriculture to transmit a draft amendment to the Congress for passage this year.

He was talking about red meat.

Unfortunately, and in spite of the good intentions of the Department of Agriculture, there came into this discussion the opposition of Miss Betty Furness who thinks that she spoke for consumers, and of Mr. Ralph Nader, and now Mr. Drew Pearson has joined in the outcry. Apparently, the Department of Agriculture has lacked the fortitude to stand by its well-intentioned recommendations and it now says in its official statement to Senator ELLENDER, as chairman of the Committee on Agriculture, that while my amendment is both—to quote—"reasonable and logical"—that it has now decided that because of a considerable "body" of opposition the enactment of the amendment should be postponed until a later date.

I remind the Senate that the programs of the Wholesome Meat Act of last year and of the pending poultry bill were both to create bona fide cooperative Federal-State inspection systems. We are all anxious to improve standards of inspection. No State can get the approval of the Secretary until it, by its laws on operation, has a system that is equal at least to the Federal system, at which time, under Federal supervision, it will be allowed to put on the joint Federal-State stamp. This is clearly shown by the provision in both bills that when the Secretary of Agriculture certifies that any State has created a legal inspection system "at least equal to" the Federal system and is enforcing it strictly, then the Federal Government shall pay up to 50 percent of the enforcement costs. Mr. Leonard, in his appearance before the Independent Meat Packers convention made it clear that the Department expects to pay in full 50 percent of the cost when a State system has been so strengthened as to have the complete approval of the Secretary of Agriculture.

At stake now is the good faith of the

USDA and its willingness to stand by its well-planned cooperation with the States. We know that the present Department, as well as its division head, want to carry through to completion the program which they agreed to. They even set the complete cooperative program underway this year by including in the draft of the poultry bill which they sent to both Houses of Congress the provision for the movement in interstate commerce of State-inspected poultry if, as, and when a State system was found both as to law and as to enforcement to be "at least equal" to the Federal system. At stake is the attitude of the States toward the Federal Government. The States fully expect us to live up to the commitments which I have mentioned. I placed in the Record Saturday the wire from the 17-member National Meat Advisory Committee appointed by Secretary Freeman under the Wholesome Meat Act, strongly supporting our amendment.

Congress started 6 years ago on the building of cooperative Federal-State systems by the passage of the Aiken-Talmadge bill which strongly approves the setting up of such systems and the assumption by the States of a large part of the responsibility and expense of inspection whenever the State inspection can be completely approved by the Secretary of Agriculture. After all, have we any confidence in the Secretary of Agriculture and are we willing to rely on his diligence, his intelligence, and his honesty in this and kindred matters of food inspection?

And I call attention to the fact that a cooperative Federal-State system must be always supervised by Federal inspectors. Under our amendment, the cooperative Federal-State system as to red meats and poultry would not move its inspected products into interstate commerce under a State inspection symbol, but only, and I quote from the amendment:

> When they are marked . . . with a combined State-Federal inspection legend.

In closing I remind the Senate that as to countless numbers of perishable food products in the field of fruits and vegetables, the Federal Department is already relying upon State inspection systems. I hope that the Senate will not set back this whole cooperative effort by refusing to accept the Senate committee amendment which, after all, was first proposed by the Department when it sent up to the two Houses of Congress the proposed poultry bill early in this session.

Mr. President, I have received several interesting communications, one this morning from the American Farm Bureau Federation suporting the amendment.

Second, a copy of a letter to the Senator, from Oregon [Mr. Hatfield], from his commissioner of agriculture, and I understand that he will place that letter in the Record with regard to supporting the amendment.

Third, a letter from R. B. Wilson, market service director, of Purdue University at Lafayette, Ind., addressed to the House Committee on Agriculture—apparently they thought the matter was already in conference.

Fourth, a letter from the Commissioner of Agriculture of the State of Montana to Representative Poage, of Texas, to exactly the same effect.

Fifth, I see that the Senator from Virginia [Mr. Byrd] has not yet come into the Chamber. I close by citing that I have a copy of a telegram to him from the commissioner of agriculture of the State of Virginia, supporting the amendment.

Let me read this part of it:

> We and the industry were highly pleased with the position you took on Senator Holland's amendment to the Poultry Inspection Act. This is a realistic approach to federal-State programs. We hope the Senate will remain firm on the amendment.

Mr. President, I ask unanimous consent to have this material, except the letter to Senator Hatfield, printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

July 29, 1968.

Senator Spessard L. Holland,
Senator B. Everett Jordan,
Representative Roman L. Hruska:

As representative of livestock and poultry producers we are for the highest possible quality standards for red meat, poultry, and poultry products. We believe such high standards can be achieved through cooperation of the Federal Government with State inspection agencies. We support legislation to strengthen State meat and poultry inspection systems and if State inspection is camparable to Federal standards for wholesomeness we believe that such products should be permitted to move in interstate commerce. We support the language in S. 2932 to accomplish this objective.

John C. Lynn,
Legislative Director,
American Farm Bureau Federation.

Department of Agriculture,
Helena, Mont., July 26, 1968.

Hon. W. R. Poage,
House of Representatives,
Washington, D.C.

Dear Representative Poage: Reference is made to H.R. 16363 the Poultry Bill which has passed the House and is now in Conference Committee.

The amendment by the Senate Agricultural Committee provides for the movement of state inspected poultry in interstate commerce. This amendment is most necessary if we are going to have a truly federal-state cooperative inspection system. This same provision should most certainly be added to the Wholesome Meat Act, P.L. 90–201. In the best interests of producers, consumers and federal-state relations, may I earnestly solicit your favorable consideration for this Senate passed amendment.

Sincerely yours,
C. Lowell Purdy,
Commissioner of Agriculture.

Purdue University,
Cooperative Extension Service,
Lafayette, Ind., July 26, 1968.

Hon. John T. Myers,
House Committee on Agriculture,
Rayburn Office Building,
Washington, D.C.

Hon. John T. Myers: The Senate Agriculture Committee has approved the House-passed Poultry bill, H.R. 16363, with amendment. The amendment will provide for State-inspected poultry products to move in interstate commerce. This, in a nutshell, is the amendment that the National Association of State Departments of Agriculture has sought by way of resolution to the Congress in the Wholesome Meat Act, and by NASDA's President Trenhaile's testimony before the recent poultry hearings on S. 2846, S. 2932, S. 3383, and H.R. 16363.

I am on the Board of Directors of NASDA and represent Indiana. I feel the necessity of retaining this amendment in the Poultry Products Act, H.R. 16363 and urge the same provision in the Wholesome Meat Act, P. L. 90–201. This is also the feeling of the Indiana State Board of Health, which administers the Meat Inspection Law in Indiana. Any assistance you can give will be appreciated.

If you need additional copies of the brochure, "Midwest Agribusiness" which was published by the Midwest Association of State Departments of Agriculture and which I sent to you recently, please don't hesitate to let me know.

With personal regards,
R. B. Wilson,
Market Service Director.

Virginia Department of Agriculture and Commerce,
July 23, 1968.

Hon. Harry F. Byrd, Jr.,
U.S. Senate, Washington, D.C.

We and the industry were highly pleased with the position you took on Senator Holland's amendment to the Poultry Inspection Act. This is a realistic approach to federal-state programs. We hope the Senate will remain firm on the amendment. The Agriculture Committee on the Council of State Governments, meeting in Biloxi, Mississippi, July 23, 1968, has resolved that Senator Holland's amendment, which will apply to both poultry and red meat inspection is highly desirable and in the best interest of the consuming public and agriculture. Please advise if we can be of assistance.

Maurice B. Rowe,
Commissioner of Agriculture.

Mr. HATFIELD. Mr. President, I have received only this morning a letter from Mr. Walter Leth, director of Oregon's Department of Agriculture, in support of the Holland amendment in the bill. Because it states the argument very briefly and forthrightly, I ask permission that the letter be entered in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

State of Oregon,
Department of Agriculture,
Salem, July 24, 1968.

Hon. Mark O. Hatfield,
Senate Office Building,
Washington, D.C.

Dear Mark: We have been meeting on several occasions with the Legislative Interim Committee on Agriculture here in our State and there is very strong prospects that certain legislators will recommend discontinuing the State Meat Inspection Program unless State inspected meats can travel in interstate commerce when compliance with Federal regulations is met and which we are now in the process of doing.

There is little value to either the meat inspection or the poultry inspection programs at the State level if they do not offer the same privileges of interstate movement as now is permitted only under Federal inspection programs. If our State, or any other State, qualifies under the Federal Acts it seems that those plants meeting such requirements should be just as eligible to move their products in interstate commerce as those meeting Federal standards and accepted under Federal inspection only.

We have previously written you relative to our stand on the foreign meat importation issue which relates in the same manner and which permits foreign meats to move in interstate commerce without having the same inspection standards as are provided at the State level.

We are informed that you have opposed the Senate amendment permitting State inspected products to move in interstate commerce. We would hope that for the above reasons you would support our position and recommendations.

If there is additional information that we can supply you we certainly will be pleased to make it available.

Sincerely yours,

Walter Leth,
Director, State Department of Agriculture.

Mr. HATFIELD. However, Mr. President, though the State of Oregon has an excellent meat inspection system, it seems to me that until the States wishing to inspect for interstate shipment, have demonstrated in fact as well as theory that they have qualified as having meat and poultry inspection programs at least equal to the Federal programs, the Federal meat and poultry inspection laws should continue to limit State-inspected meat and poultry to intrastate movement.

As stated in the minority report on S. 2932:

> These provisions would endanger the present Federal inspection programs with respect to both poultry and meat products and threaten the uniformity of inspection at a time when the records before the committees of Congress with respect to both of these areas indicate the need for substantial accomplishment under Federal and State cooperation before it can be expected that full protection of the consumer public with respect to all poultry and meat products can be achieved. Few States presently have any type of inspection program with respect to poultry and those few that do fall far short of being at least equal to the Federal program.
>
> The cooperative program provided under the Wholesome Meat Act is in its infancy and it is too early to anticipate attainment of the end objective thereof which certainly is a prerequisite to any serious consideration of provisions such as those here referred to. It is questionable that these amendments could in any event be meaningful in the immediate future.
>
> Under such proposed provisions until such time as a comprehensive State program applicable to all meat and poultry produced and distributed within a State at least equal to the Federal program is effectively administered in a State, substantial Federal supervision would be an essential condition of approval of an establishment if the consumer was to receive the protection contemplated by the acts and if the integrity of the Federal programs were to be maintained.
>
> Under the language of these provisions it would appear that although such a comprehensive State program did not prevail, an individual establishment in a State upon the basis that at least equal State requirements were being administered with respect to the processing within the establishment could apply for approval and be approved for the movement of its product in interstate commerce. Under these circumstances it would be extremely difficult to insure that adulterated or misbranded products did not move in interstate commerce.
>
> It is true that both the meat inspection law and the proposed poultry inspection legislation call for State programs which are at least equal to the Federal inspection. But these provisions will not mean that State programs will be as totally effective as the Federal one in every aspect. There will be variations in the provisions and in the enforcement from State to State and between the State and Federal programs.
>
> We believe that taking such congressional actions now, while many plants are making preparations to meet the new requirements and many States are changing their inspection programs, can only sow confusion and doubt about how rigorous and how meaningful a consumer-protection program Congress really wants.
>
> Any plant shipping into interstate commerce can get Federal inspection free of charge right now providing it meets the requirements. There is no reason to begin a competition between the Federal program and the State ones on which can attract more clients. We can foresee conditions existing which will entice unscrupulous producers and processors to shop around for the States with the least rigid enforcement practices where they can establish plants free from the effective Federal inspection thus exposing not only the consumers within the State but throughout the Nation to possible unwholesome meat and poultry products. The confidence of the consumer would be destroyed and the industry would be the loser.

Mr. MONTOYA. Mr. President, I yield 30 seconds to the Senator from Delaware [Mr. Williams].

The **PRESIDING OFFICER.** The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, I rise to support the Montoya amendment. As one of the authors of the original Federal Poultry Inspection Act, I think it would be a step backward to now turn the inspection service over to the States. In the interest of maintaining a sound poultry inspection service giving adequate protection to the American consumer, we should support the Montoya amendment. I express my strong support for this important amendment and urge its adoption by the Senate.

Mr. MONTOYA. Mr. President, I yield 10 seconds to the Senator from Delaware [Mr. Boggs].

The **PRESIDING OFFICER.** The Senator from Delaware.

Mr. BOGGS. Mr. President, it would be a backward step, in my view, to allow inspection of poultry and red meat by State inspectors to take the place of Federal inspection for poultry and meat in interstate commerce. This is the effect of subsection 5(c)(5) and section 20 of the Wholesome Poultry Products Act now under consideration.

It can be argued that the State inspectors would be meeting the standards set by Federal law, and that therefore what they passed as suitable for consumption would be the equal of that meat which received inspection by Federal personnel.

In practice, however, such a system might well lead to varying degrees of inspection. Thus, if the practices in different States did vary, this would pose a danger to the consumer. It could result in some meatpackers setting up plants where the inspection practices were a little less rigid and States in competition for meat business would be under some pressure.

In brief, the present uniformity of inspection would be lost. Doubts would rise in the minds of consumers about the quality of the meats they were buying.

Mr. President, I would like to compliment the poultry industry generally for its great help in developing sound and effective legislation in this field. The poultry industry is concerned with continuing to give the public a pure and wholesome product not only because that is good for their business but in the larger interest of the American consumer as well.

In the interest of a firm and fair law, I support the amendment offered by the Senator from New Mexico.

Mr. MONTOYA. Mr. President, on this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MONTOYA. Mr. President, I yield back the remainder of my time.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from New Mexico. All time on the amendment has been yielded back or has expired. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. HICKENLOOPER (after having voted in the affirmative). On this vote I have a pair with the Senator from Nebraska [Mr. Hruska]. If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from Idaho [Mr. Church], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Massachusetts [Mr. Kennedy], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Minnesota [Mr. McCarthy], the Senator from South Dakota [Mr. McGovern], the Senator from Oklahoma [Mr. Monroney], the Senator from Oregon [Mr. Morse], the Senator from Florida [Mr. Smathers], and the Senator from New Jersey [Mr. Williams] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Oklahoma [Mr. Monroney], the Senator from Oregon [Mr. Morse], and the Senator from New Jersey [Mr. Williams] would each vote "yea."

Mr. KUCHEL. I announce that the Senators from Vermont [Mr. Aiken and Mr. Prouty] are absent on official business.

The Senator from Pennsylvania [Mr. Scott] is absent by leave of the Senate.

The Senator from Kansas [Mr. Carlson], the Senator from Kentucky [Mr. Morton], the Senators from Illinois [Mr. Dirksen and Mr. Percy], the Senator from Wyoming [Mr. Hansen], the Senator from Nebraska [Mr. Hruska], the Senator from Iowa [Mr. Miller], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Michigan [Mr. Griffin] is detained on official business. If present and voting, the Senator from Illinois [Mr. Dirksen] would vote "yea."

On this vote, the Senator from Illinois [Mr. Percy] is paired with the Senator from Iowa [Mr. Miller]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from Iowa would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Texas would vote "nay."

The position of the Senator from Nebraska [Mr. HRUSKA] has been previously announced.

The result was announced—yeas 52, nays 19, as follows:

[No. 246 Leg.]

YEAS—52

Anderson
Baker
Bayh
Bible
Boggs
Brewster
Brooke
Burdick
Byrd, W. Va.
Cannon
Case
Clark
Cooper
Cotton
Dodd
Ervin
Fong
Harris
Hart
Hartke
Hatfield
Hollings
Inouye
Jackson
Javits
Jordan, N.C.
Kuchel
Lausche
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Smith
Symington
Tydings
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—19

Allott
Bennett
Byrd, Va.
Curtis
Dominick
Eastland
Ellender
Fannin
Hill
Holland
Jordan, Idaho
McClellan
Murphy
Russell
Sparkman
Spong
Stennis
Talmadge
Thurmond

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—1

Hickenlooper, for.

NOT VOTING—27

Aiken
Bartlett
Carlson
Church
Dirksen
Fulbright
Gore
Griffin
Gruening
Hansen
Hayden
Hruska
Kennedy
Long, Mo.
Long, La.
McCarthy
McGovern
Miller
Monroney
Morse
Morton
Percy
Prouty
Scott
Smathers
Tower
Williams, N.J.

So Mr. MONTOYA'S amendment was agreed to.

Mr. MONDALE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONTOYA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MCINTYRE in the chair). The bill is open to further amendment.

Mr. HOLLAND. Mr. President, I am ready to vote on the bill.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ELLENDER. I ask for the regular order. Let us vote on the bill.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 2932) was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. HOLLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, I should like to ask the manager of the bill a question about one of the amendments. I have received correspondence from some of our poultry people in Rhode Island who are small producers, in the sense that their activity is very small. I understand that the exemption in the bill was up to $15,000 a year, which was a very nominal amount, but that the Senator from Vermont [Mr. AIKEN] offered an amendment that would modify that provision. Could the Senate have an explanation of what the Aiken amendment does?

Mr. MONTOYA. Yes. The Senator from Vermont offered an amendment to the bill which would provide for redefinition of the limitation under which the Secretary of Agriculture could make an exemption. Originally, the bill contained an exemption of products amounting to a value of $15,000. The Aiken amendment converted that provision from terms of dollars to terms of numbers of chickens and turkeys—4,000 turkeys, or at the rate of 4.5 other birds for each turkey.

Mr. PASTORE. What is the effect of the amendment? I know that is a lot of chickens and turkeys, but what does the amendment do?

Mr. MONTOYA. It exempts small operators who process fewer than 4,000 turkeys, or the equivalent in other birds at the rate of 4.5 for each turkey.

Mr. PASTORE. In other words, the small processor would be exempt.

Mr. MONTOYA. That is correct.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the following communications concerning the Montoya amendment to the poultry inspection bill be printed at this point in the RECORD: telegrams from Frank Frazier, executive vice president, National Broiler Council; James H. Pluss, manager, Pluss Texas Poultry, Lufkin, Tex.; Roy Herider of Center, Tex.; a letter from Andrew J. Biemiller, director, department of legislation, AFL–CIO; and this morning's Washington Post editorial—all in favor of passage of the Montoya amendment, the effect of which is to insure that the vast majority of poultry and red meat consumed by the American public is clean and wholesome. Notice particularly that the National Broiler Council, a group interested in promoting poultry products, is in favor of high standards of inspection of meat that moves in interstate commerce. They are in favor of this amendment because they know that the public wants clean meat for consumption; and high standards of inspection will help to sell more poultry.

I voted for passage of Senator Montoya's amendment because of two compelling reasons: First, the consuming public has a right to know that the poultry and red meat that it consumes is fit and wholesome; and, second, this bill is good for the poultry and red meat industry because it gives the consumer confidence in the two meats as food thereby increasing sales.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
July 26, 1968.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.:

Strongly urge you support passage of poultry inspection bill with Montoya amendments on exemptions and deleting section 5–C–5 so that only chicken from federally inspected plants could move in interstate commerce.

FRANK FRAZIER,
Executive Vice President, National Broiler Council.

LUFKIN, TEX.,
July 26, 1968.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.:

Please pledge your support for the Senator Montoya's amendment calling for deletion of Section 5–C–5.

JAMES H. PLUSS,
Pluss Tex Poultry.

CENTER, TEX.,
July 26, 1968.

Senator RALPH YARBOROUGH,
Senate Building,
Washington, D.C.:

Imperative for well-being of entire poultry industries urge most strongly that you support Senator Montoya amendment calling for deletion of Section 5–(C)–5 which would authorize the interstate shipment of poultry from State inspected plants and modification of amendments on exemption as it confirms with National Broiler Council executive committee recommendation.

ROY HERIDER.

AMERICAN FEDERATION OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., July 23, 1968.

Hon. RALPH YARBOROUGH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: The AFL–CIO strongly supports strong, effective poultry inspection legislation. As you know, the AFL–CIO wholeheartedly supported the meat inspection law enacted in the 1967 session of the 90th Congress.

Unfortunately, three changes made by the Senate Agriculture Committee in the House-passed inspection bill, H.R. 16363, would seriously undermine and weaken vital consumer protection programs. They would even jeopardize the existing meat and poultry inspection program and they would make the proposed poultry inspection program worse than ineffective.

One change would require an impossible burden of proof for condemnation of unfit poultry products.

A second change—weakening both meat and poultry inspection programs—would undermine present federal inspection by permitting state-inspected plants to ship poultry products into interstate commerce.

A third change widens an unfortunate exemption in the House-passed bill to allow millions of pounds of poultry to go into intra-state and interstate commerce without any inspection for wholesomeness and sanitation.

We urge you to oppose these three provisions. Without these three amendments, the bill approved by the Senate Agriculture Committee will protect consumers effectively, but if these amendments are kept, the new poultry inspection bill would be a big step backward and would seriously harm consumers.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

[From the Washington Post, July 29, 1968]

CHICKEN STANDARDS

The Senate will have the opportunity today to do its part in bringing poultry inspection standards up to a level where they should be in a nation that is hoping to send a man to the moon before the end of the year. Currently, the standards across the country for inspecting poultry sold within the states where it is produced are either uneven, low or non-existent. And in some cases, as Senator Montoya told the Senate Saturday, poultry is processed in "repulsive . . . primitive conditions." The wholesome poultry bill, which has passed the House and is now before the Senate in substantially the same form, would be a giant step toward eliminating those conditions. Under the provisions of the bill, states may set up inspection systems to operate in intrastate commerce, if they comply with Federal standards that control interstate poultry sales. The bill ought to be passed intact without two amendments that threaten its effectiveness.

The first crippling amendment, introduced by Senator Holland of Florida, is particularly dangerous. It would allow the sale everywhere in the Nation of red meat as well as poultry products which have been passed by a system of state inspection certified as at least equal to the Federal system. One difficulty with the Holland amendment is that once Federal certification is obtained, it may not be maintained. The state standards may fall below the Federal level, permitting rotten meats and poultry to be sold across state lines before the lax standards can be corrected. The danger is that it encourages subtle competition among the states by lowering standards to attract meat and poultry processing plants.

The second amendment, sponsored by Senator Talmadge of Georgia, places an obstacle in the way of quickly condemning a diseased carcass of a fowl by requiring an inspector to have "substantive scientific fact" before he can declare the carcass unfit for human consumption.

For most of us, of course, poultry means chicken and turkey, but many Americans have active tastes for duck and goose. All told, about 11.5 billion pounds of poultry are commercial processed each year in the Nation. And under present regulations, according to Mr. Montoya, every American "based on the law of averages, is likely to have a diseased, contaminated, or adulterated poultry product served to him during the year. This is not only unnecessary but completely unpardonable in our modern, technologically advanced society." The Senator is absolutely right.

Mr. ELLENDER. Mr. President, I move that the Committee on Agriculture and Forestry be discharged from further consideration of H.R. 16363.

The motion was agreed to.

Mr. ELLENDER. I move that the Senate now proceed to the consideration of that bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to, and the Senate proceeded to consider the bill (H.R. 16363) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes.

Mr. ELLENDER. Mr. President, I move to strike all after the enacting clause of H.R. 16363, and insert in lieu thereof the language of S. 2932, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. ELLENDER. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Idaho [Mr. CHURCH], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], the Senator from Florida [Mr. SMATHERS], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], and the Senator from New Jersey [Mr. WILLIAMS] would each vote "yea."

Mr. KUCHEL. I announce that the Senators from Vermont [Mr. AIKEN and Mr. PROUTY] are absent on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent by leave of the Senate.

The Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. MORTON], the Senators from Illinois [Mr. DIRKSEN and Mr. PERCY], the Senator from Wyoming [Mr. HANSEN], the Senator from Nebraska [Mr. HRUSKA], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Illinois [Mr. DIRKSEN], the Senator from Iowa [Mr. MILLER], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 73, nays 0, as follows:

[No. 247 Leg.]

YEAS—73

Allott
Anderson
Baker
Bayh
Bennett
Bible
Boggs
Brewster
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Clark
Cooper
Cotton
Curtis

Dodd
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Harris
Hart
Hartke
Hatfield
Hickenlooper
Hill
Holland
Hollings
Inouye
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Mundt
Murphy
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Russell
Smith
Sparkman
Spong
Stennis
Symington
Talmadge
Thurmond
Tydings
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—26

Aiken
Bartlett
Carlson
Church
Dirksen
Fulbright
Gore
Gruening
Hansen
Hayden
Hruska
Kennedy
Long, Mo.
Long, La.
McCarthy
McGovern
Miller
Monroney
Morse
Morton
Percy
Prouty
Scott
Smathers
Tower
Williams, N.J.

So the bill (H.R. 16363) was passed.

Mr. HOLLAND. Mr. President, at the request of the Senator from Louisiana, I move that the Senate insist upon its amendments and request a conference with the House of Representatives, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. HOLLAND, Mr. TALMADGE, Mr. MONTOYA, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. BOGGS conferees on the part of the Senate.

Mr. ELLENDER. Mr. President, I move that S. 2932 be indefinitely postponed.

The motion was agreed to.

Mr. MONDALE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. METCALF. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, with the Senate's wide approval of the poultry inspection measure, the Senator from Louisiana [Mr. ELLENDER] has added another outstanding achievement to his already abundant record. As the chairman of the Committee on Agriculture and Forestry, he has worked diligently and ably to obtain constructive legislation that benefits not only the farmers of this Nation but, as this proposal amply testifies, measures that enhance the consumers' interest as well. We are deeply in his debt.

The Senator from New Mexico [Mr. MONTOYA] and the Senator from Minnesota [Mr. MONDALE] are equally to be commended for their strong advocacy of this measure. The so-called Montoya amendment was urged by both Senators with clear and persuasive arguments—arguments that assured its acceptance by the Senate.

The Senator from Georgia [Mr. TALMADGE] and the Senator from Florida [Mr. HOLLAND] are to be praised for their significant contributions. They and other Senators joined to make certain a debate of the highest caliber. The Senate may be proud of another fine achievement obtained swiftly and with full consideration for the views of every member.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that the President had approved and signed the following acts:

On July 24, 1968:

S. 660. An act granting the consent of Congress to a Great Lakes Basin compact, and for other purposes;

S. 1260. An act to amend the Northwest Atlantic Fisheries Act of 1950 (Public Law 81–845); and

S. 3245. An act to extend for an additional 3 years the authorization of appropriations under the State Technical Services Act of 1965.

On July 26, 1968:

S. 752. An act to amend sections 203(b) (5) and 220 of the Interstate Commerce Act, as amended, and for other purposes;

S. 1418. An act to make several changes in the passport laws presently in force; and

S. 1752. An act to amend the act prohibiting fishing in the territorial waters of the United States and in certain other areas by vessels other than vessels of the United States and by persons in charge of such vessels.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the Speaker has affixed his signature to the following enrolled bills:

S. 450. An act to provide for the popular election of the Governor of the Virgin Islands, and for other purposes; and

S. 3497. An act to assist in the provision of housing for low and moderate income families, and to extend and amend laws relating to housing and urban development.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 16086. An act to amend the act of August 25, 1959 (73 Stat. 420), pertaining to the affairs of the Choctaw Tribe of Oklahoma (Rept. No. 1481).

By Mr. TYDINGS, from the Committee on the District of Columbia, with an amendment:

S. 1534. A bill to amend the Street Readjustment Act of the District of Columbia so as to authorize the Commissioners of the District of Columbia to close all or part of a street, road, highway, or alley in accordance with the requirements of an approved redevelopment or urban renewal plan, without regard to the notice provisions of such act, and for other purposes (Rept. No. 1482).

AMENDMENT OF INTERSTATE COMMERCE ACT—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1483)

Mr. MAGNUSON. Mr. President, from the Committee on Commerce, I report favorably, with amendments, the bill (S. 927) to amend the Interstate Commerce Act, as amended, in order to make unlawful, as unreasonable and unjust discrimination against and an undue burden upon interstate commerce, certain property tax assessments of common carrier property, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report may be printed, together with the individual views of Senators LAUSCHE and CANNON.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Washington.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. EASTLAND (for Mr. SCOTT), from the Committee on the Judiciary:

Ruggero J. Aldisert, of Pennsylvania, to be U.S. circuit judge, third district.

PRINTING OF REPORT ON MARTIN COUNTY, FLA. (S. DOC. NO. 101)

Mr. RANDOLPH. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated June 3, 1968, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, of a favorable report on Martin County, Fla., requested by resolution of the Committee on Public Works, U.S. Senate.

I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF REPORT ON MOUTH OF COLORADO RIVER, TEX. (S. DOC. NO. 102)

Mr. RANDOLPH. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated July 23, 1968, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on a favorable report on Mouth of Colorado River, Tex., requested by resolution of the Committee on Public Works, U.S. Senate.

I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JAVITS:

S. 3896. A bill to amend title XIX of the Social Security Act to facilitate the establishment of eligibility for benefits thereunder, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. BAYH:

S. 3897. A bill to amend the Railroad Retirement Act of 1937 so as to permit individuals retiring thereunder to receive their annuities while serving as an elected public official; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. BAYH when he introduced the above bill, which appear under a separate heading.)

By Mr. CLARK:

S. 3898. A bill for the relief of Michael Ritucci;

S. 3899. A bill for the relief of Liesbeth Wilhelmina Maria Hillen; and

S. 3900. A bill for the relief of Catalina Tarriga; to the Committee on the Judiciary.

By Mr. JORDAN of Idaho:

S. 3901. A bill for the relief of Marcelino Larracoechea Meavebasterrechea;

S. 3902. A bill for the relief of Juan Zorrozua Garay;

S. 3903. A bill for the relief of Javier Zorrozua Gondra;

S. 3904. A bill for the relief of Antonio Zorrozua Gondra;

S. 3905. A bill for the relief of Pedro Uberuaga Guenechea;

S. 3906. A bill for the relief of Gregorio Sillonis Madarieta;

S. 3907. A bill for the relief of Francisco Rementeria Gabiola;

S. 3908. A bill for the relief of Jose Antonio Omaechevarria Garmendia;

S. 3909. A bill for the relief of Javier Olaeta Echevarrieta;

S. 3910. A bill for the relief of Gregorio Ocamica Jayo;

S. 3911. A bill for the relief of Jesus Maria Muguira Gabicagogeascoa;

S. 3912. A bill for the relief of Benigno Mirandona Bengoechea;

S. 3913. A bill for the relief of Severiano Malaxechevarria Lequericabeascoa;

S. 3914. A bill for the relief of Raimundo Legarretta-Echevarria Uriarte;

S. 3915. A bill for the relief of Francisco Javier Larruscain Egana;

S. 3916. A bill for the relief of Ignacio Landeta Careaga;

S. 3917. A bill for the relief of Juan Irusta Elu;

S. 3918. A bill for the relief of Jose Maria Guerricabeitia Arriaga;

S. 3919. A bill for the relief of Jesus Gorrino Aramburu;

S. 3920. A bill for the relief of Alberto Goiricelaya Echevarria;

S. 3921. A bill for the relief of Francisco Ezcurdia Berasain;

S. 3922. A bill for the relief of Eleuterio Erleaga Arrizabalaga;

S. 3923. A bill for the relief of Andres Elguezabal Uriarte;

S. 3924. A bill for the relief of Jose Bermeosolo Gabiola;

S. 3925. A bill for the relief of Pedro Batis Madariaga;

S. 3926. A bill for the relief of Mariano Basterrechea Zorrozua;

S. 3927. A bill for the relief of Juan Jose Basterrechea Atela;

S. 3928. A bill for the relief of Vicente Barberia Huarte;

S. 3929. A bill for the relief of Martin Aseguinolaza Amescua;

S. 3930. A bill for the relief of Francisco Javier Aseguinolaza Amescua;

S. 3931. A bill for the relief of Casiano Artiach Cortez;

S. 3932. A bill for the relief of Valentin Arruza Dunabeitia;

S. 3933. A bill for the relief of Jose Arrate Legarra;

S. 3934. A bill for the relief of Fermin Aramburu Gandiaras; and

S. 3935. A bill for the relief of Jose Aldana Badiola; to the Committee on the Judiciary.

By Mr. MONDALE:

S. 3936. A bill for the relief of Hector Enrique Gonzales; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 3937. A bill to assure to every American a full opportunity to have adequate employment, housing, and education, free from any discrimination on account of race, color, religion, or national origin, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. JAVITS:

S. 3938. A bill for the relief of Juan Manuel Gomez Quiroz; to the Committee on the Judiciary.

S. 3896—INTRODUCTION OF BILL TO FACILITATE THE ESTABLISHMENT OF ELIGIBILITY UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill which would amend title XIX of the Social Security Act, the so-called medicaid program. This bill would establish a simpler method of applying for medical assistance, by requiring all States which provide this federally aided program to use a simple declaration of eligibility form as a basis for establishing the qualification of applicants for such assistance. In addition, this bill would amend the Internal Revenue Code to permit the use of income tax returns as a basis of verifying such declarations.

This matter was raised in testimony before the Senate Government Operations Executive Reorganization Subcommittee, in its hearings on health care in America, in testimony by the mayor of the city of New York, John V. Lindsay. In that testimony, the mayor pointed out that the complicated application form presently in use in many States, which often requires the applicant to list income and assets in a long and frustrating procedure, is degrading to the applicant and often amounts to a means test. As such, the application procedure discourages many who are eligible for medicaid from applying. Accordingly, the bill I introduce today would eliminate this complicated application procedure and would authorize the use of a simple needs test. Under its provisions, the applicant would merely declare that his income and assets satisfy the relevant requirements, and the administering State could carry out spot checks—including detailed investigations—to verify such declarations.

Mr. President, I hope that this bill will receive serious consideration. It can be a crucial factor in making the medicaid program truly available to those who fall within its provisions and need its services by eliminating an important obstacle.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3896) to amend title XIX of the Social Security Act to facilitate the establishment of eligibility for benefits thereunder, and for other purposes, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Finance.

S. 3897—INTRODUCTION OF A BILL TO AMEND THE RAILROAD RETIREMENT ACT

Mr. BAYH. Mr. President, I introduce, for appropriate reference, a bill to amend section 2 of the Railroad Retirement Act. The purpose of my amendment would be to permit a railroad employee who is eligible for retirement to retain a public office to which he has been elected without being forced to give up his annuity.

The problem arises because of the so-called last person service provision of the Retirement Act which stipulates that no employee is eligible for an annuity until he has "ceased to render compensated service to any person" and which prohibits retired railroad workers from rendering "compensated service to an employer or to the last person by whom he was employed prior to the date on which the annuity began to accrue." This has been interpreted to mean that if a railroad employee is employed by two or more persons immediately prior to the beginning of his annuity period, all such employers collectively constitute his last employment and he must resign from all of these jobs and not return to any of them to be eligible for continued retirement compensation payments. Also, the word "person" in the act has been judicially interpreted to include governmental agencies or organizations and to apply to elective public offices as well as appointive positions.

These requirements apparently were incorporated in the law to discourage earlier retirement by railroad employees who might be able to secure and retain a remunerative position with another employer. It is claimed that this would tend to discriminate against railroad employees who continued to work for the railroad until retirement age or beyond. Experience indicates that a number of railroad workers who do not hold other jobs continue their railroad employment for several years beyond the age at which they first become eligible for retirement. This results in a substantial savings to the railroad retirement fund.

It is feared that without these restrictions in the law, some railroad employees would give up their railroad positions early, secure other employment, and continue working on those other jobs after they had begun to receive railroad retirement benefits. It is argued that this would be unfair because it would raise the total cost of the railroad retirement system and might require heavier levies on other employees and on railroads alike. In other words, allowing an employee to retain another job at the time of his retirement might indirectly constitute a burden on those who continue to work for the railroad because the possible earlier retirement would reduce the amount of total retirement funds available and increase the costs of the system.

It should be pointed out, however, that the law in no way restricts a retired railroad employee from securing a different type of work subsequent to his retirement. Once a railroad employee has retired, he can earn any amount of money possible on a different job without jeopardizing or reduction of his railroad retirement benefits. The only restriction is that he must resign from all employment at the time he retires and cannot return to compensated service with any of his former employers.

Although the basic purpose of this restriction is understandable and probably has considerable merit, there is doubt it was intended by Congress to be applied in such a way that it would bar a railroad employee from retaining at the time of his retirement an elective public office to which he had been selected at the ballot box. Most citizens who run for office, especially at the local level, are interested mainly in public service, not in additional monetary compensation. Stress is laid in our society on the need for attracting the most able, best representative candidates to offer themselves as candidates for public office. Forcing a railroad employee who has been sufficiently public spirited and conscientious to serve in an elective position to give up that post or lose his annuity would obviously discourage any career railroader from becoming an active participant in the political process.

In most cases elective policymakers of local governmental bodies are part-time officers who receive comparatively small compensation. City and town councilmen, county supervisors, and commissioners, township trustees, school board members, planning commissioners, and other local government officers usually perform their duties at times and in a manner which in no way conflicts with their primary occupation. Even many State legislators are still regarded as part-time employees who may serve no more than 60 or 90 days in a 2-year period. The salary they receive is not large and is not intended to be their principal means of support. Often the many hours and considerable energy they devote to their official tasks is in no way reflected in the monetary compensation which they receive as officers.

Yet the Railroad Retirement Act as it now stands absolutely demands that a railroad employee who happens to be such an elective State or local official, and who has been chosen at the ballot box by his fellow citizens to represent their views and to oversee their public business, must resign from his position of trust if he wishes to become eligible for retirement benefits. Moreover, he cannot later be selected for that same job. In the baldest sense of the term this constitutes a legislative denial of the right of an American citizen to serve his compatriots as their spokesman in an official capacity.

To my knowledge this is the only national law which prohibits outright an otherwise legally qualified and competent citizen of the United States from seeking and holding elective public office without suffering a loss of the annuity rights to which he has contributed throughout his working career. Not only is this grossly unfair to the railroad employee who has been willing to make the sacrifice of becoming a part-time public servant, it also deprives the electors of the talents and service of the candidate whom they have chosen as the one best suited to represent them.

I have been advised informally that the Railroad Retirement Board, through a "liberal" interpretation of the act, has held that where the remuneration for public office is merely "incidental" or "insubstantial," a railroad employee could be considered not to be rendering "compensated service" and therefore would not have to resign from his public post in order to receive an annuity. Because the law does not by its specific terms appear to leave room for any flexibility as to what constitutes "compensated service," this interpretation may be of questionable validity. Except for allocations to reimburse officers for actual out-of-pocket expenses, such as costs for necessary official travel, secretarial services, or communication facilities, the phrase "compensated service" would seem to encompass any fees or salaries paid for holding an elective position, no matter how large or small.

Moreover, the practically of determining what constitutes "incidental" or "insubstantial" seems insurmountable. What criteria should be used to decide that particular payments, such as $15 per meeting, $40 per month, $3 for each docket entry, or $1,500 per year, are within or without the acceptable standards? To a $50,000 a year business executive, the $100 per month salary he receives as a city councilman might properly be considered quite incidental, but to a retired career railroad employee, dependent largely on his retirement benefits for a livelihood, this sum could mean a substantial boost to his income. Should the one be denied the privilege of serving his community as a councilman merely because his income from other sources is so small that his official salary becomes "substantial," whereas to his colleague the identical salary is "incidental"? To place a premium on level of income as a determinant for public service is contrary to all precepts of American government and should not be tolerated.

Another inequitable aspect of the current application of the law can be found in the great variation in compensation paid by State and local governments to their elective officeholders. A cursory examination of the available data reveals the very large range in salaries and fees earned by officials occupying comparable jobs in different cities, towns, townships, counties and even States. For instance, a city councilman in one city of 25,000 population might be paid as much as $3,000 per year, whereas his counterpart in another city of similar size may receive only $300. Is the right for railroad personnel to hold office to be qualified on geographical factors? Should the retired railroad employee be allowed to serve in one city but not the other? Is he to be discriminated against merely because he happens to live in one locality rather than another?

The unfairness and impracticality of this restriction becomes more evident if my understanding about its application is correct. According to information provided me, some retired railroad employees have been allowed to receive compensation from public office amounting to as much as $1,800 per year. Presumably this has been done on the grounds that $1,800 would be "incidental" and "insubstantial." Entirely aside from the ridiculousness of a ruling that $150 per month is either incidental or insubstantial, its gross inequity when applied to those who are in elective positions is obvious. How can a rule which permits one retiree to serve in the legislature of State A, which pays its members only $1,800 per year, but denies the right of another retiree to serve in State B, where the compensation for State legislators is $2,400, be justified?

The plight of one of my constituents clearly illustrates the problems which this section of the Railroad Retirement Act has created for those few railroad employees who also hold public office. The person to whom I am referring has been employed continuously by a railroad for 44 years. He has been contributing regularly to the railroad retirement fund for more than 31 years since it was established in 1937. Along with other employees he now pays 8.9 percent of what he earns from the railroad up to $650 per month, or a monthly payment of $57.85. He is also now serving in his third 4-year term as a part-time member of the city council of a fairly large city, for which he is paid $3,600 per year. Because his wife has recently been stricken with rheumatoid arthritis and his assistance is needed at home, he would like to retire soon and apply for a well-earned annuity.

However, because of the restrictions in the law referred to above, he has been officially informed that he would also have to resign from the city council and that he could not be reappointed to or be elected subsequently to the same position and still be eligible for retirement benefits. Despite the fact that the law apparently makes no exceptions for "incidental" or "insubstantial" compensation, it is his impression that if his salary as a member of the city council were only $1,800 the "last person service" rule would have been waived in his particular case. Although it was suggested that actual expenses incurred in serving as a city councilman should be deducted from gross salary in order to determine whether his compensation was "substantial," this proposal was rejected.

The net result is that this individual is confronted by an extremely unfortunate dilemma. Although he is fully entitled by years of service and contributions to retirement, and there are compelling personal reasons why he should leave his railroad position, he cannot receive annuity payments unless he resigns from the city council. The fact that he was elected in 1967 to his third 4-year term in office demonstrates that the people of his city were more than satisfied with his past performance and wanted him to continue in office. He is extremely loath to break faith with the electorate and to violate the trust they have vested in him. Any law which forces an honest, hardworking, conscientious citizen to make a choice between two alternatives, either of which will compromise his principles, is untenable.

My solution is very simple; amend the Railroad Retirement Act so as to permit a railroad employee to qualify for retirement benefits without being forced to give up an elective public office, the compensation for which does not exceed $5,000 per year. There may be valid arguments for not extending this privilege to other kinds of jobs, but it seems to me that the case for exempting part-time elective offices is very clear and convincing. Although the number of railroad employees who hold elective public office may not be large, this fact does not minimize the devastating impact the present restriction has on those individuals who are affected. Justice cannot be measured in terms of numbers alone.

Congress should not be guilty of legislating out of office duly elected representatives of State and local governments. In some respects the present statute almost comes within the broadened scope attributed by the Supreme Court to the bill of attainder clause of the Constitution. At the very least it amounts to a legislative injunction interposing the will of the National Government on the freedom of choice normally exercised by the people in choosing their own public officers. It seems to me that this amendment, or one similar to it which would accomplish the same purpose, should be adopted without delay, and I urge that careful consideration be given this proposal as soon as possible.

Mr. President, I ask unanimous consent that the full text of my bill which is very brief, be printed in full at the conclusion of my remarks.

The **PRESIDING OFFICER.** The bill will be received and appropriately referred; and, without objection the bill will be printed in the RECORD.

The bill (S. 3897) to amend the Railroad Retirement Act of 1937 so as to permit individuals retiring thereunder to receive their annuities while serving as an elected public official, introduced by Mr. BAYH, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 3897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Railroad Retirement Act of 1937, as amended, is amended by adding at the end thereof the following new subsection:

"(k) For purposes of subsections (a) and (d) of this section, service performed by an individual as an elected public official shall not be regarded as 'compensated service' rendered to an employer or to any other person, if such service is compensable at a rate which does not exceed $5,000 per annum."

ADDITIONAL COSPONSORS OF BILL AND JOINT RESOLUTION

Mr. **SPARKMAN.** Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from New Mexico [Mr. MONTOYA] be added as a cosponsor of my bill (S. 3777) to establish the U.S. Section of the United States-Mexico Commission for Border Development and Friendship, and for other purposes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **SPARKMAN.** Mr. President, I also ask unanimous consent that, at its next printing, my name be added as a cosponsor of the joint resolution (S.J. Res. 54) proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 383—RESOLUTION EXPRESSING THE SENSE OF THE SENATE RELATING TO AGREEMENT WITH ISRAEL FOR SALE OF CERTAIN AIRCRAFT

Mr. MURPHY (for himself Mr. Cannon, Mr. Hartke, Mr. Hollings, Mr. Ribicoff, Mr. Talmadge, Mr. Thurmond, Mr. Griffin, Mr. Bennett, Mr. McIntyre, Mr. Nelson, and Mr. Young of Ohio) submitted the following resolution, which was referred to the Committee on Foreign Relations:

S. Res. 383

Whereas the sale of modern jet fighters to Egypt by the Soviet Union, the sale of Mirage fighters to Iraq by France, the sale of modern jet fighters to Jordan by the United States, and the refusal of France to deliver to Israel Mirage fighters contracted and paid for by Israel upsets the balance of military power in the Middle East; and

Whereas such imbalance of military power has frustrated peace efforts undertaken by Envoy Gunnar V. Jarring under the auspices of the United Nations; and

Whereas such imbalance of military power raises grave threats to peace and security in the Middle East: Therefore be it

Resolved, that it is the sense of the Senate that the United States enter into an agreement with the Government of Israel for the sale of military planes, commonly known as Phantom jet fighters, necessary to Israel's defense to an amount which shall be adequate to provide Israel with a deterrent force capable of preventing future Arab aggression by offsetting sophisticated weapons received by the Arab States, and on order for future delivery, and to replace losses suffered by Israel in the 1967 conflict.

SENATE RESOLUTION 384—RESOLUTION TO PROVIDE FOR PREPARATION OF AN EDUCATIONAL FILM ON THE U.S. SENATE

Mr. HARTKE. Mr. President, today I am submitting a resolution for Senator Murphy and myself which authorizes the Committee on Rules and Administration to arrange for the preparation of an educational motion picture about the operations, history, and procedures of the U.S. Senate. In addition, copies of such a motion picture film would be made available without charge to schools, institutions of higher education, and civic organizations throughout the United States. Its basic objective is to promote a fuller understanding of the functions, powers, duties, and procedures of the legislative branch of the Government.

As many of my colleagues well know, there is a great need for this type of educational information. Each of us receives in his office many hundreds of visitors to the Capitol each year. They receive passes to the Senate Gallery, and they observe whatever happens to be in progress. I have noted many times, and have been approached by, persons who have found the proceedings on the Senate floor totally perplexing. It is extremely difficult and time consuming to try to explain to the layman the multiple complexities and ardous process by which a bill becomes a law. One simply cannot explain in a short time the duties and obligations each of us has which are removed from the Senate floor. One cannot fully explain to a constituent why a particular Senator is not spending his entire day on the floor of the Senate, or why he is meeting in an executive session of a committee rather than participating in a debate within the confines of the Senate. Consequently, despite the best efforts which we and our staffs exert, our visitors too often, I fear, leave with a distorted view of this great institution of Government.

The Senate has a great history, and the modern miracles of cinematic art can develop that history and the traditions by which we come to the work of this body. From Clay and Webster down to Wagner and Taft, great Senators have left their imprint. How they did it, and how we are attempting to carry on the traditions of the past, is a story which could best be effectively told in a motion picture which could be shown in an appropriate place within one of the Senate office buildings. The Senate auditorium already has suitable facilities for showing such a film. Such a film could be shown on a regularly scheduled basis so that visitors might better understand what they see taking place on the floor of the Senate or in committee proceedings.

I have long been interested in a film of this type and have learned that it is possible to secure the cooperation of a highly skilled major Hollywood film company which would undertake such a project on the basis of their cost only. This was done in the case of the film made of the "Second Lincoln Inaugural Reenactment," of which I was a member of the committee on arrangements. In fact, there is a good indication that a film of this sort, of highly professional quality, could be achieved for no more than $35,000 on such a basis. If undertaken without this kind of cooperation, as a strictly commercial venture, the cost would run up to $200,000 or more.

Although the hour is late in this session of Congress, I am hopeful that the committee on Rules and Administration would consider this resolution and report it to the Senate in order that such a film could be made available for the 91st session of Congress.

The PRESIDING OFFICER. The resolution will be received and appropriately referred; and, under the rule, the resolution will be printed in the Record.

The resolution (S. Res. 384) was referred to the Committee on Rules and Administration, as follows:

S. Res. 384

Resolved, That the Committee on Rules and Administration is authorized to make appropriate arrangements for—

(1) The preparation of an educational motion picture to depict the history, activities, and procedures of the United States Senate to illustrate the nature of the legislative process and the functions performed by Members, committees, and staff personnel of the Senate;

(2) The conduct of regularly scheduled performances of such motion picture at a suitable place within one of the Senate office buildings for the benefit of visitors to the Senate; and

(3) The preparation of copies of such motion picture film for distribution on loan without charge for use by schools, institutions of higher education, and civic organizations throughout the United States to promote a fuller understanding of the functions, powers, duties, and procedures of the legislative branch of the Government.

Sec. 2. The expenses of the committee under this resolution, which shall not exceed $———, shall be paid from the contingent fund of the Senate by vouchers approved by the chairman of the committee.

VETERANS AS POLICEMEN, FIREMEN, AND TEACHERS—AMENDMENT

AMENDMENT NO. 912

Mr. RIBICOFF. Mr. President, I submit an amendment, intended to be proposed by me, to H.R. 16027, an act to increase the compensation of disabled veterans, and ask that it be printed.

Mr. President, this year more than 800,000 veterans will be released from the Armed Forces. Many of them will have served in Vietnam. The civilian opportunities we provide these veterans will test the mettle of our society. For they are a vital resource which can make an important contribution to our national life.

Some men and women will, of course, return to jobs in the private sector. But others will be seeking new careers. Their duty in the Armed Forces has shown them the rewards of public service. These veterans know better than most of us the value of freedom and justice, for they have put their lives on the line to defend these principles. They can bring a new spirit and dedication to the public sector.

I propose that we utilize the talents of these veterans by recruiting them as teachers, policemen, and firemen. There is a serious shortage of personnel in each of these professions.

In 1968 we will need 200,000 new elementary and secondary school teachers. About one-third of this number must come from the ranks of former teachers, and two-thirds will be new graduates. A portion of the teacher demand can be met by the many thousands of veterans who have some college education and with additional training could assume positions in urban and rural areas needing more teachers. In some places the need is desperate.

In Chicago, between 300 and 700 classes each day are without a certified teacher, even a substitute. The only instruction provided the children is given by teacher aids or administrative personnel. And in Detroit, the inner city elementary school classes range between 35 and 40 pupils, far too large for effective teaching.

There is a similar lack of policemen in many cities. Statistics compiled in the 1967 Municipal Yearbook show that the cities over 10,000 population are nearly 9,700 short of their authorized police strength. Moreover, in some cities the authorized size of the police force is less than what is needed for adequate public protection. For example, in Washington the city administration has asked for an additional 1,000 men.

Our fire departments face the same situation. Mr. Warren Kimball, manager of the National Fire Protection Association Service Department, has said:

There are very few fire departments today that do not have a serious manpower problem and in the vast majority of cities the undermanning of fire companies is so critical as to seriously cripple the ability of the department to efficiently combat anything more than the smallest fires.

My amendment is designed to attract the returning veteran to the teaching, police and fire fighting professions in two ways. First, by offering for a period up to 2 years, a special $50 monthly supplementary allowance during training, in addition to other veterans benefits, to those agreeing to work for 2 years in these jobs. Second, during the first 2 years of service, they would also receive an incentive payment in addition to their regular salary. For a veteran without dependents this would amount to $80 per month for the first 6 months, with reductions each 6 months thereafter, as now provided in on-the-job training programs. Additional allowance would be made for dependents.

The cost of my program would be about $25 million for the first year. With this amount we could recruit 40,000 new teachers and 3,000 new policemen and firemen. The incentive payments would go to about 10,000 teachers to help them through their training. With this sum it will be possible to make a real difference in the quality of education, police and firefighting work in localities all across the country. The lives of countless children and ordinary citizens can be improved.

Mr. President, we owe our returning veterans the best opportunities for useful employment. They have given so much to all of us. This is the least we can do for all of them. But equally important, we owe it to ourselves to establish this program. For its cost will be returned many times over in the enriched lives of our children and the increased safety of our communities.

I ask unanimous consent that the text of the amendment be printed at this point in the Record.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment will be printed in the Record.

The amendment (No. 912) is as follows:

At the end of the bill add a new section as follows:

"Sec. 7. (a) Chapter 34 of title 38, United States Code, is amended by adding at the end thereof a new subchapter V as follows:

" 'SUBCHAPTER V.—INCENTIVE BENEFITS FOR VETERANS SERVING AS TEACHERS, POLICEMEN, AND FIREMEN

" '§ 1690. Purpose; definitions

" '(a) This subchapter is intended to furnish special encouragement, by the payment of incentive benefits and supplementary training allowances, to veterans who are willing to serve in the United States for a prescribed period of time as elementary and secondary public school teachers or as policemen or firemen.

" '(b) For the purposes of this subchapter—

" '(1) The term "qualified veteran" means a veteran who is an "eligible veteran" as defined in section 1652(a) of this title.

" '(2) The terms "policeman" and "fireman" mean persons employed as regular full-time policemen or firemen, as the case may be, by a State or local subdivision thereof.

" '(3) The term "at least two years" means not less than two consecutive academic years in the case of a qualified veteran who agrees to serve as a teacher under this subchapter, and not less than twenty-four consecutive months in the case of a qualified veteran who agrees to serve as a policeman or fireman under this subchapter.

" '§ 1691. Public service incentive benefits

" '(a) The Administrator may, by regulation, provide incentive benefits for qualified veterans who agreed to serve for a period of at least two years as (1) a full-time teacher in an elementary or secondary public school, (2) a policeman, or (3) a fireman.

" '(b) Payment of incentive benefits under this section—

" '(1) may not exceed the rates set forth in section 1683 of this title and may not in the case of any qualified veteran be paid for more than twenty-four months;

" '(2) may not extend (A) over a period of more than three academic years in the case of a qualified veteran serving as a teacher, or (B) over a period of more than two years in the case of a qualified veteran serving as a policeman or fireman;

" '(3) may not be made to a qualified veteran serving as a teacher under this subchapter for any month or months following the end of the regular academic year of the school in which he has been teaching unless he is actually serving as a teacher in such school during such month or months; and

" '(4) may be paid only to a qualified veteran on the basis of his service as teacher, policeman, or fireman subsequent to the date of enactment of this section.

" '§ 1692. Supplementary training allowance

" '(a) Any qualified veteran who is pursuing, on a full-time basis, as defined by the Administrator, a program of education (or a combination of education and training) which would qualify him for service as a teacher, policeman, or fireman and who agrees to pursue such service in the United States for at least two years after the completion of his program, may receive a supplementary training allowance of $50 per month while pursuing such program. Such supplementary training allowance shall be in addition to the educational assistance allowance to which the veteran is entitled under section 1682 of this title.

" '(b) No allowance authorized pursuant to subsection (a) of this section may be paid for any period of education or training longer than the period the qualified veteran has agreed to serve, and in no event shall a qualified veteran be paid a supplementary training allowance under this section for any period after his eligibility for education and training under this chapter has expired.

" '§ 1693. General provisions

" '(a) Notwithstanding any other provision of law, a qualified veteran employed by the District of Columbia to serve as a teacher, policeman, or fireman may receive an incentive benefit or a supplementary training allowance under this subchapter in addition to his compensation for such service.

" '(b) In the event a qualified veteran breaches his agreement to serve as a teacher, policeman, or fireman, any amount paid to him by way of supplementary training allowance pursuant to section 1692 of this chapter shall be considered an overpayment and recoverable as a debt to the Government unless waived pursuant to section 3902 (a) of this title'.

" '(b) the analysis at the beginning of chapter 34, title 38, United States Code, is amended by adding at the end thereof the following:

" 'SUBCHAPTER V.—INCENTIVE BENEFITS FOR VETERANS SERVING AS TEACHERS, POLICEMEN, AND FIREMEN

" '1690. Purpose; definitions
" '1691. Purpose service incentive benefits
" '1692. Supplementary training allowance
" '1693. General provisions.' "

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1969

AMENDMENT NO. 913

Mr. BAYH submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely: Page 23, after line 13, insert the following:

"Sec. 208. Assistant United States attorneys positions which are financed by appropriations in this Act for the Department of Justice which are determined by the Attorney General to be essential to the prosecutive operations of the Department of Justice may be filled without regard to the provisions of section 201 of Public Law 90–364, and such positions shall not be taken into consideration in determining numbers of employees under subsection (a) of that section or numbers of vacancies under subsection (b) of that section."

Mr. BAYH also submitted an amendment, intended to be proposed by him, to House bill 17522, making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENT

AMENDMENT NO. 914

Mr. MOSS submitted an amendment, intended to be proposed by him, to the bill (H.R. 15263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS NOS. 915 AND 916

Mr. COOPER submitted two amendments, intended to be proposed by him, to House bill 15263, supra, which were ordered to lie on the table and to be printed.

ADDITIONAL COSPONSOR OF AMENDMENT

Mr. JAVITS. Mr. President, I ask unanimous consent that the name of the Senator from Oregon [Mr. Morse] be added as a cosponsor of amendment No. 895 to the Foreign Assistance Act of 1968.

The PRESIDING OFFICER. Without objection, it is so ordered.

OUR YOUNG PEOPLE, JOBS, AND THE COMPLEX WORLD OF JOBS

Mr. TALMADGE. Mr. President, today I wish to discuss what I regard as one of the most important challenges facing our State and Nation today—that of preparing our young people for jobs and the increasingly complex world of work.

The past several months have made us painfully aware of the breakdown of life in our cities. Frustration and bitterness have exploded in the streets of America.

We are confronted with an ever-deepening crisis that threatens the country with widespread civil unrest.

I do not mean to infer that the high rate of unemployment among our young people accounts for rioting and social strife by itself.

But coming to grips with this fundamental problem can do much to lighten the burden of our metropolitan areas. It is certainly a badly needed step in the direction of helping people help themselves attain a sense of community responsibility and human dignity.

As a nation we have consistently pursued scientific and technical accomplishment, and industrial advancement. By combining research, American ingenuity, and commonsense, we have always sought maximum utilization of this Nation's human and natural resources.

We have made our labor force among the most productive in the world. This productivity is reflected in our country's strength and security. For more than 7 years straight, we have witnessed unparalleled economic progress and prosperity.

But this prosperity has been denied some of our countrymen. This is a national tragedy.

It is a personal tragedy for men and women caught in a tangle of one frustration after another. It is especially heartbreaking to know that there are hungry and even starving children in this country.

And even more than this, it is an economic tragedy. These are wasted human resources and lost productivity that cost America billions.

It has been estimated that nationally there are 2 million unemployed, and another 10 million underemployed, of whom 6½ million work full time but still earn less than the annual poverty wage.

Five hundred thousand of these individuals are described as the hardcore unemployed, who are usually handicapped by extremely poor education and ill health.

For our young men and women, the situation is even worse. The unemployment rate for the Nation's youth is shocking. Teenagers have the highest rate of joblessness of any group in the entire postwar period. Vast numbers of people in their early twenties are no better off.

In 1967, when the national unemployment rate was 3½ percent, 20 percent of people between 16 and 24 were unemployed. Among Negro teenagers, the rate of unemployment reaches almost unbelievable proportions.

In recent years, it hovered around the 20 to 25 percent mark for Negro boys, and for teenage Negro girls the rate has been 20 to 30 percent.

This is, of course, a complex problem. I do not pretend to have all the answers. But I do know this: to a very large degree it has come about because we have not sufficiently looked after the educational needs of our young people.

We have promoted science and technology. We have encouraged research to develop the finest of tools and equipment for our labor force. Through efforts of private enterprise and the Government, we have modernized and expanded American industry.

But we have failed to make a similar investment in the worker. We have not done all that we can and must do to assure that our young men and women possess the education and the skills necessary to master these tools, to reap the benefits of modern science and technology, or to adequately cope with the employment demands of business and industry today.

We must begin to reclaim these losses. We must begin to reclaim these human resources that have been neglected for too long.

People who cannot get a job are people without basic economic security. They lack self-sufficiency, and for them self-respect has no real meaning.

A good job at an adequate wage is the only long run solution which can enable an individual to become a contributing member of society, and not merely a beneficiary of its charity.

Unemployment and the problems that grow from it are likely to become even more severe over the next 10-year period. The decade from 1965 to 1975 will see the largest labor force increase for any comparable 10-year period in this Nation's history.

The increase in the nonwhite sector of the labor force—of approximately 26 percent—will be much greater than the increase in the number of white workers—which will be about 18 percent.

Twenty-three million new young workers, aged 14 through 24, will be coming into the work force during this decade. These young people will account for one-third of the entire increase in the working population.

This gives us an idea of the scope of the task ahead, if we are to assure each one of these individuals an opportunity for gainful employment.

Simply finding a job does not represent a complete solution to the problem. Anyone who has checked the want ads in the local newspapers knows that the unemployed do not lack sufficient job opportunities.

The classified section offers many tempting positions. A New York newspaper recently carried notices of employment opportunities in the field of space systems engineering, human factors science and software technical writing. Many of these words a short time ago were not even in our vocabulary.

Not all of these available jobs are for men with higher educations. Many companies gladly welcome men who possess the knowledge and the ability to hook up an electronic circuit, to repair machinery, and to handle earth-moving machines. They in fact seek them out in great numbers.

The demand for skilled labor has never been greater.

The President's manpower report points out that the country needs about 230,000 skilled workers yearly to replace those who retire, and to keep pace with new demand.

The auto industry alone says it could use 50,000 new servicemen annually. We will need 1,025,000 technicians by 1975, but we are expected to produce about 678,000. The present demand for machinists, carpenters, electricians, and chefs goes unanswered.

It has been estimated that, for every scientist and engineer entering the labor force, we need at least six skilled craftsmen who can build, maintain, and repair highly specialized equipment.

The opportunity, then, is great. But far too many people have not been taught the skills to get the jobs offered today.

The unskilled laborer belongs to a vanishing breed of worker—not by his choice—but because he cannot program or service a computer with the muscle in his arm.

The Nation's young men and women, as well as adults, must realize that finding a job, and advancing in it, will require more education and greater training than ever before.

As jobs become more technical, the requirements for them are going to increase. A complex technology will change jobs. It may do away with some.

But it will also create new opportunities for those who are prepared to meet the challenge.

Congressional concern has not been lacking. As it became evident that vocational education was not keeping pace with the new demands for highly skilled workers, the Congress, in 1962, took an important step to combat unemployment.

The Manpower Development and Training Act, which became law in that year, attacked the problem in three ways:

First, the act established a national training and retraining program for the unemployed and underemployed.

Then, it provided for an annual assessment and report by the President on the state of the Nation's manpower resources.

And finally, it granted authority to the Department of Labor to undertake contract research in the manpower field.

The manpower program has met considerable success and made significant contributions in training the unemployed and the underemployed.

For example, the Labor Department estimates that since August 1962 until December 1967, 76 percent of those receiving institutional or classroom training, were employed, and 78 percent were in training-related jobs.

Through January 30, 1967, the median pretraining earnings of persons enrolled in Manpower Development training was $1.44 an hour. The median posttraining earnings were $1.74 an hour.

The Labor Department estimates that the average trainee repays the government for the expense of his training in taxes in about 2 years. In the final analysis, he repays the public's investment in him many times over.

Many more such training programs have been initiated, also with successful results. Residents of slum areas are being trained to rehabilitate slum housing.

Many other hard-core unemployed are being taught skills to become subprofessional aides in the areas of health, welfare and public safety.

More recently, we have intensified efforts to try to solve problems that hamper the young jobseeker. We have developed such programs as the Job Corps and Neighborhood Youth Corps in an attempt to rehabilitate and train young men and women who—if neglected—will further swell the ranks of the unemployed, and ultimately become candidates for public welfare.

These programs, however, are merely rescue operations which attempt to heal a festerning sore with a touch of iodine and a band aid.

They are expensive expedients which attempt to remedy a flaw in our educational process which can only be corrected from within.

Often programs like the Neighborhood Youth Corps are merely make-work experience, and bear little or no relevance to the actual world of work.

What we need most is a basic educational program to insure that no youngster will find it necessary to resort to a rescue operation.

This is not to say that we do not now have good schools. We do and our educational systems have improved more in the past quarter century than during all the history of public education combined.

But I sometimes fear that too much emphasis is placed upon preparing students for college at the expense of those who have no intentions of going to college.

Whether we like it or not, it must be recognized that today a high school diploma is less and less a guarantee to a permanent job at a good salary.

A student in the fourth grade today will spend the major part of his work life between the years 1980 and 2020. No one can precisely describe the year 2000.

But we can reasonably predict that the average worker then, whatever his occupation, will be using a great deal of technological know-how, relying heavily on technical hardware, and employing very few manual skills.

He will have secured far more education than is necessary for the average worker today. A high school graduate then will stand in the same relation to his contemporaries that one who has gone through the eighth grade bears to the rest of us at present.

He will often be called upon to master new emerging technical concepts, and to secure even additional education and training.

The message ought to be plain to everyone. People who are not prepared, people who are not adequately educated and trained just are not going to make the grade.

This is true today, as millions of youths have already found out.

But in the next two or three decades, the demand for education and highly skilled job training will increase many times over.

Yet, in spite of this fact, it is estimated that during the 1960's, some 7½ million boys and girls will be dropping out of school, and trying to enter the job market, ill educated, ill prepared, and possessing no marketable skills.

At the present time, only one student in 10 leaving our educational system without a bachelor's degree has had some specific occupational preparation.

One of the reasons for the worsening employment situation for young people is that the number of 14- to 19-year-olds has been steadily increasing without the proportional increase in the number of jobs usually open to them—that is, jobs which require little education, little training and no skills.

The 1968 National Advisory Council on Vocational Education reported that 83 percent of the young men and women in our Nation never receive a full college education. But only 25 percent of the total high school population in our country receive vocational education.

Less than one-half of the noncollege trained labor force was found by a Labor Department survey to have any formal training for current jobs.

Less than 4 percent of our 18- to 21-year-olds were enrolled full-time in a postsecondary education program, and less than 3 percent of the 22- to 64-year-olds were involved in part-time adult extension courses.

A greater effort must be made to relate existing vocational training programs to present job opportunities, and to get more people in these programs.

We must reach the student who does not seek higher academic education. He must understand the value and importance of occupational training to his opportunities for a productive working life.

He must recognize that the job requirements of any occupation he may choose are changing, and that in the years ahead there will be job opportunities unheard of today.

And, in terms of the individual himself, he must fully realize that this is not an optional decision. He either prepares himself or he does not. He either keeps up or he falls hopelessly behind. He can either secure permanent gainful employment or he becomes dependent upon society.

Most students today are career oriented. They look to schools for the type of education they will need in order to meet the demands of the labor market of the present and the future.

In many cases, their motivation to learn, and to remain in school, depends on convincing and continuing evidence that they are receiving this kind of education.

Programs of vocational education must be encouraged, not so much as a separate discipline, but rather as a different but important approach to existing disciplines.

Students must be guided and counseled to develop all their potentials, but they will need more than just theoretical schooling in the arts and sciences. They must also be given instruction to supplement verbal ability with skills for getting a job.

Just as opportunities are shrinking for those who lack a high school diploma, they are also diminishing for the graduate who relies only on intellectual accomplishments to secure him employment.

At the present time, taken in the context of the critical social and economic problems that confront America, I don't know of anything more important than job training.

At this point, the course of vocational and adult education will in large part determine whether we win the war against poverty and unemployment.

Vocational training can prevent the potential dropout from leaving school.

It can keep him in school and train him for a job when he finishes. Vocational and technical education can train the high school graduate who got his diploma, but no job. It can help the worker to improve and update his skills. Vocational education is flexible. It can readily be designed to meet the problems of the disadvantaged.

In short, it can bridge the gap created by rapid technological development.

The business community, too, must lend its support to programs of quality vocational education. Private industry has already joined with the Government in a mutual effort to train and hire the hard-core unemployed.

The JOBS program, for example—Job Opportunities in the Business Sector, run by the National Alliance of Businessmen—was expressly created for the purpose of furnishing jobs and the supporting services that are needed by hard-core unemployed.

There are many other constructive actions which the business community can undertake to improve the quality of job training. They can help school dropouts.

They can cooperate in work-study programs for high school students. They can help schools develop curriculums which correspond more to the needs of the labor market.

Business knows the type of workers it desires. It knows best the type of preparation that is needed.

Business can encourage top-level management to even participate in classroom activities, by donating an hour or two a week to speak to students about the hard realities of the job market.

Business can make itself available to guidance counselors to keep them informed about possible opportunities with their companies and in their areas.

The Congress also has underscored the importance of job training today. As you know, the Vocational Education Act of 1963 was a major congressional step toward meeting this need.

The Vocational Education Amendments of 1968, that the Senate and the House have acted upon, carries Federal cooperation and participation in promoting opportunities for job training even further—in terms of greatly increased expenditures and improved program planning, with particularly emphasis on assisting hard-core unemployed young people.

I have consistently supported such programs as this, and I will continue to do so.

I am also cosponsoring in the Senate legislation to provide private business and industry with a tax credit for expenses involved in on-the-job training. I believe we need a stronger working partnership between the Government and private industry.

The Government ought to provide

every possible incentive for industry-operated programs to help people help themselves. I believe, beyond the shadow of a doubt:

The best solutions and the most important solutions to the social and economic problems confronting our country can be found in education, job training, retraining, in the creation of more jobs, and in more people who are ready, willing, and able to fill these jobs.

TELEVISION INTERVIEW WITH SENATOR BYRD OF WEST VIRGINIA

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that there be printed in the Record a transcript of questions asked of me during a television interview on July 24, 1968, and of my answers thereto.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Television Interview With Senator Byrd of West Virginia on James Earl Ray, Justice Fortas, and Family Planning, July 24, 1968

Q. Senator Byrd, would you comment on the return of James Earl Ray to Memphis to stand trial for the murder of Dr. Martin Luther King, Jr.?

A. Yes, I am glad that he has been returned to this country without undue delay, although this is due primarily to his having waived extradition. But I think that the law enforcement agencies, especially the FBI, should be commended on tracking him down and apprehending him.

He must now be given a fair trial, because only in this way can his guilt or innocence be established; and every possible effort should be made to correctly determine every pertinent fact.

Now I would not want to prejudge the man in any way. But I will say this: cold-blooded murder is a horrible crime, whether it be the murder of Dr. King, or Bobby Kennedy, Malcolm X, George Lincoln Rockwell, or the eight nurses in Chicago. And the guilty person, whoever he is, should be punished.

Now if Ray did, in fact, assassinate Dr. King, and if he is found guilty of having committed premeditated murder, then I think that he should pay the full penalty provided under the law, which in the State of Tennessee, for first-degree murder, is death in the electric chair.

Q. Senator Byrd, the press has stated that you will vote against Justice Abe Fortas to be Chief Justice. Would you explain why?

A. Well, I voted for the confirmation of Mr. Fortas to the United States Supreme Court when he was first appointed in 1965, but I am opposed to his elevation to the role of Chief Justice, where he would be in an even better position to influence the decisions of the Court and to perpetuate the Warren philosophy of judicial activism for many years to come.

Now I do not agree with the so-called lame-duck argument, nor do I find any fault whatever with his jurisprudential qualifications. But I do have a responsibility as a United States Senator, under the Constitution, to exercise my own good judgment as to his confirmation, and my objections to Mr. Fortas go entirely to his record on the Court.

His votes constitute the best light by which a Senator may be guided as to his philosophy as Chief Justice. And for example, I'd like to cite these votes: Mr. Fortas voted to protect the employment of Communists in defense plants; he voted to overturn a state statute requiring teacher loyalty oaths; he voted to strike down welfare regulations on the so-called man in the house rule, thus opening the door for increased welfare spending; and his was the deciding vote in the 5–4 decision in the Miranda case, which applies additional restrictions to the police in the questioning of persons suspected of having committed a crime.

Now I do not think it makes much sense for me to go out and make fire and brimstone speeches supporting law and order, and then turn right around and vote for a Supreme Court Justice whose decisions have hurt law and order.

I happen to believe that many of the dangerous and disturbing things that are happening in this country today can be traced to some of the recent decisions of the Supreme Court favoring the atheist, the Communist, and the criminal, and I think that the day has come when Senators should stand up to their responsibility under the Constitution, and that the United States Senate should stop being a rubber stamp for the appointment of Justices to the United States Supreme Court.

Q. Senator Byrd, the House of Representatives has cut funds for family planning. The Department of HEW considers these programs to be of major importance. Now as a member of the Senate Appropriations Committee, what is your feeling on this matter?

A. Well, family planning is just a highfaluting term, to use a colloquial expression, for birth control. The House of Representatives did cut a total of $22 million out of three family planning programs, and in Committee earlier this week I moved to restore the full amount for these programs, and the full amounts were restored. Now it is estimated that approximately 5 million low-income women in the United States have about 450,000 unwanted babies each year. For example, here in the District of Columbia, I noted the other day that there are 7 mothers who have 70 illegitimate children, 10 apiece, all on welfare. There are 13 mothers who have 117 illegitimate children; another group of 21 mothers who have 168 illegitimate children; another group of 42 mothers who have 294 illegitimate children; and another group of 179 mothers who have 895 illegitimate children, all on welfare.

Now the child cannot help its status as an illegitimate, but the government can do something about this. And I feel that family planning is absolutely essential to the solution of the rising illegitimacy birth rate in the United States. I think that there must be more money spent for family planning at all governmental levels.

Interviewer. Thank you, Senator Byrd.

DEATH OF DR. CHARLES W. MAYO

Mr. MONDALE. Mr. President, it is with deep regret that I call attention to the passing of Dr. Charles W. Mayo, of Rochester, Minn.

Dr. Mayo, son of the cofounder of the famous Mayo Clinic, continued the family heritage of service to the better health of man throughout his long and distinguished career as a surgeon at the clinic.

Educated at Princeton, the University of Pennsylvania, and the University of Minnesota, Dr. Mayo was a specialist in abdominal surgery. Dr. Mayo also served the Nation as adviser to Government agencies and as alternate delegate to the Eighth General Assembly of the United Nations.

A distinguished surgeon who maintained a schedule of up to a dozen operations a day, and a governmental adviser and representative, Dr. Mayo brought honor to his family, his State, and his Nation.

Dr. Mayo was a great citizen, as well. He served on the Board of Regents of the University of Minnesota and, in addition, actively engaged in matters related to economic development. At the time of his death, he was a leader in the fight to establish the proposed Voyageurs National Park.

Dr. Mayo was a friend of mine. I knew him to be a wonderfully warm and concerned American.

In the highest tradition of this magnificent family, he was a great doctor and citizen of Minnesota and the Nation.

We mourn his passing. We shall miss him.

Mr. President, I ask unanimous consent to have printed in the Record the obituary of Dr. Mayo, published in the New York Times today.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

Dr. Charles W. Mayo, 70, Dies—Retired Senior Surgeon at Clinic

Rochester, Minn., July 28—Dr. Charles W. Mayo, distinguished surgeon, former alternate United States delegate to the United Nations General Assembly and son of Dr. Charles C. Mayo, co-founder of the famous Mayo Clinic, died here today, his 70th birthday, in an auto accident.

According to one of his sons, Edward M. Mayo, Dr. Mayo apparently suffered a heart attack this morning while driving on a freshly graveled county road on the edge of Mayowood, the family's 1,700-acre estate here. The automobile rolled off a steep embankment of the shoulderless road during Dr. Mayo's customary Sunday drive. A small family birthday celebration had been scheduled for noon.

Dr. Mayo retired from the Mayo Clinic as senior surgeon and a member of the board of governors in 1963 after reaching the mandatory retirement age of 65.

Dr. Mayo is survived by 4 sons, Dr. Charles H. 2d of White Bear, Edward M. of Rochester, Joseph G. 2d of Minneapolis and Alexander S. of Rochester; 2 daughters, Mrs. Hugo Torres of Mexico City and Mrs. Edith M. Sones of Rochester, and 11 grandchildren. His wife, the former Alyse Varney Plank, died last year.

A funeral service will be held on Wednesday at 11 A.M. at Mayowood. Burial will be on the estate.

OF A DOCTOR'S FAMILY

"No one ever told me what I ought to do," Charles William Mayo once told an interviewer, "but in a doctor's family it's pretty strange if you get off the subject of medicine.

"And I can remember many times as a boy carrying overshoes up to the hospital for father and Uncle Will—they used to walk between the hospital and home. I suppose doing things like that made me think of being a doctor."

Father was Charles Horace Mayo, and Uncle Will was William James Mayo. With their father, William Worrall Mayo, the two doctors founded in October of 1889 the clinic in Rochester that bears their family name.

Young Charles, whose mother, the former Edith Graham, was the community's first trained nurse and anestheist, was a mischievous boy who once dyed chicken eggs blue and placed them in the nests of his father's imported pheasants, who had failed to lay eggs.

"Father, I think, never had a pheasant egg and so he though the hen pheasants had laid them," Dr. Mayo later recalled.

"When he learned it was a joke, he was irritated at first because he had counted so much on raising pheasants. Mother laughed about it because I had taken her in on the prank and finally father too saw the humor of it."

A sense of the value of humor remained

with him throughout his life. Once, at a solemn staff conference, he reported a "perplexing problem—a patient who must have swallowed an octopus egg." As his colleagues looked on, Dr. Mayo produced a specially prepared X-ray, on which could be seem a stomach harboring the unmistakable outline of an octopus.

To most people, including his patients, he was known as Chuck. "Maybe they start by calling me Doctor Mayo," he once said of his patients, "but it doesn't last."

A PRINCETON GRADUATE

Dr. Mayo received his secondary education at the Hill School in Pottstown, Pa., between 1912 and 1917, and was graduated from Princeton University in 1921. Five years later he was awarded his M.D. by the University of Pennsylvania.

During the second year of his medical training, he was afflicted with rheumatic fever and forced to leave school for a year. Later he said, "If I had to repeat anything, I think I'd repeat that, much as I hated it. I think every doctor ought to be sick early in his career. I'd like to see every young doctor feel pain."

After his graduation from the University of Pennsylvania, Dr. Mayo served as an interne for a year at the Robert Packer Hospital in Sayre, Pa., and between 1927 and 1931, when he was awarded an M.S. in surgery by the University of Minnesota, he held a fellowship in surgery at the Mayo Foundation.

In a series of articles written about the Mayo Clinic for The Saturday Evening Post, he recalled that he was subjected to considerable scrutiny during the years of his fellowship—or residence—because of his family connections.

"I figured," he said, "I was going to have to get down just a little bit earlier and stay a little bit later."

DR. CHARLIE'S SON

One aged patient, upon hearing his name, told him: "You aren't Doctor Will, and you aren't Doctor Charlie. You can't be Doctor Mayo."

Upon being told that his physician was Doctor Charlie's son, the patient gave the young man a searching look and declared, "Well, I've seen a lot of other smart fathers who had dumb sons."

Dr. Mayo's youthful appearance also deterred some patients from consenting to use him as their surgeon. To one, who asked who should perform her gall bladder surgery, the doctor recommended a surgeon who had performed thousands of such operations, but added that she could choose himself: "I'm just starting," he said, "and I can't afford to lose a patient." The woman chose Dr. Mayo.

Despite the skepticism that he enjoyed telling about, Dr. Mayo, who become officially a surgeon at the clinic in 1931, rapidly won a reputation as an outstanding practitioner, and particularly as a pioneer in a one-stage operation for cancer of the lower colon and rectum.

At the Mayo Foundation for Medical Education and Research in Rochester, a department of the graduate school of the University of Minnesota, he rose through the academic ranks to become a professor of surgery in 1947.

During World War II, Dr. Mayo served in the Army Medical Corps, holding executive positions at hospitals in Charleston, S.C., and in New Guinea. Until ordered to stop, he rode on several missions aboard bombers in the Pacific, and when he left active duty in 1946 he held the rank of colonel.

A specialist in abdominal surgery, particularly that of the colon, Dr. Mayo was the editor of Postgraduate Medicine and the author of hundreds of scholarly papers that appeared in that publication and such others as the American Journal of Surgery, the Journal of the American Medical Association and Clinics of North America.

At his death, he had completed work on his autobiography, which is scheduled for publication soon by Doubleday, according to his son Edward.

In the postwar years, Dr. Mayo became a governor of the clinic, and a member of a national advisory group to the Veterans Administration and of the national medical advisory board of the American Legion. And he continued to maintain a busy pace as a surgeon.

In 1953, during the Korean war, Senator Edward J. Thye, Minnesota Republican, proposed Dr. Mayo as an alternate delegate to the eighth General Assembly of the United Nations.

"AND HERE I AM"

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As taxes increase their costs and reduce their return, the corporation will be allowed to increase its prices to recover the loss and continue to maintain its return.

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In this way, he rather earthily expresses a dry economic theory that Government men now urgently hope will prove valid in practice. It holds that businesses always maximize profits, setting prices and production at the level which produces the highest return. Simple logic dictates that a company making the maximum possible profit couldn't make an even higher one, the theory goes, no matter how hard it tried.

Psychology imposes a related restraint on those who'd try to pass along the tax increases, the fiscal analysts assert. If a company president were to cite the surtax as a reason for raising prices, they claim, he'd be confessing that he hadn't been doing as well by his stockholders all along as he could have.

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LT. COMDR. ROBERT M. GERTZ

Mr. DODD. Mr. President, on July 31, 1968, one of my constituents, Lt. Comdr. Robert M. Gertz, from Hamden, Conn., will be retired from active Naval service at the National Naval Medical Center, Bethesda, Md.

with him throughout his life. Once, at a solemn staff conference, he reported a "perplexing problem—a patient who must have swallowed an octopus egg." As his colleagues looked on, Dr. Mayo produced a specially prepared X-ray, on which could be seem a stomach harboring the unmistakable outline of an octopus.

To most people, including his patients, he was known as Chuck. "Maybe they start by calling me Doctor Mayo," he once said of his patients, "but it doesn't last."

A PRINCETON GRADUATE

Dr. Mayo received his secondary education at the Hill School in Pottstown, Pa., between 1912 and 1917, and was graduated from Princeton University in 1921. Five years later he was awarded his M.D. by the University of Pennsylvania.

During the second year of his medical training, he was afflicted with rheumatic fever and forced to leave school for a year. Later he said, "If I had to repeat anything, I think I'd repeat that, much as I hated it. I think every doctor ought to be sick early in his career. I'd like to see every young doctor feel pain."

After his graduation from the University of Pennsylvania, Dr. Mayo served as an interne for a year at the Robert Packer Hospital in Sayre, Pa., and between 1927 and 1931, when he was awarded an M.S. in surgery by the University of Minnesota, he held a fellowship in surgery at the Mayo Foundation.

In a series of articles written about the Mayo Clinic for The Saturday Evening Post, he recalled that he was subjected to considerable scrutiny during the years of his fellowship—or residence—because of his family connections.

"I figured," he said, "I was going to have to get down just a little bit earlier and stay a little bit later."

DR. CHARLIE'S SON

One aged patient, upon hearing his name, told him: "You aren't Doctor Will, and you aren't Doctor Charlie. You can't be Doctor Mayo."

Upon being told that his physician was Doctor Charlie's son, the patient gave the young man a searching look and declared, "Well, I've seen a lot of other smart fathers who had dumb sons."

Dr. Mayo's youthful appearance also deterred some patients from consenting to use him as their surgeon. To one, who asked who should perform her gall bladder surgery, the doctor recommended a surgeon who had performed thousands of such operations, but added that she could choose himself: "I'm just starting," he said, "and I can't afford to lose a patient." The woman chose Dr. Mayo.

Despite the skepticism that he enjoyed telling about, Dr. Mayo, who become officially a surgeon at the clinic in 1931, rapidly won a reputation as an outstanding practitioner, and particularly as a pioneer in a one-stage operation for cancer of the lower colon and rectum.

At the Mayo Foundation for Medical Education and Research in Rochester, a department of the graduate school of the University of Minnesota, he rose through the academic ranks to become a professor of surgery in 1947.

During World War II, Dr. Mayo served in the Army Medical Corps, holding executive positions at hospitals in Charleston, S.C., and in New Guinea. Until ordered to stop, he rode on several missions aboard bombers in the Pacific, and when he left active duty in 1946 he held the rank of colonel.

A specialist in abdominal surgery, particularly that of the colon, Dr. Mayo was the editor of Postgraduate Medicine and the author of hundreds of scholarly papers that appeared in that publication and such others as the American Journal of Surgery, the Journal of the American Medical Association and Clinics of North America.

At his death, he had completed work on his autobiography, which is scheduled for publication soon by Doubleday, according to his son Edward.

In the postwar years, Dr. Mayo became a governor of the clinic, and a member of a national advisory group to the Veterans Administration and of the national medical advisory board of the American Legion. And he continued to maintain a busy pace as a surgeon.

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LT. COMDR. ROBERT M. GERTZ

Mr. DODD. Mr. President, on July 31, 1968, one of my constituents, Lt. Comdr. Robert M. Gertz, from Hamden, Conn., will be retired from active Naval service at the National Naval Medical Center, Bethesda, Md.

I wish to pay tribute to Commander Gertz and to commend him for a splendid career in the U.S. Navy.

Commander Gertz entered the U.S. Navy in 1945 as an apprentice seaman and over the next 23 years rose to the rank of lieutenant commander through hard and competent work and the diligent pursuit of educational opportunities. In 1960 he was awarded a bachelor of education degree and a major in psychology from the University of Omaha and in 1966 he was awarded the degree of master of education with a major in educational administration from Temple University.

Throughout his career Commander Gertz specialized in medical work and technical laboratory work. As a medical service corps officer, he worked his way up to the important position which he now holds, that of executive assistant for clinical research and medical education of the U.S. Navy. Prior to that, he was academic director of the Naval Dental Technicians School at the Naval Training Center in San Diego, Calif.

Commander Gertz has earned several military awards including the U.S. Air Force Outstanding Unit Citation. In addition, he has received a number of letters of commendation and appreciation for superior performance of duty.

Commander Gertz stands out as an inspiring example of the advancement and development of which our young men are capable in the service of the Armed Forces of this country.

Commander Gertz, we salute you on your retirement and commend you for a job well done.

RAILROAD PASSENGER SERVICE DESERVES ATTENTION

Mr. HARTKE. Mr. President, the Committee on Commerce is presently reviewing the growing crisis in railroad passenger service. As a member of that committee, I have taken an active interest in the financial problems currently facing the rail industry, and I am anxious to see constructive public policy evolve. I am encouraged by the public attention which has been given to this difficult issue.

The July 21 Indianapolis Star, for example, published an excellent summary of the passenger service problem, explaining the history of the financial crisis as well as the present status of our official response to the problem. I hope that everyone in my home State took the time to read this instructive article. In order to provide those who do not see the Star regularly with an opportunity to bring themselves up to date on this very current issue, I ask unanimous consent that the article, entitled "Are Passenger Trains Facing Fate of Passenger Pigeons?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE PASSENGER TRAINS FACING FATE OF PASSENGER PIGEONS?—EXPERIMENTAL HIGH-SPEED CARRIERS MAY PROVIDE ANSWER

(By Stephen M. Aug)

WASHINGTON.—It took only 44 minutes and cost 90 cents to travel the 44 miles between Boston, Mass., and Providence, R.I., in 1936 on what the New York, New Haven & Hartford Railroad billed as "The Comet—Streamlined train of the present and the future."

Today, in an era of jet planes and super expressways, the same train trip—same number of stops—takes five minutes longer and costs $2.37 on the bankrupt New Haven.

Just 19 years ago a traveler between Washington, D.C., and Chicago could choose among 17 trains daily—eight on the Baltimore & Ohio, nine on the Pennsylvania Railroad. And he could remain aboard the same sleeping car and travel on to Los Angeles.

Today, there are only four direct trains between Washington and Chicago and it is necessary to change trains, and sometimes stations, to travel west of Chicago.

There is little doubt—even among those outside the industry who seek continued and better train service—that such declines as these have intensified in number, especially during the past 10 years as passengers have left the railroads, lured by the speed of the jetliner and the convenience of the private automobile.

In the past decade alone, the Interstate Commerce Commission has permitted the railroads to discontinue nearly 1,000 passenger trains—and more are leaving the rails almost weekly. There are fewer than 600 trains a day now compared with more than 20,000 in 1929.

Railroads say passenger service deficits are draining resources they badly need to modernize for more efficient freight handling. They claim to have lost $484 million last year alone operating passenger trains—but this is a highly debatable figure, and not even railroad management contends it could cut costs by this amount if it eliminated all passenger trains tomorrow.

At least one ICC examiner, an organization of railroad passengers, and several congressmen blame railroad management for not only failing to encourage, but actually working to discourage passenger traffic.

But says Stuart T. Saunders, outspoken chairman of the Pennsylvania New York Central Transportation Co.—the nation's largest passenger-carrying railroad.

"I don't think the railroads—considering the circumstances under which they have operated—have contributed in any major degree to the loss of passenger service."

He added in an interview, however: "There's the greatest amount of misunderstanding about this problem. Everyone is trying to draw extremes. Rail buffs think you should retain every train. On the other hand, others say you ought to get out of the business entirely. There must be a middle ground.

"Just to say we're going to live in the Victorian age is pure stupidity. You've got to re-examine the whole picture on just what does the public actually need—and not on nostalgia."

Penn Central claims a passenger service loss last year of $85 million.

Pennsylvania and New York Central merged earlier this year—but they, too, had downgraded their passenger service prior to merger, with a device railroads frequently use called "consolidation."

The Pennsy "consolidated" its famed Broadway Limited with the General—thus eliminating one round trip daily between New York and Chicago without the need to seek permission from any state regulatory agency or the ICC.

The New York Central's equally famous 20th Century Limited—for which it used to roll out a red carpet at New York City's Grand Central Terminal—was combined with another train and the name was eliminated altogether.

In the same field, the ICC launched—for the first time—an investigation into the practices of the Southern Pacific Co. to determine whether a railroad was providing adequate passenger service. The investigation was started at the request of several Southwestern state utility agencies.

For many years, SP had heavily advertised some of its best Western trains. Several years ago it began a program to eliminate its unprofitable passenger service. It stopped giving commissions to travel agents and—so the utility agencies claimed—made it difficult to secure reservations even though there was plenty of room aboard.

Specifically, the ICC investigated what used to be called the Sunset Limited—now, simply the Sunset—the only remaining passenger train between New Orleans and Los Angeles.

In 1950 Southern Pacific bought $16 million worth of new equipment for the Sunset. Each train featured four coaches with nonfogging picture windows and AM-FM radios, six sleeping cars with shower facilities, a lounge car, coffee shop-lounge car, dining car and such services as a valet for pressing and minor tailoring.

In recent years the railroad has eliminated the sleeping cars on the 2,033-mile 45¼-hour route, and installed food vending machines. The train is down to three coaches and an automat car and SP wants to end the service entirely.

ICC Examiner John Messer decided that the railroad had violated the Interstate Commerce Act by failing to provide transportation on reasonable request and by making charges for services not provided.

The charge to which he referred is $3.50 added to the fare on the Sunset—a special charge levied in the days when the Sunset was a luxury streamliner. The railroad says it retains the charge because it didn't want to raise the basic fare.

SP, Penn Central and virtually every other railroad would contend that this service was downgraded only after passengers had deserted the trains—and that as SP said, "the market for first class service on the Sunset route has been shrinking for years, until today the few who would make occasional use of it could be served only by the incurring of staggering losses."

SP and most other railroads contend trains are running virtually empty. And SP advertizes showing a photo of a passenger coach with only one passenger in it.

But figures from the Association of American Railroads—the industry organization—show rail passenger service remains big business, although it has been steadily shrinking and the railroad's share of inter-city passengers has been declining.

Last year, AAR figures show, the railroads carried 299 million passengers—and more than 106 million rode distances greater than just commuting. They paid $494 million, and nearly 95 million passengers rode in coaches and 3.3 million in over-age sleeping cars. Pullman-Standard Inc. hasn't built a sleeper since 1956.

This, of course, is nowhere near the peak of more than 910 million passengers carried in 1944 when revenues approached $1.8 billion.

How much of a market remains for passengers on the trains? Both ICC Chairman Paul J. Tierney and the administrator of the Federal Railroad Administration, A. Scheffer Lang, share the prevailing industry view: If there is a market, it is for commuting and distances less than 500 miles.

Lang said in an interview that the "long-distance passenger train today is a sheer and total anachronism." Tierney said long-haul passenger trains "except for certain tourist routes and perhaps some overnight service between major cities cannot rationally be preserved."

Messer recommended the ICC set minimum standards for the operation of passenger trains, requiring sleeping and dining facilities on trains, depending on the length of the trip.

He would also have the ICC set up a national rail passenger system to guarantee continued operation of passenger trains between major urban centers.

For the past 10 years the ICC has been able to do little more than preside over the demise of passenger service. It has faithfully—in accordance with law—held public hearings, noted thousands of protests, written reports and generally concluded by agreeing with the railroads.

In report after report the ICC quotes passengers at public hearings as complaining of dirty trains, lateness resulting in missed connections and other unhappy conditions—but these same passengers urged the commission to order continued operation of the trains.

Most recently, the ICC urged Congress to investigate the problem of passenger service. In a 66-page report the commission said it is limited under present law to allowing railroads to cut passenger service—not to promoting or fostering it.

The ICC urged also a moratorium on some train discontinuances while the study is in progress—"to preserve a minimum level of service"—and asked the post office to put the mail back on the trains to support the passenger service financially.

The commission—in some of its toughest language—told Congress it has seen its recommendations continually ignored, and blamed the lawmakers for not coming up with a rational policy on national rail transportation.

There are those, however, who believe there still is a market for long-distance passenger trains. Among them: Anthony Haswell, a Chicago lawyer, and Edd H. Bailey, president of the Union Pacific.

Haswell is executive director, founder and principal financial supporter of the National Association of Railroad Passengers—only organized opposition to wholesale discontinuance of passenger trains.

His long-term goals include a government-supported national passenger car pool to maintain equipment and make it available to railroads; restructuring present service to concentrate trains on tourist and vacation travel routes, centralized computerized reservation system and a national promotional campaign.

Haswell's organization claims 2,278 members and he says many are not rail buffs.

Bailey says the UP has "never said we wanted to get out of the passenger business. We are going to operate them in hopes the public will use them."

He placed some blame on the railroads for the loss of passengers, conceding "we have been a little slow with the necessary research to come up with something fantastic so that we could retain passengers."

Although the railroads invested about $500 million after World War II to replace worn-out equipment, the newer cars provided few completely new services. Speeds remain the same: 80–82 miles an hour, although some Western roads operate trains as fast as 90 if they are running late.

Nearly unpublicized is the fact that some railroads make a profit on at least some of their passenger service. Most are reluctant to give figures—or even admit to a profit. And some profit claims are based on so-called over-the-rail basis—actual expenses of running the train—rather than the 60-year-old ICC formula which apportions part of all railroad expenses to passenger service.

FOOD FOR BIAFRA RALLY

Mr. PROXMIRE. Mr. President, at noon today on the Boston Common, a rally will take place to demonstrate the concern of millions of Americans for the deplorable conditions in Nigeria-Biafra.

The rally is under the auspices of the Church World Service, the U.S. Committee for UNICEF, and Catholic Relief Services and the invocation for the rally will be given by His Eminence, Richard Cardinal Cushing.

Mr. President, this morning a group of young Americans visited me in my office. They included medical volunteers and Peace Corps returnees from Biafra. They are in Washington to present petition to the Congress and the administration that our country make every possible effort to save the lives of the millions of innocents now endangered in Nigeria-Biafra.

This group represents the Washington contingent of the rally being held at noon in Boston. They are calling on Senators and Representatives. They are securing endorsement and support from all over the Federal City. This afternoon they will meet with Mr. Palmer, Assistant Secretary of State for African Affairs. Other Senators and I have helped them with letters of endorsement and by statements made on the floor of the Senate.

Mr. President, I told this fine group of young Americans in my office this morning, "You truly are doing the Lord's work." And indeed they are. They have traveled at their own expense across hundreds of miles to petition their Government. They are spending time away from their jobs and schooling at great personal expense. They are sacrificing for a just cause.

I salute these dedicated individuals and only wish I could raise an army of them to go around the country and let their voices and the example of their lives speak in behalf of the human rights of all men.

True, they do speak for the right to life and freedom for the Biafrans. But as the Senate knows, violations of the rights of men are widespread. The only way in which to secure a firm foundation upon which to build effective international guarantees of the rights of all men is through cooperative international action.

That international cooperation on human rights and their protection is missing because the U.S. Senate has yet to ratify the many pending Human Rights Conventions. We speak with a hollow voice when we deplore situations such as Biafra.

Mr. President, I trust that the example of these young Americans will prove a spur to action by the Senate. May their dedication affect us all as deeply as their dedication affects themselves.

Mr. President, I ask unanimous consent that the text of the Food for Biafra Rally statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FOOD FOR BIAFRA RALLY, BOSTON COMMON, JULY 29

We are the children of Biafra. By August we will be dead.

This August the children of Biafra will feel their ankles swell. They will gaze with fascination as they see other children's hair turn red. Their bodies will shrink. Their bellies will swell. And their fear will grow because they will know, suddenly, that it is happening to them. And they will face death. In August.

One million people will die of hunger between now and the end of August. Six million will die in six months.

To say that the Biafrans are victims of genocide is a grim reminder of that other nightmare when a final solution became a dossier on some bureaucrat's desk.

To say that they brought this situation on themselves—that they chose to rebel against the Federal Government of Nigeria—is to engage in irrelevant politics. The children, after all, declared war on nobody.

Of course, there are two sides to every story. But there is only one side to death.

The Federal Government of Nigeria has offered to open the blockaded roads to allow food into the starving areas. But the people fear that the food will be poisoned, and that an open road will be invitation to large scale invasion. And since they love life, they choose to die slowly.

Many Americans are asking what can be done? There is an answer. Ships. Trucks. Helicopter airlifts over the blockade. Now. All filled with food. Food protected by the International Red Cross.

These are realities. The work is being done. The ships will sail. Before August. But ships and trucks and helipcopters and food cost money. Please send a check. Today. Right now.

In America, August is weekends. A long drink in the evening. A cool swim. And the children crowding it all in before school starts again.

In Biafra, August is the deadline for death.

Send your tax-deductible check to one of these organizations:

Church World Service, 475 Riverside Drive, New York, 10027.

United States Committee for UNICEF, United Nations, N.Y. 10017.

Catholic Relief Services—U.S.C.C., 350 Fifth Avenue, New York 10001.

There is one other thing you can do: Write to Secretary of State Dean Rusk, asking that the United States and other concerned governments and the United Nations press for a ceasefire. And in the meantime that together they mount a massive sea and air lift of food and medicine to the starving people in the war-affected areas.

WILLIAM SALTONSTALL.
THOMAS ATKINS.

ANNOUNCEMENT BY SENATOR THURMOND OF POSITIONS ON CERTAIN VOTES

Mr. THURMOND. Mr. President, last Friday afternoon, July 26, while I was necessarily away from the Senate, several yea-and-nay votes were taken. Had I been present and my votes recorded, I would have cast my votes as follows:

On the committee amendment exempting certain postal employees from personnel limitations of the Revenue and Expenditures Act I would have voted "nay." On the motion by Senator MONRONEY to table amendment No. 900 of Senator WILLIAMS of Delaware, which provided for the civil service appointment of postmasters, I would have voted "nay." On the motion to reconsider, which was tabled, I would have voted "nay."

THE ECONOMIC SLOWDOWN

Mr. HARTKE. Mr. President, we are already beginning to see the effects of the recent tax increase—effects which were predictable, and effects whose probability I noted at length, in expressing my conviction that the passage of the tax surcharge was the wrong medicine for the economy.

The Wall Street Journal last week noted at length, in an article extending from a full column on the front page to several more paragraphs on page 22, that—and these are words from the headline—"Many Analysts Predict Expansion of Economy Finally Will Halt in 1968."

A broad range of business analysts, says the article, were interviewed, with the finding that they are mostly agreed that the expansion which began in February 1961, is now slowing down and will probably "grind to a dead halt" by the end of the year. Here are some of the aspects of the economy comprising that judgment:

The economy was already slowing when the tax budget cut was enacted; the fiscal package "should serve to reinforce a trend."

The Consumer Price Index will continue upward. The rate by next year's second quarter may be down from the present 4-percent annual increase to 3 percent. This is more than double the early years of the present boom. As I have stated before, in our cost-push inflation a tax increase will not reverse or stem the upward price climb.

The balance-of-payments problem is far from cured.

Higher unemployment, I have said, is a price we will pay for our changed fiscal policy. The economists consulted by the Wall Street Journal see unemployment rising to 4.5 percent or even 5 percent.

Corporate profits are likely to slide downward. One expert sees them dropping as much as 15 percent by the second quarter of 1969.

New factory orders for durable goods, an important leading indicator, dropped more than 4 percent in June.

Utilization of manufacturing capacity fell slightly in the second quarter of this year from the first-quarter statistics. We are now operating at only 84.5 percent of capacity.

Mr. President, these are economic phenomena which deserve constant scrutiny. Prosperity is not automatic; economic effects derive from economic causes.

I ask unanimous consent that the article published in the Wall Street Journal of July 23 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

END OF THE BOOM?—MANY ANALYSTS PREDICT EXPANSION OF ECONOMY FINALLY WILL HALT IN 1968—SOME SEE A RECESSION EARLY IN 1969—TAX BILL IS EXPECTED TO HAVE A MAJOR IMPACT—THE NEXT PRESIDENT'S KEY ROLE

(By Alfred L. Malabre, Jr.)

This is beginning to look like the year in which the country's record-smashing economic expansion will finally end.

That's the view of a broad range of business analysts interviewed in recent days. Most say that the expansion, which began in February 1961, is already slowing. It will grind to a dead halt by the end of the year, many economists predict. And some forecast an actual recession, probably a mild one, in the early months of 1969.

"By the fourth quarter of this year, I don't expect to see any real economic growth," says Don R. Conlan, a vice president of Chemical Bank New York Trust Co. "The dollar statistics will still be rising but only because of continuing inflation."

One insurance company official, who declines to be identified because "the firm wouldn't want to see this in print," predicts that business will enter a recession around the start of 1969. Its severity, he says, will depend greatly on who happens to be the next President.

"If he's a spender, the downturn should be short-lived, but there will be other problems later, like more inflation," the insurance man declares. "If the new President is more conservative, the recession will be somewhat more severe, but in the long run the economy will be a lot better off."

IMPACT OF FISCAL RESTRAINTS

Most analysts base their predictions of slowing business on the fact that the Congress has finally enacted the new "package" of fiscal restraints—the tax surcharge and the reduction in Federal spending. "The new fiscal measures portend a tremendous change in the Federal budget situation," says Avram Kisselgoff, chief economist of Allied Chemical Corp. The change involves about $20 billion, from the $25 billion budget deficit recorded in fiscal 1968 to a projected deficit of only some $5 billion in the year ending next June 30.

Forecasts of a slowdown also reflect the view that business had been tapering off even before the new fiscal measures became effective this month. "The fiscal package should serve to reinforce a trend that was already becoming evident," says an economist at the National Bureau of Economic Research.

Alan Greenspan, president of Townsend-Greenspan & Co., a New York business consultant, offers a reasonably typical assessment of the overall economic outlook for the coming months. In the fourth quarter, Mr. Greenspan estimates, the country's gross national product, the broadest possible gauge of economic activity, will rise at an annual rate of some $10 billion, at best, and "just about all of that will be simply higher prices, rather than real growth."

WANING INFLATION

This would represent a massive change from the recent record. In the April-through-June quarter, GNP increased at an annual rate of nearly $20 billion, with price increases accounting for about half the rise. That sort of increase, comments William Butler, a Chase Manhattan Bank vice president, "was clearly unsustainable." The bank economist looks for a quarterly rise of about $10 billion, on an annual basis, in both the third and fourth quarters, with "certainly less than half" of the increases reflecting real growth.

As the economic pace slows in coming months, most analysts forecast, inflationary pressures in the economy will doubtless abate. Mr. Conlan of Chemical Bank, for instance, predicts that the consumer price index, now climbing at an annual rate of about 4%, will be rising—after one more "burst of price pressure"—more slowly by year-end. By the second quarter of 1969, the official predicts, the price index will be increasing at perhaps 3% yearly.

While this would certainly represent an improvement, it would remain far above the 1.2% rate of inflation that prevailed in the early years of this decade. "There's an awful lot of momentum built into the sort of cost-push inflation we've been experiencing," comments George Cline Smith, executive vice president of Mackay-Shields Economics Inc., a New York consultant.

HIGHER UNEMPLOYMENT

The belief that price inflation will die hard prompts many analysts to conclude that America's balance-of-payments problem is far from cured. Worsening price inflation in the U.S., of course, has clearly contributed to the country's perennial dollar outflow. Most economists believe the outflow will continue at a worrisome rate as long as excessive inflation continues to weaken. America's competitive stance in world markets. Mr. Smith of Mackay-Shields expresses a widely held view: "Our balance of payments is likely to remain severely out of joint."

On the labor front, most analysts foresee higher unemployment in the months ahead. Mr. Kisselgoff, for example, expects the nation's unemployment rate to rise about 4.5% by December and "possibly reach the 5% level during the first quarter" of 1969.

This would be appreciably above the 3.8% level of unemployment in June. But it would remain considerably less than the jobless rate in 1961, the first year of the current expansion. At that time, 6.7% of the labor force was unemployed, and unemployment remained above the 5% level until as recently as 1965. Among the reasons most analysts don't anticipate a sharper rise in joblessness as the expansion slows is the belief that companies, expecting at the worst only a mild recession, will be reluctant to let employes go.

This reluctance, however, could fast disappear if corporate profits begin to decline sharply. Few economists predict that this will happen, but some do anticipate a significant profit downturn. For example, Sam Nakagama, a vice president of Argus Research Corp., a New York investment research firm, estimates that before-tax profits may be running as much as 15% behind the 1968 pace by the second quarter of next year.

Such forecasts no doubt are among the factors affecting stock prices in recent days. Mr. Nakagama, typically, advises investors to follow a "conservative investment policy, with more pronounced emphasis on bonds and on stocks of companies that show real promise of resisting the profits contraction."

Among the few relatively bright spots in the outlook, many economists say, is the housing industry. At an annual rate of about 1.3 million units in recent months, home starts have been declining. But many economists say that the new fiscal restraints should enable the Federal Reserve Board to pursue a somewhat easier monetary policy in coming months and that this, in turn, should make mortgage funds for home-building more readily available.

Most analysts, however, stress that Federal Reserve policy thus far shows little clear evidence of changing markedly from what has generally been categorized as a "firm" policy. Obviously, the precise degree by which business growth does slow in the months ahead will depend in part on what decisions are taken by the Fed.

There is general agreement among economists that some signs of a slowing expansion already are apparent. New factory orders for durable goods, a closely watched "leading indicator" of the general economic trend, declined 4.2% in June, after seasonal adjustment, from May. June's 3.8% unemployment rate is up from 3.5% in May. And the Federal Reserve estimates that U.S. manufacturers, on the average, used only 84.5% of their plant capacity during the second quarter, down slightly from the operating rate for the first three months of the year.

GNP in the second quarter rose nearly as much as in the first quarter. However, some analysts note that inventory building played a much larger role in the second-quarter rise. The second-quarter rate of inventory accumulation, in part reflecting hedge-buying of steel against a possible strike next month, was approximately four times the first-quarter rate. Consumer spending, at the same time, declined by more than 50% in the second quarter. As a result of the slowdown, consumer savings rose sharply. Some analysts believe these savings may serve to lessen—but certainly not eliminate—the impact of the tax increase on consumer spending in coming months.

"DETENTE" IN SOVIET POLICY AND THE CRISIS IN CZECHOSLOVAKIA

Mr. MOSS. Mr. President, the press this morning announces that the leaders of the Soviet Union and Czechoslovakia are to meet today to discuss the liberalization program of the new government of Czechoslovakia. All of us fervently hope that accommodation and settlement will come from these talks. But in the past few weeks the press has been filled with alarming accounts of developments in this Soviet satellite.

This feeling of alarm arises from the threat of military intervention.

The world is concerned that the Soviets may repeat the role they played in Hungary during 1956 when they crushed militarily the peaceful Hungarian revolution.

There is a fear of the possibility that Czechoslovakia may become another Hungary.

The danger is great in Czechoslovakia. It is real. It is immediate. We would deceive ourselves were we to close our eyes to the awful possibility that Soviet military forces might roll into Czechoslovakia full force, destroy the nascent elements of freedom in the country, and revert to the old patterns of rule by repression and Stalinism.

Seven months have passed since the reformers took over in Czechoslovakia; their record has been impressive.

An internal political crisis had been brewing since the Writer's Congress in mid-1967. Demonstrating students in the fall protesting against the actions of the regime led to repressive police measures.

The issues, among contending factions, were clearly drawn in the December meeting of the Czechoslovak party leadership. And in January the crisis was resolved with the dismissal of Antonin Novotny, the Stalinist leader, and the ascendancy of a liberal, reforming faction within the Czechoslovak Communist Party under the leadership of the Slovak party leader, Alexander Dubcek.

From its beginning in January, the new regime initiated a series of reform measures that were destined to take Czechoslovakia out of its dismal Stalinist past and set it on a new course heading in the direction of expanding freedom. Hope for a brighter, more prosperous, and more progressive future was infused in the entire country by the new leadership.

Censorship was lifted; the press was liberated from the shackles of repressive Communist orthodoxy; peace was made with the church; a new party program, guaranteeing a new and wider freedom for Czechoslovakia, was formulated for the consideration of the leadership; the wrongs and injustices of the past were righted in a series of rehabilitations; the political leaders went to the people; they confided in them; they won the people's confidence.

In short, during these 7 brief months a peaceful revolution was carried out in Czechoslovakia, a revolution that has taken that once Stalinist country far along the road to a form of democratic socialism.

But this movement into a wider area of freedom was not done without considerable alarm and anguish over the possible negative reactions from the Soviet Union and its allies in the Warsaw Pact, especially Poland and East Germany.

Dubcek and his reformers did not have to wait long for the reverberations from Moscow. Virtually from the beginning—Brezhnev actually participated in the December conference that preceded the removal of Novotny—the Russians registered alarm. The Poles and East Germans, both sharing a common border with the Czechoslovaks, were firmly united behind Moscow in a determined effort to check liberalization in Czechoslovakia. Accordingly, conferences were called in Moscow and Dresden. Soviet Premier Kosygin, along with Soviet military leaders, spent a few days in Czechoslovakia, conferring with the Prague leadership and surveying developments in the country.

All of these actions were taken with a clear intent: To put pressure on the Czechoslovak leadership, pressure that would force it to brake its liberalization drive and return to the more orthodox forms of communism.

Perhaps the greatest pressure has been applied since June, greatest because it was military pressure. In the spring, Moscow and its allies insisted that Czechoslovakia permit full-scale military maneuvers of the Warsaw Pact on its territory. For weeks the Czechoslovaks were able to resist, but finally they were compelled to acquiesce: This they did on condition that the maneuvers would be limited in scope.

However, once the maneuvers began it could be very quickly seen that they were far from being limited. The Soviets were believed to have had some 20,000 to 27,000 troops engaged. Moreover, when the maneuvers ended, the Soviets failed to withdraw these troops. And when they agreed to do so, they withdrew them piecemeal and then very slowly. Now we learn that the Soviets are staging large-scale troop maneuvers all along their western border, part of which abuts Czechoslovakia directly.

This last display of "muscle flexing" was carried out amid Soviet demands that the Czechoslovak leaders confer with its Politburo somewhere in Russia. The Czechoslovaks very wisely resisted this pressure, but finally conceded to meet somewhere in Slovakia, near the Soviet border.

This is where the matter now stands.

How all this will end, we just do not know. There are powerful arguments for the case that the Soviets will intervene. Yet, on the other hand there are persuasive arguments against it.

What should concern us most of all in this obvious use of military pressure for political purposes is the real meaning behind these actions and pressures of the last few months and its connection with American foreign policy.

In recent years we have been hearing a great deal about detente in Soviet policy. A feeling seems to have arisen that the Americans and the Russians are entering a new era of accord. All signs were said to be pointing toward a decompression of the cold war. In fact, writers began to speak categorically of an end in the cold war.

Now, I want to make it clear that I am not now nor have I ever been a person who sees a Communist conspiracy in every action taken by the Soviet Union or its allies. I have long looked upon myself as a realist in these matters, seeking to assess Soviet intentions dispassionately and evaluating their actions in the same objective spirit.

Having said this, I must confess to a great deal of doubt for what has been asserted as the authenticity of the so-called detente in Soviet policy. I seriously question whether the Soviets are in reality in a mood to establish a secure peace in Europe. How else can one interpret these military pressures and military threats they have been making against Czechoslovakia. Time and again the Prague leadership has given assurances of its loyalty to the Warsaw Pact and of its friendship toward the Soviet Union. But, apparently, for the Russians this is not enough.

The point of my inquiry is, therefore, that were the Soviets genuinely inclined to establish a detente with the West, if they were genuinely concerned about peace, certainly they would not resort to military means, perhaps even in military intervention, to impose their will on Czechoslovakia.

I submit that we goo too far in attributing peaceful intentions to the Soviet leaders, especially in this very critical situation. Realism requires that we set aside all notions of sentimentalism and consider these recent Soviet actions in the hard, cold light of reality. To do less is to do a disservice to the American people and to ourselves as their legislators.

THE POTENTIAL IMPACT OF THIRD-PARTY CANDIDATES ON THE U.S. PRESIDENTIAL ELECTION OF 1968

Mr. BAYH. Mr. President, there has been widespread speculation on the impact which the entrance of third- or minority-party candidates might have on the coming presidential election. For a number of reasons interest has been heightened in the possible effects that might result if a contender other than the nominees of the two major parties secured a sizable electoral vote.

Among the able scholars who have carried on serious research into the problems related to the selection of the President and Vice President, none is more qualified to write with authority than Prof. James C. Kirby, a member of the faculty of Northwestern University Law School. Professor Kirby served at one time as chief counsel of the Senate Judiciary Subcommittee on Constitutional Amendments, and he was a member of the American Bar Association's special commission on electoral reform which has advocated adopting an amendment to provide for direct popular election of the Chief Executive.

Professor Kirby is the author of a very interesting article entitled "Will the United States Graduate From Its Electoral College?" which was published recently by the Christian Science Monitor. In this study, Professor Kirby analyzes several interesting facets of our electoral system, and points out other situations in our history which have relevance for the present. Because of the timeliness and realistic approach of this article, I ask unanimous consent that it be printed at this point in the Record.

There being no objection, the article

was ordered to be printed in the Record, as follows:

Will the United States Graduate From Its Electoral College?

(By James C. Kirby, Jr.)

Political reformers are eyeing the presidential candidacy of George C. Wallace with a sort of nervous satisfaction. These reformers are working to abolish the Electoral College in favor of direct popular election of the American president. Mr. Wallace, by dramatizing the quirks and oddities of the Electoral College system, may be unwittingly serving the reformers' cause.

By January of 1969, the former Alabama Governor may well have manipulated it into a major miscarriage of the national will. In any event, the 1968 election promises to educate the American public on some fine points of constitutional law.

The constitutional base of the nation's only truly national election is quaint but hardly suited for its modern function: choosing a chief executive for all the people. The system is substantially unchanged since the 1789 election of George Washington.

On Tuesday, Nov. 5, the voters will select 538 "electors" who will subsequently attempt to choose a president. Members of the Electoral College, these people will convene Dec. 16 in state capitals and the District of Columbia in 51 groups ranging in size from 3 to 43. Their ballots will produce a winner if some candidate receives a 270-vote majority. Otherwise, the electors serve merely as a nominating convention for a January runoff election in the House of Representatives.

Mr. Wallace's candidacy spotlights three aspects of this procedure: (1) its risk of a minority president, (2) the independence of the Electoral College, and (3) the runoff election in the House.

Mr. Wallace plans to run in enough states to win an Electoral College majority if sufficient voters desert the two major parties. If this fails, he still may win enough states to give the Wallace electors a pivotal power to control the election in the college. If the Electoral College's December balloting is indecisive, the election in the House could turn upon the votes of the states carried by Mr. Wallace.

IT HAS HAPPENED

Furthermore, Mr. Wallace's primary goal, personal election to the presidency, cannot be completely dismissed. The system has shown several times that it can elect a candidate who wins a strategic minority of the popular votes. This happened in the elections of 1824, 1876, and 1888, and there were near-misses in 1916, 1948, and 1960.

Minority presidents are possible because of the Constitution's use of weighted state electoral votes and the "winner-take-all" state laws, which award every state's entire electoral vote to the winner of the barest plurality of its popular vote.

As Mr. Wallace happily points out to skeptics, he can win a state's entire electoral vote with as little as 34 percent of its popular vote. This could only happen if the other two candidates received 33 percent of the popular vote apiece. But it *could* happen.

Furthermore, the states of the old Confederacy, plus California, Illinois, Pennsylvania, and a few others, could produce an electoral-vote majority based upon less than 25 *percent* of the nation's popular vote.

A more realistic possibility is that Wallace electors may be able to prevent either major candidate from winning in the Electoral College without their votes. If Mr. Wallace wins four or five Southern states and the major candidates run closely in the rest of the country, neither may win a regular electoral majority.

House Minority Leader Gerald R. Ford already has predicted that this will happen. Mr. Ford also says the result will be an election in the House. This is likely, but not necessarily true, because the Wallace electors might vote for one of the major candidates in the Electoral College.

A coalition of Wallace electors with those pledged to either the Democratic or Republican candidate would be a unique spectacle in the Electoral College. There never has been such a wholesale delivery of electoral votes from one candidate to another. However, the few precedents indicate that the Constitution permits negotiation and bargaining in the college, and the experts agree that Wallace electors legally could vote for another candidate.

VOTE FREEDOM EMPHASIZED

The founding fathers intended that electors would be legally free to vote as they chose. Many viewed their discretion as their prime virtue.

Alexander Hamilton, writing in The Federalist, proudly pointed to the Electoral College as an elite group "acting under circumstances favorable to deliberation" and "likely to possess the information and discernment requisite to such complicated investigation."

The Constitution never has been amended to remove this discretion, and usually the electors have followed the wishes of their "constituents" as expressed at the ballot box. [In some states electors are required by state law to vote for their party's presidential nominee.] But a few have proven their independence:

A 1796 Federalist elector—presumably bound to candidate John Adams—voted instead for Republican Thomas Jefferson, causing a Federalist leader to complain, "I chose him to act, not to think."

In 1948, a Tennesseean who won election as a Truman elector voted for Sen. Strom Thurmond.

An Alabama elector similarly bolted from Adlai E. Stevenson in 1956 and voted for a local judge.

A 1960 Republican elector in Oklahoma voted for Sen. Harry Flood Byrd despite a pledge to vote for Richard M. Nixon.

Such independence could be exercised by Wallace electors, but they would not be likely to assert their free agency. Instead, they could be expected to cast their ballots in accordance with Mr. Wallace's wishes. If so, sentiment in their states doubtless would approve their voting for a candidate who agreed to the sort of "solemn covenant" which Mr. Wallace promises to exact as the price of his votes.

Such electors would not be "unfaithful" in any sense and would be much like the unpledged electors who were chosen in Alabama and Mississippi in 1960.

If the Constitution permits electors complete discretion, it certainly allows electors to vote as directed by their own presidential candidate. Voters who chose them with advance knowledge of this possibility would have neither legal nor moral grounds for complaint.

THE RULES ARE SIMPLE

If no candidate were to bargain for Mr. Wallace's decisive electoral votes, his electors would vote for him in December, causing the choice of the president to devolve upon the newly elected House of Representatives when it meets Jan. 6, 1969.

Here the rules are simple. They are the same as in 1825, when the House last performed this awesome task. Each state has one vote. That vote is determined by a majority of the state's House delegation. Delegation members must choose from the three-leaders in the electoral vote. A 26-vote majority is required for election, and the states that might be carried by Mr. Wallace could hold the key.

But a prolonged stalemate could occur in the House. If no president is chosen by Jan. 20, the duties of the office will be assumed by the newly elected vice-president. Since he is elected from the two leading candidates in the Electoral College by a majority vote of Senators, he will doubtless be chosen on time.

But the vice-president could possibly come from a different party from the president ultimately chosen by the House. The new Senate is certain to be controlled by the Democrats, but the House may well change in makeup and could elect a Republican president.

There is a real chance that the Wallace strategy will exploit one of these three peculiar features of the system and prevent the most popular candidate from being elected. The world also may undergo a long period of uncertainty before the successor to Lyndon B. Johnson is sworn into office. Either event should make it more likely that the 1972 election will be held under new rules.

George Wallace may be a catalyst for amending the Constitution so that Presidential elections will operate on the same democratic principles as all other American elections.

Mr. BAYH. Mr. President, I also ask unanimous consent to have printed in the Record an article written by Robert B. Cooney and published in the American Federationist for July 1968, which reviews the recent book by Neal R. Peirce, political editor of Congressional Quarterly, entitled "The People's President." Mr. Peirce, who in this work makes a significant contribution to the literature dealing with presidential elections, likewise stresses the potential dangers which would result from our present antiquated system and advocates the adoption of the direct popular election as the best solution.

There being no objection, the article was ordered to be printed in the Record, as follows:

The People's President

(By Robert B. Cooney)

In a year of domestic turmoil, when assassinations and ghetto disorders and student revolts have shaken the faith of many in the nation's institutions, another shock may lie ahead.

This is the year the presidential election machinery has a good chance of breaking down.

And if the majority will is frustrated in a troubled time when the nation is seeking to restore its self-confidence, the repercussions will be unpredictable.

It could happen that the candidate who comes in second in November winds up first when the Electoral Colleges votes are counted, giving the nation a minority President. It has happened before.

It could happen that, if George C. Wallace of Alabama does capture four or five states and ends up controlling as many as 47 electoral votes, neither major candidate may get the necessary majority of 270 votes in the Electoral College.

But suppose Wallace, seeking, as he says, "a change in the direction of the country," offers his block of votes to a candidate willing to make a deal with a demagogue?

Such a mockery of majority rule and the democratic process may not be likely. But it is possible.

It is possible because Americans do not vote for the candidate of their choice. They vote for "electors" who, if pledged and true to their trust, cast their votes as directed.

The simple and sensible way to elect a President would be to abolish the Electoral College and follow the principle of "one person, one vote" in a national balloting.

This is the remedy proposed in "The People's President," a new book by Neal R. Peirce, political editor of Congressional Quarterly.

The idea is not new. As Peirce observes, the direct vote was proposed in the Constitutional Convention of 1787 and in Congress as early as 1816.

What is new is that the circumstances for reform have never been as favorable nor the consequences of a malfunction so great as they are today.

Peirce points out that, as illogical as the Electoral College may appear today, it did seem to make sense in 1787 when it was devised.

"Then," as Peirce sums it up, "the President of the United States was once removed from the people of the land—because men's primary loyalty was still expected to remain with their states; because the federal government was not expected to play a major role in taxation, education or economic affairs of most immediate import to the people; because of the nation's inadequate communications; because of the limited franchise; because we still lacked a party system to popularize American leaders."

And now, Peirce notes, the President is directly related to the people through the daily press and television. His multiple functions, in the definition of Clinton Rossiter, make him the leader of a unified nation as chief of state, chief executive, commander-in-chief, chief diplomat, chief legislator, chief of party, protector of the peace, leader of the free world, manager of the economy and voice of the people.

Peirce argues persuasively, as others have before him, that this man of all the people should be elected by all the people. The barrier of the Electoral College should be removed.

The nation now has a double-election system. Americans vote for "electors" equal in number to the representatives each state has in Congress plus each state's two senators. The winning slate of electors meets in the state capitol in mid-December to cast its votes. The results go to Washington, D.C., where they are opened in joint session of Congress on January 6. The candidate with a majority of votes (270) is declared elected. If there is no majority, the Constitution provides that the House of Representatives shall elect the President, with each state having a single vote.

Since there is a clear popular winner in most presidential elections, the Electoral College usually goes unnoticed.

But, Peirce notes, three times in the last century—in 1824, 1876 and 1888—the majority will was frustrated and the man who lost in the popular vote was elevated to the White House through the Electoral College.

And three times in this century—1916, 1948 and 1960—"we have come perilously close to another miscarriage of the popular will," Peirce warns.

In 1960, John F. Kennedy was "elected" President. In the popular vote, Kennedy won by a margin of about 100,000 out of the 68,738,000 ballots cast. In the Electoral College, the count was Kennedy, 303; Nixon, 219; Harry F. Byrd, 15.

But expert observers are less certain about these vote figures, primarily because of the confused situation which existed in Alabama.

Alabama, with 11 electoral votes, had an 11-man slate of electors. The Republican electors were pledged to Nixon and the highest GOP elector received 237,981 votes.

The Democratic slate in Alabama was split, with a primary and runoff resulting in 6 unpledged and 5 loyalist electors. The highest unpledged elector received 324,050 votes while the highest Kennedy elector received 318,303.

Peirce explains the counting problem which ensued. One method was to credit the pledged or loyalist elector's vote to Kennedy. The unpledged elector's vote was totaled separately, eventually going to Harry F. Byrd.

This method gave Kennedy a national plurality of 112,827 votes. But it counted the Alabama vote twice, once for Kennedy and once for Byrd.

A more refined method of counting was to take the highest vote for a Democratic elector in Alabama and divide it proportionately. Thus the five Kennedy electors would be credited with five-elevenths of the total or 147,295 votes.

The second method of counting made the Alabama totals read: Nixon 237,981; Kennedy 147,295; unpledged electors (Byrd) 176,755.

This method of counting Alabama made Nixon the winner of the national popular vote by 58,181 votes. Thus it could be argued that Kennedy was a minority President.

If anyone thinks this is a parlor game, they are reminded that the Democratic National Committee used the proportional system of counting Alabama's 1960 vote in reducing that state's delegation to the 1964 party convention.

In the weeks after 1960 election, there were several attempts to upset the results. Republican charges of vote fraud in Illinois threatened Kennedy's hold on that state's 27 electoral votes. Conservative southern electors met and tried to organize a wholesale defection of votes with the aim of throwing the election into the House. It was later revealed that a Republican elector from Oklahoma had violated his pledge and voted for Byrd after trying to organize an elector coalition to back Byrd and Goldwater.

Luck saved the nation from a period of indecision, Peirce points out. A shift to Nixon of only 8,971 popular votes—4,480 in Illinois and 4,491 in Missouri—would have thrown the election into the House. A couple of thousand more votes for Nixon in New Mexico, Hawaii and Nevada would have given Nixon a clear electoral majority.

"In many ways, the 1960 election summed up the evils of the Electoral College in our times," Peirce writes, adding:

"First, it showed once again the irrational, chance factors that decide a close election, when the shift of a few votes can throw huge blocs of electoral votes in one direction or the other.

"Secondly, it underscored the danger of fraud deciding a Presidential election because Illinois, where the most ballot disputes arose, was the state that almost decided the entire election.

"Third, it showed the potentially decisive role that a narrowly based regional or splinter party can play in the choice of a President and how the system actually encourages independent elector blocs.

"Fourth, the election showed how a faceless elector, chosen to carry out a specific function, could suddenly break his trust and try to determine the choice of the chief executive for 180 million Americans. (What if Henry Irwin's vote had been the deciding vote in the Electoral College in 1960?)

"And lastly, the election showed that as long as individual states have carte blanche in deciding how Presidential electors will be chosen, it may be difficult and sometimes impossible to compile accurate national popular vote totals (as in Alabama in 1960) and to learn whom the majority of Americans really wanted to be their President."

In his exhaustive and systematic study, Peirce follows the Electoral College from its origin as a practical compromise agreed on by fatigued delegates in the final stages of the Constitutional Convention.

In support of his argument that the time has come for direct election to replace the Electoral College, Peirce marshals a strong case. In addition to the vast social and economic changes which have nationalized U.S. politics, he cites the Supreme Court reapportionment decisions, abolition of the poll tax, the civil rights laws of recent years and the Voting Rights Act of 1965. Important bipartisan leadership support also exists in Congress.

Since a constitutional amendment must be approved by two-thirds of the Senate and House and ratified by three-fourths of the states, the Electoral College will be with us for awhile longer. How much longer depends on what happens in November.

CIVIL DISOBEDIENCE

Mr. ERVIN. Mr. President, the April 26, 1968, issue of Christianity Today contains an excellent article entitled "Civil Disobedience," written by one of North Carolina's wisest sons, Dr. L. Nelson Bell, of Montreat. The article merits widespread reading; therefore, I ask that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Layman and His Faith: Civil Disobedience

Calculated civil disobedience, seemingly so innocent, has brought in an era of lawlessness and bloodshed that can plunge our nation into unbelievable chaos. The tragic death of Dr. Martin Luther King, Jr., and subsequent events bear mute testimony to the uncontrolled forces now unloosed across the land.

In recent years nearly every major denomination has passed resolutions on civil disobedience defending the principle of resistance to the law and constituted authority while admitting that those who break the law must be prepared to accept the consequences.

What a few years ago appeared to be a gesture of sympathy toward those engaged in civil disobedience has now developed into support of individuals and movements that are challenging constitutional procedures and encouraging a spirit of rebellion and anarchy. Some churchmen now say openly that there must be revolution, even bloodshed, before there can be a new social order.

Perhaps this year will prove to be the last chance for general assemblies, conferences, conventions, and the like to take a second look at a philosophy that is able to destroy the foundations of the nation. For if lawlessness prevails, the outlook for America is bleak.

Civil disobedience can lead to the dissolution of law and order, with anarchy the result. Further, it can lead to revolution. And revolution can open the way to dictatorship, with the resulting loss of freedom and ultimate bondage.

Riots, bloodshed, arson, loss of life and property—a dismal story—are the result of trying to redress wrongs in the streets rather than in the courts and at the ballot box. In rejecting "gradualism" with its attending frustrations and disappointments, many are resorting to a senseless rebellion that adds tensions and injustice.

Writing in *Look* magazine a few months ago under the title, "Dissent or Destruction?," Eric Sevareid observed:

"The use of force to express conviction, even if it takes so relatively mild a form as a college sit-in that blocks the administration building, is intolerable. When Dr. Martin Luther King, who may well be one of the noblest Americans of the century, deliberately defies a court order, then he ought to go to jail. Laws and ordinances can be changed, and are constantly being changed, but they cannot be rewritten in the streets where other citizens also have their rights" (*Look*, Sept. 5, 1967, pp. 22, 23; copyright 1967 by Eric Sevareid; used by permission).

To engage in or condone civil disobedience is to loose a tiger of destruction. The welfare of any nation depends on respect for and enforcement of law. Lawlessness is now prevalent enough to endanger the very life of our nation. Laws that are inadequate or unjust should be changed in the courts and at the polls; they cannot be changed in the streets.

Furthermore, those who incite riots and disorder, who advocate violent disruption of communities and go about as hatemongers, whether they be members of secret organizations like the Ku Klux Klan, black-power advocates, or something else, should be handled by the law on the basis of their public threats, before they commit violent acts.

Any person who openly flouts the law should be called to account.

The hooded organization that engages in terrorism, arson, and bombings should be infiltrated by representatives of the law until its leaders are behind bars and its members scattered into oblivion.

The wave of civil disobedience that is threatening our national life seems to have paralyzed us into fear and inaction. But unless it is reversed, we face anarchy. No segment of society can be permitted to act above the law and to destroy the things on which a decent society is based.

We are on the verge of being frightened enough to believe that the outlay of hundreds of billions of dollars is the answer to our problem. No one questions the need to rebuild our cities; but chaos cannot be cured by money, no matter how great the sum. Even if every person in America were put in a mansion, without regard for law and order our problem would continue.

No one can deny that we have countenanced discrimination and humiliation to such a point that a sense of frustration is inevitable; now this frustration has caused violent reactions. These sins against human beings must cease, and equal opportunities must be available to all. But with these needed changes (and tremendous progress is being made in this direction), respect for law and law enforcement must be maintained.

This is no plea for maintaining the status quo. It is a plea for recognition that the blindness and unconcern of the dominant segment of our society must be completely changed. And on the other hand, it is an affirmation that any status and rights gained through civil disorder will be gained at too high a price.

Two centuries ago Edmund Burke, the great English statesman, gave this warning: "Men are qualified for civil liberties in exact proportion to their disposition to put moral chains upon their own appetites. . . . Society cannot exist unless a controlling power upon will and appetite is placed somewhere, and the less of it there is within, the more there must be without. It is ordained in the eternal constitution of things that men of intemperate minds cannot be free. Their passions forge their fetters."

In medicine there is a condition known as "generalized carcinomatasis," which, in layman's language, means cancer that has spread over the entire body. At that stage there is no known cure.

The lawlessness that has entered our national life through civil disobedience—a concept having the approval of most of the major denominations—can prove to be the moral cancer that will destroy our country.

This is a plea to churchmen, who will be meeting during the coming months, to take stock of what has been loosed upon the land. Civil disobedience is not the "harmless gesture of protest" it was once said to be. Rather, it has grown into a monster of disorder, riots, and general lawlessness that is eating at the victuals of our national life. It is proving as senseless—and as devastating—as the proverbial "burning down the barn to get rid of the rats."

Some of our most distinguished jurists and law-makers have deplored the actions of various church courts in condoning civil disobedience. Sufficient time has now elapsed to assess the damage; one has but to open his daily newspaper to realize that we totter on the brink of open rebellion.

Responsible law-makers must do everything they can to eliminate injustice, discrimination, and humiliation. At the same time, those who administer the law must be supported at all costs.

The alternative is national disaster.

L. NELSON BELL.

A TRUE PUBLIC SERVICE

Mr. MONTOYA. Mr. President, from time to time an intolerable situation comes to light that affects the consumers of this Nation. This has been the case in recent weeks regarding unwholesome poultry which has been reaching American consumers in recent years.

When such a situation is brought to light, it is incumbent upon this body to act on behalf of the consumer, and in no uncertain terms. This we have done, to the credit of this body and safety of the consumer.

A spur to this type of action is always provided by an alert public and an aroused and public spirited press. In a time when many people in public life make it a point to decry our mass media, there are too few who give proper credit where credit is due.

In this case we were faced with an intolerable situation that posed a clear danger to the public. Much of the Nation's press leaped to expose this situation, placing it in the glare of public scrutiny where it belonged.

As a result of this type of public-service-motivated activity, the long-overdue reform that was placed in jeopardy was rescued from obscurity and perhaps defeat.

There are times when I too am saddened by irresponsibility on the part of mass media. But such was not the case this time. Newspapers of this city did themselves and the public interest proud by their activities. Their exposure of the situation existing regarding unwholesome poultry in the United States did much to allow us to pass a bill that will go far towards lifting this shadow from the tables of America's consumers.

One of the editorials that came at a most opportune time appeared in the Washington Post. I offer it now for inclusion in the RECORD with my heartiest thanks to that paper for a job well done on behalf of the public.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CHICKEN STANDARDS

The Senate will have the opportunity today to do its part in bringing poultry inspection standards up to a level where they should be in a nation that is hoping to send a man to the moon before the end of the year. Currently, the standards across the country for inspecting poultry sold within the states where it is produced are either uneven, low or non-existent. And in some cases, as Senator Montoya told the Senate Saturday, poultry is processed in "repulsive . . . primitive conditions." The wholesome poultry bill, which has passed the House and is now before the Senate in substantially the same form, would be a giant step toward eliminating those conditions. Under the provisions of the bill, states may set up inspection systems to operate in intrastate commerce, if they comply with Federal standards that control interstate poultry sales. The bill ought to be passed intact without two amendments that threaten its effectiveness.

The first crippling amendment, introduced by Senator Holland of Florida, is particularly dangerous. It would allow the sale everywhere in the Nation of red meat as well as poultry products which have been passed by a system of state inspection certified as at least equal to the Federal system. One difficulty with the Holland amendment is that once Federal certification is obtained it may not be maintained. The state standards may fall below the Federal level, permitting rotten meats and poultry to be sold across state lines before the lax standards can be corrected. The danger is that it encourages subtle competition among the states by lowering standards to attract meat and poultry processing plants.

The second amendment, sponsored by Senator Talmadge of Georgia, places an obstacle in the way of quickly condemning a diseased carcass of a fowl by requiring an inspector to have "substantive scientific fact" before he can declare the carcass unfit for human consumption.

For most of us, of course, poultry means chicken and turkey, but many Americans have active tastes for duck and goose. All told, about 11.5 billion pounds of poultry are commercially processed each year in the Nation. And under present regulations, according to Mr. Montoya, every American "based on the law of averages, is likely to have a disease, contaminated, or adulterated poultry product served to him during the year. This is not only unnecessary but completely unpardonable in our modern, technologically advanced society." The Senator is absolutely right.

THE SENATE SHOULD ADDRESS ITSELF TO THE QUALIFICATIONS OF THE TWO SUPREME COURT NOMINATIONS

Mr. CLARK. Mr. President, the discussion following President Johnson's nomination of Justice Abe Fortas to be Chief Justice of the United States and Judge Homer Thornberry to be Associate Justice of the Supreme Court has ranged all the way from profound constitutional questions to partisan political polemics.

When all is said and done, though, the fundamental issue that remains is whether these two men are qualified for the positions to which they have been named. In accordance with the Constitution, this matter is for the Senate to determine.

Unfortunately, we seem to be digressing from this central issue, and such action serves neither the Senate interests as an institution nor the national interest as a whole. I should like to quote from some recent editorials on this subject from newspapers in various sections of the country.

From the Christian Science Monitor:

> There is something excessive about the fuss which senators are making over the appointment of Justice Abe Fortas as Chief Justice of the United States. It would be hard to make a persuasive case that he is not qualified for this awesome post.

From the Los Angeles Times:

> Legitimately, however, it seems clear that only one issue should determine Senate action in these cases: is there real cause for rejecting one or both of the nominees?

From Newsday:

> If these hearings were based upon valid objections to the elevation of Justice Fortas to the post now held by Chief Justice Warren, the length of time involved would be wholly unimportant. To the contrary, they are based, simply, upon the tactics of harassment and delay.

From the New York Post:

> From the start, most of the attack on President Johnson's designation of Abe Fortas as Chief Justice of the Supreme Court has been a shabby performance.

From the Cleveland Plain Dealer:

The questioning of Justice Abe Fortas of the United States Supreme Court by members of the Senate Judiciary Committee did not bring out any solid evidence to preclude, by itself, confirmation of Fortas as chief justice.

From the Fargo, N. Dak., Forum:

Senate has no valid reason to hold up Okay of Fortas.

From the Chicago Daily News:

The continuity of the court—its constant readiness to perform its vital job in any emergency—is essential to the well-being of the nation. The President who takes office next January will have exactly the same responsibility to the court that President Johnson has now—to make sure that it is fully manned and functioning throughout his term.

From the Philadelphia Sunday Bulletin:

Senators are entitled to their opinions but their function does not include imposing constitutional judgments on the court. Congress may limit the court's jurisdiction. It may pass new laws. It may, if it can find grounds, impeach justices. The Constitution may be changed. But Congress may not and individual senators may not, supplant the court.

I believe that it is time for the Senate to live up to its reputation as "the world's greatest deliberative body" and to fulfill its constitutional responsibility with respect to the two Supreme Court nominations.

AIRPORT HELICOPTER SERVICE

Mr. BIBLE. Mr. President, as the chairman of the Committee on the District of Columbia, I have a continual interest in any measures which may be taken to bring about a more integrated and efficient transportation system for the District of Columbia and its metropolitan area. As every Member of the Senate is well aware from his own experience, each day that passes without the introduction of some improved means of expedited travel into and out of the city means another day of increasing congestion for the Nation's Capital. As the existing modes of surface transportation get progressively slower and more inconvenient with no breakthrough promised until the establishment of an adequate areawide rapid transit system, more and more commuters turn to the readily available automobile as their means of entering and leaving the downtown area. In consequence, the highways become more crowded.

Mr. President, the present rapid transit and highway plans for improving surface transportation into and out of the Nation's Capital will take years to accomplish, and it is incumbent on those of us concerned with the transportation problems of the District to look to other available means of relieving congestion. Probably the most practical source for such relief in the present circumstances is the authorization of a transport helicopter service, which would overfly our crowded highways and carry its passengers directly by air from point of origination to point of destination. Such a service could be operated from a downtown heliport to each of the three airports now serving the Washington area; namely, National, Dulles, and Friendship. This service, by making flights at the outlying airports more attractive to the air traveler, would bring about some immediate relief to the problem of ground and air congestion at Washington's in-town National Airport. To the extent that Dulles and Friendship Airports are brought closer to the city in terms of time and convenience, the airlines will be encouraged to transfer jet flights out of National and the problem of noise and air pollution over the city will be abated accordingly.

Furthermore, Dulles may begin to get some of the use to which its superior facilities entitle it, so that the Government may begin to realize some return on its $109 million investment there. I am told that the airport presently loses about $6 million yearly in its operations, while National earns over $2 million per year in profits.

Mr. President, Congress has recognized the problem of traffic congestion in the Nation's Capital and has further recognized the utility of helicopter service as at least a partial solution to the problem by enacting into law a provision which directs the Administrator of General Services to establish a permanent heliport for the District of Columbia on the site of the present Union Station. This law, Public Law 90–264, also authorizes the establishment of a National Visitors Center at the site, which would provide a colorful and instructive introduction to the city for all travelers and would serve as a transportation center as well. It is contemplated that helicopter service will play a vital role at the Center, along with the subway system and shuttle bus transportation.

In contrast to other prospective solutions to our access difficulties, airport helicopter transport service requires only a Civil Aeronautics Board authorization to get started. No Federal support at all need be involved. Once begun, service to, from, and between the airports can be expanded to include service to downtown Baltimore and to suburban points. In time, the service might benefit not only air travelers, but commuters to and from the city, as well.

Mr. President, I do not anticipate that helicopter service can provide any comprehensive solution to the problems related to the mass movements of people into and out of our Capital City. But airport helicopter service offers at least a partial and immediate solution. I think we should be ever vigilant to encourage such developments.

I understand that a number of parties have applied to the Civil Aeronautics Board for authority to operate such a service—at no cost to the Government. I hope the Board will help to facilitate access to the Nation's Capital by authorizing such a service.

ECONOMIC DEVELOPMENT ADMINISTRATION AND RURAL DEVELOPMENT

Mr. JAVITS. Mr. President, when we consider the myriad problems of our cities, we should not lose sight of one of the root causes of these problems—changing technology that has eliminated agricultural jobs and displaced millions of ill-educated, untrained farmworkers.

The trek of such unfortunate people from rural areas to central city slums over the last two decades has cost the Nation billions in welfare and social programs. The cost in human misery, in losses through crime and property deterioration in slum areas cannot even be estimated.

This migration to the cities is continuing, and, of course, we in Congress deal with the problems constantly. We are agreed, I believe, that the best solution would be to make it possible for the displaced farm families to find alternatives that would allow them to stay in their home regions.

Three years ago Congress acted to do something about this basic problem when we passed the Public Works and Economic Development Act that led to the establishment in the Department of Commerce of the Economic Development Administration. We have in this agency a vehicle for helping lagging areas to stop and reverse the tide of in-migration that is inundating the cities.

Because of the job EDA is doing in getting people to work together to help themselves and because of the great promise its programs hold for the Nation, I should like to point to the growing need for funds for its operation.

EDA, under the direction of Assistant Secretary of Commerce Ross D. Davis, is helping economically lagging areas to reduce high rates of unemployment, raise family incomes and, most important, to stem the tide of out-migration. However, the agency is operating with less than half of the funds authorized by the 89th Congress.

The act provides $810 million a year for the economic development program, but the bill under consideration would appropriate only $274,740,000 for the fiscal year ending June 30, 1969.

EDA works with the people in more than 900 lagging areas in the planning and carrying out of projects to stimulate the growth of private industry and the creation of jobs.

One of the most promising aspects of the program is the linking together of several counties in an economic development district to help solve problems that cross political lines. A district can include economically healthy countries, as well as at least two with low income and unemployment problems. This has been quite effective in my own State of New York.

Development in a district revolves around a growth center—usually a city of not more than 250,000. The creation of industry in the growth centers will provide jobs and increased incomes for residents of the lagging areas in districts.

Because of the need for sound planning and preparation, the district program has been in operation for only 1 year; but already growth center projects to provide jobs for displaced farm families are underway.

The success of the economic development district program will help ease the burden on the cities and help revitalize the economies of the Nation's rural areas.

This success may be limited, however, because of the limited funds we are providing. While EDA's investment in economic development is intended to serve only as a catalyst, I feel that we should be cognizant of the financial handicap under which the agency is operating.

We will do well to maintain close liaison with EDA to assure that this vital agency has sufficient resources to sustain the economic development process it has ignited in so many of our depressed areas.

IN THE FINEST REFORM TRADITION

Mr. MONTOYA. Mr. President, throughout American history there have been times when a crying need for reform was evident. Always at such times there have emerged Americans concerned with the manner in which our ideals were being warped. Their reform efforts throughout history have gone far toward enriching our lives, eliminating abuses from our land, and enhancing the American dream. Such has recently been the case once again.

The field of consumer protection is new, rapidly expanding and essential to the well-being of our citizenry. Each of us waxed indignant at revelations in many fields that showed all was not well in our American marketplace. Last year it was meat. This year it was poultry.

The thought of 26 diseases being passed from unwholesome poultry to people was not aimed at easing our worries. It was a time for action and reform on all levels. But public opinion must be roused. It was a time for probing for facts and revelation of those facts to the Nation at large.

The "Muckrakers" of old were the most honorable and meaningful group of reformers of a turbulent age of excess. Without the likes of Steffens, Tarbell, Adams, and McClure, we should have had anarchy in the land in the end. Their revelations brought about reform. These writers and reformers have left us a legacy that not only is not dead, but which showed enormous vitality recently to help the consumer.

The American press proved its vigor by showing in this poultry crisis that it was awake and alert to its public duty. One reporter in particular has shown he has the courage to face down vested interests in the name of public safety and the people.

I have read his articles with fascination and admiration for lo, these many months. He has scored an impressive triumph for the common people of this country by his articles on unwholesome poultry. He writes for the Washington Post and I refer of course to Morton Mintz. I enclose one of his articles on the poultry question for the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Some Plants "Repulsive," Senate Told: Poultry Processing Scored

(By Morton Mintz)

Sen. Joseph M. Montoya (D-N.M.) told the Senate yesterday that some poultry and poultry products are processed in "repulsive . . . primitive conditions."

If the consumers knew about these conditions, Montoya added, "they would never pick up another piece of poultry again, except to chuck it out the back door for the vultures."

The Senator based his charges on an Agriculture Department survey last January of 97 plants which are not subject to Federal inspection. The plants are in Alabama, California, Florida, Georgia, Louisiana, Mississippi, Missouri, North Carolina, Ohio, South Carolina, Texas and Tennessee.

Montoya recited to the few Senators on hand a long list of conditions found in the survey, including fly and rodent infestation and "unbelievably filthy and stinking" picking rooms and equipment. In many of the plants, "production of sanitary products was impossible," he said.

Joined by Sen. Walter F. Mondale (D-Minn.), Montoya made the speech in an effort to rally support for a floor fight on Monday against an amendment to the wholesome poultry bill sponsored by Sen. Spessard L. Holland (D-Fla.).

The amendment, opposed by the administration, would allow sale everywhere in the Nation of red meat as well as poultry products which have been passed by a system of State inspection certified as at least equal to the Federal system.

The amendment is opposed by all leading companies and organizations in the poultry and meat industries. The idea was proposed, Holland told the Senate yesterday, by State agriculture officials, some of whom are elected.

During almost three hours of debate yesterday, Holland and Sen. Harry F. Byrd Jr. (D-Va.), an ally who affirmed his support, repeatedly denounced the Agriculture Department for vacillating by first backing the amendment, but now opposing it.

In a statement yesterday, Betty Furness, Special Assistant to the President for Consumer Affairs, said, "I know it is a cliche, but I can only view with alarm a parliamentary effort to eviscerate the Wholesome Meat Act [of 1967] through an amendment to the poultry bill."

Montoya and Mondale told the Senate that the primary danger in the amendment is that it would incite States seeking processing plants to compete by lowering enforcement standards.

The poultry bill, of which Montoya is a principal sponsor, is intended to restrict interstate commerce to inspected, wholesome products and to help the States set up effective inspection programs for poultry sold within their boundaries.

Although 13 per cent—about 1.5 billion pounds a year—of poultry products are sold intrastate, only four States have "active" inspection programs, Montoya said.

WORLD FOOD NEEDS

Mr. JAVITS. Mr. President, I have long been concerned about the increasing food needs of the world's population. If any war need be escalated, it is the war on hunger. It is up to the developed countries to take forceful action and to give the necessary impetus to the developing countries to develop self-help measures to improve agricultural production. We must take steps to export the techniques for developing new technology. Progress has been made in certain areas and the striking example of the development in Jalisco, Mexico, gives evidence and hope that a solution to the problem is possible. I should like to commend to Senators a speech by Nyle C. Brady, director of research, New York State College of Agriculture and Home Economics, Cornell University, an acknowledged expert in this field. His remarks, published in Illinois Research, winter 1968, are a succinct and concise statement of the problem. I ask unanimous consent that they be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record as follows:

Technological Developments and World Food Needs

It has been suggested that America's agricultural technology can solve the food problems of the world. This technology has given us an abundance of food in the United States. Why shouldn't it work simliar wonders elsewhere?

This quick solution has not worked, however, when it has been put to the test. With a few exceptions, the technology applicable to our soils, climate, varieties, and animal breeds has generally failed when applied directly to the problems in tropical and subtropical countries.

However, the techniques of gaining new knowledge on which technology must be based are exportable. Our basic principles of research can be applied to filling present knowledge voids so that an agricultural technology can be created for the developing countries.

SPECIFIC KNOWLEDGE VOIDS

Tropical soils

In discussing knowledge voids, I would like to start with the tropics, since they contain most of the world's uncultivated but arable soil. Furthermore, it is in the tropics and semitropics that most of the hungry people of the world live. Unfortunately, most scientific and technical knowledge relating to agriculture has been developed in the temperate zones.

One area of our ignorance about the tropics concerns the nature and optimum management of the soils. Sometimes temperate zone technology has been successfully applied to tropical soils with only minor modifications. Other times it has failed almost catastrophically. Some failures are due to extremely heavy rainfall during at least part of the growing season. Others are apparently associated with the properties of the clays in some of the soils.

Adapted crop varieties

There is a pressing need for new high-yielding plant varieties and strains adapted to conditions in the developing countries.

Yields of food grains vary widely around the world, and the lowest yields are found in countries that need food the most. The "status quo" varieties in these countries are adapted to low soil fertility and age-old farming methods. These varieties respond sparingly to fertilizer applications or to improved management practices.

Our few striking examples of successful agricultural development have all included a genetic and plant breeding research program. Only when biological potential is bred into plants can fertilizers, pesticides, and improved cultural practices be effective.

Irrigation

An inadequate supply of water is a major limiting factor in crop production in the developing countries. Irrigation projects are being developed to change this situation.

Pest control

Paralleling the technological advances required in plant breeding will be those needed to protect crops from insects, diseases, and weeds.

In the tropics, year-round high temperatures and long periods of wet weather provide ideal environments for certain plant diseases and insects. Pesticides are sometimes ineffective or must be applied so often that their economic use is doubtful.

Chemical pesticides will need to be used in the developing countries to the extent practical, while new biological means of control must also be developed.

ANIMAL PRODUCTION

Animal diseases are among the most important limitations to livestock farming and protein production in the developing nations. Some of the most devastating diseases in these countries have not occurred in America. While we have been fortunate to escape their scourge, we also lack experience in dealing with them.

Some policy leaders favor crop production priorities over any efforts to develop animal industries. But I would stress the importance of both to a balanced agriculture and human nutritional needs. While plants are superior in production of calories and total protein, animal products are decidedly superior in protein quality. Furthermore, vast areas of tropical rangeland could be harvested by animals.

Fortunately, there is a substantial reservoir of knowledge about livestock nutrition, breeding, and veterinary medicine principles that well could be applied to research on native animals.

THE PRODUCTION PACKAGE APPROACH

In any program to increase food supply, a package of practices must be developed. Any one technological advance is relatively ineffective unless accompanied by other technological changes. For example, fertilizer applied to native varieties managed by primitive practices may actually decrease yields. The plants are not adapted to a high fertility level and the fertilizer may stimulate weeds which crowd out the crop.

Successful production practices must be integrated with processing and marketing practices and with industries which supply such inputs as fertilizer and pesticides.

Processing and marketing

The movement of food products from farms to population centers is another area of developing agriculture that is a long way from its full potential of service to society. Dependable electric power, refrigeration, storage and transportation facilities, and marketing outlets, as we know them, are virtually nonexistent in the developing countries.

Here again, research, development, and extension programs must be developed "on the spot."

THE MEXICAN SUCCESS STORY

While the world food picture is dark now, there are shining examples of the progress that can be made.

One of the best examples is found in Mexico. Some 20 years ago, that country faced serious problems in food production. Wheat yields were 11 bushels an acre and other grain crop yields were low. Mexico was importing half of her wheat at great expense.

To combat this, the Mexican government created the Office of Special Studies within the Ministry of Agriculture and put its resources into an intensive research effort. Rockefeller Foundation staff scientists collaborated in the programs.

After 20 years Mexico's food production has doubled. Average wheat yield is now 40 bushels an acre, with many farms achieving 80 bushels. During the two decades Mexico's population went from 20 to 37 million, yet her people's caloric intake climbed from 1,700 to 2,700 calories daily.

By 1966 wheat varieties developed in Mexico were being widely used in India and Pakistan. Superior corn hybrids have also been developed in Mexico, and are now being used to breed newer hybrids adapted to the conditions of Africa, India, and Southeast Asia.

RICE RESEARCH INSTITUTE

Another success story may be found at the International Rice Research Institute in the Philippines, which has been in operation since 1962 under the joint support of the Ford and Rockefeller foundations. In just a few years new varieties have been developed that are shorter strawed than the old varieties, make better use of sunlight, respond better to nitrogen, and are less susceptible to lodging. Attention has also been devoted to fertilizer practices, irrigation management, weed and pest control, use of power machinery, and systems of year-round production.

When the Institute was dedicated in 1962, rice yields of 4 to 5 tons per hectare were considered adequate under tropical conditions. During the dry season of 1965, seven varieties yielded more than 8 metric tons per hectare at the Institute. In 1966 one Institute selection produced more than 10 tons per hectare!

MAIZE IMPROVEMENT IN KENYA

The Maize Improvement Program in Kenya is sponsored by the Kenya and U.S. governments and the Rockefeller Foundation. Initiated in 1958, this program has developed superior corn hybrids that already are being produced commercially. They are being offered to producers as part of a package plan that includes the use of fertilizer and prescribed cultural practices.

SUCCESSUL PROGRAMS CHARACTERIZED

From these programs, we can define some characteristics of successful development of technology to increase the world food supply.

There must be continuity of financial and physical support.

Research and facilities must be as good as those in developed areas.

There must be long-term commitment of personnel.

There also must be an underlying spirit of cooperation. Programs should be carried out at the request of the developing countries and should involve their own scientists as well as Americans.

New scientists and extension leaders must be trained to make continuing progress a reality.

THE THREE-WAY PARTNERSHIP

To achieve these characteristics requires cooperation on a broad scale. Inputs are needed from government, universities, and industry.

Government

The federal government must provide the mechanism and support for many of the inputs by industry and the universities. Government agencies must also develop their own research and education programs outside the United States. Lastly, the U.S. Government must press for greater inputs from other nations and for coordination of international efforts.

Industry

American industry is evidencing a growing interest in the world food problem. This is to the good, for research and extension efforts of government agencies and universities are of little force if not coupled with industry inputs. Seeds, fertilizers, pesticides, and adapted farm machinery must be available, and means of processing and marketing foods must be developed.

The universities

Our Land-Grant universities now face worldwide problems similar to those they have solved in the United States. If properly supported, these universities can furnish the specialists and resources to do the job.

There is much that individual institutions can do alone. A single university, however, cannot accept certain responsibilities.

What is needed is the consortium. A consortium of several universities could attack problems too large for any one university to solve alone. Consortia could probably make their greatest contributions through overseas research and graduate educational centers of excellence.

I would like to conclude on a note of urgency. Clearly, we are running out of precious time. Many workable programs and concepts are available to us; the challenge lies in blending them to create new and powerful sources of knowledge.

FINAL GALLUP POLL SHOWS NIXON STRONG WINNER

Mr. MUNDT. Mr. President, the presidential year of 1968 is likely to be remembered in history as the preconvention campaign in which more emphasis has been placed upon public opinion polls than at any time in the history of this Republic. A plethora of polls of every type have been appearing across the land, some are national in character having been assembled by recognized pollsters of established reputation; some are carefully selective in the areas they have covered so as to come up with whatever results the pollsters have in mind; some are even personally financed or contracted for by a specific political party or partisan group interested in indicating a ground swell for some specific candidates.

In the meantime, most knowledgeable citizens and sophisticated voters have been awaiting the final preconvention results of the Gallup poll since this is the nationally recognized poll which is self-financed, which has a long record of established objectivity and accuracy during many presidential campaigns, which refuses to sell its services to self-serving groups, and which has by far the largest network of carefully trained interviewers who cover the Nation from coast to coast and from border to border.

It is now possible to report the results of the final national preconvention Gallup poll by virtue of the fact that while scheduled for Wednesday release nationally, a Miami newspaper jumped the gun so to speak and published the poll results in today's newspapers.

Mr. President, this final Gallup poll confirms what many Americans have seen saying over the months in their State delegate primaries; in their party conventions; and in public meetings. Namely, Dick Nixon is by far the strongest and most popular Republican presidential candidate available in 1968 and he provides the Republican Party with an odds-on opportunity not only to win the Presidency next November but to elect a Republican House and to make strong and perhaps determinative gains in the U.S. Senate. It demonstrates clearly that Nixon is a winner.

The poll, in fact, provides the highest verdict as to what the polls reveal, and brings what at times has appeared to be a battle of the pollsters to a conclusive end. Its clear national message can not be negated or refuted by any number of privately financed or carefully selected sectional polls.

All Americans—and especially all delegates to the Republican National Convention in Miami—should study these results carefully as they move into their deliberations designed to nominate the next President of the United States. Against any of the mentioned Demo-

cratic presidential candidates, this poll demonstrates that Dick Nixon's year has come and that Nixon is our best bet in 1968.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the final preconvention Gallup poll as it appeared in the Miami, Fla., Herald today.

There being no objection, the Gallup poll was ordered to be printed in the RECORD, as follows:

[From the Miami (Fla.) Herald, July 29, 1968]

NIXON EDGES TWO FOES

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N.J.—Richard Nixon has overtaken both Vice President Hubert Humphrey and Senator Eugene McCarthy in pre-convention test elections just completed. Governor Nelson Rockefeller, Nixon's chief rival for the Republican nomination, runs about even against both Democrats.

The latest findings represent an improvement for NIXON from an early July survey, when the former Vice President ran five percentage points behind Humphrey and three points behind McCarthy. Nixon has now pulled ahead of Humphrey by two points and McCarthy by five.

Rockefeller's standing has changed very little over the past three weeks. In the earlier survey he tied Humphrey, as he does today. The New York Governor is virtually even with McCarthy today. In the earlier test, he ran two points behind the Minnesota Senator.

Nixon's gain against both Humphrey and McCarthy in the first three weeks of July come about primarily in the East and Far West. Nixon has also made gains among young adults, Democrats, Independents, and among registered voters in the lower socio-economic levels.

Results of the latest test races are based on personal interviews with 1156 registered voters representing the proper proportion of Republicans, Democrats and Independents. Interviewing was conducted July 20–23.

Support for Third Party Candidate George Wallace has remained constant over these three weeks, after a period of steady growth. Against Nixon and Humphrey and against Nixon and McCarthy, Wallace draws 16% of the National Vote. In races against Rockefeller, he wins a somewhat greater share of the vote.

The survey question:

"Suppose the Presidential Election were being today. If Richard Nixon (Nelson Rockefeller) were the Republican Candidate and Eugene McCarthy (Hubert Humphrey) were the Democratic Candidate, and George Wallace of Alabama were the Candidate of the Third Party, which would you like to see win?"

Here are the results of each of the latest trial heats and the trend:

[Results in percent]

JULY 20–23

Richard Nixon	40
Hubert H. Humphrey	38
Wallace	16
Undecided	6
Rocky	36
Hubert H. Humphrey	36
Wallace	21
Undecided	7
Rocky	36
McCarthy	35
Wallace	20
Undecided	9
Richard Nixon	41
McCarthy	36
Wallace	16
Undecided	7

[Results in percent]

JUNE 29–JULY 3

Richard Nixon	35
Hubert H. Humphrey	40
Wallace	16
Undecided	6
Rocky	36
Hubert H. Humphrey	36
Wallace	21
Undecided	7
Rocky	35
McCarthy	37
Wallace	20
Undecided	8
Richard Nixon	36
McCarthy	39
Wallace	18
Undecided	7

JUNE 15–16

Richard Nixon	37
Hubert H. Humphrey	42
Wallace	14
Undecided	7
Rocky	39
Hubert H. Humphrey	38
Wallace	17
Undecided	6
Rocky	38
McCarthy	39
Wallace	16
Undecided	7
Richard Nixon	39
McCarthy	41
Wallace	14
Undecided	6

MAY 25–29

Richard Nixon	36
Hubert H. Humphrey	42
Wallace	14
Undecided	8
Rocky	35
Hubert H. Humphrey	40
Wallace	17
Undecided	8
Rocky	40
McCarthy	34
Wallace	17
Undecided	9
Richard Nixon	40
McCarthy	38
Wallace	13
Undecided	9

MAY 4–8

Richard Nixon	39
Hubert H. Humphrey	36
Wallace	14
Undecided	11
Rocky	40
Hubert H. Humphrey	33
Wallace	16
Undecided	11
Rocky	40
McCarthy	31
Wallace	17
Undecided	12
Richard Nixon	39
McCarthy	37
Wallace	14
Undecided	10

APRIL 6–10

Richard Nixon	43
Hubert H. Humphrey	34
Wallace	9
Undecided	14
Richard Nixon	41
McCarthy	38
Wallace	10
Undecided	11

TRUST MENACE? THE BANK'S ANSWER

Mr. PERCY. Mr. President, on Thursday, July 11, 1968, the Chicago Daily News carried in its financial pages an article entitled "Trust Menace? The Bank's Answer." The bank in question is the First National Bank of Chicago, and the answer comes to the staff study of the Domestic Finance Subcommittee of the House Banking and Currency Committee. I commend the article to my colleagues on both sides of the Capitol who will be evaluating this report in coming months.

Mr. President, I am not only personally familiar with the trust department of the First National Bank, but I have worked intimately with the trust departments of the Harris Trust & Savings Bank of Chicago as a director for many years before coming to the Senate. I am familiar with the Chase Manhattan Bank of New York, also in the capacity as a director.

As chief executive officer of a publicly held company, I worked intimately with the trust departments of the Northern Trust & Savings Bank of Chicago. I have also had occasion to work with the Continental Illinois Bank of Chicago on many matters of public interest. I simply cannot point to a shred of evidence, based on more that a quarter century's experience in business and dealing with our Nation's commercial banks, that would point to an abuse of their fiduciary responsibility as trust officers for estates in their relationships with corporations.

It has been my experience that the last thing a bank wants to do is try to get in and operate, manipulate, manage or control a company. They have one overriding responsibility, which is to insure that the trust accounts which they are supervising are as secure as any reasonable man can insure. Their whole objective is to provide appreciation opportunities as well as adequate income consistent with the objectives of the trust account.

Not only at my own company but with other companies on whose boards I have served, my experience has been that bank officials who serve as directors have a deep personal concern developed through the years of training, for the public welfare and for the stockholders of the companies they serve. They are, for the most part, exceptionally good directors.

If hearings are held on the allegations that have been made in the staff study, I feel confident that the bulk of the testimony that will be offered will not support the allegations.

I ask unanimous consent that the Chicago Daily News article be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRUST MENACE? THE BANK'S ANSWER

(By Leonard Wiener)

Overflowing the fourth floor of the First National Bank Building are more than 800 lawyers, accountants, secretaries, bookkeepers and security analysts.

And every day 600 of them are responsible for $5.4 billion of other people's stocks, bonds and real estate—that's as much as the bank's own total assets.

These workers, quietly busy behind neat rows of desks—with wall-to-wall carpeting underfoot and recessed fluorescent lighting above—form the First National Bank's trust department.

This week, Rep. Wright Patman (D-Tex.) called the department (along with those of other big banks) a growing menace to free competition and a vehicle for increasing the power and influence of banks over the economic lives of individuals and corporations alike.

Bank officials, one of whom says he was "wounded" by the allegations, respond with talk of the great services trust departments perform for "widows and orphans."

One thing is clear, whether they be villains or angels, bank trust departments are no little brothers. Nationwide, they already hold more than $250 billion in assets, about one-fourth of the assets held by all institutional investors, according to a survey by the House Banking Committee.

Increasingly rapid growth is forecast.

The First National Bank's trust department, largest in Chicago, will occupy five floors of the bank's new building, boosting its current space by a third.

On those five floors the trust department will carry out a variety of activities.

The corporate division acts as a registrar for corporations (keeping track of the shares of stock issued); transfer agent (changing ownership of shares when stock is traded) and a disbursement agent (paying dividends).

The retirement and endowment division manages employe pension and profit-sharing plan funds.

The personal-trust division administers estates during probate, provides an investment advisory service and sets up and acts as trustee for private trust funds (usually for about $100,000 or more).

It is the last two divisions that cause Rep. Patman concern because through handling of funds banks end up with millions of shares of common stock and other securities in their vaults.

While banks do not own the securities they hold, often they retain the voting power on common stock. And, the large cash resources banks have through these trusts to invest gives them a potential powerful influence on the stock market and the companies they either buy into or pull out of.

This power is enhanced by the practice of large corporations in giving board seats to bank officials.

"It appears that the trend identified in the 1930s of major corporations in the United States being controlled by corporate management because of the wide dispersal of stock ownership among large segments of the public, may now be giving way to a new trend toward control of these vital elements of our economy through control of the voting of large blocks of stock in these corporations held for beneficiaries by a relatively few giant financial institutions," the subcommittee said.

Bankers couldn't agree less.

"In my 32 years as a banker I've seen no evidence of this," insists Howard J. Johnson, head of the trust department at American National Bank & Trust Co.

"Our primary interest is to our customers; we only make investment decisions, not corporate management decisions," he said in an interview.

James P. Baxter, head of the trust department at First National Bank, told The Daily News that it was his bank's "historical feeling" to either vote what proxies it had in line with management recommendations or to sell the stock in a company and get out.

"We're not in the business of managing companies and as a trustee our fiduciary responsibility requires an arm's length relationship—an interlocking directorship not withstanding," he said. "We make our investment decisions on an individual basis for each trust fund and it's unfair to pull together an aggregate amount of holdings and imply all sorts of noninvestment motives," he complained.

Robert Reneker, president of Swift & Co., was asked to comment from the point of view of the corporation executive.

"It seems to me that banks are less likely to exert this alleged power than perhaps somebody with a more direct ownership interest in the stock, such as a mutual fund or other institutional investor," he said.

Prof. V. Lewis Bassie, director of the University of Illinois Bureau of Economic & Business Research, commented:

"I don't know if the situation is any worse today than it has been; banks have always had influence and always will."

He emphasized, however, that while "no one can quarrel with (Patman's views) as a statement of possibilities," he does not think banks have a desire to take over management functions in the companies in which they invest.

The American Bank's Johnson echoes the repeated complaint among bankers that Patman always looks for the bad side of things and fails to respond to the "economic good" that banks provide through trust funds.

"Individuals, corporations and pension plans with thousands of members look to large bank trust departments for "superior and experienced investment management," he said. Cost generally ranges down from one-half per cent a year of total asset value, he said.

"There's a lot of human quality in our work," said First National's Baxter.

"We can help the widow through the very wretched period of probate, help a man get peace of mind that comes from shifting financial cares to more experienced shoulders, and provide for the future financial security of your family."

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 1439 and the succeeding measures in sequence.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSERVATION PROGRAM ON MILITARY RESERVATIONS

The bill (H.R. 11026) to amend the act of September 15, 1960, for the purpose of developing and enhancing recreational opportunities and improving the fish and wildlife programs at reservations covered by said act, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1458), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 11026, as hereby reported, is to provide additional funds for carrying out fish and wildlife conservation programs on military reservations and to promote the enhancement and development of related fish and wildlife recreational programs.

BACKGROUND AND NEED FOR THE LEGISLATION

In 1949 the Congress enacted Public Law 81–345, to authorize the Secretary of the Air Force in cooperation with the Secretary of the Interior, to carry out a program of planning and developing wildlife, fish and game conservation, and rehabilitation in the Eglin Field Reservation in the State of Florida.

Based on the experience obtained from this highly successful program, the Congress in 1960 enacted Public Law 86–797, which made possible the extension of this program to all military reservations throughout the United States. The Congress had envisioned that the program would be self-sustaining financially since nominal user fees for hunting and fishing were authorized to be charged. The proceeds from such sales have been averaging approximately $150,000 per year, an amount which has proven to be grossly inadequate to meet the needs of a great majority of the reservations.

Outdoor recreation on these reservations is open to the general public. In 1967 more than 1 million man-days of fishing were enjoyed where fishing and management programs are in effect. Similarly, much satisfaction has been realized from hunting in those areas where wildlife habitat have been managed.

In his 1965 message to the Congress on natural beauty, the President indicated that much of the 28 million acres of land presently held by armed services is an important part of the public estate. The potential of this land must be recognized through the fullest application of multiple uses. In his remarks, the President asked the Secretaries of Defense, Agriculture, and the Interior to look at military establishments to see how the lands involved could be used for recreation and natural beauty down through the years. In response to this directive, a study was initiated to review the land holdings of the Department of Defense. More than 400 properties have been evaluated. As of May 1967, 23 conservation land-use reports had been completed and 16 more were under preparation. Once completed, the reports are furnished to the Secretary of Defense for his interest and guidance.

The Department of the Interior states that personnel of the Bureau of Sport Fisheries and Wildlife made about 180 visits to approximately 160 installations in 1966 to inventory fishery resources and to plan and guide managements programs. This assistance was continued at approximately the same level during 1967. Indications are that, because of budget restrictions, less areas will be visited this year.

The Bureau of Sport Fisheries and Wildlife is now providing about 2 man-years of effort in fishery management assistance and, at most, 1 man-year of wildlife management assistance. The Bureau views this assistance inadequate, as in most instances this amounts to about one annual visit to each installation served. The Bureau believes about three visits annually are needed to supervise more closely the work to be carried out.

Further, the Bureau has estimated that funds and manpower needed to serve 207 installations now seeking fishery assistance would require at least 16 additional fishery biologists at a cost of about $320,000 annually. Assistance in wildlife enhancement at 250 Defense installations would require 14 additional biologists at a cost of some $280,000. The Bureau has estimated that with this additional assistance, man-days of fishing can be increased from about 1 million to more than 3 million and that hunting opportunities can be increased proportionately.

Additionally, there is an urgent need for wildlife biologists to devise management techniques for the control of birds in the vicinity of individual airports. Bird-aircraft strikes involved 839 Air Force planes during 1966, and a loss of $10.5 million. An Air Force pilot was killed by a bird strike in 1967. Some 73 jet engines required overhauling or replacement. Manipulation of the habitat under the guidance of wildlife biologists is essential to minimize the likelihood of bird-aircraft strikes in the future.

Requests from military installations for wildlife and fishery assistance far exceeded the number of personnel available in the

Department of the Interior for such service. Because of this, many opportunities for hunting, fishing, and other public outdoor recreation needed by military personnel and the general public are being bypassed. In order to satisfy these needs—including those of conservation—additional personnel and funds will be required by the Department of of the Interior. Your committee feels that H.R. 11026 would provide the necessary funds with which to obtain this valuable assistance.

EXTENSION OF THE PROVISION OF THE COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT OF 1964

The bill (S. 3866) to extend the provisions of the Commercial Fisheries Research and Development Act of 1964, was announced as next in order.

Mr. MAGNUSON. Mr. President, on behalf of the Senator from Alaska [Mr. BARTLETT] I ask unanimous consent to have printed in the RECORD a statement and table dealing with the pending bill.

There being no objection, the statement and table were ordered to be printed in the RECORD as follows:

Mr. BARTLETT. Mr. President, I regret that I cannot be present today as the Senate takes up S. 3866, a bill introduced by the senior senator from Washington (Mr. Magnuson) and myself to extend for four years the Commercial Fisheries Research and Development Act of 1964.

I was the author of the 1964 act. The program, when I originally proposed it, did not, I may say, meet with immediate or, even, enthusiastic support from administration officials. It was enacted into law only because of the strong support given it by the many members of this body and of the other house who believe, with me, that the American fishing industry must, should and, indeed, will regain its proper preeminence and rank among the fisheries of the world.

I cannot at this time single out each and every senator who has worked generally in behalf of the American fishing industry and who has supported and worked for the Commercial Fisheries Research and Development program in particular. Certainly the contribution of the chairman of the Senate Commerce Committee, the senor senator from Washington (Mr. Magnuson) must receive first acknowledgment. So, too, must the senior senator from Rhode Island (Mr. Pastore), the senior senator from Michigan (Mr. Hart), the senior senator from Maryland (Mr. Brewster), the junior senator from Louisiana (Mr. Long), the junior senator from South Carolina (Mr. Hollings), the junior senator from Michigan (Mr. Griffin), the junior senator from Vermont (Mr. Prouty) and the senior senator from New Hampshire (Mr. Cotton). These senators, of course, are members of the Senate Subcommittee on Merchant Marine and Fisheries of which I am chairman. They have each contributed of their time and their confidence to the industry, as have such senators as the senior senator from Massachusetts (Mr. Kennedy), the junior senator from Maine (Mr. Muskie) and the senior senator from California (Mr. Kuchel) who are not members of the Commerce Committee, yet who have worked long and hard for the fishing industry.

Mr. President, it is my hope that the Senate today will give prompt endorsement to the extension of this important program for four more years. For the benefit of all Senators, I include the table of calculated apportionment of funds under this act for fiscal year 1968 at this point in the RECORD:

FISCAL YEAR 1968 CALCULATED APPORTIONMENT OF FUNDS UNDER THE COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT OF 1964, (PUBLIC LAW 88-309)

[Dollar amounts in thousands]

State and area	Average value of raw fish harvested, 1963-65 [1]	Average value of manufactured products, 1963-65 [2]	Average value of landings and manufactured products, 1963-65	Percent	Allocations of funds to States [3]
Alabama	$5,086	$7,305	$12,391	0.88	$44.4
Alaska	57,288	121,012	178,300	12.65	246.0
Arizona	1			.05	20.5
Arkansas	528		528	.04	20.5
California	50,239	172,998	223,237	15.84	246.0
Colorado	12		12		20.5
Connecticut	1,289	413	1,702	.12	20.5
Delaware	962	5,083	6,045	.43	21.7
Florida	31,727	56,164	87,891	6.23	246.0
Georgia	3,242	22,572	25,814	1.83	92.6
Hawaii	3,043	6,302	9,345	.66	33.5
Idaho	71		71	.01	20.5
Illinois	716	5,649	6,365	.45	22.8
Indiana	178		178	.01	20.5
Iowa	235	556	791	.06	20.5
Kansas	11			.04	20.5
Kentucky	311			.06	20.5
Louisiana	36,086	58,149	94,235	6.68	246.0
Maine	21,699	32,018	53,717	3.81	192.6
Maryland	11,899	35,961	47,860	3.40	171.6
Massachusetts	42,522	93,574	136,096	9.65	246.0
Michigan	2,534	2,840	5,374	.38	20.5
Minnesota	895	844	1,739	.12	20.5
Mississippi	8,997	23,658	32,655	2.32	117.1
Missouri	43			.33	20.5
Montana	27		27		20.5
Nebraska	38			.01	20.5
Nevada					20.5
New Hampshire	$560	$660	$1,220	0.09	$20.5
New Jersey	10,381	31,465	41,846	2.97	150.0
New Mexico	14		14		20.5
New York	11,060	38,480	49,540	3.51	177.6
North Carolina	8,182	8,199	16,381	1.16	58.7
North Dakota	26				20.5
Ohio	1,107	14,183	15,290	1.08	54.8
Oklahoma	83			.01	20.5
Oregon	7,842	27,712	35,554	2.52	127.5
Pennsylvania	96	12,745	12,841	.91	46.0
Rhode Island	4,171	2,998	7,169	.51	25.7
South Carolina	3,722	2,453	6,175	.44	22.1
South Dakota	192		192	.01	20.5
Tennessee	1,106			.09	20.5
Texas	31,870	59,996	91,866	6.52	246.0
Utah	67		67		20.5
Vermont					20.5
Virginia	23,415	27,251	50,666	3.59	181.6
Washington	18,515	38,570	57,085	4.05	204.7
West Virginia					20.5
Wisconsin	2,080	3,027	5,287	.38	20.5
Wyoming	6		6		20.5
American Samoa				1.17	59.0
Guam	90		90	.01	2.05
Puerto Rico	7,280	61,923	69,203	4.91	246.0
Virgin Islands	158		158	.01	2.05
Total	411,702	997,966	1,409,668	100.00	4,100.0

[1] Ex-vessel value.

[2] Gross amount received by the manufacturer at the point of production.

[3] A maximum of 6 percent and a minimum of ½ of 1 percent, are assured under the allocation.

Note: Nevada, Vermont, and West Virginia have been given a minimum allocation although the Bureau has not conducted fishery statistical surveys of these States and does not have a record of their having commerical fishing or manufacturing. If surveys were conducted it is probable that some commercial fishing or manufacturing would have been found in these States. Source: U.S. Bureau of Commercial Fisheries, Branch of Fishery Statistics.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(a) of the Commercial Fisheries Research and Development Act of 1964 (16 U.S.C. 779(a)), is amended by changing the words "for the next fiscal year beginning after the date of enactment of this Act, and for the four" to "for the fiscal year beginning July 1, 1969, and for the three".

SEC. 2. Section 4(c) of the Commercial Fisheries Research and Development Act of 1964 is amended by changing the words "for the fiscal year beginning after the date of enactment of this Act," to "for the fiscal year beginning July 1, 1969,".

SEC. 3. Section 4(b) of the Commercial Fisheries Research and Development Act of 1964 is amended by changing the words "for the next fiscal year beginning after the date of enactment of this Act, and for the succeeding fiscal year, $400,000 in each such year, and for the next three succeeding fiscal years, $650,000 in each such year," to "for the fiscal year beginning July 1, 1969, and for the three succeeding fiscal years, $650,000 in each such year," to "for

SEC. 4. The provisions of this Act shall be effective July 1, 1969.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1457), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE LEGISLATION

S. 3866 amends the Commercial Fisheries Research and Development Act of 1954 by extending the period of authorization of appropriations for an additional 4 years. The bill would authorize appropriations of $5 million for the fiscal year beginning July 1, 1969, and for the 3 succeeding fiscal years in the same amount for apportionment to the States to carry out the purposes of the act.

Forty-nine of the fifty States, in addition to the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, and Guam have participated in this program during the previous 3-year life of the measure. Matching funds are provided to the States based on a Federal appropriation of from 50 to 75 percent and authorizes the Secretary of the Interior to cooperate with the States through their respective State agencies in carrying out projects designed for the research and development of the commercial fisheries resources of the Nation. Under the act, States are permitted to act jointly in carrying out any specific project.

GENERAL STATEMENT

Although relatively new, this program has enjoyed significant progress. States have been able to secure needed information to better manage their important commercial fishing resources. It has also enabled the States to better utilize the underdeveloped resources and also provided facilities for carrying out research and development programs.

The urgency for passage in the 90th Congress stems from the fact that many of the State legislatures will be convening sessions in January 1969, and without Federal assurance of participation may be unwilling to allocate necessary funds to continue existing programs, as well as instigate needed new ones. Some of these research efforts are now underway, and even a year's lapse would render the present result worthless, thus demanding a totally new start. In addition, the States must secure or retain the proper and competent scientific personnel so that the programs may be managed to the best possible benefit for the fisheries.

The fact that 49 of the 50 States have participated in the program to date is a significant indication of the interest and need for continuation of the act.

CONCLUSION

Created in 1964, the Commercial Fisheries Research and Development Act has proven of valuable assistance to the States performing a cooperative effort to further the Nation's commercial fisheries. To avoid any lapse in the effective long-range planning incentive now available, your committee recommends enactment in the present Congress.

IMPLEMENTATION OF JUDGMENTS FOR COMPENSATION

The Senate proceeded to consider the bill (S. 1704) to amend title 28, United States Code, section 1491, to authorize the court of claims to implement its judgments for compensation, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 9, after the word "cases" insert "against the United States"; so as to make the bill read:

S. 1704

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first paragraph of section 1491 of title 28, United States Code, is amended by adding thereto the following sentence: "To provide an entire remedy and to complete the relief afforded by the judgment, the court may, as an incident of and collateral to any such judgment, issue such orders and grant such relief as the district courts may issue and grant in civil cases against the United States over which they have original jurisdiction."

SEC. 2. This Act shall be applicable to all judicial proceedings pending on or instituted after the date of its enactment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1465), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF AMENDMENT

The purpose of the amendment, which was suggested by the Judicial Conference of the United States, is to make clear that the Court of Claims will be limited to granting the same collateral relief in cases against the United States as is available in the Federal district courts in cases against the United States.

PURPOSE

The purpose of S. 1704, as amended, is to allow persons having monetary claims falling within the jurisdiction of the Court of Claims to obtain all necessary relief in one action.

The jurisdiction of the Court of Claims is currently limited to actions on monetary claims, 28 U.S.C. 1491. Without extending the classes of cases over which the Court of Claims has jurisdiction, S. 1704 would amend section 1491 by adding at the end thereof a paragraph granting the court the additional power to render such incidental relief as may presently be granted by the Federal district courts.

STATEMENT

Pursuant to section 1491, title 28, United States Code, the Court of Claims currently has jurisdiction to render judgment upon claims against the United States founded either upon the Constitution, Federal statutes, regulations of executive departments, express or implied contracts with the United States, or claims for liquidated or unliquidated damages in cases not sounding in tort. The present statute in the past has been thought to mean that the Court of Claims has jurisdiction only to render money judgments.

This limitation on the remedy available in the Court of Claims frequently causes unwarranted inconvenience and expense to litigants who can only receive damages from the Court of Claims and under existing law must pursue any additional remedy to which they are entitled by bringing a separate proceeding in a Federal district court.

Such burdening of litigants, as well as the proliferation of lawsuits, is clearly contrary to the principles which should govern the sound operation of the Federal judicial system.

A number of classes of cases, composing a substantial portion of the Court of Claims docket, are subject to the need for collateral remedies in addition to a money judgment.

The primary class of cases where a broader remedy is needed is suits filed on a money claim by a Government employee who alleges that he was illegally discharged. At present, if the court finds that the employee was wrongfully discharged, it can award him back pay, but it cannot order him reinstated in his former position. There are cases where administrative agencies refuse to reinstate the wrongfully discharged employee, and it therefore is necessary for him to file an additional suit in a Federal district court to obtain reinstatement.

A second important class of cases is where the present limits on the remedies available in the Court of Claims imposes an unwarranted burden on the litigant in cases involving military personnel. The military cases reaching the Court of Claims must, of course, involve a monetary claim, such as a claim based on retirement in an allegedly improper status (for example, failure to award disability retirement status or retirement at an improper rank) or an allegedly improper dismissal from the service.

In many of these military cases, the review in the Court of Claims is the first instance in which the subpena power and discovery procedures are available to the serviceman. For instance, military personnel accused of some type of behavior or misconduct which does not warrant a trial by court-martial, may be summoned before a board of officers, which has neither subpena power nor discovery procedures. An adverse decision may be appealed by a serviceman to the service Board of Review, 10 U.S.C. 1553, which also lacks subpena power and discovery procedures. Failing to prevail at this stage, redress may be sought before the Board for the Correction of Military Records, 10 U.S.C. 1552. There is no right to a hearing before this Board. Finally, if the serviceman does not prevail before this Board, he may sue for lost pay in the Court of Claims, seeking a full judicial review of the circumstances of the military decision against him. This is the first point at which he has subpena power, discovery procedures, and a judicial procedure available to him as a matter of right. And yet, should the Court of Claims find in favor of the disciplined soldier, it can only grant a monetary judgment and cannot alter his military status, as found by the military Board. S. 1704 would allow the Court of Claims to grant such military personnel complete relief which they can now get only through subsequent discretionary administrative action or a separate additional proceeding in the Federal district courts. While altering the relief available from the Court of Claims, the bill is not intended in any way to affect the permissible scope of review by the Court of Claims in any military personnel cases.

Case based on contracts with the United States form a third class of suits where the remedy available in the Court of Claims is presently inadequate. The Supreme Court has held that where a board of contract appeals has made findings of fact on a dispute arising under the disputes clause of a Government contract, the review of such factual findings by the Court of Claims is limited to the extent prescribed by the Wunderlich Act, 41 U.S.C. 321–322 (*United States* v. *Utah Constr. & Mining Co.*, 384 U.S. 709 (1966); *United States* v. *Anthony Grace & Sons, Inc.*, 384 U.S. 424 (1966); *United States* v. *Carlo Bianchi & Co.*, 373 U.S. 709 (1963)). Consequently, it has been necessary to stay proceedings in contract actions in the Court of Claims in order that the boards of contract appeals may make additional or essential findings of fact or may determine the amount of damages to which the contractor is entitled. Despite the all writs statute, 28 U.S.C. 1651(a), and the fact that the Federal district courts exercise the power of remand in aid of their Tucker Act jurisdiction in contract cases, the Court of Claims has held that it presently does not have the power to remand but may only suspend proceedings in the case pending further action by the administrative boards (*Anthony Grace & Sons* v. *United States,* 345 F. 2d 808, 812 (Ct. Cl. 1965)). The enactment of S. 1704 would enable the Court of Claims to exercise a remand power in such cases, and would thereby provide the court with a necessary and useful tool for effective judicial administration.

Declaratory judgment actions also present an area in which there is a need to broaden the Court of Claims remedial power. In *John P. King* v. *United States* (Ct. Cl. 1968), the power of the Court of Claims to grant declaratory judgments pursuant to 28 U.S.C. 2201–2202 was established. However, at present the power of the court to grant further relief as an adjunct to its declaratory judgments is not clear. The enactment of S. 1704 will broaden the relief which the court can give a claimant pursuant to 28 U.S.C. 2202 where the court decides that a claimant is entitled to a declaratory judgment but cannot recover any money. For example, an illegally discharged Government employee may, after the passage of S. 1704, bring a suit in the Court of Claims to recover back pay and, at the same time, seek restoration to his former position. If the evidence demonstrates that the employee's earnings during the period of his illegal discharge exceeded his Government pay, the court's judgment on the illegal discharge would be limited to a declaratory judgment, but it could as an incident of such a judgment order him reinstated.

In addition to these major classes of cases, there are occasionally other miscellaneous cases in which the broader remedy available to the Court of Claims under S. 1704 would substantially facilitate the rendering of justice and would reduce the burden on both the claimant and the court system.

PRINCIPLES OF THE LEGISLATION

The governing principle of S. 1704 is that a litigant should be able to obtain all necessary relief in one judicial proceeding. This principle is one of the elemental principles of sound judicial administration. It is essential to reduce the burden of litigation on and to conserve the time and resources of both the courts and the litigants.

Congress has previously recognized this principle. On August 30, 1964, Congress enacted Public Law 88–519, 78 Stat. 699, which empowered the Federal district courts to render complete relief on certain claims by Federal employees. Prior to 1964, the district courts, which possess concurrent jurisdiction with the Court of Claims over certain types of civil actions against the United States where the amount in controversy does not exceed $10,000, were, by virtue of the provisions of 28 U.S.C. 1346(d)(2), expressly denied jurisdiction over suits for the recovery of fees, salaries, or compensation for official services of officers of the United States. However, the district court could grant valuable forms of relief not available in the Court of Claims, such as ordering the restoration of civilian employees to their positions, and the correction of the records of military personnel. This anomalous situation compelled deserving litigants to split their causes of action, suing in the district courts for the restoration of their rights, and if successful, thereafter bringing a second suit in the Court of Claims for the monetary benefits lost as a result of the wrongful action.

Public Law 88–519 repealed subparagraph (2) of paragraph (d) of 28 U.S.C. 1346, and thereby afforded an individual whose claim fell within the existing monetary ceiling complete relief in the U.S. district courts.

S. 1704 would simply apply this same principle to suits in the Court of Claims.

BILL PASSED OVER

The bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

OCEAN EXPLORATION

The concurrent resolution (S. Con. Res. 72) to express the sense of the Congress with respect to an International Decade of Ocean Exploration during the 1970's was considered and agreed to, as follows:

S. Con. Res. 72

Whereas the Congress finds that an unprecedented scientific and technological readiness now exists for exploration of the oceans and their resources; and

Whereas accelerated exploration of the nature, extent, and distribution of ocean resources could significantly increase the food, mineral, and energy resources available for the benefit of mankind; and

Whereas improved understanding of ocean processes would enhance the protection of life and property against severe storms and other hazards, would further the safety of maritime commerce, would directly contribute to the development of coastal areas of the Nation, would benefit the Nation's fishing and mineral extractive industries, and would contribute to advancement of a broad range of scientific disciplines; and

Whereas realization of the full potential of the oceans will require a long-term program of exploration, observation, and study on a worldwide basis, utilizing ships, buoys, aircraft, satellites, undersea submersibles, and other platforms, advanced navigation system, and expanded data processing and distribution facilities; and

Whereas the inherently international character of ocean phenomena has attracted the interest of many nations; and

Whereas excellence, experience, and capabilities in marine science and technology are shared by many nations and a broad program of ocean exploration can most effectively and economically be carried out through a cooperative effort by many nations of the world; and

Whereas the United States has begun to explore, through the United Nations and other forums, international interest in a long-term program of ocean exploration: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the United States should participate in and give full support to an International Decade of Ocean Exploration during the 1970's which would include (1) an expanded national program of exploration in waters close to the shores of the United States, (2) intensified exploration activities in waters more distant from the United States, and (3) accelerated development of the capabilities of the United States to explore the ocean and particularly the training and education of needed scientists, engineers, and technicians.

Sec. 2. It is further the sense of Congress that the President should cooperate with other nations in (1) encouraging broad international participation in an International Decade of Ocean Exploration, (2) sharing results and experiences from national ocean exploration programs, (3) planning and coordinating international cooperative projects within the framework of a sustained, long-range international effort to investigate the world's oceans, (4) strengthening and expanding international arrangements for the timely international exchange of oceanographic data, and (5) providing appropriate technical and training assistance and facilities to the developing countries and support to international organizations so they may effectively contribute their share to the International Decade of Ocean Exploration.

Sec. 3. It is further the sense of Congress that the President in his annual report to the Congress on marine science affairs pursuant to Public Law 89–454 should transmit to the Congress a plan setting forth the proposed participation of the United States for the next fiscal year in the International Decade of Ocean Exploration. The plan should contain a statement of the activities to be conducted and specify the department or agency of the Government which would conduct the activity and seek appropriations therefor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1476), explaining the purposes of the concurrent resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

Senate Concurrent Resolution 72 expressed the sense of Congress that the United States should participate in and give full support to an International Decade of Ocean Exploration which will include (1) an expanded national program of exploration in waters close to the shores of the United States, (2) intensified exploration activities in waters more distant from the United States, and (3) accelerated development of the capabilities of the United States to explore the oceans and particularly the training and education of needed scientists, engineers, and technicians. The resolution also expresses the sense of Congress that the President should cooperate with other nations in order to achieve broad participation in the program and the development of extensive oceanographic information and data. It also requires the President, in his annual report to the Congress on marine science affairs pursuant to Public Law 89–454, to transmit a plan setting forth the proposed participation of the United States in the International Decade of Ocean Exploration for the following fiscal year.

BACKGROUND

Ten years ago the Committee on Oceanography of the National Academy of Sciences, in its famous report "Oceanography 1960 to 1970" stated:

"Not only for research, but in order to exploit and use the oceans, we need detailed knowledge which can be obtained only through systematic surveys in three dimensions * * *. It is essential that these surveys be conducted on an oceanwide, ocean-deep basis as quickly as possible. Our knowledge is now limited largely to waters 100 miles from shore and even here is inadequate for present and future needs."

Now, ten years later, Senate Concurrent Resolution 72 proposes that the United States participate with other nations in carrying out this recommendation.

On November 15, 1967, the National Council on Marine Resources and Engineering Development, created under Public Law 89–450, directed the Interagency Committee on Ocean Exploration and Environmental Services to commence identifying the activities that would be included in a broad ocean exploration project, and asked the Department of State to report on international aspects.

On March 8, 1968, the President proposed "an historic and unprecedented adventure—an International Decade of Ocean Exploration."

Four days later the second report to the Congress on marine resources and engineering development, as required by Public Law 89–454, was released by the President and touched on some of the projects under consideration. These included—

Fishery exploration in currently unexploited areas.

Acquisition of data relating fish distribution to environmental factors as a basis for providing fishery services.

Preparation of small-scale topographic, geological, magnetic and gravity maps of the Continental Shelf and slope to identify potential mineral and fuel resource areas.

Coring and drilling surveys of the continental margin and deep ocean floor in selected areas.

Facilitating data exchanges.

Determination of the origin and dynamics of ocean current systems.

Investigations of heat exchange and transport, air-sea inter-action, and airmass modification.

Studies of storm genesis, propagation, and waves.

On April 26, 1968, the chairman of the Senate Committee on Commerce introduced Senate Concurrent Resolution 72.

Reasons for advocating an International Decade of Ocean Exploration were stated in the resolution and include:

"Improved understanding of ocean processes would enhance the protection of life and property against severe storms and other hazards, would further the safety of mari-

time commerce, would directly contribute to the development of coastal areas of the Nation, would benefit the Nation's fishing and mineral extractive industries, and would contribute to advancement of a broad range of scientific disciplines. * * * realization of the full potential of the oceans will require a long-term program of exploration, observation, and study on a worldwide basis, utilizing ships, buoys, aircraft, satellites, undersea submersibles, and other platforms, advanced navigation systems and expanded data processing and distribution facilities."

In May, after receiving reports from the Interagency Committee on Ocean Exploration and Environmental Services, and from the Department of State, the National Council of Marine Resources and Engineering Development issued an extensive statement elaborating on the concept and proposed program of the International Decade of Ocean Exploration during the 1970's.

Referring to program development in the United States, the Council stated in part:

"The scale and pace of development of internationally oriented ocean exploration programs will depend in large measure on the international interest and participation in the Decade, and the benefits that are derived from the collaborative programs as they develop.

"Clearly, significant strides in realizing more fully the potential of the oceans will require greater allocation of resources by all participants, together with close coordination using the present resources of many nations. If the Decade is accepted and broadly supported on an international basis, it is likely that the expenditures will increase more rapidly during the later years of the Decade than during the early 1970's as the mobilization of the resources of many nations accelerates.

"At the present time the United States supports many programs devoted to ocean exploration with about 30 percent of the Federal marine science budget designated for programs related to ocean exploration. About half of these programs are of broad international interest.

"The ocean can tie the nations of the world together more than it separates them geographically. The sciences of the ocean are universal. Now all nations can unite in mobilizing their energies to promote the peaceful and cooperative use of the ocean so that its bounty may serve the needs of all mankind."

The committee calls particular attention to one observation in the Council's statement and recommends that for the protection of the several states and the preservation of national sovereignty and international fishery agreements it be vigorously carried out. It reads:

"Any segment of the programs of the Decade devoted to the mineral resources of the Continental Shelf would be undertaken only with the permission of the contiguous coastal state. Similarly, programs in food development would take into account international fishery agreements, and legal considerations, including claims of national sovereignty."

On June 14 the Bureau and Consultative Council of the Intergovernmental Commission on Oceanography of UNESCO, meeting in Paris, formally endorsed—

"The concept of an expanded, accelerated, long-term, and sustained programme of exploration of the oceans and their resources including international programmes, planned and coordinated on a worldwide basis, expanded international exchange of data from the national programmes, and international efforts to strengthen the research capabilities of all interested nations."

The IOC Bureau and Consultative Council further stated that it considered "the proposal of the USA for an International Decade of Ocean Exploration as a useful initiative for broadening and accelerating such investigations and for strengthening international cooperation."

As initial steps to implement the program, the Bureau and Consultative Council, among other things, resolved to request all members of IOC to send in, before the end of 1968, proposals for an expanded program of ocean exploration, to invite other international organizations to participate in the formulation, development, and implementation of the program, and to request the Chairman of IOC to inform the Secretary-General of the United Nations that IOC "is prepared to play a leading role for the planning, development, implementation, and coordination of such an expanded programme."

Here in the United States the National Council on Marine Resources and Engineering Development has contracted with the National Academy of Sciences and the National Academy of Engineering to conduct an initial study of the scientific and engineering aspects of U.S. participation in the International Decade of Ocean Exploration.

That study will identify objectives; determine the capabilities which will be required to achieve scientific and engineering goals; establish priorities in the allocation of manpower, instruments, and sea and shore facilities, estimate the funding which will be necessary for various projects; and appraise the benefits expected from the decade of ocean exploration. The first report on this study should be submitted by April 1, 1969.

CHANGES IN EXISTING LAW

The bill makes no change in existing law.

REEMPLOYMENT RIGHTS OF PERSONS WHO PERFORM MILITARY SERVICE

The Senate proceeded to consider the bill (H.R. 1093) to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment, on page 4, after line 6, insert a new section, as follows:

SEC. 2. Section 3551 of title 5, United States Code, is amended by striking out ", to be restored to the position held when ordered to duty." and by substituting in lieu thereof the following: "within the time limits specified in section 9(g) of the Military Selective Service Act of 1967 (50 U.S.C. App. 459 (g)), to be restored to the position held by him when ordered to duty. However, a Reserve or member of the National Guard who leaves a position for which the salary is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives is entitled on release from active duty to be restored only under the provisions of section 459(g) of title 50, appendix, United States Code."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1477), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill is intended (1) to prevent reservists and National Guardsmen not on active duty who must attend weekly drills or summer training from being discriminated against in employment because of their Reserve membership; and (2) to extend the period of active duty certain reservists or enlistees can perform without losing their reemployment rights.

EXPLANATION

Protection for employees with obligations as members of a Reserve component of the United States

Employment practices that discriminate against employees with Reserve obligations have become an increasing problem in recent years. Some of these employees have been denied promotions because they must attend weekly drills or summer training and others have been discharged because of these obligations. Section 1 of the bill is intended to protect members of the Reserve components of the Armed Forces from such practices. It provides that these reservists will be entitled to the same treatment afforded their coworkers not having such military obligations by requiring that employees with Reserve obligations "shall not be denied retention in employment or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces of the United States." Section 2 of the bill provides that the prohibition against discrimination toward employees with Reserve obligations would be enforcible in the U.S. district courts under section 9(g) of the Military Selective Service Act of 1967.

Reemployment rights for additional military service

Under existing law the general rule is that enlistees and reservists can assert reemployment rights upon release from active duty if that active duty after August 1, 1961, does not exceed 4 years. For enlistees this 4-year period is extended by any period of additional service imposed pursuant to law (involuntary extensions). For reservists this 4-year period is extended by any additional period for which they are unable to obtain orders, relieving them for active duty.

This bill would provide reemployment rights for enlistees whose service after August 1, 1961, is as long as 5 years, if the service longer than 4 years is at the request, and for the convenience, of the Federal Government. This part of the bill is intended to cover those enlistees who voluntarily extend their enlistments in response to a request from the Government to do so. Similarly this bill would provide reemployment rights for reservists whose service after August 1, 1961, is for more than 4 years if such additional service (1) occurs during a period when the President is authorized to order the Ready Reserve to active duty; (2) is not longer than the period for which the President is authorized to order the Reserve to active duty; and (3) is at the request, and for the convenience, of the Federal Government in the case of those reservists who voluntarily enter upon or extend their active duty.

Under the authority of Public Law 89–687, 33,612 members of the Reserve and National Guard have been ordered to active duty. The estimate is that about one-third of these reservists and guardsmen have served on active duty for longer than 2 years since August 1, 1961. If the service of these reservists and guardsmen during the current tour of active duty is for longer than 2 years, their right to reemployment is questionable without the extension this bill would authorize.

Approval of this bill should avoid the necessity for considering new legislation each time reservists or guardsmen are ordered to active duty or when a branch of the Armed Forces finds it to be in the national interest to request voluntary extensions of service for a reasonable period or to encourage voluntary reentry on active duty for a reasonable period. In the absence of a new national emergency or declaration of war the maximum period of additional coverage for reservists will be 2 years. Members of the Armed Forces other than reservists would be limited to a 12-month period of additional coverage for reemployment rights as a result of voluntary or involuntary extensions of enlistments for the convenience of the Government.

Elimination of overlapping coverage

The committee has added a new section 2 to the bill as a result of its attention being called to the existence of a provision of law, section 3551, title 5, United States Code, that overlaps the reemployment provisions contained in section 9(g) of the Military Selective Service Act of 1967. Although section 9(g) of the Military Selective Service Act of 1967 imposes limits on the time a person may serve on active duty without relinquishing reemployment rights, section 3551 of title 5, United States Code, apparently gives Government employees and employees of the District of Columbia an unqualified right of restoration to their jobs upon release from active duty, irrespective of how long they have been on active duty. Consequently the Comptroller General was required to hold recently that a former employee of the Civil Aeronautics Authority was entitled to back pay as a consequence of a failure to reemploy him promptly under section 3551 of title 5, United States Code, after he had served more than 12 years on active duty and had been retired for length of service. Such a requirement obviously was unintended and the committee has amended section 3551 to limit the time that reservists and National Guardsmen who are Government employees and employees of the District of Columbia may serve without losing reemployment rights. This time limit is the same as that which applies to other persons under section 9(g) of the Military Selective Service Act of 1967.

Section 3551 of title 5, United States Code, also conflicts with the provisions of section 9(g) of the Military Selective Service Act of 1967 (50 U.S.C. App. 459(g)) as they relate to the reemployment rights of certain employees of the House and Senate. Section 9(g) of the Military Selective Service Act of 1967 provides that Government employees who have served not longer than the specified periods and who make timely application are entitled to be restored to the position they left to perform military duty or to a position of like seniority status and pay. In any case in which it is not possible for any such person to be restored to a position in the legislative branch of the Government and he is otherwise eligible to acquire civil service status, the U.S. Civil Service Commission can restore such person to an appropriate position in the executive branch of the Government if there is such a position available for which the person is qualified. In contrast, section 3551 of title 5 appears to grant an unqualified right to restoration to the former legislative job, without providing the alternative of restoration to a position of like seniority status and pay, or the alternative of possible employment in the executive branch when there are no positions of like seniority status and pay available in the Senate or in the House of Representatives. Hence the committee recommends a further amendment to section 3551 of title 5 to make clear that employees of the House and Senate do not have an unlimited right of restoration to their former jobs after active duty and that their rights of restoration are limited to those provided by section 9(g) of the Military Selective Service Act of 1967.

Mr. MANSFIELD. The next bill will be Calendar No. 1464, and that will conclude the call of the calendar.

RETIRED SERVICEMAN'S FAMILY PROTECTION PLAN

The Senate proceeded to consider the bill (H.R. 12323) to amend chapter 73 of title 10, United States Code, relating to the retired serviceman's family protection plan, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment to strike out all after the enacting clause and insert:

That chapter 73 of title 10, United States Code, is amended as follows:

(1) Section 1431(b) is amended to read as follows:

"(b) To provide an annuity under section 1434 of this title, a person covered by subsection (a) may elect to receive a reduced amount of the retired pay or retainer pay to which he may become entitled as a result of service in his armed force. Except as otherwise provided in this section, unless it is made before he completes nineteen years of service for which he is entitled to credit in the computation of his basic pay, the election must be made at least two years before the first day for which retired pay or retainer pay is granted. However, if, because of military operations, a member is assigned to an isolated station or is missing, interned in a neutral country, captured by a hostile force, or beleaguered or besieged, and for that reason is unable to make an election before completing nineteen years of that service, he may make the election, to become effective immediately, within one year after he ceases to be assigned to that station or returns to the jurisdiction of his armed force, as the case may be. A member to whom retired pay or retainer pay is granted retroactively, and who is otherwise eligible to make an election, may make the election within ninety days after receiving notice that such pay has been granted to him. An election made after the date of enactment of this amendment is not effective if—

"(1) the elector dies during the first thirty-day period he is entitled to retired pay as a result of a physical condition which led to his being granted retired pay under chapter 61 of title 10 with a disability of 100 per centum under the standard schedule of rating disabilities in use by the Veterans' Administration at the time of the determination of the per centum of his disability;

"(2) the disability was not the result of injury or disease received in line of duty as a direct result of armed conflict; and

"(3) his widow or children are entitled to dependency and indemnity compensation under chapter 13 of title 38 based upon his death."

(2) Section 1431(c) is amended to read as follows:

"(c) An election may be changed or revoked by the elector before the first day for which retired or retainer pay is granted. Unless it is made on the basis of restored mental competency under section 1433 of this title, or unless it is made before the elector completes nineteen years of service for which he is entitled to credit in the computation of his basic pay (in which case only the latest change or revocation shall be effective), the change or revocation is not effective if it is made less than two years before the first day for which retired or retainer pay is granted. The elector may, however, before the first day for which retired or retainer pay is granted, change or revoke his election (provided the change does not increase the amount of the annuity elected) to reflect a change in the marital or dependency status of the member of his family that is caused by death, divorce, annulment, remarriage, or acquisition of a child, if such change or revocation of election is made within two years of such change in marital or dependency status."

(3) The text of section 1434 is amended to read as follows:

"(a) The annuity that a person is entitled to elect under section 1431 or 1432 of this title shall, in conformance with actuarial tables selected by the Board of Actuaries under section 1436(a) of this title, be the amount specified by the elector at the time of the election, but not more than 50 per centum nor less than 12½ per centum of his retired or retainer pay, in no case less than $25. He may make the annuity payable—

"(1) to, or on behalf of, the surviving spouse, ending when the spouse dies or remarries;

"(2) in equal shares to, or on behalf of, the surviving children eligible for the annuity at the time each payment is due, ending when there is no surviving eligible child; or

"(3) to, or on behalf of, the surviving spouse, and after the death or remarriage of that spouse, in equal shares to, or on behalf of, the surviving eligible children, ending when there is no surviving eligible child.

"(b) A person may elect to provide both the annuity provided in clause (1) of subsection (a) and that provided in clause (2) of subsection (a), but the combined amount of the annuities may not be more than 50 per centum nor less than 12½ per centum of his retired or retainer pay but in no case less than $25.

"(c) An election of any annuity under clause (1) or (2) of subsection (a), or any combination of annuities under subsection (b), shall provide that no deduction may be made from the elector's retired or retainer pay after the last day of the month in which there is no beneficiary who would be eligible for the annuity if the elector died. For the purposes of the preceding sentence, a child (other than a child who is incapable of supporting himself because of a mental defect or physical incapacity existing before his eighteenth birthday) who is at least eighteen, but under twenty-three years of age, and who is not pursuing a course of study or training defined in section 1435, of this title, shall be considered an eligible beneficiary unless the Secretary concerned approves an application submitted by the member under section 1436(b)(4) of this title. An election of an annuity under clause (3) of subsection (a) shall provide that no deduction may be made from the elector's retired or retainer pay after the last day of the month in which there is no eligible spouse because of death or divorce.

"(d) Under regulations prescribed under section 1444(a) of this title, a person may, before or after the first day for which retired or retainer pay is granted, provide for allocating, during the period of the surviving spouse's eligibility, a part of the annuity under subsection (a)(3) for payment to those of his surviving children who are not children of that spouse."

(4) Section 1435(2)(B) is amended to read as follows:

"(B) under eighteen years of age, or incapable of supporting themselves because of a mental defect or physical incapacity existing before their eighteenth birthday, or at least eighteen, but under twenty-three, years of age and pursuing a full-time course of study or training in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution;".

(5) Section 1435 is amended by adding the following flush sentences at the end:

"For the purposes of clause (2)(B), a child is considered to be pursuing a full-time course of study or training during an interval between school years that does not exceed one hundred and fifty days if he has demonstrated to the satisfaction of the Secretary concerned that he has a bona fide intention of commencing, resuming, or continuing to pursue a full-time course of study or training in a recognized educational institution immediately after that interval."

(6) Section 1436(b) is amended to read as follows:

"(b) Under regulations prescribed under section 1444(a) of this title, the Secretary concerned may, upon application by the retired member, allow the member—

"(1) to reduce the amount of the annuity specified by him under section 1434(a) and

1434(b) of this title but to not less than the prescribed minimum; or

"(2) to withdraw from participation in an annuity program under this title; or

"(3) to elect the annuity provided under clause (1) of section 1434(a) of this title in place of the annuity provided under clause (3) of such section, if on the first day for which retired or retainer pay is granted the member had in effect a valid election under clause (3) of such section, and he does not have a child beneficiary who would be eligible for the annuity provided under clause (3) of such section. For this purpose, a child (other than a child who is incapable of supporting himself because of a mental defect or physical incapacity existing before his eighteenth birthday) who is at least eighteen, but under twenty-three years of age shall not be considered an eligible beneficiary; or

"(4) to elect that a child (other than a child who is incapable of supporting himself because of a mental defect or physical incapacity existing before his eighteenth birthday) who is at least eighteen, but under twenty-three years of age shall not be considered eligible for the annuity provided under clause (2) of section 1434(a) of this title, or for an annuity provided under section 1434(b) of this title, if on the first day for which retired or retainer pay is granted the member had in effect a valid election under clause (2) of section 1434(a) of this title, or under section 1434(b) of this title." A retired member may not reduce an annuity under clause (1) of this subsection, or withdraw under clause (2) of this subsection, earlier than the first day of the seventh calendar month beginning after he applies for reduction or withdrawal. A change of election under clause (3) of this subsection shall be effective on the first day of the month following the month in which application is made. An election under clause (4) of this subsection shall be effective on the first day of the month following the month in which application is made and, if on the effective date there is no surviving child who would be eligible for an annuity provided under clause (2) of section 1434(a), or under section 1434(b), of this title if the elector died, no deduction shall be made for such an annuity to, or on behalf of, a child from the elector's retired or retainer pay for that month or any subsequent month. No amounts by which a member's retired or retainer pay is reduced prior to the effective date of a reduction of annuity, withdrawal, change of election, or election under this subsection may be refunded to, or credited on behalf of, the member by virtue of an application made by him under this subsection.

(7) Section 1437 is amended to read as follows:

"§ 1437. Payment of annuity

"(a) Except as provided in subsection (b) each annuity payable under this chapter accrues as of the first day of the month in which the person upon whose pay the annuity is based dies. Payments shall be made in equal installments and not later than the fifteenth day of each month following that month. However, no annuity accrues for the month in which entitlement thereto ends.

"(b) Each annuity payable to or on behalf of an eligible child (other than a child who is incapable of supporting himself because of a mental defect or physical incapacity existing before his eighteenth birthday) as defined in section 1435(2)(B) of this title who is at least eighteen years of age and pursuing a full-time course of study or training at a recognized educational institution, accrues—

"(1) as of the first day of the month in which the member upon whose pay the annuity is based dies, if the eligible child's eighteenth birthday occurs in the same or a preceding month.

"(2) as of the first day of the month in which the eighteenth birthday of an eligible child occurs, if the member upon whose pay the annuity is based died in a preceding month.

"(3) as of the first day of the month in which a child first becomes or again becomes eligible, if that eligible child's eighteenth birthday and the death of the member upon whose pay the annuity is based both occurred in a preceding month or months.

However, no such annuity is payable or accrues for any month prior to the effective date of this subsection."

(8) Section 1446(a)(2) is amended by striking out "18" and inserting in lieu thereof "19".

SEC. 2. Chapter 67 of title 10, United States Code, is amended by adding to section 1331 the following new subsection:

"(e) Notwithstanding section 8301 of title 5, United States Code, the date of entitlement to retired pay under this section shall be the date on which the requirements of subsection (a) have been completed."

SEC. 3. For members to whom section 1431 of title 10, United States Code, applies on the date of enactment of this Act, the provisions of section 1434(c) of that title, as amended by this Act, are effective immediately and automatically.

SEC. 4. A retired member who elected an annuity under chapter 73 of title 10, United States Code, before the date of enactment of this Act, but did not make the election that was then provided by section 1434(c) of that title, may, before the first day of the thirteenth calendar month beginning after the date of enactment of this Act, make that election. That election becomes effective on the first day of the month following the month in which the election is made. Under regulations prescribed under section 1444(a) of this title, on or before the effective date the retired member must pay the total additional amount that would otherwise have been deducted from his retired or retainer pay to reflect such an election, had it been effective when he retired, plus the interest which would have accrued on that additional amount up to the effective date, except that if an undue hardship or financial burden would otherwise result payment may be made in from two to twelve monthly installments when the monthly amounts involved are $25, or less, or in from two to thirty-six monthly installments when the monthly amounts involved exceed $25. No amounts by which a member's retired or retainer pay was reduced may be refunded to, or credited on behalf of, the retired member by virtue of an application made by him under this section. A retired member described in the first sentence of this section, who does not make the election provided under this section, will not be allowed under section 1436(b) of title 10, to reduce an annuity or withdraw from participation in an annuity program under that title.

SEC. 5. Notwithstanding any other provision of this Act, elections in effect on the date of enactment will remain under the cost tables applicable on the date of retirement, and the annuities provided thereunder shall be payable to those eligible beneficiaries prescribed under the law in effect on the day prior to the date of enactment of this Act.

SEC. 6. Clause (1) and clause (6) of section 1, and sections 2, 3, and 4 of this Act are effective on the date of enactment. Remaining provisions of this Act are effective on the first day of the third calendar month following the date of enactment. However, notwithstanding any other provision of this Act, any member to whom section 1431 of title 10, United States Code, applies on the date of enactment of this Act may, before the first day of the thirteenth calendar month beginning after the date of enactment of this Act, submit a written application to the Secretary concerned requesting that an election or a change or revocation of election made by such member prior to the date of enactment of this Act shall continue to be governed by the provisions of section 1431 (b) or (c) of title 10, United States Code, as in effect on the day before the date of enactment of this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1480), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE BILL

The purpose of this Department of Defense legislative recommendation is to liberalize various provisions of the retired serviceman's family protection plan (RSFPP) so as to encourage greater participation in the program by retiring service personnel.

The committee has reported the bill as referred with certain changes without disturbing the actuarial soundness of RSFPP:

(1) Make restoration of full retired pay automatic when an eligible beneficiary no longer exists.

(2) Increase from 18 to 19 years of service, the point at which immediately effective elections to participate may be made.

(3) Reduce from 3 to 2 years the delay in the effective date of subsequent elections, modifications, or revocations of elections.

(4) Liberalize the current withdrawal procedures for retired participants.

(5) Permit certain modifications and reductions by retired participants in their elected options.

(6) Eliminate possible abuses resulting from so-called deathbed retirements.

(7) Provide annuities for children at least 18, but under 23 years of age pursuing a full-time course of study or training in a recognized educational institution.

(8) Simplify methods of computation to reflect dollar amounts for monthly costs and survivor annuities.

(9) Eliminate delays between date of completing requirements for Reserve retired pay at age 60, and effective date of retired pay and RSFPP election.

SUMMARY OF CHANGES RECOMMENDED BY COMMITTEE

Change or revocation effective immediately if made before completing 19 years of service

The committee has added a provision authorizing the revocation or change of an election at any time if made before the completion of 19 years of service, without the usual 2-year delay. Such changes or revocations must be made before the completion of 19 years of service. In other words, the usual 2-year rule will not apply with respect to changes or revocations made before 19 years of service since there is no actuarial requirement for a restriction in this instance.

As passed by the House of Representatives, the bill already provides the right to make an immediately effective original election before the elector completes 19 years of service. Unless an immediately effective change or revocation can be made as well before completion of the 19th year of service, the elector would be required to wait 2 years for that change or revocation to become effective, thereby encouraging him to wait until the last possible moment to make his original election.

Good practice should encourage advance elections well before completion of the 19th year of service. No disadvantage, in the form of a 2-year waiting period, should accrue to the individual if he subsequently changes or revokes his election before completion of the 19th year of service.

Six-month waiting period for retired members who elect to reduce an annuity or withdraw from an annuity program

The committee amendment provides that a retired member's application to withdraw from an annuity program, when such application is approved by the Secretary concerned, shall be effective on the first day of the seventh month following the month in which the application is made.

This change effectively reduces to 6 months the 12-month waiting period prescribed in the bill as passed by the House of Representatives.

The House prescribed a 6-month wait in the case of a retired member applying to reduce an annuity. The committee agrees that the 6-month rule should apply in such cases.

The Department of Defense strongly supports the 6-month rule for both reductions and withdrawals. The Board of Actuaries, on the other hand, would prefer a more conservative 12-month rule in both cases. All concerned agree that in the absence of actual experience under one or other rule, no compelling statistical basis can be developed in support of one or the other alternative.

The committee believes that the combination of a 6-month wait for reductions and a 12-month wait for withdrawals, as passed by the House, could be self-defeating and could impose onerous and unnecessary administrative burdens. Under that combination arrangement, a member seeking ultimate withdrawal could concurrently apply for reduction to a minimum annuity effective in 6 months—and complete withdrawal effective in 12 months.

The committee is persuaded that a uniform 6-month reduction/withdrawal rule will most effectively support the fundamental objective of the bill to encourage greater participation in the RSFPP program by retiring members. The absence of such a reasonable reduction/withdrawal privilege has been frequently cited by eligible personnel as a prime basis for their failure to participate in the RSFPP system. There is no indication that a uniform 6-month rule will jeopardize the actuarial soundness of the system.

Retired members with or without living beneficiaries given second chance to elect restoration option (option 4)—Installment payments to avoid financial hardship

The committee amendment affords a retired member who did not prior to his retirement elect the restoration option (option 4), a second chance to do so without regard to whether or not he has living beneficiaries who would be eligible for an RSFPP annuity in the event the member died. Such a member must take advantage of his second chance to make this restoration option election before the first day of the 13th month following enactment of the bill. Unless he does so, he will not thereafter be allowed to reduce an annuity or withdraw from an annuity program.

The bill as passed by the House afforded the second chance to elect the restoration option only to those retired members without that option who still have living eligible beneficiaries.

The committee amendment also provides for installment payments to avoid financial hardship in the case of retired members who take advantage of their second chance to elect the restoration option. The payment required from such members represents the difference between amounts that were deducted from their retired pay, and amounts that would have been deducted if the restoration option had been effective at retirement, plus interest. The committee amendment authorizes payment in from 2 to 12 monthly installments when the monthly amounts involved are $25 or less; or in from 2 to 36 monthly installments when the monthly amount involved exceed $25.

Discontinuance of retired pay reductions in certain cases involving children over age 18 (other than those incapable of self-support)

The committee amendment extends and further defines certain provisions of the bill automatically stopping further reductions in the member's retired pay when there are no remaining beneficiaries who would be eligible for an annuity if the member died.

In effect, this change permits members who retire in the future to immediately withdraw or reduce their payments, only with regard to children over 18, but under 23 years of age. The changing circumstances for this limited class do not necessitate the normal rule requiring 6 months' notice for withdrawal or reduction. Further the committee amendment provides that when a member had elected option 3 (the family option) and the wife dies, no further deductions will be made from the member's retired pay, but protection for eligible children will continue.

The committee has made no change in the automatic restoration entitlement which applies where the member made an election for spouse only (option 1), and there is no longer an eligible spouse.

The committee amendment provides that where the member made an election for children only (option 2), and where there is a remaining child or children at least 18, but under 23 years of age, retired pay reductions will continue unless the Secretary concerned approves the member's application that such child (other than a child incapable of self-support by reason of a physical or mental defect) not be considered an eligible beneficiary. The member may make such application whether the child or children concerned are or are not actually enrolled in a full-time course of study at a recognized educational institution. Provided the member's application is approved by the Secretary concerned, his election will be effective on the first day of the month following the month in which application is made.

In those cases where the member elected the so-called family option for his spouse and, after her death or remarriage, for his children (option 3), the committee amendment provides that no deduction from the member's retired pay shall be made after the last day of the month in which there is no spouse who would be eligible to receive an annuity if the retired member died.

As passed by the House, the bill had provided that in option 3 cases where no eligible spouse remained, retired pay reductions would be continued, but would be recomputed at the rates prescribed for an election for children only (option 2). The Board of Actuaries has advised the committee that great technical difficulties would effectively preclude development of equitable retired pay reduction factors on the last mentioned basis (i.e., option 3, then option 2 when no eligible spouse remains). The Board of Actuaries therefore recommended that the committee amend the bill to provide that reductions in retired pay under option 3 continue only as long as there is an eligible spouse. After her death or divorce, protection would be provided for remaining eligible children without further reductions in the member's retired pay. There would be a slightly larger reduction in the member's retired pay during the joint lifetime of himself and his spouse, to make up for coverage without charge for eligible children after the death or divorce of the spouse.

Removal of prohibition on annuity payments to children over age 18 pursuing post-baccalaureate studies

The committee amendment deletes the provision that children at least 18, but under 23 years of age are ineligible for annuity payments if pursuing a course of study or training leading to the award of an academic degree above the baccalaureate level.

The annuities provided under RSFPP are paid for by the member under the actuarial-equivalent method. As such, they are most akin to the educational benefits provided under comparable commercial systems. They are not paid for by the Government. In the circumstances, the committee does not believe it is reasonable or equitable to effectively limit the level of academic achievement an eligible child may pursue or attain, by denying to him at the post-graduate level the annuity his parent has already paid for.

Retired member's right to change "family" election to coverage for spouse only when there are no remaining eligible children (other than those incapable of self-support)

The committee amendment provides to the retired member the right to elect, subject to Secretarial approval, coverage for spouse only (option 1) in place of the so-called family option (option 3—coverage for spouse until death or divorce, and thereafter for eligible children), if he does not have an eligible child beneficiary.

This is a new entitlement. Where a retired member formally applies for this change in coverage (from option 3 to option 1), a child or children who are at least 18, but under 23 years of age (other than a child or children incapable of self-support due to a physical or mental defect), shall not be considered eligible RSFPP beneficiaries. Their automatic ineligibility for an annuity applies only for this purpose in cases in which a retired member's formal application is approved by the Secretary concerned to allow a change in coverage from option 3 to option 1.

Provided the member's application for option 1 coverage in place of option 3 is approved by the Secretary concerned, the change of election will be effective on the first day of the month following the month in which application is made.

Elimination of uniform retirement rule delay in effective date of RSFPP election for non-active duty reserve retirements at age 60

The committee amendment effectively provides that the date of entitlement to reserve retired pay (so-called title III retirement) shall be the date on which the reservist meets the requirements of section 1331 of title 10, United States Code (i.e., is at least age 60, has completed 20 years of qualifying service—the last 8 years in a prescribed reserve category—and is not otherwise entitled to retired or retainer pay from an armed force.)

The uniform retirement date rule prescribed under section 8301 of title 5, United States Code, now effectively prescribes that the date of entitlement to retired pay shall be the first day of the month following the month in which the reservist completes the requirements set out in 10 USC 1331. As a result, some otherwise qualified reservists who, for example, reach age 60 on the first day of a given month must wait until the first day of the following month for their entitlement to retired pay to commence. As a result, the effective date of their RSFPP elections is similarly deferred. The survivors of an otherwise qualified reservist who dies during the hiatus between the date on which he met all requirements of 10 USC 1331, and the effective date of entitlement to retired pay, are thereby denied the RSFPP survivor annuities they might otherwise enjoy.

The committee amendment eliminates the possibility of this undesirable result in future, by making the uniform retirement date rule inapplicable to so-called title III reserve retirements at age 60. The committee is persuaded that this complete and direct means of attaining the desired result is preferable to the somewhat more complicated means of obtaining RSFPP coverage for affected survivors, as prescribed in the bill as passed by the House. The committee amendment has the added advantage of establishing the reservists' entitlement to retired pay on that date on which he meets all the age and service requirements prescribed in law.

No change in status or entitlements of children incapable of supporting themselves because of a mental or physical incapacity

The committee has revised or amended various sections of the bill as passed by the House of Representatives, to avoid inadvertent change in the status or entitlement to RSFPP annuities accruing to children incapable of supporting themselves because of a mental or physical incapacity existing before their 18th birthday.

The amendments are not substantive. They merely preserve existing entitlements which might have been altered inadvertently if certain provisions passed by the House relating to children at least 18, but under 23 years of age, were strictly interpreted.

Savings clause—Members not yet retired may elect to remain under law in effect prior to enactment

The committee amendment provides that, before the first day of the 13th month beginning after the date of enactment of the bill, a member not yet retired may submit a written application requesting the effective date of his RSFPP election be determined under the law applicable prior to the date of enactment.

Purpose of this savings clause is, for example, to allow an active duty member who retires within 1 year of enactment, to avoid acceleration under the bill of the effective date of a change or revocation of election. Such a member may have since changed his mind regarding the desirability of that change or revocation of election, and could be relying in good faith on retirement before such change or revocation could become effective under the law in effect prior to enactment of this bill.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS, 1969

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1457, H.R. 17522. I do this so that the bill will become the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

Mr. MANSFIELD. Mr. President, with the concurrence of the distinguished Senator from Arkansas, I yield 4 minutes to the distinguished Senator from Indiana.

SAIGON'S DEMOCRACY: 5 YEARS AT HARD LABOR FOR TALKING PEACE

Mr. HARTKE. Mr. President, to say that the news of the sentencing of Truong Dinh Dzu by a five-man military court in Saigon on Friday, July 26, is disturbing is to make the grossest of understatement. Mr. Dzu was the runnerup to President Thieu in last year's South Vietnamese presidential election. He campaigned on a platform of a negotiated settlement with the National Liberation Front. His conviction, after a brief 3-hour trial, carries a 5-year term at hard labor. He has no appeal. The charges on which Mr. Dzu stands convicted are for "actions which weakened the will of the people and army of South Vietnam to fight against the Communists," under a 1965 decree that provides for the prosecution of any citizen whose activities "interfere with the Government's struggle against communism." These charges were not disclosed until three days before Mr. Dzu's trial.

Mr. Dzu appeared on the ballot in the election of 1967 at the sufferance of then Premier Ky and Mr. Thieu. He was not well known and he was not expected to pose a threat, and it is true he did not win. But he finished second to the man who did and, unlike Mr. Thieu, he had no hand in the counting of the ballots. Mr. Dzu received over 800,000 votes. He had never been arrested before and was never considered to be a Communist nor sympathetic to communism. Our Government has consistently said that we are in Vietnam in order that the Vietnamese can determine for themselves their own government and choose their own leaders. But if Mr. Dzu is guilty of any crime, it is for winning too many votes in the 1967 election.

The reaction of our Government to this callous and tragic suppression of political dissent has, at least to date, been one of inexplicable—and inexcusable—restraint. With the recent reaffirmation in Honolulu by President Johnson of our opposition to a coalition government as a formula for a negotiated settlement of the Vietnam conflict, it is not expected that the administration's official posture on Mr. Dzu's conviction will go beond the diplomatic nomenclature of "unfortunate."

But for those who look daily to the Paris negotiations and pray for an end to this terrible, tragic, and unending war, Truong Dinh Dzu's conviction is an ominous and foreboding cloud on the horizon to peace. For if it is a crime to speak of accommodation in Saigon, it is, perforce, an illusion to speak of it in Paris. If a negotiated settlement is the hope for peace in Paris, it is no threat to war in Saigon.

Atticus Finch, the wise father-lawyer in Harper Lee's fine novel, "To Kill a Mockingbird," observed that to understand the other fellow's point of view you had to crawl inside his skin. From that vantage point—that is, from the view of the North Vietnamese and the Vietcong—it is an inescapable conclusion that the Thieu-Ky regime, for itself, will accept no less, in Paris, Washington, Hanoi, Honolulu, or Saigon, than the absolute and unconditional surrender of the other side. As it is clear to the North Vietnamese and the Vietcong, it should be equally clear to the American people. In Honolulu and elsewhere, the administration has done nothing to dispell the entrenchment of the Saigon government—or our own.

It is said that politics make strange bedfellows, and wars peculiar alliances. It can also be said that when you lie down with dogs, you get up with fleas. We are often reminded that, whatever else its shortcomings, the Thieu-Ky government is stanchly anti-Communist. Indeed, that fact is disputed by no one. Its anticommunism is the only thing about the Saigon regime to recommend it. But, then, one equally could have said—and many did—the same of the Third Reich.

The lesson—and tragedy—of the Dzu conviction by the Thieu regime is that the ultimate barrier to a negotiated settlement and peace in Vietnam is not Ho Chi Minh, or the NLF or the Vietcong—but the Saigon regime.

The tragedy is that the ultimate barrier to peace is not Ho Chi Minh or the National Liberation Front but with Saigon itself.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HARTKE. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I have heard with the deepest interest, the Senator's comment on the Dzu case, and also I have heard the comments of the majority leader on the same case.

I do not feel that we can interfere in the internal affairs of the Republic of Vietnam, but this matter goes to a different subject. The question is: Are we going to be so locked in with what they wish to do or do not wish to do about having a broadly based regime as a result of elections that when the moment of truth comes and talks are held on that basis, they are possibly going to demur and we will be locked in as shown by the July 20 Honolulu communique. Otherwise, we have the right to protest vigorously. I would like to join with the Senator in that point.

We cannot be locked into a situation where they will not open ranks, even in an election. I would like to join the Senator in protesting to that extent.

Let our Government understand it cannot lock itself into the Government of South Vietnam, as, in my opinion, the Honolulu communique does. This is the salient reason why it cannot and should not do so, as the Senator stated.

Mr. HARTKE. I share with the Senator the same feeling that we should not interfere with the internal operations of the Government of Vietnam. I accept the explanation that this is in line with what I said.

Here is a man who said in open court:

> All I want to do is talk with the people we are fighting.

He said:

> I do not know how you can stop the war unless you talk with the people you are fighting.

Mr. JAVITS. He said, "If I am elected President."

Mr. HARTKE. The Senator is correct.

Mr. JAVITS. That is different than saying it as a candidate. He said, "If I am elected President, I will talk to them," and for that they are sending him to jail. It is their business about sending him to jail, but we have the right to say, "Look, if that is the way the Government of Vietnam is run, we cannot get locked in."

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination reported earlier today by the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered. The nomination will be stated.

U.S. CIRCUIT JUDGE

The assistant legislative clerk read the nomination of Ruggero J. Aldisert, of Pennsylvania, to be U.S. circuit judge, third circuit.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified immediately of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

PEACE IN VIETNAM IS TOO IMPORTANT TO BECOME A POLITICAL FOOTBALL

Mr. CLARK. Mr. President, a political advertisement was published in the New York Times of yesterday under the imprimatur of the National Committee for a Political Settlement in Vietnam. The distinguished chairman of that committee is Clark Kerr, of the University of California, Berkeley. The other members of the committee are well-known and prominent American citizens. The title of the advertisement is "Peace in Vietnam Is Too Important To Become a Political Football."

The advertisement outlines eight principles for a program for peace in Vietnam on which the authors of the amendment believe America can unite.

I ask unanimous consent that a copy of the advertisement may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. Mr. President, I should like to note my strong concurrence with these eight points for a settlement in Vietnam, which should be nonpolitical and definitely in the interest of the United States, and behind which I hope all Americans can unite. The platform is similar to that advanced in this Chamber many times by me and many of my colleagues.

EXHIBIT 1

PEACE IN VIETNAM IS TOO IMPORTANT TO BECOME A POLITICAL FOOTBALL

We believe there is a program for peace in Vietnam on which America can unite. We propose:

1. An immediate standstill cease-fire by all sides, starting with an end of U.S. bombing of North Vietnam.
2. International peace-keeping machinery.
3. Free elections so that the government of South Vietnam can be chosen democratically by the people and not imposed by Washington or Hanoi, with an agreement by all parties to accept the results of the election.
4. Full freedom for all political groups in South Vietnam to organize, campaign and present their candidates and programs.
5. U.S. support for social and economic reconstruction, including an extensive land reform program.
6. Assurance by the resulting government of protection of minorities against reprisals before the international peace keeping corps departs.
7. Agreements for the withdrawal of all outside military forces from South Vietnam, including both U.S. and North Vietnamese.
8. No unilateral withdrawal or military escalation by the United States.

We Are Submitting This Program to the Major Candidates For President—Humphrey, McCarthy, Nixon, Reagan and Rockefeller.

We will make known their answers with the hope that we will find substantial agreement.

If there are differences the voters will have a clear set of statements on which to base their judgment.

NATIONAL COMMITTEE FOR A POLITICAL SETTLEMENT IN VIETNAM

OFFICERS

Chairman: Clark Kerr *University of California, Berkeley*

Co-chairmen: Most Rev. John J. Dougherty *President, Seton Hall University*

Philip M. Klutznick *Chairman of Board, American Bank & Trust Co.*

Seymour Martin Lipset *Center for Int'l Affairs, Harvard*

Daniel Patrick Moynihan *Joint Center for Urban Studies, Cambridge*

Walter P. Reuther *President, United Auto Workers*

Rt. Rev. Leland Stark *Bishop, Episcopal Diocese of Newark*

Earl P. Stevenson *Arthur D. Little Co., Cambridge*

YOU CAN HELP

This is the Peace Plank we are taking to the candidates for the Presidency, the Senate, and the Congress, and to the delegates, and platform committees of both parties.

Our Convention Peace Corps will be at the conventions in Miami and Chicago, along with committee leaders, to get the support of the delegates for this plank in the party platforms.

If you believe as we do that this program can help lead to peace in Vietnam:

Send copies of this ad to the delegates from your state and to the Platform Committees of both Conventions.

Reprint this ad in your local press.

And send a generous contribution today to support this program.

To: National Committee for a Political Settlement in Vietnam, 156 Fifth Avenue, Room 516, New York, N.Y. 10010—212-889-4018

Yes, I want to help take this Program to leaders of both parties throughout the nation and at the conventions.

I enclose $------------------------------

Send me----------------**reprints of this ad.**

Name ------------------------------

Address ------------------------------

City ------------ **State** ------ **Phone** ------

Make checks payable to: Political Settlement Now

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HARTKE. Mr. President, I wish to thank the distinguished Senator from Pennsylvania for calling this matter to the attention of the Senate and especially those people who are going to participate in the platform arrangements at the national conventions. I wish to join the Senator in endorsing this program.

Mr. CLARK. I am happy to have the Senator make that endorsement.

Mr. President, I ask unanimous consent to have printed in the RECORD an article which appeared in the Washington Post this morning under the byline of Chalmers M. Roberts entitled "Humphrey Advisers Complete Draft on Vietnam War Policy." This article related to the advertisement that I have referred to.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HUMPHREY ADVISES COMPLETE DRAFT ON VIETNAM WAR POLICY

(By Chalmers M. Roberts)

A draft of Vice President Humphrey's promised statement on Vietnam is now ready but no decision has yet been made on when to make it public.

There is a possibility, Humphrey aides said yesterday, that the Vice President will unveil it at a Tuesday luncheon appearance before the Commonwealth Club in San Francisco. More likely, however, it will be released in Washington after Humphrey returns here in midweek.

While the contents of the policy statement are still secret, comments by the Vice President and his advisers have provided some clues.

The latest statement came Saturday night in Los Angeles from Humphrey himself in answering a request from Clark Kerr, chairman of the National Committee for a Political Settlement in Vietnam. Kerr had written all the candidates asking their position on the Committee's eight points on Vietnam.

Humphrey replied that he "wholeheartedly" endorsed all eight points "with one measure of elaboration." This dealt with the Committee's call for an end to all bombing of North Vietnam. Humphrey replied that "present limited bombing" should only be stopped if some reciprocal move is made by Hanoi.

Among the other points that Humphrey endorsed were "full freedom for all political groups in South Vietnam to organize, campaign and present their candidates and programs," and a pledge to accept the outcome of free elections.

In Los Angeles yesterday, Humphrey said that his support of the eight points did not represent a switch in his position but he referred questioners to President Johnson and Secretary of State Dean Rusk when asked whether the points also represented the Administration's position.

One highly placed Humphrey adviser, who declined the use of his name, said that "if (Sen. Eugene) McCarthy would furnish us a paragraph or two that they would stand for officially, we might be amazingly close."

But he added that he was not sure whether the McCarthy camp "wants to agree" and that there seems to be less of a policy difference than there is a political difference between the two top Democratic contenders for the Presidential nomination.

On the other hand, a top McCarthy aide recently said that the Senator wants to narrow the issues that will come up during the platform hearings at the August convention because of a desire to avoid helping Richard Nixon win the Presidency. However, this McCarthy adviser commented that there obviously will be differences on both Vietnam and how to handle urban problems.

The McCarthy camp contends that it is President Johnson, not Humphrey, who is calling the shots on the platform because the President wants vindication of his policies, especially on the war.

Platform committee sources deny that. They insist that Mr. Johnson has passed the word specifically that he does not want anything to do with writing the platform. These sources also point out that the platform committee members are chosen in the states, not by the White House or anyone else.

These sources hopefully add that they do not see any reason for a major fight on Vietnam, contending that everybody wants an honorable peace and favors the Paris talks.

Humphrey's problem on Vietnam is threefold: He feels he must stay true to his own beliefs and that includes support of the President under whom he has served, he needs an accommodation with McCarthy and he needs a platform plank that cannot be unduly criticized by the far right elements now so evident in the candidacy of George Wallace on a third party ticket.

The Vietnam task force, which met with Humphrey last Wednesday to go over the draft, is middle road so far as the known views of its members go. The chairman is Prof. Samuel P. Huntington, head of department of government at Harvard.

Huntington is the author of an article in the current issue of Foreign Affairs Quarterly entitled "The Bases of Accommodation." While Humphrey aides said yesterday that the article should not be taken as a preview of the Vice President's statement, it is indicative of advice he has been receiving.

Huntington's argument is that Vietnam has now become highly urbanized because of the war that therefore the Vietcong could no longer win in the countryside and had to attack the cities.

From this Huntington argues that to agree to a coalition government with the Communists in Saigon "would surrender to the Vietcong a major share in the exercise of authority in urban areas, which is precisely what they have been unable to win through military means." He calls for beginning political compromise at the local level after a cease-fire with the eventual risk of Communist participation in new national elections.

McCarthy, however, wants the United States to agree now to a coalition. This critical difference with Humphrey (who once said that a coalition would mean letting the fox in the chicken coop) seems likely to make a platform compromise impossible unless the issue is totally avoided.

Others on Humphrey's Vietnam task force are Lucien Pye of MIT, Kenneth Young of the Asia Foundation, I. Milton Sacks of Brandeis, A. Doak Barnett of Columbia and Howard Wriggings of Columbia. These men were at the Wednesday meeting as were Zbigniew Brzezinski of Columbia, Edwin O. Reischauer of Harvard and several others whom Humphrey aides refused to name other than to say they are not in the Johnson Administration.

FEDERAL-AID HIGHWAY ACT OF 1968—CONFERENCE REPORT

Mr. RANDOLPH. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3418) to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of July 26, 1968, pages 23692–23699, Congressional Record.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MANSFIELD. Mr. President, before the Senator becomes involved in his report, I have an engagement and I would like to make a statement at this time and ask questions.

Mr. RANDOLPH. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, the Federal aid highway program is a extremely important program to each State and the District of Columbia. The construction of the interstate program situation is having marked influence on many areas of the country. It is a fine program and I hope that we will be able to continue without any undue delay or extreme cutback in funding.

The conference report that is before us today concerns me somewhat. This bill seems to be creating a precedent insofar as the District of Columbia is concerned in placing the Congress in the role of a highway engineer, a precedent we might well extend to the 50 States of the Union, based on what has been agreed to in conference. I am not convinced in my own mind that the Members of Congress are the proper ones to be planning and dictating the construction of highways and freeways in the District.

For many years I, personally, have been very much opposed to the recommended construction of the Three Sisters Bridge. The prime reason that I have been opposed to the construction of the bridge across the Potomac above Georgetown is because of the fear that approaches to this bridge would invade Glover-Archbold Park and, also, would be the first step in an effort to construct a highway through this park.

There are far too few places like Glover-Archbold Park and I feel that these natural parks must be protected.

Mr. President, I placed in the Record some months ago a statement from Mrs. Anne Archbold, one of the original donors of the Glover-Archbold Park, in which she stated that she had donated all of this area, along with the Glovers, in perpetuity for the use of the people of the District of Columbia to use as a recreation area, and to be continued as a park. Otherwise, there would still be in the minds of these two families the fear that the District committees would initiate opportunities to create a possibility which I think could work against the benefit of the people of the District.

I am in receipt of a telegram from Miss Moira Archbold, 4437 Reservoir Road NW., which reads as follows:

> My mother, the late Anne Archbold, donated to the people a substantial part of Glover-Archbold Park. A Three Sisters Islands bridge would invite future highway invasion which would ruin the park. I urge you to exclude from the highway bill any provision permitting a Three Sisters Bridge.

Now, Mr. President, I would like to ask some questions, if I may, of the distinguished chairman of the Committee on Public Works, and he is a distinguished Senator and a very capable one.

I have just recently received assurances that the construction of the Three Sisters Bridge as now proposed would not affect Glover-Archbold Park. I would now like to seek reassurances of this fact.

When Three Sisters Bridge is constructed, will there be any encroachment on the existing Glover-Archbold Park?

Mr. RANDOLPH. Let me say to the Senator from Montana that there will be no encroachment upon Glover-Archbold Park.

I should like to read, for the benefit of the majority leader, who has a proper and continuing concern in this matter, as do other Senators, the language on page 35 of the conference report, as follows:

> Immediately upon completion of construction of the bridge, the District of Columbia shall relinquish to the National Park Service the right-of-way through Glover Archbold Park that it presently holds. The design of the bridge does not require intrusion on the park and the Congress directs that no intrusion of the park take place.

Mr. MANSFIELD. I thank the Senator. Another question: What is the plan for routing traffic off Three Sisters Bridge into the District of Columbia?

Mr. RANDOLPH. When the Potomac River Freeway is constructed—during which construction period there will be time for the District government and with the Department of Transportation to integrate this project in a comprehensive system—it would be an outlet for the Three Sisters Bridge in connection with the entrance into the District of Columbia.

I also believe it important to point out that there is, as has been indicated by the Senator from Virginia [Mr. Spong], a very able member of our Committee on Public Works, a very real need for the Three Sisters Bridge with respect to the flow of traffic into and from the northern parts of Virginia into the District of Columbia. The Senator is in the Chamber at this time, and I would want to emphasize that there is a very real problem of access to Dulles International Airport which, increasingly, will be an important reason for the construction of this bridge.

Mr. MANSFIELD. One more question:

The most basic and important question I would like to ask is, what assurances can we have against future invasion of this park land?

Mr. RANDOLPH. Of course, I know the Senator feels that the manager's report is important; also section 138 of title

XXIII with reference to the preservation of parklands, and that language would give the assurance that the distinguished majority leader is asking for.

Mr. MANSFIELD. Would the Senator insert that in the Record at this point?

Mr. RANDOLPH. It will be inserted; yes, sir:

PRESERVATION OF PARK LANDS

The Senate bill amended section 138 of title 23 to make it conform to the declaration of policy set forth in section 4(f) of the Department of Transportation Act relating to the preservation of park lands.

Section 18 of the House amendment amended section 4(f) of the Department of Transportation Act to make that declaration of policy conform with the declaration of policy in section 138 of title 23 of the United States Code on that subject.

The conference substitute amends both section 4(f) of the Department of Transportation Act and section 138 of title 23 of the United States Code so that the declaration of policy will be identical in each instance and this declaration reads as follows:

"It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands. wildlife and waterfowl refuges, and historic sites. The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of the Federal-Aid Highway Act of 1968, the Secretary shall not approve any program or project which requires the use of any publicly owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planing to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use."

This amendment of both relevant sections of law is intended to make it unmistakably clear that *neither* section constitutes a mandatory prohibition against the use of the enumerated lands, but rather, is a discretionary authority which must be used with both wisdom and reason. The Congress does not believe, for example, that substantial numbers of people should be required to move in order to preserve these lands, or that clearly enunciated local preferences should be overruled on the basis of this authority.

Mr. MANSFIELD. Now, Mr. President, I think it is reasonable to assume that once this bridge is completed, there will then be traffic congestion in this area. As I have indicated, this park must be protected and the construction of this bridge will, certainly, be a temptation for the highway builders who want to construct a roadbed through the park and on up Wisconsin Avenue.

I would appreciate having this clarification. I know that the Senate conferees have worked long and hard on this bill in an effort to bring about a reasonable compromise. I feel that it is important to have this.

Mr. President, I, of course, am very happy to have the assurance of the distinguished chairman of the Committee on Public Works, but I would point out that not only have the highway construction people been very desirous of penetrating through the Glover-Archbold Park, but even Georgetown University, several years ago, was desirous of obtaining some of the acreage at the bottom of the park, toward Canal Road and the Potomac River. I can understand that, because some of the Fathers came to see me about this matter, and I assured them that I was just as much opposed to their taking any part of this land as I was to any other person, entity, organization, or institution doing so.

I told them I hoped we would not succumb too much to the people who believe in highways, ribbons of concrete, various kinds of curlicues, question marks, and what-not; that I would hope in this congested part of our country, which will become more and more congested as time goes on, the Senator from Montana—speaking as a temporary resident of the District of Columbia—would like to state that we should pay more attention to the preservation of open spaces and clear areas than has been the case to date. With the passage of time, space is simply going to become more and more needed and necessary as recreational areas for the people of the District, including citizens in the surrounding States of Maryland and Virginia.

I wish to thank the distinguished chairman for his courtesy and patience, and for the explanation which he has given to me.

Mr. RANDOLPH. Mr. President, by way of conclusion, I think the State of Virginia—concerning which the Senator from Virginia will speak—will proceed with the development and construction of Interstate Route 66.

Now those of us who were in the conference agree that the Three Sisters Bridge is to be built, I say to my distinguished majority leader, in such a way that it will not now, or in the future, result in any encroachment on Glover-Archbold Park. This is a matter on which we all agree. We insist, I want to emphasize for the Record, that everything is being done to protect that area of the District of Columbia from any kind of highway construction. A majority of the Senate conferees agreed to this part of the District of Columbia highway program. I share with the able Senator from Montana his concern and desire to know exactly what we can expect in the future. I, too, am a resident of the area in which he lives, and I know of the action of citizens' associations in that area, and in the citizens' associations of which I am a member.

The Senate conferees have completely protected the interests of those who believe in open spaces, even within metropolitan areas, as being vital to the environment in which people live.

We tried, all the way through this program, to make, not just a program of concrete and asphalt, but a program in which environmental factors will be very much observed.

Mr. MANSFIELD. Mr. President, may I say, knowing the distinguished chairman of the Public Works Committee and his colleagues who served with him on the conference, as well as those who serve with him in the Senate Committee on Public Works, that I am very appreciative of the outstanding cooperation and understanding shown by the Members generally speaking. That applies most particularly to the two Senators from Virginia, the able Senators Spong and Byrd, because I recognize their interest.

May I say one thing in conclusion? I do happen to be interested in Glover-Archbold Park because I live two blocks away. My property does not abut the parkway.

Mr. RANDOLPH. I also live two blocks away.

Mr. MANSFIELD. May I say what I have said about Glover-Archbold I would say about any other such area in the District of Columbia or, for that matter, any other part of the country as well.

The congested areas in which most of our people live—approximately 80 percent, I believe, is the latest estimate—should be given some special consideration in the matter of open spaces and recreation areas. In my part of the country we do not have that problem, and we certainly will not have it for a long time, if ever; but in the eastern part of the country, where, in reality, we have a metropolitan district stretching from Boston in the North almost to Richmond in the South, and very likely in the next decade or so it will stretch beyond those points, there is a very special need for this type of program.

I thank the distinguished Senator for yielding.

Mr. RANDOLPH. I thank the able Senator.

I yield now to the distinguished Senator from Virginia [Mr. Spong].

Mr. SPONG. Mr. President, construction of the Three Sisters Bridge and Interstate Route 266 are essential to the full development of Dulles International Airport, and I am gratified that the conferees on S. 3418 have recommended congressional approval of these projects.

The capacity of Washington National Airport has been exceeded, and any major effort to improve air transportation facilities in the Washington area should be directed toward Dulles. Construction of the Three Sisters Bridge and the Interstate Route 266 connection to Interstate 66 would facilitate the utilization of the air transportation potential of Dulles.

Mr. President, I may say that my colleague, Senator Byrd of Virginia, who is presently occupying the chair, joins me in this statement.

The Virginia General Assembly, at its regular 1968 session, felt this matter was so important that it adopted a joint resolution requesting the Virginia congressional delegation to exert all possible efforts to assure prompt construction of the bridge.

Mr. President, at this point I ask unanimous consent that a copy of the general assembly's joint resolution be inserted in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

COMMONWEALTH OF VIRGINIA, GENERAL ASSEMBLY, HOUSE JOINT RESOLUTION 168

Joint resolution memorializing the members of the delegation to the Congress of the United States from Virginia to assure the prompt authorization of the proposed Three Sisters Bridge across the Potomac River

Whereas, the United States Department of Transportation is considering disapproval of the proposed Three Sisters Bridge across the Potomac River connecting Arlington County and the District of Columbia area; and

Whereas, this bridge is an essential part of Interstate Route 266; and

Whereas, planning for this crossing has been underway since June thirty, nineteen hundred sixty, when Interstate 266 with a bridge across the Potomac was first approved by the United States Bureau of Public Roads; and

Whereas, all traffic forecasts made by responsible highway authorities indicate an overwhelming need for a bridge over the Potomac in the Three Sisters area; and

Whereas, the interstate plan for Northern Virginia is entirely compatible with proposed mass transit facilities in that area, and is vital to assure an adequate, balanced transportation system; and

Whereas, designation of an additional Potomac River crossing in the Three Sisters area as a part of the interstate system was a basic factor in the decision that Interstate 66 would provide a satisfactory connection between Washington and the Dulles International Airport access road; and

Whereas, the Virginia Department of Highways has worked closely with federal, regional and local agencies in developing plans for the proposed river crossing and interstate connection; now, therefore, be it

Resolved by the House of Delegates, the Senate concurring, That the General Assembly of Virginia urges that Virginia members of the Congress of the United States exert all possible efforts to assure the prompt authorization for carrying out plans originally approved by federal authorities in nineteen hundred sixty to construct these integral segments of the interstate highway system. The Clerk of the House of Delegates is directed to send to each member of the Virginia delegation to the Congress of the United States a copy of this resolution.

Agreed to by the House of Delegates, March 8, 1968.

GEORGE R. RICH,
Clerk.

Agreed to by the Senate, March 9, 1968.

BEN D. LACY,
Clerk.

Mr. SPONG. Mr. President, in conclusion, I wish to thank the distinguished chairman of the Senate Public Works Committee, Senator RANDOLPH, and the other members of the conference committee for their diligence in reconciling the differences in the Senate and House versions of this important and far-reaching legislation. I hope it will be the pleasure of the Senate to approve their recommendations.

Mr. RANDOLPH. Mr. President, I appreciate what the distinguished Senator from Virginia has said. He is a knowledgeable member of the Committee on Public Works.

I wish to yield now to another distinguished member of our committee, the Senator from Ohio [Mr. YOUNG].

Mr. YOUNG of Ohio. Mr. President, may I at this time pay my deference, devotion, and admiration to the distinguished Senator from West Virginia, JENNINGS RANDOLPH, the chairman of the Public Works Committee of the Senate, who was chairman of the Senate conferees.

It is a fact that we worked diligently, and we worked successfully in our conference with the Members of the House. I share the same feeling that the Senator from Virginia [Mr. SPONG] holds as to the Three Sisters Bridge. I know the present Presiding Officer of the Senate, Senator HARRY BYRD of Virginia, is very happy over the work of the conferees of the Senate because he has told me of his gratification over the fact that the Three Sisters Bridge was included.

Mr. President, the Federal Aid Highway Act of 1968, as it has been reported from conference, comes to grips with a number of important highway problems. It is a tribute to the efforts of the Senate conferees led by our chairman, Senator JENNINGS RANDOLPH. May I say that it has really been the rule of our Public Works Committee that in our meetings politics ceases at the door of the Public Works Committee room. We work together as best we can. Frequently, of course, there are many differences of opinion between us. We discuss those thoroughly. But every one of the members of the Public Works Committee, Democrat and Republican alike, in my opinion, holds as first in importance the welfare of our country, and politics is really discarded.

Mr. METCALF. Mr. President, will the Senator yield at that point?

Mr. YOUNG of Ohio. I yield to the Senator from Montana.

Mr. METCALF. Mr. President, I represent the Senate in migratory conservation matters. One of our great achievements has been the acquisition of private land by the commission for wildlife and waterfowl refuges. The great swamp area in New Jersey, adjacent to New York City, is an instance.

The Senator from New York is very familiar with the area in which a wilderness area was recently created. Most of this wilderness area was a private land contribution to the public.

An island off the Florida coast was also recently acquired, and we have similarly obtained many other tracts, from conservation commissions, wildlife associations, and others.

It seems to me that the passage of this bill would mean that private contributions and donations of land would cease, because, if the conference report is agreed to, the public land will become wide open for purchase, development, and exploitation; so that the owners of private land hereafter would continue to hold it rather than make further contributions.

We would never have acquired the Great Swamp, the island off Florida I have mentioned, or various contributions to the public domain if their owners had not thought better security and better control would be assured by making it public land. Now we have before us this bill, which leaves the public land open to exploitation and development, so that contributions of private lands to the public domain will be less likely.

Mr. JAVITS. Mr. President, will the Senator yield so that I may get the yeas and nays on the conference report?

Mr. METCALF. Surely.

The yeas and nays were ordered.

Mr. METCALF. I say to the Senator from Ohio that one of the most seriously questionable things we are doing in the bill is saying that this land, which is public land, can be exploited, developed, and used for highways, whereas private land cannot.

A duck or a deer does not care whether it is public land or private land; but I had thought we were trying to put protection around the public lands, the wildlife refuges, the parks, and the other areas, so people would be encouraged to contribute their land, or to buy land and contribute it, to such districts. I wish to make a legislative record on the matter at this time.

Mr. YOUNG of Ohio. Mr. President, may I say to the distinguished Senator from Montana [Mr. METCALF] that, like him, I will state at any time that I am opposed to the exploitation by private interests of public lands. I do not want any part of that. However, may I report to the Senator from Montana and other Senators that we, the Senate conferees, believe we have brought back the best conference report we could possibly achieve, and that we worked hard with the conferees from the other body who are, practically every one of them. Representatives of many years, service, and experience.

As is well known, Mr. President, a Member of the House of Representatives is, as a rule, a member of only one committee. The House conferees—most being members of only a single committee—were very knowledgeable and very determined to prevail over us, and to report their version of the bill, and not to include in the conference report those clauses and provisions that we in the Senate approved, just as we were determined that the Senate version would prevail.

We Senators are, as a rule, members of three or four committees, and some of us are members of as many as 10 subcommittees as well. Yet, I say we did not take a back seat to the conferees of the other body, and I feel we have brought in a conference report that, while it did not achieve everything we wanted by any means, was the best we could do under the circumstances. I know that the Senate conferees—some of whom are now present in the Chamber—fought vigorously and eloquently during the conference session to secure their wishes, but their views did not always prevail.

Of particular concern to me at the outset of the conference was the variation in the House and Senate versions of the bill relating to parklands and to highway beautification. I am convinced that the language agreed to by the conferees maintains the position of the Senate on these two provisions and protects the public interest.

The language adopted by the conferees with respect to parklands makes it quite clear that publicly owned parklands, recreation areas, and wildlife and waterfowl refuges are to be protected unless there is no practicable or feasible alternative to their use for highway construction. The publicly owned requirement was adopted because it has been with respect to publicly owned parklands, recreation areas, and wildlife and waterfowl refuges that the majority of the controversies have been concerned.

Privately owned lands of these types are not as readily available for highway use, since they must be legally expropriated, and those who own them relinquish them, if at all, only after the bitterest of fights. Public lands, since they are already in public ownership, tend to be viewed as "free for the taking." The amendment to section 4(f) of the Department of Transportation Act and section 138 of title 23 affords greater protection to the lands involved than does the present law.

The beautification provision of the conference report, for all and intents and purposes, retains the beautification program as it was originally enacted. The modifications and changes that were made in conference do not in any way change the obligations and responsibilities of the Federal and State governments to carry out an effective beautification program. As a result of the insistence of the Senate conferees, funds to carry on the program will be available. I would remind those who would like to have seen more money authorized that there was none whatever last year, and if the House conferees had had their way, there would be none for next year.

I feel all Senators who participated as conferees on the bill, are very happy that we can say to the First Lady of the United States that we saved the highway beautification program. It is the conference report. The House did not have it. It is in there now. and it is in there to stay.

Mr. President, the conference report, I again assert, resulted in forward looking highway legislation. This is a good conference report. This is a good public works bill. I am happy to join the chairman, the Senator from West Virginia [Mr. Randolph], in urging its adoption by the Senate.

I thank the chairman for yielding.

Mr. RANDOLPH. Mr. President, the Senator from Ohio, as a conferee, was diligent in trying to compromise points of view in such a way as to assure that wherever possible the will of the Senate would prevail, and his efforts were instrumental in bringing in as good a conference report as we have here today.

I yield to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, a number of questions have been raised. The Senator from Montana [Mr. Mansfield] raised a question, and the junior Senator from Montana [Mr. Metcalf] has raised this question of the distinction between publicly owned parks and private wildlife refuges and nature sanctuaries, as to their use for highways.

Other Senators, of course, may wish to add to the answer the Senator from Ohio has given; but I should like to raise some additional questions.

I have been in many conferences with the Senator from West Virginia, and I know personally of the give and take, the attack, and the pain. I have asked for a rollcall vote, and I shall vote against the conference report.

No one knows better than I that there are no blacks and whites in these matters. I have participated in enough conferences to realize that. So, while I may disagree with the Senator from West Virginia, I do not mean to be critical of him. I know the difficulties he has experienced.

Mr. President, I mention five points.

First, the question surrounding the direction to the District of Columbia to proceed with the construction of portions of its Interstate System and the issues in connection with the Three Sisters Bridge.

Second, the 1,500 miles of additional highway included in the bill with great specificity without any real means for financing.

Third, the charge that the conference report guts the billboard control program by providing that Federal compensation shall be available before any billboard is taken down, and then the Federal compensation is very small—$2 million.

Fourth, the matter we have just discussed—that is, publicly owned parks as contrasted with private wildlife refuge and sanctuaries.

Fifth, the loss of the major portions of the Senate bill relating to the social effects of the location of highways, their impact on the environment, and their consistency with the goals and objectives of the community. These provisions were contained in section 114 of the Senate bill. However, the conference report has reduced this so that it amounts only to an item of consideration for the State highway department when it hears the question of location.

Considering the enormous problems of the cities, this is a matter of great concern. The heart has been taken out of whatever we were able to accomplish in the Senate. Because of the tremendous importance of those questions, could the Senator from West Virginia address himself to these matters?

In connection with these issues, Mr. President, I ask unanimous consent to insert in the Record at this point, an editorial which appeared in today's edition of the New York Times.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Monstrous Road Bill

After struggling for more than a week, a House-Senate conference committee has produced a "compromise" Federal highway bill which is intolerably bad.

As passed by the Senate, the bill was a well-drawn measure which made certain improvements in the existing Federal highway program. But the lobbyists' delight concocted by the House Public Works Committee was a legislative monstrosity which would do far-reaching harm in several different directions.

To begin with the national capital, the bill orders the building of a bridge across the Potomac which would blight the scenic view at the beginning of the Potomac Gorge and with its access roads and cloverleaf intersections would ruin the beautiful palisades on both banks of the river. The same section of the bill provides for freeways along specific routes within the city of Washington, which are the subject of bitter local controversy.

Apart from this proposed desecration of the capital, these bridge and freeway provisions set a most dangerous precedent for every city in the nation. If Congress can pick routes and choose bridge sites in Washington, D.C., and get away with it, there is nothing to prevent Congress from dictating similar decisions in other cities.

The pork-barrel ambitions of the House politicos are blatantly evident in still another bad provision of the original House bill. That is the section which would authorize addition of 3,000 miles to the Federal interstate highway system. Since the Senate had authorized zero additional miles, the conference committee compromised on 1,500. In its report, the House committee lists the highways that could be built in different states if additional mileage were approved. In short, there would be "something for the boys" in virtually every state.

The House had gutted the billboard control program. The conferees undid some damage by restoring to Federal officials the power to set standards for what constitutes an "unzoned commercial area." But there is still language in the bill which provides that no state may require a billboard to be taken down unless Federal funds are available to compensate the billboard owners—and then authorizes the derisory sum of $2 million for the entire fifty states. If the courts sustain the meaning of the language which its sponsors in the House intended, the states could not on their own initiative reduce the number of billboards on the Federal highways. They could act only within the framework of the Federal program which is sure to be chronically starved for funds.

Another unsatisfactory "compromise" seriously weakens the protection in existing law which bars highways from parks, wildlife refuges and recreation areas unless no prudent alternative exists. The House bill in effect repealed this protection. The conferees partially restored it for *publicly*-owned parks but not for *private* wildlife refuges and nature sanctuaries. This means that important natural areas owned by private organizations such as the Audubon Society and Nature Conservancy are deprived of statutory protection against the highway builders.

Although Senators from both parties resisted the House conferees on many issues, the viewpoints underlying the two bills are really irreconcilable. Since the Interstate Highway Program is already authorized through the next fiscal year, there is no urgent or compelling reason for the Senate to make these unprincipled and dangerous concessions.

We urge the Senate to reject the conference report. No bill this year would be infinitely better than the House bill or its illegitimate offspring.

Mr. RANDOLPH. Mr. President, I intend to cover these suggestions in my presentation, and I will do so.

In reference to the urban impact amendments in the original Senate bill we gave up on some points, but held points which were very important. And we had opposition to those points.

The Senator stated, very properly, at the outset that the conference is a conference. It is not black and white. There were areas in which differences had to be resolved.

The Senator speaks of an additional 1,500 miles. I remind the Senator that the House bill had 3,000 miles that they wanted to establish as part of the Interstate System, which is now 41,000 miles. The House wanted to increase the mileage to 44,000 miles. We had to adjust those versions.

The conference adopted a proposal by the Senate conferees that an increase be made in a special category limited to 1,500 miles to take care of emergencies and situations in which additions to the Interstate System are urgently needed in order to make the entire system more effective and more workable whole. However, no additional funds are available for these additions or adjustments.

I think it is important to point out that any State requesting an additional allotment of miles would be requested to rearrange its priority in projects to pay for those additions in the future, to pay for its share of the original 41,000-mile system. In addition, if future highway acts extend the interstate program—and I hope that the interstate program will be extended in the future—mileage received under the provision I speak of will be charged against the allocation of miles under a new program.

Mr. JAVITS. Mr. President, I hope to address my questions also to the ranking minority Member.

Mr. RANDOLPH. Mr. President, I am delighted to have the Senator speak after the Senator from Kentucky, who is a very devoted and diligent member of our committee and subcommittee.

Mr. COOPER. Mr. President, I want to hear the chairman speak on the conference report. I would then like to follow his presentation and make a report.

While there are many sections of the bill which came from the House, I do not believe that we were able to do everything possible on some of those sections. Yet, with respect to some to which the Senator refers we did, with the able leadership of the chairman of the conferees, work mightily to protect some of the sections mentioned and, to tell the truth, save them from absolute annihilation.

I hope that I have the chance to speak on that matter later.

Mr. CURTIS. Mr. President, will the Senator yield.

Mr. RANDOLPH. I yield.

Mr. CURTIS. Mr. President, as I understand it, the conference report calls for 1,500 miles of additional interstate.

Mr. RANDOLPH. The Senator is correct.

The Senate conferees were not interested in having an appendage to the 41,000-mile system. The House had added 3,000 miles, but that was not a realistic figure.

There is reason to believe that there is a need for a certain number of additional miles, to meet emergencies and to provide for such revisions as may be necessary. However, I take the position very strongly that we need hearings. We need a thoroughgoing study of what we should do in the future in reference to our Interstate System and also our primary and secondary system.

Mr. President, I am going to take this opportunity to say in a couple of minutes what I have not actually formulated in detail. I think we are approaching the time when we will not have an interstate and defense system program and we will not have a primary or a secondary road program. We will have a system of roads in this country for which we will provide, not 90–10 matching, as now, with respect to the interstate roads, or 50–50 matching, as we have in the primary and secondary roads, but we will just have one road program, and it will probably provide for 70 percent Federal and 30 percent State matching ratios.

Such a program would leave to the States and to the local governments, the political subdivisions closer to the people, the determination of what kind of roads the people in that area and in that State need and want.

Mr. CURTIS. In connection with that matter, there will have to be hearings no doubt on the financing features of the matter.

Mr. RANDOLPH. There are very real problems of financing facing us now.

The Senator from Nebraska is a distinguished member of the Committee on Finance. He knows of the problems we have with the trust fund. These are continuing problems.

We had hoped to have our Interstate System completed in 1972. We think now it will be completed in 1975 or 1976. As the able Senator from Delaware [Mr. Boggs], a member of our committee knows, the matter has been discussed not only within our committee, but also in the Committee on Finance.

Mr. CURTIS. Mr. President, I find no particular fault with the 1,500 mile increase. However, I think it certainly should not be viewed as an expansion of the interstate that meets the present necessity, because we have vast areas of the United States that are contributing to the 90–10 program that are not served by it at all.

While we have some little links in my State, we are very much hoping for now and are desperately in need of a north-south interstate.

Undertakings of that kind that really meet the need of an expanding Interstate System go far beyond what is in the House bill, let alone what is in the conference report. To meet the real need for the type of highways now served by the Interstate System, we must have something far better than the provisions contained in the House bill, let alone the provisions contained in the compromise in the conference report.

Mr. RANDOLPH. Yes, the Senator is correct on this point. We will need a broad program, a well considered program. Certainly, the 3,000 miles or the 1,500 miles as agreed upon will not be the answer.

My desire is to see a future classification of our roads not as interstate or primary and secondary roads, but a classification more in keeping with State development plans.

This is a mobile Nation—we are moving products and people—and certainly there will be a need for a continuing program in the development of our highway system. The Senator's State is one of the States that in no wise must be penalized by what we are doing with the additional 1,500 miles.

As the Senator from Nebraska has said, this is not the answer. The needs in his State and in many other States must be considered. We are only attempting in this way to take care of certain urgent additions.

Mr. CURTIS. Does the distinguished chairman feel that the acceptance of the enlargement of the 1,500 miles will be a factor in delaying an overall look at meeting the total needs?

Mr. RANDOLPH. It must not be a delaying tactic, and it is not so intended, from the standpoint of the Members of the Senate and the conferees who met with the conferees of the House.

Mr. CURTIS. I thank the Senator.

Mr. RANDOLPH. I appreciate the colloquy in which I have engaged with the Senator from Nebraska.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. DOMINICK. I wish to ask about the District of Columbia provisions that were included.

We have been fighting about the District of Columbia highways for a long time. All of a sudden we find that in this conference report Congress is ordering, against the wishes of a great number of people, that the full program go forward.

I am concerned lest we are putting the cart before the horse in this matter. We have not made any provisions as yet for adequate parking within the District. We have only this month finally sent a bill to the White House on air pollution. Yet, here we are ordering completion of freeways so that additional people can come more readily into the District, increasing the problems we already have.

I, for one, do not want to see us turn the District of Columbia into a pad of concrete. I realize the Senate bill did not have this provision in it, that the House bill did. Now as a result of the conference we are saddled with it. I wonder whether the Senator could give me any enlightenment on that matter.

Mr. RANDOLPH. Yes. I shall be pleased to discuss the District of Columbia highway program.

Some parts of the program in the District of Columbia, very frankly, should go forward. Some are not controversial in nature, and none of the so-called controversial projects is in this conference report. We have attempted to move as best we could with realism and with regard for the nearby States of Maryland and Virginia as well as the District of Columbia. We took that into account.

As the distinguished Senator has said, this has been a difficult situation for all of us, because in the language of the House bill was the requirement that there be an immediate construction of all the highways in the District as contained in the 1968 cost estimate. As the Senator has indicated, the Senate bill had no comparable language.

We approached this matter with reluctance, with reservation, and with restraint. We did not believe that this was a matter that should be handled in a national highway act. However, in the interest of comity and with a desire to bring a bill from the conference, we proposed certain language changes in the House bill. In the give-and-take which ensued, the language of section 23 of the conference report was developed. Under the terms of that section, the District of Columbia government and the Secretary of Transportation are directed to proceed with four projects—the completion of the center leg to New York Avenue, the construction of the east leg, the Potomac River Freeway, and the Three Sisters Bridge.

It is our belief—that is, the majority of the Senate conferees—that three of these four projects are relatively noncontroversial and can be accomplished with a minimum of disruption and dislocation to the citizens of the District of

Columbia and to those persons by the millions who visit the Nation's Capital.

The fourth project—the Three Sisters Bridge—has been a matter of controversy, but it is vital to the development of proper access to Dulles International Airport. The question of the bridge had to be answered if the State of Virginia is to proceed with its development construction of what we know as Interstate Route 66.

Mr. DOMINICK. I appreciate the explanation of the Senator. I wonder whether the Senator has any figures on how many people will be displaced by the construction of the Potomac River Freeway and the center leg of the inner loop. I am a little concerned about the statement that in order to get access to Dulles, we need the Three Sisters Bridge. That does not track so far as I am concerned. We have the beltway at this point, which connects with the access road. We have the Dolly Madison Highway, which connects with the road. We have seven bridges across the Potomac now, and the language of the conference report requires another one.

Mr. RANDOLPH. The Senator has inquired about the dislocation of people. I do not believe there will be a heavy dislocation of people. It will be more, let us say, a partial disruption of commercial activity. I think of the rendering plant involved. I do not believe people will be dislocated to a great degree.

Mr. DOMINICK. I am happy we will get rid of the rendering plant. I have been trying to do that for a long time. So I am on the Senator's side in that respect.

As we go farther west, there are some rather heavily populated residential areas. I wonder whether the Senator has any figures on dislocation with respect to these areas.

Mr. RANDOLPH. I have indicated there were very few. I do not believe we have any figures. But I do not believe many residents will be involved in the dislocation about which the distinguished Senator is concerned, and about which I am concerned.

Mr. DOMINICK. I bring this question up because we have had some hearings before the District of Columbia Committee on this problem. I serve on that committee and have served on it for 6 years.

One of the items that concerned me before was the question of the evaluation of the amount of traffic that is projected over the next 10 years. When they appeared before our committee, the engineers did not have the figures. When we did receive this information at a later date, it did not indicate there was going to be much more traffic than now. My question is, if there is not going to be a significant increase, and if we can handle the present traffic load, is there a need for spending all these funds in this type of activity?

Does not this hamper our efforts to maintain a city with some scenic beauty, instead of developing a mass of concrete?

Mr. RANDOLPH. Section 30 deals with relocation of persons displaced by highway projects. We believe it is good, strong language. We believe it will be helpful to those persons who will be faced with the possible dislocation of their residences, as the Senator has indicated.

(At this point, Mr. SPONG assumed the chair.)

Mr. DOMINICK. Mr. President, will the Senator yield for one more question?

Mr. RANDOLPH. I yield.

Mr. DOMINICK. Suppose we reject this conference report and ask the Senator to go back and meet with the conferees. Would the Senate have the ability at that point to persuade the House that we were not going to take this provision in the bill and it should be deleted?

Mr. RANDOLPH. Mr. President, on this matter there would be no yielding on the part of House conferees. I am sure of this. They have, of course, discharged their conferees, by the House vote on the conference report, and there is, therefore, no way of sending this report back to conference. It must be voted up or down.

We must acknowledge that we have done the best we could in this conference report. At least I have, and I think other Senators have also. I must disagree with those persons who say there is not going to be much more traffic moving in and out of the District of Columbia. I wish to state strongly that in my view there will be much more traffic.

Mr. DOMINICK. I agree with the Senator. I believe these are the figures of engineers from previous hearings.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. COOPER. This subject was one of great controversy in the conference. I believe our conference continued for about 2 weeks.

Mr. RANDOLPH. To be exact, it was 13 days.

Mr. COOPER. And we had good attendance in all of the meetings.

I opposed the section of the District of Columbia from the beginning to the end. I did not sign the conference report, and I cannot vote for the conference report, because of this section and at least one other section in the conference report.

I must say that the conferees from the House never showed the slightest inclination to change on this section.

Mr. RANDOLPH. The Senator is correct.

Mr. COOPER. I was amazed when I read the report of the managers to discover what they had written out in their manager's report. In the bill they do direct the District of Columbia and the Department of Transportation in connection with the construction of these roads. In the manager's report, they lay down directions almost like a construction company, how to proceed with the construction.

I think this is wholly wrong, and it is wholly wrong for the Congress to direct a political subdivision to make a certain choice of roads. It is wrong.

It was evident that if there was anything in this bill the House conferees were not going to yield on, it was this section. As I said, I and other Senators tried our best. I could not sign the conference report because of this section, and I intend to speak later on the specific directions laid down.

Mr. RANDOLPH. I appreciate the response of the able Senator from Kentucky. His statement emphasizes what I have said to the Senator from Colorado.

Mr. DOMINICK. I thank the Senator from Kentucky and the Senator from West Virginia. I look forward to the statement of the Senator from Kentucky at a later time.

Mr. RANDOLPH. The Senator from Kentucky, I am sure, will be worth listening to. I also look forward to his remarks.

Mr. President, the conferees on the part of the Senate and House on S. 3418, the Federal Aid Highway Act of 1968, have achieved the resolution of difficult and complex problems. The conferees worked with diligence, understanding, and with the desire to bring from the conference a bill which responds to the growing highway needs of our Nation. In many ways this is the most significant highway measure considered by the Congress since the enactment of the Federal-Aid Highway Act of 1956. This legislation is primarily designed to orient the highway program to today's realities and tomorrow's vision.

There were more than three dozen points of difference between the Senate and House versions. The conferees met on nine occasions and discussed at length and in detail the aspects of these differences and the full ramifications of the proposed settlement of them.

There are some provisions in this report which I personally do not like, but I would remind those who are dissatisfied with some of the solutions, that the purpose of the conference procedure is to accommodate differing views so that meaningful legislation can result.

We in the Senate receded on some matters which I believe were important to properly developing the concept of responsiveness to the needs of people and communities through which highways are to be built. These are issues which will come before us again and on which I will insist that consideration be given. The issues involved are continuing ones and we shall insist that they be reviewed in future highway legislation.

The conference report contains 37 sections covering a wide variety of subjects. I will discuss the most important and shall describe the solutions which were applied to the most controversial of them.

As agreed to by the conferees, the Federal-Aid Highway Act of 1968, authorizes new appropriations for the highway program and related matters for fiscal years 1970 and 1971 in the amount of $4,767,500,000. If we include the interstate authorizations through fiscal year 1974, the amount of new authorizations is $12,307,500,000.

The Senate conferees concurred in the language of the House version with respect to the funding of the interstate program through fiscal year 1974. This was done even though we were aware that the trust fund, as presently established, will not continue past September 30, 1972. We believe that the committees of the Congress having jurisdiction over the trust fund will remedy the situation during the next Congress. Extended interstate authorizations will enable the State highway departments and the Federal highway administration to plan intelligently the development and implementation of this vital program.

The authorizations of $1.1 billion for each of the fiscal years 1970 and 1971 for the primary and secondary roads systems, of $200 million for each of those years for the new traffic improvement program for major cities, and $125 million for each of those years for a special category of rural highways were adopted to provide funds for meeting the rapidly growing demand for increased attention to our noninterstate highways. The increase in ABC funds will enable the States to overcome problems created by rising construction costs.

There were six key issues confronting the conferees. These related to the preservation of parklands, the increase of mileage for the Interstate System, the District of Columbia highway program, the highway beautification program, the Equal Employment Opportunity program and the relocation assistance. These are the provisions which raise our highway construction efforts from a building program to a program to include and improve the environment in which we live. These are the provisions which help fulfill the promise of the Federal Aid Highway Act of 1956 that this is the greatest public works endeavor ever undertaken.

Mr. President, I now invite the attention of the Senator from Montana [Mr. METCALF] who taked with me earlier today about the preservation of our parklands. His concern is genuine and I share his attitude. The conference report adopts with minor modification the Senate language which insures proper protection for our public parklands, for recreational areas, wildlife, and waterfowl refuges, and historic sites. That is a very genuine concern on the part of my colleague from Montana as well as the Senator from Texas [Mr. YARBOROUGH]. We have discussed this matter.

The amendments agreed to place the responsibility for such protection jointly on the Federal, State, or local governments having jurisdiction over such lands and sites. Under the language in the report, we can achieve the objective of building our highways without destroying, mutilating, or obliterating these important open spaces and national shrines.

Mr. YARBOROUGH. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield.

Mr. YARBOROUGH. The Senator states his concern for public parks. Does that include State, county, and city parks, as well as State? I should like to have clarification on that. The term the Senator has used when he said the public parks would be protected—what did that mean? Does it include big city parks, county parks, State parks, along with national parks?

Mr. RANDOLPH. It is all-inclusive.

Mr. YARBOROUGH. I thank the Senator.

Mr. RANDOLPH. All categories the Senator has indicated are included.

Mr. METCALF. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield.

Mr. METCALF. I note that the Senator has some concern over public parks, recreational areas, wildlife, and water fowl refuges. He spoke on that, a little while ago, as to the National, State, or local significance. I wonder whether the Senator from West Virginia would tell me just what he meant by "local significance" or "national significance"?

Who says what is significant?

For instance, we had a dialog with my distinguished colleague about the Glover-Archbold Park. As the Senator has suggested this is a matter of some significance. What is the meaning of this significance?

Mr. RANDOLPH. In the conference, I made the point, just as the Senator from Montana is making the point here. There are many communities where a small park or historic area means more than a great acreage elsewhere. As an illustration there is the Indian mound at Moundsville, W. Va. It does not cover much more than double the size of this Chamber, but it is meaningful and within that mound are the relics of Indians who lived in our early pioneering history. It is very important to the people of that area.

I insisted that we must realize that the determination of the local people must be considered. I join my colleague in his feeling that it is important that the local people have a leadership. They can properly understand the importance of places that someone from afar may not realize. The importance of such places can only be understood by local people.

Mr. METCALF. I am certainly gratified that the Senator from West Virginia has explained this. It is a matter of a great deal of importance to the bill that we are not going to aim highways, interstate or secondary highways, at parks whether they are local, municipal, or State. Of course, national parks are sacrosanct and we are not going to go through a recreational area, or any wildlife areas.

The other day, the President signed a bill enacted by Congress which provided for payment to go through refuges, and so forth, in order to reimburse construction financed by the purchase of duck stamps. That is a long step in the right direction. I hope that this bill is not a step in the other direction.

Mr. RANDOLPH. I want the Senator from Montana to know that I am in complete agreement with the premise that he has expressed in the Senate this afternoon on this matter. If I may quote the Federal Highway Administrator, he has said to me:

> The language of the conference report gives stronger—

And he used that word in his discussion with me—

> protection to publicly owned recreation areas and parklands than does the existing language in section 4(f) of the Transportation Act.

Mr. METCALF. I am not in complete accord with that, I say to my good friend from West Virginia, but with the assurances he has just given, and with the legislative history we have made today in this Chamber, perhaps we have strengthened it.

Mr. RANDOLPH. Yes. I think the intent of Congress will be made clear by what the Senator from Montana, the Senator from Texas, the Senator from West Virginia, and others, are saying on this matter. We want to spell this out carefully because, under the language reported by the conferees, a veto on the use of parklands for highways exists at all levels of government.

I would especially remind the Senator from Texas that, under any circumstances, the Secretary of Transportation does not have to accept the local approval of use of parklands. He has authority under the provisions of title 23 to exercise his independent judgment and oppose the use of parklands.

Mr. METCALF. May I ask one more question? I have complete and absolute confidence in the present Secretary of Transportation, but I have lived through an administration where we were going to turn public parks, including national parks, over to private industry, and I wonder whether we have any recourse from an arbitrary decision of some future Secretary of Transportation, or is this an absolute decision from which we have no appeal?

Mr. RANDOLPH. In the language of the report we give the States and local governments the power to stop such intrusions.

In the conference I set forth my feelings that we had to place the responsibility for the protection of such areas in the Federal, State, and local governments which have jurisdiction. Under the language of the report our objective is building our road system without mutilating or obliterating or destroying national shrines, historic sites, parklands, recreational areas, and open spaces which are a part of our heritage. These places are important in a nation which compresses itself into too small a space. With 80 percent of our population living on one percent of the land acreage, we have to do what the Senator from Montana is saying and the Senator from Texas is asserting. I want the record made very clear as to the intent of Congress in this regard.

Mr. METCALF. I thank the Senator from West Virginia on this particular point, for saying so eloquently what the Senator from Montana had in mind.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I am grateful to the diistinguished Senator from West Virginia for this clarification. I have more questions along this line, but I will defer those until the distinguished Senator from West Virginia completes his formal statement on the entire conference report, except for one clarification.

I want to be certain that I heard it correctly. Was the language the Senator from West Virginia read the statement of the Secretary of Transportation, who now regards the language of section 4(f) as giving more protection to parklands than the Secretary now has under the old law?

Mr. RANDOLPH. That was not the language of the Secretary of Transportation. That was the language of the Federal Highway Administrator, Mr. Bridwell. That is his statement.

Mr. YARBOROUGH. I wanted to clarify that.

I will withhold my other questions, as I had previously agreed with the chairman to let him finish his statement on the conference report.

Mr. RANDOLPH. Mr. President, to insure that there will be no conflict between the highway law and the Department of Transportation Act, the language will be enacted as section 138, of title 23 and as 4(f) of the Transportation Act. These will be the one Federal policy covering this matter.

As passed by the House, this legislation would have increased the mileage of the Interstate System from 41,000 to 44,000 miles. In adjusting the two versions, the conference adopted a proposal by the Senate conferees that the increase be made a special category limited to 1,500 miles to take care of emergencies and situations where additions to the Interstate System are urgently needed in order to make the entire system a workable whole. No additional funds to build these additions or adjustments are provided.

Any State requesting an additional allotment of miles will be required to rearrange its priority of projects to pay for the addition of its present or future apportionments of funds for the completion of its share of the original 41,000-mile system. In addition, if future highway acts extend the interstate program, mileage received under this provision will be charged against the allocation of new miles under such a new program.

One of the most difficult issues before the conference was that involving the District of Columbia interstate highway program. The language of the House bill required immediate construction of those highways in the District of Columbia as contained in the 1968 cost estimate. The Senate bill had no comparable language.

The Senate conferees approached this matter with reluctance and reservation. We did not believe that this was a matter that should be handled in a national highway act. However, in the interest of comity and with the desire to bring a bill out of conference, we proposed certain changes in the House language and in the give-and-take which ensued, the language of section 23 of the conference report was developed.

Under the terms of this section, the District of Columbia government and the Secretary of Transportation are directed to proceed with four projects: The completion of the center leg to New York Avenue; the construction of the east leg; the Potomac River Freeway, and the Three Sisters Bridge. It is our belief that three of these four projects are relatively noncontroversial and can be accomplished with a minimum of disruption and dislocation to the citizens of the District of Columbia.

The fourth project, the Three Sisters Bridge, is a matter of controversy, but it is also vital to the development of proper access to Dulles International Airport and the question of the bridge had to be answered if the State of Virginia is to be able to proceed with its development and construction of Interstate Route 66. Those who took part in the conference agreed that the Three Sisters Bridge is to be built in such a way that it will not now or in the future result in any encroachment on Glover-Archibold Park. This is a matter on which we all agree and we insist that everything be done to protect that area of the District of Columbia from any kind of highway construction. With this understanding a majority of the Senate conferees agreed to this part of the District of Columbia highway program.

On the remainder of the program, around which controversy exists and for which many questions yet remain unanswered, the District of Columbia authorities and the Secretary of Transportation will have 18 months within which to complete plans and report to the Congress on what it is they intend to do. It is our expectation that this report, when it is submitted to the Congress, will be referred to those committees of the Congress which normally exercise jurisdiction over the affairs of the District of Columbia.

I recommend the proposed solution to this problem because it seems it is the only fair and proper way for us to procede under the present circumstances. The projects on which we are requiring action are such that their completion will maintain the full options available to the District of Columbia to develop a properly responsive freeway system for the Nation's Capital.

The Senate conferees believe that on the unresolved highway projects, that local initiative and adequate consideration of the views of those who live and work in the District of Columbia are a necessary part of the development of the study which we are requiring.

The preservation of the highway beautification program was a matter of highest priority to the Senate conferees. We believe that the language of section 6 of the conference report demonstrates the force and vigor of our efforts to maintain that program as it was enacted by the Congress in 1965. We were able for the first time in 2 years to achieve an authorization of funds for that program. We succeeded in removing from the bill every amendment adopted by the House of Representatives designed to destroy the program or to make it unworkable. What changes we agreed to are such that they represent the administrative practice of the agency carrying out the program.

Under the terms of section 6 of the conference report, bona fide State, county, or local zoning boards will have the authority to determine the size, spacing, and lighting of signs in zoned area. This provision is a statutory rendition of the stated position of the Secretary of Transportation which is set out in its entirety in a letter printed in the House manager's report.

The relationship between the Outdoor Advertising Control Act of 1958 and the Highway Beautification Act of 1965 is also clarified in the language reported by the conferees. Under its terms, any State which has entered into a so-called bonus agreement must, as a condition to the continued receipt of the one-half percent bonus carry out the terms of that agreement.

The State will also be required to abide by the terms of the 1965 act with respect to areas not subject to the bonus agreement. The reason for this modification is to insure that the bonus agreement will be maintained by both the signatory parties. Bonus States will not be relieved of their contractual obligations nor will they be required to agree to a higher standard of control under the 1965 act than the nonbonus States. The other amendment to the substantive law on beautification is for the purpose of assuring the States that before they are required to pay for the removal of signs that Federal funds will be available to assist them.

The authorizations for this program have been adjusted to take into account our present national fiscal situation. The conference report provides authorizations in the following amounts for fiscal year 1970: Control of outdoor advertising, $2 million; junkyard control, $3 million; and scenic enhancement, $20 million. These are admittedly not great sums but they will enable the program to go forward.

Future generations of Americans will thank President and Mrs. Johnson for their untiring efforts to secure roadside beautification and the improvement of our national environment.

One of the signal achievements of the Senate version of the Federal-Aid Highway Act of 1968 was the language it contained with respect to equal employment opportunity. The conference report substantially adopted the Senate language. It will enable those charged with responsibility for administering the Federal-aid highway program to carry out their responsibility while at the same time guaranteeing to all citizens a full opportunity to achieve employment on highway projects without regard to race, color, creed, or national origin. This program will also assure that training programs will be provided so that no one can be denied employment because of lack of qualifications.

Relocation assistance for those displaced by highway construction is necessary if highway construction is to be carried out in its proper context. Both the House and the Senate versions contained excellent programs to accomplish this result. The language of the conference report will provide fair and equitable relief for those individuals who suffer private injury for the public benefit.

The major difference between the two versions on this subject related to the question of Federal participation. The conference adopted a modification of the Senate provision, authorizing 100-percent Federal payments for this program through July 1, 1970. This will allow the States time to enact legislation to permit their participation in Federal-State matching program after that date. After July 1, 1970, the States will be required to provide their share of the cost of such assistance in accordance with the stated determination of the conferees that the 100-percent Federal funding feature will end.

It has taken 6 years to bring this program to fruition. Since 1962, we have worked to secure such provisions and it is gratifying to announce that they will now become a part of the fabric of the highway law.

The Senate receded from its position on the District of Columbia parking authority because the Committee on the District of Columbia of the House of Representatives was in the process of reporting legislation on this subject for consideration by the House. The conferees assure that a District of Columbia parking bill would be reported to the House of Representatives in the near future this session. That bill has now been reported.

It is my understanding that a measure substantially similar to that contained in title III of the Senate version of S. 3418 will be offered on the floor of the House when the bill is considered.

Mr. President, I commend the Senate and House conferees for the reasoned approach and action to the many issues which were before us during the 2 weeks we were in conference. Yes, necessary adjustments were made in provisions which my fellow Senate conferees and I believed were vital to the continued success of the highway program. I pledge to my colleagues that those issues will not languish for want of attention in future years.

I believe that the result of the extended consideration which was given to S. 3418 is excellent in its overall impact. The public generally will benefit from the effect and the result.

S. 3418, as reported by the conferees, is in my opinion the most significant highway bill brought to this body since the adoption of the Federal-Aid Highway Act of 1956. In many ways its provisions will insure that the people will have the finest roads at the least social and economic cost. The provisions of this act will enable us to meet our total responsibilities to the people of this Nation and for this reason I recommend that the Senate adopt the conference report.

Mr. COOPER. Mr. President, I value very much, as always, the comments of the distinguished Senator from West Virginia [Mr. RANDOLPH], the chairman of the Senate Committee on Public Works, presenting his explanation of the conference report now before us. Like the other conferees and members of the Committee on Public Works, I can truthfully say, as I have before, that all of us who work with the Senator from West Virginia appreciate his fairness, his diligence, and his constructive work—which was, of course, apparent in the development of this bill and during the course of the trials we had in the conference.

I speak on this conference report today because it includes several sections which are troublesome, not only to some Members of the Senate, but I think also to many people of the country. I believe some of them may lay down precedents which could come back to haunt us.

For that reason, this year—for the first time since I have been a member of the Public Works Committee, which has been 10 years—I could not sign the conference report, and must vote against it.

Whether or not it would do any good to go back to conference with the House is speculative. I might say I have never found a conference committee more adamant, more insistent on its manifest intention to maintain its positions. I do not wish to speak with asperity toward the other body or any of its Members, but it seemed to me that the bill they presented to the conference was more anticonservationist than any other bill I have seen come before this body. In at least three major sections, it attempted to strike down legislation which had been enacted by Congress in an effort to protect the natural resources and beauty of this country.

The Senate conferees struggled manfully against those efforts; we succeeded in some respects and failed in others.

I must say that I am in a different position from the distinguished chairman of the committee, because, like any chairman, he is under pressure and an injunction to bring back from the conference a report which can be voted upon and approved—in this case, on a highway bill which is of great importance to all the States. Of course, he hoped to produce a bill acceptable to both the Senate and the House of Representatives. Perhaps I am freer because I do not have that responsibility. Nevertheless, certain matters ought to be brought to the attention of the Senate.

As I have said, I shall vote against the report. However, I shall not speak at length.

I join the Senator from West Virginia in saying that the bill has some very valuable features, innovations which will be helpful to the whole highway program, to individuals, and to cities. In addition to the usual authorizations, it contains provisions to afford more flexibility to the highway program: First, the authority to require, in advance, rights-of-way. Second, the authority for States to proceed with highway construction with their own funds to a limited extent, to be reimbursed later by the Federal Government; this will help some States to move ahead with necessary highway programs. Third, provision for fringe parking in cities. Fourth, funds and authority for the program called "topics," to improve traffic flow and safety within cities. These are all to the good.

Then there is the wonderful section, as I believe, for relocation payments and assistance. It has been recognized that the constitutional provision for just compensation often does not actually provide fair compensation to individuals and families who are displaced. The new section, which was contained in title II of the Senate bill, provides funds for those who are dislocated because of construction; it will help persons to buy small homes or to pay rental for 2 years. This is a humane provision. It ought to be extended to every area where the Federal Government acquires land, and I hope very much the Senate and the Congress will act also on the bill S. 698 which would accomplish this purpose.

I shall now speak of the four areas which I think are bad—which in my view should not have been in the House bill or in the conference report.

One relates to the addition of 1,500 miles to the Interstate and Defense Highway System. It is correct that the House wanted to provide 3,000 miles. But finally—and chiefly because of the direction, persistence, and fight on the part of the distinguished Senator from West Virginia—that additional mileage was reduced to 1,500. I myself cannot approve that increase in interstate mileage. It has been necessary for the Congress in this bill to extend from 1972 to 1974 the time for completion of the present 41,000-mile system. The cost has risen to $56.5 billion. Many persons do not feel that the system will be completed in 1974 or that the cost will be limited to $56.5 billion. So it seems to me unwise to add 1,500 miles, especially when the highway trust fund, or rather the taxes that support it, provided by the Highway Revenue Act of 1956, will expire in 1972.

The mileage is not apportioned among the States. I suppose it will go to the States which can convince the Secretary of Transportation that they need the additional mileage. If the additional amount had been 200 or 300 miles, to provide for adjustments, for interchanges, or for beltways around the cities, that might have been reasonable. But until completion of the present 41,000-mile system is assured, I consider it unwise to add large mileage of unknown cost.

Second, I turn to the two areas which relate particularly to conservation; first, the Highway Beautification Act of 1965. The Senate has always provided some authorization for funds to allow this program to go forward, under title I, which is the billboard control section, under title II, the junkyard section, and under title III, scenic enhancement. The House, beginning last year and continuing this year, provided no funds except for the administration of the program. Last year no money was appropriated, and this year again, no money is appropriated, except for administration. We were able to get some authorization for the appropriation of funds for these three titles restored. At least, we were able to do that much, and to keep the act alive while the House had denied any money at all.

Let me say this to those who write about it—and I mention it because I read the editorial in the New York Times this morning, which was a very good editorial; the editorial placed great significance upon the importance of funds. That is very important, of course. But there are no funds now for the removal of signs on the Interstate and primary Systems under the Highway Beautification Act, and we will not get any until the House begins to authorize some funds and the Appropriations Committees begin to give funds. More important, however, the amendatory language in the bill passed by the House, for all practical purposes, would have repealed the Beautification Act—and not only the act of 1965, but also the outdoor advertising control program enacted in 1958 providing a one-half-percent bonus to States controlling signs along the Interstate System.

They did it very cleverly, if I may say so. As we know, there is a 10-percent penalty against the apportionment of Federal-aid highway funds to any State if it does not go forward with the first two titles of the Beautification Act, relating to billboards and junkyards. The House repealed the 10-percent penalty. It then provided no funds for these programs.

The House then provided that if the States did not go ahead and remove the billboards and screen the junkyards, they would not get any funds for scenic enhancement. Having removed the penalty against highway apportionments, and having provided no funds for removal of signs and screening of junkyards, and then having called upon the States to go ahead with these programs, they provided that if they did not do so, they would not get any scenic enhancement funds. But they provided no scenic enhancement funds. The House in effect repealed both the outdoor advertising controls and the junkyard controls—both titles I and II of the Highway Beautification Act, and provided no funds for title III, roadside scenic enhancement.

The House bill in effect also repealed the advertising controls on the Interstate System provided by the bonus act of 1958, because they included an amendment in this bill that the States which had an Interstate System bonus agreement could continue to get the bonus, but without maintaining the controls required by that agreement. That meant, under the House bill, that the whole road system was open for billboards and junkyards.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. METCALF. Mr. President, the States of Vermont, Washington, and Hawaii have strong billboard control acts and billboard controls.

The Supreme Court of Vermont said:

> There is no principle or public law that easements cannot be separated from the land. There is no inherent right to use the highways for commercial purposes.

This act has struck a blow at those three States that have passed a strong Billboard Control Act. Does the Senator not think that this act renders those three strong State laws null and void?

Mr. COOPER. No. The bills reported by the conference would not. Under the 1965 act, the States enter into agreements with the Secretary of Transportation as to what constitutes "customary use" in the size, spacing, and lighting of signs in commercial and industrial areas, and with respect to the determination of unzoned commercial and industrial areas where signs are permitted. The House bill would have endangered the existing agreements—made by 19 States—for two reasons. First, it removed the penalty. Second, the agreements provide that if the Federal act is changed regarding beautification, there can be a renegotiation of the State agreement. Had the House language been maintained all of those agreements would have been opened up for renegotiation—and in the absence of both the penalty and funds for controls. Similarly, the State laws the Senator mentioned might not stand long in the absence of the penalty and the agreements required by the 1965 act. I believe the House bill would have wiped out the highway beautification program.

I think that we were able to save it. There is only one change of any substance, and that is with regard to zoned areas. The 1965 act did provide, regarding the size, spacing, and lighting of signs consistent with customary use, that "customary use" be determined by agreement between the States and the Secretary of Transportation both as to zoned and unzoned commercal and industrial areas.

That is changed in the conference report so that with respect to zoned commercial and industrial areas, customary use may be determined by a bona fide zoning authority of the State. It applies only to the zoned, not the unzoned areas. We did that because Secretary Boyd wrote us and told us that was the practical way to handle the situation.

However, as for all of the rest of it, I am able to stand here and say that I believe we maintained the Highway Beautification Act.

I repeat that the House language would have repealed, for all practical purposes, both the 1965 Beautification Act and the 1958 Interstate Act. So, I think we did make progress.

I do not think it is strange that the House committee took this position in conference with regard to conservation. To illustrate how deeply the House itself feels on the matter, one need only to look to the vote on the conference report in that body. After the conference report went back to the House, a motion was made to recommit—because of the fact that we maintained, in substance, the Highway Beautification Act. That motion lost by a vote of 166 to 167. The RECORD shows that nine Representatives changed their votes from aye to nay. The House committee was reflecting the views of the House.

I, too, join with the distinguished Senator from Ohio in paying tribute to Mrs. Johnson. Working under the interstate bill enacted in 1958, and under the 1965 act, she has been a leader in the beautification program. She deserves the applause of the Congress, and of the people of the country. I think that under the leadership of the Senator from West Virginia, and with all of the Senate conferees, including my colleagues, Senator JORDAN of Idaho and Senator FONG, who stood firm, we won a substantial victory on this section.

I will speak briefly with reference to the parklands section. The Senator knows that the Senator from Washington [Mr. JACKSON] was able to initiate and secure the passage of an amendment to the Department of Transportation Act of 1966—the act organizing the Department of Transportation—which is now known as section 4(f) of that act. That measure provided that no invasion of parklands, recreation areas, wildlife refuges, or historic sites could be made unless it was found that there were no feasible and prudent alternatives to the use of such land.

The language reads:

> The Secretary shall not approve any program or project which requires the use of any land from a public park, recreation area, wildlife and waterfowl refuge, or historic site *unless (1) there is no feasible and prudent alternative to the use of such land*, and (2) such program includes all possible planning to minimize harm to such park, recreation area, wildlife and waterfowl refuge, or historic site resulting from such use.

That is a prohibition against the invasion of such areas, unless there is no feasible and prudent alternative to the use of such land.

The House provision that came to us would have, for all practical purposes, repealed that provision. It provided only that "such program or project includes all possible planning, including consideration of alternatives to the use of such land, to minimize any harm to such park, recreational area, wildlife and waterfowl refuge, or historic sites resulting from such use."

In other words, all that had to be done by the Bureau of Roads and the Department of Transportation was to take steps in its planning to minimize any harm that might occur or be suffered by one of these natural areas. That action would have nullified the provision that the Senator from Washington was able to secure. Our language may not, in my judgment, wholly sustain it. However, in some ways it clarifies it.

It does provide that only publicly owned land in the public parks, recreation areas, and the wildlife refuges shall be protected absolutely under this amendment. Historic sites, whether public or private, are protected. But if any local body or State body or Federal body having jurisdiction declares that any of these areas are of local, State, or National significance, then the Secretary cannot approve any program or project which would invade or encroach upon these areas.

Mr. METCALF. Mr. President, will the Senator yield with respect to the other side of the question?

Mr. COOPER. Yes.

Mr. METCALF. Suppose we have a national park and the State highway commission says it is not a significant park, but many people in the State believe it is a matter of great historic consequence and significance and take an appeal to the Secretary. Can the Secretary say it is significant and overrule the local agency?

Mr. COOPER. I know we are seeking interpretation. I cannot speak for the chairman of the committee. I can only give my judgment. I believe this could be a weakness. A determination of significance must be made by an official having jurisdiction.

Mr. METCALF. There are many areas where the local commissioners have built highways through parks or historic areas in order to save money.

Mr. COOPER. If it were a Federal area, of course, the Secretary could deny any invasion of that area.

Mr. METCALF. Surely.

Mr. COOPER. If it were a State area, I would assume that the Governor of the State could direct the State highway commission not to invade the area. If it were an area under the control of a subdivision of the State government, they could direct that the area not be invaded, and the highway commission could not go in. They need only determine that it is of significance. That is the judgment of the local body. I do not believe any appeal could overturn that.

I invite the attention of the Senator from West Virginia to the interpretation given in the report of the managers on the part of the House. I believe it is wrong, and is contrary to our discussions in the conference. But most important—and I believe this is an interpretation that will hold—it is contrary to the language of the section. There is nothing concerning discretion of the Secretary in the section itself.

I read from page 2 of the conference report, in the statement of the managers on the part of the House:

> This amendment of both relevant sections of law is intended to make it unmistakably clear that neither section constitutes a mandatory prohibition against the use of the enumerated lands, but rather, is a discretionary authority which must be used with both wisdom and reason. The Congress does not believe, for example, that substantial numbers of people should be required to move in order to preserve these lands, or that clearly enunciated local preferences should be overruled on the basic of this authority.

I recall no discussion in the conference of any such intent. Furthermore, the language of the section gives no discretion. If a local official, a State official, or a Federal official having jurisdiction finds one of these areas or sites to be of significance, there is no discretion given to the Secretary of Transportation to permit its use for a highway. Will the Senator agree with me on that?

Mr. RANDOLPH. I agree with what the distinguished Senator from Kentucky has said in referring to the language of the House manager's on page 32 of the conference report. That, I say with due deference to the House, is the interpretation of the House. It is not our interpretation. I agree with the Senator from Kentucky. This is not as we believe it.

Mr. COOPER. The legislative language, if it is clear on its face, of course, must be interpreted that way. The language prohibits any intrusion upon or invasion of these lands or areas if one of these bodies finds it is of National, State, or local significance, and the highway cannot be built, unless there is no feasible and prudent alternative to doing so.

Mr. RANDOLPH. I agree with the Senator.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JACKSON. My understanding is, in connection with the amendments that have been made to section 4(f) of the Department of Transportation Act, that even though the local authorities—meaning the State or authorities in a subdivision of the State—should decide the highway would not violate the recreational area or the public park area, the Secretary nevertheless would retain the right to veto the action. Would the Senator from West Virginia, who is the chairman of the committee and the floor manager of the bill, respond to that?

Mr. RANDOLPH. The Senator is correct. That is retained in the Secretary's authority.

Mr. JACKSON. So it is the understanding of the Senate conferees—and I understand it is the position of the ranking minority member of the committee, the able Senator from Kentucky—that that authority is retained under the amended provisions of section 4(f).

Mr. RANDOLPH. Yes; it is retained. The Senator from Kentucky and I agree on that.

Mr. JACKSON. This right has not been taken away from the Secretary?

Mr. RANDOLPH. This has not been removed.

Mr. COOPER. That was my understanding in the discussion that occurred in the conference. The Senator from Montana asked the same question.

Mr. JACKSON. I believe it is important that this be clarified.

Mr. RANDOLPH. That is the legislative intent.

Mr. JACKSON. I take it that that is the intent on the part of the Senate conferees, as has been expressed this afternoon.

Mr. COOPER. Otherwise, we might have a situation in which a local community—say, a county or a city—with an area or site of national significance might say, "You can run a road through here." I do not believe that would be allowed.

Mr. JACKSON. In the same connection, I should like to ask another question. This relates to the Potomac River Freeway, on page 35 of the conference report.

As I understand it, the freeway would go under the existing C. & O. Canal, which of course is under the jurisdiction of the Department of the Interior and is administered by the Park Service. It has always been the policy and the law, as I understand it, where an intrusion occurs on Park Service property, that the Department of Interior is consulted in order to give their acquiescence. I take it that there has been no change in the basic provisions of the law and the policy in regard to that situation.

Mr. RANDOLPH. The Senator is correct. There has been no change.

Mr. JACKSON. For example, the language in the conference report refers to an eight-lane freeway. As I understand it. They were discussing a six-lane freeway previously.

Mr. RANDOLPH. The number of lanes has not been determined.

Mr. JACKSON. And this is a matter that has to be worked out with the Park Service and the Department of the Interior in concert with the Secretary of Transportation.

Mr. RANDOLPH. The Senator is correct.

Again, we have to say what the Senate feels and what it believes and, in this instance, what it knows.

Mr. JACKSON. I want to make sure, too, that the Secretary of the Interior has an opportunity to go over the final design and it is the Senator's understanding that nothing in the bill before the Senate, including the modifications that occurred in connection with section 4(f), which is found on page 11 of the House conference report, would change in any manner this relationship and authority that has existed, as it pertains to the Department of the Interior and the Department of Transportation.

Mr. RANDOLPH. I reemphasize, using the language here:

> It shall be carried out in accordance with applicable provisions of title 23 of the United States Code.

That is the understanding of the Senator from Washington, and he has the assurance of the Senator from West Virginia.

Mr. JACKSON. I thank the Senator.

Mr. COOPER. Mr. President, I was asked by the distinguished Senator from Delaware [Mr. WILLIAMS] whether there was anything in the bill dealing with the size and weight of trucks. There is nothing of that nature in the bill.

Mr. President, my final objection to the action of the conference is to that section which deals with the District of Columbia highway system.

In effect, the section directs the District of Columbia government and the Department of Transportation to construct within the District of Columbia certain projects on the Interstate Highway System.

We must get this matter clear. These are projects on the Interstate and Defense Highway System. They are multilane freeways within this city, massive and wide, with interchanges and access and exit ramps, and of limited access—which means they must be elevated or have overpasses to accommodate intersecting streets.

The first project is the Three Sisters Bridge across the Potomac River. Second, is the Potomac River Freeway, which I understand would be the leg from the Three Sisters Bridge, driving down into Georgetown and along the Georgetown waterfront. Third, is the east leg which, as I recall, continues the Southeast Freeway—already completed from the 14th Street Bridge eastward to a point south of the Capitol—east to and along the Anacostia River up to the East Capitol Street Bridge at the District of Columbia Stadium.

The conference directs that one east leg shall be constructed to the East Capitol Street Bridge, then beyond it past the Benning Road Bridge to Bladensburg Road. It also provides for what is known as the center leg in front of the Capitol, which shall be completed to New York Avenue.

First, on the merits, this section of the House bill is opposed by Mr. Boyd, the Secretary of Transportation. In response to my inquiry, I have a copy of his letter, addressed to the chairman of the committee which opposes construction of this system with the exception of the center leg to New York Avenue and of the east leg as far as the East Capitol Street Bridge. He particularly cites reasons against the construction of the Three Sisters Bridge.

In his testimony before the House committee, Secretary Boyd pointed out the fact that construction of the Three Sisters Bridge and the Potomac Freeway leads to nowhere, and if the tunnel should be built under the Lincoln Memorial, the Mall, and the Tidal Basin it would be like a cannon shooting traffic into the Southwest Expressway, which is already trafficbound.

Mr. President, I ask unanimous consent that the letter from Secretary Boyd be included in the RECORD at this point. I ask also that a copy of the letter from the government of the District of Columbia, dated July 6, 1968, be included in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY OF TRANSPORTATION,
Washington, D.C., July 19, 1968.
Hon. JENNINGS RANDOLPH,
Chairman, Senate Public Works Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Senator John Sherman Cooper called me early this week and asked me for information and my views upon the Interstate Highway System within the District of Columbia proposed to be constructed in the House version of the Federal Aid Highway Act of 1968.

I testified on this subject before the House Roads Subcommittee and as I am answering Senator Cooper, I feel it is my responsibility to give you, as Chairman of the Senate Committee, my views.

Senator Cooper asked me particularly for my views as to whether or not major problems would be encountered in the construction of the East Leg and the Center Leg.

As regards the East Leg it is my understanding that no major problems would be encountered in its construction northward as far as the East Capital Street Bridge.

With respect to the Center Leg, there are important reasons why construction, cannot, at this time, proceed beyond New York Avenue. It is true that completion of the highway to Brentwood Road, N.E. would provide a usable road segment extending from the Southwest Expressway to Brentwood Road which would not prejudice future decisions to construct either a North Central Expressway or an expressway along New York Avenue. At some point along the Center Leg, however, an interchange will be required with the proposed North Leg. I have been advised by the District of Columbia Government that, because of the interchange problem, until a decision is made as to the location and design of the North Leg, construction of the Center Leg north of New York Avenue is not feasible. Accordingly, the District Government believes, and I concur in its position, that it would not be desirable, at this time, to legislate construction of the Center Leg beyond New York Avenue.

With respect to the remaining elements of the Interstate System in the District, I do not think I should comment in detail on each project. In fact, during our investigation into the District highway program it has become obvious to us in the Department that it is not possible to make useful summary judgements about any of the projects individually. They must be viewed as parts of a system, the entirety of which—and not its individual components—must be designed so as to best meet the requirements of the city and the region. My position on two of the more controversial proposed projects illustrates, I think, the difficulties of viewing each project in isolation.

The proposed South Leg tunnel is a case in point. As you know, this facility would funnel its traffic onto the Southwest Expressway, which is already overcrowded at peak hours and which was not designed with a South leg in mind. Because of this, and in view of the complexity of the interchanges would require in the Fourteenth Street area, I continue to believe that the South Leg is inordinately expensive relative to the benefits that would be realized from it. Attempting to graft it into the system would create more problems than it would solve, and I do not think it is a wise use of Federal funds.

It appears to me that on no issue is the record more misinterpreted than in the case of the Three Sisters Bridge. There is no doubt that the construction of that facility poses serious questions with respect to its impact upon the environment. Leaving that aside, however, I think too little attention has been paid to its role as a link in the highway network of the metropolitan area. As I have said before, to construct the Three Sisters Bridge without at the same time making provisions for a North Leg and an adequate downtown distribution system is to transfer a traffic jam from one side of the Potomac to the other. Construction of the Three Sisters Bridge as an isolated project will serve little purpose. It is for this reason that I maintain that the District Government must be allowed the flexibility to design and construct, as a package, a system for movement across the Potomac and along the waterfront and for both through movement and circulation in the downtown business district. I do not, therefore, think it would be desirable to require by statute construction of the Three Sisters Bridge.

Finally, Senator Cooper asked about the assumptions made with respect to Potomac River crossings in the planning for Dulles Airport. I am enclosing a summary report on the assumptions that were made with respect to access from the District of Columbia to the airport. This summary is the result of a thorough investigation of the record of the public hearings held in 1958 on the airport and other relevant documents prepared during the planning process. It indicates conclusively that location of Dulles Airport at its present site was in no way based upon an assumption the Three Sisters Bridge would be constructed.

If there is any further information that I can supply, please let me know.

Sincerely,
ALAN S. BOYD.

Enclosure.

GOVERNMENT OF THE DISTRICT OF COLUMBIA, EXECUTIVE OFFICE,
Washington, D.C., July 6, 1968.
Hon. JENNINGS RANDOLPH,
Chairman, Senate Public Works Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: It was a great disappointment to the Mayor-Commissioner and the members of the City Council to learn that the House of Representatives, on July 3, passed H.R. 17134, including a section which requires the District of Columbia to build a freeway system in accordance with a predetermined master plan. It is our feeling that the transportation system within an urban community, especially the Nation's Capital, should be decided by the local government after an expression by the citizens of the community.

The Mayor-Commissioner and City Council submitted, as the official position of the District Government, a provision which would have permitted the City Council, with the approval of the Mayor-Commissioner, to determine the highway pattern within our city. The language in the submittal of April 18 to the Honorable George H. Fallon, Chairman of the House Committee on Public Works, in part, provided:

> The Government of the District of Columbia believes that any legislation designed to overcome the effects of the court decision referred to above should include provisions to assure more meaningful citizen participation in the planning of Federal aid highways. Such citizen participation can best be assured if the final authority to determine the highway system to be built within the city rests with the District of Columbia Council as the body most responsive to the wishes and needs of the community. The deliberations and actions of the Council must, of course, adequately consider the views of the people who live in the city, as well as the professional expertise of the highway planners, and the recommendations of the National Capital Planning Commission. Accordingly, the Government of the District of Columbia believes that the final responsibility for the plan and general design of the city's highways should rest with the Council.
>
> In order to be free to exercise such responsibility the District Government must recommend against the enactment of H.R. 1600. Rather, we believe, the Council should be able to adopt a plan for the location, character, and extent of the District's highway system as well as approve individual highway project plans concerning alignment and design. Since much work has already been completed concerning alternative designs for various highway projects, the Council should be able, if it chooses, to consider various individual project designs at the same time it adopts an overall plan. Such simultaneous consideration on portions of the system could, in fact, facilitate more meaningful citizen participation and provide an effective solution to the city's transportation problems.

The action of the House of Representatives would remove self-determination from our city government's authority. It is also regrettable that Congress would direct that a specific freeway system be built in *any* of the urban centers of our country.

We respectfully urge that the House of Representatives and the Senate review this provision in conference and *remove* the mandate for a specific system in the District of Columbia.

An identical letter has been sent to The Honorable George H. Fallon, Chairman, House Public Works Committee.

Sincerely yours,
WALTER E. WASHINGTON,
Mayor-Commissioner.
JOHN W. HECHINGER,
Chairman, D.C. City Council.

Mr. COOPER. On the merits, the Department of Transportation and the Bureau of Public Roads opposed the construction of these legs.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. RANDOLPH. Mr. President, I wish to correct my friend. The Bureau of Public Roads does not oppose it. That was the Secretary of Transportation.

Mr. COOPER. I must disagree with my distinguished friend, because in the hearings there was testimony given against the construction of these legs from the Bureau of Public Roads. In fact, Secretary Boyd stated that Mr. Turner, the Director of the Bureau of Public Roads, used the expression, referring to the proposed south leg tunnel expressway, that it would "literally fire three lanes of traffic at three lanes which are already on the expressway."

Mr. RANDOLPH. That statement was in reference to the south leg, I believe, which is not in this conference report.

Mr. COOPER. That is correct. But they are all connected. If the Three Sisters Bridge and the Potomac Freeway are built, they must lead to some place. When they are built, it must be considered whether to tunnel under the Lincoln Memorial or in that area, and under the Mall and the Tidal Basin. The location of the proposed north leg, or the proposed K Street tunnel, must also be considered. Secretary Boyd's point was that all of this had to be considered as a whole. To construct the Three Sisters Bridge or several legs, without knowing what the total system should be, would be an improper way to proceed with the job. It could be very wasteful, and possibly not accomplish even the traffic objectives.

The city of Washington, through its Mayor-Commissioner and the Chairman of the District of Columbia City Council, in a letter dated July 6, 1968, given to the committee, opposes this program. The opposition is on the merits.

I do not believe the Committee on Public Works in the House, or the Committee on Public Works in the Senate—and I have great regard for the membership—has the technical or engineering expertise to lay out a system of roads in the District of Columbia. However, that is exactly what has been done. If one reads the report of the managers on the House side, it sounds as if it is an order given by a great construction firm as to the way these roads should be built.

My second reason for opposing this section is that I think it a bad precedent. Congress would be attempting to tell a local government how to plan its highway system. Briefly, it would direct the State highway department or, in the case of the District of Columbia, its Department of Highways, how to lay out projects and additions to its system.

The proper procedure, and one established procedure, is that public hearings are held to secure the advice of the people of the city or State, and then the decisions are made by the State and those decisions are submitted to the Bureau of Public Roads and the Department of Transportation. Usually without exception, the function of the Department of Transportation is to see that the highway system laid out meets Federal standards. There is more flexibility in the Department with respect to the Interstate System, because it is intended to have a national purpose and because 90 percent of the funds are paid by the Federal Government.

I oppose the section on District of Columbia freeways for one other reason. The people of the community should have the opportunity to voice their judgments as to the economic, social, and environmental impacts of the system, under a democratic process.

In this case, the U.S. Court of Appeals for the District of Columbia gave its judgment that the procedures provided by Congress with respect to the additions to the Interstate System within the District of Columbia had not been followed, and they enjoined any action under that proposal. The court said hearings should be held to give the people of the District of Columbia an opportunity to be heard.

The language which was proposed by the House simply states, in effect, that notwithstanding any law, and notwithstanding the decision of any court, "We direct you, Secretary of the Department of Transportation and the city government, to go ahead and build these roads as we want them built—no matter whether it be dangerous to the character of the city; no matter whether this is what the people want, the poor as well as the rich—go ahead and build them, as a few people sitting in Congress want them built."

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. MANSFIELD. What special qualifications do the members of the Committee on Public Works in the House have to entitle them to lay down dictum of that nature?

Mr. COOPER. There may be an engineer among them, but they do not have the expertise. They had hearings, and they heard testimony of a great many people opposing the system as well as those supporting the system, but still I do not think they have the expertise, nor do we. That is the reason Congress provided that the States lay out their State highway systems, and provided a way for the District of Columbia to make additions to its system. That procedure has not been followed on these highways.

Mr. MANSFIELD. On the basis of this precedent, if approved, does that mean that what has been directed toward the District of Columbia to accomplish could, by the same token, by appropriate committees of the House and Senate—in this instance, the House—be directed against the States as well?

Mr. COOPER. Certainly, because it is a precedent. I doubt whether they would. Perhaps, but I doubt they would tamper with the States. But the Federal-Aid Highway Act provides that the District of Columbia shall be defined as a State, and therefore it comes under the same provision as any State.

Mr. MANSFIELD. Then the precedent would hold.

Mr. COOPER. It would.

Mr. MANSFIELD. If this committee wanted to say to the District of Columbia that the parkway given by the Glover-Archbold families is to be used for the purposes of getting through a line of concrete, would they have that authority?

Mr. COOPER. Yes; because there is the inherent power of Congress to override.

Mr. MANSFIELD. Then, as my distinguished colleague from Montana stated, what is the use of a private group such as the Glover-Archbold families, as an illustration, bequeathing to the District of Columbia, for use in perpetuity, a certain amount of acreage for recreational and other purposes? Is there no guarantee?

Mr. COOPER. No, there is no guarantee except Congress——

Mr. RANDOLPH. Let me interject there to say that the Glover-Archbold Park is deeded to the District of Columbia for a specific purpose. If it were not used for that specific purpose, we would lose it.

Mr. MANSFIELD. But it is being used for that specific purpose.

Mr. RANDOLPH. Nor would that use be violated by the recommendation of the conference report.

Mr. MANSFIELD. It is used as a recreational area, as I understand it, as it was intended. That use was not to be disturbed.

Mr. RANDOLPH. It will not be disturbed.

Mr. MANSFIELD. It was to be given to the people of the District of Columbia in perpetuity. Some groups in this city, and in the Government, seem interested in building a freeway through that park.

Mr. RANDOLPH. The Senator is correct. They were interested. We are not allowing it.

Mr. MANSFIELD. I am delighted again to have that assurance from the chairman.

Mr. METCALF. Will my colleague yield to me?

Mr. MANSFIELD. I do not have the floor.

Mr. COOPER. I yield.

Mr. METCALF. If the Senator will pardon the expression, it is just like a rifle, the Glover-Archbold Park.

Mr. RANDOLPH. Let me read the language. I have read it once before. I shall read it again:

> Immediately upon completion of construction of the bridge, the District of Columbia shall relinquish to the National Park Service the right-of-way through Glover Archbold Park that it presently holds. The design of the bridge does not require intrusion on the park and the Congress directs that no intrusion of the park take place.

Mr. COOPER. Let me say, with knowledge and in frankness, that is why I am against the conference report, and shall vote against the conference report. In that section, we are saying—the Congress is saying—notwithstanding any other provisions of law, or notwithstanding any court decision or administrative action, we direct them to do this. We have the power to do it now, against the decision of the court, and against our own statutes.

Then, of course, in the future, Congress could direct them to run the highway through this park, or any other. I am saying that this part of the language is not law.

Mr. MANSFIELD. This is a dictum laid down by the House committee. Is this also the intent of the Senate?

Mr. RANDOLPH. No, it is not. I have explained that on many occasions. We have an agreement on this matter.

Mr. MANSFIELD. We have this written report by the Senate. What we are quoting from is the House report.

Mr. COOPER. We will both agree that it was told to us, so far as it says now, as to laying down the proposal.

Mr. RANDOLPH. What is proposed to be laid down will not go through the park.

Mr. COOPER. What I am saying is——

Mr. RANDOLPH. It will be carried out in accordance with the application of the provisions of title XXIII of the United States Code.

Mr. COOPER. These actions are dangerous because they create precedents.

Mr. President, I am going to close by saying that not only does this section 23 prescribe certain directions with respect to the legs I mentioned, but it also goes ahead in the next paragraph, and directs the District of Columbia and the Department of Transportation to formulate plans regarding other segments of the road system spelled out in House Document 199 in the District of Columbia, and to report to Congress within 18 months. If they do not come back in 18 months, Congress will do with the remaining portions of the road system in the District of Columbia, contained in the document, what it does with the four segments designated in this act.

I do not pretend to know about the merits of these legs. If the proper procedure is followed, the bodies concerned might come up with the same project, even though the Department of Transportation has indicated to the contrary at this point. But I oppose the idea of Congress arrogating to itself the wisdom or the authority to attempt to lay down a road system in the District of Columbia, in any other State, or in any other city in the United States. I think it is a local matter.

In the Senate-House conference, I submitted an amendment, in which I was joined by Senator Jordan of Idaho, as a substitute for the language of the House bill. My amendment would have required that the Secretary of Transportation and the government of the District of Columbia designate necessary additions and modifications of the Interstate and Defense Highway System within the District of Columbia and proceed with their construction as soon as possible—but in accordance with the provisions of the Federal-Aid Highway Act, and of title 7 of the District of Columbia Code. But the House conferees insisted upon their own position, which resulted in the language now contained in the conference report.

I would say again to the Senate that the distinguished Senator from West Virginia, with the responsibility of being the chairman, worked to produce a bill which represented the best that could be done. I have said that many sections of the bill are innovative and valuable, and come before the country and the people for the first time. It is a matter of regret to me, that other provisions—one to add 1,500 miles, and particularly the imposition of a system on the District of Columbia—require that I oppose the conference report. Also, I do not like this attitude—and I speak with respect for the House—of attempting to amend basic acts dealing with conservation and beauty by bringing them to a conference, where the Senate conferees are not able to consult or seek the judgment of other members of the Public Works Committee, and where other Members of the Senate have no opportunity to work their will.

I do not like the attitude that, because there is so much embodied in the bill, there might be an opportunity to thrust down our throats amendments which, had we surrendered wholly, would have repealed two great legislative conservation acts.

So, for these reasons, Mr. President, I reluctantly—and yet I am not reluctant about it, either, because I opposed these matters in conference—I shall vote against the conference report.

In closing, I do wish to speak again of the leadership of our chairman, Senator Randolph, in sustaining the Senate provisions wherever possible and in many important areas, and of the strong support I received and we both received from Senator Jordan of Idaho, and Senator Fong, my Republican colleague, and all the Senate conferees.

Mr. RANDOLPH. Mr. President, will the Senator from Kentucky yield to me, because that is the only way I can have the floor?

Mr. COOPER. I yield.

Mr. RANDOLPH. I shall speak for only 1 or 2 minutes. Mr. President, I do not want to pass judgment. The Senator from Kentucky or the Senator from West Virginia may disagree on the solution of the conference report. I have high respect for my colleague, even though we disagree in this instance. It is a privilege to serve with him. I have been helped many times by his legal mind and his guidance in these matters.

I think the Senator knows that this was not an easy conference.

Mr. COOPER. No, it was not.

Mr. RANDOLPH. I believe it was the most difficult one on which I have as yet served——

Mr. COOPER. I agree with the Senator.

Mr. RANDOLPH. It was the most difficult one I have ever served in, and I have served in the Capitol for 24 years, 14 years in the House, with House conferees, and 10 years in the Senate, with Senate conferees. We brought out a bill which certainly the Senator from Kentucky did not want. I am sorry he will vote against the conference report. I did not want all aspects of it, either. But we will have lost much in these necessary programs if we do not vote this conference report favorably.

Mr. YARBOROUGH. Mr. President, S. 3418, the Federal-Aid Highway Act of 1968, was in conference committee for 13 days. I commend the distinguished Senate conferees, headed by the very capable senior Senator from West Virginia [Mr. Randolph], for their diligent efforts in a hard battle to protect the interests of the Senate, of the people, and of the Nation in this very important legislation.

A matter of particular concern to me in this legislation was a provision in the House bill to weaken severely the authority of the Secretary of Transportation to protect public parklands, wildlife refuges, recreation areas, and historic sites.

The House version of this bill would have eliminated section 4(f) of the Department of Transportation Act of 1966—a section that prohibits the Secretary of Transportation from approving any Federal highway project that would cut through these invaluable lands and sites unless there is no feasible alternative.

It was my pleasure to support actively the concerned efforts of the distinguished Senator from Washington [Mr. Jackson] to put section 4(f) into that 1966 act. Before that, I successfully fought to put similar protective language in the Federal-Aid Highway Act of 1966.

S. 3418, the Senate version of the Federal-Aid Highway Act of 1968, appropriately maintains the authority of the Secretary of Transportation to protect these irreplaceable lands and sites from the cynical intrusions of the insensitive highway lobby.

Our able conferees from the Senate have worked to hold the line on this important item. Unfortunately, the House conferees seemed determined to pave over our natural beauty and historic treasures with highway concrete. The language in the conference report is ambiguous and needs clarification. At page 11 of the conference report accompanying S. 3418, the following compromise on section 4(f) is reported:

> (b) Section 4(f) of the Department of Transportation Act (80 Stat. 931; Public Law 89–670) is amended to read as follows:
>
> "(f) It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of the Federal-Aid Highway Act of 1968, the Secretary shall not approve any program or project which requires the use of any publicly owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use.

The important phrase in this new language is "of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof." This phrasing introduces a new element into the laws which are designed to protect our parklands and our sites.

I want to address my remarks and questions to the Senator from West Virginia. I see one distinct advantage. It was contended after the 1966 act that "public park" referred only to national parks, and not State or local jurisdictions. It is contended that this applies to Federal, State, and local, throughout. I want to ask certain questions of the Senator from West Virginia with regard to that. The question has been raised that, if the local authorities said that a site had no historic significance, engineers could ram a highway through regardless of a site's being of historic significance. Is that correct?

Mr. RANDOLPH. No; they could not ram it through, as the Senator has said.

Mr. YARBOROUGH. Do the Secretary of Transportation and the highways officials of the Federal Government have the power to apply this provision of the bill as written even though the local officials say such a site has no significance?

Mr. RANDOLPH. Under their power to approve plans, specifications, and estimates they can review such decisions.

Mr. YARBOROUGH. I will give a specific example. The home of George Washington at Mount Vernon is not a national historic site or park.

Mr. RANDOLPH. It is a historic site.

Mr. YARBOROUGH. It is marked that way by the boards, but it is not owned by the Federal Government. I am reading from the Reader's Digest Almanac.

Mr. RANDOLPH. I want to stress that a historic site does not have to be owned by the Federal Government.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I know the Senator from West Virginia is under pressure of time for another appointment he has. I will not read the list of such sites, but they are contained on pages 642 to 644 of the book to which I have referred, and that list shows residences of former Presidents. Some are purely privately owned, but everybody knows they are important historic sites. I am talking about sites that are of historic significance. Are they protected?

Mr. RANDOLPH. They are covered.

Mr. YARBOROUGH. I want to give an example of what happened in my own State, and this has been a matter of controversy for 5 years. Brackenridge Park is located along the San Antonio River in San Antonio. It was set out by a veteran of the War between the States, and comprises 323 acres in the city of San Antonio. It is located right at the Balcones Fault, which resulted in the springs that form the San Antonio River. I visited it some 50 years ago when I was a boy. It was then the biggest park in Texas. It was the first great park in Texas. Texas had no State or national park like it.

Now, the city of San Antonio goes around it on all sides. San Antonio is the 13th largest city in population in the United States. I have no doubt that in 10 years it will be among the 10 largest cities.

Now a superhighway is projected to go through it from the north. This is a natural park along the river, and there is not enough open land left over for another park site. Yet, they want to put the highway right through the middle of the park. It has been fought for years. I have no doubt that the city council, which has jurisdiction over this city park, is going to say the park has no historic significance. But do the Federal officials have authority to withhold the 90-percent Federal share for the highway?

I want to know if the Federal authorities have a right to protect this park.

Mr. RANDOLPH. Yes; they could withhold funds.

Mr. YARBOROUGH. If the Senator thinks this is counter to some local desires, let me point out that San Antonio, New Orleans, and San Francisco were called by Mark Twain and Charles Dickens and other writers the three unique cities in America. One of the most unique buildings in San Antonio has been the Governor's mansion, or the Government House. It was the home in which James Bowie, inventor of the Bowie knife, was married. It was the place where Ben Milam fell in the siege of the Alamo. Since the turn of the century, the owners have refused to sell it. It was wanted to build a skyscraper. An ordinance was passed declaring it to be a public safety hazard, and they tore it down. Since 1910 there have been efforts to tear down the historic Alamo.

Brackenridge was a Unionist who lived in Texas. At the end of the war, he came back to Texas and organized the first cattle drive. He became very wealthy, and was eventually one of the greatest public benefactors in the history of Texas. He gave buildings and land to the University of Texas, and he gave this park, which bears his name, to the city of San Antonio.

Mr. President, Brackenridge Park is known to everybody in Texas. No Texan would say that park has no significance, beauty, or meaning. It does have significance. Generations of children have been taken there from all over Texas, because it contains one of the greatest zoos in the State, and is noted for the springs flowing through it, its Japanese gardens, and many other attractions.

If you run a highway through a long, slender park of 323 acres you do not have to pay any tax money for right-of-way. Thus the city council, hard pressed for money, is seeking to run a highway right through the center of one of the best parks in the State.

Mr. RANDOLPH. We are not going to allow that.

Mr. YARBOROUGH. This bill will not permit that?

Mr. RANDOLPH. The Senator is correct.

Mr. YARBOROUGH. Mr. President, that is the assurance I want.

Mr. RANDOLPH. I am intrigued, as always, by the ability of the Senator from Texas, not only as a Senator but as a historian. It is delightful to hear him delve into the history of his State, and relate these anecdotes. It makes me want to visit Texas even more than before he began speaking.

Though I do not wish to limit the Senator from Texas in any wise, I do want to draw this debate to a close. I think it is important for us to realize that through passage of this legislation, we are going to give protection to parklands, historic sites, and shrines of national as well as local interest, to a greater degree than we have in any law heretofore enacted.

Mr. YARBOROUGH. Is it, then, the statement of the Senator from West Virginia that in the case of a local park this new language would give us greater protection?

Mr. RANDOLPH. The Senator is correct.

Mr. YARBOROUGH. The Senator from West Virginia, if he will review the RECORD, will see that my remarks on this bill are few indeed, for the depth of feeling I have on this question. I had intended to oppose strenuously this effort on the part of the House conferees to paralyze the Senate, because, over on the House side, the House conferees are boasting that they have taken protection of parks, monuments, and shrines by the Federal Government out of this bill. That issue is deep in the bill. But with this assurance from Senator RANDOLPH, who led the Senate conferees, I shall support the conference report.

Mr. RANDOLPH. I commend the able Senator from Texas, and I assure him that what I have said is true.

Mr. YARBOROUGH. With that assurance, Mr. President, I shall vote for the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Oregon [Mr. MORSE], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Louisiana [Mr. LONG], and the Senator from Oregon [Mr. MORSE] would each vote "yea."

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from Alaska would vote "yea" and the Senator from Pennsylvania would vote "nay."

Mr. KUCHEL. I announce that the Senators from Vermont [Mr. AIKEN and Mr. PROUTY] are absent on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent by leave of the Senate.

The Senator from Tennessee [Mr. BAKER], the Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. MORTON], the Senators from Illinois [Mr. DIRKSEN and Mr. PERCY], the Senator from Wyoming [Mr. HANSEN], the Senator from Nebraska [Mr. HRUSKA], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Illinois [Mr. DIRKSEN], the Senator from Iowa [Mr. MILLER], the Senator from Illinois [Mr. PERCY], the Senator from Texas [Mr. TOWER], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 66, nays 6, as follows:

[No. 248 Leg.]

YEAS—66

Allott
Anderson
Bayh
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Cotton
Curtis
Dodd
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Harris
Hart
Hartke
Hatfield
Hickenlooper
Hill
Holland
Hollings
Inouye
Jackson
Jordan, N.C.
Jordan, Idaho
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Mondale
Monroney
Montoya
Moss
Mundt
Murphy
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Russell
Smith
Sparkman
Spong
Stennis
Symington
Talmadge
Thurmond
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—6

Brooke
Case
Cooper
Javits
Kuchel
Williams, Del.

NOT VOTING—27

Aiken
Baker
Bartlett
Carlson
Church
Clark
Dirksen
Fulbright
Gore
Gruening
Hansen
Hayden
Hruska
Kennedy
Lausche
Long, Mo.
Long, La.
McCarthy
McGovern
Miller
Morse
Morton
Percy
Prouty
Scott
Smathers
Tower

So the conference report was agreed to.

Mr. TYDINGS. Mr. President, Senate approval this afternoon of the conference report on the Federal-Aid Highway Act makes it a matter of strong necessity that the House act on my three bills to authorize the use of freeway airspace for construction of public and private facilities.

The Highway Act just approved requires the District government to proceed with four highway projects described in the 1968 cost estimates; namely, the completion of the freeway center leg to New York Avenue, and the construction of the eastern leg, Potomac River Freeway and the Three Sisters Bridge.

The order to proceed on the first three of these projects makes it crucially important that the District of Columbia government be able to plan for and utilize the airspace above the freeways. This airspace in already overcrowded sections of the city should be available in particular for low-income housing and parks to serve those displaced by the highway projects for badly needed commercial and educational facilities and for public parking facilities.

In March 1967, I introduced three bills—S. 1245, S. 1246, and S. 1247—to provide authority to construct buildings, such as housing, schools, recreational facilities, and commercial establishments in the airspace above freeways and public streets in the District, and to authorize the District government to levy charges for use by commercial undertakings of public space.

In July 1967, 2 days of hearings were held on these bills. The legislation received the support of many of the groups concerned with the development of the inner city, the District of Columbia government, and Federal officials. The Senate passed these three bills in December 1967. They are now before the House District Committee. House subcommittee hearings have been held, but no action has yet been taken.

I am today writing Mayor Washington and appropriate members of the House District Committee urging action on this legislation as soon as possible. Since these projects in the District freeway program are now going forward, it would be very unfortunate to lose the opportunity for utilization of the freeway airspace in projects which would help alleviate the consequences for people of the freeway program such as the loss of low-income housing, destruction of neighborhood parks, and increased parking congestion. Utilization of freeway airspace for commercial facilities could also produce needed jobs and revenues for the District.

DESIGN AND CONSTRUCTION OF BUILDINGS FINANCED WITH FEDERAL FUNDS TO BE ACCESSIBLE TO THE PHYSICALLY HANDICAPPED—CONFERENCE REPORT

Mr. JORDAN of North Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 222) to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped. I ask unanimous consent for the present consideration of the report.

The **PRESIDING OFFICER.** The report will be read for the information of the Senate.

The bill clerk read the report.

(For conference report, see House proceedings of July 26, 1968, p. 2371, CONGRESSIONAL RECORD.)

The **PRESIDING OFFICER.** Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JORDAN of North Carolina. Mr. President, I recommend favorable action by the Senate on the conference report on S. 222. The Senate version of the bill required that all nonresidential public buildings constructed by or on behalf of the Federal Government, or financed in whole or in part with funds provided by a grant or loan made by the Federal Government, be designed and constructed so that they would be accessible to and usable by persons who are physically handicapped. The Senate act applied only to new construction.

The House version exempted all buildings and facilities on military installations. It included all residential structures containing four or more dwelling units, the intended use of which would require that such buildings be accessible to the public or may result in the residence therein of physically handicapped persons, constructed by or on behalf of the Federal Government or financed in whole or in part by a grant or loan made by the Federal Government. It authorized the Secretary of Housing and Urban Development to prescribe the standards for the design and construction and alteration of such residential buildings. It also included existing buildings meeting the criteria for coverage if they are altered.

The House receded from its exemption of all buildings on military installations. The conferees then agreed to exempt from the provisions of the act only those buildings or facilities on a military installation which are designed and constructed primarily for use by able-bodied military personnel. They further agreed to authorize the Secretary of Defense, in consultation with the Secretary of Health, Education, and Welfare to prescribe the standards for the design, construction and alteration of buildings on military installations which are subject to the act, to insure that physically handicapped persons will have ready access to and use of such buildings.

The Senate receded from its provision exempting all residential buildings and the House receded from its position of including all residential structures containing four or more living units. The Senate and the House then agreed to exempt from the provisions of the act only privately owned residential structures which are financed in whole or in part by a grant or a loan made by the Federal Government.

The Senate then receded from its disagreement to the House provision making existing buildings subject to the act if they are altered and its disagreement to the amendment of the House to the title and agreed to the same.

In my opinion, the conferees have adopted provisions in this act that will have far-reaching effects on the lives of those 22 million people in the United States who, because of some form of physical handicap, are restricted in their ability to move from place to place. These people will now be afforded a much better opportunity to obtain gainful employment and otherwise enter into the mainstream of American life.

Mr. President, I move that the conference report be agreed to.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 18785) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 18785) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1969

The Senate resumed the consideration of the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes.

Mr. McCLELLAN. Mr. President, I have a few brief remarks to make in connection with the pending bill making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies, for the fiscal year ending June 30, 1969.

It is a fairly good bill. It was unanimously approved by the committee. The sums recommended for the various departments and agencies are, in my judgement, considered ample to fund essential costs, including so-called mandatory increases and ongoing programs from 1968.

The committee also gave approval to two appropriations items that should be included in the bill but withheld as the authorization for them had not passed the Senate. This was accomplished, however, on July 25, and I propose to call them up during the consideration of the bill. I refer to amendment No. 907, in the amount of $119,800,000 for ship construction, and amendment No. 906, in the amount of $6,700,000, for research and development activities under the Maritime Administration.

As the report indicates, the amount of the bill is $1,874,444,000. It is $417,549,900 under the total budget estimates considered by the committee; $208,810,400 below the 1968 total appropriations and is $79,462,500 above the House allowances. It should be noted that $75,975,000 of the proposed increase over the House bill relates directly to supplemental budget items that had not been considered by the House and were the consequence of recently enacted new legislation.

The items were $69,000,000 to carry out the functions of the Omnibus Crime Control and Safe Streets Act, Public Law 90–351. Three million of the amount would be allocated to the FBI; $5,015,000 to cover increased expenses stemming from the Jury Selection and Service Act of 1968, Public Law 90–274. Included in this sum is $4,000,000 for juror fee and allowance increases, $500,000 for 83 of the 166 additional deputy clerks of U.S. district courts, $500,000 for travel and miscellaneous expenses, and $15,000 for two additional clerks in the administrative office; $300,000 for expenses of the Federal Judicial Center; $1,000,000 for increase in fees and expenses of witnesses, permitted under Public Law 90–274; $660,000 for expenses relating to the Fire Research and Safety Act of 1968, Public Law 90–259; includes $500,000 to implement fire research program of Bureau of Standards, and $160,000 to finance a National Commission on Fire Prevention and Control.

Other items included in the Senate increases and considered of special interest to Senators are as follows:

For the Department of State, the committee added $3,010,000.

Three million dollars was added to the House allowance of 30 million, to provide a total of 33 million to finance the mutual educational and cultural exchange programs. The committee felt this would be sufficient to mount an adequate program for fiscal 1969.

The other item concerned the appropriation of $10,000 to cover the U.S. membership fee of the International Council for Exploration of the Seas.

For the Department of Justice, the committee has recommended an increase of $72,429,000 in six appropriation items, less a savings of $7,500,000 allowed in the House for the old law enforcement activity item which is being financed by the newly created Administration for Law Enforcement. Included in the increases is the $70,000,000 in new items, above mentioned, and the restoration of $2,429,000 as follows: $565,000 for salaries and expenses, general legal activities. Specifically the sum provides $400,000 for 20 attorneys and 10 clerks in the Criminal Division, and $165,000 for 10 attorneys and five clerks for the Civil Rights Division, in order to cope with the increased workload, particularly in the Criminal Division; $955,000 for salaries and expenses, U.S. attorneys and marshals. The increase provides for 50 assistant U.S. attorneys and 50 clerks essential to cover the increasing workloads in the prosecution of Federal crimes and to more adequately meet the major responsibilities of these offices. These additional positions together with the 100 positions added in the House bill, will provide the full budget request of 100 more assistant attorneys and 100 clerks; $150,000 for salaries and expenses, Community Relations Service. The increase will enable the Service to expand its work in the field by providing about one-half of the 48 additional positions requested—26 professional and 22 clerks; $759,000 for salaries and expenses, Bureau of Prisons. The increase will provide $509,000 to implement the House approved program increases; $200,000 for additional personnel at penal institutions.

For the Department of Commerce, the committee has approved a net increase of $100,000. This involves an increase of $1,100,000 proposed in two appropriations: $500,000 for the fire research and safety program, under the Bureau of Standards; and, $600,000 for the Office of State Technical Services and of which $525,000 is for State program grants, and $75,000 for additional administrative expenses, and a decrease of $1 million in the appropriation for foreign direct investment control program that was established by Executive Order No. 11387 to restrain direct investment abroad in an effort to strengthen the balance-of-payments position of the United States. The House bill allowed $4 million, and the Senate committee felt that $3 million was ample to finance operations of the activity for fiscal 1969.

For the judiciary branch, the committee added $5,412,500. This included $5,315,000 in new items not considered by the House, and $97,500 for costs of nine additional law clerks for the Supreme Court; 19 law clerks are now authorized, two for each associate justice, and three for the Chief Justice.

With respect to the related agencies included in the bill, the committee added $6,011,000. This sum provided $1,500,000 for the Department of Health, Education, and Welfare, civil rights educational activities program, to carry out the provisions of title IV of the Civil Rights Act of 1964; $3,064,000 for the Equal Employment Opportunity Commission to cover the increased workload resulting from expanded coverage of companies and unions, as authorized effective July 2, 1968, and the increased backlog of cases to be investigated; $987,000 for the Foreign Claims Settlement Commission to continue its program in the adjudication of the claims against the Communist regime of China and the Government of Cuba; $160,000 for the National Commission on Fire Prevention and Control; $50,000 for the National Commission on Reform of Federal Criminal Laws; and $250,000 for the special representative for trade negotiations in order that the Office can more adequately carry out the functions in assisting to overcome the balance-of-payments problem.

Mrs. SMITH. Mr. President, as the ranking minority member of the subcommittee which handled H.R. 17522, the appropriation bill for the Departments of State, Justice, Commerce, the judiciary, and related agencies, for the fiscal year ending June 30, 1969, I want to commend the chairman of the subcommittee, Mr. McCLELLAN, for the excellent manner in which he carried out his assignment and duties in reporting this bill. His sincerity and dedication in conducting the hearings were of the highest order.

The committee was called upon to act on numerous items in the bill as reported that were not considered by the other body, due to the lateness of the requests from the President and because authorizing legislation had not been completed. The chairman discussed these items in his remarks. The Senate will have an opportunity to dispose of these amendments before final action is taken on the bill.

Mr. President, the committee has made a number of realistic reductions in the budget proposals submitted and this is in keeping with the absolute necessity for holding the costs of government within the framework of fiscal responsibility. The very serious fiscal problems which confront us today permit no other course. I believe the amounts recommended in this bill are sufficient to not only carry on-going programs, but also to fund for a few new activities.

Mr. President, in view of the fact that Senator McCLELLAN has explained the bill in detail, I shall not be repetitious. I do want my colleagues to know that I support this bill and I hope it will be approved by the Senate.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded for purposes of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to the request.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. WILLIAMS of Delaware. Would the Senator exempt from that unanimous-consent request section 706, which is the House amendment that would put a restriction on expenditures for these agencies? I would like to have a separate vote on that amendment.

In that connection, the committee amendment states:

On page 56, after line 22, strike out:

"SEC. 706. Excluding the Federal Bureau of Investigation money appropriated in this Act shall be available for expenditure in the fiscal year ending June 30, 1969, only to the extent that expenditure thereof shall not result in the net aggregate expenditure of Federal funds by all agencies provided for herein beyond $1,989,640,000".

Mr. McCLELLAN. I have discussed this matter with the distinguished Senator from Delaware and inasmuch as he wants a separate vote on this particular section of the bill, section 706, as reported to the Senate, I amend my unanimous-consent request to exclude that section, and that section can at some time be voted on subsequently.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Is there objection? The Chair hears none, and it is so ordered.

The committee amendments referred to and agreed to en bloc are as follows:

On page 11, line 16, after the word "Congress", strike out "$2,075,000" and insert "$2,085,000".

On page 12, line 12, after "(31 U.S.C. 529)", strike out "$30,000,000" and insert "$33,000,000"; in line 13, after the word "than", strike out "$8,700,000" and insert "$8,400,000"; and, in line 16, after the word "exceed", strike out "$2,000,000" and insert "2,250,000".

On page 15, line 3, after "(31 U.S.C. 529)", strike out "$23,598,000" and insert "$24,163,000".

On page 16, line 8, after the word "ammunition", strike out "$39,590,000" and insert "$40,545,000".

On page 16, line 25, after "United States Code", strike out "$3,200,000" and insert "$4,200,000".

On page 17, after line 3, strike out:

"LAW ENFORCEMENT ASSISTANCE

"For grants and contracts to provide assistance in training State and local law enforcement officers and other personnel, and in improving capabilities, techniques, and practices in State and local law enforcement and prevention and control of crime, for technical assistance and departmental salaries and other expenses in connection therewith, $7,500,000."

On page 17, line 16, after "(42 U.S.C. 2000g–2000g–3)", strike out "$2,200,000" and insert "$2,350,000".

On page 20, line 25, after "United States Code", strike out "$64,879,000" and insert "$65,638,000".

At the top of page 22, insert:

"LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

"SALARIES AND EXPENSES

"For grants, contracts, loans, and other law enforcement assistance authorized by Title I of the Omnibus Crime Control and Safe Streets Act of 1968, including departmental salaries and other expenses in connection therewith, $69,000,000, of which $3,000,000 shall be available for transfer to the Federal Bureau of Investigation which is authorized to purchase for the current fiscal year, an additional 75 passenger motor vehicles."

On page 31, line 4, after "(15 U.S.C. 278d)", strike out "$35,000,000" and insert "$35,500,000".

On page 32, line 4, after "(79 Stat. 679)", strike out "$5,000,000" and insert "$5,600,000".

On page 35, line 21, after "5 U.S.C. 3109", strike out "$4,000,000" and insert "$3,000,000".

On page 36, line 21, after the word "Court", strike out $2,110,000" and insert "$2,207,500".

On page 39, at the beginning of line 14, strike out "$43,500,000" and insert "$44,000,000"; on page 40, at the beginning of line 9, strike out "$20,282" and insert "$28,336"; and, in line 12, after the word "exceed", strike out "$27,016" and insert "$35,070".

On page 40, line 23, after "section 3041", strike out "$7,900,000" and insert "$11,900,000".

On page 41, line 6, after the word "Columbia", strike out "$6,200,000" and insert "$6,700,000".

On page 41, line 15, after the word "elsewhere", strike out "$1,846,500" and insert "$1,861,500".

On page 42, after line 9, insert:

"FEDERAL JUDICIAL CENTER

"SALARIES AND EXPENSES

"For necessary expenses of the Federal Judicial Center, including travel, advertising, and rent in the District of Columbia, and elsewhere, $300,000."

On page 44, line 20, after "5 U.S.C. 3109", strike out "$10,000,000" and insert "$11,500,000".

On page 45, line 4, after "Civil Rights Act", strike out "$6,936,000" and insert "$10,000,000".

On page 46, line 4, after the word "aliens", strike out "$344,000" and insert "$1,331,000".

On page 46, after line 4, insert:

"NATIONAL COMMISSION ON FIRE PREVENTION AND CONTROL

"For the necessary expenses of the National Commission on Fire Prevention and Control, authorized by Act of March 1, 1968 (Public Law 90–259), $160,000."

On page 46, line 15, after the word "vehicles", strike out "$200,000" and insert "$250,000".

On page 48, at the beginning of line 11, strike out "$450,000" and insert "$700,000".

On page 48, line 20, after the word "exceed", strike out "$3,500" and insert "$15,000"; and, in line 22, after "$344,400", strike out the comma and "of which $69,000 shall be available only for accumulated leave and severance pay".

On page 56, line 17, after the word "is", insert "finally"; and, in line 19, after the word "riot", strike out the comma and "or any group activity".

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. DOMINICK. Mr. President, the Senator will recall that last year, the distinguished chairman of the committee, the Senator from Arkansas, was kind enough to give me a hearing on the need for increased weather reporting stations in Colorado and throughout the Rocky Mountain area. At that time, a provision providing these funds was included by the committee and then defeated in conference.

Since that time, I have presented a statement to the committee again specifying the need for this item for Colorado, amounting to $70,000 a year, to install more weather reporting stations in our Rocky Mountain area for air safety and for weather forecasting for agricultural purposes and otherwise.

I understand this item was not included in the bill this year, but assurances were receiveed from the Weather Bureau and the Commerce Department, and presumably it met with some acceptance by the committee, that next year on a regional basis the Commerce Department would try to put in additional language and funding for this purpose.

I bring this matter up because this year we have had five or six aircraft accidents in our mountains. People, inexperienced with our mountain flying, have entered into terrain which is difficult at best, and when one does not have weather information it can be very risky to an inexperienced pilot.

The amount is so small in order to get the needed weather reporting that I had hoped we could get it in part last year and this year. I am not sure the House recognizes the urgency of this matter in our area.

The Senate and the Senator from Arkansas have been most cooperative, but I would like to establish some kind of record that at least next year in the budget this will be one of the items to be considered, as small as it may be.

Mr. McCLELLAN. Mr. President, I can only join with the Senator in hoping the situation next year will permit the requested funds for that purpose and also for other meritorious requests. The Senator appreciates the problem that confronts us in this session of Congress, the fiscal difficulties we are having. There are a good many projects and matters being deferred of necessity because of the budget situation.

I am sure the Senator's project is very meritorious, and next year I feel there will be a disposition on the part of the Committee on Appropriations, in my judgment, to meet this problem and provide funds for it. However, I do not think we can get by with an unbudgeted item this year. If we include it in the bill, we would have to put in others that are not budgeted.

Mr. DOMINICK. As the Senator so aptly said, our fiscal crisis is severe and sharp. I understand the pressure under which the committee is operating. Also, I know the budget did not include this item, which would mean $70,000 a year above the budget.

Mr. McCLELLAN. The Senator is correct.

Mr. DOMINICK. I know that creates a problem with the House, even though the matter prevailed in the Senate. I know the pressures under which the Senator operates.

Mr. McCLELLAN. We have put in two or three items not included in the House bill, because of legislation enacted, which the House did not have an opportunity to consider. For instance, I refer to the Omnibus Crime Control and Safe Streets Act. We included an appropriation for $69 million for that purpose which the House did not have an opportunity to consider. Then there is the Maritime Administration, which amounts to $126,500,000—$119,800,000 for ship construction and $6,700,000 for research and development.

Overall, we have not included any unbudgeted projects on which to go back to the House. We could not sustain them if we did.

Mr. DOMINICK. I have been flying in these mountains for 22 or 23 years now, and the situation does become critical. I see the Senator from Montana [Mr. METCALF] in the Chamber. The problem of weather reporting in our mountain area over the entire Rocky Mountain chain is extremely difficult. We do not have adequate information for forecasting or even up-to-date, pertinent weather reports so that one will know what the weather is going to be 5 miles further on. We do not have sufficient or adequate weather stations.

Mr. McCLELLAN. The situation is not a local problem; it is a national problem. Most of us fly around the country from time to time. The situation is not something applicable only to citizens of the Senator's State. The situation applies to the entire traveling public in air transportation. The item is needed and I hope we will be able to get to it next year.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. METCALF. Mr. President, I completely concur in the statement of the Senator from Colorado about the need for further weather reporting in our sparsely populated areas. This is not only a matter of concern in our area but it is also a matter of national concern. I hope there will be a continued interest.

Mr. McCLELLAN. I join my colleagues in urging that the budget include the item in its recommendations next year because, as I have said, it is not a matter of accommodating local people, or only one State, or just one region. It would provide a benefit and a reassurance of safety to people in all States of the Union.

Mr. METCALF. Weather reporting in Montana, Colorado, or Arizona is a matter of concern to the pilot who flies there from New York, Pennsylvania, or Los Angeles.

Mr. McCLELLAN. It also concerns the passenger.

Mr. METCALF. Sometimes we all have to be passengers.

Mr. McCLELLAN. Yes, indeed.

Mr. METCALF. Mr. President, I wish to call to the attention of the chairman the appropriation for the Federal Judicial Center.

At the end of the session in 1967 we passed an authorization for a Federal Judicial Center, which I think the Congress felt was a long step forward in the administration of Federal activities.

I hope, and I would like to be assured, that the $300,000 is enough to launch this project satisfactorily, because we secured the aid of ex-Justice Tom Clark to head up the Center and to start it off. This is an exciting program which may save thousands and thousands of dollars, as far as the administration of Federal courts is concerned.

Mr. McCLELLAN. Justice Clark came to see me and talked to me in person about this matter. I pledged him my support. I think it is a very worthwhile and meritorious program and project. I told him at the time that the committee would not feel like appropriating the full amount at this time because it would be only 10 months, or 9 months, by the time the money is available for three-quarters of the year before another appropriation will be available. As I recall, I recommended to the subcommittee $300,000. When the subcommittee voted on it, it voted $250,000. During the consideration by the full committee, someone suggested $350,000. It was my recollection they finally compromised on $300,000. That is not in the House bill now. We are going to the House with this.

Mr. METCALF. I understand.

Mr. McCLELLAN. There will be other instances in connection with this appropriation bill where we will look them in the eye and say, "We have put a larger amount in here to get a compromise or cut. We have done what we thought was right and prudent to do under the circumstances.

I think that the $300,000 will give them ample money to get the job started.

Mr. METCALF. I completely concur. That is what I wanted the Senator to tell me, that he felt this is enough money to launch this very important project.

Mr. McCLELLAN. It is.

Mr. METCALF. But not an item just to put up and hang up so that the House can get the opportunity to cut it.

Mr. McCLELLAN. Let me point out to the Senator that in this request, the $538,000 budget, $140,000 of it is for contractual research studies, private agencies, or persons, or Government activities, on a reimbursable basis. That is $140,000 for research.

Then we have $170,000 for education and training programs for judicial courses, and so forth. We can take off some of that. They do not have to do all of that at once.

Mr. METCALF. Surely.

Mr. McCLELLAN. I am therefore confident that there are ample funds here now to make a good start.

Mr. METCALF. I am delighted to hear the Senator from Arkansas tell me that. I see in this a new opportunity for the Senate to save a great deal of money and to streamline the whole administrative procedure in the Federal courts.

Mr. McCLELLAN. I feel that we are fortunate that Justice Clark is interested in this, is heading the program, getting it organized, and is giving his time and effort to it.

Mr. METCALF. I completely concur.

Mr. McCLELLAN. I think he is quite capable to take over the program, make it work, and make it successful.

Mr. METCALF. I thank the Senator very much.

Mr. McCLELLAN. Mr. President, there are five or six amendments at the desk, about which notice has been duly given for the suspension of the rule; and I should like to call these up in their order, one at a time, at least.

First is amendment No. 902, which I should like to have reported and have the RECORD reflect that due notice was given under the rule.

The PRESIDING OFFICER. The Chair informs the Senator from Arkansas that the last committee amendment should be reported first.

Mr. McCLELLAN. That amendment will be voted on last, and I was going to defer that amendment because there will be some debate on it. There is controversy on the others. I should like to leave that amendment to the last, if that is agreeable to the Senator from Delaware. Let us proceed with the noncontroversial amendments and get them agreed to, and then we can take up the controversial amendments.

The PRESIDING OFFICER. Will the Senator from Arkansas request unanimous consent to set aside that amendment temporarily?

Mr. McCLELLAN. Mr. President, I ask unanimous consent temporarily to set aside the amendment relating to expenditure limitations, which is section 706, so that we can proceed with the other amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 902

Mr. McCLELLAN. Mr. President, I call up amendment 902 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 14, after line 3, insert the following:

> SEC. 106. Existing appointments and assignments to the Foreign Service Reserve in the Department of State which expire during the current fiscal year may be extended in the discretion of the Secretary of State for a period of one year in addition to the period of appointment or assignment otherwise authorized.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 902) of the Senator from Arkansas.

The amendment was agreed to.

AMENDMENT NO. 903

Mr. McCLELLAN. Mr. President, I call up my amendment (No. 903) and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 28, line 16, after the word "including", insert the following: "purchase (one),".

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 903) of the Senator from Arkansas.

The amendment was agreed to.

AMENDMENT NO. 905

Mr. McCLELLAN. Mr. President, I call up my amendment No. 905 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 22, line 9, after the word "purchase" insert the following: "for police-type use, without regard to the general purchase price limitation."

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 905) of the Senator from Arkansas.

The amendment was agreed to.

AMENDMENT NO. 906

Mr. McCLELLAN. Mr. President, I call up my amendment (No. 906) and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32, after line 20, insert the following:

RESEARCH AND DEVELOPMENT

For expenses necessary for research, development, fabrication, and test operation of experimental facilities and equipment; collection and dissemination of maritime technical and engineering information; studies to improve water transportation systems; $6,700,000 to remain available until expended, of which $3,400,000 shall be for operation of the N.S. Savannah: *Provided*, That none of the funds appropriated herein are to be used for a layup of the N.S. Savannah: *Provided further*, That transfers may be made to the appropriations for the current fiscal year for "Salaries and expenses" for administrative expenses (not to exceed $931,000) and any such transfers shall be without regard to the limitation under that appropriation on the amount available for such expenses: *Provided further*, That transfers may be made from this appropriation to the "Vessel operations revolving fund" for losses resulting from expenses of experimental ship operations.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 906) of the Senator from Arkansas.

The amendment was agreed to.

AMENDMENT NO. 907

Mr. McCLELLAN. Mr. President, I call up my amendment (No. 907) and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32, after line 6, insert the following:

SHIP CONSTRUCTION

For construction-differential subsidy and cost of national-defense features incident to construction of ships for operation in foreign commerce (46 U.S.C. 1152, 1154); for construction-differential subsidy and cost of national-defense features incident to the reconstruction and reconditioning of ships under title V of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1154); and for acquisition of used ships pursuant to section 510 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1160); to remain available until expended, $119,800,000: *Provided*, That transfers may be made to the appropriation for the current fiscal year for "Salaries and expenses" for administrative and warehouse expenses (not to exceed $3,150,000) and for reserve fleet expenses (not to exceed $700,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses.

Mr. WILLIAMS of Delaware. Mr. President, as I understand it, this is the exact amount of the budget request, is that correct?

Mr. McCLELLAN. That is correct.

Mr. WILLIAMS of Delaware. When the authorization bill was first before the Senate, as I recall it the Senate committee asked for $230 million?

Mr. McCLELLAN. It had no authorization at that time. Since then, the authorization bill has been for $200 million.

Mr. WILLIAMS of Delaware. That is correct. The original Senate bill was $230 million. The House bill was $119 million.

Mr. McCLELLAN. The original House bill was two-hundred-and-thirty-some-odd-million dollars.

Mr. WILLIAMS of Delaware. Two-hundred - and - thirty-some-odd-million dollars. But in the Senate we adopted an amendment reducing that amount to the exact budget figure of $119 million, but when it came back from conference it had been raised to $200 million. I voted against the conference report and served notice I would make a fight when it came to the floor if it were increased above the budget figure. That is too high and should be reduced.

I understand that the committee has reduced it from the $200 million obligational authority to the exact amount of the budget request, which is $119 million.

Mr. McCLELLAN. The Senator has won his fight already.

Mr. WILLIAMS of Delaware. I thank the Senator for his cooperation.

Mr. McCLELLAN. All right.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 907) of the Senator from Arkansas.

The amendment was agreed to.

AMENDMENT NO. 904

Mr. McCLELLAN. Mr. President, I call up my amendment No. 904 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The BILL CLERK. On page 23, after line 13, intert the following:

SEC. 207. Investigative and other essential positions which are financed by appropriations in this Act for the Federal Bureau of Investigation which are detemined by the Director of the Federal Bureau of Investigation to be essential to the operations of the Federal Bureau of Investigation may be filled without regard to the provisions of section 201 of Public Law 90–364, and such positions shall not be taken into consideration in determining numbers of employees under subsection (a) of that section or numbers of vacancies under subsection (b) of that section.

Mr. WILLIAMS of Delaware. Mr. President, on this amendment, I would want a yea-and-nay vote. I shall not take the time of the Senate to debate it at length. We have already had this same problem with other agencies. On April 2, 1968, the Senate passed a bill raising taxes by 10 percent and providing for the $6 billion mandatory expenditure reduction and a rollback in Federal civilian employment to the July 1, 1966, level.

When the bill passed the Senate it carried exemptions or proposed exemptions for certain agencies from the employment ceiling—for Defense Department, Post Office Department, CIA, and FBI. We did not exempt them from the total computation, but the Senate bill did spell out that it was felt they should be in the priorities established for the agencies in that they had special duties to perform. This same provision was a part of the President's Executive order of September 20, 1966, at which time he placed a freeze on Federal employment.

While we did not exempt them entirely the Senate bill did give them a priority. We provided that to the extent the agencies named did not assume their proportionate part of the rollback in Federal employment, other agencies must pick up the difference.

When we got to conference it was the opinion of the conferees and of the Director of the Budget, Mr. Zwick, representing the administration, that it would be the best procedure to strike out all exemptions and extend to the Budget Director the authority to make cuts in those agencies in which he felt the cuts would result in the least disruption American people. We delegated to the Budget Director ample authority to confine the cuts to the overstaffed agencies. He could expand employment in one agency in which he felt that expanded employment was needed, but to the extent that cuts were not made in those agencies or that additional personnel were assigned to those agencies beyond their present levels, then the cuts must be absorbed elsewhere.

What the Senate bill did was to provide in the law a rollback to what Federal employment had been in 1966, which was in line with President Johnson's own Executive order of September 1966 at which time he said he had enough Federal employees.

I cite one division of the Department of Justice where a reduction in the number of employees can be made without disrupting the public service; and that is, to remove from the Federal payroll those 13 employees in the Subversive Activities Control Board.

For more than 2 years these 13 employees have been drawing salaries reaching from $15,000 to $25,000 per year, yet the committee records show that during this 2-year period these employees have not performed one single public service except to cash their paychecks and take their vacations.

If this committee amendment is approved these employees will be continued on the public payroll. If the committee amendment is rejected the Department would be forced to make reductions in its employment, and certainly this is one of the first areas in which it would start.

The acceptance of the committee amendment will be a Senate endorsement of the continuation of these drones on the public payroll for another 12 months. In fact, the committee bill goes further—it allows them $15,000 for travel expenses for the next 12 months, presumably on the basis that they are tired of sitting around playing pinochle.

Surely the Senate will not condone such extravagance. This agency should be abolished.

Since the Senate acted on the tax bill in April a majority of the Congress—unwisely, in my opinion—has exempted from the expenditure cuts the TVA, the Federal Aviation Administration, and the Post Office Department plus an exemption for all public works projects. Now it is proposed to exempt the FBI. Apparently the Senate is going down the line and exempt all the agencies, one by one, from having to absorb any cuts, and also exempt them from having to reduce their payrolls.

I think Congress is making a mistake when it exempts these agencies one by one from assuming their part of the payroll cut. I am confident that once these exemptions are approved we are going to find the public payroll spiraling to new heights on the eve of the 1968 election. We see this kind of payroll padding every time we approach an election, particularly a national election.

At a time when we are asking the American people to pay an extra 10-percent tax, in my opinion Congress cannot justify asking them at the same time to underwrite the cost of an ever-expanding bureaucracy.

Both Congress and the administration promised to reduce the cost of Government when we raised taxes.

I respect the work the FBI is doing, but the Budget Director has ample authority to exempt that agency to the extent he thinks is necessary and to make the cuts in some overstaffed agency, such as the Subversive Activities Control Board. Surely, we have an oversupply of public employees. President Johnson in December 1965 said he had 25,000 more employees in Government than he needed and was going to cut the number from the Federal payroll. Since that time, instead of cutting back, the President has added about 400,000 employees to the payroll. Sometime, someday, the taxpayers are going to rise and say they have had enough.

I hope this exemption will be rejected by the Senate. I shall be asking for a record vote on it.

Mr. McCLELLAN. Mr. President, I think I share in full measure the concern of my distinguished colleague from Delaware regarding the fiscal problem that confronts us. I, too, think there should be reductions, and I have supported the overall proposal for a reduction of $6 billion in expenditure. I think that amount of reduction can be made, and in many areas I would perfectly willing to leave to the judgment of the Director of the Budget the places where the cuts may be made, and leave it entirely to his discretion. But, Mr. President, this is a different agency from what we normally term a bureau or a bureaucratic establishment. This is a law enforcement agency, the greatest, the largest, the strongest that we have in this Nation. It is upon its efficiency and effectiveness that we must depend to a great measure for the enforcement of the laws of the Federal Government and the safety of the public and the freedom of our people from the imposition of crimes of violence so often visited upon them.

Mr. President, if the Director of the Bureau of the Budget and the Attorney General of the United States say that the force they have today is nedeed, I am not going, by my vote, to deny the personnel they say is required to try to maintain law and order in this country. Never since the Civil War has there been such dissension, such strife, such turmoil, such turbulence, such threats of violence, even of anarchy, as we face in this country today. This is the wrong time to start weakening the forces of the agency upon which we must depend for protection, for the security of our country and our people in this period of great unrest and almost open revolt.

I have voted to cut a lot of the expenditures for which appropriations could be deferred. I do not always agree with the law enforcement establishment of our country. I have fought many times against some policies. I have protested some of its actions, and I still do. But I do not propose to weaken it in this period of crisis by withholding from it funds that are needed to pay the personnel required to try to insure the internal security of our Nation. It would be a mistake.

Mr. President, I ask unanimous consent to insert in the RECORD at this point a statement from the Federal Bureau of Investigation. I had a cover letter for this statement, which has been incorporated in the report of the committee, I believe. I think I made it a part of the report. I ask unanimous consent that the statement be incorporated at this point in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL BUREAU OF INVESTIGATION,
JULY 26, 1968

Amendment No. 904 to H.R. 17522, making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, pertains to the personnel reduction provisions of Public Law 90–364, approved June 28, 1968, insofar as it applies to the Federal Bureau of Investigation.

The amendment provides that investigative and other essential positions which are financed by appropriations in this Act for the FBI which are determined by the Director of the FBI to be essential to the operations of that Bureau may be filled without regard to the provisions of Section 201 of Public Law 90–364.

The personnel reduction provision of Public Law 90–364 would, if allowed to stand, bring about a drastic reduction of 959 employees in the FBI's already limited staff. The personnel reduction provision is not soundly based for application to the FBI when it is considered that the work and responsibilities of that Bureau have been on the increase since 1966 and its work is expected to continue its upward climb. In this regard, Mr. Hoover has said that a reduction of the size indicated would be devastating insofar as the work of the FBI is concerned and would seriously impair its important work.

The field investigative work of the FBI, for example, has been on the increase for a number of years. During the fiscal year 1966 it received a total of 718,850 investigative matters. By 1968 this had mounted to 820,830. Its increasing work has pushed its pending volumes to the present unprecedented level of some 177,000 investigative matters, representing an average assignment of over 30 matters for each member of its field investigative staff. In contrast, the pending volume at the close of the 1966 fiscal year stood at 139,128 matters and an average assignment of 25 matters. The current average assignment of over 30 matters is too high, but it has risen to this level even though the overtime service of the special agent staff of the FBI is, and has been, running over two and one-half hours every workday.

In addition to its highly important work of combatting and ferreting out subversive activities inimical to our country, it is necessary that the FBI follow on the many demonstrations and the like occurring throughout the country and this is placing tremendous demands on its staff. In this regard, over 2,100 of its special agent staff during June, 1968, had to devote some time to civil rights work and it approached 3,500 during April, 1968, immediately following the murder of Martin Luther King, Jr. In contrast, less than 1,300 a month were required to devote time to this type of work during the months in the latter part of the fiscal year 1966.

The FBI has made substantial inroads against the organized criminal element. During the fiscal year 1966 there were 142 convictions of hoodlum, gambling and vice figures resulting from FBI investigation. During the fiscal year 1967 this rose to 197 convictions with 330 other individuals awaiting prosecution at the close of that fiscal year. During 1968 the FBI's drive resulted in the conviction of 281 individuals and, in addition, 675 others were awaiting trial as of June 30, 1968.

To maintain and increase its momentum in this vital area requires an increasing amount of manpower. The President, the Congress and the citizens of this country are vitally concerned that there be no letup in the fight against crime. The President has placed great emphasis on this point and the determination of the Government to do all that it can in this area is reflected in the new Omnibus Crime Control and Safe Streets Act of 1968 which, among other things, greatly increases the FBI's training responsibilities on behalf of local law enforcement. This, of course, requires additional manpower, not a cutback of it.

In addition to the FBI's widespread investigative work, its name and fingerprint check work along with the scientific examination work of the FBI Laboratory have reached very high levels. Its Identification Division, which has seen its fingerprint file grow from nearly 180,000,000 fingerprint cards at the close of the fiscal year 1966 to over 188,000,000 by June 30, 1968, is the Nation's centralized fingerprint file. It serves all law enforcement and is vital to the Nation's fight on crime as evidenced by the record high 31,404 fugitives identified through fingerprints during the fiscal year 1968, which is a tremendous jump from the 22,614 identified in the fiscal year 1966.

Along the same line, the FBI's centralized Record Banch is not only the vital cog in correlating its own investigative efforts, but its name check service is widely utilized and depended upon by a large number of other Federal agencies in assisting them in carrying out their responsibilities. Name checks during the fiscal year 1966 were a little over 2,400,000 while during the fiscal year just concluded the volume exceeded 2,800,000.

The same situation exists in regard to the services of the FBI Laboratory which was called upon to handle an all-time high of 342,690 scientific examinations during the fiscal year 1968. In contrast, for the year ending June 30, 1966, the volume was only 284,304. Its services are utilized by law enforcement agencies from every state.

The FBI must have an adequate staff to promptly and property handle all of the service-type work which is so widely utilized and depended upon.

With the FBI being confronted with sharply increasing work and growing responsibilities, the personnel reduction provisions imposed by Public Law 90–364 will place in it an untenable position in respect to carrying out its widespread duties, all of which are fixed by statute or executive order and involve matters of the highest national priority.

Mr. McCLELLAN. Mr. President, I hope the amendment will be approved. I have much confidence in Mr. Hoover. I believe he knows the urgency and necessity for all reasonable economies that we can effectuate at this time, and still maintain and support the necessary processes of Government.

This will permit him to reduce his personnel whenever he can do it, but I do not want to compel him to reduce where he should not; and I hope this amendment will be agreed to.

Did I understand the Senator from Delaware wanted a rollcall vote?

Mr. WILLIAMS of Delaware. Yes.

Mr. McCLELLAN. The Senator will have to request a quorum call to get a sufficient second.

Mr. BAYH. Mr. President, I congratulate my colleague and fellow member of the Committee on the Judiciary [Mr. McCLELLAN] on the amendment he has proposed. I suppose at this time, when all of us are looking for ways to tighten our belts and make the Federal tax dollar go farther, this is not a popular amendment; but to offer unpopular amendments is not uncharacteristic of the distinguished Senator from Arkansas.

The Senator and I have not always been on the same side of every issue, but I suggest that Members of this body would have to look long and hard to find anyone else approaching the degree of energy and the caliber of investigative thoroughness that the Senator from Arkansas has brought to bear in trying to focus the white heat of publicity on the wrongdoers in this country.

For that reason, I support his efforts. Later I shall offer an amendment in my own behalf, which will point out the need, in my judgment, to provide for the filling of vacancies which have been authorized and presently exist in one other important area; namely, the offices of the U.S. attorneys throughout this country.

After talking recently to many of my constituents, I must say that high on their list of priority problems is the effort that this country needs to make to try to do a better job of enforcing our laws, to say plainly to those who attempt to take the law into their own hands that this is not the way problems are solved in the United States, that there are critical problems which need to be solved, but that violence shall not be lawful, and that lawful solutions are the only kind the Nation should tolerate.

If other Members of this body share this feeling—which it seems to me they do, as evidenced by the fact that they adopted another measure which bears the trademark of the Senator from Arkansas, after debating it at great length, making a major effort to place the resources of this country behind effective law enforcement—it would seem to me to be totally inconsistent, after filling the jails with law violators, to tie the hands of the FBI and the prosecuting officers of this country.

District attorneys are charged with the responsibility of seeing that those who are brought before the bar of justice get justice, whatever that might be, whether they are to be prosecuted or permitted to return to freedom. I believe we are asking for trouble, Mr. President, if the U.S. attorneys' offices are not provided the resources necessary to expedite the tremendous caseload now before them. If the Senator from Arkansas will permit me, I wish to refer briefly at this time to some of the key statistics. There is no need to dwell at any length on these facts, but there are some very dramatic figures pertaining to this.

First, I remind the Senate of the words of the President of the United States, on January 17 of this year, when, in his message to Congress, he asked for funds to add immediately 100 assistant U.S. attorneys, throughout the land, to help prosecute violations of the criminal laws.

In this connection the President said:

> We have increased our judiciary by 40 percent, but we have increased our prosecutors by 16, and the dockets are full of cases because we do not have assistant district attorneys to go in before the Federal judge and handle them. And we start these young lawyers at $8,200 a year. And the docket is clogged because we do not have authority to hire more of them, and I ask this Congress for authority to hire 100 more. These young men will give special attention to this drug abuse, too.

On February 28 of this year, the Judicial Conference of the United States, which, as we know, is comprised of the chief judges of the 11 Federal judicial circuits and a district judge from each circuit, formally endorsed the proposal to add 100 more Federal prosecutors, and observed that orderly prosecution is dependent upon adequate staff to assure greater rapidity in handling cases.

Thus, the top judicial officials of this land recognize the need to fill the vacancies. The concern of the President and the judiciary was occasioned by the following facts—and I want these facts to appear in the RECORD, because they speak for themselves.

From the beginning of fiscal year 1961 to the end of fiscal year 1967, the number of criminal cases awaiting trial in Federal courts has increased by 100 percent, and the number of criminal and civil appeals in Federal courts involving the Government has increased by more than 100 percent.

The number of pleadings filed in Federal courts by persons in connection with attacking the legality of their confinement has increased by 125 percent.

The number of Federal grand jury proceedings conducted by assistant district attorneys has increased by 79 percent.

The number of hours spent in court by Federal prosecutors has increased by 100 percent.

At the close of fiscal year 1967, more Federal law enforcement agents were assigned to criminal investigative work than ever before, and the number of cases involving potential Federal law violations which they and the public presented to the U.S. attorneys' office for determination whether or not to prosecute had reached a record high of more than 132,000.

From fiscal 1961 to fiscal 1967, the U.S. attorneys have increased their attorney staffs by only 16 percent, to a total of 710 in the 93 Federal judicial districts.

During fiscal year 1967, the U.S. attorneys' offices required $21 million to operate, but they also collected $80 million for the Government. That is pretty good return on the investment, I would say—$1 invested for every $4 collected for our tax coffers.

Let us look at the legislative record, to see what the history is.

On May 28 of this year, the House of Representatives appropriated funds for the Department of Justice for fiscal 1969, providing for an additional—let me emphasize, an additional—50 assistant U.S. attorneys and 50 additional clerical positions, to deal with the growing criminal and civil rights work of the U.S. attorneys' offices.

A few days ago on July 25 the Senate Appropriations Committee recommended that more funds be appropriated to the Department than the House had allowed, to permit the hiring of 100 more attorneys and clerks for fiscal 1969.

Mr. President, I think it might be appropriate to quote from the committee report, which stated:

> The committee is of the opinion that the additional personnel is necessary in order for the offices of the U.S. attorneys to more adequately cope with the increasing workloads in the prosecution of Federal crimes and to more adequately meet the major responsibilities of these offices.

The committee concurred with the House in allowing the Federal Bureau of Investigation 128 more agents to cope with the Bureau's increased volume of work.

Mr. President, I could go on for some time to cite other impressive statistics, but they all would show one thing, and one thing only: that is, that the increased burden on our law enforcement officials has skyrocketed tremendously. I do not see how we can stand on the floor of the Senate and beat our chests about the need to have better law enforcement and at the same time refuse to give those charged with that responsibility the tools and the manpower they need to do the job our citizens demand.

Mr. President, I am fully aware of the conscientious desire of our colleague, the senior Senator from Delaware, to try to tighten our belts. I salute him for that. If the Senator will recall the record there have been several times in the past 2 or 3 months that I have joined with him in that laudable purpose.

One of the most recent times we went down in defeat together concerned the effort he made—which was not his first effort—to try to do something about the tremendous outlay on farm subsidies which, in my judgment, is not only unconscionable, but also will not do the job.

I bring this matter to the attention of the Senator to show him that we have common ground in our effort to try to tighten our belts and do something to diminish, decrease, and, hopefully, ultimately eliminate the deficit which exists in the fiscal affairs of our Government today. But again let me suggest that the old saying that it is penny wise and pound foolish would be an understatement as applied to this situation.

It is wrong to think that dollars would be saved by tying the hands of the Federal Bureau of Investigation and the United States district attorney's offices. We would be just compounding the problem, and we would have to pay the price in the streets.

So, with that in mind, I send to the desk an amendment and ask that it be stated. It is a relatively brief amendment.

The PRESIDING OFFICER. The amendment to the McClellan amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 6 of the McClellan amendment, after the word "Investigation" insert the following: "And authorized positions in the offices of the United States Attorneys".

Mr. **WILLIAMS** of Delaware. Mr. President, there is one amendment pending.

The **PRESIDING OFFICER.** This is an amendment to the amendment.

Mr. **WILLIAMS** of Delaware. Mr. President, the Senator says he is interested in law and order. I, too, am interested in law and order, as much as any Senator is. However, I point out that we do not necessarily restore law and order in our country by appropriating money or by appointing more law officers.

What we need is more rigid enforcement of the law on the part of those who are already in office and recognition on the part of those in the Department of Justice as well as in the courts that the victims of the criminal have rights also. Is is the administration's tendency to coddle these criminals that is responsible for the breakdown of law and order more than the lack of law officers.

That is evidenced by the fact that the law enforcement officers in this country have been increased time and time again, yet crime keeps increasing, too.

The failure to prosecute or sentence the criminal when caught leaves him to prey on society.

I call attention further to the fact that as far as the need for more U.S. attorneys are concerned, they are not affected one iota by section 201. That section specifically exempted all appointments made by the President and confirmed by the Senate. They are not counted in the tabulation at all. They were not counted before, and they are not counted now. The employees in those offices could be affected, but the Director of the Budget has ample authority under the law to assign to them any employees they need.

I realize there are those on the other side of the aisle who have no confidence in the Director of the Budget or the President for having enough interest in law enforcement officers to make these assignments.

Far be it from me to defend the Johnson administration. President Johnson is against cutting expenditures, and he is threatening to make these cuts in the most sensitive areas; for example, in law enforcement, air safety, and the postal service.

All we hear about are cutbacks in the most essential services. I have yet to hear one bureaucrat come forward and say: "We have an agency here that can be cut back."

Mr. **McCLELLAN.** Mr. President, will the Senator yield?

Mr. **WILLIAMS** of Delaware. I yield.

Mr. **McCLELLAN.** Mr. President, if we prevent them from cutting in these essential areas by these provisions, they would then have to go to the other areas to get the $6 billion. So I think we have a duty and a responsibility to protect that part which we think must have priority.

Let us do that here and meet our responsibility.

We have already put the burden on them and imposed on them the requirement to make a $6 billion reduction. So they will have to go to the other agencies where there is less priority in order to make the cut.

Mr. **WILLIAMS** of Delaware. The Senator is speaking of the $6 billion expenditure cut, which will be dealt with in the next amendment.

Section 706 of the bill deals with the $6 billion figure. The pending amendment deals with an exemption from any reductions in the civilian payroll.

The Senate has already exempted from the employment cutback over one-third of the Federal employees.

The committee amendment does not require, as did the original bill, that there be an overall rollback or that to the extent that the cuts were not made in agency A they would have to be made in agency B.

This amendment, if approved, is a wide-open exemption to the extent they do not absorb any cut they are exempt.

When we passed this measure in Congress we went on record as demanding a rollback in Federal employment. If there are those who have changed their minds, then I respect their position; but go ahead and repeal the law. But I must respectfully suggest that in the months to come as Federal employment statistics come out at the end of each month showing the renewed increases—and there will be increases from month to month, those individuals should go back to their constituents and politely tell them that they have changed their minds and decided that they could not roll back the Federal employment or cut expenditures.

I do not think that the American taxpayers can afford to pad the payroll any more than it is already padded, and I shall vote against the committee amendment.

Mr. **CURTIS.** Mr. President, will the Senator yield?

Mr. **WILLIAMS** of Delaware. I yield.

Mr. **CURTIS.** Mr. President, is there any law that would prevent the President or the Director of the Budget or the head of any executive agency from applying the cuts, both in dollars and personnel, to the least essential services?

Mr. **WILLIAMS** of Delaware. Not only is there no law that would prevent it but the law specifically instructs him so to do.

Mr. **CURTIS.** No act of Congress is needed in order for the executive branch to give the highest priority to the most essential services?

Mr. **WILLIAMS** of Delaware. Not at all.

Mr. **CURTIS.** Mr. President, I do not think we should hamper the process by amending it away, because as I understand our action in connection with the Post Office, not only did the Senate vote to exempt the Post Office from certain parts of the economy programs, but the Senate also turned down an amendment which would have provided that those cuts be made elsewhere.

Mr. **WILLIAMS** of Delaware. The Senator is correct.

Mr. **CURTIS.** So what was done in the Post Office vote was that we took away part of the economy program.

Mr. **WILLIAMS** of Delaware. There is no question about it. That is exactly what is provided now in this proposal, because it specifically spells out that such additional employees shall not be taken into consideration in determining the number of employees under subsection (a) or the number of employees under subsection (b).

It says they shall not be taken into consideration.

The original bill that was passed by the Senate provided that to the extent one agency did not make cuts another agency would be required to make up the difference.

I think that the Senate is making a mistake if it proceeds to go down the line and exempt the agencies one by one.

I realize that an appealing argument can be made about the need to restore law and order. Certainly we need more rigid enforcement rather than so much pity for criminals.

An excellent argument was made that they do not want to close down all the post offices, and we operated under that threat a few days ago. Just last week they threatened to shut down all the control towers, and all the air safety would cease. Then we were told, the TVA was going to be shut down unless it got an exemption from any enforced reduction.

We hear the same argument every time this proposal comes up; each agency wants a special exemption.

The Director of the Budget and the conferees unanimously agreed that the best way to operate with respect to this employment cutback was to delegate to the Budget Director the authority to make these selective cuts where he thought they would be least disruptive to the public service.

I do not question the sincerity of those who support this amendment, but I hope it will be rejected.

Mr. **BAYH.** Mr. President, I appreciate the fact that the Senator from Delaware does not question our sincerity, and, indeed, we do not question his sincerity for one moment. But I believe it is time for this body to speak out and to make policy in this area.

The colloquy with respect to what the President might or might not do, it seems to me, is not appropriate for this discussion. I believe that it is our responsibility to see that the Federal Bureau of Investigation is given the agents necessary to uncover the crime that is being committed in a very sophisticated manner in this country. No one can dispute that the FBI is extremely capable in performing its duties.

I salute the Senator from Arkansas for making this effort, and I shall support him. But how inconsistent it would be to give the Federal Bureau of Investigation the tools and the means to uncover criminals yet deny to the courts and to the prosecuting branch of this Government the officials and staff needed to deal with accused persons once they have been apprehended? It is to this aspect that I have directed my amendment, and I ask the Senate support for it.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

Mr. **WILLIAMS** of Delaware. Mr. President, I shall ask for the yeas and nays on the committee amendment as it has been amended.

One area in which we could make some reductions would be to stop the practice of worldwide junkets for the members of the courts, which are made on some flimsy excuse that they are studying the judicial practice in the other countries. Let these Supreme Court judges stop taking paid vacations at the taxpayer's expense, then they would have more money to pay for bona fide law enforcement in this country.

I shall ask for the yeas and nays. I realize that there are not sufficient Senators in the Chamber at this time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended, of the Senator from Arkansas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Oregon [Mr. MORSE], and the Senator from Florida [Mr. SMATHERS], are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Montana [Mr. MANSFIELD] would each vote "Yea."

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. PROUTY] is absent on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent by leave of the Senate.

The Senator from Tennessee [Mr. BAKER], the Senator from Kansas [Mr. CARLSON], the Senators from Kentucky [Mr. COOPER and Mr. MORTON], the Senators from Illinois [Mr. DIRKSEN and Mr. PERCY], the Senator from Wyoming [Mr. HANSEN], the Senator from Nebraska [Mr. HRUSKA], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 62, nays 10, as follows:

[No. 249 Leg.]

YEAS—62

Aiken
Allott
Anderson
Bayh
Bible
Brewster
Burdick
Byrd, W. Va.
Cannon
Case
Church
Cotton
Dodd
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Harris
Hart
Hartke
Hickenlooper
Hill
Holland
Hollings
Inouye
Jackson
Javits
Jordan, N.C.
Kuchel
Magnuson
McClellan
McGee
McIntyre
Metcalf
Mondale
Monroney
Montoya
Moss
Mundt
Murphy
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Russell
Smith
Sparkman
Spong
Stennis
Symington
Talmadge
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.

NAYS—10

Bennett
Boggs
Brooke
Byrd, Va.
Curtis
Hatfield
Jordan, Idaho
Thurmond
Williams, Del.
Young, Ohio

NOT VOTING—27

Baker
Bartlett
Carlson
Clark
Cooper
Dirksen
Fulbright
Gore
Gruening
Hansen
Hayden
Hruska
Kennedy
Lausche
Long, Mo.
Long, La.
Mansfield
McCarthy
McGovern
Miller
Morse,
Morton
Percy
Prouty
Scott
Smathers
Tower

So Mr. MCCLELLAN's amendment (No. 904), as amended, was agreed to.

Mr. McCLELLAN. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. ELLENDER. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I call up the next committee amendment.

The PRESIDING OFFICER. The clerk will report the committee amendment.

The ASSISTANT LEGISLATIVE CLERK. On page 56, after line 22, strike out:

> SEC. 706. Excluding the Federal Bureau of Investigation money appropriated in this Act shall be available for expenditure in the fiscal year ending June 30, 1969, only to the extent that expenditure thereof shall not result in the net aggregate expenditure of Federal funds by all agencies provided for herein beyond $1,989,640,000.

Mr. WILLIAMS of Delaware. Mr. President, the bill before the Senate, as reported by the committee, would authorize expenditures next year of up to $2,081,719,000. Since reporting the bill the Senate has added another $129 million to it. That brings the total to $2,210 million. The House adopted an amendment, which is section 706, that states that notwithstanding the authority under this bill or the outstanding obligational authority these three agencies, State, Justice, and Commerce, can only spend $1,989,640,000 during fiscal 1969. That means that these agencies would have to absorb a 10-percent reduction in their prospective expenditures, or around $220 million. That would account for their proportionate part of the total $6 billion expenditure reduction according to the House.

The House Appropriations Committee and the House apparently felt allocating these spending cuts was a responsibility of the Congress. They tried to designate the respective agencies where the cuts would be made. They have spelled out that the three agencies to which this particular bill applies shall make a reduction of around 5 percent below what the House provided, but when we consider the additions of the Senate it will be nearer a 10-percent cut.

Mr. President, I ask for the yeas and nays on the committee amendment.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. I hope the Senate will reject the committee amendment. I shall vote against it.

Mr. McCLELLAN. Mr. President, I shall take only a minute and then we can move on to a quick vote.

As every Senator knows, the bill was passed by the House prior to the tax bill. The bills passed by the House Appropriations Committee prior to the bill contained a similar section which was placed in those bills. Since the tax bill has been passed, appropriation bills that have come before the Senate, particularly the Treasury and Post Office bill, and the public works appropriation bill have had this provision stricken from them.

The committee merely felt that this should be stricken in this bill, because this matter is now covered by the tax bill. In other words, if there is anything further to be done, the section will still be in conference. It certainly needs some attention before it is left in the bill. I suggest that we do not want the tax bill cut and this cut, too. It is not consistent with what we are undertaking today. Let us try to work it out in conference.

Mr. WILLIAMS of Delaware. This bill passed the House on May 28. The tax bill passed the Senate and went to the House for conference on April 2. Therefore, the argument that this bill was passed by the House after the tax bill was passed and approved is not valid. The House Appropriations Committee after it saw what was in the expenditure-reduction, tax-increase bill included the provisions of the amendment in section 70(b). I think that we in the Senate who were the authors of the expenditure reduction should at least cooperate and spell out the areas where we think the cuts should be made.

Why pass this responsibility to the President?

Mr. McCLELLAN. Mr. President, a parliamentary inquiry; and then I am ready to vote.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN. Is a vote of "aye" to retain this section in the bill, or would the vote of "aye" strike the section from the bill? Will the Chair rule so that every Senator will know?

The PRESIDING OFFICER. The Chair would inform the Senator from Arkansas that a vote of "aye" would strike the section from the bill.

Mr. McCLELLAN. A vote of "aye" would strike the section from the bill. I thank the Chair.

Mr. CURTIS. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. I rise to ask a question of the distinguished Senator from Delaware. If section 706 remains in the bill, does it constitute a limitation on spending?

Mr. WILLIAMS of Delaware. It does.

Mr. CURTIS. If we remove the amount, then we remove the limitation on spending placed by the House?

Mr. WILLIAMS of Delaware. That is correct. It would still leave the $6 billion overall expenditure cut in the law, but we in Congress would be saying that we have not got the nerve to spell out where it should be made and that we are delegating this responsibility to the President of the United States. I think it is important that we shoulder the responsibility here to spell out how much we think the respective agencies can absorb. This is our responsibility.

Mr. CURTIS. In this language, there is a limit as to how much they can spend?

Mr. WILLIAMS of Delaware. Correct.

Mr. CURTIS. They are not required to reach that. They can effect further economies if they wish, but if we take it out, there will be no limit to it and the amount appropriated.

Mr. WILLIAMS of Delaware. The Senator is correct. They could spend below the amount, or the President can reduce it further if he decided they could stand a greater reduction; but it would be a ceiling beyond which they could not go in fiscal 1969.

As one of the authors of the original expenditure reduction bill I felt strongly that we had to put some limit on spending as well as to raise taxes. At the close of fiscal year 1968 we were expecting a $25 billion deficit. Even with the $6 billion spending cut for fiscal 1969 and even after we take into consideration the 10-percent tax increase we will still be faced next year, based upon the present estimate, with a deficit of around $10 billion.

Surely we cannot afford such deficits. Congress has to take some action toward reducing expenditures. I think we have that responsibility, but I regret it is not being met.

Mr. McCLELLAN. Just to try to be helpful to all Senators, I should like to ascertain, before we vote, if there are any other amendments to the bill. I know of none, but I would like to ascertain if anyone wishes a rollcall vote on final passage. I do not.

Mr. WILLIAMS of Delaware. Authority for the Subversive Activities Control Board and its employees was a part of the earlier vote.

Mr. McCLELLAN. I am just trying to be helpful.

Mr. WILLIAMS of Delaware. I understand. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 56, beginning on line 23.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Oregon [Mr. MORSE], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], and the Senator from Pennsylvania [Mr. CLARK] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. PROUTY] is absent on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent by leave of the Senate.

The Senator from Tennessee [Mr. BAKER], the Senator from Kansas [Mr. CARLSON], the Senators from Kentucky [Mr. COOPER and Mr. MORTON], the Senators from Illinois [Mr. DIRKSEN and Mr. PERCY], the Senator from Wyoming [Mr. HANSEN], the Senator from Nebraska [Mr. HRUSKA], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Illinois [Mr. DIRKSEN], the Senator from Iowa [Mr. MILLER], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "nay."

The result was announced—yeas 51, nays 22, as follows:

[No. 250 Leg.]

YEAS—51

Anderson
Bayh
Bible
Brewster
Burdick
Byrd, W. Va.
Cannon
Case
Dodd
Eastland
Ellender
Ervin
Fong
Harris
Hart
Hartke
Hill
Holland
Hollings
Inouye
Jackson
Javits
Jordan, N.C.
Kuchel
Magnuson
Mansfield
McClellan
McGee
McIntyre
Metcalf
Mondale
Monroney
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Randolph
Ribicoff
Russell
Sparkman
Spong
Stennis
Symington
Talmadge
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—22

Aiken
Allott
Bennett
Boggs
Brooke
Byrd, Va.
Church
Cotton
Curtis
Dominick
Fannin
Griffin
Hatfield
Hickenlooper
Jordan, Idaho
Mundt
Murphy
Pearson
Proxmire
Smith
Thurmond
Williams, Del.

NOT VOTING—26

Baker
Bartlett
Carlson
Clark
Cooper
Dirksen
Fulbright
Gore
Gruening
Hansen
Hayden
Hruska
Kennedy
Lausche
Long, Mo.
Long, La.
McCarthy
McGovern
Miller
Morse
Morton
Percy
Prouty
Scott
Smathers
Tower

So the committee amendment was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I again ask the Senator from Delaware whether he intends that there be a rollcall vote on passage.

Mr. WILLIAMS of Delaware. Mr. President, I do not care about a rollcall on the final passage. My position has been made clear. I have been asked about the question of the Subversive Activities Control Board. That question was covered in the first vote, and I lost.

The Senate has voted to permit the Department of Justice to expand the number of its employees. I had said there was one place where it could at least pick up 12 or 13 employees and save the cost of their salaries. It is a well-established fact that for 2 years the Subversive Activities Control Board members had never performed a single function except draw their salaries and take their vacations.

They did nothing for 2 years, but the 15th of June of this year, just 15 days before they were scheduled to go out of business, the Attorney General did send them down a small job and gave them an excuse for staying on the payroll for another 12 months. I am sure the taxpayers are not amused when we tell them that this agency asked for five additional employees to handle those strenuous duties of loafing. While the committee did reject their request for those five extra employees they do allow in this bill, which was approved by the previous rollcall vote, not only for the continuation on the payroll of those 12 or 13 drones, but they give them about $15,000 extra for travel expenses. I guess they got tired of sitting around the office doing nothing but playing cards, and now they want to travel at Government expense.

So I want the RECORD to show that by an earlier vote not only does the Senate continue the 12 employees on the payroll doing nothing, but we are giving them an extra $15,000, for travel expenses. Sometime somebody is going to wake up and find that the taxpayers will not stand for wasting money in this fashion.

Mr. McCLELLAN. Mr. President, this matter has been debated and passed on more than once by the Senate. I do not think it is necessary to debate it any further. The principal sponsor of continuing the Subversive Activities Control Board was the distinguished minority leader, who is not present today. The committee has done what it thought was best under the circumstances.

It is to be hoped that the Attorney General, who has a number of complaints before him, will refer them to this Board and request that they investigate them. I think that should be done. I know that others share in that hope and expectation.

Mr. President, I am ready for a third reading.

Mr. SPARKMAN. Mr. President, I rise in support of H.R. 17522. It is a good bill. I have studied it carefully. As my colleagues know, this bill will provide funds for many departments and agencies of our Federal Government.

I was most interested in the fact that a little less than 3 percent of the aggregate amount is for a Federal agency whose programs actually result in no cost to the Federal Government. I refer to the Small Business Administration.

I am sure my colleagues have noted that the bulk of SBA's annual operating expenses are derived from the agency's revolving fund which constantly grows as the financial assistance extended to small business is repaid with interest. This same financial assistance to small business results in new jobs and greater productivity which can, in turn, be translated into increased revenues for Federal, State, and local governments.

In the past 8 years, SBA has continued to expand and intensify its existing programs and meet new problems with new programs—the economic opportunity loan program, expanded training programs, lease guarantee, community economic development conferences, expanded business loan operations, assistance to small businessmen wishing to engage in foreign trade, an expanded program for giving small business a fair share of defense procurement.

The small businessman has benefited immeasurably through these farsighted steps.

Mr. President, the more than 5 million small businesses in America today are vital to our economy: they make up 95 percent of our business; they employ four out of every 10 of our wage earners; they provide family income for more than 75 million Americans.

The imaginative Federal programs that provide businessmen with much-needed assistance through the Small Business Administration have done much to help bring about the balanced growth so necessary to the continued prosperity of our Nation.

The Senate Banking and Currency Committee, which I have the honor and privilege to chair, has legislative cognizance over SBA, and I can assure my colleagues that our committee is proud of the way this small agency has used its limited resources to achieve a substantial impact on our unprecedented national economic growth during the past 8 years.

I congratulate the Committee on Appropriations and the Subcommittee on Departments of State, Justice, Commerce, the Judiciary, and Related Agencies which handled this bill under the leadership of its able chairman, Senator McClellan, the distinguished senior Senator from the great State of Arkansas.

I urge my colleagues to join me in strong support of this bill.

Mr. BURDICK. Mr. President, I rise in support of H.R. 17522. It is a good bill, and I congratulate the Appropriations Committee on its fine work, particularly that of the distinguished Senator from Arkansas who chairs the Subcommittee on the Departments of State, Justice, Commerce, the Judiciary, and Related Agencies.

One of those "related agencies" is the Small Business Administration, a tiny Federal agency by size and cost of operation when compared with others, but a giant in bringing Federal assistance to the small business community of our country.

For example, here is what SBA has done during the period July 1, 1967 through May 31, 1968: 8,651 regular business loans totaling $449,100,000; 2,534 economic opportunity loans—$26,800,000—to help disadvantaged people in our declining rural areas and inner cities improve existing businesses or start new ones; 294 displaced business loans in the amount of $38,100,000 to help businesses displaced by Federal or federally aided projects find new homes; a State development company loan for $200,000; 341 local development company loans adding up to $45,600,000; and 13,649 disaster loans for $108,300,000 to provide relief to victims of floods, tornadoes and other disasters.

All of this adds up to 25,527 financial transactions in an 11-month period—a total of $689,600,000 working in our economy.

I cannot think of any other single Government agency which has done so much with limited resources to help hundreds of thousands of small businessmen succeed over the years.

I am particularly delighted to see the agency making a concerted and effective effort to help the disadvantaged with imaginative new programs established under the authority of title IV of the Economic Opportunity Act.

We are all aware of President Johnson's leadership in bringing Federal programs to the disadvantaged in order that they may help themselves to become productive citizens and thereby share more equitably in the unprecedented economic growth of our country during the past few years.

Mr. President, these are not just partisan words. I speak from first-hand knowledge of activities in the State of North Dakota, which I have the privilege to represent. I would like to recount for my colleagues a specific example which came to my attention earlier this year, when the SBA regional office in Fargo approved an economic opportunity loan of $25,000 to Three Tribes Stoneware, Inc., of New Town, N. Dak.

I was particularly interested in this loan because it was made to American Indians and will provide jobs in their own business for American Indians on the Fort Berthold Reservation.

Mr. President, I think we all agree that the American Indian has not had the opportunity to participate in or enjoy the fruits of our expanding economy.

This economic opportunity loan of $25,000, to be repaid in the next 15 years, will create employment initially for six Indian women in the manufacture of pottery tableware.

These jobs now exist where none did before as a direct result of the landmark Economic Opportunity Act of 1964. I recognize that six jobs on a remote Indian reservation is minuscule when we know that some 30 million Americans live on submarginal incomes. But multiplied a thousandfold throughout the country, this is certainly a step in the right direction.

SBA has made 7,416 of these economic opportunity loans since the program began. The agency reports that each loan produces at least 2.5 jobs, including the borrower. So the loans SBA has made under this program have created more than 18,500 jobs.

And SBA has made many other steps in the right direction, with its programs of financial assistance, management training; a volunteer force of retired executives to give struggling businessmen the benefit of their experience; literature; and conferences.

Mr. President, I urge favorable consideration of this bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill (H.R. 17522) was read the third time, and passed.

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McClellan, Mr. Ellender, Mr. Holland, Mr. Pastore, Mr. McGee, Mr. Fulbright, Mrs. Smith, Mr. Hruska, and Mr. Cotton the conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, the adoption of the State-Justice-Commerce funding measure by the Senate adds another outstanding achievement to the unsurpassed record of the Senator from Arkansas [Mr. McClellan]. He managed this appropriations bill with the same high degree of skill and ability that has characterized his many years of public service. We are deeply grateful.

Also to be thanked for contributing so capably to the discussion is the Senator from Delaware [Mr. Williams]. He demonstrated the keen appreciation and understanding that have always characterized his participation. Particularly, we appreciate his cooperation.

The Senator from Indiana [Mr. Bayh] and other Senators also contributed and we are similarly grateful to them. The disposition of this measure today was highly efficient and the Senate may be proud of another achievement.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 1648. An act for the relief of Martina Zubiri Garcia;

H.R. 2281. An act for the relief of Dwayne C. Cox and William D. Martin;

H.R. 6195. An act for the relief of Peter Balinas and Lee Balinas;

H.R. 6655. An act for the relief of Mary Jane Orloski;

H.R. 8391. An act for the relief of Adel Lessert Bellmard, Clement Lessert, Josephine

Gonvil Pappan, Julie Gonvil Pappan, Pelagie Gonvil Franceour de Aubri, Victore Gonvil Pappan, Marie Golvil, Lafleche Gonvil, Louis Laventure, Elizabeth Carvonau Vertifelle, Pierre Carbonau, Louis Joncas, Basil Joncas, James Joncas, Elizabeth Datcherute, Joseph Butler, William Rodger, Joseph Cote, four children of Cicili Compare and Joseph James, or the heirs of any who may be deceased;

H.R. 9098. An act to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes;

H.R. 9391. An act to amend section 376(a) of title 28, United States Code;

H.R. 10321. An act for the relief of Mrs. Claudette C. Donahue;

H.R. 10327. An act for the relief of Louis J. Falardeau, Irva G. Franger, Betty Klemcke, Wineta L. Welburn, and Emma L. McNeil, all individuals employed by the Department of the Army at Fort Sam Houston, Tex.;

H.R. 10915. An act to amend section 202 of the Agricultural Act of 1956;

H.R. 11381. An act for the relief of E. L. Townley, Otis T. Hawkins, and Leo T. Matous;

H.R. 12119. An act for the relief of Joseph M. Hepworth;

H.R. 14167. An act for the relief of Lydia M. Parsley;

H.R. 15189. An act to authorize appropriations for certain maritime programs of the Department of Commerce;

H.R. 15864. An act to provide for the opertion of the William Langer Jewel Bearing Plant at Rolla, N. Dak., and for other purposes; and

H.R. 16913. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes.

INTERGOVERNMENTAL COOPERATION ACT OF 1968

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1437, S. 698.

The **PRESIDING OFFICER**. The bill will be stated by title.

The Assistant Legislative Clerk. A bill (S. 698) to achieve the fullest cooperation and coordination of activities among the levels of government in order to improve the operation of our Federal system in an increasingly complex society, to improve the administration of grants-in-aid to the States, to provide for periodic congressional review of Federal grants-in-aid, to permit provision of reimbursable technical services to State and local government, to establish coordinated intergovernmental policy and administration of grants and loans for urban development, to authorize the consolidation of certain grant-in-aid programs, to provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs, to establish a uniform relocation assistance policy, to establish a uniform land acquisition policy for Federal and federally aided programs, and for other purposes.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Government Operations, with an amendment, to strike out all after the enacting clause and insert:

That this Act be cited as the "Intergovernmental Cooperation Act of 1968."

TITLE I—DEFINITIONS

When used in this Act—

FEDERAL AGENCY

Sec. 101. The term "Federal agency" means any department, agency, or instrumentality in the executive branch of the Government and any wholly owned Government corporation, and for the purposes of title VIII, the Architect of the Capitol.

STATE

Sec. 102. The term "State" means any of the several States of the United States, the District of Columbia, Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of the State. For the purposes of titles VII, VIII, and title IX the term "State" does not include such political subdivisions.

POLITICAL SUBDIVISION OR LOCAL GOVERNMENT

Sec. 103. The term "political subdivision" or "local government" means a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law.

UNIT OF GENERAL LOCAL GOVERNMENT

Sec. 104. "Unit of general local government" means any city, county, town, parish, village, or other general-purpose political subdivision of a State.

SPECIAL-PURPOSE UNIT OF LOCAL GOVERNMENT

Sec. 105. "Special-purpose unit of local government" means any special district, public-purpose corporation, or other strictly limited-purpose political subdivision of a State, but shall not include a school district.

GRANT OR GRANT-IN-AID

Sec. 106. The term "grant" or "grant-in-aid" means money, or property provided in lieu of money, paid or furnished by the United States under a fixed annual or aggregate authorization—

(A) to a State; or

(B) to a political subdivision of a State; or

(C) to a beneficiary under a State-administered plan or program which is subject to approval by a Federal agency;

if such authorization either (i) requires the States or political subdivisions to expend non-Federal funds as a condition for the receipt of money or property from the United States; or (ii) specifies directly, or establishes by means of a formula, the amounts which may be paid or furnished to States or political subdivisions, or the amounts to be allotted for use in each of the States by the States, political subdivisions, or other beneficiaries. The term does not include (1) shared revenues; (2) payments of taxes; (3) payments in lieu of taxes; (4) loans or repayable advances; (5) surplus property or surplus agricultural commodities furnished as such; (6) payments under research and development contracts or grants which are awarded directly and on similar terms to all qualifying organizations, whether public or private; or (7) payments to States or political subdivisions as full reimbursement for the costs incurred in paying benefits or furnishing services to persons entitled thereto under Federal laws.

FEDERAL ASSISTANCE, FEDERAL FINANCIAL ASSISTANCE, FEDERAL ASSISTANCE PROGRAMS, OR FEDERALLY ASSISTED PROGRAMS

Sec. 107. The term "Federal assistance", "Federal financial assistance", "Federal assistance programs", or "federally assisted programs", means programs that provide assistance through grant or contractual arrangements, and includes technical assistance programs or programs providing assistance in the form of loans, loan guarantees, or insurance. The term does not include any annual payment by the United States to the District of Columbia authorized by article VI of the District of Columbia Revenue Act of 1947 (D.C. Code secs. 47-2501a and 47-2501b).

SPECIALIZED OR TECHNICAL SERVICES

Sec. 108. "Specialized or technical services" means special statistical and other studies and compilations, development projects, technical tests and evaluations, technical information, training activities, surveys, reports, documents, and any other similar service functions which the Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government is authorized by law to perform.

COMPREHENSIVE PLANNING

Sec. 109. "Comprehensive planning" includes the following, to the extent directly related to area needs or needs of a unit of general local government: (A) preparation, as a guide for long-range development, of general physical plans with respect to (i) the pattern and intensity of land use, (ii) the provision of public facilities (including transportation facilities) and other governmental services, and (iii) the effective development and utilization of human and natural resources; (B) long-range physical and fiscal plans for such action; (C) programing of capital improvements and other major expenditures, a determination of their relative urgency, together with definitive financing plans for such expenditures in the earlier years of the program; (D) coordination of all related plans and activities of the State and local governments and agencies concerned; and (E) preparation of regulatory and administrative measures in support of the foregoing.

STATE AGENCY

Sec. 110. For the purposes of titles VII and VIII, the term "State agency" means any agency or instrumentality created by a State, or by a political subdivision of a State or by agreement between two or more States or by two or more political subdivisions of a State or States.

HEAD OF AGENCY

Sec. 111. The term "head of a Federal agency" or "head of a State agency" includes a duly designated delegate of such agency head.

DISPLACED PERSON

Sec. 112. The term "displaced person" means—

(1) any person who is the owner of a business which moves from real property or is discontinued on or after the effective date of this Act as a result of the acquisition or reasonable expectation of acquisition of such real property, in whole or in part, by a Federal or State agency;

(2) any person who is the farm operator of a farm operation which moves from real property or is discontinued on or after the effective date of this Act as a result of the acquisition or reasonable expectation of acquisition of such real property, in whole or in part, by a Federal or State agency;

(3) any individual who is the head of a family which moves from real property occupied as a dwelling on or after the effective date of this Act, as a result of the acquisition or reasonable expectation of acquisition of such real property, in whole or in part, by a Federal or State agency, or which moves from such dwelling as a result of the acquisition or reasonable expectation of acquisition by such Federal or State agency of other real property on which such family conducts a business or farm operation;

(4) any individual, not a member of a family, who moves from real property occu-

pied as a dwelling on or after the effective date of this Act, as a result of the acquisition or reasonable expectation of acquisition of such real property, in whole or in part, by a Federal or State agency, or who moves from such dwelling as a result of the acquisition or reasonable expectation of acquisition by such Federal or State agency, or other real property on which such individual conducts a business or farm operation; and

(5) any individual, not described in paragraph (1), (2), (3), or (4) of this section, who moves his personal property from real property on or after the effective date of this Act as a result of the acquisition or reasonable expectation of acquisition of such real property, in whole or in part, by a Federal or State agency: *Provided*, That this shall not include the owner of property on the premises of another under a lease or licensing arrangement where such owner is required pursuant to such lease or license to move such property at his own expense.

BUSINESS

SEC. 113. The term "business" means any lawful activity conducted primarily (1) for the purchase and resale of products, commodities, or any other personal property; (2) for the manufacture, processing, or marketing of any such property; (3) for the cultivation, processing, or marketing of timber; (4) for the sale of services to the public; or (5) by a nonprofit organization. Such term does not include the activity of an investor in acquiring or holding real property for resale for gain.

FARM OPERATION

SEC. 114. The term "farm operation" means any activity conducted solely or primarily for the production of one or more argicultural products or commodities, other than timber, for sale and home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

FARM OPERATOR

SEC. 115 The term "farm operator" means any owner, part owner, tenant, or sharecropper who operates a farm.

FAMILY

SEC. 116. The term "family" means two or more individuals living together in the same dwelling unit who are related to each other by blood, marriage, or adoption.

ELDERLY INDIVIDUAL

SEC. 117. The term "elderly individual" means a person, not a member of a family, who is sixty-two years of age or over.

HANDICAPPED INDIVIDUAL

SEC. 118. The term "handicapped individual" means a person, not a member of a family, who is handicapped within the meaning of section 202 of the Housing Act of 1959.

DISPLACED

SEC. 119. The term "displaced", when used in relation to any person, means any person moved or to be moved from real property on or after the effective date of this Act as a result of the acquisition or reasonable expectation of acquisition of such property for a public improvement constructed or developed by or with funds provided in whole or in part by the Federal Government.

OWNER AND PERSON

SEC. 120. The terms "owner" and "person" mean any individual, and any partnership, corporation, or association.

REAL PROPERTY

SEC. 121. The term "real property" as used in this Act shall include land, and any interest in land, including but not limited to easements, rights-of-way, water rights, and mineral interests.

TITLE II—IMPROVED ADMINISTRATION OF GRANTS-IN-AID TO THE STATES

FULL INFORMATION ON FUNDS RECEIVED

SEC. 201. Any department or agency of the United States Government which administers a program of grants-in-aid to any of the State governments of the United States or to their political subdivisions shall, upon request, notify in writing the Governor or other official designated by him, or the State legislature, of the purpose and amounts of actual grants-in-aid to the State or to its political subdivisions.

DEPOSIT OF GRANTS-IN-AID

SEC. 202. No grant-in-aid to a State shall be required by Federal law or administrative regulation to be deposited in a separate bank account apart from other funds administered by the State. All Federal grant-in-aid funds made available to the States shall be properly accounted for as Federal funds in the accounts of the State. In each case the State agency concerned shall render regular authenticated reports to the appropriate Federal agency covering the status and the application of the funds, the liabilities and obligations on hand, and such other facts as may be required by said Federal agency.

SCHEDULING OF FEDERAL TRANSFERS TO THE STATES

SEC. 203. Heads of Federal departments and agencies responsible for administering grant-in-aid programs shall schedule the transfer of grant-in-aid funds consistent with program purposes and applicable Treasury regulations, so as to minimize the time elapsing between the transfer of such funds from the United States Treasury and the disbursement thereof by a State, whether such disbursement occurs prior to or subsequent to such transfer of funds. States shall not be held accountable for interest earned on grant-in-aid funds, pending their disbursement for program purposes.

ELIGIBLE STATE AGENCY

SEC. 204. Notwithstanding any other Federal law which provides that a single State agency or multimember board or commission must be established or designated to administer or supervise the administration of any grant-in-aid program, the head of any Federal department or agency may, upon request of the Governor or other appropriate executive or legislative authority of the State responsible for determining or revising the organizational structure of State government, waive the single State agency or multimember board or commission provision upon adequate showing that such provision prevents the establishment of the most effective and efficient organization arrangements within the State government and approve other State administrative structure or arrangements: *Provided*, That the head of the Federal department or agency determines that the objectives of the Federal statute authorizing the grant-in-aid program will not be endangered by the use of such other State structure or arrangements.

TITLE III—PERMITTING FEDERAL DEPARTMENTS AND AGENCIES TO PROVIDE SPECIAL OR TECHNICAL SERVICES TO STATE AND LOCAL UNITS OF GOVERNMENT

STATEMENT OF PURPOSE

SEC. 301. It is the purpose of this title to encourage intergovernmental cooperation in the conduct of specialized or technical services and provision of facilities essential to the administration of State or local governmental activities, many of which are nationwide in scope and financed in part by Federal funds; to enable State or local governments to avoid unnecessary duplication of special service functions; and to authorize all departments and agencies of the executive branch of the Federal Government which do not have such authority to provide reimbursable specialized or technical services to State and local governments.

AUTHORITY TO PROVIDE SERVICE

SEC. 302. The Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government is authorized within his discretion, upon written request from a State or political subdivision thereof, to provide specialized or technical services, upon payment to the department or agency by the unit of government making the request, of salaries and all computable overhead and indirect costs of performing such services: *Provided, however*, That such services shall include only those which the Director of the Bureau of the Budget through rules and regulations, determines may be provided by Federal departments and agencies. Such rules and regulations shall be consistent with and in furtherance of the Government's policy of relying on the private enterprise system to provide those services which are reasonably and expeditiously available through ordinary business channels.

REIMBURSEMENT OF APPROPRIATION

SEC. 303. All moneys received by any department or agency of the executive branch of the Federal Government, or any bureau or other administrative division thereof, in payment for furnishing specialized or technical services as authorized under section 302 shall be deposited to the credit of the principal appropriation from which the cost of providing such services has been paid or is to be charged, or to the appropriation currently available for the cost of similar services.

REPORTS TO CONGRESS

SEC. 304. The Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government shall furnish annually to the respective Committees on Government Operations of the Senate and House of Representatives a summary report on the scope of the services provided under the administration of this title.

RESERVATION OF EXISTING AUTHORITY

SEC. 305. This title is in addition to and does not supersede any existing authority now possessed by any Federal department or agency with respect to furnishing services, whether on a reimbursable or nonreimbursable basis, to State and local units of government.

TITLE IV—COORDINATED INTERGOVERNMENTAL POLICY AND ADMINISTRATION OF DEVELOPMENT ASSISTANCE PROGRAMS

DECLARATION OF DEVELOPMENT ASSISTANCE POLICY

SEC. 401. (a) The economic and social development of the Nation and the achievement of satisfactory levels of living depend upon the sound and orderly development of all areas, both urban and rural. Moreover, in a time of rapid urbanization, the sound and orderly development of urban communities depends to a large degree upon the social and economic health and the sound development of smaller communities and rural areas. The President shall, therefore, establish rules and regulations for uniform application in the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives. Such rules and regulations shall provide for full consideration of the concurrent achievement of the following specific objectives and, to the extent authorized by law, reasoned choices shall be made between such objectives when they conflict—

(1) appropriate land uses for residential, commercial, industrial, government, institutional, and other purposes;

(2) wise development and conservation of natural resources, including land, water, minerals, wildlife, and others;

(3) balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

(4) adequate outdoor recreation and open spaces;

(5) protection of areas of unique natural beauty, historical, and scientific interest;

(6) properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes;

(7) concern for high standards of design; and

(8) any other objective through which Federal or federally assisted development programs or projects can contribute to the balanced economic, social, and cultural development of the Nation and the achievement of enhanced levels of living.

(b) All viewpoints—national, regional, State, and local—shall, to the extent possible, be fully considered and taken into account in planning Federal or federally assisted development programs and projects. Regional, State, and local government objectives shall be considered and evaluated within a framework of national public objectives, and available projections of future national conditions and needs of regions, States, and localities shall be considered in plan formulation, evaluation, and review.

(c) To the maximum extent possible, consistent with national objectives, all Federal aid for urban development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning. Consideration shall be given to all developmental aspects of our total national community, including but not limited to housing, transportation, economic development, natural and human resources development, community facilities, and the general improvement of living environments.

(d) Each Federal department and agency administering a development assistance program shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

(e) Insofar as possible, systematic planning required by individual Federal programs (such as highway construction, urban renewal, and open space) shall be coordinated with and made part of comprehensive local and areawide development planning.

FAVORING UNITS OF GENERAL LOCAL GOVERNMENT

SEC. 402. Where Federal law provides that both special-purpose units of local government and units of general local government are eligible to receive loans or grants-in-aid, heads of Federal departments and agencies shall, in the absence of substantial reasons to the contrary, make such loans or grants-in-aid to units of general local government rather than to the special-purpose units of local government.

RULES AND REGULATIONS

SEC. 403. The Bureau of the Budget or such other agency as may be designated by the President is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this title.

TITLE V—CONGRESSIONAL REVIEW OF FEDERAL GRANTS-IN-AID TO STATES AND TO LOCAL UNITS OF GOVERNMENT

STATEMENT OF PURPOSE

SEC. 501. It is the purpose and intent of this title to establish a uniform policy and procedure whereby programs for grant-in-aid assistance from the Federal Government to the States or to their political subdivisions which may be enacted hereafter by the Congress shall be made the subject of sufficient subsequent review by the Congress to insure that (1) the effectiveness of grants-in-aid as instruments of Federal-State-local cooperation is improved and enhanced; (2) grant programs are revised and redirected as necessary to meet new conditions arising subsequent to their original enactment; and (3) grant programs are terminated when they have substantially achieved their purpose. It is further the purpose and intent of this title to provide for continuing review of existing Federal programs for grant-in-aid assistance to the States or their political subdivisions by the Comptroller General with a view to the formulation of recommendations to assist the Congress in making changes in requirements and procedures applicable to such programs in the interest of eliminating areas of conflict and duplication in program operations and achieving more efficient, effective, and economical administration of such programs, and greater uniformity in the operation thereof.

EXPIRATION OF GRANT-IN-AID PROGRAMS

SEC. 502. Where any Act of Congress enacted in the Ninety-first or any subsequent Congress authorizes the making of grants-in-aid to two or more States or to political subdivisions of two or more States and no expiration date for such authority is specified by law, and such grant is not specifically exempted from the provisions of this title, then the authority to make grants-in-aid by reason of such Act to States, political subdivisions, and other beneficiaries from funds not theretofore obligated shall expire not later than June 30 of the fifth calendar year which begins after the effective date of such Act.

COMMITTEE STUDIES OF GRANT-IN-AID PROGRAMS

SEC. 503. Where any Act of Congress enacted in the Ninety-first or any subsequent Congress authorizes the making of grants-in-aid over a period of three or more years to two or more States or to political subdivisions of two or more States, then during the period beginning not later than twelve months immediately preceding the date on which such authority is to expire, the committees of the Senate and of the House to which legislation extending such authority would be referred shall, separately or jointly, conduct studies of the program under which such grants-in-aid are made with a view to ascertaining, among other matters of concern to the committees, the following:

(1) The extent to which the purposes for which the grants-in-aid are authorized have been met;

(2) The extent to which such programs can be carried on without further financial assistance from the United States;

(3) Whether or not any changes in purpose, direction, or administration of the original program, or in procedures and requirements applicable thereto, to conform to recommendations by the Comptroller General under section 504, should be made;

(4) Whether or not any changes in purpose, direction, or administration of the original program should be made in the light of reports and recommendations submitted on request by the Advisory Commission on Intergovernmental Relations; and

(5) The extent to which such grant-in-aid programs are adequate to meet the growing and changing needs which they were designed to support.

Each such committee shall report the results of its investigation and study to its respective House not later than one hundred and twenty days before such authority is due to expire.

STUDIES BY COMPTROLLER GENERAL GRANT-IN-AID PROGRAMS

SEC. 504. The Comptroller General shall make continuing studies of presently existing and all future programs for grant-in-aid assistance from the Federal Government to the States or their political subdivisions concerning the extent to which programs conflict and duplication can be eliminated and more effective, efficient, economical, and uniform administration of such programs could be achieved by changing certain requirements and procedures applicable thereto.

In reviewing such programs the Comptroller General shall consider, among other relevant matters, the equalization formulas, and the budgetary, accounting, reporting and administrative procedures applicable to such programs. Reports on such studies, together with recommendations, shall be submitted by the Comptroller General to the Congress. Reports on expiring programs should, to the extent practicable, be submitted in the year prior to the date set for their expiration.

STUDIES BY ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SEC. 505. Upon request of any committee referred to in section 503, the Advisory Commission on Intergovernmental Relations (established by Public Law 86-380, as amended) shall, during the same period referred to in such section, conduct studies of the intergovernmental relations aspects of programs which are subject to the provisions of such section, including (1) the impact of such programs, if any, on the structural organization of State and local governments and on Federal-State-local fiscal relations, and (2) the coordination of Federal administration of such programs with State and local administration thereof, and shall report its findings and recommendations to such committee.

RECORDS AND AUDIT

SEC. 506. (a) Each State or political subdivision thereof receiving assistance under (1) any Act of Congress enacted after the effective date of this Act which provides for a grant-in-aid from the United States to a State or a political subdivision thereof, or (2) any new grant-in-aid agreement, or extension, modification, or alteration of any existing grant-in-aid agreement pursuant to existing law shall keep such records as the Federal agency administering such grant may prescribe, including records which fully disclose the amount and disposition by such recipient of such grant-in-aid, the total cost of the project or undertaking in connection with which such grant-in-aid is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The head of the Federal agency administering such grant and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to the grants received.

TITLE VI—ACQUISITION, USE, AND DISPOSITION OF LAND WITHIN URBAN AREAS BY FEDERAL AGENCIES IN CONFORMITY WITH LAND UTILIZATION PROGRAMS OF AFFECTED LOCAL GOVERNMENT

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

SEC. 601. The Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.), is amended by adding at the end thereof a new title as follows:

"TITLE VIII—URBAN LAND UTILIZATION

"SHORT TITLE

"SEC. 801. This title may be cited as the 'Federal Urban Land-Use Act'.

"DECLARATION OF PURPOSE AND POLICY

"Sec. 802. It is the purpose of this title to promote more harmonious intergovernmental relations and to encourage sound planning, zoning, and land use practices by prescribing uniform policies and procedures whereby the Administrator shall acquire, use, and dispose of land in urban areas in order that urban land transactions entered into for the General Services Administration or on behalf of other Federal agencies shall, to the greatest extent practicable, be consistent with zoning and land-use practices and shall be made in accordance with planning and development objectives of the local governments and local planning agencies concerned.

"DISPOSAL OF URBAN LANDS

"Sec. 803. (a) Whenever the Administrator contemplates the disposal for or on behalf of any Federal agency of any real property situated within an urban area, he shall, prior to offering such land for sale, give reasonable notice to the head of the governing body of the unit of general local government having jurisdiction over zoning and land-use regulation in the geographical area within which the land or lands are located in order to afford the government the opportunity of zoning for the use of such land in accordance with local comprehensive planning.

"(b) The Administrator, to the greatest practicable extent, shall furnish to all prospective purchasers of such real property, full and complete information concerning—

"(1) current zoning regulations and prospective zoning requirements and objectives for such property when it is unzoned;

"(2) current availability to such property of streets, sidewalks, sewers, water, street lights, and other service facilities and prospective availability of such services if such property is included in comprehensive planning.

"ACQUISITION OR CHANGE OF USE OF REAL PROPERTY

"Sec. 804. (a) To the extent practicable, prior to a commitment to acquire any real property situated in an urban area, the Administrator shall notify the unit of general local government exercising zoning and land-use jurisdiction over the land proposed to be purchased of his intent to acquire such land and the proposed use of the property. In the event that the Administrator determines that such advance notice would have an adverse impact on the proposed purchase, he shall, upon conclusion of the acquisition, immediately notify such local government of the acquisition and the proposed use of the property.

"(b) In the acquisition or change of use of any real property situated in an urban area as a site for public building, the Administrator shall, to the extent he determines practicable—

"(1) consider all objections made to any such acquisition or change of use by such unit of government upon the ground that the proposed acquisition or change of use conflicts or would conflict with the zoning regulations or planning objectives of such units; and

"(2) comply with and conform to such regulations of the unit of general local government having jurisdiction with respect to the area within which such property is situated and the planning and development objectives of such local government.

"Sec. 805. The procedures prescribed in sections 803 and 804 may be waived during any period of national emergency proclaimed by the President.

"DEFINITIONS

"Sec. 806. As used in this title—

"(a) 'Unit of general local government' means any city, county, town, parish, village, or other general-purpose political subdivision of a State.

"(b) 'Urban area' means—

"(1) any geographical area within the jurisdiction of any incorporated city, town, borough, village, or other unit of general local government, except county or parish, having a population of ten thousand or more inhabitants;

"(2) that portion of the geographical area within the jurisdiction of any county, town, township, or similar government entity which contains no incorporated unit of general local government but has a population density equal to or exceeding one thousand five hundred inhabitants per square mile; and

"(3) that portion of any geographical area having a population density equal to or exceeding one thousand five hundred inhabitants per square mile and situated adjacent to the boundary of any incorporated unit of general local government which has a population of ten thousand or more inhabitants.

"(c) 'Comprehensive planning' includes the following, to the extent directly related to the needs of a unit of general local government:

"(1) preparation, as a guide for long-range development, of general physical plans with respect to (A) the pattern and intensity of land use, (B) the provision of public facilities (including transportation facilities) and other governmental services, and (C) the effective development and utilization of human and natural resources;

"(2) long-range physical and fiscal plans for such action;

"(3) programing of capital improvements and other major expenditures, a determination of relative urgency, together with definite financing plans for such expenditures in the earlier years of the program;

"(4) coordination of all related plans and activities of the State and local governments and agencies concerned; and

"(5) preparation of regulatory and administrative measures in support of the foregoing."

TITLE VII—UNIFORM RELOCATION ASSISTANCE

DECLARATION OF POLICY

Sec. 701. The purposes of this title is to establish a uniform policy for the fair and equitable treatment of owners, tenants, and other persons displaced by the acquisition of real property in Federal and federally assisted programs so that as far as practical such persons shall be left not worse off economically than they were before being displaced. Such a policy shall be as uniform as practicable as to (1) relocation payments, (2) advisory assistance, (3) assurance of availability of standard housing, and (4) Federal reimbursement for relocation payments under federally assisted programs.

PART A.—FEDERAL PROGRAMS

RELOCATION PAYMENTS

Sec. 702. (a) If the head of any Federal agency acquires real property for public use in a State, he shall make fair and reasonable relocation payments to displaced persons in accordance with the regulations established by the President under section 705 of this Act.

(b) In addition to the payments authorized by subsection (a) of this section, an additional payment of $300 is authorized for any displaced person who moves from a dwelling if the displaced person purchases a dwelling for the purpose of residence within one year from the date of actual displacement, except that such displaced person shall be eligible for payment under this subsection only when the dwelling purchased is situated upon real estate in which such person acquires fee title, life estate, ninety-nine-year lease, or other type of long-term lease equivalent to fee ownership.

(c) If any displaced person who moves or discontinues his business elects to accept the payment authorized by this subsection in lieu of the payment authorized for such business by subsection (a) of this section, the head of such Federal agency shall make a fixed relocation payment to such person in an amount equal to the average annual net earnings of the business, or $5,000, whichever is the lesser: *Provided, however,* That in the case of a displaced person who is 62 years of age or over, the fixed relocation payment shall be increased by an amount equal to twice the average annual net earnings of the business or $5,000, whichever is the lesser. No payment shall be made under this subsection unless the head of such agency is satisfied that the business (1) cannot be relocated without a substantial loss of its existing patronage, and (2) is not part of a commercial enterprise having at least one other establishment, not being acquired by the United States, which is engaged in the same or similar business. For purposes of this subsection, the term "average annual net earnings" means one-half of any net earnings of the business, before Federal, State, and local income taxes, during the two taxable years immediately preceding the taxable year in which such business moves from the real property acquired by the United States and includes any compensation paid by the business to the owner, his spouse, or his dependent children during such two-year period. Such earnings and compensation shall be established by Federal income tax returns filed by such business and its owner and his spouse and dependent children for such two taxable years.

(d) If any displaced person who moves from a dwelling elects to accept the payments authorized by this subsection in lieu of the payments authorized by subsection (a) of this section for moving from such dwelling, the head of such Federal agency shall make the following fixed relocation payments to such person:

(1) A moving expense allowance, determined according to a schedule established by the head of such agency, not to exceed $200;

(2) A dislocation allowance equal to the amount paid under paragraph (1) of this subsection or $100, whichever is the lesser;

(3) An additional payment of $300 if the displaced person purchases a dwelling for the purpose of residence within one year from the date of actual displacement except that such displaced person shall be eligible for payment under this subsection only when the dwelling purchased is situated upon real estate in which such person acquires fee title, life estate, ninety-nine-year lease, or other type of long-term lease equivalent to fee ownership; and

(e) If any displaced person who moves or discontinues a farm operation elects to accept the payment authorized by this subsection in lieu of the payment authorized for such farm operation by subsection (a) of this section, the head of such Federal agency shall make a fixed relocation payment to such person in the amount of $1,000. In the case where the entire farm operation is not acquired by such Federal agency, the payment authorized by this subsection shall be made only if the head of such agency determines that the remainder property is no longer an economic unit.

(f)(1) In addition to any amount under subsections (a), (b), (c), (d), and (e) of this section, the head of such Federal agency may pay to or on behalf of any displaced family, displaced elderly individual, or displaced handicapped individual, monthly payments over a period not to exceed twenty-four months in an amount not to exceed $500 in the first twelve months and $500 in the second twelve months to assist such displaced family or individual to secure a decent, safe, and sanitary dwelling. Subject to the limitation imposed by the preceding sentence, the additional payment shall be an amount which, when added to 20 per centum of the annual income of the displaced individual or family at the time of displacement, equals the average annual rental required for such a decent, safe, and sanitary dwelling of modest standards adequate in size to accommodate the displaced individual or family in areas not generally less desirable in regard to public utilities and public and commercial facilities: *Provided,* That such payment shall be made only to an individual or family who is unable to secure a dwelling unit in a low-rent housing project assisted under the United States Housing Act of 1937, or under a State or local program found by the Secretary of Housing and Urban Development to have the same general purposes as the Federal program under such Act, or a dwelling unit assisted under section 101 of the Housing and Urban Development Act of 1965.

(2) The Secretary of Housing and Urban Development shall make the determinations under this subsection on the amount of assistance according to family size, family or individual income, average rents required, or similar considerations for all agencies making such payments.

(3) The additional payments under this subsection may be paid on a lump sum or other than monthly basis in cases in which the small size of the payments that would otherwise be required do not warrant a number of separate payments or in which other than monthly payments are determined warranted by the head of the Federal agency.

(4) No payment received under this subsection shall be considered as income for the purpose of determining the eligibility or the extent of eligiblity of any person for assistance under the Social Security Act or any other Federal Act.

(g)(1) In addition to amounts otherwise authorized, the head of such Federal agency shall make a payment to the owner of real property which is acquired for the project and which is improved by a single- or two-family dwelling occupied by the owner for a period of not less than one year prior to the initiation of negotiations for the acquisition of such property. Such payment, not to exceed $5,000, shall be an amount which, when added to the acquisition payment, equals the average price required for a decent, safe, and sanitary dwelling of modest standards adequate in size to accommodate the displaced owner, reasonably accessible to public services and places of employment and available on the private market: *Provided,* That such payment shall be made only to a displaced owner who purchases and occupies a dwelling within one year subsequent to the date on which he is required to move from the dwelling acquired for the project.

(2) The Secretary of Housing and Urban Development shall make the determinations under this subsection on the prices prevailing in the locality for dwellings meeting the requirements of paragraph (1) above for all agencies making such payments.

RELOCATION ASSISTANCE PROGRAMS

SEC. 703. (a) If the head of any Federal agency acquires real property for public use in a State, he shall provide a relocation assistance program for displaced persons which shall offer the services described in subsection (c) of this section. If the head of such agency determines that other persons, occupying property immediately adjacent to the real property acquired, are caused substantial economic injury because of the public improvement for which such property is acquired, he may offer such persons relocation services under such program.

(b) Federal agencies administering programs which may be of assistance to displaced persons covered by this Act shall cooperate to the maximum extent feasible with the Federal or State agency causing the displacement to assure that such displaced persons receive the maximum assistance available to them.

(c) Each relocation assistance program required by subsection (a) of this section shall include, to the maximum extent practicable, such measures, facilities, or services as may be necessary or appropriate in order (1) to determine the needs of displaced families, individuals, business concerns, and farm operators for relocation assistance; (2) to assure that within a reasonable period of time prior to displacement, there will be available, in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and individuals displaced, decent, safe, and sanitary dwellings equal in number to the number of, and available to, such displaced families and individuals and reasonably accessible to their places of employment, except that the President may prescribe by regulation situations when such assurances may be waived; (3) to assist owners of displaced businesses and displaced farm operators in obtaining and becoming established in suitable business locations or replacement farms; (4) to supply information concerning the Federal Housing Administration home acquisition program under section 221(d)(2) of the National Housing Act, the small business disaster loan program under section 7(b)(3) of the Small Business Act, and other programs offering assistance to displaced persons; (5) to assist in minimizing hardships to displaced persons in adjusting to relocation; and (6) to assure, to the greatest extent practicable, the coordination of relocation activities with other project activities and other planned or proposed governmental actions in the community or nearby areas which may affect the carrying out of the relocation program.

(d) Paragraph (3) of section 7(b) of the Small Business Act is amended to read as follows:

"(3) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a business or in establishing a new business, if the Administration determines that such concern has suffered substantial economic injury as the result of its displacement by, or location in, adjacent to, or near, a federally aided urban renewal project or highway construction program or any other public improvement program conducted by or with funds provided in whole or in part by the Federal Government or by the States; and the purpose of a loan made pursuant to such project or program may, in the discretion of the Administration, include the purchase or construction of other premises whether or not the borrower owned the premises occupied by the business and,".

STATES ACTING AS AGENTS FOR FEDERAL PROGRAMS

SEC. 704. Whenever real property is acquired by a State agency for a Federal public improvement project, such acquisition shall, for purposes of this Act, be deemed an acquisition by the Federal agency having authority over such project and such Federal agency shall make relocation payments, provide relocation assistance, and provide assurance of availability of housing as required in the case of acquisitions of real property by a Federal agency.

AUTHORITY OF THE PRESIDENT

SEC. 705. (a) To carry into effect the provisions of this title, the President is authorized to make such rules and regulations as he may determine to be necessary to assure—

(1) that relocation payments authorized by section 702 shall be fair and reasonable and as uniform as practicable;

(2) that a displaced person who makes proper application for a relocation payment authorized for such person by section 702(a) shall be reimbursed for or paid—

(A) his actual and reasonable expenses in moving himself, his family, his business, farm operation, or other personal property, and for his actual and reasonable expenses in searching for a replacement property;

(B) if he disposes of personal property on moving his business or farm operation and replaces such property at the new location at a price exceeding the sale price, the amount of the difference of such prices not to exceed, however, the estimated cost of moving the property or its market value, whichever is less; and

(C) such other expenses authorized by section 702(a) as may be provided for in regulations issued under this section;

(3) that a displaced person who makes proper application for a relocation payment authorized for such person by this title shall be paid promptly after a move or, in certain hardship cases, the President may, by regulation, authorize advance payment of certain relocation costs;

(4) that any person aggrieved by a determination as to eligibility for a relocation payment authorized by this title, or the amount of a payment, may have his application reviewed by the head of the agency; and

(5) that a displaced person shall have a reasonable time in which to apply for a relocation payment authorized by this title.

(b) The President may, by regulation, establish a limitation on the amount of a relocation payment authorized by section 702 (a) with due consideration for the declaration of policy in this title and the provisions of subsection (a) of this section and section 707(b).

(c) In order to prevent unnecessary expense and duplication of functions, and to promote uniform and effective administration of relocation assistance programs for displaced persons, the President is authorized to require that any Federal agency make relocation payments or provide relocation services, or otherwise carry out its functions under this title, by utilizing the facilities, personnel, and services of any other Federal agency, or by entering into appropriate contracts or agreements with any State agency having an established organization for conducting relocation assistance programs.

(d) The President may make such other rules and regulations consistent with the provisions of this title as he deems necessary or appropriate to carry out this title.

FUND AVAILABILITY

SEC. 706. Funds appropriated or otherwise available to any Federal agency for the acquisition of real property or any interest therein shall be available also for obligation and expenditure to carry out the provisions of this title.

PART B.—FEDERALLY ASSISTED PROGRAMS

RELOCATION PAYMENTS AND ASSISTANCE; ASSURANCE OF AVAILBILITY OF HOUSING

SEC. 707. (a) Nothwithstanding any other provision of law, on and after the effective date of this Act, no grant to, or contract or agreement with a State agency, under which Federal financial assistance will be available to pay the cost in connection with the acquisition of real property or of a public improvement for which real property is to be acquired or as the result of which displacement will otherwise occur, may be approved by the head of the Federal agency responsible for the administration of such Federal financial assistance unless such State agency has entered into an agreement with the head of such Federal agency to provide to displaced persons for moves from such real property—

(1) fair and reasonable relocation payments as described in section 702(a) of this title and in accordance with regulations established by the President under section 705 of this title;

(2) fixed relocation payments in the same amounts and under the same terms and conditions as are required to be made by a Federal agency by subsections 702 (c), (d), (e), and (f) of this title;

(3) relocation assistance programs offering the services described in section 703(c) of this title;

(4) a feasible method for the temporary relocation of families and individuals displaced from the property acquired, and assurance that within a reasonable period of time prior to displacement, there will be available in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and individuals displaced, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and individuals and reasonably accessible to their places of employment; and

(5) a payment for owner-occupants under the same terms and conditions as are required to be made by Federal agencies by subsection 702(g) of this Act; *Provided,* That no such payment shall be required or included as a project cost under subsection 707(c) if the owner-occupant receives a payment required by the State law of eminent domain which is determined by the head of the Federal agency to have substantially the same purpose and effect as subsection 702(g) and to be part of the cost of the project for which Federal financial assistance is available.

(b) As a condition to further assistance to a State agency for the acquisition of real property or of a public improvement for which real property is to be acquired or as a result of which displacement will otherwise occur, the head of the Federal agency shall require, within a reasonable time prior to actual displacement, satisfactory assurance by the State agency that decent, safe, and sanitary dwelling as required by subsection 707(a)(4) are available for the relocation of each such individual or family.

(c) The cost to a State agency of providing the payments and services described in subsection (a) of this section may be included as part of the cost of the project for which Federal financial assistance is available to such State agency, and such State agency shall be eligible for Federal financial assistance with respect to such payments and services in the same manner and to the same extent as with respect to other project costs: *Provided,* That, notwithstanding any other law, the Federal agency providing such assistance shall contribute the first $25,000 of the cost of providing such payments to any person displaced prior to July 1, 1971: *And provided further,* That no State agency need agree to make any relocation payment in excess of $25,000 to any displaced person in order to receive the assistance authorized by the subsection.

(d) In order to prevent unnecessary expenses and duplication of functions, and to promote uniform and effective administration of relocation assistance programs for displaced persons, any agreement by a State agency under subsection (a) of this section shall provide that such agency may make relocation payments or provide relocation assistance or otherwise carry out its functions under this title by utilizing the facilities, personnel, and services of any other State agency having an established organization for conducting relocation assistance programs.

(e) Any grant to, or contract or agreement with a State agency executed before the effective date of this Act, under which Federal financial assistance is available to pay the cost in connection with the acquisition of real property, or of the improvement for which such property is acquired, may be amended to include an agreement as described in subsection (a) of this section.

(f) If the head of a Federal agency determines that it is necessary for the expeditious completion of a public improvement for which a State agency has entered into agreement, as described in subsection (a) of this section, to make relocation payments to disdisplaced persons, or to provide the funds necessary to meet the requirements of section 805(b)(1) of this Act, he may advance the Federal share of such relocation payments and an amount necessary to make the required payments under section 805(b)(1) to such State agency. Upon determination by the head of such Federal agency that any part of the funds advanced to a State agency under this subsection are no longer required, the amount which he determines not to be required shall be repaid upon demand. Any sum advanced and not repaid on demand shall be deducted from sums otherwise available to such State agency from Federal sources.

DISPLACEMENT BY CERTAIN PROGRAMS RECEIVING ASSISTANCE UNDER TITLE I OF THE HOUSING ACT OF 1949 AS AMENDED

SEC. 708. A person who moves or discontinues his business, or moves other personal property, or moves from his dwelling on or after the effective date of this Act, as a direct result of any project or program which receives Federal financial assistance under title I of the Housing Act of 1949, as amended, shall, for the purposes of this title, be deemed to be a displaced person.

SEVERABILITY

SEC. 709. If any provision of this title, or the application thereof to any person or circumstance is held invalid, the remainder of this title and the application of the provision to other persons or circumstances shall not be affected thereby.

ACTS REPEALED

SEC. 710. (a) The following laws and parts of laws are hereby repealed:

(1) The Act entitled "An Act to authorize the Secretary of the Interior to reimburse owners of lands required for development under his jurisdiction for their moving expenses, and for other purposes," approved May 29, 1958 (43 U.S.C. 1231–1234).

(2) Paragraph 14 of section 203(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473).

(3) Section 2680 of title 10, United States Code.

(4) Section 133 of title 23, United States Code.

(5) Section 7(b) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1606(b)).

(6) Section 105(c) of the Housing Act of 1949 (42 U.S.C. 1455(c)).

(7) Section 114 of the Housing Act of 1949 (42 U.S.C. 1465).

(8) Paragraph (8) of section 15 of the United States Housing Act of 1937 (42 U.S.C. 1415(8)), except the first sentence of such paragraph.

(9) Section 404 of the Housing and Urban Development Act of 1965 (42 U.S.C. 3074).

(10) Section 107 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3307).

(b) Any rights or liabilities now existing under prior Acts or portions thereof shall not be affected by the repeal of such prior Acts or portions thereof under subsection (a) of this section.

TITLE VIII—UNIFORM LAND ACQUISITION POLICY

PART A.—FEDERAL PROGRAMS

UNIFORM POLICY ON LAND ACQUISITION PRACTICES

SEC. 801. (a) In order to encourage the acquisition of real property by amicable agreements with owners, to relieve congestion in the courts, to assure consistent treatment for owners in the many Federal programs, and to promote public confidence in Federal land acquisition practices, heads of Federal agencies shall be governed by the following policies:

(1) The head of a Federal agency shall conduct transactions for the acquisition of real property in such a manner as to assure to the extent possible that persons whose property is acquired shall not be worse off economically than they were before the property was acquired.

(2) The head of a Federal agency shall make every reasonable effort to acquire real property by negotiated purchase.

(3) Real property shall be appraised before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property.

(4) Before the initiation of negotiations for property, the head of the Federal agency concerned shall establish a price which he determines to be a fair and reasonable consideration therefor, such price not to be less than the appraised value of the property as approved by such agency head, and shall make a prompt offer to acquire the property for the full amount so established.

(5) No owner shall be required to surrender possession of real property before the head of the Federal agency concerned pays the agreed purchase price, or deposits with the court in accordance with section 1 of the Act of February 26, 1931 (46 Stat. 1421; 40 U.S.C. 258a), for the benefit of the owner an amount not less than the appraised fair value of such property as determined by such agency head, or the amount of the award of compensation in the condemnation proceeding for such property.

(6) The construction or development of public improvements shall be so scheduled that, to the greatest extent practicable, no person lawfully occupying real property will be required to move from a dwelling, or to move his business or farm operation without at least ninety days' written notice from the head of the Federal agency concerned, of the date by which such move is required.

(7) If the head of the Federal agency concerned does not require a building, structure, or other improvement acquired as a part of the real property, he shall where practicable offer to permit its owner to remove it. As a condition of removal, an appropriate agreement shall be required whereby the fair value of such building, structure, or improvement for removal from the real property, as determined by such agency head, will be deducted from the compensation otherwise to be paid for the real property, however such compensation may be determined.

(8) If the head of a Federal agency permits an owner or tenant to occupy the real property acquired on a rental basis for a short term or for a period subject to termination by the Government on short notice, the amount of rent required shall not exceed the fair rental value of the property to a short-term occupier.

(9) In no event shall the head of a Federal agency either advance the time of condemnation, or defer the condemnation and the deposit of funds in court for the use of the owner, in order to compel an agreement on the price to be paid for the property.

If an agency head cannot reach an agreement with the owner, after negotiations have continued for a reasonable time, he shall promptly institute condemnation proceedings and, at the same time or as soon thereafter as practicable, file a declaration of taking and deposit funds with the court in accordance with the Act of February 26, 1931 (46 Stat. 1421; 40 U.S.C. 258a), if possession is required prior to the entry of the judgment in the condemnation proceeding.

(10) If an interest in real property is to be acquired by exercise of the power of eminent domain, the head of the Federal agency concerned shall, except as to property to be acquired under section 25 of the Tennessee Valley Authority Act of 1933 (48 Stat. 70, as amended; 16 U.S.C. 831x), request the Attorney General to institute formal condemnation proceedings. No Federal agency head shall intentionally make it necessary for an owner to institute legal proceedings to prove the fact of the taking of his property.

(11) If the acquisition of only part of a property would leave its owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire the entire property.

(12) In determining the boundaries of a proposed public improvement, the head of the Federal agency concerned should take into account human considerations, including the economic and social effects of such determination on the owners and tenants of real property in the area, in addition to engineering and other factors.

(b) The provisions of this section shall not affect the validity of any property acquisitions by purchase or condemnation.

BUILDINGS, STRUCTURES, AND IMPROVEMENTS

SEC. 802. (a) Notwithstanding any other provisions of law, if the head of a Federal agency acquires land or any interest in land for public use in a State, he shall acquire a like interest, or greater interest, in all buildings, structures, or other improvements comprising part of the real property so acquired which are required to be removed from the land or which, in the opinion of such agency head, will be adversely affected by such public use, if such improvements are not required to be removed.

(b) As used in this section, the term "real property" means land, or any interest in land and (1) any building, structure, or other improvement imbedded in or affixed to land, and any article so affixed or attached to such building, structure, or improvement as to be an essential and integral part thereof; (2) any article affixed or attached to such real property in such manner that it cannot be removed without material injury to itself or the real property; and (3) any article so designed, constructed, or specially adapted for the purpose for which such real property is used that (A) it is an essential accessory or part of such real property, (B) it is not capable of use elsewhere, and (C) it would lose substantially all its value if removed from the real property.

(c) For the purpose of determining the extent of the acquisition of real property and the valuation thereof, no building, structure, or other improvement shall be deemed to be other than a part of the real property solely because of the right or obligation of a tenant, as against the owner of any other interest in the real property, to remove such building, structure, or improvement at the expiration of his term, and the head of the Federal agency shall pay to the tenant the fair value of the building, structure, or improvement, which fair value shall be determined by such agency head as the greatest of (1) the contributive value of the improvement to the present use of the entirety, (2) the current cost of reproduction less depreciation of the improvement, or (3) the value of the improvement for removal from the property: *Provided*, (1) that payment hereunder will not result in duplication of any payments otherwise authorized by law; (2) that the fee owner of the land involved disclaims any interest in the improvements of the lessee; and (3) the lessee in consideration for such payment shall assign, transfer and release to the United States all his right, title, and interest in and to such improvements: *Provided further*, That no provision of this section shall be construed to deprive the lessee of his right to reject the payments hereunder and to obtain payment for his property interests of just compensation as otherwise defined by law.

EXPENSES INCIDENTAL TO TRANSFER OF TITLE TO UNITED STATES

SEC. 803. The head of a Federal agency, as soon as practical after the date of payment of the purchase price or the date of deposits of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is the earlier, shall reimburse the owner, to the extent the head of such agency deems fair and reasonable, for expenses necessarily incurred for—

(1) recording fees, transfer taxes, and similar expenses in conveying such real property to the United States;

(2) penalty costs for prepayment of mortgage incident to such real property, provided that such mortgage shall be of record as required by law on the date the official announcement of the project is made by the authorized Federal agency; and

(3) the pro rata portion of real property taxes allocable to a period subsequent to the date of vesting title or the effective date of a court order of possession, whichever is the earlier.

PART B.—FEDERALLY ASSISTED PROGRAMS

REQUIREMENTS FOR APPROVAL OF CONTRACTS OR AGREEMENTS FOR FEDERAL FINANCIAL ASSISTANCE

SEC. 804. (a) Notwithstanding any other provision of law, on and after the date of enactment of this Act no grant to or contract or agreement with a State agency, under which Federal financial assistance will be available to pay in whole or in part the cost of the acquisition of real property or of a public improvement for which real property is to be acquired, may be approved by the head of the Federal agency responsible for the administration of such Federal financial assistance unless such State agency has entered into an agreement which shall provide—

(1) that every reasonable effort shall be made to acquire the real property by negotiated purchase;

(2) that the construction or development of the public improvement shall be so scheduled that, to the greatest extent practicable, no person will be required to move from a home, farm, or business location without at least ninety days' written notice from such State agency of the date by which the move is required; and

(3) that it shall be the policy of the head of the State agency, before initiating negotiations for real property, to establish a price which he believes to be a fair and reasonable consideration therefor, such price not to be less than the appraised value of the property as approved by such State agency head, and to make a prompt offer to acquire the property for the full amount so established.

(b) Notwithstanding any other provision of law, on and after July 1, 1971, no grant to, or contract or agreement with a State agency, under which Federal financial assistance will be available to pay in whole or in part the cost of the acquisition of real property, or of a public improvement for which real property is to be acquired, may be approved by the head of the Federal agency responsible for the administration of such Federal financial assistance, unless such State agency has entered into the agreements described in subsection (a) of this section and has agreed—

(1) that no owner will be required to surrender possession of real property before the head of the State agency (A) pays the agreed purchase price, (B) makes available to the owner, by court deposit or otherwise, an amount not less than the appraised fair value of such property, as approved by such State agency head, without prejudice to the right of the owner to contest the amount of compensation due for the property, or (C) deposits or pays the final award of compensation in the condemnation proceeding for such property;

(2) that the head of the State agency, not later than the date of payment of the purchase price or the date of deposit of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is the earlier, shall reimburse the owner, to the extent the head of such agency deems fair and reasonable, for expenses necessarily incurred for—

(A) recording fees, transfer taxes, and similar expenses in conveying such real property to the United States;

(B) penalty costs for prepayment of mortgage incident to such real property, provided that such mortgage shall be of record as required by law on the date the official announcement of the project is made by the State agency; and

(C) the pro rata portion of real property taxes allocable to a period subsequent to the date of vesting title or the effective date of a court order of possession, whichever is the earlier.

(3) that any decrease in the value of real property prior to the date of valuation caused by the public improvement for which such property is acquired, or by the likelihood that the property would be acquired for the proposed public improvement, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property; and

(4) that for the purpose of determining the extent of the acquisition of real property and the valuation thereof, no building, structure, or other improvement shall be deemed to be other than a part of the real property solely because of the right or obligation of a tenant, as against the owner of any other interest in the real property, to remove such building, structure, or improvement at the expiration of his term, and the head of the State agency shall pay to the tenant the fair value of the building, structure, or improvement, which fair value shall be determined by such agency head as the greatest of (1) the contributive value of the improvement to the present use of the entirety, (2) the current cost of reproduction less depreciation of the improvement, or (3) the value of the improvement for removal from the property: *Provided*, (1) that payment hereunder will not result in duplication of any payments otherwise authorized by law; (2) that the fee owner of the land involved disclaims any interest in the improvements of the lessee; and (3) the lessee in consideration for such payment shall assign, transfer, and release to the State agency all his right, title, and interest in and to such improvements: *Provided further*, That no provision of this section shall be construed to deprive the lessee of his right to reject the payments hereunder and to obtain payment for his property interests of just compensation as otherwise defined by law.

PROVISIONS REPEALED

SEC. 805. Effective on July 1, 1971, sections 401, 402, and 403 of the Housing and Urban Development Act of 1965 (42 U.S.C. 3071–3073) are hereby repealed.

TITLE IX—JUDICIAL REVIEW

SEC. 901. The provisions of sections 551–559 and 701–706 of title V, United States Code, shall apply to an action of a Federal agency under title VII and title VIII. For purposes of this title, the definition of "person" contained in section 551(2) of title V, United States Code, shall be deemed to include a State as defined in this Act.

SEC. 902. Any person or State adversely affected or aggrieved by a final action of a Federal agency under title VII or title VIII of this Act may institute, in the district court in the United States or the judicial district in which such person resides or such State is located, or in which the claim of such person or State first arose, an action seeking review of such final action of the Federal agency and demanding appropriate relief therefrom.

The amendment was agreed to.

Mr. MUSKIE. Mr. President, the bill we have before us, S. 698, the Intergovernmental Cooperation Act of 1967, is designed to improve working relationships among Federal, State, and local governments so that they can deal more effectively with the increasing difficulty problems of our society. The bill is bipartisan in sponsorship and intergovernmental in its origin and development.

The increasing population of the country and the concentration of that growth in urban areas, the advance of technology and the accumulation of unsolved human problems all make extraordinary demands on government. These demands cannot be met unless the instruments of government at the Federal, State, and local levels work together more effectively than they ever have before. The purpose of this legislation is to help achieve such cooperation.

S. 698 was introduced on January 26, 1967. Joining me in sponsorship of the bill are 31 other Senators, including the senior Senator from South Dakota [Mr. MUNDT], who is ranking minority member on the Committee on Government Operations and on the Subcommittee on Intergovernmental Relations. The Committee on Government Operations and the Senate had considered many of the provisions of S. 698 earlier, in substantially their present form, in S. 561, the Intergovernmental Cooperation Act of 1965 and S. 1681, the Uniform Relocation Act of 1966, both of which were unanimously passed by the Senate in the 89th Congress. Neither of those bills was acted upon by the House. We combined those bills with improvements and additions, in the present legislation.

In its consideration of S. 698, the Subcommittee on Intergovernmental Relations had the benefit of 9 days of hearings during which it received the testimony of more than 50 witnesses. The basic objectives of the bill were strongly supported by all witnesses. A number of suggestions for modification of specific provisions were offered. These were all considered most carefully and a number of them were adopted. Because of the number of changes in language, although many involved minor substantive modifications, the committee has reported an amendment in the nature of a substitute.

The bill, as amended, contains nine titles, one setting forth necessary definitions, and each of the others dealing with an area of intergovernmental relations in which serious problems have emerged over the years. I shall summarize each of these titles.

Title II of the bill requires that a Federal agency shall, upon request, furnish the Governor of a State or a State legislature with information on the purpose and amounts of grants-in-aid made to that State or to its political subdivisions. It also liberalizes Federal requirements regarding the transfer to the States of grant-in-aid funds and their deposit, while retaining full State accountability to the appropriate Federal agency. It permits the waiver under certain conditions of the "single State agency" requirement, giving the States greater flexibility of organization.

Title III permits Federal departments and agencies to provide specialized and technical services to State and local units of government on a reimbursable basis. Such services are to be provided only under rules and regulations consistent with and in furtherance of the policy of relying on the private enterprise system for those services which are reasonably available through ordinary business channels.

Title IV provides that the President shall issue regulations requiring Federal development assistance programs to be carried out in such a way as to promote the sound and orderly development of both urban and rural areas in keeping with objectives set forth in the bill. This title also provides that Federal departments and agencies shall, in the absence of substantial reasons to the contrary, make loans or grants-in-aid to units of general local government rather than to special purpose units of local government.

Title V provides for periodic congressional review of future Federal grant-in-aid programs in order that such programs may be revised or redirected as necessary to meet new conditions, and terminated when they have substantially achieved their purposes.

Title VI amends the Federal Property and Administrative Services Act to prescribe uniform policies and procedures to govern the General Services Administration in acquisition, use, and disposition of land within urban areas. It is the purpose of this title to assure that such land transactions shall, to the greatest practicable extent, be consistent with zoning and land use practices of local governments and shall accord with local planning and development objectives.

Title VII establishes a uniform policy for the fair and equitable treatment of owners, tenants, and other persons displaced by the acquisition of real property in Federal and federally assisted programs so that as far as practical such persons shall be left not worse off economically than they were before being displaced. The provisions of this title, which are based on the experience of existing Federal programs authorized to provide relocation assistance to displaced persons, are made uniformly applicable to all Federal or federally assisted programs which result in displacements. The title provides for relocation payments, advisory assistance, assurance of the availability of relocation housing, and Federal participation in the cost of relocation payments. Continuance of Federal assistance for State and local projects is conditioned upon compliance with these requirements.

Title VIII establishes for Federal agencies and State or local agencies receiving Federal assistance policies designed to encourage the acquisition of real property by amicable agreements with owners, to relieve congestion in the courts, to assure consistent treatment for owners in the many Federal and federally assisted programs, and to promote public confidence in Federal land-acquisition practices. The ultimate objective of the prescribed policies is to assure to the extent possible that persons whose property is acquired shall not be worse off economically than they were before their property was acquired.

Title IX makes actions by a Federal agency under title VII, having to do with relocation assistance, and title VIII, having to do with land acquisition practices, subject to the Administrative Procedure Act, and provides for judicial review of a final action of a Federal agency under these titles.

These are the basic provisions of S. 698, as reported. They are the result of studies conducted by the Subcommittee on Intergovernmental Relations since its establishment in 1962. In large measure, they are based on recommendations made by the Advisory Commission on Intergovernmental Relations, the National Governors' Conference, the Council of State Governments, the National Association of State Budget Officers, the National Association of Counties, the National League of Cities, the U.S. Conference of Mayors, many other organizations and highly qualified specialists in government.

This is urgently needed legislation. It represents a broad area of agreement among the groups and individuals most highly qualified in the field of intergovernmental relations. It is wholly constructive in character. It has a broad base of support. It has the unanimous approval of the Committee on Government Operations and I urge its prompt and favorable consideration by the Senate.

Mr. President, the pending bill has had thoughtful consideration by all Senators on both sides of the aisle and in the subcommittee.

I am especially grateful to the distinguished Senator from South Dakota for his most helpful and constructive assistance in working out the bill.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. MUNDT. Mr. President, I say to the Senators on my side of the aisle that this matter has been brought up unanimously. It has indeed, as the distinguished Senator from Maine has said, been hammered out in many hours of deliberations, compromise, and modification until it has resulted in a meeting of the minds on both sides of the aisle. It was unanimously reported.

I certainly support the distinguished Senator from Maine in his desire to have the measure passed today in the hope that this time the House will find time to act upon the measure before adjournment.

Mr. MUSKIE. Mr. President, I thank the Senator very much for his assistance.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to achieve the fullest cooperation and coordination of activities among the levels of government in order to improve the operation of our federal system in an increasingly complex society, to improve the administration of grants-in-aid to the States, to provide for periodic congressional review of Federal grants-in-aid, to permit provision of reimbursable technical services to State and local government, to establish coordinated intergovernmental policy and administration of development assistance programs, to provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs, to establish a uniform relocation assistance policy, to establish a uniform land acquisition policy for Federal and federally aided programs, and for other purposes."

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, for the information of the Senate, it is anticipated that for at least 2 hours on tomorrow morning, beginning at 10 o'clock, the Senate will devote itself to eulogies in remembrance of our late beloved colleague, the late Senator Robert F. Kennedy, of New York.

STATUS OF FLOOD CONTROL LEGISLATION

Mr. SPARKMAN. Mr. President, I call attention to the very first bill listed on the calendar under "Bills in Conference." It indicates that it has been there a long time. It relates to the flood insurance bill. I should like to say that that bill was incorporated in its entirety in the Housing and Urban Development Act of 1968 which has already been passed by both Houses of Congress and sent to the President.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses theron, and that Mr. DULSKI, Mr. HENDERSON, Mr. OLSEN, Mr. CORBETT, and Mr. GROSS were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 16361) to provide additional revenue for the District of Columbia, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses theron and that Mr. MCMILLAN, Mr. WHITENER, Mr. DOWDY, Mr. FUQUA, Mr. NELSEN, Mr. BROYHILL of Virgina, and Mr. HARSHA were appointed manager on the part of the House at the conference.

SBA ASSURANCE OF FINANCIAL ASSISTANCE FOR SMALL POULTRY PROCESSORS

Mr. SPARKMAN. Mr. President, S. 2932, the Wholesome Poultry Products Act, which was passed by the Senate today, will insure a more adequate, safer, and more sanitary program of poultry inspection throughout the United States.

Certainly the American family is entitled to enjoy no less than clean, wholesome poultry. This bill, by requiring all poultry processors to maintain certain sanitary standards within their processing plants, will make a significant contribution toward this objective.

Mr. President, while I supported this measure, I was at the same time concerned for the many, many small poultry processors throughout the country who must somehow finance the plant changes necessary to meet the new sanitary requirements imposed by this act.

As a matter of fact, in my State of Alabama, poultry ranks as perhaps the top agricultural enterprise. Alabama ranks third in the Nation in the production of broilers. So it was obvious, in studying this bill, that I had two definite commitments to satisfy; one to the American housewife and the other to the American small businessman, in this instance, the small poultry processor. I immediately got in touch with the Administrator of the SBA to ascertain whether SBA's existing programs were adequate to assist these poultry processors in effecting compliance with the poultry inspection legislation.

Mr. Robert C. Moot, the Administrator of SBA, assured me in a letter dated March 8, 1968, that no additional legislation was necessary and that SBA's current lending programs were entirely adequate to meet the needs of any eligible small processor affected by the act. Subsequently, Mr. Moot forwarded me a copy of his letter to Senator ALLEN J. ELLENDER, chairman of the Senate Committee on Agriculture and Forestry, in which he restated this same position in regard to small meatpackers.

Mr. President, I ask unanimous consent that these letters be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPARKMAN. Mr. President, I feel that they carry the assurance that any increased financial burdens of the small poultry processor will not go unnoticed by the Federal Government as this industry gears up to meet the new standards imposed by the Wholesome Poultry Products Act.

Mr. President, I believe this bill will give the housewife some long overdue peace of mind and I believe the SBA's assurance will give the small poultry processor that same peace of mind.

EXHIBIT 1

SMALL BUSINESS ADMINISTRATION,
Washington, D.C., March 8, 1968.

Hon. JOHN SPARKMAN,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of March 1, 1968, concerning financial assistance for the poultry processing industry.

We believe that our regular business loan program can satisfactorily serve the small poultry processors who may be faced with plant improvements. This assumes, of course, that the applicant is an eligible small business concern and can meet our normal credit requirements, including repayment of the loan from business operations.

We also wish to point out that if a particular case requires construction of new facilities our recent legislation change of 15 years for real estate loans would be applicable as opposed to our normal maximum term of 10 years.

Your interest in this matter is deeply appreciated and if we can be of further service, please let us know.

Sincerely yours,

ROBERT C. MOOT,
Administrator.

SMALL BUSINESS ADMINISTRATION,
Washington, D.C., June 18, 1968.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of May 28, requesting the comments of the Small Business Administration on S. Res. 290.

In substance, S. Res. 290 calls upon SBA; (1) to undertake a study to determine the extent to which financial assistance under statutes administered by it is available to small business concerns in effecting compliance with the requirements of the Wholesome Meat Act, signed into law last year; and (2) to report to the Senate the results of the study, together with such legislative recommendations as may be considered necessary.

The business loan program, embodied in section 7(a) of the Small Business Act, is available for this purpose. Over the years many such loans have been made by SBA to assist in financing the renovation of packing plants, and similar operations, to meet requirements established by the Federal Government or by State or local governments. The maximum term is 10 years for the machinery and equipment portion of the loan; but, under an amendment recently enacted by the Congress, as much as 15 years may be allowed for that portion relating to construction work.

I am sure that the business loan program can be used to good effect to assist small firms in meeting the requirements of the Wholesome Meat Act. In my judgment, there is no need for additional legislation.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely yours,

ROBERT C. MOOT,
Administrator.

FOREIGN ASSISTANCE ACT OF 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1463, H.R. 15263.

The **PRESIDING OFFICER**. The bill will be stated by title.

The **ASSISTANT LEGISLATIVE CLERK**. A bill (H.R. 15263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations, with an amendment, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Foreign Assistance Act of 1968".

PART I

CHAPTER 2—DEVELOPMENT ASSISTANCE

TITLE I—DEVELOPMENT LOAN FUND

SEC. 101. Title I of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended as follows:

(a) Section 201(d), which relates to rates of interest, is amended as follows:

(1) Strike out "1967" and substitute "1968".

(2) Strike out "2½ per centum" and substitute "3½ per centum".

(3) Strike out "2 per centum" and substitute "3 per centum".

(b) Section 202(a), which relates to authorization, is amended as follows:

(1) After "year 1967", strike out "and" and substitute a comma.

(2) After "year 1968," insert "and $350,000,000 for the fiscal year 1969,".

(3) Strike out "years ending June 30, 1967, through June 30, 1968, respectively" and substitute "year ending June 30, 1969".

TITLE II—TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

SEC. 102. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to technical cooperation and development grants, is amended as follows:

(a) Section 211(d), which relates to availability of funds for certain research and educational institutions, is amended by inserting "in any fiscal year" immediately after "funds made available".

(b) Section 212, which relates to authorization, is amended by striking out "$210,000,000 for the fiscal year 1968" and substituting "$200,000,000 for the fiscal year 1969".

(c) Section 214, which relates to American schools and hospitals abroad, is amended as follows:

(1) In subsection (c) strike out "1968, $14,000,000" and substitute "1969, $14,600,000".

(2) In subsection (d) strike out "1968, $2,986,000" and substitute "1969, $5,100,000".

TITLE III—INVESTMENT GUARANTIES

SEC. 103. Section 221 of title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to general authority for investment guaranties, is amended as follows:

(a) In the second proviso of paragraph (2) of subsection (b), strike out "fraud or misconduct" and substitute "fraud, misconduct, or negligence", and strike out "fraud or misrepresentation" and substitute "fraud, misrepresentation, or negligence".

(b) At the end of such section, add a new subsection as follows:

"(e)(1) No guaranty of a loan or equity investment of an eligible United States investor in a foreign bank, finance company, or other credit institution (hereinafter the 'original investment') shall cover any loss of a loan or equity investment of such bank, finance company, or credit institution; and in no event shall payment be made under any such guaranty except for loss of the original investment, and, where provided for by such guaranty, earnings or profits actually accrued thereon.

"(2) In the administration of this subsection, the eligible United States investor may be deemed to have sustained a loss of the original investment only if the foreign bank, finance company, or credit institution in which the original investment was made becomes or is likely to become insolvent due to the occurrence of an event against which protection is provided by the guaranty."

TITLE IV—SURVEYS OF INVESTMENT OPPORTUNITIES

SEC. 104. Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to surveys of investment opportunities, is hereby repealed.

TITLE VI—ALLIANCE FOR PROGRESS

SEC. 105 (a) Section 252(a) of title VI of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to authorization for the Alliance for Progress, is amended as follows:

(1) Strike out "1967, $696,500,000, and for the fiscal year 1968, $578,000,000, which amounts are" and substitute "1969, $429,000,000, which is".

(2) Strike out "$100,000,000 in each such fiscal year of the funds appropriated pursuant to this section for use beginning in each fiscal year" and substitute "$90,000,000".

(3) Strike out "years ending June 30, 1967, through June 30, 1968, respectively," and substitute "year ending June 30, 1969".

(b) Section 252(b), which relates to authorization for the Partners of the Alliance, is amended by striking out "1968, $714,000" and substituting "1969, $200,000".

TITLE X—PROGRAMS RELATING TO POPULATION GROWTH

SEC. 106. Section 292 of title X of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, is amended by striking out "1968, $35,000,000" and substituting "1969, $50,000,000".

CHAPTER 3—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 107. (a) Section 302(a) of chapter 3 of part I of tthe Foreign Assistance Act of 1961, as amended, which relates to authorization for international organizations and programs, is amended by striking out "1968, $141,000,000" and substituting "1969, $130,000,000".

(b) Section 302 is further amended by adding at the end thereof the following new subsection:

"(d) There is authorized to be appropriated to the President, for the fiscal year 1969, $1,000,000 for contributions to the United Nations Children's Fund during the calendar year 1969. Funds made available under this subsection shall be in addition to funds available under this or any other Act for such contributions and shall not be taken into account in computing the aggregate amount of United States contributions to such fund for the calendar year 1969."

CHAPTER 4—SUPPORTING ASSISTANCE

SEC. 108. Section 402 of chapter 4 of part I of the Foreign Assistance Act of 1961, as amended, which relates to authorization for supporting assistance, is amended by striking out "1968 not to exceed $660,000,000" and substituting "1969 not to exceed $400,000,000".

CHAPTER 5—CONTINGENCY FUND

SEC. 109. Section 451(a) of chapter 5 of part 1 of the Foreign Assistance Act of 1961, as amended, which relates to the contingency fund, is amended by inserting ", and for the fiscal year 1969 not to exceed $10,000,000," after "$50,000,000".

PART II

CHAPTER 2—MILITARY ASSISTANCE

SEC. 201. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended as follows:

(a) Section 504(a), which relates to authorization, is amended as follows:

(1) In the first sentence, strike out "$510,000,000" and "1968" and substitute "$365,000,000" and "1969" respectively.

(2) Strike out the second and third sentences.

(3) In the first sentence, insert the following proviso before the period: ": *Provided further*, That none of the funds appropriated pursuant to this subsection shall be used to furnish sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, to any country, unless the President determines that the furnishing of such weapons systems is important to the national security of the United States and reports within thirty days each such determination to the Congress".

(b) Section 506(a), which relates to special authority, is amended by striking out "1968" each place it appears and substituting "1969".

(c) (1) Section 507(a), which relates to restrictions on military aid to Latin America, is amended by striking out "$55,000,000, of which 25,000,000" and substituting "$25,000,000 of which any part".

(2) Such section 507 is further amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding the foregoing provisions of this section, not to exceed $10,000,000 of the funds made available for use under this part may be used to furnish assistance to the American Republics, directly or through regional defense arrangements, to enable such Republics to strengthen patrol activities in their coastal waters for the purpose of preventing landings on their shores, by Communist or other subversive elements originating in Cuba, which threaten the security of such Republics."

(d) Section 508, which relates to restrictions on military aid to Africa, is amended as follows:

(1) In the first sentence, strike out "or sales".

(2) In the second sentence, strike out "and sales" and strike out "$40,000,000" and substitute "$25,000,000".

PART III

CHAPTER 1—GENERAL PROVISIONS

SEC. 301. Chapter 1 of part III of the Foreign Assistance Act of 1961, as amended, which relates to general provisions, is amended as follows:

(a) Section 604, which relates to procurement of commodities, is amended by adding at the end thereof the following new subsection:

"(f) No funds authorized to be made available to carry out part I of this Act shall be used under any commodity import program to make any payment to a supplier unless the supplier has certified to the agency primarily responsible for administering such part I, such information as such agency shall by regulation prescribe, including but not limited to, a description of the commodity supplied by him and its condition, and, on the basis of such information such agency shall have approved such commodity as eligible and suitable for financing under this Act."

(b) Section 607, which relates to the furnishing of services and commodities, is amended by inserting "(a)" immediately before "Whenever" and by adding at the end thereof the following new subsection:

"(b) No Government-owned excess property shall be made available under this section, section 608, or otherwise in furtherance of the purposes of part I of this Act, unless, before the shipment of such property for use in a specified country (or transfer, if the property is already in such country), the agency administering such part I has approved such shipment (or transfer) and made a written determination—

"(1) that there is a need for such property in the quantity requested and that such property is suitable for the purpose requested;

"(2) as to the status and responsibility of the designated end-user and his ability effectively to use and maintain such property; and

"(3) that the residual value, serviceability, and appearance of such property would not reflect unfavorably on the image of the United States and would justify the costs of packing, crating, handling, transportation, and other accessorial costs, and that the residual value at least equals the total of these costs."

(c) Section 620, which relates to prohibitions against furnishing assistance, is amended by adding at the end thereof the following new subsection:

"(v) The President is directed to withhold economic assistance in an amount equivalent to the amount spent by any country for the purchase of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes from any country, unless the President determines that such purchase or acquisition of weapons systems is important to the national security of the United States and reports within thirty days each such determination to the Congress."

Chapter 2—Administrative Provisions

Sec. 302. Chapter 2 of part III of the Foreign Assistance Act of 1961, as amended, which relates to administrative provisions, is amended as follows:

(a) Section 621, which relates to exercise of functions, is amended by inserting "(a)" immediately after "Sec. 621. Exercise of Functions.—" and by adding at the end thereof the following new subsection:

"(b) The President shall issue and enforce regulations determining the eligibility of any person to receive funds made available under this Act. A person may be suspended under such regulations for a temporary period pending the completion of an investigation and any resulting judicial or debarment proceedings, upon cause for belief that such person or an affiliate thereof probably has undertaken conduct which constitutes a cause for debarment; and, after an opportunity has been afforded to such a person for a hearing, he may be debarred for an additional period, not to exceed three years. Among the causes for debarment shall be (1) offering or accepting a bribe or other illegal payment or credit in connection with any transaction financed with funds made available under this Act; or (2) committing a fraud in the procurement or performance of any contract financed with funds made available under this Act; or (3) acting in any other manner which shows a lack of integrity or honesty in connection with any transaction financed with funds made available under this Act. Reinstatement of eligibility in each particular case shall be subject to such conditions as the President shall direct. Each person whose eligibility is denied or suspended under this subsection shall, upon request, be entitled to a review of his eligibility not less often than once every two years."

(b) Section 625(c), which relates to employment of personnel, is amended by inserting "or any Act superseding part II in whole or in part," between "part II," and "not".

(c) Section 636(g)(1), which relates to provisions on uses of funds, is amended by inserting "incurred in furnishing defense articles and defense services on a grant or sales basis by the agency primarily responsible for administering part II" between "expenses" and the semicolon.

(d) Section 637(a), which authorizes appropriations for administrative expenses of the agency administering part I, is amended (1) by striking out "1968, $55,814,000" and substituting "1969, $50,000,000"; and (2) by adding at the end thereof the following: "The agency administering part I shall reduce the number of personnel, particularly administrative personnel, employed by it in order to conduct operations with the reduced amount of funds authorized for fiscal year 1969, except that such agency shall not take any action to limit or reduce auditing or training activities of such agency."

(e) At the end of such chapter, add the following new section:

"Sec. 640A. False Claims and Ineligible Commodities.—(a) Any person who makes or causes to be made or presents or causes to be presented to any bank or other financial institution or to any officer, agent, or employee of any agency of the United States Government a claim for payment from funds made available under this Act for the purposes of furnishing assistance and who knows the claim to be false, fraudulent, or fictitious or to cover a commodity or commodity-related service determined by the President to be ineligible for payment from funds made available under this Act, or who uses to support his claim any certification, statements, or entry on any contract abstract, bill of lading, Government or commercial invoice, or Government form, which he knows, or in the exercise of prudent business management should know, to contain false, fraudulent, or fictitious information, or who uses or engages in any other fraudulent trick, scheme, or device for the purpose of securing or obtaining, or aiding to secure or obtain, for any person any benefit or payment from funds so made available under this Act in connection with the negotiation, procurement, award, or performance of a contract financed with funds so made available under this Act, and any person who enters into an agreement, combination, or conspiracy so to do, (1) shall pay to the United States an amount equal to 25 per centum of any amount thereby sought to be wrongfully secured or obtained but not actually received, and (2) shall forfeit and refund any payment, compensation, loan, commission, or advance received as a result thereof, and (3) shall, in addition, pay to the United States for each such act (A) the sum of $2,000 and double the amount of any damage which the United States may have sustained by reason thereof, or (B) an amount equal to 50 per centum of any such payment, compensation, loan, commission, or advance so received, whichever is the greater, together with the costs of suit.

"(b) In order to secure recovery under this section, the President may, as he deems appropriate, (1) institute suit in the United States district court for any judicial district in which the person alleged to have performed or participated in an act described by this section may reside or may be found, and (2) upon posting by registered mail to such person a notice of claim describing the basis therefor and identifying the funds to be withheld, withhold from funds owed by any agency of the United States Government to such person an amount equal to the refund, damages, liquidated damages, exemplary damages, and penalties claimed by the United States under this section, Any such withholding of funds from any person shall constitute a final determination of the rights and liabilities of such person under this section with respect to the amount so withheld, unless within one year of receiving the notice of claim such person brings suit for recovery, which is hereby authorized, against the United States in any United States district court.

"(c) For purposes of this section, the term 'person' includes any individual, corporation, partnership, association, or other legal entity."

Chapter 3—Miscellaneous Provisions

Sec. 303. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended, which relates to miscellaneous provisions, is amended by adding at the end thereof the following new section:

"Sec. 651. Sale of Supersonic Planes to Israel.—It is the sense of the Congress that the President should take such steps as may be necessary, as soon as practicable after the date of enactment of this section, to negotiate an agreement with the Government of Israel providing for the sale by the United States of such number of supersonic planes as may be necessary to provide Israel with an adequate deterrent force capable of preventing future Arab aggression by offsetting sophisticated weapons received by the Arab States and to replace losses suffered by Israel in the 1967 conflict."

Part IV—Amendments to Other Acts

Sec. 401. The Act of April 12, 1926 (44 Stat. 242; chapter 117) is amended by adding at the end thereof a new section as follows:

"Sec. 2. (a) For each of the calendar years 1968 through 1972, inclusive, not more than 350 million board feet, in the aggregate, of unprocessed timber may be sold for export from the United States from Federal lands located west of the 100th meridian.

"(b) After public hearing and a finding by the appropriate Secretary of the department administering Federal lands referred to in subsection (a) that specific quantities and species of unprocessed timber are surplus to the needs of domestic users and processors, such quantities and species may be designated by the said Secretary as available for export from the United States in addition to that quantity stated in subsection (a).

"(c) The Secretaries of the departments administering lands referred to in subsection (a) may issue rules and regulations to carry out the purposes of this section, including the prevention of substitution of timber restricted from export by this section for exported non-Federal timber."

Sec. 402. Paragraph (1) of the first proviso following section 104(k) of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, Eighty-third Congress), as amended, is amended to read as follows:

"(1) Section 1415 of the Supplemental Appropriation Act, 1953, shall apply to currencies used for the purposes specified in subsections (a) and (b), other than paragraph (2) of subsection (b),".

Sec. 403. The Peace Corps Act, as amended, is amended as follows:

(a) Section 5, which relates to Peace Corps volunteers, is amended as follows:

(1) In subsection (c), strike out "the Act of August 3, 1950, chapter 518, section 1 (5 U.S.C. 61f)" and substitute therefor "section 5582(b) of title 5 of the United States Code".

(2) In subsection (d), strike out "the Federal Employees' Compensation Act (39 Stat. 742), as amended" and substitute therefor "sections 8101 through 8150 of title 5 of the United States Code".

(3) In subsection (d)(1), strike out "the Classification Act of 1949, as amended," and substitute therefor "sections 5101 through 5115 of title 5 of the United States Code".

(4) In subsection (f)(1)(A), strike out "the Civil Service Retirement Act, as amended (5 U.S.C. 2251 et seq.)" and substitute therefor "sections 8331 through 8348 of title 5 of the United States Code".

(5) In subsection (h), strike out "(5 U.S.C. 2171 et seq.)" and substitute therefor "(50 U.S.C. 1451 et seq.)"; and strike out "the Act of June 4, 1954, chapter 264, section 4 (5 U.S.C. 73b-5)" and substitute therefor "section 5732 of title 5 of the United States Code".

(6) In subsection (j), strike out "1757 of

the Revised Statutes of the United States, as amended (5 U.S.C. 16)" and substitute therefor "3331 of title 5 of the United States Code".

(b) Section 7(a)(3), which relates to Peace Corps employees, is amended by striking out "207 of the Independent Offices Appropriation Act, 1949, as amended (5 U.S.C. 118h)" and "title II of the Overseas Differentials and Allowances Act (5 U.S.C. 3031 et seq.)" and substituting therefor "5941 of title 5 of the United States Code" and "sections 5921 through 5925 of title 5 of the United States Code", respectively.

(c) Section 13, which relates to experts and consultants, is amended as follows:

(1) In subsection (a), strike out "15 of the Act of August 2, 1946, as amended (5 U.S.C. 55a)" and substitute therefor "3109 of title 5 of the United States Code".

(2) In subsection (b), strike out "section 13 of the Civil Service Retirement Act, as amended (5 U.S.C. 2263)" and substitute therefor "sections 3323(b) and 8344 of title 5 of the United States Code".

(d) Section 14(b), which relates to the detail of personnel to foreign governments and international organizations, is amended by striking out "1765 of the Revised Statutes (5 U.S.C. 70)" and substituting therefor "5536 of title 5 of the United States Code".

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MUNDT. I take it the distinguished acting chairman of the Committee on Foreign Relations is simply laying the bill before the Senate today and anticipates no votes on it.

Mr. SPARKMAN. The Senator is correct. There will be no votes. I plan to make an introductory statement.

Mr. MUNDT. There will be no votes tonight.

Mr. SPARKMAN. The Senator is correct.

Mr. MUNDT. I thank the Senator.

Mr. SPARKMAN. Mr. President, I rise to support the pending legislation, H.R. 15263, the Foreign Assistance Act of 1968. Perhaps I should instead say I rise to support what is left of the bill. For the measure before us has gone through some powerful meat grinders in the form of two authorizing committees and the House of Representatives. I think it clear that if this body forces the good meat left in this bill through the grinder once again, what will emerge will not even be hamburger, but thin gruel.

Let me say immediately that I do not protest the actions taken by the appropriate Senate and House committees and by the House as a whole. Especially in the committees this bill was carefully and skeptically scrutinized by groups of men who collectively possess the longest experience with the foreign aid program of any comparable group in this Government. Even the wise and witty editorial writers of the New York Times might shrink from a challenge to match knowledge on the subject. Moreover, the Senators and Congressmen concerned possess an unmatched ability to see this program in the context of the overall national interest.

I therefore do not quarrel with the determinations made by the two committees and by the House—even though my personal view is that we have in every case made the maximum cuts possible without jeopardizing the whole program and our entire foreign policy. I do believe most profoundly that no further slashes should be imposed upon the remnants of the President's authorization request. This is especially the case because there are many indications that the appropriations process will be expected to result in even graver reductions unless we act firmly and with conviction to hold the line on the pending measure.

This is no partisan statement that I am making. Congressman ROBERT TAFT, JR., of Ohio, in his individual views contained in the report of the House Committee on Foreign Affairs, made an illuminating remark about the positions of his Republican colleagues on the committee. He deplored the fact that all those colleagues could not get together on a minority report expressing their areas of agreement. He went on to say, and I quote:

> Obscured is the fact that there was almost general agreement that no foreign aid bill that did not authorize at least $1,964,850,000 would be meaningful.

As we all know, the House of Representatives finally adopted a figure very close to such an amount. The Senate Foreign Relations Committee has reported to this body a total sum also approximating the amount described by Congressman TAFT. I do not cite this point or the precise figure with the thought that any one individual has some magically better appreciation of the situation than any other Member of Congress. But it does support my contention that our votes on the bill before us will not reflect partisanship of any kind.

It is absolutely essential that we not overlook the fact that the Senate Foreign Relations Committee has reported a bill to this body which, although not cut much below the money figures approved by the House as a whole, actually contains the equivalent of another heavy reduction. Here I have reference to the amendment accepted by the committee which raises by 1 percent the interest rates on all development lending. By some computations, such action could result in the equivalent of a hundred-million dollar reduction in the total economic figure in the bill. Indeed, there are probably many AID officials who would have felt it less damaging to the program to have kept the interest rates unchanged, and instead to have slashed an even larger sum than $100 million from the overall total. I stress this point because there may be some of my colleagues who believe that their authorizing committee has done little to reduce the money figures approved by the House, whereas in fact the committee has taken as hardnosed an attitude toward the bill as at any time in the past. I do not complain of this; I merely believe it requires the utmost emphasis.

Mr. President, I find it highly dismaying, and even tragic, that Members of Congress have fallen into the habit of talking as if the Agency for International Development has done nothing to concentrate and streamline the foreign aid program in recent years in response to congressional and public criticisms. Rather than looking at the record, the tendency is to concentrate on the undeniable but nevertheless relatively very small number of incidents which have been embarrassing to the Agency in its administration of the program, especially in Vietnam. I yield to no one in decrying waste and corruption, whether major or minor in scope. But there are many who will focus on the negative aspects and very few who will try to emphasize the positive ones. It does not require a Pollyanna to see that there is ample evidence that the AID agency has tried vigorously to respond to congressional directives aimed at reducing and tightening up our foreign assistance efforts abroad.

A decade ago we were making heavy loans repayable in foreign currency. Today all our development lending is repayable in dollars. A decade ago virtually none of our foreign assistance spending was tied to purchases in the United States. Today, well over 90 percent of the commodities involved in our aid efforts are purchased in this country. A few years ago we were scattering aid like buckshot to over a hundred countries around the world. Now, because of congressional directives and cooperation on the part of the administration, we are helping fewer countries in various categories than the ceiling numbers established by Congress. The AID agency has been repeatedly told by many of us to shift away from aiding heavy industry toward greater support for agriculture and it is beginning to do just that. Especially in the Foreign Relations Committee we have pressed for more effort in the field of population control, and again the Agency has responded to our directives—albeit timidly. Our distinguished Foreign Relations Committee chairman, the junior Senator from Arkansas [Mr. FULBRIGHT], several years ago took the lead in proposing an effort to put foreign aid on a more regional basis; we find that a large portion of our modest assistance to Africa has been placed on just such a basis.

In sum, I believe there are no grounds to sustain those who want to argue that the AID agency has refused to accede to the wishes of Congress in reshaping the foreign aid program. I do not argue that more cannot and should not be done, but I believe that within the framework of existing policy and programs, we cannot fairly accuse AID of turning a deaf ear to our complaints and to the public interest.

Having said this, I want to acknowledge the force of arguments that new ideas and fresh approaches are required in the foreign assistance field. Nothing would delight me more than the sight of a program which would promise better results in helping the less developed countries at less cost to the American taxpayer. The hard fact remains that such new ideas and new approaches are not currently available and cannot be plucked from the air as we proceed with our debate on the proposed legislation. If the experience of two decades is of any value, and if we can learn from experience, it should be obvious that we cannot dismantle and reconstruct a foreign aid program on the Senate floor. We have to deal with the world as it is.

If we look at the actual categories contained in the bill before us—and we must if we are to avoid hacking irresponsibly at the figures without reference to their meaning—I believe we will find that there has been a concentration of effort in certain world areas which can be slighted only to our peril. Take the overall figures for loans. The largest portion of our loans goes to the countries of Latin America in recognition of our commitment to the Alliance for Progress. Few of us in this Chamber would be prepared to say that our effort to help our neighbors to the south should or could be abandoned, no matter how much we may be disappointed about the slow rate of progress.

Again, the bulk of the money in the supporting assistance category goes to one recipient: namely, South Vietnam. Regardless of how Senators feel about the conflict in Southeast Asia, surely there are few who would advocate a reduction in support which would clearly undermine the very existence of friendly governments.

The category of technical cooperation involves funds amounting to $290 million, including what is done in Latin America. How many of us are prepared to say that the entire point 4 effort we have been making for two decades was unjustified and should not be continued in the future? All the evidence possessed by the Foreign Relations Committee leads us to the exactly opposite conclusion.

The simple fact is that there is just no fat left for us to trim from the foreign assistance bill.

Now I want to take just a few moments, Mr. President, to note some of the broad-brush arguments against foreign aid which are currently so fashionable. Some of these are almost in the realm of fantasy. I think particularly of the argument that the United States over the years since World War II is supposed to have poured out a total of more than $170 billion, including interest, which someone has said, "has been dug from the pockets of American taxpayers and lavished on governments around the world."

To put it mildly, this figure does not bear examination. According to the actual figures for the period 1946 to 1966, U.S. overseas loans and grants in both the economic and military fields total somewhat over $122 billion. Of this sum about $36 billion has taken the form of military assistance. Moreover, the total includes items which by no stretch of imagination can be called foreign aid in its usual sense. Take, for example, the long-term loans of the Export-Import Bank which are extended on hard commercial terms to benefit the U.S. economy. Such loans amount to about $9.5 billion of the overall figure—and let us note that over $6 billion of this money has already been repaid, including interest. Should this category of lending be described as regular foreign aid, I daresay the average citizen of an underdeveloped country would be most surprised, and I could not blame him for that.

Also included in this misleading figure of purported American largesse is a total of almost $15 billion for the food-for-peace program. I doubt very seriously if many American farmers would regard that program as one which was only beneficial to foreigners.

Indeed, if we look strictly at the past expenditures of AID and its predecessor agencies, we will find that they total roughly $40.5 billion when repayments and interest are taken into account.

Then we have the highly unrealistic figure of $50 billion supposedly representing interest on the money which we have made available to foreign countries. One can adjust such a figure almost at will in the absence of clear evidence. However, as we all know, the U.S. Treasury does not break down its total outlays into money received from tax revenues, which do not involve interest, and from borrowings, which do. Virtually any single program for which appropriations are forthcoming from Congress can be seen as funded from either source.

Looked at in the light of these figures, then, I believe that at a minimum we should stop bandying around a mythical total of over $170 billion as an accurate representation of our foreign aid effort since World War II.

There is another common argument which has the effect of claiming that it does not matter that over 90 percent of commodities financed by our aid program are purchased in the United States. The supposed reason for this is that many of these purchases merely displace normal American exports and therefore cannot be seen as real savings to the taxpayer. There are only two things wrong with this view: First, there is no fully accurate way of measuring to what extent, if any, such a displacement really occurs; second, and more persuasive, it is difficult to envisage underdeveloped countries normally being in the market for the range of commodities now being financed by the foreign-aid program. Were these commodities going to the developed countries, the story would be quite different. In fact, one of the long-range purposes of the foreign-aid program is to make it possible for just such markets for American exports to develop in the less fortunate countries of the world.

We concentrate so much on what we are giving that we are either blind to, or prefer not to see, what we are getting in return.

Mr. President, I shall not extend these remarks by describing programs and aspirations already fully documented and long known to Members of this body. We generally find in dealing with foreign aid that we have more documentation than we can easily absorb. Furthermore, I believe most of us already have taken a position on the pending legislation and that no words of mine are likely to illuminate the subject in a manner which would influence existing attitudes.

I do want to express my conviction, however, that the bill before us represents the absolute minimum necessary if we are to sustain our overall foreign policy. This is the smallest authorization bill the Committee on Foreign Relations has reported to this body in the past two decades. It represents weeks and months of the most serious and careful scrutiny on the part of many Members of the Congress and it deserves further responsible treatment by the Senate as a whole. Turning our backs on this bill in effect means turning our backs on the world.

It is true that we have had many disappointments in our efforts to help the underdeveloped countries. And yet, as noted by Robert Asher, of Brookings, who is also vice president of the Society for International Development, the record is far from a bad one when one takes a hardheaded and realistic view of the problems that had to be tackled. As he says:

> The foundations for more rapid growth in the 1970's are present if governments have the wit and the will to build upon them.

Surely it is not in the American tradition to quit when the going gets tough. We are in midstream and the currents are battering us. But I believe we have the courage and the strength and the sheer good sense to keep on striving for the shore.

Mr. President, I urge my colleagues to vote favorably on the pending legislation.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER** (Mr. BYRD of Virginia in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **SPARKMAN**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. **SPARKMAN**. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order of July 27, 1968, that the Senate stand in adjournment until tomorrow at 10 a.m.

The motion was agreed to; and (at 6 o'clock and 14 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, July 30, 1968, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 29, 1968:

DEPARTMENT OF COMMERCE

Frederick Simpich, of the District of Columbia, to be general counsel of the Department of Commerce, vice Joseph W. Bartlett.

OFFICE OF ECONOMIC OPPORTUNITY

Charles Robert Perrin, of Michigan, to be deputy director of the Office of Economic Opportunity, vice Bertrand M. Harding.

CONFIRMATION

Executive nominations confirmed by the Senate July 29, 1968:

DEPARTMENT OF JUSTICE

Ruggero J. Aldisert, of Pennsylvania, to be U.S. circuit judge, third circuit.

EXTENSIONS OF REMARKS

DEMOCRACY, FREEDOM, AND THE CONSTITUTION

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, July 29, 1968

Mr. THURMOND. Mr. President, Adm. Ben Moreell has prepared an excellent essay entitled "Democracy, Freedom, and the Constitution" which I heartily recommend to my fellow Senators.

The essay is particularly concerned with the implications and uses of the words "democracy" and "democratic." In recent times, these words have been used so often that it would seem that they are, and were meant to be, incorporated in all the initial documents and concepts concerned with the founding and subsequent governing of this country. Actually, the opposite is true.

As Admiral Moreell points out, the words "democracy" and/or "democratic" do not appear in the Constitution of the United States or in the constitutions of the States. In fact, it was the purpose of our Founding Fathers to establish a Republic which would preserve individual liberties and guard against an unrestricted democracy. The Constitution, making no reference to democracy, provides "the United States shall guarantee to every State in the Union a Republican form of Government."

Many of our Founding Fathers, such as James Madison and Benjamin Franklin, were most concerned about the government of this country remaining a republican form and feared the disaster of our country evolving into a "pure democracy." On the subject of a "pure democracy," James Madison wrote:

> Hence it is that such democracies have ever been spectacles of turbulence and contention; have ever been found incompatible with personal security or the rights of property; and have in general been as short in their lives as they have been violent in their deaths.

Majority rule, while on the outset seems idealistically the best process in all cases, can dangerously usurp individual liberties if not properly restrained. It is for this reason that our Constitution places restraints on majority action.

In many instances, when a majority speaks, it would be most advisable for us to remember our guidelines as provided in the Constitution. As Admiral Moreell so aptly put it:

> Each man has certain inherent rights which it is the duty of government to protect so that even as a minority of one he has immunities which no numerical majority may invade . . . Majority decision at the polls is an excellent way to choose political administrators, but it is a violation of the moral law for the majority to vote away any part of anyone's freedom . . .

I ask unanimous consent that the essay be printed in the Extensions of Remarks.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

DEMOCRACY, FREEDOM, AND THE CONSTITUTION

(By Adm. Ben Moreell, CEC, USN (retired), Chairman, Board of Trustees, Americans for Constitutional Action)

In this era of national turmoil no words in the English language have been more used, and abused, than "democracy" and "democratic." It is politically fashionable for ambitious men to use them as embellishments for demagogic pleas that they be granted unlimited personal power. They profess undying devotion to egalitarianism, the doctrine that our people should be "equalized," even though this could be achieved, if at all, only at a low level of inferiority. They hold, also, that "democracy" requires that the majority impose its will on all, even to the extent of seizing the God-given rights of those who refuse to conform. Thus, they disclose their ultimate aim of concentrating all power in the hands of the Central Government in Washington so that those in control can re-make our social structure, discarding all time-tested principles and policies of our free society. They base their pretensions on an alleged historical tradition that such "democracy" is the pattern of government envisioned by our Founding Fathers.

No such tradition exists. The words "democracy" and/or "democratic" do not appear in the U.S. Constitution or in the constitutions of the first forty-eight States of the Union. I have not as yet studied the constitutions of Alaska and Hawaii. No doubt, the authors of our great charter were influenced by Plato's classic warning that unrestricted democracy must degenerate into dictatorship and by the philosophy of Edmund Burke, who had stated, "A perfect democracy is the most shameless thing in the world." Having succeeded in freeing themselves from the thralldom of the doctrine of "divine right of kinds," they refused to bind themselves by a new slavery, "the divine right of the majority." Thus, they provided in the Constitution itself that "the United States shall guarantee to every State in the Union a Republican form of government." They made no reference to democracy.

There was general agreement among the delegates with the observation of Edmund Randolph of Virginia that "the general object" of the convention that wrote the Constitution was:

". . . to provide a cure for the evils under which the United States labored; that in tracing these evils to their origin, every man had found it in the turbulence and follies of democracy; . . ."

In Federalist Paper No. 10, James Madison, speaking of a "pure democracy," i.e. one which is immediately responsive to the majority will, wrote: "Hence it is that such democracies have ever been spectacles of turbulence and contention; have even been found incompatible with personal security or the rights of property; and have in general been as short in their lives as they have been violent in their deaths."

At the close of the Constitutional Convention, when asked by an anxious citizen, "Well, Doctor, what have you given us, a republic or a monarchy?", Franklin replied, "A republic—if you can keep it." He did not say "a democracy."

In more recent times, the historian Charles Austin Beard, wrote, "At no time, at no place, in solemn convention assembled, through no chosen agents, had the American people officially proclaimed the United States to be a democracy. The Constitution did not contain the word or any word lending countenance to it . . ."

It is interesting, and significant, that all of the contemporary Communist States, the most absolute tyrannies the world has ever known, call themselves "Peoples Democracies."

It is an historic fact that most majorities, even those which ostensibly reach their conclusions by "free democratic processes," are controlled, more or less, by a small group of powerful men who are adept at manipulating mobs and influencing public opinion. The practically unanimous votes in elections conducted in the Communist oligarchies confirm this statement.

Many perceptive citizens fear that our nation is now drifting into a kind of "democratic despotism" in which the individual will be subordinated to the control of undisciplined majorities dominated by ruthless men. The antithesis of majority rule is *not* minority rule; it is the principle of *individual liberty*. To secure individual liberty our Constitution places restraints on majority action. Lincoln spoke of our Republic as "a majority held in restraint by Constitutional checks and limitations." The conviction at the center of our system is that each man has certain inherent rights which it is the duty of government to protect, so that even as a minority of one he has immunities which no numerical majority may invade. No majority has the right, under our system, to impose its religion on any minority, or to impair its freedom of utterance or to deprive it of property. But the new dispensation holds that the majority is almighty; all it need do is gain control of government in order to have legal sanction to work its will on the rest of the nation. Majority decision at the polls is an excellent way to choose political administrators, but it is a violation of the moral law for the majority to vote away any part of anyone's freedom, except temporarily, in an emergency, as this may be essential to assure the safety of the people.

Here it is pertinent to quote the prophetic statement of James Madison in the Virginia Convention of June 16, 1788:

"I believe there are more instances of the abridgement of the freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpations."

The grave problems America now faces can be resolved by resort to our time-tested traditional procedures of study, debate, and conciliation. For this reason, the recent appearance of a new book on American government, wherein those procedures are delineated, is vitally important. It's title is: "America's Political Dilemma: From Limited to Unlimited Democracy," by Gottfried Dietze (Baltimore: Johns Hopkins Press, 1968, XII, 298 pp. $7.95).

Dr. Dietze is Professor of Political Science at the Johns Hopkins University, having previously been a Visiting Professor at the University of Heidelberg (Germany) and at the Brookings Institution, Washington, D.C. He is the author of several books and a number of articles in leading professional journals. He earned a doctorate in law from the University of Heidelberg, in philosophy from Princeton University, and in juridicial science from the University of Virginia. His major interest is in federalism and constitutional government. His book, "In Defense of Property" (1963) is a classic of vital pertinence in these troubled times when many who temporarily hold the political power are disposed to deny the inviolability of property rights.

Professor Dietze's present work is easily readable, yet scholarly and well-documented. It examines the development, problems and prospects of constitutional government in the United States. The following commentary is a brief summary of its salient points.

Our Founding Fathers, while convinced of the blessings of self-government, also recognized the dangers of democracy. Having seen how popular passions could result in oppression of the individual, they provided for a federated, representative republic. In order to make freedom secure, they designed a government structure in which reason would prevail over passion and popular government would be subjected to constitutional restraints.

Dr. Dietze points out the importance of the contribution Americans made to political science when they created a Constitution under which the majority, while ruling, was checked by such American innovations as federalism, the separation and dispersion of powers, and judicial review to protect human rights. He shows that the primary interest of the Founders was not centered on democracy, but rather on free government—a popular government which would be the means by which freedom would be protected. To them, the American Dream implied that a broadening of the suffrage would have the sole purpose of enlarging freedom of the individual from the strictures of government. Irrespective of the growth of popular participation in government, democratic rule would never be absolute but would always be confined within the limits of free government as these were specified in the Constitution. The rights of the individual thus protected would include those of free enterprise and private property which our political forebears ranked equally with freedom of worship, of speech, of assembly and the others.

While they believed that the system they had designed would work and be a boon to the American people and to mankind, the Founders were aware hat they had entered on an experiment that would be challenged. Expressing a general sentiment, George Washington warned that "those who are intrusted with the management of this government, incited by the lust of power and prompted by the supineness or venality of their constituents," might "overleap the known barriers of this Constitution and violate the unalienable rights of humanity." A generation later, the great foreign observer of the United States, Alexis de Tocqueville, voiced fears lest the expansions of democracy would result in undue restrictions on freedom.

In his present volume Professor Dietze explores the degree to which these fears were justified and the question whether the American Dream has, in fact, been realized. He shows the development of such constitutionalist features as federalism, the separation of powers, and judicial review under traditional constitutional government and in a modern democracy. He demonstrates that whereas under the former those typical American institutions fulfilled their purpose of protecting individual rights against government intrusions, the trend toward unbridled democracy since the advent of the New Deal has reduced those institutions and led to serious restrictions of essential rights, notably those of free enterprise and private property. Democratic action, increasingly ignoring the original and supposedly permanent values of the Constitution, has more and more transgressed its proper role and has degenerated into a challenge to constitutional government.

The effects of this degeneration of our government from a limited to an unlimited democracy is clearly evident with respect to civil rights, the discussion of which forms the core of this study. Dr. Dietze shows that an excessive "democratization" of our government has been detrimental. For it has replaced classic civil rights which imply, above all, the freedom of the individual from the government, by modern, often perverted, concepts of civil rights which imply "getting things from the government." Denouncing such dubious modern concepts as "public welfare," "social justice" and "social rights," the author demonstrates how our government, when promoting "civil rights," often imposes obligations that are incompatible with classic civil rights, thus abandoning the traditional liberatarian principle favored by Thomas Jefferson, "that government is best that governs least." Modern concepts of civil rights are considered the more dubious because of their requirement for concentrations of power in the Central Government and the Presidency. Professor Dietze holds that such concentrations not only challenge traditional constitutionalism which supports free government, but they are quite likely to do away with democracy itself, terminating in some kind of despotism.

The spectre of the decline of free government inside the United States is matched by that of a decline of American prestige in international affairs. Here again this is attributed to a replacement of constitutional by democratic government. The author shows how, on account of democratization, foreign policy makers, intimidated by popular clamors, have increasingly done what is expedient rather than what is in the long range national interest. He shows, also, how ideas favoring social legislation inside the United States have had their impact upon foreign policy. As a result, since World War II that policy has suffered from an insufficient skepticism toward the aims and designs of socialist nations, notably the Soviet Union. Dr. Dietze regrets that the Red Army was permitted to take Berlin, Prague and Vienna and that Russian imperialism was permitted to expand. He quotes General MacArthur as follows: "Is there wonder that Soviet propaganda so completely dominates American foreign policy? And, what is our foreign policy? . . . I defy you or any other man to tell me what it is. It has become a mass of confused misunderstandings and vacillations. It has meant one thing today—another tomorrow. It has almost blown with every wind, changed with every tide. The sorry truth is we have no policy. Expediencies as variable and shifting as the exigencies of the moment seem to be the only guide . . . There is no slightest doubt in my mind but that the Soviet has been engaging in the greatest bulldozing diplomacy history has ever recorded.

"Without committing a single soldier to battle, he has assumed direct control over a large part of the population of the world. His intrigue has found its success not so much in its own military strength, nor indeed in any overt threat or intent to commit it to battle, but in the moral weakness of the free world . . . It is a weakness which has caused our own policymakers, after committing America's sons to battle, to leave them to the continuous slaughter of an indecisive campaign by imposing arbitrary restraints upon the support we might otherwise provide them through maximum employment of our scientific superiority, which alone offers hope of early victory."

Professors Dietze warns against the self-deception of taking comfort from indications of disintegration within the Communist bloc. He finds it absurd to be friendly toward the Soviet Union at a time when that nation actively supports those who are at war with the United States. Arguing that the Soviet Union wants to avoid a war with the United States, but on the one hand, will extend its sphere of influence throughout the world whenever permitted to do so by a soft American foreign policy, he favors a hard-line policy toward the Soviet Union.

This book will give second thoughts to all who believe that democratic action is good by definition. Dr. Dietze demonstrates the dangers inherent in the popularized view that the voice of the people is the voice of God. While the author has a basic trust in popular government, he warns of extremist forms of democracy because of their emotionalism and irrationality. The work under review also shows the risks involved in trends toward the welfare state and socialism. It is a stirring account of the dangers that have confronted us during the past decades when forces challenging our constitutional heritage influenced public policy. However, the book is not without hope. For the author, this hope lies in the common sense of the American people and in the Constitution their forefathers, reputed for their common sense, designed during what John Fiske called "the critical period of American history." For the principles of the original Constitution, providing for the protection of freedom through a self-government checked by federalism, the separation of powers and the Bill of Rights, are as valid today as they were when the great charter was adopted. They can stand firm in a deluge of temptation.

This reviewer has confined himself to a description of what he considers to be the essence of the book. With most of the book's arguments, he agrees; with a relative few, he tends to disagree. It would be a miracle if it were otherwise. But whether one agrees or not: Here is a closely argued, systematic and provocative study of the American scene. Its scholarship and ample documentation indicate that it was not conceived as a passing polemic. It is a timely book which can do tremendous good. I strongly recommend that everyone interested in constitutional government and the preservation of freedom read it.

A TALE OF THREE CURRENCIES—THE FRANC, THE POUND, AND THE DOLLAR

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. CURTIS. Mr. Speaker, the year 1968 has witnessed a serious deterioration in the strength of the three major currencies of the Western World—the French franc, the English pound, and the U.S. dollar. All three currencies are closely tied together and all three have various ailments at the present time. The fate of the franc and the pound could have serious effects on the dollar. A collapse of these three currencies could lead to a collapse of the international monetary system. If that occurs, world trade, investment, and travel will suffer. We might also see a system of "floating" exchange rates. In any event, international financial affairs would never again be the same. Therefore, I think we should take a look at these three currencies and their problems.

THE FRENCH FRANC

Devaluation of the franc still represents a serious threat and possibility by the end of 1968. In spite of De Gaulle and his party winning a resounding victory in the recent elections, confidence in the franc is still weak.

This lack of confidence stems from the fact that wages in France are up about 10–15 percent this year with an additional 10 percent a strong possibility in

1969. Production costs are concomitantly increasing and prices are up 10 percent this year.

France continues to spend vast sums on basically uneconomic projects. The recent A-bomb explosion is but one of a series leading to a predicted H-bomb explosion later this year. French Government spending is predicted to go up $1.5 billion in 1968.

Due to its labor and economic woes, France will run a $1 billion balance-of-payments deficit in 1968 and again in 1969. France still has substantial foreign reserves and gold left, but they have been draining away at a rapid rate thus far in 1968. For May and June alone the gold and foreign exchange drain was $1,734 million, leaving reserves at about $4,800 million.

To compensate for its balance-of-payments woes and surging inflation, France has put import quotas on several types of imports—that is, steel, textiles, and automobiles—and is granting export subsidies to manufacturing industries. Although these new controls are scheduled to end December 31, 1968, their existence confirms French economic weakness.

THE ENGLISH POUND

The pound is weak. Latest evidence of this was the necessity earlier this month of a pledge by 12 nations to provide $2 billion in standby credits to support the pound. This was the 10th time since World War II the United Kingdom has had to ask the International Monetary Fund or various groups of nations to help it over balance-of-payments problems.

The current problems stem from 20 years of erratic monetary and fiscal policies. Since World War II Britain has been alternating between full employment policies and attempting to achieve balance-of-payments equilibrium. To protect foreign reserves the Government has had to shut off economic expansions in 1951, 1955, 1960, and again beginning in 1964. These restrictive measures were always too late to prevent balance-of-payments crises and as a result the growth rate suffered.

These stop-go policies have made the investment climate uncertain and capital investment spending in Britain has lagged behind most other countries. In 1964 the United Kingdom's capital investment per worker was only 44 percent of the U.S. average.

The British economy suffers from inefficient performance by management and workers. British-managed companies consistently earn a lower rate of return on invested capital than U.S. subsidiaries in Britain in the same industries.

The social and educational structure is a major factor in the poor economic performance. Low levels of education and unwillingness to use modern technology make for poor economic performance. Labor discipline is weak and productivity is increasing more slowly than wages. Industrial relations are far out of date. Informal bargaining practices at local levels have led to a crazy-quilt pattern of wages and working conditions.

High priority should be directed at reforming the educational system and putting more resources into applied technology.

The recent actions by the 12 nations to shore up the pound have bought some time. But Britain's reserves of $2.68 billion are at the lowest level since July 1964. The new agreement makes devaluation somewhat less likely but the pound is weak and a second devaluation cannot be ruled out.

THE U.S. DOLLAR

The U.S. dollar has also been weakening in recent years, and at an increasing rate since 1965. From World War II to 1965 price levels in other industrial countries grew faster than in the United States. This trend has been reversed since 1965 and the U.S. price level has risen as much or more than most other industrial countries.

The labor cost per unit of output held steady from 1961 to 1965, but has gone up 10 percent since 1965. These sharply rising labor costs are adding fuel to inflation. Further increases are taking place in 1968. Prices are rising at a 4-percent rate of increase and wages at 6–7 percent.

The United States experienced a trade deficit in March of this year and again in May—the first monthly deficits in 5 years. For the first 5 months of 1968, the trade surplus was at an annual rate of less than $1 billion, only one-quarter of last year's trade surplus of $4 billion. If these trends continue, the balance-of-payments deficits will cause new uneasiness about the dollar.

The tax increase passed in June will not correct this situation. Higher corporate taxes will be passed along in price increases. The revenues from higher taxes on individuals are being passed along in higher governmental expenditures. Already the administration's estimated fiscal 1969 expenditures are up to $188.8 billion from $186.1 billion.

Foreigners, whose confidence was supposed to be restored by the tax increase, are not fooled. They know the supposed expenditure reductions are not to take place at least until a new President is inaugurated in January and the dollar is now in more danger than ever.

All Americans have something at stake in these problems of the three currencies. If the franc and pound should weaken further and be devalued, the U.S. dollar would be highly overvalued and would put this country at a serious competitive disadvantage. Our balance of trade would suffer even further declines and American workers would lose jobs by the thousands.

Changes in U.S. economic policy are urgently needed to restore the economic health of America and begin to build up the U.S. economy again. These changes will obviously have to wait for a new President and a new Congress. Foreigners—as well as the American people—are looking forward now to the only date that counts—November—when the American people have the chance to change U.S. economic policy.

BLACKSTONE RANGERS: A DILEMMA

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, July 29, 1968

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks a column entitled "Blackstone Rangers: A Dilemma," written by David Satter, and published in the Washington Post of July 29, 1968.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

BLACKSTONE RANGERS: A DILEMMA

(By David Satter)

Four years ago the Blackstone Rangers were a group of dropouts who congregated in the area around Blackstone Avenue pitching pennies after dark. Few people had ever heard of them and even fewer took them seriously. Certainly no one would have predicted that they would today be the subject of a highly publicized Senate investigation.

But times have changed for the Rangers. Their growth from what was little more than a handful of friends to an organization that may number over 5000 disciplined members presents Federal authorities with a serious dilemma.

Anti-poverty funds can be used to support the Rangers in the hope that the gang will maintain its formidable structure and evolve into a force for good. Or such support can be withheld and the response of authorities can be unrelenting efforts aimed at destroying the gang organization. On Chicago's South Side, the decision was worth $927,000 in Federal funds which went to support the Rangers through a job-training program for the gang's members.

Many believe that the grant reflected an enlightened approach in poverty project funding. As appealing and imaginative as this approach is, however, it involves a serious danger. The danger is that measures like the OEO grant, which actually discriminates against non-gang members, may, if they are endorsed and continued, make the position of the non-gang member completely untenable.

South Side gangs are not voluntary organizations. Teen-agers who hesitate to join are subject to the same kind of treatment that was meted out to Willis Clayton III, an honor student and star athlete, this spring.

Clayton had left home to run an errand for his mother when he was approached by seven very young members of the East Side Disciples. Without warning, the Disciples began shooting. Clayton fell dead within view of his front door.

A Chicago detective later testified that the Clayton shooting had been a case of mistaken identity. The Disciples had actually been after another youth who had defied the gang by refusing to join. Clayton's fate was the punishment that had been decided on for the original youth who had resisted recruitment.

Clayton's death was not an isolated incident. The Chicago police believe that at least 30 South Side teen-agers have died as a result of gang violence since Jan. 1. Many of these deaths have been attributed to gang recruiting drives.

In such a situation, neutrality provides little protection. Anyone not known to be a gang member is a fair target. Yet there was something that kept Clayton—and is keeping others like him—out of the gangs.

That something was very likely a belief that gangs are illegitimate because they engage in criminal activity. Against the frightening pressures that the gangs can exert, such a conviction is one of the few sources of support non-gang members have. Measures like the OEO grant for the Rangers, which blur the distinction between who is and who is not legitimate can only deprive non-gang members of a vital source of moral support.

Policy makers must decide which elements in the community is most important to preserve. The gang members are well organized, highly disciplined and easy to work with. The non-gang members are disorganized and have little power.

If the decision is made in favor of the Rangers, the buttressed and legitimized gang structure may indeed evolve into a force for good. But such a decision may also mark the beginning of a criminal ascendancy on Chicago's South Side that would occur at the expense of the community's law-abiding citizens.

WHAT IS WRONG WITH OUR SOCIETY?

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. PICKLE. Mr. Speaker, in the wake of some of the disturbances witnessed across the country over the past few months, there is a lot of talk about what is wrong with our society. Some people say that the riots and assassinations are reflective of a sickness that is slowly poisoning our country.

In light of this sentiment, I believe the remarks of the attorney general of Texas, the Honorable Crawford C. Martin, before the State bar convention at Houston are most timely and perceptive. In order that the other Members might benefit from his speech, I include it at this point in the RECORD:

REMARKS OF CRAWFORD C. MARTIN, ATTORNEY GENERAL, CONVENTION, STATE BAR OF TEXAS, HOUSTON, TEX., JULY 4, 1968

I would appear before you today as the attorney for the defense . . . and I would plead the citizens of this nation . . . not guilty.

You have heard the indictment: We are all guilty.

We are all guilty . . . for the riots, and the anarchy, and the looting, and the burning . . . that has scorched this nation in its long, hot summers.

We are all guilty . . . for creating a society in which a few madmen could live . . . and finally kill. Even if that madman is a product of another part of the world . . . we are all guilty.

We are all guilty . . . for violence, for the accelerating crime rate, for the increasing number of bank robberies, and muggings and car thefts.

You read the indictment in the report of the President's Commisssion on Civil Disorders.

You have seen the indictment on television, again and again, as the commentator asks:

"Senator, what is this sickness in our society?" or

"Senator, do you feel that this event tells us something about the nature of our society?"

You have seen the indictment in the national magazines, and in the newspapers. Saturday Review paid for a full page ad in the New York Times to tell us:

"It is good that the response of the American people should be one of shame and guilt over the violence that is disfiguring life in the United States."

You have heard the indictment in the words of those who would call themselves historians, like Arthur Schlesinger Jr., who asks:

"What sort of people are we, we Americans? And the answer (he says) which much of the world is bound to return is that we are today the most frightening people on this planet."

Gentlemen, and ladies, I object!

The world is not bound to accept the verdict that Americans are the most frightening people on this planet—and I do not accept the doctrine that we are all guilty!

Furthermore, my friends, I would tell you this: It is not good that Americans should react with shame and guilt to the violence that has struck this country!

If Americans beat their breasts and cry out to the world . . . "we are all guilty" . . .

If Americans stand condemned in their own eyes for the transgressions of past generations . . . and accept the doctrine of group guilt. . . .

If Americans indulge in an orgy of self-pity and self-abnegation . . .

Then we will not have the strength, and the courage, to move forward to solve the very real problems that we must solve, if we are to survive as "one nation, indivisible, under God."

Now, let us examine the charges. Let us take apart the indictment . . . piece by piece. Let's us apply cool reason to the hot issues . . . of fear, and guilt, and crime. Let us look at the evidence. Let us see what happens to the human personality when it is shackled by the chains of guilt. Let us pierce the rhetoric . . . and look into the heart of America . . . and let us see where America—as one people, indivisible, under God—is headed.

We can begin in Texas, for it was probably here that the doctrine of group guilt became a catchword in 1963. We are familiar, now, with the rituals of network television in the aftermath of assassination:

The shocked expressions of the newsmen . . . the clinical bulletins from the doctors . . . the hastily gathered panels of famous men . . . the Congressmen with bills to grind . . . the search for explanations, when there are no explanations . . . but there is time to be filled, and the news analyst must fill it—it was at such a time and in such a mood that the pious phrase . . . we are all guilty . . . took the airways and began to implant itself in the heart of America.

Now, let us look at what happens when guilt takes hold . . . the doctors and psychiatrists tell us that guilt is self-directed and self-terminated. Freud felt that—and I quote—patients who showed inappropriate guilt behavior were warding off an incompletely resolved Oedipal complex." Guilt manifests itself in depression—which leads to a sense of complete futility.

And a person, or a nation, with a sense of futility cannot accomplish the positive social action that is so sorely needed in this nation today.

The fact is that things are bad—very bad—for the ghetto youth—but not so bad that he welcomes the attentions of a horde of psychic cripples. He can smell guilt a block away, and his reaction to the guilt-ridden do-gooder is a sneer.

And the fact is, according to one Washington psychiatrist, that those who feel the most guilt are those who are doing the least to change conditions.

Now then . . . if you accept the idea that we are all guilty, there are several other conclusions that you must accept as well. You must agree, if we are all guilty, that the criminal is not guilty. It is society's fault, not his.

You must accept the idea that the rioters are "paying us back for centuries of oppression and sin," and that we deserve it. And you must also accept the idea that the reason for the burning of stores in a riot is that the stores are the symbols of the white society . . . and that in burning property, the rioters are striking back at the guilty white society.

Let us examine those ideas—and we can begin with those symbols of white society that get burned in a riot.

I was in Washington a few weeks ago, and I saw some of those symbols . . . buildings that had been burned out in the days of rioting following the assassination of Martin Luther King. The destruction was even worse, far worse, than the reports of national television had led me to believe—and those so-called symbols of white racism—well, let me tell you about a few of them.

There were many blocks in which not a single building was left intact—but let's examine a typical block, on Seventh Street between R Street and S Street. In this block, six buildings were left standing, but destroyed were 10 stores employing 30 people—most of them Negro residents of the neighborhood. In addition, 13 Negro families who lived on the block lost their homes and all of their possessions. Some fled in their night-clothes and couldn't even save a pair of shoes!

There's a story behind each of those burned out buildings—but let me tell you about just a couple of those evil symbols of white racism who were burned out.

One is James Brisco. He is 48 years old, a Negro. He worked for five years as a garbage collector to save enough money to go into the second hand television business. He lost $7,000 worth of television sets in the riot, and he has no insurance. He was wiped out.

Also reduced to rubble was the barber shop that belonged to James Foreman for the last 24 years. James Foreman, also a Negro, isn't in business for himself any more—he's working for another barber up the street. Foreman estimated it would cost him $3,000 to replace the equipment and supplies in his shop—and he had no insurance.

He had something to say about the riot afterward—and he said it with good American common sense.

He said: "Riots just lead to more prejudice. It just doesn't make sense to destroy your own people who were trying to be self-supporting."

The stories of the people who worked and lived in this block show that, to a person, they fled the riots. It was Thursday afternoon when the looting and burning began—but it was Friday afternoon before troops were called out, with orders to use "restraint"—so that looters felt safe in rushing into the stores to grab a television set or a bottle of liquor.

One of the interesting things about the psychology of the riots is the way that people get caught up in the hysteria. It has been repeatedly reported by observers that often the crowds are just standing around watching the fireworks, when somebody notices that television cameras have moved into the vicinity. Then everybody starts running and screaming and looting, and when the cameras leave, the people settle down again.

One young looter, captured by police in Detroit, had his arms full of baby clothes, and he commented later that he didn't know why he was grabbing baby clothes, because he didn't have any babies in his family—and stayed in his apartment.

At this point, I would like to point out that the news media of Texas has played a definite role in preventing disturbances in this state—for we have seen none of the sensationalism that has encouraged trouble in other states.

Even more important in keeping Texas free of the disasters of riots—and we are the only major industrial state that has been so spared—has been the attitude of the people of Texas. I believe that all Texans, of all races, have shown a respect for the law, and a respect for the dignity of all, that makes me proud to be a Texan, and an American. I am also proud that the law enforcement officers and public officials have upheld the law without fear or favor, providing the strength of character that prevents disturbances before they happen.

Now then, let us go back to the theory that the guilty are not guilty and that the riots are a spontaneous repayment of the grievances of the past century.

I would cite to you the findings of the Cleveland Grand Jury, headed by Louis B. Seltzer, which investigated the disastrous Cleveland riots of last year. Like the President's Commission on Civil Disorders, the Cleveland Grand Jury recited in full the grievances which had made the slums a tinderbox.

But the report went further, and here are the findings:

Firebombing and destruction was highly selective, with targets plainly agreed upon. The actual attack was launched by—and I quote—young people obviously assigned, trained and disciplined. The presence of these teenagers was observed by undercover agents who had been assigned for long periods to observe them.

A profound influence was exerted from the JFK House, the grand jury discovered. That JFK stands for Jomo Freedom Kenyatta, not the late president, by the way.

Leaders of the JFK House were Louis G. Robinson and Harlell Jones, both described by the Grand Jury as having been affiliated with the Revolutionary Action Movement, an organization which the FBI has described as Chinese-style Reds.

Finally, the grand jury established that leaders of the Communist Youth Party arrived in Cleveland only a few days before the riots. These leaders were named, and identified in the report, and the grand jury concluded that—and I quote again—"the outbreak of lawlessness was organized, precipitated, and exploited by a relatively small group of trained and disciplined professionals at this business."

However, the grand jury returned no indictments—admitting gaps in the evidence, and complaining that legal statutes were inadequate to reach the responsible, the guilty, persons.

Now the answer, of course, to the problem of riots in the cities is immediate and effective law enforcement at the local level.

Public officials need the legal tools that will enable them to do their job, and to this end I have suggested a group of laws to the Legislature which should provide us with our ounce of prevention. These measures will take care of the immediate crisis in the cities—

But, in the long run, America must find the courage to be proud of being America . . . because that difference—the difference between guilt and confidence, the difference between weakness and strength—is a vital one to the safety of this nation.

Weakness and strength: We saw both this spring in Washintgon. In April, when the riots burned out James Brisco and James Foreman, there was a weakness and a hesitancy in the response of government. The people in the neighborhoods fled, and anarchy prevailed. But, in contrast, on the night that Resurrection City was shut down, there was no hesitancy. The police knew what to do, and they were sent in to the troubled areas immediately. They shot and wounded one looter, and the trouble was over almost before it began.

Now, let us carry our analysis of weakness and strength to the national level.

If you tell a man often enough that he is sick, he will become sick . . . and a nation is no different.

Khrushchev, and Stalin before him, promised that the Communists wouldn't have to attack America—they said we would crumble from within. But if we do crumble from within, it will be because we have convinced ourselves that we are a sick society.

Are we a sick society? Are all guilty?

We have dissenters, yes—dissenters who would voice their hatreds in violence. But it would be generous indeed to say that 50,000 Americans have rioted—50,000 people out of 200 million people—that's one fourth of one per cent! And the assassinations—the criminals were three outcasts of society: one who wanted to be a Russian, one who spent most of his time in prison, and one who was bred on the hatreds of the Middle East.

Are we to be judged a sick society because this tiny handful—this one fourth of one per cent—has tried to burn America down?

No. We are not a sick society.

No. We are not all guilty.

Franklin Roosevelt said in the dark days of World War II that all we have to fear is fear itself—and this is still true.

John F. Kennedy inspired this nation with the idea of vigor and self-confidence, with the idea of pride in being an American.

We have been brainwashed by the guilt-peddlers who would ask WHY we are a sick society before they ask IF we are a sick society—when the truth is that we are not a sick society.

They would tell us that we have billions to spend on the War in Vietnam—but not for the war on poverty. But the fact is that we have spent billions on programs to help the poor—and we are now spending 15 to 16 billion dollars a year in welfare.

If these programs have failed—and everybody has admitted that they have failed—then we should not feel guilty—and we should not give up.

The charge has been made that our welfare programs—dole of a little money and a little food—have encouraged poverty—not relieved it. But let us not feel guilty—

For there is honor in trying, even if we have failed.

And there is honor in trying again.

There is honor in being an American, whether black, or white, or brown—

There is honor, my friends—not guilt.

VIETNAM RESOLUTION

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, July 29, 1968

Mr. THURMOND. Mr. President, on July 26, 1968, the Military Order of the World Wars approved a resolution concerning the war in Vietnam and forwarded it to the President of the United States with the respectful request that he carry out the action recommended by the resolution.

This resolution coincides with my own thoughts on the situation in South Vietnam in many regards. Specifically, the resolution calls for the President to set a deadline date and announce to the Government of North Vietnam that if it has not ceased its aggression by that time, the United States will immediately initiate such military action as may be required to force a decision.

This appears to me to be the only way in which the United States can win quickly in South Vietnam and bring the conflict to an end with honor.

I ask unanimous consent that the resolution be printed in the Extensions of Remarks.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

The Military Order of the
World Wars,
Washington, D.C., 26 July 1968.

Whereas, the conduct of the U.S. military operations in Vietnam has been so greatly influenced by political considerations that its commanders in the field have been restricted to the achievement of certain circumscribed objectives as opposed to being permitted to impose sufficient strategically placed shock action to compel the enemy to cease their aggression and withdraw to the north;

Whereas, the North Vietnamese, as a result of the demoralizing effects of U.S. bombing together with their inability to gain a decisive military victory on the ground in South Vietnam, have been seeking, through the medium of the Paris Conferences and a well coordinated propaganda campaign, to stall for time and eventually gain over the U.S. a face-saving diplomatic victory, which would leave the door open for further aggression and negate the cause for which so many Americans have died;

Now be it resolved, that The Military Order of the World Wars respectfully urges that the President of the U.S. set a deadline date and announce without delay to the Government of North Vietnam and to all other countries that if the Government of North Vietnam has not, by that date, ceased its aggression in South Vietnam and begun to withdraw its troops to the north, the U.S. will immediately initiate such military action as may be required to force the decision;

Be it further resolved, that the President of the U.S. personally exhort all Americans to support this announced ultimatum; and to exhort specifically the American communications media to cease their divisive policies which often are rationalized under the thin cloak of "the right to dissent," and to exert their powerful force in support of the U.S. resolve to win quickly in Southeast Asia and to win with honor.

Certified official.

Stephen O. Fuqua, Jr.,
Brig. Gen., USA (Retired),
Chief of Staff.

RIOTS, VIOLENCE PERIL FREEDOM, JUDGE CAUTIONS

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. GOODLING. Mr. Speaker, I have recently come into possession of a notable speech delivered as a Memorial Day address by the Honorable George W. Atkins, presiding judge, 19th judicial district, York, Pa.

While Memorial Day is long gone, the thoughts and observations contained in Judge Atkins' speech are such that they can be applied fully 365 days of the year. Because this address contains some exceptionally meaningful views, I insert it into the Congressional Record and commend it to the attention of my colleagues. The speech follows:

Riots, Violence Peril Freedom, Judge Cautions

A century ago the Commander of the Grand Army of the Republic decreed the first Memorial Day. It was a day set aside to honor those soldiers who died in the war between the states. This observance has since been expanded to include an expression of honor and tribute to those who surrendered their lives upon the battlefields of all conflicts in which our nation has been engaged from the Revolutionary War to the present conflict in Viet Nam.

It is these men and women whom we honor today while we enjoy the liberty and freedom they gained and protected for us. It is our responsibility to insure that the freedom and liberty so dearly bought shall not be cheaply sold.

A few years ago we were told that the greatest danger to our freedom was Communism. Today a fair sized segment of our people suggest that the danger today is not so much from Communism but that it really comes from the fascist right. There is no freedom as we think of it in either.

Although much of the agitation for change is attributed by the opponents of change to one or the other of these extreme philosophies, we must not assume that change is bad. Change is ever present, although at times it is more far reaching than it is at other times. Many of the changes that are pressing upon us today are more far reaching than any that most of us have seen before. Because of this the new concepts are somewhat disturbing, if not actually a bit frightening. But disturbing or not the old concepts of social relationships as well as economic relationships are undergoing a revolution. It started first as an economic phenomenon and more recently it has moved over into the social field but still with economics as its major impetus.

The reaction by its proponents and by its opponents has in some areas assumed an emotional rather than a reasonable aspect. The result has been riots and demonstrations accompanied by forcible seizure and destruction of property with attendant loss of life and serious bodily injury with permanent disability.

Such violence is always the result when reason gives way to emotion. Considerable words have been spent debating whether this violence came about as a result of so-called "outside agitators" or whether it was a spontaneous reaction on the part of the people resident within the specific area concerned. Does it really make any difference?

Some have sought to justify or at least excuse such conduct on the domestic scene while strongly condemning violence as a means of resolving differences between nations. Others seem to approve restort to violence as a suitable weapon to promote some causes but frown upon its use in support of other concepts.

It has been suggested that there could be no justification for the return of fire to snipers who shot firemen while those firemen were attempting to prevent the spread of fires set by rioters, fires that not only were destroying property but which also endangered lives of many people.

College administrators are told by rioters who seize college buildings that they will return the buildings after the buildings and their contents have been substantially damaged only upon a granting of amnesty to those whose irrational conduct brought about the damage and chaos.

I suggest that the framers of the Constitution did not exactly have that kind of thing in mind when they authored the protection against the loss of life, liberty or property without due process of law. An odd twist seems also to be given these days to the right of petition that is guaranteed by that same revered document.

No segment of our government can permit groups, large or small, to resort to violence or disregard of the law in order to advance their cause no matter how valid the cause. It is not a case of "the end justifies the means". If we are to permit such a result it is anarchy. If we are to say that the validity of the cause justifies its violent assertion the question then arises, who determines the justice of the cause?

Another concept has become popular in recent years although it has been borrowed from elsewhere, namely so called "civil disobedience". In fact this concept has taken on an aura of respectability. It appears to support the violation of law so long as the violation is not accompanied by violence and so long as the violator does not approve of the law being violated. Its purpose seems to be to so disrupt orderly processes that the desire of the violator will be granted just for the sake of avoiding further inconvenience. It is called civil disobedience even though the violation does in fact constitute criminal conduct.

The justification for this kind of action is that the object sought to be attained is allegedly good and the law being violated is a bad law, coupled with an urgency that is so compelling that it cannot await orderly legal process.

This is also a form of anarchy. When practiced on a small scale it presents no serious problem to law enforcement but when engaged in on a large scale is just as serious a violation of the law as any act of violence.

Therefore on this Memorial Day if we are to truly honor those who died for this land we shall rededicate ourselves to a perpetuation of the liberty they fought to obtain and preserve for us through the orderly processes of law and order.

This requires a guarantee that the laws of our land be just and that they are fairly administered. This is the only climate in which true freedom and liberty can exist but it will not, unless all people face up to their responsibility to not only use their ability to its utmost to insure just laws and their fair administration but to so live in daily life that their every act will be one of justice and fair treatment to all mankind.

TRADE WITH COMMUNIST CHINA: A PANDORA'S BOX

HON. PAUL J. FANNIN

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Monday, July 29, 1968

Mr. FANNIN. Mr. President, it seems that the present administration is determined to implement a trade policy that hurts our friends and helps our enemies. I commented recently on the lamentable fact that our Government is allowing long-staple cotton to be imported into this country from Egypt—a nation with which we have broken off diplomatic relations. I stated that these cotton imports affect adversely sales and jobs in our textile industry and only serve to strengthen economically a nation with whom we are at diplomatic odds—and rightly so.

Now, Vice President HUMPHREY has gone a step farther and suggested that we trade with a nation with which we have never had diplomatic relations—Communist China. In a statement originally prepared for delivery at the Commonwealth Club in San Francisco on July 12, the Vice President said:

> To widen our contracts with the 750 million people who live in mainland China, the United States should lift restrictions on trade in nonstrategic goods.

The Vice President made no conditions, suggested no limits and did not mention reciprocity. He probably expected that nothing much would come out from his gesture, because in all such previous gestures, we have met with nothing but, in Mr. HUMPHREY's own words, "rebuffs, rejection, and insult."

But trade, unlike the lifting of travel restrictions which we have proposed and which has been rejected by Peking, is a much more complicated issue. The easing of restrictions on trade with Red China, inaugurated during the Korean war, will affect almost every American sooner or later. If we should unilaterally lift the trade embargo with Red China, even in nonstrategic goods, many things would happen, all of them to our disadvantage. Although Mao Tse-tung and his Red guards depict us as the enemy of mankind, they are not above taking American dollars, particularly if it helps to bolster their tattered economy and strengthen their war potential.

First. We would be flooded with cheap Chinese goods made with slave labor. Mr. HUMPHREY's advisers may think there are not too many things we could buy from Red China. Perhaps no sophisticated wares, but such consumer goods as textiles, food items, wigs, furniture, rugs, and all kinds of light industrial products are exported by Communist China. In addition, there are such traditional items as tea, silk, hog bristle, tung oil, and tungsten ore.

In 1967, Peking sold more than $1 billion worth of such goods to free world countries. Chinese Communist goods have cornered the market in Hong Kong and most Southeast Asian countries, because they undersell everybody, including the Japanese. We must remember that the state owns everything in Red China. Peking has no shareholders to account to, no regard for balance sheets where foreign exchange is concerned, and no problem with wage or welfare demands from its enslaved labor force.

Second. Peking would not have to come down from its high horse. It would not have to admit American businessmen to the Chinese mainland as a reciprocal measure. It could keep up its torrent of denunciations against us.

Plenty of Chinese Communist-affiliated businessmen in Hong Kong and other Asian ports are eager to earn the American dollar. If the United States abolished the requirement for certificates of origin in imports, the rush would begin. Mr. HUMPHREY's advisers miscalculated if they thought Peking must reciprocate if we attempt a trade initiative. Trade would be a one-way street, with the Chinese Communists reaping all the benefits.

Third, many other safeguards against Chinese Communist infiltration would crumble. For example, once trade resumes on a limited scale, remittance would have to be allowed. The 300,000 Chinese-Americans in the United States would be pressured to send money to their families who are virtual hostages on the Chinese mainland. The infamous extortion rackets of the early 1950's would be repeated. Hundreds of millions of dollars of Chinese assets frozen in American banks since 1950 would have to be returned to Red China to oil its war machinery.

Mr. President, the present administration seems to spend much of its time attempting to open this or that Pandora's box. Trade with Communist China would open a Pandora's box we might not be able to close again. Commonsense and business sense dictate that we keep this particular lid closed tight.

I ask unanimous consent that the text of the Vice President's statement on foreign policy be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Next Era in American Foreign Policy

(Statement by Vice President Hubert H. Humphrey, at the Commonwealth Club in San Francisco, Calif., Friday, July 12, 1968)

I want to talk with you today about the next era in America foreign policy.

For I believe we—and indeed the rest of the world—are truly at a turning point.

Twenty years ago, the United States was virtually the only source of power in the non-Communist world.

We faced an aggressive and highly centralized Communist bloc.

We feared its designs on the developing world. Western Europe and Japan tottered on the brink of chaos.

America's policies were geared to these problems. Large successes were achieved. Now, partly because of these successes, we face new conditions:

The cold war between the United States and the Soviet Union is waning.

The Communist countries no longer pose a monolithic threat.

There is a prospect of further accelerating mutual efforts toward disarmament.

The new nations are moving into a period when they increasingly look toward self-development, and the concrete works of national independence.

Western Europe and Japan can stand on their own two feet, and they want to do just that.

A new generation is emerging in the United States and other industrial countries which rejects the old premises of war and diplomacy and which wants, rightly I believe, to see more emphasis placed on human and personal values—like having enough to eat . . . being able to learn . . . living free of fear.

These conditions demand new priorities, new policies and a new sense of purpose in our engagement in the world.

They demand a shift from policies of confrontation and containment to policies of reconciliation and peaceful engagement.

The most important area of reconciliation—and the top priority for American foreign policy in the next decade—is that of East-West relations. This particularly includes relations among the United States and the Soviet Union, Western Europe and Eastern Europe.

Adherence to this priority will minimize the possibility of direct conflict.

It will minimize the possibility that conflict among the developing nations may involve the major powers.

Finally, it will permit a re-allocation of the world's resources away from massive military budgets to constructive, human development.

I favor the following actions in pursuit of reconciliation:

(1) Early United States-Soviet agreement to freeze and to reduce offensive and defensive strategic armaments. And, following that, initiatives toward mutual reduction of general armaments and defense expenditures by all nations.

(2) Reciprocal reductions of American and Soviet, and allied forces in the heart of Europe.

(3) Accelerated technological and economic interchange among developed countries of all ideologies, and in turn among these nations and the developing countries.

(4) United States-Soviet action to avoid wasteful competition in space—including coordination of United States and Soviet post-lunar manned space exploration.

These are goals we cannot achieve alone.

I offer them with full awareness of John Kennedy's warning against the illusion that there can be "an American solution to every world problem."

But we can take concrete initiatives toward achieving them.

The task of reconciliation can obviously proceed much more quickly once a peace is achieved in Vietnam. It must be a lasting and stable peace—one which will not lead to new crises that can drag us back into the era of confrontation.

I have been asked where I stand on the Vietnam war.

I want to end that war.

I want to end it the only way it can be ended—by a political settlement.

I want a political settlement which will permit the people of South Vietnam—all the people of South Vietnam—to shape their own future. And I want to see a cease-fire at the earliest possible moment.

Right now, however, the most effective peace effort we can make is to back our negotiating team in Paris, headed by Ambassador Averell Harriman and Cyrus Vance.

They are wise and experienced diplomats.

They are trying hard to secure peace.

We must not make their job more difficult by misleading Hanoi into the belief that our negotiators may not be speaking for America.

Looking ahead, how can we avoid future Vietnams?

Parts of the developing world—not only in Asia, but Africa and Latin America—will be turbulent for some time to come. Our policy objectives should be to prevent this turbulence from breeding wider conflicts.

To this end, we should do three things:

First: Try to define clearly, in our own minds, what our national interest is, and what it is not, in each of these developing areas.

That interest surely does not run to maintaining the status quo wherever it is challenged.

We are not the world's policemen. How peoples wish to govern themselves, and how they wish to change their governments—that's their business. Our interest runs only to avoiding the kinds of violence which can transcend national frontiers and threaten the wider peace.

Second: We also have to recognize that, whatever our own intentions, others may be prepared to violate frontiers and foster local turmoil for their own ends. We must therefore be prepared to fulfill specific and clearly-defined mutual-defense commitments approved by the President and the Congress of the United States.

By making this willingness clear, we can help to deter direct major aggression and help reduce the incidence of externally-sponsored insurgency.

We should firmly insist, however, that any threatened country to which we are committed—or a potentially threatened country—actively develop programs of economic, political and social development, including land reform, which will win the support of the people.

Third: If we are to avoid big-power confrontation over small-power conflicts, the world must look primarily to regional organizations to prevent indirect aggression and local disputes from disrupting the broader peace.

These organizations can help to conciliate disputes among their members; over the longer-run, they may be able increasingly to meet peacekeeping needs.

We should try to enhance the United Nations' peacekeeping capability:

by supporting creation of a UN Staff College and a UN Training Center for Peacekeeping;

by using US aid to encourage more earmarking by the smaller powers of national military units of peacekeeping;

by joining other countries in studying the use of independent sources of revenue for financing UN peacekeeping.

As we strengthen the ability of the UN and of regional groupings to meet peacekeeping needs in developing areas, we can provide an effective alternative to great power military involvement—and thus help to ensure against future Vietnams.

* * * * *

We can talk neither about reconciliation nor about increasing the stability and progress of the developing world without taking full account of mainland China.

Although the prospect for cooperative programs with China in the next decade are not good, we should make it clear that we are prepared to replace conflict with cooperation whenever the Chinese are.

We must expect rebuffs, rejection, and insult . . . and still continue to seek more normalized relations with the mainland.

To widen our contacts with the seven hundred and fifty million people who live in mainland China we should:

(1) lift restrictions on trade in non-strategic goods,

(2) encourage interchange of scholars, journalists and artists;

(3) make it clear that should China make its decision to become a responsible, participating member of the community of nations, we will welcome it. And we should, now, encourage it.

The need for reconciliation and an end to the arms race derives not just from the danger of war, but from the fact that the world urgently requires a major reallocation of resources to the work of providing better lives for people—both here in America and in the world.

Pope Paul said "development is the new name for peace."

Unless and until the needy . . . hungry . . . ill-clothed . . . ill-housed . . . undereducated majority of mankind has some substantial hope for the future, something worth protecting—peace will be sullen and precarious at best.

We all know the case for foreign aid:

It is right and decent.

It contributes to peace and security.

It is not a significant cold drain because virtually all of it is spent in this country for goods and services.

A little bit can be the catalyst that puts much larger resources to work in the recipient nation.

We can afford it.

The United States has made a good start. We have helped put Taiwan, Western Europe, South Korea, Iran, Greece and Turkey on their feet—and others of our aid recipients are on the way.

Other nations are now aid donors—at least five of them give a greater share of their Gross National Product than we do.

But neither the developed nor the developing nations have been doing enough, well enough, to get the results that a lasting peace demands.

It is time to start fresh . . . together . . . and this time with the clear purpose before us of doing what is necessary to see that there is visible progress for the people of the developing world.

The urgent business of national development can no longer be left to a thin patchwork of bilateral contributions and occasional consortia. It is the great international challenge of our times, and one that can be met only on the basis of the fullest international cooperation.

Our neighbors in the Western hemisphere are already engaged in a major cooperative effort, together with the United States, to accelerate the development of this area which is of vital interest to us.

As I see it, America's role in a new international development effort demands the following:

First. A steady increase rather than a steady decrease in the amount of aid we make available.

Second. Leadership toward family planning in the developing nations on a scale many times larger than now being considered.

Third. New emphasis in our development programs to food production and the building of rural economies.

Fourth. World-wide commodity agreements which stabilize prices enough so that raw-materials-producing nations may have at least an even chance of earning their own way.

Fifth. Leadership toward international agreements and guarantees which will sharply increase the flow of private investment to the developing countries.

Sixth. A new emphasis on multilateralism in aid programs, with maintenance of only limited bilateral aid programs, and greater reliance on the World Bank, the United Nations, and African, Asian and Latin American institutions for investment and development.

Seventh. Active encouragement of economic and political regionalism so that other nations may enjoy the benefits of large units of people, resources and markets such as the United States and European Community now possess.

Eighth. New priority to modernization of an international monetary system which must be able to provide the capital needed to finance the developing as well as the developed.

Ninth. The steady removal of barriers to trade among the prosperous nations, and the establishment of a global preference system for the goods of the underdeveloped.

* * *

A more stable peace . . . reconciliation . . . redirection on international effort from the wasteful arts of war to the humane work of development—I believe those are the only realistic policy goals for America in the months and years ahead if we mean to enhance the security of the American people.

They reflect the values of ordinary men and women—not the habits of mind we associate with traditional diplomacy.

Let me emphasize, however, that our success in achieving such goals can be no greater than our success in dealing with the hard questions of the present:

—How to convince the Soviet Union it shares a common interest in building a community of developed nations, and avoiding conflict in developing areas when some Soviet ideologists declare the reverse;

—How to promote the kind of economic growth in the poorer nations which will involve and benefit the common man, even while these nations resist—and rightly—any suggestion of external intervention in their internal affairs;

—Above all, how to involve the private citizen, and particularly young people, more and more in the business of making foreign policy?

I don't have all the answers, I doubt anyone has.

I do know that a significant departure in American foreign policy will require that the new President will continue to be guided by the advice and consent of the United States Congress and of the American people.

Although it is an obligation of the President to propose, our tradition assumes a high degree of participation by the people and the Congress—especially the Senate—in the making of critical national policy decisions.

Involvement by the Congress, and by the people, will continue to be a necessity if national decisions are to be truly reflective of the national will.

For foreign policy is the people's business in 1968 just as politics is their business.

We understand especially today that a new foreign policy for a new decade stands little chance of success unless it can inspire the new generation of Americans who wear the nation's uniforms, renew the nation's political processes, and in the long run determine the success or failure of American society at home and abroad.

I have attempted to outline here a policy to serve the people—not merely nations or ideologists.

I believe it can command the support of the American people.

I believe it can re-establish America as a symbol of the aspirations of men everywhere.

FEDERAL LOANS, GRANTS, AND CONTRACTS IN 20TH DISTRICT DURING 90TH CONGRESS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. FINDLEY. Mr. Speaker, set forth below is a partial list of Federal loans, grants, and contracts in the 20th Congressional District of Illinois during the 90th Congress. It is, of course, not complete, partly because the 1968 listing is incomplete. It should also be noted that many such items are on a regional basis, and therefore may not be listed at all, or if listed, benefit other counties in addition to the one where listed.

Not included are payments to individual citizens, such as those under the various programs of the Department of Agriculture, social security, Veterans' Administration.

The list referred to follows:

ADAMS COUNTY

January 23, 1967: $47,779 to Manpower Development and Training Act Project to train unemployed workers.

January 24, 1967: $3,224,000 for flood control projects near Quincy.

February 3, 1967: $17,600 preliminary loan for new low rent public housing in Quincy.

February 24, 1967: $320,528.13 under Title I, Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

April 19, 1967: $1,503,639 approved loan for construction of low rent housing in Quincy.

April 27, 1967: $53,000 to Quincy College for the construction of the classroom portion of a new library-classroom building.

May 8, 1967: $39,516 to Manpower Development and Training Act Project to train unemployed workers.

May 12, 1967: $26,609 to Quincy College for special equipment (under-graduate education).

May 12, 1967: $1,602 to Quincy College for closed circuit television equipment.

June 30, 1967: $603,040 contract to improve 3rd section of levees protecting Indian Grave Drainage District.

August 22, 1967: $221,417 to St. Mary's Hospital, Quincy, for the establishment of a community mental health center.

August 25, 1967: $114,676 to Quincy Public School District # 172 to Continue Headstart program.

September 29, 1967: $325,824 to Sunset Home, Quincy, for an addition.

October 5, 1967: $34,511 to Illinois Employment Security and Educational Agencies to train unemployed workers.

December 15, 1967: $600,000 to Midwest Dredging Co., Ursa, Illinois, for Stage 4 in Indian Grave Drainage District.

December 22, 1967: $555,000 loan to Adams Electrical Co-operative in Camp Point to finance distribution line.

May 22, 1968: $1,005,000 loan to Adams Telephone Cooperative, Golden, for new toll facilities and lines.

June 19, 1968: $375,000 for Hunt Drainage District and Lima Lake Drainage District for construction.

Total for Adams County, $9,068,741.13.

BROWN COUNTY

February 24, 1967: $76,948.58 under Title I, Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

Total for Brown County, $76,948.58.

CALHOUN COUNTY

February 6, 1967: $47,281 to Illinois Valley Economic Development Corporation for rural resources center.

February 24, 1967: $47,478.91 under Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

February 20, 1968: $45,767 benefitting from grant to the Illinois Valley Economic Development Corporation in Carlinville to provide administration for anti-poverty effort.

May 2, 1968: $35,790 to Hardin for construction of a sewage treatment plant.

Total for Calhoun County, $176,316.91.

CASS COUNTY

February 24, 1967: $80,768.72 under Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

May 8, 1967: $264,000 loan to Midland Telephone Co. to finance facilities.

March 8, 1968: $6,564 for Headstart program in Cass County for pre-school training plus medical, social, and psychological services.

Total for Cass County, $351,332.72.

GREENE COUNTY

February 2, 1967: $104,228 to Thomas H. Boyd Memorial Hospital for an addition.

February 6, 1967: $47,281 to Illinois Valley Economic Development Corporation for rural resources center.

February 24, 1967: $105,144.87 under Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

February 20, 1968: $45,767 benefitting from grant to Illinois Valley Economic Development Corporation in Carlinville for administration for anti-poverty effort.

Total for Greene County, $302,420.87.

HANCOCK COUNTY

January 4, 1967: $777,000 electrification loan to Western Illinois Electrical Cooperative, Carthage, for distribution line.

February 24, 1967: $142,982.47 under Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

February 27, 1967: $61,200 to city of Nauvoo for primary sewage treatment plan and outfall sewer.

June 2, 1967: $37,770 to LeHarpe for construction of intercepting sewers.

June 27, 1967: $3,580 for comprehensive planning and growth of Hancock County.

May 29, 1968: $132,000 for a sewage treatment plant in Nauvoo.

May 31, 1968: $16,752 for an Urban Planning Assistance grant to Hancock County and Carthage.

Total for Hancock County, $1,171,284.47.

JERSEY COUNTY

February 6, 1967: $47,281 to Illinois Valley Economic Development Corporation for rural resources center.

February 24, 1967: $87,863.27 under Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

March 30, 1967: $5,310 to help pay for the comprehensive planning and growth development of Jerseyville.

April 27, 1967: $7,725 to Principia College for single and integrated concept films in color for geology.

May 10, 1967: $132,000 to Jersey Community Hospital for an addition.

August 9, 1967: $197,198 to Grafton Boat Co. (contract) for aluminum diesel powered survey boat.

October 2, 1967: $70,000 to Illinois Department of Conservation to acquire land to add to Pere Marquette State Park.

February 20, 1968: $45,767 benefitting from grant to Illinois Valley Economic Development Corporation for administration for antipoverty effort.

July 1, 1968: $24,510 to Jerseyville Industrial Development Commission to help plan and carry out programs to stimulate growth in Jersey County.

Total for Jersey County, $617,654.27.

M'DONOUGH COUNTY

February 24, 1967: $111,329.86 under Elementary and Secondary Education Act of 1965 as amended for programs for educationally disadvantaged children.

June 19, 1967: $100,000 for acquisition of land to add to city reservoir to be developed for recreation—Macomb Park District.

June 27, 1967: $372,000 electrification loan to McDonough Power Cooperative, Macomb, for distribution line.

June 20, 1968: $1,704,283 grant to Western Illinois University, Macomb, for physical science building, under the Higher Education Facilities Act.

Total for McDonough County, $2,287,612.86.

MORGAN COUNTY

January 26, 1967: $36,000 to MacMurray College for the training of professional personnel needed to conduct programs for the mentally retarded deaf.

February 8, 1967: $619,920 to Jacksonville for interceptor sewers and a new sewage treatment plant.

February 24, 1967: $114,058.54 under Elementary and Secondary Education Act of 1965 for special programs for educationally disadvantaged children.

March 2, 1967: $82,250 to the village of South Jacksonville for interceptor sewers and two waste stabilization ponds.

June 28, 1967: $146,600 to MacMurray College to be used in the biology, chemistry and physics departments.

October 5, 1967: $34,421 to Illinois Employment Security and Education Agencies for the training of unemployed workers as psychiatric aids.

December 19, 1967: $1,511,824 to Turnkey Project, Jacksonville, to aid in the purchasing of low rent housing for the aged.

March 22, 1968: $149,958 to Jacksonville's "Town Square No. 1" urban renewal project for rehabilitation and spot clearance of most of the central business district.

Total for Morgan County, $2,694,631.54.

PIKE COUNTY

January 24, 1967: $3,224,000 for flood control projects.

February 24, 1967: $168,995.82 under Elementary and Secondary Education Act of 1965 for special programs for the educationally disadvantaged children.

March 1, 1968: $25,537 to Pike County Headstart program for Pittsfield area to provide school training for children from low income families.

May 2, 1968: $6,158 to Pike County for comprehensive planning for growth and development.

Total for Pike County, $3,424,690.82.

SANGAMON COUNTY

February 1, 1967: $856,603 grant for "Area I" Code Enforcement Program of Springfield.

February 14, 1967: $3,000 public works planning advance to Divernon to finance planning of a sanitary sewer system.

February 24, 1967: $457,689.44 under Elementary and Secondary Education Act of 1965 as amended for special programs for educationally disadvantaged children.

March 8, 1967: $68,870 for new boilers and heating system repairs at U.S. Post Office and Court House in Springfield.

March 31, 1967: $174,266 to Division of Tuberculosis Control of Illinois Department of Health for expanded and intensified program of tuberculosis control for selected areas in down state Illinois.

April 1, 1967: $59,770 to Manpower Development and Training Act for the training of unemployed workers.

June 2, 1967: $17,900 grant to St. John's Hospital School of Nursing in Springfield.

June 6, 1967: $11,760 to the Department of Children and Family Services in Springfield.

June 15, 1967: $82,500 to the Land and Conservation Fund for Pasfield Park land.

June 15, 1967: $52,246 to Springfield and Sangamon County Community Action, Inc. to benefit low income families, to provide a focal point for services available through outreach and referral and follow-up services.

June 24, 1967: $27,800 for Springfield Sanitary District for construction of additions and improvement to existing sewer systems.

June 27, 1967: $28,875 to Sangamo Electric Co, for furnishing continuous tape recorder system to be used throughout Bonneville power system.

June 27, 1967: $39,383 to implement plan for cultural services to the community and people of the state (Illinois Arts Council).

July 1, 1967: $284,184 for the purchase and rehabilitation of low rent homes in Springfield.

July 11, 1967: $14,119 to Springfield and Sangamon County Community Action to provide summer activities for youth of low income families.

August 10, 1967: $41,392 to Manpower Development and Training Act Program for the training of unemployed workers.

August 15, 1967: $58,587 to Springfield and Sangamon County Community Action to benefit low income residents (to provide staff and services for anti-poverty effort).

August 16, 1967: $278,900 to Springfield Sanitary District to assist in construction of sewage facilities.

August 30, 1967: $182,000 to the Illinois State Office of Public Instruction for a comprehensive educational program for migrant children of migratory agricultural workers.

October 5, 1967: $40,349 to Illinois Employment Security and Education Agencies to provide training for unemployed workers.

November 1, 1967: $92,210 to Neighborhood Youth Corps to provide young men and women with part-time employment so that they may return to school.

December 7, 1967: $465,860 to Neighborhood Youth Corps to provide opportunities for out of school enrollees; $218,687.80 to Sangamo Electric Co. for equipment for use in Oregon and Washington.

February 7, 1968: $3,828 under the Urban Planning Assistance Program to Illiopolis.

April 4, 1968: $241,741 to Springfield to assist in acquisition and development of sites in Lincoln Home Area for use as a park and rest area.

April 16, 1968: $370,445 to Manpower Development and Training Act Program for the training of unemployed workers.

May 17, 1968: $1,453 for comprehensive planning in Sangamon County.

May 22, 1968: $1,221,100 to Springfield for water and sewer facilities.

May 29, 1968: $10,000 to Springfield and Sangamon County Community Action Program to provide recreation for youths.

May 31, 1968: $4,492 to Rochester for comprehensive planning and growth.

June 20, 1968: $308,826 to Sangamo Electric Co., Springfield, for equipment to be used in Spokane, Washington.

June 21, 1968: $398,000 loan to Rural Electric Convenience Cooperative Co., Auburn, for distribution line.

July 1, 1968: $267,503 to the Hope School for Blind and Multiple Handicapped Children, Springfield, for expansion and day care facilities.

July 11, 1968: $146,303 to Springfield and Sangamon County Community Action Program to provide administrative staff and services for anti-poverty efforts: to provide a focal point for low income residents; and to provide community development and encouragement to low income residents to participate in anti-poverty programs.

Total for Sangamon County, $6,530,642.24.

SCOTT COUNTY

March 11, 1968: $858,000 to Illinois Rural Electric Co. for extensive system improvements and for the financing of distribution line.

February 24, 1967: $49,843.76 under Elementary and Secondary Education Act as amended for special programs for educationally disadvantaged children.

Total for Scott County, $907,843.76.

SCHUYLER COUNTY

February 24. 1967: $70,581.68 under Elementary and Secondary Education Act of 1965 for special programs for educationally disadvantaged children.

May 12, 1967: $112,200 to Sara D. Culbertson Memorial Hospital, Rushville, for an addition.

Total for Schuyler County, $182,781.68.

Total for all 13 counties, $27,783,291.85.

SUMMARY OF WORK IN AGRICULTURAL MATTERS DURING THE 90TH CONGRESS

Mr. Speaker, since I entered Congress in 1961, I have taken an active role in agricultural legislation. From 1961 through 1966 I was a member of the House Agriculture Committee. In 1967 I became a member of the Foreign Affairs Committee. As the summary below attests, I have continued an active role in matters before the House Agriculture Committee, while at the same time influencing broad agricultural aspects of foreign programs.

COMMITTEE WORK

HOUSE FOREIGN AFFAIRS COMMITTEE

This committee has a heavy responsibility in many agricultural matters because of its jurisdiction over the foreign aid bill. As a result of prior legislation almost all equipment and material goods required for the foreign aid program must be purchased in the United States. In 1968 alone the committee considered legislation involving $877 million in agriculture investment. Added to the 1967 figure this means that in the 90th Congress alone this committee dealt with agricultural matters at home and abroad totaling well over $1 billion.

In 1967 I secured committee approval for five key amendments relating to revamping the foreign aid program into one of famine prevention. Three of these amendments—outlined in greater detail below—were signed into law by the President. They dealt with annual agricultural production targets, establishment of tropical agricultural research centers, and greater emphasis on food production in the underdeveloped countries.

HOUSE AGRICULTURE COMMITTEE

Because of my earlier service on the committee and continued interest in agricultural matters, I was invited to consult and participate in legislative hearings on a number of important bills before this committee during the 90th Congress. I participated in an extensive discussion with the committee on the Federal crop insurance program and the feed grains, wheat, and cotton program extension. Representative FOLEY, a Democrat from Washington on the committee, said of my knowledge of agriculture:

> He is an expert on farm programs . . . he knows these programs as well as any Member of this House.

I also participated in committee consultations on the Public Law 480 extension—revisions I had made in the Food for Peace Act earlier while on the committee were retained in the extension. Several amendments I suggested were incorporated in the electric bank proposal reported by the committee. I was author of an amendment to the Indian Food Aid Resolution and Act of 1967 which calls for advance public notice of Public Law 480 programing as an aid to the grain merchandising industry and to farmers.

REPUBLICAN AGRICULTURAL TASK FORCE

This Republican group, on which I serve, is a part of the House Republican conference and helps set agricultural policy for House Republicans and analyze administration farm policies and programs.

BILLS INTRODUCED AND ACTION ON THEM

H.R. 6141, prohibiting unfair practices such as discrimination, boycotts, coercion, or intimidation against producers solely because of their membership in marketing associations. Basic proposal reported by Agriculture Committee.

H.R. 8001, to change authority for wheat and feed grain programs to permit the market system to work more effectively. Public hearings were held on this bill. The three essential provisions of this bill are, first, to repeal all authority for acreage allotments, marketing quotas, marketing certificates, diversion payments, and price support payments on wheat; to base acreages, diversion payments, and price support payments on feed grains; second, to prevent the disposal of current stocks of wheat and feed grains in the CCC inventory in a manner which disrupts market prices and, third, to make available insured recourse loans to producers of wheat and feed grains. The net effect of this bill would be to replace the existing Federal control programs for grain crops with a system of Government insured recourse loans, thus allowing the farmer to borrow against his harvested crops, enabling him to move his produce onto the open market at a time of his own choosing. It would leave intact existing cropland adjustment and other similar programs.

H.R. 8057, to require the Federal Crop Insurance Corporation to assume the operating and administrative costs of the Federal crop insurance program. Public hearings were held March 25, 1968. It would phase out Government subsidies of the FCIC over the next 4 years thereby enabling the program to operate on a sound financial and actuarial basis.

H.R. 17145, to establish a Presidential Commission on Hunger. This Commission would investigate the effectiveness and operation of present domestic food distribution programs such as the food stamp program and others.

AMENDMENTS OFFERED INVOLVING AGRICULTURAL MATTERS

TROPICAL RESEARCH CENTERS

This amendment was part of the 1967 Foreign Aid Act and required the President to submit recommendations in the 1968 Foreign Aid Act regarding the establishment of tropical research centers in agriculture in Africa, Latin America, and Asia. The President submitted recommendations and they are pending before the Foreign Affairs Committee.

ANNUAL PRODUCTION TARGETS

This amendment was also part of the 1967 Foreign Aid Act and required the President to report to the Congress each year the food production and population control targets for all food deficit countries receiving foreign aid from the United States. These reports inform the Congress whether planning goals have been set in food deficit countries and what the prospects are for achieving the targets established. It helps to implement the self-help requirement not only under foreign aid bills but also under the food-for-peace legislation.

USE OF LOCAL CURRENCY

This amendment passed the House Foreign Affairs Committee. It would have authorized the use of U.S.-owned local currency to guarantee private investments and agricultural and/or population control industries in food deficit countries.

FOOD PRODUCTION PRIORITY

This amendment was enacted into law and requires that priority be given in allocating foreign aid resources to food production and voluntary family planning.

ELECTRIC BANK BILL

Several amendments I proposed dealing with interest rates and equity were adopted and the bill was reported from the Agriculture Committee.

GRAIN MONOPOLY

An amendment I offered to the Public Law 480—food for peace—extension proposed that no grain exporter be allowed to export more than 15 percent of the grain sent under Public Law 480. This amendment was aimed at curbing monopolistic tendencies in the Public Law 480 export business.

LIMIT ON GOVERNMENT PAYMENTS

In 1967 and 1968 I offered amendments to the agricultural appropriation bill which would limit the aggregate size of payments to individual farmers under the various commodity programs. In 1967 I proposed a $25,000 limitation, and in 1968 a $10,000 limitation. Later in 1968 I pressed for a $10,000 limitation on payments as a part of the proposed extension of the Agricultural Act of 1965.

CORPORATE DISCLOSURE

This amendment to Public Law 480, approved by an overwhelming vote in the House and later enacted required all grain exporters under Public Law 480 to file with the Secretary of Agriculture a list of foreign-owned subsidiaries and their principal officers. These exporters must certify that no foreign-owned subsidiary is engaged in trade with North Vietnam.

ARBITRATION OF COMMERCIAL DISPUTES

Many of the loans guaranteed by the Export-Import Bank of Washington involve agricultural matters. An amendment to the extension of the Bank I proposed would have required satisfactory provisions for settling commercial disputes that might arise under the contract by reference to an impartial third party for settlement.

EXEMPTION FROM SPECIAL TAX ON TRAVEL CONDUCTED UNDER TOURIST-DOLLAR EXCHANGE PROGRAM

Hearings on this proposal were held by the Ways and Means Committee in February of 1968. Widely praised by committee members, my proposal would expand the existing tourist-dollar exchange program, thus making greater use of U.S. holdings in foreign currencies. Authorization for use of local currencies for these purposes was granted in 1962 as a result of my amendment to Public Law 480.

INVESTIGATIONS AND RECOMMENDATIONS

IMPORT OF SOVIET VEGETABLE OIL

In 1967, as today, the domestic soybean and soybean oil markets were in a slump. On August 25 I learned that Hunt-Wesson Co. planned a massive purchase of Soviet vegetable oil—an import without precedent, and planned with the admitted purpose of holding down U.S. prices.

I opposed the importation for these reasons: its adverse effect on prices to U.S. producers; the possibility that Soviet oil might be used to supply our forces in Vietnam; the obvious economic advance to the Soviet Union. In October the Hunt-Wesson firm responded by canceling a 20-million-pound shipment then approaching New Orleans. The firm said no further Soviet imports were contemplated. The Defense Department investigated and assured me no Soviet oil was being sent to Vietnam.

RENT-A-TRAIN

I conducted an investigation of the implications to farmers and country elevators of the proposed rent-a-train. I met with elevator processor, producer, central market, and railroad representatives.

SUBSIDY OF WHEAT EXPORTS

On October 24, 1966, I requested the General Accounting Office to undertake a study of the Department of Agriculture's procedures under which it establishes subsidy payments on wheat exports. This exhaustive study was conducted for 6 months and a final report with recommendations was released in the summer of 1967. It disclosed inadequate procedures for determining the subsidy prices and led to reforms in the USDA's administration of the program.

In December 1967 the Departments of State and Agriculture attempted to complete a Public Law 480 transaction which involved a subsidy of more than $2 million on a shipment of wheat to Yugoslavia. This attempt by USDA was in contravention of an amendment of mine which had been enacted into law. As a result of the protests I made, substantiated by legal opinion secured from the General Accounting Office, the subsidy to Yugoslavia was canceled. However, over my protests, the USDA did approve the shipment of a large quantity of soybean oil which again involved a substantial subsidy, this time in the form of below-cost interest rates. I requested a GAO opinion on whether this was a proper expenditure of the Government in view of my 1966 amendment. The GAO undertook an investigation and reported to the Congress that the USDA had indeed spent funds for the shipment in violation of law and had therefore made an illegal use of appropriated funds.

HAWAIIAN SUGAR GROWERS

On March 28, 1968, I called attention to large excess subsidy payments received by Hawaiian sugar growers. I recommended to the Department of Agriculture that it critically review the legal basis for making these payments. In a letter to the administrator of the sugar policy staff of ASCS, I charged that five large sugar-producing holding companies in Hawaii together received $1,960,000 more in annual payments than they deserved. The policy of establishing payment rates on the basis of production by each individual subsidiary plantation instead of the combined total clearly defeated the purpose of the sliding scale of payments.

WHEAT EXPORT SUBSIDIES

USDA policy often discriminates unfairly against soft wheat varieties grown in Illinois and other Midwestern States. During 1967—as in other years—I sought from USDA an explanation of how export rates for Soft and Hard Winter wheat varieties are determined and why the subsidy spread between the two classes of wheat may change from 0 to 10, 12, or even 14 cents within a relatively short time. I charged that the rates are jiggled and rejiggled, not in response to changes in world market prices but rather to favor export from the United States of one class of wheat against another.

POLITICAL PERVERSION OF AGRICULTURAL SCHOLARSHIP

In the spring and summer of 1967 Secretary Freeman attacked legislation I introduced. Freeman predicted that the proposed legislation would cut farm income by one-third and said agricultural economists from nine land grant universities agreed with him. After much effort, I finally secured the names of the nine land-grant colleges involved. I wrote the deans of each school of agricultural economics at these institutions to determine whether the colleges had in fact approved them. My correspondence showed that the predictions were not presented generally to agricultural economists at land grant universities for review and therefore general endorsement of them did not occur. Instead, what actually happened was that Dr. Walter Wilcox of the USDA met informally with nine selected agricultural economists at a midwestern airport terminal. Several indicated general support, but even in this carefully selected group exceptions and sharp reservations were notable. The full story of this perversion of scholarship was widely reported in numerous agricultural publications across the country. The exchange of letters revealed an extensive misrepresentation of facts by USDA, conclusions for which assumptions and computations could not be furnished and worst of all a shocking abuse and misuse of the scholarship symbolized in the highly respected term—land grant universities.

PUBLICATIONS AND REPORTS

My work in agricultural legislation and investigation led to a full-length book, "The Federal Farm Fable," scheduled for publication this fall, in which I review Federal farm programs over the past 30 years and suggest ways to strengthen farm market income.

At the request of the American Legion, I supplied an article calling for an end to farm commodity subsidies for the November 1967 issue of the organization's magazine.

An article I wrote for the March 1968 Reader's Digest reviewed the failures of Federal farm programs. It was entitled "Let's Plug the Billion-Dollar Farm Drain."

In May 1968 I addressed the annual meeting of the Agricultural Editors of America.

BILLS INTRODUCED IN 90TH CONGRESS BY REPRESENTATIVE PAUL FINDLEY

Mr. Speaker, I include at this point in the Record a list of bills and resolutions I introduced in the 90th Congress:

H.R. 117, establish National Commission on Public Management, January 10, 1967.

H. Con. Res. 98, administration should act to improve farm prices, January 26, 1967.

H.R. 4610, credit against income tax to employees for training, February 2, 1967.

H. Con. Res. 232, Atlantic Union Delegation. Reported from Committee on Foreign Affairs as H. Con. Res. 48 on July 9, 1968, February 23, 1967.

H.R. 6141, control unfair trade practices affecting producers. Favorable report from Department of Agriculture on May 12, 1968, February 27, 1967.

H.R. 7278, postage stamp to commemorate Illinois Sesquicentennial. Stamp issued, March 15, 1967.

H.R. 7279, amend Social Security Act to increase earnings permitted before deduction from insurance benefits, March 15, 1967.

H.R. 7280, amend Social Security Act to provide cost of living increases in insurance benefits, March 15, 1967.

H.R. 7366, credit against income tax for certain higher education expenses, March 16, 1967.

H.R. 7367, amend Internal Revenue Code to allow teachers deductions for expenses in pursuing education, March 16, 1967.

H.R. 7402, amend Social Security Act for certain state hospitalization coverages, March 16, 1967.

H.R. 7486, promote private U.S. participation in international organizations; establish Institute of International Affairs; Hearings held in Committee on Foreign Affairs; March 20, 1967.

H.R. 7600, grant asylum to Svetlana Stalina; Asylum was granted; March 21, 1967.

H.R. 7834, extend rural mail service, April 3, 1967.

H.R. 8001, change authority for wheat and feed grain programs to permit market system to work more effectively, April 5, 1967.

H.R. 8057, require Federal Crop Insurance Corporation to assume costs of federal crop insurance program; Agriculture Committee hearings held, April 5, 1967.

H.R. 8854, charter National Home Ownership Foundation. Included in S. 3497; Passed July 10, 1968, April 20, 1967.

H.R. 9151, amend Central Intelligence Agency Act to authorize annual appropriations, April 25, 1967.

H.R. 9152, Joint Congressional Committee to investigate CIA, April 25, 1967.

H.J. Res. 586, amend Gulf of Tonkin Resolution to send Vietnam dispute to International Court of Justice, May 18, 1967.

H. Res. 562, provide for consideration of H.R. 421, on interstate activity to incite civil disturbance, June 15, 1967.

H. Con. Res. 403, maintain U.S. sovereignty and jurisdiction over Panama Canal Zone, June 29, 1967.

H. Con. Res. 410, President lacks authority to commit military forces to Congo, July 12, 1967.

H.J. Res. 761, Neighborhood Action Crusade, August 1, 1967.

H. Res. 850, creating select committee to study impact of East-West trade and assistance to nations which support aggression, directly or indirectly, August 2, 1967.

H. Res. 869, to call for hearings on the Gulf of Tonkin Resolution (Public Law 88-408), August 10, 1967.

H. Con. Res. 508, Congress to consider and report whether further Congressional action is desirable in respect to U.S. policies in Southeast Asia, September 25, 1967.

H. Con. Res. 530, express the sense of Congress that a fight against organized crime is inseparable from effects to reduce urban poverty, October 12, 1967.

H.R. 13482, to prohibit electronic surveillance by persons other than duly authorized law enforcement officers engaged in the investigation or prevention of specific categories of offenses, and for other purposes, October 12, 1967.

H.R. 13483, to provide for extended prison terms when it is found that a felony was committed as part of a continuing illegal business in which the offender occupied a supervisory or other management position, October 12, 1967.

H.R. 13484, to amend the Sherman Act to prohibit the investment of certain income in any business enterprise affecting interstate or foreign commerce, October 12, 1967.

H.R. 13485, to permit the compelling testimony with respect to certain crimes, and the granting of immunity in connection therewith, October 12, 1967.

H.R. 13486, to provide for the abolition of the rigid two-ness and direct-evidence rules in perjury cases; and to provide for the prosecution of contradictory statements made under oath without proof of the falsity of one of the statements, October 12, 1967.

H.R. 13487, to provide protected facilities for the housing of government witnesses and the families of government witnesses in organized crime cases, October 12, 1967.

H.R. 13488, to establish a Joint Committee on organized crime, October 12, 1967.

H. Con. Res. 574, to express the sense of the Congress with respect to the Great Lakes Basin Compact and the Great Lakes Commission. Reported out of Foreign Affairs Committee and awaiting a rule for floor action, November 6, 1967.

H.R. 14251, to amend the March 4, 1909 Act, as amended, to obtain information for agricultural estimates from county extension agents, December 7, 1967.

H.R. 14336, to require that buses and trucks operated in commerce be equipped with instruments to provide for a record of certain operating data, and for other purposes (tachograph legislation), December 7, 1967.

H.R. 14779, to establish the Travel Incentive Act, January 23, 1968.

H. Con. Res. 619, safe recovery of crew and vessel, January 25, 1968.

H. Con. Res. 696, U.S. should not increase its military involvement in Vietnam, January 14, 1968.

H.R. 16305. Manpower Policy Act of 1968, March 28, 1968.

H.R. 17145, American Hunger Commission Act, passed as H.R. 17144, May 8. 1968.

H.R. 17497, Government Program Evaluation Commission, May 23, 1968.

H.J. Res. 1375, constitutional amendment to reduce voting eligibility age to eighteen, June 27, 1968.

H.R. 18296, to amend the Employment Act of 1946, July 2, 1968.

H.R. 18575, to establish the Commission for the Improvement of Government Management and Organization, July 15, 1968.

H.R. 18451, to amend the Act of March 3, 1905, relating to the dumping of certain materials into navigable waters of the U.S., July 10, 1968.

U.S. POLICY

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, July 29, 1968

Mr. THURMOND. Mr. President, the July 24, 1968 edition of the Greenville (S.C.) Piedmont, contains an interesting editorial entitled "Military Leader Is Tense Over U.S. Policy."

Editor William F. Gaines has written an editorial based on a report recently released by the Senate Preparedness Investigating Subcommittee. Although a great deal of the report was deleted for security reasons, editor Gaines was able to discern a difference of opinion between the Joint Chiefs and civilian military officials.

He pointed out that Gen. Earle Wheeler described trends in military development which alarm him. At the same time, he noted that General Wheeler believes that these trends "do not necessarily have to continue." This statement by our top military leader is, in effect, a challenge to the White House to take action on many of the Joint Chiefs of Staff recommendations for improving our military posture.

Mr. President, I ask unanimous consent that the editorial be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Military Leader Is Tense Over U.S. Policy

On April 23, Gen. Earle G. Wheeler, chairman of the Joint Chiefs of Staff, testified in closed session before the Senate Preparedness subcommittee. Only now is part of the general's testimony revealed, and a meager part at that.

But enough is known about what the general told the senators to see Wheeler is concerned about the trend of some present United States policies and the effect they may have on national survival.

Among items touched on before the subcommittee was the growth of Soviet nuclear capability, the inability of the United States to make progress in Vietnam, the impotence of the United States in the seizure of the intelligence ship, Pueblo, by North Korea, and a lag in development of new planes, submarines and other major weapons by the United States.

In what almost amounted to a challenge to the White House to change the course of United States policy which has brought the nation to a precarious condition in national defense, General Wheeler added that the trends which alarm him "do not necessarily have to continue by any manner of means."

It has been evident for years that the Joint Chiefs and civilian military officials were in basic disagreement over some of the major facets of military planning—particularly the development of new and more powerful weapons.

Perhaps Defense Secretary Clifford will be more receptive to the recommendations of military leaders than former Secretary McNamara was. It is difficult to refute the opinion the United States has not progressed in military strength in recent years.

APATHY IS SEA POWER'S ENEMY NOW

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

History's Lesson Must Be Heeded: Apathy Is Sea Power's Enemy Now

"The Pacific War," wrote a Japanese naval commander, "was started by men who did not understand the sea and fought by men who did not understand the air."

The commander, Matasake Okumiya, was speaking with the wisdom of hindsight in the book he coauthored: "Midway, The Battle That Doomed Japan."

"Had there been a better understanding of sea and air," he added, "Japan would have pondered more carefully the wisdom of going to war."

Today as we note the 26th anniversary of that decisive battle which turned the tide of World War II there are lessons implicit in its examples.

On paper, the Japanese should have won the battle. It was seven short months after the disaster at Pearl Harbor that sank much of the American Pacific Fleet.

The Japanese fleet, approaching to attack Midway, had a vast numerical superiority—three to one in numbers of aircraft carriers alone. Their best trained men were aboard the vessels. And the fleet was commanded by popular Adm. Isoroku Yamamoto, Japan's leading authority on air power.

When the fog of the battle ended three days after it began, four of the Japanese carriers were at the bottom of the Pacific along with a heavy cruiser. The Japanese fleet had been decisively routed and the stage was set for the extension of American seapower to Japan itself.

What the Japanese did not have were men like Fleet Adm. Chester A. Nimitz, commander-in-chief in the Pacific, and Adm. Raymond A. Spruance, the battle commander at Midway. These were men who did understand the sea and the air.

It was the genius of American planning, the depth of American intelligence and the heritage of American naval sea power that won the Battle of Midway against seemingly superior odds.

Unfortunately, the battle has slipped into the past. Today there are far too many civilians who do not understand sea and air power. As civilians they perhaps are not expected to understand the subject. Their failure is that they too often try to have punched cards or perforated tape fed into a computer as a substitute for nearly two centuries of American sea-power heritage. But machines are not brains and experience.

As a result of the failure, the United States of America again is letting its maritime power age at a critical time when it should be modernized for the critical new challenges to our freedoms.

A deep knowledge of sea and air led to the decisive United States victory in the battle for the Midway Islands in 1942, where the Japanese had hoped to decimate the American fleet. Our sea power won and kept the enemy from attacking the Pacific Coast of our homeland.

Unfortunately and ironically, United States sea power is again fighting for survival, but the enemy 26 years after Midway is apathy and lack of understanding, not an enemy fleet.

MID-SOUTH SPEAKS ON VIETNAM

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. KUYKENDALL. Mr. Speaker, under permission to extend my remarks in the Record I would like to include the first of a series of articles from the Memphis Press-Scimitar in which the people of the mid-South express their concern over the war in Vietnam.

The series, written by Margaret McKee, illustrates the dissatisfaction of the people from an important sector of the country with the conduct of a war the administration is unable to end and refuses to win.

The first article follows:

[From the Memphis (Tenn.) Press-Scimitar, July 24, 1968]

The War and the Mid-South: Earle, Ark.—Town Bewildered, Confused About Viet

(Note.—The war goes on—and on. Last month it became the longest war in American history. And as the war goes on, life appears to go on as usual in small-town America. But does it? Just how close to home is the war in Vietnam for the people in the Mid-South? The Press-Scimitar sent Staff Writer Margaret McKee and Photographer William Leaptrott to probe beneath the apparently placid surface. The first of a three-part report appears today.)

(By Margaret McKee)

Earle, Ark.—The noon sun pops sweat out on Coach A. B. Wood's forehead, and he swipes it away with the side of his arm.

Sweat darkens the underarms of his maroon knit shirt and glistens on his forearms as he drives a tractor, seeding the Earle High School football field. He stops work long enough to talk a minute.

"We've got to do one of two things in Vietnam," he says, gripping the steering wheel with brown cotton work gloves. "We've got to whip their tail or get out."

"IF THEY CALLED . . .?"

The young coach shifts his green cotton pants on the tractor seat. "Communism has got to be headed off somewhere and it can just as well be in Vietnam as anywhere else. If they called me tomorrow, I'd kiss my wife goodby. If it weren't for the family, I'd be gone right now."

But right now the football field has to be seeded, the leftovers from last year's team have to be worked out with weights, the bleachers need a coat of point. "Earle had a 2–8 season last year. They haven't had a winning one in four years. They don't talk much about Vietnam in this town. They talk about football," the coach says and cranks up the tractor.

On this hot summer Thursday in a flatland, Arkansas Delta town (population 3,000), they talk about football and the crops and new industry for a town starting to grow again after a serious decline.

LONG WAY

The war in Vietnam is a long, long way from the junction of Highways 64 and 149 in the middle of town, from the red paint on the curbs and the stores whose windows have changed little in 20 years.

To Earle, Vietnam means frustration and confusion, a bewildering no-win war where American boys keep dying and the U.S. gets pushed around. Over and over the people of Earle refer to the forces controlling the war as "they"—"they" could win if they wanted to, "they" are holding the military down.

Sam Bratton, Earle superintendent of schools, hears it from his students. "It's hard to put your finger on the feeling about the war," Bratton says, pushing aside the government-money paperwork he is doing in his air-conditioned office in the high school. "With most of the boys, it's resignation—certainly not enthusiasm toward it.

NOT AS PERSONAL

"This war is not as personal as World War II. Then the feeling was, 'Our country is involved. I've got to participate in it.' Now it's something that 'they' got us into, and we've got to go on and do it."

If we've got to do it, Earle says do it and get out. Turn on the fire power, turn the troops loose, win the war. Quit pussyfooting around with the Communists. The townspeople of Earle want out of Vietnam. Most want to leave with honor. Some just want to leave.

Mrs. J. H. Williams, an apron tied around the waist of her blue-and-white gingham dress, checks out the last of the lunch crowd at Williams Restaurant in downtown Earle. A few dawdlers linger over their coffee at the orange naugahyde booths and formica tables.

"UNNECESSARY"

The small, gray-haired woman looks surprised as strangers seated at her front counter ask her opinion on Vietnam. "That war?" she says. Then quickly, emphatically: "I think it's very unnecessary. It's all uncalled for. We don't have any business over there. What do we have over there anyway?"

Taking a lunch check. Ann Williams makes change, thanks the customer and barely stops. "We've had a lot of little boys go from here—colored and white. Those boys' lives over there are worth about 50 cents. I just don't understand why we're there."

She gestures toward the two waitresses wiping tables and picking up dirty dishes. "These two girls that work for me, they have sons. One of them is liable to go any day. We talk about it right smart. I think most of the women feel like I do. I would pull out or bomb." The big bomb? "Yes, the big one."

Around the corner from the restaurant is Billy Rogers real estate office, a yellow brick building with green curtains in the wide front windows.

Under the glass top of a long table are clippings about Billy Rogers' son, Billy—a newspaper picture of the spot in Hue where young Billy was shot during the Tet offensive, the State Department telegram notifying his father of the wounds. Young Billy is out of Vietnam. His wounds are completely healed. His father wants to keep it that way.

Rogers rocks back in his leather swivel chair and puffs on a fat cigar. "I don't want my son to go back," he says. "The only thing to do is win it or pull out. Either one suits me. either one. I don't think we should be in it."

"FORTIFY OURSELVES"

Rogers' words echo the neoisolationism heard in many parts of the country today. "I would like to see our country do like Switzerland—bring our boys home, fortify ourselves and quit meddling in the affairs of the rest of the world.

"We're playing soldier, playing Santa Claus and I'm not for it. I couldn't care whether the rest of the world perishes or not. Probably I would prefer to see it perish."

A politicians' war, one of those never-win deals, the nastiest war we've ever gotten in, a hopeless quagmire—Rogers uses all these terms to describe Vietnam.

Then, with resignation, frustration and a flash of humor, he says: "This war is like the old proverbial tar baby. We don't know how to turn it loose."

Unlike Billy Rogers Jr., Nathaniel Dancy Jr. won't recover completely from his Vietnam injuries. Three fingers won't be much use to him again. Nathaniel Dancy Sr. has closed his grocery store on this Thursday afternoon to work on the books of the St. Luke Mission Baptist Church, but he invites the strangers into his white frame house next to the store to talk.

FEEL THE SAME

The circular fan sitting on the floor stirs the air in the living room, where papers and books share the tables with pictures of Dancy in his World War II Naval uniform, pictures of his three children, and a Bible bound in red leather. "I think colored and white feel the same about it," says Dancy, a deacon in his church and a member of the Crittenden County Republican executive committee. "This is our country. We want to do our best to save it.

"My son is in the reserve, and he would go back to Vietnam now if necessary. I would go myself to save this country. It seems like all the boys around here feel like they should go. None of them are dodging the draft board or like that.

"Of course, it looks a little hard, losing so many men. I'd rather us be there than for them to be over here. But it looks like they'd try to get it over with, like World War I and II."

HIS VIEW

That nebulous "they" again, controlling the war but not really pushing it. "They could end that doggone thing in 60 days if they wanted to," says Charlie Blanz, whose auto dealership is one of the more prosperous-looking buildings in the town.

"Millions and millions of tons of bombs have been dropped in those jungles. All we're doing is clearing those jungles. For who and for what, I don't know.

"It's like getting caught in quicksand. We're in quicksand so far and so deep, we don't know how to get out. I think we should go on and finish the job and bring our boys home."

Fewer people in Earle want the war over more than Clyde Snyder. He lives with it every minute of every day. His 20-year-old son, Ronald, a sergeant in the paratroopers, has fought there since last Aug. 16. Snyder, an invalid from a heart attack followed by a stroke, could get his only son home, but he won't.

"Once we start a job, we've got to finish it," Snyder says. "When Ronald first went over, like many of the rest of us, he couldn't understand why. Now he says he can see the reason, that we're fighting for a good cause." Then he pauses: "I just wish we'd hurry up and get it over."

BEWILDERED

Earle, Ark.—bewildered, confused, colored and white. Mrs. Albert Davis Sr. speaks for many people of both races as she leans on the porch railing of the beige-and-white house where she lives with her son, principal of Dunbar School. Children's toys are scattered on the small lawn, where zinnias and day lilies bloom.

A massive woman in a pink-and-red dress, Mrs. Davis says, slowly: "Don't very many of my friends say much about the war. They say, 'What a pity. What a shame. We are losing so many boys.'

"But we don't know what is the reason of the fight. We would love to know. Everybody said they could feel better if they could just know what is happening."

EQUAL OPPORTUNITY FOR ALL

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. BUSH. Mr. Speaker, in a time when we are very much interested in equal opportunity for all, I think it reasonable that we take a look at a policy of the U.S. Government that would seem to deny this opportunity.

There is no doubt that the real answer to poverty is jobs and education. We must give every incentive possible to our young people to attend high school and college. But the evidence is mounting that our labor laws regarding teenagers under 19 and the economic consequences of minimum wage legislation have increased the unemployment rate of teenagers—particularly nonwhite teenagers. As a result of the last wage increase in February 1967, the teenage unemployment rate rose by 13.2 percent. A further breakdown of white and nonwhite teenage unemployment will reflect that the rise in nonwhite teenage unemployment is 2½ times that of his white counterpart. A complete analysis of this situation was placed in the Congressional Record of March 26, 1968, by the Honorable Thomas B. Curtis on page 7758.

It seems inconsistent to me that we should pass legislation which will provide grants for education and yet not take a look at a section of the law that we are being told is keeping teenagers from completing high school.

In addition, the present certification procedure for student employment certainly adds to the reluctance of many smaller businessmen to hire students under 19. The same is true for handicapped workers.

Therefore, I think the Congress should take a good look at the effect current labor law and practices has on the unemployment rates of teenagers and handicapped persons. For this reason I am, today, introducing legislation that would direct the Secretary of Labor to present to the Congress, no later than February 1, 1969, proposals, including recommendations for legislation that will provide differentials in the minimum wage to encourage employment of students, unemployed youth under the age of 19, and partly or wholly untrainable handicapped; to revise the hazardous occupations orders to encourage

safe employment of students and youths under 19; to simplify rules and procedures under the Fair Labor Standards Act in order to free employers from unnecessary constraints in employing youths and the handicapped, to place part of the responsibility under the Fair Labor Standards Act for proof of age and student status under the law upon the employee as well as the employer and; to assure that students, youths, and handicapped persons employed at lower minimum wages do not replace full-time worker employed at higher wages.

ANTIRIOT BILL AND THE RECENT CLEVELAND RIOTS

HON. WILLIAM C. CRAMER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. CRAMER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 29, 1968.

Hon. RAMSEY CLARK,
Attorney General of the United States,
Department of Justice,
Washington, D.C.

DEAR MR. CLARK: The enclosed articles and other supporting material which you must have available indicate that outside influence and well planned organization took place with regards to the recent Cleveland riots.

I call your particular attention to the statement of State Adjutant General S. T. Del Corso, commander of the Ohio National Guard in which he states, "I believe this is a conspiracy of black militant groups to cause disturbances not only in Ohio but all across the United States to prove they are a power to be reckoned with and that they can do anything they want to at any time."

As author of the Anti-Riot Bill that passed the House and became a part of the Anti-Crime Law of 1968, I am specifically requesting that this matter be thoroughly investigated and that those responsible for the killing of the three police officers and the triggering of the riots and looting in Cleveland on and after the date of July 23, 1968 be prosecuted to the fullest extent of this new anti-riot law.

I believe it imperative that the law enforcement authorities of the United States show beyond a doubt and at this crucial hour, before other uprisings occur, that it is their intention to fully enforce the law with dispatch and with vigor. Unless this is done, other similarly planned and conspired killings, lootings, and burnings will wreck havoc in other localities, particularly if the perpetrators gain the impression that the United States is not going to fully enforce the anti-riot law now on the books.

I am awaiting your full report on this matter and evidence of the intention of your Department to act effectively and immediately on this shameful massacre and destruction of private property.

Sincerely,

WILLIAM C. CRAMER,
Member of Congress.

[From the Washington (D.C.) Evening Star, July 24, 1968]

TEN DEAD IN CLEVELAND GUN BATTLE—THREE POLICEMEN AND THREE SNIPERS AMONG VICTIMS—CITY NOW CALM, OFFICIALS CHARGE BLACK POWER PLOT

CLEVELAND.—Snipers with automatic weapons fought police through the night and morning in what local authorities said was a black power plot to begin "major disturbances" simultaneously here and in Chicago, Detroit and Pittsburgh.

Ten persons were shot to death during the disorder.

The fighting which had turned a large section of Cleveland's predominantly Negro East-Side into a battleground was declared "under control" by Ohio authorities shortly before noon, EDT.

Mayor Carl B. Stokes, a Negro, said that prior to the outbreak he had received information from military and FBI sources and local police intelligence sources that "at 8 a.m. today (Wednesday) major disturbances were to occur in Chicago, Detroit, Cleveland and Pittsburgh."

TASK FORCE IN AREA

"For that reason," he said, "we had a police task force in the area last night, and that is why we were able to respond so quickly."

Stokes did not elaborate on the alleged inter-city plot.

"Our police were unable to fully substantiate the warnings of planned disorders in the four cities," he said.

In Pittsburgh, Public Safety Director David Craig said, "We received similar information and we took precautionary steps early yesterday evening." He declined to elaborate.

(The FBI in Washington had no comment on the reports at this time.)

Stokes admitted he had requested Ohio National Guard authorities last night that looters not be shot, but he said this matter was the "responsibility of the commander of the troops."

(The Associated Press quoted the mayor as saying last night's violence was the work of a "small and determined group.")

TWO-MILE AREA

Looting, firebombing and attacks on civilians ranged over a two-mile area from the east side to the city limits. It was the nation's worst racial disorder since the destructive Washington rioting which followed the assassination of the Rev. Dr. Martin Luther King Jr. in April.

An assault force of 2,600 National Guardsmen using armored personnel carriers and trucks borrowed from Brink's, Inc., moved into the battle area at sunrise with orders to "shoot to kill snipers."

At midmorning, officials described the East Side as "quiet." A newsman, however, reported sporadic sniping and arson.

The 10 persons killed by gunfire included three white police officers, three Negro snipers and four Negroes apparently caught in crossfire. Eighteen other persons, 10 of them policemen, were wounded. Two of the wounded officers were in critical condition.

Police made 53 arrests, most of them for looting.

"I believe this is a conspiracy by black militant groups to cause disturbances not only in Ohio but all across the United States to prove they are a power to be reckoned with and that they can do anything they want at any time," said State Adj. Gen. S. T. Del Corso, commander of the Ohio National Guard.

"Intelligence reports from the military and FBI indicated in advance that trouble would start sometime today. . . . This trouble is across the nation. I think it is a plot to spread destruction, disrupt the government and show their strength. That is, the black militants and black power groups."

John McElroy, administrative assistant to the governor, said the Cleveland police department knew a militant group had brought a large supply of automatic ammunition, the kind used in M16 rifles in Vietnam. He said the governor's office had received information "something was going to blow today." He said the sniping may have started a day early to prevent "a leak in the black power organization."

Apartments, stores and cars were set afire. For two miles along both sides of Superior Avenue, a major thoroughfare, firemen braved sniper fire to battle blazes ignited by Molotov Cocktails.

The flames ranged from East 105th Street, in the area where the snipers were holed up, to the city limits two miles away.

The shooting lasted more than five hours last night and early today. It subsided during a driving rainstorm, then erupted again at an intersection in the heart of a five-block area where the disturbances first broke out.

Fred "Ahmed" Evans, a Black Nationalist leader arrested by three policemen before dawn, told officers he and 17 others instigated the shooting.

"If my carbine hadn't jammed I would have killed you three," police quoted him as saying. "I had you in my sights when my rifle jammed."

Patrolman David Hicks said Evans boasted that he and 17 other men began firing at officers because "you police have bothered us too long."

When told that three snipers had been slain, Evans said, "they died for a worthy cause," according to Hicks.

Gov. James A. Rhodes mobilized the state's 15,200 National Guardsmen and sent 4,000 of them to Cleveland. Stokes first requested the troops be kept from the area of violence to give the Negroes a chance "to see if they can control their community." Moments later, he relented and 2,600 troops took to the streets.

Cleveland, the nation's eighth largest city, experienced a major riot in 1966. The election of Stokes last year had given rise to hopes the city would be spared racial disturbances during his tenure.

Police said the disturbances first began about 8:30 o'clock last night with a surge of gunfire at the intersection of Lakeview and Arbondale Avenues.

Witnesses said a group of five Negroes armed with carbines and automatic rifles poured bullets into a police cruiser and a tow truck that pulled up to the intersection to pick up an abandoned car.

Within 30 minutes, the violence flared in a five-block area around the intersection. Police were pinned down by heavy fire from apartment houses ringing the intersection.

Witnesses said one of the five gunmen, who retreated into an apartment unit, shouted, "we'll shoot anything that's white."

Moments later, the sounds of gunfire rolled across the hot, sultry night, and large bands of Negroes gathered at various intersections. Stores were firebombed and looted.

Police deployed their men, who were fired at as they crouched behind cars and utility poles. Gunfire was so heavy at times police could not go to the aid of wounded comrades.

A UPI reporter was trapped for two hours by crossfire between police and snipers in an apartment building a few blocks away. He said a young man in his 20s was lying on the street twitching as bullets whizzed over him.

"A young girl darted out and scurried over to the man and managed to drag him to safety," the reporter said.

Gov. Rhodes was told of the trouble while listening to President Johnson address the annual National Governors' Conference in Cincinnati. He immediately went to the state capital where he remained through the night in constant contact with Stokes and other officials.

Stokes was under heavy police guard when he addressed a news conference at the peak of the disturbance last night.

"I don't intend to permit this kind of lawlessness and violence to go unchecked in this community," he said. "If we are going to bring this terrible night to an end, it will depend on the kind of cooperation we get from the citizens."

Police reported several cases of large gangs of Negroes stopping cars and beating the drivers. In one case, in which a young man in his 20s was being beaten in the street, at least 15 policemen with drawn revolvers plunged into the crowd and rescued the youth.

[From the Washington (D.C.) Daily News, July 24, 1968]

GUARDSMEN DISPATCHED TO SCENE OF SNIPER BATTLE: TEN KILLED IN CLEVELAND

CLEVELAND, July 24.—Snipers with automatic weapons fought police thru the night and early today, turning a major section of the city's predominantly Negro East Side into a battleground in what was described as a nationwide Black Power plot.

A force of 2600 National Guardsmen, using armored personnel carriers and borrowed trucks from Brink's, Inc., moved into the area at sunrise with orders to "shoot to kill snipers."

Ten persons were killed by gunfire, including three police officers, three snipers and four Negroes apparently caught in the crossfire.

Eighteen other persons, 10 of them policemen, were wounded. Two of the wounded officers are in critical condition.

Police made 53 arrests.

Firebombing, looting and assaults on civilians were widespread.

It was the nation's worst racial disorder since the destructive Washington rioting which followed the assassination of Dr. Martin Luther King Jr. in April.

MANY FIRES

Apartments, stores and cars were set afire. For two miles along both sides of Superior Avenue, a major thorofare, firemen braved sniper fire to battle blazes ignited by molotov cocktails.

The flames ranged from East 105th Street, in the area where the snipers were holed up, to the city limits two miles away.

The shooting lasted more than five hours last night and early today. It subsided during a driving rainstorm, then erupted again at an intersection in the heart of a five-block area where the disturbances first broke out.

Mayor Carl B. Stokes, the first Negro ever elected head of a major American city, believed the violence may have been planned.

"There is a definable group involved," he said. "We've been running it down since yesterday afternoon. We were trying to ascertain just what the fragments of information were."

Police said the snipers were using automatic carbines, at least one machinegun, M1 rifles and shotguns.

RELENTS

Gov. James A. Rhodes mobilized the state's 15,200 national guardsmen and sent 4,000 of them to Cleveland. Mr. Stokes first requested the troops be kept from the area of violence to give the Negroes a chance "to see if they can control their community." Moments later, he relented and 2,000 troops took to the streets.

(Mr. Stokes earlier had phoned Gov. Rhodes, who was in Cincinnati at the National Governors' Conference. The Governor then rushed out of the ballroom during a speech by President Johnson.

Fred "Ahmed" Evans, a Black Nationalist leader arrested by three policemen before dawn, told officers he and 17 others instigated the shooting.

"If my carbine hadn't jammed I would have killed you three, police quoted him as saying, "I had you in my sights when my rifle jammed."

BOASTS

Patrolman David Hicks said Evans boasted that he and 17 other men began firing at officers because "you police have bothered us too long." When told that three snipers had been slain, Mr. Evans said, "they died for a worthy cause," according to Mr. Hicks.

"We asked him where his weapon was," said Sgt. Ronald Heinz, "he pointed to busses in front of a house. We found a loaded carbine. five boxes of ammunition and a first-aid kit."

"I believe this is a conspiracy by black militant groups to cause disturbances not only in Ohio but all across the U.S. to prove they are a power to be reckoned with and that they can do anything they want at any time," said State Adj. Gen. S. T. Del Corso, commander of the Ohio National Guard.

ALASKA'S NATIONAL PARK AND MONUMENTS

HON. HOWARD W. POLLOCK

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. POLLOCK. Mr. Speaker, the age in which we live is a very fast moving one indeed. The wonders of science have brought to mankind the means for speedily accomplishing those tasks which must be done, so that our leisure time is substantially increased. Through television, radio, telephone, and telegraph, we have been brought closer together. Our means of transportation in the Nation is so advanced that we can board a plane in the morning in Washington, D.C., eat breakfast while traveling, and arrive in Anchorage, Alaska, in time for a late lunch.

But this speed has also brought us much tension and pressure. City life—and most of us are urban dwellers—is one of noise and commotion. Many of us spend most of our time indoors. During the day, most Americans are working inside—in office buildings, factories, shops, schools, hospitals, or retail stores. In the evening, many of our citizens find that their recreation keeps them indoors as well—whether at home watching television or enjoying a play or a concert in a public auditorium. If we are not indoors, we are still inside the city—watching a baseball game in a local ballpark, swimming in a nearby pool, or playing tennis at a city recreation ground.

But once in a while we need to "get far away from it all"—far away—where there is no noise or tension, where we can relax, think, and truly recreate ourselves.

Though our population centers are large, there are still many places in this land where a person can really "get back to nature," places where he can enjoy the wonders and beauty of the great outdoors—the mountains, deserts, lakes, forests, and wildlife of our country.

It is possible to find solitude on the remoteness of Roosevelt Island right here in the District on a Sunday morning, for wilderness is in fact a state of mind which is conditioned by one's present surrounding coupled with past experience. However, Mr. Speaker, come to Alaska for a real experience in the great outdoors, for in our State the wilderness is not just a state of mind. The exhilaration of the truly spacious is a reality.

Throughout this country there are several national parks, forests, monuments, and recreation areas. My own State of Alaska has a number of them.

Recently, the Christian Science Monitor carried a full-page article describing Alaska's places of beauty. The awesome majesty of Mount McKinley—the highest point in North America—brings a sense of reverence to the beholder. It is no wonder that our Congress made it into a national park. Two other areas in Alaska, Glacier Bay and Katmai, have been declared as national monuments. Glacier Bay in southeastern Alaska is the site of huge glaciers which run to the sea. Katmai National Monument, at the base of the Alaska Peninsula, is best known for its active volcanoes.

In view of the fact that this is summer and many Americans will be taking vacations, it is with much enthusiasm that I invite my fellow countrymen to visit America's last frontier and see these places of beauty and others for themselves. Alaska is a place of incomparable beauty and majesty and natural splendor.

Mr. Speaker, under unanimous consent I include the text of the Christian Science Monitor article describing Alaska's national park and national monuments in the RECORD:

LEARN AS YOU ROAM: ALASKAN PARKLANDS—A WILDERNESS OF MANY MOODS

(By Neil J. Reid, National Park Service, U.S. Department of the Interior)

To the Indians of the Kuskokwim, the mountain was known as "Denali" (the High One). Rising 20,320 feet, it towers well over three miles above the surrounding lowlands of Mt. McKinley National Park. Not only is Mt. McKinley the highest point on the North American continent, but it presents one of the largest single mountain masses in the world.

One can readily understand the feelings of reverence and respect that the Indians of the region held for the mountain, for its great height and gleaming white beauty instill within us today those same feelings of awe. A mountain of massive strength, of isolated splendor and loneliness. Mt. McKinley is the physical symbol of a great wilderness.

It is a wilderness of contrasts: of jagged snow-capped mountains and broad, verdant valleys; of sluggish valley glaciers, and swift, silt-laden mountain streams; of deep spruce forests and expansive tundras; of long pleasant summer days, and violent, sub-zero winter storms; of icy barren rock deserts, and bountiful life. A wilderness of many moods, ever changing, and yet a wilderness that has remained essentially unchanged since the time of the Indian.

To most of us, a visit to Mt. McKinley National Park is an entirely new, once-in-a-lifetime experience—an adventure into subarctic North America. We come with our preconceived notions of what the park should look like, but most of us are totally unprepared for that first impression. It is an impression of vastness—of great distances that stretch in every direction to far horizons.

It is also an impression of endless daylight. Dawn breaks early on the Alaskan tundra. Indeed, during mid-June, sunset and sunrise are simultaneous events. Our time-tested concept of "day" and "night" does not apply here.

The best time for visiting Mt. McKinley Park is from June through August. Not all park roads are open before June. And by Labor Day, the first snows of winter fall; then most tourists leave rather than risk being trapped in a blizzard.

Nature has difficulty hiding her secrets from visitors at Mt. McKinley. The long days and open country provide opportunities for seeing wildlife activities that further south take place under the cover of darkness. After-supper walks conducted by naturalists may terminate at a beaver pond where you may watch and photograph a beaver family industriously repairing its dam, or cutting willow and cottonwood for its winter food cache. Or you may take the early morning bus tour from the McKinley Park Hotel to the Eielson Visitor Center.

Park visitors are active 24 hours a day in McKinley, and the park road is in almost continuous use. The major attraction is, of course, Mt. McKinley itself. Unlike most mountains, the great height of McKinley allows it to make its own weather. Updrafts of warm air usually contain sufficient moisture to form clouds, and even to drop heavy snows almost every day during the summer. No respecter of timetables and itineraries Mt. McKinley often hides behind clouds of its own making. This playful behavior is the main reason why the tour bus leaves the hotel at 4 a.m.

Another reason to be out in the park at such an early hour is that this is the period of activity for the largest variety of wildlife. It is not unusual for bus-tour passengers to see several dozen moose, large bands of Dallsheep, four or five grizzly bears, and perhaps up to a thousand caribou. Wolverines and wolves are rarer, but are seen on occasion.

Alaska contains two other large units of the national park system—Glacier Bay National Monument in southeastern Alaska, and Katmai National Monument at the base of the Alaska Peninsula. Both of these national monuments are mountainous. As its name suggests, Glacier Bay is the home of huge glaciers that terminate in the sea. Visitors are generally content to visit Glacier Bay by ship, as the large fields of ice make cross-country travel extremely difficult. It is possible, however, to see many species of wildlife while cruising in the Glacier Bay fiords.

The Glacier Bay glaciers are not left over from the Great Ice Age, but are dynamic recorders of today's climate. Not only do the glaciers accurately measure snowfall, they measure evaporation, solar radiation, and the melting capacities of warm winds and rain. Generally we think of ice as being brittle. But the tremendous weight of ice causes it to become plastic and flow under the influence of gravity. The glaciers terminate as ice cliffs in Glacier Bay. Blocks weighing hundreds of tons break away in a deafening roar and fall into the water. Boats are well advised to stay a good distance back from the ice fronts.

A series of events known as the "little ice age" that occurred 200 to 300 years ago are recorded more completely in Glacier Bay than anywhere else in the world. In the late 1700's Glacier Bay was completely filled with ice. Since then the ice has steadily retreated over 60 miles to the faces of Grand Pacific and Johns Hopkins Glaciers. Beautiful U-shaped valleys, and new fiords have been uncovered by the retreating ice. The waters in places are over a thousand feet deep, and on clear still days the surface reflects, between large icebergs, the images of many towering mountain peaks including Mt. Fairweather, 15,320 feet high.

New forests are reclaiming the land exposed by the retreating ice. In a sense this is a new landscape, yet ageless. A succession of 14 fossile forests dating back to 7,000 years ago indicates that the glaciers of Glacier Bay have fluctuated many times before our visit.

Katmai National Monument, at the base of the Alaska Peninsula, also has glaciers. But it is best known for its active volcanoes and the Valley of Ten Thousand Smokes. The valley is relatively quiet today. But still we need little imagination while looking out over this sea of pumice to picture the scene as it must have been on that day in 1912 when several cubic miles of incandescent sand roared down the valley covering trees, streams, and even glaciers. There are a number of active volcanoes in Katmai and the fresh lava flows appear to compete with the glaciers for space on the mountain slopes.

Katmai is also known for its large fresh water lakes. Indeed, your visit to the monument will be water oriented. Arrival is by float plane from King Salmon, and most of your trip in the area will be by boat on the lake and river system. This is the home of the Alaska brown bear, largest of the grizzlies.

Most of the trails in the monument were constructed by the brown bear, and have unique designs. In open country the trails look much like miniature prairie roads—two parallel tracks leading to the best fishing spots.

No highways penetrate the wilderness surrounding this largest unit of the national park system. As a result visitation is small. The monument does have two excellent camps, boats, and even a tour bus on a primitive road from Brooks River to the Valley of Ten Thousand Smokes. At the falls along the Brooks River are the remains of an early Aleut village. These people knew Alaska, and gave it a proper name—"Al-ay-eshka"—(the Big Country).

The following publications will give you more information on these areas: they may be obtained from Mt. McKinley Natural History Association, McKinley Park, Alaska 99755.

Birds of McKinley, Alaska, by Adolph Murie, $1.63.

Mammals of Mt. McKinley, Alaska, by Adolph Murie, 75 cents.

The Wilderness of Denali, by Charles Sheldon, Charles Scribner's Sons, $6.73.

Folder on Mt. McKinley National Park (free).

Folder of Glacier Bay National Monument (free).

Folder of Katmai National Monument (free).

The following book can be obtained from the University of California Press, Berkeley, Calif.:

Landscapes of Alaska, by Howel Williams. $5.

SPEECH BY JUSTICE MICHAEL A. MUSMANNO AT CHIEFS OF POLICE CONVENTION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. EILBERG. Mr. Speaker, we all know that some decisions of the Supreme Court of the United States on the subject of law enforcement have come under criticism in recent months. Last week there was held in my home city of Philadelphia a convention of the Police Chiefs of Pennsylvania, an organization of great respect and dignity. Practically all the speakers at the convention indicated their disappointment in decisions of the Supreme Court which they felt impeded the police in the faithful and efficient discharge of their duties in protecting the people against criminal elements. Among those speakers was Justice Michael A. Musmanno of the Supreme Court of Pennsylvania. I believe that his speech, which received considerable attention in the newspapers, should be printed in full in the CONGRESSIONAL RECORD because it is a speech of substance. Justice Musmanno said that he spoke with reluctance in criticizing decisions of the U.S. Supreme Court, but he felt that it was his duty to speak as he did. There can be no doubt about Justice Musmanno's sincerity, and certainly none about his competence in this field. He has been on the bench of our highest court for 15 years, prior to that he was a trial judge for 20 years, and he served on the highest court in the world at the time, the International War Crimes Tribunal in Nuremberg. In addition, he served in the Pennsylvania Legislature of which I was a member, is an author of 16 books, and holds the rank of rear admiral in the U.S. Naval Reserve, retired. Thus, his words are worthy of note and reflection. Mr. Speaker, I include Justice Musmanno's speech in the RECORD at this point:

SPEECH BY JUSTICE MICHAEL A. MUSMANNO AT CHIEFS OF POLICE CONVENTION, PHILADELPHIA, PA., JULY 24, 1968

Mr. Chairman and Chiefs of Police of Pennsylvania: It is with extreme reluctance that I am compelled to make this utterance, but a sense of duty to the law and to my fellow-citizen compels it. I have come to the conclusion, most regretfully, that something must be done to curb the irresponsible decisions coming down from the Supreme Court of the United States, decisions which are crippling the police in their duty to prevent crime, to detect criminals, and to prosecute those who have declared war on society. No one can read the decisions which have been handed down by the U.S. Supreme Court recently in the realm of law enforcement without anguish and pain that such illogical, fallacious, incongruous, not to say unjust, decisions could be made by intellectuals charged with the obligation of upholding the Constitution, impelling respect for the law, and ensuring domestic tranquility.

Let me be specific. Just a little over a month ago the Supreme Court invalidated the conviction of a man (Wayne Bumper) who was proved guilty of one of the most revolting crimes in the calendar of hideous offenses. Bumper held up a young woman and her male escort with a rifle. Threatening to kill them if they resisted, he raped the girl. Then he tied them to individual trees and raped the girl again. Then he shot both of them; fortunately they recovered. The police obtained a search warrant and went to the house where the defendant lived with his grandmother. The grandmother said she did not need to see the search warrant and invited the police in to search the house. They found the rifle which had been used in the shootings. The man was tried, he was positively identified by the victims of his bestial crimes, and the jury found him guilty. The U.S. Supreme Court reversed the verdict on the ground that the police did not read the search warrant to the grandmother. Now, I say that that is the kind of a decision that causes people to wonder if the Supreme Court, isn't straining at the gnats of technicalities and swallowing camels of flagrant criminality.

Then there is the incredible Andrew Mallory decision where the defendant confessed to raping a woman but, because the police delayed several hours in taking him before a magistrate for arraignment, the Supreme Court released him. And what happened to Mallory? He went out and assaulted another woman. Still later he was convicted of burglary. Had the Supreme Court not released him the first time, he would not have been free to commit his other crimes.

And then there is the fantastic Miranda decision, which should be repudiated by the Supreme Court, as soon as there can be obtained five justices who are as concerned about the rights of the people as they are about those who are involved in crime. The Miranda decision is not an adjudication, it is an indictment of the police of the United States. It accuses the police of trickery, coercion and "third degree" methods, and then lays down rules for the police which are strait jackets. It says that even though the suspect has been informed that he does not need to speak, unless he wants to, and then he does speak, he may order the police to cease interrogating any time he wishes. Suppose the suspect has stated that he shot someone, but not fatally, and then refuses to be interrogated further. A regard for humanity and elementary decency requires that the police ask the admitted shooter where his victim lies bleeding. Even though the suspect is disinclined to speak further, some entreaty on the part of the police might finally induce him to give information which might save the wounded man from dying. But, according to the Supreme Court, the rights of the accused go beyond the rights of the victim.

The Miranda case was decided by a 5 to 4 vote. Justice White, in his dissenting opinion, predicted what has actually happened. Ever since that decision, district attorneys and courts have been compelled to release confessed murderers and savage malefactors, where the guilt was conclusive, only because someone did not play Chief Justice Warren's phonograph record of how the police are to act in dealing with killers. With all respect for Chief Justice Warren's knowledge, I doubt he knows as much about dealing with crime as do the police. Justice White, in his strong dissenting opinion in the Miranda case, criticized Chief Justice Warren for not examining "a single transcript of any police interrogation."

The public rejoiced when the Supreme Court on June 10th upheld the right of the police to frisk a person suspected of carrying firearms. But the dancing in the streets was premature because on that very same day the Court handed down a decision reversing the conviction of a trafficker in narcotics because the police had searched him and found heroin in his pocket, even though the suspect had made a quick grab into his pocket as if to get a gun. If the suspect had actually had a revolver, that would have been the end of the policeman, but, according to the Supreme Court, the policeman was not justified in searching him.

Only two weeks ago, a brave, young police officer, Ross F. Brackett, was killed here in Philadelphia by a narcotics suspect. I don't know whether Officer Brackett had read the decisions of the Supreme Court, but there can be no doubt that the Supeme Court has so condemned police because of their vigorous action against criminals that some officers have become self-conscious and thus fail to take the aggressive precaution which otherwise they might have routinely employed. Let us hope that because of these decisions, the lives of officers and the public are not being increasingly endangered.

Whether this was true in the Brackett tragedy we of course have no way of knowing but this sorrowful event certainly demonstrates the imperative need for unlocking some of the legal fetters the Court has placed on police in protecting their own lives, as well as the lives of the people in the communities they serve.

The Supreme Court, as presently constituted, has not only impeded the police in the faithful discharge of their duties, but some of its decisions have interferred with the security of the United States in its never-ending battle against spies and subversives representing our mortal enemy, Communist Russia. On December 11, 1967, the Supreme Court held that a member of a Communist-action group, Eugene Robel, could not be prosecuted for working in a war defense industry even though an Act of Congress specifically prohibits such employment under penalty of a prison sentence. In that case Chief Justice Warren held that Robel might not have agreed with the Communist conspiracy of which he was willingly a member. That is like saying that a wolf, devouring the flesh of a sheep dragged to its lair, by his fellow-wolves, might not have approved of the method by which his brother-wolves got his dinner for him. Then, seeking another reason to support his decision, Chief Justice Warren said Robel might not have known of the criminal objectives of the Communist Party. That would be to say that either Robel was a moron or that our whole educational system has broken down, because nothing is better known than the intent of the Communists to overthrow our government by force and violence. According to Chief Justice Warren's reasoning in this case, the member of a Communist-action group cannot be kept off an American warship unless he openly brandishes the auger with which he intends to sink the ship.

And then, there was the Keyishian case, where Justice Brennan said that a college professor may not be dismissed for teaching and advocating in college or anywhere the overthrow of our government by force and violence. According to this reasoning, Benedict Arnold could not be dismissed from teaching at West Point.

I am afraid that some members of the Supreme Court are taking undue liberties with the Constitution. Justice Brennan, who wrote the Majority Opinion in the Keyishian case spoke of academic freedom as a constitutional right. The Constitution does not mention academic freedom. Anyhow, what Justice Brennan advocated was not academic freedom but academic anarchy! Chief Justice Warren in the Robel case kept insisting that Robel was entitled to associate with Communist conspirators because he is guaranteed the right of association by the First Amendment to the Constitution. The First Amendment does not mention the right of association. Nor does any other Amendment.

Not only is the Supreme Court taking liberties with the Constitution in its interpretation of that document, but it is also setting itself up as a body that is not by the remotest interpretation even mentioned by the Constitution. The Supreme Court is acting as a super-Senate. It is now unabashedly making law. On June 3rd of this year, the Court in the Witherspoon case practically wiped out capital punishment without the slighest authority to do so. I, myself, oppose the death penalty but if it is to be eliminated, this must be done by Congress and the State Legislatures. In that case, the defendant was being pursued by the police. He concealed himself in a trailer truck and then when a policeman arrived, he premeditatedly and cold-bloodedly murdered him. He was convicted and sentenced to death. The Supreme Court reversed the conviction on the thesis that persons who opposed capital punishment were excluded from the jury. Justice Stewart who wrote the Majority Opinion said that the State had entrusted "the determination of whether a man should live or die to a tribunal organized to return a verdict of death."

Now this was written by a Justice of the Supreme Court, but it is stuff and nonsense just the same. The jury was not organized to return a verdict of death. It could have brought in a verdict of murder with life imprisonment, second degree murder, manslaughter, or it could have acquitted outrightly. What the Majority did in this case was to walk across the Capitol grounds and take seats in the capitol to sit as a super-legislature. This was an invasion of the legislative department of government, which, in itself, is unconstitutional.

I have been hoping for the last ten years that the Supreme Court would begin willingly to withdraw from the legislative field which it has invaded. Even Justice Frankfurter often adjured his colleagues to exercise judicial restraint, but, I am sorry to say that, instead of retreating from the No-Man's-Land of unconstitutional powers, the Supreme Court appears to be determined to plunge further into a domain it was never intended it should even visit.

Some of the individual justices have taken it upon themselves to proclaim Aristotelian wisdom, Cassandra prophesy, and Draconian edicts, which are in no way involved in the case before it. The Supreme Court is using an acetylene torch of arbitrary power to melt away the boundaries of the sovereign States. When I speak of the Supreme Court I am speaking naturally of the majority of the justices participating in a given decision. I might say that the dissenting Jutsices in the cases I have referred to have been far more devastating in their criticism of their colleagues' views than I.

I conclude that something must be done to curb the self-assumed arbitrary power of the Supreme Court which in some of its extreme cases is crippling the police, releasing dangerous criminals to prey upon the public, and introducing confusion into the body of the law.

It is to be hoped that the Court will apply its own curb, but if it does not, then it will be well to remind the Court that it is subject to the authority of Congress because the supreme judicial power of the United States is not vested in the Supreme Court but "in one supreme court and in such inferior courts as the Congress may from time to time ordain and establish." Also that the Supreme Court shall have such appellate jurisdiction "under such Regulations as the Congress shall make." And that the supreme law of the land is not what the Supreme Court says, but the Constitution of the United States, "and the Laws of the United States which shall be made in Pursurance thereof, and all Treaties made, or which shall be made under the authority of the United States."

WHAT'S RIGHT WITH AMERICA

HON. RICHARD (DICK) ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. ICHORD. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

What's Right With America

INTRODUCTION

Many books have been written telling us what is wrong with America, but few have told what is right. The United States has been called a land of pyramid climbers, privacy invaders, waste makers, status seekers, a nation of sheep and so forth. In the newspapers we read that our universities are full of student discontent and faculty misdirection. We also hear and read about discrimination against various segments of our population and about the misery of large groups within the nation. No doubt much of this is true, yet put together, all these criticisms do not give a fair and balanced picture of our country. After all, we are now 200,000,000 people, and it would indeed be inconceivable in so large a number not to find some mean, some cruel, some dishonest, some bigoted, some callous and some incompetent. Most of us, however, are decent, honorable, compassionate, and competent.

Some of the more virulent critics of America have called for the complete destruction of our society and culture, to be followed by a rebuilding in their chosen pattern. There are, however, examples of societies destroyed by force and rebuilt into patterns determined by political ideologies, usually at the cost of millions of lives and the loss of precious freedoms. Everyone of those societies has lagged far behind the United States in every important positive respect.

There are sound practical reasons for considering the things that are right in America. Despite our accomplishments, there are admittedly many areas in our national life which should be improved at a more rapid rate. However, the best way to speed progress is not through a steady stream of criticism, condemnation, blame, denunciation, invective, and vituperation. In raising children, in managing patients, in teaching students and in working with colleagues, recognition of positive achievement and building upon existing strengths and accomplishments is a much more effective way of bringing about progress and improvement.

For the pressing tasks facing America, we have many supporting strengths. These include, but are not limited to; a basic sense of decency, morality, and fair-play; courage; a high level of literacy; a common language; excellent communications; high mobility; the highest level of productivity in the history of mankind; a fundamentally sound economy; and a spirit of ingenuity and problem-solving which even our adversaries admire. Applied to most of our major current problems, these national assets should help provide effective, rapid, and humane solutions.

Some of the ways in which our strengths and abilities may be better used to help solve the pressing problems still facing us are presented in Agenda sections at the end of most chapters. There is no special pattern or relationship between the items in the various agendas; they are just a collection of suggestions on how to go about making the corrections and adjustments needed to improve America still further.

In several chapters, the United States is compared to other nations, because some kind of comparison is needed, not with an imaginary ideal society which never existed, but with other societies of real live people. When critics and adherents of hostile ideologies use epithets like "rotten" and "horrifying" to describe the United States, we have the right and the duty to ask which other nations have done better.

Some of the evidence presented comes from personal experiences and observations which seem generally representative. Other evidence comes from library and statistical sources, not generally known, but deserving the widest possible recognition and understanding. My selection is necessarily arbitrary and limited. There is much, much more good in America than one person or one book could possibly cover.

THE NEGATIVE INCOME TAX CONCEPT

Agenda

Although the number of people in true poverty is much less than we have been led to believe, there is no doubt that many Americans are really poor and they deserve all the help we can give them. A large number of government agencies at city, county, state, and federal levels are concerned with helping the poor, but have, unfortunately, been much less effective than we expected. In part, this has been due to the very number of agencies involved, and in part to poor coordination between them. Of the funds allocated to helping the poor, only a small portion perhaps 20 to 25% actually gets to those in need. The remainder is spent in salaries and expenses of the people needed to administer the overlapping, competing, disorganized antipoverty programs.

As a result of this unsatisfactory state of affairs, a new approach to the problem has been put forward by several influential groups. They advocate a "negative income tax." In other words, whenever a person's income falls below a set level, the government would pay that person the difference between his income and the stipulated minimum income. In this way, everyone would have enough to live on, without the need for welfare agencies. The attraction of this scheme is obvious. By paying the poor person directly, many middleman positions could be eliminated, with resulting savings. The poor themselves would prefer a steady check, to be spent as they chose, rather than food coupons, rental allowances, and so forth.

Superficially, the negative income tax concept seems worthwhile, but careful examination discloses some serious flaws.

Among the poor people eligible for negative income tax checks will be a proportion of alcoholics not lower than the proportion in the nation as a whole. What is to stop the adult alcoholics in a poor family from spending their government checks on alcohol instead of food for their children?

A much greater flaw in the negative income tax concept lies in the effects such a program would have on some special groups who prefer not to work at ordinary jobs. There are several groups who reject the values and customs of our society. The most vocal are the beatniks, hippies, and some motorcycle gangs. They would prefer to do no work whatever, but under present conditions, many of them accept employment from time to time in order to buy the necessities of life and some to extras which they desire particularly. If we had a negative income tax, most of these groups would be quite content to give up all work and live on the government checks.

There are other groups that would find government checks more convenient than an ordinary job. In several glamorous and attractive occupations the number of job openings is much smaller than the number of aspirants. Many would-be-movie actors and actresses while waiting for their big chance, support themselves by working as gasoline station attendants, waitresses, secretaries, delivery men, and in other unglamorous but economically necessary positions. If the negative income tax proposal is adopted, many of these people would find that a steady government check would enable them to spend more time at casting offices, or practicing techniques. There are also more people with talent as artists than our economy and culture can support by buying their works. Everyone of them becomes a candidate for a negative income tax check. There is a similar disparity between the number of people (with and without talent) who want to become sculptors, concert musicians, singers; models, novelists, poets, circus performers, song writers, playwriters, and television stars. Under our present arrangements a small percentage of these aspirants, by luck or superior talent, get the available openings, and the remainder take other, less glamorous jobs, managing to handle their disappointment, or expressing their talents in amateur productions. Under a negative income tax arrangement, however, a large proportion of the unsuccessful candidates for the few glamorous jobs will find it feasible, and attractive to hang around the fringes of the chosen field for many years, rehearsing, looking for "a break", and gossiping with cronies instead of working at a more mundane job.

At first, this situation might not pose too great a problem, but gradually a sub-culture would develop consisting of the people in these groups who prefer a government check to an ordinary humdrum job. Such a subculture is likely to be quite attractive to many people, carrying elements of the Paris Left Bank aura. To many, it is more glamorous to be an unemployed actress than an employed waitress, an unpublished novelist than a counterman, a songwriter who was denied the breaks than the driver of a delivery truck. Why not choose the more glamorous position if the income is still enough to live on comfortably? Sub-cultures of this sort have in the past and will probably continue to seek publicity, thus attracting new members. Anyone, talented or not, who dislikes ordinary work would find it easy to join. All he or she would have to do is select a category in which they would like to be classified, and stop working. We can expect that a sneering contempt for the American "bourgeois attitudes" would be a part of the mystique of such groups, and that active recruiting would be part of their program. Before long, a large proportion of the negative income tax payments would be going to such persons.

These beneficiaries of the negative income tax would surely grasp the value of political action, and unhampered by the need to spend time in regular jobs, would become a potent political and activist group, working ceaselessly to increase the size of their own checks. They might do much better than the "bread and circuses" demanded by the Romans.

The negative income tax concept, although attractive to economic theorists is likely to be a disaster in the real world. Fortunately, there are less hazardous ways of helping the poor.

First we must relinquish the myth that relief activities belong under the auspices of local governments. Poverty is primarily a national problem, involving economic factors at the national level. Local governments are eager to get federal funds for the relief of local poor. Most relief funds today come from the Federal government, and are channeled through state and local governments, using a variety of complicated, inefficient, and wasteful devices. Although there have been many complaints about Federal bureaucracy, little attention has been paid to state and local bureaucracies. The number of state employees is actually greater than the number of federal employees. The argument that local people can best understand and handle the problems of the local poor is ridiculous. To handle anti-poverty programs, a western state will actively recruit social workers from eastern universities, and vice-versa. Understanding problems of the poor has little to do with geography. A New Yorker raised on Park Avenue between 60th and 90th streets is not likely to have much understanding of the problems of other New Yorkers raised on Park Avenue around 128th street, even though the two are geographically close. Someone from Chicago or Los Angeles might be much more understanding of the problems of the New York ghetto resident.

The administration of anti-poverty programs by local and state governments is sometimes grossly unfair. In a few areas, economic relief measures are deliberately withheld from poor people, either as a way to force them to move elsewhere, or as a political device to punish them for voting a particular way, or even for voting at all.

Probably the most damaging aspect of local control of poverty relief measures is the inadvertent impediment to employment. Almost all states require a minimum period of residency within the state before a person is eligible for relief programs. Sometimes a person receiving aid can find a job in his own state. Often, however, because of changes in technology, entire communities develop pockets of unemployment, and there are insufficient jobs available in the state to accommodate those who want to work. There might be jobs in another state, but the family man on relief often considers it too risky to move. He has no guarantee of continued employment if he moves to another state. Suppose he moves, and is laid off after a few weeks. By moving, he has forfeited his eligibility for relief payments in his home state, and he has not lived in the new state long enough to be eligible for relief under their laws. Poor people are well aware of these unfair regulations, and often prefer to remain at home on relief rather than risk the move. A properly run federal program, however, would automatically eliminate these state residence requirements, and make it much easier for the unemployed to find jobs in areas of labor shortages.

There is no necessary reason why a federally run anti-poverty program need be cumbersome and inefficient. The many federal agencies concerned with anti-poverty activities (reported to exceed 100) must be consolidated into a manageable number—not more than one per cabinet department. The agency designated by the President as having primary anti-poverty responsibilities should coordinate the efforts of all the other agencies *in Washington*. Branch offices of the anti-poverty agency set up in all areas requiring assistance would then have full authority to represent the entire government in helping the poor. A person needing help would go to one office only, instead of having to deal with a bewildering multitude of bureaus and agencies.

The emphasis of the anti-poverty program should be on job training and employment. The poor should be encouraged to work, even on a parttime basis. Today, most poor people on relief find that if they take a part-time job, their relief payments are cut by the amount of their wages. This, of course, keeps many from working. A more sensible regulation would provide that the first $600 earned each year by a relief recipient would not affect the size of the relief payments, and for each dollar earned above the $600, only 50 cents would be deducted from the relief payments. Furthermore, money earned by children in the family under 18 should not reduce relief payments at all. These stipulations would encourage the healthy desire for employment. Today, the regulations in many areas governing relief recipients discourage any attempt to find a job. In some localities, the money earned by boys who sell newspapers or do odd jobs is deducted from their parent's relief payments. This quickly dampens the desire to work and tends to perpetuate poverty in subsequent generations.

The solution to poverty will not be simple. A considerable amount of trial and error will be needed to find the best balance of services and regulations, and we must be ready to discard any that tend to perpetuate the poverty-unemployment cycle. Above all, the poor must always be treated with dignity and respect, and encouraged to become self-supporting.

STRATEGIC WEAKNESS IN DEFENSE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

[From the San Diego (Calif.) Union, June 3, 1968]

Legacy of Centralized Control—Strategic Weakness in Defense

During the seven years he was secretary of defense, Robert S. McNamara made no secret of his belief in his personal central control of military affairs. Shortly before he retired he actually boasted that he had lost only 2 per cent of his battles with the military and industrial experts and "in those instances we failed to present our case properly."

The over-centralization in Pentagon control as a result of the McNamara years produced an imbalance in our defense capability and accomplishment which now becomes glaringly apparent. Deficiencies range from the soldier's personal rifle to the state of our missile defenses.

The Republican Party is concerned with what it calls "weakened security" stemming from the vise-like central control in a department which spends $75 billion and accounts for more than half our total national budget. The GOP National Committee has issued a 20-page report calling for a reassessment of the "isolated and dominant control of defense policies" which came about during the McNamara years.

The incoming Democrat regime in 1961 inherited from the Eisenhower Administration the National Security Council, with its Planning Board and Operations Coordinating Board as policy-making instruments. But, as the GOP committee charges: "Immediately, and without careful consideration of possibly fateful consequences, both boards were abolished. The effectiveness of the National Security Council was compromised . . ."

Proof of the many ways in which defense was compromised by the growth of power within the secretary's personal orbit has been evident in the range of controversies from the TFX aircraft and its ill-fated successors, to nuclear ships, the M–16 rifle and ABM systems.

In naval affairs the "significant strategic weakness" of our defense orientation was recently specified by Navy League President Charles F. Duchein when paying tribute to the "great maritime leader of our generation," Rep. L. Mendel Rivers, chairman of the House Armed Services Committee.

"Had the nation heeded Mendel Rivers' warning when he concluded his bi-partisan study on block obsolescence of the U.S. fleet, the power of the United States would be vastly different today," said Duchein.

The ultimate responsibility for the defense establishment must constitutionally be exercised by the secretary under presidential direction, within statutory guidelines set by Congress. This is not in question. But the military and technical advisers have been largely ignored or overridden.

As the GOP committee reports: "It has brought into question this nation's ability to respond in timely and effective manner to crises which threaten America's vital interests."

The weakness of the centralized structure of Pentagon control today is too great to be ignored. The balance must be restored.

BRINGING DOWN THE SYSTEM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. ASHBROOK. Mr. Speaker, it is amazing how easily some of the better-known radicals of the far left can sip cocktails in the incomparable comfort of the first amendment and empathize with Ho Chi Minh.

It all, of course, is done in the name of freedom but in order to keep tabs on the freedoms of the rest of us, I submit for the Record a column by Alice Widener. This treatment details the "leftists in-crowd" of William Sloan Coffin and his associations with "Guerrilla Cinema."

In a subsequent column Miss Widener noted that the guest speaker, David Schoenbrun, also attacked "American imperialism," charged the United States with using "black mercenaries" in Vietnam, and praised the morality of his friend Ho Chi Minh.

She then adds these concluding paragraphs:

There were several members present of the militant National Black Anti-Draft, Anti-War Union, among them Warren Reeves who told a member of Women Strike for Peace that the only government he approves of is the present Cuban government.

A clergyman smiled at her and said, "We brought down the man in the White House and the establishment at Columbia; we can bring down the whole system."

To bring down our American system will be the aim of phase two in the operations of the leftist "in" crowd. The next president of the United States will have to cope with them. It would be a mistake for him to underestimate an enemy, who won phase one and is entering on phase two.

I insert at this point the column from the Columbus, Ohio, Dispatch of July 17. Unfortunately, there is support here that goes beyond mere empathy:

Yale Padre Provides Cast for Guerrilla Cinema Film

(By Alice Widener)

On Tuesday, July 9, the day before the Rev. William Sloan Coffin Jr., chaplain of Yale University, was sentenced to two years in jail and given a $5,000 fine for conspiring to defy the Selective Service Act of our country, he happily played host to a leftist "in" crowd at the Terrace Room of the Hotel Roosevelt in New York City.

The printed invitation read, "The Reverend William Sloan Coffin Jr., on behalf of Clergy and Laymen Concerned About Vietnam and American Documentary Films, cordially invites you to be his guest at luncheon . . . Mr. David Schoenbrun will speak on the Paris peace negotiations. His talk will be filmed by American Documentary Films for distribution throughout the United States."

If so, more the pity.

American Documentary Films was started in 1966 with a film "Sons and Daughters" about the Berkeley student demonstrations. Its president Jerry Stoll, says the film can teach parents how to follow in their sons' and daughters' demonstrating footsteps. "Sons and Daughters" won first prize at the Leipsig (East Germany) Internation Film Festival and American Documentary Films claims the film was "sold to the cinema clubs in the Soviet Union."

American Documentary Films says is copyrighted last year the title "Guerrilia Cinema" and is sponsoring a "guerrilla theater" among farm workers, company communities and black ghettoes.

"A modern commedia dell'arte travels to migrant camps and 'poverty areas,'" says the company brochure, "projecting films on the sides of barns and houses, or uses rear-screen projection in a Guerrilla Cinema truck parked in the fields at the end of a row, ready to vanish when authorities are summoned to suppress disruptive unprogrammed education."

Rev. Coffin of Yale appealed at his luncheon for contributions to Clergy and Laymen Concerned About Vietnam in order that the latter organization "can make contributions to American Documentary Films." Gerhard Elston of the National Council of Churches sat next to Rev. Coffin and was introduced as "The Mr. Vietnam on the National Council." The guest laughed knowingly and heartily.

American Documentary Films says it is developing a "distribution apparatus."

It plans to get wide audiences for David Schoenbrun's filmed luncheon talk on Vietnam in which he explains the morality of his friend Ho Chi Minh's nationalist Communist position and the immorality of the United States' position in Vietnam. But—explains Mr. Schoenbrun—Vietnam isn't the real issue, the main one. It is "the rich-poor struggle."

He accused the United States (while a four-man black camera crew was grinding away for American Documentary Films) of "waging an imperialist war in Vietnam, using blacks as mercenary troops."

William Sloan Coffin Jr., was delighted with guest speaker Schoenbrun. Before leaving for Boston to be sentenced to jail, Coffin predicted a great future for American Documentary Films, Inc. With contributions from American clergymen and sales to the Soviet Union, the "non-profit" film company ought to be able to fulfill Rev. Coffin's prophecy.

The leftist "in" crowd at Coffin's luncheon will do their best to make it come true.

THE REBELLION OF YOUTH

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. WOLFF. Mr. Speaker, the Great Neck News, an important weekly newspaper in my congressional district, recently published a timely and thoughtful editorial entitled "The Rebellion of Youth." The editorial makes the important point that students, understandably concerned over certain basic issues in this country, often do not include in their protests suggestions for alternatives to the practices with which they disagree.

The Great Neck News, published and edited by Walter Slattery, then quotes from an article on the same subject by Ambassador George F. Kennan. I commend this editorial to my colleagues' attention, and, under leave to extend my remarks, I include it in the RECORD at this point:

THE REBELLION OF YOUTH

There seems to be a worldwide spontaneous movement among young people to resort to violent demonstrations on university campuses as a means of resolving any grievance that disturbs them. Many look upon these demonstrations as a legitimate rebellion against the shortcomings of the established order of governments & societies. Each generation is said to be wiser than the preceding one, thus we assume the dissident students are groping for a better order with a vision not given to parents & college authorities.

During the months of October & November of 1967, students staged 71 demonstrations on 62 college campuses. Were these demonstrations based upon deep philosophical & moral premises? There is reason for doubt on that score. Only two demonstrations were attributed directly to the war in Vietnam. It ranked with college social rules & safer road crossings.

At the bottom of the list of causes for the demonstrations were campus building programs & the quality of higher education. Only one demonstration was attributed to each. Indirectly, the war was a factor in 27 demonstrations against a chemical company manufacturing napalm. Three demonstrations each were attributed to compulsory ROTC & the quality of cafeteria food. The foregoing is taken from a tally made by the National Student Association which is based upon student demonstrations in the U.S. only.

George F. Kennan, former Ambassador to Russia & currently a professor at the Institute of Advanced Study, writing in The New York Times Magazine, presents views concerning the radical left on campus that may well stir misgivings in the minds of even the most tolerant. Among other things, he says, "Never has there been an era when the problems of public policy even approached in their complexity those by which our society is confronted. . . . The understanding of these problems is something to which one could well give years of disciplined & restrained study, years of the scholar's detachment, years of readiness to reserve judgment while evidence is being accumulated. And this being so, one is struck to see such massive certainties already present in the minds of people who not only have not studied very much but presumably are not studying a great deal, because it is hard to imagine that the activities to which this aroused portion of our student population gives itself are ones readily compatible with quiet & successful study."

Mr. Kennan finds the greatest fault with the student protesters on the grounds that they offer no constructive program. As he says, ". . . if you find a system inadequate, it is not enough simply to demonstrate . . . anger. . . . If the student left had a program . . . many of us . . . could view its protests with respect. . . ." Another disturbing fact in Mr. Kennan's view is that, "These people also pose a problem in the quality of their citizenship. One thing they all seem to have in common—the angry ones as well as the quiet ones—is a complete rejection of, or indifference to, the political system of this country."

He points out that the quiet ones—the hippies & flower people—turn their backs upon our political system as though it did not concern them. The angry ones reject the discipline which, as a system of authority, it unavoidably entails. On the current notion that civil disobedience is acceptable if the perpetrators are willing to accept the penalties, Mr. Kennan has this to say: "Some people, who accept our political system, believe that they have a right to disregard it & to violate the laws that have flowed from it so long as they are prepared . . . to accept the penalties established for such behavior. I am sorry; I cannot agree. The violation of law is not, in the moral & philosophic sense, a privilege that lies offered for sale with a given price tag, like an object in a supermarket, available to anyone who has the price & is willing to pay for it."

All in all, Mr. Kennan's views will strike a lot of people with the force of bedrock logic at a time when our permissive society needs such logic in heroic doses.

CAPTIVE NATIONS RESOLUTIONS

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. MINSHALL. Mr. Speaker, 15,000 participants in the Captive Nation's Week commemoration ceremonies held July 18 in Public Square in Cleveland approved 10 resolutions which I wish to make a part of the CONGRESSIONAL RECORD. The American Nationalities Movement of Greater Cleveland sponsored the event and I wish to express my strong support of their endeavors.

The resolutions are as follows:

1. We are filled with sadness about the American government's willingness to support communist regimes, particularly in East Central Europe, at the time when these regimes are providing guns to be used by North Vietnam and Viet Cong in killing our American boys; and we are particularly alarmed about the official willingness to forget the suppression of Hungarian liberty by the same regimes.

2. We are proud and express our admiration for the courageous position taken by the peoples of Czecho-Slovakia against an attempt by the Soviet government to destroy their will to freedom and independence and urge the United States government and all freedom-loving nations to prevent another Hungary tragedy.

3. We salute the courageous stand taken by the American Armed Forces in meeting the communist aggression in Viet Nam. We urge the President of the United States to be alerted to the treacherous nature of communist negotiators in Paris and to steadfastly continue the American policy based on the principle of freedom, equality and self-determination for all nations.

4. We urge the Congress and the President of the United States to initiate in this National Human Rights Year an inquiry into the problem of violation of elementary rights of the Captive Nations oppressed by the communist regimes. We also urge our Congress to finally create a special House Committee on Captive Nations which would gather documentary evidence about the conditions in the communist empire and thus repudiate the Soviet claim of independence of these nations. We request that our Congress declares officially as Captive Nations also Cuba, Croatia, Slovenia, Serbia, Macedonia, and East Germany.

5. We appeal to the Secretary General of the United Nations to initiate the debate on the question of Russian imperial colonialism as evidenced by the religious persecutions and intellectual enslavement in the Captive Nations.

6. We urge the United States Congress to finally pass the Freedom Academy Bill in order that our nation would be in a better position to cope with communist political warfare on the world-wide scale.

7. We are proud to be Americans of various ethnical backgrounds and will continue to emphasize and defend positive values in America such as Freedom of Assembly, Freedom of Speech, Freedom of Religion, and Freedom from Fear.

8. We urge the United States government to continue to issue yearly postal stamps commemorating the fighters for human freedom and dignity of man in all parts of the world. We would greatly appreciate the issuing next year of a postal stamp honoring Ukranian Post Laureate Taras Shevchenko, who was calling for basic liberties as interpreted by George Washington.

9. We urge the election to the Congress and to various other elective offices those Americans who understand and support the right of nations to self-determination and who are publicly and openly demanding the end of colonialism as exists in the communist world.

10. We urge all Americans who cherish freedom to refuse to support the subversive organizations in the United States who are undermining the traditional American democratic institutions, the bulwark of American freedom, and request the schools of America to continue to provide objective information about the challenge of communism to freedom, teaching them to respect the heritage of their fathers and forefathers.

PERSONAL EXPLANATION

HON. NICK GALIFIANAKIS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. GALIFIANAKIS. Mr. Speaker, due to unavoidable delay occasioned by heavy air traffic, I was not present on rollcall No. 280 and rollcall No. 281, and because of overwhelming support for the bill, pairs were not available. Had I been present, I would have voted "aye" on the Scherle amendment, rollcall No. 280, and "aye" on final passage, rollcall No. 281.

NEWARK'S PUERTO RICAN DAY PARADE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. RODINO. Mr. Speaker, I was delighted to participate yesterday in Newark's fifth annual Puerto Rican Day parade. Both at home in Puerto Rico and here on the mainland, the courage, determination, and demonstrated ability of the Puerto Rican people have won the admiration of all their fellow citizens.

There are now almost one million Puerto Ricans here on the mainland. In my own city of Newark they comprise about 10 percent of the population, and are making significant contributions to our civic life and cultural enrichment.

I am pleased to call to the attention of my colleagues some newspaper accounts of yesterday's festivities, at which I was happy to extend my "felicidades" on this 475th anniversary of the discovery of Puerto Rico.

The articles follow:

[From the Newark (N.J.) Evening News, July 29, 1968]

NEWARK PARADE: PUERTO RICANS CELEBRATE

(By Robert C. Ruth)

Thousands of well-wishers lined Broad Street for a mile yesterday as brass bands, colorful floats and pretty girls filed by in the largest annual Puerto Rican Day Parade in Newark.

The parade, to commemorate the 16th anniversary of Puerto Rico's becoming a commonwealth of the United States, lasted 2½ hours. Police estimated 20,000 persons, at times four and five deep, watched as 2,000 marched from Lincoln Park to Washington Park.

Parade officials billed the event as one of the largest Puerto Rican celebrations in this country and the largest held in New Jersey.

Miss Myriam Martinez, a brown-eyed 18-year-old from Paterson and queen of the parade, waved to the crowd from her lead float. She was joined on the float, one of 30, by eight maids of honor.

COLORFUL COSTUMES

Marchers, many dressed in colorful Caribbean costumes, represented 95 Puerto Rican and religious organizations from 26 New Jersey communities. Rafael Lozada, president of the parade, said: "This is the largest turnout we've had. This is a success for the whole state. Everyone is happy at the turnout." This is the fifth year the parade has been held.

Gov. Hughes and Mayor Hugh J. Addonizio were among the numerous state and local officials who watched the parade from the reviewing stand in front of City Hall. At one point they were serenaded by a choir of 17 youngsters, Tuna Estudianta (Students' Choir) from Cayey, Puerto Rico. Colorful ribbons hung from the youngsters' black capes.

Cesilio Alvardo, speaker of the Puerto Rican House of Representatives, and Jorge Felices Pietratony, assistant to the Puerto Rican commissioner in Washington, represented Puerto Rico.

According to Lozado, the parade was a show of solidarity for the 150,000 Puerto Ricans in the state. Newark's Spanish speaking population is estimated at 40,000. American and Puerto Rican flags were on buildings along the parade route. City Hall was decked out in red, white and blue bunting.

QUEEN IS PROUD

Miss Martinez, a graduate of East Side High School, exclaimed, "It was hot out there and I was nervous but I was very proud." The diminutive brunette wants to become an airline stewardess.

She was chosen last week from among 12 finalists from throughout the state. On Tuesday she flew to San Juan to participate in a similar parade there.

Later in the day, a dinner was held in the Holiday Inn in Newark. Local officials from all sections of the state attended.

[From the Newark (N.J.) Star-Ledger, July 29, 1968]

PUERTO RICANS' BIG DAY

(By Dan Shifren)

The Puerto Rican community of New Jersey made its annual bid for better understanding and communications with other Americans yesterday as thousands of marchers, representing 24 Puerto Rican communities in the state, paraded along Broad Street in Newark.

Newark Mayor Hugh J. Addonizio was host to a party in his office for parade officials and other dignitaries before the parade began, then joined Gov. Richard J. Hughes and others in the reviewing stand.

About 17 girls, ranging in age from 12 to 17 and dressed in colorful Puerto Rican costumes, halted in front of the reviewing stand, turned to face the dignitaries and serenaded them with songs from Puerto Rico.

Besides Mayor Addonizio and Gov. Hughes, others who listened to the singing included Rep. Joseph G. Minish, West Orange Democrat; Rep. Peter W. Rodino Jr., Newark Democrat; Archbishop Thomas A. Boland of Newark, and representing the government of Puerto Rico, Arzilio Alvarado, president of the Puerto Rican House of Representatives.

The float that drew the greatest attention of the 32 in the three-hour line of march was the one bearing Paterson's 18-year-old raven-haired beauty Myriam Martinez, who reigned over the parade and the day's festivities, which ended with a banquet in Newark's Holiday Inn last night.

Miss Martinez was named Miss Puerto Rico of New Jersey last week. Last Tuesday night she boarded a flight from Newark airport and was received the next day in San Juan at a small reception by the mayor, Mrs. Felisa Rincon de Gautlier in City Hall.

On Thursday she took part in parade festivities in San Juan where she represented the Garden State's Puerto Rican community in the celebration of Puerto Rico's attainment of commonwealth status, before returning Friday to prepare for role as queen in yesterday's statewide parade in Newark.

Flashing a brilliant smile and wearing her crown, Miss Puerto Rico of New Jersey wore a white gown and a blue and gold cape.

The float behind the queen's bore her court of seven girls, also dressed in white.

The vanguard of the parade stepped off at 1:15 p.m. from Lincoln Park led by Jose Rosario, the grand marshal and his 11 aides. They were followed by a detachment of Newark mounted police, a band, and then the president of the parade, Rafael Lozada and his staff.

Marching with Lozada were the chairmen from each of the 24 cities and towns in New Jersey with a sizable Puerto Rican community. Each was resplendent in a tuxedo.

Before the parade each of the chairmen officiated in the raising of the Puerto Rican flag in his community. Coordinator of the parade was Dinas Montalvo, president of the Spanish Association of Long Branch.

Rossario, the grand marshal, founded the Puerto Rican Day parades in 1963, as a means, he said yesterday, "of getting together with the power structure" in all towns in America where Americans of Puerto Rican descent lived.

Rossario praised Newark police for their cooperation. He said the parade moved smoothly because of police assistance and expressed the belief that each year the parades seemed to be moved nearer to his goals of establishing "better communications with the rest of the community and promoting greater unity in the Puerto Rican community." . . .

Interspersed with the marching contingents, the floats and 14 bands were two floats that drew applause from the spectators lining the route of march.

One, from Somerville, was a replica of the house in which Gen. George Washington not only slept in, but may have spent an additional day resting up from the rigors of the Revolutionary War campaign, according to Rossario.

The other floats bore a faithful representation of a Puerto Rican peasant's thatched hut.

LOSS OF NATIONAL PRESTIGE

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. QUILLEN. Mr. Speaker, Teddy Roosevelt was right—"Speak softly, and carry a big stick."

But this administration under President Johnson talks loudly and uses no stick.

It takes courage to put one's foot down firmly, but the Johnson-Humphrey regime has refused to act with any determination at all. As a matter of fact, they have followed a policy of peace at any price and the United States of America is regarded as fair game and a "paper" tiger.

This was graphically pointed out in an editorial entitled "Loss of National Prestige," which appeared in the Knoxville Journal on Tuesday, July 23, 1968, and I am happy to make it available to the readers of the RECORD, as follows:

LOSS OF NATIONAL PRESTIGE

Daily life is so replete with international crises that many Americans had not realized, until reminded, that six months have gone by since the seizure by North Korea of the small US intelligence ship Pueblo.

Since that time American and North Korean negotiators for the two countries have been regularly including discussions of the release of the Pueblo in the course of their meetings in connection with the uneasy truce which is maintained between North Korea and the United States.

Only a few days ago there was an item on the press wires which recounted the seizure by Cambodia of an American gunship patrolling with the objective of shutting off Viet Cong supplies.

The seizure of the Pueblo and of this smaller vessel a few days ago are symbolic of the low estate to which the prestige of this country has fallen during the Kennedy-Johnson-Humphrey regime. The trend was established, it will be recalled, following the Bay of Pigs disaster when Fidel Castro practiced the most flagrant blackmail against this country. He demanded and received about $60,000,000 in goods, medical supplies, and cash for the release of political prisoners captured during the Bay of Pigs incident. Later, when Nikita Khrushchev made a missile base out of Cuba, instead of invading Cuba and eliminating this Communist base from the Western hemisphere, we meekly agreed not only to take no retaliatory steps

ourselves but to protect Castro's regime from attacks by any other military force.

Thus under a policy of peace at any price we have by easy steps arrived at a point where the United States of America is regarded as fair game and a "paper" tiger.

SWITCHBLADES: INSTRUMENTS OF VIOLENCE

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. HORTON. Mr. Speaker, there are serious loopholes in the Switchblade Knife Act which this Congress adopted in 1958. The measure has not been effective in curbing the use of these senseless and vicious weapons.

This House has taken steps toward reasonable and realistic gun legislation. Now we must take steps to eliminate switchblades, gravity knives, and excessively long folding knives.

I am cosponsoring legislation to dry up the supply of switchblades and prevent further manufacture.

Existing legislation only bans the manufacture or distribution of switchblades and gravity knives from interstate commerce. Our new measure goes the next step and prohibits any person who deals in interstate commerce of any kind from manufacturing or distributing these knives.

The apparent fine difference between these wordings has been enough of a loophole to allow continued use of these brutal knives.

This new bill will, with proper enforcement, effectively banish these knives from our society.

Switchblades have no redeeming social value whatsoever. They can be used only to perpetrate violence. They are the weapon of street gangs and back alley thugs.

There are no words to describe the sudden horror the victim of a switchblade attack faces.

No legitimate use of a knife requires its blade to be thrust forth in an instant of terror.

The bill prohibits manufacturing or distributing any prohibited knife for interstate commerce; carrying any prohibited knife in interstate travel; selling such a knife to any nonresident of a State where the sale occurs; using any interstate communications facility to sell or buy such a weapon, and possessing a prohibited knife with intention to violate any section of the act.

It also prohibits any person, who is engaged in any trade or business involving interstate commerce, from manufacturing, selling, or possessing a switchblade.

These knives have no practicable application for which other knives are not better suited. The only use for a switchblade is for violence.

I firmly believe it is necessary for the Federal Government to take steps to eliminate these weapons. I urge this House to take quick action to adopt this measure.

REMEMBER WHEN

HON. WILLIAM HENRY HARRISON

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. HARRISON. Mr. Speaker, the Star Valley Independent, one of Wyoming's leading weekly newspapers, and printed in the magnificent Star Valley country of Wyoming's Rocky Mountains, carried in its July 18 issue an editorial entitled, "Remember When."

As Editor Lee Call writes in introducing the editorial:

> With Pioneer Day approaching, our thoughts go back to bygone days when the pioneers we now honor with this annual holiday in the West suffered what we often referred to as "hardships."

Editor Call then proceeded to reprint comments contained in the bulletin of the Conservative Book Club which I think are particularly relevant to the America of the fast buck, the slow conscience, and the long war. I place the Star Valley Independent editorial in the CONGRESSIONAL RECORD at this point:

REMEMBER WHEN?

With Pioneer Day approaching, our thoughts go back to bygone days when the pioneers we now honor with this annual holiday in the West suffered what are often referred to as "hardships." When judged in comparison with modern conveniences, the pioneers truly were required to lead lives that lacked the comforts and luxuries of modern times.

But we are inclined to somewhat envy the simplicity of life in frontier America, when we compare it to the technically complicated existence we live in today. Maybe they didn't have it so bad after all, everything considered.

"And Right So," Bulletin of the Conservative Book Club, introduces some comparisons of earlier periods that perhaps don't go back quite as far as frontier times, but reach far enough into the past to recall some of what might be called "the good old days" of an era that is, regretfully, probably gone forever. We reprint these observations as a Pioneer Day thought.

"You're old enough to remember the real America if you can remember when you never dreamed our country could ever lose. When you left the front door open. When you went to church and found spiritual consolation. When people knew what the Fourth of July stood for. When you took it for granted that women and the elderly and the clergy were to be respected. When a girl was considered daring if she smoked in public. When a girl was a girl. When a boy was a boy. When they liked each other. When you didn't feel embarrassed to say that this is the best damn country in the world. When socialist was a dirty word. When liberal wasn't. When a nickel was worth five cents and could buy you a magazine, or a good cigar, or a 12-ounce Pepsi, or a big ice cream cone with chocolate sprinkles, or a beer. When two nickels got you into the movies on Saturday afternoon, and you saw *three* pictures. When taxes were only a nuisance.

"When the poor were too proud to take charity. When you weren't afraid to go out at night. When Protestants and Catholics thought enough of their beliefs to argue about them. When ghettos were neighborhoods. When you knew that the law meant justice, and you felt a little shiver of awe at the sight of a policeman. When young fellows *tried* to join the army and navy. When songs had a tune. When you wrote love notes. When criminals went to jail. When you could get away from it all for a while. When you bragged about your home state and your home town. When politicians proclaimed their patriotism. When clerks and repairmen tried to please you, or else. When a Sunday drive was an adventure, not an ordeal. When you had to be brave to fly. When you could always find someone willing and able, whenever you wanted something done. When riots were unthinkable. When the clergy talked about religion. When you took it for granted that the law would be enforced, and your safety protected. When Christmas was merry, and Christ was kept in it.

"When the flag was a sacred symbol. When our government stood up for Americans, anywhere in the world. When a man who went wrong was blamed, not his mother's nursing habits or his father's income. When everyone knew the difference between right and wrong, even Harvard professors. When things weren't perfect, but you never expected them to be. When you weren't made to feel guilty for enjoying dialect comedy. When people still had the capacity for indignation. When you considered yourself lucky to have a good job. When you were proud to have one. When sick meant you weren't feeling well. When a complaint could accomplish something. When people expected less, and valued what they had more. When everybody was not entitled to a college education. When college kids swallowed goldfish, not acid. When America was the land of the free, the home of the brave."

NO ESCAPES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. DERWINSKI. Mr. Speaker, the outbreaks of violence across the country last week and the pessimistic predictions of turmoil outside the two major political conventions, paint a picture of civil disorder that seems to be growing rather than abating.

A thoughtful, precise commentary on the relation between civil disorder and the effect on all citizens was carried in the July 27 Riverdale-Dolton, Ill., Pointer, as follows:

NO ESCAPES

Civil disorders have virtually wrecked large areas of many American cities. Pictures show riot-torn streets, buildings demolished, stores gutted and police standing helpless while hoodlums make off with stolen merchandise by the carload. Reporters have accurately termed these civil disorders "the other war."

Most of us, when we read the news about a riot in a city a few hundred or a few thousand miles away, tend to thank providence that we have escaped the unpleasantness. But have we escaped? We most decidedly have not.

All wars are expensive, including "the other war." Destruction of public and private property will be reflected in insurance rates, in the cost of government and hundreds of other direct and indirect ways that are inescapable no matter where we live.

Just as we all have a stake in the tragic cost of the war in Viet Nam, so we have a stake in "the other war." We should think about this the next time we see or read of looting and burning. It may not be our own property going up in smoke or being carried off by vandals, but we will be paying part of the cost of both the lost property and the forces of law and order that must be called upon to bring the destruction to an end.

FREEDOM OF PRESS IN CZECHOSLOVAKIA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. ASHBROOK. Mr. Speaker, until Thursday, July 25, Charles Douglas-Home, nephew of former British Prime Minister Alec Douglas-Home, was in Czechoslovakia as a correspondent for the London Times. When the Times reporter came upon a Russian armored column consisting of approximately 500 vehicles, including tanks and armored cars, tended by an estimated 2,000 men in fighting units, his troubles began. Accused by the Czechs of writing things about the Russian troops, the younger Douglas-Home was ousted from Czechoslovakia.

The question naturally arises as to how many more Russian troops are still in Czechoslovakia despite the announcement that all Soviet troops were leaving. Of particular significance is the fact that Soviet military maneuvers are being conducted along a 1,000-mile line which includes the border of Czechoslovakia. These maneuvers, according to a UPI dispatch from Moscow on July 27 quote Soviet newspapers as saying that the Red air force had joined the massive games and that heavy air activity apparently included airborne troop movements to supplement the divisions of ground troops and antiaircraft units ordered into the mock war last Tuesday by the Kremlin.

In view of the brutal past record of the U.S.S.R., it is to be hoped that there will not be a repetition of what happened in Budapest, Hungary in 1956. On the other hand, in evaluating the liberation of the Dubcek regime, it might be well to remember that we have placed an embargo against Rhodesia because of restrictions against voting in that country, a policy, incidentally, which I believe to be totally ill advised under the circumstances. To be consistent, we should appraise the Dubcek government on its eventual granting of freedom of choice to its citizens in choosing their representatives. In the meantime, the U.S.S.R. should be made to understand that another use of force as in Hungary will result in a review of diplomatic, cultural, trade, and other relations with this Nation and possibly other countries in the free world.

I place the article, "Finds Departed Red Army—Is Expelled," from the Chicago Tribune of July 28, 1968, in the RECORD at this point:

FINDS DEPARTED RED ARMY—IS EXPELLED

(EDITOR'S NOTE.—This dispatch was written by the defense correspondent for the Times, London, who has been covering the soviet troop withdrawals in Czechoslovakia. He is a nephew of Alec Douglas-Home, former British prime minister.)

(By Charles Douglas-Home)

LONDON, July 26.—I was expelled from Czechoslovakia yesterday morning after I came upon a Russian armored column which contradicted Czech reports that soviet troops had departed.

The formal expulsion order was served on me shortly before midnight at Banska Bystrica, a spa in the Tatra mountains 130 miles from Bratislav. I had been under arrest for 14 hours—3 of which had been spent in Russian hands, and 8 under interrogation by Czech security officials.

COLUMN BELIES CLAIMS

I was arrested by Russian officers and men of an armored unit. The incident took place near the town of Zilina in Slovakia, the easternmost region of Czechoslovakia bordering on the Soviet Union. I had discovered a Russian armored column on Monday after a long search thru Slovakia. It consisted of 500 vehicles, including tanks and armored cars.

The armored column's size belied the claims that only a few small units were left. This column must have numbered 2,000 men in fighting units. Its immobility contradicted the impression generated by Prague that the columns were all on the move eastward.

On Monday night I left my car and approached the tank concentration to see if they were preparing to leave. The Russians brusquely shooed me away.

So I stayed in the vicinity.

On subsequent days I drove past the columns three or four times a day. The Russians looked more and more determined to stay.

Czech police suddenly had erected a "no entry" sign on the road leading past the soviet column. They had done this because the Russians had complained about the many cars passing near their encampment.

STOPPED BY SOVIETS

I was stopped when soviet armed guards, supported by several officers, blocked the road.

An officer climbed into my car and ordered me to get out. I asked to see the Czech police. This angered him. His men then dragged me from the car.

I argued with one officer that we were in Czechoslovakia, and that the matter should be handled by the Czechs. He indicated that as far as he was concerned it was tantamount to soviet territory.

After about an hour I heard a car draw up, then a Czech army captain entered the tent.

He told me I was accused of writing things about the Russian troops.

"Yes," I replied, "that is my job."

HOOVER-TYPE COMMISSION FOR EXECUTIVE REORGANIZATION AND IMPROVEMENT

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. ROGERS of Florida. Mr. Speaker, I am today introducing legislation which would establish a Hoover-type commission to undertake a modern, indepth analysis of the assistance and aid programs of the Federal Government.

This bipartisan commission would be charged with the responsibility of finding ways to improve the management of the $20 billion-a-year assistance programs being operated by the Federal Government.

The commission would also be charged with studying the effect of Federal assistance programs on the State and local governments with a view to preserving the concept of federalism rather than moving toward more centralization.

I also wish to congratulate my distinguished colleague from Delaware [Mr. ROTH] for his factfinding effort and for recognizing the need for a Hoover-type approach to the problem.

I might add that such an approach has in the past proved to be quite rewarding for the taxpayers of this Nation. In the 85th Congress I introduced legislation pursuant to a Hoover Commission recommendation which would place the Federal budget on an annual accrual expenditure system. This legislation became Public Law 85–759 and experts estimated that this improvement in accounting practices could save billions of dollars annually.

There is no doubt that there is overlapping and duplication in the operation of Federal assistance programs.

There are estimated to be some 112 programs which provide assistance to the poor, and these efforts are divided among the Social and Rehabilitation Service, the Office of Education, the Public Health Service, and among eight other departments and agencies.

There are estimated to be some 470 education programs spread among 20 executive agencies and departments.

Some overlap may be justified in terms of the best means of implementing the programs, but this should be determined by the commission with the thought to giving proper direction to the assistance programs.

FARM BILL FINANCIAL DEBACLE

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. MADDEN. Mr. Speaker, there seems to be great concern about what will happen to certain other programs administered by the Department of Agriculture if the Congress fails to extend the act of 1965 beyond its expiration date of December 31, 1969. There have been some rumors spread that this will greatly affect such programs as the school lunch, school milk, the food stamp, the pilot breakfast program, consumer protective and regulatory service, rural community development service, and many others. Let me assure the Members of the House that these programs are not involved in the consideration of the extension of this costly act that has failed to solve any of the problems the proponents said it would solve.

The truth of the matter is an extension of this act will in fact jeopardize many of the very fine programs being carried on by the Department of Agriculture. The reason this is so is that of the $6½ to $7 billion annual budget for the Department of Agriculture, more than one-half of this budget is for payments to cotton, feed grain, and wheat farmers for supposedly not growing these crops or as a substitute for depressed market conditions. I believe that the Members of the House who are vitally concerned with some of the programs enumerated above would do well to take into consideration these facts.

With the House of Representatives having voted overwhelmingly to increase taxes and drastically reduce expenditures in 1969, it is inconceivable to me that the Members of this House would give consideration to a premature extension of an act that will obligate the Treasury to spend $3 billion or more in fiscal 1970.

Mr. Speaker, I submit for the information of the Members annual farm payments under the program for 1967:

Government payments under farm programs, by States and territories, calendar year 1967, in order of amount received

1.	Texas	$457, 205, 685
2.	Kansas	211, 367, 759
3.	Mississippi	146, 914, 128
4.	Iowa	142, 839, 395
5.	Nebraska	133, 113, 432
6.	North Dakota	130, 224, 183
7.	Missouri	115, 838, 406
8.	Oklahoma	111, 025, 376
9.	California	110, 289, 443
10.	Arkansas	103, 289, 026
11.	Illinois	97, 673, 527
12.	Minnesota	95, 250, 735
13.	Alabama	89, 180, 305
14.	Georgia	77, 825, 112
15.	Indiana	77, 316, 643
16.	Tennessee	73, 782, 608
17.	Ohio	70, 354, 682
18.	Montana	68, 480, 121
19.	South Dakota	65, 399, 780
20.	North Carolina	61, 696, 043
21.	South Carolina	57, 437, 028
22.	Colorado	56, 192, 011
23.	Michigan	56, 039, 398
24.	Louisiana	55, 463, 315
25.	Washington	52, 321, 475
26.	Arizona	46, 784, 896
27.	Kentucky	41, 526, 696
28.	Wisconsin	41, 226, 935
29.	Idaho	37, 069, 593
30.	New Mexico	32, 621, 733
31.	Oregon	22, 626, 745
32.	Pennsylvania	21, 191, 008
33.	New York	20, 214, 630
34.	Florida	17, 643, 379
35.	Virginia	17, 581, 651
36.	Puerto Rico	11, 958, 974
37.	Wyoming	10, 938, 854
38.	Utah	8, 953, 706
39.	Hawaii	8, 554, 348
40.	Maryland	5, 317, 123
41.	New Jersey	4, 200, 894
42.	West Virginia	3, 883, 727
43.	Maine	2, 145, 496
44.	Vermont	1, 714, 733
45.	Nevada	1, 686, 712
46.	Delaware	1, 566, 725
47.	Connecticut	887, 315
48.	New Hampshire	675, 397
49.	Massachusetts	656, 507
50.	Rhode Island	75, 904
51.	Alaska	69, 713
52.	Virgin Islands	47, 527
	Total	[1] 3, 078, 340, 537

[1] Excluding an undistributed amount totaling $3,629,088 representing amount deducted from producers' incentive payments and paid to American Sheep Producers' Council, Inc., for advertising and sales promotion programs.

WHY APOLOGIZE?

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. DERWINSKI. Mr. Speaker, a very pertinent, proper, and logical commentary on the need to give positive support to our individual servicemen is contained in an editorial in the Suburban Life, serving west suburban Cook County communities, in its Thursday, July 25 edition:

WHY APOLOGIZE?

It was just a routine publicity release from the American Red Cross asking for the support of individuals, firms and clubs to send our men in Vietnam Christmas presents in the form of ditty bags of small, personal gifts.

But the Red Cross, obviously bowing to the trend of thought so prevalent today, saw fit to apologize for itself. Tucked away in one of the paragraphs were the words, "The program has not and does not imply any stand for or against the war effort."

Why should the Red Cross have to apologize for its program of bringing Christmas cheer to our men serving overseas?

Why must it, in effect, say "I'm sorry" when it is only trying to spread a little Christian cheer in a world rampant with wrath?

Whether we like it or not, that dirty war in Vietnam is our war, and the men fighting it, many of them not through choice, deserve the help as well as the thanks of all of us.

POLITICAL PROGRESS IN VIETNAM

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1968

Mr. DORN. Mr. Speaker, we are all interested in the political scene in Vietnam and many observers are all too energetic in their efforts to criticize the Government of Vietnam as being a dictatorship run by the generals. These same critics see a government that has no sense of direction or purpose.

Therefore, it was most encouraging to read in the New York Times of July 25 an article by Mr. Gene Roberts. Mr. Roberts traces recent political developments there and points out that Saigon is building a more representative government against a background of strains caused by the Tet offensive, a change of government and uncertainty about the future which the Paris talks have created in some South Vietnamese circles. As the article shows, viable political institutions are taking hold in Vietnam. The President, Nguyen Van Thieu, is consolidating his power by broadening the Government base, and the National Assembly is learning to play a constructive role.

The political problems in Vietnam are not overlooked by Mr. Roberts. The Government still must prove that "it is flexible enough to survive both war and peace—whether the Government is reaching the peasant population; whether it is likely to bring about economic reforms and strike a meaningful blow against corruption." The Johnson-Thieu communique issued following the July 19 to 20 meeting in Honolulu also takes note of the complex problems the Government of Vietnam faces in its development and reiterates our continued support and assistance in helping to find solutions. It was gratifying to see there a renewal of President Thieu's offer of full participation in political activities to all those who agree to renounce force and accept the Vietnamese constitution.

What we have then is a balanced review of recent political developments in Vietnam which highlights the fact that substantial progress is being made in the political area. This report should give the pessimists cause to reconsider. I commend this splendid article to the attention of my colleague and the people of the United States:

SAIGON IS BUILDING MORE VITAL REGIME

(By Gene Roberts)

SAIGON, SOUTH VIETNAM.—An editor whose newspaper had been closed by Government decree sat in his cramped office six months ago and told why he had little hope for South Vietnam.

The government, he said sadly, was run by the military. The military, in turn, was dominated by refugee generals from North Vietnam, rather than by native-born southern Vietnamese. Furthermore, the military leadership was divided. Part of its top echelon supported Vice President Nguyen Cao Ky. Another part supported President Nguyen Van Thieu. Still another group straddled the fence.

The editor smiled ruefully and continued. The nation had no sense of purpose and had lost its will to win. You had only to look out the window to see draft dodgers putt-putting down the street on their Hondas. Corruption was widespread. The Government was aloof from the people and the newly elected National Assembly held little promise of bridging the gap and reaching the peasantry with reforms.

Only six months later, there have been many changes in the South Vietnamese Government and Ton That Thien, the once-forlorn editor, is symbolic of them. Today, Mr. Thien is Minister of Information in a new Cabinet that is largely independent of military influences and made up, for the most part, of native-born southerners.

Already this month, the new Premier, Tran Van Huong, a former school teacher, has replaced 23 district chiefs in what he describes as a war against corruption and inefficiency at levels of government close to the people.

A tough new mobilization law is yanking draft dodgers from their motor bikes. Governmental leaders who once gathered at fashionable Maxim's to drink Martell Cordon Bleu at $5 an ounce now worry more about their images. Maxim's is closed.

The most dramatic changes, however, have come in the office of the presidency, which was considered weak in January. President Thieu has since trimmed the authority of the military and Vice President Ky and, at the same time, has enhanced his own. To the delight of many Americans here, he has done it by broadening the governmental base.

To replace the Nguyen Van Loc Cabinet, which was Ky-oriented, he sought help from the fledgling assembly and in the process increased the assembly's prestige and made it aware of its own power. To curb the military, he fashioned alliances with civilian politicians and brought them into Government. Now, American officials here are contending that the Government is probably the most representative one in South Vietnamese history.

Many of them quickly concede, however, that it is the middle class that is represented broadly—not the peasantry.

"PROGRESS IS BEING MADE"

"Only a dreamer would say that democracy has arrived at last in South Vietnam," said a United States official not noted for his optimism. "But when you consider that elective, constitutional government is less than a year old in the country, I think you have to admit that progress is being made. There are definite democratic trends here."

But while the Government has changed somewhat, so has the situation in South

Vietnam. Six months ago, the primary need was for the Government to win the people to its side through reforms and improved services and to prepare more aggressively for war.

Now the Government not only has to steel itself for war, but—with the Paris talks under way—has to prepare itself to deal with peace if peace should come.

MAJOR QUESTIONS POSED

The questions are whether the Government can do it; whether it is flexible enough to survive both war and peace; whether the recent changes in Government are merely superficial or show signs of permanency; whether the Government is reaching the peasant population; whether it is likely to bring about economic reforms and strike a meaningful blow against corruption.

For the answers, some American officials here are looking increasingly to the National Assembly. Although the new national mobilization law is the only significant piece of legislation it has passed, the Assembly is proving to be a highly independent and important check on possible excesses by the executive branch.

The Assembly, for example, slashed a big budget presented by the Vice President's office. This prevented Vice President Ky from building up a patronage system and thus was in line with the new Constitution, which visualizes the Vice Presidency as a weak office in the American tradition.

THIEU'S REQUEST DENIED

The Legislature was equally forceful with President Thieu in the wake of the enemy's Lunar New Year offensive. The President asked for authority to rule by decree during the national emergency. The Assembly refused.

"The Assembly was worth its weight in gold during Tet," says an American official who has dealt for years with the South Vietnamese Government. "The country was stunned by the enemy offensive. Conditions were ripe for a coup. But, fortunately, many of the coup-plotting types were in the Assembly and had an outlet for their frustrations. They circulated petitions demanding the dismissal of the Loc Cabinet and they made speech after speech. They were too busy doing all of this to think of overthrowing the Government. After a while, the danger passed."

ASSEMBLY IS CONSERVATIVE

For all of this, however, the Assembly stands like a stone wall against making any major concession to the Vietcong or the North Vietnamese Government as a condition for peace. Even the barest mention of a coalition government with the Vietcong, or with any organization friendly to the Vietcong is enough to set off fiery speeches in the Assembly.

As the Legislature appears to see it, there is only one possible solution to the war. That is for North Vietnam to withdraw all of its troops from South Vietnam and stop supplying the Vietcong with arms. In return, the United States would stop bombing North Vietnam and then help the South Vietnamese Army defeat the last of the Vietcong insurgents. Then the United States also could go home.

The hawkishness of the Assembly is disquieting to Americans here. Many of them look upon the Thieu Government, which emerged from the Lunar New Year offensive stronger than it entered it, as durable enough to survive almost any contingency. The exception is a negotiated settlement that smacked, even faintly, of a "sellout" to the enemy.

This, some of them say, would produce enough turmoil in the Assembly to bring about a governmental crisis. It is a crime to advocate "pro-Communist neutralism" or coalition government in South Vietnam. And if President Thieu agrees to a settlement based on coalition or one that pointed to the possibility of Communist-oriented neutralism, it is hardly inconceivable that the Assembly would try to impeach the President and replace him.

The Assembly would not have to look far to find a successor to Mr. Thieu. Although Vice President Ky had enough military power only a few months ago to have attempted a coup, he seems never to have seriously considered the idea.

However, few people in Saigon doubt that Mr. Ky could be persuaded to become chief of state if conditions were right. "Ky still cooperates with Thieu when a show of solidarity is needed," one said. "He is not going to be accused of not cooperating when his country needs him. But he leaves one with the impression that he is waiting in the wings. Some of his friends say he will be ready when the country needs a 'strong military leader.' "

WORKING CLASS MILITANT

Why is the Assembly so militant in a nation in which many people—and particularly those in rural areas—appear to be neutrals who are willing to settle for anything that will bring them peace? Why isn't this attitude reflected in the Assembly? For one thing, last year's election laws barred candidates who supported the Vietcong or pro-Communist neutralism although "strict neutralists" were free to run.

For another, almost no peasants or working class candidates filed for office, apparently considering the Government to be the province of the educated middle class, and in South Vietnam, the middle class tends to be militantly anti-Communist and conservative.

There is also a third reason: More than 1,000 people ran for the House seats, and 480 ran for the 60-seat Senate. This meant an assemblyman could be elected with a small percentage of the vote, a development that tended to favor candidates with a small but tightly knit following. And in South Vietnam, the most active political factions tend to be those that are militantly anti-Communist, such as Roman Catholic blocs and the fiercely nationalist and anti-Communist revolutionary Dai Viet party. Catholics, for example, hold half of the Senate seats although they make up only about 10 per cent of the nation's population.

LITTLE DEBATE IN ASSEMBLY

The conservatism of the Assembly is marked by an almost total absence of debate, let alone legislation, on programs that would improve the lot of the peasantry. There is no apparent interest, for example, in land reform or in significantly increasing the number of high schools in the rural areas and, thus, giving the peasant youth a doorway into the middle class.

There is also no discussion of fighting corruption by improving the salaries of the military and civil service, although one of the assembly's first orders of business was to vote its membership monthly salaries of 60,000 piasters, or more than $500. This is considered a princely sum in Vietnam. By contrast, a major general in the army receives the equivalent of $175 a month and a private first class $39, even when all of their allowances are included. A department head in the Government gets $155 a month, and some clerks as little as $40.

"Some officials have to be corrupt to survive," concludes an American who has lived in Saigon for three years. "Look at the way Saigon policemen bum cigarettes from us. They can't afford a pack of their own. This makes them wide open for corruption."

PREMIER IS RESPECTED

In the absence of pay reforms, can Premier Huong make progress in cleaning up corruption? Almost no one here doubts that he will try. Even in La Pagode Restaurant, a student hangout where cynicism seems as inexhaustible as the supply of cheap beer, Mr. Huong is respected as a man of integrity. "He belongs to the older generation," says Nguyen Bang Trung, chairman of the student executive committee at Saigon University. "But he is a true patriot and he understands us."

At 64, his long years of teaching and his participation in politics (he ran third in last year's presidential election) have made him a well-known figure in South Vietnam. The students and the middle class delight in the way he leans heavily on his cane and speaks candidly and in metaphors.

When he named his cabinet, for example, he made it clear that it was not as good as he would have liked. "I'm like a man who went to the market to get the right kind of fish for his dinner guests," he said. "But they didn't have the kind of fish I wanted and so I had to take what they had."

RESPECT OF PEOPLE SOUGHT

He has also made it clear that, at the moment, social reforms are not high priority items on his list of things to do. He says that with enemy troops still threatening the nation, the most urgent need is to make the people respect their government by making it honest and efficient. This, he adds, will be a full-time job.

His job is complicated, he says, because he cannot dismiss all of the corrupt officials. "We wouldn't have enough people left to run the country," he adds. There is a problem, too, in finding competent replacements.

Mr. Huong announced late last month that he would oust 50 to 100 district chiefs. He still plans to live up to his promise, his aides say, but thus far he has been able to find only 23 captains and majors to take the place of the old chiefs. "You can't send in civilian chiefs with so much war going on," says an aide, "and the military doesn't want to release its best officers. It needs them."

AMERICANS ARE IMPRESSED

Many of the Americans who work closest with the Saigon Government are impressed by the way President Thieu has quietly consolidated his power without precipitating a national crisis. Still others dismiss the moves as political intrigue, which has yet to benefit the peasants.

Whatever the motivation the consolidation has had its practical advantages. American officials now know who to talk with in order to promote a program. Once, virtually all of the nation's top generals had to be regarded not only as important military leaders but as powers behind the throne."

Mr. Thieu also won plaudits from American officials when he removed province chiefs from the control of military corps directors, placed them under the Interior Minister, and replaced 16 of them. In some instances, the President dismissed province chiefs who supported Vice President Ky, but one official who regularly sees reports from American provincial advisers says the move resulted in improved government.

"None of the advisers say they have a worse chief than they had in the beginning," he said. "Several say they noticed some improvement. And quite a few say their new man is a major improvement. Some of the chiefs who went were very corrupt and inefficient."

"Thieu is a quiet, cautious man who works quietly and plans ahead," another American says. "He cannot be rushed, but he acts when the time is ripe. The Tet offensive and then the Paris peace talks scared people into accepting change, and Thieu acted. He is well aware that there must be forward movement if the country is to survive. This is what is prompting him to work with people and broaden his base. It wasn't us."

It is clear, however, that the toughest hurdle—the possibility of a negotiated settlement to the war—has yet to be faced.

A DIFFICULT POSITION

On the one hand, he has to deal with an angry legislature, a militant Vice President and a group of generals made restless by the loss of some of their power. On the other hand, he cannot risk alienating the United States.

Thus far, he has coped by refusing to denounce the Paris talks while at the same time assuring the legislature that he will insist that South Vietnam play the leading role if the talks turn into "real negotiations."

If the United States lets South Vietnam play the leading role, it may jeopardize the negotiations, as Mr. Thieu has made it clear in the past that he is opposed to any major compromise. But if it does not, it could touch off a major legislative and political crisis just when the negotiations were beginning to tell.

And the crisis, some of the President's supporters have reflected, could jeopardize Mr. Thieu's position and the constitutional form of government, which the United States insisted upon in South Vietnam.

SPEECH OF DR. EDWARD D. RE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. WOLFF. Mr. Speaker, on Monday, July 22, I had the privilege of being toastmaster at a dinner honoring the Civil Air Patrol cadets from across the Nation who are participating in the 21st Annual International Air Cadet Exchange Program.

This is a valuable program that sends American youths abroad and brings to the United States young people from many foreign nations. Their common interest is aviation, but their various backgrounds makes this a valuable step toward complete international understanding and mutual respect.

Many of my colleagues and several important military men, including Gen. William Wilcox, national commander of the Civil Air Patrol, attended the dinner.

The speaker for the evening was my dear friend, the distinguished Assistant Secretary of State for Educational and Cultural Affairs, Dr. Edward D. Re. Dr. Re gave an eloquent address on the importance of international exchange programs. I commend Dr. Re's excellent speech to my colleagues' attention and include it in the RECORD at this point:

REMARKS BY THE HONORABLE EDWARD D. RE, ASSISTANT SECRETARY OF STATE FOR EDUCATIONAL AND CULTURAL AFFAIRS, AT THE CONGRESSIONAL BANQUET FOR CIVIL AIR PATROL CADETS AND ESCORT OFFICERS, AT ANDREWS AIR FORCE BASE, JULY 22, 1968

Distinguished Members of Congress, Dr. Marrs, General Bowe, General Wilcox, General Castle, my dear Cadets, and friends: I must at the very outset thank my good friend, Congressman Lester Wolff, for that very gracious introduction. It is a great pleasure for me to be here with you this evening.

I feel very much at home with aviation-minded people. Not only have I been in the Air Force, but I have just recently completed the necessary two weeks of reserve officer duty to make sure I continue a relationship I have enjoyed for many years.

But I am with you tonight not only because of the common feelings we share about aviation and the aerospace sciences, but also because of the common feelings we share about international exchange-of-persons and the international exchange of ideas this makes possible.

You who are taking part in this year's International Air Cadet Exchange—the 21st—will also share common feeling with your counterparts in other countries. You *do* have a common tie. Vice President Humphrey—then Senator Humphrey—said it in these words: "The CAP exchange . . . begins with young men who already have a basic, common area of understanding and interest—aviation."

And it is out of just such common areas of understanding and interest that broader areas can be—and *are*—developed. Athletes share common interests. Artists do. Scholars do. And these shared interests are so strong, so magnetic, that they pull people across continents and oceans—beyond their own geographical boundaries. This is essentially what has led to the great flow and counterflow of persons across the world—a phenomenon we now take for granted, but one that is not really very old, at least in anything like its present dimensions.

This is an important new fact about the modern world—that people in great numbers do move about for educational purposes. And they bring with them customs, cultures and ideas to the country they visit, just as they leave with new experiences and perceptions in the intellectual possessions they take home with them.

And so exchanges—both those supported by governments and those supported by private individuals and organizations—set up important currents of ideas and information in our world.

Exchange itself is a great current of our time. You of the International Air Cadet Exchange are a part of that great current.

I have sometimes thought of the many lines of communication that exchanges establish in terms of a cable. I suppose I was first impressed by a phrase I have heard Secretary of State Rusk use—"the infinity of threads which bind peace together."

Exchanges are, in a sense, like threads, or like strands of wire. And, as we know, strands of wire, taken together, have cable strength.

One could perhaps paraphrase Horace Mann, when he spoke of habit as a cable. "We weave a strand of it every day," he said. "And at last we cannot break it."

As we weave more and more strands of exchange relationships—as you are doing through the Civil Air Patrol and the International Air Cadet Exchange—we can weave a cable to carry friendly, fruitful, productive kinds of communication between us and others like us in other countries. And such a cable can be so strong no one can break it.

I know of nothing that deliberately sets out to *create* international ties more directly or more effectively—as a matter of conscious government policy—than the Mutual Educational and Cultural Exchange Act of 1961. This is the act administered by the Bureau of Educational and Cultural Affairs of the Department of State which I have the honor to head.

The Act opens with a noble and eloquent statement of purposes. It is an act, and I quote, "to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges."

This states succinctly and accurately the purpose of this legislation. The attainment of this goal is the great end toward which the Bureau of Educational and Cultural Affairs works.

Bringing students, teachers and scholars here from other countries, and sending American students, teachers and scholars to other countries, is one of the ways in which we pursue this goal.

This is essentially the work the Bureau of Educational and Cultural Affairs is engaged in: conducting and encouraging exchanges that weave together many kinds of common interests men and women share across the world. We have exchanges with some 135 countries and territories; and we have already "exchanged" more than 125,000 persons under the programs Congress has authorized us to conduct. This is a major activity. But it is only a beginning, I believe, towards the kinds of continuing, cooperative relations—in educational, scientific, cultural and other fields—of which this adventurous, ingenious and inventive race is capable.

You may very well ask whether we have been successful in attaining the goal set forth in the Mutual Educational and Cultural Exchange Act.

Let me state that the United States Advisory Commission on International Educational and Cultural Affairs in 1963 conducted an extensive survey of the effectiveness of the person-to-person exchange program administered through this Bureau, and made the following major findings:

Testimony is overwhelming from all sources that the program as a whole is effective.

The evidence is also conclusive that the program has proved itself an essential and valuable part of America's total international effort.

There is impressive testimony that the exchange program increases mutual understanding.

Evidence is abundant that the exchange program has succeeded in helping dispel among foreign visitors many misconceptions and ugly stereotyptes about the American people.

The program has effectively established channels of communication between the people in other countries and the United States.

The exchange program has effectively supported one of the nation's most basic international objectives—that of helping support strong free societies able to work together, in mutual trust and understanding, on the grave issues of our times.

Surely these exchanges are matters of high interest around the world. The report of the International Conference on the World Crisis in Education last fall—held at President Johnson's initiative—said: "Education is now a central preoccupation of every nation in the world."

The opportunity is therefore clear for this country to maintain and enlarge its programs for cooperative educational relations with other countries. Let us all hope ways will be found for such growth in both non-governmental and governmental activities.

May there be more lines of communication like yours—between young people of the world sharing the interest you so well represent. Those who have "invested" in this exchange have, I am sure, invested well. You will be able representatives of your contemporaries and your country. And you will also ably attest to the commitment you have to this field of activity—aviation—and to its utilization through this program for greater international understanding and greater good will among young people.

BLOODLETTING IN CLEVELAND

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. DERWINSKI. Mr. Speaker, the Chicago Daily News in its editorial page

July 25 carried significant and proper commentary on the continued complications caused by extremists dealing in race passions. This editorial very effectively speaks for itself.

The editorial follows:

Bloodletting in Cleveland

When Cleveland elected a Negro, Carl Stokes, as mayor, this was rightly hailed as a timely triumph for the black cause.

That it held out no assurances of peace in the streets of Cleveland is now dramatically demonstrated by the carnage wrought there by black extremists.

The plain fact is that urban violence has no necessary connection with race; there are crackpots of every shade who simply take their pleasure from destruction and bloodshed.

Their kind will doubtless be present at Miami during the Republican convention and Chicago during the Democratic convention, waiting their chance to spark a riot or turn a demonstration into a bloodletting.

Just as decent people of all races sympathize with Mayor Stokes in his efforts to turn back the murderous rowdies in Cleveland, so must all sympathize with the prudent preparations of authorities in Miami and Chicago to prevent such violence if possible or suppress it if it breaks out. Any who in those circumstances tried to squeeze racial propaganda from a community's distress would prove themselves enemies of decent people, black and white.

CREATION OF ADDITIONAL U.S. DISTRICT COURT JUDGESHIP FOR ALASKA

HON. HOWARD W. POLLOCK

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. POLLOCK. Mr. Speaker, today I am introducing a bill to amend title 28 of the United States Code to create one additional U.S. district judgeship for Alaska.

At present, the State of Alaska has two U.S. district court judges. Both reside in Anchorage. Both judges make periodic trips to Fairbanks and other cities in the State as court business requires.

The Tanana Valley Bar Association, which includes Fairbanks, is understandably concerned over the fact that clients in Fairbanks are not obtaining expeditious judicial services because of the disadvantage of not having a judge residing in Fairbanks. The estimated July 1, 1967, population for the Fairbanks area was 45,600, an increase of 5 percent over the 1960 population. Although the population of Alaska is sparse in comparison with other States, because of the circumstances of the inordinate responsibilities of the Federal Government in Alaska for both care of Alaskan natives and Federal land management, a great preponderance of the court actions in Alaska involve the U.S. district court.

I have been informed that there has been at least one case filed in the Anchorage division where real property involved and all the party witnesses reside in Fairbanks. Nevertheless, a change of venue was denied and the case remained in Anchorage, to the extreme inconvenience of all concerned.

I might also point out that the recent discovery of what is believed to be one of the world's largest oil reserves 400 miles north of Fairbanks and Fairbanks' increasing military significance strongly suggest an even more urgent need for a new district judge in Alaska and that if at all possible, the new judge should reside in Fairbanks.

I do not intend to imply any criticism of either of the two U.S. district judges as they are doing the best they can under the circumstances.

Mr. Speaker, I urge that my bill be referred to the appropriate committee for early consideration.

THE OMINOUS HIGHWAY BILL

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. OTTINGER. Mr. Speaker, the lead editorial in this morning's New York Times deserves the careful attention of every Senator and Representative. It details with clarity and precision just what is wrong with the Federal highway bill, and points out the clear need for rejection of this measure—one with a little something for almost everybody, and a great deal of nothing for the average citizen. The bill, in its present form, is certainly preferable to the bill that passed the House—but anyway you want to look at it, it is still a sow's ear.

I am confident that we could do better if we had the chance. I urge the Senate to give us that chance. The editorial follows:

A Monstrous Road Bill

After struggling for more than a week, a House-Senate conference committee has produced a "compromise" Federal highway bill which is intolerably bad.

As passed by the Senate, the bill was a well-drawn measure which made certain improvements in the existing Federal highway program. But the lobbyists' delight concocted by the House Public Works Committee was a legislative monstrosity which would do far-reaching harm in several different directions.

To begin with the national capital, the bill orders the building of a bridge across the Potomac which would blight the scenic view at the beginning of the Potomac Gorge and with its access roads and cloverleaf intersections would ruin the beautiful palisades on both banks of the river. The same section of the bill provides for freeways along specific routes within the city of Washington, which are the subject of bitter local controversy.

Apart from this proposed desecration of the capital, these bridge and freeway provisions set a most dangerous precedent for every city in the nation. If Congress can pick routes and choose bridge sites in Washington, D.C., and get away with it, there is nothing to prevent Congress from dictating similar decisions in other cities.

The pork-barrel ambitions of the House politicos are blatantly evident in still another bad provision of the original House bill. That is the section which would authorize addition of 3,000 miles to the Federal interstate highway system. Since the Senate had authorized zero additional miles, the conference committee compromised on 1,500. In its report, the House committee lists the highways that could be built in different states if additional mileage were approved. In short, there would be "something for the boys" in virtually every state.

The House had gutted the billboard control program. The conferees undid some damage by restoring to Federal officials the power to set standards for what constitutes an "unzoned commercial area." But there is still language in the bill which provides that no state may require a billboard to be taken down unless Federal funds are available to compensate the billboard owners—and then authorizes the derisory sum of $2 million for the entire fifty states. If the courts sustain the meaning of the language which its sponsors in the House intended, the states could not on their own initiative reduce the number of billboards on the Federal highways. They could act only within the framework of the Federal program which is sure to be chronically starved for funds.

Another unsatisfactory "compromise" seriously weakens the protection in existing law which bars highways from parks, wildlife refuges and recreation areas unless no prudent alternative exists. The House bill in effect repealed this protection. The conferees partially restored it for *publicly*-owned parks but not for *private* wildlife refuges and nature sanctuaries. This means that important natural areas owned by private organizations such as the Audubon Society and Nature Conservancy are deprived of statutory protection against the highway builders.

Although Senators from both parties resisted the House conferees on many issues, the viewpoints underlying the two bills are really irreconcilable. Since the Interstate Highway Program is already authorized through the next fiscal year, there is no urgent or compelling reason for the Senate to make these unprincipled and dangerous concessions.

We urge the Senate to reject the conference report. No bill this year would be infinitely better than the House bill or its illegitimate offspring.

"THE KOREAN WAR"

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. BINGHAM. Mr. Speaker, persistent demands by some observers for total victory as the goal of American action in Vietnam have been one of the most disturbing aspects of past and present discussion of the Vietnam conflict. Few such observers have bothered to spell out or fully consider the total implications of such a prescription. While the number of individuals urging total victory continues to diminish as the war drags on, there appears still to be a significant group—including prominent public figures and commentators—that continues to advocate victory over North Vietnam without any apparent appreciation of what would constitute such a victory, or what would be required to achieve it.

Historical example is one way of determining the probable implications of a policy of total victory in a war like the one we are fighting in Vietnam.

Fortunately, historical precedents for this kind of war are few.

The Korean conflict is probably the closest this Nation has come to a Vietnam-like situation. With that in mind, I wish to draw attention to my colleagues and other readers of the RECORD to passages from the book, "The Korean War," by the distinguished former commander of United Nations Forces in Korea, Gen. Matthew B. Ridgway, U.S. Army, retired.

I very much enjoyed and would highly recommend the entire book. But I found particularly valuable the several sections in which the author provides his assessments of what would likely have been involved had the policy preferences of those who demanded "total victory" prevailed in the case of the Korean conflict. Ridgway's unqualified conclusion on this point is that "Victory, immediate and complete"—as General MacArthur put it—in Korea would probably have required eventual attainment of military control by the United States over Red China and perhaps even the Soviet Union.

A war that is "open-ended"—

Ridgway writes—

that has no clearly delineated geographical, political, and military goals beyond "victory"—is a war that may escalate itself indefinitely, as wars will, with one success requiring still another to insure the first one.

General Ridgway has kindly given permission to have sections of his book reprinted in the RECORD. The first, comprising the opening 15 pages of chapter 6, deals with the MacArthur dismissal and includes an analysis of the implications of General MacArthur's "total victory" position. Two passages from the final chapter, entitled "Lessons Learned and Unlearned," are also reprinted:

EXCERPTS FROM "THE KOREAN WAR"

CHAPTER 6.—THE PRESIDENT AND THE GENERAL — DISMISSAL OF M'ARTHUR — CAUSES AND CONSEQUENCES — THE CHINESE ARE DRIVEN BACK

The dismissal of General MacArthur—so abrupt, so irrevocable, and offering so needless an affront to the General's pride by the crude manner of its execution—produced throughout the country a surge of angry protest. The summary cashiering of a great soldier-statesman whose whole life had been spent in the service of his country evoked a bitter division of opinion—much of it with strong political motivation, it is true—which made it difficult for the public to distinguish the basic issue.

There were, and doubtless still are, extremists who have ascribed the darkest motives to both sides in this controversy—that there was, for instance, an almost traitorous "no win" clique (somehow connected with the two British Foreign Service members who had defected to the Soviet Union a short time before) in high places in the administration; or that MacArthur, on the other hand, was bent on embroiling us in all-out war on the continent of Asia. Both these charges were utterly groundless, as eventually became clear, I think, to the majority of our citizens.

The patriotism and loyalty of our highest government officials, civilian and military, were beyond the slightest question. The Truman administration was not seeking to appease our enemies but rather to avoid a universal holocaust. And MacArthur was always opposed to the use of United States ground forces on the Asian mainland. The real, basic issue was neither the wide divergence of views between Mr. Truman and General MacArthur on enlarging the Korean War nor the clash of two strong personalities. It was simply, as General Marshall pointed out in his testimony before the Senate Committee, the situation of a local Theater Commander publicly expressing his disagreement with a policy which superior authority had repeatedly communicated to him in the clearest terms.

My own feeling toward MacArthur was always one of profound respect, developed through a close association dating from the days when he was Superintendent at West Point and I was in charge of the athletic program, reporting directly to him. Because of his avid interest in sports, I was privileged to see a great deal of him in those years. And while my meetings with him in after years, until I went to Korea, were rather infrequent, I never lost my warm personal interest in his career. Accordingly I came to understand some traits of his complex character not generally recognized: the hunger for praise that led him on some occasions to claim or accept credit for deeds he had not performed, or to disclaim responsibilty for mistakes that were clearly his own; the love of the limelight that continually prompted him to pose before the public as the actual commander on the spot at every landing and at the launching of every major attack in which his ground troops took part; his tendency to cultivate the isolation that genius seems to require, until it became a sort of insulation (there was no telephone in his personal office in Tokyo) that deprived him of the critical comment and objective appraisals a commander needs from his principal subordinates; the headstrong quality (derived from his success in forcing through many brilliant plans against solid opposition) that sometimes led him to persist in a course in defiance of all seeming logic; a faith in his own judgment that created an aura of infallibility and that finally led him close to insubordination.

A few of these traits were, I believe, derived from the extraordinary abilities that, from his early boyhood at Texas Military Academy, made him prominent in practically every activity he entered. His academic, athletic, and leadership achievements at West Point; his ability to cut through detail and lay bare the heart of a problem; his great personal gallantry; and his willingness to move swiftly and courageously toward a clearly envisioned goal—these eventually made men reluctant to overrule him or even face him with strong contradictions. His own persuasive powers, the dramatic manner in which he presented his arguments—these too tended to cause opposition to melt and doubters to doubt themselves. He was truly one of the great captains of warfare.

That he was bent on embroiling us in all-out war in Asia—that was the opposite of his aim. Indeed he always held that "no one in his right mind" would ever advocate sending ground forces into continental China. He spoke out again and again against the use of our ground forces beyond the confines of Korea. What he did argue for earnestly and continually was the use of our great sea and air power to isolate Communist China and to destroy "for a generation" her potential for armed aggression.

The leaders of the government, both civilian and military, were motivated by patriotism no less fervent than General MacArthur's. The real points of disagreement, however, were not generally understood until some of the heat had gone out of the Great Debate occasioned by the 1951 Senate Hearings, when MacArthur, after an absence of more than ten years, returned to his homeland to face critics and supporters in a seven-weeks' confrontation. With the differences between the General and the President finally elucidated, much of the public criticism of the President was stilled. There did remain, however, and probably always will remain, widespread disapproval of the summary manner in which MacArthur had been dismissed. (The General himself did not learn of his being relieved until word reached him through newspaper correspondents.)

While neither Truman nor MacArthur sought a land war in Asia, Truman and his advisers simply did not go along with MacArthur's plan for the isolation and devastation of China. What MacArthur sought was, plainly, a preventive war—the destruction of China's war-making potential, regardless of the danger that such an effort might bring the Soviet Union into the conflict and result in her overrunning Europe. Since we were already at war with Red China, MacArthur argued, there was every justification for such action. And in his view, Europe was already lost, no more than an industrial backyard for the Soviets. The future of the world, MacArthur believed, would be decided in Asia.

In presenting his arguments, however, MacArthur chose to picture the choice before the country as one between "victory" and "stalemate." When the choice was stated that simply, there seemed no doubt about which course a patriot should choose. This concept of "victory," set forth with all a master's consummate skill, proved difficult to oppose. It had long been MacArthur's watchword.

"Victory, immediate and complete!" That, said MacArthur in 1931, was the proper objective of any warring nation. Twenty years later the refrain had not altered as, in his classic address to the Congress of the United States, he proclaimed: "There is no substitute for victory!" And finally, in May 1962, as he addressed the graduating class at West Point, he repeated: "Your mission remains fixed, determined, inviolable. *It is to win our wars* . . . the will to win, the sure knowledge that in war *there is no substitute for victory*." (Italics are mine.)

These words of course are the creed of the American fighting man, on the ground, on the sea, and in the air—and of those who breed and sustain him in spirit. Perhaps no rallying cry could have been found better calculated to stir the blood of Americans. It expresses the do-or-die spirit that inspired our armies through the eight years of the War for Independence, throughout the age-long conquest of the Western lands, through the travail of our Civil War, and through every other conflict in which our forces have engaged. Americans are not inclined by temperament to fight limited wars. As in the boxing ring, they want nothing less than a knockout. What red-blooded American could oppose so shining a concept as victory? It would be like standing up for sin against virtue.

Yet, as the foot soldier in Korea learned, one "victory" sometimes requires another. With one hill taken, there was always, it seemed, just one more to reach for, to secure the line or to prevent enemy observation. And what might have seemed like "victory" to most of our citizenry would have been just the winning of the opening battle of MacArthur's Grand Design.

When MacArthur spoke of victory, he did not mean merely victory in Korea—the destruction of all hostile forces on the peninsula and the unification of the country under a democratic government. What he envisaged was no less than the global defeat of Communism, dealing Communism "a blow from which it would never recover" and which would mark the historical turning back of the Red Tide. His "program" included not merely driving to the Yalu, but destroying the air bases and industrial complex in Manchuria; blockaging Communist China's seacoast; demolishing its industrial centers; providing all necessary support to Chiang's invasion of the mainland; and the transportation of the Nationalist Chinese troops to Korea to beef up our ground forces there. He sincerely believed that these moves would break the Communist hold on the mainland. He was convinced that the Chinese masses were ready to welcome Chiang back, and he had persuaded himself that the Soviet Union would not intervene in a conflict of the sort he had in mind. But if, in the course of waging this preventive war on Red China, the threat of Soviet intervention had jeopardized its success, it is not illogical to assume that MacArthur would have urged the further step of an attack upon the USSR (whose growing strength, he thought, put time on its side). This would have been merely the logical extension of his ultimate aim, the destruction of Communism throughout the world by the use of armed force.

His plan therefore entailed the very considerable risk of igniting World War III and the consequent of overrunning of Western Europe, with the loss of our oldest and staunchest allies sure to follow. It should be remembered too that we would have been running those risks when our own nation was lamentably unprepared, with our general reserve reduced to a single combat-ready army division.

This then was the "victory" MacArthur had in mind when he uttered his war cry. It was an ambitious and dangerous program that would demand a major national effort. Yet the program was not rejected out of hand by MacArthur's superiors. The highest echelons of the United States government—the President, the Secretaries of State and Defense, the National Security Council, the Armed Services Secretaries, and the Joint Chiefs of Staff, as well as leaders in Congress, pondered and discussed every question MacArthur raised. They examined it first against the background of the Far East Command, its responsibilities, and the local situation in Asia. They considered it further in the light of the worldwide situation, of current United States capabilities and limitations, of the state of West Europe's defenses, and of the extent to which the adoption of any or all of MacArthur's recommendations might be the precipitant of World War III. These officials gave the proposals sober, mature, and deliberate study.

They did not agree that our Air Force could bomb Red China into submission. I have mentioned General Hoyt Vandenberg's feeling that our "shoestring air force," should we try to knock out the Manchurian bases, would be so reduced by attrition and combat losses that it would be two years before we could rebuild it sufficiently to meet a test, if one should come, in another part of the globe. Beyond this, General Vandenberg had no taste for "pecking at the periphery" by bombing Manchuria—for paying a high price merely to nick the edges of the enemy's military power. Nor was the Pentagon at all convinced that China's source of industrial strength could be eliminated quite so swiftly as MacArthur seemed to believe. The bombing would surely involve the slaughter of thousands of innocents—millions, if A-bombs were used. And unless we bombed out the Trans-Siberian Railway—an action requiring sustained operations that might have been beyond our capacity and that would surely have brought on World War III—Communist China could still have received military supplies over that rail link while the USSR remained untouched.

Furthermore, the Truman administration and the Joint Chiefs of Staff were aware that any attack on the Manchurian bases or even on the Yalu bridges would put an end to the unspoken agreement that kept our South Korean and Japanese bases inviolate and had limited the war to the Korean peninsula.

As for blockading the Chinese coast, that would be an act of war. A blockade would be recognized by the neutral nations only if effective, and it could not be made effective unless Hong Kong, a British Crown colony, as well as the ports of Dairen and Port Arthur were included. If we did extend the blockade to those ports, the reaction of Great Britain and the Soviet Union would not likely have been such to lighten our difficulties.

An invasion of China by Chiang's forces would have no hope of success, in the Pentagon view, unless it received major United States naval, air, and logistical support—which of course MacArthur meant it should receive. But we had little of this strength to spare, and what little we did have could be used more effectively in Korea. And even if an invasion should draw Chinese troops out of Korea and thus ease the pressure there, it was highly possible that a few reverses for Chiang's ground forces would bring wholesale defections, such as had occurred the last time Chiang's troops had met the Communists head-on.

The Pentagon had little faith in the fighting capacity of Chiang's soldiers, and MacArthur himself had only shortly before expressed his own lack of confidence in their battle-readiness. Their training levels were low. We would have to supply all heavy weapons, such as artillery and armor, and provide training in their use for an extended period before we could dare to rely on these troops in battle. But to divert badly needed material of this sort from the troops already in the field could not be justified. In addition, we had to reckon with Syngman Rhee's firm opposition to the introduction of Chinese troops into his country when, by his thinking, there was still Korean manpower not being properly utilized.

Nor did the administration share MacArthur's feelings about the relative unimportance of Western Europe. The industrial skills, the manpower, the technology, the mills and factories, the quickly exploitable raw materials, the badly needed air bases, and above all the close ties of blood and culture—all these persuaded Washington that Europe must come first and Asia second. The loss of Western Europe would promptly and decisively tip the scales in Russia's favor. NATO would be dissolved and the United States isolated. We would not be allowed time enough to make ready for a two-front war, if that should develop.

The Pentagon thought long and hard about the proposal to open a second front in the south to divert Chinese strength, and they rejected the plan. The use of Chiang's troops was wholly unacceptable to the British and other countries of the Commonwealth. The extension of hostilities to the Formosa area would greatly enlarge our tasks in the Pacific. And we would be faced with the certain disruption of the delicately balanced alliance we had put together for the Korea action.

And here was another point of disagreement between the General and the administration: whether to adhere to our policy of collective security within the United Nations or to go it alone. MacArthur quite clearly had decided that, if our allies would not stand by us in a confrontation with Communist China and the Soviet Union, we should shoulder the whole burden by ourselves. The United States, however, had long been committed to the course of collective security. While the actual manpower contributions of other member nations in the United Nations were not great, our ability to operate under the United Nations flag lent a moral flavor to our actions in Korea that was of inestimable value in our dealings with the rest of the free world.

In the course of the now historic Senate Hearings, these conclusions were restated and reconfirmed by most if not all of the principals who had earlier reached them: Acheson, Marshall, Bradley, Sherman, Vandenberg, Collins, and many others. These men were under oath. Their testimony was recorded. They were questioned and cross-questioned. Ultimately, that testimony, after deletions for security, was published, and the reasons for rejecting MacArthur's program were made a matter of public record. It would seem preposterous then for anyone to allege that these officials, and the President and Vice-President as well, had any less desire for "victory" than their critics; any narrower view of the world situation; and less determination to serve the best interests of their country. Yet such were the charges leveled against the administration, either in open, stinging criticism or by implication; while refusal to approve the MacArthur proposals was branded as appeasement.

It was not therefore a "no-win" policy insinuated into our high councils by faceless subversives that guided the administration in its rejection of MacArthur's recommended program. It was essentially adherence to a basically different policy; a different interpretation of the word "victory"; a different view of the facts based on a better knowledge of the world situation.

It is clear that the nation's top civilian and military leaders, using a wider-angle lens, with deeper sources of information on the atomic situation in the Soviet Union, and with more comprehensive estimates of the possible consequences of general war in Europe, had a much clearer view of the realities and responsibilities of the day. In their view, the kind of "victory" sought by the Theater Commander, even if it were attained in Korea, would have incurred overbalancing liabilities elsewhere. They thought their view was right. They believed MacArthur's view was wrong. Neither rightness nor wrongness could have been proved then, nor can it be demonstrated now. It was their duty to advise the President, which they did. It was his duty to decide, and he made the decision.

The administration's conclusions, together with the thinking behind them, were communicated promptly to the United Nations Commander. Moreover, that they might not lack emphasis and unmistakable clarity, the President himself explained them in a personal letter to MacArthur, dated January 13, 1951.

All disagreements finally came down to matters of opinion. MacArthur's beliefs, however keen his perceptions, were based in part on less information on the world situation (and of course on still less information on domestic political factors completely outside his purview) and in part on demonstrably erroneous evaluation of intelligence by the Theater Commander himself.

Debating the program as a whole in the course of the Senate Hearings, Senator Lyndon B. Johnson asked General MacArthur: ". . . assume we embrace your program, and suppose the Chinese were chased back across the Yalu River, and suppose they then refuse to sign a treaty, and to enter into an agreement on what their future course will be, what course would you recommend at that stage?"

MacArthur had nothing to recommend at all. He simply replied that he regarded that as an unreasonable and irrational hypothesis.

"They go back there," Senator Johnson persisted. "What course are we going to take?"

"I don't think they could remain in a state of belligerency," replied MacArthur.

The fact that MacArthur sometimes based his estimates not merely on wishful thinking but on faulty evaluation of the intelligence was, I believe, demonstrated during the Wake Island conference in early October 1950, when President Truman met with him for a private discussion of the situation in Korea. Notes taken at that meeting record that MacArthur estimated that, even if the Chinese did enter the conflict, the greatest number of troops they could hope to maintain in Korea was from 50,000 to 60,000. That would have meant a 2-to-1 superiority for the UN forces. In actual fact, Chinese strength, when they launched their offensive in late November, was estimated at 300,000. MacArthur's mistaken estimate was one of several that lay behind the "Home-by-Christmas" offensive that brought us close to disaster.

The conviction that we could drive the Chinese out of Korea was not always cherished by MacArthur. On January 10, 1951, long after the drive that resulted in our forced retirement back over the 38th parallel, and when our forces were still nursing the bruises dealt out by the Chinese New Year's offensive, MacArthur radioed the Joint Chiefs of Staff that, if the United States decisions stood as they were (that is, no reinforcements, no naval blockade of Red China, no bombing of Manchuria, and no operations by Chiang against the mainland), then, in his opinion, and "in the absence of overriding political consideration, the command should be withdrawn from the peninsula just as rapidly as it is tactically possible to do so." It was only after the resurgent United Nations Command, its confidence in itself and its fighting spirit restored, again approached the 38th parallel and particularly after the smashing of the two-pronged Chinese fifth-phase offensive in April and May of 1951, that the call for complete and decisive victory was heard again.

As for myself, I never did believe the Chinese could drive us out of Korea, without Russia's entry into the war. And I was sure, as was the Eighth Army, that we could have pushed right on to the Yalu in the spring of 1951, had we been ordered to do so. The price for such a drive would have been far too high for what we would have gained, however. We would have lost heavily in dead and wounded—my estimate at the time was 100,000—fighting against stern resistance across the rugged northern face of the country, and our prize would have been no more than many square miles of inhospitable real estate, much of it a-swarm with guerrillas for years to come. The enemy would have shortened his supply routes as we lengthened ours, and he would have faced us finally in great strength behind the broad Yalu and Tumen Rivers. Merely pressing the enemy back without destroying any appreciable part of his forces would, to my mind, have been a very poor bargain indeed.

At the end of the campaign, our battle line would have been stretched from 110 miles to 420 miles, and the major responsibility for holding it would have been ours, for it would have been far beyond the capability of the ROK army. The questions then would have been: Will the American people support an army of the size required to hold this line? Will they underwrite the bloody cost of a Manchurian campaign? Will they commit themselves to an endless war in the bottomless pit of the Asian mainland? I thought then and I think now that the answer to these questions was "No."

Another question that underlay the disagreement between the General and the President was that of all-out or limited war. In a sense this was merely a translation of the "victory or stalemate" issue into more specific terms: Should we bring all our strength to bear and try to roll back the Red Tide forever or should we endeavor to tailor our effort to keep the fighting within the confines of Korea? But it should be remarked that the partisan attacks on the Truman administration, particularly those led by the late Senator Robert A. Taft, did not endorse a full-scale land war either in Asia or in Europe. Instead they seemed merely to offer an updated version of the Fortress America concept of an earlier period: Don't reinforce our garrison in Germany. Halt further aid to Europe. Consider (this was the suggestion of former President Herbert Hoover) an alternative world policy based on withdrawal from the Eurasian continent. Defend the interests of the United States by sea and air power (and this was the strategy envisioned in the MacArthur program even for the Far East). In short, establish a Pax Americana for the protection of Western civilization behind a shield of sea and air power, as had been done for two centuries under the Pax Britannica.

This program was pressed long after MacArthur's release. When the Eisenhower administration came to power, its basic tenet was control of the seas by naval power and the protection of existing borders through threats of "massive retaliation" by the A-bomb. We could never again transport large ground forces overseas, it was now argued, so the Army and the Marines could be downgraded. We could afford no more than the cost of fighting one kind of war—a big one—said the Secretary of the Treasury. And if war came, the Secretary of Defense assured us, it *would be* a big one.

Finally, the Truman-MacArthur controversy brought into relief an issue that was not widely recognized at the time—that is, the question of the supremacy of civilian authority over military authority in the determination of national policy.

As far as I can recall, only once, prior to Korea, had the authority of the President of the United States been in any way questioned by a military officer on active duty. That was during the Lincoln administration, when General George B. McClellan openly flouted the orders of his Commander in Chief. Mr. Truman himself notes this parallel in his *Memoirs*, where he writes: "Lincoln would issue direct orders to McClellan (then Commanding General of all the Union Armies) and the General would ignore them. Half the country knew that McClellan had political ambitions which men in opposition to Lincoln sought to use. Lincoln was patient—but at long last he was compelled to relieve the Union Army's principal commander."*

Nearly a century later, history repeated itself. Even before 1950, according to Mr. Truman, MacArthur treated the presidential authority with disrespect, insidiously at first, then with increasing boldness. Finally MacArthur clearly disregarded, if he did not deliberately ignore, the lawful orders of his superior. Mr. Truman characterized MacArthur's actions as "insubordination." Others used politer terms, ranging from "defiance" to "open revolt."

Like some other great figures on the world stage, past and present, MacArthur seemed at times to have decided that his innate brilliance, so frequently illustrated by military successes, rendered his judgment supreme, above that of all his peers and even of his duly constituted superiors. But the crux of the matter was not whether the military or the political judgment was superior, but whether civil authority, in the person of the President, or military authority, in the person of the Theater Commander, was to determine which course the United States should take. It was MacArthur's privilege, and his duty, to give his views as to the rightness of a contemplated course, and to offer his own recommendations, *before* the decision was rendered. It was neither his privilege nor his duty to take issue with the President's decision *after* it had been made known to him. In the heat of selfish political partisanship, and in the shame and frustration of the stinging reverses of late fall and early winter, 1950, a substantial segment of the American public seems to have lost sight of these elementary points.

These were the issues that underlay the confrontation of the two dominant figures on the American scene in the Korean War, and the issue of civilian authority vs. military authority was the most sensitive that the war produced. Logic would indicate that this issue never should have arisen. The principle involved is as long-standing and as firmly established as any in the life of our governmental structure. Had it stood alone, stripped of the false issues and trivia with which design and accident surrounded it, I believe the majority of the American people would have instantly supported the President. But the argument was too deeply intertwined with other vexing issues, none of which was perfectly understood. One such issue, of particularly long standing, was our China policy. Others were the proper uses of atomic power, the brand-new concept of limited war, and the necessary modifications of sovereignty consonant with the obligations laid down in the Charter of the United Nations.

Still, the essential issue remained: Was the President or the General to have the authority to decide major issues of foreign policy? As General Marshall expressed it in testifying on the matter before the Senate:

"It arises from the inherent difference between the position of a commander whose mission is limited to a particular area and a particular antagonist, and the position of the Joint Chiefs of Staff, the Secretary of Defense and the President, who are responsible for the total security of the United States . . . and must weigh the interests and objectives in one part of the world with those in others to attain balance.

"There is nothing new in this divergence, in our military history," he continued. "What is new and what brought about the necessity for General MacArthur's removal is the wholly unprecedented situation of a local Theater Commander publicly expressing his displeasure at, and his disagreement with, the foreign policy of the United States. [He] . . . had grown so far out of sympathy with the established policies of the United States that there is grave doubt as to whether he could any longer be permitted to exercise the authority in making decisions that normal command functions would assign to a Theater Commander."

Yet I think it can be argued that it was a boon to the country that the issue did arise and that it was decisively met by the elected head of the government, within the ample dimensions of his own high moral courage and without any pressure from political or military quarters. President Truman's decision should act as a powerful safeguard against the time, in some great future crisis, when perhaps others may be similarly tempted to challenge the right of the President and his advisers to exercise the powers the Constitution grants to them in the formulation of foreign policy.

On March 20, 1951, the Joint Chiefs of Staff informed MacArthur that the State Department was planning a presidential announcement to the effect that the UN was preparing to discuss conditions of a settlement in Korea. By March 24, the announcement was almost in final form. It would make clear our willingness to settle on the basis of a return to the general line of the pre-war boundary.

But on March 24, General MacArthur's own announcement cut the ground from under the President, enraged our allies, and put the Chinese in the position of suffering a severe loss of face if they so much as accepted a bid to negotiate. No one in possession of the facts could have been so naïve as to imagine that MacArthur was either unaware of what effect his announcement might have or innocent of any desire openly to oppose the President. A little more than three months earlier, on December 6, 1950, President Truman had issued a specific directive to all officials—including General MacArthur—to abstain from any declarations on foreign policy. But a specific directive was actually superfluous. It is never within the province of the soldier, under our Constitution, to make foreign policy. That is solely, specifically, and properly a function of elected officials, regardless of anyone's assessment of the "rightness" or "wrongness" of current policy. Only under a dictatorship does a military leader take council solely with himself in deciding what course the nation should pursue in its intercourse with other soveign powers.

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*Some further comments on McClellan and MacArthur appear in Appendix 1.

One sentence of MacArthur's wrecked the State Department plan to issue its announcement. For MacArthur said: "The enemy, therefore, must by now be painfully aware that a decision of the United Nations to depart from its tolerant effort to confine the war to the area of Korea, through an expansion of our military operations to his coastal areas and interior bases, would doom Red China to the risk of imminent military collapse." This statement so obviously suggested a radical shift in United Nations policy that it is hard to imagine anyone's pretending it was merely, as some said, an expression of a willingness to accept a military surrender. Even a call for surrender which MacArthur's statement contained, implied a sudden hardening of the United Nations line and involved a humiliation that we simply had not the strength to impose at that moment upon China.

It was the setting of the stage for a showdown between the military authority and the civilian authority. And the showdown came at once. The outcome was inevitable, as it always should be in a democracy. The civilian authority is and must remain supreme. But it was also a showdown, long in the making, between the two schools of thought on Korea, those that argued for "complete vistory" and those that argued, with equal sincerity and with patriotism no less fervent, for a truce that would give us time to build our strength and bolster our alliances.

* * * * *

One mistake we avoided in Korea was an insistence on "total victory" or "unconditional surrender" or even a "halt to aggression" before talking peace. But in the light of many of the slogans that fill the air and the public prints nowadays, I am moved to wonder if all our citizens have come to understand the concept of limited war. A limited war is not merely a small war that has not yet grown to full size. It is a war in which the objectives are specifically limited in the light of our national interest and our current capabilities. A war that is "open-ended"—that has not clearly delineated geographical, political, and military goals beyond "victory"—is war that may escalate itself indefinitely, as wars will, with one success requiring still another to insure the first one. An insistence on going all-out to win a war may have a fine masculine ring, and a call to "defend freedom" may have a messianic sound that stirs our blood. But the ending of an all-out war in these times is beyond imagining. It may mean the turning back of civilization by several thousand years, with no one left capable of signaling the victory.

In setting our military goals we need first of all to recognize that most of the world's most basic woes do not lend themselves to purely military solutions. In our clashes with ideologies that deride the dignity of man and deny him his individual freedom, solutions must be sought through combined political, economic, and military efforts. The world is not likely to settle into equilibrium while less than one-third of its population lives on a plateau of comparative luxury and the other two-thirds knows only poverty, squalor, and want.

The objectives of our foreign policy, therefore, must take these basic realities into account and must be stated clearly enough so they cannot become mere war cries behind which we conceal selfish and materialistic aims.

* * * * *

By my way of thinking, to save our children, and their children, from the scourge of war lies within the sphere of vital interests, not only of the American people, but of the people of the whole world. And starting a war—deliberately provoking a nuclear war, for example—is not the way to save them. Indeed that phrase from the preamble seems to me to set forth the most vital aim of the United Nations.

From the time of Rome's greatness until now—a period of two millennia—the peoples of Europe have been periodically deluged in blood by wars which, within the last two centuries, have grown increasingly murderous and have laid wider areas to waste. Now, with the existing potential for destruction, a new world war would charge a price in blood and in annihilation of human values that would be past all reckoning.

In the very ghastliness of this possible catastrophe should lie the hope that the sanity and wisdom of statesmen will devise ways to prevent it. No present obstacle, no foreseeable difficulty—certainly not human greed and lust for power—should be permitted to defeat or weaken collective efforts to stave off the unthinkable. No group of nations has greater stakes at issue, or stronger reasons—apart from the inherent moral imperative—for attaining this objective than do the peoples of Western Europe and America—Europe, because of its long history of death and devastation by war; America, because of the identity of its cultural and economic interests with those of Europe, and both together because of the extreme vulnerability of their highly developed social, economic, and cultural structures.

The problem of Vietnam lies at the very heart of this challenge to the wisdom and moral courage of our statesmen. There will be decisions to face, as with the problems of Germany and Korea, that will try their souls and test the character of our people. I feel that the American people own, in abundant measure, the energy and the moral principles that give any nation its spiritual strength, and I am confident of their ability to stand up to the test.

I believe firmly that our Western civilization evolved on this planet in accordance with some high, though inscrutable, purpose. This purpose, I believe, does not cast the American nation in the role of Messiah among the less fortunate peoples of the earth, but rather in the role of strong, courageous, and broad-minded associates fully aware of our own limitations, conscious of our own capabilities, and devoid of any desire to force our institutions and our way of life on others. Our material as well as our spiritual strength is sufficient to fulfill this high purpose, provided only that we develop the wisdom to accept our role.

For the present I believe there is no higher duty than the preservation of our freedom. That requires us to husband our strength, not squander it, for use when we face the supreme test. But the mere statement of a purpose is valueless. It must be translated into concrete and pragmatic political objectives that, as I have noted before, should conform to our vital national interests and be subordinated to them.

I am frankly doubtful that we are, in Southeast Asia, setting our objectives within this frame. A citizen outside the flow of high-level governmental intelligence, as I am, cannot of course resolve that doubt with any certainty. Yet, under our form of government, it is every citizen's duty to attempt, on the basis of what he is permitted to know, to evaluate the foreign-policy problems that face us, to utter his honest views, and to be mindful of the many erroneous assessments of the Southeast Asia problem that have been pronounced from Washington in the recent past.

While I am, as I said, not at all convinced that our political objectives in Southeast Asia—manifold, tenuous, and imprecise as have been those set forth by our government officials—really harmonize with our national interests, I do not believe that these misstatements should be our primary concern. Rather we should ask ourselves now if we are not, in this open-ended conflict, so impairing our strength through overdrawing on our resources—political, economic, and military—as to find ourselves unduly weakened when we need to meet new challenges in other more vital areas of the world. For there surely will be threats that bear more closely on our true national interests.

If we find the wisdom to husband our strength against the day when those threats appear, then I am utterly confident in America's future, in the capacity of our leadership to meet those threats, and in the ability of our armed forces to contribute in full measure to that leadership.

UNIVERSITY AND THE ARTS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. EILBERG. Mr. Speaker, on Sunday, July 28, I had the pleasure of witnessing a magnificent dance performance by the internationally famous Jose Greco Company, produced by the Temple University Music Festival and Institute on the grounds of the Temple University Ambler campus.

The Ambler campus provides the first 2 years of undergraduate training whereupon students then attend the main campus within the city of Philadelphia. The Ambler campus also provides a 2-year program in landscaping design or horticulture leading to an associate in science degree.

The music festival and institute comes under the direction of the College of Music of Temple University in Philadelphia. The program of the Festival and Institute is of national significance because it is the kind that could readily be supported by the National Foundation on the Arts and Humanities. Several months ago, just before this premiere season, I tried to get some Federal money for this project without success. At the time not only was there a lack of funds but I think a lack of understanding of the undertaking.

Having witnessed a magnificent performance and strolled the grounds of the Ambler campus, I put the following statement in the RECORD with the fervent hope that the National Foundation will see fit in the future to help promote this vital idea. The following article by Dr. David L. Stone appeared in the program book last Sunday evening, and it is my feeling that my colleagues and the country may benefit by taking a look at it:

UNIVERSITY AND THE ARTS

(By David L. Stone, dean of the College of Music, Temple University)

It might at first seem strange that a university and its College of Music should choose to establish and operate a music festival. After a hard look at what has happened to the performing arts in our country over the last fifty years, such an undertaking seems less strange. It is in part the result of a trend which has been gaining ground steadily over the last several decades.

Insofar as support for the arts is concerned, a step forward was taken in this country when our government a couple of years ago established the National Foundation on the Arts and Humanities. Coincidental with this move was the establishment of State Councils of the Arts throughout the country. In spite of all this, financial support for the arts continues to be of a token nature, and by comparison with the amount of federal support poured into the National Science Foundation, what goes to the arts is infinitesimal.

CAMPUS TREND

In our country today the university, especially the large state university, has become a home for the performing arts. This is the era of the artist in residence, the performer in residence, the author in residence, the composer in residence, the quartet in residence and so forth. In my opinion this has not come about entirely by chance. The academic community must feel a need for the special values which the performing and creative arts contribute to the life of man. Why else would the artist be tolerated on the academic scene? After all, he has little in common with the researcher or the scientist, but oddly enough these people often become good neighbors. As President Perkins of Cornell University said a year or two ago, "the performing arts are here to stay, and so the academician and artist must learn to live with each other."

One of the reasons why the arts are flourishing on university campuses today is explained in recent studies showing that the public at large does not adequately support the performing arts. University schools and colleges of music have taken over the function of the old conservatories and now engage in the training of performing artists. These institutions have resources which the conservatories seldom had, and the few private conservatories which still exist in this country are struggling for their very existence. They are mostly old and venerable institutions, still needed and deserving of support.

TWO POINTS OF VIEW

Some have been critical of the trend I have described. An article which appeared in print a few months ago berated the university for raiding our finest symphony orchestras and conservatories in recruiting faculty members, thus depleting the performing organizations of great talent and robbing the conservatory of the function it is supposed to serve. On the other hand, it is a fact that our orchestras and opera companies today employ many graduates of university schools of music. From our own school alone there are graduates who play in the Philadelphia Orchestra, the Chamber Symphony of Philadelphia, the Cleveland Orchestra, the Indianapolis Orchestra, the Minneapolis Symphony, and we have one graduate who was recently signed by the Metropolitan Opera. And this from a College of Music which is only five years old. There now exists an organization called The American Association of University Composers. Why should the university be criticized for offering the performing and creative artist a better life and a little security? Actually, the artists and the academicians have much to gain from each other, and it has been my observation over numerous years that many young musicians and artists prefer and enjoy working in an academic setting which offers not only training in a highly specialized field, but also opportunity to explore other fields of knowledge and to rub elbows with students in other disciplines.

The concept of a music festival, is, of course, borrowed from Europe where concert attendance is part of the way of life of all cultivated people. It is a travesty that we now train some of the finest singers in the world and that these singers still must go to Europe to gain experience in singing opera. We still have before us a great task in building American audiences for the performing arts, a medium for providing life values way beyond anything which has been taken advantage of. Our models are the great European festivals conducted in Salzburg, Bayreuth, Edinburgh, Glyndebourne, about which we read frequently, and numerous others are gaining in popularity each year.

AMERICAN DEVELOPMENT

It was some thirty years ago that our first great American festival of music was organized among the rolling hills of Tanglewood in Lenox, Mass. Later came the festivals at Aspen, Marlboro and Saratoga. All of these centers have attracted talented youth, and in each instance programs of study with artist teachers have been organized. Boston University and The New England Conservatory both offer study programs at Tanglewood. Aspen has its Institute for gifted youth. Dartmouth College in beautiful Hanover, N.H. offers an arts festival and study program at its Hopkins Center, and Marlboro in Vermont has its festival and school. We must not forget the Interlochen Arts Academy, related to the University of Michigan, and the University of Minnesota last year established a festival and summer school with the Minneapolis Symphony in residence.

NEAR A GREAT CITY

And so there is much precedent for what Temple University is undertaking with the establishment of the Temple Music Festival and Institute. The lovely Ambler campus in Upper Dublin Township offers a natural setting for such a venture and is easily accessible to people from neighboring states. The actual site of the festival is no more than five minutes from Philadelphia Expressway 309 and from the Fort Washington Interchange of the Pennsylvania Turnpike.

To bring together an assemblage of great artists and talented youth is to create an environment and aesthetic stimulus essential to the growth of the young performer. Students must not only study with competent teachers. They must hear great music, old and new, performed by seasoned and experienced artists. These are the models by which young people learn to set their standards as aspiring artists and future teachers. Thus, the concept of festival and institute complementing each other in meeting the challenge of talented youth. We have an obligation not only to discover talent, but to develop it. There is something to be said, too, for the establishment of a great music festival within reach of a great city, with the opportunity to extend its influence throughout the total community.

It is my hope that in this eastern section of our country Temple University, our College of Music can provide a center for the discovery and training of talent as well as a setting in which the community at large may benefit from the opportunity to hear and enjoy such great performing organizations and individual artists as we expect to present. The inspirational and uplifting spirit of great artistry helps to make life worthwhile. It is my anticipation that the quality of Temple's festival and institute will become a matter of pride for the city of Philadelphia.

GUN CONTROL LEGISLATION—THE CONTINUING DIALOG

HON. WILLIAM HENRY HARRISON

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. HARRISON. Mr. Speaker, gun-control legislation has passed the House over the strong objections of Western lawmakers such as myself. The bill of the gentleman from New York [Mr. CELLER] is enroute to the Senate where that body will probably be debating that bill and one of its own.

Two editorials concerning gun-control legislation are worthy of comment even though the House bill has passed.

The first is from the June 18 Northern Wyoming Daily News; an editorial entitled "Yesterday Rum Runners—Tomorrow Gun Runners." The editorial called gun-control legislation "one of the greatest threats to present as well as future freedom since the great experiment of 1917, the Volstead Act of Prohibition."

The editorial prophesies:

> Passage of the proposed legislation will be no more effective than was the Volstead Act. Law abiding citizens will conform to the law, those whose purposes owning or obtaining firearms for illegal purposes will not comply.

The second editorial, from the Wyoming State-Tribune on July 22, concerns a bill I introduced in the House to provide an alternative to measures that penalize the legitimate owners of guns.

My bill, H.R. 18655, would establish stiff penalties for the use of guns in crime by invoking the interstate commerce clause of the Constitution.

My bill proposed that a "dunce cap penalty" of a minimum of 10 years be established for persons convicted of a gun crime, the sentence to be over and above that imposed for the crime per se by the State courts.

As I said when I introduced the bill and as Wyoming State-Tribune Editor James M. Flinchum wrote, in his editorial, "It is time for the Congress to concern itself not with antigun bills, but bills aimed at the people who commit the 43,500 aggravated assaults or the 50,000 robberies" which were committed during the 15-month period ending last December 1967.

Mr. Speaker, I include the editorials to which I referred in the RECORD:

[From the Wyoming State Tribune, July 22, 1968]

HARRISON'S ALTERNATIVE

Wyoming's Congressman William Henry Harrison has offered his own version of a gun-control law somewhat similar to that proposed by Rep. Bob Casey of Texas, but with variations.

Harrison's bill introduced last Wednesday would provide that whoever might be convicted in a state court of assault, burglary, kidnaping or homicide, other than involuntary manslaughter; or of rape or robbery punishable by imprisonment exceeding one year, during the commission of which the defendant possessed a firearm transported in interstate commerce, would be imprisoned for not less than 10 nor more than 20 years, the latter penalty to be in addition to the state court punishment.

Furthermore, imposition or execution of such sentence could not be suspended and probation would not be permitted; in other words, the sentence would be mandatory.

Said Harrison in a House floor speech last Wednesday, as reported in the Congressional Record: "Not one of the prominent bills so far discussed such as those by Senators Dodd and Tydings or Representative Celler, nor the President's message on gun control, would in any serious manner affect the use of guns by criminals.

"No gangster," said Harrison, "is going to register his weapon any more than machine-guns known to be in the hands of Chicago and New York mobs have been registered under existing firearms acts. It is time for Congress to concern itself with anti-criminal, not anti-gun bills."

Harrison noted that the assassination of Sen. Robert F. Kennedy in Los Angeles June 5 had inspired most of the anti-gun bills, but he notes: "It is doubtful that any law on the books would have prevented the acquisition by Sirhan Sirhan of the firearm with which he allegedly shot the senator. The state of California had a number of restrictive laws in existence at the time to control the possession and use of guns. Not one of them deterred the assassin.

"I am informed that it is illegal in California to carry a concealable firearm without a license. Sirhan had no such license.

"It is unlawful in California for an alien to carry a loaded firearm," said Harrison. "Sirhan obviously was carrying a firearm and it obviously was loaded.

"Yet these laws," he pointed out, "did not prevent the assassination because a person bent on using a weapon illegally is going to acquire one, whether it be by subterfuge, theft or coercion. It is of little consolation to the murdered to know in their dying moments that the police will be able to give the press all the details on who owned the gun that ended their lives."

Harrison's proposal, HR 18655, invokes the commerce clause of the Constitution and is so written that it would impose the additional penalty of a minimum 10-year mandatory sentence, with a maximum 20-year limitation, on anyone who possessed a firearm transported across state lines and who used such a weapon in committing certain crimes of violence.

"The bill would cover virtually all gun crimes," said Harrison in his House speech last Wednesday. "I want to make this point doubly strong because a number of other bills have been introduced that would cover gun crimes in federal jurisdiction. This bill would put a 'dunce cap penalty' on top of the penalty imposed by state courts if the crime for which the accused is found guilty involves the use of a gun which crossed a state line. I am advised that very few guns could be considered as not having been involved in some matter in interstate commerce."

Harrison said he "believed it is time for the Congress to concern itself not with anti-gun bills, but bills aimed at the people who committed the 43,500 aggravated assaults or the 50,000 robberies (during the 13-month period ending last September, 1967)."

[From the Northern Wyoming Daily News, June 18, 1968]

Yesterday Rum Runners—Tomorrow Gun Runners

Ramrodded by a few L.B.J. disciplined U.S. Senators and Congressmen, the United States today faces one of the greatest threats to present, as well as future, freedoms since the "Great Experiment" of 1917 . . . the Volstad act of Prohibition.

We refer to bills which have been introduced by Senator Thomas Dodd (Connecticut) and Congressman Emanuel Celler (10th District, New York), namely, Senate file No. 3604, 3605; and House bill No. 17735, concerning the controversial "gun law."

Briefly, these bills not only include prohibiting interstate sale of revolvers and pistols, but shotguns and rifles, too . . . and much more. The President, not being satisfied with the Omnibus Crime Control and Safe Streets Act, has now insisted a much more stringent control be passed. And so insistent is he, he has skillfully switched to his support, avowed opponents to the legislation, such as Montana's Senator Mike Mansfield.

Not only is sale of firearms controlled to the point of no return, Celler's bill also severely limits sale of ammunition and reloading components . . . powders, primers, empty brass casing and shotshells. A $10 license would be required for the manufacture of smallarms ammunition. There is no exception made for those who handload their own cartridges and shotshells for personal use. In addition, ammunition will not be sold to anyone under 18 years of age.

And, of course, all firearms, including rifles and shotguns, would have to be registered with the U.S. Treasury Department within six months after enactment of the statute.

Passage of the proposed legislation will be no more effective than was the Volstad act. Law-abiding citizens will conform to the law. Those whose purpose in owning, or obtaining, firearms for illegal purposes, will not comply. They will not comply any more than did those who distilled and sold alcoholic beverages without federal license during days of Prohibition.

Instead of rum runners, we will see the days of gun runners who obtain firearms in Europe, South America, Mexico, to say nothing of Asiatic countries. We will see the day when the legitimate gun owner's home will not be safe from thievery by those who will always, and by all means, obtain firearms for criminal purposes.

These proposed statutes are not the solution to abolishment of crime any more than the Volstad act was the solution to prevention of alcohol consumption, manufactured and sale in the United States.

Actually, enactment of the proposed legislation will accomplish nothing more than deprive law-abiding citizens of another freedom. It will establish additional Federal controls and create a new group of law violators dedicated to supplying arms for criminals at great profit.

You, as a citizen, whether gun owner or sportsman, are directly affected by the Dodd and Celler bills. For their enactment is simply another step in the Administration's alarming program of control and regimentation of the people.

We hope you, not simply as a gun owner or sportsman, but as a citizen who cherishes the freedom guaranteed all Americans, will voice your objection to the proposed legislation today.

The House Judiciary Committee is scheduled to act on the bill Thursday, June 20.

Only two days remain to contact Wyoming U.S. Senators Gale McGee and Cliff Hansen, Senate Office Building, Washington, D.C. 20510 and U.S. Congressman William H. Harrison, House Office Building, Washington, D.C. 20515.

Time is of the essence. Don't procrastinate. Use a telegram or telephone to contact your Wyoming representatives.—H.K.K.

JAMES A. FARLEY LAUDS POSTAL PROGRESS BUT CONCEDES IT'S NOT FAST ENOUGH

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. DULSKI. Mr. Speaker, some 2,500 businessmen and postal officials from around the country gathered in Washington last week for National Postal Forum II.

This year's forum was even more successful than last year's Forum I which was a pioneering effort at greater understanding and cooperation between major mail users and the postal establishment.

This year's forum was honored to have among its glittering list of speakers and panelists a man whose name has been synonymous with postal service for many years, former Postmaster General James A. Farley.

It has been 28 years since Mr. Farley left office after 7½ years as Postmaster General, but he retains a close interest and understanding of the problems of the postal service, problems which have multiplied since he left.

Mr. Speaker, Mr. Farley's remarks at the National Postal Forum II will be of wide interest at this crucial period for the Post Office Department. Following is the text:

Address by Former Postmaster General James A. Farley, Board Chairman of the Coca-Cola Export Corp., at the National Postal Forum II, July 25, 1968

Twenty-eight years ago I walked out of the building on Pennsylvania Avenue, ending seven and a half years as head of the largest civilian Federal agency in the world.

During those twenty-eight years, the Post Office Department in its destiny and its problems has more than occasionally been in my mind for my interest in its success has never diminished.

So I am very pleased by the invitation to be one of the guest speakers at this second National Postal Forum.

There is no federal agency that, throughout our history, has proved more important to the American people than the Post Office Department.

It is the one agency that touches the lives of almost all of our 200 million citizens every day. No other federal employee is so familiar—and welcome—as the letter carrier. The indispensable service he, and other postal workers provide, is the lifeblood of our economy and commerce, the artery that makes our nation grow and prosper. In war and peace, good times and bad, personal joy and sorrow, our postal service has stood tall.

Most of us accept our daily mail as a routine matter; day in and day out, the man in blue comes to your home or business. But have you ever stopped to think what would happen should the postal service stop for a day of two? I shudder to think of the consequences.

Historically, the Post Office Department has supplied the communications so necessary for the United States to develop and expand. It has bound us together in a network that is absolutely essential to the life of the nation, a life of which each one of you and the business you represent is an integral part.

The problems of the Post Office Department are your problems and mine. We *must* be concerned with them. We *must* help the postal service deal with them.

The postal service has changed substantially since those days between 1933 and 1940, when I served as Postmaster General. But the Department's basic function remains the same—moving the mail *swiftly, securely* and *dependably*, a responsibility with which you have helped immeasurably.

As a matter of fact, you are here because you are willing to work with postal management to increase efficiency and improve service. The postal service needs your ideas. So don't hold them back while you are here. The Post Office Department *wants* you to speak up. You are providing a notable service when you give the Post Office Department your ideas.

Incidentally, I congratulate the Department on its willingness—through the Forum—to submit itself to such a critical scrutiny from its biggest customers. If we had started such a National Postal Forum in the 30s many of today's problems might not be so acute.

And there is no doubt that the postal service has problems. Most of them stem from the sheer size of the postal operation. Although this nation occupies only *one-fiftieth* of the land surface of the earth it handles more than half of its mail!

In 1933, when I became Postmaster General, the annual mail volume was just slightly less than 20 billion pieces. Today, the volume has exceeded 80 billion pieces—a growth of *more than four times!*

During the entire seven and a half years as head of the postal service total expenditures amounted to only slightly more than $5 billion. But the Department's budget for *just the 1968–69 fiscal year,* which began this month, is some $7.3 billion, or almost *40 per cent more in one year* than we spent in *seven and a half years* during the thirties!

Postal revenues hit an all-time high of $766 million while I was Postmaster General in 1939. By contrast, revenue this year is estimated to reach almost $6.4 billion. And when I resigned in 1940 there were some 353,000 postal employees. This number has risen to more than 715,000 now. Quite a difference, wouldn't you say?

Of course, virtually everything about our country is much bigger today than it was 30 years ago.

America's growth and progress have been steady. But I don't believe we have ever achieved so much for so many in so few years as we have under the brilliant leadership of President Lyndon B. Johnson.

Our economy has expanded beyond the wildest dreams of the thirties.

Our responsibilities in the world are greater than they have ever been.

And our achievements at home—in education, in social justice, in medical care and in countless other areas—should be a source of pride to all Americans.

As to the mail, its growth seems to know no bounds. Mail volume jumps some 3 to 4 billion pieces each year. And the budget and number of employees climb each year. A growing postal service presents new problems, of course; yet, at the same time, the Department *is* moving to improve the service.

This was not easy in the 1930s. And it is not easy today. That is why it is necessary to attack the problems head on, with postal experts and mailers working together.

In 1933, the nation was mired in a terrible depression. Millions of people were jobless. Money was scarce. Postal revenue was dropping—unlike today, when the trend is up. When the upward spiral finally began, after 1934, it rarely slackened.

Many of you may not be aware that the Post Office Department played a major role during those depression years. We were not able to hire large numbers of new employees, of course, but we launched a big public works program that provided needed jobs and pumped federal funds into the faltering economy.

During my tenure, we built 1,500 new post offices at a cost of $315 million, a lot of money in those days. Now, 1,000 new facilities are being constructed *each* year, although some of the old buildings still handle a heavy volume of mail. To give you some idea of their usefulness—it has been estimated that approximately 90 per cent of postal space located in federally owned buildings was built prior to 1941, most of it while I was Postmaster General.

As I said, the Department has not neglected its building program in recent years. A total of 10 million square feet of space will be awarded this year—*twice as much* as was awarded last year, and plans are being made to invest $1.25 billion over the next five years in building alone.

As impressive as that sounds, I think an entirely new approach to the problem of space is needed.

During my years as Postmaster General most of the mail moved by rail. New facilities were built close to railroad tracks and stations. But today most of the mail is carried by airplane and truck. The number of mail trains has shrunk from 10,000 to about 700, most of the routes having been discontinued since the end of World War II.

And what is more, most of the facilities built in my time are no longer in the most practical locations. Many of them are now too small; there simply isn't enough maneuvering room for trucks moving in and out.

I am heartened and encouraged by the spirit of innovation, the sense of urgency and the strength and vigor which pervade the postal service under Postmaster General Marvin Watson. He is a man of insatiable energy and great vision who sees and understands the promise of the postal service of the future. He is quick to grasp the nature of the problems facing the postal system and eager to undertake the task of solving them.

Your presence at this Forum indicates your willingness to assist him in this endeavor.

In the final analysis, regardless of how effectively mail is transported, service *will not* be top-grade unless facilities are convenient to the most efficient transportation and unless there are adequate mail-processing facilities.

Despite the record rate at which new facilities are being built under the Johnson-Humphrey Administration, the pace of construction must be increased. Of the 40,000 postal buildings, some 29,000 have either been constructed by the Department or were constructed for the Department to lease. It doesn't take an Einstein to show that the average lifetime of a building is much too long to meet modern needs.

I wish I could say that accelerated new construction is the *only* problem. There are other problems that must be corrected if the postal service is to keep up with the fantastic growth of mail volume.

For example, I fear that the current trend of allowing huge postal deficits to be subsidized by tax funds has slowed progress in the postal service. When I say this, I level no criticism at any person or group of persons. Subsidy from the general fund of the Treasury has proven impractical. There are many reasons and most of them are beyond the control of Post Office management.

I took over a Post Office Department that was consistently operated at huge deficits. the deficit amounted to $112 million the year I became Postmaster General.

Despite the fact that during those years the Department was directly charged with the subsidies paid to air mail carriers, by the application of sound principles and the practice of economy we succeeded in reducing the Post Office Department's deficit to $40 million.

To eliminate today's postal deficit would require substantial changes in the postal service. But I think attention is needed in this area. There are many reasons the Department does not pay its own way. One possible solution is through automation.

I am pleased that the Post Office Department is launched on a massive program of mechanization. Postal experts themselves have conceded the Department is 30 years behind private industry in mechanization.

Catching up won't be easy. But the creation of a Bureau of Research and Engineering and the establishment of an engineering center to test new equipment are great steps in the right direction. They will pay for themselves many times.

But I think *even more* emphasis is needed if mechanization is to have the impact of which it is capable. Oh, I realize that costs are high. And I also recognize the Federal Government's budget problems.

But a way *must* be found to move this program forward with all possible speed. The postal service is so important to this nation that it must be provided with the best operating tools available anywhere.

In this connection, the Department deserves great praise for its establishment in January of the Postal Service Institute. This is a facility designed to train postal employees at all levels. It is a vital resource the Post Office Department has long needed, and I am glad it has finally become a reality.

Also, I support the new program of airlift for first class mail on a "space available" basis. Seventy-five per cent of all first class mail moving long distance is delivered next day . . . if mailed before 5 P.M. That is a laudable achievement.

Further improvements in the airlift program and creation of a single-class priority mail as planned by the Department for approval by the Congress next year will bring the nation much closer to the superlative postal service President Johnson is seeking.

An achievement as Postmaster General of which I am most proud was the granting of tenure to postmasters. Changing thousands of postmasters with each new administration is not the way to provide the best mail service.

I wonder whether it wouldn't also be advisable to take a new look at the job of postmaster. It is a job completely related to the improvement of mail service. The postmaster leads the way for his office. In many communities he is the top-ranking representative of the Federal Government. These are reasons why we should insure that each post office has the best postmaster it can get.

There is an ever-growing trend toward promoting career postal employees to postmaster. Yet more than 50 per cent of all new postmasters come from outside the postal service with no experience in the problems of moving the mail.

I am *not* saying categorically that *all* new postmasters must be promoted from the ranks. But I do point out that this is a question that needs study and attention.

We should take a new look at the method of appointing postmasters—and I understand this has begun—if the postal service is to meet its obligations to its patrons.

To be sure, during the almost four decades since my tenure as Postmaster General, the Department has moved forward, but not fast enough. We are gaining in the race with potential disaster but that threat still exists.

On a final note, I want to say this: It all adds up to, first, our economy is helpless without the postal communications network, and second, the entire nation has a stake in the welfare of the postal service.

This meeting itself is proof that we are facing up to our responsibility. I am confident that with the good management under which the Department is directed and with the enthusiastic and unselfish support of businessmen like you and millions of others across the nation, we will not fail.

We *are* taking up the challenge, and I *congratulate* each of you for being here.

Yours is the spirit of public service that has made America great.

ARE AMERICANS EXPERIENCING THE END OF AN ERA?

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. FASCELL. Mr. Speaker, Mr. Palmer Hoyt, editor and publisher of the Denver Post, is one of the most perceptive and eloquent members of the American journalists corps.

As a member of the U.S. Advisory Commission on Information, he has played an important role in calling attention to the revolution in communications which is sweeping the world today, and to this revolution's effects, both on our society and on the conduct of international affairs.

An address which Mr. Hoyt delivered on May 14 of this year to the City Club of Denver deals with these subjects and

I believe will prove of great interest to all Members of Congress.

I would like to mention in passing that the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs, which I have the honor to chair, has been conducting studies in this field for some time.

Last year, our subcommittee held a series of hearings and issued a report on "Modern Communications and Foreign Policy."

And earlier this week, on Monday, July 22, the subcommittee conducted a 1-day symposium on "The Future of American Public Diplomacy."

Outstanding experts in communications testified before our subcommittee on such subjects as "The U.S. Image Abroad," "The Development of Public Diplomacy," and "The Importance of Communications in International Relations."

The list of those who contributed to our symposium reads like a "Who's Who in American Communications." It includes:

Dr. Frank Stanton, president of CBS and chairman of the U.S. Advisory Commission on Information;

Dr. Edward L. Bernays, president of the Edward L. Bernays Foundation, frequently referred to as the "dean of America's public relations";

George Gallup, Jr., president, American Institute of Public Opinion—Gallup Poll;

Dr. Lloyd A. Free, director of the Institute for International Social Research;

Howard K. Smith, ABC commentator, former foreign correspondent and author of many books including "Last Train From Berlin" and "The State of Europe";

Dean Edmund A. Gullion, of the Fletcher School of Law and Diplomacy, Tufts University, former career diplomat;

Dr. Francis X. Sutton, deputy vice president, international division, Ford Foundation, who shares responsibility for the foundation's international programs;

Dean Edward W. Barrett, of the Graduate School of Journalism, Columbia University, former director of the overseas operations of the Office of War Information and Assistant Secretary of State for Public Affairs;

Mr. Leonard Marks, Director of the U.S. Information Agency;

Mr. M. S. Novik, public service radio consultant, and member of the U.S. Advisory Commission on Information; and

Mr. Hewson A. Ryan, Deputy Director for Policy and Plans, U.S. Information Agency.

I believe that the record of our hearings, and the report which is being prepared by our subcommittee, will be of great interest to the Congress and to the American public.

Mr. Speaker, Hoyt's speech reads as follows:

ARE AMERICANS EXPERIENCING THE END OF AN ERA?

(EDITOR'S NOTE.—In response to readers' requests, The Post reprints herewith the text of a speech by Palmer Hoyt, editor and publisher of The Denver Post, on May 14, 1968 to the City Club of Denver.)

One of the greatest problems facing us in 1968 is our failure to recognize the nature of our problems. There is a tremendous lack of realization on the part of the body politic that things are different. We are living in a vastly different age than most of us think we are.

We know we are living in a time of rapid change, but we are not aware of what it is doing to the world around us.

Just look for a moment at the pace of change. To give you some idea of how rapid it is, I borrow a comparison from a recent issue of the monthly newsletter of Litton Industries. It goes like this:

We know pretty well how the life of mankind has developed and changed through the past 50,000 years. To show how the pace of this change has been accelerating, however, suppose that this 50,000 years were compressed into the lifetime of a 50-year-old man.

Just 10 years ago, this 50-year-old man would have crawled out of a cave. Two years ago he could have heard of Christianity. Twenty days ago he would have first learned of electricity. Ten days ago he could have heard radio for the first time. And if he was truly with it, he would be getting ready to take his first ride in a jet airplane, which would have been invented a few minutes ago.

As Gordon Pehrson, Litton's general manager remarked, we are in the process of "inventing our own future." What will that future be like? I can't say, because we are making it up as we go along. But I can say I am worried about it—for the sake of my children and my children's children.

SHADOW OVER FUTURE

Something is happening in America—and perhaps around the world—which is casting a shadow over the future.

We are experiencing a series of "explosions" which is particularly troubling for its effect on the young people who are building the future.

The outward evidence of the explosions is the student revolts, the marches, the burnings of cities, the disorders around the world.

These are shaking the values and convictions that have been so important to us. Most of us up to now have believed that all problems of earth could be solved, that mankind could live in peace, that poverty could be overcome, that crime could be eliminated and law and order made to prevail.

Now we have cause to wonder. It is this structure of hopefulness that I fear is in danger of passing. It is this I was referring to in my title—The End of An Era—which I put for tentatively, with a question mark at the end.

What are these "explosions" I have spoken of?

COMMUNICATIONS EXPLOSION

One of them I call the Communication Explosion. We have overcommunication and it is one of the great causes of unrest.

To illustrate, on April 12, 1940, Bruce Barton, member of the famous advertising agency of Batten, Barton, Durstine and Osborn, made a speech in Boston. Speaking of Abraham Lincoln, Mr. Barton said:

"I am here to speak tonight about a man who was ill-fed, ill-clothed, ill-housed and didn't know it."

I had something of the same experience. I was a poor boy, raised in Vermont and Montana but I was not aware I was poor. No one told me, and I didn't think of it in terms of hardship. I was glad to get jobs and never thought about my economic station.

Today, those people who are poor by the government's definition—who are members of families receiving less than $3,100 a year—are reminded of it daily, thanks to the mass media, the instantaneous communication and in fact, overcommunication.

One of the reasons there is so much violence today on the part of the young is that we now have millions of young people who were raised on the violence of television. Recently while searching for news shows, I tuned in on a number of standard television feature shows—and I found that someone was threatened, killed, bound and gagged or poisoned in every sequence. To think that such stuff has not had an effect on our young would be blindness indeed.

TV AND THE GHETTO

Who looks at television? Millions of people, in all economic and social conditions, of course. But don't overlook its effect in the ghetto.

Recently the American Newspaper Publishers Association published the result of some studies made of media use in ghetto areas.

One survey indicated that all of the ghetto homes—100 per cent—had at least one radio, and almost two-thirds—64 per cent—had more than one. The studies also showed that almost all of the homes—95 per cent—had at least one television set, and almost half—47 per cent—had more than one TV. And 10 per cent of these ghetto homes had three television sets.

On the other hand, only 14 per cent of these ghetto households took a daily newspaper (60 per cent took a Sunday paper). Obviously, these people are relying heavily on the instant communication of the electronic media.

The picture they are getting does not necessarily reflect life as it is in the United States. But by giving an impression of an America full of goodies to be picked up just for the asking, it may be helping to change the reality of America—and not necessarily for the better.

Nor is it just the person in front of the set who is affected by television. It is also the person who suddenly finds himself in front of the camera. Not long ago, Philip Geyelin of the Washington Post wrote a column for his paper which described something that happened during the recent Washington riot. At the scene of one fire, about 100 people and a handful of newspapermen were watching the firemen. Spectators were spread around not creating any disturbance. Then, abruptly, from a group of fire-watchers on an embankment, came a flurry of fist-shaking and angry shouts. And, to quote Geyelin, "every bit of it was aimed at the funnel-shaped snout of a television camera."

INSTANT SHOWBIZ

It was, said Geyelin, "as if some unseen director was calling out cues. It was Instant Showbiz." Geyelin adds:

"If somewhere, in somebody's living room that evening, a few feet of film showed a small group of angry Negroes, shouting racist epithets in defiance of whitey and in deference to Dr. King, then the medium was indeed the message. And the message was not the way it was."

Obviously, television is here to stay. And we can't turn back the clock. But I think we had better recognize that we are definitely in an era of instantaneous communication and overcommunication—not only in America but the world-around. The have-not nations know what the have-nations possess, and it is one of the great causes of unrest abroad just as it is at home.

Another one of the "explosions" I referred to is the Affluence Explosion, and it is related to what I have just been talking about. One of the many reasons we have a dissatisfied, rebellious class of young people seeking radical answers to what many of them consider almost unsoluble problems is because they see nothing to gain from the practice of the old Benjamin Franklin maxims about thrift and work and diligence.

Today's middle-class teen-agers and young adults have been raised in a prolonged period of plenty and many of them see no relevance to the old idea that one is only entitled to what he earns. This atmosphere of affluence has even affected the poor Negro who isn't on the receiving end of the largess of his parents.

Many of these young Negroes have spent much of their lives "on the streets," living on their wits—and in many cases in this age of general affluence they are doing better financially or in terms of effort expended than others who are working at dull, menial jobs. They are no more attracted to work than their middle-class peers. Not long ago, Stewart Alsop wrote a column for the Saturday Evening Post entitled "A Conversation With Catfish." It was an interview with Catfish, Rufus Mayfield, a bright young Negro who had been head of a Negro-run, federally supported organization called "Pride, Inc." After a few months, Catfish withdrew from Pride.

CATFISH ARRESTED

After he left Pride, Catfish was arrested on a car-stealing charge. Alsop asked him if the arrest had hurt his reputation. Catfish grinned and said:

"Best thing ever happened to me. Some guys were saying, 'This Catfish, he's just a Tom, that's all'—know what I mean? Then the cops arrested me, and it was in the paper; the guys on the streets said, 'That's ol' Fish, back on the streets, stealin' cars again.' "

Incidentally, Catfish also told Alsop that a lot of his friends were carrying guns—sometimes two or three at a time. When the reporter suggested that maybe they had been looking at too many television Westerns and private-eye shows, Catfish replied:

"Man, you're so right. Lots of these cats, they're just living in television." Alsop wrote that he had noted the same phenomenon when he visited a group of Ku Klux Klansmen a year or so earlier—that they were "living in television." And Alsop commented that "if this country explodes into uncontrollable racial violence, the commercial purveyors of violence on the television screens will have a lot to answer for."

Closely related to the question of the Affluence Explosion in its effect on middle-class young people is the matter of the permissive atmosphere in which many of these kids have been brought up.

It isn't all the fault of Dr. Benjamin Spock, much as I'd love to lay it all on his doorstep.

FAMILY PATTERN CHANGES

What has been happening is a gradual change in the traditional pattern of the American family. The adolescents—and even the younger children—have been gaining ground in a kind of continual guerrilla battle for power against parents. The reason has been that social change has undermined the old rules of respectable behavior which before the turn of the century had been regarded by just about everyone as fixed and immutable standards.

As parents became better educated and found themselves better off economically they began to feel that the old way in which they had been reared was no longer suitable to prepare their children for a world of accelerating changes. So they began easing up on the old absolute rules of behavior and the old authoritarian ways of dealing with children. In order not to repress their children, they tried to make as few choices as possible for their children, forcing the children to make more choices, and hoped they would take more responsibility on their own.

The spokesman for the new school of child upbringing was Dr. Spock, whose authoritative "baby books" have become gospel for millions of anxious mothers. Spock wasn't exactly an apostle of complete permissiveness, but a major theme of his was that authority should be rational and flexible rather than arbitrary and absolute.

In this climate of flexibility and attempts to rule by reason, the younger generation acquired a tremendous amount of latitude—and the weapons often to wear their parents down.

PERMISSIVE ATMOSPHERE

But the permissive atmosphere didn't necessarily carry over to the adult society that these children entered—either in the schools or when they went to work.

Christopher Jencks, writing in the New York Times magazine from the point of view of a product of one of these permissive middle-class homes who reached adulthood in the 1950s, said:

"We found that adult society was organized along very different lines from the families in which we had been raised, and that most employers were more like the teachers we had learned to hate than the teachers we had come to love." But the children-turned-adults of his generation simply regarded themselves as maladjusted, and attempted somehow to adjust. Not so the children born in the 1940s who started coming to the college campuses in the 1960s.

The children who were by now setting the tone came mostly from permissive homes. On campuses they established their own way of life. They joined with rebels from other backgrounds. They responded to the contradictions that exist in every society with growing cynicism toward America's professed ideals. And many of them have apparently turned against the industrial, capitalistic society as we know it. They hate the idea of becoming organization men and women and dream—naively—of an egalitarian world, something like the permissive family situation.

They have also made an important discovery—civil disobedience. They have learned that they can push civil authority around in much the same way as they did—or would like to have done—with their parents. And some of them are using it as a weapon to attack the political and social system from which many of them seem alienated.

It doesn't seem to matter much to them that if they succeed in breaking down American society what would result might be infinitely less to their liking than what they have now.

POPULATION EXPLOSION

I've mentioned the Communication Explosion and the Affluence Explosion. There's also the well-known Population Explosion.

Without our being aware of it much of the time, the rapid growth of the population of America and the world adds to our tensions and our problems.

It makes cities bigger and more crowded and less manageable. It threatens a world food crisis. It adds to the burdens of the poor and promises to be a growing burden to those who govern and those who pay the bills for government.

Recent figures indicate that by the year 2000 the population of the world will have doubled—from the present 3 billion people to something over 6 billion. And that is only 32 years from now.

China alone will probably reach a population of 1 billion.

It will not be long if this continues, until there will not be enough land on the face of the earth for the human beings who inhabit it to stand, which will require some inventiveness on the part of our scientific overlords at that time to cope with the problem.

SCIENCE EXPLOSION

Along with this we have another "explosion"—the Science Explosion. It has greatly affected the youth of this country and the world.

The young people have a more fatalistic attitude than they had a few years ago. They all know about the bomb. They realize that the people of the earth could be completely obliterated virtually overnight.

This is one of the reasons why there is in the oncoming generation less interest in the future life and less concern with what the future will be like. Those of us who have lived long enough to know better have learned that the future has a way of catching up with you, but it is hard to get the message over to a good many young people today.

And of course the feelings stirred in the young by the war in Vietnam are akin to those I have been talking about: a feeling that tomorrow you may be dead, bomb or no bomb, so concentrate on "Now." The trouble is, what we do or fail to do about the war in Vietnam today is going to have an even greater effect on the future of America and the world than many people imagine.

These "explosions" I have been talking about—and other factors—have been contributing to the general restlessness among the younger generation. Now I think restlessness in general is a good thing for young people. They should be questioning and working out new answers and preparing for change. That is the function of the young.

Particularly the young Negroes—and other people of minority background. They have much to be restless about and tremendous need to build and grow.

But restlessness and agitation for change are one thing. Civil disorder and rebellion is another. And that is where we are going to have to draw the line.

Mayor Daley of Chicago drew fire because he spoke out in a moment of anger and suggested harsh action against arsonists and rioters. But his critics left unanswered the question implied in his blunt statement. It is this: are we going to let our cities be burned down? Are we going to let our educational institutions be destroyed?

Police Chief Walter Headley of Miami also drew fire for a tough statement—and his tough actions—aimed at preventing the breakdown of law and order in his city. Chief Headley's men in Miami are going ahead and stopping suspects—and they are confiscating about 125 handguns a week. Last week Chief Headley made a pretty profound statement in an interview. He said:

"When you surrender control of the streets, you're dead. Disorder must be contained. And the sooner you do it, the less likelihood there is for bloodshed."

Eric Hoffer, the longshoreman-turned-philosopher, said in a recent column:

"If the riots are allowed to become a part of our pattern of life, the consequences are likely to be disastrous. . . .

"The genuinely humane people who say that riots are unavoidable, that they will cease when every Negro wrong has been righted, and every white heart is cleansed of prejudice and selfishness, are not aiding the Negro but are hastening the corruption and debasement of our society."

ORDER OR CHAOS?

And John Gardner, former secretary of Health, Education and Welfare, said in a recent magazine article:

"Violence cannot build a better society. No society can live in constant and destructive tumult. We will have either a civil order in which discipline is internalized in the breast of each free and responsible citizen, or sooner or later we will have repressive measures designed to re-establish order.

"The anarchist plays into the hands of the authoritarian. Those of us who find authoritarianism repugnant have a duty to speak out against all who destroy civil order. The time has come when the full weight of community opinion should be brought to bear on those who break the peace or seek to force decisions through mob action, or those who bypass established democratic procedures in favor of coercive demonstrations."

Personally, I hope the time never comes when Americans have to resign themselves to totalitarianism in order to get peace and order. But I do concede that it could happen if internal disorder cannot be stopped.

What do we do about all this? I don't have any pat answers. But the answers will have to grow out of an understanding of the problems, and that is what I am trying to spell out today.

We are going to have to create an era of responsibility. Within each family we are going to have to teach individual responsibility. If the responsible people of this country—white and black and Spanish-American and Japanese-American and Chinese-American and whatever—if such people are not willing to accept more responsibility for putting things right and streamlining America, then maybe this whole thing will go down the drain.

MAN'S RESPONSIBILITY

I often recall what a great editor of another era, the late Grove Patterson of the Toledo Blade, used to say. In the later years of his life, it became his principal message. It was this: that it finally becomes necessary for a man to assume corporate responsibility to his family, city, state, nation and, if you please, the world.

It becomes necessary, that is, if his civilization is to survive.

Our civilization has no more permanent lease on life than any of those of the past that have fallen because they couldn't see or cope with their problems in time. But I have always felt that America, as the world's greatest democracy, not only carries within itself the seeds of its own destruction but also the seeds of its own regeneration and revitalization as well.

In times like the present, I sometimes wonder whether man is ready for freedom and democracy—or whether he's got to go through another of those dreadful purging experiences of violent upheaval and repression that have marked human history.

But I do have hope. I believe, as William Faulkner said in accepting the Nobel Prize for Literature some years ago, that "Man will prevail." He will, that is, if he awakes to his problems in time.

In this regard, I am reminded of some words from Eric Hoffer, this time from the September–October 1967 issue of Think Magazine. Hoffer wrote:

"When, at the age of 27, I first read how God drove man out of Eden, there flashed before my eyes a tableau: I saw my ancestor Adam get up from the dust after he had been bounced out, shake his fist at the closed gates and the watching angels and mutter, 'I shall return!' May it fall to this or the next generation to redeem the promise."

NOT JUST AIR CONTROLLERS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. DULSKI. Mr. Speaker, we are hearing a lot about an apparent slowdown in the handling of air traffic in and out of major airports.

There is no question but what the air controllers of the Federal Aviation Agency are overworked in their very exacting job of supervising air traffic.

But the manpower problem in the towers is only one factor. There also is the fact that air traffic has increased so fast that major airports simply cannot handle the volume of aircraft which the airlines are scheduling in peak periods.

The industry has permission from the Civil Aeronautics Board to explore ways to provide new encouragement for airline patrons to travel in off-peak hours. One suggestion is to provide a fare discount for flights at off-peak hours.

Clearly, both industry and Government have a big responsibility to find solutions to the current airport congestion problem.

Mr. Speaker, I include with my remarks a column in the Buffalo, N.Y., Courier-Express, by Anne McIlhenney Matthews, on July 26, 1968:

BUFFALO AND THE CROWDED SKIES

(By Anne McIlhenney Matthews)

The overcrowding of the nation's airways hasn't hit Buffalo directly but as any businessman or frequent air traveler out of Buffalo's International Airport can tell you, the impact is tremendous. Sit in at any luncheon or dinner rendezvous where traveling businessmen gather and you hear the stories.

They tell of circling the clouds high over New York, Chicago, or Washington for hours. They say that they boarded a plane and waited for two or more hours to take off. One business manager of a Buffalo firm said that finally "the story came full circle." He was advised at a Washington airport to back track and take a train to New York because he'd "get there quicker."

The stacking up of planes over airports is not a deliberate result of the rebellion of traffic controllers of the Federal Aviation Administration or an effort to blackmail the agency or airports into more pay and more leisure time, they say.

"It is a slowdown and it is getting the message across in the only way that we can" a member of the Professional Air Traffic Controllers' Organization ("Patco") who works in the tower at Buffalo's Airport, admitted.

William A. MacLean, chief of the Buffalo tower FAA pointed out that the slowing down of air traffic and the demands of "Patco" for more personnel and adequate overtime pay, doesn't hit at the hub of the problem which is that the big cities, in particular New York and Chicago, desperately need more airports.

"I admit the traffic tensions of air controllers in the towers at Kennedy, La Guardia and Dulles and O'Hare, he said: "This is ulcer gulch for sure. But more relief personnel will not solve the problem. You can send only so many airplanes off a runway or check so many into landings. You can handle them on minute or half-minute schedules—but only as many as the airport can handle.

"The giant jets—the 747s—will be at every major airport any time now. Then the traffic congestion will be tremendous. The job of the controller will be an expanded headache here—and everywhere.

Even though Buffalo isn't in the main snarlup of air traffic there have been local side effects at Buffalo Airport. Last Friday several of the airlines canceled plane flights into New York to ease the sky stack-up. The Buffalo tower is in the Cleveland sector air space control and there have been "wait" restrictions of from five to 10 minutes on send-off of planes into the congested areas.

For tourists from Buffalo and through Buffalo, the air traffic pile-up has posed many problems. Tie-in connections with planes to Miami and overseas or to the West Coast through Cleveland and Chicago's O'Hare Airport have caused flaring tempers and many problems at the ticket desks.

"To save time you have to go a day ahead and stay overnight in New York, Washington or Chicago," a traveler complained.

Another echoed my own petition—"Bring back the trains!"

Meanwhile, the citations of complaints grow and a meeting of FAA sector directors called into an emergency session in Washington can serve no useful purpose unless they clamp down on airports and restrict airlines to the number of flights each airport can easily handle.

A recent report told of a jet bound for New York from Miami that circled so long over New York that it had to refuel in Philadelphia and arrived at La Guardia 6½ hours late.

One airline reported that it lost 77 hours in delays. The complaints of passengers who said they waited hours in their seats for takeoffs flooded my mail and every airport official's mail.

A trip to Buffalo's Airport tower is a thrilling—and humbling experience. I wouldn't have a job there for all that they get paid, and more. You work your shift in a blacked out room. There is no margin for error. The controllers are on eye-and-brain alert every second. The scope tells the air picture, busy hands write the notes and "idents" (identifications) and even the atmosphere in the room is electric with tension and suspense.

Congressional action budgeting for the training of more traffic tower controllers will help—but not right now.

The congressional funds are earmarked for the hiring and training of some 2,000 more controllers. FAA officials say it takes two years to train a controller for service in a medium sized airport and an additional year to qualify him for work in an airport like Buffalo's.

So, in 1971 there will be help. Meanwhile, don't plan on making quick connections with planes out of New York, or Chicago.

CONGRESSIONAL ROUNDUP

HON. ROBERT DOLE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. DOLE. Mr. Speaker, as has been my custom during my 7½ years in Congress representing western Kansas, I am mailing a summary of our significant work, which I call the "Congressional Roundup," to my constituents. This will be my last roundup as a Member of the House of Representatives.

The text follows:

URGES KANSAS DRAFT REDUCTION

Gen. Lewis B. Hershey, Director of the Selective Service, has agreed to review my request that Kansas draft calls be reduced.

I conferred with Hershey for 90 minutes recently. I pointed out that Kansas, with 1.12 percent of the U.S. population, provided 16.2 percent of the total National Guard and Armed Forces Reserves mobilization in May. The number of Kansans activated for June, July and August is also high.

To compensate, it seems only equitable that the number of Kansans to be called for induction by the draft in the future should be proportionately reduced.

In the meeting with Hershey, I outlined suggestions for draft reform. The draft law, which affects more American families in a personal way than almost any other federal program, is not administered with complete impartiality, equity or justice. My ideas, incorporated into legislation I introduced July 23, include: national standards for occupational and student deferments, requirements that draft boards give draftees at least 30 days' notice, and removal of the prohibition against a lottery in order to open other possible avenues of approach to the selection of inductees.

OVER 4,500 BILLS INTRODUCED

Over 4,500 bills have been introduced this session of Congress. The following are some I have sponsored:

To authorize the President to proclaim the week of Oct. 13, 1968 as "Salute to Eisenhower Week" (H.J. Res. 1302);

To extend the Food for Peace Act (passed the House);

To define the policy on the territorial limits of U.S. waters (H.J. Res. 1044);

To provide for a national flood insurance program (passed the House);

To amend the income tax law to allow deductions to owners making home and apartment building improvements (H.R. 16045);

To prohibit certain invasive questions to farmers in the agricultural census (H.R. 15671);

To provide advance wheat certificate payments to farmers (pending in the Senate).

URGES REVIEW OF FEDERAL OPERATIONS

To restore fiscal sanity and confidence in the dollar, America's leaders must set priorities on what federal programs we can afford to pursue now and which we can postpone.

In my judgment, one of the first long-range steps we should take is to thoroughly and objectively examine just what federal government department, what agency is doing what, for whom and what it costs.

Between 1960 and 67, federal spending rose 80 percent, the number of federal employees increased 25 percent and the cost of the federal civilian payroll jumped 75 percent. In addition, we have mounting evidence of government waste, overlapping and duplication.

I believe a massive review of the federal government's operations would cut the budget by billions of dollars and inject more efficiency and effectiveness into the entire system.

THE DOLE RECORD

During 7½ years in Congress, my record of roll call votes in the House is an overall 96.4 percent. The yearly breakdown is:

Year	Session 1	Session 2
1961-62	96.9	97.2
1963-64	98.8	98.5
1965-66	98.6	98.7
1967-68	95.5	[1]86.5

[1] To July 24, 1968.

APPROVES FIREARM BILL: OPPOSES FEDERAL RESTRICTIONS

The State Firearms Control Assistance Act is one of the most productive efforts of this Congress.

The Act, passed by the House in late July, provides reasonable controls on the sale, shipment and ownership of firearms and ammunition without repressing the rights of the individual.

One especially significant provision assures a mandatory prison sentence for anyone carrying or using a firearm while committing a federal felony.

I have opposed attempts toward federal registration and licensing. In my opinion, this is unnecessary, impractical, expensive and should be a matter for local and state determination.

Under the House-passed Act, no honest man will be denied permission to protect his home, business, farm or family. Neither the sportsman nor the collector of antique guns will be restrained.

APPOINTED TO URBAN AFFAIRS GROUP

Recently I was appointed to the Task Force on Urban Affairs of the House Republican Conference.

The rapid growth of our cities presents America with many nagging problems. The challenge is to relieve those problems without creating false hopes, frustration and despair.

Announcing my appointment, Congressman Charles Goodell (N.Y.) said, "The addition of Mr. Dole brings vigor and perception to this group which is devoting its energies to finding fresh approaches to the problems of urban centers."

HOUSE OF REPRESENTATIVES,
Washington, D.C.

DEAR FRIENDS: It appears that Congress, after a brief recess for the Republican and Democrat national conventions, may be in session until mid-October. On balance, this second session of the 90th Congress has been progressive and responsible. I am certain that some events have displeased you and some met with your approval.

Since I will no longer be your Representative after this session of Congress, I want to thank you, your friends and neighbors, for the privilege and honor of serving you in the U.S. House of Representatives.

Much has happened in the world, in America, in Kansas, and in the First Congressional District in the past eight years. I have attempted to meet the challenges and demands, but, of course, only you can and should judge my accomplishments. One learns a lot in eight years, and one undergoes changes in thinking and attitude. This must be done to keep abreast of the great domestic and international problems.

Perhaps the most rewarding part of my job as your Representative has been the opportunity to try to assist the hundreds who have written or visited our Washington office. If we have succeeded, much of the credit should go to my staff. If we have failed, we trust you will believe every effort was made.

Let me conclude by thanking you for the many, many kindnesses extended to me. No one knows what the future may hold, but hopefully and perhaps selfishly, I look forward to serving you in another capacity when the 91st Congress convenes on January 12, 1969.

Sincerely yours,

BOB DOLE.

MR. MARIO T. NOTO NAMED EXECUTIVE DIRECTOR OF THE AIRPORT SECURITY COUNCIL

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. ADDABBO. Mr. Speaker, the Federal Government, and the Immigration and Naturalization Service in particular, is losing the services of an able, conscientious, and outstanding person. I refer to Mario T. Noto, Associate Commissioner of the Immigration and Naturalization Service, who will, early in August, assume his duties as executive director of the Airport Security Council.

Mr. Noto has served his country well since 1942 when he joined the Immigration and Naturalization Service as an examiner where he has served continuously with the exception of 3 years' service with the U.S. Air Force during World War II. I know that he will bring to his position in the private sector of our economy the same devoted service which he has given to his Government. We, in New York, are happy that he is returning to his native State and that we will be the beneficiary of this move.

Mario Noto is a personal friend, and I am glad to join his many friends in welcoming him and his lovely wife back to New York and wishing them the very best.

CRISIS IN THE AIRWAYS

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. PODELL. Mr. Speaker, all of us in this House, like so many million other Americans, have been worn, frustrated, and exposed to the indignities of airline schedules which only by rare coincidence conform to given departure and arrival times. I am convinced that the problems of airport congestion are capable of solution, if only every segment of the industry would devote to this problem just a fraction of the resources, talents, ingenuity, and engineering skills that the industry devotes to the design of larger and faster aircraft.

In contrast to the advanced technology in airplane design, the technology of airport operation is still at the Kitty Hawk stage. Unless something is done, and done soon, superior aircraft design technology will reflect itself only in more people spending more time in the air, going nowhere.

Manifestly, airport congestion adds immeasurably to the hazards and to the costs of flying. In 1960, two planes collided in midair over Staten Island. The number of near misses since then may be reflected only in the ulcers among air traffic controllers and pilots. The sheer cost of the present inadequacy, in terms just of personnel pay and excessive fuel use, is huge, and is paid for in the final analysis by the passengers. This cost will increase even further as travelers begin in increasing numbers to shun the airplane for loss of confidence in both safety and schedules.

Indeed, in light of known facts throughout the years from bitter complaints by pilots, air flight controllers, and other experienced personnel, the failure of the Federal Aviation Administration to train and employ more flight controllers is just short of criminal negligence. Indeed, the fact that flight controllers, whose alertness and vigilance hold in balance the lives and safety of thousands of passengers, should be required to put in a 6-day week and overtime is in itself an invitation to disaster. Obviously, the urgency of the situation calls for the immediate employment and training of additional flight controllers by the Federal Aviation Administration. While such a program will accomplish nothing by way of avoiding immediate disaster, it will at least help provide for future needs.

To provide for the pressing need of the moment, I submit, Mr. Speaker, the urgent necessity for establishing airport priorities for commercial, scheduled carriers, as against general aviation planes owned and operated privately for private use. Here, in fact, is the only area for resolving the immediate problem.

The statistics reveal that general aviation air activity poses the major problem of airport congestion. In 1967, 31 percent of peak-hour aircraft movement at John F. Kennedy International Airport was general aviation. At La Guardia Airport, general aviation accounted for 61 percent of peak-hour aircraft movement. At Newark Airport, general aviation accounted for 52 percent of peak-hour activity.

The past decade has in fact witnessed a startling increase in the growth of general aviation in relation to commercial, scheduled aviation. In 1967, Kennedy Airport handled 67,551 general aviation flights, showing an increase in the decade of 252.2 percent; commercial flights numbered 354,905, showing an increase of 103.1 percent.

La Guardia field in 1957 handled 115,862 general aviation flights, up 119.9 percent in the decade; commercial flights numbered 173,681, up only 4.3 percent in the decade.

Newark Airport in 1967 handled 68,019 general aviation flights, up 156.6 percent in the decade; commercial flights numbered 162,361 showing only a 54.7-percent increase in the decade.

The Aircraft Owners and Pilots Association traditionally have opposed priorities in favor of commercial, scheduled airplanes. The association asserts that such a priority system is no more appropriate to air transportation than giving priority to buses over private automobiles would be to surface transportation. Unfortunately, however, for the association the granting of priorities to buses over private automobiles is not a novel idea. Many municipalities have preempted lanes for the special and exclusive use of buses. In our city, we have set aside lanes for the special use of emergency police and fire equipment. Plans to bar private automobiles from congested urban centers are under consideration in many communities. Indeed, if nothing is done by way of creating airway priorities, the general aviation plans will preempt so much of the airspace that commercial aviation will become as dead as the dodo.

This is clearly indicated by statistics. In 1963, there were a total of 84,121 general aviation aircraft in the United States. In the eastern region, consisting of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Ohio, Kentucky, Delaware, Maryland, Washington, D.C., Virginia, and West Virginia, there was in 1963, a total of 17,592 general aviation aircraft.

In 1967, the total general aviation aircraft in the United States increased to 104,706 and will reach 152,000 by 1973. In the eastern region in 1967, total general aviation aircraft increased to 22,514 and will reach 30,200 by 1973.

Certainly, the increasing demands by industry for adequate, modern airfields to handle private, corporate flights must be satisfied. Of the 100 largest corporations in the country, 85 operate their own planes. Obviously, the location of sites to accommodate this need is imperative. It may well be that the ultimate solution will dictate separate airfields to accommodate commercial flights and separate airfields to accommodate general aviation.

However, until a realistic solution to that problem is reached, I see no choice but to provide for priorities for commercial, scheduled airplanes. Failure to adopt such a plan immediately will do immeasurable harm to the future of aviation.

A NEW PRIDE IN OLD POLONIA

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. PUCINSKI. Mr. Speaker, the Chicago Sun Times in its Midwest magazine section of July 28 devoted most of its space to an excellent article about the 800,000 Americans of Polish descent who live in Chicago. Titled: "A New Pride in Old Polonia," the Chicago Sun Times—through its excellent writer, Brian Boyer—has given all Chicagoans a better insight into this large ethnic group which has played and continues to play a vital role in Chicago's growth.

I take the liberty today of placing in the RECORD, Mr. Boyer's article for I believe it is important for all of us to know the various ethnic groups which make up our cities and our Nation.

Mr. Boyer has captured the spirit of the Poles in Chicago but its as if he were writing about the more than 10 million Americans ranging over several generations who are scattered into almost every single community of America.

I am particularly pleased with the scholarly analysis of the Poles which Mr. Boyer has written. It is refreshing to see a writer describe a particular ethnic group without going into timeworn cliches which create an impression the group has just gotten off the boat. Mr. Boyer has captured the meaning of the younger generation of American-born Poles who give America an inspiring bridge between the old and the new.

Mr. Boyer's excellent article follows:

A NEW PRIDE IN OLD POLONIA—POLISH YOUNGSTERS ARE GOING TO SATURDAY SCHOOL AND GAINING A NEW AWARENESS OF THEIR HERITAGE

(By Brian Boyer)

The old Polish lady sat on a green CTA bench. The boys who played on the sidewalk around her wore short-sleeved summer shirts, but she was bundled up in black, high-laced shoes, a babushka and an ancient black coat that dusted her ankles.

It was "Old Polonia" in the flesh—except for her fluorescent lavender sunglasses that even scared the pigeons pecking away in the little park, near Milwaukee and Division.

She didn't know it, but she was one reason why nobody is sure anymore what the city's Poles are really like, including the Poles themselves.

There are more Poles than any other ethnic group in Chicago. (Indeed with 800,000 Poles in the area, Chicago is the second largest Polish city, after Warsaw.) And though the butt of many low jokes, they do a lot of laughing themselves on the way to the savings and loan associations, at least 40 of which are Polish-owned.

But to figure out who the Poles actually are, you've got to throw in at least three banks and a handful of millionaires, four of the country's 13 congressional representatives, three of 15 Cook County commissioners, eight aldermen, the city clerk and county treasurer, a couple of Polish language daily newspapers, a dozen or so Polish radio programs and a TV show or two, four major fraternal organizations with assets you wouldn't believe, a bushel of mushrooms and hundreds of smashed stereotypes.

Because after locking themselves into self-imposed exile for 75 years, the Poles have broken out into that cornucopian American mainstream. About 400,000 of them—leather-handed factory workers to junior executives—have pushed out into the suburbs and disappeared in clouds of barbecue smoke. And there are still some 400,000 others left in the city—around the Milwaukee, Ashland and Division triangle, Back of the Yards, South Chicago, Bridgeport and Brighton Park.

Suburbs with that distinctive Polish flavor include Niles, Norwood Park, Park Ridge, South Holland and Dolton. In lots of places, you can't even tell the Poles anymore, because they've changed their names.

The Most Rev. Alfred L. Abramowicz, auxiliary bishop of the Roman Catholic Archdiocese of Chicago, probably knows as much about the metropolitan area's 60 predominantly Polish parishes as anyone. He notes a big difference between the pre- and post-World War II Pole.

Education is the reason. An educational escalation from immigrant to the third generation has grown a big professional crop in place of small businessmen and factory workers who were the garden variety of the old days.

With economic and social success, Bishop Abramowicz says he has seen the Poles "go out of the tavern and into the cocktail lounge."

He's not the only one. So has Aloysius Mazewski, president of the Polish National Alliance, which, with 340,000 members—80,000 of them in Chicago—is the largest Polish fraternal organization in the country.

Mazewski's—and PNA's—headquarters is at 1520 W. Division, in a big, decrepit building whose gloomy offices look like a bank's, circa 1910.

Mazewski, an attorney whose white mustache, horn-rimmed glasses and well-cut suit mark his as "one of the new blood," ousted Charles Rozmarek, PNA president for 28 years, by 20 votes last September. Sitting in a red chair in his wood-paneled office with red draperies and a red rug. Mazewski identified a resurgence of interest in Polish customs by assimilated Poles, more intermarriage with other ethnic groups "because their friendships are broader now," and a new reluctance to Anglicize Polish names, all because "Polish achievements have made being Polish easier," he said.

Devotees of the melting-pot theory have been surprised lately to find that Poles, like American Jews, get interested in their roots as soon as they have successfully broken away from them.

Saturday schools for youngsters are one way Poles go about retaining ethnic identity. Held during the school year by such groups as the Polish Teachers Assn. and the Polish Women's Alliance, they teach Polish, ethnic dances and traditional songs. The one held at Holy Trinity Church has 700 children who come to learn something about the old ways in the new world.

Paradoxically, this fascination with the "old" ways, along with the Poles' almost overwhelming social organization has done much to slow their entrance into Amercan culture. The insular character and cultural "purity" of the Poles, even after three generations, are entwined with Polish-American history.

Although there were already Poles in the United States before the late 1800s, the real

Polish immigration didn't start until 1870. It soon began to resemble a stampede, as the people, mostly peasants, fled Poland, which was under repressive German rule. The exodus was encouraged by America's need for cheap labor, and the glowing tales of opportunity in the United States. Another contributing reason was the active recruitment of immigrants by steamship companies anxious to pack their steerage quarters with paying passengers.

Chicago counted only 20,000 Poles in 1873. There were at least 53,000 here in 1890 (a conservative figure since the nationalities of many were classified as Germans, Russians and Austrians because Poland did not exist as a political unit) and 383,000 in 1918.

St. Stanislaus Kostka Church, the first Polish church in Chicago, had 50,000 members at its Noble St. address in the late 19th Century. Soon Holy Trinity, then a plenitude of other churches, sprang up nearby to care for the devout—though sometimes anticlerical—Roman Catholics.

It wasn't long before a two-mile radius about Milwaukee, Ashland and Division was "Little Polonia." Noble became the "Main Street" of American Poles, and the United States became known as the "Fourth Province" of Poland.

An important authority on the city's Poles is Dr. Helene Lopata, a sociology professor at Roosevelt University and the daughter of a great sociologist, Florian Znaniecki, whose "The Polish Peasant in Europe and America" is a classic study of a nationality group.

She said that Polish assimilation into American life was slowed by "ethnic factors." In 1914, people predicted that the Polish culture would be swallowed up by 1940. It didn't happen, she explained, because most of the immigrants had a rural background, no education and a desire for approval from the old country, not the United States.

As they settled here in communities near their work and near each other, they reconstituted their villages back home and—for the first time—developed an orientation to Poland. Patriotic and religious organizations and fraternal groups like the PNA, the Polish Roman Catholic Union and the Polish Women's Alliance protected them from a hostile outside world, at the same time keeping them out of it.

Dr. Lopata has also noted that the Polish peasant culture was very different from American and Anglo-Saxon cultural traditions. One big difference was what she called the "harsh" nature of the Polish family.

Studies of American Poles from 1927 to 1950 found a "belief in absolute parental authority." These studies discovered the Polish-American family structure to be the most resistant to change of any immigrant group, and that the culture was characterized by "an authoritative religious doctrine and by an authoritative family organization." Confrontation with native Americans, she said, resulted in social ills that included family and personal disorganization, delinquency, crime and prostitution.

There was another unique Polish-American trait that made adaptation difficult, though it helped preserve traditions; a matriarchal family organization. It's part of what Adela Lagodzinski, president of the Polish Women's Alliance, meant when she described the Polish woman as "the center of the family and culture."

Her observation that "the man rules with the hand and we rule with the heart and head" is borne out by professional investigators, such as Helen Stankiewicz Zand. In an article on Polish family folkways in the United States, she says that the Polish-American woman ruled from the beginning because the males usually married better educated, more knowledgeable daughters of older settlers.

It resulted in the mother having an "undivided sway over the children." The men's long working hours, travels from home in search of employment, and frequent desertions reinforced the woman's power in the family.

But if the nature of the first big Polish immigration helped keep Chicago's Poles from rapid assimilation, the "breakthrough" after World War II was due at least in part to a second wave of immigrants. Many of those who came that time were intellectuals and professional people—displaced persons and political refugees.

The new Poles consider themselves "far superior" to most members of the Polish-American community. The conflict was especially apparent in Chicago where about 70,000 of the 161,252 Polish immigrants since 1946 settled.

But the result was healthy, for the new immigrants helped turn the face of the Polish community outward and gave young professional men allies as they scrambled after success.

Two good examples of the new breed are John Krawiec, editor-in-chief of the Polish Daily Zgoda, and Marian Maniewski, national news editor of the Polish Daily News and archivist of the Polish National Museum. Both men survived German concentration camps, came to the United States with the major wave of Poles starting about 1950 and today—except for slight accents—are indistinguishable from native Americans. While both of their professions are tied in closely with the community, their interests aren't insular.

Joseph Pranica, president of the Polish Roman Catholic Union, at 984 N. Milwaukee, is a second-generation Pole who looks 10 years younger than his 44 years. "The Polish today have no need to live in the Polish community," Pranica said.

Something he mourns is the disappearance of almost all real Polish restaurants. He doesn't miss real Polish food because his wife, like most Polish women, is a superb cook. He described pierogi (dumplings with cheese, meat, or mushrooms), uszka, a small dumpling for soup, and czarnina (duck blood soup with vinegar and dried fruit) with misty-eyed devotion.

"People travel a long way to get czarnina," he said. "I saw a sign advertising it the other day—my mouth is watering—but it cost as much as $4 a quart."

Some places where Polish food can be found are at Jakes', 4518 W. Fullerton, and the Old Warsaw restaurant at 820 N. Ashland.

The PRCU is the nation's oldest Polish fraternal organization and the second largest, with 154,000 members. Its headquarters, at 984 N. Milwaukee, also houses the Polish National Museum, which will probably take over the entire building next year. It is not only the most important Polish museum in the country, it's also one of the most interesting museums of any kind in Chicago.

Among its many treasures is the Paderewski collection, including a replica of the New York City hotel room where the great musician and statesman died, his personal effects like the solid gold quill pen with which he signed the Treaty of Versailles in 1919, his cigarettes and his scores.

Also in the museum, overlooking Edens Expressway, are the new Warsaw Ghetto exhibit; fine bronzes of Polish artists and heroes; painting by Polish artists; Polish military uniforms, weapons and folk costumes; the Silver Caucasian poignard presented to Marshal Joseph Pilsudski by Polish soldiers in 1919; pieces of wood and nails from the first Polish church in the U.S.—only curator George C. Walters knows the museum's full wealth.

Walters, who is Polish despite the sound of his name, is the best guide to the museum and to the library and archives. He's also liable to get riled by "Polish" jokes, sharing the opinion of some Poles that "they were started by the Germans."

Strong sentiments against Germans and Russians are due to Poland's tragic experiences with both countries. Polish prejudice against Negroes is also due to the grim facts of Poland's history, Dr. Lopata said. She characterized Polish reaction to Negroes in changing neighborhoods as similar to "their reaction against invading Germans."

However, Bishop Abramowicz said that "Polish prejudice is not a national trait but one which the Pole shares with the rest of the white community." And he believes there has been successful integration of minority groups with Poles—mostly Puerto Ricans—in such parishes as St. Michael's, south and St. Boniface, around Noble St.

The visitor can get a taste of Old Polonia before it disappears by visiting the Milwaukee, Ashland, Division area or the Back of the Yards, especially during a Polish parade or religious holiday, when native costumes come out of closets and the old songs ring.

Anytime, one hears more Polish than English spoken in these areas, and a visit to an old-fashioned Polish tavern such as Lenard Liquors at 1172 N. Milwaukee might uncover an old mushroom hunter talking shop over the little bar counter in back. "I keep the spot secret and go after a rain, then a frost, when they're ready. You don't pull out the roots, just cut them. If you're lucky, you can get five bushels. My father taught me how to hunt mushrooms, 40 years ago."

The way to listen is over a glass of Wawel honey wine or, if you can take it, a shot of Zubrowka, a vodka flavored with a "fragrant herb beloved by the European bison." It tastes like 100 proof May wine.

While Old Polonia is changing, some of these neighborhoods and family customs like breaking and sharing Oplatek, an unleavened white wafer at Christmas, which is still observed by fifth generation Poles, may never get lost.

"The process of building an identity is difficult, particularly if there is a negative attitude on the part of the predominate culture," Dr. Lopata said. "But American identity is becoming more multidimensional, so that a person can identify himself with his Polish past without having that as his whole identity."

With a shot of Zubrowka under his belt, one might wander over to the old Polish lady wearing lavender sunglasses at the bus stop and mutter, "Nazdrowie."

"For your health."

A POLISH MILLIONAIRE

It's generally unappreciated how extraordinary most Polish immigrants to the United States were—especially those who came to this country in the great economic exodus before World War I.

Many of those immigrants, if not the majority, were the age of today's Flower Children. And they came alone, with only courage and dreams to sustain them.

Valentine (Edward) Poransky was one of them. He arrived in Chicago in the harsh winter of 1908 with $25 in a pocket and peach fuzz on his cheeks—14 years old.

Sixty winters later, this jocular, white-haired man sits at baseball games with Mayor Daley and dinners with President Johnson. He is sole owner of Poray Inc., a metals product firm at 3369 W. Grand, a self-appointed, beloved guardian of the Polish community, and a millionaire several times over.

Poransky was born in a town of about 2,000 persons called Szumsk, not far from old Austria and Russia. John, his prosperous father, owned a small factory and blacksmith shop that made wagons.

The family was extremely religious and close, but Poransky was an independent and remarkably persuasive boy. He refused to attend the school his father had selected for him and instead, against his mother's tears, persuaded his parents to let him go to the United States.

In Chicago, very much a part of the bustling Polish community, Poransky went to work 10-hours a day six days a week for $4. He learned English at Wells night school and, also after a full work day, took courses in engineering, tool making and mechanical drawing at Lane Technical High School.

At 19, Poransky was an athletic, muscular young man who was an expert on the parallel and horizontal bars ("Gymnastics builds character and gives the grace the human body requires"), and confident that the time had come to make the fortune he promised his mother. With no capital, he started a business that manufactured auto parts. He met the payroll for his five employees by keeping another job. He had to keep things going because a year later, he married a pretty Polish girl, Sophie Zukowski.

His auto parts enterprise didn't make it, but another he started at 23, called Industrial Products, did better. He sold it to a man in Gary and started a third company that produced compacts and cosmetics. It went bankrupt in New York City, where Poransky had moved it on the advice of a friend who said Chicago was no place for a cosmetics firm.

Back in Chicago in 1930, Poransky started Poray, Inc.

Poray grew into a prospering firm with more than 1,100 employees, 90 per cent of them Polish, with more business than it could handle from automotive and electronics firms, and a national reputation for quality.

Deliberately, because "I have no sons (but two daughters), no stockholders, no partners, no debts and all the money I need," Poransky began to liquidate Poray eight years ago. His work force now is down to about 150 persons, most of them still Polish and some who have been working for him since 1920.

He answers his own phone ("If somebody spends a dime to call me, they must have a reason"), sponsors old people for Chicago's "Senior Citizens Hall of Fame," is a soft touch for charities.

Poransky will never retire because he feels there's always something to do and that he's "about 50 years behind," but he does look back at times.

"In my book, the world is not better than it was 30 or 40 years ago," he said. "We have more comfortable things, but I sometimes wonder whether it is for the better—or worse."

But then he smiles, and displays color photographs of the new home he is building on the ocean front in Palm Beach. It's a long, long way from Little Polonia in the winter of 1908.

A DISTINGUISHED LIST OF PUBLIC OFFICIALS

Many distinguished Polish-Americans of the Chicago area are on the roster of public officials. Among those serving Illinois, Cook County and Chicago are:

Judges

Illinois Supreme Court: Justice Thomas E. Kluczynski. Illinois Appellate Court: Thaddeus V. Adesko. Circuit Court: Casimir V. Cwiklinski, Raymond P. Drymalski, Walter J. Kowalski, Edward E. Plusdrak, and Sigmund J. Stefanowicz. Associate Circuit Judges: Anton J. Smigiel, Chester J. Strzalka, Joseph M. Wosik, and Arthur V. Zelezinski. Municipal Division: Chief Judge Eugene L. Wachowski.

U.S. Representatives

Edward J. Derwinski (R–4th), John C. Kluczynski (D–5th), Daniel D. Rostenkowski (D–8th), and Roman C. Pucinski (D–11th).

County Board Commissioners

Matthew W. Bieszczat, Lillian Piotrowski, and Charles S. Bonk.

Elected officials

Edmund J. Kucharski, County Treasurer; Bernard J. Korzen, Board of Appeals Member; Valentine Janicki, Sanitary District Trustee; and John C. Marcin, City Clerk.

State Senate

Walter Duda (R–15th), Joseph Krasowski (R–25th), Thad L. Kusibab (D–17th), and Zygmunt A. Sokolnicki (D–19th).

State representatives

John G. Fary (D–23d), Louis Janczak (R–17th), Matt D. Ropa (D–20th), John F. Wall (R–23d), Chester R. Wiktorski (D–15th), and William M. Zachacki (D–16th).

Chicago city councilmen

Donald Swinarski (12th), Casimir J. Staszczuk (13th), Frank J. Kuta (23d), Stanley M. Zydlo (26th), Robert J. Sulski (32d), Robert Brandt (33d), Casimir C. Laskowski (35th), and Edwin P. Fifielski (45th).

Cook County towns

Mayor Joseph W. Nowak, Calumet City, and Benjamin J. Brzezinski, Franklin Park.

Township committeemen

Chester A. Chesney, Elk Grove; Joseph Czekala, Lyons; and Ray J. Rybacki, Palos.

Appointed officials

Francis S. Lorenz, Ex-Illinois Dir. of Public Works; Theodore A. Swinarski, Chief Deputy Clerk Circuit Court, Chancery, Divorce; Walter A. Conrad, Secretary of Board of Appeals; Stanley Kusper, Chief Attorney, Board of Education; Jack Przybylinski, Chief Clerk, Board of Election; Louis J. Kasper, Chief Deputy Sheriff; Peter J. Piotrowicz, Assistant Treasurer; and Theodore Szczepanski, Supervisor, Treasurer's Office.

VIEWPOINT FROM MID-AMERICA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. MICHEL. Mr. Speaker, we have heard a lot of nonsense lately extolling the virtues of something called the new politics. I have read several definitions, but it seems to me that the most devastatingly accurate description can be found in a column written by William H. Rentschler, an outstanding citizen of my home State of Illinois whose regular newspaper column, "Viewpoint From Mid-America," has become a rich source of commonsense and practical discussion of the problems confronting our Nation today. I place the column under date of July 20, 1968, at this point in the RECORD:

VIEWPOINT FROM MID-AMERICA

(By William H. Rentschler)

It is called—somewhat grandly—the "new politics."

This is the late-model, very chic term, much in vogue this year, which is meant to distinguish the good guys from the bad guys.

At least that's the way the trend-setters among the nationally-syndicated columnists have chosen to use it.

So you won't be confused, everybody who's not classed as a devotee of the "new politics" is mired hopelessly in the "old politics," heaven forbid.

Definitions are hard to come by when these new terms spring up. So I'll give it a try myself.

As nearly as I can tell, if you're lucky enough to be labelled "new politics," you're in the front rank of the in-group.

That means you get the gracious treatment from Look, James Reston, Marietta Tree, the New York Times, Clayton Fritchey, Evans & Novak, Paul Newman, Dustin Hoffman, and John Kenneth Galbraith. They are only too glad to explain away your little flashes of venality, your clumsy goofs, your shallow pronouncements.

If you're adjudged "old politics," this same group shows you no mercy, towering disdain, and only occasional decency.

If you're "new politics," your fans tear at your clothes, scramble to touch you, and shriek at you in a nice way.

If you're "old politics," they picket your meeting, walk out on you, and shriek at you in a nasty way. They are expressing dissent in a free society.

The "new politics" is long on style and wit and form, without which nobody these days amounts to much, but often not so long on substance and content and depth. The "new politics," you will find, is steeped in artful packaging, lofty wordmanship, the synthetic glitter of the carnival midway. Less attention is paid to the grubby, painstaking details of getting the job done, in matching promise with performance.

More than anything, the "new politics" is the politics of the bold blueprint, the sweeping promise.

Its appeal is to the escapists, and all of us qualify some of the time. We all wish life could be simplier. We wish we could wave a wand or rub a lamp and vanquish mankind's age-old ills. We wish we had some super ray-gun to atomize the obstacles that stymie and frustrate us.

So all us escapists to some degree are begiled by the "new politics."

The "new politics" is indeed the escapist's dream.

The "new politics" offers easy answers, instant answers:

Instant peace.
Instant affluence.
Instant solutions.
Instant happiness.

Beguiling. Tempting. Hard to resist. New. These days new is always better than old.

The disciples of the "new politics" tell us we can have peace and plenty and harmony simply by stopping the shooting, bringing the boys back home, spending more, saving less, loving more, hating less. Easy as pie. We can wipe out in one fell federal swoop all poverty, pestilence, bigotry, and crabgrass.

And we can do all this by doing on a grander scale what we have been doing without notable success for the better part of four decades. More money, more government, more central direction, more everything, only moreso.

That, my friends—take a hard look—is the "new politics."

When stripped of all its surface glitter, of its thick layer of pancake cosmetics, the "new politics" is really the oldest politics of all, the politics of the impossible promise.

DEATH TOLL IN BIAFRA

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. BINGHAM. Mr. Speaker, the death toll in Biafra has already reached appalling proportions and, according to the International Red Cross, may go as high as 2 million within 2 months. Efforts to organize relief operations have been frustrated by the military and political situation.

The U.S. Government has, in my view, been correct in its view that a solution to the Biafran revolt must be achieved primarily under African auspices. Our aim should be to support the efforts of the Organization of African Unity Consultative Committee on Nigeria to achieve a settlement, or at the least, to produce a means to facilitate relief operations. The latest communique indicated some hope for reconciliation, with both parties agreeing to preliminary talks.

The American people have a strong tradition of assisting in efforts to prevent or relieve starvation regardless of political views. As soon as arrangements can be made, the U.S. Government will surely want to play a major role in coming to the aid of the millions who face starvation in this tragic situation.

COOPERATION BETWEEN THE PUBLIC AND PRIVATE SECTORS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. WOLFF. Mr. Speaker, having spent more than 20 years in private business, I have a high regard for the progress that can be achieved through cooperation between the public and private sectors. All government officials, especially those of us in the Congress, are called upon, or have occasion to call upon, individuals or assocations in the private sector for information and discussion. Such cooperation is an integral part of our system of government and, when properly pursued, serves the best interests of all Americans.

In this regard, and as a former public relations executive, I was very much interested in a chapter entitled "Effective Public Relations With Washington, D.C.," appearing in Profitable Public Relations, a book recently published by Dow Jones-Irwin. This chapter was written by Morris Victor Rosenbloom, who has distinguished himself as a public relations consultant, an author, and an official of the Federal Government during a career spanning three decades here in Washington.

Mr. Rosenbloom's chapter provides an excellent and substantiated study of the means and desirability of effective coordination in Washington between private business and the Federal Government. He provides, in effect, a primer for dealing with the Federal Government in a manner beneficial to all concerned.

"Effective Public Relations With Washington, D.C.," might well be made compulsory reading for all businesses and associations represented here in Washington. Then the area for constructive cooperation between the public and private sectors would be better defined, thereby increasing realization of the best interests of all Americans.

I commend Mr. Rosenbloom's article to the attention of my colleagues and all individuals doing business in Washington as a practical outline of the means for a productive partnership between the public and private sectors.

In closing I would like to quote from the preface to Profitable Public Relations:

There is a special section in this book by Morris Victor Rosenbloom, a highly regarded professional. He writes from rich and long experience in Washington, D.C. Public relations work with the federal government is a unique field that requires specialized treatment, and Mr. Rosenbloom is most capable of providing this particular section of the book, which is the only part not written by the author [A. R. Roalman].

Mr. Rosenbloom is a contributor because his experience and reputation qualify him to be so. After extensive investigation of public relations counselors working in Washington, D.C., I invited him to author the section about public relations in that city. In addition to owning a long record for honorable and effective performance in Washington, he is chairman of the Government Affairs Committee of the Counselors Section of the Public Relations Society of America and a member of the PRSA's Government Affairs Committee.

FEDERAL PROGRAM INFORMATION ACT

HON. JAMES V. SMITH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. SMITH of Oklahoma. Mr. Speaker, the American people are paying more than $20 billion a year on federally operated programs providing assistance to the American public—yet there is no one, anywhere, who knows exactly how many of these programs there are.

That is why the 8-month study of Federal assistance programs made by my colleague, Congressman WILLIAM V. ROTH, of Delaware, is of such importance. I am glad to be one of his cosponsors in the legislation he has introduced, called the Federal Program Information Act. This act would require the executive branch to publish a catalog that would contain complete, accurate, and up-to-date information on all Federal assistance programs.

As proof of the public response to this legislation, at this point I would like to introduce some newspaper comments. The geographical spread of these newspapers indicates the wide acceptance of this fine proposal by Congressman ROTH.

The comments follow:

[From the Sacramento (Calif.) Union, July 10, 1968]

Sand Down the Rat Hole

· Rep. William V. Roth, R-Delaware, has completed an eight-month statistical study of government and now asks a very pertinent question.

"How many federal programs are there?"

The Great Society doesn't know. Neither does anyone else.

That leads to a second question: how does President Johnson know that his new budget is indeed "bare bones" as he proclaims? He doesn't.

Roth's study lists 1,571 identifiable programs. The Office of Education lists 53 programs. The Office of Economic Opportunity says there are 52 education programs. Another education pamphlet lists 82 programs. A recent Office of Education pamphlet lists 111 programs. Roth's study turned up 120 education programs.

Some 478 programs in Health, Education and Welfare were queried as to their purpose. Only 21 responded.

Roth's call for streamlining government's function is well documented. He has proposed a Program Information Act which calls for a yearly publication of federal programs and a monthly updating of them.

As the situation now exists, the possibility of overlap is great, its probability even greater. If tax money is to be wasted, the taxpayer has a right to know how it is being wasted.

[From the Omaha (Nebr.) World-Herald, July 4, 1968]

Just Like Sears, Roebuck

Last year the Office of Economic Opportunity published a fine broth of a book, a "Catalog of Federal Assistance Programs." It was, said OEO, "a description of the Federal Government's domestic programs to assist the American people in furthering their social and economic progress."

It was 701 pages thick, weighed in at 3 pounds 3 ounces, and listed 459 separate programs designed to help the American people one way or another.

One might have thought such a volume about as comprehensive as possible; surely, there couldn't be many more than 459 different assistance programs for the benefit of Americans.

But a Delaware Congressman, William V. Roth, Jr., wasn't so sure. So he and his staff went to work, devoted eight months to the task and came up with a total of 1,271 programs.

Now that, we submit, is an awful lot of programs.

But the disturbing thing about what the gentleman from Delaware learned is, in his words, that "no one, anywhere, knows exactly how many Federal programs there are . . . nowhere is there a central, comprehensive repository where meaningful information on all operating programs can be found . . . more than 20 billion dollars a year is being spent on such programs, yet only with long and great effort can one begin to find meaningful information about all of them."

Congressman Roth and a number of cosponsors have introduced a bill to create a centralized catalog of all programs, and maybe that is a good thing to do. But we'll bet our copy of the OEO's "Catalog of Federal Assistance Programs" that Congress, if it devoted a little effort to it, could find a few hundred of them that could be lopped off entirely and wouldn't need to take up space in the proposed centralized catalog.

[From the Kokomo (Ind.) Tribune, July 10, 1968]

The Tangled Mess

It isn't uncommon to hear someone say he believes the federal government has grown so massive that no one knows how to handle it.

If one of the national polls was to ask Americans if they think the government is being run efficiently or confusedly, we'd bet on confusion coming out ahead.

Lots of people think the maze of bureaus, agencies, commissions, etc. in Washington is so thick that only a committee of supermen could bring any order out of it. They could be more right than they know.

It isn't surprising to read that a member of Congress from Delaware—William V. Roth—has declared the government is in such a tangled mess that no one knows how many federal programs there are. Roth goes farther than that—he says that worse than not knowing the number of programs, there is no place to go in the federal system to find out.

He asserts that Congress doesn't have the information to determine which programs should be continued and which should be stopped. Nor, he adds, does the executive branch have the information on which programs are overlapping and wasteful.

Roth isn't alone in bemoaning the cumbersome, costly composition of the government. Daniel Moynihan, an assistant secretary of labor in the Kennedy administration and now head of the Harvard-MIT Urban Affairs Center, holds that the federal government is massively efficient in collecting revenue and massively inefficient in administering federal services.

All of this could be expected to produce proposals by presidential candidates for an overhaul of the government—a consolidation of agency functions, and an elimination of waste and duplication. At least one of them—Richard Nixon—has given the problem considerable thought and has come out with a plan for a major government reorganization.

Nixon would seek to transfer some of the functions to the state and local levels of administration, thus reversing the trend to a more powerful federal government. He would assign to the Vice President the task of determining how to untangle the massive federal jungle.

This is a laudable goal. Maybe the reason it has not been achieved in the past is that the task is so formidable it frightens anyone who thinks about embarking on it.

Complicating everything is the strong degree to which the federal bureaus and agencies are entrenched. They have close congressional connections and any effort to eliminate or consolidate them doubtless would run into bitter resistance from some members of Congress.

Many Americans would applaud a President who could bring order out of the government setup. They would, that is, if they were not too astonished to be able to applaud.

[From the Newark (N.J.) News, July 8, 1968]

Capital Closeup: Roth Explores Federal Aid Maze

(By Paul Hope)

Washington.—Rep. William V. Roth Jr., a freshman congressman from Delaware, is a persistent man. But in his quest for a complete list of federal aid programs, he's beginning to feel a little like the storied messenger who became an old man looking for an office in the maze of Pentagon corridors.

Roth figured that a government that spends $20 billion a year on domestic federal aid projects ought to know who's spending it and where one goes to get it. But what he found, he said, is that the growth of these programs has created a "kind of information crisis"—no one knows for sure how many programs there are or where such information can be had.

Undertaking his own massive research effort. Roth has come up so far with 1,091 programs. He filled 150 pages of a recent edition of the Congressional Record with a brief description of each. And he isn't finished yet.

Roth started his unusual project last fall after he kept running into blank walls when people back home wanted to know what kind of federal help was available for this or that project and whether it would be worth taking the time to go after it.

Uninitiated to the mountainous red tape of Washington bureaucracy, the Republican congressman said he was amazed to find that one university sets aside a storage room half as large as his Washington office just to keep material relating to government assistance programs and hires a full-time librarian to keep track of it.

SISYPHEAN TASK

It took a member of Roth's staff four months to draw up a preliminary list of programs from catalogs and other data put out by various government agencies. Then he set out to verify whether the programs were still in existence and finally sent a questionnaire asking for detailed information on those that seemed to be in operation.

Ironically, one of the more promising programs was defunct before it really got started. This was one in which the new Department of Housing and Urban Development had established a program to provide an expediter for cities and towns to cut through governmental red tape. Although authorized, no money was actually appropriated for the service—which led Roth to wonder how many mayors applied for a consultant to help cut the red tape "only to find that red tape had outfoxed them again, because no such program actually exists."

Roth believes that considerable overlapping could be eliminated and costs reduced if the executive branch were required to catalog every aid program and keep the list up to date. He has introduced a bill to require not only this but annual recommendations by the President on how the programs could be administered more efficiently.

He found, for instance, that 211 separate scholarship programs are handled by 14 different agencies.

NOT SURE THEMSELVES

According to Roth's listing, there are two separate programs for financial assistance for conserving and developing anadromous fishery resources (these are fish that ascend rivers from the sea to spawn). Although appearing to be almost identical. Roth's information indicates each program has a different "contact man" in Washington.

Even the agencies administering programs apparently aren't sure exactly how many they have. Roth said that a letter he received in May from the Office of Education broke the appropriations for that office down into 53 categories while a catalog put out by the Office of Economic Opportunity lists 62 programs for the Office of Education. And he said a recent Office of Education reprint of a document entitled "Where the Money Is" lists 111 programs. Roth's own listing indicates more than 120 programs for the Office of Education.

Roth plans to introduce another bill calling for a complete study of all domestic aid programs. He hopes it would reach the conclusion that "block grants" would be a better approach to handling federal assistance.

Under a block grant arrangement, financial assistance would be given states and localities in broad categories and it would be up to local officials to determine exactly how the money would be applied. The theory is that much of the red tape would be eliminated and the localities would have greater freedom to put the money where it is most needed rather than where some Washington bureaucrats thought it should go.

Roth thinks that ultimately the best answer is "revenue sharing"—that is, the states would be given a percentage of federal income taxes, and presumably federal strings would be reduced even more.

POLITICAL TORTURE IN GREECE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. ROSENTHAL. Mr. Speaker, the torture, terror, and fear inflicted upon the Greek citizens under the present junta is comparable to that of most previous police states. While some of our presidential candidates, Congressmen, and neighbors applaud the junta as opposition to anarchy and lawlessness innumerable Greek citizens are subject to sadistic means of torture and deprived of their rights.

The atrocities of this torn State of Greece can truly be conveyed only by a first-hand observer, James Becket's "Torture in Democracy's Homeland", which appeared in the May 27 issue of Christianity and Crisis, is an astounding delineation of life in Greece under the military rule.

Life in Greece Under the Military Regime: Torture in Democracy's Homeland

(By James Becket [1])

I celebrated New Year's Eve alone in my hotel room in Athens high above Constitution Square. At one end of the Square neon signs glared Litton and Esso Pappas and American Express, while at the other end stood the dark lifeless Parliament building. Beyond, the Acropolis rose dimly out of the glow of the city. From behind the National Museum, on the top floor of the Security Police Headquarters at Bouboulinas St. came the sound of a motorcycle engine, the favorite method, I would later learn, for drowning out the cries of persons being tortured. And far out in the Aegean night in the island concentration camps, political prisoners shivered in the bitter, winter cold. Greece seemed as good a place as any in which to greet 1968, Human Rights Year.

I had arrived in Athens the day before, sent by a London-based organization called Amnesty International. Amnesty, "a humanitarian organization without any religious or political affiliation," was founded to help political prisoners, those "prisoners of conscience" who have neither advocated nor practiced violence, but are imprisoned for their ideas. That evening, down in the lobby where a string quartet played to a few faded aristocrats clicking away at their worry beads, I met my British colleague, Anthony Marreco. A lawyer and publisher who had participated in the Nuremberg trials and had recently been to Paraguay for Amnesty, he was charged with dealing with the Government. My task was to gather information from private sources.

Shortly before our arrival the regime had announced an amnesty for political prisoners. This provided us a starting point, and we were instructed to "investigate the extent and implementation of the amnesty." Our basic task, however, was to find who the political prisoners were and why they were being held. (This "Christmas Amnesty" turned out to be a cruel hoax for the prisoners and their families as only 284 out of more than 4000 were liberated.) So there we were, representing an organization that had only "Consultative Status with the Council of Europe and the United Nations," in sum, having no power. The context of the problem was so unknown, so vague; what were we to do?

The next morning from the veranda of the hotel we watched members of the "National Revolutionary Government" speed by toward the Metropolis for the traditional New Year's Te Deum. Soldiers stood shoulder to shoulder on both sides of the street, far outnumbering the curious. The King had only recently gone into humiliating exile, and foreign governments had not yet recognized the new regime. The ambassadors boycotted the ceremony. However, the conspicuous presence of the Pentagon's representatives, the American Military Mission, showed prominently in the next day's papers. At last Prime Minister Papadopoulos drove by wearing the face of a man trying to keep back a smirk—his delight and self-pleasure at, after a career of conspiracy, truly becoming Master of the Hellenes.

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[1] James Becket, an American lawyer and economist who lives in Geneva, went to Greece early this year as an investigator for Amnesty International. He is international correspondent for Renewal.

These were the men who put the prisoners in prison and who had the power to set them free. Though they easily received foreigners, it was futile to speak with them, and we would never bother to get closer than this Sunday morning.

"ORDER AND SECURITY" BASED ON FEAR

So, armed with a few addresses, we went out into the city. Athens is to the eye as it was before April 21 (1967). There are no admonishing posters or portraits of the totalitarian state. A democracy brings its tensions into into the streets in demonstrations, strikes and special editions. A police state resolves its tensions behind doors. In Greece all is "order and security" based upon fear.

Soon the days took on a routine: up in the morning and down to breakfast and a look at the newspapers in the empty dining room of chandeliers and marble floors. There are two English-language dailies in Athens: the *Athens Daily Post* and the *Athens News*. Like all newspapers in Greece today they are not simply censored; they are just required to print junta-provided articles, headlines and pictures.

The semiliterate declarations of the Government pass through the incompetent hands of its press office with the result that the press is barely intelligible even to the Greek reader. Once this is semi-translated into English, it creates a fantasy world without truth or syntax. Headlines can be straightforward, ranging from the locally ridiculous—"April 21 Established No Police State: Premier"—to the worldly sublime—"Kasparek Is Dead, but No Rejection." And there are items of hard news such as "Hearst Praises the Revolution" or "Church Leader Billy James Hargis [*Ed. note:* Hargis is a notorious right-wing, anti-Communist evangelist, who has greater influence abroad than at home.] Congratulates PM." Amusing or revolting, such was the New Order's public face.

After breakfast it was out into the chilly January streets. Stop at a kiosk to make quick phone calls that could not be tapped or traced. Head circuitously for a rendezvous, run a hundred yards, stop at a shop window, go through a building and out another door. Exposed to spy spoofs in our James Bond era, one begins by feeling ridiculous; it takes time to take it all seriously especially as that green US passport protects you but not your contact.

Soon you hear about the cases of people sentenced to four years in prison for criticizing the government, three years for "insulting authority," three years for listening to a record of Theodorakis, or one year for giving three dollars to feed a neighbor's children whose father was in prison, that is, "aiding Communism." Soon you absorb the fear and realize that your negligence could have people arrested. Foreigners have been responsible for the arrest of many Greeks, and in January they were wary—especially of Americans. Some refused to see me, saying that I must be a CIA agent.

After a few conversations the tedious and tragic picture of a military dictatorship took shape. A document such as the European Convention on Human Rights, which Greece signed, becomes a list of violations rather than of rights as each article is systematically violated: freedom of the press, of assembly, of speech, sanctity of the home, privacy of correspondence, right to counsel, etc.

A slow stream of Amnesty forms began to come back, each with a separate tragedy.

"Dimitrios Doumuras: age 59, teacher. Arrested April 22, no charges, refused to disown democratic opinions. Deported to island prison camp, his health seriously disturbed: stomach ulcer, kidney stones, arthritis. Wife is also ill: stomach ulcer, arthritis and diabetes. . . . He has never signed "the declaration."

[Editor's Note.—Declarations are a traditional instrument for repression in Greece. They usually consist of a pledge to abstain from any opposition to the Government and require a repudiation of all "anti-national activities," thus becoming a virtual admission of having acted in a way opposed to the country.]

In that last sentence is the story of a small number of Greeks. For refusing to sign a piece of paper, they have passed their lives in jail. A question of conscience that most people simply cannot understand. A sad story under this regime well demonstrates the difference in mentality between the regime and its enemies. A man of 60 who had, like the man above, spent much of his life imprisoned because he refused to sign the declaration had a child late in life. He was arrested on April 21 and sent to the islands. His nine-year-old daughter contracted cancer. A relative went to the authorities to plead that he be let out without signing just to see the daughter and then sent back. The officer replied, "You see, they are animals. Here his daughter is dying and crying for him, and he refuses to sign." He finally signed, but it was too late. The difference in mentality is unbridgeable.

The church has also been attacked. The age-old question of the man of God and the secular power has been powerfully posed. The head of the Greek Orthodox Church, Archbishop Ieronymos, has chosen accommodation with the new government while others have spoken up against it. I spoke with one such man in his simple house in a poor part of the city. A humble man who dedicated his life to helping the poor, he was imprisoned for speaking against the regime from the pulpit. Released and fearful, he is not permitted to perform his priestly duties.

(Billy James Hargis, however, offers another view:

"I believe that the greatest victory thus far against Communism in 1967 was won in this country. All free people all over the world praise God for this very extraordinary victory against Communism. And since my country, the U.S. have [sic] undertaken for several years now a crusade to prevent the subjugation of free world by atheist Communism and to liberate those poor people." . . . *Athens Daily Post,* Jan. 10, 1968.)

The arbitrary rules in Greece today: purges of those holding "anti-national" opinions have been wholesale: 56 university professors out, thousands in the civil service, workers, journalists, people from every walk of life. The police are absolutely unrestricted, literally holding the power of life and death over the citizen. ("The State has delegated you with the mission of spotting the weak cells of the society which should be expelled with a view to having the social life purged. . . ." The Premier's words in a speech to Security Police members at the Palace Theater: *Athens Daily Post,* Jan. 21, 1968.)

"FIVE MEN BEGAN TO BEAT ME"

What shocked me most deeply in this spectrum of arbitrariness and injustice was torture. The deliberate and systematic infliction of pain on one human being by another is perverse, and when it is the policy of a government, one can only question what ends would ever justify those means.

We heard many stories of torture second hand. Because of the fear of those victims who have been released, it took a long time before someone dared to come and speak with us. The first person we heard was a young woman. We had hoped rather naively that torture victims would sign an affidavit that could be kept with a reliable person abroad who would swear that they were signed. Credibility abroad and protection at home was to be a dilemma. One look into this woman's eyes and any legalistic demands on her suffering appeared a kind of affront.

She was as many others would be: her hands shook, she chain-smoked, and with each sound from outside she started. At points in her story she had to stop and cover her face and try to compose herself:

"They came to the house at two in the morning; there were six of them. They tore the house apart and took away many books and the typewriter, but they treated me correctly. I was driven to the Security Police Headquarters and put in a cell downstairs.

"I was left there for about three days. It is dark and wet and full of lice, and you lose sense of time. I was given nothing to eat or drink. Some prisoner passed me a cardboard box in which I urinated once, but the other times I had to go in my tiny cell. After three days my relatives . . . [could] bring me food.

"In the evenings I was taken out for interrogation. They used the worst language and called me a "dirty communist." They hit me and slapped me and threatened to torture me or said if I didn't speak I would be found as a suicide.

"After a few days I was taken up to the top floor the *terraza:* They stripped me, and then five men began to beat me; one had a kind of wire whip in his hand. They tore hair out of my head and I could feel the blood. Then they tied me to a bench, tying my thighs and shoulders. One started beating the soles of my feet with a pipe, another banged my head on the bench, another was grabbing at me and a fourth was thrusting fire at my eyes.

"They started a motorcycle engine to drown out my screams, and one of them, I think it was Mallios, beat on a barrel with a definite rhythm that seemed to orchestrate all the blows on me. Lambrou was there, but he did not hit me, though I knew others he has hit so much as to exhaust himself. They said they would put a filthy rag in my mouth if I screamed. I screamed and they shoved it down my throat, gagging me. They only took it out at what seemed like the last possible second. Finally they untied me, and Dr. Koupis examined by feet very carefully. They had to carry me down to put me back in my cell.

"Every night they brought me back up to the fourth floor and said I would go to the *terraza* unless I spoke and told who the others were in my group. They only took me once more to the *terraza,* [but] I passed out more than once. Koupis kept reviving me so they could continue, but I only remember waking up in my cell. I could not sleep and I could not eat, and my condition got worse and worse. I know now that I had a concussion. It seemed that even they began to worry. Two people had to support me whenever I moved.

"After 36 days I was moved upstairs into a cell with others. It was better to be with others and see light and know it was day; but there we could hear the screams of others being tortured, and that drives you crazy. Finally they released me. I still cannot sleep and I have terrible nightmares, and I cannot think of those there now going through much worse things. Please help us. We need help."

The resistance in Greece until then was based on nonviolence. Its main activities were writing slogans on walls and mimeographing leaflets. This girl had had a leaflet in her house. Some people with leaflets got up to 18 years in prison. These groups, mostly of young people, were fairly easily broken up by the Security Police. "We had enthusiasm but not experience," said one young man.

My stomach was to stay in a knot that whole month in Greece. It was the sheer injustice of so many cases that was most ulcerous. And the sheer sense of frustration, the helplessness of these people. And my helplessness. Like listening to a friend who has cancer. And in case after case, there was a gratuitous brutality and cruelty. "Why," asked one victim of torture, "did they have to be so brutal; don't they have drugs nowadays that make you talk? Don't they have methods that are psychological?"

As my black briefcase began to fill up with cases of torture, I became more frightened. Though each case was only a number and not a name, there were details in each case history—such as date of arrest, days of detention, types of torture, names of torturers—that, if they fell into the hands of the police, would readily identify my informants. That briefcase never left my side, and I was constantly afraid of being stopped. For someone who has gone through torture, the one thing that would be worse than death would be to pass through it again. They had been warned that if they told anybody they would be back on the *terraza* for worse. That was a responsibility I could not take.

When listening day after day to details of man's brutality to man, it was hard not to reflect on human nature and fall into despair. Many Greeks are in despair: "perhaps we are just beasts." For someone from a quiet New England background, many things came clearer: why, for example, many writers despair of any good in man.

If any humanity showed, it stood out in bold relief. I recall one in particular. Many places of torture were described, but the worst is probably the Dionysos Military Camp between Athens and Marathon. The military take prisoners there, and, for fanaticism and brutality, it is hard to imagine worse.

A SENTRY'S TEARS

"Case 15" recounted how she was taken there, thrown in a cell carved out of Mount Pendelli in which the water always stood four inches deep, water that mixed with her own excrement. Day after day she was taken out to be "interrogated" by the chief torturer, Major Theophiloyannakos. She was beaten, burned, hung up, whipped, etc. It took them two months to conclude that they had made a mistake and that she had nothing to do with what they were investigating.

One day after she had been particularly savagely tortured and was covered with blood, she was thrown back into her cell. Struggling her way up to the small hole in the door to gasp for air, she saw the face of the sentry, a boy; tears were streaming down his face. (Prime Minister Papadopoulos's New Year's Message to the Armed Forces:

". . . Having shown mercy towards all and having granted a forebearing pardon, you have taught everybody that moral grandeur does not lie in the acquisition of force but in its creative use. You have maintained unshaken the faith in the revolution, in the national ideals and in strict discipline." *Athens News*, Jan. 3, 1967.)

I thought I had become rather hardened to this peculiar task of listening to this daily litany of man's inhumanity to man. It even became possible to gently urge women to discuss having fingers or even gun barrels shoved up their vaginas and wrenched violently around, or to speak of the device on the *terraza* that, when mounted, drove water under enormous pressure up the prisoner's anus.

("And the State will make the required effort to make available to you, along with its other teachers, the necessary material . . . ". The Prime Minister's previously cited speech to the Security Police, *Athens Daily Post*, Jan. 21, 1968.)

WHAT SHOULD HAPPEN TO THE TORTURERS?

The last week I was in Athens I met a "case" that still makes me tremble, that even now I am unable to describe; a human being shattered mentally and physically; a delicate spirit caught up in the maelstrom of violence and brutality, which put a sad infinity in the eyes that will never go away. What comfort, what wise reflection can someone comfortable give? Torture might last a short time, but the person will never be the same. We never measure war or catastrophe in the unseen ravages to the psyche, but, especially in a dictatorship, this is where the heaviest price is paid.

That case finished me, I could not take any more. It was time to go. I was scared. My black bag was full. The cases in it came from every social class and from every political opinion from monarchist to Communist.

But who were those that tortured them, the Lambrous, the Theophiloyannakos, the Kuvases? No single answer ever emerged; some were sadists, others coldly professional, some intelligent, others just efficient animals, some seemed motivated by class hatred, others anti-Communist. Some emerged as distinct personalities, and I felt I would recognize them if I saw them in the street; but I felt that I had not gotten any further on the road to understanding why one human tortures another.

A strange relationship develops between the tortured and the torturer, one that an outsider cannot understand. It is a deep and intimate contest; and an invisible dependence, a bond, grows between the two. One can never predict, it seems, who will speak and who will not. One young man bravely whistled Theodorakis at the start of this torture; a few hours later he was signing anything. Another said:

"You must make up your mind that you are willing to die rather than talk. Once you have decided this you are all right, they will not torture you. They realize that all their expenditure of effort will be fruitless. The minute you have some doubts and want to save your skin, they sense it and they will never let up on you until they have everything."

For the lover of paradox: one must be willing to die to live.

At the end of every interview I always asked what should happen to the torturers, "when this thing is over." The answers varied widely: some had the "save him for me" attitude, others said they didn't think anything should happen—they felt "sorry for them," they should be given amnesty.

One lesson to be drawn from the Greek case is that one speaks of a meaningful reality when he speaks of the rule of law. When the police have absolutely no restriction on their action and can arrest anybody anytime and hold them for any length of time without being accountable to anyone, the chances are that torture will occur, especially when the police identifies their survival with that of the government. Though lack of restriction permits torture, it does not explain everything. A certain attitude is also needed. This was made clear to me one night when I was invited to dine with some people I had met before on past trips to Greece.

The dictatorship has taken its toll in human relations, many old friendships have been broken. And apparently some marriages have been propped up; now the husband and wife can swear at the junta instead of each other. My hosts and their guests, a high ranking naval officer and his wife, told me why the regime was necessary and why it had to be supported. Finally, after two hours, of defensive exposition, they asked me what I thought. I said I had mainly seen the other side, and it wasn't easy to be favorable after speaking with victims of torture. The ladies doubted the stories of torture, but after some discussion the naval officer announced, "Torture is necessary to defend our civilization."

THE JUNTA AND THE UNITED STATES

I was scared the day we went to the airport. I had managed to send out the case histories, but I had extensive notes, documents and other material. Many have been thoroughly searched at the airport, but we passed with no difficulty. In a few hours I was back home in Geneva, a city of order but also a free city. Since then it seems I have never stopped; that "Please help us" is impossible to ignore. And every day brings reports of new suffering.

The weapons one has are very feeble compared with those available to a government. In Europe there is the press, the television and the radio, but there is also the Council of Europe. This organization has received a complaint from the three Scandinavian countries and Holland about the violation of human rights in Greece. Greece is now in the dock, as it previously signed the European Convention of Human Rights. The junta has called press conferences to deny the charges of torture, and they are running scared. In the press Amnesty and its delegates have been called "homosexuals," "Communists" and "spies."

As an American the situation was particularly painful, for our power is such in Greece that what we do is decisive. Every Greek holds the U.S. responsible for what has happened there and for the fact that the junta remains in power. Every day in the newspapers there was some gesture by the Johnson Administration of support for the Colonels, some military man getting a medal, or Johnson expressly excluding Greece from his ban on capital exports.

It has been said that all the world should have the right to vote in American elections, for they are often more affected than we. The choice of a Presidential candidate will not make the difference for the average American that it will make for the Greek. For the latter it is the difference between dictatorship and democracy. Robert Kennedy has said he would cut all aid to the junta, as has McCarthy, while Nixon has expressed his support for the Colonels, and Johnson has proved his affection.

The junta has contracted the public relations firm of Thomas J. Deegan to improve its "image" in the U.S. Mr. Deegan, who has clients like Time, Inc., and Coca-Cola, has said, "What we try to do is to be the Tiffany's of the business." Reports of torture and religious persecution have been labeled "totally undocumented" by the firm. Mr. Deegan has called the Coke bottle, "a symbol of peace and freedom" and has suggested that Greece, which in the past has always refused a Coca-Cola bottling plant for valid economic reasons, would admirably qualify for one now. When Mr. Deegan signed the contract for $243,000 per annum, Greeks were being tortured and priests were being persecuted.

What kind of values treat a soft drink like a political system? No amount of money or handouts or personal attacks can change the fact that Greeks have been tortured. Just as nothing is going to change the fact that the world has its Lambrous and its Deegans, its fist of brutality and its handful of silver coins. Just as there are sentries who cry and human beings who care.

(NOTE: Deegan terminated its contract with the Greek Government May 13, 1968.)

PERSONAL RESPONSIBILITY FOR THE PRESERVATION OF OUR SOCIETY

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mrs. KELLY. Mr. Speaker, during the past several months, I have had the opportunity of speaking to many individuals and groups in Brooklyn and in the Greater New York City area, concerning the many complex questions facing our Nation today. Together, we posed some questions and made some suggestions on the solution to conditions at home and abroad which are summarized in the following speech which I would like to include in the CONGRESSIONAL RECORD for the benefit of my colleagues:

I want to speak to you briefly about some of the problems confronting our nation—indeed, the entire free world.

I am not referring in this instance to the conflict in Vietnam—the danger of nuclear proliferation—the challenge of worldwide Communist subversion—or the aggressive posture of Red China.

What I have in mind is another type of crisis—a crisis which begins with the individual, but sometimes snowballs and becomes a very strong force—either for good or for bad.

Today's crisis is, essentially, a crisis of will—the will to uphold certain standards, to act in a responsible manner, to endure some hardships for the sake of higher principles—and, generally, to work and strive in order to advance the human condition to the next, and hopefully higher, stage.

We see the fruits of a crisis of negation all around us.

We see it in the violence which roams our streets—in our rising crime rates—and in the large number of beatniks, hippies and other self-indulging delinquents;

We see it in the lethargic attitudes of those local and state governments which fail to respond effectively to the needs of their people and simply say, "Let Washington do it!"

We see it in the realm of private conduct—in the record of broken families—in the widening gap between the generations—and in the deliberate withdrawal of a large number of our fellow citizens from the problems of their immediate communities: their parish, their neighborhood, their school district, their borough, town and city.

And we also see the fruits of this condition in the wider panorama of the several continents—

In the pampered, self-indulgent existence of the ruling oligarchies of Latin America—

In the riot-prone urban areas of Western Europe—

In the ridiculous, petty squabbles of the newly-arrived rulers of some of the less-developed "mini-states."

And in the bottomless fatalism, and pervasive corruption, of large segments of the privileged classes of Asia, Arabia and the Far East.

I realize, as you do, that I am focusing attention on only one part of a larger whole.

There are, of course, other, brighter aspects to the society in which we live and the free societies which surround us.

But I am "accentuating the negative" on purpose.

I do so because I want to stress that we are doing much too little with our abundant resources—with our manpower, our industrial know-how, and our scientific and technological skills.

We are not using them wisely—or fully.

We pay too little attention to the needs of our own people and communities.

We pay too little attention to the problems of others—problems which are beginning to loom ever bigger on our national horizon.

And in so doing, we are failing to meet the challenge posed to our civilization, our way of life, by the tightly-disciplined, single-minded, driving Communist societies of Asia and Eastern Europe.

But let's forget for a moment about the rest of the world and look at our own society.

Here we are, the strongest and the richest nation in the history of man—

With a gross national product approaching 865 billion dollars a year—

With a *per capita* product several times higher than the average for the rest of the free world—

With individual and business incomes at record levels—

Yet, if we look around, what do we find?

Our cities are jungles of concrete, choked with traffic and surrounded by a polluted environment.

Our schools are overcrowded, and of uneven quality.

Our crime rates are so high that we are afraid to leave our homes after sundown.

Our slums are a blot upon our national conscience.

Shall I go on?

I could add that according to a recent nation-wide survey, more than 20 million of our people—nearly 1 out of 10—live at the edge of poverty and hunger.

Is this a proper condition for the most advanced, progressive and affluent society in human history?

I don't think that it is—and neither, I am certain, do you.

Why, then, do we tolerate these unattended needs—these terrible scars on the face of our nation?

This question brings me back to my earlier remarks about a crisis of will. I think that the answer to it lies at least partially in the loss of enthusiasm, and of the will to work and change things, which is so apparent in today's world.

We in Congress are exposed to it every day.

We can hardly keep up with requests for Federal assistance—from individuals, groups, communities, and local and State governments.

Many people and many communities expect the Federal Government to do the jobs that they used to do themselves.

During my service in Congress, I have voted for dozens of progressive measures designed to improve our national well-being—for better Social Security, Aid to Dependent Children, Assistance to Education, Grants for Hospitals and Nursing Homes, Consumer Protection, Highway Construction, Air and Water Pollution Control and many others.

These measures were needed and necessary. They deserved to be enacted into law. And there are others, still pending, which also should be approved by the Congress.

The point is, however, that the Congress cannot do everything for everybody. Neither, in some respects, can our local and state governments.

Basically, the individual has to do more for himself. And so does each and every local community.

Let me give you some figures to underline this point.

How much of our Federal tax revenue is spent on operating all of the civilian-oriented national programs of the Federal Government?

Would you say 100 billion dollars a year? Or $75 billion? Or perhaps $50 billion?

Would you be surprised to learn that the amount is much smaller than that?

In fiscal year 1969, the Federal Government will spend some $134 billion dollars—exclusive of various Trust arrangements like Social Security and the Railroad Retirement Fund.

During that same year, approximately 100 billion dollars will be used to pay our defense costs, veterans benefits and interest on our national debt—which, as you know, is largely due to past wars.

The remaining $33.5 billion—or about one-fourth uncommitted Federal tax revenues—will be available to run all other activities of the Federal Government.

Even that figure may be too generous because the Congress is right now in the process of cutting the next year's budget—and most of these cuts are being made in non-defense programs.

This $33.5 billion is about 6 times the annual budget of the State of New York—or approximately 4 per cent of our gross national product.

There are limits to what Federal Government can do with that amount of money.

Already, the pinch is felt in many areas.

Some education programs, approved by Congress two years ago, are still waiting for their first appropriation.

Other undertakings—in the field of housing, social welfare, and health—are being reduced.

And the total amount earmarked for international programs—programs designed to strengthen free world defenses, to stave off wars, to promote peaceful evolution and progress, and to create a sound foundation for our own economic well-being (because we are an expanding nation which needs foreign markets)—the total amount earmarked for these undertakings is approximately one half of one per cent of our Gross National Product.

There is little room for further cuts in the in the 1969 budget—or for the starting of new and expensive domestic undertakings.

For this reason, I would hope that each and every one of us would pause and give some further thought to the role which we play in our community—and the individual contribution which we make to the solution of its problems.

Can we enlarge those contributions?

Can we, through more active personal involvement in the work of our community agencies—the diocesan charities, the school boards, elective offices and other organizations—help to move our community forward without imposing any further tax burdens on the already-overtaxed homeowners?

Can we recapture some of that spirit of self-help that made our country great?

I hope and believe that we can.

We have wonderful human resources. We have many good institutions and organizations through which we can expand our efforts.

What we need is the will to use both—to use them wisely and widely for the betterment of our community and our nation.

I pledge my best efforts to this end.

CONGRESSMAN HAMILTON SUPPORTS CONSUMER LEGISLATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. HAMILTON. Mr. Speaker, the 90th Congress has been called the Consumer Congress.

Labels do not always fit, but this one does because the 90th Congress has taken historic steps to protect the American consumer against impure and unwholesome meat, death and injury on our highways, unsafe tires, misleading labels and packages, undisclosed high interest charges, clothing and blankets that are fire-prone, rather than fireproof, toys that endanger our children, and substandard clinical laboratory tests.

One of the major thrusts of this Congress, then, has been consumer legislation, and I have been pleased to support this legislation because I believe it will help every American get a fair, honest, and safe exchange for his hard-earned dollar.

A hundred years ago we were a rural nation of farms and small towns. Even in the growing cities, neighborhoods were closely knit.

Most products were locally produced and there was a personal relationship between the seller and the buyer. If the buyer had a complaint, he went straight to the miller, the blacksmith, the tailor, the corner grocer. Products were less complicated and it was easy to tell the excellent from the inferior.

Today all this is changed. A manufacturer may be thousands of miles away from his customer—and even further removed by distributors, wholesalers and retailers. His products may be so complicated that only an expert can pass judgment on their quality.

A recent report of the National Better Business Bureau estimates that deceptive practices in the home improvement field alone cost the consumer between $500 million and $1 billion yearly.

The 90th Congress has enacted more consumer protection measures than any Congress in history. The following measures have either passed or are under consideration by the Congress:

First. Wholesome meat: This measure permits Federal and State authorities to assure by inspection that all meat and meat products sold locally are wholesome. Fifteen percent of all fresh meat and 25 percent of processed meat products do not cross State lines and therefore are not subject to Federal inspection.

Second. National Commission on Product Safety: There are 400,000 accidents a year which are attributed to such "harmless" household items as cooking utensils, lawnmowers, tools, and washing machines. The Commission will help insure that safety standards for dangerous chemical, mechanical, electrical products are adequate and that warnings accompanying such products clearly announce the dangers involved in their use.

Third. Truth in lending: This bill protects the businessman as well as the consumer. The disclosures of true costs of credit protects the ethical lender against unscrupulous persons who make misleading claims. The bill assures full and accurate information as to the rate of interest charged on loans.

Fourth. Fair labeling and packaging: This law contains both mandatory and discretionary provisions which are designed to assure more accurate labeling and informative packaging of most "kitchen and bathroom" consumer products.

Fifth. National traffic and motor vehicle safety: Since approximately 50,000 men, women, and children die every year on our highways, the importance of this legislation becomes clear. Manufacturers or dealers are required to equip vehicles with tires meeting load standards for fully loaded vehicles, including luggage. Legislation has also been enacted requiring the design and installation of safety features in new automobiles. Research is also being financed to make highways safer with median strips, better signs, improved design, and construction.

Sixth. Flammable fabrics: As a result of persons being burned from wearing highly incendiary clothing, the Flammable Fabrics Act was enacted. This measure prohibits the interstate marketing of wearing apparel and fabrics to be so highly flammable as to be dangerous when worn.

Seventh. Automobile insurance: As a result of increases in premiums—as much as 30 percent—policy cancellations and arbitrary coverages, the House has acted on legislation that requires the Secretary of Transportation to conduct the first comprehensive study of the automobile insurance system.

Eighth. Water pollution: Congress has enacted legislation to make available $4 billion worth of waste treatment facilities for local communities, which serve 66 million Americans, helping clean up 67,000 miles of streams and rivers. This action came as a result of the hazards of filthy and unsanitary water conditions that had plagued Americans over the past years.

Ninth. Hazardous radiation: Because of some poorly designed X-ray machines, and even some color television sets which exceed accepted safety limits, Congress has enacted the Hazardous Radiation Act. Under this act the Secretary of Health, Education, and Welfare have begun to conduct studies of the hazards of radiation and suggest standards to control them.

Besides those bills that have already been acted upon, there are still other bills under close consideration by Congress. These bills include:

First. Fish inspection: This bill is aimed at setting up adequate programs for continuous fish inspection, at State and Federal levels. This measure has been approved by the Senate Subcommittee on Consumers.

Second. Poultry inspection: This bill is aimed to assure the quality and safety of the food that American housewives put on their tables each year. This bill was put before the House as a result of the 400 million pounds of poultry that was adulterated and diseased and was sold to the American housewife. This bill is now being debated in the Senate.

Third. Deceptive sales regulation: This measure has passed the Senate. It would assure that warranties and guarantees say what they mean and mean what they say, and encourage improvement in the quality of service repairs and to let the consumer know how long he can expect a product to last if properly used.

Fourth. Natural gas pipeline safety: This bill is aimed to authorize the Federal Power Commission to establish and enforce safety standards for natural gas pipelines. Versions of this bill have passed the House and the Senate and are now being discussed in a joint House-Senate committee.

MIRANDA'S OFFSPRING—AN EDITORIAL BY THE WYOMING STATE TRIBUNE

HON. WILLIAM HENRY HARRISON

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. HARRISON. Mr. Speaker, who can forget the Miranda decision? Because Mr. Miranda was not forewarned of his right to counsel prior to his interrogation, his signed confession was held invalid and his conviction overturned by the Supreme Court. Mr. Miranda, a common criminal; a rapist, entered legislative history with name affixed to the decision which freed him.

The editor of the Wyoming State Tribune, Mr. James M. Flinchum, commented editorially July 18 on the Miranda decision.

Entitled "Miranda's Offspring," Mr. Flinchum's editorial notes that—

> Last week three escaped convicts who fled from Utah's State Penitentiary on May 28, stole three cars in the process and committed some minor law violations, snarled the processes of justice because of an unfortunate decision of the United State Supreme Court.
>
> For part of one day and for some five hours of another they delayed just one relatively simple procedure—that of imposing sentence which ordinarily takes minutes—while pursuing a motion to change their original pleas of guilty and to substitute pleas of innocent on the specious grounds that they had not been fully accorded their rights.

Mr. Flinchum's editorial makes fascinating and soul-searching reading and I insert it to be printed in the RECORD with my remarks:

> ### MIRANDA'S OFFSPRING
>
> Last week three escaped convicts who fled the Utah State Penitentiary on May 28, stole three cars in the process, and committed some minor law violations in the process, snarled the processes of justice because of an unfortunate decision of the United States Supreme Court.
>
> For part of one day and for some five hours of another they delayed just one relatively simple procedure—that of imposing sentence, which ordinarily takes minutes—while pursuing a motion to change their original pleas of guilty and to substitute pleas of innocent on the specious grounds they had not been fully accorded their rights.
>
> Such is the mischief that is worked in the conduct of the administration of justice in this land by the Supreme Court ruling in the case of Miranda vs. United States of America, which is only one of several decisions by the so-called Warren majority of the nation's highest judicial tribunal that many Americans feel have contributed to the grave undoing of society's war on crime.
>
> Fortunately in the cases of the three prison escapees heard in the U.S. District Court of Wyoming here, the jurist presiding over the proceedings, Judge Ewing T. Kerr, carefully and patiently pursued the rather tortuous pleadings of these three defendants before finally disposing of it in a manner that should place it above further assault.
>
> But the inescapable conclusion for any observer witnessing this transaction is that the administration of our courts is being terribly compounded, and justice in many cases thwarted, by the complications that have been imposed by Miranda.
>
> A policeman making an arrest must exercise the greatest precaution in carrying out the mechanical functions of the first step in the apprehension of a potential law-breaker, which not only makes his task more difficult but heightens the hazards for society's agent in the most perilous circumstances.
>
> For example, one police detective testified for the government here last week that in arresting the three suspects accompanied by a girl on a downtown street here at around midnight of last June 9, the former of whom subsequently were determined to be the prison escapees, that not only did his partner read the standard "Miranda" warning of their rights to the three suspects but that he did also to make certain that all three understood what the trio were advised of.
>
> In such instances not only must a policeman or policemen face the dangers inher-

ent in making such an arrest, but they must increase the odds against themselves by concentrating on an action that has been decreed by the highest court in our land: Reading a set of phrases off a printed card, distracting them from what could be a required reaction against physical danger.

This entire chain is pursued up through the courts if a proceeding goes that far until, in some cases, as in the one cited above in the U.S. District Court of Wyoming, the matter is thoroughly disposed of and a defendant is acquitted or convicted. Even in the latter instances where a suspect pleads guilty and then in the sentencing procedure attempts to change his plea, there is no guarantee that final disposition has been made.

One of these controversies recently went as far as the U.S. 10th Circuit Court of Appeals and the judge delivering the court's opinion, which found against the defendant in the lower court and who has appealed his conviction, handed down a decision that should give renewed encouragement to conscientious officers of the law seeking to do their duty.

The jurist, Circuit Judge Jean S. Breitenstein of Denver, noted in the opinion that after a lone gunman robbed an elderly postmistress at a small Oklahoma town, he was subsequently apprehended by a Texas highway patrolman after a long, high-speed chase participated in by several officers. One of the pursuers immediately orally delivered to the suspect a "full warning of his constitutional rights." After the suspect was jailed, a post office inspector investigating the Oklahoma robbery also warned the defendant of his rights. Later he was taken back to Oklahoma where he was subsequently interviewed by the same postal inspector plus an FBI agent, both of whom again advised the defendant of his constitutional rights; later he signed a waiver of his rights. Despite all these actions, the suspect subsequently challenged in his U.S. District Court proceedings against him certain statements he made after his arrest and also to the federal agents.

The point is that despite all of these involved actions, which suggests that today's modern policeman needs a law degree to carry out his business, they still were challenged in an appellate court, which rejected the challenge.

As in the case cited here, this creates much complication and delay in the administration of justice which obviously contributes to the burgeoning crime rate in this country because every felon becomes a jackleg lawyer able to conduct his defense from his jail or prison cell. This is what decisions like Miranda, Mallory and Escobedo have done to this country.

THE "PUEBLO": HOW LONG, MR. PRESIDENT?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. SCHERLE. Mr. Speaker, this is the 189th day the U.S.S. *Pueblo* and her crew have been in North Korean hands.

SENATE—*Tuesday, July 30, 1968*

The Senate met at 10 a.m., and was called to order by the Acting President pro tempore.

Rev. Edward B. Lewis, D.D., pastor, Capitol Hill United Methodist Church, Washington, D.C., offered the following prayer:

Make us alert to Thy presence, O Lord, as we see our need. Let Thy voice speak to us through moments of prayer and silence. Teach us to profit by an inspired thought, a glowing word of practical expression to the pressures of the hour. Inspire us with Thy spirit as we face the important handicaps, hindrances, and irritations so prevalent in this day of life. We present our prayer in the name of Him who was victorious in like circumstance, even Jesus Christ our Saviour. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, July 29, 1968, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SUBCOMMITTEE MEETING DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Improvements in Judicial Machinery of the Committee on the Judiciary be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, on behalf of the joint leadership, and in accordance with the previous announcement, I ask unanimous consent that the distinguished Senator from New York [Mr. JAVITS], the colleague of our late beloved colleague Senator KENNEDY, from the State of New York, be recognized first; that I be recognized following his remarks; that there be no yielding on the part of Senators to one another, but that each Senator, on an alternating Republican-Democrat basis, be recognized during the course of the proceedings this morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR ROBERT F. KENNEDY—IN MEMORIAM

Mr. JAVITS. Mr. President, first, may I express my gratitude to the majority leader for giving me what I consider to be a great privilege in the Senate.

I felt that Senator KENNEDY was not just a colleague, although that alone would be all that would be required to make me say what I am about to say. But in the course of our association, which naturally became very much more intimate when he became a Senator, he became my friend. I should like to pay my memorial tribute to him because of the deep feelings in his heart, which to me were so very marked, and I shall enumerate them in a little detail in terms of the common experiences which we shared.

His hope and idealism made him a force for constructive change which inspired the youth of the Nation. He had, so far as I know, the deepest concern for the underdog of anyone I had ever met. To put it in very blunt terms, he had deep concern for the people whom our society—notwithstanding its many blessings, and it does have them—had disfranchised in terms of opportunity and in terms of the legacy to which we feel all Americans are entitled. He was not the only man in public life to have this feeling in his heart; but, in my judgment, it burned in him more brightly than in any other man I have ever known.

He had a great humor and wit. He did not take himself all that seriously. But when his mind directed itself to this problem, he throbbed with its significance, like an Old Testament prophet. This was his prophecy: that the blessings of American life would be transmitted to all Americans; to the poor, the black, the Mexican-American, the Japanese-American, and other hyphenated Americans—hyphenated only because they lagged so seriously behind the condition of other Americans and because they were oppressed rather than uplifted by the society of which we are all a common part.

Senator KENNEDY had a keen understanding that 80 percent or more of American society was enjoying a way of life, a freedom, a health, an amplitude of living which had never been vouchsafed to any people in all of recorded history. His deep feeling and his burning zeal for improvement came notwithstanding the fact that the disinherited were a minority—20 percent or less—of the Nation.

It was this deep feeling which transmuted our relationship from one of colleagues working together in the interests of our State, to one of friends.

Mr. President, Senator KENNEDY's passion for the integrity and the quality of our society and for justice, especially for the oppressed, was coupled with one other deep conviction—his insistence that what was done about it should be done in such a way as to preserve—or to confer, where it did not exist—the dignity of the individual. This is where his deep heritage as a Catholic and as a religious man—and he was that—became evident.

His passion for improvement and his passion of sympathy for the oppressed and the depressed was joined with the determination that every man had a spark of the divine, was king in his own right. He was determined that whatever was done about the condition of these people, they could never be patronized, but should be given the opportunity to stand up and help themselves as individuals of dignity. These twin ideas so fired and infused his personality that he became a flaming symbol of hope and of idealism and a tremendous medium for constructive change for the people of our Nation, particularly for the young, whose hearts went out to him almost without his uttering a word.

I should like to recount a few of our joint undertakings which reflected the tremendous feeling that impressed me so very deeply. I recall, for example, that it was my colleague who, in the first months in the Senate, suggested that a number of counties in the southern tier of our State of New York—a wealthy State by general standards, but with pockets of difficulty in poverty, as we all know—be included in the program for Appalachia. He started it; he thought it up. He saw the reality, and he saw where it fitted geographically and economically. Again, this was the first expression that he was able to give vent to here of this deep sympathy for the oppressed and depressed. The citizens of that region, in my judgment, have benefited greatly from this association, and I hope they will always have a very dear spot in their hearts for Senator KENNEDY. I joined him in the effort, but I am the first to say that he espoused it, developed it, and made it come to fruition.

Another effort in which we both joined was to allow those persons from Puerto Rico who had graduated from Spanish-language schools on the island to vote without taking a literacy test in English. This provided an easier transition and allowed them to vote without a feeling of inhibition that their status as Americans changed because they moved from Puerto Rico to the mainland. This act is a tremendous achievement. We were again partners in this effort. This memory of his concern will live in the hearts of tens of thousands of Puerto Rican citizens of the United States now living on the mainland.

Mr. President, there are two other instances. Probably the most deeply felt for both of us occurred at Jackson, Miss., and in the communities that surround it. Here we encountered, first in the hearings, and later physically and directly, in fact that there was starvation in our country, or such malnutrition as to be equivalent to starvation. This was a horrendous fact and the repercussions of it have not yet ended.

It will be recalled that even since the tragic assassination of Senator KENNEDY we have had debates in this Chamber dealing with the effort to make money available to deal with emergency conditions of malnutrition amounting to starvation. But the reaction to these personal visual evidences of what it meant to be depressed in this country left Senator KENNEDY practically shaking with indignation, and he never ceased to declaim against what he considered to be one of the worst inequities that his work in the Senate had uncovered.

Together with the Senator from Pennsylvania [Mr. CLARK] and myself, he endured personal mental torture in the feeling that we were all commonly guilty when such conditions could exist in our country.

Mr. President, something of the same feeling, although not so great, developed in him when we both went to Wayne County in New York and saw unbelievable housing and sanitation conditions in which migrant workers lived. He literally shook with indignation that this could happen here. We are improving and we will improve this, too, and probably more quickly than elsewhere, but his passion for change and his indignation at the condition itself, should be recounted today.

He was a strong advocate of help for handicapped children. It was his deep feeling that rehabilitation would give them dignity and nobility and purpose rather than purposelessness and depression because of their affliction.

In terms of human dignity, it is known that he was an ardent proponent of allowing the poor to be relieved of the demeaning means test and caseworker investigations which have so characterized and bedeviled all welfare programs. He cried out against it. His indignation and the case he made will be a landmark for the improvements which we are now making and which we will make in the years ahead.

One of his most signal achievements was a very gifted program of his own. He later called into partnership with him the mayor of New York, John Lindsay, and me. But on his own he went into the reconstruction of the life in a slum area, the Bedford-Stuyvesant section of Brooklyn. He called on the techniques of government and business cooperation, which he had the privilege to develop, and which was probably the greatest bond in the cement between us. His plan had the understanding of our committee chairman, the Senator from Alabama [Mr. HILL], and Members such as the Senator from Oregon [Mr. MORSE] and the Senator from Texas [Mr. YARBOROUGH], and the great leadership of the chairman of our subcommittee, the Senator from Pennsylvania [Mr. CLARK].

In the Bedford-Stuyvesant effort he literally created out of the ground the machinery for community cooperation and a most gifted and high-level board of directors of some leading businessmen, bankers, and community leaders of New York. It was said the board of directors was almost overwhelming considering the size of the project involved, and with its prestige would have been an excellent board for a countrywide effort of the same character. I know that he put this plan together personally through dozens of telephone calls and visits which elicited help from most of the distinguished people of our city.

His effort will be a landmark of self-help and, in my judgment, it will rebuild that entire area occupied by 600,000 people living in the most depressed circumstances in slum conditions, as bad as anyone could find in any big city. I am confident the area will be reconstructed and that it will be the most noble monument which could be erected to his deep feeling for the depressed, to his passion for constructive change, and to the determination that it shall all be done to preserve and fortify the dignity of the individual.

I am pleased to report to the Senate that his wonderfully gracious and heroic wife, Ethel Kennedy, has agreed to serve on the board of directors of the Bedford-Stuyvesant project.

Mr. President, I close by saying that much of what Senator KENNEDY believed in, much of the passion that filled his life, will survive. He was a man of action. And his feeling for action has been translated not only into legislation and the reality of a Bedford-Stuyvesant project, and other projects, but also into the hearts and minds of millions of Americans. As I said some time ago to a group of young workers who were starting out on a school project in New York, the way they can add 10 percent to everything they do is to feel they are doing it in memory of Senator ROBERT KENNEDY.

His influence will continue. There is work to be done. We must make provision to provide a balanced diet to the many, many Americans, perhaps in the millions, who are suffering from malnutrition in this country.

We must provide the opportunity for all our citizens to train for meaningful work and occupy meaningful jobs, to revamp our welfare laws to give the unfortunate an opportunity to work their way out of hardship with dignity and respect. To provide meaningful firearms control laws which will enable communities, especially slum communities, to live with some sense of order and tranquility—at least to try to do so without the added threat which armed crime brings.

In all of these causes, Mr. President, I will feel personally sustained and inspired—and so will millions of Americans—because they were causes that ROBERT KENNEDY espoused with personal dedication.

This feeling, this concept of alleviating human distress and establishing a dignity of the individual, is truly the touchstone of ROBERT KENNEDY's life.

It should be the touchstone of our actions here as the greatest memorial that we could erect for the Senator.

I still start, every once in awhile, as I sit at my desk, and look over my shoulder when the door opens and closes rather quickly, as this was his way of entering this Chamber. I still think sometimes that I shall hear, "Good morning, Senator. What's doing today?" For this used to be ROBERT KENNEDY's little charade with me, suddenly to appear behind me and call me "Senator," although we knew each other well.

Mr. President, I hope it may ever be so, for myself and my colleagues, and for millions of other Americans; for that spritely step, that quick smile, that witty word, and that deep dedication and earnest feeling of zeal for the underdog could serve no better purpose than to animate us and animate the country and have a profound influence upon our destiny.

Mr. President, I again thank the majority leader for the signal honor he has accorded me in allowing me to be the first to pay tribute to Senator ROBERT KENNEDY this morning.

(At this point Mr. BURDICK took the chair as Presiding Officer.)

Mr. MANSFIELD. Mr. President, when was it that ROBERT FRANCIS KENNEDY died? On what day and in what month? Was it in the morning, afternoon, or night? Is it that grief grows over so quickly that we cannot remember clearly? Or is it that horror piled upon horror blocks the remembrance of horror?

If we would record the facts of his passing on this day of eulogy, it is to the chronicle of these depressing times that we are compelled to turn.

Robert Francis Kennedy died on Thursday, June 6, 1968, at 1:44 a.m., in Los Angeles.

The memory of the moment may falter, but not the remembrance of the man. In time's passing, moreover, it will be seen, with growing clarity, what Robert F. Kennedy was and why he was.

I speak now not of his family, his wife, and his children. Theirs is the clarity of understanding which emerges from the depths of great personal grief. They know what Robert F. Kennedy was and why. A son in a far-off continent looking for a hand that is not there knows what his father was and why.

Nor do I speak of those of us who were colleagues, associates, and friends. We, too, can feel what Robert F. Kennedy was and why. In the Senate, we can sense it most, perhaps, in the disquiet in the Nation, in the disquiet which responds to no patent remedy, in the disquiet for which he sought personal involvement as a source of remedy.

Rather, I speak of the people, the people in the streets of America who once touched his hand. I speak of the people who touched the touch as it was carried from hand to hand. That touch reveals all that Robert Francis Kennedy was to the Nation and why. It reaches to all that is yet to be and will be before there comes again in the Nation a freedom from the shrouded fears of these times.

People will remember Robert Francis Kennedy when the children in this land play together and grow together and then work and live together in a new national unity forged of an equal decency and dignity for all.

People will remember Robert Francis Kennedy when there is an end of Vietnams, when nations at last put aside the ancient hates and suffocating hostilities in a new dedication to the building of a more rational and responsible world order.

Mr. KUCHEL. Mr. President, this session of the Senate is devotedly addressed to the memory of Robert Francis Kennedy, late a Senator from New York. He sped through his lamentably short span of years with a color and charisma seen but rarely in the life of our Republic. He was a truly remarkable son of a truly remarkable family. He strode onto the national stage as a very young man, intent on helping, indeed, of leading, in the resolution of those terrible issues which were literally burning their way into the Nation's soul. He was sustained by the fervor of youth, his own, and those of his followers, as well.

I was present, as Senators well know, in the city of Los Angeles on that tragic, terrible night of June 4. I saw the look of joy on the faces of his enthusiastic supporters, as he achieved a political victory among the members of his party in my State. And I saw the look of disbelief and shock, of the most painful grief, which replaced the joy, as suddenly, without warning, as the monstrous disaster fell.

Bob Kennedy was a leader. He fought for causes, as he saw the light, and progress marked the path he trod.

His last comments in the Senate were uttered in support of a worthy cause—the Headstart program, designed to give the disadvantaged young the fullest and best hope for educational opportunity in our country. He believed in equal opportunity, both as a matter of fundamental right and of sound national policy. I worked with him, when he was Attorney General and when he was Senator, in seeking successfully to put effective civil rights legislation on the statute books of our land. With the aid of both political parties in our Nation, that effort has made substantial progress these last few years. It needs to make more.

Last month, I sought to pay a brief tribute to the late Bob Kennedy in the Senate, and I should like now to repeat one thought which I then expressed.

Must not this be a time of dedication to the cause of a Nation united? The evil tendencies toward polarizing America into separate camps, which official reports and unofficial observers fear or prophesy, is to me one of the most terrifying portents of this century. I believe it was equally frightening to Robert Kennedy. One of the most urgent tasks of men both in Government and out of Government is to keep the fabric of our society whole. It is a dedication, a commitment, which surely represents the best kind of memorial for a man who kept a sense of purpose to the day he lost his life.

Mr. HARRIS. Mr. President, the death of Senator Robert F. Kennedy was a shattering tragedy for each of us and for our country. Senator Kennedy daily lived with enormous personal burdens of duty and moral commitment which caused him, with incomparable courage, to take upon himself the cloak of the alienated, the despised and dispossessed, and to become their voice.

Senator Kennedy was driven, with a sense of great urgency, to represent frequently unpopular causes on behalf of people throughout America who could give him little in return, except their intense love and devotion. He did so because he felt deeply the necessity of doing and saying what he believed to be morally right.

Typical of the causes to which he was most passionately devoted near the end of his life was his effort to end the injustice inflicted on mothers of young children who would be forced, under a 1967 social security amendment, to accept work-training and employment in lieu of public assistance payments—whether they wanted to or not, and regardless of the kind of care their children might be given. When Senator Kennedy introduced, on January 31 of this year, his amendments designed to undo part of the damage done to our welfare system in the first session of this Congress, he said about that particular measure:

> I believe we must ask ourselves what kind of a country we are when we enact legislation in the last third of the 20th century which would force mothers of children who need parental care to go to work. The Congress of the United States—we who sit in this body—have not only acted contrary to fundamental humanitarian, and, I might add, constitutional principles, but we have ignored all of the learning and knowledge which has been brought to us by the discipline of child psychology. We have said to the poor that a Government bureaucrat can tell them whether their children will be brought up with parental care and supervision. I think that was a tragic decision on our part. We must reverse it.

If Senator Kennedy had lived, he would have continued his fight against that measure and the other regressive amendments which he opposed at the end of the last session of Congress and again this session. I feel very strongly that one appropriate memorial to his name would be the complete revamping of the inhumane and unjust welfare system now suffered by that terribly vulnerable group of Americans, the hundreds of thousands of families who must subsist on the meager benefits of public assistance, and to whose misery Senator Kennedy was so deeply and personally sensitive.

Typical, also, of the character of this unique man was his deep interest in the cause of American Indians. As chairman of the Special Subcommittee on Indian Education, he conducted a brilliant and highly productive series of hearings throughout the West and Southwest, seeking to understand and to find new solutions for the enormous failings not only of our educational institutions but of so many of the programs and institutions of our society with which American Indians have come into contact.

To this cause, too, he brought a rare intensity of commitment and moral indignation. As Senator Kennedy put it when he testified this spring before the Senate Subcommittee on Indian Affairs:

> The "first American" is still the last American in terms of employment, health and education.

I think his personal sense of outrage and concern over the terrible conditions in which so many American Indians still live is best expressed in this passage from that statement:

> The Subcommittee staff visited one Cherokee home—if you can call an 8 by 12 tar paper shack a home—in which lived a mother, an unemployed father and eight children. There was no insulation in the house, a pot bellied stove for heat and cooking, no running water, no electricity and one small kerosene lantern for light, no sanitation facilities and gaps between the wooden slats that constituted the floor. There was one bed in the room. The seven children slept on the floor and the baby between the parents. The income of this family was about $60 per month. Four children were in school. Where could they study? Where was there any privacy? Where was there enough light? How could the family afford to buy them clothes for school or pay for their school lunches? The language of the family was Cherokee—how could the children or the parents communicate with the white teacher in the two-room rural schoolhouse they attended? About half of the family income went to pay the rent on the house which was owned by a white man. What chance do these children have for an equal share of the affluence and opportunity of our nation?

Senator KENNEDY was one of the first persons to endorse publicly the report of the President's National Advisory Commission on Civil Disorders. Far from shying away from the hard and unpopular message that report conveyed to Americans, he welcomed it as a fresh and unequivocal statement about our present crisis and what must be done to meet it. Its message came as no surprise to him, because he had walked the streets of Bedford-Stuyvesant and he had sat in the homes of the poor of the Mississippi Delta.

Some people have called ROBERT KENNEDY a divisive force in American life. But I agree with whoever it was that said, sometime during those long, sad days of his funeral, that the very opposite was true—that ROBERT KENNEDY was becoming an important unifying force in our society, because he spoke, at the age of 42, to the young, and they believed what he told them and followed him; because he appealed, though he was a wealthy man, to the poor and the dispossessed, and they let him represent their cause; and because he communicated sometimes just by his presence, though he was a white man, with all the black and other rejected nonwhite minorities of this land, and took up their fight as his own.

Those of us who survive him will never again be the same, though we must take heart and seek renewed purpose from the passion and force with which he asserted the ideals of his life.

Mr. JACKSON. Mr. President, for 15 of his 42 years I was privileged to know ROBERT FRANCIS KENNEDY as a friend, associate, and colleague.

His life was devoted to serving his country and in those few years he made an imprint on our history that will last and be remembered.

I knew ROBERT KENNEDY, almost from the beginning of his public career. In 1953 he was a young staff member of the Permanent Subcommittee on Investigations and I, in my first term in the Senate, was a member of that subcommittee. It was there that I first observed the devotion and zeal for public service which characterized his life and career.

In 1955, ROBERT KENNEDY was appointed chief counsel of the Permanent Subcommittee on Investigations. I had recommended his appointment to the chairman, the Senator from Arkansas [Mr. MCCLELLAN]. He served with great distinction in that position.

In 1960, he managed the successful presidential campaign of his brother John with skill and dedication. I was proud to work with him in that cause. In response to the nomination of John Kennedy, I served as chairman of the Democratic National Committee. During the months of that tough campaign ROBERT KENNEDY was the indispensable driving force so crucial in achieving the narrow victory.

He then served his country in the Cabinet of his brother. He confounded his critics by the courageous and effective leadership he provided as Attorney General during a period when the burdens of that office were unprecedented.

He was also more than Attorney General: he was first adviser, confidante, and servant of the President.

Despite the shattering personal blow he suffered in the loss of John Kennedy, ROBERT continued to serve his country in the Cabinet of Lyndon Johnson.

Then he was elected by the people of New York to serve again—this time as U.S. Senator. In 4 short years as a Member of this body, his influence was great. When he spoke, we listened. What he said drove at the marrow of the problems besetting the country. His legislative proposals were respected and many measures which bore his mark commanded the support of the Senate.

That is the public record of ROBERT FRANCIS KENNEDY. It reflects the man. For ROBERT KENNEDY was a man of strong determination, giant capacity, and great courage. He held strong personal loyalties and he inspired great loyalty. The devotion of those around him was genuine and lasting. His own loyalty was unswerving.

He had personal wealth, but his greatest concern was for those who were not fortunate. He spoke and acted forcefully in behalf of those who have not secured a proper share of the social or economic fruits of our country.

ROBERT KENNEDY loved the great natural beauty of our country. He delighted in sampling the challenges of the outdoors and he found enjoyment and inspiration in the mountains and streams, the open spaces and beaches where he and his family spent much time together.

ROBERT KENNEDY was a man with great love for his family. Love for each other is manifest in the family life of the Kennedys. His wife, Ethel, and the children were a part of all he did, and he was a part of all they did. Around the country and around the world, they were constantly together. The Kennedy family has been and will be an inspiration to all Americans.

There is no comfort when such a man is taken from us. There is, however, the knowledge that he served his country well in positions of great responsibility and his example has and will inspire many others to similar service, now and in the future. That is a great deal for a man to accomplish in 42 years.

Mr. RIBICOFF. Mr. President, we mourn the loss of ROBERT F. KENNEDY, a close colleague and warm friend.

The horror of the tragedy is with us, though many weeks have gone by.

The full magnitude of our loss endures, despite the passage of time.

For a devoted family and loving friends are now denied the counsel and courage, inspiration, love, and trust that filled the proud example ROBERT KENNEDY set.

Perhaps it is the most telling measure of the man that millions in our Nation and the world feel a keen personal loss, like those of us who knew him well.

In the cities and villages of Latin America where he went, in the towns and capitals of both Western and Eastern Europe and South Africa, men, great and small, are grieved.

And so it is at home—where people of all ages, colors, and creeds across the country join in sorrow with the people of the State he represented well.

For BOB KENNEDY cared about people. They knew this because of his efforts to help improve their lives.

He held up the wrongs of our Nation, and he worked to make them right.

He aroused men to put forth their best efforts to correct the injustices of our land, and he awakened them to the infinite possibilities of life for all mankind.

BOB KENNEDY looked into history and drew the important lesson that shortsighted living brings long regrets.

From there he set out to do what he thought he must to help conquer hunger, poverty, war, and assaults on human dignity—the enemies of men.

BOB KENNEDY had a passion in life. It was to create a society where every American can fulfill his potential, and where no American is held back by race or color or for want of the opportunity to succeed.

Young people flocked to his side not only because he was a young, attractive, vital man himself. They were drawn by his youthful spirit—a remarkable blend of warmth, idealism, and faith. He challenged them and they took up the challenge. For he made them understand that their future depends on the present that all of us share.

ROBERT KENNEDY was a thoughtful, wise, and considerate man. I came to know him well in 1956 when we worked closely together while seeking the Vice Presidency for his brother, John F. Kennedy. Our relationship was maintained from 1956 through 1960, during our efforts to win the presidential nomination for his brother.

ROBERT KENNEDY was devoted to his brother. We came to the Cabinet together in 1961, and I was deeply impressed by the dedication and distinction with which he served the President and our country. As Attorney General, he not only led the Department of Justice with courage and conviction—he also lent his abilities and judgment to some of the most crucial decisions this country faced.

After the tragic death of the President, ROBERT KENNEDY became a Senator from the State of New York. In the Senate we served together on the Subcommittee on Executive Reorganization. Again we worked closely together, this time in the fields of traffic safety, urban problems and the problems of rising health costs.

There has always been a warm and special feeling between the Kennedy family and the people of Connecticut. We have grown to know them well. They have been our neighbors and our frequent guests.

Now we share their grief, for in the death of Senator ROBERT KENNEDY we have seen repeated the terrible tragedy that took President John F. Kennedy away from us.

Their leadership—their voices, vitality, and spirit—are sorely missed.

Our loss will always be remembered and often recalled.

ROBERT KENNEDY, and his brother before him—led lives that were far too brief. But they left behind them meaningful monuments that make ours a better Nation and world.

It is our task to carry on.

Robert Kennedy often told us that "we can do better." We have long known the truth of his words. We must act upon them now.

The PRESIDING OFFICER (Mr. Harris in the chair). The Senator from Idaho is recognized.

Mr. CHURCH. Mr. President, in the weeks since the assassination of my friend and colleague, Robert Kennedy, I have had many occasions to reflect upon the injury inflicted on our country by this latest cruelty.

I have concluded that popular government suffers from a paucity of strong leaders. Men who would win elections tend to be followers, not leaders. They are inclined to go along in order to get along. They are specialists in telling the people what they think the people want to hear. They are animated mirrors, styled to the fashion of the moment, bent to reflect current opinion, so that the typical voter may see himself in the candidate of his choice.

Robert Kennedy was a shining exception to this rule. He was no ordinary, garden-variety politician. He scorned conformity, insisted on being himself, as he sought to prod the conscience of Amerca.

He once wrote:

> Few men are willing to brave the disapproval of their fellows, the censure of their colleagues, the wrath of their society. Moral courage is a rarer commodity than bravery in battle or great intelligence. Yet it is the one essential, vital quality for those seeking to change a world that yields most painfully to change.

Whenever a public figure possessing great moral courage is struck down in our midst, each one of us should recall John Donne's wise admonition:

> Never send to know for whom the bell tolls; it tolls for thee.

As the funeral train bearing the last remains of Senator Robert F. Kennedy moved slowly through the long day's journey from New York City to Washington, a multitude of mourners gave witness that the solemn bells of bereavement were tolling again for our country.

That morning, at the funeral services, I had prayed for a future day when the gravest dangers would no longer beset those leaders in our public life who stand most firmly against hate, want, and fear in America. I had asked that God might deliver us a time when the men who work hardest for peace and against injustice can walk safely in our midst.

But later that day—on the train—my attention turned to the people who had come, in countless numbers, to line the tracks all the way to Washington. For 8 agonizing hours, as the train passed, I looked into their faces. I saw sorrow there the bewilderment. I saw fury and I saw fright.

I saw women crying, men unashamed to kneel, or to stand at rigid attention, with hand over heart.

I saw cripples straining to pull themselves erect from their wheelchairs, troops of Boy Scouts saluting, clusters of nuns with heads bowed and hands clasped in prayer.

The railroad tracks do not penetrate the princely parts of our cities. Kennedy's last journey was through the shabby tenement districts of Philadelphia, Wilmington, and Baltimore. There were no grand vistas to look out upon, only cluttered shopyards, grimy warehouses, dumps and slums, which uglify so much of the distance between the splendid skyscrapers of New York and the marble monuments of Washington.

But the slum dwellers did what they could to decorate the way—with flags draped from their windows, with Kennedy posters held high, and with homemade banners expressing their sympathy:

> We Love the Kennedys!
> Go with God!
> Robert Francis Kennedy—Farewell!

And in the stations, as the train passed slowly by, Negro people joined hands and sang the "Battle Hymn of the Republic."

This was how they said goodby to this rich man who cared passionately about the plight of the poor. That was the way they delivered their eulogy—far more eloquent than all the words we shall utter today.

Yet, ultimately, if their tribute is really to matter, if our words of praise are to be more than pretty phrases, we must somehow summon up the resolution to serve our country with the kind of courage, candor and conviction which marked the life of Robert Francis Kennedy.

He would have us believe that ours is still a great country, with a future filled with promise, not despair.

Nothing could serve as better proof of this—nothing could better connote the unconquerable spirit of this gallant family—than their choice of the final musical salute to Robert Kennedy. It was no melancholy dirge, but the uplifting strains of "America the Beautiful."

And as the last notes sounded across the moonlit slopes of Arlington National Cemetery, I thought that this indeed was the prayer he would have chosen:

> America, America, God shed His grace on
> thee,
> And crown thy good with Brotherhood,
> From sea to shining sea.

Mr. President, I ask unanimous consent to have printed in the Record selected editorials published in Idaho newspapers, written in memory of Senator Robert F. Kennedy.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Boise (Idaho) Daily Statesman, June 7, 1968]

He Had a Passion To Do Good

What all Americans can hope will be the last tragedy in the history of the Kennedy family has been enacted with the death of Sen. Robert F. Kennedy.

He might have been the nation's next president. No one can say whether he would have been as good, or better, than his late brother. But he had the same passion to do good in the world.

Senator Kennedy had demonstrated, in the primaries his power to stir the emotions and win the support of people who saw and heard him. He had a vision of a better America in which the present divisions would be healed.

The senator knew, as well as any man, the risks he ran as a presidential candidate, and as an outspoken and controversial figure in American politics. He had buried his brother.

Some saw in Robert Kennedy a reflection of Jack. Part of his support undoubtedly arose from a yearning to recapture the mood and spirit of the earlier Kennedy administration. But Robert Kennedy had a charm of his own that captured the imagination of his supporters. He had dedicated his life to public service.

Senator Kennedy provided inspiration for the Kennedy family and for the nation when he stepped into the vacuum left by his brother's death. Now some of those who supported his brother and who looked to him for leadership will undoubtedly turn to Sen. Edward Kennedy.

This is a time of anguish and sorrow for the American people. Our political system will not fall because of the loss of one man, but it suffers. The hope and enthusiasm that Senator Kennedy kindled in some hearts will not be stirred so well by another candidate. It is a personal loss for thousands of people.

It was in Senator Kennedy's nature to push ahead. Even after his victory in California he faced an uphill struggle for the Democratic nomination. But if he had failed, he still had before him the prospect of a long career in public life.

Had a writer of fiction described the events that have overtaken America in the last few years the account would have been dismissed as too grotesque. The second Kennedy assassination compounds the pain and despair of the first. Together, and with the others that have intervened, they are a monstrous chapter in our history.

Now, more than ever, the nation needs an inspiring, calming and healing leadership that will help Americans dwell more on what they have in common than what divides them. Not all people were attracted to Robert Kennedy, but all should be able to share his dedication to a better America concerned with all of its people.

[From the Lewiston (Idaho) Tribune, June 9, 1968]

The Fitting Touch by Thousands

The Kennedy, reflecting their Irish bloodline and the quality they possess, know how to bury their dead.

There is a certain futility in a funeral. But such ceremonies do seem to put a few things right if they are symbolic of the man and what he stood for and if they evoke those sharp pangs of remembering.

The state funeral for President John F. Kennedy would probably have been considered a bit much by him, but it was in keeping with the office and representative of the way the people felt. After all, funerals are as much to comfort the living as to salute the dead. Under the sensitive and tasteful guidance of Jacqueline Kennedy, that remarkable young woman, the proceedings that resulted must have left most of us with the feeling that the farewell to a leader was well said.

Robert Kennedy, both like and unlike his brother, was a different man and only a would-be president. Something different was required.

The military flourishes that characterized the funeral for John Kennedy, the commander-in-chief, would not have been in keeping with Robert's life. He was neither a warrior nor in harmony with the military.

Thus, his honor guard was made up of civilians, several dozen of them, who took turns standing for a few minutes on either side of the casket. They were from the senator's broad circle of friends. There were statesmen and children, white and black, sophisticates and sophomores.

But perhaps the nicest touch of all was

supplied spontaneously by the thousands of nameless citizens who filed past through the hours of a day and night.

While he was alive, they had stood on the curbs of great cities and held out their hands as the senator rode past in a convertible, touching his own outstretched hand.

Someone in the family had the great foresight Friday and early Saturday not to fence him off with velvet ropes. The thousands walked by, and most of them reached out once again—this time to pat the mahogany casket. It was one last contact with a friend—B.H.

[From the Boise (Idaho) Intermountain Observer, June 20, 1968]

KENNEDY: A BIG MAN BY MOST MEASUREMENTS

(By Robert E. Smylie)

Too much was said too soon about the passing of Senator Kennedy. Some of what was said and written will not last beyond the drying of its ink or the fading of the TV tube.

I have a notion he would not have liked much of what was done and said. He was a game guy, a gut-fighter, a tough adversary and a go-through type of person. He had courage, strength and endurance and a passionate capacity for being both right and wrong.

His passing brought to mind a plaque which adorns a football stadium in Iowa. A boy whose name I no longer remember had died in victory on that football field. He died a hero and a victor, and a bronze inscription recreates the incident. It was said of this lad that "he died doing what he did best and loved most." So I think it was with Senator Kennedy.

I was not one of Robert Kennedy's most devoted admirers. It is a fact that he was one of history's great advocates of ideas in the belief that only a free exchange of ideas can set the nation free.

History may well record that he died at the zenith of his power. If this is the case the insensate act of the assassin spared him the spectacle of the erosion of the power that once was his.

He challenged the power of the Presidency in this unforecastable year. He had said that he must "lay hold of the power of the office" in order to do what in his judgment needed to be done. In the end he might not have made it to the pinnacle of power, but he would have profoundly influenced the course of history in any event.

He was more of a mover and shaker than his late brother, although that measurement must now be clouded by the mists of history. This gave rise to his reputation for ruthlessness.

Robert Kennedy would not have been the Chatelaine of Camelot; he would have been the Lord of some fierce and awesome Norman Castle. He dealt his deeds with little apology, and he changed directions without notice and without public explanation. He was arrogant with the necessary arrogance of power, and I think humble with the humility of love; a rare and seldom seen combination.

There has been too much made I think of the fact that he and his brother were brothers. They were quite different. I have a suspicion that Robert would have done the things that his brother seemed unable to do, once he had laid "hold of the power of that office." Many of us would not have liked what he did, but that is not to gainsay the fact that the Senator had the ability to make things happen.

It is inevitable that history will measure the two and try to make suppositions about what might have been. They were brothers and this alone is a first in the history of the Republic. Fathers and sons there have been before. There were the Adamses and the Harrisons, and the Meuhlenbergs provided generation after generation of leadership to Pennsylvania and the nation. But never before, I recollect, has there been a family who furnished two, nay three, such able servants to the republic in one generation.

People have written of conspiracy in the passing of Robert Kennedy, and in the public anguish at this act of violence many have endowned him with virtues beyond his own imaginings. For me, one of the best stories about him involves a newsman who shall be nameless. Kennedy was at Sun Valley for Christmas with his entire family (save one or two—but how can you miss a couple when you have five and a half-dozen.) He had been kind to the reporter and answered his questions. Then the fellow pressed his luck. He asked if he could "maybe get a picture of the family." The late Senator in an acid response said, "Look, you take that camera and go to hell and take a picture of the devil. He doesn't have a family and he'll understand better than I can at Christmastime."

Sun Valley was a challenge. He skied the slopes with dash and abandon and he wanted the youngsters to do the same.

He ran our rivers in the deep canyons of the primitive area. He knew the Lochsa and the Salmon and even there he brought his children to the exciting challenge of the unknown in the outdoors.

Somehow he found that the forgotten race in America was neither black nor brown nor yellow, but was the red man. He talked with the inheritors of this land whom history had cast in the role of the oppressed, took up their cause and made it his.

Somehow there was about Robert Kennedy a sense of mission. This was true before his brother's untimely and tragic death. He seemed to reach for the action and to be a part of it.

It will be recorded that Robert Kennedy was in at the "kill" in some of the most uptight moments in American history.

By most measurements Robert Kennedy was a big man. It is given to few men to be great in their own right, but this one had the potential. Whether he was a great Senator will await the verdict of history.

He might have been a great President, with all of our misgivings; but this we shall never know.

To some men it is given to be a man of their times; to some, a man of their generation; but seldom is it given to one of us to be a man of their hour.

We shall never know. This may have been one of them. At least it can be said that it ended with the Senator doing what "he did best and loved most."

[From the Blackfoot (Idaho) News, June 10, 1968]

A WAKE FOR SENATOR KENNEDY

The concern that Senator Robert F. Kennedy felt for those Americans from whom the American dream seemed most remote was told in the days of mourning that followed his death. Even the cynical among us must be touched by the evidence he indeed achieved a rapport with the objects of his concern.

Soon after his death became known, the thought occured that it would bring sorrow to some of the people of the Fort Hall Reservation. It remains strong in their minds that in January, 1968, he interrupted a Sun Valley vacation to visit them and conduct a hearing on the reservation for the United States Indian Affairs subcommittee that he headed.

An official expression of their concern may have been sent to Mrs. Ethel Kennedy. It is for these proud and sensitive but muted people to know. But the thought occured that many individual Indians would feel that when Senator Kennedy died they had lost a friend who cared. Would there be any expression from these people, who in the last three centuries have become undemonstrative in the face of what they may still consider to be hostile power?

The answer may have been found in something that occurred in Blackfoot Friday.

Early that afternoon an Indian acquaintance who stops occassionally at the office of The Blackfoot News came in. He carried with him the smell of liquor. He spoke incoherently.

"He was our friend. Tell them he was our friend. He came to see us."

Almost fiercely he sought a listener. "They should know," he repeated to everyone who would listen. I'm afraid that ears were closed to him. Eventually he wandered out.

About an hour later he returned. This time he confronted this reporter. Tears were streaming down his face.

"I want to tell them that he was our friend. I may be drunk, but I want you to tell them. He came to see us—he talked to my father—he was going to make things better for us. I was a Marine. I fought in many battles for this country. He was the first really big man that came to see us. He saw how we lived. He told us he would help us get new houses. Tell them the Shoshone-Bannock people thought he was their friend. Promise me that you will tell them."

Wiping his tears, the first I ever saw an Indian shed, he reluctantly accepted assurances we would try to get the word to the people who should know. By that time there had emerged a sense of concern for a responsibility placed upon me by another.

Yet a third time the petitioner came back as the afternoon drew to a close. He had regained his composure.

Steadily and with dignity he said:

"I'm not drunk. I'm sorry for acting as if I was before. But he was our friend and my friends and I want you to tell them." It had not occurred to me that he was acting as a messenger for others too.

Then I remembered a story that came out of World War II that I had read. It seems to me that it was written by Ernie Pyle, but I cannot be sure.

It was a story about the hard-bitten pilots of a group of fighter planes in the Pacific theater of the war. All but one of their group had returned from a mission. Tensely they awaited the report they feared. Eventually it came. Silently they wandered away individually, then reassembled later in a secluded spot. After time passed and bottles had been passed, soft cursing that sounded more like prayers than curses began to emerge as the men found their voices.

This is our effort to tell those who should know that a wake for Senator Robert Kennedy was held Friday in Blackfoot, Idaho, by some men of the Shoshone-Bannock nation.

—D.R.B.

Mr. MILLER. Mr. President, in the death of Senator Robert Kennedy, the Nation and the Senate suffered the loss of a man who might have become President of the United States.

He fought hard for the things he believed in, and this quality gained him the respect of even those with whom he disagreed.

His concern for those less fortunate—especially the underprivileged—will live on, because his commitment to action was strong and influential.

Robert Kennedy's devotion to his family will particularly be remembered. It was an inspiring example for others.

What John Donne said long ago well sums up the feelings of all of us:

> Any man's death diminishes me, because I am involved in mankind.

The tragedy our beloved colleague's death has brought to his good wife, Ethel, and the children carries over to our own wives and families. They have our most profound sympathy, love, and respect.

Mr. PELL. Mr. President, I rise to mourn the tragic, violent, senseless death of Senator ROBERT KENNEDY.

His utter integrity, his search for new approaches, his belief in the promise of the future, and his ability to communicate with the young, the poor, and the black were supreme.

He was a man of courage, of emotion, of compassion, of intelligence, of concern and, above all, a man of action, a man who translated ideas into action and into deeds.

Our country and our people were immeasurably blessed by having him amongst us.

I do not believe ever before have there been the lines of people waiting to pay their respects as there were in New York the night and day of his funeral—well nigh 50 blocks long.

The void left by his death remains. His murder was an awful, needless tragedy—and one more reflection of the spots of violence and sickness that blot our Nation. It is just as much a tragedy for our country, to which Senator KENNEDY had so much to give and to which he had already given so much, as it is to his family. The best memorial we can give him is a resolve to fully awaken to our problems and take the steps on so many fronts, at home and abroad, that must be taken to solve them.

In a more personal vein, I mourn his death, too, as I have known, liked, and admired him for more than 20 years, and was one of those few of us who publicly supported his candidacy for the Presidency.

My wife, who also loved and admired him, joins me in our grief as old friends of his family.

In fact, I remember his family before violence first struck it, before World War II. They were a happy, productive, active, competitive family. They always had a spark and a drive that was truly exceptional. I know that my wife and I have often asked ourselves how one family could have produced so much excellence. I only wish I knew the answer. But I know that I shall ever be glad they lived in my time.

Mr. MONDALE. Mr. President, ROBERT KENNEDY and I were born 3 years apart. We entered the Senate 3 days apart, sat next to each other for a time in that back row reserved for freshmen Senators; almost always we stood together on the issues that came before us; and shared both victory and defeat in those things we both believed in.

I miss him sorely; the days that have passed since his death have not lessened the shock and the sense of loss.

Words are abstractions; they cannot capture, they cannot eulogize a man in life so real, so vital, so a part of the times he lived.

He is gone now, in the words of Carl Sandburg, "to a deep river, to a far country, to a by-and-by whence no man returns"; and he, like Lincoln, "found far lights and tall rainbows to live by."

The insane violence that took his life cost a family its father; a loving wife her husband; parents already burdened with grief, another son.

The bullet that took ROBERT KENNEDY's life took more. The web of this thing that we term American civilization is, after all, a fragile thing, compounded of commonly shared ideals; a respect for the opinions of others; a tradition of fair play and conciliation; even of what Abraham Lincoln called "the mystic chords of memory." This web, this civilization was sorely wounded by the bullet that killed Senator KENNEDY. Only now, as vituperation, unreasoning hatred, and the politics of disruption seem increasingly to dominate the national scene, do we discern just how much more we have lost.

If we are to honor this man we loved in life, then all of us, in this Chamber and without, must bend our efforts toward stemming the red stain of violence and vituperation which has increasingly come to torment the Nation's conscience.

ROBERT KENNEDY's life is gone, but the spirit that motivated that life is not. It lives on. It is now for us to continue the work he began.

With his brother, I too, "pray that what he was to us and what he wished for others will some day come to pass for all the world."

Mr. YARBOROUGH. Mr. President, the essence of a man is difficult to sum up in words, especially men so unusual as ROBERT KENNEDY, so far above the average in his high resolve and great capabilities. However, if I would chose one single characteristic, it would be his desire almost overwhelmingly to improve the lives of his fellow citizens.

He was impatient, as we all should be, with people who said "it can't be done." His answer was always: "Why not?" Perhaps it was his continuous striving for a better country that caused some people to fear him. They were afraid of him as they fear all men who cannot be put aside with pious platitudes. And they were apprehensive because he represented the virtues which they desire but do not possess.

So the enemies of justice and progress tried to create a climate of public opinion which would discredit and destroy his political effectiveness. Their results may have been different from their aims. His political effectiveness grew by leaps and bounds, and the climate of public attitude they created could not discredit him, though it nurtured the misguided, the fanatic, and the zealot who in the end destroyed him.

ROBERT KENNEDY will be missed throughout the land, but he will be especially missed by those of us who worked with him when he was campaign manager for his brother John F. Kennedy; in 1960, when he was Attorney General; when he was in Senate committees; and when he served on the floor of the Senate. We benefited from his counsel and experience and from his impatience with those who say it cannot be done.

Our late colleague had experience in domestic and international affairs, the breadth and depth of which made him one of our greatest national leaders. He confronted those things which cause turmoil in the world and in our society, so that he could understand them well enough to help.

He was admired all over this world at the time of his death more than any other living man in public life or office.

When ROBERT KENNEDY fell, a victim of a cruel and cowardly assassination, the world wept, as it had when his brother John F. Kennedy was likewise assassinated.

He talked to people no other national leader was talking to and at a level where communication was not distorted. One of his legacies is that understanding of the people and issues that are the forces of change today. That understanding was made clear on this floor and in forums around the world in speeches which are surely the most perceptive articulation now available of the new order of things which he helped to introduce and which, for many, he symbolized.

As he developed his campaign for the Presidency, Senator ROBERT KENNEDY proposed solutions that cannot be ignored and should not be forgotten. These suggestions were based on a sensitivity to the divisions in our society that was perhaps unique in our Nation. Those divisions—between black and white, young and old, rich and poor—are what we must face today if we are to survive as a nation. His speeches offer us hope.

ROBERT KENNEDY offered us wise counsel in meeting our foreign responsibilities. Early in his Senate career he spoke out eloquently on Vietnam, and continued to do so, with statements so timely and criticism so responsible that one could almost feel their impact on our national course in Asia.

He visited Africa to demonstrate that this Nation has leaders who value human dignity, and would not remain blind to other peoples' fates. His travel in Latin America led to extensive and concrete proposals for renewing a good faith relationship with our hemispheric neighbors. The speeches ROBERT KENNEDY made during and after his travels demonstrate the unusual rapport with other peoples that made him one of our most respected and credible spokesmen.

I served in World War II on the staffs of a number of generals, and I have worked with Governors, Senators, university professors, and presidents, authors, historians, scientists, and others. Of all the men I have met, I consider ROBERT KENNEDY one of the two or three most brilliant. We have now lost two brilliant members of this family who have given as much as any other family in American history, if not more. Certainly, the Kennedy family has sacrificed more for the public weal and the common good than any other family in public life in our generation.

It was my privilege to work with Senator ROBERT KENNEDY on the Committee on Labor and Public Welfare, on the Subcommittee on Education, on the Bilingual Education Subcommittee, on the Indian Education Subcommittee, and on the Subcommittee on Labor.

The memory I will retain longest is that of the hearing with respect to the underprivileged Spanish-speaking people, the Puerto Ricans, in the areas of New York City, where we conducted hearings on the bilingual education bill. We walked the streets at noon in the heart of areas populated by Negroes and Puerto Ricans.

My wife and I have had the rare privilege of visiting in that sparkling home at Hickory Hill, Va., over which he and his charming wife, Ethel, presided with such informal grace and hospitality, surrounded by their cooperative children, giving a fine example of family unity.

No other Senator has ever made so great an impact on our Nation and the world in the short but dynamic 3½ years he served in the Senate.

He was cut down at the peak of his career, at the close of a day that saw double political victories for him in California and South Dakota, the breakthrough which, in my opinion, had he lived, would have carried him on to the presidential nomination and to the Presidency.

We place this verbal wreath upon the bier of the unelected President—not yet elected at the polls but already elected in the hearts of the people.

As we rode that last funeral train from New York to Washington on June 8, we saw again that he was first in the hearts of the American people. He is now first in their memory and in their hopes for the kind of peaceful future they want for their country, at home and abroad.

The Senate was lifted by his presence to a peak of leadership among American legislative and executive institutions in our time. As he ennobled the Senate by his presence, so may his memory continue to be an inspiration and a guiding force for us.

I shall treasure the memory of his friendship as one of the greatest and most inspirational experiences of my lifetime.

Mr. ERVIN. Mr. President, all America grieved at the senseless violence of the act which struck down Senator Robert Francis Kennedy as he sought the highest office of his country. With his tragic death, America has lost a dedicated public servant, and the Senate has lost one of its most articulate and concerned Members, a man who served this body not only as a Senator from the State of New York, but earlier in his career as a Senate staff member.

While we differed in our political views and our approaches to solving many national problems, I admired Bob Kennedy for his courage and for his forthright efforts in behalf of any cause he championed. Like his brothers and the other members of his family, he had a valiant heart which sustained him through personal tragedies as well as through the trials and challenges of high public office. He never shrank from danger, either physical or political. Pericles said:

> The palm of courage will surely be adjudged most justly to those who best know the difference between hardship and pleasure and yet are never tempted to shrink from danger.

Surely, Robert Kennedy deserved that palm of courage and, in this, his family should find great comfort in the years ahead.

As a counsel to the Subcommittee on Investigations, on which I served, he daily displayed a rare moral courage and determination to do the job assigned to him despite obstacles and threats which would have cowed a lesser man. This was his most characteristic trait which the country came to know during the election campaign of 1960, later as he served as Attorney General, and throughout his Senate career.

As it is given to few men, Robert Kennedy knew the joys and the trials of human existence. In his devotion to his family and to his church, in his youthful enthusiasm for encountering all that life had to offer, and for giving unstintingly of himself, Bob, like all of his family, represented the best qualities of American life. It was for this reason that he captured the imagination of so many young people. It would be difficult not to admire this adventurous spirit and to identify with him as he climbed mountains, shot rapids, worked for youth programs in the cities, or played touch football with his children.

Possessed of the material blessings of life, he chose not to sit in lethargy with his wealth; rather, he chose a life of active involvement in the world about him, and it plainly was his credo until the moment of his death.

Though his time on earth was so brief, Robert Kennedy found the rich rewards of self-fulfillment as a human being, and success in his public and personal life. I am convinced that the tradition of public service and achievements which is the hallmark of his remarkable family will be upheld by his children and continued by others in his family. Comfort, then, not condolence, in their bereavement, is what we must offer his wife, his children, and his family. For their memories of the honors he gained and the bravery he showed in his lifetime will keep Robert Kennedy in their midst as husband, father, son, and relative. No one who has lost a loved one can ask for more.

In closing, I observe that the conduct of his wife, his mother, his brother Ted, and his other relatives since his tragic death make it manifest that those he loved were like Bob Kennedy himself, in that they have much valor in their hearts.

Mrs. Ervin joins me in extending to them our deepest sympathy.

Mr. TYDINGS. Mr. President, Justice Holmes once said:

> As life is action and passion, it is required of a man that he should share the passion and action of his time, at peril of being judged not to have lived.

Robert Kennedy lived the action and passion of our time. He died in action. He spent his life, he gave his life in highest service to his country and to his fellow man. To those ignored he gave attention; to those in despair he gave hope; to those in need he gave help. To citizens blind to the fate of their fellow man he presented the discomforting specter of the other America. He gave himself.

Bob Kennedy, our friend, is dead. But the challenge of a newer world he pursued so selflessly remains. Let us be equal to that challenge.

In the long roll of history it will be marked for Bob Kennedy, as it was for his brother, John: "There was a Man!" We will not soon forget these men, or their compassion. As Pericles said centuries ago:

> Heroes have the whole earth for their tomb; and in lands far from their own—where the column with its epitaph declares it—there is enshrined in every breast a record unwritten with no tablet to preserve it, except that of the heart.

God have mercy upon the soul of Robert Kennedy. God have mercy upon his family. God have mercy upon us all.

Mr. MORSE. Mr. President, it is indeed a time of great sadness that after such a short period of time another national tragedy has shaken our Nation to its very foundations. We respond this morning in tributes to an outstanding American and colleague Robert Kennedy who was taken from us by an assassin's bullet. There is a feeling of emptiness and dismay in all of us as we think of the consequences of that horrible act on our Nation and the world.

There can be no greater eulogy to Robert Kennedy than the words of his brother, Senator Edward Kennedy, at St. Patrick's Cathedral on June 8, 1968, when he said:

> My brother need not be idealized or enlarged in death beyond what he was in life, to be remembered simply as a good and decent man, who saw wrong and tried to right it, saw suffering and tried to heal it, saw war and tried to stop it.

He attacked violence and disunity which swept across the Nation in past months, shaking the foundations of the Nation and claiming him as their victim. He called to our attention, through his investigations as a member of the Subcommittee on Poverty, the suffering of poverty and ignorance. He courageously and prophetically protested the horror of the conflict in Southeast Asia which he urged us to resolve through the peacekeeping procedures of world law.

These are goals to which we should all rededicate ourselves as our living monument of political action in his memory.

We now know that each of us is a better person because we were privileged to know Robert Kennedy and share the influence of his idealism, courage, compassion, and great statesmanship. However, our words of eulogy will become but empty phrases unless we breathe his undying faith in human values into our way of life. We can best honor him by keeping his faith in our system of constitutional self-government designed to promote the general welfare of all of our people, not just some of our people.

Mrs. Morse and I extend to his wonderful wife and children, to his mother and father, to his sisters, and to our colleague, Edward Kennedy, and their families, our thanks for their example of faith in God and their great strength in bereavement. May God comfort and bless them all.

Mr. CURTIS. Mr. President, on behalf of all the people of Nebraska, I want to express our deep regret and sorrow that was felt by everyone at the tragic death of our colleague, Senator Robert Kennedy, of the State of New York. His death was so unnecessary. It was so symbolic of the violence that concerns all people. Perhaps in his death the United States will move closer to a society of law and order.

Much will be said concerning the life, the interests, the ideals, and the words of ROBERT KENNEDY. It will not be my purpose at this time to attempt to comment on, or even list, the many noteworthy things that mark the period that he served as counsel to the Committee on Government Operations of the Senate, later as Attorney General of the United States, and still later as a Member of the U.S. Senate. He was involved in many things, and the historians of the future will find a rich source of material connected with the life of Senator ROBERT KENNEDY.

There comes a time when politics, political solutions, and all things secular become of lesser importance. At such a time, Christian faith and the knowledge of life eternal take their rightful place as the most important of all things. So today in expressing the sorrow and the condolences of the people of Nebraska to the family of our departed colleague, we also direct not only his family, but all men everywhere, to the enduring faith of our departed colleague.

Mr. CLARK. Mr. President, the custom of the "eulogy" of the dead comes down to us from Greek and Roman times and has produced some of the most moving prose in our heritage of western civilization. Yet I think somehow the tradition of the eulogy is out of place in our modern life in general, and I hazard the perhaps unpopular suggestion that it has become out of place on the floor of the Senate where the atmosphere has changed so much since the days of Clay, Calhoun, and Webster.

So I am reluctant to speak today of my friend ROBERT KENNEDY. On Thursday, June 6, shortly after his assassination, I spoke briefly respecting the impact of his death.

Today I shall merely refer to three little incidents, three vignettes, if you will, in our relationship. Each has left a picture in my mind which I think will stay with me for the rest of my life.

The first incident was in the State of Mississippi in the early spring of 1967. BOB and I went together as representatives of the Subcommittee on Employment, Manpower, and Poverty, of which I am chairman; first to Jackson, and then up through the delta counties of Mississippi, taking testimony, visiting, inspecting, and exploring the tragic conditions of poverty which we found in that State.

I was the chairman of the subcommittee but he was the leader of our group by reason of his stature, his deep dedication, his youthful energy and the interest displayed in him by the representatives of press, radio, and television.

For the first day, we were accompanied by our friends from across the aisle, the Senator from California [Mr. MURPHY] and the Senator from New York [Mr. JAVITS]. They made a real contribution before they had to leave to attend to duties in the Senate.

BOB KENNEDY and I stayed. The picture in my mind is of this vital young man with the shock of hair and the slight figure, going from broken-down shack to broken-down shack, talking with these simple people, most of them black, some of them white, keenly interested in their problems, their tragedies, and having a difficult time fighting off the TV, radio, and photographic people swarming all over him wherever he went, making it so difficult to conduct a meaningful dialog with essentially shy people. Yet, somehow, he accomplished it.

When we came back, he and I went to see the Secretary of Agriculture, Orville Freeman, and told him of the frightening conditions we had found and begged him to send food to the hungry. At long last, much later to some extent, that was done.

But the incidents of searing poverty, the cheerfulness of the poverty stricken in the midst of misery, his reaction to those fundamentally splendid people and the great work he did when he came back to assure that something would be done—some little thing—by the Federal Government to mollify their condition, the earnestness and the zeal, and the dedication which he gave to that task, will always stay with me.

The second incident was somewhat later, in the summer of 1967. I went to his office to talk with him about a problem of mutual interest—I have forgotten what it was now.

He was meeting with his brother, TED. I did not know what they were talking about, and I did not try to find out. I just wandered around his office while they talked looking at the pictures and the scrolls on the walls.

There, in front of me, was my favorite poem, Tennyson's "Ulysses"—not all of it, but the part in which Ulysses speaks to his mariners and exhorts them to go forth on one more voyage to seek a newer world:

Push off, and sitting well in order smite
The sounding furrows; for my purpose holds
To sail beyond the sunset, and the baths
Of all the western stars, until I die.

After awhile, BOB and TED finished their talk—TED left—and before we started our discussion, I said to BOB "How do you happen to have that poem on your wall? It has always been my favorite. I learned it by heart when I was in college years ago."

He replied, "It is mine, too. I learned it by heart when I was at Harvard."

It is a great poem. Its only failing is, there is no woman in it. It exemplifies, in many ways, the strong streak of adventure, idealism, and hard, tough determination which was so much a part of ROBERT KENNEDY's character.

That scene is also deep in my memory. A new bond between us had been created in a moment's time.

The third incident was right here on the floor of the Senate, early this spring. I was standing about 15 feet behind and to the left of my desk, with not much of anything on my mind, and BOB came up to me, knowing that I was a candidate for reelection to the Senate and knowing that the impact of what he might do with respect to seeking the Presidency might have some bearing on the success or failure of my candidacy. He said to me, "JOE, would it murder you if I got into this thing?"

I said, "I do not know what you are talking about."

He said, "Well, I am thinking of declaring my candidacy for the Presidency. Would this hurt you?"

I replied, "Of course not, and even if it did, I would urge you to do it. I am so glad that you are thinking of changing your mind."

I did not know, then, what he was going to do. I never made a commitment to support him, but I felt that this was probably the toughest decision of his life. I think he made the right decision, even though at the end it was obviously the triggering event in his assassination. It was typical of his consideration of others to think of the impact of his decision on my fortunes.

Thus I think of him, of the joy of a friend, in the light of these three little incidents which will always stay with me.

Mr. President, I do not believe in eulogies but I thought it well to say these few things for posterity as it consults the CONGRESSIONAL RECORD.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I am pleased to join in this occasion to memorialize our late colleague Senator ROBERT F. KENNEDY. I was deeply grieved when I learned of his tragic death. I was shocked not only by the fact of his death but also by the tragic circumstances both for him and his family. Death comes like a thief in the night, as the Bible tells us, but it seems more sudden and more shocking when it stops a life in full career.

Many of us did not agree with some of the views of the late Senator from New York, but that disagreement was to be expected in the nature of a deliberative body. Our differences did not go beyond the business of political inquiry. We rerespected Senator KENNEDY as a hardworking colleague who participated to the fullest in the affairs of this Senate.

Senator KENNEDY was my next-door neighbor in the New Senate Office Building, and because of this propinquity, I had occasion to see his never-failing courtesy to the members of my staff, as we both went about our work in the Nation's Capital. A measure of a public man's character is his courtesy toward the "little people" of his professional life, to those to whom he has no public obligation. We saw Senator KENNEDY's courtesy and human friendliness at close hand.

The dimensions of this tragedy extend both to his wife and children and to the entire Kennedy family. That this family has suffered yet another great tragedy touches all of us deeply. The image of the Senator's father and mother struck once more by grief calls to us the image of Job, laden with suffering upon suffering. Seldom in the annals of political history has one family borne so great a series of personal misfortunes and sufferings inflicted in the course of public service.

Mr. President, I extend my deepest sympathy to Mrs. Kennedy and her children, and to all the Kennedy family, and especially to our esteemed colleague Senator EDWARD KENNEDY.

Mr. MUSKIE. Mr. President, in the years ahead, millions of words will be written and spoken about ROBERT KENNEDY. As the volume grows, it will be increasingly difficult to recognize the man who walked and worked among us.

We each know something of the larger-than-life dimensions which are applied to the virtues and faults and activities of men and women in public and political life.

I think we all appreciated the fact that the process had overtaken BOB KENNEDY long before he came to the Senate and to a degree none of the rest of us have ever experienced.

My instinct, therefore, Mr. President, on this occasion, is to speak of the ROBERT KENNEDY we came to know as a human being whose talents and interests and appeal prompted his constituents to send him to the Senate.

I did not know him in his childhood, or his boyhood, or his early manhood. I do not know what he was in those years, or in what ways the influences and circumstances of those years shaped the man who was our colleague. I know only that they produced a man of unusual qualities of heart and mind, a man vulnerable as are other human beings in his weakness and shortcomings, a man it was a privilege to know.

I thoroughly liked the BOB KENNEDY I came to know. He was warm and considerate. He was compassionate. He cared about others. Our working and personal relationships were the relaxed and satisfying kind growing out of mutual respect.

He was shy, and his shyness has been interpreted as aloofness and coldness.

He was tough and determined about those things which mattered deeply to him.

He was a fighter—fired as he believed all Americans should be by the injustices of our time.

He believed it to be his duty to use his life to improve life on this earth.

I miss him, Mr. President, as a man who had much to contribute to that objective, and as a man whose friendship warmed those who were privileged to share it.

Mr. PROUTY. Mr. President, we are today a little further removed in time from the tragic event of June 5, which took from our midst and deprived the world of our late colleague, ROBERT F. KENNEDY. My sense of personal loss and our bereavement as a body and as a nation are no less real now than when I spoke briefly on the 6th of June.

If these short 2 months have done anything, they have intensified my feeling of frustration and helplessness in the face of so senseless an act.

Mr. President, I have thought about the short years that ROBERT KENNEDY was among us in the Senate. I have tried, also, to compare the Senate itself during that time and since his death. There is, indeed, a change in this body. It seems to me that the poignant touch which his very presence added to our assembly was, if not unique, so keen and vigorous as to have given added life to us all.

Of course, we never have agreed and never will agree in all things. And, right or wrong, once decided, our work is done, and we move to other things. But, now our approach is just a shade different, it seems to me.

It was in his approach to things that, I think, BOB KENNEDY made his mark. The urgency toward accomplishment which appeared in everything he tried to do was infectious. It seemed to lead us all to be about our business and the business of the Nation and to move on to other things.

"We must act," his very presence among us seemed to say. And this approach to things seemed to me to cause our step to quicken, just a little, and to move each of us, however slightly, closer to accomplishment of the goals, whatever they are, of each of us.

It seemed to me that ROBERT KENNEDY conveyed to us a sense of satisfaction—not that we have done a complete job; not that we have accomplished everything; but a sense of belonging because we are doing something; that the job is being done; that we are acting in a living, vibrant world.

It is this worthwhile motion which has been slowed down. It is in the act of accomplishing things that now we feel most strongly the absence of the junior Senator from New York.

Mr. CANNON. Mr. President, few sadder tasks have come to me as a Senator than to speak of the early and tragic death of our recently departed colleague, who left an enduring mark not only in the Senate and in his State, but upon the conscience of the Nation and the world.

The words of Senator ROBERT KENNEDY's brother, EDWARD, on that sad day in New York are still in my mind, when he told the mourners present in St. Patrick's Cathedral, where I sat, that his brother was "a good and decent man who saw wrong and tried to right it, saw suffering and tried to heal it, saw war and tried to stop it."

It is for these things, and more, that ROBERT KENNEDY will be remembered. He was a fighter and not a sentimentalist. He had compassion, but it was not of the theoretical kind but rather of down-to-earth practicality. He championed the poor and the disadvantaged, the ignorant, and the deprived—all those who found in him an eloquent and vigorous advocate.

He communicated with the young people of our Nation as few men in public life have done before him. I speak of that half of Americans 25 years of age and younger with whom he shared a special kinship.

In this age of doubt and uncertainty of direction, he told America that "we can do more, we can do better," and I believe he convinced millions that it could be so.

His legacy will lie in the inspiration for public service with which he sought to infuse all those he met and talked with. I believe that through his courage and the dedication of his family he will continue to call America to the fulfillment of its destiny, and that in the process this great man will be remembered and his leadership will remain fresh.

All who knew Senator ROBERT KENNEDY will miss him.

Mrs. Cannon and I extend to his brave widow and his wonderful children and to his parents and sisters and brothers our enduring friendship and our deepest sympathy in their sorrow for his loss. I know they will be sustained in their pride in his life and accomplishments, as surely as his name will be honored by this and future generations of Americans as a good and dedicated public servant and private citizen.

Mr. PASTORE. Mr. President, how shall a colleague speak in eulogy of Senator ROBERT F. KENNEDY?

How shall we measure the meaning of the man—the measure of how he shall be missed?

I could measure it by the loneliness of our common corridor in the Senate office building, where yesterday crowds came from every corner of America in the electric excitement of meeting the junior Senator from New York.

That corridor misses the footstep of a young man in a hurry—with not enough time in his day.

And then there were not enough days in his time.

We feel something missing from a summer of crusading ambitions—looking toward a November of choice, of challenge, of change.

It is the vacuum of a voice that yesterday had such power and today is at peace.

What would we add, what could we add to the poignant requiem of brother for brother we were privileged to hear that sad June Saturday in the Cathedral of his faith?

The brother borrowed the very words of ROBERT KENNEDY to fashion his benediction—the language of the living to be the litany of his loss.

Surely, we are humble in the poverty of any words that we ourselves might contrive.

So I, too, would like to borrow some words of ROBERT KENNEDY, from a speech within a speech of his.

A little less than a year ago—on Wednesday, August 2, 1967—I was on the Senate floor to place in the RECORD some wise words on world peace. They had been spoken by a still-living constituent and neighbor of mine.

That same day, for the RECORD, ROBERT KENNEDY spoke of another such American. He entered the eulogy of a friend for a friend—one whose life had just been lost in untimely tragedy.

The eulogy contained some lines from a Housman poem.

They are lines that might well serve as ROBERT KENNEDY's own epitaph. And these are the lines I borrow today:

> The thoughts of others
> Were light and fleeting. . . .
> Of lovers meeting . . .
> Or luck . . . or fame.
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> Mine were of trouble . . .
> And mine were steady . . .
> So I was ready
> When trouble came.

ROBERT KENNEDY was, indeed, ready for our troubled times.

He meant to meet "trouble" under its

every guise, to challenge its despair, to change its direction.

For "trouble" wears many masks. It means poverty, hunger, disease, racism, riots. It means inequity, hate, hopelessness, injustice, indignity, indecency.

"Trouble" means underprivilege, despair, slums, ghettos, war, every woe of the world, every ache of the human heart, every ill of the human soul.

The religious faith in which ROBERT KENNEDY was born and died has a simple premise with which no faith will quarrel.

It teaches that the world about us, with all its beauties and values, is God's gift to man.

The world is meant to be perfect. Its imperfections, its flaws, its scars, are the mistakes of man. Only man can destroy paradise.

His faith teaches that man's work on earth—whatever his walk in life—is to mend the flaws of the world, soften the scars, heal the hurt of his fellowman.

Its other name is love of neighbor.

Strangely enough, one hesitates to speak these solemn words here, here where so much of the responsibility rests, here where so much of the opportunity lies.

But BOBBY KENNEDY spoke such thoughts here and everywhere and he had the precious power to make people see the vision beyond life's viciousness.

One might not have rapport with his ambitions—but one would surely have respect for his aims.

One would have admiration for the happy warrior, and have awe for his gift to command the utmost in allegiance and affection.

We shall be mindful, in eulogy, not to make ROBERT KENNEDY larger than he was in life.

But we shall not make him less.

ROBERT KENNEDY was a man of faith, of family, of fortune. He had everything to live for and he chose to live for others far less fortunate than himself.

We saw how he inspired people—especially the young—to a sense of involvement in Government as he invited them to a commitment to an America as good and great as our land can be.

There may be those among use who, proudly and properly, feel that they, too, have this commitment.

But each of us knows that a dynamic America is diminished and our destiny is endangered as even one of its spokesmen is silenced—stilled by the very violence he sought to contain—by the very twisted soul for whom he would make straight the way.

So a greater burden is left to be divided among those who remain.

A time of eulogy would be an exercise in mock heroics if we do not meet that test—if we do not take up the burden.

Our sympathy would be shallow indeed if we gave less than that promise to his loved ones from whom so much has been taken. And our sympathy is from the depth of our hearts—from the true heart of America for those who shall sorely miss their fond father and husband, loyal brother, devoted son—just as our times shall miss this good and decent man.

In this time of pain and trial and desolation may there be comfort for them in our human esteem and humble affection as we share their sorrow just as their cry "out of the depths" will be heard by One whose strength will be with them longer than forever.

The hour approaches when our great political parties will document their dedication to America in language grander than any we use here today.

But here is where the promise to America must be kept if the promise of America is to be achieved.

This is where we must make our stand, steady, ready to meet America's troubles, and master them.

This is our task for they can trouble ROBERT KENNEDY no more.

(At this point, Mr. WILLIAMS of New Jersey assumed the chair.)

Mr. JORDAN of North Carolina. Mr. President, today we pause for the second time in the short space of less than 5 years to pay solemn and sorrowful tribute to one or our own cut down in his prime by the savage and senseless act of an assassin.

It is a cruel and ironic twist of fate that these men were brothers—one who had moved up from this Chamber to become President before his untimely death, the other killed while campaigning for the same high office.

Today our eulogy is for Senator ROBERT FRANCIS KENNEDY, and we feel once more that sense of loss and deprivation which marked the weeks after that tragic day in Dallas in 1963.

I did not always agree with Senator KENNEDY's views and philosophies.

Sitting beside him I frequently voted against his position.

But at the same time I respected him and admired many of his qualities.

ROBERT KENNEDY was a fighter who believed implicitly in himself and the causes for which he fought. He was a man of courage, driving ambition, political skill, initiative, and single-minded dedication to the causes he espoused and to which he devoted his life.

It is as such a man that I remember and honor ROBERT KENNEDY in this memorial hour.

The PRESIDING OFFICER (Mr. CANNON in the chair). The Senator from Hawaii.

Mr. INOUYE. Mr. President, once more we gather under tragic circumstances to pay tribute to a fallen friend.

Once more we weep to contain the immeasurable quantity of our grief.

Death comes, as it must, to all men, but before that end, destiny bestows upon rare individuals the privilege to make a lasting contribution to the betterment of mankind. To this man is given the rarest of all gifts, the spark of vitality that illumines and enriches our lives.

Such a man was our colleague, Senator ROBERT F. KENNEDY. He was a man who, like his late brother, gave every measure of devotion in the service of his country which he loved so deeply. Like President Kennedy, he resolutely faced the future confident of the United States and its people.

I gaze back at my 8 years of association with ROBERT KENNEDY with warmth, affection, and pride. They were vibrant, exciting years, and I shall miss him deeply. Daily I saw his boundless compassion for the poor and disadvantaged of our country and heard him speak for those who had no voice. I knew, too, of his unqualified dedication to democratic ideals and to the belief that the bountiful riches of this land could be utilized to feed and house decently every citizen regardless of color or creed.

He was a courageous Senator, eager to protect the weak, to tell us the truth about our defects as a people, to reaffirm our inherent worthiness, and to point out the tasks left undone. His voice is stilled, and we are all the poorer for the silence.

His legacy remains untarnished for us and for the millions who share his vision of a greater America. It is for us to honor him by our fidelity to the humanitarian ideals he espoused so that in the end we may say with Donne:

> Death be not proud, though some have called thee
> Mighty and dreadful, for thou art not so,
> For those whom thou think'st thou dost overthrow,
> Die not, poor death, nor yet canst thou kill me.

Mr. SYMINGTON. Mr. President, ROBERT KENNEDY was an able and industrious citizen.

ROBERT KENNEDY was an American patriot in the finest sense. He took little and gave much.

ROBERT KENNEDY was my friend, as I was his.

ROBERT KENNEDY cut through bureaucracy and delay so as to find the truth and then he told that truth to the millions who honored him, trusted him, and loved him.

This will be a better world because he lived. No man could ask for more.

To his gracious and lovely wife, Ethel, to his parents, and to his children, my wife and I offer our deepest sympathy.

Mr. BURDICK. Mr. President, I shall take only a few moments to pay tribute to ROBERT F. KENNEDY. It is difficult to believe that he does not exist with us any longer. Everything about him was constructive and forceful. His service to the U.S. Senate was admirably suited to his nature and his disposition.

He was persistent and aggressive in behalf of the people of his State and country. He was effective and articulate. He was compassionate, understanding, and courageous. I first knew him when he was manager of his brother's campaign for the Vice Presidency at the Chicago convention, later in his brother's campaign for President, later as Attorney General, then as Senator from the State of New York.

We are gathered in this Chamber to pay tribute to a beloved Member of the Senate who was a dear friend to so many of us. Now he is gone from our midst, but he left behind in the minds and hearts of his colleagues the glow of genuine friendship, warmth and concern for his fellow man.

I should like to make a personal reference before I close.

It was my privilege to be with ROBERT KENNEDY in the last days of his life. He stopped in Fargo on April 15 and was especially to our esteemed colleague Senator Edward Kennedy.

Mr. MUSKIE. Mr. President, in the years ahead, millions of words will be written and spoken about Robert Kennedy. As the volume grows, it will be increasingly difficult to recognize the man who walked and worked among us.

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The religious faith in which ROBERT KENNEDY was born and died has a simple premise with which no faith will quarrel.

It teaches that the world about us, with all its beauties and values, is God's gift to man.

The world is meant to be perfect. Its imperfections, its flaws, its scars, are the mistakes of man. Only man can destroy paradise.

His faith teaches that man's work on earth—whatever his walk in life—is to mend the flaws of the world, soften the scars, heal the hurt of his fellowman.

Its other name is love of neighbor.

Strangely enough, one hesitates to speak these solemn words here, here where so much of the responsibility rests, here where so much of the opportunity lies.

But BOBBY KENNEDY spoke such thoughts here and everywhere and he had the precious power to make people see the vision beyond life's viciousness.

One might not have rapport with his ambitions—but one would surely have respect for his aims.

One would have admiration for the happy warrior, and have awe for his gift to command the utmost in allegiance and affection.

We shall be mindful, in eulogy, not to make ROBERT KENNEDY larger than he was in life.

But we shall not make him less.

ROBERT KENNEDY was a man of faith, of family, of fortune. He had everything to live for and he chose to live for others far less fortunate than himself.

We saw how he inspired people—especially the young—to a sense of involvement in Government as he invited them to a commitment to an America as good and great as our land can be.

There may be those among use who, proudly and properly, feel that they, too, have this commitment.

But each of us knows that a dynamic America is diminished and our destiny is endangered as even one of its spokesmen is silenced—stilled by the very violence he sought to contain—by the very twisted soul for whom he would make straight the way.

So a greater burden is left to be divided among those who remain.

A time of eulogy would be an exercise in mock heroics if we do not meet that test—if we do not take up the burden.

Our sympathy would be shallow indeed if we gave less than that promise to his loved ones from whom so much has been taken. And our sympathy is from the depth of our hearts—from the true heart of America for those who shall sorely miss their fond father and husband, loyal brother, devoted son—just as our times shall miss this good and decent man.

In this time of pain and trial and desolation may there be comfort for them in our human esteem and humble affection as we share their sorrow just as their cry "out of the depths" will be heard by One whose strength will be with them longer than forever.

The hour approaches when our great political parties will document their dedication to America in language grander than any we use here today.

But here is where the promise to America must be kept if the promise of America is to be achieved.

This is where we must make our stand, steady, ready to meet America's troubles, and master them.

This is our task for they can trouble ROBERT KENNEDY no more.

(At this point, Mr. WILLIAMS of New Jersey assumed the chair.)

Mr. JORDAN of North Carolina. Mr. President, today we pause for the second time in the short space of less than 5 years to pay solemn and sorrowful tribute to one or our own cut down in his prime by the savage and senseless act of an assassin.

It is a cruel and ironic twist of fate that these men were brothers—one who had moved up from this Chamber to become President before his untimely death, the other killed while campaigning for the same high office.

Today our eulogy is for Senator ROBERT FRANCIS KENNEDY, and we feel once more that sense of loss and deprivation which marked the weeks after that tragic day in Dallas in 1963.

I did not always agree with Senator KENNEDY's views and philosophies.

Sitting beside him I frequently voted against his position.

But at the same time I respected him and admired many of his qualities.

ROBERT KENNEDY was a fighter who believed implicitly in himself and the causes for which he fought. He was a man of courage, driving ambition, political skill, initiative, and single-minded dedication to the causes he espoused and to which he devoted his life.

It is as such a man that I remember and honor ROBERT KENNEDY in this memorial hour.

The PRESIDING OFFICER (Mr. CANNON in the chair). The Senator from Hawaii.

Mr. INOUYE. Mr. President, once more we gather under tragic circumstances to pay tribute to a fallen friend.

Once more we weep to contain the immeasurable quantity of our grief.

Death comes, as it must, to all men, but before that end, destiny bestows upon rare individuals the privilege to make a lasting contribution to the betterment of mankind. To this man is given the rarest of all gifts, the spark of vitality that illumines and enriches our lives.

Such a man was our colleague, Senator ROBERT F. KENNEDY. He was a man who, like his late brother, gave every measure of devotion in the service of his country which he loved so deeply. Like President Kennedy, he resolutely faced the future confident of the United States and its people.

I gaze back at my 8 years of association with ROBERT KENNEDY with warmth, affection, and pride. They were vibrant, exciting years, and I shall miss him deeply. Daily I saw his boundless compassion for the poor and disadvantaged of our country and heard him speak for those who had no voice. I knew, too, of his unqualified dedication to democratic ideals and to the belief that the bountiful riches of this land could be utilized to feed and house decently every citizen regardless of color or creed.

He was a courageous Senator, eager to protect the weak, to tell us the truth about our defects as a people, to reaffirm our inherent worthiness, and to point out the tasks left undone. His voice is stilled, and we are all the poorer for the silence.

His legacy remains untarnished for us and for the millions who share his vision of a greater America. It is for us to honor him by our fidelity to the humanitarian ideals he espoused so that in the end we may say with Donne:

Death be not proud, though some have called
thee
Mighty and dreadful, for thou art not so,
For those whom thou think'st thou dost over-
throw,
Die not, poor death, nor yet canst thou kill
me.

Mr. SYMINGTON. Mr. President, ROBERT KENNEDY was an able and industrious citizen.

ROBERT KENNEDY was an American patriot in the finest sense. He took little and gave much.

ROBERT KENNEDY was my friend, as I was his.

ROBERT KENNEDY cut through bureaucracy and delay so as to find the truth and then he told that truth to the millions who honored him, trusted him, and loved him.

This will be a better world because he lived. No man could ask for more.

To his gracious and lovely wife, Ethel, to his parents, and to his children, my wife and I offer our deepest sympathy.

Mr. BURDICK. Mr. President, I shall take only a few moments to pay tribute to ROBERT F. KENNEDY. It is difficult to believe that he does not exist with us any longer. Everything about him was constructive and forceful. His service to the U.S. Senate was admirably suited to his nature and his disposition.

He was persistent and aggressive in behalf of the people of his State and country. He was effective and articulate. He was compassionate, understanding, and courageous. I first knew him when he was manager of his brother's campaign for the Vice Presidency at the Chicago convention, later in his brother's campaign for President, later as Attorney General, then as Senator from the State of New York.

We are gathered in this Chamber to pay tribute to a beloved Member of the Senate who was a dear friend to so many of us. Now he is gone from our midst, but he left behind in the minds and hearts of his colleagues the glow of genuine friendship, warmth and concern for his fellow man.

I should like to make a personal reference before I close.

It was my privilege to be with ROBERT KENNEDY in the last days of his life. He stopped in Fargo on April 15 and was greeted by an outpouring of thousands. Overflow crowds met us at the airport, with literally hundreds trying to shake his hand or just touch him. I recall that the crowd was pressing against the automobile in which we were riding, and in caution I asked the people to step back away from the vehicle lest they be injured. One young lady, who was literally pressed into the side of the car, exclaimed, "I don't care!" This was an example of the admiration that people, particularly the young people in the Nation, held for ROBERT KENNEDY. The streets of Fargo were lined with crowds from the airport to the city auditorium, which was filled to overflowing. Here was a tribute that could not be mistaken.

The next day I flew to Eagle Butte, S. Dak., with the Senator to attend a hearing on Indian education. He revealed a deep insight into the plight of the Indians, and he expressed genuine sympathetic interest in their welfare.

After the hearing we flew to Rapid City, from there I went back to Fargo, and he flew on to the west coast. I was never to see him alive again; later the world was to be shocked by his untimely and tragic death.

ROBERT KENNEDY was in tune with the needs of the poor and the underprivileged, whether it was the poor on the Indian reservations or the poor in the ghettos. And they were in tune with him. It is most tragic that a man who understood these problems should have been taken from us, at a time when his understanding, and his service was so badly needed. So as we pay tribute today, let us take some inspiration and some determination, from the record of his life, in order to make our Nation a better place.

Mr. MOSS. Mr. President, I shall not try to enlarge on the place of Senator ROBERT F. KENNEDY in our memories. His much too brief life spoke volumes.

Few other men have meant so much to so many in such a short lifetime. If there were lines around his eyes, it was because he had seen so many hungry children, and hopeless old people, and poor and minority group people who were victims of discrimination. If he seemed prematurely aged, it was because he sought so valiantly to create a society of individual and human justice.

I shall never forget the days I spent with this vibrant man with the keen, inquisitive mind early in July a year ago. After making a speech in Salt Lake City, he flew with me to Canyonlands National Park and then on to Lake Powell, where he rode its blue waters to see as much as he could of its spectacular scenery. We made a rendezvous with his wife and six of his children at Rainbow Bridge National Monument, where we all hiked to the great sandstone arch. He and his family went on from there to run the famous rapids of the Colorado River into the Grand Canyon.

July Fourth was a warm, uncomfortable day—a torrid day, truly—and it would have been easy for him to rest with his family in the lodge at Wahweep on Lake Powell. Instead, he chose to fly with me in a small plane, through turbulent air, to the Navajo Indian reservation, to see for himself how our Indians lived, and what needed to be done for them. It was a long, exhausting day, but he did not spare himself for a moment. He wanted only to be sure that he was back at the lodge in time for the birthday celebration for his daughter Kathleen.

This was BOBBY KENNEDY—dedicated to the poor and the least of us, striving always to improve their lot, seeking always to see and know everything he could about his beloved country, yet always a devoted husband and father.

While he stood against want and fear in America, he stood just as resolutely for peace in the world, and he offered hope to those who despaired that peace would ever come. There are many who still feel that no one else wants to speak for them, that he, above all others, understood their frustration and their yearnings. He alone held the torch.

BOBBY KENNEDY was a man of compassion, of conscience, and of commitment. He remained to the end of his life a symbol of youth and a symbol of change. His concern for and dedication to his fellowmen and his country leave the world a better place in which to live.

Mr. WILLIAMS of New Jersey. Mr. President, I have heard most of the Senators who have spoken this morning, and I have never felt that the discussion was more profound in the understanding of our departed friend, ROBERT KENNEDY.

Senators have expressed fully all of the facets of his life—his concepts, his understanding, his dedication, his energy, and his devotion to life, his Nation, and his family.

We all, of course, recall our personal associations and our work contacts with ROBERT KENNEDY in the Senate. It was my good fortune, as chairman of the Subcommittee on Migratory Labor of the Committee on Labor and Public Welfare, to have Senator ROBERT KENNEDY as a member of my subcommittee. He brought to our work an electricity that inspired more than hope—it inspired action.

We worked closely together during hearings in Washington and, more important, in California. I emphasize the field trips because it was in the fields that I saw ROBERT KENNEDY endeavor to obtain a meaningful understanding of the migrant and his family. He learned first hand of the overwhelming problems faced by migrant families. He experienced the voices and lives of hungry, poorly educated, poorly housed, unhealthy children and parents. And he shared their interest in obtaining human dignity through meaningful collective bargaining with their employers. He unselfishly applied himself to the development of practical solutions to those problems.

What ROBERT KENNEDY did with this intimate firsthand knowledge was to represent the unrepresented. He proposed meaningful change through relevant programs in an effort to engender hope in their lives. It was the combination of ROBERT KENNEDY's intimate knowledge, gained through the live encounters with the migrant, and KENNEDY's idealism, foresight, and unswerving dedication, that gave special meaning to his own life and hope to the migrant.

As we traveled around the country, people who had never had any hope for any part of a good life saw him, heard him, and then obtained hope. With that hope, he demanded action, and action we have had. Not enough, it is true, but he helped us get on the road to bring the better life to over a million desperately poor people who harvest our food and fiber.

Mr. President, I ask unanimous consent to have printed in the RECORD some of the statements made by our late beloved Senator KENNEDY which express concern and compassion for the migrant worker.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., July 8, 1965.—How many people are going to suffer, how many children are going to die, and how many other older children are going to be uneducated while somebody is trying to find a solution to the problem?

VISALIA, CALIF., March 15, 1966.—I think what's incumbent upon us is to come up with a solution, and not just keep telling the poor farmworkers that it's too difficult to work out the solution to it.

VISALIA, CALIF., March 15, 1966.—Maybe we can't rectify all the things that have gone on in the past, but let's remedy the situation for the future and not just let it continue.

DELANO, CALIF., March 16, 1966.—I think you've got to give people an opportunity. Maybe they don't want to, but at least you've got to open the door to them. That's all I think members of the Committee are suggesting, not that you should recognize one union over another or one better than another, or even that there should be any union at all.

DELANO, CALIF., March 16, 1966.—The situation has not been concentrated just in this area of California, but generally around the United States over the period of the last 30 years, and those people (the farmworkers), whether the question is one of wages or working conditions or education, have been the ignored part of our population.

DELANO, CALIF., March 16, 1966.—It is not only our responsibility in Government. It is also the responsibility of people who are in management, of those who are growers, and those who are employees and have some leadership ability. All of us must try to do something to rectify the situation or it's never going to be changed.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the period for the expression of eulogies be continued until there are no further speakers, that the rule of germaneness be waived, and that the unfinished business be laid before the Senate following the period for the expression of eulogies.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HILL. Mr. President, I flew to New York City on the early morning of June 8 and attended the funeral services for Senator ROBERT F. KENNEDY at St. Patrick's Cathedral. I then returned to Washington on the funeral train that day and attended the funeral of Senator KENNEDY at Arlington National Cemetery late that evening.

The following Monday, on the floor of the Senate, I spoke of Senator KENNEDY, of his many great services to our country, and particularly of his outstanding work as a member of the Committee on Labor and Public Welfare, of which I am the chairman. I ask unanimous consent that the remarks I made on that occasion be printed at this point in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

It is worth noting, Mr. President, that never before in our history has one family sent three of its sons to the U.S. Senate: John, Robert, and Edward Kennedy. All three have served on the Committee on Labor and Public Welfare; all three during the time I have been privileged to be the committee's chairman; all three helping make major contributions to our country's welfare. These three brothers eagerly sought membership on the committee because it afforded them the greatest possible opportunity to search out and help enact solutions to the most pressing human problems of our time—the physical and mental health of our people; the education of our children and youth; the elimination of poverty and human misery in the cities and on the farms; rehabilitation of the handicapped; juvenile delinquency; protection of our elderly citizens; improvement of the wages and working conditions of the people employed in commerce, industry, and agriculture; fair and equitable relations between labor and management, the health, education, and adjustment to civil life of veterans of our Armed Forces, and many similar social and human problems.

During his 8 years as a Senator, John Kennedy served with grace and distinction as a member of the committee, rising to become chairman of its Subcommittee on Labor.

Edward Kennedy has served on the committee for the past 6 years and has become chairman of its Subcommittee on Veterans' Affairs.

Robert Kennedy, as I have said, came to the committee immediately upon entering the Senate 3½ years ago.

Robert Kennedy was one of the most active and diligent members of our Labor and Public Welfare Committee. He sought to shoulder the greatest possible load of responsibilities that a junior member could undertake. He was a member of five of the seven standing subcommittees: Education, Labor, Veterans' Affairs, Migratory Labor, and Employment, Manpower, and Poverty. In addition, beginning in September of last year, he became chairman of our Special Subcommittee on Indian Education in which he showed intense interest and passionate concern. Although he was not a member of the Subcommittee on Health, of which I am chairman, he always strongly supported any and all legislation designed to protect and improve the health of our people.

While, at times, I found myself in disagreement with some of his proposals and positions, I could not and did not ignore the fact that he was motivated by a deep conviction that the goals he pursued were for the best interests of the Nation. He was a sincere and eloquent advocate of the causes he favored. He was genuinely moved by the evidences of misery, disease, and misfortune he observed in his extensive travels in connection with committee work. He took his membership on the Committee on Labor and Public Welfare and his duties thereon with utmost seriousness.

Last year, the Subcommittee on Employment, Manpower, and Poverty, of which he was a most active member, conducted an extensive survey of poverty, hunger, and malnutrition in America. With the subcommittee he traveled thousands of miles from the slums of Harlem to the Watts section of Los Angeles and the fruit fields of central California; from the Mississippi Delta to northern Wisconsin; from Appalachia to the south side of Chicago. In all his travels, in all his subcommittee work, he was always an assiduous and devoted participant. He did his best, despite many other duties pressed upon him as a Senator representing the great State of New York, to attend every committee hearing and every executive session. His keen intellect, the absorptive power of his mind, the retentive grasp of his memory, coupled with his extraordinary energy, drive, and zest, made him in a short time one of the best informed and knowledgeable experts among us on the vast range of public questions with which our committee is concerned.

One of his principal contributions in the effort to reduce the toll of human poverty was his amendment creating the special impact program, which established economic and business development programs in heavily populated low-income urban areas, to create job opportunities and training programs for the underemployed and the unemployed.

As a member of the Subcommittee on Veterans' Affairs, he was a powerful ally of the distinguished Senator from Texas (Mr. Yarborough) in our successful struggle to establish a GI program for veterans of the cold war period.

On the Subcommittee on Education he worked hard and long beside the able Senator from Oregon (Mr. Morse) in broadening and improving Federal assistance to our Nation's schools and colleges and to the young people who attend them.

As a member of the Subcommittee on Migratory Labor, he was a strong right arm to the distinguished Senator from New Jersey (Mr. Williams) in helping bring about decent health, education and living conditions for hundreds of thousands of migrant workers and their families.

On the Subcommittee on Labor, he staunchly supported the efforts of the late Senator McNamara of Michigan and his successor as chairman of that subcommittee, Senator Yarborough, in bringing about major changes in the Fair Labor Standards Act, raising the minimum wage, and extending the act's protection to millions of additional workers.

Not only did he become expertly informed on all the great social problems we face, not only did he seek always to translate this knowledge into effective legislative responses, Senator Robert Kennedy likewise became a movingly expressive spokesman of the needs and aspirations of the disadvantaged, the poor, the sick, and the ill-nourished members of society.

As Solomon the Wise said:

"The souls of the righteous are in the hand of God, and there no torment shall touch them. In the sight of the unwise they seemed to die; and their going from us to be utter destruction; but they are in peace."

As we unite in prayer that the soul of Robert Kennedy may rest in peace, let us unite in determination to bring peace to the souls of those who live on.

In closing, Mr. President, may I extend to Robert Kennedy's beloved wife, Ethel, and her bereaved children, his brother, Edward, and the other members of the Kennedy family, Mrs. Hill's and my deepest sympathy at this time of sorrow.

Mr. HILL. Mr. President, I rise to speak in sorrow for the second time in less than 5 years of the death of a member of the Kennedy family. On December 11, 1963, the Senate dedicated a day in memory of John F. Kennedy, murdered in the month before. Today, we speak of another Kennedy, foully slain as was his brother before him: "On Horror's head, horrors accumulate."

Again the Nation and the world stand with bowed heads in mourning the loss of a gallant American. Again, a whole people are shocked over another cruel and senseless act of violence.

May I say that following Senator Kennedy's death, from the top of the Capitol of my State of Alabama in Montgomery, the Confederate flag flew at half mast for him, and Gov. Albert Brewer spoke these words:

> It would be my prayer that this shocking event will precipitate a return to what has been absent from this Nation for much too long—a true respect for law and order and an end to senseless violence.

Mr. President, it was as chairman of the Committee on Labor and Public Welfare, on which Robert Kennedy served since he entered the Senate in January 1965, that I had occasion to work with him day by day and to best come to know him and admire him.

Mr. McCARTHY. Mr. President, I join with my colleagues in the Senate today in paying tribute to the life and service of Senator Robert Kennedy of New York.

Among those who knew him well and outside the field of politics, he elicited a deep and continuing friendship. These friendships were marked by great warmth and loyalty which transcended differences in age and political differences.

It was in the field of politics that I knew him best.

His record through the years as a most loyal, ardent, and self-sacrificing aide of his brother is known to all Senators and to the American people; and also his record following the death of President Kennedy, when he assumed in a very special way the burden of carrying forward what had been started and in the same spirit moved on into new fields of need and of concern in this Nation.

He was the most worthy advocate—dedicated, energetic—committing all of his strength to the end of achieving the objectives which he had concluded were for the good of this country.

I shall conclude with excerpts from a column written by Mary McGrory, who knew him both as a friend and as a politician, and published in the Washington Evening Star:

> He was a gifted person.
>
> He intensified life for those who knew him and for those who did not.
>
> He was decent and pious.
>
> He was good to widows and orphans.
>
> He visited the sick and comforted the dying.
>
> He was courageous and cautious.
>
> He saw life in his own terms, convinced of what was right for others if not for himself.
>
> He had a capacity for giving total devotion and inspiring it.

Mr. HART. Mr. President, when the assassin's bullet brought down Robert Kennedy, the first reaction was born of shock and horror.

Cries for gun regulation, for help for the mentally ill, for adequate protection of our presidential candidates were the wails of shock.

Even eulogies for the man—this young, vibrant, dashing, captivating man—tended more to be the pouring out of our own personal grief than a dispassionate analysis of his contributions.

It is well, then, that the Senate waited until these weeks had passed to pay its formal tribute to Senator ROBERT F. KENNEDY; for, while horror at the manner of his death remains—and will remain with each of us until our own deaths—perspective is easier.

What, then, can we say today of ROBERT KENNEDY—of his contributions, made and anticipated?

In first recalling him, we think of the marks—which singled him out: the physical attractiveness, the wit, the energy, the love of family, the keen mind, the grin.

Many are so blessed, but few capture the hearts of a nation as ROBERT KENNEDY did.

The rare quality ROBERT KENNEDY had—we were repeatedly told—was charisma. Webster defines that as a "personal magic of leadership."

Some would have you believe that charisma is a God-given gift, allotted only to the select who are to lead nations and armies out of despair. This may be. But I think not.

I would say that charisma is established between a people and a leader in the way trust is established between a mother and child—or between a father and a son.

Thousands in this Nation looked on ROBERT KENNEDY and did not see a young man, richly endowed personally and financially. They saw instead a man who chose to face degradation, fatigue, ridicule—and even death—to be a champion for those who needed a champion.

In short, ROBERT KENNEDY's charisma came because he stripped his heart and his soul open for the view of the people—and what they saw there was love, deep and real, for his fellow man.

It was the charisma of John F. Kennedy—of Martin Luther King, Jr. And it was the lesson of ROBERT KENNEDY and of another who lived 2,000 years ago: Love one another.

If we learn this from ROBERT F. KENNEDY, his brief time on earth will have been long enough.

Mr. McGEE. Mr. President, I delayed in arriving for the eulogies for one reason that might seem particularly understandable on this special occasion. For several months I had agreed to participate in a seminar of Senate interns, the youth of the land and some of the very cream of the crop. I do not know of any participation that would have been more in the exciting tradition of BOB KENNEDY than that.

History is going to say many things, I am sure, about the late Senator from New York because, indeed, he was a man of many parts. He was a man who served responsibly and well in the thankless task of participating in the launching of an exciting new government in the land—a government which, as one writer described, brought a new atmosphere and a new sense of wanting to do something to the sometimes tired halls of Government. This certainly was a key role of BOB KENNEDY at the time his brother, the late John F. Kennedy, came to Washington to be President.

But this memory of BOB KENNEDY does not do him justice, because it is only one part of ROBERT KENNEDY. In his role in the Senate he went out of his way to stand, and to stand tall, on some of the most troublesome and meaningful issues of our time. If one had to capsulize those issues in general, I think it would be fair to describe them as the issues of hope, the issues that had something to do about tomorrow.

It is not without point to mention that for many of us in this body those are not the easiest kinds of questions on which to take a strong stand far in advance of their time. But this memory seems to me to reflect BOB KENNEDY's deepest concern for where we can go from here, even more than where we have been.

Having said that about BOB KENNEDY, I think it is important to allude to that part of the man that first struck me and perhaps may even remain the longest in my memory. I was always taken with the obvious genuineness of the joy he derived from being with kids, not only his own kids, even though he was a great one with them, but with just kids—my kids and the kids of many Members of this body. He seemed to go out of his way to indulge in those occasions that meant so much to youngsters.

I think perhaps the first time I met him was when he was Attorney General and he was devoting his Saturday to having fun with a whole assortment of kids.

Mr. President, it is not easy for most of us in a busy life to find that kind of time and it certainly is not easy to get a big kick out of it, but for BOB KENNEDY this seemed to be for real. The understanding, love, and the warmth of his concern for children, will, I think, loom as one of the largest hallmarks of his character, personality, and service when the record of our time is completed.

He visited the State of Wyoming on many occasions. He was one of those personalities who excited and inspired the people in my State. Perhaps most of all, however, in his official roles and in his wanderings around the world, I think his impact on youth of all ages—and I speak of youth as a state of mind—was epitomized in the hopeful and exciting things of tomorrow that are sometimes only dimly seen by the rest of us. It gave him a sense of rapport, a contact, a dialog, an understanding that the rest of us lack, and which we pretend to cover up with something we call the generation gap.

In my judgment, ROBERT KENNEDY will stand tall before the bar of history, and when that record is reviewed by subsequent generations, they will find in this inspirational colleague of ours many guidelines for their own time, a man, in truth, of many parts.

Mr. BYRD of Virginia. Mr. President, I join my colleagues today in paying tribute to the memory of the late Senator ROBERT KENNEDY whose tragic death shocked the Nation.

I speak as one who did not too often agree on issues with the junior Senator from New York. But I respected his views as springing from a deep and compassionate concern for the best interests of the Nation.

I recall when Senator KENNEDY joined me in protesting the denial of a visa to Prime Minister Smith, of Rhodesia, to speak before the student legal forum at the University of Virginia. Senator KENNEDY was once president of that forum.

Although we were in disagreement on United States-Rhodesian policy, Senator KENNEDY did not hesitate to set aside those views out of concern for the larger principle of free speech.

Although Senator KENNEDY was born in Massachusetts and represented the State of New York, he had ties to Virginia. He received his law degree from the University of Virginia Law School in 1951, and he lived at historic Hickory Hill, McLean, Va. He found many friends in our Commonwealth, and his death was deeply mourned.

I think I speak for all Virginians in expressing a sense of loss at the untimely death of this energetic and compassionate public official.

Mr. BROOKE. Mr. President, when we speak with sorrow and regret of the passing of our late colleague, Senator ROBERT F. KENNEDY, our grief mirrors that of the Nation and the world. His vitality and vigor, his enthusiasm and concern, his sensitivity and compassion for the poor and underprivileged, were his most apparent public qualities. Millions loved and admired him, for in these ways he represented the best that is America.

We who were privileged to serve with him suffer his passing most keenly, for with his death, Congress was deprived of a distinguished champion in the cause of human rights. It is given to us to mourn, but also to serve. It is given to us to bear the loss, but also to share the burden. It is given to us to lead where he had led, to fulfill the promise to the underprivileged, to spur the conscience and the imagination of a people too long dormant to the feelings of their fellow men.

To his family and his multitude of friends, we extend our sympathy and our continuing support. To the millions who never knew him, but loved him for his vision and shared with him their dreams, we promise our commitment and our help. And we must dedicate ourselves anew to carry forward the ideals of brotherhood and service to man which ROBERT KENNEDY so ably advanced.

Mr. BREWSTER. Mr. President, it is painful to reflect on the death of ROBERT KENNEDY.

Eight weeks after the assassination in Los Angeles, this terrible event continues to evoke sadness, bitterness, and confusion.

We are sad first of all for the Kennedy family, and mindful of the terrible losses they have suffered. What comfort can there be for a family who has seen two of its own struck down at the peak of their lives by acts of sheer madness? Their strength in time of tragedy has twice brought inspiration to us all, but unhappily it is they, not we, who have been the most direct victims of national tragedy.

We are sad for the whole country as well. ROBERT KENNEDY's assassination weighs heavily on its conscience.

We ask how we can tolerate these acts of violence. We have never tolerated them, but they have occured anyway.

We then ask why they occur; what is there in our midst that breeds hatred and killing? How could we have allowed this cancer to grow?

And when we try to answer these questions, we come face to face with the same problems ROBERT KENNEDY desired so earnestly to solve.

He could have chosen an easy and untroubled life. Instead he dedicated himself to an arduous career whose instrument was politics but whose goal was to bring justice and a fair chance to all Americans.

ROBERT KENNEDY breathed fresh air into American politics. He fused idealism and pragmatism with a creative energy that is legendary in its own time.

American politics have not been the same without ROBERT KENNEDY, just as they were changed unalterably by the death of John Kennedy. We can draw consolation, however, from the presence in the Senate of EDWARD KENNEDY, and I hope his intelligent voice will continue to be heard on the challenges we face for decades to come.

The Kennedy family has tasted the best and the worst of the American political system. The best they deserved; the worst has been cruelly inflicted upon them.

It was my pleasure and my honor to serve in the Senate with ROBERT KENNEDY. I miss his charm and his wit and his great idealism, and I hope that it will not be long before his vision of a more just and peaceful America comes into being.

Mr. PERCY. Mr. President, like all Senators, I mourn the death of ROBERT KENNEDY. Not the death—but the irrevocable absence. Like you, I knew him as a colleague. I will miss his clear and penetrating judgments. And I will also miss the friend—the gentle man who understood a loss in my own family, and who offered the comfort of his compassion and his understanding.

ROBERT KENNEDY's absence will be felt by those who knew him well—by those who called him friend and colleague.

But ROBERT KENNEDY will also be missed by those who barely knew him but who sensed his spirit of hope—his commitment to his country and to all its people.

Not long ago, I visited a health clinic in Alviso, Calif., which was to have been dedicated by ROBERT KENNEDY. I went to fulfill a pledge by a Member of the Senate to visit this community of Spanish-speaking people.

They spoke to me about ROBERT KENNEDY that day in Alviso. They told me he understood them. And they sensed his concern for their problems. They believed in him—and believed he would help them.

Ralph Chaplain said:

Mourn not the dead that in the cool earth lie,
dust unto dust—
The calm sweet earth that mothers all who die
As all men must;
But rather mourn the apathetic throng,
The coward and the meek
Who see the world's great anguish and its wrong,
And dare not speak.

Mr. President, perhaps the most appropriate way to honor ROBERT KENNEDY today would be to remember his concern for the needy in our Nation and to recommit our labors to uplifting this land.

Mr. YOUNG of Ohio. Mr. President, it is with a feeling of sadness that I join other Senators in expressing our sorrow over the death of our colleague, Senator ROBERT F. KENNEDY. Few Americans were as uncompromisingly concerned as he was with the struggle for justice for the hungry, the jobless, the underprivileged, and the oppressed and for the need for our Nation to make a greater effort toward ending the war in Vietnam and moving a step nearer to worldwide peace.

ROBERT F. KENNEDY lived daily with enormous personal burdens of duty and moral commitment. With great courage he assumed leadership in the cause of the alienated, the dispossessed, the underprivileged, the poor and the hopeless and in doing so he helped bring forth a creative energy latent in our society.

It can be said that the murder of Senator KENNEDY was the deed of one irrational man—a misguided extremist. The same could be said of the assassination of his brother, the late, great President John F. Kennedy, and of Dr. Martin Luther King, Jr. That is a valid explanation insofar as it goes, but it does not absolve our society from some responsibility for these tragic events. The truth must be faced that these insane acts are in some way attributable to the dangerous tensions and the deep stresses that have afflicted our Nation in recent years.

Let us hope that the senseless assassination of Senator KENNEDY will result in a dedication by all Americans to eradicate the devisiveness that threatens to alienate one American from another, and in a renewal of the bright promise of America.

Mr. President, violence and crime are increasingly rampant throughout the Nation. We Americans need God's help. We in Congress have responsibility to enact into law more effective gun control legislation to minimize the danger of bloodshed, violence, and death contributed to by the present unrestricted and insane traffic in firearms.

In the Senate Chamber my desk was very close to that of Senator ROBERT KENNEDY. We frequently talked together, as less than 2 yards separated our chairs in the Senate Chamber. It was my privilege to speak with him very often. I came to know him as a fine, personable young man who was very witty in his conversation, very knowledgeable, and very much opposed to our Vietnam involvement. He was a truly dedicated public official, a real leader in our Nation, and was held in affectionate regard by his Senate colleagues.

I extend my sympathy to Mrs. Ethel Kennedy and her children and to all members of the Kennedy family who have known death and heartbreak as few families have. They have lost a husband, father, son, and brother. The Nation has lost one of its finest sons and a leader of great promise.

I held him in high admiration for his quick grasp of the details of a legislative proposal.

Mr. COTTON. Mr. President, I join in the tribute which is paid today to the memory of our late colleague, Senator ROBERT F. KENNEDY.

I knew Senator KENNEDY as an aggressive and energetic member of the Senate's own staff. While serving on the Committee on the Judiciary, I knew him as Attorney General of the United States. I had the pleasure and privilege of serving with him in this body until his tragic and untimely death. I long have admired his ability, his personality, and his dedication to those goals in which he believed. We shall miss his counsel and his participation in the discussion of the grave problems with which we are confronted.

It is with all the sincerity at my command that I express my deep personal sorrow for his family and for our Nation which has lost his services. It is beyond human understanding that one who had so many years before him and so much constructive ability from which to contribute should be struck down. The Nation grieves, and justly so.

Mr. HOLLINGS. Mr. President, ROBERT KENNEDY, dedicated to change, died in transit. When I met him in 1954, he was shy and groping for problems to solve. At death, he groped for solutions. Earlier he challenged labor racketeering, and then, with his brother, developed the New Frontier. Working for civil rights, he acted responsibly—but was chastised for being too fast and too slow. The President's assassination sped civil rights to reality and, still shy, ROBERT tried not to become a candidate. The crowds, the amenities, the tolerance of bias, and the indulgence of incompetence necessary to politics was his last desire.

Perhaps a Kennedy Foundation was the answer. But no, this would only scratch the surface. Moreover, a torch had been lit, and he was its bearer. To solve, he must involve. Against tradition that he respected, he went to New York and became its Senator. And, like the American scene, he changed. He realized the rebuff to change, the rebuff to young ideas, the rebuff to the poor. To him this was unacceptable. Having seen the goal, he raced in that direction. There was not time, as Burns wrote, "to see oursel's as ithers see us." And "ithers" saw a different goal—public office at any price. The very divisiveness he sought to heal, he irritated. As well as a solution, ROBERT became a part of the problem. And, as a man, he will remain controversial.

For me he was an understanding friend, the most moral of men, willing to change for the good, and die for the poor. He had been uncomfortable for a long time. Because of his moral courage to recognize the poor and young whom we have ignored, we shall be uncomfortable until we take heed. For, as John Kennedy is remembered for bringing class to public service, ROBERT KENNEDY will be remembered for bringing public service to the classes.

Mr. BOGGS. Mr. President, although I did not serve on any committees with the late Senator from New York, I did have occasion to talk to him on a number of occasions about matters of common interest; and I always found him to be friendly and helpful.

He was a man intense about his responsibilities and determined to make the greatest contribution possible to the Senate and to his country.

Our Nation's vigor depends on the contributions of its citizens in all walks of life. A particularly valuable contribution was lost with the passing of the distinguished Senator from New York; and I join my colleagues in mourning not only the loss of his presence, but the loss of his capacity to illuminate our deliberations with his special insight into the problems of the day.

Mr. President, my special condolences are extended to his widow and children and also to our distinguished colleague, his brother, the senior Senator from Massachusetts.

Mr. McINTYRE. Mr. President, if America is blessed, she is blessed not only with the quality of her institutions, but with the quality of the men who guide her destiny.

Such a man was ROBERT KENNEDY.

Like his brother before him, he stood tall and gave his whole spirit and being to his fellow countrymen.

And now he has given his life.

Life asked much of ROBERT KENNEDY. It gave him a wonderful family, a keen and inquisitive mind, and an important role to play in his Nation's affairs. But it also took much. It took his brother, John; it must have sapped his energy many times when he was attacked and criticized; and, now, it has demanded the supreme sacrifice.

For ROBERT KENNEDY, the fight is now over. But the battle goes on. And if there is a single consolation in his tragic death, it is this: that the world was touched by this man while he lived.

His concern and dedication for his fellow man leaves this cold and cruel world just a little warmer. And his memory, during the dark days ahead, will provide a beacon to light the path before us.

His life as Shakespeare wrote:

> Was gentle, and the elements
> So mix'd in him that Nature might stand up
> And say to all the world, "This was a man!"

Mr. ALLOTT. Mr. President, I should like to add my voice to those of my distinguished colleagues in paying tribute to the late ROBERT F. KENNEDY.

As that great Senator from another mighty civilization long ago, Marcus Tullius Cicero, once observed:

> The life of the dead is placed in the memory of the living.

Truly the memory of ROBERT KENNEDY and all he stood for will be with us from this time forward as we carry on the affairs of the Government, to which he devoted himself so completely.

Not all of us who honor his memory found ourselves completely in agreement with this remarkable young man. Yet even though our philosophy differed, each had the highest respect for his unyielding dedication to his principles and causes.

The death of ROBERT KENNEDY was a reminder to us all that no day is ever like the day before, and that life is but a stopping place on the way to eternity. During life on earth each of us is required to make his contribution according to his abilities and position. Thus, even though Senator KENNEDY was felled far short of his expected lifespan, his role here on earth was completed, if not totally fulfilled by the time of his sudden death.

May God grant eternal rest to his soul, and serenity and peace to the long suffering Kennedy family whose graceful perseverence in the face of tragedy has touched us all.

Mr. SPONG. Mr. President, while the late Senator ROBERT F. KENNEDY represented the State of New York and spent much of his life as a resident of Massachusetts, he is also identified with the Commonwealth of Virginia. Senator KENNEDY received his legal education at the University of Virginia; he resided at Hickory Hill in McLean, Va.; and in early June of this year was laid to rest in the rolling hills of Virginia at Arlington National Cemetery.

Justice Oliver Wendell Holmes once wrote:

> As life is action and passion, it is required of a man that he should share the passion and action of his time, as the peril of being judged not to have lived.

ROBERT FRANCIS KENNEDY shared full measure the action of his time. He was a man who evoked passion and was capable of much compassion; a man some feared as a pied piper trying to lure the young off to a newer world; a man others loved because he cared for those less fortunate and less endowed; a man who in the spirit of Theodore Roosevelt "dared mighty things." He was above all a man of action.

Since his death we have had opportunity to reflect upon the shock and self-analysis our Nation has again experienced from an assassin's bullet. There is more divisiveness in America today than in most any time in our history—black against white, rich against poor, young against old, and dove against hawk. Never before have Americans appeared more intolerant of the views of others. Senator KENNEDY recognized the estrangement and divisiveness that threatens our Nation.

Many will remember the compassion he had for the unfortunate of our world, and the seriousness and determination he applied to the hope to relieve suffering and deprivation everywhere. In the months I served with him in the Senate, I found beneath the toughness that was displayed on occasion and the shyness that was so evident at other times a man with a marvelous sense of humor—a man who could laugh as well as cry. It is that shy humor that I shall remember.

I am pleased to join with Senators today in paying tribute to ROBERT FRANCIS KENNEDY and to honor his memory.

Mr. PROXMIRE. Mr. President, Senator ROBERT F. KENNEDY served in the U.S. Senate with dedication and humor, with passion and compassion, with imagination and intelligence, but above all with honesty.

Here was the keystone to this remarkable man's character. He was bluntly honest in a body in which honesty—at least blunt and straightforward and unremitting honesty—is not always a virtue. And Senator ROBERT KENNEDY exemplified that virtue.

There was no reason why he had to immerse himself so deeply in the struggle against poverty in this country. There are more votes against than for the poverty warrior. Every knowledgeable politician—and BOB KENNEDY was one of the most knowledgeable—knows that few of the poor are registered and that fewer vote.

It would have been the easy course to ignore the nuclear proliferation issue or the miserable plight of hundreds of millions in Latin America. There is no political gold to mine in those issues.

But here are the great injustices, the great dangers, of our time. And Senator ROBERT KENNEDY was the greatest national voice in speaking out on these issues.

He stirred the conscience of his country. He stirred the conscience of this body.

In Wisconsin, as in 49 other States, he was a figure of controversy. But we remember Senator KENNEDY in Wisconsin as the man who handled that great campaign for his brother—the President—in 1960. Wisconsin had never before seen a campaign with the verve, the drive, that the Kennedys, especially ROBERT KENNEDY, brought to it.

Mr. President one of the most fervent supporters of ROBERT KENNEDY in our State was our former State chairman and Lieutenant Governor, Patrick Lucey. A few days ago at our Democratic State Convention, in Milwaukee, Pat Lucey delivered a beautiful and stirring eulogy to ROBERT F. KENNEDY.

I ask unanimous consent that that eulogy be printed in the RECORD.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

EULOGY DELIVERED BY PATRICK J. LUCEY AT DEMOCRATIC STATE CONVENTION, FRIDAY, JULY 19, 1968

Mr. Chairman, Fellow Delegates: I cannot tell you how sorry I am that this convention could not have opened on schedule 6 weeks ago.

Had an assassin's hand been stayed, Senator Robert Francis Kennedy would have keynoted this convention. Hundreds of thousands of cheering citizens would have lined the streets from Billy Mitchell Field to this banquet hall. A surge of excitement would have passed through a cheering capacity crowd in this room as he rose to speak.

All of you would have shared a sense of participation in the making of history as you did in 1960.

Whatever your own candidate preference, you would have felt the satisfaction of involvement in the making of a president. And as we departed this convention, a scent of victory would have been in the air, and each of us would have felt somehow ennobled by our commitment to a larger purpose.

The magic is gone . . . the demand that we do better is silenced . . . the voice of conscience is stilled.

Who is there now to remind us that we are, in fact, our brother's keeper? Who is there to say that this sin of omission is unacceptable, or that condition of hardship among the less fortunate is unsatisfactory?

Who will call us to account? Who will remind us of our responsibilities, not just our advantages?

Who will take in his hand the black hand of a troubled child in a steaming ghetto, and lead that child into a decent classroom?

Who will go to the original concentration camp, the American Indian Reservation, and convince the red-skinned teenager that suicide is not the best solution to his problems?

Who now can erase the bloody nightmare of Vietnam and make us again worthy of moral leadership on this planet?

Had Robert Francis Kennedy lived, he would have been present at this convention. He would have placed before you the agenda of our nation's unfinished business. He would have insisted that we can do better.

There are those who say his campaign was an exercise in futility, that he could not have won the nomination of our party. But Andrew Jackson once said "One Man With Courage Makes a Majority." No one has ever charged that Robert Francis Kennedy lacked courage.

During the final six months of Senator Kennedy's life, I saw much of him. I stood with him in the ghetto of Indianapolis as he announced to his vast Negro audience that Martin Luther King was dead. I watched and listened as his speech became a prayer, and his audience returned quietly to their homes.

I sat before him the next day in Cleveland as he spoke to the City Club of his concern about violence in our society.

For 5 weeks I served his cause in Nebraska, and then moved on to Portland and San Francisco, and finally stood by helplessly that terrible final night in Los Angeles.

Robert Francis Kennedy was probably the most misunderstood man in our society. He was called ruthless . . . but few remember that this label was first applied by James Hoffa.

Many resented his appointment by Pres. Kennedy as Attorney General, but as he left that office, the Washington Post summed up his record as follows:

"He has guided more important legislation through Congress than did any of his predecessors in the past 30 years. He has made the Federal Government, for the first time, a vigorous enemy of organized crime. He has pushed equal rights for all Americans.

In one of Dr. King's finest sermons, he helped to explain the lack of understanding of the personality of Robert Kennedy. Dr. King suggested that "we must combine the toughness of the serpent and the softness of the dove, a tough mind and a tender heart". Robert Kennedy was of tender heart. He was a man of great compassion. He was at the same time tough minded, exacting, impatient of slothfulness.

In an introduction of Robert Kennedy in South Dakota, April 16th, Sen. George McGovern told his audience:

"You people know the affection and esteem I held for President Kennedy, but it is my carefully measured conviction that Senator Robert Kennedy, even more than our beloved President, would now bring to the Presidency a deeper measure of experience and a more profound capacity to lead our troubled land into the light of a new day."

In the same speech, Sen. McGovern said of Senator Kennedy that he would "become one of the three or four greatest Presidents in our history".

Many of us found it difficult to put aside the grief that followed the death of President Kennedy, but at least to him it was given to chart his course . . . to lay before us his clearly defined goals. Robert Kennedy's plans were just beginning to unfold. His programs were still to be outlined. His potential was just beginning to reach the people.

Perhaps the one occasion when millions of Americans found it easiest to identify with Robert Kennedy was 4 years ago as he stood briefly before the delegates to the National Convention, and a national television audience, to introduce a film about his brother. For that occasion he chose a passage from Shakespeare's Romeo and Juliet:

"And, when he shall die
Take him and cut him out in little stars
And he will make the face of heaven so fine
That all the world will be in love with night
And pay no worship to the garish sun"

As I stood at Arlington in November 1963, I stood again in June, 1968 . . . to see Robert Francis Kennedy buried at his brother's side. And as we read on in Romeo and Juliet, we find these lines:

"Then, dreadful trumpet, sound the general doom!
For who is living, if those two are gone?"

It would be easy to step aside . . . to say all is lost . . . to abandon hope. But such an act of cowardice would hardly be a fitting tribute to a man of compassion, conviction, and courage.

Rather, let us recall a few lines from the musical play, "The Man From La Mancha":

"To dream the impossible dream
To fight the unbeatable foe
To bear the unbearable sorrow
To run where the brave dare not go.

"To right the unrightable wrong
To love pure and chaste from afar
To try when your arms are too weary
To reach the unreachable star,

"This is my quest . . .
To follow that star
No matter how hopeless
No matter how far.

"To fight for the right . . .
Without question or pause
To be willing to march into hell
For a heavenly cause.

"And I know if I'll only be true
To this glorious quest . . .
That my heart will lie peaceful and calm
When I'm laid to my rest.

"And the world will be better for this
That one man, scorned and covered with scars,
Still strove with his last ounce of courage
To reach the unreachable star."

Our children can live in a better world because Robert Francis Kennedy had a dream, and the courage to try . . . but theirs will be a better world only if we accept with President John Kennedy "That here on earth, God's work must truly be our own."

Come, my friends, 'tis still not too late to seek a newer world.

Mr. KUCHEL. Mr. President, the distinguished junior Senator from Wyoming [Mr. HANSEN] is necessarily absent from the Senate today. On his behalf, I ask unanimous consent to have printed in the RECORD a statement he had prepared for this occasion.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

STATEMENT BY SENATOR HANSEN

Few young men in history have gained the attention and won the admiration and affection of more of their countrymen than did Robert Kennedy. I add my voice to the thousands who praise his devotion to country through his role in its governing bodies, and I pay tribute to another facet of his contribution to America.

As the proud father of 10 youngsters and the husband of a loving and devoted wife, Robert Kennedy demonstrated the importance of the family as a driving force in our society—and this at a time when the family unit seemed to be losing significance.

The Kennedy family is known and loved everywhere as a brilliant example of solidarity and as proof that the family unit will continue to be the determining force in instilling in Americans those attributes we most desire and admire.

While few of his friends and colleagues may have agreed with him in every area of his wide-ranging political and social interests, all of us will admit that he challenged us with his awareness and discernment of America's problems—including the obvious ones like the Vietnam war, the problems of the cities, and human rights—and some obscure problems some of us would have preferred not to face.

Typical of his probing interest in the well-being of his fellow Americans was his investigation and reporting of poverty among Indians. He undertook a series of visits and Committee hearings in an effort to find ways to come to grips with this problem. I applaud his conscientious and significant contributions in this area.

Robert Kennedy's astuteness in getting to the crux of a national problem was demonstrated by his understanding of the need for meaningful jobs and responsibilities for Americans now locked in the vicious cycle of welfare handouts.

He did care about his fellow human beings, and because he cared enough to take specific action—however controversial it may have been at times—his memory is and will always be a symbol of hope to Americans.

A NOBLE SPIRIT GONE TO ITS REST

Mr. MONTOYA. Mr. President, this Chamber has seen the progression of our land in terms of men and events. These walls have been witness to war, death, strife, triumph, and, above all, the immortality of the human spirit and our basic ideas. ROBERT F. KENNEDY was one of us. We all knew him. Certainly we all respected him. Some of us loved him.

From time to time unique men come among us. They give voice, these men—these few—to the noblest sentiments and motivations of humankind. They bring a message difficult for most to understand: that man is a creature of love, not hate; of compassion, not vindictiveness; of the warmth of his heart, not the cold of his selfishness.

They preach and call for brotherhood and equality and seek to elevate man to a higher plane. It is to save us from ourselves that they speak and act thusly. Pleading for man to man, they often are misunderstood by men.

It is because they give voice to the noblest expressions of human character that they engender fear in the hearts of the marginal individuals among us. They may be called Socrates or Ghandi or King.

In our time, for the second time, they have been called Kennedy. Truly, my heart is sore within me as I utter these words. For the second time I have watched a heart-rending procession of this type to Arlington. His family has lost a father and husband. The Senate has lost a unique and invaluable Member. Our country has lost an American of immense stature. The world has lost one who gave its voiceless people compassion and hope.

Yet by his life and death he has set an example, illuminated goals, and left us a most worthy heritage. His belief in our land must be ours. His warmth for the oppressed must be ours. His desire to uplift man must be ours. When these few men come among us, what do we do? Do we harken unto them? Do we show respect to them? Do we implement their ideas? No. We kill them. But after grief and shock comes realization and then determination. Just as those other great human beings have been recognized for what they were, this man too will find his rightful place in our hearts, minds and heritage.

All men are equal in the eyes of God. All men are equal in the eyes of our laws and institutions. All men must strive for the everyday realization of these dreams. The moment we deny any of these truths to any of our fellows, they become a nullity and mockery to all the rest of us.

Let us draw this example from the life and sacrifice of ROBERT F. KENNEDY. Let his passing give us renewed vigor and determination to set the wrongs of our Nation aright. Let us stretch forth hand and heart of compassion to those who have known only deprivation and want.

Let us do it in the name of this man and all the others who died not only because of their fellow men, but because of their belief in them. No more fitting monument could be created or desired by the ROBERT FRANCIS KENNEDY I knew.

May God grant him the peace of those who are beloved.

Mr. FONG. Mr. President, I join Senators in paying tribute to the memory of Senator ROBERT F. KENNEDY, so cruelly deprived of his life by an assassin's bullet less than 2 months ago.

I know I speak for the people of Hawaii when I say we mourn the untimely passing of one of America's outstanding leaders and we weep for his family burdened by this new grief so soon after the tragic death of his brother President John F. Kennedy, also struck down by an assassin.

We weep, too, for America. For our Nation has lost a voice that pricked our conscience and a force that prodded us always to do better. We who served with him in this Chamber know how deeply he held his conviction that America must always push forward on social progress and social justice. Never content with the status quo for himself, ROBERT KENNEDY was never content to let America rest on her oars.

In a day when many seek escape from the pressing problems tormenting America, ROBERT KENNEDY never waivered in his efforts to overcome these problems, always giving an extra measure of devotion to duty.

Born to material wealth, ROBERT KENNEDY could have existed—comfortably and safely—in indolent ease. But like his brother, Jack, he chose instead to enter the controversial arena of government and to dedicate himself to serving his countrymen. He added a new dimension to modern political history.

It is a tribute to his character that he, a man who had never known poverty, was regarded by millions of poor people as their champion. His innate decency and compassion for the less fortunate endeared him to millions.

He attracted other millions by his brilliance, vigor, courage, daring, innovativeness, idealism, humanitarianism, and optimism. ROBERT KENNEDY exuded the vitality and spirit of America.

It was my privilege to know ROBERT KENNEDY when he was Attorney General of the United States, and I worked with him here in the Senate during his all too brief tenure. I was greatly impressed with his ability and his perseverance in the pursuit of what he believed right. In the legislative battles that were fought in this Chamber, he proved himself an able ally and a worthy opponent.

Our hearts go out to his wife, Ethel, to his children, to his brother TED, our colleague, and to the members of his family on whom so much tragedy has been visited. We hope they can derive some measure of comfort from these expressions of esteem, respect, and affection for their beloved BOBBY, whose memory we honor today. We hope those of his children who are too young to hold fast the memory of their father will, through these tributes, in years to come know him as we knew him.

Mrs. Fong joins me in extending our prayers and deepest sympathy to the Kennedy family.

Mr. BAYH. With the death of ROBERT F. KENNEDY, the flame that lights our lives burns a little more dimly.

The light that he gave us was a flame of passion—passion for justice, for mercy, for peace.

The all-too-brief candle of his life set for those of us who live after him a glowing challenge—the challenge to try, with every fiber of our beings, to emulate his example of willingness to serve the Nation without fear or favor; to demonstrate a manifest concern for the suffering of humanity; to maintain a deep and abiding belief that, with God's help, the United States of American can be the torch that will light the way of the world toward a just and lasting peace.

Too often when leaders of the stature of ROBERT KENNEDY have been cut down senselessly in the prime of life, the first reaction has been that of anger, followed by sadness and melancholy, which in turn dissolves into little more than revered memory. As time passes, even memory, while cherished, tends to become blurred and little that is positive may be accomplished in their name.

If ROBERT KENNEDY's life had meaning, if he is not to have lived nor died in vain, we must not lapse into inaction.

Some may not always have liked the things he said nor agreed with the things he believed. But, like the prophets of Israel, he summoned us to action by holding a mirror before us so that we saw plainly the scars and imperfections on the face of America.

It is never easy to face up to one's own shortcomings, but when the pain of self-examination passes, we are surely the better for it.

When Othello tells Desdemona of his own distress and pain, he tells of her reaction:

> My story being done, she gave me for my pains a world of sighs; she swore in faith, 'twas strange, 'twas passing strange, 'twas pitiful, 'twas wondrous pitiful; she wished she had not heard it, yet she wished that heaven had made her such a man.

ROBERT KENNEDY's life is done, but not his story. For his pains, we must give him more than a world of sighs. He told us of the pitiful in our land and in our world. Perhaps some wished they had not heard it. Yet all of us are thankful that heaven made us such a man.

Mr. DODD. Mr. President, I join Senators in lamenting the tragic death of our friend and fellow Senator, ROBERT KENNEDY.

In some measure, the death of any man diminishes the light of life in all of us.

But the senseless murder of ROBERT KENNEDY in Los Angeles cast a shadow over the Nation nearly as large as on that terrible day in Dallas when his brother was cut down by the assassin's bullet.

ROBERT KENNEDY was a good man, a warm and loving father and husband, and an outstanding public servant.

He was a man of great courage, and his tragically short but productive life will serve as a guiding light for the young of the Nation to follow. He will be remembered by most of us for his great hope for improving the lot of mankind in this country and the world and for his dedication to that great objective.

Mr. EASTLAND. Mr. President, once again sadness is our subject in the Senate of the United States and, once again, the name Kennedy is spoken.

It is fitting for that name to be sounded in this Chamber. Three young men have joined it with all that the title Senator encompasses.

It is tragic for the Senate and sorrow to be linked together again in tribute to a man named Kennedy.

I am mindful this morning of a phrase from a stirring inaugural address which challenged Americans saying:

> Ask not what your country can do for you—ask what you can do for your country.

The Kennedy family has met that challenge—laid down by one of their own—and the price they have paid weighs heavy on the heart of humanity.

The eldest brother slain in battle defending his country, the next brother assassinated while serving as his country's leader in that position which has been described as the highest temporal office on the earth, and now we meet to mark the loss of the third brother, also cut down in the summer of his years.

Mr. President, how shall we express in words the depth of the sympathy which we extend to BOB KENNEDY's loved ones—the sense of loss which his passing brought to millions who admired him and followed him—the sad fact that his absence from these Halls will be felt across the years to come?

What would be a fitting final tribute to ROBERT FRANCIS KENNEDY?

I think that the last brother delivered that tribute when, in moving language, Senator EDWARD KENNEDY asked that BOB be remembered as a good and decent man.

Mr. President, I suggest that when each of us present on this solemn occasion concludes his life's labors—as each of us must—we will have attained the great goal if we are remembered, as Senator ROBERT KENNEDY will be, as good and decent men.

Mr. TALMADGE. Mr. President, the Nation and the U.S. Senate mourn the death of Senator ROBERT F. KENNEDY.

His assassination was a shock felt by all the people of the country. It was a terrible blow to the Senate, where he served for only a relatively short time, but with distinction. It was a personal tragedy to the Kennedy family, which has known more than its share of heartbreak and sorrow.

Senator KENNEDY was struck down in his prime. He was a young man, but in the Kennedy tradition he had long been in the mainstream of American political leadership, as counsel to Senatorial committees, as U.S. Attorney General, and as chief adviser to his brother, the late President John F. Kennedy, whose spirit he kept alive and whose work he sought to continue.

BOBBY KENNEDY, like his slain brother, reflected much of the greatness that is America—toughness, aggressiveness, and competitiveness combined with a deep personal compassion for the needs of his fellowman. We may not always have agreed with Senator KENNEDY on every issue, or he with us, but we respected his ability, his conviction, and his unflagging devotion to duty. Senator KENNEDY was a strong man and sometimes, as with all men of strength and quick mind, this rendered him the subject of criticism. But millions upon millions of people the world over—especially youth—saw in him the strength that characterizes America.

Senator KENNEDY traveled and campaigned in Georgia on several occasions, and he had many, many friends and supporters in my State. Americans and Georgians will long mourn his death, and his presence will be missed in the Senate.

ROBERT KENNEDY left a legacy of hope that all the American people will unite in a common quest for national progress and for the well-being of all our citizens.

I share this hope, and on this day Mrs. Talmadge joins me in extending our heartfelt sympathies to Mrs. Kennedy and her children, to Senator EDWARD KENNEDY, and to all the family.

Mr. BAKER. Mr. President, I join in these tributes to our late colleague from New York, Senator ROBERT FRANCIS KENNEDY, who, during the relatively short time he spent in this body, made his presence felt to an extent that will not be fully known for many years to come.

While I often found myself in opposition to Senator KENNEDY in the Senate, I was and am convinced that he was a man of unquestionable integrity and deep conviction who, throughout his life, waged a vigorous battle against indifference and mediocrity in our society.

It has been said that life, though tragic, is still worthwhile. Certainly this is true of the life of BOB KENNEDY, a life so often touched by tragedy and yet rich, full, and productive until its untimely end.

It is hoped that history will remember him, not so much for the utter tragedy of his death, but for what he was in life—a genuine human being of high ideals and infinite compassion who did what he could for his fellowman.

Mr. METCALF. Mr. President, the impact of a great tragedy is always a personal and subjective one. So when I was awakened on that dark night to be informed of the death of Senator ROBERT F. KENNEDY, after the shock and disbelief I thought of the special times that Senator KENNEDY and I had been associated. I thought of floor debates, of committee hearings, of our visit together to the New York constitutional convention, of fundraising dinners, of conversations on the floor of the Senate and in the cloak rooms—all those random reminiscences that go through one's mind on occasions such as that. But mostly I recalled when, 2 years ago during my campaign for reelection, he came to Montana to help me.

At the time he came to Montana the pollsters, the columnists, the forecasters were all predicting my defeat. But Senator KENNEDY's appearances in Great Falls, Butte, and Billings electrified the people of my State, picked up my campaign, and might well have been the decisive factor in my reelection.

Recalling that visit, I like to think that it was a microcosm of the character, the appeal, and the spell of ROBERT KENNEDY.

He saw the Indians in Great Falls and Billings, and his heart went out to these noble people who have been so unjustly treated. Many of us feel the same way about our Indian Americans, but Senator KENNEDY's resentment of the injustice they have suffered seemed to generate a chemistry that transmitted itself to them. One could see the changes in the faces of these people when they realized that here was a man who actually cared.

This sophisticated urban individual met Montana farmers and charmed them. Again they recognized that here was a man who instinctively understood their struggle against the weather, and the insects and the hard toil, only to find themselves discriminated against in the marketplace. The children, the welfare mothers, the struggling small businessmen all detected an awareness of their problems and Senator KENNEDY's fierce desire to help them solve these problems.

The same magic was apparent when he spoke in Montana, as elsewhere. When Senator KENNEDY talked about poverty and the need for its elimination in America; when he talked about injustice and the need for more equality in America; when he talked about education and the American dream of equality of opportunity; when he talked about care of the sick and the aged and the disabled, and society's responsibilities toward all these groups, he was talking with a sincerity and a dedication of purpose that established a special rapport with his audience.

Therein lay his appeal to old and young alike, to the sick and the energetic, to the Indian on the reservation and the black mother in the ghetto. He cared about them, as individuals, he convinced them he wanted to do something about their plight and then he energetically and efficiently went to work to do just that.

Call it compassion; it was that and more. Call it sympathy; it was that and more. It was not pity; there was never a trace of condescension. The deprived farmer and the reservation Indian and the ghetto mother were his people and his friends. But he gave them a dedication of purpose, a goal, a hope for which he worked and encouraged others to strive.

So, stricken down at the beginning of his career, a great and humane person, a resourceful politician in all of the good connotations of the term, an able and efficient Senator, but above all an understanding and decent and very human husband and father and brother and man, Senator ROBERT F. KENNEDY is dead. But the ideals he stood for—the elimination of injustice; of love and charity toward all people, hope for a better life for the children of today, a struggle for a world of peace and good will—these ideals did not fall in Los Angeles at the assassin's attack. This martyred man who has left his lasting imprint on a world seeking progress and hope will not have died in vain if in his name we continue to work for the ideals he represented.

Mr. SPARKMAN. Mr. President, I join with Senators in paying tribute to our late friend ROBERT F. KENNEDY.

I first came to know ROBERT KENNEDY when he was a staff member of the Government Operations Committee and particularly of the Permanent Subcommittee on Investigations. I had occasion to observe his work in that capacity and I came to admire his industry, his thoroughness, and his dedication to the job.

In the successful campaign of his distinguished brother, John Fitzgerald Kennedy, I had occasion to talk with BOBBY from time to time as he so skillfully managed his brother's campaign for the Presidency of the United States. When President Kennedy took office, he appointed BOBBY to be Attorney General of the United States. I had occasion frequently to take up matters with him. I found him to be always courteous, straightforward and firm.

Still later, he became a U.S. Senator representing the great State of New York. I think everyone must admit that in that position he showed diligence, intelligence, and perspicacity. He had strong convictions with a persuasive presentation always as he stated his case.

From time to time he appeared before the Subcommittee on Housing of the Committee on Banking and Currency in behalf of better housing for the families of America. He always showed a deep understanding of the problems not only of the urban people but of the rural people. We all must admire his efforts to build a better America in accordance with the convictions to which he was dedicated.

As a family man, ROBERT KENNEDY attracted the admiration of people all over the United States. Today we salute Ethel, the wonderful woman who was his companion through the years, and the great family of children that are left behind.

To BOBBY we all pay tribute. Requiescat in pace.

Mr. SMATHERS. Mr. President, June 6, 1968, was a tragic day for the family of Senator ROBERT F. KENNEDY, for the U.S. Senate, and for the Nation.

A brave and dedicated young man, only 42 years old, was struck down by an assassin, as was his brother, the late President John F. Kennedy.

The horror of this new tragedy overwhelms us and renders words inadequate.

Our minds rebel at accepting the fact that Senator ROBERT F. KENNEDY has been robbed of his life by a gunman.

ROBERT F. KENNEDY, who cared so deeply for his Nation and for his fellowman, is gone, and we who served with him in this Chamber are diminished by his loss.

Our hearts go out to his wife and children, and to his parents, who have borne so much tragedy.

I feel a deep sense of personal loss, for I knew BOBBY KENNEDY from the time he was a very young man until the hour of his untimely death. I saw him grow, not only as a member of a remarkable family, but as an individual in his own right.

I first met ROBERT F. KENNEDY in 1947, when his older brother, Jack, invited me to visit the family compound at Hyannis Port.

I saw him grow from that young man to a Senator, an individual standing in his own right and contributing much to his Nation.

But I can also recall his unselfish labor in behalf of his brother's campaign, the totality of effort, the affirmation and dedication which he brought to the causes in which he believed.

And that made an indelible impression on me, one which I will carry with me.

Perhaps as a contemporary of John F. Kennedy, I was closer in friendship and spirit to BOBBY's older brother, but BOBBY KENNEDY also had great qualities of his own, and the tragedy which has struck him down on the threshhold of what could have been his moment of greatest service is an overpowering one.

The Kennedy family has borne so much loss that one wonders how they can bear so much pain. However, to those who know the family and the individuals within it, it is a family that wants to live—and does live—in the forefront of life's battles.

If there has to be a single outstanding characteristic of this family it is this: active courage.

BOBBY KENNEDY had this family attribute in full measure. He was ready to make any sacrifice for the causes in which he believed and for his Nation.

A columnist suggested recently that it was impossible for ROBERT F. KENNEDY to ignore a dare.

It was a perceptive observation, for BOBBY KENNEDY was a person who carried within him that urge to compete, that drive to win, wherever or whatever the fray.

That spirit was not one of recklessness, it was one of courage. He had within him the passion to stand up for his beliefs, to act according to his views.

ROBERT KENNEDY was a special kind of American, a young leader, of great promise. And he will be sorely missed.

Mr. McCLELLAN. Mr. President, the assassins bullet which struck down our colleague, ROBERT F. KENNEDY, reverberated around the world. It brought great shock and sadness to millions and millions of friends and admirers. His violent and untimely death was a tragedy of international consequence and magnitude.

The horrifying spectacle of public officials being shot down in cold blood in America staggers the imagination. That this villainous and treacherous crime was inflicted upon a young man who had suffered through the assassination of his brother, our former colleague and beloved President, Jack Kennedy, just a few brief years ago heightens the import and gravity of this terrible calamity.

The contributions to public service made by the members of the Joseph P. Kennedy family have been truly remarkable. Three sons have served in this body. One went on to the highest office in the land, the Presidency, and Senator ROBERT KENNEDY was seeking that high office—and had just scored a major primary victory in California—when heinously felled at the senseless hands of an assassin.

I had been privileged to know ROBERT KENNEDY since 1954, when he joined the staff of the Permanent Investigations Subcommittee as an assistant counsel. At that time, I was the ranking minority member of the subcommittee. The following year, when I assumed the chairmanship of the subcommittee, I appointed him as chief counsel. He likewise served as chief counsel of the Select Committee on Improper Activities in the Labor and Management Field, of which I was also privileged to be the chairman. The investigations conducted by these committees were extensive, and involved long arduous hours of detailed study and preparation. As chief counsel, he served with marked distinction and ability, and I cannot pay him too high a tribute for the services he rendered to those committees.

Senator KENNEDY was then a young man, but he displayed great courage, drive, and aggressiveness in conducting those investigations. Mature beyond his years, he exercised a sense of judgment and discretion that permitted the committees to allow him a great deal of latitude in preparing and handling the complex and controversial inquiries we undertook.

He resigned in 1959 to put his extraordinary organizational talents and ability to work for the successful election of his brother to the Presidency. Later, in his capacity as Attorney General, I again had occasions to work with him on many matters, and, of course, this relationship continued when he became a Member of the Senate and served with me on the Committee on Government Operations.

The Senate, America, and indeed the world have felt and will continue to feel the loss of ROBERT F. KENNEDY. His zest for life, his concern for his fellow man, and his dedication to ideals were always present. While some of us may have disagreed with him on occasion, yet his advocacy, his articulation, and his dedication to causes he sincerely believed served to remind all Americans of the diversity and elasticity of our system of government.

Senator KENNEDY served America with courage, conviction, honor, and dignity. I shall always cherish and hold dear our friendship. It was a great privilege to have been associated with him in the performance of our respective public trusts and responsibilities.

Mrs. McClellan joins me in extending to his wife, Ethel, and the entire Kennedy family our heartfelt sympathy.

Mr. NELSON. Mr. President, ROBERT F. KENNEDY was, as we all know, an extraordinary young man. In the comparatively short lifetime which he experienced, he had a substantial career as a staff member on a U.S. Senate committee; he was a highly successful campaign manager for his brother's presidential campaign, during which he showed many more experienced politicians that he could teach them a great deal about their specialty; he was an active and aggressive Attorney General, at a time when many difficult and controversial actions and decisions had to be carried out; he was a distinguished and creative U.S. Senator; and he was an electrifying and exciting candidate for President of the United States when he was struck down on the night of his most significant political victory. He also was a devoted husband and father, the head of a truly exceptional family of his own.

As was the case with his brother, the late President John F. Kennedy, the tragic circumstances of his sudden death served to make us fully aware of what an exceptional, almost unique young man we had among us.

The aspect of the life of BOBBY KENNEDY which strikes me as most significant was his remarkable appeal to young people. I think this tells us much about BOBBY KENNEDY—and also much about the young people of America and the world.

This is a time when many Americans are deeply concerned about our young people. They are sometimes described as the turned-off, dropout generation—irresponsible, aimless, spoiled by affluence. They are pictured as living only for the selfish pleasures of the moment, and of having no regard for the future.

Yet they adored BOBBY KENNEDY. We will never forget those news pictures of young people running alongside his car, throwing out their hands, trying to clutch him or at least touch him.

I suspect that the reason for this remarkable reaction was that ROBERT KENNEDY reached these young people in such a way as to reveal their real nature. While they may have appeared to be aimless and turned off, they were fired up with enthusiasm for the new and better world of the future as portrayed by Senator KENNEDY.

Why? With all the effort being made these days to reach and excite the youth of the Nation, why was ROBERT KENNEDY so successful where many others have failed?

Certainly his own comparative youth was an advantage—but young people today have rejected many others younger than he.

I think he reached these young people because he personified something they felt within themselves.

He decried the shortcomings in our society—poverty, ignorance, and war. He expressed high hopes for the future, and lofty goals. And he conveyed the impression of having the grit and the guts and skill and know-how to achieve these goals.

I think that is what caught the imagination of our young people. Here was a man who really wanted desperately to do something for this country and for the world, a man who really had a chance of doing what he hoped to do.

Politicians are traditionally noted for their soothing touch—for their ability to smooth over all differences and satisfy everyone. Robert Kennedy seemed quite different. He was blunt, impatient, abrasive even—but to young America he came across as real, genuine, believable, and believed.

This was a great gift. It will be sorely missed. And in understanding it I think we learn much about Robert Kennedy, and possibly even more about ourselves, and about the young people of this land about whom we profess to be so concerned.

In Robert Kennedy, the Nation has lost one of its great leaders, one of its most eloquent spokesmen for peace, goodness and integrity in American life.

He addressed himself to the problems of America with that kind of courage and commitment necessary to make the American dream a reality for all our people.

We must all join now as a unified people to pursue the goals he sought, knowing the task will be the more difficult without his helping hand.

Mr. PEARSON. Mr. President, I speak today to honor not merely an able colleague, but also a true friend whose counsel, inspiration, and example are sorely missed. I had the privilege of knowing and working with Robert F. Kennedy for many years. In fact, our association went back to our days in law school, when we were classmates together. Now, as a result of a senseless act, a part of the canvas of his life, perhaps the potentially most important part, is left unfinished. This tragedy deeply affects us all. My own personal sense of loss is great—not really measurable. The country's loss is immense.

While we have gathered today to pay tribute to a man of extraordinary ability and purpose, let us not forget his commitment and his example. In the wake of his brutal death, many voices have been raised in alarm over the fate of this country and the supposedly stained character of our people. Robert F. Kennedy did not share these fears, and it is wrong to use his slaying as a justification for them. Senator Kennedy had a depth of concern for the problems and shortcomings of this country that few men in public life have exhibited. But this concern was never fear. His whole life was guided by a deep faith in the fundamental decency of this American people. Show them the need, he believed, and they will respond with compassion and dispatch.

We must not betray this faith by needless doubts. Each of us has a duty to perform and a contribution to make. Robert F. Kennedy has shown us how much one man can do. When we remember him, let us always remember that. And let us also remember the words of the poet who said:

> I think continually of those who were truly
> great—
> The names of those who in their lives fought
> for life,
> Who wore at their hearts the fire's center.
> Born of the sun they travelled a short while
> towards the sun,
> And left the vivid air signed with their
> honors.

Mr. BIBLE. Mr. President, the unhappy climate of violence in America has claimed a mounting toll of victims in the past few years. Repeatedly, the lives of innocent, law-abiding citizens have been extinguished by senseless outbreaks of savagery.

If the crisis was dramatized by the assassination of President Kennedy in 1963—an act of unspeakable horror that shocked all men of decency—then surely it arrived at its apex less than 5 years later when the President's younger brother joined him in a martyr's death.

In life, these vital young men were symbols of all that is right within our society. They lighted the lamps of creativity in government and ignited the spirits of millions who saw in them an uncommon measure of excellence.

In death, they remind us of the imperfection of our society—the compelling need to seek permanent solutions to the growing peril of violence in America.

If we would build a suitable and lasting memorial to John F. Kennedy and Robert Kennedy, then let us build it not from blocks of granite, but in the hearts of men. Let us devote our energies to the final realization of that perfect society envisaged by the founding fathers. Let us destroy the seeds of racism that produce hatred and intolerance. Let us provide hope and opportunity to those who are mired in poverty.

Above all, let us reaffirm our belief in the supremacy of law by restoring tranquility to the streets of our cities. We cannot be ruled by the torch and the rifle. We cannot tolerate lawlessness if we are to hold any hope for our future.

Mr. President, today we pay solemn tribute to a distinguished colleague who spent the greater share of his life in service to his Nation in the highest tradition of a great American family.

Robert Francis Kennedy was a great American. He embodied the finest of human virtues. He had the pioneer's vision, the philosopher's intellect and the craftsman's eye for perfection. He was a practical man who measured success by the hard standard of achievement, but he was also an idealist. He possessed an unshakable faith in the decency of mankind. He was the kind of man who searched for beauty when confronted with ugliness.

He was a man of great warmth and compassion whose personal magnetism struck a responsive chord in the hearts of millions.

We knew him as lawmaker of consummate ability and dedication. His family knew him as a living husband and devoted father. The Nation knew him as a dynamic leader.

He freely shared his many gifts with the people of America. Ultimately, he gave everything—his imagination, his vitality, his extraordinary wit, his compassion, his strength, and finally, his life.

We shall not soon see another like him in the Senate of the United States. We shall not soon see another like him in America.

Mr. CASE. Mr. President, Robert Kennedy brought to the American political scene a vitality of concern, expression, and movement that will long be remembered.

Young people in particular were attracted by the genuineness of his empathy with their concerns, and the exuberance with which they responded to his appeal was stirring to behold. There can be no finer memorial for Robert Kennedy, it seems to me, than the continuing involvement of those he inspired in the great tasks of social and economic reconstruction that lie before us.

ROBERT KENNEDY LIVED NOBLY

Mr. RANDOLPH. Mr. President, the philosopher Seneca said:

> It is within the reach of every man to live nobly, but within no man's power to live long.

This is so true. It was a truth understood by our former colleague, Robert Kennedy. He did not live long; but he lived nobly. Gone from this Chamber and this land is a man with whom we worked. And he is not forgotten.

Robert Kennedy was a wealthy man. Yet he felt and shared intensely—he understood as few public servants do—the wants and frustrations of the poor and needy people of our Nation—citizens who have been turned aside, often neglected, and severely ignored. Robert Kennedy, a man of courage, hit the line hard as he labored in uplifting the lives of these millions. For him, there was no more noble a cause.

Robert Kennedy lived with an intensity and a drive devoid in most men. For this, he was misunderstood. He was impatient. He believed that patience in our time of crisis is a luxury we could not afford. He was a crusader.

As I stated in this body on June 6, there are many people who stressed the impulsiveness of Robert Kennedy, and stressed the element of apparent hurry which characterized his movements in speech and in walk and in approach to life itself. But this impulsiveness—which is not bad in itself—was overshadowed by the probing for answers and the perseverance to achieve results.

The headlines of Senate debate, his visits to Appalachia, to the Mississippi Delta, and the Watts area do not actually convey to me his sense of compassion. No, Mr. President, I knew his true yearnings and his humanity from our sessions on the Labor and Public Welfare Committee. He selected this assignment. I am grateful for the experience of having served with him there. He was constantly questioning to determine how we can and must do better.

We remember the anguished cry on that Wednesday, June 5, 1968—"Why, why, why?" We remember those terrible moments, hours, and days to the burial when a valiant American rested in Arlington. It is important now that we remember and carry forward the spirit which moved Robert Kennedy. It is important too that we confront foursquare the unfinished business of our Nation and "dream of things that never were and ask. 'Why not?' "

Let us not build monuments of stone

or name plazas of grand design. He would be honored, but he would not wish this type of remembrance. Rather, let us—as he often quoted in the words of Abraham Lincoln—"think anew and act anew" and "disenthrall ourselves." He would wish us to so measure our commitment.

Thomas Wolfe said:

> To every man his chance—to every man the right to live, to work, to be himself, and to become whatever his manhood and vision can combine to make him. This, seeker, is the promise of America.

Robert Kennedy was dedicated to the fulfillment of this promise for all Americans. We would do well to rededicate ourselves to the cause he so nobly advanced.

Mr. LONG of Louisiana. Mr. President, as the world knows, the late Robert F. Kennedy was a man who, in a sense, "overcame" the lure of personal wealth to toil in the service of his country.

As a Senate staff member; as Attorney General and adviser to his brother, the late President Kennedy; as a Senator; and finally as a candidate for the highest position of public trust his people could offer, Robert Kennedy was intensely dedicated to creating a new and brighter day for America.

Like other Senators, I occasionally dissented from his approach, but I never for a moment questioned his devotion. His deeds and ideals were an enrichment of our national spirit, and we can only mourn, as we did for John Kennedy 5 years ago, that the full promise of Robert Kennedy was never allowed to unfold. In our mourning, we should weep more for ourselves, for it is those of us left behind who are the poorer.

Tragic events of this sort inspire the children in a family to seek to fulfill some of the purposes their father had in mind. I would anticipate that we will see members of the next generation of the Kennedy family in this body and in other positions of governmental trust and responsibility. Such events tend to produce people dedicated to carrying forward the ideals and purposes of their lost ones.

So I look forward to the day when the Senate of the United States will welcome to this body a son of Robert F. Kennedy. Many of us will not be here to see it, but it will be an inspiring moment for the Nation.

For those of us here today, the proper course is to remember a statement closely identified with Robert F. Kennedy—"I dream of things that never were and ask, 'Why not?' "—and to summon the daring needed for the great task before us of building the kind of America that he sought.

Mr. MONRONEY. Mr. President, I join other Members of the Senate in expressing my sorrow over the death of Robert Kennedy.

The Kennedy brothers brought a new image, a lightness of heart, and a firmness of purpose to American political and social life. From that cold January day 8 years ago until now, their active, dynamic personalities have contributed greatly. Robert Kennedy served his brother loyally and excellently as Attorney General of the United States. He was not only the President's right-hand man, chief adviser, and closest confidant; he was, by all reports, the best Attorney General the Nation has had in years.

He served the people of New York effectively as their Senator for 2½ years, and his tragic death has deprived his constituency of a great voice in the Senate.

He was a devoted father, husband, and brother, an effective politician, and a good man. But he was more than that. To a whole generation of young Americans, he was the personification of hope for the future. His death has filled the hearts of many young people with despair and hopelessness. Those young will recover from his loss; just as our Nation survived the loss of Lincoln and Roosevelt and John Kennedy. But their lives will be marked by the remembrance of that devotion to what he was and what he stood for. Perhaps their contribution to the country will increase by nurturing the memory of what he meant to them. If so, he will have served his Nation more effectively than many men who live to twice his age, or some officeholders who serve many years longer than his brief tenure here.

Robert Kennedy, like his brother the late President, was a controversial figure. Men of unusual gifts and unusual purpose always are. Some officeholders are loved by all, but their contributions are usually slight. Kennedy proposed what appeared to some to be radical departures from the norm, from the acceptable, and from the middle of the road. He therefore aroused the wrath of those whose estates would be disturbed. He also aroused the affection and the devoted following of millions of Americans who voted for him in the presidential primaries, and millions of New Yorkers who sent him to the Senate.

We who remain here to do the work of this Government are more beholden to do our task well and serve our people faithfully because his voice is still. We must not fail to do our duty, as we see it, as effectively as possible, just as he was doing his as he saw it until the moment his life ended.

I extend my heartfelt sympathy to his wife and children, his family, and his brother Edward, who have borne more sadness in their lives than any other American family I have ever known.

KENNEDY UNDERSTOOD YOUTH

Mr. HARTKE. Mr. President, Robert Kennedy understood youth. He wrote that youth is not a time in life but instead a state of mind, a temper of the will, and a quality of the imagination.

The death of Senator Kennedy has left the entire Nation feeling very old. We can no longer rely upon this man's personal energy to restore our own will and to rekindle our own imagination; we can make our selves young again only by remembering his words and by dedicating ourselves to his principles.

But we who would dare to lead in his place have no other choice. Troubled times have always separated the old from the young, and the challenge to seek a newer world can be met only by the strength of our youth. Robert Kennedy understood the challenge and made it his continuing inspiration, and the youth of the world understood and were inspired by him in turn.

Mr. ANDERSON. Mr. President, Robert Francis Kennedy, as his brother said 2 months ago at St. Patrick's Cathedral in New York City, "loved life completely and lived it intensely." His love of life, his great efforts to better himself and to better the world, make it even more difficult to accept the fact of his murder in June in Los Angeles. At the time of his death, Senator Robert Kennedy had just won a great victory in his pursuit of the Democratic nomination for President of the United States. It has been said that he knew he was playing Russian roulette as his day began each morning. He had endured the assassination of his brother, President John Fitzgerald Kennedy. He knew it could happen to him, too, yet something drove him forward and into the crowds that reached out to touch him. He responded to the smiling faces and waving hands, knowing all the time that one of those smiles could be a cynical smile, and that one of those hands might be wielding a gun. He did not withdraw from the people whose political support he sought.

Robert Kennedy died a young man, a man of great promise. He had come to Washington from law school to work for the Department of Justice and later for the Senate Committee on Government Operation, on the staff of its Permanent Subcommittee on Investigations. In his family's tradition, he pursued excellence and was never satisfied with his successes; he pushed himself hard. From 1953 to 1957, he served as assistant counsel, chief counsel to the minority, and then chief majority counsel and staff director. When corruption in some labor unions was exposed by the Senate Select Committee on Improper Activities in Labor and Management, the young chief counsel for the committee gained national recognition.

He organized his brother's successful Presidential campaign in 1960 and later joined the Kennedy administration as Attorney General. In that position he effectively dealt with many timely and difficult problems in American life. His experience as chief law-enforcement officer of the land brought him face-to-face with problems of civil rights, poverty, oppression, and deprivation that helped form the humanitarian philosophy that was his at death.

After the 1963 assassination of his brother, Robert Kennedy campaigned for, and won, the office of U.S. Senator from the State of New York. He was with us in the Senate less than 4 years, and yet he was one of the best known of Senators. He was ever anxious to set forth his views on the difficult and controversial questions of our time. He was known for detailed and straightforward accounts of his views.

It was so hard to accept his death. We had been through it all before. We had watched him grieve four and a half years ago. We had admired his strength, his devotion to his dead brother's children, his comfort to the widow. Then the nightmare came again. Another widow;

another Kennedy brother, the last one, comforting her. Then was laid to his final rest, our colleague, Senator Robert Francis Kennedy.

Robert Francis Kennedy believed in this country and its institutions. He so truly believed in its greatness and in the strength of its people that he thought all the tremendous problems that face us today could be overcome. He believed men could be brothers, that peace could be brought to the world, that the lot of the poor could be improved. He believed the change could come through the people, through the constitutional processes of our representative system of popular government. We share that faith of his as we mourn his loss.

Mr. MAGNUSON. Mr. President, our Nation has passed too many days of grief in recent time, which like black ominous clouds have descended over men of good will everywhere in our land. Yet we must try to pick up the pieces and carry on our business, which must go on, although our deep and foreboding sense of loss will not be dissipated.

Mr. President, on that black day in June, we lost one of our own; we lost a colleague of unusual ability and extraordinary perception; a most uncommon Senator and American; a man in whom the elements were truly mixed. Our sense of loss was, and remains, great. The Senate of the United States is not the same without the junior Senator from New York, and our body politic is not the same, and may never be.

We in this body miss his quiet wit, his perceptive mind, and his genuine concern with the problems of America. But ours, of course, is not the only loss. We have lost a friend, a colleague, a fellow legislator, but our loss will never match the unspeakable tragedy which must be borne silently by the Kennedy family.

The great American family which has contributed an unmatched heritage of service to this land of ours, a family that has given our Nation a President, a wartime hero, an Ambassador, and two U.S. Senators. The grief of that family must certainly be without parallel in American history. It is unspeakably outrageous that two great American men, men who were in the prime of their lives and whose service to the Natoin was in midcourse, have been brutally murdered. It is outrageous that the wives were suddenly widowed and that their children have only the memories of a father, and that for them in a very personal sense, life will never again be as rich.

But, Mr. President, may I suggest that the American people, too, have suffered an immeasurable loss. They have lost a great and courageous national leader. Perhaps most important, they have lost the man who embodied our Nation's struggle, with ignorance, intolerance, injustice, and deprivation. They have lost a man who was vitally committed to guaranteeing to all Americans the great ideal on which this Nation was founded. They have lost a man who was concerned with meeting the plight of the poor and the ignorant and the disadvantaged. A man who was alarmed that in a nation of unprecedented prosperity and economic growth, men, women, and children are still hungry, homeless, jobless. They have lost a man who was outraged by the prejudice and injustice which befalls our fellow Americans simply because their skin happens to be black. And they have lost a leader who had a vision of American cities as exciting, cosmopolitan, amenable places in which all could live in decency, prosperity, and justice. In short, Mr. President, our Nation has lost a man who had a vision of a better future and the political and moral courage to fight for a better America.

And let us not forget too that the loss of Senator Kennedy is particularly keenly felt by America's young. Those men and women who will assume the burden of leading our Nation tomorrow. Senator Kennedy did offer a new voice. To many, he was the hope of a better future. Mr. President, although Senator Kennedy is gone, his memory, and his aspirations for America will live on in this Chamber. He was a good man and a great American and we would all do well to seek to pick up the burden for the future which he carried so gracefully. May God let him rest in peace.

Mr. MANSFIELD. Mr. President, for the information of the Senate, all eulogies, including those which were expressed shortly after the tragic event, will be printed separately at the appropriate time.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes: agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Rooney of New York, Mr. Sikes, Mr. Slack, Mr. Smith of Iowa, Mr. Flynt, Mr. Joelson, Mr. Mahon, Mr. Bow, Mr. Lipscomb, Mr. Cederberg, and Mr. Andrews of North Dakota were appointed managers on the part of the House at the conference.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

Reports of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of a review of reliability of the Air Force personnel data system, dated July 25, 1968 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of an audit of the Federal Savings and Loan Insurance Corporation, supervised by the Federal Home Loan Bank Board for the year ended December 31, 1966, dated July 26, 1966 (with an accompanying report); to the Committee on Government Operations.

Report of Advisory Council on Historic Preservation

A letter from the Chairman, Advisory Council on Historic Preservation, transmitting, pursuant to law, the annual report on the activities of the Council dated 1967–68 (with an accompanying report); to the Committee on Interior and Insular Affairs.

PETITION

The PRESIDING OFFICER laid before the Senate a joint resolution of the Legislature of the State of California, which was referred to the Committee on Appropriations, as follows:

Senate Joint Resolution 8 Relative to Wildlife Habitat Research

Whereas, California's population is placing unprecedented demands upon the publicly owned wildlands of this state for wildlife-associated recreation; and

Whereas, Efforts to increase wildlife in such lands can succeed with the support of adequate wildlife habitat research; and

Whereas, The United States Forest Service, at its Pacific Southwest Forest and Range Experiment Station, is researching problems confronting California, including control burning; and

Whereas, The current funding of wildlife investigations at the aforementioned station is inadequate to meet the national interest in the public lands of this state; and

Whereas, There is need, furthermore, that wildlife habitat research, including the control burning program, and findings emanating from the various state agencies within the several western states be made available; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to increase the funds available to the United States Forest Service for the enhancement of wildlife habitat and control burning research by the Pacific Southwest Forest and Range Experiment Station, and for the establishment in the western United States of a Wildlife Habitat Information Coordinator to assist in the above described functions; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Agriculture, to the Chief of the United States Forest Service, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Appropriations, with amendments:

H.R. 18037. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1969, and for other purposes (Rept. No. 1484).

By Mr. BREWSTER, from the Committee on Commerce, without amendment:

H.R. 18254. An act to amend further section 27 of the Merchant Marine Act, 1920 (Rept. No. 1485).

By Mr. BYRD of West Virginia, from the Committee on Appropriations, with amendments:

H.R. 18706. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1969, and for other purposes (Rept. No. 1487).

MILITARY CONSTRUCTION APPROPRIATION BILL, 1969—REPORT OF A COMMITTEE—MINORITY VIEWS (S. REPT. NO. 1486)

Mr. BIBLE. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H.R. 18785) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with minority views of Senators MANSFIELD, CASE, PROXMIRE, and SYMINGTON.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Nevada.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. MONRONEY, from the Joint Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate, dated July 23, 1968, that appear to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HART (for Mr. KENNEDY):

S. 3939. A bill for the relief of Usha Kulkarni;

S. 3940. A bill for the relief of Li Chik Sang;

S. 3941. A bill for the relief of Ilidia da Ponte Sousa Pomreiro;

S. 3942. A bill for the relief of Pierre-Michael Fontaine; and

S. 3943. A bill for the relief of Pacita D. Azucena; to the Committee on the Judiciary.

By Mr. BREWSTER:

S. 3944. A bill for the relief of Lam Yuen, Yim Wan Ting, and La Sin Po; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 3945. A bill to authorize the documentation of the vessel *West Wind* as a vessel of the United States with coastwise privileges; to the Committee on Commerce.

By Mr. BIBLE (for himself, Mr. CANNON, Mr. KUCHEL, and Mr. MURPHY):

S. 3946. A bill to grant the consent of the Congress to the Tahoe Regional Planning Compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. BIBLE when he introduced the above bill, which appear under a separate heading.)

By Mr. HARTKE:

S. 3947. A bill to assist the balance of trade and promote the export of products, services, and processes of small business enterprises by providing tax incentives for the formation of small business export trade corporations; to the Committee on Finance.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

S. 3946—INTRODUCTION OF BILL TO GRANT THE CONSENT OF THE CONGRESS TO THE TAHOE REGIONAL PLANNING COMPACT

Mr. BIBLE. Mr. President, on behalf of myself and my distinguished colleagues from both California and Nevada, Senator CANNON, Senator KUCHEL, and Senator MURPHY, I introduce, for appropriate reference, a bill to grant the consent and approval of Congress to the States of Nevada and California to enter into a compact for the purpose of exercising jurisdiction over the planning and control of future development of what to me is the most beautiful place in the world—the Lake Tahoe Basin.

The compact already agreed to by both the States of California and Nevada has for its purpose the establishment of an areawide planning agency with power to adopt and enforce a regional plan of resource conservation and orderly development, to exercise effective environmental control, and to perform other essential functions for this five-county region in the two States.

It has been found that the waters of Lake Tahoe and other resources of the Lake Tahoe region are threatened with deterioration or degeneration, which may endanger the natural beauty and economic productivity of the region.

It has further been found that by virtue of the special conditions and circumstances of the natural ecology, developmental pattern, population distribution and human needs in the Lake Tahoe region, the region is experiencing problems of resource use and deficiencies of environmental control.

The compact, hammered out by representatives of both States after many months of negotiation should go a long ways to preserve for posterity an area well known as the prize scenic jewel of western America.

I urge early committee consideration of the proposal.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3946) to grant the consent of the Congress to the Tahoe Regional Planning Compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes, introduced by Mr. BIBLE, for himself and other Senators, was received, read twice by its title, and referred to the Committee on the Judiciary.

S. 3947—INTRODUCTION OF BILL—SMALL BUSINESS EXPORT TRADE CORPORATION ACT

Mr. HARTKE. Mr. President, today I introduce, for appropriate reference, a bill to encourage and promote the export of products, services, and processes of American small business enterprises, through the establishment of a particularized new type of corporation devised for that purpose. During the rather lengthy time in which this bill has been perfected for its greater effectiveness, word of it has been reported rather extensively in both the regular press, such as the New York Times, and in business specialty magazines having particular interest in export problems.

One of the great untapped resources of this country is the export potential of the 250,000 American manufacturers, most of them in the small business category, who have no export objectives or programs for developing overseas markets. Today, when our Nation is in the throes of a balance-of-payments crisis which threatens the very structure of our domestic economy and our position as the dominant nation in international trade, new and novel approaches are required by our Government to insure our international trade position and our internal and international economic stability.

Our international trade surplus has traditionally been the strongest element in our overall balance of payments. This trade surplus has helped to offset outflows for travel and military investment activities. But today this favorable trade surplus is deteriorating and is itself threatened with extinction. For example, in March of this year, for the first time in 5 years, our imports exceeded our exports by $157.7 million. While we recovered in April to a $248 million surplus, we again showed a trade deficit for the month of May in the amount of $32.2 million.

On an annualized basis, our trade surplus for the first 5 months of the year is less than a billion dollars—$972 million to be exact. For the last 8 years, 1960 through 1967 inclusive, our lowest trade surplus was just under $3.5 billion—in the year 1967—and the average trade surplus for that period was $4.785 billion. It therefore requires no special insight to observe that our favorable trade balance, once able to offset and bail out our other dollar outflows, is in jeopardy and requires bailing out itself.

The bill which I introduce today may not reverse completely the deterioration of this Nation's vital trade surplus; but, at the least, I am confident that its effect will be salutary and constitute and important and substantial contribution toward this end.

The proposed small business export trade corporations bill, which has already been widely noted in the business press, will provide essential but limited tax incentives to those who would promote and develop foreign markets in behalf of small businesses. Under past and present administrations, proposals for export expansion have, in a practical sense, almost completely ignored the vast potential offered by the products and know-how of small business. The thinking of the policymakers has always been big business oriented.

Two hundred and fifty thousand American manufacturers have no export objectives or programs for developing overseas markets for their products or know-how. If just 10 percent of them—25,000—were to launch an effort that would create an average annual inflow of $100,000 each, a major contribution—$2.5 billion—in our balance of payments would be realized.

Today there are two methods by which a manufacturer can effectively participate in overseas trade: First, he can set up his own export department—a difficult and expensive proposition and one which few if any small business enterprises are prepared to undertake. The second alternative is to turn to a combination export management firm which undertakes the responsibilities of promotion and selling of the American manufacturer's product in foreign markets.

A combination export management firm is an international sales specialist functioning as an exclusive export department for several allied but noncompeting manufacturers. The average combination export management firm—CEM—while involved in a highly specialized and technical area where knowledge of foreign economies, financing, customs, and methods of doing business is of vital importance, is for the most part a one-to five-man operation or shop and only about 20 of the 500 CEM's in the United States today employ more than 20 persons. The need for the legislation that I propose today can best be demonstrated in the fact that there are only 5,000 U.S. manufacturers that are serviced by CEM's or an average of 10 manufacturers per CEM. The 500 U.S. CEM's generate an annual volume of about $500 million or approximately 4 percent of all U.S. exports. If 5,000 U.S. manufacturers can contribute this sum to our national export trade, the untapped potential of 250,000 U.S. manufacturers who do not now export represents a potential market for export trade that well merits our efforts and ingenuity to exploit.

Moreover, and possibly more significant, the real potential of American small business in overseas markets may not lie merely in the physical export by American manufacturers of American manufactured products. A more meaningful contribution may lie in the transfer of American know-how—the processes, the technology, and the intangibles which in great measure underlie the success and the real sustenance of American business and industrial life. In exchange for this know-how, this technology, American business and industry would receive royalties, fees, or equities from and in foreign business enterprises. The impact on the credit side of the U.S. trade and balance-of-payments ledger could be, and I feel would be, tremendous. The 500 CEM's that we presently have are just not equipped to tackle or undertake the exploitation of this potential for exports—products, services, and technology—under present incentives. These 500 CEM's, while for the most part very successful, deal primarily in product exports for manufacturers whose products are firmly established in foreign markets. Incentive is needed to attract new entrants to the field of export management to do the job that can and needs to be done. The limited tax incentives of my proposed bill will provide this incentive.

In developing this legislation, I have had the help and cooperation of Mr. Eugene M. Lang, president of Resources & Facilities Corp., of New York City. The genesis of this legislation is founded in Mr. Lang's more than 15 years' experience in helping small American manufacturers establish permanent income-producing positions abroad. Mr. Lang has built Resources & Facilities Corp. into a $6 million-a-year business by capitalizing on the premise contained in this legislation. His experience, however, is the exception and not the rule. And it is because of this that I have been prompted to propose this legislation.

What the legislation would provide: Under this legislation the Small Business Administration—SBA—would be authorized to issue certificates of eligibility to corporations organized under State law for the primary purpose of representing and promoting interests in foreign markets of U.S. small business enterprises. The requirements for certification under the bill are: First, that the corporation have a paid-in capital and surplus equal to at least $100,000; second, that no more than 20 percent of the corporation would be owned or controlled, directly or indirectly, by any client manufacturer; and, third, the corporation must have contracts with at least five U.S. manufacturers for the promotion and development in foreign markets of their product lines. These contracts are defined in the legislation and are designated export trade contracts. When these conditions are met, the SBA is authorized to issue a certificate of eligibility to the corporation as a small business export trade corporation—SBETC.

Tax incentives: Upon certification by the Small Business Administration as a Small Business Export Trade Corporation, the following tax incentives would be applicable:

First. Losses on sale or exchanges of stock of a certified Small Business Export Trade Corporation would be treated as ordinary losses. Gains on sale or exchange of such stock would continue to get capital gains treatment.

Second. The equivalent of a 14-percent tax rate reduction would be afforded Small Business Trade Corporations up to an income ceiling of $250,000; however, income earned from performance of export trade contracts with GATT countries would not be eligible for this special tax deduction, and income earned in GATT countries by SBETC's would continue to be taxed at ordinary corporate rates. In addition to the income ceiling of $250,000, the bill would not permit the 14-percent tax rate reduction to an SBETC if, for the present taxable year or either of the two preceding taxable years, 50 percent or more of the gross income of the Small Business Export Trade Corporation is attributable to the performance of a single export trade contract or to the performance of two or more export trade contracts entered into with the same person.

Third. A deferral of up to $50,000 of the tax consequences of an equity acquired in a foreign business, incident to the performance of an export trade contract, is permitted when the equity is acquired in exchange for patent rights, processes, formulas, franchises or other like property. The bill provides that at the time the equity is disposed of, the proceeds will be treated as ordinary income. By this provision deferral is afforded to both the SBETC and the small business manufacturer with whom it has the export trade contract.

Fourth. A deferral of items of income which are blocked by repatriation laws of a foreign country is permitted until such time as the income can be, or is permitted to be, repatriated. By this provision deferral is afforded to both the SBETC and the small business manufacturer with whom it has the export trade contract but no deferral is permitted to items of income derived from the sale of exported products.

Fifth. A fast write off of up to $50,000 in bad debts per export trade contract is permitted to an SBETC.

Sixth. Certified SBETC's are exempted from the personal holding company provisions of the Internal Revenue Code unless a shareholder of the SBETC owns, directly or indirectly, 10 percent or more of the outstanding stock of a corporation for which the certified SBETC is performing an export trade contract.

Seventh. Certified SBETC's are exempted from the controlled foreign corporation provisions of the Internal Revenue Code, unless during the taxable year a shareholder owning more than 20 percent of the certified SBETC also owns 10 percent or more of the stock of a corporation with which the SBETC has an export trade contract.

Finally, the bill would be coordinated with existing programs and services of the Department of Commerce to foster and further the promotion of export trade of American small business enterprises.

The Small Business Export Trade Corporation bill fills a void that too long has existed in the philosophy and policies that have marked the programs of this and past administrations. The bill will provide the impetus by which small business—one of the great but oft-neglected assets of this Nation—play their proper role in U.S. international trade. In addition, a meaningful contribution for the restoration of our trade surplus can be achieved.

Mr. President, I ask that the full text of the proposed bill be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3947) to assist the balance of trade and promote the export of products, services, and processes of small business enterprises by providing tax incentives for the formation of small business export trade corporations, introduced by Mr. HARTKE, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 3947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Small Business Export Trade Corporation Act".

(b) It is declared to be the policy of the Congress and the purpose of this Act to encourage and assist in the development and expansion of foreign trade opportunities for United States small business enterprises, and thereby to contribute to a favorable balance-of-trade position, by establishing a program to stimulate the organization of small business export trade corporations designed to represent and promote the interests in foreign markets of groups of United States small business enterprises having the products, services, or know-how suitable for sale or marketing abroad, but lacking the facilities, experience, or inducement to enter or remain in the foreign market field acting alone.

TITLE I—CERTIFICATION OF SMALL BUSINESS EXPORT TRADE CORPORATIONS

ISSUANCE OF CERTIFICATES OF ELIGIBILITY

SEC. 101. (a) The Small Business Administration (hereafter in this title referred to as the "Administration") is authorized and directed to issue a certificate of eligibility for benefits under this Act to each small business export trade corporation whose application therefor is approved by the Administration under subsection (b).

(b) The Administration shall approve an application for a certificate of eligibility under this section if the Administration determines that—

(1) the applicant is a corporation which is organized and chartered under State law primarily for the purpose of representing and promoting the interests in foreign markets of United States small business enterprises;

(2) the articles of incorporation of the applicant specify in general terms the object for which the applicant is formed, the name assumed by the applicant, the foreign area or areas in which its operations are to be carried on, the place where its principal office is to be located, and the amount and classes of its shares of capital stock;

(3) the applicant has a paid-in capital and surplus equal to at least $100,000;

(4) not more than 20 percent of the aggregate amount of the capital stock of the applicant is owned or controlled, directly or indirectly, by any small business enterprise with which the applicant has entered into an outstanding contract or agreement described in paragraph (5);

(5) the applicant is authorized, under contracts or agreements entered into between the applicant and at least five United States small business enterprises, to perform one or more of the following: (A) purchase specified categories of products, merchandise, or commodities manufactured, assembled, produced, or distributed by such enterprises and act as a principal in all matters relating to the sale, offer for sale, or distribution for sale in foreign markets of such products, merchandise, or commodities, (B) act in matters relating to the sale or offer for sale in foreign markets of specified kinds of services established or organized by such enterprises, and (C) act in matters relating to the negotiation and administration of licensing and marketing agreements concerning the use in foreign markets of the know-how of such enterprises;

(6) the application is in such form and manner as the Administration shall have prescribed; and

(7) the applicant agrees to make such reports as may be required by the Administration in order to carry out the purposes of this Act.

(c) Each corporation to which a certificate of eligibility is issued under this section shall, unless such certificate is terminated under section 102, qualify as a small business export trade corporation for purposes of chapter 1 of the Internal Revenue Code of 1954.

TERMINATION OF CERTIFICATES OF ELIGIBILITY

SEC. 102. The Administration shall terminate a certificate of eligibility issued to any small business export trade corporation under this Act whenever the Administration determines, after an opportunity for hearing, that the corporation to which such certificate was issued has ceased to be in compliance, after due notice and a reasonable opportunity to correct any failure to comply, with any of the requirements set forth in section 101.

COORDINATION WITH OTHER PROGRAMS

SEC. 103. In furtherance of the policy and purpose of this Act—

(1) the Secretary of Commerce, in consultation and cooperation with the Administration, shall make maximum use of existing programs and services provided by the Department of Commerce, its field offices in the United States, and commercial attaches abroad, in order to make available such information and assistance as he determines will be most helpful for the encouragement of the organization of small business export trade corporations and the promotion of their activities; and

(2) the Administration shall undertake, in consultation and cooperation with the Secretary of Commerce, the Secretary of State, and the head of any other interested department or agency of the Government, to publicize and disseminate to United States export concerns, commercial associations, manufacturers, and businesses information with regard to the facilities, services, and programs available through departments and agencies of the Government which would be helpful in organizing and promoting the activities of small business export trade corporations, with particular emphasis on information with regard to the program established under this Act and the preinvestment survey program and investment guaranties program established under the Foreign Assistance Act of 1961.

TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE

MISCELLANEOUS INCOME TAX INCENTIVES

SEC. 201. (a) Chapter 1 of the Internal Revenue Code of 1954 (relating to normal taxes and surtaxes) is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER V—SMALL BUSINESS EXPORT TRADE CORPORATIONS

"Sec. 1391. Definitions.
"Sec. 1392. Losses on stock of certified small business export trade corporations.
"Sec. 1393. Special deduction for certain income.
"Sec. 1394. Treatment of certain equity investments.
"Sec. 1395. Blocked foreign income.

"Sec. 1391. Definitions.

"For purposes of this subchapter—

"(a) CERTIFIED SMALL BUSINESS EXPORT TRADE CORPORATIONS.—The term 'certified small business export trade corporation' means a domestic corporation which holds a certificate of eligibility issued under section 101 of the Small Business Export Trade Corporation Act which has not been terminated under section 102 of such Act.

"(b) EXPORT TRADE CONTRACTS.—The term 'export trade contract' means a contract or agreement described in section 101(b)(5) of the Small Business Export Trade Corporation Act.

"(c) EXPORT PROPERTY.—The term 'export property' means tangible personal property, or any interest in tangible personal property, manufactured, produced, grown, or extracted in the United States and acquired under the terms of an export trade contract.

"Sec. 1392. Losses on stock of certified small business export trade corporations.

"If—

"(1) a loss is on stock of a certified small business export trade corporation, and

"(2) such loss would (but for this section) be a loss from the sale or exchange of a capital asset,

then such loss shall be treated as a loss from the sale or exchange of property which is not a capital asset. For purposes of section 172 (relating to the net operating loss deduction), any amount of loss treated by reason of this section as a loss from the sale or exchange of property which is not a capital asset shall be treated as attributable to a trade or business of the taxpayer.

"Sec. 1393. Special deduction for certain income.

"(a) Allowance of Deduction.—In the case of a certified small business export trade corporation, there shall be allowed as a deduction an amount determined by multiplying the section 1393 income of such corporation by a fraction—

"(1) the numerator of which is 14 per centum, and

"(2) the denominator of which is the sum of the normal tax rate and the surtax rate for the taxable year prescribed by section 11.

"(b) Section 1393 Income.—For purposes of subsection (a), the section 1393 income of a certified small business export trade corporation for any taxable year is the sum of the following items of income attributable to the performance of export trade contracts, reduced by the deductions properly attributable to such items, but only to the extent such sum, as so reduced, does not exceed $250,000:

"(1) income derived from sales of export property for use, consumption, or disposition outside the United States (other than in any country which is a contracting party to the General Agreement on Tariffs and Trade);

"(2) income derived from the performance of commercial, industrial, financial, technical, scientific, managerial, engineering, architectural, skilled, or other services in respect of sales of export property for use, consumption, or disposition outside the United States, or in respect of the installation or maintenance of such export property;

"(3) income derived from the use outside the United States of patents, copyrights, secret processes and formulas, goodwill, trademarks, trade brands, franchises, and other like property;

"(4) income derived from the performance of commercial, industrial, financial, technical, scientific, managerial, engineering, architectural, skilled, or other services in connection with the use outside the United States of property described in paragraph (3); and

"(5) income derived from stock in a foreign corporation, or a proprietary interest in an unincorporated business enterprise, organized and operated under the laws of a foreign country and carrying on the active conduct of a trade or business outside the United States (other than any such income which is gain from the sale or exchange of a capital asset or of property described in section 1231).

"(c) Exception.—No deduction shall be allowed under subsection (a) to a certified small business export trade corporation for any taxable year if, for such taxable year or either of the two preceding taxable years, 50 percent or more of the gross income of such corporation is attributable to the performance of a single export trade contract or to the performance of two or more export trade contracts entered into with the same person.

"Sec. 1394. Treatment of certain equity investments.

"(a) Qualified Equity Investments.—For purposes of this section, the term 'qualified equity investment' means stock in a corporation or a proprietary interest in an unincorporated business enterprise, acquired incident to the performance of an export contract by a certified small business export trade corporation, or by a person represented by such a corporation under such contract, solely in exchange for—

"(1) the right to use patents, copyrights, secret processes and formulas, goodwill, trade marks, trade brands, franchises, and other like property;

"(2) the performance of, or the furnishing of information with respect to, commercial, industrial, financial, technical, scientific, managerial, engineering, architectural, skilled, or other services in connection with—

"(A) the use of property described in paragraph (1),

"(B) sales of export property, or

"(C) the installation or maintenance of export property; or

"(3) the right to receive income in respect of property described in paragraph (1) or of the performance of services described in paragraph (2) or the furnishing of information with respect to such services.

"(b) Treatment in Year of Acquisition.—For purposes of this chapter, the acquisition of a qualified equity investment up to an equivalent value of $50,000 shall, at the election of the taxpayer, not constitute a receipt of income for the taxable year in which such investment is acquired. Such election shall be made at such time and in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) Treatment in Year of Disposition.—For purposes of this chapter, property which was a qualified equity investment when acquired and for which the taxpayer made an election under subsection (b) shall, upon sale, exchange, or other disposition by the taxpayer, be treated as property which is neither a capital asset nor property described in section 1231.

"Sec. 1395. Blocked foreign income.

"(a) General rule.—If—

"(1) an item of income described in subsection (b) of a certified small business export trade corporation, or of a person represented by such a corporation under an export trade contract, would (but for this section) be taken into account as an item of gross income for the taxable year, and

"(2) it is established to the satisfaction of the Secretary or his delegate that, because of currency or other restrictions or limitations imposed under the laws of a foreign country, money or other property repesenting such income cannot be removed from such country during such taxable year,

then, at the election of the taxpayer, such item of income shall not be taken into account for such taxable year, and shall be taken into account, under regulations prescribed by the Secretary or his delegate, for one or more subsequent taxable years during which such money or property can be removed from such foreign country. An election under this subsection shall be made at such time and in such manner as the Secretary or his delegate shall prescribe by regulations.

"(b) Income to Which Applicable.—Subsection (a) shall apply only to items of income which are described in paragraphs (2), (3), (4), and (5) of section 1393(b) and which are attributable to performance of an export trade contract."

RESERVES FOR BAD DEBTS

Sec. 202. Section 166 of the Internal Revenue Code of 1954 (relating to bad debts) is amended by redesignating subsection (h) as (i), and by inserting after subsection (g) the following new subsection.

"(h) Special Provisions for Small Business Export Trade Corporations.—

"(1) Separate Reserves.—A taxpayer which is a certified small business export trade corporation (as defined in section 1391 (a)) engaged in selling property under one or more export trade contracts (as defined in section 1391(b)) may, for purposes of subsection (c), maintain a separate reserve for bad debts with respect to sales under each such contract.

"(2) Amount of Reserves.—The amount of each reserve maintained under paragraph (1) shall not exceed, at the close of any taxable year, the lesser of—

"(A) $50,000, or

"(B) an amount equal to 50 percent of the outstanding debts chargeable to such reserve."

EXEMPTION FROM PERSONAL HOLDING COMPANY PROVISIONS

Sec. 203. Section 542(c) of the Internal Revenue Code of 1954 (relating to exceptions to definition of personal holding company) is amended by striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon, and by adding after paragraph (8) the following new paragraph:

"(9) a corporation which for more than half of the taxable year is a certified small business export trade corporation (as defined in section 1391(a)). This paragraph shall not apply if, at any time during the taxable year, any shareholder of the certified small business export trade corporation who owns directly or indirectly more than 20 percent of the outstanding stock of such corporation also owns directly or indirectly 10 percent or more in value of the outstanding stock of a corporation (or of the proprietary interest in an unincorporated business enterprise) for which the certified export trade corporation is performing an export trade contract (as defined in section 1391(b)). For purposes of the preceding sentence, the ownership of stock or a proprietary interest shall be determined, under regulations prescribed by the Secretary or his delegate, by applying the rules of section 544."

EXEMPTION FROM CONTROLLED FOREIGN CORPORATION PROVISIONS

Sec. 204. (a) Subpart F of part III of subchapter N of chapter 1 of the Internal Revenue Code of 1954 (relating to controlled foreign corporations) is amended by adding at the end thereof the following new section:

"Sec. 965. Certified small business export trade corporations.

"(a) General Rule.—Under regulations prescribed by the Secretary or his delegate, in the case of a corporation which for more than half of its taxable year is a certified small business export trade corporation (as defined in section 1391(a)), no amount shall be included in the gross income of such corporation under section 951 for such year.

"(b) Exception.—Subsection (a) shall not apply if, at any time during the taxable year, any shareholder of the small business export trade corporation who owns directly or indirectly more than 20 percent of the outstanding stock of such corporation also owns directly or indirectly 10 percent or more in value of the outstanding stock of a corporation (or of the proprietary interest in an unincorporated business enterprise) for which the certified small business export trade corporation is performing an export trade contract (as defined in section 1391 (b)). For purposes of this subsection, the ownership of stock or a proprietary interest shall be determined, under regulations prescribed by the Secretary or his delegate, by applying the rules of section 544."

(b) The table of sections for such subpart F is amended by adding at the end thereof the following new item:

"Sec. 965. Certified small business export trade corporations."

EFFECTIVE DATE

Sec. 205. The amendments made by this title shall apply to taxable years ending after the date of the enactment of this Act.

MORE EQUITABLE TAX TREATMENT ON FORCED LAND SALES—AMENDMENT

AMENDMENT NO. 917

Mr. SYMINGTON. Mr. President, in order that the Senate Finance Committee may have an opportunity to consider the merits of this proposal, I submit at this time an amendment intended to be proposed by me to H.R. 6097, a bill approved by the House respecting tax aspects of casualty losses arising from designated major disasters.

The purpose of this amendment is to provide more equitable tax treatment for landowners forced to sell their property for public works. I ask that the amendment be printed.

Under current law, capital gains tax may be deferred on the proceeds of involuntary sales, provided the landowner reinvests in property of like kind real property.

The amendment offered would permit the taxpayer to defer capital gains taxation of condemnation awards when he reinvests in securities or a business if he establishes that to require him to reinvest in only comparable real property would work undue hardship on him. The burden of proof would be placed on the taxpayer.

The situation that exists in my State for farmers forced to sell their property is not uncommon throughout the country.

In large reservoir takings, as example the Kaysinger Reservoir area in Missouri, comparable replacement property often is not available in the general vicinity, and landowners would be required to move considerable distance in order to reinvest in similar farm property.

There is additionally the further consideration that a landowner, forced to sell a going farm operation, has reached an age when he does not believe it physically possible to start a new farming or ranching life. He is being pushed into an early retirement.

This amendment would provide needed assistance to persons across the country whose property is taken for public works programs such as reservoirs or highways.

These people have no choice, no real alternative to selling their land. In order to avoid undue hardship, tax concepts should be made to conform with current needs and the increasing scarcity of land.

Those forced to give up land that may have been built up over many years, even generations, and then taxed because they are unable to find replacement property, deserve fairer consideration than now given them under the tax laws.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 917) was referred to the Committee on Finance.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1969

AMENDMENT NO. 918

Mr. HILL submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 18037) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1969, and for other purposes, the following amendment, namely, page 57, after line 5, insert the following:

"SEC. 207. The limitations in section 201 of the Revenue and Expenditure Control Act of 1968 on the number of civilian employees in the Executive Branch shall not apply to the Social Security Administration and direct medical care activities of the Department of Health, Education, and Welfare, and employees in such Administration and such activities shall not be counted in applying such limitations to the rest of the Executive Branch."

Mr. HILL also submitted an amendment, intended to be proposed by him, to House bill 18037, making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1969, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS

AMENDMENT NO. 919

Mr. JAVITS (for himself, Mr. BROOKE, Mr. HARTKE, Mr. HATFIELD, Mr. MAGNUSON, Mr. MILLER, Mr. PELL, and Mr. PERCY), submitted amendments, intended to be proposed by them, jointly, to the bill (H.R. 15263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 920

Mr. JAVITS (for himself, Mr. KUCHEL, Mr. COOPER, Mr. MUNDT, Mr. HATFIELD, and Mr. BROOKE) submitted an amendment, intended to be proposed by them, jointly, to House bill 15263, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 921

Mr. JAVITS (for himself and Mr. BROOKE) submitted an amendment, intended to be proposed by them, jointly, to House bill 15263, supra, which was ordered to lie on the table and to be printed.

AMENDMENTS NOS. 922 AND 923

Mr. DOMINICK submitted two amendments, intended to be proposed by him, to House bill 15263, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 924

Mr. MONDALE proposed an amendment to House bill 15263, supra, which was ordered to be printed.

ADDITIONAL COSPONSORS OF AMENDMENT

Mr. METCALF. Mr. President, I ask unanimous consent that the names of the Senator from Montana [Mr. MANSFIELD] and the Senator from Utah [Mr. MOSS] be added as cosponsors of my amendment (No. 908) to H.R. 7735, a bill relating to the dutiable status of aluminum hydroxide for the deletion of section 4 relating to copper.

The PRESIDING OFFICER. Without objection, it is so ordered.

LAUNCHING OF THE "INDIAN MAIL"

Mr. BREWSTER. Mr. President, the senior Senator from Alaska [Mr. BARTLETT], who is necessarily absent, is chairman of the Subcommittee on Merchant Marine and Fisheries. As such he has a long and continuing interest in the welfare of the American merchant marine. He was greatly impressed by a speech on this subject delivered by the chairman of the Committee on Commerce, the senior Senator from Washington [Mr. MAGNUSON], at the launching of the *Indian Mail* on Saturday, June 27, 1968. Because of the significance of this speech, Senator BARTLETT has asked that I bring it to the attention of the Senate, and this I now do. I ask uninimous consent that the speech of the Senator from Washington be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR WARREN G. MAGNUSON, OF WASHINGTON, AT LAUNCHING OF "INDIAN MAIL," NEWPORT NEWS, VA.

It is surely a pleasure for me and Mrs. Magnuson to participate in the launching of the *Indian Mail*. I love a ship launching. I have had the good fortune to witness a considerable number of ship launchings, and on each such occasion there is something always thrilling.

There is the acute awareness of courage and accomplishment. The courage to undertake a bold and costly venture that is of immense benefit to the public at large and the accomplishment of making that bold and courageous dream a reality.

Today, the bold and creative undertaking of the American Mail Line to build the *Indian Mail*, and her four sister ships, has reached the stage of considerable fruition. In a moment, the second of those five vessels will slide down the ways, and begin a service of immense importance to the nation, and particularly to the State of Washington—which has the great fortune to serve as the home of the American Mail Line.

I am sure that Worth Fowler knows how very proud Washington State is of his company. And if the launching of the *Indian Mail* is an occasion for compliments and recognition of accomplishment—then Donald Holden and the Newport News Shipbuilding and Dry Dock Company must receive their share.

A few months ago I had the pleasure of presenting Mr. Holden with the Maritime Man of the Year award. The accomplishments of this fine shipyard under his leadership are legion, and enhanced even more with the launching of the *Indian Mail*.

It is this courage and foresight and great skill which has given the United States' Flag Fleet the most modern and efficient general cargo and container ships in the world. And in a period when our merchant fleet has been the subject of neglect and disregard by some, it is this skill and foresight which have kept us upon the seas with the finest ships the world has known.

Some now seek to destroy this great tradition, skill and attribute. There has been proposed to the Congress a plan to export the building of United States ships to foreign shipyards. That is a polite way of saying that the government wants to back out of the partnership established by law in 1936 between the merchant marine and the citizens of the United States.

I am not about ready to dissolve that partnership. We are ready to enhance our commitment. As you may know, there is a counter proposal to that of the Administration. It is a specific proposal that I and others in Congress—including Virginia's outstanding Congressman Tom Downing, who has taken a leading role in this effort as a Member of the House Merchant Marine Committee—have sponsored to put the United States back in its rightful place upon the high seas.

And not just because we love a launching, but because a strong merchant marine is essential to the economy and defense of the United States.

It is absolutely essential that this nation expand its trade and commerce throughout the free world. There is upon this earth a bitter and deadly serious controversy as to how men should govern themselves. It is a battle of ideas even more than of violence. And knowledge and communication are far more the ultimate enemy of a dangerous and ill-founded idea than are bullets.

Expanding trade and showing the world the wondrous productivity of democratic processes is essential to the future of our nation and the major hope of the emerging nations of the world. It is the merchant marine that carries America to the rest of the world. It is the merchant marine that makes American products available to people subjected to un-truths and distortions as to our role in the world.

Surely it is one of the great and tragic paradoxes of our history that the very existence of our merchant marine is threatened at the time our need to communicate effectively with the nations of the world is at a most critical stage.

The *Indian Mail* and her sister ships will, in every sense, be modern and effective additions to the United States Flag Fleet. These beautiful vessels, designed by J. J. Henry, Naval Architects, will have a utility that is almost staggering in comparison to the level of technology utilized only a few short years ago.

The *Indian Mail* with its great speed and rapid turn-around time will have a cargo handling capacity with 13 units of heavylift gear, one of which can handle up to 70 tons. And the versatility of this ship is tremendous. It can carry more than 400 20 ton containers as well as bulk grains and other dry, and refrigerated, cargoes.

We have come a long way ince 1917 when the first American Mail Line vessel ventured into the Far East trade. At that early time a 750 ton sidewheeler—named interestingly enough, *The Senator*—was the pride of American Mail. How do we account for the almost overwhelming advance in maritime technology since that early date?

To me, the answer is clear. It is good old yankee know-how and the courage and foresight to risk immense sums of capital on the strength of that attribute.

The importance of the U.S. Merchant Marine to the economic health of the nation cannot be over estimated. A little over two years ago, President Johnson noted that even at its current level of operation the United States Merchant Marine earned or conserved over one billion dollars in our balance of payments annually.

Now we are carrying only 5.6% of our total water-borne exports and imports. If we increased that figure to only 20% we would have no balance of payments deficit and would perform great service to our international objectives as well.

I believe it is a matter of special pride to American Mail Line, and the State of Washington, that our current balance of payments deficit is in spite of the great trade flourishing in the Pacific Northwest. In fact, the State of Washington has done much to correct that deficit, through its favorable trade balance.

The *Indian Mail* will be serving one of the most vital and fastest-growing trade areas in the United States. Last year, the State of Washington realized a trade surplus of over half-a-billion-dollars—or one-sixth of the total national surplus.

Washington accounted for 30% of the total Pacific Coast exports by exporting $2,580 worth of products every minute!

The fact that our state is now one of the three fastest growing exporting states in the nation is a matter of pride—not only to the state, but unmistakable evidence of the great service and commitment of American Mail Line.

With the addition of the *Indian Mail* and her four sister ships we shall reach even greater heights as a trading nation, and I pledge for my part to continue to do all in my power to see that the federal commitment to a strong and modern United States' citizen-owner, built and operated fleet is renewed, and enhanced.

There is just one further comment I would like to make before we reach that great moment of the launch. When the first of these five new vessels, the *Alaskan Mail*, was launched April 16th of this year, you had the good fortune to hear the remarks of an outstanding Senator, and a most beloved, and respected colleague, and friend of mine. I feel deeply the loss to this day that Senator Bob Bartlett is unable to be with us on the occasion of the launching of the *Indian Mail*. As you know, Bob has been ill, but is now recuperating and coming along fine.

I hope the two of us can attend the launching of the next American Mail Line ship together. I am sure Bob will be present at that next launching, for no man has a greater interest, or deeper concern for the merchant marine. As Chairman of the Merchant Marine Subcommittee, he has been a most effective and respected leader, and will most assuredly return with new vigor and great hope for the American Merchant Marine.

POULTRY INSPECTION

Mr. MONDALE. Mr. President, yesterday, the Senate helped to make consumer protection history. By deleting potentially harmful amendments and passing the poultry inspection bill, the Senate went on record again in favor of wholesome protein products.

I think that we Members of Congress have reason to be proud of our actions in the 90th Congress both on poultry and on meat. I am glad to have been an active participant in shaping both pieces of legislation.

Yet much remains to be done before the consumer can feel herself fully protected.

Last winter, it was my privilege to introduce S. 3383, the Wholesome Poultry, Egg, and Fish Inspection Act of 1968. I introduced this measure in recognition of the fact that poultry was an important potential consumer hazard; and that eggs and fish also were often not the products consumers thought they were.

An editorial published in today's New York Times highlights the remaining protein products agenda. The editorial points out, "Federal inspection has not kept up with the miracles of food technology," with respect to eggs and fish.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

I pledge myself to work toward strong egg and fish inspection measures in the next Congress.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BON APPETIT

In this modern age of clear plastic-wrapped, frozen and processed foods, it rarely occurs to most Americans that some of the food they buy may not be safe to eat. But adulterated and diseased food does find its way to the table.

The familiar and indispensable chicken provides an example. Four-fifths of all poultry is sold across state lines, is Federally inspected and is therefore safe to eat. But one chicken in every five is raised and sold locally and is subject only to state inspection. Since state inspection systems vary widely in effectiveness, a risk exists.

Under the leadership of Senators Mondale of Minnesota and Montoya of New Mexico, the Senate yesterday approved a bill requiring the states to tighten their inspection systems within two years or else accept Federal inspection. This bill is modeled on last year's Wholesome Meat Act which gave states the same choice in the inspection of locally sold beef and pork.

Two other threats to the safety of the dinner table still remain. Congress this year has taken no action on the Administration bill to overhaul the seriously inadequate inspection of fish. There is also need to inspect egg-processing plants. The eggs which the housewife uses in her own kitchen are all right, but the same cannot always be said for the cracked and broken eggs which manufacturers use in cake mixes and many other processed foods. Federal inspection has not kept up with the miracles of food technology.

IMPACTED AID FUNDS SHOULD BE RELEASED NOW

Mr. YARBOROUGH. Mr. President, it is reported that in spite of the wishes of Congress, the Bureau of the Budget is seriously contemplating withholding $91 million which Congress approved earlier this year to fund the aid to impacted school districts program, meeting a commitment we made to these school superintendents whose districts include large numbers of Federal dependents. The Bureau of the Budget will be stabbing Congress in the back if it freezes funds for federally impacted school districts around the Nation.

I put forth a great deal of effort to see that these funds were made available under the Second Supplemental Appropriations Act which we passed last month, because the funds are necessary to the operation of these school districts. This latest effort by the Bureau of the Budget to hold back this school money is nothing less than obstructionism.

According to the U.S. Office of Education, some 4,300 districts serving about 17 million children benefit from impacted aid money. Those districts serve roughly 40 percent of the schoolchildren attending public schools in the Nation. In Texas about 285 school districts with 1¼ million children are affected by the impacted aid program.

The Senate voted 87 to 2 on June 26 to support the Second Supplemental Appropriations Act including the $91 million. The House also demonstrated broad support for the program.

Again on July 2, after Senate and House conferees had agreed to hold the $91 million in their compromise version of the bill, this body voted 61 to 1 to support it.

Now, against the wishes of an overwhelming majority in Congress, the Bureau of the Budget is threatening to withhold the funds. These are funds which Congress has already promised the school districts. These are funds which school superintendents rightly counted on in their budget planning. Now, the Bureau of the Budget capriciously threatens to hold back the funds.

Freezing these funds would mock Congress and its intention, stated quite clearly during debate on the bill, of meeting our commitment to these schools and schoolchildren. In my own State of Texas some $5.1 million is at stake. Many school superintendents have told me they cannot sustain the loss which the budget freeze would bring them.

I have sent the following telegram to Charles J. Zwick, Director of the Bureau of the Budget:

Hon. CHARLES J. ZWICK,
Director, Bureau of the Budget,
Executive Office Building,
Washington, D.C.:

I am sure you are aware of the crisis currently faced by schools across the country presented by your failure thus far to release funds to the Department of Health, Education and Welfare pursuant to the Supplemental Appropriations Act, providing for $91 million for PL 874, the impacted school aid law. I urge you to take positive action to avert the drastic consequences which will result from your continued refusal to comply with the overwhelming mandate of Congress.

RALPH W. YARBOROUGH,
U.S. Senate.

VIEWS OF FARMERS ON EXTENSION OF NATIONAL LABOR RELATIONS BOARD

Mr. MORSE. Mr. President, just a few days ago, on June 11, I placed in the RECORD the responses to a number of questionnaires pertaining to S. 8 which were given to me by the Hood River County Farm Bureau and the Hood River Chamber of Commerce, Oregon. The questionnaires were also germane, of course, to H.R. 16014.

The insertions in the RECORD have elicited an illuminating response from the Reverend Eugene L. Boutilier, the Washington, D.C., director of the National Campaign for Agriculture Democracy. In his response he makes some cogent observations about some persons whose responses to the questionnaires were included in the RECORD, the most salient of which is that a number of people who answered the questionnaire would not be covered by the provision of H.R. 16014.

Reverend Boutilier makes some other observations in his letter, to which I invite the attention of Senators. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL CAMPAIGN
FOR AGRICULTURAL DEMOCRACY,
Washington, D.C., July 16, 1968.

Hon. WAYNE MORSE,
U.S. Senate, Old Senate Office Building, Washington, D.C.

DEAR SENATOR MORSE: On July 11th you graciously inserted in the *Congressional Record* (cf. S8481–8497) at their request a series of questionnaires submitted by the Hood River County Farm Bureau and the Hood River County Chamber of Commerce, Hood River, Oregon.

The Chamber of Commerce in its cover letter says: "Referring again to our sample, in an area of predominantly family farms, better than half would come under the Bill as proposed!" ". . . you will have legislated the small family farm completely out of existence!"

In order to prove it, the Chamber of Commerce submitted 106 questionnaires in which 83 growers admitted that they would *not* be covered under 16014; 11 growers stated that they *would* be covered under 16014 but in fact presented information in their statement on total payroll which indicated less than the total yearly wage figure provided for under 16014 and which would in fact exclude them from coverage under the bill; 12 did not fill in the questionnaire although the form was printed. Not a single grower covered in their survey would be covered under 16014 although everyone of them, at the urging of the Chamber of Commerce, emphasized that they have several neighbors who would be covered. I repeat, not a single grower included in the questionnaires submitted by the Chamber of Commerce would be covered under the provisions of the House bill. I guess they must all have the same neighbors and that the neighbors weren't among the farmers questioned.

Now in the list of questionnaires submitted by the Farm Bureau, there are in fact some farmers who would possibly be covered under the provisions of 16014 although I suspect that they are few in number. Specifically, 29 of the questionnaires in which the growers stated that they would be covered by the proposed act would *not* according to the information which they themselves enclosed in the questionnaire. Furthermore some of the Hood Valley farmers who would have a payroll exceeding $10,000 and a minimum number of workers on any one day above 10 would still not be covered. This is because their inflow and outflow across state lines would be less than the $50,000 standard which is normative for the Board's asserting jurisdiction or because a percentage of their payroll total was paid to members of their family or to managers or supervisors who under normal Board procedures would not be included either in a bargaining unit or in computing whether a bargaining unit exists for coverage under the act.

As I am sure you recognize these family farmers have been unnecessarily panicked by the organizations to which they belong into fearing a piece of legislation which would not affect them.

I sympathize very sincerely with the problems of small orchardists in your state. Not only would very few, if any, of them be covered under the law according to their own statements of fact, but more than that their very limited use of agricultural labor would be unlikely to sustain a farm labor organizing drive even if the protections and benefits of the act were extended.

There is far more that could be said to placate the fears of these constituents. I believe that the act is their best protection against recognition strikes, boycotts and other activities, which could in fact hurt their profits. Should unionization ever come it would protect them against the vicious excesses of the crew boss-labor contractor system which siphons off so much money and victimizes both grower and worker alike.

We are very grateful for your continued support in the face of this effort to mislead and confuse your constituents.

Sincerely yours,

REV. EUGENE L. BOUTILIER.

BOB KENNEDY AND HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, on this day of solemn eulogies of BOB KENNEDY, we should not overlook the ideals for which he stood. He fought bravely on behalf of the poor and the underprivileged, the weak and the disenfranchised, so that all could enjoy and exercise their fundamental rights as human beings.

I can think of no better way to eulogize this fallen warrior than to ratify the Human Rights Convention. These conventions, which we have delayed ratifying for so long, embody the high principles for which BOB KENNEDY fought and died.

The Convention on Genocide serves notice that the civilized nations of the world will not tolerate, in any way, shape, or form, the attempted extermination of an entire people. The Convention on Forced Labor guarantees that no one will be compelled to engage in labor against his will, or be forced to work for another without just compensation for his toils. The Convention on Political Rights for Women assures all women, of whatever nationality, the right to vote, and the right to participate fully in the political processes of their government.

Mr. President, I do not deny for a moment that these are lofty goals. But BOB KENNEDY would not have shrunk from them. He would have met the challenge head on; he would have striven with all his might to achieve these goals. The Senate should do no less.

THE ENDANGERED SPECIES

Mr. McGEE. Mr. President, the Christian Science Monitor recenty placed its influence behind the endangered species bill—S. 2984—asking for its passage by the current session of Congress and observing:

> For the price of one Somali leopard coat we could send a trained man into the field for a year to learn enough to save hundreds of spotted cats from extinction.

The responsibility of the United States, the Monitor points out, arises from the fact that this country is the biggest market for exotic species in danger of extinction. I ask unanimous consent that the Monitor's editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, July 19, 1968]

SAVE THE ENDANGERED SPECIES

Among the important bills which Congress should certainly pass before adjournment is the Endangered Species bill, S. 2984 in the Senate and H.R. 11618 in the House.

For each year of this century, a species or subspecies of mammals has vanished, as well as a number of birds and fish. Conservationists are now deeply concerned for the large spotted cats, such as the cheetah and the Somali leopard, for whose skins there is what the Smithsonian's Dr. S. Dillon Ripley calls an "almost insatiable market." World wildlife authority Dr. Lee Talbot, also of the Smithsonian, says that "for the price of one Somali leopard coat we could send a trained man into the field for a year to learn enough to save hundreds of spotted cats from extinction." The "exotic pet" trade is stripping the jungle of birds, and scientists demand hundreds of thousands of monkeys and apes for laboratory use. The United States furnishes the biggest market for these and other creatures, many of which are in danger of extinction.

The provisions of the Endangered Species bill, curtailing this destructive traffic, are sound, reasonable, and crucially needed. H.R. 11618 has already been cleared for a full vote in the House. Hearings on S. 2984 are scheduled for July 24. Members of Congress, and their constituents back home, should get behind these bills and see that they go through in this session.

VETERANS' ADMINISTRATION PAYMENTS TO COMMUNITY NURSING HOMES

Mr. MAGNUSON. Mr. President, it might well be said that H.R. 7481, authorizing higher payment by the Veterans' Administration to community nursing homes, signed by the President on July 26, is a twin to H.R. 16902, providing for increased VA payments to State homes.

Certainly, the reasons which prompted favorable congressional action on the latter measure apply with equal force and logic to the community nursing homes measure.

Only the statistics are different.

As Senators know well, the Veterans' Administration was first authorized in 1965 by the Congress to enter into agreements with community nursing homes to provide care for veterans. Since April 1965, more than 23,600 veterans have been allowed to receive care in community nursing home facilities.

Currently, the VA has agreements with more than 2,350 community nursing homes in 48 States and Puerto Rico. Some 3,162 veterans now remain in about 900 of these nursing homes.

It is estimated that in fiscal year 1968 the VA will have paid approximately $11.6 million to community nursing homes for treatment of about 11,000 veterans.

H.R. 7481 said in effect to these homes that because your costs are increasing you will now be paid 40 percent instead of 33⅓ percent of the cost of hospital care in a VA hospital.

This reasonable and realistic adjustment will increase the cost of this program an estimated $3.5 million in the first year.

Again, the wisdom of sustaining the community nursing home program can be justified fully, on many grounds—from the number of more expensive-to-operate VA hospital beds it frees, to the humanitarian and therapeutic considerations involved.

To me, however, and I am sure to each Senator, this legislation was merited if for no other reason than that it redeems the Nation's pledge, expressed so simply but eloquently by Abraham Lincoln more than a century ago, "to care for him who shall have borne the battle."

SANDERS ASSOCIATES, INC., COOPERATES WITH JOB CORPS IN MAINE

Mr. MUSKIE. Mr. President, from the very beginning of the Nation, men who have gone to the sea have depended upon the ingenuity of the State of Maine craftsmen to provide them with the tools to tame the oceans.

And so it was logical that Sanders Associates, Inc., the electronics and data management systems designers and manufacturers, should have chosen a site in Maine for the manufacturing facility of its Ocean Systems Division.

Just a little over a year ago, Sanders Associates opened its 44,000 square feet manufacturing plant at South Portland, Maine. More than 240 people are already employed there in the manufacture of antisubmarine warfare equipment for the U.S. Navy.

Sanders Associates is active in both fundamental research and application in the field of oceanography. Many of the company's programs support Navy programs; others promise better living through harvesting the riches contained in our oceans.

Mr. President, sophisticated electronic and oceanographic devices could be produced almost anywhere where there are people and resources and good transportation.

Why did Sanders Associates choose South Portland?

At the opening of the plan just over a year ago, the president of the company, Mr. Royden C. Sanders, Jr., explained that after all possible sites had been investigated, South Portland was chosen because "this area, which is easily accessible to major forms of transportation, is also known for its skilled and semiskilled workers who take pride in their performance and Yankee craftsmanship."

Sanders' emphasis upon the importance of people extends beyond the wise decision to enlist Maine's skilled craftsmen to work in its South Portland plant.

The Job Corps Center at Poland Spring, Maine, helps young women from disadvantaged areas throughout the country translate their ambition to better themselves into a variety of skills needed by industry.

When the Poland Spring Center opened 2 years ago, Sanders Associates quickly realized the opportunities it presented as a source of trained employees and as a means of providing opportunity to young people.

Sanders has already hired 19 graduates of Poland Spring courses at its plants in South Portland, Maine; Nashua and Manchester, N.H.; and Bedford, Mass. Supervisors have been enthusiastic about the attitudes and training of the graduates. The company offers continued opportunity to Poland Spring graduates and is working closely with Job Corps Center officials to offer jobs to some of the young women who will be the first to complete longer, more advanced courses.

Mr. President, any State is proud to have a growing forward-looking industry like Sanders Associates decide to establish a thriving plant in it. But Maine is especially pleased to be the home of the cooperation between progressive industry and vital government action.

The most powerful combination for promoting a growing economy and the general welfare is civic-minded industry, and communities which offer skilled, conscientious employees and a hospitable atmosphere.

South Portland, Maine, the Sanders Associates Ocean Systems manufacturing plant, and the Poland Spring Job Corps Center are just such a combination; a combination which will help insure the continued stable growth of Maine's economy.

PEACE IN VIETNAM

Mr. MORSE. Mr. President, during the last several months, many members of the business community have determined to express their own views and sentiments about the need for peace in Vietnam. These men have combined to form a group known as the Business Executives Move for Peace in Vietnam.

Recently, one of its members, Mr. Marriner S. Eccles, spoke on several occasions before different meetings of some of the men comprising the Business Executives Move for Vietnam Peace.

Mr. Eccles is a distinguished American whom many Senators know. He was formerly both a member and the chairman of the Federal Reserve Board. He understands as well as any American the considerations and implications of our continued involvement in Vietnam.

I am pleased to invite the attention of Senators to his cogent remarks about the situation in Vietnam, I ask unanimous consent that they be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Vietnam: Politics and Hypocrisy—A Tragedy of Errors

(By Marriner S. Eccles before Business Executives Move for Vietnam Peace)

A great sense of relief swept the country when President Johnson announced that the United States would reduce the bombing of North Vietnam and increase efforts to end the war, in response to communications with Hanoi. But when he announced that he would not be a candidate in this year's political battle, many felt an even greater relief because it added assurances that the peace movement in this country had won out, and sooner or later this country would extricate itself from a war that it cannot win, that has been from the beginning a senseless, tragic and massive blunder.

I believe that the President has withdrawn to avoid a defeat. The tide has been running heavily against him and his administration as it has become increasingly apparent that the tolls of the war were getting beyond our willingness and ability to endure.

Look at the record: As of June 8, 24,744 young Americans dead, approximately 153,000 wounded, and more than eleven hundred missing in action or captured, and even more South Vietnamese casualties.

During the four years of the Johnson Administration ending this year, at our present rate of expenditures, this country will have squandered on the Vietnam War the unbelievable sum of approximately $100 billion—$40 billion more than the government deficit for the past seven years.

The costs of war do not end with the cessation of hostilities. There are approximately twenty-two million veterans. Veterans' benefits paid to the end of 1967 were estimated to be $147 billion. We are spending approximately $7.5 billion per year for veterans' benefits. And the Korean War alone is still costing more than $700 million a year. In the financial sense, a war is never over.

The real tragedy is not financial, it is the useless suffering of the millions of our people whose sons, husbands and brothers are drawn into this conflict unwillingly and are killed and maimed for life—not in defense of their country—but because of our incompetent and ill-advised leadership.

The Vietnam War is responsible for the most serious economic, financial and political problems this country has ever faced. It has caused a huge Federal deficit and even with the surtax increase and the $6 billion reduction in expenditures, there will continue to be a large deficit. This creates a serious inflationary situation: the cost of living going up 4% to 5% a year, a great shortage of skilled workers, increasing strikes and exorbitant wage demands, and a shortage of credit with record high interest rates in all categories.

The labor union leaders who are strong supporters of the Vietnam war are losing for their members all the gains they have won in their collective bargaining as a result of war inflation. People living on fixed incomes, from pensions or investments, are the real losers.

The world needs a smoothly operating monetary system to support a growing world trade, which would result in a world at peace. The basis for such a system is gold and the dollar, plus drawing rights from the international monetary fund. The gold supply is limited so an acceptable dollar is of paramount importance. The dollar is needed as the connecting link between all other currencies, so the threat to our world leadership caused by our involvement in Vietnam is serious.

It is directly causing an explosive increase in the deficiency in our international balance of payments, which is already very critical, as we are by far the world's largest short term debtor, now owing about $34 billion. Since last October, when the British pound devalued, until March 20 we lost $2.6 billion in gold. The international monetary crisis at that time was brought to a head by these developments, resulting in the closing of the London gold market and a disbandment of the gold pool which resulted in the new financial arrangements of a two-price gold system. This action, and that taken by our own country to curb foreign investments and foreign loans and to discourage foreign travel, is only a stopgap solution to the run on the dollar, giving us time to eliminate the deficiency in our international balance of payments and further reduce the federal deficit. This cannot be accomplished so long as we continue to waste $2½ billion a month on a futile war in Vietnam. It is very apparent we cannot be both the world's policeman and the world's banker.

America has become great in world affairs because of its economic power and not because of its military strength. The military has proved to be a burden and is sapping our strength. Military muscles have never been able to preserve any world power, and they never will. If we have to depend on killing and the waste of war to maintain prosperity it is an indictment of our capitalistic system.

While we've been spending tens of billions on Vietnam, our cities are exploding in violent protest as a result of our injustice, and neglect, and failure to fulfill promises. The Vietnam debacle, tragic as it is, may yet be a blessing in disguise if it forces us to recognize our staggering failures at home. Runaway crime, delinquency, the riots in our cities, loss of respect for law and order and the rebellion of frustrated youth—all spring in part from this.

How can we reconcile what we are doing to the South Vietnamese under the guise of saving them from communism? We have destroyed vast areas of their country—the very country we profess to save. We have killed, wounded or burned tens of thousands of children, as well as countless parents, brothers, husbands and sons.

Our leaders want the public to believe that our destruction of Vietnam is lofty in purpose, and that our motive is to bring democracy and freedom to that tiny nation. Nothing could be further from the truth. The fact is that this whole involvement is a result of our conviction that it is up to us to control the development of Asia and contain China.

We have not only ignored the charter of the International Military Tribunal which conducted the Nuremburg Trials, but we are in Vietnam as an aggressor in violation of our treaty obligations under the United Nations Charter. This is the first time that we have been the aggressor before we have been aggressed against.

China and Russia have publicly announced they would give all the military and economic aid necessary to North Vietnam in order to defeat the U.S. aggressors. As a result, we have continued to have aligned against us these two powerful countries as well as the rest of the communist world.

Early this year, in a private interview with Editors of LIFE Magazine, Premier Kosygin said: "The U.S. wants to dictate its terms to Vietnam, but Vietnam is not a defeated country, and it will never be defeated. The U.S. cannot defeat Vietnam, and we, for our part, will do all we can so that the U.S. does not defeat Vietnam."

In a recent address at Glassboro, Johnson appealed for Soviet-U.S. cooperation. In response, the Soviet Union said that its relations with the U.S. were frozen until the Vietnam War was settled.

I believe our critical situations in the Middle East, Berlin and Korea which have been encouraged by Russia would not have developed if we were not at war in Vietnam.

It is quite apparent that neither Russia nor China are willing for the United States to achieve a victory over the communists and to establish a powerful military base on the mainland of Asia.

A recent statement by Senate Majority Leader, Mike Mansfield, indicates we cannot win when he says: "We are in the wrong place, and we are fighting the wrong kind of war . . . I happen to feel that our policy represents the most unfortunate miscalculation in our national history . . ."

George Kennan, our distinguished former Ambassador to Russia, said: "Vietnam is a massive miscalculation and an error for which it is hard to find any parallel in our history."

June 10, on leaving Saigon, General Westmoreland said:

"A military victory in the classic sense is impossible in Vietnam because of our national policy of not expanding the war."

. . . "The only real military hope is to wear the enemy down through attrition." This means "it is unrealistic to expect a quick and early defeat" of the enemy.

It is reported that the North Vietnamese have committed less than 100 thousand troops out of 474 thousand at their disposal.

Under these circumstances, how could we expect a military victory?

The alternatives is to make the best terms we can, and get out, or we will be forced to greatly increase our military forces and expenditures. This could entail price controls, wage controls, rationing and greatly increased taxes, with the prospect of no victory and a more catastrophic ending.

The Wall Street Journal says: "The whole Vietnam effort may be doomed . . . No matter what the government does . . . The government should recognize that no battle and no war is worth any price."

I regret to say the peace conference in Paris offers no early hope of peace. Our intention may be to use it to justify escalating the war. We went to the conference knowing and accepting the basic proviso that first the bombing and all warlike activity must stop before negotiations would begin. Not only did we not stop the bombing, but we took the occasion to call up 24,500 additional troops and conduct the heaviest bombing and fighting of the war.

The United States, which is doing the only aerial bombing and also uses mortars, and rockets, has not hesitated during the past three years to kill and wound tens of thousands of civilians and destroy the villages in both North and South Vietnam by such bombing. We have dropped more tons of bombs on the little country of Vietnam than we dropped during all World War II. Now that the Viet Cong with the help of the North Vietnamese are effectively attacking Saigon and other South Vietnam cities with mortars and rockets, we are adopting a threatening and belligerent tone toward Hanoi at the peace conference.

We are also requesting that the North Vietnamese agree to stop sending troops into South Vietnam to aid the Viet Cong as a condition to our stopping the bombing of the North. For Hanoi to comply would mean surrender of the Viet Cong, as they have less than one-fourth as many troops as the United States and South Vietnam. However, we are not proposing to stop sending U.S. troops to help the South Vietnamese.

The duplicity of our behavior at the conference leads me to believe that our presence there is a deception.

Every effort should be made to hasten the conclusion of negotiations and bring the war to an end. We should not rely entirely on the hard liners, Messrs. Rusk and Rostow, General Taylor and their team—there should be added to the negotiators military and Asian experts such as General Gavin and former Ambassadors Kennan and Reischauer to make it representative.

As a matter of protection of our own troops, pending a conclusion of the negotiations, we should take immediate steps to reduce the killing by stopping our aggressive policy of search and destroy. We should further protect our troops by withdrawing them from exposed positions and consolidating them in coastal centers we can defend and supply.

The United States cannot through negotiations create strength for any future segment of government in South Vietnam. The presence of the United States can only distort the true balance of forces, and only settlement of forces, and only a settlement which represents this balance can bring about a stable government.

It is hopeless to try to force upon Asians—as we are now trying to do—a way of life and a government which do not conform to their beliefs and customs.

For the past twenty years our government has believed that communism intends to conquer the world—by force, if persuasion does not succeed—and that it is the duty of the United States to save the world from that fate. The American picture of aggressive communism is unreal because communism is not a monolithic world power. Communist countries are as intensely nationalistic as others, they crave independence and resent interference. They will fight against domination by foreigners—whether they be capitalist or communist.

The administration sees every rebellion as the result of a deep plot out of Moscow or Peking, when it usually is the result of crushing poverty, hunger, intolerable living conditions, and domination by a small ruling class. The aim of revolution, no matter what its ideology, is to achieve self-determination, economic security, racial equality and freedom.

We might as well face it: there may be more communist countries in the world. But why should we panic at this? Communist nations vary widely; each has a different version of communist theory to fit its own problems. The more of these countries there are, the greater their diversity. Our hostility helped solidify the Soviet Union and build it into a world power. We're now doing the same for China.

Getting out of Vietnam will enable us to re-establish a friendly relationship with Russia and thereby bring about a balance of power in the world—which would tend to deter any aggressive policy on the part of China.

We should also recognize China diplomatically, open our doors to trade and travel, and bring them into the United Nations. We should no longer ignore one-fourth of the world's population as though it did not exist.

Our foreign policy, including economic and military, is unrealistic and obsolete. It is geared largely to fight communism and resist the recognition of China, a game in which we cannot succeed.

Democracy demands a high degree of literacy and takes generations to develop. Only in a small part of the world is there any present capacity for democracy.

Why should we undertake the impossible task of trying to quarantine the communist world? Should the blood of American youth be shed in efforts to preserve the status quo throughout the world? To what extent should we maintain military dictatorship or governments of privileged cliques in the various nations of the world? By what right do we take it upon ourselves to act as the world's policeman?

We, especially, constituting an island of abundance in a sea of poverty, cannot hope to maintain our position alone. This great disparity tends to turn much of the world against us.

I believe that Russia is prepared to make every effort to get along with the West when we get out of Vietnam. Together we can end the cold war, discontinue further testing and work effectively toward a world-wide disarmament. Only in this way can we release the vast and ever increasing human energies and material resources that are engaged in war and a world-wide armaments race. These wasted resources and energies can then be channelled toward the education and the development of the backward countries of the world, as well as helping us to meet the tragic and deplorable situation in our own cities—which will take a generation, increased taxes and hundreds of billions of dollars.

Our country is the most powerful nation in the world. Its responsibilities, both for the present, and future, are vast. They are far greater than those of any other nation, especially in this nuclear age. We must provide a leadership the world can trust.

Such is not the case today. The hypocrisy of our leaders, especially those in politics, is perhaps the deepest corroding influence in our society today. As evidence of this hypocrisy, only recently, consider the nationwide climax of grief over the assassination of Dr. Martin Luther King. Walking with bowed heads in the vast funeral procession were state and national dignitaries and public officials—who just the day before his death, had considered Dr. King a revolutionary, a troublemaker, a communist and a traitor.

And now the nation is rocked by the shocking assassination of Robert Kennedy. The loss of this young leader is a tragedy too monumental to now fully comprehend.

Many felt he was too young; too arrogant; too privileged; too ambitious and too sure of himself. But all knew that he held high the light of promise—the promise of change. His enormous influence was not a matter of youth and good looks. It was the force of courage, energy and purpose directed with clarity at the problems of our time. No wonder the established order feared him. His threat was to the status quo. And the status quo is the victory of yesterday. His was the voice of tomorrow, and tomorrow is change.

We are asked to look at dishonesty, misrepresentation, stupidity and greed—and to see goodness, generosity and wisdom. And if we cannot accept this we are often considered disloyal and unpatriotic. How can intelligent and inquiring youth see in the carnage in Vietnam an undertaking of lofty purpose, as the administration claims? How can young Americans consider the poverty-stricken, uneducated and underprivileged Vietnamese as the enemy? Why should they, in the name of patriotism, be willing to go 10,000 miles away to kill and be killed?

How can our President justify calling upon us to remove violence from our hearts and minds when our hearts and minds are soaked in it daily? Violence is a way of life in the United States. Killings in its most revolting forms is nightly fare on television. It is totally unrealistic to rise up in wrath at a single shooting when we remain relatively unshaken at mass killing. In the week of Senator Kennedy's assassination, 430 Americans died in Vietnam (less than in some previous weeks). Why is the nation not in mourning over this?

We have handed over our youth to the military to be dehumanized—and to be turned into killers. By what process, then, can we expect them to become rehumanized and to forget their familiarity, with violent death and their casualness towards it.

Our national policy of relying on military power primarily to solve political problems, breeds violence everywhere, and if long continued, will destroy the foundations of our republic. It should, therefore, come as no surprise to us that individuals and groups at home and abroad attempt to solve political problems by violence.

And finally, the most startling of all challenges to credibility has been asked of us. We are expected to regard the withdrawal of the President from the coming race as the noble gesture of a selfless leader—when, in fact, it is the logical political move, in lieu of probable defeat. Nor does this step change a man from a war-maker into a peace leader.

It would be most unfortunate if a candidate of either party feels obligated to defend the record of the past, which, in every particular, cries for rejection. Politically speaking—I would hope that the electorate would support those candidates who recognize the crises this country faces, both domestically and internationally, and who have the integrity, ability and courage to act promptly.

If it is true that the younger generation will soon control elections, it may well be that that eventuality will be our salvation. They could hardly create a more staggering, tragic, blundering mess than the older generation is making of this great country.

Youth is not a matter of years; it is a quality of mind. It is energy, imagination and readiness to leave the familiar past and strike out into the unknown future. Youth is an absolutely irresistible force—and it cannot be denied. It must have confidence in and be satisfied with our leadership or the country may see turmoil such as it has not known.

Let us not overlook the fact that the combined vote, as indicated by the polls, given to McCarthy and Kennedy would determine the Presidency. And this vote—this demand for change—must be accommodated.

The core of the problem is Vietnam. We must get out—making the best arrangement we can. Kennedy preached this and McCarthy still does. Rebellious students demand this. The plight of the underprivileged masses cries for it. Our rapidly worsening financial situation requires it. Our plummetting image in the world makes it essential.

We must prepare for change, change at a more rapid rate than this country has ever before experienced. This is not as simple as another President or another party. It must be a total change of concept: a world concept is a must today! This requires: a change of goals; a change in temper; a re-education of our people.

Let us hope to again demonstrate what a wise, great, and good nation can do for its own people and its neighbors in the world. And let us close the door forever on this black chapter in which we used our tremendous wealth and power to shatter, crush and destroy, and with humility and energy turn our gaze in new directions, putting our vast resources to work in the world to house, educate, build, create, heal and inspire.

YOUTH UNEMPLOYMENT—PRIME URBAN PROBLEM WORSENED BY SURTAX

Mr. PROXMIRE. Mr. President, those of us in the Senate who opposed the $10 billion surtax increase warned that one virtually certain consequence of this tax increase would be a slowdown in the economy that would eliminate jobs.

Indeed, I secured from the then Chairman of the Council of Economic Advisers an admission that the surtax would in his judgment increase unemployment by 300,000 per year. I think his judgment was much too modest.

It is clear, at any rate, that as time goes on this tax increase is bound to increase unemployment well above what it would have been otherwise.

Yesterday the Associated Press reported the following from New York:

> ### YOUTH EMPLOYMENT
>
> NEW YORK.—Thousands of youths who are willing and able to work have no summer jobs and probably won't get any this summer, the National Committee on Employment on Youth said today.
>
> After a survey of 18 major cities, the committee concluded that the Nation's summer job program was a failure and would have been a failure even it if had filled its goal.
>
> The committee, in a preliminary report released prior to a news conference today, said both Negro and white youths are unable to find work because there are not enough jobs to go around.
>
> Newspaper reporters conducted the 18-city survey under a grant from the Stern family fund.

Mr. President, every responsible study of our cities has emphasized that the No. 1 problem is jobs. This report of the AP makes it clear that even before the surtax has its depressing effect on the economy, we are failing to solve the crux of the problem in our cities because of an absence of jobs. The surtax is going to make this problem progressively worse.

HEALTH SERVICE AMENDMENTS OF 1968

Mr. YARBOROUGH. Mr. President, I was necessarily absent from the floor last Saturday, July 27, when H.R. 15758, the Health Service Amendments of 1968, was approved by the Senate.

As ranking member of the Health Subcommittee, I have followed this legislation closely and with the support of the leadership of the Senator from Alabama [Mr. HILL], who has done more for improving health services in America than any other individual, am proud to have cosponsored this forward-looking legislation.

Title I will extend for 3 additional years the authorizations for appropriations to assist in financing the regional medical program to combat heart disease, cancer, and stroke, and related diseases.

Title II will extend for 3 additional years the authorization for appropriations to assist in financing the health services for migratory agricultural workers.

Title IV will extend for 2 additional years the authorization for grants under the Hill-Burton Act for the construction and modernization of hospitals and other medical care facilities. This temporary extension will provide for continuity pending completion of the study of the National Advisory Commission on Health Facilities.

I am particularly pleased that the Senate accepted the new part C of title III which provides for the rehabilitation of alcoholics and narcotic addicts. There is no doubt in my mind that the problem of alcoholism which directly affects some 5 million Americans, requires the broad-based frontal attack that this bill will provide. The Public Health Service and the President's Crime Commission agree that alcoholism is one of the most serious health problems in the Nation, ranking behind only mental illness, heart disease, and cancer. Aside from the serious effects that alcohol and narcotics addiction have on the individual, their impact is also felt by society as a whole. The families of individuals so addicted bear an intolerable burden, both financial and social; and as the Crime Commission Report makes clear, the correlation between affliction with these diseases—for that is what they are—and crime is alarmingly high.

With these amendments, we can begin what will be a long and difficult struggle to eliminate this most serious health problem. I am proud to have been associated with this venture.

EDUCATIONAL BENEFITS TO WIDOWS OF VETERANS

Mr. MAGNUSON. Mr. President, I believe there is unanimous agreement among all Senators and Representatives that the original and principal purpose of H.R. 16025—to grant educational benefits to the widow of any veteran who dies of a service-connected disability or the wife of a veteran who is totally disabled—can and should be approved by the 90th Congress.

I hope that the amendments to this bill which will be worked out by the distinguished leaders and Members of the Senate and House most responsible for and familiar with veteran legislation will represent principles and practical programs we can all accept.

For now, I would address myself primarily to our concern that the widows of veterans who died in service or as the result of service-connected disabilities, and the wives of veterans totally disabled, be given every possible assistance to improve their ability to help care for their families.

The Veterans' Administration estimates that perhaps as many as 16,000 widows and wives will take advantage of this program in its first year of operation, and that a peak participation of 40,000 widows and wives will be reached in the second year of the program.

In dollars, it is estimated that this needed and enlightened benefit will cost about $8 million in the first year, and approximately $23 million in the second year, leveling off and declining after that.

I would not suggest, although events may well prove it true, that such an education and training program pays rather than costs our Nation. Even if it cannot be shown right now, however, to what extent this will be true, it has long been known that the more trained and better able a widow or wife is to help support her family in times of stress and adversity, the greater the chances that her family can be kept together.

And who can put a price tag on this accomplishment?

I hope that in the hectic last days of this 90th Congress, and in the confusion and pressure of adding and accepting amendments to otherwise clear and clean legislation, we will not lose sight of the high purpose, the commendable value, and the simple justice of H.R. 16025—to provide educational assistance to certain widows and wives of veterans on the same basis and in the same amount as are now granted their children.

HIJACKED ISRAEL AIRPLANE

Mr. RIBICOFF. Mr. President, the hijacked Israel airplane, together with the Israel crew and passengers, must be returned to Israel immediately. Their return is already long overdue.

Palestinian terrorists forced down the El Al jetliner in Algiers last week.

But let there be no mistake. The Algerian Government will be considered a partner in this act of piracy if all of the Israelis and their plane are not freed with the greatest possible haste.

This would be another example of complicity by an Arab government in the treacherous deeds of Palestinian terrorists, who not only touched off the 6-day war last year, but are also determined to start another conflict.

This act of piracy adds even greater tensions to the already explosive situation in the Middle East.

While Arab States support terrorist acts against Israel, Arab avowals to work through the United Nations for a peaceful settlement in the Middle East can hardly be taken seriously.

It is imperative that leaders of good sense in the Middle East work together in good faith for a peaceful settlement. The alternative may be another war that threatens not only the future of the Middle East, but the future of all mankind.

MORE EFFECTIVE MANAGEMENT OF THE EXECUTIVE BRANCH

Mr. MUSKIE. Mr. President, there is a growing national debate about the need to strengthen the Office of the President for more effective management of the executive branch of the Government.

President Johnson took note of this recently when he announced that he would form a group of White House Fellows and experienced executives of this and former administrations to study the Presidency, "to see how we can improve it, how we can strengthen it."

Vice President Humphrey, in his address at Town Hall in Los Angeles on July 11, called for what he described as an "open Presidency," in which there would be a National Domestic Policy Council to help set priorities and integrate Federal domestic policies.

The former Secretary of Health, Education, and Welfare, John W. Gardner, now chairman of the Urban Coalition, has made some constructive observations and suggestions on this same subject. In an interview with editors of the New York Times, published on July 17, he said the Federal Government cannot function much longer with its present organization of domestic agencies. He proposed that the President appoint an "executive officer" to direct a coordinating mechanism for more effective management of domestic programs.

There is a striking similarity between these proposals and the National Intergovernmental Affairs Council which would be authorized by S. 671, which I introduced last year with other Senators. The NIAC, established in the Executive Office and drawing directly on the authority of the President, would be responsible for identifying domestic needs and problems, coordinating Federal programs, and serving as a point of referral for the information and guidance of State and local governments in making use of available Federal aids.

I am most encouraged that this dialog on the institution of the Presidency is going forward, and that Mr. Gardner has made a most useful contribution to it.

MORE SUPPORT FOR THE BIG THICKET NATIONAL PARK

Mr. YARBOROUGH. Mr. President, Secretary Udall's support for the creation of a Big Thicket National Park of 75,000 to 100,000 acres has elated all of us who have beeen working so hard to preserve this remarkable area of Texas. The Interior Department's commitment to a park that would protect the Big Thicket's unique nature is particularly pleasing because of the determined opposition of some of the commercial interests in the area. Recognizing the boost Udall's support will mean for us and the need to act as soon as possible on my bill, S. 4, to create the park is an editorial in the Beaumont Enterprise for July 14, 1968. I ask unanimous consent that this editoral be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Big Voice for Big Thicket

When your cause is conservation, get Stewart Udall on your side.

That is the good fortune of those pushing for a large national park in the Big Thicket.

Ruling out hearsay business, the secretary of the Interior voiced his support of the preservation movement at a news conference, revealing that he equates the East Texas wilderness, with its abundance of wildlife and virgin forest, with the California redwoods section as "one of the remarkable natural areas of the country."

Udall made plain his agreement with Sen. Ralph Yarborough that a park of 75,000 to 100,000 acres would be preferable to one of 35,000 acres, as some National Park Service persons have proposed.

Because the Interior secretary is the first high government official to endorse a full-sized national park—the first, that is, in a position to do something about it—Yarborough is elated, calling Udall's endorsement of his viewpoint "the most encouraging thing that has happened to the Big Thicket." The senator calls it "a tremendous breakthrough."

It's not surprising that the Interior head's becoming personally interested in the Big Thicket has brought a review of field studies, and that a final proposal for a major national park is predicted within a matter of months.

The problem here, as with congressional authorization of a Redwoods National Park, has centered around the question of how much land should be taken from private owners, mostly lumber companies.

But as Udall points out—and as this newspaper has pointed out many times before him—"time is working against us" in the fight for a meaningful preservation project in this fantastic East Texas wilderness.

THE 160-ACRE LAW

Mr. MORSE. Mr. President, in the past 66 years, ever since the enactment of the Reclamation Act of 1902, efforts have been made to ravage, to undermine, and to circumvent the 160-acre limitation in one fashion or another.

About 10 years ago, in this Chamber, I raised serious questions about what was happening with the 160-acre limitation in the State of California. At that time, however, Congress agreed with the State of California and adopted its proposal to have the State undertake certain programs embodied in its California State Water Plan project.

Now the next step in the plan to circumvent the 160-acre limitation and to get a handout is being taken. This step will bring nothing but tremendous windfalls of money to the big landowners of California. The history of this action and the probable steps which are involved

are set forth in two statements which Prof. Paul Taylor of the Berkeley campus of the University of California, has made over station KPFA–FM in Berkeley, Calif. I invite these statements to the attention of Senators, so they may be made well aware of what is happening.

Two overriding problems disturb me: The first is the handout which will be provided to large landowners if the plan of the Governor of California is adopted. The second is that the handout will be made at the expense of the great educational system of the State of California.

Accordingly, I ask unanimous consent that these documents be printed in the Record.

I also want to note my own conviction that Professor Taylor is owed our great appreciation for maintaining a constant vigil over the 20th century pirate landowners.

There being no objection, the material was ordered to be printed in the Record, as follows:

The 160-Acre Law

(By Paul S. Taylor)

INTRODUCTION

In Sacramento, perhaps next week, the State Senate will vote on Senate Joint Resolution No. 5, sponsored by Senator Gordon Cologne and others. The resolution approves the recommendations of Governor Reagan's Task Force on the Acreage Limitation Problem, i.e., the 160-acre limitation on delivery of publicly-subsidized water to an individual private landowner. The Task Force recommendations go as far as its members dare, or think they can get away with, toward removing the limitation altogether. The latter is what they say the majority of the Task Force really wanted to do.

It is sad that most Californians, along with other citizens, receive so little dependable information revealing the injury that acceptance of the Task Force's recommendations would do to themselves and the future that concerns them. For the truth is that they would destroy the last best hope and opportunity for public planning for a decent physical, economic and cultural environment in their State.

When Senator Cologne tried last year to pass a similar resolution, it never got out of Committee; there were strong citizens' and organizations' protests against it. Apparently this year information of the holding of the hearings did not spread very far. Among the citizens' protests last year was one by Allan Temko, distinguished environmental critic whose influence frequently has saved the San Francisco Bay community from devastating effects of bad planning, public or private. In a telegram read to Senator Cologne's Committee by Senator Nick Petris, Temko said: "Removal of 160-acre law threatens irreparable damage to California's future. This forward-looking law coupled with government purchase of excess lands as proposed by Secretary Udall, and urged by National AFL–CIO, provides truly effective instrument for rational planning of California in an age of rapid urban growth, and for promoting conservation of open spaces, thus protecting not only agricultural lands but also our expanding cities and new communities. Do not kill California's future by passing [the] Senate Joint Resolution . . ."

Of course Senator Cologne's resolution carefully mentions almost anything except Conservation and Public Planning, because it would destroy them both. Nothing illustrates this conflict better than a resolution passed recently by the leading Conservation organization of the country, the Sierra Club, with which Senator Cologne's resolution clashes head-on. On March 17 of this year the executive committee of the Sierra Club adopted this declaration: "The Sierra Club supports the federal purchase of excess lands (over 160-acre limitation) under the 1902 Reclamation Act with the understanding that lands so purchased would be sold or leased under open space regulations." Senator Cologne and Governor Reagan's Task Force, on the contrary, want to let the giant corporations that own the lands now—but not the water—buy their way out of the 160-acre provision cheaply, for a song. The public's stakes are publicly planned beauty, pure air, control of urban sprawl and the preservation of agriculture.

Then there is Education—public support for public education. S.J. Res. No. 5 does not mention Education. When this nation was giving away public lands a century ago under Abraham Lincoln, Congress earmarked large Land Grants for Education. That was the purpose of the Morrill Land Grant Act of 1862. A chain of great State Universities across the nation stands as a monument to the foresight and public spirit of 1862.

Today we are giving away public water, and giving away public money besides, to pay the cost of getting the public water to the private lands. Why do we not follow the example of Abraham Lincoln and create today a program of Water Grants for Education? Why should we accept Senator Cologne's proposal to hand over the public's water and the public's money, instead, to make a handful of rich corporations richer?

Senator Cologne's resolution does not mention the conditions of farm laborers in California that reflect the land and water ownership pattern of the State's agriculture. But Senator Paul Douglas, of Illinois, successfully defending the 160-acre limitation against an earlier attack in the United States Senate, told Congress of the close relation between our patterns of ownership and patterns of farm labor, patterns that acute observers have remarked for at least 80 years. "We do not want the Spanish system," he said. "We do not want the hacienda system, or the system of Mexico, which California had when it joined the Union. We do not want a system with a big manor house on the hill and farm laborers living in hovels. We want a system in which the owner is the cultivator. That is the basis of American agrarian democracy." (Congressional Record, vol. 105, pt. 6, p. 7497.) He told Congress also that he would "fight on the beaches, in the fields, on the streets, and from house to house . . . to protect the people of the United States from one of the greatest land steals that has ever been attempted in the history of this Nation." (105 Congressional Record 7850) Congress stood with Senator Douglas then. Senate Joint Resolution No. 5 seeks to undo what Congress did then.

Senator Cologne's resolution, in contrast with its omission of Conservation, Planning, Education, Farm Labor, land and water monopoly and speculation in the benefits from public investment, stresses the burden of "mechanization and rising land . . . costs" on farmers with no more than 160 acres. The resolution fails to tell the fact that nothing in the 160-acre law forbids use of as large machinery as anyone finds it economical to use on acreages as large as they want. The implied plea of the resolution is that to raise the 160-acre limitation would save agriculture. The fact is that the resolution of the Sierra Club favoring government purchase of excess lands to assure open spaces is the only effective way to preserve greenbelts of agriculture in California against the rising land costs and the devastating encroachments of the rapid urbanization we see all about us. Senator Cologne's resolution to undermine the 160-acre law is pointed in the direction of the not-so-slow death of agriculture at the hands of these encroachments.

These are days when statesmanship must take precedence over grasping by special interests. Long ago Theodore Roosevelt told the Commonwealth Club in San Francisco what the 160-acre law really is all about. In these days of uncertainty and instability, let us remind ourselves of the counsel given us by the President who inspired the 160-acre law because he understood its deeper meanings. Speaking of this law, he said: "Now I have come to the crux of my appeal. I wish to save the very wealthy men of this country and their advocates and upholders from the ruin that they would bring upon themselves if they were to have their way." Their way, you understand, was the way of Senator Cologne's Joint Resolution No. 5 and of Governor Reagan's Task Force. Roosevelt continued: "It is because I am against revolution; it is because I am against the doctrines of the Extremists, of the Socialists; it is because I wish to see this country continued as a genuine democracy; it is because I distrust violence and disbelieve in it; it is because I wish to secure this country against ever seeing a time when the 'have-nots' shall rise against the 'haves'; it is because I wish to secure for our children and our grandchildren and for their children's children the same freedom of opportunity, the same peace and order and justice that we have had in the past."

Which is the better guide: Senator Cologne, or Theodore Roosevelt? The question answers itself.

These introductory remarks were spoken after the remainder of my talk was taped. At the earlier time the news had not reached me that Senator Cologne was seeking to breathe life into the recommendations of Governor Reagan's Task Force that the 160-acre law be undermined and brought to destruction. But I more than suspected even then that if he did not make the effort, then someone else would. Now let us continue.

GOVERNOR RONALD REAGAN'S TASK FORCE OF THE ACREAGE LIMITATION PROBLEM

In southern California, in the Central Valley of California, in Arizona and in other western states, are great private concentrations of arid lands whose owners clamor for public water. Why Congress should jump to open the public purse so readily to these particular owners of private property is an interesting question, one asked all too seldom. Recently Major General Jackson Graham, Chief of the Corps of Engineers, asked it in these arresting words: "Is a man entitled to buy up, settle, or promote a chunk of desert and then demand that his government bring water to him from the general direction of the North Pole?"[1] Perhaps here is a clue to the answer: in the southern and western San Joaquin Valley of California, to choose a striking example of the concentration of landownership, 36 owners, mostly corporate, own three-quarters of a million irrigable acres, an area about the size of the State of Rhode Island. These owners, like other large owners in the arid west, want public water and public money to bring the water to them, and they are getting them both.

Congress has consented. Congress has added, however, that when the public puts up the money to water private lands, the limit allowed to an individual landowner is water enough for 160 acres. In dollars, depending upon the cost of watering a particular project, this is to say that an individual landowner may receive a public subsidy of between $96,000 and $320,000, but no more than this. The complaint against the 160-acre law by those, i.e., the giant landowners, who welcome the water and the subsidy but object that these dollar ceilings are too low, is easier to understand than to agree with.

It is more difficult to understand why it is so easy to fool so many citizens—city folk and easterners especially—who have failed to see any connection between themselves and the 160-acre law. Under the spell of "public relations" propaganda serving the interests of giant landowners, they have tended to accept the notion that the 160-acre issue is local, rural, and tied to a myth of old-fashioned but outmoded farming. They have tended to forget that the entire nation puts up the cash for water in some of the most rapidly urbanizing sections of the United States where, with water, the future fast obliterates agriculture along with the rest of the past.

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[1] Quoted in Wildlife Management Institute, Outdoor News Bulletin, Vol. 22, No. 10. May 24, 1968, p. 2.

Even in California, where people have ringside seats to watch the unfolding urbanization of their own State, most people still fail to see how the pressures exerted through the California *State* Water Project—a device for circumventing the *Federal* 160-acre law, as I shall explain—raise their State taxes, cut the budgets for mental health, for medical care for the aged and poor, and for the institutions of higher education. They fail to see that these budgetary pressures to help large landowners escape the 160-acre law encourage the Legislature to transfer many millions of dollars of annual oil revenues now earmarked for higher education, to construction of the circumventing State Water Project, and invite proposals to charge student tuition in public university and college systems, and to limit enrollment. They also have yet to recognize in the 160-acre law a final opportunity, if properly implemented, to preserve agricultural greenbelts and open spaces, and so to assure for future generations a physical, economic and cultural environment of quality and beauty.

But if most Californians and other westerners have yet to see that the 160-acre law faces, not backwards as Governor Ronald Reagon says, but forwards, there are many who do. Among these are organized labor and the Sierra Club. In March, 1968, the conservation-minded Sierra Club declared itself in favor of government purchase of "excess lands" above the 160-acre limit as an instrumentality for preserving open spaces. Organized labor declared for government purchase long ago and for many reasons, including a belief in more respectful observance of law by large landowners and by public administrators of reclamation law in the Department of the Interior.

With these thoughts as background, let us examine one of the most recent attacks upon the 160-acre law, the one launched in January, 1968, by Governor Reagan's Task Force on the Acreage Limitation Problem.

In his inaugural address on February 5, 1967, Governor Reagan outlined his prime targets. These reveal the man and what he stands for politically. High on his list is removal of the 160-acre provision of Federal reclamation law. This law, sponsored by the great Conservationist and Republican President Theodore Roosevelt, stands guard against private monopoly of water and land. It says that when a reclamation project brings water to privately-owned land, no individual may receive more than enough water to irrigate 160-acres, a provision to assure that public water, moved by public money to private land, shall not be grabbed by the few, but shall be distributed equitably among the many.

At his inauguration the Governor called this 66-year old law "archaic," and offered to support efforts to "lift" it. Losing no time, he sent a special message a few days later to the Legislature, asking it to memorialize Congress to "remove" the 160-acre provision. Then in April he appointed a 5-man Task Force on the Acreage Limitation Problem, which reported nine months later in January, 1968.

There need be no mystery about who—besides Governor Reagan—wants the 160-acre limitation removed, or why they want it removed. That is to say, the mystery can be cleared up simply by going to the public record. The large landowners with more than 160-acres want the limitation removed, especially the giant landowners with many thousands and tens of thousands of acres.

Long ago Secretary of the Interior Harold L. Ickes told the American people why the giant landowners want the 160-acre law "removed." Writing to the editor of the San Francisco News in 1945, the Secretary said: "It is the age-old battle over who is to cash in on the unearned increment in land values created by a public investment. . . . Their principal objective is to avoid application . . . of the long-established reclamation policy of the Congress which provides for the distribution of the benefits of great irrigation projects among the many and which prevents speculation in lands by the few." [2]

For a century the arid West has been the scene of giant speculative landholdings, mostly acquired dry and in anticipation of public help to bring the public's water to the private lands. Speaking of California, British Ambassador James Bryce wrote in the 1880's in his classic "American Commonwealth": "When California was ceded to the United States, land speculators bought up large tracts under Spanish titles, and others, foreseeing the coming prosperity, subsequently acquired great domains by purchase, either from the railways which had received land grants, or directly from the government. Some of these speculators, by holding their lands for a rise, made it difficult for immigrants to acquire small freeholds, and in some cases checked the growth of farms. Others let their land on short leases to farmers, who thus came into a comparatively precarious and often necessitous condition; others established enormous farms, in which the soil is cultivated by hired labourers, many of whom are discharged after the harvest—a phenomenon rare in the United States, which is elsewhere a country of moderately sized farms, owned by persons who do most of their labour by their own and their children's hands. Thus the land system of California presents features both peculiar and dangerous, a contrast between great properties, often appearing to conflict with the general weal, and the sometimes hard pressed small farmer, together with a mass of unsettled labour, thrown without work into the towns at certain times of the year."

When reclamation law was adopted in 1902, an avowed public purpose was to break up this inherited pattern of concentrated speculative landownersip and to remold it to conform with the national ideal of the Homestead Act of Abraham Lincoln—to the tiller should belong the soil. The instrument chosen to accomplish this was the 160-acre limitation on deliveries of public water to private land. Naturally, it is the owners of giant speculative landholdings who oppose this public policy of spreading equitably among the many the benefits of public investment and of public water. If they can remove the acreage limitation, or even substantially undermine it, they stand to win prizes of finance and of power reaching sweepstake dimensions. Figure it out for yourself: if they can persuade the public to pay the cost of developing water supplies for their benefit, subsidizing it to the tune of, say, $1,000 an acre, an owner of 150,000 acres stands to gain a subsidy of $149,840,000 if he can remove the 160-acre limitation. According to budget bureau studies the amount of public subsidy in bringing water to western private lands varies between $600 and $2,000 an acre.[3] If large landholders can remove or substantially undermine, the 160-acre limitation, the only limit on their grasp of public subsidy will be the size of their landholdings.

But is there any good reason why Congress should not say, as it does: a subsidy of, say, $160,000 is plenty large enough for any individual? Would you settle for a subsidy of $160,000 from the public treasury to enhance the value of your private property, if you could get Congress to vote you that much money? Probably you would think you had found the pot of gold at the end of the rainbow. But the giant landowners chase even larger pots of gold at the end of even more expensive rainbows. What they seek to overturn in their scramble is the 160-acre law which, in words of the United States Supreme Court, requires the distribution of public water "in accordance with the greatest good to the greatest number of individuals. The limitation insures that this enormous expenditure will not go in disproportionate share to a few individuals with large land holdings. Moreover, it prevents the use of the federal reclamation service for speculative purposes." [4]

Unfortunately, the many who stand to lose most to the few if Governor Reagan has his way in getting the 160-acre limitation "removed," are a poor match politically for the closely-knit, well-informed, legally advised and economically established corporate landowners. The many are scattered, unorganized and uninformed of the loss of opportunity and substance that they face. Unfortunately the mass media of communication in California no longer sustain their own best record in decades past of informing the many. On the contrary, frequently they actively help the few large landowners with the waterless land already in their possession, as they strive with singleness of purpose for their own enrichment, and as they scheme to persuade the public to give them both the water for their private lands and the money to get it to them.

A question has been both asked and answered frequently in Congress: if the 160-acre limitation is removed, who will get the benefit? It appears easier for some Californians to speak out more clearly in answer when the locale is, say, Arizona, than when it is in their own State. On July 29, 1949, for example, California Republican Congressman Donald Jackson, who neglected to raise his voice in support of application of the 160-acre law within his own State, nevertheless marshalled the following telling argument for applying it to Arizona; his immediate motive was to defeat a proposal for construction of a Central Arizona Project. In words that might have been applied to reclamation in his own State of California, he told Congress that, "The most gigantic bubble ever to develop within the continental limits of the United States appears now to be taking shape here in Congress in the form of the proposed Central Arizona Project . . . In every financial transaction there is a beneficiary . . . There are some 400 large landholders in the project area who would be likely to receive individual benefits averaging more than $500,000 apiece . . . About 30,000 men, women, and children in the project area would stand to receive benefits of $50,000 each, all as a gift from the people of the other States . . . If the . . . project is authorized . . . the idle land will immediately increase in value 6 to 10 times. . . ." [5]

More recently, answers to the same question: "Who would benefit from removal of the 160-acre limitation?" were given again to Congress, this time in respect to California's San Joaquin Valley. The answers are spread upon the pages of the Congressional Record of Senate debates that took on May 5, 7, 11, and 12, 1959.

Congress was debating then—and rejecting—an earlier attempt to do what Governor Reagan and his Task Force want done now, viz., to remove the 160-acre law. Read the Congressional Record for May 7, 1959, for example. On that day Senator Wayne Morse, on pages 7669 and 7670, was calling the effort to remove the acreage limitation a "water steal" by "large landowners" reminiscent of the "oil scandals and the oil 'steals' of which the powerful economic vested interests have been guilty throughout our history . . . let the Record show," said Senator Morse, "that I think that if our amendment (to deny removal of the acreage limitation) is not adopted, the bill will be a water 'steal' by the various large landowners the Senator from Illinois (Senator Paul Douglas) has just now listed in the Record."

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[2] Harold L. Ickes to Frank Clarvoe, Editor, San Francisco *News*, Oct. 31, 1945.

[3] Joseph Alsop, "And The Rich Get Richer." San Francisco *Examiner*, Nov. 20, 1964.

[4] Ivanhoe v. McCracken, 357 U.S. at a97.

[5] 95 Congressional Record 10126ff.

Senator Douglas had just placed in the Record several official tables prepared by the Bureau of Reclamation showing that a handful of landowners, each owning 1,000 acres or more, own 923,000 acres, or 62 percent of the 1,430,000 acres where irrigation was then in immediate prospect on the San Joaquin Valley's west side. As few as four groups among these large owners, viz., Southern Pacific with 149,000 acres, Standard Oil with 105,000 acres, other oil companies with 53,000 acres, and Boston Ranch Company with 38,000 acres, own 21 percent of the entire area about to be irrigated at public expense.

It is regrettable that few newspapers, if any, even in California, brought this story to the attention of their readers at the time. On May 11, 1959, Senator Douglas, of Illinois, told the Senate: "I shall be glad to go to California and debate this issue up and down the Central Valley and up and down the coast with the two Senators from California . . . I am ready to hold joint debates in Sacramento, Bakersfield, Fresno, San Francisco, and Los Angeles. In fact I am tempted to issue a challenge now to the Senators to debate this issue."[6] To the best of my knowledge no California newspaper carried word of this extraordinary challenge to joint debates with California's two Senators in their own State on the 160-acre law. Unfortunately for the education of the people of California, the debates were not held. Of course anyone with sufficient interest can consult the Congressional Record for those May days in 1959 at the nearest public library.

The Senate debate in Washington lasted four days. In face of the facts placed in the record by Senators Douglas and Morse, the Senate rejected the effort to remove the 160-acre law. The following year the House did likewise, under the leadership of Congressman Jeffery Cohelan, of California, and Congressman Al Ullman, of Oregon.

In my present commentary on the revival of the attack on the 160-acre law by Governor Reagan, I shall establish three main points:

First, the Governor placed the Acreage Limitation Problem in the hands of committed and experienced opponents of acreage limitation, apparently to assure that his Task Force's recommendations would be harmonious with his own avowed purpose of removing the law. He might have placed the Problem in the hand of a broadly-based body of impartial, public-spirited, conservation-minded citizens seeking to define the problems related to acreage limitation and to offer solutions in the public interest. He did not do so.

Second, except for its high sponsorship by the Governor of a great State, it is difficult to take the report of the Task Force seriously, because it contains so many untruths, half-truths and distorting silences that as a citizen's guide to an understanding of the acreage limitation problem it is wholly unreliable. The Task Force report, unfortunately, is properly to be viewed as special pleading for giant landholding interests that seek, by circumventing if not removing the law, to capture for the few the benefits of a natural resource intended to reach the many.

Third, the Task Force, admitting that the true desire of its members is in fact to repeal the acreage limitation law outright, offers to settle for a little less than outright repeal now—as little less as possible to get by with. In deference to political realities—in deference, that is, to the strength of public support for true Conservation of natural resources and for their use in accordance with the principle of the greatest good to the greatest number of individuals—the Task Force plans carefully veiled maneuvers. On the chance that an uninformed public will not realize the threat to the public interest, the Task Force tries to creep up on the public's blind side, then stealthily to remove the inner substance of the acreage limitation law, leaving only its outward form and empty shell. I shall explain this technique in a moment.

Now I turn to my first point.

Governor Reagan, as I said, took no chances that members of his Task Force might sympathize with the principle stated by the Supreme Court in describing the 160-acre law, of distributing the benefits of public water development "in accordance with the greatest good to the greatest number of individuals." The Task Force itself makes this crystal clear in its report, by saying, "A majority of the members . . . believe these provisions are wrong in principle, and should be removed." The minority—whether of one or two members—cannot be far behind the majority, for all members of the Task Force join equally in recommending the undermining of the law.

It need surprise no one that the majority of the Task Force takes the position that the principle of the "greatest good to the greatest number of individuals" is "wrong" as applied by the 160-acre limitation. The Chairman of the Task Force is experienced as attorney in water matters for the interests of the Kern County Land Company, one of the nation's largest land owners. The Company owns 1,835,000 acres, or 2,850 square miles, i.e., more than twice the area of the State of Rhode Island. This Company has been as diligent in opposing acreage limitation on water deliveries to its lands through investment of public funds, as it has been in seeking public funds to bring the water when and where wanted.

A second and a third member of the Task Force have similar professional legal experience representing organizations in which large landholding interests predominate, or representing large landowners directly. A fourth member, President of the National Reclamation Association which opposes the 160-acre limitation, had publicly expressed his personal opposition to acreage limitation prior to his appointment to the Task Force, so his hostile attitude hardly could have been unknown to the Governor when appointing him. Clearly, when selecting members for the Task Force, the Governor gave high priority to actual experience in opposing acreage limitation. Consequently the "problem" that the Task Force chose to face was not to weigh and decide for or against the acreage limitation. Rather, its self-defined problem was to select tactics designed for its destruction, and to guess how far to dare to go in that direction.

So much for the first point. The Governor's Task Force was better qualified by inclination and experience to guide the efforts of giant landowners to remove the 160-acre limitation than it was to evaluate the law itself in the light of broad public interest.

Now for the second point: The report of the Task Force is undependable as a source of "facts" claimed in support of its position that the 160-acre law ought to be, if not removed, then at least weakened.

Unreliability example No. 1: Opposed as it is to land reform, the Task Force report states that "land reform" was *not* a purpose of the 160-acre limitation. The truth is precisely the opposite. Let me be specific, by quoting first from pages 13 and 14 of the Task Force report: "Because of its latter-day impact upon private landholdings, some supporters of acreage limitation have sought to justify it as a 'land reform' measure. Certainly that was no part of the purpose of the original limitation provision of the 1902 Act, for that statute was aimed primarily at the developing and settling of the *public* lands. . ."

To find out that the truth is the reverse of what the Task Force says, it is unnecessary to go beyond the words of the 160-acre law in the 1902 Act—the very law assigned to the Task Force to report upon. The 160-acre law states: "No right to the use of water for land *in private ownership* shall be sold for a tract exceeding one hundred and sixty acres to any one landowner . . ."[7] In other words, Congress offered generously to water *private* as well as public lands, but only on condition that the *private* ownership pattern be reformed to eliminate large holdings.

The Congressional debates of 1902 were explicit that the 160-acre law is a "land reform" law, intended to change the landownership pattern. Why does the Task Force fail to tell the readers of its report that Congressman Frank W. Mondell, of Wyoming, in charge of the original 1902 bill, told the House that "It is a step in advance of any legislation we have ever had in guarding against the possibility of speculative landholdings . . . on the *public* land, while it will also compel the division into small holdings of any large areas . . . in *private* ownership which may be irrigated under its provisions"? The bill was drawn, he emphasized, "with a view to breaking up any large land holdings which might exist in the vicinity of government works . . ."[8]

The Task Force, in other words, tells the public that reform of the monopolistic pattern of private landownership of irrigable western lands was "no part of the original limitation provisions of the 1902 Act . . .," when the truth is exactly the reverse.

Unreliability example No. 2: The Task Force states on page 6 of its report that "Interest-free financing is the only true subsidy which is recognizable as a purported justification for the acreage limitation provisions of Reclamation Law." This claim by the Task Force is crucial to its plea that large landowners should be permitted, at their option, to "buy their way out" from the public policy that opposes monopoly and speculation. But in fact the claim is insupportable and invalid. The Task Force suggests, with an air of liberality, that if landowners with less than 160 acres are asked to pay, say, $3.50 per acre-foot for water from a reclamation project, then large landowners should be permitted to escape policy by paying $7 per acre-foot, or double. Whether public policy to protect the many from the few should be placed on sale on *any* financial terms at all is highly questionable, to say the least. However, assuming that it should be, Governor Reagan's Task Force conceals from its readers that the price of escape, if it is to cover public subsidies to private landowners, ought to be, *not twice* the rate charged smaller landowners, but *more than four times* that rate!

On this point the public record is explicit, and fully available to anyone, including the members of the Task Force. Published figures of the Bureau of Reclammation show that while $3.50 per acre-foot is charged for water from the Friant-Kern Canal of Central Valley Project, even $14 per acre-foot, or four times that amount, is insufficient to cover the cost "if subsidies and special benefits under reclamation law were eliminated. "Flood control" and perhaps still other subsidies are also a part of the cost shouldered by the public to bring public water to private lands, but the Task Force ignores these. The Task Force readily could have consulted the statistical table from which I have taken the figures quoted. It was prepared officially by the Bureau and published on page 369 of hearings on S. 912 before the Senate Public Lands Subcommittee of the 80th Congress. That was in 1947 when California Senators Sheridan Downey and William F. Knowland were making an earlier futile effort to remove acreage limitation from California's Central Valley Project.

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[6] 105 Congressional Record 7678.

[7] Sec. 5, Act of June 17, 1902; 43 U.S.C. 431.

[8] 35 Congressional Record 6677, 6678. Emphasis supplied.

Naturally the Task Force, in its effort to enable large landowners to escape the 160-acre law cheaply, conceals the true magnitude of the financial burden borne by the public in subsidizing the bringing of public water to their private lands.

But this provides only one further example of the second point, viz., that the report of Governor Reagan's Task Force is untrustworthy as a source of facts, as well as partisan in its conclusions.

Now for the third point, viz., that the report seeks to destroy acreage limitation by stealth. The Task Force, not daring to ask for total repeal of the 160-acre law, pleads for concessions that would remove its substance. Its first demand is to raise the limit from 160 acres to 640 acres. The second is to extend the so-called "Engle Formula," i.e., to allow large landowners to exchange money for public policy, as little money as the public can be induced to accept in return for its abandonment.

The Task Force supports its first demand—that the limit be raised from 160 to 640 acres, by pleading that operation of 160 acres is uneconomic. "In truth," states the report on page 18, "the 160-acre farmer is in many cases prevented by the limitation from making any profit at all, because his costs exceed his gross revenue . . . The 'family-size farm' of 160 acres is a snare and a delusion."

This is the voice of large-scale, corporate agriculture. It may sound plausible, especially to city dwellers with limited knowledge of farming, or perhaps to middle western and eastern people who may not realize that in productivity one irrigated acre in California equals 4 to 10 acres in the humid belt. Stated in humid belt equivalent-acre terms, Governor Reagan's Task Force wants to raise the limitation to somewhere between 640 and 1,600 acres, on the alleged ground that a family cannot make a profit on less.

Of course the organizations of family farmers in California and the nation do not swallow these words that someone else tries to put in their mouths. Both National Grange and National Farmers Union oppose lifting the acreage limitation. Go into the San Joaquin Valley, as I have done, and speak with smaller farmers making a living on from 60 to 80 acres and sending their children to college and university for an education. They do not join with the large landowners in demanding that the limit be raised; on the contrary, they ask that it be sustained and enforced.

The Task Force arguments prove too much. It is almost incredible. On the one hand, the large landowners of California want eastern money from eastern taxpayers to subsidize western irrigation to the tune of, say $160,000 per family. On the other hand, the Regan Task Force now says that this much subsidy is not enough to set up a farm family so it can make a "profit". If true, would it not be a good idea for eastern and middle western taxpayers to search for other, less wasteful and more efficient, ways to conduct a war on poverty than by subsidizing irrigation in the West?

That, for now, should be enough to expose the falsity of the grounds on which the Task Force seeks to weaken the 160-acre limit by raising it. The other Task Force device for undercutting the law is worse than the first, because it is stealthier and would allow vastly greater acreages to escape the 160-acre limit. It asks Congress to adopt the "Engle Formula" to let large landowners, at their own option, "buy their way out" of public policy by paying a few dollars—or rather by accepting just a little-less public subsidy than smaller landowners.

Earlier I pointed out that the Task Force proposal allowing large landowners to escape acreage limitation by paying double what smaller landowners pay for water, e.g., $7 instead of $3.50 per acre-foot, means simply that large land owners will escape by refunding *less than half the public subsidy!*

No one has described the stealthy nature of this Engle Formula, so cherished by the Reagan Task Force, better than its author, Congressman and later Senator Clair Engle. In 1955 Engle told Congress: "I grant you, you start kicking the 160-acre limitation and it is like inspecting the rear end of a mule: You want to do it from a safe distance because you might get kicked through the side of the barn. But it can be done with circumspection, and I hope we can exercise circumspection."[8] The Task Force grasps at "circumspection" hoping that an unsuspecting public will not kick it through the side of the barn.

Perhaps the public has already done so. Until these remarks of mine, had you heard of the Task Force recently? But if not, do not rest easily even so. Those who work unceasingly to remove the 160-acre limitation find silence perhaps the best cover for their work.

CONSERVATION, EDUCATION, WAR ON POVERTY AND THE 160-ACRE LIMITATION

(By Paul S. Taylor)

I give to this second section of my remarks on the Acreage Limitation Problem the title: Conservation, Education, War on Poverty and the 160-acre Limitation. These words represent the public purposes and stirring potentials of a law that is unfairly pilloried and throttled in the interest of giant land speculators. These seek to give the 160-acre law an image as something archaic, outmoded, and best removed from the statute books.

The truth, plain if we but see it, is that the 160-acre limitation, far from being an archaic relic of a by-gone age, as described by Governor Reagan and his Task Force, is far sighted. It marked the beginning of the Conservation movement at the opening of the 20th Century, and can be made readily into an efficient instrument for modern Conservation, for Education and for a war on poverty in this age of rapid urbanization and of industrializing agriculture. Like the 179-year old United States Constitution, the basic principles of the 160-acre limitation need only modernization of their application to bring this law creatively into play for the rational shaping of our physical, economic and cultural environment. The 160-acre law faces not backward to a by-gone past, but forward toward our own future—provided only that we have the wit to put this law to its fullest and most intelligent use.

In my previous commentary I explained that the report of Governor Reagan's Task Force is not a disinterested, public-spirited document seeking to discover why it is so difficult to get effective enforcement of a public policy described by the United States Supreme Court as distribution of the benefits of public investment "in accordance with the greatest good to the greatest number of individuals." This report is, rather, special pleading by persons experienced in helping large landowners to escape that policy. The Governor's Task Force report not only is opposed to public policy, but grounds its conclusions on so many untruths, half-truths and distorting silences that it is wholly undependable as a citizen's guide to an understanding of the problem.

Finally I showed that the recommendations of the Task Force are no more than a refurbished effort to undermine the 160-acre law by stealth, and precisely in the slick manner of the notorious "Engle Formula." The Task Force, to put it plainly, wants to hang a "For Sale" sign on public policy and knock it down to low but affluent bidders.

It stretches no facts of history to see the 160-acre law as a first move in the 20th Century toward what today we call a War on Poverty. Listen to these words of George H. Maxwell, who earned the title "Father of Reclamation"—words spoken at the 1896 convention of the National Irrigation Congress: "If we have reached a condition in less than half a century, when in case of riot and disorder, the national government must be called upon to suppress riot and disturbances in Chicago, to keep the peace and preserve property, how is it to be done in years to come, when these great cities have grown to such a size that no other power can control them, and when the very elements of disorder which control those cities will likewise control, too, the nation and elect the men who administer the Federal Government? Now, where is the remedy for this?" Do those words sound out-of-date today? Maxwell's answer was to assure widespread ownership of property, notably in land and water, as Congress shortly provided for by enacting the 160-acre provisions of reclamation law.[1] Barely six years later, in 1902, Congressman Oscar Underwood, later Speaker of the House, gave similar counsel to Congress. The reclamation law, he said, would give farm boys "a place where they can go and build homes without being driven into the already over-crowded cities to seek employment . . . I believe the passage of this bill is in the interest of the man who earns his bread by his daily toil . . ."[2]

If reclamation law today has done less than hoped for to achieve the purposes stated by Maxwell, Underwood and others of its original sponsors, the fault is in no small part because enforcement of the 160-acre law has been so largely thwarted by the power of giant landowners, not because the law points in the wrong direction. It is not without significance and understanding that as recently as September 1967 the White House Task Force on Rural Poverty recommended "that the Department of the Interior enforce the 160-acre limitation."[3]

The large landholding interests in the West from the beginning have been more interested in monopolizing the benefits of public water development for themselves than in conducting a "War on Poverty." Let us turn now to their century-long efforts to attain their end. At this point I invite the attention of easterners especially to what is happening to their heritage of water and land at the hands of western special interests.

These interests have been farsighted and tenacious. Long, long ago, as far back as the eighteen seventies at least, when they heard from the national government a glowing prospect of the coming of water at public expense to waterless lands of the west, they immediately grabbed all the waterless public land they could lay their hands on and labelled it "Private, Keep Off." Using California as an example, a team of engineers and scientists sent there by the national government had proclaimed that "The Great Central Valley of California is admirably adapted for irrigation." As a "general conclusion" the report stated that where the effect of irrigation is "to increase in so striking a manner the value of the lands, the government feels obliged to aid works of this kind by subsidy . . ."[4]

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[1] Proceedings of fifth National Irrigation Congress, 42. (1896)

[2] June 12, 1902. S. Doc. 446, 376.

[3] White House Commission on Rural Poverty, The People Left Behind, 138, 139.

Western response to the prospect of an open door to the national Treasury was immediate. In barely three years, on May 31, 1877, the San Francisco Chronicle, at that time alert and opposed to monopoly of natural resources, warned: "If those who call themselves statesmen and lawmakers continue much longer to disregard the rights and interests of the great body of the citizen class—to promote the absorption of the land of the nation by a few wealthy and unscrupulous capitalists, aided by corrupt officials and perjured locators at the Government Land Office, depriving the poor man of small means of the opportunity of obtaining homes, and white laborers generally (the reference is to Chinese commonly employed by large landowners as cheap labor to farm their lands) of all chance of securing work at fair wages the oppressed millions will be impelled to the last resort of revolution to redress their wrongs."[5]

The *Visalia Delta* foresaw at once what the large landowners would do next. Having grabbed the public's land, their next move would be to grab the public's water with one hand, and get the public to pay for delivering it to them, with the other hand. In that same year of 1877 the *Delta* prophesied that the monopolists of "an already extensive dry domain" would soon attempt "by an array of force and talent to secure to capital the ownership of the water as well as of the land, and the people will at last have it to pay for . . ."[6] To attain this goal—that the public will have it to pay for—has been the light guiding the tactics of large landowning interests in the West from the 1870's to this very day. Having grabbed the land, they now grab the water and the money, and today the U.S. Bureau of Reclamation helps them to do it.

But all this takes time—lots of time. Back in those nineteenth century days, Congress was slower about opening the door of the national Treasury to the West. Not until 1902 did it do so, and then it made the West promise that when the nation puts up the money, no land monopolist will be allowed to monopolize the water, too. Congress wrote this promise into the National Reclamation Act of 1902, using these words: "No right to the use of water for land in private ownership shall be sold for a tract exceeding one hundred sixty acres to any one landowner . . ."[7]

Some easterners were skeptical at the time; unfortunately their gloomy prophecies are coming true today. Congressman George W. Ray, of New York, for example, warned that the promise would not be kept. It is as if he could foresee the Westlands Project today on the west side of the San Joaquin Valley in California. There the United States Bureau of Reclamation goes right on building a half-billion dollar project to serve 400,000 acres disqualified frcm receiving its benefits because the owners fail to comply with the 160-acre law. Congressman Ray said in 1902: ". . . and so we find behind this scheme, egging it on, encouraging it, the great railroad interests of the West, who own millions of acres of these arid lands, now useless, and the very moment that we, at the public expense, establish or construct these irrigation works and reservoirs, you will find multiplied by 10, and in some instances by 20, the value of now worthless land owned by those railroad companies."[8] At Westlands, the Southern Pacific owns 120,000 or more of the 400,000 ineligible acres. The Congress of 1902, however, trusting in the promise of the 160-acre provision, and relying on the power of respect for law, rejected the New York Congressman's warning and opened the door of the Treasury to the West.

Since the requirements of the 160-acre law were the only terms on which they could get Congress to give the money to get the water, large western landholders accepted them—for the time being, and on paper. Ever since, they have been engaged, on the one hand, in opening the Treasury door wider, and on the other hand, in choking off enforcement of the 160-acre law when they could not get it removed altogether. These efforts began in 1905, barely three years after Congress passed the National Reclamation Act, and they have been unremitting ever since.[9]

First, the money. The national Treasury, through the Bureau of Reclamation, provides water to irrigate lands free of any charge for interest to the landowners. This subsidy equals 57 percent over a 40-year repayment period, assuming a 3 percent interest rate, or 74 percent subsidy assuming a 5 percent interest rate. This is only the beginning of the subsidies; as described recently in the *Bulletin of Atomic Scientists*, the Bureau of Reclamation has become a "subsidy machine"[10] for the benefit of speculating private landowners. Federal taxpayers are only one source of subsidy to private landowners, known as the "irrigators." On the Central Valley Project in California, for example, California users of power and municipal and industrial water are allocated only 36 percent of project costs reimbursable to the federal treasury, but they repay 82 percent; irrigators—private landowners—are allocated 63 percent of costs but are asked to repay only 17 percent. In these and other ways the door of the Treasury and other public sources of money is pushed further and further ajar.[11]

Next, the 160-acre anti-monopoly policy. Western large private landowning interests are as assiduous in choking off the public policy embedded in the 160-acre law as they have been in widening the opening in the Treasury doorway. Let California be the example again. In the 1940's the large landowning interests tried their level best to get Congress to remove the 160-acre law from the Central Valley Project. They failed. Those who spoke for them in House and Senate, viz., Democrats Congressman Alfred Elliott and Senator Sheridan Downey, were forced out of public life for their pains. Republican Governor Ronald Reagan apparently is taking up where they left off.

The United States Constitution, as every citizen knows, has created a national Government composed of three branches—Legislative, Judicial and Executive. The large landowning interests have explored them all. Failing to remove the acreage limitation by Act of Congress, they turned to the Supreme Court. In 1958 the Court rejected their appeal unanimously. Then they went to work on the Executive Branch, seeking from the Department of the Interior what they were denied by Congress and Court. They went to work, too, on the Administration and Legislature of the State of California.

Does the story begin to sound complex and hard to follow? Are the details becoming confusing? Do not be surprised, for this planned complexity is the chief reason why large landowning interests have been able with one hand to throw dust in the eyes of the public, while with the other they grab first the land, then the money and the water. If he public policy of distributing the benefits of reclamation "in accordance with the greatest good to the greatest number of individuals" is to be preserved, it is necessary for the public to get the main outlines sufficiently clearly to understand why and how it is being outwitted and outmaneuvered. Let me try to put the pieces in place, using the California State Water Plan as an example.

First, the public "image" of the California State Water Plan. On May 4, 1968, Governor Ronald Reagan dedicated the key unit of the State Water Plan, Oroville Dam on the Feather River. He hailed it, according to the San Francisco Chronicle the next day, as a "massive monument to the . . . civic and political leaders whose perserverance converted an idea into a life-saving and life-sustaining reality." In elaboration, the Chronicle added in its report of the dedication that "While only partially complete, the dam was credited with averting a 1964 Sacramento Valley flood exceeding the severity of the December, 1955, Yuba City disaster which killed 36 people and destroyed 400 homes."

To be sure, there was an undertone of anxiety over how to meet the cost of completing the State Water Plan. Would the Legislature transfer millions of dollars of tidelands oil revenues now earmarked for higher education construction, away from education and give them to the State Water Plan? Also, said the Chronicle soberly, "It is conceded, additionally, that a bond issue ranging in size from $1 billion to $3 billion must be forthcoming before supplemental water can be developed on the Bel River, and such units as a peripheral delta canal and a master San Joaquin Valley drain constructed." But these doubts were overshadowed by Governor Reagan's laudatory words: "We are here to dedicate more than a dam and a lake. We are here to dedicate what is, in truth, a memorial to the vision, the dedication and the hard work of many, many Californians—Californians whose love of their state has overcome any sectionalism they may have felt."[12]

That is the contrived "image" of the State Water Plan. What is the true image? To whom and to what is Oroville Dam a "massive monument?" A good way to begin is to ask questions and find the answers.

First, why was the damming of Feather River able to avert a 1964 flood, but unable to avert the "severity of the December, 1955, Yuba City disaster . . ."? No less an authority than Senator Thomas H. Kuchel has given us the answer: removing the damming of Feather River from the *Federal* Central Valley Project plan in order to include it in the *State* Water Plan, prevented construction of a *Federal* dam that would have prevented the 1955 "Yuba City disaster which killed 36 people and destroyed 400 homes." Senator Kuchel said to Congress the next year, in 1956, "I would venture the guess that if the state had not indicated its interest in Oroville, we would have had long before last year's flood a federal dam at Oroville."[13]

More questions. Why did the State indicate its wish to include Oroville Dam in a *State* Water Plan? Why did the *State* want to remove it from the planned *Federal* construction at the cost, as it turned out, not only of such delay and disaster as at Yuba

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[4] Irrigation of the San Joaquin, Tulare, and Sacramento Valleys, California. House Exec. Doc. No. 290, 43 Cong., 1st sess., 70.

[5] San Francisco *Chronicle*, May 31, 1877.

[6] *Visalia Delta*, May 5, 1877.

[7] Sec. 5, 32 Stat. 389 (1902).

[8] 35 Cong. Rec. 6685 (1902).

[9] Secretary of the Interior J. A. Krug, Hearings before sub-committee of Senate public lands committee, 80th Cong., 1st sess., on S. 912, 991, 992. (1947).

[10] Laurence I. Moss, In search of a subsidy machine: or Why the Grand Canyon must be dammed. *Bul. Atomic Scientists*, XXIII, No. 6, 25. (June, 1967)

[11] Douglas R. Page, Acreage Limitation: Policy considerations. 38 *California Law Rev.* 730, n. 13.

[12] San Francisco *Examiner and Chronicle*, May 5, 1968, Sec. A, 4.

[13] Senator Thomas H. Kuchel, Hearings on S. 178 before subcommittee on irrigation and reclamation of Senate committee on interior and insular affairs, 84 Cong., 2nd Sess., 179. (1956)

City, but also at a price to Californians that is beginning to hurt, a price that runs already around $2.8 billion loaded onto their backs that the Federal Government was ready itself to carry, but was dissuaded from carrying by the State? Why was the Federal Government willing to defer to those who wanted the State to pick up the tab?

The answers unfold slowly but clarify surely. The idea of a *State* Water Project dates from at least as early as 1944. On May 13 of that year, when large landowners' hopes were high that Congress would remove the 160-acre limit from California's Central Valley Project, the magazine *Business Week* tells what they had up their sleeves if Congressional "removal" should fail, as it did. "If the big landowners should lose out in this particular fight," said *Business Week*, "they have several other proposals to accomplish their end. One of them . . . said to have originated among the big landowners of Fresno County, is for the State of California to take over the Central Valley project, paying the entire bill. This . . . would sidestep the 160-acre limitation."[14]

The mills of large speculative landowners, like the mills of the gods, grind slowly, but they grind exceeding fine. Seven years later the State Legislature moved in the direction forecast by the "big landowners of Fresno county:" it authorized a *State* Water Project. But there was still hesitation to act on the authorization, because to do so meant shifting what the *Federal* Government was prepared to pay, onto the backs of taxpayers of the *State of California*. No one was more conscious of this burden to taxpayers of his State than Congressman, later Senator Clair Engle. In a speech delivered on September 24, 1952 he opposed buying the Central Valley Project from the Federal Government because—although it would remove Federal acreage limitation (and a comparable Federal public power preference policy—he doubted "it is necessary or wise to cut our state completely off from interest-free federal financing . . ."[15]

Did California have the capacity to carry the financial burden of a State Water Plan? Engle was asked the question from the floor, and he gave a straight answer: yes, but at the sacrifice of other things *such as education*. The *Sacramento Bee* reported the dialogue: "When asked if there is a possibility California would *be able* to complete the Feather River Project, Engle declared, 'I think the State of California can do as much as she wants to do, *if she wants to give the height of priority she would have to give it, at the sacrifice of other items, such as schools* . . ."[16]

There you have it: a *State* Water Project to help speculating landowners escape a law designed to restrain speculation and to bring "the greatest good to the greatest number of individuals," on the one hand, Versus schools, on the other hand!

In 1952 this prospect of conflict for funds between a State Water Project and Education apparently was enough to make even the speculating interests opposed to the 160-acre limitation recoil, if only for the time being. Within a half dozen years the outline of a State Water Project was placed before Congress. The strategy was to offer a State financial contribution toward the construction of a joint Federal-State San Luis Project. The hope was that Congress would join with the State in construction and in putting up money, and in return for the State's contributions would exempt the area to be served by the State Project from the Federal 160-acre law. Sponsors of the State Water Project were disappointed. The Senate debated the proposed exemption four days, and the House two days; both agreed to authorize funds and construction but only on condition of denial of the exemption sought. The position of Congress was the same as in 1902: money for reclamation, yes, but only on the condition that the 160-acre law to prevent monopoly and curb speculation should apply. Congress saw the State Water Project through the eyes of Senator Wayne Morse, who called it "This evanescent project. . . . this alleged State project . . . is merely a vision created in the hope that it can somehow transform everybody's water to water reserved only for a few people."[17]

So once again large landed interests found themselves facing their perennial problem, how to get the money and at the same time avoid the condition attached to the money, viz., observance of the 160-acre law. The sequence of the steps to circumvent the law runs like this:

First, on the eve of voting on a $1.75 billion bond issue to finance the State Water Project, barely one month before the November 1960 election, Chas. T. Main, Inc., rendered to the State of California a lengthy report evaluating the proposed State water development system. The report cost the people of California several hundred thousand dollars. The report had an appendix, written by one of California's attorneys most experienced in opposing the 160-acre limitation. Facing the fact that Congress had refused to exempt the State Water Project from the 160-acre law, he stated as his premise, notwithstanding, that "neither the Bureau of Reclamation nor the State Administration desires to apply the Federal excess land provisions to the State service area." His task, as he saw it, in other words, was to help an arm of the Executive Branch of the National Government and the State of California to circumvent the decision of the Legislative Branch of the National Government that the State service area was *not* to be exempt from the 160-acre law.

The Appendix to the Chas. T. Main, Inc., report was equal to the task, and what followed fitted its guiding precepts. The Solicitor of the Interior supported the Bureau of Reclamation within his Department, in its opposition to the 160-acre, or excess land law. Congress had decided *negatively*, the Solicitor said in effect, that the State service area should *not* be exempt from the 160-acre law, but it had *not* said *positively* that the 160-acre law *should apply*.[18] Therefore he approved the draft contract between the Bureau of Reclamation and the State of California minus acreage limitation.

The Interior Committees of House and Senate had 90 days to review the contract. Previously, in 1959 and 1960, both Committees had approved the exemption from acreage limitation that both House and Senate soon debated and rejected. But now, in 1962, the balance politically was reversed. Then, in 1959 and 1960, the Committees—and large landowning interests behind Them—could not obtain Congressional approval for authorization to spend federal funds so long as an exemption was attached. Now, in 1962, they had a chance to gain approval to spend federal funds *and the exemption, too*. All they had to do was to remain silent for 90 days, and let the administrator's omission of acreage limitation from the contract stand. The House Interior Committee approved the contract and the Senate Interior Committee remained silent. The opponents of acreage limitation at last had *both* the *money* that Congress had voted, *and the exemption that Congress had denied!*

This outcome was the forecast of the Appendix to the Chas. T. Main, Inc. report, offering skilled legal guidance down a path toward circumvention of the 160-acre law. The attorney in charge had prophesied that "The reaction of Congress and its relevant committees is more a *political* than a *legal* problem."[19] His prophecy had come true. It was *planned* that Law was to be the victim of Politics. *Politics* was to *rise above Law*, and Law was to *sink below Politics*, in order to circumvent the 160-acre law. This has come to pass.

In their train the 1952 prediction by Clair Engle is coming true today: the outlines of the conflict, *State* Water Project *VERSUS schools* are now visible. The 1944 plan attributed to "big landowners of Fresno County" comes crashing down upon education within the State. Lifting the Feather River Project from the *Federal* Central Valley Project and loading it onto California taxpayers is having its predicted effect. Governor Reagan raised the annual budget of the State Water Project by $100 million in 1967–68 above Governor Brown's already high recommendation. At the same time he lowered the Regents' budget for the University of California—all items considered—by $46 million. Under pressure the Regents adopt student tuition fees that will rise to $100 per quarter, perhaps only an augury of more to come. For 1968–69 the Governor seeks to cut the University operating budget by $31 million, and the capital outlay budget by $34.8 million, a total cut of nearly $66 million.

Pressures from the State Water Project upon the budget of the State College system are similar.

These cuts probe deeply into the value systems of our society. The question of student tuition, for example, brings out sharp differences over the role of higher education. On the one hand are those who favor encouraging universal higher education and so object to abandoning the California tradition of tuition-free higher education. On the other hand is a view expressed by the President of the Southern Pacific Company to the Bay Area Council: "In any event, it's high time we did something to knock the absurd notion that every young American who is worth his salt must get at least a four-year college degree. As a result of this kind of thinking our colleges are being over-crowded with many people who are not college material and some of our finest vocational opportunities are going begging."[20]

One wonders, are education and water to be locked into irreconciliable and increasing conflict? If State Water Development continues on its present course, conflict is inevitable. Read the cold, precise language of California's Legisaltive Analyst, A. Alan Post. The sale of water bonds, he reported to the State Legislature on the 1967–68 budget, "may increasingly intrude on the sale of other general obligation bonds . . . To the extent that this occurs . . . the effect will be either higher interest rates for all state bonds, whether water bonds or school bonds, greater financing of other (than water) programs from increased taxes, or the curtailment of expenditures in either the water program or other programs."[21] So one sees today both increase in taxes and curtailment of expenditures, not in the State Water program, but in "other programs" such as education, mental health, medical care, etc.

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[14] Valley divided, *Business Week*, No. 767, May 13, 1944, 24.

[15] Central Valley Project: Federal or State? California Assembly interim committee reports, 1953–1955, Vol. 13, no. 5, 142.

[16] *Sacramento Bee*, September 25, 1952, 8.

[17] 105 Cong. Rec. 7992.

[18] 108 Cong. Rec. 5716.

[19] Chas. T. Main, Inc., Appendix to final report (by Alvin J. Rothwell) general evaluation of the proposed program for financing and constructing the State water resources development system of the State of California Department of Water Resources. Boston, Massachusetts, 2229–1–2A. October, 1960, 29.

[20] B. F. Biaggini, in *Trends*, Vol. 20, no. 9, December 1965. Pub. by Bay Area Council, San Francisco.

[21] Report of the legislative analyst to the joint legislative budget committee, analysis of the budget bill of the state of California for the fiscal year July 1, 1967 to June 30, 1968, 760.

How far will the conflict between water and education go? How much will the State Water Project cost the people of California before we are through? Have those who back the *State* Water Project been entirely frank with the people? The voters in 1960 were "sold" a bond issue of $1.75 billion to do the job. Now the cost figure is placed around $2.8 billion, and maybe more. There is already talk within the State of another bond issue of from $1 billion to $3 billion.[22] But apparently nobody within the State—except a young independent newspaper like the San Francisco Bay Guardian—reminds people that in 1958 Senators William F. Knowland and Thomas H. Kuchel told Congress that "The State Water Project will cost the people of California $11 billion when completed.[23] Apparently the 1958 Congress took California's Senators seriously, believed their $11 billion cost figure, and was pleased with their generosity in the name of the people of California. At any rate Senator Arthur V. Watkins, of Utah, rose to his feet on the floor of the Senate "to congratulate the State of California and California's representatives in the Senate, Senator Knowland and Senator Kuchel, on the fact that the great State of California will build the project, and a still greater project which cost in the neighborhood of $11 billion, and do it on its own."[24]

Apparently there was no mistake about the anticipated cost of the State Water Project to the people of California. The very next year California's Senators, Clair Engle and Thomas Kuchel, and California Governor Edmund S. Brown—Republican and Democrat alike—repeated the promise to Congress. In Governor Brown's words, "I hope and expect that the State of California will commit itself to invest more than $11 billion in the next 25 years over and above the Federal program to insure adequate statewide water development."[25]

The 160-acre question had been at issue between the political parties for a long time, the Democrats in favor and the Republicans opposed. Now this issue has become transmuted into an "Establishment" position, with spokesmen of both parties opposed. As Earl C. Behrens, political editor of the San Francisco *Chronicle*, soon was to point out, support for acreage limitation had been "a part of both the State and National Democratic platforms." But it became different when Democratic Assemblyman Lloyd Lowrey tried in 1959 to win approval for a State acreage limitation law; he found himself opposed by Democratic Assemblyman Jesse M. Unruh. Unruh confessed to the Legislature that "At times we have to rise above pinciple."[26]

The cost of rising "above principle" comes high to those—for example in education—who must pay it. This was all a part of the maneuvering that threw water into opposition to education.

So today, especially in California, we give away public water to speculators and deflate public education to insure the gift. It was not always so, nor need it be so now. Under President Abraham Lincoln the Federal Government gave away public land and enriched education at the same time. Today the Nation's land grant colleges and universities stand as monuments to the foresight of the Morrill Land Grant to Education Act of 1862. Why have we no comparable Water Grant to Education Act of the nineteen sixties?

We *can* have it if we want it, and will do what it takes to get it. The means of turning an orgy of private speculation in public water to the account of publicly-planned education and a publicly-planned environment of beauty are ready at hand. Secretary of the Interior Stewart L. Udall has pointed to the first step. He has proposed that the government purchase "excess lands," lands above 160-acres per individual owner. Existing law already establishes the price to be paid—the value of the land prior to the coming of publicly-subsidized water.[27] In the face of rapidly increasing land values, time will return the investment to the Treasury several fold. What a magnificent opportunity to replenish the National Treasury! And Congress can assign revenues from the watered lands to public education as it assigned public lands to education one hundred years ago under Abraham Lincoln. Congress, in cooperation with States, can regulate the use of the excess lands so purchased to assure preservation of agricultural greenbelts and open spaces, to check urban sprawl, to create an environment of beauty for generations to come. In California alone among the western states, according to an estimate by the National AFL–CIO, there are 900,000 acres that can be devoted thus to the enrichment of education and to conservation of the environment.

Why not take the simple, but necessary steps to achieve these purposes? Why not abide by the pinciples of Lincoln? Why not put an end to this present era of unrestrained private speculation in public water and public money?

Why perpetuate longer in the West the "peculiar and dangerous" agricultural pattern that Ambassador James Bryce described in the 1880's as a "contrast of great properties," on the one hand, with a "mass of unsettled labour," on the other hand. Seventy years later Senator Paul Douglas, of Illinois, repeated Bryce's description in successful defense of the 160-acre limitation against attack. He said "There are strong forces in California which own enormous amounts of land, and they do not want to accept the 160-acre limitation. The Southern Pacific does not want to accept it. The big estates do not want to accept it. The Boston Ranch does not want to accept . . . If we have that kind of concentration of ownership growing high value crops, such as lettuce, oranges and citrus fruits, I will tell the Senate what kind of agricultural system we will have. We will have an agricultural system with a few owners and a great mass of Mexican-American laborers living in hovels, receiving low wages, and with a life of feudalism in the Central Valley of California, as indeed we now have in part."[28]

In 1911 Theodore Roosevelt, who as President had personally inspired the 160-acre law and signed the National Reclamation Act of 1902, had spoken even more ominous words before the Commonwealth Club of California in San Francisco. Reminiscent of the warning of the San Francisco *Chronicle* of May 31, 1877, he said: "Now I have struck the crux of my appeal (for the excess land law). I wish to save the very wealthy men of this country and their advocates and upholders from the ruin that they would bring upon themselves if they were permitted to have their way. It is because I am against revolution; it is because I am against the doctrines of the Extremists, of the Socialists; it is because I wish to see this country of ours continued as a geniune democracy; it is because I distrust violence and disbelieve in it; it is because I wish to secure this country against ever seeing a time when the 'have-nots' shall rise against the 'haves'; it is because I wish to secure for our children and our grandchildren and for their childrens children the same freedom of opportunity, the same peace and order and justice that we have had in the past."[29]

Should we not give heed to these counsels of Theodore Roosevelt to sustain the 160-acre law, especially in these days when we are so concerned with the problems of violence, and of maintaining law and order?

Let us infuse into the reclamation program of the 1960s the appreciation of the human spirit that pervaded the 1860s. This can be done, but it will not be done unless the public insists that the circumvention of the 160-acre limitation shall cease, and the attacks upon it end. This can be done if the public will insist that Congress provide for purchase of excess lands receiving publicly-subsidized water, and that the use of these lands be turned away from private speculation and monopoly toward the truly public purposes of Education and Conservation.

MINORITY ENTREPRENEURSHIP

Mr. HARRIS. Mr. President, recently I joined other Senators to introduce S. 3875, the Community Self-Determination Act of 1968. Under this act indigenous community development corporations would be created through which the people of an area could achieve economic development and the ownership of their own business enterprises.

On July 20, Vice President HUMPHREY issued a statement on the importance of programs to promote minority entrepreneurship. In this statement, the Vice President proposed the development of a program for inner city entrepreneurship which would provide the three basic elements of capital, training, and markets. A national urban development bank, operating through regional affiliates, would finance minority ownership of business enterprises.

The Vice President's statement, with an appended review of current government and private programs in this area, is most relevant to the consideration of the legislation that was introduced in the Senate yesterday.

Mr. President, I ask unanimous consent that the Vice President's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE RIGHT TO SUCCEED: MINORITY ENTREPRENEURSHIP

(Statement by Vice President HUBERT H. HUMPHREY, Washington, D.C., July 20, 1968)

Twenty years ago, the measure of a belief in "civil rights" was whether you stood up for "fair employment practices."

I led that fight. We won it. An American born black has an equal right now, under the law, to work for an American born white.

But to say it that way—plainly—is to realize that the right to work for somebody else isn't enough. It isn't equal opportunity just to let everybody into the cellar—if the door going upstairs is open to some, not to others.

Equal *employment* opportunity—to work for somebody else—is only part of it.

The rest of it is *equal opportunity to own your own business.*

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[22] *San Francisco Examiner and Chronicle,* May 5, 1968, Sec. A, 4.

[23] 104 Cong. Rec. 17730.

[24] 104 Cong. Rec. 17730.

[25] Gov. Edmund G. Brown, Hearing before subcommittee on irrigation and reclamation of Senate committee on interior and insular affairs, 86 Cong., 1st sess., on S. 44, 12 (1959).

[26] Earl C. Behrens, San Francisco *Chronicle,* June 18, 1959, 15.

[27] 43 U.S.C. 423e.

[28] 105 Cong. Rec. 7667.

[29] 7 Transactions of the Commonwealth Club 108.

I want to lead this fight, too. *And it can be won.*

With greater intensity each year, the black American, the Spanish-speaking American, the Indian American, have been demanding a chance to help themselves. They have increasingly rejected hand-outs and help which did not involve their own initiative, responsibility and power.

Whatever phrases are used to characterize this demand, it is fully in accord with established American traditions of self-reliance and self-help. American society must now summon the courage—and common sense—*to give minority Americans this chance to succeed within the system.*

On January 29 of this year, I asked, as Vice President, that representatives of five Federal agencies meet with me to consider the subject of "minority entrepreneurship."

I said in my Memorandum:

"I am convinced that there is a great economic and social potential, often not recognized, in enlarging opportunities for members of minority groups as entrepreneurs. At present, Negroes and Spanish-speaking groups own or control only a minute portion of the business in this country. The businesses they do operate are usually small and uneconomic. *The urgent need is to have minority groups own and run more substantial businesses which are fully competitive in the American economy.*"

A series of meetings followed. There was active participation by top officials of the Department of Commerce, the Department of Labor, the Department of Housing and Urban Development, the Office of Economic Opportunity, and the Small Business Administration. I have received the report of this working group. It provides the basis for this statement and its recommendations.

The Report of the National Advisory Commission on Civil Disorders, issued on March 1, included this statement on "Encourageing Business Ownership in the Ghetto":

"We believe it is important to give special encouragement to Negro ownership of business in ghetto areas. The disadvantaged need help in obtaining managerial experience and in creating for themselves a stake in the economic community. The advantages of Negro entrepreneurship also include self-employment and jobs for others."

One of Senator Robert F. Kennedy's most eloquent statements—at Portland, Oregon, on May 23rd—included this:

"We must encourage the development of businesses owned by residents of poverty areas, providing loans and guarantees as needed, to bring the dignity and fulfillment of ownership to that person. This national rebuilding, I believe, should begin immediately with a national impact project: supported by federal grants to local communities, to hire the unemployed and begin the work. This would be the first step toward a community of purpose for all of us."

He spoke feelingly of the need to build, in the poverty areas, "a community of freedom of private initiative . . . a new community of self-pride and self-determination."

Everything we are trying to do to eliminate inequality is incomplete as long as it depends on somebody doing something *for* somebody else—for equality means equality of *self-respect*—of *pride*.

Participation—self-help—economic power—these are essential elements in any process of deprived inner-city residents becoming productive, self-sustaining and involved members of society—and of bringing new economic vitality to inner-city neighborhoods. Business entrepreneurship offers exceptional opportunities to achieve these critical objectives.

The details of the present picture of restricted business opportunity—so far as Americans who are black are concerned—are set out in the attached statement.

One in a thousand is a proprietor. (The figure for whites is one in 40.)

The situation is the same—in some respects worse—for Mexican-Americans, Spanish-Americans, Puerto Ricans, Indians and others.

I have received, with the assistance of the inter-agency working group, the scope and operation of present programs for providing business opportunities for minority group members.

The conclusions to be drawn from such a review are clear:

The present demands on these programs far exceed the capacity—and the funds—to meet them. Black America's most insistent demand today is *"Let us do it ourselves."*

The experience with the minority entrepreneurship projects which have been authorized and funded is by no means consistent, nor uniformly successful. *But it is evident beyond any question that there is more reason for encouragement in these projects—more promise—a higher success rate—than in the case of any other type of minority group assistance program.* Every agency has stressed one crucial element in achieving success: *full participation and involvement.*

These are improvements that can and should be made in the administration of the present programs.

But the full exploitation of the possibilities of equality by common enterprise—by shared responsibility—*depends unquestionably on enlarged Congressional authorization and appropriation, as well as on greatly expanded participation by the private sector itself.*

A candidate for the Presidency has spoken recently—in headline terms—of the need to develop "black capitalism" and "black enterprise" and "free enterprise" in the ghettoes—and then has added, in fine print, that "it costs little or no government money" to do this, that "the Federal budget must be cut"—and that we must stop trying to "buy off the Negro."

This is double-talk. Of course it will take money. Talking about black capitalism without capital is just kiting political checks.

But a country that subsidizes multi-million dollar corporations to explore outer-space won't be "buying off the Negro" if it contributes to his setting up a business in the inner-city. If it makes sense to pay a farmer to stop farming his land, it isn't "buying somebody off" to help start a business that will employ the people who used to work on that farm.

I will propose, if I am elected President, the legislation and appropriations necessary to permit the maximum practicable public investment in private "minority" enterprise—but in ways which rely on self-help and self-reliance.

More specifically, I propose the development of an integrated program for inner-city entrepreneurship which makes provision for the three basic elements of business success: *capital, training,* and *markets.*

I. *With regard to working capital:*

I have proposed, as part of a "Marshall Plan for the Cities," the establishment of a *National Urban Development Bank*—to operate through affiliated regional banks in the various metropolitan areas.

Without repeating the details of that previous proposal, I note for its relevance here the recommendation that *provision be made for the National Urban Development Banks to finance a wide variety of business enterprises owned and operated by residents of the inner city.* These banks would, more specifically:

Offer loans to inner-city small businessmen whose contribution to the economy of their communities is now limited by lack of financing;

Guarantee loans, made through conventional private lenders, for inner-city business activities;

Fund non-profit neighborhood development corporations which, in turn, could purchase and operate inner-city business enterprises;

Offer loans to inner-city business cooperatives established to strengthen purchasing power and to provide more effective distribution of products.

To make sure that the money is invested in the places where it is needed most and be used best, *national and regional bank boards would include representatives of the inner-city community.* Further community participation would be encouraged through direct equity investment in the regional banks by the people themselves.

In more immediate terms, and on the basis of my review of present administrative programs, *I recommend a significant liberalization of current agency policies regarding loans and allocations for inner-city entrepreneurs.*

There is unquestionably a special risk factor involved here—for there is typically much less than usual experience and *proven* ability on the part of the private contracting party.

This means that there is special reason for administrative care in evaluating these commitments. But this should include a full consideration of the alternative risks—to the community and the country—of *not* making the investments.

I recommend specifically that the Small Business Administration liberalize its regulations in order to provide loans for a larger number of inner-city projects.

I recommend that the Department of Commerce, the Department of Labor, the Small Business Administration, and the Office of Economic Opportunity expand their present commitments to assist private companies to create inner-city subsidiaries that will be managed by local residents—especially those companies that provide for the gradual acquisition of the subsidiary by the employees or by a neighborhood corporation.

In the final analysis, however, the private sector must generate the bulk of investment capital for inner-city business development. We must, therefore, also consider a system of tax incentives that will generate the maximum degree of private investment at accelerated pace.

II. *With regard to training:*

The Manpower Development and Training Act program now concentrates particularly on teaching job skills to the unemployed or retraining persons with obsolete job skills. *I recommend that the MDTA program be expanded to provide management training where this will lead to the establishment of new businesses which will be in a position to hire the hard-core unemployed.*

The Defense Department's "Project Transition" prepares men for civilian jobs shortly before discharge from the armed services. *I recommend that this program be broadened to include training in the techniques of business entrepreneurship and managership.*

I recommend that the G.I. Bill be amended to include pay for in-the-shop training in entrepreneurship and managership, in addition to the in-the-school training in academic subjects. This will more fully meet the great debt the nation has to its veterans.

I recommend that programs be developed for assisting private business organizations, such as the National Alliance of Businessmen, to expand their programs in order to provide managerial training to residents of the inner-city.

III. *With regard to markets:*

The Small Business Administration's *"Section 8A" program* provides for the assigning of Federal Government contracts and sub-contracts to businesses owned and operated by minority groups or businesses that hire the hard-core unemployed. *I recommend the substantial enlargement of this program.*

I recommend that the procurement officers in the Federal agencies be instructed *to take the necessary steps to assure that minority firms which bid competitively be guaranteed full and equal consideration in the awarding of government contracts.*

IV. *With regard to administration:*

My review of this situation discloses an extensive overlapping of the present authority of several federal agencies in this area.

I recommend the designation of a lead agency—either the Department of Commerce or the Small Business Administration—to exercise principal authority in promoting minority entrepreneurship. This agency should also function as the single place in the Federal Government where the prospective minority entrepreneur could obtain information about the available sources of assistance. It could disseminate information about the kinds of projects that are proving successful.

The lead agency should also develop working relationships with the private foundations which are now entering this area of experimental entrepreneurial development. It is an increasingly common situation that an inner-city enterprise is funded partly by Government, partly by private business, and partly by private foundation funds.

This lead agency can be designated immediately. In the longer-term, however, and as part of America's total offensive to rescue our cities, new administrative mechanisms and technique must be developed to deliver the full resources of society in the most efficient and effective way possible. These mechanisms for techniques should draw from our growing capability for systems analysis and they must necessarily move beyond traditional categories of government, business, or foundations. *As President, I would give priority attention to developing these mechanisms with the full participation of the people and institutions involved.*

There is also need for the kind of joint public and private participation in this program which the National Alliance of Businessmen provides in the JOBS program.

Here, however, there must be full and effective—and probably controlling—participation by representatives of the minority groups. For the expressed concern about "industrial colonialism" is a very real one.

I recommend, therefore, the establishment of a National Committee on Minority Business. There is a rapidly growing "know-how" in this virtually new area of private—and human—enterprise. It is the kind of know-how that develops in the nation's inner cities before it does in Washington. The National Committee on Minority Business would be responsible for bringing these ideas and concepts to the Federal Government's attention—so that the Government can tailor its assistance to the real—not imagined—needs of minority businessmen.

The National Committee on Minority Business should also encourage members to participate in starting new inner-city businesses—often in partnership with neighborhood development corporations—and in providing technical assistance and managerial training for minority-owned businesses.

We are beginning to realize that the basic answer to the problem we created for ourselves and each other over the centuries lies in the simple idea of *self-help—self-responsibility.*

This does not mean any lessening of the *common* obligation—our obligation as a people, as a country, as a government—to join in doing what needs to be done, and to share the cost.

It does mean that we ought to seize every opportunity to promote full participation by those most directly involved—those wtih the most immediate stake—in working things out right.

It means respecting a way of doing things that makes sense to those participants . . . instead of insisting always on the majority's norms.

Finally, we must recognize that *the growth of black and other minority businesses will proceed apace with the rebirth of metropolitan areas generally.* As suburbs continue to grow economically—particularly as markets for inner-city businesses—such factors as transportation become crucial. Education and housing opportunities likewise can affect in great degree the long-term outlook for inner-city business establishments. No one can seriously believe that black development corporations, cooperatives or businesses can flourish in a racially divided society—*one which is separate and unequal. Our efforts to promote the healthy expansion of black entrepreneurship must be seen as part of a larger strategy to rescue the American city—part of a larger "Marshall Plan for the Cities."*

THE SITUATION AS IT STANDS TODAY

Most black-owned businesses are small and marginal, providing a meager income for the owners and few jobs for others. Typically, these businesses are barber shops, beauty parlors, funeral parlors, grocery stores, and other small retail or service businesses. There are also a few—very few—banks, insurance companies and manufacturing firms that are owned and operated by Negroes.

Negroes constitute 12% of the population, but—

Less than 1% of the nearly five million private businesses in the United States are owned and operated by non-whites.

Less than 3% of the 1.5 million Americans who classify themselves as self-employed are non-white.

Only 3.5% of the non-white men in the United States labor force are managers, officials or proprietors—compared to 14.2% of the white men in the labor force.

In the Watts area of Los Angeles, only 2% of all businesses are owned by non-whites. In Harlem, about 10% to 15% of the businesses are owned by non-whites.

Negro-owned businesses contribute less than 2% to the United States gross national product.

Of the 31,000 auto dealerships in the United States, six are owned by Negroes. Until recently, there was only one Negro auto dealer.

Typically, one major United States manufacturing company has 8,000 sub-contractors—not one of them black-owned.

As I said in my speech in Philadelphia on May 2 to the African Methodist Episcopal Church Conference:

"Count 40 white Americans. One is a proprietor. To find one black proprietor, count one thousand. And with rare exceptions, he is in a marginal business . . ."

THE ROADBLOCKS TO BLACK ENTREPRENEURSHIP

The Negro who aspires to entrepreneurship often faces all the predictable handicaps: poverty, poor education, defeatism, prejudice.

But in addition he specifically lacks the three major resources that are needed to become an entrepreneur in Twentieth Century America. They are: (1) Capital, (2) Training and technical know-how, (3) Markets.

Obviously, these are the three things that any program must help provide in order to promote successful black ownership of business.

The inner-city Negro has a particularly difficult time obtaining capital. Money begets money, but he seldom has the collateral to secure a loan. Negro-owned banks are few in number and relatively small in size and, as Federal Reserve Board Governor Andrew Brimmer points out, they tend to be conservative, concentrating on well-secure loans. The big, white-owned banks have few branches in Negro neighborhoods and, in these days of tight and costly money, all bankers are reluctant to risk funds on untried, untested, unsponsored borrowers.

The businessman in the slums also has difficulty in buying insurance. The National Advisory Commission on Civil Disorders surveyed about 1,500 businessmen in the poverty areas of Boston, Cleveland, Detroit, Newark, Oakland, and St. Louis; more than 40% of them complained about serious problems with insurance—it was either unavailable or available only at prohibitive cost—and more than 20% of them did not have basic fire insurance coverage. Without such coverage, it is virtually impossible to obtain credit of any kind.

WHAT IS BEING DONE

The picture today is more one of promise than performance.

There is *no shortage* of programs—public, private and combination public-private.

But it appears that the achievements do not measure up to the challenge. That is partly because the challenge is so large and partly because the programs are so new, but mostly because the people who could benefit most from the programs know so little about them. *It cannot be emphasized enough that these programs have to be more widely and vigorously publicized and promoted.*

There is so little black-owned business today that *any* real improvement in the picture would be significant. The existing programs have the potential for fostering such improvement—*if* Government officials, concerned corporate executives and leaders of the inner-city community *join* to coordinate, publicize and exploit them properly.

A brief review of the major Government and private programs:

A. Government programs

The SBA's Economic Opportunity Loan Program. Under this program, started early in 1965, the SBA can make direct loans up to $25,000 or, as an incentive for private leaders, guarantee up to 100% of such loans made by banks for up to 15 years.

The great majority of loans go to borrowers who are poor, many of whom come from minority groups. Through May 31, 1968, the SBA had made loans totalling $75,314,000 to 6,397 borrowers.

The SBA's Small Business Investment Corporation Program. While the SBICs grant credit to small entrepreneurs of all kinds, there is a new interest in helping Negroes and other minority groups. License applications are pending for five SBICs that will be oriented particularly toward Negroes. Of the applicants, two are in Chicago, two in Los Angeles, and one in Philadelphia.

The SBA's Section 8A Program. To help provide markets, the SBA can assign Government contracts to needy small businesses, provided that those enterprises are owned and operated by members of minority groups or, if not, hire the hard-core unemployed. Since January, the SBA has let six prime contracts and nine sub-contracts with a total value of about $10,000,000 under Section 8A of the Small Business Act.

The SBA's Lease Guarantee Program. I first proposed this program early in the 1950's. It was finally approved in 1966 and put into operation in 1967. So far, it has guaranteed approximately 50 leases for business tenants who otherwise would have been turned down because they lacked a sufficiently high credit rating.

The experience of this program in Miami shows the *potential* of Government programs that are publicized vigorously and managed creatively.

More than 60% of the 50 leases guaranteed so far have been in Miami, because the local administrator got the word around, and developers took advantage of the program. The developer of a shopping center learned about the lease guarantee program, spread the news to members of the Cuban refugee community, and these refugees, in turn, applied for and received lease guarantees for 26 stores that they will operate in the shopping center.

Also in Miami, the developer of children's day care centers propagated the lease guarantee program. Result: lease guarantees have been secured for five operators of day care centers—three Cuban refugees, one Negro, one white Anglo-Saxon Protestant. The centers will cater primarily (at $3 a day) to lower-income mothers, who will be able to deposit their children and go to work.

The SBA's Procurement & Management Assistance Program. This offers, among other services, management consulting by SCORE (Service Corps of Retired Executives), which has about 3,200 consultants in some 200 chapters.

The SBA's Franchise Opportunities Program. Through newsletters and public speeches by the agency's officials, the SBA tries to publicize franchise opportunities to Negroes.

The Office of Economic Opportunity's Small Business Training & Technical Assistance Program. In this program, the OEO has contracted with the National Business League (which is a Negro Chamber of Commerce) and the Interracial Council for Business Opportunities to provide training to small businessmen.

In sum, the existing Government programs provide opportunities for loans, loan guarantees, lease guarantees, markets, management assistance and management training.

B. The private sector

Private businessmen are carrying out several programs on their own.

Usually, these programs are cooperative efforts involving businessmen, inner-city community groups, and the Government. But they tend to fall into certain categories, depending on who is the prime mover.

Examples:

Groups of Negro businessmen and professional men, who band together to sponsor black-run companies.

One such group is the Green Power Foundation, Inc., in Watts.

It was founded by 153 Negroes, many of them aerospace engineers, who raised $75 each for initial capital. The Foundation then (1) leased 1,000,000 square feet of plant space from the Pacific Telephone Company for $1 a year; (2) negotiated a 60-day, $50,000 loan from the United California Bank, with 30 blue-ribbon companies acting as loan guarantors, (3) started manufacturing "Watts Walloper" baseball bats, mounted the bats on presentation plaques and sold the plaques to supporters for $10 apiece, (4) used the proceeds to pay off the $50,000 loan; (5) applied for—and I expect will receive—a $280,000 SBA loan for plant expansion.

Altogether, 72,000 Watts Wallopers have been sold so far. The company has recently secured two major contracts, and intends to diversify soon; it plans to start a bicycle plant, a trucking company and some aerospace sub-contracting companies.

So far, Green Power has 60 employees, pays them a minimum of $2 an hour, and has a waiting list of 600 job applicants. It has perhaps the world's most unusual work force: Green Power hires only people with arrest records.

The National Economic Growth and Reconstruction Organization (NEGRO), headed by Dr. Thomas W. Matthew of New York, is another example of black-controlled business corporations. Chartered in 1964 as a non-profit corporation to promote "the self-help concept among the Negro people," NEGRO now owns and operates The Interfaith Hospital in Queen, N.Y., a Chemical company, a textile company, two bus lines, a paint manufacturing company, a clothes manufacturing company and two 100-family apartments.

NEGRO's business ventures are financed by the sale of Economic Liberty bonds sold to the general public—denominations range from $.25 to $10,000—and the bonds are backed by NEGRO's $3 million in assets.

NEGRO now employs about 600 people and has an annual payroll of more than $1 million.

White-run companies that give financial and/or management help to start black-managed enterprises.

A partial listing includes Fairchild-Hiller's "Fair-Micco" Project in the Shaw area of Washington, D.C.; Eastern Gas & Fuel Co.'s real estate development project in the Roxbury section of Boston, and the E.G. & G. Company's light-metal fabrication subsidiary, also in Roxbury.

Many are small, rather experimental projects. EGG–Roxbury, for example, has employed 64 workers, also has a Negro training manager and a Negro production manager; E.G. & G. Co. holds 100% ownership of the subsidiary now, expects steadily to reduce that share to 50% in five years, then to 25% in 20 years—by awarding the stock as options.

Another outstanding example is the newly formed company named FIGHTON, in Rochester, N.Y. It will manufacture light transformers and metal stampings at a plant in the inner city and will employ inner-city residents.

This project is unique and promising for several reasons:

It is a product of a close degree of co-operation among a local Negro community organization, a local major company, and the Federal Government.

It will be wholly owned and operated by Negroes.

The company's birth was recently announced by its three patrons: Xerox, the Department of Labor and the city's Negro community organization, FIGHT.

FIGHT will play two roles: (1) it will own and operate the plant, and (2) it will provide life-skills training and other pre-employment training for men and women to enter the labor force.

Xerox will serve two functions: (1) it will provide job training for everyone in the work force—general managers, sales personnel, administrative personnel, production workers, and (2) it will guarantee a market for the company's products for the next four years—the tough-to-get-over years for any new business. The plant will manufacture parts for such Xerox products as the new 3600 copier-duplicator.

The Labor Department will help to finance some of the training services conducted by FIGHT and Xerox.

Planners from FIGHT and Xerox believe that FIGHTON will not remain a one-market company, but will develop regional and perhaps national markets with other firms, then will be able to expand to a double-shift production, with about 100 people, by mid-1970.

The extent to which such a company can develop is shown by the success of a similar firm, the Watts Manufacturing Company, a subsidiary of Aerojet General in Watts.

In the aftermath of the Watts riots in August, 1965, I met with industrial leaders in Los Angeles to explore ways to combat severe unemployment. The Aerojet General Corporation decided to attack the problem by establishing a firm in the heart of Watts, a firm that would hire residents and train them *on the job.*

When the subsidary started two years ago, its founders set as their goal for mid-1968 a work force of 100 employees and sales of $2,500,000. Watts Manufacturing has far exceeded those goals. It has 500 employees and expects by this year's end to achieve sales of $4,500,000 to $5,000,000.

The company manufactures in four product lines—textile, wood, electrical and metal products. Its business is 65% military and 35% civilian, and it is working to reverse those proportions.

COMMUNITY-SPONSORED DEVELOPMENT COMPANIES

The prime example of this is Baltimore's Council for Equal Business Opportunity, funded partly by the Ford Foundation, and directed by several dozen local bankers, businessmen and profesional men—Negro and white.

These men: 1) help to identify areas of business opportunity; 2) offer how-to-do-it training and management advice; 3) have helped form an investment company to provide risk capital. The council has started, or is in the process of putting together, 50 small, Negro-managed business enterprises—tire dealer, general contractor, shoe store, clinical laboratory, shopping center, electronic component producer, investment company, photo shop, fuel oil company, and the like.

Similar development organizations exist in New York City (Interracial Council on Business Opportunity); in Rochester, N.Y. (Rochester Business Development, Inc.); and Columbus Ohio (East Central Citizens Organization).

BOTH LIBERAL AND CONSERVATIVE PRESS ASKS THAT HEADSTART BE KEPT IN OEO

Mr. CLARK. Mr. President, a considerable number of Representatives and a surprising number of American newspapers are beginning to have very serious doubts about the wisdom of the Senate's action on July 17 approving the transfer of Headstart from the Office of Economic Opportunity to the Office of Education.

This reversal of the Senate's action last year could be a calamity not only for the Headstart program itself but for the future of the entire war on poverty. During floor discussion, I pointed out that we were handing over one of the OEO's most successful programs "to the tender mercies of States that do not want it," and exactly the same ill-considered transfer could happen to other programs. The result would be a gradual disintegration of the war on poverty and the fragmentation and scattering of its individual programs among old-line Federal agencies.

Among the many Members of Congress who see this transfer as the camel's nose under the tent has been Representative LESTER L. WOLFF, of New York, who has warned that "if this transfer does happen, it is the death knell of the poverty program. If you take the moneymaker out of the corporation, the corporation dies."

There is still time to save Headstart, to keep it within the organization where it originated, flourished, and matured. If the voice of the American people is heard, clear and strong, by the Senate and House conferees, perhaps we can undo the mistake we have made and give Headstart a new lease on life.

Meanwhile, farsighted and influential sections of the American press are beginning to express alarm at the incalculable damage that can be inflicted on this splendid program should it be torn out of OEO and thrown to an agency that will not welcome it under the conditions of the Senate amendment. These publications, it should be noted, range from the more conservative newspapers to outstanding liberal dailies. Therefore, their viewpoint on Headstart represents the broadest possible spectrum of American opinion and sentiment.

That being so, I am sure that Senators and Representatives will find most illuminating four editorials which I ask unanimous consent to have printed in the Record. They are taken from: First, the Washington Daily News, the Cincinnati Times Star, and other Scripps Howard newspapers; second, the Philadelphia Bulletin; third, the New York Post; and fourth, the Providence, R.I., Journal.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Washington Daily News and the Cincinnati Times Star]

LEAVE HEADSTART ALONE

Of all the War on Poverty programs, perhaps none has been so demonstrably successful or popular as Head Start. That's the project that gives special help to pre-schoolers in poverty areas.

While there has been reason to question the effectiveness and cost of other poverty war programs Head Start seldom has come in for anything but praise.

For this reason, it is distressing to note that there is a move afoot to shift Head Start from the Office of Economic Opportunity and throw it into the lap of the Federal Office of Education.

Head Start is more than an educational project. Youngsters also receive health and social services. Whether these "extras" would continue under the Office of Education is open to question.

Some far-out reasons have been given for transferring Head Start. Ohio's Sen. Frank Lausche supported the shift because OEO has been getting unsavory publicity out of its Chicago street gang project. What tieup there is between Head Start and a Chicago street gang is not apparent.

The best reason for leaving Head Start with OEO is because it has flourished there. Why tinker with a good thing?

Now that the Senate has voted to move Head Start, the only hope left is that a conference committee will put it back where it belongs as the White House is asking key congressmen to do.

[From the Philadelphia Bulletin]

HEADSTART SWITCH

Project Head Start, which has earned a reputation of being the War on Poverty's most successful program, is being jeopardized by an amendment to a vocational education bill just passed by the Senate.

The amendment, sponsored by Sen. Peter H. Dominick (R-Colo), has a certain surface plausibility. First, it would transfer the project from the Office of Economic Opportunity to the Department of Health, Education and Welfare's Office of Education. Second, it would transfer supervision of it from the Federal Government to the states without many strings attached.

In his haste, however, Sen. Dominick apparently failed to consult HEW. Now, both Harold Howe, commissioner of Education, and HEW Secretary Wilbur Cohen have declared that they don't want Head Start.

Secretary Cohen stated the case succinctly: the program has functioned well under OEO, and it properly belongs there because it is a comprehensive attack on poverty involving medical, nutritional, psychological and social factors, and not strictly limited to the educational.

Turning control over to the states may sound like creative federalism but, as Sen. Clark pointed out, the program has enemies (Mississippi, for example) and such a transfer would deliver it "to the tender mercies of states that don't want it." Part of its effectiveness, moreover, has been the federal standards.

The nation's impoverished pre-school children deserve better treatment. Last year's appropriations cut for Head Start was damaging enough. The amendment might be the beginning of the end.

[From the New York Post]

SUFFER LITTLE CHILDREN

If you can get to the children early enough you can save them; that's what Head Start is all about. The project has been the one substantial triumph of the troubled, strangled War on Poverty. When, three months ago, it was hinted that Head Start might be taken out of the Office of Economic Opportunity and given over to the Department of Health, Education and Welfare for parceling out to the states, Rep. Wolff (D-N.Y.) remarked in consternation:

"If it does happen, it's the death knell of the poverty program. If you take the moneymaker out of the corporation, the corporation dies."

Get the bells ready to toll. The Senate has just voted to take Head Start out of OEO and give it over to HEW—strictly speaking, its Office of Education—for parceling out to the states. Backing the measure were such disparate pallbearers as John Stennis of Mississippi, who was doing what comes naturally, and Wayne Morse of Oregon, reportedly out of pique at the shutdown of a Job Corps center in his state.

Nor did the White House intervene to stop the action, though it was begged to do so. The President's silence has been construed as attempted pacification of right wing Republicans and Southern Democrats who were out to scuttle the entire OEO.

It is a dubious strategy.

This is not a year when the House may be expected to be any more enlightened than the Senate. If the bill goes through it will also enable the states to eliminate the community and parental involvement vital to the program, particularly in the South. There's nothing like trampling on your most precious commodity—the brains of 5-year-old children.

[From the Providence Journal]

DEATH KNELL

Efforts last year to divide and conquer the federal Office of Economic Opportunity and thereby the antipoverty program were successfully resisted by the former OEO director, Sargent Shriver, and his supporters in Congress. However, Mr. Shriver is now ambassador to France and a new drive to dismantle the agency, it is sad to say, is meeting with success.

The Senate voted last Wednesday to make block grants to the states for the Head Start program and to place it under the supervision of the Office of Education. Earlier, the House approved transfer of the Upward Bound program to OE and indicated a desire to have that agency study the possibility of taking over the Job Corps. Most manpower training programs already have been moved to the Department of Labor.

If these efforts succeed, if the central direction of the war on poverty is parceled out to a variety of old line agencies whose concerns and methods of operation are not well atuned to the sociological problems of the day, the death knell of the poverty program may well be sounded.

The White House delayed four months before naming Mr. Shriver's successor, Bertrand M. Harding, and temporary title within OEO are said to be increasing. Uncertainty so permeates the agency, it would be surprising if most members of the staff were not now exploring the job market.

Sen. Peter Dominick, R-Colo., who engineered the Head Start measure, said he favors the program but he thinks the Office of Education can handle it better, but no hearings were held to determine the pros and cons. It is well known that Republicans would like to replace the Democratic administration's War on Poverty with their own "Opportunity Crusade" and shift emphasis away from innovative programs back to conventional vocational training with more involvement by state and local government and private industry.

Opponents of this plan have simple logic on their side when they point out that many of the states with the greatest need for antipoverty programs are those least likely to take the initiative if relied upon to do so. As Sen. Joseph S. Clark, D-Pa., put it, transfer of Head Start would commit the program "to the tender mercies of states that don't want it."

Commendable is Mr. Harding's pledge to fight the transfer "with all the means available to us," but the Senate's reversal of its stand last year is anything by encouraging. Mr. Harding is not Mr. Shriver, and the mood of Congress is not what it was a year ago. If OEO and the entire antipoverty program are to be saved, it will require strong leadership from the President, congressional leaders, announced candidates for the presidential nomination, and the public at large.

The brightest hope, perhaps, is that time is running out for the 90th Congress. It may be that not enough days remain, even with a short post-convention session in September, to strike the killing blow. But that's a pretty slim straw to grasp at when a program as vital to the nation's interests as this one is at stake.

SENATOR ROBERT F. KENNEDY

Mr. PEARSON. Mr. President, Miss Marguerite Mitchell Marshall, of Pittsburg, Kansas, visited my office today and submitted a tribute to the late Senator Robert F. Kennedy.

Miss Marshall expresses the feeling of many of the citizens of the State of Kansas, therefore I ask unanimous consent that her tribute be printed in the Record.

There being no objection, the tribute was ordered to be printed in the Record, as follows:

A TRIBUTE TO SENATOR ROBERT F. KENNEDY ON THE OCCASION OF HIS DEATH BY AN ASSASSIN, JUNE 5, 1968

(By Marguerite Mitchell Marshall, Pittsburg, Kans.)

This Righteous young man, during his lifetime, maintained
Open-minded views of world affairs.
His benevolent and charitable disposition toward humanity,
Enthusiastic pursuit of improving our democratic system of government, and
Reliable facts on oppression, depredation, and injustice, attest to
Truthful way of living.
He was faithful to his Country, to God, and to Man.
He did bequeath:
Kindness to our fellowman.
Energy to sustain our way of life.
National unity to build a solid world.
Nobleness of purposes.
Ethical values at all times.
Dignity of actions and deeds, and a
Yearning for a great nation.

CHEMICAL HERBICIDES FOR DEFOLIATION

Mr. CLARK. Mr. President, on July 15, 1968, I commented on certain Defense Department programs which might be decreased in order to comply with the legal obligation to reduce Federal expenditures by $6 billion. Among those was the chemical and biological warfare program which now involves an estimated $350 million per year. For its part the Air Force has requested $70.8 million for chemical herbicides to carry out its defoliation program in Vietnam.

An article written by John Maffre and published in the Washington Post of July 18, 1968, indicates that the increased demands for herbicides will require the reopening of certain industrial plants which produce the necessary agents. Thus, it seems clear that the military expects to expand their efforts in this area of warfare in the near future. Whether such activities are useful or appropriate is not at all clear. Recently the distinguished board of directors of the American Association for the Advancement of Science approved a resolution expressing its concern regarding the long-range consequences of the use of biological and chemical agents which modify the environment. Because of the deep concern by this group and others, such as the Federation of American Scientists, I recommend to Senators that a thorough examination of the chemical and biological program be made before any appropriations are approved.

I ask unanimous consent to have printed in the Record the articles "Pentagon Drafts Plants To Make Viet Defoliant" and "On the Use of Herbicides in Vietnam," the latter published in Science magazine of July 19, 1968.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, July 18, 1968]

Pentagon Drafts Plant To Make Viet Defoliant

(By John Maffre)

The Pentagon has called up a World War II TNT plant to produce 8 million gallons a year of defoliant to strip the jungle cover from the Communist forces in South Vietnam.

By this time next year, the Weldon Springs Army Chemical Plant near St. Louis will be producing huge quantities of "Orange," a herbicide the Army and Air Force need in increasing amounts for the expanding defoliation program.

Last November's high-level decision to reactivate the plant reflected not only urgent requests from Saigon, but also the need to head off a growing shortage of chemicals used for herbicides in the U.S. economy.

It cost the Defense Department over $31 million of last year's funds to provide for plant reactivation and the first 8 million gallons, and in the fiscal year just begun $70.8 million has been budgeted for herbicides.

In fact, the herbicide budget has been a mirror of the war in Vietnam: $12.5 million in fiscal 1966, $38.8 million in fiscal 1967, $45.9 million in fiscal 1968.

Military men grumble that Americans regard defoliation in Vietnam as a dirty word even if they don't mind defoliating on a smaller scale—and often with less discrimination—to keep airports and driveways tidy.

Over the past six years, the demand for the chemical compounds 2, 4–D and 2,4,5–T that go into Orange has grown so great that the civilian supply threatened to dry up. The Department of Commerce had to work out special quotas with Defense. This led to a decision last fall by former Defense Secretary Robert S. McNamara to reactivate the Weldon Springs plant. It was always Army property although the most recent user was the Atomic Energy Commission.

Overseas, the problems have been even greater. Despite the high priority that Gen. William C. Westmoreland placed on the defoliation program, every area or change of mission has to be plotted out with the government of South Vietnam and double-checked by the U.S. Embassy.

The Air Force handles the program through Operation Ranch Hand, an unglamorous and dangerous affair that makes use of one of the noisiest, most uncomfortable and yet most indestructible planes in Vietnam, the C–123.

There are more than 30 of them in the augmented squadron that spreads Orange over jungle areas from the DMZ to the Camau Peninsula in the south.

Some are such hairy missions that the lumbering C–123s are accompanied by F–4 Phantoms, the fastest planes in Vietnam, that do what they can to keep Communist heads down. Despite the fighter cover, several C–123s have been lost.

There is one major reason why the Army and Air Force need more defoliant. The tropical rate of growth is so fast that the same area must be sprayed again and again. The C–123s, with spray pipes dangling from each wing and another from their tails, drone less than 200 feet above the treetops.

Besides the heavily used Orange, Operation Ranch Hand spreads a defoliant known as White, a low-volatile formulation that tackles lower shrubbery or foliage. Then there is Blue, a herbicide for grass control and the destruction of rice crops. This is used least of all, largely because it is hard to pinpoint sheltered crop areas and even harder to fly through a hail of automatic weapons fire that grows with the rice.

If defoliation is effective to some extent in pulling the covers off the Ho Chi Minh Trail, it is even more helpful in maintaining security around large base camps and communication lines. Westmoreland pushed the program as a means of helping to save GI lives.

The Air Force wishes it had another plane for Ranch Hand, one that could carry more defoliant and spread it more efficiently than the C–123. Besides, the C–123 is no longer in production, and the Air Force wants every one it can muster for the transport role it should fill.

But there is no better plane in the Air Force inventory at the moment, so the aged C–123s will presumably keep on flying the defoliant as they have since the program began in 1962.

[From Science magazine, July 19, 1968]

On the Use of Herbicides in Vietnam

(A statement by the board of directors of the American Association for the Advancement of Science)

The serious concern of the scientific community about the consequences and implications of the use of herbicidal chemicals to destroy crops and forest vegetation in Vietnam was reflected in a resolution passed by the Council of the AAAS on 30 December 1966. This resolution stated, in part:

Whereas the full impact of the use of biological and chemical agents to modify the environment, whether for peaceful or military purposes, is not fully known;

Be it resolved that the American Association for the Advancement of Science.

(1) expresses its concern regarding the long-range consequences of the use of biological and chemical agents which modify the environment;

Pursuant to this resolution, we, the Board of Directors of the AAAS, initiated discussions with representatives of the Department of Defense regarding the use of herbicides by U.S. military forces in Vietnam. In reply to our inquiry, the Department of Defense, in a letter (29 September 1967) from John S. Foster, Jr., Director of Defense Research and Engineering, stated that:

"As you know, we have considered the possibility that the use of herbicides and defoliants might cause short or long-term ecological impacts in the areas concerned. The questions of whether such impacts exist, and, if they do, whether they are detrimental or advantageous, have not yet been answered definitively, even though these chemicals have been used commercially in large quantities for many years. Qualified scientists, both inside and outside our government, and in the governments of other nations, have judged that seriously adverse consequences will not occur. Unless we had confidence in these judgments, we would not continue to employ these materials."

We note with satisfaction Dr. Foster's statement that our government would not sanction use of these agents in Vietnam were it not confident that they have no serious long-term adverse consequences for the environment.

We have reviewed the Midwest Research Institute report entitled "Assessment of Ecological Effects of Extensive or Repeated Use of Herbicides" sponsored by the Advanced Research Projects Agency of the Department of Defense through Contract No. DAHC 15–68–C–0119, and wish to thank the Department of Defense for providing this useful compilation of the literature. We have also reviewed the commentary on the Midwest Research Institute report by a committee appointed by the National Academy of Sciences (transmitted by letter of 31 January 1968 from the president of the National Academy of Sciences to the director of Defense Research and Engineering) and the comments of a number of individual scientists whose judgments concerning this report we requested.

Our review of these documents leaves us with the conviction that many questions concerning the long-range ecological influences of chemical herbicides remain unanswered. The extent of long-term deleterious effects of the forest defoliation in Vietnam is one of these unanswered questions (1, 2)*. We do agree that the use of arsenicals on crops may have serious hazards, and we are concerned with the ultimate route taken by arsenical compounds in plants, soil, and animals. Therefore, on the basis of the information available to us, we do not share the confidence expressed by the Department of Defense (in the letter of 29 September 1967 quoted above) that seriously adverse consequences will not occur as a result of the use of herbicidal chemicals in Vietnam, insofar as arsenical compounds are concerned.

In the course of our study, we became aware of the serious concern expressed by scientists in Vietnam over long-term environmental consequences of the military use of herbicides. Extensive claims of environmental poisoning through use of these agents have been made. Because of uncertainties in available evidence on the long-term effects of such materials, such charges cannot now be answered unequivocally.

Because large-scale employment of herbicides has taken place in Vietnam, and because questions of the long-term welfare of all the people of Vietnam are of great importance to the United States and other countries, we urge that steps be promptly undertaken to initiate detailed, long-term, on-the-spot studies of the regions of Vietnam affected by the use of herbicides. If rehabilitation of lands adversely affected by these agents is required, ecological studies initiated now will be of substantial value in defining the required programs. If defoliation has produced or can produce beneficial influences on the food-producing capacity of the affected regions, these possibilities should be evaluated fully so that they can be most effectively exploited for the benefit of the Vietnamese people.

Accordingly, we urge that a field study be undertaken under the auspices and direction of the United Nations (3), with the participation of Vietnamese scientists and scientists from other countries, and with cooperation, support, and protection provided by the contending forces in the area. The study, which could well be supplemented by experimental work elsewhere, should provide a detailed environmental analysis of the long-range effects of the agents used and of the steps necessary to assure optimum future productivity of the environment for the welfare of its inhabitants.

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*Supplementary statements, indicated by numbers, appear at the end of this statement.

Further, we urge that the maximum possible amount of relevant data be released from military security, so that the scientists conducting the study may know the areas affected, the agents used, the dates applied, and the dosages employed.

We express especial concern about the use of arsenical herbicides in Vietnam, and urge that their use be suspended, if it has not already been stopped, until the ultimate fate of the degraded arsenical compounds can be more reliably determined.

We recognize the difficulties involved in the proposed field study; however, it is our hope that the feasibility of such a study may be increased as a result of the current peace talks in Paris.

Finally, we hope the recommended study can be initiated promptly and we proffer the good offices of the Association in helping to plan it and publicize its findings.

Don K. Price, *Retiring President and Chairman, Board of Directors;* Walter Orr Roberts, *President;* H. Bentley Glass, *President-Elect;* Paul E. Klopsteg, *Treasurer;* Barry Commoner, Hudson Hoagland, Gerald Holton, Mina S. Rees, Leonard M. Rieser, H. B. Steinbach, Kenneth V. Thimann, Dael Wolfle.

SUPPLEMENTARY STATEMENTS BY SOME MEMBERS OF THE BOARD OF DIRECTORS

(1) The confidence of the Department of Defense that seriously adverse consequences will not occur as a result of the dissemination of herbicides by military operations in Vietnam is unwarranted, we believe, not only with respect to arsenical materials, but also with respect to 2,4-D and 2,4,5-T. According to the Midwest Research Institute report, the latter are being sprayed in Vietnam at dosage levels about ten times greater than the levels used in domestic applications. Therefore the estimates regarding possible long-term effects that are derived from domestic experience are not applicable in Vietnam. Since, to our knowledge, there are no relevant observations in Vietnam itself, it is not possible at this time to make a reasonably accurate prediction of the long-term effects of dissemination of 2,4-D and 2,4,5-T. However, there are specific reasons to anticipate certain important hazards from the use of these herbicides in Vietnam. According to the MRI report (pages 198–200), 2,4-D inhibits the formation of nitrogen-fixing nodules in leguminous plants; plants of this type are particularly important in tropical vegetation. In addition, according to the MRI report (pages 201–203), 2,4-D and related herbicides induce serious chromosomal abnormalities in various higher plants by interfering with the mitotic apparatus that governs the behavior of chromosomes during cell division. Evidence advanced by the MRI report that these herbicides do not cause mutations in bacteria is irrelevant since bacteria lack the chomosomal apparatus which is affected by the herbicides. Hence, intensive use of 2,4-D and 2,4,5-T in Vietnam may cause widespread chromosomal damage among plants, with effects—on the genetic characteristics of the affected plants and therefore on their ecological behavior—that cannot be foreseen at this time. For these reasons, we believe that the scientific grounds for the use of herbicidal chemical weapons in Vietnam—that is, Department of Defense confidence in the judgment that they will cause no long-term effects—are not valid. Accordingly, in keeping with the precept stated in the Department's letter of 29 September 1967, the herbicide program should be stopped. Apart from the morality of the war itself, which is not at issue here, continued used of a weapon with effects that are so poorly understood raises serious moral and political questions for the U.S. government and for the American people. These ought to be carefully considered in the present national debate on the morality and political wisdom of the war in Vietnam.

BARRY COMMONER.
GERALD HOLTON.
H. BURR STEINBACH.

(2) We consider that the use of 2,4-D and 2,4,5-T for defoliation of forest cover probably represents a military device for saving lives that has an unprecedented degree of harmlessness to the environment. We consider that the material in the Midwest Research Institute report in general supports this view.

WALTER ORR ROBERTS.
KENNETH V. THIMANN.

(3) We do not agree that the Board of Directors should recommend that the United Nations assume responsibility directly for making the proposed study. While we would agree that the U.S. government should propose that the United Nations sponsor the study, we believe that in case such a course of action is not politically feasible for the United Nations, the U.S. government should reserve the option of initiating and supporting such a study through some private institution or special panel of independent observers.

H. Bentley Glass, Hudson Hoagland, Gerald Holton, Paul E. Klopsteg, Don K. Price, Mina S. Rees, Leonard M. Riesler, Walter Orr Roberts, H. Burr Steinbach, Dael Wolfle.

ELECTORAL DEADLOCK

Mr. MONDALE. Mr. President, any reader of the latest polls, be he Republican, Democrat, or Independent, cannot fail to be concerned over the very real possibility of a deadlock in the electoral college this November, one that could leave the Nation rudderless at a time of peril at home and abroad.

The pernicious effects of such a deadlock are discussed in detail this week in two very fine editorials, one published in the Wheaton, Minn., Gazette; the other in the Richfield, Minn., Sun. I ask unanimous consent that they be printed in the RECORD.

There being no objecton, the editorials were ordered to be printed in the RECORD, as follows:

[From the Richfield (Minn.) Sun]

SENATORIAL CONCERN

Sen. Walter Mondale this week warns of the possibility of a bizarre sequence of events possible under the electoral college system which could install a president who would *not* be the choice of the majority. Sen. Byrd added his weight last week, also, to the growing number of Americans concerned lest circumstance make a travesty of what we proudly point to as a democracy.

These columns on June 27 noted the advantages voters would gain through a system of national presidential primaries. Certainly before the 1972 elections action should be taken to amend the Constitution both to abolish the electorial college and institute national primaries.

[From the Wheaton Gazette]

HOW ABOUT ONE MAN, ONE VOTE?

The Democratic way is one man, one vote! This, at least, is what the rural segment of America has been tossed to refute its objections to a continued loss of representation over the past several years because of realignment.

But the logic doesn't quite stand up under close study if you care to consider so inconsequential a matter as the election of a President of these United States.

Lawmakers are rather concerned today because of the gain in strength being shown by George Wallace as a third party candidate for President. As one senator pointed out this week, the Electoral College system of choosing a President could break down this year simply because of Wallace. If this were to happen, it would be the first time since 1824.

Before going into the matter, it may be well to explain just how the Electoral College functions, in the event that you've forgotten your textbook explanation. Each state gets one "elector" for each Senator and Congressman from that state. The electors are required to cast their ballots for the presidential candidate who received the most votes in their respective states. Thus, whichever candidate gets the most popular votes in Minnesota, that candidate gets all ten Minnesota Electoral College Votes.

The winning candidate is that one who gains a 270 vote or more majority of the 538 electoral votes.

In a letter this week, Senator Walter Mondale points out that Wallace could possibly carry a number of states in the November election, and if he were to do so, he could toss the Electoral College into a deadlock in that no candidate could receive the required 270 vote majority. Senator Mondale points out that Wallace has already made the statement that should this occur, he would try to swap his electoral votes to one of the major party candidates in exchange for a voice in policy—and as the Senator puts it, "If he succeeded, we would face the unhappy situation of George Wallace choosing our next President.

If this situation arose, but with both major party leaders refusing to deal with Wallace, the Presidential election would go to the newly elected House of Representatives—and this would create more problems.

The biggest roadblock would be that no President could be named until Congress reconvened, and this would not come until at least January 3. In addition, the Constitution provides that each state would get one vote—which would mean that Delaware's one Congressman would have as much to say about naming the President as Minnesota's eight.

And finally, it is even possible that no man could be named President. This could occur because the Constitution states that a candidate must get a majority of the House votes—which is 26. Now under present House rules, a state can lose its vote if the representatives from that state fail to reach a majority decision. In Minnesota, for instance, with eight Congressmen, if they split four and four, Minnesota would lose its vote. If this happened in enough states, it is even possible that no candidate would gain the necessary 26 votes.

The Senate would select the Vice President, and this would be no major problem, but if a new President were not named by January 20, the Vice President would then take over as acting President. And he would hold that office until the House did pick a President.

This could really result in a lulu of a situation. As Senator Mondale points out, it is even possible for a Vice President named by the Senate to go into the White House as acting President, later to be replaced by a House-elected President—and the net result could well be that the two men, President and Vice President, could be from different political parties.

That such a sequence of events could take place is highly unlikely, but not entirely impossible.

And in any event, the Electoral College today is not a true representation of the voice of the people. Twice already a man has won the popular vote of the nation, but has lost the Presidency in the Electoral College.

The Electoral College system of naming a President is a horse and buggy structure which served its purpose in days of relatively small population, and slow communication. It is not a useful tool in the space age.

Senator Mondale suggests that well before 1972 Congress should initiate a Constitutional amendment abolishing the Electoral College and providing for election of our President by nationwide popular vote. And we wholeheartedly agree!

THE 15TH ANNIVERSARY OF THE SMALL BUSINESS ADMINISTRATION—A MILESTONE FOR FREE ENTERPRISE

Mr. MORSE. Mr. President, this year will be marked by two anniversaries: today, July 30, is the 15th anniversary of the Small Business Administration, and August 21 will be the 10th anniversary of the Small Business Investment Company Act. These dates deserve to be celebrated by businessmen and small communities from coast to coast, and to be recognized here in the Senate as milestones in the development of the free enterprise system.

By way of history, small business institutions had their beginnings in an effort to utilize the capacity of small factories during World War II. This resulted in the establishment of the Smaller War Plants Corporation in mid-1942. By the time the SWPC was abolished in 1946, its 3½ years of activity helped small firms obtain about 54,000 prime Government contracts valued at over $6 billion, and made loans and leases of approximately $½ billion.

During the fighting in Korea, Congress again created a similar organization called the Small Defense Plants Administration, which provided some three-quarters of a million dollars in assistance in the form of contracts, loans, and a limited amount of technical assistance.

These experiences made it increasingly clear that small firms were making a vital contribution, not only to the defense effort, but to the basic economy as well.

Today there are about 5 million small businesses across this country. They provide fully half of all the jobs in our economy and produce 40 percent of the Gross National Product.

CHANGES IN THE U.S. ECONOMY

It seems to me also that these businesses on Main Street felt, before the general public realized, that the nature of our economy was changing. With a population approaching 200 million, separated by great distances and susceptible to national advertising, and with the onset of the new technology, the American economy, especially since World War II, has been putting a premium on king-sized business. Through a combination of these and other factors, many industries were coming to be overshadowed by a few giant firms. The automobile, locomotive, and turbine industries, where two or three companies account for about 97 percent or more of the output, are the most salient examples.

Between World War II and 1958, the gross national product doubled, and in the past 10 years it has doubled again.

The figures developed by the Census Bureau and the Federal Trade Commission indicate that, between 1950 and 1965, the 200 largest corporations increased their share of productive assets from 46.7 to 55.4 percent. The 100 largest corporations increased their share of assets from 38.6 to 45.4 percent. Furthermore, the 10 largest corporations possessed a greater total of productive property than did the 400,000 smallest.

IMPACT ON THE AVERAGE BUSINESSMAN

As a result of this increasing scale of our financial affairs, as well as the increasing concentration, the ordinary businessman felt that it was becoming progressively more difficult to achieve success with a small business at any stage. Whether the problems involved the establishment of a company, or its early expansion, or later growth, or transition to permanent health and independence, ordinary owners of firms felt the increasing complexities and pressures of the modern era. The needs for capital, management, and every kind of expertise continued to grow in proportion to the numerical indicators.

Against the current of these trends, it was impressed upon the Congress over and over again that the contributions of our small businesses were invaluable in keeping American industry dynamic, competitive, and attuned to the desires of the consuming public, as well as the needs of national security.

SMALL BUSINESS AS A SOURCE OF PROGRESS

In the field of innovation, for example, the following are some of the contributions of independent inventors and very small companies in recent years:

The helicopter, by Igor Sikorsky, Heinrich Focke, and Juan de la Cierva;

Titanium metal, used in high performance aircraft, developed by W. J. Kroll;

Jet engines by Frank Whittle and Hans Von Ohain;

Automatic transmissions, by H. F. Hobbs; and

Catalytic cracking of petroleum, by Eugene Houdry.

In the field of health, we live longer because of the following discoveries:

Insulin, by Frederick Banting;

Streptomycin, by Selman Waksman; and

Penicillin, by Alexander Fleming.

Polio vaccine, by Jonas Salk.

And we live life more comfortably because of these others:

Air conditioning, by Willis Carrier;

Polaroid cameras, by Edwin Land;

The Xerox process, invented by Chester Carlson;

Self-winding wristwatch, invented by John Harwood;

FM radio, invented by Edwin Armstrong;

Dacron polyester fiber, invented by J. R. Whinfield and J. T. Dickson; and

The zipper, invented sometime earlier by Whitcomb Judson and Gideon Sundback.

An intensive study by the U.S. Department of Commerce published in 1967 indicated that, despite the approximately $100 billion spent on research and development in this country in the past two decades, much of it by big business with advanced facilities and organized teams of professionals, more than half of the technical and business innovations in our country are still coming from individual inventors and very small companies.

AS A SOURCE OF GROWTH

The innovative companies have, of course, been growth companies. Such companies as Polaroid, Xerox, and the Tektronix Co., of Oregon, which are based on inventions such as I have described, grew at a rate of five to 10 times that of the GNP over the last 20 years. Thus, starting as relatively small businesses, these companies have come of age and have contributed widely to employment and economic opportunities throughout this country, and even overseas.

There is another, and geographic, factor of importance. In these days of increasing emphasis on the need for rural-urban balance, it is well to recall that 95 percent of all businesses in the United States are small business. They are the nucleus of small- and medium-sized communities in every part of the country. Their success is transmitted through the banks, the utilities, and all of the other institutions in an area in a relationship of mutual benefit.

AS AN OUTLET FOR THE ENTERPRISING SPIRIT

Last, and probably most significant, the independent company provides an outlet for the vision, hopes, and energies of 1 out of every 10 families. A recent nationwide survey conducted by the Bank of America indicated that more than half of the owners of small businesses rated job satisfaction as the prime factor in their vocation, with money being mentioned first by only 27 percent. If these individuals did not have a small business environment available to them, their choices would be limited to working for a big corporation, a big government organization, or some other large and highly structured institution where their freedom of action and opportunities for advancement would be correspondingly reduced.

The smaller business community has thus traditionally been a source of self-reliant, venturesome, and independent citizens. It is a resource that our country could neglect only at great peril, not only to our economic system, but eventually to our political liberties.

THE CONGRESSIONAL MANDATE

It is in this context that the founding on July 30, 1953, of the Small Business Administration as a spokesman and a guardian for the Nation's small business firms and entrepreneurs takes on its true significance. The language of the Small Business Act of 1953 is as follows:

> It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise . . . and strengthen the overall economy of the Nation.

It was created as an independent administrative body, with its chief executive officer reporting directly to the President. Fortunately, SBA became an instant success. To a considerable extent this was because of Wendell Barnes, now of Portland, Oreg., who brought outstanding qualifications and abilities to his positions, first as General Counsel, then Acting Administrator and finally as Administrator. Mr. Barnes headed the Agency for longer than any other man, from October 31, 1953, until November 1, 1959, and layed a sound foundation for further development. Others who have served with distinction in this position have been: Phillip McCallum, 1959 to 1961; John Horne, 1961 to 1963; Eugene Foley, 1963 to 1965; Bernard Boutin, 1965 to 1966; and Robert C. Moot, 1966 to August 1968.

The present Administrator-designate, Mr. Howard Samuels, has already completed one distinguished career—in business—and shown a lively dedication to another—in the public interest. I am confident that he will carry these traditions into the future.

The experience of the early 1950's led Congress to consider and enact the Small Business Investment Act of 1958, which again pioneered in the field of business-Government cooperation in furnishing equity and venture capital funds which banks cannot supply to financial markets. Under this legislation, more than 500 SBIC's have made some 28,000 investments in and loans to companies with unusual promise and unproven earning capacity. Their borrowers have responded by growing many times more rapidly than the overall economy, providing nearly 12,000 jobs, generating additional taxes, and quickening the entire pulse of our business and financial communities.

THE "FOUNDING FATHERS"

In my judgment, the list of far-sighted Senators responsible for putting these 2 pieces of legislation on the statute books should be read as an honor role of the free enterprise system: the Senator from Alabama [Mr. SPARKMAN], who assumed the chairmanship and leadership of the Senate Select Committee on Small Business in 1950, is probably the man who has had most to do with SBA's founding and progress over the years. Other principal supporters included: the then-Senator from Minnesota, Vice President HUBERT H. HUMPHREY, the present hardworking chairman of the select committee, the Senator from Florida [Mr. SMATHERS], the Senator from Nevada [Mr. BIBLE], the Senator from Alaska [Mr. BARTLETT], and the Senator from Louisiana [Mr. LONG], as well as the Senators from Massachusetts and New York [Mr. Saltonstall and Mr. JAVITS], who have been the longtime ranking minority members of the select committee, and who have been responsible in the Senate for a completely bipartisan and constructive approach to small business problems. Special mention should also be made to the then-Senator and majority leader, President Lyndon B. Johnson, who played a key role in encouraging and guiding the SBA and SBIC Acts through the Congress.

I have been privileged to be associated with these efforts since my early days in the Senate in the mid-1940's, and as a member of the Select Committee on Small Business since 1955.

THE SBA RECORD

These years have been years of unusual effort, alert action, and of continued success for SBA. In the 1960's, they have been years of ever-increasing activity as the Small Business Administration has grown in stature and the tempo of its work has been speeded up to match the growth of our economy and the needs of our people.

During the past 15 years, SBA has made a total of 85,285 business loans totaling $3.8 billion to small firms, about 48,000 of them in the last 5 years.

In times of trouble, it has been on hand to make 74,102 disaster loans for $648.4 million, with 70 percent of these being in the past 5 years.

Where small communities needed to bring in industry, the Small Business Administration has made 1,805 local company development loans totaling $375.5 million, with 82 percent coming in the past 5 years.

To assure a fair share of Government contracts to small companies, the "set-aside program" operated to bring an aggregate of $19.2 billion in procurement awards to small businesses that mean a great deal to the individual small companies which obtain these awards.

In order to give small businessmen the advice and special information that must be coupled with loans, and is often even more vital than financial assistance, over 41 million management publications have been distributed. More than 11,000 courses, conferences, and workshops have been conducted, with 452,500 attending these sessions. To bring even more of SBA's advice down to the level of the individual factory or store, a total of 565,184 small businessmen received individual management counseling from SBA since 1960.

VALUE TO OREGON

Shortly after the act was passed I worked to give unrestricted loan and other authority to the Portland office of SBA. Some of the figures for loans in my home State of Oregon from that office over the years are as follows:

	Number	*Amount*
Regular business loans	10,033	$56,176,000
Community development loans	18	2,904,000

Loans of other types have amounted to almost 600, including disaster loans of almost $7½ million. This level of activity is a good indication of the consistently fine work done by Albert Lofstrand, the regional administrator in Portland, and has been of direct assistance not only to businesses receiving this aid but to their towns and cities all across the State.

ADAPTING TO CHANGE

The national Small Business Administration, during its first 15 years, has demonstrated capacity to develop and adapt to changing conditions. In 1963, under the guidance of the Congress, it developed a program for encouraging subcontracting by the major Government prime contractors. Working under this program with 39 prime contractors, some $4.1 billion was subcontracted to small companies in fiscal year 1967. The program is now being practically doubled to include the top 75 prime contractors.

In 1964, SBA undertook the development of the Economic Opportunity Loan program for disadvantaged businessmen who could not qualify under the Agency's regular loan standards. In 1965, the Agency developed the SCORE program to mobilize the services of retired executives to bring their accumulated wisdom home to small businessmen in counseling sessions. In 1967, SBA, in cooperation with the Commerce Department, reentered the field of export assistance in response to the Nation's serious balance-of-payments difficulties.

This is good and ample evidence that the Small Business Administration will continue to grow and change in the future as social, economic, and technical conditions change, while reaffirming its basic purposes and commitments to the free enterprise system.

WHAT SBA HAS MEANT

In return, we in the Congress have nurtured the SBA, supported its initiatives, and fought for its independence when it has been threatened. We have done so because the small business community, and the entrepreneurial impulse, is the heart of the free enterprise system. Its preservation and expansion thus do credit to the precepts that we as a nation value most highly.

Some years ago, the U.S. Information Agency set up an exhibit on the Small Business Administration program which was shown in many Embassies and information centers around the world as a reflection of these values. I feel that the story told by this display must have struck a sympathetic chord, particularly in nations which are struggling to develop business and industry from small beginnings.

Mr. President, the Small Business Administration and its related institutions, such as Small Business Investment Companies, provide an anchor for an open economy in this country and even beyond this country. It is not only a tangible helping hand, but a visible symbol of the determination of the United States Government—both the executive branch and the Congress—to resist the drift toward corporate giantism and to keep the channels of business open to enterprising and independent men who will continue to be the backbone of our communities across the country and of our free enterprise and democratic systems.

The development of American business, within these institutions, has sustained our economy in good times and bad and has given our citizens living standards and economic opportunities probably unmatched at any time in any other place.

Mr. President, on its 15th birthday, I salute the Small Business Administration for its historic contributions to this process, and wish SBA many more decades of high endeavor and enduring achievement.

FOUR MILLION HUNGRY U.S. CHILDREN

Mr. CLARK. Mr. President, the American people are perhaps the most altruistic and generous people known to history. The record shows that for 100 years or more Americans have responded with quick and magnanimous sharing whenever the peoples of other lands have been victimized by such calamaties as famine, floods, and fire. The hungry, the homeless, and the destitute—countless millions of them—of Europe, Asia, and Africa have been the beneficiaries of our heartfelt assistance.

We have helped these millions of unfortunates from our own pockets as individuals and we have aided them through our Government as taxpayers. Over these many decades of succor to our fellow humans in need, the American people have proved time and time again that they are indeed their brother's keeper.

We are now engaged in a great war to abolish poverty for once and for all from the face of our most affluent and abundant of all lands. If we succeed our achievement could be an inspiration and an example for the rest of the world.

Moreover, if we do succeed, it will mean that America will be in a far more favored position than ever before to help our less fortunate global neighbors and assist in many ways the millions of people who, throughout their entire lives, wake up hungry in the morning, remain hungry during the day and go to bed hungry each night.

But there is so very much to be done before we eradicate poverty and hunger and malnutrition in the United States. There are at least 28,000,000 or more impoverished Americans still living among us today.

There are, I am saddened to say, 4,000,000 or more hungry American children. This shocking figure, an appalling picture of millions of American tots and youngsters waking up and going to bed hungry each day like the other millions in Asia and Africa, becomes even more shocking and appalling in view of our action in the U.S. Senate in slashing in half—from $100,000,000 to $50,000,000—the amount authorized by the House of Representatives for free or very inexpensive meals for needy schoolchildren.

Because there is still time to undo the damage this action can wreak on 4,000,000 innocent and defenseless children, I wish to bring to the attention of Senators a trenchant and meaningful editorial on this subject published in the New York Times on July 26. I ask consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 26, 1968]

HALF A LOAF

A couple of months ago when his department was under intense fire for failing to provide more food for the hungry, Secretary of Agriculture Freeman complained that he was hamstrung by a shortage of funds.

"Time and time again when the poor cried for a full loaf of bread they were forced to settle for a half because the public support to fund anti-hunger campaigns was weak or nonexistent," Mr. Freeman told the House Labor and Education Committee.

Last week, the poor were handed half a loaf again when the Senate cut to $50 million a $100 million House authorization to provide free or reduced-price meals for needy school children. One argument used to support the Senate reduction was a letter from Secretary Freeman saying his department could spend no more than $50 million on expanding the program this year.

Surely, the United States can do better to help an estimated four million hungry children whose needs are not now being met. Surely, House conferees .will fight for the higher sum—and they should do it soon so there will be as much time as possible for Secretary Freeman and local school authorities to prepare the necessary programs.

BIAFRA

Mr. MONDALE. Mr. President, although Biafra is one of the richest areas in all of Africa, 2 million of its citizens are suffering from hunger. Food is stockpiled nearby, but satisfactory political arrangements for its delivery have not been reached. Meanwhile, 1 million children face death by starvation before the end of August.

The risky nighttime airlift from Lisbon brings in only a trickle of food and medicine. The Red Cross has halted its mercy flights because of technical difficulties. The Biafrans, who fear poisoning, refuse to accept food brought through unprotected land corridors, and the Nigerians refuse to allow food to be flown to Biafra, even if given the opportunity to inspect the cargo before delivery.

There is no longer time to argue about the means of inspection and transportation. Food must now be taken into the area by a massive air and sea lift and by overland relief columns. The death of thousands, most of them protein-starved children, will continue each day until the United States abandons its cautious approach based on the niceties of political nonintervention.

I urge the Nigerian and Biafran Governments to accept the establishment of demilitarized land, sea, and air corridors for the shipment of food both to Biafra and to the neighboring territories under Federal control.

I believe that the United States can assist by endorsing and seeking the immediate implementation of an internationally policed demilitarized zone.

The United States can offer food, with suitable guarantee to the Nigerian Government that no arms will be included in the shipments and to Biafra that food shipments will be internationally supervised.

The United States can make available both food and transportation facilities to neutral, international agencies and charitable relief organizations.

Mr. President, I ask unanimous consent that an article entitled "In Biafra, Death by Famine Strikes Everywhere," published in today's New York Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN BIAFRA, DEATH BY FAMINE STRIKES EVERYWHERE—RELIEF AIDES INSIST MASSIVE FOOD AIRLIFT IS THE ONLY HOPE FOR SALVATION

OBINZE, NIGERIA, July 29.—Statistics on the food crisis here in the secessionist republic of Biafra pall before the onscene, everyday reality of death.

Death strikes everywhere—in hospitals, in mission stations, even by the roadside. At the Okpala Mission 80 miles west of here, the Rev. Ken Doheny is close to weeping as 7,000 children assemble at dusk, their bony hands outstretched.

"They used to come here every night for a little soup—milk or beans," he reports. "Now we have nothing left. This is a children's war. They're all doomed, the lot of them."

Relief workers here believe that only a massive airlift of food, so far blocked by politics and pride can save the people of Biafra from the starvation that now appears rampant.

JUST A TRICKLE SO FAR

Just a trickle of food and medicine has reached this breakaway region of Nigeria aboard blockade-running planes landing at night. It has been a drop in the bucket.

So far, the Nigerian Government in Lagos has refused to authorize planes to fly direct to Biafra by day, but has said that it wants a land corridor into Biafra from Enugu, north of the front line.

Asked about the death toll, Dr. Herman Middlekoop, an official of the World Council of Churches, say: "This week I just can't give a figure. It's accelerating every hour. It's a desperate situation. That's all I can say."

On the roadside near this muddy little junction town in southern Biafra, eight old women sit motionless in the rain, too weak to walk. A ninth woman, who is cradled on the arms of her friend, is dead. But her friend keeps talking to her as if she were still alive.

Nearby, a man buries his three-year-old daughter in a drainage ditch, using his hands as a shovel to scoop out a grave in the mud. They are all refugees along this road. Most are on foot. A few are on bicycles. Some push handcarts piled high with furniture and bedding. There are more than 10,000 on this road alone, fleeing before Nigerian troops slicing north in an attempt to seize Biafra's last airfield near Owerri.

The same refugee exodus can be witnessed in almost every sector near Biafra's front line, where fighting continues unabated despite forthcoming peace talks in Addis Ababa a week from now.

Biafra's nearly one million refugees are not the only ones dying from lack of nutrition. Death is also stalking settled villagers and townspeople. For many of them cannot afford the high price of what little protein-producing food is still available. In the village market here a goat's leg sells for $12. A scrawny dog can be bought whole for $35 and rats bring 35 cents a pound.

Relief agencies here believe the Biafrans need a bare minimum of 200 tons of food a day to survive. The job could be done, experts say, with two American Air Force C–130 transports, flying daylight shuttles from the offshore islands of Fernando Po and Sao Tome, where more than 2,000 tons of food have stacked up. And more is on its way.

The Lockheed C–130, specially designed to land heavy loads on short trips, has already proved itself in flying relief to remote strips in the Congo and has become the main cargo plane in Vietnam.

But Nigeria and Biafra are still stalemated over which shall control the flow of relief. Biafrans have rejected the land corridor on the ground that it would be taking food directly from the hands of the enemy.

Instead, the Government here has suggested that planes land in Enugu, where the Nigerians could inspect the cargo. The planes would then fly on to Biafra. But late yesterday, a federal Government spokesman dismissed this proposal.

RED CROSS FLIGHTS HALTED

GENEVA, July 29.—The International Committee of the Red Cross announced today that its mercy flights of medical and food supplies to Biafra had been halted by technical difficulties.

Top officials of the all-Swiss committee declined to expand on the announcement at a news conference except to say that the difficulties concerned arrangements for landing in the territory of the rebel region of Nigeria.

Only last week the committee dispatched a chartered four-engine plane from Geneva to continue the shuttle from Fernando Po, a Spanish island off the Nigerian coast, to the encircled Biafrans, who have been at war with the federal Government for over a year.

A total of 16 flights were flown since the start of the aid operations last April, but Roger Gallopin, an executive director of the humanitarian agency, stressed that the air transport of emergency relief supplies from Fernando Po had always been considered to be "only a temporary and precarious arrangement."

Only the opening of a land corridor through the fighting lines would permit food supplied to reach the famine-stricken Biafrans "in sufficient quantities to meet the needs," Mr. Gallopin said.

ISSUE LEFT OVER

The Red Cross official declined to attempt to estimate the number of deaths resulting from starvation in Biafra. But he said that of the eight million people in the cut-off Biafran territory about two million were known to be suffering from hunger.

Samuel A. Gonard, the committee president, said that the failure to reach agreement on the opening of a relief corridor at last week's preliminary peace talks between Biafra and Nigeria in Niamey, Niger, was very regrettable. More people will die from starvation because the issue was left over for the full-scale peace conference that is to open in Addis Ababa, Ethiopia, by Aug. 3, he said.

The red cross officials said that three advanced depots near the Biafran-held territory were being stocked with 3,400 tons of emergency supplies for transport into Biafra whenever a mercy corridor is opened.

A further 12,000 tons of relief supplies are en route for Nigeria, with 7,500 tons earmarked for Biafra, they said.

The Nigerian relief action was described by the Red Cross officials as their most important undertaking since World War II. An appeal by the committee last week for Swiss truck drivers and mechanics, radio operators and medical workers to volunteer for duty in Nigeria had already brought 1,000 offers, they said.

REPEAL OF SECTION 315(a) OF COMMUNICATIONS ACT OF 1934

Mr. HARTKE. Mr. President, the editorial section of yesterday's Washington Post contained a well reasoned statement entitled "Preconvention TV Debates." I quote from the first paragraph of that editorial:

> This would be a good year to inaugurate television debates between the leading contenders for the presidential nominations of the two parties.

Let me say in response to that editorial that any year would be a good year to inaugurate such debates. Back in 1959, I introduced legislation to temporarily suspend section 315(a) of the 1934 Communications Act, and it was passage of that bill which made possible the historic Kennedy-Nixon television debates. I had said at the time and I still believe that any law which has to be temporarily suspended is a poor law and should be stricken from the books. However, many Members of Congress and the majority of the FCC were not ready to take that complete action, and as a consequence, section 315(a) was only temporarily suspended with the understanding that further action would be taken if debates were found to serve a valuable public purpose.

Those who remember the 1960 debates will agree that the candidate exposure which television affords is of genuine service to the electoral process. Accordingly, I have reintroduced this session two bills regarding section 315(a); one which would repeal altogether this bothersome law, and one which would again temporarily suspend section 315(a) for the 1968 general election. Once again, Members of the Senate and a majority of the Senate Committee on Commerce opted to suspend section 315(a), rather than to repeal it altogether. The measure passed both the Commerce Committee and the full Senate, and was referred to the House of Representatives. Regrettably, progress in the House is at best uncertain; action does not appear to be forthcoming at the present time.

Mr. President, the airwaves are public property, and I do not feel that Members of Congress should prohibit the use of those airwaves when obvious public benefits are forfeited as a consequence. The health of our electoral system rests in large measure on the quantity and the quality of public information which can be made available to the average voter. There is no better way to generate this information than through free and open debate between the candidates, and there is no better way to bring these debates to wide public attention than through the medium of television.

Eventually, I would hope that party nominations as well as the final presidential election could be preceded by open TV debates between active candidates. For the present, however, debates between the respective party nominees will represent a significant achievement. Accordingly, I am hopeful that the House will take affirmative action on the suspension of section 315(a) so that the upcoming campaign can be conducted under the best possible circumstances.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRECONVENTION TV DEBATES

> This would be a good year to inaugurate television debates between the leading contenders for the presidential nominations of the two parties. Since the Republican National Convention will be held first, the process ought to begin with a confrontation between Richard Nixon and Gov. Nelson Rockefeller. Both have been invited to appear on "Meet the Press" next Sunday just before the Convention opens at Miami, but this will not be equivalent to a full-fledged debate.
>
> Some kind of verbal bout between Vice President Humphrey and Senator McCarthy, before a nationwide television audience, now seems to be assured before the Democratic National Convention in Chicago. This fact should weigh heavily in favor of a similar contest between the leading Republican candidates. Governor Rockefeller is willing because such public exposure would be a distinct advantage to himself as well as to his party. Mr. Nixon has declined because he does not wish to share with his opponent the stronger limelight beating upon his front-running position. But if he is as far ahead as his spokesmen claim this appears to be an especially ungenerous posture that will work to the disadvantage of his party in November.
>
> On the Democratic side, Senator McCarthy seems to be getting some advantage out of his strong TV-debate position. The Senator from Minnesota accepted the proposal of the networks for a series of debates with the Vice President beginning on July 27 or 28. His preference is for one session on foreign policy, one on economic problems featuring inflation and one on governmental processes and the function of the Presidency. Certainly this would not be too much if the two leading Democratic candidates are to explore their differences in any depth for the benefit of the electorate.
>
> Although the Vice President is willing to debate, he is said to prefer only one face-to-face contest with Mr. McCarthy in the week before the Democratic convention. The reason for this reluctance is as obvious in his case as in Mr. Nixon's, but it is nevertheless awkward for a great exponent of free public expression and a highly skilled practitioner of the art to take so restrictive an attitude when his own bid for the Presidency is at stake. This newspaper would like to see a full exploration of the issues within both the major parties before nationwide TV audiences.

THE IMPENDING RETIREMENT OF REPRESENTATIVE HORACE R. KORNEGAY, OF NORTH CAROLINA

Mr. JORDAN of North Carolina. Mr. President, when the 91st Congress convenes next January, familiar faces will be missing both in this Chamber and in the House.

One of them will be that of Representative HORACE R. KORNEGAY, who is returning to private life at the end of this year, after serving four terms from North Carolina's Sixth District.

His departure will have a special significance for me because he has been not only a helpful and valued colleague of mine here for the past 8 years, but actually my own Representative because he represents my own home district.

There is abundant record that he has represented it ably and well and with complete dedication to the interests not only of his own people but of those of the State and country as well.

He has served with unique distinction as a member of the Committee on Interstate and Foreign Commerce and the Committee on Veterans' Affairs and has displayed a legislative talent reflecting credit to the entire North Carolina delegation in Congress and to the State.

There is ample evidence of the high regard in which he is held by his colleagues. A few days ago, more than 70 of them joined in a formal tribute to him on the House floor.

Recently, in Burlington, the residents of Alamance County demonstrated their respect and affection for him with a special gift and salute in which his predecessor, former Representative Carl Durham, had a part.

Congress, his State and, his district will sorely miss the services of HORACE KORNEGAY. So will I.

FOREIGN ASSISTANCE ACT OF 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. (Mr. Hart in the chair). The bill will be stated by title.

The Bill Clerk. Calendar No. 1463, H.R. 15263, a bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

DISCIPLINARY ACTION AGAINST CERTAIN EMPLOYEES IN THE POSTAL FIELD SERVICE

Mr. MONRONEY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 15387.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MONRONEY. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. Monroney, Mr. Yarborough, Mr. Randolph, Mr. Fong, and Mr. Boggs conferees on the part of the Senate.

SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

Mr. SPARKMAN. Mr. President, I yield such time as he may need to the Senator from Pennsylvania [Mr. Clark].

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Pennsylvania will state it.

Mr. CLARK. Is there pending business before the Senate?

The PRESIDING OFFICER. The Senator is correct. The unfinished business is the Foreign Assistance Act of 1968.

Mr. CLARK. I thank the Chair.

Mr. President, I ask unanimous consent that the pending business may be temporarily set aside in order that the Senate may proceed to the consideration of Calendar No. 1394, Senate Resolution 281, to establish a Select Committee on Nutrition and Human Needs.

The PRESIDING OFFICER. Without objection, the resolution will be stated by title.

The Legislative Clerk. Senate Resolution 281, to establish a Select Committee on Nutrition and Human Needs.

The PRESIDING OFFICER. Is there objection to the request of the Senaor from Pennsylvania?

There being no objection, the Senate proceeded to consider the resolution which had been reported from the Committee on Labor and Public Welfare, with amendments, on page 2, line 5, after the word "under" insert "the following" in line 6, after the word "laws," strike out "including"; in line 8, after the word "the" where it appears the first time, strike out "Tariff" and insert "Agricultural"; in the same line after "1935" strike out "the Office of" and insert "the Agricultural Act of 1949, Emergency Food and Medical Services Amendment to the"; in line 10, after the word "Opportunity" strike out "Food Assistance"; in line 11, after the word "Act" strike out "the school lunch" and insert "the Food Stamp Act of 1964, the National School Lunch Act of 1946"; in line 13, after the word "child" insert "aid, medical assistance," in the same line after the word "relief" strike out "commodity"; in line 14, after the word "food," strike out "fiber," and insert "medical"; in line 15, after the word "other" insert "related"; on page 3, line 1, after the word "and" where it appears the second time, strike out "three" and insert "two"; in the same line after the word "and" where it appears the third time, strike out "two" and insert "one"; in line 3, after the word "Senate" strike out "without regard to committee assignments," and insert, "from other committees,"; in line 4, after the word "the" strike out "unmet" and insert "food, medical, and other related"; in line 6, after the word "Senate" insert "and terminate its activities"; in line 10, after the word "food," strike out "clothing," and insert "medical assistance," and in the same line, after the word "other," insert "related"; so as to make the resolution read:

Resolved, That the President, the Department of Health, Education, and Welfare, the Office of Economic Opportunity, the Department of Agriculture, the Bureau of Indian Affairs, and any and all other agencies with applicable authorities shall use to the fullest possible their authorities under the following existing laws, the Elementary and Secondary Education Act, the Johnson-O'Malley Act, section 32 of the Agricultural Act of 1935, the Agricultural Act of 1949, Emergency Food and Medical Services Amendment to the Economic Opportunity Act, the Food Stamp Act of 1964, the National School Lunch Act of 1946, and all other authorities for child aid, medical assistance, and relief programs, to meet immediately the food, medical, and other related basic needs of the Nation's poor to the fullest extent possible; and be it further

Resolved, That there is established a select committee of the Senate composed of three majority and two minority members of the Committee on Labor and Public Welfare, three majority and two minority members of the Committee on Agriculture and Forestry, and two majority and one minority Members of the Senate appointed by the President of the Senate, from other committees, to study the food, medical, and other related basic needs among the people of the United States and to report back to the Senate and terminate its activities not later than the opening of the 91st Congress legislation necessary to establish a coordinated program or programs which will assure every United States resident adequate food, medical assistance, and other related basic necessities of life and health: *Provided further*, That the select committee shall recommend to the Senate appropriate procedures for congressional consideration and oversight of such coordinated programs.

Mr. CLARK. Mr. President, 1 year ago the Senate Subcommittee on Employment Manpower and Poverty of the Committee on Labor and Public Welfare conducted 2 days of hearings in response to a growing body of evidence that hunger and severe malnutrition existed in certain parts of the United States. Those hearings documented that hunger did in fact exist, although the geographical focus of the problem was blurred when one looked beyond the delta area of Mississippi.

Recognizing the need for congressional response to such a national issue, 39 Senators of both parties cosponsored Senate Resolution 281, introduced by Senator George S. McGovern, calling for the establishment of a select committee of the Senate to report back to the Senate not later than the opening of the 91st Congress the "legislation necessary to establish a coordinated program or programs which will assure every U.S. resident adequate food, medical assistance, and other related basic necessities of life and health."

Forty-three witnesses were invited to testify or submit testimony. They included representatives from the following categories—some witnesses fall into more than one category and are so listed:

Medical and nutritional authorities	8
Educators, teachers, and school administrators	12
Nationally known private citizens	4
The hungry poor	15
Welfare officials	1
Government officials	6
USDA	2
OEO	2
HEW	1
Civil Rights Commission	1
Elected public officials	1
Private food sector	1
Other interested citizens	1

The committee is convinced after hearing from these witnesses that chronic hunger and malnutrition do exist extensively in the United States. In some areas and among some people it is an all too familiar way of life. Many of those who are chronically hungry seem also to want for essential clothing, shoes, soaps, medical care, and education. There is an identifiable geographical nature to some of the pockets of hunger; there are some identifiable dietary deficiencies among low economic groups in some of these areas. The majority of those who are chronically hungry in the United States come from low-income families with the incidence increasing as income level declines. Over 20 million of the Nation's 27 million poor are under 16, over 60, or crippled physically or mentally. At the same time only 6 million persons—poor and near poor—participate in family food programs.

The committee also found that, if remedial action is to be taken, it must jointly stem from the Congress and from the administration, for many of the problems identified require a wholly new attitude and approach by those who seek to eliminate a chronic hunger in America. If chronic hunger is to be eliminated, minimum Federal standards of food program performance must be established at the State and county level. Any such standards must endorse imaginative outreach. Any such standards must have as their primary goal the feeding of the poor, and not be diverted by other preoccupations.

Witnesses declare that the Federal Government has not approached the problem of meeting basic human needs for food and other necessities of life from the standpoint of human welfare; that our food programs for the poor are byproducts of farm policy. Secretary Freeman pointed out that the direct distribution program, is in the process of being replaced by the food stamp program.

However, families with incomes from $500 to $2,000 per year seemed to be adversely affected by the food stamp formulas; both as to percentage of income required to be allocated to the food budget—37 to 50 percent—and to volume of food that was purchasable under the monthly budget. Repeated reference was made to the unrealistic assumption that a family living at these destitute levels could save a sufficient proportion of their income for a once-per-month food stamp purchase. Many families testified that they had no income at all and could not pay the minimum amounts for food stamps.

The committee heard from witnesses who contended that while the national school lunch program helps feed 18 million children, only 2 million poor children get substantially free lunches under this program. Secretary Freeman admitted that another 2 to 4 million poor children should get this assistance. The absence of school lunch programs in many of the Nation's slum schools was particularly deplored.

Testimony showed that the direct distribution program was, in fact, being phased out where communities accepted the food stamp program. But testimony also proved that a large number of counties had neither program, and that there was a noticeable drop in participation by the poor when a county switched from commodities to food stamps because of a lack of income to buy stamps.

Senate Resolution 281 calls upon the executive branch to immediately meet the food, medical, and related basic needs of the Nation's poor to the fullest extent. Testimony demonstrated that the executive branch, were it to use its existing powers in an imaginative and bold manner, could accomplish much of this goal. Since executive restraints are inferred from past congressional actions and testimony, the House and the Senate need to clarify the determination of this country to eliminate widespread and chronic hunger and malnutrition.

Therefore the Committee on Labor and Public Welfare recommends that the Select Committee on Nutrition and Human Need be established and given the power to subpena, hold hearings, and employ staff, and to report back to the Senate legislative recommendations to assure a coordinated program or programs which will assure every American adequate food, medical assistance, and other related basic necessities of life and health.

In this respect, I would hope that the select committee would include in its studies and deliberations:

The effectiveness and delivery of existing Government food programs, and their costs to the Government and to the poor;

Educational aspects of malnutrition—the need for nutrition education and the possible use of vocational education and new careers programs for this purpose; also changes needed in medical curriculum to advance knowledge of malnutrition and its effects and relevance to other medical problems;

Delivery of health services to the poor and the attention given to aspects of malnutrition by the Public Health Service, the OEO neighborhood health centers, and other health programs;

Surveys of hunger and malnutrition—how well are present and on-going surveys covering the issues and what is needed in addition;

Standardization of eligibility for needed food assistance to the poor. How can this be accomplished given the problems of different intergovernmental eligibility standards between Federal, State and county units;

Streamlining the legislative process so that comprehensive consideration of nutritional needs and congressional oversight on a coordinated basis can become a reality.

The Committee on Labor and Public Welfare recommends that the select committee itself, after organizing, electing a chairman, and reviewing the task assigned to it, should determine the extent of staff, budget, and committee powers it will require and then present its own request to the Senate for funds and authorities.

Mr. President, the resolution as reported from the committee calls for the select committee to report back to the Senate and terminate its activities not later than the opening of the 91st Congress. Faced with the realities of our heavy Senate schedules, I do not believe that this target date will give the select committee time for adequate implementation of its task.

Mr. President, I ask unanimous consent that the resolution be amended by striking out, on page 3, line 7, the words "the opening of the 91st Congress" and substituting therefor "not later than June 30, 1969." The purpose of this amendment is to give the committee created by the resolution appropriate time to prepare its report and report back to the legislative committees of the Senate.

The PRESIDING OFFICER. Is there objection? Without objection, the amendment is agreed to.

Mr. CLARK. Mr. President, now I yield to the Senator from Arizona [Mr. FANNIN].

Mr. FANNIN. Mr. President, first, I commend the distinguished Senator from Pennsylvania for his leadership in this field and for his work on this resolution.

Mr. President, on behalf of the senior Senator from Illinois [Mr. DIRKSEN], I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. FANNIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike everything after "the" in line 6 through line 14 and insert in lieu thereof the following: "appropriate committees of the Senate and terminate its activities not later than June 30, 1969. Such report may contain such recommendations as the Committee finds necessary to establish a coordinated program or programs which will assure every United States resident adequate food, medical assistance, and other related basic necessities of life and health and shall in addition contain appropriate procedures for congressional consideration and oversight of such coordinated programs."

Mr. FANNIN. Mr. President, the resolution in its present form directs the select committee to report back to the floor of the Senate legislation necessary to establish a coordinated program. This amendment provides for orderly procedure. It directs the select committee to make its report to the appropriate committees of the Senate rather than to the Senate. In addition, this amendment specifies that the report contain "such recommendations as the committee finds necessary to establish a program." The original text required that legislation be reported.

It is my understanding that this amendment is acceptable to the managers of the bill.

Mr. CLARK. Mr. President, if the Senator will yield, I am happy to accept the amendment. It was always our thought—perhaps the language is inartistic—that the committee would not make recommendations directly to the Senate, but, on the contrary, would report to the regularly constituted committees of the Senate, so that those recommendations could be considered by them.

Mr. FANNIN. I thank the Senator.

Mr. CLARK. I am prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments, as amended.

The amendments, as amended, were agreed to.

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I ask that there be a vote on adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 281), as amended, was agreed to, as follows:

S. Res. 281

Whereas it has been demonstrated that every American does not have the food, medical assistance, and other related necessities essential to life and health; and

Whereas surveys conducted by Government agencies and responsible groups of citizens show that, in spite of America's abundance of food, fiber, and other resources, our Federal food programs fail to reach many of the citizens lacking adequate quantities and/or quality of food, which may result in the lifetime impairment of children mentally and physically, and in unnecessary disease, suffering, and premature deaths among both young and adults; and

Whereas restricted use of programs authorized by Congress, reversion of funds, divisions of responsibility and authority within Congress and administrative agencies, unwise regulations and other obstacles impede and frustrate efforts to banish starvation and want for necessities among desperately disadvantaged poor within our Nation: Now, therefore, be it

Resolved, That the President, the Department of Health, Education, and Welfare, the Office of Economic Opportunity, the Department of Agriculture, the Bureau of Indian Affairs, and any and all other agencies with applicable authorities shall use to the fullest possible their authorities under the following existing laws, the Elementary and Secondary Education Act, the Johnson-O'Malley Act, section 32 of the Agricultural Act of 1935, the Agricultural Act of 1949, Emergency Food and Medical Services Amendment to the Economic Opportunity Act, the Food Stamp Act of 1964, the National School Lunch Act of 1946, and all other authorities for child aid, medical assistance, and relief programs, to meet immediately the food, medical, and other related basic needs of the Nation's poor to the fullest extent possible; and be it further

Resolved, That there is established a select committee of the Senate composed of three majority and two minority members of the Committee on Labor and Public Welfare, three majority and two minority members of the Committee on Agriculture and Forestry, and two majority and one minority Members of the Senate appointed by the President of the Senate from other committees, to study the food, medical, and other related basic needs among the people of the United States and to report back to the appropriate committees of the Senate and terminate its activities not later than June 30, 1969. Such report may contain such recommendations as the Committee finds necessary to establish a coordinated program or programs which will assure every United States resident adequate food, medical assistance, and other related basic necessities of life and health and shall in addition contain appropriate procedures for congressional consideration and oversight of such coordinated programs.

The preamble was amended, so as to read:

Whereas it has been demonstrated that every American does not have the food, medical assistance, and other related necessities essential to life and health; and

Whereas surveys conducted by Government agencies and responsible groups of citizens show that, in spite of America's abundance of food, fiber, and other resources, our Federal food programs fail to reach many of the citizens lacking adequate quantities and/or quality of food, which may result in the lifetime impairment of children mentally and physically, and in unnecessary disease, suffering, and premature deaths among both young and adults; and

Whereas restricted use of programs authorized by Congress, reversion of funds, divisions of responsibility and authority within Congress and administrative agencies, unwise regulations and other obstacles impede and frustrate efforts to banish starvation and want for necessities among desperately disadvantaged poor within our Nation: Now, therefore, be it

Mr. CLARK. Mr. President, I move that the vote by which the resolution was adopted be reconsidered.

Mr. BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR SECRETARY OF AGRICULTURE TO CONVEY CERTAIN LANDS IN SALINE COUNTY, ARK., TO THE DIFRKS FORESTS, INC.—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10864) to authorize the Secretary of Agriculture to convey certain lands in Saline County, Ark., to the Dierks Forests, Inc., and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The bill clerk read the report, as follows:

Conference Report

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10864), to authorize the Secretary of Agriculture to convey certain lands in Saline County, Arkansas, to the Dierks Forests, Incorporated, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 4. Section 347(b) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"'(b)(1) The Secretary shall, not later than October 15 of each calendar year, proclaim the amount of the national marketing quota for the crop of cotton described in subsection (a) produced in the next succeeding calendar year in terms of the quantity of such cotton equal to the estimated domestic consumption plus exports for the marketing year which begins in such succeeding calendar year, less the estimated imports, plus such additional number of bales, if any, as the Secretary determines is necessary to assure adequate working stocks in trade channels until cotton from the next crop becomes readily available without resort to Commodity Credit Corporation stocks: *Provided*, That the Secretary may reduce the national marketing quota so determined for any crop for the purpose of reducing surplus stocks, but not below the minimum quota prescribed under paragraph (2) of this subsection.

"'(2) The national marketing quota for any crop shall not be less than the amount of the import quota in effect on August 1, 1967, for the year beginning on such date for extra long staple cotton (one and three-eighths inches or more) in pounds converted to standard bales of five hundred pounds gross weight, established pursuant to section 22 of the Agricultural Adjustment Act (of 1933), as amended.

"'(3) Notwithstanding the provisions of paragraph (1) of this subsection, the national marketing quota shall be the minimum quota under paragraph (2) of this subsection for each crop of such cotton for which the Secretary estimates that the carryover of American grown extra long staple cotton at the beginning of the marketing year for the crop for which the quota is proclaimed (excluding any such cotton in the stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act, as amended) will be more than 50 per centum of the estimated domestic consumption and exports of American grown extra long staple cotton for such marketing year: *Provided*, That the foregoing provisions of this sentence shall not apply for any crop for which the carryover so estimated is an amount equal to 50 per centum or less of the estimated domestic consumption and exports of American grown extra long staple cotton for the marketing year for such crop, and such provisions shall not apply to any crop following the first crop for which this proviso comes into operation.

"'(4) The provisions of paragraphs (1), (2), and (3) of this subsection shall apply to the 1969 and each succeeding crop of cotton described in subsection (a) of this section.'

"Sec. 5. Section 101(f) of the Agricultural Act of 1949, as amended, is amended by striking out all of the first sentence following the words 'except that', and substituting in lieu thereof the following: 'notwithstanding any other provision of this Act, price support shall be made available to cooperators for the 1968 and each subsequent crop of extra long staple cotton, if producers have not disapproved marketing quotas therefor, through loans at a level which is not less than 50 per centum or more than 100 per centum in excess of the loan level established for Middling one-inch upland cotton of such crop at average location in the United States (except that such loan level for extra long staple cotton shall in no event be less than 35 cents per pound) and, in addition, through price-support payments at a rate which, together with the loan level established for such crop, shall be not less than 65 per centum or more than 90 per centum of the parity price for extra long staple cotton as of the month in which the payment rate provided for by this subsection is announced. Such payment with respect to any farm shall be made on the quantity of extra long staple cotton, determined in accordance with regulations prescribed by the Secretary, equal to either (1) for a farm on which the acreage planted to such cotton does not exceed an acreage determined by multiplying the farm acreage allotment by the price-support payment factor established by the Secretary for each crop, the actual production of such cotton on the farm, or (2) for a farm on which the acreage planted

to such cotton exceeds an acreage determined by multiplying the farm acreage allotment by the price-support payment factor but does not exceed the farm acreage allotment, the actual production of such cotton on the farm attributable to the number of acres determined by multiplying the farm acreage allotment by such price-support payment factor. The Secretary shall establish the price-support payment factor for each such crop of extra long staple cotton by dividing the 1966 national acreage allotment for such cotton by the national acreage allotment proclaimed for such crop, except that such factor shall not be more than one. The Secretary shall provide for the sharing of price-support payments under this subsection among producers on a farm on the basis of their respective shares in the crop of extra long staple cotton produced on the farm, or the proceeds therefrom. The provisions of subsection 8(g) of the Soil Conservation and Domestic Allotment Act, as amended (relating to assignment of payments), shall also apply to payments under this subsection. The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized in this subsection and to pay administrative expenses necessary in carrying out this subsection.'

"Sec. 6. Section 347 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new subsections at the end thereof to read as follows:

" '(f) Notwithstanding any other provision of law, beginning with the 1968 crop of extra long staple cotton, the Secretary, if he determines that it will not impair the effective operation of the program involved, (1) may permit the owner and operator of any farm for which an extra long staple cotton acreage allotment is established to sell or lease all or any part or the right to all or any part of such allotment to any other owner or operator of a farm for transfer to such farm; (2) may permit the owner of a farm to transfer all or any part of such allotment to any other farm owned or controlled by him. No allotment shall be transferred under this subsection to a farm in another State or to a person for use in another State. The Secretary shall prescribe regulations for the administration of this subsection and may prescribe such terms and conditions as he deems necessary.

" '(g) Notwithstanding any other provision of law, if the extra long staple cotton acreage allotment established for any farm for the 1968 and subsequent crops is greater than such allotment for the preceding crop, because of transfers under subsection (f) of this section or for any other reason, the soil conserving base established for the farm shall be reduced by the same number of acres that the allotment is increased for that year.'

"Sec. 7. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof the following: 'Notwithstanding any other provision of this section, effective August 1, 1968, the Commodity Credit Corporation shall make available during each marketing year for sale for unrestricted use at market prices at the time of sale, a quantity of American grown extra long staple cotton equal to the amount by which the production of such cotton in the calendar year in which such marketing year begins is less than the estimated requirements of American grown extra long staple cotton for domestic use and for export for such marketing year: *Provided,* That no sales shall be made at less than 115 per centum of the loan rate for extra long staple cotton under section 101(f) of this Act beginning with the marketing year for the first crop for which the national marketing quota for extra long staple cotton is not established under paragraph (3) of section 347(b) of the Agricultural Adjustment Act of 1938, as amended. The Secretary may make such estimates and adjustments therein at such times as he determines will best effectuate the provisions of the foregoing sentence and such quantities of cotton as are required to be sold under such sentence shall be offered for sale in an orderly manner and so as not to affect market prices unduly.'

"Sec. 8. Section 3 of Public Law 88–638 (78 Stat. 1038) is hereby repealed effective August 1, 1968."

And the Senate agree to the same.

Allen J. Ellender,
Spessard L. Holland,
B. Everett Jordan,
George D. Aiken,
Milton R. Young,
Managers on the Part of the Senate.

W. R. Poage,
E. C. Gathings,
John L. McMillan,
Page Belcher,
Charles M. Teague,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, this is a conference report which all the conferees signed.

As passed by the House of Representatives, the bill authorized the Secretary of Agriculture to convey certain lands in Saline County, Ark., to the Dierks Forest, Inc. The Senate amendment to this bill added provisions amending the extra-long-staple cotton program. The Senate amendment provided for lower price-support loans, supplemented by price-support payments, so that the price of this kind of cotton would be more in line with the price of upland cotton, and would move into the market instead of into the hands of Commodity Credit Corporation. The Senate amendment also provided for a method of disposing of surplus stocks and increasing acreage allotments.

The conference substitute adopts all of the provisions of the Senate amendment except one, which would have increased the national acreage allotment for the 1968 crop by 6,800 acres. Because the crop has been planted since the Senate adopted this amendment and is now almost ready for harvest, this provision is no longer appropriate and the substitute properly strikes it out.

As I have stated, the conferees of both Houses were unanimous in their agreement. I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

U.S. GRAIN STANDARDS ACT—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15794) to provide for U.S. standards and a national inspection system for grain, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

Conference Report

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15794), to provide for United States standards and a national inspection system for grain, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered (15).

That the House recede from its disagreement to the amendments of the Senate numbered (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (16), (17), (18), (19), (20), (21), (22), and (23); and agree to the same.

Allen J. Ellender,
Spessard L. Holland,
B. Everett Jordan,
Joseph M. Montoya,
George D. Aiken,
Milton R. Young,
J. Caleb Boggs,
Managers on the Part of the Senate.

Graham Purcell,
Thomas S. Foley,
Frank A. Stubblefield,
Page Belcher,
Charles M. Teague,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, this bill generally revises the U.S. Grain Standards Act. The Senate made 23 amendments to the House bill, mostly of a minor nature. They are really only technical amendments. The conference report adopts all of the Senate amendments, except one.

The Senate amendment not agreed to would have permitted the Secretary of Agriculture to withdraw inspection service for commission of repeated or flagrant violations of section 13 of the act. The House bill permitted such withdrawal for conviction of any violation of section 13. The Senate conferees agreed to the House language with the understanding that the statement of managers on the part of the House would make it clear that withdrawal of service could follow upon conviction without awaiting the conclusion of appeals from such conviction, and could be effective so long as the conviction stood.

I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

WHY BE A CHRISTIAN?

Mr. STENNIS. Mr. President, at a recent meeting of the Senate Breakfast Group in the Senate restaurant, the Senator from Arizona [Mr. Fannin], a member of our group, presented a most timely and inspiring message entitled "Why Be a Christian?" Senator Fannin's fine character and deep spiritual insight lends added value to his words; that this message may be shared with the general public, I ask unanimous consent that Senator FANNIN's remarks on that occasion be printed in the RECORD:

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

WHY BE A CHRISTIAN?

There was a time in America when discussion entitled, "Why be a Christian," would have been inappropriate and irrelevant. Not too long ago no one asked that question.

We were born into homes that *assumed* the Christian way was *the* way, the *only* way. People who lived as our neighbors who didn't go to church were considered out of step. It was shocking to hear a person ask the question, "Why be a Christian?" We weren't shocked often—because the question was asked so seldom.

That day has passed. Although we here this morning may not agree, high school, college and young adults show us "Why be a Christian?" is a very "alive" question.

There are some cynical persons of all ages who quite frankly say the whole business of believing in God and trying to follow a Man who lived 2000 years ago is a combination of absurdity and superstition. They never ask—what is life? Is there a Supreme Being?

Even in churches where people are concerned rather than cynical, the question is being faced as never before—"Why be a Christian? Aren't there other ways that are just as sensible—perhaps even superior to Christianity?"

We should not be afraid of the question. Perhaps we should encourage it in church and in our everyday discussions. Isn't our Christian faith strong enough to stand close scrutiny and probing inquiry? I think it is.

There are many ways one could approach the question, but since we are all persons who want practical answers to problems of living, I want, today, to present what seems to me to be some practical reasons for *being a Christian*. For easy remembrance we will call the answers the four H's.

The Christian life is:

Happier.

Harder.

Holier.

And more hopeful than any other life.

In the first place the Christian life is a happy way of living. "Well, now," some say skeptically, "I find it hard to believe. Indeed, I might as well be frank and say that I don't believe it is necessarily so. To me the Christian life is demanding, restricting and forbidding. You may think of some particular individual who is a worthy Christian. But he may have other characteristics that preclude happiness."

Well, it is true that some people who call themselves Christians are not happy people. Their religion is a dreary affair—no joy—no spirit of radiancy.

What would you consider to be the greatest enemies of happiness? Are they not these: worry, boredom and self-centeredness?

Worry—think of the multitudes who are laden by worry, overwhelmed and overburdened with a vague kind of gloom, looking for the worst to happen, no reserves of inner peace, half hypnotized by anxiety.

Christianity gives hope and understanding to many. People who worry, worry sometimes about things that have already happened. That's really rather foolish when you think of it. For good or ill, yesterday's decisions and actions are past and we cannot recall them.

We can learn from mistakes; we sometimes are better equipped because of mistakes. There are lots of things that can be done with the past, but it certainly does no good to worry about it.

Then there are those who worry about things which will never happen. You remember the story of the old maid, who, living for thirty years in solitary bliss, always ceremoniously looked under her bed before she retired to see if a burglar were lurking in the dark. Dr. Norman Vincent Peale suggests that had she found one, she would have fainted, not from fright but from surprise.

How does the Christian consider worry? It's foolish to worry. God is with you—it is His world. We are in His hands—in this world and in any other that is to come. Even though the worst should happen, even though our whole scheme of things collapse, God's scheme does not collapse, and nothing, literally and absolutely nothing, can remove us or our loved ones from His keeping.

There is self-centeredness—another enemy of inner happiness. Christianity again can give you a better perspective so that you are no longer the slave of self. We have all heard it said—no one is perfect. It is also true that people can experience a growth out of self-centeredness as more and more they find the power to live for something and someone higher and deeper and more important than one's self. Becoming Christian is a matter of making a decision—committing one's life to Christ—believing what Jesus Christ says—standing up for Him and relying upon and obeying God.

While no man has ever measured up to the stature of Jesus, many a man and woman over the centuries has been able to say because of Him . . . "Whereas once I was blind, now I see; whereas I was a slave, I now am free." Freedom from self comes from losing oneself to Christ. That is Christianity.

If we stopped there, however, that could be a very selfish reason for being a Christian—merely for the happiness it gives. Consider a second point of a totally different kind. The Christian life is *harder* than any other.

Some may say, "But I always thought Christianity was easy—just sign your name, accept a creed, join the church, go now and then, an occasional prayer."

The truth is that modern Christianity doesn't cost some people anything. It is possible to turn to spiritual things for shelter and comfort, but for nothing else. This is what Christianity means to multitudes—a peace of mind cult, an insurance policy. Many such people do what is very possible to do—worship Jesus, but not obey Him. Like the person who attends dozens of religious meetings but who is impossible to live with; or the one who loves to go to church because it makes him feel better, but who does nothing creative to make this world a better place in which to live in between church times.

Some types of religion can be easy; but not the real Christianity. It can and always is desperately difficult to do the genuinely Christian thing. Think how Jesus tightened up the ethical standard. The world used to say, "If you don't kill, steal, nor break the social code, that is all that is required of you." Then Jesus came. "I say no," declared Jesus. "If you have an angry thought, one hidden, lurking resentment against your brother, you need to confess it, for to hate your brother is to sin against God."

The world said, if you don't break the seventh commandment, your character will stand. Jesus came. "I say no. For your impure thoughts—even if they are never more than thoughts—are sins against God."

The world said, if you do just what you are paid for in this life, if you go the mile that duty demands, you can feel content. The Pharisees were very content. But Jesus said, "My way begins on the other side of duty. Go the extra mile."

I know of myself that there is a part of everyone that wants the easiest way possible. But I know, also, that the deeper part, the better part of men and women and children wants something more. We are bigger than that. We admire adventure in others; at our deepest we want adventure. Each of us wants a life that will keep us on the stretch. We admire men who stand for things worth standing for. We want our lives to count for something.

Difficulties have been described as "God's errands" and being sent upon them is proof of God's confidence. Being a Christian, because it is harder than *not* being a Christian, rewards us in proportion to the "overcoming" we do along the way.

In addition to being happier, and harder than any other, the Christian life is holier than any other. This word holy, admittedly, is a word for which many people today have little liking. Ask the average young man if he would care to be known as a holy person and probably his reaction will be one of two things—he will either laugh or be horrified. Holy? No thank you. Anything but that.

Granted, the word may have fallen into bad company and come out with a reputation that is less than clear. The original meaning is worth reviewing.

The word holy is derived from the old English word for the idea of being made whole. So when we are made holy we become the complete person God originally intended. This "wholesomeness," or holiness, the psychologists sometimes call an "integrated personality."

Theologians describe holiness as being set apart for the work of God, and holiness is the one attribute of God by which He most desires to be known. It is His trademark, so to speak. When we are joined to God, through the Lord Jesus Christ, then we take on those identifying characteristics—the "family likeness" if you will. The essence of this "wholeness" is the bringing into balance and conformity of every aspect of our lives so that it glorifies God.

No more than we labored for our natural family likeness can we labor for our spiritual family likeness. As we are born into one, so must we be born into the other. But being in the family does not erase the individual. It helps him. Can you think of any greater need of any greater number of people today than that—something to pull life together and integrate it—to deal with the inward conflicts that damage spiritual health so seriously; something to eliminate the discords and repressions and inferiorities and complexes, and to bring everything into harmony and unity of strong, clean, vigorous health—emotional and moral. If every other generation needed holiness, we need it too. This is one of the reasons why Jesus has been called the great physician. He alone can produce this kind of health. He gives life a new purpose. He fills life with a new power.

A new purpose; that is to glorify God. "Seek ye first the Kingdom of God." That's something worth living for. Many people have no purpose in living. They grow up, get educated, get married, have children; the children grow up and if they live through all that, then they begin to ponder, "What am I living for?"

A new power; a vitalizing, supernatural strength that can flood a man's being and send him out like a conqueror to smash his most stubborn besetting sin with the cry upon his lips, "I can do all things through Christ who strengthens me."

The trouble with us in our depressing, and discordant hours is that we are divided. We can't decide what we want most; we are on and off; one day this way, the next, that.

Finally, one last attribute of the Christian life. His way is hopeful. The reason that we can be hopeful about life is that we have the faith to believe in what we cannot see. There is a visible world, the apostle Paul said, and there is an invisible world. We believe in the invisible world, the spiritual, the supernatural.

Thomas Edison when he was but a boy appeared to some people to be a dull and uninteresting young boy. His teachers suggested that his mother take him out of school—

according to their way of looking at things, he didn't have it. But Tom's mother saw something in him that no one else saw. She saw the invisible; she believed in him; she had hope, and we all know the result of her hope.

We can overdo the business of being hopeful but it does take imagination for worthwhile living—and real Christians have never been found to be lacking imagination.

Our Christian hope is not alone for *this* life. Paul said we believe most of all in the unseen world, for everything that can be seen is temporal but the unseen is eternal. The Christian life is the most hopeful because every other life is bounded by this world. Christianity has all the windows open and looks out toward immortality—life after death—happier, we believe, more exciting, greater than this life. We see things now, the apostle Paul said, very vaguely—as through a smoked glass—but the truth is it has not yet revealed what God has in store for those who love Christ.

Many of us have so grown up with Christianity that we've taken it for granted. Like a good home, we don't appreciate it deeply until we get away and look at it objectively. Well, when we look objectively at the Christian faith hopefully, we discover that it deserves commending to every man. We should be grateful for it. We should feel concerned that we have rebelled against it; ashamed that we have taken it so lightly—that we have viewed Christianity as a keeper or jailer, rather than as a liberator.

The new life in Christ is deep enough to produce the deepest kind of *happiness; hard* enough to bring out the best that is in us; a *holy* life that can make us wholesome and *hopeful* enough to command our highest loyalty and our every effort.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

PUBLIC WORKS APPROPRIATION BILL, 1969—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17903) making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes. I ask unanimous consent for the present consideration of the report.

The **PRESIDING OFFICER.** The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 26, 1968, pages 23601–23608, CONGRESSIONAL RECORD.)

The **PRESIDING OFFICER.** Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, I am sorry that the Senate could not have retained more of its increases; however, I realize that all legislation is the result of compromise. Under the circumstances, I believe the Senate conferees did the best they could, and I am pleased that the report was signed by all of the Senate conferees.

The conference bill provides $4,608,421,000, which is $119,201,500 below the amount approved by the Senate; $109,198,000 above the House; $300,236,000 below the budget; and $85,082,000 below the appropriation for fiscal year 1968.

In other words, Mr. President, what the Senate did was restore the 5-percent cut that was made by the House of Representatives on all, or practically all, projects. The conferees agreed to make a 3-percent cut instead of 5 percent. On slippages, we reduced the House amount approximately $30 million, for an increase of about $20 million over the budget amount instead of the $50 million that was provided for by the House of Representatives, so that, in effect, the amounts involved were really split about 50–50.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary table explaining the action of the conferees on the various items in the bill.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

SUMMARY TABLE, JULY 24, 1968

Item	Appropriations,[1] 1968	Budget estimate, 1969	House allowance	Senate allowance	Conference allowance	Conference allowance compared with			
						1968	Budget 1969	House allowance	Senate allowance
TITLE I—DEPARTMENT OF DEFENSE—CIVIL									
Department of the Army Cemeterial Expenses									
Salaries and expenses	$21,200,000	$15,652,000	$15,000,000	$15,000,000	$15,000,000	−$6,200,000	−$652,000		
Corps of Engineers—Civil									
General investigations	34,445,000	[2] 37,075,000	29,600,000	37,470,000	30,015,000	−4,430,000	−7,060,000	+$415,000	−$7,455,000
Construction, general	967,599,000	[3] 918,412,000	812,329,000	917,393,000	865,682,500	−101,916,500	−52,729,500	+53,353,500	−51,710,500
Operation and maintenance, general	193,000,000	223,700,000	215,000,000	223,700,000	223,700,000	+30,700,000		+8,700,000	
Flood control and coastal emergencies		5,000,000	5,000,000	5,000,000	5,000,000	+5,000,000			
Flood control, Mississippi River and tributaries	87,135,000	69,600,000	69,600,000	69,610,000	69,600,000	−17,535,000			−10,000
General expenses	19,515,000	21,200,000	20,650,000	21,200,000	20,775,000	+1,260,000	−425,000	+125,000	−425,000
Total, Corps of Engineers—Civil	1,301,694,000	1,274,987,000	1,152,179,000	1,274,373,000	1,214,772,500	−86,921,500	−60,214,500	+62,593,500	−59,600,500
The Panama Canal									
Canal Zone Government:									
Operating expenses	36,000,000	37,869,000	37,100,000	37,869,000	37,484,500	+1,484,500	−384,500	+384,500	−384,500
Capital outlay	4,500,000	1,061,000	200,000	1,061,000	200,000	−4,300,000	−861,000		−861,000
Panama Canal Company: Limitation on general and administrative expenses	(13,000,000)	(13,691,000)	(13,600,000)	(13,691,000)	(13,600,000)	(+600,000)	(−91,000)		(−91,000)
Total, the Panama Canal	40,500,000	38,930,000	37,300,000	38,930,000	37,684,500	−2,815,500	−1,245,500	+384,500	−1,245,500
Total, title I new budget (obligational) authority, Department of Defense—Civil	1,363,394,000	1,329,569,000	1,204,479,000	1,328,303,000	1,267,457,000	−95,937,000	−62,112,000	+62,978,000	−60,846,000
TITLE II—DEPARTMENT OF THE INTERIOR									
Bureau of Reclamation									
General investigations	[4] 16,280,000	16,877,000	15,700,000	15,948,500	15,948,500	−331,500	−928,500	+248,500	
Construction and rehabilitation	181,868,000	178,065,000	166,300,000	167,665,000	166,915,000	−14,953,000	−11,150,000	+615,000	−750,000
Operation and maintenance	[5] 47,364,000	51,230,000	50,000,000	49,900,000	49,900,000	+2,536,000	−1,330,000	−100,000	
Loan program	15,000,000	4,500,000	2,965,000	2,965,000	2,965,000	−12,035,000	−1,535,000		
Upper Colorado River storage project	41,000,000	25,673,000	25,673,000	25,673,000	25,673,000	−15,327,000			
Transfer from emergency fund		[6] (2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(+2,000,000)			
General administrative expenses	11,683,000	12,135,000	11,950,000	11,950,000	11,950,000	+267,000	−185,000		
Total, Bureau of Reclamation	313,195,000	288,480,000	272,588,000	274,101,500	273,351,500	−39,843,500	−15,128,500	+763,500	−750,000

See footnotes at end of table.

SUMMARY TABLE, JULY 24, 1968—Continued

Item	Appropriations,[1] 1968	Budget estimate, 1969	House allowance	Senate allowance	Conference allowance	Conference allowance compared with			
						1968	Budget 1969	House allowance	Senate allowance
TITLE I—DEPARTMENT OF THE INTERIOR—Continued									
Alaska Power Administration									
General investigations	[7] $450,000	$671,000	$600,000	$600,000	$600,000	+$150,000	−$71,000		
Operation and maintenance	[8] 402,000	410,000	402,000	402,000	402,000		−8,000		
Total, Alaska Power Administration	852,000	1,081,000	1,002,000	1,002,000	1,002,000	+150,000	−79,000		
Bonneville Power Administration									
Construction	110,500,000	116,500,000	104,000,000	104,000,000	104,000,000	−6,500,000	−12,500,000		
Operation and maintenance	18,500,000	20,600,000	19,500,000	19,500,000	19,500,000	+1,000,000	−1,100,000		
Total, Bonneville Power Administration	129,000,000	137,100,000	123,500,000	123,500,000	123,500,000	−5,500,000	−13,600,000		
Southeastern Power Administration									
Operation and maintenance	850,000	1,000,000	850,000	850,000	850,000		−150,000		
Southwestern Power Administration									
Construction	4,989,000	5,300,000	4,020,000	4,020,000	4,020,000	−969,000	−1,280,000		
Operation and maintenance	2,266,000	2,423,000	2,350,000	2,350,000	2,350,000	+84,000	−73,000		
Continuing fund (definite appropriation of receipts)	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000				
Total, Southwestern Power Administration	10,455,000	10,923,000	9,570,000	9,570,000	9,570,000	−885,000	−1,353,000		
Federal Water Pollution Control Administration									
Water supply and water pollution control	92,800,000	101,435,000	88,838,000	101,435,000	88,838,000	−3,962,000	12,597,000		−$12,597,000
Construction grants for waste treatment works	203,000,000	225,000,000	203,000,000	225,000,000	214,000,000	+11,000,000	−11,000,000	+$11,000,000	−11,000,000
Total, Federal Water Pollution Control Administration	295,800,000	326,435,000	291,838,000	326,435,000	302,838,000	+7,038,000	−23,597,000	+11,000,000	−23,597,000
Total, title II new budget (obligational) authority, Department of the Interior	750,152,000	765,019,000	699,348,000	735,458,500	711,111,500	−39,040,500	−53,907,500	+11,763,500	−24,347,000
TITLES III—INDEPENDENT OFFICES (EXCLUDING AEC)									
Atlantic-Pacific Interoceanic Canal Study Commission: Salaries and expenses	6,100,000	4,900,000	4,900,000	4,900,000	4,900,000	−1,200,000			
Delaware River Basin Commission:									
Salaries and expenses	45,000	47,000	47,000	47,000	47,000	+2,000			
Contribution to the Delaware River Basin Commission	134,000	251,000	154,000	154,000	154,000	+20,000	−97,000		
Total, Delaware River Basin Commission	179,000	298,000	201,000	201,000	201,000	+22,000	−97,000		
Interstate Commission on the Potomac River basin: Contribution to Interstate Commission on the Potomac River Basin	5,000	5,000	5,000	5,000	5,000				
Tennessee Valley Authority: Payment to Tennessee Valley Authority fund	61,000,000	50,250,000	50,200,000	53,200,000	50,250,000	−10,750,000		+50,000	−2,950,000
Water Resources Council:									
Water resources planning	1,070,000	1,281,000	1,020,000	1,020,000	1,020,000	−50,000	−261,000		
Financial assistance to States	2,470,000	2,735,000	2,470,000	2,735,000	2,602,500	+132,500	−132,500	+132,500	−132,500
Total, Water Resources Council	3,540,000	4,016,000	3,490,000	3,755,000	3,622,500	+82,500	−393,500	+132,500	−132,500
Total, title III new budget (obligational) authority, Independent Offices	70,824,000	59,469,000	58,796,000	62,061,000	58,978,500	−11,845,500	−490,500	+182,500	−3,082 500
Total, new budget (obligational) authority, titles I, II, and III (excluding AEC)	2,184,370,000	2,154,057,000	1,962,623,000	2,125,822,500	2,037,547,000	−146,823,000	−116,510,000	+74,924,000	−88,275,500
TITLE IV—ATOMIC ENERGY COMMISSION									
Operating expenses	2,140,000,000	2,225,600,000	2,080,000,000	2,132,300,000	2,109,300,000	−30,700,000	−116,300,000	+29,300,000	−23,000,000
Plant and capital equipment	369,133,000	529,000,000	456,600,000	469,500,000	461,574,000	+92,441,000	−67,426,000	+4,974,000	−7,926,000
Total, title IV new budget (obligational) authority, Atomic Energy Commission	2,509,133,000	2,754,600,000	2,536,600,000	2,601,800,000	2,570,874,000	+61,741,000	−183,726,000	+34,274,000	−30,926,000
Grand total, new budget (obligational) authority, all titles (all in the form of "appropriations")	4,693,503,000	4,908,657,000	4,499,223,000	4,727,622,500	4,608,421,000	−85,082,000	−300,236,000	+109,198,000	−119,201,500

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[1] Amounts have not been reduced to reflect reserves established pursuant to Public Law 90–218 (H.J. Res. 888).

[2] Reflects decrease of $25,000 submitted in H. Doc. 318.

[3] Reflects increase of $14,412,000 submitted in H. Doc. 318.

[4] Reflects transfer in the estimates of $450,000 to Alaska Power Administration (general investigations).

[5] Reflects transfer in the estimates of $402,000 to Alaska Power Administration (operation and maintenance).

[6] Submitted in H. Doc. 318.

[7] Reflects transfer in the estimates of $450,000 from Bureau of Reclamation (general investigations).

[8] Reflects transfer in the estimates of $402,000 from Bureau of Reclamation (operation and maintenance).

Mr. ELLENDER. Mr. President, in title I, for general investigations of the Corps of Engineers, the bill provides $30,015,000, which is $7,455,000 below the amount approved by the Senate; $415,000 above the amount allowed by the House; $7,060,000 below the budget; and $4,430,000 below the appropriation for 1968.

I ask unanimous consent to have printed at this point in the RECORD a tabulation showing the details of the amount allowed for this item.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

GENERAL INVESTIGATIONS, FISCAL YEAR 1969

Item (1)	Approved budget estimate for fiscal year 1969 (2)	House allowance (3)	Senate allowance (4)	Conference allowance (5)
GENERAL INVESTIGATIONS				
1. Surveys:				
(a) Navigation studies	$3,677,000	$3,677,000	$3,851,000	$3,751,000
(b) Flood control studies	8,772,000	8,747,000	8,983,000	8,883,000
(c) Beach erosion cooperative studies	368,000	368,000	378,000	378,000
General reduction due to slippage	−465,000		−465,0000	
Subtotal, navigation, flood control, and beach erosion studies	12,352,000	12,792,000	12,747,000	13,002,000
(d) Comprehensive basin tudies:				
California region	530,000	530,000	530,000	530,000
Columbia North Pacific region	287,000	287,000	287,000	287,000
Connecticut River Basin, Conn., Mass., Vt., and N.H	134,000	134,000	134,000	134,000
Grand River Basin, Mich	76,000	76,000	76,000	76,000
Great Basin region	100,000	100,000	100,000	100,000
Great Lakes region	215,000	215,000	215,000	215,000
Kanawha River, W. Va., and Va., and N.C	381,000	381,000	381,000	381,000
Lower Colorado region	73,000	73,000	73,000	73,000
Missouri River Basin	291,000	291,000	291,000	291,000
North Atlantic region	530,000	530,000	530,000	530,000
Puget Sound area, Washington	131,000	131,000	131,000	131,000
Souris-Red region	212,000	212,000	212,000	212,000
Susquehanna River Basin, N.Y., Pa., and Md	359,000	359,000	359,000	359,000
Upper Colorado region	52,000	52,000	52,000	52,000
Upper Mississippi River Basin	354,000	354,000	354,000	354,000
Wabash River, Ind. and Ill	215,000	215,000	215,000	215,000
Willamette River Basin, Oreg	160,000	160,000	160,000	160,000
Subtotal, comprehensive basin studies	4,100,000	4,100,000	4,100,000	4,100,000
(e) Special studies:				
Chesapeake Bay model study	300,000	300,000	300,000	305,000
Coordination studies with other agencies (Public Law 566, Public Law 984)	600,000	600,000	600,000	605,000
Great Lakes-Hudson River Waterway, N.Y	135,000	135,000	135,000	135,000
Jersey Meadows, N. Y. and N.J	25,000	25,000	25,000	25,000
Lake Erie-Ontario Waterway, N.Y	100,000	100,000	100,000	100,000
Northeastern United States water study	1,000,000	1,000,000	1,000,000	1,000,000
Texas coast	500,000	500,000	500,000	500,000
Texas water and pollution study	550,000	550,000	550,000	550,000
Water levels at Great Lakes	220,000	220,000	220,000	220,000
Subtotal, special studies	3,430,000	3,430,000	3,430,000	3,430,000
Subtotal, surveys	19,882,000	20,322,000	20,277,000	20,532,000
2. Collection and study of basic data:				
(a) Stream gaging (U.S. Geological Survey)	334,000	334,000	334,000	334,000
(b) Precipitation studies (U.S. Weather Bureau)	590,000	590,000	590,000	590,000
(c) Fish and Wildlife Coordination Act studies (U.S. Fish and Wildlife Service)	582,000	582,000	582,000	582,000
(d) International water studies	120,000	120,000	120,000	120,000
(e) Flood plain management services	6,000,000	5,500,000	6,000,000	5,500,000
Subtotal, collection and study of basic data	7,626,000	7,126,000	7,626,000	7,126,000
3. Research and development:				
(a) Coastal engineering research and development	3,030,000	2,620,000	3,030,000	2,825,000
(b) Hydrologic studies	230,000	230,000	230,000	230,000
(c) Civil works investigations	3,517,000	3,377,000	3,517,000	3,377,000
(d) Mississippi Basin model:				
(1) Mississippi River comprehensive study	175,000	175,000	175,000	175,000
(2) Maintenance	160,000	160,000	160,000	160,000
(e) Nuclear explsovies studies for civil construction	2,265,000	2,265,000	2,265,000	2,265,000
(f) International hydrological decade program	490,000	90,000	490,000	90,000
Subtotal, research and development	9,867,000	8,917,000	9,867,000	9,122,000
1968 reserve applied in 1969	−300,000	−300,000	−300,000	−300,000
Undistributed reduction		−6,465,000		−6,465,000
Total, general investigations	37,075,000	29,600,000	37,470,000	30,015,000

Mr. ELLENDER. Mr. President, for construction, general, the conference agreement provided $865,682,500, which is $51,710,500 below the amount approved by the Senate; $53,353,500 above the House; $52,729,500 below the budget estimate; and $101,916,500 below the 1968 appropriation.

The construction items approved by the House were 5 percent below the budget estimate; and the House increased the reduction for savings and slippage from $50,752,000 recommended in the budget to $102,588,800. The Senate restored the budget estimates on individual projects as well as the reduction for slippage. The conferees agreed on a 3-percent reduction on the individual projects, and a slippage figure of $71,796,700. The House agreed to the Senate amounts for Rahway, N.J., Missouri River bank stabilization, Garrison Dam to Oahe Reservoir, N. Dak.; and Crutcho Creek, Okla. They allowed $50,000 in lieu of the $100,000 for Cliff Walk, R.I. Unfortunately, they would not agree to the planning funds for the Dickey-Lincoln project or for the Illinois Waterway, Calumet-Sag modification, part II, in Indiana.

I ask unanimous consent to insert at this point in the RECORD the tabulation showing the details of the amount allowed under construction, general.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

CONSTRUCTION, GENERAL, FISCAL YEAR 1969

[Key to symbols: (N) navigation; (FC) flood control; (BE) beach erosion; (R) rehabilitation; (MP) multiple purpose, including power]

Construction, general, State and project	Approved budget estimate for fiscal year 1969		House allowance		Senate allowance		Conference allowance	
(1)	Construction (2)	Planning (3)	Construction (4)	Planning (5)	Construction (6)	Planning (7)	Construction (8)	Planning (9)
Alabama:								
(N) Alabama River channel improvement	$1,261,000		$1,200,000		$1,261,000		$1,223,000	
(N) Claiborne lock and dam	4,900,000		4,655,000		4,900,000		4,753,000	
(R) John Hollis Bankhead lock and dam (spillway)	900,000		855,000		900,000		873,000	
(N) John Hollis Bankhead lock and dam		$350,000		$335,000		$350,000		$340,000
(MP) Jones Bluff lock and dam	9,600,000		9,120,000		9,600,000		9,312,000	
(MP) Millers Ferry lock and dam	8,900,000		8,455,000		8,900,000		8,633,000	
(N) Perdido Pass	402,000		380,000		402,000		390,000	
(N) Tennessee-Tombigbee Waterway, Ala., and Miss		500 000		475,000		500,000		485,000
Tombigbee River and tributaries, Alabama and Mississippi. (See Mississippi.)								
West Point Dam, Ala. and Ga. (See Georgia.)								
Alaska:								
(MP) Bradley Lake power project		50,000		48,000		50,000		49,000
(N) Myers Chuck Harbor (Restudy)		10,000		9,500		10,000		9,700
(MP) Snettisham power project	5,000,000		4,750,000		5,000,000		4,850,000	
Arizona:								
(FC) Santa Rosa Wash (Tat Momolikot Dam)		625,000		595,000		625,000		606,000
(FC) Winslow	500,000		475,000		500,000		485,000	
Arkansas:								
(N) Arkansas River and tributaries, Arkansas and Oklahoma:								
(a) Bank stabilization and channel rectification	3,500,000		3,325,000		3,500,000		3,395,000	
(b) Navigation locks and dams	80,879,000		76,835,000		80,879,000		78,453,000	
(FC) Bayou Bartholomew (1950 and 1966 acts), Arkansas and Lousiana		310,000		295,000		310,000		301,000
(MP) Dardanelle lock and dam	8,600,000		8,170,000		8,600,000		8,342,000	
(MP) De Gray Reservoir	7,000,000		6,650,000		7,000,000		6,790,000	
(FC) DeQueen Reservoir	2,500,000		2,375,000		2,500,000		2,425,000	
(FC) Dierks Reservoir	1,000,000		950,000		1,000,000		970,000	
(FC) Garland City	125,000		120,000		125,000		121,000	
(FC) Gillham Reservoir	2,500,000		2,375,000		2,500,000		2,425,000	
(FC) Little Rock levee		31,000		29,000		31,000		30,000
(N) Ouachita and Black Rivers, Ark. and La	8,300,000		7,885,000		8,300,000		8,051,000	
(MP) Ozark lock and dam	10,500,000		9,975,000		10,500,000		10,185,000	
(FC) Pine Mountain Dam		225,000		215,000		225,000		218,000
Red River below Denison Dam, navigation and bank stabilization (not authorized) Arkansas, Louisiana, Oklahoma, and Texas (see Louisiana).								
(FC) Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex	600,000		570,000		600,000		582,000	
(FC) Village Creek White River and Mayberry levee district	646,000		615,000		646,000		627,000	
California:								
(FC) Alameda Creek, Del Valle Dam	3,300,000		3,135,000		3,300,000		3,201,000	
(FC) Corte Madera Creek	1,250,000		1,190,000		1,250,000		1,213,000	
(N) Dana Point Harbor	447,000		425,000		447,000		434,000	
(FC) Dry Creek (Warm Springs) Reservoir	2,500,000		2,375,000		2,500,000		2,425,000	
(FC) Eel River (Delta area) 1965 act		200,000		190,000		200,000		194,000
(FC) Hidden Reservoir (land acquisition)	400,000		380,000		400,000		388,000	
(FC) Klamath River	1,500,000		1,425,000		1,500,000		1,455,000	
(FC) Lakeport Reservoir, Scotts Creek		300,000		285,000		300,000		291,000
(FC) Los Angeles County drainage area	4,500,000		4,275,000		4,500,000		4,365,000	
(FC) Lytle and Warm Creeks (1965 act)		425,000		405,000		425,000		412,000
Martis Creek Reservoir, Calif. and Nev. (See Nevada.)								
(MP) Marysville Reservoir		800,000		760,000		800,000		776,000
(FC) Mojave River Reservoir (Wet Fork)	1,000,000		950,000		1,000,000		970,000	
(FC) Mormon Slough	1,264,000		1,206,000		1,206,000		1,206,000	
(FC) Napa River (1965 act)		375,000		355,000		375,000		364,000
(FC) New Bullards Bar Reservoir (reimbursement)	4,060,000		3,855,000		4,060,000		3,938,000	
(FC) New Don Pedro Reservoir (reimbursement)	1,000,000		950,000		1,000,000		970,000	
(MP) New Melones Reservoir	2,800,000		2,660,000		2,800,000		2,716,000	
(FC) Oroville Reservoir (reimbursement)	11,061,000		10,510,000		11,061,000		10,729,000	
(FC) Pajaro River (1966 act)		200,000		190,000		200,000		194,000
(FC) Pine Flat Reservoir	1,000,000		950,000		1,000,000		970,000	
(FC) Redwood Creek	769,000		730,000		769,000		746,000	
(FC) Russian River Basin (Coyote Valley Dam)	120,000		115,000		120,000		116,000	
(FC) Sacramento River and major and minor tributaries	400,000		380,000		400,000		388,000	
(FC) Sacramento River bank protection	1,400,000		1,330,000		1,400,000		1,358,000	
(N) Sacramento River deep water ship channel	100,000		95,000		100,000		97,000	
(N) San Diego River and Mission Bay	150,000		145,000		150,000		146,000	
(FC) San Diego River and Mission Valley		300,000		285,000		300,000		291,000
(FC) Sonoma Creek		100,000		95,000		100,000		97,000
(BE) Surfside Sunset and Newport Beach (reimbursement)	285,000		270,000		285,000		276,000	
(BE) Ventura-Pierpont	300,000		285,000		300,000		291,000	
(FC) Walnut Creek	2,100,000		1,995,000		2,100,000		2,037,000	
Canada:								
(FC) Arrow Lakes Reservoir, British Columbia (reimbursement)	52,100,000		52,100,000		52,100,000		52,100,000	
Colorado:								
(FC) Chatfield Reservoir	12,700,000		12,065,000		12,700,000		12,319,000	
(FC) Trinidad Reservoir	1,700,000		1,615,000		1,700,000		1,649,000	
Connecticut:								
(FC) Ansonia-Derby	2,500,000		2,375,000		2,500,000		2,425,000	
(FC) Black Rock Reservoir	2,400,000		2,280,000		2,400,000		2,328,000	
(FC) Colebrook River Reservoir	1,406,000		1,335,000		1,406,000		1,364,000	
(FC) Danbury		150,000		145,000		150,000		146,000
(FC) Derby	500,000		475,000		500,000		485,000	
(FC) New London barrier	200,000		190,000		200,000		194,000	
(FC) Stratford		200,000		190,000		200,000		194,000
(FC) Trumbull Pond Reservoir		170,000		160,000		170,000		165,000
Delaware:								
Delaware River, Philadelphia to sea, anchorages, Delaware, New Jersey, and Pennsylvania. (See New Jersey.)								
(N) Inland waterway, Delaware River to Chesapeake Bay (Chesapeake and Delaware Canal), pt. II, Delaware and Maryland	4,050,000		3,850,000		4,050,000		3,929,000	
Florida:								
(N) Apalachicola River channel improvement	575,000		550,000		575,000		558,000	
(N) Canaveral Harbor	440,000		420,000		440,000		427,000	
(FC) Central and southern Florida	11,500,000		10,925,000		11,500,000		11,155,000	
(N) Cross Florida Barge Canal	4,600,000		4,370,000		4,600,000		4,462,000	
(N) East Pass Channel at Destin	328,000		310,000		328,000		318,000	
(FC) Four Rivers Basins	3,500,000		3,325,000		3,500,000		3,395,000	

CONSTRUCTION, GENERAL, FISCAL YEAR 1969—Continued

[Key to symbols: (N) navigation; (FC) flood control; (BE) beach erosion; (R) rehabilitation; (MP) multiple purpose, including power]

	Construction, general, State and project	Approved budget estimate for fiscal year 1969		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Florida—Continued								
(N)	Gulf County Canal (1966 act)	$387,000		$370,000		$387,000		$375,000	
(N)	Jacksonville Harbor (1965 act)	2,000,000		1,900,000		2,000,000		1,940,000	
(BE)	Mullet Key (reimbursement)	129,000		125,000		129,000		125,000	
(BE)	Palm Beach County, Lake Worth Inlet to South Lake Worth Inlet (reimbursement)	9,000		8,000		9,000		8,700	
(BE)	Pinellas County, Treasure Island (1966 act)	258,000		245,000		258,000		250,000	
(N)	Ponce de Leon Inlet	740,000		705,000		740,000		718,000	
	Georgia:								
(MP)	Carters Dam	3,400,000		3,230,000		3,400,000		3,298,000	
(MP)	Lazer Creek Dam		$260,000		$250,000		$260,000		$252,000
(N)	Savannah Harbor, 40 ft. (1965 act)	900,000		855,000		900,000		873,000	
(N)	Savannah Harbor (sediment basin)	1,700,000		1,615,000		1,700,000		1,649,000	
(MP)	Trotters Shoals Reservoir, Ga. and S.C.		500,000		475,000		500,000		485,000
(MP)	West Point Reservoir, Ala. and Ga.	7,800,000		7,410,000		7,800,000		7,566,000	
	Hawaii:								
(N)	Honokahau Harbor	531,000		505,000		531,000		515,000	
	Idaho:								
(FC)	Cottonwood Creek Reservoir		90,000		85,000		90,000		87,000
(MP)	Dworshak (Bruces Eddy) Reservoir	45,500,000		43,225,000		45,500,000		44,135,000	
(FC)	Portneuf River and Marsh Creek	1,142,000		1,085,000		1,142,000		1,108,000	
(FC)	Ririe Reservoir	750,000		715,000		750,000		728,000	
(FC)	Stuart Gulch Reservoir		65,000		60,000		65,000		63,000
	Illinois:								
(FC)	East St. Louis and vicinity		50,000		45,000		50,000		49,000
(FC)	Freeport	430,000		410,000		430,000		417,000	
(N)	Horse Island and Crescent Bridge (Mississippi River), Illinois and Iowa	575,000		545,000		575,000		558,000	
(FC)	Hunt drainage district and Lima Lake drainage district	395,000		375,000		395,000		383,000	
(N)	Illinois Waterway Calumet-Sag modification, pt. I, Illinois and Indiana	5,350,000		5,085,000		5,350,000		5,190,000	
(N)	Illinois Waterway Calumet-Sag modification, pt. II, Illinois and Indiana						60,000		
(N)	Illinois Water duplicate locks		500,000		475,000		500,000		485,000
(FC)	Indian Grave drainage district	1,200,000		1,140,000		1,200,000		1,164,000	
(N)	Kaskaskia River (navigation)	12,300,000		11,685,000		12,300,000		11,931,000	
(FC)	Levee district 21 (Vandalia), Kaskaskia River		150,000		145,000		150,000		146,000
(FC)	Levee district 23 (Divety), Kaskaskia River		30,000		28,000		30,000		29,000
	Lock and dam 52, Illinois and Kentucky. (See Kentucky.)								
(N)	Mississippi River between Ohio and Missouri Rivers, Ill. and Mo.:								
	(a) Chain of Rocks	125,000		120,000		125,000		121,000	
	(b) Regulating works	1,000,000		950,000		1,000,000		970,000	
(N)	Mound City lock and dam, Illinois and Kentucky		395,000		375,000		395,000		383,000
(FC)	Oakley Reservoir (land acquisition)	2,000,000		1,900,000		2,000,000		1,940,000	
(FC)	Peoria		300,000		285,000		300,000		291,000
(FC)	Rend Lake Reservoir	5,500,000		5,225,000		5,500,000		5,335,000	
(FC)	Rockford		150,000		145,000		150,000		146,000
(FC)	Rock Island	300,000		285,000		300,000		291,000	
(FC)	Saline River and tributaries	700,000		665,000		700,000		679,000	
(FC)	Shelbyville Reservoir	6,870,000		6,525,000		6,870,000		6,664,000	
(FC)	Wood River drainage and Levee district (1965 act)		30,000		28,000		30,000		29,000
	Indiana:								
(FC)	Big Pine Reservoir		227,000		215,000		227,000		220,000
(FC)	Brookville Reservoir	3,000,000		2,850,000		3,000,000		2,910,000	
(N)	Burns Waterway Harbor (reimbursement)	9,500,000	45,000	9,025,000	40,000	9,500,000	45,000	9,215,000	44,000
(N)	Cannelton locks and dam, Indiana and Kentucky	6,300,000		5,985,000		6,300,000		6,111,000	
(FC)	Clifty Creek Reservoir		243,000		230,000		243,000		236,000
(FC)	Huntington Reservoir	3,110,000		2,955,000		3,110,000		3,017,000	
	Illinois Waterway, Calumet-Sag modification, pt. I, and II, Illinois and Indiana. (See Illinois.)								
(FC)	Island levee	200,000		190,000		200,000		194,000	
(FC)	Levee unit 5, Wabash River	1,267,000		1,205,000		1,267,000		1,229,000	
(R)	Michigan City Harbor	470,000		445,000		470,000		456,000	
(N)	Newburgh locks and dam, Indiana and Kentucky	10,800,000		10,260,000		10,800,000		10,476,000	
(FC)	Patoka Reservoir (land acquisition)	900,000		855,000		900,000		875,000	
(N)	Uniontown locks and dam, Indiana and Kentucky	4,300,000		4,085,000		4,300,000		4,171,000	
	Iowa:								
(FC)	Ames Reservoir		165,000		155,000		165,000		160,000
(FC)	Des Moines	1,328,000		1,260,000		1,328,000		1,288,000	
(FC)	Dubuque	1,600,000		1,520,000		1,600,000		1,552,000	
	Horse Island and Crescent Bridge, Mississippi River, Ill. and Iowa. (See Illinois.)								
(FC)	Marshalltown	400,000		380,000		400,000		388,000	
(FC)	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska	2,100,000		1,995,000		2,100,000		2,037,000	
(N)	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska	5,000,000		4,750,000		5,000,000		4,850,000	
(FC)	Muscatine Island levee district and Muscatine-Louisa County drainage district No. 13	569,000		540,000		569,000		552,000	
(FC)	Rathbun Reservoir	3,300,000		3,610,000		3,800,000		3,686,000	
(FC)	Red Rock Reservoir	5,800,000		5,510,000		5,800,000		5,626,000	
(FC)	Saylorville Reservoir	6,000,000		5,700,000		6,000,000		5,820,000	
(FC)	Waterloo		200,000		190,000		200,000		194,000
	Kansas:								
(FC)	Arkansas—Red River chloride control, Texas, Oklahoma, and Kansas (see Texas).								
(FC)	Atchison	1,811,000		1,720,000		1,811,000		1,757,000	
(FC)	Clinton Reservoir (land acquisition)	1,000,000		950,000		1,000,000		970,000	
(FC)	Cow Creek, Hutchison	250,000		240,000		250,000		243,000	
(FC)	El Dorado Reservoir		350,000		335,000		350,000		340,000
(FC)	Hillsdale Reservoir		200,000		190,000		200,000		194,000
(FC)	Lawrence	1,300,000		1,235,000		1,300,000		1,261,000	
(FC)	Melvern Reservoir	6,000,000		5,700,000		6,000,000		5,820,000	
	Missouri River Levee System, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
(FC)	Onaga Reservoir		100,000		95,000		100,000		97,000
(FC)	Osawatomie	500,000		475,000		500,000		485,000	
(FC)	Perry Reservoir	6,500,000		6,175,000		6,500,000		6,305,000	
(FC)	Topeka	800,000		760,000		800,000		776,000	

CONSTRUCTION, GENERAL, FISCAL YEAR 1969—Continued

[Key to symbols: (N) navigation; (FC) flood control; (BE) beach erosion; (R) rehabilitation; (MP) multiple purpose, including power]

	Construction, general, State and project	Approved budget estimate for fiscal year 1969		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Kentucky:								
(MP)	Barkley Dam, Ky. and Tenn.	$1,650,000		$1,570,000		$1,650,000		$1,601,000	
	Cannelton locks and dam, Indiana and Kentucky. (See Indiana.)								
(FC)	Carr Fork Reservoir	3,100,000		2,945,000		3,100,000		3,007,000	
(FC)	Cave Run Reservoir	4,000,000		3,800,000		4,000,000		3,880,000	
(FC)	Dayton		$80,000		$76,000		$80,000		$78,000
(FC)	Frankfort, North Frankfort area	1,000,000		950,000		1,000,000		970,000	
(FC)	Green River Reservoir	4,929,000		4,685,000		4,929,000		4,781,000	
(FC)	Kehoe Reservoir		239,000		225,000		239,000		232,000
(R)	Kentucky Peninsula	565,000		535,000		565,000		548,000	
(MP)	Laurel River Reservoir	2,500,000		2,375,000		2,500,000		2,425,000	
(N)	Lock and dam 52, Illinois and Kentucky	6,150,000		5,845,000		6,150,000		5,966,000	
(FC)	Martin		95,000		90,000		95,000		92,000
	Mound City lock and dam, Illinois and Kentucky. (See Illinois.)								
	Newburgh locks and dam, Indiana and Kentucky. (See Indiana.)								
(FC)	Paintsville Reservoir		215,000		205,000		215,000		208,000
(FC)	Red River Reservoir	800,000		760,000		300,000		776,000	
(FC)	Sturgis	918,000		870,000		918,000		890,000	
(FC)	Taylorsville Reservoir		200,000		190,000		200,000		194,000
	Uniontown locks and dam, Indiana and Kentucky. (See Indiana.)								
(FC)	Yatesville Reservoir		202,000		190,000		202,000		196,000
	Louisiana:								
	Bayou Bartholomew, Ark. and La. (See Arkansas.)								
(FC)	Bayou Bodcau and tributaries		40,000		38,000		40,000		39,000
(N)	Bayou LaFourche and LaFourche-Jump Waterway	500,000		475,000		500,000		485,000	
(FC)	Caddo Dam	990,000		940,000		990,000		960,000	
(FC)	Grand Isle and vicinity		60,000		57,000		60,000		58,000
(N)	Gulf Intracoastal Waterway, 16-foot channel, Louisiana and Texas. (See Texas.)								
(FC)	Lake Pontchartrain and vicinity	7,800,000		7,410,000		7,800,000		7,566,000	
(N)	Mississippi River, Gulf outlet	550,000		520,000		550,000		534,000	
(FC)	Monroe floodwall (1965 and 1966 acts)		200,000		190,000		200,000		194,000
(FC)	Morgan City and vicinity		110,000		105,000		110,000		107,000
(FC)	New Orleans to Venice hurricane protection	1,000,000		950,000		1,000,000		970,000	
	Ouachita and Black Rivers, Ark. and La. (See Arkansas.)								
(N)	Overton-Red River Waterway (lower 31 miles only)	1,800,000		1,710,000		1,800,000		1,746,000	
	Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex. (See Arkansas.)								
(N)	Vermilion lock (replacement)		25,000		24,000		25,000		24,000
	Maine:								
(MP)	Dickey-Lincoln School Dam and Reservoirs		1,276,000				1,276,000		
(N)	Saco River (section 107)	(130,000)				(130,000)		(130,000)	
	Maryland:								
(N)	Baltimore Harbor and channels	1,060,000		1,000,000		1,060,000		1,130,000	
(FC)	Bloomington Reservoir, Md. and W. Va. (land acquisition)	800,000		760,000		800,000		776,000	
	Inland waterway, Delaware River to Chesapeake Bay, Del. and Md. (C. & D. Canal), pt. II. (See Delaware.)								
(N)	Pocomoke River, Md. and Va. (restudy)		8,000		7,600		8,000		7,[illegible]0
	Massachusetts:								
(FC)	Baker Brook		90,000		85,000		90,000		87,000
(FC)	Nookagee Reservoir		70,000		65,000		70,000		68,000
(N)	Plymouth Harbor	440,000		415,000		440,000		427,000	
(N)	Provincetown Harbor	1,100,000		1,045,000		1,100,000		1,067,000	
(N)	Weymouth Fore and Towne Rivers	1,300,000		1,235,000		1,300,000		1,261,000	
(FC)	Whitmanville Reservoir		170,000		160,000		170,000		165,000
	Michigan:								
(R)	Grand Marais Harbor (piers)	330,000		315,000		330,000		320,000	
(FC)	Kalamazoo River		75,000		70,000		75,000		73,000
(FC)	Lansing		150,000		140,000		150,000		145,000
(N)	Point Lookout Harbor, Au Gres River	225,000		215,000		225,000		220,000	
(FC)	River Rouge	3,100,000		2,945,000		3,100,000		3,007,000	
(FC)	Saginaw River (flood control)	850,000		810,000		850,000		825,000	
(N)	Saginaw River (navigation)	2,500,000		2,375,000		2,500,000		2,425,000	
(R)	Saint Joseph Harbor	485,000		460,000		485,000		470,000	
(R)	South Haven Harbor	500,000		475,000		500,000		485,000	
	Minnesota:								
(FC)	Big Stone Lake-Whetstone River, Minn. and S. Dak. (land acquisition)	600,000		570,000		600,000		582,000	
(FC)	Mankato-North Mankato	500,000		475,000		500,000		485,000	
(FC)	Roseau River		75,000		70,000		75,000		73,000
(FC)	Rushford	718,000		680,000		718,000		696,000	
(N)	Stone Arch Bridge (reimbursement)	704,000		670,000		704,000		683,000	
	Mississippi:								
(N)	Biloxi Harbor	730,000		695,000		730,000		708,000	
	Tennessee-Tombigbee Waterway, Ala. and Miss. (See Alabama.)								
(FC)	Tombigbee River and tributaries, Alabama and Mississippi	640,000		610,000		640,000		621,000	
	Missouri:								
(FC)	Chariton River (1944 act)	550,000		520,000		550,000		534,000	
(MP)	Clarence Cannon (Joanna) Reservoir	2,400,000		2,280,000		2,400,000		2,328,000	
(FC)	Gregory Drainage District	850,000		810,000		850,000		825,000	
(MP)	Kaysinger Bluff Reservoir	7,000,000		6,650,000		7,000,000		6,790,000	
(FC)	Long Branch Reservoir		150,000		140,000		150,000		146,000
(FC)	Meramec Park Reservoir (land acquisition)	1,000,000		950,000		1,000,000		970,000	
	Mississippi River between Ohio and Missouri Rivers, Ill. and Mo. (See Illinois.)								
	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
(FC)	Pattonsburg Reservoir (Highway I-35 crossing)	1,000,000		950,000		1,000,000		970,000	
(FC)	Platte River		100,000		95,000		100,000		97,000
(FC)	St. Louis	6,400,000		6,080,000		6,400,000		6,208,000	
(FC)	Smithville Reservoir		200,000		190,000		200,000		194,000
(MP)	Stockton Reservoir	14,500,000		13,775,000		14,500,000		14,065,000	
(FC)	Union Reservoir		500,000		475,000		500,000		485,000

CONSTRUCTION, GENERAL, FISCAL YEAR 1969—Continued

[**Key to symbols**: (N) navigation; (FC) flood control; (BE) beach erosion; (R) rehabilitation; (MP) multiple purpose, including power]

	Construction, general, State and project	Approved budget estimate for fiscal year 1969		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Montana:								
(FC)	Great Falls	$700,000		$665,000		$700,000		$679,000	
(MP)	Libby Reservoir	65,000,000		61,040,000		65,000,000		63,050,000	
	Nebraska:								
	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
(FC)	Norfolk	450,000		430,000		450,000		437,000	
	Nevada:								
(FC)	Martis Creek Reservoir, Calif. and Nev.	1,230,000		1,170,000		1,230,000		1,193,000	
	New Jersey:								
(N)	Delaware River, Philadelphia to sea (anchorages), Delaware, New Jersey, and Pennsylvania	50,000		47,500		50,000		49,000	
(FC)	Elizabeth River	300,000		285,000		300,000		291,000	
(N)	Newark Bay, Hackensack, and Passaic Rivers (1966 act)	2,000,000		1,900,000		2,000,000		1,940,000	
(FC)	Rahway (sec. 205)					(429,000)		(429,000)	
(FC)	Raritan and Sandy Hook Bays	600,000		570,000		600,000		582,000	
(N)	Shrewsbury River Inlet		$100,000		$95,000		$100,000		$97,000
(MP)	Tocks Island Reservoir, Pa., N.J., and N.Y. (land acquisition)	4,000,000		3,800,000		4,000,000		3,880,000	
	New Mexico:								
(FC)	Albuquerque diversion channels	2,600,000		2,470,000		2,600,000		2,522,000	
(FC)	Cochiti Reservoir	5,000,000		4,750,000		5,000,000		4,850,000	
(FC)	Galisteo Reservoir	2,800,000		2,660,000		2,800,000		2,716,000	
(FC)	Los Esteros Reservoir and modification of Alamogordo Dam		300,000		285,000		300,000		290,000
	New York:								
(FC)	East Rockaway Inlet to Rockaway Inlet and Jamaica Bay		300,000		285,000		300,000		290,000
(FC)	Fire Island Inlet to Montauk Point	2,000,000		1,900,000		2,000,000		1,940,000	
(N)	Great Lakes to Hudson River Waterway (reimbursement)	1,885,000		1,790,000		1,885,000		1,830,000	
(FC)	Ithaca, Cayuga Inlet	1,076,000		1,020,000		1,076,000		1,045,000	
(N)	Lake Montauk Harbor	485,000		460,000		485,000		470,000	
(N)	Little Neck Bay	670,000		635,000		670,000		650,000	
(N)	Moriches Inlet, Long Island		140,000		133,000		140,000		136,000
(N)	New York Harbor (anchorages)	1,500,000		1,425,000		1,500,000		1,455,000	
(FC)	Nichols	610,000		580,000		610,000		592,000	
(FC)	North Ellenville	700,000		665,000		700,000		680,000	
(FC)	Red Creek		100,000		95,000		100,000		97,000
(FC)	Rosendale	1,000,000		950,000		1,000,000		970,000	
(FC)	Salamanca	1,310,000		1,245,000		1,310,000		1,271,000	
(FC)	South Ellenville	440,000		420,000		440,000		427,000	
	Tocks Island Reservoir, Pa., N.J., and N.Y. (See New Jersey.)								
	North Carolina:								
(N)	Cape Fear River above Wilmington	1,149,000		1,090,000		1,149,000		1,115,000	
(BE)	Fort Macon State Park (Reimbursement)	258,000		245,000		258,000		250,000	
(FC)	New Hope Reservoir	3,100,000		2,945,000		3,100,000		3,007,000	
(FC)	Reddies River Reservoir (restudy)		60,000		57,000		60,000		58,000
(N)	Wilmington Harbor, 38- and 40-foot depth (1962 act)	1,080,000		1,025,000		1,080,000		1,048,000	
	North Dakota:								
(R)	Garrison Reservoir (embankment repair)	1,200,000		1,140,000		1,200,000		1,164,000	
	Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)								
(FC)	Missouri River, Garrison Dam to Oahe Reservoir					1,100,000		1,100,000	
(FC)	Pipestem Reservoir (land acquisition)	450,000		430,000		450,000		437,000	
	Ohio:								
(FC)	Alum Creek Reservoir (land acquisition)	500,000		475,000		500,000		485,000	
(FC)	Athens	1,000,000		950,000		1,000,000		970,000	
(FC)	Big Darby Creek Reservoir	500,000				500,000			
(FC)	Caesar Creek Reservoir	1,800,000		1,710,000		1,800,000		1,746,000	
(FC)	Clarence J. Brown Dam and Reservoir	1,900,000		1,805,000		1,900,000		1,843,000	
(N)	Cleveland Harbor: Bridge replacement, widening Cuyahoga and Old Rivers (1958 act)	800,000		760,000		800,000		776,000	
(FC)	East Fork Reservoir	1,650,000		1,570,000		1,650,000		1,601,000	
(FC)	Fremont	600,000		570,000		600,000		582,000	
(N)	Hannibal locks and dam, Ohio and West Virginia	13,000,000		12,350,000		13,000,000		12,610,000	
(FC)	Mill Creek Reservoir (relocation of U.S. Highway 36)	415,000		395,000		415,000		403,000	
(FC)	North Branch Kokosing River Reservoir	900,000		855,000		900,000		873,000	
(FC)	Paint Creek Reservoir	3,500,000		3,325,000		3,500,000		3,395,000	
(N)	Racine locks and dam, Ohio and West Virginia	10,000,000		9,500,000		10,000,000		9,700,000	
(N)	Willow Island lock and dam, Ohio and West Virginia	5,223,000		4,960,000		5,223,000		5,066,000	
(FC)	Youngstown, Crab Creek	400,000		380,000		400,000		388,000	
	Oklahoma:								
	Arkansas Red River chloride control, Texas, Oklahoma, and Kansas. (See Texas.)								
	Arkansas River and tributaries, Arkansas and Oklahoma. (See Arkansas.)								
(MP)	Broken Bow Reservoir	3,500,000		3,325,000		3,500,000		3,400,000	
(FC)	Candy Reservoir		125,000		120,000		125,000		122,000
(FC)	Clayton Reservoir		100,000		95,000		100,000		97,000
(FC)	Crutcho Creek					200,000		200,000	
(FC)	Hugo Reservoir	3,300,000		3,135,000		3,300,000		3,201,000	
(FC)	Kaw Reservoir	4,800,000		4,560,000		4,800,000		4,656,000	
(FC)	Lukfata Reservoir		66,000		62,700		66,000		64,000
(FC)	Oologah Reservoir	3,500,000		3,325,000		3,300,000		3,195,000	
(FC)	Optima Reservoir	2,800,000		2,660,000		2,800,000		2,715,000	
(FC)	Pine Creek Reservoir	5,489,000		5,215,000		5,489,000		5,325,000	
(MP)	Robert S. Kerr (Short Mountain) lock and dam	14,200,000		13,490,000		14,200,000		13,774,000	
	Red River below Denison Dam, Ark., La., Okla., and Tex. (see Louisiana).								
(FC)	Shidler Reservoir		175,000		170,000		175,000		170,000
(FC)	Waurika Reservoir (land acquisition)	900,000		855,000		900,000		873,000	
(MP)	Webbers Falls lock and dam	15,500,000		14,725,000		15,500,000		15,035,000	
	Oregon:								
(FC)	Blue River Reservoir	3,100,000		2,945,000		3,100,000		3,007,000	
(MP)	Bonneville lock and dam (2d power unit), Oregon and Washington		500,000		475,000		500,000		485,000
(FC)	Cascadia Reservoir		429,000		410,000		429,000		416,000
(FC)	Catherine Creek Reservoir		100,000		95,000		100,000		97,000
(N)	Chetco River	800,000		760,000		800,000		776,000	
(N)	Columbia River and lower Willamette River, 35- and 40-foot projects, Oregon and Washington	2,000,000		1,900,000		2,000,000		1,940,000	
(FC)	Elk Creek Reservoir		146,000		140,000		146,000		142,000
(FC)	Gate Creek Reservoir		285,000		270,000		285,000		276,000

CONSTRUCTION, GENERAL, FISCAL YEAR 1969—Continued

[Key to symbols: (N) navigation; (FC) flood control; (BE) beach erosion; (R) rehabilitation; (MP) multiple purpose, including power]

	Construction, general, State and project	Approved budget estimate for fiscal year 1969		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Oregon—Continued								
(MP)	John Day lock and dam, Oregon and Washington	$26,300,000		$24,985,000		$26,300,000		$25,511,000	
(FC)	John Day River	570,000		540,000		570,000		553,000	
(MP)	Lost Creek Reservoir	2,000,000		1,900,000		2,000,000		1,940,000	
(FC)	Lower Columbia River bank protection, Oregon and Washington	400,000		380,000		400,000		388,000	
(MP)	McNary lock and dam, Oregon and Washington	1,000,000		950,000		1,000,000		970,000	
(N)	Port Orford	580,000		550,000		580,000		563,000	
(FC)	Scappoose Drainage District		$30,000		$28,500		$30,000		$29,000
(N)	Siuslaw River and Bar	793,000		755,000		793,000		770,000	
(MP)	The Dalles lock and dam, Oregon and Washington (additional power units)	7,500,000		7,125,000		7,500,000		7,275,000	
(N)	Tillamook Bay and Bar (south jetty)	750,000		715,000		750,000		728,000	
(FC)	Willamette River Basin bank protection	375,000		355,000		375,000		365,000	
(N)	Yaquina Bay and Harbor	300,000		285,000		300,000		291,000	
	Pennsylvania:								
(FC)	Aylesworth Creek Reservoir	520,000		495,000		520,000		504,000	
(FC)	Beltzville Reservoir	5,700,000		5,415,000		5,700,000		5,529,000	
(FC)	Blue Marsh Reservoir (land acquisition)	1,650,000		1,570,000		1,650,000		1,601,000	
(FC)	Chartiers Creek	2,500,000		2,375,000		2,500,000		2,425,000	
(FC)	Cowanesque Reservoir		400,000		380,000		400,000		388,000
	Delaware River, Philadelphia to sea, anchorages, Delaware, New Jersey, and Pennsylvania. (See New Jersey.)								
(FC)	Foster Joseph Sayers Dam (Blanchard)	2,600,000		2,470,000		2,600,000		2,522,000	
(FC)	Raystown Reservoir	4,500,000		4,275,000		4,500,000		4,365,000	
(FC)	Tioga-Hammond Reservoir (land acquisition)	1,000,000		950,000		1,000,000		970,000	
	Tocks Island Reservoir, Pa., N.J., and N.Y. (See New Jersey.)								
(FC)	Tyrone		75,000		70,000		75,000		73,000
(FC)	Union City Reservoir	2,500,000		2,375,000		2,500,000		2,425,000	
(FC)	Woodcock Creek Reservoir	1,200,000		1,140,000		1,200,000		1,164,000	
	Rhode Island:								
(BE)	Cliff Walk, Newport					100,000		50,000	
(N)	Providence River and Harbor	4,000,000		3,800,000		4,000,000		3,880,000	
	South Carolina:								
	Trotters Shoals Reservoir, Ga. and S.C. (See Georgia.)								
	South Dakota:								
(MP)	Big Bend Dam-Lake Sharpe	1,000,000		950,000		1,000,000		970,000	
	Big Stone Lake-Whetstone River, Minn., and S. Dak. (land acquisition). (See Minnesota.)								
(FC)	Cottonwood Springs Reservoir	800,000		760,000		800,000		776,000	
(MP)	Oahe Reservoir, S. Dak. and N. Dak	1,550,000		1,475,000		1,550,000		1,504,000	
	Tennessee:								
	Barkley Dam, Ky. and Tenn. (See Kentucky.)								
(MP)	Cordell Hull lock and dam	9,200,000		8,740,000		9,200,000		8,924,000	
(MP)	J. Percy Priest Reservoir	4,900,000		4,655,000		4,900,000		4,753,000	
	Texas:								
(FC)	Arkansas-Red River chloride control (pt. I), Texas, Oklahoma, and Kansas		400,000		380,000		400,000		388,000
(FC)	Arkansas-Red River chloride control (supplemental studies), Texas, Oklahoma, and Kansas		1,000,000		950,000		1,000,000		970,000
(FC)	Belton Reservoir (raise water level)		85,000		80,000		85,000		82,000
(FC)	Buffalo Bayou and tributaries	2,500,000		2,375,000		2,500,000		2,425,000	
(FC)	Cooper Reservoir and channels	300,000		285,000		300,000		291,000	
(FC)	Duck Creek Channel improvement		30,000		28,500		30,000		29,000
(FC)	El Paso		350,000		335,000		350,000		340,000
(FC)	Fort Worth Floodway, Clear Fork extension	1,400,000		1,330,000		1,400,000		1,358,000	
(FC)	Freeport and vicinity	3,000,000		2,850,000		3,000,000		2,910,000	
(R)	Galveston Harbor and Channel (groins)	500,000		475,000		500,000		485,000	
(N)	Gulf Intracoastal Waterway, Chocolate Bayou	1,300,000		1,235,000		1,300,000		1,261,000	
(FC)	Highland Bayou	500,000		475,000		500,000		485,000	
(FC)	Lake Kemp Reservoir	1,500,000		1,425,000		1,500,000		1,455,000	
(FC)	Lakeview Reservoir		400,000		380,000		400,000		388,000
(FC)	Lavon Reservoir modification and channel improvement	4,200,000		3,990,000		4,200,000		4,074,000	
(FC)	Liberty, Trinity River		50,000		47,500		50,000		49,000
(FC)	Port Arthur and vicinity (hurricane flood protection)	4,600,000		4,370,000		4,600,000		4,462,000	
	Red River below Denison Dam, navigation and bank stabilization (not authorized), Arkansas, Louisiana, Oklahoma, and Texas. (See Louisiana.)								
	Red River levees and bank stabilization, below Denison Dam, Ark., La., and Tex. (See Arkansas.)								
(N)	Sabine-Neches Waterway, 40-foot project and channel to Echo	6,730,000		6,395,000		6,730,000		6,528 000	
(FC)	San Antonio Channel	1,500,000		1,425,000		1,500,000		1,455,000	
(FC)	San Gabriel River tributary to Brazos River (land acquisition)	1,500,000		1,425,000		1,500,000		1,455,000	
(FC)	Texas City, hurricane protection	2,300,000		2,185,000		2,300,000		2,231,000	
(N)	Trinity River bridges	1,000,000				1,000,000		850,000	
(FC)	Vince and Little Vince Bayous	900,000		855,000		900,000		873,000	
(N)	Wallisville Reservoir, Trinity River	3,200,000		3,040,000		3,200,000		3,104,000	
	Vermont:								
(FC)	Gaysville Reservoir		100,000		95,000		100,000		97,000
	Virginia:								
(FC)	Gathright Reservoir	3,000,000		2,850,000		3,000,000		2,910,000	
(N)	Hampton Roads	3,000,000		2,850,000		3,000,000		2,910,000	
(FC)	Norfolk	500,000		475,000		500,000		485,000	
	Pocomoke River, Md. and Va., restudy. (See Maryland.)								
(BE)	Virginia Beach (reimbursement)	130,000		125,000		130,000		126,000	
	Washington:								
	Bonneville lock and dam (2d power unit), Oregon and Washington. (See Oregon.)								
(MP)	Chief Joseph Dam (additional power units)		200,000		190,000		200,000		194,000
	Columbia River and Lower Willamette River, 35- and 40-foot projects, Oregon and Washington. (See Oregon.)								
	John Day lock and dam, Oregon and Washington. (See Oregon.)								
(MP)	Little Goose lock and dam	24,000,000		22,800,000		24,000,000		23,280,000	
	Lower Columbia River bank protection, Oregon and Washington. (See Oregon.)								
(MP)	Lower Granite lock and dam	19,000,000		18,050,000		19,000,000		18,430,000	

CONSTRUCTION, GENERAL, FISCAL YEAR 1969—Continued

[Key to symbols: (N) navigation; (FC) flood control; (BE) beach erosion; (R) rehabilitation; (MP) multiple purpose, including power]

	Construction, general, State and project	Approved budget estimate for fiscal year 1969		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Washington—Continued								
(MP)	Lower Monumental lock and dam	$16,500,000		$15,675,000		$16,500,000		$16,005,000	
	McNary lock and dam, Oregon and Washington. (See Oregon.)								
	The Dalles lock and dam, Oregon and Washington. (See Oregon.)								
(FC)	Wynoochee River Reservoir	2,500,000		2,375,000		2,500,000		2,425,000	
	West Virginia:								
(FC)	Beech Fork Lake	800,000		760,000		800,000		776,000	
	Bloomington Reservoir, Md. and W. Va. (See Maryland.)								
(FC)	Burnsville Lake (land acquisition)	700,000		665,000		700,000		679,000	
(FC)	East Lynn Lake	3,900,000		3,705,000		3,900,000		3,783,000	
	Gallipolis lock and dam (not authorized), Ohio and West Virginia. (See Ohio.)								
	Hannibal locks and dam, Ohio and West Virginia. (See Ohio.)								
(FC)	R. D. Bailey (Justice) Lake	11,670,000		11,090,000		11,670,000		11,320,000	
	Racine locks and dam, Ohio and West Virginia. (See Ohio.)								
(FC)	Rowlesburg Lake		$133,000		$127,000		$133,000		$129,000
(FC)	Stonewall Jackson Lake		250,000		238,000		250,000		243,000
(FC)	West Fork Lake		150,000		143,000		150,000		146,000
	Willow Island lock and dam, Ohio and West Virginia. (See Ohio).								
	Wisconsin:								
(FC)	Eau Galle River, Spring Valley	1,122,000		1,065,000		1,122,000		1,088,000	
(N)	Green Bay Harbor (1962 act)	100,000		95,000		100,000		97,000	
(R)	Kenosha Harbor	340,000		325,000		340,000		330,000	
(FC)	La Farge Reservoir, Kickapoo River (land acquisition)	700,000		665,000		700,000		679,000	
	Miscellaneous:								
(FC)	Emergency bank protection	300,000		285,000		300,000		291,000	
(FC)	Small projects for flood control and related purposes not requiring specific legislation (sec. 205)	7,000,000		6,650,000		7,429,000		7,219,000	
(FC)	Snagging and clearing	250,000		240,000		250,000		243,000	
(N)	Small navigation projects not requiring specific legislation costing up to $500,000 (sec. 107)	2,000,000		1,900,000		2,000,000		1,940,000	
	Recreation facilities, completed projects	9,000,000		8,550,000		9,000,000		8,730,000	
	Fish and wildlife studies (U.S. Fish and Wildlife Service)	580,000		550,000		580,000		563,000	
	Aquatic plant control (1965 act)	900,000		855,000		900,000		873,000	
	Employees compensation	656,000		656,000		656,000		656,000	
	Reduction for anticipated savings and slippages	−50,752,000		−102,588,800		−50,752,000		−71,796,700	
	1968 reserve applied in fiscal year 1969	−61,700,000		−61,700,000		−61,700,000		−61,700,000	
	Grand total, construction, general	897,982,000	20,430,000	794,273,700	18,055,300	897,053,000	20,340,000	847,245,000	18,437,500
		($918,412,000)		($812,329,000)		($917,393,000)		($865,682,500)	

Mr. ELLENDER. Mr. President, I hope very much that part 2 of the Calumet-Sag modification in Indiana that was omitted, can be funded soon. The engineers have almost completed part I, which is in the State of Illinois. It was my hope that by the time they concluded the Calumet-Sag Channel in Illinois, they could continue the work through Indiana.

This is a very worthy project in that the benefit-cost ratio is in excess of 2.2 to 1. It is a very good project. I am very hopeful, as I said, that we will be able to include this project in next year's bill.

The same thing is true with respect to the Dickey-Lincoln project. I am very hopeful that next year we will be able to convince the House that it is a worthy project and should be included and retained in the budget.

Mr. President, for Mississippi River and tributaries, the conference bill provides $69,600,000, the budget estimate and the amount allowed by the House. This is $10,000 less than the amount approved by the Senate, and $17,535,000 below the appropriation for fiscal year 1968. The Senate bill allowed $10,000 for the initiation of a survey of the Old River control structure. The conferees agreed that this investigation could be initiated within available funds.

Mr. President, for title II, the conference bill provides $711,111,500, which is $24,347,000 below the amount approved by the Senate; $11,763,500 above the House allowance; $53,907,500 below the budget; and $39,040,500 below the appropriation for 1968.

With respect to power service to the Southwestern Power Administration area, the Senate concurred with the House of Representatives in urging continued serious negotiations between the Department of the Interior and eight private power companies to reach a wheeling agreement to make unnecessary about $11 million of powerline construction.

One of the points of disagreement is provision for standby power to an association of electric cooperatives in Louisiana. Both bodies agreed that if this matter cannot be worked out in the negotiations, consideration could be given to construction of necessary power facilities to be financed by the United States and the cooperative.

It is hoped that the companies and the Department can agree; but if they cannot, then the Department would have to come back to the Congress to secure approval and funds to plan and construct any facilities deemed necessary.

With respect to the Federal Water Pollution Control Administration, for construction grants for waste treatment works, the conference bill allows $214,000,000, which is $11,000,000 below the amount approved by the Senate; $11,000,000 above the amount allowed by the House; $11,000,000 below the budget estimate; and $11,000,000 above the appropriation for fiscal year 1968.

Mr. President, I regret very much that we were unable to obtain consent from the House to at least provide funds in the amount of the budget estimate for this program. The budget estimate itself is far below the authorization. I hate to see this fine work delayed.

For title III, the conference bill was $58,978,500, which is $3,082,500 below the Senate approved bill; $182,500 above the House; $490,500 below the budget; and $11,845,500 below the appropriations for fiscal year 1968. The principal decrease was a reduction of $2,950,000 for the Tennessee Valley Authority. The Senate bill provided funds for the modernization of the ammonia plant. The conferees agreed on the restoration of the budget estimate amounting to $50,000 and agreed that this increase together with not to exceed $450,000 of available funds may be used for engineering and design of the modernization of the fertilizer production facilities.

The $450,000 is to be taken out of available funds. This is a very important plant. It has been producing ammonia and other material for the production of ammunition. The project is run down. As a matter of fact, it has been in operation since World War I. The committee felt that is was time to do some work toward restoring this facility and thereby save the Government much money in the future.

The plant is now so old that it requires many repairs. I am hopeful that next year we will be able to obtain sufficient funds to put the plant in tip-top shape.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. SPARKMAN. Mr. President, is it not true that there is considerable development in the field of manufacturing richer fertilizer? I am referring particularly to urea. And is it not true that in overhauling the plant, it is possible to get it into shape so that the research can be carried on and production on an experimental basis of urea can be brought about?

Mr. ELLENDER. Yes, that is true. As the Senator knows, that work is carried on under the same roof with the production of other materials used in manufacturing ammunition. It is true that this plant has been very important in the past in doing what the Senator has just said, in providing different mixtures of fertilizer.

Mr. SPARKMAN. Which are used experimentally.

Mr. ELLENDER. Yes.

Mr. SPARKMAN. And which, over the years, have had a very great influence in bringing about a more universal usage of commercial fertilizers to aid in greater production of food and fiber.

Mr. ELLENDER. The Senator is correct.

Although this fertilizer is used for experimental purposes, the TVA at least obtains the cost of its production. So we are getting different kinds of fertilizer, and they are used to show how much more of a crop can be grown by the use of different fertilizers.

Mr. SPARKMAN. And the results and the formulas they derive are made available to private producers of commercial fertilizers.

Mr. ELLENDER. The Senator is correct.

Mr. SPARKMAN. I thank the Senator.

Mr. ELLENDER. Mr. President, for title IV, Atomic Energy Commission, the conference bill is $2,570,874,000, which is $30,926,000 below the amount approved by the Senate; $34,274,000 above the amount allowed by the House; $183,726,000 below the budget; and $61,741,000 above the appropriations for 1968.

Mr. President, I ask that the conference report be agreed to, and that all data submitted be printed in the RECORD.

Mr. SPARKMAN. Mr. President, before that is done, will the Senator yield further?

Mr. ELLENDER. Yes.

Mr. SPARKMAN. I have knowledge of the tremendous job the subcommittee has done throughout the years, under the leadership of the able Senator from Louisiana, and the useful results that have evolved. I should like to call the attention of the Senator to one item that will be of interest because of the projects with which his subcommittee deals.

Hearings commenced this morning before the Joint Economic Committee with respect to certain Government operations, and the subject particularly considered this morning deals with using the interest rate on Government money for evaluating the benefit to cost ratio in public work projects. It seems to me that this is something that has been required for some time. As interest rates go up, those things that are taken into consideration in evaluating the return should reflect the increased interest rates and should be beneficial to our public projects.

Mr. ELLENDER. That is true as to any project. But there has been a good deal of complaint about the use of the proper interest rate to evaluate the benefit-cost ratio in navigation.

I have found over the years that the Department of the Interior has a different formula from that of public works, and we should unify that. I am hopeful that something can be done about that.

With respect to TVA, that Government corporation has done a great job in the past. It has been permitted to use some of its profits to bond itself for the purpose of constructing additional facilities to generate electricity from steam.

As the Senator knows, we have gone far in that field. I sort of objected to it in the beginning, but I believe the testimony will show that approximately 80 percent of all the electricity sold by TVA is generated through steam and only 20 percent is generated by the hydroelectric method.

I express the hope that some study will be given so that more and more of the profits of TVA can be made to operate, and they will not have to come to the Treasury for funds as they do each year. I believe that can be done, and in the long run it might save the Government at least $50 million to $55 million per year. I believe there would be sufficient funds to generate this money, even though they had to borrow it.

Whether or not that can be worked out remains to be seen, but I express the hope that, since the TVA has the legal right at this time to bond itself for the construction of additional plants to generate electricity, that authority should be expanded so as to operate all facilities there. I believe it is possible, and it should be done.

Mr. SPARKMAN. It may be well to note that the TVA, under the law, is required to turn into the Treasury its profits. First, a certain portion is taken to pay what was agreed several years ago to be a proper return on the money that the Government had invested in power activities, and any excess is turned in to the Treasury of the United States. And there have been substantial sums each year.

Mr. ELLENDER. The Senator is correct.

Mr. SPARKMAN. In connection with steam generation, the Senator knows that one of the greatest nuclear power generating plants in the country, or in the world, is being built as part of the TVA system at Brown's Ferry, in Limestone County, Ala.

Mr. ELLENDER. In other words, atomic energy is being used to produce power.

Mr. SPARKMAN. The Senator is correct.

Mr. ELLENDER. That means, of course, more power for sale. It will also mean, I hope, more profit for TVA.

That is an additional reason why I believe this Government-owned corporation should continue to pay into the Treasury until the money is paid out, and then I believe that sufficient funds can be realized, particularly when the debt is being reduced as we go along, so that any improvements can be paid for out of funds from the TVA, as well as the $50 million we now appropriate each year to operate it. I am very hopeful that something like that could be done, and it would show better in our debt as a whole.

The same principle, I hope, can be worked out with respect to many of the projects in the Northwest, because we are spending hundreds of millions of dollars to construct facilities to generate electricity. Of course, the money goes into the Treasury, but those projects could be made more or less self-sustaining, and it would wipe out a good deal of our overall debt—that is, it would transfer it to where it belongs.

Whenever a facility of this kind is built in the Northwest—in fact, any kind of dam—it is charged as an expense to the Government, when as a matter of fact, it is an investment.

In any event, I believe that something could be worked out particularly with the TVA since it is a Government corporation with authority to borrow. I am sorry that the Senate could not have retained more of the increases I have just indicated.

The conference report provides $4,608,421,000, which is $119,201,500 below the amount approved by the Senate and $109,198,000 above the House, and $300,236,000 below the budget.

The committee made an effort to curtail expenses in the best possible way, and I am very hopeful that next year we may be able to place into the bill more money than has been appropriated this year so we can continue construction of many worthwhile projects that are now awaiting funds.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Mr. President, having served on the conference, I recall that the Senate conferees were able to retain 2 percent of the 5-percent cut imposed by the other body, and also a portion of the slippage, which amounts to an additional $30 million a year.

Am I correct in my understanding that the total increase over the House amount accompanied by the conference bill is about 5 percent?

Mr. ELLENDER. That is just about the figure. The cuts agreed upon, and also the slippage. It was really and truly a 50–50 split.

Mr. HOLLAND. In other words, the improvement in the funds that will be available for each project, and some of them were very badly affected by the cuts in the other body, have been cut down about 50 percent, and the total increase accomplished by reason of the Senate action here and in conference was about a 5-percent increase over the House amount.

Mr. ELLENDER. The Senator is correct.

Mr. HOLLAND. I thank the Senator.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MILLER. Mr. President, although my colleague, the Senator from Kentucky [Mr. COOPER] was in the Senate Chamber yesterday and took part in the debate on the conference report on the Federal-Aid Highway Act of 1968, he has returned to Walter Reed Hospital for further tests today.

Before leaving, the Senator from Kentucky asked that I direct three questions to the chairman of the subcommittee, the Senator from Louisiana [Mr. ELLENDER], who is the manager of the conference report.

As members of the committee and the chairman know, the Senator from Kentucky had offered an amendment in committee respecting the Red River Reservoir in Kentucky, which was adopted by the committee and included in the Senate bill. While the House conferees did not accept the Senate amendment, the conference report does include language respecting the Red River Reservoir.

I invite the Senator from Louisiana to turn to page 29 of the conference report.

Mr. ELLENDER. I have it.

Mr. MILLER. The first point the Senator from Kentucky wished to emphasize is that it is correct, is it not, that the language of the conference report directs the Chief of Engineers "to review the plans—for the Red River Reservoir—so as to preserve to the maximum extent feasible, the Red River Gorge."

Mr. ELLENDER. Yes, that was a portion of the language in the conference report.

Mr. MILLER. The second question of the Senator from Kentucky is: In the next paragraph on page 29 the report states:

> The conferees request the Chief of Engineers to report his findings to the House and Senate Appropriations Committees as soon as possible.

The question is: Is it intended that the report of the Corps of Engineers be made prior to the time the committees act next year on the fiscal 1970 appropriations?

Mr. ELLENDER. It is, but I doubt that the language in the report would prevent the expenditure of funds provided in the bill. We are trying to get the report as soon as we can, and I am very hopeful it can be obtained in time so as to find out whether or not it is feasible to reduce the size of the dam that has been actually chosen by the Engineers.

Mr. MILLER. I appreciate the response of the Senator from Louisiana. "As soon as possible" can mean many things. This colloquy pinpoints it to a hoped-for report before the time the committees act next year on the 1970 appropriations.

Mr. ELLENDER. I wish to make plain that this language does not in any way change the site.

Mr. MILLER. I understand.

Mr. ELLENDER. But it would be possible, if the Engineers can find some ways and means of constructing the dam at a lower level and obtain the same results so as to save this gorge, perhaps they can do it; but it by no means changes the situation from what it is now.

Mr. MILLER. The third question is: In the same paragraph the conference report states:

> Until he receives the concurrence of the Committees, the Chief of Engineers should proceed with land acquisition.

And, further:

> Construction shall be limited to such work as will not be affected by any changes in the reservoir size.

Is it correct, then, that the Corps of Engineers cannot proceed beyond land acquisition, and beyond such work as will not be affected by any change in the reservoir size, until it receives the concurrence of the two committees—both the House and Senate Committee on Appropriations?

Mr. ELLENDER. The Senator is correct in expressing it in that way. But as I said, there is no language that was agreed upon which would cause the site to be changed. That was the main issue, but efforts are being made by the Engineers to the end that a portion of this gorge may be saved and they may be able to find ways and means to build this dam to retain the water, sufficient to satisfy the needs of several cities around there. I am very hopeful it can be worked out because, according to the testimony of the witnesses, this is a beautiful gorge, and, if possible, it should be saved.

Mr. MILLER. I thank the Senator.

Mr. YARBOROUGH. Mr. President, the public works appropriations bill as agreed upon by House and Senate conferees is an acceptable compromise between the Bureau of the Budget recommendations which we in the Senate endorsed, and the considerably low House-approved sums. I urge the Senate to approve the conference report.

One Texas project that is of tremendous importance to my State was left out of the House bill. Fortunately, the esteemed Senator from Louisiana [Mr. ELLENDER] saw the importance of construction of bridges along the Trinity River in Texas to speed along the long-range development of that river for both navigational and other purposes. At my urging and with Senator ELLENDER's generous support, the Senate Appropriations Committee provided $1 million to build those bridges. This is the real beginning of the great Trinity River project.

In conference committee, while some differences were being settled in a split-the-difference manner, Senate conferees held firm for a larger sum. Thus, the report before us today includes $850,000 for the Trinity bridges—an adequate sum to begin that very important project, though House of Representative objections to any moves for the Trinity River project resulted in the cut of $1 million allowed by the Senate, to the conference amount of $850,000.

I put my fellow Senators on notice that they will be hearing more about the Trinity River development project in the next few months. The Secretary of the Army and the Bureau of the Budget have recently given a go-ahead to this needed development of the Trinity River for multiple purposes of flood control, water utilization, and watershed developments.

Time does not permit me to mention each of the Texas projects in this bill, but in view of the tight economic situation facing us, the 25 Texas projects fared fairly well. These are all important flood control and navigational programs that represent a sound investment in our State. Money we spend now preparing for weather disasters and attempting to prevent floods and damage can save great sums of money, and more importantly, lives, in the future. I urge adoption of the conference report on H.R. 17903.

Mr. ELLENDER. Mr. President, I move that the conference report be agreed to.

The conference report was agreed to.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO TOMORROW AT 10 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. SPONG. Mr. President, I ask unanimous consent to be recognized for a period not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AID TO IMPACTED SCHOOL AREAS

Mr. SPONG. Mr. President, the second supplemental appropriations bill for fiscal 1968, H.R. 17734, provided an additional $90,965,000 for the maintenance and operation of schools in areas impacted by large numbers of Federal employees. The bill specified that funds were "to remain available until July 31, 1968." Today is July 30, 1968, and tomorrow night at midnight that appropriation will lapse. As of this time, however, the Bureau of the Budget has not released the appropriation to the Office of Education for distribution to eligible school districts.

I question, first, the right of the Bureau of the Budget to withhold funds appropriated by Congress, and, secondly, the basis the Bureau is giving for the withholding of these particular funds. The Bureau has said that since the second supplemental appropriations bill was not actually signed into law until July 9, 1968; that is, fiscal 1969, it is subject to the spending reductions provided for in the Revenue and Expenditure Control Act. I reject that argument. This appropriation was a fiscal 1968 appropriation to cover the operation of the impacted areas program during the fiscal 1968 period. And, on future audits of the Federal Government, this appropriation will show up on the fiscal 1968 accounts.

Since the impacted areas program was initiated in 1951, school districts have always received almost 100 percent entitlement fqr this program. Without this appropriation, the eligible districts will receive only 80-percent entitlement for the 1967–68 school year. Yet many school districts planned last year's budget and operated during the school year which just passed in anticipation of these funds. Now, after the school year is over, the school districts are being told that the funds will not be available. On February 20, when Senator Fulbright introduced an amendment which I cosponsored to provide the supplemental appropriation, he inserted into the Congressional Record a chart showing how much the supplemental would mean to various States.

I ask unanimous consent that the chart be reprinted at this point in the Record.

There being no objection, the chart was ordered to be printed in the Record, as follows:

SUMMARY OF ALLOCATION AND ESTIMATED NEED, PUBLIC LAW 874 AS AMENDED, FISCAL YEAR 1968

State or territory	1968 appropriation	1968 entitlement	Difference
Total	$395, 390, 000	$486, 355, 000	$90, 965, 000
Alabama	8, 955, 406	10, 888, 075	1, 932, 669
Alaska	9, 762, 046	12, 172, 490	2, 410, 444
Arizona	6, 285, 722	7, 837, 792	1, 552, 070
Arkansas	1, 953, 560	2, 435, 933	482, 373
California	60, 978, 019	76, 034, 711	15, 056, 692
Colorado	10, 290, 723	12, 831, 708	2, 540, 985
Connecticut	2, 616, 498	3, 262, 564	646, 066
Delaware	2, 350, 131	2, 671, 001	320, 870
District of Columbia	4, 618, 402	5, 758, 437	1, 140, 035
Florida	12, 953, 787	16, 030, 492	3, 076, 705
Georgia	12, 330, 086	14, 496, 199	2, 166, 113
Hawaii	6, 857, 193	8, 550, 371	1, 693, 178
Idaho	2, 418, 106	3, 015, 185	597, 079
Illinois	9, 983, 678	12, 448, 848	2, 465, 170
Indiana	3, 039, 259	3, 789, 713	750, 454
Iowa	1, 787, 388	2, 228, 730	441, 342
Kansas	6, 196, 140	7, 726, 091	1, 529, 951
Kentucky	6, 040, 371	6, 413, 502	373, 131
Louisiana	3, 001, 338	3, 713, 288	711, 950
Maine	2, 661, 479	3, 318, 651	657, 172
Maryland	18, 746, 284	23, 377, 258	4, 630, 974
Massachusetts	10, 412, 223	12, 812, 595	2, 400, 372
Michigan	4, 981, 623	6, 211, 685	1, 230, 062
Minnesota	1, 706, 172	2, 127, 460	421, 288
Mississippi	2, 478, 037	3, 089, 914	611, 877
Missouri	5, 221, 005	6, 510, 176	1, 289, 171
Montana	3, 228, 800	4, 026, 055	797, 255
Nebraska	3, 802, 700	4, 741, 663	938, 963
Nevada	2, 719, 033	3, 390, 417	671, 384
New Hampshire	1, 859, 828	2, 319, 057	459, 229
New Jersey	7, 904, 435	9, 856, 198	1, 951, 763
New Mexico	7, 912, 906	9, 866, 761	1, 953, 855
New York	21, 055, 954	26, 039, 763	4, 983, 809
North Carolina	9, 344, 737	10, 516, 563	1, 171, 826
North Dakota	2, 359, 730	2, 942, 395	582, 665
Ohio	9, 660, 120	12, 045, 397	2, 385, 277
Oklahoma	8, 932, 441	11, 138, 039	2, 205, 598
Oregon	1, 945, 923	2, 419, 913	473, 990
Pennsylvania	7, 313, 773	9, 018, 024	1, 704, 251
Rhode Island	2, 638, 017	3, 289, 396	651, 379
South Carolina	6, 682, 898	8, 041, 698	1, 358, 800
South Dakota	3, 446, 992	4, 296, 706	849, 714
Tennessee	4, 915, 534	6, 129, 278	1, 213, 744
Texas	20, 904, 631	26, 066, 402	5, 161, 771
Utah	4, 505, 686	5, 618, 230	1, 112, 544
Vermont	122, 508	152, 758	30, 250
Virginia	24, 455, 489	29, 794, 811	5, 339, 322
Washington	10, 549, 718	13, 154, 654	2, 604, 936
West Virginia	465, 327	580, 226	114, 899
Wisconsin	1, 669, 789	2, 082, 093	412, 304
Wyoming	1, 304, 017	1, 626, 005	321, 988
Guam	1, 307, 307	1, 630, 107	322, 800
Puerto Rico	5, 429, 002	5, 465, 710	36, 708
Virgin Islands	104, 419	130, 202	25, 783
Wake Island	223, 610	223, 610	

Mr. SPONG. Mr. President, as the chart indicates, every State would be affected. I would now only point out that the supplemental appropriation would mean $15 million to California, $5.4 million to Virginia, $5.1 million to Texas, $4.9 million for New York, $4.6 million for Maryland. It would mean $1.1 million for the District of Columbia.

Mr. President, I would like to repeat: Since 1951 States have almost always received almost 100-percent entitlement for this program. Both Houses of Congress are now on record as supporting full entitlement for the school year which has now passed. Many school districts operated this past school year on budgets which anticipated these funds and will face serious financial problems if this supplemental is not released. In addition, the manner of payment for fiscal 1968 has produced a situation in which some districts will either have to return money already awarded them or have an amount subtracted from next year's entitlement.

I wish today, to alert my colleagues to this situation and urge them to look into this matter of vital concern to public education.

ORDER OF BUSINESS

The PRESIDING OFFICER. What is the will of the Senate?

Mr. HICKENLOOPER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROOKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT, 1968

The Senate resumed the consideration of the bill (H.R. 15263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. BROOKE. Mr. President, the foreign authorization as passed by the House and subsequently reported to the Senate, contains a number of necessary recommendations and improvements. As a matter of personal preference, I would not choose to support reductions in the requested levels of expenditures. But I recognize the depth of the economic crisis which presently imperils our land. We are in a period of inflation. We do have a serious balance-of-payments problem. We have expended large amounts of scarce capital on the war in Vietnam. And we are faced with a domestic crisis which demands an increasing share of our national resources. For all these reasons, I can appreciate the fact that some reductions are necessary; and I commend the committee for its recognition of the need for continued aid, and for its endorsement of the program in these troubled times.

Foreign aid is the most concrete means we have to show that we share the aspirations of the less-developed lands. The United States has had its revolution. We developed our own form of government—and it was a very revolutionary form of government at the time. We criticized the old world and shut it out of our councils—but we took its money to build our roads and our railroads, to develop our ports and build up our manufacturing. We benefited greatly from the foreign aid which flowed from Europe until less than a century ago, and we are now bound in formal alliance with the very countries we once condemned as corrupt colonial powers. What might have been the history of the world if we had not developed as rapidly as we did, or if we had concentrated on economic relations with Asia instead of with the West? We should bear these factors in mind when we consider the relative importance of the developing nations today.

It was only a few months ago that I rose to report to my colleagues on a lengthy tour of Africa. I was impressed then, and I am still impressed, with the economic potential of that vast continent. An area containing 65 percent of the world's gold, 96 percent of its diamonds, nearly one-half its hydroelectric power, as well as vast reserves of copper, aluminum, oil, and foodstuffs, is important, to the United States and to the world. Yet Africa is only one of many areas of the developing world. When the resources, the land, and the population of Asia and Latin America are added in as well, we find that the West could conceivably be overshadowed in the world economy of the future. We must acknowledge that purely on the basis of "power" considerations, we cannot afford to risk the alienation from the West of this growing and significant force.

But foreign aid is also important on the basis of humanitarian considerations. I have seen the potential wealth of the developing world. But I have also seen its hungar, its disease, its illiteracy, and deprivation. I have seen the difference which a highway can make in a region, the jobs which a small assembly plant can provide, the hope which a new school supplies. I am not one of those who scoff at the humanitarian impulse in foreign affairs, who deride it as softheaded and irrelevant to the hard calculations of geopolitics.

The disease and despair which sap the strength of millions of Asians and Africans also saps the strength of the world at large. When one great mind is lost because nobody cares or contributes to its growth, the loss is borne by us all. When a democratic government is overthrown because it was incapable of keeping even its minimal promises to its people, we share in its failure. When a people turn to totalitarianism because capitalism and free enterprise have only increased its debt, the blame often rests as much on the West as well as it does on them.

Mr. President, I know that some of the developing nations of the world have been guilty of gross mistakes: their corruption is not our fault; their impatience is often unwise and unproductive; their criticism sometimes has been intemperate and unfounded. But the errors are not all theirs, and we who are more experienced and more highly developed bear a major responsibility for the welfare of the whole.

Looking over the bill as passed by the House and reported by the Foreign Relations Committee this year, I was tempted to introduce an amendment restoring the full amount, $765 million, requested for the Development Loan Fund. I would like to see us allocate $235 million for technical cooperation, rather than the $200 million presently contained in the bill. Though I have never been to Latin America, I have an appreciation for the distance these countries must travel and for their importance to America and to the world: I would like to see us grant the administration's full request for the shaky Alliance for Progress. Our contributions to international organizations are of critical importance not only in maintaining these bodies but in maintaining their credibility and effectiveness; I believe these should receive full funding as well. Finally, I would like to see the full amount restored for surveys of investment opportunities abroad, for it is only through private investment, through capital accumulation and domestic savings, that the developing nations of the world will be able to attain a level of even moderate economic viability.

All of these programs are important to us, and critical to the well-being of the recipients. But if there is one provision in the bill which will hurt the developing countries the most while helping our economy the least, it is the provision increasing the interest rate on development loans.

In talking with the leaders of a number of African states, I was startled to learn that many of these countries—poor and struggling as they are—are on the verge of becoming capital-exporting states. In practical terms, this means that the total revenues they receive from selling their raw materials abroad, from private investment, from intergovernmental and international loans, and even from tourism and other sources, does not equal the amount of hard currency they must pay out in interest and amortization on development loans.

In Liberia, for example, which has benefited the longest from American largesse, the largest single item in the national budget is service charges on international debts. Such charges are expected to reach a peak in 1969 of one-third of the total national budget. Yet Liberia is a wealthy country by African standards, and enjoys liberal shares of American and European private investment.

Other countries, such as Ghana and the Congo—Kinshasa—have not been so fortunate; they have been unable to meet their international obligations and have found it necessary to call in international assistance to reschedule their loans, devalue their currency, and extend supporting loans to keep their economy going.

Sustained and reasonably rapid development of the newer nations of the world is in our national interest as well as theirs. But acceleration of this process is predicated upon increased internal capital formation, aided and often supported by continued net capital inflow from the industrialized countries.

The new nations need, first of all, to develop their infrastructure. To do this, they need to import substantial quantities of capital goods; they need to expand production; they must educate their people, employ them, and tax them in order to create domestic savings which can be returned to the economy in the form of investment. Every dollar which they save, and can put back into their economy in the form of an investment in roads or schools or processing plants, may reap returns of tenfold or fiftyfold or a hundredfold in the future. But if that dollar is paid to Britain or France or the United States in the form of interest on an international debt, it will be of no value to them, while representing a minimal gain—if that—to the richer industrialized states.

A study conducted by the World Bank in 1964 showed that the external debt of developing countries rose from $8 billion in 1956 to $27.5 billion in 1962. By the end of 1964, that figure stood at $38 billion. Today it is $44 billion. The annual cost of servicing this debt is $4.1 billion. As a percentage of GNP, the debt increased from 5.9 percent in 1956, to 17.8 percent in 1964.

Under these circumstances, it appears to be exceedingly counter-productive to increase the interest rate on our development loans. Our aim should be to make it easier, not harder, for the new nations to meet their international obligations. It stands to their credit that so far the developing nations have taken great pains, even foregoing projects which would spur their own development and greatly improve the lives of their people, in order to repay their debts to the West. No poor nation should be required to expend one-third or one-half—or even one-tenth—of its hard-earned national income on repayment of loans to the rich.

The terms of international loans should be extended and made softer, not harder, so that repayment will come at a time when the debtor country is more economically advanced and the servicing charges and amortization will represent a less drastic proportion of the total national income. Terms of 40 or 50 years, with interest rates of 1 percent or less, would not be unreasonable if our objective is truly—as I believe it is—to enable the new nations of the world to become economically viable and politically stable. Surely if we could extend Lend-Lease and Marshall Plan aid to the industrialized countries of Europe at no interest whatsoever, and in the case of Lend-Lease, with no real expectation of repayment, we can extend loans of lesser amounts to poorer countries at terms which are better than those recommended in the present legislation.

Mr. President, I send to the desk an amendment which would restore the rate to its present level of 2 and 2½ percent.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 17, strike out lines 4 to 15, inclusive, and insert in lieu thereof the following:

"Sec. 101. Section 202(a) of title I of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to authorization for the Development Loan Fund, is amended as follows:".

Mr. MUNDT. Mr. President, for the record, I want to give my reasons for having supported the committee interest-rate amendment—having authored it, in fact—and my reasons for feeling that the amendment offered by the distinguished Senator from Massachusetts, well intentioned though it is, would, in my opinion, be a backward step in the whole program of America's trying to be of assistance to other areas of the world. We now have a foreign-aid measure before us which is the lowest since the beginning of the program in authorizations—less than $2 billion.

Most of those cuts emanated from the House, where we hear reports now that this is just a beginning, that this is just the authorization bill, and that when the appropriation bill comes before the House it is going to get substantially additional cuts.

I also know of some Senators with amendments in their pockets to reduce substantially the amount authorized in the bill.

One of the reasons for the sharp attacks on the foreign-aid program is the fact that for far too long we have not dealt candidly with the American public in distinguishing between what is a development loan and what is a grant. There have in the main been two different names for very similar programs, because when we started this business of trying to divide up and divorce loans from grants, the loan program carried the ridiculously low and unrealistic rate of one-fourth of 1 percent interest.

Mr. President, in company primarily with the distinguished Senator from Ohio [Mr. LAUSCHE] and with Senator SYMINGTON missing, who are not present at the time I am speaking, we began offering amendments and working the interest rate up from one-fourth of 1 percent to one-half of 1 percent, to 1 percent, and finally last year to 2 percent.

Since then, we are well aware of what is happening to interest rates around the world and at home. The farmers represented by the Members of the Senate are paying the highest interest rates in the memory of anybody currently engaged in farming and ranching in this country. The householders are confronted with high interest mortgages and are confronted with the same problem in their personal borrowings. American interest rates have skyrocketed to new and dangerous heights.

High interest rates are reducing sharply the program for new home construction which is so highly important in this country. Small businessmen and individual entrepreneurs are faced with high interest rates which are fantastic in terms of the normal interest they used to pay.

For us to fail to recognize this significant economic fact and to revert now back to 2 percent, would be to drive a knife directly at the heart of the whole foreign aid program, because both in the House and in the Senate there would understandably and properly be efforts made to reduce substantially the amount of money included in the bill—$1.9 billion—by perhaps another $500 million or more.

We do have a foreign grant program to meet the kind of problems discussed by the Senator from Massachusetts. Where there is some urgent need in dire, calamitous circumstances, we not only have a grant program, but we also provide a contingency fund for the President that he can make available on any terms he chooses—usually no interest at all—to help meet such problems.

Confronted with the challenging problems in Africa to which the distinguished Senator has addressed some of his remarks, the pending bill contains funds in a very limited degree for a markedly small percentage of the problem countries in Africa. And one reason that it has not been expanded to include other countries in Africa where conditions are analogous, where the problems are equally prodigious, is that first we wanted to figure out if we could work out a viable, economically sound, justifiable program of development loans and grants as a mixture for the struggling new countries of Africa.

If we were now to eliminate the sound, economic concept of a fairly legitimate interest rate, we might well be putting an end to an African program which may become increasingly significant to this country and to that continent in the years to come. We have to mix our humanitarianism with a sense of reality.

Mr. President, this country is on the verge of financial disaster. And if we collapse, it certainly is not going to be of any benefit to countries in Africa or anyplace else in the world if the one strong, friendly power to which they come seeking assistance is unable even to meet its own obligations.

This is the Congress which passed the 10-percent surtax on the incomes of Americans and corporations because of the dangerous fires of inflation. One of the great signals suggesting the need for this surtax was the astronomical interest rates being paid at home by Americans.

At the same time, we included in the package a provision that we would cut back expenditures by $6 billion, and we put limitations on the Federal payroll.

We did this not because a single Senator or Representative who voted for the package had a desire to do it, but because we were compelled to do it out of a sense of responsibility to meet our fiscal problems.

Surely one of the concomitants has to be that we have to consider with equal prudence our spending abroad as we do at home. We must come clean with the American public and maintain a substantial difference between a grant and a loan.

What are the rates that are incorporated in the committee bill? Mr. President, it is 3 percent for the next 10 years. That is less than one-half of what an American farmer pays. This is less than half of what a great many borrowers in America pay for their interest rates. We did not say we wanted to get back all that it costs America to borrow the money to loan to these other countries.

Mr. BROOKE. Mr. President, will the Senator yield for a question?

Mr. MUNDT. Yes.

Mr. BROOKE. Can we really compare the purpose and philosophy of foreign assistance with the problem of the American farmer?

When we give foreign assistance, it is not our purpose mainly—or our purpose at all—to make money on our loans. We are not in the foreign assistance program for any gains that we can make or derive from money we give to those countries for foreign assistance. And it is not a grant. They are paying these sums back to the American Government.

The question here is, can they afford large interest rates? Is it self-defeating to increase the interest rates at a time when the servicing charges are already rising to one-third of their national income? How can they afford to pay back such large interest rates on the money we give them?

Mr. MUNDT. I quite agree that it is not the purpose of the foreign aid program to make profits for America. At the time the Senator asked me to yield, I was pointing out that, in the main, we were granting foreign aid borrowers an interest rate less than half of what we charge ourselves—almost, and in many instances less than, half what it costs Uncle Sam to borrow the money.

The Senator must keep in mind that the loans we are making are not made from the abundance of this country, not from our surplus. We go out in America and borrow the money, frequently paying more than 6 percent, for the purpose of loaning it abroad at 3 percent. There is no effort to make a profit on it.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. MUNDT. Permit me to answer the second point. The Senator's second point was that some countries would find it difficult to pay 3 percent interest.

First of all, that is the best bargain counter in the world to which they can come. No place else in the world can they get money at 3 percent interest. In many of these countries, especially in Latin America, the prevailing rate of interest is 10 percent, 12 percent, 25 percent, and as high as 30 percent. No place else in all the world can they get a 3-percent interest rate.

Now, if they are in such dire circumstances that they cannot pay a 3-percent interest rate on the loan, it seems to me that we should call it a grant; because it is obvious, then, that they cannot pay the principal and they cannot amortize the loan, and they can never square that account.

There may be places where we should help in that way. I have voted for that kind of assistance. We have a grant fund for that purpose. The President has a fund for that purpose. But there is no reason to deceive the public by giving these countries what is called a loan, and then have the interest rates so ridiculously low that, in addition to the problematical question of whether they will repay the principal, you subsidize their interest payments at over 3 percent per year per loan.

Mr. BROOKE. These countries want to help themselves. They do not want grants, in the main.

Mr. MUNDT. There are not very many of those; but, if there are any, I would be happy to have them come here in greater numbers.

Mr. BROOKE. They are asking for loans, not for grants, and they are asking for them at a low interest rate, which is understandable. It is certainly better for us to give them a loan than to give them a grant or a handout.

Mr. MUNDT. It is not very much better, if it is cut down to 2 percent. It does not make it much different. If the interest rate is that low, you are practically subsidizing the whole thing, anyway.

May I point out that long before the distinguished Senator came to the Senate, Senator LAUSCHE and I began to explore this matter. Not only was the interest rate one-quarter percent, but also, we gave them a 10-year grace period in which they paid no interest and no principal. And we found out that in many cases, after 10 years, the fellow who made the bargain and signed the loan had been shot out of the saddle or had died or had been defeated in an election. He was not around, and his successor was not going to assume those responsibilities. So we decided that we had better institute some bookkeeping procedures, and that they should start to make some payments immediately.

If I had my way, in addition to the 3 percent, I would have them pay at least some fractional percent on the principal, and begin the amortization procedure without the 10-year grace period, so that they would get good bookkeeping habits and have the sound fiscal experience of realizing that a loan must be repaid and that they must start budgeting procedures in their own country, in order to make some repayment.

However, because I, like the Senator from Massachusetts, am kindhearted and want to help them as much as possible, we are not insisting on their repaying the loans at once. We are giving them a 10-year grace period during which the interest rate is only 3 percent with no repayments on the principal. That is all they pay. The remainder is from Uncle Sam.

Mr. BROOKE. Certainly, the Senator is aware that the profit to the United States and to the world is the economic viability and political stability of these developing nations. Although we do not expect to derive any financial profits from our loans, it is a great profit to the United States that these countries have political stability, and so it is a sound investment to lend them this money.

Mr. MUNDT. That is why I voted for the foreign aid program.

Mr. BROOKE. It is a sound investment to lend them this money at an interest rate they can afford to pay and not compel them to use up one-third of their national income to service the debt.

Mr. MUNDT. If they will start spending a little less money on super jets and all kinds of modern military establishments in all these infant countries, where they have no possibility of ever building an army big enough to defend them against a great attacker, and get rid of some of the corruption and have a reasonable tax rate, it would help. Three percent is a very small interest rate for them to pay.

Mr. BROOKE. I am not talking about the building of armies but the building of roads and schools and hospitals.

Mr. MUNDT. In many instances we give them grants for that.

Mr. BROOKE. The U.S. Government has recognized the value of low interest rates in its own domestic policies. In the housing bill which passed the Congress recently, we recognized that many of the people living in poverty in the United States today cannot afford to pay the normal interest rates in this country. So we have a sliding scale providing for a minimum interest rate of 1 percent contained in that bill. Thus low interest rates are not unusual for our Government.

Our Government is not acting solely from humanitarian motivations; it is also acting from a very pragmatic point of view. It understands that there is no point in charging interest rates to people who cannot afford to pay those interest rates. The developing countries are in the same dire circumstances in which we find people who are living in poverty in this country.

I agree with the distinguished Senator that we are in a financial crisis at home, and I believe this has been reflected in the cutback in foreign assistance, in the first instance. I would much rather give these countries x number of dollars in foreign assistance at an interest rate they will be able to pay, than to give them that amount of money at an interest rate they cannot afford.

Mr. MUNDT. I am sure if the Senator could have his way, he would push these interest rates down now, in an era when they are climbing all over the world, including our own country, and compelling us to subsidize by 4 or 4½ percent. But the committee is willing to subsidize it up to 3 percent. There would be many hundreds of millions of dollars less in this particular aid bill were it not for the fact that we did put in some honesty in the fiscal requirements. We did not raise the interest rates to what we have to pay for borrowing the money, but moved a little in that direction and increased it by 1 percent; and we made a better distinction between what is a grant and what is a loan. This is important. And we will have to keep that distinction.

We do give some grants to build a hospital or a school. We do not expect to get that money back. When it is a loan, certainly it is not too much to ask the foreign country to pay back half the interest rate that we must pay and thus we arrived at the 3-percent rate.

It is not done to make a profit. It still manifests a great deal of good will on our part and a desire to create whatever political stability and economic viability these grants provide.

If the Senator will take a look at the $125-odd billion we have spent so far in the foreign aid program and if he will examine the 104 countries to which that money has gone, he will be terribly disappointed when he calls the roll of the countries that have attained economic viability and political stability as a consequence.

Mr. CASE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. CASE. I believe this has been a very useful exchange, on a level that does the Senate credit.

The Senator from South Dakota knows this subject from long experience; and the Senator from Massachusetts knows it from a shorter experience but from a deep study of it. There is right on both sides.

The difference between 2 percent and 3 percent is not very large. The question is: Where do we put it? My own consideration of this matter has led me to the view that until we have had the kind of deep study of this foreign aid program that I hope is going to be instituted under the guidance of our Committee on Foreign Relations—the chairman, as the Senator knows, has been considering plans for this for some time—it might be well to leave the situation in its present state so far as the interest rate on development loans is concerned. That is where I come to rest on this question.

I think the Senator from South Dakota and the Senator from Ohio, and others, have done a real service in, as the Senator said, requiring that we make a real distinction between loans and grants in this entire business of foreign aid. I think we have done that. An interest rate of 2 percent is not high. It involves a subsidy; so does 3 percent. There is involved only the question of how much.

It seems to me we have established that we are making loans and not grants under the development loan program. It might be well to hold the 2 percent rate for another year or so until we have done what I think we must do, which is to make a very, very careful study as to whether our program is sound in all of its aspects, if it is sound in any event, indeed.

Recently many people have studied this matter. Gunnar Myrdal has studied the matter very deeply, and he has come up with the conclusion that for the most part foreign aid has not been very helpful; that there is not very much a country can do for another country if the recipient country is not going to make the effort itself; and that much of our foreign aid program has been wasted money and has gone the wrong way.

Such conclusions are shocking to liberal groups, to which Gunar Myrdal has a right to belong and does belong. All of this indicates we should have a basic look at this matter. I suggest that in considering this question no real harm can be done in the distinction between loans and grants by leaving the interest rate at 2 percent for the next year.

I think I find quite persuasive the general proposition that "You do not give or lend money to anybody for anything that is not worthwhile." Once it is decided to do this then it is done on the basis that would be most helpful to the country to which the money is given.

Mr. MUNDT. And that is the point. The loans define themselves as to develop some kind of viable economic interest, or enterprise, or activity over there; and they should be able to pay legitimate interest.

Mr. CASE. The bulk of this has to be done by recipient countries themselves.

Mr. MUNDT. The Senator is correct.

Mr. CASE. All grant and aid programs are going to do very little except make a marginal difference.

Mr. MUNDT. A development loan is a sort of extended technical assistance to supplement technical training with a little seed money, but if that is to be done, certainly they can pay 3 percent a year, which is a nominal interest rate. Primarily we are talking about a 1 percent difference. It is 2 percent now. The question is: Is 1 percent additional going to bankrupt the foreign country? If so, its enterprise is not working and the program is not properly planned if it cannot make that kind of payment.

Mr. President, I speak as one who supported and voted for this foreign aid program in committee and on the floor of the Senate. This whole aid concept, however, is going to be driven into the ground by hollering too long, too loud, for too much. It is a little like complaining about the goose that laid the golden egg because you did not find a 14-carat diamond in the yoke of the egg.

I have served on the Committee on Foreign Affairs in the other body. I also know the sentiment of Senators who serve on our Committee on Appropriations in the Senate. This is an authorization bill and it is still subject to major cuts. In my opinion major proposals to cut will be offered, and in my opinion they will be valid if we are going to shovel this money out at such cheap interest rates when American citizens are paying over twice the rate being asked abroad and when every taxpayer is being asked to subsidize at 3 percent every dollar we make available.

It is fruitless and futile to debate this matter further among ourselves. I ask that the yeas and nays be ordered if the Senator determines to press his amendment. We can debate it later in the afternoon when we have a larger attendance to hear our views.

Mr. CASE. It would be a shame to have any more pearls drop on the barren soil.

Mr. MUNDT. They may all be read in the Record tomorrow, but that does not help much if we are to vote today.

Mr. CASE. Two percent is not too bad. There was a time when the farmers of this country and those in rural areas paid 2 percent to bring in electricity. It did not mean that those people were no good, but they could not afford more. By giving them electricity, it brought them in in a way that has been enormously helpful in raising the standard of living in our rural areas and in our city areas, because the market is improved by prosperous farmers. So it is not strange to have a subsidy for this kind of thing.

Mr. MUNDT. I am willing to let the subsidy continue up to the extent of the 3-percent level.

Mr. BROOKE. This 1-percent increase in the interest rate is quite sizable. The Senator says it is insignificant, but everything is relevant.

Mr. MUNDT. Not sizable in view of the amount of the loan. I am convinced many recipient countries would be cut out of all loans if the rate is going to be chiseled down to 2 percent.

Mr. BROOKE. I would like to add that default in these international loans has not gone above 5 percent. I think that is significant. I think it is a statistic that should be included in the Record.

Mr. SPARKMAN. Mr. President, I wish to address the Senator from Massachusetts. We had a vote on this matter in committee. The vote was 10 to 6 in favor of the amendment offered by the distinguished Senator from South Dakota. I do not mind saying that personally I voted against it because I felt very much as the Senator from Massachusetts has brought out here. After all, these loans are for the purpose of helping emerging nations to develop an economy of their own and to help them get on their feet so they can buy products. In other words, this is not wholly charitable on our part. There is a great degree of charity in it, but we are trying to get it established to the point they can buy products we manufacture in this country that we do not sell to more advanced nations and industrial nations, but that we can sell to them. If we develop those markets, the bread cast upon the waters is going to return with great benefits to us.

Therefore, I felt we could very well afford the low rate of interest. To us, the rate is low. To many of them it is not low because it is difficult to raise the money to make the interest payment and to make their payments on the loans.

One thing for us to remember—and I am afraid many of our people overlook the fact—is that these are not giveaways. We have gotten away from the giveaway programs long ago. These are loans, payable in hard money. The interest is also payable in hard money. There is no soft currency, no local currency involved in this at all. Not only that, but the countries to which over the past decade, even over the past two decades, we have made loans have a very fine record of repayment, as well as payment of the interest. When we take those things into consideration and take all the benefits that have come to us in the nature of payments on interest and principal, and make the reductions, we find that this figure, instead of being $122 billion, $142 billion, $170 billion—I have seen all those figures used at different times—and actually I tried to bring out some of those points in the talk I made yesterday afternoon initiating this debate—it comes down to considerably lower than that.

I am in complete sympathy with the Senator's amendment. I voted for it in committee. I said what I could for it. But the vote in committee was 10 to 6 against it, and that is the reason that it was not written into the bill.

Of course another thing for us to remember is that this legislation will be in conference between the Senate and the House, because the House bill retains the old rate of interest.

That is all I care to say at this time.

Mr. BROOKE. I thank the distinguished Senator from Alabama and would point out that I was aware of the committee vote of 10 to 6. Judging from the statements of the Senator from New Jersey [Mr. Case] on the floor this afternoon it seems clear that had he been present and voting, he would have opposed the increase in the interest rate. That would have made the vote 10 to 7 in committee.

Mr. MUNDT. That is still a majority, however.

Mr. BROOKE. Of course—yes, but it would have been a closer vote if the Senator from New Jersey had been voting.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER** (Mr. Tydings in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROOKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BROOKE. Mr. President, in view of the vote of the Committee on Foreign Relations, in view of the discussion on the floor of this matter today, and in view of the position of the House on the 2-percent rate, I would hope that in conference the House version of a 2-percent interest rate would be followed and adhered to.

Falling short of that, I would hope that our conferees would take into consideration the points made in debate here this afternoon, and that they will come to some agreement, if not to the 2 percent, then certainly no more than 2½ percent.

In accordance with that, Mr. President, I withdraw my amendment.

The **PRESIDING OFFICER.** The amendment is withdrawn.

The Chair now recognizes the Senator from Minnesota [Mr. Mondale].

Mr. MONDALE. Mr. President, I send an amendment to the desk and ask that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered; and the amendment will be printed in the Record at this point.

The amendment offered by Mr. Mondale, is as follows:

> On page 17, lines 18 and 19, strike all of subsection (2), and insert the following in lieu thereof:
>
> "(2) After 'year 1968,' insert 'and $550,000,000 for the fiscal year 1969, of which $200,000,000 shall be expended solely for purchase by recipient countries of fertilizer, seed, pesticides, farm equipment and supplies, and other goods directly used in agricultural development. Priority shall be given to those recipient countries devoting substantial resources to agricultural self-help and development'."

Mr. MONDALE. Mr. President, reductions thus far made in the development loan authorization in the foreign aid bill are extremely severe. They will seriously cripple and retard the beginning of the agricultural revolution in the starving areas of the world.

The specter of famine still hangs over much of the population of the world, particularly over the peoples of Asia. Development loan funds are central to the effort to dispel this specter, and are used to finance imports by the United States to the less-developed nations, such as fertilizer, seed, pesticides, and needed modern farm equipment.

There is now underway in Asia an agricultural revolution, extending from Turkey to the Philippines, and encompassing countries containing well over 1 billion people.

This agricultural revolution in Asia may be the most significant, worldwide, economic development since the reconstruction of Europe following World War II.

I think this is a fact of which Congress and the Senate in particular is not fully aware.

In the July 1968, issue of Foreign Affairs, there is a remarkable article written by Mr. Lester Brown, one of the foremost experts on the world food problem and now serving with the Department of Agriculture. The article is entitled, "Agricultural Revolution in Asia."

He states, on page 698, that as a result of certain changes that I am discussing particularly:

> It is conceivable that the 2 percent rate of increase in food production prevailing during the early and mid-1960s could accelerate to 4 or 5 percent yearly over the next few years, provided markets can absorb the additional output. The additional purchasing power thus generated for both production and consumer goods will stimulate a more rapid rate of growth in the non-farm sector. The net effect should be a much more rapid rate of overall economic growth than would otherwise have prevailed. If the Asian agricultural revolution continues, it could well become the most significant world economic development since the economic rebirth of Europe following World War II.

Let me just indicate the magnitude of some of the agricultural advances in several key counties. India's feed grain harvest is up 32 percent over last year's drought-depressed levels and, more importantly, 12 percent above the previous record. Pakistan's wheat harvest is up 40 percent over the previous record. Ceylon's rice crop is up 13 percent. The Philippines is self-sufficient in rice for the first time since 1903, and may even be an exporter this year.

The most significant aspect of this revolution from our point of view is the extent to which it is U.S. inspired and generated. The U.S. involvement, both public and private, is in evidence in every important area. AID and USDA have contributed to the formulation of needed agricultural policies. Our land-grant colleges and universities have trained the Asian agriculturalists who are leading this revolution. AID funds have financed much of the rural infrastructure and the import of fertilizer. Agricultural research programs of the Ford and Rockefeller Foundations have developed the exciting new high-yield varieties of wheat and rice. And U.S. firms are building a majority of the fertilizer plants in these countries.

We have triggered a revolution in food production in the rural economies of Asia, and can take a great deal of pride in this national achievement.

The article to which I earlier referred, by Mr. Brown, points out the revolutionary character of the high-yielding varieties of cereal seeds now being used in Asia. These seed varieties were developed at the International Rice Institute in the Philippines, funded jointly by the Rockefeller and Ford Foundations. Other similar creative work has developed new seed varieties elsewhere.

Mr. Brown points out that areas planted to the new varieties went from a few hundred acres in 1964–65, to 23,000 acres in 1965–66, nearly 4 million acres in 1966–67, and 20 million acres in 1967–68, the crop year just ended. Plans and expectations for next year indicate an expansion of up to nearly 40 million acres.

These new seed varieties often double the yields of traditional varieties. Their superiority, according to Mr. Brown, is so obvious that farmers are quickly persuaded of their merits. This contrasts sharply with improved varieties made available in the past, which were only marginally superior to the varieties being used.

These new seeds have enabled Asian countries to shorten materially the agricultural development process.

There are many, many other features of these new seed varieties, such as their short-stem characteristics, which prevent lodging, which means becoming top-heavy and falling down. They are more responsive to fertilizers at all levels of application.

These seeds are adaptable to a much broader range of latitudes.

Mr. Brown states that the new varieties ripen in 120 to 125 days, contrasted with 150 to 180 days in older varieties. They are not as sensitive to varying lengths of daylight. Because of the shorter growing period, with adequate water some farmers in the Philippines and India are harvesting two, and even three, crops a year.

To show the revolutionary nature of these new seed varieties, there has been production in some areas of 8 tons per acre per year, contrasted with average earlier rice yields in Japan of 2 tons or wheat yields in Europe of less than 2 tons per acre.

There is no question that this new remarkable development is in fact creating an agricultural revolution in Asia.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MONDALE. I am delighted to yield to the Senator from Pennsylvania.

Mr. CLARK. As I understand the Senator's amendment, it would increase the authorization in the bill by approximately $200 million. Is that correct?

Mr. MONDALE. The Senator is correct.

Mr. CLARK. And the increase would go to supply countries which are endeavoring to raise enough food to supply their populations, many of which are now suffering from malnutrition; enough food to maintain a decent standard of life.

Mr. MONDALE. That is correct. The additional authorization I have requested would be tied to the agricultural problem and the food problem.

Mr. CLARK. The net result would be to help feed the hungry with new and extraordinarily splendid research and development in agriculture which has enabled us to obtain greater nutrition at really less cost.

Mr. MONDALE. The Senator is correct.

Mr. CLARK. I am happy indeed to support the Senator.

In my individual views, which I filed with the report of the committee, on which I have the honor to serve, I stated:

> I regret the cutbacks in the foreign aid program which are made in this bill. These cutbacks are not justified either on grounds of economy or of performance by the Agency for International Development.
>
> The bill as reported by the Committee on Foreign Relations involves a reduction of almost $1 billion from the administration request. The saving thereby effected is substantially less than 1 percent of the Federal budget, but it will be made at great cost to our foreign policy.
>
> The bill as reported is almost $400 million below the total amount of economic assistance approved by the House Committee on Foreign Affairs. I would have supported the President's original recommendations. At the least, I supported the levels of the House Committee's bill as a bare minimum, but when I moved to restore those figures in the Foreign Relations Committee, the motion was rejected by a vote of 3 to 15.

I am happy to see that the Senator from Minnesota is, in this amendment, at least restoring some part of the funds the President requested, and which I thought were justified. I think the area in which he moves to help the peoples of underdeveloped areas of the world is praiseworthy. I am happy indeed to support his amendment.

Mr. MONDALE. I thank the Senator. I agree with him that the President's total proposed authorization should be approved. I think it is unlikely at this time that Congress will do so. There are other areas that need additional funding from our own standpoint and in terms of our need to help develop a stable world; but it seemed to me particularly ironic that side by side with this agricultural revolution, which is full of so much potential for peaceful development in the world, we should be cutting the assistance necessary to promote that development practically down to nothing at this time. I think we are doing a terribly unwise thing.

Mr. CLARK. I thank the Senator for his remarks. I concur entirely in what he has just said. I fear that some of us in this body are losing our sense of reality and our sense of priorities, and indeed our sense of compassion, in what seems to me to be a headlong effort to cut off programs which have been of so much help to the world and of great credit to the United States.

Mr. MONDALE. I thank the Senator. As the Senator knows, one of the most extensive programs and one of the most exciting humanitarian programs ever undertaken by the Congress is the food-for-peace program, which has essentially been a program of food assistance for the starving peoples of the world.

Now, for the first time, because of these exciting new seed varieties and other developments in food-deficient countries, we have an opportunity to start prodding them toward food independence, to the point where not only will their people be fed, but their economies will have a chance to take off in other ways and be more self-sufficient. The chances for direct savings in the American budget in the not too distant future are obvious. But even more importantly, we have a chance here to contribute to this peaceful revolutionary development, to the point where these countries can be more independent and more self-sufficient, and, because of that, in a position to contribute to stability and peaceful works in this troubled world.

Mr. CLARK. I believe the Senator is quite correct. I think it is somewhat ironic that in all likelihood—though I hope I am wrong—some time next month we will vote, after very brief debate, without much consideration, on a total military budget of $82 billion to destroy wealth and kill people; but when it comes to a compassionate act such as is represented by this bill, we hesitate; and I fear that the Senator's amendment may not prevail.

Mr. MONDALE. I thank the Senator from Pennsylvania.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. MONDALE. I am happy to yield to the Senator from Utah.

Mr. MOSS. First, I wish to commend the Senator for his thoughtfulness and courage in offering this amendment to increase the appropriation for foreign assistance, directing his discussion, at least, toward the phase of foreign assistance which consists in helping other countries become more self-sufficient in food, and pointing to the increased yield of new seed varieties, classification of lands, application of fertilizers fitted to the particular soil and climatic conditions, and these other matters.

I have at the desk, and hope to offer later, an amendment which has much the same objectives as that of the Senator from Minnesota.

Did I understand the Senator to say that the Philippines, this year, would be self-sufficient in the production of rice?

Mr. MONDALE. Yes. This is the first year since 1903 that the Philippines have been self-sufficient. Indeed, this year they are an exporting country for the first time since 1903.

Mr. MOSS. And that both India and Pakistan have made phenomenal increases, percentagewise, in the amounts of grains that are produced in those two nutrition-deficient countries?

Mr. MONDALE. Yes. As a matter of fact, Pakistan's wheat harvest this year is 40 percent over their previous record year. Ceylon's rice crop is up 13 percent, and India's feed grain harvest is 12 percent above its highest previous level.

Mr. MOSS. And those are but examples, I take it, of the beginnings of this agricultural revolution that we have helped to spark, and have been pressing so far, but which we are now retreating from precipitously, at the very time when it begins to bear the marks of success, when it begins to appear we are, indeed, moving the food-deficient countries of the world into a position where they can begin to feed themselves?

Mr. MONDALE. That is correct; at the very time when limited but wisely used American assistance could prod them along and assist them in reaching self-sufficiency in agricultural production. At that very point, we seem to be cutting back on the effort. It seems, in my opinion, to be a very unwise policy, for which I fear we may pay dearly.

Mr. MOSS. It has been our experience,

I think, as a nation—and I ask the Senator's opinion on this point—that when countries are starving and hungry, there is no possibility of stability; there is always unrest, with a likelihood of some kind of conflict coming out of it, at which point we seem to become involved one way or the other, and usually expend a lot of money either trying to give military assistance to neighbors who may be set upon, or, in some cases, even becoming directly involved with our own personnel. Is that not correct?

Mr. MONDALE. I would certainly agree with the Senator's observation on that point.

Mr. MOSS. The Senator's amendment would increase the appropriated figure by $200 million, is that correct?

Mr. MONDALE. The Senator is correct.

Mr. MOSS. Would that make the total any higher than it was last year?

Mr. MONDALE. I am advised by the staff that it would not.

Mr. MOSS. It would not be higher than last year?

Mr. MONDALE. No.

Mr. MOSS. And, of course, would not even approach the request of the administration for this year, is that correct?

Mr. MONDALE. The administration requested $765 million for development loans. If my amendment were agreed to, we would still be approximately $215 million below the request of the administration.

If I may correct the answer to the previous question, we would be above last year's appropriation of $435 million.

Mr. MOSS. I commend the Senator, and intend to vote for his amendment. I think it is time we opened our eyes to the problem that confronts us. If assisting other countries to get on their feet was a good policy following World War II, when we first got into this program with the Marshall plan, I think it is still a good policy. Even though the type of assistance shifts and the type of country aided shifts, it still pays rich dividends to have countries that are self-sufficient in food, and that possess economic viability, so they can exist and have a degree of independence, and help to build a world community in which we can all hope to live on this globe. I believe that is the long-range objective of AID.

Obviously, we have to have priorities, and we have to measure the results against our ability as a nation to furnish the assistance. Does the Senator have any figure as to approximately how much of our gross national product we devote to all foreign assistance?

Mr. MONDALE. I do not have a figure. It is less than 1 percent; and the current authorization would be the lowest dollar amount in 20 years. As a percentage of our ability, that is, as related to the gross national product of this country, I am sure it is the least we have done in the history of the foreign aid program.

Mr. MOSS. In other words, our participation is going down precipitously, both in absolute dollars and in percentage of our ability to pay, based on our gross national product?

Mr. MONDALE. Yes.

Mr. MILLER. Mr. President, will the Senator yield at that point?

Mr. MOSS. Let me finish this statement.

The Senator's reply that it is less than 1 percent would make it far below the amount recommended by the United Nations?

Mr. MONDALE. Yes.

Mr. MOSS. That the developed countries devote at least 1 percent of their gross national product to the assistance of underdeveloped and poverty-stricken nations; so we are not measuring up on any of those tests, is that correct?

Mr. MONDALE. The Senator is correct. The 1960's, as the Senator knows, was to be the decade of development. This was to be the decade in which the developed nations of the world were going to take seriously and jointly the responsibility of assisting and urging the underdeveloped countries of the world to seek programs of political and economic development that would make themselves self-sufficient and independent.

We recognized that in order to do that, essential capital contribution would be required from the developed and wealthy nations of the world. A target of 1 percent was set as an appropriate contribution that would be required.

Instead of that, we have, I think, converted the decade of the sixties into the decade of disappointment and despair.

The developed countries have consistently reduced the percentage of contribution of capital we are making. We have consistently raised the interest rates we are charging. We have created a credit explosion by which much of the capital contribution is being offset by repayments of principal and interest. And I think the most ironic thing of all is that after more than 15 years of assistance in the food field, at the very time when the possibilities exist for the solution of the food-deficit problems, in the countries of Asia particularly, seem to be at hand, we seem to be reducing and eliminating our assistance in this field.

Mr. MOSS. I thank the Senator.

Mr. MONDALE. Mr. President, I thank the Senator for his leadership in this field. As he knows, I intend to support the Senator on his very important amendment in the same area.

Mr. President, I made extended reference to the remarkable article written by Mr. Lester Brown appearing in the July 1968 issue of Foreign Affairs. The article is entitled "The Agricultural Revolution in Asia."

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article by Mr. Lester R. Brown, Administrator of USDA's International Agricultural Development Service, who is internationally recognized as an authority on the world food problem and agricultural development. I think every Member of the Senate ought to read this article, because it details the new food revolution in the world.

However, the success of this revolution in agriculture will not be achieved if we now cut off the foreign exchange so badly needed by the developing nations for the purchase of fertilizer, seed, pesticides, and farm equipment. Passage of this bill in its present form will nearly cut off that assistance.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AGRICULTURAL REVOLUTION IN ASIA

(By Lester R. Brown)

For those whose thinking of Asia is conditioned by the food crises of 1965 and 1966, the news of an agricultural revolution may come as a surprise. But the change and ferment now evident in the Asian countryside stretching from Turkey to the Philippines, and including the pivotal countries of India and Pakistan, cannot be described as anything less. This rural revolution, largely obscured in its early years by the two consecutive failures of the monsoon, is further advanced in some countries—Pakistan, the Philippines and India—than in others, but there is little prospect that it will abort, so powerful and pervasive are the forces behind it.

That the agricultural revolution of the less developed world began in Asia is fortunate, since it is both densely populated and has a rapid rate of population growth. In this respect, Asia is unique among the world's major geographic regions. Western Europe is heavily populated but its population grows slowly; Latin America's population is expanding rapidly but as yet most of the region is sparsely populated. Fifty-six percent of the world's 3.3 billion people live in Asia; one-third of the world's population, an estimated 1.1 billion, live in Asia outside China. It is this part of the world and this third of mankind that this article deals with.

Historically, as Asia's population increased, it was supported by traditional agriculture on an ever-expanding area of cropland. As the postwar population explosion gained momentum in the late 1950s and early 1960s, the supply of new land was used up, but the productivity of land under cultivation increased little. The result was a slowdown in the rate of gain in food production and a growing concern that population growth and food production were on a collision course.

The gravity of the situation came into focus as the monsoon on the Indian subcontinent failed two years running, in 1965 and 1966. The United States responded by shipping the equivalent of nearly one-fifth of its wheat harvest, feeding sixty million Indians for nearly two years. This record shipment, the largest ever between two countries, was sufficient to stave off famine.

As of mid-1968, both the food situation and food production prospects in Asia have changed almost beyond belief. The Philippines is self-sufficient in its staple food, rice, for the first time since 1903. Iran, with a substantial expansion in wheat acreage, is actually a net exporter of wheat this year. Ceylon's rice harvest climbed 13 percent above the previous record, as it both expanded the area under cultivation and raised yields.

Pakistan's wheat crop, harvested in April and May, is estimated to be 30 percent above the previous record. So is India's. The total Indian foodgrain crop, officially estimated at 100 million tons, is up 32 percent from last year's drought-depressed levels and, more importantly, up 12 percent from the previous record. Good weather has helped boost the harvest on the Indian subcontinent this year, but increases above the previous record are largely the results of solid technological progress—more efficient varieties, more fertilizer and better farm practices.

What has caused this remarkable turnabout? One factor is new political commitments at the top in several countries. Shortchanging agriculture is no longer either feasible or fashionable. This new political climate has led to firm allocations of budgetary and foreign-exchange resources. India, for example, increased its budget for agricultural development by one-third in 1966–67; it is now using the equivalent of nearly one-fifth of its foreign-exchange earnings to import fertilizer and raw materials for manufacturing fertilizer. Turkey's imports of fertilizer may make up the largest single item in overall imports this year, exceeding for the first time petroleum and petroleum products. The availability of fertilizer in Pakistan is twice that of two years ago and several times that of 1960; it is expected at least to double again by 1970.

Many governments which heretofore neglected agriculture have been encouraged to give agriculture a higher priority by the "short-tether" policy of the United States, whereby food-aid agreements are of short duration and renewal depends on local effort and performance. The overall scarcity of foodgrains, particularly rice, in many Asian countries increased prices to the point where it suddenly became very profitable for large numbers of farmers to use fertilizer and other modern inputs.

While some factors contributing to the takeoff in agriculture are of recent origin, others have been long in the making. The agricultural infrastructure is capable of supporting current advances because of several years of AID investment in farm-to-market roads, in irrigation projects and in agricultural research and training. Investment in irrigation systems over the years provides a vast acreage of well-watered land, much of it well suited to the intensive use of modern farm technology. Adequate supplies of water and fertilizer are needed to attain high yields. The training of some 4,000 Asian agriculturists over the past decade, sponsored jointly by AID, the U.S. Department of Agriculture and the Land Grant Universities, contributes to a corps of trained professionals capable of adapting and disseminating new technology.

The availability of fertilizer has increased severalfold over the past decade, partly as a result of expanding indigenous production and partly because of steadily rising imports. The financing of fertilizer imports is now a major AID activity, requiring a sizable portion of the agency's budget. Investment by fertilizer manufacturers and other supporting industries has helped to fuel the takeoff in agricultural production. Countries in which U.S. firms have built or are building fertilizer plants include South Korea, the Philippines, Taiwan, India, Iran and Malaysia. Fertilizer produced in these plants could increase the region's annual food-producing capability by an estimated 25 million tons of grain. Other agrobusiness activities such as the manufacture of pesticides and farm equipment are also contributing to the rapid growth in food production.

Perhaps the most exciting development is the rapid spread of new, high-yielding varieties of cereals. The Mexican wheats now proving so adaptable throughout Asia are the product of more than twenty years of work by the Rockefeller Foundation. Efficient new rice varieties are coming principally from the International Rice Research Institute in the Philippines, an institution founded jointly by the Rockefeller and Ford Foundations in 1962 and devoted solely to the improvement of rice production in the tropics and subtropics. Work on high-yielding varieties of corn, sorghum and millet is concentrated in India, where the Rockefeller Foundation is providing leadership for the program. Areas planted to the new varieties went from a few hundred acres in 1964–65 to about 23,000 acres in 1965–66, nearly four million acres in 1966–67 and over twenty million acres during 1967–68, the crop year just ended. Plans and expectations indicate a further expansion of up to forty million acres in the coming year.

Several factors are responsible for this rapid gain in acreage. The new varieties often double yields of traditional varieties; their superiority is so obvious that farmers are quickly persuaded of their merits. This contrasts sharply with improved varieties made available in the past, which were only marginally superior to varieties being used. Another reason is the degree to which the high yields attained on the experimental plots are transferable to field conditions. There are reports of instances in which farmers actually attained higher yields under field conditions with large acreages than researchers did on experimental plots.

The availability of these new seeds has enabled many Asian countries to shorten materially the agricultural development process. The importing of numerous varieties in small quantities for testing purposes was in itself an effort to achieve a shortcut; food-deficit countries availed themselves of the results of plant-breeding work undertaken elsewhere. But they did not stop there. Once it was demonstrated that a given high-yielding variety was adapted to local growing conditions, large tonnages of seed were imported, thus eliminating the several years required to multiply and accumulate sufficient supplies of seed locally.

Pakistan imported 42,000 tons of seed wheat from Mexico during 1967, enough to plant 1.5 million acres. As a result, Pakistan now has enough seed to plant its entire wheat acreage to Mexican wheats. Indian imported 18,000 tons of Mexican wheats in 1966. This, coupled with indigenous multiplication of seed from the initial introduction of the same varieties, enabled Indian farmers to plant 8 million acres this year—the target acreage for 1970–71, and more than double the target of 3.5 million acres for the current year. Turkey, starting later than India or Pakistan but determined to catch up, imported 21,000 tons of high-yielding wheat, including some U.S. varieties, for use on a much smaller acreage. Both the import of samples of the new varieties initially, and the larger shipments later, represent a massive infusion of a new technology at a nominal cost, with potentially widespread application. They constitute a windfall gain in food production for many of the less developed countries.

The new varieties possess several distinctive characteristics. They are almost all short-stemmed, so they can absorb large quantities of fertilizer without lodging (becoming top-heavy and falling down); they are much more responsive to fertilizer at all levels of application. A given amount of fertilizer produces a much greater increase in yield than with the older varieties of grain. And unlike high-yielding varieties of cereals developed in the United States or Japan for rather specific growing conditions, these varieties are adapted to a much broader range of latitudes.

The new varieties of rice are early maturing, ripening in 120 to 125 days compared with 150 to 180 days for the older varieties. They are also rather insensitive to the length of daylight and thus can be planted at any time of the year if the prevailing temperature and water supply permit. With adequate water, some farmers in the Philippines and India are harvesting two or even three crops each year. Where water supplies are not sufficient to grow rice during the dry season, farmers grow high-yielding hybrid grain sorghums or hybrid corn. Triple-cropping of rice, or rice in combination with sorghum or corn, is resulting in yields under field conditions as high as 8 tons of grain per acre per calendar year. This contrasts with average yearly rice yields in Japan of just over 2 tons per acre and wheat yields in Europe of less than 2 tons per acre. The introduction of the early-maturing Mexican wheats in northern India and Pakistan is permitting the double-cropping of wheat and corn, with wheat grown during the *rabi* (winter) season and corn during the *kharif* (summer) season.

II

Introduction of the new varieties is changing not only the technology of production but also the economics. The potentially far-reaching economic implications of the agricultural revolution are only now becoming clear. Projected demand for agricultural inputs such as fertilizer, pesticides, water and irrigation equipment must be recalculated. Many of the assumptions underlying current strategies of agricultural development must also be reexamined. For example, in the short run, the profitability of using fertilizer will increase demand above what it would otherwise have been. Over the longer run, however, the demand for fertilizer may be lower than would otherwise be the case since a smaller amount of fertilizer will be required on the more responsive varieties to reach a given level of production.

High rates of return on investments in production inputs, reflecting a more favorable economic climate due to better prices for farm products and more efficient new technologies, are mobilizing rural savings not previously available for production purposes. Investment is on the rise not only in those things which increase output in the short run, such as fertilizer, but also in those which boost food-producing capability over the long run, such as tubewells and irrigation pumps. Over the course of five years, Pakistani farmers in the cotton and rice-growing areas of the former Punjab, where the water table is quite near the surface, have installed some 32,000 private tubewells, costing from $1,000 to $2,500 each. The value of the supplementary irrigation made possible by these wells is such that farmers characteristically have paid for them in two years. A large proportion were installed without government assistance or subsidy of any kind. The number of low-lift pumps installed in East Pakistan, totaling 2,200 in 1965, is expected to increase to 14,000 by 1969, greatly increasing the potential for double-cropping rice during the dry season. Similar high rates of return on small-scale irrigation investments are reported in India, where the number of wells is also climbing at an astronomical rate.

Early-maturing varieties of rice which ripen during the monsoon require mechanical drying before storage, since the time-honored method of spreading rice in the roadside to dry is not feasible. The demand for grain-drying equipment, now climbing rapidly, was not anticipated. Similarly, the use of pesticides, often uneconomic when average rice yields were 1,000 to 1,500 pounds of milled rice per acre, is suddenly very profitable on the new varieties, averaging 3,000 to 4,000 pounds. Growth in demand for both pesticides and application equipment such as knapsack sprayers and dusters will be closely associated with the spread of the improved seed.

The new varieties, with their potential for multiple-cropping, place a premium on fast preparation of the seedbed. Farmers planning to double-crop or triple-crop their land may no longer have several weeks to prepare the ground with bullocks or water buffalo; they may have to use power-driven farm equipment to prepare the seedbed quickly and plant the next crop. Even in some countries where new varieties are not yet widely spread, the profitability and feasibility of farm mechanization are being increasingly recognized. In Thailand, where the movement of goods from farm to market is largely by canal or river, rice fields are prepared principally by water buffalo. Under these circumstances, farmers are discovering it is more economical to hire someone with a tractor to plow the rice fields for a few dollars per acre than to feed and care for a team of water buffalo all year just to use them during a few weeks at plowing time. Some 20,000 to 25,000 imported tractors plowed an estimated one-fourth of the rice acreage this past year, mostly on a custom-hire basis—not unlike the way in which wheat is harvested in the Great Plains of the United States.

The more intensive farming methods associated with the new technology require more farm labor. The new varieties will not respond to the traditional practice of planting the crop and then virtually forgetting it until harvest time. Substantial amounts of additional labor must be invested in applying fertilizer, weeding and the like. Expansion of the area that can be multiple-cropped is also resulting in a more effective use of the rural labor supply, particularly during the dry season. In Asia, where underemployed labor constitutes one of the world's largest underutilized resources, this promises a major economic gain. For the first time, there is the possibility of significant labor scarcities in localized rural areas.

III

Changes associated with the new farm technology have a social as well as an economic impact. The exciting new cereal varieties are so superior to the traditional varieties and so dramatic in their impact that they are becoming "engines of change" wherever used. They may be to the agricultural revolution in Asia what the steam engine was to the industrial revolution in Europe.

Successful adoption of the new seed requires the simultaneous adoption of new cultural practices and the use of modern inputs. The seasonal rhythm of rural activity, once determined largely by the monsoon, is changing as farmers begin to double-crop and to introduce new combinations of crops. Farmers taking advantage of the new technology must enter the market; they cannot remain subsistence farmers. Rural Asians will change and innovate—when it is to their advantage to do so. Significantly, there may be some spin-off from this breakthrough in agriculture, this initial break with tradition. Family planners should take heart. As farmers learn that they can indeed influence their destiny, they may become much more susceptible to family planning and other equally "radical" departures.

Not all changes wrought by the new technology are desirable. In some areas, tenants are being reduced to farm laborers as landowners discover the profitability of the new technology in the current economic setting. Even though income to the landless may rise, the socioeconomic gap between the landowners and the landless may widen. Dissidents among the landless group in some states in India now form the nucleus of the opposition parties. Among those who own land, the income gap between those owning fertile, well-watered land and those with marginal land is also likely to widen. While many of the former may easily triple or quadruple output, the latter may not be able to employ the new technology at all. Those who can, and are thus permitted to enter the market, are likely to become more vocal and more interested in influencing the economic policies affecting their fortunes in the marketplace. Political activization of rural populations is an expected concomitant of the agricultural revolution now under way.

The leadership in most Asian countries is not unaware of the political implications of recent changes in rural areas. Prime Minister Demirel of Turkey feels strongly enough about the crash program in wheat production, initiated at his behest less than two years ago, to have it directed and monitored from his office. Some observers think President Marcos of the Philippines, who has brought his country to self-sufficiency in rice by emphasizing rural development, may be the first President of the Philippines ever to be reelected to office. Former Prime Minister Maiwandwal of Afghanistan was so impressed with the production potential of the Mexican wheats and with the urgent need to arrest Afghanistan's growing dependence on imported wheat that he assessed each of the Ministries 2.5 percent of its current year's development budget to create a fund to launch an accelerated wheat-production program. Two years later, the Afghans appear to be progressing toward their goal of self-sufficiency in wheat. President Ayub of Pakistan shows a deep personal interest in the agricultural programs under way in his country and follows their progress on an almost daily basis. India's progressive C. Subramaniam, former Food and Agriculture Minister, took advantage of the food crisis to mobilize support for and launch the accelerated food-production effort responsible for much of India's gains.

Recent agricultural progress should not give cause for complacency. Many difficult problems lie ahead, especially in the fields of farm credit, water development, plant disease, foreign-exchange availability, marketing and price incentives.

Purchases of farm inputs are often concentrated initially among the larger farmers who are able to finance their own purchases. The rate at which small farmers adopt new technologies is frequently determined by the availability of farm credit on reasonable terms. If, like the great majority of Asian farmers, they are dependent on the local moneylender for credit, often at interest rates ranging from 20 to 100 percent per year, they may not find it profitable to use modern inputs such as fertilizer. Available evidence indicates that fertilizer distribution in some parts of India and West Pakistan is beginning to slow because of a lack of credit.

Intensive cultivation of the new high-yielding varieties requires, in addition to an adequate supply of water, a far more sophisticated system of water control and management. At present not more than one-third of Asia's rice land is considered suitable for the new, short-stemmed rice varieties. Excessive and erratic flooding during the moonsoon or rainy season is not conducive to the intensive cultivation of rice, which requires hand-weeding and the use of fertilizer and pesticides. Either too little or too much water can be damaging.

Associated with the massive introduction of exogenous varieties is the risk that some local insect or disease could suddenly wipe out the entire acreage, thus creating possible famine not unlike that occurring in Ireland more than a century ago. The worst of this threat may have passed, however, for the number of new varieties has already reduced dependence on any single one. Each year that passes should make the threat less dangerous.

Rice production during the dry season, once limited by the lack of varieties adapted to the off season, is now limited by a lack of water. This can be remedied either by developing underground water resources, which are quite abundant in some areas, or by using pumps to lift water from the numerous rivers and canals that flow through many of the rice-growing areas during the dry season. The exploitation of unused water resources will expand the acreage suitable for planting the high-yielding rices. Few, if any, developing countries are endowed with all the raw materials needed for manufacture of chemical fertilizers—phosphate rock, potash, sulfur and natural gas or naphtha. As the use of fertilizer expands, many countries, chronically faced with a scarcity of foreign exchange, are hard pressed to find enough hard currency for the required imports. For some individual countries, such as India, this scarcity of foreign exchange could effectively reduce the rate of agricultural progress.

Frustrating though these problems may be, the dominant constraint on agricultural growth is likely to be inadequate marketing systems and an overall lack of markets. The recent emphasis on agricultural development has been concentrated on the expansion of production; marketing has been largely neglected, with the result that some of the promising gains made in production may be negated. Over the past decade many of Asia's large coastal cities—Karachi, Bombay, Madras, Calcutta, Colombo and Djakarta—have become increasingly dependent on imported foodgrains. To become self-sufficient requires not only producing a surplus in the countryside sufficient to feed these cities, but also having a marketing system capable of moving rural surpluses to the cities when needed. This means farm-to-market roads, storage facilities and a market-intelligence system to rationalize the movement of commodities.

Several Asian countries, such as Pakistan, the Philippines and Turkey, could produce exportable surpluses of grain within the next few years, joining Thailand and Burma. If they do, they must develop the transport and storage facilities needed to move potentially large surpluses of grain from often remote rural areas into world markets. If exportable surpluses develop, there will be mounting pressure on Japan and the EEC countries—where cereal production is often subsidized at prices double the world market price—to reduce subsidies and permit imports.

Problem areas notwithstanding, an agricultural revolution is under way in Asia. The new cereal varieties provides a means for tapping some of the vast, but as yet largely unrealized, food-producing potential of the tropics and subtropics, putting them on a more competitive footing with the temperate-zone cereal producers. The agricultural breakthrough occurring in several major Asian countries can be repeated in Latin America and Africa. Mexico, which once depended on imports for nearly half its wheat needs, is now exporting small quantities of both wheat and corn. Kenya, until recently a food-aid recipient, has produced an exportable surplus of corn, its food staple. Tunisia and Morocco are introducing the Mexican wheats. Much of the technology now being applied in Asia will also be applied in both Latin America and Africa, if the necessary top-level political support and proper combination of economic policies are forthcoming.

The farm sector now constitutes from one-third to one-half of most Asian economies. It is conceivable that the 2 percent rate of increase in food production prevailing during the early and mid-1960s could accelerate to 4 or 5 percent yearly over the next few years, provided markets can absorb the additional output. The additional purchasing power thus generated for both production and consumer goods will stimulate a more rapid rate of growth in the non-farm sector. The net effect should be a much more rapid rate of overall economic growth than would otherwise have prevailed. If the Asian agricultural revolution continues, it could well become the most significant world economic development since the economic rebirth of Europe following World War II.

This agricultural revolution is not the ultimate solution to the food-population problem, but it does buy some much needed additional time in which to mount effective family-planning programs. If food scarcity lessens as anticipated in some of the major food-deficit countries, governments recently preoccupied with real or impending food crises can again turn their attention to the business of development. Although the need for food aid is likely to lessen sharply within the next few years, capital needed for investment in the agricultural infrastructure is certain to increase. The need for technical assistance seems likely to rise as the problems generated by dynamic movement in agriculture increase. The need for foreign private investment in agrobusiness will also rise sharply as farmers clamor for the inputs they need to take full advantage of the new genetic potentials available to them.

> The positive economic effects of an agricultural takeoff in Asian countries are quite evident. What is not so readily realized is that it will bolster the confidence of national leaders in their ability to handle other seemingly insoluble problems. It may also strengthen their faith in modern technology and its potential for improving the well-being of their people.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. MILLER. Mr. President, I wanted to make a point in connection with the question of the Senator from Utah and the response of the Senator from Minnesota about the proportion of the gross national product and the possibility that our proportion is going down rather than up.

I do not have the precise percentage, but I think that where we may be delinquent in analyzing the answer to the question is that we are talking only about the foreign aid bill. However, this is only a part of our foreign aid program.

The Senator from Utah should take into account the fact that in addition to what is contained in the pending bill, the taxpayers of our country are putting up $1 billion in foreign aid for South Vietnam and almost $2 billion in the food-for-peace program, neither of which programs were in existence 10 or 20 years ago. So, if we take into account the total package of foreign aid that the taxpayers of our country are putting up—what is in the foreign aid bill and what is in foreign aid in a separate bill to Vietnam and what is in a separate bill for the food-for-peace program—then I do not think that we should be too apologetic, especially at a time when we have a war on our hands.

I have fallen into this error myself on previous occasions. And I know of so many others who do the same thing. When a foreign-aid bill is being considered, they think, then, in terms of it alone, but we must also take into account all of the other things that the taxpayers of our country are putting up. And that comes close to $3 billion a year at this time.

Mr. MOSS. Mr. President, if I may respond, I appreciate the comments of the Senator from Iowa. And, of course, what he states is a fact, that there are other areas where we are utilizing tax funds in foreign assistance. However, I point out that food for peace is a humanitarian stop-gap type of assistance to prevent hunger and starvation and to enable us to get through the current crisis, whereas what the Senator from Minnesota is talking about is assistance to countries so that they can produce their own food and then we will not be called upon to come to their aid with food for peace.

We are generally a humanitarian country. And if we find people that are hungry, we usually try to get food to them. This is a commendable thing. However, how much better than trying to rush food to them it would be if we could bring those countries to a position in which they could produce their own food.

This is what is coming about, as the Senator from Minnesota has said, from the development of these new seeds, new strains, disease resistant, fertilizer, and the other many improvements, so that we have made some very dramatic advances in the last few days.

At this time, it would seem to be foolhardy to turn back rather than to continue with our advance.

Mr. MILLER. Mr. President, the Senator's point is well taken about the nature of the foreign aid program. However, it should be brought out that when we start talking about assistance to other nations of the world in terms of our gross national product, we had better take into account all of the money that the taxpayers of our country are putting out. And 8 or 10 years ago, nothing was going to Vietnam to speak of and nothing was going into the food-for-peace program to speak of.

We now have about a $3-billion-a-year package in those two items alone.

I concur on the point that it is much better to help them with the necessary food production so that we do not have to send them food for peace. And that has been the policy of Congress for quite some time.

I do not hear any argument about that. Certainly I am not going to differ with my colleague, the Senator from Utah, on that point. That is just common horsesense.

I want to put the record in perspective because the Senator from Utah asked a question which is on the minds of a lot of people today.

I make the further observation that we have a $25-billion-a-year war burden on our back. And at this time, I do not think the American taxpayers can properly be expected to put up as much foreign assistance as they would otherwise be able and willing and happy to do so.

I thank the Senator from Minnesota for yielding.

Mr. MONDALE. Mr. President, we are not talking here about idealistic, humanitarian aid programs. We are talking about our own national security, and the extent to which a starving world—famine and strife-ridden—threatens the peace of all mankind.

We are not talking, either, about vast giveaway programs, or about U.S. funds being squandered for frivolous projects of national self-glorification. We are talking here about funds which are used by developing nations to buy fertilizer and seed and farm equipment in the United States.

The present authorization level in the bill is $350 million. I think we ought to look at a few examples of the agricultural needs which will not be met at this low level.

India alone is scheduled to receive $408 million of development loans in fiscal year 1969. Two hundred million dollars of this will be used to import fertilizer from the United States. Twenty million dollars will be used to import better seed varieties and pesticides from the United States. Fifteen million dollars will be used to help finance a new cooperative fertilizer plant in India.

Pakistan would have been able to use $177 million for development loans in fiscal year 1969, a substantial portion of which would go for U.S.-purchased fertilizer imports.

Turkey and other nations will also suffer reductions in funds for agricultural self-help and development.

It seems to me that this reduction is shortsighted and unnecessary. It seems to me that one of the best investments we can make in foreign aid is one which will help food-deficit nations reach agricultural self-sufficiency, eliminating the cost and expense of huge shipments of food to alleviate the inevitable starvation that will result if the agricultural revolution fails.

Therefore, Mr. President, I offer an amendment which will provide an additional $200 million authorization to the development loan fund specifically tied to agricultural development policies and programs. It would provide the additional money only for financing the import by the United States into less-developed nations of fertilizer, seed, pesticides, and farm equipment and supplies—particularly those countries which have shown such promising agricultural gains in the past few years. Many of these countries have devoted increased portions of their national resources to agriculture, and we simply ought to encourage them to continue to do this.

Mr. MORSE. Mr. President, I rise to speak on another part of the pending bill.

The amendment of the Senator from Minnesota requires considerable debate on the floor of the Senate and a large attendance in the Senate. I shall speak about it at a later time.

Mr. President, we need a substantial consideration of this amendment. I have to go to conference on the education legislation. I have agreed with the leadership that I would make my speech in behalf of another section of the bill. Therefore, I shall proceed to do that at this time.

Mr. President, the log export amendment added to this bill upon my motion in committee is not, contrary to press reports, a protectionist rider; nor is it extraneous to the foreign aid bill.

The amendment is cosponsored by Senators MANSFIELD, METCALF, JORDAN of Idaho, CHURCH, MOSS, and HATFIELD, in addition to my authorship of the amendment.

It is certainly unfortunate that management of the public lands has become the business of the State and Commerce Departments, the Treasury, and the Bureau of the Budget. But it was these agencies that made this a foreign policy issue, not I.

Even more do I regret that the Departments of Agriculture and Interior allowed these other departments to make decisions that Congress vested solely in the Secretaries of Agriculture and Interior. Members of Congress and their staffs were told by the Secretary of Agriculture on July 11 that it did not matter what statute his determination concerning log exports was based upon, because the authority given him was all discretionary, anyway, and the decision would be made in concert with the entire administration and not upon his judgment alone.

I cannot believe that any of these executive officials has read the law. The statute of 1926 calls upon only one person to judge only one thing: It calls upon the Secretary of Agriculture to judge whether the supply of timber for local use will be endangered if some of the timber is exported. That is the only one and only judgment the Secretary has to make. That is the mandate of Congress.

No discretion is called for concerning the relationship of log exports to balance of payments; nor how to offset the hundreds of millions of dollars worth of U.S. military procurement in Japan; nor what the reaction of Japan may be if the laws governing the publicly owned American timber are enforced. Neither is any judgment upon these matters vested in some other department or executive official. I quote the act of April 12, 1926:

> That timber lawfully cut on any national forest, or on the public lands in Alaska, may be exported from the state or territory where grown if, in the judgment of the Secretary of the department administering the national forests, or the public lands in Alaska, the supply of timber for local use will not be endangered thereby. . . .

But since public land management has been construed as an instrument of foreign policy by this administration, Congress must deal with it in those terms, too. The Committee on Foreign Relations has wisely done so with this amendment to the foreign aid bill.

I may say again that this is not my amendment alone. It is cosponsored by my colleague from Oregon [Mr. HATFIELD], by the Senators from Montana [Mr. MANSFIELD and Mr. METCALF], by the Senators from Idaho [Mr. CHURCH and Mr. JORDAN], and by the Senator from Utah [Mr. MOSS].

AMENDMENT EXPANDS RATHER THAN CONSTRICTS EXPORTS

Far from being a protectionist measure, it permits an exclusion of 350 million board feet per year from the 1926 law that now forbids the export of any national forest timber unless and until it is shown to be surplus to local needs. In our hearings, the testimony of the representatives of this Government is that this timber is not in surplus.

It should be remembered that under this same statute, our Government, through the Department of Agriculture and the Department of the Interior, has long forbidden the export of any logs from Alaska. It should be remembered that our neighbor to the north, Canada, has for years prohibited the export of logs from that country. It recognized that the logs are harvested on the people's forests.

These forests do not belong to this administration. They do not belong to the people of the State in which they are located. They belong to the people of all the States. They are a treasure house of a great natural resource, and each generation has a trusteeship obligation to see to it that those forests are so scientifically managed under a sustained yield program that they will guarantee in perpetuity to the American people an adequate supply of wood products.

That is our national forest system in this country.

One of the great founders of our conservation program, the former Governor of Pennsylvania, now long dead, the great Gifford Pinchot, must have revolved in his grave when the policy was started of making our national forests into tree farms of Japan. Those forests are not maintained for the benefit of the Japanese people. They are maintained for the benefit of the American people. As has been brought out in our hearings before the Subcommittee on Small Business, those forests are not negotiable with any foreign government. Those forests belong to the people, to be preserved and managed in the interests of the American people, not in the interests of people of foreign lands. But since public land has been made an instrument of foreign policy, it must be dealt with in this bill.

Prior to 1926, a law of 1897 forbade the export of any timber from the national forests. In 1926, a permanent statute allowed such export where surplus was shown. It was in that law of 1897 that the national forests of the Nation were created, to maintain a perpetual supply of timber for the people of the United States. Least of all do these statutes leave any impression that national forests should be managed as a commodity to be sold off to the highest foreign bidder for balance-of-payment considerations. If this were to be their greatest use and value, then by all means the national forests should be abolished and sold to private enterprise. Private companies could undoubtedly sell it off abroad faster and at higher prices than can the Forest Service or the Bureau of Land Management.

Because lack of enforcement has permitted foreign purchase of public timber in the approximate amount of 350 million board feet annually, my amendment would make that figure an exclusion from the requirements of the 1926 act. For 5 years, 350 million board feet could be sold for export from public lands, in addition to the amount and species found to be surplus to local needs.

Senators should bear in mind that certain species of timber have little or no marketable value in the United States but are desirable in foreign markets. Among those I can mention is Port Orford cedar. It has practically no marketable value in the United States, and therefore it is surplus to our needs. Consequently, it should be considered exportable, and it has been exported for many years. There are other species. Within the family of hemlock are species that have no marketable value in the United States, but there is a demand for them elsewhere, and therefore it is exportable.

For these reasons, I do not believe any case can or should be made that the amendment would damage our present balance-of-payments position with Japan, the chief purchaser of these logs. To the contrary, once we make it eminently clear with this language that we mean to process our own public timber, I think Japan will come to see that her growing need for wood fiber can be met by buying American lumber products, just as Japan now buys Canadian and Alaskan lumber products because she can buy few of their logs.

In this connection, there has been some discussion in the lumber industry in the Northwest of whether U.S. mills are actually prepared to go into export trade in finished lumber. In the past, we have not sought the export trade, nor have we entered the Japanese market to any extent because Japanese trading companies limit foreign competition in finished wood products.

If anyone thinks there is an open-door lumber and log trade policy between the United States and Japan, he could not be more wrong. When you seek to ship wood products into Japan, you have to go through a tightly controlled domestic market, sometimes labeled a cartel system. I call it a controlled market system. Trading companies determine what goods in Japan, usually at a great markup for themselves. The actual price competition is not great.

But the question has arisen of whether we could furnish wood products to Japan.

The Caffall Brothers Forest Products Co. of Portland, Oreg., has written to me about this very matter. Its president complained that he was unable to fill an order sought by Japan for half a million board feet of 4 by 4's. On July 24, I received another letter from Mr. Caffall, which I quote in full:

> DEAR SENATOR MORSE: On July 18, 1968, we sent you a copy of a letter which we transmitted to the Mitsui Co., documenting the results of a recent inquiry from Japan for lumber. The letter quite clearly demonstrated the unwillingness of many local mill operators to try to find an equitable solution to this log-lumber export problem.
>
> We now feel in all fairness that we must inform you that subsequent to the first writing we have been able to effect a firm contract on 500,000 feet of 4 x 4's with the Portland Lumber Mill division of the Brand S Corporation. Mr. Brandis is a long-time associate of our company and is probably better informed on the export problem than most operators. The price which we were able to offer Mitsui was not as low as some of the Canadian offers but it was substantially under the quotations received from most other mills.
>
> Mr. Brandis, I am sure, does not intend to lose money on the long term. He has, however, demonstrated that he is not willing to sit complacently by and watch Canada absorb this market. This type of mutual cooperation and knowledge of world markets is absolutely necessary if the American wood products industry is to survive in international commerce.
>
> Very truly yours,
> CAFFALL BROS. FOREST PRODUCTS, INC.
> C. C. CAFFALL.

Certainly the lumber industry of the Northwest is on the right track when it meets the demands for export, and I salute Mr. Jack Brandis for his foresight and economic statesmanship.

It will take some time for U.S. mills to change their dimensions and other production practices. But it is also true that so long as Japan can obtain logs, she will buy the logs and not the lumber. Firm and substantial orders for finished lumber will make it possible and practical for U.S. mills to fill the orders, once they can get the logs. And there is considerably more balance-of-payment advantage to us from the sale of lumber than from the sale of raw logs.

DOMESTIC SUPPLY OF LUMBER ALSO AFFECTED

A curb on log exports will also have a beneficial effect upon the supply of lumber for domestic consumption. The constricted supply of logs due to exports is pushing lumber prices for domestic homebuilding to levels far above normal price increases. Testimony taken at our July 19 hearing shows that the wholesale softwood lumber price index has shot up far in excess of the increase of housing starts.

The reason is the tight supply of timber in the Northwest due to exports, and the high prices of timber due to Japanese bidding. Our January hearing record is replete with statistics of mills closed down in the Pacific Northwest for lack of logs, mills that cannot be brought back into production quickly, if at all, for they could not process the logs at a profit and pay the price the Japanese were willing to pay for those logs.

The sad fact is that this public timber so urgently needed to build homes for Americans has been put up for foreign sale for balance-of-payments reasons. In April, the Department of Agriculture took steps to limit that sale on forests west of the Cascades in Oregon and Washington. The 350 million board feet exclusion was applied there for 1 year. That action was welcome, for it provided temporary relief for the mills dependent upon public timber for their operation. But it was not a long-range solution, and it did not cover enough geographically.

It is a long-range solution that the amendment now proposes to solve. Keep in mind that the Federal Government owns 63 percent of the commercial forest land in the 12 Western States. Keep in mind that the Federal Government owns 50 percent of the land area of my State. Many people in the Midwest and in the East do not know what it means to live in a State where the Federal Government has ownership of more than 50 percent of the land area of the State. The implications of that situation press down upon us on one issue after another that come before the Congress. We have to have a considerable amount of Federal activity, and in a variety of legislative forms, to meet the deep problems that confront Oregon and other Western States.

Mr. President, that is why you find me seeking to make this record as to the purposes, objectives, and results of this section of the foreign aid bill.

Keep in mind that there will be an estimated demand for 2 million new homes a year in 1970, and 2.5 million by 1980. That means a demand for lumber of 16.8 billion board feet in 1970 and 21.6 billion by 1980.

Under present management practices on the public lands, there simply will not be logs available to local mills in the Northwest to meet that demand, if log exports continue to be unlimited.

As to the foreign policy implications, I appreciate that the State Department is always concerned when trade changes are involved. Japan has a great need for housing. She has put great amounts of capital into constructing new sawmills. They are based upon water transportation, and are highly efficient. But to the extent that this investment was predicated upon the assumption that Japan could buy unlimited quantities of logs from the publicly owned forests of the Northwestern United States, the State Department has no one to blame but itself.

In fact, we pointed out in our hearings some months ago and again the other day, that it would be very wise in the interest of foreign trade if Japan would turn to other countries to get their logs, if they have them in surplus, instead of threatening us, as some do, that if we do not sell them logs, they will buy from Russia. As I said in the hearings, "Godspeed, buy them from Russia." I am not sure that would not be a very desirable thing in helping the economy of both Japan and Russia. But I do not intend to stand by and have Japan do irreparable damage to the economy of my State, as her log purchasing practices have done.

Thousands of jobs have been lost and great productive wealth destroyed. As far as the balance-of-payments problem is concerned, those in the Bureau of the Budget, the Department of Commerce, the Treasury Department, and the State Department need to do a little simple arithmetic. If they would do that, it should not take them very long to come to the obvious understanding that if you take American logs and process them in American mills and turn them into more valuable products, such as finished lumber, and sell the finished product, you have increased manifold the benefit to us in balance of payments. Selling the raw logs compared to the value of finished lumber shows the damage being done in connection with the balance-of-payments problem.

Let Japan buy from us finished lumber as she buys from Canada and Alaska. The only reason she buys it there is she cannot buy logs in Canada and Alaska. It is that simple.

Japan, too, has great need for housing, and I recognize that. But she can get the lumber for the housing if she wants to buy it from us or she can go elsewhere and get the logs.

Our Government's representatives in Japan knew—or should have known—what the statute said. They have no right to let Japan go on believing she could take all the timber she wanted off the American national forests.

FUTURE SUPPLY NEEDS TO BE STUDIED

The great paradox in this picture is the fact that there is, indeed, a tremendous supply of timber in the Pacific Northwest. There is an even greater potential for increased production in the future, if we farm these forests scientifically. Do not forget, Mr. President, when you look on forests you look on tree farms. When you look on national forests you look upon great preserves of forests to be harvested when they are right for harvest, and that is what we mean by sustained yield program. But the harvest should be for the benefit of the economy of the United States and not the economy of Japan or any other foreign power.

The same Budget Bureau that pushes the sale of these logs for balance-of-payments reasons also presides over a cut of $21 million in the budget of the Forest Service for fiscal year 1968. That cut means that timber that could be cut will remain inaccessible.

For the local mill operator who must have a raw material on hand this week, this month, and this year, those trees may as well not be there if he cannot get to them to cut. The same is true of the logger who might wish to cut logs for export to Japan.

That is why I, for many, many reasons, voted against the tax increase. It was coupled with a $6 billion budget cut, much of it to come out of resource management to the detriment of the economic welfare of the American taxpayer.

So, when we had the Director of the Forest Service, Mr. Cliff, on the witness stand, I asked him about the $21 million cut from the 1968 appropriated funds. We are talking now about the funds that were appropriated by Congress and the administration impounded a substantial percentage of those funds. It impounded $21 million out of the Forest Service. Read the testimony of the Director of the Forest Service, under my examination, and that of other members of the committee. He pointed out that some of the cuts would come out of access roads.

The record will show that I said to him, "I realize you are on the team and you are going to have to carry out the orders of the White House, but I want to point out that for every dollar the administration thinks it is saving on access roads, it will be a loss to the American people of $10 for every alleged dollar saved."

Here is an investment in access roads for production. Without those access roads, we cannot get the timber out. Without those access roads, we cannot get the timber out that is ripe and which should be cut now in the best interests of a healthy forest.

Thus, I want to point out that we not only do not have any surplus of logs but we have a shortage of logs because the mills in the West are not getting from the public forest the supply of timber they need in order to meet their full operational capacity, or to supply the timber needed for domestic supply.

The meaningful timber supply we are talking about now is what is put up for bid. With Japanese bidding for their sheltered market, and American mills bidding to meet the demand for lumber here at home, prices are booming on public timber sales—far above the appraised value. Do not forget how the bids work. The Forest Service or the Bureau of Land Management appraises the timber and places an appraised price on the timber. They testify that that appraised value is the value of the timber, but because there is such need for timber, the lumber companies find it necessary to bid high above the appraised value of the timber. That is one of the reasons why our lumber prices are so high. The cost of construction of houses is therefore higher than it should be or need be.

We have the Japanese coming in—and the record of the hearings is very clear, in many instances—and they will bid $125 to $150 for a thousand board feet of timber when the regular market price would be from $60 to $85 for that timber. That is the kind of competition—this economic invasion by Japan of the people's forest—our mills have to contend with in the national forest areas.

That is why the evidence shows they are shutting down, men are being thrown out of work, or have been thrown out of work for the past several years, as this problem has accumulated and accumulated until it has reached this crisis condition.

But the amount of timber for sale on the open market remains relatively fixed, due in large part to shortsighted Budget Bureau practices. I say shortsighted Budget Bureau practices, because the allowable cuts cannot be expanded without access roads, without cruisers, or appraisers, or personnel. The situation is made much worse when, in addition to this, the Government violates the law of 1926, as I have explained earlier in the speech, by selling logs that are not surplus.

It is my conviction that a major task for the 91st Congress is a total reevaluation of the management and development of the public timber resource, with a view to increasing its yield. The 5-year application of my amendment will give us time to make such a study. It will keep American lumber mills in production in the meantime.

TERMS OF AMENDMENT

Turning to the language of the amendment which was adopted by the Committee on Foreign Relations by a vote of 11 to 4 the first sentence provides an exclusion of 350 million board feet that may be sold for export each year, without regard for the requirements of the 1926 act. This will permit approximately the present level of export to continue.

Paragraph (b) is intended to restate and make more specific the requirement of the 1926 act that unprocessed timber above and beyond 350 million board feet must be found to be surplus before it may be offered for export. The 1926 act supposedly requires this finding. But whereas the regulation under which sales have been made appeared in the Federal Register in 1948, I am unable to find that any subsequent determination has been made. The general counsel to the Department of Agriculture has said that this regulation constitutes a "continuing judgment" that logs are in surplus. But upon what evidence or what record that finding and judgment are based are totally unknown to me, to the industry, and I suspect to the officials who administer the law.

Certainly that judgment does not conform with conditions that have prevailed in the industry for some time. No evidence or record that could be made today would reveal the kind of surplus involved here. To the contrary, all the evidence compiled by the Small Business Committee shows that there is a shortage of unprocessed Federal timber in the Pacific Northwest, and to a large degree the shortage is attributable to exports.

I believe that paragraph (b) makes it clear that Congress expects the Secretary hereafter to hold a public hearing when he wishes to declare a local specie surplus, or to sell for export a specified quantity from a specified region of a national forest. The language of the amendment anticipates that the public hearing record will show whether that specie or quantity is in fact surplus to local need, and that the judgment of the Secretary will be guided by that record.

The language also makes clear that the needs of domestic processors are among the primary needs to be taken into account in arriving at such a judgment. Where a mill markets its lumber is not at issue here. Its consumption of timber makes it a domestic user and processor, not the place where its product is eventually retailed.

Finally, paragraph (c) is designed to enable the appropriate secretaries to develop administrative regulations to prevent the substitution of public timber for exported non-Federal timber. There lurks in the minds of some the idea that processors owning their own timber supply will sell it for export, and replace it by bidding for public timber. Those of us who have been following this whole issue for many months have been alert to that possibility. We have been watching for it. We have let the industry know that such a practice would defeat the whole objective of the April order of the Department and the amendment to the pending bill. In connection with the April "determination," the large private timber owners voluntarily assured Members of Congress and the Department of Agriculture that they would not engage in this practice. I have not seen any indication that private timber owners are curtailing their own production in order to sell their timber holdings for export. Most of them are large, integrated industries. They have nothing to gain from abandoning their domestic markets. It does not appear that they are doing so, or are planning to do so.

Nonetheless, I think it is essential that public confidence in the use of Federal timber be maintained by taking all possible steps to assure that this substitution does not occur. That is why the appropriate secretaries are specifically authorized to prevent it.

Today I received a telegram from one of the witnesses in our July 19 hearing that bears directly on this problem. It reads as follows:

> Hon. WAYNE MORSE: Please include the following additional statement in the record of the Senate Small Business Subcommittee hearing held in Washington, D.C. on July 19, 1968:
>
> Senator MORSE, during the hearing on extension of the boundaries of primary manufacturing requirements, segregated the log export problem into three main categories. I agree with the Senator that log exports do fall into several general categories and should be regulated accordingly. At this time, our comments will be directed to either exporting Federal logs or the substitution of public logs for exported private logs.
>
> I. Exporting Federal logs. This category has already been well documented at the hearing. However, it should be emphasized that continued control within the existing boundaries as well as extension of these boundaries is paramount to the local dependent mills regardless of the action taken on private timber.
>
> III. Exporting private logs and replacing the exported private logs with public timber. This replacement could be either simultaneous substitution or a rapid depletion of private timber by accelerating the cut for export purposes. Upon completion of the accelerated depletion of private timber, the operators could then purchase public timber to operate their mills left destitute for logs because of the log export program.
>
> This group of private timber holders should not be eligible to purchase public timber to replace their depleted supply. In addition, other qualified purchasers of public timber should be prohibited from selling logs to the above operators as a substitute for their exported non-federal logs.
>
> The amendment to sixteen U.S.C. 616 adopted by the Senate Foreign Relations Committee appears to provide for this type of control.
>
> We certainly support the approval of the restrictions of substitution and feel it is needed now. At present, the primary manufacturing regulation is relatively new so it would be difficult to cite instances where private timber holders are exporting their own timber and running up the sales on public timber. It does pose a real potential problem and industry should face up to it now and request means to prevent this, such as Senator Morse's amendment to the foreign aid bill.
>
> Thank you for the opportunity to include this additional statement.
>
> ARNOLD EWING,
> *Northwest Timber Association.*

I want to thank Mr. Ewing for making it clear that the industry is aware of this problem, and that it supports the type of regulation to prevent it authorized by the amendment. His statement is supported by other expressions of industry support compiled by the National Forest Products Association.

I also want the legislative history of this provision to make clear that the Department of Agriculture and the Department of the Interior have the administrative authority to impose such rules and regulations and restrictions as may be necessary to prevent any such potential—but at the present time hypothetical—abuse that Mr. Ewing and the senior Senator from Oregon have been discussing.

I want the RECORD to make perfectly clear that the Senator from Oregon will not only support the exercise of such administrative power on the part of the Secretary of Agriculture and the Secretary of the Interior, but, if this problem arises, I shall be insisting that they act under this authority, because it would be their clear duty to do it under a showing of such facts.

Finally, I would appeal to all factions, in Government and out, who are involved in this issue to understand that there is nothing to be gained by letting this controversy continue to build up. Everyone knows that is all it can do, in the absence of the solution the Foreign Relations Committee has offered. Far from "going away," the conflicting economic pressures can only grow. That means that the political pressures can only grow, too.

The pending amendment is a fair compromise. It is only an extension of the directive of the Secretary of Agriculture of April 16, 1968. It comes to grips with the issue, and it affords the means of getting it behind us.

It is fair to eastern Oregon, eastern Washington, Idaho, Utah, Montana, and to all the States in which these great national forests are located, where the danger is and where the Japanese are already showing an intention to go into the national forests in those States and continue the malpractice that characterized their buying in western Oregon and western Washington on which the Secretary of Agriculture put a ceiling by his directive of April 16 in that limited area. This is a matter in which there should be a uniformity of policy, covering all national forests, and it is also a matter which calls for such uniformity in carrying out the legal intent of the law of 1926.

I say it is a fair compromise. That is why I believe the amendment deserves the support of every Federal agency, and the economic interests involved, as well. I recommend it to the Senate, and to the Congress.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3679) to amend the act of June 19, 1968 (Public Law 351, 90th Cong.).

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 16363) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Purcell, Mr. Stubblefield, Mr. Foley, Mr. Belcher, and Mrs. May were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 705) to assist veterans of the Armed Forces of the United States who have served in Vietnam or elsewhere in obtaining suitable employment.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 222. An act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped;

H.R. 11026. An act to amend the act of September 15, 1960, for the purpose of developing and enhancing recreational opportunities and improving the fish and wildlife programs at reservations covered by said act, and for other purposes; and

H.R. 17903. An act making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes.

TRANSFER OF HEADSTART TO THE OFFICE OF EDUCATION

Mr. MORSE. Mr. President, I turn to another subject, which I must make a matter of record before I leave the floor to go to a conference with the House on the education bill, because I want to be able to show, Mr. President, that the analysis of the majority of the Senate, as far as concerns the reason for the 60 to 29 vote that seeks to transfer Headstart from OEO to HEW, has been put in the Record by the chairman of the Senate conferees.

Mr. President, in the July 22, 1968, issue of the Washington Post, on page 1, there appears a story written by Miss Eve Edstrom under the caption, "Johnson Moves To Rescue Headstart." I ask unanimous consent that the article to which I have alluded be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Senate Setback Laid to White House Lag—Johnson Moves To Rescue Headstart

(By Eve Edstrom)

The Senate last week crippled the poverty war's most popular child—Head Start—while the White House reportedly stood still.

If the Senate action stands, Head Start would be turned over to the states. Its most innovative ingredients would almost surely be wiped out. Its neediest beneficiaries—the children of the poorest Southern Negroes, Indians and migrants—would be all but shut out.

Yet Head Start supporters say their appeal for White House aid early last week was brushed aside on the grounds that the Senate amendment didn't have a chance of passage.

But after it was adopted by a whopping 60 to 29, the White House actively began trying to undo the damage. Visits were paid to key Congressional leaders in an effort to overturn the Senate action when it goes to conference.

Actually, if there had been any coordinated Administration strategy during last Wednesday's hasty Senate debate, an acceptable compromise might have been worked out. But the issues were so obscured that even sensational charges against a Chicago street gang were used to hamstring Head Start.

At first glance, the Senate amendment to the Vocational Education Bill would appear to result in nothing more than a long-expected bureaucratic shift.

The popular Head Start program for preschoolers would be taken away from the Office of Economic Opportunity (OEO) and given to the Office of Education, effective next July.

But neither the Office of Education nor its parent, the Department of Health, Education and Welfare (HEW), wants Head Start under the conditions which the Senate imposed.

This is because Head Start money would be channeled through state school agencies and the Office of Education would not even have the final power to disapprove a state plan for Head Start funding.

As explained by the chief mover of the Senate amendment, Sen. Peter H. Dominick (R-Colo.), school officials "would, therefore, state by state, be in charge of this program."

Sen. John Stennis (D-Miss.) immediately applauded the move to give Head Start to state educators. He long has fought OEO-supported Head Start projects in Mississippi which operated outside of the schools to get innovative programs to the poorest Negro children.

An end to such projects is almost certain if the Senate amendment passes. Similarly, it is doubtful that states will give up funds for Head Start projects on Federal Indian reservations or for children of migrants.

Furthermore, the argument that Sen. Wayne Morse (D-Ore.) made in support of the amendment is strongly contested by both OEO and HEW officials. Unlike Morse, they do not believe Head Start is strictly an educational program and should therefore be in the Office of Education.

In a letter that was made part of the Senate debate, HEW Secretary Wilbur J. Cohen said:

"Head Start was imaginatively developed by the Office of Economic Opportunity as part of a broad-scale and coordinated attack on the many social problems—nutritional, medical, psychological as well as educational—which contribute to the cycle of poverty.

"In this comprehensive format, Head Start has functioned exceedingly well under the Office of Economic Opportunity and, consequently, we believe that its assignment there should be continued."

This should not be interpreted to mean that Cohen does not want Head Start within HEW if it could be operated under the same flexible guidelines that exist at OEO.

In fact, both OEO and HEW are in general agreement that Head Start should be transferred, either as an independent agency directly under the HEW Secretary's supervision or as a component of the Children's Bureau.

This was a principal reason why Jule M. Sugarman, the creator and developer of Head Start, left OEO in April to become associate chief of the Children's Bureau. His job is to weld together all health, educational and welfare services for pre-school children.

Such a coordinated attack on the problems of preschoolers, along with the continuing involvement of parents that has characterized Head Start programs, has been a chief aim of Secretary Cohen. But the Senate debate did not focus on these aspects of Head Start. Instead, Morse in becoming a strong ally of Republican proponents of the amendment, emphasized how OEO programs in his state have been beset by "inefficiency, by waste and by maladministration." OEO sources say Morse is piqued because Congressional fund cutbacks forced the closing of a Job Corps center in Oregon.

Sen. Frank J. Lausche (D-Ohio) said he would vote for the transfer because he had read how OEO had supported a Chicago street gang project that was controlled by "thugs, thieves, hippies, drug addicts."

Southern Democrats, angered because OEO used discretionary powers to fund projects in their states, found themselves in the unusual position of giving Head Start to one of their chief whipping boys, Education Commissioner Harold Howe II, former enforcer of HEW school desegregation policies.

Thus, the Senate vote can be interpreted as stemming from broad anti-OEO feeling, rather than any considered judgment of how Head Start can best be operated.

The Head Start transfer has not been the subject of hearings, and did not come up in the House when the Vocational Education Bill passed.

Senate conferees, who have been appointed to resolve the matter, are split right down the middle—five voted for the trasfer and five voted against it.

They will meet with yet-to-be-selected House conferees. However, a majority of the House conferees will reflect the sentiments of House Education and Labor Committee Chairman, Carl D. Perkins (D-Ky.).

Perkins is dead set against the transfer, but no one is predicting how the battle will come out.

Mr. MORSE. Mr. President, I wish to preface my remarks about the material contained in the story with a tribute to Miss Edstrom, who I know to be a responsible and thoroughly competent journalist. What I have to say about the statements in the article—and there are many of them I believe to be quite misleading—I would wish attributed to the sources who provided Miss Edstrom with the materials she used.

I suspect that those sources can be found not too far from the offices of the Acting Director of the Office of Economic Opportunity, Mr. Harding. I base this upon an episode which occurred on July 17 and about which I spoke on the Senate floor on July 18. Interested Senators may find my comments on that occasion on page 22030 of the CONGRESSIONAL RECORD of July 18.

But whatever the source, it is necessary, I think, to set the record straight.

The first paragraph of the story, which states, "The Senate last week crippled the poverty war's most popular child—Headstart," is an assertion which, in my judgment, has no foundation in fact even though it may be sincerely held by some of those working within the Office of Economic Opportunity in this program.

Why do I say this? Because the physical transfer of the Washington authorities from OEO to the Office of Education need not disturb in the slightest the interaction among the child, his parents, the preschool teacher, the doctor, and the volunteer worker who locates the child's clothing. Together this group can continue to bring into focus the combined goods and services whose end is to enable the youngster to start the first grade on an equal basis with his more fortunate classmates from a middle-income home. I am not wedded to the detail of the State plan as set forth in the amendment. I am perfectly willing to weigh arguments for the addition or subtraction of elements and provisions if the case can be made on the merits. Without presuming to speak for Senator DOMINICK on this matter—he can speak, and eloquently, for himself—I know from experience he is a reasonable man.

Let those in conference on the House side show us in which way there is justification for modification of the amendment, and we will consider it.

Let us look, however, at the actual provisions of the amendment.

In section 802(a) (2), there appear the following provisions:

> Under which funds paid to the State from its allotment under section 801 will be used to make grants to community action agencies (established pursuant to the Economic Opportunity Act of 1964), and public agencies or private nonprofit agencies or organizations, including local educational agencies, to assist them in carrying on preschool programs, which, under subsection (b), are eligible for assistance under this title;.

And, in section 802(a) (6):

> The State plan provides a balanced program to meet the educational, nutritional, health, clothing, and other unique needs of children from impoverished backgrounds in order for them to function at optimum levels in relationship to other children;

And, in (7):

> It further provides a standard of poverty for individuals and families in the State that takes into account the number of children, dependents, and other special circumstances substantially affecting the ability of individuals and families to be self-sustaining;.

Section 802(b) states:

> A preschool program shall be eligible for assistance under this title if (1) it is designed to prepare educationally deprived children in areas having high proportions of children from low-income families to successfully undertake the regular elementary school program, (2) it is carried on by, or under contracts or arrangements with, a community action agency or a public agency or private nonprofit agency or oganization, including a local educational agency, and (3) it is limited to participation by children from families meeting the poverty standards established under section 802(a)(7).

Listening to some of the critics one would think that these so-called local action agencies are being abolished by the Dominick amendment. Quite the contrary, Mr. President. Let me say to those who have been stirred up by the propaganda that has come out of OEO, that the Senator from Oregon charges here on the floor of the Senate that Mr. Harding and his associates down at OEO have been sending out letters, telegrams, and propaganda fighting this amendment that was passed by the Senate by a vote of 60-to-29. That is why I said on July 18 that the President should remember—and I defended his power to nominate—where Senate confirmations are necessary, not only that he has the power to nominate, but that he has the power to fire, and Mr. Harding should take note of it, as well as those others in the Office of Economic Opportunity who, in my judgment, have been misusing and abusing their offices by seeking to direct the legislative process of Congress.

As I said on July 18, I repeat on the floor of the Senate this afternoon, Mr. Harding and his group need to remember that the power and the authority to declare where Government functions shall be vested in the executive branch of this Government rests in Congress, not in the executive branch.

I think, Mr. President, it is still true—sometimes I doubt it, or am tempted to doubt it, but I think it is still true—that we are not a government of executive supremacy yet. I think it is still true that thus far we have not delegated all of our legislative functions to the White House.

As the Senate knows, I have pleaded here for years against this trend of Congress walking out on its legislative responsibilities under the Constitution, which Congress has done time and time again, to the point that we now do have a threat of developing a government by executive supremacy instead of a government such as the constitutional fathers envisaged and set forth, of three coordinate and coequal branches of government, a judiciary, a legislative branch, and an executive branch.

Mr. President, I would that it were not necessary for me to speak so critically on the floor of the Senate about any agency of the Government, but the Office of Economic Opportunity asked for it. I did not. They have drawn the issue, and I want to say that all this is is a transfer of a program from one agency of the Government to another agency of the Government.

Not only, Mr. President, is it just a transfer, but every phase of the program will continue. This is in line with a policy that Congress has adopted in regard to other educational programs that originally were vested in the OEO. Mr. President, we have transferred Upward Bound. We have transferred the college work-study program. We have transferred other programs of the Office of Economic Opportunity that are related to educational programs, such as adult basic education.

The original action was to place authority for such programs in the enabling legislation establishing the Office of Economic Opportunity. But it was never intended that they should be retained in the Office of Economic Opportunity on some perpetuity basis, or that there was some vested right of jurisdiction that was not subject to reverse and change. Quite the contrary.

We debated the issue and proceeded to the vote in the Senate that resulted in the Headstart transfer, by the vote of 60-to-29. The debate showed that from the standpoint of efficiency, economy, and appropriateness of jurisdiction, all the programs should be vested in that department of the Government which has jurisdiction over educational matters. That agency in HEW is the Office of Education not the Office of Economic Opportunity.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. MORSE. In a moment.

Mr. President, I wish Senators could see the telegrams I am receiving—stimulated, may I say, by the propagandists down in the Office of Economic Opportunity. Furthermore, I want the Vice President of the United States to take note of what I say, for he is reported in the press as saying that he wants Headstart put back, or retained, in the Office of Economic Opportunity.

I ask him, "Mr. Vice President, will you please read the RECORD first? For your public statements do not give me the slightest indication that you have ever read the debate on the Headstart program."

Then, I say to the Vice President, if he wants to join issue with me, I shall welcome that fight, because I am perfectly willing to take him on. Let him go to the country, seeking the Democratic nomination for the presidency, and seeming to want to whittle away at the constitutional right of Congress to determine where these functions shall be located. I say to the Vice President of the United States, that is a legislative power, not the power of the Vice President or the President, under our Constitution.

But I also want to say that I have confidence in the Vice President, that if he gets the facts, I would be perfectly willing to put him on a jury to cast a juror's vote as to where Headstart should be located.

I yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I was very much interested in listening to the Senator's speech. I, too, am receiving, as I am sure many other Senators are, letters, editorials, clippings, and newspaper articles, generated by the Office of Economic Opportunity. My own comments on the errors and innuendos of the Washington Post article appear in the CONGRESSIONAL RECORD of Wednesday, July 24.

Last Saturday I met in Colorado with the heads of four Headstart programs. They had requested the meeting fearing that I was trying to kill Headstart. As the RECORD shows, this is completely farfetched and directly the opposite of the truth, for what I am attempting to do and what the Senator from Oregon is attempting to do is strengthen the program.

Not one of them had read my amendment. When I got through explaining it, they said, "We still disagree with you, because in our opinion the educational institutions of this country are bureaucratic, and are no good."

As more educational institutions hear about this, I think they might become alive to the fact that they are the ones really under attack by the Office of Economic Opportunity. I think they might come in and say to OEO, "Look, you may not want to transfer the program over to our jurisdiction, but we do not think it is accurate for you to say it is not appropriate for us to run Headstart when history and experience amply demonstrate that that is where it is best to administer that type of program."

So I am delighted to hear the Senator from Oregon speak on the subject. Editorial writers in the Denver Post and the Rocky Mountain News also criticized me for offering this amendment. The factual errors again made it clear the authors had not read the amendment or the Senate debate.

Mr. MORSE. Mr. President, Harding warned the Senator from Colorado and all the rest of us. The very afternoon we agreed to the amendment, that letter went to all OEO employees. It made it perfectly clear that they were going to make this fight against the action we took.

That is why I made my helpful suggestion to the President that he had not only the power to nominate, but also the power to fire. Of course, that is where it is coming from. However, let me say to Mr. Harding, and his group, that I have stood up against lobbying for 24 years in the Senate. I do not bend my knees under the type of tactics he is using. I am ready to take on his lobbying. I do not intend to surrender to implied promises or threats of pressure being put upon us because we are seeking to do what we are satisfied is in the best interest of the little boys and girls of the country—to come under the Headstart program.

Mr. DOMINICK. Mr. President, I am sincerely grateful to the Senator from Oregon for the support he has given.

I point out that the vote was very interesting. There were 30 Republicans and 30 Democrats who voted in support of the measure. It was a completely bipartisan vote.

Mr. MORSE. The Senator is correct.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CURTIS. Mr. President, I make the observation that officials of the OEO have some other matters they could well turn their attention to rather than the stirring up of criticism against the Senate.

The Committee on Government Operations has requested seven official documents that are needed in an investigation. Up to date, the OEO has refused to give them to us. I am sure that the day will arrive when we can get them. However, they can enhance their prestige in all quarters if they comply at this time.

Mr. MORSE. Mr. President, the sections which I have quoted from the amendment afford ample evidence, in my judgment, that consideration was given by the author of the amendment to carrying on the program objectives which we all believe to be desirable.

Furthermore, in section 804, which is concerned with the administration of State plans, there is the highly significant subsection (c) which states:

> In the event a State shall, within a reasonable time fail to submit a State plan, or shall fail to submit an acceptable State plan under circumstances that the Commissioner believes indicate a desire on the part of State officials to prevent operation of any acceptable program under this title within the State, the Commissioner is authorized to contract directly with qualified community action agencies or private nonprofit agencies or organizations, including local educational agencies, to implement programs under this title within such State.

I find it difficult in the face of the language of the amendment, to find substantiation of the charge that Headstart is to be crippled. Certainly, the direct administration of the program by the Commissioner of Education if the State fails to act or if State plans do not meet the criterion set forth in the section, provides a safeguard to insure that the program can be carried on effectively.

At this point I would also note that the effective date of the transfer of functions is the beginning of fiscal year 1970, next July 1, thus permitting an orderly transition between the agencies.

I stress that, may I say to the Senator from Colorado, because some of the wires seem to indicate that we are transferring it tomorrow. They have a year in which to make an orderly transfer.

Let us face up to it. Does the Senator know what is going to happen? It will happen here as it has happened in the other programs we transfer. The key personnel slots will be transferred to continue the administration under the direction of the HEW. The idea that this is some kind of unwise program envisioned by the Senator from Colorado, supported by the Senator from Oregon, the chairman of the Subcommittee on Education, is not borne out by the facts.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOMINICK. Mr. President, part of the wires we are receiving say: "Don't kill Headstart by cutting off its funds."

Last year there were no specific funds for Headstart because OEO opposed earmarking. The Dominick-Murphy amendment earmarks $375 million for Headstart. So, instead of cutting them off, we are helping them and giving them a specific program that can be retained.

Mr. MORSE. We are giving them a specific guarantee.

Mr. DOMINICK. I am happy that the Senator from Oregon has pointed out that the transfer would be next July 1, the beginning of the next fiscal year.

Hopefully, the Senator from Oregon and the Senator from Colorado will both be here next year. And, if we are not, someone else will take up the struggle.

Mr. MORSE. If we are here, we will stay free from lobbying, I can tell the Senator.

Mr. DOMINICK. We can get it straightened out then.

Mr. MORSE. Mr. President, may I also point out, as I am sure Senators are aware, that language which goes into conference and is subject to conference scrutiny can be perfected. This is one of the functions of conference. If our colleagues in the other body can point out defects or omissions such as a reservation of a portion of funds for use of Indian children, or the children whose parents are migrants, this is an area which I feel sure would be given most careful consideration by the Senate conferees.

Certainly, our past recommendations to the Senate as in title III ESEA, and in title I ESEA, have shown that our positions are not uniformly inflexible and rigid when the facts substantiate the case being made.

I shall not dignify by comment the allegations made in the third and fourth paragraphs except to say that the record is clear on the bill, as in all bills which I have had the honor to manage in the Senate, that the senior Senator from Oregon and his colleagues on the committee on both sides of the aisle, have at all times striven to accord a fair hearing to administration viewpoints presented by responsible public officials.

The facts speak for themselves. The amendment of the distinguished junior Senators from Colorado and California was laid down at the close of debate on Monday, July 17. It was printed in the RECORD and available to all Senators on Tuesday, July 18, and it was not called up until the following day, Wednesday, July 19.

The proposal to transfer this program was one with which we have been concerned for over 2 years.

It is in line with the policy adopted by the Subcommittee on Education more than 2 years ago.

It is one of a sequences of such transfers of programs which have a dominant educational component.

Senators will recall that as vehicle of convenience at the inception of the war on poverty there were included a number of educationally based programs. One by one, year by year, such programs have been brought within the administrative scope of the Department of Health, Education, and Welfare and placed under the Office of Education.

College work-study was the first, adult basic education the second, Upward Bound in the higher education amendments just passed, and now in the vocational education amendments bill, H.R. 18366, the Senate has added Headstart.

We have taken these actions because we can recall the testimony given at the inception of the Office of Economic Opportunity.

That testimony was to the effect that OEO would innovate and develop programs to be sure, but that when these programs were established as successful they would be placed under the appropriate agency authority, thus freeing OEO resources to develop new areas and new ideas.

Mr. President, I cannot press that point too much. That is the legislative hearing on the OEO act, the act that brought OEO into being. It was never contended by Congress that these programs should be vested in OEO, to stay there permanently. They were to be experimented with. They were to be tried out in OEO. When they proved to be worthy of consideration, then they were to be transferred to appropriate divisions of the Federal Government.

In all fairness and intellectual honesty, those in the OEO that are carrying on this propaganda drive to prevent the transfer of Headstart to the HEW owe it to the American people to speak the truth about the legislative origin and the history and congressional intent with respect to the legislation that brought OEO into being in the first place.

At least that was the philosophy of the program as I understood it from the lips of Sargent Shriver who repeatedly disclaimed any desire to establish a bureaucratic apparatus with proprietary and vested rights in programs. Unfortunately, perhaps the philosophy of its founder no longer permeates the agency. If so, it is a sign of hardening of the bureaucratic arteries which bodes ill for the health of the agency.

I do not know upon whom Miss Edstrom was relying with regard to her statement:

> Neither the Office of Education nor its parent, the Department of Health, Education, and Welfare, HEW, wants Headstart under the conditions which the Senate impose.

I have always found that the officials of the Department of Health, Education, and Welfare, were cooperative in carrying out the intent of Congress when that intent was made clear to them; because they realize, as I am sure Senators realize, that the role of the executive is to execute the will of the people as expressed by Congress.

They are hardworking and dedicated public servants who work at the departmental and the bureau level, and, as good and conscientious men, must necessarily bring to our attention those points which they feel would improve the proposals we consider. We give weight to their recommendations, but in the policy matter I must respectfully state that I would not be serving the people of Oregon nor the people of the United States, were I to acquiesce in an abrogation of the legitimate function of the Senate and the House to establish the ground rules under which the executive agencies must, should, and shall, I hope, continue to operate so long as I am privileged to serve in this body.

Mr. President, permit me for a moment to revert to the article where it is stated:

> But neither the Office of Education nor its parent, the Department of Health, Education, and Welfare (HEW), wants Headstart under the conditions which the Senate imposed.
>
> This is because Headstart money would be channeled through State school agencies and the Office of Education would not even have the final power to disapprove a State plan for Headstart funding.

Here I fear that Miss Edstrom has unwittingly been misled, since the amendment sets forth quite clearly the criteria the State plan must meet before it is approved by the Commissioner. Provision further is made in section 804:

> The Commissioner shall not finally disapprove any State plan submitted under this title or any modification thereof without first affording the State educational agency administering the plan reasonable notice and opportunity for a hearing.

The plain words of the amendment, I submit, do give to the Commissioner power to disapprove a State plan which does not meet the congressional guidelines. It does not, I agree, empower the Commissioner with arbitrary authority upon his sole determination to disapprove a plan. If this is what the source used by Miss Edstrom would wish, then for my part I would find this kind of statement an excellent reason for removing from the purview of that individual the exercise of the congressionally given authority.

We must live under a rule of law where decisions are made in accordance with the statutes enacted by representatives of the people. We ought not to entrust the people of the Nation to rule by men who in the name of flexibility seek to have the exercise of unreviewable power.

We must address ourselves to this question: What is the purpose of Headstart? If it is to bring to bear the combination of skills and resources in the community which will aid the educationally deprived child to start on an even basis with the youngster across the tracks, then the thrust of the program is directed toward the goal of equal educational opportunity.

The fact that this will have as a beneficial effect the lessening of poverty for the future, is a good, but it is not the prime end. The prime end is the child, not the artificial abstraction.

In all the legislation with which I have worked as chairman of the Education Subcommittee this has been my primary aim: To keep my eye on the child, on the student, and to weigh and judge and evaluate proposals in terms of the impact upon the child, I do not deny that there are areas of importance with respect to the family, of which the child is a member, which are related to the educational achievement of the child.

The solutions to problems in these areas should be funded, and I have no great opposition to funding them under Headstart provided that they are recognized as secondary and tertiary in the total program, with primacy being given to the development in the child of his own potentialities.

If the thrust of Headstart is to cure the defects of our public welfare system and to provide additional funds because Congress, the States, and the counties are unable or unwilling to adequately fund aid-for-dependent-children programs, then I feel that this fact should be faced frankly and we should meet that problem on the merits, in the appropriate proposed legislation which would come before the Senate Committee on Finance. But if we are sincerely concerned about the educational sector, which is what the name of the program implies, then we should give the teacher and those who work with the teacher the major role in developing the kinds of programs which will prepare the child for the educational experience.

That is why I said in the debate on the bill that adequate nutrition for the child is important, because a hungry child cannot learn as well as one who comes to school having had a decent breakfast.

That is why I agree that the child should have adequate clothing, so that he is not ashamed or made to feel different because of accidents which have afflicted his family by giving it an inadequate income.

That is why I applaud the efforts of the volunteers who work with the mothers so that the resources available to the family can be expended wisely for the benefit of the child.

But I see nothing wrong with assuring that the school systems throughout the Nation are brought into the picture, because that is what the whole program is about. If it is not, then I respectfully submit that the program ought to be renamed and not sold to the public on the basis of the child's educational needs.

I was somewhat amused by the statements in the article that the Headstart money would be channeled through the mechanism of the State plan and thus become tainted, when I recall the reasons given by the early administrators of the Office of Economic Opportunity why they had in many of the programs adopted the State plan as a proven and tested method of administering Federal programs in the educational area.

State plans are not perfect. The Education Subcommittee has addressed itself with great interest and vigor to improving in program after program the mechanisms of the State plan—most recently, in title III ESEA and in the basic amendments to the Vocational Education Act which were overwhelmingly approved on Wednesday, July 17, when the Senate, by a vote of 88 to 0, gave final approval to the passage of H.R. 18366.

I can appreciate the problems that Secretary Cohen has in administering the Department of Health, Education, and Welfare. I can appreciate his desire to keep the programs in the various agencies in balance. Were I in his place, I would be, I am sure, as he is, greatly impressed by the talents of Mr. Jule Sugarman, who recently joined the Children's Bureau and I would wish to use those talents constructively. He was transferred from OEO. But I submit that the form of the agencies of the Government ought not to be tortured in order to accommodate the personalities of even the most brilliant Federal employees. Rather, organizational structure within the Department should follow and be based upon sound divisions of function. It is for this reason that I have suggested and encouraged the location of educational programs or programs having primary educational content within the Office of Education. It is more efficient, more economical, and will save a great deal of money. It will give a coordinated and integrated direction to our educational programs in this country.

The point is an important one. It is not necessarily an ultimately controlling point, however, if in the wisdom of a majority of the conferees on both sides of the table agreement on a differing solution is reached; but I shall, as a conferee, urge my colleagues to consider carefully the longrange consequence of the actions we take.

I shall do this because of my belief we will be serving the young children who are and should be the chief objectives of our concern.

In testimony on the vocational education bill in a somewhat different area, Mr. Secretary Wirtz made a comment to which I fully subscribe. His statement in colloquy with the senior Senator from Oregon appears on page 2568, part 6, of our education legislation 1968 hearings:

> There has emerged with the introduction in the House now of new legislation which has been set aside the Administration proposal, this question of whether we should depart from the traditional vocational education pattern as we have known it. I should like to make it perfectly clear that I think it will be the worst mistake in this country if this Congress yields to the pressure of the past and the pressures of the present lobbyists to perpetuate a distinction between institutions, a distinction which grinds up the individual in its pettiness. I am talking about the relationships that at the Federal level are between the Department of Health, Education, and Welfare and the Department of Labor, but I have no concern about that working. I am talking more specifically about the relationships between the State boards of education, the State vocational education departments, and the State employment services. If there are those who, for purposes of bureaucratic aggrandizement will continue to insist on a separate and unequal identity of those State institutions, they will do so at the price of grinding up the present generation of youngsters. But they will not do it any longer because this generation of youngsters is tired of an institutionalism that involves among other things an inability of the institutions even to work together.

Then, Secretary Wirtz went on to say:

> This is not said in criticism of any particular set of institutions. I know something of the estrangement that has developed over the years between the employment services in the States, which are part of the structure and the administration in which we participate in, and the vocational education agencies and the basic education agencies in the States. I think it behooves this Congress and this country to say we want no more of that. It is three sets of State institutions, but it is one boy or one girl that is involved and we had better start from the latter fact instead of from the former. If I understand what is important to young Americans today, it is that they are sick and tired of institutions which have become ends in themselves instead of means to a human end and they are not going to have any more of it.

It is a strong statement and an honest statement. Secretary Wirtz says, and I agree with him, that we should consider the needs of the children, not the needs or the philosophy of the agency except as they promote the welfare of the youngster and if the aim of the program is to prepare and fit the child to compete successfully in the educational system, we cannot afford, in my judgment, to place the teacher, the school in the tail end position.

It may be fashionable to decry the efforts of the dedicated men and women who man our classrooms and to say that we should scrap and replace with something different the free public education institution which has contributed so greatly to the strength and capabilities of our Nation. I cannot accept the premises of those who hold to this view. We can and should improve the quality of American education by providing the adequate funding necessary to do the job we all want done by the men and women of America who have chosen the vocation of serving the Nation's children and who are, in my judgment, to be commended for their dedication and aided and sustained in their endeavors to bring forth from the child to the optimum extent possible the talents and abilities with which he was endowed by the Creator.

Mr. President, I wanted to make this statement on the Headstart program before we go into conference. I am glad that the Senator from Colorado [Mr. DOMINICK] and the Senator from California [Mr. MURPHY] have been here during my statement because I shall be referring to it in conference, for in my judgment the issue has been drawn now by the administration; although, let me say without violating any confidence, that I happen to know that the administration has had under consideration for more than a year the transfer of Headstart by administrative order.

When the debate was held on the floor of the Senate they produced a letter from Mr. Howe, the Commissioner of Education, saying they did not want a transfer. I am used to these differences between verbalism and practice down in the executive branch.

What we are fighting for here is an improvement of Headstart, and the best way to improve it and perpetuate it is to transfer it from the Office of Economic Opportunity to the Office of Education.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MURPHY. Mr. President, I apologize to the Senator for interrupting him.

Mr. MORSE. I have completed my remarks.

Mr. MURPHY. Then I apologize for presuming that I had interrupted the Senator. I tried to get the attention of the Senator and his permission to interrupt some time ago. Unfortunately, I guess my speaking device was not turned up so the Senator could not hear me.

Mr. MORSE. I am sorry.

Mr. MURPHY. That is all right. It is an impediment I have to live with.

Mr. President, I wish to enthusiastically join in the comments made by the distinguished Senator from Oregon. I think he knows that over the years it has been the strong feeling of the Senator from California that the Department of Education should deal with matters of education so that when some Member of the Senate wants to find out exactly what is going on, whether there is or is not progress, how it is being handled, that we know exactly where to go. If, in our judgment, it is not being handled properly, we know what to do legislatively to correct it.

It has been my strong feeling, and I am glad to see it is also the strong feeling of the Senator from Oregon and the Senator from Colorado, that Headstart properly should be in the Department of Education.

I shall be glad to join my distinguished colleague today in the conference, of which I am a member, to do everything possible to make this transfer and make it quickly and as practically as it can be done because I agree that this is a great necessity and it is a matter of great importance to the general welfare of our young people and the young people of future generations.

Mr. MORSE. I thank the Senator. The Senator has restated the position he has consistently taken in the Committee on Labor and Public Welfare.

Mr. President, without losing my right to the floor, I yield to the Senator from Colorado, unless he wants the floor in his own right.

Mr. DOMINICK. In a moment I shall request the floor in my own right. First, I wish to express again my gratitude for the support of the Senator from Oregon, and the Senator from California, who is the cosponsor of this amendment.

I believe the colloquy we had and the speech made by the Senator from Oregon should clear up, at least in the minds of the public and many Senators, questions which must have occurred by reason of this propaganda effort by the Office of Economic Opportunity.

It is amazing to me that we had editorials, newspaper columns, and newspaper articles in my State by people who apparently had never read the amendment and did not know what was in it. It is a little discouraging to have this happen and to find oneself faced with a barrage of opposition, all of which is in the nature of a strawman, because the amendment never gave rise to the questions that are being raised.

I hope the colloquy and the effective comments made by the Senator from Oregon will clear up these points and reduce some of this opposition.

Mr. MORSE. I thank the Senator.

Mr. President, I am about to yield the floor but I would like to have the attention of the acting chairman of the Committee on Foreign Relations, the Senator from Alabama [Mr. SPARKMAN], so I will learn from him the planned procedure for the remainder of the afternoon.

There is pending before the Senate an amendment which seeks to increase the foreign aid bill by $200 million. I am sure no more than eight Senators have heard the discussion. I think it is a bad amendment for reasons I wish to express at some length when the matter is brought up again on the floor of the Senate.

My understanding is, and the acting

chairman of the Committee on Foreign Relations can put me right, that the plan is to try to work out a unanimous-consent agreement for a limitation of time on amendments and on the bill for tomorrow, which will have my hearty cooperation.

However, what I am concerned about, because I have seen it happen too many times when people were off the floor, is that there is a danger that this amendment will slip through here this afternoon with practically no debate on its merits.

I do have to go to a conference on the education bill, but, if necessary, I will stay here because I do not intend to let the amendment pass today, for I think we should have time to study the amendment and the Senate should be apprised of its contents. It is an amendment which was never submitted to the Committee on Foreign Relations, and we never had hearings on it. There are many reasons why it should not be adopted. I shall mention one or two of those reasons at the present time.

I am for more fertilizer in foreign countries, and I am for better seed in foreign countries, but I am not for the giveaway programs. I am for helping those countries build their fertilizer plants, and I am for those countries developing seed programs; and not keeping this foreign aid program, which is just a drain on the American taxpayers, by giving away more and more.

We have in this program, as the record shows, nearly $122 billion, but better than $120 billion, in foreign aid since 1946.

We are at war and in a serious financial crisis. The Senator from Iowa [Mr. Miller] talked about the $3 billion foreign assistance program but that was limited to the items he particularized. Let me say that the foreign assistance program as of now is better than $7 billion, if we bring in all the foreign assistance programs over and above the limited foreign aid programs. This is not the time to be adding $200 million to the bill. We should be cutting it.

As the acting chairman knows, I have sought to be cooperative. We have made some improvements, in my judgment, on the last day of the markup. As I have said on this floor, I am willing to go to a vote on the bill and enter into a unanimous-consent agreement to limit debate, so far as I am concerned. I cannot speak for anyone else but myself.

What I should like to know, and my specific question to the Senator from Alabama is: Is it his intention to proceed with consideration and a vote on the Mondale amendment this afternoon, or is he willing to lay it over until tomorrow?

Mr. SPARKMAN. Let me say to the Senator from Oregon, first, that he has truly represented the situation in the Committee on Foreign Relations. There was a remarkable degree of cooperation even when some of us felt ourselves differing with each other. The Senator knows that I voted against some of the amendments which were introduced, and that I voted for some of them. But we worked the will of the majority of the committee and brought the bill to the floor of the Senate. I consider it my duty to support the committee bill, and that I intend to do.

With reference to the Mondale amendment, I can assure the Senator that neither this amendment nor any other will slip through. We will watch them all carefully. There will be no action on the Mondale amendment this afternoon. In fact, as soon as the Senator has completed his remarks, I intend to ask that the Senate go into executive session to consider the nomination of Mr. Sprague to be a member of the Board of the Federal Deposit Insurance Corporation.

Mr. MORSE. I want to thank the acting chairman of the Committee on Foreign Relations [Mr. Sparkman] most sincerely. Through all the markup on the bill, I have received his complete cooperation. As he knows, it was a difficult markup. Many amendments were adopted by close votes, but we resolved the differences and brought this bill to the floor of the Senate.

All I needed to know was that there would not be action taken on the Mondale amendment this afternoon which gives us adequate time to debate it tomorrow.

I thank the Senator very much.

Now I should like to say to my colleagues on the education conference, the Senator from California [Mr. Murphy] and the Senator from Colorado [Mr. Dominick] that I am now going over to the conference room.

Mr. President, I yield the floor.

Mr. DOMINICK. Prior to the motion of the Senator from Alabama to place the Senate in executive session, I should like to send three amendments to the desk and ask that they be printed.

The ACTING PRESIDENT pro tempore. The Senator from Colorado is recognized to send to the desk the first amendment which the clerk will report. There is, however, a pending amendment. The Senator from Colorado can send the amendments to the desk and have them printed and lie on the table.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Colorado will state it.

Mr. DOMINICK. Do I correctly understand that the pending amendment at the moment is the Mondale amendment?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. DOMINICK. Do I also correctly understand the parliamentary procedure, that another amendment which may lie at the desk at the moment cannot be called up to supplant that, so that we can go forward on a vote this afternoon?

The ACTING PRESIDENT pro tempore. Unless the Senator wants to submit an amendment which is a substitute for the Mondale amendment.

Mr. DOMINICK. Mr. President, a further parliamentary inquiry—I wonder whether I could ask the Senator in charge of the bill——

Mr. MURPHY. Mr. President, is this a substitute amendment? I could not hear the discussion by the Senator in charge of the bill, when the question was asked by the Senator from Oregon [Mr. Morse] as to whether we would proceed and vote on this amendment today. I have a reason for asking.

Mr. SPARKMAN. I said that——

Mr. MURPHY. Let me finish. Along with several of my colleagues, unfortunately, I must be absent tomorrow and I would like to have the privilege of voting, if it is possible.

Mr. SPARKMAN. On the Mondale amendment?

Mr. MURPHY. Yes, sir.

Mr. SPARKMAN. I stated to the Senator from Oregon [Mr. Morse] that we would not take up the Mondale amendment. I indicated that he wanted to speak against it and that we would not take it up this afternoon; that we would, possibly, instead, go into executive session for the consideration of the Sprague nomination, and that is about all I am going to ask now.

Mr. DOMINICK. Mr. President, would the Senator from Alabama yield so that I may ask, is it the plan to come in early tomorrow? We have quite a few Senators who will be missing.

Mr. SPARKMAN. At 10 o'clock, I believe.

Mr. DOMINICK. Do we plan on heading right into debate on this and taking up the amendments?

Mr. SPARKMAN. We hope to, shortly thereafter.

The majority leader has just come into the Chamber. Let us ask him.

Mr. MANSFIELD. If the Senator would be willing, we can enter into a unanimous-consent agreement——

Mr. DOMINICK. What I want to ask is whether it will be possible to substitute one of my amendments for the Mondale amendment and get a vote on it tonight?

Mr. SPARKMAN. A voice vote?

Mr. DOMINICK. Yes; if the Senator is willing to accept it, which is possible.

Mr. MANSFIELD. It is possible that we could do it on a time-limitation basis.

Mr. SPARKMAN. Not to accept it, because I have read the amendments and I do not think any one of them would be acceptable. I do not think they belong in this bill, if I have read them right.

Mr. DOMINICK. Then, of course, we would have to have some debate and a yea-and-nay vote. I am just trying to find out the procedure. I do not like to be stymied by the Mondale amendment.

Mr. SPARKMAN. We can go ahead with the executive session and when that is over, we can resume debate.

Mr. MANSFIELD. Would the Senator from California give us some idea of how much time he would take?

Mr. MURPHY. I have already discussed it, 20 minutes, perhaps 25 minutes—certainly no more than that. I should like to point out that the executive session is not coming at my insistence or request at this time. It was suggested that I should ask whether I would be prepared, and I said that I would be prepared at any time, starting this morning, and I do not insist that this take place at this time. I would be glad to defer to the business of the distinguished Senator from Colorado [Mr. Dominick], and get on with the order of business as it has been laid down.

Mr. SPARKMAN. I should like very much to get this settled. It was reported about a week ago. We have worked out the time when the Senator would be here and I should like the Senate to proceed. I am perfectly willing to have a limitation of time.

Mr. MURPHY. I simply say that I will arrange to be here. I do not want the RECORD to appear that this is being done as a convenience to me.

Mr. MANSFIELD. Not at all.

Mr. SPARKMAN. No, no.

Mr. MURPHY. I will be here any time.

Mr. MANSFIELD. Would the Senator agree to a half-hour time limitation, with 20 minutes for him and 10 minutes for the distinguished chairman of the committee?

Mr. MURPHY. I have already done that about 15 minutes ago. There is no problem there.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I make that unanimous-consent request, not to exceed 20 minutes to be used by the distinguished Senator from California [Mr. MURPHY], and 10 minutes to be used by the distinguished Senator from Alabama, the chairman of the committee.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. DOMINICK. May I ask the majority leader a question, then: What are we going to do when we finish the executive session?

Mr. MANSFIELD. We will go on to the Mondale amendment——

Mr. SPARKMAN. May I say to the Senator from Montana that the Senator from Oregon [Mr. MORSE] wants to speak on the Mondale amendment. He is now in conference. He asked me about it and I told him that we would not dispose of the Mondale amendment tonight.

Mr. MURPHY. I also am a member of the same conference with the Senator from Oregon. I have an interest in the conference, as well as getting on with the order of business. It seems to me we have so much to do that should be done before the recess, that this is my reason—and, I assume, also the Senator from Colorado—for urging that we get on with it and do all we can today.

Mr. MANSFIELD. The leadership's hands and the manager's hands are tied. It would appear, therefore, that there would be no further debate on the pending amendment.

This time, Mr. President, incidentally, comes out apart from the time agreed to. I would hope that the Senator from Colorado would endeavor, with his colleagues, to arrive at a time limitation for tonight or early tomorrow.

Mr. DOMINICK. I do not plan to speak at length on the amendment.

I was wondering if we could set aside the Mondale amendment and go on with one of my amendments. I am also a member of the education conference, but would hope to have the Senate consider one of my amendments tonight.

Mr. SPARKMAN. Mr. President, if that is what the Senator from Colorado wants, I am certain we can do that.

Mr. MANSFIELD. Lay aside the Mondale amendment and then have an agreement on an amendment the Senator from Colorado will offer?

Mr. DOMINICK. On the first amendment, which is all I would offer tonight. I would be happy to agree to a time limitation.

Mr. MANSFIELD. How much time would the Senator want?

Mr. DOMINICK. It has to do with the U.S.S. *Pueblo,* so other Senators will want to talk about it. I would think we would need 1 hour for each side.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. CLARK. I stopped in on the way to the education bill conference, to which I am already half an hour late. I do not see how we can be expected to be in two places at the same time. I understand that that conference is expected to last all night.

Mr. MANSFIELD. I would like to see the first Dominick amendment considered and disposed of tonight.

Therefore, Mr. President, I ask unanimous consent that at the conclusion of the period allocated to the Senator from California and the Senator from Alabama, and the vote, there be a 2-hour limitation on the amendment of the Senator from Colorado [Mr. DOMINICK], the time to be equally divided between the Senator from Alabama [Mr. SPARKMAN], the manager of the bill, and the Senator from Colorado [Mr. DOMINICK], sponsor of the amendment.

The **ACTING PRESIDENT** pro tempore. Is there objection?

Mr. CLARK. Mr. President, reserving the right to object—and I shall not object—do I understand from the Senator from California that he proposes to bring up tonight an amendment dealing with the sale of aircraft to the State of Israel?

Mr. MANSFIELD. No; he has reference to the Sprague nomination.

The **ACTING PRESIDENT** pro tempore. Is there objection to the unanimous-consent agreement proposed by the Senator from Montana? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. SPARKMAN. Mr. President, I move that the Senate go into executive session for consideration of a nomination.

The motion was agreed to; and the Senate proceeded to consider executive business.

BOARD OF DIRECTORS, FEDERAL DEPOSIT INSURANCE CORPORATION

The **ACTING PRESIDENT** pro tempore. The clerk will state the nomination on the Executive Calendar.

The bill clerk read the nomination of Irvine H. Sprague, of California, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

The **ACTING PRESIDENT** pro tempore. The question before the Senate is, Will the Senate advise and consent to the nomination of Irvine H. Sprague, of California? Under the previous unanimous-consent agreement, the Senator from California is recognized for 20 minutes.

Mr. MURPHY. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be taken out of the time of the Senator from California, in order to notify the cloakrooms. I think this matter is of importance and that as many as possible of our colleagues should be present to hear what is said.

The **ACTING PRESIDENT** pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll. The time will not be taken out of the time of the Senator from California.

The bill clerk proceeded to call the roll.

Mr. MURPHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. MURPHY. Although this matter may not be of too much interest to persons who are not from California, I believe what I have to say is of utmost importance as it pertains to the appointment of a Director of the FDIC.

The **ACTING PRESIDENT** pro tempore. The Senator from California is recognized for 20 minutes.

Mr. MURPHY. I thank the Chair.

I rise today with the unhappy duty of expressing my objection to the appointment of Mr. Irvine Sprague as a Director of the Federal Deposit Insurance Corporation.

At the outset, let me say that I have absolutely no personal feelings or animosities toward Mr. Sprague. As far as I can recall I have never met him, but he is certainly by reputation a nice man, well liked by those who are acquainted with him, and one having a fine family.

Unfortunately, I feel I must oppose this appointment simply on the grounds that the nominee is not qualified for the job. I would like the RECORD to show that insofar as I am able, I intend in the future to pursue this course with respect to all nominations I cannot approve.

I may be particularly sensitive to the requirements for this position, and to the responsibilities of the FDIC, because of events which surrounded the failure of a bank in my State, the San Francisco National Bank, soon after I joined the Senate. At that time it became very evident to me how important is the FDIC's roll in protecting the millions of American citizens who entrust their savings to our banks. I also saw the difficult decisions which must be made by the leadership of the FDIC—technical decisions which require a great deal of knowledge and skill concerning banking practices. In the San Francisco case, a particularly serious problem was whether or not the funds advanced to that institution by a group of people seeking a high profit on a very quick turnover, what we might call "fast money boys," were deposits, which would be insured by the FDIC, or were in effect an investment in the institution.

One of the principal duties of the Director of the Federal Deposit Insurance Corporation is to investigate and ascertain the advisability and desirability of granting Federal deposit insurance to banks. While for many banks there are other investigations by Federal Government agencies into the soundness of applicant banks, for State banks which are not members of the Federal Reserve System this check by the FDIC is the only Federal investigation into the reliability of the institution. The duties of the Director of the FDIC, therefore, become extremely important in protecting the deposits of American citizens and in assuring the soundness of the American banking system.

I must object to Mr. Sprague's appointment because I do not believe his background supplies him with the qualifications necessary for the technical decisions required of the FDIC.

Mr. Sprague has been a news reporter, administrative assistant to a Congressman, the political representative of California's Governor in Washington, and most recently a White House congressional liaison. Obviously, this background provides him with a broad general experience in politics and the National Government, but in the parlance of my former business, I must say in all candor that for the position to which he has been named he is miscast.

I should clear up a misapprehension which may have arisen from the title Mr. Sprague held as the California Governor's representative in Washington.

He was "Deputy Director of Finance," a title given to fit him in the State government framework, but one which actually involved no finance experience that I can find, and as Mr. Sprague stated in his testimony before the Banking and Currency Committee.

The position to which Mr. Sprague has been named was last held by a gentleman with a banking background, one who left that post to become a member of the Board of Governors of the Federal Reserve System. In my opinion, that gentleman was properly and completely qualified.

The directorship of the FDIC, to which Mr. Sprague has been named, has been vacant now for 15 months. Why, in the waning months of his administration, has the President suddenly decided to fill this post which is a 6-year term? I am afraid this raises the same questions which I have raised with respect to other recent appointments by the President.

As my colleagues well know, another appointment is pending before the Senate, a so-called lame duck appointment. It has already received a lot of attention and, I presume, it will get a lot more before it is finally concluded one way or the other. I object to that appointment, too. However, on the basis that I now refer to, the matter of the timing, I think that since the position has been left vacant for 15 months, it could be left to the determination of the new government which will be selected very shortly by the voters of this country. This is the same argument I have raised with respect to the other appointment.

The White House itself must have realized the possible questions which would arise with respect to this appointment, because they certainly did not announce it in a manner to give it front-page billing. The announcement was made from Honolulu upon a Saturday afternoon, when I do not believe the Senate was in session.

Mr. President, in conclusion, I regrettably must vote against this appointment and urge my colleagues to vote against it because of the technical responsibilities which will fall upon the new Director of the FDIC and because I believe the gentleman whom we are considering has not had the requisite background to meet those responsibilities.

Mr. President, again I say that I have no personal objection to the gentleman. The research that I have done shows him to be an outstanding citizen, well liked, and well respected. In my opinion, however, he is not qualified for this job, and, in my opinion, if we continue to make appointments—political appointments, if you will, or appointments based on the basis of friendship—to these important positions, we are going to erode the strength and the service of this Government.

I believe the constitutional responsibility of Members of the Senate to advise and consent to these appointments is a substantive responsibility which we cannot exercise in a pro forma manner. I would happily concur in Mr. Sprague's appointment to many Government positions, but for the one to which the President has named him, I cannot.

Mr. President, I have asked that copies of the hearings be made available to Members of the Senate so that they might read Mr. Sprague's own testimony on his lack of financial experience. I have found, however, that the hearing record has not been printed.

The chairman of the committee in the opening remarks said that Mr. Sprague has a distinguished career in government and finance. That statement was not quite in keeping with all of the facts as I could find them.

He was a deputy director of finance for the State of California, but he had very little experience in finance.

His title was a complete misnomer. It is still being used, and the present incumbent in that office for the State of California has nothing whatsoever to do with finance, any more than did Mr. Sprague.

In the statement of the Under Secretary of the Treasury, Mr. Joseph Barr, at the same hearings, he said:

> I would put down one major qualification for any man serving in this distinguished body. It would be good commonsense and awareness of the problems of the United States.

I submit that in all cases commonsense is most commendable, as is honesty and decency and all of the other qualifications, as well as awareness of the problems of the United States. However, in this specific job as Director of the Federal Deposit Insurance Corporation, a most important organization charged with safeguarding the deposits of millions of Americans, I think that something more than just commonsense and an awareness of the problems of the United States are necessary.

I read further. He said:

> He possesses a good commonsense and broad general knowledge of the country. This I think is essential to this position.

It would be presumptuous, I guess, to criticize the Under Secretary of the Treasury, but on this occasion I must. I think that more qualifications are needed for this job.

I quote now from the statement of Representative JOHN J. MCFALL. I point out that Mr. Sprague worked for Representative JOHN J. MCFALL for a period of 6 years as his administrative assistant. This, alone, certainly does not qualify one for a job as important as that of Director of the FDIC.

Representative MCFALL said:

> He was my assistant for 6 years before he went to work for the Governor of California as the Deputy Director of Finance in my State. I can testify before you with great partisan feeling because of my feelings for Mr. Sprague.

Mr. President, I would like the RECORD to show that my testimony in opposition now is not partisan in any way. And I assure the Senate that, regardless of party, I intend to oppose any nominations in the future when I do not think the nominee is properly prepared and properly equipped to do the job.

Representative MCFALL further said:

> He has an understanding of Washington and the government in Washington. . . . I know he would do an enormously good job as Director of the FDIC.

Again, I say that there are other qualifications needed for such an important and highly sensitive position.

Mr. Sprague was then asked by the committee if he had checked to determine whether there would be any problems of conflict of interest, whether he had made a list of his holdings, his investments, and his other personal matters, and whether he had checked with the attorneys for the FDIC.

Mr. Sprague's answer was:

> I have checked with the attorneys at the White House.

Mr. Sprague goes on to say:

> With the attorneys at the White House, not with the FDIC. I have no holdings that, in any way, would conflict.

That, again, is good. But lately we seem to have had too many dealings and too much seeking of advice at the White House where it would seem to me proper that the advice and counsel might come from the attorneys directly involved with the position to which the nominee is aspiring.

Senator PROXMIRE said:

> I notice, Mr. Sprague, your principal occupation for 17 years was as a reporter for the Stockton Daily Record.

Senator PROXMIRE went on to ask if he had any relationship to financial matters and Mr. Sprague said that he had some vague relationship to financial matters. Mr. Sprague answered a further question as to his duties as deputy director of finance for the State of California as follows:

> I guess I would best be described as a trouble shooter for the State . . . We had something over 500 agencies . . . and oftentimes they would have conflicting ideas on what posture the State should have in Washington.

This is a sensitive area. It calls for knowledge and experience. And it also calls for some sort of statement, so far as this Senator is concerned, as to exactly how the new Director would interpret the legislative intent of this extremely important job.

Senator Proxmire, who was very complimentary, said:

> I think you have a fine background and I look forward to supporting your nomination with enthusiasm.

I am amazed, because I have heard Senator Proxmire be most meticulous in finding out whether or not appointees have proper qualifications, knowledge, and expertise.

Senator Bennett, however, said:

> So you had nothing to do with the actual operation of the Office of Director of Finance in California.

The answer by Mr. Sprague:

> That is correct.

Senator Bennett continued:

> You had no responsibility in handling their financial problems.

Mr. Sprague answered:

> That is correct.

I think this dialog is self-explanatory as to Mr. Sprague's financial experience.

The PRESIDING OFFICER (Mr. Hollings in the chair). The 20 minutes of the Senator have expired.

Mr. MURPHY. I ask unanimous consent that I may proceed for 3 additional minutes.

Mr. SPARKMAN. Mr. President, I yield the Senator 3 minutes.

Mr. MURPHY. I read further from the testimony:

> Senator Bennett. Did you handle problems for the Governor that were not directly related to finance?
>
> Mr. Sprague. Yes. I appeared before this committee . . .

Then Mr. Sprague goes on to enumerate many committees before which he appeared with regard to housing legislation, Redwood Parks legislation, Colorado River legislation; however, he gave no evidence whatever of anything having to do with finance.

Senator McGee said, after listening to this testimony:

> I have no additional questions, except to state that Mr. Sprague's credentials satisfy me readily.

I find it most embarrassing to have to disagree with my distinguished colleague, Senator McGee.

I do not believe that passing on this sort of credentials is in keeping with the intent of the basic principle of our forefathers of advising and consenting in this distinguished body.

I could read further, Mr. President, and the record would bear out exactly the reasons for the objection on the part of the Senator from California.

Mr. Sprague, I repeat, by reputation is a fine gentleman, an honest, discreet, fine family man. My objection, and I say it most enthusiastically and firmly, is on the point that he is not qualified for the job and for the reason that this position has been vacant for 15 months, and I see no reason why the President of the United States cannot permit the position to be filled at the wish and by the desire of the new Government to be selected by the people of this great country next November.

I should like to read one more statement if I have the time, Mr. President. This is a statement by Mr. Sprague:

> When John Macy first approached me with an outline of the kind of person they were looking for for the position, the requirements, I looked at it and I said: "Well, that's me."

So, from this I may guess that possibly Mr. Sprague himself, made the decision that he was the man for the job. I think that is admirable. But once again I say that I must object to the appointment on the ground that this gentleman, in my humble opinion, is not qualified to be a Director of the FDIC.

Mr. SPARKMAN. Mr. President, hearings were held on this nomination on July 23 by the Committee on Banking and Currency.

Mr. Sprague has had a long and distinguished career in public service. He served for 17 years as a reporter on the Stockton Daily Record. In 1957 he came to Washington as the administrative assistant to Representative John McFall. From 1963 through 1966 he served as the deputy director of finance for the State of California. In that capacity he represented the State of California before Federal agencies and Congress. For the last 2 years, he has been an Assistant for Congressional Relations in the White House.

Mr. Sprague has also served his country well in wartime. During World War II, he led an infantry rifle platoon in the southern Philippines, winning two Bronze Stars and the Purple Heart.

I am confident that Mr. Sprague will do an outstanding job as a member of the Board of Directors of the FDIC.

Mr. President, I ask unanimous consent that a biographical sketch of Mr. Sprague be printed at this point in the Record.

There being no objection, the biographical sketch was ordered to be printed in the Record, as follows:

Irvine H. Sprague

Aide for Congressional Relations, President Johnson, White House, February 1, 1967, to date.

Deputy Director of Finance, State of California, March 1, 1963, through December 31, 1966.

Administrative Assistant to Congressman John J. McFall, January 1, 1957, through February 28, 1963.

Newspaper reporter, Stockton Daily Record, 1939 through 1956. (Except for war years.)

Education: BA, University of the Pacific, 1948. Also attended Indiana University and George Washington Law School.

Military: Army private. Infantry Rifle Platoon leader, Southern Philippines. General MacArthur Staff, Japan Occupation. Combat Infantry Badge, Bronze Star With Cluster, Purple Heart, California Medal of Merit. Currently Lt. Col. Army Reserve.

Family: Wife, former Marjorie Craw. Children: Michael, 25; Terry, 21; Kristine, 17. Grandchildren: Nicky and Jennefer.

Age: 47. Native of California (San Francisco). July 4, 1921.

Residence: 7514 Wellesley Drive, College Park, Maryland.

Mr. SPARKMAN. Mr. President, the FDIC is operated by a three-man Board of Directors. The Comptroller of the Currency, Bill Camp; the Chairman, K. A. Randall, Utah Republican banker; and Irvine Sprague nominated for the Democratic vacancy.

The FDIC has a large well-qualified technical staff. Historically, the Board has had one member chosen for his knowledge and background on the workings of Washington and the Congress.

In 1957 President Eisenhower named Jesse P. Wolcott, Republican Congressman from Michigan. In 1964 President Johnson named Joe Barr, Democratic Congressman from Indiana.

In filling the current vacancy, John Macy looked for someone in the Wolcott-Barr tradition. Mr. Sprague exactly matched the specifications. It is not a question of whether the appointment goes to a nonbanker; it is which nonbanker.

Kay Randall, present Chairman of the FDIC, has unqualifiedly urged the appointment.

Joe Barr, former Chairman of the FDIC, said at the nomination hearing:

> I believe I have an idea as to the type of man the institution needs, and if I would put down one major qualification for any man serving on this distinguished body, it would be good, common sense and an awareness of the problems of the United States.
>
> I worked with Mr. Sprague closely for the past four years in my capacity as Undersecretary of the Treasury and I am delighted to inform the committee that, in my opinion, he possesses the good, common sense and broad general knowledge of the country that I think is essential to this position.

Mr. Sprague has a work history that shows him quickly grasping the heart of the problem and fast becoming the best in his field.

Mr. MURPHY. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I yield briefly.

Mr. MURPHY. As I mentioned in my remarks, when I first came here there was a problem with the bank in San Francisco.

Mr. SPARKMAN. I remember.

Mr. MURPHY. Many of us thought that bank should have been closed some time before it was closed. There were some circumstances surrounding the actual time of closing of the bank which has caused many of us to wonder how well the FDIC was operating at that time.

I believe this evidences the extreme importance of choosing directors with more than an awareness of government. I have had an awareness of government for 30 years but I would not be qualified for that specific position.

Mr. SPARKMAN. I appreciate the Senator's position. He has discussed his position with me. He has been very cooperative in this matter. However, I wish to make a few comments at this point from the hearings. Some comments from the hearing record are as follows:

> Senator Proxmire. I think you have a fine background and I look forward to supporting your nomination with enthusiasm.
>
> Senator McGee. Mr. Sprague's credentials satisfy me very readily. I am sure he will serve well.
>
> Senator Percy. . . . Some of the best people

I have seen come into banking have come out of other fields to put a whole, fresh, new approach to it. It will be your task to prove your general background and experience can relate itself now to the public responsibility you have. You certainly have had a world of experience in government and I would hope you fulfill those functions and responsibilities.

. . . I intend to confirm your appointment.

Mr. President, I could go on and give other incidents, but I submit that this man is qualified for the position, that he has had an honorable record, and I submit that he will make a good director of the FDIC.

Mr. MURPHY. Mr. President, I ask unanimous consent at this time that the entire testimony from which I read, which includes remarks of other distinguished Senators, as well as my own, be printed at this point in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

NOMINATION OF MR. IRVINE H. SPRAGUE FOR MEMBERSHIP ON THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

U.S. SENATE,
COMMITTEE ON BANKING
AND CURRENCY,
Washington, D.C., July 23, 1968.

The Committee met at 10:10 a.m. in Room 5302 New Senate Office Building, the Honorable John Sparkman, presiding. Present were: Senators William Proxmire, Gale W. McGee, Wallace F. Bennett and Charles H. Percy.

The CHAIRMAN. Let the Committee come to order, please.

Today the Committee will consider the nomination of Mr. Irvine H. Sprague for membership on the Board of Directors of the Federal Deposit Insurance Corporation. Mr. Sprague has had a distinguished career in government and finance, having served for a number of years as Deputy Director of Finance for the State of California. We are very glad to have Mr. Sprague with us this morning.

We invite you to come around, Mr. Sprague, and we are very glad to hear from you.

Mr. SPRAGUE. Senator, I have asked Congressman John McFall and Joe Barr of the Treasury to come up with me.

The CHAIRMAN. Fine.

Mr. Barr, do you have anything to say in this connection?

STATEMENT OF JOSEPH BARR, UNDERSECRETARY OF THE TREASURY

Mr. BARR. With your permission, Mr. Chairman, I would like to make just a brief comment.

I consider it a great honor to have served as Chairman of the Federal Deposit Insurance Corporation for one year. I have watched its operations closely in the intervening years. I came to the conclusion, Mr. Chairman, that this institution was really a keystone in the financial progress we made in this great country. It reconciled our desire as a nation to have a highly competitive, diverse banking system with the obvious needs of the country for some kind of a better system of financial stability.

I believe I have an idea as to the type of man the institution needs, and if I would put down one major qualification for any man serving on this distinguished body it would be good, common sense and an awareness of the problems of the United States.

I worked with Mr. Sprague closely for the past four years in my capacity as Undersecretary of the Treasury and I am delighted to inform the Committee that, in my opinion, he possesses the good, common sense and broad general knowledge of the country that I think is essential to this position.

Thank you.

The CHAIRMAN. Thank you very much. That was a very fine statement.

Are there any questions?

Congressman, we are glad to have you and to hear anything you may wish to say.

STATEMENT OF CONGRESSMAN JOHN J. M'FALL

Mr. MCFALL. Thank you.

It is a real privilege to appear before your Committee this morning on behalf of my friend and close associate, Irvine Sprague, who you are considering for this directorship on the FDIC.

I worked very closely with Mr. Sprague in the last ten years. I have known him twenty years. He was my assistant for six years before he went to work for the Governor of California as the Deputy Director of Finance in my state. I can testify before you with great partisan feeling because of my feeling for Mr. Sprague.

His integrity is of the highest. His intelligence is of the highest. He has an understanding of Washington and the Government in Washington. For the last ten years he has been here and he knows really—I would not say all there is to know—but he has a fine awareness of Government and how it should operate and I know he would do an enormously good job as a Director of the FDIC.

All these things, I know, will come out in the confirmation hearing but I have seen them in the last ten years and I am certain you would make no mistake in confirming his appointment.

The CHAIRMAN. Thank you very much.

Are there any questions?

Senator BENNETT. Not now. I just want to make a statement when you are through.

The CHAIRMAN. Mr. Sprague, we are very glad to have you with us. We have your biographical sketch.

As an army private, I salute you as an army private. However, I am afraid my war was one war earlier than yours. I was in World War I.

Do you have something to add to your biographical sketch, which will be made a part of the record?

(Committee lay-in.)

STATEMENT OF MR. IRVINE H. SPRAGUE

Mr. SPRAGUE. I believe the summary gives a good capsule of my history.

I would like to add that I discussed this opportunity in some depth with people who are familiar with the operation; with Joe Barr of the Treasury and at more considerable length with Mr. K. Randall, who is currently Chairman of the agency. It is a challenge and an opportunity, and, with your support. I am looking very much forward to this new assignment.

One additional thing, Senator. If I may, I would like the record to show, if I could, that my family is here. My grandchildren are at their first Senate hearing, and if you see a little one running around——

Senator MCGEE. Grandchildren? You are not old enough.

Mr. SPRAGUE. They are certified. [Laughter.]

Nicky was three years old yesterday. Jennefer is an undetermined age, but young. [Laughter.]

My daughter, Kristine—would you stand?

The CHAIRMAN. Let them all stand.

Mr. SPRAGUE. And my wife, Margie.

Mrs. SPRAGUE. Your grandchildren went to the restroom. [Laughter.]

The CHAIRMAN. Is that your daughter who just stood?

Mrs. SPRAGUE. Why, thank you. [Laughter.]

The CHAIRMAN. Very well. Let me ask you, Mr. Sprague, do you have ownership in any stock or in any business that would constitute or might constitute a conflict of interest in this office.

Mr. SPRAGUE. No, sir.

The CHAIRMAN. Have you filed a financial statement with the Committee?

Mr. SPRAGUE. Yes, I have.

The CHAIRMAN. Have you checked with counsel of the FDIC to make certain of your status with reference to conflict of interest?

Mr. SPRAGUE. I have checked with the attorneys at the White House.

The CHAIRMAN. With who?

Mr. SPRAGUE. With the attorneys at the White House; not with the FDIC. I have no holdings that, in any way, would conflict.

The CHAIRMAN. I would suggest that you check with the attorney of the FDIC, also, just as a matter of making a complete record.

Mr. SPRAGUE. I will do that today, sir.

The CHAIRMAN. Fine.

Any questions, Senator Proxmire?

Senator PROXMIRE. I notice, Mr. Sprague, that your principal occupation for some seventeen years was as a reporter with the Stockton Daily Record. What kind of work did you do with the Stockton paper?

Mr. SPRAGUE. Well, it varied over the years, Senator. It ranged from sports editor to city editor to general assignments. For nine years I handled the business and development page—Chamber of Commerce, Developmental Board.

Senator PROXMIRE. So you had nine years related to this business-development kind of thing that had some relationship, at least, to your later assignment as Deputy Director of Finance for the State of California.

Mr. SPRAGUE. That is right. The newspaper by which I was employed felt a responsibility to promote the community and my assignment was to work with the business groups in terms of——

Senator PROXMIRE. What were your duties as Deputy Director of Finance for the State of California?

Mr. SPRAGUE. I was stationed in Washington, representing the State of California before the Congress and before the agencies. I had the pleasure of appearing before your Committee on several occasions. On the Housing Bill, for example.

I guess I would best describe this as trouble-shooter for the State.

Senator PROXMIRE. Describe this as what?

Mr. SPRAGUE. Trouble-shooter.

Senator PROXMIRE. I see.

Mr. SPRAGUE. For example——

Mr. MCGEE. California; that represents a major assignment.

Mr. SPRAGUE. Yes. We had something over five hundred agencies in the state and each of them had a great feeling that their problem at a given moment was the one that required the Governor's attention and the state's attention, and oftentimes they would have conflicting ideas of what posture the state should have in Washington.

Senator PROXMIRE. You worked with the Congressional delegation?

Mr. SPRAGUE. Yes.

Senator PROXMIRE. Senators and Congressmen.

Mr. SPRAGUE. Yes. Very closely. I had breakfast with the Congressmen every Wednesday morning, for example.

Senator PROXMIRE. Were you the principal representative of the Governor here in Washington?

Mr. SPRAGUE. I was the only representative. We had a rule in the state that no one in state government could come to Washington without prior approval, because we found it was a nice junket to Washington and oftentimes we would have two or three agencies——

I remember one case—the reason we put in the rule—where we had three agencies before the Interior Committee with different ideas about what the state wanted. It was quite embarrassing.

Senator PROXMIRE. One of the very important problems this Committee had—K. Randall testified on this before the Joint Economic Committee a few days ago, and you may have a few ideas—is: How can we expand the market for state and local bonds?

We are concerned about it on several counts. Its tax exempt status and the fact it is limited primarily now to commercial banks. I wondered if you had any feeling about what we could possibly do to broaden the market and conceivably narrow the tax avoidance opportunities.

Mr. Sprague. I am aware you have legislation on this subject, Senator, and in reading your statement I was quite surprised to find that something like only twenty percent of the municipalities have a rating for the sale of their bonds. To me, that was an astounding figure and it pointed up the need of something to be done.

I do not think it would be appropriate, at this point in time, for me to expound——

Senator Proxmire. The reason I thought it might be especially interesting for you to keep in mind is that the FDIC performs such a very decisive function in insuring deposits and we felt a guaranty of municipal bond issues might have a very constructive effect and also might enable us to provide lower cost money for municipalities while, at the same time, we feel, narrowing the tax avoidance opportunities that are now so great and are scheduled to be much greater as municipalities expand their borrowing, as we know they will.

Thank you very much. I think you have a fine background and I look forward to supporting your nomination with enthusiasm.

The Chairman. Senator Bennett?

Senator Bennett. Mr. Chairman, I am sorry I was called out briefly.

Do I understand that your service as Deputy Director of Finance did not take place in California?

Mr. Sprague. It did not. It was in Washington.

Senator Bennett. So you had nothing to do with the actual operation of the office of Director of Finance in California.

Mr. Sprague. That is correct.

Senator Bennett. You had no responsibility in handling their financial problems. You were a liason man between the Governor's office and various federal offices in Washington.

Mr. Sprague. That is correct.

Senator Bennett. Was that liaison service limited entirely to financial problems or did it cover other problems that the Governor had?

Mr. Sprague. Well, all problems really relate to finance, Senator. The problems would be in terms of the wording of legislation so that it would be to the advantage of the state in support of——

Senator Bennett. Did you handle problems for the Governor that were not directly related to finance? Related to legislation outside of the financial field? Did you ever appear before this Committee?

Mr. Sprague. Yes, I appeared before this Committee on two occasions, Senator, in terms of ——

Senator Bennett. Can you remember the bills we were dealing with?

Mr. Sprague. Housing legislation.

Senator Bennett. Housing legislation?

Mr. Sprague. Yes.

Senator Bennett. Did you appear before other committees?

Mr. Sprague. Yes, sir, I did. I appeared in support of the Colorado River legislation, Redwood legislation.

Senator Bennett. That was not related directly to finance.

Mr. Sprague. No, sir.

Senator Bennett. No further questions, Mr. Chairman.

The Chairman. Senator McGee?

Senator McGee. I have no additional question except to state that Mr. Sprague's credentials satisfy me very readily. I am sure he will serve well.

Mr. Sprague. Thank you.

The Chairman. Senator Percy?

Senator Percy. Mr. Sprague, if this has already been asked, I will look at the record, but I would be interested in a statement from you as to what you feel is the major contribution that you can make in this appointment and what you look upon as the most responsible thing that the organization you would be associating yourself with can do in the next few years, which you can adapt yourself to?

Mr. Sprague. Thank you, Senator. I look on this as a new opportunity to me.

When John Macy first approached me with an outline of the kind of person they were seeking for the position, the requirements, I look at it and said: "Well, that's me." The requirements he outlined were for somebody who had a rather detailed knowledge and experience in Washington who could bring a broadening of the base of the corporation, which now is highly concentrated in a technical area, and someone with experience and an awareness and appreciation of the fact that this is a public corporation and that it was created by the Congress and that it is not a narrow technical assignment.

I felt that it was an area which had much interest and promise to the country and importance to the country in the coming years.

Senator Percy. I did have a chance to talk with Mr. Sprague at great length yesterday—as I am sure other Committee members did—and he was most candid in his statement as to his lack of experience in the banking field. Some of the best people I have seen come into banking have come out of other fields to put a whole, fresh, new approach to it. It will be your task to prove your general background and experience can relate itself now to the public responsibility that you have. You certainly have had a world of experience in government and I would hope you fulfill those functions and responsibilities.

I am mainly influenced by your candor and also by the very high praise that Tom Kuchel has had for you in what he has related to me from his knowledge of your experiences in California and I intend to confirm your appointment.

Mr. Sprague. Thank you, Senator.

The Chairman. Thank you very much.

The Committee stands adjourned.

(Whereupon, at 10:30 a.m., the Committee was adjourned.)

Mr. MURPHY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. MURPHY. I yield back any time I have remaining.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Irvine H. Sprague, of California, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from Maryland [Mr. Brewster], the Senator from Louisiana [Mr. Ellender], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Alaska [Mr. Gruening], the Senator from Massachusetts [Mr. Kennedy], the Senator from Ohio [Mr. Lausche], the Senator from Missouri [Mr. Long], the Senator from Minnesota [Mr. McCarthy], the Senator from South Dakota [Mr. McGovern], the Senator from New Hampshire [Mr. McIntyre], the Senator from New Mexico [Mr. Montoya], the Senator from Florida [Mr. Smathers], and the Senator from Maryland [Mr. Tydings] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from Maryland [Mr. Brewster], the Senator from Louisiana [Mr. Ellender], the Senator from Alaska [Mr. Gruening], the Senator from New Hampshire [Mr. McIntyre], and the Senator from Maryland [Mr. Tydings] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Pennsylvania [Mr. Scott] is absent by leave of the Senate.

The Senator from Kansas [Mr. Carlson], the Senator from Kentucky [Mr. Morton], the Senators from Illinois [Mr. Dirksen and Mr. Percy], the Senator from Wyoming [Mr. Hansen], the Senator from Nebraska [Mr. Hruska], the Senator from New York [Mr. Javits], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Kentucky [Mr. Cooper] is absent because of illness.

The Senator from Iowa [Mr. Hickenlooper] is detained on official business.

If present and voting, the Senator from Illinois [Mr. Dirksen], would vote "nay," and the Senator from Pennsylvania [Mr. Scott], would vote "yea."

On this vote, the Senator from Illinois [Mr. Percy] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 53, nays 20, as follows:

[No. 251 Ex.]

YEAS—53

Aiken
Anderson
Bayh
Bible
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Clark
Eastland
Ervin
Harris
Hart
Hartke
Hayden
Hill
Holland
Hollings
Inouye
Jackson
Jordan, N.C.
Kuchel
Long, La.
Magnuson
Mansfield
McClellan
McGee
Metcalf
Mondale
Monroney
Morse
Moss
Muskie
Nelson
Pastore
Pell
Prouty
Proxmire
Randolph
Ribicoff
Russell
Smith
Sparkman
Spong
Stennis
Symington
Talmadge
Williams, N.J.
Yarborough
Young, Ohio

NAYS—20

Allott
Baker
Bennett
Boggs
Cotton
Curtis
Dodd
Dominick
Fannin
Fong
Griffin
Hatfield
Jordan, Idaho
Miller
Mundt
Murphy
Pearson
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—26

Bartlett
Brewster
Carlson
Cooper
Dirksen
Ellender
Fulbright
Gore
Gruening
Hansen
Hickenlooper
Hruska
Javits
Kennedy
Lausche
Long, Mo.
McCarthy
McGovern
McIntyre
Montoya
Morton
Percy
Scott
Smathers
Tower
Tydings

So the nomination was confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Presi-

dent be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it so so ordered.

FOREIGN ASSISTANCE ACT, 1968

The Senate resumed the consideration of the bill (H.R. 15263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado [Mr. DOMINICK] will send his amendment to the desk.

Mr. SPARKMAN. Mr. President, have we laid aside temporarily the other amendment?

Mr. MANSFIELD. Yes. It was asked for.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Colorado will state it.

Mr. DOMINICK. Are we operating, or will we be operating, on limited time as soon as my amendment is called up?

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. Except on the unanimous-consent request.

Mr. DOMINICK. Mr. President, I call up my amendment No. 1 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment offered by Mr. DOMINICK is as follows:

> On page 26, between lines 7 and 8, insert the following:
>
> "(d) Section 620 (f), which relates to prohibition against furnishing aid to communist countries, is amended by inserting before the period at the end of the second sentence thereof a comma and the following: 'and this restriction shall not be waived in any case until the crew of the U.S.S. *Pueblo* shall have been released by the Government of the North Korean Peoples Republic'."

DISCIPLINARY ACTION AGAINST CERTAIN EMPLOYEES IN THE POSTAL FIELD SERVICE—CONFERENCE REPORT

Mr. MONRONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report, as follows:

CONFERENCE REPORT

> The committee of conference on the disagreeing votes of the two Houses on the following numbered amendments of the Senate to the bill (H.R. 15387), to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
>
> Amendment numbered (1): That the House recede from its disagreement to the amendment of the Senate numbered (1) and agree to the same with an amendment as follows: In the matter proposed to be stricken out by the Senate amendment insert the word "with" immediately after the word "interferes".
>
> And the Senate agree to the same.
>
> Amendment numbered (2): That the House recede from its disagreement to the amendment of the Senate numbered (2) and agree to the same.
>
> MIKE MONRONEY,
> RALPH W. YARBOROUGH,
> JENNINGS RANDOLPH,
> HIRAM L. FONG,
> J. CALEB BOGGS,
> *Managers on the Part of the Senate.*
>
> THADDEUS J. DULSKI,
> DAVID N. HENDERSON,
> ARNOLD OLSEN,
> ROBERT J. CORBETT,
> *Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MONRONEY. Mr. President, the conference report was signed by all conferees except one. The bill is identical to the one passed by an overwhelming majority in the Senate, continuing the postal service without making the necessary reduction provided by the conference report on the revenue bill of 1968.

I move that the conference report be adopted.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

POST OFFICE SERVICES MUST BE PRESERVED

Mr. YARBOROUGH. Mr. President, I am glad that the Senate and House conferees have agreed on H.R. 15387 which will make possible a preservation of our postal services.

In an attempt to meet the financial crisis forced on us by the increasing costs of the Vietnam war, the Senate recently passed the Revenue and Expenditure Control Act of 1968. I thought that bill had many unwise features and I voted against cuts in spending that would be false economy and would curtail essential domestic services.

One of the first agencies that would feel the impact of this cut is the Post Office. As the ranking majority member of the Post Office and Civil Service Committee I know that that Department is faced with a need not just to continue its present level of services but to expand them. It is the greatest service institution in the world. It daily affects every individual in the United States and serves every economic, industrial and social institution.

Those of us on the Post Office Committee fought hard last fall to raise the revenue necessary to make possible the modernization required to handle the 84 billion pieces of mail we have each year. I certainly oppose, and will always oppose, any irrational action that could wreck the most crucial communications media in America.

We were recently faced with the possibility of such an irrational action. I took part in the hearings before our Post Office and Civil Service Committee when Postmaster General Marvin Watson reported the effect his Department would feel from the employee limitations imposed under the recent Revenue and Expenditure Control Act.

Reductions in postal positions would total 83,238. With fewer employees, the Post Office would have to curtail services. The 7,000 fourth-class post offices would be closed, ending a way of life for those in rural America.

The 5,000 third-class post offices would be closed also. All window services at first-class and second-class post offices would be closed 1 day each week. All postal work on Saturday and Sunday would be eliminated without regard to delay in mail.

Such reductions would injure the most vital lifeline in our society, a lifeline which has functioned since before our Government was founded. A burden would be placed on every individual as he saw his postal rates go up and his postal service become erratic. It would destroy much of what we have worked for these past years.

I supported the Postmaster General in asking relief from these employee cuts. He did not ask for more money; he took required budget cuts along with other agencies. I supported that position in committee, on the floor, and in conference with the House and I am glad the House agreed to restore to the American people the first-class services they have come to expect from the best postal system in the world.

ORDER OF BUSINESS

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Oregon.

EXTENSION OF CERTAIN PROGRAMS PROVIDING ASSISTANCE TO STUDENTS AT INSTITUTIONS OF HIGHER EDUCATION

Mr. MORSE. Mr. President, I present to the Senate a status report on the higher education conference and a request for Senate action. I know that many of my colleagues are anxious to reassure parents, students, and the financial community who have made inquiries regarding the insured loan program under title IV of the Higher Education Act of 1965.

The student aid financial provisions are contained in the Senate and House versions of S. 3769 now in conference. The two versions are quite similar in a number of respects but there are also policy questions such as those relating to the degree to which the forgiveness principle of NDEA loans should be added to the insured program which need to be analyzed on the merits in order that a sound public policy may be evolved.

When we looked at the task set before us, we realized that if we were to do justice to our respective obligations as conferees on this bill to our parent bodies, it would be necessary for more time to be allocated than was available during this week.

Therefore, at an afternoon session of the conference committee, it was agreed that we should, in order to meet the needs of students, take a step which would insure that the continuity of the insured loan program could be maintained.

By agreement, a bill mutually acceptable to the conferees in both House and Senate is being presented which will continue the insured loan program until October 31, 1968. It was agreed that this bill should contain only those absolutely necessary provisions which would allow the financial community to make these insured loans to enable students to attend the universities and colleges of their choice.

Senators are aware, I am confident, that this program depends to a great extent for its effectiveness upon the willingness of the financial community to provide the necessary capital. Evidence before both committees has indicated that the minimum rate of return which would permit the financial community to participate in the cooperative endeavor is at an interest rate of 7 percent. It is for this reason that the emergency program empowers agreements to be entered into by the Commissioner guaranteeing the 7-percent interest factor.

There is also a savings provision which permits an equivalent of the 7 percent to be incorporated into the agreements with those States which have legal impediments to a 7-percent interest factor.

My request, to which the Senate conferees unanimously agreed, which has been joined in by the House conferees, is as follows: Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from further consideration of H.R. 16729 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will state the bill by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 16729) to extend for 2 years certain programs providing assistance to students at institutions of higher education, to modify such programs, and to provide for planning, evaluation, and adequate leadtime in such programs.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, I move to strike out all after the enacting clause and insert the following amendment therefor, which I now send to the desk and ask to have reported.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. MORSE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

EXTENSION OF STUDENT LOAN INSURANCE PROGRAMS

SECTION 1. (a) (1) Section 424(a) of the Higher Education Act of 1965 is amended (A) in the first sentence by striking out "fiscal year ending June 30, 1968" and inserting in lieu thereof "period thereafter ending October 31, 1968", and (B) in the second sentence by striking out "June 30, 1972" and inserting "October 31, 1968".

(2) Section 428(a) (1) of such Act is amended by striking out "June 30, 1968" and all that follows down through the period and inserting in lieu thereof "October 31, 1968."

(b) (1) Section 5(a) of the National Vocational Student Loan Insurance Act of 1965 is amended (A) in the first sentence by striking out "and in each of the two succeeding fiscal years" and inserting in lieu thereof "in the fiscal year ending June 30, 1967, and in the period thereafter ending October 31, 1968", and (B) in the second sentence by striking out "June 30, 1972" and inserting in lieu thereof "October 31, 1968".

(2) Section 9(a) (4) of such Act is amended by striking out "June 30, 1968" and all that follows down through the period and inserting in lieu thereof "October 31, 1968."

(3) Section 10(b) of such Act is amended by adding at the end thereof the following new sentence: "No loan may be made under this section after October 31, 1969."

INCREASE OF MAXIMUM INTEREST RATE UNDER STUDENT LOAN INSURANCE PROGRAMS; ADMINISTRATIVE COSTS

SEC. 2. (a) (1) Section 427(b) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and all that follows and inserting in lieu thereof "7 per centum per annum on the unpaid principal balance of the loan."

(2) Section 428(b) (1) (E) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and inserting in lieu thereof "7 per centum".

(b) (1) Paragraph (2) of section 428(a) of the Higher Education Act of 1965 is amended by inserting "(A)" after "(2)" and by adding at the end of that subparagraph the following new subparagraph:

"(B) When, due to State laws which do not permit an interest rate of 7 per centum per annum, and when the Commissioner determines that such statutory limitations threaten to impede the carrying out of the purposes of this part, he may authorize an administrative cost allowance, not to exceed 1 per centum per annum of the unpaid principal balance, for the term of any loan insured by the Commissioner under this part or under a State or private nonprofit student loan insurance program covered by an agreement under subsection (b). Such an administrative cost allowance may be paid on loans made during the period beginning on the date of enactment of this subparagraph and ending on October 31, 1968."

(2) (A) Section 428(a) (1) of such Act is amended by inserting after the first sentence the following new sentence: "In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (2) (B) of this subsection with respect to loans to any such student but without regard to the student's adjusted family income."

(B) Section 428(a) (2) (A) (as so designated by this section) is amended by inserting after the first sentence the following: "For purposes of the preceding sentence, the term 'interest' includes any administrative cost allowance paid pursuant to subparagraph (B)."

(C) The second sentence of section 428 (a) (2) (A) of such Act is amended by inserting "and the administrative cost allowance payable under this subsection" after "determined".

(D) Section 428(a) (3) of such Act is amended by inserting "or of administrative cost allowances" after "interest".

(3) Section 421(b) (2) of such Act is amended by inserting "and administrative cost allowances" after "interest".

(c) (1) Section 8(b) of the National Vocational Student Loan Insurance Act of 1965 is amended by striking out "6 per centum" and all that follows and inserting in lieu thereof "7 per centum per annum on the unpaid principal balance of the loan."

(2) Section 9(b) (1) (E) of the National Vocational Student Loan Insurance Act of 1965 is amended by striking out "6 per centum" and inserting in lieu thereof "7 per centum".

(d) (1) Paragraph (2) of section 9(a) of the National Vocational Student Loan Insurance Act of 1965 is amended by inserting "(A)" after "(2)" and by adding at the end of that subparagraph the following new subparagraph:

"(B) When, due to State laws which do not permit an interest rate of 7 per centum per annum, and when the Commissioner determines that such statutory limitations threaten to impede the carrying out of the purposes of this Act, he may authorize an administrative cost allowance, not to exceed 1 per centum per annum of the unpaid principal balance, for the term of any loan insured by the Commissioner under this part or under a State or private nonprofit student loan insurance program covered by an agreement under subsection (b). Such an administrative cost allowance may be paid on loans made during the period beginning on the date of enactment of this subparagraph and ending on October 31, 1968."

(2) (A) Section 9(a) (1) of such Act is amended by inserting after the first sentence the following new sentence: "In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (2) (B) of this subsection with respect to loans to any such student but without regard to the student's adjusted family income."

(B) Section 9(a) (2) (A) of such Act (as so designated by this section) is amended by inserting after the first sentence the following: "For purposes of the preceding sentence, the term 'interest' includes any administrative cost allowance paid pursuant to subparagraph (B)."

(C) The second sentence of section 9(a) (2) (A) of such Act is amended by inserting "and the administrative cost allowance payable under this subsection" after "determined."

(D) Section 9(a) (3) of such Act is amended by inserting "or of administrative cost allowances" after "interest."

(3) Section 2(b) (2) of such Act is amended by inserting "and administrative cost allowances" after "interest."

FEDERAL GUARANTY OF STUDENT LOANS INSURED UNDER NON-FEDERAL PROGRAMS

SEC. 3. (a) Section 421(a) of the Higher Education Act of 1965 is amended by striking out "and" before "(3)", and by inserting before the period at the end of that subsection the following: ", and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a) (1) (C)".

(b) Section 428 of such Act is amended

by adding after subsection (b) the following new subsection:

"(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default, death, or permanent and total disability of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

"(2) The guaranty agreement—

"(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program;

"(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

"(D) shall provide that if, after the Commissioner has made payment under the guaranty agreement pursuant to paragraph (1) of this subsection with respect to any loan, any payments are made in discharge of the obligation incurred by the borrower with respect to such loan (including any payments of interest accruing on such loan after such payment by the Commissioner), there shall be paid over to the Commissioner (for deposit in the fund established by section 431) such proportion of the amounts of such payments as is determined (in accordance with regulations prescribed by the Commissioner) to represent his equitable share thereof, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary: *Provided,* That, except as the Commissioner may otherwise by or pursuant to regulation provide, amounts so paid by a borrower on such a loan shall be first applied in reduction of principal owing on such loan; and

"(E) may include such other provisions as may be necessary to promote the purposes of this part.

"(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer. Nothing in this subsection shall be construed to require collection of the amount of any loan by the insurance beneficiary or its insurer from the estate of a deceased borrower or from a borrower found by the insurance beneficiary or its insurer to have become permanently and totally disabled.

"(4) For purposes of this subsection—

"(A) the terms 'insurance beneficiary' and 'default' shall have the meanings assigned to them by section 430(e), and

"(B) permanent and total disability shall be determined in accordance with regulations of the Commissioner.

"(5) In the case of any guaranty agreement entered into prior to October 31, 1968, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date."

(c) Section 431 of such Act is amended (A) by inserting in the first sentence of subsection (a) ", or in connection with payments under a guaranty agreement under section 428(c)," after "insured by him under this part"; (B) by inserting in the third sentence of subsection (a) ", or in connection with such guaranty agreements," after "insured by the Commissioner under this part"; and (C) by inserting in the first sentence of subsection (b) ", or in connection with any guaranty agreement made under section 428(c)" after "insured by the Commissioner under this part".

(d) Section 432(a)(5) of such Act is amended by inserting "or any guaranty agreement under section 428(c)" after "such insurance".

Mr. MORSE. Mr. President, let me tell the Senate very quickly what the situation is. We have a student loan program which, in both bills, calls for 7 percent. The present rate is 6 percent. Therefore, no loans can be made to students until we can get the 7-percent rate adopted. In all probability, we are not going to be able to get to the education conference report until after the conventions. We will have to come back in September to do it. School will have started, and therefore many students will not have been able to start school. We thought we ought to adopt the bill, which action was agreed to unanimously in conference, which, in effect, authorizes the 7-percent rate, and that takes care of the insurance problem.

I give Senators my word that we are agreed this is a "must" if we are going to meet the loan problem that confronts an unnumbered number of students in this country. I urge the Senate, on my word, to adopt it so it will be passed. It goes to the House. The Parliamentarian says it will be ready for adoption in the House tomorrow. The House probably will not have a quorum Thursday, and it must be done tomorrow.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute of the Senator from Oregon.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 16729) was read the third time, and passed.

FOREIGN ASSISTANCE ACT, 1968

The Senate resumed the consideration of the bill (H.R. 15263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado [Mr. DOMINICK].

Mr. DOMINICK. Mr. President, I call up my first amendment and yield myself 5 minutes. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, this is a short amendment. It comes about in this way, if I may have the attention of my colleagues. Yesterday I received a briefing to try to find out what was going to happen in the way of a program to further expedite the release of the members of the crew of the U.S.S. *Pueblo.*

Senators will recall the *Pueblo* was captured in January of this year. Since that time—and I can tell my colleagues this, because it is unclassified material—we have made representations to the Government of North Korea, and sought the release of the men. We have asked for help from certain other countries, but the degree of pressure has not been very great.

Up to date the people of North Korea have not seen fit to do anything which would lead us to believe they will release our men. Furthermore, I think it was apparent in the process of the hearings that those men had been illegally captured while engaged on duty at the orders of the President; and that they are being held under what, to us, at least, are somewhat brutal conditions. There seems to be no program to exercise any more pressure than is presently going on in order to provide for their return.

I have three amendments at hand. Two regard the *Pueblo,* the third regards gold. I am bringing up only the first *Pueblo* amendment tonight. It is the least effective of the two, but it is at least a step.

This amendment provides the present restriction which we have on foreign aid to Communist-controlled countries shall not be waived by the President under the provisions which are presently in the law until the crew has been released. It is an expression of congressional intent that no Communist-controlled countries shall receive any American foreign aid or assistance until these men are released.

The President has used this waiver provision in the past to aid such a country. While apparently none of these countries are receiving assistance today, and do not think the power to waive these restrictions should be continued.

The President's authority to bypass these restrictions was added to existing law in 1962. It appears as subsection (f) of section 620 of the Foreign Assistance Act and reads as follows:

> No assistance shall be furnished under this Act, as amended (except section 214(b)), to any Communist country.[306] This restriction may not be waived pursuant to any authority contained in this Act unless the President finds and promptly reports to Congress that: (1) such assistance is vital to the security of the United States; (2) the recipient coun-

> try is not controlled by the international Communist conspiracy; and (3) such assistance will further promote the independence of the recipient country from international communism." For the purposes of this subsection, the phrase "Communist country" shall include specifically, but not be limited to, the following countries:
>
> Peoples Republic of Albania,
> Peoples Republic of Bulgaria,
> Peoples Republic of China,
> Czechoslovak Socialist Republic,
> German Democratic Republic (East Germany),
> Estonia,
> Hungarian Peoples Republic,
> Latvia,
> Lithuania,
> North Korean Peoples Republic,
> North Vietnam,
> Outer Mongolia-Mongolian Peoples Republic,
> Polish Peoples Republic,
> Rumanian Peoples Republic,
> Tibet,
> Federal Peoples Republic of Yugoslavia,
> Cuba, and
> Union of Soviet Socialist Republics (including its captive constituent republics).

Section 214(b) pertains to an American hospital in Poland.

My amendment would modify this language by adding at the end of the second sentence the following:

> And this restriction shall not be waived in any case until the crew of the U.S.S. PUEBLO shall have been released by the government of the North Korean People's Republic.

The amendment makes no changes in the list of Communist countries in the existing law. That list includes 17 countries out of the 20 countries which I understand now recognize North Korea.

It seems to me that by adopting this amendment we will have exhibited two things: First, the concern of Congress in general for the plight of the crew of the *Pueblo;* and, second, the initial effort by congress to try to put some pressure on North Korea, indirect economic pressure, one might say, through the other countries which are controlled by Communist governments. This would put them in the position of saying: "If we need any aid from the United States, which from time to time we do, you are going to have to release these men; otherwise, we are not going to be able to get it."

The pending amendment has nothing to do with trade. Trade I shall take up tomorrow in a stronger but companion amendment regarding the *Pueblo*. The pending amendment deals only with foreign assistance. As I say, it is my hope that we will adopt this amendment overwhelmingly, to indicate our adherence to the belief that these men are American citizens for whom our Government is responsible, and for whom the Congress must take some action to get them out of the Korean prison.

I reserve the remainder of my time.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. DOMINICK. I yield.

Mr. AIKEN. Did I understand the Senator to say that we are now extending aid to 17 Communist countries?

Mr. DOMINICK. No, I did not. I said nothing of the kind. I said there are 17 Communist countries listed as to which the President may waive these restrictions, and they have been waived before.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMINICK. I yield myself 1 more minute.

We are not furnishing aid to any of them at the present time, but there is a provision in the law at the moment which says that the President may waive that restriction. My amendment would say he cannot waive it as long as the crew of the *Pueblo* is held in captivity.

Mr. AIKEN. But it would not change the present status?

Mr. DOMINICK. It does not change the present status.

Mr. AIKEN. Nor would it affect the importation of strategic materials from Russia in any way?

Mr. DOMINICK. No. That will come up tomorrow.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. DOMINICK. I yield myself 2 more minutes.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. MAGNUSON. Does the Senator from Colorado believe that if these other Communist countries which have close liaison with North Korea would actually suggest seriously that something had better be done to effect the release of these prisoners, it would happen at once?

Mr. DOMINICK. I believe so.

Mr. MAGNUSON. I agree with the Senator.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. STENNIS. That is the purpose the Senator is trying to accomplish, and the purpose of his amendment?

Mr. DOMINICK. That is correct. Both of my *Pueblo* amendments are designed to persuade these countries to be really effective and a little hard-nosed with Korea, to try to persuade them to release these men.

Mr. MAGNUSON. I believe I am correct that the State Department, in the beginning, did ask the Soviet Union to participate, in the hopes that we could arrive at some agreement for their release, but apparently their efforts were not, as the Senator says, hard-nosed, or very strong at all; the reason was given at the time that the Russians also have these intelligence ships, that they were participating in the same kind of enterprise we were in gathering intelligence, and that therefore they would probably understand the situation better; but too much time has gone by, nothing has happened, and it seems to me—as I think we all agree—that if they were really serious about helping in this matter, or would get right at it, it could happen almost overnight.

Mr. DOMINICK. I agree with the Senator completely, and it is just that effort that I am trying to make with this amendment.

Mr. MAGNUSON. I join the Senator in his effort.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. MURPHY. I should like to associate myself with the effort of the Senator from Colorado. As he has pointed out, the officers and crew of the U.S.S. *Pueblo* were under orders. Their safety, to every extent possible, should be guaranteed now by this Government. Unfortunately, little has been done. Russia was interested enough to supply North Korea with a great number of Mig-21's. Certainly, it is time now for us to become interested enough to put pressure on North Korea. At this point, I think we would be delinquent if we did not do anything—and I mean anything—within honor and reason that can be done to see that these men are released. I congratulate the Senator from Colorado.

Mr. DOMINICK. I thank the Senator from California. I yield the Senator from Nebraska 5 minutes.

Mr. CURTIS. Mr. President, I shall support the amendments offered by the distinguished Senator from Colorado [Mr. DOMINICK]. I believe that the Government of the United States has a responsibility to miss no opportunity in any area of endeavor to press for the safe return of the crew of the U.S.S. *Pueblo*.

The cause of liberty and ultimate peace were served many years ago because we remembered the *Maine* and not because we forgot it. I say that the cause of human liberty and ultimate peace on earth will be advanced by remembering the *Pueblo* and not forgetting it.

The seizure of the U.S.S. *Pueblo* was the first time since the War of 1812 that a foreign power has seized an American ship on the high seas. We must not lose the sense of how serious this is because of the multitude of other problems facing the country. The principle that the American flag follows the men who wear our uniform any place in the world has never been repealed. If that sad day would come that it were to be repealed, our flag will have lost some of its glory.

Nebraskans have a particular interest in the crew. The U.S.S. *Pueblo* was commanded by Cmdr. Lloyd M. Bucher of 3120 R Street, Lincoln, Nebr. Commander Bucher is a graduate of the University of Nebraska and he is also a graduate of Father Flanagan's Boys Town of Nebraska. It was but a few days ago that Mrs. Lloyd M. Bucher visited Washington to express her concern and to press for the taking of whatever steps would hasten the return of this crew. This is a grave matter for her and her sons, Mark and Michael. I am advised that two other members of the crew are Nebraskans—Alvin Henry Plucker of Trenton, Nebr., and Charles Ray Sterling of Omaha, Nebr.

Existing law prohibits the extending of foreign assistance to any Communist country. The present law, however, gives authority to the President to waive that prohibition. The amendment offered by Senator DOMINICK would add these words:

> And this restriction shall not be waived in any case until the crew of the U.S.S. *Pueblo* shall have been released by the government of the North Korean Peoples Republic.

Another amendment to be offered by Senator DOMINICK to this foreign aid bill would add the following language to the present law:

> The President is authorized and requested to establish and maintain, until the crew

> of the U.S.S. *Pueblo* shall have been released by the North Korean Peoples Republic, a total embargo on trade between the United States and all Communist countries, as defined in subsection (f).

Both of these amendments should be enacted. Let us send the word out to the entire world that the U.S.S. *Pueblo* has not been forgotten. These steps are not all that is necessary to be done. These steps are before us. We can take them. They do constitute a positive expression of the intent of our Government.

Every day the Omaha World-Herald published at Omaha, Nebr., carries an editorial entitled "How Long?" It is my understanding they expect to keep up these editorials until the U.S.S. *Pueblo* and her crew have been returned to the United States. It has been a long time. Unless this ship and her crew are returned in the next few days, the Omaha World-Herald will on August 9, 1968, publish its editorial which will read:

> HOW LONG?
>
> This is the two hundredth day the U.S.S. *Pueblo* and her crew have been in North Korean hands.

Mr. President, let us pass the Dominick amendments. Let us remember the U.S.S. *Pueblo* and her crew of brave men.

Mr. DOMINICK. Mr. President, I thank the Senator from Nebraska. On July 10 I introduced S. 3750 to provide for additional pay—hostile-fire pay—for the members of the crew of the *Pueblo*. That bill has already passed the House. It will come up for consideration as soon as we can have a meeting of the Senate Armed Services Committee. It will be one more effort to do something for the families of the crew members.

However, the two amendments which I offer to the foreign aid bill represent the first time, at least as far as I know, that we have tried to put some specific language in legislative form to do something meaningful in order to get these negotiations underway and see if we cannot secure the early return of our men.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. MAGNUSON. Mr. President, would not this statement be true: Suppose there is some kind of argument about whether the ship was inside or outside of the territorial limits. We do not know all of the facts. I do not suppose that we ever will know them until they come back. However, the matter could be turned over to an international board of arbitration which could get the facts.

Mr. DOMINICK. The Senator is correct.

Mr. MAGNUSON. In the meantime, we ought to insist that the Communist countries be fair and decent and honest about this matter.

Mr. DOMINICK. I thank the Senator from Washington, and I agree with him.

Mr. MAGNUSON. I am sure that if Moscow were to say tonight to North Korea: "We think you ought to start negotiations and get this matter over," it would be done overnight.

Mr. DOMINICK. I thank the Senator. I am sure he is correct.

Mr. SPARKMAN. Mr. President, I yield to the Senator from Montana such time as he needs.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, this is an easy issue to vote for because in reality it does not mean a thing. One can be patriotic on an amendment of this nature and go home and tell his folks he did everything he possibly could to bring about the freeing of the 82 members of the crew of the U.S.S. *Pueblo*.

What does the amendment say? It refers to the furnishing of aid to Communist countries by inserting before the period at the end of the second sentence thereof a comma and the following:

> And this restriction shall not be waived in any way until the crew of the U.S.S. *Pueblo* shall have been released by the government of the North Korean People's Republic.

To what Communist countries are we giving aid today? I ask the question. To what Communist countries are we giving aid today? We are not giving aid to any Communist countries. Therefore, this does not mean a thing.

I think we ought to recognize that we are, all of us, emotionally involved—we are all worried about the crew of the *Pueblo*. But what we need to keep in mind is that we ought to do less talking about "pressure on North Korea," unless we are told how to apply that pressure in a way as to bring about the release of those men.

Some say, "We should take some action against North Korea." How?

Others say, "They must be released."

Again, I ask the question, How?

I wonder how many Members of the Senate and how many people in this Republic are aware of the fact that if we adopt some of the actions proposed by some people, we could very easily become involved in a second land war in Asia. We are engaged in one now which, in my opinion, is more than enough. It is a war in which we should not have become engaged. It is a barbaric war, without the end in sight.

It is a war in which our opponents hold all or almost all of the cards in the deck. It is a war that we are not winning and have not been winning. Before we begin another ought we not to realize that in 1960 a mutual security pact was entered into between North Korea and the Soviet Union, and between North Korea and the Chinese People's Republic. The Soviet Union abuts on North Korea and China abuts on North Korea.

If we want to take any kind of overt, drastic action in Korea, then I think we had better be prepared to enter into a second land war on the Asian mainland, because an overt act, any overt act, would automatically bring those mutual security treaties into operation, and the Soviet Union and mainland China are pledged to come to the aid of North Korea.

Do we have enough sons, enough resources to carry on two land wars, in Asia or anywhere else? If we want to bring about the doom of the 82 crew members of the *Pueblo*, we should just undertake some drastic action of the kind some have advocated and they will be killed quickly enough. And who will be responsible for their deaths? Those who said we ought to go into Wonsan Harbor, tie a rope around the *Pueblo* and pull her out.

The *Pueblo* has been stripped now. It is of little or no use. Whatever technical machinery it had, whatever super-secret machinery it had, the North Koreans, the Chinese, and the Russians know about it now.

The important thing is, has been, and will be the getting out of the 82 crew members of the *Pueblo* alive. I repeat that word "alive."

It does not do any of us any good and it does not do the crew members any good if we say we want to do this, that, or the other thing and fool them and their families into thinking because we make speeches or pass resolutions, that on that basis these men are going to be kept safe and sound and released.

Again, I say on the basis of this particular amendment, what Communist countries are we giving any aid to at this time? How will this amendment bring about the release of the crew of the *Pueblo*? Do we expect to force the Communist countries to help the crew of the *Pueblo* by slapping them in the face? Are we trying to force them with a means we do not have to compel what we say we want done.

I think we had better forget this folderol we are talking about, all of this emotion we are displaying. If we want to get the 82 crew members of the *Pueblo* out alive, we had better continue on the same basis. We had better continue trying to work through quiet diplomacy and otherwise, and that we had better seek to enlist the concern of any and all nations, Communist and non-Communist who might help.

I am not interested in amendments which mean nothing. I am not interested in speeches made for the RECORD. I am interested in the 82 crew members of the *Pueblo*. And I want to do, and I will do, everything I can do honestly, and legitimately, but not emotionally or politically, to get these men released and return them to their parents and their friends and their wives and other relatives.

Mr. DOMINICK. Mr. President, I listended to the, as always, very forceful speech of the distinguished majority leader. I have always been very fond of him. I appreciate his thoughtfulness and depth of feeling.

I do not, however, intend to take second place to him or to anyone else on the question of the members of the crew of the *Pueblo*.

I have not mentioned the ship. I have not asked for any overt action. I have not asked that we blockade North Korea. I have not asked for anything except to have this Government stand on record that we are not going to use any taxpayers' funds, and they have been used before, for any Communist country as long as our crew is in North Korea. I have as much right to feel strong about this matter as does anyone else.

I have not advocated any invasion of Wonsan. As a matter of fact, as the distinguished majority leader knows, the *Pueblo* is not even there any longer. I have not asked that we go in and sink it or pull it out or anything of the kind.

All I have asked is for a legitimate determination on a question for which this Senate and this Congress is responsible; that is, whether any taxpayers' funds are going to be used for Communist countries while those men are being held in prison illegally by a Communist-controlled government.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I can add little to what the distinguished majority leader has said, but I believe there is something we should say to ourselves over and over—that this amendment accomplishes nothing, nothing positive. It does, I am afraid, accomplish something negative. It may build up in the minds of the people of this country, particularly in the minds of the relatives of the men on the *Pueblo*, the expectation that this amendment is going to get them out. Mr. President, this is a cruel hoax, because it will not do any such thing.

The amendment would seek to get them released by a complicated device of prohibiting a Presidential waiver of the restrictions that already are written into the law, by prohibiting assistance under the act to any Communist country. The section that is amended provides for a waiver of this restriction in any case in which the President finds and promptly reports to Congress the following:

First, that such assistance is vital to the security of the United States,

Second, that the recipient country is not controlled by international Communist conspiracy;

Third, that such assistance will further promote the independence of the recipient country from international communism.

The Dominick amendment would provide that this restriction shall not be waived in any case until the crew of the *Pueblo* has been released.

The amendment would be ineffective and disruptive. It would be ineffective on two counts: First, as has been stated here even by the Senator from Colorado himself, no assistance is being given under this act to any Communist country, and none is contemplated. Second, even if assistance were being furnished, and contemplated, to a Communist country other than North Korea, the withholding of such assistance would hardly be persuasive to the government of North Korea.

The amendment would be disruptive because it would inject a new and totally extraneous issue into the *Pueblo* negotiations, which are best left to negotiation by the executive branch of Government and not by legislative enactment in Congress.

The amendment would also inject a new and totally extraneous issue into our relations with the states of Eastern Europe. These states, of course, are utterly without influence on the government of North Korea. The Senate need not be reminded of the extremely delicate situation which now prevails in Eastern Europe.

I hope very much the amendment will be rejected.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CLARK. Mr. President, I have listened with interest to the closing comments of the Senator from Alabama, and I ask the Senator this question: Is this not a sort of silly amendment, which does not make much sense? We are not now giving any help to any Communist country. Therefore, if we pass the amendment, we will not be doing anything we are not doing now. The Senator from Alabama has pointed out that the Government of North Korea is not going to be very much affected by this kind of gesture.

To me, this amendment seems completely silly. Of course, this is an election year, and some people are up for election, and there may be a few people around who might be, shall we say, not fooled but misled innocently into thinking that those who sponsored this amendment are valiant fighters against communism and are doing something very strong in defense of the Government of the United States.

But if the amendment is as silly as it seems to me to be, why do we get so excited about it? The Senator from Colorado will get some pleasure out of having it adopted, and he will be able to raise his fist and say, "Look how hard I fought against communism." Why not let him have his fun?

Mr. SPARKMAN. Mr. President, I am not going to designate any amendment offered by any Member of this body as being silly.

Mr. CLARK. The Senator has a higher sense of courtesy than I have.

Mr. SPARKMAN. I said it was ineffective, and it is. I said that insofar as it makes the wives, the children, and the relatives of the men on the *Pueblo* believe that it is going to get those men back, it is a cruel hoax.

Mr. CLARK. Will the Senator yield further?

Mr. SPARKMAN. Let me say one other thing. There has been talk about pressure about the Communist countries, to which we are giving assistance, putting pressure on North Korea just because the Senate passes an amendment. How is any pressure going to be created? If any pressure is to be successful, it must be directed toward North Korea, not toward other Communist countries.

In the first place, hardly any of those countries have any dealings with North Korea, and we do not have any dealings with them. How is the pressure going to be generated? It simply cannot be done. The effect of this amendment is to build up in the minds of the people of this country a belief that we are doing something for the men of the *Pueblo*, when we are doing nothing.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CLARK. I like to support my chairman in a situation of this sort, but I also feel kind of ridiculous when I vote for a silly and meaningless amendment. Nevertheless, I shall support the Senator from Alabama.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. Mr. President, I certainly would not question the motives of any Senator, and any amendment offered I accept in good faith as indicating a desire on the part of the sponsor to make a contribution.

We are all concerned about the *Pueblo* and its crew. But I do think that this is not the way to face up to a situation which is delicate in the extreme. There is no useful way we can exert either economic or military pressure or any other kind of pressure on North Korea. There again, as in Vietnam, in my opinion, the cards are not stacked in our favor.

I believe it would be unfortunate, for example, if Mr. Bucher and the others who have been in Washington lately, who have been carrying their cause to the country and to the administration as well as to Congress, were to have their hopes lifted and then suddenly dashed, because nothing in the way of a tangible result was forthcoming from the adoption of an amendment by this body.

The stakes are pretty high. As I have said, we are engaged in one war in Southeast Asia. It is more than enough. As I also have said, if we adopt certain practices—and my remarks were not directed toward the distinguished Senator from Colorado, because I had no one in the Chamber in mind at that time—there are those possibilities which must be faced up to and there are those consequences, based on mutual security treaties which could occur.

I, for one, think that we have shed enough blood and spent enough money in Asia. I do not care about the return of a vessel. My chief interest, my consuming interest, my only interest is to bring about in any way possible, the return of the 82 remaining crewmen of the U.S.S. *Pueblo*. I intend to work for that.

I do not think this amendment, unfortunately, will help in that direction. But certainly any Member of this body has the right to offer an amendment and I think any Member who does, does so in good faith.

Mr. SPARKMAN. Mr. President, I appreciate the remarks of the Senator from Montana. I share with him the sentiment he expressed regarding the men of the U.S.S. *Pueblo*. I yield to no man in my interest in seeing those men returned to their homes and loved ones safe, sound, and free.

However, that is one reason that this amendment offends me. It would not do that; and I am afraid it makes those loved ones back here feel the amendment will bring their men back. It cannot do so as has been stated heretofore.

Mr. AIKEN. Mr. President, I would vote for the amendment without any reservation whatsoever if I thought it would be effective in promoting the release of the 82 men.

Mr. SPARKMAN. So would I.

Mr. AIKEN. I am afraid it would have the opposite effect at this time when the Communist ties are becoming very loose, and several Communist countries are threatening to break away from the rule of Moscow or Peking. I do not know why we should slap them in the face now. I think we should give them encouragement in breaking away, particularly in view of the fact that they cannot do anything about the matter of the U.S.S. *Pueblo* anyway.

I am afraid Moscow would profit most if we threaten these Communist countries of the world, some of which do not want to be Communist.

One night I had an official of one of those countries say to me, "I hope you do not think we are Communists because we want to be."

If we say to all 21 countries, "We hate you all; you are all just alike," then we are not contributing to the breakup of the Communist organization of the world.

I believe we should give encouragement to those countries trying to break away from the Communist group and to break away from the domination of Moscow or Peking. I believe these states have the right to set up their own organization, even if it is democratic, if that is what they are trying to do, and we should not slap them in the face and say, "You are all just alike. We hate every one of you. Now, get together and we will hate every one of you together."

Mr. DOMINICK. Mr. President, I yield myself 2 minutes.

This has been, I hope, a fruitful debate. The Senator from Alabama says the amendment is not very effective because no aid is now being given to these countries. I say, most respectfully, the waiver authority has been used and aid has been given in the past. It may in the future. None is being given now. Under these circumstances, it seems proper to say we will maintain that position until the men are released. I see no reason to do otherwise.

The PRESIDING OFFICER. Is all time yielded back?

Mr. SPARKMAN. I yield back the remainder of my time.

Mr. DOMINICK. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Colorado. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Nevada [Mr. BIBLE], the Senator from Maryland [Mr. BREWSTER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from New Mexico [Mr. MONTOYA], the Senator from Florida [Mr. SMATHERS], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from Alaska [Mr. GRUENING], and the Senator from Maryland [Mr. TYDINGS], would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Pennsylvania [Mr. SCOTT] is absent by leave of the Senate.

The Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. MORTON], the Senators from Illinois [Mr. DIRKSEN and Mr. PERCY], the Senator from Wyoming [Mr. HANSEN], the Senator from New York [Mr. JAVITS], the Senator from Nebraska [Mr. HRUSKA], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Iowa [Mr. HICKENLOOPER] is detained on official business.

The Senator from Kentucky [Mr. COOPER] is absent because of illness.

If present and voting, the Senator from Illinois [Mr. DIRKSEN], the Senator from Nebraska [Mr. HRUSKA], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 43, nays 29, as follows:

[No. 252 Leg.]

YEAS—43

Allott
Baker
Bayh
Bennett
Byrd, Va.
Byrd, W. Va.
Cannon
Church
Cotton
Curtis
Dodd
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Hartke
Hill
Hollings
Jordan, N.C.
Jordan, Idaho
Long, La.
Magnuson
McClellan
McIntyre
Miller
Monroney
Mundt
Murphy
Pastore
Pearson
Randolph
Ribicoff
Russell
Smith
Stennis
Symington
Talmadge
Thurmond
Williams, Del.
Young, N. Dak.

NAYS—29

Aiken
Anderson
Boggs
Brooke
Burdick
Case
Clark
Harris
Hatfield
Holland
Inouye
Jackson
Kuchel
Mansfield
McGee
Metcalf
Mondale
Morse
Moss
Muskie
Nelson
Pell
Prouty
Proxmire
Sparkman
Spong
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—27

Bartlett
Bible
Brewster
Carlson
Cooper
Dirksen
Fulbright
Gore
Gruening
Hansen
Hart
Hayden
Hickenlooper
Hruska
Javits
Kennedy
Lausche
Long, Mo.
McCarthy
McGovern
Montoya
Morton
Percy
Scott
Smathers
Tower
Tydings

So Mr. DOMINICK'S amendment was agreed to.

Mr. DOMINICK. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. SPARKMAN. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. McGEE. Mr. President, with the foreign aid bill before us, I would like to turn some attention to the Partners of the Alliance program—the people-to-people, self-help effort which joins citizens of our country with those of Latin America.

Wyoming's partner State in the alliance is the State of Goias in Brazil, Mr. President, and one of its needs is rural electric power. Wyoming Rural Electric Cooperatives, then, have become involved in the close cooperation between the two States and are today hosting Rene de Pina and Antonio Cardosa, both electrical engineers who are studying the various cooperatives in Wyoming.

Mr. President, the Wyoming Rural Electric News, in its July issue, carries both a story about this "No Nonsense Foreign Aid" program, as it calls the Alliance, and an editorial. I ask unanimous consent that they appear in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wyoming Rural Electric News, July 1968]

HOW DO YOU CRACK THE NUT?—NO NONSENSE FOREIGN AID

(By S. J. Crawshaw, Wheatland, Wyo.)

"How do you crack the nut?" This popular Brazilian figure of speech refers to the fact that no one has yet devised a means for cracking the tough-shelled Brazil nut and extracting the meat in one piece. It is applied to any difficult problem and is a signal for starting work toward a solution.

Finding a practical means toward helping our neighbors in South America to achieve a higher standard of living and establishing an effective line of communication through which a self-help program can be put into operation is a tough problem indeed; but it is closer now to being solved than ever before, and the Wyoming Rural Electric Co-Ops are helping to "crack the nut."

Working through the Partners of the Alliance programs, Wyoming Co-Ops are becoming deeply involved in one of the most unique methods ever invented for putting foreign aid in a truly sensible light. Unique not only in its low cost to the taxpayer (major expenses are paid by private sources in industry), the Partnership of the Alliance idea provides for self-help, and is most unusual in that it involves a people-to-people relationship between the participants rather than the impersonal government-to-government approach which seems to have gained us few friends in other countries.

Conceived by a State Department official who saw little benefit in the red-tape and lack of human contact in the Federal foreign aid programs, the Partners of the Alliance has gained tremendous support everywhere . . . from Congress to private business. It is based mainly upon an exchange of ideas and information between people here in the United States and citizens in various Latin American countries, with the intention of providing them with the technical knowledge necessary to develop their backward areas.

It is hoped that eventually each State in this country will be teamed up in "partnership" with one or more states in a South American nation. Wyoming's "partner" is the state of Goias in Brazil where 85% of the population is involved in agriculture. Lacking the means of communication and modern storage and production facilities which are commonplace on Wyoming farms and ranches, the people of Goias have been able to do little more than merely subsist on their primitive farms. The prolonged rainy season isolates the majority of the farmers and prevents them from marketing their goods, as well as eliminating any opportunities for socializing and mutual help. Without progressing to more modern methods of production and storage, the farmers of Goias will never tap their huge potential.

Seeing rural electrification as a basic need for Goias, the Wyoming Co-Ops, individually and through the State Association, have undertaken the job of helping develop a rural electrification program along much the same lines as it has been built in

Wyoming. As a start in this direction, Wyoming's REA's are hosting a three month visit for two engineers from the state-owned power company of Goias, who, together with the wife of one of them, are learning all phases of the rural electrification set-up.

In addition to the technical knowledge they will gain during their stay, *Rene's de Pina* and *Antonio Cardosa* will make valuable contacts as they travel from one Co-Op to another. This has already proven true in their visit to the Wheatland REA where tentative plans have been made to send now obsolete power equipment such as meters and transformers to them in Brazil. This equipment, still in good shape, will be sufficient for the beginning needs of the new Brazilian Co-Ops as it was sufficient for Wyoming's REA's in their early stage of growth.

A well organized rural electrification program is expected to have at least as much impact upon the general welfare and progress of the 2,600,000 people of Goias as it has had in Wyoming. It will reach into all areas of their lives, giving them a freedom from the daily struggle for existence upon which mostly all of their energies are presently spent . . . taking them beyond that to a level of living where they can build for the future of their children and plan for such things as college educations.

The Brazilians have much to offer us in return for our help. In spite of the huge population with a wide variety of races, creeds, and colors, Brazil has had virtually no racial problems. Their predominantly Portuguese heritage has brought to them a great distaste for violence and discord, and they have developed into a fine art the ability for solving their difference peacefully. Never has a Brazilian government been overthrown or disturbed by revolution, and their political life shows a remarkable degree of stability. They have exhibited an appreciation for art in the building of their cities and a great sensitivity for the individual man. There is little doubt that we in this country could benefit from a cultural exchange with such people.

Also, it is obvious that the time and efforts to train these industrious people of Brazil are well spent. As evidenced by the serious and businesslike attitudes of de Pina and Cardosa, they are eager to learn and determined to help themselves if only given the opportunity. It is clear that we in Wyoming are building a feeling of friendship for the United States . . . the kind of feeling that can't be bought with money.

The Rural Wyomingite can be proud of his part in this project . . . wherein, working through his local REA, he is "cracking the nut" and helping to make this a better world.

[From the Wyoming Rural Electric News, July 1968]

AN EDITORIAL

(By Henry Jensen)

The end of May saw the beginning of another type of international cooperation when two young men, both electrical engineers arrived in Wyoming as a part of a program of exchanges between the countries of South America and the United States.

The program called Partners of the Alliance, is a privately funded effort to increase understanding between our southern neighbors and ourselves.

One of the projects of the Alliance pairs states in the United States with states, or in some cases nations, of all of Latin America.

In the case of the visitors to Wyoming these young men come from the state of Goias in Brazil, which is the partner of Wyoming in the program.

Rural Goias, as was the case in Rural Wyoming thirty years ago, has no electric power. It is hoped that, by studying the organization and operation of the Rural Electric Cooperatives in Wyoming these young men can upon their return to their homeland apply the knowledge and bring the blessings of plentiful electricity to its rural citizens.

The Wyoming Rural Electrics have volunteered to host the visitors so that they may get as diversified a picture as possible on the way in which varying problems have been met.

With little or no fan-fare developing nations all over the world, but more especially in South and Central America have established Electric Cooperatives, and are at the beginning of a cultural revolution as profound as that which has occurred in Rural America in the past three decades.

This is international cooperation at its very best. A real person-to-person program which does not fall back on the taxpayer, and which can yield tremendous dividends in understanding.

TECHNICAL COOPERATION AND DEVELOPMENT GRANTS—TITLE II, SECTION 212 OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. NELSON. Mr. President, the Congress is considering a critical piece of legislation—the continuation for another year of the foreign aid program. One provision of the Foreign Assistance Act is of particular importance. Accordingly, I would like to address a few remarks to title II, regarding technical cooperation and development grants.

This portion of the bill is significant because it authorizes the deployment of programs conducted by our colleges and universities in underdeveloped nations. I think it is important that we support American universities in their programs overseas. The technical assistance program that has been created under the aegis of the Agency for International Development has furnished increasing knowledge to us about the problems and needs of the poorer nations of the world. The programs in operation are helping to meet today's crises while also providing the know-how to anticipate and eliminate the future problems of the underdeveloped nations of the world.

Funds for technical cooperation and development grants are used to pay for sending U.S. technicians, primarily in agriculture, education and public health, to the less developed countries; to bring selected individuals from such countries to the United States for technical and other development related training; and to provide certain amounts of equipment and supplies for the implementation of programs of assistance. Briefly, its purpose is to help the less developed countries overcome their deficiencies in technically qualified manpower.

But all I have just said describes what the program is designed to do. Now, Mr. President, I would like to tell you about some of the programs that in fact have been initiated. I draw upon the experience of the University of Wisconsin to illustrate the good work that has been accomplished in conjunction with AID grants. The Wisconsin experience has convinced me how important it is for AID to give greater financial support for a stronger and more integrated research program.

At the outset, may I say that the Wisconsin idea is that "the campus knows no boundaries."

One highly successful program of the University of Wisconsin is its Land Tenure Center. This Center was established in 1962 and has been financed largely by the Agency for International Development. It has a program of research that includes training of students, both United States and foreign, through research participation. Cooperative research is conducted with universities, government agencies, and AID missions in Chile, Colombia, Bolivia, Brazil, Central America, and Venezuela.

The kind of research done in each country depends on its own problems and circumstances. The Land Tenure Center focuses on land ownership, operating arrangements and their effect on agriculture.

Through this plan, AID generates ideas and facts not previously available. For example, methods are researched for expediting land title procedures and distributing farm information to new landowners. The role of farmer organizations and the impact of new land taxes are also studied. Ways to increase farm production are explored and water law questions are resolved. In addition, publications, documentary film footage, and other means distribute this knowledge to policymakers all over Latin America.

The highly successful Chilean land reform program has gained much from the research carried out by the Center's United States and Chilean researchers. When Prof. Peter Dorenr completed 2 years as director of the Center's program in Chile, President of the Republic Eduardo Frei said:

> Please accept my sincere appreciation for this very real contribution which you have made to the agricultural development of Chile through your clear interpretation which has been very much applauded in Government circles.

In Bolivia, Prof. Ronald Clark has worked closely with the Inter-American Committee for Agricultural Development, Bolivian ministries, and the AID mission to speed up the processing of clear land titles to the 50 percent of farmers who are still without them. This will greatly increase the stability of production in Bolivian agriculture.

These are but a few of the many instances in which the Center's work has led to improved and accelerated action programs in agricultural development.

Such programs strengthen and build on a university's previous involvement in an area of research. The Land Tenure Center has assembled a highly competent staff that is frequently called upon by country agencies and AID missions to give technical advice and short-term assistance. The Center's research publications are in great demand and many are available in two or three languages.

Latin American participants in the Center's program have gained a great deal of firsthand knowledge about rural people and their problems. In the United States we take for granted the social scientists' close contact with rural questions. But social scientists in Latin America frequently have little experience with rural life. The Center's program has given a large number of potential researchers firsthand knowledge of the agricultural conditions in their countries.

Let me make it clear that our own universities benefit, also. Returning professors and researchers are able to give more meaningful classroom instruction. This is of great significance when we consider the large number of foreign students studying at U.S. universities—and the equally large group of our own students learning about the social and economic organization of agriculture abroad.

The U.S. contribution will always be a small part of total development expenditures of any country. The direct and immediate results of U.S. university research programs, plus the increasing number of competent local social scientists can geometrically multiply the value of our aid. This case is well illustrated by the effective programs at the University of Wisconsin.

Establishing centers of professional competence cannot be achieved in a year or two, nor can it be done by any university from its own resources. Universities need long-range support from the Federal Government if they are to build staff to develop the expertise needed by AID missions and foreign governments. The money we invest in research in AID's technical assistance program is the kind which makes possible these programs. What we invest here now will bring us untold returns in many years to come.

It is for these reasons I urge the Senate to appropriate the full amount of money requested for 1969 for title II, section 212.

AID AND THE POPULATION CHALLENGE

Mr. TYDINGS. Mr. President, the world today faces a relatively new and awesome problem. It took from the beginning of time until 1830 to reach the first billion of world population. Thirty years ago, we reached 2 billion. Eight years ago we reached 3 billion. Toward the turn of the century, at current rates, the population of the world will double.

This is escalation which we cannot afford. This is why President Johnson has said:

> Next to the pursuit of peace, the . . . greatest challenge to the human family is the race between food supply and population increase.

The population explosion is most severe in the countries that can afford it least—in the less developed countries of Asia, Africa, and Latin America. If firm measures of control are not immediately instituted on the national and individual levels, life in these countries will soon be a perpetual rush-hour traffic jam, immobilized by crowds—the only difference between these 24-hour traffic jams and the one we know will be that those to come will be traffic jams for food, for jobs, for survival—not just crowds of people trying to get home before dark.

This is why family planning help for the developing nations, together with aid to agriculture, should have the highest priority in our foreign assistance program. The family planning policy of the Agency for International Development is based on four principles: That overpopulation and underdevelopment are interrelated. That every country with an overpopulation problem should do its utmost to promote family planning; we, in turn, must help to the best of our ability. Third, we must support and assist—not start or impose—family planning programs in the developing nations. Finally each country must be free to choose its own type of family planning techniques; and we will assist only programs in which individual citizens are free to participate or not.

As a result of amendments to the aid bill last year, one of which I sponsored, proposed family planning funds in the current fiscal year assistance are expected to total $35 million or more. This will enable a significant attack on the problem to be mounted. Naturally, the host countries will contribute much more in funds, time, labor, and promotion. U.S. dollars are by no means the key to the program; the important factors are new attitudes on the part of governments and people, and making sure that the developing nations make maximum use of their own resources.

But vigorous and unrelenting efforts are vital to family planning. This means continued budgetary support. Family planning aid requires a relatively modest portion of the foreign assistance program, but failure to spend the money today will cost far more tomorrow—far more than either we or our children will want to pay.

FOREIGN AID HELPS PEOPLE

Mr. METCALF. Mr. President, one of the frequent criticisms which we hear of the foreign assistance program is that our aid enriches governments, and that it helps only the wealthy few. Many of us know of isolated instances in which this is so. But as a general proposition, it is not the case. The AID program helps not the opulent and powerful minority, but the nearly 2 billion people in the developing nations who are hungry and illiterate and tragically vulnerable to disease and despair.

AID development loans do this: development loans put fertilizer on the small farms of millions of people in India, pesticides on the wheat farms of Turkey, irrigation which within 7 years will boost food production for millions of poor people in North Africa by 30 percent.

Technical assistance also helps people. American doctors are helping the local authorities of 19 West African countries vaccinate 110 million people against smallpox. Our medical experts have already helped protect 100 million people in Pakistan against malaria. They, too, are helping people, not governments.

Last year, fertilizer demonstrations conducted by AID specialists and consultants in El Salvador increased corn production more than one-fifth in a single year. The cost to all American taxpayers was a few thousand dollars. This helped poor people—farmers and consumers—not the wealthy few.

Under AID contracts, American trade unions are helping people in the developing nations to acquire new skills and learn about labor organization and collective bargaining. This helps the poor majority in these countries, not the rich minority.

Why should we bother, why should we care about these problems? First, because they need our help, and it is incumbent upon us to do at least our minimum share. Second, as President Johnson reminded us earlier this year:

> If most men can look forward to nothing more than a lifetime of . . . misery, violence will always beckon, freedom will ever be under siege.

Helping the wealthy few would accomplish nothing beyond supporting tradition-bound social and economic injustices. By helping the people of the disadvantaged nations, we help ourselves.

AID AND AMERICAN PRIVATE ENTERPRISE

Mr. BREWSTER. Mr. President, one of the essential—but insufficiently understood—aspects of the foreign aid program today is that it is no longer exclusively a government-to-government program. It is a program conducted in large measure by the private sector: the American business and financial community. We saw one sign of this at recent committee hearings on the foreign assistance program, when the National Chamber of Commerce expressed its strong support of the foreign aid bill.

The business community and AID work together in two ways. One involves straightforward exports of U.S. goods and services. Last year, more than 4,000 American companies produced $1.35 billion in American products for export under foreign aid financing. Among the exports AID financed were fertilizers chemicals, iron and steel, and machinery. These exports create hundreds of thousands of American jobs and build permanent markets for future cash exports.

Second, AID incentives are encouraging American firms to finance business enterprise in the developing countries. This is profitable to the American concerns, and it stimulates economic growth in the developing world. We hear a great deal about American interests in petroleum, but not so much about other fields, in which American business has expanded its annual investment in the less-developed countries from about $180 million in 1960 to about $380 million in 1966. A few examples will represent the diversity of American private industry involved in the U.S. foreign aid program:

In the Philippines, private representatives of the Esso Fertilizer Co., the Agricultural Chemical Co., and the Atlas Fertilizer Co. have sold more than 11,000 "miracle rice" kits. These kits were originally financed and developed by the AID mission in Manila. They provide farmers with the ingredients needed to grow the new high-yielding strains of rice.

In Brazil, Ultrafertil S.A., 60 percent of which is owned by Phillips Petroleum, is building a major fertilizer plant. Six American insurance companies joined AID in putting up the necessary capital, all of which is being used to buy U.S. goods.

Alpine Marine Protein Industries, Inc., of Massachusetts, recently entered a $9 million AID contract to produce more than two million tons of high-protein fish concentrate. This is the first contract to a private firm to produce fish concentrate for the food-or-freedom program.

Foreign assistance today engages the American private sector to the utmost degree. The efforts and resources of

American private enterprise are an integral and crucial element in the aid program. There are very good business reasons why American industry supports this bill, and equally good domestic economic reasons for the Congress to do likewise.

PRIVATE NONPROFIT AGENCIES AND FOREIGN AID

Mr. HART. Mr. President, the United States has progressed a long way from the days of horse-and-buggy isolationism. Private American citizens are still breaking through the limits of old parochial attitudes and interests. Organized into dozens of voluntary, nonprofit agencies, they are demonstrating their understanding that the world is small and that all nations depend on each other for survival. They are doing something about it, not leaving the responsibility to the diplomats and strategists. With the support of the Agency for International Development these citizens are doing much of the work of the Nation's foreign economic assistance program.

The American Jewish Joint Distribution Committee, the Catholic Relief Services, the Congregational Christian Service Committee, the Lutherans, the Mennonites, the Seventh-Day Adventists, the Friends and the Unitarians, the trade unions and the medical groups, the League of Women Voters, CARE, the Salvation Army, the Thomas A. Dooley Foundation, and many others: all are working closely with AID on emergency as well as longer range projects, helping the needy and helping to speed up progress in the developing nations.

Tents, blankets, and cots are airlifted to earthquake victims in Peru; medical supplies and food-for-freedom commodities go to flood victims in Brazil; youngsters are receiving regular meals for the first time in a Vietnam child-care center; U.S. excess property—tractors, vocational equipment, and medical, dental, and veterinary equipment—make a reality of development plans and of ambitions to grow more food in the hungry countries; and leadership training courses for men and women help develop strong local leadership.

Today there are 73 voluntary agencies registered with the Advisory Committee on Voluntary Foreign Aid. AID reimburses these agencies for the costs of transporting donated goods to the developing nations: medicine, drugs, hospital equipment, agricultural tools and machinery, clothing, and food. Registered agencies are eligible to obtain surplus U.S. Government property through AID as well as agricultural commodities under the food-for-freedom program.

Over the last 20 years, the voluntary agencies have contributed over a billion dollars in cash to needy people in other countries. They have distributed U.S. foods valued at more than $2½ billion, clothing valued at $663 million, $158 million worth of educational supplies and vocational training equipment; also $14 million for other self-help activities in a wide range of development programs. Their contributions have totaled over $5 billion. All will agree with me that this is an impressive record.

The work of these groups helps make us proud to be Americans. These people are doing the work of the United States in the world, Mr. President, and their work depends directly on the foreign assistance program. Their efforts are one very good reason for this Congress to approve the modest AID request for fiscal 1969.

AID AND U.S. LEADERSHIP

Mr. McGEE. Mr. President, when I think that the United States is looked upon for leadership by the free world, I am alarmed by what we here in the Congress of the United States have done to the foreign aid bill. Every move we make has repercussions abroad.

Let us see where we do stand in terms of leadership—what we have called upon others to do, and what our own performance will look like.

Sixteen nations of the free world—16 industrially advanced nations—make up the member nations of the Development Assistance Committee of the OECD. The Development Assistance Committee exists primarily because we in the United States helped call it into existence. Because we felt that if the "have" nations of this world wanted to live in peace and stability, it was incumbent upon them to lend a hand to their "have-not" neighbors. We Americans saw it as a duty, a duty we accepted honorably, to help eliminate debilitating disease in parts of the world just shaking off colonial chains. A duty to bring hungry, undernourished people the technical assistance and the encouragement with which they could raise their own food, with which they could themselves become self-sufficient.

As free world leaders we urged this same duty on the other industrially advanced countries who shared some of our own values. And these countries responded, slowly at first, but with increasing acceptance of the American lead, and of the need to follow on in the course of mutual cooperation for which we Americans were calling.

By 1967, the flow of public aid and private capital which the DAC countries provided to the needy nations came to $11.2 billion—an increase of 8 percent over the previous year. Not long ago, DAC set as its goal—with American concurrence, indeed, with American urging—that each of its members allocate to international development aid 1 percent of its own gross national product.

We have gotten our message across. Nations which we once helped to get off the ground are now sharing the load, are now helping others. Last year, two countries had reached the goal of allocating 1 percent of gross national product for development assistance. One of them was France, with 1.24 percent of her gross national product. The other was the Netherlands, with slightly more than 1 percent.

But we in the United States have slipped. Our percentage of the national wealth devoted to international development is below the average of DAC members. In terms of official aid the United States is in a seventh-place tie with the United Kingdom—behind France, behind Australia, behind Belgium, Portugal, West Germany, and the Netherlands.

Not a very impressive showing for a leader.

And now we propose to do less. This year, starting out with the smallest foreign-aid request in the program's history, we have seen the aid bill buffeted from pillar to post. From an economic aid request of $2½ billion, $1 billion has now been ripped out.

To be sure, we have domestic problems and priorities, we have pockets of poverty which need attention within our own country. But does anyone here suggest that we are less able than formerly to contribute to the physical and economic health of the needy parts of the world? In fact, our national wealth has increased while our allocation to international development has been declining.

Barbara Ward, the economist, recently wrote an article on this subject. It is worth noting Miss Ward's remarks preceded the latest slashes in this program. She noted that the United States was cutting back its assistance which, she said, is not more than 0.4 percent of our gross national product. She pointed to the relatively small increase that would be necessary on the part of the wealthier countries to avert widespread tragedy in the years ahead.

> When we come up, as individuals and nations before the Judgment Seat—

Miss Ward asks—

> and before us rises up, as a symbol of our rejection, the image of Lazarus whom we did not help, shall we cry to the Seraphim that we thought 0.4 percent of our superabundant wealth was "generous" enough? And will they listen?

Miss Ward is concerned, as I am sure we all are, with a matter of conscience. But as practical men, too, let us recognize that the danger is not solely that of being callous in the face of our fellow human being's needs and suffering. We are in danger of throwing away the progress already made and the promise, in some cases so close to fruition, of seeing these neighbors self-sufficient. We have succeeded in enlisting the support of the other "have" nations in this job. If we renege, they will get that message very quickly. We will face the almost certain prospect of losing their support in doing the job.

And, I assure you, the job will have to be done—either in cooperation with others or, more expensively, all alone.

FOREIGN AID AND FOREIGN POLICY

Mr. PELL. Mr. President, the pending foreign aid bill has been roughly handled on its journey from the AID drawing boards to the floor of this House. In my judgment, it has been cut far too much.

One hundred years ago, on a visit to America, the scientist Thomas Huxley remarked to our people:

> I cannot say that I am in the slightest degree impressed by your bigness, or by your material resources, as such. Size is not grandeur, and territory does not make a nation. The great issue about which hangs the terror of over-hanging fate, is what are you going to *do* with these things?

Mr. President, I would like to ask Senators what are we going to do with our size and our material resources with respect to the rest of the world? Shall we, by withholding some millions of dollars from a monetarily insignificant but strategically crucial program, retreat to an atmosphere of 19th century isolationism? When the Congress has for years been so closely involved in the making of this country's foreign policy, are we now effectively going to adopt a policy of "no policy," in a deliberate withdrawal from our part in helping to shape the future of two-thirds of the world?

I am not advocating a spendthrift attitude on the part of the Senate: I am in favor of economizing in the Federal budget; in fact, I think it is vitally necessary. But meat ax, action of the board reduction in the field of foreign aid is not the direction we should take.

Such cuts would be wasteful because they would necessitate the curtailment or drastic reduction of projects underway in which a great deal of money, our own and that of host nations, has been invested. They would preclude the initiation of new projects designed to support and further the total development process in a number of countries. They would result in a loss for American business which would seriously affect our own economy. They would constitute a clear admission of failure, a conviction that our entire aid program has been useless, and that we have been repeating a great national mistake for over 20 years.

Further reductions in the economic aid program would be dangerous, in my view, because of the fact that the evolutionary process of development has been started, under our aegis, in a number of countries and has built up momentum to the point where it must be guided and controlled or it will become convulsive revolution. Apathy has given way to hope and confidence, a will to live and to make a better life, to change the medieval status quo, in which life for centuries has been dark, nasty, brutish, and short. Either we control and direct this upsurge of activity, or it will turn into violence and mob action.

I am seriously concerned about the future of the foreign aid program and the world role this country will be called upon to play. If we wish to continue to lead the free world as we have done in the past, if we wish to preserve the precarious balance of power as it now exists, it seems clear to me that we will have to continue to take an active interest in the needs of the developing world and help to answer those needs with tangible assistance.

The gains we will make by further reducing the aid program will not seem important when measured by what we stand to lose: We may outstrip the Russians in our space program by a few months or weeks or days; we may continue to get our mail delivered to our homes on Saturday; we may replace some miles of six-lane interstate highway with some miles of eight-lane highway; we may finance a very few more jet bombers for the war in Vietnam, costly as they are. And we may also lose our present influence over the conduct on international relations in the world.

I am not proposing a paternalistic attitude of telling the rest of the world how to run its business, but I do believe in realistic attitude of enlightened self-interest and self-protection. I am afraid we will lose even the option of attitudes if we relinquish or diminish our greatest means of influence.

Because of this, I ask Senators to hold the fiscal 1969 foreign aid authorization to the figure at which it now stands. Any additional cuts will be robbing Peter to pay Paul, and this is one instance in which we ourselves are not only Paul, but Peter as well.

UNITED STATES USE OF THE METRIC SYSTEM

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to the consideration of Calendar No. 1422, H.R. 3136.

Mr. KUCHEL. Mr. President, reserving the right to object—and I shall not object—would my able friend indicate whether there will be any more rollcall votes tonight?

Mr. MANSFIELD. Will the Senator let us consider this bill first?

Mr. KUCHEL. Surely.

The PRESIDING OFFICER The bill will be stated by title.

The LEGISLATIVE CLERK. H.R. 3136, to authorize the Secretary of Commerce to make a study to determine the advantages and disadvantages of increased use of the metric system in the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment, on page 4, after line 18, strike out:

> SEC. 5. From funds previously appropriated to the Department of Commerce, the Secretary is authorized to utilize such appropriated sums as are necessary, but not to exceed $500,000, to carry out the purposes of this Act for the first year of the program.

And, in lieu thereof, insert:

> SEC. 5. From any funds available to the Department of Commerce during fiscal year 1969, the Secretary is authorized to utilize such sums as are necessary, but not to exceed $500,000, to carry out the purposes of this Act for the first year of the program.

Mr. GRIFFIN. Mr. President, the legislation before the Senate would authorize the Secretary of Commerce to conduct a study to determine the advantages and disadvantages of converting the metric system in the United States.

The pending House-passed measure, H.R. 3136, is similar to two Senate bills which were the subject of hearings before the Senate Commerce Committee during the first session of this Congress. I refer to S. 441, sponsored by the Senator from Rhode Island [Mr. PELL], and S. 2356, which I introduced on August 29, 1967.

Mr. President, although 90 percent of the earth's population is committed today to using the metric system, our Government has thus far failed to weigh the significance of this movement and its possibly adverse impact upon our international trade position.

Clearly, the time is long overdue for the United States to consider the feasibility of adopting an improved system of weights and measures—a system which is more closely allied with standards in effect in most of the rest of the world.

The trend in other parts of the world toward conversion to the metric system has been in evidence for several years.

Recently, on July 26 of this year, the British Government announced that metric measurements would be used in the United Kingdom beginning in 1975. It is almost inevitable that other Commonwealth countries will follow the British lead in this respect. Thus, the United States may become the only nonmetric country of any appreciable size in the world. As the world's leading industrial power, our country cannot afford to close its eyes to such an impending development.

Many people in the United States are firmly opposed to changing the Nation's present system of weights and measures; others advocate an immediate and complete conversion to the metric system.

A controversy concerning the proper course for the United States has been before the Congress for a number of years.

What is needed today is adequate, reliable information to provide the basis for reaching a sound and final judgment on the issue.

The impartial study authorized under H.R. 3136 will set the stage for such a judgment. The Secretary of Commerce is required to seek out the participation of private organizations, of industry and labor, in conducting the study. And the measure ensures that the possible practical difficulties and costs which might be encountered through increased use of the metric system will be carefully weighed.

Mr. President, I believe that the Senate should approve H.R. 3136 today, so that the United States may take a first, important step toward determining its course on this all-important question.

Mr. PELL. Mr. President, it is with particular satisfaction that I support the bill now before the Senate. I have introduced legislation very similar to this in each of the three past Congresses. In fact, the House version of this bill as it originally was submitted to that body was identical to S. 441, which I introduced in the first session of this Congress.

I wish to emphasize a point that is constantly made in regard to this legislation, but one that should be repeated: that is, that this is not a bill providing for conversion to the metric system, but rather, a bill that will look into the pros and cons of conversion. This study will look into whether conversion will bring more or less efficiency to our society and whether we will be better or worse off in export markets. I personally think that the study will show that conversion makes good economic sense; but we must have a study to make sure. If the conclusion of the study does come down on the side of conversion, then the study will provide a rough blueprint of how to proceed.

Traditions are comfortable things, but they must—when the need arises—give way to change. Our use of the old English method of measurement is becoming an increasingly rare and unusual phenomena as we look around the world. I started my campaign for this legislation 5 years ago, in 1963, Mr. President. Since then, the United Kingdom has started to convert, while other countries such as France, Venezuela, and India have recently prohibited the use of any system other than metric. In fact, on Friday the British Government announced it plans to convert all weights and measures in that country to the metric system by 1975.

The establishment of this target date, I think, has substantial significance for the United States. It serves to bring home with some emphasis the fact that the United States will soon find itself in near isolation as a user of the old English foot-pound measurement system.

By the time the British complete their conversion to the metric system, just 7 years from now, the United States, and perhaps Canada, will be the only major nations of the world not using the metric system.

I ask unanimous consent that an article from the New York Times of July 27 on the British announcement be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PELL. Mr. President, one of the factors making this study a worthwhile endeavor that has come increasingly into the fore with the passage of time is the high-priority need to improve this country's balance-of-payments position. The study called for in this bill will look into the effects on our trade position that results from maintaining a separate measurement system from that of our trading partners. Conversion, if it comes, will naturally bring about an increase in imports as well as exports; but most experts seem to agree that exports will respond much more dramatically than imports. One estimate holds that American firms might be losing as much as $10 billion annually in export sales by adhering to our present system of weights and measures. During these times of serious balance-of-payments deficits, we cannot responsibly ignore the benefits that might accrue as a result of conversion.

In the other body, amendments were added on the floor which make clear that, in conducting the study, the Secretary is to consider the effect which a change in our system of measurement would have on the related dimensional and engineering standards used within the United States. I have always believed that a general consideration of the impact which conversion would have on the standard sizes and shapes used in this country would be an integral part of the proposed study. It is helpful to have it specifically included.

At the same time, however, I am pleased that the Commerce Committee report on this bill has placed the standards question in proper perspective. Certainly the study should not be concerned with the merits and demerits of specific product standards. Instead it should consider the impact which a change in our language of measurement would have either in securing international adoption of the dimensional and other engineering standards currently used in this country or in increasing international pressure on U.S. science and industry to abandon such standards.

I believe that the committee report clarifies any possible misinterpretation of the language of the bill. It establishes the intent of the committee that general consideration of the utility of existing U.S. standards, which is required by section 3, is included in order to delineate one background factor which should assist the Secretary in determining what the impact of a change in our system of measurement would be.

During the last 5 years that I have been proposing legislation along the lines of this bill, some of the priorities indicating the need for a study have changed—for instance, the trade aspect is more important now than it was in the past. The overall need, however, has been clearly established, and it becomes more urgent all the time. Delay just puts off the day of reckoning and increases the costs.

I urge speedy action on the bill.

EXHIBIT 1

BRITONS SET 1975 FOR METRIC SHIFT

(By Anthony Lewis)

LONDON, July 26.—By 1975 the man at the bar will say, "six hundred milliliters of best bitter, my dear"—or something like that. Britain is going metric.

The Government today fixed 1975 as a target date for converting all weights and measures to the metric system. The Minister of Technology, Anthony Wedgewood Benn, made the announcement in the House of Commons.

Pounds, shillings and pence are already scheduled to give way to decimal currency in February, 1971. The principle of metric measures had also been accepted, but today's announcement moved the idea from theory to definite policy.

Industry asked for the switch. Most of the world now uses metric measurement, and a majority of British exports go to metric countries. They often require standards different from products for the home market.

No one has been able to estimate the possible savings to British manufacturers of a uniform system, or the costs of switching to metrics. But the feeling is that the trend in that direction is irresistible.

An advisory committee that recommended the metric program to the Government estimated that by 1975 the entire world would be on the metric system, except the United States and Canada. Even in those countries, it said, there is new interest in switching.

A metrication board will be set up to guide and coordinate different industries in changing their measures. But the board will be only advisory. So far the Government has no plan, instead of yards, feet and inches.

"There can be no question of compensation" for businesses, Mr. Wedgwood Benn said. "The costs of adopting metric weights and measures must lie where they may."

SOONER CALL FOR A GLASS

The Consumer Council issued its own observations on the metric issue today, agreeing with the Government that there should be a gradual change ending by 1975. The report said consumers would be too confused if everything changed at once.

The council offered some indications of what the British customer will have to learn to buy instead of the familiar retail sizes here.

Draft beer, for example, goes by the pint or half-pint in pubs now. The nearest metric equivalent would be 600 milliliters, six-tenths of a liter, which is a little more than a pint.

"But I'd never say that," one drinker swore. "I'd sooner just call for a glass."

Road signs will be one of the major problems. A speed limit of 50 miles an hour, for example, will be 80 kilometers an hour instead. Road authorities may use the occasion for a general revision of speed limits.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendment be deleted and that the bill as approved by the House be passed.

The PRESIDING OFFICER. Is there objection? The question is on agreeing to the committee amendment.

The committee amendment was rejected.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time, and passed.

FOREIGN ASSISTANCE ACT, 1968

The Senate resumed the consideration of the bill (H.R. 16263) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, the distinguished acting minority leader has raised a question as to what the schedule will be for the rest of the evening. After discussing the matter with the distinguished Senator from Colorado [Mr. DOMINICK] and the distinguished manager of the bill, the Senator from Alabama [Mr. SPARKMAN], and other Senators, I would like to propound a unanimous-consent request:

At the conclusion of morning business tomorrow, I ask unanimous consent that there be a time limitation of 1 hour on each amendment, the time to be equally divided between the sponsor of the amendment and the manager of the bill, and that there be 2 hours on the bill itself.

Mr. DOMINICK. Mr. President, reserving the right to object, can the Senator give me a little more time than that, particularly on the second amendment?

Mr. MANSFIELD. I modify the request to 4 hours on the bill, so time can be allotted from time on the bill.

Mr. DOMINICK. Very well.

Mr. MILLER. Mr. President, would the Senator from Montana amend that request for me and provide for 5 minutes on each side for an amendment I have?

Mr. MANSFIELD. Mr. President, with the time on the Miller amendment limited to 10 minutes, 5 minutes to each side.

Mr. RUSSELL. Mr. President, reserving the right to object, I understood the limitation of 1 hour applied to any amendment.

Mr. MANSFIELD. The Senator from Iowa asked for a special time on his amendment.

Mr. RUSSELL. I understand, but that does not debar any amendment.

Mr. MANSFIELD. No.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement proposed by the Senator from Montana? The Chair hears none, and it is so ordered.

The unanimous-consent agreement subsequently reduced to writing is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Wednesday, July 31, 1968, at the conclusion of routine morning business, during the further consideration of the bill (H.R. 15263), to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, debate on any amendment, except an amendment by the Senator from Iowa [Mr. MILLER], on which there will be 10 minutes, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. MANSFIELD. Mr. President, there will be no further debate, or at least no voting, on the pending measure tonight.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1969

Mr. MANSFIELD. Mr. President, I move at this time that the Senate turn to the consideration of the District of Columbia appropriation bill, H.R. 18706.

Mr. SPARKMAN. Mr. President, will the Senator from Montana withhold that motion for just a moment?

Mr. MANSFIELD. Yes.

Mr. SPARKMAN. I believe we can dispose of the Miller amendment within 5 minutes' time.

Mr. MANSFIELD. Well, it can be done following that.

Mr. President, I renew my request that the pending business be laid aside temporarily and that the Senate move to the consideration of the District of Columbia appropriation bill.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 18706) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1969, and for other purposes.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. BYRD of West Virginia. Mr. President, the Committee on Appropriations recommends a total of $548,193,810 in appropriations for the District of Columbia for fiscal year 1969. This represents an increase over the House appropriation amounting to $19,307,810, the House appropriation having been $528,886,000.

The amount recommended by the Senate Appropriations Committee is $27,613,964 over the appropriations for 1968, but it represents a reduction under the revised estimates for 1969 of $57,997,190.

The committee recommends a Federal payment of $80 million, which is $5 million over the House allowance of $75 million.

The committee recommends a total of 3,409 additional positions, a net increase of 967 positions over the House recommendation.

The estimated revenues available—at the time of markup—for expenditures from all funds for the fiscal year 1969, including Federal payment and general sanitation, sewer, and waterworks funds of $83,282,000, and Treasury loans of $70,473,000 to the general highway and water funds, amounted to $552,776,000.

It is estimated there will be a surplus in the general fund as of June 30, 1969, amounting to $723,000.

The funds required amount to $550,022,000.

Included in the total requirements is a reserve of $26,042,000 for contingent expenses, as follows: Indefinite appropriations, $1,016,000; salary increases for classified employees, $5,150,000; pay raises for policemen and firemen, $7,076,000; and pay raises for schoolteachers, $12,800,000.

The committee has allowed the full request of 1,000 additional policemen, bringing the authorized total number of policemen up from 3,100 positions to 4,100 positions. The 1,000 additional policemen will be granted on a staggered basis of 100 per month, beginning with September 1, 1968, and proceeding through the remaining 10 months of the fiscal year.

The Police Department, during the past few months, has been able to recruit policemen at the rate of something like 65 policemen per month, and it is felt that providing for the recruitment of 100 additional positions per month will be more than adequate in view of past experience concerning recruiting.

The committee has also allowed 50 additional civilian positions in the Police Department, and $143,000 and eight positions to expand the Crime Control and Criminal Statistics office.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. Would the Senator mind waiting until I complete my statement? Then I shall be happy to yield.

For the Metropolitan Police Department, the Senate committee appropriated an increase of $4,240,232 over the House bill. The total for the Police Department is $52,309,232.

With the additional police positions, the committee feels that the amount expended for overtime should materially decrease, more than $6 million having been expended for overtime in fiscal year 1968.

For the public schools, the committee recommends $101,769,385. This is a net increase of $930,385 over the House allowance. This increase will provide 40 additional positions, which include 10 teachers for the perceptually handicapped children, 25 librarians in existing schools, and five additional employees in the transportation service. The committee has allowed the full budget request for teaching positions.

The committee has also included additional sums for instructional supplies and materials, textbooks, workbooks, and library books essential to cover the increased enrollment at the elementary, secondary, and vocational levels.

The committee has restored all of the capital outlay items which were appealed to the committee for the Public Schools Department.

For the Health Department, the committee recommends $73,943,491. This is a decrease of $693,509 below the sum recommended in the House bill.

For public welfare, the committee recommends a total of $46,599,379. This is a net decrease of $207,621 from the sum provided in the House bill.

For parks and recreation, the committee recommends a total appropriation of $16,983,988, a net decrease of $57,012.

For the recreation department the committee recommends the appropriation of $8,571,158, a decrease of $86,842.

For highways and traffic, the committee concurs in the House allowance of $17,621,000 for operating expenses. This sum includes $14,829,000 for the Department of Highways and Traffic, $2,534,000 for the Department of Motor Vehicles, and $258,000 for the Motor Vehicle Parking Agency.

For sanitary engineering, the committee agreed to the House allowance of $30,735,000.

For capital outlay, a total of $105,936,000 is recommended. This sum is $15,364,000 above the House allowance, and $36,093,000 below the total budget estimate.

I have already made reference to the public school projects, but included in the capital outlay increase of $15,364,000, are the Fort Lincoln urban renewal area projects, and the Department of Sanitary Engineering conversion of the O Street incinerator, as well as funds for the renovation of the old Emory school building.

But the committee denied, as did the House, the request for $21,886,000 of the $27,574,000 requested for construction funds, on a matching basis, of the Rapid Rail Transit Authority, a project under the Washington Metropolitan Area Transit Authority.

The committee has increased the authorization for use of privately owned automobiles in the performance of official travel from 8 to 10 cents per mile, but not to exceed $35 instead of $25 per month for each automobile.

Mr. President, I think that constitutes a summation of the items in the appropriation bill, in the main.

I should like to have printed in the RECORD tables from the committee report which will indicate the number of positions that have been allowed for each of the departments, and I ask unanimous consent, therefore, that such a summary of authorized positions requested and allowed be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF AUTHORIZED POSITIONS REQUESTED AND ALLOWED

The committee recommends 3,409 additional positions, a net increase of 967 positions over the House recommendation.

	Total authorized 1968	1969 increases		Senate recommendation
		Requested	House bill	
General operating expenses:				
Executive Office	170	46	27	29
District of Columbia City Council		33	33	33
Department of General Administration	740	29	20	20
Regulatory and miscellaneous agencies:				
Alcoholic Beverage Control	28			
Administration of Parole Laws	16	4	4	4
Death investigations	26	2		
Administration of insurance laws	26			
Administration of Wage, Safety and Hour Laws	34	1		
Filing and Recording Property and Corporation Papers	73			
Public Service Commission	31			
Planning and Zoning	12	1	1	1
Board of Appeals and Review	4			
Commissioner's Youth Council	16			
Office of Community Renewal	12	6		
Council on Human Relations	8	14	6	0
Commission on the Status of Women		2		
Total, regulatory and miscellaneous agencies	286	30	11	5
Occupations and Professions	56			
Public Library	533	31	13	13
Veterans' Affairs	12			
Buildings and Grounds	372	19	1	1
Surveyor	61			
Total, general operating expenses	2,234	188	105	101
Public Safety:				
Corporation Counsel	133	25	3	3
Metropolitan Police	3,539	[1]1,260	202	[1]1,260
Fire Department	1,499	22	22	22
Civil Defense	12	1	1	1
Courts:				
Juvenile	164	55	14	17
General Sessions	357	30	10	10
Appeals	16	12	12	12
Tax	3			
Legal Aid Agency	33	15	8	8
District of Columbia Bail Agency	13			
Total, courts	586	112	44	47
Public Safety—Continued				
Corrections	1,027	70	53	53
Licenses and Inspections	461	23	19	19
National Guard	25	3	3	3
Total, public safety	7,282	458	347	1,408
Education:				
Public Schools	9,898	679	436	476
Higher Education	257	508	508	508
Total, education	10,155	1,187	944	984
Parks and Recreation:				
Recreation Department	435	161	36	25
National Park Service	709	119	70	64
National Zoological Park	237	16		7
Total, parks and recreation	1,381	296	106	96
Health and Welfare:				
Vocational Rehabilitation	123			
Public Health	4,410	538	471	425
Public Welfare	3,734	555	321	247
Total, health and welfare	8,267	1,093	792	672
Highways and Traffic:				
Department of Highways and Traffic	1,668	9	6	6
Motor Vehicles	248	2	2	2
Motor Vehicle Parking Agency	14			
Total, highways and traffic	1,930	11	8	8
Sanitary Engineering:				
Department of Sanitary Engineering	3,212	161	140	140
Washington Aqueduct	329			
Total, sanitary engineering	3,541	161	140	140
Grand total	34,790	[1]4,452	2,442	[1]3,409

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[1] Includes 1,000 police, 50 police civilians, 8 crime control and criminal statistics staff in H. Doc. 346.

Mr. BYRD of West Virginia. I also ask unanimous consent to have printed in the RECORD a table of Federal grants to the District of Columbia. This table will show that there is an anticipated total of $186,857,674, which will be made available to the District of Columbia in fiscal year 1969. Of course, this amount is over and above the $548,193,810 that is being appropriated in the bill before us.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Federal grants to the District of Columbia, estimated 1969

Agency	*Amount*
Executive Office	$998,031
General Administration	4,234
Public Service Commission	5,897
Planning and Zoning	3,228
Commissioner's Youth Council	50,050
Urban Renewal and Redevelopment Land Agency	9,436,000
Council on Human Relations	25,974
Public Library	353,569
Office of the Surveyor	2,543
Police Department	274,075
Fire Department	15,900
Office of Civil Defense	164,406
Juvenile Court	11,030
Legal Aid Agency	278,000
Corrections	57,000
Licenses and Inspections	1,885,000
Public Schools	20,442,499
Higher Education	1,572,904
Recreation	1,686,285
Vocational Rehabilitation	4,106,706
Public Health	10,810,355
Public Welfare	17,786,064
Highways and Traffic	113,809,204
Sanitary Engineering	3,078,720
Grand total	186,857,674

Mr. BYRD of West Virginia. Mr. President, I call attention to two areas of the committee report, and I should like to read verbatim into the RECORD the following paragraphs:

> With further respect to the Metropolitan Police force, it has been called to the attention of the members of the committee that several groups, in some manner yet unexplained, have proposed a "takeover" or "control" of the Metropolitan Police force. In the event that any such proposal is receiving serious consideration by any such group or person, the committee merely wishes to state that the Constitution gives to the Congress exclusive legislative jurisdiction over the District of Columbia, and that the Congress, in exercising that power, has conferred the power to appoint, assign to duty, and promote members and officers of the Metropolitan Police force on the Commissioner of the District of Columbia.
>
> While the committee fully realizes that no such "takeover" or "control" of the Metropolitan Police force can constitutionally be attained inasmuch as Congress cannot delegate its legislative powers to private groups or individuals, the committee does wish to emphasize that it would view with much concern any action on the part of any governmental officer or employee encouraging or assisting any such group or person in attempting to accomplish indirectly what they are unable to accomplish directly.

I have called attention to this language in view of some of the reports that have appeared in the press in recent days to the effect that certain organizations or groups or individuals are conducting hearings and issuing statements with the idea of promoting the vesting of control of the Police Department in certain citizen groups. I feel it appropriate that this language from the committee report be read into the CONGRESSIONAL RECORD.

The present laws do not provide for any such takeover of the police department. But the committee wants it clearly understood that as far as the committee is concerned, it has no intention of appropriating moneys now or at any other time for such purpose.

Mr. President, I now call attention to another section of the committee report which I think is perhaps important from the standpoint of a minor controversy that arose not very long ago anent the payment of transportation to their homes of persons who had participated in harassment and demonstrations conducted against Federal officials in both the executive branch and the legislative branch.

There was evidence that the Department of Welfare was defraying the expenses, through reimbursements to the Travelers Aid Society of some of the demonstrators back to their homes. That matter was clarified to the satisfaction of the chairman of the subcommittee by letter from Assistant Commissioner Fletcher which assured that all moneys had been repaid to the Welfare Department from private donors.

Nevertheless, the following language appears in the committee report:

> The committee is concerned over the recent demonstrations that have been conducted within the District and the failure of the organizing body to provide sufficient funds to transport all of the demonstrators

back to their homes. Therefore, the committee directs that no funds appropriated to the District of Columbia shall be available for transportation to their homes of persons who have come to the District of Columbia as a participant of an organized group whose express purpose is the petitioning or demonstrating against any branch of the District of Columbia or Federal Government.

Mr. President, the bill has the approval of the senior Senator from Nebraska [Mr. Hruska] who is the ranking minority member of the subcommittee. He and I and the staff of the committee went over the budget together on last Saturday and the bill before us today is precisely the package which he and I and the staff developed together at that time, except for one minor change which was made today in the subcommittee markup at the request of the senior Senator from Wisconsin [Mr. Proxmire] who moved to restore three positions to the Council on Human Relations, to be paid for out of available funds. This makes a total of 11 authorized positions in that agency, rather than eight as authorized for fiscal year 1968.

Senator Hruska could not be here today, but it was with his full approval that we proceeded with subcommittee and full committee markup and floor action.

I want to take this opportunity to express my gratitude to Senator Hruska for his unfailing cooperation and assistance, as well as for his helpful advice and counsel. It is no easy task to handle this bill, although it is, by far, the smallest of the regular appropriation bills, and I appreciate the opportunity to work with a ranking minority member who is so able, so interested, and so cooperative and agreeable as is the Senator from Nebraska. Without him this assignment would be far more difficult and far less pleasant.

I also want to pay tribute to the senior Senator from Wisconsin [Mr. Proxmire], and to the senior Senator from Texas [Mr. Yarborough], for their cooperation, their interest, and assistance as members of the subcommittee. They have been most helpful.

Mr. President, I would not want to close my remarks without paying due recognition to the faithful clerk of the subcommittee, Mr. Harold Merrick.

During my 8 years as chairman of the subcommittee, he has untiringly given of his wisdom and experience to the work of the subcommittee, and has rendered exemplary service. I am deeply grateful for the help and encouragement he has given to me throughout these many years.

Mr. President, that completes my statement concerning the bill making appropriations for the District of Columbia for the fiscal year 1969.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded for purposes of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 1, line 9, after "June 30, 1969", strike out "$75,000,000" and insert "$80,000,000".

On page 2, line 12, after "(D.C. Code, Sec. 9–220 (b); 81 Stat. 339)", strike out "$67,390,000" and insert "$70,473,000"; and, in line 16, after the word "fund", where it appears the first time, strike out "$58,140,000" and insert "$61,223,000".

On page 2, line 24, after the word "expenses", strike out "$31,703,000" and insert "$31,827,738"; and, on page 3, line 5, after the word "for", strike out "$5,000" and insert "$2,500".

On page 3, line 22, after the word "of", strike out "one hundred and nine" and insert "one hundred and eighty-four"; in line 24, after the word "including", strike out "one hundred" and insert "one hundred and seventy-five"; and, on page 4, at the beginning of line 5, strike out "$100,475,000" and insert "$104,682,829".

On page 5, at the beginning of line 10, strike out "$108,400,000" and insert "$108,969,385".

On page 6, line 1, after the word "Park", strike out "$17,041,000" and insert "$16,983,988".

On page 6, line 10, after the word "Health", strike out "$122,343,000" and insert "$121,441,870".

On page 10, at the beginning of line 5, strike out "$90,572,000" and insert "$105,936,000"; in line 8, after the word "That", strike out "$32,114,000" and insert "$46,995,000"; and, in line 10, after the word "That", strike out "$6,765,320" and insert "$9,472,020".

On page 11, line 12, after the word "at", strike out "8" and insert "10"; in line 13, after the word "exceed", strike out "$25" and insert "$35"; and, in line 18, after the word "than", strike out "$410" and insert "$550".

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 18706) was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 18706) was passed.

Mr. BYRD of West Virginia. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD of West Virginia. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Byrd of West Virginia, Mr. Proxmire, Mr. Yarborough, Mr. Spong, Mr. Hruska, and Mr. Javits conferees on the part of the Senate.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 57 minutes p.m.) the Senate adjourned until Wednesday, July 31, 1968, at 10 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate July 30, 1968:

FEDERAL DEPOSIT INSURANCE CORPORATION

Irvine H. Sprague, of California, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years.

HOUSE OF REPRESENTATIVES—*Tuesday, July 30, 1968*

The House met at 12 o'clock noon.

Rev. Lory Hildreth, First Baptist Church, Texarkana, Tex., offered the following prayer:

Our Father, we are in Thy presence, but while we are in Thy presence, the world is still with us. A world lost and in need of spiritual guidance; a world hungry and in need of physical sustenance; a world split and in need of a basis for unity; a world frustrated and in need of a birth of hope; and a world of great potential and in need of fulfillment.

As these needs reveal our inadequacy, help us to discover Thy adequacy. Supplement our weakness with Thy strength; supply our needs by Thy grace. Workers together with Thee, help us with Thee, to bring about Thy purpose for the redeeming the whole of man and the whole of creation. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 11026. An act to amend the act of September 15, 1960, for the purpose of developing and enhancing recreational opportunities and improving the fish and wildlife programs at reservations covered by said act, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1093. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act; and for other purposes;

H.R. 12323. An act to amend chapter 73 of title 10, United States Code, relating to the retired serviceman's family protection plan, and for other purposes;

H.R. 16363. An act to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes; and

H.R. 17522. An act making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 16363) entitled "An act to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. HOLLAND, Mr. TALMADGE, Mr. MONTOYA, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. BOGGS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 17522) entitled "An act making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCLELLAN, Mr. ELLENDER, Mr. HOLLAND, Mr. PASTORE, Mr. MCGEE, Mr. FULBRIGHT, Mrs. SMITH, Mr. HRUSKA, and Mr. COTTON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 222) entitled "An act to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped."

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1704. An act to amend title 28, United States Code, section 1491, to authorize the Court of Claims to implement its judgments for compensation;

S. 3866. An act to extend the provisions of the Commercial Fisheries Research and Development Act of 1964; and

S. Con. Res. 72. Concurrent resolution to express the sense of the Congress with respect to an International Decade of Ocean Exploration during the 1970's.

RESIGNATIONS FROM COMMITTEES

The SPEAKER laid before the House the following resignation from committees:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 30, 1968.
Hon. JOHN W. MCCORMACK,
Speaker of the House, the Capitol, Washington, D.C.

DEAR MR. SPEAKER: Please accept my resignation from the Committee on House Administration, the Joint Committee on Printing and the Joint Committee on the Library.

With kindest regards, I remain,
Sincerely yours,
OMAR BURLESON.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The SPEAKER laid before the House the following resignation from a committee:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 30, 1968.
Hon. JOHN W. MCCORMACK,
Speaker of the House, the Capitol, Washington, D.C.

DEAR MR. SPEAKER: Please accept my resignation from the Committee on Foreign Affairs.

With kindest regards, I remain,
Sincerely yours,
OMAR BURLESON.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 17522, DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1969

Mr. ROONEY of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? The Chair hears none, and appoints the following conferees: Messrs. ROONEY of New York, SIKES, SLACK, SMITH of Iowa, FLYNT, JOELSON, MAHON, BOW, LIPSCOMB, CEDERBERG, and ANDREWS of North Dakota.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 17522, DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1969, UNTIL MIDNIGHT JULY 31

Mr. ROONEY of New York. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow, Wednesday, July 31, to file a conference report on the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1969.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE REVEREND DR. LORY HILDRETH

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, it is a great honor for me to rise on this occasion to thank Dr. Lory Hildreth for the thoughtful message he has brought to us from my home church in the city of Texarkana. This dedicated man of God has been my pastor for almost 9 years and during this time he has been a source of inspiration and moral strength for thousands of good people in the four-State area of Arkansas, Louisiana, Oklahoma, and Texas through his radio and television ministry, and his service with numerous organizations which serve God by helping mankind.

Dr. Hildreth is a native of Illinois, having been born at Collinsville on the 31st of May 1917. He is married to a fine and devoted woman who has given immeasurably of her time and her own deep spiritual resources to the great success achieved by her husband. They have two wonderful children, Judy, 20, a student at Lon Morris College and Ricky, 18, who will attend El Centro College in Dallas this fall.

Dr. Hildreth holds the bachelor of arts degree from Southern Illinois University at Carbondale after having attended Southwest Baptist College at Bolivar, Mo., and William Jewell College at Liberty, Mo. He was also awarded the degree of doctor of divinity from Southwestern Baptist Theological Seminary. He is a member of the executive board and of the program coordinating committee of the Baptist General Convention of Texas, and the board of trustees of the Baptist Standard, the weekly newspaper published by the general convention. He has also served on the board of trustees of the Texas Baptist Children's Home, two terms as moderator of the Austin Baptist Association, and two terms on the Home Mission Board of the Southern Baptist Convention. He was ordained in January of 1938 and has been preaching since 1937, filling important pastorates in Texas, such as Handley Baptist Church in Fort Worth and Hyde Park Baptist Church in Austin, where he served for 8½ years.

Dr. Hildreth is recognized as one of the great, dedicated ministers of our convention whose thoughtful words and exemplary character are a meaningful, effective force for moral and spiritual excellence in the Great Gulf Southwest. We here in the Congress are indeed privileged to have the benefit of his invocation this morning.

WHITE HOUSE CONFERENCE ON AGING

Mr. PERKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 1371) to provide that it be the sense of Congress that a White House Conference on Aging be called by the President of the United States in 1971, to be planned and conducted by the Secretary of Health, Education, and Welfare, and for related purposes.

The Clerk read the title of the joint resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Speaker, reserving the right to object, I note that there is an authorization for $1.3 million. How does that compare with the authorization for spending for the last Conference on the subject of "Aging"?

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Kentucky.

Mr. PERKINS. We had a White House Conference on Aging in 1961.

That resolution was a little under $1 million. However, this is in line, $1.3 million. In other words, a lot of preparation goes into a conference of this type.

Mr. GROSS. Let me say to the gentleman, I am not opposed to these White House Conferences on Aging, but I am sure that we ought to begin the practice of frugality in the handling of the taxpayers' money. It would be my hope, although I am not going to oppose this resolution, that in the conduct of this Conference there would be austerity sufficient, at least, to hold the spending to the figure of the preceding Conference.

Mr. PERKINS. I agree with the gentleman's statement. I hope that costs will be held to a minimum.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman from Iowa yielding to me.

I understand that in House Joint Resolution 1371 there is not only included a conference for the aging, whatever the definition of "aging" may be, but also for the "middle-aged," in this particular Conference.

Mr. PERKINS. That is correct.

Mr. HALL. Did we not establish a commission just last week, Mr. Speaker, to prevent discrimination in employment of those over 65 years of age?

Mr. PERKINS. That is correct. But the advisory committee authorized in House Joint Resolution 1371 to assist the Secretary in planning for the White House Conference.

Mr. HALL. Mr. Speaker, I thank the gentleman for his reply. Would the gentleman tell me how these conferees, who will draw $75 a day—and I compliment the committee for knocking off $25 a day from the assessment to the taxpayers, because we have usually gone up to $100 per day—but, anyway, how will these people over 55 be selected?

Mr. PERKINS. They will be selected under section 3, commencing on page 4 of the bill, by the Secretary of Health, Education, and Welfare.

Mr. HALL. The current Secretary of Health, Education, and Welfare is the same man who ran the last Conference on the Aging at the White House, is he not?

Mr. PERKINS. That is correct. And we put in certain limitations here and certain standards he must abide by in making the selection.

Mr. HALL. Does the distinguished gentleman feel these guidelines or limitations are more adequate than the last Conference on Aging, which I think any honest person would admit had the selections, conclusions, guidelines, and thinking written out in advance?

Mr. PERKINS. I do, because these provisions are based on the experience of 1961.

Mr. HALL. The gentleman does not think this Conference will be "stacked" either by the aged in the excessive use of taxpayers' income to promote more "medicare," assured minimum income, or any of these other so-called social advantages for the middle-aged?

Mr. PERKINS. I do not. I feel the purposes as expressed on page 2, subsections 1 through 6, will be those of the White House Conference.

Mr. HALL. I thank the gentleman.

Mr. PERKINS. I thank the gentleman.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the very distinguished gentleman from Iowa yielding to me at this time.

Mr. Speaker, in order to clarify the record on the joint resolution under consideration, at the time that this was considered by the Subcommittee of the Committee on Education and Labor we deleted authority to give grants to the States.

The committee report that accompanies the bill states that quite clearly and I think it is the intention of the subcommittee, in order to hold down the cost. We authorized a sum of not to exceed $1.3 million which is less than that which was appropriated for the 1961 White House Conference which cost $1,346,000 and that the States should defray the cost incident to the States delegation attending the White House Conference and also to provide the funds necessary to plan and conduct State conferences on aging prior to and for the purpose of developing facts and recommendations and preparing a report of the findings for presentation to the White House Conference on Aging.

Mr. PERKINS. I accept that correction. The gentleman from Wisconsin is absolutely correct. We did make that correction in the latter bill.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

Mr. REID of New York. Mr. Speaker, further reserving the right to object, I would merely point out to the gentleman from Iowa that aside from the limits on the amount of money involved it is almost the same as the previous Conference held in 1961.

As Members may recall, passage of the Older Americans Act and the creation of the administration on aging resulted, in part, from the first White House Conference on Aging.

Once again, it is time to review the progress we as a nation have made in meeting the needs of the 19 million Americans over the age of 65. By 1980, there will be 25 million senior citizens, many of whom have yet to make their most valuable contributions to their community and their country. A White House Conference will provide the opportunity to formulate broad national goals in this area, to learn from the experiences we have derived from existing programs, and, most important, to discuss how we can most effectively deal with the urgent needs of older Americans.

Among the recommendations that it is hoped will result from the Conference is one which will really assure older persons equal opportunity with others to engage in meaningful and gainful employment and other activities. This is one of the most important steps that must be taken to actually enable older Americans to utilize all their talents. To the extent that the social security laws inhibit full-time employment for those older Americans who wish to work, they should be amended to permit this, and I would hope that the Conference gives serious consideration to this point.

Additionally, the elimination of poverty in the later years must have primary emphasis. There are now some 5 to 7 million people over 65 who are estimated to be living in poverty. In 1960, 19 percent of these lived in dilapidated housing units. Constant worry about payment of medical bills and even the expenses of daily living becomes a major burden in later years.

It is the purpose of the White House Conference on Aging to explore these problems and to find out from senior citizens themselves and from experts what the best solutions might be.

The bill before us directs the Secretary of Health, Education, and Welfare to plan and conduct the Conference, with the cooperation and assistance of relevant Federal agencies and State groups. It also authorizes the establishment of an advisory committee to the White House Conference on Aging of not more than 28 members, a substantial number of whom shall be over 55 years of age. Appropriations of $1.2 billion are made for administrative expenses.

Mr. Speaker, I urge that the House adopt this resolution.

Mr. AYRES. Mr. Speaker, House Joint Resolution 1371, calling for a White House Conference on Aging in 1971, is an example of the high concern that the Congress has for the unmet needs of other older citizens, and I strongly support the intent of this resolution. The last White House Conference on Aging was designed to catch up with the accumulated problems of the growing older population. The White House Conference this resolution visualizes will evaluate the success of that effort and then design ahead for the needs of the Nation's older population of tomorrow.

Figures I have seen from the Administration on Aging indicate that more than 60 percent of the older population at the time of the next White House Conference on Aging will have reached age 60 since the last White House Conference. Thus, there is a new group of older people with new problems arising from a new age.

Mr. Speaker, the major problem these citizens will face is one of living on a fixed income in a time of rising costs. The problems of income maintenance will present new challenges requiring imaginative and bold new solutions.

In today's affluent America, too many of our older people are in poverty:

About 41 percent of the 7 million older families have incomes of less than $3,000; half of them with less than $2,000.

More than a quarter of a million older families have incomes of less than $20 a week or $1,000 for the year.

A quarter of the 5 million older people living alone or with nonrelatives had incomes of less than $20 a week—$1,000 a year—and another quarter had between $20 and $25 per week.

More than 40 percent of the noninstitutional aged have incomes insufficient to meet the Bureau of Labor Statistics' budget for an elderly couple, described as "modest, but adequate."

Older people spend proportionately more than younger people on housing and household operations, health care, and food purchased for preparation at home.

It is my hope that, through the mechanism of a White House Conference on Aging, a blueprint for the future of our older people can emerge, so that 10 years hence the picture of the older person in this country will be one of a decent level of living in retirement rather than one, as it is for so many of them today, of gloom and despair.

Mr. Speaker, I strongly support this resolution as a means of developing in this Nation an emphasis on behalf of older people for the right of free choice and self-help in planning their lives of retirement and leisure time.

Mr. DANIELS. Mr. Speaker, I rise in support of House Joint Resolution 1371. This resolution declares that it be the sense of the Congress that the President of the United States call a White House Conference on Aging in 1971.

The problems of our aged and aging are not limited to a single area. If they were, solutions might be easier to find. They are not limited either to the more than 19 million Americans who have passed their 65th birthday. These problems are of concern to the many young people with aged parents to support; to the middle-aged who find employment opportunities closing to them; and to those who are about to step over the threshold into the new and often uneasy world of retirement.

These problems transcend the entire span of our daily existence. They include health care, housing, employment, income, and the productive use of leisure time.

Because of the changing characteristics of our older population, it is appropriate to set aside a period from time to time during which those who exercise significant responsibilities in the private sector and those who formulate Government programs can come together and reevaluate the needs and characteristics of the older persons they are attempting to serve.

Specifically this House joint resolution—

Provides that a White House Conference be called by the President of the United States;

Directs the Secretary of Health, Education, and Welfare to plan and conduct the Conference with the cooperation and assistance of other appropriate Federal departments and agencies;

Requests that the Conference bring together representatives of Federal, State, and local governments; professional and lay people working in programs and projects related to aging.

Provides that a final report of the Conference be submitted to the President not later than 120 days following the date on which the Conference is called, and the report shall be immediately made available to the public; provides that the Commissioner on aging shall, within 90 days after the submission of the final report, transmit to the President and the Congress recommendations for adminitrative action and legislation necessary to implement the recommendations in the report; directs the secretary of Health, Education, and Welfare to request the cooperation and assistance of other appropriate Federal departments and agencies, and to render all reasonable assistance to the States in enabling them to conduct and organize conferences on aging prior to the White House Conference;

Authorizes and directs the Secretary to establish an advisory committee to the White House Conference on Aging of not more than 28 Members; and

Authorizes appropriations of $1,300,000 for administrative expenses.

A similar White House Conference on Aging proposed by the late Congressman John E. Fogarty was held in 1961. The report of the last White House Conference included over 600 recommendations, some of historic significance.

After conscientious consideration of the resolution, the Select Subcommittee on Education reported this legislation with bipartisan support. House Joint Resolution 1371 was also unanimously approved by the full Committee on Education and Labor.

I envision that a White House Conference in 1971 will help to assure senior citizens equal opportunity in employment. I foresee that this legislation will find remedies to enable retired persons to enjoy incomes sufficient for good health and suitable housing.

In addition, this conference will provide ways to help the aged develop skills and interests which will make the gift of added years a period of rewarding satisfaction.

With a growing number of older citizens in the population, we can no longer afford to ignore their welfare. We can no longer be blind to the problems and the adversity that confronts older citizens just because they are old.

The White House Conference on Aging in 1961 was a successful effort by Congress to convene a national forum to develop a strong partnership between the Federal Government working jointly with the States and their citizens to develop recommendations and plans for action.

A new conference in 1971 could both evaluate the impact and progress made by various programs initiated since the 1961 conference and project future courses of action.

I urge all of my colleagues to support House Joint Resolution 1371.

Mr. SCHERLE. Mr. Speaker, I wish to state my strong support for passage of House Joint Resolution 1371 to authorize the calling of the White House Conference on Aging to be held in 1971.

The previous White House Conference on Aging, held in 1961, brought together the best thinking of that time on the needs and problems of older persons; and laid the foundation for the steps necessary to deal with these needs and problems. That conference was a great success. Virtually all of the major recommendations which resulted from the conference have been acted on, either through legislation or through other means.

Yet today, in many ways, the unsolved problems are greater in number and magnitude than they were in 1961—this, despite the passage of landmark programs for older persons such as medicare, increases in social security benefits, special housing for the elderly, and the creation of the Administration on Aging.

In effect, the problems are growing more rapidly than our solutions. There are several reasons for this. The number of older Americans is growing rapidly—from over 19 million today to 25 million in 1980. The makeup of our older population is changing rapidly—a 35 percent turnover takes place in 5 years—which in turn changes the educational levels and interests of older persons. And longevity keeps increasing while the average retirement age declines—resulting in longer period of retirement from the workforce.

We need to know how these significant changes vary from State to State, and what the best thinking is in the States and nationally, as to how to deal with these changes. We need to bring together the many separate interests and skills that can contribute to an assessment of where we are and where we should be going in meeting the problems and needs of older persons. Such interchange does go on at present. However, it is not of the scope and concentrated nature that a White House Conference on Aging can provide.

The importance of the problems of the elderly with regard to income, health, housing, transportation, and meaningful activity in retirement are such that they fully warrant a periodic national forum. Our youth-oriented society must be periodically reminded of its debt to those who built and sustained that society for us. Further, our society needs the benefits from a deliberate and searching look ahead. We can then shift from meeting problems after they are finally recognized to shaping our social programs for the elderly to meet emerging problems. This will result in better legislation and better serve the needs of older Americans.

There will be a White House Conference on Children and Youth in 1970. This Conference has proven so valuable that it is held every 10 years. The previous White House Conference on Aging proved equally valuable. I am convinced that this Conference also should be held decennially.

I urge prompt passage of House Joint Resolution 1371.

Mr. STEIGER of Wisconsin. Mr. Speaker, I rise in support of House Joint Resolution 1371, calling for a White House Conference on Aging in 1971. I have been most concerned for several years that this Nation has yet to develop effective answers to the needs of older and retired persons. In April, I was privileged to host two senior citizens seminars in Oshkosh and Sheboygan.

The U.S. Commissioner on Aging, William D. Bechill, has told me that it was a genuine pleasure for him to listen to the comments of the participants at Oshkosh and Sheboygan.

Since the seminars, I joined in cosponsoring House Joint Resolution 1371 to provide a White House conference to continue our efforts to do a better job for those who have served us well. I am glad to say that I note a much greater awareness of the problems related to retirement than I did only a few years ago. I feel certain this is due in part to the 1961 White House Conference on Aging and the activities generated at the State and local level. But, Mr. Speaker, I repeat, effective, broad gaged, widely understood and supported programs which improve the lives of significant numbers of the Nation's 19 million elderly are still lacking. We need far more creative communications, more information exchange, more commitment, and more public agreement on priorities. These needs can be met through a White House Conference on Aging. The experience of the 1961 conference has proven the effectiveness of such a conference in mobilizing public awareness and promoting new ideas and commitment.

A new White House conference will do much to sustain this momentum and to give this energy from both the public and private sectors a firm sense of direction. It will provide recommendations for legislation and program changes that will: First, be responsive to the needs of older persons as identified in both preconference activities at the State and local level, and in conference deliberations; and, second, it will promote needed coordination and more comprehensive involvement in the planning activities of the public and private spheres. Such planning must encompass the rapidly increasing numbers of our older citizens.

Today, the income level of the elderly, which affects all other aspects of their lives is still far from satisfactory. Full participation in community life is denied to many. Health needs of older people remain a matter of major public concern. Employment opportunities, and education and recreational activities are not sufficient to meet present demands.

At this time, a White House conference can draw together all the various programs which have developed so rapidly during the last few years into a coordinated program designed to meet the challenges of the next decade.

My own State of Wisconsin was one of the first five States to draft a State plan under the Older Americans Act, and to launch a State program of expanding services and opportunities for our older citizens. We want to tell other States about our progress.

Today, because of these programs, Wisconsin is much more aware of the needs of older people than it was in 1961. This is true throughout the country. My State and the Nation are increasingly aware also of the contributions older citizens may make and the resources for community service they offer.

A conference will have meaning well into the coming century and can affect the lives of all of us whatever age we are today.

The call to the conference includes directives for consideration of development of broad national goals with realistic pricetags for new proposed programs. As the committee report on the resolution says:

> Unfortunately too often we have held out the promise of programs to older people but have not financed them.

The 1961 White House Conference did not specifically provide for the implementation of that Conference's recommendations. The 1971 Conference will require the Commissioner on Aging to transmit to the President and the Congress, within 90 days of the Conference's final report, his own recommendations for the administrative action and legislation necessary to implement the Conference's recommendations.

We have come this far. We have come a very long way—the Nation's knowledge of its older people and its understanding of their capacity to contribute have grown.

The very fact that we have come so far, makes us responsible for going further. We have learned how to serve people, so we must spread this knowledge and serve more.

We are learning again the value of mature talents and experienced skills, so we must find new ways to use them.

A White House conference can bring together government at all levels, the private sector, professionals in the many fields of aging, national organizations, and older people themselves. It can dramatize and publicize both problems and solutions. It can magnify and multiply progress. It can set a deadline and provide the pressure of a schedule and timetable for inspiration and action.

And just as there is a new understanding of aging, there is a new kind of senior citizen. The senior citizen of 1971 will not be the senior citizen of 1961 just grown older.

By 1970, of the 16.7 million persons aged 65 plus in 1960, only 7.5 million will still be alive. The remaining 12.1 million aged 65 plus in 1970 or 62 percent of the total will be people who joined this age group since 1960.

In 1961, every senior citizen had been born in the previous century no later than 1896—started school in 1904 and finished the basic 12 years—if he went that far—before World War I.

In 1971, many of the senior citizens who are the subject of the conference will have been born in this century, completed elementary schooling after World War I, had 36 years of social security in which to build a retirement income, and have benefited by improved health services and living conditions.

The major point I wish to make is that for all our progress, a White House Conference in 1971 should not be—and will not be—just an updating and pushing on from 1961. It may seem paradoxical to say that progress is not enough and simply continuing what we are doing is not enough, when we know new things to do and ways of doing them.

It is time for a new pooling of progress so that it may be adopted and adapted, so the experience and the hard lessons learned in one community may serve thousands, the successes of one State be repeated in 50. And the needs and resources of a new generation of older Americans be evaluated. There will be more change each year as each of our small successes expands, and as we develop attitudes, facilities, opportunities, and realistic valuations. Age, of all commodities, is not static. Aging is change. Let us in 1971 make it planned change—successful change—affirmative change. I hope this House will be unanimous in its support of House Joint Resolution 1371.

Mr. ESCH. Mr. Speaker, I rise to support House Joint Resolution 1371. This bill calls for a White House Conference on Aging to be held in 1971. There is critical need for a national forum which will focus this country's attention to the problems facing 1 out of every 10 of its citizens so that sound and responsive courses can be charted for the future. Technological advances and medical progress have combined to bless this Nation with abundance and longevity for many. But these benefits also have their price. The reduced need for man as a producer in our economy, coupled with the extension of life from an average of 47 years in 1900 to an average of age 70 today means that new demands on the economy and our communities are continuously arising which warrant the collective assessment of professionals, citizens, agencies, officials, and older persons themselves.

The first White House Conference in 1961 explored 19 subject matter areas and issued recommendations that have served as a benchmark for Federal, State, and local actions the past 7 years. There has been an addition of approximately 2 million persons over age 65 since then. By 1971 nearly 50 percent of the elderly will be persons who reached age 65 since the 1961 conference. This rate of increase and turnover requires special attention since each new generation of the elderly are significantly different than their predecessors. This affects planning in terms of priorities which must be set and the resources which must be committed.

I would site only one of many current issues which requires careful deliberation—that of housing for older persons. Living arrangements, whether stimulating or depressing, set the tone of ones life. They can discourage or encourage meaningful living. The cost of shelter now often determines the total life style of an older person. Housing studies must include independent housing, apartment and hotels dwelling, the potential of foster homes for older persons, standards for group care facilities, need for nursing homes and chronic hospital units.

How can this Nation best assure the older citizen that an adequate supply of the type of facility he needs will be available? What is an "adequate" supply? There needs to be agreement on location, design and conveniences required. States are under pressure to permit special property tax exemptions for older property owners. Problems of housing code enforcement are facing urban officials. The impact of rent supplements on the older person needs study. Businessmen, community leaders and planning bodies need common data to plan the investment of time and resources.

This Nation is involved in a vast array of programs in cities, in rural areas, in social, educational and health services, in physical development and renewal. There must not only be an awareness of the older person in these programs, there must be common definitions of their role both as contributors and as beneficiaries of services.

What can we anticipate for minimum and maximum housing needs in the years ahead? What role can the private builders play in meeting anticipated needs? What are some new ideas for solving the dilemma of adequate, properly designed housing for low-income older persons? We are told that nearly one in every five housing units occupied by older persons is dilapidated. We know that many elderly are forced to spend up to 60 percent of their meager incomes on housing, thereby denying themselves other necessities.

Mr. Speaker, these are not just statistics. These are facts and issues of daily and pressing concern to our older citizens. They deserve our conscientious attention. When one considers the many other issues, such as health and income and purposeful activities, it becomes abundantly clear that the potential and stature of a White House Conference is very appropriate and needed.

Mr. Speaker, I strongly urge that my colleague join me in my support of House Joint Resolution 1371.

Mr. ERLENBORN. Mr. Speaker, I rise to support House Joint Resolution 1371 because we need the direction and the visibility a national conference on aging can provide. My area of special concern is that older people do not have the freedom of choice and options after retirement so necessary if that period of life is truly to be productive, fulfilling, and meaningful. The later years should be years of opportunity for many kinds of activity contributing to individual growth and satisfaction.

Too many people who are put on the shelf at 65, 62, or even 60 have the desire and the capability to make significant contributions to society or, at least, to an organization in their community. Through part-time employment or volunteer service, they may be able to contribute energetically and conscientiously for 5, 10 or even 15 years. The talents and abilities of older people must not be wasted.

Other older persons may not wish to continue working or even perform volunteer service. After a lifetime of work, they may wish simply to enjoy their leisure years. They do not, however, want to be forced into frustrating and unproductive idleness. They may want to pursue some activity that is personally rewarding and satisfying such as a hobby or cultural endeavor or further education. There must be opportunities for an older person to carry out such a long-shelved desire.

These educational opportunities can be and should be in conventional settings, such as in existing college and adult education programs and in settings, perhaps, more convenient and comfortable for the older person, such as senior citizens, senior citizens housing, and even nursing and convalescent homes.

I believe that it is becoming increasingly clear that education need not end with college or vocational apprenticeship but should be of a continuing nature and change during the course of one's lifetime as one's interests change. As the retirement years approach, one should be prepared for them through preretirement planning so that the closing of one's career does not mean retirement from life. Adequate information about retirement and planning toward that day can lessen the psychological and financial impact and alleviate many of the difficulties experienced by older people of today.

Representatives of organizations helping the aging and older people themselves, through the vehicle of a White House Conference on Aging, can explore and discuss these important areas and, in the true spirit of representative government, present us with the mandate necessary to the formulation of future aging programs.

The first White House Conference presented such a mandate and clearly affirmed the rights of older people. Nearly a decade has passed since that conference. Expert witnesses from many organizations have testified that the time has come for another such gathering in the Nation's Capital. One out of three Americans alive today—some 65 million people—will reach retirement age between now and the year 2000. Since there are only about 20 million older people today, such an increase amounts to a retirement revolution. We must begin to plan for this retirement revolution now. We must design new program concepts and new approaches to make sure that later years are not just years added to life but life added to years.

Mr. DENT. Mr. Speaker, I rise to support House Joint Resolution 1371. This bill, which I have joined with a number of my colleagues in introducing, calls for a White House Conference on Aging to be held in 1971. I feel quite strongly that such a national forum is absolutely essential if we are to create the kind of a society in which our 19 million older Americans can live a satisfying and full life.

We are still benefiting today from the recommendations made by the first White House Conference which was held in 1961. It generated a vast amount of action for the benefit of older persons.

In the years since the last Conference, we, in the Congress, have taken positive action to provide health insurance for the aged, to increase social security benefits, and to provide for the full participation of older people under the Economic Opportunity Act and for the development of various programs and services that would benefit the older poor. We have created an Administration on Aging to focus nationally on the problems of older people. And, we have passed legislation to eliminate age discrimination in employment. There are many other advances I could cite.

However, we must not sit back and be complacent now. We have only begun to meet the genuine needs of older persons in the United States. And, we cannot do the job here in Washington, alone. Both thinking and action must take place at the local level, in the communities where the people live, where the needs actually exist, and where the services must be rendered. A White House Conference is an appropriate instrument for generating interest in the needs of the aging at all levels of government and within the private sector and for developing new approaches to meeting these needs.

Moreover, a White House Conference on Aging can forge new lines of cooperation between all those involved with the field of aging. Forty-nine States and territories have approved State plans under the Older Americans Act to deal with the problems of older people at the State level. Numerous private organizations and communities are vitally concerned with the well-being of older persons. It is essential to bring representatives of all these groups together from time to time to share experiences and learn from one another and to establish improved lines of communication and coordination.

In mapping our future course we must recognize that the aging population is diverse, and constantly changing. What fits the needs of one particular group at one point in time is inappropriate for another group at a different point in time. There is a great need for a periodic reexamination of the needs of our older population in relation to the society in which they live.

We must devise ways to bring to our older citizens the full range of services necessary to promote independent living. We must provide the needed types of housing, transportation facilities, health services, and opportunities for continued education.

We must provide opportunities for older persons to remain involved in their communities. We must provide a range of recreational opportunities.

All of these are appropriate topics for

serious discussion at a White House Conference on Aging. There are many others.

I urge the Congress to support this very necessary piece of legislation.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. Res. 1371

Whereas the primary responsibility for meeting the challenge and problems of aging is that of the States and communities, all levels of government are involved and must necessarily share responsibility; and it is therefore the policy of the Congress that the Federal Government shall work jointly with the States and their citizens, to develop recommendations and plans for action, consistent with the objectives of this joint resolution, which will serve the purposes of—

(1) assuring middle-aged and older persons equal opportunity with others to engage in gainful employment which they are capable of performing; and

(2) enabling retired persons to enjoy incomes sufficient for health and for participation in family and community life as self-respecting citizens; and

(3) providing housing suited to the needs of older persons and at prices they can afford to pay; and

(4) assisting middle-aged and older persons to make the preparation, develop skills and interests, and find social contacts which will make the gift of added years of life a period of reward and satisfaction; and

(5) stepping up research designed to relieve old age of its burdens of sickness, mental breakdown, and social ostracism; and

(6) evaluating progress made since the last White House Conference on Aging, and examining the changes which the next decade will bring in the character of the problem confronting older persons; and

Whereas it is essential that in all programs developed for the aging, emphasis should be upon the right and obligation of older persons to free choice and self-help in planning their own futures: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President of the United States is authorized to call a White House conference on Aging in 1971 in order to develop recommendations for further research and action in the field of aging, which will further the policies set forth in the preamble of this joint resolution, shall be planned and conducted under the direction of the Secretary who shall have the cooperation and assistance of such other Federal departments and agencies, including the assignment of personnel, as may be appropriate.

(b) For the purpose of arriving at facts and recommendations concerning the utilization of skills, experience, and energies and the improvement of the conditions of our older people, the conference shall bring together representatives of Federal, State, and local governments, professional and lay people who are working in the field of aging, and of the general public, including older persons themselves.

(c) A final report of the White House Conference on Aging shall be submitted to the President not later than one hundred and twenty days following the date on which the Conference is called and the findings and recommendations included therein shall be immediately made available to the public. The Commissioner on Aging shall, within ninety days after the submission of such final report, transmit to the President and the Congress its recommendations for the administrative action and the legislation necessary to implement the recommendations contained in such report.

ADMINISTRATION

Sec. 2. In administering this joint resolution, the Secretary shall——

(a) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate in carrying out the provisions of this joint resolution;

(b) render all reasonable assistance to the States in enabling them to organize and conduct conferences on aging prior to the White House Conference on Aging;

(c) prepare and make available background materials for the use of delegates to the White House Conference as he may deem necessary and shall prepare and distribute such report or reports of the Conference as may be indicated; and

(d) in carrying out the provisions of this joint resolution, engage such additional personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter 111 of chapter 53 of such title relating to classification and General Schedule pay rates.

ADVISORY COMMITTEES

Sec. 3. The Secretary is authorized and directed to establish an Advisory Committee to the White House Conference on Aging composed of not more than twenty-eight professional and public members, a substantial number of whom shall be fifty-five years of age or older to advise and assist in planning and conducting the Conference. The Secretary shall designate one of the appointed members as Chairman. Members of the committee, who are not officers or employees of the United States, while attending conferences or meetings of their committees or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary but not exceeding $75 per diem, including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently. The Commissioner on Aging shall act as Executive Secretary of the Commission.

DEFINITIONS

Sec. 4. For the purposes of this joint resolution—

(1) the term "Secretary" means the Secretary of Health, Education, and Welfare; and

(2) the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

Sec. 5. There is authorized to be appropriated to carry out this joint resolution the sum of $1,300,000.

With the following committee amendments:

On page 3, line 22, strike out "its" and insert "his".

On page 5, line 6, insert a comma after "older".

On page 5, line 20, strike out "Commission" and insert "Committee".

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members who may desire to do so may have 5 legislative days in which to extend their remarks on this particular joint resolution and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

ELECTION TO COMMITTEE ON WAYS AND MEANS

Mr. ROSTENKOWSKI. Mr. Speaker, I call up House Resolution 1276 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1276

Resolved, That Omar Burleson, of Texas, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Ways and Means.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION AS CHAIRMAN OF THE STANDING COMMITTEE ON HOUSE ADMINISTRATION

Mr. MILLS. Mr. Speaker, I offer a privileged resolution (H. Res. 1277) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1277

Resolved, That Samuel N. Friedel, of Maryland, be, and he is hereby, elected chairman of the standing committee of the House of Representatives on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, it is with a fullness of heart that I rise to express to you and my esteemed colleagues my deep appreciation for the great honor you have bestowed upon me today in selecting me as the chairman of the House Administration Committee.

It has been my pleasure to have been a member of that committee ever since I was elected to the 83d Congress and took my seat. It was also my privilege to have served as the chairman of its Subcommittee on Accounts for several years, during which time I endeavored to render every possible assistance to my colleagues. My membership on this committee has enabled me to more fully appreciate the inner workings of this body. It has also afforded me a most welcome opportunity to know all the Members of the House better. For me these years have been a period of learning and preparation.

I gratefully accept the chairmanship of the House Administration Committee not solely because of the great honor it confers, but more especially because such post will provide me with the opportunity of even greater service to all of the Members and to the House of Representatives. It is a challenge which I accept, and in becoming chairman, I express the hope that I shall fulfill the arduous duties it entails with the same devotion and expertise that the distinguished Representative Omar Burleson from the 17th District of Texas gave it. He exemplified the saying, "all things are soon prepared in a well-ordered house." His wise policies and manner in handling the affairs of that committee he so very ably chaired for many years are guideposts for me, and I expect that there will be no changes.

In conclusion, I again wish to express my most heartfelt thanks for the confidence you have shown me, and for the greater opportunity you have given me to serve you.

TRIBUTE TO THE HONORABLE SAM FRIEDEL

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, it is with mixed emotions that I resign the chairmanship of the Committee on House Administration, and my position as a member of the Committee on Foreign Affairs. I value highly the friendships and the associations I have had on these committees. I feel, however, the challenge before me as I become a member of the Ways and Means Committee.

As I leave the chairmanship of the House Administration Committee, I do so with a certain consolation and confidence, that the leadership of the committee will be left in good hands as the competent, affable, and able gentleman from Maryland [Mr. Friedel] assumes the chair.

I have never had a more pleasant and rewarding experience than having had our colleague, Sam Friedel, as chairman of the Subcommittee on Accounts for a long period of time. He is one of the most diligent and dedicated public servants I have know. His energy and close attention to duty often amazes me. It is safe to say that he handles a volume of details greater than any other one single Member of this House and this is in addition to his highly important position on the Interstate and Foreign Committee.

I extend to the friend of all of us, the Honorable Sam Friedel, my warmest congratulations and best wishes for his continued success. As one so highly esteemed by his associates here in the Congress, I know he will have an appreciative response in these new responsibilities and I am sure I speak for many, if not every Member of this House, in pledging our fullest support and cooperation to him.

I am most grateful for the support given me here today in realizing an ambition for your trust and confidence in electing me to this most import committee and his highly responsible position.

TO AMEND THE ACT OF JUNE 19, 1968 (PUBLIC LAW 351, 90TH CONGRESS)

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the bill (S. 3679) to amend the act of June 19, 1968 (Public Law 351, 90th Congress) and ask for the immediate consideration of the bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, would the gentleman tell us briefly what this is about?

Mr. CELLER. In reply to the inquiry of the gentleman from Iowa, let me first say that this request was conveyed to the ranking member on the Republican side of the Committee on the Judiciary, the gentleman from Ohio [Mr. McCulloch], and that gentleman acquiesced. I am asking unanimous consent for the immediate consideration of S. 3679, which makes clerical and nonsubstantive changes in the omnibus crime bill. When the bill was passed in the Senate and we accepted it, as the gentleman may remember, without debate in the House, there were discovered subsequent to the passage by the House and the Senate certain improper references made to certain sections which we are now correcting. These changes are nonsubstantive and technical.

Mr. GROSS. These are technical changes in the bill?

Mr. CELLER. These are technical changes in the bill.

Mr. GROSS. Not substantive changes?

Mr. CELLER. They are not substantive changes.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. McCULLOCH. Mr. Speaker, reserving the right to object—and I shall not object—the chairman of the Committee on the Judiciary has personally reported to the minority the nature of the changes. The changes are purely technical changes, and we have no objection to them on this side of the aisle.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That clauses (1), (2), and (3) of section 520(b) of the Act of June 19, 1968 (Public Law 351, Ninetieth Congress), are amended by striking out "302" each time it appears and inserting in lieu thereof "301".

Sec. 2. The caption of title II of the Act of June 19, 1968 (Public Law 351, Ninetieth Congress), immediately preceding section 701 thereof is amended to read as follows:

"TITLE II—ADMISSIBILITY OF CONFESSIONS AND ADMISSIBILITY OF EYEWITNESS TESTIMONY".

Sec. 3. Section 1401(a) of the Act of June 19, 1968 (Public Law 351, Ninetieth Congress), is amended by striking out "Chapter 204" and inserting in lieu thereof "Chapter 205".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJOURNMENT FROM FRIDAY, AUGUST 2, TO WEDNESDAY, SEPTEMBER 4, 1968

Mr. ALBERT. Mr. Speaker, I call up House Concurrent Resolution 805, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 805

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Friday, August 2, 1968, it stand adjourned until 12 o'clock meridian, Wednesday, September 4, 1968.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZATION FOR SPEAKER OF THE HOUSE AND PRESIDENT OF THE SENATE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS FOUND TRULY ENROLLED

Mr. ALBERT. Mr. Speaker, I call up House Concurrent Resolution 806 and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 806

Resolved by the House of Representatives (the Senate concurring), That notwithstanding any adjournment of the two Houses until September 4, 1968, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZATION FOR THE CLERK TO RECEIVE MESSAGES FROM THE SENATE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until September 4, 1968, the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONSIDERATION OF S. 2269 AND H.R. 18763, UNDER UNANIMOUS-CONSENT REQUESTS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to advise the House that I have been advised by the gentleman from Michigan [Mr. Dingell] that on tomorrow S. 2269, to amend the act of August 27, 1954, relative to the unlawful seizure of fishing vessels of the United States by foreign countries, will be called up under a unanimous-consent request.

Also, Mr. Speaker, I have been advised by the gentleman from Kentucky [Mr. Perkins] that on tomorrow the bill H.R. 18763, to authorize preschool and early education programs for handicapped children, will be called up under a unanimous-consent request.

EVENTS IN CZECHOSLOVAKIA

Mrs. KELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. KELLY. Mr. Speaker, during the past 6 months, events have been moving rapidly in Czechoslovakia.

Under a new Communist leadership, headed by Alexander Dubcek, Czechoslovakia has initiated a series of bold experiments designed, in the words of one reporter, to temper the traditional Marxist doctrine with democracy.

Thoughtful people throughout the world have been watching these developments with care, realizing their potential significance not only for Czechoslovakia but for all of Europe as well.

As chairman of the Subcommittee on Europe of the Committee on Foreign Affairs, which has conducted various hearings and issued a number of reports on developments in Eastern and Central Europe, I have had special, deep interest in that area of the world.

That interest, of course, is that of a bystander or an observer because neither the Congress nor the executive branch of our Government have anything to do with what is going on in Prague.

Secretary of State Dean Rusk stressed recently that the United States has no intention of getting involved in Czechoslovakia's internal affairs.

Nevertheless, we cannot help but be aware of what is transpiring in Czechoslovakia and around its borders.

Some of those developments are not very reassuring and give us cause for concern.

Mr. Speaker, I ask unanimous consent to place in the body of the Record some further observations and extraneous materials relating to developments in Czechoslovakia.

Mr. FINDLEY. Mr. Speaker, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman.

Mr. FINDLEY. Mr. Speaker, I would like to congratulate the gentlewoman from New York on her statement. To me, the silence on the part of our Government in the face of developments in Czechoslovakia is disgraceful.

Mrs. KELLY. Mr. Speaker, I thank the gentleman from Illinois but I want to repeat that the policy of our Government is one of not interfering with the developments in Czechoslovakia.

EXCESS OF VOTES ON GUN BILL

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. POLLOCK. Mr. Speaker, last week we discussed the gun control legislation. I was aware that, notwithstanding my strong opposition to the passage of the legislation, there was a strong desire in this body to enact some kind of gun law. But I did not realize how strong the support for the bill was. I note on pages 23095 and 23096 of the Record there were 350 "ayes," 118 "nays," and nine not voting, which gives us a total of 477 votes. I was under the impression we had only 433 Members of the House at the present time.

CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. Albert). Evidently a quorum is not present.

Mr. MORGAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 292]

Anderson, Tenn.
Ashley
Baring
Blackburn
Blanton
Bolton
Brown, Calif.
Brown, Mich.
Burke, Fla.
Corman
Cramer
Davis, Wis.
Esch
Evins, Tenn.
Flood
Frelinghuysen
Fulton, Tenn.
Gardner
Goodell
Gubser
Hansen, Idaho
Hawkins
Hébert
Herlong
Holland
Irwin
Joelson
Karsten
Lipscomb
Long, La.
Lukens
Moore
Morse, Mass.
Pike
Rarick
Rees
Rhodes, Ariz.
Rhodes, Pa.
Schweiker
Skubitz
Teague, Calif.
Waggonner
Watson

The SPEAKER. On this rollcall 385 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

APPOINTMENT OF CONFEREES ON H.R. 16363 AMENDING POULTRY PRODUCTS INSPECTION ACT

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 16363) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Purcell, Stubblefield, Foley, Belcher, and Mrs. May.

TO ASSIST VETERANS OF THE ARMED FORCES IN OBTAINING SUITABLE EMPLOYMENT

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the House concurrent resolution (H. Con. Res. 705), to assist veterans of the Armed Forces of the United States who have served in Vietnam or elsewhere in obtaining suitable employment, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

On page 2, lines 8 and 9, strike out "elsewhere during the Vietnam era;" and insert: "elsewhere;".

On page 2, line 13, strike out all after "such" where it appears the second time down to and including "means," in line 16 and insert: "lawful action".

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

INCREASE IN 1969 AUTHORIZATION FOR FOOD STAMP PROGRAM

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 18249) to amend the Food Stamp Act of 1964, as amended.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 18249, with Mr. Landrum in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Committee had agreed that the bill would be considered as read and open to amendment at any point, and there was pending the amendment in the nature of a substitute offered by the gentlewoman from Missouri [Mrs. Sullivan].

Without objection, the Clerk will again report the amendment offered by the gentlewoman from Missouri.

There was no objection.

AMENDMENT OFFERED BY MRS. SULLIVAN

The Clerk read as follows:

Amendment offered by Mrs. Sullivan: Strike out all after the enacting clause and insert the following:

"That subsection (a) of section 16 of the Food Stamp Act of 1964 is amended (A) by deleting from the first sentence the phrase 'not in excess of $225,000,000 for the fiscal year ending June 30, 1969;' and inserting in lieu thereof the following: 'such sums as may be necessary for each of the fiscal years ending June 30, 1969, 1970, 1971, and 1972;' and (B) by adding at the end of the subsection the following sentence: 'On or before January 20 of each year, the Secretary shall submit to Congress a report setting forth operations under this Act during the preceding calendar year and projecting needs for the ensuing calendar year.' "

The **CHAIRMAN**. The Chair recognizes the gentlewoman from Missouri [Mrs. Sullivan].

Mrs. **SULLIVAN**. Mr. Chairman, we are now at the moment of decision on the future of the food stamp program. The question this amendment poses is a simple one: Should the program be permitted to expand to such size as the Congress is willing to appropriate the funds to pay for this year and for 3 subsequent years or shall it be confined to the areas which now have it, plus a limited additional number of mostly small counties, and terminate a year from now unless Congress passes new legislation early next year?

By adopting my amendment, sponsored by 130 Members of the House, we would not be issuing any blank check to this or to any succeeding Secretary of Agriculture. He has a blank check now on many farm programs. But we are not giving him one on this program.

The only money which could be spent for the food stamp program under my substitute amendment is the amount clearly appropriated by the Congress for this year or any of the 3 subsequent fiscal years—not a cent more.

Mr. Mahon's Committee on Appropriations, and Mr. Whitten's Subcommittee on Agriculture Appropriations, would have to review the estimates and make provision in the regular appropriation process for any funds this program would receive under my amendment.

The Committee on Appropriations has been far more enthusiastic about the food stamp program than the Committee on Agriculture, but the Committee on Appropriations, as we all know, is no Santa Claus. The fund requests would have to be justified on hard facts and clear evidence.

Such facts and such evidence, however, do not seem to impress the Committee on Agriculture. Whenever that committee has grudgingly reported a food stamp bill, it has usually been one loaded down with amendments intended to curtail or kill the program. And the only times we have ever succeeded in having that committee act at all on food stamp bills were when farm bills were pending, and were in trouble. We have had to ransom the necessary food stamp bills out of that committee and tie them into farm bills in order to have a chance to vote for the food stamp program.

That is what happened in 1958, 1959, in 1964 and 1967. It has happened again this year. The 1968 farm bill was in trouble, and so now we have a food stamp bill to vote on—a bad bill, an inadequate bill, but at least a bill we can now amend in order to expand this program. In return, those of us from urban areas who have usually voted for farm bills in the past, because we believe in the necessity of aiding the farmer to stay on his farm, could now, in good conscience, be able to vote "aye" for the farmer, knowing that the committee which handles both farm and food stamp bills has reluctantly reported out a food stamp bill which we can amend and improve.

There have been many criticisms of our programs to help feed the hungry in this country. Most of those criticisms were unfairly directed at the Secretary of Agriculture, who has done more than any man who ever held that office to assure better diets for the low-income people of our country. Secretary Freeman started the food stamp program—he and President Kennedy. He believes in it. He has tried manfully and skillfully to make it more effective.

Recently, we passed a bill to create a Commission on Hunger. We heard then many criticisms of the fact that large areas of this country did not have a food stamp program. All but eight of the 49 Democrats who sponsored the bill to create that Commission are cosponsors of my amendment today to permit a wide expansion of the food stamp program, and those eight will, I feel sure, support our amendment; but only four of the 38 Republicans who sponsored that bill for an investigation into hunger have cosponsored this bill to expand the food stamp program. A Commission can do some good and undoubtedly can discover many facts we already know—such as that we have millions of undernourished Americans. On the other hand, my amendment here today can make possible the extension of the food stamp program to include those undernourished Americans. If all we want is a political issue, we can denounce hunger. But if we really want to do something about it, then vote for this amendment.

LIST OF SPONSORS BY STATES OF OPEN-END AUTHORIZATION

Mr. Chairman, the 130 sponsors of this legislation include the chairmen of 10 standing committees of the House, and four ranking minority members of standing committees.

The list, by States, is as follows:

Alaska: Mr. Pollock.

Arizona: Mr. Udall.

California: Mr. Johnson, Mr. Moss, Mr. Leggett, Mr. Burton, Mr. Cohelan, Mr. Miller, Mr. Edwards, Mr. Sisk, Mr. Holifield, Mr. Corman, Mr. Rees, Mr. Brown, Mr. Roybal, Mr. Charles H. Wilson, Mr. Van Deerlin, Mr. Tunney, Mr. Waldie, Mr. Hawkins, and Mr. McFall.

Colorado: Mr. Rogers, Mr. Evans, and Mr. Aspinall.

Connecticut: Mr. Daddario, Mr. St. Onge, and Mr. Irwin.

Florida: Mr. Pepper.

Hawaii: Mr. Matsunaga and Mrs. Mink.

Illinois: Mr. Dawson, Mr. O'Hara, Mr. Kluczynski, Mr. Ronan, Mr. Annunzio, Mr. Yates, Mr. Pucinski, Mr. Gray, Mr. Shipley, and Mr. Price.

Indiana: Mr. Brademas and Mr. Jacobs.

Iowa: Mr. Smith and Mr. Culver.

Kentucky: Mr. Perkins.

Maine: Mr. Kyros and Mr. Hathaway.

Maryland: Mr. Garmatz.

Massachusetts: Mr. Boland, Mr. Philbin, Mr. Donohue, Mr. O'Neill, Mrs. Heckler, and Mr. Burke.

Michigan: Mr. Ruppe, Mr. O'Hara, Mr. Diggs, Mr. William D. Ford, Mr. Dingell, Mrs. Griffiths, Mr. Conyers, and Mr. Nedzi.

Minnesota: Mr. Karth, Mr. Fraser, and Mr. Blatnik.

Missouri: Mrs. Sullivan.

Montana: Mr. Olsen.

New Jersey: Mr. Helstoski, Mr. Rodino, Mr. Minish, Mrs. Dwyer, Mr. Gallagher, Mr. Daniels, Mr. Widnall, and Mr. Thompson.

New Mexico: Mr. Walker.

New York: Mr. Wolff, Mr. Tenzer, Mr. Halpern, Mr. Addabbo, Mr. Rosenthal, Mr. Carey, Mr. Murphy, Mr. Ryan, Mr. Scheuer, Mr. Bingham, Mr. Reid, Mr. Resnick, Mr. Button, Mr. Hanley, Mr. McCarthy, Mr. Dulski, Mr. Horton, and Mr. Podell.

Ohio: Mr. Feighan, Mr. Vanik, and Mr. Ashley.

Pennsylvania: Mr. Barrett, Mr. Nix, Mr. Byrne, Mr. Rhodes, Mr. Flood, Mr. Moorhead, Mr. Rooney, Mr. Saylor, Mr. Morgan, Mr. Fulton, Mr. McDade, Mr. Schweiker, Mr. Green, and Mr. Holland.

Rhode Island: Mr. St Germain and Mr. Tiernan.

South Carolina: Mr. McMillan.

South Dakota: Mr. Reifel.

Tennessee: Mr. Fulton and Mr. Anderson.

Texas: Mr. Patman, Mr. Eckhardt, Mr. Wright, and Mr. Gonzalez.

Washington: Mr. Adams, Mrs. Hansen, and Mr. Hicks.

West Virginia: Mr. Slack, Mr. Hechler, and Mr. Kee.

Wisconsin: Mr. Kastenmeier, Mr. Reuss, and Mr. Zablocki.

Mr. **BARRETT**. Mr. Chairman, will the gentlewoman yield?

Mrs. **SULLIVAN**. I am happy to yield to the gentleman from Pennsylvania.

Mr. **BARRETT**. Mr. Chairman, I wish to associate myself with the remarks of the gentlewoman from Missouri and to support her amendment. She has worked very hard for many years for the poor, not only for the food stamp program, but for housing and homeownership.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri to provide a 4-year open-ended authorization for the food stamp program.

Mr. Chairman, there are far too many people of all ages, black and white, in this country who go to bed hungry. They simply do not have the money to buy the foods for a proper balanced, nutritional diet. Every Member of the House is aware, I am certain, of the pressing need for action to relieve this deplorable condition. The food stamp program has shown the hoped-for promise of providing food—in a balanced diet—for these poor of our own country, who for too long have suffered.

Those who object to the open-ended authorization in the amendment, I believe, are refusing to fully face the present crisis that exists. They are unwilling to face the realities that here in this affluent country of ours there are far too many who exist on starvation diets.

If we are to solve this problem quickly, we must provide the Secretary of Agriculture not only with the necessary tools but with legislation in a form which will clearly express congressional concern and intent. Concern over problem and intent to correct the condition as quickly as possible.

This, the amendment by the gentlewoman from Missouri will do. I strongly urge my colleagues to support this amendment and hope that it will be overwhelmingly approved.

Mr. **CAHILL**. Mr. Chairman, will the gentlewoman yield?

Mrs. **SULLIVAN**. I am glad to yield to the gentleman from New Jersey.

Mr. **CAHILL**. One of the things I personally do not understand is the reason for the extension of the program for a 4-year period. I wonder if the gentlewoman would advance, for my benefit at least, the reasons for that need.

Mrs. SULLIVAN. I would be happy to do so.

The CHAIRMAN. The time of the gentlewoman from Missouri has expired.

(On request of Mr. McCORMACK, and by unanimous consent, Mrs. SULLIVAN was allowed to proceed for 5 additional minutes.)

Mrs. SULLIVAN. Mr. Chairman, there is ample precedent for these programs of the Department of Agriculture to be for more than 1 year. We have such a precedent in the farm program.

Mr. CAHILL. I am not interested in other programs. If the gentlewoman will yield further, I am interested in the reason why the gentlewoman believes it is necessary in this particular program.

Mrs. SULLIVAN. I would be happy to answer. The gentleman has been here all of these years covering the period I have just recited—1958, 1959, 1964, and 1967—and he knows we have had to fight constantly with the Committee on Agriculture to get any bill at all out of that committee. When a bill does come out, it usually comes out crippled, and we have to correct it on the floor. I think we should not have to go back to that committee every single year to plead with them to let this program survive. If the committee wants to review it and wants to kill it, they can do so by positive action any year they want to. They retain jurisdiction, but they cannot kill the program merely by inaction if we pass this amendment.

Mr. SMITH of Iowa. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Also we have counties that want to come into the program, and really, if they are going to come into the program, they must plan, hire personnel and tool up for it. They must hire employees. They need to know the program will last more than 1 year. In Iowa, 10 counties are waiting to come into the program. They have to program their tax at least 1 year ahead. They have to tool up. It seems to me, just as in the case of the farm program where farmers need to know ahead of time, local communities need to know they will have more than a 1-year program.

Mr. McCORMACK. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I am happy to yield to our distinguished Speaker.

Mr. McCORMACK. I assume that is one of the reasons the gentlewoman has in mind. The amendment would assure a continuity for 4 years, and it would avoid the uncertainty every year that we know this most deserving program encounters. Is my inference correct, that this would assure continuity?

Mrs. SULLIVAN. Yes, Mr. Speaker, it would. I would also like to say that the amendment I have offered today allows this program to grow, and we have been trying to encourage its growth and help people learn how this program operates. That is why, each year, more and more money is required—because the program is growing in size, not only in the number of areas in which it is in operation, but in the participation by low-income families in those areas. As other areas apply, they can be brought into it, if we have the authority to appropriate more money. But the program would still be restricted to the amounts we actually appropriate.

Mr. CAHILL. Mr. Chairman, will the gentlewoman yield for just one more question?

Mrs. SULLIVAN. I am happy to yield to the gentleman from New Jersey.

Mr. CAHILL. The thing that concerns me, and on which I would like the gentlewoman's comment, is the fact that constitutionally we are elected to serve for a period of 2 years and we are, I believe, expected by the intent of the Constitution to reflect what the people of this country think. I am wondering how we can really, in this particular Congress, justify extending a program over and beyond not only our term but even one more term. I am wondering if the gentlewoman would not consider reducing the period from 4 years to perhaps 2 years, so that it would be at least in line with the service that we have as elected Representatives. I could support a 2-year extension, but I have trouble justifying any longer extension than a congressional term of office.

Mr. ALBERT. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. Mr. Chairman, I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, it seems to me the answer to the gentleman is that we should do what we think is necessary now. If the next Congress feels something else is necessary, it should act accordingly.

Mrs. SULLIVAN. Mr. Chairman, I thank the gentleman from Oklahoma. I should add that my substitute deals only with the authorization for appropriations. The 1964 Act is permanent legislation. We are not extending the Food Stamp Act today—just the authority under it to appropriate the necessary funds.

Mr. FRIEDEL. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri to provide an open-ended authorization for the food stamp program.

It is shameful that so many of the people of this country suffer from malnutrition and near starvation. This condition exists in far too many areas of the country—urban and rural both. We have been made fully aware of the fact that far too many of our people, women and children, young people and old people, black and white, go to bed hungry at night.

We know that the food stamp program, where it has been operating, has done a better job at a lower cost per person than any other program to correct this deplorable condition. Those who object to open-ended authorization of this proposal would seemingly prefer to ignore the facts. Possibly in the hopes that they will disappear. We know, they will not.

The amendment before us will allow for a limited expansion of the program. It will serve to give the Secretary of Agriculture a clear indication that it is the intent, desire and will of the Congress to attack this problem of hunger in this country and that this one tool should be used where possible. And most important that this tool will be available for a number of years—not that it will have to be fought for every year.

Mr. Chairman, with all my heart I urge my colleagues to support this amendment and vote for its adoption.

Mr. ANNUNZIO. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the substitute food stamp bill offered by our distinguished colleague from St. Louis, Congresswoman LEONOR K. SULLIVAN, chairman of the Subcommittee on Consumer Affairs of the House Committee on Banking and Currency, and the one Member of Congress who has done more than any other individual to bring about the establishment of a food stamp program for low-income Americans.

I am proud to be a cosponsor of the legislation offered by the gentlewoman from Missouri to permit a continuous, orderly expansion of the food stamp program into areas which do not now have the program, and to assure the continued operation after the current fiscal year of our existing food stamp projects, including the one in Cook County, Ill., which is helping more than 108,000 people to eat properly the good foods they need.

We are all deeply concerned these days about the starvation occurring in the Biafra area of Africa, but it comes as a shock to most Americans to learn that we also have widespread malnutrition here in the United States. This is not because of war, or lack of food, or lack of transportation, or lack of anything—except lack of sufficient use of the resources we already have to feed our needy.

For instance, more than half of the counties in the United States do not have the food stamp program. In those areas such as Chicago which do have it, not nearly as many people are participating in it as should be. This presents an educational problem as well as an administrative one—we must reach more of the eligible people and convince them of the advantages of buying the food stamps and obtaining in that way a much better diet than they can afford on their own. Sometimes, the food stamp purchase requirements are too high for a particular family in comparison to the family income, and this is something the Department of Agriculture must take into consideration in the administration of the program.

But we cannot expand the food stamp program into new areas or lower the participating families' share of the cost of the food stamps unless we appropriate substantially more money for the program than it is legally possible to appropriate under existing law. That is why I cosponsored the bill providing for an open-ended authorization, and that is why I rise now in support of the motion to substitute this bill for the inadequate bill reported from the Committee on Agriculture—a bill which raises the ceiling on appropriations by only $20 million and which authorizes continuation of the program only for the current fiscal year.

If we pass the bill proposed by the Committee on Agriculture, we will not be able to expand the program to the hundreds of areas which want the food stamp program. Furthermore, by limiting the legislation just to the present fiscal year, the committee bill would create a serious problem next year, when a new Congress will be convening—and it will be many weeks before all of the committee assignments are made and legislative work can begin. In order to keep the food stamp program from ending next July 1, the new Congress would have to get it enacted into law early in the session in time to permit the appropriation of funds to keep the program going. There is no reason to put the program in such jeopardy.

Therefore, I urge my colleagues to support the 4-year authorization proposed in the substitute bill, in preference to the 1-year authorization contained in the committee bill. The committee bill contains an amendment to the Food Stamp Act of 1964 to prohibit food stamps being sold to strikers. I did not know that going on strike is a crime in the United States, punishable by having your children denied the benefits of a government nutrition program. Should we bar strikers' children from participating also in the school lunch program? This is ridiculous. I oppose the committee bill and support the substitute measure.

Mr. ALBERT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment of the gentlewoman from Missouri [Mrs. SULLIVAN]. I rise also to congratulate her upon the leadership which she has given to the food stamp program over the years, both here in the House and across the Nation.

I also commend the distinguished chairman of the Committee on Agriculture for bringing this matter to the floor. Indeed I commend all members of the committee with whom I served so many years. I appreciate what you have done in preparing and presenting this bill. I believe the amendment will improve it.

This amendment provides for a 4-year authorization without specific monetary limitations on appropriations. The amendment includes specific rules for congressional review prior to each annual appropriation. It will thus permit the Congress to make its decision each year in the light of the then-current situation. A 4-year authorization will also remove the uncertainties which the States now face about the future of the food stamp program, and will implement the policy of orderly and progressive year-to-year expansion.

On April 8, 1964, the House of Representatives took a forward step toward the improvement of nutrition among this Nation's poor. That day marked the passage of the Food Stamp Act. This act, most simple in concept, has since proven to be an effective instrument for getting more and better food to people who need it.

At the time of the 1964 action, the food stamp program was operating in 43 areas in 22 States under the 3-year pilot program. It has been carefully tested and developed. Today, the food stamp program is contributing materially to the well-being of approximately 2.5 million persons, by providing a more nutritious diet through added food-buying power.

It is essential that these persons be assured that the program will continue, and that the supervisors of the program are assured of its firm continuation in order to maintain the professional skills needed to insure the admirable administrative record of the program.

I urge my colleagues to accept Congresswoman SULLIVAN'S amended food stamp bill so that the Department of Agriculture and the States can move forward with this program.

Counties and cities are waiting in line to get the program. They must invest money and staff time to inaugurate the program. We have the means to assure them that the program will continue beyond next June.

States and counties that are now in the program are reluctant to spend funds and staff time to improve their operations or to reach more eligible people. They are saying: "How can you ask for such an additional investment on our part, when we have no assurance that food stamps will be continued next year?"

The food stamp program is not complicated to operate. I have heard it referred to as unbelievably simple for a Government program. Nevertheless, it takes time to set it up, to hire staff, negotiate contracts with local issuing agents, and to certify recipients. And, it takes time to educate recipients in the best way to use their food stamps.

Let us approve the substitute offered by the gentlewoman from Missouri so that we may have a better food stamp program.

Mr. BRASCO. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I supported this amendment when it appeared before the committee, and I support it today. I will not belabor this committee with the reasons why I support the amendment as offered by the gentlewoman from Missouri [Mrs. SULLIVAN] but I would like to make several comments concerning the food stamp program and the bill that will follow it, the farm bill.

During the 90th Congress, this House has debated many complex issues concerning domestic policy. It is evident from the debate and from the subsequent votes on bills designed to cure these problems that there is a deep division between Members of the House who represent rural communities and those of us who represent urban communities.

I believe this is so because many Americans living in rural communities do not fully comprehend the problems of the ghettos, the industrial slums, and the negative aspects of living in our complex cities and, by the same token, I am aware of the fact that many Americans living in our urban centers do not fully appreciate the problems experienced by agricultural America.

It is evident that what we do here on the floor of the House not only affects our immediate constituencies, but also affects Americans across the Nation. This leaves us with the issue of consensus and understanding between rural communities and urban communities.

Can there be any agreement? Is there a pivotal issue from which it can begin? I believe, gentlemen, that there is a point of beginning, because during all of the debate we have had on the floor there is one thing that is constant, and that is the theme of our building for a stronger America.

I submit that America is not stronger if in an era of unprecedented wealth there is inequality in living. America is not stronger if the cancers in our cities continue to grow. America is not stronger unless Americans are safe to walk our streets by day and by night. America is not stronger unless we are able to feed all of our citizens adequately. And, yes, America is not stronger unless we have a viable and workable farm policy and all the necessary attendant projects to make it a reality.

Last week during the course of a debate, the Speaker in the well of this House made a comment which I feel applies here as well.

He stated, "If we are to err, let us err on the side of strength."

I know there are doubts among those of us who represent rural communities and among those of us who represent urban communities concerning both programs, the food stamp program and the farm program. However, I urge my colleagues to resolve that doubt in behalf of a stronger America and vote for both of these programs; for history will not record those things which divide us but only what action we have taken after Americans both in the rural areas and in the urban areas have asked this Congress for help.

Mr. TIERNAN. Mr. Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. I thank the gentleman from New York for yielding. I congratulate the gentleman on his fine work with the Agriculture Committee, and also the gentlewoman from Missouri [Mrs. SULLIVAN].

I wish to emphasize the pressing need for action on the food stamp bill as amended by Congresswoman LEONOR SULLIVAN. Today, more than 1,000 projects are operating the food stamp program in 43 States and the District of Columbia. These projects are reaching approximately 2.5 million persons. These are impressive numbers. They alone speak for the validity of this program and suggest the urgency for prompt passage of final legislation.

In addition, many more projects, already designated for the program, are awaiting the go-ahead to open their projects. Further, a number of areas around the country have requested that they be included in the program. To defer action on this bill is to deny these areas their needed food assistance and to ignore the effectiveness of this program.

Congresswoman SULLIVAN has proposed that the program be extended for 4 more years and without monetary restrictions. As a cosponsor, I feel this is how the bill should be enacted. Also proposed in the amended bill is an in-depth congressional review prior to each annual appropriation.

There are distinct reasons why the bill should not be limited to specific monetary restrictions or to a short-term extension. In one word—impracticality.

On the various governmental levels, administrators cannot effectively and smoothly execute a program when time or money are of an overbearing essence. Or, when they are under the constant threat of change.

The uncertainties which would accompany such a short-term, limited bill would hinder the very purpose of the program—the benefits achieved in food assistance to the poor.

The food stamp program is a successful program. Despite its obvious criticisms—which all programs have—it is a popular program. It has done well. But it should and can do better. It can do better if it is extended for 4 more years—and if it has no monetary restrictions.

Mr. POAGE. Mr. Chairman, there have been expressions by various Members already on the amendment. I wonder if we could not limit debate to about 15 minutes.

Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MICHEL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BELCHER. Mr. Chairman, I move to strike the last word.

I should like to ask the chairman of the committee if he would request unanimous consent for a longer period than 15 minutes.

Mr. POAGE. How much time?

Mr. BELCHER. About 30 minutes?

Mr. POAGE. That is all right with me. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MICHEL. Mr. Chairman, reserving the right object, I will not object only if I am guaranteed my 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BELCHER. Mr. Chairman, this food-stamp plan spent $185 million last year. Automatically it will go up to $225 million for the coming year. The committee bill provides for an extra $20 million, which means $245 million as compared with $185 million for last year.

I voted for the tax bill. I also voted for a $6 billion cut in expenditures.

I did not want to vote for a tax bill any more than any other Member of the House wants to vote for increased taxes. It is easy to vote for appropriations, but it is pretty hard to vote for taxes. Nevertheless, I did vote for it, for the very reason my good friend who just preceded me in the well of the House stated: I wanted America strong. I thought America was facing a very desperate situation. And I was so advised by the administration, and I took the advice of the administration, and I went along with the President on a 10-percent tax bill.

We had a bill here just yesterday to exempt the Post Office Department from the cut they are going to take. It was suggested at that time we were going to have another bill which would exempt some other department, which was to have been a part of the $6 billion.

If at the very same time the administration tells me we face a desperate fiscal situation in this country we are going to expand programs, then I believe I was misled in the first place and I should not have voted for the tax bill.

This program is not asked to cut back. It is not even asked to spend the same money it spent last year. The committee itself gave them $60 million, which was a 33⅓-percent raise over the money that was spent last year, at the very same time we are going to have to cut a lot of other programs which are in many instances just as important, and which are designed for the purpose of taking care of poor people just like this one is.

One of the differences I have with the gentlewoman from Missouri on this particular program is the fact that this is to take care of those people who have money, not the people who do not have money—the people who have to have groceries and so forth. This is to supplement the diet of people who already have money to buy groceries with and who would spend their money to go with a portion of the food stamp funds to get a better diet. First of all I think it is important to feed the people who do not have any food rather than to make a better diet for people who already have food. For that reason I do not think we should increase this program more than $60 million, because there are lots of other welfare programs that are being cut back.

I am just wondering if that side of the asile would be as enthusiastic about expanding every single program at the very same time that the President of the United States has promised us he would cut back $6 billion. I think the committee bill should be sustained.

Mr. MATSUNAGA. Mr. Chairman, I move to strike the requisite number of words.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield to me?

Mr. MATSUNAGA. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. I would like to ask the gentleman from Oklahoma [Mr. BELCHER], in speaking of the savings from the taxpayers' money—I would like to ask him if he is aware that there are a quarter of a million Oklahomans getting free surplus food from the Federal Government at a cost of $11 per month for each one of those persons. This is the cost to the Federal Government for this free food. Because of the lack of variety in the surplus food, this constitutes a completely inadequate diet. Would they not be better off with food stamps, at an average cost to the Government of $6.73 a month for a better diet, instead of the $11 a month it costs the Government now to give them surplus foods?

Mr. BELCHER. I would say to the gentlewoman that she should ask the majority leader, who comes from that part of Oklahoma which contains most of the citizens getting the free commodities. It does not happen to be in my section of the State. Therefore, the majority leader would be much better qualified to say whether they should keep the present program or take the food stamp program. I never heard him advocate bringing the food stamp program into Oklahoma. Maybe he has and I have not heard it; but, at any rate, he is the man you should ask that question of, because he just spoke for this part of the bill and should be the one to question on this matter.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Chairman, my distinguished colleague from Oklahoma, I think, misconstrues the facts. There are quite a few counties, not in my congressional district, in which food distribution is made. As a matter of fact, some of the richest counties in Oklahoma are in my congressional district. I would also say to my friend from Oklahoma that I have had county commissioners tell me they wanted to change to this program. As far as I am concerned, I would say the programs should be optional. I think this is a good program for those who want it, and that is all I am advocating at this time.

Mr. CONYERS. Mr. Chairman, will the gentleman yield briefly?

Mr. MATSUNAGA. I am glad to yield to the gentleman from Michigan.

Mr. CONYERS. This has been a very illuminating discussion. What difference does it make whether the people who are hungry are in your district or not? I am voting here as a national legislator. If somebody is hungry in the eastern part or the northern end of Oklahoma and this program will bring help to them, I am going to vote for it. I do not care whose district it is in.

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Chairman, as a cosponsor of H.R. 17721, which would provide for a 4-year extension of the food stamp program, without monetary limitation on appropriations, I rise in support of the substitute amendment.

There is little or no question about the need for a food stamp program. The issues presented concern themselves with the term of extension—whether it should be 1 year or 4 years—and with the amount of authorization. Undeniably, a 4-year extension would erase the uncertainties of a short-term bill. With a longer term extension, the administering officials at all levels—Federal, State, and local—would be able to make better plans for the execution of a program of proven worth. In addition, a 4-year authorization would provide the low-income families the security of knowing that their food assistance will continue for at least that period of time.

Monetary limitations on this type of bill would place the same kind of damper on the program as a short-term extension. Foremost are the uncertainties they would create about a program which is designed to meet a rapidly expanding need. A program of this nature should be made available to all of our Nation's hungry and ill fed, and not be limited to just a few.

At present, this commendable program is operating in over 1,000 areas in 43 States, including my own State of Hawaii and the District of Columbia. Approximately 2.5 million persons are beneficiaries of this self-help program. Many of these people are literally being given the bread of life through this program. Children are being spared the crippling effects of malnutrition. There are, however, many more desperately in need of this program but waiting for the necessary funds. Adoption of the Sullivan substitute amendment would insure the furtherance of the food stamp program in those needy areas.

Mr. Chairman, the food stamp program in the Aloha State has been one of outstanding success from its very inception. The program was inaugurated in Hawaii in the city and county of Honolulu on April 12, 1966. Some 3,057 welfare families were initially certified as being eligible to participate in the program, and within 30 days approximately 300 low-income families had applied. The program was eventually expanded to include the three remaining counties in Hawaii. Preliminary figures compiled by the Department of Agriculture show that, for June 1968, 11,385 persons in the State of Hawaii were participating in the program and the estimated total value of the bonus coupons issued that month was $70,000. Bonus coupons of the estimated total value of $685,000 have been distributed in Hawaii during fiscal year 1968.

Mr. Chairman, I am sure that the figures for my State are representative of the other counties in other States where the food stamp program is in operation. Its almost instant success goes to prove that this program is not only an effective instrument in the war on poverty, but it is also an expression of the beneficent spirit of America. In this, our land of plenty, there is no reason why our Nation's food abundance should not be utilized to the maximum extent practicable to safeguard the health and well-being of our Nation's needy, who today face the scourge of malnutrition.

The elimination of the dollar limitation as proposed in the substitute bill, H.R. 17721, would make possible the implementation of the food stamp program at a level which would eliminate a certain amount of selectivity among geographic areas and the people within a geographic area who are in need of its assistance, and bring its benefits to all who are the intended beneficiaries of the program. I am fully cognizant of the objections which are voiced against an "open-ended" authorization, but I am also confident that the very nature of the food stamp program, wherein the beneficiaries themselves must provide the basic funds for the purchase of food stamps, will prevent abuse.

Mr. Chairman, I strongly urge a favorable vote for the substitute amendment. By its adoption we will be waging a real battle in the war on poverty.

The CHAIRMAN. The time of the gentleman from Hawaii has expired.

(On request of Mr. EDMONDSON, and by unanimous consent, Mr. MATSUNAGA was allowed to proceed for 1 additional minute).

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I thank the gentleman for yielding.

Mr. Chairman, since the question of the requirement for these food programs in Oklahoma has been raised and debated a little bit, I believe it in order that the record should be set straight. The current figures from the Department indicate that practically every county in the State of Oklahoma is benefiting from surplus food distribution. As a matter of fact, in Tulsa County, which is the second largest county in the State, 13,529 people—the second highest number of people in any county of our State—are benefiting from commodity distributions. The number in Oklahoma County, our largest county, exceeds 26,000. Surplus food distribution is a program that is benefiting people all over the State of Oklahoma, just as it is benefiting people in all of the States of the Union.

I agree wholeheartedly with the majority leader in his position that it is a healthy thing and a desirable thing to have local options available to the people as to the programs to be used to assist low-income families in their localities.

Mr. POAGE. Mr. Chairman, again I wonder if we could not limit this debate and move along, since we have another bill to come up this afternoon, we hope.

Therefore I would ask unanimous consent that all debate on this amendment and all amendments thereto end at 10 minutes of 2.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SAYLOR. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 2 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SAYLOR. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

MOTION OFFERED BY MR. POAGE

Mr. POAGE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 10 minutes after 2.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. TEAGUE of California) there were—ayes 65, noes 53.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I commend the gentlelady from Missouri for her substitute offer here today. As many of you know, I had joined together with her and 128 of our colleagues in introducing H.R. 17721 earlier this year. That bill is identical to her substitute amendment which is being offered here today.

I thoroughly support this 4-year program for the reason that our local governments need an opportunity to plan for such a program as this. Such planning includes the hiring of people to administer this program locally. These employees have to learn how the program operates and they can only learn from experience. I submit that it would be extremely difficult if not impossible to get qualified people to work for just 1 year if they are unsure they will have continued employment.

But more than this, I would like to see a permanent program of this sort—a continuing program. I think it is sufficient that the Appropriations Committee review the food stamp program every year without having an annual battle for authorization. This is the viewpoint that is shared by the 130 Members of the House who cosponsored this bill and its identical companion measures. We all believe the food stamp program is the finest plan ever devised to enable all of our citizens, regardless how poor or how small their income, to have a balanced diet in a nation with an abundant food production. I should also point out that this view is shared by the four members of the Agriculture Committee who voted for this legislation in the committee.

It is important to point out that the cost of the food stamp program is only about half the cost of free handouts of such agricultural surpluses as powdered eggs, peanut butter, dried milk, and corn meal. The average Federal subsidy within the food stamp program to some 2.5 million persons is $6.73 per month. This subsidy does more than any program yet devised to insure a nutritious diet for participating families. On the other hand, it costs the Federal Government $11 a month to give away the surplus commodities I have mentioned to more than 3 million persons. In other words, the Government is paying almost twice as much per person to supplement diets in a less than satisfactory fashion.

The food stamp program that we are joining in support of today is also beneficial to our farmers because more farm products will be purchased in the marketplace.

I anticipate there will be an attempt to attach an amendment which would exclude from this program the breadwinners who are involved in a strike or work stoppage. Mr. Chairman, I have lived in areas where we have had strikes. The citizens of my State, Montana, have just suffered through an 8-month copper strike. The children of the families involved in the strike did not vote for the strike. Neither did all the male heads of households, heads of families, vote for the strike. But they were all out of work, they were all outside the farms when the mines and mills were shut down, and they all desperately needed food stamp help. Thank God they had it.

I do not know what would have happened to them otherwise because that strike lasted for 8 months and it was not the strike alone that kept them out of work. They were outside the farms because of the cost of copper and because of the imports of copper. They were in a walkout, as a matter of fact, more than a strike after the strike got underway because import copper was satisfying the demands of industry. The fact of the matter is that some of the companies against whom the strike was declared were the ones most responsible for the sharp increase in copper imports. Before the strike began they sold copper at 38 cents a pound on the open competitive market. During the strike as imports rose the price of copper also rose to 65 cents and, as a matter of fact, as high as 80 cents at times. Last April imports were up a whopping 115 percent from the April 1967 level and for the first 4 months of this year ran 44 cents more—above the 38 cents or 82 cents—than during the same period in 1967. The April 1967 level could be called a normal import volume. Thus you can see the imports were a tremendous benefit to the integrated copper companies and contributed to a continuation of the strike.

I do not think it can be said that the food stamp program contributed to a continuation of the strike. It simply prevented starvation of many families during the strike.

These are the reasons that I rise today in support of the Sullivan substitute which is before the House today. I urge all of you, my colleagues in the House, to lend your support to this legislation and this important program. I urge you to approve it without harmful amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I support the amendment of the gentlewoman from Missouri [Mrs. SULLIVAN] to extend the food stamp program for 4 years. Before coming to Congress, I served in a rewarding, but nonpaying, position as chairman of the welfare board of a county of 250,000 population. I know that it is very important to a local government body which is responsible for administering welfare programs to know more than 1 year at a time what Federal and State programs will be available.

Local governments, to a large extent, must plan their budgets and levy their taxes 1 year in advance. They also have the problem of planning, training, and hiring a staff to administer these Federal, State, and local programs. The best kind of personnel are not obtainable in most cases for a program which is not assured of more than 1-year duration. Out of 99 counties in Iowa, 73 now have the food stamp program and 10 others have for some time requested the program. A county can hardly request such a program and undertake its administration if they are not assured that it will last more than 1 year.

Local governments and farmers have a great deal in common when it comes to the need for planning and for knowing the basic program under which they will work. When the farm bill comes up I intend to offer an amendment to extend it for 4 years also. I think the food stamp and farm programs in their basic forms need to be extended 4 years at a time. These amendments do not prevent the Congress from changing the program in some future year, but it does assure the general framework will be available and that local governments and farmers can plan at least to that extent.

The food stamp program has become an important program in meeting the needs of persons with inadequate income and also in helping meet the problems and responsibilities that county governments face. In the 73 counties which are participating in the program in Iowa, there are more than 28,000 persons receiving food stamps who invest about $375,000 of their own money per month for $575,000 worth of food coupons. In other words, the food stamp program helps them stretch their money 50 percent further and means that more meat, milk, poultry products, vegetables, and fruits can be included in the diets of these low-income individuals and facilitates much more of a market for products that we have the ability to raise. It also increases the retail activity benefits for grocers and other merchandizers who also help to support the community in various ways.

High protein products, including livestock and dairy products, are needed in greater quantity by most low-income people and the food stamp program has especially increased the demand for this kind of products which, to a large extent, is converted from corn and soybean meal which is in plentiful supply.

It is difficult for some people who have always had all the food they wanted and considerably more than they needed to understand that there are children who have seldom been able to eat a whole tomato, a whole orange or a whole banana because their families budget for food was so lean that whenever these kinds of foods were available, each child in a large family could have but a small portion. These kinds of foods together with protein foods are badly needed if children are to become strong and healthy citizens who can contribute to the fullest extent to the well-being of our whole society. Tobacco, alcoholic beverages, and nonfood items are prohibited so that the needed foods will be purchased.

I urge the adoption of this 4-year amendment to help remove the uncertainty which State and local governments now face about the future of this important program. I stress again that local government, county governments, local welfare agencies, and others concerned need to plan more than a few months ahead just like the farmers of this country need to plan more than a few months at a time in order to finance their operations and I urge you to support both this Sullivan amendment for a 4-year extension of the food stamp program and also an amendment to be offered on the farm bill for a 4-year extension of that program.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I rise in strong support of the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN].

I should like to commend the gentlewoman from Missouri for her leadership throughout the years on this question. I was pleased to join her in introducing H.R. 17722, which corresponds to the pending amendment. The recent television documentary produced by CBS, entitled "Hunger in America," and the report of the Citizens' Commission on Hunger demonstrated that people are literally starving to death in the United States. The Citizens Board of Inquiry into Hunger and Malnutrition reported that between 10 million and 14.5 million Americans are "seriously underfed." It is time that Congress take appropriate action.

There is no reason why a fight should be waged annually for the next 4 years over whether or not the United States needs a food stamp program. Aside from the economic arguments as to the benefits derived by the farmer and businessman from the food stamp program, there is one overriding consideration which demands that the program be continued and expanded: People are starving in America. Starvation in the United States is a reality which can be ignored no longer.

The Citizens Board of Inquiry into Hunger and Malnutrition in the United States last April 22 published the findings of an intensive investigation in a report entitled "Hunger U.S.A." I quote from the introduction to that document:

> In issuing this report, we find ourselves somewhat startled by our own findings, for we too have been lulled into the comforting belief that at least the extremes of privation had been eliminated in the process of becoming the world's wealthiest nation. Even the most concerned, aware, and informed of us were not prepared to take issue with the presumption stated by Michael Harrington on the opening page of his classic, *The Other America:*
>
> "to be sure, the other America is not impoverished in the same sense as those poor nations where millions cling to hunger as a defense against starvation. This country has escaped such extremes."
>
> But starting from this premise, we found ourselves compelled to conclude that America has not escaped such extremes. For it became increasingly difficult, and eventually impossible, to reconcile our preconceptions with statements we heard everywhere we went. . .
>
> 1. Hunger and malnutrition exist in this country, affecting millions of our fellow Americans and increasing in severity and extent from year to year.
>
> 2. Hunger and malnutrition take their toll in this country in the form of infant deaths, organic brain damage, retarded growth, and learning rates, increased vulnerability to disease, withdrawal, apathy, alienation, frustration and violence.

William Chapman graphically described the conditions of which the Commission spoke in a story in the New York Post of July 10, 1967:

> ### NEGRO MALNUTRITION SEEN RIFE IN MISSISSIPPI
>
> (By William Chapman)
>
> BELZONI, MISS.—Gussie Shaw and her fatherless brood of four had bologna sandwiches for breakfast—the squarest meal of the day.
>
> The alternatives were rice or grits or beans or one of the five cans of meat that the U.S. Department of Agriculture and the state of Mississippi allot them each month.
>
> There is never any milk or fresh meat or fruit. The drinking water comes from a community faucet that drips slowly by the side of an alley renamed, in a now-forgotten enthusiasm for beautification, "Ladybird Avenue."
>
> The absurd question is asked and Gussie Shaw explodes:
>
> "Of course the kids are hungry! Vernora, come here and show the man."
>
> She lifts the blouse on the skinny 5-year-old girl and exposes, along with the frail chest, a stomach blotched with sores—"risings," Mrs. Shaw explains, "and the home remedy never did no good."
>
> The Shaws of Ladybird Avenue and their counterparts throughout rural Mississippi have become, to their surprise, featured symbols of a new national alarm.
>
> Negroes in Mississippi are starving, a team of distinguished doctors declared recently—starving in the sense that acute malnutrition shortens their life span, dying young from an accumulation of hunger-induced diseases that go untreated for years.
>
> The doctors, who will present their story to a Senate Subcommittee Tuesday in Washington, found children suffering with parisitic diseases—trichinosis and hookworm; children with skin shrunk by malnutrition; children with ulcerating sores, boils, abscesses, rat-bites; children who could not undergo even minor operations without first receiving blood transfusions.
>
> "Malnutrition," said the physicians' report, "is not quite what we found. They are suffering from hunger and disease and directly or indirectly they are dying from them—which is exactly what 'starvation' means."
>
> #### MANY YOUNGSTERS UNDERWEIGHT
>
> The non-medical observer touring Mississippi can find with ease what the doctors discovered.
>
> In Belzoni, self-proclaimed "Heart of the Delta," many Negro children get up hungry and go to bed hungry.
>
> "They come in the morning and don't even stop at the classroom," observes Willie Mae Burns, director of a voluntary Head Start program for preschoolers.
>
> "They just walk right to the kitchen and ask for something to eat. We give them some bread to hold them until they get the hot lunch."
>
> Practically all the children of Ladybird Avenue are visibly underweight. Sores left from untreated infections spot their bodies. Most have runny noses, the observable signs of never-ending summer colds.
>
> Raw sores cover the chin and mouth of Sharon Pearson, aged 22 months. Her mother, Odessa, says that a doctor diagnosed the case two months ago as chicken pox and gave her a cheap salve that healed nothing.
>
> "You don't go to the doctor unless it's life or death," says Bessie Thurman. "You do what you can at home. You fight the fever with everything you've got. I waited too late for one of mine. He died."
>
> #### BEANS, RICE, POWDERED MILK
>
> The staple diet on Ladybird Avenue is determined by what the commodity food distribution center downtown is handing out.
>
> Usually it is beans, rice, margarine, peanut butter, raisins, powdered milk, and one can of meat for each person in the family.
>
> "I get it once a month and it lasts a week and a half," Mrs. Shaw says. The rest of the month she charges at a neighborhood grocery and tries to pay the bill when her $43 welfare check comes in.
>
> "The commodities are just no good," interposes another Belzoni mother.
>
> "They give you this rolled wheat and the kids won't eat it—all it does in my house is draw the roaches. You eat the commodities when there's nothing else, and sometimes not even then."
>
> What the doctors found is nothing new for Mississippi nor is it limited to this state. Poverty-induced hunger can be found throughout the rural South, in the dark corners of Appalachia and in Northern city slums.
>
> It has been spotlighted in Mississippi because the physicians toured on behalf of a voluntary Head Start program, friends of the Children of Mississippi, and as a result of a visiting Senate subcommittee headed by Sen. Joseph Clark (D-Pa.).
>
> Whether hunger is more widespread in Mississippi than in other Southern states is debatable. Welfare checks are smaller here; state appropriations are sufficient to pay only 27 per cent of what is considered the standard needs of people on welfare.
>
> #### MANY NEGROES UNEMPLOYED
>
> Furthermore, women with dependent children recently received notices that their checks will be smaller next time because the state's two year appropriation is running out.
>
> An untabulated number of Mississippi negroes are completely unemployed this year for the first time in their lives. Many who earned $3 a day chopping cotton have been discharged from Delta plantations because in February they were placed under the Federal minimum-wage law.
>
> Another factor is the uneven transition Mississippi is making from one type of Federal food aid to another. Most counties have had the commodity distributions, free bags of foodstuffs that the Department of Agriculture wants to get rid of. However, this year county after county has been switching to the food stamps program which allows the poor to buy coupons worth more money for regular foods bought in commercial markets. Midway in the transition it was discovered that many Negroes could not afford the minimum purchase requirement for food stamps. Their free commodity foods were taken away but nothing replaced them.

Mr. Chairman, the time for Congress to acknowledge the magnitude and intensity of the problem is long overdue. It is not a problem which is going to disappear in the next year or the year after that, especially with a program which the committee bill proposes to authorize at a level of $245 million a year. Indeed the Secretary of Agriculture testified that it would require at least $325 million to accommodate all of the areas of the country which have already requested to be included in the program, but which cannot be included because of lack of funds. It is disgraceful that there are over 200 counties or independent cities which the Secretary has certified eligible for the program, where Americans are going hungry, and yet food stamps are not available for lack of Federal funds.

The Sullivan amendment is a statement of recognition of the scope of the problem and a commitment to deal with it. Hunger in America will not vanish by itself overnight, but society has a long-range obligation to feed the hungry until it can provide all of its citizens with the type of job skills which will enable them to earn a decent living.

Although the Sullivan amendment would eliminate annual authorizations for 4 years and remove the ceiling on the amount of funds to be authorized for the food stamp program, each year the House will still have to pass an appropriations bill to fund the program. Therefore, financial control of the program will still rest with Congress on a year-to-year basis. But the Congress will have committed itself through fiscal year 1972 to a program which, according to the committee report, has benefited more than 2,750,000 of the underfed of this country.

The Secretary of Agriculture in commenting upon his approval of Washington, D.C.'s, application to participate in the food stamp program said on June 2, 1965:

> As a relatively new development in the food and agriculture field, the Food Stamp Program represents a dignified and businesslike way of helping low-income families purchase more food and obtain better diets. Through utilizing the existing commercial distribution system, the benefits are spread throughout the economy—right back to the farm.
>
> Under the Food Stamp Program low-income families exchange the amount of money they normally spend for food for an allotment of food coupons of a higher monetary value. The difference between the amount a low-income family pays for coupons and the value of the coupons they receive represents the Federal Government's contribution to the family's increased food purchasing power.
>
> Participating retail stores treat the coupons just like their other store receipts. They can immediately redeem them at a commercial bank. The banks, in turn, are reimbursed by the Federal Reserve System. So, the commercial food distribution system and the commercial banking systems are used to get more food to needy people and to redeem the coupons accepted by retailers. This means that neither Federal, State, nor local governmental units need to establish special organizations to carry out these functions.
>
> The Food Stamp Program was operated on a pilot basis for three years. The pilot operations were subjected to very careful research in an effort to measure the actual results of the program. What we learned from the research has real significance for both low-income families in the District and for the entire economy of the city.
>
> For the families who take part in the Food Stamp Program, the studies showed:
>
> The program allowed them to buy more and better food.
>
> Most of their increased food expenditures—in fact, 80%—went into buying more fruits and vegetables and livestock products.
>
> More than twice as many participating families had fully adequate diets than when they were being helped by the commodity donation program.
>
> The ability of these families to buy more fruits and vegetables was an important factor in this improvement of diets.

Mr. Chairman, the Sullivan amendment eliminates section 2 of the committee bill, a provision which it is difficult to believe any Congress in this day and age would seriously consider. Section 2 consists of two restrictions upon eligibility for the program. The first prohibits any person not enrolled in the program who goes on strike from then joining the program. Perhaps 30 years ago this might have been conceivable, but three decades after the Wagner Act recognized the right to organize and bargain collectively, it is antediluvian to encourage using the threat of starvation as a weapon in labor disputes.

Equally shocking is the section 2 prohibition upon participation in the program by any student attending an institution of higher learning, unless he was enrolled in the program before he entered that institution. Why should Congress discourage the underprivileged from obtaining an education? Why should the food stamp program be denied to needy college students?

With an ever-increasing number of people unable to find jobs for lack of space-age skills, will the problem be aggravated by quashing the dreams of those who would rather sacrifice today than collect welfare tomorrow? The Sullivan amendment removes the restrictive provisions of section 2.

While I support the food stamp program, there is a major failure with the program which needs immediate rectification. The cost of the stamps, especially for families with the lowest incomes is prohibitive for those living in areas, primarily in the rural South, where there is little in the way of a cash economy. Most of the counties, which are now under the food stamp program, used to participate in the Federal commodities distribution program, whereby surplus foods, notably rice and other starches, were distributed free of charge to those in need. In most areas of the country the decision to switch from commodities distribution to the food stamp program was warmly welcomed by the participants, who were then able to buy meats, fresh fruits, and other items containing vital nutrients. But for those who have little or no cash income, it is difficult, if not impossible, to participate in the program, especially in view of the requirement that participants purchase stamps every two months. The result is that many people are even worse off than before when at least they were receiving some foods through the commodity distribution program.

An article from the Southern Courier describes this situation:

PEOPLE CRITICIZE BULLOCK FOOD PLAN: "TOOK ALL MY MONEY FOR STAMPS"

(By Mary Ellen Gale)

UNION SPRINGS.—"If I didn't raise a little hogshead and greens, I reckon we'd pass," said Mrs. Lorena Davis of Pine Grove in rural Bullock County.

And so, Mrs. Davis said, she was glad when she heard that Bullock County was handing out food stamps to poor people.

Mrs. Davis knew she would have to put up some money. But she was dismayed to learn that it would cost her $19 for $42 worth of stamps.

"I went on and bought 'em," she said. "But I been sick all year. I'm supposed to take medicine, but I didn't buy none last week, because it took all my money for the stamps."

Mrs. Davis, a tenant farmer, borrows money from the federal government to work her small cotton field. "The welfare don't give us a dime," she said proudly. "The food stamps is the first thing I ever took I didn't earn. I took that for my five grandchildren."

But her borrowed income is only $20 a month, she said, and she was told to come back to the food stamp office in two weeks with another $19 for more stamps.

"I don't see how I can get $19 every two weeks," she said. "I can't scrap up that much money."

Mrs. Davis said, however, that she didn't tell the food stamp supervisor she had to buy medicine, "because sometimes people be rude to us when we cause too much trouble."

But now, she said, she plans to ask if there is any way that the price can be lowered so she can buy both medicine and food stamps.

Mrs. Davis is one of several people who have discovered that the new food stamp program is complicated and expensive. Lorenzo Robbins of Midway said the stamps cost so much he can't afford them.

Robbins, a tenant farmer with ten children, had to use nearly all his earnings to pay his rent last year. This year, he said, his only regular income is the $100 a month he is paid for attending adult education classes.

The food stamp office told him he would have to pay $52 for $122 worth of groceries, Robbins said: "I told them I had no money. They told me the landlord would loan it to me. Now you know the landlord won't loan you no money.

"I told them to forget it. I said I wouldn't get no benefit out of it."

Mrs. Sarah Smith of Union Springs supports three children on a welfare check and odd jobs. Like the others, she said she couldn't stretch the money to buy food stamps and pay other bills.

"They won't let you get soap or washing powder with the stamps," she added. "When I asked what I could do, Mr. Law (Frank Law, the food stamp program supervisor) told me to wash in the river."

Mrs. Smith said she doesn't want the stamps, but she's afraid she'll lose her welfare check if she doesn't agree to buy them. "A lot of other people feel the same," she said.

But Law said no one would be cut off welfare for refusing to get food stamps. "This is their money," he said. "If they want to buy food stamps with it, that makes us happy. But it's their decision."

Mrs. Smith and county civil rights leaders think free surplus food would be better than food stamps.

"There's no such thing as a food stamp program that will work," said H. O. Williams of Union Springs. "It cannot benefit the people who need it most—the ones with no money at all."

But Law said the program was working. "We've approved 491 households with 2,387 persons" he said, "and more are coming in." (Food stamp distribution has been going on since June 1.)

People paid money to eat before the stamp plan began, Law said. "They're supposed to put up the normal grocery money they've been using all the time."

Mrs. Bertha Groom of Great Hope, who feeds a family of five, said that's what she is doing. "I sold two hogs to get $10, and they gave me $60 in stamps," she said. "I'd sell the hogs anyway when I got hungry, and I wouldn't get $60."

"This is the best thing that ever happened to me," Mrs. Groom continued happily. "I've got more food than I ever bought in my life. I even got a steak."

The Secretary of Agriculture, under his existing authority, should at least create a new rate of exchange to reduce drastically the cost of stamps for families in the lowest income brackets. A return to the commodities distribution program is not the answer. Essential food should be available; and, where people do not have sufficient income to purchase stamps, they should be free.

The food stamp program is an important weapon in the war on poverty. However, as in so many other programs designed to meet the needs of America's neglected millions, the seriousness of the commitment has proved limited. As one of the 130 Members of the House who joined in sponsoring this legislation, I urge adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. REID].

Mr. REID of New York. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri and compliment her on her initiative and her persistence in working for an open ended authorization for the food stamp program.

Mr. Chairman, there are reportedly at least 10 million Americans who are seriously malnourished, and who are suffering from a poor diet. I believe this is a national shame that we cannot tolerate.

There are now hundreds of counties that wish to participate in the food stamp program, but the current authorization of $225 million—and even the increase of $20 million as proposed in this bill—will not be sufficient to cover them all.

Even if all the counties that are now on the waiting list could be included, there would still be about half of the counties in 33 States in the Nation which do not participate in the food stamp program.

Moreover, while the debate today does not center on this point, it is not at all clear that the food stamp program is really meeting the challenge of the hungry in the 1,000 counties where it now exists.

Along with the difficulties of publicizing such a program among the very poor and helping them over the hurdle of certification, the primary obstacle to complete coverage of the hungry by the food stamp program is the present schedule of charges for the food stamps themselves.

The price of the stamps was lowered in July 1967 to 50 cents per person per month for those families in the lowest income bracket—in most cases, below $20 per month—of the Department's issuance tables. While this, no doubt, can be considered a step forward, it is wholly inadequate for those families in areas of critical poverty which have no income whatsoever. If a family of four does not have an income of $2 per month, then it cannot buy food stamps. Since a county with a food stamp program cannot receive surplus foods under existing law, families without income in food stamp counties go hungry.

While statistics are not obtainable, there can be no doubt that families with no income exist in these "affluent" United States, living precariously on a barter economy and rarely possessing the cash which is presently required for participation in the food stamp program. In April 1967, members of the Senate Subcommittee on Employment, Manpower, and Poverty toured several Mississippi counties and saw with their own eyes families eking out a living without any discernable cash income.

Even Secretary Freeman, whose Department is inexplicably reluctant to admit the existence of families without income in this country, stated in a letter to Senator CLARK, dated April 26, 1967, that mechanization in the cotton fields of the South had resulted in the presence of 40,000 to 60,000 people in the

Mississippi delta area with little or no cash income. In 1967, the Arkansas State welfare director testified that more than 1,000 families in his State were "starving" because free food stamps were not distributed.

The late Senator Robert F. Kennedy, during a hearing in 1967, said on this point:

> What do they do? We saw an awful lot of people who were out of work and didn't have any source of income at all, and some of them in these large families—what is it that they do? I think it is difficult for us to understand. It is not just in the State of Mississippi, but in some of these other states where they don't even have a food stamp program.

Mr. Chairman, clearly a most serious weakness exists in the food stamp program. The exact magnitude of the problem is impossible to determine, since these poorest of the poor, whose manner of living is a travesty of American social and economic justice, are virtually ignored in statistical studies in this country. For example, the census income report makes no breakdown of the total number of families earning less than $1,000 per year.

Nevertheless, it is time that the Secretary of Agriculture listened to the ringing demands of the Poor People's Campaign and, among other steps, made food stamps available to those families without cash incomes. Further, it is time that he adjusted downward a charging schedule for food stamps which leaves a family of six with a monthly income of $60 with only $34 each month after payment for its food stamps, to be used for shelter, clothing, and medical care.

Indeed, it may be necessary to examine the underlying legislation since the Secretary has taken the position that free food stamps cannot be issued under existing law.

Mr. Chairman, the cost of feeding the hungry must be met and for the most affluent Nation in the world to refuse to meet it would be unthinkable. Yet an effective solution to this problem cannot emerge if the food stamp program must face each year in Congress a debate which threatens its very existence. Mr. Chairman, I support the amendment of the gentlewoman from Missouri that would provide open-ended authorizations for the food stamp program over the next 3 years.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I have offered an amendment to this section which reads as follows:

> After line 19, on page 2, strike out the period and insert:
>
> "The Secretary of the Department of Agriculture shall utilize personnel in his department to ascertain all persons in danger of death from starvation in the United States, its trust dependencies, and in Puerto Rico, and to provide them with the food necessary to eliminate such danger to their welfare."

The reason for introducing this amendment is that I believe the legislation before us today will not actually protect against death from starvation in the United States. We are spending billions of dollars for the present programs for aiding the hungry and the poor. For a much more modest program, perhaps a few million dollars every year, we actually could find the people who are starving, such as those among the Indians in the Southwest, and we would have a program which would actually prevent death from starvation in our country.

Mrs. SULLIVAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. SULLIVAN. I would like to know what part of the bill the amendment of the gentleman from Florida would amend.

Mr. BENNETT. I intended to propose an amendment to your amendment.

Mrs. SULLIVAN. Did the gentleman say line 19?

Mr. BENNETT. What line should I have said?

Mrs. SULLIVAN. I do not know. My amendment has only six lines. I do not know what you are attempting to amend.

Mr. BENNETT. It would apply to your amendment. It is an amendment offered to your amendment.

Mrs. SULLIVAN. Can you tell me where it would fit in?

Mr. BENNETT. Immediately before your section, according to its terminology. I will read it again.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

Mr. BENNETT. I will give you a copy.

The CHAIRMAN. Does the gentleman from Florida desire to offer an amendment?

AMENDMENT OFFERED BY MR. BENNETT TO THE AMENDMENT OFFERED BY MRS. SULLIVAN OF MISSOURI

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BENNETT to the amendment offered by Mrs. SULLIVAN: On page 2, line 19, after the period, insert: "The Secretary of the Department of Agriculture shall utilize the personnel in his Department to ascertain all persons in danger of death from starvation in the United States, its trust dependencies, and in Puerto Rico, and to provide them with the food necessary to eliminate such danger to their welfare."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida to the amendment offered by the gentlewoman from Missouri.

The amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. EDWARDS].

Mr. EDWARDS of Alabama. Mr. Chairman, this shows how ridiculous it is to cut off debate right in the middle of an important issue like this. One point that has not even been mentoned in regard to Mrs. SULLIVAN's amendment is the question of whether strikers will be able to secure food stamps if this amendment is agreed to. I assume from reading Mrs. SULLIVAN's amendment that those sections concerning strikers and students would be wiped out of this bill. I wonder if that is the intention of the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. My substitute amendment has nothing in it which would preclude members of unions, or strikers or college students from participating in this program if they are eligible by reason of income and liquid assets.

Mr. EDWARDS of Alabama. Is it the position of the gentlewoman from Missouri that the Federal Government and the taxpayers ought to be involved in the collective bargaining process on either side?

Mrs. SULLIVAN. I would say to the gentleman that the whole concept of this program is to help people who have incomes inadequate to enable them to purchase a decent diet to come under the program.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

The Chair recognizes the gentleman from Minnesota [Mr. FRASER].

Mr. FRASER. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri. The food stamp program has been demonstrated to be a successful and effective program. The arguments for a 4-year authorization are persuasive. We are asking local government units to accept the responsibility for the administration of this program. I think that they are entitled to know that this program will endure at least for a 4-year period.

The food stamp program is one of our Nation's best examples of the constructive use of our abundance of food. This program has proved itself under actual operating conditions. It gets more food to the people most in need of better diets. In accomplishing this, it uses commercial trade channels, and it helps to expand farm markets and increase farm income.

State and local governments elect to participate in the program. They establish eligibility standards, suitable to their own needs and consistent with ther own welfare programs. They investigate the eligibility of applicants, using the same standards that apply to other federally aided public assistance programs. Food stamps are not a giveaway; there is no open end on eligibility.

Mr. Chairman, in addition to the proposed 4-year authorization for the food stamp program, I support the proposed removal of the appropriation ceiling on food stamps, and I support the proposed requirement for a congressional review prior to each annual appropriation. I am a cosponsor of a bill, H.R. 17722, which includes these proposals.

A 4-year authorization would remove the uncertainties the States now face about the future of the program. Removal of the appropriation ceiling would contribute to the flexible year-to-year expansion of the program. And annual congressional review would permit Congress to evaluate its decision in the light of current needs.

But we should regard this as only one of many steps which must be taken to insure the elimination of hunger and malnutrition in the United States.

Mr. GREEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Pennsylvania.

Mr. GREEN of Pennsylvania. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri.

As a cosponsor of Congresswoman SULLIVAN'S amendment to the food stamp program, I should like to indicate why I support this 4-year authorization without specific monetary limitations on appropriations.

The food stamp program has been operating for 7 years, free from complications and red tape for which other Government programs are criticized. In that period, the program has developed from a pilot project into a full-fledged operation involving staff, contracts negotiated with local issuing agents and certified recipients.

In my State of Pennsylvania, close to one-quarter of a million persons participated in this program during the month of May. Through it, $15.7 million worth of foodstuffs were distributed during fiscal 1968.

In Philadelphia, my home city, 64,000 people are enjoying better diets because of this program.

If the Congress forces the States into disorderly planning, I believe that this smooth functioning, successful program will suffer.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New York.

Mr. MURPHY of New York. Mr. Chairman, I rise today in support of the amendment offered by the gentlewoman from Missouri, which would provide an open-ended, 4-year authorization of the Food Stamp Act. This amendment was originally introduced as H.R. 17723, and I was one of its 130 cosponsors.

Fortunately, the question of whether we will continue this program is not at issue today. Its resounding success in 7 years of operation has removed any doubt of its continuation as one of our weapons against hunger in the United States.

In November 1967, 2.2 million persons were participating in nearly 900 food stamp projects; in fiscal year 1967, the total paid for bonus coupons was more than $105 million, and the coupons were worth almost $300 million when used to purchase food. Presently there are 1,299 areas designated under the program, and by June 30, 1968, total participation in these areas has reached approximately 2,750,000. This new figure will take the full $225 million authorized for fiscal year 1969, leaving no room for expansion. The bill reported by the Agriculture Committee would increase the authorization by $20 million, thus allowing a limited expansion.

A limited expansion, however, is not what is needed. There are more people in more areas throughout the Nation who want to participate. Hundreds of additional areas have already requested the food stamp program, and the Department of Agriculture has estimated that at least a hundred more will apply in the next few months. In short, the limited expansion contemplated in the committee bill will not be adequate to reach all of the areas desiring to participate.

Mr. Chairman, it is morally unjustifiable in a nation as rich as ours to have anyone suffering from hunger. It is especially absurd to deny aid to counties and States which request such aid and are willing to set up the necessary administrative machinery to operate the programs.

For this reason, I support today the amendment to provide an open-ended, 4-year authorization of this program. This will not infringe on the right and responsibility of the Congress to control expenditures of the Federal Government; each year the Congress will conduct a comprehensive review of the program. But it will enable the Department of Agriculture to extend the food stamp program to areas which may request participation in the near future, but who have not as yet done so. It will enable the Department of Agriculture to maintain the flexibility which is so vital if this program is to have its maximum impact.

Even this amendment, Mr. Chairman, is an inadequate response to the problem of hunger in the United States, for as long as any hunger exists in the United States our job is not finished. While this amendment will do much more than the committee bill, it still seems shameful that we have to decide, not how to eradicate hunger in the United States, but which of our hungry citizens will be fed, and which ones will have to go hungry for a while longer. Our eventual goal, therefore, must be to end hunger without qualification. This amendment is an important step in the right direction.

PREFERENTIAL MOTION OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. MICHEL moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. MICHEL. Mr. Chairman, I regret to have to take this kind of action to get some time to speak on this subject. I listened to the debate yesterday very attentively. I did not take any time, hoping at least there would be 5 minutes under the 5-minute rule today.

Mr. Chairman, I am not here to oppose the food stamp program as such. I supported the appropriation of $185 million for fiscal year 1968. I supported the increase up to $225 million for fiscal year 1969 in our Agriculture Subcommittee on Appropriations.

Proponents of the substitute offered by the gentlewoman from Missouri [Mrs. SULLIVAN] say, "We are not asking for a blank check." Then, why ask for an openend authorization, if you are not asking for a blank check? Then you say we can control it through the appropriations process. That is the trouble with these agricultural programs. We open up the back door to the Treasury or CCC and always have to ante up the money after the fact.

What we are doing here in adopting the Sullivan substitute is giving them a blank check. I would be willing to appropriate a billion dollars or a billion and a half dollars for the benefit of the poor people in this country. I believe we have an obligation to take care of our own before we send any money abroad to feed the poor, but I want to see that this program is properly administered and that we do not just open up the floodgates. Bear in mind that in fiscal year 1969 we have $14,495,000 in the appropriation bill for administration of the program. In the Inspector General's office, we funded in addition—and they have asked for—151 man-years of people to police this program. Why do they ask for that? It is because there is always the opportunity for some hanky-panky whether it be counterfeit stamps or collusion between grocers and bearers of stamps.

We have to be sure we do not open up the floodgates and we have to keep proper control. I suspect some time every county in the country will be covered. I have seven of the nine counties in my district who have asked for the program. I am here to defend the appropriations procedure and to keep this thing from getting out of hand.

There are other objections I have to this substitute. The gentleman from Alabama just touched on it, having to do with the permitting of strikers and students to participate in the program.

When we permit strikers to participate in the food stamp program, what do we do to the whole collective bargaining process? Is there not a very delicate balance that has to be struck between labor and management in the negotiating of a contract? When I went to economics class in school many years ago, we had a kind of rule of thumb: 25 percent for food, 25 to 30 percent for housing, and so on. Now, I think we pride ourselves in bringing the cost of food to the American people down to 18 percent of the average family's income. So what do we do if we provide food stamp assistance to strikers on strike and give them for all practical purposes 18 percent of their income by way of a Federal subsidy? Are we not upsetting that delicate balance between labor and management when a strike is resorted to as an economic weapon in the collective bargaining process? Why, of course we are.

Let me read from the Detroit Board of Commerce last year:

> During the Ford strike, 3,809 families in Detroit, representing 16,970 individuals were given $273,171 worth of food stamps in the month of October. A second government office had to be set up to handle the volume of business (and the strike lasted only 46 days).

The Wall Street Journal had this to say:

> "Food stamps are making a tremendous difference in our ability to hold out," says Orley W. Shirley, financial secretary of Local 425 at Ford's Loraine, Ohio assembly plant. He estimates that as many as 75 per cent of the local's 4,700 members will make use of food stamps before the strike ends.

Also in the Wall Street Journal on November 30, 1967, we read:

> Seven hundred families of copper strikers in Anaconda, Mont., are using Federal food stamps.

The New York Times reported on February 13, 1968:

> The solidarity of the copper strikers seems to be a blend of many factors . . . And one of the most important is that many strikers receive wide support from a combination of public welfare, Federal food stamps and union strike benefits. Steel union local's members in Anaconda, Mont., are getting strike benefits of $12 to $24 a week in the 8-month copper dispute . . . 500 are believed to be getting county welfare payments of about $100 a month, and almost all of them receive Federal food stamps, which provide about a week's free groceries each month.

Now, Mr. Chairman, the committee bill remedies this situation with appropriate language, but the Sullivan substitute carries no such prohibition against those out on strike and the questionable students who qualify for food stamp assistance.

Now, on this later point, I have no serious objections to providing food stamp assistance to a struggling family attempting to better their education; but unless some stringent guidelines are drawn, I can foresee practically every college student qualifying for food stamp assistance, for he could claim that his income level was below those standards set by the respective States.

When the demonstrations were going on at Columbia and Northwestern Universities, I took the floor of this House and made some comments to the effect that if I found any one of our four children carrying on in such fashion, as those demonstrators, I would "cut their water off short"; and I suspect that in a case like that a college student could plead that his folks have forsaken him and that he was destitute and therefore qualified for food stamp assistance, but that would not be the case for most as I would expect my kids under those circumstances to get out and work to make up the difference. I would personally resent the Federal Government intervening and giving to my own kids what I would not give them myself.

I heard some real bleeding hearts yesterday on this subject during general debate, but some of those individuals expressing themselves also had to perform a considerable amount of work themselves in getting through college back in those days. I just happen to harbor the old-fashioned view that it does not hurt our young people to have to go out and scratch a little bit for their education and to make some sacrifices for it. I submit that it all helps to build a better man or woman in the end.

So in summation, Mr. Chairman, may I say again that I support the committee bill that will provide for an additional $20 million for the food stamp program over the current fiscal year level, which is $60 million more than was being spent in the fiscal year 1968.

This additional money should provide for an orderly expansion of the program in most of those counties asking to get into the program, but which have been denied up to this point by lack of funds or more properly because of the expenditure limitation imposed by this Congress some short time ago.

I hope the members of the Committee will see fit to vote down the Sullivan substitute and support the committee proposition.

Mr. Chairman, I previously asked in the House for permission to include the following table showing the maximum monthly income per family of four permitted in the various States as a condition precedent to qualifying for participation in the food stamp program:

Alaska	$325
Alabama	175
Arkansas	190
California	285
Colorado	244
Connecticut	315
District of Columbia	250
Georgia	215
Hawaii	250
Illinois	280
Indiana	275
Iowa	295
Kansas	(1)
Kentucky	200
Louisiana	165
Maine	271
Maryland	185
Massachusetts	180
Michigan	264
Minnesota	290
Mississippi	180
Missouri	270
Montana	253
Nebraska	279
New Jersey	310
New Mexico	215
New York	325
North Carolina	195
North Dakota	295
Ohio	260
Oregon	258
Pennsylvania	245
Rhode Island	245
South Carolina	160
South Dakota	250
Tennessee	200
Texas	190
Utah	205
Vermont	205
Virginia	195
Washington	290
West Virginia	250
Wisconsin	260
Wyoming	300

[1] Qualify under same procedure as to qualify for public assistance.

Mrs. SULLIVAN. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from Illinois [Mr. MICHEL].

Mr. Chairman, I rise in opposition to the proposal to strike out the enacting clause—a proposal to kill the bill.

ALL THE FACTS NOT GIVEN

When the gentleman who proposed this amendment just mentioned that some $273,000 in food stamps were "given" to the Ford strikers during a certain month, he neglected to read to us exactly what the Detroit Board of Commerce actually reported in its letter to the Committee on Agriculture. It is in the hearings. The Board of Commerce of Detroit reported that 3,809 families of Ford strikers paid $157,420 to obtain $273,000 in food stamps, or a bonus of $115,420 in food purchasing power. So this was not a case of $273,000 in food stamps being "given" to the strikers. They paid two-thirds of the cost of those food stamps out of their own money. When you consider how many tens of thousands of Ford workers were on strike at the time, it is interesting to note that only 3,809 were actually in such financial straits to enable them to qualify for food stamps, and those who did receive them received an average of about $30 worth of bonus coupons per family. And there was an average of five persons in each of those families—16,970 persons—so we are talking about $6 per person for 1 month. This is the "scandal" we are supposed to get all excited about when food stamps are available to families where the breadwinner is on strike or is engaged in a "labor dispute."

But this legislation and this food stamp program were not devised just to help someone who might be on strike.

STRIKERS NOT ELIGIBLE MERELY BECAUSE THEY ARE STRIKERS

No one—I repeat, no one—receives food stamps because he is a striker. Some strikers eventually become eligible for food stamps for only one reason—they cannot afford to buy enough food to feed their families properly. They must come within the income limitations, which are generally low. In addition, and this is extremely important for the Members to know—they must not have stocks, bonds, savings accounts, credit union shares, or other liquid assets greater than those generally permitted to a welfare client in the same State.

We are talking about human beings and their families who are down to rock bottom, or close to rock bottom, because of the existence of a labor dispute. Perhaps the employer refused to bargain, or locked them out. Suppose, if this amendment carried, you had cases of workers on strike for long periods of time and the courts held the employer was guilty of forcing them out on strike, and ordering the men paid back wages. That has happened in numerous cases. The back wages will not repair the damage done to hungry children by malnutrition.

Would you also deny food stamps to illegitimate children? To children of felons? We do not deny free food handouts to strikers under the direct distribution program. Why do it on this program?

No one is going to choose to go on strike in order to get food stamps. A strike vote is a terribly serious, fateful decision. No union hopes or expects a strike to drag out long enough to enable the workers to qualify for food stamps. The only strikers who can get them are those with families not able to get enough to eat.

THE "SCANDAL" OF THE 16 KEARNEY COLLEGE STUDENTS

My understanding of the reason for the college student part of the amendment is that a handful of students, about 16 married students at Kearney State College, Nebraska, were getting food stamps. Apparently, the welfare office of that county decided they needed this help. Are we gearing up the full majesty of the Government of the United States to keep 16 students at Kearney College, probably under the GI bill, from getting $6 worth of added food purchasing power a month? If they are cheating and do not need this help in order to eat properly, the local authorities have the power now to exclude them. Are we to assume that all college students are rich? What about the fellow who comes out of the Army and decides to go to college on the GI bill?

JUSTIFICATION FOR OPEN END AUTHORIZATION

Mr. Chairman, I know that some of the Members are reluctant to vote for an open ended authorization on any program. Usually, a standing committee having jurisdiction over a government program comes to have a strong and sympathetic interest in the program and wants to see it succeed, or else abolishes it. So if the committee sets a ceiling on appropriations, it can usually be counted on to review that program from time to time and come forward promptly with new and higher ceilings where appropriate. This legislation is in a different category. The committee which has jurisdiction over this program does not really like the program—in fact, during the hearings there was a long discussion in the Agriculture Committee to the effect that this legislation really belonged before some other committee—any other committee.

Last year, after the food stamp program authorization expired July 1, it took until late September to get enabling legislation enacted—because the conferees from the Committee on Agriculture did not care if it died forever. This is an intolerable legislative situation for those of us—a majority of the House—who believe this is a good program.

On the other hand, the Appropriations Committee—tough as it is—has always treated this program with openminded objectivity, and has supported it with funds necessary to enable it to expand. It has never been extravagant with the food stamp appropriation—it has always cut close. Under my amendment I think we can trust that committee to watch this program with the same care and diligence that it watches all other programs of the Government. If it proposes too high an appropriation, the Members can act to reduce it on the House floor; if the proposed appropriation is too low, we can seek to raise it. But we can appropriate what the House feels should be spent, and not be limited to an arbitrary ceiling set by a hostile legislative committee.

OTHER OPEN-END AGRICULTURE DEPARTMENT AUTHORIZATIONS

There is nothing unusual about an open-ended authorization on Department of Agriculture programs. There is no ceiling on the funds which can be spent on wheat certificates, or cotton supports, or feed grain supports, or peanut supports. If there is a ceiling on Public Law 480 expenditures for giving food away abroad, it is now so fantastically high—about $7 billion—we could never approach it. There is no ceiling on appropriations for meat inspection, or poultry inspection, or many other Department of Agriculture programs.

And there is no arbitrary ceiling either on the free food direct distribution handouts, on which we are now spending $11 per person per month, compared to the average cost of $6.73 a month for those on the food stamp program.

One of the reasons we cannot put a realistic ceiling on this program is that the food stamp program, which started from a tiny beginning of only eight counties 7 years ago, is now up to nearly 1,100 counties—with hundreds of additional counties waiting to come into it. We do not know in advance how many persons in those counties will elect to participate. It is purely voluntary. A new project always starts out with a very small number of participants and gradually increases in size. That has been the pattern in almost every new county. It requires a lot of educational work to get low-income families to come into it. They find it hard to understand the requirements, and to save up the money to buy the stamps once or twice a month. Many of them do not think they have been spending nearly as much for food as the food stamp regulations require them to do. They have to be taught the advantages, particularly to their children, of making the sacrifice of spending for food some of the money they would prefer to spend for other things. The participation in the program, in the areas which now have it, has risen by 22 percent in the past year. This is wonderful—it is what we want. But it has meant a substantial increase in the Federal cost of the program.

SAVINGS TO GOVERNMENT WHEN FOOD STAMPS REPLACE DIRECT DISTRIBUTION

Just remember, however, that when you start a food stamp project in a county, you automatically end the direct distribution program there, which costs almost twice as much person as the food stamp program. That is a big saving to the Government. But the food stamp program depends on appropriations, and the direct distribution program does not. Is it not worth increasing the appropriation for food stamps a little bit in order to save a whole lot in the cost of the other program? Each dollar you appropriate for the food stamp program means nearly $2 not being spent for direct distribution.

Furthermore, many of the 3,500,000 people now getting free food, at a cost of $11 per person per month, are not poor enough to qualify for the food stamp program. We know that from the investigations made by the General Accounting Office, and the experiences in those counties which changed from direct distribution to food stamps. Nearly half of those getting free food were found to be not really eligible for it and could not qualify for food stamps, because their incomes or resources were too high.

So, by changing over from one program to the other, you save about $4 of Federal funds for every $1 of Federal funds spent on food stamps in any county which makes the change.

A dollar ceiling on this program would result, each year from now on, as it has in the past year, in great uncertainty among the counties which want the program but do not know if they can be included.

The Secretary of Agriculture has said he would need at least $325 million instead of the current appropriation of $225 million this year in order to include all the counties which have asked for it. That still would leave about half the counties in the country outside the program. There are, so far no counties in Arizona, Oklahoma, Idaho, Florida, Delaware, or New Hampshire ready to come into the program, but I am sure they will want to do so. New York City has not yet requested it. Neither has Missouri, for any area except St. Louis. In all of those States, the grocers want it; the welfare people want it; the poor people want it.

If you set a dollar ceiling, no matter how high, it could not be an accurate or realistic one, because we do not know when all of the States now outside of the program will pass the necessary legislation to enable them to come into it. Why deny this program to their citizens, if every additional dollar we spend on food stamps to bring in new areas means a saving of $4 in cost of the direct distribution program in those same areas?

AREAS WAITING TO COME INTO THE PROGRAM

Mr. Chairman, in order to understand the necessity for adopting my substitute amendment, you need only look at the long list of counties in the United States which want to come into the program and could not do so under the committee bill. There are hundreds of such counties. They have all requested the program and are prepared to participate in it as soon as funds can be made available. None of the counties in this list can look forward to participation in the food stamp program, now or in the forseeable future, if my amendment is defeated and the committee bill passes in the form in which it was reported.

AREAS WHICH CANNOT ENTER THE PROGRAM WITHOUT PASSAGE OF THE SULLIVAN SUBSTITUTE

Mr. Chairman, there are 1,027 counties or independent cities throughout the country participating now in the food stamp program. About 239 additional ones have been waiting since last December—when they were certified for it—for funds to become available so that they could begin to participate. All of them were assured that the $255,000,000 included in the budget for fiscal 1969 would enable them to start the program by July 1, 1968, at the latest, and many were expecting to start in May or June of this year. Out of these 239, only 72 are going to be admitted to the program this month, and some additional ones possibly in August or September, but all of the following counties will remain on the waiting list indefinitely until more funds can be provided, even though they have been ready since last December to start:

PREVIOUSLY SCHEDULED TO OPEN IN JULY BUT NOW DEFERRED (115)

Alabama: Mobile County and Montgomery County.

Alaska: Anchorage area, Dillingham area, Fairbanks area, Juneau area, Ketchikan area, Nome area (balance), Seward area.

Arkansas: Columbia County, Garland County, Union County.

California: Alameda County.

Colorado: Chaffee County, Fremont County, Grand County, Lake County, Routt County, Teller County.

Georgia: Chatham County, Polk County, Upson County.

Illinois: Boone County, Bureau County, Carroll County, De Kalb County, Du Page County, Ford County, Fulton County, Grundy County, Henderson County, Henry County, Jo Daviess County, Kane County, Kankakee County, Kendall County, Knox County, Lake County, La Salle County, Lee County, Livingston County, Marshall County, McHenry County, McLean County, Mercer County, Ogle County, Peoria County, Putnum County, Rock Island County, Stark County, Stephenson County, Tazewell County, Warren County, Whiteside County, Will County, Winnebago County, Woodford County.

Louisiana: Caddo Parish.

Maryland: Wicomico County and Worcester County.

Michigan: Allegan County, Barry County, Benzie County, Branch County, Clare County, Clinton County, Eaton County, Grand Traverse County, Hillsdale County, Isabella County, Mason County, Muskegon County, Ogemaw County, St. Joseph County, Shiawasse County, and Wexford County.

Minnesota: Cook County, Le Sueur County, Mille Lacs County, and Sibley County.

Montana: Glacier County.

New Jersey: Cumberland County and Hudson County.

New Mexico: Bernalillo County.

North Carolina: Guilford County and Rockingham County.

Ohio: Ashtabula County, Medina County, Ross County, Sandusky County, and Shelby County.

Pennsylvania: Butler County, Cameron County, Centre County, Elk County, and York County.

South Carolina: Aiken County, Anderson County, Charleston County, Greenville County, Greenwood County, Lancaster County, Lexington County, Pickens County, Richland County, Spartanburg County.

South Dakota: Beadle County, Brown County, Codington County, Davison County.

Virginia: Fairfax County, including cities of Falls Church and Fairfax.

Washington: King County and Pierce County.

Wisconsin: Barron County and Eau Claire County.

PREVIOUSLY SCHEDULED TO OPEN IN AUGUST BUT DEFERRED (16)

Arkansas: Washington County.

Louisiana: St. Tammany Parish.

Michigan: Alger County, Delta County, Dickinson County, Genesee County, Saginaw County.

Montana: Valley County.

Ohio: Fulton County and Huron County.

Pennsylvania: Berks County, Delaware County, Monroe County, Northampton County.

Utah: Salt Lake County and San Juan County.

OTHERS DEFERRED INDEFINITELY (14)

Louisiana: De Soto Parish.

Massachusetts: City of Boston, city of Cambridge, city of Dracut, city of Pittsfield, city of Quincy, city of Revere, city of Springfield.

Michigan: Antrim County and Schoolcraft County.

Mississippi: Alcorn County.

New York: Schoharie County.

North Dakota: Foster County.

Ohio: Noble County.

ADDITIONAL AREAS SEEKING PROGRAM

The following additional areas have also requested food stamp projects and cannot possibly be admitted unless the appropriation is increased substantially above the $225 million presently authorized or the $245 million proposed in the committee bill:

RECENT ADDITIONAL REQUESTS FOR FOOD STAMP PROGRAM (115)

Alabama: Elmore County and Tuscaloosa County.

Arkansas: Scott County.

California: Monterey County and Sacramento County.

Colorado: Ouray County and San Miguel County.

Connecticut: City of Bridgeport, city of Norwich, city of Torrington, city of Middletown, city of Stamford.

Georgia: Newton County, Dooly County, Wilcox County.

Indiana: Brown County and Sullivan County.

Iowa: Fremont County, Worth County, Bremer County, Muscatine County, Monroe County, Polk County, Boone County, Webster County, Adair County, Page County.

Kansas: Leavenworth County and Johnson County.

Kentucky: Bracken County, Christian County, Edmondson County, Fulton County, Hart County, Lewis County, McLean County, Metcalfe County, Owen County, Boone County.

Louisiana: Sabine Parish, Lafourche Parish, St. Bernard Parish, Jackson Parish, Lincoln Parish, Bienville Parish, Tangipahoa Parish, Webster Parish, East Feliciana Parish.

Michigan: Baraga County, Mecosta County, Cass County, Livingston County, Montcalm County, Ionia County, Menominee County.

Minnesota: Meeker County, Steele County, Norman County.

Mississippi: Rankin County, Tippah County, Pearl River County, Sharkey County.

Montana: Missoula County, Richland County, Hill County, Musselshell County.

Nebraska: Madison County, McPherson County, Lincoln County, Logan County, Webster County, Hayes County, Frontier County, Furnas County, Hitchcock County, Richardson County, Adams County.

New Jersey: Hunterdon County, Essex County, Morris County.

North Carolina: Richmond County, McDowell County, Davie County, Pitt County, Catawba County.

North Dakota: Divide County, Renville County, Adams County, Griggs County, Nelson County, Stutsman County, Pembina County.

Pennsylvania: Forest County, Warren County, Lancaster County.

South Dakota: Hanson County, Miner County, Hyde County, McCook County, Perkins County, Charles Mix County, Douglas County, Edmunds County, Aurora County, Lincoln County, Lake County, Walworth County, Jackson County.

Tennessee: Henderson County, Bradley County, White County, Carter County, Rhea County.

Virginia: City of Virginia Beach and city of Hampton.

Wisconsin: Buffalo County.

Mr. Chairman, I oppose this amendment to strike out the enacting clause, an amendment intended to kill the bill. I urge instead that the substitute be approved, so that this program can expand to include many more undernourished or malnourished Americans of low income.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Illinois [Mr. MICHEL].

The preferential motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, I rise in opposition to the amendment from the gentleman from Missouri, whose amendment omitted restrictions on the sale of food stamps to both strikers and college students.

I rise in support of the amendment which will be offered in a few minutes by the distinguished gentleman from California [Mr. TEAGUE] to include the restriction on the issuance of food stamps to college students and strikers.

Mr. Chairman, in my hometown of Kearney, Nebr., according to the welfare director, food stamps were issued to 57 families during the month of May 1968. Of this number, approximately one-third were college students. In Lancaster County, the home of the great University of Nebraska, of 98 nonpublic assistance households issued food stamps during the month of May, 45 households were college students, according to the welfare director, Mr. J. Earle Travert. According to Mr. C. A. Petersson, Douglas County welfare administrator in Omaha, approximately 15 families receiving food stamps during the month of May were college students.

I feel that this bypasses the intent of the Congress in that the food stamp program is primarily one for the poor and those on relief. This was never intended to be an aid to education program.

A reporter for the Kearney State College paper at Kearney, Nebr., interviewed 19 college students who have used the food stamp program. Let me quote from some of their findings:

> Dozens upon dozens of beer cans, intermingled with what appeared to be several days garbage were heaped so high it spilled over and occupied the entire corner of the apartment. This was the scene at a two room residence, plus bathroom, located within walking distance of downtown Kearney.
>
> Near the open window sat an ex-serviceman, now a junior at Kearney State College, and one of those students who applied for and received Federal food stamps from the Buffalo County Welfare Agency.
>
> He was asked, "Have you ever abused the program?"
>
> "We weren't allowed to purchase cigarettes, alcohol, nor foods which were not for human consumption (like cat or dog food), but I got around that," he said. "I bought Quinine water and pop for mixed drinks. That was a good deal because I could trade the bottles for deposit and use the money to buy cigarettes."
>
> He went on to say he bought cat food for his cat. "They (the food store) wouldn't sell me the canned food, but they did the dry," he said.

> In another case, four students, who resided together and had participated in the program, said they were warned to keep their food separate, but one tanned 20 year-old college junior, said, "We didn't though, we continued to buy our food and keep it all together."
>
> Two students admitted they went out and bought the "thickest steaks they could find" the day they received the stamps. However, "there is nothing that says they can't," said one local county welfare spokesman. "If they want to throw it all away on steak the first day and starve the rest of the week, that's up to them," she added.
>
> All student purchasers said they were required by the welfare officials to produce proof concerning their assets—stocks, bonds, savings accounts, medical bills, income, rent, utilities, and cooking facilities.
>
> "I just took them a copy of my bank statement and medical bills," said one married student.
>
> Twelve of the nineteen students interviewed also said they presented them with bank statements as proof of assets. A married student added, "I had nothing to hide."
>
> In contrast, a 20-year-old KSC senior said one of his roommates "had to transfer his bank account to his parents" before he could qualify.
>
> "There were four of us in our apartment and we were all on the stamps," said one student athelete. "It really got me when I went down there. In fact, it especially bothered me because we certainly were not destitute," he said.
>
> The ex-serviceman, however, said it did not bother him at all. He believed he was as deserving as some other people who were allowed the stamps. He added, "I might as well get my back scratched, too."
>
> "We always wore old clothes when we went down to buy food stamps," said one KSC senior, but he admitted he felt a little guilty when he and his roommates drove down to the welfare office in one of their cars. They owned, "an air-conditioned Buick, a real sharp T-Bird, and a Lincoln Continental," he said, and added, "that was what made me feel a little guilty."

Mr. Chairman, if this is typical of our colleges in Nebraska, it most certainly is probably going on among college students throughout the country.

The Federal food stamp program is a good program, and it should be continued, but for the poor and those on relief, rather than for college students and strikers.

I urge the adoption of the Teague amendment.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

The Chair recognizes the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, I commented on this program in the CONGRESSIONAL RECORD, volume 113, part 11, page 15166, pointing out its flaws as follows:

> First. It is not coordinated with other Federal, State, or local welfare programs.
>
> Second. It requires the welfare family to spend a prescribed portion of family income on food whether or not this is the family's primary need at the time.
>
> Third. It is administered at high cost by the Agriculture Department. It should be under a Federal, State, or local department concerned with welfare.
>
> Fourth. It pays a full profit markup on each dollar of subsidy provided. No one should make a profit from welfare needs.
>
> Fifth. Its application over the Nation is spotty and inequitable. In December of 1966, only 42,074 Ohioans received help, while 411,205 from Mississippi benefited.
>
> Sixth. It encourages States to avoid their responsibility for participation in and support for legitimate welfare programs.
>
> These defects in the program have been substantiated by the performance since, and the program should be radically overhauled or abandoned.

Mr. Chairman, to enact the Sullivan amendment would be to compound the program's defects—not merely to continue them.

Mr. PODELL. Mr. Chairman, I rise in support of the food stamp program and emphasize the need to support a 4-year authorization without specific monetary limitations on appropriations.

Much has been done by the Department of Agriculture's food stamp program, but much more needs to be done. Experience has shown us that the food stamp program is the most efficient method yet devised to move more nutritious food to more low-income people. I am sure that we all agree that this program must be adequately financed so that it can be further expanded; and that the program needs effective congressional direction, leadership and program review. Congresswoman SULLIVAN's amendment to the food stamp bill provides for such measures.

In needy family feeding, the food stamp program is reaching almost 2.5 million persons in 43 States and the District of Columbia.

Even so, there is need for further expansion of the program in the fight to eliminate the problem of hungry Americans. The food stamp program is the kind of family food assistance program we need to operate and to fund if we are to move forward in the way we should.

The food stamp approach has strong support and appeal among the State and local officials to whom USDA looks to get the food assistance job done.

I, therefore, strongly support Congresswoman SULLIVAN's amendment to the food stamp bill. This amendment provides for a 4-year authorization without specific monetary limitations on appropriations. But, to assist and guide the Congress in its annual funding decisions, the amendment requires specific rules for an in-depth congressional review prior to each annual appropriation. It will thus permit the Congress to make its decisions each year in the light of the then current situation. A 4-year authorization will remove the uncertainties which the States now face about the future of the program, and will implement the policy of orderly and progressive year-to-year expansion. The national need to make a full commitment to eliminate hunger dictates the need for such action.

Above all, Congresswoman SULLIVAN's substitute eliminates from the original bill a provision prohibiting the distribution of food to certain individuals. Are we so budgetary minded that we may deny to a striking worker food for his family? Are we that callous that we now foist qualifications on hungry faces? Has this Congress become so hard that they would even ask an individual his background before offering him a meal? I submit that the only question that anyone should be asked is "Are you hungry?"

Mr. BRAY. Mr. Chairman, I oppose the amendment offered by the gentle lady from Missouri [Mrs. SULLIVAN]. This amendment bypasses the Appropriations Committee and places no limit on the amount of food to be distributed. Such action will open up endless abuses. There is already much scandal in the program I will support what is needed. It is foolish to authorize food that is not needed. I cannot give a blank check to the administration on this matter.

I support the increase in the 1969 authorization for the food stamp program as is in the original bill. The extra $20 million—raising the total for fiscal year 1969 to $245 million—will help bring this program to around 3 million people. I believe this is a fitting time for some observations on the problem of hunger, for separation of fact from fancy, for reflecting on just what is being done, for brief consideration of the entire scope of Federal welfare programs, and some acknowledgment of the man who ultimately pays the bill: the American taxpayer.

Earlier this year two reports—one written, prepared by an unofficial organization calling itself the Citizens Board of Inquiry Into Hunger and Malnutrition in the United States, and the other, a television documentary called "Hunger in America"—generated shock and concern and meant a barrage of letters to Congress demanding something be done.

"Hunger—U.S.A." had flatly charged that:

> Hunger and malnutrition exist in this country, affecting millions of our fellow Americans and increasing in severity and extent from year to year.

The report designated 256 counties as "emergency hunger counties" and implied widespread starvation in these areas.

The House Committee on Agriculture wrote directly to the health officers in each of these counties, asking if there were cases of starvation or serious hunger—as the report alleged—because someone could not obtain food through various relief programs. Of all the counties responding—by June 17 of this year, when the committee's report was released, 181 of the 256 had done so—there was not one case of starvation, and few of serious hunger. There were many instances of something completely different from either hunger or starvation, and not necessarily connected to or a direct resultant of either: that was malnutrition, something grappled with daily by home economics and welfare workers who find the problem with many families is not alone in getting food, but in getting and preparing the right kind of food.

Many of the replies to the committee noted that no one from the citizens board had visited the county designated. The Committee on Agriculture determined what the citizens board had actually done was take data collected over the years on population, income, mortality rates, et cetera, extrapolate the results, and from this conclude that certain levels of data meant the given area suffered from "emergency hunger."

In addition, a study made by a staff member of the Institute for Defense Analyses of "Hunger—U.S.A." says the findings of the citizens board were based on factual error, lack of knowledge, and too much emotion. I quote from IDA's report, entitled "Hunger U.S.A.—A Critical Review":

> It is unfortunate that a report of this importance should contain so many factual errors and manifest a lack of basic knowledge of nutrition. . . . It must be considered more of a political polemic than a scientific treatise. It seems to stir up action based on emotional appeal. As a scientific document it fails to supply the necessary information to direct the energies of the responsible people into the proper channels of corrective measures.

Then, in May, a nationwide TV documentary called "Hunger in America" gave the impression that the situation was even worse than indicated in "Hunger—U.S.A." The House Committee on Education and Labor asked the Secretary of Agriculture for a report. On May 27, 1968, the Secretary responded, calling the TV program "biased, one-sided, dishonest." It contains "gross errors of fact." Other facts "were completely ignored." Individual cases "were presented in such a manner as to convince an average viewer that they represented the norm for food aid recipients throughout the United States, which they do not."

Both reports, seem to have been made with more of an eye for sensationalism than for presenting the truth of the matter; both left the clear implication that no one took notice of hunger and malnutrition and nothing was being done.

Ignored was the fact that close to 36 million Americans, at an annual cost of over $900 million, take part in the entire Federal food program. 12.5 million children get free lunches at school; 6.5 million children get lunches at less than cost; 10 million children get free milk during the school day; 6 million people get surplus food or participate in the food stamp plan; 1.3 million people receive food donated to charitable institutions; 160,000 children in low-income areas get free meals from a new school breakfast program.

And even this is but one small part of the mammoth overall Federal welfare and aid-to-the-poor program that costs close to $30 billion annually. It makes up one-sixth of the entire Federal budget; a budget now grown to such a size that it means a Federal expenditure of $334,094 per minute; $20 million per hour; over $3.3 billion per week.

The burden of all this—heavy, and getting heavier—is on the backs of the American taxpayer and most of it is on the middle-income American, whose personal income is between $5,000 and $15,000 per year. These Americans—men and women—file 45 percent of all personal income tax returns, and pay over 50 percent of all personal income taxes collected. They support upward of 1,200 different programs of Federal assistance of one kind or another to individuals, communities, and localities. They do it with a minimum of grumbling and a maximum of resignation. In one way, they are, indeed, "forgotten" but in another they are the most remembered of our day, because it is to them and to their pockets the Federal Government turns and returns, over and over again, to finance its operation.

I conclude with an article from the March 21, 1968 Washington Post; mismanagement and poor administration is endemic to Government programs. I will ask unanimous permission to insert this editorial at the conclusion of my remarks. If the taxpayer is going to be burdened with the support of these things, the very least his Government owes him is competent administration.

AID FOR POOR TIED UP IN BUNGLE

(By Eve Edstrom)

> A $10-million Federal program to attack starvation and malnutrition among the Nation's poor got hung up yesterday in a bureaucratic bungle.
>
> It was a prime example of how difficult it is to get Government agencies charged with working for the poor to work with each other.
>
> The emergency program to provide food and medical aid is to be a cooperative effort of the Agriculture Department, the Department of Health, Education and Welfare, and the Office of Economic Opportunity (OEO).
>
> OEO was so certain that agreement had been reached that it began distributing copies of press releases, dated yesterday, to offices of interested Congressmen.
>
> This allowed Sen. Ralph W. Yarborough (D-Tex.) to announce that seven Texas counties were among the 256 high-priority counties in 21 states that would benefit from $5 million of the funds.
>
> But when OEO was queried about its news release, it said it had been delayed for "unknown" reasons.
>
> The "unknown" turned out to be the Agriculture Department, which had approved the program a month ago, then asked that it be modified less than 24 hours before OEO was ready to announce it.
>
> All sources in the Agriculture Department's Consumer and Marketing Service, which will receive $2.2 million from OEO under the program, asked not to be quoted by name.
>
> They said they didn't want to kill, delay or change the program but wanted the funds reallocated and certain phases of the program to go in "different directions." They refused to comment on reports that they wanted more of the $10 million, particularly for food stamps.
>
> Money for the program was added to OEO's budget last year. OEO's announcement yesterday said that one-half of the funds would be administered principally by its community action agencies to provide food and medical supplies to families in the high-priority counties.
>
> Agriculture's $2.2 million would be for special projects such as providing free food stamps for families that cannot afford the 50 cents per capita minimum purchase price. The remaining $3 million would go for demonstration programs, such as diet supplements, and aid to and identification of those not reached by existing programs.

The Chair recognizes the gentleman from California [Mr. Teague].

AMENDMENT OFFERED BY MR. TEAGUE OF CALIFORNIA TO THE AMENDMENT OFFERED BY MRS. SULLIVAN

Mr. TEAGUE of California. Mr. Chairman, I offer an amendment to the amendment offered by the gentlewoman from Missouri [Mrs. Sullivan].

Mr. Chairman, I ask unanimous consent that the reading of the amendment be dispensed with, because it is exactly as it reads in the committee bill.

The **CHAIRMAN**. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

> Amendment offered by Mr. Teague of California to the amendment offered by Mrs. Sullivan: At the end thereof strike the punctuation marks and add the following: "and section 5(b) of such Act is amended by adding at the end thereof the following: 'Notwithstanding any other provision of law, any person who is engaged in a strike, labor dispute, or voluntary work stoppage shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided*, That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to the existence of a strike, labor dispute, or voluntary work stoppage, such person shall not be ineligible for participation in the food stamp program solely as a result of engaging in such strike, labor dispute, or voluntary work stoppage. Notwithstanding any other provision of law, any person who is a student attending an institution of higher learning shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided further*, That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to being enrolled as a student at the institution of higher learning, such person shall not be ineligible for participation in the food stamp program solely as the result of being a student attending an institution of higher learning.' "

Mr. TEAGUE of California. Mr. Chairman, this is simply an amendment to restore the language of the committee bill, should the Sullivan amendment be adopted, to prohibit the use of food stamps for students and strikers. It seems to me it is not the intention of the Congress to promote strikes or aid students in this way. It does not mean we are against organized labor or students, but we are for helping people who cannot get jobs or who for other reasons are eligible for food stamps. The provision is not retroactive.

I ask for a vote on my amendment.

The question was taken; and on a division (demanded by Mr. Teague of California) there were—ayes 85, noes 86.

Mr. TEAGUE of California. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Teague of California and Mrs. Sullivan.

The Committee again divided, and the tellers reported that there were—ayes 150, noes 134.

So the amendment to the amendment was agreed to.

The **CHAIRMAN**. All time has expired.

The question is on the amendment offered by the gentlewoman from Missouri [Mrs. Sullivan] as amended by the amendment offered by the gentleman from California [Mr. Teague].

Mr. BELCHER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. Sullivan and Mr. Belcher.

The Committee divided, and the tellers reported that there were—ayes 151, noes 138.

So the amendment, as amended, was agreed to.

Mr. BOLAND. Mr. Chairman, I rise in support of the amendment proposed by the gentlewoman from Missouri [Mrs.

SULLIVAN]. Many of us from both sides of the aisle have been privileged to join her as sponsors of the proposal, which would act to remove the authorization ceiling from the food stamp program. This would allow the program to expand so as to reach more needy, hungry persons.

At the recent hearings on this matter, held before the Agriculture Committee, much information was presented which provides convincing evidence that a substantial expansion in the food stamp program is needed, now. It was brought to the attention of the committee that many counties have requested that a food stamp program be established in their jurisdiction, but these programs have been delayed due to lack of funds. In December of 1967, 194 areas were designated for new food stamp programs. But these could not become operational for more than 6 months after their approval, until fiscal year 1969 funds were available. In addition 45 counties were designated to begin program operation at some later time in the fiscal year. And on top of that are 160 additional cities and counties which have requested a program, but have not yet received final approval.

The Secretary of Agriculture, in his testimony before the committee, admitted that the proposed $20 million increase in authorization would not provide adequate funds for all of the requested programs to be implemented. He estimated that about $100 million in additional budget would be needed to support them. The advantage of the amendment under consideration at this time is that it would allow the food stamp prgoram to expand naturally, and as quickly as necessary to meet all needs. It is not as if we would be requiring a specific high figure to be spent for programs where they are not wanted or needed. Funds would be available as needed to fund new and existing programs.

During the past year, the nutritional problems of the Nation's poor have received much attention. When those examining the needs of low-income families find inadequate diets, hunger, and malnutrition widespread among children and adults, they naturally inquire into the performance of those food programs which are intended to help the poor. Both the food stamp program and the commodity distribution program are designed to feed needy, hungry people. But the program statistics show that these two programs reach only one person in five below the poverty level, thus failing to provide assistance to some 24 million persons.

As public officials across the country have become aware of the existence of hunger, many have expressed interest in establishing food stamp programs in their communities. But, as we have seen, the current level of funding is not high enough to permit the operation of programs in all of the counties which have requested them. I would like to see the food stamp program in every city, town, and county where there are needy people. I consider a minimum diet a basic right of every American citizen. Every person who is eligible should have the opportunity to benefit from the purchase of bonus food coupons.

The lack of sufficient funds has affected a number of areas in Massachusetts, areas which are anxious to participate in the food stamp program, have submitted applications and received approval, but are now waiting for funds to be made available. It is my understanding that when the Congress enacted the Food Stamp Act in 1964, it was not intended as a pilot project, only to be put into operation in a limited number of places. At that time, many thought it should entirely replace the commodity distribution program. The legislation places the responsibility for requesting and setting up the program with the local government. But now we are in a position where funds are not sufficient to allow those programs now in operation to provide stamps to every eligible citizen, or to encourage programs to be started in other places where there is proven need for them.

Mr. Chairman, the time for action is now. We need not wait for further surveys, studies, and reports. We do not need new legislation. We have a reasonably successful program already in operation. I can see no logical argument as to why it should not be expanded so as to be available to everyone.

At the present time only 2 million persons are able to take advantage of the food stamp program. During fiscal year 1967, coupons costing about $105 million were purchased and used to obtain food worth almost $300 million. The program has been successfully expanded, with the number of projects increasing from 43 in August 1964 to more than 1,000 at the present time. The number of participants likewise rose, from 350,000 at the beginning of the program to over 2 million now. There is every indication that this trend would continue, with more and more counties establishing programs, and increasing numbers of persons benefitting from them. But one obstacle stands in the way—the ceiling on appropriations which may be spent for this purpose.

I urge the Congress to act favorably on this amendment. This is a compassionate Nation. It is also an affluent Nation, one which is fortunate enough to have the resources to provide all of its citizens with a decent minimum standard of living, including adequate food. Our compassion cannot allow us to continue to ignore the plight of the 30 million poor in our midst, nor the 10 million who are malnourished.

Mr. DOW. Mr. Chairman, as a member of the Committee on Agriculture, I have listened to a great many recitations of figures showing the number of counties covered and not covered by the food stamp program. As I understand the matter, out of the 1,000 poorest counties, there are still 331 counties which are not covered by the food stamp or commodity programs. It has been estimated by the Secretary of Agriculture that the demand on June 30 of this year for eligible persons in existing food stamp areas, will absorb the full $225 million authorized for fiscal 1969. The committee bill would increase the authority to $245 million. This seems to be an arbitrary figure that does not have relation to the overall need.

The need was expressed by Secretary Freeman when he testified before the House Agriculture Committee in June. The Secretary testified that to meet present shortrun needs, to reach all the counties that have not been reached, it will take $100 million more than the current authorization. The long-term needs, that is, to provide a mature, efficient program to reach all of the people would cost about $1.5 billion according to the Secretary.

In our great United States with its great prosperity, it is inexcusable that areas of the country should exist where inadequate quantities of food with nutritive quality is unavailable to American citizens.

The food stamp program is not a "giveaway." It does require some contribution by recipients, even as low as 50 cents per person each month. Yet, some families have been found that can barely accumulate any amount of money that calls for a monthly family participation.

I know full well that expressions have been obtained from officials in counties around the country that might be needy for food and that these officials have indicated a lack of necessity for such programs. I have not, however, seen expressions from the poor families themselves indicating a lack of need. I wish that we might hear from them, as well as the county officials. Some of these officials may have political philosophies that are out of sympathy with the needs of the people. They may feel harassed from long years of rebutting pleas for aid. However, there are poor people in our country still; they do have problems of hunger. The evidence of their condition will not go away. The Poor People's March, broadcast programs, and constant reiterations in the press remind us of that need.

Accordingly, I support the amendment that would make this food-stamp program open ended. There is not much logic in having a food-stamp program that reaches some of the counties and not others where there is need of it. The justice of the situation would call for a uniform availability of the food programs, including food stamps in all areas.

Accordingly, Mr. Chairman, I support the amendment to authorize such sums as may be necessary, and to extend the bill through the fiscal year 1972.

Mr. DENT. Mr. Chairman, while the proponents of the amendment to the Sullivan substitute try to justify their position, most of us know it is an indirect but powerful weapon in the area of antilabor legislation.

We are forced by the circumstances we find ourselves in to vote for the Sullivan substitute containing the Teague of California amendment, which many of us opposed as well as exposed.

The Teague amendment calls for the denial of food stamps to members of organized labor, although they may be in dire need, if they are members of a union on strike.

To say the least this is a dangerous precedent in the fair enterprise and free labor system.

What happens when the majority votes for a strike and members of the minority view need help in the area of food stamp distribution?

Under this new view of antilabor pressure, the member either starves or scabs for his employment and food.

Surely labor disputes have no place at the hunger counter when it is the women and children, innocent bystanders to a labor dispute, who pass their empty plates.

There are some who say nobody starves in this country because of labor disputes. If this is so then why prohibit the issuance of stamps to strikers?

Stamps are only given when need is proven.

If two families are in need, living alongside of each other, and one is a strikebound worker, would you in good conscience say to one family, "eat" and to the other: "Stay away from the table." You would not, I am sure.

So why, then, do you vote for the amendment?

A man on strike goes with the majority—he is often locked in—in the same manner as those of us opposed to the strikebreaker amendment have to accept it in a package, or, refuse food stamps to all our needy people.

Finally, a man on strike being denied and his family being denied reminds me of the loud and bitterly complaining Members of Congress who fight every pay raise and then after it passed they are, oh so reluctantly, forced to take the pay raise.

Maybe in much the same way members of unions vote against strikes but get all the benefits.

In fairness to justice could we then deny all contracts from the U.S. Government, all grants and subsidies to any management or corporate interest that locks out its workers? I am sure this will never happen from what I have seen on the floor today.

I do not suggest it but perhaps the antilabor forces would like to square themselves with their consciences.

One saving grace I am sure rests in the hope the conference committee will remedy this uncalled-for restraint.

It might have been in vogue in early years of our lives but it is out of step in today's concepts of labor's rights and industry's freedom in labor-management discussions and disputes.

Mr. MINISH. Mr. Chairman, the juxtaposition of H.R. 18249, to amend the Food Stamp Act of 1964, and H.R. 17126, to extend the Food and Agricultural Act of 1965, on today's calendar, offers the House of Representatives a clear-cut opportunity to choose between the interests of the people versus the privileged few. This is a test of the views of this membership on our national priorities and directions in this crucial year 1968. The decision is quite simple: Are we to feed the hungry in all sections of our land by expanding the food stamp program as proposed in the Sullivan amendment I am proud to cosponsor, or are we to deny them and yet allocate billions to those who reap huge profits from a subversion of the agricultural program?

We quibble over extending the food stamp program for 4 years with an appropriation of "such sums as may be necessary" to reach the hungry whose plight is a national disgrace. At present, only about one-third of the counties in the United States are able to participate in this program to assure adequate diets for low-income families. The application of my own Essex County, which includes Newark, is pending before the Department and its approval must await additional funds. The proposed increase in the ceiling to $245,000,000 as provided in the committee bill now before us will not be sufficient to cover all the cities and counties wishing to give decent diets to families who cannot afford to buy nutritious food on their meager income.

The Nation was shocked recently by the documented cases of children literally starving to death in some of the very States where corporate-type farms receive from $100,000 to $500,000 annually in payments under the Agricultural Act of 1965. A proposal for a modest guaranteed annual income for the poor is treated with shocked indignation, but there is no protest about the really handsome guaranteed annual income enjoyed by these huge farm enterprises. Is it not inconceivable that this House would allow our poor to go hungry while at the same time it would seriously consider an extension of this monstrous farm program that has resulted in huge windfalls to large owners and corporations for not planting crops? These so-called farmers have put to shame the biblical injunction "as you sow, so shall you reap." They do not sow but they reap bountiful harvests of public funds wrung from the hard-pressed general taxpayers. I venture to say that these beneficiaries also utilize most advantageously the loopholes so thoughtfully provided in our tax structure and thereby evade taxes on their "welfare checks."

It has been estimated that the American taxpayers could save $600,000,000 a year by putting a ceiling of $10,000 and no more paid to any single farm. I personally favor the outright rejection of extending this program for even 1 year. That failing, I urge that a payment limitation amendment be adopted, precluding any payment in excess of $10,000 which is surely more than a fair return for idleness.

There is reason for deep concern in the indifference, even hostility, of too many Members of this great body toward the pressing problems of the less privileged members of our society. We cannot let so many Americans remain shut out from our society, condemned to hopelessness and hunger, while their fortunate fellow citizens enjoy windfalls under a farm program that would be ridiculous if it were not so serious. I deplore this robbing the poor to pay the rich, this spirit of meanness and pettiness that begrudges food to the hungry and showers billions upon corporate-type farm operations. I implore this House to be worthy of its responsibilities and to vote on these two bills in the people's interests.

Mr. BURTON of California. Mr. Chairman, I strongly support a 4-year authorization for food stamp program as set forth by an amendment to the food stamp bill introduced by Congresswoman SULLIVAN.

The food stamp program has been proved, through more than 7 years of testing, to be a good program. Experience has shown us that the food stamp program is the most efficient method yet devised to move more nutritious food to more low-income people. I am sure that we all agree that this program must be adequately financed so that it can be further expanded; and that the program needs effective congressional direction, leadership and program review. The amendment to the food stamp bill introduced by Congresswoman SULLIVAN provides for such measures.

While the food stamp program will not, of itself, assure that the food problems of the poor will be solved, program availability is the essential first step—the step upon which the Department of Agriculture can work to refine program operations in an effort to reach and improve the diets of all eligible needy families.

The problems of hunger—at times, for some poor families—and of malnutrition—for larger numbers of poor families for longer periods of time—are a present-day fact. The ultimate goal, the positive commitment, must be: No American should go hungry or suffer from malnourishment.

I, therefore, strongly support a 4-year authorization, without specific monetary limitations on appropriations, which would require specific rules for an in-depth congressional review prior to each annual appropriation. This will permit the Congress to make its decision each year in the light of the then-current situation. Additionally, a 4-year authorization will remove the uncertainties which the States now face about the future of the program, and will implement the policy of orderly and progressive year-to-year expansion.

The national need to make a full commitment to eliminate hunger dictates the need for such action.

Mr. HANLEY. Mr. Chairman, experience with the food stamp program since 1961 demonstrates that it is a practical and prudent approach to the food problems of the poor.

Therefore, I strongly support the amendment to the food stamp bill introduced by Congresswoman SULLIVAN which provides for a 4-year authorization without specific monetary limitations on appropriations.

The program proved to be a flexible one—where changes and refinements were made as operating experience was gained by the Department of Agriculture and by the participating States. And it is becoming increasingly clear that the events of the past year have placed new demands upon the food stamp program—

More poor people are coming in to be certified in counties that have the stamp program, as program provisions are being refined; and

More counties want the program and they should have it.

And, there are demands that even more be done to see that even more people are reached and that even more assistance is provided to those already being reached.

These demands must be taken into account when we discuss future program funding and expansion. If we are to eliminate hunger and malnutrition in this country, we must provide the Department of Agriculture with tools that are equal to the task.

It is also clear that we cannot fund, or have the Department of Agriculture place into operation, the food stamp program nationwide this fiscal year. But, we must see that the momentum that has been built up continues and, in fact, that we have the Department accelerate the pace during this fiscal year. The times and the national need require our support of Congresswoman SULLIVAN's food stamp amendment.

Mr. SCHWEIKER. Mr. Chairman I rise in support of the amendment offered by the gentlewoman from Missouri. This amendment is identical to H.R. 17786, a bill which I am proud to be cosponsoring along with the gentlewoman from Missouri.

It is unfortunate, but true, that poverty and malnutrition still exist in the midsts of this affluent society. The food stamp program, which I supported in 1964 when it went from a pilot project to a permanent activity, is a valuable factor in the diets of 2.5 million Americans living in poverty in nearly 1,100 counties across the Nation.

At this time, however, the food stamp program is at a critical crossroads. Hundreds of additional counties now have requested the program, but unless the Sullivan amendment is adopted, these counties will not be able to participate. Twelve of these counties happen to be in my own State of Pennsylvania, but this is a program for which the need has been proven across the entire Nation as well.

To permit expansion of the food stamp program to every county in the land that requests and needs the program, it will not be enough simply to increase the authorization ceiling from $225 to $245 million, as the committee bill proposes. Instead, we must make the authorization open ended, as the Sullivan amendment would do.

In addition, the food stamp program deserves to be extended not just for 1 year, under the committee bill, but for 4 more years, as the Sullivan amendment provides.

The question is not whether this program, which has been successful within its limits, should survive for another 4 years. It definitely should. As for the need to review the program periodically, this is taken care of in the Sullivan amendment by a provision requiring the Secretary of Agriculture to make an annual report.

Mr. Chairman, the problem of hunger in the United States has been painfully dramatized for all of us in recent months. It would be tragic if Congress responded by giving the food stamp program only a slight increase in authorized funds and only a 1-year increase in its lifespan. I urge that we pass the Sullivan amendment.

Mr. HOLIFIELD. Mr. Chairman, I want to commend the House Agriculture Committee for recognizing the need to increase support for the food stamp program. The committee and I, I am pleased to say, see eye to eye on basic food stamp matters. First, this program must be adequately financed so that it can be further expanded; and, second, that the program needs to be carefully and prudently administered.

I, therefore, strongly support and urge my colleagues to support the amendment to the food stamp bill introduced by Congresswoman SULLIVAN. This amendment provides for a 4-year authorization without monetary limitations on appropriations. Because this amendment requires specific rules for in-depth congressional review prior to each annual appropriation, it will assist and guide the Congress in its annual funding decision and permit the Congress to make its decision each year in the light of the then-current situation.

Mr. ROONEY of Pennsylvania. Mr. Chairman, as the Representative of a congressional district which is seeking desperately to implement this program at the earliest opportunity, I rise in support of the bill to extend the food stamp plan.

I speak in support of removal of the ceiling which the basic bill will impose. I endorse, and have cosponsored, the measure introduced by our colleague, the gentlewoman from Missouri [Mrs. SULLIVAN], which is geared to do what needs to be done in providing food for the impoverished here at home.

In my own district, the counties of Northampton and Monroe have been put off for months in their efforts to introduce the food stamp program. The funds are not available to expand this program to the many regions of the country which desire to participate.

Today, more than at any time in the past, we in Congress are aware of the tragedy of poverty in our society. Our awareness has been generated by the presence in our Nation's Capital of thousands of poor who came here to make their plight known.

In this measure, we have an opportunity to demonstrate our concern for the poor in our own Nation by expanding the food stamp plan to every county in our Nation which has need of it.

I urge that we meet this need now.

Mr. PRICE of Illinois. Mr. Chairman, when Congresswoman SULLIVAN has the facts and figures to substantiate her position on legislation, as she always does, the House knows by now that she deserves full and undivided attention. Today, Mrs. SULLIVAN has the facts and legislative tools in hand to correct an apparent error in judgment made by the distinguished Committee on Agriculture in its consideration of the Food Stamp Amendments of 1968. I urge the House to adopt the substitute language suggested by the gentlewoman, instead of the committee version of this bill. The substitute version provides a 4 year open authorization instead of the 1 year $245 million authorization recommended by the Committee on Agriculture.

Mr. Chairman, Mrs. SULLIVAN as usual has collected the facts to substantiate her position on this issue. For example, in my own State of Illinois, 35 of 102 counties are on the waiting list for the food stamp program. All of these counties were assured that the $255,000,000 included in the administration's budget for fiscal 1969 would enable them to start the program by July 1, 1968. It has been discovered that all of these counties will remain on the waiting list indefinitely until we provide more funds for the food stamp program, even though they have been eligible since last December. It might be of interest to list these counties; they include: Boone, Bureau, Carroll, De Kalb, Du Page, Ford, Fulton, Grundy, Henderson, Henry, Jo Daviess, Kane, Kankakee, Kendall, Knox, Lake, La Salle, Lee, Livingston, Marshall, McHenry, McLean, Mercer, Ogle, Peoria, Putnam, Rock Island, Stark, Stephenson, Tazewell, Warren, Whiteside, Will, Winnebago, and Woodford. Unless the substitute is agreed to, Mr. Chairman, funds will not be provided for the needy eligible families in these counties.

There are additional factors besides this waiting list which place a question of credibility on the 245 million authorized by the committee. In addition to these counties on the waiting list, there are dozens of others that have requested to participate in the food stamp program but will be unable to do so because of the proposed short funding. I am happy to confirm that there are no Illinois counties in this category, but 115 counties fall into this group throughout the rest of the Nation.

Finally, Mr. Chairman, a recent tremendous spurt in interest in this program leaves additional doubts in my mind about the adequacy of the proposed authorization. In Madison County and St. Clair County, Ill., which I represent in the Congress, participation in the program jumped a phenomenal 20 percent since January 1967. In that month there were 14,689 people participating in the food stamp program in those two counties; today there are 18,501 participants. This added participation by residents of eligible counties is not a sign of failure, Mr. Chairman, but rather a definite benchmark of this program's success. It is a self-help program in which the poor buy their food coupons with self-reliance and dignity. It is not a giveaway scheme.

All of these factors combined lead me to again support the gentlewoman in her efforts to amend this legislation on the floor as I did when I originally cosponsored this measure with her several months ago. I ask that the House heed the reality of the facts displayed by Mrs. SULLIVAN and adopt her substitute so the Appropriations Committee can fund the program at the level commanded by all of the circumstances.

Mr. DANIELS. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN] whose championing of this cause and her effective advocacy of the food stamp program have earned her the gratitude of millions of her fellow Americans.

Mr. Chairman, I am supporting the gentlewoman's amendment because in simple language it makes sense. Only through the device of the open-end authorization can this program receive the financing necessary and we have seen the results of 1-year financing. Thus, I support the principle of a 4-year authorization which means that the food stamp program can be a truly continuing thing rather than the "off again, on again, now you have it, now you do not," type of operation that it has been in past years.

Mr. Chairman, I am proud to have been one of the 130 Members who joined with the gentlewoman in cosponsoring H.R. 17721. I urge all Members to join with us in incorporating the provisions of this bill into the pending measure which is totally inadequate.

Mr. Chairman, I have received numerous communications from concerned public officials and citizens of Hudson County, N.J., who feel as I do that unless the Sullivan amendment is adopted our food stamp program scheduled to begin almost a month ago is in danger. Further, all Members will recall that last year it took until September to enact the authorization. If you do not want this to happen every year, I urge you to join with me in support of the amendment of the gentlewoman from Missouri.

Mr. LLOYD. Mr. Chairman, passage of this food stamp legislation should be ample warning to the American people that the costly trend toward welfare dependency upon the Federal Government is continuing unabated, and is in fact accelerating.

The Sullivan substitute has shifted this House within 1 year's time from a debate concerning the advisability of the food stamp program itself, even under stringent appropriation controls and for 1 year only, to a debate as to whether the program should now be extended for 4 years without a spending ceiling at all, and passage of the bill seems assured. Conversation is freely flowing that rural legislators are being advised by city legislators that their support of the food stamp program is necessary for friendly consideration of the farm subsidy bill.

This food stamp bill is ostensibly concerned with feeding the hungry. In my view, the way to make absolutely certain that those who are hungry are fed is to seek out these hungry people and those threatened with hunger, and by direct distribution of nourishing food guarantee that there shall be no starvation and no near starvation. All responsible Americans stand ready to finance such a program, and we should have had that program available under improvement of our system of direct distribution of agricultural commodities.

The food stamp program replaces this direct distribution with an involved system of food stamp purchases requiring an enforcement army and under which eligibility becomes a matter to be decided by an administrative agency as increased numbers of individuals who are not even on the welfare rolls become eligible for Federal Government food subsidy. The eligibility requirement reads "participants shall be limited to those households whose income is determined to be a substantial limiting factor in the attainment of a nutritionally adequate diet." The Department of Agriculture then is authorized to issue the eligibility regulations which now depend upon, first, income, second, assets, and third, dependents.

It is estimated that this Sullivan substitute will require an appropriation of $325 million annually, a raise in 1 year for this program alone of about $100 million. What the future holds, nobody knows, but one thing is sure and that is the cost of government on the domestic front is going up, not down.

Mr. MYERS. Mr. Chairman, I am opposed to this amendment offered by the gentlewoman from Missouri. This does not mean that I do not believe in the food stamp program. With this Nation faced with a critical financial problem and knowing that we have many more jobs in the country today than we have people to fill them, I can see little reason to vote today for a blank check or the open end program now before us. No one has really shown us or proved to this committee that more money or more food will really solve the malnutrition or hunger problem in our country. There are several reports and studies that indicate that the real problem is not with lack of quantity but rather with selection of food to feed the family or lack of knowledge on preparation. Is there anything in this bill to improve these conditions?

I certainly do not want to see hungry people or know that children are suffering from malnutrition. I would vote for programs if we had unemployment caused by some other reason than just that someone does not want to work. I would support a program to help feed hungry children if there were not already so many others already helping. I can find no reason to turn a blank check over to any Secretary of Agriculture.

Mr. RODINO. Mr. Chairman, I rise in support of the substitute amendment offered by the distinguished gentlewoman from Missouri [Mrs. SULLIVAN], which I have cosponsored as a separate bill, H.R. 17723.

I was deeply disappointed by the Agriculture Committee's action in rejecting this bill by a 26-to-4 vote. But I am confident that this measure, which already has some 130 Members as cosponsors, will be acted upon favorably by the Committee of the Whole House.

According to Mrs. SULLIVAN, who has led this struggle with such unswerving zeal, some 239 additional counties and independent cities throughout the country have applied for certification to participate in the food stamp program.

One of the most recent requests was made by Essex County, N.J., which includes the city of Newark and the six other communities in my own 10th Congressional District—Belleville, Bloomfield, Cedar Grove, Glen Ridge, Montclair, and Nutley. And I can attest to the urgency of implementing the program in Essex, where welfare costs constitute the largest single item in the county's budget, absorbing nearly 50 percent of the total.

Mr. Chairman, unless the substitute is approved, this most vital assistance—and it is that, it is not a giveaway—cannot be extended beyond the 1,027 counties or independent cities now participating in the food stamp program.

I urge my colleagues to join me in supporting the substitute which represents an enlightened and humane approach to one of the most basic problems besetting the Nation. It is appalling that in a nation of plenty there should be any reluctance to approve a frontal and realistic attack on hunger and malnutrition, and the myriad evils they create.

Mr. BYRNE of Pennsylvania. Mr. Chairman, under the limitation now in effect on debate on the pending amendment by the gentlewoman from Missouri [Mrs. SULLIVAN], with the vote scheduled to take place in just a few minutes, at 2:10 p.m., there is no opportunity to make a long speech on this issue. Long speeches are not needed, however. We have had the food stamp program in operation in some part of Pennsylvania since 1961, when it was instituted as a pilot program by the late President John F. Kennedy. We have had this excellent program in operation in my city of Philadelphia since May of 1966. I support this program, and I support wholeheartedly the amendment in the form of a substitute for the Committee bill offered by the gentlewoman from Missouri, who is more responsible than any other Member of Congress for the fact that we have a food stamp program. The present Food Stamp Law enacted in 1964 was her bill. But long before that law was passed, she introduced and got through Congress a food stamp law which the Eisenhower administration refused to put into operation.

In Philadelphia, our low-income families are grateful for the existence of this program. At the present time, there are 57,127 men, women, and children of low income in the city of Philadelphia participating in this program, and utilizing it in order to be able to buy a good, wholesome, nourishing diet.

During the first 9 months of the 1968 fiscal year, through April 1968, the people of Philadelphia participating in this program paid $6,000,000 for about $9,000,000 worth of food stamps—two-thirds of the cost of their food stamps. The average subsidy was only $6 per person per month, but that made the difference for those 57,127 persons between eating well and not being able to afford enough of the right foods for proper nutrition.

I congratulate the gentlewoman from Missouri [Mrs. SULLIVAN] for the fight she has made for so many years for this program, and, as a cosponsor of her bill this year, I shall support her amendment which includes the text of our bill H.R. 17722.

Mr. ZWACH. Mr. Chairman, I have consistently supported sound measures of providing needed assistance for the impoverished of our country. I shall continue to support those programs to aid the individual in solving their problems, commensurate with the ability of our Nation to do so. The food stamp program, whereby people have to pay some of their earnings or pensions in order to buy this stamp, has been generally beneficial. There is much less evidence of waste than in many other programs, and, at the same time there is proof of providing better diets and a wider choice by participants in the food stamp program not to be found in the surplus commodity distribution program.

The food stamp program was funded in fiscal year 1968 for $185 million. During the year, it appeared that additional counties wanted to change from the surplus commodity plan to the food stamp plan, and other counties were applying for the first time. To fulfill these needs, bills had been reported from the House with an increase for the amount of $40 million. The Senate subsequently raised this an additional $20 million. From the best of testimony at the hearings, there were 289 newly designated counties to receive this program in fiscal year 1969 which needed $50 million, and the 100 additional counties on file which were awaiting certification having a funded need of $5 million. This additional $55 million, when added to the $225 million, brings the total need—to the best of the administration's knowledge—to $280 million. I was willing to support such legislation based on properly documented evidence by the administration, and because it is clearly the method of developing sound fiscally responsible legislation designed to help all of our people.

Therefore, I opposed the open-ended amendment offered by the distinguished Member from Missouri. This action removes this vital legislation from the Agriculture Committee and denies the committee the opportunity to use a significant tool in the kit required to implement a sound farm program, or even the discussion of that program. I also opposed the amendment as there is no lid on spending nor has an estimate of cost been made or offered. This action could be very cruel indeed to recipients if the President decided that this open-ended fund should be stopped or cut back in effort to meet the overall legislative budget requirements. I do not believe that further despair should be the lot of those very people we are trying the hardest to help.

When it became evident that the will of this body was in support of such lax policy, and would not support a properly funded program, I then supported the final passage of this bill. My sincere hope is that my colleagues will also share the responsibility of providing these funds after we learn the amount that has been charged.

Mr. MILLER of Ohio. Mr. Chairman, this body has voted to take the limits off Federal spending on food stamps. Additionally this "open end" legislation was approved by the House for a 4-year period. Open end legislation and increased spending appear to be gaining favor despite the inflationary period we are going through.

In addition, I submit, that there was a degree of delusion and considerable thought given to elections that helped some Members of the House to decide their vote on the food stamp measure.

To vote against the bill seemed to have the appearance of voting against the poor, when in actuality it will probably result in just the opposite.

Certainly adding $100 million to what had been recommended by the Agriculture Committee will not have any deflationary effect. The Agriculture Secretary has indicated he will increase current expenditures by that amount, $100 million, if the bill becomes law. That amount of additional spending power would ultimately have an inflationary effect and the poor get poorer.

Also, consider that food stamps do not prove to be the final solution for the really destitute family. When the food stamps come into a county, surplus commodities distribution ceases. Then those whose needs are the greatest, those who do not have the original investment to make, do not receive the commodities, and cannot participate in the stamp plan.

I grant that an amendment was pushed through which will keep college students and union members involved in labor disputes from receiving the stamps. But I doubt that this will end abuses in the program.

Let me also briefly outline an inaccuracy that could have, I believe, influenced the vote of some Members.

I quote from the CONGRESSIONAL RECORD of the House of Representatives for Tuesday, July 30, 1968. On page H7808 the champion of the food stamp plan, the gentlewoman from Missouri [Mrs. SULLIVAN] says:

> If there is a ceiling on Public Law 480 expenditures for giving food away abroad, it is now so fantastically high—about $7 billion—we could never approach it.

I do not know where this $7 billion figure came from. In hearings before the Committee on Agriculture on July 12, 1968, the Secretary of Agriculture, Mr. Freeman, gave quite a different estimate of the amount spent under Public Law 480. I quote from page 97 of the transcript of the hearing:

> Mr. FOLEY. So that about $2 billion would go in one form or another in food assistance to people living outside of the United States.
>
> Secretary FREEMAN. Roughly, say $1.8 billion now in terms of total food programs, that is, Public Law 480.

There is a large discrepancy between $7 billion and $1.8 billion.

Had time permitted I would have pointed out the differences in these figures on the floor. Unfortunately time for debate expired before I could speak. I am indeed sorry that a politically popular vote and a misleading statement may have helped in the favorable vote on this matter.

And I am distressed that this body, which has a direct responsibility to the citizens of the Nation, has passed open-end legislation and turned over the matter of spending to the administrative branch.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANDRUM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 18249) to amend the Food Stamp Act of 1964, as amended, pursuant to House Resolution 1260, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. Is it possible to get a separate vote on the Sullivan amendment?

The SPEAKER. There is one amendment.

Mr. GERALD R. FORD. The Sullivan amendment?

The SPEAKER. That is the Sullivan amendment, as passed.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand a separate vote.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

> Amendment: Strike out all after the enacting clause and insert the following:
>
> "That subsection (a) of section 16 of the Food Stamp Act of 1964 is amended (A) by deleting from the first sentence the phrase 'not in excess of $225,000,000 for the fiscal year ending June 30, 1969;' and inserting in lieu thereof the following: 'such sums as may be necessary for each of the fiscal years ending June 30, 1969, 1970, 1971, and 1972;' and (B) by adding at the end of the subsection the following sentence: 'On or before January 20 of each year, the Secretary shall submit to Congress a report setting forth operations under this Act during the preceding calendar year and projecting needs for the ensuing calendar year' and section 5(b) of such Act is amended by adding at the end thereof the following: 'Notwithstanding any other provision of law, any person who is engaged in a strike, labor dispute, or voluntary work stoppage shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided*, That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to the existence of a strike, labor dispute, or voluntary work stoppage, such person shall not be ineligible for participation in the food stamp program solely as a result of engaging in such strike, labor dispute, or voluntary work stoppage. Notwithstanding any other provision of law, any person who is a student attending an institution of higher learning shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided further*, That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to being enrolled as a student at an institution of higher learning, such person shall not be ineligible for participation in the food stamp program solely as the result of being a student attending an institution of higher learning.'"

Mrs. SULLIVAN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentlewoman will state the parliamentary inquiry.

Mrs. SULLIVAN. Mr. Speaker, is it possible to have a separate recorded vote on the amendment of the gentleman from California [Mr. TEAGUE]?

The SPEAKER. Under the present parliamentary situation, the answer is in the negative.

The question is on the amendment.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. Does the gentleman from Michigan demand the yeas and nays on the adoption of the amendment?

Mr. GERALD R. FORD. On the so-called Sullivan amendment, as amended, Mr. Speaker.

The yeas and nays were ordered.

The question was taken; and there were—yeas 227, nays 172, not voting 33, as follows:

[Roll No. 293]

YEAS—227

Adams
Addabbo
Albert
Anderson, Tenn.
Andrews, N. Dak.
Annunzio
Ashley
Ashmore
Barrett
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Brooks
Brown, Calif.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Carey
Carter
Celler
Clark
Cleveland
Cohelan
Conte
Conyers
Corbett
Culver
Daddario
Daniels
Davis, Ga.
Dawson
de la Garza
Delaney
Dent
Diggs
Donohue
Dorn
Dow
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Edwards, La.
Eilberg
Esch
Evans, Colo.
Everett
Fallon
Farbstein
Fascell
Feighan
Foley
Ford, William D.
Fraser
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Garmatz
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gude
Hagan
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Harsha
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Horton
Howard
Hull
Hungate
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Kelly
King, Calif.
Kluczynski
Kupferman
Kyros
Landrum
Leggett
Long, La.
Long, Md.
McCarthy
McDade
McDonald, Mich.
McFall
McMillan
Macdonald, Mass.
Machen
Madden
Mahon
Mathias, Md.
Matsunaga
Meeds
Miller, Calif.
Mills
Minish
Mink
Monagan
Moorhead
Morgan
Morris, N. Mex.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Podell
Pollock
Price, Ill.
Pryor
Pucinski
Purcell
Randall
Rees
Reid, N.Y.
Reifel
Resnick
Reuss
Rhodes, Pa.
Riegle
Rivers
Roberts
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
St. Onge
Saylor
Scheuer
Schweiker
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Staggers
Steed
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Taylor
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Wampler
Watts
Whalen
White
Whitener
Whitten
Widnall
Willis
Wilson, Charles H.
Wolff
Wright
Yates
Young
Zablocki

NAYS—172

Abbitt
Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Arends
Ashbrook
Aspinall
Ayres
Bates
Belcher
Bell
Bennett
Berry
Betts
Bow
Bray
Brinkley
Brock
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson
Burton, Utah
Bush
Byrnes, Wis.
Cabell
Cahill
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Collier
Colmer
Conable
Cowger
Cunningham
Curtis
Dellenback
Denney
Derwinski
Devine
Dickinson
Dole
Dowdy
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Findley
Fino
Fisher
Flynt
Ford, Gerald R.
Fountain
Gathings
Goodling
Griffin
Gross
Grover
Gurney
Haley
Hall
Halleck
Hammerschmidt
Hardy
Harrison
Harvey
Hosmer
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
Keith
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Laird
Langen
Latta
Lennon
Lloyd
McClory
McCloskey
McClure
McCulloch
McEwen
MacGregor
Mailliard
Marsh
Martin
Mathias, Calif.
May
Mayne
Meskill
Michel
Miller, Ohio
Minshall
Mize
Montgomery
Morton
Myers
Nelsen
Nichols
O'Neal, Ga.
Pelly
Pettis
Pirnie
Poage
Poff
Price, Tex.
Quie
Quillen
Railsback
Reid, Ill.
Reinecke
Robison
Rogers, Fla.
Roth
Roudebush
Rumsfeld
Sandman
Satterfield
Schadeberg
Scherle
Schneebeli
Schwengel
Scott
Selden
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Stanton
Steiger, Ariz.
Steiger, Wis.
Taft
Talcott
Teague, Calif.
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tuck
Utt
Watkins
Whalley
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Wyman
Zion
Zwach

NOT VOTING—33

Baring
Battin
Blackburn
Blanton
Bolton
Burke, Fla.
Corman
Cramer
Davis, Wis.
Dingell
Evins, Tenn.
Flood
Frelinghuysen
Fulton, Tenn.
Gallagher
Gardner
Goodell
Gubser
Hansen, Idaho
Hawkins
Hébert
Herlong
Holland
Karsten
Kirwan
Lipscomb
Lukens
Moore
Morse, Mass.
Rarick
Rhodes, Ariz.
Waggonner
Watson

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Kirwan for, with Mr. Lipscomb against.

Mr. Morse of Massachusetts for, with Mr. Battin against.

Mr. Hébert for, with Mr. Rhodes of Arizona against.

Mr. Moore for, with Mr. Hansen of Idaho against.

Mr. Hawkins for, with Mr. Burke of Florida against.

Mr. Dingell for, with Mr. Herlong against.

Mr. Evins of Tennessee for, with Mr. Rarick against.

Until further notice:

Mr. Waggonner with Mr. Watson.

Mr. Blanton with Mrs. Bolton.

Mr. Holland with Mr. Lukens.

Mr. Fulton of Tennessee with Mr. Blackburn.

Mr. Gallagher with Mr. Frelinghuysen.

Mr. Karsten with Mr. Cramer.

Mr. Flood with Mr. Gubser.

Mr. Cohelan with Mr. Davis of Wisconsin.

Mr. Corman with Mr. Goodell.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BELCHER

Mr. BELCHER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BELCHER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. BELCHER of Oklahoma moves to recommit the bill (H.R. 18249) to the Committee on Agriculture.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 315, nays 83, not voting 34, as follows:

[Roll No. 294]

YEAS—315

Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Annunzio
Ashley
Aspinall
Ayres
Barrett
Bates
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Carter
Casey
Celler
Clark
Clausen, Don H.
Cleveland
Cohelan
Conable
Conte
Corbett
Cowger
Culver
Cunningham
Daddario
Daniels
Davis, Ga.
Dawson
de la Garza
Delaney
Dent
Diggs
Donohue
Dorn
Dow
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Edwards, La.
Eilberg
Esch
Eshleman
Evans, Colo.
Everett
Fallon
Farbstein
Fascell
Feighan
Fino
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Grover
Gude
Hagan
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Mo.
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyl
Kyros
Landrum
Latta
Leggett
Long, La.
Long, Md.
McCarthy
McClory
McCloskey
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Martin
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Mills
Minish
Mink
Minshall
Mize
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morton
Mosher

Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Poage
Podell
Pollock
Price, Ill.
Pryor
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Resnick
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
St. Onge
Saylor
Schadeberg
Scherle
Scheuer
Schweiker
Schwengel
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Taylor
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Walker
Wampler
Watkins
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Williams, Pa.
Willis
Wilson, Charles H.
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Young
Zablocki
Zwach

NAYS—83

Abbitt
Abernethy
Adair
Andrews, Ala.
Arends
Ashbrook
Ashmore
Belcher
Bell
Bennett
Berry
Betts
Bow
Brock
Broyhill, N.C.
Broyhill, Va.
Buchanan
Bush
Cabell
Cederberg
Chamberlain
Clancy
Clawson, Del
Collier
Colmer
Curtis
Dellenback
Denney
Derwinski
Devine
Dickinson
Dole
Dowdy
Edwards, Ala.
Erlenborn
Findley
Fisher
Goodling
Gross
Gurney
Haley
Hall
Halleck
Hutchinson
Jarman
Jonas
Jones, N.C.
Laird
Langen
Lennon
Lloyd
McClure
Mailliard
Marsh
Mathias, Calif.
Miller, Ohio
Montgomery
Myers
O'Neal, Ga.
Pettis
Poff
Price, Tex.
Reinecke
Roth
Sandman
Satterfield
Schneebeli
Scott
Smith, Calif.
Smith, Okla.
Snyder
Steiger, Ariz.
Taft
Talcott
Teague, Calif.
Teague, Tex.
Tuck
Utt
Wiggins
Wilson, Bob
Winn
Wydler
Zion

NOT VOTING—34

Baring
Battin
Blackburn
Blanton
Bolton
Burke, Fla.
Conyers
Corman
Cramer
Davis, Wis.
Dingell
Evins, Tenn.
Flood
Frelinghuysen
Fulton, Tenn.
Gallagher
Gardner
Goodell
Gubser
Hansen, Idaho
Hawkins
Hébert
Herlong
Holland
Karsten
Kirwan
Lipscomb
Lukens
Moore
Morse, Mass.
Rarick
Waggonner
Waldie
Watson

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Kirwan for, with Mr. Rarick against.

Mr. Morse of Massachusetts for, with Mr. Burke of Florida against.

Mrs. Bolton for, with Mr. Hansen of Idaho against.

Mr. Battin for, with Mr. Lipscomb against.

Mr. Hébert for, with Mr. Davis of Wisconsin against.

Mr. Waggonner for, with Mr. Baring against.

Mr. Evins of Tennessee for, with Mr. Herlong against.

Until further notice:

Mr. Karsten with Mr. Blackburn.
Mr. Dingell with Mr. Lukens.
Mr. Corman with Mr. Cramer.
Mr. Flood with Mr. Frelinghuysen.
Mr. Blanton with Mr. Moore.
Mr. Waldie with Mr. Gubser.
Mr. Fulton of Tennessee with Mr. Gardner.
Mr. Holland with Mr. Watson.
Mr. Gallagher with Mr. Goodell.
Mr. Hawkins with Mr. Conyers.

Mr. BROOMFIELD changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 1260, the Committee on Agriculture is discharged from the further consideration of the bill S. 3068.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. POAGE

Mr. POAGE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Motion offered by Mr. POAGE: Strike out all after the enacting clause of S. 3068 and insert in lieu thereof the provisions of H.R. 18249, as passed, as follows:

"That subsection (a) of section 16 of the Food Stamp Act of 1964 is amended (A) by deleting from the first sentence the phrase 'not in excess of $225,000,000 for the fiscal year ending June 30, 1969;' and inserting in lieu thereof the following: 'such sums as may be necessary for each of the fiscal years ending June 30, 1969, 1970, 1971, and 1972;' and (B) by adding at the end of the subsection the following sentence: 'On or before January 20 of each year, the Secretary shall submit to Congress a report setting forth operations under this Act during the preceding calendar year and projecting needs for the ensuing calendar year.', and section 5(b) of such Act is amended by adding at the end thereof the following: 'Notwithstanding any other provision of law, any person who is engaged in a strike, labor dispute, or voluntary work stoppage shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided,* That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to the existence of a strike, labor dispute, or voluntary work stoppage, such person shall not be ineligible for participation in the food stamp program solely as a result of engaging in such strike, labor dispute, or voluntary work stoppage. Notwithstanding any other provision of law, any person who is a student attending an institution of higher learning shall be ineligible to participate in any food stamp program established pursuant to this Act: *Provided further,* That if any such person was eligible for and was receiving food stamp assistance pursuant to the provisions of this Act prior to being enrolled as a student at an institution of higher learning, such person shall not be ineligible for participation in the food stamp program solely as the result of being a student attending an institution of higher learning.'"

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. POAGE].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 18249) was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3418) entitled "An act to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10864) entitled "An act to authorize the Secretary of Agriculture to convey certain lands in Saline County, Ark., to the Dierks Forests, Inc., and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15794) entitled "An act to provide for United States standards and a national inspection system for grain, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17903) entitled "An act making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 15387) entitled "An act to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints

Mr. Monroney, Mr. Yarborough, Mr. Randolph, Mr. Fong, and Mr. Boggs to be the conferees on the part of the Senate.

PROVIDING FOR CONSIDERATION OF H.R. 17126, EXTENSION OF FOOD AND AGRICULTURE ACT OF 1965

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1218 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1218

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17126) to amend the Food and Agriculture Act of 1965. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. Rooney of New York). The gentleman from California [Mr. Sisk] is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. Latta] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1218 provides an open rule with 2 hours of general debate for consideration of H.R. 17126 to amend the Food and Agriculture Act of 1965.

H.R. 17126 would extend the Food and Agriculture Act of 1965 for 1 year and contains the following provisions which would—

First, extend the class I dairymen's base plan through December 1970;

Second, extend the voluntary feed grain program through the 1970 crop;

Third, extend the present cotton legislation through the 1970 crop;

Fourth, extend present wheat certificate legislation through the 1970 crop;

Fifth, extend present wool legislation through December 1970;

Sixth, extend the cropland adjustment program through December 1970;

Seventh, extend the exemption of boiled peanuts from marketing quotas and acreage allotments through the 1970 crop; and

Eighth, extend lease and transfer authority for certain types of tobacco through the 1970 crop.

Mr. Speaker, the bill will be gone into thoroughly during debate and I urge the adoption of House Resolution 1218 in order that H.R. 17126 may be considered.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with the statement just made by my friend and colleague, the gentleman from California [Mr. Sisk] concerning the provisions of this rule.

It is an open rule providing for 2 hours of debate.

Let me say that the Committee on Rules had this bill under consideration for quite some time. We held the bill while the question of taking this bill up for consideration this session was being debated by the various members of the Agriculture Committee. As you know, Mr. Speaker, the present farm programs extend through the crop year of 1969 and by having a 1-year extension we will have 2 more years of these same programs.

The question involved was whether or not a new administration—and we certainly are going to have a new administration taking office in January—should have the opportunity to present a new program to this Congress.

As Members know, the other body has already acted on this matter and voted for a 4-year program. By enacting a 4-year program, the Senate is telling the American farmer you shall have 5 more years of suffering under these Democrat administration programs.

The farmers of this Nation have not fared very well under these programs, and they are supposed to be for the benefit of the American farmer rather than against his best interests.

The American farmer is now receiving only 73 percent of parity for all of his labors and for his large investment.

This is the lowest parity has been in 30 years and I question the wisdom of reenacting programs which have caused such a low parity ratio.

Under these programs, we have had more than 100,000 farmers forced off their farms each year. I do not think these figures speak very well for these programs. I think it is past time that this administration and this Democrat-controlled Congress do something to increase farm income over and above what is being done by these programs.

As I understand it, the chairman of the Committee on Agriculture has stated both inside the committee and outside the committee that he will resist any attempts, if this bill gets to conference, to extend it to 4 years.

I will yield now to the chairman of the Committee on Agriculture at this time if he wants to elaborate on that statement.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Texas.

Mr. POAGE. I will elaborate on that statement when I discuss this matter on my own time, but I am glad to say to the gentleman that I do propose to resist any attempts to extend the life of this beyond 1 year.

Mr. LATTA. I thank the gentleman for his comment and I am sure that the sooner it gets into the Record, the sooner the Members will be able to make up their minds on this bill.

I understand that the minority members of the Committee on Agriculture will take the same position on this matter when it reaches the conference committee.

Mr. GOODLING. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman.

Mr. GOODLING. Mr. Speaker, the Agricultural Act of 1965 has brought grief to the average farmer through a cost-price squeeze and payment distress to the taxpayer-consumer—practically the only one who has derived any benefit from the act is the big grower of the West and South.

This can be understood when one examines what has been going on under this act. Production for the three principal commodities under the act have been up, while the parity ratio, prices, and farmer income has been drastically down.

Production of all wheat is forecast at a record 1,588 million bushels, 4 percent above the previous high in 1967 and 29 percent above average. Changes in production estimates between the July 1 forecast and the final estimate have averaged 45 million bushels during the past decade, ranging from 8 to 114 million bushels. The U.S. yield per harvested acre is indicated at 28.3 bushels compared with 25.8 bushels last year—the previous high of 27.5 occurred in 1958. While the acreage for all wheat for harvest as grain is 56 million and 5 percent below last year, this figure is 18 percent above the average.

The farm price for wheat in 1968 was $1.24 per bushel—down 25 cents from the previous year, while the parity ratio for January 1968 slumped to 54 percent.

Production of corn for grain in 1968 is expected to total 4.5 billion bushels, 6 percent less than last year's record crop, but 15 percent above average. The decline from last year results largely from 7 percent fewer acres for harvest as grain. The indicated record yield per acre of 79.7 bushels is 1.5 bushels above the 1967 yield. The 5-year average is 68.3 bushels. Changes in production estimates between July 1 and harvest have averaged 225 million bushels for the past 7 years, ranging from 88 to 423 million bushels.

The market price for corn in 1968 was $1.02 per bushel, down 2 cents from 1967. The parity ratio for January 1968, was a dismal 65 percent.

Cotton planted in the United States this year is estimated at 11,051,000 acres, 17 percent more than the 100-year low of 9,448,000 acres last year. The 1962–66 average is 14,094,000 acres.

The price received by farmers in 1968 was 19.90 cents per pound, down from 20.21 cents per pound in the previous year. The parity ratio stayed in the cellar at 51 percent.

U.S. domestic consumption—Total use in 1967–68 is projected at a little over 9.1 million bales—9 million upland cotton—about 0.3 million below last year's high level.

Exports of raw cotton through January—at 1.9 million bales—were down from 2.6 million for the same months of 1966–67. Exports likely will total around 4¼ million bales this year, compared with 4.7 million bales in 1966–67.

It is quite apparent from these details that the program for cotton has failed to accomplish the stated objectives of the proponents of the act of 1965.

For all agricultural commodities, the parity ratio in 1968 has been running around 73. This ratio averaged only 74 last year. Even with Government payments included, it only averaged 79, a distressingly low level, in fact as low as was found in those dark days of the depression in the 1930's.

While this dismal drama in deflated prices has been going on, the taxpayer-consumer has been picking up the tab. He paid $700 million for the wheat program in 1968, $1,200,000,000 for cotton in the same period, and $1,400,000,000 for corn. This represents a total price tag of $3,300,000,000.

One can get a picture of the cost to taxpayers by taking a look at some Commodity Credit Corporation figures. For instance, during the first 30 years, 1933–63, of CCC operations, a total Government expenditure of $10,624,936,000 was made for wheat, feed grains, and cotton. However, during the past 4 years, 1963–67, reflecting costs of the Food and Agriculture Act of 1965, $9,906,214,000 has been spent, making a total of $20,531,154,000—almost doubled in 4 years.

The taxpayer-consumer has not reaped any particular benefits in the agricultural commodities he consumes, because prices at the retail counter are sticky, failing to reflect any great bargain for the consumer—the price benefits that were supposed to be generated by the Agricultural Act of 1965 have just not jelled.

Under the bill that is before this House, the taxpayer-consumer will again be socked with a heavy bill. A 1-year extension of the 1965 Farm Act will cost him about $3 billion, and the 4-year extension—as approved by the Senate—will carry a pricetag of $12 billion.

Mr. Speaker, my Pennsylvania farmers have taken it in the neck under this act. In fact, all the farmers in the State of Pennsylvania received a total of $3,885,734 for participation in the 1967 wheat program, and this was $216,084 less than was received in 1967 by the J. G. Boswell Co. of Kings County in California. Now just what kind of a program is it that sees one giant company in California receive more in Government subsidies than did all the farmers in the State of Pennsylvania?

The fact of the matter is that this act is geared to benefit not the average farmer but the large supercolossal corporate farming giants of the South and West.

One study presented to the President's Commission on Rural Poverty showed that 1 percent of the farmers in this Nation receive 21 percent of the cotton payments, 12 percent of the wheat payments, and 9 percent of the feed grain payments.

In cotton last year the amount of the Government payments was nearly equal to the market value of the cotton crop. Cotton subsidies of $943 million nearly matched the 1967 crop value of $1,027,000,000.

During the hearings on this legislation I pointed out to Secretary of Agriculture Freeman that if we had price support programs in effect for all other crops like we had for cotton, it would cost the taxpayer-consumer in this country over $42 billion a year.

When I say these programs are primarily benefiting the largest growers in the West and the South, I mean it. Here are some of the figures that the Appropriations Committee of the other body recently printed as part of their hearings.

In 1967 the State of Pennsylvania received a grand total of $21.2 million in payments under all farm programs. This figure includes conservation and land retirement payments as well as crop subsidies. By comparison, farmers in the State of Texas received $457,205,685.

In all of the Northeast, Pennsylvania's $21.2 million was tops, with New York second at $20.2 million.

The leading farm subsidy States after Texas were Kansas at $211.3 million, Mississippi at $136.9 million, Iowa at $142.8 million, Nebraska at $133 million, and North Dakota at $130.2 million.

It seems incredible to me that Members from the Northeast can continue to support these costly, ineffective programs which are of no benefit whatsoever to our farmers or our taxpayer-consumers.

Mr. Speaker, there are some who have been led to believe that the Agricultural Act of 1965 has the support of both the farmer and the taxpayer-consumer and is, therefore, something of a political plum. Nothing could be farther from the truth, for in operation the act of 1965 has proved to be an "agricultural lemon"—and I don't think either the farmer or the taxpayer-consumer should be asked to accept another dose of the sour tasting same.

Mr. LATTA. Mr. Speaker, I yield one minute to the gentleman from California [Mr. Teague].

Mr. TEAGUE of California. Mr. Speaker, I take this time to make it clear to my colleagues that just because a minority report was not filed on this bill does not mean the bill came out of the committee by unanimous vote. Several of us voted against the bill. I was one of those, and though it may come as a surprise to Drew Pearson, I have always opposed programs of this sort. I did again this year. They simply have not worked. The prices of farm products are at almost an alltime low. Prices to consumers are at an alltime high. The cost to the taxpayers is $3 to $4 billion a year. These are bad programs. I will discuss them at greater length during the general debate.

Mr. SISK. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. Madden].

CALL OF THE HOUSE

Mr. TEAGUE of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. Rooney of New York). The Chair will count.

Evidently a quorum is not present.

Mr. SISK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 295]

Baring
Battin
Blackburn
Blanton
Bolton
Burke, Fla.
Conte
Corman
Cramer
Davis, Wis.
Diggs
Dingell
Eshleman
Evins, Tenn.
Flood
Frelinghuysen
Fulton, Tenn.
Gallagher
Gardner
Goodell
Gubser
Hanna
Hansen, Idaho
Hawkins
Hébert
Herlong
Holland
Jacobs
Karsten
Kirwan
Lipscomb
Lukens
Moore
Morse, Mass.
Rarick
Resnick
Rhodes, Ariz.
Rhodes, Pa.
Satterfield
Teague, Tex.
Udall
Vander Jagt
Vanik
Waggonner
Watson
Willis

The SPEAKER pro tempore. On this rollcall, 387 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GILMOUR C. MacDONALD, COLONEL, U.S. AIR FORCE (RETIRED)

Mr. ASHMORE submitted a conference report and statement on the bill (H.R. 10932) for the relief of Gilmour C. MacDonald, colonel, U.S. Air Force (retired).

PROVIDING FOR DISCIPLINARY ACTION AGAINST EMPLOYEES IN THE POSTAL FIELD SERVICE

Mr. DULSKI submitted a conference report and statement on the bill (H.R. 15387) to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes.

PROVIDING FOR CONSIDERATION OF H.R. 17126, EXTENSION OF FOOD AND AGRICULTURE ACT OF 1965

The SPEAKER pro tempore. The gentleman from Indiana [Mr. Madden] is recognized for 10 minutes.

Mr. MADDEN. Mr. Speaker, the pending resolution calls for a rule to bring up the so-called Food and Agriculture Act of 1965. It asks the Congress to extend the $3½ billion rural Federal aid 1 year, through 1970. This price control legislation was passed for a 4-year period and still has almost a year and a half before it is terminated on December 31, 1969. When the chairman and some of the members of the Agriculture Committee appeared before the Rules Committee, in my opinion, they could not give sufficient reason why this 90th Congress should give an extension for this rural subsidy to continue an additional year. In 1965 there was a great surplus production of agriculture products in certain categories, and as an experimental measure this so-called price control bill was given a trial. Millions of poor people through the world today are starving and millions within our own borders are having difficulty securing sufficient food to supply their families.

Like many programs where billions are involved to distribute as a subsidy it generally develops into an operation where the wealthy and powerful recipients gradually accumulate the major share of the money.

This program has developed into a financial bonanza for a great number of corporate farms and wealthy farm owners throughout the Nation. The defeat of this extension will save about $3½ billion of the $6½ to $7 billion annual budget for agriculture and leave more money for the food stamp program, and so forth.

When this bill was before the Rules Committee about a month and a half ago the members perused the 1,244-page volume of names, addresses, and annual payments. The volume only listed the farmer recipients who received over $5,000 per year. The recipients who received under $5,000 per year were not enumerated in the volume because it would possibly require thousands of pages to list the under-$5,000 recipients.

Of the various counties listed over the Nation several southern and western counties received payments between $16 and $20 million annually. Remember, I am referring to counties, not States. A half dozen individual farm corporations received over $1 million, each, but I believe the champion recipient of all was J. G. Boswell Co., Litchfield Park, Ariz., Kings County, Calif., who received $4,091,818 from the American taxpayers in the year 1967 for its idle land. Close behind was Rancho San Antonio, Gila Bend, Ariz., Fresno County, Calif., who received $2,863,668 in the year 1967. The runner-up was Giffen Farms, Inc., of Huron, Calif., who received $2,397,073 from the American taxpayers in the year 1966 for its idle land.

In the CONGRESSIONAL RECORD of July 18, 1968, page 22191, I listed the names and addresses of 25 large-farm recipients whose individual payments run from $442,327 up to $4,091,818. I also submitted on that page of the CONGRESSIONAL RECORD where 10 farming operations received a total of $14,785,760 which is more than the total of $13,409,756 received by all farmers in 10 States—Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, and West Virginia—plus the Virgin Islands.

These 10 large operations received payments in excess of those received by all farmers in any one of 15 States—Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, West Virginia, New Jersey, Maryland, Hawaii, Utah, and Wyoming.

Twenty-five farming operations received a total of $22,766,943 which is more than the total of $17,610,650 received by all farmers in 11 States—Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, West Virginia, and New Jersey—plus the Virgin Islands.

These 25 farm operations received payments in excess of those received by all farmers in any one of 20 States—Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, West Virginia, New Jersey, Maryland, Hawaii, Utah, Wyoming, Virginia, Florida, New York, Pennsylvania, and Oregon.

I do hope that every Member of the House will get a copy of the Senate hearings, first session, 90th Congress, listing the names, addresses, and amounts of all annual recipients over $5,000 by reason of this farm subsidy. In 1966 the total cost to the taxpayers was $3,281,621,070. The year 1967 was approximately a duplication of the previous years' subsidy. The House of Representatives is today called upon to extend this relief bonanza for the year 1970, which, if passed by this House, will cost the American taxpayers approximately another $3½ billion during 1970.

I hope that the Members will refer to the July 22, 1968, CONGRESSIONAL RECORD, page 22702, where I got permission to include an editorial from the Chicago Tribune, entitled "A Mississippi Farmer Squawks." This editorial outlined a protest by one Roy Flowers, a wealthy Mississippi cotton and soybean grower, who was ordered to pay $50,000 in back wages to more than 200 Negro tenants, under the Fair Labor Standards Act. The editorial states that Flowers makes more than $1 million per year from his various plantation enterprises. He failed to pay minimum wages to his field workers. Some were under 16 years of age. According to the suit, the tenants were charged $70 per month for houses without inside plumbing and water, but with holes in ceilings and walls, when a "reasonable cost" would have been $5 per month.

The Department of Agriculture lists Flowers as having received $210,332 in Government subsidies for not planting crops, presumably cotton, last year. In 1966 he received $162,657 in Federal cash.

I have received many letters during the last few weeks from all over the United States protesting the extension of this subsidy to the wealthy and corporate farmers of the Nation. Some protests recommend that if legislation of this type must be passed, that the limitation to any one farm should be not more than $10,000. If the Members of Congress think that it is necessary to aid the small farmer, to reimburse him for idle land in order to curtail abundance, a limitation of this type would prevent large farm operations from buying more land, vacating the tenants as an economy move, so they could collect big checks from Uncle Sam.

In an article in Harpers magazine recently, Mr. John Fischer pointed out the following:

> When you offer a bribe for every acre taken out of cultivation, the men with the most acres naturally get the most money—in many cases hundreds of thousands of dollars every year. Typically they use their loot in two ways: (1) to buy more land from their smaller neighbors; and (2) to invest in tractors, cotton-pickers, fertilizer, weed-killer, six-row cultivators, and all the other devices of modern technology.

The larger the farm, the bigger the operation with modern equipment, and the farmer can take more acres out of production and thus get a larger annual payoff check from the taxpayer.

This reduction policy spirals at the expense of the small farmer—the man this program, enacted 3 years ago, is supposed to help. The small farmer is the one who eventually suffers. Without large Government subsidies sufficient to modernize his farm, he simply cannot compete.

This bonanza program which the House Agriculture Committee will endeavor to resell our Members this year has forced over three-quarters of a million farmers off the land and they in turn have moved in the urban areas to seek employment.

In recent weeks I have seen some of my colleagues go up the center aisle on teller votes to oppose relatively small appropriations for Headstart and other make-work and manpower training programs for our urban areas. I have also seen a number of our rural colleagues oppose increases, and in many cases supporting reductions, in several of the great educational programs and projects authorized in the last Congress. The same statement can apply to hospitalization, medicare expansion and air and water pollution programs which some of our good colleagues oppose and wish to terminate.

It is remarkable that a great number of our Members from rural areas will enthusiastically support the $3.5 billion boondoggle, 75 percent of which will be siphoned into the profit receipts of corporate and wealthy farm operators throughout the Nation.

This legislation today merely calls for the extension of price support subsidies through the year 1970. We will have a new Congress next January and there will be plenty of time to take up the matter of agriculture legislation for 1970 when the voters will have the opportunity to express themselves at the polls in the coming November presidential and congressional elections.

Defeating this extension, for 1970, will save the taxpayers approximately 3½ billion dollars. The Senate, Saturday, July 20 with 25 Members absent, passed a 4-year extension.

If that bill is passed with amendments it will go to conference and no doubt come back with a 3-year extension. Hence a rejection of the bill today might mean approximately the saving of $12 billion for the taxpaying public.

The **SPEAKER**. The time of the gentleman from Indiana has expired.

Mr. **LATTA**. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. Speaker, will the gentleman yield for a question?

Mr. **MADDEN**. I yield to the gentleman from Ohio.

Mr. **LATTA**. Mr. Speaker, the gentleman has given us some very interesting figures on how much is being spent in the various counties on the farm program. I listened to the gentleman in the Rules Committee when he gave these figures. I wonder if the next time these figures come up the gentleman will give us the information on the amount of money being spent on urban renewal, on rent supplements, on model cities, and on housing for Gary, Ind.?

Mr. **MADDEN**. Mr. Speaker, I will be happy to, but the amount does not compare with the $3.5 billion, I will say that.

Mr. Speaker, I saw Members last week trying to cut the poverty program and the education program. Some of those Members have not voted for any of these urban programs since I have been in Congress, but they are going to vote for this $3½ billion bill, because there are many rural financial fat farmer cats in their districts. They contact their Congressmen or send in telegrams to be sure their Congressmen keep them living high off the taxpayers.

Mr. SISK. Mr. Speaker, our experience has taught us some hard learned lessons about agriculture. Among the chief of these is that when the farmer strikes muddy financial waters, business and labor get spattered too. We cannot have a balanced and viable economy with agriculture mired in stagnation. In the past 7 years, we have been able to pull agriculture out of the mud.

The commodity programs have been the difference—

The difference between high surplus and balanced production;

The difference between depressed prices and record income;

The difference between an agricultural economy which sputtered on a weak cylinder, and an economy which is running fresh and full with increased purchasing power for farmers, more jobs for labor and greater profits for businessmen.

Farm prosperity helps labor reap a harvest of jobs. Three of every 10 jobs in private employment are related to agriculture. Six million people work to provide the supplies farmers use for production and family living. In fact, agriculture remains our Nation's biggest industry. It employs more people than public utilities, the steel industry, the automobile industry, and transportation combined. About 8 to 10 million people have jobs storing, transporting, processing, and merchandising the products of agriculture.

Farmers are big spenders and good customers for business. Farmers spend more than $42 billion a year—$30 billion for goods and services to produce crops and livestock; $12 billion a year for the same things that city people buy—food, clothing, drugs, furniture, appliances, and other products and services.

Back when the family farm was still self-sufficient, the farmer bought very few of the necessary production inputs; he grew them or built them himself. The farmer and his family provided most of the required labor.

Capital investment was neither as essential—nor as costly—as it is today. And the market for farm products consisted of many small units, both buyers and sellers, and the forces of supply and demand were able to operate in a relatively open fashion. But all this has changed. Today's farmer spends 80 percent of his total market receipts to buy production inputs, to hire labor, and to pay interest on increasingly essential capital.

Today American agriculture represents one of the largest single markets in the Nation for tires, trucks, and gasoline.

Farmers spend annually: $3.5 billion for new farm tractors and other motor vehicles, machinery and equipment—providing jobs for 120,000 employees.

Each year they buy products containing about 5 million tons of steel and 320 million pounds of rubber—enough to put tires on 6 million cars.

They use more petroleum than any other single industry—and more electricity than all the people and all the industries in Chicago, Detroit, Boston, Baltimore, Houston, and Washington, D.C., combined.

The U.S. worker feels less pinch in his paycheck from food costs than any working man in the world. The United States exports the harvest from more than than 71 million acres. Since 1960, agricultural exports for dollars have skyrocketed by 60 percent and $2 billion. The balance of agricultural trade comprises more than 50 percent of this Nation's total favorable trade balance. Without them, the problem of the outflow of dollars would take on a new dimension of seriousness. We have been able to boost agricultural exports mainly because the commodity programs in effect the past 7 years have made our products more competitive in foreign trade.

What would happen if farmers were denied farm programs? The present commodity programs have brought production more nearly into balance with demand than it has been in many years. Without the commodity programs, recent studies show, production would soar and net income would fall about one-third. Gross income would be reduced by at least 14 percent, thus sharply limiting the farmer's ability to purchase needed machinery and supplies.

Thus, business profits would shrink. So would the employed labor force. Farmers would be forced to weather conditions over which—acting alone—they have no control.

The chaotic spiral of high production and lower prices would be set in motion. And the price of this plunge would be borne by us all.

Supply and demand can be balanced only if the farm program is available and attractive to all farmers who produce significant amounts for market. Large and small producers alike are called upon to make production adjustments in line with demand.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Speaker, I have appreciated the comments made by the gentleman from Indiana. My purpose in asking if the gentleman would yield to me, was to ask the gentleman if, in the light of the shocking size of payments to individual recipients, the gentleman does not think the time has come for us to put some sort of limitation on the total amount any single recipient can get in the course of a year?

Mr. MADDEN. Mr. Speaker, I would be very much in favor of a limitation of $10,000 or $15,000 annually.

I believe that the small farmer is entitled to get the benefit from this program, not the people who need it the least. The corporate and big land holders are getting most of the benefits now.

Let me say, in addition, the only bad feature of the amendment the gentleman is talking about is that, if adopted, then the bill will go over into that conference committee. There are some pretty powerful Senators over there. The bill probably will come back the day before we adjourn then everybody will be in a hurry, and they will secure a 3-year extension on this bill, minus your amendment, and it might be passed with a 3-year extension. Instead of a $3½ billion bill, it will be about a $12 billion bill when it comes back after the House-Senate conference.

Mr. FINDLEY. I am afraid that what the gentleman says makes a lot of sense.

Mr. MADDEN. My advice is to kill it dead now. Then in January I will help the gentleman get an annual limitation of $10,000, $15,000 or $25,000 for the small farmer. But let us cut out these big recipients. They buy up a lot of land with this Government money, and install new machinery, and then fire the tenants and send them to the cities to get jobs. Let us bar the cooperatives and wealthy farmers and then I will go along with the gentleman in January on a $25,000 annual limit.

Mr. FINDLEY. We may not have a chance to do it in January.

Mr. MADDEN. The gentleman will be here. If I am reelected I will support a moderate figure for the small farmer.

Mr. FINDLEY. I was not speaking of the gentleman's political future, I assure him.

What impresses me is that the farmers who obviously have considerable resources, who may be worth a million dollars or a half million dollars, get the biggest payments, while the farmers who obviously have smaller resources get the smaller payments.

If this is a welfare program—I do not know how one can justify payments otherwise except in terms of income support—it looks to me as if it is exactly backwards, because the biggest resource farmers get the most out of the U.S. Treasury, and vice versa.

Mr. MADDEN. That is true. They seem to know how to approach proper people to help them get large subsidies.

Mr. FINDLEY. I would appreciate some information from anyone who has it as to how much this program will cost. I looked through the committee report and did not get any inkling as to how much the price tag is on this bill, or what it might be.

Is it open ended?

Is the sky the limit?

Two years ago the payments came to about $2.5 billion. In the current year it is somewhere over $3 billion. Will it be $5 billion next year and $7 billion the year after that? Is there any limitation on this bill, or are we confronted, at this time when belt tightening is operating in every other agency and program, with every other agency, with a bill where the sky is the limit?

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from North Dakota [Mr. ANDREWS].

Mr. ANDREWS of North Dakota. Mr. Speaker, I rise in support of the extension of the Food and Agriculture Act of 1965, and I am sure this surprises none of my colleagues. Let me share with you an experience I had this past weekend when I was home on our farm where harvest is just beginning. I took a sample of barley to the local elevator to have a moisture test run on it. At the elevator, of course, I met a number of my neighbors who were hauling their crop in, but were not able to sell because of the fantastically low price. The price on barley last Saturday at Prosper, N. Dak., was between 65 and 70 cents a bushel. This is the lowest price I have seen in the 20 years I have been farming and compares with a price of about $1.15 at the same time last year—a drop of 45 cents. Wheat Saturday was $1.18 as compared to $1.74 last year at this time. Farmers are frantically trying to find a place to hold their crop in the hope that the price will get back to at least where it was last year, which was then only a break-even price.

Now if this were happening in the automobile industry or in the steel industry, you would be seeing newspaper headlines, there would be strikes, the Nation's attention would be drawn to the fact that something had to be done immediately to correct this great inequity. In agriculture, because it is spread among any number of small producers, the headlines never quite get published and the farmer remains low man on the economic totem pole. Yet the farmer is the biggest customer for American steel, oil, autos, and rubber, and is a significant factor in the lives of all Americans, rural and city folks alike.

Before this latest sharp price drop, the Agriculture Department was computing the parity ratio, the price received by the farmer, as at 74 percent—the lowest since the 1930's. Of course it is far lower than that now, yet even with these ridiculously low prices on the farm, the price of bread is higher than it has ever been before. The price of beer made from the barley we can hardly sell is far higher than it was when we were getting three times as much for our barley. This gap between what the farmer gets and what the consumer pays is responsible for a great number of nonfarmers complaining that the agricultural budget is too high and that the farmers are being unfairly subsidized at the expense of the rest of the taxpayers. This farm bill is not a subsidy program. Rather, it is a production control program to assure all the people of America adequate food at a reasonable price.

Many of us feel that the rumors that the program might be dropped by this Congress or might be continued by only the narrowest of margins are what are causing the commodity markets to get into their tremendous nosedive. This is just exactly what would happen if we did not have a program such as this. You would alternate between disaster prices, forcing farmers off the land, and then 3 or 4 years later when production was cut back to almost nothing because there were no farmers around to produce, the price would climb to fantastic levels, after which individuals would plow up soil that had been laying idle and the cycle would continue with prices beginning to drop again. This obviously would not be good for anyone in this Nation, consumer or farmer. This is the reason why it is imperative that we pass this bill, this extension to give time to plan ahead for our farmers and show that the Congress does not want this type of boom and bust cycle to affect agriculture. We all recognize that improvements and changes in the law are in order if this program is to be made more effective and workable, if we are to assure the Nation of an adequate supply of food and related farm products, and if the farmer who is doing this is to receive his fair and just share of the Nation's prosperity.

During consideration of this legislation before the Committee on Agriculture, I recommended both the extension and the improvement of this law, but that was some months back. Let us be frank about it—unfortunately, there just is not sufficient time left in this session to make the needed improvements. Most of us believe that a new administration next year will want to bring forth recommendations and suggestions. There is the tired old argument that this act extends for 1 more year, therefore it does not have to be renewed this year. That argument can be brought up only by those who are dismally unaware of farming and farm practices. True, the present law extends through 1969, but the 1970 crop must be planted in mid-1969 in the winter wheat section of our Nation and a farmer, before he can start planting in the middle of the year, has to make arrangements for his seed, fertilizer, financing and machinery in the early part of 1969. Now let us be practical—you know how much chance the 91st Congress has, of passing such a complex and complicated bill as a new farm bill in the first 3 months of a session. It is for this reason that the Committee on Agriculture brought out this extension bill. It is for this reason that the President has asked for the extension, and it is for this reason that a Presidential candidate, Governor Nelson Rockefeller on our side of the aisle has said that this extension is vitally important and I would like to share his telegram with you as follows:

NEW YORK, *July 26, 1968.*

Congressman MARK ANDREWS,
U.S. House of Representatives,
Washington, D.C.:

Due to the severe cost-price squeeze in agriculture and present political uncertainties, I support a one year extension of the Food and Agriculture Act of 1965. Such an extension would permit farmers to plan for the future and at the same time give the new administration—hopefully mine—an opportunity develop and win acceptance of its own farm programs. I believe important improvements can and must be made in farm programs to assure a satisfactory return for farmers and a satisfactory level of rural living equivalent to other segments of society. I am convinced that, with the help of farmers and farm leaders, we can devise new programs which will avoid the pitfalls of the present administration's misdirected and mismanaged farm policies.

NELSON ROCKEFELLER.

The Republican policy committee has endorsed it and what we need now more than anything else is an overwhelming vote by the House to show the concern of this body of Congress for the problems our farmers face, and that we in the Congress from all districts of this great Nation recognize the significant contribution the farmer makes to the prosperity and well being of all of us.

Let me sum it up briefly. First, despite some errors in the administration of the present Farm Act, it has lent a strong measure of stability to the economy of agriculture. It has made great strides toward the elimination of the gigantic costly surpluses that plagued our country for so long. Secondly, although our rural population is a small percentage of the American people, they produce the most basic commodity of all—food. Everyone—city dwellers and farmers alike—benefits greatly from a healthy agriculture. Third, if this act is not extended and is permitted to lapse, university economists have estimated that farm income will drop 30 percent, and rural America would suffer a recession unequalled since the 1930's. This recession would broaden and extend through all segments of our economy eventually. Finally, and most important probably of all, this is the best farm program we have yet been able to devise, and while in all frankness we are all looking for a better one, until we do come up with that better one, it is only common sense to continue the one we have for the alternative would be disaster. Farmers are virtually the only segment of our economy that are unable to use the tool of collective bargaining to assure themselves economic parity. Until a way of collective bargaining for farmers can be devised, Federal farm programs must be maintained for the benefit of both farmers and consumers.

Mr. ANDREWS of North Dakota. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. KUYKENDALL].

Mr. KUYKENDALL. Mr. Speaker, it never ceases to amaze me, in my very short period in this Congress, how some of the older Members of this House who were part and parcel of helping to create a Frankenstein monster so loudly bemoan the monster they helped to create.

Mr. Speaker, 35 years ago when upwards of 40 percent of the people of this Nation actually lived on the farm, the politicians had a hayday in playing with what they called the farm bloc.

At that time a great many unwise and unsuccessful programs were passed as political plums for this very potent bloc of votes. This, of course, was not good government and the unbelievably complicated mess that exists in the entire farm program today had its beginning by "playing politics."

Now that the number of people actually living on the farm has sunk to around 20 percent of that figure of 35 years ago, the pendulum seems to be swinging disasterously in the other direction, and where in the 1930's exaggerated importance was given to a bloc of people who lived on a farm now we find they are the most forgotten people in America.

Let me remind my colleagues, however, that what appears on the surface concerning the economic powers of agriculture is not the whole story by a long shot. In fact, the number of people who actually depend upon the soil directly and indirectly for their livelihood is as great a part of our economy as it has ever been.

I have before me a list of 16 of the larger employers in Memphis, Tenn.

Companies like Firestone, Procter & Gamble, Continental Oil Co., Dupont, and many others who manufacture their products in my city. These 16 employers have a total number of employees of over 16,000 people and the total dependence upon agriculture by these 16,000 people is almost 60 percent. This means that well over half of the people in the large city of Memphis, Tenn., depend upon agriculture for a living even though I, as a Congressman, have absolutely no farmland in my district.

I respectfully request each of you to review, with investigation if possible, and at least in his own mind the number of employees in your district who depend to a large extent on the welfare of agriculture for their existence. And everything from chemicals to rubber, from clothing to steel, from petroleum to heavy machinery, agriculture is among the leading consumers.

I sincerely remind you, my colleagues, of this fact. It was wrong in the 1930's to look upon the farmer as a political pawn because of his great numbers. It is wrong today to ignore him as a political factor because of his small numbers. First because this is simply not the way to govern, and second because we are all fooling ourselves if we think the impact of the industry that produces our food and fiber is anything other than one of the major industries of our entire economic system.

So I beg of you in considering the 1-year extension of H.R. 17126 please give us an opportunity to spend next year under the new national leadership, whichever party it may be, in working out sensibly long-range solutions to a problem that has been compounded for 35 years.

Mr. Speaker, I will speak further on the matter of limitation of payments during the 5-minute rule.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. PRICE].

Mr. PRICE of Texas. Mr. Speaker, as a freshman Member here, I am amazed at some of the people who speak on subjects and who in my opinion are simply not aware of the subjects on which they speak. What I am talking about is the tremendous amounts of money that they say are going to these people who are going into large farm operations. I say that they know not what they speak about, because farming has progressed over the years. Coming from a district in Texas where we are highly mechanized, in order to stay in business, and having been in this business all my life, I think you are talking about condemning the man who is willing to take the risk of buying another section of land in order to warrant paying $10,000 or $12,000 for a large tractor or $15,000 for a big combine which will farm this land. I think you are talking about condemning that man for being willing to take that risk of borrowing the capital on which to operate.

The small farmer, as we all recall and as I remember it, is the man who lives on 80 acres or 100 acres. He could not make a living any more on that kind of acreage. The exodus of people from the farms has come about because they could not make a living with the cheap prices that exist today. If we are going to have a farm program, we should not penalize the man who is willing to take the risks of borrowing the capital and is willing to spend the rest of his life to pay off the cost of the land. If we are going to have such a program, we are simply cutting out the more efficient man who has been willing to take that risk.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. PRICE of Texas. Yes, I yield to the gentleman from Indiana.

Mr. MADDEN. Your statement is just what I spoke about in the well of the House a few moments ago. That is the big trouble. The wealthy farmer can get additional land while the small farmer cannot obtain it.

Mr. PRICE of Texas. How did they get wealthy? That is the question. They worked for it, they took the risks involved and took the chance.

Mr. MADDEN. I must have had the wrong impression about this program. I thought this program was largely intended for the benefit of the small farmer.

Mr. PRICE of Texas. Why would we want to penalize the large farmer for taking that risk?

Mr. MADDEN. I voted for this program 3 years ago because I thought it would benefit the small farmer, but as the program has expanded and grown larger it has become the tool of the large farmer and that is why some of them are receiving payments in the sum of $100,000, $500,000, and even $1 million a year.

Mr. PRICE of Texas. Does not the small farmer have the same opportunity to better himself through the purchasing of another section of land if he is willing to take the same risk.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. SCHERLE].

Mr. SCHERLE. Mr. Speaker, since the time of our earliest farm programs, it has been our goal to provide a continuously adequate supply—but not a burdensome excess—of food and fiber products at stable prices fair to both producers and consumers.

The idea is that excessive supplies bring ruinous prices threatening all producers alike. And because the conduct of an individual farmer can have no effect upon total production or the resulting market price, the effectiveness of the program depends upon regulation of total production.

Regardless of the success or failure of the present program, or of the defects in its administration, its very purpose is threatened by proposals to limit payments to producers.

Why is this so? Because the operation of the program depends on production control, and a limitation on payments will have one of only three possible results:

Either production will soar because large producers, forced out of the program due to inadequate incentives, will plant in excess of program limits; or

The smaller farmer will be required to produce less and less to insure that the combined total results in appropriate production levels; or

The Government will be forced to buy up the excess production to stabilize prices.

The increased supplies will force prices down—injuring both small and large operators.

In short, payment limits will force many farms out of the voluntary programs. There is simply no reason to assume that any large producer will continue to divert acres once the economic incentive to do so has been eliminated. Instead, these farmers will maximize their production. Small operators would be severely hurt by the price pressure caused by the increased production and would be more dependent on the loan program to obtain the support price. If another buildup of Government stocks were to occur, the increase in investment in loans plus storage and handling costs could exceed the initial amounts which might be saved. The ultimate effect of the payment limitation would be greater program expenditures and costs and less income to all farmers.

Those who suggest that the payment limit will save the government money ignore the costs which would have to be incurred in an attempt to maintain program performance.

If the program is to function, adjustment of production is the key. To adjust production we must do so where production takes place. That means dealing with both the fewer big producers as well as the many little producers.

The participating farmer is being compensated in proportion to his contribution to a stated national policy. His compensation is no more a welfare payment than any business subsidy.

The real question we must ask ourselves today is—can the farm program hope to succeed in its goal of production control if it does not include the large producer?

A $10,000 limitation in payments would affect 32,398 producers.

By way of example, the $10,000 payment limit would affect farms with larger than a 390-acre corn base that diverted at the maximum of 50 percent of the base.

With respect to feed grains, a payment limitation of $10,000 per farm would force many larger operators out of the program and force others to divert a smaller percentage of eligible acres.

It has been estimated that the feed grain base would drop about 2 million acres, and diverted acres would be reduced by 1.5 million acres. Over 3 million tons of additional feed grains would be produced on the acreage which would otherwise have been diverted, using national average projected yields.

Small operators, even if offered a greater incentive to divert, could not offset the increased production of the larger producers forced out of the program by the payment limitation.

Under the present program, farmers divert acres from surplus crop production to soil conservation uses. For this action, the program provides for a payment designed to assist in making up for the income loss which results from the agreement not to produce. The farmer thus makes a financial sacrifice because it has been determined that balanced supplies are in the national interest. The farmer, under the present program, is paid according to his individual contribution to the realization of established goals of national policy.

Commodity program payments are not welfare grants. To be effective in balancing production they must fit into the free enterprise concept that a man is rewarded in terms of the value of his contribution.

Those advocating a limitation on payments seem to be offended by the fact that there are some large producers receiving substantial incomes from the farm program.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas [Mr. DOLE].

Mr. DOLE. Mr. Speaker, I urge passage of H.R. 17126, a 1-year extension of the Food and Agriculture Act of 1965, without amendment, as reported by the Committee on Agriculture. I have been a member of the Agriculture Committee for nearly 8 years, and fully recognize much needs to be done to improve farm legislation. But I will demonstrate in these remarks the merit of passing the committee bill this year, and the challenge in rural America for the next President, his Cabinet, and the Congress.

REASONS FOR EXTENSION WITHOUT AMENDMENT

I urge a 1-year extension, without amendment, for two basic reasons:

First, when the American people go to the polls this November, they will elect a new Congress and a new President. I am convinced these newly elected officials will have a mandate to improve conditions on the farm. But the President, and the Congress, will need adequate time to review and study the deeply troubling problems and challenges of low agricultural income, and widespread rural poverty.

Since the provisions of the Food and Agriculture Act of 1965 terminate with the end of crop year 1969, insufficient time will be available for the Congress to complete a thorough review of all rural problems, receive the testimony from a representative number of interested parties, and evolve adequate answers to problems that have refused solution for 35 years. Thus, to provide continuity for agriculture, a 1-year extension is justified. The farmers deserve to know what programs they will cope with through the 1970 crop, as this Congress adjourns to an uncertain political future.

Wheat farmers, especially, need the 1-year extension, for their plans for 1970 must be made in the early summer of 1969, in the case of winter wheat. Any new wheat program, in order to be fair to producers, must have at least a full year of planning time incorporated prior to implementation.

Wheat farmers are restless for change, Mr. Speaker, but the "shotgun" approach to legislative innovation cannot be tolerated. Farm operations are too sophisticated. The margin of profit is too narrow, and subect to great fluctuation. An uncertain future for the 1970 crop year would subject the next Congress—and producers—to great pressure for a "quickie" solution. Such a solution to a grave problem is unthinkable. Wheat farmers, for planning purposes, need a 1-year extension of the Food and Agriculture Act of 1965.

HOUSE WILL SERVE NOTICE OF DISSATISFACTION

Mr. Speaker, the second reason for passing H.R. 17126 as reported by our committee, is perhaps even more compelling than the first.

By limiting extension of this legislation to only 1 year, the House will serve notice it is unsatisfied with the practical results, the philosophical basis, and especially the actual administration of the Food and Agriculture Act of 1965.

The Secretary of Agriculture, Mr. Freeman, has called it landmark legislation. Let us review some successes and failures under this so-called landmark legislation.

While Government payments may deter wholesale farm bankruptcies and depression of the entire American economy, they have not deterred the flow of the unfortunate dispossessed from rural America into the cities.

Under the current Secretary of Agriculture, America has lost some 800,000 farms. Farm population is down nearly 6 million; farm debt has skyrocketed to a disastrous 17.3 percent of farm assets. During the Eisenhower years, in comparison, farm debt averaged about 9 percent of farm assets, and parity averaged 85 percent.

Parity prices are lower today than they have been since the depths of the depression in 1933. Parity ratios, with subsidies, are today below 80 percent. In 1935, for comparison, parity price ratios were 95 percent, with subsidies.

These statistics of decline are statistics of today—under the Secretary's landmark legislation. If farm legislation is extended for more than 1 year, the people will have the impression Congress is satisfied with developments on the farm. If Congress is willing to be complacent with the disastrous farm prices currently endured, and complacent with rural poverty—so widespread today—the vast majority of Americans will have been betrayed. Rural poverty takes its toll eventually in urban areas, as I will show. All Americans are diminished by low farm prices, inadequate job opportunities, and lack of business opportunity. If this legislation is extended for more than 1 year, complacency will be the diagnosis. This disease, considering the current farm cost-price squeeze, is fatal.

RURAL DEPLETION AND DEPRESSION THE REAL PROBLEM

Mr. Speaker, rural America produces much more than our food and fiber. Rural America produces our timber resources, our mineral resources, and our recreational resources to a large extent. The raw material for our unparalleled industrial production comes from that 99 percent of the land area called "home" by only 30 percent of our people.

With such crucial production, and such important tasks assigned, one would suspect the prosperity associated with America would first be enjoyed by those in the countryside. But such is not the case.

Low farm income is only one aspect of our rural depression. Techonological advances have reduced employment—and quite properly so—in agriculture and production of mineral resources. No farmer is anxious to return to hand-stacking of baled hay after he has used an automatic bale pickup and stacker.

RURAL JOB OPPORTUNITY NEEDED

While employment has been reduced in mining and agriculture, there has been no corresponding increase in rural job opportunity elsewhere. Many people have felt their only opportunity was in the city; their migration has contributed to the greatest urban glut and urban crisis in our history.

Remaining still behind are one in four rural families classed as "poor"—some 14 million Americans. Their facilities for education, health, housing, and job opportunity are even more degrading than the standards of the ghetto. We must act—and promptly.

ADMINISTRATION OF ACT IGNORES FARM NEEDS

I might point out farm income could be improved under existing legislation. The administration has refused, in spite of my repeated appeals, and the appeals of a depressed countryside, to take administrative actions almost guaranteed to increase farm income.

Steps that can be taken under existing legislation immediately include:

First. Require the CCC to allow no resale at less than 125 percent of the loan rate.

Second. Require the CCC to increase loan rates to full parity on feed grains, and to full parity on wheat less the domestic certificate payment.

Third. Require the CCC to absorb storage costs as it now does on cotton, rice, peanuts, and tobacco. It is only equitable to assist wheat- and feed-grain producers—using the same techniques benefiting suppliers of other commodities.

Fourth. The administration could more aggressively utilize money actually available under provisions of Public Law 480, the food-for-peace legislation.

These four actions, if taken by the administration as I have repeatedly urged, would raise farm income under the Food and Agriculture Act of 1965. We can only hope, if the present Secretary of Agriculture continues to sacrifice farm income in favor of cheap farm prices, that his successor next January will have a more responsive and sympathetic attitude toward the well being of agriculture.

EXTENSION BUYS TIME, INSURES SMOOTH TRANSITION

Mr. Speaker, I urge passage of this legislation, for I am convinced a smooth transition into the 1970's is essential in agriculture. Only by passing this 1-year extension can we—

First, assure the smooth transition without extensive additional displacement of people; and

Second, by limiting extension to 1 year only, serve notice the present act is inadequate to the full needs of rural America.

The cost-price squeeze must be diminished. The 14 million poor Americans in rural areas must have job opportunity for a healthy rural economy. These problems must be attacked by the next administration and Congress; the problems must be solved if America is to enjoy meaningful prosperity and security for all its citizens, both rural and urban.

Our responsibility today is to pass this bill.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on the motion of the gentleman from California.

Mr. FINDLEY. Mr. Speaker, I make a point of order against further consideration of the motion made by the gentleman from California on the ground that the Committee Report No. 1374 does not comply with the provisions of clause 3 of rule XIII of the rules of the house, the Ramseyer rule, and on that I would like to be heard.

The SPEAKER pro tempore. The Chair must rule that we have not reached the point at which that point of order may be raised.

Mr. FINDLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. FINDLEY. Mr. Speaker, at what point would it be in order?

The SPEAKER pro tempore. The Chair will state that it may be raised when the motion is made to go into the Committee of the Whole House on the State of the Union.

Mr. FINDLEY. I thank the Speaker.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MATHIAS of Maryland. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 317, nays 73, not voting 42, as follows:

[Roll No. 296]

YEAS—317

Abbitt
Abernethy
Adair
Addabbo
Albert
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Ashmore
Aspinall
Ayres
Bates
Belcher
Bennett
Berry
Betts
Bevill
Bingham
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carter
Casey
Cederberg
Chamberlain
Clark
Clausen, Don H.
Cleveland
Colmer
Conable
Conte
Culver
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Dawson
de la Garza
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Dole
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Everett
Fascell
Fisher
Flynt
Foley
Ford, Gerald R.
Fountain
Fraser
Fuqua
Galifianakis
Garmatz
Gathings
Gettys
Gibbons
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Gude
Gurney
Hagan
Haley
Hall
Halleck
Halpern
Hamilton
Hammerschmidt
Hanley
Hansen, Wash.
Harrison
Harsha
Harvey
Hathaway
Hays
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holifield
Horton
Hull
Hungate
Hutchinson
Ichord
Irwin
Jarman
Joelson
Johnson, Calif.
Jonas
Jones, Ala.
Jones, Mo
Jones, N.C.
Karth
Kastenmeier
Kazen
Kee
Keith
Kleppe
Kornegay
Kupferman
Kuykendall
Kyl
Kyros
Laird
Landrum
Langen
Latta
Leggett
Lennon
Lloyd
Long, La.
Long, Md.
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
MacGregor
Machen
Mahon
Mailliard
Marsh
Martin
Mathias, Calif.
Matsunaga
May
Mayne
Meeds
Meskill
Miller, Calif.
Miller, Ohio
Mills
Mink
Mize
Monagan
Montgomery
Moorhead
Morgan
Morris, N. Mex.
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara, Mich.
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Passman
Patman
Patten
Perkins
Pettis
Philbin
Pickle
Poage
Podell
Poff
Pollock
Price, Tex.
Pryor
Purcell
Quie
Quillen
Randall
Reifel
Reinecke
Reuss
Riegle
Rivers
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Ruppe
St Germain
St. Onge
Sandman
Satterfield
Saylor
Scherle
Schweiker
Schwengel
Scott
Selden
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Sullivan
Talcott
Taylor
Teague, Tex.
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Wampler
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Willis
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Young
Zablocki
Zion
Zwach
Ottinger
Pelly
Pike
Pirnie
Price, Ill.
Pucinski
Railsback
Rees
Reid, Ill.
Reid, N.Y.
Rodino
Rumsfeld
Ryan
Scheuer
Schneebeli
Shipley
Smith, Calif.
Staggers
Stratton
Taft
Teague, Calif.
Tenzer
Utt
Watkins
Wilson, Charles H.
Wyman
Yates

NAYS—73

Adams
Anderson, Ill.
Arends
Bell
Biester
Broomfield
Brown, Calif.
Carey
Clancy
Clawson, Del
Cohelan
Collier
Conyers
Corbett
Delaney
Diggs
Fallon
Farbstein
Feighan
Findley
Fino
Ford, William D.
Friedel
Fulton, Pa.
Giaimo
Gilbert
Goodling
Grover
Hanna
Heckler, Mass.
Hosmer
Howard
Hunt
Jacobs
Johnson, Pa.
Kelly
King, N.Y.
Kluczynski
McCarthy
Macdonald, Mass.
Madden
Mathias, Md.
Michel
Minish
Minshall
O'Hara, Ill.

NOT VOTING—42

Baring
Barrett
Battin
Blackburn
Blanton
Bolton
Burke, Fla.
Celler
Corman
Cowger
Cramer
Davis, Wis.
Dingell
Evins, Tenn.
Flood
Frelinghuysen
Fulton, Tenn.
Gallagher
Gardner
Goodell
Gubser
Hansen, Idaho
Hardy
Hawkins
Hébert
Herlong
Holland
Karsten
King, Calif.
Kirwan
Lipscomb
Lukens
Moore
Morse, Mass.
Pepper
Rarick
Resnick
Rhodes, Ariz.
Rhodes, Pa.
Schadeberg
Waggonner
Watson

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Kirwan with Mrs. Bolton.

Mr. Hébert with Mr. Frelinghuysen.

Mr. King of California with Mr. Morse of Massachusetts.

Mr. Celler with Mr. Rhodes of Arizona.

Mr. Barrett with Mr. Lipscomb.

Mr. Fulton of Tennessee with Mr. Davis of Wisconsin.

Mr. Blanton with Mr. Cramer.

Mr. Dingell with Mr. Gubser.

Mr. Waggonner with Mr. Schadeberg.

Mr. Baring with Mr. Moore.

Mr. Corman with Mr. Lukens.

Mr. Flood with Mr. Battin.

Mr. Gallagher with Mr. Goodell.

Mr. Hawkins with Mr. Holland.

Mr. Rhodes of Pennsylvania with Mr. Hansen of Idaho.

Mr. Rarick with Mr. Watson.

Mr. Hardy with Mr. Burke of Florida.

Mr. Pepper with Mr. Gardner.

Mr. Herlong with Mr. Blackburn.

Mr. Resnick with Mr. Cowger.

Messrs. McDADE and WHALLEY changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

EXTENSION OF FOOD AND AGRICULTURE ACT OF 1965

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17126) to amend the Food and Agriculture Act of 1965.

Mr. FINDLEY. Mr. Speaker, I make a point of order against the present consideration of the bill on the grounds that the Committee Report No. 1374 fails to comply with the provisions of clause 3, rule XIII, the Ramseyer rule, and that it does not correctly indicate what sections of the law are being amended by this act.

And, Mr. Speaker, I would like to be heard on this point.

The SPEAKER. The Chair will hear the gentleman on his point of order.

Mr. FINDLEY. Mr. Speaker, I would like to call to the attention of the Chair, 11 defects in the Ramseyer rule, and I refer first to a part of the committee report indicated on page 17. First I call attention to the fact that there is a series of stars right above title I, "Dairy." Stars ordinarily would mean the omission of language in the bill as set forth in the Ramseyer Act.

Second, there is no such indication in the Agriculture Act of 1965 between the term title I "Dairy" and the lines set forth above on this page.

Right below is section 103, which says that the provisions of this title shall not be effective after December 31, 1969–70. Actually, there should be printed the language of section 104 of the Agriculture Act of 1965 and yet it is not so printed, nor is a series of stars printed to indicate there is nothing in the print on page 17 to indicate the absence of section 104.

Now, Mr. Speaker, turning to page 27 right above section 404 should be printed section 403. But here again section 403 is not printed nor is there any symbol to indicate the omission of language.

Turning to page 32, right above section 505, should be printed sections 503 and 504. But here again there is no indication of this omission.

On page 33, before section 516, there should be printed sections 507, 508, 509, 510, 511, 513, 514, and 515. But none of these are printed and there is no indication of the omitted language.

On page 38, before "Title VIII—Rice", there should be sections 705 through 709, and none of these are shown.

And at the end of the committee report on page 39, section 892 should be shown.

The SPEAKER. Does the gentleman from Illinois claim that these sections are amended by the bill?

Mr. FINDLEY. Mr. Speaker, I do not claim that these sections are amended by the bill, but as I understand the Ramseyer rule it states that the language should state where the language would be set forth, or indicate by symbols where omissions in language do exist.

I would like to call the attention of the Chair to several other errors which I consider to be of even greater importance.

On page 38, the bracketed terms "[through 1969]" under "Miscellaneous" are followed by the italic term "through 1970". The bracketed language takes out the end of the quotation mark, but the italic language does not indicate where the omitted language would terminate. The close quotes should appear there, or at least at wherever point the amending language would terminate.

On page 32 at the top, the very top line, the same proposiion exists, the omission of the close quotes, which are important in order to show corresponding language basic with the changes to be made.

I have two more items.

On page 18, under section 301, subsection (e), after the italic word "through" is a series of numbers, a decimal point, and "971", and no one can tell from looking at it what that was supposed to represent.

The SPEAKER. Does the gentleman from Illinois admit that that is a typographical error?

Mr. FINDLEY. It is a very serious typographical error, I would say, to a section which is subject to this title, which will authorize an expenditure of about $1.5 billion year, so a difference as to 1971 and 1970 would certainly be substantial in terms of tax cost.

I would like to point out that the final error I see in the Ramseyer rule, on page 32, under section 505, at the end of that subsection (1) is the roman word "through" followed by "1969."

The SPEAKER. Would the gentleman from Illinois again state on what page that is?

Mr. FINDLEY. That is on page 32, at the bottom. It is section 505, subsection (1). It reads now:

> (1) Amendment (7) of section 202 is amended by striking out "1964 and 1965" and substituting "the calendar years 1964 through 1969".

Now, under the bill before the House at this time is language directing that wherever the term "through 1969" appears, it is to be amended to read "through 1970."

So this perhaps is the most serious defect there is.

I realize that the Chair has established a doctrine of substantial compliance in recent years, but in both cases when the Chair ruled, first of all it was an obvious error in the language, it was very apparent to anyone reading the language what was meant. That I submit is not the case here.

The other ruling had to do with the omission of certain textual language. Now, omissions are quite replete in this committee report, but there are other examples; but I have cited these five in number which do not fall under either of the exclusions set forth in the previous rulings of the Chair under this doctrine of substantial compliance.

Therefore, Mr. Speaker, I make a point of order against further consideration of this bill.

The SPEAKER. Does the gentleman from Texas desire to be heard on the point of order?

Mr. POAGE. Mr. Speaker, I want to make a point as to what I might call a "star" point of order. I believe it is clear that one of his points of order here is to a typographical error, and there is a typographical error in one of the pages. I do not believe under the rulings of the Chair in the past that that would be fatal to any report. I believe that a point of order on the report that it fails to comply with technical compliance must have more substance than merely on the point that stars were used. We have in the State of Texas what is known as the semicolon court, and I might point out that no lawyer in the State of Texas quotes from decisions of the semicolon court, or he would be laughed out of court.

Mr. Speaker, it seems to me what we have here is another one of these semicolon courts, but it has gotten to where it does not even go to the question of punctuation, it goes to the question of whether you put some stars in there.

Now, most of the points the gentleman raised were where there was no provision in the bill relating to the sections that he says should have been identified.

Mr. Speaker, this bill is very short. This bill relates to only a few sections of the law and where it does not relate to a section of the law, they are not under the Ramseyer rule.

It seems to me we follow the Ramseyer rule in that respect.

The rule says:

> A comparative print of that part of the bill—

I repeat, that part of the bill—

> or joint resolution making the amendment and of the statute or part there proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and inserts proposed to be made.

Where there was no omission or insertion to be made, there is nothing shown in our report.

Where we referred to "through 1970" and did not put quotation marks around it, I am not at all sure that that is a violation of the rule. If it is a violation of the rule, I am not sure that it is not of such substance as to require a finding that there is a substantial violation of the rule.

I cite the decisions found on page 375 of the rules and precedents of the House, 90th Congress, which hold that an unsubstantial lack will not be sufficient to be considered as a failure to comply.

Therefore, Mr. Speaker, I submit that there has been a substantial compliance in every respect—except the color of the stars was not shown—and that I just frankly do not believe is adequate.

Mr. FINDLEY. Mr. Speaker, may I be heard rather briefly on the point of order?

The SPEAKER. The Chair will hear the gentleman.

Mr. FINDLEY. Mr. Speaker, I realize that the omission of language is not of as serious consequence as the other items. But I feel it would be an oversimplification to say that these are simply semicolon court points that I am raising.

Until the doctrine of substantial compliance was established just a couple of years ago, the Ramseyer rule was construed to require letter-perfect presentation in every respect down to the last punctuation mark and the doctrine of substantial compliance was restricted very carefully to the question as to whether misinformation was given or as to whether simply a section of language was omitted.

Mr. Speaker, very clearly, a part of the law intended to be amended by this bill is not set forth in that manner in the committee print.

It is also very clear that some information of tremendous importance in terms of dollars and authority for farmers to plant or not to plant is set forth here.

So, Mr. Speaker, I feel the point of order is well taken.

The SPEAKER. The Chair is prepared to rule.

The gentleman from Illinois, while the rule was under consideration, made the observation indicating that he might make a point of order at this particular time. Therefore, the Chair has had an opportunity of making some study of the report, at least a sufficient study to pass upon the questions raised by the distinguished gentleman from Illinois.

There appear to be 22 pages in the committee report referring to changes in existing law.

A few years ago the Chair passed on the basic question of substantial compliance in connection with another bill. It seems to the Chair that the committee has substantially complied with the requirements of the Ramseyer rule. I have used the words "at least." If a higher test was called for, I could probably say the committee has complied with the requirements of the Ramseyer rule. In any event, it is the opinion of the Chair that the report of the committee at least shows substantial compliance with the provisions of the Ramseyer rule, and accordingly, the Chair overrules the point of order.

The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 17126, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. POAGE] will be recognized for 1 hour, and the gentleman from Oklahoma [Mr. BELCHER] will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas.

Mr. POAGE. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the bill before us will extend the present farm program for 1 year. That is all it will do. It makes no change in any existing program. It commits no future administration to any policies, but it does give any new President—be he Democrat or Republican—and any new Congress, regardless of its political complexion, time enough to organize and write a farm bill before the existing programs would expire. I consider this to be of tremendous importance.

I have repeatedly pointed out that I would like to see farm legislation without any termination date—the kind where the burden of proof would rest on those who seek to change, rather than on those who seek to maintain a program, but after 6 months of discussion with interested parties, both in and out of Congress, I am convinced that our best, if not our only, chance of maintaining the assurance of a continuing program is to accept a 1-year extension of the present program. That is what this bill does and it is all that it does.

I recognize that there are those who are fearful that the bill, if passed, will become more than a 1-year program. Indeed, just within the last few days, my good friend, the ranking minority member of our committee, has been so sincerely and seriously disturbed about this possibility that he has withdrawn his support of even a 1-year bill. I do not question his sincerity. I do not criticize his decision. I know his determination to act as he believes to be best, but I do challenge his judgment.

The other body has indeed passed a 4-year bill. Actually, an amendment to reduce this time limit lost by a tie vote and a proposal to write a 1-year limitation in the bill would have carried in that body by a change of only seven votes. I think it is clear that there is considerable sentiment in that body for the 1-year provision which is contained in the House bill and that we could rather confidently expect an acceptance of this term in conference.

There are those who are reluctant to support this bill because they fear that somewhere in its course it may be amended so as to place a limit on the payments that can be made to any one farmer. Those who fear this possibility understand that the real genius of this farm program rests upon its ability to encourage an approach to a balance between supply and demand. They recognize, as some of our colleagues do not, that the payments which are made to farmers for retiring land from production are not "assistance" payments but rather that they are payments for property taken for public use. We remove certain acres from production in order that the public may have the benefit of a better balance between supply and demand. The owner of these acres suffers a financial loss. These payments reimburse him—at least in part—for that loss.

I cannot but feel that those who would render the program ineffective by making it impossible to remove enough land from production to achieve any effective results are unwittingly helping to bring about a return of the vast, expensive and completely unnecessary surpluses of a few years ago. I recognize that their motives are the very best but the results would be just as disastrous to the farm program as it would be to the slum clearance program were we to say that we would limit payments to $5,000 for real estate bought from any one property owner.

But let us get back to the basic problem. Why do we want a farm program of any type or of any length? There are those who point, I fear with some degree of satisfaction, to the unhappy fact that farm prices are lower today for most commodities than they were 20 years ago. Unquestionably this is true. Unquestionably agriculture is in bad shape. I fear it could not stand the shock of an abrupt cessation of the Government program.

There are those who point to the fact that farming operations continue to concentrate in fewer and fewer hands; that the small farmers become fewer in number and the large farmers become larger in their operations. There is no question but what the same trend which has wiped out the corner grocery store, the community drugstore, and the local doctor's office has been at work in rural as well as in urban areas. The trend toward bigness, toward mechanization, toward increased efficiency has influenced agriculture just as it has all other business activities.

There are those who criticize our farm programs because they say that the best educated, the most ambitious farm boys and girls are moving to our cities where they can enjoy greater opportunities. Unfortunately, this is true, but on the other hand, there are those who are critical because they say that agriculture has increased its efficiency so rapidly that millions of our least skilled and least competent workers have left the farm to add to the problems of our cities.

Regretfully, I must recognize the truth of these charges, but why did these people leave? The highly educated and the unskilled both left in the hope of improving their economic status. If we recognize that this migration is bad for both rural and urban areas, we should be willing to strike at the cause of the migration. The cause is not hard to find.

Corn which is now harvested with a $20,000 harvester is selling for less than it brought when it was harvested with a $150 rowbinder. A farmer can no more make a profit selling wheat for what it brought before World War I than could the Ford Motor Co. were it to try to sell its 1969 model for the price of a Ford of 1915.

The statistics of the Department of Agriculture show that a great many of our farmowners are getting only $3 and $4 a day for their labor. I said per day not per hour. And yet they are expected to buy production machinery and pay living costs based on an industrial wage scale of nearly $3 per hour. It just cannot be done without some kind of equilization.

Frankly, the present farm program does increase farm income. Some part of it—a much smaller part of it than many people had supposed—is in the form of subsidy, but the subsidies granted to agriculture are but one segment of the vast system of subsidies embedded in our economic structure. If it were possible to remove every subsidy enjoyed by industry, business, and labor in this country, I would feel that the farmer should receive no subsidy. If he could buy in a completely free market, he should be required to sell in a completely free market without any Government aid, but he does not buy in such a market. He buys in a completely protected or administered market—one in which the Government subsidizes many costs and through legislation makes it possible for both business and labor to greatly increase almost all other costs.

But again the critics say that if agriculture is in such a desperate shape, why not eliminate all Government help and see if the industry cannot stand on its own feet. This suggestion very naturally appeals to many people who have not thought the matter through but it arises from exactly the same reasoning that prompts the suggestion that since everybody in the hospital is sick, that we better burn down our hospitals because we would like to see everybody well. Agriculture is the sick man of our economy. He has been getting some injections of blood from the farm program. They have not been enough to restore him to health. Without them or some other help agriculture, as we know it today, would surely die.

During the 3 years 1966 through 1968—while the Agriculture Act of 1965 has been in effect, an estimated total of 281,000 farms will have gone out of business. This averages about 94,000 per year.

By way of comparison, during the decade from 1950 through 1960, this country saw about 159,000 farms go out of business each year.

Although part of this decline was undoubtedly due to the smaller total number of farms this act has surely served to slow the tide.

What if there had been no farm program in the years 1961 through 1967? What if we had had a so-called free market without price supports, diversion payments, or other governmental help?

According to the projection of the Economic Research Service farmers from 1961 through 1967 would have realized 36 percent less net income than they actually received.

The free market would have resulted in substantially higher production and lower prices. For example, 21 percent more wheat would have been produced and wheat prices would have averaged 45 percent lower. Feed grain output would have been up 17 percent and prices would have been down 34 percent. Cotton production would have increased 9 percent and prices would have averaged 35 percent lower.

Of course, I realize that even at these prices someone would continue in the business of producing food but it would not be the 3½ million farm families that we now have. It might well be 1,000 corporations—possibly less. Certainly, long before the number of corporate producers approached that of the automobile industry of America, these producers would be able to exercise a monopolistic type of control over the market which our present free farmers cannot exercise. Clearly this kind of control would be disastrous to both city and country.

All our farm programs do and all they have tried to do has been to bring about a rough balance between supply and demand. That is why we pay farmers, large and small, to retire unneeded acres from production. We have never sought to create a condition of scarcity and as long as we have millions of independent farm families, we never will. On the contrary, our farm programs have always been deliberately planned to secure the production of more food and fiber than we could foresee that our people might need.

That these programs have been at least modestly successful from every standpoint is attested by the fact that the American people have for years eaten more and better food for a smaller part of their disposable income than have the people in any nation at any time in the history of the world. Actually, the American consumer spends on the average just a little less than 18 percent of the family's disposable income in the grocery store, less percentagewise than consumers spend in any other country in the world. The farmer gets less than one-third of that 18 percent. In the Soviet Union 40 or 50 percent of the family's income goes to the purchase of food. In the Far East this may run as high as 75 or 80 percent.

American consumers should think well before they kill the goose that lays the golden egg or that assures the most nutritious diet in the world.

The American farmer is feeding the American public for a smaller share of total consumer spending today than in 1965, before the Agriculture Act of that year went into effect. The act of 1965 cannot be charged with raising the cost of living for the American family for without the act prices would have been far higher because they would have been dictated by a small number of producers.

Nor do I believe that it is possible to maintain permanent prosperity for our industries, for our laboring people, and for our business institutions with the income of agriculture unduly depressed. Agriculture is still the largest purchaser of steel, the largest consumer of gasoline, the largest market for automobiles in the United States. In fact, agriculture currently spends more than $34 billion annually for the goods and services to produce its crops and livestock. As you take away the buying power of agriculture you take away wages as well as profits in these basic industries. I submit that we cannot lightly dismiss the importance of this market. Nor can we ignore the dependence of our cities on our agricultural production.

Not the least important facet of the picture is the relationship of agriculture to the balance of trade in this country. In 1967 the harvest from about 1 out of every 4 acres of our agricultural production went overseas from a total of 71 million acres of farm products exported. The 1965 act made this possible by moving these commodities at or near world prices. At the same time farmers were assured incomes above those of their foreign competitors. While supplementing farm income we reduced the amounts spent for export subsidies.

Last year we exported $6.4 billion worth of agricultural products. Agriculture's net annual contribution to the U.S. balance of payments has averaged $1 billion for the past 4 years. This did more to give us a favorable balance of trade than will the new tax bill. Can we afford to jeopardize these dollar earnings by failing to extend this program?

If the Congress fails to act on an extension of a basic farm program this year, many American farmers may wonder if the 1969 crop will not be their last crop? Wheat is particularly affected. Its growers and suppliers must know during early 1969, when they harvest their last crop under the existing legislation, what the future holds. By April 15, 1969, under earlier law to which we would revert, the Secretary must proclaim marketing quotas. If quotas were proclaimed, a referendum must be held by August 1. Experience indicates that there would be no possibility of meeting this deadline.

Many producers would have invested their labor, money and time in a speculation as to whether there would or would not be a program. The soil they plan to plant may well not be enough or may be too much. The supplies of seed and fertilizer may be too little or too large. Not only will farmers be seriously jeopardized but the suppliers of the equipment, gasoline, seed, fertilizer and pesticides will be affected.

For all of the uncertainty, a reversion to the earlier programs will have some predictable characteristics. It will invite a return to large surpluses, to more Government loans, and to lower farm prices.

With the return of the era of millions of bales of cotton in Government stocks instead of 700,000 as at present, of billions of bushels of wheat in storage at Federal expense instead of less than 90 million as at present, this Congress will have, through its failure to extend the 1965 act, returned us to the most costly agriculture program our country has ever known.

Every one of you can point out defects in our present agriculture program. I can too. But very few indeed can point to an effective method of improving these programs in the remaining days of this session, and if you have some plan which you feel is absolutely perfect, just remember that before it can become law that you have got to convince a majority of this Congress that it is as perfect as you think it is. After 6 months' efforts, 35 members of the Agriculture Committee decided that the one and only thing on which there seemed to be pretty general agreement was that we needed another year in which to give any new administration an opportunity to try to work out a generally acceptable plan. That is what the committee bill provides. I hope you will give us this opportunity.

Mr. Chairman, that those who care to do so may check on the specific items in this bill, I attach herewith an outline of each provision.

H.R. 17126 simply extends the various parts of the Food and Agriculture Act of 1965 for 1 additional year. Unless extended, the 1965 act will officially expire on December 31, 1969. Actually, there would be no program for wheat or other grain planted in the fall of 1969. Nor would it be possible to announce any programs for 1970 in time for the farmer to prepare either his land or his credit. This bill would make the date of expiration December 31, 1970.

The Food and Agriculture Act of 1965 contains several major provisions which are extended by this bill:

DAIRY (TITLE I)

The class I dairymen's base plan extended by this bill removes the necessity which existed before the 1965 act of maintaining maximum production to preserve individual participation in the market for milk for fluid consumption. By the 1965 act, each producer was assigned a fluid milk base on which he receives a higher price for milk consumed in fluid form. He receives a lower price for milk produced in excess of his base. Penalties against the dumping of milk and the disrupting of markets were established. All of these will be extended 1 year by this bill. Without this extension of these provisions, dairy farmers will resume the old uneconomic production in order to maintain history. As a result, the milk surplus would climb even higher. This bill does not contain the changes in the fluid milk base plan that some producers feel are needed. I personally feel that some desirable changes have been suggested but I would hope that they might be handled in separate legislation.

WOOL (TITLE II)

In wool, the bill extends the present wool legislation fixing the support level for wool at a level of 62 cents per pound increased by the same percentage as the percentage changes in the parity index.

Without this legislation, authority for incentive payments would expire. A price support program would be the only means of supporting wool or mohair prices. When wool prices were supported at above-world market levels in earlier years, U.S. production backed up in Government-owned inventories while U.S. consumption was filled increasingly by foreign wool and synthetic fibers. The payment method of the 1954 and 1965 acts has proved a practical method of providing income assistance to domestic producers while at the same time making domestic wool compete effectively with synthetics and imported wool.

FEED GRAINS (TITLE III)

The bill extends price support loans, purchases, and in-kind payments which were provided to program participants by the 1965 act. Price support and loan levels would continue to be set by the Secretary at 65 to 90 percent of parity for feed grains. By continuing to divert acres from production of feed grains to conservation, participants could still receive payments-in-kind to maintain income. The payments, as in the past would be based on a percentage of price support payments computed on normal per-acre yields on the number of acres diverted.

If this bill is not enacted, it would be necessary, after 1969, to return to the program of the 1950's. That legislation provides that prices be supported between 50 and 90 percent of parity, "but at such levels as will result in not increasing Commodity Credit Corporation stock." This would provide a support of 75 to 80 cents per bushel for corn, with no protection against a renewed surplus buildup. There would be no production adjustment program. Acreages planted to feed grains could be expected to return to 1959 and 1960 levels which produced crops well in excess of market requirements.

If this bill does not become law and feed grain production goes far in excess of market requirements, we can expect livestock prices and incomes to decline as well, due to the rapid expansion of the numbers of animals on feed. Generally, a 10-percent drop in feed prices would be expected to result in a 1.5-percent rise in total livestock production which would in turn likely cause about a 5- to 6-percent drop in livestock prices.

COTTON (TITLE IV)

The one-price-cotton program established by the 1965 act is extended by this bill. It continues, first, the 16-million-acre national allotment and the 65-percent domestic allotment; second, the requirement of a reduction of up to 12.5 percent of farm acreage allotment for program participation; third, the option for the producer to stay out of the program and plant and sell cotton for export at the world market price; fourth, the loans to cooperators at not to exceed 90 percent of the estimated average world market price; fifth, the payments to cooperators on the projected yield within the domestic allotment actually planted; sixth, payments to the farmer for the required diversion and release of the remainder of their acreage allotment to be reapportioned within the county or elsewhere within the State; seventh, transfer of acreage allotments; eighth, assignment of direct payments, and ninth, exchanges of cotton and rice allotments, all as provided in the 1965 act.

If legislation such as this bill is not enacted, after 1969 cotton producers would return to the provisions of the 1958 act. Marketing quotas would still have to be proclaimed. If those quotas were approved, farmers complying with acreage allotments could then obtain loans between 65 and 90 percent of parity. We would return to two-price cotton if exports were to be maintained. No diversion of price-support payments would be authorized. If quotas were rejected, price-support loans would be 50 percent of parity. It is impossible to see how we could avoid the worst kind of confusion, and surely most if not all of the crop would surely be planted before anyone could know what the program would be.

Without this bill the approval of quotas would raise domestic cotton market prices—not income to farmers—several cents per pound. Cotton would lose still more markets to synthetics, exports would shrink and surpluses would pile up.

WHEAT (TITLE V).

In extending the wheat program this bill provides for price supports, acreage allotments and marketing certificates that stabilize farm prices and still assure adequate supplies for domestic and foreign markets. Through the certificate payments a return at or near 100 percent of parity is provided the producer on the share of the crop used for domestic food. Price support for all wheat through loans at a level based on competitive world prices and the feeding value of wheat compared to feed grains would be continued by the bill. The Secretary would continue to have the discretion to make diversion payments if additional voluntary diversion were needed in the future to balance production and utilization.

Without this bill, wheat after 1969 would return to a mandatory program. Marketing quotas would be proclaimed and a vote for the 1970 crop year would be held in May or June of 1969 but not later than August 1 of next year. If quotas were turned down, as they were in 1963, farmers complying with allotments would be eligible for loans at 50 percent of parity or around $1.30 per bushel. There would be no certificate payment.

Without this bill, if quotas were approved, price support, meaning loans plus certificates, would be around $2 per bushel on the domestic food share of the crop. The certificate would be financed entirely by processor payments.

CROPLAND ADJUSTMENT (TITLE VI)

The Secretary would retain authority to contract for conversion of unneeded cropland into water storage facilities, vegetative cover, or for soil, water, wildlife, or water conservation uses as in the 1965 act. The same latitude is continued for the Secretary to reduce the participation required under locally adverse economic conditions, to make a lump-sum payment, and to pay additional increments to those providng free public access for hunting, fishing, and trapping.

If this bill is not passed, after 1969 all authority for the cropland adjustment program lapses. As contracts on land diverted to conservation uses under earlier programs terminate, the landholder cannot be offered an economic alternative to returning those acres to unneeded production of crops in surplus.

MISCELLANEOUS (TITLE VII)

The farmers' certification of compliance, the leases of tobacco allotments, the exemption of boiled peanuts, and all miscellaneous provisions of the Food and Agriculture Act of 1965, as amended, are extended by the bill.

RICE (TITLE VIII)

Section 801 would be extended by this bill to continue to provide an alternative acreage diversion program for rice effective only when the national acreage allotment for the years 1966 through 1970 is less than the national acreage allotment for rice in 1965.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. NELSEN. I thank the gentleman for yielding.

I am sure the gentleman in the well would agree with me that a little dialog would be of some benefit relative to the release of commodities by the Commodity Credit Corporation. I believe at one time the economic advisers interfered——

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BELCHER. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota.

Mr. NELSEN. I thank the gentleman for yielding.

Mr. Chairman, I believe some dialog would be good, and that perhaps a record needs to be written. We had some interference, as I mentioned, by economic advisers, as to the handling of surplus commodities or held by the Commodity Credit Corporation. At one time 48 million bushels of corn were dumped, and there was some disturbing background as to the reason for this price-breaking action. It was feared that the price of corn might rise too high, so the sale of this corn was made to the large terminals. The country elevators were denied the chance to buy this corn for their local farm people. A great deal of justified protest developed. I am sure that the gentleman who just spoke in the well would agree with me that there is need to have some dialog to prevent a repetition of this practice in the future.

Mr. POAGE. If the gentleman will yield, I believe the gentleman better have that dialog with the gentleman from Oklahoma because he is nearer to the corn country than I am. I do not live in corn country.

Mr. NELSEN. But the gentleman is interested in corn, is he not?

Mr. POAGE. I believe the gentleman had better have a dialog with someone from the corn country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Chairman, first I would like to correct a statement which I am sure the chairman inadvertently made. Knowing him, I am positive it was not intentional, but I understand the gentleman to say that 35 members of the House Committee on Agriculture were recommending a 1-year extension of the act of 1965.

Mr. POAGE. If the gentleman will yield, I want to beg the gentleman's pardon, because I believe the vote was 28 to 5.

Mr. TEAGUE of California. Yes. I wanted to——

Mr. POAGE. But I still believe it is perfectly fair to say that there are 35 Members who did not have any better answer than the one we gave.

Mr. TEAGUE of California. Well, I have, I believe, some better answers, but I am not here at this moment to explain them. I hope to be able to do that next year when this proposal is defeated, and we have a chance to get into a revision of our agricultural programs.

Mr. Chairman, I rise to speak against enactment of this bad legislation.

I have been a member of the House Agriculture Committee for many years and have seen many programs of this general type designed to aid farmers enacted. These programs have been costly and if they had done the job the costs could have been overlooked. The fact is, however, they have not done the job as is evidenced by the current depressed conditions of agricultural producers of this great Nation.

I want the record to show that as a member of the House Agriculture Committee I voted against extending this act. I want briefly to state the reasons why I thought my vote was justified in the committee and why I will use all my influence here today to defeat this legislation.

In the first place, the current act does not expire until December 31, 1969, or at the end of the 1969 crops—more than 18 months from now. In January 1969, there will be a new President and a new Congress. They will want—and are entitled to—an opportunity to participate in decisions affecting future Government farm programs.

It seems to me that action now to extend the Food and Agriculture Act of 1965 would indicate a shocking lack of confidence in the new Congress to be elected in November.

With Congress having passed a 10-percent tax increase and a requirement that the President reduce budgeted expenditures $6 billion in the next fiscal year, it is highly inappropriate to extend the 1965 act one more year at a probable cost of more than $3 billion per year. This makes the act of 1965 the most costly farm program mistake in history. It is costing taxpayers nearly $9 million each day. Extension of this costly scheme would soak up approximately one-third of the recent increase in taxes with little if any benefit to farmers.

The act of 1965 has failed to accomplish any of its stated objectives.

The farm parity ratio stood at 81 when the act became effective. Since then it has dropped steadily until now, when we are only halfway through the third year of the 4-year program—it stands at 73. Even the adjusted parity ratio—which includes direct payments to farmers—is down 8 points. On both an adjusted and an unadjusted basis the parity ratio is the lowest it has been since the depression year of 1934. Extending the act now for another year would have the serious effect of locking farmers into this unsatisfactory situation until December 31, 1970. I do not believe this House wants to assume that responsibility.

The official record shows that the act of 1965 has failed to adjust production to demand. Despite drastic cuts in acreage ordered by Secretary of Agriculture Orville Freeman for this year, current U.S. Department of Agriculture forecasts indicate that the 1968 harvest may be the largest on record for wheat, corn, and soybeans. Wheat prices are the lowest since 1942.

In spite of the lower prices farmers are suffering now which were brought about by the act of 1965, the program has failed to reduce or even to stabilize the food costs to consumers. The cost of living is at a record high. Why should consumers continue to pay their current Federal taxes—let alone the 10-percent increase the Congress has just voted—to be used by the U.S. Treasury to pay out $3.5 billion in payments to farmers each year and on top of this still pay higher prices for food and fiber. This just does not add up and people back home are beginning to rebel against such expenditures.

I urge the House to reject this bill and help cast a vote for sanity in the farm program field. In 1969 at the beginning of the new Congress with a new President and a new Secretary of Agriculture we surely can come up with a more effective and less costly program than this one.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, it is important that this legislation to extend the 1965 Food and Agriculture Act for 1 more year, be approved. It is important not only to U.S. farmers, but to consumers as well, for it is only through the maintenance of economic stability in U.S. agriculture that American consumers can continue to purchase an abundance and variety of food at the lowest percentage of income cost in the world.

My support of this legislation does not, however, constitute a blanket stamp of approval on the current farm programs. I can certainly agree with the remarks of my good friend and colleague, the gentleman from California [Mr. TEAGUE] in his analyses of how poorly this program has worked. And also can agree as the imperfect way in which it has been administered. Even a superficial review of the present farm situation in this country shows a desperate need for improvement of agricultural prices and income.

As a matter of fact, if the remarks made by the gentleman from Indiana [Mr. MADDEN], during debate on the rule, about the millions of dollars going to farmers to pay them for putting useless, nonproductive land out of production are true and—if he has the facts to prove that they are—then he is indicting his own Secretary of Agriculture for gross mismanagement—even corrupt mismanagement, of this program. He should certainly bring his information before our committee for investigation. However, I do support this bill of simple extension because I believe it is vital that U.S. farmers know for more than 1 year in advance just what Federal agricultural programs will be in effect so they can plan their operations. Wheat producers in the Pacific Northwest begin preliminary planning for a crop far in advance of planting. In winter wheat areas around the country, actual field preparation for the 1969 crop is taking place now.

A 1-year extension of the farm programs would provide this necessary leadtime for farmers while also allowing time for a new President, a new Secretary of Agriculture, and a new Congress to work out an approach reflecting the many changes and improvements in our farm programs which farmers, their organizations, Congress, and the executive branch consider necessary to improve our agricultural economy.

This is not the time to amend the programs or make any basic or fundamental changes in their operations. Hasty or ill considered changes now could do much harm. Six months from now, at the beginning of the next Congress, there will be time for a thorough review and reconsideration of the current farm programs, but what is needed now is a simple 1-year extension to allow farmers and agri-industry to plan their operations.

In closing, may I say to the chairman of our committee, the gentleman from Texas [Mr. POAGE], that I did make a pledge to support this 1-year extension and to vote against all amendments. I intend to keep that pledge.

Mr. JONES of Missouri. Mr. Chairman will the gentlewoman yield?

Mrs. MAY. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I was going to ask the gentleman from California the question that I shall ask the gentlewoman from Washington. The fact is that farm prices have been low in spite of this law and not because of the law. Would the gentlewoman agree with me on that?

Mrs. MAY. No. I am sure the gentleman knows that we have never been able to work out a satisfactory answer in our committee to that question. Especially when the Secretary of Agriculture has used the program to depress prices. However, it seems to me that if we could answer that question, we might be on our way to a new approach.

Mr. JONES of Missouri. But I think the gentlewoman by her support of this bill would indicate that it is better to have the present law than not to have any?

Mrs. MAY. Only for the next crop year in order to give the promised leadtime for farmers to plan and the new administration to plan. That is what I mean.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Goodling].

Mr. GOODLING. Mr. Chairman, recently we read of a circus tent which collapsed. Today we witnessed cave-ins on the floor of this House. Some Members folded like accordions.

As a preface to my remarks, let me say that I have been associated with agriculture all my life. Since 1923 I have been a dirt farmer operating my own farm. I can also state that I am either too stupid or too independent to ask the overworked American taxpayer to subsidize my farm operation.

Mr. Chairman, I can cite at least 3 billion and as many as 12 billion reasons why this farm bill should not be passed.

A 1-year extension of the Farm Act of 1965 will cost the taxpayers of this country some $3 billion, and the 4-year extension as approved by the other body carries at least a $12 billion price tag.

Maybe, just maybe, the expenditure of these terrific amounts of money would be justified if it could be shown that farmers generally were benefiting from the programs included in this bill. The fact is, however, that they are not benefiting.

The parity ratio now stands at 73. It averaged only 74 last year. Even with Government payments included it only averaged 79, a distressingly low level—a level, in fact, as low as was found in those dark days of the depression in the 1930's.

Pennsylvania farmers, like most farmers throughout the Nation, have been the victims of the low market price philosophy that this legislation embraces.

Yet Pennsylvania farmers do not begin to share equally in the tremendous outlays of money that this bill calls for. For example:

In 1967 all the farmers in the State of Pennsylvania received a total of $3,885,734 for participation in the wheat program.

In 1967 the J. G. Boswell Co. of Kings County, Calif., received $4,091,818 in farm subsidy payments.

Something is haywire, Mr. Chairman, when one giant corporate farm in California receives more in Government subsidies than do all the farmers in the State of Pennsylvania.

The fact is, of course, that the programs established under the laws that this bill seeks to extend are geared to the benefit of the large super-colossal corporate farming giants of the South and the West.

One study presented to the President's Commission on Rural Poverty showed that 1 percent of the farmers in this Nation receive 21 percent of the cotton payments, 12 percent of the wheat payments, and 9 percent of the feed grain payments.

In cotton last year the amount of the Government payments was nearly equal to the market value of the cotton crop. Cotton subsidies of $943 million nearly matched the 1967 crop value of $1,027,000,000.

During the hearings I pointed out to Secretary Freeman that if we had a price support program for all other crops similar to what we have for cotton, it would cost the taxpayers of this country over $42 billion a year.

When I say these programs are primarily benefiting the largest growers in the West and the South, I mean it. Here are some of the figures that the Appropriations Committee of the other body recently printed as part of its hearings:

In 1967, the State of Pennsylvania received a grand total of $21.2 million in payments under all farm programs. This figure includes conservation and land retirement payments as well as crop subsidies. By comparison, farmers in the State of Texas received $457,205,685.

In all of the Northeast, Pennsylvania's $21.2 million was tops, with New York second at $20.2 million.

The leading farm subsidy States after Texas were Kansas at $211.3 million, Mississippi at $146.9 million, Iowa at $142.8 million, Nebraska at $133 million, and North Dakota at $130.2 million.

It seems incredible to me, Mr. Chairman, that Members from the Northeast can continue to support these costly, ineffective programs which are of no benefit whatsoever to our farmers or our taxpayers.

Mr. Chairman, many Members of the House will recall that I have been opposed to the Agricultural Act of 1965 from the beginning. I have taken this position because the information available to me indicates that this act has failed in every respect. It has failed to increase farm income, it has failed to keep down food costs, and it has succeeded in further draining the Federal Treasury.

Here is a program that by all sound business principles has failed rather miserably, yet today we are being asked to vote more of the same.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BELCHER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Pennsylvania [Mr. Dent].

Mr. DENT. Mr. Chairman, as a fellow Pennsylvanian, I want to join the gentleman in the statement he is making.

Recently our State has been propagandized by a flood of false information given out by the Secretary or the Ambassador we sent to Geneva on the matter of trade. He has given out facts, which, while they appear to be factual on the face, have not been gone into in depth to show that the loss to the farmer in the export-import balance is so great that to expose it would defeat this and any other legislation dealing with farm subsidy in any of our foreign exports.

We are supposed to—and the chairman made a statement to this effect—export $6,500,000,000 worth of farm products. He failed to tell that out of the $6,500,000,000 there are approximately $4 billion that are subsidized in one phase or another by the American taxpayer.

Anybody can sell if he buys retail and sells wholesale. That is what we are doing. We import $4,500,000,000 worth of products. When we import, we import in volume from two and a half to three times as much in products as we would produce in this country for the same number of dollars. When we buy watermelons from Mexico—and we are selling watermelons for 65 cents as the farm price of watermelons in the United States—we bring in watermelons from Mexico for less than 20 cents each.

This makes it a better than 3-to-1 ratio in volume. It is in volume that the farm products count, and not the dollars of exchange value.

So I join the gentleman from Pennsylvania in his statement here today.

The only single recipient of moneys under the wheat program I've heard of is an institution which receives a farm subsidy, because it found it could buy bread for the institution cheaper than it could produce it from it own wheat.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BELCHER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman frm Pennsylvania.

Mr. DENT. They found out that by not planting wheat in the field, by not grinding the wheat and by not making bread of it, they could receive enough money to buy all the bread needed for its daily uses.

There is something wrong with that kind of situation. I have listened to debates for years about working men receiving more for loafing than they could earn if they worked, under relief programs, but when there are institutions able to take care of themselves receiving more for not planting than what they received when they planted, it goes far beyond wheatever crime there might have been committeed against the body politic by an individual in need receiving relief perhaps in a greater amount than he could have earned in a low-wage job.

I thank the gentleman.

Mr. GOODLING. I thank the gentleman for his contribution.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Washington.

Mr. PELLY. The gentleman from Pennsylvania [Mr. Dent] has brought to my mind a problem my farmers have. My farmers happen to be farmers of the sea, fishermen. Eighty percent of the fish in this country are brought in from imports, but my farmers get no help.

I have difficulty in supporting a program to extend aid for the farmers who are on the land when there is no assistance for the farmers from the sea, my fishermen.

I thank the gentleman for yielding.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. Zwach].

Mr. ZWACH. Mr. Chairman, it is with some concern that I listen to the discussion of this problem.

We are talking about a lot of blessings for America, and not all bad points. In fact, American agriculture has been so marvelous that it has freed 94 out of every 100 of us and of our constituents to help build America better.

For 5 percent of our income, paid to the producers of food in America, we have the finest and most nutritious food, and we have a guaranteed assurance of food.

So we are a little spoiled as consumers. Sometimes we need to look a little at the rest of the world.

But there is another thing which is true. I should like to have the fine gentleman from Indiana listen to this. For 20 years the producers of food in America have not had any increase in income.

While the wonderful steelworkers in the wonderful town of Gary have had increase after increase after increase, and although farm tractors cost several times as much as they did 20 years ago, the income to the producer is still where it was. So the farm producers are in deep trouble.

The reason for the farm program—the reason why I am supporting a 1-year extension—is that the farm factory is too large. It is too large. In some way we have to shrink it. So the Government has entered into programs and has agreed to contracts, and has agreed to rent and to provide conservation practices, which are good practices for the future. We are going to need this land in the future. We have a program to retire it for a period of time, until we need it.

That is what this is all about. That is the reason why I support this program. It is because it is something like representative government—it is the worst except for its alternatives.

Now, Mr. Chairman, I would like to make another statement, and I would like the gentleman from Indiana [Mr. Madden] especially to hear this.

We hear too much about big payments. Most of this money goes for the retirement of some productive capacity on the little farms of America. In my own State of Minnesota, for example, Minnesota farmers received in 1967 $97 million. Of this total, only 2 percent, $2.7 million, went to those who earned more than $5,000 in payments. Only 2 percent of that amount. In my Sixth Congressional District, comprising 19 counties with 27,000 farms, 81 percent of them participate in the program, but there were only 50 of those farms out of that total number that received a payment above $10,000. There were only 247 farms that had a payment above $5,000. So this is a payment to the family farmer for the retirement of production.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ZWACH. I am glad to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I think this is a good place to point out that for farmers earning less than $1,000 a year 45 percent of their income was from these Government payments, but farmers making more than $20,000 a year received only 3 percent of their income from Government payments. So to say that this is a program that helps the big farmer more than the little farmer is just not true. He only receives more payments when he contributes more.

Mr. ZWACH. I thank the gentleman for that statement.

In conclusion, Mr. Chairman, I would say that I am convinced that for the purposes of an orderly consideration—and I have amendments to this bill, but I agreed in committee not to offer any—but for an orderly procedure and consideration of this basic matter, for you and your constituents, this is most important. Let us not give away the wonderful American system that we have where the masses of our poor people own the land. Let us extend this program for 1 year.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. ZWACH. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I commend the Committee on Agriculture for its prudent judgment in extending the Food and Agriculture Act for a period of 1 year only. This will allow the new Congress and a new administration to consider alternatives to the present farm program, when both take office next year.

As the sponsor of an alternative solution to an omnibus farm bill, which emphasizes soil and water restoration, and which would offer American farmers the option of a "second market" to offset inadequate commodity prices; I had hoped that such a program might receive consideration this year. I am indebted to the chairman and to his committee for the opportunity that was given to me to explain this concept in open hearings. My testimony and the testimony of Mr. E. M. "Gene" Poirot, of Golden City, Miss., whose book, "Our Margin of Life," establishes the basis for the "second market" concept, are seen on page 324 of the printed committee hearings. Further explanation of the bill was placed in the Congressional Record, volume 113, part 12, pages 15497–15503. I hope it will be read and reviewed by those individuals and farm organizations who are looking for new, and yet practical ideas, in the realm of farm policy.

I regret that the Department of Agriculture failed to submit its twice requested report to the committee on H.R. 10742, though I believe it had adequate time to do so, and it would have been helpful to know their criticisms, if any, so that we could move forward in developing a more beneficial farm program and policy. Yet, I recognize that in the absence of any departmental views it would have been almost impossible for the committee to adopt this new program without any idea as to how it might be administered, and without the various cost estimates that are a necessary prerequisite for sound legislation. So I hope that the testimony and discussions in these hearings will afford a "takeoff point," for further consideration of a new farm program by the administration which takes office next January.

Mr. Chairman, that new approaches are needed are self-evident. There has been a relentless decline in the number of farm families, and family farms. Farms have dropped 20 percent, and farm families 30 percent in the last 7 years. Yet the expenditures of Secretary Freeman's Department increased from $5 to $8 billion. We can be thankful that farmers are not as disposed as some of their city brethren, to demonstrations and civil disobedience when things are going badly. In spite of a continuing and even escalating cost-price squeeze, they continue to do what they know best, produce food and fiber, and they do it better than the farmers of any other nation on earth. They deserve a better break and I hope the program I have advocated or at least a version thereof, will be given serious consideration by the next President and his Secretary of Agriculture. It has had a beginning in fact, by prior recognition of Congress, the committee, and the Department of Agriculture; in title IV of the existing law that the bill under consideration extends for 1 year.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. Mayne].

Mr. MAYNE. Mr. Chairman, I rise in support of this bill to extend the Food and Agriculture Act of 1965 for 1 additional year. Passage of this bill in its present form will insure that the present feed grain program will remain in full force and effect not only through the remaining 5 months of this year but also all of next year, 1969, and all of the following year, 1970.

Mr. Chairman, I am proud and happy to have been one of the members of the Committee on Agriculture who worked hard in a good faith, bipartisan effort to bring the bill out of the committee in its present form providing for a simple additional 1-year extension with no amendments.

Heaven knows many members of the committee wanted to offer amendments. Heaven knows the 1965 act is not so perfect that it cannot be improved or should be continued forever or for a long period of years without any changes whatsoever.

But those in both parties who were willing to put the farmers' needs ahead of partisan politics, those of us who did not want to see the farm problem made into a political football in this election year, those members of the committee joined together in a good-faith effort to obtain committee approval of a 1-year extension which would not be so long as to destroy all chance of its passage by the House and yet long enough to provide sufficient time for an orderly consideration of the matter in the next Congress. An orderly consideration of the act by a new President and a new Congress next year and if necessary in the early part of 1970 at a time when the atmosphere will be more conducive to making helpful improvements in the program on the merits and there would be less temptation to play politics than in the closing months of an election year. And so we persuaded enough of those on the committee who were opposed to any extension at all to come along so that this 1-year extension was reported out with only five dissenting votes.

Certainly the farmers of this country are entitled to much fairer treatment than has been accorded them under this bill. Anyone who advocates freezing and locking this program in as is, without any improvements is willing to continue shortchanging the American farmer.

Are we willing to tie our hands for a long period of years and submit to the continuation of an act under which the farmers' prices have steadily fallen and the cost of everything he purchases has steadily risen? Back when the Food and Agriculture Act of 1965 was passed in 1965 the farmers of the United States were receiving an average of 80 percent of parity for their crops. Today, after this program has been in effect 3½ years they are receiving only 73 percent of parity, 7 percent less. The price of corn in Iowa has fallen to about a dollar per bushel under this program, the lowest in many years and it threatens to go much lower in the fall when the present crop is in under this program.

It is natural that farmers and Congressmen who represent farmers are anxious to see improvements in the program and to offer amendments to the present act. For example, one of the most unfair aspects of the present feed grain program is the arbitrary determination of the feed grain base. Farmers who had acres out of production during the base period because they were utilizing soil conservation and crop rotation practices at that particular time have been penalized and discriminated against under the feed grain program ever since. It has been impossible for them to comply with the program since its inception because their base was so low in the beginning. There has been a slavish reliance on crop history during the base period to the exclusion of everything else in the administration of the program. As a result there are identical farms side by side with an identical number of acres and identical productivity. Yet if one farmer was practicing soil conservation in the national interest during the base period he is precluded from the program, whereas his neighbor who was tilling every square foot of his acres during the base period is able to participate and get the benefit of the program.

Certainly this is one of the abuses which must be corrected if we get into consideration of an extension of more than 1 year. Another unfortunate feature of the present act is the vast discretion which it gives the Secretary of Agriculture. The farmers of the Midwest have not forgotten how the present Secretary of Agriculture abused this discretion by dumping vast quantities of grain with the deliberate purpose of breaking the farmers' market price. He succeeded in depressing grain prices by these tactics, succeeding in making prices go down and they have been going down ever since. If we are going to get into a consideration of an extension of longer than 1 year, certainly many Members will want to make very sure that no future Secretary of Agriculture, regardless of party affiliation, whether he be Democrat or Republican, will be able to dump Government stocks at prices far below parity to depress prices.

We have not forgotten, and neither have our constituents, that after the present Secretary of Agriculture had succeeded in his dumping tactics he expressed delight that farm prices had gone down, and said that he hoped he could look forward to them going down even more.

Now, I have mentioned just two of the abuses which should be corrected in any long-term extension of the present act. I know that many other Members will want to offer other amendments if we are to abandon the simple 1-year extension which is provided for in the committee bill. If we do abandon the committee bill and get into amendments, I predict, my colleagues, that this will be opening a Pandora's box, the result of which no Member of this House can predict, and that it will very likely lead to more and more amendments, some of which could well weaken rather than improve this program, and which could very well jeopardize the passage of any extension of this long-considered legislation whatsoever. I therefore earnestly hope that the committee bill providing for a 1-year extension will pass the House in its present form.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. POAGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. Fisher].

Mr. FISHER. Mr. Chairman, the bill now before us includes an extension of the National Wool Act of 1954. This wool program has proven its worth in its 14 years of operation. It has proven to be much more sound than previous wool programs, including the Government purchase program in the 1940's, through which a stockpile of wool was built up, hanging like a cloud over our market and proving to be the most detrimental.

Under the National Wool Act, wool moves freely in the open market, selling at the best price possible. An incentive payment is made to growers when the market price falls below an incentive price level which is automatically established by a parity index formula.

In 1954, the Tariff Commission, following an investigation, recommended to the administration an increase in the tariff duty on raw wool imported into this country. When the administration stated that it could not raise this tariff, due to our friendly relations with Australia and other countries sending wool here, the National Wool Act was evolved and tariff duties were maintained at existing levels rather than being increased. The incentive payments made under the Wool Act are tied to and limited to 70 percent of the tariff duties collected on wool and wool manufactures.

Furthermore, growers have voted to contribute a portion of this payment for a promotion program to increase demand for their products, wool and lamb. Currently, they are contributing 1½ cents per pound of wool sold to this worthwhile promotion program. A mohair program is also included in the National Wool Act and I am proud to say that approximately 95 percent of the Nation's mohair is produced in my State of Texas. Mohair growers are also contributing to a promotion program to increase market outlets for their fine product.

Another important and very sound feature of the National Wool Act is the operation of the program in such a manner that a grower has an incentive to improve the quality of his wool and thereby receive the best price possible on the open market which in turn is reflected in the incentive payment he receives under the program.

The National Wool Act of 1954 has worked well. I highly recommend that it be extended.

Mr. POAGE. Mr. Chairman, I yield 6 minutes to the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Chairman, I rise in support of the extension of the 1965 General Farm Act. I will mainly limit my remarks to that section of the bill pertaining to cotton.

The cotton industry is an extremely important segment of our Nation's economy. An estimated 1,300,000 people live on farms that grow cotton. An additional 7,000,000 indivduals are represented by direct handlers and suppliers and by their dependents. In a normal year, the value of the cotton crop, including payments, ranges between $2 and $2½ billion. The total investment in the production and processing of cotton in the United States is estimated at more than $24 billion, with over $11 billion, represented by farm real estate.

In my State of Mississippi, cotton is even more important. The number of people living on cotton farms amounts to 233,000 individuals. The value of the cotton crop in 1967, even with the smallest crop since the turn of the century, was almost one-third more than the value of all other crops combined. Anything that affects cotton also affects all other segments of our economy.

The cotton industry today faces a supply situation that is vastly different from the situation that prevailed when the Agricultural Act of 1965 was enacted. From a record carryover existing at that time, cotton supplies have been reduced to a manageable level. In fact, some of the qualities of cotton are in very short supply. The diversion features of the current cotton law, combined with bad weather, have accomplished this reduction in a 2-year period when it had originally been estimated that 4 years would be required to achieve a manageable supply balance. In this connection, I quote from a recent letter I received from Secretary of Agriculture Freeman:

> We have used these programs to work Commodity Credit Corporation inventories from their peak of $6.148 billion in October 1960 down to $896 million as of last May 31st.

The cotton section of the Agricultural Act of 1965 was primarily designed to reduce the surplus, while at the same time cushioning the impact of the supply adjustment for farmers.

Regardless of the initial producer opposition to the current cotton program, the majority of cotton farmers would like nothing better than to have the program extended at this time.

Mr. Chairman, I am strongly opposed to any maximum dollar limitation on farmer participation in any farm program. Such limits would wreck farm programs and would bankrupt farmers who produce the high percentages of the crop. The productive capacity of a large segment of American agriculture would be virtually destroyed. Actually, consumers of the Nation would be the losers in the long run.

Farmers affected under voluntary programs—wheat and feed grains—would pass up the program and increase their production in an effort to reduce per unit costs. The result would be a further buildup of excess supplies. Lower and lower prices for wheat, corn, barley and grain sorghums would hold producers in a vise-tightening squeeze with rigid and rising costs.

As a secondary effect, cheap feed would stimulate increases in livestock numbers—particularly cattle and hogs. This coupled with feeding to heavier weights would upset the uneasy balance that has pivoted around current adjustment programs for grains. Chicken and egg producers would face the same volatile push to increase production with perhaps some holdback reflecting the contractural structure of parts of the poultry industry.

Cotton farmers, caught by payment ceilings, would have to change to other enterprises. Cotton has a mandatory program. The penalty is 50 percent of parity—more than 22 cents per pound—if a grower exceeds the established acreage allotment and marketing quota for the farm. The producer hit by limitations could not afford to leave the program—other than to stop growing cotton. Few could afford to stay with a high-risk crop like cotton with Commodity Credit Corporation loans at 90 percent of world prices.

Several million of highly productive acres with a long growing season would be pulled out of cotton and used to produce soybeans, vegetables, fruits, and still more grains. The impact would further lower prices for all.

Any substantial lowering of the present prices farmers receive would greatly disrupt the efficient agriculture we now have.

In 1967 Americans spent only 17.7 percent of their disposable income for food. At the farm gate the cost is only 5 cents out of each dollar of disposable income, the lowest ever in this country, and by far the lowest in the world when variety, quality, and nutritional values are considered.

Are we now to destroy the main sources of our abundance? It has been demonstrated over the past 35 years that farmers cannot gain solely by increasing production. Farmers in this country, according to USDA, can produce 10 to 12 percent more than could be sold in commercial markets at current prices. About 48 million acres are diverted this year under wheat, feed grains, cotton, and cropland adjustment programs. Limit payments—and the programs will fall apart.

The costs of low and unstable farm income and low and erratic prices go much beyond the farm. Today, cash costs for production items—seed, repairs, fertilizers, machinery, and chemicals—use up 80 percent of cash receipts to farmers. These must be bought and they must be paid for, or harsh terms of bankruptcy drive another and another family toward off-farm jobs or unemployment.

Mr. Chairman, I would like to conclude by urging action to remove the cloud of uncertainty that exists today with regard to the kind of program that cotton will have over the next several years. I believe that action by the Congress would help restore confidence in cotton and would permit farmers and other segments of the industry to move ahead in making investments that are necessary for efficient production.

Mr. POAGE. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. FOUNTAIN].

Mr. FOUNTAIN. Mr. Chairman, I rise in support of H.R. 17126—designed to extend the Food and Agriculture Act of 1965. In fact, I hope we can extend the act for a longer period. This legislation is vital not only to the farmers of our country but also to the consumers wherever they may live. Basically, it is essential for the maintenance of farm income and the assurance of an adequate and controllable supply of agricultural commodities.

The critics of our farm programs are many and they are loud. But I wonder if they have stopped to really analyze those programs and what they mean to all of us.

Particular aspects of particular programs could be argued from here to doomsday. The overall program and the approach we have taken, however, are easily explainable and should be just as easily understood.

First of all, we have the capacity to produce far more on our farms than we can consume.

Most of us here can remember the days—I know I certainly can—not too many years ago, when every farmer was trying to plant every square foot of land available to him.

We also know what happened. The farmer already was in a depression long before October of 1929, because no one recognized what was happening or cared enough to try to do anything about it. In fact, this very situation, as much as any other single factor, helped bring on the great depression.

Farmers cannot control their production as a manufacturer can. In addition to normal problems of supply and demand, and the problem of maintaining a balance between the two, they have to contend with nature in all its forms: wind, rain, snow, hurricanes, tornadoes, hail, and insects.

These are problems largely beyond their control although they are making headway with some of them.

Experience has already taught us that with uncontrolled production, we will again have chaos in the marketplace. Yes, the price of food would fall, but only temporarily; and we would face the nightmare of uncontrolled surpluses and the staggering costs of storage.

How long does anyone feel the family farmer, or the small farmer as we call him, could exist under such circumstances? How long would it be before giant, new corporate farm complexes would own or control enough of our farm production capacity to control all our food supply and what we pay for it?

Is there any doubt that the American housewife would pay and pay dearly each time she went to buy groceries for her family? And I do not mean just the housewife in rural areas. I mean the housewife everywhere in this big country of ours, from the one who shops at the country grocery to those who buy at suburban supermarkets and ghetto neighborhood shops.

Mr. Chairman, the farmer today is caught in a vicious squeeze of rising costs far outstripping the prices he gets for his products. High interest rates are hurting him as much as any sector of American business.

The farmer—the family farmer, the small farmer—has his problems today, and has had for several years. Passage of this legislation will not eliminate the problems overnight. Elimination of the farm programs, however, would be disastrous to the individual farmer and he would soon be eliminated also.

I just mentioned the 1920's. We have ample evidence that continued ignoring of recessionary forces at work in the agricultural economy is only a harbinger of bad economic times ahead for all. We saw that happen, and that should be both a lesson and a warning to us.

Mr. Chairman, if this legislation can be termed a subsidy to anyone, to any group, I think it more properly could be called a subsidy to the consumer. Since we are all consumers, I find it difficult to consider this "class legislation" for any other group.

It is not a giveaway to the farmer as some have described it. It is an attempt to assure him of enough income to justify his investment in time, money, and labor, and to enable him to produce efficiently and profitably adequate food and fiber at a price the consumer is able and willing to pay.

Mr. Chairman, the extension of this legislation also includes an extension of the one-price cotton program which has helped to save our textile industry in this country and the jobs of thousands of our people.

I urge its passage for the good of all Americans, regardless of their place of residence, their occupation, or their income.

Mr. BELCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho [Mr. MCCLURE].

Mr. McCLURE. Mr. Chairman, there are a number of problems confronting this country which absolutely must be solved if we are to successfully meet the challenges of this modern world in which we live. For some of these problems there appear to be solutions if we would just face them squarely and honestly. Others seem to be without any immediate answer and will require a long period of adjustment despite all of our best efforts. But few, if any, present the dilemma faced by our farmers today.

Never before in the history of the world have we seen such an abundance of food as we have in this country. Our farmers are the most efficient in the world and produce more from the land, and at lower cost, than has ever before been dreamed possible. Never before have so few people met the demands for food and fiber for so many, and never before have any people paid such a small part of their income to buy food for their families. But in spite of this Nation's overflowing pantry, there is trouble in our farm communities. The people who produce this great abundance are in severe financial straits.

The cause of this condition is well known and no argument is needed, even in Washington, to reveal the cost-price squeeze as the culprit. It is not so easy to get agreement on the various factors which contribute to the increased costs the farmer must pay for everything he buys or that go into the prices ultimately paid by the consumer for farm produce. But if it is difficult to get agreement on these details, it has proved impossible to get substantial agreement on the cure.

Various farm programs have been tried over the past 30 years and none has been successful. The present program has been aided by short grain crops in foreign countries and greatly hurt by bad administration. Its supporters point to its promise and compare it to the alternatives that have been tried. Its opponents can point to the fact that farm prices are at a depression-day low with no relief in sight, at least under the unsympathetic eye of a Secretary of Agriculture more concerned about social welfare problems in the city than financial problems on the farm. The Agriculture Committee has not been able to propose anything different and has asked that the present program, which will expire at the end of 1969, be extended through 1970.

I firmly believe that the farmer must, in fairness, have some advance notice of changes in the program. He must be able to plan his operations for at least 1 year in advance of the current year. Whether there is a change of administration next year or not, it is not reasonable to expect that a new farm program can be prepared and submitted before the crops are in next spring. It seems reasonable to me that we should now let the farmer make plans for his operations for next year and the year following. He faces enough gambles in rain, hail, drought, insects, and disease without adding the uncertainty of Government programs to his problems.

This would then give time for the committee and Congress to determine whether more effective administration of, or a change in, the program is more desirable. Most of all, we should not be content with the present situation in which the farmer suffers first and we all suffer eventually.

Mr. BELCHER. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. KLEPPE].

Mr. KLEPPE. Mr. Chairman, I have previously indicated my support for something more than the provisions of H.R. 17126. However, my remarks are directed in support of this piece of legislation.

Mr. Chairman, legislation to extend the Food and Agriculture Act of 1965 comes before us at a time when farm operating costs are at an alltime high and farm prices are at their lowest level since the depression-ridden 1930's. A few prices are at the lowest level since the depression-ridden 1930's. It is obvious to me that my predecessors here in the well have covered this program and everything about this legislation very well. So I would just like to add some additional remarks, if I may.

This depression-ridden situation is reflected in the parity ratio which now stands at an anemic 73. I want to invite your attention to the following grain prices posted by the Mandan, N. Dak., Farmers Union Grain Association for July 26, 1968: Wheat, No. 1 heavy, $1.26; wheat, No. 1, $1.24; wheat, No. 2, $1.22; wheat, No. 3, $1.20; Durum, $1.53; barley, $0.60 to $0.65; flax, $2.68; oats, $0.47; and rye, $0.67.

Mr. Chairman, these are ruinous prices. There is not a farmer in this country, no matter how efficient he may be, who can recover his production costs marketing grain at these "fire sale" prices.

If you translate today's grain prices into terms of pre-World War II dollars, the impact of present disastrously low farm prices becomes even more apparent.

The 1968 dollar is worth only 40 cents compared with the 1939 dollars. This means that farmers are getting 49 cents a bushel for wheat, two bits for barley, and 19 cents for oats, measured in terms of the 100-cent dollar of 1939.

This explains also why total farm debt has more than doubled in the last 8 years, from $24.9 billion in 1960 to over $50 billion today. Farmers are being forced to use credit as a substitute for income.

The only thing that has kept many farmers in business is the constant appreciation in the market value of their land, which has been running at a rate of about 6 percent a year. But how long will farmland valuations continue to rise? How long will they even maintain present levels, in the face of a commodity price structure which does not even meet cost of production?

It was a somewhat similar set of circumstances which put American agriculture, and the total economy of rural America, through the wringer in the 1920's. All that is needed today to pull the rug completely out from under the farmer is a sudden termination of Federal agricultural programs. And I say this because in my district 81 percent of all the farmers have a gross income of less than $15,000 a year. This gives you a little idea of the impact on the small farmer in my district. And this is another reason why my major concern for this legislation. The day may come when agriculture can return to complete dependence upon the free market, but that time is not now.

Although I have been critical of the present farm program on several counts, much of this was directed toward the administration of the act itself. Today's farm prices and income are evidence enough that the program has not solved the farm problem, but no one can say with assurance that the situation would not have been much worse without it.

North Dakota farmers are now receiving wheat certificate payments on their 1968 crop which will total about $100 million—and this is not a small piece of change in North Dakota. With the free market price for wheat now below the $1.25 support level, I know it would be impossible for many North Dakota wheat farmers to stay in business for another year without those certificate payments. Frankly, a great many would go bankrupt.

I firmly believe that an overwhelming majority of the people engaged in farming today want to continue. They will stay unless economic conditions force them to leave. I think it is clearly in the national interest to help them remain in agriculture. Even from a cold, budgetary point of view, it is far less costly to help our farm families to stay in agriculture than to push them off the land and into the overcrowded cities where so many have wound up on public welfare.

I believe that a farm is still the best place in America to raise a family. I believe it is in the Nation's own best interest to help preserve this way of life for 12 million farm people. This will cost some money. But it is still as sound an investment as the Government will ever make in America's future.

In a little more than a year, farmers will be seeding such 1970 crops as winter wheat and rye. They are entitled to know what kind of program they will be operating under, before making costly commitments for machinery, fertilizer, feed, and land. That is why it is so important to get an extension of the farm program now. I strongly urge my colleagues to support the legislation before us today—H.R. 17126, because it would be a calamity for American agriculture if extension of the 1965 Farm Act gets lost in the legislative shuffle.

For the record, I ask to have included in my remarks the following telegram which I received this morning from Richard M. Nixon:

> This is to let you know that I support the position of the House Republican Policy Committee endorsing a one-year extension of the farm bill.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from Iowa.

Mr. KYL. Mr. Chairman, the gentleman is making a statement which clears away a great deal of confusion. A moment ago I drank a glass of milk in the House restaurant and paid 15 cents for it. If the House sells 100 pounds of milk, that is $30 for the 100 pounds, but the farmer who raised the cows and fed and milked the cows got only about $5 instead of $30 for that milk.

Mr. KLEPPE. Mr. Chairman, I thank the gentleman from Iowa for his contribution.

Let me add in this regard, all of us are consumers. It is very easy for us to be consumer oriented. When we consider this Farm Act and the extension of it, I like to think about the importance of our producers. I am sure Members will understand that, when I represent the district I do. The producer is an important ingredient in this society of ours, and I do believe extension of this program is in the national interest.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, during the course of the hearings on this bill which lasted for many days in the months of March, April, and May there appeared quite a number of witnesses representing various segments of the cotton industry. They urged the extension of the act. It was a united front on the part of cotton farmers and the industry generally, all appearing in behalf of the bill.

Among the organizations who testified for the cotton provisions of the legislation included the National Cotton Council, Plains Cotton Growers, Inc., Mid-Continent Farmers Association, National Association of Farmer Elected Committeemen, Missouri Cotton Producers Association, National Farmers Organization, the National Grange, Agricultural Council of Arkansas, National Farmers Union, Louisiana Cotton Producers Association, Texas Association of Cotton Producer Organizations, Western Cotton Growers Association of California, New York Cotton Exchange, Delta Council and Southern Cotton Growers, Inc.

The act's purpose was to stabilize prices, to maintain farm income, provide for adequate supplies of agricultural commodities at competitive prices, to reduce surpluses, lower Government costs, and promote foreign trade. These goals have been generally fulfilled. The act is a success.

During the years 1966 and 1967, cotton farmers suffered extreme calamities which, due to excessive rainfall in the spring, cold weather during the summer growing season and early freezes resulted in yields for the 2 years that were only a small percentage of normal production. Without the farm program during these years vast numbers of cotton farmers would have been compelled to quit farming, and forced into bankruptcy. The cotton program has proved to be effective and practical.

It has eliminated burdensome storage costs. When the legislation was approved in 1965 our warehouses were bulging with surplus cotton. The excess stocks had reached a point that was near a record high level. The carryover of cotton on August 1, 1966, was 16,600,000 bales. A most significant turnaround in supply occurred as 1 year later the stocks had dwindled down to 12.4 million bales. At the commencement of the new fiscal year on August 1, 1968, there is no surplus of cotton in this country. The adverse weather conditions and short crops in 1966 and 1967 aided in this most miraculous accomplishment. There has been a sharp decline in Government costs for the program. During the first year of operation under the 1965 act, the 1966 crop net cost for the cotton program was less than half the expenditures under the 1965 program. The one-price system for cotton has eliminated the export subsidy or equalization fee which formerly had been paid by the Government. The amount of cotton going into the Commodity Credit Corporation loan has significantly declined.

The 1968 upland cotton program has been changed in order to encourage the production of a larger percentage of medium and longer staples and also to keep cotton competitive with synthetic fibers and with cotton produced in foreign countries. The diversion for farmers who cooperate with the Government program has been reduced from 12.5 percent of the effective allotment.

The cotton industry and more particularly the cotton growers proposed to the Congress some 2 or 3 years ago a program of promotion and research. The legislation was approved and it is working effectively. The Secretary of Agriculture has played an important role in this program. The vote by the farmers in the referendum was overwhelmingly in favor of participating in this effort.

Earlier cotton interests urged the Congress to approve a $10 million crash cotton research program. Under the recommendations that were made by and through the National Cotton Council and other cotton interests the legislation was enacted. Research was greatly needed to find manner and means of reducing the cost of producing cotton. It was felt that with the fulfillment of this crash program several cents a pound reduction in cotton production costs could be realized. The elimination of the boll weevil and armyworm together offer fertile field to reduce production costs. Many other areas offer great promise as well. Only one third of the funds have been made available for this research effort. It is hoped that adequate funds to carry out this program will be made available by Congress at a faster rate.

Skip row planting should be continued. It aids in the elimination of boll rot which increases quality. This plan of planting aids efficiency and reduces risk.

The competitive one-price system has worked well. It has moved cotton into domestic and export channels. I urge the approval of this legislation.

Mr. BELCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS. Mr. Chairman, there has been much said this afternoon about this bill, possibly a lot more than it really deserves.

I reluctantly have agreed to go along with the 1-year extension. I say "reluctantly" because I am not very well satisfied, as I am sure every farmer in this country is not very well satisfied, with 73 percent of parity. To ask for anything more than 1 year—which I understand will be an amendment to be offered—would be the same as asking for a perpetuation for that longer term of something like 73 percent or a lesser percent of parity.

There have been some objections this afternoon, one of which says that the bill does not expire until December of 1969. This is something we all know. But many times here I have heard those of the legal profession say when they are discussing an issue or a particular point that this is something every lawyer in this House will know. Let me say it is possible we might not have to renew this this year, but it is something that every farmer knows, that it is not quite as simple as a lot of people think it is to farm today. It is a lot more involved than just going out in the spring of the year and plowing and discing and planting and reaping a harvest and hoping to make a profit. There is a matter of rotation of crops, finances, and also the matter of locating farms today. This is becoming quite an acute problem. As a farmer myself and as an operator of a country bank, I am somewhat familiar with all of these problems, because I have helped people to make out financial statements for the last 15 years. I know that today most farmers make a profit only on the depreciation of their assets. There is no profit in farming today as such.

Mr. Chairman, one of the better statements that was made here today was made by the distinguished gentleman from Missouri [Mr. JONES]. He said it is not that 73 percent parity has been caused by these programs but it has gone to that despite the programs. This is very true. I am not satisfied with these programs, but I would say that extending this for a year gives a new administration just a little bit more working room to go the extra year.

Often we have heard it said here that this is not adequate but it is only buying time. Well, that is what we are saying here about the continuation of this program for 1 year. I shall support the 1-year extension, but I shall not support any more than a 1-year extension.

My colleague and good friend from Indiana who has left here now makes a charge about the big recipients of funds. This is only half the story. It is easy to look at the statistics and many times we have done that here and just looked at the statistics, but if you look at the large farmer with thousands of acres, you wonder what would happen if we withdrew the big payments. I do not like these big payments, either, but there is a corporation farmer who really does not need it and who gets a large sum of money and there is the poor little guy who has to work two shifts some place and come home to farm who is more deserving of it. However, what would happen if we did not make these large payments to the big farmers?

The **CHAIRMAN.** The time of the gentleman has expired.

Mr. BELCHER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. MYERS. Well, they would put all of their large acreage, the large tracts of land that they have bought, into soybeans and cotton or whatever it might be in order to turn a profit on their investment. Then what would happen to the small farmer if this should occur? It would drive down his prices and he would be driven out of business. I do not know what the answer to this is, but I do know that this will give us another year to find a solution to the problem.

Mr. Chairman, I think it is fair that we should continue this for another year. It would only be logical and sensible for this House to continue the program, whatever its thoughts may be about the program. It will give a new administration an opportunity to look at a basic industry in this country, and farming is certainly one of our basic industries. It affects every industry in the country. If the farmer is not making a profit, our country is in sad shape and our society will be in bad shape. That is the issue this year. Can we afford to let this industry go downhill continually or will we buy another year of time?

Mr. BELCHER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Minnesota [Mr. LANGEN].

Mr. LANGEN. Mr. Chairman, I do not have any objection to the extension of the 1965 Food and Agriculture Act for 1 year. A reasonable case can be made for a 1-year extension, in that time is needed to thoroughly review and remodel these programs so that they might serve the cause of American agriculture and our national economy more substantially than they have during recent years.

However, I think it is most imperative that the House and the Congress be fully cognizant of the results of these programs during the period of time that they have been in operation. It is imperative that we properly evaluate what the effect of such extension will have on agricultural prices for an additional year. It would be most unfair to mislead rural America into believing that the mere extension of this act for 1 year will provide a remedy for the price problems that they have experienced during recent years. The Food and Agriculture Act of 1965 extended the wheat and feed grain program for a 4-year period, and it is most discouraging to note what has happened to farm prices under this program since 1963 and earlier. There has been an almost continuous decline in farm prices all during this period by any comparison that one would want to make.

First, the average parity ratio of all commodities has dropped from 79 percent in 1961 to about 74 percent now. This drop becomes even more significant when related to individual commodities.

In 1962 the average market price for wheat received by farmers was $2.04 a bushel. Today it is less than $1.24, which is a drop of more than 40 percent. This, of course, has come about primarily because the wheat program provided for the substantial reduction in the commodity credit loan rates. In 1962 this loan rate was at $2, and for the last 3 years has been at $1.25. Now, even when we add the additional provisions of the program, which provide for wheat certificates, diversion and direct payments, the blend price received by the farmers today amounts to about $1.70 per bushel. This is more than a 15 percent reduction from the actual market price in 1963.

The same is true in the feed grains. In each of the feed grains involved—corn, barley, oats, grain sorghums—somewhat similar experiences have resulted. The market prices are down substantially. A recent article from one of the local papers in my district, the Fergus Falls Journal, carried the following headline on July 23 of this year: "Barley Price Down 38 Cents from 1967." The article went on to relate as follows:

> In comparison to last year at this time, wheat is down 35 cents, oats is 8 cents lower, and barley 38 cents down.

It is difficult to imagine how prices could be much worse with a drop in the prices of this proportion—which is as high as 40 percent in the barley prices in just 1 year—with the cost of operations still going up because of inflation which I shall refer to later.

In order to accomplish this most detrimental price reduction to wheat and feed grain farmers throughout this country, the total cost of these programs has been $5.352 billion for the wheat program for the years 1963, 1964, 1965, 1966, 1967; and $7.745 billion for the feed grains program for the years 1961, 1962, 1963, 1964, 1965, 1966, 1967; or a total cost of over $13 billion for those years. Not only have the wheat and feed grains farmers throughout the country suffered substantial loss in per bushel income under the provisions of these programs, but the taxpayers and the consumers have also been subjected to a Government expenditure burden that is almost unbelievable.

It is difficult to establish any kind of logic for the expenditures of such sums which have missed their target so badly that the result has been one of detriment to not only American agriculture and rural communities, but taxpayers and consumers as well. It is ironic to note that in the statement made to the House Committee on Agriculture by the Secretary on April 6, 1965, in support of this legislation, some of the goals claimed for the programs were as follows:

> This legislation seeks to carry forward goals which this administration has consistently worked to achieve in agriculture . . .
>
> To strengthen farm income . . .
>
> To reduce the cost of farm commodity programs in order to free more public resources for the war on poverty, for education, for housing, and for the many other programs designed to help people in rural areas and urban areas.
>
> To maintain food costs at fair and stable levels . . .
>
> Encourage greater use of the marketplace to bring a fair return to farmers . . .
>
> Enable small farmers with the capacity and desire for growth to acquire the resources they need for an adequate size family farm operation . . .
>
> . . . the general health of the farm economy, while it requires much further improvement, has been significantly improved compared with 1960 . . .

Let us look at each of these six points briefly:

Farm income has gone down, the cost of the commodity program has gone up, food prices have gone up, there has been a drastic drop in the return to farmers from the marketplace, small farmers have had to leave their farms by the hundreds of thousands, and the general health of the farm economy has deteriorated substantially—all revealed by the statistics that I quoted earlier relative to wheat and feed grain prices.

A word or two with regard to the effects of these prices on the general health of the farm economy. On January 1, 1961, farm mortgages were at a level of about $26.2 billion; at the end of 1967 they had increased to $49.9 billion—an increase of $23.7 billion, or 90 percent. Not only is the total agricultural farm unit mortgaged and indebted to this greater amount, but with the increased interest rates applied to the expanded indebtedness, the interest burden has increased by more than $1-billion-350-million per year since 1960. This is an increase in the interest paid per farm each year of more than $441.

It is difficult to understand how the wheat and feed grains farmers that are left around the country have been able to sustain under these most adverse results of this program. They have also been compelled to operate under the continuing inflation that has been prevalent in all sections of our economy—which means that their cost of production has also been substantially higher. The cost index of the essential items that they must buy in order to continue operation—which includes the equipment, repairs, fuel, and essential operation elements—have increased by more than 9.6 percent since 1963.

I doubt very much that anyone would buy stock in a company whose ledger would read like the agricultural ledger of this country for the past 5 years. It would most surely be a bad investment.

It is well that the Congress is cognizant of these facts as we contemplate extending these programs for another year, for it is obvious that if American agriculture is to survive at all some improvement has to be made.

It is for these reasons that I recently introduced legislation which would provide for substantial increases in the loan rates and available prices to farmers for wheat and feed grains. It also contains provisions which would accomplish this with a substantial reduction in the cost of such a program to the Government. While this proposal comes at a time too late for final consideration during this session, certainly there is ample evidence that new approaches to the price problems of wheat and feed grains must be made before too much time elapses.

Therefore, to me, it would seem to be sheer folly to extend this program for anything more than 1 year. It is not possible or feasible to attempt to amend or change the provisions of the program that is before us on the floor today so as to correct these price inequities. Such amendments should be carefully considered by the committee, even though many of them might be rather glaringly obvious, such as the sale of commodity credit stocks at prices that can accomplish nothing but sustaining the low levels that are prevalent now or even reducing them further.

Present crop estimates, both in this country and around the world, indicate that surpluses are building up again, thereby leaving the same detrimental combination that prevailed at the beginning of these programs. If this extension is recommended by the Congress for 1 year, then it should become our prime purpose to thoroughly study, review, and recommend for passage by the Congress legislation that will give some hope that future grain prices available to farmers would be substantially improved. It is only on that basis that I can sanction the 1-year extension.

Mr. POAGE. Mr. Chairman, may I inquire of the Chair how much time we have remaining on this side?

The CHAIRMAN. The Chair will advise the gentleman from Texas that he has 24 minutes remaining.

Mr. POAGE. Mr. Chairman, I yield back 9 minutes of that time.

The CHAIRMAN. The gentleman from Texas [Mr. POAGE] has 15 minutes remaining.

Mr. ST GERMAIN. Mr. Chairman, I must confess that I find it more than a little difficult to discuss the legislation before us with anything like commonsense.

As I understand our position, we are considering at this moment a bill—a $3.5 billion bill—to extend for 1 year a law which does not expire until the last day of December 1969.

The haste being displayed here puzzles me as much as the general situation.

The puzzle revolves around the question of why we are seeking to extend a bill that has yet another 18 months to go?

The puzzle becomes all the more a maze when we know that the bill being extended—and incidentally, I voted against the original legislation in 1965—is costing the taxpayers from $3 to $3.5 billion a year to make payments to farmers who produce feed, grains, wheat, and cotton.

Only recently, we here struggled with a tax increase bill which also pledged a $6 billion reduction in expenditures. Today, we propose to chew up for still another year more than half the $6 billion we said a week ago should be sliced from Federal expenditures.

Mr. Chairman, I was not convinced 4 years ago that this big spending bill would work for farmers or for consumers, and now, 4 years later, I am convinced I was correct.

I said—and I repeat now—this kind of legislation is antitaxpayer.

Four years ago, the proponents of the legislation said it would help farm income, stabilize consumer prices for food, and save the Government money.

In the light of our experience with this legislation, especially the tremendous expenditures involved, I say the law has not even come near to accomplishment of one single objective.

The parity index of farm income is equal to its lowest point in many years, and our consumers are paying more for food than they did 4 years ago.

I am opposed to extension of this legislation on all counts.

I know it does no good at all for the consumers of my district; I know it costs them a lot of money as taxpayers; and I know, too, that the farmers of my own district are being forced to pay higher prices for livestock feed as the results of the ramifications of the bill enacted in 1965.

Mr. Chairman, nearly two-thirds of the farm economy is free of Government control and meddling. Nearly all of the agriculture of my district is contained within that two-thirds.

I suggest we give the remaining one-third of the agricultural economy the opportunity to see how the other two-thirds live. It seems a reasonably happy world, given the will to work, to produce, and to be imaginative.

Mr. CAREY. Mr. Chairman, I cannot refrain from comment on this legislation.

In the first place, we are seeking, by this legislation, to extend for 1 year a farm act that does not expire until December of 1969.

Second, even if the basic farm act of 1965 were to expire tomorrow, I still would be compelled to vote against any continuation at all of this kind of legislation.

I well remember that back in 1965 we were told the act of that year would, first, keep food prices steady; second, lower Government costs for farm programs, and third, help farmers.

Here we are, 3 years later, and we find that none, none, of these objectives has been accomplished.

We all know about food costs, so I will not labor that point. As for Government costs for farm programs, as I examine the figures, I see that we are spending from three to three and a half billion dollars a year to make the Government payments under these programs. I will not belabor that point, either.

As for helping farmers, the fact is that wheat prices, for example, are at the lowest point in 26 years. That is an odd way to help farmers.

I come to still another point. During the last several weeks there has been published, by a Senate subcommittee, a list of payments made to farmers under the provisions of the 1965 act. In this thick book, one can find payments in the millions to some farmers; scores of payments are for more than $100,000 to individuals.

While I might favor a program to help family farmers, Mr. Chairman I cannot in good conscience vote for extension of legislation that, in fact, makes rich men richer. I have absolutely no objection to rich men, but I have that old-fashioned feeling a man should make his own big money—not be handed it by the Government.

Is it not ironic that at a time when poor people are marching, and some are rioting, we are refusing funds for our tremendous urban problems while at the same time voting money to pay a relatively few individuals billions of dollars?

I find the irony impossible to accept.

Not too many weeks ago this body voted a tax increase on rich, medium, and poor. Today, we are voting on a bill that could result in the expenditure, in any one year, of just about half the sum we are raising by the increase in taxes. I find that, too, unacceptable.

Mr. Chairman, I intend to oppose this legislation because I do not believe it is well considered and further, because it is, in my view, totally unnecessary.

Mr. DELANEY. Mr. Chairman, every Member and every citizen knows that our country is facing a fiscal crisis because we have allowed our expenditures to far exceed our income. This situation has become intolerable, and it is imperative that we cut back stringently on nonessential spending.

Under any circumstances it would be distressing, but at a time of grave fiscal crisis it is incredible that we should even consider continuation of the Food and Agriculture Act of 1965 to subsidize owners of vacant land.

I was shocked to see the broad scope of this agrarian giveaway project which was detailed in an astonishing report released last May by the Senate Committee on Appropriations. This document lists over 200,000 individuals and their addresses who received more than $5,000 each in direct subsidy payments from the U.S. Treasury simply because they did not plant crops. In 1966 and 1967 the taxpayers of this Nation donated over $7 billion for this relief program conducted solely for the benefit of special privileged gentlemen farmers.

A check of the report available to all Members shows that in 1967 23,505 Texas landowners received a total of $292,834,466, followed by California where 3,751 wealthy farmers received $93,609,336. This is an average payment of $12,458 and $24,955 respectively to each of the donees in these States. Five operators—three from the State of California—received more than $1 million each.

Fifteen operators were paid between $500,000 and $1,000,000. Five of these were California landowners and five were in Hawaii. Arizona, Arkansas, Florida, Mississippi, and Montana each had one operator in this exclusive group.

Of the 388 operators who were paid between $100,000 and $500,000, 111 were from California, while Mississippi had 83, Arizona 62, and Texas 53.

One thousand two hundred and ninety landowners were paid between $50,000 and $100,000 for doing absolutely nothing to their land. Of these, 286 were in Mississippi, 226 in Texas, 207 in California, 155 in Arizona, and 136 in Arkansas.

The people of the State of New York are burdened with the highest State and local taxes in the Nation. Additionally, along with other Federal taxpayers, our lower- and middle-income wage earners are shouldering a heavy tax burden in order to support our fighting men in Vietnam, to revitalize our cities and rid them of crime, to educate our youth, to care for the sick, and many other critical programs.

We do not raise crops in my district, but we do raise taxpayers. These hardworking people will not tolerate having their taxes harvested to pay astronomical sums to wealthy landowners.

Mr. Chairman, this legislation is not helping our small family farmers. It is paying a totally unwarranted subsidy to those who need no Federal assistance whatsoever, while many worthy farm and urban programs are faced with cutbacks. Continuation of this program will further escalate our grave fiscal crisis. It will defeat our efforts to get our fiscal house in order. It is nothing short of highway robbery of our taxpayers for the support of wealthy, special interest farmers. We must not mortgage the Nation's future by continuing these exorbitant payments to wealthy landowners for producing nothing.

I strongly urge defeat of this legislation.

Mr. BELCHER. Mr. Chairman, may I inquire of the Chair how much time we have remaining on this side?

The CHAIRMAN. The Chair will advise the gentleman from Oklahoma that the gentleman has 16 minutes remaining.

Mr. BELCHER. Mr. Chairman, I yield back 1 minute of that time.

The CHAIRMAN. The gentleman from

Oklahoma [Mr. BELCHER] has 15 minutes remaining.

Mr. POAGE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 17126) to amend the Food and Agriculture Act of 1965, had come to no resolution thereon.

GENERAL LEAVE TO EXTEND

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H.R. 17126.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT OF FURTHER LEGISLATIVE PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time only to advise the Members of the House that I have been advised by the gentleman from Texas [Mr. BROOKS] that on tomorrow H.R. 18040, to amend the Federal Property and Administrative Services Act of 1949, and S. 2060, to amend section 503(f) of the Federal Property and Administrative Services Act of 1949 will be called up under a unanimous-consent request.

Mr. GROSS. Mr. Speaker, would the distinguished majority leader yield for a question?

Mr. ALBERT. I shall be glad to yield to the distinguished gentleman from Iowa.

Mr. GROSS. Is it proposed to bring up the conference report which was filed this afternoon on the bill with respect to the Post Office Department? Would it be expected to call up that conference report tomorrow?

Mr. ALBERT. The conference report will probably be called up after we have finished the agriculture bill. This, as I understand it, is contemplated at this time.

A RACIST AT NEW YORK UNIVERSITY

Mr. PODELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PODELL. Mr. Speaker, the appointment by New York University of John F. Hatchett as director of the newly established Martin Luther King, Jr., Afro-American Student Center is an affront to commonsense and decency and a desecration of the memory of the martyred Nobel Laureate.

John F. Hatchett is a notorious black racist and anti-Semite. He is the author of an article in the November–December 1967 issue of the African-American Teachers Forum in which he asserted that Negro children were being mentally poisoned by Jewish educators and black Anglo-Saxons. In violation of regulations of the New York City Board of Education, he escorted a class of schoolchildren to a memorial to Malcolm X where the eulogies consisted principally of exhortations to kill whitey. For that infraction, he was dismissed by the board of education from his teaching position.

The article which John F. Hatchett published in the African-American Teachers Forum was widely condemned last winter by the Protestant Council of New York City, by the Catholic Interracial Council and by the American Jewish Congress as black nazism. Under the circumstances, it is hard to believe Dr. Allan M. Cartter, chancellor of the university, or the university authorities were unaware of Mr. Hatchett's anti-Semitic views nor of his expressed hatred for the white community. Indeed, it is hard to believe that the university authorities were unaware of the fact that Mr. Hatchett's expressed public views and conduct were diametrically opposed to the views of Dr. Martin Luther King and his faith in the brotherhood of man. The appointment of John F. Hatchett as director of the Martin Luther King, Jr., Afro-American Student Center makes just about as much sense as an appointment of Adolph Hitler as director of the New York University Deutsche Verein.

Equally incredible is the public support given to the appointment by the American Civil Liberties Union. A spokesman for the American Civil Liberties Union asserted that "a man's right to employment must be based on his professional performance and not on his private thoughts, words, beliefs, and associations." There was in fact nothing private about Mr. Hatchett's escorting a class of pupils to the Malcolm X Memorial meeting in violation of board of education regulations. Nor was their anything private about Mr. Hatchett's publication of his anti-Semitic views.

Clearly, the views of the American Civil Liberties Union strips the concept of civil liberties naked of all meaning and relevance. A person who is a narcotics addict or a chronic alcoholic suffers a private affliction and is entitled to reasonable opportunity for employment. However, no imperative of civil liberties mandates the appointment of a person so afflicted to a police force. Nor is it likely that the American Civil Liberties Union will appoint George C. Wallace as the director of its Alabama chapter.

Dr. Allan M. Cartter, the chancellor of New York University, said that university officials would reexamine Mr. Hatchett's appointment in the light of additional information. The appointment of Mr. Hatchett should be promptly rescinded, lest his presence on the university campus pollute the atmosphere of academic freedom with the lethal poisons of racism.

VIETNAM

Mr. ROONEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, our involvement in Vietnam is, and has been for many months, a dominant issue in the politics of our Nation and in the hearts of every American. Many times, those who speak most vociferously on the war have the least understanding of its meaning in terms of personal commitment and personal sacrifice.

Today, I would like to share with you an article which appeared in the Morning Call, Allentown, Pa., which, I feel, represents an American family at its best and a father who truly understands the meaning of freedom. Reverend Ehrhart maintains a perfect balance of understanding in his mission to teach love and his realization that we sometimes are forced to accept a necessary involvement in war. This balance should act as an inspiration and a guideline for all of us.

The article referred to, follows:

MINISTER USES PULPIT AS FORUM TO AIR HIS VIEWS ON VIETNAM

(By Len Kucinski)

The Rev. John H. Ehrhart of Perkasie considers himself neither a hawk nor a dove in his feelings on the war in Vietnam.

However, he has strongly expressed his support of the administration's policy on the controversial war. Recently, after much deliberation, he used his pulpit at St. Stephen's United Church of Christ to maintain his position and support of the war.

It had been difficult for him to discuss the issue of war as a clergyman. "For we are trained to teach love, not hate and kill." He and Mrs. Ehrhart have prayed the war would end, and he has never declared the war is right.

"The price of freedom is always high," he told his congregation. "If we pay with indifference, flagrant violations of law, we will cheat ourselves and our descendants of the heritage we have come to respect and love."

HAD TO SPEAK

Rev. Ehrhart does not believe the pulpit should be used as a sounding board for his personal opinion, but he felt he just had to speak. He was tired of being on the defensive.

Rev. Ehrhart apologized to his parishioners for discussing a personal matter at such great lengths and asked their prayers in forgiveness. An apology was not necessary, the congregation understood. Parishioners paused on the church steps to express their compliments over the sermon—more compliments than he had received over any single previous sermon.

They understood his feelings and his need to express them.

He was entitled to them and he and his wife had paid a great price for that right.

This week his son, Marine Corps Lt. John N. Ehrhart left for Vietnam where he will join Rev. and Mrs. Ehrhart's other two sons, Sgt. William D. Ehrhart, USMC, and Lt. Robert C. Ehrhart, USAF.

There are no immediate statistics available on how many families have three sons in Vietnam, but without a doubt the Ehrharts are among a comparative few.

Rev. Ehrhart said he had always made a

sincere effort to keep the war out of his sermons because it was "difficult to look objectively at the issue when one is so deeply emotionally involved."

"I'm simply tired of being on the defense over three sons in Vietnam," he told his congregation. "It disturbs me—the attitude of many people. The church comes out in opposition to Vietnam. I heard a young man say recently he hopes to go from 1A to 4F until he's past the draft age. At a recent conference in New England, another member of the clergy made the statement all men in the war are stupid or brainwashed. Twenty other ministers seemed to agree."

Then he asked, "Could it just not be possible there still are some who feel there is an obligation to our country if one wants all the privileges and benefits."

The pastor said the decisions of his sons were their own. "They have always showed good judgment in their lives. We respect their judgment. We would feel more comfortable if they were all at home, but we realize we are not the only parents with sons in Vietnam. They all would like to see their sons safely at home."

Rev. Ehrhart has not influenced the judgment of his sons, but he makes it clear their involvement has not influenced his judgment. He also makes it clear time could make his personal judgment inaccurate.

"It may well be we shall stand at God's awful judgment for giving support to our actions today," he said, but it just might also be the kind of heroism displayed today in the stinking jungles, and in broken cities where every pajama-clad figure may carry with him the hidden instruments of chaos and murder—it just may be this kind of heroism may pass in somber review long after the embittered nonsense of our days has become a shabby footnote to a time we wish to forget."

FOURTH SON AT HOME

The Ehrharts' three sons—they have a fourth at home, Tommy, 13—were all outstanding students. John, who left this week, is a Drexel graduate and received his master's degree at M.I.T. He completed Officer Candidate School in November and was sent to an advanced engineering course before receiving his orders for Vietnam.

Robert graduated Phi Beta Kappa from Gettysburg College last year and was student commander of the ROTC unit there. He arrived in Vietnam in January and is attached to a radar outfit at the Dong Ha air strip.

William, the youngest of the three sons, has the longest length of service because he decided to go to college after his military obligation is complete. He enlisted in the Marines in May, 1966, and left for active duty after graduating in June from Pennridge High School where he was an honor student and commencement speaker.

He has recently returned to Vietnam for his second tour of duty. During his first—Feb., 1967 to March, 1968—he received the Purple Heart after receiving shrapnel wounds in the leg. He also received a "Certificate of Commendation" for service with the men of the 1st Division.

William and Robert met in Vietnam during their first tour.

The Ehrharts said they were proud of their sons serving our country.

MOORE BLANKINSHIP

Mr. EVERETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVERETT. Mr. Speaker, of course, I know that all of us have outstanding citizens in our respective districts that we are proud of. I have a very close personal friend, the Honorable Moore Blankinship of Milan, Tenn., who has been my friend for a quarter of a century and has given me encouragement and very sound advice not only on business matters but other matters as well.

An article appeared in the Tenne-Scene, published and written by Bob Parkins, an excellent writer of Milan, Tenn., relative to the outstanding career of Mr. Blankinship. The article follows:

Milan's Progress Stands as a Monument to Moore Blankinship's Selfless Dedication

(By Bob Parkins)

Perhaps no man in the annals of time has had so much to do with the destiny and growth of a town than an elderly Milan banker, unbeknown to many, because he always remained in the background.

Moore Blankinship has probably compiled more active years of banking than anyone around, and he has also probably met as much satisfaction in life.

But despite his success, he attributes the big turning point of his life to two spankings in the first grade. "Mrs. Minnie Moore gave me my first spanking in school," he said, "and, somehow, my daddy heard about it by the time I got home from school. When he asked me about it, I told him I did get one, but it didn't hurt.

"That night, he gave me a licking that I still remember—made a lasting impression."

From that point on, Mr. Blankinship said he paid more attention to things worthwhile, and began to look at life with a purpose. "That whipping set me on the right road," he said.

And truly his life has been one of purpose and dedication. He is now in his 66th year in banking. He presently serves as chairman of the board at Milan Banking Company, and is on duty every day the bank is open for business.

Born in Milan, he remembers himself as a freckled-face boy who lost his dad when he was only eight years old. "Being an only child, I had to work afternoons to help make a living for myself and my mother," he said.

He delivered papers before school, and picked up extra cash by delivering notes to courting couples for 10 cents a piece. Since there were no telephones. Later, he gave up his paper route and became a "chamber maid" to the town's only dentist, Dr. Hugh Fink. "It was my job to keep his office space spic and span," he explained.

His next big job came when one of the largest firms on Main Street hired him to keep all the furnishings clean. The firm handled furniture, implements, buggies and wagons, and even included a funeral parlor, he said. Toward the end of his high school days, he had graduated to bookkeeper.

In 1902, he was graduated from Milan High School. He remembers when Main Street was dirt and boys his age spent a lot of time playing marbles in the dust and mud. "We played with Negro children then, just like they were one of us," he said. "Negro families lived all over town, but later they chose to segregate themselves into one part of town."

Mr. Blankinship finished high school at age 16 by skipping two grades, which was customary in those days to students with high aptitude and good grades. And after high school he received many job offers and worked in the old Southern Pacific Hotel for a month before taking his first job at Milan Banking Company in 1902 as clerk.

"I thought that old hotel was the most beautiful thing I ever knew," he said. "Built in 1878, it had gas lights, a big windmill for its water supply, and at least a dozen trains would stop there daily for their passengers to dine.

"Times were hard when I entered the bank at $5 per week, but it wasn't too long until I was making a man's wage of $40 per month."

He remained in Milan and at the bank until age 30 when he was chosen as one of 40 applicants across the state for the job of bank examiner. The late Fred Collins, his boss, advised Mr. Blankinship to take the job, and he did. He kept the job for 2½ years and had a chance to move into a position at a city bank but declined. Instead, he returned to the Milan bank as assistant cashier to replace Mr. Collins.

"There was too much envy and jealousy in the big city banks for me," he said. "And Milan was my town; these were my people."

But Mr. Blankinship found that Milan was a slow town. "I knew we couldn't depend on agriculture forever," he said. In 1922, he was instrumental in getting the town's first Chamber of Commerce organized, served as director for 40 years, later as president for two terms, and held every office in the organization.

While president of the chamber in 1955, Mr. Blankinship realized one of his greatest achievements, which he feels had an effect upon industries locating in Milan later. A two-mile stretch of U.S. 45E through downtown Milan was widened to four lanes. "But I didn't do it alone, it was a joint effort of town officials and state officials," he said.

Working countless hours, Mr. Blankinship and others landed the first industries here, the Milan Compress and the American Cigar Company, in about 1922, saw the latter fold by 1930, but the young banker would not give up. He and other chamber officials influenced a shirt factory to locate in the old cigar building, and a garment factory has been there almost ever since.

But Mr. Blankinship remembers the problems with the National Labor Relations Board. "They caused nothing but trouble," he said. "We had rough sailing, and then the depression hit.

"We held meetings with farmers and businessmen five nights a week, offering advice and assistance. When many were ready to throw their hands in the air and give up, we tried to keep them from it." And apparently, he was successful. Many of the area's successful farmers today attribute their well being to Mr. Blankinship's advice and backlog of economic trends and sound judgment.

"Milan needed something big," Mr. Blankinship recalled. "I talked with the Lord many times about it." And something big did come to Milan. In 1940, the Milan Arsenal became a reality and an economic boom to West Tennessee. But it was no accident.

Mr. Blankinship and seven others, working with Illinois Central Railroad and U.S. Ordnance officials, spent four months planning and selling Milan as the spot for the arsenal. He drew the first proposed map of the arsenal with some 18,000 acres (10,000 additional acres were added later,) and could have "cleaned up" on land. He refused to buy an acre, however, and resell it to the government.

"I encouraged area farmers to hang on to their land for several months," he said. "But I couldn't tell them why. "I was sworn to secrecy."

"None of us made a cent out of it."

The map he drew eventually wound up in Washington and had every farm listed on it, along with the number of acres and number of persons occupying it.

In fact, the planning of the arsenal here has been tabbed by many as one of the greatest hush-hush programs of the era.

But with all success comes some bitterness, Mr. Blankinship saw, to his dismay, a government-financed hospital go to Humboldt when some townspeople signed petitions against its coming to Milan.

"Had the townspeople known about the arsenal coming to Milan, they would have also have signed petitions to prevent that from happening," Mr. Blankinship stated.

The arsenal had tremendous economic impact upon the town, however. It changed Milan from a sleepy town to a busy town and provided it with a good agricultural-industrial balance.

"One of the reasons the arsenal was such an economic success," Mr. Blankinship said, "was due to the proficiency of the Proctor & Gamble Company which operated it. Headed by Neil McElroy, the firm was said to be the best managed corporation in America." Mr. McElroy, a frequent visitor to Milan during the war, later became U.S. Secretary of Defense.

After the war, Mr. Blankinship and others were disturbed when the arsenal closed down. And again he spent countless hours before U.S. Rubber Company located in part of the arsenal in 1946.

"All my life, I wanted to be worth something to my town and my fellowman," Mr. Blankinship said. "The Saturday Evening Post published an ugly story about Milan becoming a ghost town, but we proved they were wrong."

Working day and night, he helped establish the Milan Community Club program in 1948, attending as many as 12 club meetings each month. And sensing that the town needed something for its youth, he helped organize and served as the first president of Milan's Little League Baseball program, the first in Mid-South. Later, with his vision and drive, Babe Ruth baseball was added for older boys. He worked so long and endlessly at these tasks, some townspeople actually asked him if he were being paid for this services!

As a member of the West Tennessee Industrial Association, he continued to press for more industry in his hometown and West Tennessee. And with amazing accuracy of detail and fact, he can relate the struggles involved in procuring such plants as ITT, Newth-Morris Box Company, Trostel Industries, Milan Products, Hou-Daille and others, making Milan one of the most industrialized towns in West Tennessee. Presently, its industrial employment of about 9,400 persons exceeds the town's population.

"But without the town's oldest industry, Milan Box Company, it is doubtful we could have made the progress that we have," Mr. Blankinship added. "Guided by the late A. N. Dedmon, the firm served as pathfinders, filled a void of unemployment when it counted and helped land the arsenal here by being able to supply wooden containers."

Mr. Blankinship became president of Milan Banking Company in 1946 and served in that position until a short time ago when he stepped up.

He serves now as chairman of the board.

He still isn't satisfied with the town's progress.

"I've been trying for 50 years to get Main Street widened from downtown to the high school, and many of the substandard buildings need to be demolished for downtown parking. Milan also needs more housing."

He also sees the need for four-lane highways from Atwood to Humboldt, and from Three-Way in Madison County to the Kentucky line.

He envisions the day when the independent merchant will be out; food will be produced by a few big corporations or farmers, and retail stores will be owned by manufacturers. "As transportation costs rise, costs of merchandising will have to decrease," he said.

"The industrial potential of this area has not been tapped," he continued. "We have the Mississippi River to the west and the Tennessee River to the east. Someday this entire area will be developed for industry."

Looking back, Mr. Blankinship noted two area farmers, brothers, who have made significant contributions to Milan's growth. "Denton Fly and Irvin Fly have made great contributions with their packing operations," he said, "And they're homefolks, too.

"Other men who also made tracks here during past years were Robert Hosmon, J. E. Pruden, Morton Woodward, Harry Paulus, Robert H. Kellogg, Henry Robbins, Robert Hicks and James W. Thomas. They have all gone, but shouldn't be forgotten."

For all of his numerous contributions to society, his town, his profession and church, Mr. Blankinship was this year named "Man of the Year" by the Chamber of Commerce.

And though he doesn't state his age, he continues to keep the pulse of the town's heartbeat. Asked why he never married, Mr. Blankinship replied, "I married Milan and this bank. Had I been married to a real wife, I couldn't have done the things that I have.

"At the end of my lifetime, if it can be said that I contributed significantly to the welfare of my town, community and my fellow man, then I would consider that my life had been a success."

RESOLUTION IN SUPPORT OF AN INTERNATIONAL EDUCATION YEAR

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I am today introducing a concurrent resolution urging U.S. support for the designation and worldwide observance of an International Education Year in 1970.

Mr. Speaker, the purpose of such an International Education Year would be to provide a starting point for reviewing goals and stimulating new initiatives in education throughout the world. The observance would go well beyond the scope of a celebration and would aim at promoting concrete action for educational progress.

We all now realize, Mr. Speaker, that education has become a central preoccupation of every nation in the world, and that in recent years both rich and poor countries have made great strides in strengthening their educational systems. Yet severe gaps and deficiencies persist in the educational structures of nearly every country in the world.

In some regions, 80 percent of the population cannot read or write the simplest word.

In many areas, qualified teachers are extremely scarce, educational facilities and techniques obsolete, and the content of school and university curriculums poorly related to the manpower needs of the country's economy.

Millions of young people who will have to live and provide leadership in the 21st century are thus receiving education geared to the 19th century or even earlier.

EDUCATION CRUCIAL TO ECONOMIC DEVELOPMENT

Economists have for many years recognized that human resources—educated and trained people—are the chief agents of economic and social progress. The most critical factor in the economic development process, they maintain, is human capital, rather than physical resources.

Clearly, then, a more effective mobilization of efforts in education and training is crucial to the future of all nations, particularly those in the non-Western, underdeveloped parts of the world.

INTERNATIONAL UNDERSTANDING THROUGH EDUCATION

Education, moreover, by expanding man's horizons and helping us to learn more about cultural similarities and differences among nations, is one of mankind's best hopes for improving international understanding and the prospects for building a peaceful world. For if, as the preamble of the United Nations Economic and Social Council—UNESCO—proclaims, "wars begin in the minds of men," then it is in the minds of men—and through education—that the foundations of peace must be laid.

Mr. Speaker, I believe that a well-conceived and carefully planned International Education Year could serve to focus worldwide attention on the needs of education, inspiring a concerted effort to expand and improve educational systems in all parts of the globe. Such an observance could give a powerful stimulus to cooperative endeavors among nations for sharing resources and exchanging ideas in the field of education.

WILLIAMSBURG CONFERENCE RECOMMENDS INTERNATIONAL EDUCATION YEAR

Mr. Speaker, let me trace briefly the background of this proposed International Education Year. The idea was first suggested formally at the International Conference on the World Crisis in Education, convened at the suggestion of President Lyndon B. Johnson last October in Williamsburg, Va., and attended by educational and government leaders from 52 countries in Africa, Asia, Europe, and the Americas.

One of the working groups at this conference recommended that the year 1970 should be designated as the International Education Year, to draw attention to the long-term importance of education in the balanced development and modernization of the planet.

This proposal was endorsed in the final report of the conference, which stated:

> As the modern world enters upon the final third of the twentieth century, it would be fitting to declare, under appropriate auspices, an International Education Year. It is not that concerted world attention in a single year would solve the crisis of education, for this crisis at best will endure for years to come. But a common effort could mobilize energies and inspire worldwide initiatives that would give this subject the priority it deserves.

In addition, President Johnson strongly endorsed the idea in his address to the conference delegates.

TENTATIVE DESIGNATION BY UNITED NATIONS GENERAL ASSEMBLY

Soon after the Williamsburg conference, at the direction of President Johnson, U.S. Ambassador Arthur Goldberg took the initiative of introducing in the United Nations a resolution calling for an International Education Year. The resolution provisionally designated 1970 for this purpose and instructed the Secretary General to consult with UNESCO and other specialized agencies of the U.N. in order to begin preliminary planning for the year.

Sponsored by 23 nations in addition to the United States, the resolution passed the General Assembly with only one abstention, in December 1967. Final proclamation of the International Education Year awaits further action by the General Assembly at its next session this fall when it will receive a progress report from the Secretary General on preparation for the year.

PURPOSE OF CONCURRENT RESOLUTION

Mr. Speaker, the concurrent resolution I am introducing in the House today is designed to express Congress approval for the International Education Year concept and to encourage continued support and full participation by the United States.

The resolution calls upon our Government to engage all relevant Government agencies in developing and implementing imaginative programs in connection with International Education Year, and, in addition, to seek the cooperation of nongovernmental and specialized agencies concerned with progress in education at home and abroad.

Mr. Speaker, I should note here that a related resolution was introduced in the Senate last year by Senator ABRAHAM RIBICOFF of Connecticut, and I should like to commend the distinguished Senator's initiative and fine contribution in this regard.

As Senator RIBICOFF said in introducing his resolution, the most careful preparation and planning of activities is required if we are to take full advantage of the opportunities afforded by International Education Year.

CONCERTED EFFORT REQUIRED TO PLAN INTERNATIONAL EDUCATION YEAR

Some organizations have already expressed support and are currently developing thoughts and plans for the proposed year. The Institute of International Education, for example, has offered its full assistance in preparing for an International Education Year and will coordinate its efforts with UNESCO. The Institute has a long history of outstanding programs in the field of international education and will be celebrating its 50th anniversary in 1969. The Institute's extensive activities in connection with this anniversary celebration could contribute significantly toward building the groundwork for an International Education Year in 1970.

The U.S. National Commission for UNESCO has also shown active interest in helping plan for International Education Year, and I hope many other groups will respond similarly. For the observance will be successful only to the extent that we are able to mobilize the resources and imaginations of a wide spectrum of concerned individuals, government authorities, as well as private foundations and organizations, both here in the United States and in other countries.

Mr. Speaker, the challenge and the promise of International Education Year are very great. The year should be a time for hardheaded reassessment of the capabilities of education to meet the rising aspirations of people everywhere for a better and freer life, and it should be a time for launching concrete programs of action for educational improvement in every nation.

Mr. Speaker, under unanimous consent I insert the concurrent resolution in the RECORD at this point:

H. CON. RES. 807

Concurrent resolution expressing United States support for an International Education Year

Whereas a more effective mobilization of efforts in education and training is an essential element in the economic, social and political development of all nations; and

Whereas education, by expanding our knowledge of cultural similarities and differences among nations, can be fundamentally important as a means of improving mutual understanding and strengthening international peace; and

Whereas cooperative efforts can help nations to exchange ideas and share experience and resources in the field of education; and

Whereas an International Education Year could provide a starting point for reviewing goals and inspiring world-wide initiatives and new directions in education; and

Whereas the International Conference on the World Crisis in Education, held at Williamsburg, Virginia, in October 1967 and attended by education leaders of fifty-two nations, proposed that such an International Year be declared under appropriate auspices; and

Whereas the United Nations General Assembly in December 1967, passed a resolution, introduced by the United States and cosponsored by nineteen other nations, to observe an International Education Year and provisionally designated 1970 for this purpose: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That Congress affirms its support for the concept and objectives of an International Education Year, commends the initiative of the American Delegation at the United Nations in offering the resolution to establish an International Education Year, and urges that the United States Government:

(a) Fully participate in the planning of activities for International Education Year to be observed in 1970.

(b) Engage all related government agencies in developing and implementing imaginative programs in connection with International Education Year.

(c) Seek the cooperation and active involvement of the entire range of nongovernmental and specialized organizations concerned with progress in education both at home and abroad.

ANNOUNCEMENT OF DEMOCRATIC CAUCUS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to advise the Democratic Members that a caucus of the Democratic Members of the House is called to meet in the Hall of the House of Representatives on Thursday, August 1, 1968, at 10 a.m., for the purpose of electing Members to the Ways and Means Committee.

THE HONORABLE ELMER J. HOLLAND OF PENNSYLVANIA

The SPEAKER pro tempore (Mr. FOLEY). Under a previous order of the House, the gentleman from Pennsylvania [Mr. MORGAN] is recognized for 1 hour.

Mr. MORGAN. Mr. Speaker, it is my privilege and pleasure, as dean of the Pennsylvania delegation, to take this opportunity to say a few words about our friend and colleague, ELMER J. HOLLAND, who has so ably represented the people of Pennsylvania in the House of Representatives.

I am proud to number myself among his close friends and stalwart admirers for he has been a dedicated public servant whose brilliant career has earned the appreciation and gratitude of the people of our country.

ELMER HOLLAND was born in Pittsburgh and educated in the Pittsburgh public schools as well as the University of Pittsburgh, Duquesne University, and the University of Montpelier, France. He also graduated from the Civil Affairs School of the U.S. Army and the American School Center, Shrivenham, England.

ELMER HOLLAND served with distinction and bravery in both World Wars, starting as a lieutenant and ending with the rank of major.

His career was enriched by experience in business as well as the field of labor relations before his election to public office. ELMER has had an outstanding career in the State senate of Pennsylvania and this service prepared him for the statesmanlike role he was to play in this House.

As one who has had the privilege of being closely associated with ELMER HOLLAND for many year, I have had occasion to note the skill and outstanding legislative ability that he has displayed in the handling of such major legislation as the Federal Scholarship bill, the National Defense Education Act, and the Manpower Development and Training Act.

Throughout his long public career ELMER HOLLAND has been a consistent supporter and sponsor of constructive legislation which has had a most significant and favorable impact upon the lives of all Americans. I deeply regret that he has found it desirable to retire from this body. Men of his caliber, judgment, and ability are always needed in our Government and one of his exceptional talents is extremely hard to replace.

As he enters the retirement phase of his dedicated career, he carries with him our very best wishes for improved health and happiness. His wife and daughters are proud of him. They have every reason to be and he will take with him not only our good wishes but our affectionate esteem, warm friendship, and highest admiration.

Mr. Speaker, in further tribute to our colleague, I have a letter from the President delivered to him on this date, and a letter from the Secretary of State:

THE WHITE HOUSE,
Washington, July 30, 1968.

Hon. ELMER J. HOLLAND,
Washington, D.C.

DEAR ELMER: Few men in this nation's history have enriched it by so long and so distinguished a public tenure as yours. Fewer still can claim the reputation for leadership and regard for the national interest that have marked your congressional career.

You are indeed one of a rare breed whose achievements will live in the lives of those you served.

I share your pride in having introduced the First Federal Scholarship Bill in 1956.

Your vision helped pave the way to the Manpower Development and Training Act of 1962. Years before its passage, you introduced the first legislation to provide retraining courses for those with skills made obsolete by automation. You brought before the Congress and the nation the urgent need for adult education.

You have always been in the forefront of the fight for cleaner streams and rivers, for workmen's compensation, minimum wage, and extended social security benefits. You have worked for better health programs for those on social security, and for countless other measures that made possible the prosperity we enjoy today.

It is a proud record, and one to which you can look back with satisfaction. You will be deeply missed but affectionately remembered by your colleagues and associates in Washington—and by the American people whom you so faithfully served.

Sincerely,

Lyndon B. Johnson.

The Secretary of State,
Washington, July 30, 1968.

Hon. Elmer J. Holland,
House of Representatives.

Dear Mr. Holland: I have learned with regret that you are terminating your distinguished career in Congress at the end of this session.

We are particularly grateful to those Members of Congress who, while not Members of committees directly concerned with foreign affairs, have been generous with their sympathy and support in our efforts to create and carry out a bi-partisan foreign policy in the security interests of the United States. You are among the leaders of this group, and I want to express my particular appreciation for your distinguished service to the country in this area, as well as the many other fields in which you have labored in your long and distinguished career in the Congress and in the Pennsylvania legislature.

Please accept my best wishes for satisfaction and success in whatever you undertake in the future.

Sincerely yours,

Dean Rusk.

GENERAL LEAVE TO EXTEND REMARKS

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the Record.

The SPEAKER pro tempore. Without objection, it so ordered.

There was no objection.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the distinguished majority leader, the gentleman from Oklahoma [Mr. Albert].

Mr. ALBERT. Mr. Speaker, I wish to associate myself with the sentiment expressed by our esteemed colleague, Thomas E. Morgan, regarding the retirement of our mutual friend and fellow Member, Elmer J. Holland. We will miss him. We shall always recall the loyalty and fidelity which has characterized his performance of his duties as a Member of the House. By this, I mean foremost, the devoted service accomplished for his district and Nation during eight terms as a Congressman. Elmer J. Holland has been one of that untiring group serving on the Committee on Education and Labor. Taking a lead, as he always has, in the promotion of legislation helpful to workers throughout the Nation, his contributions to the cause of organized labor have been outstanding. He has been a loyal member of his party and in his support of liberal and progressive legislation he has helped increase the general welfare of all our citizenry. As we bid him farewell, we also regret that we must lose such a valuable Member of this body.

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from California.

Mr. SISK. Mr. Speaker, I certainly want to join with my good friend, the gentleman from Pennsylvania [Mr. Morgan] in paying my compliments, congratulations and tribute to Elmer Holland.

I have certainly enjoyed my service with Elmer Holland during the past 12 years. He has done an outstanding job. He is a great American. He has been active and has been interested and concerned in the things that are good for America.

I particularly want to extend to him and to his wife and his family my sincere appreciation for the things he has done.

I am reminded of having been a guest on an occasion down in his home in Annapolis at a time that otherwise would have been very lonely for my wife and me, which was on a Thanksgiving Day, and when we were in session here.

They are a wonderful family and a lovely couple and his two lovely daughters.

I want to extend my congratulations and join with my colleagues from Pennsylvania in paying tribute to a great American.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman from Pennsylvania yielding to me.

As a freshman and as one who serves on the Committee on Education and Labor, I want to join with the gentleman in paying tribute to Elmer Holland.

I have had the privilege of serving on the Select Labor Subcommittee which our colleague, the gentleman from Pennsylvania, chairs. I can say as one of the new Members of this Congress that Elmer Holland has been courteous and kind to me as a freshman.

His guidance, his counsel, his wit, and his ability to take a tough situation and work in a bipartisan spirit to achieve some success, as he has done so often in the past, particularly in the manpower development bill, will mean that Elmer Holland's record of accomplishment and achievement is one that will be hard to match. It is a record to which I look with some pride and some envy. It will be one that will be hard to replace, I know, by whoever takes his place as a Representative from the Commonwealth of Pennsylvania.

I appreciate the gentleman from Pennsylvania yielding to me to join with him in paying tribute to the service of Elmer Holland.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman.

Mr. DENT. Mr. Speaker, I thank my colleague and neighbor, Dr. Morgan, for allowing me to say a few words about an old and dear friend.

Elmer Holland and I started our political careers together in the State legislature, having been elected to that body in 1934. We served together in the house of representatives and we served together in the State Senate of Pennsylvania for many years. Then we came to the Congress. We have had an uninterrupted service from 1934 until this moment.

During these years, Mr. Speaker, Elmer Holland has been first in many things. He was the first man to stand up, to my knowledge, in a legislative body way back in the years when no one even gave a thought to the idea that 18-year-olds might be able to vote in this country. He led the first fight in the State of Pennsylvania to allow 18-year-olds to vote. During his entire career here he has given unselfishly of his time in order to make the lot of the workingman better.

He came through, as the son of a steelworker, in the disastrous strikes in western Pennsylvania. He lost members of his family in the early fighting days when the members of labor were trying to organize themselves into units for mutual protection and welfare. Elmer Holland long ago decided that his career and life would be a life of service to those who needed it the most.

I am very proud of the years I spent with Elmer. I can remember in 1960 when after the election of President Kennedy he came to Washington at his own expense with his good wife and they worked out of a hotel room for 6 weeks perfecting the first Manpower and Training Act that was introduced in this great Congress.

He is without a doubt the father of manpower training. He knew the plight of the workingmen who sometimes in the middle years of their lives find themselves displaced for one reason or another from jobs that they have participated in and worked at since their early youth. In that section of Pennsylvania where Elmer and myself come from it was not unusual for a young man in the older days to go to work at the age of 12. Elmer himself started at a very early age. It was only because of his service in World War I that he was able to get a formal education. He came from a long, hard-fighting group of Irishmen who created in the Pittsburgh area the first organizations that worked for someone who worked for a living.

During these later days some of you may not recognize the Elmer Holland that I knew. He was a very strong man, both in his purpose and in his physical being. I remember once on the floor in Harrisburg an argument started over a newspaper article written by one of the pressmen who sat right in front of the members of the senate alongside the rostrum, right on the floor. This particular newspaperman—he is still living and quite a fine fellow—had written an article that did not do justice to the Senate of Pennsylvania, in ELMER's opinion. The matter broke out into an argument that went across the aisle and across the rostrum and all the way down to the press section.

This gentleman stood up, and in an unusual manner defended himself against the attack made on the floor by Senator HOLLAND at the time. I will never forget ELMER. ELMER walked up to him and he said to the gentleman, "You are overstepping your ground," and he laid a beautiful right in his kisser and sent him back to his seat. He came back on the floor and apologized to the house for losing his temper.

Later the newspaperman and ELMER became very fast friends. I have often wondered whether ELMER had the real answer to what to do when you get a bad newspaper article. I myself have never had the courage to try it. But ELMER had a lot of courage.

I remember once also in the house of representatives when there was an attempt being made to impeach the mayor of the city. The city happened to be ELMER's city. ELMER took the floor, and in those days—and even today in the House of Representatives we enjoy the same rights and prerogatives that the U.S. Senate enjoys—unlimited time and unlimited debate. We did not pay too much attention to the germaneness of the subject matter before us. ELMER got up on his feet and he darned near talked that mayor to death while he was trying to impeach him, and he could do that in his day.

Today it is sad to see that a man of his ability has to leave the Congress when he still has within him a great deal of service that he could render to his people. It is not age. It is really a malady, one that afflicted him a few years back. Through all these years he was most attentive to his duties despite the many days he spent in pain.

I personally pay tribute to him for the public service he has rendered almost every year during his entire mature lifetime. I say that men like him sometimes deserve better than what we give. They deserve better than what the country gives.

To Mr. MORGAN I say I thank you on behalf of ELMER and his lovely family for taking this time to enable us to pay tribute to him.

At this point I introduce into the RECORD a glowing tribute to ELMER HOLLAND from the American Federation of Labor and Congress of Industrial Organizations through its legislative representative, Mr. Andrew Biemiller.

The letter is as follows:

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL
ORGANIZATIONS,
Washington, D.C., July 22, 1968.

Hon. JOHN DENT,
U.S. House of Representatives,
Washington, D.C.

DEAR JOHN: I am delighted to learn that you and Congressman Morgan are taking a special order this week to honor our good friend Congressman Elmer Holland. I would like to make a few remarks about him in this letter and would appreciate it if you would include them in your remarks on the floor.

Elmer Holland will be remembered by many, but none will miss his presence in the House of Representatives more than the AFL–CIO.

Congressman Holland is more than a friend of ours, he is one of us. Not only because he is a member of the United Steelworkers. Nor just because he fought to organize the unorganized in the hard and sometimes fierce formative years of the old CIO.

He is also one of us because of his dedication to help the unemployed and underemployed in our land. He is among the first to understand that for the hard core unemployed, training in the elementary things, like reading and writing, is paramount to gaining the opportunity for a decent job—the opportunity for a life of dignity that he feels should be the right of all free men.

As chairman of the House subcommittee that gave birth to the Manpower Development and Training Act, he rendered a service that will be remembered in the minds and hearts of generations of Americans yet to come. In just five years, more than a million unemployed and underemployed have had the chance to learn skills through MDTA that resulted in jobs—and dignity—for the overwhelming majority.

He has always been found on the side of the best interests of the American people in all the votes he has cast while in the Congress. Never has he flinched on any measure to advance the cause of the workers.

Yes, we in the AFL–CIO will dearly miss Congressman Holland and his grand and lovely wife, Emily.

We who are proud to call Elmer Holland "friend" wish him a long and rewarding retirement that he so richly deserves.

With kind regards, I am
Sincerely yours,
ANDREW J. BIEMILLER,
Director, Department of Legislation.

Mr. MORGAN. Mr. Speaker, I yield to the distinguished chairman of the Education and Labor Committee, the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, it is with pride that I join in honoring ELMER HOLLAND, but it is with sorrow that I note the fact that these remarks are meant to signal his impending retirement from the House.

The gentleman from Pennsylvania [Mr. HOLLAND] has served in the House, and on the Education and Labor Committee, with distinction and with honor. His contributions to that committee include some of the most significant legislation we have enacted in the years of my service as a member thereof. The list is headed, of course, by the Manpower Development and Training Act, of which ELMER HOLLAND can properly be considered the "father." ELMER would be the last person to deny that other Members of this House, Members on both sides of the aisle, were among those who made that act possible in 1962, and who have helped amend it in subsequent years to improve it and keep it flexible. But if one name were to be singled out in connection with that legislation—which is truly the basis for our entire national manpower policy—that name would be ELMER HOLLAND's.

The establishment of the National Commission on Technology, Automation and Economic Progress, the liberalizing of the benefits of the Federal Employees' Compensation Act, the Federal Metal and Nonmetallic Mine Safety Act, the legislation enacted in this Congress to ban age discrimination in employment—all of these solid accomplishments bear, to a greater or lesser degree, ELMER HOLLAND's imprint. Like most legislation, all of them are due to the work of many men. But our friend from Pennsylvania advanced each of them mightily.

I cannot list the full scope of ELMER HOLLAND's success as a Member of this House. Indeed, I doubt any one man can. Because he, like most truly successful Members, knows well that true "success" as a Representative is not merely measured in the number of times his own bills become law, or his own causes triumph. He knows that the "success" of which a Member of this House can be proud is sometimes as unpublicized as the simple act of persuading an administrative agency that a citizen has a case worth the agency's time to look at again. He knows that "success" may come, not with association with a great legislative victory, but with association with a defeat which a happier time will overturn and turn into victory. ELMER HOLLAND has never been afraid to be in the minority when he felt in his heart that the majority was wrong.

It has been a privilege, Mr. Speaker, but even more, it has been a pleasure, to have been associated with this good man, the very able gentleman from Pennsylvania, ELMER HOLLAND. I wish him the very best in the years to come.

Finally, Mr. Speaker, under unanimous consent I place several letters from friends and coworkers of ELMER HOLLAND at this point in the RECORD:

Washington, July 26, 1968.

DEAR ELMER: Your many years of service in the Congress deserve our highest commendation. It has been my privilege to serve with you, and I am proud to count you among my friends.

You have a record in which you may take great pride. The people of your District—indeed, all of Pennsylvania—have been well represented by Elmer Holland, both in the State House and in Washington.

I wish you well as you look to the future. May the coming years be happy ones spent with friends and family.

Sincerely,
HUBERT H. HUMPHREY,
The Vice President.

THE SECRETARY OF
HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., July 29, 1968.

Hon. ELMER J. HOLLAND,
House of Representatives,
Washington, D.C.

DEAR MR. HOLLAND: I am writing to congratulate you on your years of service on behalf of your constituents and the people of the United States. Those of us in the Executive Branch who have been privileged to serve with you will sorely miss your effective leadership on behalf of education programs and programs to aid disadvantaged people throughout the Nation.

Yours is a record of which you and your constituents may justly be proud. On behalf of myself, and of the many members of my Department who have been privileged to work with you over the years, I offer heartiest congratulations and warmest good wishes.

Sincerely,
WILBUR J. COHEN,
Secretary.

WASHINGTON,
July 23.

DEAR ELMER: As an old friend who knows first hand the vital contributions you have made to the Nation since you came to Congress, let me say my own "Well Done!"—and wish you many fruitful years in private life.

Best wishes,

Stew,
Secretary of the Interior.

U.S. Department of Labor,
Office of the Secretary,
Washington.

I am happy to join Elmer Holland's many friends in extending my best wishes on the occasion of this much-deserved tribute to his distinguished career of public service.

Elmer Holland's life has been dedicated to the highest of humanitarian ideals—the belief that every citizen in our society should have the opportunity to enjoy full economic and social justice. Because of his efforts and the efforts of concerned men like him the great majority of American citizens today are enjoying the greatest period of prosperity ever known to this or any other Nation.

For more than a quarter of a century, Elmer Holland's able efforts in the legislatures of his State and his Nation have helped to elevate the quality of American life.

As Secretary of Labor, I am especially grateful for his outstanding work on the House Education and Labor Committee. While serving on this important body, he has helped to shape a wide array of legislation that is upgrading employment standards and opportunities for all our citizens.

The Manpower Development and Training Act is only one of his important legacies. As House sponsor of this landmark measure, Elmer Holland has helped to open new horizons of opportunity and hope to unemployed and underemployed Americans.

Since this Act was passed, more than a million men, women, and youth have been served by its training programs. I join Americans everywhere in expressing gratitude for Elmer Holland's contributions to this great achievement.

Elmer Holland richly deserves the praise and recognition he is receiving today. I offer him my best hopes for a long and fruitful retirement. I know that the people of Pennsylvania and the entire Nation will continue to benefit from his energy and talents.

Willard Wirtz,
Secretary of Labor.

U.S. Department of Labor, Office
of the Assistant Secretary,
Washington, July 26, 1968.

Dear Elmer: Your retiring makes me realize what a splendid span of time and activity circles our association.

You have seen much accomplished to assist our working people and you have had much to do with seeing that they are assisted.

Many people have monuments erected and books written about them. You can take joy in knowing that your monuments are in the better lives that working people are living because of your help.

May your retirement bring you the joy you deserve.

Sincerely,

Esther Peterson.

U.S. Department of Labor, Office
of the Assistant Secretary,
Washington, D.C., July 29, 1968.

Hon. Carl D. Perkins,
House of Representatives,
Washington, D.C.

Dear Congressman Perkins: I count it an honor and a privilege to join those who salute the distinguished career of Elmer Holland. Elmer and I have worked together for many years. I remember with distinct pleasure Elmer Holland's service to his country as a member of Congress in 1942 when he took an exceedingly courageous stand against the American Firsters that can and will never be forgotten.

After his distinguished service in the Pennsylvania State Senate, he came back to the Congress in 1956. As an outstanding member of the House Education and Labor Committee and as Chairman of its Select Subcommittee on Labor, he was most instrumental in the passage of the Manpower Development and Training Act. This legislation has brought training, retraining and job opportunities to millions of Americans. He has never in the past 12 years hesitated to fight for the social, economic and manpower legislation which was essential to the welfare of the working man.

I have treasured my friendship with Elmer and his good wife, Emily, for these many years. The Congress of the United States will miss him. I shall consider them as treasured friends in the years to come.

Sincerely,

Stanley H. Ruttenberg,
Assistant Secretary and Manpower Administrator.

U.S. Department of Labor,
Office of the Assistant Secretary,
Washington, D.C. July 26, 1968.

Hon. Elmer J. Holland,
Chairman, Select Subcommittee on Labor, Committee on Education and Labor, House of Representatives, Washington, D.C.

Dear Elmer: On your departure from the national scene, I want to join your many friends and colleagues in wishing you every measure of happiness in the years ahead.

It should be a great source of pride to reflect on your significant achievements in pioneering legislation for the less fortunate citizens of our Nation. Through your understanding of the need to make the economy a better servant of human purpose you have been able to provide legislative instruments which can be directed continually toward changing manpower problems that attend changing economic conditions.

In a very real sense, the Manpower Development and Training Act represented a new and imaginative proposal which grew out of the scrutiny, attention, and sense of responsibility exercised by the Select Subcommittee under your leadership. This Act has made possible programs of assistance for over a million unemployed and underemployed persons. The flexibility of this innovative legislation has resulted in training programs in more than 1300 different occupations with gratifying results in the subsequent employment records of its trainees. Of equal importance, the Act continues to be correctly characterized as a living, changing law—always responsive to manpower problems as they emerge. New pathways to employment, and new patterns of training have developed from your constant search for better ways of fulfilling the legislative mandate, and from the translation of your findings into action.

I salute you for your distinguished contribution to the solution of the Nation's economic and social problems.

With personal regards, I am,

Sincerely,

Stanley H. Ruttenberg,
Assistant Secretary and Manpower Administrator.

U.S. Department of Labor,
Manpower Administration,
Washington, D.C.

Hon. Carl D. Perkins,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D.C.

Dear Carl: It is with mixed emotions that I find Elmer Holland leaving the national scene. Two of the most satisfying years of my life were spent assisting him in his work as Chairman of the Select Subcommittee on Labor.

This Nation will long benefit from the contributions Elmer has made to manpower development and training and to the solution of the Nation's economic and social problems. Since its enactment under the inspired leadership of his Subcommittee the Manpower Development and Training Act has been regarded as one of the Nation's most effective legislative instruments. His colleagues in the Congress as well as many distinguished manpower authorities have characterized it in these terms:

The most sucessful program yet devised to help people become self-supporting.

It deserves and has received widespread support from the Congress and the public.

The thread that runs through the Act and its amendments is the wish to make skill training available on a broader basis, with greater flexibility in the selection of trainees, the payment of training allowances, and the ways in which skill training or retraining can be utilized as a tool to meet the specific needs, not only of those to be trained, but of the community as a whole.

Training has been highly beneficial to industry, in enabling the private enterprise system to find the workers that unceasing technological change requires.

The Act has aided the cause of equal employment opportunity, and the great was against poverty.

It has helped whole communities recover from major industrial dislocation.

I think one of the greatest compliments that has been paid Elmer Holland or any other member of Congress in recent years was the unanimous action and total bipartisan support he received in the enactment of the 1966 amendments to the Act. In fact, in approving the amendments the President stated that he was happy to sign a measure "to make even better something already very good."

I am honored to join his many friends and colleagues in testifying to his significant achievements in the public interest.

Sincerely yours,

Curtis C. Aller,
Associate Manpower Administrator.

U.S. Department of Labor, Bureau of Employees Compensation,
Washington, D.C., July 29, 1968.

Hon. Carl D. Perkins,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D.C.

Dear Mr. Chairman: It is an honor and a privilege to write to you concerning an outstanding public servant and great American, Elmer J. Holland, Member of Congress, from the Twentieth District of Pennsylvania. I need not review for you the Members of Congress, other government officials, his constituents and the people of this, his beloved country, his remarkable record of service to his fellow citizens. It has long been recognized and I feel certain well known.

His work as Chairman of the Select Subcommittee on Labor demonstrated not only his special talent in the field but also his sense of justice and humanitarian concern for people in need. A typical example of these traits and one which will stand as a tribute to him for all time is the 1966 amendments improving the Federal Employees' Compensation Act. It has been recognized as not only an excellent technical piece of legislation, but forwardlooking and undoubtedly the most adequate workmen's compensation law in the world. The thousands of disabled federal employees and others to whom it applies, and who have benefited by this law, as well as the widows and children of those who unfortunately die as a result of performance of their duty in government service, owe him a debt of gratitude. One need only examine its provisions to see that it means the difference between an extremely difficult economic life, if not one of poverty and dependence on charity, and that of being able to continue to support one's family in a manner consistent with principles of our great democratic society.

It was indeed an honor to have assisted him and the committee in some small way when they were drafting this legislation. I have had an even greater sense of satisfaction as its administrator in seeing the results of his labor. Government employees everywhere, past, present, and future, have been afforded an outstanding benefit by the protection it provides in the event of injury or death.

In closing may I just say that in having known him, I am better for it. He is a fine gentleman. This I believe is the finest tribute that can be paid any man. I am certain that he will continue his efforts on behalf of his fellow citizens in making the world a better place in which to live, and may God bless him.

Sincerely yours,
THOMAS A. TINSLEY,
Director.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION,
Washington, D.C., July 24, 1968.
Hon. ELMER J. HOLLAND,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: This note is to thank you profoundly for your support of our work at the Equal Employment Opportunity Commission. During our three years of existence your consistent support of our activities has meant a good deal to us.

May I join your many friends in wishing you well in your future activities. The Congress will be missing your distinguished voice in the years ahead.

With warm personal good wishes.

Sincerely,
CLIFFORD L. ALEXANDER, Jr.,
Chairman.

THE GEORGE WASHINGTON UNIVERSITY,
February 26, 1968.
Hon. ELMER J. HOLLAND,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HOLLAND: I was dismayed to read the release announcing your plans to retire from Congress. Your leadership on behalf of liberal causes and constructive legislation will be greatly missed by your numerous friends and many others who benefited by the legislation you sponsored.

It was a source of satisfaction to me to work for you during my stint at the Legislative Reference Service and subsequently.

Relieved of Congressional chores, I am sure you will continue to champion the causes for which you have achieved an enviable reputation.

Best regards to Mrs. Holland.

Cordially,
SAR A. LEVITAN.

Mr. MORGAN. Mr. Speaker, I yield to the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding. I have had the opportunity to serve on the committee with ELMER HOLLAND for almost 6 years now and I have had the opportunity of serving on his subcommittee. ELMER HOLLAND is one of the most diligent and one of the kindest and one of the most punctual men I ever have met. In spite of his physical difficulties, Congressman HOLLAND was always one of the first persons to attend committee sessions. He always was there when we needed someone to count on for a quorum or for any other purpose.

As chairman of our subcommittee, Mr. HOLLAND provided us with an excellent staff and excellent staff services. He was thoughtful of all the Members.

I regret to see Mr. HOLLAND leave because he has made a great deal of excellent contribution in the fields of education and labor.

I know ELMER HOLLAND and his fine family will always look back upon his service in this Congress as being a high point in his life, and really a high point for his district and his country, because he deserves the applause of all of us here.

Mr. MORGAN. Mr. Speaker, I yield to the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Speaker, I thank the able gentleman in the well for allowing me to join with our colleagues today in paying tribute to our able and esteemed friend and beloved colleague ELMER HOLLAND. We all delight to do honor to those who deserve honor. I know of no man more deserving of the acclaim and the esteem and the respect of his colleagues and his fellow citizens than ELMER HOLLAND.

To ELMER HOLLAND public service has been a high privilege. To him it is not something from which he derived prerequisites or power or compensation. It has been to him a kind of ministry which gave him the opportunity to do something to better the lot of his fellow men. Many men, women, and children in America—indeed in the world today—walk on higher ground because of ELMER HOLLAND and the battle he has waged in their behalf. He has left a splendid legislative record here in this House and in this Congress. The country will ever regard him highly in its annals for having made America better, for the legislation he has sponsored and supported here in the House.

He has been a man whom we have all cherished individually for his personality, for his spirt of compassion, for the qualities of friendship which he possesses in extraordinary degree.

It is a great pity that this man, so talented and so dedicated and so devoted to the public service, has had his physical energies impaired by infirmity.

He will always be deep in the memory of everyone who has known him here. We will always send with him wherever he goes our fondest wishes and our heartfelt concern. We pray that God's blessings may afford health and happiness to this good and great man for many years yet to come.

Mr. MORGAN. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. EILBERG].

Mr. EILBERG. Mr. Speaker, the Congress of the United States has been fortunate indeed to have had ELMER HOLLAND in its midst for 14 years.

In a short while he will be taking leave of us, taking his charming wife Emily with him, as he returns to his native State of Pennsylvania.

While I am sure Emily and ELMER will be taking away many happy memories of those years on the Washington scene, those of us remaining will have memories too, of a man who led the way, who was never satisfied with the status quo, of a man who loves people and showed it by helping all humanity.

Those who know ELMER HOLLAND will call him a pragmatist; a man who knows the hard facts about life and deprivation. But what a pragmatist he is—a realist with his head in the clouds.

As an example, back in 1956, ELMER introduced the first Federal scholarship bill. It provided for outright scholarships for those specializing in engineering and the sciences, as well as to those intending to teach scientific subjects.

Some may have termed ELMER a "dreamer"; he was not, he was a prognosticator.

His bill languished and died in committee. He reintroduced it the following session. Still it languished in committee. Then a streak was seen across the heavens—sputnik. Suddenly, the bill had hundreds of sponsors.

Our present National Defense Education Act is the outgrowth of ELMER HOLLAND's original proposal.

There were many ways ELMER HOLLAND led the way, not only in the Congress but in the Pennsylvania Legislature, where he served with honor 22 years, 8 in the house and 14 in the senate.

He has served his Nation well in two world wars. He served the American Labor Movement well for many years.

His departure from the Congress will leave a gap difficult to close. We shall try to fill it, but we shall miss him.

Mr. RYAN. Mr. Speaker, I am pleased to join my colleagues in this tribute. I regret the impending retirement of the Honorable ELMER J. HOLLAND of the Pennsylvania 12th District, who has served the people of the Pittsburgh area, as a stanch liberal for the past 13 years.

Born in Pittsburgh, and educated in Pittsburgh through his undergraduate years in college, ELMER HOLLAND came to recognize the needs of the people of his city in every vital respect. He also acquired a firsthand knowledge of world affairs, during several years of military service in World Wars I and II, and as a graduate student at universities both in France and England.

Before entering politics, he was engaged in the advertising business, but in the 1930's he was nominated for the Pennsylvania Legislature, elected following his first campaign, and reelected four times before running successfully for Congress in 1942, to fill an unexpired term. He also became identified, at approximately the same time, with the public relations department of the AFL–CIO. A reapportionment law destroyed his congressional district in 1942, and ELMER HOLLAND, therefore, returned to the Pennsylvania Legislature in the capacity of a State senator. There he remained, several elections, until the special election of 1956 to fill the congressional seat left vacant by the death of Congresswoman Buchanan. In six consecutive elections since then, he has been returned to Washington, and the service he has provided both his district and the country at large entitles him to great commendations.

As a member of the Committee on Education and Labor, chairman of the Subcommittee on Unemployment and the Impact of Automation, and chairman of the Select Subcommittee on Labor, he urged the passage of numerous pieces of legislation vital to the interests of millions of American working men and women.

It was ELMER HOLLAND who, in 1956, introduced the first Federal scholarship bill in Congress, which would have provided outright scholarships for persons specializing in engineering and the sciences, as well as those who would teach mathematics, science, physics, and similar subjects. This legislation was introduced following consultation with the deans of the 150 accredited engineering schools in the United States as well as the National Science Foundation. The bill foundered in committee until the advent of Sputnik, at which point it was suddenly embraced by many who had previously opposed it. Once out in the open, the scholarship bill became the basis of the National Defense Education Act.

ELMER HOLLAND also introduced legislation first in 1956 which would require the President, under the Full Employment Act of 1946, to review the economic conditions of the Nation and provide retraining courses for those whose skills had been rendered obsolete by the introduction of automation and mechanical devices in our mills, mines, factories, and railroads. No action was taken on the proposal until the election of John F. Kennedy as President of the United States. Immediately following his election, Mr. Kennedy asked that Congressman HOLLAND inaugurate a survey on the problem of "Unemployment and the Impact of Automation." Within a month's time, the report was delivered to the President-elect. The findings were disturbing and were acted upon with dispatch. Congressman HOLLAND was urged to continue and expand his investigation in this regard and to keep the incoming administration informed of his conclusions.

The result of this work is now known as the Manpower Development and Training Act of 1962, which not only launched a major program but also warned the country of the growing need for retraining the unemployed, at Federal expense, as an alternative to needlessly discarding the energy of labor vital to the national interest. As a side development, the Nation became familiar with evidence showing that our educational system for many present-day students is far from being meaningful or even very helpful, and that additional training is mandatory. The need for adult education—both technical and academic—merely to remain capable of retaining employable status also is becoming quite apparent.

When the Manpower Development and Training Act was passed in 1962, it was regarded by many as a revolutionary development, notwithstanding the large majority it received in the House at that time. Times have changed rapidly, however. Amendments to the act, offered in 1965 and 1966, received unanimous endorsement in the House. To Congressman HOLLAND goes much of the credit for this change of congressional opinion.

During the years he served in the Pennsylvania Legislature and here, in this Chamber, Congressman HOLLAND successfully promoted the interest of many reforms long needed and long ignored. Long ago he secured the reduction of public transit rates for schoolchildren. He was the architect of the Ohio River Valley compact for clean streams and rivers. He worked hard and steadily for unemployment compensation, workmen's compensation, minimum wages, lowering the age for social security benefits and permitting disability benefits to be paid to those disabled from 50 years of age on, an adequate health program for persons on social security, and numerous other measures of social legislation, many of which have now become the laws of the land.

Our colleague has served his district and his country with sincerity, diligence, and great ability. He shall certainly be missed by everyone working in behalf of social progress.

Mrs. MINK. Mr. Speaker, I deem it a pleasure and an honor to join with my colleagues in the House to honor Congressman ELMER J. HOLLAND, of Pennsylvania, who is retiring from Congress at the end of this session.

Mr. HOLLAND has written a historic and bright chapter to the history of the Congress. Since his first term in the 77th Congress and his reelection in 1956, he has pursued in his quiet way, a most effective campaign to draft and carry to victory legislation which has become the hallmark in the field of labor education.

As chairman of the Select Subcommittee on Labor of the House Education and Labor Committee, Mr. HOLLAND has been a most effective leader.

The legislation which has become known as the pioneer bill in Federal aid to education—the National Defense Education Act—is the outgrowth of a program initiated by Chairman HOLLAND in 1956. At that time, Mr. HOLLAND introduced legislation to establish the Federal scholarship program. It was included in the NDEA which we recognize as the foundation of a program to bring the United States back into the forefront of nations preparing for the 20th-century engineering demands.

Another milestone in public legislation can be claimed by the chairman in the Manpower Development and Training Act of 1962, reported from his subcommittee following a lengthy survey and study began by the chairman in 1956 on this subject.

The amendments which have been added to the MDTA in subsequent Congresses stand as a tribute to the chairman's belief that education and labor go hand in hand and that by training the labor force, the United States stands to increase its productivity and its competitive power among the nations of the world.

The Congress will quickly sense the loss of this generous and forward-thinking man. I personally will miss his advice and leadership on the House and Education Committee and while we will be poorer by his departure, I join with my colleagues in wishing him a happy and healthy retirement. I hope that he will continue to write and work for the improvements in the fields of education and labor which we all know must still be attained. To the chairman and his family, good luck and good health.

Mr. BENNETT. Mr. Speaker, all of us have a sense of deep regret that Congressman ELMER HOLLAND did not run for reelection in Congress this year because of illness, which he never let interfere with his responsibilities here in Congress at any time. He certainly has had an outstanding leadership role in legislation for the betterment of his State and our Nation and he leaves behind him a record which anyone could admire. All of us hope for him and his family that his health will continue to improve and that he will have a happy and fruitful retirement in every respect. He leaves behind him here in the House of Representatives the friendship and admiration of each of us.

Mr. MURPHY of New York. Mr. Speaker, I rise today to pay tribute to my colleague from Pennsylvania, ELMER J. HOLLAND, who is retiring from the House of Representatives at the end of this session.

ELMER HOLLAND was first elected to the House of Representatives in the 77th Congress in 1942. He served in the Pennsylvania State Senate from 1942 to 1956, when he was again elected to the House of Representatives, and he has been reelected to the House ever since. During his years in the House he has established himself as a dedicated and hardworking Congressman, and he has given outstanding service to his constituents, to the State of Pennsylvania and to the Nation.

As a member of the Education and Labor Committee he has been deeply involved with the major legislation handled by that committee over the last decade, and as chairman of a Select Labor Subcommittee he has proved to be an extremely capable legislator.

When ELMER HOLLAND leaves at the end of this session the House of Representatives will lose one of its ablest and most popular Members. I want to wish him good luck in the future in whatever he does, and I hope that in private life he will continue to give us the benefit of his experience in public life.

Mr. FALLON. Mr. Speaker, the retirement of Congressman ELMER HOLLAND of Pennsylvania, at the end of this term will be a great loss to the House of Representatives. His many years of experience as a business executive, industrial leader, union representative, and legislator at both the State and National level made him one of the most outstanding experts of our time in the labor and economic conditions of our Nation.

Representative HOLLAND has had a long and distinguished career of devoted service to the public welfare, including active combat during two World Wars. Over the years I have had the privilege of working with him and of getting to know him well; he has been a good and loyal friend. No one has worked harder or more tirelessly to improve the well-being of the American people.

It was Congressman HOLLAND who first recognized the need for Federal encouragement for the training of engineers and technicians; in 1956, he introduced the first Federal scholarship bill. This legislation would have provided outright scholarships for those specializing in engineering and the sciences as well as for those who wanted to be teachers of mathematics, science, physics, and similar subjects. The bill was the result of consultation with the deans of the accredited engineering schools in the United States and with the National Science Foundation. Our present National Defense Education Act grew out of this scholarship bill and others like it which afterward appeared in response to the Sputnik flight in 1957.

During his eight terms in the State Legislature of Pennsylvania and his eight terms served in Washington, much of the legislation conceived and initiated by Representative HOLLAND has become law.

He secured passage of bills providing streetcar passes for school children and authorizing the Ohio River Valley Compact for clean streams and rivers. He fought for unemployment compensation, workmen's compensation, minimum wages, lowering the age for social security benefits, permitting disability benefits to be paid at age 50, and for providing an adequate health program for social security beneficiaries. He has been deeply concerned with improved standards of mine safety, with the problems of migrant laborers, and with the problems of the aged.

But perhaps Congressman HOLLAND's greatest legislative achievement was as chairman of the Ad Hoc Subcommittee on Unemployment and the Impact of Automation in the 87th Congress. As far back as 1956, he was pressing for measures to provide retraining for those whose skills have been made obsolete by automation, but no action was taken until, at President Kennedy's request, Representative HOLLAND made a personal nationwide survey of the problem. The bill which resulted was conceived, written and sponsored by Representative HOLLAND; we know it today as the Clark-Holland Manpower Development and Training Act of 1962.

As chairman of the Select Subcommittee on Labor, Congressman HOLLAND has continued to make a magnificent contribution in the initiation and development of creative social legislation. His warmth, loyalty and sense of social conscience have brought him the affection and deep respect of friends and associates. I am proud to have known him, proud to have been his friend and proud that the Government of this wonderful Nation of ours has been better for his services. I join all his many friends and associates in saying how very much we shall miss him, and in hoping that his many good years to come will be full and happy ones.

Mr. FLOOD. Mr. Speaker, I would like to join my colleagues in paying tribute to a fine person and a great legislator who will be retiring at the end of this term. Congressman ELMER J. HOLLAND has dedicated himself to the public welfare for over 50 years. He has been a soldier, a humanitarian, and a patriot. He has a breadth of experience in the economic worlds of both business and labor seldom acquired by a single individual. He has initiated and supported some of the most creative and significant social legislation of our time.

To all of us who have had the pleasure and the privilege of knowing and working with Congressman HOLLAND, his departure will be a great loss. We will miss his sincerity, his loyalty and warmth. He has demonstrated again and again his sensitivity to the drastically changing needs of a society in rapid transition. The landmark provisions of the Manpower Development and Training Act of 1962 will stand as monuments to his achievement in Congress.

I congratulate Representative HOLLAND on his fine record of service to the Congress and the Nation, and join with his friends and associates everywhere in wishing him good health and happiness in whatever lies ahead.

Mr. HORTON. Mr. Speaker, ever since I became a Member of this House, my name in the rollcall has been preceded by that of ELMER J. HOLLAND, the honorable Representative from Pennsylvania. Congressman HOLLAND will be retiring at the end of this term, and so, for me this is quite a personal loss.

All of Representative HOLLAND's many friends and associates are going to miss his name very much when it is absent from the rolls. He has made an outstanding contribution to his district, his State, the Congress, and the Nation during half a century of patriotic and dedicated public service. He saw active duty in two World Wars.

In his home State of Pennsylvania he served eight terms in the legislature, four in the house of representatives and four in the senate. He has had years of experience as both a business executive and a union representative. He has taken the initiative in designing creative social legislation to meet the difficult challenge of our rapidly changing society. He has dedicated his entire career to the welfare of his constituents and his country.

Congressman HOLLAND came to the House for the second time when he won a special election in 1956 to fill the seat left vacant by the death of Congresswoman Buchanan, of Pennsylvania, and he has been reelected to every Congress since. In the years that he has served, both in the State and in the National Legislature, many of the measures which he first introduced have become the law of the land.

The Nation owes a debt of gratitude to Representative HOLLAND for his championing of bus passes for schoolchildren, the Ohio River Valley compact, minimum wages, liberalizing of Federal employee compensation provisions, lowering the age for social security benefits and permitting disability benefits to be paid to those disabled at age 50, and raising standards of mine safety.

No one has been more sympathetic than Representative HOLLAND toward the special problems of the aged and of migrant laborers.

It was Congressman HOLLAND who first became concerned over the vast numbers of men who were being left without jobs as new processes of automation and mechanization took places. As far back as 1956 he proposed a national program for studying the full impact of automation and ending the waste of displaced maanpower.

President John F. Kennedy recognized the importance of this problem and put his solid backing behind a comprehensive nationwide survey by Representative HOLLAND's Ad Hoc Committee on Unemployment and the Impact of Automation.

Out of that survey came the Manpower Development and Training Act of 1962, a landmark piece of legislation.

I salute Representative HOLLAND and congratulate him for the magnificent example he has set, an example in the finest American political and patriotic tradition. I join all of his many friends and associates in wishing him the very best of everything in the years to come.

Mr. WILLIAM D. FORD. Mr. Speaker, I join with my colleagues in wishing the very best in the years to come to our beloved colleague from Pennsylvania, ELMER HOLLAND, and I join in the sentiments expressed by my chairman, the gentleman from Kentucky, and other Members of this House who have sought to give voice to the affection and high regard we all feel for this courageous and hard-working public servant.

I have served with ELMER HOLLAND, Mr. Speaker, as a fellow member of the Education and Labor Committee, and I have served under him as a member of the Select Subcommittee on Labor which he has so long and so ably chaired.

It is always a difficult thing to single out the major accomplishments of a Member of the Congress, because these things are ranked on a subjective scale. What one Member would be deeply proud of, another might consider as a routine bit of legislative business.

I do not know what ELMER HOLLAND is produest of, but I think the American people—including millions who have never heard of this quiet lawmaker—owe their greatest debt to him as the father of the Manpower Development and Training Act of 1962, and its subsequent amendments. I do not believe a more important piece of legislation has come out of our subcommittee in this Congress than the pending bill to extend MDTA, and I doubt if many bills of greater impact have come out of the Education and Labor Committee in the sixties than MDTA.

Hundreds of thousands of Americans today have better jobs, more salable skills, and greater hope for the future because of this act, and directly because of the vision and persistence of ELMER HOLLAND in seeking and obtaining its enactment.

ELMER HOLLAND was not a one-time Congressman. He has served among us in difficult and trying times, and he has voted for and worked for, a great many important pieces of legislation. But if he had to, ELMER HOLLAND could retire in a mood of deep satisfaction, based alone on the Manpower Development and Training Act. If you want to find ELMER HOLLAND's monument, go to the skill centers, to the vocational schools, to the thousands of factories and shops and offices and stores where people, young and old, black and white, are learning new skills under MDTA—look at those people, and observe that in their hearts fear has been replaced by hope, frustration by a sense of new opportunity, and then ask yourself what lawmaker could hope for more accomplishment.

Mr. Speaker, I wish ELMER what we all wish him. I thank him for what we all thank him for, and I join in the universal regret that he will not be among our ranks in the 91st Congress.

Mr. HANLEY. Mr. Speaker, today we rise to pay tribute and to say farewell to one of the grandest and most capable men in the House of Representatives—ELMER HOLLAND, of Pennsylvania. As one of the great subcommittee chairmen on the House Education and Labor Committee, he has been one of the responsible architects of labor legislation over the years. Because of his progressive philosophy and dedication to the people of Pittsburgh, they have seen fit, over the years, to choose him as their representative in three different legislative bodies: the Pennsylvania State House of Representatives, the Pennsylvania State Senate, and the U.S. House of Representatives.

Mr. Speaker, this record speaks volumes about the man we honor today. I can only say that his constituents hold him in the same esteem as his colleagues here in the House do.

We shall miss ELMER, and we shall miss also the vivaciousness of his lovely wife Emily, who has been his constant companion over the years.

I wish both of them years of happiness and good health.

Mr. HATHAWAY. Mr. Speaker, the 90th Congress is taking 1 hour of its time to take note today, of the plans of our colleague, the Honorable ELMER J. HOLLAND, to retire from the U.S. Congress. Our time is worthily spent—indeed, 1 hour is hardly sufficient time for us to do justice to the contributions of this Congressman, who, by virtue of his service in this body has given so much to the public welfare.

ELMER HOLLAND has served as chairman of the Select Labor Subcommittee 7 years, even before the subcommittee was granted permanent status. His chairmanship began when it was an Ad Hoc Subcommittee on Automation. It has been my privilege, as a member of that subcommittee, to be on the receiving end of the counsel and legislative expertise of the Honorable ELMER J. HOLLAND. My great respect and admiration for him does not come without due and ample reason—as every member of our subcommittee can so testify.

ELMER HOLLAND has not simply "spent" 14 years in the Congress; he has invested 14 years in the Congress. Hopefully, those of us who have benefited from his investment and the legislation which has taken the form of law as a result of his investment—will prove worthy of his devoted efforts.

The next Congress will miss him deeply. The public and those of us so fortunate as to know him and to work with him can wish him only the very best that this society has to offer. If one reaps from society half so much as he contributes, ELMER J. HOLLAND will enjoy a rewarding and satisfying retirement.

Mr. ESCH. Mr. Speaker, it gives me a great deal of pleasure to join with my colleagues in honoring Congressman ELMER HOLLAND here today. As a freshman legislator, it has been my great privilege and honor to serve on the Select Labor Subcommittee of the House Education and Labor Committee of which Mr. HOLLAND has been chairman.

Although I have only been privileged to know Mr. HOLLAND for a short time, that acquaintance has been most important. He has earned the high respect of both those of us who have known him only this year and the many who have served with him in the Halls of Congress for many years.

I join with my colleagues in wishing Mr. HOLLAND a most pleasant retirement and many years of health and happiness.

Mr. BOLAND. Mr. Speaker, I join my colleagues in paying tribute to Congressman ELMER HOLLAND now that he is ending his remarkable career of public service to his Nation and to the 12th Congressional District of Pennsylvania.

Able, intelligent, characterized by a straightforward and workmanlike approach to his congressional duties, Mr. HOLLAND has earned the respect and admiration of a host of people both in and out of Government. As a senior member of the Education and Labor Committee he has played a major role in the congressional campaign to strengthen educational standards and open up educational opportunities throughout the United States. And, as chairman of the Subcommittee on Labor and the Subcommittee on Unemployment and the Impact of Automation, he has helped champion the cause of the American working man and woman.

Mr. HOLLAND had established a striking record of public service even before he was elected to the House of Representatives. A longtime member of the Pennsylvania Legislature, a member of the Armed Forces during both World War I and II, he began his career in national politics at a time when most men would have been content to rest on their laurels.

I would like to extend my very best wishes to this dedicated man on his retirement from the legislative body he has served so well.

Mr. RHODES of Arizona. Mr. Speaker, it is a privilege to have this occasion to extend my remarks in a well-deserved tribute to Representative ELMER J. HOLLAND. He will be greatly missed by his colleagues of both parties when he retires at the end of this session of Congress. During his 13 years of service in the House of Representatives, ELMER HOLLAND has demonstrated the dedication, astute judgment, and legislative ability of a true statesman, and rightfully enjoys the respect and admiration of his fellow Members. Congressman HOLLAND and I served together for 2 years on the Labor Subcommittee of the Education and Labor Committee, and during that period of time, I not only learned to respect his acumen, but I consider him to be a friend whose past associations I have greatly enjoyed. I hope they may be continued in years to come.

Mr. Speaker, I would like to take this opportunity to express my best wishes to Representative and Mrs. Holland for every enjoyment in their retirement from public life.

Mr. CORMAN. Mr. Speaker, it is a sad time, each election year, when we hear of the retirement of a number of our friends and colleagues. Each time one of the hardworking, dedicated men of the Congress retires, a page in the history of the National Legislature is slowly and sadly closed.

I especially regret the retirement of the Honorable ELMER J. HOLLAND, of the 20th District of Pennsylvania. All of us will miss him, as will the district he represents. I am proud to have known ELMER HOLLAND, to have worked with him, and to have been his friend.

Representative HOLLAND has devoted all of his adult years to public service. Between 1934 and 1956, he served four terms in the Pennsylvania House of Representatives, and four terms in the State senate, interrupted only by his election in 1942 to the 77th U.S. Congress to fill an unexpired term and his reelection in 1956 to fill the vacancy caused by the death of Representative Vera Buchanan. Since that time, he has served the 20th District of Pennsylvania, and he has served well.

Representative HOLLAND has been a dedicated member of the Education and Labor Committee, and all of us are aware of the great determination and creativity he displayed in his successful effort to secure passage of the Manpower Development and Training Act of 1962. He has served his constituents, the State of Pennsylvania, and America with devotion and skill.

I should like to wish him, his wife, and their daughters and their families, the best of health and happiness in the years to come. It has been an honor to be a colleague of ELMER J. HOLLAND. We will greatly miss him.

Mr. MURPHY of Illinois. Mr. Speaker, because of my sincere friendship and esteem for our distinguished colleague, the able Representative from the 20th District of the great State of Pennsylvania who has announced his intention to retire from this great body, I rise to pay tribute to the Honorable ELMER J. HOLLAND.

It has been a personal privilege and a pleasure to know and serve with ELMER HOLLAND. I will never forget his friendliness and helpfulness to me.

Congressman HOLLAND is one of the finest Members of this Congress. Without a doubt, he is one of the most respected Members on either side of the aisle. He has been a statesman as well as an eminent, faithful, and able servant of his district and of his State. He has won the esteem and respect of all who serve in the Congress, and has surely earned the privilege of retirement.

The people of the 20th District of Pennsylvania and the Nation itself have been fortunate to have such a fine statesman, gifted humanitarian, and such an effective, sound, and wise Representative serving them in the Halls of Congress as ELMER HOLLAND. May God bless him during the coming years and may the future activities be most rewarding and satisfactory.

Mr. O'HARA of Illinois. Mr. Speaker, for many years ELMER J. HOLLAND has been a giant in the cause of labor, in legislative halls and in veteran circles. I have been richly blessed by having him as a close and beloved colleague in seven Congresses.

Labor never had a better champion. No congressional district was ever better served than the 20th District of Pennsylvania, ELMER HOLLAND and his brilliant and devoted wife, Emily, working as a dedicated team, day and night, week after week, year after year, for their constituents, their district, their State, their Nation.

ELMER HOLLAND was a veteran of four terms in the Pennsylvania Legislature when elected to the 77th Congress to fill a vacancy. Reapportionment temporarily ended his congressional career and he returned to service in the Pennsylvania State Senate until his election on January 24, 1956, to the 84th Congress to fill the vacancy caused by the death of Congresswoman Vera Buchanan. I am told that he is the only man in the history of the Congress to be elected twice at special elections to fill congressional vacancies.

But for the reapportionment that prevented his reelection to the 78th Congress ELMER HOLLAND in all likelihood would now be in his 14th term, dean of the Pennsylvania delegation and chairman of the Committee on Education and Labor.

When I came to the 81st Congress I served on the Banking and Currency Committee with the Honorable Frank Buchanan, and in the 83d Congress with his wife Vera, who had been elected to succeed Frank on his death. It was on Vera's death that ELMER HOLLAND came back to the Congress after a long absence.

The retirement of ELMER HOLLAND will be a distinct loss to the Congress and to the Nation. An overseas veteran of the two World Wars, past commander of a post of the Veterans of Foreign Wars, and active member of the American Legion, ELMER HOLLAND contributed largely to the veteran influence in the Congress and his departure will be a loss to the veteran cause as well as that of labor and of good government.

Mr. FULTON of Pennsylvania. Mr. Speaker, at the end of congressional careers, we fellow Members of Congress are sad to lose a colleague with whom we have served for many years.

Emily and ELMER HOLLAND have, for some years, been our neighboring co-Congressmen and friendly competitors representing the next door 20th Congressional District to my own South Hills 27th Congressional District.

We both have represented large industry and labor, city and suburb, and industrial river and mining districts, so many of the problems have been shared.

While we have been in different parties and often on opposite sides of the issue, nevertheless our offices have had a feeling of mutual respect for each other in working for the progress of America, Allegheny County and our fine city of Pittsburgh. On Pittsburgh and Pennsylvania problems we have worked across party lines as a team.

We Pennsylvania Congressmen wish Emily and ELMER HOLLAND well in their retirement in future years.

Mr. BARRETT. Mr. Speaker, it is with mixed emotion that I join my colleagues in paying tribute to a fellow Pennsylvanian—ELMER J. HOLLAND. While I am pleased for the opportunity to honor him today, I am saddened because this is a goodby to a dear friend and colleague.

ELMER HOLLAND has spent many, many years in public service—in the Pennsylvania Legislature and in the U.S. Congress working for the improvement of his fellowman.

He has made and will leave his mark in the House of Representatives and on many important pieces of national legislation. We will miss him and his wise counsel.

Mr. SCHNEEBELI. Mr. Speaker, we all are going to miss our able colleague, the Honorable ELMER HOLLAND, both in our Pennsylvania delegation and in the Congress itself. He has been a highly respected Member for many years, both for his ability as a legislator in general, and his expert knowledge of labor legislation in particular.

During his years of service in the House, ELMER has maintained an excellent attendance and voting record, giving his constituents fine representation. All of us who have known him have learned to admire his determination and the way that he fights for his ideals and beliefs as they could best benefit all those whom he represents in the Congress.

ELMER has won a place in the records of activity of the House of Representatives which has been a major part of his life. He has worked hard during these years of service and has certainly earned a rest and the privilege and benefits of retirement. We all wish him "Godspeed."

Mr. GOODLING. Mr. Speaker, when the curtain is drawn on this 90th Congress, it will also fall on the distinguished legislative career of my good friend and colleague ELMER J. HOLLAND.

It is always hard to say farewell to someone whom you have known for so long, and my acquaintanceship with ELMER goes back to the time we served together in the State of Pennsylvania Legislature, quite a few years ago. It continued when we came to the House of Representatives to serve together at the Federal level.

ELMER has been a dedicated legislator and a fine public servant. The benefactors of his fine service are his constituents, his State, and his country.

He has contributed much to the proceedings of the House of Representatives, and as he has given of his talents and energy, so has he received the deep appreciation of his colleagues.

In his departure, ELMER will leave a host of legislative accomplishments and an abundance of good fellowship.

I sincerely hope that he harvests all the rewards to which his very fine legislative service has entitled him.

Mr. ROONEY of Pennsylvania. Mr. Speaker, I want to join my colleagues today in paying tribute to Representative ELMER HOLLAND, a Member whose contribution to the Congress and the Nation, during more than 12 years of dedicated service, has been invaluable. Congressman HOLLAND will retire this term from a public career that includes active duty in two world wars and eight terms in the legislature of his home State of Pennsylvania, in addition to his outstanding service here in the House of Representatives.

As chairman of the House Subcommittee on Unemployment and the Impact of Automation of the Committee on Education and Labor, Representative HOLLAND was almost single-handedly responsible for the conception, writing, and passage of one of the most important pieces of labor legislation in our country's history, the Manpower Development and Training Act of 1962. He has worked tirelessly to improve the welfare not only of his constituents, but of the entire Nation.

Congressman HOLLAND has earned the admiration and respect of everyone who has had the opportunity to know and work with him. I am proud to have been one of his colleagues. I know that every other member of the delegation from the great State of Pennsylvania shares my deep sense of gratitude to him for his loyalty, his patriotism, and his unfailing sense of civic and humanitarian responsibility. May I join all the friends and associates of Representative ELMER HOLLAND in extending my heartfelt congratulations for his distinguished public service, and in wishing him the best of luck and health in the years to come.

Mr. ZABLOCKI. Mr. Speaker, it is indeed an honor and a privilege to join my colleagues in paying tribute to the gentleman from Pennsylvania [Mr. HOLLAND] on the occasion of his retirement from the House of Representatives.

Mr. HOLLAND has been a devoted and conscientious representative from the 20th District of Pennsylvania and has earned the deep admiration and respect of his colleagues. His departure from the House will be a loss to the people of Pennsylvania. His record of accomplishments demonstrates a vital interest and deep concern for his fellowman. I join with my colleagues in wishing Congressman HOLLAND good health, happiness, and success in his future endeavors.

Mr. FRASER. Mr. Speaker, at the end of this term of Congress, ELMER HOLLAND, a valued member of the Pennsylvania delegation, will retire. His absence will be deeply felt. In his eight terms in Congress he has been an able and imaginative legislator and a good and trusted friend. His sponsorship of the Clark-Holland Manpower Development and Training Act of 1962 bespeaks his dedication to the health and public welfare of this great Nation.

The service which ELMER HOLLAND gave to the United States and to his native Pennsylvania, has been of the highest caliber. His work as a member of the House Committee on Education and Labor, has been regarded highly by his colleagues. His retirement from the House of Representatives will be a loss of the highest magnitude. I know that we all join, Mr. Speaker, in giving ELMER HOLLAND our best wishes in his new life here in Washington.

Mr. ROSTENKOWSKI. Mr. Speaker, I would very much like to add my voice in tribute to Elmer J. Holland who has seen fit to retire from the House at the end of this Congress.

It has been my privilege to have known Elmer for the past 10 years as a ranking member of the Committee on Education and Labor, as chairman of the Ad Hoc Subcommittee on Unemployment and the Impact of Automation, as chairman of the Select Labor Subcommittee and as an energetic and highly effective Congressman.

His military service spans both World Wars, which places him in an esoteric group of veterans.

He received part of his education in France and England and during the last war was attached to the Allied military government in Western Europe.

He has maintained an active role in the Veterans of Foreign Wars and the American Legion. He is also a card carrying member of Local 1272 of the United Steelworkers of America.

I hate to see a man of his wisdom and experience leave this illustrious body. His vivid connection with the history of United States' plunge into the 20th century provided us with a stabilizing force and an awareness of the commonsense approach to problems.

He supported the concept of tax deductions to aid in defraying the cost of educational expenses, he pressed for medical assistance for our senior citizens and was a champion of those whose interests he helped in his drive for increased social security benefits.

In his capacity as a member of the Education and Labor Committee he has done much to further the cause of higher education in this country.

Elmer Holland's seat in the Congress will be filled in good time but his leaving will create a void among those of us who knew him which can never be filled.

Mr. STUBBLEFIELD. Mr. Speaker, I wish to take this opportunity to join those of my colleagues who already have paid tribute to our close friend from Pennsylvania, Representative Elmer Holland, now that he has announced his retirement.

His sage advice and legislative craftsmanship will be sorely missed in these halls. The special efforts he has made to improve labor benefits and working conditions must be noted, because as a tireless, ceaseless champion of the workingman, Elmer Holland has no peer.

His membership on the Education and Labor Committee and his chairmanship of the Select Subcommittee on Labor should never be forgotten by the working men and women of this country.

For without the sustained endeavors of Representative Holland to lend dignity and security to the wage earner's life, that life would not now be as comfortable and secure as it is.

Elmer Holland has concerned himself with the entire range of problems which confronted his committee.

He introduced the first Federal scholarship bill which resulted in our present National Defense Education Act. The Manpower Development and Training Act of 1962 was a direct result of Mr. Holland's efforts to determine for President Kennedy how automation was affecting unemployment in the country.

These are only a few of Representative Holland's accomplishments during his many years in Congress. But if they comprised the total list it would still be an honor and privilege to say that I know him.

Mrs. HANSEN of Washington. Mr. Speaker, it is with a great deal of pleasure that I join my distinguished colleague from Pennsylvania, Congressman Morgan, in paying tribute to our very beloved Member from his State, Congressman Elmer J. Holland, who is retiring from Congress at the end of this session.

I had the great privilege of serving for 2 years on the Education and Labor Committee where Congressman Holland had been an able and capable subcommittee chairman. He was always a defender of the rights of human beings and worked tirelessly for the well-being of people.

Congress is going to miss his service and the men, women, and children of this Nation are losing one of their most outstanding and conscientious friends. I wish Congressman Holland and his family the very best for his retirement years.

I pay him farewell sadly and express my appreciation for his service joyously.

Mr. MATSUNAGA. Mr. Speaker, I join my distinguished colleagues here today in paying a farewell tribute to the Honorable Elmer J. Holland, whose announced retirement at the end of this session will leave a seat in these Chambers most difficult to fill.

For six full consecutive terms and parts of two other terms, Congressman Holland has served his great State of Pennsylvania with honesty, dignity, and rare ability. We have long recognized the tremendous dedication with which Elmer has marked his service in the House, and we have long applauded the noble fruits of his dedication. As a member of the House Committee on Education and Labor, Elmer was the first to introduce the Federal scholarship bill in Congress in 1956. Now known as the National Defense Education Act, this outstanding measure has paved the way for much-needed scholastic aid for students specializing in engineering and the sciences.

In 1962, our retiring colleague completed a nationwide survey on the problems of "Unemployment and the Impact of Automation," which led to the enactment of the Manpower Development and Training Act of 1962. The legislation in turn helped to bring about an awakening of the Nation to the demands of quality education as a prerequisite to employment in this area of complex technology and rapid advance in cybernetics.

It is with deep regret that I take note of Elmer Holland's planned departure from these Chambers. On countless occasions I have sat beside him on the front row of seats in the right section of this Chamber, and chatted with him. I have enjoyed his keen sense of humor perhaps little known to most of his colleagues. He will be sorely missed. I extend to him my fondest aloha and best wishes for happiness in all of his future endeavors.

Mr. RHODES of Pennsylvania. Mr. Speaker, I want to join with my colleagues in paying a deserving tribute to my good friend, Congressman Elmer J. Holland, for his dedicated service to his constituents and to the Nation.

Elmer's decision not to be a candidate for reelection ends a long and illustrious career. He served with the American Expeditionary Forces in World War I. In World War II he served as a major in the Allied Military Government in the European theater of operations.

He was a dedicated labor unionist, a longtime member of the United Steelworkers of America, Local 1272.

Before his election to the Congress, Elmer made a distinguished record in the Pennsylvania Legislature, serving for 20 years in the State house and senate.

He was a man of the people who was admired and respected by his constituents. Now that he will retire from Congress, I extend to him and his devoted wife, Emily, my best wishes for the years ahead.

Mr. DANIELS. Mr. Speaker, at the end of this session of the Congress we will be bidding farewell to a man who is not only a good friend of all Members on both sides of the aisle but one who has been a brilliant legislator. The Honorable Elmer Holland has been a personal friend for so long a time that it is hard to be objective about him. Yet, all Members cannot help but agree that in the 13 years he has served in this Congress he has made his mark upon American history.

Born in the city of Pittsburgh, where he still lives, Elmer Holland was an outstanding member of the Pennsylvania House of Representatives before coming to Congress in 1942 to fill an unexpired term. Gerrymandered out of his seat after one term here, he was later elected to the Pennsylvania State Senate and reelected to that honorable body three times before coming to Congress to stay in 1947.

As a member of the House Committee on Education, I have had the honor and privilege of working with Elmer for 10 years. I have seen him put his stamp on some of the greatest progressive legislation enacted in the history of this House and this Nation.

Elmer Holland has been a great legislator, a great American and a great human being. I know I speak for all his friends and colleagues when I wish him good health and happiness in his retirement years.

Mr. O'HARA of Michigan. Mr. Speaker, it is hard to know what to say on an occasion like this. I want to wish the gentleman from Pennsylvania well in the years that lie before him. But I also want to say, "Elmer, don't go." I, for one, will miss this quiet, courageous man very deeply.

Other Members, notably, the distinguished chairman of the Committee on Education and Labor, have talked about Elmer Holland's legislative contributions. I have had the good fortune to serve on the two subcommittees which Elmer Holland has chaired, and I know from personal experience, the magnitude of those contributions. There is more of Elmer Holland in MDTA than appears on the surface.

But it is Elmer Holland, the man, to whom I want to pay tribute today. I have come to know a great many men in this House whom I am proud to call friend. I have met many people, of both political persuasions, who have impressed me with their diligence, their courage, their insight into public problems. These virtues are rare in any group, but they are present in this House as they are elsewhere. ELMER has them all. But he has something more, which I am hard put to name. Perhaps at the risk of being misunderstood, I might most fittingly describe ELMER HOLLAND as a man of simplicity. By that I mean he has the knack of being able to see past the outward obscurity of a problem, right to the heart of the issue. He understands complexities, and he is not afraid to take the unpopular side of a complex issue. But even when he does so, he is able to state his case in terms of basic questions of right and wrong. He is right more often than anyone ought to be. And when he is wrong, he is usually wrong for very good-hearted reasons.

I will remember ELMER HOLLAND as long and as warmly as I will remember anyone with whom I have had the privilege of serving in this House. I will remember him as a gracious chairman, as a hard-working colleague, as a courageous Representative. I will remember him as a man who did not have much to say, but who, when he said it, you knew had gotten to the heart of the matter.

He has been my chairman. He has been my leader. He has been—and this is most important to me—my friend.

Mr. Speaker, in further tribute to our colleague, I have a telegram from a dedicated public servant who now serves as our Ambassador to France, the Honorable Sargent Shriver.

Ambassador Shriver writes:

> DEAR ELMER: During your years in the Congress you have distinguished yourself as a great public servant. You have always been in the vanguard of all those fighting for human rights, human dignity, better working conditions, a more just and equitable society for all Americans. I consider it an honor to join in saluting you for your devotion to the poor and humble, for your intelligence and courage in meeting the problems of our country directly and honestly. I hope you enjoy many happy years in retirement and I hope our country is lucky enough to discover others just like you to carry on your noble work.
>
> Ambassador SARGENT SHRIVER.
>
> PARIS, FRANCE.

Mr. FEIGHAN. Mr. Speaker, there is something a bit pensive about bidding farewell to a colleague who has decided to leave this body. ELMER HOLLAND and I have been good friends for the past 12 years. He possesses many of the characteristics of our pilgrim fathers—strong and sturdy in the face of adversity, a man with a keen and brilliant mind, a deep and abiding interest in his constituents and his country; a soldier who served with distinction in World Wars I and II. Everything ELMER HOLLAND does he performs with perfection. He is a genuine statesman in every sense of the word and has earned the respect and esteem of his colleagues. He has made an outstanding record in Congress and his affability has made him one of the most popular Members of Congress.

I join with my colleagues in wishing good health and God's blessings to ELMER and many years of happiness with his dear wife and children.

Mr. GIAIMO. Mr. Speaker, I rise today to pay tribute to the distinguished gentleman who has represented so ably the 20th District of Pennsylvania, the Honorable ELMER J. HOLLAND. He initially served in this body in the 77th Congress. He was again elected to fill a vacancy in the 84th Congress and has been elected to each succeeding Congress since that time.

During this time, ELMER HOLLAND has distinguished himself and the Congress by the service which he has performed for our Nation, his congressional district, and the State of Pennsylvania. I had the privilege of serving with him on the Education and Labor Committee, and personally witnessed the extraordinary quality of his work.

It has been a pleasure to have served in this body with such a dedicated, loyal, and personable gentleman. We shall suffer a great loss when he retires and departs the Halls of Congress at the end of this session.

I would like to take this opportunity to extend to my good friend and colleague, ELMER HOLLAND, every good wish and every happiness in his future endeavors.

Mr. GREEN of Pennsylvania. Mr. Speaker, when ELMER J. HOLLAND retires at the adjournment of this Congress, Pennsylvania and the Nation will be denied the participation of a man whose imagination, dedication, and leadership are easily measured by his legislative accomplishments. Bearing his name are acts of far-reaching significance to all Americans.

His signal achievement though has been in the area of manpower development training. His conception of the problem of unemployment, his tireless work to pass legislation that approaches this problem, provides a sorely needed solution to this Nation's most untolerable condition. If we can train people to work, we can open jobs, we can give a deprived one-fifth of the Nation the basic amenities they now seek, as well as the economic power to enjoy the American way of life that most of us enjoy. Most important, we are helping people to help themselves.

This is the legacy of ELMER HOLLAND. It is not a monument. It is a living program, a long-range answer to a national quest for freedom and equality for all.

Mr. ROONEY of New York. Mr. Speaker, I feel privileged to pay tribute today to the distinguished gentleman from Pennsylvania, the Honorable ELMER J. HOLLAND, who for 16 years has represented most ably and conscientiously not only the people of the 20th Congressional District of Pennsylvania but every working man and woman in this country.

As chairman of the Select Subcommittee on Labor of the House Education and Labor Committee, ELMER has worked diligently seeking answers to the problems which have beset labor in recent years—automation, representation, organization, and a just return for a day's work. A member of Local 1272 of the United Steelworkers of America, ELMER never was a stranger to labor's problems. Mr. Speaker, I join my colleagues here today in wishing well to ELMER HOLLAND and I must add that we shall miss him and his counsel in this body.

Mr. SCHEUER. Mr. Speaker, I appreciate this opportunity to pay tribute to my friend and colleague, ELMER J. HOLLAND, who is retiring at the end of this session.

Mr. HOLLAND has always been one of the harder working and more respected Members of Congress. I personally was privileged to work with him on the Committee on Education and Labor and continually benefited from his efforts as chairman of the Select Subcommittee on Labor.

Mr. HOLLAND, whose district is the city of Pittsburgh, was one of the early members of the United Steelworkers of America; and has always been sensitive to the needs of the cities and of the "outgroups" in our society. He is a strong and effective advocate of civil rights and of labor legislation. In particular, Mr. HOLLAND deserves our appreciation for his huge contribution to the Manpower Development and Training Act of 1962.

He has also performed a great service with regard to education. As early as 1956, well before the sputnik scare, he was introducing the first Federal scholarship bill. His efforts in this area have since helped lead to the passage of the National Defense Education Act.

During his 14 years in Congress, Mr. HOLLAND has consistently played a constructive role in responding to the country's problems. His retirement will be a loss to both the House and the Nation.

Mr. RODINO. Mr. Speaker, I am proud to join in paying tribute to my distinguished friend and colleague, ELMER HOLLAND. But it is also with regret that I rise on this occasion, for I realize that the House will be losing the services of an able and dedicated legislator.

During his eight terms in this body, ELMER has proved to be a champion of the rights of all the people as he worked tirelessly for progressive legislation. His fine service on the Education and Labor Committee also clearly demonstrated his commitment to those democratic principles in which he believes.

For 16 years ELMER has served his constituency, his State, and our Nation with distinction, and I join my colleagues in wishing him the very best in the years ahead.

Mr. REUSS. Mr. Speaker, at the close of this session, our friend and colleague, ELMER HOLLAND, is retiring from Congress. With his departure, this House will lose a dedicated and responsible Member.

A veteran of World War I and World War II, the gentleman from Pennsylvania wrote a considerable record of service before he joined this House, having served in both the Pennsylvania House of Representatives and Senate for more than 20 years.

For the past dozen years, ELMER HOLLAND has distinguished himself as a wise and able legislator in this body. A senior member of the Committee on Education and Labor and chairman of the Select Subcommittee on Labor, his experience and understanding will be greatly missed by all of us who sought the benefit of his thoughtful counsel.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I would like to join the gentleman from Pennsylvania in paying tribute to a great and honorable American who has done so much to help our Nation solve some of its most pressing problems. At the end of this session, the Honorable ELMER J. HOLLAND, of Pennsylvania, chairman of the Subcommittee on Labor, will retire from the House.

ELMER will be remembered by his colleagues and the people of the Nation long after he leaves the halls of Congress. Through his perseverance and diligent leadership he has helped the youth of America realize its potential and has guaranteed that changes in technology will not displace millions of American workers.

Recognizing the shortage of engineers and technicians, Representative HOLLAND in 1956 introduced the first Federal scholarship bill in Congress. Our present National Defense Act is a result of this scholarship bill.

Concerned with the effect of automation on unemployment, in 1956 ELMER introduced legislation which would require the President, under the Full Employment Act of 1946 to review the economic conditions of the Nation and provide retraining courses for those whose skills had been made obsolete by new technological developments. When the beloved late John F. Kennedy was elected President, he asked that Congressman HOLLAND investigate the problem of unemployment and the impact of automation and appointed him chairman of an ad hoc subcommittee dealing with this matter. The result of this penetrating research is the "Manpower Development and Training Act of 1962."

Congressman HOLLAND has fought for numerous other pieces of social legislation: Unemployment compensation, workmen's compensation, minimum wages, lowering the age for social security benefits, and permitting benefits to be paid to those disabled from 50 years of age on, and adequate health programs for those on social security.

We will always remember ELMER for his keen awareness and analysis of the problems facing our highly developed complicated society and for his fervent desire to find solutions. We will remember him for his loyalty, patriotism, sense of responsibility, and outstanding leadership.

I would like to congratulate him now on his distinguished record of service and wish him all the good fortune he deserves as he reenters private life.

Mr. CLARK. Mr. Speaker, it is a privilege to be able to pay some small tribute to my friend and colleague, ELMER HOLLAND. ELMER has been an outstanding public servant for almost 35 years and has devoted his energies to the State of Pennsylvania for almost half of his life. Twice he has served his country on the battlefields of world war. I have known ELMER HOLLAND for many, many years and know that he served long and well as a member of the State Legislature in Pennsylvania as well as a Member of the U.S. House of Representatives. His service and leadership among us will be remembered with respect and admiration. I join my colleagues in wishing ELMER happiness and contentment in his retirement.

Mr. McCORMACK. Mr. Speaker, at the end of this session of the 90th Congress, we will lose the dedicated service of the Honorable ELMER J. HOLLAND, who has represented the 20th Congressional District of Pennsylvania since 1956. Mr. HOLLAND has been a selfless and devoted legislator throughout his congressional career. His well-deserved retirement saddens his colleagues, for, during his years of services here, Mr. HOLLAND has earned our respect and admiration. We are losing a friend and leader.

Representative HOLLAND served for a time in the 77th Congress, having been elected to fill an unexpired term. Otherwise, his career before 1956 shows him to be a man of varied interests, executive and legislative skill, and devotion to public service.

He fought in both World Wars, serving in World War I in the AEF as a lieutenant in the Field Artillery. During World War II, he was a major in Allied military government in the ETO. He is a member of the American Legion and the Veterans of Foreign Wars.

Mr. HOLLAND is married to the charming Emily Wilson Holland, and they have two daughters, Mrs. Jane Hoveland and Mrs. Christine Cable. The Hollands are proud grandparents of Christopher J. and Michael S. Hoveland.

Before the special election of 1956 that was to begin his 12-year career in the U.S. Congress, Mr. HOLLAND was, at the beginning of his career, sales promotion and advertising manager of Consolidated Lamp & Glass Co. from 1920 to 1934. Between 1944 and 1956, he was staff representative, public relations, for the AFL–CIO. He served four terms each in the Pennsylvania House of Representatives and the Pennsylvania Senate. Thus, he came to us as an experienced executive, labor representative, and legislator.

Representative HOLLAND was assigned, appropriately, to the Committee on Education and Labor. He has served as chairman of the Subcommittee on Unemployment and the Impact of Automation and chairman of the Select Subcommittee on Labor. The first Federal scholarship bill was introduced by Mr. HOLLAND in 1956. It was after the Sputnik scare that his bill was brought out of committee, reintroduced, and passed.

Congressman HOLLAND was concerned about the effects of automation on the employment outlook for the future. He introduced legislation in 1956 which would require the President to review the economic conditions of the Nation and provide retraining courses for this whose skills had been replaced by automation. President-elect Kennedy was interested in Mr. HOLLAND's proposal, and asked him to study the problem of unemployment and the impact of automation. Representative HOLLAND worked diligently for the passage of what is now known as the Manpower Development and Training Act of 1962.

Representative HOLLAND has been a responsible, hard working, dedicated Member of Congress. He has been both creative and diligent in the discharge of his congressional responsibilities. He has done much to further the progress of the United States of America. Throughout his recent illness, he has continued to perform the duties of his office with the help of an efficient, capable, and devoted staff. I know I join the many other Members of Congress who have valued his friendship and his legislative contributions in wishing ELMER J. HOLLAND the very best in the future, and in expressing our warm regards and our utmost respect for him.

Mr. PHILBIN. Mr. Speaker, I am very happy to join in the tributes of respect, admiration and affection being expressed in this great Chamber for our very able, distinguished, beloved colleague, the esteemed gentleman from Pennsylvania, Hon. ELMER J. HOLLAND, who will be retiring from Congress at the end of this session.

It has been my high privilege to serve with ELMER J. HOLLAND ever since he came here, and like all other Members of the House, I hold ELMER in highest regard, esteem, and affection.

He has performed his duties with great ability, diligence and fine spirit of dedication, and his contributions to district, State, and country are innumerable and impressive, and will long be remembered in this great Chamber.

ELMER's place in this Chamber will be very difficult to fill indeed, and he will be greatly missed.

I hope that the Good Lord will bless and keep him for many years to come, and that he will enjoy all choicest blessings of restored health, contentment, happiness, and peace.

I am proud to hail and salute a great American in the person of my dear and valued colleague, ELMER HOLLAND. To enjoy the warm friendship and to be associated in the public service with this great man of the people has been a real honor and very happy privilege. Best always, ELMER.

Mrs. KELLY. Mr. Speaker, I wish to join with my colleagues today in paying tribute to ELMER J. HOLLAND, a most capable member of the Pennsylvania delegation who is retiring from the House of Representatives at the close of this session.

As chairman of the Select Subcommittee on Labor of the Committee on Education and Labor, ELMER HOLLAND has consistently taken the lead in the promotion of progressive legislation beneficial to workers throughout our Nation. The landmark provisions of the Manpower Development and Training Act of 1962, which originated in that subcommittee, stands as a monument to his service in the Congress, and will be remembered by millions of Americans in the years ahead.

My personal good wishes go to ELMER HOLLAND and may he be blessed with health and happiness in the years to come.

Mr. WHALLEY. Mr. Speaker, I am pleased to have the opportunity of paying tribute to ELMER J. HOLLAND, my good friend and distinguished colleague who has announced his retirement from Congress at the end of this session.

Congressman ELMER HOLLAND is a valued member of the Pennsylvania delegation. He has gained our deepest respect and admiration.

As a member of the House Education and Labor Committee, he deserves a lot of credit for the time and energy he has given in manpower development and training.

I want to express my best wishes and warmest personal regards to Congressman and Mrs. Holland, and I hope the many years ahead will be filled with good health and happiness.

Mr. HALPERN. Mr. Speaker, one of the most dedicated and patriotic Members of the House will be retiring at the end of this term. I would like to join all of my colleagues in paying tribute to Representative ELMER HOLLAND at the close of a magnificent career of public service, a career which has been entirely devoted to the welfare of his constituents, his home State of Pennsylvania and his country.

Congressman HOLLAND saw active duty in Europe during two World Wars. He served eight terms in his State's legislature, four in the Pennsylvania House of Representatives and four in the Pennsylvania Senate. He was elected to Congress in 1956, and has been reelected to every Congress since.

One of the finest pieces of labor legislation of all times, the Manpower Development and Training Act of 1962, was almost entirely the work of Representative HOLLAND. As chairman of the Subcommittee on Unemployment and the Impact of Automation of the House Committee on Education and Labor, he drafted, sponsored, and secured the passage of this landmark bill.

Congressman HOLLAND has earned the admiration and respect of everyone who has known or worked with him. His loyalty, his untiring devotion to duty, his outstanding contributions to creative legislation on behalf of the common man, and his cooperativeness and helpfulness in dealing with constituents and associates alike, make him one of the most outstanding legislators of our times.

May I join the hundreds of friends and associates of Representative HOLLAND in expressing my gratitude for his services to the Congress and the country, and in wishing for his continued good health and good fortune in a long and happy retirement.

THE 100TH ANNIVERSARY OF ELECTION OF FIRST AMERICAN NEGRO, HON. JOHN WILLIS MENARD, TO U.S. HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DIGGS] is recognized for 1 hour.

Mr. DIGGS. Mr. Speaker, in this year of 1968, when so much has transpired in the realm of human relations of a truly incredible nature, we pause for a brief moment to observe the 100th anniversary of the election of the first American Negro to the U.S. House of Representatives, the Honorable John Willis Menard, Second Congressional District, State of Louisiana, 40th Congress, November 3, 1868.

Let us review briefly the progress in representation of the American Negro in the U.S. House of Representatives over the past 100 years.

HISTORICAL SURVEY OF NEGRO CONGRESSMEN AND SENATORS

The initiation of the Negro into American political life came with the Reconstruction Era and the passage of the 13th, 14th, and 15th amendments to the Constitution. This is not to say that the Negro had no political experience prior to 1865, but his experience was severely limited and varied widely from State to State. During the period between 1787 and 1865, only Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont allowed Negroes the suffrage on equal terms with whites. All other States, at some time, prevented Negroes from voting and thus from exercising other political rights, such as officeholding.

Some States gave Negroes the suffrage in the late 18th and early 19th centuries but eventually excluded them. Among these States were Kentucky, North Carolina, and Tennessee. New Jersey's Constitution of 1776 was unique in that not only were Negroes allowed to vote but also women and aliens were permitted to exercise the suffrage. In 1807, however, a "clarifying act" was passed which excluded all but free, white, male citizens from the polls in New Jersey. In New York the Negro was never entirely eliminated from the ranks of voters, but he had to satisfy more stringent qualifications than his white counterpart.

In spite of the fact that Negroes did enjoy the right to ballot to some degree prior to the passage of the 13th, 14th, and 15th amendments, only one Negro, John Mercer Langston, was elected to public office in this period. In 1855 he was elected on the Liberal Party ticket to the post of township clerk in Brownhelm, Ohio. Since that time, however, the Negro has not only received the ballot, he has gained representation as well, at all levels of government, and 31 black men have sat in Congress: 28 Representatives and three Senators.

PART I

There are two distinct periods of Negro membership in Congress. The first period immediately followed the Civil War and lasted until the beginning of the 20th century. In this period without exception the Negro Congressmen were Republicans from the South, and more exactly, were from one of the States that was in one of the five military districts created by Congress in the Reconstruction Act of 1867. No Negro was elected from Tennessee or Maryland—former slave States that were not subject to Reconstruction—and none was elected from the North. Following are brief biographies of the two Negro Senators and 20 Negro Representatives who served in Congress in this period.

HIRAM RHODES REVELS

The first Negro ever to sit in the U.S. Senate, Hiram Rhodes Revels was born in Fayetteville, N.C., on September 27, 1827. He attended the Quaker Seminary, Union County, Ind., and Darke County, Ohio, Seminary. He graduated from Knox College in Bloomington, Ill., and was ordained a minister in the African Methodist Episcopal Church at Baltimore, Md., in 1845. He served congregations in Indiana, Illinois, Kansas, Kentucky, Tennessee, and Missouri, and in 1860 accepted a pastorate in Baltimore, Md. At the outbreak of the Civil War, Revels assisted in organizing the first two colored regiments in Maryland. He served in Vicksburg, Miss., as chaplain of a colored regiment in 1864, and settled in Natchez in 1866.

His political career began when he was elected alderman of Natchez in 1868. He became a member of the State senate in 1870. Upon the readmission of Mississippi to representation he was elected as a Republican to the U.S. Senate and served from February 23, 1870, to March 3, 1871, taking the seat that had belonged to Jefferson Davis, the former president of the Confederate States of America. In the Senate, Revels served on the Committees on Education and Labor, and the District of Columbia.

Following his retirement from active politics, Revels served as president of the Alcorn Agricultural College in Rodney, Miss., from 1876 to 1882. He died in Aberdeen, Miss., while attending a church conference on January 16, 1901.

BLANCHE KELSO BRUCE

Blanche Kelso Bruce, the first Negro to serve a full term as a U.S. Senator, was born a slave near Farmville, Va., on March 1, 1841. He was tutored by his master's son, but when the Civil War began, he left his master. He taught school for a time in Hannibal, Mo., and later attended Oberlin College, Ohio. After the war he became a planter in Mississippi. From 1872 to 1875 he was sheriff and tax collector of Bolivar County, Miss.

In 1874 Bruce was elected Senator from the State of Mississippi and served from March 4, 1875, to March 3, 1881. In the Senate, Bruce defended the rights of all minority groups, including those of the Chinese and the American Indian. He also worked for the improvement of navigation on the Mississippi River with an eye to increasing interstate and foreign commerce in the area. He was also a supporter of legislation that would eliminate reprisals against those who had opposed Negro emancipation. Bruce served on a number of committees during his term in the Senate, among them the Committee on Education and Labor and the Select Committee on Levees of the Mississippi River. During the last 2 years of his term—the 46th Congress—he served as chairman of the Select Committee to Investigate the Freedman's Savings & Trust Co.

After he completed his term in the Senate, Bruce was appointed Register of the U.S. Treasury Department by President Garfield, an appointment that he held until 1885. From 1891 to 1893 he held the position of Recorder of Deeds in Washington, D.C. In 1897 President McKinley appointed him to his former position as Register of the U.S. Treasury Department, and he held this position until his death on March 17, 1898.

JOHN WILLIS MENARD

The first Negro to be elected to Congress was John Willis Menard of New

Orleans, La.—whose great-granddaughter, Miss Edith Menard, is a schoolteacher in Washington, D.C. Menard was born in Kaskaskia, Ill., where his New Orleans Creole parents had moved prior to the Civil War. During the Civil War he came to Washington and was appointed a clerk in the Bureau of Emigration of the Interior Department. This appointment marked the first time a Negro had held a clerkship in Government service.

In 1865, at the close of the Civil War, Menard moved to New Orleans where he was first appointed inspector of customs and later became street commissioner. While in New Orleans he published two newspapers: the Free South, and then the Radical Standard.

In 1868 Menard was nominated and elected on the Republican ticket to the 40th Congress to fill the unexpired term of James Mann of the Second District of Louisiana who had died August 28, 1868. A bizzare three-way contest for the seat developed when Caleb S. Hunt, Democrat, challenged Menard's election and Simon Jones, Republican, contested the right of the deceased James Mann to have held the seat. The House of Representatives decided against all three claimants and the seat remained vacant until Lionel A. Sheldon was seated in the 41st Congress, March 4, 1869. But all three men were given $2,500, the pay that they would have received if they had been seated.

Since Menard was never seated, the distinction of being the first Negro to serve in Congress cannot be granted him. However he may be credited with another important "first." During the course of the debate on the question of whom to seat in Mr. Mann's place, a motion was made and passed to allow each contestant 15 minutes to state his case. Menard was the only one to avail himself of this privilege and thereby became the first Negro to speak on the floor of the House of Representatives.

JOSEPH HAYNE RAINEY

Joseph Hayne Rainey was the first Negro ever to serve in the House of Representatives. Born on June 21, 1832, in Georgetown, S.C., Rainey received a limited education and followed the trade of barber. In 1862 he was drafted to work on the Confederate fortifications in Charleston Harbor, but he eventually escaped to the West Indies and did not return to South Carolina until the end of the Civil War.

In 1868 Rainey became a delegate to the State constitutional convention, and in 1869 he was elected to the State senate. He resigned in 1870 and was elected to the 41st Congress from the First District of South Carolina to fill the vacancy caused by the resignation—and subsequent condemnation by the House for improper conduct—of B. Frank Whittemore. Rainey took office on December 12, 1870, and served until 1879—the 45th Congress.

In Congress Rainey served on the Committee on Freedmen's Affairs and worked for legislation to enforce the 14th amendment. He also was a strong supporter of the 1870 Ku Klux Klan Act and in his own right presented numerous petitions for the passage of a civil rights bill which would guarantee Negroes their full constitutional rights, including equal access to public accommodations. In fighting for this latter right Rainey staged what was, perhaps, the first sit-in when he refused to leave the dining room of a Suffolk, Va., hotel and was forcibly ejected by the management.

Other legislation that Rainey advocated included a bill to establish a steamship line between the United States and Haiti and legislation to protect the rights of the Chinese in California. During his years in Congress Rainey made another important "first." He was the first Negro to preside over the House of Representatives during a debate.

After his retirement from politics in 1879, Rainey was appointed internal revenue agent for the Treasury Department in Washington, D.C., and he served until 1881. He then engaged in banking and the brokerage business until 1886, when he retired and returned to Georgetown, S.C., where he died on August 1, 1887.

JEFFERSON FRANKLIN LONG

Born a slave near Knoxville, Ga., on March 3, 1836, Jefferson F. Long is the only Negro from the State of Georgia ever to serve in Congress. A self-educated man, Long moved to Macon, Ga., while a young man and obtained work with a merchant tailor. Eventually he saved enough money to open a shop of his own.

After the end of the Civil War, Long turned to politics and gained an influential position in his local Republican Party. In 1869 he won the Republican nomination for Representative of the Fourth District of Georgia to fill the vacancy caused by the House's declaring Samuel F. Gove not entitled to the seat. Long served from December 22, 1870, to March 3, 1871—the 41st Congress. While in Congress he campaigned against the spread of lynch law in Georgia and for the enforcement of the 15th amendment and universal suffrage in the District of Columbia.

At the end of his term Long retired to his successful tailoring business in Macon. In 1874 he attended the Southern Republican Convention in Chattanooga, and in 1880 he was a delegate to the Republican National Convention that nominated Garfield and Arthur. He died in Macon on February 5, 1900.

ROBERT BROWN ELLIOTT

Robert B. Elliott was born in Boston, Mass., August 11, 1842. His parents were from the West Indies and much of his education was received abroad, first in Jamaica and then in England where he graduated from Eton with honors in 1859. While in England he also studied law. He was admitted to the bar and practiced in Columbia, S.C.

Elliott's political career began when he was chosen a member of the State constitutional convention in 1868. He was elected a member of the State house of representatives and served from July 6, 1868, to October 23, 1870. He then served as assistant adjutant general of South Carolina 1869–71 until his election as a Republican to the 42d Congress from the Third District of South Carolina. Elliott was reelected to the 43d Congress but tendered his resignation, effective November 1, 1874, and returned to the State house of representatives from 1874 to 1876 where he became speaker. While in Congress Elliott served on the Committees on the Militia and on Education and Labor.

In 1881 Elliott moved to New Orleans where he practiced law. He died there on August 9, 1884.

ROBERT CARLOS DE LARGE

Robert C. DeLarge was born in slavery in Aiken, S.C., March 15, 1842. He was one of the lucky few Negroes of his day to receive a fairly good education and was graduated from Wood High School in Aiken. During Reconstruction he became a highly successful farmer.

DeLarge entered politics in 1868 when he became a delegate to the State constitutional convention. Then he was elected to the State house of representatives where he served until he presented his credentials as Republican Member-elect to the 42d Congress from the Second District of South Carolina. While in Congress DeLarge was a member of the Committee on Manufactures.

DeLarge's election to Congress had been contested by Christopher C. Bowen on the grounds of voting irregularities; and on January 24, 1873, while DeLarge was on a leave of absence to investigate the original election returns, a congressional commission on elections declared the seat vacant. In failing health, DeLarge never returned to Congress, but later in 1873 he was appointed a magistrate of the city of Charleston, a position which he retained until his death on February 14, 1874.

BENJAMIN STERLING TURNER

The first Negro Congressman from Alabama, Benjamin Turner was born a slave on March 17, 1825 in Halifax, N.C. When he was 5 years old, he was taken to Alabama where he was emancipated and received an elementary education. He became engaged in mercantile pursuits and later was the owner of a prosperous livery stable.

In 1867 Turner was elected tax collector of Dallas County, Ala., and in 1869 he served as councilman of the city of Selma. In 1870 Turner was unanimously chosen by the Republican Party to run for the office of Representative of the First District of Alabama, and was elected to the 42d Congress. Turner was a member of the Committee on Invalid Pensions during his term as Congressman. Although he was renominated in 1872, a split within the Alabama Republican Party led to his defeat and eventual retirement from active politics. In 1880 he was a delegate to the Republic National Convention in Chicago.

After his retirement Turner became a farmer. He died in Selma on March 21, 1894.

JOSIAH THOMAS WALLS

The only Negro Congressman ever elected from the State of Florida, Josiah Walls was born in Winchester, Va., on December 30, 1842. His education was very limited as was that of most Negroes of his day. He moved to Florida while a young man and was a successful truck farmer when the Civil War broke out.

Walls was drafted into the Confederate Army and served in an artillery battery until he was taken prisoner by the Union forces during a battle at Yorktown. A short time later he joined the ranks of the Northern army, and at the war's end, he was a sergeant-major.

When the war was over, Walls returned to Florida and his farm, but shortly thereafter he became involved in politics. In 1868 he was a delegate to the State constitutional convention. From 1869 to 1872 he served in the State senate. In 1870 he was elected a Republican Congressman at Large to the 42d Congress and served from March 4, 1871, to January 29, 1873, when his election was successfully contested by Silas L. Niblack. He was reelected to the 43d and 44th Congresses. But his last election was contested and on April 19, 1876, he was forced to yield his seat to Jesse J. Finley.

During his time in Congress Walls served ably on the Committee on the Militia. He strongly backed the position that the United States should lend military support to the insurgent Cubans who were then revolting against Spain. Walls' reasons for taking this position were primarily humanitarian: Spain had not only brought African slaves to the island to work on the plantations, but had also enslaved and brutally mistreated the native Indian population.

After the close of his congressional career, Walls returned to his farm in Florida. After a severe frost brought him close to financial ruin, he accepted the post of superintendent of a farm on the campus of Tallahassee State College. He died in Tallahassee on May 5, 1905.

RICHARD HARVEY CAIN

Richard Cain was born in Greenbrier County, Va., on April 12, 1825. His parents were free Negroes, and while Richard was still a child they moved northward to Gallipolis, Ohio, where he attended school and worked on the steamboats. At the age of 16 Cain was converted to Methodism, and 3 years later, in 1844, he was licensed to preach in Missouri for the Methodist Episcopal Church. Later he returned to Ohio, and in 1859 he entered Wilberforce—now Central State College. After 2 years at Wilberforce he was given a pastorate in Brooklyn, N.Y., where he remained until the close of the Civil War.

After the Civil War was over, Cain was sent to South Carolina to minister to the newly freed slaves. He was an outstanding evangelist, traveling all over the State in the manner of the founder of Methodism, John Wesley. It has been estimated that about 100,000 people joined the Methodist Church in South Carolina because of his influence. In 1868 he started a newspaper in Charleston called the Missionary Record which soon became an influential voice within the State.

Like Elliott and Rainey, Cain entered politics by being elected a delegate to the 1868 South Carolina Constitutional Convention. He was elected a member of the State senate and served from 1868 to 1872. In 1872 he was elected as a Republican to the 43d Congress and in 1876 he was again elected to Congress—the 45th. He was not a candidate for renomination in 1874 or in 1878. During his first term in Congress he served on the Committee on Agriculture, and during his second he served on the Committee on Private Claims.

During his stay in Congress Cain became known for being a fighter for clean politics. He was one of the founders of the South Carolina Honest Government League. Throughout his congressional career he was honored by men of varied political persuasions as a man who could be trusted.

Following his retirement from active politics, Cain was appointed African Methodist Church Bishop of the Texas and Louisiana conference. He also served as president of Paul Quinn College, a Methodist institution in Waco, Tex. He died on January 18, 1887, in Washington, D.C.

JOHN ROY LYNCH

The first Negro Congressman from Mississippi, John Roy Lynch was born a slave in Concordia Parish, La., on September 10, 1847. In 1863 he was taken to Natchez, Miss., and after emancipation took up the profession of photography. By attending night school, he managed to obtain a fair education.

In 1869 Lynch was appointed justice of the peace for Adams County, Miss. by Governor Ames, and that same year he was elected a member of the State house of representatives. He served until 1873 and during his last term was speaker. In 1872 Lynch won the Republican nomination for Congressman of Mississippi's Sixth District. He was elected and served in the 43d and 44th Congresses. He was defeated in his bid for reelection to the 45th Congress, but he successfully contested the election of James R. Chalmers to the 47th Congress and served from April 29, 1882 to March 3, 1883. He was beaten in his try for reelection in 1882 and returned to his plantation in Adams County where he engaged in farming.

Lynch's career in politics did not end with his last term in Congress. He was chairman of the Republican State Executive Committee from 1881 to 1889. He was a delegate to the Republican National Conventions in 1872, 1884, 1888, 1892, and 1900. In 1884 he was named temporary chairman of the Republican National Convention at Chicago, and presided over the opening ceremonies, being the first of his race to do so. From 1884 to 1889 Lynch was a member of the Republican National Committee for the State of Mississippi.

Lynch was then appointed by Benjamin Harrison as fourth auditor of the U.S. Treasury and served from 1889 to 1893, but declined this appointment when it was offered by Grover Cleveland. He then took up the study of law, and in 1896 was admitted to the Mississippi bar. Because of his vigorous campaign on behalf of the Republican ticket in 1896, he was named an additional paymaster of volunteers during the Spanish-American War by President McKinley. He did an excellent job and after the end of the war he received an appointment as paymaster in the Regular Army with the rank of captain. In 1906 he was promoted to major and in 1911 he retired from the Regular Army.

In 1912 he moved to Chicago where he continued the practice of law and wrote two books: "The Facts of the Reconstruction" and "Some Historical Errors of James Ford Rhodes." He died in Chicago on November 2, 1939.

JAMES THOMAS RAPIER

Born in Florence, Ala., on November 13, 1837, James Rapier obtained his early education from private tutors engaged by his father and owner who was a successful planter. He later studied at Montreal College in Canada, at the University of Glasgow in Scotland, and at Franklin College in Nashville, Tenn. He was trained as a lawyer and admitted to the bar but never practiced this profession. He taught school for a while and after the close of the Civil War he traveled through the South as a correspondent for a northern newspaper. In 1865 he bought a plantation in Alabama and became a successful cotton planter.

Rapier was a delegate to the first Republican convention held in Alabama and was a member of its platform committee. The platform promulgated by the Republican called for free press, free speech, and free public education. In 1867 he was chosen as a member of the State constitutional convention and backed provisions for universal suffrage and a free public school system.

Rapier next turned his attention to the field of labor and began urging urban workers and sharecroppers to organize. As a result of his influence and under his chairmanship, Alabama Negroes set up their first Negro labor convention. After fathering this vigorous labor movement, Rapier next became editor and publisher of the Montgomery Sentinel in which he expounded his views.

In 1872 he was elected as a Republican to the 43d Congress from the Second District of Alabama and served from March 4, 1873, to March 3, 1875. While in Congress he served on the Committee on Education and Labor and thus found an outlet for his libertarian ideas. He, quite naturally, was a strong supporter of the Civil Rights Act of 1875. The rise of the Ku Klux Klan caused him to lose his bid for reelection.

In 1879 Rapier represented his State as a commissioner of the United States to the World's Fair in Paris. He was appointed collector of internal revenue for the Second District of Alabama in 1878 and served until his death in Montgomery on May 31, 1883.

ALONZO JACOB RANSIER

Alanzo Jacob Ransier was born free on January 3, 1834, in Charleston, S.C. He received a limited education and began work as a shipping clerk in 1850. He was a member of the convention of the Friends of Equal Rights at Charleston in 1865 and was sent by that convention to carry its petition seeking Federal protection for Negro citizens to Congress. He was a member of the State constitutional conventions in 1868 and 1869, and was a presidential elector on the Republican ticket of Grant and Colfax in 1868. Two years later he was elected Lieutenant

Governor of South Carolina, amassing a 33,000-vote plurality.

In 1872 he was a delegate to the Republican National Convention at Philadelphia, and later that year he was elected to the 43d Congress from the Second District of South Carolina. In Congress he served on the Committee on Manufactures and became a key figure in the fight for the 1875 Civil Rights Act. He also advocated the extension of the presidential term to a period of 6 years, voted for the national tariff, and sought funds for the improvement of Charleston harbor. Ransier did not gain his party's nomination for a second term in Congress, and he returned to Charleston where he served as U.S. Internal Revenue collector for the second district in 1875 and 1876. He died in Charleston on August 17, 1882.

JEREMIAH HARALSON

Born on a plantation near Columbus, Ga., on April 1, 1846, Jeremiah Haralson, like most members of his race at that time, received only a limited education. After emancipation he moved to Alabama where he became a farmer and a minister of the gospel. In 1870 he became a member of the State house of representatives and served in the State senate in 1872.

Haralson was unsuccessful in his first try for election to Congress in 1868, but in 1874 he was elected as a Republican to the 44th Congress from the First District of Alabama. Once in Congress, Haralson was such an ardent defender of the principle of amnesty that he incurred the opposition of many members of his party. Among his chief opponents was James T. Rapier who accused him of maintaining too close a relationship with Jefferson Davis.

Following his congressional career, Haralson was appointed to a Federal position in the U.S. customhouse in Baltimore, Md., and later was employed as a clerk in the Interior Department. In 1882 he was appointed to the Pension Bureau in Washington, D.C., and served until 1884 when he resigned. Haralson moved around a lot after leaving Washington, going first to Louisiana where he took up farming, and then to Arkansas, Alabama, Texas, Oklahoma, and Colorado where he was engaged in coal mining. He was killed while hunting by wild beasts near Denver, Colo., about 1916.

JOHN ADAMS HYMAN

John A. Hyman, the first Negro to serve North Carolina as Congressman, was born a slave near Warrenton, N.C., on July 23, 1840. He was sold and sent to Alabama where he remained until the close of the Civil War. He returned to North Carolina in 1865 and became a farmer. He was a delegate to the State equal rights convention in 1865 and to the State constitutional convention in 1868. He was also a member of the State senate from 1868 to 1874, when he was elected as a Republican to the 44th Congress from the Second District of North Carolina. He served on the Committee on Manufactures during his term in Congress.

Unsuccessful in his bid for renomination in 1876, Hyman returned to agricultural pursuits. In 1877 he was appointed special deputy collector of internal revenue for the fourth district of North Carolina and served there until 1878. He died in Washington, D.C., on September 14, 1891.

CHARLES EDMUND NASH

Charles E. Nash, the first and only Negro ever to serve as Congressman from Louisiana, was born on May 23, 1844, in Opelousas, La. He received a limited education and was working as a bricklayer when, in 1863, he enlisted in the Union Army. He lost a leg during the storming of Fort Blakely in Alabama—the last infantry battle of the Civil War—and was honorably discharged with the rank of sergeant major. He was then appointed night inspector of customs for Louisiana.

Nash was elected as a Republican from the Sixth District of Louisiana to the 44th Congress and served on the Committee on Education and Labor. He was renominated but lost the election for the 45th Congress, and retired to Louisiana. He accepted an appointment as postmaster at Washington, La., and served from February 15, 1882, to May 1, 1882. He died in New Orleans on June 21, 1913.

ROBERT SMALLS

Robert Smalls was born a slave in Beaufort, S.C., on April 5, 1839. He received a limited education and worked at a number of odd jobs before the outbreak of the Civil War. After the war began, he joined the crew of the *Planter*, a Confederate dispatch and transport steamer. On the morning of May 13, 1862, smuggling his wife and three children on board, Smalls took command of the ship and sailed her into the hands of the Union squadron that was blockading Charleston Harbor. For this exploit he was rewarded by President Lincoln by being named a pilot in the Union Navy. He was also awarded a large sum of money for what constituted the delivery of war booty. For sailing the *Planter* to safety during the siege of Charleston, December 1863, Smalls was promoted to captain, the only Negro to hold such a rank during the Civil War.

After the end of the Civil War, like many ambitious Negroes, Smalls saw opportunity beckon in politics. He was a member of the State constitutional convention in 1868, and was elected to the State senate in 1870. He then served as a delegate to the Republican National Convention at Philadelphia in 1872 and at Cincinnati in 1876.

In 1875 Smalls began his congressional service. He was elected as a Republican from South Carolina to the 44th, 45th, and 49th Congresses. He was unsuccessful in his bid for election to the 46th and 50th Congresses, but successfully contested the election of George D. Tillman to the 47th Congress and was elected to the 48th Congress to fill the vacancy caused by the death of Edmund W. M. Mackey. During his terms in Congress Smalls served on several committees, including Agriculture and the Militia. He consistently supported progressive legislation that would have provided equal accommodations for Negroes in interstate travel. He also promoted a bill that would have guaranteed the rights of children born of interracial marriages.

In 1897 Smalls was appointed a collector of the port of Beaufort, S.C., and served until 1913. He died in Beaufort on February 22, 1915.

JAMES EDWARD O'HARA

James Edward O'Hara was born in New York City on February 26, 1844. He received an above-average education for his day and studied law in North Carolina and at Howard University in Washington, D.C. His political career began when he was elected a member of the North Carolina constitutional convention in 1868; he was named engrossing clerk for this convention. He also served in the State house of representatives in 1868 and 1869.

In 1873 he was admitted to the bar, and in 1875 he was one of six Negro delegates to the State constitutional convention. In 1878, O'Hara unsuccessfully contested the election of William H. Kitchin to the 46th Congress. But in 1882 he was elected as a Republican from the Second District of North Carolina and was reelected in 1884. In Congress O'Hara served on the Committees on Mines and Mining, Expenditures on Public Buildings, and Invalid Pensions. Like most other Negro Congressmen, he was vitally interested in the civil rights issue. He proposed one bill, which was shelved, that would have guaranteed Negroes equal access to public dining facilities. However, he did manage to attach a rider to an interstate commerce bill which guaranteed to all citizens equal accommodations. Having lost his bid for reelection in 1886, O'Hara retired to New Bern, N.C., where he resumed his practice of law. He died there on September 15, 1905.

HENRY PLUMMER CHEATHAM

Born in Henderson, N.C., on December 27, 1857, Henry Cheatham went to public schools and graduated from Shaw University in Raleigh, N.C., with a B.A. and an M.A. He was principal of the State normal school for colored students at Plymouth, N.C., in 1883 and 1884. He then moved back to Henderson where he served as register of deeds of Vance County until 1888. He studied law but did not practice.

In 1888 Cheatham was elected as a Republican to the 51st Congress from the Second District of North Carolina. He was reelected to the 52d Congress but failed in his bid for the 53d Congress. The committees on which Cheatham served were Agriculture, Education, and Expenditures on Public Buildings. Following his congressional career, he was elected a delegate to the Republican National Conventions of 1892 and 1900. From 1897 to 1901 he served as recorder of deeds in the District of Columbia, a position which later came to be recognized as an emblem of leadership in Negro political circles.

In 1907 Cheatham moved to Oxford, N.C., where he served as superintendent of the North Carolina Colored Orphanage until his death. He had been one of the founders, incorporators, and directors of this institution, founded in 1887. He was also prsident of the Negro Association of North Carolina, and engaged in farming and lecturing. He died in Oxford on November 29, 1935.

JOHN MERCER LANGSTON

Born a slave in Louisa, Va., on December 14, 1829, John Mercer Langston was of Negro, Indian, and English parentage. After the death of his father and owner, he was emancipated and sent to Ohio where he lived with a friend of his father's and attended school. In 1849 he graduated from the literary department of Oberlin College and from the theological department in 1852. He studied law in Elyria, Ohio, was admitted to the bar in 1854, and began practice in Oberlin.

Langston's career after this point reads like an honor roll. In 1855 he became the first Negro elected to public office in the United States when he won the post of township clerk in Brownhelm, Ohio. During the Civil War he was a recruiter for the famed Negro regiments of the 54th and 55th Massachusetts and 5th Ohio. He was a member of the council of Oberlin 1865 to 1867; was a member of the city board of education in 1867 and 1868; and was appointed inspector general of the Bureau of Freedmen, Refugees, and Abandoned Lands in 1868.

Then he moved to Washington, D.C., to practice law. He was dean of the law department of Howard University from 1869 to 1876; was appointed and commissioned by President Grant a member of the Board of Health of the District of Columbia in 1871; was appointed by President Hayes Minister Resident and consul general to Haiti and Chargé d'Affaires to Santo Domingo; was elected vice president and acting president of Howard University in 1872.

In 1876 he was elected a delegate to the Republican National Convention at Cincinnati. He then returned to Virginia where he was elected president of the Virginia Normal and Collegiate Institute at Petersburg in 1885. He was a delegate to the Republican State convention in 1890. He successfully contested the election of Edward C. Venable to the 51st Congress and served from September 23, 1890, to March 3, 1891, as a Republican from the Fourth District of Virginia. He was unsuccessful in his try for election to the 52d Congress. He died in Washington, D.C., on November 15, 1897.

THOMAS EZEKIEL MILLER

Thomas E. Miller was born in Ferrebeville, S.C., on June 17, 1849. He moved with his parents to Charleston in 1851 and attended the public schools in Charleston and in Hudson, N.Y. During this time he worked as a newsboy on a railroad. He was graduated from Lincoln University in Pennsylvania in 1872, and moved to Grahamville, S.C., where he served as school commissioner of Beaufort County. He was elected a member of the State house of representatives in 1874, 1876, and 1878. He studied law and was admitted to the bar in 1875. In 1880 he served in the State senate. A Republican, he successfully contested the election of William Elliott to the 51st Congress and served from September 24, 1890, to March 3, 1891, but was unsuccessful in his bid for reelection to the 52d Congress. He again became a member of the State house of representatives in 1894, and was a member of the State constitutional convention in 1895.

In 1896 he was elected president of the State colored college in Orangeburg, S.C., where he served until 1911. He retired from active pursuits in 1911 and lived in Charleston until 1923 when he moved to Philadelphia. In 1934 he returned to Charleston where he resided until his death on April 8, 1938.

GEORGE WASHINGTON MURRAY

The only Negro Representative in the 53d and 54th Congresses, George Washington Murray was born a slave in Rembert, S.C., on September 22, 1853. After emancipation he attended the public schools and spent 2 years at the University of South Carolina at Columbia. He taught school for 15 years and was named inspector of customs of the port of Charleston, S.C., from 1890 to 1892.

In 1892 he was elected as a Republican from the Seventh District of South Carolina to the 53d Congress. He successfully contested the election of William Elliott to the 54th Congress and served from June 4, 1896, to March 3, 1897. In Congress he served on the Committees on Education, and on Expenditures on the Treasury Department. He backed better schooling opportunities for Negroes in the South. He also had printed a list of inventions which had been patented by Negroes, neglecting to mention the fact that eight of these were for his own agricultural implements.

Murray returned to Sumter County in 1897 and began a new career in real estate. He moved to Chicago in 1905 and busied himself with literary pursuits and lecturing. He died in Chicago on April 21, 1926.

GEORGE HENRY WHITE

George Henry White was born in Rosindale, N.C., on December 18, 1852. He attended public schools and graduated from Howard University in Washington, D.C., in 1877. He then studied law and was admitted to the bar in 1879. He began his practice in New Bern, N.C. In 1880 he was elected a member of the State house of representatives, and 4 years later he was elected a State senator. From 1886 to 1894 he was solicitor and prosecuting attorney for the Second Judicial District of North Carolina.

He served as a delegate to the Republican National Conventions in 1896 and 1900, and was elected as a Republican to the 55th and 56th Congresses from the Second District of North Carolina. He served on the Committees on Agriculture and the District of Columbia. In Congress he was an outspoken champion of the cause of Negro constitutional liberties and denounced lynching and mob rule.

White was not a candidate for renomination in 1900. Once out of Congress he worked to establish a Negro community near Cape May in New Jersey that was eventually known as Whitesboro. He later retired to law practice in Philadelphia where he died on December 28, 1918.

PART II

The beginning of the 20th century marked the end of the first period of Negro participation as duly elected Members of Congress. On January 29, 1901, George Henry White stood in the House of Representatives for the last time. It was not until 28 years later that Congress was to greet its next Negro Member. By that time things had begun to change. No longer was the Negro electorate, and, as a result, the Negro representative, the exclusive property of the Republican Party. With the exceptions of Representative Oscar De Priest and Senator Edward Brooke, the Negro Member of Congress has been a Democrat, following the footsteps of Franklin D. Roosevelt. Without exception, the Negro Member of Congress was from a northern urban area. Following are brief biographies of the Senator and the eight Representatives who have served and are serving in Congress in this period:

EDWARD W. BROOKE

Edward Brooke of Massachusetts, the first Negro to be elected to the U.S. Senate in the 20th century, was born in Washington, D.C., on October 26, 1919. He attended the Washington public schools and won his B.S. degree from Howard University in 1941. He served in the Army in World War II and rose to the rank of captain, obtaining a Bronze Star citation for his work in intelligence. After the war, Brooke, returned to Massachusetts and entered law school at Boston University where he graduated in 1950 with a master of laws degree after spending 2 years—1946–48—as editor of the Law Review. After law school he established himself as an attorney and in 1961 was appointed by Gov. John Volpe chairman of the finance commission, city of Boston. He served until September 1962 when he was elected attorney general of the Commonwealth of Massachusetts. He was reelected in 1964, and in 1966 he won election to the Senate over former Massachusetts Gov. Endicott Peabody. Senator Brooke now serves on the Senate Committees on Aeronautical and Space Sciences, and Banking and Currency. He hastens to tell those who speak of him as the first Negro Senator from Massachusetts that he is not only a Negro in a predominantly white State, but a Protestant Republican in a Catholic Democratic State.

OSCAR DE PRIEST

Oscar De Priest, the first Negro to be elected from a northern State, was born in Florence, Ala., on March 9, 1871. In 1878 he moved with his parents to Salina, Kans., where he attended school. He took up the trade of painter and decorator, and in 1889 he moved to Chicago where he became a real estate broker. He was elected a member of the Board of Commissioners of Cook County in 1904 and served until 1908. In 1908 he served as an alternate delegate to the Republican National Convention. De Priest served on the Chicago City Council from 1915 to 1917. In 1928 he was elected as a Republican to the 71st Congress from the First District of Illinois and was reelected to the 72d and 73d Congresses. In Congress he served on the Committees on Enrolled Bills, Indian Affairs, Invalid Pensions, and Post Office and Post Roads.

De Priest found being a Republican and a Negro in the depression years a very difficult position to hold. He was often obliged to support Democratic candidates on the local level while generally supporting his party on the national level. In 1934 he was defeated in his bid for reelection and was defeated again in 1936 in a try for the 75th Congress.

De Priest remained active in politics after his defeats for Congress. In 1936 he was a delegate to the Republican National Convention and was again a member of the Chicago City Council from 1943 to 1947. He died in Chicago on May 12, 1951.

ARTHUR WERGS MITCHELL

Arthur Mitchell, the first Negro Democrat to be elected to Congress, was born on a farm near Lafayette, Ala., on December 22, 1883. He attended public school in Alabama and Tuskegee Institute, Columbia University in New York City, and Harvard University. He taught school for many years in Alabama and founded the Armstrong Agricultural School in West Butler, Ala. He studied law, was admitted to the bar in 1927, and began practice in Washington, D.C. In 1929 he moved to Chicago where he continued his practice of law and also engaged in real estate. He served as an alternate delegate to the Democratic National Convention in 1936, a delegate at large to the convention in 1940, and was the first Negro to address a national convention.

In 1934 he defeated Negro Republican Oscar De Priest for his seat in Congress and served from the 74th to the 77th Congress. His committee service in Congress was on the Committee on Post Office and Post Roads.

In Congress, Mitchell became a lobbyist for civil rights legislation, but his most significant victory in this field came not in Congress but in the courts. In 1937 he had brought suit against the Chicago & Rock Island Railroad for forcing him to leave his first-class accommodations while en route to Arkansas. He argued his own case before the Supreme Court in 1941 and won a decision which declared Jim Crow practices illegal.

Not a candidate for renomination in 1942, Mitchell resumed his law practice. He resided on his estate near Petersburg, Va., until his death in 1968.

WILLIAM LEVI DAWSON

WILLIAM L. DAWSON, the third Negro to be elected from Illinois' First District, has served in Congress longer than any other Negro: from 1943 to the present. Born in Albany, Ga., on April 26, 1886, he attended public school there. He graduated magna cum laude from Fisk University in Nashville, Tenn., in 1909, and attended the Northwestern University Law School at Evanston, Ill. During the First World War he served overseas as a first lieutenant from 1917 to 1919. He was admitted to the bar in 1920 and commenced practice in Chicago.

After 9 years as an attorney he ran for Congress as a Republican in 1928 but lost. He served as Republican State committeeman in the First Congressional District from 1930 to 1932. He was elected alderman for the second ward of Chicago and served from 1933 to 1939. During his service on the city council he became a Democrat and an avid supporter of Franklin Roosevelt. From 1939 to the present DAWSON has been Democratic committeeman from the second ward. He was elected in 1942 to the 78th Congress and has served ever since.

During the 81st and 82d Congresses he served as chairman of the Committee on Expenditures in the Executive Departments. He has been chairman of the Committee on Government Operations since the 84th Congress. Investigations by this committee, considered one of the most important on Capitol Hill, have resulted in lower costs of government for the U.S. taxpayer.

ADAM CLAYTON POWELL, JR.

Adam Clayton Powell was born on November 29, 1908, in New Haven, Conn. He attended public school in New York City and graduated from Colgate University, Hamilton, N.Y., in 1930; from Columbia University, New York City, in 1932; and won a theological degree from Shaw University, Raleigh, N.C., in 1934. He has been an ordained minister and has officiated at Harlem's Abyssinian Baptist Church since 1931. A member of the New York City Council in 1941, he has also served as publisher and editor of a newspaper in New York from 1941 to 1945; instructor at Columbia University Extension School Department of Religious Education, from 1932 to 1940; cofounder of the National Negro Congress; a member of the Consumer Division, State of New York, Office of Price Administration, from 1942 to 1944; and a member of the Manhattan Civilian Defense from 1942 to 1945.

In 1955 Powell was elected as a Democrat to the 79th Congress from the 18th District of New York, and he has been reelected to each succeeding Congress. In 1960 Powell become chairman of the Committee on Education and Labor. Under his leadership, a number of major bills have become law, including the Minimum Wage Act of 1961, the Manpower Development and Training Act, the National Defense Education Act, and the Vocational Education Act.

He was the center of a storm in 1930 when he organized a demonstration that caused the officials of Harlem Hospital to integrate their medical and nursing staffs. Denied his seat in the 90th Congress in January 1967, he won the special election in Harlem a few months later but has not presented his credentials to the House, preferring to wait the outcome of his court case that challenges the constitutional right of the House to have denied him his seat.

CHARLES COLES DIGGS, JR.

CHARLES C. DIGGS was born in Detroit, Mich., on December 2, 1922, and attended the local schools. He attended the University of Michigan at Ann Arbor from 1940 to 1942 and entered Fisk University, Nashville, Tenn., in the fall of 1942. While still a student, he joined the Army as a private. He attended a number of service schools and in 1944 was commissioned a second lieutenant. He was discharged in 1945, and in September of that year he enrolled at Wayne University in Detroit and graduated in June 1946. He is a licensed mortician and president of the House of Diggs, Inc.

DIGGS began his political career in 1951 when he was elected to the State senate. He served until 1954 when he was elected as a Democrat to the 84th Congress. He has been reelected to each succeeding Congress.

A strong supporter of voter registration programs, DIGGS has been constantly on the lookout for discrimination in federally financed programs. He has also been active in promoting equal treatment in the Armed Forces and has traveled to U.S. military installations, investigating the grievances of soldiers, all over the world. He serves on the Foreign Affairs and District of Columbia Committees.

ROBERT NELSON CORNELIUS NIX

Born in Orangeburg, S.C., on August 9, 1905, ROBERT NIX attended private schools in New York City. He graduated from Lincoln University in Chester County, Pa., and from the University of Pennsylvania Law School in 1924. In 1925, when he was just 20 years old, he was admitted to the bar. He practiced law in Philadelphia, and later, from 1934 to 1938, was a special deputy attorney general of the Pennsylvania State Department of Revenue, and special assistant deputy attorney general of the Commonwealth of Pennsylvania.

A delegate to the Democratic National Convention of 1956, he was elected to the 85th Congress to fill the vacancy caused by the resignation of Representative Earl Chudoff, and has served from May 20, 1958, to the present. NIX is now serving on the Committees on Foreign Affairs, and on Post Office and Civil Service. A longtime supporter of the civil rights movement, NIX was one of the first Congressmen to speak in support of the Montgomery bus boycott and has continued to give his backing to all major phases of the fight for equal rights.

AUGUSTUS F. HAWKINS

Born in Shreveport, La., on August 31, 1907, AUGUSTUS F. HAWKINS moved to California when he was 11 years old and attended the local schools. Graduating from UCLA with an A.B. in economics and from the Institute of Government at the University of Southern California, he became active in juvenile delinquency prevention work in Los Angeles County. In 1934 he was elected to the State assembly, and for the next 28 years he remained in the assembly, authoring or coauthoring over 300 laws on the California statute books.

After spending 28 years in a State assembly, HAWKINS ran for and was elected to the 88th Congress from the 21st District of California. He has been elected to each succeeding Congress. HAWKINS is presently serving on the Committee on Education and Labor, a committee with jurisdiction over labor relations, health, welfare, and housing.

JOHN CONYERS, JR.

The most recently elected Negro Congressman is JOHN CONYERS, JR., who was born in Detroit, Mich., on May 16, 1929. He attended the local public schools and graduated from Wayne State University with a B.A. in 1957, and from Wayne State Law School with an LL.B. in 1958. Before his election to Congress, CONYERS was particularly active in labor affairs. He was appointed referee for the workmen's compensation department, State of Michigan, by Gov. John B. Swainson in

October 1961. He was a general counselor for the Trade Union Leadership Council, and was a member of local 900 of the United Auto Workers and of local 42 of the AFL–CIO. In 1963, President Kennedy appointed Conyers to the National Lawyers Committee for Civil Rights Under Law, an organization that tried to encourage greater racial tolerance in the legal field.

For 3 years, from 1958 to 1961, Conyers served his political apprenticeship as legislative assistant to Congressman John D. Dingell. In 1964, he was elected to the 89th Congress as a Democrat from Michigan's First District and was reelected to the 90th Congress. Conyers serves on the Judiciary Committee of the House and is the first Negro to do so. He is an activist and a strong supporter of humanitarian legislation.

Mr. Speaker, following my remarks, I include the sources of information and a suggested supplementary reading list:

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Mr. MINISH. Mr. Speaker, I rise to commend my distinguished colleague from Michigan for his thoughtful, and, I daresay, enlightening statement on the occasion of the 100th anniversary of the election of the first Negro Member of Congress.

Mr. Diggs' sketches of the various Negroes who have served their country in the House of Representatives and the Senate over the last century illustrates clearly that even in this limited area the American Negro has not received fair treatment in our American history. To help remedy this deplorable situation, I have introduced House Joint Resolution 1088, to authorize the President to proclaim annually the week including February 14—the birthday of Frederick Douglass—as "Afro-American History Week." Americans of all races and creeds would thereby be encouraged to study a much neglected, yet terribly vital part of American history—the role of the American Negro in the growth and development of our democracy.

Mr. DULSKI. Mr. Speaker, I want to take this time to commend the distinguished gentleman from Michigan [Mr. Diggs] for bringing to the attention of the Congress and the American people this 100th anniversary of the election of the first Negro Member of Congress.

He was the Honorable John Willis Menard, of New Orleans, La., who was elected to the 40th Congress to fill the unexpired term of the Honorable James Mann of the Second District of Louisiana.

The past century has seen great strides for the Negro race in our country. Since the election of Mr. Menard as a Member of Congress, 27 others have also been elected to the House of Representatives and 3 have been elected to the U.S. Senate.

The four present Members of this House have outstanding records of public service.

The gentleman from Illinois [Mr. Dawson] is serving his 13th term. He is chairman of the Committee on Government Operations, and also is a member of the Committee on the District of Columbia.

The gentleman from Michigan [Mr. Diggs], in his seventh term, is a member of the Committee on Foreign Affairs and the Committee on the District of Columbia.

The gentleman from Pennsylvania [Mr. Nix] is an able attorney and legislator who has made an outstanding contribution to the work of our Committee on Post Office and Civil Service. He is a hard-working chairman of the Subcommittee on Postal Operations, and has been of great help to me in the work of our committee. In his sixth term in the House, Mr. Nix also is a member of the Committee on Foreign Affairs.

The gentleman from Michigan [Mr. Conyers], now in his second term, is a member of the Committee on the Judiciary.

Mr. Speaker, I am happy to join in this salute today to these able present and former Members of the Congress.

Mr. O'NEILL of Massachusetts. Mr. Speaker, it is exceedingly fitting that we set aside a day in 1968, the 100th anniversary of the election of the first Negro to Congress, to honor the accomplishments and place on record the achievements of the many distinguished Negro members who have served in the U.S. Senate and House.

In all, 32 black men have been elected to Congress since 1868. Their names follow in alphabetical order: Hon. Edward W. Brooke, of Massachusetts; Hon. Blanche K. Bruce, of Mississippi; Hon. Richard H. Cain, of South Carolina; Hon. Henry P. Cheatham, of North Carolina; Hon. John Conyers, Jr., of Michigan; Hon. William L. Dawson, of Illinois; Hon. Robert C. De Large, of South Carolina; Hon. Oscar De Priest, of Illinois; Hon. Charles Diggs, Jr., of Michigan; Hon. Robert B. Elliott, from South Carolina; Hon. Jeremiah Haralson, from Alabama; Hon. Augustus Hawkins, of California; Hon. John A. Hyman, of North Carolina; Hon. John M. Langston, of Virginia; Hon. Jefferson F. Long from North Carolina; Hon. John R. Lynch, from Mississippi; Hon. John W. Menard, of Louisiana; Hon. Thomas E. Miller, from South Carolina; Hon. Arthur W. Mitchell, from Illinois; Hon. George W. Murray, from South Carolina; Hon. Charles E. Nash, from Louisiana; Hon. Robert N. C. Nix, of Pennsylvania; Hon. James E. O'Hara, from North Carolina; Hon. Adam C. Powell, Jr., from New York; Hon. Joseph H. Rainey, of South Carolina; Hon. Alonza J. Ransier, of South Carolina; Hon. James T. Rapier, of Alabama; Hon. Hiram R. Revels, from Mississippi, Hon. Robert Smalls, of South Carolina; Hon. Benjamin S. Turner, of Alabama; Hon. Josiah T. Walls, of Florida; and Hon. George H. White, of North Carolina.

It is noteworthy that to a great extent all of these men provide a study in the Afro-Americans' struggle for freedom, political power and dignity. It would be difficult to attempt to record the lives and deeds of all of these men and do justice to them. For this reason I have selected 11 men whose careers serve as characteristic illustrations of these outstanding Negro legislators.

Congressman John W. Menard, of Louisiana, the first black man to sit in the House of Representatives and Senator Hiram Revels, from Mississippi, the first black man to sit in "the world's most exclusive club," were individuals whose elections to Congress marked milestones in the political development of the Afro-American people.

The Honorable Jefferson Long from Georgia was the second Negro to be elected to the House of Representatives. On the day of his election several white Georgians killed seven black men and then unsuccessfully pursued Long. Resentment was high against the black man who would represent Georgia. Jefferson Long's maiden speech in Congress was devoted to ways and means of protecting Negroes who were qualified to vote, but who were prevented from doing so by indignant white men.

The Honorable Robert Elliott is a gentleman of whom I am personally proud for although he represented South Carolina, he was Boston born and bred. He was an exceedingly well-educated freeman who attended schools in the West Indies and England and later graduated near the top of his class from Eton. While serving in the Congress Representative Elliott spent much of his time in attempting to stop the wave of anti-Negro legislation being introduced by southern Congressmen. As a stanch advocate of the bills which put teeth into the 14th amendment Elliott valiantly withstood the bitter opposition from white southern Members.

The Honorable James T. Rapier who represented Alabama from 1873 to 1875 was a remarkable individual who urged black men to unite into labor unions so that they could more purposefully negotiate for their own interests. It was he who brought together the first conclave of working men in Alabama.

The Honorable Robert Smalls of South Carolina who served from 1875 to 1887 is perhaps one of the most glamorous personages to ever serve in this body. During the Civil War Robert Smalls, then a 22-year-old slave, was serving on the *Planter*, a Confederate dispatch and transport vessel. Taking advantage of the temporary absence of the ship's captain and crew, he masterminded and successfully executed a plan to deliver the vessel to the Union Fleet so that he could obtain his freedom and that of the many other slaves on board. Although the odds were against his smuggling the ship past the cannons at heavily guarded Fort Sumter, and failure to do so meant certain death, he boldly went ahead with his plot. By disguising himself in the straw hat of the rightful ship's captain, the courageous Smalls stole one of the Confederacy's most valuable vessels and turned it over to the Union. Throughout his political career he was outspoken in the defense of the rights of black citizens. He introduced and supported several post-Civil War civil rights bills which guaranteed the rights of freemen to make contracts, hold property, and to enjoy the full protection of the laws.

The Honorable George White, the Representative from North Carolina from 1897 to 1901 was the most noted Negro politician during the Populist period. A holder of law degrees from several universities, this former slave sought constantly to advance the industrial and agricultural interests of his home State. He spoke eloquently to Congress of its responsibility to eliminate discrimination, for as the only Negro in Congress for two terms he was always conscious of the fact that he represented 9 million people. He attacked every form of racism from anti-Negro jokes to lynchings, and he was the first man to sponsor an antilynching bill.

The Honorable Oscar De Priest who represented the 21st District of Illinois from 1930 to 1934 did much to arouse the political awareness of the Chicago Negroes and encouraged his audiences to study political organization and civil rights guaranteed by the Constitution. His campaigns involved a corps of black Chicagoans and it is during this time that we find the beginnings of the politically active and oriented Negroes in the urban centers of the North.

Congressman Arthur Mitchell, elected to the House in 1935 from Chicago will long be remembered for the significant role which he played in the desegregation of railway facilities. For years black people had been refused the right to use train compartments already purchased and paid for. Despite the fact that he was a Congressman, Mitchell was denied a Pullman room on a train. He took the case to the Supreme Court and won; his suit has since been termed "a milestone in the history of minority rights."

The Honorable Adam Clayton Powell who was elected to represent New York's 18th District is a brilliant gentleman, a distinguished orator and a fiery civil rights spokesman. It was he who first desegregated the pages school and he integrated many of the private facilities of Capitol Hill which had formerly excluded Negroes.

My colleague, Senator EDWARD BROOKE, from Massachusetts, was the third Negro to be elected to the Senate and the first since Reconstruction. His political career has been extremely outstanding and successful. His leadership in legislating for jobs, housing, education, and improved conditions in the ghetto has been excellent.

I hope that the brief sketches of these honorable men will provide a clear picture of the high caliber of black men who have served our Nation so well in the Congress. These gentlemen are representative of the best that America is capable of, and in their gallant struggle for the rights of their own people they have embellished and preserved the American ideal of liberty and justice for all.

Mr. BINGHAM. Mr. Speaker, in this time of racial difficulty it is comforting to be reminded that there have been Negro Members of Congress for a century. Congressman DIGGS has performed a valuable service for all Americans not only by pointing this out to us, but also by including in this order information on the backgrounds and accomplishments of these Negro Members. It has been said that those who do not remember the past are doomed to repeat it, and in this context we must recall what has been achieved as well as what has not been done.

The fight for equal rights and equal representation for all Americans has been a long struggle and it is a struggle that is still continuing. Some of the achievements of this struggle can be seen not only in the action that we take today, but in the simple fact that we can commemorate this anniversary. However, we must remember that this is symbolic of only a partial solution of our problems, that we have accomplished much—in voting, housing, employment, public accomodations, and education—but that there is much to be done before all our citizens enjoy equal rights and equal opportunities.

That Negroes have sat in the Houses of Congress in increasing numbers for a century is an important fact for all of us to remember. It is only by having all people represented in the decisionmaking bodies of our society, by becoming part of the "system," that we can hope to solve our racial problems. The Negro Members of Congress not only know at firsthand the problems that citizens of minority groups face, but they serve as a symbol for the youth of today that times are changing and that working through the system can bring about the changes needed to fulfill "The American Dream."

If we are to avoid acute civil strife, to prevent future Detroits or Newarks, it is essential that more and more members of minority groups be brought into the societal and governmental system. If the system is to continue to work, all must be included within it—a man who has a stake in the society does not try to destroy it, but will work through the system for change and progress.

I would like to congratulate Representative DIGGS and his colleagues for the efforts they have made in the past, to right the wrongs in our society, and the achievements for which they are responsible in the effort to gain equality for all. They have shown that the Negro Congressman is an American first and a Negro second. They have worked to help solve the problems this country faces—from air pollution to mass transportation and legislative apportionment. They have ably represented all their constituents and contributed to the efforts made by Congress to solve the issues that the Congress of the United States must deal with.

Mr. MATSUNAGA. Mr. Speaker, I wish to express appreciation to our distinguished colleague, the Honorable CHARLES C. DIGGS, JR., of Michigan, for reading into the CONGRESSIONAL RECORD a historical review of the service of all Negro Representatives and Senators elected to Congress during the past 100 years.

The centennial anniversary of the entry of the Negro American into the political life of this Nation is an occasion for all of us to recognize and obtain a better understanding of the Negro's role in the development of the United States.

Many injustices practiced against the Negroes in America have been swept away by Federal legislation, yet much remains to be done if we are to live up to our promise that America is the land of opportunity, where every man can dream dreams that do come true.

We must remove all racial, color, and religious barriers which stand in the path of those Americans who seek equal education, economic and political opportunity, and personal dignity, so that the enormous accomplishments of so many individual Negroes, such as the colleagues we honor today, may be ever augmenting.

Through informed and democratic lawmaking and the just administration of the laws of the land, we can provide for the optimum development of the individual citizen regardless of his race, color, religion, or national origin.

That was the purpose of our Republic at the beginning. It remains the purpose of our Republic today, and with the active and positive efforts of all its citizens I am sure it will continue to be the purpose of our Republic in the future.

Today, as we mark the 100th anniversary of the election of the first Negro Member of Congress, the Honorable John Willis Menard, of Louisiana, let us hope that the next century will record an even greater fulfillment of the American dream for the Negro American in all segments of our democratic society.

Mr. BENNETT. Mr. Speaker, I congratulate the Congressman from Michigan for presenting the House this opportunity to reflect on an important part of our Nation's history.

It has been my privilege to represent the congressional district of Florida which has elected the only Jew, woman, and Negro to serve in the U.S. Congress from Florida, since Florida's first delegate, Joseph M. Hernandez, entered the Congress as a territorial delegate on September 30, 1822.

My predecessors have included David Levy Yulee, the first Jew to serve in the U.S. Senate, who was a delegate to Congress from March 4, 1841 to March 3, 1845; Mrs. Ruth Bryan Owen, the daughter of William Jennings Bryan, who served in the House from March 4, 1929, to March 3, 1933, and Josiah T. Walls, the only Negro to represent the State in Congress.

Josiah T. Walls was first elected, as a Republican, in 1870 and presented his credentials as a Member-elect to the 42d Congress. After serving from March 4, 1871, to January 29, 1873, he was succeeded by Silas L. Niblack, who had successfully contested his election. Walls was again elected as a Republican to the 43d Congress and served the entire term—March 4, 1873—March 3, 1875. His reelection to the 44th Congress was once more successfully contested, this time by Jesse J. Finley. Walls served in this latter Congress from March 4, 1875, to April 19, 1876. In all, Representative Walls served 5 years—including 2 leap years—and 3 days in the House of Representatives.

Mr. Walls exhibited a wide variety of interests during his congressional service. His first extended speech was devoted to advocating the establishment of a national education fund. He favored the policy of general amnesty to the secessionists and proposed a bill to that effect. In 1874 he spoke at length in behalf of a joint resolution that would have granted belligerance rights to the Cubans who were revolting against Spain. His other interests included relief to Seminole war veterans, improvement of harbors, and the granting of public lands to Florida railroads.

Born in Winchester, Va., on December 30, 1842, Walls was a free Negro. He was, nevertheless, pressed into Confederate service in an artillery battery. Captured at Yorktown, he was taken to Harrisburg, Pa., where he received schooling for 1 year. In 1863 he entered the Union Army as a private. By the end of the war he had risen to sergeant-major and instructor of artillery. At the close of the war, he settled in Florida and engaged in truck farming.

He entered State politics in 1868 as a delegate to the State constitutional convention. From 1869 to 1872 he served in the Florida Senate. After his congressional service, he served once more in the State legislature, then returned to truck farming.

An orange-killing frost ruined him financially, and he then became superintendent of the farm at Tallahassee State College. He lived there until his death on May 5, 1905.

Mr. WHALEN. Mr. Speaker, I would like to join my distinguished colleague, the gentleman from Michigan [Mr. Diggs], in taking this opportunity to commemorate the 100th anniversary of the first election of a Negro Member of Congress.

There is growing awareness and understanding of the fact that members of the Negro race have made major contributions to the creation of the powerful Nation we have today. The role of the black man in America's affairs grows daily and will continue to do so in every field as the future unfolds.

This is particularly true, I feel, in the area of public service and especially public office. Negroes have served with distinction in this body, as we well know, and are doing so today.

They also have been participants at the State and local level of government. In my own district, which is centered in the Greater Dayton Area of Ohio, there have been many dedicated and effective Negro public servants who are well known and highly esteemed for the part they have played in government.

Mr. Speaker, I would like to take this opportunity to commend these men and to identify the legislative and judicial positions they either have held or now hold:

Mr. Fred Bowers, formerly a State representative and the first Negro elected to any public office in Montgomery County, Ohio.

Mr. David D. Albritton, an incumbent State representative and former Olympic champion.

Mr. Don L. Crawford, the first Negro member of the Dayton City Commission and now the executive assistant to that body.

Mr. James H. McGee, incumbent member of the Dayton City Commission.

Mr. C. J. McLin, incumbent State representative.

Judge Arthur O. Fisher, incumbent Dayton municipal court judge.

Judge Russell L. Carter, former Dayton municipal court judge and the first member of his race to attain that position.

The late Robert Blackburn, my former colleague in the Ohio State Senate.

The Reverend J. Welby Broaddus, former member of many years standing of the Dayton School Board.

Mr. Leo Lucas, incumbent member of the Dayton School Board.

Mr. McCLORY. Mr. Speaker, it is a privilege to participate in this special order commemorating the 100th anniversary of the election of the first Negro Member of Congress, the Honorable John Willlis Menard, of the Second District of Louisiana. It required another 98 years before the first Negro was elected on a statewide basis as a Member of the U.S. Senate, Senator Edward Brooke, of Massachusetts. Today's observance emphasizes the importance of representation in this and other legislative bodies by American citizens on the basis of their merit and without regard to considerations of race or color.

Negro Americans have contributed substantially to the growth and development of our Nation. The recognition of this fact is most important in restoring pride among our Negro citizens and in promoting the motivation which can bring true equality to members of the Negro race in every aspect of American society.

Mr. Speaker, I commend the gentleman from Michigan [Mr. Diggs] for his initiative in bringing to the attention of this body and of the Nation the contribution of Member-elect Menard. Just as he is being honored today during the 100th anniversary of his election to the Congress, so I would like also to pay appropriate tribute and honor to Congressman Diggs an American, a Negro, and above all, a worthy and noble citizen who has brought leadership and honor to the U.S. Congress and who has made innumerable contributions in behalf of this Nation's welfare.

I congratulate Congressman Diggs for organizing and leading this tribute to the Honorable John Willis Menard and I am proud to participate in these memorable and significant proceedings.

Mr. ZWACH. Mr. Speaker, I am pleased to associate myself today with the gentleman from Michigan in marking the 100th anniversary of the election of the first Negro to this body.

As a son of immigrant parents, I feel that I have had, as a boy, some of the experiences, to a much lesser extent, of course, and some of the trials that the Negro has suffered for hundreds of years in this country.

Progress has been made in establishing the right to vote for all citizens. Many of our Negro citizens are now rightfully earning and winning public positions of responsibility. I am happy to report that in Minnesota, Stephen Maxwell was endorsed and sought election to this present Congress from the Fourth District. This outstanding young attorney came within 5 percent of being elected to this high post in his first attempt. Mr. Maxwell had already won respect for his fairness and his devotion to work from the public in the position of an assistant county attorney and as the city attorney in St. Paul. He now serves as a judge. His fine record, both as an individual and as a public servant, has been a tremendous factor in dissolving several layers of misinformation or lack of information that had clouded the vision of many of our Minnesota citizens in regard to the matter of race.

In joining my colleagues today to pay respect to the service rendered to our country by former and present Negro Congressmen, I do so as colleague and as an individual American. I sincerely hope and trust that the next decade will prove that these past barriers have been removed in our attempt to provide the rights and responsibilities of full citizenship and Americanism to all.

Mr. ANNUNZIO. Mr. Speaker, today I am delighted to join my distinguished colleague from Michigan, Hon. Charles C. Diggs, Jr., in commemorating the 100th anniversary of a profoundly significant historical achievement—the election of the first Negro Member of Congress in the United States.

The first Negro to attain this high office was Hon. John Willis Menard, of New Orleans, La. Congressman Menard was elected to the 40th Congress to fill the unexpired term of James Mann, Second District of Louisiana, who had died on August 28, 1868.

In my own city of Chicago, the first Negro elected to Congress was Hon. Oscar De Priest, who served from 1928 until 1934. Subsequently, in 1942, Hon. William L. Dawson was elected to represent the residents of the First District of Illinois. Congressman Dawson has served his constituents and his country with honor and distinction since the 78th Congress.

In addition, Mr. DAWSON was named chairman of the powerful Government Operations Committee during the 81st Congress, and has provided outstanding leadership in this responsible post for almost 18 years. He is the first Negro to be honored with the chairmanship of a House committee.

Congressman DAWSON is dean of the Illinois delegation, and his colleagues in the Congress as well as his colleagues from the State of Illinois rely on his good judgment and his wise counsel derived from many years of experience as a Federal legislator.

I am proud to join in this commemoration because I feel strongly that the contribution of the American Negro to our political, social, and cultural life has been substantial and should be made a matter of record in the Halls of Congress.

This contribution takes on even greater meaning when we realize that the Negro has come up from slavery, and during the brief span of 100 years, has faced almost insurmountable obstacles of social, political, educational, and economic discrimination.

Yet, by sheer hard work and unwavering determination, the Negro has risen above these obstacles. Today there are about 25 million Negroes in America, and they are making a tremendous impact on the mainstream of American life. They have done their best to secure educations and to take their rightful place in our society. Negro doctors, Negro lawyers, Negro teachers, Negro union leaders, Negro industrialists and businessmen, and Negroes in every walk of American life are making a creditable and substantial contribution to the well-being of our country.

The progress that has already been made by American Negroes is a compliment to their intelligence, their resourcefulness, and their hard work. I am certain that this progress shall continue steadily in the months and years ahead until the ultimate goal of the Negro—full and equal integration into the whole of American life—is realized.

It is fitting today, as we mark the 100th anniversary of the election of the first Negro Congressman, to note that altogether 31 Negro Congressmen and Senators have served their country. I would like to pay special tribute to Senator EDWARD W. BROOKE, of Massachusetts; Congressman JOHN CONYERS, JR., of Michigan; Congressman WILLIAM L. DAWSON, of Illinois; Congressman CHARLES C. DIGGS, JR., of Michigan; Congressman AUGUSTUS F. HAWKINS, of California; and Congressman ROBERT N. NIX, of Pennsylvania, who are presently serving in the 90th Congress with sincere dedication to the public interest.

My remarks on this occasion would not be complete unless I included the name of Hon. Adam Clayton Powell, who represented the 18th District of New York from the 79th through the 89th Congresses. Congressman Powell was the second Negro in the Congress to be honored with a chairmanship. In 1961, during the 87th Congress, Mr. Powell was appointed as chairman of the influential House Education and Labor Committee and he served in this post through the 90th Congress. During his tenure as chairman, more education and welfare legislation was passed in the Congress than at any other time. Mr. Powell's imaginative and vigorous leadership were essential in insuring the passage of this landmark legislation.

During my tenure in the House, increased political activity among Negro-Americans has resulted in the steady growth of Negro representation in the Congress. I am pleased that this trend has taken place, for it is good not only for the Negro people, but for Congress itself, and for our country.

Mr. BOLAND. Mr. Speaker, in this election year we celebrate the 100th anniversary of the election of the first Negro to Congress. Although a storm of controversy surrounded his election—and although he was never formally seated—the career of John Willis Menard deserves recognition and admiration. Born in Illinois of New Orleans Creole parents he held a clerkship during the Civil War in the Bureau of Emigration of the U.S. Department of the Interior. This was first of firsts in Menard's distinguished career—he was the first Negro to be appointed to a Government clerkship.

At the end of the Civil War, Menard moved to New Orleans where he published two newspapers and was appointed inspector of customs and, subsequently, street commissioner. Three years later, he was nominated on the Republican ticket to run for the Second District congressional seat vacated by James Mann. A three-way contest for the House seat developed, and when the votes were counted, Menard and his two opponents each challenged the others' claim to victory and right to be seated. The House of Representatives voted not to seat any of them. Menard was the only one of the three to defend his claim on the House floor. In doing so, he asked only what any free man would:

> I have been sent here by the votes of nearly nine thousand electors. I would feel myself recreant to the duty imposed upon me if I did not defend their rights on this floor. . . . I do not expect nor do I ask that there shall be any favor shown me on account of my race or the former condition of that race. I wish the case to be decided on its own merits and nothing else.

The prize sought by John Willis Menard was gained in the following year by Joseph H. Rainey, a Negro elected from South Carolina who was seated by the House on December 12, 1870. Other Negroes followed: Hiram R. Revels and Blanche K. Bruce in the Senate, and Robert B. Elliott, Robert C. DeLarge, Benjamin Turner, and Josiah T. Walls in the House.

The acquisition of political rights for the Negro was a direct result of the passage of the 13th, 14th, and 15th amendments to the Constitution. On paper, at least, Negroes were permitted to vote and to hold office. But the actual realization of these rights has been painfully and inexcusably slow. Although the Negro has had able and distinguished leadership in Congress, he has been denied—and is yet denied—open and unfettered access to the ballot box, to the schools of his choice, and to trade unions. He has been denied the right to live where he will, to work where he will, and he has been denied the very most basic human respect and dignity that any and every man in a free nation has a right to expect.

The Negro has been patient. Yet there is a limit to the patience that any man—free in theory but not in fact—may be expected to exercise. A smug, secure, and selfish majority is now harvesting the painful fruits of a century and more of ignoring an impoverished and downtrodden minority. The fruits are crime, violence, and destruction.

Rioting and destruction benefit no one—neither the white nor the Negro. In the words of the National Advisory Commission on Civil Disorders:

> Violence cannot build a better society. Disruption and disorder nourish repression, not justice. They strike at the freedom of every citizen. The community cannot—it will not—tolerate coercion and mob rule. Violence and destruction must be ended—in the streets of the ghetto and in the lives of people.

Indeed, this Nation must—if we are to survive as a nation—awake to the future we face unless present trends are reversed. For destruction and violence only sow seeds to be reaped as more destruction and violence. We can—and we must—dedicate and rededicate ourselves and our Nation to defending the right of every man to live in freedom and in dignity.

The dream of John Willis Menard—for freedom and dignity for all people—must be realized. We celebrate the centennial of the election of the first Negro to public office. But merely paying lipservice to the event is not nearly enough. We—all of us— must make that dream come true.

Mr. O'HARA of Illinois. Mr. Speaker, with the distinguished gentleman from Michigan [Mr. DIGGS], I am happy to join in this observation of the 100th anniversary of the first election of a Negro to the Congress of the United States. Although Michigan, with two able and popular Members of that race now serving in the House, leads in the number of Negro representatives, Illinois leads in length of continuous Negro representation.

In the 71st, 72d, and 73d Congresses, the First District of Illinois was represented by the Honorable Oscar De Priest, a Republican. In the 74th, 75th, 76th, and 77th Congresses it was represented by the Honorable Arthur W. Mitchell, a Democrat, and in the 78th and all succeeding Congresses by the Honorable WILLIAM L. DAWSON, a Democrat, one of the great leaders of our times and certainly one of the most popular and respected Members of the House. This totals 39 continuous years of Negro representation.

The Negro representation in the House will increase in number in the 91st Congress, and greatly increase in succeeding Congresses. The rule will continue pretty generally to be followed in the North, and gradually at a slower pace in the South, that the elected representation in any political unit will go to the ethnic group with a clear population majority. Many students of trends predict that by the 93d Congress at the latest Chicago's

Negro delegation in the House will have increased from one to at least three or four.

When I came to the Congress in 1949, the Honorable Joseph P. O'Hara of Minnesota was in his fifth term, but he had been preceded in 1883 by another O'Hara—the Honorable James Edward O'Hara, of the Negro race, elected from North Carolina to the 48th and 49th Congresses. He was a man of large stature and a lawyer of eminence. A photograph of Congressman O'Hara, of North Carolina, was hanging in Congressman Dawson's office when Congressman O'Hara of Illinois came here in 1949 and it still will be hanging there as Congressman O'Hara of Michigan continues to give congressional recognition to the O'Hara name in the 91st Congress.

Mr. HALL. Mr. Speaker, I join my colleagues today in honoring this historical achievement, the 100th anniversary of the election of the first Negro Member of Congress. I wish, however, to expound on the greatness of the Negro in other areas of our history, besides the commemorable anniversary of our fiirst Negro Member of Congress. To pay tribute to a man who contributed greatly to humanity in various aspects, and who devoted his life to his fellow man regardless of race. A humble scientist, who held the respect of the greatest leaders of his time, Dr. George Washington Carver, a veritable wizard whose work was helping to change the whole pattern of southern agriculture. He was also an ex-slave, who, as a baby, had been traded for a horse. From this humblest of beginnings, George Washington Carver became one of the Nation's most famous scientists. The American Negro agricultural chemist and educator was born near Diamond Grove, Mo., on the plantation owned by Moses Carver. The Carvers brought up the orphan boy on their plantation. Young Carver learned all he could from a speller and a Bible the Carvers gave him. He left the plantation at 10 years of age, with the owner's blessing and walked and worked his way to Minneapolis, Kans., where he went to high school. Then he went to Simpson College and on to Iowa State, where he worked his way through agricultural college by doing fine laundry, knitting, and embroidery.

At Iowa State, while working and studying for a master's degree, Carver showed great promise as an artist. One of his canvasses won an honorable mention at the Chicago World's Fair in 1893. He had to decide whether to devote his primary energy to art or to agricultural science. He chose a scientific career because he felt it would better enable him to help his race. Dr. Carver's best known experiments were with the sweet potato and the peanut.

He won the friendship of numerous white people, those who saw his potentialities when he was a boy in college and, later, those public leaders who appreciated the magnitude of his service to his country.

Before his death on January 5, 1943, Carver, who never married, was honored in the North and South by all races. Perhaps the inscription on the Theodore Roosevelt Medal, which was awarded him in 1939, sums up best the life of George Washington Carver:

> To a scientist humbly seeking the guidance of God, and a liberator to men of the white race as well as the black.

On July 14, 1953, Dr. Carver's birthplace was made a national monument. On the site of the old Moses Carver Plantation, amid the original walnut groves, near Diamond, Mo., where young Carver began his botanical studies, is the George Washington Carver National Monument. The monument is marked by a plaque and a bronze bust of the man who, born a slave, had become a scientist and a benefactor of his country.

Mr. CORMAN. Mr. Speaker, a century has passed since the entry of the Negro citizen to the American political scene in the role of an active participant. The 14th amendment was ratified by the States July 28, 1868, and in the fall elections of that year the voters of the South Carolina First District and the Georgia Fourth District returned majorities in favor of Negro candidates for Congress. The new Congressmen were Joseph H. Rainey, of South Carolina, and Jefferson F. Long, of Georgia. Both were admitted to the Congress in 1870. Another Negro, Hiram R. Revels, of Mississippi, was elected to the U.S. Senate that same year. All performed with distinction and by so doing temporarily established the Negro as a political force in the country. Before the close of the 19th century, 20 Negroes would represent southern congressional districts in Washington, and two would serve in the Senate.

Conservative critics of civil rights legislation opposed the entrance of the Negro into American politics, and sought to nullify the 14th and 15th amendments. With the approval of an equally conservative Supreme Court, Negro disfranchisement was effected in the South, at the turn of the century. The action, which can truly be called the most vindictive in American political history, brought to a close, for the time being, the participation of southern Negroes in Congress.

Meanwhile, however, the Northern Negro population was growing in size and importance. In 1929 a predominantly Negro district in Chicago elected the first Northern Negro, Oscar De Priest, to serve in Congress, and since that time seven more Northern districts have returned Negroes to the House, and one Negro has won election to the Senate.

The performance of these Americans, as members of the legislative branch, has revealed them politically adroit, intellectually able, and remarkably concerned for the needs of the country as well as those of their particular constituents. They have proved themselves a credit to the great game of American politics, and have demonstrated, once again, the main source of our national strength: the force of popular participation in government.

In my own area of Los Angeles, Tom Bradley, a very well qualified and capable young man, is serving on the city council. He is also a candidate for mayor of Los Angeles, and if elected in November, the city will have as its mayor a man who will serve its citizens with distinction and notability.

Those Negro Americans like Tom Bradley—who now serve or who will serve in the future—as members of State and local governments—also demonstrate a great source of our Nation's strength: the force of popular participation in government at all levels.

Mr. HATHAWAY. Mr. Speaker, it is with pleasure I take the opportunity today to commend past, present, and future political colleagues—who may differ from me in color—but who share with all Americans the rights and responsibilities of citizenship. We have more in common than we have differences for we share a vital interest in the precept that every American shall have voice in this Government. Voice was not a gift nature bestowed only upon the white American though a reading of our history books might cause us to believe so. All of us are aware of the passages written "between the lines" of American history—and many of us share a desire to record those passages on the printed lines in order to recognize the foundation of black participation which is there—so that we may build upon it at this time.

Some Americans are confused now by the dramatic struggle of the Negro to find and to assume the powers of American citizenship. We frown on their frustrated actions as a method most unacceptable in the United States. Those of us who share in the abundance of white powers of citizenship and leadership have done so by identifying and conforming to the standards set by our white forefathers. When we ask the Negro to identify with those traditions, we assume he can and will follow in white footsteps in spite of efforts by certain elements in our society who preach the hate which makes this identification difficult—if not impossible.

What we do here today is important for we pay tribute to the political efforts of outstanding Negro American citizens. Today, we celebrate the 100th anniversary of the election of the first Negro Member of Congress, the Honorable John Willis Menard, of New Orleans. Today, we pay tribute to those 31 members of the Negro race who have sat in Congress. It is worthy that we pay particular notice of the distinguished Members of this present Congress, the Honorable Charles C. Diggs, Jr., who is serving his seventh term; the Honorable Robert C. Nix, serving his sixth term; the Honorable John Conyers, serving his second term; the Honorable William L. Dawson, serving his first term; and the Honorable Edward Brooke, serving his first term in the Senate of the United States.

We cannot too much emphasize that Negroes have served and are serving here in the seat of national power—nor can we ignore, except to our own detriment, those Negroes who presently assume leadership in communities, counties, and States. The noteworthy contributions of these citizens we salute today have been made in spite of the barriers which work to make their achievements more strenuous. By observing the precedent of Negro leadership, we can contribute in some small way to removing those barriers.

The future is very much akin to the past. What we must recognize is that the only past with which the Negro can identify is unsatisfactory to his needs and to ours. We cannot change the past but we can insist that American history fully record the past as it happened—which would include past contributions of black Americans to this society.

Our national character is at stake, our integrity is on the line. We salute the past as we see it, we live the present as we see it, and we plan for the future as we see it. It is not in black interest—but in American interest—that we begin today an honest recognition of the black citizen, his contributions to our mutual past, the reasons for his frustration with the present, and our need—a mutual need—for a unified America in the future.

Mr. CONYERS. Mr. Speaker, it has been 100 years since the first black man was elected to this august body. He was elected by a constituency from the city of New Orleans in the year 1868, and although he received a clear majority of the votes cast in that district, he was not seated because the House Committee on Elections did not think it proper to have, at that time, a Negro in the House of Representatives.

As the country entered the Reconstruction era a number of black Representatives were sent to Congress from southern districts. The greatest number serving at any one time in the Congress was eight, and that was in 1875. Those who are fond of asserting that this country has made significant progress in its quest for political equality should note that today we do not have that many black men serving in this body. During the Reconstruction period a total of 22 Negroes served in Congress. Since 1929 there have been only eight who served in the House and only one in the Senate.

Although American political history is all too prone to overlook these 30 Congressmen, I should like to take this opportunity to remind this body of some of their achievements. During the 19th century several black Congressmen were delegates to the national nominating conventions of their political parties. One of them, Senator Blanche K. Bruce, was nominated for Vice President of the United States at the Republican conventions of both 1880 and 1888. One black Representative, the Honorable John Langston, represented his Nation in the foreign service when he was consul general to Haiti. The archives of the U.S. Navy will testify to the bravery of yet another of these distinguished gentlemen, the Honorable Robert Smalls. He received a promotion to captain, U.S. Navy, when he successfully delivered a Confederate vessel over to the Federal fleet after piloting it out of Charleston Harbor under the noses of the shore batteries of the Confederate States of America. Several State constitutions owe their existence in part to black Congressmen who were delegates to constitutional conventions during the 1870's and 1880's.

Quite contrary to the mistaken notion held by all too many of our citizens that the black Representatives during Reconstruction were not uneducated exslaves put in Congress to satisfy selfish aims of Northern Republicans. Many of these men were well qualified statesmen. Their backgrounds included such diverse fields as journalism, the clergy, members of the judiciary as well as the bar, presidents of universities as well as the military.

Today, a full century after all the legal barriers preventing the attainment of political equality on the part of the black man in American were supposedly removed, the American Negro on a proportional basis is still grossly under represented in Congress. He constitutes 13 percent of America's population but instead of having 57 Congressmen and 11 Senators, he accounts for only 1 percent of the Senate and 1 percent of the House of Representatives.

Gentlemen, I conclude with this admonition: Black America is more conscious now than ever of its American birthright: the right to political equality. Some of the so-called patriots are often heard to boast about the bountiful freedom enjoyed by every American citizen, when every black man knows this to be a cruel misstatement of fact. We have waited 100 years for the enforcement of the laws which guaranteed our freedom but it becomes more difficult to rationalize what is and what ought to be in America.

GENERAL LEAVE TO EXTEND

Mr. DIGGS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this subject.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE LATE HONORABLE HUBERT SCUDDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. DON H. CLAUSEN] is recognized for 1 hour.

Mr. DON H. CLAUSEN. Mr. Speaker, on July 4 of this year, a former colleague and a man I personally admired greatly, passed away.

Hubert B. Scudder has been described as "The Man Who Put Sebastopol on the Map." Sebastopol, Calif., was Hubert Scudder's hometown from the beginning to the end. He loved the town and the people of Sebastopol dearly. When he died, flags were flown at half-mast in Sebastopol. That is what the people there thought of Hubert Scudder even though he had not served in public office since 1958.

In a way, it is not unusual that this great servant of the people should pass away on July 4. In fact, I believe Hubert Scudder would have wanted it that way. Here was a man who devoted the entire span of his productive years to serving the people of his community, the State of California, and the First Congressional District that I am now privileged to represent in the Congress.

It is difficult to properly credit Hubert Scudder for his good works. His life reads like a "Who's Who of Public Service" and one can only wonder where this good and honorable man found time to be a devoted husband, private citizen, and successful businessman.

Perhaps the only way to fully realize and appreciate the true extent of Hubert Scudder's magnitude and devotion to public service, is to list his many duties and responsibilities in chronological order:

A CHRONOLOGY ON THE LIFE AND WORKS OF HUBERT B. SCUDDER

1912–1917, Appointed Superintendent of Public Utilities and Fire Chief of Sebastopol, California.

1917–1919, Service in the Army's Coast Artillery in World War I.

1921–1943, Entered the insurance and real estate business.

1922–1924, Elected City Councilman and Mayor of Sebastopol.

1924–1943, Elected to the California State Assembly representing the Old Sonoma District.

1940–1943, Served as Chairman and later as Secretary of the Republican State Central Committee of California.

1943–1948, Appointed Real Estate Commissioner for the State of California.

1948–1958, Elected to the U.S. Congress succeeding Clarence F. Lea; representing the 1st Congressional District.

During his illustrious public and business career, Hubert Scudder never really left Sebastopol. Throughout his many positions of leadership and responsibility in his community, in Sacramento, and in Washington, Hubert found the time and the energy to be a member and officer in the Masonic Lodge, a past commander of his local American Legion post, past president of the community Rotary Club, and past president of the Sebatopol Chamber of Commerce. In addition, he was active in the Knights of Pythias, the Native Sons of the Golden West, and the Elks Club of nearby Santa Rosa.

Hubert Scudder was a Republican in a district that leans to the Democratic Party in voter registration. But, to the people, he represented all of them and he did the job fairly and firmly. As a result, Hubert Scudder was never once defeated for public office at any level—local, State or Federal. He was the only Republican in California to defeat a Democrat in the election of 1948.

On election day in 1956, while victorious at the polls, Hubert Scudder suffered a severe attack of pneumonia and was hospitalized. Although he was able to return to Washington, his recovery from the illness was slow and difficult. During the next year in Congress, Mr. Scudder found that his performance was somewhat limited and below his expectations. Rather than offer the public less than his best effort, he decided to retire from active politics. Although active for 4 or 5 years after leaving Congress, Mr. Scudder suffered a severe stroke several years ago from which he never fully recovered.

Back home, Hubert Scudder is best remembered for his accomplishments in office and for service to his community and the district. His first bill in the State assembly was to restore historic Fort Ross in Sonoma County as a State park. As a Member of Congress serving on the Public Works Committee, Hubert Scudder was instrumental in the recovery effort that followed the disastrous flooding in Humboldt County in 1955–56. In addition, he sponsored numerous flood control and water conservation projects through the north coast region of northern California during his tenure in Congress.

These projects included:

First, McIntosh levee on the Mad River at Blue Lake;

Second, Redwood Creek levee at Orick;

Third, Humboldt Harbor. Public Law 542 provided a 30-foot depth in the Eureka and Samoa Channels and 45 feet across the bar, plus additional maintenance funds;

Fourth, Bureau of Public Roads. In 1952 a hearing was held at the Big Four in Arcata. From this hearing, Congressman Scudder obtained $4,240,000 from the Bureau of Public Roads for construction of roads around Hoopa, Orleans, and so forth;

Fifth, Butler Valley Dam. The primary survey was authorized and funded in 1955 and 1956 by Congressman Scudder;

Sixth, Sandy Prairie project. When Fortuna was about to be flooded by the Eel River, Congressman Scudder initiated and carried to completion the Sandy Prairie project;

Seventh, Eel River Delta. The primary survey for the levees to protect the Eel River Delta were authorized under Congressman Scudder; and

Eighth, Coyote Dam and Reservoir at Ukiah in Mendocino County.

Many tributes, both in life and death, have been and will continue to be paid to Hubert Scudder. Two of significance occurred in the final years of his long and distinguished life. In 1966, during one of his last public appearances, a long, standing ovation was extended to Mr. Scudder by the Redwood Empire Association in convention at Santa Rosa.

As the incumbent Representative in Congress from the Redwood Empire, it was my great privilege and honor to be a part of and officiate at Hubert Scudder's last official public appearance last year. The occasion was the dedication of an addition to a public park in his beloved hometown, in his memory and honor. During my remarks on June 20, 1967, I said:

> I would hope that this park addition will stand for all time as a living testimonial to a great Californian and a great American because I am convinced that the good works of Hubert Scudder shall never be forgotten.

One of my district's most respected editors, Dwight O'Dell of the Humboldt Beacon in Fortuna, Calif., had this to say of Hubert Scudder in his July 11 edition:

> Having known Hubert Scudder personally and well for 30 years, it is hard to think of him as just another politician. He was a real pro, that is true, and he looked upon his skill as a profession. He had genuine legislative skill in all of the processes of creating laws to meet public needs. Under no circumstances was he an appeaser but it was awfully hard to find a reason to fight him.

Another editor, Mr. Ernest Joiner of the Sebastopol Times, said:

> Mr. Scudder had one of the most amazing political careers, being active in several local organizations and serving his community by holding several public offices . . .

Such was the life of Hubert Scudder. A life full of service to people. Someday, in my judgment, history will record, as it has in the past, another profile to those who have given all they possess to the public service, and topping the list will be the name of Congressman Hubert B. Scudder—the man who put Sebastopol and the First Congressional Distirct of California on the map.

Hubert Scudder enjoyed flying with me in my airplane as we would cover our beloved First Congressional District. He would say to me, "Don, flying up here with you is very relaxing and very comforting. Being above it all gives one relief from the demands and pressures of our day. Also, you get the feeling that you're closer to our Maker—this is, indeed, a very comfortable feeling."

Hubert Scudder is now enjoying the peace and quiet he so richly deserves—he is with his maker—God is now his copilot on this longer journey into eternity. This kindly, gentle, dedicated, determined, and outstanding American has been laid to rest—America is much the richer for his presence here on earth. I shall do everything within my power to carry forward to completion the great works of this great American.

Mr. ROBISON. Mr. Speaker, I remember Hubert Scudder with both appreciation and affection, appreciation of his talents and abilities as a legislator during the time we served here together in this body, and affection for his ready friendship and kindly and cheerful nature.

Like many other former Members who have been gone from us for some time, it is easy to forget how much such associations as that I enjoyed with Hubert Scudder meant to me. But they cannot ever really be forgotten and so it was with sorrow that I learned of our former colleague's passing, and with deep respect that I contribute this small tribute to his memory today.

Mr. FEIGHAN. Mr. Speaker, although it has been about 10 years since our late former colleague, Hubert Scudder, served in this body, I am glad to have this opportunity to join with my colleagues in honoring his memory and recounting some of his attributes. I have a warm and cherished memory of his friendly personality. One of my strongest recollections of him was his great love for out-of-doors. His love for the rugged wilderness was matched by his dogged determination and strong character. He was a gentleman of integrity, a keen student, and a man of stanch patriotic fervor. He never wavered in his devotion to his constituents and always seemed to carry their interests and problems close to his heart. Hubert was endowed with a generous spirit and great energy and always seemed to be happy when he was doing things for school groups. His district was a long way from Washington, but some of the schools in his district chartered buses and came to the Nation's Capital at his urging to enjoy and absorb the many interesting and historical points he would describe in speaking to these groups of students. Mr. Scudder took great interest in the young people of his district and left nothing undone which might contribute to their interest in building a better country.

It was a privilege to serve with Hubert Scudder; he had a host of friends on both sides of the aisle and news of his passing was received with sadness in this body.

Mr. MILLS. Mr. Speaker, it was with sadness that I noted the passing away on July 4 of a distinguished former colleague, the Honorable Hubert Baxter Scudder, of California. Congressman Scudder was 79 years of age.

Hubert B. Scudder was originally elected to the 81st Congress, and his distinguished service in this House extended through the 85th Congress. He retired in 1959 to return to his real estate and insurance business in Sebastopol, Calif.

Prior to coming to the House of Representatives, Congressman Scudder had served in a number of important positions in State and local government in his beloved State of California. He had been city councilman and then mayor of his native city of Sebastopol. He served for 15 years in the California State Assembly, and later for 5 years as real estate commissioner for the State of California.

It was my privilege to know Mr. Scudder during his 10 years here in this House. He will be remembered for his many contributions and dedicated and effective service during his long and active life to his district, to California, and to the Nation.

We all mourn the passing of Hubert Baxter Scudder, and I am honored to join with his many friends in the House in expressions of tribute and farewell to this valued and respected former Member from California.

Mr. BOB WILSON. Mr. Speaker, I am proud to join today in the tribute being paid to our late good friend and former colleague, Hubert B. Scudder of Sebastopol, Calif.

I had the great privilege of serving with him for 6 years on the California delegation. He was a man of courage and conviction. He did not hesitate to take a firm position when he knew he was right, yet he maintained an open mind in weighing all legislative matters.

Hubert Scudder was a man dedicated to public service, and his long years of service in Congress and the California Legislature were marked with distinction. He leaves behind a monument of good deeds and accomplishments that any man would be proud to call his own. The people of Sebastopol and the First Congressional District know them well, and they, like us, will not forget Hubert Scudder.

With these thoughts goes my sympathy to his family.

Mr. BELCHER. Mr. Speaker, I surely want to join in paying tribute to our late former colleague and a great American, Hubert Scudder. I counted him as a fine and cherished friend and will always value the 8 years that we served together in this body. Even those who knew him only slightly will remember him as one of the cheeriest, most friendly men who ever served here. Those of us who knew him well were impressed not only by his warmth and friendliness but by his sterling character, his devotion to duty, and his wise counsel.

Ten years ago, after 46 years of exemplary public service, Hubert Scudder voluntarily retired from the Congress so that he might more fully enjoy his home and family and the pleasures of being a private citizen in this wonderful country of ours. It was a well earned and much deserved respite from the burdens of public life. But it was hard for his friends here to let him go then—he has been much missed in these halls ever since—and his retirement was a great loss to his district, his State and his country.

Now that he has taken another step in the eternal progression of life and departed to an even more pleasant reward, it is again hard for those of us who knew and loved him to let him go; and his going will again be felt as a great loss to those of his family and friends who had come to depend upon his love and wisdom.

It somehow seems especially fitting to me that the passing of this great American should have occurred on the Fourth of July—the date on which we celebrate the anniversary of the founding of our Nation—for his patriotism and devotion to these United States was, I suspect, not exceeded even by those great Founding Fathers, John Adams and Thomas Jefferson, who departed from our midst on another Fourth of July, 142 years ago.

I join with the many others this morning in extending my deepest sympathy and sincere wishes for God's best blessing to Mrs. Scudder and their family.

Mr. FALLON. Mr. Speaker, I would like at this time to pay tribute to my close friend, former Congressman Hubert B. Scudder, who died on July 4, 1968.

Hubert Scudder was a Representative from the State of California for 10 years, from 1948 to 1958, and during that time he served his constituents with devotion and ability. I was privileged to know him well, and to share his friendship.

His record was one of distinction. Born in Sebastopol, Calif, in 1888, he was employed by the government of that city in a variety of capacities, culminating in his election as mayor in 1926. He served also in the California State Legislature, on the Republican State Central Committee, and as a member of the Governor's Council.

Those of us who remember Hubert Scudder are saddened by his death; by the loss of his able and dedicated spirit. I extend to his wife my deepest sympathy, thankful, despite our sadness, for the privilege of having known so fine a man.

Mr. HOLIFIELD. Mr. Speaker, it was with deep regret that I learned of the death of former Congressman Hubert B. Scudder.

As the Representative of the First Congressional District of California, Mr. Scudder served his district from 1948 to 1958 with honor and distinction. During his distinguished service on the House Public Work Committee, he was interested in not only the welfare of his district, but the country as a whole.

Observing Congressman Scudder from the opposite side of the aisle, I learned to respect him as a formidable opponent in debate and discussion.

For 46 years in public service, Mr. Scudder served his district, his State, and his Nation with integrity, ability, and patriotism.

Mr. Speaker, I wish to extend my sincerest sympathy to his wife and family.

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of my colleagues my remarks in memory of former Congressman Hubert Baxter Scudder:

I extend to Mrs. Scudder and all members of the family my deep sympathy. Hubert Scudder and I served here in the House of Representatives together for several years. Since he had preceded me in Washington, when I came, I frequently asked for his advice and his help. He always gave it generously and I found it to be sound in every instance. He was a kindly, fine man in every sense of the word who had devoted many years of his life to public service even before he came to Congress. He contributed a great deal to the betterment of America.

Mr. SMITH of California. Mr. Speaker, I would like to join my colleagues in the House of Representatives in paying tribute to my former colleague the Honorable Hubert B. Scudder, who served as a most distinguished Member of the House of Representatives from the First District of California from 1948 to 1958—the 81st through 85th Congresses.

He served in the House with great distinction and was a valued member of the Republican Party. Although we only had the privilege of serving one term with each other, I soon learned when I came to Congress that he was a great American, highly respected, and a wonderful person. He was a dedicated Member, who through his efforts proved he believed in the great principles upon which our Nation was founded.

Mrs. Smith joins me in expressing our deepest sympathy to his dear wife, Helen. We hope she will find comfort in knowing that he beloved husband left behind an example of true American statesmanship.

Mr. BOLAND. Mr. Speaker, it is with a profound sense of personal sorrow that I pay tribute to the memory of former U.S. Representative Hubert B. Scudder, who died on July the Fourth. It was my privilege to serve with Congressman Scudder, and I can testify to his integrity, his industry, and his competence as a legislator. Although he had been absent from this body for a decade before his death, those of us who knew him, and worked with him, remember the high quality of the man and his contributions.

Born in 1888, he graduated from the public schools of his native Sebastopol, Calif., and was subsequently employed by that city in a variety of positions. World War I saw his active service in the coast artillery, after which he was elected city councilman of Sebastopol in 1924, and mayor, in 1926. He was elected to the California State Legislature in 1924, serving there until 1941. Following the end of his State legislative career, he became active with the Republican State Central Committee. He was appointed real estate commissioner of the State of California in 1943 by then Gov. Earl Warren. He came to the U.S. House of Representatives in 1948, where he served for 10 years.

Those were 10 years of devotion, both to his constituents, and to the ideals of our democracy, 10 years of constructive activity characterized by a rare personal warmth. I am truly saddened by his passing, as is everyone who knew him. I extend to his wife my deepest sympathy at this difficult time.

GENERAL LEAVE TO EXTEND

Mr. DON H. CLAUSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

OPPOSITION TO INCREASES IN TRUCK SIZES AND WEIGHTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. SCHWENGEL] is recognized for 30 minutes.

Mr. SCHWENGEL. Mr. Speaker, I take this time to make crystal clear my position on the bill to increase truck sizes and weights and related issues.

First of all, I am opposed to the truck bill to increase weight and widths for trucks. It simply has not had sufficient study. There is conflicting evidence as to the economic benefits of the bill. The impact of the truck bill on highway construction costs and highway safety has not been fully explored.

Second, because Frank Grimm, treasurer of the Truck Operators Non-Partisan Committee, reportedly said:

> We do what we can for those on the committees who might help us.

Mr. Speaker, this is an implication that Congressmen can be bought wholesale and I do not believe it so I wrote to the chairman of the Committee on Standards of Official Conduct asking for an inquiry into this matter so that all Members would have sufficient opportunity to reply to the statement made by the trucking industry spokesman. To quote from my letter:

> I believe it is necessary to give every Member of Congress involved a chance to publicly disavow the *intent* stated by the truck lobby.

Third, my letter to the chairman of the Committee on Standards of Official Conduct stated, and I quote:

> This is not to imply that any Member was actually unduly influenced by the money given to his campaign fund by the American Truckers Associations, Inc.

Finally, I urged the Committee on Standards of Official Conduct to consider the ways and means to deal more firmly with those who seek to unduly influence Congress.

Mr. Speaker, I want to make clear that I am continuing my fight. My principal fight is against the truck bill in its present form.

Today I would like to speak briefly about the question of truck length. In this connection I would like to pose a question: If it is good and sound public policy at the national level to limit the weight and width of trucks, why is it not good public policy to limit the length of trucks as well?

The bill, S. 2658, which was passed by the House Public Works Committee does not contain any regulation or limit on the length of trucks.

This I believe is critical. Triple-trailer trucks are already being tested and I am told being used. The implications that this holds for the life of present highways, and more importantly, highway safety are tremendous.

In my State of Iowa we have 10,126 miles on our primary road system. Right now 677 miles or just 7 percent are four-lane divided highways. The rest, 93 percent, are two-lane highways, not built to interstate specifications in almost every respect. Can you imagine having to drive on a two-lane Iowa highway with even wider and longer trucks than those now using those highways? I find it hard, yes, impossible, to accept the statement of the American Trucking Association that this bill will not aggravate existing highway safety problems.

Now you will hear proponents of this legislation claim that it would apply only to interstate highways. I again ask a simple question? How many trucks begin and end their routes or trips on the Interstate System? Obviously none do. To get on the Interstate System they must use State and local roads. Most of those roads, as I have demonstrated in Iowa, are not built to Interstate Highway standards.

I strongly believe that we should limit the length of motor vehicles on the Interstate System. In order to protect our investment in our highway system and in order to prevent our roads from becoming even more hazardous, action must be taken.

Dr. John O'Mara, a distinguished safety expert at the University of Iowa, has authored a paper on the topic of truck lengths.

Dr. John O'Mara has over 30 years of engineering experience. He has taught at the Cooper Union in New York. He has been active in highway safety work and research for more than 25 years.

He has written numerous articles for traffic safety journals. He has testified before committees of the Congress—July 1965 appeared before the Ribicoff subcommittee. The Senate was studying the Federal role in traffic safety.

He is a member of various professional societies, the Highway Research Board and the National Society of Engineers.

His credentials are impeccable and I value greatly his contribution.

TRUCK LENGTH

(By John J. O'Mara, associate professor, University of Iowa, Iowa City, Iowa)

The characteristics of vehicles govern the design of many highway features including the steepness of grades; width, height and strength of bridges; sharpness of curves; and the width and thickness of pavements. Consequently, it is necessary that the public regulate the size and weight of vehicles in order that they not exceed the capacity of existing highways and streets and their components.

Safety is the primary consideration involved in establishing most limiting criteria, and this is true of maximum lengths for vehicles operating on the public highways and streets.

One aspect of the question of truck length concerns the fact that the rear wheels of a highway vehicle on a curve follow a path closer to the center of the curve than the path of the front wheels. For example, a long truck making a right turn at a street intersection often must encroach upon the left lanes of both streets in order that the rear wheels clear the curb on the inside of the turn.

The same phenomenon occurs on a highway curve to a lesser extent. The longer the truck and the sharper the curve, the more the rear end of the truck will be displaced toward the adjacent lane.

Although the National System of Interstate and Defense Highways has been built to high standards, it is likely that some parts of the System cannot safely accommodate trucks longer than 50 to 55 feet. These lengths are the design lengths recommended by the American Association of State Highway Officials and used for the design of most of the System.

It is certain that trucks longer than these lengths cannot negotiate some of the ramps, loops and similar components of the System and keep the whole of the truck within proper confines. Furthermore, it is likely that there are thousands of miles of access roads and streets over which Interstate Highway traffic must operate in order to use the System, which cannot safely accommodate longer trucks. On these highways, because of the narrowness of the pavement and the sharpness of the curves it will be impossible to operate long trucks without the rear of the unit encroaching on the opposite lane or coming dangerously close. If this should be true, it could be disastrous to the unwarned, unsuspecting drivers and passengers of vehicles in the opposite lane.

Another one of the hazards of increased length is the increase in time and distance required for a passenger car to pass a longer vehicle. Using the American Association of State Highways official standard procedure 550 ft. more clear space in the left lane is needed to pass a 100 ft. long truck; the space now required for traffic width is 55 ft.

On two-lane primary highways this would require increasing passing sight distance from about 2,500 ft. to 3,000 ft.—an almost impossible vision procedure economically.

Sight distance consideration similarly would increase primary and interstate highways and even more so if one vehicle in operation is passing the passenger car or what is even worse if a truck is passing one or more trucks.

TRUCK WIDTH

Increasing the width of trucks is another hazard in many ways. One is that they will be too wide for the width of existing lanes on our highways.

As trucks width increased over the years, lane width is needed to be increased from 7 or 8 ft. to 9 ft. to 10 ft. to 11 ft. and now 12 ft. A lane width of 12 ft. is generally provided wherever there are more than a few trucks. These lane widths are for 8 ft. trucks but after trucks become 8 ft. 6 in. the lanes should be widened additionally.

There is a limit to lane width. When lanes are widened to 13 or 14 ft., traffic tries to force-fit three lanes of traffic into a two lane facility.

TRUCK WEIGHT

Heavier trucks possess even more of a hazard to highway traffic. A truck requires more distance to stop than a passenger car.

Everyone understands that a body set in motion tends to continue in motion and that there is a function of the mass or weight of the body. It is true that heavier vehicles are more difficult to stop than a lighter vehicle.

The ordinary semi-trailer now in communication usually requires more to operate than a passenger car. After weight is increased the stoppage distance will be increased and this will increase hazards in many ways.

Before authorizing larger and heavier vehicles there should first be a demonstration of need for them, that their use is in the public interest, that it fits properly into a balanced transport system and represents the best distribution of the resources involved. If such a case can be made, then highway authorities should be instructed to design and construct new roads to the standards required to handle the larger vehicles and, perhaps, to use the new standards also in reconstruction projects.

It would be a grievous blunder to authorize very large and heavy vehicles to use highways not designed for them.

HOUR OF MEETING ON TOMORROW

Mr. **ALBERT**. Mr. Speaker, I ask unanimous consent that when the House adjourn today it adjourn to meet at 11 o'clock a.m. tomorrow.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

POLISH PRIEST COUNCIL ISSUES HUMAN RIGHTS DECLARATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 1 hour.

Mr. **CONYERS**. Mr. Speaker, in our Nation of distinct and identifiable groups, a denial of rights either to one person or one group is, in actuality, a denial to all persons and all groups.

Such was the very subject of concern voiced by the Detroit Archdiocesan Priests Conference for Polish Affairs. Their very words convey a most thoughtful sensitivity and echo a profound tradition of social concern, so much a part of the Polish people both in their homeland and here in America:

> Our forefathers and their descendants struggled to overcome suppression and prejudice, both in Poland and America in order to secure human rights and personal dignity. It is in light of these experiences that our heartfelt concern goes out to those who are deprived of these same rights and who suffer these same indignities.
>
> In the spirit of these convictions, we pledge ourselves and urge our parishioners to support all efforts of the civil and ecclesiastical authorities and of dedicated social groups to secure this equality of rights for all citizens regardless of creed, nationality, or race.

I congratulate Rev. Daniel P. Bogus, pastor of St. Theresa of Avila Church, and Rev. Fabian B. Slominski, pastor of the Corpus Christi Church—cochairmen of the conference and both of my district—and all their colleagues who participated in the Detroit Archdiocesan

Priests Conference for Polish Affairs, and who joined in a unanimous pledge to work for the elimination of poverty, freedom of opportunity in housing, education, employment, and the use of public facilities.

The import of such an action should be obvious to all. For the time is long overdue for the American people to reexamine their own prides and prejudices. It is of great significance, then, that this distinguished body of priests is so sensitive to the ills of our society.

It will never be enough for legislators to pass laws—no matter how effective in word or action. Our people must learn to live among themselves and for each other. Indeed, the future of this country rests securely on that prospect.

I would like to insert the text of the resolution and several outstanding newspaper accounts dealing with it at this point in the RECORD:

Resolution

In harmony with the teachings of Christ as regards the primacy of the law of love, we priests of Polish background do hereby publish this as our firm Christian conviction. By doing so, we reaffirm our love and pride in our past traditions. It is from these particularly Polish traditions that we draw our strength and resoluteness. Our forefathers and their descendants struggled to overcome the handicaps of persecution, suppression and prejudice, both in Poland and America, in order to secure for themselves their basic human rights and personal dignity. It is in the light of these experiences that our heartfelt concern goes out to those who are deprived of these same rights and who suffer these same indignities.

Our prime concern is the dignity of each man, the unhampered exercise of his rights, the promotion of Christian love and understanding. It is to this purpose that we will dedicate our efforts and bind ourselves to the following principles:

(1) We will do all in our power to assure that the rights of each person are not violated in our own community, either by accepted practices or community prejudices.

(2) We will support and encourage freedom of opportunity for all persons in housing, education, employment, use of public facilities and the enjoyment of these advantages.

(3) We maintain that parishes, schools, and neighborhoods shall be open to all persons of whatever color, race or national origin.

(4) We affirm the right of every man, woman and child to a decent standard of living as well as housing and shall work diligently toward the effective elimination of poverty in the community.

(5) We shall require our legislators to be guided by principles which reflect the Christian conscience while proposing and voting for legislation in the field of "fair housing", "aid to education", and "social welfare."

In the spirit of these convictions we pledge ourselves and urge our parishioners to support all efforts of the civil and ecclesiastical authorities and of dedicated social groups to secure this equality of rights for all citizens regardless of creed, nationality or race. Assisted by the grace of God, we will exert every effort to make our parishes models of Christian community and involvement, opening our arms to embrace the less fortunate in our midst. As priests, we promise to use all the religious and pastoral means at our disposal for the attainment of social peace and harmony among all men.

[From the Michigan Catholic, July 4, 1968]

Polish Priests Here Pledge Fight for Racial Equality

A Detroit association of Polish-American priests, in an unprecedented move, pledged themselves to the struggle for equal rights for all while calling on their people to join the fight with them.

The Detroit Archdiocesan Priests Conference for Polish Affairs this week released a resolution passed unanimously at their June meeting which outlines their beliefs and objectives.

"Our prime concern is the dignity of each man, the unhampered exercise of his rights, the promotion of his rights, the promotion of Christian love and understanding," the resolution reads. "It is to this purpose that we will dedicate our efforts and bind ourselves to the following principles:

"We will do all in our power to assure that the rights of each person are not violated in our own community, either by accepted practices or community prejudices.

"We will support and encourage freedom of opportunity for all persons in housing, education, employment, use of public facilities and the enjoyment of these advantages.

"We maintain that parishes, schools and neighborhoods shall be open to all persons of whatever color, race or national origin.

"We reaffirm the right of every man, woman and child to a decent standard of living as well as housing and shall work diligently toward the effective elimination of poverty in the community.

"We shall require our legislators to be guided by principles which reflect the Christian conscience while proposing and voting for legislation in the fields of 'fair housing,' 'aid to education,' and 'social welfare,' " the resolution states.

The action was called the first for any ethnic group in this area or any other as far as is known, according to Fr. James J. Sheehan, director of the Archdiocesan Human Relations Commission.

"We are elated with the action of the conference," said Fr. Sheehan.

"It is significant that it is coming from the priests and is not imposed by the Chancery. It should be meaningful to the people of the Archdiocese that a group of priests would act this solidarity."

One of the co-chairman for the meeting, Fr. Fabian Slominski, pastor of Corpus Christi Parish, Detroit, a parish which has a predominantly Polish-American membership while the parish school has a majority of black students, said, "We felt we had to let our people know where we stood, let our legislators know and also the Chancery."

Fr. Daniel P. Bogus, pastor of St. Theresa of Avila Parish, Detroit, whose parish formerly was Irish, but now is 90 per cent black, said, "At the meeting we concerned ourselves with the realities of prejudice within ourselves. We also concerned ourselves with the fact that positive action must be taken.

"We feel that unless priests take the leadership, prejudice will continue in the community. Now that we have taken the first step through this resolution, there will be no doubt about our stand."

This resolution, which recalls the prejudice suffered by Polish people in their homeland and in America, pledges the priests to work for their goals drawing on their Polish strength and resoluteness.

The resolutions, presented were written in both Polish and English.

Fr. Bogus said it is now up to the individual pastors to implement the resolution within their own churches.

Both Fr. Bogus and Fr. Slominski are in the planning stages of projects to make concrete the resolution beyond projects already in existence in their parishes.

According to Fr. Slominski, of 32 Polish parishes in the archdiocese, between 20–25 are in the city of Detroit with the majority situated in the inner city.

An estimated 300,000 people of Polish-American descent live in the eight-county Archdiocese.

The priests conference, founded by the late Edward Cardinal Mooney, lists as active members 128 priests of Polish descent out of an estimated 190 in the Archdiocese.

Fr. Bogus and Fr. Slominski emphasized that Polish parishes have been working for equal opportunity, but with little publicity.

They cited integrated parishes and schools and the presence of Polish-Americans in a recent Detroit march supporting the Poor Peoples Campaign.

In planning their projects to implement the resolution, the priests reiterated the closing lines of the statement:

"We will exert every effort to make our parishes models of Christian community and involvement, opening our arms to embrace the less fortunate in our midst.

"As priests, we promise to use all the religious and pastoral means at our disposal for the attainment of social peace and harmony among all men."

[From the Michigan Catholic, July 4, 1968]

Polish Priests Lead

To the editor: It was with great pride and deep satisfaction that I read about the pledge to fight for racial equality made by our priests of Polish descent. Their forthright action is not only clear evidence of Christian witness to the brotherhood of man in our troubled times, but completely in accord with the ideals of Polish culture to which all Poles are heir.

From Piotr Skarga, the 16th Century Polish Jesuit whose sermons and oratory inflamed the Polish royal court with the need to concentrate on duties and responsibilities . . . to King Jan Sobieski who drove the Turks from the gates of Vienna in 1683 and thus saved European Christiandom . . . to the writers of Poland's Constitution of May 3, 1791, that magnificent document which recognized the dignity of the individual through far-reaching social reforms . . . to Thaddeus Kosciuszko who in his last will and testament in America left all his worldly possessions to Thomas Jefferson that he might free Negroes.

These are only a few giants in our tradition; thus it is altogether natural that Americans of Polish descent should be inspired by enlightment.

May God bless Frs. Daniel Bogus and Fabian Slominski and their fellow priests in the association, and may the Holy Spirit guide their flocks in this Christian endeavor.

HARRIET PAWLOWSKA.

[From the Michigan Chronicle, July 13, 1968]

Polish Priests Pledge Equal Rights Campaign

A group of 60 priests and seminarians of the Detroit archdiocese in an unprecedented move pledged themselves to the struggle for equal rights while calling on their parishioners to join the fight with them.

The Detroit Archdiocesan Priests Conference for Polish Affairs last week released a resolution passed unanimously at a June 16 meeting which outlines their beliefs and objectives.

This type of group action is the first for any ethnic association in Detroit or anywhere else as far as is known, said Rev. James J. Sheehan, director of the Detroit Archdiocesan Human Relations commission.

"We are elated with the action of the conference," said Fr. Sheehan. "It is significant that it is coming from the priests and is not imposed by the chancery. It should be meaningful to the people of the archdiocese that a group of priests would act with this solidarity."

The resolution, which recalls the prejudice suffered by the Polish people in their homeland and in America, pledges the priests to work for elimination of poverty, freedom of opportunity in housing, education, employment and use of public facilities.

It also calls for open parishes, schools and neighborhoods, and the protection of the rights of individuals within communities. The priests promised to work with lawmakers for legislation in the areas of fair housing, aid to education and social welfare.

The conference held its May meeting in Orchard Lake seminary in suburban Detroit. The seminary trains priests who will serve people of Polish descent in the U.S.

Co-chairmen for the meeting were Rev. Daniel P. Bogus, pastor of St. Theresa of Avila church on Detroit's westside, and Rev. Fabian B. Slominski, pastor of Corpus Christi church on the eastside.

Attending were 45 priests from the archdiocese and 20 Orchard Lake seminarians. Theme for the day was "The Polish-American Community and the Urban Crisis." Speaking were a university psychologist and sociologist on prejudice and an Afro-American on black power.

At the end of the day the resolution was presented and copies were made in both English and Polish.

Said Fr. Bogus:

"At the meeting we concerned ourselves with the realities, of prejudice within ourselves. We also concerned ourselves with the fact that positive action must be taken.

"We feel that unless the priests take the leadership, prejudice will continue in the community. Now that we have taken the first step through, this resolution, there will be no doubt about our stand."

Both priests emphasized that Polish parishes have been working for equal opportunity but without publicity. They cited integrated churches and schools and the presence of Polish-Americans in a recent Detroit march supporting the Poor People's campaign.

According to Fr. Slominski, of 32 Polish parishes in the archdiocese, between 20 to 25 are in the city of Detroit with the majority situated in the inner city. An estimated 300,000 people of Polish descent live in the eight-county archdiocese.

Said Fr. Slominski:

"We felt we had to let our people know where we stood, let our legislators know and also the chancery."

The priests' conference, formed by the late Edward Cardinal Mooney, lists 128 active priests as members of an estimated 190 of Polish descent in the archdiocese. The conference serves a three-state area.

Fr. Bogus and Fr. Slominski said it is now up to the individual pastors to implement the resolution within their own parishes. Both are in the planning stage of projects to make concrete the resolution beyond programs already in effect within their own churches.

Fr. Bogus is pastor of a westside church which was Irish but is now 90 percent black. Fr. Slominski heads a church with a predominantly Polish-American membership while his parish school has a majority of black students.

In planning their projects for implementing the resolution, the priests reiterated the closing words of the Orchard Lake resolution:

"We will exert every effort to make our parishes models of Christian community and involvement, opening our arms to embrace the less fortunate in our midst. As priests, we promise to use all the religious and pastoral means at our disposal for the attainment of social peace and harmony among all men."

The full text of the resolution is as follows:

"In harmony with the teachings of Christ as regards the primacy of the law of love, we priests of Polish background do hereby publish this as our firm Christian conviction. By doing so, we reaffirm our love and pride in our past traditions. It is from these particularly Polish traditions that we draw our strength and resoluteness.

"Our forefathers and their decendants struggled to overcome the handicaps of persecution, suppression and prejudice, both in Poland and America, in order to secure human rights and personal dignity. It is in the light of these experiences that our heartfelt concern goes out to those who are deprived of these same rights and who suffer these same indignities.

"Our prime concern is the dignity of each man, the unhampered exercise of his rights, the promotion of Christian love and understanding. It is to this purpose that we will dedicate our efforts and bind ourselves to the following principles:

"We will do all in our power to assure that the rights of each person are not violated in our own community, either by accepted practices or community prejudices.

"We will support and encourage freedom of opportunity for all persons in housing, education, employment, use of public facilities and the enjoyment of these advantages.

"We maintain that parishes, schools and neighborhoods shall be open to all persons of whatever color, race or national origin.

"We reaffirm the right of every man, woman and child to a decent standard of living as well as housing and shall work diligently toward the effective elimination of poverty in the community.

"We shall require our legislators to be guided by principles which reflect the Christian conscience while proposing and voting for legislation in the fields of 'fair housing,' 'aid to education,' and 'social welfare.'

"In the spirit of these convictions we pledge ourselves and urge our parishioners to support all efforts of the civil and ecclesiastical authorities and of dedicated social groups to secure this equality of rights for all citizens regardless of creed, nationality or race.

"Assisted by the grace of God, we will exert every effort to make our parishes models of Christian community and involvement, opening our arms to embrace the less fortunate in our midst. As priests, we promise to use all the religious and pastoral means at our disposal for the attainment of social peace and harmony among all men."

[From the Citizen, July 4, 1968]

PRIESTS CONFERENCE IS PLEDGED TO SEEK EQUAL RIGHTS AND ELIMINATION OF ALL BIAS

The Detroit Archdiocesan Priests Conference for Polish Affairs has released a resolution passed at its June meeting which outlines its beliefs and objectives.

The resolution, which recalls the prejudice suffered by the Polish people in their homeland and in America, pledges the priests to work for these aims: elimination of poverty, freedom of opportunity in housing, education and employment, and use of public facilities.

It calls for open parishes, schools and neighborhoods, and the protection of the rights of individuals within communities. The priests promise to work with lawmakers for legislation in the areas of fair housing, aid to education and social welfare.

The conference president is Fr. Joseph J. Kubik, pastor of St. Florian Church. It was formed by the late Edward Cardinal Mooney and lists 128 active archdiocesan priests who are of Polish descent.

Fr. James J. Sheehan, director of the Detroit Archdiocesan Human Relations Commission, said, "We are elated with the action of the conference.

"It is significant that it is coming from the priests and is not imposed by the chancery. It should be meaningful to the people of the archdiocese that a group of priests would act with this solidarity."

L. B. J.: THE CONSERVATION PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. WRIGHT] is recognized for 30 minutes.

Mr. WRIGHT. Mr. Speaker, our most impelling domestic problem in the final one-third of the 20th century may be to preserve the American environment. We have awakened belatedly to the imperative demands of conservation. In our headlong thirst for economic progress and industrial supremacy, Americans have too long ignored what we were doing to our most basic treasures—our earth, our water, our fields and forests, our vistas of scenic beauty, and even to the air that we breathe. We have sullied our streams, defiled our atmosphere, and done violence to the gracious earth.

In the past 5 years, under the superb leadership and vision of President Johnson, we have at last begun to reverse that lethal trend. This year, for the first time in almost a century, the American Nation has put more land back into the public domain than we have taken out.

There can be no doubt that President Johnson has done more in the 5 short years of his administration to restore the purity and natural balance of the American environment than any other President in America's history. Beginning with the act which created the Yellowstone National Park in 1872, American Presidents prior to Lyndon Johnson signed a total of 269 conservation laws with a total value of $5.6 billion. Since November 1963, President Johnson has approved 278 conservation measures with total appropriations in excess of $12.2 billion.

Under unanimous consent, I shall include at the end of my remarks several tables. One presents the 50 most significant beautification and conservation bills signed into law by President Johnson through July 22, 1968. Another lists all of the 278 laws to which I just referred. And the final table comprises an additional listing of major conservation bills expected to pass before the adjournment of the 90th Congress.

It does not diminish the great and farsighted conservation works of Theodore Roosevelt or Franklin Delano Roosevelt, or those of any other American President, to point out that President Johnson and the Congresses with which he has worked as President have done more to advance the cause of conservation than all of his predecessors and all of the sessions of Congress with which they labored.

It was under President Johnson that the American Nation has begun an attack on the pollution of the air. Under him, we created the National Wilderness Preservation System. At the urging of President Johnson we adopted the Land and Water Conservation Act, the Highway Beautification Act, and the Federal Coal Mine Safety Act. Works of preservation and natural restoration have been begun at a host of sites throughout the land. Under the Department of Transportation Act and now under the Highway Act, the public's park lands, wildlife refuges and historic remains have been made inviolate to the bulldozers. Lakes and forests have been legally preserved for the placid enjoyment of future generations.

Lyndon Johnson will be remembered in history for many things. He will be memorialized for his unparalleled contributions to education and his unrivaled works in the field of public health. But in no field of endeavor does he more lavishly deserve the generous praise of future generations than in his unexcelled leadership in the field of conservation. In this, as in countless other endeavors, Lyndon B. Johnson has been a faithful servant of the present and a prophet of the future.

No need of American life cries out more loudly for our continued dedication than the needs of conservation, preservation and restoration of our natural environment. The urban transformation is rapidly changing the face of America. Three-fourths of us live in towns and cities, and most of our cities are getting bigger. The environment is more and more crowded and cluttered.

For an annually increasing number of Americans, the lyrics of "America the Beautiful" might as well be speaking of outer space as to evoke a familiar response to "spacious skies," "amber waves of grain," or "purple mountains' majesties."

The cry for pure air, pure water, noise abatement, open spaces, and scenic preservation might have sounded silly to the average American just 30 years ago. But today that cry is an insistent popular clamor. In a few years it will be an imperative public demand.

Until our time, there were new frontiers. Land was cheap. The fertile valleys and billowing prairies stretched like a never-ending sea before the westward migration. There was water enough, and the rivers cleansed themselves. Nobody thought about the air that he breathed, and the only concern local Chambers of Commerce had over "open spaces" was how to find a smokestack to put on them.

In our time, the public attitude is beginning to change, not slowly but rapidly. More and more Americans are awakening from our Rip Van Winkle slumbers to a realization of the needs of conservation. And for this awakening, the Nation gives its grateful thanks to the dedicated and prophetic leadership of President Lyndon B. Johnson.

The material referred to follows:

TABLE 1.—THE 50 MOST SIGNIFICANT BEAUTIFICATION AND CONSERVATION MEASURES SIGNED INTO LAW BY PRESIDENT LYNDON B. JOHNSON THROUGH JULY 22, 1968

Public Law No.	Short title	Signed by the President on—
88-206	Air Pollution—Clean Air Act	Dec. 17, 1963
88-260	John F. Kennedy Center for the Performing Arts.	Jan. 23, 1964
88-363	Roosevelt International Park	July 7, 1964
88-365	Urban mass transportation	July 9, 1964
88-379	Water research—universities	July 17, 1964
88-492	Ozark national rivers	Aug. 27, 1964
88-494	Medicine Bow National Forest	Do.
88-560	Housing and urban renewal	Sept. 2, 1964
88-577	National wilderness preservation system.	Sept. 3, 1964
88-578	Land and water conservation	Do.
88-579	National Council on the Arts	Do.
88-587	Fire Island National Seashore	Sept. 11, 1964
88-588	Everglades National Park	Sept. 12, 1964
88-600	Rio Grande project	Sept. 18, 1964
89-4	Appalachian aid program	Mar. 9, 1965
89-72	Federal water projects recreation	July 9, 1965
89-129	Ellis Island—Statue of Liberty	Aug. 17, 1965
89-158	Delaware Water Gap National Recreation Area.	Sept. 1, 1965
89-195	Assateague Island National Seashore	Sept. 21, 1965
89-234	Water Pollution	Oct. 2, 1965
89-244	Fire Island National Seashore	Oct. 9, 1965
89-269	Jefferson National Expansion Memorial	Oct. 19, 1965
89-285	Highway beautification	Oct. 22, 1965
89-336	Wiskeytown-Shasta-Trinity Recreation Area.	Nov. 8, 1965
89-366	Cape Lookout National Seashore, N.C	Mar. 10, 1966
89-376	Federal Coal Mine Safety Act	Mar. 26, 1966
89-438	Mount Rogers National Recreation Area, Va.	May 31, 1966
89-479	Chamizal Treaty National Memorial	June 30, 1966
89-565	Pig War National Historical Park	Sept. 9, 1966
89-605	Hudson Riverway—Preservation	Sept. 26, 1966
89-664	Bighorn Canyon Recreation Area	Oct. 15, 1966
89-665	Historic Preservation Act	Do.
89-666	National Seashore, Calif	Do.
89-667	Guadalupe Mountains National Park	Do.
89-668	Pictured Rocks National Lakeshore	Do.
89-669	Endangered Species Act	Do.
89-675	Air pollution—Funds	Do.
89-753	Water pollution control	Nov. 3, 1966
89-754	Model city programs	Do.
89-761	Indiana Dunes National Lakeshore	Nov. 5, 1966
89-788	Hirshhorn Museum	Nov. 7, 1966
90-18	Prototype desalting plant	May 19, 1967
90-74	Colonial National Historical Park	Aug. 29, 1967
90-148	Air pollution	Nov. 21, 1967
90-262	Acadia National Park	Mar. 4, 1968
90-264	National Visitors Center	Mar. 12, 1968
90-271	San Rafael Wilderness, Calif	Mar. 21, 1968
90-318	Angeles National Forest, Calif	May 24, 1968
90-326	Cape Hatteras National Seashore	June 4, 1968
90-401	Use of Outer Continental Shelf revenues for recreation.	July 15, 1968

TABLE 2.—BEAUTIFICATION AND CONSERVATION MEASURES, 88TH CONG.

Public Law No.	Short title	Signed by the President on—
88-198	Costilla Creek Compact	Dec. 12, 1963
88-206	Air pollution—Clean Air Act	Dec. 17, 1963
88-216	Minerals rights—California	Dec. 19, 1963
88-226	Alcatraz—Disposition	Dec. 23, 1963
88-235	Mesa Verde National Park, Colo	Do.
88-249	National park boundaries—New Mexico.	Dec. 30, 1963
88-260	Kennedy Memorial Center	Jan. 23, 1964
88-263	South Pacific Commission	Jan. 31, 1964
88-278	Missouri River Basin—Riverton extension.	Mar. 10, 1964
88-291	Eden Valley Irrigation District	Mar. 26, 1964
88-293	Recreation area—Colorado River	Do.
88-308	U.S. waters—Fishing	May 20, 1964
88-309	Fishery research	Do.
88-311	Transitional grants—Alaska	May 27, 1964
88-314	Newton water users	May 28, 1964
88-315	Missoula Valley project—Montana	Do.
88-322	Dam construction—Minnesota	June 25, 1964
88-363	Roosevelt International Park	July 7, 1964
88-365	Urban mass transportation	July 9, 1964
88-367	Frio River survey—Texas	Do.
88-371	Ohio-Pennsylvania—Compact	July 14, 1964
88-375	Flood control—Cedar Bayou	Do.
88-379	Water research—Universities	July 17, 1964
88-384	Land jurisdiction—Massachusetts	July 28, 1964
88-389	Naval petroleum reserve	Do.
88-391	Smithsonian—Policing	Aug. 1, 1964
88-399	Commemoration—Monument	Aug. 4, 1964
88-403	Herbert Hoover	Aug. 6, 1964
88-404	Nonnavigable bayou—Louisiana	Aug. 7, 1964
88-409	Fairbanks, Alaska—Mineral rights	Aug. 10, 1964
88-411	Mexico—Flood control works	Do.
88-415	Foothills Parkway, Tenn	Do.
88-416	See America 1964	Aug. 11, 1964
88-417	Reclamation grants	Do.
88-423	Highway construction	Aug. 13, 1964
88-429	Land conveyance—Alaska	Aug. 14, 1964
88-442	Missouri River Basin—Authorization	Aug. 19, 1964
88-449	National Tropical Botanical Garden	Do.
88-453	Enterprise Rancheria No. 2	Aug. 20, 1964
88-456	Oregon—Irrigation project	Do.
88-470	National trust for historic preservation	Aug. 21, 1964
88-475	Horizontal Property Act	Do.
88-477	Independence National Historic Site	Do.
88-482	Wild animals—Importation	Aug. 22, 1964
88-487	Pacific Islands—Trust territory	Do.
88-491	Colorado River—Hydroelectric projects.	Aug. 27, 1964
88-492	Ozark national rivers	Do.
88-494	Medicine Bow National Forest	Do.
88-495	Florida—Property condemnation	Do.
88-496	International exposition—California	Do.
88-498	Fishing vessels—Construction	Aug. 30, 1964
88-500	California—Land conveyance	Do.
88-502	Ohio—Cuyahoga County	Do.
88-510	Fort Bowie National Historic Site	Do.
88-523	Wildlife refuge—Revenues	Do.
88-526	Coal—Public land	Aug. 31, 1964
88-534	Soil conservation	Do.
88-536	Sandford Reservoir—Recreational facilities.	Do.
88-537	National forests	Do.
88-541	Fort Larned National Historic Site	Do.
88-543	Saint-Guadens National Historic Site	Do.
88-546	Pennsylvania—Historic sites	Do.
88-547	John Muir National Monument	Do.
88-555	Judge Francis Carr Powerhouse	Do.
88-560	Housing and urban renewal	Sept. 2, 1964
88-561	Reclamation—Damage compensation	Do.
88-565	Utah—Dixie project	Do.
88-567	Wildlife conservation	Do.
88-568	Colorado River—Reclamation projects	Do.
88-577	National wilderness preservation system	Sept. 3, 1964
88-578	Land and water conservation	Do.
88-579	National Council on the Arts	Do.
88-583	Idaho-Teton Basin project	Sept. 7, 1964
88-587	Fire Island National Seashore	Sept. 11, 1964
88-588	Everglades National Park	Sept. 12, 1964
88-590	Canyonlands National Park	Do.
88-594	Pecos River Basin—Water use	Do.
88-595	Construction reserve funds	Do.
88-598	Irrigation—Federal project	Sept. 18, 1964
88-599	Whitestone Coulee Dam	Do.
88-600	Rio Grande project	Do.
88-601	New Jersey—Historical park	Do.
88-602	Virginia and Kentucky—Park compact	Do.
88-604	Independence National Historic Park	Do.
88-606	Public Land Law Review Commission	Sept. 19, 1964
88-607	Administration of lands	Do.
88-608	Public lands—Sale and use	Do.
88-609	Interoceanic canal construction study	Sept. 22, 1964
88-626	Modoc County, Calif	Oct. 3, 1964
88-630	Lewis and Clark Trail Commission	Oct. 6, 1964
88-632	Osage Mineral Reservation	Do.
88-639	Lake Mead Recreation Area	Oct. 8, 1964
88-640	Indians—Flathead project	Do.
88-642	Missouri—Construction	Oct. 13, 1964
88-645	Desert land laws—Entrymen	Do.
88-646	Arkansas—Graham Burke Pumping Plant	Do.
88-648	Point Pleasant Canal	Do.
88-655	Ice Age Scientific Reserve	Do.
88-657	National forests—Roads	Do.
88-660	Great River Road	Do.
88-662	Clair Engle Lake	Do.

TABLE 3.—BEAUTIFICATION AND CONSERVATION MEASURES, 89TH CONG.

Public Law No.	Short title	Signed by the President on—
89-4	Appalachian aid program	Mar. 9, 1965
89-7	Bennett Place, North Carolina—Commemoration.	Mar. 29, 1965
89-19	Nez Perce Historical Park	May 15, 1965
89-33	Agate Fossil Beds National Monument	June 5, 1965
89-38	Kure Beach, N.C	June 12, 1965
89-39	Kaniksu National Forest	June 14, 1965
89-41	Northwest disaster area	June 17, 1965
89-42	River basin projects—Funds	June 18, 1965
89-54	Pecos National Monument	June 28, 1965
89-55	Area Redevelopment Act—Extension	June 30, 1965
89-60	Mann Creek project, Idaho	Do.
89-72	Water Resource projects	July 9, 1965
89-80	Water and land resources—Planning	July 22, 1965
89-85	Fisheries—Loans	July 24, 1965
89-102	Golden Spike National Monument	July 30, 1965
89-108	Garrison diversion unit—Construction	Aug. 5, 1965
89-111	Kings Canyon National Park	Aug. 6, 1965
89-117	Housing and Urban Development Act of 1965.	Aug. 10, 1965
89-118	Saline water conversion program	Aug. 11, 1965
89-119	Herbert Hoover Birthplace	Aug. 12, 1965
89-129	Ellis Island—Statue of Liberty	Aug. 17, 1965
89-148	Hubbell Trading Post, Ariz	Aug. 28, 1965
89-153	Lake Meredith, Tex	Aug. 31, 1965
89-154	Alibates Flint Quarries Monument	Do.
89-158	Tocks Island Recreational Area	Sept. 1, 1965
89-161	Central Valley project	Do.
89-169	LBJ Presidential Archival Depository	Sept. 6, 1965
89-177	Huske lock and dam, North Carolina	Sept. 10, 1965
89-181	Gorgas Memorial Laboratory	Sept. 11, 1965
89-190	Lummi Indian diking project	Sept. 17, 1965
89-191	Navigable waters—Obstructions	Do.
89-195	Assateague Island National Seashore	Sept. 21, 1965
89-203	Francis Case Memorial Bridge	Sept. 25, 1965
89-207	Spruce Knob-Seneca Rocks Recreation Area.	Sept. 28, 1965
89-209	Arts and Humanities Foundation	Sept. 29, 1965

TABLE 3.—BEAUTIFICATION AND CONSERVATION MEASURES, 89TH CONG.—Continued

Public Law No.	Short title	Signed by the President on—
89–223	Alaska University—Lands	Oct. 1, 1965
89–226	Uintah National Forest, Utah	Do.
89–232	Pesticides—Fishland wildlife	Do.
89–233	International Pacific Halibut Commission.	Do.
89–234	Water pollution	Oct. 2, 1965
89–235	"See the United States"	Do.
89–238	Lead-Zinc—Small producers	Oct. 5, 1965
89–240	Rural area loans	Oct. 7, 1965
89–244	Fire Island National Seashore	Oct. 9, 1965
89–249	National parks—Concession policies	Do.
89–250	Jewel Cave Monument	Do.
89–252	Supplemental stockpile—Disposal	Do.
89–255	George Washington Parkway, Va	Oct. 10, 1965
89–260	Library of Congress—James Madison Building.	Oct. 19, 1965
89–269	Jefferson National Expansion Memorial.	Do.
89–270	Forest Service—Property	Do.
89–284	HemisFair 1968	Oct. 22, 1965
89–285	Highway beautification	Do.
89–292	Southern Nevada water project	Do.
89–293	Roger Williams Memorial, R.I	Do.
89–296	Wild River Indian project, Wyoming	Oct. 27, 1965
89–298	Rivers and harbors	Do.
89–302	Marine Biological Research Laboratory	Oct. 30, 1965
89–304	Anadromous fish	Do.
89–320	Dr. Goddard Memorial	Nov. 3, 1965
89–326	District of Columbia—Condemned buildings.	Nov. 7, 1965
89–336	Whiskeytown-Shasta-Trinity Recreation Area.	Nov. 8, 1965
89–337	Flood detention structure	Do.
89–338	Terry lock and dam, Arkansas	Do.
89–335	Florida Trade Center	Feb. 19, 1966
89–364	Wind River Indian irrigation project	Mar. 8, 1966
89–366	Cape Lookout National Seashore, N.C.	Mar. 10, 1966
89–376	Federal Coal Mine Safety Act	Mar. 26, 1966
89–396	Government employees—Yosemite National Park.	Apr. 14, 1966
89–404	Water research program	Apr. 19, 1966
89–438	Mount Rogers National Recreation Area, Va.	May 31, 1966
89–448	Columbia Basin project, Washington	June 14, 1966
89–454	National Oceanographic Council	June 17, 1966
89–457	Public Lands—State leasings	June 20, 1966
89–458	Fort Union Trading Post	Do.
89–475	Lewis and Clark Commission	June 29, 1966
89–479	Chamizal Treaty National Memorial	June 30, 1966
89–491	American Revolution Bicentennial	July 4, 1966
89–498	Clinton, Iowa—Bridge commission	July 8, 1966
89–499	Muscatine Bridge Commission	Do.
89–503	Art titles—Smithsonian Institution	July 18, 1966
89–509	National Air Museum	July 19, 1966
89–510	Southern Nevada project	Do.
89–513	Recreation areas, Maryland	Do.
89–515	Missouri River Basin—Funds	Do.
89–517	George Rogers Clark Memorial	July 23, 1966
89–530	Arkansas Post National Memorial	Aug. 11, 1966
89–531	State boundary—Arizona and California	Do.
89–542	Great Salt Lake lands	Aug. 23, 1966
89–547	J.F. Kennedy Library	Aug. 27, 1966
89–551	Sea pollution by oil	Sept. 1, 1966
89–557	Chief Joseph Dam project, Washington	Sept. 7, 1966
89–560	Agriculture land—Urban areas	Do.
89–561	Water resources—Development feasibility.	Do.
89–562	Urban mass transportation	Sept. 8, 1966
89–565	Pig War National Historical Park	Sept. 9, 1966
89–570	Mining exploration—Tax treatment	Sept. 12, 1966
89–574	Highway construction funds	Sept. 13, 1966
89–577	Mineral industries—Safety	Sept. 16, 1966
89–581	R.N. Bert Dosh lock, Florida	Do.
89–584	Rio Grande Salinity Agreement	Sept. 19, 1966
89–588	University of Alaska—Land support	Do.
89–596	Tualatin reclamation	Sept. 20, 1966
89–600	Historic sites—Georgetown Market	Sept. 21, 1966
89–602	Kinzua Dam—Allegheny Reservoir	Sept. 24, 1966
89–605	Hudson Riverway—Preservation	Sept. 26, 1966
89–616	Connecticut River Recreation Area	Oct. 3, 1966
89–618	Delmarva Peninsula—Study	Oct. 4, 1966
89–619	Weimar Museum—Paintings	Do.
89–620	University of Alaska—Lands	Do.
89–640	Flood control—Tijuana River	Oct. 10, 1966
89–648	AEC—Nuclear power-desalting Projects.	Oct. 13, 1966
89–658	Contiguous fishery zone	Oct. 14, 1966
89–664	Bighorn Canyon Recreation Area	Oct. 15, 1966
89–665	Historic properties—Preservation	Do.
89–666	National seashore, California	Do.
89–667	Guadalupe Mountains National Park	Do.
89–668	Pictured Rocks National Lakeshore	Do.
89–669	Wildlife conservation	Do.
89–671	Farm Park, Va	Do.
89–674	Smithsonian Institution—National Museum.	Do.
89–675	Air pollution—Funds	Do.
89–685	HemisFair 1968, Texas	Do.
89–688	Sea-grant colleges	Do.
89–708	Historic site—Wilcox House	Nov. 2, 1966
89–720	Jellyfish—Elimination	Do.
89–742	Conservation payments—Assignment	Do.
89–753	Water pollution control	Nov. 3, 1966
89–754	Model city programs	Do.
89–759	Government land acquisition	Nov. 5, 1966
89–760	Sweetwater County improvements	Do.
89–761	Indiana Dunes National Lakeshore	Do.
89–788	Hirshhorn Museum	Nov. 7, 1966
89–789	Rivers and harbors—Construction	Do.
89–796	Farm lands—Conservation	Nov. 8, 1966
89–807	U.S. seals—Controlled use	Nov. 11, 1966

TABLE 4.—BEAUTIFICATION AND CONSERVATION MEASURES, 90TH CONG.

Public Law No.	Short title	Signed by the President on—
90–17	River basin projects	May 12, 1967
90–18	Prototype desalting plant	May 19, 1967
90–24	Fort Peck Indian Reservation	June 5, 1967
90–46	Water resource projects	July 4, 1967
90–65	Sacramento Valley irrigation	Aug. 19, 1967
90–69	Development Planning in Alaska Committee.	Aug. 21, 1967
90–72	Central Valley project	Aug. 27, 1967
90–74	Colonial National Historical Park	Aug. 29, 1967
90–84	Potomac interceptor sewer	Sept. 11, 1967
90–89	Missouri River Basin	Sept. 22, 1967
90–103	Appalachian Development Act	Oct. 11, 1967
90–111	Mining-land claims	Oct. 23, 1967
90–136	Missouri River Basin project	Nov. 14, 1967
90–138	Mineral rights	Nov. 15, 1967
90–143	Fort Peck Reservation—Irrigation	Nov. 16, 1967
90–148	Air pollution	Nov. 21, 1967
90–166	Public land exchange	Nov. 29, 1967
90–181	Wheeling Creek watershed compact	Dec. 8, 1967
90–185	Oil and gas—State compact	Dec. 11, 1967
90–193	Forest resources surveys	Dec. 14, 1967
90–205	Migratory waterfowl	Dec. 15, 1967
90–209	National Park Foundation	Dec. 18, 1967
90–213	Public Land Law Review Commission	Do.
90–242	Marine resources	Jan. 2, 1968
90–254	Water resource developments	Feb. 13, 1968
90–260	Kings River Water Association	Mar. 2, 1968
90–261	Migratory Bird Conservation Commission.	Do.
90–262	Acadia National Park	Mar. 4, 1968
90–264	National Visitors Center	Mar. 12, 1968
90–265	Public lands—Exchanges	Mar. 13, 1968
90–270	Oahe Reservoir	Mar. 21, 1968
90–271	San Rafael Wilderness, California	Do.
90–311	Foss Reservoir Master Conservancy District—Repayment contract.	May 18, 1968
90–315	Missouri River Basin	May 24, 1968
90–318	Angeles National Forest, Calif	Do.
90–326	Cape Hatteras National Seashore	June 4, 1968
90–327	Robert S. Kerr Memorial Arboretum	Do.
90–339	Crab Orchard National Wildlife Refuge	June 15, 1968
90–348	National Council on the Arts	June 18, 1968
90–355	Haulapai Reservation, Ariz	June 20, 1968
90–401	Outer Continental Shelf	July 15, 1968

Additional list of major conservation bills expected to pass the 90th Congress

S. 20	National Water Commission.
S. 1004	Lower Colorado River Basin project (central Arizona project).
S. 827	Nationwide System of Trails.
S. 2515	Redwood National Park.
S. 119	Nationwide System of Scenic Rivers.
H.R. 6616	Sleeping Bear National Recreation Area.
S. 1321	North Cascades National Park.
H.R. 25	Estuaries.
S. 3710	Rivers and harbors omnibus bill.
S. 2984	Endangered species.
S. 778	Apostle Islands National Lakeshore.
H.R. 14735	Gulf Islands.
S. 3206	Water Quality Improvement Act of 1968.
S. 1646	Solid Waste Disposal Act.
S. 2122	Highway Beautification.
H.R. 551	Biscayne National Monument, Fla.
S. 3379	Great Swamp Wilderness Area.
H.R. 5117	Palmetto Bend Reclamation project.
H.R. 16801	Guam Rehabilitation Act.
S. 2760	Oil Pollution Act.
S. 3030	Fish protein concentrate.
H.R. 9098	Badlands National Monument.

Mr. EDMONDSON. Mr. Speaker, the gentleman from Texas has presented a most eloquent and perceptive picture of the magnificent record of the Johnson administration in the field of conservation.

I want to commend him for bringing this great record of vital interest to every American to the attention of the Nation here today, and I also want to endorse wholeheartedly his remarks on President Johnson.

We in Oklahoma have seen the great value of comprehensive water resources conservation programs on our streams and lakes and our watersheds. We have seen how a good conservation program can change the face of the countryside and create opportunity for the people.

President Johnson has been a great conservation leader, and we thank him for this leadership.

THE WINDUP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, in the event that the 90th Congress may yet decide to complete its work, or at least the major portion of it, prior to the conventions, it may be desirable to take this opportunity to sum up what we have done. For the Congress must now submit its record of deeds—or misdeeds—before the court of final jurisdiction—that of public opinion.

Already assessments are being made. Apparently our judges feel that the 90th has, for the most part, followed the mood of the Nation. On one side there has been a strong conservative trend, stressing law and order, spending curbs, and a close examination of foreign commitments. As instances, the Congress has compelled a $6 billion spending cut in exchange for a needed tax hike. It has passed a crime-control bill containing a warning to the Supreme Court to reverse its liberalism toward criminals. It has cut foreign aid appropriations to the bone, and likewise with domestic programs which have been at the center of criticism.

At the same time, the Congress has been liberal enough to exhibit real compassion for the plight of the poor, and has reacted definitely to the fiscal problems of the big cities, to racial unrest, and to various social injustices which have persisted in the face of general economic growth and progress. In particular, there have been a number of safety measures, a truth-in-lending bill, and an earnest effort to chart some way out of the financial morass of the metropolitan wilderness. Again, it has been agreed to participate in an international movement toward nuclear nonproliferation.

The Christian Science Monitor sums up the whole idea in a couple of sentences:

> So, again, we must label this a "do-something" Congress. And a Congress showing useful independence and initiative.

The latter of these two statements credits the 90th Congress with reasserting its rightful function in the federal system, that of leading the Nation rather than following, and is in itself a compliment of no mean proportions.

The second session of the 90th Congress, convening on January 15, 1968, had enacted 175 general laws by July 24. The first was signed by the President on January 24, 9 days after Congress convened. Others have followed in steady succession, and will continue to follow through July and the early days of August. There has been little lost motion in this Congress.

A casual examination of the list will indicate that Congress has been primarily concerned with domestic problems, many of which have been growing in complexity and urgency for some time. A closer look into the subject matter of the new laws will reveal that a substantial number of them tend to get down into the everyday needs of the average citizen. The attempt is to do things for just ordinary people. A key word is "safety," safety in foods, safety in medicines, safety in machines, safety in financing.

These laws may have no earth-shaking impact on the body politic. They are little laws, in the sense that they chart the direction of minor changes in economic and social life. In so doing, they affect the course of history, which offers only infrequent cataclysms of political upheaval, but moves by short and tentative steps along the road to progress. This will be the general verdict in the case of the 90th, I believe, when the record is all in.

A few random examples from the list will serve to illustrate the direction in which we have been moving. These examples run through a wide diversity of interests. It has been possible to give help and support in many areas without infringing on the sometimes antagonistic interests of other areas. True progress must serve the interests of all groups together.

Yet it is not easy to classify the separate measures as to whom or what they affect primarily. For agriculture, there are the Product Trade Practices Act and the Commodity Exchange Act amendments. At the same time, farmers benefit from the State Technical Services Act and the Truth-in-Lending Act.

For veterans, there are improvements in the pension systems and in the provisions for training offered the newer veterans of the Vietnam war. But for the older generations there are corresponding liberalizations in the social security system and in medicare. And for railroad workers, there are most significant retirement and unemployment insurance provisions.

As usual, education has received its share of attention. A major higher education bill has been enacted. Other completed measures are designed to improve training facilities for various types of workers, especially in the field of health, where the need is so great, and where the available supply of trained personnel is so limited. The school lunch program has been continued, and in some respects broadened.

The field of health, so closely allied to that of education, will hopefully profit from the Health Professions Training Act, referred to above. In addition, there are the National Eye Institute Act, designed to focus attention on the importance of the precious human sense of sight; and the Radiation Control Act, which may help to protect the public from the unseen and almost unnoticed effects of radiation from the ubiquitous television set. To the same list might be added the Drug Control Act, aimed specifically at LSD and similar insidious concoctions presently undermining youth morale.

Again, the Drug Control Act is essentially a crime control measure, and is bolstered by the Omnibus Crime Control Act and various measures dealing especially with riots and other civil disorders. Also, in the wake of a series of political assassinations, the Congress provided for the protection of high Government officials, and especially of candidates.

In the general area of safety, as previously noted, there is a long list of special measures. For motor vehicle owners and passengers, auto safety standards have been made more clear, and a comprehensive study of automobile insurance practices has been ordered. There is a bill on fire research and safety; another on gas pipeline safety; another on aircraft noise abatement; a Bank Protection Act; a Saline Water Conversion Act; a law providing penalties for obscene telephone calls.

To serve the universal interest of transportation, there have been extensions of the Interstate Highway System and further support for high-speed ground transportation.

People whose savings are invested in life insurance and in private pension programs get additional protection from legislation dealing with institutional investors and from regulations fixing margin requirements for unlisted securities.

But enough is enough, Mr. Speaker. The patience of possible readers of this and other similar summaries can hardly be expected to last through a longer and more detailed list.

I cannot, however, conclude without some reference to the important committee on which I have the honor and the privilege of serving. It bears the prestige of nearly two centuries of service in the public interest, and I feel that during the sessions of the 90th Congress it has added to that prestige. There is probably little public awareness of the part that the congressional committee plays in legislation. Some little notice gets into the press, but the readers are likely to be few. Perhaps we should have some better way of throwing light on the long hours spent by committee members in hearing testimony on proposed legislation, in studying the views of diverse segments of the social, economic, and political public, and in weighing the respective merits of innumerable courses of action that might be taken. It should be realized that it is in committee that most legislation is put into its final form. Only seldom does the entire House reject the committee recommendation. It is therefore the committee which is responsible for what is done.

So I want to say that I, for one, am proud of what the Interstate and Foreign Commerce Committee has done through the months of 1968. The committee has been responsible for at least 28 pieces of legislation, some of them included in the list above. The task of putting them into shape for the House has been colossal. And once through the committee, they have been accepted by the House, in most cases almost unanimously. It is the committee's just reward for hard work, conscientious study, uniform courtesy and consideration, and true regard for the public good. In the face of the committee's record, I am filled with admiration and respect. What is the old Latin saying: "In future years it will be a pleasure to have been a part of all this."

A BILL TO DESIGNATE MEDICINE LODGE PEACE TREATY SITE A NATIONAL HISTORIC LANDMARK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SKUBITZ] is recognized for 5 minutes.

Mr. SKUBITZ. Mr. Speaker, I have introduced a bill today to authorize the Secretary of the Interior to designate the Medicine Lodge Indian Peace Treaty site as a national historic landmark and for other purposes.

Even though it did not bring an end to frontier war, the Medicine Lodge Peace Treaty was of great importance in establishing a foundation for subsequent relations with the Indians of the southern plains. It represented the last effort of the United States to reach a diplomatic settlement of disputes with all the hostile tribes south of the Platte River.

This treaty differed significantly from all previous agreements because its purpose was to assimilate the plains Indian tribes into the Nation. The Indians' whole way of life was to be changed. This included confining the Indians to reservations, opening new lands to settlers and introducing a fixed agricultural way of life to the tribes.

The purpose of the United States was clearly outlined in the Medicine Lodge Treaty and guidelines were consequently developed for further negotiations. Thus, this treaty has been compared to a road sign, an indicator of the route ahead without in itself delineating the full course of the road.

SCHEDULED AIR TRANSPORTATION MAY BE SERIOUSLY IMPEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska [Mr. POLLOCK] is recognized for 15 minutes.

Mr. POLLOCK. Mr. Speaker, there is pending on the House Calendar a bill which holds very serious implications for the future of the Nation's air transportation system. H.R. 17685 would seriously impede the development of scheduled air transportation throughout the Nation.

If the House passes this bill, it will have turned its back on the very sound and carefully hammered-out position which it took in 1962 in determining the role of the supplementals or nonscheduled airlines in the whole scheme of our air transportation picture.

At that time the House very wisely decided that the role of the supplementals was in the charter field—and was not to engage in the scheduled, individually ticketed business performed by the regular airlines.

I have read the RECORD and this point was made abundantly clear by all of the House conferees when the bill was up for passage.

What happened to this carefully defined role? The Board, after processing the applications for supplemental certificates, first granted full-plane, single-entity charter authority. Then, listening to the pleas of the supplementals that the planes were too big to fill up wth one group, the Board authorized so-called split charters of up to three groups of not less than 40 people each, in one plane. Then, ignoring the clear mandate of the Congress, the Board decided that since it could not allow the supplementals to engage directly in individual ticket sales, it would authorize them to do so indirectly through a tour operator or a travel agent.

Thus the Board would permit supplementals to do indirectly through agents that which they admittedly cannot do directly. As a lawyer, I am not allowed to solicit business either directly or indirectly. But, if the concept described here were applied to lawyers, they could appoint agents to solicit business for them.

Let us not be fooled by this bill. The Board has opened a Pandora's box that is going to haunt the air transportation system in this country for years to come.

The supplementals are free to pick and choose the markets they will serve. There is virtually no economic regulation of their use of this authority.

The Board makes no evaluation of the impact of their inclusive tour charter operations on the scheduled carriers which serve the market.

There is far more to this than meets the eye. A far-reaching bill of this kind should be very carefully examined before and not rushed through without thorough consideration of its effect on the regular airlines.

THE EMERGENCY COMMITTEE FOR AMERICAN TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. DENT] is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, I would like to present some views on trade that should interest every Member at this time. At the same time I would like to discuss America's greatest resource.

Mr. Speaker, the Emergency Committee for American Trade has issued a pamphlet with a foreword by former President Eisenhower.

The committee is aghast over rising protectionist sentiment in the Congress and among industrial and labor elements This alarm is not surprising because it is characteristic of the great exporting interests who seem to believe that they must have a right-of-way over conflicting domestic interests and should therefore be privileged to call the shots on foreign economics policy.

Among the membership listed in the pamphlet are the great multinational companies that draw heavy shares of their total income from abroad, having found havens of cheap labor in many parts of the world outside of the United States. Read the roster: Ford Motor Co., Caterpillar Tractor Co., W. R. Grace & Co., the Singer Co., Standard Oil Co. of New Jersey, H. J. Heinz Co., IBM World Trade Corp., Chase Manhattan Bank, and so forth.

The pamphlet starts out in its second paragraph, with an eyeopener:

> In 20 years, it (the United States) exported over $80 billion more than it bought from the rest of the world.

It neglected to supply the additional information that would have thrown some much-needed light on the "surplus", namely, that from 1946 to 1968 this country supplied foreign aid in the magnitude of some $118 billion, and that our official export statistics include all shipments arising from the foreign aid program. In view of this, the handsome record of our exports, running up a surplus of $80 billion in 20 years loses some of its luster.

The pamphlet was not satisfied to rest its case on the omissions I have cited but goes on to say:

> Eighty billion dollars. That's a lot of money, money in the pocketbook of America, money for jobs and crops and profits, money to shop with in world markets . . .
>
> To make that kind of money, we had to deliver the goods, better goods, and at lower prices. In other words, we had to beat the competition.

Mr. Speaker, these words are such an insult to all of us who know something about the subject to make us ask what firm of Madison Avenue pretensions put them together.

Yes, 80 billions of dollars is indeed a lot of money, even if it is spread over 20 years; but to say that it was money in the pocketbook of America when it was first taken out of that pocketbook represents a manner of speaking that suggests sleight of hand or flimflammery that should have been edited out of the copy by someone on the Emergency Committee who had a regard for the common intelligence of the intended readers.

Once more:

> In other words, we had to beat the competition.

I repeat those words, because that is precisely what we did not have to do in order to achieve the surplus. If we gave the other countries the money to buy from us, how in the name of commonsense can it be said that in order to do this we had to beat the competition?

The way to run up a yet higher surplus would be to give away additional billions of dollars to other countries tied to purchases from this country. Then we could say, "Look at the huge surplus. That ought to tell you how competitive we are in foreign markets."

There are other insults to normal intelligence in the pamphlet but one in particular that comes as news to all who have kept abreast of the trade agreements program over the years. Here is the gem:

> For more than 34 years (since the Trade Program was enacted) our foreign trade policy has been to encourage agreement on freer trade among nations. We grant access to our markets in return for access to theirs—*all on a reciprocal basis.*

I have supplied the emphasis.

Mr. Speaker, this is enough, too much, in fact; but I must add one more quote:

> Most of our imports do not compete with American products. Those that do amount to one or two per cent of our gross national product.

The fact is that about 62 percent of our imports are dutiable and they are dutiable because they compete. Moreover, some of the free-of-duty imports also compete. Newsprint is an example, and crude rubber. Then to give an idea of insignificance of the competitive imports the pamphlet shifts to the gross national product for comparison. That, Mr. Speaker, should of itself be enough to show Madison Avenue at its best.

[From the Washington Post, July 14, 1968]

THE CASE FOR IMPORT QUOTAS: FOREIGN TRADE POLICY DEEMED OUT OF FOCUS

(By O. R. Strackbein)

(NOTE.—O. R. Strackbein, chairman of the Nation-Wide Committee on Import-Export Policy, has long led the fight against further liberalization of American trade policy. In the following article, written at the request of The Washington Post, he argues the case for restricting the rising tide of imports to this country.)

The United States is losing out in foreign trade. This fact was a well-kept secret until March and May of this year.

The weak competitive position of most of our industries was long concealed by the official practice of padding our exports by including AID and highly subsidized agricultural exports, while reporting our imports on their foreign value instead of their landed cost. The discrepancy was several billion dollars annually. The result was a spurious trade surplus that helped justfiy further tariff reduction. Now the cat is out of the bag. The trade deficit has broken through even under the misleading official statistical treatment.

The competitive weakness of this country is not difficult to trace. Machinery, chemicals and sophisticated equipment such as computers are exceptions but even there our lead is narrowing. In nearly all other lines of finished consumer goods we are on the run. Even great industries that are in a technological lead both here and abroad now have trade deficits: automobiles, steel, petroleum, radio and TV, portable typewriters, standard machine tools, textiles, footwear, sewing machines.

TWO STUBBORN FACTS

While we outproduce our competitors per man-hour our unit costs are generally higher because of much higher wages, excepting Canada.

Saying this would make it appear simple: hold back wages while foreign wages rise. Two stubborn facts demolish this simplistic concept. One, our economy would collapse were consumer purchasing power held down. This wage-sustained purchasing power must grow if it is to absorb the torrent of goods that must be produced if unemployment is not to engulf us. Year after year our output per man-hour rises. Did we not consume more per capita a declining work force would produce all we consume despite population increase, unless we cut workhours.

The other demolisher of the concept lies in the power of our unions. Anyone who expects wage reduction to shrink our costs is hopelessly naive.

Where does this leave us? Exactly where we are!

The American electorate is responsible for our high costs. We have chosen the high-cost system through legislative measures that inevitably raise costs; and as voters we insist on these emoluments. We need only mention Social Security, unemployment payments, minimum wages, farm price supports, medicare, high defense outlays, etc.

STILL INSIST ON BARGAINS

Very well, we insist on these services, regardless of higher costs.

Are we willing to forego these programs to assure competitiveness with other countries? The answer is obviously "NO"; but we will still insist on import bargains through lowering tariffs.

Meantime efforts to remain competitive create great pressure to increase productive efficiency; but this means displacement of workers—massively—as in the coal industry. That industry in an heroic effort did achieve competitiveness in 15 years. The cost? Two of every three coal miners lost their jobs, the total dropping from 480,000 to 140,000. The price? Appalachia.

The price of greater industrial efficiency is so high because employe compensation constitutes from 70% to 80% of the final cost of goods. Costs cannot be reduced appreciably without displacing workers—massively.

An indisputable example of our cost levels compared to the foreign is our maritime industry. Actual governmental cost surveys are made both in shipbuilding and ship operation, here and abroad. Our costs average a little more than double the foreign. Hence our merchant marine subsidy. Without it no American flag ships would sail the high seas. Other industries stand on a similar cost disadvantage. The tariff provided a partial cushion but is being dismantled.

All our economic enterprise today is controlled and regulated—again, by popular mandate—while our foreign trade is to be freed. Vulnerable domestic industry is to be an exposed island competitively handicapped by legislatively imposed cost burdens adopted without concern over the effects on competitiveness with imports, and remediable only by shrinking the work force.

The prescription will not work, as even official statistics can no longer conceal.

With the tariff disappearing but the problem remaining, a flexible import quota system, sharing a growing market with imports offers the best alternative.

YOU AND YOUR TAXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, in these days of crisis by the hour, every citizen is, of course, concerned about the war, law and order in our cities, and for a sense of direction which can lead America constructively through the remainder of the 20th century and the years ahead.

Although the thrust of popular interests may shift from issue to issue, the one constant concern of every American relates to the taxes which he must pay out of the earnings of every working and waking hour. The old chestnut on the certainty of death and taxes remains with us. However, in these days of heart transplants, taxes may become more certain than death.

No citizen objects to taxes which provide for the national security and needful functions of the Government. Every citizen rightfully deplores waste and the unnecessary expenditure of his tax dollars for nonessential and nonproductive programs. Every governmental official in his every act is charged with a mandate for efficient, responsible action.

The most recent tax problem to all Americans rises from the 10-percent surtax which just went into effect and which will terminate on June 30, 1969, under present law.

I voted against this tax because I felt it was coming too late to halt an inflationary spiral and because I did not want to see the proceeds utilized to escalate the war in Vietnam. On June 20, 1968, in discussing the tax bill on the floor of the House of Representatives, I said:

> Eighteen months ago, this bill might have worked as an economic tool. Today it will constitute a drag on the economy which will increase prices and reduce jobs. In addition, our economy will face a tax increase of $1½ billion on January 1, 1969, in increased social security taxes. The full impact of what we do today will not be known for many months to come.
>
> The tax increase will result in even higher prices for food, housing, and utilities. Some utilities have already announced rate increases resulting from the increased cost to them of the surtax. Producers of goods and services can also be expected to pass on the burden of this tax to the consumer who will be on reduced rations because of his increased tax burdens. The result will be a tax-inspired inflation, and the hardest hit will be the people on fixed incomes and the retirees.
>
> This is the first time in American history in which a domestic tax increase is dictated by foreign circumstances. The basic trouble stems from our adverse balance of payments, which will not be materially affected by this bill. If we continue to spend billions of dollars to maintain forces in West Germany, Japan, and the Middle East; if we are unable to develop satisfactory solutions in Vietnam, our problems with a deteriorating dollar will continue. The surtax can never substitute for the critical policy judgments which are long overdue.

I am not an economist, but my judgment on the surtax is being proved accurate. The Nation's economic advisers now fear a recessive cutback, higher unemployment, and reduced income. At the same time, prices continue on the rise while industry and labor add the surtax to the price package of consumer goods.

HOW SURTAX OPERATES

If you are one of those who already pays an estimated tax for 1968, you may have to file an amended declaration to raise your estimated tax payment to reflect the surcharge. The surtax law intends that the 10 percent surcharge be reflected in your two remaining installments due September 16, 1968, and January 15, 1969. There is no penalty for underpayment of estimated tax if your installments paid to the Internal Revenue Service are 80 percent of the required payment.

If your 1968 income tax totals $734 or less, you will be able to find the amount of the surtax you owe on the official table which the Internal Revenue Service will supply. You must then add it on to your regular tax figure. If your taxes amount to $734 or more, you must multiply that regular tax figure by 7.5 percent—since the tax is not for the full year 1968—and add the result to the regular taxes owed.

There will be no surtax charge for any individual with $1,000 or less of taxable income per year or $2,000 taxable income or less for married couples or $1,500 taxable income for heads-of-households.

TAX REFORMS

Tax reforms are long overdue and must be directed toward plugging tax loopholes and developing a system of fairness to the American taxpayer.

It is reprehensible that some Americans with fabulous incomes should escape their share of the tax load. The tax gimmickry in vogue is appalling. A portfolio of tax-free bonds permitted 35 Americans with incomes of over $500,000 to pay no taxes whatsoever in 1965. In 1966, 18 persons with annual incomes over $1 million paid no income taxes. Wealthy taxpayers manipulate charitable giving into tax savings, others operate through so-called charitable foundations. If these individuals paid their fair share, everyone's burden would be less.

In the last few decades, the loophole of tax-loss farming has been discovered and exploited. Some persons make large farming investments, say in prize cattle, hoping to show annual losses against which they can write off nonfarm income, thus obtaining sizable income tax savings while the land values increase. This has become a fairly widespread abuse. In 1965, 119 millionaires had farm operations and 87 percent of them reported farm losses. It is estimated that the Treasury could bring in an extra $200 million per year by limiting the size of the tax deductions these "gentlemen" farmers can obtain.

Perhaps the most glaring tax abuse in America today involves the oil- and mineral-depletion allowances of 27.5 percent. This depletion allowance excuses oil well owners, for example, from paying income tax on the first 27.5 percent of the gross income from their oil wells. Reducing the depletion allowance to 15 percent would bring in nearly $1 billion in additional revenues to the Treasury each year.

Oil and privilege are synonymous in America. The involvement of our Nation in critical problems in the Middle East arises from almost tax-free profits to some Americans who are deeply indulged in Arabian oil royalties. The scandalous deference of our country to the oil-rich sheiks of the Middle East have detracted us from the support of idealistic Democratic governments. Tax-free oil profits serve to block the way toward badly needed social and economic reform in the Middle East and Latin America.

I deplore the politics of oil which has put our country on the side of sheiks of the Middle East and against the cause of freedom.

While individual taxpayers may be taxed up to 70 percent of their income, and while most corporations are taxed at 48 percent of their income, the 20 major oil companies of America, having a net income before tax of almost $7 billion, paid taxes at an average rate of only 8.5 percent.

Action on tax reform has been promised ever since I have been in Congress. It will never come as long as we legislate new and added taxes which perpetuate injustice and inequity. For example, a

10-percent surcharge is 10 percent of zero for the holder of a portfolio of tax-free bonds—and 10 percent of zero is still zero.

Tax reform is also necessary to bring dependency allowances in line with today's increased costs. Recognition must be provided to those tax inequities which have been caused by legislative oversight.

UPDATING DEPENDENCY EXEMPTIONS

First of all, the family must be recognized for its special problems. The $600 exemption for dependents is outdated. While living costs have risen almost 50 percent in 20 years, the $600 exemption has remained unchanged. No dependent can be supported at this level.

I have introduced H.R. 19036 to increase the dependency exemption to $1,000. This change is long overdue and should be enacted in the next Congress.

TAXES AND THE SINGLE PERSON

Present tax provisions treat widows, widowers, and single persons as single persons even though they may genuinely be heads of their households. I consider such tax treatment an unjust discrimination.

Therefore, I have proposed legislation, H.R. 18300, to remedy this unfair treatment of persons who are really heads of their households.

The following table compares the present tax liability of a single person with what it would be if his income is taxed at the rate applied to married taxpayers filing tax returns as heads of households. This head-of-household rate would apply to unremarried widows, widowers, and single persons over 30 years of age under the legislation which I have introduced.

Total income	$7,500	$10,000	$15,000	$25,000
Personal exemption	600	600	600	600
10 percent deduction	750	1,000	1,500	2,500
Taxable income	6,150	8,400	12,900	21,900
Tax liability (including surtax):				
(a) Single taxpayer rates	$1,285	$1,916	$3,154	$7,680
Percent to total income	17.1	19.1	21.0	30.7
(b) Head-of-household rates	$1,203	$1,760	$2,819	$6,578
Percent to total income	16.0	17.6	18.8	26.3
Tax saving under Vanik bill	$82	$156	$335	$1,102

As you can see from this table, a single person would save $82 under my bill if he made $7,500 per year; $156 if he made $10,000 per year; $335 per year at $15,000; and $1,102 per year if he earned $25,000.

EDUCATING THE RETARDED AND HANDICAPPED

Many parents of handicapped and retarded children have asked me about the tax deductibility of the educational and training expenses of these children.

The Internal Revenue statement on this issue is as follows:

> You may include as medical expenses the cost of sending a mentally or physically handicapped dependent to a special school if his condition is such that the resources of the institution for alleviating the handicapped are the principal reasons for attending the school. Thus, the cost of sending a blind child to school to learn braille and the cost of sending a deaf child to learn lip reading are medical expenses. The cost of meals and lodging, if supplied by the institution, and the cost of ordinary education furnished, incidental to the special services, are medical expenses.

Since public schools reject most retarded and handicapped children, the parents of such children are compelled to undergo heavy expenses in educating these children in special schools which involve transportation and costly training. These taxpayers have already paid once for the support of regular educational services. They should certainly be credited for such extraordinary expenses which they sustain in special training which can lead the retarded and the handicapped to useful and productive lives.

While the Internal Revenue Service ruling is helpful, it still leaves out many legitimate expenses. To meet this critical problem, I have introduced H.R. 16940 to provide a tuition credit up to $600 for expenses incurred in providing education and training for mentally retarded and handicapped children. The Ways and Means Committee will consider this proposal in the new Congress.

TUITION CREDIT

As soon as budgetary conditions permit, I will urge adoption of the proposal before my committee to provide a tuition tax credit up to $600 for every taxpayer paying tuition for the education of a dependent. Higher education and vocational training leads to higher productivity and higher income. The loss to the treasury is more than offset by higher income taxes paid by more thoroughly trained citizens.

However, I do not intend to substitute the tuition tax credit for other essential programs in education which are directed toward student excellence.

EDUCATORS AND TAXES

Tax deductions are allowed to educators, under certain circumstances, where further education improves teaching abilities. A lengthly reprint of the details of this section of the tax regulations is available upon request from my Washington office. Please write to me at 2463 Rayburn Building, Washington, D.C. 20515, and I will be delighted to send the reprint to you.

RETIREMENT TAX CREDIT

Under present law, many individuals, particularly teachers and other public employees, receive income from pension plans which is taxable income. Retirement income from social security, on the other hand, is not taxable income. To provide tax justice and equality with social security beneficiaries, a retirement income tax credit law is in effect which allows retirees obtaining their income from public pension plans, income from rents and interest, etc., to receive as much income, tax free, as a social security beneficiary can receive.

Because of two increases in social security payments in the last 3 years, the amount of income that retirees can now receive without paying taxes has fallen substantially below many tax-free social security benefits. To return the system to tax equality, I have introduced legislation, H.R. 19035, to put the effect of the retirement income tax credit on a level with social security payments. I am hopeful that the Ways and Means Committee, of which I am a member, can give this legislation consideration in the near future.

TAX SAVINGS FOR EDUCATION

Many parents are vitally concerned about their children being able to go to college. The costs of higher education are skyrocketing and plans have to be made early if parents are going to insure that adequate funds will be available for their children's college education.

One technique to provide enough funds for a child's college education is for parents to establish an educational trust fund.

If parents give property, money, stocks, or bonds to a trust for their children, the income received by the trust is taxable to the child and not to the parents. The trust must be irrevocable for at least 10 years. Since the child usually has little or no other income, he pays less tax than the parents would pay if this income were added to the parents' regular income.

For example, assume that a married couple with $15,000 taxable income transfers $5,000 on which tax has been paid, to a 10-year trust for their 8-year-old child and the money is invested at 5 percent per year. At the end of each year, the trust distributes the earnings, about $250, to the child which can be put in the child's savings account. Since all of the income is paid to the child, the trust pays no tax. If this is the child's only income, he pays no tax. The parents pay no tax on this income either.

When the child is 18 years old, the trust is terminated and the investment can be returned to the parent. The total income, approximately $2,500—including net interest or dividends in the case of stock—can be used for the child's college expenses. The more money, securities or income-producing property transferred to the child's trust, the greater the amount of money available for his use at college at the termination of the trust.

In the State of Ohio, there is a Uniform Gifts to Minors Act. This act allows a parent to give a gift of money to the child. The parent becomes custodian for the child. Therefore, any income which is received from the gift is taxable to the child and not to the parent. Thus, the tax rate is usually much, much lower since the child's income is usually lower.

In setting up a gift under the Uniform Gifts to Minors Act, the parent simply declares that the gift belongs to the child. The parent can never make use of the money, stocks, or bonds.

THE KEOGH PLAN: A RETIREMENT PROGRAM FOR THE SELF-EMPLOYED

In 1966, the Ways and Means Committee developed an investment program which self-employed persons can use in establishing a sensible investment program aimed at producing income after retirement. This plan has definite tax advantage during the persons' working years.

This plan is complicated, but useful. I will therefore present an outline of its major provisions. If you wish the complete copy of the Keogh plan, you may write my Washington office at 2463 Rayburn Building, Washington, D.C. 20515, and I will be pleased to send it to you.

Generally the idea behind the Keogh plan is to treat self-employed individuals as the employees of themselves in the case of proprietorships, or as employees of the partnership of which they are members. Most importantly, the Keogh plan increases the amount of the allowable retirement contribution for which tax deductions can be claimed. The maximum amount that an employer may contribute to a retirement fund with respect to a self-employed person is 10 percent of earned income or $2,500, whichever is smaller. The entire contribution may now be deducted.

A second major provision contained in the Keogh plan is particularly important to many small businessmen. This provision repeals a rule which stated that only 30 percent of net income could be taken into account for purposes of determining maximum allowable contributions to retirement funds in the case of those businesses in which capital is a material income-producing factor.

These provisions, along with a section which changes the definition of "net income" to allow authors and inventors to participate in the Keogh plan, are a significant step toward encouraging the self-employed to plan adequate and sound retirement programs for themselves.

ESTATE TAXES

Although most Americans are concerned only with their tax payments during life, some are concerned with the tax burdens of their estates after death. Only one in 27 taxpayers is subject to Federal estate taxes. Of the 1.8 million Americans who died in 1966, only 68,000 left estates subject to Federal taxes.

The first $60,000 of an estate is exempt from tax. Up to 50 percent of an estate can be made nontaxable if the estate passes to a spouse. If the deceased has an estate of $120,000, half of which is left to his spouse, there will be no Federal estate tax. Proceeds from life insurance can be excluded from an estate if the deceased retained no ownership or interest in the policy and did not reserve the right to change the beneficiary.

The estate taxes begin at 3 percent of the first $5,000 over the $60,000 exemption and graduate to 30 percent on the next $100,000. Efforts to save this tax obligation often yield more trouble than savings.

TAX PUBLICATIONS

My office has a limited supply of the following tax publications which are available upon request:

"Information on Dependency Requirements"—Notice 27.

"Personal Exemptions and Dependents"—Document 5013.

"Educational Expenses"—Document 5952.

"Tax Information for Students and Parents"—Document 5972.

"Tax Benefits for Older Americans"—Document 5569.

CONCLUSION

Our tax laws have imposed the most difficult burdens on the middleclass wage earners of America. These burdens will become intolerable if tax reform does not achieve a more equitable distribution of the burden.

The quality of our civilization can be measured by the justice of its system of taxation.

As a member of the tax-writing Ways and Means Committee, I will labor to this end.

A CONTROL-OF-THE-SEA CONCEPT OF OCEANIC RESEARCH

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, enclosed herewith is a message from the president of the National Navy League of the United States. It was printed in the July issue and is entitled "A Control-of-the-Sea Concept of Oceanic Research." It was forwarded me by Capt. George A. Spear, USN, retired, president of the Northwestern Bank & Trust Co., of St. Louis, Mo. We were mutual friends of the former Vice Chief, Naval Operations, Claude Ricketts, of our home county and are fellow Navy Leaguers. Captain Spear is immediate past president of the Navy League organization for Missouri.

The message by President Charlie Duchein, on oceanic research is vital to all Americans, and is such an important matter that it is overlooked by the majority of the people. I think it should receive more thought and consideration by all seamen, by the officers of the fleet, those in the Pentagon, and we interested in the armed services and its appropriations here on the floor of the Congress. It will be noticed that it involves research and development in general areas, as well as lack of direction specifically in areas of futuristic capital ship control, utilization of "think tanks" in the Navy, A modern Merchant Ship Transit Service—MSTS—through research and vitalization of the program, the priorities of nuclear research emphasis, and a compact reactor, to say nothing of missilization of the fleet, and comprehensive antisubmarine warfare research for undersea "control of the sea" with other instrumentation and necessities of our national defense.

The article follows:

A CONTROL-OF-THE-SEA CONCEPT OF OCEANIC RESEARCH

(By Charles F. Duchein, national president, Navy League of the United States)

The world of water holds many fascinations for the imaginative and adventurous mind. The ever-changing mood of King Neptune's domain, with its latent power and loviliness, holds a romantic attraction for the youth going down to the sea, whether in sailing ships, tramp steamers or men-of-war.

Oceanic research can unlock the treasures of the sea if we are wise enough, if we are bold enough and creative enough to rise to the challenge of exploring man's last frontier.

The full spectrum of oceanic research, "on a scale conmparable to the national aerospace effort", was called for by Navy League resolution, because American pre-eminence over and under the high seas hinges on such a quantum increase.

Traditionally, the United States Navy has provided the intellectual stimulation and scientific spark for national oceanic progress.

The Navy's SEALAB Operation, as part of the "Man in the Sea" program, is well underway toward ultimately colonizing the oceans. As Dr. Athelstan F. Spilhaus, father of the Sea Grant concept observes: "To do it better than anyone else, we must be able to move faster in the sea, to go deeper, stay down longer, to exploit more with resources, and to have more power, whether it be fire power to protect or power for maritime industries. And, above all, we must understand more about the sea than anyone else—its interface—and interaction of the atmosphere—its bottom—its shorelines—the motions within its bulk—and about everything it contains—the lift and chemicals in it—the challenge is to be superior in all of these aspects of oceanic research to our competitors."

Seafarers are constantly alert for new means to cope with their harsh unnatural environment. Those who live by the land are not always quick to understand the seafarer's philosophy. This is why the League resolved that the coordination of oceanic research should "be definitely vested in the U.S. Navy" with funds sufficient to sustain, "an aggressive, expanded and effective program."

Control of the seas is the crux of the competition with the Soviet Union and its burgeoning maritime power. Manifestly, an expanded program of oceanic research is the starting point in maintaining a modern fleet and a competitive merchant marine. New ideas must translate into superior fighting power to guarantee survival at sea.

Whether from ignorance, indifference or a lack of effective articulation, critical neglect has recently characterized oceanic research. The study of "where we are and where we must go" shows how serious America has slipped in many phases of maritime endeavor.

LACK OF DIRECTION

There is a lack of direction and national policy. Organizational inhibitions and the lack of clear-cut channels of maritime advice aggravate the situation. The policy gap creates a deplorable plight for our merchant marine. The race on the oceans requires the sleekest ships, the most modern propulsion and automated labor-saving equipage so essential for wartime sealift.

In contrast to the declining American Merchant Marine, the Soviets sport a rapidly expanding fleet of the latest streamlined ships, impressively spearheading their "friendship" and foreign policy in some 900 world ports.

With the exception of the spectacular Polaris nuclear deterrent, which was produced under a national priority program, naval development has not kept pace either.

Although many innovative approaches to modern waterborne transport are evolving—for example; LASH, GEM (the ground effects machine) the catamaran—program impetus is lacking. The U.S. does not have a properly funded program. For seven years we have been specializing in studies. Notwithstanding its crucial importance—the futuristic design of ships has not received sufficient scientific and engineering attention since the 1945 atomic explosion over Hiroshima clouded the strategic attention of the policy makers. Unless there is action, the maritime research gap may well be reflected in technological and strategic deficiencies 50 years into the future.

The competitive aspects of the power relationship at sea require an expanded research effort. Modern maritime transport is needed because the materials to keep our industry operating at top production increasingly come from overseas. The economic advantage of carrying the major portion of our trade in our own ships re-enforces the Navy League's resolve for a sharp step-up in maritime research and development.

FIVE R. & D. GOALS

Five fundamental research goals are suggested to help assure control of the seas:

First: Design a truly futuristic surface ship.

Blueprinting a Navy ship of revolutionary design for control of the seas into the 21st Century should be a major goal of oceanic research. The sturdy battleship U.S.S. *New Jersey*, with adequate space for long-range system development, could provide an ideal "mobile think-tank".

Second: Launch a major merchant marine research revitalization program.

Allocate a minimum of $100 million annually to marine research to spur major improvements in U.S. waterborne transport. The investment is sound, and the level modest, considering a defense expenditure of several billion dollars for the research of a single aircraft.

Third: Place priority nuclear research emphasis on producing a compact reactor.

Realization of the great strategic advantage of nuclear power hinges on the production of a compact nuclear reactor; but our research does not reflect this fact. The critical nuclear need reposes in the destroyer. The Sea Orbit world cruise showed the strategic value of the all-nuclear task force. A crash program to produce the small reactors for our screening ships and amphibious task forces is indicated and our government should provide the vision and wherewithal.

Fourth: Press research for missilization of the fleet.

The Soviet-made Styx missile provided the much-needed magic to move thinking forward toward the fullest missilization of the fleet. The *Elath* sinking convinced those that needed convincing. Missiles, just as nuclear power, are basic to modern fleet functioning. A whole family of future missiles is needed for four-dimensional defense and control of the seas.

Fifth: Conduct the comprehensive ASW (anti-submarine warfare) research under a "control-of-the-sea concept".

The swift and maneuverable nuclear submarine is a "modern" instrument of war. While it poses an unprecedented "modern" threat to control of the seas, the ASW means of yesterday are not good enough to cope with the threat. The detection, classification and the kill of the modern submarine demand resolute research far beyond the current levels of funding. A national research program, conducted under a Maritime Manhattan Project, should be launched to come to grips with the ASW problem.

The Navy League reiterates its call for resolute research to give our great Navy-Marine Corps team the wherewithal to rule the waves proudly and assuredly.

CALIFORNIA RETAINS THE PREROGATIVE TO SET ITS OWN AUTOMOBILE EMISSION CONTROL STANDARDS

Mr. REINECKE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. REINECKE. Mr. Speaker, the Air Quality Act of 1967 grants the right to apply for a waiver of Federal preemption to set automobile emission control standards to any State which had adopted such standards—other than crankcase emission standards—for new motor vehicles and new motor vehicle engines prior to March 30, 1966. To qualify, such State standards also must be more stringent than applicable Federal standards and be designed to alleviate and control "compelling and extraordinary" local condition. If the State proves its requirement, the law directs that the Secretary of Health, Education, and Welfare "shall waive application."

On November 3, 1967, the State of California made a formal application to the Secretary of Health, Education, and Welfare, seeking such a waiver. It based its case on existing stringent State laws, enacted prior to March 30, 1966, and on the extraordinary meteorological, topographic and demographic conditions which prevail in California. Waiver was supported by testimony from the Automobile Manufacturers Association and air pollution technical experts.

In response, the Secretary called a public hearing in San Francisco in January of this year and a second session in Los Angeles in June. Upon consideration of the record of these hearings and other relevant evidence and information, the Secretary has granted the requested waiver on grounds set forth in a document which will be published in the Federal Register as follows:

First. The State of California had, prior to March 30, 1966, adopted standards—other than crankcase emission standards—for the control of emissions from new motor vehicles and new motor engines;

Second. The State of California requires standards more stringent than applicable Federal standards to meet compelling and extraordinary conditions;

Third. The California State standards and related enforcement procedures set out below and applicable as therein indicated are more stringent than the applicable Federal standards and are required to meet such compelling and extraordinary conditions; and,

Fourth. Such State standards and procedures are consistent with section 202 (a) of the Clean Air Act, as amended.

Essentially, the California requirements, as adopted by the California Air Resources Board in April of this year call for an 85-percent reduction in the amount of hydrocarbons lost by evaporation from automobile fuel tanks and carburetors without such controls. These controls will be imposed for all 1970-model new cars sold in California. The waiver granted also extends to California exhaust emission standards for 1969-model new automobiles and to testing procedures established by the State for smog control devices it has approved.

Mr. Speaker, I am proud to be able to record this decision on the part of the Secretary of Health, Education, and Welfare. It bears out my conviction that the people, when properly informed, will take prompt and appropriate action through their local and State authorities to correct a costly, unhealthy, and undesirable hazard that must be dealt with. This California action supports the premise of recent environmental pollution legislation: that is, standards should be set and enforced locally to meet specific needs. The Federal role is to provide information for intelligent decisions. Over the years, the Congress has wisely provided legislation and funds to make such detailed and accurate information possible. Certainly, this case has justified our hopes and expectations that the appropriations and laws would be utilized fully and where needed most.

THE IMPOSSIBLE DREAM—EARLY ADJOURNMENT

Mr. CLEVELAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, there has been considerable mumbling and grumbling for the past several weeks, as the prospect of a post-convention session of the Congress in September went from possibility to probability to certainty.

Now that a September session is certain, there is even talk on the floor of the House of that session lasting well into October. And when, during the course of debate last week, our distinguished colleague from Wisconsin [Mr. LAIRD] mentioned October 15 as a "target date" for adjournment, the groans were clearly audible in the galleries and beyond.

I call this to my colleagues' attention, Mr. Speaker, to bring home the point which has been made on so many occasions this entire year by my friends and distinguished colleagues from Iowa [Mr. GROSS] and Missouri [Mr. HALL].

All throughout this year, as week after week went by with no bills ready for the floor, and quick adjournments day after day; of weekly sessions that might have better been merely pro forma sessions in terms of accomplishment, my two colleagues have continually raised this point in debate. They have warned the leadership that inertia in May would lead to a session in September. Unfortunately, few have paid heed.

As this second session of the 90th Congress opened in January 1968, the trend became apparent. The lengthiest of the first three sessions consumed only 70 minutes. But when Mr. GROSS warned of the consequences, way back in January, he was assured by the distinguished majority leader [Mr. ALBERT] that "We are moving very quickly"—page 161.

We all hoped that our committees would move quickly early in this session to clear for action by the Committee on Rules and then for the floor, legislation which had been the subject of hearings and executive sessions in October and November.

Unfortunately, this was not the case. In January, the House was in session 10 days and 5 of these days adjourned in less than 90 minutes.

The February record was no better. Of 15 days in session, adjournment came in less than 2 hours on four occasions.

After only 4 unproductive weeks of the session, we recessed for the traditional Lincoln's Birthday week of February 12. When we returned on February 19, so tired were our leaders from the rigors of the recess that two of that week's sessions lasted only 50 minutes each.

As late as May, while some worried about an inordinately long session, the distinguished chairman of the Committee on Rules [Mr. COLMER] did not seem to share these worries:

> The spirit of this House is pretty largely in favor of the fact that we should expedite bills now pending in the Congress as much as possible, particularly the money bills in order that we can get this Congress adjourned, at least insofar as the House of Representatives is concerned, without having to come back here after the Conventions of the two major parties. . . . (P. H3459.)

My colleague from Iowa [Mr. Gross] responded:

> I am a good deal more pessimistic on that score . . .

I realize, Mr. Speaker, that there is little use in crying over spilt milk. Recriminations will not alleviate the present situation which finds us forced to return in September because we did not attend to our work in the early months of this session.

SCAPEGOATS

It seems that for the past several years, as these sessions of Congress become longer and longer, a favorite whipping boy has been the so-called Tuesday–Thursday Club, the Members who live in nearby Eastern States and who leave Washington each Thursday after the close of legislative business to return the following Tuesday when business commences.

For the guidance of leaderships in the future, and I am hopeful that the minority and majority roles in Congress will be reversed come January, might I ask what purpose there is in staying in Washington on Friday? The leadership repeatedly refuses to bring legislation to the floor on Fridays. The committee leadership repeatedly refuses to schedule hearings or mark-up sessions on Mondays or Fridays.

WHY STAY IN WASHINGTON?

As one who feels that a Representative's duties include the honest representation of his constituents, and as one who will never have the chance to meet with them because of the year-around congressional sessions unless it is on Mondays and Fridays during the session, I again ask the leaderhip, "Why remain in Washington doing nothing on days when the leadership schedules little or no action?"

Testimony before the Joint Committee on the Organization of the Congress—the results of which are still buried in the Committee on Rules—eloquently points to the complete and total lack of action on Mondays and Fridays. It also points out that a great majority of Members would much prefer 5-day weeks and the resulting earlier adjournment of the Congress.

I hope that the mumbling and grumbling, the moans and complaints which are now greeting each and every new announcement and warning about our final adjournment date will be kept in mind during the early days of the 91st Congress, when the temptation is great to meet for short, inconclusive, 1-hour sessions 3 days a week.

MIAMI BEACH GUN ORDINANCE

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, it is my proud privilege to share with my distinguished colleague [Mr. Fascell] the representation of the tourist center of the world and one of our Nation's great cities—Miami Beach.

Miami Beach is a forwardlooking, progressive city, ever sensitive to the security and well-being of its people. Miami Beach has prided itself on affording safe as well as delightful residence to those who come to share the many attractions of the Miami Beach area.

On June 26 of this year the city council of Miami Beach unanimously adopted ordinance introduced by one of the distinguished members of the council, the Honorable Paul Seiderman, regulating the sale of firearms and requiring their registration and the owners or holders of firearms to be duly licensed. This ordinance is ably drawn and, I think, may well become a model for other authorities in the Nation who are deeply concerned about the in excess of 135,000 crimes being committed in the United States in 1967 with the use of guns, and wish to do something effective to protect their people in every way possible against being the victims of the wrongful use of guns.

I ask, Mr. Speaker, that this ordinance appear in the body of the Record immediately following my remarks. I ask also that following the ordinance in the body of the Record there shall appear the articles commending the ordinance: "Crime Fighter Gets Tough Law" by Charles Whited; "Action from Seiderman" editorial from Miami Beach Daily Sun; "One for Beach Council" editorial from Miami News; and "Miami Beach Versus Guns" from the Miami Herald.

Ordinance No. ——

An ordinance amending Chapter 25 of "The Code of the City of Miami Beach, Florida", by repealing sections 25.104 through 25.107, and adding new sections thereto, regulating the sale of firearms: requiring their registration, and related matters

Be it ordained by the city council of the city of Miami Beach, Florida:

Section 1: That Sections 25.104 through 25.107 of "The Code of the City of Miami Beach, Florida" be and the same are hereby repealed.

Section 2: That Chapter 25 of "The Code of the City of Miami Beach, Florida", be and the same is hereby amended by adding new sections thereto to be numbered and to read as follows:

"Sec. 25.104. Sale of Firearms, Generally.

"(a) 'Firearms' defined. The word 'firearm' as used in this section and the following sections shall be construed to mean any revolver, pistol, automatic pistol, shotgun, rifle, machine gun, sub-machine gun, machine pistol, or any fully automatic weapon capable of firing more than one shot at each pull of the trigger, or any weapon, by whatever name known, which is designed to expel a projectile or projectiles by the action of an explosive, or any firearm muffler or any firearm silencer, or any part or parts of such firearms. This section and the following section, shall not apply to any automatic weapon with flint or percussion ignition, using only black powder, or to modern replicas of such weapons, or to antique or replicas of cartridge pistols, or rifles using ammunition which is no longer manufactured or commonly sold, or to stud guns used as tools by tradesmen.

"(b) Application. Any person desiring to purchase or receive delivery of a revolver or other firearm shall be required to give the seller or the person from whom delivery shall be obtained, whether by purchase or gift, in writing, on a form to be supplied by the chief of police, a duplicate statement containing true and correct information which shall be signed by the applicant and shall include the following:

"1. Name and alias or aliases used by applicant.

"2. Present address and addresses of all places where applicant has resided for the past three years.

"3. Occupation, name of employer, place of employment, and address.

"4. Date of birth, and name of city, state or country where born.

"5. Statement that the applicant is not a convicted felon in this state or any other state of the United States of America.

"6. Date and time application is made to purchase, borrow, lease, rent, sell or transfer firearm.

"7. Applicant's sex, weight, height, complexion, color of hair, color of eyes.

"8. Purpose for which the firearm is desired.

"The person to whom such pistol, revolver or other firearm is to be sold, leased, loaned, rented or otherwise transferred, shall sign the application and designate his address thereon. The application shall be accompanied with an application fee of $3.00.

"The chief of police may investigate and verify all statements in the application form and reserve the right to refuse the application if the applicant is in violation of any provision in this section or of any provision of Sections 25.104 through 25.114. Any applicant who believes that his application is wrongfully refused may appeal within 60 days to the City Council the propriety of said refusal. Upon the filing of such appeal, the City Council shall cause a hearing to be held and, based on the evidence contained in the record of the hearing, either affirm or reverse the decision of the chief of police. The action of the City Council shall be subject to jurisdictional review in accordance with the provisions of the Florida Rules of Civil Procedure.

"Each applicant shall be fingerprinted and photographed at the time of the filing of his application with the chief of police.

"If the application appears to be in order and the applicant appears to be lawfully entitled, in the judgment of the chief of police, to purchase a firearm under the provisions of these sections, the chief of police shall approve said application and deliver the duplicate thereof to the applicant and retain the original as a permanent record in the Police Department.

"The chief of police shall maintain an index of every application and registration which shall include the name and residence of every applicant, the descriptive date of every firearm, the dates of application and issuance, and the purpose for each registration. The chief of police shall have 30 days within which to approve or disapprove said application. Any misstatement of fact shall be cause for revocation of registration by the chief of police.

"Sec. 25.105. It shall be unlawful for any dealer or person licensed to sell firearms, to sell, lend, lease, give or deliver any firearm to any person unless such person first presents to the dealer or vendor an application approved by the chief of police in the manner set forth in the preceding section.

Sec. 25.106. Any dealer or vendor of firearms, other than a manufacturer selling to a bona fide wholesaler or retailer, or a wholesaler selling to a bona fide retailer shall keep a register of all firearms sold, lent, leased or delivered, and shall keep an inventory of all firearms in stock, which inventory shall list the wholesaler or other source of acquisition of the firearm and the date of acquisition by the seller. This register shall be open to inspection at all times during business hours by the chief of police or a duly appointed representative of his office.

"Sec. 25.107. At the time of the sale, lease, delivery or gift of any firearm, the seller shall complete a registration form, designed or approved by the chief of police which shall contain the time of the sale, lease, gift or delivery of the firearm, the full name, address, age, physical description and occupation of the person to whom the firearm is sold, leased, given or delivered, the price of the firearm, the kind, description and serial number or other identifying marks of the firearm, the purpose for which it is purchased, or obtained, and the application number.

"Sec. 25.108. At the time of such sale, lease, gift or delivery the seller shall witness to the best of his knowledge that the information submitted on the application form by the purchaser is true and correct, and that the transaction is not in violation of law.

"Sec. 25.109. The completed registration form signed by both the seller and the purchaser, shall be mailed by the seller to the chief of police no later than 24 hours after the receipt of the approved application by the dealer.

"Sec. 25.110. No firearm shall be delivered to any person until 72 hours after the sale of any firearm.

"Sec. 25.111. The chief of police shall forward to every purchaser or recipient of a registered firearm a registration certificate within thirty days after receipt of the registration form required to be delivered by the dealer in accordance with Section 25.109. The certificate shall state the full name, address, age, physical description of the registrant, the kind, description and serial number or other identifying marks on the individual firearm to which it applies, and shall not be transferrable; shall be carried simultaneously with the firearm and shall be exhibited to any police officer upon his demand for inspection. The registration shall not make lawful the carrying or possession of a firearm if such carrying or possession is prohibited by any other law. The registration provisions of this section shall not apply to manufacturers, transporters, or wholesale or retail sellers of firearms or those persons with exempt status as hereinafter set forth.

"Sec. 25.112. It shall be unlawful for any person knowingly and wilfully to sell, lease, lend, give or deliver any firearm to any person under the age of 21; or to any person convicted of a felony, or to any person addicted to the use of narcotics, or to users of drugs, stimulants or depressants, or to any person of unsound mind, or to any person under the influence of intoxicating beverages, or to any person who has been released from a mental institution within the past five years.

"Sec. 25.112.1. The following persons shall be exempt from the provisions of this ordinance:

"(a) Members of the militia, national guard, Florida state guard, army, navy, air force, marine corps, coast guard, the organized reserves, and other armed forces of the state and of the United States, when on duty, or when training or preparing themselves for military duty, or while subject to recall or mobilization;

"(b) Sheriffs, marshals, prison or jail wardens, constables, policemen, Florida highway patrolmen, game wardens, revenue officers, forest officials, and other peace and law enforcement officers, their full-time paid deputies and assistants; full-time paid peace officers of other states, and of the federal government who are carrying out official duties while in Florida;

"(c) Officers or employees of the state or United States duly authorized to carry a concealed weapon.

"Sec. 25.112.2. The following shall be exempt from the 72-hour waiting period required:

"(a) Wholesale dealers who have valid state, county or municipal licenses in their business intercourse with retail dealers for the sale of firearms; retail dealers who have valid state, county or municipal licenses in their business intercourse with other retail dealers in the regular or ordinary transportation of unloaded firearms.

"(b) Purchasers who have been issued pistol or revolver permits by any governmental agency (United States of America, state, county or Municipal) as special police officers. The applicant must present an I.D. card from the issuing authority.

"Whenever an identification card is utilized for the waiver of the 72-hour waiting period as set forth in the foregoing provisions, the following information shall be imprinted on the application:

"(1) The issuing agency or authority.
(2) The card number.
(3) The name and address identical to that on the card.

"(c) Persons who are on record with the Police Department as having previously purchased a pistol, revolver or firearm as defined in Section 25.104.

"Sec. 25.113. Any sale of a firearm by a person who is not a dealer or who is otherwise exempt under the provisions of these sections shall be subject to the provisions of these sections in all respects, provided, however, that a sale of a firearm from an individual to a dealer shall be exempt from the provisions of said sections.

"Sec. 25.114. Every person owning or possessing a firearm in the City of Miami Beach shall provide the chief of police with the information set forth in Section 25.104(b) hereof on a registration form designed or approved by the chief of police and it shall be unlawful for any person to possess a firearm, or firearms in the City of Miami Beach unless such firearm or firearms are duly registered in accordance with the provisions thereof; provided that such owner or possessor shall not be required to be fingerprinted or photographed or to pay any application fee.

"A person may not possess or harbor any firearm, whether concealed or not concealed, if such person is ineligible to register such firearm with the licensing authority pursuant to the provisions of this Chapter.

"Sec. 25.115. No person shall engage in the business of selling firearms unless a license shall have been procured from the City Council as herein provided, and it shall be unlawful for any person to engage in the business of selling firearms without first procuring such license from the City Council. Any applicant for a license to engage in the business of selling firearms shall file, under oath, duly authenticated, an application setting forth the applicant's full name, age, and occupation. Each applicant shall be fingerprinted and photographed by the Police Department and a print of such photograph shall be attached to the application. The City Council shall cause a full investigation to be made into the character business integrity and past history of the applicant. If, after such investigation, the appplicant is found to be of good character and business integrity the City Council shall approve said application.

"No license shall be issued to any person convicted of a felony or to any minor. Licenses issued under the provisions of this section shall be issued only to individuals and no license shall be issued to any partnership, firm or corporation. The application shall be filed with the City Clerk and a copy thereof shall also be filed with the chief of police.

"Applicant's license under this section shall be an annual fee of $25.00. Each person issued a license under the provisions hereof shall post said license in a conspicuous place in the licensed premises and no sale, lease, gift or delivery of any firearm shall be made other than on the premises licensed hereunder.

"Sec. 25.116. It shall be unlawful for any licensee hereunder to place any firearm or imitation thereof in any display window of the licensed premises.

"Sec. 25.117. Any person staging any gun show shall be required to obtain a license from the chief of police in the same manner as set forth in Sec. 25.104 of this Ordinance.

"Sec. 25.118. No license issued under the provisions of these sections shall be transferable or assignable from one person to another person, or from one location to another location.

"Sec. 25.119. The failure of any person licensed to sell, rent, lease or deliver firearms under these sections shall be subject to revocation for the violation of any provision of these sections."

Section 3: Any person who carries a firearm on his person and to whom no registration certificate has been issued pursuant to the provisions of this ordinance shall, upon conviction be sentenced to imprisonment for not less than thirty (30) days. Any person violating any other provision of this ordinance, shall upon conviction, be subject to a fine not exceeding one thousand ($1,000.00) dollars, or imprisonment not exceeding ninety (90) days, or both.

Section 4: That all ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

Section 5: The health and welfare of the City being in peril, the three readings of this ordinance shall be had in one session and the City Council finding that this ordinance is necessary for the immediate protection of its citizens, it shall therefore go into effect immediately upon its passage.

Passed and adopted this 26th day of June, 1968.

——— ———,
Mayor.

Attest:

——— ———,
City Clerk and Finance Director.

CRIME FIGHTER GETS TOUGH LAW

(By Charles Whited)

Back when Paul Seiderman was an assistant DA in Brooklyn, he learned a lot about hoodlums and guns.

That was in the late 30s, when the district attorney's office was busting big cracks in the terror called Murder, Inc., and a younger but just-as-tough Seiderman had a hand in the probe.

The tall, grayish Miami Beach councilman can curl your hair, recounting the old days when a hood like Abe Reles finally broke under pressure, confessed killing nine victims, bared 60 other murders, then hurled himself—or was hurled—from a sixth floor window.

Anyhow, Paul Seiderman is 60 now, devotes full time to the job of being a councilman and is the author of Miami Beach's brand new gun law, the strictest in the nation.

From his home on Pine Tree Dr. Thursday, Seiderman chatted with me about how and why he wrote it and led its passage through the council.

"The Robert Kennedy assassination," he said, "brought home to me the importance of total gun registration in the country."

Because of Los Angeles' registration law, he pointed out, police were able to track the history of the murder weapon within five hours, and the fact that Sirhan Sirhan had received it.

NO RUCKUS

With the shrewdness of long experience in public life, Seiderman worked quietly in the preparation of his gun law. He neither wished to kick up a ruckus in advance, nor make it a personal political fight.

In the two weeks it took him to draft and refine the ordinance, he studied both the Dade County and City of Miami laws—including what was taken out of the Miami law before its final adoption.

He got copies of the Chicago ordinance, which is also tough and new, and talked personally with the superintendent of police.

"They have registered more than 368,000 guns since April in Chicago," Seiderman said. "The superintendent told me this is one of the greatest things that could happen as a positive aid to law enforcement."

Seiderman also conferred with his own police chief, Rocky Pomerance, and the city's top detective, Arthur Leonard.

And in drawing up the restrictions, which provide a mandatory 30-to-90-day jail sentence for possession of an unregistered firearm, the ex-assistant prosecutor didn't forget rifles.

"The kind of weapon that killed John Kennedy and Martin Luther King is just as dangerous as any other," he said.

NEW WEAPON

Underlying it all is Seiderman's conviction that law-abiding citizens need have no fear of gun registration, that the majority see the necessity for it, and that such laws are the the obligation of local and state, rather than federal, government.

"This gives the police department of Miami Beach a huge additional weapon against crime," he told me.

The councilman is pessimistic about the prospects for effective gun controls out of Washington. Restrictions on interstate traffic in arms, yes; nationwide mandatory registration laws, no.

"Such laws for the protection of citizens should originate within the cities and states, not in Washington. Good government must come from the bottom up, not the top. It begins at the lowest level: the citizens, then the municipalities, the counties, the states."

Meantime, officials of several Dade County municipalities already have asked for copies of the Miami Beach ordinance—including Bay Harbor Islands, Surfside, North Bay Village, North Miami, Coral Gables and Miami Shores—for study.

"This shows," said Seiderman, "that people are responding."

[From the Miami Beach Daily Sun, June 27, 1968]

Action From Seiderman

We congratulate Councilman Paul Seiderman for his wise and almost unbelievably swift action in proposing, drawing up and steering through Council the toughest gun control law in the nation.

In a world of political sloth and public indifference, Seiderman reacted with alacrity to the assassination of Sen. Robert Kennedy.

While others deplored, he acted. The Sun published the first story on Seiderman's tough gun law proposal on June 9, only four days after Kennedy was killed, only one day after the suspected killer of Martin Luther King was captured in London.

The law is strong, sensible and fair. Anyone who wants or needs a gun can have it, within due process of law, provided the police certify that the buyer is a respectable citizen by okaying the purchase.

There is nothing restrictive about waiting three days to buy a gun, nothing restrictive about being checked out by fingerprints and photographs before buying a deadly weapon. If you are not a "bad guy" you can get your firearm.

The one thing the law cannot govern is the sale of a gun to a mentally-ill person whose illness has not been recognized, such as the "good guy" who went to the top of the tower in Texas and opened fire on passersby.

We hope other communities, in Dade County and elsewhere in Florida and the nation, will take note of the Miami Beach gun law, and act in a similar manner as rapidly as did Councilman Seiderman.

[From the Miami News, June 21, 1968]

One for Beach Council

Other Dade municipalities might do well to closely analyze the new gun registration ordinance passed yesterday by the Miami Beach City Council. We congratulate the Council for rejecting spurious pleas of sportsmen who oppose any attempt to control sale of weapons.

The new ordinance requires the registration of "any weapon designed to expel a projectile by the action of an explosive." This is an all-embracing action and will require that a person who wants to purchase a firearm stand a thorough investigation by the Beach Police Department.

A visitor to London, a few days after the assassination of Sen. Robert Kennedy, noted that most of the English newspapers carefully compared the gun laws of the United States and Great Britain.

Your chance of being shot to death is 55 times greater if you live in the good old U.S.A. as it is if you live in the Isles.

In Great Britain, the citizen must first get a certificate from the local police. Of course, England has its sportsmen just as in America and they enjoy shooting as much as sportsmen here. But the importance of possession of a gun is such that British police make certain a genuine sportsman, and not a criminal or a maniac, is making the purchase.

The idea of registration of guns is abhorred by the National Rifle Association and its members but surely these same members would have no qualms about obeying such laws if all municipalities in this county will only have the courage to enact them.

[From the Miami Herald, June 28, 1968]

Miami Beach versus Guns

Miami Beach moved surely and well with its new gun law introduced by Councilman Paul Seiderman. It is an excellent measure which includes all types of guns and provides punishment that compels attention.

Registration of guns, licensing of owners, a waiting period before purchasing and a. mandatory jail sentence for violators make the new law one of the best in the country.

This is the type of concerned civic response needed if this country is to meet its responsibilities. There is no suggestion that the law was intended as a memorial to the slain Kennedy brothers and Dr. Martin Luther King, Jr., but it can be regarded as a proper one.

The application of community reason and action to such specific areas can be a key to other difficulties which need active local consciences.

The Miami Beach gun law sets a standard for community, state and nation.

CONFRONTATION IN CZECHOSLOVAKIA

Mrs. KELLY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. KELLY. Mr. Speaker, as a member of the House Committee on Foreign Affairs and chairman of its Subcommittee on Europe, which has over the years conducted various hearings and issued numerous reports on developments in eastern and central Europe, I have had a special, deep interest in that area of the world.

During the past few years events that bear watching have been taking place in eastern Europe.

In Czechoslovakia, a new Communist leadership, headed by Alexander Dubcek, has recently initiated a series of bold experiments designed, in the words of one reporter, to temper the traditional Marxist doctrine with democracy.

People throughout the world have been watching these developments with care, realizing their potential significance not only for Czechoslovakia and her more than 14 million people, but for all of Europe and the world as well.

The importance of these events to the world Communist movement is attested by the fact that virtually the entire ruling directorates of the Soviet and the Czechoslovakian Communist Parties are meeting today in Cierna in an attempt to resolve their differences.

The Secretary of State, Dean Rusk, recently stressed that the United States is following the policy of nonintervention with respect to the situation in Czechoslovakia.

Nevertheless, I firmly believe that the United States must take heed of what is transpiring in Czechoslovakia and around its borders because those particular developments can have profound repercussions on the cause of peace in the world.

Mr. Speaker, several Members have spoken to me on this subject. Because of the general interest, I thought that it might be helpful for the Members to have an abbreviated chronology of recent events relating to Czechoslovakia.

This chronology was compiled from public sources—newspapers, radio broadcasts, and other media reports. I cannot, of course, vouch for the accuracy of all of those reports, but I hope that the chronology will be of some use to the Members:

Chronology of January–July 1968 Events Relating to Czechoslovakia

January 5, 1968: Czechoslovak Party First Secretary Novotny replaced by Slovak Party leader Aleksander Dubcek. Novotny remains President and member of the Party Presidium

January 22–23: Vasil Bilak elected new Slovak Party First Secretary, replacing Dubcek.

February 28: Warsaw Pact Commander Yakubovskiy arrives in Prague. First visit with new leadership.

March 22: Novotny resigns as President of the Republic.

March 23–24: Party-State chiefs of six Warsaw Pact countries (minus Romania) meet at Dresden, review the situation in Czechoslovakia.

March 28: Novotny ousted as member of Party Presidium, replaced by Josef Smrkovsky.

March 30: General Svoboda elected as President of Czechoslovakia.

April 4: Central Committee names new Presidium, minus five "old-guard" supporters of Novotny; also names new Secretariat.

April 8: Oldrich Cernik named Premier, new cabinet formed.

April 10: Party's "Action Program", adopted at April 5 Plenum, published in *Rude Pravo*.

April 24: Warsaw Pact Commander Yakubovskiy arrives in Prague for discussions with Party-State leaders.

May 4: Dubcek and three top Party-Government leaders make one day visit to Moscow, confer with top Soviet leadership. Dubcek later reports that Soviets "expressed anxiety" about development in Czechoslovakia.

May 8: Party leaders of Bulgaria, Hungary, Poland, East Germany meet in Moscow to discuss Czechoslovak events.

May 9: Soviet troop maneuvers in southern Poland reported.

May 17–26: Kosygin journeys to Prague for "holiday and cure;" meets with Czechoslovak Party and State leaders.

May 17–22: Soviet Defense Minister Grechko heads military delegation to Prague for discussions with Czechoslovak officials.

May 29—June 1: Czechoslovak Party plenum meets. Novotny suspended from Party, loses seat in Central Committee. Dubcek calls for Party Congress in September.

June 11: Soviet Foreign Ministry protests article in Czech paper that certain Soviet general approved issuance of diplomatic passport to General Sejna.

June 18: Warsaw Pact commander Yakubovskiy arrives in Prague to direct Staff exercise of Joint Armed Forces of Warsaw Pact.

June 20: Warsaw Pact exercises begin.

June 27: The "Two Thousand Words" statement, signed by some 70 Czechoslovak Intellectuals, criticising the past record of the Communist Party, is published in Prague.

June 30: Warsaw Pact exercises end.

July 1: Czech news agency announces forces taking part in the exercise are "now preparing for departure."

July 3: "The Hungarian unit which represented Hungary" at Warsaw Pact maneuvers returns, welcomed at Cyor.

July 4–6: Individual letters from the Soviet Union, Poland, East Germany, Bulgaria and Hungary received by the Czechoslovak Party Presidium. Letters propose a joint meeting to discuss the situation in Czechoslovakia. Soviet letter proposes that the meeting should take place on July 7.

July 6: Smrkovsky announces that Presidium will meet to discuss the letters.

July 7: No Presidium meeting possible, since members continue to attend regional Party meetings throughout Czechoslovakia.

July 8: Presidium meets and proposes bilateral talks with its allies "within the shortest possible time." Talks also proposed with the Yugoslav and Romanian Parties.

July 8: Presidium proposes bilateral talks with the Communist Party of the Soviet Union on July 14 or July 17.

July 9: Defense Minister Dzur announces that withdrawal of 35 percent of Warsaw Pact troops that participated in recent exercises now completed. He expects that the rest will be withdrawn without delay.

July 10: General Prchlik announces "a new situation has developed" regarding troop withdrawal and as of today "the departure has not yet begun."

July 11: Presidium receives new joint letter from five nations which contains an invitation to participate in a summit-level meeting to be held in Warsaw. No date of the meeting is specified.

July 11: Presidium decides to ask once more for bilateral talks with its allies and proposes talks with the Communist Party of the Soviet Union for July 13.

July 11: Czechoslovak Government spokesman announces that troop withdrawal will begin July 13.

July 11: Aleksandrov in *Pravda* expresses alarm over "counterrevolutionary forces" in Czechoslovakia, compares them to 1956 Hungarian rebels.

July 12: Presidium "discusses a number of draft replies" to the letters of the five. Czech replies "will also convey invitations to them for meetings in Czechoslovakia."

July 13: TASS reports arrival of Soviet delegation in Warsaw.

July 13: First Soviet troop withdrawals announced by Pact command. Withdrawal of troops to continue on July 14.

July 13–14: Dubcek and Cernik draft and send telegram to Brezhnev in Warsaw requesting that "no steps be taken which might have an unfavorable impact on the complex situation in Czechoslovakia."

July 14: Soviet troop movements halted. Warsaw Pact command explains delay due to "weekend traffic."

July 14: Articles in Polish and East German Party papers condemn situation in Czechoslovakia, declare that Warsaw Pact nations cannot remain indifferent to events in allied country.

July 15: Czechoslovak Presidium meets again and sends message to Warsaw meeting, a "demand . . . not to adopt any conclusions on the situation in Czechoslovakia."

July 15: Troop withdrawals are renewed, to take place at night. The troops are expected to have been withdrawn by July 21.

July 15: General Prchlik, in a press conference, asks that changes be made in Warsaw Pact structure, that Pact Command be composed of "specialists of the individual armies" who will participate "in the whole command system."

July 15: Warsaw meeting ends.

July 15: Romanian Party chief Ceausescu announces "full confidence" in the Czech Party and wishes them "all success from the bottom of our hearts."

July 15–16: Joint letter of the Warsaw meeting received by the Czechoslovak Presidium.

July 17: Presidium drafts reply to the joint letter of the Warsaw meeting.

July 17: CPSU plenum meets, approves Warsaw letter.

July 18: Dubcek addresses the nation in TV speech, says no concessions would be made in liberalization drive.

July 19: Plenum of the Czechoslovak Party Central Committee "unanimously endorses" the Presidium reply to the letter of the five. 88 of 110 voting members present.

July 19: Politburo of the Communist Party of the Soviet Union extends invitation to the Czech Presidium to hold bilateral discussions in Moscow, Kiev or Lvov.

July 19: *Pravda* reports secret cache of American arms has been found in Czechoslovakia, to have been used by Sudeten revanchists. Also reports secret US plan to subvert Czechoslovakia.

July 19: US State Department spokesman denies *Pravda* story.

July 20: Prague Radio announces invitation for bilateral talks with the Communist Party of the Soviet Union has been received by the Party Presidium. This is the first Czech announcement of the invitation.

July 20: Prague Radio announces that "original proposals for a meeting in Kosice (Czechoslovakia) . . . have now been abandoned. The Soviet invitation . . . has also been regarded as unacceptable. . . . It is believed that . . . the leadership will not want to fix a site or date for these talks until the Soviet troops have left."

July 21: Troop withdrawals which were to have been completed today, still continue.

July 21: Soviet *Red Star* announces more arms caches have been discovered in Cheb, Czechoslovakia.

July 22: *Pravda* editorial article rejects Czechoslovak response to Warsaw letter.

July 22: TASS reports Soviet Politburo willingness to meet with Czechoslovaks Presidium on Czechoslovak soil.

July 22: Secretary of State Dean Rusk calls in Soviet Ambassador Dobrynin, protests repeated allegations in Soviet press that "imperialist agents" are plotting to get involved in Czechoslovakia, demands formal explanation of why Soviet propagandists were permitted, or instructed, to air these trumped up charges.

July 23: Soviet Politburo reported to have left Moscow for Czechoslovakia.

July 23: Massive Soviet military maneuvers begin.

July 24: Soviet Politburo and Czechoslovak Presidium are reported to be meeting secretly in Czechoslovakia.

July 25: Reports indicate that meeting is not taking place.

July 27: Dubcek addresses Czechoslovak nation, asks people to be calm, calls for unity, states problems can be worked out.

July 28: It is announced that the Presidium of the Czechoslovak Communist Party, together with President Svoboda, has departed Prague for a meeting with the Soviet leaders at the village of Cierna.

July 29: First meeting between Czechoslovak and Soviet leaders takes place in an old union house in Cierna. Soviet delegation reported to include 9 of the 11 full members and five alternate members of the Soviet Communist Party's Politburo.

July 29: It is reported that Soviet troops in Czechoslovakia are on the move, leaving that country.

July 30: The meeting at Cierna continues.

Mr. Speaker, I also include in the Record an article which appeared in the July 29 issue of Newsweek magazine, relating to events in Czechoslovakia:

Prague Defies the Kremlin

Suddenly, Eastern Europe was plunged into a crisis unmatched since Soviet tanks rumbled into downtown Budapest twelve years ago and squashed the Hungarian uprising. From beyond the Carpathian Mountains, Leonid Brezhnev, the dour chief of the Soviet Communist Party, hurled ominous threats of military intervention against Czechoslovakia unless the rulers in Prague stopped tinkering with the traditional Communist way of life. Just as stoutly, Alexander Dubcek, the emotional, 46-year-old Czechoslovakian ruler, let it be known that he intended to proceed with his bold experiment of tempering Marxist doctrine with democracy. And as this great debate over principle and power continued all week long, the reverberations were felt in every major capital of the world.

Nowhere, of course, were the repercussions more intense than in Prague itself. Just outside the spire-studded Czechoslovakian capital, thousands of latter-day Good Soldier Schweiks took to the field for secret maneuvers, and army quartermasters quietly doled out ammunition to loyal militia units. Across the country, factories ground to a standstill, offices turned into debating societies and television screens flickered with ever more disquieting news. Everywhere there were the same rumors—that old Stalinist Antonin Novotny, the recently deposed Czechoslovak ruler, was in Moscow choreographing his comeback; that strong soviet tank columns were poised along the Czechoslovakian border ready to link up with the Russian troops inside the country; that the nervous rulers of the Soviet Union had definitely decided to use military force to halt the headlong liberalization of the latest maverick in the Communist camp. To many, it seemed inconceivable that Moscow would risk the wrath of the world—and its warming détente with the U.S.—by intervening in Czechoslovakia with force. But others were equally convinced that the Russians faced an even greater risk if they permitted the Czechoslovakian experiment to go unchallenged.

Crisis: The reasons for this were clear. In many respects, the confrontation between Moscow and Prague had implications for the Communist world that went beyond those of the 1956 Hungarian revolt. The Hungarian heresy—like the challenge to Soviet authority that preceded it (box, page 34)—was essentially a rebellion against the excesses of Joseph Stalin, and thus could be termed a "crisis of Stalinism." The Czechoslovakian heresy, however, goes far deeper. Though they were careful not to spell it out, the reformers in Prague are challenging two of Lenin's most important tenets—namely, that the Communist Party should monopolize all political power and that this power should be exercised with unflagging ideological dogmatism. Thus, by raising this "crisis of Leninism," the Czechoslovakian reformation could conceivably change the profile of the Communist world and undermine the *raison d'être* for the Kremlin's iron grip on the vast Union of Soviet Socialist Republics itself.

Little wonder, then, that Moscow's reaction to recent events in Prague has been a frantic search for pressure points that would permit the Soviets to slow down the reformation without actually resorting to force. The crisis began boiling over two weeks ago when Czechoslovak leaders received an abrupt summons to attend a Communist summit—the fourth such meeting since the Prague reformers took over in January—that was scheduled to be held in Warsaw. Wisely, Dubcek refused to present himself as a minority of one before the conservative leaders of Russia, Poland, East Germany, Hungary and Bulgaria. Instead, he held out for safer bilateral talks with each of the five Communist chiefs.

Poor Timing: From Dubcek's point of view, there could not have been a less auspicious time for a showdown with the traditionalists in the Communist world. At the very moment the summit invitation was extended. In fact, Warsaw Pact maneuvers had just been completed in Czechoslovakia, and some 16,000 Soviet troops (equipped with high-powered transmitters and jammers capable of throwing Czech communications into turmoil) plus a few thousand Hungarian and Polish soldiers were still on Czechoslovakian soil. Though the maneuvers ended on the last day in June, by the second week of July thousands of Russian soldiers continued to linger on. The Soviet commander of the Warsaw Pact, Marshal Ivan Yakubovsky, shrugged off the delay by saying that his troops could only move toward the border-crossing points at night because of the "heavy traffic" on Czechoslovakian roads during the day—an excuse that left those familiar with Czech "traffic" smiling. Obviously, the Russians were in no hurry to leave Czech soil.

In the shadow of this looming threat, Moscow went ahead with its plans to convoke a summit on the Czechoslovakian situation—minus the presence of Dubcek. Early last week, Brezhnev and Soviet Premier Aleksei Kosygin flew into Warsaw and immediately went into a huddle with Poland's Wladyslaw Gomulka, Hungary's Janos Kadar, East Germany's Walter Ulbricht and Bulgaria's Todor Zhivkov. In one of the strongest attacks ever made on a "fraternal" Communist party, the five leaders fired off a note to the Czechoslovakian Central Committee demanding that it forthwith rein in its country's dangerous reforms. "We cannot agree," the note declared, "that enemy forces should divert your country from the path of socialism and expose Czechoslovakia to the danger of being torn from the socialist community. This is no longer your affair alone. This is the affair of all Communist and workers' parties." Then, pulling out all the stops, the letter warned: "There are forces in Czechoslovakia capable of defending the socialist system" and these forces can rely on the "solidarity and all-around support from fraternal socialist countries."

DECISION

Within hours after this razor-sharp attack arrived in Prague, black Tatra limousines began ferrying the grim-faced members of the Czech Presidium to the huge, granite Communist Party headquarters for an emergency session. The lights in the modern, first-floor conference room burned late into the night as Dubcek, along with Assembly President Josef Smrkovsky and Premier Oldrich Cernik, mulled over the ultimatum. When the Czechoslovakian leaders emerged from their all-night sessions it was evident that Dubcek (who commands a majority on the eleven-man Presidium) had not lost his nerve. In a long, meandering reply to the Warsaw letter, he reaffirmed his nation's "friendship" with the Soviet Union but underscored his determination to continue with the reforms. "The interest of socialism in our country," wrote Dubcek, "can be served best by a ration of confidence and of full support by our fraternal parties." On Thursday, Dubcek repeated his message during a fifteen-minute televised address to his countrymen. Peering solemnly over his eyeglasses, the Czechoslovakian leader looked deceptively meek, but his words had the ring of steel. "We make our own decisions as to the most suitable socialist model for Czechoslovakia," he said, adding: "Our Communist Party is going to pass this historical test."

The pièce de résistance in Dubcek's measured response to the Soviet threat, however, came the next day when he convened a full-dress meeting of the Central Committee. Of the 110 permanent members of that group (which was chosen two years ago when Moscow loyalist Novotny was the undisputed ruler of Czechoslovakia and the conservatives still held sway in Prague), only about 40 are ardent reformers. Another 40 are considered to be just as ardently conservative. And the remaining 30 members scurry back and forth between the ranks, depending on who seems to be winning in the struggle for power at any given moment. Since January, Soviet policy has been aimed at strengthening the conservative faction in the Central Committee to the point where it could reverse—or at least restrain—the Dubcek reformation. Time, however, has been fast running out on the Russians and the Czechoslovakian conservatives, for Dubcek has scheduled a special Communist Party Congress for Sept. 9, and the first order of business then will be the election of a new—and presumably far more liberal—Central Committee. Thus, if the Russians hoped to rally the conservative members remaining on the Central Committee—and judge the middle-of-the-roaders away from Dubcek—they had to move quickly.

Trump: No one was more aware of these considerations than Dubcek himself. He could, of course, have sidestepped the Central Committee—but this move would have left him open to Soviet charges that he and his colleagues were "dictating" policy and that the real voice of the Czechoslovakian people was being muffled. Characteristically, Dubcek met the challenge head on. He convened the Central Committee for what amounted to a vote of confidence in his leadership in particular and the reformation in general. It was perhaps the most crucial Central Committee session in Prague in two decades, and it represented the last opportunity the Russians would have to restrain the reformers through strictly constitutional means. Realizing this, Dubcek took precautions to make sure that things would go his way. First, he summoned 60 liberal delegates who had been elected to attend September's Party Congress to "sit in" on the Central Committee session. By packing the meeting, Dubcek underscored his trump card—his threat to convene the special Party Congress the next day and replace the Central Committee if it failed to support the reformation. Then he made sure that the middle-of-the-roaders were flooded with telegrams and were visited in person by delegations from regional and district party organizations—most of which are controlled by the liberals.

Dubcek's scenario went off without a hitch. With a light rain falling outside the Spanish Hall of Hradcany Castle, twenty liberals trooped to the podium to support reformation. Dubcek himself delivered a ringing speech stressing that he had no intention of reneging on his program of liberalization. "Not even the last Warsaw meeting can disturb our good relations with other parties," he said, "but we declare before international workers that we will defend our sovereignty." When he had finished speaking, it was clear that Dubcek had won a stunning victory. By a unanimous vote, the Central Committee (less 22 delegates who never turned up for the meeting) endorsed liberalization. "The Soviet hopes for this meeting," said one Western diplomat as he watched the delegates depart from the castle, "were their biggest miscalculation since they sent rockets to Cuba."

Hero: To those close to Dubcek, his cool and and skillful crisis management in the face of the Soviet threat came as no surprise. Ever since Jan. 5, when he engineered Novotny's downfall and turned Czechoslovakia on its current fateful course, Dubcek has demonstrated an instinctive shrewdness and an almost sixth sense for timing. "Dubcek," insists one East European diplomat, "hasn't made a single mistake. If the Russians eventually leave him alone, he will emerge as the de Gaulle of East Europe." Other, less admiring observers claim that the job has made the man. "Left to himself," says one Yugoslav diplomat, "Dubcek would have had a hell of a time establishing himself and organizing his regime. The Russians succeeded in making him into a national hero."

Whatever the explanation for his success, Dubcek has clearly emerged from the Czech reformation as one of the major figures in the Communist world. But the effort to preserve the integrity of the reformation without unduly antagonizing the Russians—Dubcek's forte—has taken its toll on the once inconspicuous party apparatchik. "For the past several weeks," says one colleague close to Dubcek, "the poor man has gotten a maximum of two hours' sleep per day. He's lost more than 28 pounds since the current crisis began."

Despite the democratic nature of his government, Dubcek is, of course, a committed Communist. He was trained in the Soviet Union and worked his way through the ranks of the Slovakian Communist Party to become the first Slovak to rule Czechoslovakia. But the Communism Dubcek is committed to bears little resemblance to the gospel according to Marx and Lenin. "The Communist Party should rule with the voluntary support of the people," he once said, "and not command by force." And not surprisingly, the Czechoslovakia that has emerged under his guiding hand bears little resemblance to the Soviet Union.

Visitors returning to Czechoslovakia in recent weeks have been stunned by the changes that have swept across the country. The most radical of these—and the one that has given the Russians the greatest concern—has been the total abolition of all forms of censorship. Newspapers, radio, and television have suddenly begun reflecting all points of view and scrutinizing virtually every facet of government policy. Officials who drag their feet in instituting reforms are hauled over the coals in bold headlines. Journalists fearlessly delve into Czechoslovakia's Communist past and have gone so far as to investigate the Soviet role in the defenestration of Jan Masaryk (the last non-Communist Foreign Minister of Czechoslovakia) and the Stalinist purges of the 1950s that sent many of the country's most loyal Communists to death.

What's more, the Communist Party structure in Czechoslovakia—from the lowest precinct captain to the Presidium—has been revamped. Parliament has been given a more important role. Economic reforms have been speeded up, and economists are talking about developing closer trade ties with the West—a move that has led to a quiet reassessment of Czechoslovakia's relationship to West Germany.

FRESH AIR

The result of all these changes has been the creation of a palatable air of freedom. Newspapers, packed with controversial revelations as they compete for circulation, are snatched up as they hit the newsstands. Clusters of people hover over café tables or huddle on street corners discussing the latest twist in Kremlin policy and the merits of Dubcek's response. Political discussion groups and clubs have sprung up. Prague, one of the liveliest capitals in Europe before the

Communists put their heavy seal on it in 1948, has regained some of its prewar ebullience. And Czechoslovakia, once considered a bastion of democracy in Europe, has begun to recapture its heritage.

No one was surprised, then, that the Czech reformation left the Russians, who run an appreciably tauter ship, gasping in horror. It wasn't Dubcek himself that scared them; after all, he seldom missed an opportunity to reassure the Soviets that Czechoslovakia will remain faithful to the Communist alliance and that he will not permit Communist control to wither away in Prague. It wasn't even his institutionalized changes; in the past six months, the only reforms the Czechs have actually put on the books have been a relatively mild law rehabilitating purge victims and a guarantee of freedom of expression. The thing that worried the Russians was the conviction—shared by many Western analysts—that changes of the sort taking place in Czechoslovakia tend to be open ended; Dubcek's promises notwithstanding, there was good reason to wonder whether the "democratization" of Czechoslovakia would stop at some vague finish line called "socialist democracy"—or continue inexorably on to the point where Prague reformed itself right out of the Communist bloc.

Options: These fears have left the Soviet leaders with a number of unattractive alternatives. They can keep up the psychological pressures and tighten the economic screws. But these tactics have invariably backfired when used against previous heretics and would most probably drive Czechoslovakia into the arms of the West. Essentially, then, the Russians are reduced to two basic options. They can trust to luck and Dubcek's assurances—and let the reformation run its course. If Russia chooses to follow this course, it could result in the ultimate de-Communization of Czechoslovakia. This, in turn, poses grave strategic problems for the Soviet Union, since it would crack the buffer zone that the Russians carefully constructed around the periphery of their country following World War II and —in their eyes—endanger the physical security of the U.S.S.R. Beyond that, the success of the liberals in Czechoslovakia could loose the virus of reformation on the Communist world and infect dissident elements in Hungary, Poland, East Germany—or even the Soviet Union itself.

Catastrophic as all this sounded, Russia's second option was equally unappealing. To keep the Czechs in line, the Russians could resort to force. But the exercise of force carried with it grave risks. Militarily, the problem of making the Czechs come to heel would be a sticky one. They have a well-equipped, well-trained 180,000-man army (including four armored divisions) which presumably would fight at least as hard as the Hungarians did in 1956. Unlike the situation that prevailed in 1956, however, the Soviets have no large reserve of troops waiting in Czechoslovakia for orders to march on Prague. (In fact, more than half of the 16,000 Soviet soldiers that entered Czechoslovakia in May had left the country by the end of last week, and more were reported on their way out.) The Russians do, of course, have sizable units stationed around Czechoslovakia—175,000 in East Germany, 30,000 in Hungary and 30,000 in Poland. But it is by no means clear that Moscow would risk removing any or all of these troops from their posts during this time of extreme tension in East Europe. In all probability, the bulk of any Russian invasion force would have to come from the Soviet Union—a trip that would involve crossing the formidable Carpathian Mountains along narrow, winding back roads, by no means an easy expedition.

Results: Even if military intervention succeeded, the political risks would be enormous. Soviet intervention in Czechoslovakia would set cold-war clocks back ten years. It would scuttle—at least for a "decent interval"—the U.S.-Soviet détente and end hopes of an early agreement limiting and reducing nuclear weapons delivery systems. It might also force France back into NATO as a full-fledged member and discourage the United States from reducing its troop levels in Western Europe. It would ruin the Soviet Union's image, assiduously nurtured over a period of years, as a peacemaker. It would alienate the Third World and undermine the Communist movements in France, Italy and a dozen other smaller countries. It would wreck what shred of unity remains within the Communist camp and end the Kremlin's hopes of putting Peking in its place. (Some observers believed that last week's exercise in Soviet brinksmanship might already have done this.) Yugoslavia and Rumania, two earlier mavericks in the Communist bloc, would be irrevocably alienated. "In Hungary, Khrushchev at least had a mild excuse; the Hungarians wanted to take their country out of the bloc," says one American specialist on Communist affairs. "There is no such excuse in Prague. If the Red Army attacks, the Kremlin will never live down the aggression. Communism will never recover as a world movement."

Compounding the Soviet dilemma was the fact that the reformers in Prague were by no means isolated. Last week, Yugoslavia's Josip Broz Tito and Rumania's Nicolae Ceausescu were flooding the wires with stern warnings to Moscow against interfering in the affairs of a Communist colleague. Both Tito and Ceausescu volunteered to go to Prague to demonstrate their solidarity with the Czechs, but Dubcek—exercising his fine sense of timing—suggested that they postpone their trips for a few days to allow tensions to simmer down. In addition, the Italian Communists—who have given all-out support to the Czechosolvakian reformers—were peppering Moscow with dire warnings about what intervention would do to the Communist movement in Italy. And French Communist boss Waldeck Rochet—who has also expressed sympathy for the Czechs—personally flew to Moscow and then Prague to see if he could defuse the crisis with an offer to organize a conference made up of all European Communist parties.

No Letup: Moscow, however, seemed intent on keeping the pot boiling. Soviet President Nikolai Podgorny promised "all-around assistance and support" for Czechoslovaks who opposed Dubcek's reform policies. Soviet Defense Minister Andrei Grechko cut short his visit to Algiers because of what he described as "urgent" business at home. Pravda, the Soviet Communist Party newspaper, carried a six-column story claiming the existence of "secret United States and NATO plans for aggression against the socialist countries." In addition, Pravda charged that a cache of American-made arms had been unearthed in northern Czechoslovakia—a story that bore a sinister resemblance to Soviet charges during the Hungarian revolt that caches of American arms had been "discovered" near Budapest. On top of all this, the Soviets "invited" the entire Czechoslovakian Presidium to confer early this week with the Soviet Politburo in Moscow, Lvov or Kiev. (According to some sources in Prague, Dubcek turned down the invitation; but other sources said he might agree to a meeting if, in return, the Soviets guaranteed both to remove all their troops and also to scale down their demands for policy changes in Czechoslovakia.)

The fast pace of events left experts in Washington bewildered and uncertain about what the next Soviet move might be. On the one hand, CIA and Pentagon specialists were convinced that the Russians would ultimately back down if the Czechs kept their nerve—an evaluation supported by the fact that nobody in Washington could detect any concrete evidence that the Russians were moving troops in preparation for an attack on Czechoslovakia. On the other hand, experts in the State Department tended to believe that the Soviets would exhaust every political possibility before resorting to force, but that they *would* resort to force unless important concessions—such as the reimposition of press censorship and of curbs on the political clubs that have formed—were forthcoming. Those who held this view argued that Brezhnev's political future in the Soviet hierarchy might well hinge on his ability to exact such concessions from Dubcek.

As others were quick to point out, however, Dubcek's position in Czechoslovakia may also ride on his ability to stand up to the Russian threats. If he does knuckle under to Soviet pressure, Dubcek could find himself under attack by his own people who are overwhelmingly in favor of reforming their country's life. Dubcek himself is well aware of this. A few months after he came to power, a group of students marched on Communist Party headquarters in Prague and summoned him out for an impromptu question-and-answer session. "What are the guarantees that the old days will not be back?" one of the students demanded. "You yourselves are the guarantees," the Czechoslovakian leader told them. Then Dubcek added: "There is only one path and that is forward."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Wright, for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. Gonzalez, for 30 minutes, tomorrow, Wednesday, July 31.

Mr. Staggers, for 5 minutes, today.

Mr. Skubitz (at the request of Mr. Kyl), for 5 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. Pollock (at the request of Mr. Kyl), for 15 minutes, July 30; to revise and extend his remarks and include extraneous matter.

Mr. Dent (at the request of Mr. Montgomery), for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Michel to include tables and extraneous material during debate on food stamp bill.

Mr. Michel and to include extraneous matter.

Mr. Madden in two instances and to include extraneous matter.

Mr. Holifield to revise and extend his remarks with reference to the late Hubert B. Scudder.

Mr. Bray and to include extraneous material before the vote on the Sullivan amendment in the Committee of the Whole today on the food stamp bill.

Mr. Podell prior to the Teague of California amendment on the food stamp bill in the Committee of the Whole today.

Mr. Wright to revise and extend his remarks during his special order and to include extraneous matter and that all Members may extend their remarks.

Mr. Friedel to extend his remarks

following the remarks of Mrs. SULLIVAN on her amendment.

Mr. SISK following the remarks of the gentleman from Indiana [Mr. MADDEN] during consideration of the rule on H.R. 17126.

(The following Members (at the request of Mr. KYL) and to include extraneous matter:)

Mr. ZWACH.
Mr. ASHBROOK in three instances.
Mr. WINN.
Mr. KLEPPE.
Mr. KUYKENDALL.
Mr. FINDLEY in two instances.
Mr. SCHERLE.
Mr. CURTIS in four instances.
Mr. UTT in two instances.
Mr. REID of New York.
Mr. ESCH.
Mr. GUDE in two instances.
Mr. BELL.
Mr. RUMSFELD.
Mr. MINSHALL.
Mr. VANDER JAGT.
Mr. FULTON of Pennsylvania in five instances.
Mr. LATTA.
Mr. BUSH.
Mr. MATHIAS of Maryland in two instances.
Mr. CUNNINGHAM in three instances.
Mr. MCDADE.
Mr. HALL.
Mr. ERLENBORN in two instances.
Mr. DERWINSKI in two instances.
Mr. MYERS.
Mr. BROTZMAN.

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. FRASER in three instances.
Mr. GALLAGHER.
Mr. GIAIMO.
Mr. PODELL in three instances.
Mr. FRIEDEL in two instances.
Mr. DENT in two instances.
Mr. RODINO.
Mr. FLOOD in two instances.
Mr. GONZALEZ in three instances.
Mr. WILLIAM D. FORD in two instances.
Mr. GARMATZ.
Mr. BURTON of California.
Mr. ICHORD.
Mr. WOLFF in three instances.
Mr. O'NEILL of Massachusetts in two instances.
Mr. HARDY.
Mr. ALBERT.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1704. An act to amend title 28, United States Code, section 1491, to authorize the Court of Claims to implement its judgments for compensation; to the Committee on the Judiciary.

S. 3866. An act to extend the provisions of the Commercial Fisheries Research and Development Act of 1964; to the Committee on Merchant Marine and Fisheries.

S. Con. Res. 72. Concurrent resolution to express the sense of the Congress with respect to an International Decade of Ocean Exploration during the 1970's; to the Committee on Merchant Marine and Fisheries.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 11026. An act to amend the act of September 15, 1960, for the purpose of developing and enhancing recreational opportunities and improving the fish and wildlife programs at reservations covered by said act, and for other purposes; and

H.R. 17903. An act making appropriations for public works for water and power resources development, including certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 22. An act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 23 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, July 31, 1968, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2095. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 3, 1968, submitting a report, together with accompanying papers and illustrations, on a review of the report on water resources for central and southern Florida, requested by resolution of the Committees on Public Works, U.S. Senate, adopted May 4, 1962, June 5, 1963, and January 11, 1965, and House of Representatives adopted April 28, 1965, and October 5, 1966 (H. Doc. No. 369); to the Committee on Public Works and ordered to be printed with illustrations.

2096. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated July 19, 1968, submitting a report, together with accompanying papers and illustrations, on an interim report on lower Charles River Watershed, Massachusetts, in partial response to a resolution of the Committee on Public Works, House of Representatives, adopted June 24, 1965 (H. Doc. No. 370); to the Committee on Public Works and ordered to be printed with illustrations.

2097. A letter from the Chairman of the Advisory Council on Historic Preservation, transmitting the annual report of the Advisory Council on Historic Preservation pursuant to section 202(b) of the Historic Preservation Act of 1966, Public Law 89-665; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1820. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. DULSKI: Committee of Conference. H.R. 15387. An act to amend title 39, United States Code, to provide for disciplinary action against employees in the postal field service who assault other employees in such service in the performance of official duties, and for other purposes (Rept. No. 1822). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASHMORE: Committee of Conference. H.R. 10932. An act for the relief of Gilmour C. MacDonald, colonel, U.S. Air Force (retired) (Rept. No. 1821). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EILBERG:

H.R. 19065, A bill to provide for the removal of drift and debris from the Delaware River and its Navigable tributaries; to the Committee on Public Works.

By Mr. FINO:

H.R. 19066. A bill to establish the quantity of unprocessed timber from certain Federal lands which may be sold for export during the calendar years 1968 through 1972; to the Committee on Interior and Insular Affairs.

By Mr. GETTYS:

H.R. 19067. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. GIAIMO:

H.R. 19068. A bill to create a catalog of Federal assistance programs, and for other purposes; to the Committee on Government Operations.

By Mr. JOHNSON of California:

H.R. 19069. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Allen Camp unit, Pit River division, Central Valley project, California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MILLS:

H.R. 19070. A bill to amend title 13, United States Code, to limit the categories of questions required to be answered under penalty of law in the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MORRIS:

H.R. 19071. A bill to establish a commission to be known as the Commission on Air Traffic Control; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Arizona:

H.R. 19072. A bill to transfer certain lands to the Havasupai Indian Reservation; to the Committee on Interior and Insular Affairs.

By Mr. SKUBITZ:

H.R. 19073. A bill to authorize the Secretary of the Interior to designate the Medicine Lodge Indian Peace Treaty site as a national historic landmark, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROWN of Ohio (for himself, Mr. Halpern and Mr. Don H. Clausen):

H.R. 19074. A bill to establish a select joint congressional committee to investigate the arrest and prosecution of persons in connection with the slaying of the Reverend Dr. Martin Luther King, Jr., and Senator Robert F. Kennedy; to the Committee on Rules.

By Mr. BUTTON:

H.J. Res. 1429. Joint resolution to provide funds on behalf of a grateful nation in honor of Dwight D. Eisenhower, 34th President of the United States, to be used in support of construction and endowment of Eisenhower College, Seneca Falls, N.Y., as a distinguished and permanent memorial to his life and deeds; to the Committee on Education and Labor.

By Mr. FOLEY:

H.J. Res. 1430. Joint resolution proposing an amendment to the Constitution to provide for the direct election of the President and the Vice President; to the Committee on the Judiciary.

By Mr. BRADEMAS:

H. Con. Res. 807. Concurrent resolution expressing U.S. support for an International Education Year; to the Committee on Education and Labor.

By Mr. FINDLEY (for himself, Mr. Morse, Mr. Taft, Mr. Lloyd, Mr. Mr. Esch, Mr. Winn, Mr. Roth, Mr. Berry, and Mr. Thomson of Wisconsin):

H. Con. Res. 808. Concurrent resolution on principles to effect a settlement in the Middle East; to the Committee on Foreign Affairs.

By Mr. LONG of Maryland:

H. Con. Res. 809. Concurrent resolution expressing the sense of the Congress that the President should inform the people and the Government of Czechoslovakia of the support of the people and the Government of the United States for the peaceful growth of democracy now taking place in Czechoslovakia; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 19075. A bill for the relief of Donald P. Lariviere; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia (by request):

H.R. 19076. A bill for the relief of Guido Aquilini; to the Committee on the Judiciary.

By Mr. CAREY:

H.R. 19077. A bill for the relief of Giuseppe Cucuzza; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H.R. 19078. A bill for the relief of Miss Barbara Kathleen Legge; to the Committee on the Judiciary.

By Mrs. DWYER:

H.R. 19079. A bill for the relief of Antonio Picci; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 19080. A bill for the relief of Renato Mapua and his wife Dr. Lydia Aquino Mapua; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 19081. A bill for the relief of Dr. L. C. Ponce; to the Committee on the Judiciary.

By Mr. GONZALEZ:

H.R. 19082. A bill for the relief of Suey Fong Lee; to the Committee on the Judiciary.

By Mr. HANNA:

H.R. 19083. A bill for the relief of Rachanee Tangtrongchit; to the Committee on the Judiciary.

By Mr. HARDY:

H.R. 19084. A bill for the relief of Mrs. Marie Browne; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 19085. A bill for the relief of Antonio, Dolores and Carlos Buqueras; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H.R. 19086. A bill for the relief of Maria da Conceicao Duarte; to the Committee on the Judiciary.

By Mr. MACHEN:

H.R. 19087. A bill for the relief of Marie M. Ridgely; to the Committee on the Judiciary.

Mr. Mr. McCLURE:

H.R. 19088. A bill for the relief of Severiano Abaunza Bilbao and others; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 19089. A bill for the relief of Dr. Jose Sulla Maisog; to the Committee on the Judiciary.

H.R. 19090. A bill for the relief of Dr. Victoria Tayengco-Maisog; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 19091. A bill for the relief of Assuntina, Angela and Raimondo Fiorica; to the Committee on the Judiciary.

H.R. 19092. A bill for the relief of Razi and Naze Karpuzi; to the Committee on the Judiciary.

By Mr. PICKLE:

H.R. 19093. A bill for the relief of Sotirios Balzois; to the Committee on the Judiciary.

By Mr. REES:

H.R. 19094. A bill for the relief of Luch Gureghian; to the Committee on the Judiciary.

H.R. 19095. A bill for the relief of Mr. and Mrs. Andrew L. Ivots and their minor daughter, Beatrice; to the Committee on the Judiciary.

H.R. 19096. A bill for the relief of Lourdes De Leon; to the Committee on the Judiciary.

H.R. 19097. A bill for the relief of Gilbert Claude Minot; to the Committee on the Judiciary.

H.R. 19098. A bill for the relief of Mr. and Mrs. Rafael U. Moreno; to the Committee on the Judiciary.

By Mr. SANDMAN:

H.R. 19099. A bill for the relief of Maria Fernanda Strazzeri; to the Committee on the Judiciary.

By Mr. STEIGER of Arizona:

H.R. 19100. A bill for the relief of Sinforiano Ovalle Otero, Ciriaco De Pablo Gomez, Jose Luis Irusta Arrillaoa, Marcelino Arrechea Elizalde, Amador Casares Gonzalo, Miguel Echenique Echenique, Santos Perez Gonzalo, Agustin Elas Sanz Jimenez, Carlos Esteban Borda Garde, Manuel Echarte Apezteguia, and Antonio Pombo-Uria; to the Committee on the Judiciary.

By Mr. TIERNAN:

H.R. 19101. A bill for the relief of Antonio Gerardi; to the Committee on the Judiciary.

H.R. 19102. A bill for the relief of Bimal K. Guha Mozumder; to the Committee on the Judiciary.

By Mr. UDALL:

H.R. 19103. A bill for the relief of James J. Lamb; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

387. By Mr. DAVIS of Wisconsin: Petition of William G. Reinke, Jr., Leavenworth, Kans., relative to methods of crime prevention; to the Committee on the Judiciary.

388. By the SPEAKER: Petition of the International Conference of Police Associations, St. Paul, Minn., relative to redress of grievances for Ralph Boryszewski; to the Committee on the Judiciary.

389. Also, petition of Mr. M. Mowatt, Spanish Town, Jamaica, relative to redress of grievances; to the Committee on the Judiciary.

390. Also, petition of the Veterans of Foreign Wars of the United States, relative to the naturalization of certain aliens now serving in the Armed Forces of the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

ECONOMY SHOULD APPLY TO FARM SUBSIDIES

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. MADDEN. Mr. Speaker, during the last few weeks I have received hundreds of letters and a few newspaper editorials opposing the extension of the $3½ billion farm bill subsidy.

The following editorial from the Indianapolis, Ind., Star of July 27 edition is a sample of most of the newspaper comments:

A GOOD PLACE TO CUT

We wish Representative Ray J. Madden (D-Ind.) success in his fight to put a limit on Federal farm subsidies to owners of large land holdings.

Madden plans to attack the subsidies when a bill to extend them for another year goes to the House floor, probably soon. The Senate passed a four-year extension last week.

The one-year extension is termed by Madden "an approximately $3.5 billion dole which will go mostly to corporation farmers and large landowners." Some of the biggest beneficiaries, Madden said, use their huge Federal payments to buy more land which they then withdraw from production to increase further the size of their payments.

"And the farm labor that used to work on these acres is being driven into the ghetto and onto the urban relief," Madden said. He charged that the program of taking land out of production in return for Federal taxpayers' dollars has driven more than 750,000 farmers off the land.

Senator John J. Williams (R-Del.) tried to amend the Senate bill to put a ceiling of $25,000 on payments to a single beneficiary. His effort failed.

The point of attack Madden has chosen ought to be a good one. The original idea of the farm program was to help the family farmer on the ground that as an individual operator he is powerless to deal with the forces of the marketplace. Instead it has encouraged and helped to finance the advent of the corporation farm and the development of large-scale, highly mechanized farming operations.

It is ridiculous to go on paying out large annual sums of tax money to subsidize operations of this sort.

At this particular time, when an unconscionably large budget deficit is in prospect and there is supposed to be a campaign to reduce Federal spending, Congress ought to grasp the opportunity to make a sizable cut in farm subsidies. Putting a limit on individual payments would be a sound step toward terminating the whole ill-advised, unsuccessful and costly business.

HOW POVERTY FUNDS ARE USED

HON. NORRIS COTTON

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Tuesday, July 30, 1968

Mr. COTTON. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks an article entitled "Scared City Boy Found on Solo Woods Stint," written by Floyd W. Ramsey, and published in the Union-Leader of Manchester, N.H., for July 19, 1968. The article indicates how some of the poverty funds are being used.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCARED CITY BOY FOUND ON SOLO WOODS STINT

(By Floyd Ramsey)

LINCOLN.—Controversy briefly reigned here when a U.S. government funded program became entangled with the arms of the law.

The situation developed when Brian Bilodeau, 11, of 410 East 3rd St., South Boston, Mass., was discovered at 4 p.m. hiking east toward Lincoln by Police Chief Roland LeClair of North Woodstock. The boy, sobbing, ragged and dirty and apparently frightened, was turned over to Police Chief John Weeden of Lincoln for safe-keeping.

Chief Weeden, visibly upset over the boy's condition, had him bathed, fed, and newly clothed at his home on Pollard Road.

According to Weeden the boy weighed 70 pounds and was carrying a 20-pound pack when picked up. Questioning revealed that he had been deposited just off the main thoroughfare at Lost River, two miles west of North Woodstock, with instructions to remain in a wooded perimeter until he was contacted and removed by his directors at 7 a.m. the following morning.

Subsequent developments revealed that the youth was participating in a "Wilderness Program" sponsored by the South Boston Action Center Program located at 424 West Broadway, South Boston, a program funded by the Office of Economic Opportunity through its regional office in New York City.

Director of the program in the Pemigewasset wilderness area, with six South Boston boys under his charge, ranging in age from 11 to 15, were Alfred Messina, 19, also of South Boston. Assisting him was Robert Sanderson, 21, formerly of Lebanon.

Chief Weeden with a background of 12 years spent in New Hampshire woods as a conservation officer, impressed on Messina that he was disturbed over the fact that an 11-year-old boy should be deposited in the woods alone.

"No wonder he was frightened when found," he said.

Messina explained that this "solo experience" was an experimental part of the program with boys this young, and that since four of the six boys had already returned to their shelter contrary to instructions he realized the experiment was a failure. He added that for the last seven days the boys had been living in a shelter three miles off the Kancamagus Highway receiving intensive woods training in preparation for their solo.

Challenged by Chief Weeden concerning his own background preparation for an activity of this type, Messina pointed out that he had received "Outward Bound" training, had spent four years as camp youth counselor, and had worked for one year with the poverty program.

OWN SOLO

He also told of how he had spent one of his own solos for 11 days on Mt. Moosilauke with only a sleeping bag, a piece of plastic for a shelter, and a knife.

He said, "The food I ate consisted of cat o' nine tails, ferns, berries, clovers, frog legs, squirrels, and trout."

Later he explained the philosophy behind the "Wilderness Program" when he said, in part. "Through the challenges of nature we believe that a boy gains self-confidence, self-reliance, and the will to achieve."

When Chief Weeden turned the highly polished, 11-year-old Bilodeau back to the youthful director's charge he warned, "I don't want you to drop off any more youngsters in this area."

ATTRACTIVE OVERHEAD: A CHALLENGE TO INDUSTRY

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. DENT. Mr. Speaker, the recent congressional consideration of the 1968 highway bill, with its provision continuing the national beautification program, has brought to mind the recent report of the White House Conference on Natural Beauty. The individuals who served on this Conference have labored long and hard to formalize recommendations for submission to the President for the preservation and enhancement of our Nation's natural beauty.

One group in our society which has made great contributions to the undertakings of this Conference is the American Wood Preservers Institute. I commend to my colleagues the following article, prepared by the executive vice president of the institute, Mr. Robert O. Hawes, which appeared in the May 1968 issue of Wood Preserving; it describes the efforts of this group in our beautification programs. I found it to be a very informative report on the past service rendered by the institute, and an encouraging forecast of their continued participation in beautification undertakings.

The article follows:

ATTRACTIVE OVERHEAD: CHALLENGE TO INDUSTRY

(By Robert O. Hawes)

May 25th, 1968 was a significant date for suppliers and buyers of wood utility poles and the designers of overhead systems. This was the day the White House Conference on Nattural Beauty reported to the President and set the pattern for a national program of environmental beautification.

Many answers to the beautification question are still to be found, but there is no doubt the conference had issued the challenge and formalized the question of the impact of energy systems upon the American landscape. Active supporters of the beautification work have included electric utilities and the manufacturers of electrical equipment, and more specifically, the producing more power for more people for a question may be asked "How have they met that challenge?"

When these first White House winds of environmental beautification swept over the country, it found the electric power industry producing more power for more people for a cost that was almost the same level it had been thirty years before. It found an industry with more than 100,000,000 million wood poles delivering ninety percent of the nation's electricity to homes, farms and industries. It found an industry which every ten years had doubled its power production to meet the ever expanding consumer and industrial growth, while steadily maintaining low rates for the consumer.

Throughout these years, the pole industry has made a substantial contribution to this tremendous growth and the maintenance of this favorable rate structure by producing durable longlife wood poles for overhead electrical lines, and, also, at no significant increase in cost.

Such progress by the utilities and its suppliers has been the outgrowth of the rugged individual and corporate initiative that comes from the competition of industry in a free society. Such progress has been measured by the transportation routes and equipment over our rivers, canals, roads, railways, expressways and airways. It has been measured by towering smokestacks, bulging watertowers and the tall, thin wood poles carrying their lines of power and communication across pastures, through forests and down city streets.

The success and growth of the electric utilities on the American scene and their efforts to provide the convenience and reliability of electric service for the public of America is and continues to be a beautiful story.

As the wood pole followed the railroads west and towns sprung up throughout the land, by the early 1900's a growing pole landscape was evident while a virile young utility industry aggressively expanded to keep pace with the insatiable thirst for electric power.

New overhead systems unfolded and as the demand of industry and public for more power continued, utility poles became loaded with wire and gear. Getting the power where it was wanted, and quickly, and getting the most use out of the poles already erected was paramount in the minds of utility executives, engineers and linemen. To some, the clutter of crossarms and tangled wires have been offensive but to others the sight represented a sign of the times—a better life through electrical living.

In the years that followed, the priorities of utility objectives in overhead systems design and construction remained: safety, reliability, economy and lastly appearance. This is not to say, however, that the utilities were not concerned with appearance. Yet who is there to say that a tall, slender wood pole strung with crossarms and glistening wires is not an art form. Or that a dozen poles dotting the horizon and silhouetted against the setting sun does not produce an impressive picture?

It is interesting to note that the White House Conference, according to Electrical World, "criticism centered generally on overhead power lines, though no single complaint was made specific enough or often enough to engender sustained discussion." Further the findings of the Opinion Research Corporation, as far as the American public is concerned, showed that the utility pole or overhead systems is last on the list of issues most people regard as important to environmental improvement, being preceded by such weighty areas as unemployment, traffic congestion, school shortages, urban redevelopment and others.

In the climate of environmental beautification, there are those who argue that the only acceptable way to improve the aesthetic appearance of the landscape is to place all overhead lines underground. While the surveys show that this would be an extreme and unnecessary action, even if considered desirable such action would have to be measured for practicability and costs.

Mr. Joseph C. Swidler, when he was chairman of the Federal Power Commission, stated that to bury all electric power lines, even if it were practical, would cost more than all other conservation and beautification plans put together in the United States. An estimated price tag for placing existing overhead lines underground is $287 billion, or more than three times the power industry's total capital investment.

Shocking! True, but more shocking to the fellow who would pay the bill—the American consumer. And certainly foreign to the idea that abundant use of electricity must be encouraged by low prices. There is no disagreement that minimal electricity costs are a rockbed asset of the American economy, since practically every product or service we buy or use involves electricity. Higher electricity costs to industry and consumers alike will add to the prices and services sold, and add to inflation.

There is no disagreement that some homeowners in a region may be able to afford a more expensive, non-overhead electricity delivery system. This decision is the right of the homeowner or that industrial consumer, who in some instances, may find an underground system or even a split system desirable.

But to advocate the replacement of a guaranteed low-cost overhead power delivery system with one that has a price tag that could cover the cost of repurchasing and rebuilding every national park in the country is not logical.

In keeping with the changing aesthetic tastes, the American Wood Preservers Institute, and many of the electric utilities recognized the national environmental beautification movement as a valid pursuit of many responsible leaders and influence groups. Currently, the utilities and the AWPI are investing more than a million dollars to develop new designs for wood overhead systems.

When AWPI set about improving the appearance of its products it established project OSAR (Overhead Systems Appearance Research) with the General Electric Company. And when research turned up a need for specialized experience in overhead hardware design, A. B. Chance joined the project. In addition, a Utility Advisory Board, composed of private and public power utility executives and serving as a body of consultants, has been invaluable in sifting the design concepts to obtain the most desirable solutions.

The Board also recognized that a still further requirement existed to report to the entire industry how these products are used in attractive overhead installations by the progressive and imaginative utilities.

This is the first of a monthly series to appear in Wood Preserving to answer that requirement. Besides covering clean overhead construction and the economics of power delivery, the series will deal with safety, reliability, pole placement, and evaluate the significance of environmental problems confronting our country.

Several of the new designs have already been installed in various parts of the nation. In one part of the United States, for example, a striking new "sunburst" pole design, with pole-top equipment displayed like the rays of the sun is receiving public acclaim. In another area, a new "see-through" utility pole of laminated wood members is equally successful aesthetically according to the latest architectural thinking. And in still other areas, where the standard wood pole that blends more inconspicuously in a wooded-foliage environment could be an unwanted standout, such as the desert-sky landscape of Arizona, colored poles are in style.

In addition, the nation's electric utility companies have been investing other millions annually in outdoor beautification, landscaping and streamlining of overhead electricity delivery systems. Greater capacity electric wires have been developed and installed in overhead systems, thus, minimizing the number of wires overhead. And the more compact and aesthetically-modern pole-top equipment is steadily being installed by utilities on hundreds of thousands of miles of overhead electricity delivery systems all over the nation.

The pole industry, though just one support segment of the electric utility industry, is proud of the contribution it is making and will continue to make in the future for better design and beautification. It is also proud of its efforts in forest conservation which could be considered a complement to the beautification program. For example, since the first utility pole was placed in service in this country enough lumber has been conserved through wood treatment and preservation methods to build every existing family in this country a seven room house of its own. In addition, the industry reseeds and regrows those forest lands where it does its own cutting or it buys poles from lumber companies who also take their responsibility seriously. In fact, new forest growth actually exceeds the cutting rate.

The challenge posed by the growing national interest in outdoor beautification is a big job for all. For the people who produce and those who purchase wood utility poles and for all who are concerned with the improved design of overhead systems, meeting this challenge is well underway. In fact, in the wood pole area alone, it is estimated that half of the nation's millions of wood pole installations will feature new design characteristics by 1975.

The American Wood Preservers Institute has been so impressed with the tremendous progress made by the utility industry toward improved design of their overhead systems that it established an award to recognize these outstanding efforts. Called the National Citation of Excellence, it is awarded to those companies that have made significant contributions toward improving the American landscape through outstanding environmental design of overhead electricity delivery systems.

Wood Preserving, in this issue (pages 7 and 8), features a few of the award recipients from various parts of the United States. Future issues will feature other recipients, and examples of their award winning designs and installations.

And while wood utility poles are fundamentally still a workhorse of overhead systems, the new pole installations, reflecting newer styles of industrial beauty, are taking their places on the American landscape to help bring more electric power to more people at the lowest possible cost—while helping to meet the challenge for a more beautiful America.

RICHARD NIXON'S CANDIDACY FOR PRESIDENT OF THE UNITED STATES

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 30, 1968

Mr. THURMOND. Mr. President, the rising appeal of the candidacy of Richard M. Nixon for President of the United States has been set forth recently in several editorials and columns which view the matter from different angles but all reach the same conclusion—a victory for Nixon in August and in November.

Nixon is viewed by many as the "normalcy man," and most Americans are anxious for the day when the Nation can achieve the normalcy of past years. This does not mean that Mr. Nixon would be satisfied with the status quo; on the contrary, it implies that he possesses the capabilities, as well as the wide support and leadership, necessary to bring the Nation back to a point where a new beginning can be made.

Somewhere along the line this country has strayed badly from the course set down by our forefathers. The present efforts to achieve progress are leading us to nothing but disaster and dismay.

Certainly no one can argue with Mr. Nixon's qualifications or his ability to lead the country as its President. He has a fine record in Congress; 8 years as Vice President and 8 years of study, travel, and reflection which enable him to bring together the best of his thoughts and ideas for the challenging days ahead.

Mr. President, I ask unanimous consent that the following articles be printed in the Extensions of Remarks: the Shreveport Times, June 23, 1968, editorial entitled "It's a Winner Image for Nixon"; Charleston News and Courier, July 12, 1968, editorial entitled "Nixon's Strong Points"; Spartanburg Herald, July 19, 1968, column by Henry J. Taylor entitled "Nixon Must Make Simple, All-Out Choice"; and Charleston News and Courier, July 22, 1968, column by Holmes Alexander entitled "Nixon's Appeal."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Shreveport (La.) Times, June 23, 1968]

IT'S A WINNER IMAGE FOR NIXON

Governor Nelson Rockefeller of New York is pushing his campaign for the GOP presidential nomination with a huge advertising campaign across the nation (except in the Deep South) as well as with as many personal appearances and public statements as he can manage. Such tactics always bring a rise in the public opinion polls for the person concerned in the issue at hand, but the Governor does not seem to be rising especially in the minds of the Republican Party leaders whose delegations were not chosen through primaries and will go the way the various party machines decide when the time for nomination comes.

Richard Nixon, on the surface, is chiefly watching and waiting. If at any time he thinks Governor Rockefeller is making any real headway, Mr. Nixon will move. But, as of now, he quite obviously intends to have no personal fight with the New York Governor. Mr. Nixon and Mr. Rockefeller reached a personal agreement—privately—just before the 1960 nominating convention that supposedly meant that the New York Governor would go down the line for Mr. Nixon in the campaign, but he didn't. Apparently, Mr. Nixon has no idea of letting Mr. Rockefeller goad him into a personal fight or deal now that could split the party.

Thus far, political commentators around the nation seem to think Mr. Rockefeller has made no real dent in the Nixon armor. Governor Raymond Shafer of Pennsylvania has endorsed Rockefeller and hopes to swing the delegation that way. But in Pennsylvania voting primary, Nixon walked away with the contest.

Now, GOP liberal Senator Hatfield of Oregon and GOP conservative Senator Strom Thurmond of South Carolina, 1948 States' Rights presidential candidate, are backing Mr. Nixon. Where two such men can unite behind a candidate for President, that candidate must "have something."

What is important to remember about Pennsylvania and some other states is that they are the states which originally fought Nixon in 1960 and Barry Goldwater in 1964 and they can be expected to follow the far left path of the GOP now. It was GOP Governor Scranton of Pennsylvania who rushed into nomination fray in 1964 and accomplished nothing.

In Minnesota, Governor Rockefeller said he was pleased to find that "only something more than half" the GOP delegates were for Nixon and the rest were uncommitted. He did not point out that the remaining "less than half" expressed no united desire for Rockefeller.

Nor did he mention that Minnesota is about as politically liberal a state as can be found. Its people made Hubert Humphrey, known as the "wild man of politics," Mayor of Minneapolis, then U.S. Senator, and then helped him into the Vice Presidency. Its Democratic forces are for him now. It elected and re-elected Eugene McCarthy, darling of the superliberal and leftist Americans for Democratic Action, to the U.S. Senate. It produced that ultra political wild man of the GOP, Harold Stassen, as its Governor.

Along with Minnesota and Pennsylvania, these states opposed Goldwater for the nomination in 1964 (which he won in a first ballot landslide): New York, Michigan, Connecticut and Maryland. These are the states Rockefeller is seeking as a base for his nomination efforts. But if he got all of them and a few others, he still would have a pretty weak base and also be two or three hundred votes short of nomination.

In other words, the so-called recent "gains" of Rockefeller have come only in the most extremist liberal states of the GOP and not in all of these; states that always go in the direction of left extremism in party conventions.

Further, David S. Broder, chief political commentator for the very, very liberal Washington Post, writes:

"Rockefeller has not yet found or created a useful issue between Nixon and himself. In the view of most Republican politicians—including some of his own well wishers—his effort to wrap himself in the mantle of Robert F. Kennedy is probably the wrong tactic for him to take at a time when the country—or at least the portion of it reflected in the GOP power structure—is moving in a conservative direction."

Nor does the New York Governor seem to recognize that, in his final weeks of life, Robert F. Kennedy was drawing away from portions of that political mantle—particularly as to the present welfare system.

Nor is Governor Rockefeller likely to get far with the argument that "Nixon has a loser image," a contention fostered especially by liberals of TV in past years. Nixon lost to John F. Kennedy in 1960 by 118,000 votes in the popular count—well under two-tenths of one per cent of the total vote case for the two of them and John Kennedy did not get a majority of the total vote cast for all candidates, being only a plurality winner in the popular ballots. There were charges of vote count fraud in Illinois, Missouri and Texas—charges backed by some documentation—in the Democratic counting. In Chicago there were convictions in courts for election frauds against Nixon. Nixon lost Illinois by only about 8,000 and Missouri by just a little more. A change of some 35,000 votes in these three states could have given him electoral college victory over Kennedy.

Nixon was urged by friends to take the 1960 election to court. He refused, holding that it would be a drawn out case, leaving the country without an elected President, or with one whose tenure was dubious, at a time of both domestic and international crisis. He placed his country above his own desires.

In our opinion Mr. Nixon was wrong in letting his political advisers push him into the California gubernatorial race in 1962 and he conducted the wrong kind of campaign. That is the only real "loser" blotch on a long record of victories.

Nixon's total vote in this year's primaries was greater than that of any GOP nomination candidate in history.

In New Hampshire he outdrew Rockefeller 2,529 to 248 in write-ins on the *Democratic* ballot (Rockefeller says "I can draw more Democratic and independent votes than Nixon") and swept the GOP contest. In six major primaries, Nixon got 85 per cent of the total GOP vote to 9 per cent for Governor Reagan and 2 per cent for Rockefeller, these being states in which all three were either on the ballot, or strong write-in campaigns were conducted for Rockfeller and Reagan.

In New Hampshire and Nebraska the Nixon GOP vote, against ballot competition, was greater in each state than the total vote for all Democratic candidates.

Loser's image? It's a winner's image that Nixon is presenting these days.

[From the Charleston (S.C.) News and Courier, July 12, 1968]

NIXON'S STRONG POINTS

An American in Britain, writing to the London Observer, has given some good reasons why Richard M. Nixon may succeed in his presidential bid this year.

Robert Temple took issue with The Observer's criticism of Mr. Nixon as a candidate without a flamboyant campaign style. He said that if the American people elect Mr. Nixon it will be because "the public thinks he would be a good President—although he is not young and dashing, has no shaggy locks of hair on his forehead, and speaks without a Massachusetts accent. Nixon was a Congressman, a Senator, and was Vice President for eight years. He is a qualified and competent man for the Presidency and the American public is aware of a few things of importance such as this—they are not always overwhelmed merely by glamor."

Even if the voters were influenced chiefly by glamor, and not by a man's convictions or ability, Mr. Nixon wouldn't be at a disadvantage in running against Hubert Humphrey. Whatever else Mr. Humphrey may be, he is not glamorous.

No doubt the news media are at fault in overemphasizing the appearance of candidates. It doesn't make any difference whether a presidential candidate is short or tall, fat or skinny, in his 30s or his 50s. What counts is a candidate's integrity, intelligence, experience, courage and capacity for national leadership in a time of danger.

[From the Spartanburg (S.C.) Herald, July 19, 1968]

NIXON MUST MAKE SIMPLE, ALL-OUT CHOICE

(By Henry J. Taylor)

Able Richard M. Nixon has a simple choice and the more surely he makes it—all out—the better it will be for him and for the Republican party.

Nixon's Democratic opponents, along with Gov. Nelson A. Rockefeller, claim that he (or any Republican) can win only by appealing to the so-called Democrats and independents. This is a booby trap.

First, it assumes the rigidity of groups that today simply does not exist. Blocs disappear, or become not decisive, when an over-all protest vote wants to make itself felt.

Second, this is the same old timeworn push by writers and others whose hearts are really with the Democrats and very humanly want a Republican nominee who is as close to being a Democrat as is available.

How come that nearly every Administration spokesman and nearly all Democrats in the press prefer Mr. Rockefeller? They warn the Republicans to scuttle Mr. Nixon. They wring their hands in behalf of the G.O.P. and insist that it seek a "moderate" Republican. What is this idiotic search for a Republican "moderate"?

By every conceivable definition and test Richard M. Nixon is a moderate.

The trouble is that Mr. Nixon far more than Mr. Rockefeller, threatens the status quo.

Well, that's exactly where Mr. Nixon's simple choice comes in.

The harder he hits at the status quo, and concentrates his appeal as a dissatisfied, worried American who will "throw the rascals out," the closer he will come to the great, throbbing support of the country. Moreover Mr. Nixon has the duty to fairly and honorably do this in justice to the two-party system. Nothing needs competition so much as government bodies.

Endorsement of this stance, this positive turn-away from the booby trap, is available in a veritable Niagara of evidence.

Sen. Eugene J. McCarthy's surprise showings merely display the scope and intensity of the dissatisfaction with the status quo even within the Democratic party itself.

His stunning success in the New York Democratic primary all but completed the evidence that Vice-President Hubert H. Humphrey cannot campaign on the Great Society's record as it now stands and, as generally conceded, would lose both New York State and California against any Republican. The full array of Empire State Democratic party leaders will confirm this to you privately.

Mr. McCarthy, nationwide, is neither a man of great standing nor a whiz-bang TV orator. The McCarthy phenomenon should be read in terms of how immense is the roar of the protest vote.

Gallup reports that George C. Wallace has nearly doubled—to 16 per cent—his nationwide support since April. It has never been so high. Mr. Wallace is a poor exponent of the protest vote and, like Mr. McCarthy, he is merely revealing resentments against the status quo.

In addition, President Johnson himself gave Mr. Nixon a roaring tip about the dissatisfaction by his March 31 withdrawal.

If you get out into the grass roots the McCarthy and Wallace phenomena become less mysterious. Everywhere I go across the country average folks seem just itching, and ready, to kick somebody in the pants—and they don't care much who.

People vote against, not for, in most elections, although candidates' vanity seldom permits a candidate to believe this.

"Throw the rascals out" is the thing that works if anything is to work against the great and entrenched power of the "ins."

As usual with the "ins," their ambition is to lure the Republicans, first, into nominating a Democrat blood-brother and, failing this, to claim that no one who is a real opponent into the defensive, always speak of the future because the present would kill them deader than a duck, and have the whole charade end up making their opponent unable to polarize the protest vote.

[From the Charleston (S.C.) News and Courier, July 22, 1968]

NIXON'S APPEAL

(By Holmes Alexander)

WASHINGTON.—"Nixon For Normalcy." It is becoming the unspoken slogan of the man's campaign. It does not stir the blood. Nor grip the heart. Nor stimulate the brain. But it appeals to the tired bones, the strained nerves, the fagged mind. It calls for respite. It pleads for Turn Again Home. It harks back to the dear, dull days of the Eisenhower Era when all we had were peace, prosperity and the sincere endeavor of a wonderful old patriot in the White House.

Nixon, the normalcy man, is not the hero that our age demands, but he is shaping up as the next best thing, and maybe the better thing. The people want him, and they don't object to his being somewhat less than extraordinary. Since the first of the year Dick Nixon has exposed himself in 10 state contests of sorts, and one million persons have endorsed him one way or another.

In the typical primary, his managers say, Nixon picked up momentum as he campaigned, gaining 12 per cent in vote-acceptance from start to finish. In the over-all, he did 10 per cent better than the polls anticipated, winning support whenever he met the people. Under the lash of Gov. Rockefeller's criticism, Nixon has surged. More funds, more workers, more solidification have been the results for Nixon of the Rockefeller blitz.

Normalcy, though there's no such word outside of politics, is a national condition in demand upon occasion by the people. They demanded it after two terms of the evangelical Woodrow Wilson, and preferred it in Ike over Stevensonian intellectualism after five terms of Roosevelt-Truman. The people are demanding normalcy again, having been worn to a frazzle by the New Frontier and the Great Society, by orgies of "freedom" and sunstrokes of "enlightened" foreign policy.

Normalcy, like a comfortable old shoe, doesn't take a very bright shine. Compared with Rockefeller, Nixon doesn't glitter. Compared with Humphrey, he hasn't got the thumping record of having tramped all over the liberal landscape. Alongside George Wallace, Nixon doesn't walk in the jackboots that stomp down on troublemakers in hobnail disdain.

In fact, though the people seem to want him, they have not moved to Nixon with a rush. He will still have to survive Rockefeller's ability to lead at the summer polls. Humphrey has the many advantages of belonging to a dominant party. Wallace is benefitting from a more vivid personality and a louder voice of protest.

But these others aren't heroes, either. Not one of them.

And none of them gives the comfortable promise of back to normalcy. It is Nixon's increasing appeal.

INTERNATIONAL COFFEE AGREEMENT OF 1968

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. CURTIS. Mr. Speaker, once again the House is being asked to consider legislation which has not been subjected to the congressional process of thorough study and deliberation. We are being asked to extend legislation which has been in existence for 5 years but without knowing the economic effects of the agreement on the United States and the developing countries which it was designed to help economically.

The press release announcing the 1 day of hearings on the agreement was issued Wednesday, June 26, 1968, only 12 days before the hearings on July 8, 1968. Moreover, those wishing to testify had to submit such a request by the close of business on Tuesday, July 2, 1968, 6 days later. As a result of this procedure only the administration had witnesses present at the hearings. There is opposition to the agreement, but it was not allowed enough time to prepare its case.

The only opposition testimony presented was a letter read into the Record by the chairman from the Pacific Coast Coffee Association. The association's objections to the agreement were as follows:

1. As a form of indirect foreign aid, the Agreement unfairly penalizes the coffee consuming public for a purpose which, since it is part of United States foreign policy, is presumably of equal benefit to all Americans, coffee drinkers or not. This injustice is compounded by the fact that coffee consumption is highest among low income groups.
2. The Agreement and particularly the uncertainties of its quarterly export quota system seriously interfere with the orderly flow of coffee supplies to United States processors and thus makes it increasingly difficult for them to offer a reasonably priced product to the American consumer.
3. Although a prime purpose of the Agreement was to enhance political and economic stability in the exporting countries, the belief of many of our members is that the Agreement has produced only isolated and sporadic instances of real benefit to individuals in producing countries, especially small farmers.
4. The International Coffee Organization is imposing on all our membership and on individuals and firms active in every phase of the coffee business from grower to United States processors a costly administrative burden of restrictions and procedures. Experience tells us that this burden of "red tape" is unlikely to disappear and that it should tend to expand under the new agreement.
5. The International Coffee Agreement was intended to be a temporary vehicle under which supply and demand could be equated so as to help promote political and economic stability in developing countries. The failure of the International Coffee Agreement to achieve significant progress toward one of its basic objectives that of equating supply and demand clearly indicates that the Agreement cannot be self-liquidating.
6. Many producing-country members and importing-country members outside of the United States have not shown any real willingness to sacrifice their own interests to the common good, and the result has been widespread violation, with tacit or open foreign governmental approval, of the Agreement's spirit and letter.

These are all serious questions and worthy of proper study. But such was not the case. These questions remain unanswered.

My main point is that we literally do not know what the effect of the International Coffee Agreement has been and whether or not its extension is in anyone's best interest—here or abroad.

Before this agreement is extended the Ways and Means Committee should thoroughly study the issues involved to insure that the program is soundly conceived.

I filed minority views on the report from the committee raising these same points. These minority views follow:

MINORITY VIEWS OF THOMAS B. CURTIS

It is clear that the Ways and Means Committee has not had the opportunity to conduct the studies or hold the hearings necessary to render proper judgment to the House on the merits or demerits of extending the International Coffee Agreement for 5 years.

The issues involved in this international agreement are so serious to the American consuming public as well as to the basic economic welfare of many nations in the Americas that the House should have the information necessary to make sound judgments. The House should not merely rubberstamp the judgments of the executive departments in this important matter.

Certainly it is evident that the economic development of the American countries affected by this agreement in the past has not lived up to either the promises or the expectations. On the record of the past we must presume that the policies pursued have been faulty. This suggests the need for scrutiny.

Finally, in spite of the plea of the need for urgent action the record of the past demonstrates that there is need for deliberation and no need for haste.

Let the Ways and Means Committee develop the information and arguments necessary to insure that this program to be extended five years is soundly conceived for the benefit both of the U.S. consumer and the American nations involved.

Thomas B. Curtis.

HEMISFAIR

HON. GEORGE MURPHY

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 30, 1968

Mr. MURPHY. Mr. President, the distinguished Senator from Texas [Mr. Tower] is necessarily absent today. On his behalf, I ask unanimous consent to have printed in the Record a statement he has prepared with regard to HemisFair and an article entitled "Life at HemisFair Worth Living," written by William F. Buckley, Jr., and published in the Washington Evening Star of recent date.

There being no objection, the statement and article were ordered to be printed in the Record, as follows:

Statement by Senator Tower

The *Washington Star* recently published a superb review of HemisFair. I have been an early and ardent proponent of San Antonio's exquisite exposition and was pleased to read Mr. Buckley's kudos to San Antonio and HemisFair.

William F. Buckley, Jr., is one of my favorite journalists and conservative intellectuals. His columns are always thought provoking, and this one was especially noteworthy in regard to the controversial film, "U.S." by Francis Thompson, being shown in the U.S. pavilion at HemisFair.

Life at HemisFair Worth Living

(By William F. Buckley, Jr.)

San Antonio.—It is a pity that most of the publicity given to San Antonio's HemisFair has centered on the documentary presented at the U.S. Pavilion, a 25-minute film of surpassing technical beauty devised by Francis Thompson, which however ends us up in a Wagnerian seizure of despair over America's shortcomings.

Indeed one has the impression, at the end of the narrative written by W. H. Auden, that the only patriotic thing America could do is to cease to exist, a fate many of America's critics would seem to desire for us except for the inconvenience such an ending would cause to our poets of despair.

Mrs. Lyndon Johnson confessed to being made very unhappy by a film which makes no mention of America's efforts to help the needy, or to tame the rampageous effects of the machine, or to ease the strained relations between the races. A foreigner seeing this particular film would probably reason (a) that America is a very foolish and ungrateful country and not a little neurotic, so to stress its imperfections on occasions that are suited to heraldic exuberance and

(b) that we are a rather endearing people, who have never got rid of the censorious ghost of Cotton Mather.

It is a pity that the film absorbs so much attention away from a fair which is a great and insufficiently celebrated delight, and, alas, has only ten weeks left to run. The size of the thing is quite staggering, when one thinks of the resources of San Antonio, a city of less than a million people. The effort must have been a strain, and clearly it has involved an assertion of unity by a biracial community which does not always work effectively together.

The result is altogether pleasing. It is anything but a provincial production. It has been created with great care, following rather, the idea of the fair which attempts some kind of harmony and closeness, rather than the fair which encourages mutational individuality. The national exhibits are of course smaller than those in New York and Montreal, but they are thoughtful, and bright, and interesting, for instance the Mexican Exhibit and the French.

The transportation facilities are altogether adequate, with minirails lacing about the 90-acre spread, and ski-gondolas arching over the whole. There is an entertainment area several times the size of New York's in 1964, with everything except hootchy-kootch—Sally Rand was not invited.

There is the altogether unique contribution of the Girard Trust which owns the largest collection of miniature folk art in the world. Mr. Girard, the architect and interior designer, has put together 30 odd tableaux made up of 10,000 pieces from his hundreds of thousands-piece collection which are enthralling, whether to an artist or a child, scenes of the Nativity, of Latin American weddings and funerals and cockfights and bullfights, market places and toy stores.

It is the single most memorable feature of the fair, and it is no wonder that cities from all over are scrambling for the favor of Mr. Girard. If the exhibition remains in San Antonio, as the fair's directors hope, it will survive the HemisFair as lustily as the Eiffel Tower has survived Paris's exhibition almost a century ago.

There is the finest exhibit of photographs of sports ever assembled.

There are a dozen of the most exquisite pictures from the Prado Muesum, worth probably $30 million or so, and Spain has served notice that this is positively the last time, such was the fuss and bother and the local fear that something might go wrong (that is the way the Spaniards feel about their paintings, that if they are damaged, so would be Spain's psyche). The Spanish Pavilion offers a Flamenco Troupe with the incomparable Victoria Salcedo of Madrid the best Flamenco I have seen in a dozen years.

There are small and numerous restaurants, but the distinctive eating feature of the fair is three clusters of arcada-type food-dispensaries, where you can pick up not only hotdogs and hamburgers, but Quiche Lorraine, crepes suzettes, tamales, shish kebab, and sit down in the open with your beer or your wine or your chocolate malted milk and a book of poems by W. H. Auden and figure that, just maybe, life is worth living in America after all.

THREAT TO PEACE IN THE MIDDLE EAST

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FINDLEY. Mr. Speaker, a group of House Republicans today called upon the United States to use its influence and other resources to give effect to a nine-point set of principles for peace, stability, and progress in the Middle East.

In a concurrent resolution introduced today the group spelled out the principles, and issued a joint statement.

As the chief sponsor of the resolution I was pleased to have as cosponsors: F. Bradford Morse, of Massachusetts; Robert Taft, Jr., of Ohio; E. Y. Berry, of South Dakota; Vernon W. Thomson, of Wisconsin, members of the House Foreign Affairs Committee, and Sherman P. Lloyd, of Utah, Marvin L. Esch, of Michigan; Larry Winn, Jr., of Kansas; and William V. Roth, of Delaware, who serve with me as members of the House Republican task force on Western alliances.

Text of the statement and resolution:

A serious threat to world peace exists in the Mediterranean-Middle East-Persian Gulf as a result of the continuing Israeli-Arab confrontation, the quickening military-economic-political penetration of the Soviet Union and the withdrawal of British forces from bases that have guaranteed stability for more than a century.

Three dangerous games are being played today in the explosive atmosphere of the Middle East: poker, blindman's bluff, and "chicken." Some would add a fourth game, or perhaps it could more accurately be called a "scenario" and that is Russian roulette. It has become almost trite to say that the Middle East is a timebomb, but it is nevertheless true. Ironically, Western civilization which began at the tricontinental hub where the Mesopotamian Valley is cradled by the Euphrates and the Tigris Rivers may itself be the prelude to the ending of the human adventure unless positive, imaginative and forthright political settlements are forthcoming and implemented. Not since the end of World War II has any one corner of the globe been the setting for political and religious strife of such a magnitude of open violence. Since the United Nations created the State of Israel in 1948 three wars alone have been fought over the question of Palestine. Acts of violence have been almost daily occurrences along the Jordan-Israel cease fire line; other outbreaks of violence have occurred in Lebanon, Iraq, Yemen and South Yemen, as the former Aden Federation is now known. Conflicting claims have raised tensions in Kuwait and the Trucial States.

The Middle East is of vast importance to the world because of its strategic geography, its vast oil resources (60% of the world's known reserve), the political and economic potential of its people, whose religions, science, art and culture have enriched the fabric of Western life and because it has become a critical area of confrontation between pro-Western countries and those supported by the Soviet Union.

The strategic confrontation may appear less dramatic than the Cuban Missile crisis but it is no less real, no less deadly, and no less important. The Soviet-American confrontation is of recent origin in the Middle East and is set against a background stage of turmoil that existed long between the emergence of the two great powers who now plot their next moves in the game of political chess in the Middle East.

Russia, under Czars and Commissars alike, has been intrigued by the prize of the Middle East. From earliest times because of its desire for a southern access to the waterways of the world, Russia has developed a primary political interest in the Middle East. The absorption of vast areas of Central Asia with its Moslem population into the Russian Empire has been a second motivating source of political concern. There are today more Turkish peoples in the Soviet Union than in Turkey and more Moslems than in the United Arab Republic. Thus Russia has an organic connection with the Middle East, a factor which goes far in explaining their current fascination for the area.

Politically speaking, the United States, in contrast to Russia, is a newcomer to the Middle East. It has strategic interests in the transit routes, the flow of oil and freedom of the area from local conflict and hostile domination. Suez provides for the U.S. a connecting link between the 6th fleet in the Mediterranean and the 7th fleet in the Indian Ocean. Military overflight privileges through Middle East air space are important both in terms of supply of American military installations east of Suez and in carrying out our global defense commitments.

In the face of this situation, the United States has no other wise options. It must use its influence and its power to maintain peace and to encourage equitable solutions that will guarantee the rights of all peoples in the region.

Hopefully, our allies in the North Atlantic Treaty Organization will join in these initiatives. Indeed, cooperation would seem as essential to the self-interest of our NATO allies as to our own. The Soviet naval buildup in the Mediterranean, the intensive shipment of Russian and Communist-bloc arms to Egypt, Syria and Algeria, the danger to traditional European oil sources, and the march of Soviet influence across North Africa menaces the eastern and southern flank of NATO's basic western defense system.

The crux of instability in this region is the festering confrontation between Israel and the Arab world.

An equitable solution of this 20-year-old problem must be a major aim of U.S. foreign policy. The United States played a major role in the creation of the state of Israel and has continued to play an important part in its development. It must now accept the attendant responsibilities. It must take the lead in bringing peace to the area.

It must be recognized that the Soviet Union is trading on Israeli-Arab animosity to push its philosophy of pseudo anticolonialism into nations that have long been friends of the United States and the Western world—nations whose religious-philosophical traditions reject communism.

The protection of Israel's right to exist as a nation must be a paramount United States objective. But of equal importance is the protection and encouragement of progressive, independent democracy in each of the Arab states.

Accordingly today we are introducing a Concurrent House Resolution setting forth these principles to control our national policy, looking toward a settlement in the Middle East:

"1. Israel is entitled to recognition by all nations of her rights to exist.

"2. Israel and her Arab neighbors are entitled to automatic, iron-clad international guarantees that their borders be free from the threat of aggression and the attacks of terrorist groups in return for national pledges to renounce the use of military force.

"3. The U.S., the maritime nations, and the UN recognize, reaffirm, and will assure that the Gulf of Aqaba is open sea and that all nations have the right of free and innocent passage through the Straits of Tiran and innocent passage on equally favorable terms through the Suez Canal.

"4. The holy places in the city of Jerusalem must be placed under control of an international agency that will include equal representatives of Jewish, Christian, and Moslem religions. Access to holy places by pilgrims of all faiths must be guaranteed. Any revenues resulting from the traffic of pilgrims should be shared equally by the three faiths. The economic and political interests of Jordan in Jerusalem and the special interests of the international community must be effectively assured in a peace settlement.

"5. Steps must be taken to encourage a mutual, inspected demilitarization.

"6. Every means must be taken to negotiate the status of territories occupied by Israel in the June, 1967, conflict. These negotiations must recognize:

"a. Israel's right to defensible frontiers.

"b. The wishes of Arab population in occupied areas.

"7. The United Nations—which sanctioned the creation of Israel, has a grave obligation to help preserve stability in the Middle East through refugee assistance and rehabilitation, mediation and conciliation. The judicial arm of the United Nations, the International Court of Justice, offers a forum where legal issues arising from the Middle East conflict could be settled according to the principles of international law by an impartial tribunal. Hopefully through resorting to the World Court, the rule of law would replace the rule of force.

"8. A fair and permanent settlement must be agreed upon for the many thousands of Palestinian refugees who have been homeless since the 1948 Palestinian war. This settlement must be an integral part of our Middle East policy. It cannot be put aside or treated separately. Refugee unrest is one of the major barriers to peace.

Consideration should be given to the possibility of resettling these refugees wherever they can be absorbed into the economies of the area. Creation of a second Palestinian state for Arabs should be given serious thought. Israel should be prepared to meet its obligations by paying suitable compensation and, under conditions of peace, by permitting the return of a number of refugees.

"It should be recognized in advance that any new home for these refugees will require a major international investment to provide housing, water, economic opportunity and social security.

"The United States should pledge a major contribution towards this end and should expect that Israel and the Arab states would make major contributions, perhaps diverting funds now spent on armaments to the more satisfying prospect of creating a new way of life for refugees who can then make a major contribution to the general economic growth of the entire Middle East.

"Such a settlement, enforced in a spirit of constructive regional development instead of destructive regional rivalry, can bring a new dawn to the Middle East. A prosperous Israel, surrounded by prosperous Arab nations, living in harmony, trading and aiding each other is not an impossibility.

"The implementation of the Eisenhower-Strauss nuclear-powered desalination of sea water project could lead the way in turning the arid, hostile nations of the Middle East toward a future of peace and prosperity. Certainly prejudice and hatred would not be eliminated immediately, but the collaboration of Arab and Jew in a practical and profitable enterprise of this magnitude might well be the first, long step toward a permanent peace.

"The fact that three of the world's great religions trace their origins to the Middle East attests to a reservoir of good will among its people. The fact that this area cradled Western civilization attests to the capacity of its people. Once the thorn of Arab-Israeli hostility is removed, each nation should be encouraged to proceed in its own orderly fashion to improve the lot of its people.

"9. Once the principle of non-aggression is established in the Middle East, it should be encouraged across the northern rim of Africa and the Persian Gulf."

Each nation in the region affected is struggling to bring its people out of the shadows of colonialism into the promise of the 20th and soon the 21st century.

This promise cannot be realized until firm steps are taken to end the destructive rivalries and selfish ambitions now afoot. If these evils prevent solutions within the area, it is our responsibility to help root them out.

For if this promise is not realized, there is little promise of peace and security for the United States and its allies in the North Atlantic Treaty Organization.

THE SOVIET EMPIRE

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 30, 1968

Mr. THURMOND. Mr. President, the State newspaper, of Columbia, S.C., on July 25, 1968, published an article entitled "The Soviet Empire."

Editor William D. Workman, Jr., writes of the current unrest in Europe, which finds Moscow's Army poised on the border of Czechoslovakia. He traces the history of that unfortunate country where free elections in 1946 set the stage for its entry into the Communist orbit. In 1948 the Czechs were "liberated" from themselves and became a satellite of the Soviet Union.

It is clear from the Soviet's present military maneuvers, as well as statements by high Soviet officials, that the U.S.S.R. is determined to maintain its empire. Although many observers believe that Moscow has no intent of using troops unless it is absolutely necessary, the editor takes a deep look into the Communist past and predicts that Soviet determination is as strong as ever. He concludes with a wise observation that continuing Soviet domination in Eastern Europe is a clear repudiation of the Johnson administration's policy of "bridge building" with the Soviet bloc through expansion of international trade.

Mr. President, I ask unanimous consent that the editorial be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE SOVIET EMPIRE

Moscow's armies continue to hover just over the border from Czechoslovakia, thus giving the lie to the naive and mischievous assertion, elevated to the grade of foreign policy in the United States, that the Iron Curtain has rusted away. The events of the last few weeks allow no other interpretation. The relationship between Moscow and Prague seems to be that of troubled master and restless servant.

What will become of the Czech experiment and its edgy leaders no man can tell. At this writing, Moscow appears as determined as ever to preserve its Eastern European empire intact. It likewise seems to know what those of us in the West sometimes forget: that slavery and freedom, however restricted, are incompatible. Here is where Czech reformers have gone astray. The notion has taken hold among some elements of the Prague regime that the customary oppressions can be—indeed, ought to be—moderated. They therefore have permitted the Czech press, for example, to suggest modest alternatives to the policies of the state. Private citizens, too, have been allowed in recent days to voice restrained dissent, and even the idea of opposition political parties has cropped up, although clearly the Czech regime has no intention of permitting a truly multi-party system.

These tendencies toward reform have aroused quite properly the sympathies of the West, whose political history teaches that free men are happier and more productive than slaves. But it is not the case, as sometimes is suggested that there can exist degrees of Communism in the Marxist sense. This is patently untrue if for no other reason than that, given a choice, men will choose something else.

This is generally so and specifically so with respect to Czechoslovakia, as the history of free elections in that country indicates. These were last held in 1946, two years before the Communists liberated Czechoslovakia from the Czechs. In those elections, the Czech Communist Party, riding the coattails of anti Hitler sentiment, got 38 per cent of the vote and, with it, minority representation in the Cabinet.

It was enough. Within two years the government had been sufficiently subverted, and the Communists seized the headquarters of the opposition parties, the newspapers and, ultimately, the government itself.

Is it to be seriously supposed that Moscow, having arranged so carefully to have the Czechs "liberated," will stand by and see the work of 20 years undone? It seems unlikely—so unlikely that even the U.S. State Department shrinks from the slightest criticism of Russia's crude intimidation lest Moscow pretend to find therein evidence of an imperialist plot. This, it is thought, would furnish Russia the excuse she needs to order into battle the troops massed across the border for that purpose.

Others feel Moscow has no intention of using these troops unless Prague's Red regime is threatened by non-Communist elements. The saber-rattling, under this interpretation, is just eyewash designed to make the Czech "liberalization" look like the real McCoy, thus encouraging Washington and other Western nations to come forth with credits and trade needed to bolster the troubled Czech economy, the cause of much of the discontent among the people.

In any case, the events of the last few weeks can be explained only in terms of a continuing Soviet dominion in Eastern Europe—a clear repudiation of the fallacies on which the Johnson administration's bridge building adventures rest.

MIDSOUTH SPEAKS ON VIETNAM

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. KUYKENDALL. Mr. Speaker, under permission to extend my remarks in the RECORD I include the second of a series of articles from the Memphis Press-Scimitar in which the people of the Midsouth express their concern over the war in Vietnam.

The article follows:

The War and the Midsouth: Senatobia, Miss.—Parents Resentful, Discouraged, Impatient; "Why Are We There?—It Looks So Helpless"

(NOTE.—This is the second in a three-part report by Staff Writer Margaret McKee and Photographer William Leaptrott on the reactions of small-town America to the war in Vietnam.)

(By Margaret McKee)

SENATORIA, MISS.—The Army rifles fired and the bugle played taps when they buried Leon

Anderson Jr. in the New Salem Baptist Church cemetery.

Mayor Jimmy Johnson sat on the platform at the gymnatorium at Melvin Cathey School in Senatobia, (population 5,000) and spoke about Leon. So did the school principal, Melvin Cathey. In the crowd of over 500 people massed in the brick building were Leon's former boss Robert Moore, and some more people he had worked for.

They buried him in February in the small, tree-shaded burial ground five miles west of town, where the mound of earth is settling and the grave has grassed over.

He was the first to die, the first one the town had lost—Private First Class Leon Anderson, machine gunner with the 25th Infantry, dead at Cu Chi in the Tet offensive, 45 days after he reached Vietnam.

His father, Leon Sr., is working on a car body at M & M Motors, this summer day, his billed cap set squarely on his head, a cigarette almost a part of his mouth, unnoticed as his hands move.

SON'S REACTION WHILE ON FURLOUGH

"My son didn't want to go," he says quietly. "He came home before he left. He was always joyful, but he was different altogether while he was here in December. He stayed home most of the time, stayed in his room, didn't even watch tv with us. We drove him to the airport in Memphis and he never said one word the whole trip.

"He was in the 25th Infantry. I hated for him to be with them. They're a fighting outfit on the front line. He was doing patrol duty at night when he got killed.

"The boy engaged to my daughter is overseas now. Every letter we get, he closes and says, 'Say a little prayer for me.' My son used to say that in his letters.

"My wife took it real hard. I don't guess we either one will ever get over it. It hurt me worse than anything.

"We haven't made any progress. If we did, if we win the war, I don't see where it was worth all the American soldiers that got killed. A boy who graduated with my son from high school was in Vietnam before my son was. He was here during the funeral. He told me and my wife how it was there. He said before he would go back, he would go to jail.

"All of the boys I have talked to, I haven't heard of any of them volunteering. I was in the service myself in World War II. There were lots of volunteers in World War II."

The discouragement and resentment felt by Leon Anderson find their echoes in other townspeople, both Negro and white. Leon Anderson Jr. was a Negro. So were two other boys from Tate County killed in Vietnam, the only three fatalities the county has had.

Melvin Cathey feels the resentment mounting, the questioning building in the Negro community.

"We've had three young men to lose their lives over there," says Cathey, a short, neatly dressed man whose quiet voice belies his intensity. "My people feel called on to carry too much of the load. They can't understand it. I see it more and more each year, with the boys graduating, with their parents.

"There are some very much opposed to the war, to the great cost of lives. They don't quite see they really should be there." The three boys who have died, the assassinations of Dr. Martin Luther King Jr., Robert Kennedy, both opponents of the war, and the feeling that the money spent in Vietnam could be better used to help those at home, are factors in the changing attitudes, Cathey says.

"MY COUNTRY, RIGHT OR WRONG"

Even so, the welfare of the country comes first. Not exactly "my country, right or wrong," but definitely "my country."

"They are thinking in terms of the position that our country would be in, if it would be detrimental for us to pull out," Cathey says. "They do not want to give the advantage to other countries, so we would have to come back later."

Mrs. Cleora Newson says she has been lucky this war. "I've got 11 children living and none of them there. They've all registered for the war, but the Lord has been good enough not to call them.

"It just looks to me like they're killing the people up. I don't hardly think we ought to be there. It's just a troubled time."

The war is a long way from her small, weathered house, from her father, McClinton Freeman, chopping the garden out back, wearing his 80-odd years as casually as the old hat squashed down on his head or his high laced boots. "They're not gonna get me," he grins. "I worried about all the wars, but I haven't been able to worry about this one much."

For Robert James Rosemon, listening to his transistor radio on the courthouse lawn as he waits to relieve his fellow Neighborhood Youth Corps worker on the lawn mower, the war is closer than he wants. He's 17, a senior in high school next year. A lot of his friends are being called up. "I don't too much want to go over there," he says. "I hope they're gonna call a peace before I have to."

"I BELIEVE IN THE WAR"

But feeling about Vietnam doesn't run along color lines. There are hawks, too, in the Negro community. Mrs. Mary Mickens has thought about it a lot, she says, sitting in the living room of her pink-and-green house. "I believe in the war myself," she says. "If we don't fight it there, we have to fight it here. But let them fight the war. Don't hold them back."

In the white community as well as the Negro, there are those on both sides of the fence and those who straddle the middle.

Swept Mabry, sitting over coffee at Roy's Cafe with his straw farming hat on his head, speaks his piece straight out. "I say win it and get through with it, whether you have to drop an atomic bomb or anything."

Red Pitts pulls his Mississippi Power & Light Co. service truck over the wrong side of the curb and leans out of the window to talk. "I don't think we're winning the war," he says. "I can't make up my mind that our obligation there is extensive enough that it's worth all the men we're losing."

His boy is there, E–6 Jerry Howard Pitts, 101 Airborne, 1st Cavalry, fire instructor for a 105 Howitzer, a career soldier. He's been there seven months this time. He put in 13 months before and was wounded twice, but the doctors say he's completely recovered.

"My wife and I, we don't talk about it much," Red says, his ruddy face serious. "She's always hoping that he'll make it back."

SHE DOESN'T UNDERSTAND IT

Mrs. Frances Moore, still in her long, pink-flowered robe this coolish morning, stands at the door, watching her little girls riding their bicycle and tricycle on the sidewalk.

"I guess you could say I don't understand why we went over there, but we certainly can't get out now," she says, holding the screen door open. "Look at all the people that have been lost. If we pull out, they just died for nothing. No, sir, we ought to get in there and do something.

"There has to be a solution to it, but I can't imagine what kind."

An embroidered picture on an eagle holding three American flags hangs on the wall of Dr. John Flowers' office at his church, First Baptist. "I think the threat of communism is so far reaching that it cannot be ignored even though it be on the other side of the globe," the pastor says.

"I'm terribly hawkish," says Mrs. Robert Meacham, behind her public relations desk in the old pillared administration building at Northwest Mississippi Junior College, on the edge of town. "I believe we should use whatever it takes to win. I say use atomic weapons if that's what it takes."

"Vietnam?" asks H. B. Warren, electrical contractor working on some of the $3.5 million worth of construction on the 90-acre junior college campus. "Well lady, personally I don't think we should have ever been in it. As we're in it now, I don't think we ought to run.

"We've got to do something one way or the other—declare war and get the thing over or be a coward and run."

WHAT ABOUT PARIS PEACE TALKS?

Like most of Senatobia, Jimmy Brewer holds out about as much hope for the Paris peace talks as he does that one of the high-priced polled Herefords on his father-in-law's Circle M Ranch will groom and curry itself for the annual sale.

"The Communists are gonna wait and see what happens in this election, see how far they can make us bend our backs, he says, slapping one of the giant, gentle bulls on the backside to move it along. "I am definitely in favor of a change in administrations. Give somebody else a try."

"Those people in Paris are just horsetrading," his father, a real estate man, chimes in. "I'm a trader-salesman sort of myself. Each one is trying to get the best bargain they can."

Ed Moore Jr. works for his father at the family firm, M & M Motors. He and most of his friends are in their early 30s, too young for Korea, too old for this one. "The subject of the war doesn't come up often with my friends," he says. "It's too frustrating to discuss. It's hopeless. There's no solution. Here we're the most powerful nation in the world and we're unable to defeat half of a small country.

"I got so disgusted, I just quit reading about it."

ISSUES THAT CONFRONT THE COUNTRY

HON. GEORGE MURPHY

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 30, 1968

Mr. MURPHY. Mr. President, recently, the Senator from Tennessee [Mr. BAKER] delivered a speech in which he dealt extensively with the many important issues that confront the country today.

I ask unanimous consent that the text of his speech be printed in the Extensions of Remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HOWARD H. BAKER, JR., BEFORE REPUBLICAN STATE CONVENTION, NASHVILLE, TENN., SATURDAY, MAY 25, 1968

The Republican Party today faces the greatest challenge it has faced since its founding. The challenge is to provide the firm, forceful and dynamic leadership our nation must have to meet the demands of the gravest crisis it has faced, at home and abroad, since the Civil War.

This grave national crisis has taken many forms. It has taken the form of racial strife and violence. It has taken the form of crime and lawlessness in our cities. It has taken the form of a crumbling of our overseas alliances. It has taken the form of impending fiscal disaster. It has taken the form of national disunity.

But these are only the symptoms of the real crisis of America.

The real crisis of America is a crisis of leadership.

America is no less great today than it was in the mid-1950s when, under the firm leadership of General Eisenhower, we reached our greatest pinnacle of power and prestige in the world community of nations.

America's greatness lies with her people and in our great national wealth. This is unchanged. Because despite what some would have us believe, the vast majority of Americans are still those hard-working, industrious, decent, law-abiding citizens who built this nation into what it is today.

And these same people are going to speak out in November against the symptoms of crisis that I have described. And they are going to speak with a powerful and united voice. And they are going to speak for the man who can unify America and who can provide the credible leadership that will restore to America what is hers.

So this is the challenge of our party. We must be able to provide the voice and the leadership that can do this job. I am convinced that we can. I am convinced that we must.

We must because the Democratic Administrations of the past seven and one-half years have forfeited the confidence of the American people.

And I don't think the current blood-letting among the various Democratic candidates is going to do anything to revive that confidence in the American people.

After all, no matter which one of the Democrats becomes the official candidate, the Democratic record will remain the same. All of the candidates on the Democratic side can only offer to the American people "more of the same."

What have the Democrats given us over the past seven years?

Let's take a look at the record:

Seven years ago we were truly at peace. Today we are bogged down in a difficult land war in Asia which already has dragged on longer than any other war in our history. Since January 1, 1961, we have suffered more than 165,000 American casualties. Nearly 23,000 American boys have lost their lives in combat. And even with peace talks, the end is not in sight.

Seven years ago our overseas alliances were strong and vigorous. Today they are weak and ineffective. NATO is in a shambles and summarily evicted from France.

Seven years ago we were making strides toward racial equality. Today our nation is threatened with still another summer of riots, looting and bloodshed on our cities' streets.

Seven years ago the farmer's income brought him 84.5 percent of parity. Today the parity ratio is 74 percent, and the Administration's farm program seems to be designed to keep it that low. During those years 700,000 family farms have disappeared from the American landscape.

Seven years ago American leadership abroad was accepted. Today it is violently questioned.

Today crime and lawlessness is a major national problem and the situation is worsening every day. The latest FBI statistics show us that major crimes in the United States have risen from 2 million in 1960 to 3,757,000 in 1967, an upward surge of 88 percent.

Seven years ago federal spending of cash was about $100 billion. The budget for fiscal 1969 calls for $186 billion.

In 1958, our reserves of gold to secure the international convertibility of the dollar stood at $20.5 billion. Seven years later they stood at just under $11 billion and are depleting at an alarming rate as a result of a reduced confidence in America's ability to manage its monetary affairs.

Seven years ago the dollar was stable. Last year the cost of living rose 3.1 percent. The Labor Department's Consumer Price Index now stands at 118.2. This means that on the average something that cost $1 in 1959 now costs more than $1.18.

Seven years ago the federal deficit was less than $4 billion. In Fiscal Year 1959, under Eisenhower, we had a surplus of $1.2 billion. Today we are faced with a deficit which could run as high as $30 billion.

Seven years ago, the Democratic nominee for President appeared on national television to decry the fact that 17 million Americans go to bed hungry every night. Seven years later, a Democratic President appeared on national television to lament the fact that 35 million Americans go to bed hungry every night. And this after billions have been spent on the anti-poverty program.

This is the kind of progress seven years of Democrat Administrations have given and this is what they are going to have to answer for this year.

Seven years ago the Democratic nominee for President went around the country saying the Democrats would "get the country moving again." Well, it seems they have succeeded. They've got us moving, but the trouble is we're going in the wrong direction!

The time has come for some sober stocktaking. We must pause to see just where we are and where we are going. Some very dangerous trends have been started in this country in the past seven years. But it is not too late to stop them. It is not too late for us to pick the kind of leadership, Republican leadership, that will set us squarely on the new direction that we must take.

The picture facing us, however, is not an entirely bleak and gray one. The immediate future holds great promise if we but prepare ourselves to realize this promise. But if we are to realize this promise held in our great prosperity and our unparalleled technological advances, we must now, today, set priorities of national objectives and adhere to these priorities.

Nuclear energy, the awesome force which set the temper of our time in the first horrendous blast in the New Mexican desert and which has brought us to the realization that we stand only minutes away from a holocaust which could destroy the world, holds the key to a bright, golden era for mankind, if we will but have the courage to use its vast potential to make peace instead of war.

We must be brave enough to try new approaches and new ideas.

We must use technology to free mankind rather than to enslave him in a cold world run by machines.

We must be just as concerned with preventing another Vietnam as we are with bringing this one to an honorable conclusion. We cannot allow ourselves to become so committed in one place that we cannot respond in another. We must not permit ourselves to be deluded by any claims that communism has changed its basic nature.

So when we begin to set priorities, we must keep certain broad objectives in mind. Only after these things have been met to our fullest ability can we then turn to secondary objectives, regardless of their individual importance or desirability.

The first broad priority in our national thinking and planning must be, of course, to preserve world peace and freedom.

Equal and parallel to this is the matter of keeping the peace at home. Law and order must be maintained.

There are those in America today who would, in the name of order, ignore the law's requirement for justice, while others, in the name of justice, would ignore the law's requirement for order. Both groups are wrong and their efforts must be firmly resisted.

Only a lawful society can build a better society. I intend to do all I can, and our next President must be committed to do all he can, to maintain the law's utility in our society.

And no less important, we must restore a measure of fiscal responsibility to our national affairs. We are faced with a staggering budget deficit of $30-$40 billion for this fiscal year. With the added drains of partial mobilization this could go even higher. We must reduce federal spending wherever possible within the framework of our priorities. If this isn't enough, we should raise taxes. But we cannot in good conscience impose a new tax burden on the American people until we have made every effort to reduce spending on a vast array of federal projects.

Only after these three goals have been attained can we turn to secondary objectives, important and urgent as these objectives may be. Because unless we meet the priorities of preserving world peace, maintaining law and order and establishing a sound fiscal base for our country, we have but little hope of achieving these other worthy goals of eliminating poverty and creating vast new public works across the nation.

I seriously doubt that the Democrats, their own party split asunder, can now provide the credible, unifying leadership necessary to meet these challenges.

So the challenge facing us as Republicans far surpasses our natural partisan desire to put a member of our party in the White House.

The challenge facing us is to provide the leadership our nation so urgently cries out for in this crucial crossroads in our nation's history.

Our party is not unaware of the challenge and opportunity that lie ahead.

In 1966, we showed once again that our party can respond effectively to the desires, demands and dissent of great majorities of Americans. We scored a great victory in 1966, not only here in Tennessee, but across the country.

We instilled into our party a new spirit, a new determination, and this sprit, this determination, is still alive today in 1968.

And we will carry this spirit of 1966 through the campaign of 1968 and into the White House in 1969.

But I would like to add a word of caution here. The key word for our party and our nation today is unity. I don't mean uniformity of thought and ideas because this we would never achieve nor should we attempt to. But we must have unity of spirit if we are to meet the challenge that lies ahead.

We cannot forget the lessons we learned in bitter defeat. Our party must be broad-based enough to accommodate the whole spectrum of aspirations, ambitions and dissent of the majority of Americans.

The party cannot permit itself ever again to be dominated or ruled by a narrow philosophy or rigid ideology.

The party cannot permit itself to be dominated by the rigidity of the extreme right nor the hysteria of the extreme left.

The party cannot limit itself to the narrow interests of any one section of the country or of any special interest groups.

And, perhaps most important in this election year of 1968, we cannot permit ourselves the luxury of Political Cannibalism among the various factions and currents of the party.

Our party for the past two years has been casting about for the image of a President, for the image of the leader who can restore American dignity and credibility and provide the quality of leadership we need in this grave hour.

A year ago, I listed some of the things I felt this man ought to be.

I said then that this leader should be a man of vision and courage. He must be attuned to the new concepts and demands of the complex technology of this age of space exploration. But at the same time, he must be aware of our nations past, its history and the ageless principles upon which it is founded.

He must be a man who can bridge this gap, lead our country through this transition period not only without losing sight of these basic principles of our nation but indeed strengthening them.

The man we are seeking, I said then and I repeat now, must not be tied to a narrow philosophy or ideology.

He must be a man capable of capturing the national imagination, the imagination of America's restless and groping youth.

And I would add to these qualifications that this man should be able to restore confidence and purpose to America's forgotten man, the decent, law-abiding citizen.

Last year, a large number of us in the Republican Party in this state decided that to be able to keep our options open and maintain unity until this man emerged, we should go to the convention committed to a "favorite son" candidate. The nine district conventions have followed this idea and have chosen their delegates to the convention pledged to support me as this favorite son. This has been a great honor for me to be thus considered and I am grateful for it.

However, as you all know, I have recently chosen to decline this position.

I did this because in my judgment the man who best meets all the qualifications I have enumerated already has clearly emerged. This man is former Vice President Richard M. Nixon.

As I have already announced, I intend to support Dick Nixon and to campaign actively for his nomination for the Presidency of the United States.

But I would like to underscore one thing: I am for Dick Nixon. I'm not against anybody. I will support whomever the convention nominates.

I have decided to support Mr. Nixon for a variety of reasons.

I do so, not because I have known Dick Nixon for many years, which I have; nor because I have great affection for him, although I do; nor because he campaigned for me in my race for the Senate in 1966. Rather, I support him because I am firmly convinced that he is the candidate most keenly tuned to these times, that he will be the best campaigner in 1968, and the best President in 1969.

I have listened carefully to Mr. Nixon's speeches and carefully read his published statements of the last several months. I find in those statements imagination, vitality, compassion and firmness.

I know personally of his strong support for a society of laws which offer justice and equal opportunity to every man in housing, jobs and voting. I applaud his equally strong condemnation of those who would forget that order, as well as justice, is essential to a lawful society. And I thoroughly agree with his rejection of the trends of centralism which prevade Washington today and his insistence that there be a return of power from the bureaucracies in Washington to the people at home.

I believe he will be able to capture the mood of the nation and point a New Direction for America.

In conclusion, I would strongly urge that we keep in mind in our deliberations here the need for party unity to bring about national unity under a Republican President.

Let us carry to Miami that same spirit and dedication that united our party in this state from Mountain City to Memphis in 1966. If we do we will unit our country from Maine to California in 1968.

And we will elect a Republican in November and put a Republican majority in both houses of Congress and in the State Legislature in Nashville.

FOREIGN POLICY ACTIVITIES IN THE 90TH CONGRESS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FINDLEY. Mr. Speaker, foreign policy bears so directly upon the lives of my constituents, and other American citizens, that I have devoted much of my time and energies to this field during my 8 years as a Member of Congress, and especially during the 90th Congress.

To illustrate, I am a member of the House Committee on Foreign Affairs, as well as:

Chairman, House Republican task force on western alliances—formerly known as Committee on NATO and the Atlantic Community. Member, 1963–64; chairman since 1965.

Member, Republican National Committee's task force on the conduct of foreign relations.

U.S. delegate, North Atlantic Assembly and member of its Economic Committee, 1965, 1966, 1967; member, Political Committee, 1967.

Chairman, House Republican conference factfinding mission to NATO in June 1965. This was a precedent-setting initiative in foreign affairs by the minority party of the House of Representatives.

Official host to Prime Minister Lester Pearson of Canada at the Federal Union Convention in Springfield, Ill., in June 1966.

Lecturer, Department of Defense Intelligence School, 1967; Georgetown University Strategic Studies Institute, 1966; American Academy of Political and Social Sciences, 1966.

Organizer of seminar on foreign policy conducted by staff members of the Foreign Policy Research Institute of the University of Pennsylvania in February 1967. This was attended by 40 Members of Congress.

U.S. delegate to German-American Conference in 1967.

Participant, Conference on Atlantic Trade Problems, Ditchley, England, 1967.

As chairman of the Western alliances task force, I conducted the Atlantic studies program, a series of nine analytical studies of the deterioration of the North Atlantic alliance by experts such as Gen. Pierre Gallois of France, Vice Adm. Friedrich Ruge of Germany, and Dr. Edward Teller of the United States. Organized three conferences of its members with former President Eisenhower in his Gettysburg office, two with Secretary of State Rusk at the State Department, and one with NATO Ambassador Cleveland.

Author of "American Domination of NATO: Real, and Harmful"—a searching analysis of the causes of the French defection from the NATO military organization, published in the February 1966 issue of Canadian Commentator.

Author of "Parliamentarians Should Face Up to Looming NATO Crises," a critique of the 11th and prior meetings of the NATO Parliamentarians Conference—now called the North Atlantic Assembly—published in the Congressional Record, May 3, 1966.

Author of "The Impact and Potential of American Diplomacy"—a proposal that freedom-loving people beyond U.S. borders be invited to consider common citizenship through three avenues—by immigration, by statehood, and by joining the United States in a new federal union. Published in the Annals of the American Academy of Political and Social Science, July 1966.

Author of "20 Years After the Truman Doctrine: Neither War Nor Peace," published in West and Ost, Germany, April 7, 1967.

Sponsored "Will NATO Survive 1969?" for the Republican task force on Western alliances—a pamphlet appraising the failure of the Johnson administration to "grasp the evidence" of NATO decay, and recommending a program to "rebuild" the alliance.

Author and chief sponsor of the Atlantic Union resolution—House Concurrent Resolution 232, et al.—which has bipartisan support of 114 House Members and the endorsement of Nelson Rockefeller, Richard M. Nixon, Eugene McCarthy, Barry Goldwater, Dwight D. Eisenhower, Charles H. Percy, Mark O. Hatfield, and William Scranton. Resolution reported favorably by the House Committee on Foreign Affairs on July 9, 1968. It is the most specific and far-reaching resolution dealing with free-world federation ever introduced.

Author and chief sponsor of Vietnam review resolution—House Concurrent Resolution 508—which has bipartisan support of 146 House Members, and which was credited with influencing the decision of President Johnson to reappraise and halt the "Americanization" of the war.

Author of "tourist dollar exchange" law which has saved over $5 million in our balance-of-payments position since its enactment in 1963.

Author of law which prohibits Government credit to countries which trade with North Vietnam, and another law which prohibits Government grain business to firms which directly, or indirectly, trade with North Vietnam.

Author of law which requires greater emphasis in foreign aid programs toward famine prevention.

First Republican House Member to advocate exchange of newsmen, tourists, and diplomats with Communist China as a means to stabilize Asian affairs and weaken Sino-Soviet axis.

Author of proposal to establish a North Atlantic free-trade area.

Author of self-help law which stipulates that countries receiving commodities under Public Law 480 must make minimum investments to improve their own agricultural production.

Appointed to the Republican National Committee's task force on foreign relations. My principal contribution was on papers issued dealing with the North Atlantic alliance, Middle East, and East-West trade.

ATLANTIC ALLIANCE

The problems of the Atlantic alliance—political, military, and economic—have been a primary concern. In 1965, when named chairman of the House Republican task force on NATO and the Atlantic alliance, I recommended to the House Republican conference that a GOP fact-finding mission be sent to Paris to investigate the developing rift between France and the United States and its impact on the other Atlantic states. On June 2, the House Republican leader, GERALD FORD, announced the formation of the mission, naming me as chairman. Other members were Representatives HASTINGS KEITH, of Massachusetts; James D. Martin, of Alabama; and ALEXANDER PIRNIE, of New York. The mission was in Paris for 9 days beginning June 11, 1965. While there, it met with Gen. Lyman K. Lemnitzer, Supreme Allied Commander, Europe; Manlio Brosio, Secretary General of NATO; U.S. Ambassador to France Charles E. Bolen; U.S. Ambassador to NATO Thomas K. Finletter; Gen. Pierre M. Gallois; Jean-Daniel Jurgensen, head of the American Section of the French Ministry of Foreign Affairs; Colonel Chesnais, Air Representative to President de Gaulle; Pierre Messmer, Minister of Defense for France; Gen. Andre Beaufre, Director of the French Institute of Strategic Studies and his staff; Maurice Couve de Murville, Foreign Minister for France; M. E. Giscard d'Estaing, president of the International Chamber of Commerce.

On June 30, the mission made its report to the House Republican conference, to Secretary of State Rusk, General Eisenhower, and to the public through a press conference. The mission reported:

> Ever since the break up of American nuclear monopoly, dissatisfaction has been rife throughout all of Western Europe.
>
> United States military, technological, scientific, and economic achievements have caused us to think of European nations as though they were secondary position in world affairs.
>
> Dissatisfaction by European nations stemmed from the present NATO structure which forces them to rely, under all circumstances, upon American strategic capabilities and decisions for the most basic requirements of their national security.
>
> These nations want and deserve a larger voice in these vital life-and-death decisions.
>
> De Gaulle was not a lonely anachronism.
>
> As long as de Gaulle's objections remain unanswered, American policies throughout Western Europe will remain in difficulty.
>
> The United States should accept European nations in a partnership of equals within NATO.
>
> Gestures of friendship with Europe and France are needed.

The mission recommended that the United States—

Recognize that France is a nuclear power, whether we like it or not, and adjust our nuclear policies to that fact.

Establish a true partnership in technology and weapons control.

Clarify our policy with respect to employment of nuclear weapons in the defense of Europe.

Demonstrate our continuing friendship with France by a trip to Europe by the President of the United States with the single purpose of visiting the French President.

Newsweek magazine referred to the report as a "brilliant document." Favorable comment on the mission and report was expressed by Columnist Holmes Alexander; St. Louis Post Dispatch; Illinois State Journal; Pittsburgh Post Gazette; Richard Wilson in the Washington Star, who referred to the report as "sober and constructive"; the London Times; Baltimore Evening Sun; Houston Chronicle; and Columnist C. L. Sulzberger, who referred favorably to the mission twice in two columns. The major newspapers of France, Le Monde, Le Figaro, Compact, and Aurore, all gave the trip substantial coverage.

Since that time, the task force has continued to comment on problems as they have arisen in NATO.

On August 6, 1965, I recommended to the President that the new Ambassador to NATO be elevated to Cabinet level, a rank long accorded to the representative of the United Nations. In my opinion, this position would enhance the prestige of this position and thereby the effectiveness of our participation in NATO.

On October 14, I charged that the United States "dominates the North Atlantic Treaty Organization to an unnecessary degree" and proposed three changes to strengthen the alliance and reduce criticism of the U.S. role in it. In a speech before the Chicago Council on Foreign Relations, I urged that the United States—

First. Yield some of the command positions now held by U.S. officers to make possible a more reasonable division among officers of other nations;

Second. End the "caste system" in NATO's highest military authority by authorizing full exchange of nuclear and military information among all three members of the standing group—United States, Britain, and France; and

Third. Clarify command authority by withdrawing the U.S. veto over tactical nuclear weapons assigned to NATO.

On September 9, 1965, I warned the Congress that the United States and France were heading for a collision course in NATO matters. I said:

> When NATO was formed in 1949, it was inevitable that the United States should provide both leadership and aid. Then a war-ravaged Europe was struggling to its feet. Now, the nations of Europe have rebuilt their economies and are anxious to take a large part of the responsibility in NATO. They deserve it. President Johnson should have recognized long ago that the NATO structure was outdated and unrealistic and acted accordingly. Instead, the Administration has simply expressed satisfaction with things as they are. If the United States had acted in a positive manner to meet French objections, bearing in mind that the present NATO structure forces the French to rely under all circumstances upon American strategic capabilities and decisions for the most basic requirements of their national security, he would have made the necessary changes and I am confident that President de Gaulle would have had no reason to speak as he has.

On December 8, as chairman of the task force, I announced plans for a series of studies on how to achieve a "more perfect union of the Atlantic Community."

Announcing it, I said:

> The break up of NATO or even the withdrawal of a single nation, like France, would be a setback of grave proportions to the United States and the whole Western World.

Among the members of the panel who provided studies were Prof. Maurice Allais, of Paris; Prof. H. C. Allen, of the Department of History of the University College, London; Gen. Pierre Billitte, former French Minister of Defense; former Ambassador to NATO, W. Randolph Burgess; Adm. Arly Burke; Dr. Edgar Furniss, author of "France: Troubled Ally"; Gen. Pierre Gallois, former Minister of Defense; the Hon. Thomas S. Gates; Dr. William R. Kintner; Dr. Hans Kohn; Prof. Burton Marshall; Vice Adm. Fredrick Ruge, former Chief of the German Navy; Sir John Slessor, Marshall of the Royal Air Force; Dr. Robert Strausz-Hupe, director of Foreign Policy Research Institute, University of Pennsylvania; Clarence K. Streit, president of Federal Union, Inc.; and Eugene Rostow, Dean of Yale Law School.

On December 26, 1965, I urged the President to call a NATO chiefs-of-state meeting. In a letter to the President I said:

> Except for Portugal, all NATO nations have changed leaders since the last Chiefs-of-State meeting in 1957. During the interim, many discussions have occurred, but none with more than two Chiefs-of-State present. Excessive reliance on bi-lateral talks is inefficient, at best, and apt to breed suspicion. No organization can function satisfactorily if its top officers meet only in twosomes, never as a group. Long range goals as well as immediate problems need top-level consideration. They should be discussed frankly with all heads of state present. The vexing problems of nuclear control, partnership in arms production and other technology, and cooperation in world wide policy areas like Vietnam have not been met. Ultimate goals of the Alliance have never been defined. A Chiefs-of-State meeting could be a major break through in these areas.

In 1965, when France withdrew from the integrated command of NATO and asked the SHAPE to leave France, the United States indicated that it would demand that NATO political offices be withdrawn from Paris. On March 30, 1968, I told the House:

> This action by the United States would be ill-timed to say the least. It would further isolate France from others in the Alliance, harden opposing positions, add new fuel to rising anti-French fires and make reconciliation more difficult. President de Gaulle has stated repeatedly France desires to stay in the Alliance even though he finds the present military structure unacceptable. I hope the President, as leader of the Alliance, will not only reject this negative approach but step in personally with affirmative action to bridge the growing chasm between these historic friends before it is too late.

Following the introduction of the Mansfield resolution in the Senate, calling for a reduction of U.S. troops in Europe, on September 12, 1966, I said:

> A substantial reduction of U.S. troops in Europe makes sense especially if accompanied by meaningful moves by the United States to establish a nuclear defense system owned and controlled by NATO. The United States could then safely and wisely reduce its troop commitment.

At the 12th annual session of the NATO Parliamentarians Conference in Paris on November 17, 1966, I said:

> A non-proliferation treaty should be approved only if it makes explicit and unequivocal provision permitting the establishment

of a nuclear defense force owned and controlled by NATO, one that will operate under procedures which no single nation, not even the United States, can veto. A non-proliferation treaty which is based on the nuclear status quo or which otherwise precludes a NATO nuclear defense force will be a grave, if not mortal, blow to NATO. It would, moreover, deepen the concern of many Germans over the legitimate long-term security interests of that nation, and still worse, give the nationalistic zealots a propaganda weapon powerful enough to whip up passions to a dangerous level. It would tend to confirm the theory advanced by some Frenchmen that the United States, through a virtual nuclear monopoly in the western world, intends to continue indefinitely hegemony over that region. Some may argue that a NATO nuclear force is not needed because one already exists. To say this is really to indulge in fiction. The fact is, that not one single nuclear weapon is actually a part of NATO defense. None is completely free of national control, whether it be United States, British or French. Under present arrangements, none will become NATO weapons unless, in the flashing moment of military showdown, specific approval is given by the national leader involved. If NATO can own a Defense Ground Environment System (NADGE) it should also be able to own a nuclear weapons system, but I would certainly agree that substantial institutional changes are urgently needed to establish a workable way to control military weapons, weapons of all kinds.

In 1967, the House Republican conference voted to enlarge the policy area of the task force to include the Rio Treaty States of Latin America. The major work of the task force in 1965 had been the trip to Paris. In 1967, it was the series of Atlantic studies. In 1968, it was the publication of reports under the title "Will NATO Survive 1969?" containing a series of proposals to rebuild the North Atlantic Treaty Organization. It was divided into three sections: First, "NATO in a Changing World"; second, "Partnership—The Road Not Taken"; and third, "The Rebuilding of NATO."

> The threat of overt Soviet military penetration in Europe has apparently receded. That threat has taken on a far more subtle and sophisticated cast. Many Europeans, accustomed to American nuclear protection and inwardly concerned about their own economic and social problems, believe that NATO is becoming increasingly outmoded; a cold war legacy incapable, by its very nature, of responding to the fresh opportunities and directions on the continent. A new nationalism and self-confidence activated and symbolized by Gaullists' forces, fed in some quarters by latent anti-Americanism, is suggesting that NATO may even constitute a serious liability in handling the issue of German reunification; security in Central Europe; and the future of East-West relations generally. The United States, as leader of the free world, cannot afford to turn a deaf ear to these new and still evolving developments. These difficulties can only be solved in the long run through joint discussion and decision, not through unilateral action.

The committee observed further:

> The political context in which NATO exists and functions has changed and it is absolutely essential that the NATO nations attempt to arrive at a common understanding of these changes and, where appropriate, a common reworking of the objectives, obligations, decisionmaking arrangements, and other organization features.

The task force recognized that actions of individual European states may have undermined the integrity of the alliance but it lay principal criticism at the United States, which, it said "repeatedly professed commitment to a strong NATO partnership, but our past actions have not always served to reinforce that aim."

The task force set out a chronology of unilateral changes in American policy which have resulted in undermining NATO's foundations. The committee noted that American initiatives in the field of armament and arms control, including the then current negotiations on nuclear nonproliferation, have proceeded outside the NATO context. The committee noted that disarmament is certainly a desirable goal which no American or European statesman would deny, but our evident tendency to ignore the impact of such agreement on the NATO situation and allied interest and referring from thorough consultation within NATO prior and during the evolution of concrete proposals further illustrates United States inattenior to the prerogatives of other alliance members. It further noted:

> While European states look with understandable favor upon the prospects of a Washington-Moscow detente, they recognize that their ultimate security relates to Russo-American understanding. But they are suspicious of possible *faits accomplis* reached bilaterally on sensitive issues affecting their future and security, without an effective voice in the formulation of policy concerning Europe.

The task force noted that since President Eisenhower left office, there had been no meeting of NATO heads of state. President Johnson had gone to the summit with Latin American chiefs of state. He had conferred with Premier Kosygin, but had avoided a NATO chiefs of state meeting.

The committee made some specific recommendations on strengthening and reforming NATO. It noted that first there must be a commitment—a determination by the United States—to take a role in reforming NATO and bringing the other members of the alliance in on all decisions and making them genuine partners and equals. The committee recommended the establishment of a permanent working NATO body for issues on the technological gap and genuine European participation in matters of strategy and nuclear defense can be debated and jointly resolved on a continuing basis. This proposed strategy council must have the benefit of expert staff and European members must have access to American nuclear planning information.

The committee noted this does not necessarily require that the United States relinquish control over strategic armaments and their employment. Rather it means rearing a European awareness and sophistication sufficient to earn the right to participate in the evolution of deterrent doctrine of the Atlantic area and hence the capacity to judge and propose as an intellectual peer. The task force noted that NATO must serve as the format through which Europe, prosperous and increasingly self-asserting, becomes once again a determinate of its own destiny. It said:

> Instead of perpetuating and accentuating disparity between allies, the organization must function as an honest broker of genuinely European concepts and proposals.

The task force recommended that the NATO Council be utilized on a continuing basis and at short notice for diplomatic consultation among the allies. These forum could emerge as the principal instrument for allied political decisioning, to resolve alliance problems, determine strategy as recommended by the proposed Strategy Council, consult on crises erupting within or outside NATO territory, harmonize policy on matters of mutual concern, such as East-West relations, and exchange and review intelligence on a daily basis. The committee noted this suggestion probably means that—

> Clashes will occur and differences of opinion will become more obvious. It means that we must be prepared to consider the advice of allies on matters which perhaps affect us more than them.

Also during 1967, on NATO matters, the task force urged open hearings on the Nuclear Nonproliferation Treaty, urged that the President reaffirm NATO's commitment to Greece, and urged the Government to instruct its Ambassador to NATO to press for early and favorable action on the proposal that the North Atlantic Assembly have similar status to the North Alantic Council as an institution of Atlantic alliance.

On November 6, 1967, the task force issued a statement warning that the McNamara "thin" ABM system could rupture NATO. In a front-page story in the New York Times, the committee was quoted as saying:

> To prevent this calamity, the United States must, without further delay, explore fully with her NATO allies the possibilities of developing a NATO ABM system. As the nation possessing the preponderance of nuclear technology in the Alliance, the United States seeks to share with its allies the development of an ABM defense serving the entire community on the basis of cooperative funding and construction. Of direct benefit to the defense of the United States would be advance warning from European-sighted radar of the Soviet launch which would enable us to attempt off-shore interception.

On the eve of the NATO ministerial meeting, which started June 24, 1968, in Iceland, the task force described as a "bitter disappointment" the much-heralded official "Harmel Exercise" and called for a blue-ribbon commission apart from the existing North Atlantic Organization to help organize an international conference on NATO problems. The committee urged that the proposed conference make recommendations dealing with—

First. The fundamental mission of NATO, including its possible enlargement as to both membership and purpose. The committee urged that consideration be given to expanding NATO to include coordination of global foreign policy of its members; technological cooperation such as communications, computerization, space, oceanography; cooperation in monetary systems, aid to underdeveloped nations, and cultural affairs; and the liberalization of trade among Western nations and coordination of their trade with Communist nations;

Second. The reform of NATO by giving official status to the North Atlantic Assembly with specific responsibility in Atlantic affairs;

Third. The reunification of Germany;

Fourth. Adjustment and settlement of World War I debts; and

Fifth. The reconciliation of France with the alliance and full coordination of its military forces with those of NATO.

FRENCH PROBLEMS

On the 10th anniversary of General de Gaulle's press conference announcing his willingness to resume power, I told the House that—

> France is politically, geographically, economically, morally and militarily essential to the coalition of Atlantic states.

I urged President Johnson, in the last months of his administration, to take a series of steps to promote French and American reconciliation. Specifically, I urged the President to—

First. Acknowledge the role France plays as a major world power;

Second. Undertake a personal meeting with the President of France;

Third. Seek harmonization of United States and French foreign and defense policies by reviewing critically our present posture toward France;

Fourth. Invite France to participate with the United States in a joint effort to land a man on the moon.

Fifth. Prepare for his successor a "full and detailed analysis of its problems and experiences in the Atlantic community so that the new President can profit by past errors and successes."

Sixth. Reassure our European allies, including the French, that our commitment to defend Western Europe is "automatic and ultimate."

I said:

> The past of neither nation is free of errors. The interest of neither nation is served by perpetuating these errors. Common interests require that we learn from them. When nations agree on a goal but undertake different ways of reaching it, reconciliation of these divergent approaches should always be possible. There is no reason why the United States government should feel offended or wounded when the French feel that their own interests dictate an independent course at variance with ours, any more than with any other country.

I noted that under De Gaulle, France has given evidence of such circumstances as comparatively small population and area and scarceness of natural resources may be compensated for by the quality of leadership, cultural heritage, scientific achievements, and military capability. Despite the fact that France is strategically located in NATO from the standpoint of alliance organization, force deployment, logistics, and geography, the French complaints which should have received serious, courteous and sympathetic attention were brushed aside. Every opportunity should be seized to build good will with France.

LATIN AMERICA

Beginning in 1967, the task force was enlarged to include in its geographical area, the states of Latin America. On April 6, 1967, it traced the controversy over the Latin American resolution to the President's attempt to turn Congress into a rubberstamp by forcing hasty action on an ambiguous resolution emphasizing money.

In a statement supporting the resolution I expressed hope that Latin American economic integration and social achievement would progress. In this context, I suggested that the United States be prepared to encourage and assist Latin American countries to set up a common market without postponing or proposing U.S. participation. I stated this could be done without altering hope for broadening the world trade community. I urged that a healthy environment for private foreign investment be created and that the channels and institutions for multilateral assistance be strengthened. On June 29, I asserted that the United States must avoid a "Suez-like disaster in Central America" and must not, by hasty action on new treaties, place the interest of the United States and other maritime nations in a place where they can be sacrificed.

On August 21, 1967, the task force released a comprehensive analysis on the renegotiation on the Panama Canal Treaty, concluding that approval of the new treaties was premature. The committee deplored the secrecy surrounding the proposed treaties and recommended that the final report of the study commission should be issued with full public disclosure of all proposals of the negotiators. This would allow for intelligent public dialog on the issue. The study included a history of the canal from 1850 to the present and excerpts from unofficial copies of the proposed treaties and opinions of prominent leaders and groups. In 1967, I secured enactment of an amendment to the foreign aid bill which requires a study of the advantages of setting tropical research centers in agriculture in Latin America, Africa, and Asia.

EASTERN EUROPE

As a member of the Foreign Affairs Committee, I have consistently urged that the United States adopt policies which will promote independence in external affairs in the East European countries and liberalization in their domestic affairs. In testimony before the Europe Subcommittee in early 1968, I proposed a new policy toward Eastern Europe. At that time I reminded the committee:

> For most of the past thousand years, Eastern Europe has looked west, not east. Nationalism, self-determination, and freedom are once again reappearing in Eastern Europe. Traditional Communism is being challenged on almost all fronts. Yugoslavia has disavowed many of the basic precepts of orthodox Communist doctrine. Alone on the extreme left, Albania had allied itself with China.

I told the committee the United States cannot continue its isolation from the rest of the Western Allies in dealing with the Communist states. I said:

> In my judgment the safest and most effective way to promote the disintegration of the Soviet imposed system in Eastern Europe, is to develop a coherent, unified policy approach in the political, economic, and military fields within the Atlantic Community. The cohesion and strength this would yield in each of these areas would inevitably attract Eastern European nations and cause them to seek a profitable arrangement with the Atlantic Community. A unified Atlantic political policy would make the Eastern European nations realize that destiny is directed by the West—not by Moscow—and induce them as a matter of co-practicality to adjust to that fact of life.

But I warned that—

> To expect these developments in the absence of military superiority, political firmness, and allied unity is to invite disaster.

I urged that efforts to promote a détente with the Soviet Union and to achieve a rapprochement with Eastern Europe be undertaken only through Atlantic Community institutions. The West should strive for a common policy on such matters as East-West trade, German reunification, Oder-Neisse line, and the granting of economic credits to Eastern Europe.

I noted, however, that a common allied policy may well mean the United States will have to modify, perhaps even liberalize, some of its present policies regarding strategic trade and long term credit. However, a common unified policy has advantages which offset what may be a short term Communist advantage as a result of liberalization. I stated that agreement on these matters would serve to convince the Communist leaders of the unity of the Atlantic Community on political, economic, military policies. The common policy that will result will not mean that the lowest common denominator becomes the policy. The give and take and the exchange of ideas and intelligence among the members of the NATO Council may, and hopefully will serve to produce a policy the firmness and impact of which will be all the greater because it will be the unified policy of the West, not the unilateral policy of the United States. In other points, I specifically urged—

First. Support for Radio Free Europe and Voice of America broadcasts.

Second. Expansion of cultural, scientific, and educational exchanges to convince the young adults—the isolated generation of Eastern Europe—that the Western way of life is more gratifying spiritually as well as materially.

Third. Use of local language publications should be expanded.

Fourth. Realization that the United States has limitations in promoting external economy and internal freedom in these countries. France, Germany, and other countries can be especially helpful.

Fifth. Realization that the willingness of the Federal Republic to establish diplomatic relations with the Eastern European countries representing a modification of Hallstein doctrine has had the effect of further isolating the Soviet zone of Germany.

Sixth. Use the carrot-and-stick policy by utilizing its vast economic and political influence to reward those Eastern European nations which shall progress toward independence and internal liberalization. I stated that external autonomy and internal liberalization can be recognized and rewarded in a number of ways. Public approval by government of these measures is one way. The extension of economic credit, associated memberships in the EFTA, Common Market, and full membership in GATT can all be used as instruments to promote this policy.

Seventh. Extension of most-favored-nation treatment to any East European country, including the Soviet Union, which becomes a member of GATT, provided these governments agree to settle disputes by impartial third-party arbitration, that they abide by the Conventions on Protection of Patents and Industrial Processes, and recognize International Convention on Copyrights. I stated that these would have the effect of eroding certain objectionable tenets of Marxism and Leninism, and instill a respect for private property, and the settlement of disputes by reference to law.

I urged that—

> The United States should watch to see whether the governments of Eastern Europe permit a growth in the absolute number of individuals and social groups who are able to voice demands and effectively articulate them and who feel that they can increasingly identify and satisfy their needs, values and interests within the political community. At the same time, we should encourage the governments to accept and tolerate criticism or diversity of opinion . . . Western civilization has been enriched by Eastern European contributions to art, science, and literature. It is one of the tragedies of geography that Eastern Europe yearnings for independence and freedom have been so frustrated, but the dreams of genuine independence have not been forgotten in the seemingly endless nightmare of totalitarianism.

I sought to implement these various recommendations by proposing in 1967 that the United States extend the benefits of most-favored-nation treatment to Rumania. In a lengthy speech on the floor of the House of Representatives, I cited numerous examples of Rumanian independence in foreign policy. This independence was most noticeable in matters relating to Germany, European security, nonproliferation, and the Mideast conflict. In 1968, I offered an amendment to the foreign aid bill to authorize the President to enter into negotiation with Czechoslovakia to extend most favored nation to them in recognition of the liberalization in Czechoslovakia.

SOVIET RELATIONSHIPS

On the 20th anniversary of the Truman doctrine of containment, I addressed the House in a speech entitled "20 Years After the Truman Doctrine; Neither War Nor Peace," in which I discussed the evolution and development of the cold war. I stated that there were three myths which are being promoted as realities in our relations with the Soviet Union. These myths are:

First. That Communist China, not the Soviet Union, is the greatest threat to our security.

Second. That the Soviet Union is less menacing because natural Russian nationalism has replaced Communist ideology as the guiding force of foreign policy.

Third. That the newly emerging managerial and technical class is gaining control at the expense of ideologically oriented Communist Party hierarchy.

These three myths cloud our thinking regarding the Soviet Union and prevent us from appraising Soviet intentions. I stated:

> Without serious question the Soviet Union remains the greatest threat to our security, not the Communist Chinese. Even assuming reassertion of the Russian nationalism in the Soviet Union, the alternative is not an attractive one to us based on Russian history. Ideology is still the dominant factor in Soviet planning. We must acknowledge that there is not inevitable evolution toward a more democratic government in the Soviet Union because of the emergence of a technical and managerial class.

The differences between the Soviet Union and the United States are real. I said:

> Neither is suffering from hallucinations reciprocally induced by staring at one another through a distorting pane they have mistaken for plate glass. The success of the Truman policy of containment in Europe was recognized by the Soviet Union in 1956 by its policy shift to favor peaceful coexistence.

I stated:

> We cannot rely on historical inevitability to provide a more reasonable and democratic government in the Soviet Union.

And I added:

> Historical inevitability is not a substitute for effort. By this belief we rely for the solution of our problems on an evolutionary theory which the assumed forces of history have replaced with purpose and action. In my view, evidence is to the fact that purpose and action, not evolution, actually mold policy.

I challenged the thesis that economic development is a guarantee of a moderate foreign policy. I stated that the managerial group, which many believe to be the gravediggers of communism, was not likely to insist upon political participation as long as the economic sphere of the Soviet Union afforded a reasonable degree of freedom to permit concentration on output and efficiency. What little freedom exists in the Soviet Union is at best residual and highly vulnerable. It is precarious as it is precious.

Recognizing the dangers we may face from the Soviet Union and other Communist elements, I stated in a speech to the mock Republican Nominating Convention at Illinois State University, April 28, 1968, that the United States must examine its own attitudes. I said:

> We must examine our own attitudes, not only as an individual but as a nation. Our attitude is as crucial as that of our adversary. Each of us should begin by examining his own beliefs, looking inward to his attitudes toward the possibilities and prospects of peace toward the Soviet Union, China, and other nations. No government or other social system is so evil that its people, whether they be Chinese, Russian, French or German, must be considered as lacking in virtue . . . This will mean that we stop viewing the world in terms of an irreconcilable and permanently deadly struggle between all that calls itself Communist and all that does not. We must recognize, instead, that world peace can be advanced and more complicated, more gradual, less dramatic forms. It would not require the destruction of all that is Communist within our time. It would even permit reasonably extensive, profitable and durable relations with individual Communist nations, such as Romania, Czechoslovakia and Yugoslavia, which seek to enrich rather than endanger the fabric of the world community and in that spirit of tolerance are prepared to live together in peace wtih other countries as good neighbors. I do not suggest that in seeking peace, rather than victory, and by relaxing tension that we relax our guard. Zealous and fanatical elements, Communist and non-Communist alike, may well for some time try to impose arbitrarily their political and economic systems on others.

I was pleased to learn of a letter from former President Truman to Congressman WILLIAM SPRINGER dated April 3, 1967, in which he referred to my speech on the 20th anniversary of containment as a "scholarly analysis which I read with interest."

He said:

> I consider it useful and helpful toward the shaping of policy.

OPEN DOOR TO CHINA

On May 7, 1967 in a speech to the Ripon Society, at Harvard University, I advocated that the United States express its willingness to establish diplomatic relations with the Peking government of China, as well as exchange tourists and journalists. At the same time, I urged that our objectives continue to be aimed at checking military or subversive threats and pressures from China:

> I recommend, in other words, that we adopt a program of balance. That we balance our resistance to Chinese aggression with the encouragement of China's peaceful participation in the world.

I recalled the statement made by Winston Churchill in the House of Commons in 1949 when the British Government recognized Peking:

> The reason for having diplomatic relations with Communist China is to confer a compliment but to secure a convenience.

I stated that the rationale for our policy for not recognizing the Communist government was no longer valid. The isolation of China has not worked. All major powers, with the exception of West Germany, have recognized the Peking government. The number of countries supporting the admission of China to the United Nations has grown steadily and our closed door policy has not kept China from trading with non-Communist countries. By 1965, China conducted two-thirds of her total trade with non-Communist countries. China, in spite of our attempts at isolation, has increased her social, cultural, and political intercourse with other nations. Diplomatic relations with China would not imply approval of the Communist government, nor would diplomatic relations seriously weaken Nationalist China, nor strengthen Communist China, nor weaken the resistance of non-Communist Asian states.

On the positive side, favoring diplomatic recognition, was the fact that the United States—

First. Needed information about China. I said:

> A day of personal observation in Peking would yield more information than a year of secondhand guessing by China watchers in Hong Kong. There is no substitute for the eye witness account; a U-2 plane flying at 40,000 feet can not get political, economic and cultural information. . . . The success

> of our China policy is in direct ratio to the accuracy of our information. It is also in our national interest that the Chinese have a better understanding of our country.

Second. Better communications might prevent war.

Third. Diplomatic relations could yield moderation.

I said:

> If China can gradually be brought into the world community, if the isolation of her leaders can be reduced, if the next generation of leaders can be better informed about the United States then perhaps China will in time become more moderate . . . There is evidence that our present policy of isolation is playing into the hands of the hard-liner. We must not expect unrealistic results flowing out of the establishment of diplomatic relations with China, anymore than there were impressive results for the British or the French following their recognition.

I stated further:

> We must achieve a balance—a balance of containment and contact. We must continue to contain China militarily, but not isolated diplomatically. We must continue to oppose China's aggression and political subversion. At the same time, we must work toward a better understanding of the people of China, to establish policies which are aimed at bringing her into the community of nations.

I reiterated this theme in a speech before a conference on foreign policy for Midwestern newspaper editors at the University of Chicago. My statement on China received editorial support from the Baltimore Sun on May 9, 1967.

During 1968, I spoke out in debate on the floor of the House of Representatives several times challenging those who have advocated joint United States-Soviet move to contain China. I also announced my support for a proposal by United States Information Agency to invite Chinese correspondents from Peking to observe this year's presidential election.

THE MIDDLE EAST

In August 1968, I warned that "three dangerous games are being played in the explosive atmosphere of the Middle East: poker, blind-man's-bluff, and chicken."

I said:

> It has become almost trite to say that the Middle East is a time bomb, but it is nevertheless true. Ironically, Western civilization, which began at the tricontinental hub for the Mesopotamian Valley is cradled by the Euphrates and the Tigris Rivers, may itself be the prelude to the ending of the human adventure unless positive, imaginative, and forth right political settlements are forthcoming and implemented. In the face of this situation, the United States has no wise option. It must use its influence and its power to maintain peace and to encourage equitable solution that will guarantee the rights of all peoples in the region.

I was the chief sponsor of a resolution which urged that the United States invite NATO nations to join it in advancing these nine principles as the basis for a settlement in the Middle East:

First. Israel is entitled to recognition by all nations of her right to exist.

Second. Israel and her Arab nation neighbors are entitled to automatic ironclad guarantees that their borders be free from aggression and attack of terrorist groups.

Third. Israel, the Arab States, and all nations must be guaranteed free use of all international waterways in the region, including the Suez Canal and the Straits of Tiran.

Fourth. The holy places in the city of Jerusalem should be placed under the control of an international agency.

Fifth. A halt must be called to the arms buildup throughout the area and steps taken to encourage a mutually inspected demilitarization.

Sixth. Every means must be taken to negotiate the status of territories occupied by Israel in June 1967. The negotiations should include recognition of these principles: Israel's right to defensible frontiers and the wishes of the Arab population in the occupied lands.

Seventh. The United Nations has a grave obligation to help provide stability in the Middle East through refugee assistance and rehabilitation, mediation, and conciliation.

Eighth. A fair and permanent settlement must be agreed on for the more than 1 million Palestinian refugees who have been homeless since the 1948 Palestinian war.

Ninth. Implementation of the Eisenhower-Strauss nuclear power desalinization project which could lead the way in turning the arid, hostile nations of the Middle East toward the future of peace and prosperity.

VIETNAM WAR

A proposal I first made in February 1967 would utilize the International Court of Justice as a means of settling the Vietnam war. Under it, the United States would publicly offer to place before the tribunal the legal issues involved in the war and agree in advance to abide by the Court's decision on what settlement should be effected.

The appeal to law rather than force as a means of settling international disputes would be in accord with our longstanding traditions, and even if other parties to the dispute refused to cooperate, it would stand as an important milestone—the first time a participant in a war offered to lay down its arms and settle the conflict in court by application of judicial principles and procedures.

The proposal was embodied in a form resolution—House Joint Resolution 586—as an amendment to the Tonkin resolution of 1964. On two occasions I discussed the proposal with Walt Rostow, a chief adviser to President Johnson, and presented it in forums in Akron, Chicago, Springfield, Quincy, and Washington.

NUCLEAR WEAPONS TREATY

On July 17, 1968, I testified to the Senate Foreign Relations Committee in opposition to the Treaty on Nuclear Weapons Proliferation. I believe the treaty seriously weakens and may completely destroy NATO—an institution which has been a principal cause of any reasonableness in Soviet behavior.

Despite its attractive label, the treaty will not effectively prevent the spread of nuclear weapons. Its inspection features are meaningless. Its guarantees against nuclear blackmail are empty. Worst of all, it weakens the relative military position of the United States.

Without a reservation to protect the legitimate future defensive interests of NATO, the treaty will encourage the nations of Europe to develop their own independent nuclear forces. The treaty will inevitably be regarded in Europe as a bilateral deal in which the Soviet Union and the United States seeks to divide the world into spheres of nuclear dominance.

REVIEWS ON CAPT. D. J. CARRISON'S NEWEST BOOK, ENTITLED "THE U.S. NAVY"

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 30, 1968

Mr. THURMOND. Mr. President, retired Navy captain, Daniel J. Carrison, of Arlington, Va., has recently authored a new book, entitled "The U.S. Navy." The book was published by Frederick A. Praeger, Praeger Publishing Co., of New York City.

This work is current in its content, easy to read and presented in an understandable and knowledgeable style. It would be excellent reading for anyone in Congress who seeks a wider inquiry into the role of the Navy in our national defense picture. The author of "The Navy From Wood to Steel 1860–90," published in 1965, Captain Carrison's newest offering, covers the Navy of the 1960's from port to starboard, and bow to stern. Any young man who aspires to a career in the Navy, and any person merely seeking a broader understanding of the operations of the world's greatest seapower will find these writings thorough, yet provocative.

This is the kind of book which should be found in every school library, as it is readable and comprehensive. Certainly, many service institutions will find it invaluable in portraying a current analysis of our modern-day Navy.

Mr. President, two reviews have recently been published on "The U.S. Navy." The first, entitled "An Insider Gives Broad View of Navy," by Ray McHugh, in the San Diego Tribune of July 14, 1968, and the second, by Jim Parker, entitled "Old Hand Explains How Navy Works," appears in the July 31, 1968, issue of the Navy Times.

I ask unanimous consent that the reviews be printed in the Extensions of Remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the San Diego (Calif.) Tribune,
July 14, 1968]

AN INSIDER GIVES BROAD VIEW OF NAVY

(By Ray McHugh)

(NOTE.—Review of "The United States Navy," by Capt. Daniel J. Carrison, USN, Ret. (Frederick A. Praeger Publishers, 251 pages, $6.95).)

The woman who marries a Navy man has her own bible—"The Navy Wife"—that tells her the do's and don't's of service life and protocol. Here's a book for everyone else interested in the U.S. Navy.

In its tightly edited pages, Capt. Carrison presents an unusually broad picture of Navy history, organization and purpose.

This is a book of value to any boy who may be weighing a bid to Annapolis, or wrestling with that decision for the Army, Navy, Air Force or Marines.

It's also a book for the parents who help such boys make decisions.

It's a book for high school and college counselors; for the laymen—even those in Congress—who must deal with naval matters; and, last but not least, for the men in the Navy itself.

Carrison ranges from John Paul Jones to the men commanding aircraft carriers and sampans off the Vietnam coast.

He touches on the "nuts and bolts" of the Navy; its organization, its relations with Congress, its career opportunities.

Carrison, who commanded three ships, the destroyers O'Bannon and Wilkinson and the guided-missile cruiser Canberra, has served as a military analyst and consultant. He is now on the staff of Sen. Strom Thurmond of South Carolina.

[From Navy Times, July 31, 1968]

Old Hand Explains How Navy Works

(Note.—Review of "The United States Navy," by Capt. Daniel J. Carrison, USN (Ret.) (Frederick A. Praeger, New York, 262 pages, $6.95).)

(By Jim Parker)

Only Dan Carrison could take a subject as broad as the U.S. Navy, detail its nearly 200 years of existence, spell out its present role and mission, document its problems, describe its relations with Congress and take a calculated, knowledgeable look at its future in only 262 pages and still have room for countless "Carrisonisms"—those delightful asides and stage whispers which transform what could be a dull subject into immensely enjoyable reading.

Those who are not frightened off by the book's unimaginative title—it's part of the publisher's library about government departments and agencies, so the title fits the series rather than the content—will be rewarded with a comprehensive but detailed account of what the Navy is and does and how it got that way.

Having worked both sides of the street, first as one of the Navy's top personnel management planners and, since his retirement, as military aide to Sen. Strom Thurmond (R. S.C.), Carrison is perhaps at his best in the chapter dealing with the Navy's relations with Congress.

His discussion of interservice rivalries, Adm. Burke's "Congressional Club," the Navy's "freshman briefings" for new congressmen, the task force "backup book" and the care and feeding of a sample bill from inception to enactment ought to be required reading for all naval officers reporting for Washington duty.

High school youngsters contemplating a Navy career will find here a concise, easy-to-read, understandable picture of what to expect and which field offers them the brightest future.

A warning, though. Carrison's love of the Navy shows through his pages despite an obvious effort to be unbiased. The kids could catch a bad case of Navy blues after only a couple of hours of contact with this book.

THE "PUEBLO": HOW LONG, MR. PRESIDENT?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. SCHERLE. Mr. Speaker, this is the 190th day the U.S.S. *Pueblo* and her crew have been in North Korean hands.

WHOA—WHOA—WHOA

HON. RICHARD (DICK) ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. ICHORD. Mr. Speaker, on June 20, 1968, a full-page ad appeared in the Independent-Journal of Potosi, Mo., sponsored by the Potosi Gun Club. The ad contained a number of pertinent arguments against restrictive sporting firearms legislation and appealed to the public to exercise reason in the discussion of stricter Government regulation of firearms.

Since the appearance of this ad, the Potosi Gun Club has been deluged with reprint requests. The statistical information contained in the ad is certainly worthy of the attention of numerous interested groups, and I hereby submit the same to be inserted in the Congressional Record:

Whoa—Whoa—Whoa

The Potosi Gun Club calls on you to exercise reason and consider facts in discussion of firearms control legislation. Are you willing to look at the record?

In the last 7 years 442 people were involved in murdering 335 police officers.

76% of these murderers had previous criminal arrest records.

50% of these murderers had previous serious assault records.

11 of these murderers had previously been charged with murder.

9 of these murderers were on parole from previous murder sentence.

Firearms legislation won't keep criminals jailed. Why penalize sportsmen instead of criminals?

An FBI study of patterns in criminal arrests begun in 1963 shows:

57% of the criminals paroled were rearrested within 30 months.

67% of those criminals released early for "good time" were rearrested within 30 months.

83% of those charged with criminal acts but who were acquitted or dismissed, were rearrested within 30 months.

Why penalize sportsmen for these repeaters? Put the shoe on the right foot!

A columnist wrote that guns were used in 43,500 assaults last year. Right! But he failed to mention that in addition there were 187,900 other assault crimes involving knives, clubs, etc. Firearms were used in only 18%—yes, only 18%—of these serious assaults.

Why do you suppose this columnist didn't print the whole truth?

A columnist also wrote that there were 50,000 robberies with firearms last year. Wrong! There were 59,680. But he failed to mention the 93,743 other robberies in which the weapons were knives, clubs, etc. That makes firearms robberies account for only 39% of the total last year.

Why do you suppose that writer obscured the whole truth?

The uniform crime report (table 20) 1966 shows 9,552 murder victims.

41%, or 3,892, of these were murdered with knives, clubs, poison, etc.

59%, or 5,660, were murdered with firearms.

But look at this table:

	Violent crime rate
New York (strict firearms control)	315.7
Idaho (virtually no controls)	66.4
	Murder rate
New York (strict firearms control)	4.8
Idaho (virtually no controls)	3.0

Any crime reduction by firearms control indicated in those figures?

To quote M. Stanton Evans, Editor of Indianapolis News and author of "The Law Breakers": "The preponderant evidence seems to show that murder occurs regardless of the implements available."

And to quote Marvin Wolfgang of Pennsylvania University and author of "Patterns in Criminal Homicide": "Motivation is of first importance, choice of weapons secondary."

If elimination of firearms will eliminate murder why did Julius Caesar not die naturally?

Firearms restrictions will disarm the law-abiding but not the lawbreaker.

In the Los Angeles Watts Riot the police confiscated 851 guns.

A later study showed that 734 of these were stolen. Or 84% stolen.

How many owners of stolen guns will comply with new restrictions?

Accidental death rates are as follows:

[Per 100M population]

Automotive	25.3
Falls	10.1
Drowning	3.5
Firearms	1.1

Is it logical to attack shooters on the basis of these figures?

TO REDUCE CRIME, ATTACK THE CAUSE NOT THE TOOL

Some places to start—Violent TV, Lurid movies, Suspended sentence, Lax parole procedure, Probation, Prosecution difficulties.

Presented by the Potosi Gun Club, an organization of law-abiding citizens of this community, and we say—

We're tired of being referred to as "Militant", "Stubborn" and "Dangerous".

We're tired of the calumny that we shooters are obstructionists, insensitive to the needs of the community.

We're tired of the half-truths presented by the anti-firearms tub-thumpers.

We're tired of the incessant mixing of the problems of bazooka, anti-tank guns and grenades with that of sporting firearms.

We're tired of the reflections cast on the quality of our citizenship by the protagonist of extreme firearms control legislation.

Man for Man we'll match the quality of our citizenship against any group.

A high percentage of our members—and shooters everywhere—are veterans.

Veterans in our club cover four wars and the Mexican border campaign.

We stood for good citizenship when the chips were down.

We still do.

That's why we oppose restrictive sporting firearms legislation.

If you believe as we do, Sign Your Name and Address On This Page and Send It To Your Congressman or Senator.

If you're not convinced, ask us. We've More and we're willing to present it.

Potosi, Mo.

Potosi Gun Club; A. W. Coy, President; Curtis Declue, Vice President; Frank Meyers, Secretary; Eddie Kennon, Treasurer; Col. H. M. Kennon, Instructor; Charles Coleman, Junior Coordinator.

A TRIBUTE TO PORQUE PATTEN

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. UDALL. Mr. Speaker, many of my senior colleagues remember with affection one of my predecessors in office, the Honorable Harold A. Patten, better known as Porque. I regret to say that my friend Porque is not well, that he is now a patient in the Veterans' Administration hospital in our hometown of Tucson.

The other day, Bill Mathews, editor and publisher of the Arizona Daily Star, wrote an editorial which I know Porque's friends would like to read. Without objection, I will insert it in the RECORD at this point:

[From the Arizona Daily Star, July 22, 1968]

A TUCSON SAGA

Occasionally one looks around and sees something so strikingly in Tucson character that it seems to deserve comment. The career of Harold A. (Porque) Patten, former first district congressman, former commander of the Arizona American Legion and onetime Tucson High School and University of Arizona athlete, is a good example.

The "Porque," by the way, comes from Patten's propensity as a boy to use that word, which in Spanish means "Why?"

Porque's father was a railroad engineer and, at one time, a professional baseball player. Mr. and Mrs. Herbert Patten lived for some years on East 9th Street, from where Porque and his sister, Helena (now Mrs. Harley Cox of Tucson), went to school. The parental aspiration for education of children was fulfilled in both Porque's and Pat's (that's Helena's nickname) case.

Porque's father had hopes that Porque would be an athlete. Porque was a good one on the football field, in high school and at the University. He remains one of the University's most loyal fans.

In the group Porque played with as a boy were a number of people who have attained prominence, though not by going to Congress, as Porque did. One of that old Ninth Street gang was Ted Bland, who likewise was a football player, and who was killed in World War II action in August of 1944.

As Tucson grows, it is good sometimes to remember some of the folks out of its past. Tucson once was a small desert town, largely dominated on east and south sides by Southern Pacific and at one time El Paso and Southwestern railroaders. Carl Hayden Community Hospital is in a building on the spacious and beautifully landscaped grounds of the old EP&SW.

The city has grown tremendously. Newcomers have arrived in droves. Perhaps there are only a handful still around who knew Porque as a boy. Fortunately the city's character has not changed, and it still possesses the warmth and opportunity that encouraged Porque to achieve football fame and a congressional seat.

PEACEFUL JERUSALEM

HON. SAMUEL N. FRIEDEL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FRIEDEL. Mr. Speaker, the Middle East is again thrust into the headlines with Nasser's saber rattling. We read that Communist Russia is rearming the Arabs and preparing them for another assault upon the State of Israel in the hope that the U.S.S.R. will obtain more petroleum for their own aggressive purposes.

A little over 1 year ago, the Arab countries opened an unprovoked war upon our sister republic in that important part of the world with the idea of driving the brave people of Israel into the sea. Instead, after only 6 days, the Arabs were soundly defeated and the State of Israel was able to regain all of the Holy City of Jerusalem. A total of 1,897 years intervened and now that ancient city is indeed "Peaceful Jerusalem."

The noted writer, C. L. Sulzberger, in an article which appeared in the Evening Sun of Baltimore, on July 24, 1968, comments on the good relations between the Israelis and the Arabs there. Believing this article to be of broad general interest to my colleagues and to the people, I insert it in the CONGRESSIONAL RECORD. It is as follows:

PEACEFUL JERUSALEM

(By C. L. Sulzberger)

JERUSALEM.—Jerusalem is one of the world's most famous cities and one of the most unfortunate. It has been a site of warfare almost since it was founded, the scene of blood sacrifice, murder and sectarian strife. It is sacrosanct to three great western religions which, since men are given to killing each other in God's name, has enhanced its sanguinary reputation. Yet Jerusalem means city of peace.

Israel possessed only the west sector of Jerusalem until June, 1967. It captured the former Jordanian portion during last year's six day war and is now determined that all Jerusalem shall henceforth remain under Israeli sovereignty, no matter how the Arab-Jewish quarrel finally is settled.

The Israelis have proven to be a politically disputatious people when not welded together by national crisis—to which they respond with dash and resolve. But even now, during a period of relative calm, there is remarkable unity of opinion on Jerusalem. Whatever concessions may be dictated in the name of ultimate peace, it is hard to imagine any yield on the capital itself.

No Israeli Government could afford to relinquish part of Jerusalem in any peace settlement. Jerusalem is thus both the hardest and easiest diplomatic legacy of June, 1967; hardest because it is not a subject for international bargaining; therefore easiest from the Israeli viewpoint which regards it as settled.

Mayor Teddy Kollek, who has extended his administration from 9,400 to 25,000 acres and from 200,000 to 265,000 people without blinking, emphasizes that there has been no communal strife between the Arab and Jewish communities.

Most of Jerusalem's Arabs stayed on. Arab functionaries still run their own quarter under a single Israeli lieutenant of Kollek. Several Arabs have been incorporated into the all-city administration. Although rich Arabs are distressed to find they must pay much higher taxes, the poor get better wages, more jobs, water, electricity.

Kollek contends this is the only place in today's violent world where masses of Jews and Arabs daily rub shoulders. He has no guard at his door, drives his own car and visits the Arab quarter without escort. He scoffs at the idea that Jerusalem has security problems.

The Arabs, he concedes, are not pleased to be ruled by Jews and are continually urged to express opposition by Cairo and other radios. Many fear anonymous warnings against collaboration with Israel. They remember that not even the British could protect them against the Grand Mufti's strongarm men during the Palestine mandate. They worry about what would happen to them if old Jerusalem returns to Arab rule.

Israelis assure them this can never happen but Government statements remain vague because peace negotiations are a long way off. Nevertheless, Kollek insists that Jerusalem's Arabs see their problem is on a different philosophical plane from that of other Arab territories taken last year. He makes the interesting point that the *ombudsman* or people's advocate of Jerusalem has more and more Arab clients these days—those who accept the situation in general even if they complain about particulars.

MISUSE OF PRESIDENTIAL COMMISSIONS

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. CURTIS. Mr. Speaker, the July 18, 1968, issue of the Journal of Commerce contains a most interesting editorial on the use and misuse of Presidential commissions. The main point the article makes is that Presidential commissions are a way for the President to postpone action and play for time whenever confronted by a crisis he does not know how to handle.

Normally commissions result in a banal repetition of the conflicting views everyone has known from the beginning. If the results are unsatisfactory to the President, however, the report of the commission is simply forgotten.

I have long been concerned by the use of Presidential commissions to prevent real action on solving problems.

On April 13, 1967, I testified before the Senate Armed Services Committee on proposals to amend the Selective Service System—CONGRESSIONAL RECORD, volume 113, part 7, pages 9468–9470. I pointed out that the Presidential Commission to study the draft, the National Advisory Commission on Selective Service, headed by Burke Marshall, had never held public hearings and offered no data or working papers to back up many of its conclusions. This Commission coverup denied to the Congress and the American public the opportunity to study vital information crucial to a thorough examination of our Selective Service System. As a result, the inequities of the old system were preserved in the new system and the draft continues to be as controversial as ever.

The Social Security Administration has also made use of commissions to put forward a particular point of view and to deny opposing views a fair hearing. In 1963 the Secretary of Health, Education, and Welfare appointed an Advisory Council on Social Security Financing. The social security law specified that this council review the status of the Federal old-age survivors insurance trust fund and the Federal disability trust fund. It was also to make findings and recommendations with respect to extensions of the coverage of the old-age survivors and disability insurance program, the adequacy of benefits under the program and all other aspects of the program.

But before the council was even picked the Commissioner of the Social Security Administration, Robert M. Ball, disclosed that the council would draft an expansion of taxes and benefits. This council was intended to make independent judgments on the basis of evidence presented but the Commissioner, before the council was even appointed, informed Social Security employees what the council would report. This again was a case of using an advisory council as a front for things the Social Security Administration wanted put in the law.

The Commissioner did not look at the work that had already been done in congressional committees over the years. For example, it was critical of some of the amendments to the social security system of last year, but it never contacted any of the Congressmen responsible for those amendments to determine their reasoning behind the amendments.

Again this spring on March 4, 1968—Congressional Record, pages 4941–4943—I discussed the report of the National Advisory Commission on Civil Disorders—Kerner Commission. The Kerner Commission report merely reiterated a number of stock phrases in vogue recently. It had no working papers, or at least none that a Member of Congress is allowed to see.

The Kerner Commission report points out vividly the real hazard of Presidential commissions—they substitute for real meaningful action. What has been the followup to the Kerner report? The President and the executive have done nothing. Only the Joint Economic Committee, at my urging, has held several days of hearings on the report to attempt to get at some of the data lying behind the Commission's conclusions. But as far as implementation on the part of the executive—nothing.

On May 29, 1968, I put in the Congressional Record—pages 15688–15691—an article from Atlantic magazine by Elizabeth B. Drew entitled "On Giving Oneself a Hotfoot—Government by Commission". On July 11, 1968, I put an article from the Wall Street Journal by Amitai Etzioni in the Record—pages 20950–20951—entitled "Why Task-Force Studies Go Wrong." Both of these articles point up the failings of the Presidential commissions—the lack of commission members knowledgeable in the field under discussion, the lack of subject matter trained staff, the fact that commissions always rush to finish reports without real study, and the fact that such commissions only serve to get the President off the hook.

I have long argued that when commissions issue reports the appropriate congressional committees should then hold public hearings on the commissions' reports and backup studies. This approach might not solve all the problems of commissions but they might help to make our thinking more expert.

To solve problems which are real, we should take real action. Presidential commissions normally lead to no action and in the process they prevent others from seriously considering problems and coming up with meaningful solutions.

The Journal of Commerce article follows:

The Eminent Citizens

One of the most deadly pronouncements the average Amercan can expect to hear from the White House is one beginning with the phrase. "I have this day appointed a committee of eminent citizens to study this problem and report its recommendations back to me March 31, or May 30, or next January."

The average citizen knows all too well what this means, especially if one of the eminent citizens turns out to be (as it usually does) the ubiquitous and seemingly indestructible George Meany. What it means is that the Chief Executive, confronted with a crisis with which he doesn't know how to deal, has elected once again to postpone action and play for time.

The appointment of a committee is supposed to supply that particular period of time the President thinks he needs to get off a particularly painful hook, such as violence in the streets, control of the federal budget, liquidation of the balance of payments problem, and the like. No partisan accusations need be made on this score. Most presidents, have used this gimmick and, of course, Lyndon Johnson is no exception.

The whole trouble is that it is a gimmick in most cases. It is also a gimmick that gets no one anywhere. When a true consensus is sought by appointing, let's say—a housewife, a labor leader, a college professor and a business tycoon—the results of the inquiry are invariably a banal repetition of the conflicting views understood by everyone (including the man who put the committee together) from the beginning. If the results are not satisfactory to the President (as in the case of Daniel P. Moynihan's comments on the structure of the black family), they are simply swept under the rug and either forever suppressed or forever forgotten.

Prof. Amitai Etzioni of Columbia University, recently commented on the futility of these undertakings. When, as he noted, the attempt is made to get a consensus, it almost always involves people who are occupied fulltime in other jobs and have little expertise in the subject at hand or opportunity to obtain it. This, alas, was probably the case with the Warren Commission. Then there are those who, like the President's Riot Commission, come up with a report so blind in one eye and so biased in the other that their findings are almost automatically dismissed by most people as having no meaning whatever.

So much for the past. What of the future? Well, there are five men who are now trying to persuade the American people that they are better prepared for leadership than anyone else. None of them, alas, has seemed at all willing to discuss his economic policies in any meaningful detail. But even on such urgent issues as Vietnam and the riots in the cities, all seem hard put to find an issue on which they can present an open challenge to the others.

Perhaps we should take it as a fact that at this point all of them—Messrs. Nixon, Rockefeller, Humphrey, McCarthy and Wallace—are simply running on their personalities and that nothing serious can be expected of them until the Presidential nominations are all over and done with.

Well and good. But what then? Are we going to have a serious debate this year over the economic problems pressing so hard on this country or are we not? We would like to think so. But from the record to date we would guess that the ultimate victor will feel strongly tempted to postpone any decisions on economic policy for as long as he thinks he can get away with it. The appointment of a committee of "eminent citizens to study the subject and report to me" will be a great temptation to all—unless each of them promises in advance to act otherwise.

That is precisely what we think each and every one of the candidates should do. After all, if each is advancing the claim that he already knows what is good for the nation, then none should have any excuse for putting a hot issue into the trembling hands of some "consensus group" of eminent citizens, whether told what's expected of it or not.

In the past there have been studies galore. There were no end of studies on what should have been done about the Philippines. There were no end of reports on foreign trade policy, though on assuming office, President Eisenhower insisted on still another. There have been so many studies of other topics that there is no excuse at this point for any successful Presidential candidate to order a new review of such subjects as farm, merchant marine, foreign trade policy, or approaches to gun controls, ghettos, poverty, violence in the streets, highways, user taxes, Latin American relations, the decline in the Gloucester fishing fleet, equality for women, control of the federal budget or flying saucers (myth or menace).

We have no objections to studies quietly carried out by experts on the order of a newly-elected President. What we do object to are the formal, public inquiries conducted by people who actually know little of the subject at hand and can collectively contribute less. Let each candidate say flatly what he proposes to do. And woe be unto him who, having been elected to the highest office in the land, relegates the most pressing issues upon us to "consensus groups" for the purpose of buying time. As Harry Truman is quoted as saying: "If he can't stand the heat, let him stay out of the kitchen."

VIEWS OF TWO GENERALS ON VIETNAM

HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. CUNNINGHAM. Mr. Speaker, I would like to bring to the attention of my colleagues the comments of two outstanding military men, Gen. Curtis E. LeMay, former commander of Strategic Air Command and commander of the U.S. Air Forces in Europe at the time of the Berlin blockade, and Gen. Alfred M. Gruenther, former supreme commander of the Allied forces in Europe from July 1953 through November 1956, who have expressed their feelings on the handling of the Vietnam conflict. A newspaper report of their comments follows:

[From the Omaha (Nebr.) World-Herald, Mar. 27 1968]

LeMay Says Tell North Vietnamese We'll Use Anything Needed To Win

(By Howard Silber)

Gen. Curtis E. LeMay predicted Wednesday that there will be no end to the war in Southeast Asia until the United States tells North Vietnam's leaders that "we will use whatever force is necessary to defeat them.

The retired Air Force Chief of Staff and former Strategic Air Command boss said that 15 years ago Communist North Korea agreed to an armistice after it had been served similar notice by the United States.

General LeMay returned to Omaha to speak at 8:00 tonight at the American Citizens Forum at the City Auditorium Music Hall.

"After we started negotiating with the North Koreans we slowed down," he said. "And we had to fight for two more years. We had more men killed and more Koreans were killed after the start of negotiations than beforehand.

IKE TIRED OF IT

"President Eisenhower finally became tired of it and sent word to the North Koreans that we would use whatever weapons we believed were necessary, including nuclear weapons, to destroy their forces and win the war. The fighting ended," General LeMay said.

In Vietnam, he said, "we have got to stop this policy of flexible response, of just using enough force to stop the aggression while we attempt to convince the North Vietnamese that they can't win against our superior forces.

"That just doesn't work against Asians. They are willing to fight for generations.

"One of the reasons the war has gone on," General LeMay said, "is that we've told the enemy we're not going to bomb this and we're not going to bomb that. They interpret that as weakness."

SAVES LIVES

Conceding "it is awfully easy for someone who hasn't the responsibility to sit back and say what should be done," General LeMay said: "Once you decide on military action you should be prepared to use whatever means are necessary to get it over with as soon as possible. You save lives and property in the long run. It's the humane way to do it."

Asked if this meant using atomic weapons, the former SAC chief said he believes North Vietnam can be defeated without atomic or hydrogen bombs. "But I don't want to tell them that we won't use nuclear weapons," he said.

The general advocated employing "the full strength of our air and naval power against North Vietnam," including closing the port of Haiphong and "knocking out all power and communications."

"SUPPLIES IN VILLAGES"

The cities and villages should not be immune from attack, he said. The North Vietnamese, he said, have established supply depots in heavily populated areas which are off-limits to American bombers.

"They carried the war into South Vietnam's cities and villages, right into the heart of Saigon, and killed thousands of civilians. No one says anything about that.

"I'd warn them first that we're going to hit the population centers, even though they gave no warning in the South. Then I'd hit whatever targets are necessary. And I'd invade North Vietnam," said General LeMay.

The general said the installation of Clark Clifford as Secretary of Defense does not assure that SAC will be given the new manned weapon system the Air Force has been seeking.

POLICY OF PARTY

"We may need a whole new Administration," he observea.

He pointed out that former Defense Secretary Robert S. McNamara and the Johnson Administration had adopted a policy of parity in strength with the Soviet Union on the assumption that this would create a stalemate and prevent a full-scale war.

"There is no guarantee that we won't have a war except in our own overwhelming strength," General LeMay declared. "We have had overwhelming strength and we did not use it to attack any one. I have confidence in the ability of our own people to assure world peace if we have the strength."

Thursday night General LeMay will address the Lincoln Junior League at the Cornhusker Hotel.

Limited-War Effort Fails

Hastings, Nebr.—Retired Gen. Alfred M. Gruenther, who served three years as Supreme Allied Commander in Europe, told a Hastings College convocation Friday that "it is impossible to win a limited war like the United States is fighting in Vietnam."

General Gruenther declared: "The military philosophy is that you must apply maximum effort in Vietnam and get it over with. Unless we put an overwhelming effort into Vietnam we're going to have trouble winning the war."

He added: "A victory by the North Vietnamese or Viet Cong is impossible and a complete withdrawal by the United States without a military victory or negotiated settlement would be a complete catastrophe."

The native of Nebraska also said he "hopes devoutly" that President Johnson is defeated in the upcoming elections. He said his remark was not meant as criticism of the way the war is being handled.

"I hope you recognize that the man who is the head of this country wants to end the war. I'm a Republican and I think a Republican President would do better" he said.

SENATOR GRIFFIN PRAISED BY MICHIGAN NEWSPAPERS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. VANDER JAGT. Mr. Speaker, a chain of Michigan newspapers is taking an editorial position in support of Senator Robert P. Griffin regarding his position on proposed Supreme Court appointments.

Associated Publications and Rogers Publishing, Inc., in its newspapers, published an editorial July 24, 1968, which I believe is in the public interest.

I include the editorial in the Record, as follows:

Comments—Editorial and Otherwise: Bob Griffin Is Up Against the Kind of Odds He Likes—Formidable

Michigan's freshman senator may get his ears pinned back on the issue of Supreme Court appointments.

He's locked horns with President Johnson, the Senate majority and his own party's Minority Leader Everett Dirksen.

But win or lose, Bob Griffin has focused attention on something which smells to high heaven in an area where we expect the winds to blow free and pure.

Maybe we're naive, but we expect the judicial branch of government to be a cut above the political implications of public office. And when it comes to the Supreme Court, we want them to be not only above political considerations, but above reproach.

Then come the Justice Abe Fortas—Judge Homer Thornberry appointments and suddenly a Supreme Court justice, under his flowing black robe, looks uncomfortably like the manager of a license plate bureau.

Senator Griffin has led the fight to block Senate confirmation of President Johnson's appointments.

"I think," says the senator, "The circumstance has all the signs of manipulation ... or almost a conspiracy, really . . . to make sure that the next President will not have this opportunity.

"The letter that Mr. Chief Justice Warren wrote to the President says the resignation would be effective at the pleasure of the President. But not only was the resignation conditional, the President's letter of reply was conditional.

"He didn't say I accept your resignation effective a certain date. He said I accept your decision effective when a successor qualifies.

"In other words, Chief Justice Warren hasn't resigned at all and there is no vacancy. And if the Senate should turn down the appointment, Mr. Justice Warren would still be the Chief Justice of the United States Supreme Court.

"This circumstance, combined with the fact that Mr. Johnson didn't appoint one political crony but two political cronies to these important positions, I think is a situation whch the Senate just shouldn't stand for."

Those are his basic convictions. As to the individuals involved . . . and the Senator points out he was opposed to the appointment even before he knew the identity of the two . . . he has this to say.

"I think that they meet the minimum qualificaions for service in the Judiciary and I would say very frankly that in the case of Mr. Fortas, he is an outstanding lawyer. He has been a good lawyer, and he is recognized as such.

"But that isn't quite the test in my opinion. Is it enough that they meet the minimum qualifications? There must be thousands of other lawyers in the country who are at least as well qualified, and I am sure there are some that are better qualified.

"The point is, would Mr. Fortas have gotten the appointment if he had not been Mr. Johnson's personal attorney all during the time that Mr. Johnson has been in the public service?

"Would Mr. Thornberry have gotten this appointment if he had not been one of the closest, most personal friends of President Johnson going back for many, many years?

"It would be bad enough if we were talking about appointments within the Administration or even lower court judges. I suppose the Senate would probably hold its nose and do nothing about it.

"But I think that when two such appointments are made to the Supreme Court of the United States, that is just going too far. I don't think the Senate should stand for it, and I don't think the people should stand for it."

Bob Griffin is young David with the slingshot against this particular political Goliath.

But he's gone that route before and there are any number of Goliaths lying beside the trail.

In this instance we're convinced he's on target again. With a little more of his brand of backbone on both sides of the Senate aisle, the rock might land where it would do the most good.

WRONG APPROACH

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. MICHEL. Mr. Speaker, as we approach the debate on the proposal to extend the present agriculture program, I noticed an editorial in today's Chicago Tribune, entitled "Wrong Approach," and I include the editorial in the Record at this point:

WRONG APPROACH

Sen. McCarthy, in his bid for the Democratic Presidential nomination, is trying to hook the farm vote by advocating spending of 1 to 2 billion dollars more a year for federal farm programs. This bait is being offered at a time when farm program expenditures already are at a record high of well over 4 billion dollars annually. Even liberal Democrats are joining the rising tide of opposition to heavy spending for agriculture amid the hue and cry for vast new government money for the cities.

Aside from increased spending, Sen. McCarthy advocates basically the same farm programs that are now on the books or have been proposed by the Johnson administration. He concedes farm prices aren't what they should be under present programs, but insists they can be brought to satisfactory levels with bigger levies on the taxpayers and "better administration."

Like a lot of politicians who orate on agriculture's economic problems, Sen. McCarthy is starting at the wrong end by concentrating on prices. What agriculture needs most are government policies to curb the dangerous inflationary spiral that is continually boosting costs of producing food and fiber.

In the last year, for example, prices farmers received for their products went up 1.5 per cent. At the same time the cost of farm machinery rose 5 per cent and building materials used by farmers went up 6 per cent. Such costs are destined to go up still more until a new administration in Washington takes stern measures to restore the dwindling value of the dollar.

Any administration that can successfully do that may be assured of the gratitude of urban and rural citizens alike.

DAIRY IMPORTS

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. ZWACH. Mr. Speaker, I am today inserting the text of the statement given by Karl G. Shoemaker, representing Land O' Lakes Creameries, of Minneapolis, at the recent U.S. Tariff Commission hearings on dairy imports. This farm cooperative was started 47 years ago in response to our needs as dairymen to cut our marketing costs and to develop and expand markets. This organization has been outstanding in the performance of these obligations and is continuing to explore new outlets and new products, in addition to maintaining the superior quality rating that their products have attained in the market.

Because this organization serves over 100,000 dairymen in the Midwest, the views that are expressed in this statement have a great deal of significance to the entire industry. I commend my colleagues' attention to the examples quoted of lost markets from subsidized imports as actual examples of decreased farm and national income:

DAIRY IMPORTS

My name is Karl G. Shoemaker and I am the Economist for Land O'Lakes Creameries, Incorporated.

Land O'Lakes is a farmer cooperative qualified under the Capper-Volstead Act and The Cooperative Marketing Act.

Land O'Lakes serves as a Marketing Agency for approximately 100 thousand milk producers in Minnesota, Wisconsin, Iowa, and the Dakotas; 211 local assembling and processing plants are invloved. It performs its function by receiving milk directly from producers and disposing of it in fluid form and as processed dairy products. It also receives milk or manufactured products from associations of producers.

It's largest operations by far are in manufactured products, namely, butter powder, and cheese which it markets nationally as branded products throug branch sales operations, servicing practically all metropolitan centers east of the Rocky Mountains.

Land O'Lakes actively participated in the development of the first Dairy Support Program and has assisted in the development and adoption of subsequent Agricultural Adjustment Acts which provide for dairy price supports. Section 22 has been an important feature of these acts designed to safeguard the successful administration of the Dairy Price Support Program.

Land O'Lakes Creameries, Inc., is a member of the National Milk Producers Federation and we endorse the statement which that organization made this morning before this Commission.

Hence, I will not reiterate the points made by the Federation relative to the Dairy Price Support Program nor the history and current status of Section 22 Import Controls.

Secretary of Agriculture, Freeman, in his letter to the President, pointed out the need for action by the Tariff Commission and I will not take time here to reiterate the points made by Secretary Freeman.

The Secretary makes the point that technology in dairy manufacturing makes feasible the quick diversion of milk from the production of one product to another as market opportunity develops. It is likewise pertinent that in the sophisticated dairy industry of the United States both milkfat and solids not fat tend to be utilized first in fluid milk, ice cream, and other specialty products where producer returns are greater. Milk solids in excess of these requirements tend to be diverted to butter, powder, and cheese.

Table I shows the amount of American cheese, butter, and powder produced in 1966 in the United States and in the states included in the Land O'Lakes membership area.

The percent of the total production for each product is shown and from this we note that 67.3% of the cheese, 65.5% of the butter, and 65.0% of the powder was produced in this five state area.

The concern of Land O'Lakes in dairy imports is thus apparent. Any milkfat imported, regardless of the form in which it is imported or used, replaces that much domestically produced milkfat and this ultimately shows up as so much additional butter manufactured and government owned storage stocks.

TABLE I.—A LARGE PERCENT OF AMERICAN CHEESE, BUTTER, AND NONFAT DRY MILK WAS PRODUCED IN LAND O'LAKES MEMBERSHIP AREA IN 1966

Area	American cheese		Butter		Nonfat dry milk	
	Production [1] (1,000 pounds)	Percent of U.S. total	Production [1] (1,000 pounds)	Percent of U.S. total	Production [1] (1,000 pounds)	Percent of U.S. total
United States	1,043,124		1,112,009		1,595,104	
Wisconsin	504,982	48.4	222,397	20.0	272,470	17.1
Minnesota	73,304	7.0	312,788	28.1	538,805	33.8
Iowa	76,757	7.4	124,607	11.2	180,010	11.3
South Dakota	26,418	2.5	34,811	3.1	44,570	2.8
North Dakota	20,390	2.0	34,639	3.1		
5-State aggregate		67.3		65.5		65.0

[1] Source: Production of manufactured dairy products for 1966 DA 2-1 (67) July 1967 S.R.S.—USDA.

The residual for milk solids-not-fat is nonfat dry milk. In Wisconsin, particularly, the dairy industry is so organized that if the returns for cheese compared to the returns for butter-powder get out of line, sufficient milk is diverted from butter-powder production to cheese production or vice versa so that the producer price is usually nearly the same.

The letter of the Secretary to the President gives specifics of import volumes and duty paid import prices.

The National Milk Producers Federation statement shows prices and export subsidies of various products from the principal exporting countries.

I would now like to show the adverse effect these dairy imports are having on Land O'Lakes. Land O'Lakes sales are made to retailers, food service people, and food processors.

The following are examples of the way low priced dairy product imports have interferred with our sales and market promotion programs as reported by Land O'Lakes sales representatives. The consequence of which is more sales to the government under price support.

A Land O'Lakes carlot customer in the New York metropolitan area who is a distributor of product to retail stores and food service accounts has discontinued using our 48¼¢ per pound product and replaced it with an imported processed 5# loaf at 36¢ per pound. We could not meet this 36¢ per pound. We could not meet this 36¢ per pound price because our price must reflect costs related to the government support price of 47¢ per pound for cheddar cheese.

In our southern territory we had a food processor who was purchasing a cheesefood product in 45# box, at 46½¢ per pound, who discontinued purchasing our product because he could purchase an imported cheese blend at 35½¢ per pound and this product could be used satisfactorily in his processing.

Land O'Lakes lost a 40,000 pounds per month customer for 55# bulk loaf processed cheese at 53¢ per pound. He is now buying processed loaf at 36¢ per pound, repackaging in consumer package and selling under his own label just as though he was still using Land O'Lakes cheese.

In the Southeastern United States we were selling one national food service account a 5# processed American cheese. He was using approximately 10,000 pounds per order at 48¼¢ per pound and is presently purchasing a West German imported product at 43¢ per pound.

I could continue to cite examples of lost sales as a result of imported cheese but these serve to illustrate the problem.

Long-time commitments and contract arrangements are necessary to plan aging programs for various types of products such as processed cheese, sharp natural cheese, and dried cheese for processed foods and snacks.

The possibility of cheap imports make future commitments difficult to consummate and the loss of a contract throws aging programs out of balance.

We are proud of Land O'Lakes achievement in expanding the market for our branded products. We believe the Land O'Lakes program has performed a valuable service to the dairy farmers of the midwest and to consumers generally.

The import of cheap dairy products that carry heavy export subsidies is a good illustration of the failure of United States representatives to work out sound international trade policies and programs for dairy products under G.A.T.T. There is no quicker way to break down the confidence of our dairy farmers in our foreign trade and aid programs than through the circumvention of Section 22 as is occurring in dairy imports currently.

The broader effect of increased dairy imports on the United States Dairy Price Support Program, and Balance of Payments, is of great concern to Land O'Lakes members.

As sales losses occur we have no alternative but to increase our offers to the Government under price support. Land O'Lakes sold no cheese to C.C.C. (except in response to Government invitations of processed loaf for school lunch and domestic relief distribution) in 1966 or 1967 but have sold 803,243 pounds of natural 40-pound block in May and June of 1968 in addition to sales under invitation programs for domestic distribution. We know now that our July and August natural bulk sales to C.C.C. will be bigger that of May and June in spite of new invitation on 5-pound loaf processed cheese announced July 18.

Land O'Lakes sold no bulk butter to C.C.C. under price support in January-June period of 1966, but had 16.6 million pounds of sales to C.C.C. in first 6 months of 1967, and 19 million pounds in first months of 1968.

Land O'Lakes sales to C.C.C. of nonfat dry milk was 97.8 million pounds in January-May of 1968 compared to 97.3 million pounds in 1967 and 60.2 million pounds in 1966. These figures reflect more than a 50% increase in our sales of powder to the government the past 2 years compared to 1966.

We believe it was the intent of Section 22 to preclude the possibility of such expenses being born by our Agricultural Program and we urge that the objectives of Section 22 be vigorously carried out in order that the confidence of the dairy industry be restored.

Continual import of dairy products will replace sale of domestically produced products. These domestically produced dairy products will necessitate increased C.C.C. purchases.

This statement is submitted by Land O'Lakes Creameries, Incorporated as a producer.

Respectfully,
KARL G. SHOEMAKER,
Economist, Land O'Lakes Creameries, Inc.

WASHINGTON REPORT TO PEOPLE OF NORTH DAKOTA'S SECOND DISTRICT

HON. THOMAS S. KLEPPE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. KLEPPE. Mr. Speaker, under leave to extend by remarks in the RECORD, I include the text of "Kleppe Comments" newsletter report to the people of North Dakota's Second Congressional District:

WASHINGTON REPORT TO PEOPLE OF NORTH DAKOTA'S SECOND DISTRICT

THE SOARING CRIME RATE

Crime and violence—disregard of law and order—are the Nation's No. 1 domestic problem. According to the FBI, serious crime in the United States has increased 88 per cent since 1960—outstripping population growth by 8 to 1.

In the District of Columbia, the increase is even more appalling. During the last eight years, serious felonies and misdemeanors increased 135 per cent—felonies alone, 175 per cent. Yet felony convictions decreased by 37 per cent.

According to the last Annual Report of the Attorney General, the Department of Justice conducted an "unprecedented program" to achieve effective law enforcement and reduction of crime. The number of persons employed by the Department "rose to an all time high of 34,052 in June 1967" and Department expenditures for the year, in excess of $422 million, were 55 per cent more than 1960.

In fiscal 1960, 30,955 persons were found guilty of crimes in Federal courts. In 1967, 27,643 were found guilty, a decrease of 3,312 or approximately 11%. A *decrease* in convictions is understandable, in fact welcome, as long as it is accompanied by a *decrease* in crime. Otherwise, it is indefensible.

It is my hope that the Omnibus Crime Bill recently enacted by Congress will improve the situation. But, if it is not vigorously implemented, the Nation's appalling crime rate will continue to increase.

As a footnote to the crime situation, I quote a letter from a young naval officer, recently published in the Washington Star:

"While attending the fireworks display at the Mall, about 20 minutes after City Council Chairman Hechinger encouraged those present to tell their friends and relatives how safe Washington and the Mall are, I was robbed of my wallet and watch by a gang of about 8 Negro youths.

"I came to Washington three months ago after a year in Vietnam with the U.S. Navy. Since I arrived here, there have been riots, national guardsmen patrolling the city, murders of policemen and bus drivers, robberies and attacks at Resurrection City, and a crime wave that has prompted President Johnson to ask for 1,000 more policemen for the District.

"Now, as a crowning tribute to the safety of Washington, I have been robbed at the Washington Monument, on the Fourth of July, in the middle of a crowd of 85,000 people watching an Independence Day celebration.

"I felt safer in Saigon than I do in the Nation's Capital!"

BILLS INTRODUCED

H.R. 18487, authorizing compilation of a complete catalog of Federal aid programs so state and local governments will know what is available and where to apply. H.R. 18576, creating a Hoover-type Commission to sift through more than 1,000 Federal aid programs involving annual expenditures in excess of $20 billion, with a view toward consolidating or eliminating overlapping functions. H.R. 18698, prohibiting assignment of a member of the armed services to a combat area if a member of his immediate family has died while serving in Vietnam.

HOW I VOTED

Here are my major votes cast since my last newsletter report: Against a motion to instruct the conferees to cut expenditures by $4 billion, rather than $6 billion. (Motion defeated). I have long argued for cuts of at least $7.5 billion. For increased compensation for disabled veterans. (Passed). For an amendment adding $90 million in aid to impacted school districts to the Supplemental Appropriations Bill. (Passed). For Treasury-Post Office Department appropriations. (Passed). I earlier voted to limit expenditures under this bill (Failed). For the Poultry Inspection Act. [Passed.] For a $15 million cut in Peace Corps. (Failed). Against the Revenue-Expenditure Act. (Passed). I thought the 10% income tax surcharge hit the low and middle income wage-earners and smaller business enterprises hardest. Moreover, the Administration failed to specify where the proposed spending reductions would be made. Against authorizing funds for a study of the Metric System. (Passed). I could not see funding another investigation when the money could better be used elsewhere. Prior to passage of the Labor-HEW appropriations bill, I voted to cut $100 million from OEO. (Failed). For liberalization of the National School Lunch Program. (Passed). For the Gas Pipeline Bill. (Passed). Against the Housing-Urban Development Bill. (Passed). Prior to passage of this 280-page bill, I voted for lower income limitations affecting persons eligible for such housing. (Passed). I voted against final passage of the bill because it was not a $5 billion bill, as reported, but included hidden funding of over $50 billion. For the Navigation-Flood Control Bill, which included funding authorization for emergency bank stabilization work on the Missouri River near Bismarck-Mandan and Stanton. It had been a real battle to get these funds included in this bill because of our tight budgetary situation. For extension of Vocational Education Act. (Passed). For establishment of a Redwood National Park. (Passed). For authorization to begin the Missouri River Basin Project in South Dakota (Passed). For cuts in the Foreign Aid Authorization Bill of $370 million, which put the total just under $2 billion. (Passed). I then voted against final passage of the bill. (Passed). There are enough funds in the pipeline (about $5.4 billion) which had been appropriated in prior years, but not used, to carry out previous foreign aid commitments. Against additional Federal gun controls. (Passed).

CREATING NEW JOB OPPORTUNITIES

It was my privilege recently to join with several thousand people, including Federal and State officials, in ground-breaking ceremonies for the Snake Creek Pumping Station. This marked the beginning of a vast, long-range program which will bring waters of the Missouri to many other parts of the State.

It is another extension of the giant development program which brought into being, along the course of the Missouri, a chain of lakes and reservoirs from Fort Peck through the Dakotas, with a shoreline exceeding that of the Great Lakes. It holds enormous potential for future agricultural, industrial and recreational opportunities.

Lack of sufficient, attractive job opportunities at home has led many of our finest, most highly-skilled and best-educated young people to leave the State. North Dakota's most pressing need is for new industries and the jobs that go with them.

While there is room for an enormous increase in agricultural income from the present depressed level, it seems doubtful there will be more farm employment in the years ahead. According to a recent report by the President's National Advisory Committee on Rural Poverty, while total U.S. agricultural output increased 45 per cent between 1950 and 1965, farm employed decreased by 45 per cent. The forecast is that the need for farm labor will decline by a similar percentage in the next 15 years.

This means that future job opportunities in North Dakota must be tied to new industries and services. I believe there are tremendous opportunities for expansion of recreational facilities which would create thousands of new jobs in our State.

We are rich in tourist attractions—in lakes, wildlife, scenic beauty and historic sites. Opportunities for hunting, fishing, boating and other outdoor recreational activities are present in abundance. They can be developed on a much greater scale.

The Interior Department's Bureau of Outdoor Recreation estimates that by 1976, 10 million people a year will visit the Upper Missouri lakes. North Dakota must continue to develop and advertise its tourist attractions. It is possible that tourism will one day be the State's biggest industry.

THE FORGOTTEN MAN

"Who is the Forgotten Man? The Forgotten Man is the guy in the middle, the hard-working, tax-paying, law-abiding, God-fearing citizen. He is not rich enough to fight the ravages of inflation by investing in the stock market or real estate, nor to command the advice of lawyers and accountants to steer him through the tax loopholes. He is not poor enough to have a Federal program smother him with affection, nor does he seem to be young enough or old enough. He is told that Betty Furness loves him as a consumer, but he feels that her Administration's taxes and inflationary policies are robbing him blind. He is told that we are fighting a war to protect freedom against aggression in Vietnam but he senses that we are losing that same fight at home in a wave of civil disorder, mounting crime and court decisions that he cannot understand."—Rep. James C. Cleveland, N.H.

FARMER GETS TRIMMED

A North Dakotan who has farmed since the 1930's offers this reflection: "For the first time in my memory a bushel of wheat won't buy you a haircut." This emphasizes the farm cost-price squeeze more dramatically than a whole book of agricultural statistics.

UNCLE SAM WANTS IT ALL

Sen. Herman Talmadge notes: "Herbert Hoover was the first President to give all of his salary back to the government. Now the government wants everybody to do it.

A FEDERAL COMMITTEE ON NUCLEAR DEVELOPMENT

HON. ARNOLD OLSEN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1968

Mr. OLSEN. Mr. Speaker, last spring, I and 28 of my colleagues in the House introduced a joint resolution which called for the creation of a Federal Committee on Nuclear Development "to review and reevaluate the existing civilian nuclear program of the United States."

Since that time, I have maintained a continuing interest in this matter and a number of developments which have been brought to my attention have convinced me that the need for such a review is becoming greater as time goes on. In fact, I find it hard to understand why virtually every Member of Congress, if he has studied with any degree of thoroughness the involved and oftentimes confused fuels and energy needs, resources, and problems of our Nation today, can fail to assert the congressional responsibility for study and action in this area.

The Federal committee which the resolution would establish would be composed of a chairman and 14 other members, including Members of the House, Senate, four Cabinet members, and six members of the public with special qualification in the nuclear field. As the resolution was introduced, it would not have included any members from the Joint Committee on Atomic Energy which supervises the programs of the Atomic Energy Commission, including the civilian nuclear power program.

I understand that this omission has resulted in some opposition to the proposed reevaluation by some members of the Joint Committee and perhaps this is to be expected. The omission of members of the Joint Committee from participation in the study panel was certainly, on my part, not intended as any slight upon the ability or the integrity of any such member. Rather, it was thought that persons who have not been so closely involved with carrying out the mandate of Congress under the present Atomic Energy Act, including present Members of Congress, might be able to approach the whole problem with more of a fresh viewpoint and make determinations not affected by preconceived conclusions. However, if members of the Joint Committee feel that they should be included and would like to have representation on the study panel, I would certainly not oppose it. In fact, if such participation is a prerequisite of their holding hearings on this joint resolution in order to submit them to a vote of the whole Congress, I would be prepared to recommend at such hearings that the resolution be changed to specifically provide that a part of the congressional representation include one or more members of the Joint Committee. It is my understanding that a similar resolution which has been introduced in the other House does so provide and I think this body might well go along with that approach.

Several of the developments to which I referred above and which have convinced me that there is even more need for an independent reevaluation of the Federal nuclear power program established in the Atomic Energy Act are very clearly outlined in a semiofficial report recently prepared by the prestigious organization, Resources for the Future—RFF—a well-known independent authority on fuels and energy matters, under a contract from the President's Office of Science and Technology. The report, as RFF puts it, represents a "comprehensive approach to a study of the energy situation in the United States from the standpoint of public policy," and was published under the title, "U.S. Energy Policies, an Agenda for Research."

One clear implication emerges from the RFF study. Developments since the inception of the civilian power program warrant a careful and thorough examination of the civilian nuclear power program, including particularly the basic policies and assumption involved in such programs.

The legislative instructions for development of the atom for peaceful uses were couched in general terms in the Atomic Energy Act of 1946 and in subsequent amendments. Under the mandate, the AEC undertook to make the atom a prime source of power for the manufacture of electricity for ordinary business and household uses. Somewhere between $2½ and $3 billion have been spent in the development of atomic power for ordinary business and household uses.

Within the past 2 or 3 years the big utility companies have contracted for quite a number of large nuclear plants. In 1967, for example, 30 big nuclear powerplants, with a total capacity of over 24,000 megawatts were ordered, one megawatt being equal to 1,000 kilowatts. The total capacity of nuclear powered plants now in operation, under construction or on order, approximates 50,000 megawatts. By 1976, when some 67 nuclear plants are supposed to be operative, around 16 percent of the country's electric power output is due to come from the atom.

Obviously, it would seem that the country's major utility companies regard the nuclear plants as capable of producing power on terms competitive with power from the conventional fuels, coal, oil, and gas. Otherwise, they would not be investing such huge sums in atomic plants.

There seems to be recent evidence, however, that the costs of atomic power have been underestimated. Two or three years ago, for example, some of the utilities involved were estimating construction costs at $120 to $130 per kilowatt of installed capacity; now the experts are saying that $165 is closer; estimates of the costs of the new plants already ordered also are rising, some having almost doubled before they were built.

We have then a good deal of uncertainty about this situation. One assumption is that atomic power is competitive with power from the conventional fuels. Another is that, despite the expenditure of billions of dollars, nuclear power still is not competitive. Despite the expenditure of some $2½ to $3 billion in Federal funds, we have proved only that heating steam by atomic fission is feasible, which no one ever really doubted.

In either case, I think the investigation proposed is fully justified.

On the one hand, if atomic power is competitive with power from coal, oil, and gas, should not the Federal Government retire and leave the field to private enterprise?

On the other hand, if, despite the expenditures of several billion dollars, atomic power is not yet competitive, to say nothing of failure to reach the apparent AEC objective of making it a cheaper form of energy, should there not be a reappraisal of the programs? What justification is there for the continuation of tremendous expenditures which so far have really failed in their initial purpose?

I must say that comparatively little attention has been paid to the resolutions to which I have already referred, that proposed the inquiry into the civilian nuclear power programs. Perhaps they have been discounted as coming largely from the coal industry, which has a material interest in this matter. As an aside, let me say that I think the real question is whether the inquiry is needed in the public interest, not the source. Or another reason may be the fact that the atom and its uses are surrounded by a sort of a veil of mystery. The potentially destructive power of the atom was so great that the Congress felt impelled to strive, almost frantically, to find peaceful and offsetting uses to this monstrous force which had been released. More than 20 years have gone by since the original Atomic Act.

A lot of things have happened in this span of time and they point conclusively, in my judgment, to the need for a thorough review and reappraisal of the civilian nuclear power program.

The coal industry is not alone by any means in suggesting this reassessment.

The RFF report to which I referred earlier raised many of the questions referred to in the resolution. One question which I regard as basic was discussed in the RFF report in these terms:

> In its 1962 report to the President on Civilian Nuclear Power, the AEC estimated that $1.275 billion had been expended by the government to date on the civilian power program, and that industry had expended approximately $0.5 billion of its own funds, mostly for plant and equipment. Currently, according to its 1967 Financial Report, the AEC is spending more than $500 million per year on reactor development, of which between $150 million and $250 million is *assignable to commercial nuclear power. What is the justification for continued expenditure of such large sums for research and development now that commercial nuclear power has apparently been achieved?* (Emphasis supplied.)

The RFF report gives the AEC answer, to develop a more efficient type of reactor, but comments as follows:

> The drive to achieve reactors that are more efficient in their use of nuclear raw materials gives rise to a number of questions which require study. *The most basic question is whether the federal government's concern with the adequacy and cost of future energy supplies justifies any further research at this time, and, if so, how much should be devoted to improvement in the utilization of nuclear fuels.* (Emphasis supplied.)

Apparently, the Atomic Energy Commission, with the approval of the Joint Committee, already has answered the query posed by the RFF report—is there justification "for the continued expenditure of large sums for research and development now that commercial nuclear power apparently has been achieved?" The AEC is going ahead with plans for a very costly program for the development of a better reactor.

The type of nuclear reactor now being used to produce civilian power, the light water converter reactor, utilizes only a small part of the potential power in the atom, only about 0.7 percent. However, the new process, the experts say, once it is perfected, will actually produce more fuel than it utilizes. This process is known as the fast breeder reactor but it is a good many years away, the best informed experts say about 17. From the history of the atom, this type of reactor may be much further away, assuming that it ever will be perfected.

Through 1972, the AEC has budgeted approximately $1 billion for the development of the fast breeder reactor. The RFF report is authority for the statement that the Atomic Energy Commission is spending somewhere between $150 and $250 million on commercial nuclear power and most of this probably is going into the effort to perfect the fast breeder reactor.

Bear in mind that this RFF study is a study inspired by the Government. This being the case, I do not see how the Congress can shunt aside the demands for further investigation to answer the questions which the Government wanted raised in the first place. Nor do I see how the AEC and the Joint Committee, or at least the Joint Committee, can ignore the demands for the broad investigation of the entire AEC civilian power program which are raised in the pending resolutions. In this connection, funds already appropriated for the fast breeder reactor program can be held in escrow until the inquiry is made. In fact, there is a very good reason not to spend this money in fiscal 1969.

The Federal deficit for the fiscal year which has just come to an end is around $25 billion, a staggering sum in a period when there is deficit after deficit in succession. By law, the Congress has directed that $6 billion be cut from the fiscal budget for fiscal 1969. Somewhere between $150 and $250 million probably can be saved for fiscal 1969 if the fast breeder reactor program is suspended.

There is no shortage of conventional fuels; nobody is going to be hurt. Meanwhile, a study of the AEC civilian program might be undertaken to answer the major question—why go on with another civilian power program? If the answer is against continuation, the taxpayers could easily be saved $5 billion or so in the next 20 years, assuming that it will take that long to perfect the fast breeder reactor—if it can be perfected—and that around $250 million will be spent annually during the 20 years.

I am well aware of the fact that 1985 is the target date for a practical fast breeder reactor, but these programs tend to go beyond the original target date and the expenditures for them usually exceed the maximum figures originally set. Consequently, I feel that the assumptions of a 20-year period and $250 million a year probably are conservative.

The RFF lists several other reasons for a study of the civilian nuclear power program. Despite the rash of orders for nuclear plants, doubts are raised about the competitive status of atomic energy. The report points out that the AEC is required by the Atomic Energy Act of 1954 to make a finding of "practical value" when "commercial status for any reactor type has been achieved." The report continues:

> The AEC has declined to make such a finding, even though petitioned to do so by various representatives of the coal industry in 1964 and again in 1966.

If such a finding were made, development and perfection of the reactor type currently being built in large numbers could no longer be subsidized by the AEC.

The RFF study comments that the refusal to make the finding of "practical value" may be because the AEC prefers the greater flexibility open to it under the development provisions of the act but states:

> *There are other grounds for raising questions concerning the true economic status of nuclear power.* (Emphasis supplied.)

Among these grounds is the extent to which nuclear fuel is subsidized by the Government. Another is whether the manufacturers of nuclear plants, Westinghouse and General Electric, have subsidized their sale.

In this connection, let me quote somewhat at length from a portion of the RFF study:

> *Do the prices at which these two companies (and more recently others) have offered to construct nuclear power plants fully cover their own costs of development and production?* Numerous reasons have been offered as to why a promotional pricing course might have been chosen, including the desire of each firm to establish its own position in what is assumed to be the growth sector of the future electric equipment business. It has also been reasoned that the sale of equipment, including the initial fuel cores, provides a guarantee of future business in the sale of reactor fuel cores. It is noteworthy that, unlike the situation in fossil-fuel fired plants, the major equipment manufacturers will also be in the business of selling fuel to electric power plants employing their type of reactor.
>
> *Some evidence that the equipment manufacturers had indeed been absorbing development costs is provided by the fact that quoted nuclear fuel plant costs reached their lowest point in 1966 in the announcement that TVA had gone nuclear in its Browns Ferry project. Since that time quoted equipment costs have risen substantially (30 per .cent or more), a rise greater than that of fossil fuel plants.*
>
> The basis on which nuclear equipment costs and performance guarantees have been (and will be) determined and the degree to which they conform to the realities of the situation is a subject requiring close study. The behavior of equipment purchasers may be presumed to reflect the realities of the market place as perceived by management in the electric utility business. *But the market can be strongly affected by the promotional practices of equipment manufacturers. The factors motivating these practices may make quoted prices diverge from costs incurred or anticipated costs.* Moreover, a bandwagon psychology, which produced temporary distortions in the functioning of the market place, can take hold. If the true competitive position of the alternative electric energy sources is being distorted, this is a matter of concern from *the standpoint of efficiency of resource allocation.* It is of concern also as a factor affecting *the competitive position of the fossil fuels industries* as well as the ability of other equipment suppliers to enter the nuclear power plant business and create a workably competitive situation. (Emphasis supplied.)

Another subject, which in the opinion of the RFF staff needs further study, is whether Government expenditures on research and associated development and demonstrations on an engineering scale for the nuclear power industry are elements in the costs of nuclear power that are not reflected in quoted costs. And still another area suggested for inquiry is whether natural uranium costs will not rise sharply as the nuclear industry expands and whether this may not drive up the costs of atomic power. In this connection, the coal industry has pointed out that rapid expansion of the civilian nuclear power program could have some unpleasant side effects. In a paper on the power situation which was presented to Gov. Nelson Rockefeller's Electric Power Committee, Joseph E. Moody, president of the National Coal Policy Conference, and Stephen F. Dunn, president of the National Coal Association, said:

> For the reasons set forth hereinafter, we believe your Committee will best serve the people of New York by proceeding on the assumption that the least expensive and most reliable way to provide electricity for future needs is to rely primarily on conventional fuels until such time as the breeder reactor becomes technologically and economically feasible—which may happen in the late 1980s, according to Dr. Glenn T. Seaborg, Chairman of the U.S. Atomic Energy Commission. Until that occurs, and until there is confidence that such reactors can be operated with assurance that they will not endanger the health and safety of the public, the construction of nonbreeder reactors is against the public interest because, for a very small possible gain to the public, the public is burdened with the serious risk that (1) the nonbreeders may have to be abandoned long before the end of their useful lives, because of the future high cost of uranium; (2) future consumers of electricity may have to pay a severe penalty, amounting to billions of dollars, because of the waste of low-cost fissile material in nonbreeders; (3) the public may suffer greatly from brown-outs and black-outs during the many years it will take to establish the reliability of such plants; and (4) the public will be subjected to the possibility of serious accident which may be only a "remote' possibility but which if it does occur will be a catastrophe far more serious than anything previously known to the world . . .
>
> If and when the breeder reactor becomes technologically and economically feasible, and safe to operate, it will aggravate rather than relieve the problem of uraniums supply needed for make-up purposes for nonbreeder reactors then in existence. Only very, very small amounts of uranium will be required for "make-up" purposes for breeders, but very substantial amounts will be required to furnish the fissile material with which to start breeders. It will be mathematically impossible for the nonbreeders to supply enough plutonium to start all the new breeders needed to meet the forecast growth, and the rest of the breeders will have to be started with U-235 obtained from newly mined uranium.

If additional sources of uranium are not found very soon, the utilization of the material as new light water plants are put into operation could drive up its price until nuclear power would cost more than power from coal, oil, and gas. But the real significance of the prospective scarcity of uranium goes far beyond the prospect of additional costs. It could mean that the entire civilian nuclear program had been a failure and that all the Federal money expended on it had been wasted.

Further, if new sources are not found in tremendous volume, the country is almost criminally guilty in permitting the rapid consumption of the admittedly available uranium in the inefficient type of nuclear machine which has been developed to date. Why not conserve the uranium for some time in the distant future—anywhere from 50 to 200 years—when a real need for additional power from new sources exists? It would be reasonable to assume that science will have progressed far beyond its present capability and will be able to build highly efficient nuclear generating plants.

If the fast breeder reactors are to be depended upon as the primary source of electric power for civilian uses from the atom, should there not be a significant cutback in present plans to build and operate the light water reactors? Otherwise, as Mr. Moody and Mr. Dunn told the Governor's committee in New York State, exhaustion of available uranium supplies is likely to sharply increase the costs of electrical power from the atom. The continuation of the existing light water reactor program also may deplete uranium to the point where the entire atomic power program will be a glaring and most costly failure.

Overall, I think the safety record of nuclear powerplants is a good one. Yet, despite all the precautions taken, the danger of a most damaging accident resulting from the operations of such a plant still is present.

Two other problems surrounding the operations of nuclear powerplants also await solution. The wastes which remain from atomic plant operation are extremely poisonous and some remain so for a lengthy period of time, several hundred years at least. These wastes, which approximate about 75 million gallons to date, are being stored in steel and concrete tanks. The contemplated expansion of the atomic power programs will greatly increase the wastes which must be stored and which are potentially as dangerous as an atomic bomb. The tanks will not hold the lethal matter indefinitely. The wastes must be transferred to new receptacles. This operation could go on 20 to 30 times before the radioactivity in the wastes has died down sufficiently to avert danger. Moreover the tank method is costly, since special cooling devices must be incorporated in the system.

Just now, conservation and protection of the streams and air are subjects which are attracting a lot of attention and are creating quite a bit of concern. The discharges from the use of conventional fuels are under close scrutiny and some of the restrictions proposed may be unduly burdensome. But the production of nuclear power for civilian use also can significantly alter the environment of water. Around 50 percent more heat is discharged into the water by nuclear plants than those fired by the conventional fuels. In a few years, the Columbia River in the Far West may have over 30 thermal electric plants along its banks. The plans reportedly encompass the discharges of the water used back into the Columbia. Officials of the Department of the Interior are afraid that any temperature rise in the Columbia and other rivers which are the rendezvous of spawning salmon will prevent the breeding necessary to perpetuate the fish supply. The effects of heightened temperatures in river waters on other forms of life also is uncertain.

To me, it seems apparent that the demands for an objective and thorough inquiry into the civilian nuclear power program are based on compelling reasons, reasons which can no longer be obscured or brushed aside. I am hopeful that the Joint Committee on Atomic Energy will, in the light of developments, join in urging such a study and in making arrangements for it.

The committee is composed of able men and has a high reputation but, if the study fails because of committee opposition, that reputation is likely to diminish and become beclouded. Congress, for its own sake and for the sake of the Joint Committee, should see to it that a most thorough investigation is made at the earliest possible moment.

Meanwhile, the executive department of Government could and should halt the civilian nuclear power program in the interest of economy and in the public interest. If the programs contemplated are sound, and are validated by the contemplated inquiry, no damage will have been done by the suspension. To go ahead, however, without answering the questions which have been raised could do a lot of damage, including damage to the record of the AEC itself, for impartiality and wisdom.

THE FORGOTTEN AMERICAN

HON. JAMES B. UTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. UTT. Mr. Speaker, under unanimous consent I include in the Extensions of Remarks in the RECORD an address, entitled "The Forgotten American," which was given by Richard G. Capen, Jr., director of public affairs, Copley Newspapers, La Jolla, Calif., before the San Diego Rotary Club on July 18, 1968.

The speech follows:

THE FORGOTTEN AMERICAN

There is a new uprising occuring in America today. Some call it the result of the middle class. I prefer to describe it as the voice of responsible America.

Who is in this group? The 90 percent who are proud Americans and conscientious citizens. The millions who have become the forgotten Americans. They are black, white, and all shades in between.

They started out as the son of a coal miner and became a famous doctor. They worked their way through college by washing dishes. They swept out the lobby of a bank and later became its president.

They produce most of America's goods and services. They bear the burden of inflation. They ask very little of their government, but work 2½ hours each day just to pay its cost.

They are laborers, office workers, farmers, Republicans and Democrats.

It seems incredible that America could have digressed so far so soon. However, this predicament was not created overnight.

To a large extent, our crises have been caused by a prevailing attitude of permissiveness—from pampering parents to overpromising political leaders.

We have seen permissiveness in the attitudes of right and wrong. No longer need a person be held accountable for his actions.

A whole generation of youngsters grown up under this permissive philosophy which urges instant gratification and the avoidance of unhappiness. Children want what they want, when they want it—and they want it now.

This permissiveness has extended across the country. In our streets we allowed a "little bit" of law breaking in the interest of free speech and academic freedom.

At the national level, we started out permitting a "little bit" of deficit spending, in the belief that this approach was healthy for our economy. That "little bit" of deficit spending started out at $1 billion, then $8 billion, and, finally $25 billion for the current fiscal year.

We started out by tolerating a "little bit" of destructive criticism on the war in Vietnam—only to encourage the enemy to believe that we were seriously divided at home, that we didn't have the will to win.

For too long now we have catered to those who expect something for nothing. For too long now we have tolerated the mediocre and the irresponsible. Some are deliberately unclean and unproductive. Others strive to be unsuccessful, with failure adopted as a goal.

We are so reluctant to infringe upon the rights of others that we have overlooked injuries to innocent people just because the hopes of all the poor and prejudiced have not been fulfilled.

Some Americans have become obsessed with a seemingly endless concern for the loser. By focusing so much attention upon these misfits, our critics happily believe that the criminals and hippies are typical of life in America.

By overemphasizing our problems we have generated a national guilt complex, a depression of national spirit. After all, if you tell a person often enough he is sick, he actually can become sick.

It's time we challenge those critics who seek to destroy America rather than to rebuild it. We cannot afford to stand by idly while this small minority of irresponsible people brings shame and humiliation to our country.

There is no doubt that some Americans have legitimate grievances, and it will be imperative that we correct any barriers to equal rights and opportunities. But this cannot be accomplished by shallow exaggerations or false promises. Nor will it be achieved through mob action.

Law and order is probably the most important issue of 1968. In the past eight years crime has outpaced population growth by almost nine to one. Last year there was a murder every 41 minutes, with crime costing more than $20 billion a year.

Your chances of being murdered, maimed, or robbed will be one out of 70 in the next 12 months. Chances are one out of five that someone in your family will be the victim of a criminal this year, and one boy in six will get in trouble before he is 18.

There are too many today who suggest that a man pick and choose among those laws he will obey. There are too many who believe that social reform is sufficient excuse to violate the rights of others. Some believe it is better to free 10,000 criminals than to convict one innocent man.

As a result, the confessed killer of a wife and four children is freed because his lawyer was not present to hear his confession. Another confessed murderer is released because the police held him a few hours before formally charging him with the crime to which he had voluntarily confessed.

We are told that poverty is a root of crime. Yet often that is not the case. In Detroit, more than $175 million of anti-poverty funds had been spent just prior to the rioting there.

Poverty supposedly was the issue at Resurrection City, and yet some estimate that sorry mess cost more than $1 million.

In the Chicago riots earlier this year, the 1800 persons arrested were found to be carrying $85,000 in cash. One person had $563 in his possession.

Poverty is a feeble excuse for outright lawlessness. A crime is a crime, and the only way to reduce this trend is to demand prompt apprehension, a prompt trial, and a substantial sentence commensurate with the crime committed.

It is my personal opinion that much of today's unrest can be attributed to the frustrations of those who have expected immediate results from the promises of others. Certainly no one objects to the goal of conquering poverty, but our leaders can be criticized for generating false hopes that the answer would come immediately.

In recent months, we have found similar crises on the college campus. Too often, campus aggression has been met with appeasement. Too often, faculty members have hidden behind the facade of intellectual attainment and academic freedom to encourage lawless activities.

Perhaps the voice of the student has not always been heard, but since when has it been his responsibility to run the campus?

Today the American student enjoys the finest educational opportunities ever offered at any time. For this privilege, he pays a tuition that doesn't even cover half the costs at most colleges.

Certainly we have an obligation to preserve the right to dissent. But that does not include any special right to ignore the law.

Some students today want freedom now, without restraint, without correction, without responsibility—and they will not wait any longer. We must challenge this attitude.

Too many have been selling America short. Too many have forgotten all that is right about our country. Too many have lost faith in themselves and in the will of the people to build a better America.

We still remain the strongest and richest nation on earth. Go into the heart of our land, and you will find millions of churchgoers, orderly students, conscientious parents, and promising families.

You will find minority groups moving up the economic ladder at a speed undreamed of a few years ago. Barriers to jobs and education are crumbling everywhere. Illiteracy is at an all-time low and affluence at an all-time high. School and college enrollments are setting records. Wages are the highest in the world, and savings accounts are bulging.

For every one law breaker on the college campus, there are thousands of serious students. For every five who would desecrate the American Flag, there are five million who revere it.

Certainly the United States has its weaknesses, but our strengths far outweigh any shortcomings. Probably no other country criticizes itself as frequently, or as publicly, as do we.

Americans may be worried and depressed, but nobody expects our government to topple or our way of life to collapse. Here at home, this ability to rebuild a better America may be taken for granted. But, in most countries, this flexibility to change without a total collapse of government is an unbelievable miracle.

Americans are always seeking new and higher goals. As one plateau is reached, new pursuits of excellence are sought.

Certainly we have proved that things could be done, that dreams could be embodied in action, that a better life in fact could be achieved—provided we were willing to work for it.

The United States has faced serious crises before. But we overcame them—not by convincing ourselves that we would fail, but rather by believing that we would win.

Today, there are too many Americans who are convinced that we will fail. They throw up their hands in complete helplessness.

But why should we be led by these prophets of despair or the peddlers of hate? Collectively, we all have been blamed for the senseless rioting and violence, but since when does one sick person make a sick society?

It's wrong to refer to all young people as the lost generation, just because a few of them commit crimes or take dope.

It's wrong to refer to all young people as looters or rioters just because a small percentage of their group commits such crimes.

Sometimes Americans are strange people. They yell for the government to balance the budget but use their last dime for a down payment on a car. Americans are never ready for war, but they have never lost one. They whip enemy nations and then give them the shirt off their back.

They know the batting average of every baseball player, but don't know one half the words in the Star Spangled Banner.

They get mad at their wives for not running their home with the efficiency of a hotel, and they get mad at the hotel for not operating like their home.

They grow more food than any other country in the world, and have more diets to keep them from eating it.

Despite our idiosyncrasies, we still are proud of the person who sets out to do something and does it. We also respect the person who is constantly looking for more to do, and who isn't always rationalizing why he shouldn't do it.

I see no reason why we should apologize for America's success just because we have a few shortcomings. Certainly, we cannot be complacent about our country's faults, but neither should we be too apologetic about its strengths.

Frankly, it's time we had a little less pity for those who refuse to help themselves and a little more respect for the doer, for the achiever. Instead of emphasizing the sideline critic, let's encourage the responsible citizen.

As we seek solutions to our domestic needs, we must develop meaningful national priorities. No nation, no matter how rich or powerful, can afford to go on year after year living beyond its means.

Such priorities will force curtailment of domestic spending. At home, we will have to turn to the private sector for leadership in such problem areas as job training, urban renewal and unemployment.

After all, it is American business that built our cities, and there is no reason why American business cannot rebuild them.

Instead of degrading welfare, we must substitute the elements of hope and dignity that come to the man who has a steady job. Today, industry is creating an average of 5,000 new jobs per day. By 1975 America will need 14 million new workers.

Of necessity, many such positions will be filled from the urban poor and the unemployed.

Regrettably, nearly one million U.S. teenagers drop out of school each year. Many become doomed to careers of crime, alcohol and narcotics. Obviously, we cannot afford to remain indifferent to this national problem.

The establishment of national priorities also will force reappraisal of America's role as a world power. In the past 20 years, the United States has given nearly $130 billion in foreign aid, and yet even our allies delight in criticizing America.

As we develop priorities in foreign aid, it would seem much more important to me that we be respected as a nation rather than win a popularity contest.

This is not to suggest that we can ignore our responsibilities such as those in Vietnam today. Ultimately this crisis is a challenge to America. It is a test of the enemy's conviction that the United States is overcommitted and unwilling to draw the line.

It is no accident that some of the most bitter fighting of the entire Vietnam war has occurred after the Paris talks began. Communist aggression continues at record levels. The Vietnam conflict is now the longest war ever fought by Americans. Just recently we experienced the highest monthly casualty rate of the entire war.

Certainly all Americans hope for a meaningful solution to the war, but we must remember that the Communists use the conference table as just another war front, particularly when they have lost on the battlefield. More than two-thirds of all Americans killed in Korea died after peace talks began. This past experience should tell us that there is little assurance that negotiations mean either peace or a satisfactory solution to the war.

Ultimately, we can only hope to achieve a lasting peace—not just for Vietnam, but for the entire Pacific area—when we convince the enemy that we will match words with deeds, that we do have the will to win, and that we do intend to remain a powerful and respected nation.

In conclusion, let me say this. Sure, our problems are awesome indeed, but let's not forget that there is a massive will to preserve our precious American dream.

Let's not forget that we still enjoy the most envied way of life ever known to man.

Let's encourage our young people to seek the challenge of opportunity, rather than any false hope of security.

Let's challenge the thought that the world owes anybody a living. I have little tolerance for those who thrive on self-pity, or who attempt to drop out of society in protest against problems they say they did not create.

Let's stop apologizing for our success. After all, it is the current adult generation that built the world's strongest economy out of the ashes of a major depression and two wars.

Let's remember that a college education is a precious privilege, not a constitutional right. Those undergraduates who cannot give complete loyalty to the college they attend should leave and make room for others who would.

In addition, we must urge complete respect for law and order. Let's recognize that there are far more who support the law than who defy it.

Despite our crises at home and abroad, let's not be discouraged by failure. The history of our country is rich with individuals who used their own disappointment as stepping stones to achievement.

Remember then, Lincoln's name is immortal today, not because he lived in that log cabin, but because he got out of it.

Americans are proud of their concern for the underdog, but such generosity to the less fortunate is available only because someone else achieved, and this ability to help is possible, not because of what anyone else did for us, but rather because of what we did for ourselves.

All we have ever been able to provide is an equal place for everyone at life's starting line. But that is not to suggest that we can guarantee to anyone a victory, or even a tie, in life's race for achievement.

For many years, no one could run the mile in less than four minutes. Finally, Roger Bannister broke through that barrier. Since then, many others have duplicated or surpassed that record—simply because they believed it could be done.

With such determination, Americans have broken nearly every record known to man simply because they, too, believed it could be done.

It still can be done, but the new America will be built by the winners, not the losers.

RECESSION PREDICTED

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. CURTIS. Mr. Speaker, in his June 1968, issue of Industry Forecast, Mr. S. Jay Levy predicts a recession beginning about October, 1968. He predicts fourth quarter production will be below its early summer peak, profit margins in the final 1968 quarter will be lower than at any time since 1961, and that consumer prices will still be "inflationary."

Mr. Levy ascribes the main reason for these recessionary influences to the income tax surcharge/expenditure reduction package enacted into law in June of this year.

He maintains that the Treasury will actually collect less profit taxes in fiscal year 1969 than it would have had there been no tax rise and no recession.

For the points Mr. Levy brings out about the effects of the income tax surcharge on the U.S. economy, I commend his forecast to my colleagues. I would add one other comment. For over a year I have pointed out that it is possible to have both inflation and a recession although it was difficult to accomplish. I felt that the administration's fiscal policies were leading us into just such an economic situation. If Mr. Levy's gloomy forecast is accurate the recession will occur in a period of inflation and the highest interest rates since the Civil War.

The article follows:

RECESSION

A recession will begin at about October 1968. Production in the fourth quarter will be below its early summer peak. Christmas season retail business will be disappointing. Profit margins in the final '68 quarter will be lower than at any time since 1961. The upward industrial price trend will level off. Consumer prices, advancing more slowly than recently, will still be "inflationary."

The recession will result from higher taxes on consumers, less installment borrowing, weaknesses in construction outlays, and efforts of business to reduce inventories. These recessionary developments will have drawn more than $20 billion (annual rate) demand for goods and services from the economy between the second and fourth quarters of 1968. Business prosperity and profits are especially sensitive to the sources of purchasing power that will be adversely affected.

The most prominent of the recessionary influences is the fiscal package, the income tax surcharges and limitations on Federal spending, just enacted into law. The increase in personal taxes will take more than $7 billion from consumer income in the fiscal year that begins on July 1. Consumers' net short term borrowing will be at least $2 billion (seasonally adjusted annual rate) less in the final quarter of calendar 1968 than in the current quarter. Inventory accumulation, which may reach a rate of $10 billion a year in the current quarter, will drop to around 0. The high interest rates of recent months will take a toll of residential, commercial, and state and local government construction during the second half of 1968. The postponed and cancelled construction projects will represent outlays of more than $3 billion (annual rate).

HOUSING STARTS DROP, PRODUCTION RESUMES UPTREND, INDUSTRIAL PRICES DIP

	May 1967	March 1968	April 1968	May 1968
Industrial production (1957-59=100) [1]	155.6	163.0	162.5	163.7
Industrial wholesale prices (1957-59=100)	106.0	108.6	108.8	108.6
Retail sales [1,2]	$25.9	$28.1	$27.6	$27.9
Total business inventories [1,2]	$137.2	$141.9	$143.2	(3)
Housing starts (annual rate) [1]	1,274,000	1,500,000	1,586,000	1,331,000
Employment [1]	73,550,000	75,802,000	75,636,000	75,829,000
Unemployment [1]	2,952,000	2,856,000	2,707,000	2,784,000
Average hourly earnings, manufacturing	$2.81	$2.96	$2.97	$2.98

[1] Seasonally adjusted.
[2] Data in billions.
[3] Not available.

Withholding taxes for most employees will increase 10% early in July. On September 15, individuals who send quarterly remittances to the Internal Revenue Service on estimated taxes will increase their payment 15% to meet their current liabilities to the Treasury and to begin to catch up on their second quarter obligations that were created by the retroactive feature of the new law. The increase in personal taxes will by itself cause a notable decline in the rate of gain in retail sales.

Retail volume will be negatively affected by a decline in installment purchasing. Consumers will be less able to meet debt payments because of their larger tax payments and also because of shorter work weeks and less overtime in industries that have been producing steel and products made from steel including automobiles.

Industry from August onward will be working down those stocks that were built up as a hedge against a possible steel strike. By October it will be increasingly concerned about other inventories that will then be rising because sales fail to meet expectations.

The efforts of business to lower inventory-sales ratios will prevent production from rising during the last half of 1968. The industrial output index is setting a record in the second quarter that will not be equalled in the third and fourth periods.

Expenditures for new industrial plant and equipment, which have been in an unenthusiastically upward trend, will not be encouraged by the economy's setback in the second half. Manufacturers, who now have ample facilities to meet the demand for their products, will experience a large increase in idle capacity as production declines.

Residential construction has begun to feel the effects of record interest rates and quite tight mortgage money. Housing starts, the number of building permits issued for new dwellings, and applications for mortgage financing have turned downward. Financing obstacles have also slowed the pace of commercial construction including the erection of shopping centers, stores, and other structures which serve expanding residential communities.

Interest rates will decline within a few months. But easier mortgage money will not immediately cause a pickup in construction. Even those builders who quickly arrange for financing when mortgage money begins to ease will be unable to start construction until such preliminaries as the filing of plans and site work are completed. Some builders will wait to see if the interest rate trend becomes still more favorable and to appraise the effects of declining prosperity on housing markets. Such delays will be encouraged in northern areas of the country by the onset of winter.

Strong demand for personnel to fill summer jobs will give vigor to the favorable employment trend in its final months. But by September job seekers in industry will often find that the welcome mat has been withdrawn. Stores during the Christmas shopping season will be looking harder for customers than for sales help.

The large number of management-labor contracts that run for two and three years and provide for annual wage raises will cause costs to continue to increase. Business, which has managed to hold its prices quite successfully in previous post war recessions, will generally avoid price reductions in late 1968. Some prices will continue to rise. Steel producers will be likely to increase prices following their new agreement with labor. Many manufacturers who have to pay more for steel will believe that they have no choice but to try to pass along increased steel and other costs.

Business, caught between weakening demand and rising costs, will end up with narrower profit margins. Profits will drop below the level of the first quarter of 1968 and profit margins will be at eight year lows. Because of lower profits, the Treasury will collect less profit taxes in the new fiscal year than it would have had there been no tax rise and no recession.

For the first time in United States history, government has gone out of its way to legislate a recession.

FLORIDA'S NATIONAL FORUM

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. SIKES. Mr. Speaker, I am pleased to submit for publication in the CONGRESSIONAL RECORD a summary of the organization and purpose of the Florida National Forum. The forum is sponsoring a strong program for good citizenship and good government. The forum's statement of policy follows:

A Florida National Forum on the Federal Government is planned for the spring of 1969. This is a non-partisan program to be held in Orlando, Florida on six consecutive Wednesday evenings. The purposes of the Forum are: (1) a non-partisan review of national policy, its objectives and trends; (2) a review of federal, state, and local intergovernmental relationships; (3) a review of local implementation of federal laws affecting local problems.

This Forum has the coordinated and enthusiastic support of leading citizens and civic groups in Florida. The Policy Committee includes the following:

Hon. Spessard L. Holland, U.S. Senator.

Hon. George A. Smathers, U.S. Senator.

Hon. Bob Sikes, U.S. Representative.

Hon. Don Fuqua, U.S. Representative.

Hon. Edward J. Gurney, U.S. Representative.

Hon. A. S. Herlong, Jr., U.S. Representative.

Hon. James A. Haley, U.S. Representative.

Hon. William C. Cramer, U.S. Representative.

Hon. J. Herbert Burke, U.S. Representative.

Hon. Claude Pepper, U.S. Representative.

Hon. Dante B. Fascell, U.S. Representative.

Hon. Claude R. Kirk, Jr., Governor, State of Florida.

Hon. Tom Adams, Secretary of State, State of Florida.

Hon. Richard W. Ervin, Justice, Supreme Court, State of Florida.

Hon. William F. Murfin, Chairman, Republican State Executive Committee of Florida.

Hon. Pat Thomas, Chairman, Democratic State Executive Committee of Florida.

Mr. Louis Frey, Winter Park, Florida.

Mr. Robert Petree, Maitland, Florida.

The Steering Committee includes:

Hon. William C. Cramer, Republican National Committeeman.

Mrs. Paula Hawkins, Republican National Committeewoman.

Hon. William S. Turnbull, Democratic National Committeeman.

Mrs. Hazel Talley, Democratic National Committeewoman.

Dr. Paul Douglass, Director, Center for Practical Politics, Rollins College.

Hon. Jan Fortune, House of Representatives, State of Florida.

Hon. Elliott Roosevelt, Emeritus, Former Democratic National Committeeman.

Mrs. Helene Morris, Former Republican National Committeewoman.

Mrs. Annette Loeser, Former Democratic National Committeewoman.

The Education Committee includes:

Dr. Floyd Christian, Superintendent of Education, State of Florida.

Dr. Robert B. Mautz, Chancellor, Board of Regents, State of Florida.

Hon. Chester Ferguson, Chairman, Board of Regents.

Also, the Presidents of leading institutions of learning in Florida will be on this committee.

The Legislative Committee includes from the State of Florida:

Hon. Ralph E. Turlington, House of Representatives, Speaker of the House 1967–1968.

Hon. E. C. Rowell, House of Representatives, Former Speaker of the House 1965–1966.

Hon. William V. Chappell, Jr., House of Representatives, Former Speaker of the House 1961–1962.

Hon. Donald H. Reed, Jr., House of Representatives.

Hon. C. William Young, State Senate.

The Agenda represents the key to the unique and significant contribution to be made by the Forum towards good citizenship and a better understanding of the role of the Federal government in the lives of the United States citizen. The speakers will include members of the President's Cabinet plus the heads of the major agencies and departments. The following Agenda is currently planned for presentation:

Topic: National Finance and Inflation.

Topic: Defense and Space.

Topic: Courts and Crime.

Topic: Welfare Programs and Civil Rights.

Topic: Role of Communications in Government and Politics.

The main organizing and programming for this all-Florida effort is being performed by Jan Fortune, State Representative Florida, and Dr. Paul Douglass, Director, Center for Practical Politics, Rollins College, while Mrs. Dorothy Ellis is serving as Secretary for the effort. Any inquiries or proposals concerning the Forum may be directed to their attention.

BROTZMAN QUESTIONNAIRE RESULTS

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. BROTZMAN. Mr. Speaker, because of the importance of the many issues which are confronting the Nation and Congress, I recently sent a questionnaire to the residents of the Second Congressional District of Colorado asking their opinions on some of these matters. The returned questionnaires have been tabulated, and I am pleased to include them in the CONGRESSIONAL RECORD for the benefit of my colleagues.

This poll is important for two reasons. The results of such a sampling prove invaluable in my task of representing the people of the Second District in Washington. But also, Mr. Speaker, I would like to point out that Colorado voters have traditionally mirrored national trends.

Nearly 31,500 persons from a six-county area participated in the Second Congressional District opinion poll.

Most polls this year have been bringing in 10,000 to 15,000 responses. The fact that twice as many Second District residents took the trouble to register their opinions and mail the ballot cards speaks well of my constituents.

Mr. Speaker, most Second District residents—64.8 percent of them—approve of current attempts to negotiate a settlement to the Vietnam war. More than 85 percent believe that the administration has not tried hard enough to halt inflation. And 67 percent think more of the Nation's Federal, State, and local resources should be devoted to law enforcement.

One of the most surprising results of the eight questions which appeared on the ballot were obtained from the one which asked:

> Do you support the Administration's proposed income tax increase?

Despite the fact the question did not indicate that the increase would be accompanied by a mandatory Federal budget cut of $6 billion, 37.5 percent of the citizens indicated approval. This number is almost five times greater than in my 1967 poll.

It also appears, Mr. Speaker, as if support of the so-called revenue-sharing principle has increased. This year, 52 percent of the people responding to the poll said the Federal Government should return a fixed percentage of income tax revenues to schools and to local and

State governments for use as they see fit. In 1967, only 37.5 percent approved.

The results of the questionnaire follow:

RESULTS OF COLORADO SECOND CONGRESSIONAL DISTRICT OPINION POLL

Of the respondents, the majority—57.7 percent—were men, while 42.3 percent were women.

Response by age group—persons between the ages of 20 and 35, 36.9 percent; between 36 and 49, 37.4 percent; and 50 and over, 25.7 percent.

TABULATION BY QUESTION

[Results in percent]

1. Do you favor current Administration efforts to achieve a negotiated settlement in Viet Nam?

	Men	Women	Total
Yes	68.4	68.4	68.4
No	24.2	22.1	23.2
Undecided	5.2	7.8	6.5
No response	2.1	1.7	1.9

2. The National Advisory Commission on Civil Disorders recommends that the Federal government substantially increase expenditures for anti-poverty and other social programs. Do you approve?

	Men	Women	Total
Yes	25.0	28.4	26.7
No	66.1	62.2	64.1
Undecided	6.7	7.7	7.2
No response	2.3	1.7	2.0

3. Do you support the Administration's proposed tax increase?

	Men	Women	Total
Yes	42.0	33.2	37.5
No	52.0	56.4	54.1
Undecided	5.1	8.4	6.6
No response	2.3	2.0	2.1

4. Should Federal tax credits be granted to business and industry for training of "hard-core" unemployed who otherwise would not be considered for hiring?

	Men	Women	Total
Yes	61.4	61.2	61.3
No	29.4	27.1	28.2
Undecided	7.0	9.0	8.0
No response	2.2	2.7	2.5

5. Should the Federal government return a fixed percentage of income tax revenues to schools, local and state governments for use as they see fit?

	Men	Women	Total
Yes	50.4	53.6	52.0
No	36.4	32.0	34.2
Undecided	11.0	12.0	11.5
No response	2.4	2.4	2.4

6. Do you think the Administration should do more to combat inflation?

	Men	Women	Total
Yes	86.1	85.3	85.7
No	6.3	5.4	5.8
Undecided	5.2	7.1	6.2
No response	2.4	2.2	2.3

7. Should Communist China be admitted to the United Nations?

	Men	Women	Total
Yes	36.0	32.3	34.1
No	52.0	51.1	51.5
Undecided	10.0	15.6	12.8
No response	2.0	1.0	1.5

8. Do you think more of our Federal, state, and local resources should be channeled into law enforcement?

	Men	Women	Total
Yes	67.0	66.9	67.0
No	20.2	18.4	19.3
Undecided	9.2	11.1	10.3
No response	3.0	3.6	3.3

A REPORT OF CRIME IN THE 13TH CONGRESSIONAL DISTRICT

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. PODELL. Mr. Speaker, the growing incidence of crime is a matter of deepening concern to the people of America. I have been making a survey of criminal activity in my congressional district, the 13th District in the Borough of Brooklyn and want to call the attention of my colleagues to the facts disclosed. My report for the month of May shows:

1. A total of 1960 major crimes, in the seven categories used by the F.B.I. Crime Index, were reported in the 13th Congressional District, in the month of May, 1968, for a cumulative total of 9,063 such reported crimes for the first five months of 1968. Following is a monthly breakdown of these statistics:

January	1,775
February	1,630
March	1,797
April	1,901
May	1,960
Total	9,063

2. The Crime Index Trend for the month of May and for the first five months of 1968 shows.

	May 1968	1st 5 months, 1968
Crimes against the person:		
Murder and nonnegligent manslaughter	1	11
Forcible rape	5	16
Robbery	72	328
Assault	80	320
Total crimes against the person	158	675
Crimes against property:		
Burglary	617	3,284
Larceny $50 and over	669	2,787
Motor vehicle theft	516	2,317
Total crimes against property	1,802	8,388

3. The statistics clearly reflect that Mayor Lindsay's reluctant agreement to add 3,000 additional policemen, in the face of expert advice that a 5,000 police increase was urgent, is clearly too little and too late. With a 32.1 percent increase in major crimes in May 1968 as against May 1967, arrests increased only 16.9 percent. Clearly the arrest rate is falling behind the increased rate of crime. In fact, the inability of our undermanned police force to cope with the increased crime rate is underscored by the fact that there has been an actual decline in felony arrests of ½ percent between May, 1967 and May, 1968 and a total cumulative decline in arrests for felonies of 6.2 percent between the first five months of 1967 and the comparable period in 1968.

4. The cumulative statistics for the first five months in 1968 show that the people of the 13th Congressional District are exposed to 60 criminal incidents every 24 hours. During the month of April, the average daily number of crimes amounted to 63, or a rate of 5 major crimes every two hours.

5. It should be observed that the statistics do not disclose the full picture of criminal activity in the Congressional District. The statistics do not include crimes omitted from the F.B.I. Crime Index. Nor do they include crimes not reported even though included within the F.B.I. major crime categories.

6. The Police Precinct and Station House addresses in this District are: 60th Precinct, 2951 West 8th Street; 61st Precinct, 1423 Avenue U; 66th Precinct, 5822 16th Avenue; 67th Precinct, 35 Snyder Avenue; 70th Precinct, 154 Lawrence Street.

7. Attached are two charts: one showing criminal statistics for the 13th Congressional District during the month of May and the other the five month cumulative total:

MAY 1968 STATISTICS

Precinct	Murder, nonnegligent manslaughter	Forcible rape	Robbery	Assault	Burglary	Larceny, $50 and over	Motor vehicle thefts	Total
60		2	20	38	137	103	52	352
61		1	19	15	172	235	222	664
66	1		12	6	79	78	84	260
67			10	9	87	114	68	288
70		2	11	12	142	139	90	396
Total	1	5	72	80	617	669	516	1,9606

CUMULATIVE STATISTICS—JANUARY TO MAY 1968

Precinct	Murder, nonnegligent manslaughter	Forcible rape	Robbery	Assault	Burglary	Larceny, $50 and over	Motor vehicle thefts	Total
60	5	8	92	151	609	389	232	1,486
61	2	2	73	63	886	999	928	1,953
66	2	2	45	28	453	347	483	1,260
67		1	60	36	529	439	292	1,357
70	2	3	58	42	807	613	482	2,007
Total	11	16	328	320	3,284	2,787	2,317	9,063

GOD IS DISAPPOINTED

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. WOLFF. Mr. Speaker, a recent guest editorial in the Locust Valley Leader, an important weekly newspaper in my congressional district, spoke eloquently on the need for racial harmony in this country.

I commend this editorial, written by Samuel Connor, to my colleagues' attention as a well-written, significant plea for young people to throw over the prejudice of their parents and make this country a better place for all Americans.

Under leave to extend my remarks I wish to include that editorial in the RECORD at this point:

GOD IS DISAPPOINTED

(By Samuel Conner)

I was asked to give my opinion and viewpoints on how we can create racial harmony in Locust Valley High School.

You can't have Black Power without White Power!

You can't have White Power without Black Power!

Both sides must compromise. No one likes to be called 'boy' or stared at. Prejudice is a very brutal, cruel and hurting word. I just hope that I can live to see the day when my kids don't have to go through what I'm going through; when Prejudice will be a thing of the past.

God didn't build this world just for us to tear it down. I know God is disappointed!

You know, up till now, I was puzzled. I look around and see boys and girls in school walking and talking with the Negro boys and girls. And I was really hurt to notice that when I'm out of school on weekends, walking down the road, I see people whom I consider to be my friends, riding in the car with their parents. They just sit there. My guess is that the child is afraid to wave because his parents say: "I better not catch you associating with any colored person." Maybe the reason why the parents dislike Negroes is that, when they were young, the only Negroes they ever saw were servants on an estate or in a mansion. They probably figured Negroes were made to work for the white man.

To give my example, I tell you God is disappointed!

But listen, kids, it's not our fault: it's our parents. Do you want your kids growing up in a troubled world? That's the trouble with people; they figure, well, what the heck; the next generation will take care of it. But it's not going to happen that way. I say, we should stick together and all do our part in trying to find a remedy for this problem that is spreading like the plague. If we turn our backs on it and say, well, it's not going to happen around here, we're no better than our parents. I'm not saying that we should *not* honor our mother and father as it says in the Bible. But you know, God knows. And really deep down inside, your parents know that it's not right to treat anyone—black, white, red, yellow—like a dirty dog.

Listen!

If I were in some of the parents' places, I would be too ashamed and too afraid to die. Whenever something goes wrong, they turn and say: "Oh, God help me! "God put you on this earth for a purpose. He didn't just say: "Well, it's nothing else to do, I'll create life." God is watching us; you can believe that. God isn't going to help you if you don't do as he wishes you to. All he asks is to treat everyone as you would like to be treated and obey his laws, or as the Bible phrases it, the Commandments. When you die, God is the judge, the jury and the executioner. He decides what will happen to you.

God is disappointed.

Did Jesus and Martin Luther King Jr. die for nothing? Let's show God they didn't, so we'll be able to say God is proud of us.

It seems to me racial harmony means Brotherhood. And Brotherhood in turn means Peace. I beg you, please don't condemn all Negroes by the way one acts. I wouldn't say the white race is bad, just because I dislike a few white people. Remember, we all tend to forget at times that there are good and bad on both sides of the line.

I want to leave you with two thoughts in mind—the only way anyone can come close to thinking they're better than anyone else is if they're financially well off, or if they are extremely spiritually minded.

THE VULNERABLE RUSSIANS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. DERWINSKI. Mr. Speaker, though is it not generally recognized, the course of our foreign policy toward the Soviet Union today is substantially no different from that of the 1930's. Despite the presence of nuclear weapons, it is an outmoded policy of appeasement, double-standard morality, and obscurantism. The attempt to achieve some working partnership with Moscow on the basis of an obscurantist attitude toward its vast imperial system within the Soviet Union and in crass disregard of the captivity of over 14 compact nations in this imperial state can lead to nothing but inevitable disaster for us and the free world. Treaties are one thing which can be broken at a moment's notice; realities are another which must be faced up to sooner or later.

Many of these realities in the U.S.S.R. are well described in the current book, "The Vulnerable Russians." Authored by Dr. Lev E. Dobriansky, of Georgetown University, the work shows with vivid effect the shortcomings and failures of this antiquated foreign policy. One need only scan the empirical evidence of the past 35 years for substantiation of this position.

The book is now available at the Georgetown University Bookstore, White Gravenor, Georgetown University, Washington, D.C. Numerous reviews of the work show an unusual interest in the thesis for a revaluation of our policy toward the U.S.S.R. The following review over California's KACE should be of interest to prospective readers of "The Vulnerable Russians":

KACE EDITORIAL, FEBRUARY 6, 1968

"The Vulnerable Russians," a new book written by Professor Lev. E. Dobriansky of Georgetown University, is described as "the first book to expose the 'weakspots' of Colonialist Russia and how these areas can be utilized to defeat them for peace, with freedom and justice."

It is truly that. Too long have our government leaders bowed to what they thought was inevitable fate—that the Russians were meant to dominate East Europe, that the Soviet Union is invincible, and that our only method of stopping the march of Russian aggression is by the pitifully inept policy of containment backed by nuclear deterrent.

That we have failed is obvious to anyone who took a sweeping objective look at the world. In 50 years since the Russian Revolution Communism has advanced to domination of two thirds of the world. Countries on four continents, including the North American, have fallen to Communism. We fight a stalemated war against it in Vietnam, using our own troops and wealth while the rulers of the Kremlin, and Peking for that matter, stand back and laugh.

What better policy is there to defeat these Vulnerable Russians without a world-wide conflict?

Professor Dobriansky, a lifelong student of the Russians, president of the Ukrainian Congress Committee of America, and author of the noted Captive Nations Week Resolution, provides an answer. It has two merits: It has never been tried and therefore it has a good chance of working; secondly, it provides a peaceful solution to the Russian Communist problem.

Just what is it?

1. Start reading and thinking. Learn that the Soviet Union is not a nation, but a colonial empire of non-Russian peoples dominated by Russians whom they outnumber.

2. Dedication to the principle expressed in the Captive Nations Resolution passed by the U.S. Congress in 1959 that America favors the liberation of all conquered nations within the Soviet Union.

3. A Great Debate within Congress on our policy toward the USSR which would go far toward eliminating "our strange official mentality that with double-standard unabashedness upholds independence for African states bearing a nation-less character but skirts the independence of the non-Russian nations in the Soviet Union."

4. Adoption of operational devices to implement this program of supporting the liberation of the captive nations: These are the use of the Kersten freedom corps idea, the support of a Freedom Commission and Academy, creation of a Special Congressional Committee on the Captive Nations, a revitalized Voice of America and a Radio Liberation as propaganda.

These operational devices would further include aid to underground resistance groups, a communications network ranging from secret printing to space satellites, economic warfare, diplomatic action such as insisting that Russia permit the U.S. to send ambassadors to the so-called Ukrainian and White Russian Soviet states, the U.N. forum, facilities of friendly and likeminded countries, subversion of Red control centers, utilization of labor unions, churches, veterans groups and other private channels, even money counterfeiting and bribery programs.

As Professor Dobriansky puts it: "The devices are endless, and the enormous difference between our use of them and the enemy's use of some of them is that we could enlist vastly more among the captives to participate than he can among free men."

All right, Washington, how about it?

DEBATES CANNOT CHANGE INEQUITIES OF FARM BILL

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. MADDEN. Mr. Speaker, each time I have an opportunity to study part 2 of the Senate hearings on the appropriations bill for the Department of Agriculture I am more intrigued with what I find.

It seems that the North Dakota congressional delegation is pushing real hard for the continuation of the "boondoggle" contained in the act of 1965. In looking in the big green book I find that it takes 56 pages to list the 3,976 payments to farmers in that State of over $5,000. The State of North Dakota, according to the latest census, has 48,800 so-called commercial farms. This means that roughly 8 percent of North Dakota farms got payments over $5,000—a total of $29,659,000. This represents 0.3 percent of the $1.1 billion which went out in the form of checks in excess of $5,000.

Texas presents a very interesting picture also. I have noted that the chairman of the House Agriculture Committee is an outstanding Texan, and that the State of Texas has four members on the House Agriculture Committee—POAGE, chairman, PURCELL, DE LA GARZA, and PRICE. It takes 329 pages in the big green book to list the 23,505 payments over $5,000. Texas, incidentally, has, according to the latest census, about 205,000 farms. This means 11 percent of Texas farms got payments over $5,000—a total of $292,834,000. This represents 28 percent of the $1.1 billion which went out in the form of checks in excess of $5,000. Keep in mind, if you will, that a great portion of this money is distributed in checks of less than $5,000.

The State of Indiana, which I am proud to represent, takes up only 16 pages of the big green book. It has 829 payments over $5,000 and has, according to the census, 108,000 farms. This means that only 0.7 percent of Indiana farms got payments over $5,000—or a total of $6,697,000. This represents less than one-tenth of 1 percent of the $1.1 billion which went out in the form of checks in excess of $5,000.

So I can understand why the Members of the House and Senate from North Dakota and Texas are pushing so hard for the passage of the "fat cat" bill.

HANDICAPPED CHILDREN'S EARLY EDUCATION ACT

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. ERLENBORN. Mr. Speaker, as a cosponsor of this legislation, I would like to take this opportunity to add my support to that of my colleagues for H.R. 18763, and at the same time commend Messrs. QUIE, CAREY, and DANIELS for bringing this far-reaching and very meaningful legislation to us. The great need for education of handicapped children at the preschool level was documented by the many witnesses who testified in favor of this bill. It is necessary that children at a very early age be able to benefit from the educational resources offered to youngsters of school age. Both the children themselves and the Nation will benefit if attention is given to the educational needs of this age group before the problems become too damaging. In my own State of Illinois, more specifically in the towns of Joliet, Bartonville, and Pekin, there are public day classes offering services to deaf children. The programs in these schools are good for the children enrolled in them. However, this does not take care of the needs of children in the preschool age group. As research has pointed out, it is necessary that a deaf child start receiving an education immediately after his hearing loss has been diagnosed. H.R. 18763 provides for the development and carrying out of experimental preschool and early education programs for handicapped children so they would not have to wait until they can be admitted to a school or class to start receiving the necessary preschool education which is so vital to their development.

In 1966 the Illinois Legislature revised in a major way our school laws affecting handicapped children and produced in the process what is widely recognized as an exemplary law. It is to be implemented fully in the 1969–70 school year at which time the local boards of education will be under a mandate to provide for mentally handicapped children between the ages of 5 and 21 and for physically and multiple-handicapped from 3 up.

Just last week—July 24—the Illinois Legislature completed unanimous action on an addition to this basic act requiring local boards and the State department of public instruction jointly to pay tuition and transportation up to $2,000 to private schools for any seriously handicapped children whom it is not practical to accommodate in the local public schools.

The developments are very heartening but, as will be clear, they still do not cover any handicapped children under 3 nor any retarded or seriously handicapped under 5. Yet the evidence presented to the Committee on Education and Labor indicates convincingly that services to these groups should be initiated. We in Illinois would welcome the opportunities offered under the Handicapped Children's Early Education Act to assist any competent agency to take initiative in this area.

POPULATION CONTROL AND FAMILY PLANNING

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. BUSH. Mr. Speaker, even before I took office in January of 1967 I heard people say that it was all a Congressman could do to keep up with his mail and his committee work, much less try to think of solutions to the major ills of the world. With the help of hard-working and dedicated staff I have been able to answer all the letters which flow daily into my office and to keep abreast of action pending before the Ways and Means Committee on which I serve. But while I not claim to have discovered a panacea for the earth's problems, I have become increasingly aware of a very sensible approach toward meeting quite a few of our most troublesome concerns.

That approach is family planning and population control.

For years we have heard cries of alarm about the population explosion which nations such as India and China are experiencing. It is a very real crisis, prompting President Johnson to say that:

> Next to the pursuit of peace, the really great challenge to the human family is the race between food supply and population increase. That race is (today) being lost.

And former President Dwight D. Eisenhower has said:

> I have come to believe that the population explosion is the world's most critical problem.

The problem of population growth is skyrocketing, and in this report I intend to address myself to some of its aspects.

The United States is itself not free of the threat of overpopulation. Today we have something like 200 million citizens, but within 32 years—by the year 2000—we shall have 300 million Americans, a 50-percent increase. As the distinguished former Chairman of the Tennessee Valley Authority and the Atomic Energy Commission, David E. Lilienthal, has written:

> An additional 100 million people will undermine our most cherished traditions, erode our public services and impose a rate of taxation that will make current taxes seem tame. . . . (Eventually) there comes a point at which a change in quantity becomes a change in quality—when we can no longer speak of "more of the same." And another 100 million people will, I fear, make just that change in the joy of life in America.

Sitting as I have on the tax-writing Ways and Means Committee, which has responsibility for social security legislation, I have heard almost endless testimony to the effect that our national welfare costs are rising phenomenally, prompting me to wonder how we can take basic steps to arrest it. But the problem is by no means wholly financial; it is emphatically human, a tragedy on unwanted children and of parents whose productivity is impaired by children they never desired. In the words of the late Dr. Martin Luther King, Jr.:

> There is scarcely anything more tragic in human life than a child who is not wanted.

Adding all this to the problems of poverty in cities and rural areas and to the increase in crime which many sociologists see related to overcrowding, I have decided to give my vigorous support to measures for population control in both the United States and the world. Certainly responsible religions have the right to determine their doctrines, but for those of us who feel so strongly on this issue, the recent encyclical was most discouraging.

ABROAD: THE POPULATION TIME BOMB

Every day the world gains 180,000 people; that is, 180,000 more people will be born today than will die. In a year's time the total is a staggering 70 million, equal to the population of France, Belgium, and Holland combined. At the present rate, the population of the world is expected to double within 35 years to a total of 7 billion people.

These figures do not tell the horrifying tale that overpopulation spins: of increasing poverty, of disease, of human misery, and, worse, of starvation. Famine already stalks India and China with their mammoth populations. Before you go to bed tonight, 10,000 people around the world—most of them children—will have died of starvation and malnutrition. Some say that U.S. foreign aid can easily wipe out this tragedy if only it is applied in large enough quantities. But the respected former President of the World Bank, Eugene R. Black, offers a chilling contradiction:

> I must be blunt. Population growth threatens to nullify all our efforts to raise living standards in many of the poorer countries.

Birth control must come swiftly to stave off the number of future mouths which will feed on an ever-decreasing proportion of food. But it is by no means the only answer. The immediate response to the problem of overpopulation is more food. The years 1980–85 are the critical time. If we cannot approach feeding the world's people by then, no program of improved agricultural production or population control will prevent the widescale starvation which will then follow.

At the same time we are rushing to increase the world's food supply, we must also seek to promote information about family planning and to provide those nations which request them with birth control devices. Such methods as the interuterine device—IUD—and the contraceptive pill, as well as other more traditional practices, have met with a less than totally successful response in the past few years. But until medical research provides better means for stemming overpopulation, we must make sure that these are available on a massive scale to the people who need them and want them. The United States and a few Western European nations have the technological ability for mass production of this equipment as well as the capability for birth control research. If we cannot provide the underdeveloped world with such aid, no one will.

But let me impress upon you that the answer is neither birth control alone nor increased food production alone; it is both. To quote the able former director of the Food and Agricultural Organization, Mr. Binay Sen:

> Population stabilization and accelerating the rate of increase of food production in the developing countries are like the blades of a pair of scissors. Neither can be effective without the other.

AT HOME: THE HUMAN TRAGEDY

Over a year ago, the New York Times noted:

> In the period of greatest affluence the world's richest city (New York) has ever known, the welfare rolls keep growing at a faster rate each year. . . . The most disheartening point of these statistics is that nearly two-thirds are children under 18, growing up in an atmosphere of despondency and defeat.

What that newspaper had to say about New York City applies to the entire nation. The fastest-growing part of the relief rolls everywhere is aid for dependent children—AFDC: At the end of the 1968 fiscal year, a little over $2 billion will be spent for AFDC, but by fiscal 1972 this will increase by over 75 percent to almost $3.7 billion. But these figures do not tell the intensely human side: that the affected children are often unwanted, that two-thirds of them come from families where the father is absent, and that, if past trends continue, they will pass on the curse of poverty to their children. It has been shown that of all the families living in poverty, 33 percent have five children and 43 percent have six children. Seventy-one percent of the nonwhite poor families have five or more children. Poverty is a vicious trap into which innocent youngsters should not be placed.

We speak of these children as "unwanted"; are they really so? Evidence from various studies indicates that this is indeed the case. One study—reported in "Family Planning, Sterility, and Population Growth," by Freedman, Whelpton, and Campbell, 1959—revealed that while only 6 percent of first pregnancies are unwanted, the figure rises to 62 percent by the ninth pregnancy. A Florida survey reported that 70 percent of the women going to public health maternity clinics did not want additional children. This desire for smaller families is outweighed, however, by the appalling lack of information many women have about family planning; frequently, mothers who finally learn of birth control clinics and aids tell physicians that they were previously unaware of such facilities and would have used them if they had known. The Denver Planned Parenthood Clinic reported that of the women accepting contraceptive help, fully 89 percent had never before used its services. Indeed, it is now estimated that about 5 million women want family planning help—but that only 700,000 actually receive such assistance through public and private sources.

Some statistics from closer to home especially dramatize the need for these services. Mr. Norman Fleishman, executive director of Planned Parenthood of Houston, reports that there are approximately 377,000 women in Texas—54,000 of them in Harris County alone—who are in their reproductive years and are in need of family planning help. But less than 41,000 are presently receiving aid from the 15 Planned Parenthood centers in the State, or only a miserable 10.8 percent of the total need. The big stumbling block are local health departments and public hospitals, which give every kind of postnatal care but do not supply women with birth control information and devices. Only 25 health departments—out of 65 in the State—give family planning information, and only 15 give birth control care. The regional Planned Parenthood office estimates that no more than 15 percent of the poor and near-poor families in Texas have access to effective, medically supervised care that will give protection against unwanted pregnancies in Harris County. In short, the willingness for birth control information exists; it is just the facilities which are lagging.

There are two persistent myths which prevail with regard to family planning in the United States. One holds that the poor want children because it means additional welfare funds for them. This is patently untrue, for studies have shown the poor to be aware of the fact that the increased cost of having another mouth to feed and another body to clothe and shelter far exceeds the pittance they receive from public assistance. Rather, as was mentioned above, the poor have more children than they can afford because they do not have access to proper birth control information and devices.

The second myth is that Negroes do not want birth control, believing it to be a form of "genocide." On the contrary, family planning has been growing in popularity among Negroes wherever it is available because our black citizens recognize that they cannot hope to acquire a larger share of American prosperity without cutting down on births, just as the rest of the Nation must do. But they have met with discrimination in these services as in other health services because they are dependent on public facilities—and those facilities have simply not been active in the area of birth control. To provide medically sound and sympathetic birth control services would end this unwarranted discrimination gap. And as to the issue of whether or not black Americans favor planning their families, we need only repeat the word of the late Dr. King:

> The Negro constitutes half the poor of the nation. Like all poor, Negro and white, they have many unwanted children. This is a cruel evil they urgently need to control. . . . For the Negro, therefore, intelligent guides of family planning are a profoundly important ingredient in his quest for security and a decent life. . . . They do not welcome any solution which involves population breeding as a weapon. They have instinctive sympathy to all who offer them fair opportunity to develop and advance as all other people in our society.

The Federal Government, along with many State governments, has taken steps to accelerate family planning activities in the United States, but we need to do more. We have a clear precedent: when the Salk vaccine was discovered, large-scale programs were undertaken to distribute it. I see no reason why similar programs of education and family planning assistance—all on a voluntary basis—should not be instituted in the United States on a massive scope. It is imperative that we do so: not only to fight poverty at its roots, not only to cut down on our welfare costs, but also to eliminate the needless suffering of unwanted children and overburdened parents.

SOME PROPOSALS ABROAD

I propose that we totally revamp our foreign aid program to give primary emphasis to population control and agricultural improvement. In my opinion we have made a mistake in our foreign aid to date by concentrating on building huge steel mills and concrete plants in underdeveloped nations while the real effort should have been toward helping to bring those countries up to a level where they can feed their own population.

For indeed, what do we want out of our foreign aid? It is to help people, we can do it much better by increasing agricultural production and promoting population control than by constructing sports stadiums and highrise housing projects. Nothing could be more humanitarian than to dent the grim list of those 10,000 persons who die each day of malnutrition or starvation. All this we must do now, knowing that if we fail, no amount of aid of any sort will ever be able to touch the problems of a world grown too populous for its own good.

By no means should we try to do this alone. We should attempt to shape other nations' foreign aid programs to emphasize the same two items. The United Nations would do well to concentrate on the problem of overpopulation in its own aid efforts. The proclamation of an "International Population Year" by the U.N. will do much to focus world attention and hopefully action on this most vital problem.

We must encourage foreign nations to increase their poulation control activities, and especially to provide birth control services to rural areas instead of just the cities. After these first necessary steps have been taken, these countries could turn to more sophisticated approaches, such as providing incentives for their people to limit the size of their families voluntarily. At the same time we should continue research into better means of birth control—such as injections and male contraceptives—which can spur future, more effective population control drives and eventually turn up wholly new methods for combating the problem.

I prefer to see private capital do this research at its own expense, releasing Federal funds now spent for this purpose to pay for the manufacture and distribution of those devices already developed. It is a little-known fact that the State which is presently conducting more research into birth control is Texas. Valiant experimentation and discovery is being done at this very minute in the Southwest Research Institute, at the University of Texas at Austin, and at Baylor Medical School in Houston.

Private foundations are also striving admirably to deal with the population explosion. The key to the food crisis may well have already been found by the Ford and Rockefeller Foundations. The Rockefeller Foundation, working in Mexico, has developed something known as miracle wheat, which might be able to take up where the fastly diminishing supply of American grain runs out. And both Rockefeller and Ford, operating through the International Rice Institute in the Philippines, have developed a miracle rice—IR-8—which if produced on a huge scale will do much to save millions of Asians from starvation. Both of these discoveries—pioneered totally by nongovernmental organizations—will buy time for the world while population control efforts are instituted.

AT HOME

I propose that we increase and earmark appropriations for our already existing family-planning services in all areas: the dispensing of birth control information, the training of family planning caseworkers, and the distribution of birth control devices if the patient requests them. Money spent toward family planning is a good investment, since in the long run it will save on such costs as aid for dependent children. But again let me emphasize that this is a preponderantly human problem, and compassion more than fiscal conservatism demands such action.

Our States and cities should be encouraged to pass legislation increasing the scope of their own efforts in family planning. A sort of central bank of information in this area, offering the latest news of advances in research and in private and governmental services, should be set up and used by these sub-Federal governments. One of the greatest blocks to more vigorous family planning in the United States today is the timidity which local agencies such as hospitals and welfare departments have in dealing with this subject. We must somehow find ways of convincing these officials that the public supports family planning and desperately needs these agencies' aid in this important area.

Along the same lines, our public hospitals and medical centers should all have some place where interested women can obtain information on birth control. An excellent time to give such information would be at the time of postpartem care of the mother. Our medical schools and nurses schools should vastly increase their courses in the field of family planning so that every person connected with medicine will be aware of the means of forestalling future unwanted pregnancies. It is my hope that Texas, already a leader in birth control research, will again take the lead and expand its current curriculums to include more of this sort of training.

And I propose the establishment of a Joint Congressional Committee on Family Planning in America, in the style of Senator GRUENING, of Alaska's Subcommittee on Foreign Aid Expenditures, which has done so much to increase public awareness of the population explosion abroad. Thanks to Senator GRUENING's courtesy I have participated in his hearings. This new joint committee, comprised of members from both the House and the Senate, will seek to focus national attention on the domestic need for family planning through hearings and proposals for ways to increase our present efforts in this field. Hopefully, the expanded public awareness of the need for birth control at home will serve to end the municipal and county "timidity" about birth control mentioned earlier.

WHAT CAN WE DO?

For information about what you can do in your own city to advance the cause of family planning, call your local Planned Parenthood center. In Houston they are located at 3512 Travis, telephone No.: JA3-7419. The Houston center is the fastest-growing one in the country, now ranking just behind New York and Chicago in the number of patients served—15,000. It needs your help and your support. For further information about the population explosion abroad, write either the Planned Parenthood Federation of America, 515 Madison Avenue, New York, N.Y. 10022, or the Population Crisis Committee, 1730 K Street NW., Washington, D.C. 20006.

I do not claim that these proposals will be the absolute answer to the problems of increased population, either in the United States or anwyhere else. But I earnestly hope that they will receive the attention of a nation which is concerned as I am about the spread of poverty, hunger, disease, and human conflict.

For years any public discussion of family planning was most controversial. Things are gradually changing, but they must change faster. In the past there has been some religious opposition to family planning. I still feel, in spite of the recent encyclical, that there will be a liberalization in this opposition.

It is so frustrating to have within our group a real answer to this pressing problem, and yet feel no sense of urgency in our Nation. All of this can change. It must change. It must change soon.

A TRIUMPH OF RESENTMENT

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. O'NEILL of Massachusetts. Mr. Speaker, on Thursday last, July 25, the House passed the Higher Education Amendments of 1968.

This legislation was not perfect; many of us wished for more Federal aid to education. However, one amendment to this legislation is perhaps more than any other, both noxious and inane.

This amendment makes it mandatory to deny Federal grants to students involved in "serious" campus disturbances. This amendment is senseless, for school administrations even now have the power to refuse grants to students, and noxious for it forces Government regulation on a student-school relationship.

It is inept because, under this legislation, many administrations will refuse to consider conduct as "serious" for fear that they will then deprive deserving students of an education. It is offensive because in effect only the poor students will be harmed.

This morning's Boston Globe had a cogent and forceful editorial on this subject. I would like to submit it for the attention of my colleagues:

A Triumph of Resentment

One of the foundation stones of the conservative political philosophy is that the Federal Government ought not to meddle in the affairs of the people within the several states. Yet conservatives who happen to be elected to Congress often seem to be in the forefront of such meddling.

Take the case of Rep. William J. Scherle (R-Iowa) who led the successful fight in the House last week for a bill automatically cutting off Federal grants to students who take part in "serious" campus disturbances.

One need not approve of campus disturbances, serious or otherwise, to perceive that this constitutes a gratuitous interference with the right of university officials to discipline students as they see fit.

It is also a form of double punishment, inasmuch as student troublemakers are already subject to local laws against trespassing, the destruction of property, and the like.

U.S. Education Comr. Harold Howe, commenting last May on an earlier version of the measure, proposed by Rep. Lewis C. Wyman (R-N.H.), made the additional point that cutting off funds discriminates against the poor, who are the students requiring the Federal aid.

Comr. Howe aptly described the Wyman cut-off proposal as "a triumph of resentment over wisdom."

The Scherle measure, attached to an omnibus higher education bill, now goes to a House-Senate Conference committee where, it is hoped, it will be excised from the omnibus bill. Laws passed out of resentment are worse than no laws at all.

INTERN POSITION PAPERS

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. GUDE. Mr. Speaker, for a 3-week period starting June 24, I sponsored an intern program for outstanding high school seniors in the Eighth District of Maryland. During this time, the 40 students came to the Hill every day for an intensive orientation on the manner in which their Government functions. The interns attended seminars with notable figures in Government to obtain first-hand information. Their main project was to carefully investigate issues pending before Congress. This research was documented in position papers presented to me. I am submitting the most outstanding ones as a valuable contribution to the second session of the 90th Congress, as follows:

Gun Control Legislation: Do We Need It?

(By Joanne Mayol, Mary V. McKay, Mark Melnicove, Ruth Randall, Alma Shanley)

INTRODUCTION

"Crimes committed with firearms are serious. They are a threat to society. No reasonable person can rightly disagree with the objective that firearms—or any other potential tool of the criminal—be kept away from criminal hands, insofar as is practicable and workable to do so."

"But the basic question still remains as to how such objectives can be reached or even approached without inflicting undue and harmful limitations on those who have rights and necessities to purchase, possess, and use firearms legally, legitimately, and beneficially."—Senator Roman L. Hruska, August 16, 1966.

"I call upon the Congress, in the name of sanity, in the name of safety—and in the name of an aroused nation—to give America the gun control law it needs. What in the name of conscience will it take to pass a truly effective gun law?"—President Lyndon B. Johnson, June 1968.

"I feel that to require registration and licensing would put a burden on the law-abiding citizen and would have no way of reaching the criminal who intends to use his gun for illegal purposes."—Carl Albert, House Majority Leader, July 2, 1968.

The country is presently confronted with a dilemma and a solution must be found. Should the Federal Government pass more stringent gun control laws?

HISTORY OF GUN LEGISLATION

Prior to the recent passage of the Omnibus Crime Control and Safe Streets Act of 1968, only two gun laws had been in effect. These are the National Firearms Act of 1934 and the Federal Firearms Act of 1938. The National Firearms Act of 1934 was directed at the gangsters of the thirties era. It covered weapons they frequently used: machine guns, sawed-off rifles, and gadget guns. Its major provision required that a tax be paid on these weapons.

The Federal Firearms Act of 1338 prohibited dealers from "knowingly" doing business with criminals, required the licensing of firearms dealers and prohibited the transporting of stolen firearms. However, like the 1934 Act, this law suffered from vagueness of wording, and in thirty years the government has not been able to obtain a single conviction of a dealer "knowingly" doing business with criminals.

No public outcry for more gun controls developed in the next twenty-five years, but after the 1963 assassination of President John F. Kennedy, mail pleading for gun control laws lent impetus to the campaign, and within three weeks seventeen measures were introduced in Congress. All of these bills were prevented from reaching debate on the floor of Congress for five years due to an intensive campaign waged by gun enthusiasts led by the National Rifle Association. In April of 1968, however, Dr. Martin Luther King's assassination again focused public attention on gun control measures. Within a few hours after Robert F. Kennedy's assassination on June 6, 1968, Congress passed the Omnibus Crime Control and Safe Streets Act of 1968, a law which also included a provision outlawing the mail-order sale of pistols and revolvers. After Robert Kennedy's death, many gun control measures were introduced in Congress. These bills have not yet been acted upon on the House or Senate floor.

ARGUMENTS FOR GUN CONTROL

The present outcry for stronger gun control measures to be passed by Congress has been influenced not only by the recent assassinations of Dr. Martin Luther King and Senator Robert F. Kennedy, but by the American people's realization that over 6500 murders involving guns take place each year. Since 1900, nearly 800,000 persons have been killed by privately owned guns. Two million guns were sold in the United States last year—this would be equivalent to one gun for every man, woman, and child in the United States—and in the latest polls, 54% of the American homes have guns. The use of firearms of all types is on the increase, and a way must be found to supervise their unrestricted sale so as to decrease the number of deaths resulting from guns. In 1967, there were 120,000 incidents which involved guns, and among these were 7,000 murders and homicides, 3,000 accidental deaths, 10,000 suicides, and 100,000 wounded by gunfire. These shocking statistics prove the need for stricter gun controls than those which we have now.

Allegations have been made that, in the light of the flood of letters which the firearms supporters have been urged to write to their congressmen and senators, most of the American people do not want stricter gun controls. A truer measure of the feeling of the American people can be calculated from the avalanche of congressional mail following the King and Kennedy assassinations which expressed the thoughts of the heretofore silent majority of Americans. Offices have reported that their mail is heavily weighted in favor of more stringent controls. Since the first Gallup Poll on the subject of firearms controls in 1934, more than half of those polled desired more controls, and the figure has remained in the 70% range in the next three decades. In 1967, another Gallup Poll was taken, and it was found that:

(a) 70% felt that "laws concerning handguns should be more strict."

(b) 61% felt that "laws concerning rifles and shotguns should be more strict."

(c) 75% felt that "a person should not be able to send away for a gun through the mail."

(d) 73% desired "a law which would require registration of a rifle or shotgun."

(e) 85% desired "a law which would require registration of a handgun."

If the United States does pass a more stringent gun control law, there would be proportionately fewer gun deaths and accidents. This has been proven in many foreign countries and in some states of this country. Great Britain, whose weapons laws date from 1328, and gun licensing since the Gun License Act of 1879, has one eighth the homicide rate per 100,000 persons as that of the United States, and its rate for aggravated assault is one-seventeenth that of the U.S. In Japan, only police officers are allowed to carry pistols, but there are some exceptions, such as international shooting competitors and those who can pass a written examination before getting a hunting license for rifles or shotguns. Firearms were present in only 99 crimes of all types in Japan in 1966. Some claim that the situation in these countries is different than the situation in the United States, but a look should be taken at the laws of two states, Hawaii and New York. In 1966, Hawaii's rate for murder and non-negligent manslaughter by every kind of weapon was 2.9 per 100,000 persons. Another state, Alaska, without the stringent laws concerning guns which Hawaii has, had a rate of 12.9. New York has the very strict Sullivan law, which requires licenses for all guns, including privately owned ones. Its homicide rate, 4.8 per 100,000, is among the lowest in the nation, despite its dense population.

These foreign countries do have lower crime with guns rates, but they do not have their right to bear arms guaranteed as we do in the Second Amendment to the Constitution. However, "A well-regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms shall not be infringed," has consistently been interpreted by Federal courts as a collective and not an individual privilege.

These other countries and states which have stricter gun controls also place a minor inconvenience on sportsmen. Yet many people are willing to be inconvenienced slightly in securing a driver's license, motorcycle registration, and dog and bicycle licenses. Since a car is as great a potential killer of human life as a gun, why does a car have to be registered and license necessary to operate one if a gun does not have any of these requirements?

We should not allow the hysteria that followed the assassinations of Dr. King and

Senator Kennedy to lead us to hasty decisions and measures. However, considering the opinions of the majority of Americans and such shocking statistics, stricter gun control laws are what this country wants and what this country needs to attain a saner balance of mind.

ARGUMENTS AGAINST GUN CONTROL

The arguments against gun control are many and varied. They range from predictions, based on sound thinking, to involved money matters.

The major point made is that anti-gun laws would not prevent weapons from being used by criminals. Stolen guns would constitute a problem for law enforcement. Once easy access to guns is cut off, an underground traffic in arms would develop. If guns are still not available, criminals would resort to other weapons, such as knives or clubs, both of which are just as deadly.

A fear expressed by many people is that legitimate sportsmen and collectors would find it harder to acquire and possess guns. They would be the only people inconvenienced by gun control laws as criminals, drug addicts or alcoholics wouldn't go through legal means to obtain firearms.

In many western states where hunting is popular, retail stores are often far away, and if they are close enough to sporting residents they usually don't carry specialized hunting guns. A ban on mail order sales would be a burden to these people. Also, a ban on across-the-counter sales for non-residents of a state would be discriminatory to those who live near state lines and regularly shop in another state.

Though Federal Courts have considered the Second Amendment to mean a collective right, it can be interpreted as meaning an individual right. In this sense, any gun control law would be an infringement on the right to keep and bear arms.

Gun control should be a state responsibility. The factors which affect crime rate (according to *Uniform Crime Reports for the United States* published by the FBI and reprinted by the National Rifle Association) include:

(a) Density and size of the population;

(b) Composition of the population according to age, sex, and race;

(c) Economic status of the population;

(d) Relative stability of the population;

(e) Educational, recreational and religious characteristics;

(f) Climate;

(g) Effective strength of the police force;

(h) Standards governing appointments to the police force;

(i) Policies of the prosecuting officers and the court;

(j) Attitude of the public toward law enforcement; and

(k) Administrative and investigative efficiency of local law enforcement.

All these categories deal with local or state concerns. Crime is a local problem, therefore the state or communities should have the right to regulate firearms, according to their needs.

If federal registration or any system like this comes about, it could lead to the confiscation of all guns; especially when the nation is troubled by racial and student unrest, it is conceivable that such a thing could happen.

Another argument against federal control of firearms is the amount of money needed to carry out such a project. If the other points in this section prove true, it would be wasted money.

Instead of creating new laws, the ones already in existence should be fully enforced. Penalties for carrying concealed weapons and using firearms to commit crimes could also be more strict.

POLICY ALTERNATIVES

1. Enforce existing laws. The federal and state governments already have several gun laws, but they are neither strictly obeyed nor enforced.

2. Stricter penalties for crimes involving firearms. Naturally this would be a deterrent for crime.

3. Federally register and license all firearms and owners. The Treasury Department would keep files of owners and their guns—identified by name, address, and age. Violators would be prosecuted under federal law. A registration fee would also be charged. It is necessary that registering and licensing be on a nationwide level. If left to each individual state, there would be a great diversity in the requirements. A criminal residing in a state with strict gun laws could easily obtain a firearm in a neighboring state with lax gun laws. Thus, registering and licensing is needed on the federal basis.

4. Federal control of interstate commerce involving firearms and ammunition. Neither item could be shipped out of state without federal permission and after a close study had been made. Federal control would again be preferable to state control because all firearms would be subject to one law instead of each individual state law.

5. A special tax on shotguns and other rifles not in common use. This would be an unnecessary measure. Few people use uncommon rifles or shotguns in the commission of crimes. This tax would merely be discriminatory against collector's items.

6. Pre-purchase check and certification of the owner. The prospective buyer of a firearm would apply for a permit at his local department of safety. The department would then check with the local police on the applicant's history. After due consideration, the permit would be given. This would somewhat ease the problem of firearms ending up in the wrong hands.

7. Confiscate all firearms. The police would search everyone's house and seize all firearms. Of course, this is a ridiculous statement; yet, it is a possible alternative.

8. Guns could be put on a federal rent basis. No one in the United States could have a gun permanently. If a citizen wanted a gun, he would have to apply to the federal government for a temporary rental with a legitimate reason. The gun would be returned after serving its purpose. This proposal would not be very effective. The criminal's livelihood is crime; therefore, nothing would stop him from lying about his reason for a gun rental.

9. Fine for a concealed weapon. Again, this would be a deterrent for crime.

10. Prohibit gun sales to persons under 18 or 21. Proof of age would have to be displayed at the time of purchasing the gun. This is designed to keep guns from falling into the hands of those who are too young to really take on the responsibility of a deadly weapon.

11. A National Gun Bureau would be formed. This would be responsible for the registering and licensing of all firearms and owners. This has its merits as it would deal exclusively with gun problems.

PROPOSED LEGISLATION

Gun Control Legislation should be designed to curb, as much as possible, the brutal killing by firearms which occurs in our country daily. We feel that to accomplish this goal, strong, effective legislation must be passed by Congress. Nothing in these proposals will impair the legitimate ownership or use of guns in this country. In the other countries which have similar laws, the hunter and sportsman thrive. Only the potential murderer's chance to kill and only the potential robber's chance to terrorize are threatened by the bill. It is time that these common safeguards be taken by our country.

1. A ban on mail order purchase of rifles, shotguns, handguns, other firearms and ammunition.

At the present time anyone—criminal, juvenile, or lunatic may clip an advertisement from a magazine, order a gun from a dealer in another state for a small sum of dollars, and in a matter of weeks have the gun delivered to him with virtual anonymity. It is estimated that 1,000,000 dangerous weapons are sold by the mail each year. Many persons circumvent local law by ordering firearms by mail and receiving them in interstate commerce. Strict firearms controls by one state or city are nullified when a potential criminal secures and returns to his own state to commit a crime. There is no reason why this mail-order madness should be allowed to continue. In 1965, of 4,069 mail-order applicants for guns from 2 dealers in Chicago, 948 had prior criminal records. Thus, a significant number of criminals received these guns and became a danger to public safety. Our proposal would eliminate this type of purchase.

2. The registration of all firearms, and a ban on the sale of ammunition except to registered firearm owners.

Registration of automobiles, boats, dogs, and bicycles have become an accepted part of our way of life. Certainly no less should be required for the possession of lethal weapons. The slight inconvenience for the few is worth the protection gained for all. A record of ownership would aid the police in tracing and locating those who have committed or who threaten to commit violent crimes. Car registration has been a great help in solving hit-and-run auto deaths. Registration of firearms could be just as helpful in solving murders and crimes where guns were used.

A gun cannot be shot without ammunition. Therefore, by registering only qualified persons, then only these qualified gun owners could buy and possess ammunition. Our provision would force people to register their gun.

3. Licensing of or the issuing of a permit to all gun owners for the purpose of preventing the possession of guns by convicted felons, alcoholics, drug addicts, mental incompetents, former inmates of mental institutions (except with a doctor's certification of fitness), other criminals, and all persons under the age of 21. The owner of this permit must have it when carrying his firearm.

The citizens of our country are required to obtain a license to hunt, fish, and drive. There is no reason why this shouldn't be so for firearms. It is the surest route to keeping the firearm from the criminal, alcoholic, minor, and undesirable hands. The initiative for licensing should, of course, rest with the states, for there, licensing can most effectively be carried out. Some states have already enacted comprehensive licensing laws which prevent the vicious, irresponsible, and insane from acquiring firearms. In New Jersey, where a licensing law has been in effect for a short period of time, over 1,500 disqualified persons have been denied access to lethal weapons. It is a revealing fact that states which have licensing requirements, have low homicide rates. This bill will also curtail the misuse of firearms by persons under 21. In 1966, minors accounted for 35% of the arrests for serious crimes of violence.

4. A limitation of handgun ownership by police permit to military personnel, law enforcement officers and civilians whose particular occupation requires it of them, or where circumstances warrant.

Of all firearms, handguns are most frequently used in murders and crimes. In 1965, handguns were used in 70% of the murder cases. A restriction such as ours, which defines persons eligible of possession of these weapons, would greatly diminish the crime rate. Handguns can be fired from any distance. A child can handle them with ease. Moreover, they are easily obtainable, portable, concealable, and disposable. The handgun is such an effective killer, that one wonders why someone would bother to use anything else to commit a crime. A Washington Post editorial of April 4, 1965 stated: ". . . One also wonders why the rational members of society interested in staying alive should permit any Tom, Dick, or Harry—anyone at all, from the village idiot to the upper echelons of Cosa Nostra—to obtain one of these lethal gadgets at will."

5. Add ten years imprisonment to the regular penalty when a firearm is used in a robbery, felony, crime, etc.

This measure would serve as a deterrent for crime. One might think twice before committing a crime if he knew the consequences were severe.

6. Require all rifles or shotguns to be unloaded and encased while being carried, except in the case of hunters.

Safety is most obvious in this proposal. Accidents could be greatly diminished if unused firearms were put in this suspended activity.

7. Require a stricter licensing of persons who manufacture, sell, or repair firearms, and require records and reports to be made concerning sales and repairs.

These provisions would not adversely affect the legitimate businessman. They are intended to insure that he, and he only, become licensed. The fringe operators and the so-called dealers who are not businessmen, but rather ship and receive firearms in interstate commerce at substantial discounts of savings to themselves, would not be issued a license. The required records of sales and repairs would be an easy way to check if legitimate business is being done.

British journalist Henry Fairlie is quoted as saying:

"There is an element of violence in American society which the outsider has to learn to comprehend. History and character cannot be reversed and changed overnight. But this is no excuse for allowing violence such an easy access to the weapons which it not only needs, but which actually encourage it, tempt it, incite it. However much I may love and admire America, its gun laws come near to ruling it out of civilized society."

It's about time that Congress realized that although the great majority of gun owners in our country are responsibile citizens, hundreds of thousands of weapons have been obtained by criminals, juveniles, people with dangerous mental records, and other socially irresponsible elements.

It might be argued that the measures in our model bill are too severe. Opponents to this type of legislation would cite the inconvenience factor as a reason to oppose the legislation. Even if this so-called inconvenience existed, we believe that the saving of hundreds of lives is far more important than any inconvenience that might be suffered by a relatively small number of people.

We do not claim that enacting a strong Federal gun law will curb all gun crimes. But we do maintain that the nation can make substantial inroads into this problem so that future generations will not be victimized by the crimes of violence which occur today in our country.

We, of course, are not foolhardy enough to believe that our gun control legislation will make way for the abolition of crime. We believe, though, that our legislation can greatly diminish the number of crimes committed by persons armed with and emboldened by guns. Strong gun legislation can lessen the number of killings committed by despondents or those who manage to obtain a gun when they are irrational. Strong gun legislation can lower the incidence of political assassinations, suicides, and senseless gun accidents.

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THE ELECTORAL COLLEGE

(By Donna Deming, Devvie Donnelly, Joan Dorman, Bruce Mackall, Joy Whitman)

Many aspects of the present system of electing the President of the United States are and have been highly debatable since 1787. Perhaps the most important and controversial of these aspects is the electoral college. The original provisions in the Constitution were decided upon only after considerable discussion and great anguish to the delegates. Several possible choices presented to the convention were: election by Congress, direct election, and election by state legislatures. Each of these plans was criticized for different reasons. Election by Congress was feared as becoming a deterrent to executive independence, as the President would be under the control of the Congress who had elected him. To compensate for this, the President could be in office for only one term. The direct election plan's opposition came from those who feared the public, classifying the common man as uneducated and unfit to decide upon the President. The third alternative, election by state legislatures, produced a situation similar to the first plan's—the President would be obligated to the states. Finally a committee of eleven was appointed by the convention to find a satisfactory solution. The result of the committee's efforts became Article II of the Constitution, a compromise of the various plans, designed to please large and small states alike. Article II specified:

1. Each state would appoint Presidential electors in a manner set by its legislature.
2. Each state would have as many electors as it had Representatives and Senators combined.
3. The electors would meet in their own states and cast their votes.
4. Each elector would vote for two persons for President, one of which at least should be not an inhabitant of the same state as themselves.
5. Results in each state would be transmitted—signed, certified, and sealed—to the Congress where the votes would be counted.
6. The candidate receiving the majority of electoral votes would be the President and the second highest candidate would be the Vice President.
7. Should electors fail to give a majority of their votes to a single candidate, the House of Representatives would be given authority to elect. For this purpose, each state delegation would be allowed one vote, and a majority vote would be required with a quorum of two-thirds of the states voting.
8. If more than one candidate received a majority, and received an equal number of votes, one of them shall be chosen President by the House of Representatives. (This was possible because each elector voted for two persons for President.)
9. If no candidate received a majority of the electoral vote, then the House would restrict its voting to the top five candidates.
10. After the selection of President, the candidate having the next greatest number of votes would become Vice President. If two or more should have equal votes, then the Senate would choose the Vice President from among them by ballot. Article II was a concession to the smaller states, because it gave one vote per member of Congress (Senators and Representatives) that each state had. These votes, in effect, compose the electoral college. Another provision was that in case of an election in which no candidate received a majority, each state delegation in the House was awarded one vote. Thus, the states were on an equal basis. The only change in the original electoral system came as a result of the election of 1800. Jefferson and Burr, the two candidates for President, received an equal number of electoral votes, causing the election to be thrown into the House. Likewise, the House was divided on the two candidates. Only after 36 ballots was Jefferson declared to be the victor. In 1804 the 12th amendment was ratified, providing for separate election of President and Vice President. If no Presidential candidate receives a majority of the electoral votes, then the top *three* candidates, instead of the top five, will be voted on in the House. If the House fails to elect the President by March 4, the Vice President will act as President, as in case of death or Constitutional disability. If no Vice Presidential candidate receives a majority, the Senate shall choose from the top two with the requirement of a quorum and a majority (two-thirds) vote.

The 20th amendment, ratified in 1933, helped, as did the 12th, to correct electoral processes. It abolished lame duck sessions of Congress. The terms of Senators and Representatives are defined as beginning on January 3, while those of President and Vice President begin on January 20. This prevents the eventuality of a President being elected by a Congress which would adjourn in a matter of weeks, and who might be controlled by a different party than that of the leading candidate.

Unfortunately, many other problems have arisen concerning the electoral system. Still the main issue is ultimately a question of abolishment or retainment. If the present system is to be retained, should revisions be made? Should an entirely new system be drafted? There are arguments for and against the present system, as can well be imagined.

Those opposing the electoral college point out that it allows a person to become President with fewer popular votes than his major opponent, as occurred in the elections of 1824, 1876, and 1888. In addition, all of a state's electoral votes are granted to the winner of the largest number of popular votes in the state, thereby suppressing all minority votes. The system allows electors to vote against the candidates of their parties, and employs an unrepresentative system of voting in the House of Representatives. Perhaps if the words of Washington in his farewell address had been heeded, the system would work more smoothly. Washington warned against the formation of parties, as they would set factions of the country against one another. The founders of the Constitution had no way of foreseeing the growth of political parties and, consequently, could and did not put checks against them in the Constitution. The electoral college was arranged in complete ignorance of the possibility of political parties. With the evolvement of these parties, the purpose of the electoral college—to prevent big states from choosing the President exclusively—was rendered void. Not only this, but the voter turnout is discouraged, while campaigns and nominations are limited to large states.

The last point in opposition to the present system is that it places an undue premium on the effects of fraud, accident, and other factors, since all of a state's electoral votes may depend on only a few popular votes.

On the other hand, there are several valid points in favor of retaining the present electoral college. The main point is that as the present system has been used for almost two centuries, it has been proved successful, while the many proposals have not been tried. The present system has only produced three President who did not have the majority of the popular vote—Adams in 1824, Hayes in 1876, and Harrison in 1888. Obviously, the ratio of Presidents selected by popular vote to those selected by the electoral college is indicative of the worth of the college. The present system has prevented America from being torn by many minority parties. The electoral college in operation today tends to give the newly elected President the appearance of nationwide backing which causes a feeling of general acceptance. This feeling does much to preserve stability. The present system also promotes good will between states, as it gives the small states adequate representation in the college. In fact, the votes of the small states are just as crucial as those of the large states.

Various proposals have been introduced to remedy the problems produced by the electoral college, ranging from complete abolishment to slight revision.

One proposal, the direct election plan, provides for total abolishment of the electoral college to make way for election of President and Vice President by popular vote. According to this plan, first introduced in 1826, the candidate receiving the greatest number of the popular votes for his office would become President or Vice President, respectively. In the case of a situation whereby *no* candidate received the majority of the popular vote, the two persons who received the greatest number of popular votes would have a run-off election. Variations of this plan would provide for a nationwide primary for the offices of President and Vice President.

Direct election would make it impossible for a minority President to be elected. Other advantages of such a plan would be:

1. The general public would be able to comprehend the procedures of Presidential elections.

2. The two party system would be furthered in areas where one party is firmly established.

3. Party campaigns would be more fairly distributed throughout the country, thus taking the emphasis from "key states." The vote would be equal regardless of the area where it was cast.

4. The system would be slightly, if at all, affected by accidents, fraudulent voting or counting—such as blizzards, rainy days, etc.

5. National standards for voting, instead of separate requirements for voting in each state, would consolidate voting practices.

6. Major parties, under this system, wouldn't have to make extreme compromises to minority groups.

Although the Direct Election Plan has certain obvious advantages, it also has many objectional points, such as:

1. Minor parties which would grow more easily under the Direct Election Plan would also have an effect on national politics.

2. States with little population would lose the advantage of having the number of electoral votes the same as the number of their Congressmen.

3. The federal government would have to regulate political parties in order to have a unified system, thus taking the regulating authority from the state control.

4. Presidential campaigns would have to be more intensive, therefore entailing more expense.

Another plan, the District Plan, would change the present procedures while retaining the Electoral College. This plan would eliminate giving all the state's electoral votes to one candidate. The electors would be chosen one for each Congressional district plus two in accordance for each Senator. The elector would be required to state the candidate for whom he will vote, and would be bound to his declaration. This would eliminate the chance of an elector changing his vote as is possible under the present system. The candidate with the majority of the total electoral votes would be elected President. If no candidate received a majority, the Senate and the House would meet in a joint session to decide among the top three candidates. The advantages of adopting such a system are:

1. Popular votes would be shown more in the way the electoral votes were cast than under the present system.

2. Areas of districts with a small population would be assured of some say in the election of the President.

3. The states would retain their authority in the election of the President and their control over voting qualifications.

4. In binding the electors, criticism of the present system would be eliminated.

5. The present system would establish a unified system of choosing the electoral system.

Opposition to this plan claims that it might impede, instead of help, the two-party system.

The Proportional Plan, or the Lodge-Gossett Plan, would abolish the electoral college, yet would retain the electoral vote. In each state the electoral vote received by individual candidates would be dependent upon their popular votes. Under this system the state would not give all the electoral votes to the candidate who received the plurality. A candidate would need only 40 per cent of the total national electoral votes to win the Presidency. If no candidate received 40 percent, the House and Senate would decide among the top two candidates in a joint session. The arguments for and against the adoption of the Proportional Plan are similar to those of the District Plan, so they won't be repeated here.

A fourth alternative, the automatic electoral vote plan, calls for the least change in the present system. This plan would retain the electoral votes of each state, but the office of elector would be abolished. The candidate receiving the majority of popular votes would receive that state's electoral votes. The candidate with the majority of electoral votes would be elected President. If no candidate received a majority of electoral votes, the Senate and the House would elect a President from the top three candidates in a joint meeting.

This proposal eliminates the possibility of a state changing the method of appointing its electors, and it would abolish the difficulties involved in the independent voting of Presidential electors. The electoral votes received by a candidate would depend directly on the number of popular votes he received. It also eliminates election by the House of Representatives by giving each state one vote in a joint meeting of both Houses. The main problem with this proposal is that it makes the unit-rule custom a constitutional mandate.

After having considered all of the various means of remedying the electoral college, we recommend that the Direct Election Plan be put into effect. This plan could better accommodate the needs of a modern and complex society than does the electoral college which was designed to fit the needs of the American society of over one hundred and fifty years ago. We feel that the electoral college no longer serves the purpose for which it was created.

In 1784, not all of the American citizens over twenty-one years old could vote. The founding fathers felt that the mass of people were too incompetent to elect their officers, which may have been true. The electoral college was a means to allow the common man to vote, while the powerful aristocrats really chose the Chief Executive. As has been seen, the choice of the people is usually the same as the choice of the electors, i.e. the rich aristocrats. Only three times have the electors selected a President without the support of the public. Since the time the Constitution was written, American society has progressed. Voting requirements have become less severe as education facilities improved and prejudices became impossible. Currently, nearly everyone twenty-one years old or older can vote and can make an intelligent choice among the candidates. Therefore, we feel that the people should be allowed to have a direct say in the choice of their President. Our society is so modernized that it can handle the bulk of a direct election whereas in 1784, communications and transportation were so bad that such a plan would have been almost impossible.

If such a plan were used, voting requirements, which vary from state to state, would be compromised. This would eliminate the inequity of the present system.

The present Direct Election Plan calls for one nationwide primary. We feel that such a primary would eliminate a candidate who didn't have the financial means to run in such a primary. We recommend that the present system of primaries be retained.

The Direct Election Plan states that a candidate must receive a majority vote before winning the election. We feel that a plurality of at least 40 per cent should replace the majority proposal. If no candidate receives 40 per cent, the election should be decided upon in a joint session of Congress. Each Representative and Senator would cast one vote, instead of the one vote per state method used now.

We advocate complete change of the electoral system because our proposed plan would give the people a direct choice in the President. This method would simplify and unify the process of electing the President, while being more democratic.

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5. *Electing the President: Should the Electoral College System be Changed?* Vital Issues Volume XVI, Number 8. April, 1967.

The Selective Service System

(By William Connelly, John Crutchley, Scott Larson, Glenn Orlin, Martin Wegbreit, Jim Weymouth)

BACKGROUND

Military service in the United States had its origins in the militia. The early American militia had its roots in Saxon England whose local "fyrds" were called to arms in extreme emergency or wartime. The tradition of local units was preserved in the colonies where collective defense was necessary for survival. However, the system of local military forces proved unworkable in a military crisis such as the Revolutionary War. General Washington's plea for troops for the national army brought only token contributions from the states.

The first national draft was outlined in President Lincoln's executive order on August, 1862. Three hundred thousand troops were to be raised with each state assigned a quota. Registrations of men were accomplished through a house to house canvas. Wealthy men could hire a substitute and terms of service were nine months instead of the duration of the war. Opposition to the draft led to bloody rioting in New York City in 1863, with violence subsequently quelled with the aid of federal troops.

Within one month after the declaration of World War I, Congress passed the Selective Service Act of 1917. The law's most significant provision empowered the President to create local boards whose members must be civilians to rule on the registrant's eligibility, deferment, or exemption from the draft.

After the war, the Army reverted to voluntary enlistments to fill the ranks until the threat of the European crisis induced Congress to institute the first peacetime draft, in 1940. Local boards were again formed as civilians were conscripted for one year's duty in the Western Hemisphere. After the Pearl Harbor attack, which brought the United States into World War II, all enlistments were extended for the duration of the war, plus six months. Selective Service went into full operation. All registered males became liable for service, and deferments became temporary. As the pool of single men decreased, those with dependents lost their deferments. According to Lieutenant General Lewis B. Hershey, in World War II somewhat over sixteen million men were either inducted or scared into the armed forces.

Following the Second World War, the armed services rapidly demobilized. President Truman advised Congress to allow the Selective Service Act to expire with the condition that, if post-war military needs could not be met by voluntary enlistments, the draft would be reinstituted. This proved necessary. The military draft has been needed in time of "peace" for such crises as Berlin, Korea, Taiwan, Cuba, and Vietnam.

The Selective Service System owes its existence to its flexibility. It has provided as many as 400,000 inductees per month or as few as zero. Its flexibility results from its decentralized control.

VARIOUS ISSUES

The intrinsic issue regarding the Universal Military Training and Service Act passed in 1951 (and since revised four times—the latest being the Military Selective Service Act of 1967) is that despite its title, it is not universal. The number of men eligible for the draft has increased so rapidly, while military manpower needs have remained approximately constant that "our present Selective Service draws on only a minority of eligible young men."[1] Indeed, statistically we find that "the proportion of men who are called upon to serve has declined sharply—from 70% in 1958 to 46% [in 1967]. Assuming normal peace time military strengths, it will drop to 34% by 1974."[2] Thus, in choosing the one man who must serve out of two or three who are eligible, the system has deviated still more from the original concept of universality and has become a purely arbitrary method of manpower procurement.

The fact that the present selective service system has been effective in contributing to the need of the country in times of war and warlike peace is good, but the present system has caused uncertainty in the lives of possible draftees and has developed discrimination in selection. "The local boards are the basic units where the fundamental operations of the system are performed."[3] The basic ideal behind the local board system is that the choice of who serves is being made by the neighbors of the man. Because of the board's comparatively long association with a registrant and knowledge of what he had done, the local board is relatively well qualified to evaluate his ability to perform. During the Civil War times, when this concept originated, the personal touch was possible; however today in urban areas, rarely do the members on the board know the men they are classifying. Only in rural areas is this concept conceivable today. Very little evidence exists to suggest that the fact of drafting by local boards has more than a symbolic significance, if that in urban settings. In large sites such as Baltimore the local boards have moved away from the neighbor idea in order to unify offices and to keep the records in a central location.

The inconsistency of board selections is due to the guidance of these local boards. The local board system allows for flexibility and permits a wide range for critical judgement by the boards themselves. The boards in all the states receive different amounts of guidance and at times directly conflicting guidance on the same subject. Because the guidelines used for classifying men differ from board to board, differences cause a great deal of uncertainty for young men trying to plan their future. College deferments are those which local boards can at their discretion, give to men whose studies they judge to be in the national interest. The variety of guidance sent out on this subject last year reveals that a student's immediate future can be influenced by his state headquarters' interpretation of national policy, for that advice was not uniform, and was indirect and entirely contradictory in some cases.

Another consideration is that the Selective Service, operating "with its 4,061 local and autonomous draft boards and its antiquated machinery,"[4] is not uniform in its application throughout the country. An illustration of this is the way in which student deferments are administered throughout the country.

"In some states, a man must carry 12 semester hours to qualify as a student; others put the cut-off point at 15 hours; and still others told their boards to accept the school's definition of a full time load. Some state headquarters would advise giving a student deferment (II–S) to an individual in a business, trade, or vocational school. Others say the II–S classification is inappropriate but that a I–S (the statutory permission for students to finish their academic year) can be given. And one state headquarters advised that such a man could qualify for an occupational (II–A) deferment."[5]

It has also been pointed out that "returning Peace Corps volunteers are put at the top of the list in some states, while others put them at the bottom."[6] In other words, the "accidents of geography" can easily determine who gets deferred and who does not, as in the first example, and who gets drafted and who does not, as in the second example.

Another fault in the present system is that the practice of drafting men into military service, involuntarily, for two years is wasteful and inefficient. The reason for this is that "97% of our draftees leave the service as quickly as they can. The high cost of training them ($6,000) is largely wasted."[7] So the draft is apparently costing the nation a great deal of additional revenue.

In order for the Defense Department to have the best armed forces possible, they do not accept men with poor education. "While granting this exemption from universal military service to the poorly educated, we also grant a similar exemption to those of high educational level."[8] Those two groups are being excluded from their obligation to serve their country.

VOLUNTEER ARMY ALTERNATIVE

Our military recruitment policy has traditionally been directed toward filling as much of the manpower requirements as possible with volunteers, and depending upon the draft only to supplement the numbers needed. Volunteers have contributed two-thirds of our military forces since 1950.[9] With little exceptions, the Navy, Marines, and Air Force have used volunteers entirely. In times of peace, when draft calls have been low, most entrants into the Army have been volunteers.

The National Advisory Commission on Selective Service looked into the possibility that voluntary service could be encouraged to eliminate the need for the draft altogether. The National Council of Churches forwarded the results of a survey taken by its general board in which case 61% of a coordinating body of 35 youth organizations favored a volunteer army.[10]

But in the same survey, although it recommended that compulsive service be brought to its minimum, it stopped short of complete abolition of the draft. There is a basic conflict, for 58% of its respondents stated that they personally would not volunteer. And this is the basic fact. Since 1940, except for a very short period after World War II, a draft law has been necessary precisely because there have not been enough volunteers to meet military manpower needs.

Then the question is therefore, whether the Armed Forces can attract the number of men needed to fill their military needs. It is true that now the pay for a private in the United States Army is $78 a month compared with the pay scale for a private in the Canadian Army, which is $112 a month, and if he specializes in a particular skill, he can receive a monthly payment of $202, three times that of an American.[11] These figures are based on the system as it exists today. The number of volunteers could be greatly increased if the government would pay more realistic salaries. After all, smart businesses attract the number and quality of the men they want and need by offering realistic salaries.

For more than 14 years the Defense Department has made no effort to attract volunteers, but rather relied on the draft to pressure young men into enlisting. America is too wealthy a country to rely on sheer force in order to solve its manpower problems.

Footnotes at end of article.

A special committee headed by Ralph Cordiner, president of General Electric, to study the need for pay increases found that modern war technology makes it almost impossible to train a specialist in two years, which is the time the average draftee stays in the service. And a professional military system based upon volunteers who are well motivated will be more efficient, effective, and economical.

LOTTERY ALTERNATIVE

The lottery is another alternative to the present system of conscription. Although lotteries were employed during the War Between the States, it is labeled as a radical concept by its opponents.

There have been many plans proposed for such a system, but most embody the following provisions: (1) that all male citizens upon reaching eighteen years-of-age would take compulsory tests evaluating them physically, mentally, and morally (administered by the Department of Defense) to detect any obviously unfit examinee; (2) that the remainder would be pooled into one homogeneous body from which (when the group reaches age nineteen) the quota would be selected utilizing a uniform random method prescribed by the Bureau of Selective Service; and (3) that those deferred to allow admission into college would (upon graduation) be entered into the nineteen-year-old's pool and thus be equally susceptible to the draft.

There are heated disputes over various aspects of this plan. Many authorities concur that the "draft youngest" procedure is definitely superior to the present policy because the nineteen-year-old (generally) can be more easily trained and has fewer commitments than the twenty-six-year-old. Consequently, the draft-eligible under this proposal would be better aware of his status, and could plan his future with more certainty. Although this would appear to be advantageous, the Clark Panel remarks:

"Whatever uncertainty exists is largely a reflection of the overall uncertainties inherent in the international positions of the United States. Our country is subject to emergencies in varying degrees. Those such as Korea and Vietnam require military service by only limited age groups. Concentrating on the elimination of all uncertainty for the individual registrant could easily endanger the national interest and security."[12]

There is disagreement over the actual manner of selection. Senator Edward M. Kenedy (D-Mass.) has suggested that the Director of Selective Service publish a series of numbers monthly, corresponding to days of that particular month, but enumerated indiscriminately. All those whose birth dates fall on the first day on the list would be automatically called into service. This process would continue down the list until the quota is attained. This would be conducted on a local scale. However, the Marshall Commission favors a lottery managed on the national level assuring more uniformity and geographic equity. It has also been urged that the selection occur only annually or semi-annually, to allow for fluctuations in the sizes of quotas (those of some months are four or five times as great as those of others.)

The Clark Panel epitomized the main opposition to the lottery idea when it points out that "there would be no way of allocating and using skilled workers or scientists in essential defense industries, for example, or deferring individuals for other essential purposes."[13]

NATIONAL SERVICE ALTERNATIVE

William James wrote more than sixty years ago in his essay, "A Moral Equivalent for War":

"If now there were, instead of military conscription, a conscription of the whole youthful population to form for a certain number of years a part of the army enlisted against Nature, the injustice would tend to be evened out and numerous other goods to the commonwealth would follow."

James' quote on National Service must be examined again, in the wake of the current criticism of the Selective Service System. National Service is a system whereby all citizens of the United States under a certain age would be required to serve in the Nation's interest. There are several advantages to compulsory national service. Robert McNamara stated not long ago in Montreal:

"It seems to me that we could move toward remedying that inequity [of selective service] by asking every young person in the United States to give two years of service to his country."

There is also the educational advantage of compulsory service. Its proponents argue that only a program of compulsory service would facilitate the rehabilitation of America's disadvantaged. Just as many of these individuals are not motivated to reorient themselves in the private economy, they are not motivated to take advantage of voluntary programs. National service is also seen by enthusiasts as an outlet for youthful idealism and as an antidote for the moral lassitude of our time.

Perhaps the biggest advantage of national service is a practical means of tackling the immense problems of our society and of the world's less affluent nations. The size of the problem is illuminated by the Commission on Technology, Automation, and Economic Progress. Its report made a startling estimate of the jobs which currently need to be filled to bring public services in this country up to "acceptable" levels. Here are the Commission's estimates:[14]

Jobs and workers needed

Medical institutions and health services	1, 200, 000
Educational institutions	1, 100, 000
National beautification	1, 300, 000
Welfare and home care	700, 000
Public protection	350, 000
Urban renewal and sanitation	650, 000
Total	5, 300, 000

From this chart it seems that an immense amount of useful work could be done by national service corpsmen and women with a minimum of training. Despite the cost of such a program—estimated at around 16 billion dollars a year—there would be an economic gain in terms of mental illness, crime, and deliquency prevented.

There have been several suggested systems of National Service. The most prominent one is the Eberly system which fulfills the military need and also provides an alternative to the draft which accomplishes a definite good for the nation.

There are, however, disadvantages to the National Service voiced by its critics. There are the problems of cost and logistics, the disadvantages of regimentation, and the manpower shortage that would occur when such a program was instituted.

In the final analysis, national service is seen by many people as not only an alternative to the draft or as a corrective to the draft's inequities but as a tool to alleviate the medieval blights in our affluent society.

RECOMMENDATIONS

The consensus of the committee is that all military service for the United States should be voluntary except in time of declared war. While the committee realizes that significant savings over the present system would materialize (because of reduced military turnover), the increased base pay for enlistees, which would be necessary to attract enough recruits, would probably add four to five billion dollars to the military personnel budget.

Despite this, we believe that the advantages of a highly trained, and highly professional army would far outweigh any disadvantages. In addition, the elimination of the current Selective Service System would be a boon to the nation. The only doubt remaining in our minds is whether or not the system would be able to attract enough volunteers. The army has maintained, and we concur, that the "hot breath" of the draft "compels" many eligible young men to volunteer. Therefore, we propose that a voluntary army be established on a trial basis for one year.

Should manpower needs not be met by this method, we suggest that a lottery system, similar to the one proposed by Senator Edward Kennedy, be utilized to supplement the voluntary army. We would also recommend that Senator Kennedy's lottery be modified slightly to allow for yearly quotas, rather than monthly quotas. This would be even more fair and more impartial than the current plan, because in some months the draft quotas are significantly higher than in others, leading to discrimination among young men whose birthdays happen to fall in "high quota" months.

Finally, in time of declared war, we recommend that the United States should establish a system of compulsory service for all citizens. During total war, the entire manpower (and womanpower) of our nation must be utilized, and national service is the only equitable way to accomplish this.

FOOTNOTES

[1] Former Secretary of Defense Robert S. McNamara, Address before the American Society of Newspaper Editors, May 18, 1966.

[2] Hon. Thomas B. Curtis of Missouri, "Conscription and Commitment," CONGRESSIONAL RECORD, vol. 113, pt. 1, p. 1385.

[3] Senator Gaylord Nelson of Wisconsin, *Congressional Record—Senate,* June 24, 1964.

[4] Curtis, *loc. cit.*

[5] *In Pursuit of Equity: Who Serves When Not All Serve?* Report of the National Advisory Commission on Selective Service, p. 27.

[6] Senator Edward Kennedy of Massachusetts, Address on the Senate floor, *Congressional Record—Senate,* February 28, 1968.

[7] Assistant Secretary of Defense (Manpower) Norman S. Paul, quoted by Senator Gaylord Nelson of Wisconsin, *The American Legion Magazine,* March 1965, p. 24.

[8] *Ibid.*

[9] National Advisory Commission on Selective Service, *op. cit.*

[10] *Ibid.*

[11] Nelson, *loc. cit.*

[12] U.S. Civilian Advisory Panel on Military Manpower Procurement (Clark Panel), "Report to the Committee on Armed Services, House of Representatives, pp. 6–8.

[13] *Ibid.*

[14] Marion K. Sanders, *The New York Times Magazine,* August 7, 1966, pp. 17–18, 73–75, 77–80.

PRESIDENT HOURI BOUMEDIENNE SHOULD RELEASE HIJACKED PLANE, PASSENGERS, AND CREW

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FULTON of Pennsylvania. Mr. Speaker, the civilized communities of the world must wake up soon to the major threat of plane hijacking to air travel and passenger and plane security. This has turned into a customary method of piracy.

We citizens of the United States have become painfully aware of the hijacking of U.S. planes to Cuba by individuals ranging from revolutionaries through political operatives of all kinds to the fringe constituted of unstable and paranoia persons subject to delusions and persecution complexes.

Responsible government officials of all mature countries and political systems should firmly take a stand against this unconscionable interference with the rights and security of travelers. This is an assault on peaceful world citizens going about their own business. It results in the infliction of large losses on the airline companies, both domestic and international, through the loss of planes, interruption of schedules, and lengthy delays and redtape upon return of passengers, crew, and plane.

We in the United States have not always agreed with Algeria on many of its policies, as well we should not, being two independent countries and peoples. But we in the United States have looked on the Algerian people as friends working for law and order, security and progress in the framework of law, just as we in the United States. President Houri Boumedienne has been looked upon as a statesman in this country and the Western World. In that spirit, I speak to call special attention to a new hijacking of an Israel plane, which I strongly condemn, as an act of piracy, which should be treated by the Algerians as such.

Now the practice of hijacking has spread to the Mediterranean area where the El Al jetliner with 14 Israel passengers and crew have been, forcibly and against their will, landed in Algeria. This piracy has caused shock and uneasiness in all the world.

It is with strong feeling that I urge President Houri Boumedienne and the Cabinet of Algeria promptly to release the hijacked El Al jetliner and the 14 passengers and crew.

Acts of piracy, such as this, are not acts of war. The results of acts of piracy should not be taken advantage of for the benefit of any civilized country when accident or chance cause such an event to take place. I firmly believe that upon reflection, President Houri Boumedienne will not, in good conscience, feel that his country or his people can or should benefit from such acts of violence inflicted upon peaceful citizens engaged in peaceful and lawful undertakings in the Western World.

I am asking the U.S. Department of State to call my representation to the attention of the Government and peoples of Algeria through the proper channels, as I have always considered myself a friend working for better relations between our two countries and to increase the friendliness, trade, and cultural exchange between the good peoples of Algeria and the United States.

WORKING WITH CONGRESSMAN TOM STEED

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. ALBERT. Mr. Speaker, Hugh Price, of Chickasha, Okla., president of the Oklahoma Beekeepers' Association, is a well-known spokesman for his organization.

Recently, he and E. H. Adee, president of the American Beekeeping Federation, discussed their program with Congressman Tom Steed, stressing policies they feel essential for the welfare of their industry. Mr. Steed's response led to Mr. Price's article, "Working With My Congressman," which appeared in the May issue of the American Bee Journal.

The article follows:

WORKING WITH MY CONGRESSMAN

(By Hugh Price, president, Oklahoma Beekeepers' Association)

The title of this article suggests sweat and toil. On the contrary, I have found that contacting our congressional delegation is easy and pleasant—sort of like a "down-hill pull."

I learned the value of congressional contact during my several years with the railroad industry. When former president Weaver asked me to help with our Washington program, I felt like explaining that I had retired, but somehow I just didn't want to say no. Then president Adee asked me again this year. So, I guess I will plug the Federation program at the Washington level as long as my chiefs ask.

Oklahoma is blessed with congressional "giants." One such man is Congressman Tom Steed from Oklahoma's 4th Congressional District. He is a member of the House Committee on Appropriations and is chairman of a Subcommittee of the Treasury, Post Office and Executive Office Committee. I have found him to be an anxious listener; he wanted to learn about the beekeeping industry. Needless to say, secretary Gibson cooperated by furnishing material about our industry. In the past few months, he has worked for our appropriations and examined the recent Niagara Falls convention resolutions with a fine-tooth comb.

Frankly, Mr. Steed's response to our approach was surprising. I have told the pollination story of bees to a great many people in the last few years; most often the reaction varied from a cold stare to a cool, polite yes and a quick change of subjects. He was agreeable to visiting with our delegation and reported his ideas on the farm program. His story is simple and basic; I think it is worth repeating.

While serving overseas in India during World War II, Steed saw many children actually starve. Ever since he has taken a realistic look at the world food situation and he feels that the picture for the future is bleak. He was especially interested in secretary Gibson's statement before Jamie Whitten's Subcommittee on Agricultural Appropriations last spring relative to conditions of the beekeeping industry, and especially the part about a shortage of bees meaning a shortage of food and fiber.

In response to one of president Adee's questions about the importance of the beekeeping industry, Mr. Steed had this to say in part: "Your requests are infinitesimal; we ought to be asking you to expand the beekeeping industry instead of forcing you to plead your case each year. Your industry is as important to the agricultural economy as a carburetor is to an automobile. We have to have beekeepers and farmers or starve. My main interest at the moment is how can I assist you to put this idea across."

It would be nice if all members of Congress could be informed about the problems of the beekeeping industry. Probably, this is neither possible or practical. In the first place, all congressmen would not be receptive and, secondly, our members will be neglectful in communicating with members of Congress. But please bear in mind that members of Congress must depend on you for information about the bee industry.

If members will not tell their congressional delegation about our problems, the Federation cannot help you. In fact, failure to communicate these problems to your congressional delegation does violence to our cause and, in some cases, may prove embarrassing to your Senators and Representatives.

Building good contacts with Congressmen isn't done over night. It must be on a continuing basis, but it is not time-consuming and you will be pleasantly surprised to learn that such little effort can net so much.

May we count on you to help?

LOWERING THE BOOM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. ASHBROOK. Mr. Speaker, columist James J. Kilpatrick has seen fit to point out the "remarkable gall" of candidate Nelson Rockefeller is now demanding that he and only he deserves the Republican nomination. This, especially, after earlier statements that his entry into the race would have a "divisive, destructive, and defeating," effect.

I include the column in the Record at this point. It is taken from the July 28, 1968, Cleveland Plain Dealer:

FROM THE RIGHT: ROCKY CARVES OUT A BREACH

(By James J. Kilpatrick)

Washington—Richard Nixon is bearing up nobly these days under the constraints of his party's Eleventh Commandment: Thou shalt not speak ill of another Republican. He has steadfastly refused to be drawn into a blood-letting brawl with his principal opponent. In the process, he is demonstrating the commendable restraint he is so often accused of not possessing.

Well and good. But some of the rest of us, not inhibited by party affiliation, are not so constrained. It seems an appropriate moment, a week before his party convention opens, to lower a boom upon that party stalwart, Nelson Rockefeller of New York.

Party stalwart? This is the fellow who effectively took a powder in the 1964 election. He has been the titular head of his party in New York for the past ten years. If he were the "winner" he professes himself to be, he ought to be carrying other Republicans on his coat-tail. The record demonstrates no such thing.

When the occasion suits him, as it has suited him from time to time in the past, Rockefeller can be full of the old party spirit. Split the party? Not he. Not for anything. "For me to get in this race in any way would be divisive, destructive, and defeating." That was what he said in October. "I am not a candidate," he said. "I do not intend to be a candidate. I do not want to be President. You've heard me loud and clear." That was back in October, too.

In January, he still believed "in the unity of the party and in winning." If Nixon were his party's nominee, "I'll support the candidate in the form of Nixon." This was in the period when he was supporting George Romney. When Romney tossed in the sponge, plenty of time remained for Rocky to enter the Oregon primary and to debate the issues head-on with Nixon. Would he, won't he, would he, won't he, would he join the dance?

Not the Rock. It is edifying to go back to

Rockefeller's March 21 statement of disavowal. He wanted to reiterate unequivocally that he was not a candidate. He had pondered that decision gravely and thoughtfully. He had considered the times of crisis and confusion, and he had asked himself a good question: "How should a responsible Republican act in a period of such crisis?"

His answer was that partisan division must be avoided. A "personal combat between two presidential aspirants" would neither enlighten the nation nor unite the party. Such a conflict would almost certainly prove distorted and abrasive. It was apparent that a considerable majority of his party's leaders wanted Nixon; they also wanted to avoid divisive challenge. It would therefore be "illogical and unreasonable" for him to seek the nomination. He was bowing out; and he did not want to be misunderstood:

"We live in an age when the word of a political leader seems to invite instant and general suspicion. I ask to be spared any measure of such distrust. I mean I shall abide precisely by what I say." So he signed the Oregon affidavit: "I am not, and will not be, a candidate for President."

Having thus avoided a direct test, on favorable ground, of his own pulling capacity against Nixon's, Rockefeller spent 40 days in a wilderness of indecision. By April 30, behold, he had discovered "new circumstances." The unequivocal renunciations were not so unequivocal after all. He came out with knife, stiletto, and cleaver.

The man who would not debate Nixon for six months now craved debate. "This is no time for coy evasion," he said. A sign caught his eye: Nixon's the One. "Nixon's the one who lost in 1960." Mark Hatfield came out for Nixon. Rockefeller's savage reaction was that Hatfield "had betrayed his own integrity as far as his position on Vietnam is concerned." Eisenhower endorsed Nixon. Ike couldn't have done otherwise, in the Rocky view, with Ike's grandson engaged to Nixon's daughter.

This is only a fragment of Rockefeller's record of consistency, high purpose, and party spirit over the past eight months. In the light of the whole record, it demands remarkable gall for Rockefeller now to ask of his party his party's highest honor.

TIMOTHY J. RING: A REAL HERO

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. MINSHALL. Mr. Speaker, it is refreshing to pick up a newspaper and read a story about great personal courage and presence of mind, particularly when it has a happy ending. The Parma Post, which does a splendid job of serving the southwestern suburban Cleveland communities, carried just such a story last week.

Although the Parma Post's news item and editorial speak for themselves, I am delighted to add my own personal congratulations to Timothy Ring. As one who grew up on the shores of Lake Erie and who has boated since boyhood, I recognize the sound judgment he exercised in making the dramatic rescue and, even more, the bravery he demonstrated. As the Post editorial makes clear, Tim Ring is the stuff of which heroes are made. We need more men like him.

The editorial and story follow:

[From the Parma (Ohio) Post and Times, July 25, 1968]

TIM RING WAS VERY BUSY LAST SATURDAY—FISHING

Timothy J. Ring never did get to put in to Put-In-Bay last Saturday. He was too busy fishing people—seven all told—out of Lake Erie.

Ring, 22, who lives at 8003 Pelham Drive, and nine relatives were headed for Put-in-Bay in a 25-foot open top sea sciff owned by Ring's father-in-law Paul Faulhaber, 2422 Torrington Ave., Parma.

Ring, a six-foot, five-inch part-time Seven Hills policeman, spotted an extremely small boat in the distance but when he got closer discovered it was four feet of a 17-foot outboard motor boat. Seven people were clinging to the boat.

Jumping into the water, Ring forced a man and his three sons back to the sunken boat "because I knew it would support them. The man and his sons (Frank Leasel, 39, of Fostoria, Ill., and sons Frank, 8, Philip, 7, and John 5) had drifted away from the boat and were about to go under."

"I got the others back to the boat too, but I had to do a lot of talking to reassure them," said Ring.

Then Ring hailed his own craft and Faulhaber tossed Ring a line which he used to pull the people onto the other boat. When the last one was out of the water, the overturned boat sank within minutes.

All seven would have drowned if Faulhaber's craft hadn't rescued them.

Those rescued in addition to the four Leasel's were Eddie Garcie of Freemont, O., and his children Ricky, 9, and Luly, 7. All seven were taken to Port Clinton hospital by the Coast Guard.

"We turned around and headed home after the rescue. We felt we had enough excitement for one day," Ring said.

A REAL HERO

Rescue at sea cannot be accomplished merely by knowing what to do in case of a crisis. It is also necessary for the rescuer to have the courage to apply his knowledge.

Timothy J. Ring, 22, of 8003 Pelham Dr., Parma, is a hero by any standard used to measure bravery.

When faced with a life-or-death situation on Lake Erie last Saturday, he knew what to do and possessed the valor to do it.

As a result, the lives of two adults and five children were saved.

Three boats passed by the distressed souls floundering in Lake Erie's treacherous waters, after their boat had capsized. But a cruiser with good Samaritan Timothy aboard appeared on the scene.

We salute this quick-thinking, fearless former member of the U.S. Navy. He is endowed with qualities today's youth would do well to emulate.

INDUSTRY INITIATIVE NECESSARY TO SOLVE PROBLEMS OF FREIGHT FORWARDERS

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. GARMATZ. Mr. Speaker, the changing transportation picture is presenting many problems to our maritime industry and I believe most of us are aware of these. However, the effects of these changes on the foreign freight forwarders and customhouse brokers may not be so well known to us.

Therefore, I wish to insert in the RECORD the remarks of Federal Maritime Commissioner James F. Fanseen to the Foreign Commerce Club's 23d annual Foreign Freight Forwarders and Custom House Brokers Night Banquet, held in New York City on May 15. I urge the careful reading of this address in the interest of our shipping problems.

The address follows:

It is indeed a pleasure and an honor to be invited to speak to the Foreign Commerce Club of New York.

This occasion gives me the opportunity to attempt to define the degree of authority and responsibility possessed by business and government in the operation of the shipping industry. I hope also to contribute a measure of understanding as to the function of the Federal Maritime Commission.

Congress has created two separate federal agencies to cope with the maritime interests of the United States. The Maritime Administration of the Department of Commerce is charged with the direct promotion, financial and otherwise, of the American Merchant Marine.

The Federal Maritime Commission, of which I am a member, administers the regulatory program of the United States Government in the field of ocean shipping.

The value of our merchant marine finds tangible measurement in the activities of our vessels as they affect exporters, importers, and consumers of goods which move in our foreign commerce. This particular value is measured in terms of providing the best possible service at the most reasonable rates possible, and maintaining rate stability which is so important to shippers. The Federal Maritime Commission, as a regulatory agency, oversees these activities to assure shippers and carriers alike that malpractices are prevented whenever possible, and when such problems do arise, to assure that proper remedies are undertaken.

As a regulator of the shipping industry, I see problems constantly being brought before the Federal Maritime Commission for adjudication and solution. It is true that these problems involve situations which necessitate a degree of regulatory involvement, but often these cases, in my opinion, have practical solutions which can and should be better found and effectuated by private industry.

The shipping industry today faces several items on its agenda, one of which is the dilemma raised by the decline of the United States merchant fleet.

Statistics show that United States flag ships carry too small a percent of our foreign waterborne trade. While the world fleet has increased by 61 percent in the last 15 years, the United States privately owned fleet has declined by 25 percent. It is almost unbelievable that this nation, forward looking in so many ways, could allow its maritime resources to shrink to such a low level.

The consequence of this decline is a United States flag fleet that is presently too small, too slow, and too uneconomic to either serve our expanding trade movements or to provide satisfactory logistic support to our military forces throughout the world.

These problems affect an industry whose role of importance in our economy cannot be overemphasized. The merchant marine is the conduit through which our foreign trade is enabled to flow. It is the means of distribution for our products and a malfunction in this area is a blow to our entire economy.

Another problem facing the shipping industry, and particularly the freight forwarders and custom house brokers, is that of implementation of the intermodal concept into the present transportation system with a minimum of strain.

These two problem areas are by no means

the only ones raising their heads within the maritime arena. However, they are preeminent for the reason that the policy decisions made in relation to the proposed solutions will determine a "sink or swim" course for the merchant marine in the first instance and, in the second instance, the life or death from a business standpoint of certain components of the shipping industry whose utility could become obsolete.

The tremendous challenges and burdens posed by these problems are awesome indeed. But the *proper* approaches to the solutions to these problems are sorely needed. We must not allow ourselves to become frightened by the tasks which lie ahead.

Indeed, what we initially must do is to place these problems into their proper perspective, assess the situation, and then move toward the solution.

It seems that there is a tremendous need for regaining our sense of direction in the maritime field.

One might ponder the propriety of what appears to be increased government involvement in the shipping industry. Maritime management does not seem to be helping itself remain independent of government influence. We often hear voices calling for massive new government programs to aid the shipping industry. We also hear cries for government help in solving problems arising with implementation of innovations within the industry.

It should be candidly admitted that government interest in maritime is here to stay, and government in one way or another will continue to play important promotional and regulatory roles in the industry's affairs. However, government does not have all or even a large fraction of the answers to the present "crises within the shipping industry."

The abilities, the talents, and the dedication of private enterprise are obviously needed.

An attitude of industry dependency on government for direction and solution of business problems results in complacency and indifference toward the welfare of that industry. Initiative is strangled. The death of drive and creativity leads to an industry coming to a standstill and finally to decline. Recovery and progress after such a process has set in is difficult, to say the least.

Throughout most of our nation's commercial operations, we see the successful implementation of the private enterprise philosophy, and it is a tribute to this American system of private enterprise that our nation for well over half a century has succeeded in achieving and maintaining the highest standards of living of any nation in the world.

In the field of transportation, the airline industry stands out as a prime example of the success of the private enterprise system coupled with limited government aid and supervision.

I think it is time for the shipping industry to cease its squabbling. It is time to roll up our sleeves and get to work. Although the principle of a partnership of private enterprise and limited government involvement in the maritime field is probably the best system of operation, leadership in this industry must come from the private sector. Our industry needs men with great talent and education and imagination, and within the private sector there is a need for a common determination among the leaders to rejuvenate this industry and to achieve the goals of vitality and prosperity.

Criticism is not the answer to the plight of our nation's merchant fleet. However, before this crisis can be resolved. I believe it is necessary to establish and maintain strong lines of communication between government and industry. With our principle of an industry-government partnership in the maritime field, meaningful communication between these two entities is vital. Without the exchange of thoughts and ideas, there can never be any common determination to find viable solutions to our problems.

The entire transportation industry is presently undergoing the intense pain which accompanies change. The intermodal concept is slowly but surely inching its way into our national transportation system.

Intermodalism promises to make our transportation system into a viable integrated tool which can complement American technology in delivering the goods with speed and efficiency and at competitive prices.

However, a pitfall in implementation of this concept lies in the danger of causing the obsolescence of some present business operations in the shipping industry.

It is a reality of business life that the ocean freight forwarding industry may find its services no longer an absolute requirement in the present traditional service areas of the industry. In order to survive, freight forwarders should join together in a common effort to determine what role they can play and what services they can offer in the transportation system of tomorrow.

This great challenge presents an opportunity for private industry to seize the initiative, forge ahead, and secure for itself a position of vitality and prosperity in the future. The government, with its many awesome duties and responsibilities cannot and should not be shouldered with the task of finding a way out of the freight forwarders' dilemma.

A key to efficient intermodal operation is the systematic flow of containers from one transportation mode to the next. For instance under the intermodal concept, a container may begin its journey by truck in central New York, be transferred to a rail car, and then to a ship in the Port of New York, where it begins its ocean leg of the journey.

This operation, it seems to me, will have a great need for coordination of the transition of the container from one mode to another—say, from rail to ship. This transition does not simply just happen. To make an orderly movement from mode to mode, I would think there would be a great need for a person who has intimate knowledge of the inner workings of the various modes.

Throughout the transportation industry, the freight forwarder is recognized as that person who is constantly exposed to and who understands the mechanics of the various modes of land and ocean transportation. The freight forwarder of today might well become that needed link in tomorrow's transportation system. With his expertise, the freight forwarder and his serivces could prove invaluable in making the intermodal concept a functioning operation.

Another valuable service to be possibly offered by the freight forwarder of the future is that of a tariff preparation and filing service. Such a service will be needed, and the freight forwarder could make a real contribution in this area.

In summary, there seems to be no question but that the freight forwarding industry faces a dilemma in regard to its future existence.

The problems, however, are not insurmountable. The thoughts which have just been offered are but a few of the alternatives, I feel certain. However, I urge you to review the development plans in your industry to see if you are doing all that is necessary to prepare for the future. The task is not an easy one. Hard work and imagination are the indispensable ingredients for unraveling the knots binding the shipping industry today. The rewards, however, are considerable and worthwhile. In pursuing such a course, you will be contributing not only to your own welfare, but also to the welfare of the entire transportation industry and our nation as a whole.

Thank you.

NATIONAL AIRPORT IS JAMMED WHILE DULLES LIES LARGELY FALLOW

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. GUDE. Mr. Speaker, in line with my longstanding interest and concern with respect to the overcrowded conditions at National Airport, I would like to focus attention on an editorial which was broadcast July 25 and 26 over WTOP radio and television. Those of us who use National are well aware of these overcrowded conditions, while Dulles Airport operates at only one-fourth of its full capacity. The manifestation of overcrowding is seen in passenger delay and inconvenience.

The reluctance of the airlines to cooperate in rescheduling flights to Dulles contributes to presently overcrowded conditions and disturbing jet noise to metropolitan area residents. Hopefully the airlines will realize their responsibility to work with the Government to provide for the most economical and efficient utilization of air facilities for the comfort, convenience, and safety of all concerned. Otherwise, the Government may be compelled to intervene.

The editorial follows:

A WTOP EDITORIAL

Washington has probably been more a victim of, rather than a contributor to, the airways congestion which in recent weeks has tied air traffic in the Eastern United States in some of the biggest knots yet.

But if New York City or some other place has had a worse time of it, the whole ordeal lights up the future like a bright beacon. What has happened in the air and on the ground around the big Eastern airports this month will continue to happen, and Washington's difficulties are bad enough on an average day without the prospect of something worse.

Congestion and delay at National Airport are old scourges. The facility handles today some 2½ times the volume of passengers for which it was designed, and if that alone doesn't spell saturation, nothing does.

Dulles Airport, meanwhile, still lies largely fallow in the open Virginia countryside southwest of Washington, and it is near-criminal for such a resource to be wasted while National Airport continues to be jammed.

The airlines—not to mention a basketball of Congressmen—have balked at transferring more flights to Dulles for the obvious reason that National is right next door to the District of Columbia, although studies indicate that something less than half of National's customers are heading to or from the District.

It is at least arguable whether the commuting time to Dulles is not more than offset in a great many cases by the time consumed by aircraft waiting on the ground at National or orbiting in the skies above it.

How the carriers can seriously urge the lengthening of a major runway at National in the face of present crowding and the steady escalation of passenger totals defies logic.

If Washington would profit from the particularly frustrating situation the nation has been experiencing, the expansion plans for National should be abandoned, with much more traffic diverted to Dulles.

With the regional system thus in better balance, the ordeal of travel by air is sure to be less—at least for a time.

AMERICA'S GREATEST RESOURCE: HER PEOPLE

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. DENT. Mr. Speaker, there was a time, in years past, when a Nation's wealth and power were measured by such things as natural resources, geography, climate, size of the population, and other, similar yardsticks. Today, the most valuable resources of any nation are its human resources—specifically, educated and highly skilled people who can create new knowledge, and who can develop the technology to apply this knowledge to the achievement of national goals.

The young nation of Israel offers a perfect illustration of what a small nation with a few natural resources can accomplish when its population is trained and educated. Other nations, mainland China, for example, demonstrate the other side of the coin, that enormous populations, natural resources, and large land masses do not automatically lead to economic and political power.

I do not believe that I can be accused of partisanship when I state that the last two Democratic administrations have fully understood the direct relationship between a trained and educated population and a dynamic, growing nation exercising the role of leadership in the free world. The statistics bear out the claim I just made. As a member of the Education and Labor Committee, I have had more than one occasion to review the levels of support by the Federal Government for the education of America's young people, the Nation's future leaders.

A particularly important area is the field of higher education, for it is in our colleges and universities that much of the new knowledge and many of our new leaders will emerge. In fiscal year 1961, reflecting the last budget prepared by the most recent Republican administration, Federal outlays for higher education and academic research amounted to approximately $1 billion. For fiscal year 1968, Federal funds for higher education came to $3.9 billion—almost a 400 percent increase. These facts speak for themselves.

If anyone is under the delusion that President Johnson has somehow lost his sense of domestic priorities, I invite him to spend a little time in the Nation's schools, watching a great and growing investment in America's future.

A PORTRAIT OF A GEORGIA MAN: COURAGE FOR THOSE LEFT BEHIND

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. HAGAN. Mr. Speaker, many brave Americans have died in the wars fought by this country in its less than 200 years of existence. While none of the conflicts have been really popular, the majority of citizens of the United States at least understood the reasons for the wars being fought. In the case of the present conflict in Vietnam, it is easy to doubt that the majority of Americans understand why we are there.

Too many people use our involvement in Vietnam as the focal point for their mindless dissent, and far too many politicians use it as a "whipping boy," for their own self-seeking purposes.

But I am proud to tell my colleagues in the House that the overwhelming majority of Georgians are aware of their priceless American heritage. And it is the loved ones, especially the mothers, who are all too acutely aware of the high price we are paying in the fight against Godless communism. This was best demonstrated in a recent newspaper article, printed initially in the Atlanta Journal and Constitution, and reprinted in the Ludowici, Ga. News on July 18 of this year:

BILLY DID HIS PART—A PORTRAIT OF A GEORGIA MAN: COURAGE FOR THOSE LEFT BEHIND

(By Harold Martin)

The headlines over the front page stories say: "2 Georgians Killed in Vietnam"—"3 Georgians Killed . . ."—"5 Georgians . . ."

The names are listed, and their home towns, and the names of their wives and parents. But who are these Georgians who are dying in Vietnam? What are they like?

Here is a portrait of one of them:

His name was Billy Sapp and he lived in Ludowici. He was 25 years old and a Spec. 4 in the Infantry, and he had been in the Army less than a year when he was killed, fighting to hold a hill in Vietnam.

The people in his home community remember him as quiet, well behaved, unwarlike, a man unconvinced that he had any real business being in Vietnam. But a man also convinced that when your country is committed, you don't express your opposition by burning your draft card.

You go down and hold up your hand and swear to protect and defend your country, and you go where you are sent, and you do what you are told to do.

And you discover that, as danger and hardship begin, doubts dissolve. The great camaraderie that links men who share a common danger takes hold of you. The issues of right and wrong become academic. You do your best because you cannot let your comrades down.

And, sometimes you die. But in dying, you pass on some of your courage and your strength to those you left at home. So that they remember you as Mrs. Edwina Long remembers her son, Billy Sapp, and writes of him in his home town paper, The Liberty County Herald:

"It's dawn, and my son's coffin lies, draped with a flag in our living room. He has spent his last night at home," she wrote.

"I am at peace now, after months of heartache and worry—first, because he had been wounded twice, then the 'missing' message, then death. We thought of capture, that perhaps he was lying wounded somewhere unable to get help, and there was nothing we could do.

"Billy tried to enlist four years ago. I went with him. He wanted to go into the service then, but he was turned down. He worked for a while, then when the world situation grew worse and the demand for soldiers greater, he was inducted. He was then 24. He was trained at Fort Benning, and went to Vietnam in November, 1967. He was with the Fourth Division, 14th Infantry.

"We took him in the plane when, after his training, he was ordered to Vietnam. As he was going up into the plane he dropped his tickets, and had to come back down and get them. He just smiled. That was the last time I saw him.

"I feel that I want to pay tribute to him and all the others who have died; the ones who have come back from Vietnam and the ones still there. It is a cruel war, a different war, but I know from my Billy's letters that they know what they're fighting for over there. What they are accomplishing, I don't know.

"But I do know that he went with his head held high and proud to serve his country. Even though he was my son, I can truthfully say, he was the most unselfish person I have ever known. He put others first. He was a middle child with two brothers who have received honors at times, but he was never jealous. Although he was not a studious person, he loved his brothers and sisters and was always proud of them. Billy was not perfect, but was always kind and obedient.

"His quiet smile will live in my memory forever; I will not forget the times he went with me to the doctor, and how considerate he was of me. His favorite expression was 'Take it easy' when warning me not to drive too fast or 'Take care' which he wrote on the back of his picture that he gave me.

"We're going to his funeral today, and I will hold my head high because he would want me to.

"He knew we loved him. From his letters he knew our hearts and prayers were with him. He knew he had a job to do over there and he did it to the best of his ability.

'Dear God, give me the courage to live, not in vain, because I have been spared, and I pray that he and so many others have not died in vain, but that somehow this world will become a better place because of the sacrifice our sons are making.

"They're saying to us, 'To you, from failing hands we throw the torch, be yours to hold it high.'

"I feel that my Billy has done his part."

NICHOLAS ROYCE AND EASTERN ORTHODOXY

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. BELL. Mr. Speaker, one of my constituents who resides in Hollywood, Calif., has waged a tireless and outstanding campaign on behalf of more than 6 million communicants of the Eastern Orthodox faith in the United States. I should like to bring the example of his dedicated crusade to the attention of my colleagues.

Nicholas Royce began his personal struggle for national recognition of Eastern Orthodoxy 11 years ago, 2 years after he settled in California, where the first Orthodox church in the continental United States was established in 1806. Since that time he has succeeded in gaining acknowledgment for Orthodoxy in many State legislatures, in the military services, at the governors' conference, with the U.S. Information Agency, the city of Los Angeles Bureau of Adoptions, and the film industry. Recently, the city council of Los Angeles paid tribute to Mr. Royce in a resolution recognizing his "selfless dedication to the Orthodoxy and his fellow man, as well as the enrichment of spirit which he has brought to our city."

During his Army days following World War II, Mr. Royce, whose family name is Vlangas, became aware of the lack of recognition of Eastern Orthodoxy as a major faith. Following military service, he traveled throughout the United States as an entertainer, and his conviction that the 2,000-year-old religion did not enjoy the place it should have grew even stronger. For this reason, in 1957 he launched his campaign to insure greater recognition of Eastern Orthodoxy. Today, California is one of more than 35 States whose legislatures have passed bills recognizing Eastern Orthodoxy as the "fourth major faith."

In 1960, Mr. Royce terminated his career in show business and became a loan service officer in Beverly Hills. He has served as president of the Eastern Orthodox Youth Council of Southern California, vice president of the Greek Orthodox Youth of America at St. Sophia Cathedral in Hollywood, and was appointed to the Mayor's Council of International Visitors in Los Angeles.

GALLAGHER CALLS AGE DISCRIMINATION WASTE OF VALUABLE HUMAN RESOURCES

HON. CORNELIUS E. GALLAGHER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. GALLAGHER. Mr. Speaker, at this time of national crisis, all of us realize the importance of utilizing all our human resources to meet the complex problems which confront our Nation. We can be justly proud of the tremendous strides that Congress has made in eliminating the waste of human resources through discrimination based on race, religion, and sex.

This editorial from the Elizabeth Daily Journal of June 12 calls attention to another form of discrimination which results in the waste of valuable human resources: age discrimination. Many skilled and hard-working Americans between the ages of 40 and 65 experience great difficulty in finding employment. This means a loss of economic productivity that this Nation can ill afford.

I believe that every Member should read this penetrating analysis of what has been done and what remains to be done in dealing with this problem. I insert the editorial into the RECORD at this point:

AGE DISCRIMINATION

One of the most important of the Civil Rights measures of the past few years goes into effect today with only a half-hearted chance * * *.

In a period that stresses youth, from education to rights on the campus, the Age Discrimination Act points up the failure of labor and management to protect the rights of workers between the ages of 40 and 65. Too often they have fallen victim to the youth emphasis in hiring practices and labor contracts.

Employers, undertaking insurance and retirement programs, have sometimes claimed it is too costly to take a man on a new job if he is in the 40 to 65 age bracket. Labor unions, through pressure for early retirement, sometimes at the age of 55, have harmed the interests of older working men who find it necessary or convenient to switch jobs in mid-life. Thus, the drive for economic security has made millions insecure.

This type of either deliberate or unconscious discrimination is a moral blight that has been an injustice to many of the men who struggled through the nation's depression, helped mold the labor movement, and were instrumental in creating the American industrial complex. Where their experience once was important in finding a new job and helping an employer, they are now looked upon as insurance risks; a denial of the spirit of early American enterprise.

The most concrete provision of the new law forbids the inclusion of age preferences in job advertisements. On the other hand, the law does not cover situations where age is a "bona fide" job qualification or where employment of an older worker would violate the "bona fide" employe benefit plan. These are wide loopholes that must be closed.

The final measure should not be a man's age, no more than his skin, religion or nationality, but his ability to perform a particular job. It is long past time that some of those employe forms, worked out by such experts as psychologists and personnel managers, included a few important human equations.

One of these should obviously be whether a man has reached the age at which he is loyal, experienced and hard working. A great many of those kind of people are found in the 40 and 65 and over age bracket.

EUROPEAN'S VIEW OF U.S. POLITICS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. DERWINSKI. Mr. Speaker, as we recess for the political conventions, it bears recalling the 1960 campaign and the controversy over our image abroad.

The concern abroad over U.S. politics is to be expected. I insert into the RECORD two interesting articles on current European views of U.S. politics by the distinguished international columnist, Dumitru Danielopol, which appeared in the Sacramento Union July 22, and the Illinois State Journal on July 27:

[From the Sacramento Union, July 22, 1968]

THE NEW NIXON'S SUCCESS

(By Dumitru Danielopol)

WASHINGTON.—"Who will be the next president of the United States?"

The question is asked every American who visits Europe this year.

The question reflects the realization that the philosophy of the president will affect the lives, well-being and liberty of hundreds of millions of people.

What will his attitude be about Vietnam, the Middle East, "detente," trade, and the dollar crisis etc.?

Between now and November the candidates will be carefully scrutinized, their policies examined and their words weighed and interpreted.

Leading newsmen from Europe are already arriving to look at the presidential hopefuls and at our elections.

One such visitor was Drago Arsenijevic of "La Tribune de Geneve," one of the leading Swiss papers. One of his assignments was to take a close look at "the new Nixon" front runner of the Republican Party.

In a feature article, he described his meeting with the former vice-president at a dinner where Nixon was the key speaker. The European journalist's views are interesting.

He was struck by the strict security measures taken since the assassination of Sen. Robert Kennedy and the general emphasis in America on law and order.

"Ah! I like Geneva very much . . ." Nixon told the Swiss newsman. "It's such a beautiful city, so clean . . . and so safe."

"The last word translates into one of the most important preoccupations of a candidate to the presidency in 1968," wrote Arsenijevic.

Nixon insisted especially on the respect of the law. "There is no progress without order," he said.

Of Governor Nelson Rockefeller, the other Republican candidate who lives in the same apartment house in New York with the former vice-president, Nixon quipped:

"My wife is not at all jealous of the governor's apartment, for we intend to move soon in a house . . ."

Everyone understands that that house would be white, the Swiss newsman remarked.

Nixon's criticisms against the administration, which are many, were limited to the last five years although the Democrats have been in power for eight.

"Nixon only aims at the Johnson administration and not at that of John Kennedy," Arsenijevic wrote.

Of Hubert Humphrey, Nixon said "He will have a new smile, a new accent but it is the same man who has supported President Johnson's policies with more vigor than the President himself. If he comes to power nothing will be changed in the United States in the next four years."

The country needs new leadership, Nixon said.

"We will win in 1968, because the party is stronger, because we control more cities, because we have more representatives of the people; 1968 is a Republican year."

What does the Swiss think of Nixon's chances?

"The hall crumbles under applause," he wrote as he described the GOP dinner. "People are on their feet, waving their arms in the air. Smiles. Flashes.

"The 'new Nixon's' success is indisputable."

[From the Illinois State Journal, July 27, 1968]

NIXON WORRYING RUSSIANS

(By Dumitru Danielopol)

WASHINGTON.—"Mr. Kosygin is voting early and he is voting for Hubert Humphrey," quipped London's "Economist."

It sees the Kremlin's agreement to talk about nuclear arms limits as a gesture to aid Democrats.

The Russians have apparently been getting nervous about the possibility that Richard Nixon might be elected.

They have been dropping hints, the London weekly says, "that they want the next president of the United States to be a man who will continue Mr. Johnson's policy of cooperation with the Soviet Union. They doubt whether Nixon would run his foreign policy that way, and they might be right."

The Russians have taken a hand in American elections before.

Former Premier Nikita Khrushchev has boasted openly that he helped John F. Kennedy into the White House in 1960.

It's not difficult to understand why the Soviets prefer to see Humphrey in the White House. He has already said he would follow the detente and peaceful engagement policy of President Johnson.

The vice president talks of "the new era of American foreign policy."

Twenty years ago, the United States was virtually the only source of power in the non-Communist world, he said and "We faced an aggressive and highly centralized Communist bloc."

Western Europe and Japan tottered on the brink of chaos.

But today things have changed, Humphrey says.

"The cold war between the United States and the Soviet Union is waning," he says.

The Communist countries no longer pose a monolithic threat and there is a prospect of further efforts toward disarmament.

Western Europe and Japan can stand on their own feet.

Humphrey sees new priorities, new policies and a new sense of purpose.

"They demand a shift from policies of confrontation and containment to policies of reconciliation and peaceful engagement," he said.

The policy of the administration has been based on the premise that friction between some Communist countries and signs of independence and liberalization in others represent a major change in the balance of power. Therefore communism as such and the Soviet Union in particular are no longer a threat to the free world, they conclude.

Republicans have been more cautious.

A special paper prepared by the Republican Coordinating Committee last April questioned "whether these changes are profound and significant enough to justify the Democrats' current ardor for detente with the Communists."

While Czechoslovakia's bid for some degree of freedom occupies Western attention, Russia pursues old imperialist traditions in other areas. It moved into the Mediterranean and is working its way into the Middle East, North Africa, the Persian Gulf and the Indian Ocean.

The Soviets aim to fill the oil-rich vacuum left by the British retreat from east of Suez.

NEIGHBORHOOD HEALTH CARE CENTERS

HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. HALL. Mr. Speaker, a notable address by Willard B. Simmon, executive secretary of the National Association of Retail Druggists, on July 15, 1968, raises a very pertinent point to what is developing within the framework of the administration's war on poverty.

The Office of Economic Opportunity has undertaken a program dubbed "Neighborhood Health Care Centers," which is forcing independent retail pharmacies out of business and undermining our free enterprise system.

I insert at this point in the Record the following summary and highlights by Mr. Carl Wilson, the Seventh Missouri District congressional intern from Drury College, Springfield, Mo., of Mr. Simmon's address on this subject:

Although the National Association of Retail Druggists supports Neighborhood Health Centers, it does strongly "oppose a pharmacy being established in these centers when there are a sufficient number of retail drug stores in the ghetto areas or the areas in which Neighborhood Health Centers have been established."

Community Action Programs have been organized to work with the Office of Economic Opportunity to establish Neighborhood Health Centers in different areas. In the relatively few such Centers now in operation, most have set up on-the-premise dispensaries which are providing drugs to the people eligible for services under Title 19 of the law.

This is being done in spite of the fact that pharmacy services are available in the area through existing neighborhood drug stores.

The NARD believes that the OEO should take steps to insure that its guidelines are enforced at the level of the Community Action Programs. The Economic Opportunity Amendments of 1966 *require* "Maximum feasible utilization of existing agencies and resources." However, Community Action Program Agencies in many areas are *not* following the OEO guidelines. Local pharmaceutical associations are not being consulted. Efforts to implement the *vendor system* whereby local pharmacies may participate in filling prescriptions and providing medicines to people eligible under Title 19 rules, are being opposed by many boards.

The establishment of Neighborhood Health Center dispensaries are not only expensive, but unnecessarily duplicative as well. They do not conform to the provisions of the Economic Opportunity Amendments. Thus disregarding private businesses in the area and pharmacies are probably more capable of rendering better service to those people whom the Government is trying to help.

The one excuse which the Community Action Program Officials voice for creation of these on-the-premise dispensaries in Neighborhood Health Centers is their claim that they can offer medicines to Title 19 at costs to the Government which will be lower than local pharmacies can meet. According to Mr. Simmons' speech, "this would be done by using the power of government buying agencies. This would be further accentuation of the uneconomic and unfair methods of pricing brought about through the coercive powers of Government purchasing agents—adding to the unfair burden now resting on the general public to subsidize government 'economies' through higher prices of medicines for individual citizens."

The economics of these Health Center dispensaries will have an effect on the community:

1. Reaction entirely foreign to the American scene.

2. Pharmacists, as taxpayers, will support a project that will seriously hurt their own business.

3. Loss to the community of the multiple services of the drug store.

4. Gone also will be the many auxiliary services needed by Title 19 patients, services which in all likelihood will not be offered to them by the Federal Government financed dispensary.

5. Loss of business to the entire community.

6. Loss of employment of good, hard-working citisen-taxpayers who previously have been able to take care of themselves.

There can also be delayed action economic bombshells such as a loss annually in tax revenues.

The NARD's position regarding this Office of Economic Opportunity program is:

1. Local pharmaceutical associations should have a role in the establishment of Neighborhood Health Centers.

2. Local pharmacists should be seated on boards responsible for Community Action Programs.

3. Prescriptions written by Health Center physicians should be filled in community pharmacies under a vendor payment program so that such pharmacies may dispense prescription medication to Neighborhood Health Center recipients at no charge to patients.

4. The Center patients should have freedom of choice in selecting pharmacies to fill their prescriptions—just as any other American has such freedom of choice.

5. At the National level, a permanent advisory committee consisting of representatives of the OEO and the NARD should be established to set up guidelines for implementing proper pharmaceutical service at the local level.

Another cause of action suggested by NARD is to transfer the entire NHC program from the Office of Economic Opportunity to the Department of Health, Education, and Welfare. Under HEW, drugs would be provided NHC recipients under the Title 19 Medicaid, Program which would recognize the private sector and the vendor system.

Mr. Speaker, the entire address is available for those interested who would care to pursue this in complete detail.

TO A GREAT PHILANTHROPIST

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. PODELL. Mr. Speaker, just a few days ago our great city of New York suffered a severe loss in the death of Mr. Isaac Shalom. We are deeply aware how keenly his family and his friends suffered from the loss of his life. His philanthropic instincts are known throughout our land particularly those whose lives were in a great measure enriched by his generosity—the homeless, the sick, the young in need of education, the elderly in need of solace and comfort, and the deprived seeking a fair opportunity for a fair life. A wonderful husband and father, Isaac Shalom, must have looked upon every human being as a member of his family.

His philanthropy was endless. He served as president of Temple Shaare Zion of Brooklyn as well as its guiding spirit for many years. He was honorary chairman of the board of directors of Mirrer Yeshiva and gave of his time and worldly gods endlessly and selflessly to the advancement of the study of Torah throughout the community.

Deeply dedicated to Judaism and to

the cause of Israel, he was an active leader in the United Jewish Appeal and Israel Bonds. In all areas of human needs he dedicated his energies and spiritual leadership.

There is very little we can say or do to ease the pain and suffering of his family and his friends. To them I can offer only the solace of his memory and compassion enshrined in the hearts of those whose lives are touched by Isaac Shalom.

PRIVATE SECTOR MUST DO MORE TO REMEDY URBAN ILLS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. RODINO. Mr. Speaker, business and industry, in cooperation with all levels of government, are indeed striving to provide job training and employment opportunities for the so-called hard-core groups in our Nation's urban centers. Although much more needs to be done, a good start has been made. The July 1968, issue of New Jersey Business carries an excellent account of some initial successes in Newark, N.J., but underscores the need for further efforts by the private sector of our economy. I commend this article, which is reprinted following my remarks, to the attention of my colleagues:

JOB TRAINING: SELF-RENEWAL FOR THE HARDCORE UNEMPLOYED—BUSINESS AND INDUSTRY LOOK FOR NEW WAYS TO HELP

(By William A. Mercer, coordinator, Business and Industrial Coordinating Council, Newark)

Job training and employment of hardcore unemployed and underemployed in our urban centers is one of the nation's most urgent needs. The violence of last summer and events after the assassination of the Rev. Dr. Martin Luther King, Jr., substantiate the enormity of the situation.

Most businessmen are Equal Opportunity Employers, have signed the President's Plans for Progress, have familiarity with the Civil Rights Bill of 1965, the Equal Opportunity Act of 1964, submit annual forms to the Equal Employment Opportunity Commission, are knowledgeable about the Manpower Development and Training Act of 1962, and know about academic and vocational education funds in federal assistance programs. They have acquaintance with other uplift legislation geared to marshal the untapped talent of residents locked in our nation's ghettos and locked out of the common labor market, yet their overall comprehension of the manpower crisis is thin.

A brief overview is in order.

In the past few years some 100 American communities have felt the impact of violence, riots and street disorders that have resulted in more than 100 lives being lost and property damage exceeding a billion dollars.

At the bottom of the urban crisis is the lack of a national resolve to get on with the urgent business of solving race problems, and root causes producing these eruptions. Until we do, our cities will continue to explode.

I gave a talk at the National Conference on Black Power last summer immediately after the ordeal of Newark's upheaval. I was given a very rough time by black militants who told me I was wasting my time suggesting things that business and industry might do for the black community. They were convinced you don't care. Dick Gregory, commenting on the lack of equal opportunity and justice for Negroes, put it very starkly. He said, "Black people may not have the capacity to build up our cities, but they certainly have the power to burn them down."

The task today is to get businessmen to broaden their efforts along the manpower front or to get organizations involved in righting some of the wrongs. There are many examples of good programs that can be duplicated in any community. Urbanologists like Moynihan, Ylvisaker, Bundy and Clark have produced creative plans aimed at alleviating many pressing urban problems.

What must be done has been spelled out rather clearly with other action plans. There is the experience of the Marshall Plan in Europe, Operation Bootstrap in Puerto Rico, the complete assimilation of Hungarian refugees into the American mainstream, and the movement of disadvantaged African bushmen to the world stage of governing more than a dozen nations. All of this after World War II. It can and has been done. Increased assistance on all fronts must be forthcoming. Now business leaders are being asked to use their expertise and unmatched know-how to go into this nation's asphalt jungles and train and hire hardcore unemployables.

While money alone is not the answer, it is needed in far greater abundance and should be administered in much better fashion than is currently the case.

At this point I should bring in Newark and a rather unique organization known as BICC (Business & Industrial Coordinating Council.) Despite the fact the BICC is not quite five years old, its employment and training programs have seen the entry of disadvantaged people of Greater Newark—mostly Negro and Puerto Rican—into over 15,000 jobs and training opportunities.

Over $20 million has been funneled into Newark during the past four years for all types of manpower programs, yet the town's adult unemployed, estimated at 14,000 by a recent Rutgers study, is relatively unchanged from 1960. This is so mainly because business and industry has been only superficially involved and a great deal of "creaming off" of marginally unemployed and upgrading of a few showpiece Negroes has been done. Truthfully, we haven't even kept pace.

To have a meaningful job development and training program, several things have to happen. High on the list must be a company's firm *resolve* to carry out equal opportunity on a positive action basis. The word must come down from the top. In hard fact it makes little difference to the new employee if he is hired because of civil rights legislation or simply because the company believes it is the right thing to do.

In the final analysis, business and industry is the main source of employment. Whatever the reason if there is a real desire to employ minorities and it is personally communicated by top executive personnel, the job will be done.

A major point in employing hardcore males is the use of community people to help in recruiting him. Recruiting ghetto women has never been a problem; and the well-documented story of the alienated Negro male, who is still the victim of a matriarchal society, is an obstacle to be overcome. He simply does not walk into a plant and aggressive outreach by a person like himself is the only way of bringing him into a program.

As a start a company could set up a short term, pre-vocational, pre-hire program that will give hardcore applicants a chance to pass entrance requirements. This is an effective means of getting around the stock company phrase that "we really want to do something but cannot lower our standards." This means an in-plant program aimed at a community's unemployed and not necessarily those who will work for the company.

We have established 18 of these satellite programs with the help of some of the nation's largest companies—Prudential Insurance, Western Electric, RCA, Public Service, Hoffmann-La Roche, Mutual Benefit Life Insurance, New Jersey Bell and the state's three largest banks. Liberal assistance has come also from the Urban League of Essex County, United Fund agencies, the Newark Board of Education and the State Employment Service. Companies should join with community agencies and government to broaden their experience.

Exactly who is a hardcore job applicant? Two and a half years ago BICC began a study to determine this. After checking out more than 600 files, we turned up an "average" type. In general makeup he is a 29-year-old Negro male with a tenth grade education. Born in the South, he has held seven semi-skilled and unskilled jobs in factory and service areas. He is usually unable to pass standard entry level tests and frequently has run afoul of the law at least once.

In spite of this—with training—he can and does perform ably in better paying jobs. Our SEED (Skill Escalation & Employment Development) graduate trainees are doing well in good paying positions averaging $2.27 per hour although most of them scored only half as well as the national average in commercial tests. Apparently there is little correlation between passing tests and job performance. Incentive is a much greater factor.

Similar to all workers hardcore applicants have a variety of problems. Health is a prime cause of rejection. But often these difficulties are corrected by dental work, eyeglasses or other simple treatment. Day care is another. Many women would like to enter training but cannot leave their children. Bonding for insurance and financial positions excludes many hardcore people and lack of high school diplomas represents still another barrier.

In training the hardcore, counselling and guidance of a personal and vocational nature is an absolute must. Short training periods will not overcome deprivations and hopelessness shaped during a lifetime.

Make sure that motivation and inspiration are part of your training program. Give him a realistic appraisal of the way your company is run and the prevalence or lack of discrimination. But be sure he knows that if he exhibits proper work attitudes and completes training that he can reasonably expect to obtain a permanent job or to be upgraded. Remove the credibility gap and institute a climate of believability and concern.

Transportation is an acute problem for ghetto people. The very poor do not own cars and if a company is located in suburban or semi-rural areas these people are stymied. Many firms now provide bus transportation to pick up and return these people to a central downtown point.

Most of what I have written comes from my experience with our second experimental and demonstration project—Project SEED. During a 16 month period that ended last April, 2,400 persons were entered in 18 training programs, 1,126 have completed training, 134 are still in training and 920 or 81 percent of those completing programs are employed. SEED received $1.4 million from the Departments of Labor, Commerce and HEW and several giant New Jersey corporations. Better than 25 percent came from local business and industry.

Jobs are being developed for graduates that will improve final figures. One important development will be to speed up the time lapse between completion of training and starting on the job. Ford Motor Company's "Ghetto Storefront" program and the Bell System companies in New Jersey conducting a similar instant job program for 500 hardcore applicants, are two examples of avoiding this delay. The Bell systems project is a direct result of New Jersey Bell and Western Electric involvement in Project SEED.

The business community of Greater Newark, even with its many shortcomings, is one of the most enlightened in the country in the area of manpower training and job development. The $400,000 it gave SEED included personnel, equipment and actual cash contributions. Present at SEED's signing ceremony in Washington, its SEED Center dedication or other events were men like Orville Beal, president of Prudential; Robert Ferguson, president of First National State Bank of New Jersey; Richard Scudder, publisher of the *Newark News*; Edwin Snyder, president of Public Service; Admiral Albert C. Mumma, chairman and president, as well as Peter Barno, vice president of Worthington Corporation; Cuthbert Cuthbertson, works manager, and Paul Smith, public and labor relations manager of Western Electric Company; former Governor Robert B. Meyner and senior vice president Lawrence Hoguet of Engelhard Minerals and Chemicals. There are many more. At satellite graduations, C. Malcolm Davis, president of Fidelity Union, John Magovern, president of Mutual Benefit, and Robert Lilley, president of New Jersey Bell Telephone Company, personally handed out certificates to SEED trainees completing programs on their premises.

Public Service Electric and Gas Company, a number of New Jersey's leading pharmaceuticals, and other companies have led uplift programs in the Central Ward. Efforts like this are minimizing hiring barriers which presently keep untold numbers out of entry-level jobs.

These programs are beginning to get the message across to Newark's black community that business and industry really does care. This growing concern was evident in a February 7 Job-A-Thon to support Project TEAM, Newark's Concentrated Employment Program. The Job-A-Thon was a luncheon featuring Orville Beal, C. Malcolm Davis, Herbert Seegal, president of Bamberger's-New Jersey, and Whitney Young, executive director of the National Urban League. It was arranged by the Greater Newark Chamber of Commerce. Over 200 companies were urged to hire TEAM people from 25 census tracts with the greatest poverty and unemployment.

Now the assistance given to manpower efforts by Newark's National Alliance of Businessmen (NAB) to open up 2,800 summer jobs for youth and 2,000 permanent jobs for adults is further evidence of business concern. Some 80-odd management people have been loaned to NAB to recruit jobs for the hardcore.

Nowhere else in the country has industry sponsored a project such as BICC's latest manpower program, SEED II, which supplants SEED and guarantees employment to 1,400 people when they complete training programs in machine skills, clerical office skills, and in a dozen or more satellites. This kind of cooperation has made the Urban League of Essex County, which is the employment arm of the BICC, the best job placement agency of the 84 leagues around the country.

Another example of local business backing was the Palm Sunday March for Understanding in which over 25,000 people participated. National Education Television filmed the March and concentrated on walking businessmen who live in the suburbs. NET plans to make a documentary of the historic walk. The Greater Newark Chamber purchased 10,000 "I Care" buttons and black armbands that were distributed by the thousands to the marchers. This kind of cooperation continued through April 9, when over 200 people, including prominent businessmen, journeyed to Atlanta for the funeral services of Dr. King. Planes were donated and cash contributed by the business community in order for many of the Newark area mourners to make the trip.

The series of tragic fires, including the five-block holocaust of April 20 that left over 600 people homeless, has also been taken on as a concern of Newark business and industry. Literally tons of clothing furniture, food, and personal assistance have been provided for the fire victims. A permanent and much needed vehicle to deal with disasters has emerged. A coordinating committee comprised of business and social agencies will be able to come forth in the future and better deal with crisis conditions.

So forward looking has been business that the local Chamber of Commerce has organized a community development council to help ease social problems. The Committee of Concern that emerged from last summer's searing disturbances has influenced business to help set up a Greater Newark Urban Coalition which will dwell on total community problems. Even BICC has been helped to independent funding for the first time in its history thanks to the Newark Chamber and the Greater Newark Development Council.

Some skeptics are of the opinion that all of these efforts may not be sufficient to save Newark, but the enthusiasm of businessmen is getting infectious and if it continues to enlarge, will be the City's salvation.

CHEERS FOR FRANCES KNIGHT, DIRECTOR OF THE PASSPORT OFFICE

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FULTON of Pennsylvania. Mr. Speaker, I submit for the RECORD the excellent editorial from the Washington Evening News, Monday, July 29, 1968:

FORMULA FOR EFFICIENCY

Herewith a few kind words about a Government agency.

Since 1959, the Passport Office, in a period of bureaucratic proliferation and increasing demand for service, has saved more than $13 million for the American taxpayer while issuing and renewing 11,440,000 passports and collecting $86 million, which went into the U.S. Treasury.

In a report to her staff the other day Frances G. Knight, the director of the Passport Office, pointed out how this happy result had been achieved:

"We have made some notable strides in bringing about management and administrative improvements as a result of working smarter rather than harder, thinking forward rather than backward, and examining carefully operational details in our constant search for more economy."

The day of the Jumbo Jets, when still more Americans will be journeying abroad, is not far off. The Passport Office is already gearing up for the new demands that will be made on it. We have no doubt that its dedicated staff will meet the challenge.

Other Government agencies please note.

A MEANINGFUL GROUNDBREAKING IN MINNEAPOLIS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FRASER. Mr. Speaker, ground was broken this month in southeast Minneapolis for an expansion of the Pillsbury Co.'s research and development facilities. Two factors, I think, gave the occasion special significance:

First, Pillsbury has chosen to build in the heart of the city itself instead of moving to the suburbs.

Second, the expansion is an important step toward greater cooperation among private industry, government, and a major educational institution, the University of Minnesota.

Dr. Howard E. Bauman, Pillsbury's director of corporate research, effectively summed up the meaning of the event in the following speech at the groundbreaking ceremonies:

Today is a milestone, I believe, in the history of Pillsbury Research and Development. I say "milestone" because Pillsbury, by breaking ground here and committing to the future of this area, is demonstrating by action, not by words, what it intends to do, and thus is placing faith in the city's total movement toward urban revival. In this age, when most research and development laboratories are moving to the country, I think our ground breaking here today is quite unique. The decision to remain here is not one taken lightly but is the result of careful study and long-range planning. For many years within The Pillsbury Company Research and Development we have had the privilege of developing associations with Government agencies, Universities and Institutes. These arrangements have allowed us to become involved in the broad spectrum of research activities that have included such areas as aerospace, both in food safety and pollution, nutritional problems of countries such as El Salvador, microbiology of foods moving in international commerce, nutritional and medical problems in the inner cities and in areas such as Appalachia. These and many more have created an awareness on our part of the complexity and enormous magnitude of research problems we face in the future. These problems faced by one alone are frightening and raise the question, "Do we have the resources to meet the challenge?" The impact of this question is reinforced when one realizes that there is a shortage of competent scientists today and there will be for many years to come. It is a fact that most problems today are so complex that no one scientist by himself could hope to know enough disciplines well enough to work by himself. Strict specialization in scientific disciplines is becoming less common, causing us to lose depth or, to put it another way, not keeping the hoppers filled with basic data upon which ideas are built. Because of competitive pressures and variety of projects, most industries cannot afford to keep scientific specialists. Most applied research is now done on a team basis. How will we meet the challenge?

I think the step the Pillsbury Company has taken today is at least a giant stride in this direction. Why? We have to consider one of our biggest dangers today—the rapid outdating of scientists. Many fields of science are advancing at a high rate of speed and the scientist who does not take deliberate steps to remain current will soon be trying to solve new problems with archaic tools. The Pillsbury Company's decision to remain on the doorstep of the University of Minnesota will be an invaluable asset to us in research and development—first because of ready access to a library impossible to duplicate within industry; second, our personnel can attend classes and earn degrees more readily; third, the ability of those with degrees to remain updated through close association; fourth, the stimulating interchange that can take place between scientist of academia and private industry; fifth, joint seminars can be arranged for the benefit of many; sixth, I would hope to see an increase in the utilization of industrial scientists as occasional lecturers at the University.

Besides the problem of updating, there is also the increasing cost of facilities and equipment. The time will soon be upon us when facilities or equipment will have to be utilized nearly continuously to justify the cost, as much as computers are time-shared today. How will all this be achieved? I believe only by industry, government and Universities accepting certain roles. For instance, the deep scientific specialists will be almost entirely University, with Government and Industry financing. Facilities, and especially sophisticated equipment, will be mainly Government financed for joint utilization. How will industry contribute? I believe by supplying the applied research to move basic data to fruition, to provide an outlet for University personnel to work with their ideas and by supplying the managerial skills to make this type of interrelationship work.

WILLIAM J. CASEY: A CONCERNED CITIZEN

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. WOLFF. Mr. Speaker, William J. Casey of Roslyn Harbor, N.Y., is a well-known and distinguished citizen residing in the Third Congressional District, which I am proud to represent.

Recently Bill Casey, who I am pleased to know personally, instituted a program of challenge grants to encourage local high school students to spend their summers in productive research and other constructive activities. Under this program Mr. Casey awards grants of up to $250 to students who submit project ideas worthy of support. Such a program, as conducted by an individual, is a worthwhile way to encourage young people to continue valuable research. A similar program could well be conducted by individuals or industry or labor unions in all parts of the country and would serve the dual purpose of occupying the time of young people and fostering constructive efforts among high school age youth.

Under leave to extend my remarks, I include in the Record an article from the July 18 Community Newspapers regarding the Casey Challenge Grants so as to give my colleagues an idea of the projects in this worthwhile program; a program that might well be a model adaptable to other communities through the United States.

The article follows:

Casey Challenge Grants Inspire Youth Projects

Thirteen high school students from the North Shore will spend the summer on projects of their own devising, as the result of presentations of challenge grants from the Sophia and William Casey Foundation of Greenvale.

The grants, ranging from $10 to $250, support constructive summer projects showing self starter initiative and special promise of personal development. Of 95 applications received from Nassau County high school students, a total of 45 were approved.

The majority of the applications were oriented toward electronic, biological and other scientific subjects. The foundation set two financial limits on its support: no grant would exceed $250 and the total amount would be about $5,000.

The 13 North Shore students whose projects were funded are listed below:

Meg Bogin, Great Neck North High School, received $100 for a study of the linguistic aspects of the barrier between the Spanish-speaking Mestizo and Nahuatl-speaking Indian in Mexico. Miss Bogin will spend the summer in Mexico.

Jean Boltz of Herricks Senior High received $50 for a study of the fundamentals of skin grafting and its uses as applied to plastic surgery.

Brian Bosy, North Shore High, was given a grant of $150 to construct a metal lathe.

William Brennan of Glen Cove High School will conduct a research study of the contrast of the view of man expressed in ancient philosophy and drama to that expressed in 20th century drama, with a grant of $100.

Robert Eden of Friends Academy will observe by microphotography the chromosome changes in the blood leucocytes in karyote normal, abnormal, and LSD blood.

David Jouard of North Shore High was presented $200 for the preparation of a set of short films that will promote interest in math without the use of any words, spoken or written.

Daniel Kiehart of Herricks High will conduct an identification of pigments on paintings by a chemical process to determine age and or fraud, with a $90 award.

Frank Leto of Schrieber High School will make two 8 millimeter color films, one documentary; one animated, with $100.

Mary McCartin of Herricks High will conduct a nursery school for neighborhood children, under a $100 grant.

Erin O'Hare of Herricks will study the possibilities of glazes with a $100 award.

Jesse Perry of North Shore High was granted $200 for a study of the selective breeding of Hyalophora Cecropia (moth) and its rearing of offspring, in an effort to trace inheritance pattern of pupal and imaginal traits.

Robrt Steingart of Roslyn High School was given $25 for continuation of a self-designed self-constructed computer, capable of understanding the spoken voice.

Two Weber Junior High students in Port Washington, Tom Wood and Don Wile, were given a $175 grant for an experiment with the design and construction of amateur VHF transmitting antennas.

NORFOLK MAN'S FIRM AIDS NAVY, AIRLINES

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. HARDY. Mr. Speaker, I would like to call the attention of the House to an article which appeared recently in the Richmond Times-Disptach entitled "Norfolk Man's Firm Aids Navy, Airlines." The article relates to the contributions which Mr. William L. Shepheard, Sr., has made and to his selection as Virginia's Small Business Man of the Year.

Mr. Shepheard is a prominent constituent and friend of mine. I know of many significant achievements by his firm, and am pleased that he has been recognized by the Small Business Administration.

The news story from the Times-Dispatch follows:

Norfolk Man's Firm Aids Navy, Airlines

In 1938, a 26-year-old Norfolk businessman opened a one-man sheet metal shop in a cramped 10-foot-square wooden building. William L. Shepheard Sr. has been assembling a small industrial empire ever since.

The enterprise took off from the start. Sheet metal contracting has evolved into the manufacture of secret release mechanism for the Navy's Talos surface-to-air missiles, air-conditioning systems for commercial aircraft and dry-docked atomic submarines, and ground support equipment for airplanes. Larger, more sophisticated projects are on the drawing board.

Shepheard's wooden building has been replaced by a $2-million, 80,000-square-foot plant on a three-acre site in Norfolk. Sales have multiplied more than 100 times, to $1 million-plus a year.

HONORED HERE

The Small Business Administration, which helped guide the expansion of Shepheard's business, took note of his success yesterday and honored him as Virginia's Small Business Man of the Year. U.S. Sen. Harry F. Byrd Jr. made the award presentation at ceremonies in the auditorium of the Federal Reserve Building here.

"We were so crowded when we first started," Shepheard recalled in an interview after he received the award, "that we would park a car sideways between the building and the curb and do a little work in between."

In 1946, Shepheard expanded the sheet metal company that bore his name into Air-A-Plane Corp., which he heads as president and treasurer. The firm's main-product is mobile air-conditioning systems it sells to airlines in all parts of the world.

Projects in various stages of development include:

1. Mobile airport control towers being built under a $400,000 contract from the Federal Aviation Agency. In case of an emergency, such as fire, helicopters would fly the substitute towers in and place them into position.

2. A "powered wheel" to tow the giant Boeing 747, which is scheduled to be in service in September 1969. The plane will weigh 800,000 pounds fully loaded, Shepheard said, and there are no towing devices large enough to do the job now. It would take a 150,000-pound tractor to move the plane, but a machine that heavy would tear up the runway, he said. Air-A-Plane's patented cog-like invention—weighing about 40,000 pounds—will be set in tracks and driven manually. It will also be able to move the supersonic transport (SST)—loaded weight: one million pounds—when it is completed. Shepheard said. The first "powered wheel" is expected to be installed in Chicago within 15 months.

With 200 employes, Air-A-Plane is still classified as a small business, but Shepheard doesn't plan to keep it that way. While "our company is still a flea on the tail of the growing airline business," he said, "we expect our little flea to grow right along with it."

Other awards presented by SBA yesterday

went to John V. Shand, program director of WTVR–TV, for public service television programming; Callie R. Stanley, distributive education supervisor for Richmond public schools, for his work in business and management education; Tyler Whitley, business editor of The News Leader, for statewide business reporting; Berkeley G. Burrell, National Business League president, for public service work in Richmond and Norfolk; and to 24 SBA employes. Also two groups of employes were honored.

MEMORIAL DAY CEREMONIES AT ANTIETAM NATIONAL CEMETERY

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. MATHIAS of Maryland. Mr. Speaker, on Memorial Day it was my privilege to take part in the traditional commemorative ceremonies at the Antietam National Cemetery in Sharpsburg, Md. The main speaker at these services was LTC Boyd T. Bashore, from the U.S. Army War College at Carlisle Barracks, Pa. His address was a thoughtful and thought-provoking tribute to the men now fighting with such valor in Vietnam, and to the countless thousands of citizens who, without benefit of publicity, are doing all they can to support the efforts of our officers and men on the front lines.

I would like to place these remarks in the RECORD at this point and call them to the attention of my colleagues:

ADDRESS BY LTC BOYD BASHORE FOR THE MEMORIAL CEREMONY AT ANTIETAM NATIONAL CEMETERY, SHARPSBURG, MD., MAY 30, 1968

Some people say that in these troubled times America has no heroes. Some say that many of our citizens do not support the Free World's effort to stop the Communist's so-called "war of national liberation" in Vietnam. That Americans do not agree with the sacrifices that are being made there, not only by the Vietnamese people themselves, but by the people of the many other nations who fight and advise the Vietnamese along with your fellow Americans. A portion of what I read and some of what I see on television seems to confirm this.

On the other hand, here in Sharpsburg today I have seen thousands of Americans who are proud to retain our cherished American values, Americans who obviously still care and have not forgotten. Your actions tend to refute much of what I have read, seen, and heard elsewhere. But because what you have done today is traditional and patriotic, and is not controversial or sensational, it is not so newsworthy, certainly not on a national level. Yet the actions of a comparative handful of organized, militant, and vocal people—much smaller than the aggregate of those who participated in your ceremonies here today—oftentimes are given nationwide publicity that sways our nation and even the world.

Because of this, I thought a great deal about a subject appropriate for your historic Memorial Day occasion. And I finally decided to tell you about two people and one incident. These two men and the incident I will relate thrust hard against much of what I hear and read—although they were unconnected and on opposite ends of the spectrum of war in Vietnam. More positively and dramatically than polls or organized demonstrations, these few people and this event show the hearts of a cross section of Americans. The total number of people who participated in this event, a somewhat unique sampling of American public opinion, was at least competitive with, and in many cases greater than, those involved in the more publicized polls and demonstrations that receive nationwide recognition. (For example, the Gallup Poll is based on random samplings of 1,500 people—far less than were active here today in Sharpsburg.) Perhaps by my quickly relating these two different stories you can judge for yourself how Americans feel about their heroes of today—in fact, whether or not America has any heroes and heart left.

In 1966 I was assigned to the United States Army 25th Infantry Division in Hawaii. At that time the "Tropic Lightning" division had been alerted and was preparing to deploy to Vietnam.

During this same time Hawaii, our 50th and newest state, seemed to have its share of militant Vietniks, pacifists, and dissenters. They organized a movement to send material, money, blood, and literature to the Communist Viet Cong and Hanoi. On another occasion placard-bearing demonstrators greeted President Johnson during his visit, pictures of them were later used for international Communist propaganda. And at another time a political science club in the University of Hawaii published a distressing document, a "Primer for Treason," which, among other things, urged American soldiers in Vietnam to turn against their officers and shoot them in the back.

Quite predictably, these groups and their activities received considerable publicity. Articles and pictures were printed in newspapers. On television the dissenters appeared and were featured and interviewed at length.

However, when the people of Hawaii heard that the Tropic Lightning Division was preparing to go to Vietnam they asked Major General Fred Weyand, the division commander, "How can we help?" After some deliberation Hawaii decided to conduct a campaign throughout the islands to collect material for our soldiers to take with us and to use in our civic action campaign, in revolutionary development, to help the Vietnamese people. They called this their "Helping Hand" campaign.

The entire state mobilized. Governor John A. Burns lent his prestige with a formal proclamation and put the administrative machinery of the government behind the drive. The civic leader who sparked the campaign was Honolulu's financier, Mr. Chinn Ho. Every major civic organization participated in one way or another: the Boy Scouts, the various Chambers of Commerce; the Kiwanis, Lions, Rotary, American Legion, JayCees; ladies and children's organizations; and the business community.

General Weyand described the results as "an incredible outpouring of money and items." Governor Burns said that the people of Hawaii had shown "once again the heights we can reach when all segments of our community combine their resources toward a single objective."

The civic action "ammunition" which had been donated to the Tropic Lightning Divson weighed 350 tons and consisted of 57,000 cubic feet of commodities. A conservative estimate valued these supplies at $800,000, not including almost $6,000 in currency. Highly prized sanitation and health items made up 33 tons; there were 55 tons of children's items; 42 tons of basic work equipment; 200 tons of clothing; and finally 20 tons of miscellaneous material. Less than a year later it was estimated that this "Helping Hand" material had been issued to approximately 60,000 Vietnamese and that the continuing weekly average of persons being assisted was in excess of 3,000.

To me the impressive contrast comes when the Helping Hand figures are compared against the earlier campaign waged by the Vietnik dissenters to help the Viet Cong. Donations from Hawaiians to help the enemy were "less than $500." The anarchic political science club at the University of Hawaii which had received all the attention numbered less than 50 active members.

Thus, the quiet Americans of Hawaii—that patriotic, nonextremist majority of any citizenry—had outdone themselves. By their Helping Hand "vote" they had stolen the thunder from the Vietniks. Anything shouted by Hawaii fellow-travelers had been relegated to a whisper. The Tropic Lightning Division had ammunition that certainly was different from the basic loads carried by conventional combat divisions in wars past; in fact, the division had an internal civic action capability to fight the unconventional "other war" of a magnitude possessed in the beginning by no other comparable combat organization of the Army, Navy, Marine Corps, or Air Force in Vietnam.

But I am sure that prior to this none of you in the audience ever heard that story of Hawaii's "Helping Hand" campaign to assist the people of Vietnam and the American soldiers who are fighting with them. The story is not controversial enough for nationwide coverage. And yet less than six days ago I read a half-column article in the *New York Times*[*] describing in detail the student protests at the University of Hawaii over the failure to grant tenure to the professor who was the advisor to the student club that published the "Primer for Treason," which I mentioned earlier. At most, some 600 people were reported to have participated.

Next, I would like to shift the scene from Hawaii to Vietnam and change the topic from pacification to combat. Almost a year has gone by since that Helping Hand campaign. During much of this period I had the privilege to command the 2d Battalion of the 27th Infantry, "The Wolfhounds," and only a short time before had relinquished this command. One afternoon in the Spring of '67, northwest of the Michelin Rubber plantation in Tay Ninh Province in Vietnam, elements of the division came across a heavily fortified, expertly camouflaged Viet Cong base camp in the jungle. This enemy camp was a hornets nest, heavily mined and booby-trapped, with snipers tied and hanging from trees in jungle so dense our men could hardly see. The Viet Cong also were dug into camouflaged strong fighting bunkers, with invisible firing lanes cut a few inches high for their automatic weapons. In the initial fog and confusion of the heavy fighting the officer who took over command of the Wolfhound battalion from me was killed instantly, and elements were cut off from the main attacking force. There were many brave men in that action, many of whom perhaps went unrecognized in the heat of battle. Today I simply want to symbolically single out two of the soldiers who participated in this fight and tell you a little about them.

First, there was John Franklin Baker, Jr. (of Davenport, Iowa; his mother lives in Moline, Illinois). At the time Baker, a stocky five foot two inches tall, was a private first class. Although wounded he charged fearlessly into the withering enemy fire and dragged wounded comrades to safety.

In physical contrast to Baker was Robert F. Foley, an ex-champion basketball player at West Point, who towered six foot and seven inches in height. Bob Foley (who came from Newton, Massachusetts and whose parents now live in Kissimee, Florida) was the company commander of the attacking company.

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[*] "Professor Ousted as Hawaii Students Renew War Protest," *The New York Times*, 24 May 1968, p. 6.

A soft spoken, modest man, Bob Foley, although wounded in the back by a grenade, refused medical aid, picked up a jammed machine gun, cleared it, and personally silenced three enemy gun emplacements. Then, he continued to lead his soldiers in battle.

On the first day of this month President Johnson in a simple White House ceremony showed the gratitude of our nation to these two men. He hung around their necks stars of bronze on pale blue ribbons. It was a rare event—a double ceremony awarding the Medal of Honor, the highest award our nation gives for valor "above and beyond the call of duty," to two members not only from the same infantry company but for the same action.

I have a purpose in relating these two seemingly unrelated incidents to you, as I mentioned earlier. First, of course, the actions of John Baker and Bob Foley make it obvious that America still has her heroes, no matter what some people tell us. Second, that Americans from Hawaii to Sharpsburg, Maryland (as you have proven today) know and appreciate this, and that our traditional values remain.

Thank you.

THE GRAPE BOYCOTT

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. BURTON of California. Mr. Speaker, it has been my privilege over the past 7 years to observe at close range the formation and growth of the Farm Workers Union in the San Joaquin Valley of California. I have been greatly impressed with the efforts and accomplishments of this union and I have the greatest respect for the leader of this movement, Mr. Cesar Chavez, director of the United Farm Workers Organizing Committee, AFL–CIO.

Because of the deep interest I know some of my colleagues share in the activities of the United Farm Workers, I would like to put into the RECORD of this House a letter which I recently received from Mr. Chavez concerning the current boycott of California table grapes. The letter follows:

Hon. PHILLIP BURTON,
House of Representatives,
Washington, D.C.

DEAR PHILLIP: We are two nations; those isolated by poverty and those who are free. While there is still hope of healing this deep division we must talk.

Here in the San Joaquin Valley, farm workers are unprotected by economic power or by the local courts. Yet we have formed a union, the only effective union of farm workers now in existence, and that union has held out against the overwhelming political and economic power of the growers for more than three years.

With non-violent methods and through legal and moral means, we have raised this issue of human dignity to the power structure itself, and into the sight of all men of conscience.

Now we have reached a crucial stage when the strike alone is not enough. Our pickets are beaten and treated inhumanly, so that we have had to give up picketing in these last weeks. The boycott has therefore become more important.

The growers are hurting economically at last, and so are placing enormous political pressures on us and on the labor, civic, and religious groups who help us.

It is that period of dark before dawn, when we must redouble our strength or lose everything. So we are turning to the consumer and it is for this that we ask your help.

Our object is not to damage the grape industry with our boycott; we are aware of this danger and will do our best to minimize it. But we have exhausted all other nonviolent and legal resources on the path to this crucial time.

The love of justice in the hearts of other Americans is our last and best hope.

Please circulate this message, tell your constituents of the social injustice they feed each time they spend money for California grapes.

We are pledged to continue our struggle until farm workers are allowed the dignity of controlling their own lives.

Please help us to mend this country we all love.

Sincerely,

CESAR E. CHAVEZ,
Director, United Farm Workers, AFL–CIO.

THE 10TH CAPTIVE NATIONS WEEK AND A SPECIAL COMMITTEE ON CAPTIVE NATIONS

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FLOOD. Mr. Speaker, the 10th observance of Captive Nations Week has reemphasized the truly urgent need for a Special House Committee on the Captive Nations. Different and contradicting developments in the vast Red empire, ranging from genocide in the Soviet Union to the Czechoslovak crisis, require continuous congressional study if we are to be prepared to seize upon opportunities for expanded freedom. There is no congressional body undertaking this vital task nor for that matter, in terms of the captive nations as a whole, is any governmental body doing it. Our country can ill afford this grave error of omission.

The annual week has developed into a broad range of activity, embracing rallies of 15,000 people and humble prayers in a town church. The following exemplify in some degree what the week involves:

First. Proclamations by Govs. Harold LeVander, of Minnesota, and John J. McKeithen, of Louisiana, and Mayors Richard J. Daley, of Chicago, and Arthur Naftalin, of Minneapolis;

Second. A resolution by the board of commissioners of the county of Cook and a letter of gratitude by Mayor Daley to the National Captive Nations Committee for its national award;

Third. Items in the July 14 and 21 issues of the Chicago Tribune on the week;

Fourth. A column by Ted Lewis of the New York Daily News, dated July 16, concerning the event; and

Fifth. A National Captive Nations Committee release on the Vice President hailing the "10th."

The above-mentioned material follows:

PROCLAMATION—STATE OF MINNESOTA

Whereas, many nations throughout the world have been held captive by the imperialistic and aggressive policies of Soviet communism; and

Whereas, the peoples of the Soviet-dominated nations have been deprived of their national independence and their individual liberties; and

Whereas, the citizens of the United States are linked by bonds of family and principles to those who love freedom and justice on every continent; and

Whereas, it is appropriate and proper to manifest to the peoples of the captive nations the support of the Government and the people of the United States of America for their just aspirations for freedom and national independence; and

Whereas, by joint resolution approved July 17, 1959, the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July, 1959, as "Captive Nations Week," and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world; and

Whereas, the United Nations has further dedicated this tenth anniversary year observance of Captive Nations Week to the cause of Human Rights, for individuals and groups as well as nations;

Now, therefore, I, Harold LeVander, Governor of the State of Minnesota, do hereby designate the week beginning July 14, 1968, as "Captive Nations and Human Rights Week," and urge the citizens of Minnesota to observe such week with appropriate ceremonies and activities, to study the plight of oppressed nations and oppressed peoples, and to recommit themselves to the support of the just aspirations of all of these captive fellow humans.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed at the State Capitol this twenty-eighth day of June in the year of our Lord one thousand nine hundred and sixty-eight, and of the State, the one hundred eleventh.

HAROLD LEVANDER,
Governor.
JOSEPH L. DONOVAN,
Secretary of State.

PROCLAMATION—STATE OF LOUISIANA

Whereas, the republican form of government—based upon "the consent of the governed"—which has existed in the United States of America for 192 years, has resulted in the development of a warm understanding and sympathy for the aspirations for freedom of peoples everywhere and in the recognition of the natural interdependency of the peoples and nations of the world, and

Whereas, the enslavement of a substantial part of the world's population by Communist imperialism makes a mockery of the idea of peaceful coexistence between nations and constitutes an impediment to the natural bonds of understanding between the people of the United States and other peoples, and

Whereas, since 1918 the imperialistic and aggressive policies of the vast military despotisms of International Communism have resulted in the creation of a constant threat to the security of the United States and of all the free peoples of the world, and

Whereas, the imperialistic policies of the Communist regimes have led, through direct and indirect aggression, to the subjugation of the national independence of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Ide-Ural, Tibet, Cossackia, Turkestan, North Vietnam, Serbia, Croatia, Slovenia, Cuba and others, and

Whereas, it is vital to the national security of the United States and the other free nations of the world that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive:

Now, therefore, I, John J. McKeithen, Governor of the State of Louisiana do hereby proclaim the week of July 14 through July 20, 1968, as "Captive Nations Week" and urge that all citizens support this annual recognition of the intent and purpose of the Communist dominated and oppressed peoples of the world to regain their freedom.

In witness whereof, I have hereunto set my hand and caused to have the Great Seal of the State of Louisiana affixed. Done and signed at the Capitol in the City of Baton Rouge on this the 13th day of July, A.D., 1968.

JOHN J. MCKEITHEN,
Governor of Louisiana.

Attest:

WADE O. MARTIN, Jr.,
Secretary of State.

PROCLAMATION—CITY OF CHICAGO

Whereas, the imperialistic policies of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czecho-Slovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet Cossackia, Turkestan, Slovakia, North Vietnam, Cuba, and others; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 36–90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayers, ceremonies and activities expressing their sympathy with and support for the just aspirations of captive peoples for freedom and independence; and

Whereas, the City of Chicago is linked to these captive nations through the bonds of family, since numbered among the people of Chicago are hundreds of thousands of our citizens who through nativity or ancestry treasure the heritage which endowed them with the culture and industry which are theirs; and

Whereas, these nations have been made captive by the imperialistic, aggressive and heartless policies of communism; and

Whereas, the peoples of these communist-dominated nations have been deprived of their national independence and their individual liberties; and

Whereas, it is appropriate and proper to demonstrate to the peoples of the captive nations the support of the people of the City of Chicago for their just aspirations for freedom and national independence; and

Whereas, the people of Chicago, as do all the people of the United States, want for the peoples of the world the same freedom and justice which is theirs:

Now, therefore, I, Richard J. Daley, Mayor of the City of Chicago, do hereby designate the week beginning July 15, 1968 as Captive Nations Week.

I urge the people of Chicago to join in the programs arranged for observance of the occasion, and I urge all of our churches, our educational institutions and all media of communication to observe the plight of the communist-dominated nations and to join in support of the just aspirations of the people of the captive nations.

I especially encourage everyone to concretely demonstrate his or her interest in the people imprisoned in the captive nations by their attendance at or participation in the parade to be held on State Street on Saturday afternoon, July 20th at 12:00 P.M.

Dated this 18th day of July, A.D., 1968.

——— ———, *Mayor.*

PROCLAMATION

Whereas, the subjugated nations of the world look to the United States, as the citadel of human freedom, for leadership in bringing about their liberation and independence in restoring to them the enjoyment of their Christian, Jewish, Moslem, Buddhist, or other religious freedoms and of their individual liberties; and

Whereas, it is vital to the national security of the United States that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive; and

Whereas, it is fitting that we clearly manifest to such peoples through an appropriate and official means the historic fact that the people of the United States share with them their aspirations for the recovery of their freedom and independence; and

Whereas, although this year also marks the twentieth anniversary of the Universal Declaration of Human Rights, one hundred million people of East-Central Europe are still denied the fundamental rights so lucidly spelled out in this great moral document; and

Whereas, the President of the United States has proclaimed the third week of July as Captive Nations' Week as a tangible demonstration of the free world's support of the aspirations of all people for freedom and independence;

Now, therefore, I, Arthur Naftalin, Mayor of the City of Minneapolis, do hereby proclaim that the week of July 14 through 20, 1968, be observed as "Captive Nations Week" in the City of Minneapolis, and call upon all citizens to join others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

ARTHUR NAFTALIN,
Mayor.

RESOLUTION—BOARD OF COMMISSIONERS, COUNTY OF COOK

Whereas, the people of certain nations have been forcibly deprived of their independence by the Government of the Soviet Union; and

Whereas, Americans of ethnic extraction from these "captive nations" have constantly labored to keep the attention of the free world focused on the plight of these people who still suffer enslavement by the Soviet Union and its agents; and

Whereas, all Americans should be made aware of the plight of the aforesaid ethnic groups; and

Whereas, Captive Nations Week will be observed from July 14th to July 20th, with a parade to take place on July 20th;

Therefore, be it resolved that the Cook County Board of Commissioners take every possible action to help the aforesaid ethnic groups publicize Captive Nations Week so that all Americans within the County of Cook are made aware of their enslavement by the Soviet Union.

Dated: June 14, 1968.

CHICAGO, *July 24, 1968.*

DEAR MR. DOBRIANSKY: Thank you very much for the magnificent plaque you presented to me through my representative, Commissioner Leonard Miska.

This award is deeply appreciated for its significance in our contemporary civilization. For this same reason, I appreciate having the book you have written, The Vulnerable Russians, and autographed for me.

The Captive Nations' Independence Parade and your observances during the week were very impressive to many Chicagoans.

With kindest regards,

Sincerely,

RICHARD J. DALEY,
Mayor.

[From the Chicago (Ill.) Tribune, July 14, 1968]

PLAN PARADE FOR CAPTIVE NATIONS WEEK—20 COUNTRIES WILL BE REPRESENTED

National Captive Nations week begins today, and Chicago will culminate its observance Saturday with an hour and a half State street parade. The city has been cited for its outstanding observances of the week for the last two years.

Viktor Viksnins, 4902 Melrose st., general chairman of the Chicago Captive Nations program, said the parade would begin at noon Saturday from State street and Wacker drive and proceed south to Van Buren street. This year's parade will combine two themes, "150 Years of the Good Life in Illinois," and "Freedom and Independence for all Nations."

Viksnins said persons representing 20 nations now ruled by communist governments would take part in the observances.

EMPHASIS ON FREEDOM

"We want to emphasize the freedom we appreciate, the freedom that the United States has provided to displaced persons," he said.

Each of the 20 nationality groups in the parade will march in their native costumes. Gov. Shapiro and Mayor Daley have been invited to ride in the parade.

In addition there will be floats, marching units from the American Legion and Veterans of Foreign Wars, the United States Navy band, the fire department band, and the police department drum and bugle corps.

Hand-sewn flags from each of the captive nations will fly from lamp posts along the parade route.

MAYOR TO RECEIVE PLAQUE

After the parade, a luncheon for 500 will be held at the Sherman House. A special plaque, honoring the city for the best Captive Nations week observances in the country for the last two years, will be presented to Mayor Daley at the luncheon. Philip Guarino, national executive director of the Captive Nations committee, will present the plaque.

[From the Chicago (Ill.) Tribune, July 21, 1968]

PARADE OF CAPTIVE NATIONS

State street was alive yesterday to the sound of bands and cheering spectators as 8,000 persons marched in a parade marking the end of Captive Nations week in Chicago.

The march began at Wacker drive and included 15 national groups from Communized Central Eastern European nations and China, the Navy band, a horse troop, and floats. Reviewing the parade were Mayor Daley and Gov. Shapiro.

Captive Nations week was set aside by Congress to call attention to the plight of people in lands taken over by the Communists since World War II.

[From the New York Daily News, July 16, 1968]

CAPITO STUFF: WHY KHRUSHY STEAMED AT NIXON IN 1959

(By Ted Lewis)

WASHINGTON, July 15.—When Richard M. Nixon was in Moscow in July 1959 (a visit highlighted by his unscheduled debate with Nikita Khrushchev) he found out that the Kremlin boss of that time was in a most foul and angry mood because the United States

Congress had just passed overwhelmingly the captive nations resolution.

This was the resolution which said flatly that peaceful coexistence with the Communists was a mockery until 21 captive nations were liberated from the Red yoke.

In this third week of July 1968, in accordance with that congressional resolution, Captive Nations Week is being observed in the U.S.A., the official proclamation having been issued as required by President Johnson.

It is being observed with more of a flourish than usual this year because politicians of both parties find it a handy vehicle in a national election year for trying to corner certain nationality blocs, such as the Polish and Ukrainian.

So there is a lot of lip service in behalf of the captive nations such as a Senate speech by Sen. Thomas Dodd (D-Conn.) today. And even the sponsors of the national observance concede that after nine years not much has been gained except this annual reiteration of support of "the just aspirations of all people for national independence in freedom."

But there are certain aspects of the observance this year that both intrigue and annoy. Foremost is that by coincidence or otherwise, direct air travel between New York and Moscow is being inaugurated this week—the one week in the year when national attention is supposed to focus on the plight of people in the submerged nations, rather than on improved relations with the Kremlin first in the vague hope that liberation will come later.

The other aspect that has much more hypocrisy about it concerns the present talks with Hanoi in Paris, where the Harriman-Vance team is trying its patient best to negotiate an end to the Viet war.

A lot of administration people would like to overlook the fact that the captive nations resolution of 1959 named North Vietnam as one of the 21 satellites that should be liberated.

They have been reminded of this by only one influential leader in the free-the-captive-nations cause to our knowledge. He is Prof. Lev E. Dobrainsky of Georgetown University, who is chairman of the National Captive Nations Committee. He has pointed out many times "the plight of the 17 million captive North Vietnamese" and found it very strange "that few of our leaders even discuss this troublesome subject" of the enslaved people in Ho Chi Minh's country.

WHY KHRUSH GOT INTO SUCH A FLUTTER

He might have driven the nail further in, for the Paris negotiations are aimed at getting the North Vietnamese to leave the South Vietnamese alone and to hell with the enslaved peoples of the North that Congress was vitally sympathetic with nine years ago.

But to get back to why Khrushchev was in such a flurry about the captive nations resolution when he saw Nixon in Moscow in July 1959. It was evident from Nixon's own references to his confrontation with Nikita that the Kremlin leader considered the resolution meant what it said.

Its meaning did seem crystal clear at the time. Congress had voted a mandate—standing firmly against any peaceful coexistence until the peoples of the Red satellites recovered "their freedom and independence."

The intent was as positive along that line as the Viet war commitment made by Congress in 1964 in the Gulf of Tonkin resolution.

NIKITA SAID THE RESOLUTION'S A STINKER

In the new paperback book "Nixon" (Popular Library) authors Earl Mazo and Stephen Hess supply direct quotes of the Nixon-Khrushchev exchanges on this captive nations issue.

Nikita referred to the resolution as "this stupid decision—a frightening thing," for liberation of the submerged nations could only be brought about by war.

Nixon commented that Khrushchev appeared to attach too much importance to the resolution. Nikita was not appeased. He used barnyard language to the effect that the resolution "stinks."

Ike's vice president tried his best to make Khrushchev understand that Congress did not respond like the Politburo to its master's orders.

"Neither the President nor I," said Nixon "would have chosen deliberately to have a resolution of this type passed just before we were to visit the USSR. Nevertheless, the resolution expressed the substantial views of the people of our country."

PRESIDENTS TREAT IT GINGERLY

That there is equally substantial popular support today is probably unquestionable. But through the years there has been an erosion of the once firm congressional commitment. No President, including Eisenhower, Kennedy and Johnson, has given it his unqualified support.

Each President, under terms of the resolution itself has been required to issue the annual proclamation on Captive Nations Week. But in every instance the proclamation has been couched in delicate language as if not to affront the Kremlin bosses.

Johnson's this year, for example, made no specific reference to the Communist world as such, only expressing hope that the time would come when "freedom and independence shall have been achieved for all the captive nations of the world."

H. H. H. HAILS 10TH CAPTIVE NATIONS WEEK—GOVERNOR ROCKEFELLER ALSO PARTICIPATES

In a special statement to the National Captive Nations Committee, Vice President Hubert H. Humphrey stated today that "We celebrate Captive Nations Week this year at a time when freedom is no longer under siege, but on the offensive around the world." The tenth observance of the now traditional Week is being celebrated in this period of July 14–20 throughout the United States and in twenty other countries of the Free World. President Johnson issued a proclamation of the Week on July 10.

The Vice President also stated, "The battle is not yet won. But it is clear, particularly in Eastern Europe, that the undying spirit of liberty, which you have done so much to foster, is shaking loose its shackles." The National Captive Nations Committee, of which Mr. George Meany, AFL–CIO president is honorary chairman, has been in the forefront of advancing the spirit of patriotic nationalism in Eastern Europe and throughout the Red Empire, designating Soviet Russian imperio-colonialism as the chief enemy of the United States.

"I believe," declared the Democratic presidential aspirant, "we can now foresee the time when nations and peoples will no longer be captive—captive of foreign domination—captives of stale ideology—captive of nuclear fear." The chairman of NCNC, Dr. Lev E. Dobriansky of Georgetown University, who is also the president of the Ukrainian Congress Committee of America, expressed agreement with this, "provided we go beyond the confetti diplomacy of the Johnson Administration, involving really meaningless paper treaties with Moscow, and address ourselves to the real oppressions of the nations in the Red Empire, particularly those in the Soviet Union itself."

Governor Nelson A. Rockefeller of New York, who is striving to capture the GOP nomination, said in his statement to NCNC that "In the last analysis, our power in the world criticaly depends on our commitment to the progress and freedom of all peoples." This would include the captive non-Russian nations in the USSR, such as Ukraine, Armenia, Georgia, Turkestan and others. He stated further "Peoples everywhere look to us for leadership in bringing about their liberation and independence and in restoring the enjoyment of their religious freedoms." The New York Governor stressed, "In a divided world, the future of their fellow men in the Captive Nations must be the concern of free peoples everywhere." Declarations along these lines have been reecived by NCNC from Korea, Free China, South Vietnam and other countries.

DR. MARTIN LUTHER KING

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. McDADE. Mr. Speaker, Mr. Henry H. Null IV of Clark Summit, Pa., the editor of a weekly newspaper, the Abington Journal, has received the Golden Quill Award of the International Conference of Weekly Newspaper Editors for his editorial entitled "Dr. Martin Luther King."

The editorial, which was published April 11, 1968, was selected as the winner from among 200,000 competing articles. I believe Mr. Null deserves our warmest congratulations, and his editorial. which follows, merits the attention of all of my colleagues:

DR. MARTIN LUTHER KING

(NOTE.—This is the Golden Quill editorial for 1968, selected from nearly two hundred thousand editorials published in newspapers received in the office of the International Conference of Weekly Newspaper Editors and from entries nominated from the field. The author is Henry H. Null IV, of The Abington Journal, Clarks Summit, Pa., a Fellow of the International Conference of Weekly Editors. His editorial appeared in the issue of April 11, 1968.)

Dr. Martin Luther King was murdered by a rifle sniper shooting from ambush, an act that surely tells something about the huge and tragic sickness of this country.

The mind behind the trigger is not an isolated personality, or simply a deranged man who didn't know what he was doing.

The killer's decision was shaped by influences such as the minds that went about killing Medgar Evers, the three civil rights workers in 1963, and the scores of blacks who have been strung up over the years for looking at someone the wrong way.

Perhaps more shocking, but as much to the point, the killer is the extension of minds that sympathized with the people who carried out the killings.

He is the extension of minds, everywhere that permit an atmosphere of callous disregard and disrespect of human values, minds that say simply "nigger" and pay no attention to the effect it has on a human being.

It is not an isolated situation that produces a hate atmosphere to the point where every time Dr. King got into an airplane, the plane had to be gone over with a fine tooth comb for bombs.

It is not an isolated situation that saw him killed trying to help poor garbagemen be recognized as a union as well as human beings.

It is not an isolated situation wherein ridicule (Dr. Martin Luther Coon, he was referred to by many people who thought this very funny) has helped accommodate an atmosphere of hate and class resentment.

It is not an isolated situation that violence (our national policy in Vietnam) would be held up as justification for domestic violence.

It is not an isolated situation which demonstrates to Negroes that the U.S. Congress was ready and willing to treat Negro Adam Clayton Powell far more harshly than it was Thomas Dodd, a white man.

It is not an isolated situation that makes America increasingly intolerant to unpopular ideas (especially such subversive ones as helping the poor and organizing garbagemen).

It is not an isolated situation that created a country where freedom to help the downtrodden and the black isn't freedom at all, but a cause for ridicule to many and a cause for murder to a few.

It is not an isolated situation that the president disregards a commission's extensive studies that show the importance of attempts to fight the causes contributing to racial slights, injustices, discrimination and poverty.

These components spell out a national sickness which encourage with varying influences a deranged mind to finally and irrevocably pull a trigger.

This is the real national tragedy, the real shame of the cowardly and brutal mentality that exists to an extreme in the killer but to lesser degrees in too many Americans.

The violence in American cities, brought on after the murder of Dr. Martin Luther King, has Europeans and many Americans too wondering about the stability of U.S. society.

It is not the most reassuring picture in the world to see a soldier and machine gun standing on the steps of the U.S. capitol in Washington.

Or to have Pennsylvania liquor stores closed and the state's national guard units on standby alert.

Or to call out the riot squad in Chicago and Detroit.

Part of the need for these unpleasant remedies is caused by rabble rousers taking advantage of the broad elements of racial discontent surfacing at a time convenient to the troublemakers.

Like an iceberg, the looting and stealing is but a surface reaction to much more profound and widespread dissatisfaction.

It is the underside of the ghetto iceberg that should be worked on.

We've said it before and we'll say it again: One approach is to change national priorities by gradually getting out of the Vietnam war and begin undertaking constructive programs in the urban slums.

PROGRESS WITHIN THE LAW

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. ASHBROOK. Mr. Speaker, 56 citizens of Wooster, Ohio, have issued a statement entitled "A Call for Return to Law and Order," and it indicates in the first sentences that these men and women have left the ranks of "those who flail at the branches" and have joined those few who "get at the roots."

The views and purposes of these citizens appeared as a full-page statement in the July 25 edition of the Daily Record.

These citizens ask the residents of Wooster to join them in a pledge to support those who are charged with the thankless task of enforcing the law and to join in a pledge to do all that is necessary to "restore and preserve" peace in our Nation.

Following the statement and a listing of the sponsors, there is a small box inviting others to join. In simple terms it states:

> I believe in the statement concerning "progress within a system of law and order" as published in The Daily Record.

To become associated with the group one need only clip the statement and send it in with name and address included.

The citizens of Wooster and Wayne County should be encouraged that outstanding citizens from diverse backgrounds—educators, public officials, businessmen, clergymen, physicians, and others—have united and are confronting a major problem. Too often, and in too many communities, the people are satisfied to gripe and complain to others about their problems. It is even more encouraging that those who are leading the way should begin with such a superb statement. It is straight to the point. It asks for support, and action based on these premises deserves it.

I include the statement and the names of the sponsors in the CONGRESSIONAL RECORD at this point:

A CALL FOR RETURN TO LAW AND ORDER

A democratic society can exist only where law and order prevail. No man has the right to take the law into his own hands, to ignore it, violate it, or give it private interpretation. To do so is to court anarchy. There is a thin line between jungle and civilization. That line is the law. Those who insist that they have the right to disobey the law must also accept society's penalty for disobedience. No man can set himself above the law if civilization is to survive.

Where injustice and inequality exist in the principle or application of the law, citizens have the constitutional and moral right to protest through lawful "Petition for Redress" and peaceful assembly. The fact that such injustice and inequality do exist makes the conscience of fair-minded Americans sensitive to the need for righting such wrong.

But two wrongs do not make one right, and the use of violence under the pretext of calling attention to inequality must not be tolerated. Looting, arson, rioting, and inciting to riot have nothing to do with justice. There is no legitimate connection between the widespread lawlessness now prevalent in American cities and the cause of civil rights and equal opportunity.

Therefore, we the citizens of this land rally to the cause of law and order. We call upon the elected officials of the Nation to fulfill their constitutional responsibility to uphold law and order that all citizens may have their rights of personal safety and personal property made secure again. We deplore the apathy that has taken violence for granted and looked the other way while cities burned. We call upon all elected officials to support law enforcement agencies in their difficult and dangerous task of preventing lawlessness and restoring order where lawlessness occurs.

We as American citizens demand a return to law and order. We pledge our full support to those who will insist that government can exist only by due process of law and while we join hand and heart to remedy the wrongs that still plague our American democracy, we will not tolerate its destruction. Further, we pledge ourselves to do whatever necessary to restore and preserve a peaceful society under constitutional government.

SPONSORED BY WOOSTER RESIDENTS REPRESENTING MANY WALKS OF LIFE

Harold Arnold, Roy Bates, James M. Beattie, Dr. Everett Burgess, Walter J. Buss, Ellis Camp, Mrs. Wilson Compton, Yvonne Cook, R. E. Cuthbertson, Ray Dilyard, Ray Dix, Wm. J. Drumm, J. Garber Drushal, Aileen Dunham.

Roland B. Lehman, Emily D. Lewis, Rabbi Paul Mandel, Honorable John McSweeney, Richard Morrison, R. B. Neiswander, Donald E. Noble, Lewis Nolletti, Donald Parfitt, Huntley Pierce, Grant Rose, David A. Rowekamp, Ken Rufner, Clifford Schrott.

Walter Elling, Rep. Ralph E. Fisher, John Fleming, Harold Freedlander, Walter C. Grosjean, Henry Heyl, Dr. A. Burney Huff, John C. Johnston, Jr., Ralph Jones, Richard Jones, Rev. John Kindsvatter, Paul Ladd, C. E. Laird, John Lea.

Dr. William R. Schultz, Joe Seringer, Sam Shapiro, Gene Sklorman, Ivan Steiner, Rev. Thomas F. Sullivan, Mayor Paul Tilford, Ralph Treat, Rev. Robert Tuck, Thomas L. Uhl, Dr. Richard Watkins, Mrs. Stanley Welty, Richard Wepler, Ralph Kane.

THOSE BEAR STORIES

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. QUILLEN. Mr. Speaker, there is no question about it—the Postmaster General is using a form of blackmail by threatening a reduction in Post Office services and personnel.

This is one way the President has of circumventing the mandatory cuts demanded by the Congress.

Of course, the Congress should have designated where the cuts were going to be, rather than leaving it up to the discretion of the White House. Such action by the Post Office Department would not have been taken had this been done.

I am not going to sit idly by—and I am sure the American people will not either—and see Post Office services reduced, especially since the Congress just recently authorized an increase in postal rates.

It would seem to me that it is high time that the Post Office Department received a general overhauling.

I read an interesting editorial in the Johnson City Press-Chronicle on Thursday, July 25, 1968, entitled "Those Bear Stories," and I am passing it along to the readers of the RECORD, as follows:

THOSE BEAR STORIES

Those bear stories coming out of the Post Office Department—four-day-a-week service, the country about to be buried under an avalanche of unsorted mail—have had the intended effects on the Senate and House Post Office Committees. Both have rushed in with votes to exempt the Post Office Department from certain aspects of congressionally-ordered personnel cutbacks.

Mr. Marvin Watson, the postmaster general, apparently reasoned, accurately, that the way to blunt the economy urge was to hit the public where it would hurt most and thus generate a crescendo of protest. But the clamor would be directed not at the Post Office Department but at the "economizers," and there would be an irresistible demand that there be no reductions in service. Few would stop to consider whether the department might not, if it really tried, effect the economies and also maintain services.

From all we can discern, that was the strategy—and it seems to be working.

We fail to find any indication that the general made an effort to inject some efficiency that might have permitted his department to absorb the reductions. Did he propose a reorganization? Did he announce that he would act to eliminate the double motion, the lost motion, and the no motion within the department? Not on your life! All he did was take a roundhouse swing at poor, old longsuffering John Public!

That the Post Office Department is a mess has long been recognized. We know this. You know this. And General Watson knows it.

The Presidential Commission on Postal Reorganization knows it, too. Recently the commission recommended that the department be turned over to an independent governmental agency or even a private corporation—that is, be taken out of politics and operated on a businesslike basis. This would take a bit of doing, and a lot of congressmen would have to swallow hard, for postmasterships have long been their patronage bread and butter. But it should be done—and without delay.

It is ridiculous that, in the space age, operations of the postal department should sometimes resemble the Pony Express. More and more money is poured in, the public pays higher and higher rates, yet the deficits continue to pile up and service gets progressively worse. There is only one reason for all this: inefficiency.

General Watson is, in part, a prisoner of the system. Like many postmasters general before him, he inherited an almost impossible situation and it could be that he feels helpless to do anything about it. Hence his adoption of the course of least resistance and political expediency—soak the public.

If Mr. Watson's current strategy to defeat the economies succeeds, he will issue a reassuring statement that it will not be necessary to cut deliveries to four days a week, after all, and many will say "thank goodness." But the Post Office Department will continue to operate inefficiently, deficits will continue to pile up, and service will continue to deteriorate.

It's the people who bear the burden of all this, because it is the people who pay. The sooner we get the Post Office Department out of politics, the sooner we will get better mail service and the sooner our pocketbooks will be relieved at least a little bit.

NIXON IS CLOSE TO WINNING

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. FULTON of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the Record, I include the following article from the Washington Daily News, July 29, 1968:

Nixon Is Close to Winning

(By Bruce Biossat)

Richard M. Nixon is close to winning the 1968 Republican Presidential nomination despite some late inroads on his strength by Gov. Ronald Reagan of California, according to NEA's fourth and final nation-wide survey of GOP delegates to the Miami Beach national convention.

The final count shows Mr. Nixon with 718 delegates, down 35 from a previous high of 753 but still holding 51 more than the 667 needed for nomination.

Second-running Gov. Nelson Rockefeller has 353, off 17 from his earlier total of 370. Coming on top of a decline of 44 votes shown in the last previous count, this slippage for Gov. Rockefeller is serious. It appears mostly in areas of expected strength, in New Jersey and Pennsylvania.

REAGAN GAIN

Gov. Reagan records a net gain of 32, lifting his total from an earlier 149 to 181. Most of this advance comes out of Mr. Nixon's delegate hide, two-thirds of it in the South and nearly all the rest in the Mountain West.

None of the changes indicated in this fourth NEA count is of tidal proportions. They do not demonstrate that Mr. Nixon is fading or that Gov. Reagan has yet broken the former Vice President's tremendous hold on the South.

But the Reagan gains are causing worry in the Nixon camp as the Convention opening on Aug. 5 comes nearer. Any campaign managers worth their salt are troubled when any slippage occurs, for they can never be sure whether a modest drop—like the present 35—can be "contained" and prevented from becoming a disastrous outward flow.

At least one Nixon agent sees the danger of a second breakout for Gov. Reagan which could bring him another 60 votes in such Southern states as Texas, Mississippi, North and South Carolina, and perhaps an extra 20 in the West.

COULD BE FATAL

If that were to happen, the psychological damage to Mr. Nixon's cause probably would be fatal. All counts up to now, from many courses, have placed him near or well above the nomination mark, and no loss on the indicated scale could be portrayed as anything but a reversal of his fortunes.

Despite some reports, however, the prospect of that secondstage breakout does not appear to be too great. Most of Mr. Nixon's presently indicated 239 delegates in the 11 Old South states are being held in line by such Nixon-committed leaders as Sen. Strom Thurmond of South Carolina, Howard (Bo) Callaway of Georgia, State GOP Chairman William Murfin of Florida, Sen. Howard Baker and Rep. William Brock of Tennessee, Sen. John Tower and State Chairman Peter O'Donnell of Texas, Rep. James Gardner of North Carolina (running for governor), Charlton Lyons and National Committeeman Thomas Stagg of Louisiana.

CONTROL UNBROKEN

This reporter's checks with some of these men suggest they are standing firm with Mr. Nixon and that their control over large blocks of Southern delegates is unbroken. And there is no other region of the country where Gov. Reagan could hope to make delegate raids of the size needed to start a serious break from Mr. Nixon.

Nor are Mr. Nixon's high prospects sustained only by his Southern line-holders. NEA's count gives him 20 of Maryland's 26 votes, and when that delegation caucuses Aug. 5, Maryland Gov. Spiro Agnew may himself throw in with Mr. Nixon.

On that same opening Convention day, the 58-member Ohio delegation led by Gov. James Rhodes is set to caucus and all signs point to his taking the overwhelming proportion of those delegates to Mr. Nixon. If he does, it will be widely accepted as the final signal.

GREAT RUSH

A great rush to Mr. Nixon would then ensue, and most delegate counts recorded up to now would take on the character of mere historic benchmarks.

Were Mr. Nixon's hold on the South to become shaky in the last days, Govs. Rhodes and Agnew might be prevailed upon to act before they reach Miami Beach—either to offset a further Southern breakout or to forestall it by impairing crucial new momentum to Mr. Nixon's candidacy at the right moment.

The very active Reagan forces have gained a modest 32 votes. In the South where rank and file sentiment for Gov. Reagan is heavy, he would be a huge gainer if Mr. Nixon crumbled.

The Rockefeller campaign simply has not made headway. NEA's first count after he got into the race April 30 gave him a pickup of 37 votes. Since then, despite tireless travel and large outlays for television and newspaper advertising, he has slipped substantially.

This reporter found occasional optimism for Gov. Rockefeller. But it was limited to Eastern places, and seemed to fly in the face of the evidence of his decline which the last two delegates counts have shown. A resurgence for Rocky would have to be put down as the final surprise of an unpredictable Republican (and Democratic) year.

THE "PUEBLO"

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1968

Mr. DICKINSON. Mr. Speaker, on February 1, I made a speech here at this microphone urging the President to act decisively in the matter of the *Pueblo*. I spoke again on this on February 21, and reported that I had wired the President asking for affirmative action. I stated in part:

> A failure to take such actions as are appropriate and necessary to show the world that we are capable of defending our citizens and stand ready to do so will inevitably lead to further acts of aggression against the U.S.

Now it seems that my predictions have come true. According to the press, Cambodia has seized a U.S. patrol boat with 11 soldiers and is holding the craft and American soldiers for ransom, and wants either a tractor or bulldozer for each American released.

Mr. Speaker, it is quite obvious that something is wrong with our whole policy and posture relating to the *Pueblo* and any subsequent seizures.

Accordingly, I have today written the chairman of the House Committee on Armed Services and the chairman of the Special Subcommittee on Defense Posture, of which I am a member, asking that a thorough hearing and examination into the *Pueblo* affair be instituted and a comprehensive look at our overall policy—or lack thereof—in the premises. The following is a copy of my letter:

July 29, 1968.

Hon. Mendel Rivers,
Chairman, House Armed Services Committee, Rayburn House Office Building, Washington, D.C.
Hon. Porter Hardy, Jr.,
Chairman, Special Subcommittee on Defense Posture, Rayburn House Office Building, Washington, D.C.

Gentlemen: I would like to request that a thorough investigation of the seizure of the *Pueblo* and surrounding circumstances be made.

For over six months the American people have been hoping and praying that the 82 American sailors and the U.S. ship *Pueblo* will be released by the Government of North Korea. We have all followed the talks at Panmunjon with keen interest although most of us feel that such talks will be futile—as subsequent events have proven.

I feel very strongly that a policy question is involved here which directly touches on our defense posture.

In looking at the events prior and subsequent to the seizure it is quite apparent that the *Pueblo* was intentionally ordered to an area which was quite sensitive—even dangerous—and deteriorating. It appears that there were no orders or contingency plans for the *Pueblo* in event of trouble. Obviously, the Department of Defense should have decided in advance what action would be taken if the *Pueblo* was attacked—either to abandon her or to defend her. Yet it is obvious that no decision was made and no contingency plan existed. It took an hour after the *Pueblo* was intercepted to determine that there were no American planes available to go to her defense. Where does the responsibility lie? Who ordered her there? Who, if anyone, had the responsibility to defend her? Was such Commander aware of this responsibility?

The facts which are known strongly suggest, to the writer at least, that there is too much centralization of authority in Washington, and the *Pueblo* incident, coupled with the *Liberty* incident and others, makes it obvious that there is something wrong with our present communications setup. It would seem that the more communications we have, the more Field Commanders are dependent on Washington, and when there is a breakdown in communications, no one is willing to act.

There are many questions in the minds of the American public which should be answered, and there are many questions touching on policy and our defense posture in relation to the seizure of the *Pueblo* which should be thoroughly examined.

Since it is within the jurisdiction and responsibility of the Special Subcommittee on Defense Posture, I respectfully request that the Subcommittee make an in-depth study of all aspects of this matter.

Sincerely yours,

WM. L. DICKINSON.